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# Annual Plan 2022/23

## Securing our future

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TOITŪ KĀPITI

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An update to year two of the  
2021-41 Long-term Plan

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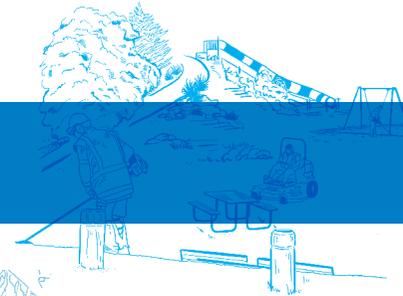
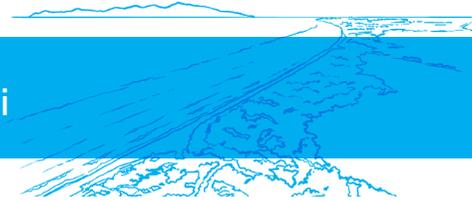
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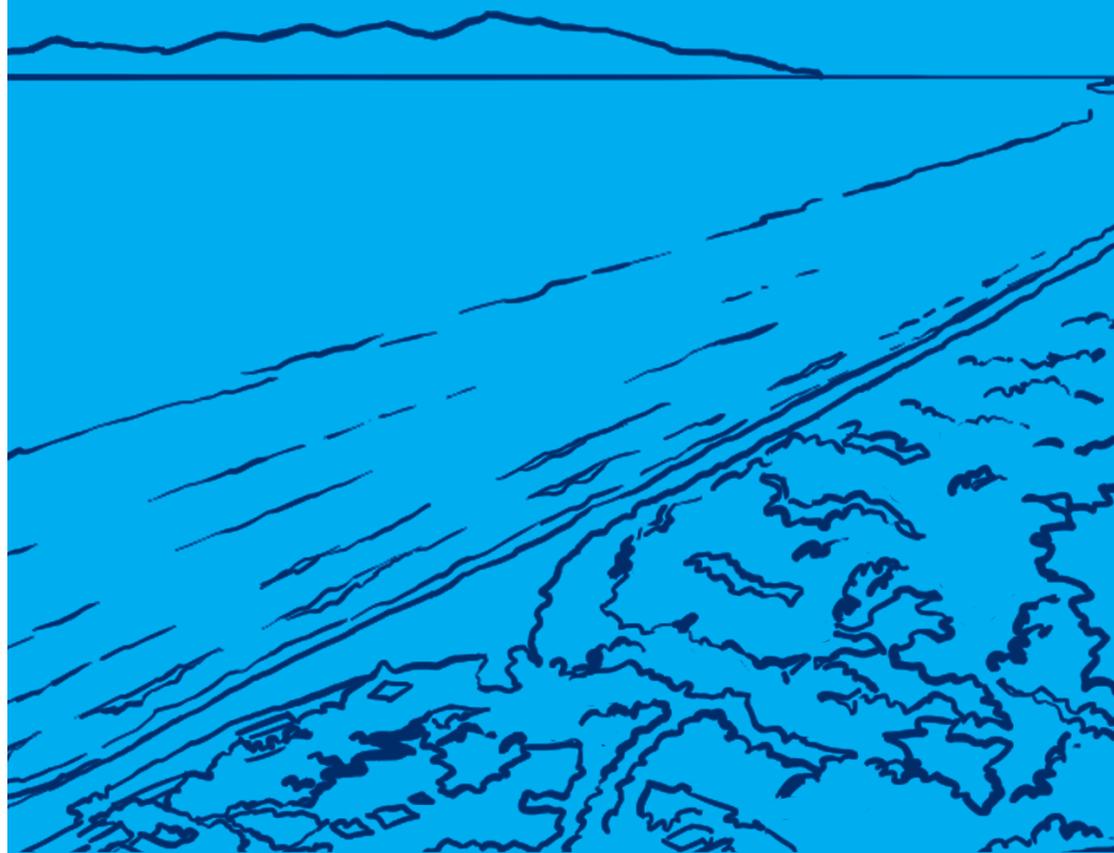
# Section 1: Mayoral and Acting Chief Executive Mihi

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## What is this section about?

This section explains that the Annual Plan 2022/23 represents year two of the 2021-41 Long-term Plan (LTP) and explains how we are responding to changes impacting us since the LTP was adopted in 2021.

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# Mayoral and Acting Chief Executive Mihi



Kia ora Kāpiti,

On behalf of your Council, we're pleased to share with you the 2022/23 Annual Plan, which is effectively year two of the LTP, *Our plan for securing our future – Toitū Kāpiti.*

## What is the Annual Plan?

An Annual Plan describes how we deliver against our LTP. It describes any updates to the LTP since it was last adopted and provides us with an opportunity to refresh information and budgets for the coming year to set rates.

Mayor of Kāpiti Coast District, K Gurunathan JP, MA (left) and Acting Chief Executive, Sean Mallon (right).

## We're sticking to year two of the LTP

Our LTP was adopted on 24 June 2021 and provides a vision of what will be delivered over the next 20 years. The LTP outlines what activities and projects we'll focus on and how they contribute towards achieving community outcomes and wider community wellbeing.

This Annual Plan needs to be read alongside the LTP, which provides significantly more detail on all aspects mentioned in this Annual Plan. Our strategic direction is on pages 29–37 of the LTP.

As a result of sticking to the LTP, there are no changes to our strategic direction, outcomes, levels of service or strategic assets.

As we implement the Annual Plan, we will remain focused on investing in essential infrastructure, facilities and services; addressing access to housing; enabling quality growth; addressing climate change impacts; reducing our carbon emissions; and continuing to support the community to cope with COVID-19 and our new normal. We will also

follow-through with the four big decisions that came out of the LTP consultation process – taking a bigger role in housing; rebuilding the Paekākāriki seawall in timber with improved beach access; setting up a Council-Controlled Organisation; and exploring whether Council may be able to have a role in the airport.



*Coastal erosion at Paekākāriki - coastal track through Queen Elizabeth Park (at the Paekākāriki end).  
Photographer: Mark Coote.*



*Trieste Way development in Paraparaumu is an example of how our housing developments are changing to accommodate growth in the district.*

## Revising the LTP to keep it relevant and achievable

While we are sticking to the LTP, a few updates are necessary to address issues that are largely beyond our control and have occurred since the LTP was adopted. These include:

- rephrasing the capital works programme to match changes in supply of and demand for materials and labour
- updating the impact of population growth as a result of the Growth Strategy, Te Tupu Pai – Growing Well
- updating fees and charges schedule to reflect costs of inflation
- slowing down the repayment of borrowing for asset replacement, given government’s mandate to transfer water assets from Council in 2024.

More information about these LTP updates can be found on page 32. Our Funding Impact Statement and updated Financial Statements also now reflect these updates in Section 4 of this plan.

## Reduced rate increase

As a result of considering our changing environment and necessary updates, we will be able to reduce the planned increase in rates from 8 percent (from the LTP) to 7.5 percent.<sup>1</sup> On average this equates to around \$4.78 per week per ratepayer.<sup>2</sup> We will also remain within the limits of our financial strategy for rates and borrowings.

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On average this equates to around

**\$4.78 per week  
per ratepayer**

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<sup>1</sup> The 7.5 percent rates increase is Council's increase and does not include the average 12.3 percent increase from Greater Wellington Regional Council.

<sup>2</sup> Based on 25,666 forecast rateable units.

## Keeping pace with change

Our lives are being increasingly disrupted by the impacts of the COVID-19 pandemic and everything is on the rise from inflation to interest rates, energy costs and the standard cost of living. These changes have been factored into the Annual Plan where appropriate.

There are significant changes coming from central governments reform agendas. These include the Three Waters Reform, the Local Government Review, Resource Management Reform (including climate change and reducing carbon emission expectations) and change in housing density and supply to address access to affordable housing.

The Future of Local Government Review could have far-reaching implications for Council and the community relating to the system of local governance; roles and functions of local government; treaty partnerships; responsive local leadership; and fiscal sustainability. A report on the reviews, results will be provided to the Minister of Local Government in April 2023 and we will monitor these movements and any implications for 2022/23 and beyond.

We are mindful too of our partnership under Te Tiriti o Waitangi and how mana whenua's views on these changes are also important to meet the needs and aspirations of iwi, whānau, hapū and local communities in a meaningful way. Over the 2022/23 year we expect our relationship with mana whenua to mature further as we seek to understand the impacts of legislative change on our community, especially those relating to resource management, three waters, climate change, housing, pā/wāhi tapu, and areas of cultural and historical significance.

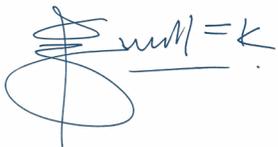
## The year ahead

While COVID-19 continues to affect our way of life, 2022/23 will be a big year for the Kāpiti Coast with Te Ara Nui o Te Rangihaeata (Transmission Gully) finally open, an aspirational growth strategy in place and a substantial list of projects and initiatives underway.

We look forward to sharing progress against this plan with you and working alongside you all, to make it happen.

Toitū te whenua, toitū te wai, toitū te tāngata –  
toitū Kāpiti.

Ngā mihi



**K Gurunathan**  
Mayor



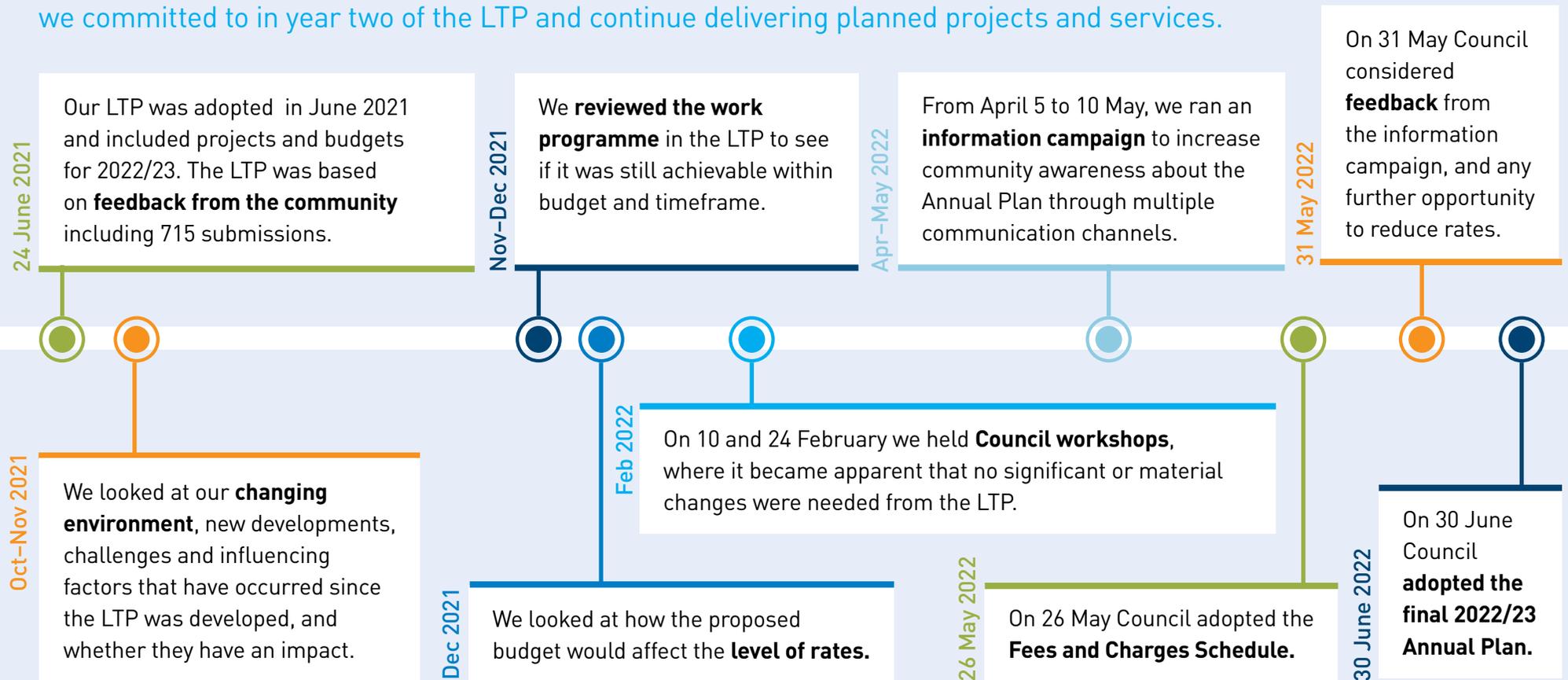
**Sean Mallon**  
Acting Chief Executive



*Mayor K Gurunathan JP*

# How we developed the 2022/23 Annual Plan

We began the process of developing the 2022/23 Annual Plan back in December 2021, by looking at changes in our operating environment (i.e. impacts of the pandemic and new legislation) and revisiting our work programme. As a result of this and several Council workshops and briefings, we decided to keep focused on what we committed to in year two of the LTP and continue delivering planned projects and services.





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# Section 2: Outcomes, activities and services

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## What is this section about?

This section describes our outcomes, activities, major projects and forecast capital spend for 2022/23.

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# Outcomes, activities and services

Collectively, activities are aimed at delivering Council outcomes

Our LTP outlined five outcomes for our community.

Over time, our progress towards achieving these outcomes will be demonstrated in the projects and activities that Council undertakes with its partners and the wider community.

Our partners include mana whenua and representatives from Ngāti Raukawa au ki te Tonga, Te Āti Awa ki Whakarongotai and Ngāti Toa Rangatira including whānau and hapū to create and maintain a mutually mana-enhancing partnership for the benefit of the whole community.



The full scope of Council's business is represented in five groups of activities below. Every one of these activities contributes towards achieving community outcomes from the LTP.



