

Kāpiti Coast

DISTRICT COUNCIL

Me Huri Whakamuri, Ka Titiro Whakamua



ANNUAL REPORT

2011 – 2012



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INTRODUCTION BY JENNY ROWAN, MAYOR, KĀPITI COAST DISTRICT

I am pleased to present this Annual Report on behalf of my fellow Councillors – 2011/12 has been another very busy year. Few local authorities in New Zealand are confronting the number of complex issues our District is currently dealing with, and I pay tribute to my fellow Councillors and Community Board Members, Chief Executive Pat Dougherty and Council staff, for their hard work and dedication.

Earlier in the year the Council established five priorities as a focus for the triennium: the Coastlands Aquatic Centre, the water supply project, support for economic development, ensuring the expressway project reflects the needs of the community, and completing the upgrade of the Civic Administration Building.

Construction of the Coastlands Aquatic Centre started in February and will be completed by March 2013. This is a long-awaited and exciting development for Kāpiti and Council appreciates the fund-raising efforts undertaken by the Aquatic Centre Trust as well as sponsorships by Coastlands and Pak'n Save, who are helping to make this facility a reality.

In April this year, the New Zealand Transport Agency (NZTA) lodged an application with the Environmental Protection Authority to construct the MacKays to Peka Peka Expressway. The Government has appointed a Board of Inquiry to consider the application and this will provide an opportunity for effected parties to present their respective cases. We have provided an extensive submission to the Board and will argue Council's position at the hearing in support of it. If approved,

this Government-led project will change Kāpiti significantly. The Board decision on whether the Expressway will go ahead and the conditions for its construction is expected in March or April 2013. Hopefully it will help bring more certainty to our community and allow people to move on with their lives.

Council also provided a submission to the Board of Inquiry on the Transmission Gully Expressway and considered issues arising from the Peka Peka to Ōtaki Expressway. These projects will also have significant impacts on our community which need to be addressed by NZTA and resolved.

Council continued to work on a long-term sustainable solution for the District's water supply. We decided to expand the Waikanae borefield, so in times of drought we can use ground water to "recharge" the Waikanae River, allowing us to take more water from the river for treatment and supply.

We also decided to include water meters in the mix because our research showed they would lead to an estimated 25% reduction in peak demand which in turn would allow us to defer \$36 million worth of water supply infrastructure costs by at least 20 years. This was too persuasive to ignore. Stage 1 of the river recharge scheme, coupled with reduced water use through the impact of water meters, will provide us with a water supply solution for at least the next 50 years.

We know a number of residents still believe a dam is the solution to the problem. However, the cost



of a dam cannot be staged so its full cost (considerably more than the river re-charge scheme) would fall directly on current ratepayers. It would also take some years to gain consent, build, and fill. This would mean we had no solution in place by 2015 when we expect to be in breach of our existing resource consent for the Waikanae River. On the basis of this information Council decided the best option was to proceed with Stage 1 of the Waikanae River Recharge scheme and water meters while also purchasing land for a future dam.

Economic development is critical if we are to reduce the rating burden on residents and provide local jobs, especially for our young people. During the year Council released a new strategy for supporting economic development with the goal of more quality local jobs, increased business activity as well as laying the foundations for the transformation of our economy over the first half of the 21st century.

As part of the new strategy, we discontinued our investment in Nature Coast Enterprise, bringing some funding back inside Council to invest in other areas, in particular, clean technology and IT. This includes support for a Clean Technology Trust.

We are also increasing our focus around supporting innovation in the primary production, food and beverage, health and construction sectors. Support continues for tourism and general advice and assistance to business. We set up two contracts: one with Kapiti Company Limited, which will run our two i-SITES in Paraparaumu and Ōtaki and help promote tourism in the District, and the other with the Kapiti Business Facilitation Service, which will offer a confidential business advice service to local businesses.

Work on upgrading and earthquake strengthening the Civic Administration Building is well advanced and once completed early in 2013 it will under-pin the Paraparaumu Town Centre as the civic heart of the District and provide future councils with a sound base for many years to come.

Nearly all our town centres saw investment during the year. A major upgrade of the Marine Gardens at Raumati Beach began, and more parking space



has been purchased and upgraded in the town centre. The intersection of Kāpiti and Rimu Roads was upgraded, improving traffic flow on the busiest intersection in the District. In Waikanae there were improvements to the Ngaio and Parata Street intersection, and in Waikanae Beach there was a major upgrade to the pump station on Te Moana Road.

The main street upgrade in Ōtaki ran into a number of difficulties and was subsequently delayed causing considerable angst to the local community but now looks great. The Chief Executive has since put a number of changes in place to improve the way we manage, monitor and report on major projects.

Dealing with the commuter parking in Waikanae has been a long and somewhat complex process. While changes to Pehi Kupa Street, initiated by the Waikanae Community Board, will provide more parking, further solutions are needed. Another effect of the double-tracking to Waikanae is the possible loss of the Capital Connection rail service between Palmerston North and Wellington. Along with many others in the wider community, Council and the Community Board have fought hard to maintain the service as the only rail service linking Ōtaki and our neighbours

in Horowhenua and Wellington. Should it be discontinued, it will exacerbate already worrying parking issues in Waikanae as well as overcrowding on the trains south.

Council adopted a new Open Spaces Strategy which will underpin future decisions on how we work with the community to develop or protect open spaces. One of the issues identified in the strategy is the need for more land for active recreation. The purchase of nearly 36 hectares of land beside the Waikanae River will enable the staged development of new sports grounds to relieve the pressure on existing facilities. The Strategic Land Purchase Fund was used for this purchase. Council has also continued to support the Mazengarb Park Multi-Sport Turf facilities by committing financial assistance to the Trust to build the changing rooms.

Council continued to put considerable effort into youth projects, working with older people, increased involvement with the Disability Reference Group, cycleway, walkway and other community groups on a range of projects: all making a major contribution to community wellbeing.

Our District Plan was last updated in the late 1990s and is in the process of being reviewed. We are required by law to review areas of the District Plan that have not been updated in the last 10 years. As part of this process, a number of significant reports have been written on key issues in the District and a series of public workshops with Elected Members began in March this year. This work proceeded with the goal of notifying the proposed Plan in late November with submissions and hearings taking place over the following 10 months.

In conclusion I thank those individuals, community organisations and groups who have taken the time to engage with Council in the past year. Your efforts are greatly appreciated and your feedback does make a difference.



Jenny Rowan, QSO, JP

Mayor

Kāpiti Coast District



A MESSAGE FROM

PAT DOUGHERTY,

CHIEF EXECUTIVE

This Annual Report covers the period July 1, 2011 to June 30, 2012 and illustrates Council's performance in both a service and financial context, against measures set out in the 2011/12 Annual Plan.

In the 12 months to June 30, 2012, Council invested \$34.464 million on capital works. The major items included \$5.9 million on the Coastlands Aquatic Centre, \$2.9 million on the Civic Administration Building, and \$5 million on roads. The latter included \$1.4 million on re-sealing, \$1.23 million on the Kāpiti Road/ Rimu Road intersection, and \$345,000 on footpaths.

In December Council purchased the 36 hectare "Howarth Block" for future development as playing fields and open space for \$2.775 million. This is a magnificent piece of land that runs along the south bank of the Waikanae River with access off Lancelot Grove. The next step is to change the designation of the land to recreation under the Reserves Act 1977 so a Reserves Management Plan can be prepared for community consultation and ultimately, adoption by Council.

Council also purchased a block of land at the Raumati Beach shopping precinct for car park use, and a property in Ngahina Street, Paraparaumu bringing the total strategic land purchases for the year to \$3.8 million.

Negotiations for the purchase of land for a future dam site behind Nikau Valley were also successfully concluded during the year with full settlement being made in the 2012/13 financial

year. The negotiations were complex and involved a number of parties and the removal of a protected covenant. Land excess to requirements will be sold off in 2012/13 and the returns used to defray costs.

Council supported moves to set up a Clean Technology Trust to provide a range of services to help selected clean technology ventures to become commercially self-sufficient. This involved approving a \$1.5 million loan as part of the 2012 Long Term Plan which the Trust will be able to draw down to cover set up, development costs and specific projects as they progress.

A significant amount of investment was made on stormwater and wastewater upgrades. This included \$2.4 million on building a new stormwater pump station at the Raumati Town Centre (total project cost is \$3.4 million), and \$1.1 million on stage 1 of the Te Moana Road Wastewater Pump Station upgrade and Emergency Storage installation. The Paraparaumu inflow and infiltration reduction and wastewater pipe renewals contract was completed in May 2012 with the majority of the work carried out within Hinemoa Street and surrounding streets in Paraparaumu East.

Work on the Waikanae River re-charge water supply project continued with a major study by NIWA on the impact of ground water on the river's ecology, and a number of test bores being sunk around Greenhill Road and Greendale Drive to identify sites for future supply bores.

As mentioned by Mayor Rowan, Council also moved ahead on the issue of water meters as part of a water conservation drive and a Charging Regime Advisory Group was set up under the chairmanship of former State Services Commissioner Don Hunn to look at possible charging regimes to replace the current flat charge. The Group duly reported their findings in March 2012.

While there was considerable public debate surrounding water meters, Council units continued to deliver services to residents professionally, on time and within budget. The Regulatory Team, for instance, maintained a high output with all 25 Subdivision Completion Certificates being issued in less than 15 working days, all 790 Code Compliance Certificates issued within 15 working days, all 5,495 site inspections completed within 24 hours of request, and 795 of the 853 building consents processed in less than 15 working days.

Ninety-nine percent of all known dogs in the District were registered – an outstanding effort – 2,171 noise complaints were responded to, 98% within one hour; and 579 of the 594 fire permits were issued within one day.

The Library service went live with a SMART initiative in October 2011 providing easy access to a massive array of books and literature across the region. It also boosted its own selection by an additional 17,000 items during the year under review.

The first stage of the Paekākāriki Coastal Protection work was completed in September 2011; the Draft Strategy for Supporting Economic Development was consulted on in April 2012 and adopted in July, and the Kapiti Company Ltd was contracted to deliver i-SITE management and tourism support services.

The Youth Council was very active and successful, winning with Council, the Supreme Award for Youth in Local Government in April 2012.

Given the impact of the economic recession on the levels of activity during the year, Council ended the year in a satisfactory financial position, mainly due to savings in loan servicing costs.



There was a rates surplus of \$691,000 as at June 30, 2012, which was reported to the Corporate Business Committee on August 16, 2012. This surplus has been partly used (\$206,000) to offset the 2012/13 rates increase and the balance was used to offset the additional costs for the District Plan and Expressway work. These additional costs were a result of delays in the externally driven NZTA Expressway programme, and impacts on staff time allocated to the District Plan Review.

The Statement of Comprehensive Income (on page 134) includes revenue and expenditure not only funded from rates but also from other sources. The operating surplus before one-off items was \$3.67 million. Included in the operating surplus are revenue items such as development contributions of \$3.468 million which are capital contributions from developers that must be used to fund capital expenditure.

The one-off items included an unrealised loss on valuation of interest rate swaps of \$5.936 million and a loss on asset disposal of \$0.975 million. When these one-off (non-cash) items are deducted from the operating surplus, it results in a net operating deficit of \$3.24 million.

The unrealised loss on the revaluation of Council's interest rate swaps of \$5.936 million will never be



realised and only reflects the change in the market valuation of Council's interest rate swaps between June 30, 2011 and June 30, 2012.

Council takes out interest rate swaps for the long term to protect Council's exposure to changes in interest rates on its debt for a period up to 10 years. As the market interest rates increase (as they are predicted to do as the economy moves out of recession), then the market valuation of Council's interest rate swaps will increase in value and unrealized gains will be reported in future financial statements.

A 1% increase in market interest rates equates to a \$5.325 million "gain" in the market value of Council's swaps. With market interest rates at historically low levels (3% to 4% below long term averages), there is potential for large gains in the future.

Careful management of interest rate swaps has saved Council up to \$700,000 over the past 12 months in loan servicing costs. Interest rate swaps will continue to provide an opportunity to make significant savings in debt servicing costs over the longer term.

The other key non-cash contributor to the operating deficit is a loss on asset disposal associated with the removal of the old Civic Administration Building back to the core structure prior to commencing the upgrade. This loss in historic value of \$934,000 needed to be recognized as an accounting transaction as part of the June 30, 2012 Annual Report. Following the upgrade, the building will be revalued to reflect its increased value.

In all it was a very busy and at times controversial year and I would like to thank our staff for the very heavy workload they have had to carry.



Pat Dougherty

Chief Executive

A MESSAGE FROM TĀNGATA WHENUA

He Whakakitenga na te Tāngata Whenua



*Te Hekenga – the Migration
Designed by Hemi Sundgren,
Te Hekenga was carved by Hemi
with the assistance of Shannon
Wafer (Te Āti Awa) and Tamati
Holmes (Te Āti Awa).*

*Te Hekenga provides the
entranceway to the Paraparaumu
Library. The three waka symbolise
the three iwi of the Kāpiti Coast
(Te Āti Awa ki Whakarongotai,
Ngāti Raukawa ki te Tonga me
Ngā Hapū o Ōtaki, Ngāti Toa
Rangatira) and their migration to
the Kāpiti Coast.*

Tāngata whenua of the Kāpiti Coast District are pleased to enjoy an ongoing and productive relationship with Council since 1994, through the Memorandum of Partnership and the establishment of Te Whakaminenga o Kāpiti.

Te Whakaminenga o Kāpiti is a forum where the tāngata whenua and Council come together to discuss matters of mutual interest and importance in relation to Iwi specific issues and wider District matters.

The tāngata whenua of this District are: Āti Awa ki Whakarongotai, Ngāti Toa Rangatira, and Ngāti Raukawa ki te Tonga including their whānau and hapū.

Te Whakaminenga o Kāpiti recognises the strength of the Kāpiti Coast District Council's commitment to the role tāngata whenua have as kaitiaki of the District. They also support the manner in which the Council upholds and takes appropriate account of the principles of the Treaty of Waitangi. The four main principles on which the tāngata whenua base their vision for the District, as outlined on pages 10-13 of the *Kāpiti Coast – Choosing Futures: Community Plan 2009*, have supported their 2011/2012 work programme.

Some key achievements for this financial year include:

- Ongoing partnership with tāngata whenua to identify the most suitable solution for the District's water requirements for the next 50 years;
- Marae support grants disseminated to marae for maintenance programmes;
- A significant number of waahi tapu sites are being prepared for inclusion into the District Plan. Waahi tapu research continues to be a priority;
- Advancing the aspirations with tāngata whenua within a local government process;
- Advancement of Te Reo Māori within Council and on Council signage. An example of this is the revamped Heritage Signs around the District presented in both Te Reo Māori and English; and
- Established the inaugural Rongoaa Māori garden alongside Ngā Hapū o Ōtaki at Haruatai Park in Ōtaki.

A table providing year-end comment against each initiative and/or project is provided on the next page.

Rupene Waaka

Tumuaki, Te Whakaminenga o Kāpiti



Te Whakaminenga o Kāpiti Year-end Comment

Te Whakaminenga o Kāpiti Initiative and/or Project		Progress Comment
Iwi / Council Capacity Building	Council liaison / Māori	Council Kaumātua - guides the Council in the expression of tikanga Māori for formal and informal occasions. Te Whakaminenga o Kāpiti – continues to provide strategic overview of priorities for ongoing engagement between tāngata whenua and Council. Iwi Liaison - increased liaison between Council and Iwi on issues of significance, including the District Plan Water Working Group. Work Force Development and Cultural Advisor - increasing opportunities to develop cultural understanding within Council activities. Waahi Tapu - Researcher appointed and undertaking research to identify and protect waahi tapu sites across the District.
	Increasing efficiency of Iwi response to joint work	Improved communications between Iwi and Council.
	Resource Management	Ongoing participation in relevant training opportunities on resource management.
	Democratic Process	Māori Ward - discussions deferred until 2013. Exploration of mechanisms to support the democratic process.
State of the Environment	Kaitiakitanga	Develop understanding of Te Tiriti o Waitangi. Treaty Settlements - keeping abreast of settlement process. Coastal Strategy - annual forums. Exploring traditional kaupapa Māori practices that contribute to the management of the environment.
Economic Development	Building on the work from the Wellington Regional Strategy with a focus on local issues and opportunities to contribute towards Māori economic development potential.	Working party established and in the process of developing a strategy to progress local issues and opportunities for Māori.
He Taonga te Reo	Upholding the reo as a deeply treasured tāonga	Nurturing the written and spoken utilisation of te reo Māori throughout the District. Increased awareness of significant cultural events such as Matariki. Council and Iwi co hosting Waitangi Day and Citizenship ceremonies. Promoting bi-lingual signage. Heritage trail – all signage is now in te reo Māori and English.
He Taonga Tuku Iho	Marae - the standing place of the people.	Supporting the wellbeing of marae as principal homes of tāngata whenua.



Ngā Hapū o Ōtaki



Te Runanga o Toa Rangatira



GOVERNANCE STRUCTURE

GOVERNANCE STRUCTURE – FROM 1 JULY 2011 TO 30 JUNE 2012

Following the October 2010 Local Body Election the Kāpiti Coast District Council comprised a Mayor and 10 elected Councillors, half of whom were elected from ward constituencies and half of whom were elected on a districtwide basis. They were:

Mayor:	Jenny Rowan
Councillors:	
Districtwide	Diane Ammundsen, Roger Booth (Deputy Mayor), Mike Cardiff, Ross Church, Peter Ellis
Ōtaki Ward	Penny Gaylor
Waikanae Ward	Tony Lloyd
Paraparaumu Ward	K (Guru) Gurunathan, Tony Lester
Paekākāriki-Raumati Ward	Hilary Wooding

Council meetings were scheduled six weekly, with additional meetings held as required. During the year the Council held 16 meetings. Council meetings normally commenced at 9am during the year. These meetings were advertised in the local news media. To assist the Council to discharge its duties it had Standing Committees which generally met every six weeks, and each committee had its own terms of reference and powers delegated to it by the Council. The membership of each of those standing committees is a committee of the whole. That is, every Councillor sits on every committee. There are also a number of subcommittees. The Standing Committees (listed below) held 22 meetings during the year.

The **Environmental and Community Development Committee** (ECD) was chaired by Councillor Gaylor. The Committee developed policies and strategies for the Council on behalf of the community for the social, economic, environmental and cultural wellbeing of the District, and policies and strategies associated with the development of the Long Term Council Community Plan.

The **Corporate Business Committee** (CBC) was chaired by Councillor Church. The Committee managed the financial affairs of the Council including risk management issues within the overall long term financial programme and financial management parameters set out in the Long Term Council Community Plan. It also acted as the owner of all Council assets.

The **Regulatory Management Committee** (RMC) was chaired by Councillor Ammundsen. The Committee controlled a range of regulatory activities such as animal control, building control, bylaws, environmental matters, parks and reserves, resource management, District Plan changes, subdivision and land use consents, public safety, traffic, and also acted as the District Licensing Agency (liquor) and as Hearing Commissioners.

The **Appeals Committee** was chaired by Councillor Wooding. The Committee is responsible for hearing appeals or objections on Council's regulatory and compliance areas.

Further details on the Council's governance arrangements can be found in the Governance Structure document available at www.kapiticoast.govt.nz



The **Community Boards'** role was to advise Council of local issues and to help determine priorities. They also had delegated power to deal with some local matters. The Community Boards generally met every six weeks and during the year a total of 32 meetings were held. The Chairs of each Community Board were also invited to sit at the Council table for meetings of Council and Committees and contribute to the discussion. The Boards and their members were as follows:

Ōtaki Community Board	Don Moselen	Chair
	James Cootes	Deputy Chair
	Colin Pearce	(sworn in 22 March 2011 after by-election)
	Marilyn Stevens	(sworn in 22 March 2011 after by-election)
	Cr Penny Gaylor	
Waikanae Community Board	Michael Scott	Chair
	Eric Gregory	Deputy Chair
	Jocelyn Prvanov	
	Harold Thomas	
	Cr Tony Lloyd	
Paraparaumu-Raumati Community Board	Louella Jensen	Chair
	Jonny Best	Deputy Chair
	Trevor Daniell	
	William Scollay	
	Cr Tony Lester	
	Cr K Gurunathan	
Paekākāriki Community Board	Adrian Webster	Chair (to 1 March 2012)
	Janet Holborow	Deputy Chair
	Steve Eckett	
	Helen Keivom	
	Cr Hilary Wooding	



REMUNERATION OF THE ELECTED MEMBERS

The remuneration rates, the level of allowances and the reimbursement of expenses payable to local government elected members are set by the Remuneration Authority which is a statutory body whose members are appointed by the Government. Other than setting the remuneration for mayors and regional council chairs, the Authority allows councils to propose how the remuneration pool will be divided within the District. Assuming the council's proposal meets the Authority's criteria it will be approved.

The Council members are paid an annual salary and also have their mileage reimbursed for journeys over 30 kilometres and some of their IT requirements subsidised. Below is the remuneration paid covering the period 1 July 2011 to 30 June 2012.

1 JULY 2011 TO 30 JUNE 2012

Name		Gross \$	Mileage \$
Jenny Rowan	Mayor	92,329	-
Councillors			
Diane Ammundsen	Chair, Regulatory Management Committee	32,022	-
Roger Booth	Deputy Mayor	36,283	931
Mike Cardiff		25,133	-
Ross Church	Chair, Corporate Business Committee	31,812	-
Peter Ellis		26,292	-
Penny Gaylor	Chair, Environment and Community Development	33,942	2,141
K Gurnathan		28,614	-
Tony Lester		28,422	-
Tony Lloyd		27,825	-
Hilary Wooding	Chair, Appeals Committee	32,526	-
Paekākāriki Community Board Members			
Adrian Webster	Chair	5,339	301
Stephen Eckett		3,943	-
Janet Holborow		3,943	-
Helen Keivom		3,943	-
Paraparaumu/Raumati Community Board Members			
Louella Jensen	Chair	12,882	-
Jonny Best		6,573	-
Trevor Daniell		6,573	-
William Scollay		6,573	-
Waikanae Community Board Members			
Michael Scott	Chair	12,882	-
Eric Gregory		6,573	-
Jocelyn Prvanov		6,573	-
Harold Thomas		6,573	-
Ōtaki Community Board Members			
Don Moselen	Chair (up to May 2012)	12,356	1,462
James Cootes	Chair (from June 2012)	6,771	378
Colin Pearce		6,627	54
Marilyn Stevens		6,573	-
TOTAL		509,897	5,267



REMUNERATION PAID TO ACCREDITED HEARING COMMISSIONERS

Name	Gross Remuneration \$	Mileage \$
Diane Ammundsen	1,190	-
Mike Cardiff	884	-
K Gurunathan	1,088	-
Tony Lloyd	340	-
Hilary Wooding	170	-
Adrian Webster	136	15
Total for Accredited Hearing Commissioners	3,808	15
TOTAL PAID TO ELECTED MEMBERS	517,705	5,282



MEETING ATTENDANCE RECORD OF ELECTED MEMBERS

Council Meeting Attendance 2011/12

The following table details the attendance record of the Mayor and Councillors at the 16 meetings of Council and 22 Standing Committee meetings.

Elected Member	Council Meetings			Council Committee Meetings		
	Attended	Absent (leave)	Absent (apology)	Attended	Absent (leave)	Absent (apology)
Mayor Jenny Rowan	15	0	1	19	1	2
Diane Ammundsen	15	1	0	19	2	1
Roger Booth	15	0	1	20	0	2
Mike Cardiff	15	0	1	21	0	1
Ross Church	16	0	0	22	0	0
Penny Gaylor	16	0	0	21	0	1
Peter Ellis	14	0	2	21	0	1
K Gurunathan	16	0	0	22	0	0
Tony Lester	14	1	1	18	3	1
Tony Lloyd	15	0	1	18	2	2
Hilary Wooding	14	1	1	19	2	1

COMMUNITY BOARD MEETING ATTENDANCE 2011/12

The following tables detail the attendance record of Community Board members at the 32 Community Board Meetings.

Ōtaki Community Board Attendance

Elected Member	Attended	Absent (leave)	Absent (apology)
James Cootes (Chair from June 2012)	8		
Don Moselen (Chair to May 2012)	7		*
Colin Pearce	8		
Marilyn Stevens	6		2
Cr Penny Gaylor	8		

(* Don Moselen was absent without an apology)

Waikanae Community Board Attendance

Elected Member	Attended	Absent (leave)	Absent (apology)
Eric Gregory	8		
Jocelyn Prvanov	8		
Michael Scott (Chair)	8		
Harold Thomas	6	1	1
Cr Tony Lloyd	7		1

Paraparaumu / Raumati Community Board Attendance

Elected Member	Attended	Absent (leave)	Absent (apology)
Johnny Best	7		1
Trevor Daniell	6		2
Louella Jensen (Chair)	7	1	
William Scollay	6		2
Cr K Gurunathan	7		1
Cr Tony Lester	7	1	



Paekākāriki Community Board Attendance

Elected Member	Attended	Absent (leave)	Absent (apology)
Steve Eckett	8		
Janet Holborow	7		1
Helen Keivom	7		1
Adrian Webster* (Chair)	5		
Cr Hilary Wooding	7	1	

(* Adrian Webster passed away on 1 March 2012)



STATEMENT OF COMPLIANCE AND RESPONSIBILITY

1 JULY 2011 TO 30 JUNE 2012

Compliance

The Council and management of Kāpiti Coast District Council confirm that all statutory requirements of Section 98 of the Local Government Act 2002 have been complied with.

Responsibility

The Council and management of the Kāpiti Coast District Council accept responsibility for the preparation of the annual Financial Statement and the judgements used in them.

The Council and management of the Kāpiti Coast District Council accept responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the Council and management of the Kāpiti Coast District Council, the annual Financial Statements for the year ended 30 June 2012 fairly reflect the financial position and operations of the Kāpiti Coast District Council.



Jenny Rowan, QSO, JP

Mayor
Kāpiti Coast District

4 October 2012



Pat Dougherty

Chief Executive

4 October 2012



Warwick Read

Group Manager
Finance

4 October 2012



CONTEXT FOR THE ANNUAL REPORT

Under the Local Government Act 2002 (the Act), the Council had to adopt a fully compliant Long Term Council Community Plan (LTCCP) by July 2009. Year Three of the LTCCP is the Annual Plan for 2011/12.

This Annual Report reports on the delivery of Year Three (2011/12) of the 2009 LTCCP.

In November 2010 the Local Government Act 2002 was amended. From a planning perspective the changes will be applied from 1 July 2011 in respect of the 2012 Long Term Plan review.

The new legislative changes regarding Annual Reports do not apply until the 2012/13 Annual Report.

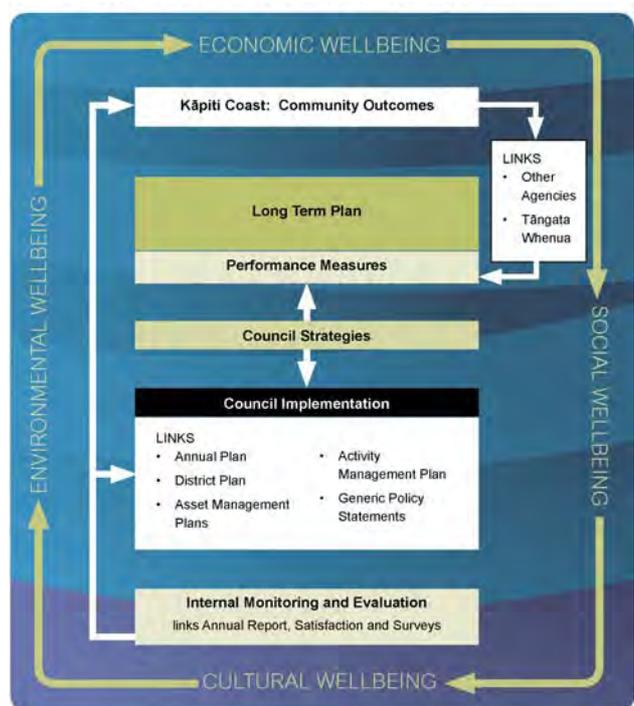
THE LONG TERM PLAN

The Long Term Plan is essentially a touchstone between Council and the communities of the Kāpiti Coast. It guides both the long term planning and day to day decision making for the Council. It is just one of a number of strategies and plans and the diagram explains how it relates to other key Council plans, documents, policies and processes. It states what Council will do to promote wellbeing and the community vision and can be used by the community to review Council performance against that vision. It also allows Council to adjust expenditure on an annual basis during the three year cycle.

The Local Government Act 2002 requires a local authority to every three years develop a Long Term Plan which shows what the Council will do to implement that vision over a ten year period. It must show the links between Council Activities and the Community Outcomes.

COUNCIL PLANNING DOCUMENTS

The following diagram illustrates the linkages between the Council planning documents:



COMMUNITY OUTCOMES

A legislative change in 2010 to the Local Government Act 2002 altered the process of identifying Community Outcomes. Previously, the legislation ensured the Community Outcomes reflected the vision of the community about what sort of district they wanted the Kāpiti Coast to be. It did not allow the Council to dictate the Community Outcomes. Now the Community Outcomes must be developed by the Council and relate to what the Council wants to achieve in order to promote the social, economic, environmental and cultural wellbeing of the community, both now and for the future.

The first Community Outcomes were developed in 2003/04 after an extensive community process called Kāpiti Coast: Choosing Futures. Subsequent Councils have reaffirmed them with only minor alterations being made. This Council has retained the 2009 Community Outcomes as a

touchstone and have included them in the 2012-32 Long Term Plan. They represent years of extensive work that have involved many residents in determining Community Outcomes for the District as a whole along with local outcomes for eight (so far) of the local communities that make up the Kāpiti Coast.

These detailed Community Outcomes remain very relevant given increasing awareness of major global issues. They have also been used to inform the District Plan Review which is underway. It is important to retain this connection.

The following table outlines the seven broad Community Outcome areas. There is considerable detail that sits behind these general statements. The documents can be obtained from Council Service Centres or found on the website: www.kapiticoast.govt.nz

OUTCOMES	1	there are healthy natural systems which people can enjoy	The community's vision for the Kāpiti Coast's natural environment is simple; maintain and build on valued natural qualities.
	2	local character is retained within a cohesive District	This Outcome is concerned with recognising, protecting and preserving the unique character of various communities while also nurturing those things that create a sense of community as a whole.
	3	the nature and rate of population growth is appropriate to community goals	This Outcome is about the management of population changes and development. The community has clearly indicated population growth needs to be managed in a way that brings benefits not problems.
	4	the community make use of local resources and people have the ability to act in a sustainable way on a day-to-day basis	This Outcome is concerned with the efficient use of finite resources and making sensible use of renewable resources.
	5	there is increased choice to work locally	This Outcome is concerned with how and to what extent the local economy grows and gives residents greater employment choice, including skilled work and job security.
	6	the District is a place that works for young people	The community's vision is that the Kāpiti Coast provides a place young people can enjoy and feel a part of, where they can make the best of education and other opportunities and be encouraged to stay in the District as they grow older.
	7	the District has a strong, healthy, safe and involved community	Overall, the Kāpiti Coast community is strong, healthy and involved. Safety was added to this Outcome when all Outcomes were reviewed with the community in 2009.



MEASURING THE COMMUNITY'S PROGRESS TOWARDS ACHIEVING THE VISION

The Council will report on a three yearly basis on whether there has been progress towards achieving the Community Outcomes and vision.

The full Kāpiti Coast 2009 Community Outcomes Progress Report can be found on the Council's website or at libraries and service centres. It describes how Council is progressing towards each of the seven Community Outcomes.

The Council was working towards the development of a Genuine Progress Index for the District.

This is a way of measuring cumulative performance or "quality of life" across all areas of wellbeing. It is not good, for example, having economic growth if the environment is harmed in the process.

This has been replaced by the very useful Regional Progress Index, developed by the Wellington Regional Strategy Committee.

This can be found on www.wrs.govt.nz



PROMOTING WELLBEING

The Local Government Act 2002 identifies a primary role of local government to promote and report on the social, economic, environmental and cultural wellbeing of the District. To guide its thinking the Council has identified some of the general characteristics which it sees as making up each of these wellbeing areas.

In some areas Council has direct influence through the services it provides. For example, water supply, local halls and housing for older persons contribute to social wellbeing while resource management responsibilities promote environmental wellbeing. In other instances the influence is more indirect and is as much to do

with how Council conducts its business. For example, cultural wellbeing can be advanced via local heritage projects but it is also promoted across a range of activities by a less tangible support for a range of cultural images in public art, or protection of the character of an area.

In other situations, Council adopts an advocacy role, for example, advocating for health facilities.

This Annual Report meets the requirements of the Local Government Act 2002 to include descriptions of any identified effects that any activity within its activities has had on the social, economic, environmental, or cultural wellbeing of the community.



CULTURAL

CULTURAL WELLBEING INCLUDES

- an understanding of the history of cultural traditions and heritage of people living within the District;
- mutual respect for those traditions and values that contribute to human wellbeing;
- a reflection of those values (including local heritage) in the present physical and social environment;
- confidence that decisions which will result in change take these principles and values into account; and
- a sense of community control over decisions affecting what is valued for community good.

COMMUNITY OUTCOMES 1 2 3 4 5 6 7

ECONOMIC

ECONOMIC WELLBEING INCLUDES

- economic activity which is within the capacity of natural eco-systems to absorb and withstand any negative effect;
- local benefit;
- employment which provided opportunity for high paid, high skill jobs;
- a local economy which adapts to change and pressures;
- having business people who are able to establish viable businesses that return benefits to their local communities;
- a high level of skills in the community, the opportunity to train to improve skills and the opportunity to use those skills effectively;
- the ability to add value to what local resources offer, especially natural resources and creative talent; and
- equal pay for work of equal value.



SOCIAL

SOCIAL WELLBEING INCLUDES

- the ability of all to participate in and use what the District offers;
- the existence of respect, active fostering and support for people and groups that sustain and help others;
- the ability of each individual to see a future and feel they might achieve it;
- significant interaction between generations, especially the old and the young;
- the existence of basic levels of physical and mental health or wellness;
- personal safety and freedom from a sense of fear;
- that people have a sense of control over their individual and community lives, now and into the future, sustained and underpinned by personal responsibility and a functioning community;
- the ability of people to pay for their basic needs (food, housing and services) and have enough disposable income to allow participation in local community life;
- a community which shows a high level of tolerance, acceptance of others and cohesion and co-operation to achieve collective good; and
- people being supported and valued within personal networks of friends, family, whānau and other social groups.

COMMUNITY OUTCOMES 1 2 3 4 5 6 7

ENVIRONMENTAL

ENVIRONMENTAL WELLBEING INCLUDES

- minimising the harmful effects of actions on the environment;
- respect for the capacity of natural environments to absorb change;
- realising community aspirations to restore the quality of natural systems;
- people having the ability and knowledge to harvest natural systems without harming them;
- maintaining current levels of biodiversity and improving these in the future;
- local access to locally produced food;
- maintenance of 'keystone' species such as the bee population;
- active enjoyment of, respect for and access to the natural environment;
- awareness and support for self sustaining eco-systems to continue to provide clean water, a functioning atmosphere, and soils that can support life; and
- minimising the harmful effects of actions on the environment.

LEADERSHIP AREAS

The Leadership Statement in Section 2 of the 2009 LTCCP and reconfirmed in Section 4 of the 2012 Long Term Plan, has identified 16 leadership areas or themes which will continue to shape the Councils long term thinking and direction. These are outlined below. These leadership areas do not predetermine what projects will be advanced, they simply indicate the “thrust” of the Council focus.

BUILDING RESILIENCE

A resilient community is one that has the capacity to actively respond and adapt to change with minimum cost to communities, to community systems (including infrastructure) and ecosystems. It is a community which is served by infrastructure and structures which can also adapt over time.

The Council has placed considerable emphasis on finding solutions which reduce reliance on single systems, ranging from improved access, to increasing opportunities for non-potable water (not drinking water) supply, to developing a range of structures for community involvement. It will continue to build the idea of resilience into its thinking and decision-making, in particular about the Council infrastructure and services.

This Leadership Area links to all activities especially Access and Transport, Libraries, Arts and Museums, Stormwater Management, Supporting Environmental Sustainability, Supporting Social Wellbeing, Wastewater Management and Water Management.

PARTICIPATION, COMMUNICATION AND CONSULTATION

Participation, communication and consultation lie at the heart of a functioning, positive, local democracy. The Council will continue to use processes which provide people with the opportunity to shape ideas and direction at the beginning of decision-making processes, rather than simply reacting to largely formed decisions.

The Council will strive to provide people with easy to understand information to assist them to participate in decision-making. Council will continue to develop improved communication tools so that people have all the information available to them that they need in order to participate in and understand decisions.

This Leadership Area links to all activities especially Development Management and Governance and Tāngata Whenua.

