RANGITĪKEI DISTRICT

Environmental Scan

Prepared for the 2024-34 Long Term Plan

2023

make this place home

RANGITĪKEI
DISTRICT COUNCIL

Introduction

Looking at the environment within which the Council operates is key to ensuring a robust base for decision making.

This Environmental Scan (the Scan) provides a shared understanding of the current issues and opportunities facing the Rangitīkei District. It assists in the early identification of key drivers to help set the Council's strategic and operational directions.

The Scan considers the national and regional scale, along with setting out key issues for the Rangitīkei. It has been designed to a common base of information to support the development of all documents developed as part of Council's Long Term Plan.

District Summary

The Rangitīkei District comprises 4500 square kilometres of mainly rural land.

It is a diverse District, ranging from the sand plains on the south coast to the magnificent hill country of the upper Rangitīkei. The sand plains extend inland from the coast to Bulls, where the Santoft Forest is a key feature. The area has a range of soil types and has been developed for a wide range of agricultural activities including pastoral farming, cropping, horticulture, forestry and dairying. For the steeper hill country, further north, soils are often prone to slipping and erosion and are largely grazed by drystock.

The most northern reaches of the District include approximately half of the windswept and remote Kaimanawa Ranges. These mountain land areas are largely undeveloped for primary production activities, although the mānuka honey industry is growing, and they support important indigenous forests, tussock land and wetlands.

There are several significant rivers within the District, particularly the Rangitīkei, Whangaehu, Turakina, Hautapu and Kawhatau. These rivers have helped to shape the topography of the District, with valleys, gorges, terraces and flood plains. The most iconic river in the District is the Rangitīkei River, which is one of New Zealand's longest rivers – originating in the Kaimanawa Ranges and flowing out to the Tasman Sea. The river is a gravel bed river, which is surrounded by papa cliffs through the middle reaches. Water quality for the Rangitīkei River is good, especially in the northern areas, where it supports a world-class trout fishery.

Location

Situated central to the lower North Island, Rangitīkei is just a 35 minute drive from Palmerston North and two hours from Wellington.

Logistics

With State Highway 1 and 3 operating as main arterial routes through the district, Rangitīkei provides easy road and rail access to nearby air and sea.

Top Industries

Forestry, Sheep and Beef, Meat Processing and Dairy.

Housing

From executive lifestyle and rural to starter homes - Rangitīkei offers an affordable lifestyle.

Population

Rangitīkei has an estimated population of 16,100 (2022), which is growth of an additional 1,400 people since 2014.

Land Area

4,484km^2

Population

National

Shifts in international net migration have been the most significant driver of population growth nationally in the past decade.

There is long term ageing of New Zealand's population, closing the gap between births and deaths (natural increase).

With deaths growing faster than births, population growth from natural increase will slow and become increasingly dependent on net migration.

Nationally, deaths are projected to outnumber births in the 2050's, at which New Zealand's population will be entirely dependent on net migration to continue growing.

Manawatū-Whanganui Region

Manawatū-Whanganui currently has strong natural increase, although the margin is declining as deaths are increasing quickly and births growing slowly.

Natural increase is projected to remain positive over the next 30 years.

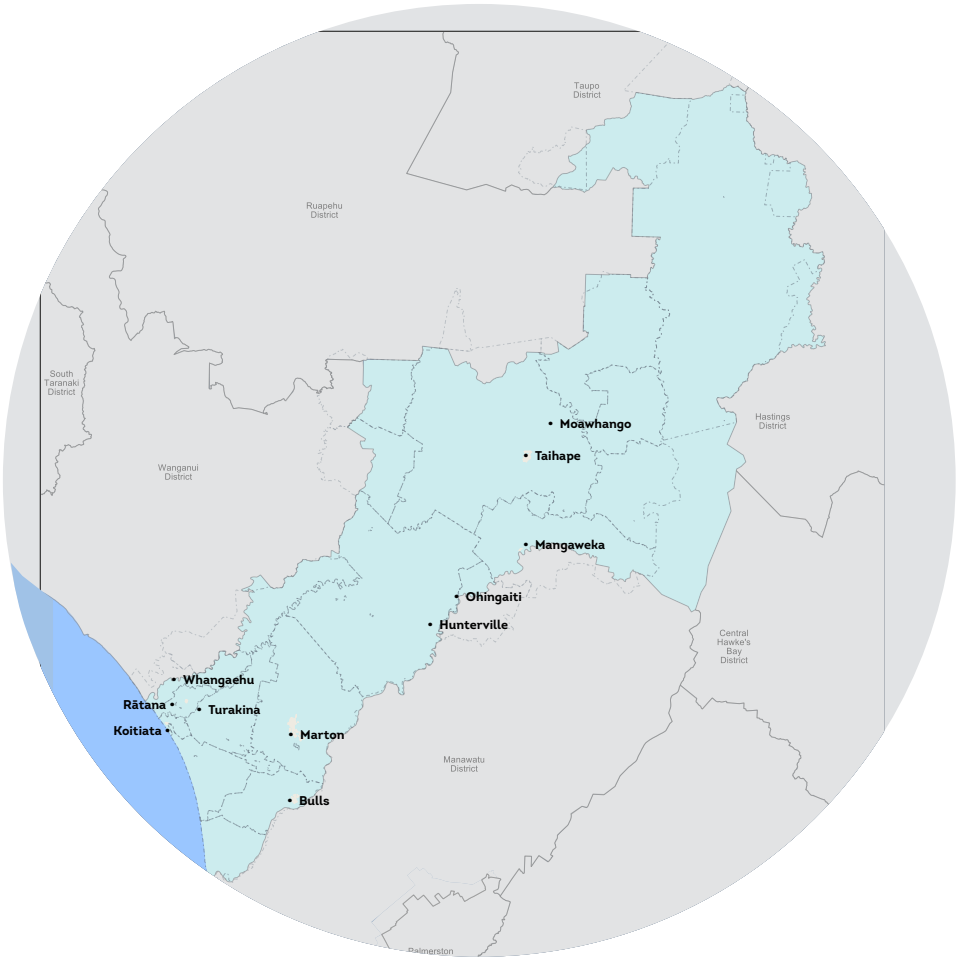
The region has improved net migration over the past two decades. Net migration increased from -9,700 in the five years to 2003, compared with a peak of 11,900 in the five years to 2018.

Net migration has decreased slightly since 2018 which reflects changes to international net migration nationally.

The strongest growth is expected in the first decade for Manawatū-Whanganui (as for New Zealand) which is a result of a moderately strong forecast of net migration alongside weakening natural increase.

The Manawatū-Whanganui population is projected to reach 315,500 in 2054 (medium scenario).

Growth is led in the region by Horowhenua and Manawatū districts, with growth rates of 1% and 1.3% under the medium scenario.



Rangitīkei District

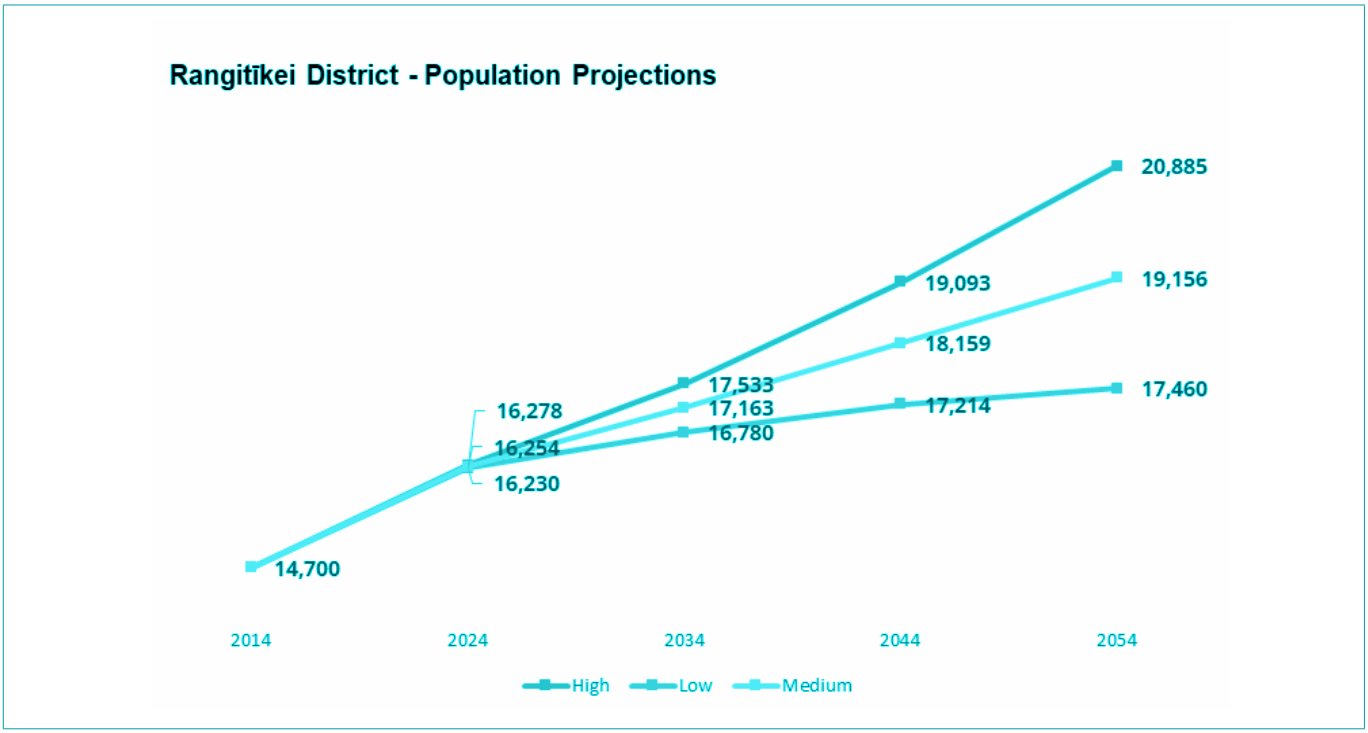
The Rangitīkei is projected to have a growing population, following significant growth since 2014.

