



**KĀPITI COAST
CHOOSING
FUTURES**

ANNUAL REPORT

2010/11



Matters relating to the electronic presentation of the audited financial statements, non-financial performance information and the other requirements

This audit report relates to the financial statements, non-financial performance information and the other requirements of Kapiti Coast District Council for the year ended 30 June 2011 included on Kapiti Coast District Council's website. The Council is responsible for the maintenance and integrity of Kapiti Coast District Council's website. We have not been engaged to report on the integrity of Kapiti Coast District Council's website. We accept no responsibility for any changes that may have occurred to the financial statements, non-financial performance information and the other requirements since they were initially presented on the website.

The audit report refers only to the financial statements, non-financial performance information and the other requirements named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements, non-financial performance information and the other requirements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements, non-financial performance information and the other requirements as well as the related audit report dated 6 October 2011 to confirm the information included in the audited financial statements, non-financial performance information and the other requirements presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

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Introduction by Jenny Rowan, QSO, JP Mayor, Kāpiti Coast District

This Annual Report, covering the period from 1 July 2010 to 30 June 2011, is the odd one in the electoral cycle because it includes three months and 14 days of the previous triennium and eight months and 16 days of the current Council.

During that time the two Councils have made progress with the water supply solution, become part of the Expressway Alliance, cleared the way forward for the Aquatic Centre and, along with the rest of New Zealand and the world, watched helplessly as two major earthquakes devastated Christchurch in September and February, the second with major loss of life.

The economic recession also continued to have its effects on the world and New Zealand economy and on the community of the Kāpiti Coast District. The downturn in building activity directly affected the District's economy and the provision of Council building and consent services.

Having reluctantly accepted the reality of the Expressway and the loss of the Western Link Road at the end of 2009, the Council worked with the community and New Zealand Transport Authority (NZTA) to establish a set of acceptable aims and objectives for its participation in the Expressway Alliance.

During the year NZTA continued to carry out a range of consultation expos with the community and to finalise the details of the proposed MacKays to Peka Peka route. Work also continued on the Peka Peka to Ōtaki route but Council is not involved in an Alliance on that and, consequently, has less ability to effect change. Having said that, Council is active in submitting to the consultation process on that section of the road.

Council has certainly achieved one of its main objectives in the design of the MacKays to Peka Peka route by obtaining agreement that the single interchange originally proposed for Otaihanga will no longer go ahead and there will be two, one at Kāpiti Road and the second at Te Moana Road, providing access to the much needed second bridge over the Waikanae River.

We have also confirmed the Council's preferred southern entry route which preserves Queen Elizabeth Park and its ecological values.



Council is very conscious of the effects of the Expressway on people along the route, those directly and indirectly affected. While Council has no involvement with the property purchase process, we have encouraged NZTA to deal directly and expeditiously with the people affected by it.

At the end of the year under review, NZTA also unveiled proposals for the existing State Highway 1, post construction of the Expressway. At that time its status will change and it will come under the management of the Council. We are working with NZTA to minimise the financial effects of this while optimising the opportunities the change in status will bring.

The water supply project has continued to advance through a range of stages during the year under review. On August 19, 2010 Council confirmed the River Recharge with Groundwater as the top ranked water supply option for the Waikanae/Paraparaumu/Raumati catchment following an exhaustive review of 44 options which were cut down to eight and then the final two.

Funding was brought forward to cover the cost of drilling, testing, monitoring, modelling and assessment work associated with the River Recharge with Groundwater option. At the same time Council also confirmed the Maungakotukutuku Dam as the second ranked water supply option.

Drilling investigations have begun in the Waimea aquifer, studies undertaken on mixing bore water with the Waikanae River, and a study commenced on the cultural impacts of river recharge and the dam on the Waikanae River and catchment.

Council has a number of innovative schemes under way aimed at reducing water consumption. Plan Change 75 requires all new dwellings to have rain water tanks or diversion systems. An interest-free loan scheme to fund rain water tanks for existing homes will be introduced later in 2011.

Council decided to include water meters in the mix when it became clear peak water demand could be lowered by up to 25% as a result of a change in water use habits and a further 5% reduction in water loss. The positive outcome of this would be to push back \$28 million worth of capital projects by at least 20 years, thus lessening the cost-impact on current ratepayers.

Clearly there are public concerns surrounding this. One is spectre of privatisation. Council has moved to increase the hurdles that future Councils will have to jump if they wish to move in this direction.

There are also considerable issues around charging by volume under water meters, such as how the pricing regime will impact on the elderly, families, and people with large gardens. Council is setting up a Charging Regime Advisory Group to look into different charging regimes. The former head of the State Services Commission and current head of the Water Supply Technical Advisory Group Don Hunn will chair this body.

Consultation with the community on the water metering proposal was carried out during the 2011/12 Annual Plan process through an amendment to the Long Term Council Community Plan. There will be further consultation and discussion during the upcoming Long Term Plan consultation in 2012.

I am pleased to report that the Aquatic Centre is making strong progress. In May it received its resource consent and the earthworks which commenced in early June 2011 are expected to be completed by late August. A PAK'nSAVE sponsorship of \$400,000 was announced during the year with a major boost from Coastlands

Shoppingtown of \$750,000 announced since the end of the financial year. Fundraising by the Aquatic Centre Trust continues.

In a similar vein, a proposal to develop Mahara Gallery and the Waikanae Library in tandem was announced during the year. The Gallery has been confirmed as the home for the prestigious and significant Field Collection, subject to the upgrade. The upgrade of the library will be funded by Council while the funding to redevelop the Gallery lies with the Mahara Gallery Trust.

While the Expressway, water supply, Aquatic Centre and other town centre developments have generated considerable public interest, significant gains in other areas have been made. The Raumati South Esplanade upgrade was completed and opened. The Paekakariki Rock Revetment was about to receive the finishing touches, and the major \$2.7million Raumati Stormwater Upgrade project was going ahead rapidly. These are just a few of the many projects Council has undertaken during this financial year.

Where possible, we have signposted the larger projects with the aim of making ratepayers more aware of where their rates are being invested.

Once again, my thanks and the thanks of the Council go to the staff who carry out and manage the many complex issues that face our District. My thanks also go to the Elected Members from the 2007 – 2010 triennium, who began this financial year, and to the Council and Community Board members elected in October 2010. They bring their enthusiasm and ideas to the Council and Board tables and, in spite of criticism often levelled at the Council and the Boards, I believe the District is better for those efforts.



Jenny Rowan, QSO, JP

Mayor, Kāpiti Coast District

Message from Pat Dougherty, Chief Executive

This Annual Report covers the period from July 1, 2010 to June 30, 2011 and reviews the activities and financial performance of the organisation during that period.

The effects of the recession on the Council continue to be felt, particularly in the area of building inspection and resource consents. That being said, however, the Council ended the year in a satisfactory financial position, mainly due to savings in loan servicing costs.

The Council has recorded an operating surplus of \$327,000, compared to a budgeted operating surplus of \$5.478million. The difference is largely due to the non-receipt of a New Zealand Transport Agency (NZTA) subsidy of \$5.58million for the purchase of property relating to the Western Link Road. This was not received because the purchase was not completed by the end of the financial year, June 30, 2011.

The total operating revenue of \$55.069million is \$4.976million below the budget of \$60.057million which is also largely due to the NZTA budgeted capital subsidy. Total operating expenditure of \$54.912million was \$345,000 above budget. It includes an unrealised loss of \$1.252million in the value of Council's interest rate swaps at June 30, 2011.

A rates surplus of \$441,000 has been largely used to offset the 2011/12 rates increase and the balance will be used to offset future rates increases.

This report highlights key projects and achievements for each of the 16 major activity areas and presents the results against the performance indicators.

There are 138 Key Performance Indicators in total. Generally, the Council has performed well against these: 97 were achieved, 16 were on-going or on-target, 10 were no longer relevant or required and 15 were not achieved.

Areas of the Council's work which are attracting the most attention are those around the Roads of National Significance (the Expressway), the water supply solution, the Aquatic Centre and the major town centre developments.



The MacKays to Peka Peka Expressway and the Peka Peka to Ōtaki Expressway have occupied a great deal of staff time and expertise. As a member of the MacKays Crossing to Peka Peka project Alliance, we have played an active role in discussions on the route, expressway design and mitigation issues. This is the first time a council has been involved in an Alliance of this nature. Our membership has enabled us to advocate strongly on behalf of the community and in support of the community objectives adopted by the Council in April 2010.

We are not in an Alliance for the Peka Peka to Ōtaki Expressway section. This places the Council in the same position as other submitters when it comes to the consultation process. The Council may have access to more expertise to inform our submissions, but ultimately they may not carry any greater weight.

Work on the water supply solution continues as the Mayor has outlined in her Introduction. The preferred solution of River Recharge with Groundwater is being tested and developed and negotiations and work continue on the purchase of a future dam site in the Maungakotukutuku Valley.

Members of the Charging Regime Advisory Group (CRAG) have been named since the end of the financial year and the group is expected to meet and begin their work shortly. The proposal for water meters was consulted on during the Annual Plan consultation but there is still considerable public debate about the issue.

Council is planning to provide regular information updates on the issues surrounding water supply, water conservation, meters and water charging in local papers and on the Council's website over the next few months. Other opportunities for dialogue are also being explored. This will help people have an informed view on the water supply initiatives when they are consulted on during the Long Term Plan consultation in March/April next year.

Several major projects have been initiated during the financial year which will provide considerable long term future benefits to the community. The major Raumati Stormwater Upgrade is nearing completion. Retailers and motorists have been patient throughout some major earthworks to install large diameter pipes and a pumping station. The upgrade is designed to reduce the risk of flooding which was becoming more frequent in the area. Once completed there will be little sign of the work involved or the major infrastructure underground.

Similarly the Raumati Esplanade and associated rock revetment should reduce the risk of erosion on that part of the coast for a significant period of time. The major upgrade to the Paekākāriki Rock Revetment is expected to have the same effect. Both will significantly improve the appearance and look and feel of the areas.

Unfortunately the Ōtaki Town Centre upgrade which started with high expectations did not deliver initially. Following a review and with new contractors in place, work has picked up speed and we expect to arrive at a satisfactory end-result in November. Responding to community feedback on the design, the Ōtaki Community Board recently approved a change to the eastern end of the works to make the road wider and easier for traffic.

The Council is planning to carry out a much needed refurbishment and upgrade of its Rimu Road Building in the coming year. The design includes a more accessible Council Chamber and customer service area on the ground floor. Subject to tenders coming within the construction budget for the project, the Council expects to move out of the Rimu Road building before Christmas so the refurbishment work can take place. Plans are to relocate administration services to the former Whitireia Polytechnic buildings at Lindale and our Customer Services front counter to the former Dick Smith premises at Kapiti Lights.

Our Council meetings will also be moved to more accessible premises for the duration of the building upgrade which will take about 12 months. We expect to make an announcement on the venue for Council meetings shortly.

While the year under review has been intense for staff, the next year will also provide challenges as we work from temporary premises. We hope ratepayers will bear with us during this period as we try to provide the highest standards of service possible.



Pat Dougherty

Chief Executive

Message from Tangata Whenua

He Kupu nā te Tāngata Whenua



Mana whenua of the Kāpiti Coast District are pleased to enjoy an ongoing and productive relationship with Council since 1994, through the Memorandum of Partnership and the establishment of Te Whakaminenga o Kāpiti. Te Whakaminenga o Kāpiti is a forum where the tāngata whenua and Council come together to discuss matters of mutual interest and importance in relation to lwi specific issues and wider District matters.

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

Te Whakaminenga o Kāpiti recognises the strength of the Kāpiti Coast District Council's commitment to the role tāngata whenua have as kaitiaki of the district. They also support the manner in which the Council upholds and takes appropriate account of the principles of the Treaty of Waitangi. The four main principles on which the tāngata whenua base their vision for the District, as outlined on pages 10-13 of the *Kāpiti Coast – Choosing Futures: Community Plan*, have supported their 2010/2011 work programme.

Some key achievements for this financial year include:

- Working in partnership with tāngata whenua to identify the most suitable solution for the District's water requirements for the next 50 years;
- Marae support policy;
- Ongoing support for the work to research the significant waahi tapu sites around the district;
- Advancing the aspirations with tāngata whenua within a local government process
- Advancement of Te Reo Māori within Council and on Council signage;
- Promotion in Council parks of Rongoaa Māori gardens

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

Te Waari Carkeek
Tumuaki, Te Whakaminenga o Kāpiti

Te Whakaminenga o Kāpiti Year-end Comment

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

Governance Structure

This Annual Report comments on two governance structures given that a Local Body Election was held in October 2010.

Governance Structure – from 1 July 2010 to 14 October 2010

The Kapiti Coast District Council that was in place through to the October 2010 Local Body Election comprised a Mayor and 10 elected Councillors, half of whom were elected from ward constituencies and half of whom were elected on a districtwide basis. They were:

Mayor: Jenny Rowan

Councillors:

Districtwide Peter Ellis, Tony Jack, Anne Molineux, David Scott, Hilary Wooding

Ōtaki Ward Ann Chapman (Deputy Mayor)

Waikanae Ward Sandra Patton

Paraparaumu Ward Diane Ammundsen, Peter Daniel

Paekākāriki-Raumati Ward Lyndy McIntyre

Council meetings were scheduled six weekly, with additional meetings held as required. During the year, prior to the 2010 Local Body Election, the Council held five meetings. Council meetings normally commenced at 9am during the year. These meetings were advertised in the local news media. To assist the Council discharge its duties it had Standing Committees which generally met every six weeks, and each committee had its own terms of reference and powers delegated to it by the Council. The membership of each of those standing committees is a committee of the whole that is, every Councillor sits on every committee. There are also a number of subcommittees. The Standing Committees (listed below) held eight meetings during the year prior to the 2010 Local Body Elections.

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

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

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

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

The **Community Board's** role was to advise Council of local issues and to help determine priorities. They also had some delegated power to deal with some local matters. The Community Boards generally met every six weeks and during the year prior to the October 2010 Local Body Elections a total of eight meetings were held. The Chairs of each Community Board were also invited to sit at the Council table for meetings of Council and Committees and contribute to the discussion. The Board and their members were as follows:

Ōtaki Community Board

Andre Baker	Chair
Don Moselen	Deputy Chair
James Cootes	
Penny Gaylor	
Cr Ann Chapman	

Waikanae Community Board

Michael Scott	Chair
Jocelyn Prvanov	Deputy Chair
Eric Gregory	
Harold Thomas	
Cr Sandra Patton	

Paraparaumu-Raumati Community Board

John Haxton	Chair
Dale Evans	Deputy Chair (to 23 March 2009) (resigned 15 June 2009)
Louella Jensen	Deputy Chair (from 23 March 2009) (sworn in 19 October 2009)
Roger Booth	
William (Will) Scollay	
Cr Peter Daniel	

Paekākāriki Community Board

Adrian Webster	Chair
Helen Keivom	Deputy Chair
Janet Holborow	
Betty Perkins	(resigned 12 August 2008)
Steve Eckett	(sworn in 18 November 2008)
Cr Lyndy McIntyre	

Governance Structure – from 15 October 2010 to 30 June 2011

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

Mayor: Jenny Rowan

Councillors:

Districtwide Diane Ammundsen, Roger Booth (Deputy Mayor),
Mike Cardiff, Ross Church, Peter Ellis

Ōtaki Ward Penny Gaylor

Waikanae Ward Tony Lloyd

Paraparaumu Ward K (Guru) Gurunathan, Tony Lester

Paekākāriki-Raumati Ward Hilary Wooding

Council meetings were scheduled six weekly, with additional meetings held as required. During the year following the October 2010 Local Body Elections the Council held 15 meetings. Council meetings normally commenced at 9am during the year. These meetings were advertised in the local news media. To assist the Council discharge its duties it had Standing Committees which generally met every six weeks, and each committee had its own terms of reference and powers delegated to it by the Council. The membership of each of those standing committees is a committee of the whole that is, every Councillor sits on every committee. There are also a number of subcommittees. The Standing Committees (listed below) held 15 meetings during the year.

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

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

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

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

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

The **Community Board's** role was to advise Council of local issues and to help determine priorities. They also had some delegated power to deal with some local matters. A by-election was held as a result of Penny Gaylor being elected as both a Ward Councillor and Community Board Member (automatically vacating her Community Board position) and Andre Baker submitting his resignation on 25 October 2010. The Community Boards generally met every six weeks and during the year following the October 2010 Local Body Elections a total of 29 meetings were held. The Chairs of each Community Board were also invited to sit at the Council table for meetings of Council and Committees and contribute to the discussion. The Board and their members were as follows:

Ōtaki Community Board

Don Moselen	Chair
James Cootes	Deputy Chair
Andre Baker	(to 25 October 2010)
Colin Pearce	(sworn in 22 March 2011)
Marilyn Stevens	(sworn in 22 March 2011)
Cr Penny Gaylor	

Waikanae Community Board

Michael Scott	Chair
Eric Gregory	Deputy Chair
Jocelyn Pravnov	
Harold Thomas	
Cr Tony Lloyd	

Paraparaumu-Raumati Community Board

Louella Jensen	Chair
Jonny Best	Deputy Chair
Trevor Daniell	
William (Will) Scollay	
Cr Tony Lester	
Cr K Gurunathan	

Paekākāriki Community Board

Adrian Webster	Chair
Janet Holborow	Deputy Chair
Steve Eckett	
Helen Keivom	
Cr Hilary Wooding	

Remuneration of the Elected Members

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

Kāpiti Coast District Council members are paid an annual salary and also have their mileage reimbursed and some of their IT requirements subsidised. Below is the remuneration paid covering the period 1 July 2010 to 30 June 2011.

2007-2010 Triennium - 1 July 2010 to 14 October 2010

Name		Gross \$	Mileage \$
Jenny Rowan	Mayor	28,006	-
Councillors			
Diane Ammundsen	Chair, Regulatory Management Committee	10,552	78
Ann Chapman	Deputy Mayor	11,503	1,218
Peter Daniel		7,697	57
Peter Ellis		7,630	-
Tony Jack	Chair, Corporate Business Committee	8,959	221
Lyndy McIntyre		7,775	154
Anne Molineux		7,466	-
Sandra Patton		8,846	549
David Scott		7,604	-
Hilary Wooding	Chair, Environment and Community Development Committee	10,893	147
Paekākāriki Community Board Members			
Adrian Webster	Chair	3,811	238
Stephen Eckett		1,291	-
Janet Holborow		1,343	-
Helen Keivom		1,291	-
Paraparaumu/Raumati Community Board Members			
John Haxton	Chair	3,839	-
Roger Booth		2,991	77
Louella Jensen		2,148	-
William (Will) Scollay		2,148	-
Waikanae Community Board Members			
Michael Scott	Chair	3,953	-
Eric Gregory		2,148	-
Jocelyn Prvanov		2,400	77
Harold Thomas		2,148	-
Ōtaki Community Board Members			
André Baker	Chair	5,561	560
James Cootes		2,148	-
Penny Gaylor		2,995	-
Don Moselen		2,892	522
TOTAL		160,040	3,897

2010-2013 Triennium - 15 October 2010 to 30 June 2011

Name		Gross \$	Mileage \$
Jenny Rowan	Mayor	56,664	-
Councillors			
Diane Ammundsen	Chair, Regulatory Management Committee	21,574	78
Roger Booth	Deputy Mayor	23,322	-
Mike Cardiff		17,753	-
Ross Church	Chair, Corporate Business Committee	21,144	-
Peter Ellis		16,662	70
Penny Gaylor	Chair, Environment and Community Development	23,058	1,460
K Gurunathan (Guru)		19,328	-
Tony Lester		19,130	-
Tony Lloyd		18,745	-
Hilary Wooding	Chair, Appeals Committee	21,332	-
Paekākāriki Community Board Members			
Adrian Webster	Chair	6,096	72
Stephen Eckett		2,472	-
Janet Holborow		2,472	-
Helen Keivom		2,472	-
Paraparaumu/Raumati Community Board Members			
Louella Jensen	Chair	7,679	-
Jonny Best		4,391	-
Trevor Daniell		4,516	92
William Scollay		4,121	-
Waikanae Community Board Members			
Michael Scott	Chair	8,152	-
Eric Gregory		4,121	-
Jocelyn Prvanov		4,121	-
Harold Thomas		4,575	454
Ōtaki Community Board Members			
Don Moselen	Chair	9,778	1,577
James Cootes		4,121	-
Colin Pearce		2,239	-
Marilyn Stevens		2,239	-
TOTAL		332,276	3,805

Remuneration paid to Accredited Hearing Commissioners

Name	Gross Remuneration \$	Mileage \$
Diane Ammundsen	1,700	64
K Gurunathan (Guru)	238	-
Hilary Wooding	1,768	-
André Baker	213	-
Adrian Webster	1,598	-
Total for Accredited Hearing Commissioners	5,516	64
TOTAL PAID TO ELECTED MEMBERS	497,832	7,766

Meeting Attendance Record of Elected Members

Council Meeting Attendance 2007-2010 Triennium - 1 July 2010 to 14 October 2010

The following table details the attendance record of the Mayor and Councillors at the 5 meetings of Council and 8 Standing Committee meetings.

Elected Member	Council Meetings			Council Committee Meetings		
	Attended	Absent (leave)	Absent (apology)	Attended	Absent (leave)	Absent (apology)
Mayor Jenny Rowan	5			5		3
Diane Ammundsen	4	1		4	3	1
Ann Chapman	5			6		
Peter Daniel	4		1	7		1
Peter Ellis	5			8		
Tony Jack	5			8		
Lyndy McIntyre	5			7	1	
Anne Molineux	4		1	5	1	2
Sandra Patton	5			7		1
David Scott	5			8		
Hilary Wooding	4	1		8		

Community Board Meeting Attendance 2007-2010 Triennium - 1 July 2010 to 14 October 2010

The following tables detail the attendance record of Community Board members at the 8 Community Board Meetings.

Ōtaki Community Board Attendance

Elected Member	Attended	Absent (leave)	Absent (apology)
André Baker (Chair)	2		
James Cootes	2		
Penny Gaylor	2		
Don Moselen	2		
Cr Ann Chapman	2		

Waikanae Community Board Attendance

Elected Member	Attended	Absent (leave)	Absent (apology)
Eric Gregory	2		
Jocelyn Prvanov	2		
Michael Scott (Chair)	2		
Harold Thomas	2		
Cr Sandra Patton	2		

Paraparaumu / Raumati Community Board Attendance

Elected Member	Attended	Absent (leave)	Absent (apology)
Roger Booth	2		
John Haxton (Chair)	2		
Louella Jensen	1	1	
William Scollay	2		
Cr Peter Daniel	1		1

Paekākāriki Community Board Attendance

Elected Member	Attended	Absent (leave)	Absent (apology)
Steve Eckett	2		
Janet Holborow	2		
Helen Keivom	1		
Adrian Webster (Chair)	2		
Cr Lyndy McIntyre	1		

Council Meeting Attendance 2010-2013 Triennium - 15 October 2010 to 30 June 2011

The following table details the attendance record of the Mayor and Councillors at the 15 meetings of Council and 15 Standing Committee meetings.

Elected Member	Council Meetings			Council Committee Meetings		
	Attended	Absent (leave)	Absent (apology)	Attended	Absent (leave)	Absent (apology)
Mayor Jenny Rowan	15			13		2
Diane Ammundsen	15			15		
Roger Booth	15			15		
Mike Cardiff	14		1	12		3
Ross Church	15			12	1	2
Penny Gaylor	14	1		14	1	
Peter Ellis	15			14	1	
K Gurunathan	14		1	12		3
Tony Lester	13	1	1	13		2
Tony Lloyd	14	1		12		3
Hilary Wooding	15			15		

Community Board Meeting Attendance 2010-2013 Triennium - 15 October 2010 to 30 June 2011

The following tables detail the attendance record of Community Board members at the 29 Community Board Meetings.

Ōtaki Community Board Attendance

Elected Member	Attended	Absent (leave)	Absent (apology)
Don Moselen (Chair)	8		
James Cootes	8		
Colin Pearce	5		
Marilyn Stevens	5		
Cr Penny Gaylor	8		

(Note: Marilyn Pearce and Colin Stevens were declared elected on 15 February 2011)

Waikanae Community Board Attendance

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

Paraparaumu / Raumati Community Board Attendance

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

Paekākāriki Community Board Attendance

Elected Member	Attended	Absent (leave)	Absent (apology)
Steve Eckett	4		2
Janet Holborow	5		1
Helen Keivom	4	1	1
Adrian Webster (Chair)	6		
Cr Hilary Wooding	6		

Statement of Compliance and Responsibility

1 July 2010 to 30 June 2011

Compliance

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

Responsibility

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

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

In the opinion of the Council and management of the Kāpiti Coast District Council, the annual Financial Statements for the year ended 30 June 2011 fairly reflect the financial position and operations of the Kāpiti Coast District Council.



Jenny Rowan, QSO, JP

Mayor
Kāpiti Coast District

6 October 2011



Tamsin Evans

Deputy Chief Executive

6 October 2011



Warwick Read

Group Manager
Finance

6 October 2011

Section 1: Context for the Annual Report

Under the Local Government Act 2002 (the Act), the Council had to adopt a fully compliant Long Term Council Community Plan (LTCCP) by July 2009. Year Two of the LTCCP is the Annual Plan for 2010/11.

This Annual Report reports on the delivery of Year Two (2010/11) of the 2009 LTCCP.

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

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

The Long Term Plan

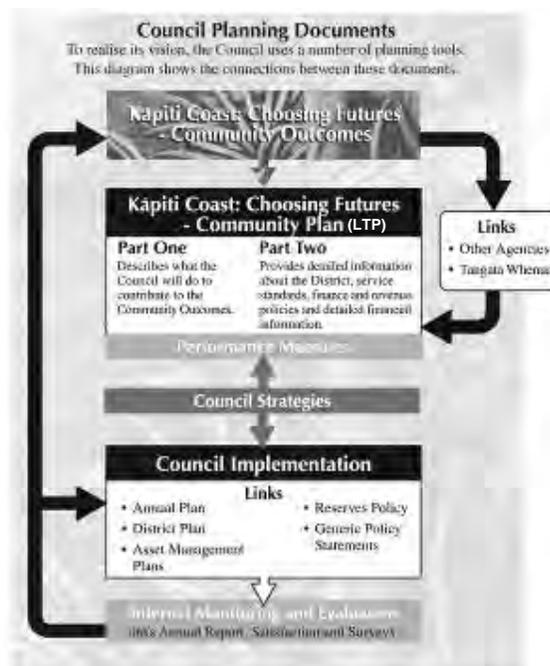
The idea of the Long Term Plan (LTP) is of a 'contract' between communities and their Councils. It is used by the Council to state what it will do to promote wellbeing and the community vision and can be used by the community as a touchstone to review Council performance against that vision. It does allow Councils to adjust expenditure on an annual basis during the three year cycle.

The Local Government Act 2002 requires a local authority to:

- every three years develop a Long Term Plan which shows what the Council will do to implement that vision over a ten year period. It must show the links between Council activities and the Community Outcomes.

Council Planning Documents

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



COMMUNITY OUTCOMES

1 there are healthy natural systems which people can enjoy

The community's vision for the Kapiti Coast's natural environment is simple: maintain and build on valued natural qualities.

2 local character is retained within a cohesive District

This outcome is concerned with recognising, protecting and preserving the unique character of various communities while also nurturing those things that create a sense of community as a whole.

3 the nature and rate of population growth is appropriate to community goals

This Outcome is about the management of population changes and development. The community has clearly indicated population growth needs to be managed in a way that brings benefits not problems.

4 the community makes use of local resources and people have the ability to act in a sustainable way on a day-to-day basis

This Outcome is concerned with the efficient use of finite resources and making sensible use of renewable resources.

5 there is increased choice to work locally

This Outcome is concerned with how and to what extent the local economy grows and gives residents greater employment choice, including skilled work and job security.

6 the District is a place that works for young people

The community's vision is that the Kapiti Coast provides a place that young people can enjoy and feel a part of, where they can make the best of education and other opportunities and be encouraged to stay in the District as they grow older.

7 the District has a strong, healthy, safe and involved community

Overall, the Kapiti Coast community is strong, healthy and involved.

Achieving the Community Vision: Measuring Progress

The Kāpiti Coast District Council takes the view that a whole range of people, organisations, groups and agencies contribute to the community vision. During the year the Council worked with central government agencies to obtain clear partnership statements about those parts of the community vision they will support.

A Resident's Opinion Survey was developed to obtain comment on the levels of service provided by Council. The first survey was completed in July 2010, and a second survey was completed in June 2011. These surveys will be used to inform a variety of planning and decision making processes within the Council. The survey is designed to identify areas of priority for residents and to gauge their views on the Council's current performance in these areas and how such performances could be improved.