NATURAL HAZARDS

Council is reviewing the extent of coastal erosion hazard within the District. Global warming with expected sea level rises and increased sustained severe weather events will put pressure on our coastal and stormwater protection structures. While climate change impacts do not necessarily increase the geographic spread of stormwater risk, it is very clear that over time the capability of an even upgraded system will be insufficient. Council has an ongoing stormwater upgrade programme which has a goal of providing protection by incorporating a design for a one in 10 year flood if the primary stormwater system has access to a secondary flow path and if there is no secondary flow path, then a design for a one in 100 year flood. The costs of this are significant and the staging of some projects has been held back beyond 2021/22.



The Council will only intervene on the coast to protect Council owned assets such as road and public health infrastructure assets from erosion. It has begun a process of community discussion about managed retreat; that is, an orderly approach to withdrawing from coastal and flood hazard areas over the long term, in the face of increasing risks and rising community costs. Such an approach would unfold over many decades. The concept would not just affect immediate issues of coastal and stormwater assets but has the potential to affect virtually every aspect of community life. For that reason it should be seen as an overarching leadership theme.

The Council has not reached a conclusion on this issue or what the appropriate approach should be. It does consider that discussion and debate should be extensive, giving the community ample time to build up knowledge and consider the options. The Council recognises that it could be years before a clear community view is forged.

While Council believes it should take a leadership role in relation to natural hazards, it is also of the view that the regional councils and central government must also be involved in partnership with territorial local authorities. This includes the Greater Wellington Regional Council invoking the powers it currently holds to extinguish existing use rights where it has become apparent properties will become increasingly at risk. At present the Greater Wellington Regional Council has no policy on this.

This Leadership Area links to the following activities especially Coastal Management, Development Management, Stormwater Management and Supporting Social Wellbeing.

THE IMPORTANCE OF PLACE, OPEN SPACE, CENTRES AND DESIGN

People on the Kāpiti Coast have pressed for policies and action which improve the appearance and quality of new development and the quality of its town centres. There is a growing awareness that attractive town centres which are in good economic heart, have a range of activities such as retail, business services, education, civic and

entertainment, will build long term resilience, attract investment in the District and support public transport.

Council will continue to focus on improving the quality of any physical developments within a broad framework of sustainable urban form and systems, for example: through the Development Management Strategy, and the Subdivision and Development Principles and Requirements.

The Coastlands Aquatic Centre and upgraded Civic Administration Building are developments that will enhance the Paraparaumu Town Centre. Physical works are underway and construction is progressing according to programme. The Coastlands Aquatic Centre and Civic Administration Building are on track and will open in March 2013.

The Raumati Beach Town Centre upgrade progressed with the first stage, the Stormwater Upgrade, complete and land purchased to secure long term parking. Existing design work will be brought to a logical conclusion and put on hold until further funding is available.

This Leadership Area links to the following activities especially Coastal Management, Development Management, Stormwater Management and Supporting Social Wellbeing.

THRESHOLDS FOR DEVELOPMENT MANAGEMENT

The Council has developed an innovative approach to managing growth and development on the Kāpiti Coast. This is intended to give the community more control over development over time. For large developments Council has crafted the idea of development stages and thresholds, where a further stage or quantum of proposed development can be reviewed when certain thresholds are reached. This gives Council more options than a simple decline or accept for large developments with attached conditions.

At the same time, more control over infrastructure investment decisions have been developed which clearly state that if a private development is dependent on certain community infrastructure being in place, the timing of that infrastructure

development cannot be driven solely by the requirements of the private development proposal. Finally, greater use of structure plans gives more certainty around the form of any future development.

This Leadership Area links to the Development Management Activity.

EXPLORING THE LOCAL FOOD ECONOMY

The Council has a major resource in the food and fibre producing potential and capacity of its rural lands. Work is continuing on assessing that economic opportunity.

This includes the idea of a local food economy and reducing leakage of benefit outside the District. Council has identified that this is a priority area under its strategy for Supporting Economic Development of the Kāpiti Coast.

This Leadership Area links to the following activities: Development Management, Economic Development, Supporting Social Wellbeing and Water Management.

HOUSING CHOICE

The Kāpiti Coast has a limited range of housing choice, in terms of size, type and tenure. This is a particular problem for older people who wish to stay within their community but want alternatives to retirement village options.

The District also has very limited housing options for people who need emergency support or housing assistance. There are groups on the Kāpiti Coast who wish to explore all of these issues and the Council will work with all of them to look at ideas and options.

In terms of Council's own work programme, it must review the regulatory role under the District Plan and the impacts and opportunities around affordable housing. It is also keen to explore innovation around housing options, housing design and adaptability over time with developers.

This Leadership Area links to the following activities: Building Control and Resource

Consents, Development Management and Supporting Social Wellbeing.

BUILDING SOCIAL CAPITAL

Social capital has many definitions but is generally concerned with the idea of the value (including economic value) of social networks and interactions and the role they play in maintaining wellbeing.

The Kāpiti Coast District has a strong network of community groups and organisations; it also has a large number of individuals who are directly involved in their communities and work as volunteers. Local groups, iwi and hapū, marae, churches, advocacy groups and individuals build and maintain social cohesion. That unity supports families under stress, builds employment and provides wider social wellbeing and enjoyment.

The Council continued to place a leadership focus on making more of the immense local 'human resource' of skills, wisdom and creativity. The Council is not a social service delivery agency but can, in the course of undertaking its day to day activities, find innovative ways to assist groups to build skills and capacity. It also plays a major civic role in honouring and recognising the role of volunteers in the community.

This Leadership Area links to the following activities: Governance and Tāngata Whenua, Libraries, Arts and Museums, Supporting Environmental Sustainability and Supporting Social Wellbeing.

PARTNERSHIP

Building partnerships with a range of groups and interests in the community is essential to achieving the community vision set out in the Community Outcomes, particularly in difficult times. The Council will work to foster four general types of community partnership:

- working to harness the wisdom and skill in the community and provide places where people can discuss and advance ideas and projects, for example, the Clean Technology Centre. This involves developing relationships and



partnerships with key government and funding agencies and local organisation/groups;

- working with organisations advocating the interests of their membership. Council values its relationship with groups such as Kapiti Coast Grey Power, the Kapiti Coast Older Persons' Council, the Kapiti Chamber of Commerce and the Disability Reference Group. Council will continue its commitment to maintain an open flow of information and communication on issues of concern and interest;
- working with umbrella organisations which act as advocates on a range of social, environmental and cultural issues to assist them using the resources of Council, to gain central and regional government attention and resources; and
- developing partnerships with central and regional government organisations.

This Leadership Area links to all activities especially: Governance and Tāngata Whenua and Supporting Social Wellbeing.

PARTNERSHIP WITH TĀNGATA WHENUA

The Council is absolutely committed to its partnership with Te Āti Awa ki Whakarongotai, Ngāti Raukawa and Ngāti Toa Rangatira and the Memorandum of Partnership it holds with them. This involves a commitment to working via Te Whakaminenga o Kāpiti, the partnership mechanism for advancing matters of mutual interest. It is committed to working directly with each iwi and relevant hapū on matters relevant to their role as kaitiaki and to specific interest within their rohe.

Council has committed to extending involvement of Māori in decision-making.

This Leadership Area links to all activities especially: Governance and Tāngata Whenua and Supporting Wellbeing.

CLOSING THE LOOP: COUNCIL SERVICES – WASTE AND ENERGY

The goal of Council's zero-waste policy is to reduce or eliminate 'waste' and to re-direct many of these so-called waste products for beneficial reuse. The Council has taken the opportunity to look at energy efficiency and energy production as side-products of services and activities. For example it has improved energy efficiency with sludge drying by switching from diesel to wood fuel for the wastewater treatment boiler at the Paraparaumu Wastewater Treatment Plant.

The Council will continue to explore cross-service opportunities both locally and regionally, taking into account both the cost of energy and the cost of any emissions trading scheme, in whatever form it finally takes.

This Leadership Area links to the following activities: Access and Transport, Community Facilities, Solid Waste, Wastewater Management and Water Management.

KĀPITI COAST'S PLACE IN THE REGION

The Council recognises that the District is inextricably linked to the Wellington region, via the transport system, the urban system (where settlements support nearby settlements), the labour market and employment, an increasing focus for migrant settlement, and the wider regional economy (to the north and south). It recognises that regional initiatives such as the Regional Land Transport Strategy and the Wellington Regional Strategy are central to leveraging resources into the District and proving the local government sector can work together in a productive way at the regional level. The presence of central government and the ability to interact more directly with key departments and ministries, via regional structures such as the Mayoral Forum and the Wellington Regional Strategy Committee, are very important.

The Council is fully involved in a range of initiatives for shared services, such as in the area of library services, where this can reduce costs or increase levels of service. Council is a member of the SMART (Shared and Managed a Region



Together) consortium, this allows libraries to provide members with wider access to materials and services.

This Leadership Area links to the following activities: Access and Transport, Building Control and Resource Consents, Economic Development, Governance and Tāngata Whenua, Libraries, Arts and Museums, Stormwater Management, Supporting Environmental Sustainability, Supporting Social Wellbeing, Wastewater Management and Water Management.

SUSTAINABLE CLEAN TECHNOLOGIES

The Council is promoting and developing the Kāpiti Coast as a Centre of Excellence for innovative, sustainable clean technologies, such as small scale energy systems and water conservation systems. There are a number of businesses at the Clean Technology Centre in Ōtaki developing new technologies that reduce environmental impact.

Council is actively pursuing the sustainable technology concept as part of its economic development, water management and waste minimisation programmes. The Council's role is to encourage thinking and networking around this concept and to leverage funding into the District from other sources, to support practical initiatives.

This Leadership Area links to the following activities: Community Facilities, Development Management, Economic Development, Solid Waste and Water Management.

TRAINS, BUSES, CYCLING AND WALKING

The Kāpiti Coast community sees the establishment of a rail network which supports all communities, including Ōtaki, as essential to the future of the District. Ideally, there would be strong passenger rail links through to Ōtaki and Palmerston North. It will continue to advocate strongly for this service, including the Capital Connection rail commuter service between Palmerston North and Wellington, and for bus services which complement rail and provide

improved services within each community. A great number of the relevant decisions will be made at regional and national levels, Council will continue to be a strong regional advocate for this vision.

Council will continue to invest in cycling and walking, and to ensure road space is shared across modes.

This Leadership Area links to the following activities: Access and Transport, Development Management and Parks and Open Space.

CREATIVITY AND THE ARTS

Creative and heritage activities, in all forms, express and support the development of individual and community identity, pride and wellbeing.

The Council believes promotion of the arts in all its forms can contribute to a sustainable local economy and a growing celebration of a place that values its identity and culture. The Council's Strategy for Supporting the Arts will guide the Council's direction.

This Leadership Area links to the following activities: Access and Transport, Community Facilities, Development Management, Economic Development, Libraries, Arts and Museums and Supporting Social Wellbeing.

NEIGHBOURHOOD AND STREET ACTION FOR CHANGE: ENERGY, WASTE, WATER, GARDENS AND FOOD

The Council is committed to finding ways to encourage neighbourhood and street action around water consumption, water efficient gardening and waste minimisation, given the aspirations of the community around resource use and the direct effect of a range of Council services. Household energy efficiency is extremely important given the impact on household incomes and the implications of wider affordability for the District. There is also increasing interest in community gardens and food production which the Council has the opportunity to support. Council's second Greenest Street competition was a



success with an average reduction in carbon footprint across all participants of 12%.

Council will continue to encourage groups to take action, providing information, providing land for community gardens, planting fruit trees on Council roads and parks, and helping capture funding for projects.

This Leadership Area links to the following activities: Libraries, Arts and Museums, Parks and Open Space, Solid Waste, Supporting Environmental Sustainability and Supporting Social Wellbeing.



COUNCIL ACTIVITIES

This Annual Report comments on the 2011/12 work programme for Year Three of the 2009 Long Term Council Community Plan (LTCCP). Work programmes for each of the following 16 activity categories are reviewed on the following pages.

- Access and Transport
- Building Control and Resource Consents
- Coastal Management
- Community Facilities
- Development Management
- Economic Development
- Environmental Protection
- Governance and Tāngata Whenua
- Libraries, Arts and Museums
- Parks and Open Space
- Solid Waste
- Stormwater Management
- Supporting Environmental Sustainability
- Supporting Social Wellbeing
- Wastewater Management
- Water Management

Each Activity links to one or more Community Outcomes, either directly in terms of contributing to an end vision, or in terms of the quality of action that the community is looking for. They are also driven by the Council's broad strategic direction and decisions – itself devised in response to the Community Outcomes. This strategic influence also demands particular end actions, or a particular quality of action. For example, strategically the Council has made the decision to proceed with certain community facilities over time, reflecting community priorities. However, planning for these facilities must occur as part of

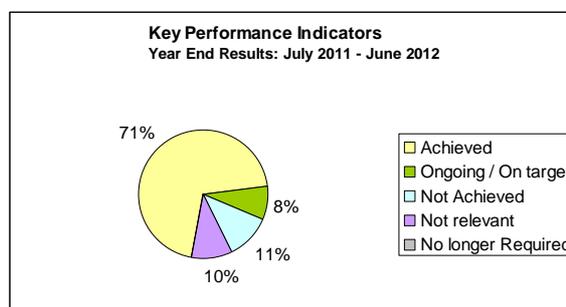
wider town centre and recreation planning, must aspire to leadership around design, and must involve robust and inclusive community processes.

SUMMARY OF PERFORMANCE

Key Performance Indicators

Key Performance Indicators are made up of two elements. Key Actions / Outputs cover the more project based works associated with each Activity and Level of Service Measures cover the work undertaken in each Activity that does not have a specific end date. The Council's performance overall is graphed below.

Overall Performance



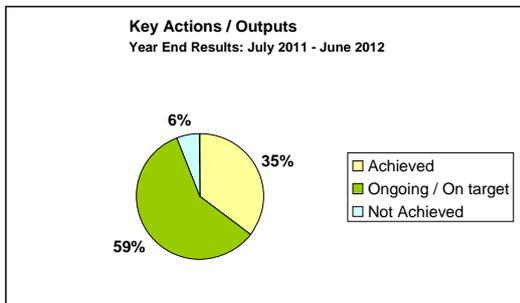
Achievement Category	Year End Result to 30 June 2012
Achieved	92
Ongoing / On target	11
Not achieved	14
Total Relevant Key Performance Indicators	117
Not relevant	13
No longer required	0
Total Key Performance Indicators	130



Key Actions/Outputs

These state the delivery measure for the activity. This is the key measure of what the Council is delivering in terms of progressing towards achieving key actions/outputs. The measure may not all be completed in any one financial year. The Council's year-end performance is reported using the following categories:

Achieved	Work is completed and the intended output is achieved.
Ongoing / On target	Work is in progress, on time and/or It is multi-faceted with ongoing actions adding to it and/or Pre-requisite processes have been commenced with Council waiting on a third party.
Not achieved	Output not delivered.
Not relevant	Measure not relevant.
No longer required	Outputs/actions no longer required.

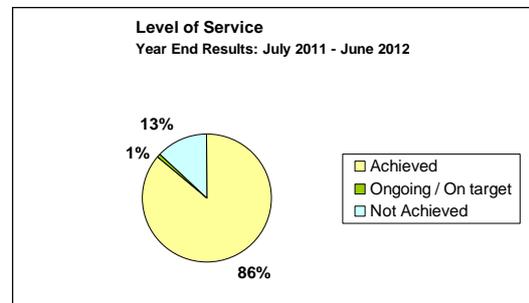


Achievement Category	Year End Result to 30 June 2012
Achieved	6
Ongoing / On target	10
Not achieved	1
Total Relevant Key Actions / Outputs	17
Not relevant	5
No longer required	0
Total Key Actions / Outputs	22

Levels of Service

These state the detailed service standards used to report on how well the Council performs in the detailed actions or activities that link to the Community Outcomes. The Council's year-end performance is reported using the following categories:

Achieved	Target level of service achieved.
Ongoing / On target	A particular level of service is being delivered or on target to be delivered with ongoing actions adding to it and/or Pre-requisite processes were commenced with Council waiting on a third party.
Not achieved	Target not delivered.
Not relevant	Measure not relevant.
No longer required	Level of service no longer required.



Achievement Category	Year End Result to 30 June 2012
Achieved	86
Ongoing / On target	1
Not achieved	13
Total Relevant Key Actions / Outputs	100
Not relevant	8
No longer required	0
Total Key Actions / Outputs	108

ACCESS AND TRANSPORT

Putanga me te Ikiiki

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓	✓	✓	✓	✓	✓	✓

KEY RESULTS

- ✓ Updated Asset Management Plan completed.
- ✓ Road Safety Programmes included: facilitating the fatigue stop in the railway car park in Waikanae; a Plunket Day - child restraint inspections; monthly Driving Confidently Programmes for older persons including two held at retirement villages; implementing the Road Safety Action Plan; a High Risk Driver Programme for college students; and advertising promotions for: dangers of fatigue, drink driving, safe motorcycling, Give Way Rule changes, winter driving, safe cycling; restraints checks and the installation of restraint bolts.
- ✓ Kāpiti Road and Rimu Road traffic light installation and intersection upgrade completed. Positive feedback from Kapiti School for pedestrian crossing priority.
- ✓ Rangiora Stream Weir: works to repair erosion damage and renew the existing weir structure on the Rangiora Stream at the Akatarawa Road Bridge was completed.
- ✓ Minor Improvement Programme construction works completed with Ngaio Road / Parata Street intersection improvements to provide new bus stop and pedestrian crossings to give priority to pedestrians in the Waikanae town centre area.
- ✓ Raumati Road pedestrian crossing installed and operating.
- ✓ Progress with the School Travel Plan programme: 13 schools are now members and surveys show that overall there has been a 3.5% reduction in children being driven to school in the family car.
- ✓ 1.9 kilometres of improvements and extensions made to the Cycleways, Walkways and Bridleways Network.
- ✓ Footbridge at Atkinson Avenue, Ōtaki completed.

Strategically, access continued to be a very important level of service for the Council. The Council is actively involved in delivering transport

services, through either construction and/or maintenance of assets such as:

- roads, cycleways, footpaths and walkways;



- education and setting of design standards; and
- advocacy for services provided by other agencies and businesses.

These services are all interconnected and form part of the Sustainable Transport Strategy titled “Towards a Sustainable Transport System” published late 2009 and available on the Council website www.kapiticoast.govt.nz. The strategy aims to reshape the local transport system to have the characteristics of a sustainable system, be able to deal with the key problems that are a barrier to sustainable outcomes and act as a guide for Council actions and decisions.

Council continued to encourage a shift in travel behaviour away from reliance on private vehicles. During the year the School Travel Plan programme re-surveyed six schools and overall there has been a 3.5% reduction in children being driven to school in the family car. 13 schools are now members of the School Travel Plan programme. Five new schools signed up, four of which have completed surveys and developed travel plans. School programmes included Movin’ March and Walk to School and Bike to School events; these were held throughout the District with a high level of participation.

Associated with the direction of the Sustainable Transport Strategy the Council continued to take a role in relation to support and advocacy for rail including the Capital Connection, and for bus services which complement rail and provide services within the District. The Council will continue to press for the resolution of roading and rail intersection and access issues at Waikanae Rail Station/Elizabeth Street, recognising the changes that occurred as a result of the double tracking project. Monitoring the new layout will provide evidence to support future proposals. This issue is linked with the NZTA agreement on objectives for the Expressway design process.

The 2009 LTCCP indicated Council would start the construction of the Western Link Road before the end of the 2009/10 financial year. The Western Link project was Council’s response to improving linkages between communities and reducing reliance on the State Highway. It included provision for pedestrian and cycling, in

The **Access and Transport Activity** area includes the following services and programmes:

- management of assets; roads, footpaths, street lighting, road signs, street furniture, walkways and cycleways;
- delivery of road safety improvement projects, in conjunction with New Zealand Police, New Zealand Transport Agency and other road safety partners;
- design of road corridors to accommodate a range of modes;
- upgrades to footpaths and development of cycleways, walkways and brideways;
- advocacy for public transport services;
- planning and design, linked to wider District development projects.

order to improve local choice and reduce reliance on vehicles. The decision by the New Zealand Transport Agency (NZTA) to use the Western Link corridor to construct an Expressway from MacKays Crossing to Peka Peka, placed this project on hold pending the outcome of the Board of Inquiry process. The NZTA lodged an application for the MacKays to Peka Peka Expressway with the Environmental Protection Agency (EPA) in April 2012. It is likely to be early in the second quarter of 2012/13 before Council knows the outcome of that process.

The Council is working through the Alliance and other NZTA structures and processes to ensure negative effects are mitigated as much as possible and the best possible outcome for the District is achieved. The Council has worked with the community to establish a clear set of objectives to guide Councils involvement in the Alliance process. It has also been involved in, and made submissions to, the Peka Peka to Ōtaki Expressway process.

A considerable number of the relevant decisions will be made at the regional and national level under the Regional Land Transport Programme and Land Transport Management Act 2003. Council will continue to be a strong regional advocate for the community’s vision.

The 1.9 kilometres of improvements and extensions made to the Cycleways, Walkways and Bridleways Network included Waimanu Northern Path extension, Haruatai Park northern loop track, Pharazyn Reserve lookout walkway, shared path from Mountain View to Byron Brown Place, KiwiRail cycleway from Otaihanga Road to Waterstone Avenue connection, Atkinson Avenue footbridge, Sand Quarry Howarth Block footbridge,

and the Guilford Drive to Mazengarb Stream pedestrian ramp.

The Kāpiti Road / Rimu Road intersection upgrade was successfully completed. This was an improvement to one of the busiest local roads in the District and has achieved significantly improved vehicle and pedestrian movements through the intersection.



KEY PERFORMANCE INDICATORS

Access and Transport Key Actions / Outputs	Year End Outcome
Construction of the Western Link and river crossing – Stage 1 completed 2012/13, Ihakara Street and Stage 3 completed 2013/14.	Not relevant. The decision of the New Zealand Transport Agency to use the Western Link corridor for the future Expressway means that the corridor may no longer be available for the Western Link. This will be resolved via the Board of Inquiry process. Currently the Western Link Road project is on hold.
Completion of access network design and traffic management categories by 2012.	Not relevant. Start delayed to enable scope to be reviewed in the context of the Expressway project.

Access and Transport Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Safety, design quality and noise: <i>Road pavement surfaces are maintained in waterproof conditions and are subject to specific pavement testing and design.</i>	All road pavement surfaces are inspected yearly.	100%	100%	Achieved. Rural, arterial and collector roads are inspected as a minimum on a monthly basis and all other roads quarterly.
Safety, design quality and noise: <i>Roads are resealed on a "like for like" basis, i.e. all roads will be resealed using chip sealing, except for retail areas and all arterial roads carrying more than 8,000 vehicles per day, which will be resealed using hot mix.</i>	The road pavement renewal programme is completed on a "like for like" basis each year.	100%	100%	Achieved. All reseat sites identified for the current financial year have been completed.
Safety: <i>Existing footpaths are maintained to minimise tripping hazards.</i>	All footpath pavement surfaces are inspected yearly.	100%	100%	Achieved. All footpath pavement surfaces have been inspected as part of the road condition rating programme.
Safety, access: <i>Percentage of the road network where the street lighting is designed and maintained to meet current NZ standards.</i>	All existing streetlights are progressively upgraded to AS/NZS 1158:1997.	95%	98%	Achieved. 98% of streetlights met the standard in an audit of streetlights in accordance with AS/NZS 1158:1997. This standard guides the design, installation, operation and maintenance of road lighting.

Access and Transport Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Safety, access: <i>Percentage of the road network where the street lighting is designed and maintained to meet current NZ standards.</i>	All existing street lighting is maintained with failures repaired and/or reported to Electra (if failure is a supply network issue) within seven days.	98%	76%	Not achieved. 358 of 474 failures were repaired and/or reported to Electra within 7 days during the year. The issues associated with running parallel fault logging systems have been resolved for the new financial year and will address this performance gap.
Access: <i>New street furniture is placed in approved localities.</i>	All new street furniture is located in consultation with Community Boards and in accordance with the priority to increase seating on key transport and high pedestrian traffic routes.	100%	100%	Achieved All new street furniture was located in consultation with Community Boards and in accordance with the priority to increase seating on key transport and high pedestrian traffic routes.
Access, safety and design quality.	Construction of a Link Road (the Western Link) and river crossing: <ul style="list-style-type: none"> • Stage 1 completed. 	-	-	Not relevant. Project on hold.
Access, safety and design quality.	<ul style="list-style-type: none"> • Ihakara Street extension completed 	-	-	Not relevant. Project on hold.
Access, safety and design quality.	<ul style="list-style-type: none"> • Western Link Stage 3 commenced 	-	-	Not relevant. Project on hold.



ACCESS AND TRANSPORT ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The **Access and Transport** Activity links to all seven Community Outcomes and all four Wellbeing areas. It provides the primary physical infrastructure which links and connects the community and advocates for rail and bus services not directly under its control. This connectivity contributes to the ability of all to participate in and use what the District offers (Social Wellbeing) and is a major contribution to Outcomes 2, 4 and 5. Street lighting, street furniture and advocacy around mode shift contribute to safety and health. Personal safety and a freedom from fear are aspects of Social Wellbeing and contribute to Outcomes 6 and 7. Design and forward planning contribute directly to integrated land-use (Outcomes 2 and 3) while design contributes to management of environmental impacts and Environmental Wellbeing. (e.g. road runoff - minimising the harmful effects of action on the environment) and energy use (Outcomes 1 and 4).

Progress in 2011/12

- The 1.9 kilometres of improvements and extensions made to the Cycleways, Walkways and Bridleways network was completed in partnership with the Rotary Pathway Trust and contributed to Social Wellbeing and Community Outcome 1. This links to Council's Leadership Statements "Trains, Buses, Cycling and Walking" and "Building Resilience".
- Five new schools joined the Safe Routes to Schools / School Travel Plans process, contributing progress to Community Outcomes 6 and 7, and Social Wellbeing.
- Joint Road Safety Campaigns such as the 'Child Safety Restraint Checks' in conjunction with the Kapiti Plunket Car Seat Rental Scheme and the 'Drive to the Conditions' campaign in conjunction with the Police, progressed Community Outcomes 6 and 7. Working together on these joint campaigns is a way for council to promote Social Wellbeing by actively fostering and supporting people and groups that sustain and help others.

ACCESS AND TRANSPORT
Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
4,671	Operating Costs	5,135	4,643
736	NZTA Expressway Project Expenses	612	
1,602	Debt Servicing	1,932	2,026
-	Loss on Disposal	-	-
265	Impaired Asset	-	-
3,914	Depreciation	4,126	4,322
11,188	Operating Expenditure	11,805	10,991
	Revenue		
2,382	NZTA Operating Funding	3,370	2,739
736	NZTA Expressway Reimbursement	612	-
3	NZTA Capital Funding	-	-
435	Fees	272	670
45	Miscellaneous and Separate	-	-
137	Development Contributions	476	476
3,738	Operating Revenue	4,730	3,885
7,450	NET OPERATING COSTS	7,075	7,106
	Capital Items		
5,434	Asset Construction and Renewal	5,010	5,568
1,739	Loan Repayments	2,050	2,050
	Appropriations		
138	Development Contributions	419	500
-	Rates Deficit Balances	135	135
14,761	NET COST OF ACTIVITY	14,689	15,359
5,428	Rates	5,900	5,616
1,543	Depreciation Reserve	2,184	2,108
5,142	Loans	3,714	4,889
266	Equity	145	-
137	Reserve/Development Levies	476	476
45	Utilisation of Balances	-	-
400	NZTA Share of Depreciation	470	470
1,800	Non Funded Depreciation	1,800	1,800
14,761	TOTAL SOURCES OF FUNDS	14,689	15,359



ACCESS AND TRANSPORT

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2011/12 Actual \$000	2011/12 Budget \$000
Roading Upgrades		
The Esplanade Stage 2 – Completed July 2012.	25	25
Road Reconstruction - Intersection Upgrade Kāpiti Road and Rimu Road to improve traffic flow. Traffic lights commissioned in December 2011. Post construction audit completed in March 2012.	1,231	1,115
NZTA Minor Improvements.		
This included work on Ngaio Road and Parata Street Intersection; Belvedere Avenue pedestrian crossing; Blue Gum Road traffic calming; Maclean Street; Pehi Kupa Street; Matai Road pedestrian crossing; Ngarara Road; Te Horo School; and County Road improvements.	560	613
Reseal Programme		
Annual Resealing Contract.	1,354	1,331
Walkways / Cycleways		
Construct walkways and cycleways in accordance with the CWB strategy. Only part of the programme was delivered due to the NZTA moratorium on funding new projects. At the beginning of the year NZTA announced they would not contribute their share for 2011/12 where funding had been allocated but not approved.	124	227
Footpath Upgrading – Replacement of footpath – some with concrete and others asphalt overlay. Sites included Ōtaki Main Street, Aotaki Street, Mountain View Terrace and Byron Bay Place.	345	393

BUILDING CONTROL AND RESOURCE CONSENTS

Te Mana Whakatū Whare me te Whakaaetanga Rawa

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓	✓	✓	✓	✓		✓

KEY RESULTS

- ✓ All 25 Subdivision Completion Certificates issued in the year to date were issued in less than 15 working days.
- ✓ All 790 Code Compliance Certificates issued within 15 working days.
- ✓ All 5,495 site inspections completed within 24 hours of request, or at scheduled time.
- ✓ 795 of 853 building consents processed were issued in less than 15 working days.
- ✓ All 582 LIMs received were processed within 10 days.

Activity in both Building and Resource Consent work areas has still not recovered from the economic downturn with applications in both areas significantly below the pre-2008 years.

The funding policy split was reviewed in the Long Term Plan process. Approved changes were a shift from private 90% - public 10% to private 55% - public 45% for Building Control, and private 50% - public 50% to private 70% - public 30% for Resource Consents.

The Council performed well in the Building Control area against statutory processing deadlines, but failed to meet its own more stringent deadlines in some cases. The Council maintained accreditation and continued to operate as a registered Building Consent Authority. The Resource Consent team continued to focus on managing the effects of activities on the environment according to the rules set out in the District Plan. Their work was

The **Building Control and Resource Consents Activity** area includes the following services and programmes:

- maintaining accreditation as a registered Building Consent Authority;
- processing of building consent applications under the Building Act 2004;
- providing associated building advice to applicants on option/systems and opportunities for energy and water conservation;
- processing of resource consent applications under the Resource Management Act 1991;
- providing associated advice to applicants on opportunities for innovation, good design, links to the wider community vision around the environment, walkways, water quality, etc.



supported by the continued application of a multi disciplinary design and review process of all major private and Council projects to ensure design quality on the Kāpiti Coast is achieved. The review allows opportunities for developers to consider amendments and improvements to their design. This process facilitates better urban design and energy efficiency to achieve Council's goals of sustainable development.

Although the level of land use consents remained constant, the level of subdivision consents was down significantly. The amount of non-chargeable work continued to increase e.g. customer enquiries, complaints (neighbour disputes etc). Changes to the first schedule of the Building Act

2004, effective 23 December 2010 have a direct effect on work volumes and revenues for this Activity. This change exempts certain building work such as conservatories, minor farm buildings and other minor building work from requiring consent. The predicted increase in new dwellings did not eventuate and present indicators are that it is unlikely to improve until at least the second half of the 2012/13 year.

Council commenced a review in late 2011/12 for regulatory processes and resourcing which will be finalised during 2012/13.



KEY PERFORMANCE INDICATORS

Building Control and Resource Consents Key Actions / Outputs	Year End Outcome
Building Consent Authority accreditation maintained.	Achieved. Continued accreditation requirements met.

Building Control and Resource Consents Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	95% of all building consents are processed within 15 working days.	95%	93%	Not achieved 795 of 853 building consents were processed within 15 working days during the year 99% were processed within the statutory requirement of 20 days during the year. This measure was reviewed in the development of the Long Term Plan and in future will be measured against the statutory processing time requirements.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	All applications for Land Information Memoranda are processed within 10 working days.	100%	100%	Achieved. All 582 LIMs received during the year were processed within 10 days. There was an average of five days processing time.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	95% of all code compliance certificates are issued within 15 working days.	95%	100%	Achieved. All 790 code compliance certificates issued during the year were issued within 15 working days.



Building Control and Resource Consents Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	95% of all subdivision completion certificates are issued within 15 working days of completion.	95%	100%	Achieved. All 25 subdivision completion certificates issued during the year were issued in less than 15 working days.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	All survey plans are certified in accordance with section 223, Resource Management Act, 1991.	95%	95%	Achieved. During the year, 41 of 43 decisions under section 223 were issued in less than the statutory 10 working day target set by the Resource Management Act 1991.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	All objections to non-notified resource consents are processed within statutory timeframes.	100%	-	Not relevant. No objections were received to non-notified resource consents during the year.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	All decisions on notified applications (including requests extended under section 37, Resource Management Act, 1991) are processed and issued within the maximum statutory allowance.	100%	100%	Achieved. Four decisions were made within the required timeframe on a notified consent.

Building Control and Resource Consents Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	95% of all non-notified resource consents are processed and issued within the maximum statutory allowance.	95%	91%	Not achieved. During the year 175 of 192 consent decisions were issued within the required timeframe. This is an area for consideration in the review of resources in 2012/13.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	95% of all illegal activity/ unauthorised work complaints are investigated within three working days.	95%	100%	Achieved. All 23 of the illegal activity/ unauthorised work complaints received during the year were investigated within three working days.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	33% of all buildings that are subject to a Building Warrant of Fitness are inspected annually.	33%	38%	Achieved. 126 of all buildings (330) subject to a Building Warrant of Fitness were inspected during the year.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	All site inspections are completed within 24 hours of request or at scheduled time.	100%	100%	Achieved. 5,495 site inspections were completed within 24 hours of request or scheduled time during the year.



Building Control and Resource Consents Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	Building Consent Authority accreditation maintained.	Yes	Yes	Achieved.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	Number of major pre-consent applications reviewed and responded to	100%	3	Achieved Three major pre-consent Design Reviews were held during the year.

BUILDING CONTROL AND RESOURCE CONSENTS ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The **Building Control and Resource Consents** Activity is split into two sub-activities. The primary focus of the building control sub-activity area is maintenance of a high quality, efficient and healthy building stock. (Contributing to Environmental Wellbeing, Social Wellbeing, Outcomes 4 and 7). The building stock is a resource for the community; if it is of poor quality then this will impose increased and unnecessary maintenance and renewal costs, as well as health costs, on households and businesses.

The primary focus of the resource consent sub-activity area is managing the effects of activities on the environment according to rules set out in the District Plan. Through this regulatory role, the resource consents sub-activity contributes to

Environmental Wellbeing, Outcomes 1, 2, 3, 4 and 7.

Progress in 2011/12

- The 853 Building Consents and 790 Compliance Certificates issued, along with the 5,495 building site inspections, ensure levels of compliance are maintained, contributing to Community Outcomes 3 and 4 and promoting Environmental Wellbeing through minimising the harmful effects of actions on the environment. This links to the Leadership Statement “Thresholds for Development Management”

BUILDING CONTROL AND RESOURCE CONSENTS

Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
3,056	Operating Costs	3,033	3,086
<hr/>		<hr/>	<hr/>
3,056	Operating Expenditure	3,033	3,086
	Revenue		
1,351	Charges and Fees	1,502	1,641
<hr/>		<hr/>	<hr/>
1,351	Operating Revenue	1,502	1,641
1,705	NET OPERATING COSTS	1,531	1,445
	Capital Items		
-	Asset Construction and Renewal	-	-
<hr/>		<hr/>	<hr/>
1,705	NET COST OF ACTIVITY	1,531	1,445
<hr/>		<hr/>	<hr/>
1,593	Rates	1,531	1,445
112	Separate Funds	-	-
<hr/>		<hr/>	<hr/>
1,705	TOTAL SOURCES OF FUNDS	1,531	1,445
<hr/>		<hr/>	<hr/>



COASTAL MANAGEMENT

Whakahaere Takutai

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓	✓		✓		✓	✓

KEY RESULTS

- ✓ Report on planning provisions for managing development in coastal hazard areas in District Plan Review was presented to Elected Members in December 2011.
- ✓ First Stage of Paekākāriki Coastal Protection (The Parade) completed, blessing held September 2011.
- ✓ Repair of the Jeep Road Beach Access Ramp was completed.
- ✓ Consultants were engaged for the renewal of Council's Emergency Works and Seawall Maintenance Consents.

Work continued in accordance with the Coastal Strategy 2006 which is focused on delivering a comprehensive, integrated approach to coastal management and treating the coast as an ecosystem to be managed as a whole.

This work includes:

- improved access (signage, enforcement of bylaw and access points);
- ecosystem health – dune planting is one means to contribute to overall dune health and stability; and
- the understanding of Beach Processes – the aim of this project is to provide beach interpretive signage that better explains beach processes.