### Infrastructure



Access and transport – Putanga me te waka



Coastal management – Whakahaere takutai



Stormwater management – Wai āwhā



Water management – Wai



Wastewater management – Wai para



Sustainability and resilience – Toiūtanga me te manawaroatanga



### Community services



Parks and open space – Nga papa rēhia me ngā papa



Recreation and leisure – Ruhanui



Community facilities – Whare tapere hapori



### Partnerships



Tangata whenua



Community support – Ngā hāpai hapori



Governance – Mana whakahaere



Economic development – Whakawhanake umanga



### Planning and regulatory services



Districtwide planning – Mahere ā-rohe



Regulatory services – Ratonga whakaritenga



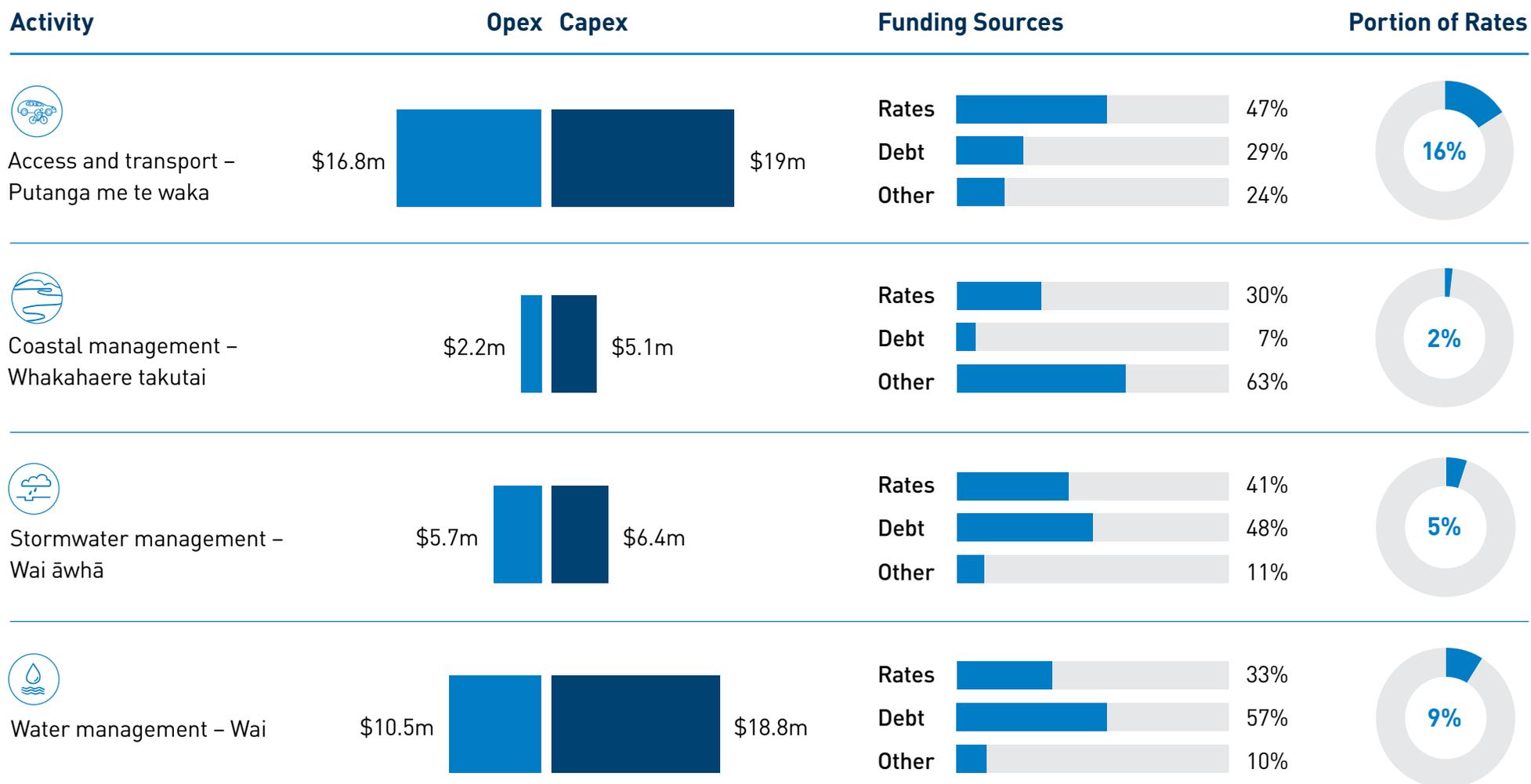
### Corporate



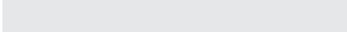
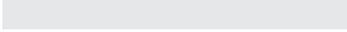
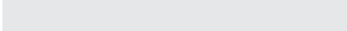
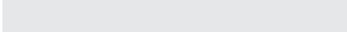
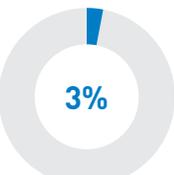
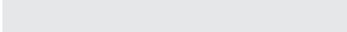
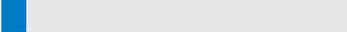
Corporate – Paheko rangapū

## Proportion of rates spend per activity

The infographic below outlines planned operating and capital spend for each activity, how they are funded, and the proportion of total rates spend across each activity.



Activity	Opex	Capex	Funding Sources	Portion of Rates
 <p>Wastewater management – Wai para</p>	\$11m	\$7.7m	<p>Rates 51%</p> <p>Debt 17%</p> <p>Other 32%</p>	9%
 <p>Sustainability and resilience – Toiūtanga me te manawaroatanga</p>	\$2.2m	\$0.6m	<p>Rates 67%</p> <p>Debt –</p> <p>Other 33%</p>	2%
 <p>Parks and open space – Nga papa rēhia me ngā papa</p>	\$8m	\$6.5m	<p>Rates 55%</p> <p>Debt 23%</p> <p>Other 22%</p>	7%
 <p>Recreation and leisure – Ruhanui</p>	\$12.7m	\$2.3m	<p>Rates 85%</p> <p>Debt 2%</p> <p>Other 13%</p>	12%

Activity	Opex	Capex	Funding Sources	Portion of Rates
 Community facilities – Whare tapere hapori	\$6.5m	\$10m	Rates  39% Debt  31% Other  30%	 6%
 Tangata whenua	\$1.1m	-	Rates  100% Debt  - Other  -	 1%
 Community support – Ngā hāpai hapori	\$3.1m	-	Rates  100% Debt  - Other  -	 3%
 Governance – Mana whakahaere	\$5.1m	\$0.1m	Rates  93% Debt  - Other  7%	 4%

Activity	Opex	Capex	Funding Sources	Portion of Rates
 Economic development – Whakawhanake umanga	\$3.1m	\$3.2m	Rates 51% Debt 49% Other –	3%
 Districtwide planning – Mahere ā-rohe	\$3.8m	–	Rates 100% Debt – Other –	4%
 Regulatory services – Ratonga whakaritenga	\$11.3m	–	Rates 100% Debt – Other –	10%
 Corporate – Paheko rangapū	\$7.9m	\$5.1m	Rates 60% Debt 30% Other 10%	7%

# Our projects and initiatives

## We are largely sticking with year two of the LTP

Our work programme for 2022/23 remains as outlined in the LTP, but some major projects and initiatives need to be rephased to reflect the reality of the current delivery environment.

In particular, the flow-on effect of COVID-19 is having a significant impact on Council projects. We are having to deal with building and construction material shortages, escalating material costs and limited contractor availability.

Council will continue to revisit timelines and budgets as year two of the LTP progresses.

More information about our projects, under Activities, can be found in the next few pages. For more information refer to the LTP at the following link.

**[Long-term Plan – Kāpiti Coast District Council \(kapiticoast.govt.nz\)](https://www.kapiticoast.govt.nz/long-term-plan)**



*Mahara Gallery construction*

## Forecast capital spend

The table below summarises the difference (at activity level) between planned capital spend from the LTP for the 2022/23 year and what we now plan to spend in the Annual Plan 2022/23.

Capital Projects	AP 2022/23 (\$m)	LTP 2022/23 (\$m)	Variance (\$m) (less)/more
<b>Activity</b>			
Access and Transport	\$19	\$29.6	(\$10.6)
Coastal Management	\$5.1	\$5.2	(\$0.1)
Community Facilities	\$10.1	\$8.3	\$1.8
Corporate	\$4.0	\$6.0	2.0
Districtwide Planning	1.1	\$1.1	-
Economic Development	\$3.1	\$0.9	\$2.2
Governance	-	-	-
Tangata Whenua	-	-	-
Parks and Open Spaces	\$6.5	\$3.3	\$3.2
Recreation and Leisure	\$2.3	\$2.1	\$0.2
Sustainability & Resilience	\$0.6	\$0.6	-
Stormwater Management	\$6.4	\$6.4	-
Wastewater Management	\$7.7	\$7.7	-
Water Management	\$18.8	\$8.1	\$10.7
<b>TOTAL CAPITAL PROJECTS</b>	<b>\$84.7</b>	<b>\$79.3</b>	<b>\$5.4</b>

This table provides a more detailed breakdown of each activities capital spend (than the previous page) and again shows the difference between LTP spend and what we now plan to spend in the 2022/23 Annual Plan, along with variance commentary.

	<b>AP 2022/23 (\$000)</b>	<b>LTP 2022/23 (\$000)</b>	<b>Variance (\$000) (less)/more</b>	<b>Notes</b>
<b>Access and Transport</b>				
Access and Transport other capex	\$3,905	\$3,935	(\$30)	
Blue Bluff	\$201	-	\$201	
Cycleways, Walkways and Bridleways	\$66	\$21	\$45	
Cycleways, Walkways and Bridleways-Parks	\$678	\$495	\$183	
Footpath programme	\$1,526	\$1,538	(\$12)	
Ihakara-Arawhata Link Rd	\$3,409	\$15,975	(\$12,566)	Delay in development of the single stage detailed business case has resulted in the project being rephased into outyears.
Minor road safety improvements	\$1,638	\$1,651	(\$13)	
Road drainage renewals	\$824	\$831	(\$7)	
Road surfacing	\$1,968	\$1,984	(\$16)	
SH1 Revocation	\$938	\$946	(\$8)	
Street light programme	\$310	\$313	(\$3)	
Tenanted buildings	\$58	\$58	-	
Town Centres programme	\$1,813	\$1,815	(\$2)	

	AP 2022/23 (\$000)	LTP 2022/23 (\$000)	Variance (\$000) (less)/more	Notes
Transport hub	\$1,621	–	\$1,621	Project cannot commence until Waka Kotahi old SH1 revocation works are completed. These works (from 2021/22 to 2022/23) are delayed due to resource issues.
<b>TOTAL</b>	<b>\$18,955</b>	<b>\$29,562</b>	<b>(\$10,607)</b>	
<b>Coastal Management</b>				
Coastal management other capex	\$434	\$439	(\$5)	
Paekakariki seawall replacement	\$3,260	\$3,291	(\$31)	
Parks and reserves other capex	\$777	\$784	(\$7)	
Raumati South seawall replacement	\$498	\$503	(\$5)	
Wharemauku block wall and Marine Pde revetment	\$163	\$165	(\$2)	
<b>TOTAL</b>	<b>\$5,132</b>	<b>\$5,182</b>	<b>(\$50)</b>	
<b>Community Facilities</b>				
Building access control	\$123	–	\$123	
Community centre	\$500	\$812	(\$312)	
Community facilities	\$540	\$491	\$49	
Community facilities - Otaki	\$54	\$54	–	
Community facilities - Paekakariki	\$126	\$73	\$53	
Community facilities - Paraparaumu	\$241	\$242	(\$1)	
Community facilities - Waikanae	\$426	\$389	\$37	

	AP 2022/23 (\$000)	LTP 2022/23 (\$000)	Variance (\$000) (less)/more	Notes
Community facilities - other	\$36	-	\$36	
Community facilities funding contributions	\$406	\$56	\$350	
Earthquake prone building remedial work	\$119	\$120	(\$1)	
Mahara Gallery	\$2,955	\$1,879	\$1,076	Budget rephased to align with agreed construction programme, planned for completion December 2022.
Older persons' housing renewals	\$738	\$970	(\$232)	
Otaki Library	\$488	\$250	\$238	
Public toilets	\$18	\$18	-	
Public toilets - Otaki Pavilion	\$1,033	\$14	\$1,019	Exploration of alternative solutions has seen the project carried over from 2021/22 to 2022/23.
Tenanted buildings	\$274	\$159	\$115	
Waikanae Library project	\$2,041	\$2,791	(\$750)	
<b>TOTAL</b>	<b>\$10,118</b>	<b>\$8,318</b>	<b>\$1,800</b>	
<b>Corporate</b>				
Health & safety fund	\$53	\$53	-	
IT equipment purchasing	\$328	\$328	-	
IT hardware	\$233	\$234	-	
IT software	\$2,413	\$2,387	\$26	
People and partnerships capex	\$21	\$21	-	
Self-insurance fund	\$263	\$263	-	

	AP 2022/23 (\$000)	LTP 2022/23 (\$000)	Variance (\$000) (less)/more	Notes
Strategic land purchase	–	\$991	\$(991)	Budget for 2022/23 was spent in 2021/22 with council approval.
Strategic property upgrades	–	\$1,050	\$(1,050)	Budget for 2022/23 was spent in 2021/22 with council approval.
Vehicle and plant purchase	\$707	\$707	–	
<b>TOTAL</b>	<b>\$4,018</b>	<b>\$6,034</b>	<b>(\$2,016)</b>	
<b>Districtwide Planning</b>				
Strategic land purchase for Housing	\$1,091	\$1,053	\$38	
<b>TOTAL</b>	<b>\$1,091</b>	<b>\$1,053</b>	<b>\$38</b>	
<b>Economic Development</b>				
Te Uruhi (Kapiti Gateway)	\$3,111	\$889	\$2,222	The delay in the Te Uruhi project was due to COVID-19 related supply chain issues. A resource consent grant delay resulted from a change in the critical path and building details.
<b>TOTAL</b>	<b>\$3,111</b>	<b>\$889</b>	<b>\$2,222</b>	
<b>Governance</b>				
IT equipment purchasing	\$57	\$57	–	
<b>TOTAL</b>	<b>\$57</b>	<b>\$57</b>	<b>–</b>	
<b>Parks and Open Spaces</b>				
Maclean Park	\$1,370	\$1,378	(\$8)	