The Local Government Act 2002 requires regular reporting on what progress has been made by either the Council and/or its community partners towards achieving the Community Outcomes and vision. This rate of progress is measured in two ways:

1. Genuine Progress Index

This is a way of measuring cumulative performance or "quality of life" across all areas of wellbeing. It is an important measure, as it does not make sense, for example, to have major economic growth if the environment is harmed in the process.

The Wellington Regional Strategy process is developing regional genuine progress indicators and index. The Kāpiti Coast District Council is linked to that process.

The first stage of developing the Genuine Progress Index has been to review the possible measures and key milestones noted in the 2006 LTCCP, as part of producing the Kāpiti Coast Community Outcomes Progress Report. That report provides information on a range of measures under each

outcome, and how these have changed over time. These have been supplemented by examples and key milestones that have been reached.

The second stage is to determine how the indicators can be brought together to build a Genuine Progress Index and how this can be presented to give people a real sense of what is being achieved across the economic, environmental, social and cultural wellbeing areas.

2. Measuring Achievement in Each Outcome Area

Long-term measures and key milestones for community outcomes are included in the Performance Management Framework for each of the Council Activity areas in the 2009 LTCCP. They have two parts, each focussed on results to mark progress:

- Summary of indicators of long term progress – measuring whether the possible long-term measures of progress (key indicators) have improved. For example, quality and effectiveness of planning mechanisms (from Supporting Environmental Sustainability activity, relates to Outcomes 2 and 3);
- Summary of Milestones – measuring whether the key milestones have been achieved. For example, Local Outcomes Statements completed (from Supporting Environmental Sustainability activity relates to Outcomes 2 and 3).

A Community Outcomes Progress Report was published in 2009, this is available from www.kapiticoast.govt.nz or at libraries and service centres.

Promoting Wellbeing

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



In some areas Council has direct influence through the services it provides. For example water supply, local halls and housing for older adults contribute to social wellbeing while resource management responsibilities promote environmental wellbeing. In other instances the influence is more indirect and is as much to do with how Council conducts its business. For example cultural wellbeing can be advanced via local heritage projects but it is also promoted across a range of activities by a less tangible support for a range of cultural images in public art, or protection of the character of an area.

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

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

Social Wellbeing - includes:	Community Outcomes	Environmental Wellbeing - includes:
<ul style="list-style-type: none"> • the ability of all to participate in and use what the District offers; • the existence of respect, active fostering and support for people and groups that sustain and help others; • the ability of each individual to see a future and feel they might achieve it; • significant interaction between generations, especially the old and the young; • the existence of basic levels of physical and mental health or wellness; • personal safety and freedom from a sense of fear; • that people have a sense of control over their individual and community lives, now and into the future, sustained and underpinned by personal responsibility and a functioning community; • the ability of people to pay for their basic needs (food, housing and services) and have enough disposable income to allow participation in local community life; • a community which shows a high level of tolerance, acceptance of others and cohesion and co-operation to achieve collective good; • people being supported and valued within personal networks of friends, family, whānau and other social groups. 	<ol style="list-style-type: none"> 1 2 3 4 5 6 7 	<ul style="list-style-type: none"> • minimising the harmful effects of actions on the environment; • respect for the capacity of natural environments to absorb change; • realising community aspirations to restore the quality of natural systems; • people having the ability and knowledge to harvest natural systems without harming them; • maintaining current levels of biodiversity and improving these in the future; • local access to locally produced food; • maintenance of 'keystone' species such as the bee population; • active enjoyment of, respect for and access to the natural environment; • awareness and support for self sustaining eco-systems to continue to provide clean water, a functioning atmosphere, and soils that can support life.

Cultural Wellbeing - includes:

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

Community Outcomes

1
2
3
4
5
6
7

Economic Wellbeing - includes:

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

Section 2: Council's Leadership Links to the Four Wellbeing Areas and Community Outcomes

Three areas of action and change were key considerations as the Council developed the 2009 LTCCP these were:

- Leadership – the leadership role that Council takes in key areas to facilitate Community Outcomes;
- Style of Council – the way that the Council works with communities, e.g. communication; and
- Investment – what the Council invests in over time and how that investment is made.

A delicate balancing act was required in deciding what would actually be delivered for the community through Council activities. The Council needed to achieve a balance between delivering day to day services, delivering what it can of the community's vision (which often seeks major changes and improvements), ensuring what is delivered is consistent with sustainable development principles, and ensuring all wellbeing areas are promoted. It also involved achieving a balance between issues of affordability and community aspiration.

Essentially this process requires Elected Members to act as leaders of change or as protectors of a balanced future for the community. For example, if the community's vision neglects some wellbeing areas or is inconsistent with sustainable development principles, then Council can choose to deliver or not to deliver in those areas.

This leadership role extends to supporting or leading discussion and action around some of the longer term issues facing the community which can go well beyond the ten year financial focus of the LTCCP. For this reason Council includes a section stating Council's leadership focus in its 2009 LTCCP.



The Leadership Statement in Section 2 of the 2009 LTCCP describes 16 leadership areas of Council to focus on. It provides a holistic understanding of Council's chosen role in terms of long term change. These leadership areas do not predetermine what projects will be advanced, they simply indicate the "thrust" of the Council focus.

Leadership Areas

Building Resilience

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

The Council has placed considerable emphasis on finding solutions which reduce reliance on single systems, ranging from improved access, to increasing opportunities for non-potable water (not drinking water) supply, to developing a range of structures for community involvement. It will continue to build the idea of resilience into its thinking and decision-making, in particular about the Council infrastructure and services. Plan Change 75, which became operative in May 2011, is an example of the non-potable water opportunities as it requires all new dwellings to have rain water tanks or diversion systems.

In January 2010 Private Plan Change 73 – Paraparaumu Airport became operative. In February this year the privately owned Kapiti Airport Ltd, announced that Air New Zealand subsidiary Air Nelson will begin direct Auckland to Paraparaumu flights in October 2011. This service will enable travellers to connect to Auckland and other centres without the 60 minute drive into Wellington, creating more economic benefits for the District from both business attractions (including the

planned Kapiti Landing Business Park) and tourism and making Kāpiti events more accessible to the rest of the country.

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

Participation, Communication and Consultation

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

The Council has continued to use a range of consultation and communication methods involving people. It has provided people with easy to understand information to assist them to participate in decision-making. Council continues to develop improved communication tools so that people have all the information available to them that they need in order to participate in and understand decisions.

Community design workshops for town centres, assisted by urban design experts working with residents and ratepayers were held for Ōtaki. Report backs via the newspaper and community groups designing work programmes and project briefs were used to explore issues e.g. the water supply project. The Council also invited representatives of both Kapiti Coast Grey Power and the Council of Elders to attend and contribute to Corporate Business Committee Workshops to develop the 2011/2012 Annual Plan.

Council's decision on 23 June 2011 to adopt the 2011 Amendment to the 2009 Long Term Council Community Plan signals its intention to move towards water meter charges from 1 July 2014. The ongoing work surrounding a charging regime will be open for further community input and formal



consultation. A Charging Regime Advisory Group (CRAG) was established to develop a fair and equitable charging regime. Considerable effort has been made to ensure the CRAG members, appointed in August 2011, represent a cross-section of the community, and experience. CRAG will review technical data, explore, develop and test any charging formula and then make recommendations to Council. There will be opportunities for members of the community to provide ideas on charging regimes, and there will be formal consultation as part of the 2012 Long Term Plan review, prior to Council making a final decision.

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

Discussing Managed Retreat

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



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



Council has continued to focus on improving the quality of any physical developments within a broad framework of sustainable urban form and systems, e.g. through the Development Management Strategy, and Subdivision and Development Principles and Requirements.

The Paraparaumu Town Centre Development was progressed through the adoption of Plan Change 72A - Wharemauku Precinct. This plan change extends the Commercial/Retail zone in central Paraparaumu (to include some of the land on the western side of Rimu Road), and applies new rules and standards for development within this area which focus on the design of buildings and car parking areas.

The Council has not reached a conclusion on this issue or what the appropriate approach should be. It does consider that discussion and debate should be extensive and prolonged, giving the community ample time to build up knowledge and consider the options. Given the low-lying nature of the Kāpiti Coast, it considers that leadership is needed in promoting this issue for community discussion. In doing so, it recognises that it could be years before a clear community view is forged. Discussions have begun. In November 2010 a District Plan Review discussion document on Natural Hazard and Managed Retreat was released for consultation.

The Aquatic Centre is another development which will enhance the Paraparaumu Town Centre. Work continued on developing the Aquatic Centre design. Council confirmed the preferred site, the preliminary scope of facilities to be included and the project capital and operating costs. Physical works have begun with the bulk earthworks starting in June 2011.

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

The Raumati Beach Town Centre upgrade is underway. The first stage, the Stormwater Upgrade, is progressing well with the undergrounding of overhead wires and the commencement of civil works for the pump chamber and the outlet.

The Importance of Place, Open Space, Centres and Design

People on the Kāpiti Coast have pressed for policies and action which improve the appearance and quality of new development and the quality of its town centres. There is a growing awareness that attractive town centres which are in good economic heart, have a range of activities such as retail, business services, education, civic and entertainment, will build long term resilience, attract investment in the District and support public transport.

This Leadership Area links to the following activities: Access and Transport, Building Control and Resource Consents, Development Management, Economic Development, Parks and Open Space and Stormwater Management.

Thresholds for Development Management

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

At the same time, more control over infrastructure investment decisions have been developed which clearly state that if a private development is dependent on certain community infrastructure being in place, the timing of that infrastructure development cannot be driven solely by the requirements of the private development proposal. Finally, greater use of structure plans gives more certainty around the form of any future development.

This Leadership Area links to the Development Management Activity

Exploring the Local Food Economy

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

This work is about identifying what supporting actions, if any, can or should be taken. This includes looking at the role of the rural lands and the Hautere/ Te Horo/ Ōtaki areas in food production for the region.

Council continued to discuss the ideas of a 'local food economy' with groups in the Ōtaki area. The core of this idea is to reduce the 'leakage' of money from the District from the importing of food which could be grown locally. The Council's role is to work with the community to explore the ideas and help assess the economic, social and environmental



benefits to the District, and to develop a subsequent action plan, should that benefit be proved.

The Council, in partnership with Nature Coast Enterprise and Grow Wellington is leading community exploration of this concept.

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

Neighbourhood and Street Action for Change: Energy, Waste, Water, Gardens and Food

The Council is committed to finding ways to encourage neighbourhood and street action around water consumption, water efficient gardening and waste minimisation, given the aspirations of the community around resource use and the direct effect of a range of Council services. Household energy efficiency is extremely important given the impact on household incomes and the implications of wider affordability for the District. There is also increasing interest in community gardens and food production which the Council has the opportunity to support. Council's first Greenest Street competition was a success with the winning street reducing their environmental footprint by 29% between October 2010 and June 2011.

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

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

Building Social Capital

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

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

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

Working with other organisations to link this resource back into key issues such as housing, health and voluntary organisations is a major task which Council continued to support.

Council administered two grants programmes and distributed \$25,000 to 31 community groups through the Community Grants Fund and \$20,000 to three community groups through the Employment Initiatives Fund.

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

Partnership

Building partnerships with a range of groups and interests in the community is essential to achieving the community vision set out in the Community Outcomes, particularly in difficult times. The



Council worked to foster four general types of community partnership:

- working with structures which harness the wisdom and skill in the community and provide places where people can discuss and advance ideas and projects, for example the Clean Tech Centre.

This involved developing relationships and partnerships with key government and funding agencies and local organisation/groups;

- working with organisations advocating the interests of their membership. Council values its relationship with groups such as Grey Power and Age Concern, the Chamber of Commerce and the Disability Reference Group. Council continued its commitment to maintain an open flow of information and communication on issues of concern and interest;

- working with umbrella organisations which act as advocates on a range of social, environmental and cultural issues to assist them using the resources of Council, to gain central and regional government attention and resources. A good example of this was Council worked alongside Voices against Violence to secure resources and with Council support create, outside the Paraparaumu Police Station, the sculpture project which promotes a safe family environment;

- developing partnerships with central and regional government organisations. Over the last five years, productive working relationships have emerged with the Police, Ministry of Social Development and the District Health Boards. The Council believes that there is a need for greater dialogue with the Ministry of Education about forward provision of education facilities in the District.

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

Partnership with Tāngata Whenua

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

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

Closing the Loop: Council Services – Waste and Energy

The goal of Council's zero-waste policy is to reduce or eliminate 'waste' and to re-focus many of these so-called waste products for beneficial reuse. The Council has taken the opportunity to look at energy efficiency and energy production as side-products of services and activities.

For example it has improved energy efficiency with sludge drying by switching from diesel to wood fuel for the wastewater treatment boiler at the Paraparaumu Wastewater Treatment Plant.

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

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



Kāpiti Coast's Place in the Region

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

The Council is fully involved in a range of initiatives for shared services, such as in the area of library services, where this can reduce costs or increase levels of service. Council joined the SMART (Shared and Managed a Region Together) consortium, this allows libraries to provide members with wider access to materials and services.

The New Zealand Transport Agency (NZTA) decision to construct a Road of National Significance, using the Western Link corridor, is to provide a high standard four-lane expressway through the Levin to Wellington airport corridor providing a quality link to Wellington, the Kāpiti Coast, Levin, Palmerston North and the lower North Island.

The Council is working through the Alliance and other NZTA structures and processes to ensure negative effects are mitigated as much as possible and the best possible outcome for the District is achieved. The Council has worked with the

community to establish a clear set of objectives to guide Council's involvement in the Alliance process. A considerable number of the relevant decisions will be made at the regional and national level under the Regional Land Transport Programme and Land Transport Management Act 2003.

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

Sustainable Domestic Technologies

The Kāpiti Coast District Council is promoting and developing the Kāpiti Coast as a Centre of Excellence for innovative, sustainable domestic technologies, such as small scale energy systems and water conservation systems. There are a number of businesses at the Clean Technology Centre in Ōtaki developing new technologies that reduce environmental impact. Council has a reputation for innovation in the regulatory processes to encourage sustainable solutions. It also has a number of large landowners who are interested in sustainable homes as part of wider sustainable urban development opportunities, and a community that is very interested in new initiatives. The Council has begun to forge working relationships with tertiary education institutions and has taken an active role in trying to retain local businesses focussed on sustainable products.

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

This Leadership Area links to the following activities: Community Facilities, Development



Management, Economic Development, Solid Waste and Water Management.

Trains, Buses, Cycling and Walking

The Kāpiti Coast community sees the establishment of a rail network which supports all communities, including Ōtaki, as essential to the future of the District. Ideally, there would be strong passenger rail links through to Ōtaki and Palmerston North. It will continue to advocate strongly for this service, including the Capital Connection, and for bus services which complement rail and provide improved services within each community. A great number of the relevant decisions will be made at regional and national levels, Council will continue to be a strong regional advocate for this vision.

Council continued to invest in cycling and walking, and to ensure road space is shared across modes. Improvements and extensions of nearly 1.3 kilometres were made to the Cycleways, Walkways, Bridleways network during the 2010/11 year.

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



Creativity and the Arts

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

The Council believes promotion of the arts in all its forms can contribute to a sustainable local economy and a growing celebration of a place that values its identity and culture. It will bring this focus to its activities; supporting, facilitating, advocating and working in partnership with the community to foster the contribution the arts make to community wellbeing. The annual Arts Trail is one of Council's activities to promote this. In November 2010 an estimated 8,000 visitors viewed over 200 artists participating in both studios and artesian centres.

The Mahara Gallery Trust's request for support to enable the Mahara Gallery to expand and provide a home for the Field Trust Collection has been recognised. This collection includes paintings by Frances Hodgkins. The Mahara Gallery operates in a Council-owned building opposite the Waikanae Library. The vision of an integrated design and operational collaboration for these two services will enhance Mahara Place as well as provide better facilities for residents and the District. The project progressed with a Memorandum of Understanding signed between the Council, the Mahara Gallery Trust and the Field Collection Trust. The approved concept design has been reworked following consultation with stakeholders, and a community campaign to raise money for the Gallery has begun.

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



Housing Choice

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

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

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

The Council is leading a discussion on innovation in housing options for the Kāpiti Coast. These discussions range from initiatives such as the *Abbeyfield* community based housing model for older people, to housing efficiency and adaptation over time.

This Leadership Area links to the following activities: Building Control and Resource Consents, Development Management and Supporting Social Wellbeing.

Section 3: Council Activities

This Annual Report comments on the 2010/11 work programme for Year Two of the 2009 Long Term Council Community Plan (LTCCP). Work programmes for each of the following 16 activity categories are reviewed on the following pages.

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

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

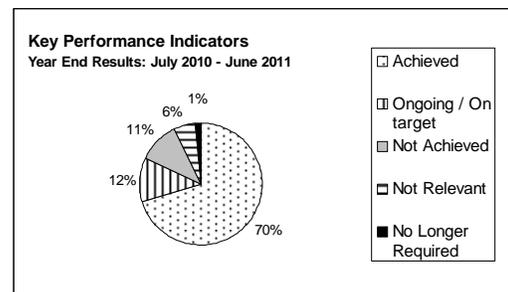
around design, and must involve robust and inclusive community processes.

Summary of Performance

Key Performance Indicators

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

Overall Performance



Achievement Category	Year End Result to 30 June 2011
Achieved	97
Ongoing / On target	16
Not achieved	15
Total Relevant Key Performance Indicators	128
Not relevant	8
No longer required	2
Total Key Performance Indicators	138

Key Actions/Outputs

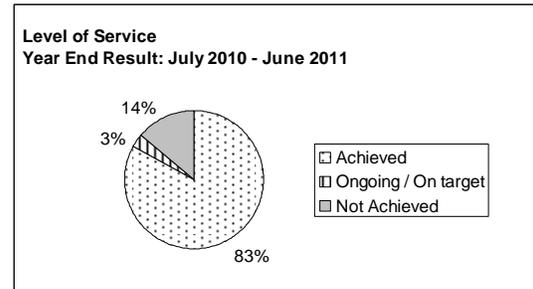
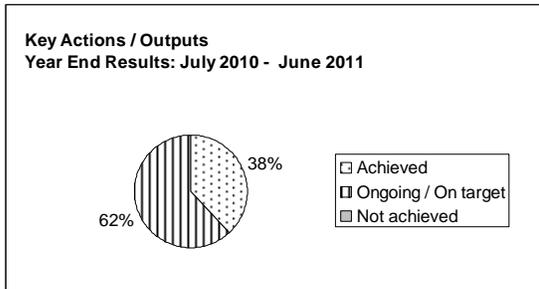
These state the delivery measure for the activity. This is the key measure of what the Council is delivering in terms of progressing towards achieving key actions/outputs. The measure may not all be completed in any one financial year. The Council's year-end performance is reported using the following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

Achieved	Work is completed and the intended output is achieved.
Ongoing / On target	Work is in progress, on time and/or <ul style="list-style-type: none"> It is multi-faceted with ongoing actions adding to it and/or Pre-requisite processes have been commenced with Council waiting on a third party.
Not achieved	Output not delivered
Not relevant	Measure not relevant
No longer required	Outputs/actions no longer required.

Levels of Service

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

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



Achievement Category	Year End Result to 30 June 2011
Achieved	8
Ongoing / On target	13
Not achieved	0
Total Relevant Key Actions / Outputs	21
Not relevant	4
No longer required	2
Total Key Actions / Outputs	27

Achievement Category	Year End Result to 30 June 2011
Achieved	89
Ongoing / On target	3
Not achieved	15
Total Relevant Key Actions / Outputs	107
Not relevant	4
No longer required	0
Total Key Actions / Outputs	111

Key Results



- Council joined the Alliance set up to design and build the Sandhills Expressway (MacKays Crossing to Peka Peka) to mitigate as many negative effects on the District as possible. This is the first time a Council has been invited into an Alliance by the New Zealand Transport Agency.
- Submissions to New Zealand Transport Agency (NZTA) Roads of National Significance (RONS) process.
- Stage One of the upgrade to Kāpiti Road / Rimu Road intersection completed. Final stage commenced.
- Rata Road upgrade complete.
- The Esplanade, Raumati South footpath and road improvements completed.
- New Rahui Road footpath installed.
- Check of Child Restraints: Council, in conjunction with the Kapiti Plunket Car Seat Rental Scheme, held a successful open day checking car seats were correctly installed. Out of 85 inspections over 50 seats were found to be installed incorrectly and the problem rectified on the day.
- Operation "Glow"; a two week education campaign targeting cyclists, reinforcing the importance of using lights and high visibility reflective clothing.
- "Drive to the Conditions" campaign, in association with the Police, promoting an awareness of the quick changes in driving conditions especially with the change of seasons.
- 1.27 kilometres of improvements and extensions made to the Cycleways, Walkways and Bridleways network including Waimanu Lagoon track network, Maclean Park Shared Pathway extension, Weka Park and Rahui Road.

Strategically, access continued to be a very important level of service for the Council. The Council is actively involved in delivering transport services, through either construction and/or maintenance of assets such as:

- roads, cycleways, footpaths and walkways;
- education and setting of design standards;
- advocacy for services provided by other agencies and businesses.

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

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

Design quality is important on the Kāpiti Coast and this is reflected in the specific standards included in the Streetscape Strategy. These design solutions continued to be addressed as part of the community design process for local and neighbourhood centres.

The importance to the District of an extensive cycleway/walkway network continued with the Council investing in new cycling and walking pathways in partnership with community groups e.g. Rotary Pathway Trust and ensuring road space was designed / marked for ease of sharing across all modes of transport.

The 2009 LTCCP indicated Council would start the construction of the Western Link Road before the end of the 2009/10 financial year. The Western Link project was Council's response to improving linkages between communities, especially pedestrian and cycling, in order to improve local choice and reduce reliance on vehicles. The decision by the New Zealand Transport Agency (NZTA) to use the Western Link corridor to construct a Sandhills Expressway from MacKays Crossing to Peka Peka, placed this project on hold pending the outcome of the Board of Inquiry process. It is likely to be late 2012 before the Council knows the outcome of that process.

The new priority, classified as a Road of National Significance, is to provide a high standard four-lane expressway through the Levin to Wellington airport corridor providing a quality link to Wellington, the

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

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

Kāpiti Coast, Levin, Palmerston North and the lower North Island.

The NZTA is expected to lodge an application for the MacKays to Peka Peka Expressway with the Environmental Protection Agency (EPA) by December 2011.

The Council is working through the Alliance and other NZTA structures and processes to ensure negative effects are mitigated as much as possible and the best possible outcome for the District is achieved. The Council has worked with the

community to establish a clear set of objectives to guide Councils involvement in the Alliance process. It has also made submissions to the NZTA MacKays Crossing to Peka Peka Expressway process.

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

Key Performance Indicators

Access and Transport Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
Construction of the Western Link and river crossing – Stage 1 completed 2012/13, Ihakara Street and Stage 3 completed 2013/14.	Not relevant. The decision of the New Zealand Transport Agency to use the Western Link corridor for the future Expressway means that the corridor may no longer be available for the Western Link. This will be resolved via the Board of Inquiry process and it is likely to be late 2012 before Council knows the outcome of that process.
Completion of access network design and traffic management categories by 2010.	Not relevant. Start delayed to enable scope to be reviewed in the context of the Expressway project. Revised completion date June 2012.

Access and Transport Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Safety, design quality and noise: <i>Road pavement surfaces are maintained in waterproof conditions and are subject to specific pavement testing and design.</i>	All road pavement surfaces are inspected yearly.	100%	100%	Achieved. Annual Roading Network Maintenance Contract Inspections were completed. Rural, arterial and collector roads are inspected as a minimum on a monthly basis and all other roads quarterly.
Safety, design quality and noise: <i>Roads are resealed on a "like for like" basis, i.e. all roads will be resealed using chip sealing, except for retail areas and all arterial roads carrying more than 8,000 vehicles per day, which will be resealed using hot mix.</i>	The road pavement renewal programme is completed on a "like for like" basis each year.	100%	100%	Achieved. The annual reseat contract was completed with 171,399 square meters (21km) of road pavement renewed this year.

Access and Transport Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Safety: <i>Existing footpaths are maintained to minimise tripping hazards.</i>	All footpath pavement surfaces are inspected yearly.	100%	100%	Achieved. All footpath pavement surfaces were inspected alongside the road pavement inspections.
Safety, access: <i>Percentage of the road network where the street lighting is designed and maintained to meet current NZ standards.</i>	All existing streetlights are progressively upgraded to AS/NZS 1158:1997.	95%	98%	Achieved. 98% of streetlights met the standard in an audit of streetlights in accordance with AS/NZS 1158:1997. This standard guides the design, installation, operation and maintenance of road lighting.
Safety, access: <i>Percentage of the road network where the street lighting is designed and maintained to meet current NZ standards.</i>	All existing street lighting is maintained with failures repaired and/or reported to Electra (if failure is a supply network issue) within seven days.	98%	63%	Not achieved. 367 of 581 failures were repaired and/or reported to Electra within 7 days during the year. Regular meetings with contractors now include instructions for a more timely response in recording completion dates.
Access: <i>New street furniture is placed in approved localities.</i>	All new street furniture is located in consultation with Community Boards and in accordance with the priority to increase seating on key transport and high pedestrian traffic routes.	100%	100%	Achieved. All 14 approved seat placements for 2010/11 have been installed.
Access, safety and design quality.	Construction of a Link Road (the Western Link) and river crossing: <ul style="list-style-type: none">Stage 1 completed.	-	-	Not relevant. Project on hold.
Access, safety and design quality.	<ul style="list-style-type: none">Ihakara Street extension completed	-	-	Not relevant. Project on hold.
Access, safety and design quality.	<ul style="list-style-type: none">Western Link Stage 3 commenced	-	-	Not relevant. Project on hold.

Access and Transport Activity

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

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

Progress in 2010/11

- The 1.27 kilometres of improvements and extensions made to the Cycleways, Walkways and Bridleways network that was completed in partnership with the Rotary Pathway Trust, contributed to Social Wellbeing and Community Outcome 1. This links to Council's Leadership Statements "Trains, Buses, Cycling and Walking" and "Building Resilience".
- Council has worked alongside the Community Boards with Greater Wellington on the electrification and double tracking of rail to Waikanae which opened in February 2011. This has improved services between our communities progressing Community Outcomes 3, 4, 6 and 7, Social Wellbeing and Environmental Wellbeing. This links to Council's Leadership Statements "Trains, Buses, Cycling and Walking" and "Building Resilience".
- Two new schools joined the Safe Routes to Schools / School Travel Plans process, contributing progress to Community Outcomes 6 and 7, and Social Wellbeing.
- Joint Road Safety Campaigns such as the 'Child Safety Restraint Checks' in conjunction with the Kapiti Plunket Car Seat Rental Scheme and the 'Drive to the Conditions' campaign in conjunction with the Police, progressed Community Outcomes 6 and 7. Working together on these joint campaigns is a way for council to promote Social Wellbeing by actively fostering and supporting people and groups that sustain and help others.

Community
Outcomes

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Access and Transport

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
4,322	Operating Costs	4,671	4,454
-	NZTA Expressway Project Expenses	736	-
1,520	Debt Servicing	1,602	1,799
723	Loss on Disposal	-	-
8,200	Impaired Asset	265	-
3,611	Depreciation	3,914	3,922
18,376	Operating Expenditure	11,188	10,175
	Revenue		
4,667	NZTA Operating Funding	2,382	2,350
-	NZTA Expressway Reimbursement	736	-
241	NZTA Capital Funding	3	5,580
349	Fees	435	560
25	Miscellaneous and Separate	45	-
299	Development Contributions	137	154
5,581	Operating Revenue	3,738	8,644
12,795	NET OPERATING COSTS	7,450	1,531
	Capital Items		
4,756	Asset Construction and Renewal	5,434	12,535
1,559	Sinking Funds/Loan Repayments	1,739	1,787
	Appropriations		
-	Development Contributions	138	140
19,110	NET COST OF ACTIVITY	14,761	15,993
4,728	Rates	5,428	5,132
1,353	Depreciation Reserve	1,543	1,542
1,858	Loans	5,142	6,810
8,372	Equity	266	-
299	Reserve/Development Levies	137	145
-	Utilisation of Balances	45	164
2,500	NZTA Share of Depreciation	2,200	2,200
19,110	TOTAL SOURCES OF FUNDS	14,761	15,993

Access and Transport

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2010/11 Actual \$000	2010/11 Budget \$000
Roading Upgrades		
The Esplanade Stage 2 - Rock Revetment Seawall was completed. Stage 3 and 4 - Aggregate concrete path and retaining wall was completed. Road resurfacing and formation was also completed. Additional expenditure as a result of completing works sooner than expected in 2010/11 originally planned for completion in 2011/12. Reallocation of funds from other projects that were underspent within the roading activity.	1,461	1,075
Rata Road – construction of a new footpath, installation of new sumps to reduce flooding and made transport safety improvements to the Rata and Raumati Road intersection completed March 2011. Project completed under budget.	198	300
Road Reconstruction - Intersection Upgrade Kāpiti Road and Rimu Road to improve traffic flow. Installation of traffic lights and associated works. Work currently underway, to be completed in 2011/12. Funding carried over into 2011/12 year.	486	733
NZTA Minor Improvements. Funds to be carried forward into 2011/12.	94	359
Major Bridge Repairs Preliminary work not undertaken – funds carried over into 2011/12	44	292
Reseal Programme Annual Resealing Contract.	1,446	1,525
Walkways / Cycleways Construct walkways and cycleways - Construct walkways and cycleways in accordance with the CWB strategy.	255	229
Footpath Upgrading – Replacement of 5km of footpath – some with concrete and others asphalt overlay. More works completed than originally budgeted for in 2010/11.	403	381
Western Link Road Property Purchase – The property purchase negotiated prior to the Expressway announcement has not been completed as at 30 June 2011. Less NZTA Subsidies.		6,200 (5,580)

Key Results



- 11 staff were sent in response to Canterbury's request for assistance after the September 2010 and February 2011 earthquakes.
- 877 Building Consents processed.
- 397 Land Information Memorandum (LIM) requests processed within 10 days.
- 844 Code Compliance Certificates issued.
- 5,825 building site inspections completed.
- 212 Resource Consent decisions issued.
- 41 Subdivision Completion Certificates issued.

