

OIR: 2324/955

2 July 2024

[REDACTED]
[REDACTED]

Tēnā koe [REDACTED],

Request for Information under the Local Government Official Information and Meetings Act 1987 (the Act) (the LGOIMA)

Thank you for your email of **4 June 2024** requesting the following information:

- 1. It is understood that the Takutai - CAP project began 2020 with a projected budget of \$1 M can you please confirm the original first budget?***

I am advised by our Finance team that the original *total* projected budget was \$2.56 million. This informed the 2020/21 Annual Plan.

Within that budget, \$990,715 was allocated to a cost code titled “Coastal Adaptation”, which included budget for consultants, contractors-general, communication and engagement, the CAP, iwi advisory, and pre-engagement. The balance of the original budget covered costs for staff salaries, superannuation, ACC levy, telecommunications, and overheads.

Originally the Wellington Regional Council had committed to partnering and co-funding the project, however, later withdrew from the process due to a change in their priorities. Council, at the time, agreed to continue with the project and implications of increased cost to do so.

- 2. Can you please advise if the Terms of Reference were all met?***

The Terms of Reference was established between the CAP and the Council project staff at the time. The success of the CAP’s work will be determined against the scope recommended by the Co-Design Working Group, which the Council approved at the Council Meeting on 10 December 2020. This scope consisted of the following:

- 1) *The Panel is to recommend coastal adaptation options for the Council's consideration. The recommendations, including any potential cost associated with those options, should also guide development of District Plan provisions to manage coastal issues and an approach for the district dealing with coastal hazards.*
- 2) *The Panel will have access to cultural, technical, social, and economic advice to inform their report.*
- 3) *The Panel will actively seek wider community feedback and input as part of the process.*
- 4) *The Panel will have wider engagement with the Kāpiti community about the impacts of climate change and sea-level rise and potential responses by the Council and community.*
- 5) *The Panel will have the ability (at the discretion of the Chair) to invite others to attend and participate in Panel activities.*
- 6) *The Panel will need to be aware of and informed by other related processes and projects underway at the same time (which is likely to include the Waikanae ki uta ki tai project, and Kāpiti Whaitua).*

The Council's receipt of CAP's Recommendation Report at the 20 June 2024 Council meeting effectively acknowledged that the scope had been met.

Further analysis will be required of the CAP's report before Elected Councillors make any decisions regarding next steps including recommendations.

3. Can you please provide the ToR?

This is available here: <https://www.Kapiticoast.govt.nz/media/n03b2f5t/takutai-Kapiti-cap-terms-of-reference-1.pdf>

4. Were the fiscal contract progress payments [for example on a monthly basis or otherwise] made in conjunction with and matched to the ToR deliverables? And signed off as meeting those ToR Deliverables ?

I can confirm that the Council maintains a procurement policy which requires that contracted services have individual contractual agreements in place. The contracts are intended to deliver the work programme of Takutai Kāpiti which is set up to deliver the Terms of Reference. I can confirm that payment for work progressed related to these contractual agreements.

5. Can you please disclose the Group Strategy and Growth overhead expenditure charged to the Ratepayers for:

a) Takutai –CAP

I can confirm that the Council's Coastal Project team, housed more recently in Strategy and Growth, were *direct costs* charged to the Takutai Kāpiti project. These direct costs are included in previously reported project costs (that you cited to us in your email).

I can clarify that the overheads for Takutai Kāpiti included indirect corporate overhead costs. These overhead costs are allocated across all activities of the Council and include costs associated with infrastructure services, information technology, human resources, property services, finance, and risk & assurance. I am advised by our Finance team that these overhead costs are as follows:

Council Financial Year	Spend to date (excl. GST)
1 July 2020 – 30 June 2021	\$157,296
1 July 2021 – 30 June 2022	\$282,909
1 July 2022 – 30 June 2023	\$217,415
1 July 2023 – 30 June 2024	TBC

Final numbers for the current financial year will not be available until changes to the Council's group structure are finalised. These changes will happen as part of year end procedures.

b) All other strategy and Growth projects

Strategy and Growth includes Strategic Development (including Housing and Economic Development), District Planning (including the Coastal Project Team), Policy and Research, and Strategy. The Takutai Kāpiti project was the only formal project that was underway, led by the Coastal Project Team.