	AP 2022/23 (\$000)	LTP 2022/23 (\$000)	Variance (\$000) (less)/more	Notes
Marine Gardens	\$307	\$309	(\$2)	
Otaraua Park stage 2	\$3,494	\$413	\$3,081	Budget rephased to align with revised design, consenting and procurement programme. Construction expected to commence February 2023.
Parks and reserves other capex	\$796	\$641	\$155	
Playground renewals	\$565	\$568	(\$3)	
<b>TOTAL</b>	<b>\$6,532</b>	<b>\$3,309</b>	<b>\$3,223</b>	
<b>Recreation and Leisure</b>				
Arts & events	\$102	\$91	\$11	
Libraries other capex	\$16	\$16	-	
Library books and furniture	\$527	\$429	\$98	
Otaki pool upgrade stage 2	\$710	\$714	(\$4)	
Pool equipment	\$173	\$94	\$79	
Pools renewals	\$753	\$758	(\$5)	
<b>TOTAL</b>	<b>\$2,281</b>	<b>\$2,102</b>	<b>\$179</b>	
<b>Stormwater Management</b>				
Major stormwater projects	\$6,016	\$6,075	(\$59)	
Minor stormwater projects	\$363	\$366	(\$3)	

	AP 2022/23 (\$000)	LTP 2022/23 (\$000)	Variance (\$000) (less)/more	Notes
<b>TOTAL</b>	<b>\$6,379</b>	<b>\$6,441</b>	<b>(\$62)</b>	
<b>Sustainability &amp; Resilience</b>				
Regulatory services other capex	\$14	\$14	-	
Solid Waste capex	\$617	\$623	(\$6)	
<b>TOTAL</b>	<b>\$631</b>	<b>\$637</b>	<b>(\$6)</b>	
<b>Tangata Whenua</b>				
People and partnerships capex	\$3	\$3	-	
<b>TOTAL</b>	<b>\$3</b>	<b>\$3</b>	<b>-</b>	
<b>Wastewater Management</b>				
New rising main Otaki	\$137	\$137	-	
Otaki WWTP	\$1,366	\$1,380	(\$14)	
Para WWTP	\$3,649	\$3,685	(\$36)	
Waikanae duplicate rising main	\$1,385	\$1,399	(\$14)	
Waste network renewals	\$1,102	\$1,112	(\$10)	
Wastewater network upgrades	\$6	\$7	(\$1)	
<b>TOTAL</b>	<b>\$7,645</b>	<b>\$7,720</b>	<b>(\$75)</b>	

	<b>AP 2022/23 (\$000)</b>	<b>LTP 2022/23 (\$000)</b>	<b>Variance (\$000) (less)/more</b>	<b>Notes</b>
<b>Water Management</b>				
Hautere water treatment plant upgrade	\$778	–	\$778	
Laboratory equipment	\$58	\$58	–	
Otaki water supply upgrade	\$4,928	\$4,554	\$374	
Paekakariki treatment plant renewal	\$163	\$165	(\$2)	
Reservoir upgrade	\$272	\$274	(\$2)	
Reservoirs	\$54	\$55	(\$1)	
Scada	\$68	\$69	(\$1)	
Waikanae water treatment plant	\$60	\$60	–	
Waikanae WTP upgrade	\$9,605	\$54	\$9,551	Carried over from 2021/22 due to pricing, design and freight delays.
Water meters	\$43	\$44	(\$1)	
Water network renewals and upgrades	\$2,718	\$2,737	(\$19)	
<b>TOTAL</b>	<b>\$18,747</b>	<b>\$8,070</b>	<b>\$10,677</b>	
<b>GRAND TOTAL</b>	<b>\$84,700</b>	<b>\$79,377</b>	<b>\$5,323</b>	

Full fees and charges can be found online [Fees and charges – Kāpiti Coast District Council \(kapiticoast.govt.nz\)](https://www.kapiticoast.govt.nz/fees-and-charges)

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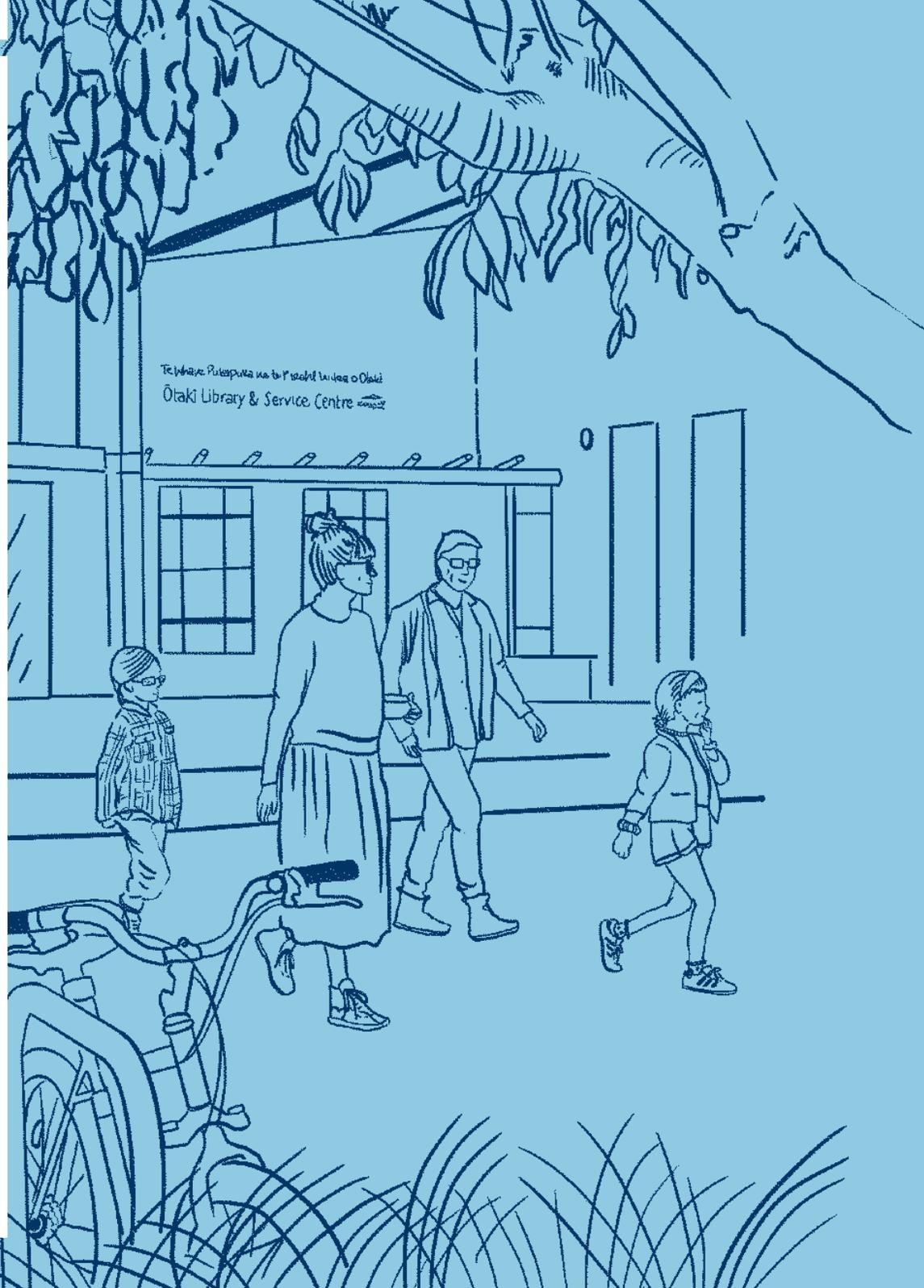
# Section 3: Minor changes to the LTP

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## What is this section about?

This section describes minor changes to the LTP within the context of our Financial Strategy and its three levers: rates, debt and capital spending.

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# Minor changes to the LTP

We have considered impacts of changes that we know about now and how we can afford to address them or respond in a manner that's in the best interests of the community.

To determine the 2022/23 budget, Council referred to three key levers in its Financial Strategy *Long-term Plan - Kāpiti Coast District Council (kapiticoast.govt.nz) Part Two pages 387-396:*

**Lever 1: Rates**

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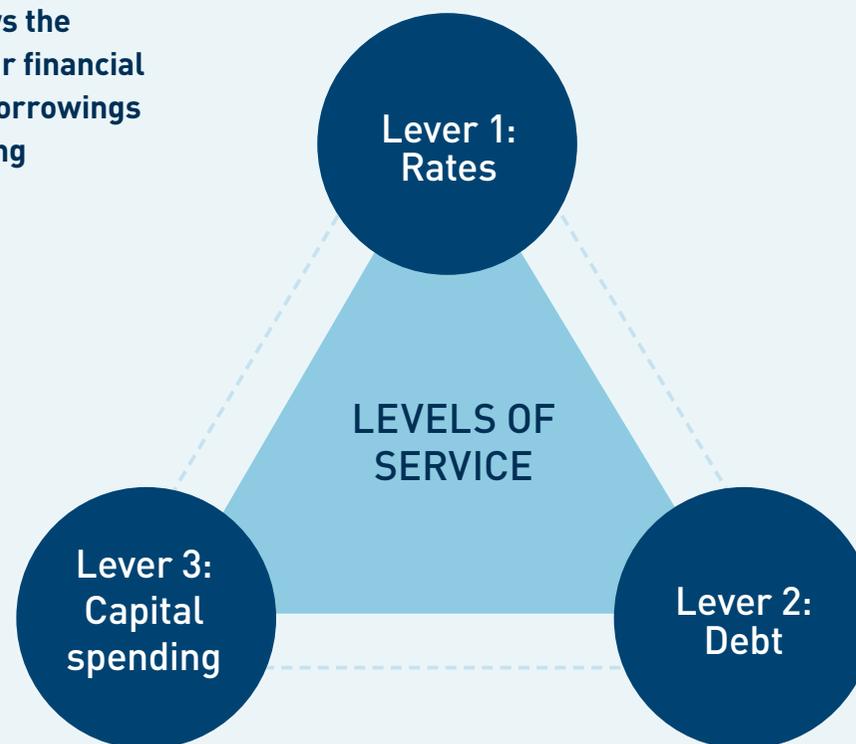
**Lever 2: Debt**

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**Lever 3: Capital spending**

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This diagram shows the three 'levers' of our financial strategy – rates, borrowings and capital spending



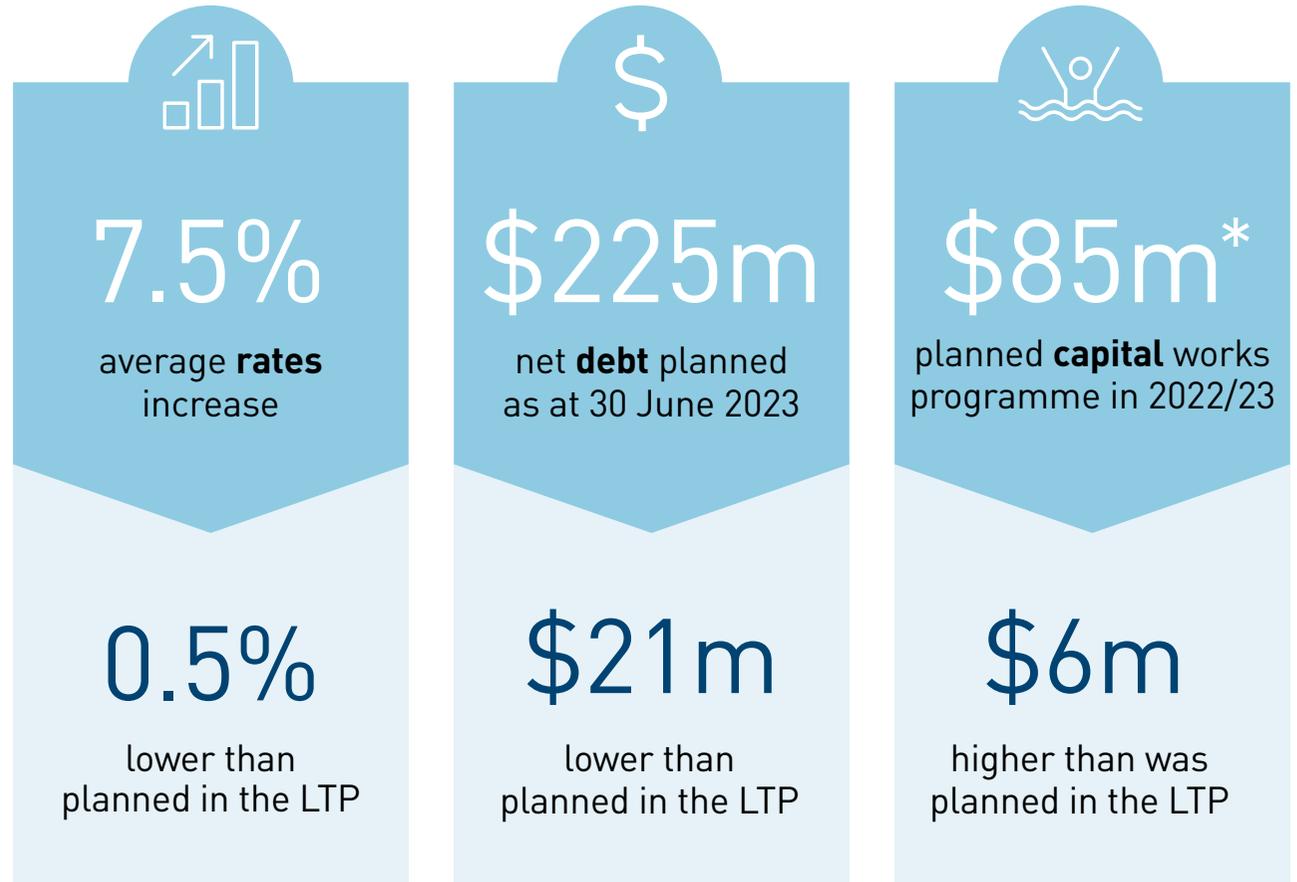
The table below describes quantified limits for each of the three levers as per the Financial Strategy.

<b>Lever 1: Rates</b>			
Target range	Preferred range	AP 2022/23	LTP 2022/23
3.0%–9.0%	4.5%–6.9%	7.5%	8.0%
<b>Lever 2: Debt</b>			
Upper limit	Preferred limit	AP 2022/23	LTP 2022/23
280% of total operating income	<250% of total operating income	\$225m (213%)	\$246m (220%)
<b>Lever 3: Capital spending</b>			
Target range	Preferred range	AP 2022/23	LTP 2022/23
\$30m–\$80m	\$40m–\$60m	\$85m	\$79m

**Three 'levers' influence what services we can provide and what development we can undertake to:**

- deliver affordable rates to the community
- keep our borrowings down, and
- get the most out of our capital spending.