The economic recession has resulted in a building downturn which has had a serious effect on the levels of available work and consequent income from this area. Council responded by providing building services to Tasman District Council, Horowhenua District Council and Porirua City Council and this was continued until December 2010. This had the dual effect of retaining experienced building control staff and supplementing building revenue.

Revenue for building control is currently funded by a public/private split of 10% public and 90% private. A review of this revenue split will be considered as part of the 2012 LTP process, as the Council prepares itself for the impact of the final changes that arise from the amendments to the Building Act 2004.

The Council performed well in the Building Control area against statutory processing deadlines, but failed to meet its own more stringent deadlines. The Council maintained accreditation and continued to operate as a registered Building Consent Authority.

The Resource Consent team continued to focus on managing the effects of activities on the environment according to the rules set out in the District Plan. Their work was supported by the

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

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

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

Although the level of land use consents remained constant, the level of subdivision consents was down significantly. The amount of non-chargeable

work continued to increase e.g. customer enquiries, complaints (neighbour disputes etc). Changes to the first schedule of the Building Act 2004, effective 23 December 2010 have a direct effect on work volumes and revenues for this Activity. This change exempts certain building work such as conservatories, minor farm buildings and other minor building work from requiring consent. The predicted increase in new dwellings did not eventuate and present indicators are that it is unlikely to improve until at least the second half of the 2011/12 year.

Key Performance Indicators

Building Control and Resource Consents Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
Building Consent Authority accreditation maintained.	Achieved. Assessment conducted 13-15 December 2010, eight corrective actions required. All corrective actions were completed by June 2011.

Building Control and Resource Consents Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	95% of all building consents are processed within 15 working days.	95%	80%	Not achieved 700 of 877 building consents have been processed within 15 working days this year. 100% were processed within the statutory requirement of 20 days. This measure will be reviewed in the development of the next Long Term Plan with a view to using the statutory processing time. This year end result confirms the projected impact of the economic recession detailed page 26, Part 2 of the 2009 LTCCP. A review of the current public/private revenue split 10%/90% will be considered as part of the 2012 LTP.

Building Control and Resource Consents Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	All applications for Land Information Memoranda are processed within 10 working days.	100%	100%	Achieved. All 397 LIM's received have been processed within 10 working days this year. There was an average of five working days processing time.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	95% of all code compliance certificates are issued within 15 working days.	95%	100%	Achieved. All of the 844 code compliance certificates issued during the year were issued within 15 working days.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	95% of all subdivision completion certificates are issued within 15 working days of completion of subdivision.	95%	90%	Not achieved. 37 of the 41 subdivision completion certificates were issued within 15 working days during the year.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	All survey plans are certified in accordance with section 223, Resource Management Act, 1991.	95%	83%	Not achieved. Twenty three decisions under s.223 (approval of Survey Plans) were issued this year. Nineteen were issued in less than the statutory 10 working day target set by the Resource Management Act 1991.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	All objections to non-notified resource consents are processed within statutory timeframes.	100%	100%	Achieved. Two objections to non-notified resource consents were received and processed within the required timeframe this year.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	All decisions on notified applications (including requests extended under section 37, Resource Management Act, 1991) are processed and issued within the maximum statutory allowance.	100%	100%	Achieved. Two decisions were made on notified consents this year, both processed within the required timeframe.

Building Control and Resource Consents Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	95% of all non-notified resource consents are processed and issued within the maximum statutory allowance.	95%	93%	Not achieved. 197 of the 212 consent decisions issued this year were within the required timeframe. The 212 decisions were made up of: - 155 land use consents; - 43 subdivisions; - 7 outline plan of works; - 4 certificates of compliance; and - 3 change of conditions. Of these 98% of land use consents were processed in time, 78% of the subdivision consent applications were processed in time.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	95% of all illegal activity/unauthorised work complaints are investigated within three working days.	95%	94%	Not achieved. 24 of the 26 illegal activity/unauthorised work complaints received this year were investigated within three working days.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	33% of all buildings that are subject to a Building Warrant of Fitness are inspected annually.	33%	40%	Achieved. 129 buildings subject to a Building Warrant of Fitness were inspected during the year.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	All site inspections are completed within 24 hours of request or at scheduled time.	100%	100%	Achieved. 5,825 site inspections were completed within 24 hours of request or at a scheduled time this year.
Timeliness and quality: <i>Statutory building control and resource management functions are carried out in a timely manner and to an assured level of quality.</i>	Design and review process occurs for all major public or private resource consents prior to and/or post application lodgement.	100%	100%	Achieved. A design and review process was made available to all known major applications pre- or post-lodgement. 14 major pre-consent applications were reviewed this year.

Building Control and Resource Consents Activity

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

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

The primary focus of the resource consent sub-activity area is managing the effects of activities on the environment according to rules set out in the District Plan. Through this regulatory role, the resource consents sub-activity contributes to Environmental Wellbeing, Outcomes 1, 2, 3, 4 and 7.

Progress in 2010/11

- The 877 Building Consents and 844 Compliance Certificates issued, along with the 5,825 building site inspections, ensure levels of compliance are maintained contributing to Community Outcomes 3 and 4 and promoting Environmental Wellbeing through minimising the harmful effects of actions on the environment. This links to the Leadership Statement "Thresholds for Development Management"

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Building Control and Resource Consents

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
3,015	Operating Costs	3,056	3,102
3,015	Operating Expenditure	3,056	3,102
	Revenue		
1,924	Charges and Fees	1,351	1,775
1,924	Operating Revenue	1,351	1,775
1,091	NET OPERATING COSTS	1,705	1,327
	Capital Items		
-	Asset Construction and Renewal	-	-
1,091	NET COST OF ACTIVITY	1,705	1,327
927	Rates	1,593	1,327
164	Separate Funds	112	-
1,091	TOTAL SOURCES OF FUNDS	1,705	1,327

Key Results



- ☑ Work almost completed on the Paekākāriki Rock Revetment upgrade.
- ☑ Received the Marine Parade Revetment End Effect report. Working with coastal experts on Marine Parade Revetment End Effect Management Plan. Additional investigation to be undertaken into existing Council sewer in the vicinity.
- ☑ Coastal planting included 3,000 dune plants species, Spinifex and Pingao.
- ☑ Discussion document released and Elected Member workshops held on Natural Hazards and Managed Retreat as part of the District Plan Review.
- ☑ Coastal protection work included an assessment of dune planting / restoration works on the Marine Parade rock revetment and the Paekākāriki sea wall revetment.

Work continued in accordance with the Coastal Strategy 2006 which is focused on delivering a comprehensive, integrated approach to coastal management and treating the coast as an ecosystem to be managed as a whole. This work includes improved access (signage, enforcement of bylaw and access points); ecosystem health – dune planting is one means to contribute to overall dune health and stability; and the understanding of Beach Processes – the aim of this project is to provide beach interpretive signage that better explains beach processes.

The Coastal Hazard Assessment Process, a long term project aimed at identifying coastal hazards and reviewing the associated development controls and implications for coastal protection was incorporated into the District Plan Review process. The assessments of the rivers, streams and inlets are complete. The building lines methodology and the assessments of the open coast hazards are also complete. A key issue in identifying new coastal building set back lines is ensuring that the methodology includes any national standards adopted by central government. The Council is incorporating the Government's National Coastal

Policy Statement, released October 2010, as input into its final hazard assessment in the District Plan Review.

During the process of developing the 2009 LTCCP the Council reconfirmed it will only provide coastal protection works to protect Council owned road and public health infrastructure assets from erosion. In making that decision, the Council also agreed, in the face of increasing risk and rising community costs, to begin a process of community discussion about managed retreat – an orderly approach to withdrawing from coastal and flood hazard areas

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

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

over time. Such an approach would unfold over many decades. The Council has not reached any conclusion on this issue or about what is the appropriate approach but considers the discussion and debate should be extensive and prolonged, giving the community ample time to build up knowledge and consider options. Discussions have begun with a Natural Hazard and Managed Retreat discussion document released and Elected Member workshops held as part of the District Plan Review.

In response to local resident's concerns Council commissioned a report on the end effect of the Marine Parade revetment, Paraparaumu. The findings of this report were presented to Council in

September 2010 and the required mitigation works are scheduled to occur in 2011.

Work continued replacing the Paekākāriki seawall (The Parade). Initial work has started at the southern end of The Parade which was the area most at risk. The structural work from Beach Road to north of the Sand Track is complete and landscaping work is underway.

Council' in conjunction with "friends groups", has planted native coastal dune plants at Paraparaumu, Waikanae and Ōtaki to stabilise dune systems as part of 'soft' engineering techniques for coastal protection.

Key Performance Indicators

Coastal Management Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
Coastal Management included in District Plan review process, completion by 2011.	<p>Ongoing / On target.</p> <p>Submissions have been analysed and presented to Elected Members.</p> <p>Planning advice relating to coastal hazard provisions for inclusion in District Plan Review has been received from consultants and is currently under internal review.</p>
Upgrades of beach access points completed 2012/13.	<p>Achieved.</p> <p>All necessary upgrades were completed.</p> <p>Major access points were inspected and maintained as required.</p> <p>The Ōtaki beach access upgrade at the Surf Club was completed. Council used an environmentally friendly recycled plastic product that will offer superior durability to timber in the hard coastal environment. The timber stairs at the northern end of The Esplanade in Raumati South have suffered impacts from logs during recent heavy seas. Council will install a flight of precast concrete stairs in this location protected by rip rap to match the new Esplanade walkway and cycleway early in the next financial year once resource consent requirements have been obtained from Greater Wellington Regional Council.</p>

Coastal Management Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Ecosystem health.	All beaches, lagoons and recreational waterways are tested weekly from November 1 to March 31, and monthly for the remainder of the year.	95%	100%	Achieved. 24 monitoring sites at beaches and recreational waterways were tested in accordance with the Water Monitoring Programme Schedule to identify risks to public health from disease-causing organisms. Results are recorded in the Hilltop Database at Greater Wellington Regional Council.
Ecosystem health.	All possible causes of pollution of beaches and recreational waterways, identified during testing (from November 1 to March 31, and monthly for the remainder of the year) are investigated in conjunction with other agencies and, where possible, remedial works are initiated.	100%	100%	Achieved. No marine sites exceeded the Greater Wellington Regional Council action guideline of 550 colony-forming units per 100millilitre during the year. The Wharemauku, Tikotu and Mangaone Streams can exceed the action guideline of E.coli when there is high rainfall prior to sampling. These sites are permanently marked as unsuitable for swimming.
Education.	All beaches and rivers that are identified as hazardous to public health during testing (from November 1 to March 31, and monthly for the remainder of the year) are publicised and signposted.	100%	100%	Achieved Warning signs were updated as alert levels were reached for blue green algae during the summer months. The Council website was updated and a media release conducted when blue green algae was at high risk levels in the Waikanae River.
Erosion protection.	All dunes eroded to an unstable "cliff-like" condition are signposted as hazardous within 48 hours of inspection.	100%	100%	Achieved. None noted from inspections this year.
Erosion hazard assessment.	The coast and seawalls are inspected 11 times per year and repairs effected where necessary.	100%	100%	Achieved. The coast and seawalls were inspected three times this period and repairs were effected where necessary. There were no major repairs required this year.
Ecosystem health.	All stormwater outlets are inspected weekly or monthly depending on vulnerability to blockage.	95%	100%	Achieved. All stormwater outlets were inspected weekly or monthly depending on vulnerability to blockage. Inspections this quarter resulted in no major works being required.

Coastal Management Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Access.	All beaches are patrolled according to the conditions (tides, seasons and beach usage) of the beach control contract.	95%	100%	Achieved. Patrols are conducted as weather and tides permit in accordance with the beach control contract.
Restoration planting.	All Council coastal protection work includes an assessment of dune planting / restoration works.	100%	100%	Achieved. Two sites had coastal protection work which included an assessment of dune planting / restoration works; they were Marine Parade revetment and Paekākāriki sea wall revetment.



Coastal Management Activity

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

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

Progress in 2010/11

- Council in conjunction with Community Groups planted 3,000 spinifex and pingau plants along the foreshore dunes as part of the coastal replanting. This contributes to a healthy natural system and progress on Community Outcome 1 and Environmental Wellbeing through realising community aspirations to restore the quality of natural systems.
- A discussion document was released and Elected Member workshops held on Natural Hazards and Managed Retreat as part of the District Plan Review, this links to the Leadership Statement "Discussing Managed Retreat", Community Outcome 1 and Environmental Wellbeing.



Coastal Management

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
246	Operating Costs	360	355
74	Debt Servicing	87	162
174	Depreciation	179	204
<hr/>		<hr/>	<hr/>
494	Operating Expenditure	626	721
<hr/>		<hr/>	<hr/>
494	NET OPERATING COSTS	626	721
	Capital Items		
364	Asset Construction and Renewal	1,730	1,112
127	Sinking Funds/Loan Repayments	204	203
<hr/>		<hr/>	<hr/>
985	NET COST OF ACTIVITY	2,560	2,036
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584	Rates	720	726
75	Depreciation Reserve	195	198
326	Loans	1,645	1,112
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985	TOTAL SOURCES OF FUNDS	2,560	2,036
<hr/>		<hr/>	<hr/>

Coastal Management

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2010/11 Actual \$000	2010/11 Budget \$000
Paekākāriki		
Replacement of Seawall - The Parade completed. Funding from 2011/12 was brought forward to allow for completion of the work. Council approved the reallocation of funding from the Stormwater Activity (Raumati Stormwater Project).	1,411	738
Paraparaumu Coastal Protection Work		
Marine Parade and Wharemauku Roads – management plans associated with end effects of Council structures.	90	155



Key Results

- ✓ Work continued on developing the Aquatic Centre design. Council has confirmed the preferred site, the preliminary scope of facilities to be included and the project capital and operating costs.
- ✓ 99% occupancy rate for Council's Housing for Older Persons.
- ✓ Energy rating assessments are being considered in the planning for Council's Rimu Road building upgrade.
- ✓ All 198 reported incidents of graffiti on public buildings were removed within 48 hours.
- ✓ Natural Burial section being developed at Ōtaki Cemetery.
- ✓ Significant water leak at Raumati Pool identified and repaired.
- ✓ Raumati Pool roof replaced.
- ✓ Deferred maintenance at Raumati Pool completed with the painting of the changing rooms and the refurbishment of the gas boiler.
- ✓ Waikanae Pool was painted and the surrounds non-skid painted.
- ✓ Solar Pool Water Heating Array constructed at the Ōtaki Pool.

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

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

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

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

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

In addition, the Council maintained its commitment to housing for older persons. The issue of housing affordability continued to be of increasing concern to the community. There are signs the current economic crisis is having an impact, with an increasing waiting list for the Council housing units for older persons. The Council is leading discussion on innovation in housing options for the Kāpiti Coast, ranging from initiatives such as the *Abbeyfield* model, to housing efficiency and adaptation over time.

As at 30 June 2011, the total budget for the Aquatic Centre project was \$16.986million. This includes \$2.448million that will be funded initially from the Kapiti Coast Multi Purpose Aquatic and Recreational Centre Trust. A further \$1.8million of Trust funding is projected to be paid over a ten year period. The budget going forward will be: - 2011/12 \$11.19million, - 2012/13 \$3.68million.

Construction of the facility will commence in 2011/12, with completion by December 2012.

Detailed analysis of operating income and expenditure was presented to the 16 September 2010 Council meeting. Operating costs (including depreciation) are projected to be within the provision made in the 2009 LTCCP.

The issue of civic administration accommodation problems continued to be of concern. The Council considers it important to provide civic facilities that meet building compliance standards for access to all and to have sufficient capacity for Elected Members and staff to work and liaise with the community. Earlier estimates of a budget of \$4.5million for an upgrade to the existing building have been superseded following more detailed investigation and the estimated cost is now \$6.5million, which includes the cost of temporary working arrangements for staff and Council while the upgrade construction work is in progress. Detailed design work continued in 2010/11. There are options to include recladding of the south side façade, and to advance asset management plan provisions for replacing the roof (an additional \$300,000 to cover both options).

In December 2010 construction work on the Maple Building (adjacent to the Rimu Road Council building) was completed and Council took possession leasing long term (10 years) additional space. This will alleviate pressure on the existing administration building.

Key Performance Indicators

Community Facilities Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Technical, and associated services: <i>Community health and safety operations.</i>	All public toilets are cleaned in accordance with an agreed schedule as follows: <ul style="list-style-type: none"> • Maclean Park toilets are cleaned twice daily in winter, three times a day in the summer period, and four times a day on public holidays and school holidays. • All other public toilets are cleaned twice daily in the summer season (October to March) and once daily for the remainder of the year. 	100%	100%	Achieved. All toilets were cleaned in accordance with the agreed schedule.
Technical, and associated services: <i>Community health and safety operations.</i>	All non urgent maintenance requests and repairs will be responded to within 24 hours.	100%	100%	Achieved. All non urgent maintenance work was completed within agreed timeframes.
Technical, and associated services: <i>Community health and safety operations.</i>	All urgent maintenance requests and repairs will be responded to within 8 working hours.	100%	100%	Achieved. All urgent work was responded to within eight working hours of being reported.

Community Facilities Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Technical, and associated services: <i>Community health and safety operations.</i>	All public halls are cleaned in accordance with the following schedule: <ul style="list-style-type: none"> • the Ōtaki, Waikanae, Paraparaumu and Paekākāriki Memorial Halls are cleaned daily; • Raumati South Memorial Hall is cleaned three times weekly; • the Waikanae Beach Hall is cleaned once a week, and • the Reikorangi Community Hall is cleaned as and when required. 	100%	100%	Achieved. All public halls were cleaned in accordance with their schedule.
Technical, and associated services: <i>Community health and safety operations.</i>	Support for existing hall facilities for all communities through a range of mechanisms, including direct provision and ownership and (on a case-by-case basis), one-off capital investments for non-Council owned buildings, provided that this support is funded on a ward basis.	100%	100%	Achieved. Ongoing maintenance and renewals were undertaken during the quarter, including ensuring all buildings have a current warrant of fitness.
Technical: <i>Council buildings, bridges, playground equipment and other structures for which Council has responsibility are graffiti free.</i>	90% of graffiti removed, where practicable, within 48 hours of advice.	90%	100%	Achieved. All 198 incidents of graffiti were removed from public toilets and Council buildings within 48 hours this year.

Community Facilities Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Technical: <i>Public swimming pools operate in accordance with nationally accepted standards and guidelines.</i>	Maintain Pool Safe accreditation (Note this is a national accreditation which requires Council to meet both water quality and health and safety requirements).	100%	100%	Achieved. Facilities were monitored regularly to ensure they continue to comply with the Pool Safe accreditation standard. All facilities have been assessed by Water Safety New Zealand, ACC "Think Safe" and the New Zealand Recreation Association. Reassessment completed in March 2011, Pool Safe accreditation maintained.
Technical: <i>Quality of Council cemetery new monumental work.</i>	All new cemetery monumental work is manufactured and installed in accordance with the Council requirements.	100%	100%	Achieved. All installations met the requirements of the Kāpiti Coast District Council Cemeteries Bylaw 2010.
Access: <i>Occupancy of Council Housing for Older Persons.</i>	All 118 units of Council's housing for older persons have an occupancy rate of 97%, excluding refurbishment periods.	97%	99%	Achieved. During the year there were 12 vacant units representing an occupancy rate of 99.93%.
Technical: <i>Level of energy use.</i>	All renewal upgrade projects include consideration of energy rating assessments as part of the replacement programme.	100%	100%	Achieved. Energy rating assessments are being considered in the planning for the Rimu Road Building upgrade.

Community Facilities Activity

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

The **Community Facilities** Activity includes all the major structures and buildings that support the social and cultural wellbeing of the community, which in turn contributes to maintaining people's health and provides a civic presence. They make a direct contribution to Outcomes 6 and 7. Housing for Older Persons provides homes for some of the community's most vulnerable older population. The design of facilities provided affects the general quality and character of each settlement, a major aspect of the Council's strategy for centres and communities (Outcome 2). The design of facilities also contributes to energy and water conservation and the location in local centres reduces energy consumption (Outcome 4).

Progress in 2010/11

- Achieving a more than 99% occupancy rate of Housing for Older Persons ensures the community is making use of this local resource contributing to Community Outcome 4 and Social Wellbeing.
- The solar pool water heating array installed at the Ōtaki Pool will have significant on-going energy savings contributing to Community Outcome 4 and Environmental Wellbeing.

Community Outcomes

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Community Facilities

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
2,683	Operating Costs	2,725	2,860
67	Debt Servicing	90	148
774	Depreciation	840	827
3,524	Operating Expenditure	3,655	3,835
	Revenue		
988	Charges and Fees	1,130	1,191
-	Refund of Development Contributions	(158)	-
361	Development Levies	616	174
1,349	Operating Revenue	1,588	1,365
2,175	NET OPERATING COSTS	2,067	2,470
	Capital Items		
1,127	Asset Construction and Renewal	1,903	1,775
66	Sinking Funds/Loan Repayments	130	131
	Appropriations		
361	Miscellaneous and Separate	32	-
-	Development Contributions	458	174
3,729	NET COST OF ACTIVITY	4,590	4,550
	TOTAL SOURCES OF FUNDS		
2,402	Rates	2,472	2,645
591	Depreciation Reserve	580	332
544	Loans	886	1,356
97	Development Levies	458	153
2	Utilisation of Balances	194	64
93	Miscellaneous and Separate	-	-
3,729	TOTAL SOURCES OF FUNDS	4,590	4,550

Community Facilities

Financial Detail for Significant Activities

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	<u>Swimming Pools</u>		
1,443	Operating Costs	1,422	1,619
29	Loan Servicing	43	90
170	Depreciation	192	187
(270)	Income (user charges)	(261)	(315)
1,372	NET OPERATING COSTS	1,396	1,581
	<u>Public Halls</u>		
300	Operating Costs	363	375
-	Loan Servicing	-	6
231	Depreciation	240	240
(139)	Income (user charges)	(153)	(165)
392	NET OPERATING COSTS	450	456
	<u>Public Toilets</u>		
242	Operating Costs	237	244
10	Loan Servicing	18	25
137	Depreciation	151	151
389	NET OPERATING COSTS	405	420
	<u>Cemeteries</u>		
269	Operating Costs (including Urupa support)	266	293
3	Loan Servicing	3	3
18	Depreciation	23	22
(119)	Income (user charges)	(155)	(192)
171	NET OPERATING COSTS	136	126
	<u>Housing for Older Persons</u>		
324	Operating Costs	361	300
25	Loan Servicing	27	24
178	Depreciation	194	186
(453)	Rental Income	(522)	(514)
74	NET OPERATING COSTS	59	(5)
	<u>Other Community Facilities</u>		
107	Operating Costs	76	28
-	Loan Servicing	-	75
41	Depreciation	41	40
(369)	Revenue	(497)	(178)
221	NET OPERATING COSTS	(380)	(35)

Community Facilities

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2010/11 Actual \$000	2010/11 Budget \$000
Public Toilets		
New Toilets – Te Atiawa Park completed.	240	240
Swimming Pools		
New Aquatic Facility	1,195	1,000
Concept and design work completed, earthworks started on 13 June 2011.		

Key Results



- ☑ The 10 year District Plan Review process continued with the analysis of submissions on the seven discussion documents from late 2010, and workshops with Elected Members on various topics including growth projections, land supply, urban trees, natural hazards and climate change.
- ☑ Reports on key research inputs (housing choice, employment areas, coastal hazards, affordability, landscape, and carrying capacity) are near completion for inclusion in the District Plan Review process. Draft reports have been received and are currently being reviewed.
- ☑ Community design inputs occurred for Town Centre projects – Ōtaki Main Street and Raumati Beach Village CBD upgrades. Construction projects for both town centres are underway.
- ☑ The structure plan for the Meadows Precinct is operational and the structure plan for the Ōtaki South Development has been approved.

The District Plan Review progressed with discussion documents on seven overarching topics released for consultation in October/November 2010; over 100 submissions were received and workshops with Elected Members were held on various topics including growth projections, land supply, urban trees, natural hazards and climate change. The Review will allow more integration of the community vision arising from the Local Outcomes workshops into the regulatory framework for development.

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

- potential growth pressures as a result of new Expressway interchange locations and the potential removal of the Limited Access Road (LAR) status from State Highway 1, as well as general development pressure resulting from

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

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

the Kāpiti Coast District being a shorter journey to and from Wellington;

- economic and physical changes to town centres including decreased 'through-traffic';
- increased difficulty in connecting communities due to severance by the Expressway.

Local Outcomes Statements are part of a series of investigation, analysis and design processes for different parts of the District. They contain the work needed to assess development pressures, to look at what the community wishes to see happen in their local areas and for the District as a whole, to look at infrastructure needs, and to plan a long term approach.

As at 30 June 2011 Local Outcome documents for the following areas had been published: Paekākāriki, Raumati South, Raumati Beach, Paraparaumu Town Centre, Paraparaumu Beach,

Waikanae North, Greater Ōtaki and Otaihanga. During the year the programme for a Local Outcomes Statement for Peka Peka was underway but awaiting decisions on the Expressway design. A draft Local Outcomes document for Peka Peka was released for consultation in June 2011. Planning the development of Local Outcomes Statements for Waikanae Town Centre, Waikanae Beach and Te Horo (including Te Horo Beach) is underway. Local Outcomes Statements inform the District Plan Review process.

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

The Council approved the introduction of a \$2million per annum allocation to a Strategic Property Purchases Rolling Fund to enable it to purchase property of strategic value to the community. As at year end there were three active negotiations underway.