I can clarify that the Council approves a triennial programme of work for policy, strategy, and district planning either through the Long-Term Plan or Elected Councillor approval of the Policy Work Programme. Work progressed on Housing and Economic Development relates to working with business industry and relevant parties to facilitate implementing agreed actions from the Housing Strategy and Economic Development Strategy. These items of work constitute business-as-usual work for the Strategy and Growth function, to ensure that Council meets its legislative obligations.

I am advised by our Finance team that the indirect corporate overhead costs related to the broader work progressed by Strategy and Growth is as follows:

Council Financial Year	Overhead allocation (actual)
1 July 2020 – 30 June 2021	\$973,917
1 July 2021 – 30 June 2022	\$1,146,859
1 July 2022 – 30 June 2023	\$1,228,797
1 July 2023 – 30 June 2024	TBC

- 6. Could you please be so kind as to provide a complete all – inclusive account of expenditure made to all consultants, contractors, reviewers, Iwi and any other undisclosed party involved in this Strategy and Growth project since its inception in 2020 and to the end of 2023 -2024 fiscal year, So that the above items comprising \$5M may be reconciled.**

We will not be able to provide the complete account of expenditure on the Takutai Kāpiti project until October 2024 when the Annual Report is published. Accordingly, it is necessary to extend the timeframe for responding to this part of your request under section 14(1)(a) of the LGOIMA as the request necessitates a search through a large quantity of information and meeting the original time limit would unreasonably interfere with the operations of the local authority. The timeframe for responding to this part of your request is extended to 31 October 2024.

- 7. Could you please provide the return on this \$5 M investment [ROI] and Key Performance indicators [KPIs] it was measured to?**

The Council has not previously reported return on investment nor set key performance indicators on this basis. However, I note that if this project had not progressed, it is likely that Council would have incurred further litigation costs over a longer period of time (which is in turn one of several benefits related to the project). I note that:

- The project was originally established in response to previous litigation on coastal risk hazards, with some parts of the community.
- Council stood-up this project to meet Settlement Agreement terms with the Coastal Ratepayers United and North Otaki Beach Resident's Group.
- Further information is available [here](#) (refer to 'why do we need Takutai Kāpiti? And why now?').

I acknowledge the importance of assessing ROI and note that we have introduced new performance measures within the Long-Term Plan 2024-2034, which will enable the Council to report on return on investment for similar types of projects in future years.

On that basis I must decline this part of your request as the documents alleged to contain the information requested does not exist, or despite reasonable efforts to locate them, they cannot be found, section 17(e) of the LGOIMA refers.

- 8. Can you please provide the independent scientific credentials and experience of the peer reviewer about to review the final part of the Jacob's report due this June 2024?**

Given that you have used the words 'final part of the Jacob's report due this June 2024', I have assumed that you are referring to either the:

- Risk assessment reports which Jacobs was the overarching author for (with technical experts covering their relevant domains); or

- [Economic Analysis of Takutai Kāpiti Short-listed Coastal Adaptation Pathways](#) (commonly referred to as the economic analysis report).

We have not yet finalised detail for the peer review of these reports. On that basis I must decline this part of your request as the documents alleged to contain the information requested does not exist, or despite reasonable efforts to locate them, they cannot be found, section 17(e) of the LGOIMA refers.

9. Can you please disclose to which KCDC Financial Statement sections this total expenditure was charged to and the resulting Rating Levy recovery apportionment it was allocated to ? i.e. Either District Wide General, or Community Facilities ?