After considering changes coming our way, Council has responded to them by considering the three levers.



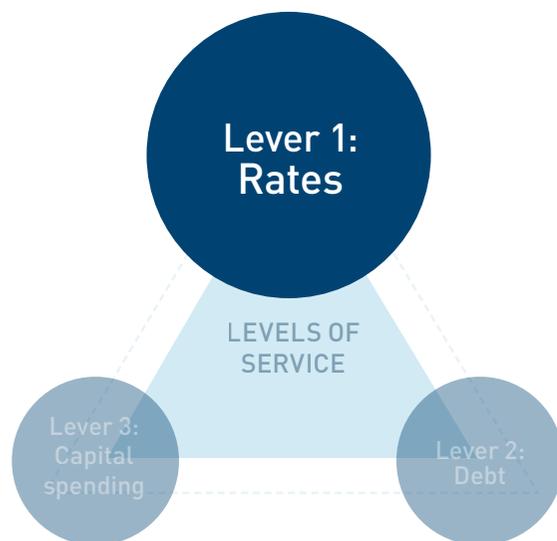
For the 2022/23 year we are reducing rates increases that were forecast in the LTP, we are being more realistic about our capital spend and cost of providing services (i.e. impacts of inflation on fees and charges) and we are reducing our debt and associated cost of debt. We are doing all this while still delivering what we promised in the LTP and considering our rapidly changing world.

\* Including capex rephased from 2021/22.



*Waikanae River.*

# Lever 1: Rates



## What are rates?

Rates are charged to ratepayers for the provision of Council services.

The proposed average rates increase for 2022/23 is 7.5 percent per ratepayer – approximately \$4.78 more per week per ratepayer. This is compared to an average increase of 8 percent projected for 2022/23 in the LTP.

Income from rates is Council's main source of funding for operating costs. The majority of the rates increase will be used to fund the increased costs of operating expense. Our district is heavily dependent on rates, as we don't have other income-earning assets such as ports, which some other councils have. We receive some additional income – about \$11 million – from fees and charges.

## How do rates work?

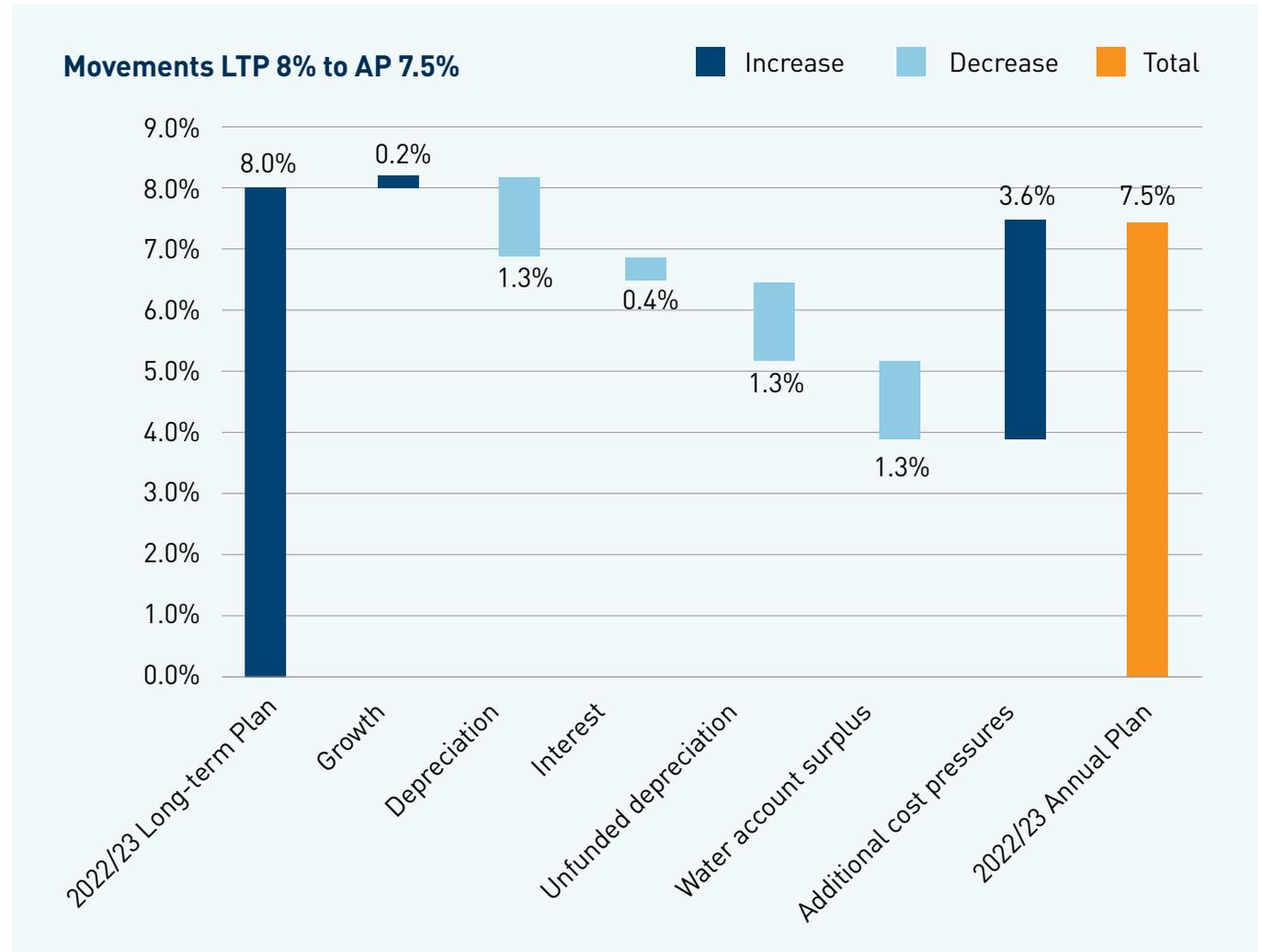
Often people want to know what makes up the increase in rates year on year. Mainly, they want to understand why the rates increase from one year to the next cannot be nil. Like all businesses, and particularly in today's challenging economic environment, we are facing cost increases.

Inflation is a key pressure for Council, with price increases affecting most of our major expense areas, including asset maintenance and replacement, and operating costs such as electricity and fuel.

Year on year, we need to cover the cost of using our assets and build funds to replace those assets when required – this is the depreciation charge. Each year when we build or buy new assets, the cost is recognised over the useful life of the asset, through depreciation which is funded through rates.

## How we reduced rates

The table to the right sets out the proposed rates increase of 8 percent from the LTP and the key movements applied to reduce the rates increase to 7.5 percent. More information about each of these movements is explained in the next few pages.



**The following minor changes have impacted on the rates figure, resulting in a proposed average rates increase of 7.5 percent**

<p><b>Slight decrease in growth projections</b></p>	<p>Council has re-examined growth projections, which resulted in a slight decrease in rateable units in 2022/23 compared with growth projections used in the LTP. The rating base is expected to grow by 0.8 percent, to 25,666 in 2022/23, which is marginally under the 1 percent projected in the LTP.</p>
<p><b>Lower depreciation charges and interest costs</b></p>	<p>Given project/capital spending for 2021/22 will be around \$43 million (lower than the \$73.5 million in year one of the LTP), there will be lower depreciation charges and interest costs in 2022/23. Due to lower spending, some capital projects will need to be rephased. This equates to a reduction in rates of approximately 1.3 percent.</p>
<p><b>Slowing down our repayments of borrowings for asset replacement</b></p>	<p>Central Government has mandated removal of the three waters assets from Council ownership from 1 July 2024. We have therefore decided to slow down our planned repayment of borrowings for asset replacement (including our water supply) and not close the unfunded depreciation gap in 2022/23. This has resulted in a 1.3 percent saving.</p>
<p><b>Returning our water account surplus</b></p>	<p>Since introducing water meters in 2014, water rates and expenses are tracked in a 'closed account' to ensure they balance over time. A surplus has built up in the closed account. We are returning \$1m of this surplus to ratepayers.</p>
<p><b>Increasing operational cost and pressures</b></p>	<p>There are increasing operational cost pressures on Council relating to growth, increasing demand for services, climate change and minimising the impacts of COVID-19 on our community. Together they result in a 3.6 percent rates impact.</p>

## Fees and charges

Council sets fees and charges for certain services to help reduce rates.

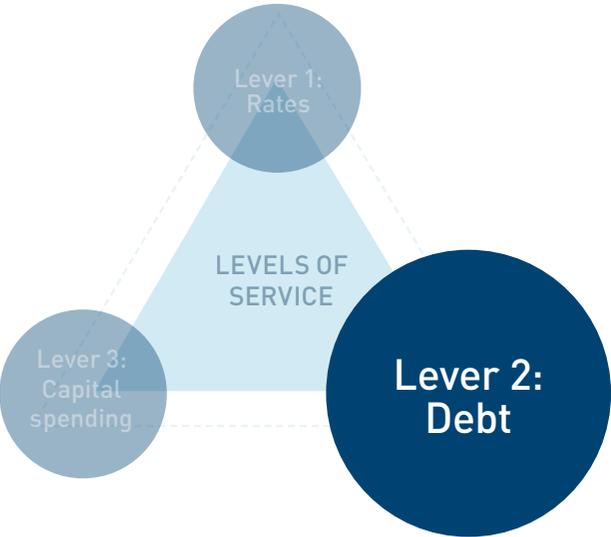
Fees and charges cover everything from hiring halls to applying for building consents. We review fees and charges for our services and facilities each year as part of the annual planning process.

This includes looking at the real cost of delivering those services, and any changes to how the services are provided, such as extended hours, or how they are being used by the community. We also want to make sure that any subsidies, such as those for Gold Card holders and Community Services Card holders, remain reasonable. We also look at inflation and, generally, each year we increase most fees and charges in line with local government inflation.

The full Fees and Charges Schedule can be found here: [www.kapiticoast.govt.nz/services/a-z-council-services-and-facilities/fees-and-charges](http://www.kapiticoast.govt.nz/services/a-z-council-services-and-facilities/fees-and-charges)



# Lever 2: Debt



### What is debt?

Money we borrow (we have access to cheaper lending through the Local Government Funding Agency).

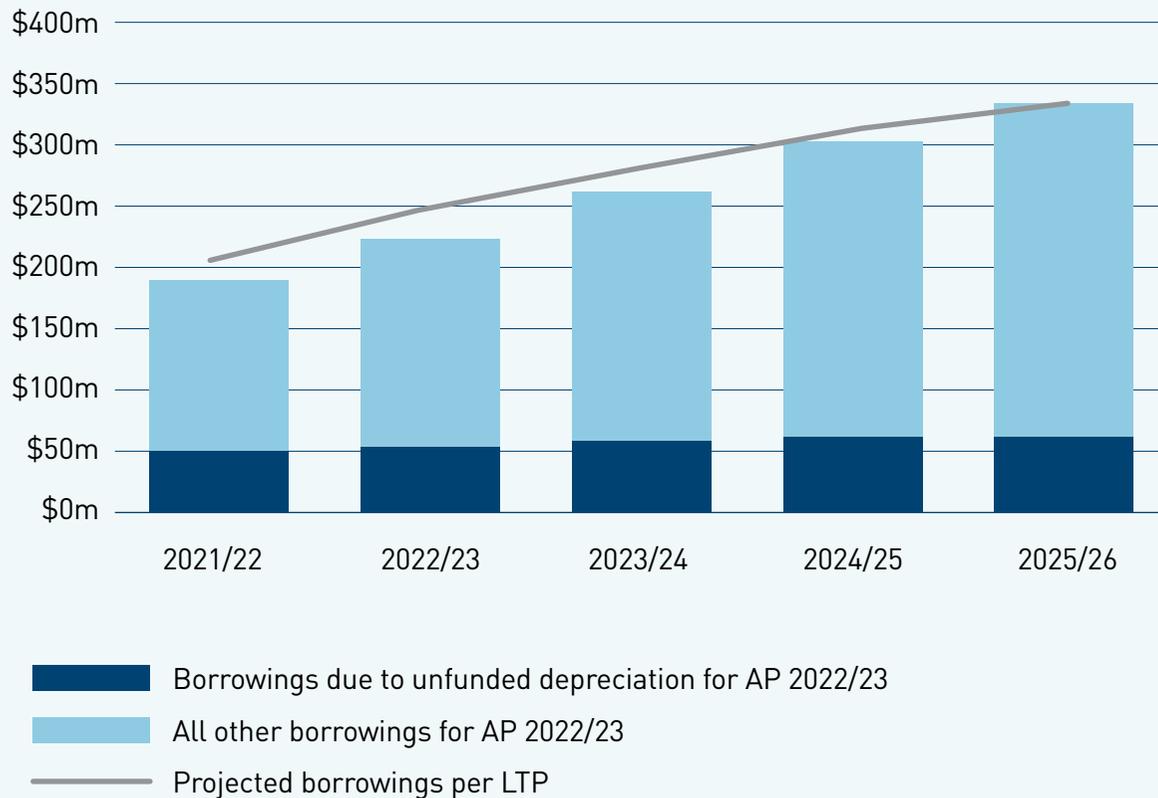
We have an upper limit for total borrowings of 280 percent of operating income, but Council’s planned total borrowings for 2022/23 are well below our previous projections and within our preferred limit.

Our work programme to upgrade and replace infrastructure and develop facilities for the district is funded by income from rates and borrowings. Council is forecasting our net borrowings on 30 June 2023 will sit at \$225 million – lower than the LTP projection of \$246 million.

In our Financial Strategy, our preferred limit is to keep our borrowings below 280 percent of operating income. At \$225 million the net borrowings will be 213 percent of our operating income.