The Coastal Hazard Assessment process is a requirement of the National Coastal Policy Statement. This long term project, aimed at identifying coastal hazards and reviewing the associated development controls and implications

for coastal protection, continued during 2011/12. The coastal hazard assessments for the rivers, streams and inlets, continued. The assessment of the open coast hazards continued along with work assessing impacts on development controls which would be considered as part of the District Plan Review. A key issue in identifying new coastal building set back lines is ensuring that the

The Coastal Management Activity area includes the following services and programmes:

- maintenance of existing community owned seawalls;
- beach protection projects such as dune reshaping and planting;
- beach accessways;
- beach patrols; and
- signage.



methodology includes any national standards adopted by central government. The Council is incorporating the Government's guidelines on sea level rise as part of its final hazard assessment.

This hazard assessment will form the substantive basis for the review of the coastal building setback lines to be completed through the District Plan Review during 2012/13.

During the process of developing the 2012 Long Term Plan the Council reconfirmed it will only carry out works on the coast to protect Council

owned assets such as road and public health infrastructure assets from erosion. This reflects decisions made in the 2009 LTCCP and previous documents. The Council also approved continuing discussion of managed retreat.

Paekākāriki Coastal Protection: Replacement of the seawall, (The Parade, Paekākāriki) is underway. Stage One; the section of wall from Beach Road to north of the Sand Track is completed.



KEY PERFORMANCE INDICATORS

Coastal Management Key Actions / Outputs	Year End Outcome
Coastal Management included in District Plan review process, completion by 2011.	Ongoing / On target. Planning advice relating to provisions to manage development in the coastal hazard areas was undertaken for inclusion in the District Plan Review. To be included in new District Plan provisions to be notified in November 2012.
Upgrades of beach access points completed 2012/13.	Achieved. Major access points have continued to be inspected and maintained as required. The timber stairs at the northern end of The Esplanade in Raumati South suffered impacts from logs during heavy seas last financial year. Council has installed a flight of precast concrete stairs in this location protected by rip rap to match the new Esplanade walkway and cycleway. Construction completed December 2011.

Coastal Management Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Ecosystem health.	All beaches, lagoons and recreational waterways are tested weekly from November 1 to March 31, and monthly for the remainder of the year.	95%	100%	Achieved. 24 monitoring sites at beaches and recreational waterways were tested in accordance with the Water Monitoring Programme Schedule to identify risks to public health from disease-causing organisms. Results are recorded in the Hilltop Database at Greater Wellington Regional Council.
Ecosystem health.	All possible causes of pollution of beaches and recreational waterways, identified during testing (from November 1 to March 31, and monthly for the remainder of the year) are investigated in conjunction with other agencies and, where possible, remedial works are initiated.	100%	100%	Achieved. No marine sites exceeded the Greater Wellington Regional Council (GWRC) action guideline of 550 colony-forming units per 100 millilitres during the quarter. The Wharemauku, Tikotu and Mangaone Streams can exceed the action guideline of E.coli when there is high rainfall prior to sampling, however subsequent test results were within GWRC action guidelines. These sites are permanently marked as unsuitable for swimming.

Coastal Management Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Education.	All beaches and rivers that are identified as hazardous to public health during testing (from November 1 to March 31, and monthly for the remainder of the year) are publicised and signposted.	100%	100%	Achieved. Monitoring sites at beaches and recreational waterways were tested in accordance with the Water Monitoring Programme Schedule to identify risks to public health. Identified risks were publicised and signposted. Signs indicating levels of cyanobacteria along the Waikanae River were put in place during the summer months and removed during the winter. No other sites reached alert levels.
Erosion protection.	All dunes eroded to an unstable "cliff-like" condition are signposted as hazardous within 48 hours of inspection.	100%	-	Not relevant None reported.
Erosion hazard assessment.	The coast and seawalls are inspected 11 times per year and repairs effected where necessary.	100%	100%	Achieved. The coast and seawalls were inspected 11 times during the year and repairs were effected where necessary. There were no major repairs required during the year.
Ecosystem health.	All stormwater outlets are inspected weekly or monthly depending on vulnerability to blockage.	95%	100%	Achieved. All stormwater outlets were inspected weekly or monthly depending on vulnerability to blockage. Inspections resulted in no major works being required.
Access.	All beaches are patrolled according to tides, seasons and beach usage.	95%	100%	Achieved. Patrols are conducted as weather and tides permit as per the beach control contract.
Restoration planting.	All Council coastal protection work includes an assessment of dune planting / restoration works.	100%	100%	Achieved. Assessment undertaken at two sites; Marine Parade revetment and Paekākāriki sea wall revetment.



COASTAL MANAGEMENT ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The Coastal Management Activity promotes Environmental Wellbeing and contributes to individual and community health (Outcomes 6 and 7) through the protection of roads and public health assets on the coast from erosion. The focus on soft engineering solutions contributes to natural character and ecosystems (Outcomes 1 and 2) while the support of natural processes of beach accretion (build up of dunes) is consistent with Outcome 4 and community aspirations to restore the quality of natural systems (Environmental Wellbeing).

Progress in 2011/12

- Council in conjunction with Community Groups planted 8,000 spinifex and pingau plants along

the foreshore dunes as part of the coastal replanting. This contributes to a healthy natural system and progress on Community Outcome 1 and Environmental Wellbeing through realising community aspirations to restore the quality of natural systems.

- The coastal erosion hazard assessment, that will form the substantive basis for the review of the coastal building setback lines as part of the District Plan Review, links to the Leadership Statement “Discussing Managed Retreat”, Community Outcome 1 and Environmental Wellbeing.



COASTAL MANAGEMENT
Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
360	Operating Costs	282	309
87	Debt Servicing	183	204
179	Depreciation	207	315
626	Operating Expenditure	672	828
-	Operating Revenue	15	-
-	Operating Revenue	15	-
626	NET OPERATING COSTS	657	828
	Capital Items		
1,730	Asset Construction and Renewal	502	548
204	Loan Repayments	233	233
2,560	NET COST OF ACTIVITY	1,392	1,609
720	Rates	672	829
195	Depreciation Reserve	219	234
1,645	Loans	501	546
2,560	TOTAL SOURCES OF FUNDS	1,392	1,609



COASTAL MANAGEMENT

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2011/12 Actual \$000	2011/12 Budget \$000
Paekākāriki		
Stage 2 underway. Beca has been engaged to carry out consenting phase. Public consultation will commence in 2012/13.	111	135
Paraparaumu Coastal Protection Work		
Marine Parade and Wharemauku Roads – a detailed costing of moving the sewer has been completed. A consultant has also been engaged to renew consents.	70	100

COMMUNITY FACILITIES

Whakaurunga Hapori

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
		✓		✓		✓	✓

KEY RESULTS

- ✓ 100% occupancy in Council's housing for older persons.
- ✓ Housing Customer Service Survey completed in November 2011.

Summary of Results

Maintenance work: very satisfied / satisfied 94%; neutral 4%; not satisfied 2%;

Efficiency levels of staff: very satisfied / satisfied 95%; neutral 4%; not satisfied 1%;

Satisfied with security of tenure: very satisfied / satisfied 95%; neutral 4%; not satisfied 1%;

Satisfied that rent is fair and reasonable: very satisfied / satisfied 97%; neutral 3%; not satisfied 0%; and

Satisfied that having solar water heating contributes to efficient use of energy: very satisfied / satisfied 91%; neutral 9%; not satisfied 0%.
- ✓ Hall Hire Customer Service Survey completed in December 2011.

Summary of Results

Kitchens: 93% rated hall kitchens as reasonable to excellent;

Toilets: 83% rated hall toilets as reasonable to excellent;

Equipment: 90% rated hall equipment as reasonable to excellent;

Seating equipment: 90% rated hall seating equipment as reasonable to excellent;

Lighting equipment: 94% rated hall lighting equipment as reasonable to excellent;

Heating: 79% rated hall heating as reasonable to excellent; and

Safety: 94% rated hall safety as reasonable to excellent.
- ✓ Council approval was granted for the construction of the Coastlands Aquatic Centre and the Civic Administration Building upgrade. Progress to date for both projects is on schedule and on budget.
- ✓ All 132 incidents of graffiti on public toilets and buildings were removed within 48 hours of notice.
- ✓ The Natural Burial site at Ōtaki Cemetery was completed. The site blessing took place in late May 2012.



This activity includes all the major structures and buildings that support the social and cultural wellbeing of the community, which in turn contributes to maintaining people's health and provide a civic presence. These facilities exist alongside many other buildings and structures provided by community groups directly – including sports, boating and golf clubs. They influence the general quality and character of each settlement in the District and the way they are built contributes to efficient use of resources. Their primary role is supporting a healthy, active and involved community and social wellbeing in general.

Community property, venues, services and maintenance programmes were provided in accordance with the 2009 LTCCP.

The development of the natural burial site at Ōtaki Cemetery was completed, and at Awa Tapu Cemetery, the Council sold the existing buildings and leased land to allow a private crematorium chapel to be established.

Under the Marae Support Policy the Council continued to support asset management activities for marae in the District associated with iwi and hapū with whom it has a relationship.

In addition, the Council maintained its commitment to housing for older persons. The issue of housing affordability continued to be of increasing concern to the community. There are signs the current economic crisis is having an impact, with an increasing waiting list for the Council housing units for older persons. The Council is keen to explore innovation around housing options, housing design and adaptability over time with developers.

The Council has chosen the Coastlands Aquatic Centre as an important project which will

The **Community Facilities Activity** area includes the following services and programmes:

- swimming pools and other major recreational facilities (not including sports fields);
- community halls (public);
- community halls (other projects)
- housing for older persons;
- public toilets;
- cemeteries, including urupa support;
- civic buildings (other than libraries);
- marae support (asset management).

significantly advance the quality of community facilities on the Kāpiti Coast. The Raumati Pool is past its useful life and a new facility is needed. The facility will be a major enhancement of the cluster of civic facilities on the Kāpiti Coast. Construction is underway and the Coastlands Aquatic Centre is expected to open in March 2013.

The Council has committed to completion of a refurbished civic administration building. The existing building did not meet earthquake or disability access standards, needed strengthening, was crowded and of poor quality. Irrespective of any changes in regional governance that might happen, a safe useable building that indicates civic and community pride in democratic institutions will still be needed. Refurbishment is underway and is expected to be completed in March 2013.

KEY PERFORMANCE INDICATORS

Community Facilities Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Technical, and associated services: <i>Community health and safety operations.</i>	All public toilets are cleaned in accordance with an agreed schedule as follows: <ul style="list-style-type: none"> • Maclean Park toilets are cleaned twice daily in winter, three times a day in the summer period, and four times a day on public holidays and school holidays. • All other public toilets are cleaned twice daily in the summer season (October to March) and once daily for the remainder of the year. 	100%	100%	<p>Achieved.</p> <p>All toilets were cleaned in accordance with the agreed schedule.</p> <p>Documented site audits were undertaken each month by Council in addition to the contractor submitting his reports.</p> <p>Additional audits and spring cleans were completed when one-off events took place during Christmas / New Year at high profile sites.</p> <p>Additional cleaning was also undertaken at 12 sites during September and October 2011 to cater for the increased use from Rugby World Cup visitors.</p>
Technical, and associated services: <i>Community health and safety operations.</i>	All maintenance requests and repairs will be responded to as follows: <ul style="list-style-type: none"> - non urgent maintenance requests are responded to within 24 hours; - urgent maintenance requests are responded to within eight working hours. 	100%	100%	<p>Achieved.</p> <p>There were 2,389 maintenance requests and repairs during the year.</p> <p>All non urgent maintenance work was responded to within 24 hours and completed within agreed timeframes.</p> <p>All urgent work was responded to within eight working hours of being reported.</p>



Community Facilities Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Technical, and associated services: <i>Community health and safety operations.</i>	<p>All public halls are cleaned in accordance with the following schedule:</p> <ul style="list-style-type: none"> • the Ōtaki, Waikanae, Paraparaumu and Paekākāriki Memorial Halls are cleaned daily; • Raumati South Memorial Hall is cleaned three times weekly; • the Waikanae Beach Hall is cleaned once a week; and • the Reikorangi Community Hall is cleaned as and when required. 	100%	100%	<p>Achieved.</p> <p>All public halls were cleaned in accordance with their schedule. Customer Service survey indicated 72% satisfaction rating over all halls.</p>
Technical, and associated services: <i>Community health and safety operations.</i>	<p>Support for existing hall facilities for all communities through a range of mechanisms, including direct provision and ownership and (on a case-by-case basis), one-off capital investments for non-Council owned buildings, provided that this support is funded on a ward basis.</p>	100%	100%	<p>Achieved.</p> <p>Ongoing maintenance was undertaken during the year, including ensuring all buildings have a current warrant of fitness.</p>

Community Facilities Level of Service	Measure	2011/12 Target	Progress Achieved	Projected Year End Outcome
Technical: <i>Council buildings, bridges, playground equipment and other structures for which Council has responsibility are graffiti free.</i>	90% of graffiti removed, where practicable, within 48 hours of advice.	90%	88%	Not Achieved. 188 of 214 incidents of graffiti were removed within 48 hours of advice from Council buildings, bridges, playground equipment and other structures for which Council has responsibility. All 132 incidents of graffiti removed from public toilets and Council buildings (Council halls, toilets, libraries, offices and depots) were within time. 56 of 82 incidents of graffiti removed from Council bridges and playgrounds were within time.
Technical: <i>Public swimming pools operate in accordance with nationally accepted standards and guidelines.</i>	Maintain Pool Safe accreditation (Note this is a national accreditation which requires Council to meet both water quality and health and safety requirements).	100%	100%	Achieved. Facilities were monitored regularly to ensure they continue to comply with the Pool Safe accreditation standard. All facilities have been assessed by Water Safety New Zealand, ACC "Think Safe" and the New Zealand Recreation Association. Reassessment completed February 2012.
Technical: <i>Quality of Council cemetery new monumental work.</i>	All new cemetery monumental work is manufactured and installed in accordance with the Council requirements, including the Cemeteries Bylaw 2010.	100%	100%	Achieved. All new installations met the requirements of the Kāpiti Coast District Council Cemeteries Bylaw 2010.
Access: <i>Occupancy of Council Housing for Older Persons.</i>	All 118 units of Council's housing for older persons have an occupancy rate of 97%, excluding refurbishment periods.	97%	99%	Achieved. During the year there was an occupation rate of 99.91%.
Technical: <i>Level of energy use.</i>	All renewal upgrade projects include consideration of energy rating assessments as part of the replacement programme.	100%	100%	Achieved. Energy rating assessments were considered in the planning for the Civic Administration Building upgrade.



COMMUNITY FACILITIES ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The **Community Facilities** Activity includes all the major structures and buildings that support the social and cultural wellbeing of the community, which in turn contributes to maintaining people's health and provides a civic presence. They make a direct contribution to Outcomes 6 and 7. Housing for Older Persons provides homes for some of the community's most vulnerable older population. The design of facilities provided affects the general quality and character of each settlement, a major aspect of the Council's strategy for centres and communities

(Outcome 2). The design of facilities also contributes to energy and water conservation and the location in local centres reduces energy consumption (Outcome 4).

Progress in 2011/12

- Achieving a greater than 99% occupancy rate of Housing for Older Persons ensures the community is making use of this local resource, contributing to Community Outcome 4 and Social Wellbeing.



COMMUNITY FACILITIES

Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
2,725	Operating Costs	3,125	3,031
90	Debt Servicing	171	450
840	Depreciation	854	892
<hr/>			
3,655	Operating Expenditure	4,150	4,373
	Revenue		
1,130	Charges and Fees	1,257	1,152
-	Aquatic Centre Trust Capital Contributions	361	-
(158)	Refund of Development Contributions	-	-
616	Development Levies	1,334	1,334
<hr/>			
1,588	Operating Revenue	2,952	2,486
2,067	NET OPERATING COSTS	1,198	1,887
	Capital Items		
1,903	Asset Construction and Renewal	8,865	15,240
130	Loan Repayments	235	209
	Appropriations		
32	Miscellaneous and Separate	361	-
458	Development Contributions	1,449	1,334
<hr/>			
4,590	NET COST OF ACTIVITY	12,108	18,670
<hr/>			
2,472	Rates	3,100	3,368
580	Depreciation Reserve	578	3,071
886	Loans	6,783	11,004
458	Development Levies	1,167	1,221
194	Utilisation of Balances	119	6
-	Aquatic Centre Trust	361	-
-	Miscellaneous and Separate	-	-
<hr/>			
4,590	TOTAL SOURCES OF FUNDS	12,108	18,670



COMMUNITY FACILITIES

Financial Detail for Significant Activities

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	<u>Swimming Pools</u>		
1,422	Operating Costs	1,669	1,685
43	Loan Servicing	123	407
192	Depreciation	146	217
(261)	Income (user charges)	(320)	(309)
1,396	NET OPERATING COSTS	1,618	2,000
	<u>Public Halls</u>		
363	Operating Costs	451	375
-	Loan Servicing	-	-
240	Depreciation	258	249
(153)	Income (user charges)	(167)	(131)
-	Interest on Depreciation Reserves	(22)	-
450	NET OPERATING COSTS	520	492
	<u>Public Toilets</u>		
237	Operating Costs	272	276
18	Loan Servicing	28	16
151	Depreciation	182	165
-	Income	(11)	-
405	NET OPERATING COSTS	471	456
	<u>Cemeteries</u>		
266	Operating Costs (including Urupa support)	341	360
3	Loan Servicing	4	2
23	Depreciation	44	23
(155)	Income (user charges)	(176)	(171)
-	Interest on Depreciation Reserves	(3)	-
136	NET OPERATING COSTS	210	214
	<u>Housing for Older Persons</u>		
361	Operating Costs	377	312
27	Loan Servicing	16	25
194	Depreciation	181	199
(522)	Rental Income	(549)	(536)
59	NET OPERATING COSTS	25	-
	<u>Other Community Facilities</u>		
76	Operating Costs	12	23
-	Loan Servicing	-	-
41	Depreciation	44	40
(497)	Revenue	(1,701)	(1,339)
-	Interest on Depreciation Reserves	-	-
(380)	NET OPERATING COSTS	(1,645)	(1,275)

COMMUNITY FACILITIES

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2011/12 Actual \$000	2011/12 Budget \$000
Swimming Pools		
New Aquatic Facility Council approved the construction of a new Aquatic centre in Paraparaumu on 15 December. The project is progressing as planned.	5,868	11,188
Administration Building		
Civic Building Upgrade Council approved the construction of the Civic Administration Building on 15 December. The project is progressing as planned.	2,714	3,723



DEVELOPMENT MANAGEMENT

Whakahaere Whanaketangai

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓	✓	✓	✓	✓	✓	✓

KEY RESULTS

- ✓ Peka Peka Local Outcomes Statement: approved by Waikanae Community Board and Council November 2011.
- ✓ Te Horo Local Outcomes process underway.
- ✓ District Plan Review: 15 workshops held with Elected Members. Most draft plan provisions completed, some stakeholder engagement undertaken, and monthly meetings held with iwi representatives.
- ✓ Consultation undertaken with landowners on potential Structure Plans for rural Waikanae North Eco-Hamlet area, for District Plan Review.
- ✓ Draft Structure Plan for Paraparaumu Town Centre underway for inclusion in District Plan Review.

The District Plan Review progressed with 15 Elected Member workshops held on various topics including: including District Plan structure and objectives, open space, natural hazards, and the natural environment, rural and residential issues, employment areas, infrastructure, hazardous facilities / contaminated land, landscape assessment, native urban trees, and coastal hazard planning. Each of these workshops were advertised and open to the public. The Review is allowing more integration of the community vision arising from the Local Outcomes workshops into the regulatory framework for development.

The District Plan Review is considering issues arising from Government's December 2009 decision to proceed with a 4-lane Expressway along the Western Link alignment. The significant implications for this activity include:

- potential growth pressures as a result of new Expressway interchange locations and the potential removal of the Limited Access Road (LAR) status from State Highway 1, as well as general development pressure resulting from the Kāpiti Coast District being a shorter journey to and from Wellington;
- economic and physical changes to town centres including decreased "through-traffic";
- increased difficulty in connecting communities due to severance by the Expressway.

Local Outcomes Statements are part of a series of investigation, analysis and design processes for different parts of the District. They contain the work needed to assess development pressures, to look at what the community wishes to see happen

in their local areas and for the District as a whole, to look at infrastructure needs, and to plan a long term approach.

As at 30 June 2012 Local Outcome documents for the following areas had been published:

Paekākāriki, Raumati South, Raumati Beach, Paraparaumu Town Centre, Paraparaumu Beach, Waikanae North, Greater Ōtaki and Otaihanga.

During the year the Local Outcomes Statement for Peka Peka was approved and is awaiting printing.

The Local Outcomes Statement for Te Horo (including Te Horo Beach) is underway, with a public meeting held in May 2012. Planning the development of Local Outcomes Statements for Waikanae Town Centre and Waikanae Beach is also underway. Local Outcomes Statements inform Long Term Plan processes and Council decisions.

The Development Contributions policy was reviewed and approved through the Long Term Plan process.

In addition private plan change appeals have continued to require a response from staff working in this activity area.

The Strategic Property Purchases Rolling Fund was used to purchase four properties of strategic importance to the community during the year. This included: the Howarth Block – a 35 hectare site that runs along the south bank of the Waikanae River with access off Lancelot Grove; a property in Ngahina Street, Paraparaumu; land for a Cycleways, Walkways, Bridleways project in Tasman Road, Ōtaki; and property in Raumati Road for parking in Raumati Beach Town Centre.

The Ōtaki Main Street upgrade was completed during 2012. The design and construction issues causing disruption and concern during the project were resolved. The project to enhance Ōtaki Town Centre provided new footpaths, car parking layout, street furniture, street gardens, road crossings and stormwater upgrade. Community feedback on the completed project has been positive.

The **Development Management Activity** area includes the following services and programmes:

- urban management strategies: this includes the front-end processes and analysis in different communities around major development issues. This has resulted to date in several Local Outcomes Statements for various communities, as well as a districtwide Development Management Strategy in 2006. The work flows through into more formal District Plan processes once the strategic direction has been discussed and set with relevant communities;
- District development projects primarily Town Centre upgrades, building on Local Outcomes Statements;
- District Plan: plan changes (including responding to private plan changes), plan reviews (including most prominently the overall ten year District Plan Review beginning in 2009), subdivision codes, best practice design guides, subdivision engineering consents processing, and associated policy development;
- Regional Strategy: this project is now proceeding on an ongoing basis with funding through the Greater Wellington Regional Council. A review of the effectiveness of the strategy has commenced;
- advice on climate change and associated policy issues.



KEY PERFORMANCE INDICATORS

Development Management Key Actions / Outputs	Year End Outcome
<p>District Plan review provides for Districtwide and Local Community Outcomes perspectives relating to: character; - growth management; - intensification; - affordability; and natural environment; (Measure: District Plan notified in 2012 after the review.)</p>	<p>Ongoing / On target.</p> <p>Significant progress has been made on the District Plan Review. A total of 15 Elected Member workshops were held on various topics from July 2011 through June 2012 including District Plan structure and objectives, open space, natural hazards, natural environment, working environment, living environment, infrastructure and transport, monitoring, and financial contributions. Most new plan provisions have been drafted and presented to Councillors, some key stakeholder engagement has been undertaken, and monthly meetings have been held with iwi representatives.</p> <p>Further consultation with key stakeholders and interested / affected parties is planned for July – September 2012, alongside legal and external peer review of draft provisions, prior to formal notification for submissions in November 2012.</p> <p>Other relevant plan changes (PC) are:</p> <ul style="list-style-type: none"> - Ōtaki Residential Subdivision Review (PC 77): appeals resolved; operative date 26 April 2012. - Large Format Retail (PC 78): appeals resolved; operative date 26 April 2012. - Wharemauku Precinct (PC 72A): two appeals outstanding and in mediation process.
<p>Urban development concepts and/or community vision for each area are completed.</p>	<p>Ongoing / On target.</p> <p>Urban development concepts / community visions have been developed for Greater Ōtaki, Waikanae North, Otaihanga, Paraparaumu Town Centre, Paraparaumu Beach, Raumati Beach, Raumati South and Paekākāriki.</p> <p>Submissions on the Peka Peka Local Outcomes Statement closed at the end of July 2011, and the final document was approved by Waikanae Community Board and Council in November 2011.</p> <p>Paraparaumu Town Centre concept has been revisited within the context of the current Expressway and State Highway One process.</p> <p>Visioning process for Waikanae Town Centre is expected to resume soon, with an initial focus on providing input to the District Plan Review.</p> <p>This leaves Waikanae Beach and Te Horo/Te Horo Beach to undertake the process of developing local outcomes statements, and potentially Reikorangi/ Upper Waikanae River. The Te Horo process is underway with one workshop completed, and a community-driven Reikorangi Valley process has begun with Council support.</p>
<p>Structure plans for key areas completed as required.</p> <p><i>Note: a Structure Plan is a comprehensive indicative development plan for a large area which identifies such things as bush to be protected, roads, sections, stormwater etc. It allows a more integrated sustainable development approach which weaves together urban and environmental matters. A Structure Plan has a legal status in the District Plan and is used in the formal resource consent process to guide particular decisions.</i></p>	<p>Ongoing / On target.</p> <p>Structure Plans for Private Plan Change 83 (Meadows Precinct) and Private Plan Change 81 (Ōtaki South Development Area) were approved in July 2010 and are now operative.</p> <p>Analysis has been undertaken of constraints and Expressway impacts for the rural Waikanae North Eco-Hamlet area, and consultation with landowners was undertaken on a potential Structure Plan to be included in the District Plan Review.</p> <p>A similar exercise has begun for the Ōtaki North area, with initial landowner consultation undertaken and more planned via the District Plan Review.</p>

Development Management Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Community.	By the completion of every district development project there will be a record of community involvement and community feedback components.	100%	100%	Achieved. All Town Centre projects have community design input. This continued for the design of the Raumati Beach CBD upgrade last financial year. This project is now on hold, further consultation will be held when work resumes. This is expected to resume in 2013/14.
Community.	By the completion of every urban development there will be a record of the community design component.	100%	100%	Achieved. All work to progress the urban development concepts includes opportunities for local communities to participate. This financial year various areas including Paraparaumu Town Centre and the Waikanae area were examined in the context of the proposed Expressway. Any resulting plans or local outcome statements will be subject to public consultation at the appropriate time.

DEVELOPMENT MANAGEMENT ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The **Development Management** Activity is the “engine room” for addressing growth management pressures in a way that better reflects community vision and concerns. This has two aspects: how to manage growth pressures from a regulatory perspective, and how to actively encourage development to occur in a way that benefits the community. The latter also includes the Council’s development decisions on its own land. Tying everything together is a commitment to inclusive processes and community involvement in design and development decisions. As such it contributes across all Wellbeing areas and Community Outcome areas, from management of environmental effects and impacts on local character to managing effects on community health via design and regulation. It links to the following Council Leadership Statements – “The Importance of Place, Open Space, Centres and Design”, “Thresholds for Development

Management”, “Kāpiti Coast’s Place in the Region” and “Housing Choice”.

Progress in 2011/12

- Completing the Local Outcome Statement for Peka Peka, and beginning the programme for Te Horo influences the development of this area and contributes progress to Community Outcome 2, Social Wellbeing and Environmental Wellbeing. The public consultation involved in developing Local Outcome Statements contributes to Community Outcome 7 and Social Wellbeing.
- The District Plan Review progressed during the year, contributing to Community Outcome 3 by developing the framework to ensure development is managed appropriate to community goals. It contributes to all the Wellbeing areas.



DEVELOPMENT MANAGEMENT
Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
1,457	Operating Costs	1,553	1,647
251	Debt Servicing	402	355
55	Depreciation	57	75
1,763	Operating Expenditure	2,012	2,077
	Revenue		
132	Charges and Fees	78	200
132	Operating Revenue	78	200
1,631	NET OPERATING COSTS	1,934	1,877
	Capital Items		
1,172	Asset Construction and Renewal	4,459	5,636
139	Loan Repayments	306	306
2,942	NET COST OF ACTIVITY	6,699	7,819
1,677	Rates	2,122	2,066
93	Depreciation Reserve	118	118
372	Development Levies	88	88
791	Loans	4,371	5,547
9	Utilisation of Balances	-	-
2,942	TOTAL SOURCES OF FUNDS	6,699	7,819

DEVELOPMENT MANAGEMENT

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2011/12 Actual \$000	2011/12 Budget \$000
Raumati Town Centre – initial consultation and design work has been undertaken. Work has been deferred on this project as a result of other priorities as outlined in a report to Council on 15 December.	49	1,117
Ōtaki Main Street Enhancement and Stormwater Upgrade. Work was delayed due to contract issues, but is now complete.	1,730	1,137
Strategic Land Purchase – four properties purchased in the 2011/12 financial year including Howarth Block, Ngahina Street property, Raumati Road property and land in Tasman Road for a CWB project.	3,819	4,771



ECONOMIC DEVELOPMENT

Whakawhanake Umanga

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
					✓	✓	✓

KEY RESULTS

- ☑ The Draft Strategy for Supporting Economic Development on the Kāpiti Coast was consulted on in April 2012 and subsequently adopted at the 19 July 2012 meeting of the Environment and Community Development Committee. It also adopted a preferred service delivery option which comprises contracting out tourism and business development support services while bringing other activities in-house.
- ☑ Work with the clean technology sector continued. Council approved the capacity for the Clean Technology Trust to draw down up to \$1.5 million of loan money to support the development of the sector and Clean Technology Park via its 2012 Long Term Plan.
- ☑ Council funded a trial using emulsion diesel fuel in a Council vehicle with APT NZ and has now decided to use the fuel on an on-going basis. Council is also committed to the purchase of an electric rubbish truck from a company based at the Clean Technology Centre.

The Kāpiti Coast occupies a unique position, looking north to the predominantly rural areas within Horowhenua while also having a strong link to the more urban southern region. During the year, the Council undertook a review of its economic development activities which resulted in a decision to change its focus.

The previous partnership with Horowhenua District Council, with delivery of an agreed programme of business advice and tourism services via a contract with the local economic development agency Nature Coast Enterprise, was ended.

Participation in the Wellington Regional Strategy, which focuses on sustainable economic growth for the Wellington region, continues.

The **Economic Development Activity** area includes the following services and programmes:

- providing networking and an informed point of contact for businesses;
- business attraction and retention initiatives;
- tourism product development and marketing;
- management of the visitor information centres in Paraparaumu and Ōtaki;
- events development and facilitation;
- support for Māori economic development;
- general strategy development and projects, e.g. local food economy, sustainable domestic scale technologies, Rugby World Cup 2011.

Council participated in a regional review of the Wellington Regional Strategy and Grow Wellington, the economic development agency for the Wellington Region.

The Economic Development Activity area review resulted in a new strategic direction and a new structure for delivering economic development activities, designed around implementing the new Strategy for Supporting Economic Development on the Kāpiti Coast.

The key projects identified in the Strategy fall into three focus areas: innovation and positioning; creation and capture of added value; and growing the base.

The new structure comprises a mix of increased internal provision of services and contracting out some specific services. To summarise: tourism support services, including iSITE management and business support services, will be contracted out; two full time equivalents will be employed to work on the innovation and capturing value strategic focus areas (food, health sector and

construction); and other projects will be delivered using existing resources within Council.

The Council continued to work in partnership with Grow Wellington on the Regional Centre of Excellence for Clean Technology. This included supporting the Clean Technology Centre NZ, working to advance the economic opportunities and concepts associated with the Energise Ōtaki Project and supporting the development of a business cluster in Kāpiti for sustainable domestic scale technologies around water, waste and energy efficiency and production.

Also ongoing was the Council support for Māori Economic Development initiatives being driven by tāngata whenua and other agencies.

The Rural Productivity Study project continued according to the revised programme. The final report was received on the assessment of the economic value of the rural productive land in the Greater Ōtaki area, and local food economy projects were included in the draft Economic Development Strategy and will be progressed as part of implementing the strategy.



KEY PERFORMANCE INDICATORS

Economic Development Key Actions / Outputs	Year End Outcome
Continue to develop 'new economy' initiatives.	Ongoing / On target. Work continuing on Clean Technology Centre of Excellence. Council approved up to \$1.5 million loan facility to the Clean Technology Trust to support the development of the sector and Clean Technology Park. The Waste to Energy Pilot is completed.
Rural productivity study completed and reported back to community by December 2010.	Achieved. Project continued according to revised programme. Landcare Research report on food productivity opportunities in the Greater Ōtaki area received. Further report on the economic value of the rural productive land received. Information contributing to the draft Economic Development Strategy includes Food and Beverage as a key strategic focus area.
Complete review of visitor information/ gateway centres completed by 2012/13.	Not relevant. This project is scheduled for the 2012/13 year.
Complete town centre investment programme completed as per annual programme (Note: funding is provided in Development Management and other infrastructure activities)	Achieved. Work in Ōtaki Main Street and Raumati Town Centre (concept design) delivered according to revised programme reported to Council.

Economic Development Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Business support: <i>Clear point of contact.</i>	Provide, as required, information about key issues to each business / economic development group that the Council has a direct relationship with to enable them to deliver their contracted services.	100%	100%	Achieved. Services were outsourced to the local economic development agency, Nature Coast Enterprise. Regular newsletters and information was sent direct to businesses and tourism operators. Business networking was provided through business breakfasts and other functions.
Business support: <i>Clear point of contact.</i>	Provide an agreed facilitation process and a clear information provision process for businesses and residents about key issues and services.	100%	100%	Achieved. Ongoing liaison with local organisations, central government and other agencies at national or regional level about key issues and services. Nature Coast Enterprise was contracted to deliver information to the community.

Economic Development Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Business support, tourism development and promotion: <i>Statistical information.</i>	Provide an annual update on regional economic and business information.	100%	100%	Achieved. Nature Coast Enterprise was contracted to deliver this information.
Quality: <i>Town Centre quality.</i>	Complete projects as per agreed town centre investment programme (except when there are external constraints).	95%	100%	Achieved. Work in Ōtaki Main Street and Raumati Town Centre (concept design) delivered according to revised programme reported to Council.
Support for “New Economy” Initiatives.	Deliver projects as per agreed development programme (except when there are external constraints).	95%	100%	Achieved. The partnership with Grow Wellington to develop a Centre of Excellence for Clean Technology progressed. Council is part funding the Clean Technology Centre Manager’s position.

ECONOMIC DEVELOPMENT ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The **Economic Development** Activity funds direct services to support business development and retention, wider economic analysis and opportunities for development of a new economic focus. As such it contributes directly to Outcome 5 but also contributes to Outcome 7 by providing support for initiatives that ultimately contribute to Social Wellbeing. There is a focus on creating local employment opportunities which retain young people in the District (Outcome 6). This Activity links to the leadership statements “Exploring the Local Food Economy” and “Sustainable Domestic Technologies”.

Progress in 2011/12

- The Rural Productivity Strategy and progress on developing the Clean Technology Centre of Excellence both contribute to regional economic development, progress on Community Outcome 5 and all the Wellbeing areas.
- The Strategy for Supporting Economic Development on the Kāpiti Coast contributes to Community Outcomes 5, 7 and Economic Wellbeing.



ECONOMIC DEVELOPMENT
Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
788	Operating Costs	827	813
13	Depreciation	15	7
7	Debt Servicing	9	20
<hr/>			
808	Operating Expenditure	851	840
808	NET OPERATING COSTS	851	840
	Capital Items		
20	Asset Construction and Renewal	-	-
6	Loan Repayments	5	5
<hr/>			
834	NET COST OF ACTIVITY	856	845
<hr/>			
758	Rates	856	845
20	Loans	-	-
-	Separate Funds	-	-
56	Utilisation of Balances	-	-
<hr/>			
834	TOTAL SOURCES OF FUNDS	856	845
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ENVIRONMENTAL PROTECTION

Whakaāhuru Taiao

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓						✓

KEY RESULTS

- ✓ 6,639 dogs registered, this is 99% of all known dogs – an excellent result.
- ✓ 2,219 routine calls / complaints about dogs responded to, 91% within 24 hours.
- ✓ 236 urgent dog complaints responded to, 95% within one hour.
- ✓ 2,171 noise complaints responded to, 98% within 30 minutes.
- ✓ 579 of 594 (97%) fire permits issued within one day.
- ✓ Implementation of Regional Civil Defence Emergency Management Office and consolidation of resources.

This activity provides services and protects public health and safety. It is mainly driven by statutory requirements which the Council must deliver. As such it is largely concerned with the requirements of individual businesses and residents and requires a strong emphasis from Council staff on providing a professional customer service while they administer and enforce relevant standards. Progress made in this area can at times be difficult given the regulatory nature of this activity.

During the year the Council continued with involvement in a shared service review of how emergency management and rural fire services are delivered throughout the Wellington Region.