This growth is in contrast to the long term slow decline which had been occurring since the district was established in the 1989 reform. The population in 1991 was 16,575, higher than the population today.

Rangitīkei has an estimated population of 16,100 (2022), which is growth of an additional 1,400 people since 2014.

Under the high growth scenario, the population is projected to add 1,433 people by 2034 to reach a population of 17,533.

By 2054 the population is projected to be 20,885, an additional 4,785 people from 2022.



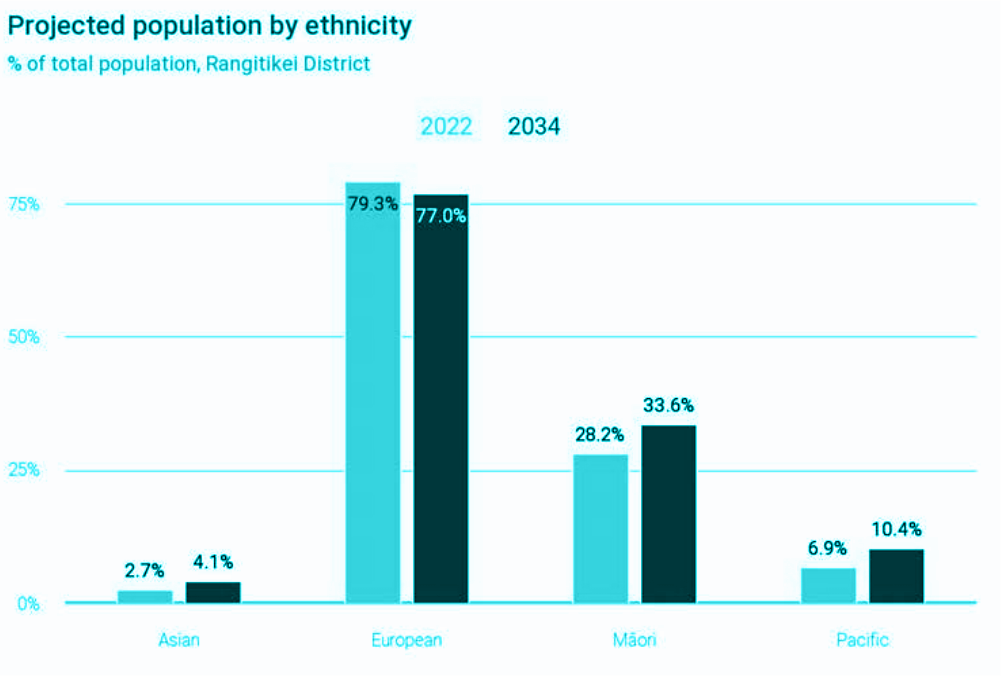
Population Projections.

Strong growth is projected in the older age groups, particularly in the 65 years and older age group which is expected to increase by 2.7% per year in the first ten years.

Growth in the under 15 years age group is anticipated to remain static, while a small decrease is expected in the 15 – 64 years age group.

Ethnic diversity is anticipated to increase, particularly for Asian and Pacific populations. However, the population will remain predominately European.

Projected population growth by ethnicity - Annual % change.

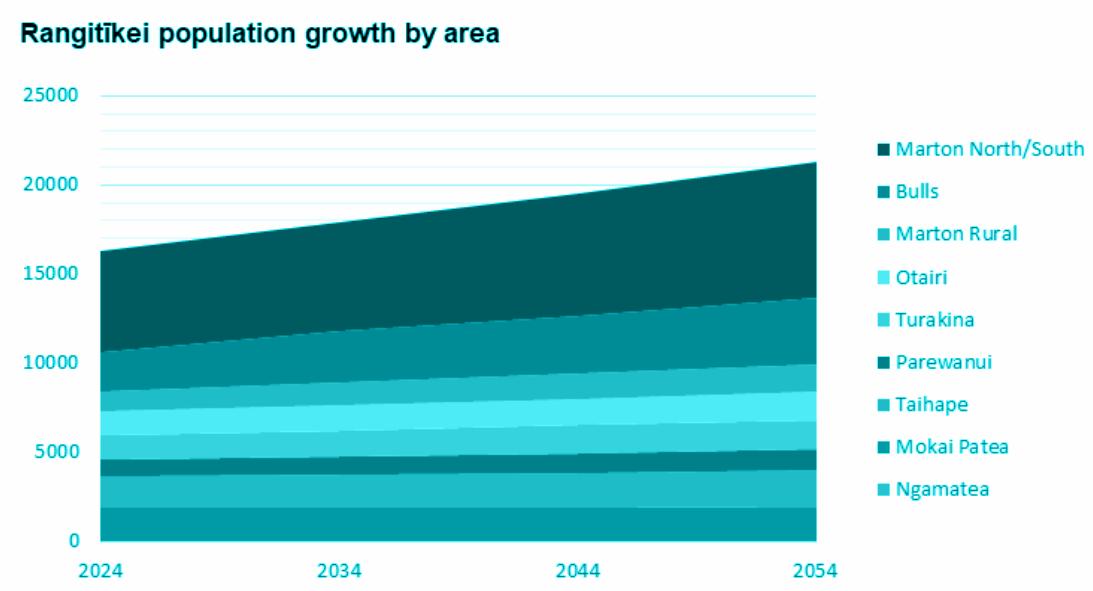


Projected population growth by ethnicity - % of total population.

Growth by area

Most growth is anticipated to occur in Southern Rangitīkei, with 69% of growth projected to occur in Marton North/South and Bulls.

		2024	2034	2044	2054	Change
Mokai Patea	2%	1,844	1,869	1,900	1,936	92
Ngamatea	0%	20	20	20	20	0
Turakina	6%	1,371	1,438	1,532	1,639	268
Otairi	6%	1,341	1,408	1,502	1,609	268
Taihape	5%	1,809	1,865	1,943	2,033	224
Marton Rural	7%	1,082	1,291	1,400	1,526	444
Marton North/ South	44%	5,648	6,152	6,838	7,627	1,979
Parewanui	5%	919	1,045	1,123	1,213	294
Bulls	25%	2,234	2,859	3,249	3,697	1,463



Population growth by area.

Factors influencing population growth

- International migration rates, higher international migration for New Zealand is likely to head to higher migration into the Rangitīkei.
- Affordability and availability of housing in relation to the Manawatū-Whanganui Region and wider New Zealand (including the types of housing sought by different people).
- Proximity to Whanganui and Palmerston North for towns in the south, which could facilitate an easy commute to larger employment centres.
- Proximity to Waioru and the Central Plateau for towns in the north, which could facilitate commute for work, or holiday homes.
- Growth in the number of jobs through business expansion or establishment.
- Development of the Marton Rail hub.
- Increasing trends towards working remotely.
- Increasing influence of the Māori economy following Treaty settlement processes.
- Opportunities for diversification of the primary sector.
- The 'attractiveness' of towns, including facilities and amenities, as a good place to live.
- The reputation of local schools.
- Township reputations.

Marton Market Day 2023

Opportunities

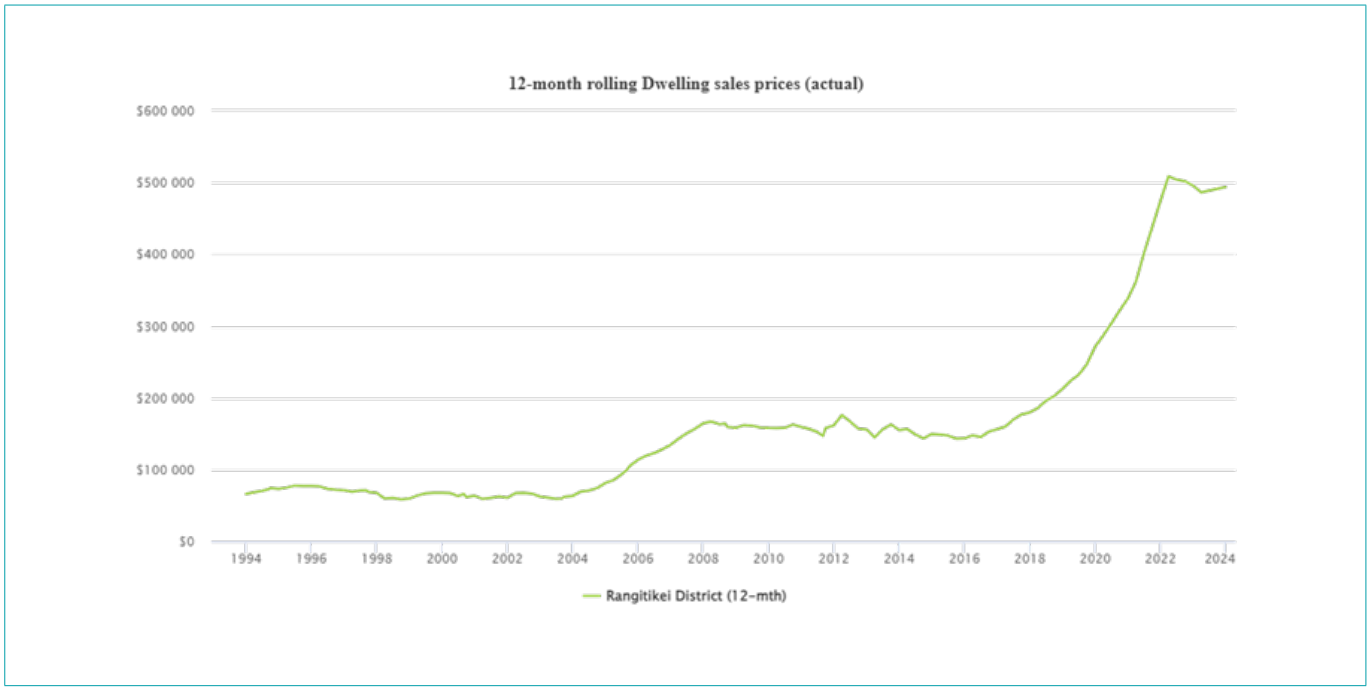
- Leveraging off the District's location in the Central North Island.
- Maximising the advantages of great access to the State Highway and Railway networks.
- Providing affordable housing options.
- Range of productive soils and great climate.
- Community-led development of public spaces.