### Our borrowings projections compared



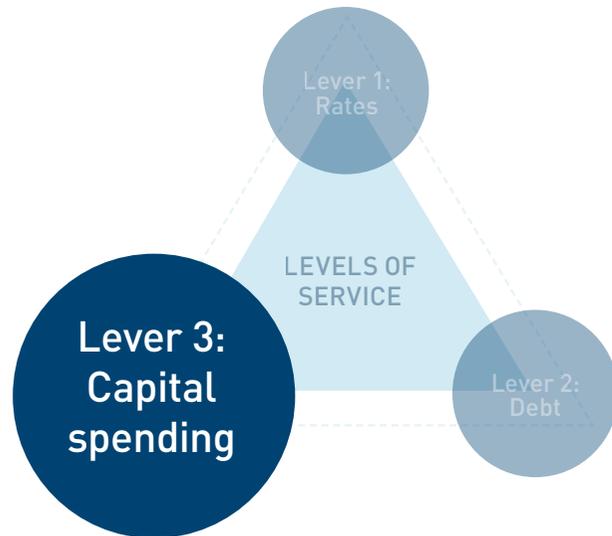
This graph shows our projected borrowings for the 2022/23 Annual Plan and how they are divided between borrowings due to unfunded depreciation and other borrowings.

The grey line shows the total borrowings, as we had projected them back in 2021 in the LTP.

Looking at borrowing against income shows how well an organisation is placed to handle and repay borrowings in the future, and it was one of the key measures used by credit rating agency Standard and Poors Global when they affirmed our AA/A-1+ long- and short-term ratings in July 2021. We have decided not to close the unfunded depreciation gap in 2022/23 as planned in the LTP as this relates mainly to three waters assets.

Over the past five years we have been implementing a strategy to transition to fully funding depreciation of our assets through our income from rates, so that we are in a strong position to borrow in the future when we need to invest in new infrastructure. Every dollar of depreciation that is not funded by rates income needs to be funded by borrowings.

# Lever 3: Capital spending



## What is capital spending?

Capital expenditure is money spent on assets that have a long-term service life. The cost is spread over the life of the asset through depreciation, and recovered through rates.

## Some rephasing of capital works is necessary given COVID-19 disruptions

A review of deliverability of our current capital work programme has resulted in rephasing of some projects into 2022/23 and beyond.



*School tour of the Waikanae Water Treatment Plant*

### Rephasing of some capital projects

Our work programme for 2022/23 remains as outlined in the LTP, but some major projects and initiatives need to be rephased to reflect the reality of the current delivery environment.

In particular, the flow-on effect of COVID-19 is having a significant impact on Council projects. We are having to deal with building and construction material shortages, escalating material costs and limited contractor availability.

Key projects we intend to rephase include the East-West connection in Paraparaumu with a 'link road' from Arawhata Road to Ihakara Street, Otaraua Park, Te Uruhi, Mahara Gallery, Public Toilets at Ōtaki Pavilion, old SH1 revocation and the Waikanae Stage 2 Water Treatment Plant upgrade.

Council is now forecasting \$43 million capital spending for 2021/22, compared with the LTP budget of \$73 million. As a result, there will be lower depreciation charges and interest costs in 2022/23 (approximately 1.3 percent reduction on rates).

Capex of \$84.7 million is forecast for 2022/23, which includes some capital expenditure carried over from 2021/22. This is above the LTP level of \$79.4 million.

It is acknowledged that delivering the programme will be challenging in the current environment. For the purpose of rates and debt calculations total capex spend of \$70 million has been assumed, which is within our financial strategy limit.

# Performance measure improvements

The following performance measures/targets from the LTP need to be amended.

Group and Activity	Measure	LTP Target	Correction
<b>Community services – Community facilities</b>	Residents who are satisfied that public toilets are clean, well-maintained and safe	Target 80%	<b>Target:</b> should be 75%
<b>Community services – Community facilities</b>	Urgent requests relating to public toilet facilities that are responded to within 4 hours	Target 75%	<b>Target:</b> should be 98%
<b>Partnerships – Governance</b>	Official information requests that are responded to within 20 working days	Target 100%	<b>Measure:</b> Official information requests that are responded to within 20 working days or by the date that a valid extension is granted

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# Section 4: Financial statements

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## What is this section about?

This section contains all financial information (and references to financial information located elsewhere) that supports delivering against our Annual Plan.

<b>Prospective financial statements</b>	<b>40</b>
<b>Prospective statement of reserve and special funds</b>	<b>48</b>
<b>Prospective Council-wide funding impact statement</b>	<b>52</b>
<b>Funding impact statements – rating policies</b>	<b>54</b>
<b>Disclosure Statement for the year ending 30 June 2023</b>	<b>82</b>
<b>Forecast rating units</b>	<b>83</b>



# Prospective financial statements

Financial statements have been prepared in the same way as financial statements in the LTP and there have been no changes to Council's significant accounting policies. Significant accounting policies can be found on pages: 302–313 in the [Long-term Plan – Kāpiti Coast District Council](#) ([kapiticoast.govt.nz](http://kapiticoast.govt.nz))

<b>Prospective statement of comprehensive revenue and expense</b>			
<b>Long-term Plan 2021/22 \$000</b>		<b>Annual Plan 2022/23 \$000</b>	<b>Long-term Plan 2022/23 \$000</b>
<b>Revenue</b>			
75,721	Rates	81,735	82,655
10,412	Fees and charges	11,862	10,831
17,144	Grants and subsidies	16,837	17,870
3,564	Development and financial contributions revenue	3,949	4,111
36,769	Other operating revenue	51,879	16,233
<b>143,610</b>	<b>Total revenue excluding gains</b>	<b>166,262</b>	<b>131,700</b>
<b>Expenses</b>			
64,501	Operating expenses	74,356	69,889
23,440	Depreciation and amortisation	25,772	25,753
<b>87,941</b>	<b>Total expenses</b>	<b>100,128</b>	<b>95,642</b>
<b>Interest</b>			
611	Interest income	1,500	550
8,150	Interest expense	8,983	8,346

**Prospective statement of comprehensive revenue and expense**

Long-term Plan 2021/22 \$000		Annual Plan 2022/23 \$000	Long-term Plan 2022/23 \$000
7,539	Total net interest	7,483	7,796
48,130	<b>OPERATING SURPLUS/(DEFICIT)</b>	58,651	28,262
	<b>Unrealised gains/(losses)</b>		
(2,535)	Unrealised gain/(loss) on revaluation of financial derivatives	7,210	(2,735)
(2,535)	Total unrealised gains/(losses)	7,210	(2,735)
45,595	<b>NET OPERATING SURPLUS/(DEFICIT)</b>	65,861	25,527
	<b>Other comprehensive revenue and expense</b>		
-	Unrealised gain/(loss) on revaluation of property plant and equipment	36,633	105,808
-	Total other comprehensive revenue and expense	36,633	105,808
45,595	<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>	102,494	131,335

## Prospective statement of changes in net assets/equity

Long-term Plan 2021/22 \$000		Annual Plan 2022/23 \$000	Long-term Plan 2022/23 \$000
1,527,206	Opening Equity	1,601,823	1,572,801
<b>ACCUMULATED FUNDS</b>			
597,378	Opening accumulated funds	623,135	642,893
45,595	Operating (surplus)/deficit	65,861	25,527
(1,373)	Transfers (to) reserves and special funds	(2,869)	(1,412)
1,293	Transfers from reserves and special funds	2,720	1,537
<b>642,893</b>	<b>Closing accumulated funds</b>	<b>688,847</b>	<b>668,545</b>
<b>RESERVES AND SPECIAL FUNDS</b>			
6,692	Opening reserves and special funds	8,157	6,772
(1,293)	Transfer (to) accumulated funds	(2,720)	(1,537)
1,373	Transfer from accumulated funds	2,869	1,412
<b>6,772</b>	<b>Closing reserves and special funds</b>	<b>8,306</b>	<b>6,647</b>

**Prospective statement of changes in net assets/equity**

<b>Long-term Plan 2021/22 \$000</b>		<b>Annual Plan 2022/23 \$000</b>	<b>Long-term Plan 2022/23 \$000</b>
<b>REVALUATION RESERVE</b>			
923,136	Opening revaluation reserve	970,531	923,136
-	Revaluation of property, plant and equipment	36,633	105,808
923,136	Closing revaluation reserve	1,007,164	1,028,944
<b>1,572,801</b>	<b>CLOSING EQUITY</b>	<b>1,704,317</b>	<b>1,704,136</b>

## Prospective statement of financial position

Long-term Plan 2021/22 \$000		Annual Plan 2022/23 \$000	Long-term Plan 2022/23 \$000
<b>Current Assets</b>			
23,882	Cash and cash equivalents	15,596	25,652
11,906	Trade and other receivables	14,552	12,838
180	Inventories	157	187
41,000	Other financial assets	51,150	46,125
55	Loans	58	48
-	Derivative financial instruments	174	-
<b>77,023</b>	<b>Total current assets</b>	<b>81,687</b>	<b>84,850</b>
<b>Non-Current Assets</b>			
1,793,486	Property plant and equipment	1,912,796	1,966,019
59	Forestry assets	29	60
3,177	Intangible assets	5,089	5,063
20,642	Other financial assets	30,720	16,525
805	Loans	706	782
-	Derivative financial instruments	16,079	-
<b>1,818,169</b>	<b>Total non-current assets</b>	<b>1,965,419</b>	<b>1,988,449</b>
<b>1,895,192</b>	<b>TOTAL ASSETS</b>	<b>2,047,106</b>	<b>2,073,299</b>
<b>Current Liabilities</b>			
38,196	Trade and other payables	34,345	41,634
2,464	Employee benefits	2,724	2,579

## Prospective statement of financial position

Long-term Plan 2021/22 \$000		Annual Plan 2022/23 \$000	Long-term Plan 2022/23 \$000
1,224	Deposits	1,568	1,451
40,000	Borrowings	55,000	45,000
103	Provisions	75	105
2,711	Derivative financial instruments	125	3,050
<b>84,698</b>	<b>Total current liabilities</b>	<b>93,837</b>	<b>93,819</b>
	<b>Non-Current Liabilities</b>		
160	Employee benefits	177	168
220,219	Borrowings	245,000	255,570
2,389	Provisions	3,627	2,285
14,925	Derivative financial instruments	148	17,321
<b>237,693</b>	<b>Total non-current liabilities</b>	<b>248,952</b>	<b>275,344</b>
<b>322,391</b>	<b>TOTAL LIABILITIES</b>	<b>342,789</b>	<b>369,163</b>
	<b>Public Equity</b>		
642,893	Accumulated funds	688,847	668,545
6,772	Reserves and special funds	8,306	6,647
923,136	Revaluation reserve	1,007,164	1,028,944
<b>1,572,801</b>	<b>TOTAL PUBLIC EQUITY</b>	<b>1,704,317</b>	<b>1,704,136</b>
<b>1,895,192</b>	<b>TOTAL LIABILITIES AND PUBLIC EQUITY</b>	<b>2,047,106</b>	<b>2,073,299</b>

## Prospective cash flow statement

Long-term Plan 2021/22 \$000		Annual Plan 2022/23 \$000	Long-term Plan 2022/23 \$000
<b>Cash flows from operating activities</b>			
<i>Cash was provided from:</i>			
75,612	Kapiti coast district council rates	80,800	82,554
2,958	Grants and subsidies	2,854	2,836
293	Interest received	1,487	264
14,469	Charges and fees	17,968	15,355
1,673	GST (net)	977	327
<b>95,005</b>		<b>104,086</b>	<b>101,336</b>
<i>Cash was applied to:</i>			
58,647	Payments to employees and suppliers	62,539	68,152
<b>58,647</b>		<b>62,539</b>	<b>68,152</b>
<b>36,358</b>	<b>Net cash inflow from operating activities</b>	<b>41,547</b>	<b>33,184</b>
<b>Cash inflows from investing activities</b>			
<i>Cash was provided from:</i>			
46,153	Loan repayment/Term deposit maturities	45,823	41,030
14,185	Proceeds from capital grants	13,346	15,034
<b>60,338</b>		<b>59,169</b>	<b>56,064</b>

**Prospective cash flow statement**

Long-term Plan 2021/22 \$000		Annual Plan 2022/23 \$000	Long-term Plan 2022/23 \$000
<i>Cash was applied to:</i>			
67,065	Construction and purchase of property, plant and equipment and intangibles	79,889	77,474
47,060	Purchase of investments	57,292	42,009
<b>114,125</b>		<b>137,181</b>	<b>119,483</b>
<b>(53,787)</b>	<b>Net cash from investing activities</b>	<b>(78,012)</b>	<b>(63,419)</b>
<b>Cash flows from financing activities</b>			
<i>Cash was provided from:</i>			
82,406	Long-term borrowing	90,000	80,350
<b>82,406</b>		<b>90,000</b>	<b>80,350</b>
<i>Cash was applied to:</i>			
8,150	Interest paid	8,968	8,346
45,000	Long-term borrowing	45,000	40,000
<b>53,150</b>		<b>53,968</b>	<b>48,346</b>
<b>29,256</b>	<b>Net cash inflow from financing activities</b>	<b>36,032</b>	<b>32,004</b>
11,827	Net increase/(decrease) in cash and cash equivalents	(433)	1,770
12,055	Total cash and cash equivalents at 1 July	16,029	23,882
<b>23,882</b>	<b>NET CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>15,596</b>	<b>25,652</b>

## Prospective statement of reserve and special funds

Reserves are held to ensure that funds received for a specified purpose are applied to that purpose and any surplus result is managed in accordance with the purpose for which the reserve was established. Council holds seven reserves, of which three are classified as restricted reserves. Restricted reserves are subject to rules under legal obligation that restrict the uses to which Council may apply the funds. The remaining Council-created reserves are discretionary reserves that have been established for the fair and transparent use of funds. Reserves are not separately held in cash and the funds are managed as part of Council's treasury management activities.

Below is a list of current reserves held by Council, outlining the purpose for holding each reserve as well as the activity to which the reserve relates.