The Council joined with the City and District Councils in the Wellington region to form a semi-autonomous civil defence and emergency management group. All the Councils' emergency management staff and resources are now pooled together. This is expected to improve effectiveness from increased scale and

The **Environmental Protection Activity** area includes the following services and programmes:

- noise control – enforcement of District Plan standards under the Resource Management Act 1991;
- inspection of food premises (Health Act 1956);
- inspection of swimming pools (Fencing of Swimming Pools Act 1987);
- liquor licensing including monitoring of gambling machines (Sale of Liquor Act 1989 and Gambling Act 2003);
- location and advertising of brothels (Prostitution Act 2003);
- animal control (Dog Control Act 2003);
- bylaws, enforcement and administration; and
- emergency management.



co-ordination, as well as efficiencies from the centralised provision of services such as training and public education. Local emergency management offices will be retained to enable effective local responses to emergencies. The new team started in July 2012.

Council continued to provide a Rural Fire Service that meets the National Rural Fire Authority Standards.

Council worked with the Department of Conservation to install an Emergency Management repeater site on Kāpiti Island. Difficulty with the supplier due to the Christchurch earthquakes caused the project to be delayed last year, however it is now complete.

Extra print runs of the Wellington Region's international award winning 'It's Easy Get Prepared' brochure and the 'It's Easy Know Your Tsunami Zone' were required to satisfy demand for information. New Zealand had three tsunami threats this year which required activation of the tsunami response plan, but none resulted in a danger of inundation to the Kāpiti Coast. Police and Fire Services provided excellent support during each threat.

Emergency Management - Shared Services:

- Wellington Region's Civil Defence Emergency Management (CDEM) recruitment of Regional CDEM Manager and Bruce Pepperell appointed. Structure for new CDEM implemented on 2 July 2012.
- A mass-casualty response trailer from Wellington Free Ambulance is now in Kāpiti and stored at the Emergency Operations

Centre (EOC). This enables setting up a triage area close to an incident.

- "Its Our Fault" research work by GNS Science will reach into Kāpiti with study on liquefaction hazard characterisation. This is a project sponsored by councils in the Wellington Region (\$50,000 shared excluding Wellington City Council), Wellington City Council (\$112,000), EQC (\$225,000) and ACC (\$56,000).

Emergency Management - Response

- Activated EOC three times, one for tsunami warning and others for severe weather triggered by Greater Wellington Regional Council river level alerts.
- Increased number of illegal beach fires with good weather prior to Christmas.
- Two significant structural fires within the Rural Fire zones that Council has responsibility for resulted in loss of one large market garden warehouse and one artist studio.

Emergency Management - Readiness

- Completed installation of Kāpiti Island repeater. Final costs were under budget.
- Completed PABX upgrade at EOC as part of Council's phone system upgrade.
- Civil Defence Welfare Centres exercised on a regular basis.
- Replacement Rural Fire/Emergency Management Control utility vehicle commissioned.

KEY PERFORMANCE INDICATORS

Environmental Protection Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Statutory standards and requirements, and customer responsiveness.	95% of all noise complaints responded to within 30 minutes of receipt.	95%	98%	Achieved. 2,127 of the 2,171 noise complaints during the year were responded to within 30 minutes of receipt.
Statutory standards and requirements, and customer responsiveness.	95% of all routine calls/complaints about dogs responded to within 24 hours of receipt.	95%	91%	Not achieved. ** 2,010 of 2,219 routine calls/complaints about dogs were responded to within 24 hours of receipt during the year. This is an area for consideration though the review of resources in 2012/13.
Statutory standards and requirements, and customer responsiveness.	95% of all urgent calls/complaints about dogs responded to within one hour of receipt.	95%	96%	Achieved. 226 of 236 urgent complaints about dogs were responded to within one hour of receipt during the year.
Statutory standards and requirements, and customer responsiveness.	All calls/complaints (routine or emergency) about wandering stock responded to within one hour of receipt.	100%	86%	Not achieved. ** 148 of 173 calls about wandering stock were responded to within one hour of receipt during the year. This is an area for consideration though the review of resources in 2012/13.
Statutory standards and requirements, and customer responsiveness.	All emergency callouts to unauthorised trade waste discharges made within one hour of receipt.	100%	-	Not relevant. None reported.
Statutory standards and requirements, and customer responsiveness.	95% of all routine complaints of abandoned vehicles responded to within one working day.	95%	99%	Achieved. 99 of 100 complaints of abandoned vehicles were responded to within one working day during the year.
Statutory standards and requirements, and customer responsiveness.	All food premises are inspected under the Kāpiti Coast District Council Food Safety Bylaw 2006, in accordance with their grade as determined at the start of each financial year.	100%	99%	Not Achieved. From the original target of 296 inspections one grading inspection was not conducted. However, 50 extra inspections were conducted due to new premises opening and existing premises changing owners. During the year a total of 346 food premises inspections were completed.

** Significant focus and effort on dog registrations during the first quarter resulted in a slower response to routine calls/complaints about dogs and wandering stock in the first quarter. At year end from a total of 6,667 dogs only 28 remain unregistered.



Environmental Protection Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Statutory standards and requirements, and customer responsiveness.	All other licensed premises inspected for compliance with appropriate regulations.	100%	100%	Achieved. 69 'other licensed premises' inspections were conducted during the year. Due to one premise closing down, this now represents 100% of the 70 'other licensed premises' that were required to be inspected for compliance with appropriate regulations at the beginning of this year. (The Health Act 1956 and associated regulations (being the Health (Burial) Regulations 1946, the Camping-Grounds Regulations 1985, the Health (Hairdressers) Regulations 1980.)
Statutory standards and requirements, and customer responsiveness.	All notifiable infectious disease investigations commenced within eight working hours and the outcome reported to the Medical Officer of Health within two working days for high risk and within four working days for low risk cases.	100%	100%	Achieved. 53 notifiable infectious disease investigations were followed up during the year. All notifiable infectious diseases investigations were completed within the required time frames. All were treated as high risk cases.
Statutory standards and requirements, and customer responsiveness.	All functioning school swimming pools inspected to ensure compliance with public health standards and school staff advised on remedial action where necessary.	100%	100%	Achieved. All 15 functioning school swimming pools were inspected during the year.
Statutory standards and requirements, and customer responsiveness.	50% of all licensed liquor premises inspected annually.	50%	44%	Not achieved. 62 licensed liquor premises were inspected during the year. This represents 89% of the 69 premises that required inspection this year. This is an area for consideration though the review of resources in 2012/13.

Environmental Protection Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Statutory standards and requirements, and customer responsiveness.	33% of all known private swimming pools inspected to ensure compliance with the Fencing of Swimming Pools Act 1987.	33%	33%	Achieved 338 private swimming pools were inspected to ensure compliance during the year.
Statutory standards and requirements, and customer responsiveness.	All fire permits issued within one working day on satisfaction after site inspection that the site surroundings are safe and that fire safety equipment is available.	100%	97%	Not achieved. During the year 579 of 594 fire permits were issued within one working day on satisfaction following site inspections. This is an area for consideration though the review of resources in 2012/13.
Statutory standards and requirements, and customer responsiveness.	95% of all known dogs are registered.	95%	99%	Achieved. 6,639 of 6,667 known dogs were registered at 30 June 2012.
Statutory standards and requirements, and emergency management.	Rural fire service provider which meets the National Rural Fire Authority Audit standards.	100%	100%	Achieved. Passed (unqualified) the National Rural Fire Authority Audit in October 2008. New audit due in 2012.
Statutory standards and requirements, and emergency management.	Districtwide civil defence emergency readiness complies with the Regional Civil Defence Emergency Group Plan (emergency management).	100%	100%	Achieved. All requirements for compliance with the Regional Civil Defence Emergency Group Plan are incorporated into the Kāpiti Coast District Council Emergency Management Office Annual Business Plan.
Statutory standards and requirements, and emergency management.	All resource consents are monitored in accordance with the Landuse Resource Consents Monitoring Programme.	100%	100%	Achieved. During the year 73 resource consents were signed off and 207 monitoring visits were carried out to comply with the monitoring programme.
Customer responsiveness.	Clear publicly available information on standards required for environmental protection processes.	100%	100%	Achieved. Information is available on the Council website and as printed guides. Material was updated as required, including information on the website. No new publications were produced during the year.



Environmental Protection Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Customer responsiveness.	Regular community feedback in public newspapers.	100%	100%	Achieved. Coastlines is published every six weeks and predominantly features environmental protection and other regulatory items. Kāpiti Update is published regularly.

ENVIRONMENTAL PROTECTION ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The **Environmental Protection** Activity is concerned with enforcement of and education about standards designed to protect individual and community health and safety. These standards are generally prescribed through statute or regulation, or via rules in the District Plan. As such the activity in all its areas outlined above contributes to Outcomes 1, 7 and Environmental Wellbeing.

Progress 2011/12

- 99% of known dogs were registered and 96% of urgent dog complaints were responded to within one hour. Inspections of all school swimming pools, 346 inspections of food premises, and 69 inspections of 'other licensed premises' all worked towards making our community safer. These levels of service contribute to the healthy and safe aspects of Community Outcome 7, Social Wellbeing, Cultural Wellbeing and Environmental Wellbeing.



ENVIRONMENTAL PROTECTION
Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
2,212	Operating Costs	2,262	2,215
118	Debt Servicing	130	112
61	Depreciation	62	61
2,391	Operating Expenditure	2,454	2,388
	Revenue		
869	Charges and Fees	914	882
869	Operating Revenue	914	882
1,522	NET OPERATING COSTS	1,540	1,506
	Capital Items		
8	Asset Construction and Renewal	34	59
36	Loan Repayments	36	36
1,566	NET COST OF ACTIVITY	1,610	1,601
1,531	Rates	1,546	1,516
-	Loans	-	30
35	Depreciation Reserve	64	55
1,566	TOTAL SOURCES OF FUNDS	1,610	1,601



GOVERNANCE AND TĀNGATA WHENUA

Kāwanatanga me te Tāngata Whenua

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓	✓	✓	✓	✓	✓	✓

KEY RESULTS

- ✓ Residents' opinion surveys completed.
- ✓ Elected members training and development workshop held in November 2011.
- ✓ Council meetings held at external venues during upgrade of Civic Administration Building, providing better disabled access.
- ✓ By-election for Paekākāriki Community Board held.
- ✓ Amendments to the Governance Structure signalling consideration of iwi appointments to Standing Committees.
- ✓ Memorandum of Partnership with iwi reviewed and amended.
- ✓ Long Term Plan workshops with Elected Members.
- ✓ Waitangi Day Commemoration, Campbell Park, Paekākāriki.
- ✓ Working Parties –
Te Haerenga Whakamua – tāngata whenua review of the District Plan – draft report received by working group, to be submitted back to Te Whakaminenga o Kāpiti for ratification; Māori Economic Development – planning underway for tāngata whenua response to the economic development for the District; and Te Āti Awa Water Working Group – Draft Cultural Impact Assessment received and awaiting Te Āti Awa adoption at hui a iwi.
- ✓ Citizenship ceremony held at Raukawa Marae in Ōtaki.
- ✓ Council support for White Ribbon Ambassador programme.
- ✓ Council achieved a credit rating of AA- with Standard and Poors.
- ✓ Adoption of STV electoral system for 2013 local body elections.
- ✓ Maramataka 2012/13 launched.
- ✓ Council website in Top 10 of Council websites in New Zealand.

This activity area is an important contributor to the Council's wider strategy for working with the community and responding to the community's wish for involvement in decision making processes. The associated statutory timeframes were achieved.

In addition to the meeting statistics provided in the Meeting Attendance section, Council also held 8 public workshops relating to the Long Term Plan, and 15 public workshops relating to the District Plan Review. Council also amended one bylaw and adopted a new Local Outcomes Statement.

Elected Member training ranged from Civil Defence Emergency Management to Waiata and Te Reo training.

The Local Government Act 2002 requires all councils to regularly review their Long Term Plan, and this work occurred during the financial year. Much work, discussion and debate by Elected Members, Council staff and the community was undertaken to develop a draft 2012 Long Term Plan for consultation.

The process involved the review and development of: asset management plans, including key performance indicators; rating options and policies; the Revenue and Financing Policy (funding splits); the Significance Policy; the Development Contributions Policy; the Rates Remission Policy; fees and charges; and the levels of service within each of Council's 16 Activity areas. During this process Council reduced the previously forecast double digit rates increases (as outlined in the 2009 Long Term Council Community Plan) to more manageable figures.

The consultation resulted in 2,423 submissions being received including at least 1,563 on water meters. In addition 130 submitters spoke to their submission. The result is a document that lays down the strategic direction for Council and the wider community for the next 20 years. The final Long Term Plan was adopted on 28 June 2012.

The Council, recognising the impact that rates have on individual low income households, encouraged people to take up the central government rates rebate scheme in order to

The **Governance and Tāngata Whenua Activity** area includes the following services and programmes:

- Elected Members' remuneration and expenses;
- management of electoral processes including representation review, elections and by-elections;
- management of formal Council and Committee processes;
- delivery of Community Plan processes under the Local Government Act 2002;
- tāngata whenua relationships and associated projects, e.g. work with iwi to develop cultural health monitoring indicators;
- civics awareness and promotion programme;
- District general expenses - e.g. legal and insurance costs.

reduce the impact of the rates on their household. At the end of the financial year 2,539 applications had been processed; the total value of these rebates was \$1.385 million. The Council also adopted a new Rates Remission for Financial Hardship Policy and provided a fund to which people on low household income facing financial hardship could apply. Property owners were also required to seek the central government rates rebate before becoming eligible.

Contributions to the decision making process by Māori continued. The Council is proud of its relationship with the tāngata whenua. There has been an emphasis on constantly improving the quality of the work and interactions under the 1994 Memorandum of Partnership between the three iwi with mana whenua status within the Kāpiti Coast.

A Memorandum of Partnership between the three iwi (Ngāti Raukawa, Āti Awa ki Whakarongotai and Ngāti Toa) and The Council has been in place since 1994. The Memorandum guides the relationship between Council and tāngata whenua. The goal of the Memorandum is to forge a relationship of mutual benefit between the Council and tāngata whenua which will develop into an effective and meaningful partnership. The work



programme of Te Whakaminenga o Kāpiti is reported on earlier in this Annual Report.

Working parties with tāngata whenua representation were set up for the District Plan, Water Supply, and Economic Development.

Council is required under legislation to improve Māori representation in decision making. Council has confirmed it will co-opt a representative of Maori onto its standing committees.

In 2012 Council reconfirmed provision for the Chair of Te Whakaminenga o Kāpiti to attend Council and/ or Committee meetings with the opportunity to contribute to debate and discussion but not to vote.

Waitangi Day commemorations held this year at Campbell Park, Paekākāriki were a success for

both Council and the community. Following the formal powhiri, celebrations included food, stalls and entertainment.

Regional debate on governance structures is occurring. This Council believes it must hear the views of its own community first and foremost on this matter and to that end it conducted its own survey of residents. Every household received a survey document containing various options to comment on and an invitation to add other options not covered. This survey was also available online on the Council's website, www.kapiticoast.govt.nz. In addition, a region-wide phone survey was undertaken which included a survey of Kāpiti residents with questions on specific Kāpiti issues. This will inform discussion during 2012/13.



KEY PERFORMANCE INDICATORS

Governance and Tāngata Whenua Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Statutory timeframes: <i>Accessibility of the Council's agendas, reports and minutes to the community.</i>	Compliance with Local Government Act 2002 and Local Government Official Information and Meetings Act 1987 requirements for accessibility of Council information, agendas, reports and minutes to the community.	100%	100%	Achieved. Council information, agendas, reports and minutes were made public either on our website and/or in publications complying with the Local Government Act 2002 and Local Government Official Information and Meetings Act 1987.
Statutory timeframes: <i>Accessibility of the Council's agendas, reports and minutes to the community.</i>	All of the Council's formal decisions and associated reports are available on the website and in the libraries/service centres and Rimu Road Council offices.	100%	100%	Achieved. All of the Council's formal decisions and associated reports are available on the website and in the Council's libraries and service centres.
Tāngata Whenua partnership.	Compliance with contractual arrangements with tāngata whenua for resource consent processing.	100%	100%	Achieved. Council has agreements with Te Rūnanga o Raukawa Inc and Te Rūnanga o Āti Awa ki Whakarongotai for the provision of advice on issues affecting tāngata whenua in relation to resource consent applications. Staff meet with representatives on a weekly basis to discuss applications received within their Rohe. Te Rūnanga o Ngāti Toa receive the weekly consent applications list and their representative will request a meeting if they consider a proposal of significance to their Rohe has been received.
Tāngata Whenua partnership.	Develop an annual training programme to provide staff and elected members opportunities to have an understanding of tikanga Māori as appropriate to their role in local government.	100%	100%	Achieved. Continued participation from staff in Community/Council events. Ongoing Team-based improvement opportunities around capacity for learning and using Te Reo. These include pronunciation training and an enhanced induction programme to assist staff to pursue their interest and ability in Tikanga. Elected Members training programme approved and underway. Te Reo, Waiata, and Treaty Training are included.



Governance and Tāngata Whenua Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Promotion of civic involvement.	Weekly information column in a local community newspaper, weekly radio interviews and monthly articles in local community newspapers.	100%	100%	Achieved. Weekly Mayoral columns have been in the local papers. Topical subjects have also featured regularly in Coastlines and Kāpiti Update.
Promotion of civic involvement.	Annual survey results show communication, information and advice will be timely, accessible, engaging and appropriate for the target audience.	100%	-	Not relevant. This question was not asked in the 2011/12 survey due to the survey occurring early (4-10 October 2011). The earlier survey date was to enable the survey results to provide information into the Long Term Plan process.

GOVERNANCE AND TĀNGATA WHENUA ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

All the Community Outcomes have a vision of significant involvement of the community in both on-the-ground initiatives and decision making. As such the Governance and Tāngata Whenua Activity is of relevance across all Community Outcomes. This Activity links to Council leadership statements “Partnership with Tāngata Whenua” and “Participation, Communication and Consultation”.

Progress in 2011/12

- Access to Council's decisions and activities is provided by having all Council's formal decision

and associated reports made available on the Council website and from libraries/service centres. This gives the community the opportunity to be involved and contributes to Community Outcome 7 and Cultural Wellbeing.

- Increasing Māori representation in decision making through co-opting a representative of local iwi onto its standing committees contributes to Community Outcome 7 and Social and Cultural Wellbeing.

GOVERNANCE AND TĀNGATA WHENUA

Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
2,413	Operating Costs	3,585	3,281
66	Debt Servicing	109	471
883	Depreciation	917	906
-	Loss on Disposal	975	-
3,362	Operating Expenditure	5,586	4,658
	Revenue		
344	Charges and Fees	555	309
330	Miscellaneous and Separate	187	-
340	Interest	8	-
1,014	Operating Revenue	750	309
2,348	NET OPERATING COSTS	4,836	4,349
	Capital Items		
1,512	Asset Construction and Renewal	742	754
94	Loan Repayments	238	239
	Appropriations		
(402)	Miscellaneous and Separate	(880)	(880)
413	Special Funds	26	-
3,965	NET COST OF ACTIVITY	4,962	4,462
2,589	Rates	2,742	2,989
568	Depreciation Reserve	699	679
1,027	Loans	811	304
(195)	Separate Funds	-	-
(24)	Utilisation of Balances	710	490
3,965	TOTAL SOURCES OF FUNDS	4,962	4,462



GOVERNANCE AND TĀNGATA WHENUA

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2011/12 Actual \$000	2011/12 Budget \$000
Information Technology		
PABX network. Upgrade of Telephone Network.	187	-
Hardware Upgrade – PC upgrades completed. Underspent to offset the PABX Upgrade.	156	220



LIBRARIES, ARTS AND MUSEUMS

Ngā Wharepukapuka, Ngā Toi mengā Whare Tāonga

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓	✓	✓	✓	✓	✓	

KEY RESULTS

- ✓ SMART (Shared and Managed, A Region Together) went live 4 October 2011.
- ✓ 17,321 items have been introduced into library collections since 1 July 2011.
- ✓ Since 10 October 2011, the SMART collaboration of libraries has issued 2,311,819 items regionally.
- ✓ Kāpiti Coast District Libraries have issued approximately 730,000 items from 1 July 2011 to 30 June 2012.
- ✓ ePukapuka (Lower North Island eBook and Audiobook consortium) went live 7 November 2011. 1,411 eBooks are now available for our customers to download.

Libraries

There were approximately 730,000 issues from the libraries collections for the year. This was a decrease from the 803,768 issues in 2010/11.

The number of visitors to the libraries increased by nearly 3% from 619,463 in 2010/11 to 637,600 in 2011/12. This equates to over 53,000 visitors a month at library facilities.

The libraries also experienced a growth in use of the “fifth branch”, the library website. There were 65,703 virtual visits in 2011/2012 compared to 56,293 in 2010/2011.

Council exceeded the New Zealand Library and Information Association (NZLIA) standard of 350 new items per 1,000 population added to the collection. A total of 17,321 items were introduced into the collections this year, this equated to 374 items per 1,000 population.

Other Library Highlights

The Council continued to be part of the SMART initiative (Shared and Managed, a Region Together). SMART includes the following libraries: Kāpiti, Hutt City, Porirua, Masterton, Weltec Polytechnic and Whitireia Polytechnic. This consortium will allow libraries to provide members with wider access to materials and services in the years to come.

The Libraries, Arts and Museums Activity area includes all projects, programmes and services relating to the District’s libraries. There are library buildings at Paekākāriki, Paraparaumu Town Centre (main library administration centre), Waikanae Town Centre and Ōtaki.



- Successful completion of “Kāpiti Bookbusters Summer Reading Club.” 230 children and their families throughout the District enjoyed a summer of reading and fun activities.
- Increase in the use of SMART regional library resources by our community. Approximately 150 books per day are sent out of Paraparaumu Library, either on reserve for other SMART borrowers or being returned to their home library.
- Launch of “Overdrive” as a consortium of lower North Island libraries providing over 1200 eBooks and audio books free of charge.
- Six additional APNK PCs for the community to access the internet and software applications.
- 1,708 books donated to the libraries by the community.
- The Strategy for Supporting the Arts was adopted by the Council.

Arts and Museums

The annual Arts Trail was held the weekend of 1-2 October to coincide with the Rugby World Cup. Over 200 artists participated in both studios and artisan centres. Visitor numbers were slightly down on the previous year. Good feedback was received from both visitors and artists.

The Mahara Gallery Trust’s request for support to enable the Mahara Gallery to expand and provide a home for the Field Trust Collection has been recognised. This collection includes paintings by Frances Hodgkins and her family. The expansion

of the Gallery means this collection could be on display throughout the year without having an impact on other exhibitions.

The Mahara Gallery operates in a Council-owned building opposite the Waikanae Library. The vision is to integrate the design for these two services to enhance Mahara Place as well as provide better facilities for residents and the District. The Waikanae Community Board recognised the value of both facilities enhancing each other and drove discussions to consider the integrated design and operational collaboration drawing upon the collections and expertise of both institutions.

Alongside this, Council and the Mahara Gallery Trustees have signed a Memorandum of Understanding to work together with the objective of the Mahara Gallery becoming the District Gallery for Kāpiti.

The project estimated costs are \$4,338,000 for the Gallery and \$2,892,000 for the Library. The total cost of \$7,230,000 includes a contingency of 25%.

In the Long Term Plan process Council committed to the scope of the joint project and will contribute one third of the project costs sought by the Trustees, after funding has been confirmed by the Trustees for the remaining two thirds of the upgrade costs. In addition to the cost of the library upgrade, the Council’s contribution will be \$1,196,000 (plus CPI) and \$250,000 will come from the Waikanae Community Board. Work on the joint gallery/library project will be deferred until 2015/16 (year 4 of the Long Term Plan) to give the Trust time to raise the remaining two thirds of the funds estimated for the Gallery upgrade.



KEY PERFORMANCE INDICATORS

Libraries, Arts and Museums Key Actions / Outputs	Year End Outcome
Provide Outreach Library Services to offer housebound services, reach into retirement facilities, education facilities and meet needs of special interest groups.	<p>Not achieved</p> <p>This role is currently vacant and will be discontinued as a full time role from 1 July 2012. The salary savings in 2011/12 will offset projected lower revenue due to reserves now being free across the SMART libraries.</p> <p>Outreach/ Housebound Services are provided within existing staffing structures.</p>

Libraries, Arts and Museums Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Access and quality of service: <i>Ratio of new/old book stock.</i>	Meet the LIANZA standard of 350 new items per 1,000 population added to the collection yearly.	350 items per 1,000 population	374 items per 1,000 population	<p>Achieved.</p> <p>17,321 items have been introduced into the collections this financial year. This represents an additional 1,151 items purchased above the national library standards for new book purchases based on 2006 population statistics.</p>
Access.	Achieve a 20 working day processing time for new items to be catalogued.	100%	90%	<p>Not achieved.</p> <p>The average processing time for the first half of the year exceeded the 20 day target.</p> <p>During the third quarter a trial was conducted whereby a major book supplier provided most library items shelf ready. This enabled all items (including those outside the trial) to be processed within time. The trial was reviewed and 80% of items will be provided shelf-ready to the libraries and 20% of library items will be purchased locally.</p> <p>The 20 day processing time was achieved during the fourth quarter.</p>
Quality of service: <i>Arts, Museums and Heritage Communication and advice.</i>	Ensure communication, information and advice is timely, accessible, engaging and appropriate for the target audience.	100%	-	<p>Not relevant.</p> <p>This question was not asked in the 2011/12 survey due to the survey occurring early (4-10 October 2011). The early survey date was to enable the survey results to provide information into the Long Term Plan process.</p>



Libraries, Arts and Museums Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Quality of service: Arts, Museums and Heritage Communication and advice.	Follow Creative Communities funding processes.	100%	100%	Achieved. The funding process includes advertising for applications in the local newspaper and on our website. Application forms, an applicant's guide and glossary of terms, are made available on the website and from Council Customer Service Desks and Library Information Desks. Council staff respond by telephone, email and meetings with individuals to clarify requirements and assist with applications.
Quality of service: <i>Arts, Museums and Heritage</i> <i>Communication and advice.</i>	Use the New Zealand Heritage Trails Foundation guidelines.	100%	100%	Achieved. All Heritage Trail signs around the District have been refurbished, new sites identified with signage as appropriate and brochures printed. This was a joint project with Te Whakaminenga o Kāpiti, Otaki Historical Society, and Kapiti Historical Society. All signage, brochures and website content is in English and Te Reo Māori. Phase 2 of the project for 2012/13 is under discussion with stakeholders. Phase 2 may include the installation of street finger signs and providing a list of additional sites that could be included in future heritage trail sites. From the list, two additional sites will be added to the Heritage Trail in 2012/13.

LIBRARIES, ARTS AND MUSEUMS ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The **Libraries, Arts and Museums** Activity is split into two sub-activities. The Libraries sub-activity provides access to books and information services and as such contributes to Social Wellbeing, Cultural Wellbeing and a number of Community Outcomes that aim to foster an informed community (Outcomes 1, 5, 6 and 7). This links to the leadership statement Building Social Capital. For example, libraries can be a major source of information about community planning projects happening in the District and general information about the environment. The District's libraries perform an important role (along with civic centres) as community gathering points, where ideas can be aired and exhibitions held. They have a major role to play in both the community's vision and the strategic programme the Council has adopted in response to the Community Outcomes. They also have a role to play in directing people to skills and information held in the community (Outcome 4). Finally, they are an essential part of the 'centres' component of the District Urban Strategy (Outcome 2).

The Arts and Museums sub-activity contributes to Outcome 5 in terms of building capacity and businesses to attract paying visitors and tourists to arts and museum events. It contributes to Cultural Wellbeing and Outcome 7 in terms of general contribution to cultural activities and community involvement and links to the "Creativity and the Arts" leadership statement.

Progress in 2011/12

- The continued issues from the libraries' collections, number of visitors to the libraries and a growth in use of the library website demonstrates strong community involvement and contributes to Social Wellbeing, Cultural Wellbeing and Community Outcome 7.
- Joining the SMART Consortium links to the leadership statement Kāpiti Coast's Place in the Region and contributes to Social Wellbeing and Cultural Wellbeing.



LIBRARIES, ARTS AND MUSEUMS

Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
2,816	Operating Costs	3,008	3,105
314	Debt Servicing	202	319
557	Depreciation	584	567
3,687	Operating Expenditure	3,794	3,991
	Revenue		
311	Charges and Fees	315	340
(4)	Miscellaneous and Separate	-	-
307	Operating Revenue	315	340
3,380	NET OPERATING COSTS	3,479	3,651
	Capital Items		
693	Asset Construction and Renewal	637	1,254
275	Loan Repayment	276	276
	Appropriations		
(30)	Miscellaneous and Separate	-	-
4,318	NET COST OF ACTIVITY	4,392	5,181
3,680	Rates	3,645	3,810
500	Depreciation Reserve	631	703
78	Development Levies	79	79
56	Loans	28	542
4	Utilisation of Balances	9	47
4,318	TOTAL SOURCES OF FUNDS	4,392	5,181

LIBRARIES ARTS AND MUSEUMS

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2011/12 Actual \$000	2011/12 Budget \$000
Materials Additions	424	422
Library books, CDs, DVDs and periodicals. Purchase of materials to ensure that the community has free access to current and historical library materials in sufficient quantities and in a variety of appropriate formats.		
Mahara Gallery /Waikanae Library Upgrade	107	700
Preliminary design completed. Programmed to commence in 2015/16 as agreed via the Long Term Plan process. Council has committed to one third of the funding. This could be brought forward subject to the Mahara Gallery Trust securing funding earlier.		



PARKS AND OPEN SPACE

Ngā Papa Rēhia me ngā Wāhi Maho Māhorahora

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓	✓		✓		✓	✓

KEY RESULTS

- ✓ Public Toilets at Te Āti Awa Park completed.
- ✓ Maclean Park development completed.
- ✓ Tornado-damaged and all other pine trees at Pharazyn Reserve removed at no cost to Council.
- ✓ New public toilets constructed at Pharazyn Reserve and Haruatai Park.
- ✓ Playground and shade structure installed at Aotaki Street Skate Park, Ōtaki.
- ✓ Haruatai Park drainage and field levelling completed.
- ✓ Riwai Escarpment pine tree removal and planting of 5,000 native trees completed.
- ✓ Construction of all weather track around Haruatai Park commenced.

During the year Council continued its support of the various community groups involved in planting and restoration projects throughout the District, including:

- Keep Ōtaki Beautiful;
- Keep Paraparaumu Beautiful;
- Friends of the Otaki River;
- Friends of the Waikanae River;
- The Waitohu Stream Care Group;
- The Gorge Road Care Group;
- Friends of the Waimeha Lagoon; and
- community planting projects undertaken by Forest and Bird, Raumati South Residents Association etc.

The Parks and Open Space Activity area includes the following services and programmes:

- parks maintenance;
- maintenance of sports fields, playgrounds and active recreation facilities (other than swimming pools);
- support for community planting and restoration projects;
- land acquisition for reserves purposes;
- general park upgrades (capital expenditure).



The Open Space Strategy was adopted in February 2012. The Strategy sets a clear vision and objectives for the provision and management of open space in the District. It will govern the quality and range of public open spaces and sets a direction the Council will seek to pursue through a range of partnerships.

The Parks and Open Space services and programmes were delivered in accordance with the 2009 LTCCP. As part of the Yardstick Programme, Council undertook a Park Check individual survey report over summer, based around the establishment of a series of core questions focussed on park categories. This involved organisations identifying all accessible parks which were divided into four categories – destination park, neighbourhood park, sportsground and other. The information data from the Yardstick programmes results has been included within the Parks and Open Space Asset Management Plan.

A review of all current Reserve Management Plans continued during the year and the Asset Register was updated. Formal Asset Management Plans were developed for swimming pools, parks and open space (including cemeteries) and the Cycleways, Walkways and Bridleways network; these have been audited and are awaiting Council final approval.

The Marine Gardens upgrade is well underway and is expected to be complete in September 2012. The upgrade includes replacing the paddling pool and play equipment, providing a new linkage path from the lookout summit to the stream footbridge, carrying out beautification and coastal protection planting.

The Paekākāriki Hill Lookout was completed with the site landscaped, parking space reconfigured, and a picnic table and bike racks installed.

Other works undertaken during the year include:

- 46,000 annuals and 500 specimen trees were planted over the year across the District in Council's parks and gardens;
- play equipment at Matthews Park, Paraparaumu was refurbished and replaced;
- the junior play structure was replaced at Waikanae Park, Waikanae;
- the formation of a new car park was completed at Pharazyn Reserve;
- A new netball/tennis court and a half basketball court were installed, and provision for lighting made at Ōtaki Domain; and
- Council made a significant contribution to the Kapiti Community Recreational Turf Trust to complete the new changing room and social facilities at the Mazengarb Reserve Turf.

Availability of some sports fields during the transition periods between winter and summer seasons can vary because of maintenance and refurbishment schedules. The overlapping of pre- and post-season games of certain codes can also be problematic. There is also an absolute shortage of sports grounds in some areas such as Waikanae.

During 2011/12 Council acquired a 35 hectare site that runs along the south bank of the Waikanae River known as the Howarth Block. A management plan will be formulated, with community input, and will set out the long term vision for the site. Early work will be carried out to make some land available for active recreation, potentially junior sport, to assist with relieving the current shortage of sports fields.



KEY PERFORMANCE INDICATORS

Parks and Open Space Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Quality: <i>Mowing standards.</i>	Grass length is maintained in accordance with Service Level Agreements.	95%	99%	Achieved. Inspections of a cross section of 20 sites per month are undertaken to monitor performance and audit compliance.
Safety, access, quality: <i>Playground Standards (National).</i>	All playgrounds are maintained to the NZS 4422 and NZS 4486.1 standards.	100%	100%	Achieved. During the year playgrounds were inspected and monitored at least monthly to ensure they met the standards for playground surfacing specifications and requirements (NZS 4422) and standards for development, installation, inspection, maintenance and operation of playground and playground equipment (NZS 4486).
Quality: <i>Litter collection.</i>	All refuse bins are emptied from reserve areas no less than twice weekly in accordance with Service Level Agreements.	100%	100%	Achieved. Refuse bins were emptied from reserve areas in accordance with service level agreements.
Quality: <i>Tree maintenance.</i>	Tree maintenance based on regular assessment of need/risk etc.	100%	99%	Not Achieved. 99% of tree inspections were on a regular basis in accordance with service level agreements with action taken as required.
Green Character and biodiversity.	Completion of annual Yardstick Survey.	100%	100%	Achieved. The annual Yardstick Survey of park users was completed from November to February. The results will be incorporated into the Asset Management Planning process.

PARKS AND OPEN SPACE ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The **Parks and Open Space** Activity links to the leadership statement The Importance of Place, Open Space, Centres and Design. It contributes to the overall natural area of the District and has the capacity to build on the 'green and riparian networks' of the District (Outcomes 1 and 4). Key parks and the coastal reserves play a major part in supporting biodiversity, contributing to Environmental Wellbeing. The quality, location and design of local parks contribute to the character and quality of centres and neighbourhoods, contributing to Cultural Wellbeing and Outcome 2. Both passive and active reserves

contribute directly to the health and wellbeing of individuals and communities (Social Wellbeing, Outcomes 6 and 7).

Progress in 2011/12

- Continued support and improved relations with various community groups including 23 community 'Friends' groups involved in planting over 22,000 native plants and taking part in restoration projects contributed progress to Community Outcomes 1, 2, 4, 7, Social Wellbeing and Cultural Wellbeing.



PARKS AND OPEN SPACE

Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
2,814	Operating Costs	3,142	3,167
-	Loss on Forestry Revaluation	204	-
27	Debt Servicing	44	145
574	Depreciation	807	616
3,415	Operating Expenditure	4,197	3,928
	Revenue		
72	Charges and Fees	113	64
264	Reserves Contributions/Development Levies	904	1,324
42	Miscellaneous and Separate	-	-
378	Operating Revenue	1,017	1,388
3,037	NET OPERATING COSTS	3,180	2,540
	Capital Items		
1,059	Asset Construction and Renewal	2,847	3,580
111	Loan Repayments	104	311
	Appropriations		
116	Miscellaneous and Separate	-	-
263	Reserves Contributions/Development Levies	700	1,324
4,586	NET COST OF ACTIVITY	6,831	7,755
3,336	Rates	3,845	3,840
623	Depreciation Reserve	428	661
116	Loans	1,646	1,928
174	Special Funds	-	-
337	Reserves Contributions/Development Levies	912	1,326
4,586	TOTAL SOURCES OF FUNDS	6,831	7,755

PARKS AND OPEN SPACE

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2011/12 Actual \$000	2011/12 Budget \$000
Land Development		
Marine Gardens Development – completion expected in September 2013. \$200,000 carried forward into 2012/13.	462	662
Asset Management		
Mazengarb Park Multi Sport Turf Changing Rooms capital contribution – completion expected August 2012. Council capital contribution is complete.	400	400



SOLID WASTE

Para Ūtonga

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
				✓	✓		

KEY RESULTS

- ✓ Council continued to provide a weekly kerbside recycling collection for glass, paper, cardboard and plastics, and tin and aluminium cans in the urban areas.
- ✓ The Wellington Regional Waste Management and Minimisation Plan was completed and adopted in October 2011.
- ✓ Work started at the Otaihanga Landfill developing better leachate management and working towards a new management, closure and future use plan.
- ✓ Council's decision that greenwaste business would be self-supporting was followed by the development and approval of an Operations and Lease Agreement for the Otaihanga Composting Site and an Operational Contract for the Waikanae Greenwaste and Recycling Centre. Greenwaste services and associated fees setting is now undertaken by Composting New Zealand.