Challenges

- Affordability of rates, small rating base and large district.
- Natural hazard risk and resilience.
- Ability for investment in public spaces and facilities.
- Ensuring infrastructure can cope with a growing community.
- Promoting the Rangitīkei as an attractive place to establish a business, or live.
- The quality of our town centres.

Housing and income

Housing prices in the Rangitīkei have risen quickly since 2016.



12 month rolling dwelling sales prices (actual)

The average house price in the Rangitīkei is $493,883 (March 2023). This price compares favourably in relation to Manawatu District, Palmerston North, Horowhenua and Whanganui.

Bulls ($536,500) has the highest house prices in the Rangitīkei, with Taihape ($346,750) the most affordable.

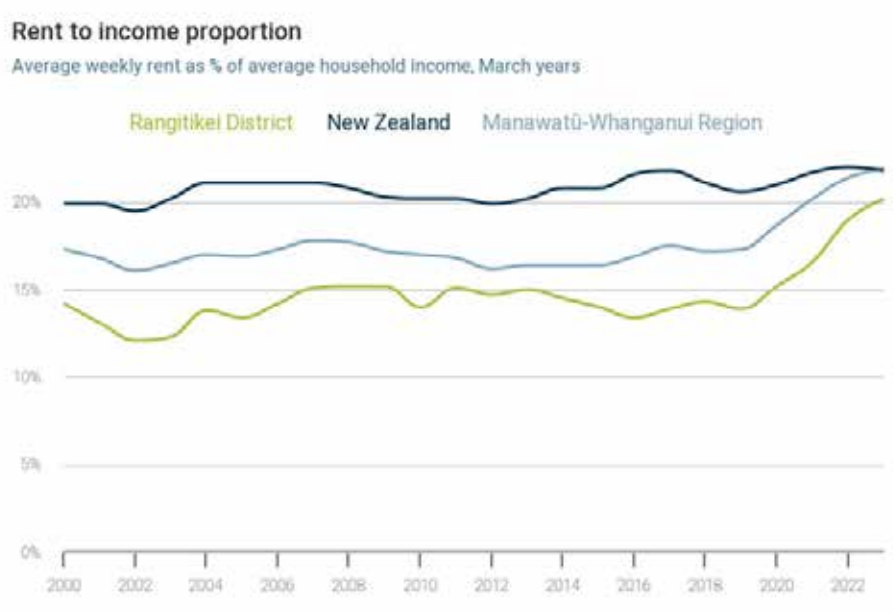
House prices 31 March 2023	
Bulls	$536,500
Marton	$473,806
Taihape	$346,750
Rangitīkei District	$486, 375

House prices 31 March 2022	
Horowhenua	$549,500
Manawatu	$610,125
Palmerston North	$632,250
Tararua	$423,750
Rangitīkei	$486,375
Ruapehu	$368,000
Whanganui	$501,000

Housing affordability in the Rangitīkei is more favourable than New Zealand and the wider Manawatu-Whanganui region. In 2022 Rangitīkei had a multiple of 5, which means on average the cost of a house is 5 times the average income. For New Zealand the multiple is 9 times the average income. Similarly, a mortgage in the Rangitīkei will cost 28.3% of your income, compared to the rest of NZ it will cost 50.7%.

House value to income multiple

Rental affordability is also more favourable than New Zealand and the Manawatu-Whanganui region, with 19% of average weekly rent to average household income, compared with 21.4% for the region and 22% for New Zealand. Rental affordability has been declining since 2019.



Rent to income proportion.

There are 63 people on the social housing register in the Rangitīkei (December 2022).

Mean annual earnings for the Rangitīkei is $56,129, compared to $69,585 for New Zealand.

Mean annual household income for 2023 in the Rangitīkei is $108,299, compared with $125, 177 for New Zealand. Since 2018, Mean household income has grown faster in the Rangitīkei than for New Zealand.

Natural Hazards

River Flooding

River flooding is the most significant and common natural hazard for the Rangitīkei District, particularly for the lower Rangitīkei.

There are several rivers and streams which can cause flooding in our towns and settlements:

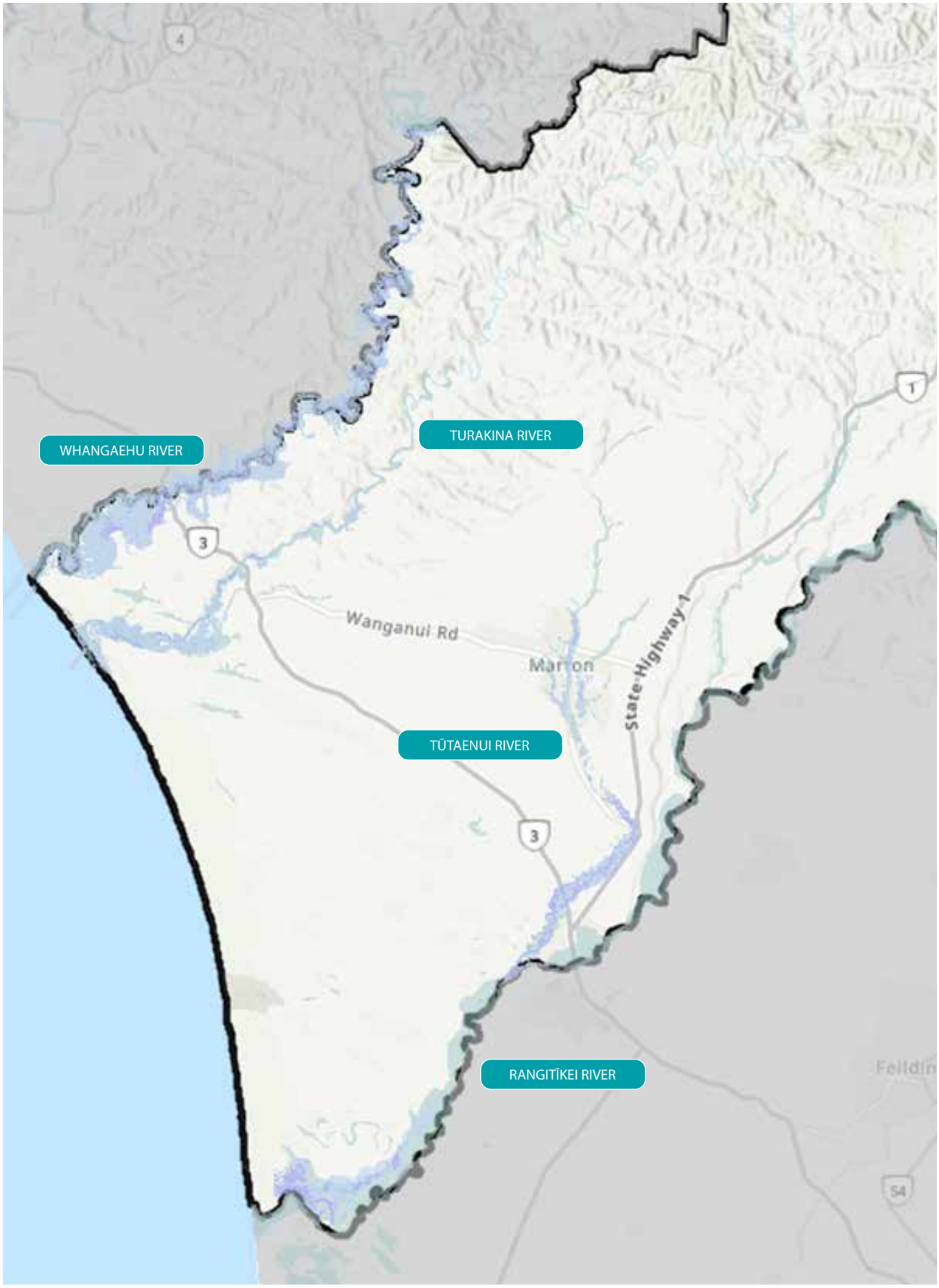
- Rangitīkei River: Bulls, Scott's Ferry
- Tūtaenui Stream: Marton, Bulls
- Turakina River: Koitiata
- Whangaehu River: Kauangaroa, Whangaehu
- Pourewa Stream: Hunterville, Rātā
- Kahurauponga Creek & Makirikiri Stream: Turakina

Significant flood events occurred in 2004 and 2015, and to a lesser extent 2016, 2017 and 2023.