	Prospective Opening Balance			Prospective Closing Balance
	1 July 2022	Transfers into reserve	Transfers (to) out of reserve	30 June 2023
		\$000	\$000	\$000
<b>Council Restricted Reserves</b>				
<b>Waikanae Property Fund</b>				
The purpose of the reserve is to fund improvements to Council-owned properties in Waikanae. The source of funds is the proceeds from the sale of other Council property in the Waikanae Ward (excluding district wide funded properties).	171	2	-	173

	Prospective Opening Balance		Prospective Closing Balance	
	1 July 2022	Transfers into reserve \$000	Transfers (to) out of reserve \$000	30 June 2023 \$000
<b>Waikanae Capital Improvements Fund</b>				
The purpose of the reserve is to fund capital improvements in the Waikanae Ward and also to provide capital grants to Waikanae organisations in accordance with approved criteria. The source of funds is the Waikanae Ward's share of the property assets of the Horowhenua County Council and interest earned on the capital sum.	921	9	(38)	892
<b>Plant Purchase and Renewal Fund</b>				
The purpose of the reserve is to fund ongoing replacement of plant and vehicles when required. The reserve is funded from the depreciation charges on current plant and vehicles.	1,392	707	(707)	1,392
<b>Total Council Restricted Reserves</b>	2,484	718	(745)	2,457
<b>Council Created Reserves</b>				
<b>Roading Reserve Upgrading Contributions</b>				
The purpose of the reserve is to fund road upgrading works. The source of funds is the road upgrading development contributions from developers and interest earned.	785	-	-	785

	Prospective Opening Balance		Prospective Closing Balance	
	1 July 2022	Transfers into reserve \$000	Transfers (to) out of reserve \$000	30 June 2023 \$000
<b>Election Reserve</b>				
The purpose of the reserve is to fund the three yearly election cycle. The reserve is funded from rates on an annual basis.	43	116	(256)	(97)
<b>LTP Reserve</b>	94	126	(21)	199
<b>Contingency Fund</b>				
The purpose of the reserve is to fund unexpected expenditure across the District, e.g. leaky home claims, flood events and insurance excess. The source of funds includes rates and rates penalties.	786	210	-	996
<b>Paekākāriki Campe Estate</b>				
The purpose of the reserve is to fund administration of the Paekākāriki Campe Estate for the benefit of the youth of Kāpiti. The source of the funds is the proceeds from sale of the property owned by Mr Campe plus interest earned on the capital sum.	110	1	-	111

	Prospective Opening Balance		Prospective Closing Balance	
	1 July 2022	Transfers into reserve	Transfers (to) out of reserve	30 June 2023
		\$000	\$000	\$000
<b>Financial contribution reserve</b>				
Financial contribution are a contribution of money, land, or a combination of both. The purpose of a financial contribution (consisting mainly of reserves contributions) is to address the specific adverse effects generated by a land use activity or subdivision. This includes effects on open spaces and reserves; upgrading off-site infrastructure, before programmed works that will address any environmental effects created by the proposed development; significant heritage and ecological features; and riparian margins.	3,855	1,698	(1,698)	3,855
<b>Total Council Created Reserves</b>	5,673	2,151	(1,975)	5,849
<b>Total Reserve and Special Funds</b>	<b>8,157</b>	<b>2,869</b>	<b>(2,720)</b>	<b>8,306</b>

# Prospective Council-wide funding impact statement

Long-term Plan 2021/22 \$000		Annual Plan 2022/23 \$000	Long-term Plan 2022/23 \$000
	<b>Sources of operating funding</b>		
26,445	General rate, uniform annual general charge, rates penalties	29,718	29,575
49,909	Targeted rates	52,664	53,730
2,958	Grants and subsidies for operating purposes	2,845	2,836
9,579	Fees and charges	11,057	9,980
611	Interest and dividends from investments	1,500	550
36,970	Local authorities fuel tax, fines, infringement fees, and other	52,037	16,432
<b>126,472</b>	<b>Total operating funding</b>	<b>149,821</b>	<b>113,103</b>
	<b>Applications of operating funding</b>		
64,501	Payment to staff and suppliers	74,356	69,889
8,150	Finance costs	8,983	8,346
-	Internal charges and overheads applied	-	-
-	Other operating funding applications	-	-
<b>72,651</b>	<b>Total applications of operating funding</b>	<b>83,339</b>	<b>78,235</b>
<b>53,821</b>	<b>SURPLUS/DEFICIT OF OPERATING FUNDING</b>	<b>66,482</b>	<b>34,868</b>

Long-term Plan 2021/22 \$000		Annual Plan 2022/23 \$000	Long-term Plan 2022/23 \$000
	<b>Sources of capital funding</b>		
14,185	Grants and subsidies for capital expenditure	13,992	15,034
3,564	Development and financial contributions	3,949	4,111
31,361	Increase (decrease) in debt	36,376	31,232
-	Gross proceeds from sale of assets	-	-
-	Lump sum contributions	-	-
-	Other dedicated capital funding	-	-
<b>49,110</b>	<b>Total sources of capital funding</b>	<b>54,317</b>	<b>50,377</b>
	<b>Applications of capital funding</b>		
	Capital expenditure		
7,837	>to meet additional demand	5,914	6,976
43,032	>to improve the level of service	47,086	42,013
22,595	>to replace existing assets	31,700	30,386
29,467	Increase (decrease) in reserves	36,099	5,870
-	Increase (decrease) in investments	-	-
<b>102,931</b>	<b>Total applications of capital funding</b>	<b>120,799</b>	<b>85,245</b>
<b>(53,821)</b>	<b>SURPLUS/DEFICIT OF CAPITAL FUNDING</b>	<b>(66,482)</b>	<b>(34,868)</b>
<b>-</b>	<b>FUNDING BALANCE</b>	<b>-</b>	<b>-</b>

# Funding impact statements – rating policies

## Definitions

### Urban/rural rating areas of the district

Some rates, such as the districtwide general rate, depend on what rating area the land is in. The maps of the rating areas are available at the Civic Administration Building and on the Council's website.

Kāpiti Coast District Council rate codes and categories	
Urban rating areas of the district	
U1	Paekākāriki urban rating area
	Paraparaumu/Raumati urban rating area
	Waikanae urban rating area
	Ōtaki urban rating area
Rural rating areas of the district	
R1, R2, R3	Paekākāriki rural rating area
	Paraparaumu/Raumati rural rating area
	Waikanae rural rating area
	Ōtaki rural rating area

### Differentials

For the districtwide general rate, a differential system has been applied to the rural areas to reflect their lower population density and demand for services. The differentials are:

Kāpiti Coast District Council differentials		
Urban rating area		Percentage of urban rate
U1	All rateable rating units	100%
Rural rating area		Percentage of urban rate
R1	Rural rating units less than 50 hectares excluding any such rating units in categories R2 or R3	38%

Kāpiti Coast District Council differentials		
Rural rating area		Percentage of urban rate
R2	Rural rating units equal to or greater than 50 hectares and rating units less than 50 hectares which are part of one farming operation which in total is equal to or greater than 50 hectares.	22%
R3	Rural rating units which are identified in the rural village differential rating area maps	70%

At this stage the Council is not inviting ratepayers to make lump sum contributions in relation to any targeted rate.

## Rating unit

The rating unit is determined according to rules made by the Valuer General. It is generally a property which has one record of title but can include two or more records of title or part records of title, dependent on whether the land is owned by the same person or persons and is used jointly as a single unit and is contiguous.

## Rating definitions

### Separately used or inhabited part of a rating unit

A separately used or inhabited part of a rating unit (SUIP) includes any portion inhabited or used by the owner or a person other than the owner, who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are used by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner.

For the purpose of this definition, vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.

For the avoidance of doubt, a rating unit that has a single use or occupation or is vacant land is treated as having one separately used or inhabited part.

Examples of separately used or inhabited parts include rating units that have multiple offices, shops, commercial units, dwellings or flats, rating units with a dwelling with a consented family flat or minor flat, dwellings used as a home and place of business where the above requirements are met.

In relation to motels, camping grounds, hotels, hostels, lodges, licensed hotels, and taverns, a separately used or inhabited part of a rating unit includes a part provided by a commercial business:

- for separate use as an entertainment area or for conference activities and/or any type of residential accommodation by virtue of an agreement requiring payment of a fee, or
- for accommodation (with or without fixed cooking and food preparation facilities), or
- for parking areas for caravans/mobile homes with an electric power source and access to washing/toilet facilities.

### Accommodation/Hospitality:

Means rating units used principally or exclusively as motels, camping grounds, hotels, hostels, lodges, licensed hotels, and taverns.

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### Commercial:

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Means rating units used principally or exclusively for commercial, industrial, business or utility network purposes.

This includes rating units used for:

- Commercial or industrial purposes
- Retail purposes
- Offices, administrative and/or associated functions including administrative or operational rating units of Central and Local Government
- Accommodation/hospitality
- Utility networks
- Business-related premises used principally for private pecuniary benefit

In situations where a change in use does not require a Council consent, but warrants a change in rating category, the onus is on the ratepayer to inform Council. Any change in use during a rating year will apply from 1 July of the following rating year.

### Districtwide water supply rate differential categories

<b>General</b>	Separately used or inhabited part of a rating unit that is connected to the district's water supply (excluding medium and large-scale rating units, and accommodation/hospitality)
<b>Medium scale</b>	Rating unit or separately used or inhabited parts of a rating unit, where there are 10 or more, but less than 20, whose water is collectively supplied through one or more water meters and individual check meters have not been installed
<b>Large scale</b>	Rating units or separately used or inhabited parts of a rating unit where there are 20 or more whose water is collectively supplied through one or more water meters and individual check meters have not been installed
<b>Accommodation/ Hospitality</b>	Separately used or inhabited part of a rating unit connected to the district's water supply and used principally or exclusively as motels, camping grounds, hotels, hostels, lodges, licensed hotels and taverns
<b>Serviceable</b>	Rating units not connected to the district's water supply, but within 100 metres of a water main and capable of being connected

*Note: The Council does not assess a uniform annual general charge.*

## Districtwide wastewater disposal rate differential categories

<b>General</b>	Rating units connected to the sewerage systems with one water closet or urinal other than rating units in the "Community" or "Educational" or "Recreational" or "Large Scale Commercial/Residential" categories. A rating unit used primarily as a residence for one household will not be treated as having more than one water closet
<b>Community</b>	Rating units connected to the sewerage systems and used principally or exclusively as places of religious worship and instruction, marae, hospital and welfare homes, community health services and charitable institutions that provide maintenance or relief
<b>Educational</b>	Rating units connected to the sewerage systems and used exclusively or principally by schools (with the exception of schoolhouses), colleges, polytechnics, children's health camps and early childhood centres
<b>Recreational</b>	Rating units connected to the sewerage systems and used principally or exclusively by recreational, sporting, other community organisations and Council community properties
<b>Large Scale Commercial/ Residential</b>	Rating units connected to the sewerage systems and used for large scale commercial or residential purposes as characterised by having more than one water closet or urinal and residential rating units connected to the sewerage system and used primarily as a residence for more than one household
<b>Serviceable</b>	Rating units not connected to the sewerage systems but within 30 metres of a sewer main and capable of being connected

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### **Rate instalment payment dates**

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All property rates (including the Hautere/Te Horo water supply rate, but excluding the districtwide water supply and volumetric rates) will be payable in four instalments as described below:

<b>Property rate instalment payment dates</b>		
<b>Instalment</b>	<b>Due dates</b>	<b>Penalty dates</b>
<b>Instalment one</b>	9 September 2022	12 September 2022
<b>Instalment two</b>	9 December 2022	12 December 2022
<b>Instalment three</b>	9 March 2023	10 March 2023
<b>Instalment four</b>	9 June 2023	12 June 2023

All payments made will be receipted against the earliest outstanding amount in accordance with authorised accounting procedures.

All water rates (excluding the Hautere/Te Horo water supply rate) will be payable as described below:

### Water rates

All water rates (excluding the Hautere/Te Horo water supply rate) will be invoiced separately on a quarterly basis dependent on when the relevant meter is read. The due dates for each area are specified below. The districtwide water supply fixed rate is invoiced as a daily rate for convenience.

Area	Water meters invoiced in	Due date	Penalty date
Paraparaumu/Raumati/ Raumati Beach/Raumati South/ Paekākāriki	Jul-22	26-Aug-22	29-Aug-22
	Oct-22	25-Nov-22	28-Nov-22
	Jan-23	27-Feb-23	28-Feb-23
	Apr-23	29-May-23	30-May-23
Ōtaki/Peka Peka/ Waikanae Beach	Aug-22	28-Sep-22	29-Sep-22
	Nov-22	4-Jan-23	5-Jan-23
	Feb-23	29-Mar-23	30-Mar-23
Waikanae/Nikau Valley/ Otaihanga/Paraparaumu Beach	May-23	28-Jun-23	29-Jun-23
	Sep-22	27-Oct-22	28-Oct-22
	Dec-22	24-Jan-23	25-Jan-23
	Mar-23	28-Apr-23	1-May-23
	Jun-23	28-Jul-23	31-Jul-23

All payments made will be receipted against the earliest water rate outstanding amount in accordance with authorised accounting procedures.

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## Penalties

The Council will apply the following penalties on unpaid rates in accordance with Sections 57 and 58 of the Local Government (Rating) Act 2002:

- a charge of ten percent (10%) on so much of any property rate instalment that has been assessed after 1 July 2022 and which remains unpaid after the payment due dates, to be added on the penalty dates;
  - a charge of ten percent (10%) on so much of any property rates (including previously applied penalties) assessed before 1 July 2022 that remain unpaid on 7 July 2022. The penalty will be added on 8 July 2022;
  - a charge of ten percent (10%) will be added to any portion of a current water rates invoice that remains unpaid after the due date specified. Penalty will be added on the penalty dates shown above.
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## Rates for 2022/23

### 1. Funding mechanism: rate – districtwide general

Purposes applied: districtwide general expenses including democratic services, general insurance, emergency management, public toilets and cemeteries, social wellbeing, economic development, environmental sustainability, districtwide coastal protection of the Council's infrastructure, districtwide strategic flood protection and public contribution towards the following regulatory services that are not met by user charges: resource consents, building consents, development management, environmental health, liquor licensing, hazardous substances, environmental monitoring, and animal control

Categories – rating areas	Rating basis	Revenue sought \$000 (incl. GST)
U1	Rate in \$ of land value	
R1	38% of urban rate in \$ of land value	
R2	22% of urban rate in \$ of land value	34,149
R3	70% of urban rate in \$ of land value	

## 2. Funding mechanism: targeted rate – community facilities rate

Purposes applied: Libraries, parks and reserves, swimming pools, public halls, and community centres.