I am advised by our Finance team that the total Takutai Kāpiti project expenditure was charged to Districtwide General as coastal management activity.

10. Taking the 2022-203 Annual report as an example did Takutai – CAP charges go into Facility Operations and maintenance Item 6 P. 119 Operating Expenses? If not then where ?

I am advised by our Finance team that the Takutai Kāpiti project costs are included in the line called 'other' in the 2022/23 Annual Report operating expenses.

11. If this \$5 M was recovered in the rating levies as either District Wide or Community facilities can you please have the rating levies of those self contained rural properties referred to in OIR 2324/933 that cannot access or benefit from the Takutai / CAP expenditure project – to have the apportioned charges credited back to their rating accounts.

For clarity, I am advised by the Council's Rates Team that:

- The Council's revenue and financing policy (published with the Long-Term Plan) sets out the basis for funding each activity, whether through the districtwide general/and or targeted rates. The Funding Impact statement - Rates (FIS) forms part of Council's Long Term or Annual Plan which is approved by Elected Councillors each year. The FIS outlines the amount of revenue required and basis for charging for each rate type each year.
- For the districtwide general rate, differentials are applied to properties located within the rural rating areas (as shown in rating area maps available on the Council's website, [Kāpiti Coast Maps](#)) recognising rural areas lower population density and demand for services.
- Rural rating units less than 50 hectares are charged the districtwide general at 38% of the urban rate in the dollar of land value; rural rating units greater than or equal to 50 hectares are charged at 22% of the urban rate in the dollar of land value; and rural rating units identified as rural village (refer rating area maps) are charged at 70% of the urban rate in the dollar of land value.

In relation to your specific query, I am advised that:

Stormwater

- Of the \$4.7m (rounded to \$5m), \$3.2m was for planned stormwater and wastewater activities.
- For stormwater, 40% is funded from the districtwide general rate and 60% from the stormwater targeted rate.
- The stormwater targeted rate is applied to properties located within the districts stormwater rating areas as a rate in the dollar of capital value. The stormwater rating areas are available on the Council's website through this link [Kāpiti Coast Maps](#).

Wastewater

- For wastewater, 100% is funded from the wastewater disposal targeted rate. This applies to those properties that are either connected to the district's wastewater service or property's within 30 metres of a wastewater service which are capable of connecting.

Water supply

- The remaining \$1.5m was for water activities which is 100% funded from the water supply fixed and volumetric targeted rates. These apply to properties connected to, or within 100 metres of the districts water supply which are capable of connecting.

- 12. *With regards to OIR 2223/523 - 11 May 2023 Can you please explain what meant by the word 'output' of this project, quote ..." The output of this project is community feedback and support on coastal adaptation options over the short, medium and long-term..." ?***

I can clarify that the term 'output' was used to describe key deliverables set by the Scope and Terms of Reference for the Takutai Kāpiti project (refer back to response to question 2).

- 13. *The output of the \$5 M spent on this project should have been deliverables as defined in the Business Plan, Terms of Reference and project deliverables required to be delivered by Jacob's, Stephen Daysh and the third consultant – why is the output at variance with the ToR and deliverables ?***

Please refer to response to question 12.

- 14. *What timeframe term is meant by the use of the words "short , medium and long "?***

The Coastal Advisory Panel determined that for adaptation planning, due to the degree of uncertainty of sea level rise, that years were removed from the work that the Coastal Advisory Panel and Technical Advisory Group undertook. Instead, the movement between short-term to medium-term pathways, and then medium-term to long-term pathways is dependent on agreed triggers, signals,

and thresholds. Further information on triggers, signals and thresholds can be found within the [FAQs on the Takutai Kāpiti website](#).