During the financial year the work programme associated with introducing the major levels of service for solid waste continued. During the Long Term Plan Process the Council made some significant decisions for solid waste services in an effort to reduce costs while maintaining the current levels of service.

A decision was made that after 1 July 2012, paper rubbish bags will no longer be sold, but will still be collected until supplies end. The savings will allow Council to keep bag prices within the price range that can be expected on a user pays funding basis. Unlike other Councils in the Wellington region, the Council funds kerbside collections (bags and recycling) via bag sales with no cost to rates.

The Council continues to participate in the kerbside recycling partnership which collects

The **Solid Waste Activity** area includes the following services and programmes:

- kerbside recycling (service introduced late 2008);
- drop-off waste recycling stations at Waikanae, Otaihanga Resource Recovery Facility and Ōtaki Transfer Station;
- waste collection;
- provision of a Resource Recovery Facility at Otaihanga (service introduced late 2008 managed through a partnership with Midwest Disposals Ltd);
- a Waste Transfer Station at Ōtaki;
- landfill management at Otaihanga;
- landfill aftercare.

glass, paper, cardboard, all plastics, and aluminium and tin cans on a weekly basis. It is available to all residential ratepayers within the main urban areas who are served either by Council or the other partners in the recycling initiative. The service is funded by the partnership between Council and the waste collection operators in the District. The waste collection operators fund their share of the kerbside recycling contract based on their share of the collections market. The Council share of the kerbside recycling contract is funded from refuse bag sales.

The waste collection contract continued to provide a weekly service to all urban households. The cost of the service is based on the number of bags collected.

Council reassessed its role in the greenwaste process and the financial consequences of the need to cover costs through fees charged at the gate. Council concluded that its involvement between the commercial operator and the residents dropping off greenwaste provided no additional benefit and created additional costs. Therefore Council decided it would no longer be involved in this service and would no longer set the greenwaste fees in the District. As there is a good quality local service provider who wishes to undertake the full service, from July 2012 the operator will be leasing land to provide the service and will set the fees.

The Resource Recovery Facility operating at Otaihanga provided for waste diversion from the main tipping floor with a recycling drop-off and a re-use and recycling shop. The contract with the operators has waste removal targets which requires them to recycle all waste that can be

removed and sold on at a cost lower than the cost of disposal. Council monitors this performance on a monthly basis.

In 2010/11 Council received the first full year of the local share of the National Waste Levy. The levy money received from the Ministry of the Environment was spent in accordance with Council's levy allocation policy and will be reported on to the Minister for the Environment. Funding for the Community and Innovation/Business categories is subject to a contestable process that started in September 2011. Because use of the levy has a significant community action focus which links to other community sustainability programmes, this levy appears in the Supporting Environmental Sustainability Activity.

The waste analysis from the Survey of Solid Waste in Kāpiti Coast District fed into the draft Wellington Regional Waste Assessment and was incorporated in the Regional Waste Management and Minimisation Plan (WMMP). The Regional WMMP came into force in December 2011 and will provide opportunities towards a number of solid waste activities, such as exploring shared services and development of a regional education strategy.

Waste levy projects included projects such as community mulchers, worm farms, and composting vessels for schools, businesses and groups of residents. The levy was also used for waste education, an innovation grant for the development of a new building material made from recycled glass and plastic and subsidising the drop off of TV's and computer monitors.



KEY PERFORMANCE INDICATORS

Solid Waste Key Actions / Outputs	Year End Outcome
Completion of a new Waste Management and Minimisation Plan (March 2011).	<p>Achieved.</p> <p>The Draft Regional Waste Management and Minimisation Plan was adopted by Council on 13 October 2011.</p> <p>All Councils have now adopted the Wellington Region Waste Management and Minimisation Plan and the plan came into force 14 December 2011. This meets the requirement under the Waste Minimisation Act 2008 to review and adopt a new plan before 1 July 2012.</p>

Solid Waste Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Waste disposal services.	All landfills perform to all resource consent standards.	100%	100%	<p>Achieved.</p> <p>Otaihanga landfill was closed for household wastes in 2007. Biosolids, clean fill and special waste is still accepted. Monitoring in accordance with the conditions is carried out in Otaihanga, Waikanae (closed) and Ōtaki (closed) on an ongoing basis and a report is forwarded to Greater Wellington Regional Council (GWRC) once a year in August. GWRC has declared that Council is fully and mainly complying with the resource consent conditions. Mainly complying means that there is full compliance with environmental effects conditions but that minor non-compliance administrative conditions have not been met. Council has replied to GWRC with information required in December 2011 and at the time of this report is awaiting their response.</p>
Waste collection, frequency.	No more than 10 reported 'missed collections' (general waste and kerbside) per 1,000 properties per week.	100%	100%	<p>Achieved.</p> <p>During the year Council received 250 complaints for missed rubbish bags equating to a weekly average of 0.48 complaints per 1,000 properties per week (Council customers) and 325 complaints for missed recycle bins equating to 0.62 complaints per 1,000 properties.</p>
Waste collection, frequency.	All illegally dumped waste on public roads removed within 48 hours of being advised.	95%	83%	<p>Not achieved.</p> <p>33 of 40 complaints received during the year were responded to within time.</p>

Solid Waste Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Resource Recovery Facility.	Compliance with performance standards (waste minimisation and operation).	100%	100%	<p>Achieved.</p> <p>The contract of the Otaihanga Resource Recovery Station requires the operator to reduce the incoming general waste stream, recycle and recover all waste that can be removed and sold on at a cost lower than the cost of disposal.</p> <p>Performance review of operational contracts is ongoing.</p> <p>Diversion of televisions and CRT computers screens at \$20 per item is now in place at Otaihanga and Ōtaki (with subsidy from Waste Levy of \$10 per item at the gate for as long as the budget is available, expected to be up to August 2012.)</p> <p>Other options are discussed and researched on an ongoing basis.</p>

SOLID WASTE ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The **Solid Waste** Activity contributes to Outcome 4 via an overall focus on waste minimisation and beneficial reuse of waste products. The activity also supports the emergence of local waste minimisation and recycling businesses, contributing to Outcome 5 and Environmental Wellbeing. This links to the leadership statement “Closing the Loop: Council Services – Waste and Energy”.

Progress in 2011/12

- Progress towards Community Outcome 4 and Environmental Wellbeing continued through Council providing a weekly kerbside recycling collection.
- The Resource Recovery Facility at Otaihanga provides for an increasing amount of waste diversion with a recycling drop-off and a reuse and recycling shop, this also contributes to progress on Community Outcome 4 and Environmental Wellbeing.



SOLID WASTE				
Statement of Cost of Activity				
2010/11			2011/12	2011/12
Actual			Actual	Budget
\$000			\$000	\$000
	Expenditure			
2,332	Operating Costs		2,821	2,692
201	Debt Servicing		162	198
66	Depreciation		55	66
<hr/>				
2,599	Operating Expenditure		3,038	2,956
	Revenue			
2,394	Charges and Fees		2,965	2,988
<hr/>				
2,394	Operating Revenue		2,965	2,988
205	NET OPERATING COSTS		73	(32)
	Capital Items			
61	Asset Construction and Renewal		31	130
121	Loan Repayment		100	100
<hr/>				
387	NET COST OF ACTIVITY		204	198
<hr/>				
101	Depreciation Reserve		77	142
-	Loans		31	54
286	Separate Funds		96	-
-	Rates		-	2
<hr/>				
387	TOTAL SOURCES OF FUNDS		204	198
<hr/>				

STORMWATER MANAGEMENT

Whakahaere Wai Āwahā

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓	✓	✓	✓			✓

KEY RESULTS

- ✓ Draft Asset Management Plan written and adopted.
- ✓ Public workshops were held on the latest flood hazard maps. Good feedback was received on aspects of stormwater that will guide the re-prioritisation process.
- ✓ Raumati Town Centre Stormwater Upgrade completed and under budget.
- ✓ Wetland water quality projects were completed at Te Roto Drive and on Drain 6 next to the Wharemauku Stream.
- ✓ Working with Iwi on water quality aspects to the Ōtaki upgrades following on from Town Centre works.
- ✓ The Contract for the upgrade to the Waimanu Lagoon Floodgate is underway and due for completion in August 2012.

Stormwater continued to be a substantial strategic issue for the Council and community. Climate change implications for stormwater reticulation and stopbanks are potentially very significant and include an increased frequency of flooding, increased peak flows in streams and related erosion, groundwater level changes, changing floodplains and greater likelihood of damage to properties and infrastructure.

In order to plan for stormwater improvements the Council holds a specific set of ground level information which is important for flood plain management. This ground level information is gathered using optical remote sensing technology commonly known as LIDAR (Light Detection and Ranging). The existing LIDAR data information was fragmented and inaccurate in certain location; Council has now included updated LIDAR survey

The **Stormwater Management Activity** area includes the following services and programmes:

- identifying flood prone areas and/or reviewing known trouble spots;
- identifying and designing possible solutions;
- setting priorities for works – based on greatest benefit for least cost;
- maintenance of existing stormwater system – pipes, streams and storage facilities;
- undertaking capital works projects – increasing the size of the existing system or building new systems;
- managing stormwater effects on water quality.



information to assist in the development of flood hazard maps for the District. This mapping work is now completed ready for inclusion in the District Plan Review.

The major local flooding issues at Raumati Beach which impacted on a number of commercial and residential properties were resolved with the completion of the Raumati Town Centre Stormwater upgrade.

During the year the Council also:

- maintained approximately 193 kilometres of piped stormwater reticulation, 40 kilometres of open drains and 14 stormwater pump stations;
- analysed long-term climate change impacts and implications for levels of service choices;

- continued the assessment of implications for existing stormwater infrastructure capacity standards;
- continued the assessment of implications for and relationship with development management;
- continued its ongoing commitment to review site specific concerns; and
- responded to discussion of stormwater and groundwater issues in relation to the Expressway process.



KEY PERFORMANCE INDICATORS

Stormwater Management Key Actions / Outputs	Year End Outcome
Achieve the annual upgrades projects priority list.	Ongoing / On target. This will be published in the 2012 Stormwater Asset Management Plan.
Working towards completing districtwide hydraulic modelling in 2011/12. <i>Note: The Paraparaumu Flood Hazard maps and the Mazengarb Flood Plain Study are scheduled to be completed in 2011/12.</i>	Achieved. All mapping completed. Documents will now be converted to District Plan Flood Hazard Maps as part of the District Plan Review.

Stormwater Management Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Responsiveness: <i>Reliability.</i>	All stormwater outlets are inspected weekly or monthly depending on vulnerability to blockage.	90%	100%	Achieved. All stormwater outlets were inspected weekly or monthly depending on vulnerability to blockage. Inspections resulted in no major works being required.
Responsiveness: <i>Reliability.</i>	90% of all buildings that have been inundated due to minor flooding are visited within four weeks of the event.*	90%	100%	Achieved All 10 properties flooded during the year were visited within four weeks of the event.
Responsiveness: <i>Reliability.</i>	90% of non-urgent service requests are responded to within five days.	90%	93%	Achieved. 134 of 144 service requests were responded to within five days during the year.



Stormwater Management Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Environmental quality, capacity.	All new developments and upgrades, where practicable, incorporate a design for a one in 10 year flood** if the primary stormwater system has access to a secondary flow path; if there is no secondary flow path, then they must incorporate a design for a one in 100 year flood. ***	100%	100%	Achieved. There were 23 subdivision consents and 15 land use consents, requiring engineering conditions incorporating the relevant design for flooding during the year.

Notes:

* minor flooding means flooding with a return period of five years or less.

** one in 10 year flood means there is a 10% chance a flood will occur in any one year.

*** one in 100 year flood means that there is a 1% chance of a flood occurring in any one year – but it will be more severe than a one in 10 year flood.

Although a 10-year event will occur, on average, once every 10 years and a 100-year event is so large it is expected to occur only every 100 years, this is only a statistical statement to describe the level of risk arising from these storm or flooding events. It does not mean 100-year floods will happen regularly, every 100 years. In any given 100-year period, a 100-year storm may occur once, twice, more, or not at all.

STORMWATER MANAGEMENT ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The primary function of the **Stormwater Management** Activity is the removal of stormwater run-off and safe disposal into receiving environments. As such it contributes directly to individual and community health and safety (Outcome 7). However, the way it is managed and the quality of systems design contribute to the protection and enhancement of ecosystems and the environment in terms of planting and water quality protection (Outcome 1, Environmental Wellbeing). The cumulative effect this low impact design has is a major contribution to urban amenity and character (Outcome 2). The potential re-use of stormwater can contribute to efficient use of the water resource and reduced energy

costs from pumping (Outcome 4). The open drain systems and secondary overflow paths also contribute as recreation areas (Outcome 7). Finally, decisions about stormwater service levels have major implications for decision about growth management (Outcome 3) and links to the leadership statement “Building Resilience”.

Progress in 2011/12

- The stormwater upgrade at Raumati Beach Town Centre contributes to Environmental Wellbeing and Community Outcomes 2, 3, 4, and 7 through the reduced exposure to flood risk.

STORMWATER MANAGEMENT

Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
1,218	Operating Costs	1,162	1,324
737	Debt Servicing	839	949
737	Depreciation	858	821
2,692	Operating Expenditure	2,859	3,094
	Revenue		
42	Charges and Fees	49	-
47	Development Contributions	133	133
89	OPERATING REVENUE	182	133
2,603	NET OPERATING COSTS	2,677	2,961
	Capital Items		
1,927	Asset Construction and Renewal	4,392	6,302
862	Loan Repayments	1,008	1,008
	Appropriations		
47	Miscellaneous and Separate	-	-
-	Development Contributions	133	133
5,439	NET COST OF ACTIVITY	8,210	10,404
2,862	Rates	3,155	3,361
494	Depreciation Reserve	606	662
1,949	Loans	4,163	6,068
86	Utilisation of Balances	153	180
48	Development Levies	133	133
5,439	TOTAL SOURCES OF FUNDS	8,210	10,404



STORMWATER MANAGEMENT

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2011/12 Actual \$000	2011/12 Budget \$000
Districtwide (projects that benefit the District)		
Waikakariki Gravel Extraction. Required flood protection and associated gravel extraction works on Waikakariki Stream. Project on hold awaiting High Court action.	61	400
Paraparaumu/Raumati		
Raumati Beach CBD Stormwater Upgrade - work completed in May 2012.	2,363	2,769
Flood Maps Mazengarb Catchment completed in the 2011/12 year.	93	80
Paekākāriki		
Ocean Road Stormwater - due for completion in September 2012. A water project is being completed in conjunction with the above to minimise disruption.	435	475

SUPPORTING ENVIRONMENTAL SUSTAINABILITY

Te Tautoko turuki Taiao

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓	✓	✓	✓	✓	✓	✓

KEY RESULTS

- ✓ 'Free Advice' brochure produced - summarising the services offered by the Green Gardener, the Green Plumber, the Eco Design Advisor and information on the other sustainable services offered by Council.
- ✓ Eco Design Advice during the year included: 188 full home consultations; 216 short appointments (phone, email and home visits less than 30 minutes); 326 contacts/networking events; and 20 presentations.
- ✓ A very successful Sustainable Home and Garden Show was run on 24-25 March 2012. Around 6,000 people attended including visitors from out of the District.
- ✓ Development of the carbon and energy management strategy for Council continued. The feasibility of various ideas and opportunities are being assessed with a view to present a draft strategy to Council by September 2012.
- ✓ The Council has passed the audit of its carbon footprint to the ISO 14064 standard.
- ✓ The Council was highly commended in the 2012 EECA Awards for its energy saving work including the Council energy policy; woodfired boiler; solar panels on pensioner housing, Ōtaki pool and library; and light bulb giveaway. The awards ceremony was held on 23 May 2012 in Auckland.
- ✓ The second round of the Greenest Street competition concluded on 1 July 2012 at a prize giving at Raumati South Memorial Hall, following a judge's tour of the three competing streets on 30 June 2012. Alexander Road North was announced the winner of the title 'Greenest Street 2012'. The average reduction in environmental footprint across all participants was 12%.

This activity is about how Council is attempting to support community environmental action. As such, the levels of service relate to the extent to which the community is supported and involved in environmental sustainability actions and projects.

Council promoted programmes for environmental sustainability and related Council services to residents. This included publication of "On To It" which provides ideas for a "Sustainable Kāpiti".



Another initiative was the “Greenest Street” competition. The competition aimed to enthuse and assist groups of neighbours to work together, make friends and have fun while they worked as a community to reduce their environmental footprint, be more self-sufficient and enhance the place where they live. Alexander Road North won the 2011/12 competition. The average reduction in environmental footprint across all participants was 12%.

Support for private landowners to assist with the management of ecologically important / sensitive sites continued. 94 landowners were granted \$25,493 in rates relief for conservation purposes. \$28,015 was allocated from the Heritage Fund to nine projects to maintain and protect wetlands and native bush.

Restoration projects continued with over 1,000 native plants planted to enhance the edge of the Nikau Reserve and 1,400 plants planted by Waikanae School Children at the Pharazyn Reserve oxidation ponds.

Biodiversity work continued, bridging the gap between supply and demand for native plants grown from true wild stock. Seeds from more than 100 native plant species have been collected. The millionth native seed was collected during March 2012. The seeds are distributed free to increase the supply of locally sourced native plants for restoration. Most of the seed went to nurseries run by community volunteers, the remainder went to commercial propagators.

In 2011/12 Council established/signed a partnership with Transpower to participate in their Greenline Programme. This establishes a three year programme whereby Transpower contributes \$200,000 to two community environmental restoration projects on Council land; the Waikanae

The **Supporting Environmental Sustainability Activity** area includes the following services and programmes:

- biodiversity advice and support, policy development;
- water use and conservation advice, policy development;
- annual Sustainable Home and Garden Show;
- energy management projects;
- community sustainability programmes such as waste minimisation.

River Corridor Restoration Project and the Wharemauku Stream Wetland Project.

The Council continued with the following programmes during the year:

- the Sustainable Home and Garden Show;
- provision of sustainable building advice;
- the Riparian Fund for assistance with ecological projects on the margins of waterways;
- general community sustainability (including waste minimisation) and biodiversity assistance;
- Council and community energy efficiency projects, using external funding where possible, to supplement any funding generated by Council energy saving projects like the woodfired boiler at the Wastewater Treatment Plant; and
- the Sustainable Neighbourhoods Programme which included the “Greenest Street” competition.

KEY PERFORMANCE INDICATORS

Supporting Environmental Sustainability Key Actions / Outputs	Projected Year End Outcome
100 households assisted by WarmUp New Zealand (Note: this scheme was previously called Energy Wise Home Grants.)	Not relevant. The Council planned to subsidise the WarmUp scheme with savings from the woodfired boiler. The plan is on hold until the Crown loans associated with the project have been repaid. The woodfired boiler is now installed and operational.

Supporting Environmental Sustainability Level of Service	Measure	2011/12 Target	Progress Achieved	Projected Year End Outcome
Advice.	All requests for advice that fall within the Supporting Environmental Sustainability Activity are acknowledged within three working days.	100%	91%	Not achieved. 1,219 of 1,340 requests for advice were acknowledged within three working days during the year.
Funding assistance.	Follow heritage grants and other assistance processes.	100%	100%	Achieved. Heritage Fund 100% allocated. Rates Remission for conservation purposes approved by Council in June 2012.
Tāngata Whenua involvement.	Tāngata Whenua satisfaction with and involvement in community environmental sustainability projects, as advised by Te Whakaminenga o Kāpiti.	100%	-	Achieved. The staging of planned rongoaa spaces within Council reserves is underway. The first garden has been created at Haruatai Park in Ōtaki. Input of tāngata whenua values into the District Plan through the Tāngata Whenua District Plan Working Party.



SUPPORTING ENVIRONMENTAL SUSTAINABILITY ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The Supporting Environmental Sustainability Activity is one of the primary ways the Council directly supports the community in the environmental wellbeing area – the other being the regulatory activities of the Environmental Protection Activity, Development Management Activity, and Parks and Open Space Activity. The Council is providing advice, education and practical assistance to support community action on environmental sustainability (Cultural Wellbeing, Outcomes 1, 2, 6 and 7). This links to the leadership statement “Neighbourhood and Street Action for Change: Energy, Waste, Water, Gardens and Food”.

Environmental sustainability is increasingly critical to the community’s wellbeing, with increasing stress on the natural environment – water, air, climate, soil, wildlife and ecosystems. The latest environmental indicators (globally, nationally and regionally) suggest that the quality and viability of the natural environment is declining in a number of ways. The community depends on the natural environment for its wellbeing, so an increasingly degraded environment threatens the very foundations of natural systems and services. For example, poor water, soil and air lead to human health problems and decreased potential for food production. Degraded ecosystems and decreasing amounts of native flora and fauna reduce the quality of life for the community and ultimately reduce the attractiveness of the District. Climate

change, brought about by human activity, threatens the community in a number of ways. These natural limits to community wellbeing can be forestalled if the community adopts more environmentally sustainable practices that place less burden on the natural environment (Environmental Wellbeing, Outcomes 4, 6, 7).

This activity depends upon and contributes to a partnership and collaboration approach with the community including Tāngata Whenua and other government agencies (Outcomes 1, 6, 7) and links to the “Partnership” leadership statement.

The activity focus on energy and water conservation, and the encouragement of businesses that work in this area, also contributes to Outcomes 4 and 5.

Progress in 2011/12

- The Eco Designer provided over 450 visits and advice, giving the community information, progressing Community Outcomes 4 and 7 and contributing to Environmental Wellbeing and Economic Wellbeing.
- The “Greenest Street” competition contributed to Environmental Wellbeing by reducing the carbon footprints of the competing households. The competition also contributed to Social Wellbeing by fostering stronger relationships between neighbours.



SUPPORTING ENVIRONMENTAL SUSTAINABILITY

Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
718	Operating Costs	866	766
718	Operating Expenditure	866	766
	Revenue		
153	Fees and Charges	204	151
153	OPERATING REVENUE	204	151
565	NET OPERATING COSTS	662	615
565	NET COST OF ACTIVITY	662	615
590	Rates	628	615
(25)	Separate Funds	34	-
565	TOTAL SOURCES OF FUNDS	662	615



SUPPORTING SOCIAL WELLBEING

Te Tautoko Oranga-ā-Iwi

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓	✓	✓	✓	✓	✓	✓

KEY RESULTS

- ✓ Council won the Youth in Local Government Supreme Award in conjunction with Youth Council, April 2012.
- ✓ Youth Action Plan highlights include:
 - Two rounds of Youth2UDollars (previously known as “\$300ships”) completed
 - \$7,350 awarded to 27 individuals and five groups.
 - Another successful YouthFest held March 2012 – 4,000 attendance.
 - Twelve ThinkBIG projects funded – community projects lead by young people.
- ✓ Community Grants Scheme: \$25,055 awarded to 37 groups, October 2011.
- ✓ Affordability research and report prepared for Long Term Plan.
- ✓ Strategy for Supporting the Arts and Strategy for Supporting Education Outcomes developed.
- ✓ Peka Peka Local Outcomes developed.

This activity area continues to grow as it contributes to the Council’s wider strategy for working with the community. The programmes are generally concerned directly with social wellbeing matters, but the activity also includes resources to assist other parts of the Council as they work with the community.

During 2011/12 changes to economic and social conditions, and to central government policy and funding directions continued. The research and reporting on affordability issues for the District for the Long Term Plan has provided a snapshot of vulnerable communities in the District.

The 2011/12 work programme continued to focus on responsiveness to community groups and

community issues. Some of these areas are listed below:

- There has been a stronger focus on disability issues with the commencement of the disability responsiveness project – a joint project with the Disability Information and Equipment Centre that improves how the organisation responds to people with disabilities. The Council also continued to work with the Disability Reference Group to make sure Council projects and services address issues of access, equity and inclusion for people with disabilities in the District.
- The Council and the Youth Council released the Youth2U Action Plan. Activities over



2011/12 have included: Youth2U Live - a range of events across the District by and for young people; ThinkBIG community projects promoting youth leadership; and the production of a number of community murals across the District by young people. The Action Plan has been assisted by a \$60,000 grant from the Ministry of Youth Development and support from Community Boards.

- Successful implementation of the Alcohol Action Plan included research into youth access to alcohol and other drugs in Ōtaki; and into alcohol in public places in Paraparaumu and Ōtaki. The Council also funded two significant projects: Eyes Wide Open - raising awareness about the harmful effects of alcohol with young people and parents, undertaken at Paraparaumu College by Kapiti Youth Support; and The Elephant in the Living Room - conversations about alcohol and older people undertaken by Kapiti Safer Community Trust. The Kāpiti Liquor Liaison Group was established. This involved the Trust, the Council, Police, Health Promotion Agency, ACC and the Hospitality Association of New Zealand. The Council is also supporting the Kapiti Safer Community Trust to develop a Crime Prevention and Community Safety Plan.
- Youth unemployment continued to be an issue for the District. The Council has responded through a number of initiatives. A stocktake of youth transition services was undertaken as well as research into young people's experiences of youth transitions. The Mayor hosted a Youth Transitions Forum in November 2011 where young people, training providers, colleges, businesses and community groups discussed issues and solutions. This work will continue into 2012/13. The Council also employed a number of young people in the organisations through apprenticeship and cadetship as well as to assist with implementing the Youth Action Plan.

The **Supporting Social Wellbeing Activity** area includes the following services and programmes:

- general community group support and development, including capacity building e.g. increasing the skills of groups in planning, management and operation, and in attracting and retaining funding;
- development of formal partnerships with central and regional government agencies which have a significant role in the District – including District Health Boards, Police, Housing New Zealand Corporation, Ministry of Social Development, Ministry of Education;
- youth support co-ordination;
- working with the Kāpiti Coast Older Persons' Council and other projects for older people;
- management of community grants;
- management of contracts with organisations contributing to or delivering social/cultural services;
- development of Social Wellbeing strategies based on research and consultation, and working with the community to advocate for services.

- The Council continues to work with the Kāpiti Coast Older Persons' Council on issues for older people and is supporting them to prepare for the second Seniors Expo to be held in September 2012.
- The Council continues to fund a range of organisations to provide important services in the District. This includes Kapiti Community Centre, Kapiti and Ōtaki Citizens Advice Bureaux, Kapiti Disability and Equipment Centre, Paekākāriki and Ōtaki lifeguards (through Surf Life Saving NZ), Kapiti Emergency Medical Service, Kāpiti Health Shuttle (through New Zealand Red Cross) and Ōtaki Health Shuttle (through St John), Volunteer Kapiti and the Kapiti Safer Community Trust.



KEY PERFORMANCE INDICATORS

Supporting Social Wellbeing Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Inclusion and participation, community resilience, capacity building.	Provide a clear point of contact for each community group with which the Council has a direct relationship.	100%	100%	Achieved. A clear point of contact for each community group with which the Council has a direct relationship was maintained by having a staff position that is a partnership manager for all community contracts, a staff position that is a contact for community grants and a staff position that is a contact for the Council's partner groups (Kapiti Coast Older Persons' Council, Youth Council and Disability Reference Group). Social Wellbeing Team members shared attendance at regular community forums.
Inclusion and participation.	Provide clear points of contact for residents about key issues and clear indication of whom to contact within Council.	100%	100%	Achieved. Clear points of contact for residents about key issues were provided through the Social Wellbeing Team members having specified portfolio areas they cover e.g. young people, older people, health, housing. These were promoted in community forums and networks.
Community resilience.	Allocate all grants in accordance with Council procedures and fund criteria.	100%	100%	Achieved. Community Grants Scheme - \$25,055 was granted to 37 community groups. Youth2U Dollars - \$7,350 was granted to five groups and 27 individuals. ThinkBIG projects - \$23,000 was granted to 12 projects.
Community resilience, partnerships and resources.	Ensure all key community groups that Council works with have an agreed facilitation process and a clear information provision process.	100%	100%	Achieved. All groups that have a community contract with the Council were assigned a specific contract manager. These groups will report to Council in August on their activities for the 2011/12 year.
Inclusion and participation.	Provide regular feedback to the community in public newspapers and other communication avenues.	100%	100%	Achieved. Feedback occurs through regular monthly network meetings e.g. Ōtaki Community Network Forum and Kāpiti Community Social Services meeting, Youth Worker Network and the Youth Council, the Disability Reference Group, Elder Care network and other community networks. Reports of activities and events were included in local newspapers and Council website.

SUPPORTING SOCIAL WELLBEING ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

Although there are different areas of focus, there is a common emphasis in the **Supporting Social Wellbeing** Activity on working with the community, development of relationships and partnerships, and opportunities that develop whakawhanuanga. The programmes are generally concerned with social wellbeing, but the activity includes resources to assist other parts of the Council as they work with the community. The primary contribution is to Outcomes 6 and 7 but there is a general contribution across all Community Outcomes and the four Wellbeing areas.

This Activity links to leadership statements “Building Social Capital”, “Partnership”, “Partnerships with Tāngata Whenua” and “Housing Choice”.

Progress in 2011/12

- Youth2U dollars were granted to five groups and 27 individuals and the Youth Council held a successful Youth Festival in Maclean Park contributing towards progress of Outcome 6, Social Wellbeing and Cultural Wellbeing.
- The \$25,055 distributed to 37 community groups through Community Grants contributes to Outcome 7.



SUPPORTING SOCIAL WELLBEING

Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
1,284	Operating Costs	1,307	1,221
1,284	Operating Expenditure	1,307	1,221
	Revenue		
130	Fees and Charges	82	-
130	OPERATING REVENUE	82	-
1,154	NET OPERATING COSTS	1,225	1,221
	Appropriation		
60	To Special Funds	-	-
1,214	NET COST OF ACTIVITY	1,225	1,221
1,201	Rates	1,225	1,221
13	Miscellaneous and Separate	-	-
1,214	TOTAL SOURCES OF FUNDS	1,225	1,221

WASTEWATER MANAGEMENT

Whakahaere Wai Para

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓		✓	✓			✓

KEY RESULTS

- ✓ Wastewater Asset Management Plan written and adopted.
- ✓ Stage 1 of Rauparaha Wastewater Pump Station Major Upgrade and Emergency Storage installation is now complete. Stage 2 is designed and is planned to start February 2013.
- ✓ The Paraparaumu Inflow and Infiltration Reduction and Wastewater Pipe Renewals contract was completed in May 2012. The majority of work was carried out within Hinemoa Street and surrounding streets in Paraparaumu East.
- ✓ Paraparaumu Pump Station upgrade work for 2011/12 is complete. The Stage 1 work involved a new wastewater rising main in Realm Drive. The Stage 2 work to be completed in 2012/13 is an upgrade to the Guildford Drive Pump Station.
- ✓ Waikanae and Ōtaki Pump Station Renewal projects are complete with similar renewals at identified sites planned for 2012/13.

The pump station upgrade works currently underway will mitigate risk of wastewater overflows, increase network efficiency, capacity and performance and reduce operating costs.

The Council protected public health by providing the Kāpiti Coast with reliable wastewater collection systems, at Ōtaki, Waikanae and Paraparaumu/Raumati.

The Council continued to:

- maintain approximately 380 kilometres of wastewater reticulation and 146 wastewater pump stations;
- monitor inflow and infiltration of stormwater/groundwater into the wastewater system;

The **Wastewater Management Activity** area includes the following services and programmes:

- managing maintenance of the existing wastewater system – transportation and treatment facilities;
- managing the nature and impact of any discharges into the environment – water and land;
- undertaking capital works projects – increasing the size of the existing system or development of new systems.



- identify asset renewals; and
- actively progress a reduction in water consumption to the targets set out in the Sustainable Water Use Strategy or less as a contribution to the reduction of wastewater volumes.



KEY PERFORMANCE INDICATORS

Wastewater Management Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Reliability, capacity and responsiveness: <i>Provision of a response and / or repair timeframe.</i>	85% of all blockages, breaks and overflows are responded to within one hour.	85%	99%	Achieved. 78 of 79 incidents were responded to within one hour during the year.
Reliability, capacity and responsiveness: <i>Provision of a response and / or repair timeframe.</i>	85% of all repairs (whether temporary or permanent) are effected within four hours.	85%	100%	Achieved. All 79 repairs were effected within four hours.
Reliability, capacity and responsiveness: <i>Mechanical faults</i>	No more than three overflows during the year caused by pumping station faults.	100%	100%	Achieved. There were no overflows caused by pumping station faults during the year.
Environmental quality: <i>Compliance with resource consent conditions.</i>	Full compliance with resource consent conditions for treated effluent quality.	100%	100%	Achieved. Daily samples were taken and test results show full compliance with the resource consent conditions for treated effluent quality.
Environmental quality: <i>Mechanical faults.</i>	No more than 15 dry weather overflows from the reticulation that reach a watercourse in any year.	100%	100%	Achieved. There were three dry weather overflows during the year.

WASTEWATER MANAGEMENT ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The primary contribution of the **Wastewater Management** Activity is to Outcome 7 and Environmental Wellbeing in terms of protection of public health. How this is undertaken, such as decisions about discharge of treated water to land, has implications for ecosystems health (Outcome 1) while the focus of beneficial reuse of resources contributes to Outcome 4. The nature and extent of the wastewater network and/or on-site systems

contributes to decisions about growth management (Outcome 3) and links to leadership statement "Building Resilience".

Progress in 2011/12

- Achieving no overflows caused by pumping station faults contributes to Community Outcome 1 and Environmental Wellbeing.



WASTEWATER MANAGEMENT

Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
4,362	Operating Costs	4,466	4,585
1,031	Debt Servicing	868	1,111
1,964	Depreciation	2,218	2,166
7,357	Operating Expenditure	7,552	7,862
	Revenue		
199	Charges and Fees	301	11
200	EECA Grant - Woodfired Boiler	-	-
483	Development Levies	460	460
882	Operating Revenue	761	471
6,475	NET OPERATING COSTS	6,791	7,391
	Capital Items		
2,444	Asset Construction and Renewal	2,961	3,088
1,353	Loan Repayments	1,376	1,376
	Appropriations		
682	To Separate Funds	718	460
10,954	NET COST OF ACTIVITY	11,846	12,315
7,377	Rates	7,591	7,546
1,870	Depreciation Reserve	2,454	2,341
1,228	Loans	1,312	1,662
479	Development Contributions	460	460
-	Separate Funds	-	-
-	Utilisation of Balances	29	306
10,954	TOTAL SOURCES OF FUNDS	11,846	12,315

WASTEWATER MANAGEMENT

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2011/12 Actual \$000	2011/12 Budget \$000
Wastewater – Waikanae		
Balance Tanks Waikanae – Rauparaha emergency wastewater storage and pump station upgrade. Work completed in March 2012.	1,112	1,229
Joint Waste Paraparaumu/Raumati		
Paraparaumu Inflow and Infiltration reduction. Various identified pipes in the eastern part of the area were corrected.	979	940
Various pump station renewals – Realm Drive rising main installation completed in June 2012. Guildford Drive pump station renewal identified as a priority in 2013.	342	544



WATER MANAGEMENT

Whakahaere Wai

THIS ACTIVITY LINKS TO COMMUNITY OUTCOMES:	1	2	3	4	5	6	7
	✓		✓	✓			✓

KEY RESULTS

- ✓ Water Asset Management Plan adopted.
- ✓ Work to reinforce the pipe reticulation at Waikanae Beach started in May 2011 and completed in August 2011.
- ✓ Design investigations were completed for the Waikanae Water Treatment Plant upgrade; detailed design is planned for 2012/13.
- ✓ The Water Meter Project achieved critical milestones. This included a decision to proceed with installation and adoption of the charging formula.
- ✓ The completed Water Meter Installation planning work in 2011/12 included: Contract Specifications, Procurement Methodology, Meter Materials, Risk Assessment, Tender Documentation, Tender Evaluation and Contractor Recommendations. This work was prepared subject to Council's final decision on whether to introduce water meters. Council approved installation of districtwide metering and in late June 2012 contracts were awarded to proceed with installation works.
- ✓ Leak Detection surveys were completed in Ōtaki, Paekākāriki, Waikanae and Paraparaumu. A high proportion of private leaks were identified. There were no major Council leaks and minor Council leaks have been repaired.
- ✓ Detailed investigations have been completed for the River Recharge with Groundwater water supply solution. This includes investigation bores, Waikanae River investigations and Cultural Impact Assessment. The Resource Consent application is still being developed.
- ✓ Maungakotukutuku Dam land purchase completed.
- ✓ Work commissioned to undertake the detail design and construction of the Stage 1 River Recharge with Groundwater and Water Treatment Plant Upgrade.

