Long-term Plan 2024–34

Respondent No. 256

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Kāpiti Coast DISTRICT COUNCIL
Me Huri Whakamuri, Ka Titiro Whakamua

Personal information

First name	kathleen
Last name	clement
I'm providing a submission (choose one):	as an individual
Please let us know what ward you live in	Raumati
Do you want to speak to Council about your submission at our public hearings on 2 May?	No
Are you happy for your name to be published with your feedback:	My name can be published with my feedback

Submission

Proposal 1: Three waters funding
Which option should we choose? (select one option)

Option 1: Fund $4.7 million shortfall with an additional 5% rates increase in Year 1.

Would you like to expand on your answer for option 1?

I appreciate the attempt to "lay bare" the current realty of the council's financial position and competing priorities. A thought provoking, and on the whole well positioned document in my view. While there is no easy, nor particularly palatable answer, I do truly appreciate the effort of those in public office in what can often seem like a lose/lose situation. While on the surface much of your thinking makes a lot of financial sense and hard to argue, from an individual financial perspective there are a few hard pills to swallow that involved a fair bit of mind changing and deliberation on my part. It's a big ask but I've supported the additional 5% - only just. In principle it makes sense to take the least costly route, "bite the bullet" and fund the shortfall in one hit. Three waters" aside though the proposed 12% in itself seems ridiculously high when compared to the 7% average in previous years - this despite identified operational savings. I feel like three waters has created a bit of a diversion and diluted a focus on this in its own right. Okay I get increased costs etc etc but what story would you be telling really to justify a jump from a 7% to 12% increase, if there had been no change in government and the three waters legislation progressed. The story as it currently stands doesn't really stack up. As an aside did you consider a year two scenario for the extra 5%? This has been a tough year for all with high interest rates etc. With an assumption that these may start to fall next year, a little breathing space may make your proposal more palatable. So add the additional 5% into year 2 instead of year 1 given the 12% is a significant hike in its own right! Lastly, is it possible to acknowledge our water rates contribution somewhere and how this money is used? what part it plays in the grander scheme of things.

Proposal 2: Proactively reduce Council's debt
Which option should we choose? (select one option)

Option 1: Apply average rates increases of 8% per year from 2025/26 to 2033/34

Would you like to expand on your answer for option 1?

Practically, I've chosen the 8% option as it fits better with your overall debt reduction strategy. After a year of 17%, 8% isn't going to seem that bad. I also don't think your affordability and 7% proxy rational stacks up. It might make council feel better coming up with some kind of affordability measure but in real terms it undermines the collective impact on people of a number of increases - insurance, power, food etc etc. You may as well not bother with an affordability measure. You haven't used this to inform your decision in year one, so why year two? Stick with what works best to deliver the overall strategy to strengthen the longer - term position. It is what it is! The activist side of me did consider that there could potentially be an option missing here - none of these - status quo! On the surface this may seem like a totally unrealistic solution but as you point out a lot has changed in 3 years, well even in this past year, and there's little doubt a lot more will change in 10 - hopefully a change of government for starts - so maybe not locking our community into a debt repayment strategy now could be a valid option for some. Irresponsible as it might seem an insolvency option in 10 years might not be such as a bad thing. If nothing else it sends a strong message to Government that ratepayers and the "squeezed middle" are well and truly over it! Maybe if we are totally irresponsible, we'll get a bail out???

Proposal 3: Transfer Council's housing for older people
Which option should we choose? (select one option)

Option 1: Transfer our older persons' housing assets to a new Community Housing Provider

Would you like to expand on your answer for option 1?

Yes, good opportunity to push some responsibility back on central government away from the ratepayer. Although I have my doubts any CHP in today's environment will find it easy to obtain funding from MHUD/Government - at least they will be in the mix though. And at least our tenants will quality for rent assistance. Important for council retain influence over who qualifies for these homes and that our kapiti community housing needs are met first.

New climate action rate
Which option should we choose? (select one option)

Option 1: Introduce a new targeted climate action rate based on a property's capital value rather than the current land-value based general rate

Would you like to expand on your answer for option 1?

I'm not sure I understand what I'm signing up for here. "This new rate won't increase the amount we currently collect from rates." Not sure I understand or trust this statement. I think you need to explain it a bit more. An example may help. Given the likely extent of the future climate action programme it makes sense to ringfence and track separately. The statement infers though here will be no rates increase to accommodate work needed to address climate change. Having read the CAP pathway recommendation options for Kapiti and the likely size of the programme I fail to see how this work wouldn't result in an increase in rates. The portion of spend for climate action activities in "your graph showing Council's annual rates revenue broken down by our main activities" doesn't seem to reflect the increased investment that will be needed to support CAP recommendations over the next ten years , so I worry there is more to come that's not yet reflected in this 10 year plan. How do you intend to pay for it? Is this a smoke and mirrors? Is there an ulterior motive in proposing this now in preparation for funding the future climate action programme, or am I reading too much into this? A wee bit like water rates we pay extra in addition to rates but collectively it's still all rates!

If you have any views on these policies, please comment here:

Sorry but by the time I got to here I'd run out of steam. The policies in full are too long and dense to take in. it would have been good to address separately or at least just focus on what's changed - an abridged version. not a great example of community engagement for these sorry. i don't think most people will bother - too hard so the consultation on these items so will be ineffective and almost not worth doing at all. So changes will be made regardless under the radar.

If you have any views on these other items, please comment here:

As above.

Is there anything else you'd like to tell us about this LTP?

As already indicated, I struggled a few times to be realistic about the chosen options. From an emotional perspective, and now having considered all proposals holistically, I think the collective financial burden on ratepayers unfair and quite frankly unacceptable.   There's just little alternative at this point. We're all backed into a corner. Its not like rates are optional! I understand the predicament, but the bottom line is that the current rates model no longer works and it's time to take a stand and push back against central government / policies as these impact on councils and ratepayers in terms of the financial burden of issues over which they do not have full control. The rates model has become unaffordable hence the debt!. These are nationwide if not in some cases global issues, not just local community issues. I understand that it may not be feasible through this particular vehicle (LTP), but I would like some strong visibility on the council's advocacy role at play here in "bright shining lights" somewhere. It's time to make a noise and step up.

This paragraph :
"Everyday costs are met from everyday revenue
We currently underfund our annual
depreciation charge by $3.5 million.
Depreciation is an operating cost that spreads
the total cost of our assets over their useful
service lives. We debt-fund this shortfall
every year. We intend to fully fund our annual
depreciation by rates from Year 2 onwards"

Why? Not explained? What's the impact on the projections if you don't fully fund depreciation? Not covered in options?

There a paragraph in the document as follows:

"We will still need to borrow during the 10 years
of this LTP, but from 2030/31 onwards debt will
begin to significantly reduce. The alternative is
to continue to borrow as normal and when we
get close to our maximum debt limits, we will
need to make some hard decisions about what
work we can and can’t do, and activities and
projects that aren’t deemed critical might need
to cease."

Maybe the time to do this is now!