15. Can you please confirm if Jacob's were RMA compliant in the provision of any of their reports.?

The Takutai Kāpiti project is not a statutory process therefore reports generated to inform it are not required to be RMA compliant. However, the work Jacobs undertook involved a number of reports, and where relevant (for example where it was possible that a report might be drawn on in a future planning process) those reports were required to give effect to the New Zealand Coastal Policy Statement and other relevant national direction or guidance. In the event any of those reports are considered in a statutory process, their compliance with RMA requirements will be formally tested.

16. Were the Jacob's report's peer reviewed by the Ministry for the Environment in view of the letter sent to the CEO Darren Edwards 8/11/2023 from the MFE Secretary?

I can clarify that we did not ask the Ministry for the Environment to peer review the Jacob's addendum, we asked them to consider concerns raised by the Kāpiti community. The Ministry's response is available [here](#).

17. Were the Jacobs reports independently reviewed by any of the following DOC, NIWA ? or any other scientific establishment with appropriate credentials, experience and supported by local and scientific testing ?

Jacobs have delivered a series of reports. I can confirm that the [Kāpiti Coast Coastal Hazards Susceptibility and Vulnerability Assessment Volume 2: Results](#) was independently peer reviewed by Beca and Greater Wellington Regional Council. The reviewers have appropriate credentials, experience and understanding of the local context to be suitable reviewers.

The addendum to the Jacobs report was sent to the Department of Conservation and the Ministry for the Environment for comment. Their comments can be found within their response to the Council [here](#) and [here](#).

**18. Were the Jacobs' reports tested against local conditions , including tidal, please refer to the SLR mistakes in the world global model GPS overlay as pointed out in my LTP 2024-2024 Submission?
[For example in the [coastal-hazard-technical-assessment-technical-report-volume-2-report.pdf appendix](#)**

I understand that the Kāpiti Coast Coastal Hazards Susceptibility and Vulnerability Assessment Volume 2: Results took into consideration the following existing protection structures and historical data:

Existing protection structures:

- For Present Day Erosion Susceptibility, the observed erosion following failure of the protection structures in the September 1976 storm event

(largest on record – classified by Lane et al (2012) as being close to 0.5% AEP for joint wave and storm tide occurrence) reported in Gibb & Wiltshire (1976) was used based on the assumption that this magnitude of erosion could occur again if the existing seawalls failed in an extreme storm event.

- For future erosion susceptibility, the assumption was that the structures that are already in place would continue to function and provide protection until the end of their maximum residual life as identified in the Council coastal structure database (Tonkin & Taylor, 2016). These maximum residual lifetimes were banded into 10-year intervals and ranged from 10 years to 50 years. Therefore, over these time frames the projected erosion from extrapolation of long-term rates and due to sea level rise would be zero, and the only projected erosion would be due to failure in an extreme storm as calculated for present day susceptibility. For modelling purposes, at the end of their maximum residual life, it is assumed that the structures have failed, are removed, and not replaced.

Historical Data used in the erosion modelling:

- Vertical aerial photographs between 1948 and to 2017 used in the Digital Shoreline Analysis System (DSAS) to calculate past rates of shoreline movements. This included images from 16 different years and give the longest possible record of comparable shoreline change.
- Periodic beach profiles surveyed for the Council at 26 sites between 2000 & 2018 were used to obtain average beach and dune profiles for determine beach closure slopes for input into the calculation of sea level rise effects on shoreline position.
- Bathymetric profiles from surveys undertaken in 2000 as presented in Lumsden (2003). These were used to determine beach closure slopes for input into the calculation of sea level rise effects on shoreline position, and to determine dune slopes for the calculation of dune stability factor in the erosion projections.
- Observations of shoreline erosion in the extreme September 1976 event as reported by Gibb & Wiltshire (1976) to determine short-term storm losses for inclusion in the erosion projections.

19. Can you please explain why the Takutai – CAP budget was excluded from the 2024-2024 LTP ?

No budget was included for the Takutai Kāpiti project, including the Coastal Advisory Panel, as the Recommendation Report was scheduled to be received by the Council in 2023/24. Receipt of the report on 20 June 2024 marked the completion of this project.