Horizons manages flood protection schemes for the Pourewa Stream, Tutaenui Stream and Rangitīkei River.

Consequences of flood events can include damage to property such as homes, garages, farm buildings, fencing and infrastructure, such as roads and reticulated services. Significant events can also result in loss of life.

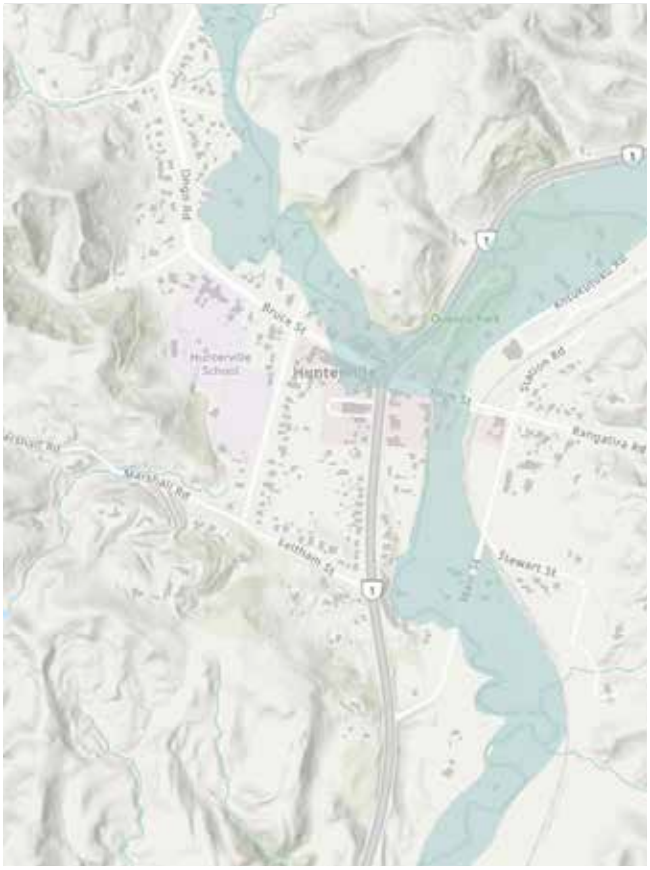
Left: Hautapu River, Taihape. Above: Whangaehu River, State Highway 3



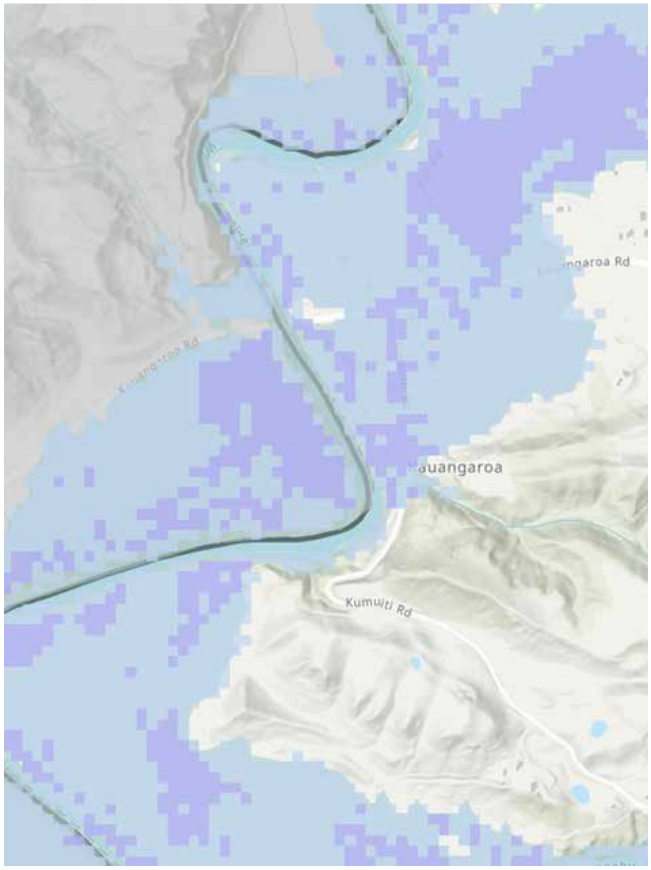
River Flooding - Whangaehu, Turakina Rangitīkei Rivers And Tūtaenui Stream