Council maintained its 571 kilometres of water mains, five water treatment plants, seven pump stations and eight groundwater bores throughout the District.

Council continued to deliver on the Sustainable Water Use Strategy, 'Water Matters' adopted in 2003. It has a 50 year focus and is concerned with reducing demand for water, in turn optimising the timing of water infrastructure investment and providing for water supply systems within the 'reasonable water use standard'. Council spent a considerable amount of time during the year considering issues around sustainable water use, including water conservation incentives and funding as well as additional water supply / storage capacity.

Considerable work was undertaken on developing the additional water supply capacity for Waikanae, Paraparaumu and Raumati.

A review of all options was undertaken by Council with Council selecting its preferred options on 19 August 2010. Extensive investigation of the preferred option, Waikanae River Recharge with Groundwater, with full consideration of all environmental, social and financial issues associated with this preferred solution, is underway. Work also progressed and land was purchased for a future water supply dam. Once constructed, the dam will help fulfil Council's vision to secure a water supply for the next 100 – 150 years.

Drilling investigations and river ecology investigations have been completed. An additional river experiment was conducted to address concerns raised by Te Ati Awa Working Group during the Cultural Impact Assessment.

Staging of the Water Supply Project was established as being possible, such that immediate issues of water quality (taste and hardness) and some increase in capacity can be addressed in Stage 1 (2010-2014). Significant new capacity will not need to be provided until approximately 2035/36 (Stage 2), provided that demand is reduced significantly by 2015/16. The Council, on review of its Water Conservation Plan initiatives, concluded that water meters will give the greatest certainty, in conjunction with other

The **Water Management Activity** area includes the following services and programmes:

- supply of potable (treated) water to urban areas;
- management of water reticulation and treatment assets;
- promotion of responsible water use to meet water consumption targets;
- monitoring the quality of on-site supply systems;
- promotion of non-potable supply systems.

water conservation initiatives, of achieving the necessary reduction in water demand by this date.

Council's decision on 23 June 2011 to adopt the 2011 Amendment to the Long Term Council Community Plan signalled its intention to move towards water meter charges from 1 July 2014.

A Charging Regime Advisory Group (CRAG) was established to undertake development and examination of a range of charging models, seek input from interested members of the community on any models, make a recommendation to Council as part of the 2012 Long Term Plan process on a preferred model, and undertake formal consultation. CRAG reported back to Council in April 2012 with a recommended charging structure.

Council ran a parallel formal consultation process, alongside the draft 2012 Long Term Plan, highlighting information on the impacts of the proposed charging formula and seeking feedback.

A telephone survey was undertaken in May 2012 by UMR and the results were fed into the consultation/consideration process.

Detailed planning and preparation for the installation of meters was undertaken so that the project could proceed rapidly after 30 June 2012, if Council made a decision to proceed.

At its meeting on 7 June 2012 Council approved the installation of water meters from 1 July 2012 and the commencement of water charging from 1 July 2014.



The Council reaffirmed a standard of reducing peak water demand per capita to 400 litres per person per day (lppd). This standard is being used to design the increased water supply capacity for Waikanae, Paraparaumu and Raumati.

The Council adopted the Water Conservation Plan on 30 September 2010. There are 7 Water Conservation Plan Action Areas: Water Loss Reduction; Better Data, Better Results; Regulation; Financial Incentives; Education; Fostering Innovation; and Council Leadership.

Progress on these areas included:

- leak detection surveys, water modelling and zone metre upgrade work all progressed well in 2011/12;
- development of financial incentives to assist residents reduce water use by purchasing and installing Council approved water saving systems for outdoor use, including roof water tanks, greywater systems and possibly shallow bores. There were five accepted applications in 2011/12;
- Council showing leadership by progressively using water more efficiently in its buildings, parks and facilities, and by offering expert advice (Green Gardener, Green Plumber, Eco Design Advisor) on water use outdoors and in the home.

Drinking Water Standards (quality) – New Drinking Water Standards regulations have been

introduced with a requirement on all reticulated systems to have an approved Public Health Risk Management Plan (PHRMP) by 2014. Council has been awarded an 'Aa' water grading. The Plan for Paraparaumu/ Waikanae/Raumati has been submitted to the Ministry of Health and is awaiting final approval. Planning for the Ōtaki, Hautere/Te Horo and Paekākāriki PHRMP water supply zones are underway.

Council continued to promote water conservation initiatives. This work was supported by the Green Plumber and Green Gardener services and the Kāpiti Coast Sustainable Home and Garden Show as detailed below:

- The Green Plumber offered assistance for people to conserve water, replaces washers on leaking taps, toilets and showers.
- The Green Gardener offered advice for groups of five or more residents to create gardens that provide food, use resources wisely and suit the neighbourhood environment. The Green Gardener also works with schools interested in recycling and growing food and offered a wide range of workshops related to sustainable gardening.
- The Sustainable Home and Garden Show included information and displays on water management options.

KEY PERFORMANCE INDICATORS

Water Management Key Actions / Outputs	Projected Year End Outcome
Ōtaki/Hautere water supply systems review 2010/12.	Ongoing / On target. The review of these systems and the future approach to the areas is being carried out as part of the Greater Ōtaki Project and the current District Plan Review.
Construction and completion of Ōtaki reservoir 2013/14.	Not Relevant Deferred until 2022/23. Preferred reservoir site and capacity was determined by Council in June 2011. Council elected to defer this project budget in the 2012 Long Term Plan to re-start in 2022/23.
Ongoing implementation of Water Loss Reduction strategy.	Ongoing / On target. Leak detection ground surveys are complete with private and public leaks followed up for repairs. Water usage data is being monitored in all zones. Zone meter upgrades in Paraparaumu/Raumati have been completed.
Continuation of Districtwide Water Conservation initiatives.	Ongoing / On target. All initiatives are on track.
Completion of Waikanae, Paraparaumu, Raumati water supply options by end of 2014/15.	Ongoing / On target. All investigations are completed and an Assessment of Environmental Effects is being developed as part of the resource consenting application. Maungakotukutuku Dam land negotiations are nearing completion with three of the five agreements signed.

Water Management Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome
Water Supply: <i>Capacity and reliability.</i>	Water supply is tested daily in accordance with the Ministry of Health Drinking Water Standards for New Zealand 2005.	100%	100%	Achieved. Water supply was tested daily for turbidity, fluoride content, Chlorine residual, pH, Faecal coliforms and E coli in accordance with the Ministry of Health Drinking Water Standards for New Zealand 2005. All test results showed Kāpiti Coast water supply is safe for drinking.
Water Supply: <i>Capacity and reliability.</i>	Operate each water supply zone in accordance with the NZ Drinking Water Standards 2005.	100%	100%	Achieved. Each water supply zone was operated in accordance with the New Zealand Drinking Water Standards 2005 to ensure safe drinking water.



Water Management Level of Service	Measure	2011/12 Target	Progress Achieved	Year End Outcome										
Water Supply: <i>Capacity and reliability</i>	All water supply zones have an approved Public Health Risk Management Plan by 2014 in accordance with the following timetable: <table border="1" data-bbox="379 539 730 808"> <thead> <tr> <th>Scheme</th> <th>Compliance Required</th> </tr> </thead> <tbody> <tr> <td>Paekākāriki</td> <td>1 July 2014</td> </tr> <tr> <td>Paraparaumu/ Waikanae/Raumati</td> <td>1 July 2012</td> </tr> <tr> <td>Ōtaki</td> <td>1 July 2013</td> </tr> <tr> <td>Hautere/Te Horo</td> <td>1 July 2014</td> </tr> </tbody> </table>	Scheme	Compliance Required	Paekākāriki	1 July 2014	Paraparaumu/ Waikanae/Raumati	1 July 2012	Ōtaki	1 July 2013	Hautere/Te Horo	1 July 2014	100%	40%	Ongoing. Draft plans are now complete and under review. Aa grading is being maintained for the Waikanae, Paraparaumu and Raumati zones. The Ministry of Health has extended the compliance deadline from 2011 to 2014; the Council timetable for approval of remaining water schemes has been adjusted to fit with this requirement. Achieved: Waikanae/ Paraparaumu/ Raumati (WPR) Ongoing / On target: Paekākāriki, Ōtaki and Hautere/ Te Horo.
Scheme	Compliance Required													
Paekākāriki	1 July 2014													
Paraparaumu/ Waikanae/Raumati	1 July 2012													
Ōtaki	1 July 2013													
Hautere/Te Horo	1 July 2014													
Water Supply: <i>Capacity and reliability</i>	All planned interruptions have 24 hours notice.	100%	100%	Achieved. All 40 planned interruptions during the year had 24 hours notice.										
Water Supply: <i>Capacity and reliability</i>	All planned interruptions have a maximum duration of 8 hours.	95%	100%	Achieved. All of the 40 planned interruptions were resolved within eight hours during the year.										
Water Supply: <i>Capacity and reliability</i>	All unplanned interruptions have a maximum duration of 4 hours.	95%	99%	Achieved. 217 of 219 unplanned interruptions during the year were resolved within four hours.										

WATER MANAGEMENT ACTIVITY

Links to Leadership Statements and Contributions to Community Outcomes and the Four Wellbeing Areas

The **Water Management** Activity provides infrastructure to fit local growth management needs (Outcome 3) and provides potable drinking water as a basic requirement of public and individual health (Outcome 7). The activity focus on water conservation is intended in part to reduce pressure on river systems and aquifers; this and water quality contribute to Outcome 1 and Environmental Wellbeing. It also progresses efficient use of the water resource and efficient

infrastructure investment contributing to Outcome 4 and linking to the leadership statements Building Resilience and Neighbourhood and Street Action for Change: Energy, Waste, Water, Gardens and Food.

Progress 2011/12

- Progress towards Outcome 4 was contributed through the Green Gardener and Green Plumber visits to residents.

WATER MANAGEMENT

Statement of Cost of Activity

2010/11 Actual \$000		2011/12 Actual \$000	2011/12 Budget \$000
	Expenditure		
3,660	Operating Costs	3,828	3,824
1,138	Debt Servicing	1,119	1,374
1,788	Depreciation	1,978	1,974
6,586	Operating Expenditure	6,925	7,172
	Revenue		
223	Charges and Fees	312	324
171	Development/Financial Levies/Contributions	161	161
394	Operating Revenue	473	485
6,192	NET OPERATING COSTS	6,452	6,687
	Capital Items		
3,390	Asset Construction and Renewal	3,984	4,543
1,006	Loan Repayments	1,652	1,508
	Appropriations		
79	Development Contributions	161	161
-	Water Conservation Loans	-	210
10,667	NET COST OF ACTIVITY	12,249	13,109
6,119	Rates	6,257	6,378
2,061	Depreciation Reserve	2,357	2,139
2,308	Loans	3,422	3,953
139	Development Levies	161	161
40	Utilisation of Balances	52	478
-	Miscellaneous and Separate	-	-
10,667	TOTAL SOURCES OF FUNDS	12,249	13,109



WATER MANAGEMENT

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2011/12 Actual \$000	2011/12 Budget \$000
Joint Waikanae, Paraparaumu, Raumati Water		
Treatment Plant Upgrade – work completed.	300	264
Additional water supply/storage capacity – investigation and production bores have been completed. Land purchase for the Dam was completed after financial year end.	1,982	2,425
Water Meters – planning for the physical works was undertaken in 2011/12. Installation starts in July 2012.	218	200
Ōtaki – Water		
Ōtaki Water Reservoir – work has been deferred as part of the 2012 Long Term Plan until 2022/23.	152	450



FINANCE AND REVENUE



STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2012

2010/11 Actual \$000		Notes	2011/12 Actual \$000	2011/12 Budget \$000
42,504	Total Rates	(29)	45,621	45,179
9,496	Other Revenue		12,323	12,017
2,379	NZTA Operating Funding	(21)	3,370	2,739
736	NZTA Expressway Project	(21)	612	-
3	NZTA Capital Funding	(21)	-	-
55,118	TOTAL OPERATING REVENUE		61,926	59,935
36,029	Expenditure	(21)	39,314	38,817
736	NZTA Expressway Project	(21)	612	-
265	Loss on Disposal		975	-
4,473	Finance Costs		5,187	6,738
1,252	(Gain)/Loss on Revaluation of Financial Instruments		5,936	-
12,036	Depreciation/Amortisation	(9) (10) (21)	13,142	12,805
54,791	TOTAL OPERATING EXPENDITURE		65,166	58,360
327	NET SURPLUS /(DEFICIT)		(3,240)	1,575
	Other Comprehensive Income			
59,146	Property, Plant and Equipment - Increase/(Decrease) in revaluation reserves		-	-
59,473	TOTAL COMPREHENSIVE INCOME		(3,240)	1,575

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2012

				Retained Earnings			Revaluation Reserve			Reserves and Special Funds			Sinking Funds		
	2012	2012	2011	2012	2012	2011	Note 16			Note 19			2012	2012	2011
	Actual \$000	Budget \$000	Actual \$000	Actual \$000	Budget \$000	Actual \$000	2012 Actual \$000	2012 Budget \$000	2011 Actual \$000	2012 Actual \$000	2012 Budget \$000	2011 Actual \$000	2012 Actual \$000	2012 Budget \$000	2011 Actual \$000
Equity at the Start of the Period	737,766	726,249	678,293	576,366	578,759	573,006	159,338	143,491	100,192	2,062	2,705	3,549	-	1,294	1,546
Net Surplus/(Deficit) for the Period	(3,240)	1,575	327	(3,240)	1,575	327	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment – Increase/(Decrease) in Revaluation Reserves	-	-	59,146	-	-	-	-	-	59,146	-	-	-	-	-	-
Total Comprehensive Income	(3,240)	1,575	59,473	(3,240)	1,575	327	-	-	59,146	2,062	2,705	3,549	-	-	-
Appropriation of Retained Earnings	-	-	-	(645)	(1,281)	(1,391)	-	-	-	645	1,281	346	-	-	1,045
Transfers From Reserves	-	-	-	786	1,680	4,424	-	-	-	(786)	(386)	(1,833)	-	(1,294)	(2,591)
Equity at the End of the Period	734,526	727,824	737,766	573,267	580,733	576,366	159,338	143,491	159,338	1,921	3,600	2,062	-	-	-

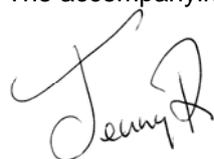
The accompanying policies and notes form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at 30 June 2012

2010/11 Actual \$000		Notes	2011/12 Actual \$000	2011/12 Budget \$000
Current Assets				
313	Cash and Cash Equivalents	(6)	2,662	9,922
5,086	Trade and Other Receivables	(12)	5,573	5,300
137	Inventories		132	240
48	Derivative Financial Instruments	(7)	2	-
5,584	Total Current Assets		8,369	15,462
Non-Current Assets				
822,528	Property, Plant and Equipment	(9)	844,339	845,432
467	Forestry Assets	(11)	263	350
454	Intangible Assets	(10)	343	350
228	Derivative Financial Instruments	(7)	3	400
66	Other Financial Assets	(7)	66	100
280	Trade and Other Receivables		-	-
824,023	Total Non-Current Assets		845,014	846,632
829,607	TOTAL ASSETS		853,383	862,094
Liabilities and Public Equity				
Current Liabilities				
12,849	Trade and Other Payables	(13)	14,896	10,400
889	Derivative Financial Instruments	(8)	1,668	-
1,467	Employee Benefit Liabilities	(17)	1,594	1,500
1,083	Deposits	(14)	1,110	1,100
35,909	Public Debt	(15)	68,059	12,011
4,802	Development Contributions		2,104	682
56,999	Total Current Liabilities		89,431	25,693
Non-Current Liabilities				
30,638	Public Debt	(15)	20,364	108,094
3,830	Derivative Financial Instruments	(8)	8,716	-
336	Employee Benefit Liabilities	(17)	308	445
38	Provisions	(18)	38	38
34,842	Total Non-Current Liabilities		29,426	108,577
91,841	TOTAL LIABILITIES		118,857	134,270
576,366	Retained Earnings		573,267	580,733
159,338	Revaluation Reserve	(16)	159,338	143,491
2,062	Reserves and Special Funds	(19)	1,921	3,600
737,766	TOTAL PUBLIC EQUITY		734,526	727,824
829,607	TOTAL LIABILITIES AND PUBLIC EQUITY		853,383	862,094

The accompanying policies and notes form part of these financial statements.



Jenny Rowan, QSO, JP
Mayor
Kāpiti Coast District



Pat Dougherty
Chief Executive
4 October 2012



Warwick Read
Group Manager
Finance

STATEMENT OF CASH FLOWS

For the year ended 30 June 2012

2010/11 Actual \$000	Notes	2011/12 Actual \$000	2011/12 Budget \$000
Cash Flows From Operating Activities			
<u>Cash was provided from:</u>			
42,523	Kāpiti Coast District Council Rates	46,208	45,392
7,357	Greater Wellington Regional Council Rates	7,847	7,400
3,118	Government Subsidies and Grants	3,370	2,600
-	Interest Received	8	-
8,150	Charges and Fees	7,988	13,759
439	GST (net)	203	-
62	Sinking Fund Interest	-	-
<hr/> 61,649		<hr/> 65,624	<hr/> 69,151
<u>Cash was applied to:</u>			
17,100	Payments to Suppliers	22,053	22,505
15,918	Payments to Employees	16,691	17,200
7,162	Rates Paid to Greater Wellington Regional Council	7,882	7,221
4,560	Interest Paid on Public Debt	5,157	7,400
<hr/> 44,740		<hr/> 51,783	<hr/> 54,326
16,909	Net Cash Flows From Operating Activities	13,841	14,825
	(20c)		
Cash Flows From Investing Activities			
<u>Cash was provided from:</u>			
-	Sale of Property, Plant and Equipment	293	120
3	NZTA Capital Subsidy (Western Link)	-	-
<hr/> 3		<hr/> 293	<hr/> 120
<u>Cash was applied to:</u>			
21,611	Construction and Purchase of Property, Plant and Equipment	33,661	45,702
433	Payment of Sinking Funds Instalments	-	-
<hr/> 22,044		<hr/> 33,661	<hr/> 45,702
(22,041)	Net Cash Flows From Investing Activities	(33,368)	(45,582)
	(20a)		

The accompanying policies and notes form part of these financial statements.



2010/11 Actual \$000		Notes	2011/12 Actual \$000	2011/12 Budget \$000
Cash Flows From Financing Activities				
<u>Cash was provided from:</u>				
-	Long Term Borrowing Raised		23,000	36,585
<u>Cash was applied to:</u>				
6,028	Debt Principal Repayments		1,124	7,657
(6,028)	Net Cash Flows From Financing Activities	(20b)	21,876	28,928
(11,160)	Net Increase/(Decrease) in Cash Held		2,349	(1,829)
11,473	Add Total Cash and Cash Equivalents at 1 July		313	11,751
313	TOTAL CASH AND CASH EQUIVALENTS at 30 June		2,662	9,922

The GST (net) component of operating activities reflects the net GST paid to and received from the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The accompanying policies and notes form part of these financial statements.

STATEMENT OF COMMITMENTS

As at 30 June 2012

	2011/12 Actual \$000	2010/11 Actual \$000
Capital Commitments Approved and Contracted	-	-
Non-cancellable Contracts:		
The Council has entered into non-cancellable contracts. Details of the commitments under these contracts are as follows:		
Not later than one year	75	1,054
Later than one year and not later than two years	-	19
TOTAL COMMITMENTS	75	1,073

In relation to the Coastlands Aquatic Centre Council is liable for any unbilled services and materials purchased up to the date of termination.

In relation to the Civic Administration Building Council has no commitments other than those services already billed.

Operating Leases as Lessee

The Council leases property in the normal course of its business. The lease has a non-cancellable term of up to 10 Years. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:

	2011/12 Actual \$000	2010/11 Actual \$000
Non-cancellable Operating Leases as Lessee		
Not later than one year	308	202
Later than one year and not later than five years	646	743
Later than five years	472	916
TOTAL NON-CANCELLABLE OPERATING LEASES	1,426	1,861

Rent Payable has been determined on the basis of the terms of the lease agreement.

Leases can be renewed at the Council's option, with rents set by reference to current market rates for items of equivalent age and condition.

There are no restrictions placed on the Council by any of the leasing arrangements.

The current operating lease on the Maple Building, Rimu Road, Paraparaumu is to 2020. The Council can then enter into a further two lots of 10 years at the time of renewal with no commitment of either party.



STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For the year ended 30 June 2012

REPORTING ENTITY

The Kāpiti Coast District Council (Council) is a territorial local authority governed by the Local Government Act 2002.

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Council has designated itself as a public benefit entity for the purposes of NZ IFRS.

The financial statements of the Council are for the year ended 30 June 2012. The financial statements were authorised for issue by Council on 4 October 2012.

BASIS OF PREPARATION

These financial statements have been prepared in accordance with Section 98 of the Local Government Act 2002, which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with NZ IFRS and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

Under NZ IFRS Public Benefit Entities have certain options and exemptions. The following public benefit entity exemptions have been applied:

- The Council has elected to apply the exemption from the requirements of paragraph 39 of the NZ IAS 16 Property, Plant and Equipment. The Council therefore accounts for revaluations of property, plant and equipment on a class of asset basis;
- The Council has elected to apply the exemption from the requirements of

paragraph 77(e) of NZ IAS 16: Plant, Property and Equipment. The Council does not disclose, for each revalued class of property, plant and equipment the carrying amount that would have been recognised had the assets been carried under the cost model.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, certain infrastructural assets, investment property, biological assets and financial instruments (excluding cash, accounts receivable).

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Council is New Zealand dollars.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions will be recognised in the statement of comprehensive income.

1. Financial Statements presented

The financial statements presented in this Annual Report include a Statement of Comprehensive Income, a Statement of Financial Position, a Statement of Cashflow and a Statement of Changes in Equity with supporting notes, encompassing all activities of the Council.



In order to meet its obligations of public accountability, the Council has also included, for each significant activity, a separate Statement of Cost of Activity.

2. Revenue Recognition

Revenue is measured at the fair value of consideration received. Rates revenue is recognised when levied. Water billing revenue is recognised on an accrual basis. New Zealand Transport Agency roading subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled. Other grants and bequests and assets vested in the Council, with or without conditions are recognised as revenue when control over the assets is obtained.

3. Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities.

Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that the Council makes of its accumulated surpluses. The components of equity are Retained Earnings, Revaluation Reserves, Reserves and Special Funds, and Sinking Funds.

4. Reserves and Special Funds

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those reserves subject to specific conditions accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or third party. Transfers from these reserves may be made only for

certain specified purposes or when certain specified conditions are met.

Council created reserves are reserves established by Council decision. The Council may alter them without reference to any third party or the Courts. Transfers to, and from, these reserves are at the discretion of the Council.

5. Financial Assets

Council classifies its financial assets into the following four categories: financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, and available for sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and revalues this designation at every reporting date.

Financial assets and liabilities are initially measured at fair value plus transaction costs unless they are carried at fair value through other profit or loss in which case the transaction costs are recognised in the Statement of Comprehensive Income.

Purchases and sales of investments are recognised on trade-date, the date on which Council commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. The quoted market price used is the current bid price.

The fair value of financial instruments that are not traded in an active market is



determined using valuation techniques. Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

- *Financial assets at fair value through profit and loss.*

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are also categorised as held for trading unless they are hedge accounted. Assets in this category are classified as current assets if they are either held for trading or are expected to be realised within 12 months of the balance sheet date.

After initial recognition they are measured at their fair values. Gains or losses on re-measurement are recognised in the Statement of Comprehensive Income.

- *Loans and receivables.*

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the Statement of Comprehensive Income.

Loans and receivables are classified as “trade and other receivables” in the Statement of Financial Position.

- *Held to maturity investments*

These are assets with fixed or determinable payments and fixed maturities that Council has the positive intention and ability to hold to maturity.

After initial recognition they are measured at amortised cost using the effective interest method. Gains and losses when the asset is impaired or derecognised are recognised in the Statement of Comprehensive Income.

- *Available for sale financial assets*

Financial assets that are no longer held for trading, other than those designated as fair value through profit or loss on initial recognition or derivatives, can be reclassified out of this category to the following categories:

- loans and receivables – if the financial assets has fixed or determinable payments, are not quoted in an active market and contain no features which could cause the holder to recover substantially all of its investment except through credit deterioration, and the intention is to hold them for the foreseeable future;
- held for maturity – if the intention is to hold them to maturity and only in rare circumstances; and
- available for sale – only in rare circumstances. Rare circumstances arise from a single event that is unusual and unlikely to recur in the near term.

For financial assets that have been reclassified out of the fair value through

profit or loss category, the Council assess on the date of the transfer whether the financial asset contains an embedded derivative. Where a financial asset contains an embedded derivative whose economic characteristics and risks are not closely related to those of the host instrument, the embedded derivative is separate and measured at fair value with changes in the fair value recognised in profit or loss. The assessment is to be made on the basis of the circumstances that existed on the later of:

- the date when the first became a party to that contract; and
- the date at which a change occurs in the terms of the contract that significantly modifies the cash flows that otherwise would have been required under contract.

Impairment of Financial Assets

At each balance sheet date Council assesses whether there is any objective evidence that a financial asset or group of financial assets is impaired. Any impairment losses are recognised in the Statement of Comprehensive Income.

Accounting for Derivative Financial Instruments and Hedging Activities

Council uses derivative financial instruments to manage the risk to interest rate risks arising from financing activities. In accordance with its Treasury Management Policy, Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to fair value with fair value being recognised in Profit and Loss.

Council's derivative financial instruments are not designated as hedging instruments for accounting purposes. Accordingly, derivative financial instruments are reported as financial instruments at fair value through Profit or Loss.

6. Property, Plant and Equipment

Property, plant and equipment consist of:

- *Infrastructure Assets*

Infrastructure assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function, for example, roading, wastewater reticulation includes reticulation piping and wastewater pump stations;

- *Operational Assets*

Operational Assets include land, buildings, improvements, library books, plant and equipment, and motor vehicles; and

- *Restricted Assets*

Restricted assets are parks and reserves owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Property, plant and equipment are shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably. In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for



a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the Statement of Comprehensive Income. When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to retained earnings.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to Council and the cost of the item can be measured reliably.

Revaluation

Land, buildings (operational and restricted), and infrastructure assets (except land under roads) are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and at least every three years. All other asset classes are carried at depreciated historical cost.

Valuations will be undertaken more regularly if necessary to ensure that no individual item of property, plant or equipment within a class is included at a valuation that is materially different from its fair value.

Additions between valuations are recorded at cost, except for vested assets. Certain infrastructure assets and land have been vested in the Council as part of the subdivisional consent process. The vested reserve land has been initially recognised at the most recent appropriately certified Government Valuation. Vested infrastructure assets have been valued based on the actual quantities of infrastructure components vested and the

current “in the ground” cost of providing identical services.

The results of revaluing are credited or debited to an asset revaluation reserve for that class of asset. Where this results in a debit balance in the asset revaluation reserve, this balance is expensed in the Statement of Comprehensive Income. Any subsequent increase on revaluation that offsets a previous decrease in value recognised in the Statement of Comprehensive Income will be recognised first in the Statement of Comprehensive Income up to the amount previously expensed, and then credited to the revaluation reserve for that class of asset.

Land occupied by Infrastructural Assets, with the exception of roads, has not been included under Infrastructural Assets but has been included with other Council owned land under Operational Assets. Improvements and additions to Infrastructural and Operational Assets are capitalised at cost. Maintenance of Infrastructural and Operational Assets is expensed.

In prior years the roads and bridges valuation was made up of two parts:

- road network land value; and
- roading improvements.

Land under roads is not revalued, in accordance with current best practice.

As in previous years, the improvement component of roading has been calculated at depreciated replacement cost. This is arrived at by determining current construction cost and applying a depreciation factor to it.

Water, Wastewater and Stormwater Treatment and Reticulation systems were valued at Depreciated Replacement Value as at 30 June 2011 by Aecom (Engineers). The depreciated replacement cost figures were found by determining the current replacement costs of the assets involved

and applying a depreciation factor based on the age and expected life of each asset.

Depreciation

Depreciation is provided on a straight line basis on all assets other than land, and certain parts of roading, river control and seawalls. The roading, river control and seawall assets that are considered to be non-depreciable assets are Basecourse (80% non-depreciable content), Berms/Crossings/Earthworks/Formation/Land, Sub base/Watertable, Riprap seawall protection (rocks) and Stopbanks. The reason for their non-depreciable status is

that there is no decline in service potential and therefore these assets have an unlimited life.

Other assets are depreciated at rates which will write-off the cost (or valuation) of the assets over their useful lives. Motor vehicles purchased after 30 June 2001 have been given a residual value of 30% of original cost and are depreciated to this residual value. The estimated useful lives of resource consents, management plans and investigations are determined by their period of validity.

Estimated useful lives are as follows:

Asset Category	Range of Estimated Useful Life (Years)
Operational Assets	
Buildings (adjusted for revaluation)	6 – 100
Computer Equipment	4 – 5
Furniture and Chattels	2 – 25
Heritage Assets	100
Library Collection	3 – 7
Motor Vehicles	5
Office Equipment	4 – 10
Other Improvements	1 – 50
Public Art	10 – 25
Plant and Machinery	
Heavy Trucks, Road Machines	5
Tractors, Trailers, Heavy Mowers	3 – 10
Other Plant	1 – 10



Asset Category	Range of Estimated Useful Life (Years)
Infrastructural Assets (adjusted for revaluation)	
Bridges	10 – 99
Seawalls Concrete/Posts/Rails/Panels/Rocks	13 – 30
River Control Bank Protection	45 – 101
Roading Basecourse (20% depreciable content)	16
Footpaths	38
Cycleways	13 – 75
Kerbs/Culverts/Lighting	14 – 39
Surfacing	6
Traffic Modelling	5 – 10
Stormwater Stormwater Flood Maps	10
Pump Stations/Manholes/Sumps	22 – 91
Pipes	72 – 77
Wastewater Pump Stations	5 – 80
Manholes/Cleaning Eyes	60 – 64
Pipes	42 – 83
Plant	28 – 38
Water Storage	21 – 50
Headworks/Booster Stations/Pipes	4 – 83
Hydrants/Valves/Tobies	54 – 83
Meters	15
Pipes	70
Plant	14 – 19
Storage	21 – 50

Section 100 of the Local Government Act 2002 requires that a local authority must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses. Depreciation is an operating expense that therefore has to be funded. For the purpose of determining this year's funding requirements, the Council has adopted a policy of not funding the depreciation cost relating to that portion of its roading asset base that was originally financed by subsidy received from New Zealand Transport Agency (NZTA) (and its predecessors). The Council has adopted its policy on the basis that replacement of such assets will continue to be financed by New Zealand Transport Agency at the same level.

Assets Under Construction

Assets under construction are generally not depreciated until completion. The total cost of a project is transferred to the relevant asset class and on its completion is then depreciated.

Borrowing Costs

Borrowing costs are recognised as an expense in the period in which they are incurred and are not capitalised.

7. Intangible Assets

Software Acquisition and Development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by the Council, are recognised as an intangible asset. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

The carrying value of an intangible asset with a finite life is amortised on a straight line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in Statement of Comprehensive Income.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

- Computer software 3 – 5 years.

8. Forestry Assets

Forestry assets are independently revalued annually to fair value.

Gains or losses arising on initial recognition of forestry assets at fair value less estimated point of sale costs and from a change in fair value less estimated point of sale costs are recognised in the Statement of Comprehensive Income.

The costs to maintain the forestry assets are included in the Statement of Comprehensive Income.

9. Impairment of Non-Financial Assets

Non-financial assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its

recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the assets ability to generate net cash inflows and where the entity would, if deprived of the asset, replace its remaining future economic benefits or service potential. The value in use for cash generating assets is the present value of expected future cash flows.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the Statement of Comprehensive Income.

For assets not carried at a revalued amount, the total impairment loss is recognised in the Statement of Comprehensive Income.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in Statement of Comprehensive Income, a reversal of the impairment loss is also recognised in the Statement of Comprehensive Income.

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

10. Landfill Post Closure Costs

The Otaihanga Landfill is now closed to general waste as it reaches the end of its life as a general waste facility. Treated sludge from Paraparaumu and Ōtaki Wastewater Treatment Plants is disposed of to the landfill site. Cleanfill is used as a mixing agent.



The Council, as operator of the Otaihangā Landfill, has a legal obligation under the resource consent to provide ongoing maintenance and monitoring services at the landfill site after closure. A provision for post closure costs is recognised as a liability when the obligation for post closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including new legal requirements and known improvements in technology. The provision includes all costs associated with landfill post closure.

Amounts provided for landfill post closure are capitalised to the landfill asset where they give rise to future economic benefits to be obtained. Components of the capitalised landfill asset are depreciated over their useful lives.

The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the Council.

11. Council Controlled Trading Organisations

The Council has no Council Controlled Trading Organisations or significant organisations that require consolidation in compliance with Section 6 of the Local Government Act 2002.

12. Cost Allocation Policy

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities based on cost drivers and related activity/usage information.

- *Criteria for Direct and Indirect Costs*

Direct Costs are those costs directly attributable to a significant activity.

Indirect Costs are those costs which cannot be identified in an economically feasible manner, with a specific significant activity.

- *Cost Drivers for Allocation of Indirect Costs*

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual usage, staff numbers and floor area etc. as set out on the following chart.

Basis of Allocation of Overheads	Method used
Accommodation.	Area utilised.
Chief Executive's Office.	Charged to Governance and Tangata Whenua Activity.
Communication (Public Relations).	Estimate of time spent per Activity.
Corporate Services.	Estimate of time spent on direct reporting lines.
Customer Services.	Estimate of time spent.
Development Projects Management.	Charged to project budgets based on time spent.
Environmental Protection Management.	Estimate of time spent on direct reporting lines.

Basis of Allocation of Overheads	Method used
Finance.	Number of transactions and total expenditure.
Human Resources.	Number of staff.
Information Technology / Information Management.	Hardware utilised.
Community Services.	Estimate of time spent on direct reporting lines.
Infrastructural Services.	Allocated on total expenditure per managed activity.
Rates Management.	Funds required from rates levied.
Strategy and Partnerships Management.	Estimate of time spent (strategic requirements to activities and direct reporting lines).
Districtwide Services.	Operating expenditure – Water, Wastewater and Stormwater Activities.
Council Depots	Number of staff.

13. Allocation of Overheads

All overhead expenses have been allocated to significant activities with the exception of the “Governance and Tāngata Whenua” activity, i.e. Elected Members costs (including a share of the support staff and overheads) which has been reported on as a separate activity as it represents a direct public service which is in itself a significant activity.

14. Cash and Cash Equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

15. Inventories

Inventories (such as spare parts and other items) held for distribution or consumption in the provision of services that are not supplied on a commercial basis are measured at the lower of cost and current replacement cost.

Cost has been determined on a weighted average basis. The valuation includes allowances for slow moving and obsolete inventories.

The write down from cost to current replacement cost is recognised in the Statement of Comprehensive Income.

16. Trade and Other Receivables

Trade and other receivables are recognised at amortised cost in the Council’s Statement of Financial Position. An allowance is made for doubtful and uncollectible debts by



establishing and offsetting provision in the Statement of Financial Position. Increases and decreases in the provision are recognised in the Statement of Comprehensive Income.

17. Goods and Services Tax (GST)

All items in the financial statements are exclusive of GST, with the exception of receivables and payables, which are stated as GST inclusive. Where GST is not recoverable as an input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

18. Borrowing

Borrowings are initially recognised at their fair value. After initial recognition, all borrowings are measured at amortised cost using the effective interest rate method.

19. Employee Benefits

Short Term Employee Benefits

Employee benefits that Council expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to,

but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

Council recognises a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that Council anticipates it will be used by staff to cover those future absences.

Long Term Employee Benefits

Long Service Leave and Retirement Leave

Entitlements that are payable beyond 12 months, such as long service leave and retiring leave; have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and
- the present value of the estimated future cash flows. A discount rate of 4.90% and an inflation factor of 3% were used. The discount rate is based on the average after tax discount rate used in the financial statements of the Government of New Zealand. The inflation factor is based on the expected long term increase in remuneration for employees.

Employee Superannuation Schemes

Defined Contribution Schemes

Obligations for contributions to defined contribution superannuation schemes are

recognised as an expense in the Statement of Comprehensive Income as incurred.

Defined Benefit Schemes

Council belongs to the Defined Benefit Plan Contributors Scheme (the Scheme), which is managed by the Board of Trustees of the National Provident Fund. The Scheme is a multi employer defined benefit scheme.

The scheme exposes the participating employers to actuarial risks associated with the current and former employees of other participating employers, with the result that there is no consistent and reliable basis for allocating the obligation, scheme assets and cost to individual participating employers. The Scheme is therefore accounted for as a defined contribution scheme.

20. Provisions

Council recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

21. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are recognised as expenses and income is recognised as revenue in the Statement of Comprehensive Income in the periods in which they are incurred.