Funding for any additional services or activities related to the recommendations from the Coastal Advisory Panel would be subject to Elected Councillors' decisions and consultation through a future Long-Term Plan or Annual Plan (if appropriate).

20. Incidentally if there “was no budget” for the Takutai CAP in the LTP then where did the \$2.6 Billion and the press release come from ?

I appreciate your request for clarity, considering that new information has been circulated by the CAP, and recently referenced by media.

I can clarify that:

- The Council did not issue a media release noting a budget of \$2.6 billion for Takutai Kāpiti, CAP, or managed retreat.
- The work progressed by the Coastal Advisory Panel is not Council policy nor intended to inform immediate budget work related to the current Long-Term Plan 2024-34.
- No decisions have been made around the use or appropriateness of the pathways and their potential costs.

I understand that Justin Wong referred to the Panel’s preferred pathway community engagement management unit sheets. The management unit sheets outlined the estimated cost of potential future adaptation options. They do not reflect that any decisions have been made around next steps or to determine the likely timing that these pathways would be actioned (i.e. over 100 years), or even whether they will be accepted by the Council as preferred options.

I note that although Justin Wong did not refer to this, the Council already has adaptation activity underway outside of the Takutai Kāpiti project. This includes for example several Capital Programme items such as the replacement of sections of public seawalls and on-going dune restoration planting. I can confirm that these are not part of the Takutai Kāpiti project, nor do they related to the \$2.6 billion you reference.

You have the right to request the Ombudsman to review this decision. Complaints can be sent by email to info@ombudsman.parliament.nz, or by post to The Ombudsman, PO Box 10152, Wellington 6143.

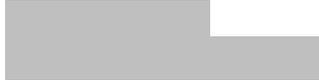
Ngā mihi,



Kris Pervan
Group Manager Strategy and Growth
Te Kaihautū Rautaki me te Tupu

OIR: 2324/955

31 October 2024



Tēnā koe 

Request for Information under the Local Government Official Information and Meetings Act 1987 (the Act) (the LGOIMA)

I write further to my letter of 2 July 2024 where in relation to your Question 6, I indicated that additional time was required in order for a decision to be made on the Response. With work on the Annual Report now completed, the Response to that Question is provided below:

Could you please be so kind as to provide a complete all – inclusive account of expenditure made to all consultants, contractors, reviewers, Iwi and any other undisclosed party involved in this Strategy and Growth project since its inception in 2020 and to the end of 2023 -2024 fiscal year, So that the above items comprising \$5M may be reconciled.

With the completion of the Annual Report, I am advised that nil overheads were charged for the financial year 2023/24. Accordingly, for completeness, I can now confirm that the all-inclusive, finalised, costs for the project including overheads was \$4,533,600 excl GST.

All-inclusive accounts of direct expenditure (excluding overheads) on this project since inception in 2020 and to the end of the project, which coincided with the end of the 2023 – 2024 financial year, is as follows:

Council Financial Year	Spend to date (excl GST)
1 July 2019 – 30 June 2020	\$386,634
1 July 2020 – 30 June 2021	\$665,558
1 July 2021 – 30 June 2022	\$793,967
1 July 2022 – 30 June 2023	\$824,746
1 July 2023 – 30 June 2024	\$1,205,074
Total (excl. GST)	\$3,875,980

Please note that the overheads associated with the project were outlined in my response to Question 5a in my letter of 2 July 2024 (this included overheads associated with the project for all financial years except 2023/24).

Please let me know if you have any further queries related to this project; noting that the Council resolved to close the project at the end of 2023/24, on receipt of the CAPs recommendation report.

Ngā mihi,

A handwritten signature in black ink, appearing to be 'Kris Pervan', written in a cursive style.

Kris Pervan

Group Manager Strategy and Growth
Te Kaihautū Rautaki me te Tupu