Marton

Bulls

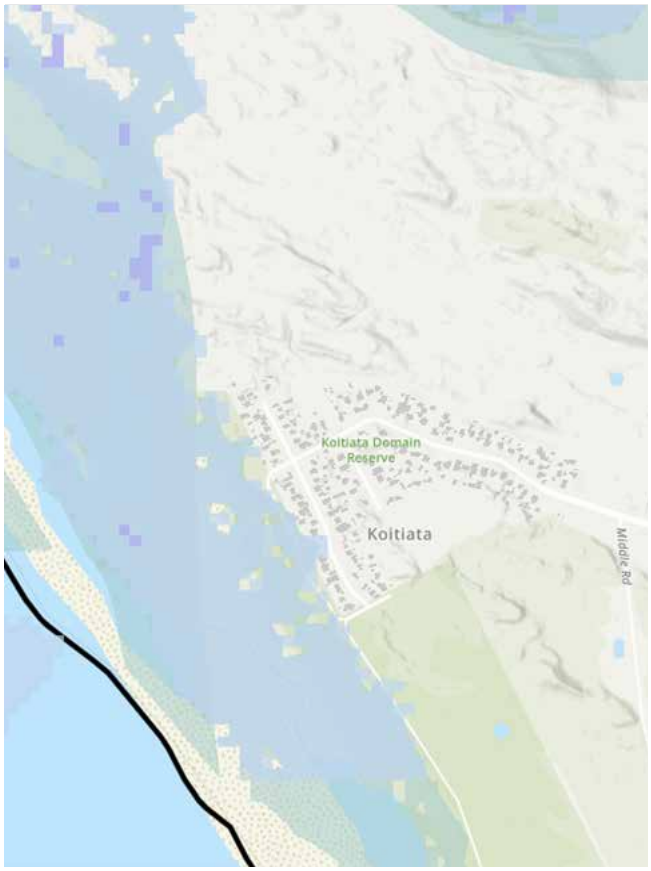


Hunterville

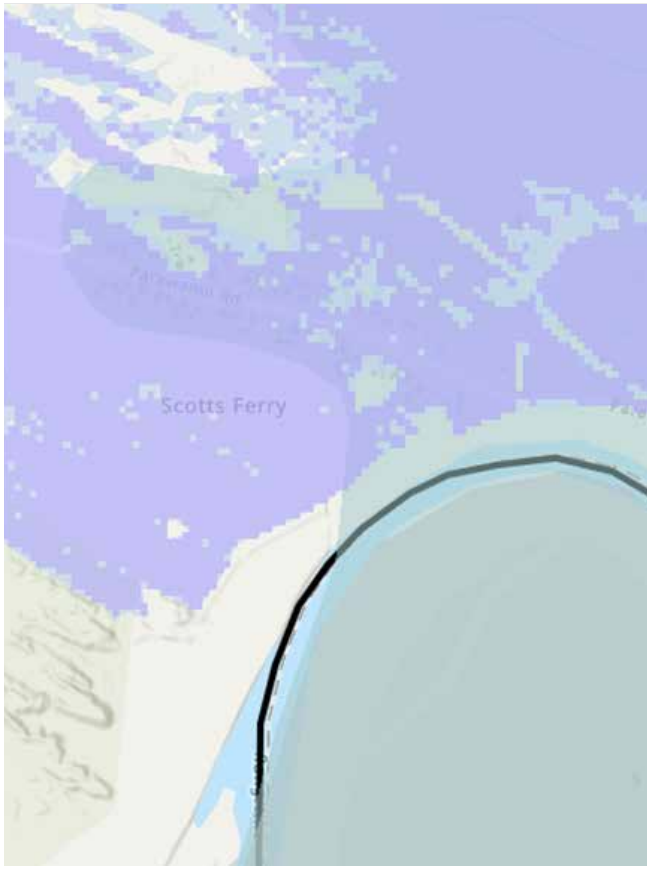


Kauangaroa

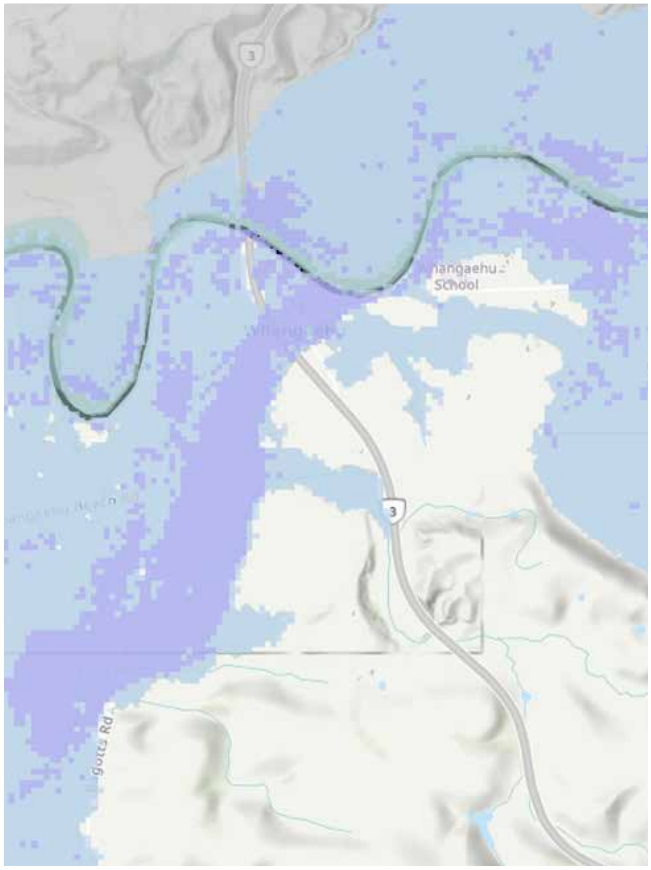
Turakina



Koitiata



Scott's Ferry



Whangaehu

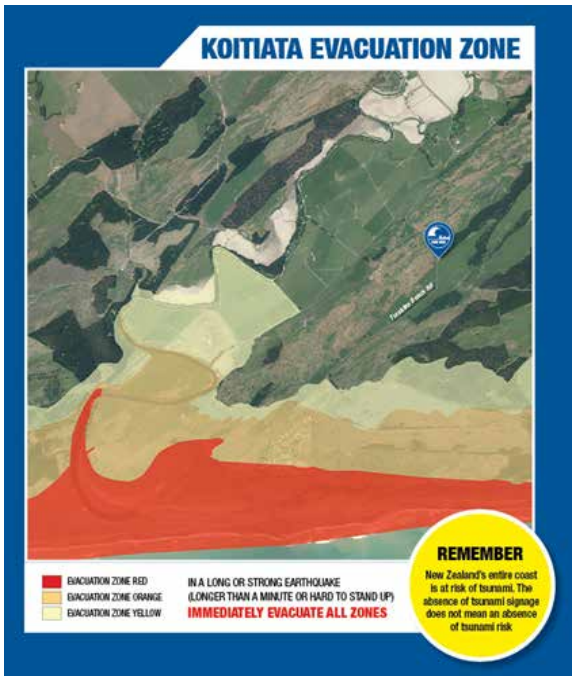
Tasman Sea at Scotts Ferry

Tsunami

Tsunami is caused by significant seismic events, usually below the ocean floor.

The coastal communities of Scotts Ferry and Koitiata are vulnerable to Tsunami. There are a range of tsunami risks from the Hikurangi Margin and Taranaki Basin locally, through to distant sources such as from South America.

Depending on the size of the tsunami, damage can be caused to property and infrastructure. Significant events can also result in loss of life.



Earthquake

The Rangitīkei District contains several active faults, particularly around Marton.

There are also active fault lines near Bulls and Taihape. The consequences of earthquakes will depend on their proximity and size, but have the potential to cause damage to property, infrastructure and loss of life.

Volcanic

Mt Ruapehu, Mt Taranaki and the Taupo Volcanic centre are volcanic hazards impacting on the District. The most significant risk is ashfall.

Kauangaroa and Whangaehu which are at risk from lahar travelling down the Whangaehu River from Mt Ruapehu. | Lahar are a mix of rock debris and water and can cause damage to property and infrastructure when they overtop the river channel.

The consequences of volcanic events will depend on their size, but have the potential to cause damage to property, infrastructure and significant events can cause loss of life.

Storms / High winds

Severe storm events pose a risk in that they bring both intense rainfall and wind, and increase the risk of landslides and coastal erosion and flooding.

The frequency and severity of storms / high winds is increasing.

Consequences of storms/high wind events can include damage to property such as homes, garages, farm buildings, fencing and infrastructure, such as roads and reticulated services. Significant events can also result in loss of life.

Landslides

The central Rangitīkei District is particularly susceptible to landslides.

The risks within the District are:

- Hill country: There are also moderate risks from shallow landslides in steep areas that have a pastoral land use.
- Lowlands: the primary risks are from fast, sudden landslide events along the banks of active river channels such as the Turakina River.
- Taihape West Slip Zone: a defined area on the west of the Taihape township is an identified landslide zone.
- Utiku.
- Bird's Slide.

The consequences of landslides are generally localised in scale and relate mainly to damage to property and infrastructure.

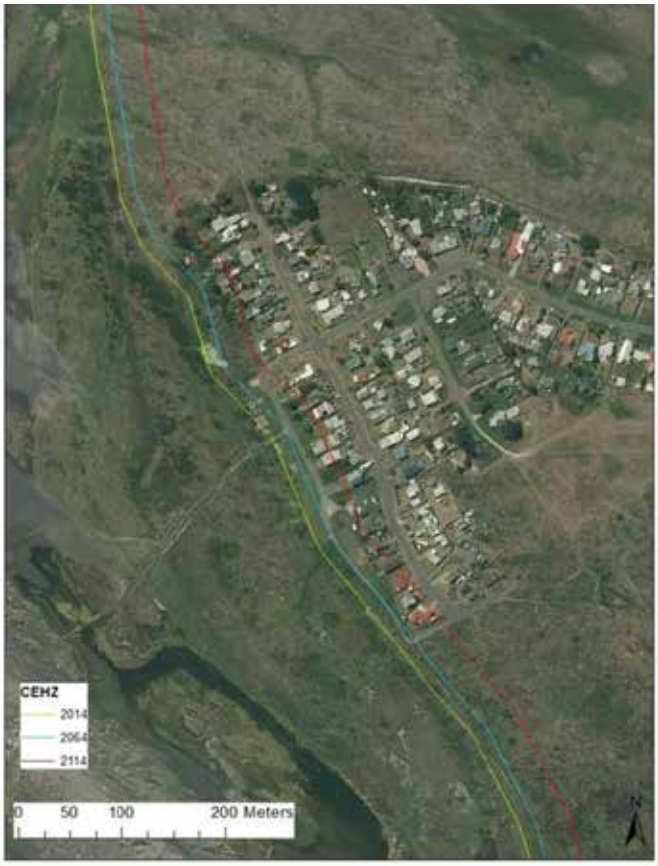
Debris from weather storm

Coastal flooding and erosion

Coastal flooding and erosion are limited to low-lying areas around river mouths such as Koitiata, Scotts Ferry.

The coastal erosion map for Koitiata shows that dwellings in the village should not be impacted by 2114, under an inlet managed scenario.

The consequences of coastal flooding and erosion are generally damage to property and infrastructure.



Koitiata Coastal Erosion Hazard Zones

Koitiata Managed Costal Erosion Hazard Zones

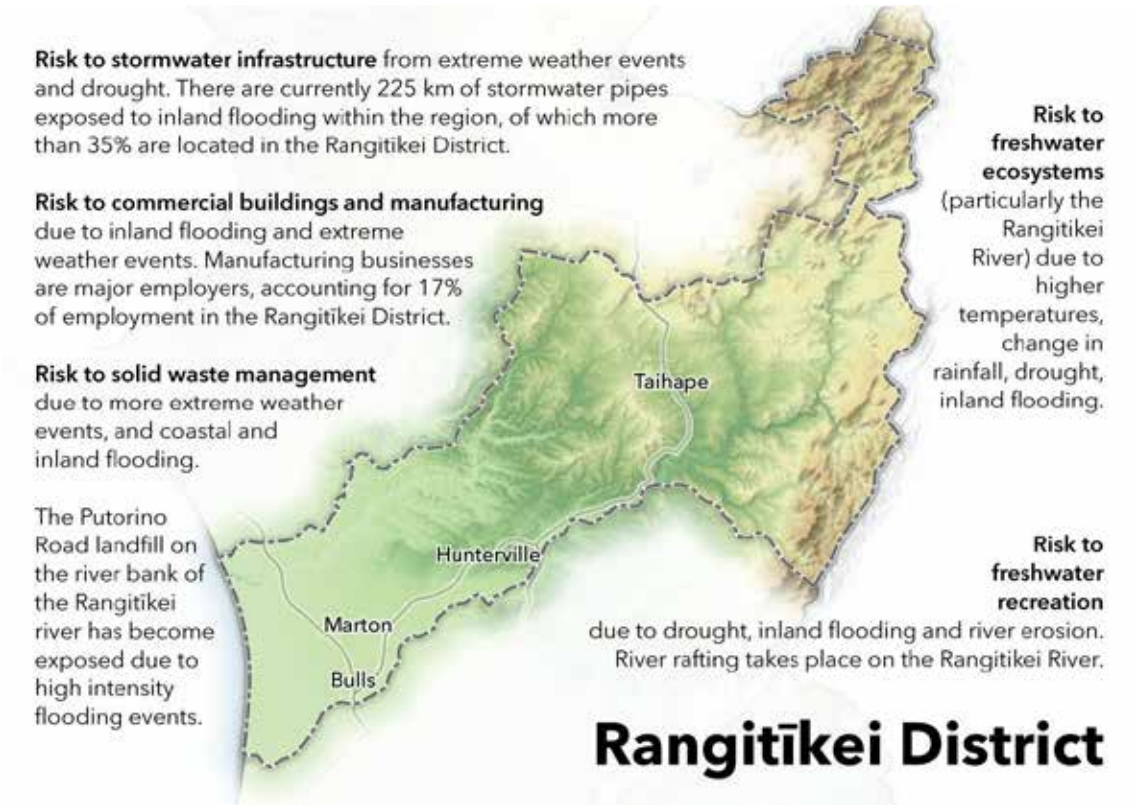
Opportunities and challenges natural hazards

- Increasing frequency and intensity of storms, and flooding.
- Population growth increasing the number of people living in areas subject to natural hazards.
- Managed retreat in areas with significant risk from natural hazards.
- Modelling flood flows of the Tūtaenui during a severe weather event.
- Flood management for Bulls – flood channel on the Tūtaenui.
- Flood management for Marton – being investigated using Better Off funding.