Key Performance Indicators

Development Management Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
<p>District Plan review provides for Districtwide and Local Community Outcomes perspectives relating to: character; - growth management; - intensification; - affordability; and natural environment;</p> <p>(Measure: District Plan notified after the review.)</p>	<p>Ongoing / On target.</p> <p>Work is ongoing on the District Plan Review, with continuing Elected Member workshops being held on various topics prior to external consultation on potential District Plan content.</p> <p>Ōtaki Residential Subdivision Review Plan Change (PC 77) still subject to one appeal.</p> <p>Large Format Retail Plan Change (PC 78) still subject to one appeal.</p> <p>Ōtaki South Development (PC81) still subject to one appeal.</p> <p>Wharemauku Precinct (PC72A) still subject to one appeal.</p>
<p>Urban development concepts and/or community vision for each area are completed.</p>	<p>Ongoing / On target.</p> <p>Urban development concepts / Community Visions have been developed for Greater Ōtaki Project, Waikanae North, Otaihanga, Paraparaumu Town Centre, Paraparaumu Beach, Raumati Beach, Raumati South and Paekākāriki. Programme for Waikanae Town Centre is underway but awaiting decisions on Expressway and State Highway One refurbishment design.</p> <p>Draft document released for Peka Peka at end of June 2011.</p> <p>This leaves only Waikanae Town Centre, Waikanae Beach and Te Horo/Te Horo Beach to complete their local outcomes statements.</p>

Development Management Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
<p>Structure plans for key areas completed as required.</p> <p><i>Note: a Structure Plan is a comprehensive indicative development plan for a large area which identifies such things as bush to be protected, roads, sections, stormwater etc. It allows a more integrated sustainable development approach which weaves together urban and environmental matters. A Structure Plan has a legal status in the District Plan and is used in the formal resource consent process to guide particular decisions.</i></p>	<p>Ongoing / On target.</p> <p>Structure plans for Private Plan Change 83 (Meadows Precinct) and Private Plan Change 81 (Ōtaki South Development area) were approved in July 2010. Plan Change 83 is now operative. The structure plan for Private Plan Change 81 still subject to one appeal.</p> <p>Initial analysis of constraints and Expressway impacts in the Waikanae North Eco-Hamlet area (rural) has begun in preparation for discussion with landowners as part of the District Plan Review.</p>

Development Management Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Community.	Every district development project will have a community involvement and community feedback component.	100%	100%	<p>Achieved.</p> <p>All work to progress the urban development concepts included opportunities for local communities to participate. This included Ōtaki Main Street and the Raumati Beach Village CBD upgrade this financial year.</p>
Community.	All urban development issues/projects will have a community design component.	100%	100%	<p>Achieved.</p> <p>All work to progress the urban development concepts included opportunities for local communities to participate.</p> <p>This financial year various areas including Paraparaumu Town Centre and the Waikanae area were being examined in the context of the proposed Expressway. Further work will include public input and consultation on any plans or local outcome statements.</p>

Development Management Activity

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

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



Progress in 2010/11

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



Development Management

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
1,585	Operating Costs	1,457	1,537
223	Debt Servicing	251	262
52	Depreciation	55	71
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1,860	Operating Expenditure	1,763	1,870
	Revenue		
369	Charges and Fees	132	191
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369	Operating Revenue	132	191
1,491	NET OPERATING COSTS	1,631	1,679
	Capital Items		
1,072	Asset Construction and Renewal	1,172	1,695
120	Sinking Funds/Loan Repayments	139	171
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2,683	NET COST OF ACTIVITY	2,942	3,545
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1,537	Rates	1,677	1,726
52	Depreciation Reserve	93	79
231	Development Levies	372	376
830	Loans	791	1,319
33	Utilisation of Balances	9	45
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2,683	TOTAL SOURCES OF FUNDS	2,942	3,545
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Development Management

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2010/11 Actual \$000	2010/11 Budget \$000
Raumati Town Centre – initial consultation and design work has been undertaken. Work continuing into the 2011/12 year.	149	200
Ōtaki Main Street Enhancement and Stormwater Upgrade. Work delayed due to contract issues. New contractor on site and work to be completed in the 2011/12 year.	980	1,495
Strategic Land Purchase – active negotiations underway on three properties.	37	2,000

Key Results



- ✓ The new Paraparaumu accredited i-SITE (Visitor Information Centre) was opened on 2 July 2010.
- ✓ Council continues to participate in two broad economic development initiatives and structures: Nature Coast Enterprise to the north in partnership with Horowhenua District Council and the Wellington Regional Strategy to the south.
- ✓ Work with Nature Coast Enterprise continued on the programme for Rugby World Cup 2011 preparedness.
- ✓ Stage 1 of the Economic Development Review was reported to Council.
- ✓ Continued in partnership with Grow Wellington to develop the Centre of Excellence for Clean Technology in Ōtaki. A nine year lease was signed by Grow Wellington and the Clean Tech Centre was officially opened in November 2010. Solid links are being formed between the community and the Clean Tech Centre.
- ✓ Regular articles have been in the Otaki Mail regarding the Energise Ōtaki projects and two Ōtaki future energy forums have been held.

The Kāpiti Coast occupies a unique position, looking north to the predominantly rural areas within Horowhenua while also having a clear link to the more urban southern region. The Council continued to participate in two broad economic development initiatives and structures:

- a northern focus in partnership with Horowhenua District Council, with delivery of an agreed programme of business advice and tourism services via a contract with the local economic development agency, Nature Coast Enterprise;
- the Wellington Regional Strategy which focuses on sustainable economic growth for the Wellington region.

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

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

These two structures are complementary and the Council's participation in both reflects the complexity of the District's urban/metropolitan and rural/provincial links. Council carried out a review of its local economic development agency and has participated in a regional review of the Wellington Regional Strategy and Grow Wellington the economic development agency for the Wellington Region.

A plan was developed by the Council and Nature Coast Enterprise to ensure the District is well positioned for the Rugby World Cup 2011 and recognised as a destination and accommodation option for visitors. The emphasis is on benefits for the District lasting beyond the event itself, e.g. signage, Freedom Camping policy, tourism information etc. Nature Coast Enterprise took the lead to implement the plan.

The Council continued to work in partnership with Grow Wellington on the Regional Centre of Excellence for Clean Technology. This included supporting the Clean Tech Centre NZ, working to

advance the economic opportunities and concepts associated with the Energise Ōtaki Project and supporting the development of a business cluster in Kāpiti for sustainable domestic scale technologies around water, waste and energy efficiency and production. The Clean Tech Centre was officially opened in November 2010.

Also ongoing was the Council support for Te Aho, the Maori Economic Development Strategy and initiatives being driven by tāngata whenua and other agencies.

The Rural Productivity Study project continued according to the revised programme. The Landcare Research report on food productivity opportunities in the Greater Ōtaki area was received and work will continue to link the community, businesses, horticulturalists etc into the opportunities for the local food economy.

The Paraparaumu i-SITE was operational in June 2010 at its new site in Rimu Road, Paraparaumu, with the official opening on 2 July 2010.

Key Performance Indicators

Economic Development Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
Continue to develop 'new economy' initiatives.	Ongoing / On target. Work continued on the Clean Tech Centre of Excellence and Waste to Energy Pilot.
Rural Productivity Study completed and reported back to community by December 2010.	Achieved. Project continued according to revised programme. Landcare Research report on food productivity opportunities in the Greater Ōtaki area was received.
Complete review of visitor information/gateway centres completed by 2012/13.	Not relevant.
Complete town centre investment programme completed as per annual programme (Note: funding is provided in Development Management and other infrastructure activities)	Ongoing / On target. Ōtaki Main Street – Works in progress to appoint a replacement contractor and continue project. Raumati Beach Village CBD - Revised concept designs are being produced for the wider Raumati Beach Town Centre and Marine Gardens / foreshore area. First phase of community consultation complete, report to Community Board in September.

Economic Development Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Business support: <i>Clear point of contact.</i>	Provide a clear point of contact for each business / economic development group with which the Council has a direct relationship.	100%	100%	Achieved. Services were outsourced to the local economic development agency, Nature Coast Enterprise. Regular newsletters and information was sent direct to businesses and tourism operators. Business networking was provided through business breakfasts and other functions.
Business support: <i>Clear point of contact.</i>	Provide an agreed facilitation process and a clear information provision process for businesses and residents about key issues and services.	100%	100%	Achieved. Ongoing liaison with local organisations, central government and other agencies at national or regional level about key issues and services. Nature Coast Enterprise was contracted to deliver information to the community.
Business support, tourism development and promotion: <i>Statistical information.</i>	Provide an annual update on regional economic and business information.	100%	-	Achieved. Nature Coast Enterprise was contracted to deliver this information. March 2011 update received from Business and Economic Research Limited (BERL).
Quality: <i>Town Centre quality.</i>	Deliver projects as per agreed town centre investment programme (except when there are external constraints).	95%	100%	Ongoing / On target. Ōtaki Main Street – Works in progress to appoint a replacement contractor and continue project. Raumati Beach Village CBD - Revised concept designs are being produced for the wider Raumati Beach Town Centre and Marine Gardens / foreshore area. First phase of community consultation complete, report to Community Board in September.
Support for "New Economy" Initiatives.	Deliver projects as per agreed development programme (except when there are external constraints).	95%	95%	Achieved. The partnership with Grow Wellington to develop a Centre of Excellence for Clean Technology progressed. Discussion being held with Grow Wellington and developer about the relationship between the Centre and the Clean Tech Park where it is located.

Economic Development Activity

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

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

Progress in 2010/11

- The Rural Productivity Strategy and progress on developing the Clean Technology Centre of Excellence both contribute to regional economic development, progress on Community Outcome 5 and all the Wellbeing areas.
- The contract with Nature Coast Enterprises to provide an agreed programme of business advice and tourism services contributes to Community Outcomes 5, 7 and Economic Wellbeing.

Community
Outcomes

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Economic Development

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
658	Operating Costs	788	837
-	Depreciation	13	4
3	Debt Servicing	7	8
<hr/>		<hr/>	
661	Operating Expenditure	808	849
661	NET OPERATING COSTS	808	849
	Capital Items		
110	Asset Construction and Renewal	20	-
-	Loan Repayments	6	6
<hr/>		<hr/>	
771	NET COST OF ACTIVITY	834	855
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668	Rates	758	796
103	Loans	20	-
-	Utilisation of Balances	56	59
<hr/>		<hr/>	
771	TOTAL SOURCES OF FUNDS	834	855
<hr/>		<hr/>	

Key Results



- ✓ 6,560 dogs were registered this year.
- ✓ 2,254 routine and 271 urgent calls / complaints about dogs received and responded this year.
- ✓ 97% of 1,885 noise complaints were responded to within 30 minutes.
- ✓ 341 swimming pools were inspected.
- ✓ 348 food premises, 66 'other licensed premises', 16 School Swimming Pools and 74 licensed liquor premises inspected.
- ✓ 620 fire permits issued this year.
- ✓ Adopted the Fire Prevention Bylaw September 2010.
- ✓ Adopted the Freedom Camping Policy December 2010.
- ✓ New rural fire truck operational in March 2011.

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

During the year the Council continued to progress Kāpiti Coast District Council's involvement in a shared service review of how emergency management and rural fire services are delivered throughout the Wellington Region.

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

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

The work programme around bylaw development and review continued with the following bylaws and policies adopted.

- **Fire Prevention Bylaw 2010.** This Bylaw manages the lighting of fires in the open air throughout the Kāpiti Coast District to ensure this activity does not create a nuisance or become a threat to public health and safety. Adopted September 2010
- **Freedom Camping Policy 2010.** This Policy supports the Public Places Bylaw 2010. The objective of the Freedom Camping Policy is to better manage freedom camping on the Kāpiti Coast. The Policy helps to ensure visitors and locals have a clear understanding of where freedom camping is permitted, the conditions of doing so, and the services/facilities available to make it successfully happen. It was adopted December 2010.

A second fire truck was supplied to the Te Horo Rural Fire Force. The new truck has a 2,000 litre water capacity, which means a continual attack can be made when the force responds to a fire; as one truck fights the fire, the other can refill from a water source. This further strengthens Council's Civil Defence capability and supplies a back up to other fire brigades in the District.

Council has been working with the Department of Conservation to install an Emergency Management repeater site on Kāpiti Island. There has been difficulty with the supplier due to the Christchurch earthquake, this has caused the project to be delayed to next year.

Both Christchurch earthquakes resulted in responses from Councils in the Wellington Region. While the first earthquake required only the deployment of building inspectors, the region's response to the second earthquake included both building inspectors and operations staff with water reticulation and waste water skills.

The staff Council deployed worked closely with Porirua and Wellington City staff, complementing each other's capabilities and streamlining the logistics of support. This unified approach helped the productivity of the teams and was well recognised by both those managing the response and residents in Christchurch.

Council's Civil Defence staff were inundated with requests following September for public education. Extra print runs of the Wellington Region's international award winning 'It's Easy Get Prepared' brochure and the 'It's Easy Know Your Tsunami Zone' were required to satisfy demand for information. Promotion of the tsunami zones began this year following development of Kāpiti's tsunami response plan. This Plan has been tested with Police, Fire and Council staff. New Zealand had three tsunami threats this year which required activation of this tsunami plan, but none resulted in a danger of inundation to the Kāpiti Coast. Police and Fire services provided excellent support during each threat.

Council, in conjunction with the other councils in the Wellington Region, developed a proposal for a unified Civil Defence Emergency Management (CDEM) structure for the Wellington Region. The CDEM response to the Christchurch earthquakes reinforced that the approach proposed will improve the Wellington Region's ability to prepare for and respond to a large event. This was presented to, and agreed by, the Region's Coordinating Executive Group (CEG). The proposal brings together all the personnel and expertise from the nine Councils into one organisation to deliver CDEM services in an efficient, effective and coordinated manner for the Region.

The next stage in the new financial year involves the Kāpiti Coast District Council managing, on behalf of the Region's CEG, the recruitment process for the new role of Regional Manager Wellington CDEM. The role will report and be

accountable to the Chair of the CEG, but will be employed by the Greater Wellington Regional Council. The initial focus of this position will be to carry out a review of existing CDEM arrangements in the region to develop a unified structure for approval and implementation. The role will then

take on the overall responsibility for the leadership, strategic management and coordination of all the CDEM activities and services in the Wellington Region. This will include fulfilling the role of Group Controller.

Key Performance Indicators

Environmental Protection Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Statutory standards and requirements, and customer responsiveness.	95% of all noise complaints responded to within 30 minutes of receipt.	95%	97%	Achieved. 1,833 of the 1,885 noise complaints this year were responded to within 30 minutes of receipt.
Statutory standards and requirements, and customer responsiveness.	95% of all routine calls/complaints about dogs responded to within 24 hours of receipt.	95%	90%	Not achieved. 2,254 routine calls/ complaints about dogs were received during the year 2,033 were responded to within 24 hours.
Statutory standards and requirements, and customer responsiveness.	95% of all urgent calls/complaints about dogs responded to within one hour of receipt.	95%	96%	Achieved. 271 urgent complaints about dogs were received during the year. 259 were responded to within one hour.
Statutory standards and requirements, and customer responsiveness.	All calls/complaints (routine or emergency) about wandering stock responded to within one hour of receipt.	100%	100%	Achieved. 168 calls about wandering stock were received during the year.
Statutory standards and requirements, and customer responsiveness.	All emergency callouts to unauthorised trade waste discharges made within one hour of receipt.	100%	100%	Not relevant. None reported.
Statutory standards and requirements, and customer responsiveness.	95% of all routine complaints of abandoned vehicles responded to within one working day.	95%	98%	Achieved. 72 complaints of abandoned vehicles received this year. 71 were responded to within one working day.
Statutory standards and requirements, and customer responsiveness.	All food premises are inspected under the Kāpiti Coast District Council Food Safety Bylaw 2006(including repeat inspections) in accordance with their grade.	100%	100%	Achieved. 348 food premises inspections were completed this year.

Environmental Protection Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Statutory standards and requirements, and customer responsiveness.	All other licensed premises inspected for compliance with appropriate regulations.	100%	100%	Achieved. 66 'other licensed premises' were inspected for compliance with appropriate regulations this year. (The Health Act 1956 and associated regulations (being the Health (Burial) Regulations 1946, the Camping-Grounds Regulations 1985, the Health (Hairdressers) Regulations 1980.
Statutory standards and requirements, and customer responsiveness.	All notifiable infectious disease investigations commenced within eight working hours and the outcome reported to the Medical Officer of Health within two working days for high-risk and within four working days for low-risk cases.	100%	98%	Not achieved. There were 39 of 40 notifiable infectious diseases investigations completed within the required time frames this year. All of which were treated as high-risk cases.
Statutory standards and requirements, and customer responsiveness.	All functioning school swimming pools inspected to ensure compliance with public health standards and school staff advised on remedial action where necessary.	100%	100%	Achieved. All functioning school swimming pools have been inspected to ensure compliance with public health standards. 16 inspections during the year.
Statutory standards and requirements, and customer responsiveness.	50% of all licensed liquor premises inspected annually.	50%	50%	Achieved. 74 licensed liquor premises were inspected this year.
Statutory standards and requirements, and customer responsiveness.	33% of all known private swimming pools inspected to ensure compliance with the Fencing of Swimming Pools Act 1987.	33%	33%	Achieved. 341 pools were inspected during the year.
Statutory standards and requirements, and customer responsiveness	All fire permits issued within one working day on satisfaction after site inspection that the site surroundings are safe and that fire safety equipment is available.	100%	99%	Not achieved. 616 of the 620 fire permits issued this year were issued within one working day on satisfaction after site inspections.
Statutory standards and requirements, and customer responsiveness.	95% of all known dogs are registered.	95%	99%	Achieved. 6,560 known dogs were registered this year.
Statutory standards and requirements, and emergency management.	Provide a rural fire service which meets the National Rural Fire Authority Audit standards.	100%	100%	Achieved. Staff currently undergoing refresher training. Passed (unqualified) the National Rural Fire Authority Audit in October 2008.

Environmental Protection Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Statutory standards and requirements, and emergency management.	Districtwide civil defence emergency readiness complies with the Regional Civil Defence Emergency Group Plan (emergency management).	100%	100%	Achieved. All requirements for compliance with the Regional Civil Defence Emergency Group Plan were incorporated into the Kāpiti Coast District Council Emergency Management Office Annual Business Plan.
Statutory standards and requirements, and emergency management.	All resource consents are monitored in accordance with the Landuse Resource Consents Monitoring Programme	100%	100%	Achieved. 86 resource consents were signed off and 220 monitoring visits were carried out to comply with the monitoring programme during the year.
Customer responsiveness.	Clear publicly available information on standards required for environmental protection processes.	100%	100%	Achieved. Information was available on the Council website and as printed guides. Material is updated as required.
Customer responsiveness.	Regular community feedback in public newspapers.	100%	100%	Achieved. Coastlines was published every six weeks and predominantly featured environmental protection and other regulatory items. Kāpiti Updates was published regularly.

Environmental Protection Activity

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

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

Progress 2010/11

- 99% of known dogs were registered and 96% of urgent dog complaints were responded to within 1 hour. Inspections of all school swimming pools, 373 inspections of food premises, and 62 inspections of 'other licensed premises' all worked towards making our community safer. These levels of service contribute to the healthy and safe aspects of Community Outcome 7, Social Wellbeing, Cultural Wellbeing and Environmental Wellbeing.

Community Outcomes



Environmental Protection

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
2,072	Operating Costs	2,212	2,185
107	Debt Servicing	118	124
60	Depreciation	61	60
<hr/>		<hr/>	<hr/>
2,239	Operating Expenditure	2,391	2,369
	Revenue		
801	Charges and Fees	869	790
<hr/>		<hr/>	<hr/>
801	Operating Revenue	869	790
1,438	NET OPERATING COSTS	1,522	1,579
	Capital Items		
84	Asset Construction and Renewal	8	60
82	Sinking Funds/Loan Repayments	36	36
<hr/>		<hr/>	<hr/>
1,604	NET COST OF ACTIVITY	1,566	1,675
<hr/>		<hr/>	<hr/>
1,575	Rates	1,531	1,593
29	Depreciation Reserve	35	82
<hr/>		<hr/>	<hr/>
1,604	TOTAL SOURCES OF FUNDS	1,566	1,675
<hr/>		<hr/>	<hr/>

Key Results



- Constant improvement in work and interactions under the 1994 Memorandum of Partnership between the three iwi with mana whenua status and the Council. For example; Te Āti Awa ki Whakarongotai Iwi Water Working Party was established, as was a process with iwi for contributing to the District Plan Review.
- Waitangi Day Commemorations, held at Tainui Marae, Ōtaki, a success for Council and the community.
- Marae Support Grants have been allocated.
- Matariki activities instigated and celebrated throughout the community, annual Maramataka completed.
- All Council's formal decisions and associated reports are available on the Council website and from libraries/service centres.
- Discussions on representation options held.
- The Electoral process went smoothly with 18,187 voting papers returned. 260 Year 9 students from two colleges participated in Kids Voting.
- Elected Members successfully worked through the Annual Plan 2011/2012 process.

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

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

A Memorandum of Partnership between the three iwi (Ngāti Raukawa, Āti Awa ki Whakarongotai and Ngāti Toa) and Kāpiti Coast District Council has

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

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

been in place since 1994. The Memorandum guides the relationship between Council and tāngata whenua. The goal of the Memorandum is to forge a relationship of mutual benefit between the Council and tāngata whenua which will develop into an effective and meaningful partnership. The work programme of Te Whakaminenga o Kāpiti is reported on earlier in this Annual Report.

Waitangi Day commemorations held this year at Tainui Marae, Ōtaki were a success for both Council and the community. Following the formal powhiri, celebrations included food, stalls and entertainment.

Te Waka i roto i te Ataarangi o Kāpiti (Council's Kaupapa Māori Staff Group) continued to fulfil its role in supporting the Mayor and Council Kaumatua. Members of Te Waka attended in their own right and also provided advice and support for staffing attending tangi, marae and other hui where it was appropriate to recognise tikanga Māori.

In October 2010 the Local Body Election was held using the Single Transferable Vote system. The new Council was sworn in on 27 October 2010, and Community Boards at subsequent meetings in November 2010.

In conjunction with the Local Body Elections, 260 Year 9 students from two colleges participated in Kids Voting 2010. Kids Voting raises awareness among young people about New Zealand's electoral processes. It gives Year Nine students the opportunity to participate in an authentic voting experience. Students vote for real candidates on a real ballot paper, and compare the results from the kids election with the results of the real election. Kids Voting is part of the 'Growing Active Citizens' project coordinated by Local Government New Zealand and aims to increase active participation in decision-making locally, regionally and nationally by developing a range of resources to support citizenship education for young people in schools.

Key Performance Indicators

Governance and Tāngata Whenua Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Statutory timeframes: <i>Accessibility of the Council's agendas, reports and minutes to the community.</i>	Compliance with Local Government Act 2002 and Local Government Official Information and Meetings Act 1987 requirements for accessibility of Council information, agendas, reports and minutes to the community.	100%	100%	Achieved. Council information, agendas, reports and minutes were made public either on our website and/or in publications and/or through Official Information requests complying with the Local Government Act 2002 and Local Government Official Information and Meetings Act 1987.
Statutory timeframes: <i>Accessibility of the Council's agendas, reports and minutes to the community.</i>	All of the Council's formal decisions and associated reports are available on the website and in the libraries/service centres and Rimu Road Council offices.	100%	100%	Achieved. All of the Council's formal decisions and associated reports were available on the website and in the libraries/service centres and Rimu Road Council offices.

Governance and Tāngata Whenua Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Tāngata Whenua partnership.	Compliance with contractual arrangements with tāngata whenua for resource consent processing.	100%	100%	Achieved. Council has agreements with Te Rūnanga o Raukawa Inc and Te Rūnanga o Āti Awa ki Whakarongotai for the provision of advice on issues affecting tāngata whenua in relation to resource consent applications. Staff meet with representatives on a weekly basis to discuss applications received within their Rohe. Te Rūnanga o Ngāti Toa receive the weekly consent applications list and their representative will request a meeting if they consider a proposal of significance to their Rohe has been received.
Tāngata Whenua partnership.	Develop an annual training programme to provide staff and Elected Members opportunities to have an understanding of tikanga Māori as appropriate to their role in local government.	100%	100%	Achieved. Continued participation from staff in Community/Council events. Ongoing team based improvement opportunities around capacity for learning and using Te Reo. These included pronunciation training and an enhanced induction programme to assist staff to pursue their interest and ability in Tikanga. Elected Members training programme approved and underway. Te Reo, Waiata, and Treaty Training are included.
Promotion of civic involvement.	Weekly information column in a local community newspaper, weekly radio interviews and monthly articles in local community newspapers.	100%	100%	Achieved. Weekly Mayoral columns were published in the local papers; "Coastlines" and "Kāpiti Updates" bulletins on topical subjects also featured regularly.
Promotion of civic involvement.	Annual survey results show communication, information and advice will be timely, accessible, engaging and appropriate for the target audience.	100%	68%	Not achieved. 14% were unsure and 18% were dissatisfied with the communication, information and advice.

Governance and Tāngata Whenua Activity

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

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

Progress in 2010/11

- Access to Council's decisions and activities is provided by having all Council's formal decision and associated reports made available on the Council website and from libraries/service centres. This gives the community the opportunity to be involved and contributes to Community Outcome 7 and Cultural Wellbeing.

Community Outcomes

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Governance and Tāngata Whenua

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
2,750	Operating Costs	2,413	2,413
45	Debt Servicing	66	213
819	Depreciation	883	818
3,614	Operating Expenditure	3,362	3,444
	Revenue		
188	Charges and Fees	344	58
156	Miscellaneous and Separate	330	-
233	Interest	340	-
577	Operating Revenue	1,014	58
3,037	NET OPERATING COSTS	2,348	3,386
	Capital Items		
999	Asset Construction and Renewal	1,512	4,676
62	Sinking Fund/Loan Repayments	94	93
	Appropriations		
(1,250)	Miscellaneous and Separate	(402)	(402)
289	Special Funds	413	-
3,137	NET COST OF ACTIVITY	3,965	7,753
1,962	Rates	2,589	2,899
566	Depreciation Reserve	568	664
453	Loans	1,027	3,790
152	Separate Funds	(195)	-
4	Utilisation of Balances	(24)	85
-	Development Contributions	-	315
3,137	TOTAL SOURCES OF FUNDS	3,965	7,753

Governance and Tāngata Whenua

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2010/11 Actual \$000	2010/11 Budget \$000
Information Technology		
District Communications Project – provision of fibre into the Ōtaki Library – data fibre in Ōtaki Library completed. Ducted Ōtaki Main Street in parallel with Ōtaki upgrade project.	81	103
Hardware Upgrade – Servers upgrade completed.	231	232
Hardware Upgrade – PC's upgrades completed.	210	211
Council Chambers and Offices		
Refurbishment of Rimu Road Building – Detailed design in progress, contract for construction to be awarded November 2011. Revised budget approved in 2011/12 Annual Plan.	383	1,550

Key Results



- ✓ 803,768 issues from the libraries collections; 619,463 visitors through the doors and 56,293 virtual visits through the library website.
- ✓ 19,937 items added to the collections this year.
- ✓ Progress on the integrated design and operational collaboration project for Waikanae Library and Mahara Gallery to enhance Mahara Place comprised a Memorandum of Understanding signed between the Council, the Mahara Gallery Trust and the Field Collection Trust, and preliminary concept designs developed to satisfaction of the projects stake holders.
- ✓ Usage of the free Aotearoa People's Network Kaharoa (APNK) internet service, installed in December 2010, continues to be popular with 33,973 sessions to the end of June.
- ✓ Paekākāriki Library opened in its new location at the Paekākāriki Tennis Court building with over 900 visitors and 1,600 issues for the first two months it was open.
- ✓ 16 Groups were granted \$16,360 of Creative Communities Funding.

Libraries

There were 803,768 total issues from the libraries collections for the year. This was an increase over the 774,295 issues in 2009/10.

The number of visitors to the libraries increased 5% from 603,521 in 2009/10 to 619,463 in 2010/11. This equates to over 50,000 visitors a month at library facilities.

The libraries also experienced a growth in use of the "fourth branch", the library website. There were 56,293 virtual visits in 2010/11 compared to 48,207 in 2009/10.

Council progressed towards meeting the New Zealand Library and Information Association (NZLIA) standard of 350 new items per 1,000 population added to the collection. The 2010/11

target of 315 per 1,000 was exceeded. A total of 19,937 items were introduced into the collections this year.

The Paekākāriki Community Library was transferred from St Peter's Hall to the Paekākāriki Tennis Club where a lockable library facility has been installed in the building. Opened as a new Paekākāriki Branch Library in May 2011, it has had

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

964 visitors in the first two months with 1,636 issues of materials.

Other Library Highlights

- The Kāpiti Coast District Council is now part of the SMART initiative (Shared and Managed, a Region Together). SMART includes the following libraries: Kāpiti, Hutt City, Porirua, Masterton, Weltec Polytechnic and Whitireia Polytechnic. This consortium will allow libraries to provide members with wider access to materials and services in the years to come.
- Launch of the Aotearoa People's Network Kaharoa, December 2010. This gives the Paraparaumu Library, Waikanae Library and Ōtaki Library free internet and wifi services.
- 200 children participated in the summer reading programme.
- A new service "Tea and Tales" was launched in July 2010 with over 70 participants.
- Arty August was a success with artists and artisans displaying how they work, and giving the three libraries an opportunity to promote their arts and crafts collections.
- The project to upgrade the Heritage Trail is underway.
- Over 2,000 books donated to the libraries by members of the community.
- Development of the "Kāpiti Writers" Collection, celebrating Kāpiti authors continued.

- Twitter and Facebook communication on our website continued to be popular.
- Development of a foreign language collection at Paraparaumu Library.

Arts and Museums

The annual Arts Trail was held the weekend of the 6-7 of November 2010. Over 200 artists participated in both studios and artesian centres. There were an estimated 8,000 visitors. Good feedback was received from both visitors and artists.

The Mahara Gallery Trust's request for support to enable the Mahara Gallery to expand and provide a home for the Field Trust Collection has been recognised. This collection includes paintings by Frances Hodgkins and her family. The expansion of the gallery means this collection could be on display throughout the year without having an impact on other exhibitions.