22. Cost of Activity Statements

The cost of activity statements, as provided in the Cost of Activity Summary, detail the net cost of activity for significant activities of the Council, and are represented by the costs of providing the activity less all directly related revenue that can be allocated to these activities.

23. Critical Accounting Estimates and Assumptions

In preparing these financial statements Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Infrastructural Assets

There are a number of assumptions and estimates used when performing Depreciated Replacement Cost valuations over infrastructural assets. These include:

- the physical deterioration and condition of an asset, for example the Council



could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;

- estimating any obsolescence or surplus capacity of an asset; and
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Income.

To minimise this risk Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

Forestry Assets

There are a number of assumptions and estimates used when determining the valuation of forest assets. These include maturity date, exchange rate, market prices, discount rate and growth rate.

Experienced independent valuers perform the Council's infrastructural and Forestry asset revaluations.

24. Critical Judgements in Applying Council's Accounting Policies

Management has exercised its judgement in relation to the value of the properties it is holding by not revising the value while the Western Link project is on hold awaiting the Environmental Protection Agency decision on the Expressway designation. If the Expressway does not proceed then the property values would be reviewed.

25. New Accounting Standards and Interpretations

There have been no significant changes in accounting policies during the financial year.

- Changes in accounting policy and disclosure

FRS-44 New Zealand Additional Disclosures and Amendments to NZ IFRS to harmonise with the Australian Accounting Standards (Harmonisation Amendments) – The purpose of the new standard and amendments is to harmonise Australian and New Zealand accounting standards with source IFRS and to eliminate many of the differences between the accounting standards in each jurisdiction. The main effect of the amendments on Council is that certain information about property valuations are no longer required to be disclosed.

Amendments to NZ IFRS 7 *Financial Instruments: Disclosures*. The amendments change the disclosure requirements relating to credit risk.

NZ IAS 24 *Related Party Disclosures (Revised 2009)* replaces NZ IAS 24 *Related Party Disclosures (Issued 2004)*.

The revised standard simplifies the definition of a related party, clarifying its intended meaning and eliminating inconsistencies from the definition.

- Accounting standards issued but not yet effective.

NZ IFRS 9 will eventually replace NZ IAS 39.

These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of NZ IAS 39. The revised Standard introduces a number of changes to the accounting for financial assets, the most significant includes:

- (a) Two categories for financial assets being amortised cost or fair value
- (b) Strict requirements to determine which financial assets can be classified as amortised cost or fair value. Financial assets can only be classified as amortised cost if (i) the contractual cash flows from the instrument represent principal and interest and (ii) the entity's purpose for holding the instrument is to collect the contractual cash flows
- (c) Reclassifications between amortised costs and fair value no longer permitted unless the entity's business model for holding the asset changes.

This standard will not significantly impact Council's financial position or performance. Any changes will be of a presentation nature only.

The application date of the standards is 1 January 2015. The application date for Council is 1 July 2015.

The Minister of Commerce has approved a new Accounting Standards Framework

(incorporating a Tier Strategy) developed by the External Reporting Board (XRB). Under this Accounting Standards Framework, the Council is classified as Tier 1 reporting entity and it will be required to apply full Public Benefit Entity Accounting Standards (PAS). These standards are being developed by the XRB based on current International Public Sector Accounting Standards. The effective date for the new standards for public sector entities is expected to be for reporting periods beginning on or after 1 July 2014. This means the Council expects to transition to the new standards in preparing its 30 June 2015 financial statements. As the PAS are still under development, the Council is unable to assess the implications of the new Accounting Standards Framework at this time.

Due to the change in the Accounting Standards Framework for public benefit entities, it is expected that all new NZ IFRS and amendments to existing NZ IFRS will not be applicable to public benefit entities. Therefore, the XRB has effectively frozen the financial reporting requirements for public benefit entities up until the new Accounting Standard Framework is effective. Accordingly, no disclosure has been made about new or amended NZ IFRS that exclude public benefit entities from their scope.

26 Development Contribution Policy

Development Contributions apply to developments where applications for buildings, subdivisions, and land use consents or service connections are received. They are treated as a liability upon receipt and recognised as revenue when growth occurs in the community asset classification for which the Development Contributions was initially collected for.



NOTES TO THE FINANCIAL STATEMENTS

1. Reconciliation between the Cost of Service Statements and the Statement of Comprehensive Income

2010/11 Actual \$000	Notes	2011/12 Actual \$000	2011/12 Budget \$000
Revenue			
Rates Levied			
8,003	General Rates	9,225	9,211
Targeted Rates			
4,916	Districtwide Roading Rates and Charges	5,355	5,335
3,930	Regulatory Services Rates	3,811	3,805
8,866	Community Facilities Charges	10,089	10,053
498	Community Separate Rates	320	316
7,378	Wastewater Rates and Charges	7,591	7,546
6,130	Water Rates and Charges	6,399	6,378
2,645	Stormwater Rates	2,756	2,743
52	Ōtaki Community Services Charge	41	41
20	Paekākāriki Community Services Charge	16	19
42,438	Total Rates before Rates Penalty	45,603	45,447
526	Rates Penalty	536	250
42,964	Total Rates Before Internal Rates Deductions	46,139	45,697
(460)	Less Internal Rates	(518)	(518)
42,504	TOTAL RATES	45,621	45,179
3	Government Subsidy – Capital	-	-
3,118	Government Subsidy – Operating	3,370	2,739
3,121	Total	3,370	2,739
Other Revenue			
7,388	Charges and Fees	8,705	8,246
-	NZTA Expressway Revenue	612	-
200	Capital Contribution	-	-
1,718	Financial Contributions	3,468	3,888
60	Interest	-	-
220	Petrol Tax	222	236
73	Special Funds Interest	26	-
431	Interest on Loan Repayment Provision	204	-
98	Interest on Depreciation Reserves	171	-
62	Sinking Funds Interest	-	-
644	Vested Assets	880	1,000
116	Gain on Revaluation of Forestry	-	-
(1,143)	Less Internal Interest	(983)	(983)
(375)	Less Internal Solid Waste Charges	(370)	(370)
9,493	Total Other Revenue	12,935	12,017
55,118	TOTAL REVENUE	61,926	59,935

2010/11 Actual \$000	Notes	2011/12 Actual \$000	2011/12 Budget \$000
Expenditure			
11,188	Access and Transport	11,805	10,991
3,056	Building Control and Resource Consents	3,033	3,086
626	Coastal Management	672	828
3,655	Community Facilities	4,150	4,373
1,763	Development Management	2,012	2,077
808	Economic Development	851	840
2,391	Environmental Protection	2,454	2,388
3,692	Governance and Tāngata Whenua	5,586	4,658
3,687	Libraries, Arts and Museums	3,794	3,991
3,415	Parks and Open Space	4,197	3,928
2,599	Solid Waste	3,038	2,956
2,692	Stormwater Management	2,859	3,094
718	Supporting Environmental Sustainability	866	766
1,284	Supporting Social Wellbeing	1,307	1,221
7,357	Wastewater Management	7,552	7,862
6,586	Water Management	6,925	7,172
55,517	TOTAL OPERATING EXPENDITURE	61,101	60,231
	Gain (Loss) on Revaluation of Interest Rate Swaps	5,936	-
(1,978)	Less Internal Charging	(1,871)	(1,871)
54,791	TOTAL OPERATING EXPENDITURE	65,166	58,360
327	NET SURPLUS/(DEFICIT)	(3,240)	1,575



2. Cost of Activity Summary for the Year Ended 30 June 2012

	2011/12 Revenue From Activities	2011/12 Operating Expenditure	2011/12 Net Operating Cost (Revenue)	2011/12 Budget	2011/12 Capital Items	2011/12 Capital Items Budget
	\$000	\$000	\$000	\$000	\$000	\$000
Access and Transport	4,730	11,805	7,075	7,106	5,010	5,568
Building Control and Resource Consents	1,502	3,033	1,531	1,445	-	-
Coastal Management	15	672	657	828	502	548
Community Facilities	2,952	4,150	1,198	1,887	6,150	15,240
Development Management	78	2,012	1,934	1,877	4,459	5,636
Economic Development	-	851	851	840	-	-
Environmental Protection	914	2,454	1,540	1,506	34	59
Governance and Tāngata Whenua	750	5,586	4,836	4,349	3,457	754
Libraries, Arts and Museums	315	3,794	3,479	3,651	637	1,254
Parks and Open Space	1,017	4,197	3,180	2,540	2,847	3,580
Solid Waste	2,965	3,038	73	(32)	31	130
Stormwater Management	182	2,859	2,677	2,961	4,392	6,302
Supporting Environmental Sustainability	204	866	662	615	-	-
Supporting Social Wellbeing	82	1,307	1,225	1,221	-	-
Wastewater Management	761	7,552	6,791	7,391	2,961	3,088
Water Management	473	6,925	6,452	6,687	3,984	4,543
TOTAL	16,940	61,101	44,161	44,872	34,464	46,702
Plus Capital Expenditure			34,464	46,702		
TOTAL NET COSTS			78,625	91,574		

3. Net Rates Requirement Summary for the Year Ended 30 June 2012

	2011/12 Total Rates Utilised \$000	2011/12 Budget \$000
Access and Transport	5,900	5,616
Building Control and Resource Consents	1,531	1,445
Coastal Management	672	829
Community Facilities	3,100	3,368
Development Management	2,122	2,066
Economic Development	856	845
Environmental Protection	1,546	1,516
Governance and Tāngata Whenua	2,743	2,989
Libraries, Arts and Museums	3,645	3,810
Parks and Open Space	3,845	3,840
Solid Waste	-	2
Stormwater Management	3,155	3,361
Supporting Environmental Sustainability	628	615
Supporting Social Wellbeing	1,225	1,221
Wastewater Management	7,591	7,546
Water Management	6,257	6,378
TOTAL	44,816	45,447

4. Rates Levied

The revenue from rates in the Statement of Comprehensive Income is the total rates levied as per the Rates Account. The rates levied have been incorporated so that the overall surplus or deficit could be reported for the operating activities. This is in compliance with generally accepted accounting practice.

The rates shown in the Statement of Cost of Activity for each significant activity is the amount of net operating and capital expenditure to be funded from rates as shown in Note 3. The difference between \$44.816million and the gross rates levied of \$45.603 million (excluding rates penalties of \$0.536million) is \$0.787million. The rates surplus has been used to fund additional costs associated with the NZTA Expressway process and the District Plan review in the 2012/13 year with the balance is used to offset the 2012/13 rates increase and future rates increase.



5. Charges and Fees

	2011/12 Actual \$000	2010/11 Actual \$000
Access and Transport	49	127
Building Control and Resource Consents	1,568	1,351
Coastal Management	15	-
Community Facilities	1,618	1,130
Development Management	78	132
Environmental Protection	914	869
Governance and Tāngata Whenua	122	259
Libraries, Arts and Museums	315	307
Parks and Open Space	113	72
Solid Waste	2,965	2,394
Stormwater Management	49	42
Supporting Environmental Sustainability	204	153
Supporting Social Wellbeing	82	130
Wastewater Management	301	199
Water Management	312	223
TOTAL CHARGES AND FEES	8,705	7,388

6. Cash and Cash Equivalents

	2011/12 Actual \$000	2010/11 Actual \$000
Cash at Bank and on Hand	152	313
Bank Call Deposits	2,510	-
TOTAL CASH AND CASH EQUIVALENTS	2,662	313

7. Other Financial Assets

	2011/12 Actual \$000	2010/11 Actual \$000
Current Portion		
Interest Rate Swaps	2	48
TOTAL CURRENT	2	48
Non-Current Portion		
<i>Held to Maturity</i>		
Perpetual Notes	21	21
<i>Fair Value Through Profit or Loss</i>		
Shares in NZ Local Government Insurance Corporation	45	45
<i>Fair value Through Profit of Loss</i>		
Interest Rate Swaps	3	228
TOTAL NON-CURRENT	69	294

8. Financial Instruments

The Council has a series of policies to manage the risks associated with financial instruments. The Council is risk averse and seeks to minimise exposure from its treasury activities. The Council has established Council approved Liability Management and Investment Policies – these policies do not allow any transactions that are speculative in nature to be entered into.

The Council's financial instruments include financial assets (cash and cash equivalents, shares, loans and receivables, available-for-sale financial assets), and financial liabilities (payables that arise directly from operations and borrowings). Interest rate swaps are used to reduce exposure to fluctuations in interest rates arising on floating rate borrowings. The main purpose of the Council's financial instruments is to raise finance for the Council's operations.

Fair Value

Fair value is the amount for which an item could be exchanged, or a liability settled, between knowledgeable and willing parties in an arms length transaction. The fair values of all financial instruments equate to the carrying amount recognised in the Statement of Financial Position.

As part of its normal operations, the Council is exposed to credit risk, interest rate risk and liquidity risk. The Council's exposure to these risks and the action that the Council has taken to minimise the impact of these risks is outlined below.

Credit Risk

Credit risk is the risk that a third party will default on its obligations to the Council, thereby causing a loss. The Council is not exposed to any material concentrations of credit risk other than its exposure within the Wellington region. Receivables balances are monitored on an ongoing basis with the result that the Council's exposure to bad debts is not significant. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the Statement of Financial Position.



Fair Value

Estimating the fair value financial instruments comprising

- Level 1 – the fair value is calculated using quoted prices in an active market
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below.

	2011/12 \$000				2010/11 \$000			
	Quoted Market Price (Level 1)	Valuation Technique- Market Observable Inputs (Level 2)	Valuation Technique- Non Market Observable Inputs (Level 3)	Total	Quoted Market Price (Level 1)	Valuation Technique- Market Observable Inputs (Level 2)	Valuation Technique- Non Market Observable Inputs (Level 3)	Total
Financial Assets								
Derivative Instruments								
Interest rate swaps	-	5	-	5	-	276	-	276
Investments								
Listed investments	-	21	-	21	-	21	-	21
Unlisted investments	-	45	-	45	-	45	-	45
TOTAL	-	71	-	71	-	342	-	342
Financial Liabilities								
Derivative Instruments								
Interest rate swaps	-	10,384	-	10,384	-	4,719	-	4,719
TOTAL	-	10,384	-	10,384	-	4,719	-	4,719

There have been no transfers between levels 1, 2 and 3

Credit Qualities of Financial Assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor's credit ratings (if available) or to historical information about counterparty default rates.

	2011/12 Actual \$000	2010/11 Actual \$000
Counterparties with Credit Ratings		
Cash at Bank and Term Deposits		
Council (AA-)	2,662	313
Shares in NZGIC		
B++	45	45
Capital Notes		
A+	21	21
Derivative Financial Instrument Assets		
AA	5	276

Market Risk

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. The Council is not exposed to price risk as it does not hold significant equities.

Interest rate risk

The weighted average interest rate on investments as at 30 June 2012 was 3.1% (2011 3.1%). The interest rates on the Council's borrowings are disclosed in Note 15.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Borrowing issued at fixed rates expose the Council to fair value interest rate risk. The Council's Treasury Management Policy outlines the level of borrowing that is to be secured using fixed rate instruments. Fixed to floating interest rate swaps are entered into to hedge the fair value interest rate risk arising where the Council has borrowed at fixed rates.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Borrowings and investments issued at variable interest rates expose the Council to cash flow interest rate risk.

The Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates and swaps them into fixed rates that are generally lower than those available if the Council borrowed at fixed rates directly. Under the interest rate swaps, the Council agrees with other parties to exchange, at specified intervals, the difference between fixed contract rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

The Council has interest rate swap agreements and swap options in place at 30 June 2012 in relation to its borrowing programme. The notional contract value of these agreements was \$128.1 million (2011: \$113.1 million). The interest rate range for the interest rate swaps is 2.65% to 6.78%. The net fair value of the interest rate swaps and swap options as at 30 June 2012 was \$10.379 million (30 June 2011: \$4.442 million) comprising assets of \$0.005 million (2011: \$0.276 million) and liabilities \$10.384 million (2011: \$4.718 million). The movement in the fair value of these interest rate swaps and swap options is taken directly to the Statement of Comprehensive Income.

Liquidity Risk

Liquidity risk is the risk that the Council will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Council aims to maintain flexibility in funding by keeping committed credit lines available.

Although current liabilities exceed current assets as at 30 June 2012, current liabilities include the current portion of public debt which will be rolled over in the 2012/13 year.



The Council manages its borrowings in accordance with its funding and financial policies, which includes a Treasury Management Policy. These policies have been adopted as part of the Council's 2009 Long Term Council Community Plan.

The Council uses overdraft facility to manage its day-to-day cashflows. The Council has a \$30 million and two \$10 million multi option credit facilities and a \$5 million multi option credit facility with Westpac Banking Corporation. The Council also has a \$30 million multi option credit facility with the BNZ.

The following table sets out the contractual cashflows from all financial liabilities that are settled on a gross cashflow basis. Contractual cashflows for financial liabilities comprise the nominal amount and interest payments.

Contractual Maturity Analysis of Financial Liabilities

2011/12

	Statement of Financial Position \$000	Total Contractual Cash Flows \$000	0-12 months \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
Trade and Other Payables	14,896	14,896	14,896	-	-	-
Interest Rate Swaps	10,384	15,544	2,476	2,813	6,972	3,283
Debt Securities	87,785	95,207	9,668	9,465	27,181	48,893
EECA Loan	638	638	274	274	90	-
TOTAL	113,703	126,285	27,314	12,552	34,243	52,176

2010/11

	Statement of Financial Position \$000	Total Contractual Cash Flows \$000	0-12 months \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
Trade and Other Payables	12,849	12,849	12,849	-	-	-
Interest Rate Swaps	4,719	16,363	2,764	2,705	6,720	4,174
Debt Securities	65,635	79,569	8,097	7,921	22,710	40,841
EECA Loan	912	912	274	274	364	-
TOTAL	85,027	109,693	23,984	10,900	29,794	45,015

Contractual Maturity Analysis of Financial Assets

2011/12

	Carrying Amount	Total Contractual Cash Flows	0-12 Months	1-2 Years	2-5 Years	More Than 5 Years
	\$000	\$000	\$000	\$000	\$000	\$000
Cash and Cash Equivalents	2,662	2,662	2,662	-	-	-
Interest Rate Swaps	5	7	1	1	3	2
Trade and Other Receivables	5,573	5,573	5,573	-	-	-
Unlisted Shares	45	45	-	-	-	-
TOTAL	8,285	8,287	8,236	1	3	2

2010/11

	Carrying Amount	Total Contractual Cash Flows	0-12 Months	1-2 Years	2-5 Years	More Than 5 Years
	\$000	\$000	\$000	\$000	\$000	\$000
Cash and Cash Equivalents	313	313	313	-	-	-
Interest Rate Swaps	276	386	65	63	159	98
Trade and Other Receivables	5,366	5,366	5,355	5	6	-
Unlisted Shares	45	45	-	-	-	-
TOTAL	6,000	6,110	5,733	68	165	98



Financial Instrument Categories

The accounting policies for financial instruments have been applied to the line items below:

	2011/12 Actual \$000	2010/11 Actual \$000
FINANCIAL ASSETS		
Loans and Receivables		
Cash and Cash Equivalents	2,662	313
Trade and Other Receivables	5,573	5,366
TOTAL LOANS AND RECEIVABLES	8,235	5,679
Held to Maturity		
Other Financial Assets:		
Perpetual Notes	21	21
TOTAL HELD TO MATURITY	21	21
Fair Value Through Profit or Loss		
Other Financial Assets		
Unlisted Shares	45	45
TOTAL FAIR VALUE THROUGH PROFIT OR LOSS	45	45
Derivative Financial Instrument		
- Current	2	48
- Non Current	3	228
Total Derivative Financial Instruments	5	276
FINANCIAL LIABILITIES		
Financial Liabilities at Fair Value through Profit or Loss		
Derivative Financial Instrument		
- Current	1,668	889
- Non Current	8,716	3,830
TOTAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	10,384	4,719
Creditors and Other Payables	14,896	12,849
Borrowings:		
Secured Loans	88,423	66,547
TOTAL FINANCIAL LIABILITIES AT AMORTISED COST	113,703	84,115

Sensitivity Analysis

In managing interest risk the Council aims to reduce the impact of short-term fluctuations on the Council's earnings. Over the longer term, however, permanent changes in interest rates will have an impact on the surplus.

As at 30 June 2012 it is estimated that a general increase of one percentage point in interest rates would increase the Council's surplus by approximately \$4.378 million. This is due to the potential unrealised gain of \$5.235 million on the value of the Interest Rate Swaps from a 1% increase in interest rates. Interest rate swaps have been included in this calculation.

The tables below illustrate the potential surplus and deficit impact for reasonably possible movements in interest rates with all other variables held constant, based on Council's financial instrument exposures at balance date.

Interest Rate Risk	2011/12 Actual \$000		2010/11 Actual \$000	
	+100BPS	-100 BPS	+100BPS	-100 BPS
Financial Assets				
Cash and Cash Equivalents – Council	27	(27)	3	(3)
Derivatives – Interest Rate Swaps - Current	59	(2)	240	(48)
Derivatives – Interest Rate Swaps - Term	156	(3)	1,082	(228)
Financial Liabilities				
Derivatives – Interest Rate Swaps - Current	914	(1,023)	555	(798)
Derivatives – Interest Rate Swaps - Term	4,106	(4,503)	2,661	(3,792)
Debt Securities	(884)	884	(665)	665
TOTAL SENSITIVITY TO INTEREST RATE RISK	4,378	(4,674)	3,876	(4,204)



9. Property, Plant and Equipment: 2011/12

	Cost/ Revaluation	Accumulated Depreciation and Impairment Charges	Carrying Amount	Current Year Additions/ Reclassification	Gross Current Year Disposals	Current Year Impairment Charges	Current Year Depreciation	Gross Accumulated Depreciation on Disposals	Revaluation Surplus	Cost/ Revaluation	Accumulated Depreciation and Impairment Charges	Carrying Amount
	1 July 11	1 July 11	1 July 11							30 June 12	30 June 12	30 June 12
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Council Operational Assets												
Land	26,746	-	26,746	-	-	-	-	-	-	26,746	-	26,746
Buildings and Improvements	28,480	(75)	28,405	254	(995)	-	(1,043)	60	-	27,739	(1,058)	26,681
Library Collections	6,087	(4,116)	1,971	475	-	-	(347)	-	-	6,562	(4,463)	2,099
Plant and Machinery	2,639	(1,895)	744	63	(105)	-	(126)	97	-	2,597	(1,924)	673
Motor Vehicles	3,263	(1,864)	1,399	722	(474)	-	(271)	363	-	3,511	(1,772)	1,739
Furniture and Chattels	1,483	(1,121)	362	445	-	-	(82)	-	-	1,928	(1,203)	725
Computers and Office Equipment	6,586	(4,813)	1,773	743	-	-	(526)	-	-	7,329	(5,339)	1,990
Items Under Construction	6,213	-	6,213	9,996	-	-	-	-	-	16,209	-	16,209
Total Operational Assets	81,497	(13,884)	67,613	12,698	(1,574)	-	(2,395)	520	-	92,621	(15,759)	76,862
Infrastructure Assets												
Roading	430,830	(67)	430,763	4,394	-	-	(3,780)	-	-	435,224	(3,847)	431,377
Bridges	13,274	-	13,274	-	-	-	(271)	-	-	13,274	(271)	13,003
Water	74,495	(2)	74,493	850	-	-	(1,931)	-	-	75,345	(1,933)	73,412
Wastewater	83,172	(34)	83,138	3,970	-	-	(2,188)	-	-	87,142	(2,222)	84,920
Stormwater	55,721	(135)	55,586	261	-	-	(852)	-	-	55,982	(987)	54,995
Seawalls	3,693	-	3,693	1,695	-	-	(243)	-	-	5,388	(243)	5,145
River Control	1,125	-	1,125	1	-	-	(13)	-	-	1,126	(13)	1,113
Items Under Construction	30,997	-	30,997	6,126	-	-	-	-	-	37,123	-	37,123
Total Infrastructure Assets	693,307	(238)	693,069	17,297	-	-	(9,278)	-	-	710,604	(9,516)	701,088
Restricted Assets												
Land	40,086	-	40,086	3,981	-	-	-	-	-	44,067	-	44,067
Buildings and Improvements	21,784	(46)	21,738	1,559	(219)	-	(1,323)	5	-	23,124	(1,364)	21,760
Items Under Construction	22	-	22	540	-	-	-	-	-	562	-	562
Total Restricted Assets	61,892	(46)	61,846	6,080	(219)	-	(1,323)	5	-	67,753	(1,364)	66,389
TOTAL PROPERTY, PLANT AND EQUIPMENT	836,696	(14,168)	822,528	36,075	(1,793)	-	(12,996)	525	-	870,978	(26,639)	844,339

Property, Plant and Equipment: 2010/11

	Cost/ Revaluation	Accumulated Depreciation and Impairment Charges	Carrying Amount	Current Year Additions/ Reclassification	Gross Current Year Disposals	Current Year Impairment Charges	Current Year Depreciation	Gross Accumulated Depreciation on Disposals	Revaluation Surplus	Cost/ Revaluation	Accumulated Depreciation and Impairment Charges	Carrying Amount
	1 July 10	1 July 10	1 July 10							30 June 11	30 June 11	30 June 11
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Council Operational Assets												
Land	28,382	-	28,382	(209)	-	-	-	-	(1,402)	26,746	-	26,746
Buildings and Improvements	28,895	(1,685)	27,210	287	-	-	(962)	-	1,870	28,480	(75)	28,405
Library Collections	5,597	(3,808)	1,789	490	-	-	(308)	-	-	6,087	(4,116)	1,971
Plant and Machinery	2,562	(1,907)	655	290	(213)	-	(322)	167	-	2,639	(1,895)	744
Motor Vehicles	2,998	(1,729)	1,269	466	(201)	-	(397)	131	-	3,263	(1,864)	1,399
Furniture and Chattels	1,531	(1,044)	487	(36)	-	-	(89)	-	-	1,483	(1,121)	362
Computers and Office Equipment	5,724	(4,200)	1,524	863	-	-	(614)	-	-	6,586	(4,813)	1,773
Items Under Construction	2,336	-	2,336	3,754	-	-	-	-	-	6,213	-	6,213
Total Operational Assets	78,025	(14,373)	63,652	5,905	(414)	-	(2,692)	298	468	81,497	(13,884)	67,613
Infrastructure Assets												
Roading	406,249	(6,254)	399,995	2,790	-	-	(3,617)	-	31,570	430,830	(67)	430,763
Bridges	12,605	(493)	12,112	(3)	(283)	-	(263)	18	1,675	13,274	-	13,274
Water	70,982	(3,378)	67,604	421	-	-	(1,744)	-	8,212	74,495	(2)	74,493
Wastewater	78,493	(3,830)	74,663	1,624	-	-	(1,937)	-	8,788	83,172	(34)	83,138
Stormwater	47,938	(1,322)	46,616	325	-	-	(724)	-	9,370	55,721	(135)	55,586
Seawalls	4,268	(313)	3,955	853	-	-	(178)	-	(937)	3,693	-	3,693
River Control	1,108	(22)	1,086	183	-	-	(23)	-	(121)	1,125	-	1,125
Items Under Construction	21,695	-	21,695	9,302	-	-	-	-	-	30,997	-	30,997
Total Infrastructure Assets	643,338	(15,612)	627,726	15,495	(283)	-	(8,486)	18	58,557	693,307	(238)	693,069
Restricted Assets												
Land	42,030	-	42,030	(1)	-	-	-	-	(1,944)	40,086	-	40,086
Buildings and Improvements	21,681	(1,943)	19,738	979	-	-	(1,078)	-	2,099	21,784	(46)	21,738
Items Under Construction	22	-	22	123	-	-	-	-	-	22	-	22
Total Restricted Assets	63,733	(1,943)	61,790	1,101	-	-	(1,078)	-	155	61,892	(46)	61,846
TOTAL PROPERTY, PLANT AND EQUIPMENT	785,096	(31,928)	753,168	22,501	(697)	-	(12,256)	316	59,180	836,696	(14,168)	822,528

The split between prior year cost, depreciation and carrying value have been adjusted to correct the impact of the revaluation.

Property, Plant and Equipment (continued)

Valuation

All assets are recorded at depreciated historical costs except for the following assets classes, which are revalued on a three year cycle on the basis described below:

Description	Method of Revaluation	Valuation Performed By	Next Revaluation Date
Operational Assets			
Buildings and Improvements	Fair Value 30 June 2011	Quotable Value Kerry Stewart <i>Val Prof Urb</i> <i>PG Dip Env Audit MBA ANZIV SNZPI</i> Vanessa Hutcheson <i>B Com VPM</i>	30 June 2014
Land	Fair Value 30 June 2011	Quotable Value Kerry Stewart <i>Val Prof Urb</i> <i>PG Dip Env Audit</i> <i>MBA ANZIV SNZPI</i> Vanessa Hutcheson <i>B Com VPM</i>	30 June 2014
Infrastructural Assets			
River Control	Depreciated Replacement Cost 30 June 2011	Aecom Graeme Hughson <i>BE, MIPENZ</i>	30 June 2014
Roads and Bridges	Depreciated Replacement Cost 30 June 2011	CPG (Consulting Engineers) Ken Tonks <i>SPINZI</i>	30 June 2014
Seawalls	Depreciated Replacement Cost 30 June 2011	Aecom Graeme Hughson <i>BE, MIPENZ</i>	30 June 2014
Stormwater	Depreciated Replacement Cost 30 June 2011	Aecom Graeme Hughson <i>BE, MIPENZ</i>	30 June 2014
Wastewater	Depreciated Replacement Cost 30 June 2011	Aecom Graeme Hughson <i>BE, MIPENZ</i>	30 June 2014
Water	Depreciated Replacement Cost 30 June 2011	Aecom Graeme Hughson <i>BE, MIPENZ</i>	30 June 2014

All valuations are carried out or reviewed by independent qualified valuers.

10. Intangible Assets

	2011/12 Actual \$000	2010/11 Actual \$000
Opening Balance	454	324
Additions/Reclassifications	35	226
Disposals	-	-
Amortisation	(146)	(96)
Closing Balance	343	454
Represented by		
Total Cost	710	675
Total Accumulated Amortisation	(367)	(221)

There are no restrictions over the title of the Council's intangible assets, nor are any intangible assets pledged as security for liabilities.

11. Forestry Assets

	2011/12 Actual \$000	2010/11 Actual \$000
Balance at 1 July	467	351
Gains/(loss) Arising from Changes in Fair Value Less Estimated Point of Sale Costs	(204)	116
Balance at 30 June	263	467

Council owns 30 hectares of pinus radiatus forest, which are at varying stages of maturity ranging from 22 to 24 years. Independent valuer Tim Hunt valued the forestry assets as at 30 June 2012. A pre-tax discount rate of 10% has been used in discounting the present value of expected cash flows.

Council has a limited area of forestry assets (<20 hectares) at various small sites across the District. Council resolved to apply for an exemption from the Emissions Trading Scheme for eight hectares of forest that was planned to be deforested for the Western Link and Pharazyn Reserve. For all the remaining pre-1990 forestry assets an allocation of New Zealand Carbon Credits will be applied for.

Financial Risk Management Strategies

Council is exposed to financial risks from changes in timber prices. Council is not a long term forestry investor but does not expect timber prices to decline significantly in the foreseeable future, therefore, has not taken any measures to manage the risks of a decline in timber prices.



12. Trade and Other Receivables

	2011/12 \$000	2010/11 \$000
Rates	2,167	2,439
Water by Meter	99	28
General Debtors	1,698	2,073
GST Accrual	1,662	935
Dogs	1	(29)
Parking Infringement	189	128
Prepayments	169	131
Miscellaneous	33	34
Private Plan Change-Otaki South	71	76
	6,089	5,815
Less Provision for Impairment of Receivables	516	449
TOTAL TRADE AND OTHER RECEIVABLES	5,573	5,366

The status of receivables as at 30 June 2012 and 2011 are detailed below:

	2011/12 Actual \$000			2010/11 Actual \$000		
	Gross	Impairment	Net	Gross	Impairment	Net
Not past due	3,478	-	3,478	1,894	-	1,894
Past due 1-60 days	98	-	98	82	-	82
Past due 61-120 days	8	-	8	387	-	387
Past due > 120 days	2,505	(516)	1,989	3,452	(449)	3,003
TOTAL	6,089	(516)	5,573	5,815	(449)	5,366

The impairment provision has been calculated based on expected losses for Councils pool of debtors. Expected losses have been determined based on an analysis of the Council losses in previous periods, and review of specific debtors as detailed below:

	2011/12 Actual \$000	2010/11 Actual \$000
Individual impairment	186	119
Collective impairment	330	330
TOTAL PROVISION FOR IMPAIRMENT	516	449

Individually impaired receivables have been determined to be impaired because of the significant financial difficulties being experienced by the debtor. An analysis of these individually impaired debtors are as follows:

	2011/12 Actual \$000	2010/11 Actual \$000
Past due 1-60 days	-	-
Past due 61-120 days	-	-
Past due > 120 days	516	449
TOTAL INDIVIDUAL IMPAIRMENT	516	449

Movements in the provision for impairment of receivables are as follows:

	2011/12 Actual \$000	2010/11 Actual \$000
At 1 July	449	467
Additional Provisions made during the Year	69	13
Receivables Written-off during the Period	(2)	(31)
TOTAL AT 30 JUNE	516	449

The Council holds no collateral as security or other credit enhancements over receivables that are either past due or impaired.

13. Trade and Other Payables

	2011/12 Actual \$000	2010/11 Actual \$000
Trade Creditors	9,827	8,417
Interest Accrual	383	353
Rates in Advance	1,448	1,133
Contract Retentions	980	749
Greater Wellington Regional Council Accrued Rates	1,369	1,405
ACC Levy Accrual	116	120
Payroll Suspense	-	(28)
Miscellaneous	234	165
Leaky Building Provision	525	525
Fringe Benefit Tax	14	10
TOTAL TRADE AND OTHER PAYABLES	14,896	12,849

Creditors and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the varying value of creditors and other payables approximates their fair value.



14. Deposits

	2011/12 Actual \$000	2010/11 Actual \$000
Road Damage Deposits	659	661
Resource Consent Planning Bonds	342	407
Hall Deposits	5	5
Miscellaneous Deposits	104	10
TOTAL DEPOSITS	1,110	1,083

15. Public Debt

A debenture deed has been established and Westpac Banking Corporation appointed as security agent. All public debt is secured by a charge over all rating in favour of the security agent.

Council has agreed to replace its Debenture deed with a Debenture Trust deed which is a prerequisite for becoming a shareholder of the Local Government Funding Agency (LGFA).

No defaults or breaches occurred during the year.

The Total Public Debt is divided between Long Term Public Debt (Debt liability longer than one year) and Current Portion of Public Debt (Debt liability of one year or less).

	2011/12 Actual \$000	2010/11 Actual \$000
Current Portion of Public Debt	68,059	35,909
Long Term Public Debt	20,364	30,638
TOTAL PUBLIC DEBT	88,423	66,547
2012/13	68,059	35,909
2013/14	5,274	10,274
2014/15	5,064	5,274
2015/16	26	5,064
2016/17	10,000	10,026
TOTAL PUBLIC DEBT	88,423	66,547

The effective weighted average of Council's Public Debt after taking the Council's interest rate swaps into account is 5.35%.

Local Government Funding Agency

The Council has agreed to become a shareholder of the LGFA at the minimum subscription of \$100,000 in the 2012/13 year. Council will join the LGFA as a shareholder in October 2012 and will borrow for longer term funds through the LGFA to make savings on its interest rate margins.

16. Revaluation Reserve

Total revaluation reserves of \$159.338 million consist of:

	2011/12 Actual \$000	2010/11 Actual \$000
a) Roading and Bridges		
Opening Balance 1 July	76,814	43,603
<i>Plus revaluation of Roading and Bridges</i>	-	33,211
Closing Balance 30 June	76,814	76,814
b) Land and Buildings		
Opening Balance 1 July	34,344	33,721
<i>Plus revaluation of Land and Buildings</i>	-	623
Closing Balance 30 June	34,344	34,344
c) Stormwater/River Control		
Opening Balance 1 July	19,610	11,298
<i>Plus revaluation of Stormwater/ River Control</i>	-	8,312
Closing Balance 30 June	19,610	19,610
d) Wastewater		
Opening Balance 1 July	16,793	8,005
<i>Plus revaluation of Wastewater</i>	-	8,788
Closing Balance 30 June	16,793	16,793
e) Water		
Opening Balance 1 July	11,777	3,565
<i>Plus revaluation of Water</i>	-	8,212
Closing Balance 30 June	11,777	11,777
TOTAL	159,338	159,338



17. Employee Benefit Liabilities

	2011/12 Actual \$000	2010/11 Actual \$000
Payroll Accrual	266	220
Annual Leave	1,256	1,174
Sick Leave	72	73
Long Service Leave	92	79
Retirement Gratuities	216	257
TOTAL EMPLOYEE BENEFIT LIABILITIES	1,902	1,803
Disclosed as follows:		
Current Portion		
Payroll Accrual	266	220
Annual Leave	1,256	1,174
Sick Leave	72	73
	1,594	1,467
Non-current		
Long Service Leave	92	79
Retirement Gratuities	216	257
	308	336
TOTAL EMPLOYEE BENEFIT LIABILITIES	1,902	1,803

18. Provisions

Provision for Environmental Obligations

There has been no change in the Provision for Environmental Obligations as at 30 June 2012 (\$0.040million). This is due to work completed on the sites being offset by a revision of the estimates of future costs, and funds set aside to meet the initial costs for landfill aftercare after closure (Note 23).