Climate Change

Climate change presents significant challenges, risks and opportunities to the Rangitīkei District.

The impacts of climate change are already being felt within the communities, businesses, native ecosystems, and infrastructure within the district. Climate change, and its associated impacts will have significant social, economic, environmental and cultural implications for the district's communities.



Adapting to the effects of Climate Change

Current situation

The changing climate will have a direct and indirect influence on our District's economy and wellbeing. Work on understanding the effects of climate change is progressing globally, nationally and regionally. Some of the anticipated affects in the district are:

- Risk to public spaces from extreme weather events, inland flooding, coastal flooding, sea level rise and coastal erosion
- Risks for inland flooding due to extreme rainfall and an increase in frequency and severity of flood events. The district has increased exposure from inland flooding due to the location of floodplains.
- Annual average temperatures across New Zealand are projected to increase by between 0.7 degrees (RCP 2.6) and 1.0 degrees (RCP 8.5) by 2040 and by between 0.7 degrees (RCP 2.6) and 2.8- 3.0 degrees (RCP 8.5) BY 2090.
- Moderate to extreme rainfall events are likely to increase.

Rangitīkei River in flood - Image Stuff.

Feedback from the community:

Major concerns in relation to flooding.

- Certain areas, need greater flood protection.
- Flooding. Ensure all waterways and drainage is ahead of where it needs to be in 2050.
- Flooding both from the river and the network of local streams.
- There is a risk of flooding events increasing. Council should be careful when zoning that they have both considered this and do not add to it. It is important to take a pragmatic approach that does not rule existing infrastructure uninsurable where possible.
- Flood protection plan.
- There needs to be some work done on the flooding issues down on the beach front road. This is where the campers come and stay it is often flooded. (Koitiata).

Major concerns with extreme weather.

- The unpredictability of extreme weather events.
- Severe weather issues.

Concerns with isolation.

- Concerns regarding the isolation of the community. The community feels there needs to be greater expenditure in their community networks especially wifi in Hunterville.

Some concerns with sea level rise and erosion.

- Sea level rise in Koitiata.
- Erosion and flooding. Council needs to remain flexible and adapt to ways of managing these risks according to best practice and the wishes of the community. Scott Ferry and Koitiata.
- Sand dune erosion-Koitiata.

Some concern with drought

- Drought. Council should look to actively bring forward to the community the need for smart water usage and collection of rainwater. Incentivised water collection (eg rainwater tanks for gardens etc) would be a proactive and leading step to ensure resilience in communities. The safety of the river in very low flow (from algae/periphyton) is highly important to users of the river for recreation.

Some concern

- Temperature increases.
- Global warming.

Little concern

- Fire risks.
- Environmental impacts of volcanic eruption.

Opportunities

- Council is working on a Climate Change Strategy and Action Plan
- Work with tangata whenua to develop a shared appreciation of the issues and response options
- Support grassroot initiatives that seek to improve community resilience, reduce emissions, and provide for a fairer transition
- Work with members of the Climate Action Joint Committee to engage with youth, community, and tangata whenua groups in support of local climate action
- Priorities nature-based solutions wherever possible, including the response to flooding, managing storm water, and erosion
- Work with Government, and industry to align farm advisory services and regulatory settings across climate change, freshwater, biodiversity and other relevant domains
- Commit to providing safe, convenient routes for walking and cycling in our towns and cities
- Ensure impacts on and of climate change are explicitly considered in council decision making
- Integrate climate action into operational programmes
- Implement the National Adaptation Plan and Emissions Reduction Plan within the scope of our powers and jurisdictions
- Work with at-risk communities to develop local response plans
- Review planning provisions to encourage (urban) on-site storm-water management and (on-farm) water storage
- Develop a policy to guide where reforestation occurs in our region
- Integrate mapping/ modelling of storm-water, drainage and flood risk for population centres
- Identify, and act to prevent urban development in, areas at heightened risk of inundation of erosion as a result of climate change
- Implement the NPS-UD in a way that promotes compact urban form and supports transport mode shift
- Investigate requiring efficiency (e.g. Green Star) standards for new buildings
- Pursue integrated transport planning through the Regional Transport Committee, including an 'uplift' in PT, strategies to reduce dependence on private motor vehicles for short trips, and better use of rail infrastructure
- Work on the districts waste
- Quantify councils organisation's emissions profiles, and work to reduce the carbon footprint of our activities
- Establish processes to understand and manage climate- related risks to local services

Volunteeers -Planting day Taiahpe.

Challenges

The Rangitīkei faces challenges with the largeness of the district and the isolation of some communities.

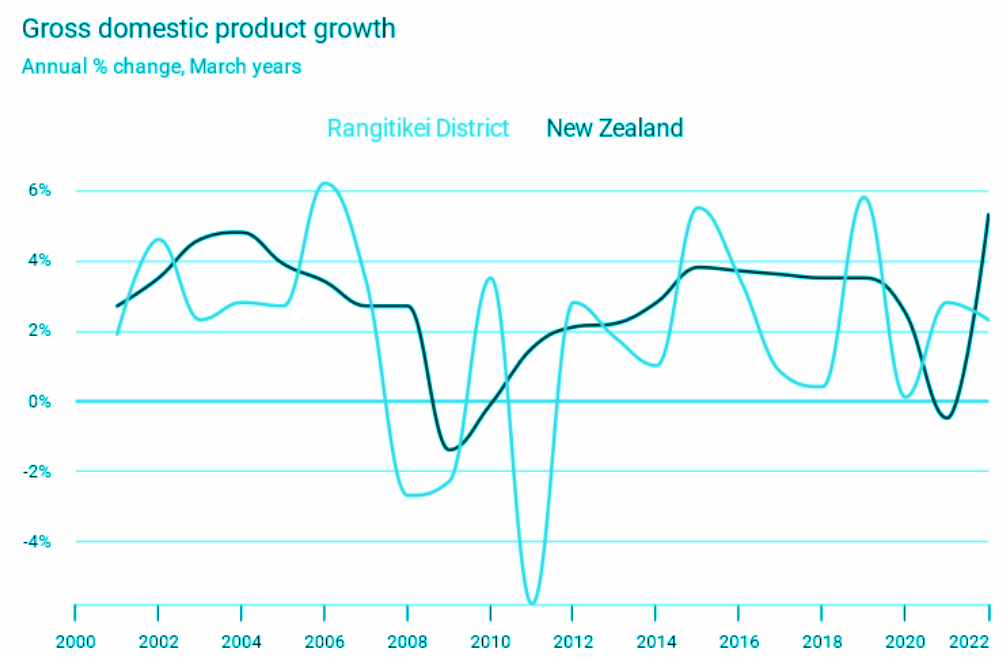
- Adapt our plans as new information emerges and circumstances change
- Impact on farmers and primary industries with pressures from drought, extreme weather and flooding. Increase in temperatures will impact livestock and can spread disease more easily.
- There is growth in carbon farming which will bring afforestation.
- Water supply sources within the district are currently at risk from gradual climatic changes such as increased temperatures and associated hazards such as drought. When considering drought conditions, projected temperature increases, rainfall changes and hydrological impacts can all influence the severity of drought and future demand levels. The current and mid-century risk to water supply sources from drought is rated high, which is projected to increase to extreme by the end of the century.
- Flooding can overwhelm groundwater wells and cause rivers to swell which can lead to the contamination of water supply sources (both ground and surface), and health impacts within communities (Andrade et al., 2018) (Figure 8.4). Contamination of these sources is likely to occur more frequently in the future die to intensity of rainfall
- Increase in temperatures may cause heat stress, illness and death, especially among vulnerable people such as the elderly and outdoor workers. The District's unique biodiversity may struggle to adapt to new conditions and competition.

Economy

The Rangitīkei economy is predominantly rural. Primary industries accounted for the largest proportion of GDP (29.9%) in Rangitīkei District.

Economic growth in Rangitīkei District averaged 2.4%pa over the 10 years to 2022 compared with an average of 3.0%pa in New Zealand. GDP in Rangitīkei District measured $776.2m in the year to March 2022, up 2.3% from a year earlier. Growth was lower than in New Zealand (5.3%).