The Mahara Gallery operates in a Council-owned building opposite the Waikanae Library. The vision is to integrate the design for these two services to enhance Mahara Place as well as provide better facilities for residents and the District. The Waikanae Community Board, recognised the value of both facilities enhancing each other and drove discussions to consider the integrated design and operational collaboration drawing upon the collections and expertise of both institutions. The approved concept design has been reworked following consultation with stakeholders, and a community campaign to raise money for the Gallery has begun.

Key Performance Indicators

Libraries, Arts and Museums Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
Work with the community on the development of a Paekākāriki Branch Library.	Achieved. Library is open and well received. A total of 964 visitors for the two months of May and June with 1,636 issues of materials. The library is open 10 hours a week.
Provide the Aotearoa People's Network at all three libraries.	Achieved. Implemented in December 2010. 17,933 sessions in the fourth quarter for a total of 33,973 sessions since implementation.
Provide Outreach Library Services to offer housebound services, reach into retirement facilities, education facilities and meet needs of special interest groups.	Ongoing / On target. Various investigation work into the service requirements was undertaken. The Outreach Librarian position is vacant. This project is now on hold till the second quarter of the new financial year, when the need for the service will be reviewed as part of the Long Term Plan.
Publish the Lifelong Learning Policy.	No Longer Required. Project removed as no longer necessary. Will be included in Libraries Activity Management Plan in 2011/12.

Libraries, Arts and Museums Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Access and quality of service: <i>Ratio of new/old book stock.</i>	Meet the LIANZA standard of 350 new items per 1,000 population added to the collection yearly.	315 items per 1,000 population	395 items per 1,000 population	Achieved. A total of 19,397 items were introduced into the collections during the year, meeting the NZLIA standard. Note: The New Zealand Library and Information Association (NZLIA) standard of 350 items was programmed to be achieved in 2012 but has been met early due to Council's current purchasing programme.
Access.	Achieve a 20 working day processing time for new items to be catalogued.	100%	85%	Not achieved. Overall average for the year has dropped to 23 days. Staffing measures undertaken made the fourth quarter a success with a turnaround time of 19 days. (30 days is the New Zealand Library and Information Association Standard.) This measure will be reviewed in the development of the next Long Term Plan with a view to using the New Zealand Library and Information Association Standard.

Libraries, Arts and Museums Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Quality of service: <i>Arts, Museums and Heritage Communication and advice.</i>	Annual survey results show communication, information and advice is timely, accessible, engaging and appropriate for the organisations supported by this activity.	100%	77%	Not achieved. 77% showed satisfaction with communication, information and advice. 12% were unsure and 11% were dissatisfied with the communication, information and advice.
Quality of service: <i>Arts, Museums and Heritage Communication and advice.</i>	Ensure Creative Communities Funding processes will be clear and user-friendly.	100%	100%	Achieved. Creative New Zealand introduced new forms and processes from 1 July 2010. The Funding Committee and staff found the new forms less effective than the last form developed by the Committee and staff, and as a result, put extra effort in to improve the process. Creative New Zealand is planning to make improvements to the forms and Council staff will provide feedback when appropriate. The funding process includes advertising for applications in the local newspaper and on our website. Application forms, an applicant's guide and glossary of terms, are made available on the website and from Council Customer Service Desks and Library Information Desks. Council staff respond by telephone, email and meetings with individuals to clarify requirements and assist with applications.
Quality of service: <i>Arts, Museums and Heritage Communication and advice.</i>	Use the New Zealand Heritage Trails Foundation guidelines.	100%	-	Ongoing / On target. The project to refurbish Heritage Trail signs around the District is underway as a joint project with Te Whakaminenga o Kāpiti, Ōtaki Historical Society, and Kāpiti Historical Society. \$18,000 has now been spent on the project, inclusive of a \$8,000 donation from the Kapiti Pakeke Lions Club. All signage, brochures and website content will be in English and Te Reo Māori. Translation of the Pipi Trail into Te Reo is complete, and the Te Reo booklet has been formatted ready for the printers. All text for 11 plaques and six upright signs is currently being translated into Te Reo. \$20,000 has been carried over to 2011/12. By the end of September all 37 Heritage sites will be completed, and the brochures and website finished.

Libraries, Arts and Museums Activity

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

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

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

Progress in 2010/11

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

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Libraries, Arts and Museums

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
2,733	Operating Costs	2,816	2,969
282	Debt Servicing	314	308
555	Depreciation	557	538
3,570	Operating Expenditure	3,687	3,815
	Revenue		
333	Charges and Fees	311	323
-	Miscellaneous and Separate	(4)	-
333	Operating Revenue	307	323
3,237	NET OPERATING COSTS	3,380	3,492
	Capital Items		
435	Asset Construction and Renewal	693	752
273	Sinking Funds/Loan Repayment	275	275
	Appropriations		
-	Miscellaneous and Separate	(30)	-
3,945	NET COST OF ACTIVITY	4,318	4,519
	TOTAL SOURCES OF FUNDS	4,318	4,519
3,397	Rates	3,680	3,669
548	Depreciation Reserve	500	641
-	Development Levies	78	79
-	Loans	56	60
-	Utilisation of Balances	4	70
3,945	TOTAL SOURCES OF FUNDS	4,318	4,519

Libraries, Arts and Museums

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2010/11 Actual \$000	2010/11 Budget \$000
Materials Additions – Library books, CDs and DVDs periodicals. Purchase of materials to ensure that the community has free access to current and historical library materials in sufficient quantities and in a variety of appropriate formats.	414	412

Key Results



- Continued support and improved relations with various community groups involved in planting and restoration projects throughout the District. Over 8,000 native plants and trees were supplied by Council and planted by Council and community groups including 5,000 native trees.
- Reviews of Reserve Management Plans continued.
- Draft Reserve Management Plan completed for Tasman Lakes, Peka Peka.
- Pavilion construction approved at Mazengarb Park Multi Sport Turf, Paraparaumu.
- Installed playground and completed planting around the pond edge for Maclean Park.
- New playground installed in the Otaihanga Domain following community consultation, this has been very well received by the local community.
- Upgrading of the Te Āti Awa Courts completed. Pavilion alterations progressing well which, when completed, will make the complex more suited to attract major sporting events to the District.
- Water bore and irrigation system installed at Ōtaki Domain front fields.
- Stage two of the pine removal and native re-vegetation of the Paraparaumu railway escarpment completed.
- Native re-vegetation continuing at a number of bush reserves mainly Lindale and around the Waikanae area which reduces grass cutting maintenance costs and improves the health of the bush remnants.
- Works completed refurbishing the Paekākāriki Tennis Courts and clubrooms (Library).
- Draft concepts completed for Marine Gardens development.
- Draft Parks and Open Space Asset Management Plan developed.

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

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

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

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

Draft concepts for the development of Marine Gardens have been carried out in conjunction with the proposed Raumati Beach Town Centre upgrade. These concepts have been developed in consultation with the community and will be reported to the Paraparaumu/Raumati Community Board in early 2011/12.

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

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

Key Performance Indicators

Parks and Open Space Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
Develop Open Space Acquisition Strategy (including Biodiversity Strategy) 2009/10.	Achieved. The Open Space Strategy was developed. The draft strategy materials were developed through extensive in-house workshops and are currently being incorporated into the District Plan Review. A Biodiversity framework will be developed as part of the 2012 LTP.
Reserves Management Strategy 2010/11.	Achieved. All current Reserve Management Plans are operative. A review to ensure that plan standards are clearly linked to expenditure profiles in the Asset Management Plans and into the 2012 Long Term Plan has been started. The Draft Parks and Open Space Asset Management Plan was completed.

Parks and Open Space Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Quality: <i>Mowing standards.</i>	Grass length is maintained in accordance with Service Level Agreements at a length appropriate to the activity function for each park.	95%	93%	Not achieved. Inspections of a cross section of 20 sites per month were undertaken to monitor performance and audit compliance. Unusually humid conditions resulted in higher than usual grass growth increase during summer.
Safety, access, quality: <i>Playground Standards (National).</i>	All playgrounds are maintained to the NZS 4422 and NZS 4486.1 standards.	100%	100%	Achieved. All playgrounds were inspected and monitored at least monthly to ensure they met the standards for playground surfacing specifications and requirements (NZS 4422) and standards for development, installation, inspection, maintenance and operation of playground and playground equipment (NZS 4486).
Quality: <i>Litter collection.</i>	All refuse bins are emptied from reserve areas no less than twice weekly in accordance with Service Level Agreements.	100%	100%	Achieved. All refuse bins were emptied from reserve areas in accordance with service level agreements.
Quality: <i>Tree maintenance.</i>	Tree maintenance based on regular assessment of need/risk etc.	100%	100%	Achieved. Trees were inspected on a regular basis in accordance with service level agreements and action taken as required.
Green Character and biodiversity.	Completion of annual Yardstick Survey.	100%	100%	Achieved. The annual Yardstick Survey of park users was completed December 2010. The results are incorporated into the Draft Asset Management Planning process.

Parks and Open Space Activity

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

The **Parks and Open Space** Activity links to the leadership statement The Importance of Place, Open Space, Centres and Design. It contributes to the overall natural area of the District and has the capacity to build on the 'green and riparian networks' of the District (Outcomes 1 and 4). Key parks and the coastal reserves play a major part in supporting biodiversity contributing to Environmental Wellbeing. The quality, location and design of local parks contribute to the character and quality of centres and neighbourhoods contributing to Cultural Wellbeing and Outcome 2. Both passive and active reserves contribute directly to the health and wellbeing of individuals and communities (Social Wellbeing, Outcomes 6 and 7).

Progress in 2010/11

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

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Parks and Open Space

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
2,660	Operating Costs	2,814	2,961
23	Debt Servicing	27	123
548	Depreciation	574	561
3,231	Operating Expenditure	3,415	3,645
	Revenue		
63	Charges and Fees	72	63
649	Reserves Contributions/Development Levies	264	210
27	Miscellaneous and Separate	42	-
739	Operating Revenue	378	273
2,611	NET OPERATING COSTS	3,037	3,372
	Capital Items		
1,157	Asset Construction and Renewal	1,059	2,377
110	Sinking Funds/Loan Repayments	111	144
	Appropriations		
648	Miscellaneous and Separate	116	-
-	Development Contributions	263	210
4,526	NET COST OF ACTIVITY	4,586	6,103
3,136	Rates	3,336	3,562
587	Depreciation Reserve	623	1,331
84	Loans	116	627
190	Special Funds	174	-
529	Development Levies	337	583
4,526	TOTAL SOURCES OF FUNDS	4,586	6,103

Parks and Open Space

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2010/11 Actual \$000	2010/11 Budget \$000
Land Development		
Maclean Park Development - contribution to the new Paraparaumu Beach front path, play equipment, planting and some associated works.	231	290
Asset Management		
Mazengarb Park Multi Sport Turf Changing Rooms capital contribution – balance carried forward until 2011/12.	100	250



Key Results



- ✓ Council continued to provide a weekly kerbside recycling collection for glass, paper, cardboard and plastics, and tin and aluminium cans in the urban areas.
- ✓ The Resource Recovery Facility at Otaihanga provided for an increasing amount of waste diversion with a recycling drop-off and a reuse and recycling shop.
- ✓ 55 complaints of illegally dumped waste on public roads were removed within 48 hours of being advised.
- ✓ Completion of the Kāpiti Coast District Survey of Solid Waste.

During the financial year the work programme associated with introducing the major levels of service for solid waste continued. The annual Fees Review was carried out during the 2011/12 Annual Plan Process.

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

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

The Council currently pays for the mulching of greenwaste received at the transfer stations which

is then used by the contractor for composting. This contract will be reviewed in 2012. The mulching service is paid for via greenwaste charges.

The Resource Recovery Facility operating at Otaihanga provided for waste diversion from the main tipping floor with a recycling drop-off and a re-use and recycling shop. The contract with the

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

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

operators has waste removal targets which requires them to recycle all waste that can be removed and sold on at a cost lower than the cost of disposal. Council monitors this performance on a monthly basis.

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

community sustainability programmes, this levy appears in the Environmental Sustainability Activity.

The three yearly "Survey of Solid Waste in Kāpiti Coast District" was completed in September 2010 in accordance with Ministry for the Environment guidelines.

The waste analysis has been fed into the draft Wellington Regional Waste Assessment and will be incorporated in the Regional Waste Management and Minimisation Plan (WMMP). The Regional WMMP will provide opportunities towards a number of solid waste activities, such as exploring shared services and development of a regional education strategy.

Key Performance Indicators

Solid Waste Key Actions / Outputs	Progress to 30 June 2011	Year End Outcome (Achievement category and associated explanation)
Completion of a new Waste Management and Minimisation Plan (March 2011).	<p>Ongoing / On target.</p> <p>Draft and consultation achieved.</p> <p>Following the Waste Minimisation Act requirements, Council has participated in producing a Regional Waste Management and Minimisation Plan. The consultation period started at the same time for all Councils involved (June 2011). Three submissions were received in Kāpiti, including one from this Council. None of the Kāpiti submitters requested to be heard. Two regional hearings will be held to hear submitters from the other districts. A report for approval is expected in October/November 2011.</p>	

Solid Waste Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Waste disposal services.	All landfills perform to all resource consent standards.	100%	100%	Achieved. Landfill has closed. Monitoring existing conditions only.
Waste collection, frequency.	No more than 10 reported "missed collections" (general waste and kerbside) per 1,000 properties per week.	100%	100%	Achieved. During the year Council received 367 complaints for missed rubbish bags equating to a weekly average of 0.61 complaints per 1,000 properties per week (Council customers). 161 complaints were received for missed recycle bins equating to 0.14 complaints per 1,000 properties per week.
Waste collection, frequency.	All Illegally dumped waste on public roads removed within 48 hours of being advised.	95%	87%	Not achieved. 63 complaints were received during the year of which 55 were responded to within 48 hours of being advised.
National compliance.	The composition and quantity of waste is surveyed every three years in accordance with Ministry for the Environment guidelines.	100%	100%	Achieved. Survey complete September 2010.
Resource Recovery Facility.	Compliance with performance standards (waste minimisation and operation).	100%	-	Achieved. The contract for the Otaihangā Resource Recovery Station requires the operator to reduce the incoming general waste stream, recycle and recover all waste that can be removed and sold on at a cost lower than the cost of disposal. Performance review of operational contracts is ongoing. Diversion options (e.g. E-waste) are being researched and discussed.

Solid Waste Activity

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

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

Progress in 2010/11

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

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Solid Waste

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
2,440	Operating Costs	2,332	2,131
166	Debt Servicing	201	201
65	Depreciation	66	100
<hr/>		<hr/>	<hr/>
2,671	Operating Expenditure	2,599	2,432
	Revenue		
2,355	Charges and Fees	2,394	2,569
<hr/>		<hr/>	<hr/>
2,355	Operating Revenue	2,394	2,569
316	NET OPERATING COSTS	205	(137)
	Capital Items		
5	Asset Construction and Renewal	61	50
121	Sinking Funds/Loan Repayment	121	121
<hr/>		<hr/>	<hr/>
442	NET COST OF ACTIVITY	387	34
<hr/>		<hr/>	<hr/>
91	Depreciation Reserve	101	100
-	Loans	-	-
351	Separate Funds	286	-
-	Utilisation of Balances	-	(66)
<hr/>		<hr/>	<hr/>
442	TOTAL SOURCES OF FUNDS	387	34
<hr/>		<hr/>	<hr/>

Key Results



- ☑ Stormwater upgrade for the Raumati Beach Town Centre underway and on target. Due for completion December 2011.
- ☑ Districtwide hydraulic modelling programme completed. Consultation process to start first quarter 2011.
- ☑ Long term climate change implications for levels of service under review.
- ☑ Working with other members of the Expressway Alliance to ensure the stormwater requirements integrate into Council's stormwater network.

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

In order to plan for stormwater improvements the Council holds a specific set of ground level information which is important for flood plain management. This ground level information is gathered using optical remote sensing technology commonly known as LIDAR (Light Detection and Ranging). The existing LIDAR data information was fragmented and inaccurate in certain locations. Council has now received updated LIDAR survey information to assist in the development of flood hazard maps for the District which are due for completion in 2011/12.

During the year the Council also:

- maintained approximately 193 kilometres of piped stormwater reticulation, 40 kilometres of open drains and 12 stormwater pump stations;

- Completed the Districtwide hydraulic modelling programme;
- analysed long-term climate change impacts and implications for levels of service choices;
- continued the assessment of implications for existing stormwater infrastructure capacity standards;

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

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

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

Key Performance Indicators

Stormwater Management Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
Achieve the annual upgrades projects priority list.	Ongoing / On target. This will be published in the Asset Management Plans.
Working towards completing districtwide hydraulic modelling in 2011/12. <i>Note the Ōtaki, Waikanae and Paekākāriki Flood Hazard maps and the Wharemauku Flood Plain Study are likely to be completed in 2010/11. The Paraparaumu Flood Hazard maps and the Mazengarb Flood Plain Study are scheduled to be completed in 2011/12.</i>	Ongoing / On target. Districtwide hydraulic modelling programme completed. Consultation process to start first quarter 2011.

Stormwater Management Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Responsiveness: <i>Reliability.</i>	All stormwater outlets are inspected weekly or monthly depending on vulnerability to blockage.	90%	100%	Achieved. All stormwater outlets were inspected weekly or monthly depending on vulnerability to blockage. Inspections this year resulted in no major works being required.
Responsiveness: <i>Reliability.</i>	90% of all buildings that have been inundated due to minor flooding are visited within four weeks of the event.*	90%	100%	Achieved. There were three incidents this year. Affected properties were visited within four weeks of the event.
Responsiveness: <i>Reliability.</i>	90% of non-urgent service requests are responded to within five days.	90%	94%	Achieved. There were 136 service requests during the year, 128 of which were responded to within five days.

Stormwater Management Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Environmental quality, capacity.	All new developments and upgrades, where practicable, incorporate a design for a one in 10 year flood** if the primary stormwater system has access to a secondary flow path; if there is no secondary flow path, then they must incorporate a design for a one in 100 year flood.***	100%	100%	<p>Achieved.</p> <p>There were 20 subdivision consents and 20 land use consents, requiring engineering conditions incorporating the relevant design for flooding during the year.</p>

Notes:

- * minor flooding means flooding with a return period of five years or less.
- ** one in 10 year flood means there is a 10% chance a flood will occur in any one year.
- *** one in 100 year flood means that there is a 1% chance of a flood occurring in any one year – but it will be more severe than a one in 10 year flood.

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

Stormwater Management Activity

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

The primary function of the **Stormwater Management** Activity is the removal of stormwater run-off and safe disposal into receiving environments. As such it contributes directly to individual and community health and safety (Outcome 7). However, the way it is managed and the quality of systems design contribute to the protection and enhancement of ecosystems and the environment in terms of planting and water quality protection (Outcome 1, Environmental Wellbeing). The cumulative effect this low impact design has is a major contribution to urban amenity and character (Outcome 2). The potential re-use of stormwater can contribute to efficient use of the water resource and reduced energy costs from pumping (Outcome 4). The open drain systems and secondary overflow paths also contribute as recreation areas (Outcome 7). Finally, decisions about stormwater service levels have major implications for decision about growth management (Outcome 3) and links to the leadership statement "Building Resilience".

Progress in 2010/11

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



Stormwater Management

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
1,150	Operating Costs	1,218	1,297
645	Debt Servicing	737	960
716	Depreciation	737	755
2,511	Operating Expenditure	2,692	3,012
	Revenue		
-	Charges and Fees	42	-
82	Development Contributions	47	154
82	OPERATING REVENUE	89	154
2,429	NET OPERATING COSTS	2,603	2,858
	Capital Items		
2,724	Asset Construction and Renewal	1,927	5,077
690	Sinking Funds/Loan Repayments	862	922
	Appropriations		
39	Miscellaneous and Separate	47	-
-	Development Contributions	-	154
5,882	NET COST OF ACTIVITY	5,439	9,011
2,874	Rates	2,862	3,103
611	Depreciation Reserve	494	554
2,221	Loans	1,949	5,028
136	Utilisation of Balances	86	277
40	Development Levies	48	49
5,882	TOTAL SOURCES OF FUNDS	5,439	9,011

Stormwater Management

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2010/11 Actual \$000	2010/11 Budget \$000
Districtwide (projects that benefit the district)		
Waikakariki Gravel Extraction. Required flood protection and associated gravel extraction works on Waikakariki Stream. Project on hold awaiting High Court action.	5	413
Paraparaumu/Raumati		
Raumati Beach CBD Stormwater Upgrade - currently underway with final work to be completed in 2011/12.	979	2,748
Flood Maps		
Mazengarb Catchment to be completed in the 2011/12 year.	77	140

Key Results



- Over 4,200 people attended the 2011 Sustainable Home and Garden Show. Highlights included:
 - displays by Council, Forest and Bird, Project Kereru and seven community restoration groups to successfully promote the maintenance of biodiversity;
 - a number of “Friends Groups” profiling their community environmental work;
 - an exhibition from the four ‘Greenest Street’ competitors;
 - the show generating 60 bookings for the Eco Design Advisory Service;
 - the display and presentations to promote Rongoaa Māori.
- The Greenest Street was awarded to Te Roto Road, Ōtaki who reduced their environmental footprint by 29% between October 2010 and June 2011.
- The woodfired boiler became operational. This is estimated to save Council \$300,000 per year in diesel costs and reduce Council carbon footprint by 23%.
- The Fish Passage in Wharemauku Stream was completed including landscaping and planting.
- Ten issues of the ‘On To It’ newsletter were produced.
- Energise Ōtaki (previously referred to as Ōtaki ‘Off-Grid’) idea developed and Community Outcome Statement adjusted via Ōtaki Community Board decision.
- Community Groups were supported by improving the supply of eco-sourced native plants grown for restoration projects – thousands being grown now, these will be available for planting during winter 2011. Advice and field assistance was also provided.
- More than 450 Eco Design Advisory Service home visits and advice were provided by the Eco Designer on information such as reducing heat loss, limiting indoor air moisture, water conservation, heating, ventilation, design detailing and material/ product selection during the year.
- 100% of the 81 clients who responded to the Eco Designer Adviser Survey found the advice beneficial and 97% said they were likely to make the recommended changes.
- Eight Heritage Grants awarded.
- Solar Pool Water Heating Array constructed at the Ōtaki Pool will have a significant on going energy savings for the complex.

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

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

Another initiative was the "Greenest Street" competition. The competition aimed to enthuse and assist groups of neighbours to work together, make friends and have fun while they worked as a community to reduce their environmental footprint, be more self-sufficient and enhance the place where they live. Te Roto Road, Ōtaki, won the 2010/11 competition. From an environmental footprint of 3.6 "earths" in nine months they reduced their footprint to 2.6 "earths", a 29% improvement.

The Council continued with the following programmes during the year:

- the Sustainable Home and Garden Show;
- provision of sustainable building advice;
- the Riparian Fund for assistance with ecological projects on the margins of waterways;
- rates remission for land protected for natural or cultural conservation purposes;
- general community sustainability (including waste minimisation) and biodiversity assistance,

subject to the availability of external funding and any funding generated by Council energy saving projects;

- Council and community energy efficiency projects using external funding where possible to supplement any funding generated by Council energy saving projects like the woodfired boiler at the Wastewater Treatment Plant. In September 2010 the woodfired boiler became operational, this project will save more than \$300,000 a year in diesel and other operating costs and cut Council's carbon footprint by 23%.
- The Sustainable Neighbourhoods Programme which started this year included the Greenest Street competition. This was a new initiative partially funded by the local share of the National Waste Levy Council received from the Ministry for the Environment.

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

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

Key Performance Indicators

Supporting Environmental Sustainability Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
Biodiversity Strategy transferred to Parks and Open Space Activity and incorporated into the Open Space Acquisition Strategy.	No longer required. The Biodiversity Strategy has been transferred to Parks and Open Space Activity.
100 households assisted by WarmUp New Zealand (Note: this scheme was previously called Energy Wise Home Grants.)	Not relevant. The Council plan to subsidise this scheme with savings from the woodfired boiler is on hold until the Crown loans associated with the project have been repaid. The woodfired boiler is now installed and operational.

Supporting Environmental Sustainability Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Advice.	Annual survey results show communication, information and advice is timely, accessible and appropriate for the target audience.	100%	71%	Not achieved. 11% were unsure and 18% were dissatisfied with communication information and advice.
Funding assistance.	Annual completion of Heritage Grants and other assistance processes.	100%	100%	Achieved. Allocation recommendations were approved by Council in February 2011. Eight grants totalling \$27,574 awarded, enabling conservation projects estimated to cost \$169,000 to proceed. A total of 4.4 hectares of wetland and 28 hectares of lowland forest will be protected by QE II Trust Covenants.
Tāngata Whenua involvement.	Tāngata Whenua satisfaction with and involvement in community environmental sustainability projects, as advised by Te Whakaminenga o Kāpiti.	100%	-	Achieved. Opportunities to plant open spaces with rongoa are being investigated in consultation with Iwi interest groups and local suppliers. Opportunities will be considered within the Open Space Acquisition Strategy. Promotion of Rongoa Māori at the Sustainable Home and Garden Show 2011.

Supporting Environmental Sustainability Activity

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

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

Environmental sustainability is increasingly critical as the community’s wellbeing potentially places increasing stress on the natural environment – water, air, climate, soil, wildlife and ecosystems. The latest environmental indicators (globally, nationally and regionally) suggest that the quality and viability of the natural environment is declining in a number of ways. The community depends on the natural environment for its wellbeing, so an increasingly degraded environment threatens the very foundations of natural systems and services. For example, poor water, soil and air lead to human health problems and decreased potential for food production. Degraded ecosystems and decreasing amounts of native flora and fauna reduce the quality of life for the community and ultimately reduce the attractiveness of the district. Climate change, brought about by human activity, threatens the community in a number of ways. These natural limits to community wellbeing can be forestalled if the community adopts more environmentally sustainable practices that place less burden on the natural environment (Environmental Wellbeing, Outcomes 4, 6, 7).

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

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

Progress in 2010/11

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

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Supporting Environmental Sustainability

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
516	Operating Costs	718	898
13	Loan Interest	-	-
<hr/>			
529	Operating Expenditure	718	898
	Revenue		
90	Fees and Charges	153	351
<hr/>			
90	Operating Revenue	153	351
439	NET OPERATING COSTS	565	547
<hr/>			
439	NET COST OF ACTIVITY	565	547
<hr/>			
497	Rates	590	547
(58)	Separate Funds	(25)	-
<hr/>			
439	TOTAL SOURCES OF FUNDS	565	547
<hr/>			

Key Results



- The Youth Council surveyed 763 young people regarding their social wellbeing and the services and activities available to young people in the District.
- Youth Council and Council together developed the "Youth2U" Youth Action Plan 2011-2015.
- Completed the Council Community Contracts review, confirming priorities for Council funds.
- \$25,000 granted to 31 community groups through Community Grants and \$20,000 to three community groups covering Employment Initiative Grants.
- Completed the Community Max Programme with two participants securing a 12 month fixed term employment.
- Successful in gaining \$60,000 funding from the Ministry of Youth Development Partnership Fund for "Youth2U".
- Alcohol Action Plan developed in collaboration with 38 local and national agencies supported a number of implementation projects – Older Persons "Conversations about Alcohol"; Young People "Shattering Myths/Changing Attitudes"; and a Place Based – "Attitudes to Alcohol".
- Supported the Council of Elders to run "Making the most of retirement on the Kāpiti Coast" forum in April. The Older Persons Strategy was launched at the forum.
- Youth Week – supported successful Youth Council activities – Pool Party at Raumati Pool, graffiti art workshops in Ōtaki, The Ō Factor talent quest in Ōtaki. Supported the three colleges with their Youth Week activities.
- Supported the Youth Council to participate in the consultation on the Raumati Beach Town Centre upgrade.
- Supported process for gift of Māori name for Kāpiti Community Centre – celebration held 15 July 2011.

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

During 2010/11 there was an increasing need for Council to respond to changes to economic and social conditions, and to central government policy and funding directions. For example the Ministry of Justice changed its funding programme for crime prevention. This resulted in reduced funding for the Kapiti Safer Community Trust.

These changes are expected to continue into 2011/12. Another example is the introduction of Whanau Ora and the Community Response Model which will have an impact on the way that social services are delivered and funded in the future.