Categories	Rating basis	Revenue sought \$000 (incl. GST)
All rateable rating units other than accommodation/ hospitality, motels and camping grounds	Fixed charge per separately used or inhabited part of a rating unit (base charge)	
Accommodation/ Hospitality (other than motels and camping grounds)	200% base charge per separately used or inhabited part of a rating unit	24,399
Motels and camping grounds	30% base charge per separately used or inhabited part of a rating unit	

## 3. Funding mechanism: targeted rate – districtwide roading capital value rate

Purposes applied: Roading expenditure.

Categories	Rating basis	Revenue sought \$000 (incl. GST)
Whole district	Rate in \$ of capital value	10,942

#### 4. Funding mechanism: targeted rate – districtwide stormwater rate

Purposes applied: Operating and loan servicing costs of stormwater in the district’s stormwater drainage areas. Maps showing the district’s stormwater rating areas are available on the Council’s website.

Categories – rating areas	Rating basis	Revenue sought \$000 (incl. GST)
Paekākāriki stormwater rating area		
Paraparaumu/ Raumati stormwater rating area		
Waikanae stormwater rating area	Rate in \$ of capital value	3,434
Ōtaki stormwater rating area		
As defined in the stormwater rating area maps.		

## 5. Funding mechanism: targeted rate – districtwide water supply fixed rate

Purposes applied: Water supply system, excluding the Hautere/Te Horo Water scheme. Funding is apportioned fifty to fifty five percent between the districtwide water supply fixed rate and the districtwide water supply volumetric rate

Categories	Rating basis	Revenue sought \$000 (incl. GST)
General rating units	Fixed charge per separately used or inhabited part of a rating unit (base charge)	
Medium scale rating units	90% base charge per separately used or inhabited part of a rating unit	
Large scale rating units	80% base charge per separately used or inhabited part of a rating unit	5,766
Accommodation/Hospitality rating units	200% base charge per separately used or inhabited part of a rating unit	
Serviceable rating units	100% base charge per rating unit	

**6. Funding mechanism: targeted rate – districtwide water supply volumetric rate**

Purposes applied: Water supply system, excluding the Hautere/Te Horo Water scheme. Funding is apportioned fifty to fifty five percent between the districtwide water supply fixed rate and the districtwide water supply volumetric rate

Categories – rating areas	Rating basis	Revenue sought \$000 (incl. GST)
All rating units provided with a metered water supply service	Fixed rate per cubic metre of water consumed or supplied	5,121

**7. Funding mechanism: targeted rate – Hautere/Te Horo water supply rate**

Purposes applied: Water supply system for the Hautere/Te Horo water scheme.

Categories – rating areas	Rating basis	Revenue sought \$000 (incl. GST)
All rating units with a unit allocation to Hautere/Te Horo water supply	Fixed charge per unit of allocation (annual allocation of 1 unit = 1 cubic metre of water per day)	316

## 8. Funding mechanism: targeted rate – districtwide wastewater disposal rate

Purposes applied: Wastewater disposal in the Waikanae, Paraparaumu, Raumati and Otaki rating areas.

Categories	Rating basis	Revenue sought \$000 (incl. GST)
General rating units	Fixed charge per rating unit (base charge)	
Community rating units	50% base charge for every water closet or urinal	
Educational rating units	45% base charge for every water closet or urinal	10,995
Recreational rating units	25% base charge for every water closet or urinal	
Large scale commercial/residential rating units	50% base charge for every water closet or urinal	
Serviceable rating units	50% base charge per rating unit	

## 9. Funding mechanism: targeted rate – Paraparaumu/Raumati community rate

Purposes applied: Historic debt servicing costs of roading and stormwater activities, coastal protection, Matai Road industrial area improvements, and community board expenses for Paraparaumu and Raumati, including local grants.

Categories – rating areas	Rating basis	Revenue sought \$000 (incl. GST)
All rateable rating units in the Paraparaumu and Raumati urban and rural rating areas as per Council's rating area maps	Rate in \$ of capital value	216

### 10. Funding mechanism: targeted rate – Waikanae community rate

Purposes applied: Historic debt servicing costs of roading and stormwater activities and Waikanae Community Board expenses, including local grants.

Categories – rating areas	Rating basis	Revenue sought \$000 (incl. GST)
All rateable rating units in the Waikanae urban and rural rating areas as per Council's rating area maps	Rate in \$ of capital value	107

### 11. Funding mechanism: targeted rate – Ōtaki community rate

Purposes applied: Historic debt servicing costs for roading and stormwater activities. Support for community initiatives of significance to the Ōtaki community, such as grants to the Ōtaki Heritage Bank Preservation Trust to assist with the funding of the museum activities. Ōtaki Community Board expenses, including local grants.

Categories – rating areas	Rating basis	Revenue sought \$000 (incl. GST)
All rateable rating units in the Ōtaki urban and rural rating areas as per Council's rating area maps	Rate in \$ of capital value	86

## 12. Funding mechanism: targeted rate – Paekākāriki community rate

Purposes applied: Historic debt servicing costs for roading, stormwater and coastal protection. Loan servicing costs on a loan to the Paekākāriki Community Trust to assist with the refurbishment of St Peters Hall. Paekākāriki Community Board expenses, including local grants.

Categories – rating areas	Rating basis	Revenue sought \$000 (incl. GST)
All rateable rating units in the Paekākāriki urban and rural rating areas as per Council's rating area maps	Rate in \$ of capital value	59

## 13. Funding mechanism: targeted rate – Commercial rate

Purposes applied: A portion of the cost of providing economic development in the Kāpiti District. The remainder is funded by the Districtwide General rate

Categories – rating areas	Rating basis	Revenue sought \$000 (incl. GST)
All Commercial rating units	Rate in \$ of capital value	650
<b>TOTAL (GST inclusive)</b>		<b>\$96,240</b>

#### 14. Funding mechanism: targeted rate – water conservation device loan rate

Purposes applied: Repayment of interest free water conservation devices loans

Categories – rating areas	Rating basis	Revenue sought \$000 (incl. GST)
A targeted rate on those rating units that have received an interest free loan (maximum of \$5,000 per rating unit) for approved water conservation devices from the Council that has not yet been fully repaid	10% of the amount of the original loan plus GST	58

#### Analysis of total rates for 2022/23

	Excl. GST \$000	Incl. GST \$000
Rates (including Hautere, excluding fixed and volumetric water rates)	74,220	85,353
Fixed water rates (Excluding Hautere)	5,014	5,766
Volumetric water rates	4,453	5,121
<b>Total</b>	<b>83,687</b>	<b>96,240</b>
Water conservation device loan	50	58
<b>Total</b>	<b>83,737</b>	<b>96,298</b>

### Paraparaumu and Raumati Rating Areas: urban examples 2022/23 rates inclusive of GST

Land value (LV)	Capital value (CV)	Rating year	DW general rate	DW roading rate	Community facilities rate	Local community rate	Storm-water charge	Waste-water charge	Water fixed charge	Water volumetric (based on 255m3)	Total rates	Annual rates increase	Annual % change
			LV	CV	Fixed	CV	CV	Fixed					
190,000	490,000	2021/22	573.76	292.92	806.00	4.51	89.28	440.00	222.00	303.45	2,731.92		
190,000	490,000	2022/23	669.12	270.09	859.00	10.58	97.66	466.00	222.00	303.45	2,897.90	165.98	6.08%
390,000	660,000	2021/22	1,177.72	394.55	806.00	6.07	120.25	440.00	222.00	303.45	3,470.04		
390,000	660,000	2022/23	1,373.46	363.79	859.00	14.26	131.54	466.00	222.00	303.45	3,733.50	263.45	7.59%
1,280,000	1,850,000	2021/22	3,865.34	1,105.93	806.00	17.02	337.07	440.00	222.00	303.45	7,096.81		
1,280,000	1,850,000	2022/23	4,507.78	1,019.72	859.00	39.96	368.71	466.00	222.00	303.45	7,786.61	689.80	9.72%
<b>Median property</b>													
370,000	670,000	2021/22	1,117.33	400.53	806.00	6.16	122.07	440.00	222.00	303.45	3,417.54		
370,000	670,000	2022/23	1,303.03	369.30	859.00	14.47	133.53	466.00	222.00	303.45	3,670.79	253.25	7.41%

**Paraparaumu and Raumatī Rating Areas: rural examples 2022/23 rates inclusive of GST (excluding districtwide fixed and volumetric water supply rates)**

Land value (LV)	Capital value (CV)	Rating year	DW general rate	DW roading rate	Community facilities rate	Local community rate	Stormwater charge	Total rates	Annual rates increase	Annual % change
			LV	CV	Fixed	CV	CV			
150,000	520,000	2021/22	172.13	310.86	806.00	4.78	94.74	1,388.51		
150,000	520,000	2022/23	200.73	286.62	859.00	11.23	103.64	1,461.22	72.71	5.24%
<b>(Rural less than 50 ha)</b>										
510,000	1,080,000	2021/22	1,078.09	645.62	806.00	9.94		2,539.65		
510,000	1,080,000	2022/23	1,257.25	595.30	859.00	23.33		2,734.88	195.23	7.69%
<b>(Rural village)</b>										
1,250,000	1,740,000	2021/22	830.50	1,040.17	806.00	16.01		2,692.68		
1,250,000	1,740,000	2022/23	968.50	959.09	859.00	37.58		2,824.17	131.49	4.88%
<b>(Rural 50 ha or more)</b>										
<b>Median property</b>										
590,000	1,080,000	2021/22	677.03	645.62	806.00	9.94		2,138.59		
590,000	1,080,000	2022/23	789.54	595.30	859.00	23.33		2,267.16	128.58	6.01%

### Waikanae Rating Area: urban examples 2022/23 rates inclusive of GST

Land value (LV)	Capital value (CV)	Rating year	DW general rate	DW roading rate	Community facilities rate	Local community rate	Storm-water charge	Waste-water charge	Water fixed charge	Water volumetric (based on 255m3)	Total rates	Annual rates increase	Annual % change
			LV	CV	Fixed	CV	CV	Fixed					
240,000	550,000	2021/22	724.75	328.79	806.00	9.85	100.21	440.00	222.00	303.45	2,935.05		
240,000	550,000	2022/23	845.21	303.16	859.00	10.07	109.62	466.00	222.00	303.45	3,118.50	183.45	6.25%
400,000	730,000	2021/22	1,207.92	436.39	806.00	13.07	133.01	440.00	222.00	303.45	3,561.84		
400,000	730,000	2022/23	1,408.68	402.38	859.00	13.36	145.49	466.00	222.00	303.45	3,820.35	258.52	7.26%
1,740,000	2,480,000	2021/22	5,254.45	1,482.54	806.00	44.39	451.86	440.00	222.00	303.45	9,004.69		
1,740,000	2,480,000	2022/23	6,127.76	1,366.98	859.00	45.38	494.26	466.00	222.00	303.45	9,884.83	880.14	9.77%
<b>Median property</b>													
365,000	690,000	2021/22	1,102.23	412.48	806.00	12.35	125.72	440.00	222.00	303.45	3,424.23		
365,000	690,000	2022/23	1,285.42	380.33	859.00	12.63	137.52	466.00	222.00	303.45	3,666.34	242.11	7.07%

**Waikanae Rating Area: Rural examples 2022/23 rates inclusive of GST (excluding districtwide fixed and volumetric water supply rates)**

Land value (LV)	Capital value (CV)	Rating year	DW general rate	DW roading rate	Community facilities rate	Local community rate	Total rates	Annual rates increase	Annual % change	
			LV	CV	Fixed	CV				
270,000	560,000	2021/22	570.75	334.77	806.00	10.02	1,721.55			
270,000	560,000	2022/23	665.60	308.67	859.00	10.25	1,843.52	121.98	7.09%	
<b>(Rural village)</b>										
250,000	670,000	2021/22	286.88	400.53	806.00	11.99	1,505.39			
250,000	670,000	2022/23	334.55	369.30	859.00	12.26	1,575.12	69.72	4.63%	
<b>(Rural less than 50 ha)</b>										
700,000	1,390,000	2021/22	465.08	839.94	806.00	24.88	2,126.90			
700,000	1,390,000	2022/23	542.36	766.17	859.00	25.44	2,192.97	66.06	3.11%	
<b>(Rural over 50 ha)</b>										
2,850,000	3,850,000	2021/22	3,270.38	2,301.53	1,612.00	68.92	7,252.82			
2,850,000	3,850,000	2022/23	3,813.87	2,122.12	1,718.00	70.46	7,724.45	471.62	6.50%	
<b>(Rural less than 50 ha with 2 SUIP)</b>										
<b>Median property</b>										
560,000	1,010,000	2021/22	642.60	603.78	806.00	18.08	2,070.46			
560,000	1,010,000	2022/23	749.39	556.71	859.00	18.48	2,183.59	113.13	5.46%	

## Ōtaki Rating Area: urban examples 2022/23 rates inclusive of GST

Land value (LV)	Capital value (CV)	Rating year	DW general rate	DW roading rate	Community facilities rate	Local community rate	Local community rate	Waste-water charge	Water fixed charge	Water volumetric (based on 255m3)	Total rates	Annual rates increase	Annual % change
			LV	CV	Fixed	CV	CV	Fixed					
200,000	450,000	2021/22	603.96	269.01	806.00	10.80	81.99	440.00	222.00	303.45	2,737.21		
200,000	450,000	2022/23	704.34	248.04	859.00	11.52	89.69	466.00	222.00	303.45	2,940.04	166.83	6.09%
360,000	600,000	2021/22	1,087.13	358.68	806.00	14.40	109.32	440.00	222.00	303.45	3,340.98		
360,000	600,000	2022/23	1,267.81	330.72	859.00	15.36	119.58	466.00	222.00	303.45	3,583.92	242.94	7.27%
450,000	790,000	2021/22	1,358.91	472.26	806.00	18.96	143.94	440.00	222.00	303.45	3,765.52		
450,000	790,000	2022/23	1,584.77	435.45	859.00	20.22	157.45	466.00	222.00	303.45	4,048.33	282.81	7.51%
<b>Median property</b>													
240,000	485,000	2021/22	724.75	289.93	806.00	11.64	88.37	440.00	222.00	303.45	2,886.14		
240,000	485,000	2022/23	845.21	267.33	859.00	12.42	96.66	466.00	222.00	303.45	3,072.07	185.92	6.44%