Above: Forestry. Left: Fly fishing on the Rangitīkei River. Below: Agriculture



Gross domestic product growth

Growth

Agriculture, Forestry and Fishing has been the top growth industry for the Rangitīkei between 2012 and 2022 (43.1m), followed by Public Administration and safety (33.6m)

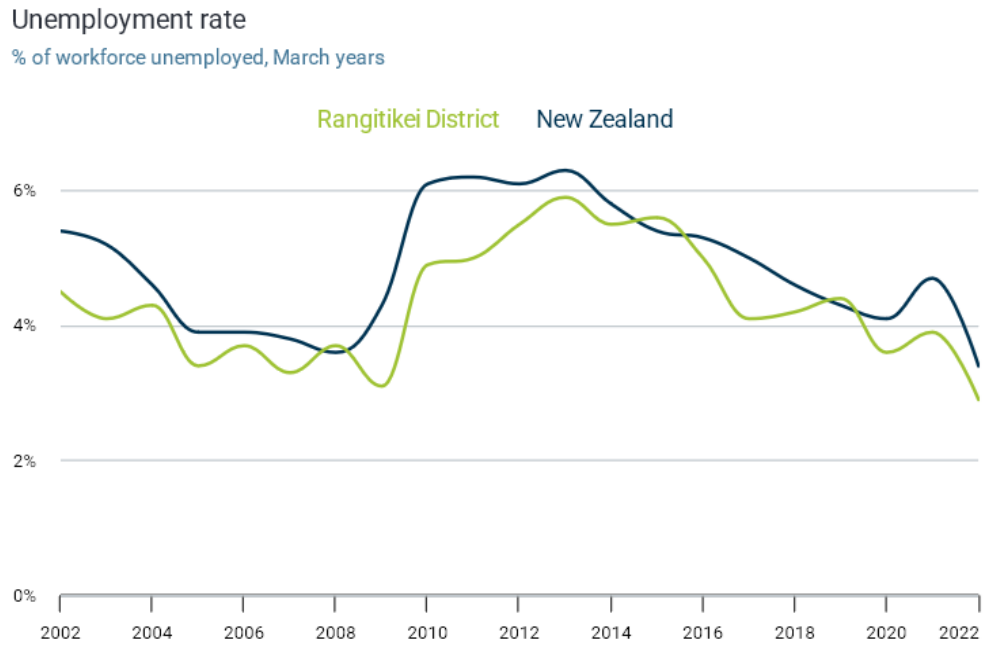
Manufacturing made the largest contribution to overall growth in Rangitīkei District between 2021 and 2022. The industry grew by 9.8% over the period and contributed $8.4m to the district's total growth of $17.6m. The largest detractor from growth was agriculture, forestry and fishing which declined by $13m.

Top five industries, ANZSIC Level 1, 2012-2022

Employment

Employment growth in Rangitīkei District averaged 1.3%pa over the 10 years to 2022 compared with average employment growth of 2.2%pa in New Zealand. Employment in Rangitīkei District measured 6,973 in the year to March 2022, up 2.5% from a year earlier.

The unemployment rate in the Rangitīkei was at 2.9% in 2022 (compared with 3.4% in wider New Zealand). Unemployment rates in the Rangitīkei and New Zealand have generally been trending downwards since 2013.



Unemployment rate

Businesses

Total business units in Rangitīkei District measured 2,190 in the year to March 2022, up 2.1% from a year earlier.

Growth was lower than in New Zealand (4.8%). Business units growth in Rangitīkei District averaged -0.2%pa over the 10 years to 2022.

Tourism

Employment growth in the tourism sector in Rangitīkei District has averaged 0.4%pa between 2000 and 2022, compared with an average of 0.2%pa in New Zealand.

Employment in the tourism sector increased by 2.8% in 2022 in Rangitīkei District, compared with an increase of 2.6% in New Zealand. The tourism sector employed an average of 407 people in Rangitīkei District in 2022. This amounted to 5.8% of Rangitīkei District's total employment in 2022 as compared to 6.8% in 2000.

Whitecliffs Boulders - Mangaweka.

Opportunities

- Natural environment – opportunities for tourism.
- Māori economy – iwi that are already settled continuing to develop locally.
  More Treaty settlements to occur in the future.
- Location – on key transport networks (SH1/3, North Island Main Trunk, Marton – New Plymouth Line).
- Marton Rail Hub.
- Diversification of the primary sector.
- An increasing population.

Challenges

- Cost of living.
- Wider New Zealand economy.
- Availability of housing for workers.
- Availability of labour.
- Climate change.

Legislative Change

The pace of legislative change in recent times has been greater than experienced by local government in the past. Legislative changes can provide opportunities or place additional work on the Council.

Three proposed changes could radically transform the way local government operates:

- Future for Local Government
- RMA Reform
- Three Waters

Left: Te Matapihi, Bulls Community Centre.

Review into the Future for Local Government

A comprehensive view into the future of local government has been established to identify how local democracy and governance needs to evolve over the next 30 years.

A final report was released in June 2023, which provides a number of recommendations, that if implemented, would fundamentally reshape Council's structure and the services Council delivers for the community. Refer to Home | Review into the Future for Local Government Review into the Future for Local Government for the full document.

RMA Reform

The Resource Management Act 1991 (RMA) is the primary legislation that manages land use and development.

The RMA is proposed to be reformed, with the creation of three key pieces of legislation to replace it:

- Natural and Built Environments Act – key replacement to the RMA, with the purpose of enhancing the quality of the environment to support wellbeing.
- Spatial Planning Act – requiring the development of long-term spatial strategies.
- Climate Change Adaption Act - Supporting New Zealand's response to the effects of climate change.

Under the proposed reform many planning functions, such as the development of a regional spatial strategy and natural and built environment plan will occur regionally via a regional planning committee. Consenting functions are proposed to remain local.

The RM reform is planned to be implemented in tranches. There is little detail regarding the timing and which tranche the Rangitīkei will be part of. Funding will need to be in place to continue the district plan review, to input into the regional planning committees through the development of statements of community outcomes, funding for the regional planning committee, funding for implementation of the regional spatial strategy, and possibly through the secondment of staff.

Three Waters

The Government's three waters reform means that, between 1 July 2024 and 1 July 2026, the management of drinking water, wastewater and stormwater will transfer from territorial authorities to ten water services entities.

Rangitīkei will be part of the Manawatū-Whanganui entity ('Entity E') along with Ruapehu, Whanganui, Manawatū, Palmerston North, Horowhenua and Tararua.[1] This arrangement provides greater scale and greater access to borrowing, outside what territorial authorities are permitted to do. It is expected that the new entities will be able to make greater investment in three water infrastructure with much lower cost to consumers than would have been the case if the responsibility remained with territorial authorities.

The water services entities will be managed by boards of appointed professionals but in each entity, territorial authorities and mana whenua are members of the regional representative group, which monitors the board's performance. Staff currently engaged in providing three water services for territorial authorities will transfer to the new entities. A structured system of guaranteed placements has been set in legislation, although it is anticipated that there will be a need for more water services staff than is currently employed by territorial authorities.

The Government has already established Taumata Arowai as the regulator al water services, a separation of a function previously undertaken by the Ministry of Health. In addition, the Government is now establishing a Water Services Commissioner, who will make a service quality code which all of the entities will be required to observe. In addition, a formal, national consumer dispute resolution service will be established.

The National Transition Unit, part of the Department of Internal Affairs, has oversight of the transfer process; it developed a detailed workstream programme which has required considerable input from territorial authorities.

1Horizons Regional Council is not a member. It retains a regulatory role.

Opportunities of Reform

Greater regional collaboration

The provision of three water services will be seen through a regional lens. This means that the provision of such services can extend beyond territorial authority boundaries much more readily than now. For example, such a lens might see it more cost effective for Levin wastewater treatment to be managed through the proposed 'Nature Calls' wastewater upgrade for Palmerston North and even for Marton-Bulls wastewater to be piped across the Rangitīkei River into Ōhakea for final processing and discharge by the Feilding plant wastewater plant rather than purchasing land west of Bulls for discharge there.

This collaboration builds on the working relationships developed by the seven territorial authorities (and Horizons Regional Council) in the Entity E area through the shared back-office functions secured through MW LASS: they are an important foundation for implementing the Government's resource management reforms which has a strong focus on regional planning.

There is scope for adjoining entities to merge after establishment. This would provide greater scale and thus likely to mean greater efficiency and lower cost to the consumer.

Tu Poho o Tuariki - Te Rūnanga o Ngā Wairiki Ngāti Apa

Iwi perspective

Mana whenua have equal representation to territorial authorities on the regional representative group. In addition, the legislation provides for Te Mana o te Wai statements to be provided by Iwi, to which the water services entity water services must respond, with a plan of how it intends to give effect to the statement. The impact of such statement is unknown, but it is certain to be beneficial. The greater impact of this mana whenua representation is likely to be stronger collaboration with mana whenua in other areas of Council activities, with iwi beyond the boundaries of Rangitīkei and membership of Te Roopu Ahi Kaa.

'Better Off Funding' projects

Council will be able to devote its energies (and resources) to facilities and services other than the three waters. The Government's Better Off Funding package was to enable that, but the second tranche was cancelled in April 2023. However, Council is still able to achieve useful outcomes from the $3.3 million approved for eight projects, some of which will run into 2026. {They could be listed here, if not noted elsewhere[2]]

'System of Record'

Part of the preparation for transitioning to the new water services entities is the establishment of a 'System of Record', a national database and portal for all relevant information such as asset management, customer billing and service requests. This system will be owned collectively by the ten water services entities. Local authorities are likely to see advantage in gaining access to this new system (which will have all relevant Council information up until the date the new water services entity goes live), and expand it to cover other functions. While care will be needed to ensure that the Council's statutory record-keeping requirements are met[3], participating in the 'System of Record' could enable a significant transformation in the way Council manages its information services.

2 Business case for housing, Development of climate change impact strategy, District Plan acceleration, Flood protection for Marton CBD, Hautapu River Parks, Taihape Civic Centre, Town centre regeneration, Ngā Marae O Rangitīkei.

3 The Water Services Entities Act amended the Public Records Act 2005 by specifying that local authority includes the new water services entities so the implications for local authorities should be evident by the time the entities become operational.