The 2010/11 work programme continued to focus on responsiveness to community groups and community issues. Some of these areas are listed below:

- The Youth Council undertook a number of successful activities including: two rounds of “\$300ships”, a range of Youth Week activities including YouthFest at Maclean Park, Paraparaumu. The Council led the Youth Research Project and survey. The report on which was launched in 2010 and the associated Youth2U Action Plan developed;
- Council received funding from the Ministry of Justice in 2010 to develop the Alcohol Action Plan, this was endorsed by Council in June 2011;
- Began a partnership project with Nature Coast Enterprise, Work and Income, Chamber of Commerce and local training providers to reduce youth unemployment;
- Supported the Council of Elders to run “Making the most of retirement on the Kāpiti Coast”

forum in April. The Older Persons Strategy was launched at the forum;

- The Council of Elders met monthly and was actively involved in community networks and issues, submitted on a number of key issues including the Council's Annual Plan and regional and central government policies, and participated in producing the Older Persons Strategy. The Strategy was launched at their “Making the most of retirement on the Kapiti Coast: forum held in April 2011;
- Council continued to work with the Disability Reference Group to respond to priority issues for people with disabilities in the District;
- Council received additional funding from the Department of Labour under the Regional Settlement Strategy to fund initiatives that introduce newcomers to New Zealand and the

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

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

District to local history and culture and to the significance of the Treaty of Waitangi. Council is working on developing a resource for newcomers;

- Council continued to support the Kapiti Suicide Postvention Initiative Multi-agency Group to build an effective post suicide response in the community.

Key Performance Indicators

Supporting Social Wellbeing Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
Contracts review with: <ul style="list-style-type: none"> - Sport Wellington Region; - Kapiti Safer Community Trust; - Citizens Advice Bureau; - Kapiti Community Centre; - Surf Lifesaving Clubs; - Kapiti Community Health Group Trust; - Kapiti Disability Information Equipment Centre; - Emergency Medical Service and - Youth Development Trust. completed by December 2010.	Achieved. Review recommendations reported to Environmental and Community Development Committee in March 2011. Review completed when 2011/12 Annual Plan adopted.

Supporting Social Wellbeing Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Inclusion and participation, community resilience, capacity building.	Provide a clear point of contact for each community group with which the Council has a direct relationship.	100%	100%	Achieved. A clear point of contact for each community group with which the Council has a direct relationship was maintained by having a staff position that is partnership manager for all community contracts, a staff position that is contact for community grants and a staff position that is contact for the Council's partner groups (Council of Elders, Youth Council and Disability Reference Group). Social Wellbeing Team members shared attendance at regular community forums.
Inclusion and participation.	Provide clear points of contact for residents about key issues and clear indication of whom to contact within Council.	100%	100%	Achieved. Clear points of contact for residents about key issues were provided through the Social Wellbeing Team members having specified portfolio areas they cover e.g. young people, older people, health, housing. These were promoted in community forums and networks.

Supporting Social Wellbeing Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Community resilience.	Allocate all grants in accordance with Council procedures and fund criteria.	100%	100%	<p>Achieved.</p> <p>Two grants programmes were administered.</p> <p>Community Grants - \$25,000 was granted to 31 community groups covering administration, training, advertising and promotion, transport and the purchase of equipment or resources.</p> <p>Employment Initiatives Fund - \$20,000 was granted to three community groups covering student support.</p>
Community resilience, partnerships and resources.	Ensure all key community groups that Council works with have an agreed facilitation process and a clear information provision process.	100%	100%	<p>Achieved.</p> <p>All groups that have a community contract with the Council were assigned a specific contract manager. These groups will report on their activities on a six monthly basis to Council.</p>
Inclusion and participation.	Provide regular feedback to the community through public newspapers and other communication avenues.	100%	100%	<p>Achieved.</p> <p>Feedback occurred through regular monthly network meetings e.g. Otaki Community Network Forum and Kapiti Community Social Services meeting, Youth Worker Network and the Youth Council, the Disability Reference Group, Elder Care network and other community networks.</p> <p>Reports of activities and events were included in local newspapers e.g. Youth Week in the Kāpiti Update.</p>

Supporting Social Wellbeing Activity

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

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

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

Progress in 2010/11

- The Youth Council granted 46 "\$300ships" and held a successful Youth Festival in Maclean Park contributing towards progress of Outcome 6, Social Wellbeing and Cultural Wellbeing.
- The \$25,000 distributed to 31 community groups through Community Grants contributes to Outcome 7.

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Supporting Social Wellbeing

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
1,156	Operating Costs	1,284	1,405
<hr/>		<hr/>	<hr/>
1,156	Operating Expenditure	1,284	1,405
	Revenue		
222	Fees and Charges	130	231
<hr/>		<hr/>	<hr/>
222	OPERATING REVENUE	130	231
934	NET OPERATING COSTS	1,154	1,174
	Appropriation		
52	To Special Funds	60	-
<hr/>		<hr/>	<hr/>
986	NET COST OF ACTIVITY	1,214	1,174
<hr/>		<hr/>	<hr/>
973	Rates	1,201	1,174
13	Miscellaneous and Separate	13	-
<hr/>		<hr/>	<hr/>
986	TOTAL SOURCES OF FUNDS	1,214	1,174
<hr/>		<hr/>	<hr/>

Key Results



- Completed Woodfired Boiler project for replacement of diesel fired sludge dryer at Paraparaumu Wastewater Treatment Plant. New boiler operating well.
- 95% of 2010/11 capital expenditure budget projects completed.
- Ōtaki Wastewater Treatment Plant Sludge Upgrade (completed July 2011).
- CCTV database initiated for tracking condition assessment records and video footage with hyperlinks to GIS.
- 98% of the blockages, breaks and overflows were responded to within one hour and all incidents were repaired within four hours - exceeded the service level targets.
- There were no overflows caused by pump station failures in 2010/11.

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

Work continued on the application of an efficiency focus to the operations of this activity during the year, with a particular focus, on the replacement of the diesel fuelled sludge dryer at Paraparaumu Wastewater Treatment Plant with a woodfired boiler. The woodfired boiler was commissioned, tested and integrated with control systems in August 2010, and the boiler was fully operational in September 2010.

The Council continued to:

- Maintain approximately 380 kilometres of wastewater reticulation and 142 wastewater pump stations;
- monitor inflow and infiltration of stormwater/ groundwater into the wastewater system;

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

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

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

Key Performance Indicators

Wastewater Management Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome
Reliability, capacity and responsiveness: <i>Provision of a response and / or repair timeframe.</i>	85% of all blockages, breaks and overflows are responded to within one hour.	85%	98%	Achieved. 99 out of a total of 101 incidents were responded to within one hour during the year.
Reliability, capacity and responsiveness: <i>Provision of a response and / or repair timeframe.</i>	85% of all repairs (whether temporary or permanent) are effected within four hours.	85%	100%	Achieved. All 101 repairs were responded to within four hours.
Reliability, capacity and responsiveness: <i>Mechanical faults</i>	No more than three overflows during the year caused by pumping station faults.	100%	100%	Achieved. There were no overflows caused by pumping station faults this year.
Environmental quality: <i>Compliance with resource consent conditions.</i>	Full compliance with resource consent conditions for treated effluent quality.	100%	100%	Achieved. Daily samples were taken and test results show full compliance with the resource consent conditions for treated effluent quality.
Environmental quality <i>Mechanical faults.</i>	No more than 15 dry weather overflows from the reticulation that reach a watercourse in any year.	100%	100%	Achieved. There were five dry weather overflows during the year.

Wastewater Management Activity

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

The primary contribution of the **Wastewater Management** Activity is to Outcome 7 and Environmental Wellbeing in terms of protection of public health. How this is undertaken, such as decisions about discharge of treated water to land, has implications for ecosystems health (Outcome 1) while the focus of beneficial reuse of resources contributes to (Outcome 4). The nature and extent of the wastewater network and/ or on-site systems contributes to decisions about growth management (Outcome 3) and links to leadership statement “Building Resilience”.

Progress in 2010/11

- Replacing the diesel fuelled sludge dryer at Paraparaumu Wastewater Treatment Plant with a woodfired boiler contributes progress towards Community Outcome 4 and Environmental Wellbeing.

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Wastewater Management

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
4,013	Operating Costs	4,362	4,424
1,079	Debt Servicing	1,031	1,025
1,966	Depreciation	1,964	1,970
7,058	Operating Expenditure	7,357	7,419
	Revenue		
41	Charges and Fees	199	10
-	EECA Grant - Woodfired Boiler	200	-
88	Development Levies	483	154
129	Operating Revenue	882	164
6,929	NET OPERATING COSTS	6,475	7,255
	Capital Items		
1,793	Asset Construction and Renewal	2,444	2,866
1,274	Sinking Funds/Loan Repayments	1,353	1,313
	Appropriations		
88	To Separate Funds	682	154
10,084	NET COST OF ACTIVITY	10,954	11,588
7,330	Rates	7,377	7,366
1,739	Depreciation Reserve	1,870	1,870
1,027	Loans	1,228	999
88	Development Contributions	479	1,082
(100)	Separate Funds	-	-
-	Utilisation of Balances	-	271
10,084	TOTAL SOURCES OF FUNDS	10,954	11,588

Wastewater Management

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2010/11 Actual \$000	2010/11 Budget \$000
Wastewater – Waikanae		
Balance Tanks Waikanae – Rauparaha emergency wastewater storage and pump station upgrade. Tenders received were over project budget due to the groundwater requiring additional sheet piling costs and the need for a new power transformer. Budget was carried over to 2011/12 year and programme adjusted to allow for contract award.	134	812
Joint Waste Paraparaumu/Raumati		
Balance of cost of Woodfired Boiler – Improve energy efficiency with sludge drying by switching from diesel to wood fuel – completed September 2010. This project was staged over 2 years and was completed within budget. Off setting this capital expenditure is \$200,000 of EECA Grant received towards this project in 2010/11.	458	300
Wastewater – Ōtaki		
Sludge Treatment Upgrade	692	481
Treatment Plant Renewal	515	437
Work completed, additional expenditure was required to renew existing transformer not originally budgeted for.		

Key Results



- The Water Conservation Programme was developed and seven Water Conservation Plan Action Areas were identified.
- Water Supply Project: Work continued to identify additional water supply capacity for Waikanae, Paraparaumu, Raumati, the preferred option was selected on 19 August 2010, River Recharge with Groundwater (RRWG). The drilling investigations work related to the RRWG and Dam site land negotiations are progressing.
- Water Conservation: by 30 June 2011 418 Green Plumber visits to residents were carried out, 41 Green Gardener workshops had been delivered to public and schools, a DVD was made of the Water Treatment Plant for schools, 5 schools were working with the Water Education Advisor, local plumbers had been briefed on upcoming interest free loans and Plan Change 75 was formally adopted into District Plan.
- Water Conservation: Modelling work for the Paraparaumu-Raumati Zones is being verified in the field. Zones have been shut for flow monitoring and this has resulted in some minor adjustment of zone boundaries.
- Ōtaki Water Supply Reservoir: Preferred reservoir site and capacity was determined by Council on 9 June 2011. A revised programme and funding schedule was confirmed at the same meeting.
- Various other water capital expenditure projects were completed within budget. 90% of project deliverables were completed on time. The Water Treatment Plant Upgrade project is progressing.
- Eco Design Advisor programmes included information to assist residents to conserve water and energy.
- Council decision signalling its intention that from 1 July 2014 all potable water costs will be fully funded from water meter charges.

The Council maintained its 528 kilometres of water mains, five water treatment plants, eight pump stations and eight reservoirs throughout the District.

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

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

A review of all options was tabled with Council on the 17 December 2009 and the 11 March 2010 with Council selecting the preferred option on 19 August 2010. Extensive investigation of the preferred option, River Recharge with Groundwater, with full consideration of all environmental, social and financial issues associated with this preferred solution is underway. Work is also progressing on purchasing land for a water supply dam. Once constructed, the dam will help fulfil Council's vision to secure a water supply for the next 100 – 150 years.

Drilling investigations are underway and river ecology investigations have been completed. A Cultural Impact Assessment relating to both preferred supply options has progressed with a literature review, site walk-over, meeting with Te Āti Awa Water Working Group and Kaumatua, Iwi wide hui, all having been completed.

An external Technical Advisory Group was established to ensure a thorough assessment of options is undertaken and will be involved in reviewing the results from the detailed investigations. This volunteer group consists of local residents, all experts in their fields.

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

Council's decision on 23 June 2011 to adopt the 2011 Amendment to the Long Term Council Community Plan signals its intention to move towards water meter charges from 1 July 2014. The ongoing work surrounding a charging regime, will be open for further community input and formal consultation as part of the 2012 Long Term Plan review, prior to Council making a final decision.

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

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

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

The Council adopted the Water Conservation Plan on 30 September 2010. There are 7 Water Conservation Plan Action Areas:

- Water Loss Reduction;
- Better Data, Better Results;
- Regulation;
- Financial Incentives;
- Education;
- Fostering Innovation;
- Council Leadership.

Progress on these areas included:

- leak detection surveys, water modelling and zone metre upgrade work all progressed well in 2010/11;
- Plan Change 75 which requires all new dwellings to have rain water tanks or diversion systems became operative in May 2011;
- investigations to offer financial incentives to assist residents reduce water use by purchasing and installing Council approved water saving systems for outdoor use, including roof water tanks, greywater systems and possibly shallow bores;
- Council showing leadership by progressively using water more efficiently in its buildings, parks and facilities, and by offering expert advice (Green Gardener, Green Plumber, Eco Design Advisor) on water use outdoors and in the home.

Work was undertaken in conjunction with the Greater Ōtaki Project on water supply with the following communities in that area:

- Ōtaki – the town has adequate capacity in its reticulation system, but is reliant on bores with no built-in storage capacity. This means that there are risks that bore pumping cannot keep up with demand and the community has a greater risk of loss of supply during a disaster.

Work continued on the Ōtaki reservoir project. Water modelling work was completed in January 2011 to compare infrastructure cost options. The preferred site and capacity for a new supply reservoir was determined by Council in June 2011. A revised programme for construction was confirmed at that same meeting. The construction of the reservoir is due for completion in 2014/15.

Drinking Water Standards (quality) – New Drinking Water Standards regulations have been introduced with a requirement on all reticulated systems to have an approved Public Health Risk Management Plan (PHRMP) by 2014. Council has been awarded an Aa water grading. The Plan for Paraparaumu/Waikanae/Raumatī has been submitted to the Ministry of Health and is awaiting approval. Planning for the Ōtaki and Paekākāriki (PHRMP) water supply zones are underway.

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

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

Key Performance Indicators

Water Management Key Actions / Outputs	Year End Outcome (Achievement category and associated explanation)
Ōtaki/Hautere water supply systems review 2010/12.	Ongoing / On target. The review of these systems and the future approach to the areas is being carried out as part of the Greater Ōtaki Project and the current District Plan Review.
Construction of Ōtaki reservoir 2012/14.	Ongoing / On target. Preferred reservoir site and capacity was determined by Council in June 2011. A revised programme and funding schedule was confirmed at the same meeting.
Completion of Waikanae, Paraparaumu, Raumati water supply options by end of 2014/15.	Ongoing / On target. The drilling investigations work related to the River Recharge with Groundwater is progressing. The River Investigation Report is being peer reviewed. The Cultural Impact Assessment of both River Recharge and Dam is progressing. Land negotiations are progressing.

Water Management Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome										
Water Supply: <i>Capacity and reliability.</i>	Water supply is tested daily in accordance with the Ministry of Health Drinking Water Standards for New Zealand 2005.	100%	100%	Achieved. Water supply was tested daily for turbidity, fluoride content, Chlorine residual, pH, Faecal coliforms and E coli in accordance with the Ministry of Health Drinking Water Standards for New Zealand 2005. All tests results showed Kāpiti Coast water supply is safe for drinking.										
Water Supply: <i>Capacity and reliability</i>	Operate each water supply zone in accordance with the NZ Drinking Water Standards 2005.	100%	100%	Achieved. Each water supply zone was operated in accordance with the New Zealand Drinking Water Standards 2005 to ensure safe drinking water.										
Water Supply: <i>Capacity and reliability</i>	Health Risk Management Plan by 2014 in accordance with the following timetable: <table border="1" data-bbox="505 1556 810 1843"> <thead> <tr> <th>Scheme</th> <th>Compliance Required</th> </tr> </thead> <tbody> <tr> <td>Paekākāriki</td> <td>1 July 2011</td> </tr> <tr> <td>Paraparaumu/ Waikanae/Raumati</td> <td>1 July 2009</td> </tr> <tr> <td>Ōtaki</td> <td>1 July 2010</td> </tr> <tr> <td>Hautere/Te Horo</td> <td>1 July 2011</td> </tr> </tbody> </table>	Scheme	Compliance Required	Paekākāriki	1 July 2011	Paraparaumu/ Waikanae/Raumati	1 July 2009	Ōtaki	1 July 2010	Hautere/Te Horo	1 July 2011	100%	25%	Ongoing / On target. Aa grading is being maintained for the Waikanae, Paraparaumu and Raumati zones. The Ministry of Health has extended the compliance deadline from 2011 to 2014; the Council timetable for approval of remaining water schemes has been adjusted to fit with this requirement. Achieved: Waikanae/ Paraparaumu/ Raumati Ongoing / On target: Paekākāriki, Ōtaki and Hautere/Te Horo
Scheme	Compliance Required													
Paekākāriki	1 July 2011													
Paraparaumu/ Waikanae/Raumati	1 July 2009													
Ōtaki	1 July 2010													
Hautere/Te Horo	1 July 2011													

Water Management Level of Service	Measure	2010/11 Target	Progress Achieved	Year End Outcome												
Water Supply: <i>Capacity and reliability</i>	All planned interruptions have 24 hours notice.	100%	100%	Achieved. All 15 planned interruptions during the year had 24 hours notice to residents.												
Water Supply: <i>Capacity and reliability</i>	All planned interruptions have a maximum duration of 8 hours.	95%	96%	Achieved. 14 of the 15 planned interruptions were resolved within 8 hours during the year.												
Water Supply: <i>Capacity and reliability</i>	All unplanned interruptions have a maximum duration of 4 hours.	95%	100%	Achieved. All 242 unplanned interruptions during the year were resolved within 4 hours.												
Water Supply: <i>Capacity and reliability</i>	<p>All normal operating water pressure at reticulation extremities meets the following standards except where the reservoir does not allow:</p> <table border="1"> <thead> <tr> <th>Target Pressure at Point of Supply in Meters Head (Static)</th> <th>On Demand Supply (urban)</th> <th>Restricted Flow Supply (rural)</th> </tr> </thead> <tbody> <tr> <td>Normal Minimum (95 – 99% of time)</td> <td>25</td> <td>25</td> </tr> <tr> <td>Maximum</td> <td>120</td> <td>-</td> </tr> <tr> <td>Minimum Running Pressure</td> <td>15</td> <td>-</td> </tr> </tbody> </table>	Target Pressure at Point of Supply in Meters Head (Static)	On Demand Supply (urban)	Restricted Flow Supply (rural)	Normal Minimum (95 – 99% of time)	25	25	Maximum	120	-	Minimum Running Pressure	15	-	100%	100%	<p>Achieved.</p> <p>All normal operating water pressure at reticulation extremities met the required standards except where the reservoir does not allow.</p> <p>Using SCADA (Supervisory Control and Data Acquisition) water is checked continually by online instrumentation. If pressure drops a computerised alarm is raised and staff receive a cellphone alert.</p> <p>There was one instance of below normal operating pressure at Grand Poppa Way, Otaihanga. This was due to the implementation of water zones. The issue was fixed by adjusting the zone boundaries and pressure returned to normal. The service standard was maintained due to normal pressure being available 95% of the time.</p>
Target Pressure at Point of Supply in Meters Head (Static)	On Demand Supply (urban)	Restricted Flow Supply (rural)														
Normal Minimum (95 – 99% of time)	25	25														
Maximum	120	-														
Minimum Running Pressure	15	-														
Responsiveness.	Information is available to residents, businesses, schools and community groups on issues such as supply sources, demand management and for education about conservation.	100%	100%	<p>Achieved.</p> <p>Information is available to residents, businesses, schools and community groups on issues such as supply sources, demand management and for education about conservation.</p> <p>This information was made available through the Council website, in the newspaper, at events (e.g. Sustainable Home and Garden Show) and during public forums.</p>												

Water Management Activity

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

The **Water Management** Activity provides infrastructure to fit local growth management needs (Outcome 3) and provides potable drinking water as a basic requirement of public and individual health (Outcome 7). The activity focus on water conservation is intended in part to reduce pressure on river systems and aquifers and water quality contributing to Outcome 1 and Environmental Wellbeing. It also progresses efficient use of the water resource and efficient infrastructure investment contributing to Outcome 4 and linking to the leadership statements Building Resilience and Neighbourhood and Street Action for Change: Energy, Waste, Water, Gardens and Food.

Progress 2010/11

- Progress towards Outcome 4 was contributed by the 418 Green Plumber visits to residents. Plan Change 75 which made it compulsory for new houses to have either a 10,000 litre rainwater tank or a 4,500 litre water tank and greywater system contributed to Community Outcome 4 and Environmental Wellbeing.

Community
Outcomes

1
2
3
4
5
6
7

Water Management

Statement of Cost of Activity

2009/10 Actual \$000		2010/11 Actual \$000	2010/11 Budget \$000
	Expenditure		
3,129	Operating Costs	3,660	3,667
1,183	Debt Servicing	1,138	1,377
1,711	Depreciation	1,788	1,741
6,023	Operating Expenditure	6,586	6,785
	Revenue		
295	Charges and Fees	223	317
114	Development/Financial Levies/Contributions	171	154
409	Operating Revenue	394	471
5,614	NET OPERATING COSTS	6,192	6,314
	Capital Items		
2,802	Asset Construction and Renewal	3,390	4,073
969	Sinking Funds/Loan Repayments	1,006	1,406
	Appropriations		
113	To Separate Funds	79	-
-	Development Contributions	-	154
-	Water Conservation Loans	-	210
9,498	NET COST OF ACTIVITY	10,667	12,157
6,322	Rates	6,119	6,126
2,452	Depreciation Reserve	2,061	2,057
613	Loans	2,308	3,451
111	Development Levies	139	140
-	Utilisation of Balances	40	383
-	Miscellaneous and Separate	-	-
9,498	TOTAL SOURCES OF FUNDS	10,667	12,157

Water Management

Detail of Significant Expenditure on Acquisition and Replacement of Assets

	2010/11 Actual \$000	2010/11 Budget \$000
Joint Waikanae, Paraparaumu, Raumati Water		
Milne Drive to Kiwi Road Pipeline completed.	196	250
Treatment Plant Renewals completed.	382	395
Reinforce Beach Reticulation – upgrade water main on Queens Road, Waikanae completed.	213	297
Additional water supply/storage capacity – Council approved increase in 2010/11 budget to \$1.725 million in September 2011.	1,534	1,275
Water – Ōtaki		
Ōtaki Water Reservoir works delayed due to property purchase issues, funding carried over into 2011/12 to continue with project. Completion planned for 2014/15.	126	733

Section 4: Finance and Revenue

Statement of Comprehensive Income For the Year Ended 30 June 2011

2009/10 Actual \$000		Notes	2010/11 Actual \$000	2010/11 Budget \$000
39,638	Total Rates	(30)	42,504	42,004
11,862	Other Revenue		9,496	9,720
4,667	NZTA Operating Funding	(22)	2,379	2,753
-	NZTA Expressway Project	(22)	736	-
241	NZTA Capital Funding	(22)	3	5,580
56,408	TOTAL OPERATING REVENUE		55,118	60,057
33,900	Expenditure		36,029	36,211
-	NZTA Expressway Project	(22)	736	-
723	Loss on Disposal	(31)	265	-
8,200	Impaired Asset		-	-
4,333	Finance Costs		4,473	6,710
1,649	Gain/(Loss) on Revaluation of Financial Instruments		1,252	-
11,653	Depreciation/Amortisation	(9) (10) (22)	12,036	11,578
60,458	TOTAL OPERATING EXPENDITURE		54,791	54,499
(4,050)	NET SURPLUS /(DEFICIT)		327	5,558
	Other Comprehensive Income			
(817)	Property, Plant and Equipment - Increase/(Decrease) in revaluation reserves		59,146	42,482
(4,867)	TOTAL COMPREHENSIVE INCOME		59,473	48,040

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

Statement of Changes in Equity
For the Year Ended 30 June 2011

				Retained Earnings			Revaluation Reserve			Reserves and Special Funds			Sinking Funds		
				Note 16			Note 17			Note 20			Note 7		
	2011 Actual \$000	2011 Budget \$000	2010 Actual \$000	2011 Actual \$000	2011 Budget \$000	2010 Actual \$000	2011 Actual \$000	2011 Budget \$000	2010 Actual \$000	2011 Actual \$000	2011 Budget \$000	2010 Actual \$000	2011 Actual \$000	2011 Budget \$000	2010 Actual \$000
Equity at the Start of the Period	678,293	712,820	683,160	573,006	608,412	577,482	100,192	101,009	101,009	3,549	2,354	3,376	1,546	1,045	1,293
Net Surplus/(Deficit) for the period	327	5,558	(4,050)	327	5,558	(4,050)	-	-	-	-	-	-	-	-	-
<i>Other Comprehensive Income recognised directly in equity</i>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property, Plant and Equipment - Increase/(Decrease) in revaluation reserves	59,146	42,482	(817)	-	-	-	59,146	42,482	(817)	-	-	-	-	-	-
Financial Assets at fair value through equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income	59,473	48,040	(4,867)	327	5,558	(4,050)	59,146	42,482	(817)	-	-	-	-	-	-
Appropriation of retained earnings	-	-	-	(1,391)	(1,413)	(1,975)	-	-	-	346	351	975	1,045	1,062	1,000
Transfers from reserves	-	-	-	4,424	813	1,549	-	-	-	(1,833)	-	(802)	(2,591)	(813)	(747)
Equity at the End of the Period	737,766	760,860	678,293	576,366	613,370	573,006	159,338	143,491	100,192	2,062	2,705	3,549	-	1,294	1,546

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

Statement of Financial Position

As at 30 June 2011

2009/10 Actual \$000		Notes	2010/11 Actual \$000	2010/11 Budget \$000
Current Assets				
11,473	Cash and Cash Equivalents	(6)	313	5,655
5,118	Trade and Other Receivables	(12)	5,086	5,046
225	Inventories		137	311
135	Derivative Financial Instruments	(7)	48	-
-	Other Financial Assets	(7)	-	1,274
16,951	Total Current Assets		5,584	12,286
Non-Current Assets				
753,163	Property, Plant and Equipment	(9)	822,528	874,088
351	Forestry Assets	(11)	467	250
324	Intangible Assets	(10)	454	45
328	Derivative Financial Instruments	(7)	228	1,417
66	Other Financial Assets	(7)	66	1,500
105	Trade and Other Receivables	(12)	280	-
754,337	Total Non-Current Assets		824,023	877,300
771,288	TOTAL ASSETS		829,607	889,586
Liabilities and Public Equity				
Current Liabilities				
9,517	Trade and Other Payables	(13)	12,849	10,812
880	Derivative Financial Instruments	(8)	889	142
1,429	Employee Benefit Liabilities	(18)	1,467	976
1,135	Deposits	(14)	1,083	1,498
40,770	Public Debt	(15)	35,909	10,839
5,341	Development Contributions		4,802	5,225
59,072	Total Current Liabilities		56,999	29,492
Non-Current Liabilities				
30,749	Public Debt	(15)	30,638	97,553
2,774	Derivative Financial Instruments	(8)	3,830	1,275
362	Employee Benefit Liabilities	(18)	336	369
38	Provisions	(19)	38	37
33,923	Total Non-Current Liabilities		34,842	99,234
92,995	TOTAL LIABILITIES		91,841	128,726
Public Equity				
573,006	Retained Earnings	(16)	576,366	613,370
100,192	Revaluation Reserve	(17)	159,338	143,491
3,549	Reserves and Special Funds	(20)	2,062	2,705
1,546	Sinking Funds	(7)	-	1,294
678,293	TOTAL PUBLIC EQUITY		737,766	760,860
771,288	TOTAL LIABILITIES AND PUBLIC EQUITY		829,607	889,586

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

Jenny Rowan, QSO, JP

Mayor
Kāpiti Coast District

6 October 2011

Tamsin Evans

Deputy Chief Executive

6 October 2011

Warwick Read

Group Manager
Finance

6 October 2011



Statement of Cash Flows
For the Year Ended 30 June 2011

2009/10 Actual \$000	Notes	2010/11 Actual \$000	2010/11 Budget \$000
Cash Flows From Operating Activities			
<u>Cash was provided from:</u>			
39,638		42,523	42,306
7,020		7,357	6,778
4,679		3,118	3,342
530		-	-
9,586		8,150	7,441
-		-	-
132		439	-
30		62	-
61,615		61,649	59,867
<u>Cash was applied to:</u>			
25,535		17,100	21,202
15,397		15,918	16,206
6,000		7,162	6,778
4,279		4,560	6,710
-		-	-
51,211		44,740	50,896
10,404	(21d)	16,909	8,971
Cash Flows From Investing Activities			
<u>Cash was provided from:</u>			
117		-	200
-		-	1,000
229		3	5,580
-		-	-
740		-	500
1,086		3	7,280
<u>Cash was applied to:</u>			
10,561		21,611	37,048
-		-	-
995		433	-
11,556		22,044	37,048
(10,470)	(21b)	(22,041)	(29,768)

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

2009/10 Actual \$000		Notes	2010/11 Actual \$000	2010/11 Budget \$000
Cash Flows From Financing Activities				
<u>Cash was provided from:</u>				
1,518	Long Term Borrowing Raised		-	25,267
<u>Cash was applied to:</u>				
2,965	Debt Principal Repayments		6,028	5,608
1,447	Net Cash Flows From Financing Activities	(21c)	(6,028)	19,659
1,381	Net Increase/(Decrease) in Cash Held		(11,160)	(1,138)
10,092	Add Total Cash and Cash Equivalents at 1 July		11,473	6,793
11,473	TOTAL CASH AND CASH EQUIVALENTS at 30 June 2011	(21a)	313	5,655

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

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

Statement of Commitments
As at 30 June 2011

	2010/11 Actual \$000	2009/10 Actual \$000
Capital Commitments Approved and Contracted	-	240
Non-cancellable Contracts:		
The Council has entered into non-cancellable contracts for the operation of pools in the District and contracts for service from community organisations. Disbursement costs associated with the greenwaste composting are not included as they cannot be quantified. Details of the commitments under these contracts are as follows:		
Not later than one year	1,054	587
Later than one year and not later than two years	19	19
Later than two years and not later than five years	-	19
TOTAL COMMITMENTS	1,073	865

Operating Leases as Lessee

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

	Actual 2010/11 \$000	Actual 2009/10 \$000
Non-cancellable Operating Leases as Lessee		
Not later than one year	202	47
Later than one year and not later than five years	743	110
Later than five years	916	-
TOTAL NON-CANCELLABLE OPERATING LEASES	1,861	157

The total minimum future sublease payments expected to be received under non-cancellable subleases at balance date is \$nil (2010 \$nil).

