

**Walter Clarke for QLDC – Summary of Evidence, 21 July 2017  
Queenstown Mapping – Hearing Stream 13**

1. My evidence for Queenstown Lakes District Council (**QLDC**) relates to the methodology and approach underpinning the growth projections that Rationale Limited has developed for QLDC. I oversaw the production of Rationale's May 2017 report "QLDC Growth Projections to 2058", which contains the growth projections.
2. The findings of the growth projections are summarised in the table below, with the key figure being, for the purpose of the PDP, the estimated growth in rating units over ten years. The District is projected to continue to experience strong growth in resident population, visitor numbers, dwellings and rating units.

Output	2013	2018	2028	2048	2058	10 year (2018 to 2028)			30 year avg annual growth (2018-2048)	40 year avg annual growth (2018-2058)
						Growth	Avg annual growth	Avg annual growth rate		
Usually Resident Population	29,700	38,000	49,300	66,400	74,700	11,300	1,130	2.6%	940	920
Total Visitors (average day)	18,000	24,900	31,500	39,000	42,100	6,600	660	2.4%	470	430
Total Visitors (peak day)	63,900	79,300	99,700	126,400	138,700	20,400	2,040	2.3%	1,570	1,480
Total Dwellings	15,800	19,700	24,700	31,600	35,000	5,000	500	2.3%	400	380
Total Rating Units		26,000	30,900	38,800	43,000	<b>4,900</b>	490	1.7%	430	430

3. The approach used to derive the growth projections has been developed and enhanced by Rationale Limited over the last 13 years. The philosophy underlying the methodology of the growth model is that people drive the growth in dwellings and rating units, with the other two factors being declining household size and holiday home demand. The projections take into account the District's unique growth drivers, and have been produced for both the Wakatipu and Wanaka wards.
4. The key components of the growth projections are Statistics New Zealand (**SNZ**) population projections, which are considered a reliable, robust and objective basis for forecasting future growth, the additional dwellings required to house the resident population and the visitors in holiday homes, visitors on the average and the peak day, and impact of these three components on the rating units.

5. Four growth scenarios are summarised in my evidence, low, medium, high and modified. This 'modified' growth scenario is considered the most appropriate for the following reasons:

- (a) the modified growth scenario provides realistic projections that are conservatively optimistic. It is considered to best reflect historical population growth trends and the current economic climate;
- (b) the high growth scenario is considered to be too high, and may lead to overstating the growth. Similarly, the low growth scenario is more of a worst-case scenario. While this provides a useful perspective, it is not considered appropriate for long term strategic planning purposes;
- (c) although SNZ consider their medium growth series to be the most appropriate to assess future population changes, it appears too conservative for the purpose of long term strategic planning in the District. Historically the medium growth scenario has understated the growth in the District; and
- (d) the modified growth scenario is informed by the appropriate SNZ population series for each census area unit and analysis of recent building activity. Therefore it provides more accurate localised projections that better meet QLDC's planning needs.

6. Mr Geddes' rebuttal evidence<sup>1</sup> compares the recommended growth projections with historical growth. On their face these comparisons are valid; however overall the annual growth percentage comparisons are misleading in that they do not include both the annual percentage growth and the actual increase in people. The District has grown from a population of around 10,000 people in 1991 to over 30,000 people (in 2017). Therefore it is important not to place too much emphasis on comparing annual percentage growth. This is demonstrated in the following table, which I have compiled from Table 1, Figure 3 and Appendix 1 in my evidence in chief.

Growth indicator	Historical 1991 to 2013 22 years	Projected 2013 to 2038 25 years	Projected 2038 to 2058 20 years
Population change	10,000 to 29,700	29,700 to 58,000	58,000 to 74,700
Average % annual growth	5.1% per year	2.7% per year	1.3% per year
Range - % annual growth	3.0% - 7.4% per year	1.5% - 5.1% per year	1.2% - 1.4% per year
Average annual growth	900 people per year	1,100 people per year	830 people per year
Range - annual average growth	700 - 1,250 people per year	850 - 1,650 people per year	800 - 840 people per year

<sup>1</sup> For submitters 338, 328 and 715, dated 4 July 2017.

- 
7. Due to the long-term nature of the growth projections and the large number of influencing factors, there is an intrinsic uncertainty in the findings. For this reason, the projections consider multiple scenarios and are updated regularly to ensure they are based on the best and most up to date data available at the time.
  
  8. Notwithstanding the above, the Rationale projections are the result of a detailed process, factoring in significant data inputs and trends, and take account of the District's unique growth drivers. Therefore, I consider the recommended growth scenario to be appropriate for providing a sound basis for QLDC's long term planning.