Challenges of Reform

Delayed implementation

The timing for the water services entity for the Manawatū-Whanganui area has yet to be determined, but it seems likely to be between 1 July 2025 and 1 July 2026. Until then, Council has a legal obligation to provide three water facilities and services. While the date will be set by Order in Council, it means the Council will be limited to a maximum of two years planning for water services which implies the risk of focusing on short-term projects.

In addition, through its shared services arrangement, Council relies on Manawatū District Council to provide sufficient staffing to manage the various water and wastewater plants and provide technical support for maintenance. Delayed implementation may mean that some of these staff are attracted to a water services entity being established sooner than that for Entity E, making it harder for Council to maintain its level of service in three waters.

Tūtaenui Reservoir - Marton Dams

Community expectations

There will be a strong expectation that costs for receiving three water services will rise very slowly. A lot depends on the accuracy of the projections made by the Government and its advisors – and the financial market in the borrowing rates it sets for each entity.

Once the new water services entity is operational, the community is likely to believe that the Council is still able to determine the nature of services, maintenance and upgrades within the District. This will not be the case, as Council has just one seat in the regional representative group, as will the other territorial authorities. Mana whenua representation is equivalent to the representation given to territorial authorities. While there is provision for community priority statements on concerns about local water bodies to be lodged with the regional representative group, they are not required to be escalated to the board as is the case for Te Mana o te Wai statements. That may create disappointment and frustration.

Rural water supply schemes

Three of Council's rural water supply schemes – Hunterville, Erewhon and Omatane – are likely to be transferred to the new water services entity: they are deemed small 'mixed-use' supplies because they provide small quantities of water to houses in addition to the main function of providing stockwater[4]. From their establishment in the early 1980s, the three schemes have benefited from strong representation by scheme members on Council management subcommittees and there is a concern that this will be lost, associated with a reduced level of service and greater cost to scheme subscribers.

Amendments made to the legislation require each water services entity to develop a rural supply plan which must set out any committee or other arrangements for making decisions about the operation of the rural water supply (which may mean the existing arrangements continue). This has the potential to resolve issues about prioritisation n terms capital upgrades. However, If the scheme members feel dissatisfied, they are able to apply for the scheme to be transferred to an alternative operator, but how easy this will be is obviously unknown, as is the cost (although the legislation requires that this is to be split between the proposed alternative operator and the water services entity).

4 Erewhon and Omatane could ask Council to use the existing provisions of the Local Government Act 2002 to transfer the water service to an entity representative of the community for which the service is operated, i.e. entirely outside Council control. This option is not available for Hunterville because of the supply that rural water scheme provides to Hunterville township. Council's fourth and smallest scheme, Putorino, established after World War I, seems unlikely to be classed as a small mixed-use, but that has still to be determined to the satisfaction of the National Transition Unit.

Te Āhuru Mōwai Playground - Marton.

Whare Ako - Te Matapihi, Bulls.

Affordability of Services

We are proud that Rangitīkei has such a vibrant community, and we are committed to maintaining and expanding this.

Unfortunately though, from a financial perspective, this results in an ever increasing level of costs that need to be met - Council is required to either have a balanced budget or have a plan to work towards achieving such a balanced budget.

Rates are an important part of helping Council balance its budget. They are a main source of Council's revenue but Council wishes to keep its rates at affordable levels for ratepayers.

However, rates are just one source of Council's revenue and Council is constantly looking at other revenue sources that will reduce the burden on its ratepayers.

Council's cost pressures inevitably means that Council has to 'cut its cloth' to be able to provide a level of services that is affordable. A key pressure for Council is that different ratepayers have different levels of affordability. Council strives to identify and deliver a level (and range) of services that the community finds affordable.

Council has little control over a wide range of cost pressures that impact its budget. Not all of the costs that Council has to pay for increase the same each year and this results in 'cost spikes' in some years more than others. Generally, rather than impose large rate increase in any one year, Council's preference is to plan for an ongoing level of annual rate increase that the community finds affordable.

Technological Advancement

Rangitīkei have seen great technology advancements over the past two years where we have seen unprecedented pressures to change to a different way of working, particularly in the way data is gathered, managed, and shared; Cyber resilience and Hybrid working.

Over the next 30 years Rangitīkei can expect Technological Advancements that will transform various aspects of the way we do business.

Some of the technology that is likely to be seen in local government in the next 30 years includes:

1 Artificial Intelligence (AI) and the Internet of Things (IoT)

AI can assist council with analysing vast amounts of data, identifying patterns and making informed decisions.

Intelligent automation we can automate routine tasks, streamlining administrative processes which can free up council resources to focus on more complex and critical tasks.

The integration of IoT devices with AI can enhance the management and maintenance of council's infrastructure. For example, IoT sensors can monitor the condition of bridges, roads, and public facilities, providing real-time data on maintenance needs. AI algorithms can analyse this data, enabling proactive maintenance and reducing costs.

AI-powered virtual assistants can enhance resident engagement by providing personalized services and information. These virtual assistants can help residents to access council services, find relevant information, and receive notifications and updates.

IoT devices and AI can work together to ensure more secure facilities by using devices such as CCTV cameras, smart sensors to help detect criminal activity, monitor traffic, and manage emergency responses more efficiently.

Considerations: When considering the use of AI and IoT, the following needs to be considered: Data Privacy and Security, Ethical Use of AI, Stakeholder Engagements, Infrastructure readiness, Skills and Training, Scalability and Flexibility and Cost considerations.

2 Digital Services

Advancements in digital services can help council to streamline operations, improve resident satisfaction and ensure stronger community engagement. This can include online portals for applications, licenses, and payments.

Mobile applications can provide residents with convenient access to services, notifications, and real-time updates. These applications can offer features like reporting issues, receiving civil defense alerts, and accessing community resources.

Considerations: When considering the advancement of digital services technology, it is important to keep the following in mind: Accessibility and Digital Equity, User-Centric Design, Data Security and Privacy, Infrastructure and Connectivity, Integration, and Interoperability.

3 Autonomous Vehicles:

Autonomous Vehicles may become more prevalent, transforming transportation within local communities. This could introduce services such as automated delivery, smart traffic management systems to enhance safety and efficiency.

Considerations: Infrastructure readiness, public acceptance and education, Safety and risk management, collaborations and partnerships, Transportation and planning, Pilot programs and evaluations.

4 Renewable Energy:

There may be an increased focus on renewable energy solutions, including solar and wind power projects. This could help reduce carbon emissions and promote sustainability, creating more environmentally friendly communities.

Considerations: Feasibility assessments, Energy Planning and Goals, Funding and Financing, Collaboration and Partnerships, Policy and Regulation, Community Engagement, Integration

5 Remote Work and Connectivity:

A large proportion of the Rangitīkei currently does not have access to internet facilities. The advancements in digital infrastructure and connectivity may enable more remote work opportunities. Improving mobile and broadband connectivity means that more residents will be able to expect better services.

Considerations: When considering remote work and connectivity the following needs to be kept in mind. Local Connectivity Infrastructure, Strategies to bridge the digital divide, existing Remote Working practices, Employee Needs and preferences, Data Security and Privacy, Performance management and Accountability

Opportunities

- Intelligent automation we can automate routine tasks, streamlining administrative processes which can free up council resources to focus on more complex and critical tasks.
- AI can assist council with analysing vast amounts of data, identifying patterns and making informed decisions.
- Connected communities will improve councils' ability to deliver services more effectively and efficiently.
- Advancements in digital services can help council to streamline operations, improve resident satisfaction and ensure stronger community engagement.
- Improving mobile and broadband connectivity means that more residents will be able to expect better services.

Infrastructure

(includes Roading and Footpaths; Three Waters; Waste & Recycling; Community)

Like a lot of other councils Rangitīkei has aged infrastructure, this includes bridges, 3 waters infrastructure and a number of its buildings.

There are two inter-related decisions that Council needs to make about its investment in infrastructure.

When should renewals take place and does this replacement mean like for like or are there other factors that come into play?

When should new infrastructure be added and when should existing infrastructure be abandoned?

Bulls Water Tower. Below: New Mangaweka Bridge.

For the first question, the timing of decisions to renew is dependent upon:

Performance – which relates to the ability of the asset to provide the required level of service to the customer, and

Condition - which relates to the structural integrity of an asset Council will approach the renewal, addition or depletion of infrastructure based primarily on performance. Performance will in part be a function of asset condition – and therefore it is important that information about asset condition is robust.

The following factors will significantly contribute to infrastructure investment decisions:

- changing demand for services;
- rising public health and environmental outcomes;
- resilience; and
- affordability.

Earthquake-prone buildings

Under the Building Act 2004, the Council, through its regulatory services are required to identify potentially earthquake-prone buildings (or parts of buildings). It does this by applying Earthquake prone Building Methodology and requesting building owners to provide an engineering assessment for the building. Alternatively building owners can provide evidence of a factual error in the basis the Council have identified the building as potentially earthquake-prone, or notification that the owner does not intend on providing an engineering assessment of the building.

To date, Council (as owner of a potentially earthquake-prone building) received notification to initiate the structural engineering assessments on all its buildings, these reports are listed on Council's website Seismic Assessments: Rangitīkei District Council.

Other facilities

Council provides a range of other community and leisure facilities, including parks, swimming pools, public toilets, community halls and community housing. Over the past few years renewal programmes have commenced, often in partnership with community groups and/or with funding grants. We are open to the full range of ownership, maintenance and management models (including contributing towards facilities owned by other organisations that meet community needs) in order to give communities more cost-effective options.

RANGITĪKEI
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