Contingent rent payable has been determined on the basis of the terms of the lease agreement.

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

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

Statement of Significant Accounting Policies

For the Year Ended 30 June 2011

Reporting Entity

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

The primary objective of Council is to provide goods or services for the community or social benefit rather than making a financial return. Accordingly, Kāpiti Coast District Council has designated itself as a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements of Kāpiti Coast District Council are for the year ended 30 June 2011. The financial statements were authorised for issue by Council on 6 October 2011.

Basis of Preparation

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

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

- The Council has elected to apply the exemption from the requirements of paragraph 39 of the NZ IAS 15 Property, Plant and Equipment. The Council therefore accounts for revaluations of property, plant and equipment on a class of asset basis;
- The Council has elected to apply the exemption from the requirements of paragraph 77(e) of NZ IAS 16: Plant, Property and Equipment. The Council does not disclose, for each revalued class of property, plant and equipment the

carrying amount that would have been recognised had the assets been carried under the cost model.

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

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

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

Specific Accounting Policies

The following accounting policies which materially affect the measurement of results and financial position have been applied:

1. Financial Statements Presented

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

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

2. Revenue Recognition

Revenue is measured at the fair value of consideration received. Rates revenue is recognised when levied. Water billing revenue is

recognised on an accrual basis. Land Transport New Zealand roading subsidies are recognised as revenue upon entitlement, which is when conditions pertaining to eligible expenditure have been fulfilled. Other grants and bequests and assets vested in the Council, with or without conditions are recognised as revenue when control over the assets is obtained.

3. Budget Figures

The budget figures are those approved by the Council at the beginning of the year after a period of consultation with the public as part of the Long Term Council Community Plan process. The budget figures have been prepared in accordance with Generally Accepted Accounting Practice and are consistent with the accounting policies adopted by the Council for the preparation of financial statements.

4. Equity

Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities. Public equity is disaggregated and classified into a number of reserves to enable clearer identification of the specified uses that the Council makes of its accumulated surpluses. The components of equity are Retained Earnings, Revaluation Reserves, Reserves and Special Funds, and Sinking Funds.

5. Reserves and Special Funds

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

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

made only for certain specified purposes or when certain specified conditions are met.

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

6. Financial Assets

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

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

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

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

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. Kāpiti Coast District Council uses a variety of methods and makes

assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The four categories of financial assets are:

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

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

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

Financial assets in this category include interest rate swaps.

- ***Loans and receivables***

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

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

other receivables" in the Statement of Financial Position.

- ***Held to maturity investments***

Held to maturity investments are assets with fixed or determinable payments and fixed maturities that Kāpiti Coast District Council has the positive intention and ability to hold to maturity.

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

Investments in this category include sinking funds.

- ***Available for sale financial assets***

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

- Loans and receivables – if the financial assets has fixed or determinable payments, are not quoted in an active market and contain no features which could cause the holder to recover substantially all of its investment except through credit deterioration, and the intention is to hold them for the foreseeable future;
- Held for maturity – if the intention is to hold them to maturity and only in rare circumstances;
- Available for sale – only in rare circumstances.

Rare circumstances arise from a single event that is unusual and unlikely to recur in the near term.

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

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

Impairment of financial assets

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

Accounting for derivative financial instruments and hedging activities

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

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

Council's derivative financial instruments are not designated as hedging instruments for accounting purposes. Accordingly, derivative financial instruments are reported as financial instruments at fair value through Other Comprehensive Income.

7. Property, Plant and Equipment

Property, plant and equipment consists of:

- *Infrastructure Assets* – Infrastructure assets are the fixed utility systems owned by the Council. Each asset type includes all items that are required for the network to function, for example, wastewater reticulation includes reticulation piping and wastewater pump stations;
- *Operational Assets* – These include land, buildings, improvements, library books, plant and equipment, and motor vehicles; and
- *Restricted Assets* – Restricted assets are parks and reserves owned by the Council which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.

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

Additions

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

Disposals

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

Subsequent costs

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

Revaluation

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

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

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

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

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

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

- Road network land value;
- Roading improvements.

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

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

Water, Wastewater and Stormwater Treatment and Reticulation systems were valued at Depreciated Replacement Value as at 30 June 2008 by Maunsell Limited (Engineers). The depreciated replacement cost figures were found by determining the current replacement costs of the assets involved and applying a

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

Depreciation

Depreciation is provided on a straight line basis on all assets other than land, and certain parts of roading, river control and seawalls. The roading, river control and seawall assets that are considered to be non-depreciable assets are Basecourse (80% non-depreciable content), Berms/Crossings/Earthworks/Formation/Land, Sub base/Watertable, Riprap seawall protection (rocks) and Stopbanks. The reason for their non-depreciable status is that there is no decline

in service potential and therefore these assets have an unlimited life. Other assets are depreciated at rates which will writeoff the cost (or valuation) of the assets over their useful lives. Motor vehicles purchased after 30 June 2001 have been given a residual value of 20% of original cost and are depreciated to this residual value. The estimated useful lives of resource consents, management plans and investigations are determined by their period of validity. Depreciation rates and the estimated useful lives are as follows:

Asset Category	Depreciation Rates %	Estimated Useful Life (Years)
Operational Assets		
Buildings	1.0 – 3.0	40 – 100
Computer Equipment	25	4
Furniture and Chattels	12.5	8
Heritage Assets	1	100
Library Collection	14.29	7
Motor Vehicles	20	5
Office Equipment	12.5 – 20	5 – 8
Other Improvements	2.5 – 20	5 – 40
Plant and Machinery		
Light Trucks	14.29	7
Heavy Trucks, Road Machines	10	10
Tractors, Trailers, Heavy Mowers	14.29	7
Other Plant	20	5
Infrastructural Assets		
Bridges	1 – 14.29	7 – 100
Seawalls		
Concrete/Posts/Rails/Panels/Rocks	3.00 – 10.00	10 – 30
River Control		
Bank Protection	2.13 – 2.22	45 – 47
Roading		
Basecourse (20% depreciable content)	4.42	23
Footpaths	1.66	60
Kerbs/Culverts/Lighting	2	50
Surfacing	16.66	6
Marking	39	2.5
Stormwater		
Pump Stations/Manholes/Sumps	1.25 – 50	2 – 80
Pipes	1.25 – 5.26	19 – 80
Wastewater		
Pump Stations	1.25 – 50	2 – 80
Manholes/Cleaning Eyes	1.43 - 2.56	39 – 70
Pipes	1.14 – 4.55	22 – 88
Plant	1 – 25	4 – 100
Water		
Storage	1.27 – 4	25 – 79
Headworks/Booster Stations/Pipes	1.06 – 50	2 – 94
Hydrants/Valves/Tobies	1.25 – 1.64	61 – 80
Meters	10	10

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

Assets under construction

Assets under construction are generally not depreciated until completion. The total cost of a project is transferred to the relevant asset class and on its completion is then depreciated. The current carrying amount of items under construction is disclosed in Note 8.

Borrowing costs

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

8. Intangible Assets

Software acquisition and development

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

Costs associated with maintaining computer software are recognised as an expense when incurred. Costs that are directly associated with the development of software for internal use by Kāpiti Coast District Council, are recognised as an intangible asset. Direct costs include the

software development employee costs and an appropriate portion of relevant overheads.

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

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

- Computer software 3 – 5 years

9. Forestry Assets

Forestry assets are independently revalued annually to fair value.

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

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

10. Impairment of Non-Financial Assets

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

Value in use is depreciated replacement cost for an asset where the future economic benefits or

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

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

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

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

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

11. Landfill Post Closure Costs

The Otaihangā Landfill is now closed to general waste disposal as it reaches the end of its life. For the next year treated sludge from the Paraparaumu and Ōtaki Wastewater Treatment Plants will still be disposed of to the landfill site. Cleanfill is used to act as a mixing agent. After that time, the landfill will enter the aftercare phase.

The Council, as operator of the Otaihangā Landfill, has a legal obligation under the

resource consent to provide ongoing maintenance and monitoring services at the landfill site after closure. A provision for post closure costs is recognised as a liability when the obligation for post closure arises.

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

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

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

12. Council Controlled Trading Organisations

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

13. Cost Allocation Policy

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

Criteria for Direct and Indirect Costs

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

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

Cost Drivers for Allocation of Indirect Costs

The costs of internal services not directly charged to activities are allocated as overheads using appropriate cost drivers such as actual

usage, staff numbers and floor area etc. as set out on the following chart.

Basis of Allocation of Overheads	Method used
Accommodation	Area utilised
Chief Executive's Office	Governance and Tāngata Whenua Activity
Communication (Public Relations)	Estimate of time spent per Activity
Community and Corporate Information Management	Estimate of time spent on direct reporting lines
Customer Services	Estimate of time spent
Development Projects Management	Charged to project budgets based on time spent
Environmental Protection Management	Estimate of time spent on direct reporting lines
Finance	Number of transactions and total expenditure
Human Resources	Number of staff
Information Technology / G.I.S.	Hardware utilised
Assets and Services Management	Estimate of time spent on direct reporting lines
Planning and Risk Management	70% to capital projects Balance allocated on expenditure per Activity (including 50% of Access and Transport)
Rates Management	Funds required from rates levied
Strategy and Partnerships Management	Estimate of time spent (strategic requirements to activities and direct reporting lines)
Districtwide Services	Operating expenditure – Water, Wastewater and Stormwater Activities
Council Depots	Number of staff

14. Allocation of Overheads

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

15. Cash and Cash Equivalents

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

16. Inventories

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

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

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

17. Trade and Other Receivables

Trade and other receivables are recognised at amortised cost in the Council's Statement of Financial Position. An allowance is made for doubtful and uncollectible debts by establishing and offsetting provision in the Statement of Financial Position. Increases and decreases in the provision are recognised in the Statement of Comprehensive Income.

18. Sinking Funds

Funds have been set aside to meet future repayments of certain loans. These funds are invested with the Sinking Fund Commissioners of the Kāpiti Coast District Council. Interest earned on sinking funds is recognised as revenue in the Statement of Comprehensive Income.

As of 29 June 2011 the Sinking Fund Commissioner's accounts have been closed following repayment of all the loans that were subject to the sinking fund requirement (i.e. Pre 1998 Loans).

For loans raised since 1998 Council sets aside annual loan repayment provisions in Loan Repayment Provision accounts which form part of Council's total equity.

19. Goods and Services Tax (GST)

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

20. Borrowing

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

21. Employee Benefits

Short term benefits

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

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, retiring and long service leave entitlements expected to be settled within 12 months, and sick leave.

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

Long term benefits

Long service leave and retirement leave

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

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement and contractual entitlements information; and

- the present value of the estimated future cash flows. A discount rate of 4.90% and an inflation factor of 3% were used. The discount rate is based on the average after tax discount rate used in the Financial Statements of the Government of New Zealand. The inflation factor is based on the expected long term increase in remuneration for employees.

Superannuation schemes

Defined contribution schemes

Obligations for contributions to defined contribution superannuation schemes are recognised as an expense in the Statement of Comprehensive Income as incurred.

Defined benefit schemes

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

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

22. Provisions

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

Provisions are not recognised for future operating losses.

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

23. Leases

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

24. Cost of Activity Statements

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

25. Critical Accounting Estimates and Assumptions

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

and liabilities within the next financial year are discussed below.

Landfill aftercare provision

Note 19 discloses an analysis of the exposure of Council in relation to the estimates and uncertainties surrounding the landfill aftercare provision.

Infrastructural assets

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

- the physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets, which are not visible, for example stormwater, wastewater and water supply pipes that are underground. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- estimating any obsolescence or surplus capacity of an asset; and
- estimates are made when determining the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth. If useful lives do not reflect the actual consumption of the benefits of the asset, then Kāpiti Coast District Council could be over or under estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Income. To minimise this risk Kāpiti Coast District Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the

National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections, deterioration and condition modelling are also carried out regularly as part of the Kāpiti Coast District Council's asset management planning activities, which gives Council further assurance over its useful life estimates.

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

26. Critical Judgements in Applying Council's Accounting Policies

Management has not been required to exercise any critical judgements in applying the Council's accounting policies for the period ended 30 June 2011.

27. Standards, amendments, and interpretations issued that are not yet effective and have not been early adopted.

There are no standards, amendments and interpretations issued that are not yet effective and have not been adopted, which are relevant to the Council.

Notes to the Financial Statements

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

2009/10 Actual \$000	Notes	2010/11 Actual \$000	2010/11 Budget \$000
Revenue			
Rates Levied			
7,715	General Rates	8,003	8,011
Targeted Rates			
3,753	Districtwide Roding Rates and Charges	4,916	4,906
3,674	Regulatory Services Rates	3,930	3,927
8,027	Community Facilities Charges	8,866	8,846
470	Community Separate Rates	498	498
7,138	Wastewater Rates and Charges	7,378	7,366
6,357	Water Rates and Charges	6,130	6,127
2,394	Stormwater Rates	2,645	2,636
46	Ōtaki Community Services Charge	52	52
20	Paekākāriki Community Services Charge	20	20
485	Rates Penalty	526	320
40,079	Total Rates Before Internal Rates Deductions	42,964	42,391
(441)	Less Internal Rates	(460)	(387)
39,638	TOTAL RATES	42,504	42,004
241	Government Subsidy – Capital	3	5,580
4,667	Government Subsidy – Operating	3,118	2,753
4,908	Total	3,121	8,333
Other Revenue			
-	Agency Grants	-	-
7,669	Charges and Fees	7,388	6,749
-	Capital Contribution	200	-
1,431	Financial Contributions	1,718	1,000
560	Interest	60	506
217	Petrol Tax	220	225
56	Special Funds Interest	73	-
249	Interest on Loan Repayment Provision	431	400
114	Interest on Depreciation Reserves	98	110
30	Sinking Funds Interest	62	40
2,833	Vested Assets	644	1,500
119	Gain/Loss on Revaluation of Forestry	116	-
(1,056)	Less Internal Interest	(1,143)	(500)
(360)	Less Internal Solid Waste Charges	(375)	(310)
11,862	Total Other Revenue	9,493	9,720
56,408	TOTAL REVENUE	55,118	60,057

2009/10 Actual \$000	Notes	2010/11 Actual \$000	2010/11 Budget \$000
Expenditure			
18,376	Access and Transport	11,188	10,175
3,015	Building Control and Resource Consents	3,056	3,102
494	Coastal Management	626	721
3,524	Community Facilities	3,655	3,835
1,860	Development Management	1,763	1,870
661	Economic Development	808	849
2,239	Environmental Protection	2,391	2,369
3,614	Governance and Tāngata Whenua	3,362	3,444
3,570	Libraries, Arts and Museums	3,687	3,815
3,350	Parks and Open Space	3,415	3,645
2,671	Solid Waste	2,599	2,432
2,511	Stormwater Management	2,692	3,012
529	Supporting Environmental Sustainability	718	898
1,156	Supporting Social Wellbeing	1,284	1,405
7,058	Wastewater Management	7,357	7,419
6,023	Water Management	6,586	6,785
15	Contingency	330	-
60,666	TOTAL OPERATING EXPENDITURE	55,517	55,776
1,649	Gain (Loss) on Revaluation of Interest Rate Swaps	1,252	-
(1,857)	Less Internal Charging	(1,978)	(1,197)
60,458	TOTAL OPERATING EXPENDITURE	54,791	54,579
(4,050)	NET SURPLUS/(DEFICIT)	327	5,478

2. Cost of Activity Summary for the Year Ended 30 June 2011

	2010/11 Revenue from Activities	2010/11 Operating Expenditure	2010/11 Net Operating Cost (Revenue)	2010/11 Budget Net Operating Cost	2010/11 Capital Items	2010/11 Capital Items Budget
	\$000	\$000	\$000	\$000	\$000	\$000
Access and Transport	3,739	11,188	7,449	7,111	5,434	12,535
Building Control and Resource Consents	1,351	3,056	1,705	1,327	-	-
Coastal Management	-	626	626	721	1,730	1,112
Community Facilities	1,588	3,655	2,067	2,470	1,903	1,775
Development Management	132	1,763	1,631	1,679	1,172	1,695
Economic Development	-	808	808	849	20	-
Environmental Protection	869	2,391	1,522	1,579	8	60
Governance and Tāngata Whenua	1,014	3,362	2,348	3,386	1,512	4,676
Libraries, Arts and Museums	307	3,687	3,380	3,492	693	752
Parks and Open Space	378	3,415	3,037	3,372	1,059	2,377
Solid Waste	2,394	2,599	205	(137)	61	50
Stormwater Management	89	2,692	2,603	2,858	1,927	5,077
Supporting Environmental Sustainability	153	718	565	547	-	-
Supporting Social Wellbeing	130	1,284	1,154	1,174	-	-
Wastewater Management	682	7,357	6,675	7,255	2,444	2,866
Water Management	394	6,586	6,192	6,314	3,390	4,073
Rate Penalties / Contingencies	526	330	(196)	-	-	-
TOTAL	13,746	55,517	41,771	43,997	21,353	37,048
Plus Capital Expenditure			21,353	37,048		
TOTAL NET COSTS			63,124	81,045		

3. Net Rates Requirement Summary for the Year Ended 30 June 2011

	2010/11 Total Rates Utilised \$000	2010/11 Budget \$000
Access and Transport	5,428	5,132
Building Control and Resource Consents	1,593	1,327
Coastal Management	720	726
Community Facilities	2,472	2,645
Development Management	1,677	1,726
Economic Development	758	796
Environmental Protection	1,531	1,593
Governance and Tāngata Whenua	2,589	2,899
Libraries, Arts and Museums	3,680	3,669
Parks and Open Space	3,336	3,562
Stormwater Management	2,862	3,103
Supporting Environmental Sustainability	590	547
Supporting Social Wellbeing	1,201	1,174
Wastewater Management	7,377	7,366
Water Management	6,119	6,126
TOTAL	41,933	42,391

4. Rates Levied

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

The rates shown in the Statement of Cost of Activity for each significant activity is the amount of net operating and capital expenditure to be funded from rates as shown in Note 3. The difference between \$41.933million and the gross rates levied of \$42.438million (excluding rates penalties of \$0.526million) is \$0.505million. This will be used to offset the 2011/12 rates increase and future rates increases.

5. Charges and Fees

	2010/11 Actual \$000	2009/10 Actual \$000
Access and Transport	127	-
Building Control and Resource Consents	1,351	1,924
Community Facilities	1,130	988
Development Management	132	369
Environmental Protection	869	801
Governance and Tāngata Whenua	259	188
Libraries, Arts and Museums	307	333
Parks and Open Space	72	63
Solid Waste	2,394	2,355
Stormwater	42	-
Supporting Environmental Sustainability	153	90
Supporting Social Wellbeing	130	222
Wastewater Management	199	41
Water Management	223	295
TOTAL CHARGES AND FEES	7,388	7,669

6. Cash and Cash Equivalents

	2010/11 Actual \$000	2009/10 Actual \$000
Cash at Bank and on Hand	313	204
Bank Call Deposits	-	9,000
Sinking Funds	-	2,269
TOTAL CASH AND CASH EQUIVALENTS	313	11,473

7. Other Financial Assets

	2010/11 Actual \$000	2009/10 Actual \$000
Current Portion		
<i>Interest Rate Swaps</i>	48	135
TOTAL CURRENT	48	135

Non-Current Portion

	2010/11 Actual \$000	2009/10 Actual \$000
<i>Held to Maturity</i>		
Sinking Fund Investments	-	21
Perpetual Notes	21	-
<i>Fair Value Through Equity</i>		
Shares in NZ Local Government Insurance Corporation	45	45
<i>Fair value Through Other Comprehensive Income</i>		
Interest Rate Swaps	228	328
<i>Held to Maturity</i>		
Sinking Fund Investments	-	-
TOTAL NON-CURRENT	294	394

Sinking Funds

	2010/11 Actual \$000	2009/10 Actual \$000
Opening Balance	2,290	1,294
Instalments/Interest	62	1,000
Disbursements	(2,352)	(4)
Closing Balance	-	2,290
Represented by:		
Kāpiti Coast District Council Sinking Fund Commissioners	-	1,547
Payable to the Kāpiti Coast District Council	-	743

The total Sinking Funds are divided between Sinking Funds associated with loan liabilities maturing within one year (current portion of public debt) and Sinking Funds associated with the long term public debt.

Allocation of Sinking Funds

	2010/11 Actual \$000	2009/10 Actual \$000
Held for Long Term Public Debt	-	21
Held for Current Portion of Public Debt	-	2,269
TOTAL	-	2,290

Sinking Funds instalments are only required for those Council loans raised prior to 1 July 1998. Since that date, loan repayment provisions are made annually and accumulate in a loan repayment provision account for each new loan.

In accordance with the Council's Treasury Management Policy, the Council will take out new loans for a maximum of 20 years except for loans approved by Council for specific assets which can be taken out for a maximum of 30 years. Loan repayment provision will be made each year so that a minimum of 25% of each loan will be repaid every five years for 20 year loans and a minimum of 20% of each loan will be repaid every six years for 30 year loans.

This loan repayment provision is part of Retained Earnings in the Public Equity section of the Statement of Financial Position. The Loan Repayment Provision account amounted to \$12.440million as at 30 June 2011 which represented the annual loan repayment provision plus interest on new loans raised less loan repayments since 1 July 1998.

Shareholding

New Zealand Local Government Insurance Corporation Limited: 0 shares (2010 15,060 at \$3.05 a share each) of \$3.05 each.

8. Financial Instruments

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

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

Fair Value

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

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

Credit Risk

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

The Council's maximum exposure to credit risk at balance date is:

		2010/11 Actual \$000	2009/10 Actual \$000
Cash and Cash Equivalents		313	11,473
Derivative Financial Instruments		276	463
Interest Rate Swaps – amounts receivable			
Trade and Other Receivables		5,366	5,223
- Current	\$5,086		
- Term	\$280		
Other Financial Assets		45	45
TOTAL FINANCIAL ASSETS		6,000	17,204

Fair Value

Estimating the fair value financial instruments comprising

Level 1 – the fair value is calculated using quoted prices in an active market

Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data

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

	2010/11 \$'000			2009/10 \$'000			Total
	Quoted Market Price (Level 1)	Valuation Technique-Market Observable Inputs (Level 2)	Valuation Technique-Non Market Observable Inputs (Level 3)	Quoted Market Price (Level 1)	Valuation Technique-Market Observable Inputs (Level 2)	Valuation Technique-Non Market Observable Inputs (Level 3)	
Financial Assets							
Derivative Instruments							
Interest rate swaps	-	276	-	-	463	-	463
Investments							
Listed investments	-	21	-	-	21	-	21
Unlisted investments	-	45	-	-	45	-	45
TOTAL	-	342	-	-	529	-	529
Financial Liabilities							
Derivative Instruments							
Interest rate swaps	-	4,719	-	-	3,654	-	3,654
TOTAL	-	4,719	-	-	3,654	-	3,654

Credit Qualities of Financial Assets

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

	2010/11 Actual \$000	2009/10 Actual \$000
Counterparties with Credit Ratings		
Cash at Bank and Term Deposits		
Council	313	9,204
Sinking Funds	-	2,269
TOTAL CASH AT BANK AND TERM DEPOSITS	313	11,473
Capital Notes		
Sinking Funds	-	-
A+	21	21
TOTAL CAPITAL NOTES	21	21
Derivative Financial Instrument Assets		
AA	276	463
TOTAL DERIVATIVE FINANCIAL INSTRUMENT ASSETS	276	463

Market Risk

Price risk

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

Interest rate risk

The weighted average interest rate on investments as at 30 June 2011 was 3.1% (2010 4.24%). The interest rates on Kāpiti Coast District Council's borrowings are disclosed in Note 14.

Fair value interest rate risk

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

Cash flow interest rate risk

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

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

The Council has interest rate swap agreements and swap options in place at 30 June 2011 in relation to its borrowing programme. The notional contract value of these agreements was \$113.1million (2010: \$90million). The interest rate range for the interest rate swaps is 2.65% to 6.78%. The net fair value of the interest rate swaps and swap options as at 30 June 2011 was \$4.442million (30 June 2010: \$3.191million) comprising assets of \$0.276million (2010: \$0.463million) and liabilities \$4.718million (2010: \$3.654million). The movement in the fair value of these interest rate swaps and swap options is taken directly to the Statement of Comprehensive Income.

Liquidity Risk

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

Although current liabilities exceed current assets as at 30 June 2011, current liabilities include the current portion of public debt which will be rolled over in the 2011/12 year.

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

The Council uses overdraft facility to manages its day-to-day cashflows. The Council has two \$10million multi option credit facilities and a \$5million multi option credit facility with Westpac Banking Corporation and a \$20million multi option credit facility with ANZ National Bank which are secured under the Debenture Trust.

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

Contractual Maturity Analysis of Financial Liabilities

2010/11

	Statement of Financial Position \$000	Total Contractual Cash Flows \$000	0-12 months \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
Trade and Other Payables	12,849	12,849	12,849	-	-	-
Debt Securities	66,547	186,792	50,786	21,384	25,693	88,929
EECA Loan	912	912	274	274	364	-
TOTAL	80,308	200,553	63,909	21,658	26,057	88,929

2009/10

	Statement of Financial Position \$000	Total Contractual Cash Flows \$000	0-12 months \$000	1-2 years \$000	2-5 years \$000	More than 5 years \$000
Trade and Other Payables	9,517	9,517	9,517	-	-	-
Debt Securities	70,530	116,505	44,790	4,322	32,598	34,796
EECA Loan	989	989	240	240	509	-
TOTAL	81,036	127,011	54,547	4,562	33,107	34,796

Contractual Maturity Analysis of Financial Assets

2010/11

	Carrying Amount	Total Contractual Cash Flows	0-12 months	1-2 years	2-5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000
Cash and Cash Equivalents	313	313	313	-	-	-
Trade and Other Receivables						
- Current	\$5,086	5,366	5,355	5	6	-
- Term	\$280					
Unlisted Shares	45	45	45	-	-	-
TOTAL FINANCIAL ASSETS	5,724	5,724	5,713	5	6	-

2009/10

	Carrying Amount	Total Contractual Cash Flows	0-12 months	1-2 years	2-5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000
Cash and Cash Equivalents	11,473	11,473	11,473	-	-	-
Trade and Other Receivables						
- Current	\$5,118	5,223	5,165	22	48	64
- Term	\$105					
Community and Related Party Loans	2,289	2,289	2,289	-	-	-
Local Authority Stock	45	45	45	-	-	-
TOTAL FINANCIAL ASSETS	19,030	19,106	18,972	22	48	64

Financial Instrument Categories

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

		2010/11 Actual \$000	2009/10 Actual \$000
FINANCIAL ASSETS			
Loans and Receivables			
Cash and Cash Equivalents		313	11,473
Trade and Other Receivables		5,366	5,223
- Current	\$5,086		
- Term	\$280		
Other Financial Assets:			
Loans to Related Parties		-	-
TOTAL LOANS AND RECEIVABLES		5,679	16,696
Held to Maturity			
Other Financial Assets:			
Sinking Fund Investments		-	21
Perpetual Notes		21	-
TOTAL HELD TO MATURITY		21	21
Fair Value Through Equity			
Other Financial Assets			
Unlisted Shares		45	45
TOTAL FAIR VALUE THROUGH EQUITY		45	45
Available for Sale			
		-	-
Derivative Financial Instrument			
- Current		48	135
- Non Current		228	328
Total Derivative Financial Instruments		276	463
FINANCIAL LIABILITIES			
Financial Liabilities at Amortised Cost			
Derivative Financial Instrument			
- Current		889	880
- Non Current		3,830	2,774
Creditors and Other Payables		12,849	9,517
Borrowings:			
Secured Loans		66,547	71,518
TOTAL FINANCIAL LIABILITIES AT AMORTISED COST		84,115	84,689

Sensitivity Analysis

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

As at 30 June 2011 it is estimated that a general increase of one percentage point in interest rates would increase the Council's surplus before income tax by approximately \$3.904million. This is due to the potential unrealised gain of \$4.538million on the value of the Interest Rate Swaps from a 1% increase in interest rates. Interest rate swaps have been included in this calculation.