Landfill Aftercare Liability

The Council obtained a resource consent for 35 years in 1994 to operate the Otaihanga Landfill. The Otaihanga Landfill is now closed to general waste disposal as it reaches the end of its life as a general waste facility. For the next year treated sludge from the Paraparaumu and Ōtaki Wastewater Treatment Plants will still be disposed of to the landfill site. Cleanfill is used to act as a mixing agent. After that time, the landfill will enter the aftercare phase.

The Council has responsibility under the Resource Management Act 1991 to provide ongoing maintenance and monitoring of landfills after closure. These responsibilities include:

- final cover application and vegetation;
- incremental drainage control features;
- completing facilities for leachate collection and monitoring;
- completing facilities for waste quality monitoring; and
- completing facilities for monitoring of gas.

The annual cost for monitoring the Otaihanga Landfill site is \$4,000 per year. This is expected to be required for 17 years after all three landfills have been closed.

The cost of providing a capping layer for the completed portion of the Otaihanga Landfill is estimated to be minimal and is currently being funded through cleanfill disposal charges.

The capital values of the Waikanae Landfill and the Ōtaki Landfill have been impaired to reflect the aftercare costs.

The cash outflows for landfill post-closure cost for the Otaihangā Landfill commenced in 2009. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 5.5%.

Sewage Ponds

Waikanae Oxidation Ponds – Decommissioning and Rehabilitation

With the major upgrade to the combined Paraparaumu/Waikanae Wastewater Treatment Plant, the Waikanae Oxidation Ponds have not been used for effluent disposal since 31 March 2003. In the 2003/04 year, the rehabilitation project was renamed “Waikanae Coastal Wetlands” and is funded from the Parks and Open Space Activity. A decommissioning plan was approved by the Finance, Operations and Property Committee on 26 March 2002.



The financial provisions which have been included in the 2009 Long Term Council Community Plan are as follows:

	2011/12 \$000	2010/11 \$000
Rehabilitation and Restoration	53	50
TOTAL	53	50

No reimbursement of costs is expected at this stage although there may be some cost sharing and external grants/funds when rehabilitation work is further underway.

The only risk identified at this stage is that there may be risk of odour generated from the sludge for a period, due to the fall in water level in the ponds.

The capital value of the Waikanae Oxidation Ponds has been impaired to reflect the decommissioning and rehabilitation costs. As the current estimate of future decommissioning costs is less than the land value no further provision is required.

Paraparaumu Sludge Ponds

With the major upgrade to the combined Paraparaumu/Waikanae Wastewater Treatment Plant, the Paraparaumu Sludge Ponds have not been used since March 2001. A decommissioning plan was approved by Greater Wellington Regional Council on 28 September 2001.

The capital value of the Paraparaumu Sludge Ponds has been impaired to reflect the decommissioning costs. As the current estimate of future decommissioning costs is less than land value, no further provision is required.

Provision for Environmental Obligations

Otaihanga Landfill

	2011/12 Actual \$000	2010/11 Actual \$000
Opening Balance	38	38
CLOSING BALANCE	38	38

19. Reserves and Special Funds

	2011/12 Actual \$000	2010/11 Actual \$000
Opening Balance	2,062	3,549
Transfers from Special Funds	645	(1,833)
Transfers to Special Funds	(786)	346
Closing Balance	1,921	2,062
<i>Represented by:</i>		
Plant Purchase and Renewal Fund	642	799
Paraparaumu/Raumati Reserves Fund	-	(196)
Waikanae Reserves Fund	-	8
Waikanae Property Fund	75	73
Waikanae Capital Improvements Fund	1,127	1,124
Ōtaki Carpark and Services Lane Account	77	74
Ōtaki Reserves Fund	-	180
TOTAL	1,921	2,062

Plant Purchase and Renewal Fund

Purpose: To fund the replacement of Council's vehicles and plant.

Source of Funds: Depreciation charges of Council's vehicles and plant.

Reserves Funds – Paraparaumu/Raumati, Waikanae, Ōtaki

The balances of the Reserves funds for Paraparaumu/Raumati, Waikanae and Ōtaki have been transferred to the Financial Contributions Accounts for each Reserve fund.

The reserve contributions for each area are still separately accounted for with funds only being spent in the area that the reserves contributions have been levied.

They are now disclosed as part of retained earnings rather than as Special Funds.

Waikanae Property Fund

Purpose: To fund Council property improvements at Waikanae.

Source of Funds: Sale of Council property proceeds (excluding Districtwide funded properties) in Waikanae Ward.

Waikanae Capital Improvement Fund

Purpose: To fund Council capital improvements in the Waikanae Ward and also to provide capital grants to Waikanae organisations in accordance with approved criteria.

Source of Funds: Original source of funds was Waikanae's share of the property assets of the Horowhenua County Council. Current source is interest on the capital sum.

Ōtaki Carpark and Service Lane Account

Purpose: To fund Ōtaki carpark and service lane improvements.

Source of Funds: Originally an Ōtaki separate rate on the Ōtaki Commercial Area. Current source is interest.



20. Statement of Cash Flows

- a) Investing activities comprise the purchase and disposal of non-current assets used in Council operations together with money received from and investments held.
- b) Financing activities comprise the change in the debt capital structure of Council. All financing activities during the year were for cash.
- c) Reconciliation with reported deficit.

	2011/12 Actual \$000	2010/11 Actual \$000
Reported Surplus (Deficit)	(3,240)	327
Add back non cash items:		
• Depreciation	13,142	12,036
• Asset Disposal	975	-
• Vested Assets	(880)	(644)
• Revaluation of Interest Rate Swaps	5,936	1,252
• Provision for Bad Debts	67	-
• Revaluation of Forestry	204	(116)
Add (less) Movements in Other Working Capital Items:		
• (Inc)/Dec in Accounts Receivable	(274)	32
• Inc/(Dec) in Employment Entitlements	99	(12)
• Dec in Inventory	5	88
• Inc/(Dec) in Deposits	27	(52)
• Inc in Creditors (Operating)	478	4,537
• Dec in Development Contributions	(2,698)	(539)
NET CASH INFLOW FROM OPERATING ACTIVITIES (GST exclusive)	13,841	16,909

21. Total Operating Expenditure/Income

	2011/12 Actual \$000	2010/11 Actual \$000
Total Operating Expenditure includes:		
<u>Audit Fees (net of disbursements)</u>		
Fees Paid to Principal Auditors		
Annual Report	140	134
Long Term Council Community Plan	117	2
TOTAL AUDIT FEES	257	136
<u>Depreciation and Amortisation</u>		
Computer Software (Intangible Asset)	146	96
Computer Hardware / Office Equipment	526	614
Furniture and Fittings	82	89
* Motor Vehicles	271	266
Buildings and Improvements	2,366	2,040
Library Collection	347	308
Wastewater	2,188	1,937
Water	1,931	1,744
Roading	3,780	3,617
* Plant and Machinery	126	155
Bridges	271	245
River Control	13	23
Stormwater	852	724
Seawalls	243	178
TOTAL DEPRECIATION AND AMORTISATION	13,142	12,036
Note: * Motor Vehicles and Plant Depreciation are not included in the Cost of Activity Statements as these costs are netted off against internal plant hire charges.		
<u>Employee Benefit Expenses</u>		
Salaries and Wages	16,694	15,715
Employer Superannuation Contributions to:		
Multi-employer defined benefit plans	-	2
Defined contribution schemes	436	428
Increase/(Decrease) in Employee Benefit Liabilities	108	235
Allocation of Labour Costs to Capital Projects	(2,016)	(1,295)
TOTAL EMPLOYEE BENEFIT EXPENSES	15,222	15,085
Fees to Elected Members	567	595
Insurance Premiums	1,077	470
Subscriptions	81	67
Entertainment Expenses	6	5
Public Ceremonies	47	47
Grants to Community Organisations	612	554
Interest on Debt Servicing	6,170	5,669
Bad Debts Written Off – General Debtors	2	31
Total Operating Income includes:		
NZTA Operating Revenue		
Maintenance of Roads	1,175	933
Renewal Local Roads	2,046	1,269
Community Programmes	147	180
Western Link – Investigation and Design	2	-
TOTAL NZTA OPERATING REVENUE	3,370	2,382
NZTA Expressway Project		
Expressway – Investigation and Design - Revenue	(612)	(736)
Expressway – Investigation and Design - Expenditure	612	736



	2011/12 Actual \$000	2010/11 Actual \$000
NZTA Capital Revenue		
Investigation	-	-
Design	-	-
Property	-	3
TOTAL NZTA CAPITAL REVENUE	-	3
Interest Income	-	60

22. Contingencies

The Council had outstanding liability claims totalling \$482,000 as at 30 June 2012 (\$420,000 as at 30 June 2011). These claims mainly relate to building consents and resource consents.

Of the total claims outstanding the council would be liable to a maximum amount of \$142,000 (\$290,000 as at 30 June 2011) as the balance is covered by policies of insurance and indemnity arrangements.

The Council has a contingent liability of \$154,000 relating to the Council's share of Risk Pool's (Council's insurers) call relating to Leaky Home claims. This has been provided for in the 2012 Long Term Plan.

Provision has been made in the Annual Report for known leaky building claims made as at 30 June 2012 of \$525,000 (2011: \$525,000). Based on prior claims settled, future claims could be in the order of \$800,000 in total until Council's exposure to this risk finishes in 2015.

There are no contingent assets (2011: Nil).

23. Miscellaneous and Separate Funds

	2011/12 Actual \$000	2010/11 Actual \$000
Election Reserve Account	70	21
Districtwide Advance Account	286	228
Paraparaumu Beach Carpark	56	56
Housing for Older Persons Depreciation	(5)	68
Parks and Open Space / Pools Projects	20	8
Paekākāriki - Campe Estate	102	104
Districtwide Property Fund	314	327
Ōtaki Property Sales Fund	37	37
Rate Penalty Reserves	1,423	1,818
Road Upgrading Contributions	143	209
Water Upgrading Contributions	-	1
Sewerage Upgrading Contributions	-	118
Water and Sewer Renewal Funds	-	26
Paraparaumu Commuter Carpark	-	(3)
Community Max Scheme	-	10
Waste Minimisation Levy	61	95
Aquatic Centre Fundraising	362	2
Landfill Closure Account	-	216
Systems Charges	24	-
Water Conservation Loans	(13)	-
ECCA Loan repayments	16	-
Environmental Obligations	3	3
TOTAL	2,899	3,344

These funds are included in retained earnings.

24. Related Party Transactions and Balances

Subsidiary Holding Companies

The Council did not have any subsidiary holding companies in the 2011/12 year.

Key Management Personnel

During the year Councillors and key management as part of a normal customer relationship were involved in minor transactions with the Council (such as payment of rates).

There were no outstanding balances with key management personnel.

No provision has been required, nor any expense recognised for impairment of receivables to related parties.

Key Management Personnel ⁽¹⁾ Compensation

	2011/12 Actual \$000	2010/11 Actual \$000
Salaries and other short term employee benefits	1,646	1,459
Termination Benefits	-	-

Note: ⁽¹⁾ Key management personnel include the Mayor, Councillors, Chief Executive and members of the Senior Leadership Team.



25. Remuneration of the Chief Executive

The Chief Executive of the Council, Pat Dougherty, was appointed under Section 42 of the Local Government Act 2002 on 11 August 2008.

The total cost, including Fringe Benefit Tax, to the Council of the Chief Executive remuneration package was:

Total Remuneration for the Year	2011/12 Actual \$000	2010/11 Actual \$000
<u>Chief Executive</u>		
Annual Salary	266	227
Additional Benefit	-	-
Full use of Council Vehicle (including Fringe Benefit Tax)	13	13
TOTAL REMUNERATION	279	240

26. Severance Payments

For the year ended 30 June 2012 there were four severance payments (2011: one) made to employees totaling \$63,000. The value of each severance pay was \$20,000, \$20,000, \$13,000, and \$10,000.

This disclosure is in accordance with Schedule 10 of the Local Government Act 2002.

27. Events After Balance Date

There were no events after balance date that impact on Council's financial position as at 30 June 2012 (2011: nil).

28. Significant Variances in the Capital Works Programme for the 2011/12⁽¹⁾ year compared to the 2011/12 year programme in the 2009 LTCCP

Project	Actual 2011/12 \$000	2009 LTCCP 2011/12 Budget \$000	Variance \$000
Additional Water Supply/Storage Capacity ⁽²⁾	1,982	850	(1,132)
Strategic Land Purchase ⁽³⁾	3,139	-	(3,139)
Coastal Protection Paekākāriki ⁽⁴⁾	111	750	639
Water Meters ⁽⁵⁾	218	-	(218)
Gateway Visitor Centre ⁽⁶⁾	-	370	370
Ōtaki Reservoir ⁽⁷⁾	152	4,752	4,600
Civic Administration Building Upgrade ⁽⁸⁾	2,714	1,584	(1,130)
Raumati Town Centre Stormwater Upgrade ⁽⁹⁾	2,363	988	(1,375)
Western Link Road ⁽¹⁰⁾	-	2,939	2,939
New Aquatic Facility ⁽¹¹⁾	5,868	2,000	(3,868)
TOTAL	16,547	14,233	(2,314)

Notes:

- (1) It should be noted that the 2011/12 year was Year 3 of the 2009 LTCCP. Most of the significant variations between the actual capital expenditure in the 2011/12 year and the budgeted capital expenditure for the 2011/12 year as per the 2009 LTCCP, related to the re-scheduling of key major projects such as:
- The Civic Administration Building Upgrade; and
 - The new Aquatic facility.

Other significant variations generally relate to issues that were not identified until after the 2009 LTCCP was adopted.

Explanations for Significant Variances

(2) Additional Water Supply/Storage Capacity

The Council, at its meeting of 17 December 2009, approved bringing forward expenditure. Additional work was undertaken sooner than originally anticipated and future years budgets have been adjusted to reflect this. This coupled with the introduction of Water Meters has meant significant change to the scope of this project.

(3) Strategic Land Purchase

As part of the 2010/11 Annual Plan Council requested the creation of a Strategic Land Purchase Fund of \$2 million per year capped at \$4 million. ie the fund could not accumulate beyond this total. Nothing was spent in 2010/11 but \$3.139 million was spent in 2011/12 predominantly on the Howarth Block.



(4) **Coastal Protection Paekākāriki**

Council approved a timing change to complete the first two stages of the project (over nine years) in the first year.

(5) **Water Meters**

Council adopted an Amendment to the 2009 LTCCP after public consultation in June 2011 approving the installation of water meters with residential water meter charging effective from July 2014. This initial spend was on investigation, communication, project management and set up of the Water Meter project.

(6) **Gateway Visitor Centre**

A Council decision was made to upgrade an existing site in Coastlands in 2010/11 rather than developing a new site as per the 2009 LTCCP.

(7) **Ōtaki Reservoir**

As part of the 2012 Long Term Plan Council decided to defer this project to 2022/23.

(8) **Civic Administration Building Upgrade**

The 2009 LTCCP estimates and timing have been revised with the preferred option being the refurbishment of the current site. This option took longer to determine and will cost the Council a total of \$9.32million.

(9) **Raumati Town Centre Stormwater Upgrade**

The selected contractor, who was the lowest tenderer had resourcing issues which meant the project was delayed by six months and thus caused an underspend against the proposed 2009 LTCCP budget.

(10) **Western Link Road**

This project is on hold following the Expressway decision by the Minister of Transport and also until the Environmental Protection Agency (EPA) final decision is made.

(11) **New Aquatic Facility**

The facility was originally proposed to open in 2010/11 but the project was delayed. Additional time has been needed for:

- the outcome of the High Court hearings in relation to land south and west of the Council Rimu Road building earmarked for town centre development;
- the Kāpiti Coast Multi-Purpose Aquatic and Recreation Centre external fundraising to reach the required target for the preferred design; and

- significant work has occurred in the 2011/12 financial year
- Project completion is expected in March 2013

29 Rates Remission

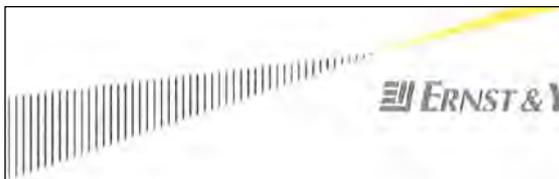
Rates revenue is shown net of rates remissions. Under the Council's Rates Remission Policies which provide for rates to be remitted for Council Community, Properties and Sporting, Recreational and other Community Organisations, as well as separately habitable parts of properties, the Council made remissions during the year that totalled \$283,439.

	2011/12 Actual \$000	2010/11 Actual \$000
Total Rates Revenue (Per the Statement of Comprehensive Income)	45,621	42,504
Add back internal Rates	518	460
Less Penalties	(536)	(526)
Total Rates Levied	45,603	42,438
Less Total Remissions (below)	(284)	(175)
Plus remitted late penalties (below)	125	39
Total Rates Revenue levied (net of Remissions)	45,444	42,302

Council Policy Remissions	2011/12 Actual \$000	2010/11 Actual \$000
Community Properties, Sporting, Recreational and Other Community Organisations	40	33
Separately Habitable Parts	119	103
Remission of Late Payment Penalties	125	39
TOTAL REMISSIONS	284	175



AUDIT REPORT



ERNST & YOUNG Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

**TO THE READERS OF
KĀPITI COAST DISTRICT COUNCIL'S
ANNUAL REPORT
FOR THE YEAR ENDED 30 JUNE 2012**

The Auditor-General is the auditor of Kāpiti Coast District Council (the "District Council"). The Auditor-General has appointed me, G J Taylor, using the staff and resources of Ernst & Young, to carry out the audit of the financial statements, non-financial performance information and other information required by schedule 10 of the Local Government Act 2002 (other information) of the District Council on her behalf.

We have audited:

- the financial statements of the District Council on pages 134 to 185, that comprise the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies, explanatory information and other information required by schedule 10 of the Local Government Act 2002; and
- the non-financial performance information of the District Council on pages 31 to 132 that includes other information required by schedule 10 of the Local Government Act 2002.

Opinion on the financial statements, non-financial performance information and other information

In our opinion:

- The financial statements of the District Council on pages 134 to 185:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the District Council's financial position as at 30 June 2012; and
 - the results of its operations and cash flows for the year ended on that date.
- The non-financial performance information of the District Council on pages 31 to 132:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects the District Council's levels of service for the year ended 30 June 2012, including:
 - the levels of service as measured against the intended levels of service adopted in the long-term council community plan; and
 - the reasons for any significant variances between the actual service and the expected service.
- The other information of the District Council contained in the financial statements and the non-financial performance information, complies with the requirements of Schedule 10 of the Local Government Act 2002 applicable to the annual report and fairly reflects the required information.

Our audit was completed on 4 October 2012. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the District Council and our responsibilities, and explain our independence.

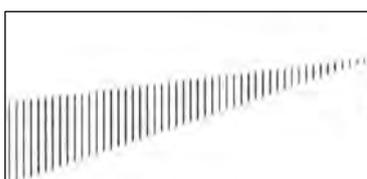
Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the financial statements, non-financial performance information and other information are free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, non-financial performance information and other information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements, non-financial performance information and other information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements,





non-financial performance information and other information whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the District Council's financial statements, non-financial performance information and other information that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the District Council;
- the adequacy of all disclosures in the financial statements, non-financial performance information and other information;
- determining the appropriateness of the reported non-financial performance information within the District Council's framework for reporting performance; and
- the overall presentation of the financial statements, non-financial performance information and other information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, non-financial performance information and other information. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the District Council

The District Council is responsible for preparing:

- financial statements and non-financial performance information that:
 - comply with generally accepted accounting practice in New Zealand;
 - fairly reflect the District Council's financial position, financial performance and cash flows;
 - fairly reflect its service performance, including achievements compared to forecast; and
- other information in accordance with Schedule 10 of the Local Government Act 2002 that fairly reflects the required information.

The District Council is responsible for such internal control as it determines is necessary to enable the preparation of financial statements, non-financial performance information and other information that are free from material misstatement, whether due to fraud or error.

The District Council's responsibilities arise from the Local Government Act 2002.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements, non-financial performance information and other information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.

Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit and the audit of the District Council's Long Term Plan, we have no relationship with or interests in the District Council.

G J Taylor
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand



OTHER INFORMATION

Term	Definition
Activity	Groups of related services, projects or goods provided by, or on behalf of the Council are combined into an activity. These activities are then linked to Community Outcomes.
Annual Plan	The Annual Plan is produced in the intervening years between Long Term Council Community Plans. It explains the variations from the activities and/or budgets in the Long Term Council Community Plan and confirms arrangements for raising revenue for the financial year.
Annual Report	The Annual Report comments on the performance of the Council against the community outcomes, objectives, policies, activities, performance measures (effectiveness measures, key actions/outputs and service standards), indicative costs, and sources of funds outlined in the Long Term Council Community Plan and the Annual Plan.
Asset	Something of value that the Council owns on behalf of the Kāpiti Coast District Community, such as roads.
Asset Management Plan	A long term planning document for managing the Council's infrastructural assets that ensures that capacity to provide a service is maintained, and that costs over the life of the assets are kept to a minimum.
Capital Expenditure	Cost of purchasing, constructing or improving an asset.
Census (2006 Census of Population and Dwellings)	Statistics New Zealand provide statistical information gathered from the 2006 Census of Population and Dwellings. The statistics provide information on the size and makeup of the New Zealand population by age, gender and ethnicity.
Community Outcomes	A set of statements owned and developed by the community with Kāpiti Coast District Council assistance, found in the <i>Kāpiti Coast: Choosing Futures - Community Outcomes</i> document. They exist to guide decisions made by the Council and to engage with other agencies about how they will invest in the community's future.
Cost of Capital	Opportunity cost of (assets less related net loan).
Council-controlled Organisation	An organisation in which one or more local authorities control 50% or more of the voting rights or appoint 50% or more of the directors.

Term	Definition
Cultural Wellbeing	<p>Includes:</p> <ul style="list-style-type: none"> • an understanding of the history of cultural traditions; • mutual respect for those traditions and values; • a willingness to seek and work with common features and values; • a reflection of those values in the present physical and social environment; • confidence that decisions about change take these principles and values into account; and • a sense of control over decisions affecting what is valued by the community.
Current Assets	Any asset which can be readily converted to cash or will be used up within the financial year.
Current Portion of Public Debt	Council debt that matures in less than 12 months.
Current Liabilities	Creditors and other liabilities due for settlement within the next 12 months, i.e. the next financial year. All other liabilities are non-current.
Debt Servicing	Interest cost on loans.
Depreciation	An accounting concept to describe the wearing out, consumption or other loss of value of an asset over its useful life.
District Plan	A plan under the Resource Management Act 1991 that manages the adverse impact of land uses on the environment of the District.
Economic Wellbeing	<p>Includes:</p> <ul style="list-style-type: none"> • economic activity that is within the capacity of natural systems to absorb effects; • local benefit; • employment, including local employment; • a local economy that can adapt to change and pressures; • having people who understand and are willing to take economic risks to establish viable businesses; • skills and the opportunity to use them; and • the ability to add value and to think what local resources may offer.
Environmental Wellbeing	<p>Includes:</p> <ul style="list-style-type: none"> • the effect of actions on the environment; • the capacity of natural systems to absorb change; • community aspirations to restore the quality of natural systems; and • the ability to harvest natural systems without harm to them.

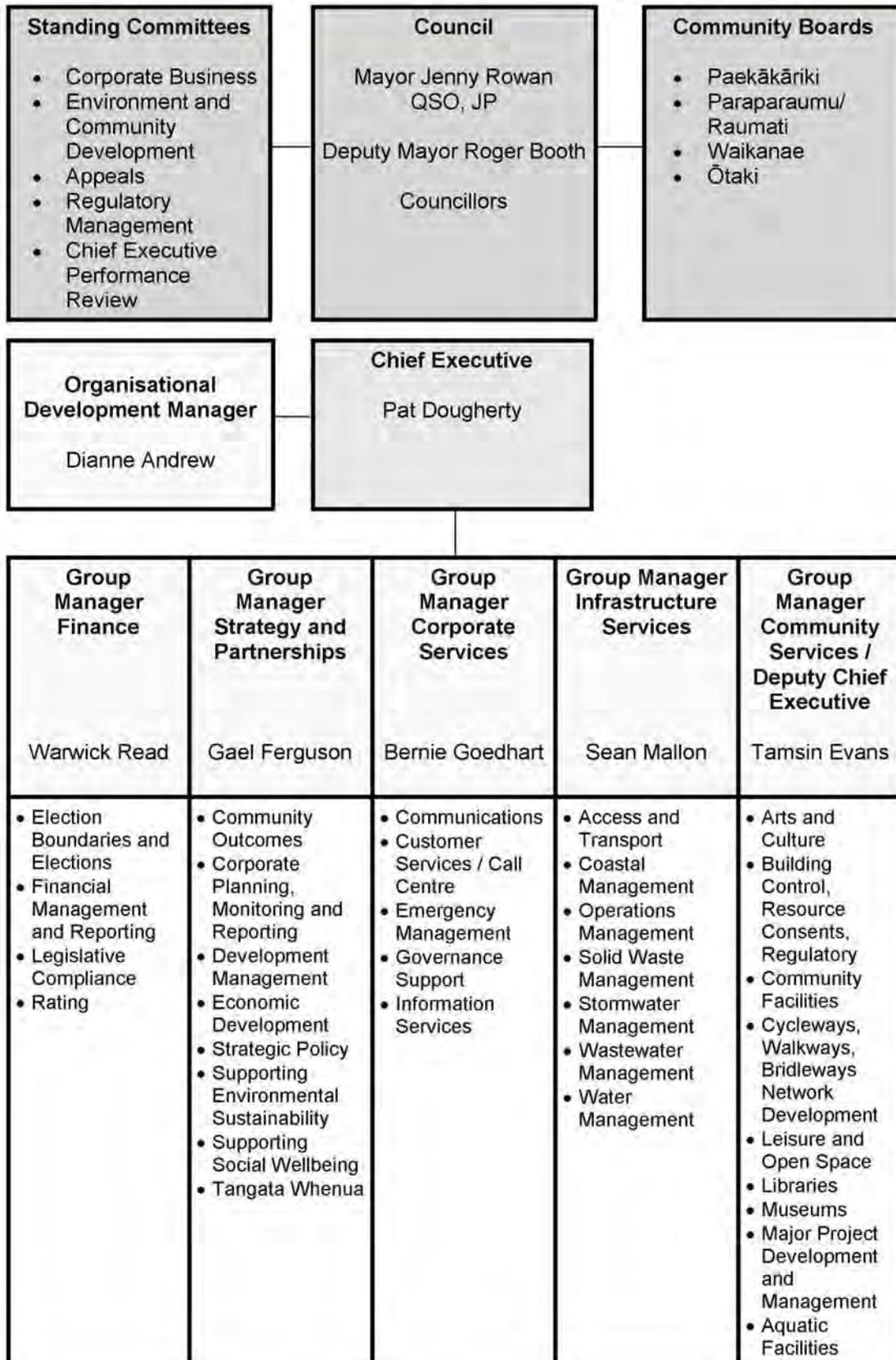


Term	Definition
External Revenue	Income (other than Rates) from external sources.
Fixed Assets	These consist of land and buildings and infrastructural assets (utilities such as roads, stormwater and wastewater networks).
Loan Repayment Provisions	Annual loan repayment provisions have replaced annual sinking funds provisions on all new loans.
Local Government Act 2002	The Local Government Act 2002 is the primary legislation that governs the Council's operations and actions.
Long Term Council Community Plan (LTCCP)	A plan which: <ul style="list-style-type: none"> describes the Council's responsibilities and contributions to the Community Outcomes developed by the Kāpiti Coast community during 2009; sets out the Council's leadership vision and how it wishes to work with the community; the suggested investment priorities for the next 20 years; identifies partners with a commitment to the wellbeing of the Kāpiti Coast community; and provides a long term programme and budget and funding choices.
Long Term Investments	Investments that have a maturity date of 12 months or longer.
Operating Costs	Costs of maintaining assets plus the allocation of overhead costs.
Non-current Portion of Public Debt	Council debt that has a maturity date of 12 months or longer.
Public Benefit Entities	Reporting entities whose primary objective is to provide goods and services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return to equity holders (as defined in New Zealand equivalents to International Financial Reporting Standards).
Public Equity	Council's net worth (i.e. total assets less total liabilities).
Short Term Investments	Investments that mature in less than 12 months.
Significance Policy	A policy which explains how the Council determines how significant a project or decisions are and the subsequent amount of consultation and analysis required.
Sinking Funds	An annual provision made towards the final repayment of loans. The sinking fund provision is calculated so that when a loan matures there are sufficient funds set aside to fully repay the loan. Sinking funds are separately invested and interest accrues each year on an annual basis. Sinking funds are no longer required on new loans raised after 1 July 1998.

Term	Definition
Social Wellbeing	<p>Includes:</p> <ul style="list-style-type: none"> • the ability of all to participate in and use what the District offers; • respect and support for people and groups that sustain and help; • the ability of individuals to see a future and feel that they might achieve it; • basic levels of physical and mental health or wellness; • personal safety and freedom from fear; • a sense of control over individual and community futures; and • affordability: ability of people to pay for basic survival (food, shelter etc) and to have enough disposable income to allow participation in local community life.
Structure Plans	<p>A structure plan is a comprehensive indicative development plan for a large area which identifies such things as bush to be protected, roads, sections, stormwater etc. It allows a more integrated sustainable development approach which weaves together urban and environmental matters. A structure plan has a legal status in the District Plan and is used in the formal resource consent process to guide particular decisions.</p>
Sustainable Development Principles	<p>A general definition is: 'development which meets the needs of the present without compromising the ability of future generations to meet their needs' (<i>Central Government - Sustainable Development: Programme for Action – published January 2003.</i>) This general statement provides some guidance for action and decision-making but does require further detail to assist with complex issues. The Local Government Act 2002 provides guidance on some principles, as does the Programme for Action cited above.</p> <p>The Kāpiti Coast District Council has developed fourteen principles to guide decision-making, based on the Local Government Act requirements, the Programme for Action and a review of principles developed by other local, regional and national governments, in New Zealand and elsewhere. These principles have been formally adopted and can be found in Section 2, Part 1 Long Term Plan 2012-2032.</p>
SWAPS	<p>A financial instrument or contract which turns fixed interest rate debt into floating rate debt or vice versa.</p>
Targeted Rates	<p>A rate that a local authority sets for a specified function or functions.</p>
Wellbeing	<p>Consists of four connected components - social, cultural, environmental and economic – that actively support the well being or “health” of a community.</p>



CITIZENS OF THE KĀPITI COAST



Staff at 1 July 2012 = 258.8 FTE (full time equivalents)



ELECTED MEMBERS CONTACT DETAILS

Elected Member	Address	Phone	Email Address
Jenny Rowan (Mayor)	366 Main Road North Paekākāriki	027 205 3600	jenny.rowan@kapiticoast.govt.nz
Roger Booth (Deputy Mayor)	53 Kiwi Road Raumati Beach	04 902 3421 027 640 4740	roger.booth@kapiti.govt.nz
Diane Ammundsen	23 Percival Road Paraparaumu	04 902 4736 027 241 7789	diane.ammundsen@kapiti.govt.nz
Mike Cardiff	16 Kereru Street Waikanae	04 293 4374 021 441 243	mike.cardiff@kapiti.govt.nz
Ross Church	386 Kapiti Road Paraparaumu	027 440 5840	ross.church@kapiti.govt.nz
Peter Ellis	4 Elder Grove Paraparaumu	04 297 0691 027 447 1883	peter.ellis@kapiti.govt.nz
Penny Gaylor (Ōtaki Ward Councillor)	145 Waitohu Valley Road, Ōtaki	06 364 7534 027 664 8869	penny.gaylor@kapiti.govt.nz
K (Guru) Gurunathan (Paraparaumu Ward Councillor)	3 Winton Street Paraparaumu	04 902 3921 021 023 13905	k.gurunathan@kapiti.govt.nz
Tony Lester (Paraparaumu Ward Councillor)	21 Merlin Court Paraparaumu	04 298 5466 027 235 6421	tony.lester@kapiti.govt.nz
Tony Lloyd (Waikanae Ward Councillor)	45 Rimu Street Waikanae	04 904 2966 021 177 6332	tony.lloyd@kapiti.govt.nz
Hilary Wooding (Paekākāriki Ward Councillor)	30 Gavin Road Raumati South	04 297 9704 027 671 1189	hilary.wooding@kapiti.govt.nz



ŌTAKI COMMUNITY BOARD

Elected Member	Address	Phone	Email Address
James Cootes (Chair)	3 Sylvia Way Te Horo RD1 Ōtaki 5581	06 364 3234 027 4572 346	james.cootes@kapiti.govt.nz
Colin Pearce	75 Freemans Road Ōtaki	06 364 6488	colin.pearce@kapiti.govt.nz
Marilyn Stevens	48 Hautere Road Te Horo	021 225 5684	marilyn.stevens@kapiti.govt.nz
(Vacancy)			

WAIKANAĒ COMMUNITY BOARD

Elected Member	Address	Phone	Email Address
Michael Scott (Chair)	14 Walton Grove Waikanae	027 448 4110	michael.scott@kapiti.govt.nz
Eric Gregory (Deputy Chair)	6A Rimu Street Waikanae	021 759 950	eric.gregory@kapiti.govt.nz
Jocelyn Prvanov	114 Rutherford Drive Waikanae	04 293 2677 021 111 0825	jocelyn.prvanov@kapiti.govt.nz
Harold Thomas	14 Karu Crescent Waikanae	027 555 8038	harold.thomas@kapiti.govt.nz



PARAPARAUMU-RAUMATI COMMUNITY BOARD

Elected Member	Address	Phone	Email Address
Louella Jensen (Chair)	20 Callendar Terrace Paraparaumu	04 298 2960 027 606 0809	louella.jensen@kapiti.govt.nz
Jonny Best (Deputy Chair)	86 Kiwi Road Raumati	027 480 0201	jonny.best@kapiti.govt.nz
Trevor Daniell	72 Leinster Avenue Raumati South	04 902 3669 027 779 1245	trevor.daniell@kapiti.govt.nz
Will Scollay	69 The Esplanade Raumati South	04 902 1463 021 420 213	will.scollay@kapiti.govt.nz

PAEKĀKĀRIKI COMMUNITY BOARD

Elected Member	Address	Phone	Email Address
Janet Holborow (Chair)	4 Ames Street Paekākāriki	04 905 7368	janet.holborow@kapiti.govt.nz
Helen Keivom (Deputy Chair)	7B Wellington Road Paekākāriki	04 905 7178 027 258 4251	helen.keivom@kapiti.govt.nz
Rosemary Barrington	15 Ames Street Paekākāriki	04 475 3822 027 232 2625	rosemary.barrington@kapiti.govt.nz
Steve Eckett	108 Wellington Road Paekākāriki	04 292 8505 027 485 2916	steve.eckett@kapiti.govt.nz



CONTACT INFORMATION FOR COUNCIL

Main Office

Postal Address:
Private Bag 60601
Paraparaumu 5254

Phone: 04 296 4700
Toll Free: 0800 486 486

Fax: 04 296 4830
Email: kapiti.council@kapiticoast.govt.nz
Website: www.kapiticoast.govt.nz

After Hours Emergencies

Including: 0800 486 486 (Toll free)
- Noise control
- Animal control
- Other emergencies



Matters relating to the electronic presentation of the summary audited financial statements, non-financial performance information and the other requirements

This audit report relates to the summary financial statements, non-financial performance information and the other requirements of Kapiti Coast District Council for the year ended 30 June 2012 included on the Kapiti Coast District Council's website. The Council is responsible for the maintenance and integrity of the Kapiti Coast District Council's website. We have not been engaged to report on the integrity of the Kapiti Coast District Council's website. We accept no responsibility for any changes that may have occurred to the summary financial statements, non-financial performance information and the other requirements since they were initially presented on the website.

The audit report refers only to the summary financial statements, non-financial performance information and the other requirements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the summary financial statements, non-financial performance information and the other requirements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited summary financial statements, non-financial performance information and the other requirements as well as the related audit report dated 4 October 2012 to confirm the information included in the audited summary financial statements, non-financial performance information and the other requirements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

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