**Ōtaki Rating Area: rural examples 2022/23 rates inclusive of GST (excluding districtwide fixed and volumetric water supply rates)**

Land value (LV)	Capital value (CV)	Rating year	DW general rate	DW roading rate	Community facilities rate	Local community rate	Total rates	Annual rates increase	Annual % change	
			LV	CV	Fixed	CV				
170,000	485,000	2021/22	195.08	289.93	806.00	11.64	1,302.65			
170,000	485,000	2022/23	227.49	267.33	859.00	12.42	1,366.24	63.59	4.88%	
<b>(Rural less than 50 ha)</b>										
335,000	650,000	2021/22	708.16	388.57	806.00	15.60	1,918.33			
335,000	650,000	2022/23	825.84	358.28	859.00	16.64	2,059.76	141.44	7.37%	
<b>(Rural village)</b>										
490,000	800,000	2021/22	562.28	478.24	806.00	19.20	1,865.72			
490,000	800,000	2022/23	655.72	440.96	859.00	20.48	1,976.16	110.44	5.92%	
<b>(Rural less than 50 ha)</b>										
2,050,000	3,380,000	2021/22	1,362.02	2,020.56	806.00	81.12	4,269.70			
2,050,000	3,380,000	2022/23	1,588.34	1,863.06	859.00	86.53	4,396.92	127.22	2.98%	
<b>(Rural 50 ha or more)</b>										
<b>Median property</b>										
450,000	800,000	2021/22	516.38	478.24	806.00	19.20	1,819.82			
450,000	800,000	2022/23	602.19	440.96	859.00	20.48	1,922.63	102.82	5.65%	

### Paekākāriki Rating Area: urban examples 2022/23 rates inclusive of GST

Land value (LV)	Capital value (CV)	Rating year	DW general rate	DW roading rate	Community facilities rate	Local community rate	Stormwater charge	Water fixed charge	Water volumetric (based on 255m <sup>3</sup> )	Total rates	Annual rates increase	Annual % change
			LV	CV	Fixed	CV	CV					
275,000	650,000	2021/22	830.45	388.57	806.00	50.77	118.43	222.00	303.45	2,719.66		
275,000	650,000	2022/23	968.47	358.28	859.00	57.14	129.55	222.00	303.45	2,897.88	178.22	6.55%
495,000	840,000	2021/22	1,494.80	502.15	806.00	65.60	153.05	222.00	303.45	3,547.06		
495,000	840,000	2022/23	1,743.24	463.01	859.00	73.84	167.41	222.00	303.45	3,381.95	284.89	8.03%
900,000	1,110,000	2021/22	2,717.82	663.56	806.00	86.69	202.24	222.00	303.45	5,001.76		
900,000	1,110,000	2022/23	3,169.53	611.83	859.00	97.57	221.22	222.00	303.45	5,484.60	482.84	9.65%
<b>Median property</b>												
430,000	755,000	2021/22	1,298.51	451.34	806.00	58.97	137.56	222.00	303.45	3,277.83		
430,000	755,000	2022/23	1,514.33	416.16	859.00	66.36	150.47	222.00	303.45	3,531.77	253.94	7.75%

**Paekākāriki Rating Area: rural examples 2022/23 rates inclusive of GST (excluding districtwide fixed and volumetric water supply rates)**

Land value (LV)	Capital value (CV)	Rating year	DW general rate	DW roading rate	Community facilities rate	Local community rate	Total rates	Annual rates increase	Annual % change
			LV	CV	Fixed	CV			
400,000	400,000	2021/22	459.00	239.12	806.00	31.24	1,535.36		
400,000	400,000	2022/23	535.28	220.48	859.00	35.16	1,649.92	114.56	7.46%
<b>(Rural less than 50 ha)</b>									
540,000	1,220,000	2021/22	619.65	729.32	806.00	95.28	2,250.25		
540,000	1,220,000	2022/23	722.63	672.46	859.00	107.24	2,361.33	111.08	4.94%
<b>(Rural less than 50 ha)</b>									
910,000	910,000	2021/22	604.60	544.00	806.00	71.07	2,025.67		
910,000	910,000	2022/23	705.07	501.59	859.00	79.99	2,145.65	119.98	5.92%
<b>(Rural over 50 ha)</b>									
1,390,000	1,970,000	2021/22	1,595.03	1,177.67	806.00	153.86	3,732.55		
1,390,000	1,970,000	2022/23	1,860.10	1,085.86	859.00	173.16	3,978.13	245.58	6.58%
<b>(Rural less than 50 ha)</b>									
<b>Median property</b>									
640,000	975,000	2021/22	734.40	582.86	806.00	76.15	2,199.40		
640,000	975,000	2022/23	856.45	537.42	859.00	85.70	2,338.57	139.17	6.33%

**Paraparaumu and Raumati Rating Areas Commercial examples 2022/23 rates inclusive of GST (excluding districtwide volumetric water supply rates)**

Land value (LV)	Capital value (CV)	Rating year	DW general rate	Commercial rate	DW roading rate	Community facilities rate	Local community rate	Storm-water charge	Waste-water charge	Water fixed charge	Total rates	Annual rates increase	Annual % Change
			LV	CV	CV	Fixed	CV	CV	Fixed				
325,000	630,000	2021/22	981.44	233.04	376.61	806.00	5.80	114.79	440.00	222.00	3,179.67		
325,000	630,000	2022/23	1,144.55	230.90	347.26	859.00	13.61	125.56	466.00	222.00	3,408.87	229.20	7.21%
<b>(Factory - 1 SUIP)</b>													
970,000	3,740,000	2021/22	2,929.21	1,383.43	2,235.77	806.00	34.41	681.43	1,760.00	222.00	10,052.24		
970,000	3,740,000	2022/23	3,416.05	1,370.71	2,061.49	859.00	80.78	745.38	1,864.00	222.00	10,619.41	567.17	5.64%
<b>(Industrial - 1 SUIP, 8 WC's)</b>													
2,880,000	7,020,000	2021/22	8,697.02	2,596.70	4,196.56	1,612.00	64.58	1,279.04	3,520.00	444.00	22,409.91		
2,880,000	7,020,000	2021/22	10,142.50	2,572.83	3,869.42	1,718.00	151.63	1,399.09	3,728.00	444.00	24,025.47	1,615.56	7.21%
<b>(Commercial office - 2 SUIP, 16 WC's )</b>													
<b>Median property</b>													
500,000	850,000	2021/22	1,509.90	314.42	508.13	806.00	7.82	154.87	440.00	222.00	3,963.14		
500,000	850,000	2022/23	1,760.85	311.53	468.52	859.00	18.36	169.41	466.00	222.00	4,275.66	312.53	7.89%

**Waikanae Rating Area Commercial examples 2022/23 rates inclusive of GST (excluding districtwide volumetric water supply rates)**

Land value (LV)	Capital value (CV)	Rating year	DW general rate	Commercial rate	DW roading rate	Community facilities rate	Local community rate	Storm-water charge	Waste-water charge	Water fixed charge	Total rates	Annual rates increase	Annual % change
			LV	CV	CV	Fixed	CV	CV	Fixed				
230,000	305,000	2021/22	694.55	112.82	182.33	806.00	5.46	55.57	440.00	222.00	2,518.73		
230,000	305,000	2022/23	809.99	111.78	168.12	859.00	5.58	60.79	466.00	222.00	2,703.26	184.52	7.33%
<b>(Industrial - 1 SUIP)</b>													
610,000	1,090,000	2021/22	1,842.08	403.19	651.60	3,627.00	19.51	198.60	3,520.00	444.00	10,705.98		
610,000	1,090,000	2022/23	2,148.24	399.49	600.81	3,865.50	19.95	217.24	3,728.00	444.00	11,423.21	717.23	5.94%
<b>(Motel - 15 SUIP)</b>													
2,150,000	2,800,000	2021/22	6,492.57	1,035.72	1,673.84	3,224.00	50.12	510.16	660.00	888.00	14,534.41		
2,150,000	2,800,000	2022/23	7,571.66	1,026.20	1,543.36	3,436.00	51.24	558.04	699.00	888.00	15,773.50	1,239.09	8.53%
<b>(Commercial -3 SUIP)</b>													
<b>Median property</b>													
385,000	615,000	2021/22	1,162.62	227.49	367.65	806.00	11.01	112.05	440.00	222.00	3,348.82		
385,000	615,000	2022/23	1,355.85	225.40	338.99	859.00	11.25	122.57	466.00	222.00	3,601.06	252.24	7.53%
<b>(Commercial - 1 SUIP)</b>													

### Ōtaki Rating Area Commercial examples 2022/23 rates inclusive of GST (excluding districtwide volumetric water supply rates)

Land value (LV)	Capital value (CV)	Rating year	DW general rate	Commercial rate	DW roading rate	Community facilities rate	Local community rate	Storm-water charge	Waste-water charge	Water fixed charge	Total rates	Annual rates increase	Annual % change
			LV	CV	CV	Fixed	CV	CV	Fixed				
155,000	385,000	2021/22	468.07	142.41	230.15	806.00	9.24	70.15	440.00	222.00	2,388.02		
155,000	385,000	2022/23	545.86	141.10	212.21	859.00	9.86	76.73	466.00	222.00	2,532.76	144.74	6.06%
<b>(Industrial - 1 SUIP)</b>													
290,000	550,000	2021/22	875.74	203.45	328.79	2,418.00	13.20	100.21	660.00	666.00	5,265.39		
290,000	550,000	2022/23	1,021.29	201.58	303.16	2,577.00	14.08	109.62	699.00	666.00	5,591.72	326.34	6.20%
<b>(Retail - 3 SUIP)</b>													
345,000	910,000	2021/22	1,041.83	336.61	544.00	806.00	21.84	165.80	440.00	222.00	3,578.08		
345,000	910,000	2022/23	1,241.99	333.52	501.59	859.00	23.30	181.36	466.00	222.00	3,801.75	223.67	6.25%
<b>(Market Garden – 1 SUIP)</b>													
<b>Median property</b>													
240,000	410,000	2021/22	724.74	151.66	245.10	806.00	9.84	74.70	440.00	222.00	2,674.05		
240,000	410,000	2022/23	845.21	150.27	225.99	859.00	10.50	81.71	466.00	222.00	2,860.67	186.62	6.98%
<b>(1 SUIP)</b>													

**Paekākāriki Rating Area Commercial examples 2022/23 rates inclusive of GST (excluding districtwide volumetric water supply rates)**

Land value (LV)	Capital value (CV)	Rating year	DW general rate	Commercial rate	DW roading rate	Community facilities rate	Local community rate	Stormwater charge	Water fixed charge	Total rates	Annual rates increase	Annual % change
			LV	CV	CV	Fixed	CV	CV				
360,000	385,000	2021/22	1,087.13	142.41	230.15	806.00	30.07	70.15	222.00	2,587.91		
360,000	385,000	2022/23	1,267.81	141.10	212.21	859.00	33.84	76.73	222.00	2,812.70	224.79	8.69%
<b>(Retail - 1 SUIP )</b>												
360,000	760,000	2021/22	1,087.13	281.12	454.33	2,418.00	59.36	138.47	666.00	5,104.41		
360,000	760,000	2022/23	1,267.81	278.54	418.91	2,577.00	66.80	151.47	666.00	5,426.54	522.13	6.31%
<b>(Commercial/Retail - 3 SUIP)</b>												
1,100,000	1,920,000	2021/22	1,262.25	710.21	1,147.78	1,612.00	149.95	349.82	444.00	5,676.01		
1,100,000	1,920,000	2022/23	1,472.02	703.68	1,058.30	1,718.00	168.77	382.66	444.00	5,947.43	271.42	4.78%
<b>(Commercial -2 SUIP )</b>												
<b>Median property</b>												
300,000	745,000	2021/22	905.94	275.58	445.36	1,612.00	58.18	135.74	444.00	3,876.80		
300,000	745,000	2022/23	1,056.51	273.04	410.64	1,718.00	65.49	148.48	444.00	4,116.16	239.36	6.17%
<b>(2 SUIP)</b>												

# Disclosure Statement for the year ending 30 June 2023

The purpose of this statement is to disclose council's planned financial performance in relation to various benchmarks to enable the assessment of whether council is prudently managing its revenue, expenses, assets, liabilities, and general financial dealings.

Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014, (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark	Quantified Limit / Target	Planned	Met
<b>Rates affordability</b>			
• Rates (Income) affordability	\$85.5 million	\$83.7 million	Yes
• Rates (increase) affordability	9.0%	7.5%	Yes
<b>Debt affordability benchmark</b>	\$297 million	\$225 million	Yes <sup>1</sup>
<b>Balanced budget benchmark</b>	100%	105%	Yes <sup>2</sup>
<b>Essential services benchmark</b>	100%	258%	Yes <sup>3</sup>
<b>Debt servicing benchmark</b>	10%	6.5%	Yes

1. The quantified limit for planned net debt is 280% of Total Operating Income, with a preferred limit of 250%. Net debt as at June 2023 is forecast to be 213% of Total Operating Income.
2. The Council meets the balanced budget benchmark for the year if the revenue (excluding development and financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant and equipment) for the year exceeds the operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment) for the year. The balanced budget benchmark is "met" if the measure is greater than or equal to 100%.
3. The Council meets the essential services benchmark for a year if the capital expenditure on network services for the year equals or is greater than depreciation on network services for the year. The essential services benchmark is "met" if the measure is greater than or equal to 100%.

## Forecast rating units

	2021/22	2022/23	Total capital value 2021/22	Total land value 2021/22	Total forecast capital value 2022/23	Total forecast land value 2022/23	Forecast growth
			\$000	\$000	\$000	\$000	
Rateable units	25,443	25,666	19,629,284	10,601,729	19,852,054	10,654,831	0.8%
Non-rateable units	807	884	736,713	377,182	739,894	380,245	
<b>Total</b>	<b>26,250</b>	<b>26,550</b>	<b>20,365,997</b>	<b>10,978,911</b>	<b>20,591,948</b>	<b>11,035,076</b>	

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## Contact information

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