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

Interest Rate Risk	Note	2010/11 Actual \$000		2009/10 Actual \$000	
		+100BPS Deficit	-100 BPS Surplus	+100BPS Deficit	-100 BPS Surplus
Financial Assets					
Cash and Cash Equivalents – Council	a	31	(31)	115	(115)
Derivatives – Interest Rate Swaps - Current	b	240	(48)	117	(121)
Derivatives – Interest Rate Swaps - Term	b	1,082	(228)	248	(258)
Financial Liabilities					
Derivatives – Interest Rate Swaps - Current	b	555	(798)	487	(521)
Derivatives – Interest Rate Swaps - Term	b	2,661	(3,792)	2,384	(2,578)
Debt Securities	c	(665)	665	(710)	710
TOTAL SENSITIVITY TO INTEREST RATE RISK		3,904	(4,232)	2,641	(2,883)

a. Cash and cash equivalents

Council – Cash and cash equivalents includes \$0.313million on short term deposit (2010: \$11.473million). The balance of Council funds is in different accounts with interest payable on the aggregation of all accounts. A movement in interest rates of plus or minus 1% has an effect on interest income of \$0.031million (2010: \$0.115million).

b. Derivatives – Interest rate swaps

Derivatives include interest rate swaps with a fair value totalling (\$4.442million) (2010: \$3.191million). The fair value is the benefit from the life to maturity of swaps, and not the amount payable within the year. A movement in interest rates of plus 1% has an effect on increasing the unrealised value of the interest rate swaps by a net \$4.538million. A movement in interest rates of minus 1% has an effect on reducing the unrealised value of the interest rate swaps by a net \$4.866million.

c. Debt securities

Debt securities are at floating rates and total \$66million (2010: \$71million). A movement in interest rates of plus or minus 1% has an effect on the interest expense of \$0.665million (2010: \$0.760million).

9. Property, Plant and Equipment: 2010/11

	Cost/ Revaluation	Accumulated Depreciation and Impairment Charges	Carrying Amount	Current Year Additions/ Reclassification	Gross Current Year Disposals	Current Year Impairment Charges	Current Year Depreciation	Gross Accumulated Depreciation on Disposals	Revaluation Surplus	Cost/ Revaluation	Accumulated Depreciation and Impairment Charges	Carrying Amount
	1 July 10	1 July 10	1 July 10							30 June 11	30 June 11	30 June 11
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Council Operational Assets												
Land	28,382	-	28,382	(209)	-	-	-	-	(1,402)	26,771	-	26,771
Buildings and Improvements	28,895	(1,685)	27,210	287	-	-	(962)	-	1,870	29,367	(962)	28,405
Library Collections	5,597	(3,808)	1,789	490	-	-	(308)	-	-	2,279	(308)	1,971
Plant and Machinery	2,562	(1,907)	655	290	(213)	-	(322)	167	-	899	(155)	744
Motor Vehicles	2,998	(1,729)	1,269	466	(201)	-	(397)	131	-	1,665	(266)	1,399
Furniture and Chattels	1,531	(1,044)	487	(36)	-	-	(89)	-	-	451	(89)	362
Computers and Office Equipment	5,724	(4,200)	1,524	863	-	-	(614)	-	-	2,387	(614)	1,773
Items Under Construction	2,336	-	2,336	3,754	-	-	-	-	-	6,090	-	6,090
Total Operational Assets	78,025	(14,373)	63,652	5,905	(414)	-	(2,692)	298	468	69,909	(2,394)	67,515
Infrastructure Assets												
Roading	406,249	(6,254)	399,995	2,790	-	-	(3,617)	-	31,570	434,355	(3,617)	430,738
Bridges	12,605	(493)	12,112	(3)	(283)	-	(263)	18	1,675	13,519	(245)	13,274
Water	70,982	(3,378)	67,604	421	-	-	(1,744)	-	8,212	76,237	(1,744)	74,493
Wastewater	78,493	(3,830)	74,663	1,624	-	-	(1,937)	-	8,788	85,075	(1,937)	83,138
Stormwater	47,938	(1,322)	46,616	325	-	-	(724)	-	9,370	56,311	(724)	55,587
Seawalls	4,268	(313)	3,955	853	-	-	(178)	-	(937)	3,871	(178)	3,693
River Control	1,108	(22)	1,086	183	-	-	(23)	-	(121)	1,148	(23)	1,125
Items Under Construction	21,695	-	21,695	9,302	-	-	-	-	-	30,997	-	30,997
Total Infrastructure Assets	643,338	(15,612)	627,726	15,495	(283)	-	(8,486)	18	58,557	701,513	(8,468)	693,045
Restricted Assets												
Land	42,030	-	42,030	(1)	-	-	-	-	(1,944)	40,085	-	40,085
Buildings and Improvements	21,681	(1,943)	19,738	979	-	-	(1,078)	-	2,099	22,816	(1,078)	21,738
Items Under Construction	22	-	22	123	-	-	-	-	-	145	-	145
Total Restricted Assets	63,733	(1,943)	61,790	1,101	-	-	(1,078)	-	155	63,046	(1,078)	61,968
TOTAL PROPERTY, PLANT AND EQUIPMENT	785,096	(31,928)	753,168	22,501	(697)	-	(12,256)	316	59,180	834,468	(11,940)	822,528

Property, Plant and Equipment: 2009/10

	Cost/ Revaluation	Accumulated Depreciation and Impairment Charges	Carrying Amount	Current Year Additions/ Reclassification	Gross Current Year Disposals	Current Year Impairment Charges	Current Year Depreciation	Gross Accumulated Depreciation on Disposals	Revaluation Surplus	Cost/ Revaluation	Accumulated Depreciation and Impairment Charges	Carrying Amount
	1 July 09	1 July 09	1 July 09							30 June 10	30 June 10	30 June 10
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Council Operational Assets												
Land	28,098	-	28,098	284	-	-	-	-	-	28,382	-	28,382
Buildings and Improvements	28,195	(787)	27,408	700	-	-	(909)	-	-	28,895	(1,685)	27,210
Library Collections	5,225	(3,523)	1,702	372	-	-	(307)	-	-	5,597	(3,808)	1,789
Plant and Machinery	2,614	(1,796)	818	99	(151)	-	(243)	128	-	2,562	(1,907)	655
Motor Vehicles	2,865	(1,550)	1,315	410	(277)	-	(362)	197	-	2,998	(1,729)	1,269
Furniture and Chattels	1,421	(927)	494	110	-	-	(99)	-	-	1,531	(1,044)	487
Computers and Office Equipment	5,228	(3,587)	1,641	496	-	-	(609)	-	-	5,724	(4,200)	1,524
Items Under Construction	1,865	-	1,865	471	-	-	-	-	-	2,336	-	2,336
Total Operational Assets	75,511	(12,170)	63,341	2,942	(428)	-	(2,529)	325	-	78,025	(14,373)	63,652
Infrastructure Assets												
Roading	401,506	(2,945)	398,561	4,743	-	-	(3,309)	-	-	406,249	(6,254)	399,995
Bridges	10,478	(323)	10,155	3,769	(1,642)	-	(270)	99	-	12,605	(493)	12,112
Water	69,974	(1,679)	68,295	1,008	-	-	(1,699)	-	-	70,982	(3,378)	67,604
Wastewater	77,640	(1,911)	75,729	853	-	-	(1,919)	-	-	78,493	(3,830)	74,663
Stormwater	47,409	(617)	46,792	528	-	-	(705)	-	-	47,938	(1,322)	46,616
Seawalls	4,230	(134)	4,096	38	-	-	(179)	-	-	4,268	(313)	3,955
River Control	912	(11)	901	196	-	-	(11)	-	-	1,108	(22)	1,086
Items Under Construction	26,151	-	26,151	3,742	(8,198)	-	-	-	-	21,695	-	21,695
Total Infrastructure Assets	638,300	(7,620)	630,680	14,877	(9,840)	-	(8,092)	99	-	643,338	(15,612)	627,726
Restricted Assets												
Land	41,250	-	41,250	780	-	-	(1)	-	-	42,030	-	42,030
Buildings and Improvements	19,865	(942)	18,923	1,816	-	-	(1,001)	-	-	21,681	(1,943)	19,738
Items Under Construction	-	-	-	22	-	-	-	-	-	22	-	22
Total Restricted Assets	61,115	(942)	60,173	2,618	-	-	(1,002)	-	-	63,733	(1,943)	61,790
TOTAL PROPERTY, PLANT AND EQUIPMENT	774,926	(20,732)	754,194	20,437	(10,268)	-	(11,623)	424	-	785,096	(31,928)	753,168

Property, Plant and Equipment (continued)

Valuation

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

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

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

10. Intangible Assets

	2010/11 Actual \$000	2009/10 Actual \$000
Opening Balance	324	43
Additions/Reclassifications	226	311
Disposals	-	-
Amortisation	(96)	(30)
Closing Balance	454	324
Represented by		
Total Cost	675	447
Total Accumulated Amortisation	(221)	(123)

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

11. Forestry Assets

	2010/11 Actual \$000	2009/10 Actual \$000
Balance at 1 July	351	232
Gains Arising from Changes in Fair Value Less Estimated Point of Sale Costs	116	119
Decrease Due to Harvest	-	-
Balance at 30 June	467	351

Kāpiti Coast District Council owns 30 hectares of pinus radiatus forest, which are at varying stages of maturity ranging from 22 to 24 years. Independent valuer Tim Hunt valued the forestry assets as at 30 June 2011. A pre-tax discount rate of 10% has been used in discounting the present value of expected cash flows.

Council has a limited area of forestry assets (<20 hectares) at various small sites across the District. The Council resolved to apply for an exemption from the Emissions Trading Scheme for 8 hectares of forest that was planned to be deforested for the Western Link and Pharazyn Reserve. For all the remaining pre-1990 forestry assets an allocation of New Zealand Carbon Credits will be applied for.

Financial Risk Management Strategies

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

12. Trade and Other Receivables

	2010/11 \$000	2009/10 \$000
Rates	2,439	2,213
Water by Meter	28	15
General Debtors	2,073	2,602
GST Accrual	935	617
Dogs	(29)	84
Parking Infringement	128	113
Prepayments	131	27
Miscellaneous	34	(60)
Private Plan Change-Paraparaumu Airport	-	79
Private Plan Change-Otaki South	76	-
	5,815	5,690
Less Provision for Impairment of Receivables	449	467
TOTAL TRADE AND OTHER RECEIVABLES	5,366	5,223
<i>Represented by</i>		
- Current	5,086	5,118
- Term	280	105

The status of receivables as at 30 June 2011 and 2010 are detailed below:

	2010/11 Actual \$000			2009/10 Actual \$000		
	Gross	Impairment	Net	Gross	Impairment	Net
Not past due	1,894	-	1,894	2,329	-	2,329
Past due 1-60 days	82	-	82	132	-	132
Past due 61-120 days	387	-	387	51	-	51
Past due > 120 days	3,452	(449)	3,003	3,178	(467)	2,711
TOTAL	5,815	(449)	5,366	5,690	(467)	5,223

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

	2010/11 Actual \$000	2009/10 Actual \$000
Individual impairment	119	137
Collective impairment	330	330
TOTAL PROVISION FOR IMPAIRMENT	449	467

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

	2010/11 Actual \$000	2009/10 Actual \$000
Past due 1-60 days	-	-
Past due 61-120 days	-	-
Past due > 120 days	449	467
TOTAL INDIVIDUAL IMPAIRMENT	449	467

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

	2010/11 Actual \$000	2009/10 Actual \$000
At 1 July	467	308
Additional Provisions made during the Year	13	227
Receivables Written-off during the Period	(31)	(68)
TOTAL AT 30 JUNE	449	467

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

13. Trade and Other Payables

	2010/11 Actual \$000	2009/10 Actual \$000
Trade Creditors	8,417	5,772
Interest Accrual	353	334
Rates in Advance	1,133	1,084
Contract Retentions	749	541
Greater Wellington Regional Council Accrued Rates	1,405	1,209
ACC Levy Accrual	120	4
Payroll Suspense	(28)	-
Miscellaneous	690	543
Fringe Benefit Tax	10	30
TOTAL TRADE AND OTHER PAYABLES	12,849	9,517

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

14. Deposits

	2010/11 Actual \$000	2009/10 Actual \$000
Road Damage Deposits	661	663
Resource Consent Planning Bonds	407	457
Hall Deposits	5	4
Miscellaneous Deposits	10	11
TOTAL DEPOSITS	1,083	1,135

15. Public Debt

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

No defaults or breaches occurred during the year.

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

	2010/11 Actual \$000	2009/10 Actual \$000
Current Portion of Public Debt	35,909	40,770
Long Term Public Debt	30,638	30,749
TOTAL PUBLIC DEBT	66,547	71,519
2011/12	35,909	40,770
2012/13	10,274	240
2013/14	5,274	10,240
2014/15	5,064	5,240
2015/18	10,026	15,029
TOTAL PUBLIC DEBT	66,547	71,519

The effective weighted average of Council's Public Debt after taking the Council's interest rate swaps into account is 5.63%.

16. Retained Earnings

	2010/11 Actual \$000	2009/10 Actual \$000
Opening Balance	573,006	577,482
Add Net Surplus/(Deficit)	327	(4,050)
Less Appropriations	(1,391)	(1,975)
Plus Transfers from Reserves	4,424	1,549
CLOSING BALANCE	576,366	573,006

17. Revaluation Reserve

Total revaluation reserves of \$159.338million consist of:

	2010/11 Actual \$000	2009/10 Actual \$000
a) Roading and Bridges		
Opening Balance 1 July	43,603	44,420
<i>Plus revaluation of Roading and Bridges</i>	33,211	(817)
Closing Balance 30 June	76,814	43,603
b) Land and Buildings		
Opening Balance 1 July	33,721	33,721
<i>Plus revaluation of Land and Buildings</i>	623	-
Closing Balance 30 June	34,344	33,721
c) Stormwater/River Control		
Opening Balance 1 July	11,223	11,223
<i>Plus revaluation of Stormwater/ River Control</i>	9,249	-
Closing Balance 30 June	20,472	11,223
d) Wastewater		
Opening Balance 1 July	8,005	8,005
<i>Plus revaluation of Wastewater</i>	8,788	-
Closing Balance 30 June	16,793	8,005
e) Water		
Opening Balance 1 July	3,565	3,565
<i>Plus revaluation of Water</i>	8,212	-
Closing Balance 30 June	11,777	3,565
f) Seawalls		
Opening Balance 1 July	75	75
<i>Plus revaluation of Seawalls</i>	(937)	-
Closing Balance 30 June	(862)	75
TOTAL	159,338	100,192

18. Employee Benefit Liabilities

	2010/11 Actual \$000	2009/10 Actual \$000
Payroll Accrual	220	225
Annual Leave	1,174	1,127
Sick Leave	73	77
Long Service Leave	79	107
Retirement Gratuities	257	255
TOTAL EMPLOYEE BENEFIT LIABILITIES	1,803	1,791
Disclosed as follows:		
Current Portion		
Payroll Accrual	220	225
Annual Leave	1,174	1,127
Sick Leave	73	77
	1,467	1,429
Non-current		
Long Service Leave	79	107
Retirement Gratuities	257	255
	336	362
TOTAL EMPLOYEE BENEFIT LIABILITIES	1,803	1,791

19. Provisions

Provision for Environmental Obligations

There has been no change in the Provision for Environmental Obligations as at 30 June 2011 (\$0.040million). This is due to work completed on the sites being offset by a revision of the estimates of future costs, and funds set aside to meet the initial costs for landfill aftercare after closure (Note 24).

Landfill Aftercare Liability

The Council obtained a resource consent for 35 years in 1994 to operate the Otaihanga Landfill. The Otaihanga Landfill is now closed to general waste disposal as it reaches the end of its life. For the next year treated sludge from the Paraparaumu and Ōtaki Wastewater Treatment Plants will still be disposed of to the landfill site. Cleanfill is used to act as a mixing agent. After that time, the landfill will enter the aftercare phase.

The Council has responsibility under the Resource Management Act 1991 to provide ongoing maintenance and monitoring of landfills after closure. These responsibilities include:

- final cover application and vegetation;
- incremental drainage control features;
- completing facilities for leachate collection and monitoring;
- completing facilities for waste quality monitoring; and
- completing facilities for monitoring of gas.

The annual cost for monitoring all three landfill sites is \$20,000 per year. This is expected to be required for 20 years after all three landfills have been closed.

The cost of providing a capping layer for the completed portion of the Otaihanga Landfill is estimated to be minimal and is currently being funded through cleanfill disposal charges.

The capital values of the Waikanae Landfill and the Ōtaki Landfill have been impaired to reflect the aftercare costs.

The cash outflows for landfill post-closure cost for the Otaihanga Landfill commenced in 2009. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. The provision has been estimated taking into account existing technology and is discounted using a discount rate of 8%.

Sewage Ponds

Waikanae Oxidation Ponds – Decommissioning and Rehabilitation

With the major upgrade to the combined Paraparaumu/Waikanae Wastewater Treatment Plant, the Waikanae Oxidation Ponds have not been used for effluent disposal since 31 March 2003. In the 2003/04 year, the rehabilitation project was renamed "Waikanae Coastal Wetlands" and is funded from the Parks and Open Space Activity. A decommissioning plan was approved by the Finance, Operations and Property Committee on 26 March 2002.

The financial provisions which have been included in the Long Term Council Community Plan are as follows:

	2010/11 \$000	2009/10 \$000	Total \$000
Rehabilitation and Restoration	50	50	100
TOTAL	50	50	100

No reimbursement of costs is expected at this stage although there may be some cost sharing and external grants/funds when rehabilitation work is further underway.

The only risk identified at this stage is that there may be risk of odour generated from the sludge for a period, due to the fall in water level in the ponds.

The capital value of the Waikanae Oxidation Ponds has been impaired to reflect the decommissioning and rehabilitation costs. As the current estimate of future decommissioning costs is less than the land value no further provision is required.

Paraparaumu Sludge Ponds

With the major upgrade to the combined Paraparaumu/Waikanae Wastewater Treatment Plant, the Paraparaumu Sludge Ponds have not been used since March 2001. A decommissioning plan was approved by Greater Wellington Regional Council on 28 September 2001.

The capital value of the Paraparaumu Sludge Ponds has been impaired to reflect the decommissioning costs. As the current estimate of future decommissioning costs is less than land value, no further provision is required.

Provision for Environmental Obligations

Otaihanga Landfill

	2010/11 Actual \$000	2009/10 Actual \$000
Opening Balance	38	38
CLOSING BALANCE	38	38

20. Reserves and Special Funds

	2010/11 Actual \$000	2009/10 Actual \$000
Opening Balance	3,549	3,376
Transfers from Special Funds	(1,833)	(802)
Transfers to Special Funds	346	975
Closing Balance	2,062	3,549
<i>Represented by:</i>		
Plant Purchase and Renewal Fund	799	2,084
Paekākāriki Reserves Fund	-	5
Paraparaumu/Raumati Reserves Fund	*(196)	(44)
Waikanae Reserves Fund	8	8
Waikanae Property Fund	73	69
Waikanae Capital Improvements Fund	1,124	1,161
Ōtaki Carpark and Services Lane Account	74	71
Ōtaki Reserves Fund	180	195
TOTAL	2,062	3,549

* Paraparaumu/Raumati Reserves Fund. There is a credit balance in the Development Contributions Paraparaumu/Raumati Reserves of \$167,000 to partially offset the deficit balance of (\$196,000) in the Paraparaumu/Raumati Reserves Fund.

Plant Purchase and Renewal Fund

Purpose: To fund the replacement of Council's vehicles and plant.

Source of Funds: Depreciation charges of Council's vehicles and plant.

Paekākāriki Reserves Fund

Purpose: To fund capital expenditure on Parks and Open Space in Paekākāriki. Legal Restriction – must be spent in area reserves contribution levied (Reserves Act 1977).

Source of Funds: Paekākāriki Reserves Contributions, levied on subdivisions at Paekākāriki.

Paraparaumu/Raumati Reserves Fund

Purpose: To fund capital expenditure on Parks and Open Space in Paraparaumu/Raumati. Legal Restriction – must be spent in area reserves contribution levied (Reserves Act 1977).

Source of Funds: Paraparaumu/Raumati Reserves Contributions levied on subdivisions on Paraparaumu/Raumati.

Waikanae Reserves Fund

Purpose: To fund capital expenditure on Parks and Open Space in Waikanae. Legal Restriction – must be spent in area reserves contribution levied (Reserves Act 1977).

Source of Funds: Waikanae Reserves Contributions levied on subdivisions on Waikanae.

Ōtaki Reserves Fund

Purpose: To fund capital expenditure on Parks and Open Space in Ōtaki. Legal Restriction – must be spent in area reserves contribution levied (Reserves Act 1977).

Source of Funds: Ōtaki Reserves Contributions levied on subdivisions at Ōtaki.

Waikanae Property Fund

Purpose: To fund Council property improvements at Waikanae.

Source of Funds: Sale of Council property proceeds (excluding Districtwide funded properties) in Waikanae Ward.

Waikanae Capital Improvement Fund

Purpose: To fund Council capital improvements in the Waikanae Ward and also to provide capital grants to Waikanae organisations in accordance with approved criteria.

Source of Funds: Original source of funds was Waikanae's share of the property assets of the Horowhenua County Council. Current source is interest on the capital sum.

Ōtaki Carpark and Service Lane Account

Purpose: To fund Ōtaki carpark and service lane improvements.

Source of Funds: Originally an Ōtaki separate rate on the Ōtaki Commercial Area. Current source is interest.

21. Statement of Cash Flows

- a) Opening and closing balances include Cash, Bank and Investments.

	2010/11 Actual \$000	2009/10 Actual \$000
Cash and Bank	313	204
Short Term Investments (Note 6)	-	9,000
Sinking Funds	-	2,269
TOTAL CASH AND CASH EQUIVALENTS	313	11,473

- b) Investing activities comprise the purchase and disposal of non-current assets used in Council operations together with money received from and applied to Sinking Funds and investments held.
- c) Financing activities comprise the change in the debt capital structure of Council. All financing activities during the year were for cash.

d) Reconciliation with reported surplus.

	2010/11 Actual \$000	2009/10 Actual \$000
Reported Surplus	327	(4,050)
Add back non cash items:		
▪ Depreciation	12,036	11,653
▪ Asset Disposal	-	2,932
▪ Vested Assets	(644)	(2,832)
▪ Revaluation of Interest Rate Swaps	1,252	1,649
▪ Revaluation of Forestry	(116)	(119)
Add (less) Movements in Other Working Capital Items:		
▪ Decrease in Accounts Receivable	32	926
▪ Increase in Employment Entitlements	(12)	60
▪ Decrease/ (Increase) in Inventory	88	23
▪ Increase (Decrease) in Deposits	(52)	(212)
▪ Increase in Creditors (Operating)	4,537	(132)
▪ Decrease in Development Contributions	(539)	506
NET CASH INFLOW FROM OPERATING ACTIVITIES (GST exclusive)	16,909	10,404

22. Total Operating Expenditure/Income

	2010/11 Actual \$000	2009/10 Actual \$000
Total Operating Expenditure includes:		
<u>Audit Fees (net of disbursements)</u>		
Fees Paid to Principal Auditors		
Annual Report	134	130
Long Term Council Community Plan	2	-
Other Services Provided by Principal Auditors	-	-
TOTAL AUDIT FEES	136	130
<u>Depreciation and Amortisation</u>		
Computer Software (Intangible Asset)	96	30
Computer Hardware / Office Equipment	614	609
Furniture and Fittings	89	99
* Motor Vehicles	266	362
Buildings and Improvements	2,040	1,911
Library Collection	308	307
Wastewater	1,937	1,919
Water	1,744	1,699
Roading	3,617	3,309
* Plant and Machinery	155	243
Bridges	245	270
River Control	23	11
Stormwater	724	705
Seawalls	178	179
TOTAL DEPRECIATION AND AMORTISATION	12,036	11,653
Note: * Motor Vehicles and Plant Depreciation are not included in the Cost of Activity Statements as these costs are netted off against internal plant hire charges.		
<u>Employee Benefit Expenses</u>		
Salaries and Wages	15,906	15,493
Employer Superannuation Contributions to:		
Multi-employer defined benefit plans	2	2
Defined contribution schemes	428	419
Increase/(Decrease) in Employee Benefit Liabilities	235	162
Allocation of Labour Costs to Capital Projects	(1,295)	(1,380)
TOTAL EMPLOYEE BENEFIT EXPENSES	15,276	14,696
Net Gain on Sale of Fixed Assets	-	-
Fees to Elected Members	505	494
Insurance Premiums	470	386
Subscriptions	67	64
Entertainment Expenses	5	5
Public Ceremonies	47	29
Grants to Community Organisations	554	558
Interest on Debt Servicing	5,669	5,335
Bad Debts Written Off – General Debtors	31	68
Total Operating Income includes:		
NZTA Operating Revenue		
Maintenance of Roads	933	1,841
Renewal Local Roads	1,269	917
Community Programmes	180	199
Western Link – Investigation and Design	-	1,710
TOTAL NZTA OPERATING REVENUE	2,379	4,667
NZTA Expressway Project		
Expressway – Investigation and Design - Revenue	(736)	-
Expressway – Investigation and Design - Expenditure	736	-
NZTA Capital Revenue		
Investigation	-	-
Design	-	-
Property	3	241
TOTAL NZTA CAPITAL REVENUE	3	241
Interest Income	60	536

23. Contingencies

The Council acts as guarantor for loans for the sporting groups listed below. The amounts disclosed reflect Kāpiti Coast District Council's assessment of the undiscounted portion of financial guarantees that are not recognised in the Statement of Financial Position.

	2010/11 Actual \$000	2009/10 Actual \$000
Paraparaumu Rugby Football Club Inc.	-	24
TOTAL	-	24

The Council had outstanding liability claims totalling \$420,000 as at 30 June 2011 (\$316,227 as at 30 June 2010). These claims mainly relate to building consents and resource consents.

Of the total claims outstanding the Council would be liable to a maximum amount of \$290,000 (\$284,000 as at 30 June 2010) as the balance is covered by policies of insurance and indemnity arrangements.

Provision has been made in the Annual Report for known leaky building claims made as at 30 June 2011 of \$525,000.

Based on prior claims settled, future claims could be in the order of \$800,000 in total until Council's exposure to this risk finishes in 2015.

There are no contingent assets (2010: Nil).

24. Miscellaneous and Separate Funds

	2010/11 Actual \$000	2009/10 Actual \$000
Election Reserve Account	21	108
Districtwide Advance Account	228	230
Library/Miscellaneous Account	-	4
Paraparaumu Beach Carpark	56	56
Housing for Older Persons Depreciation	68	133
Parks and Open Space / Pools Projects	8	8
Paekākāriki - Campe Estate	104	53
Districtwide Property Fund	327	340
Ōtaki Property Sales Fund	37	37
Rate Penalty Reserves	1,818	1,522
Road Upgrading Contributions	209	164
Water Upgrading Contributions	1	5
Sewerage Upgrading Contributions	118	118
Water and Sewer Renewal Funds	26	111
Paraparaumu Commuter Carpark	(3)	(3)
Community Max Scheme	10	-
Waste Minimisation Levy	95	-
Aquatic Centre Fundraising	2	-
Landfill Closure Account	216	216
Insurance Contingency	-	163
Environmental Obligations	3	3
TOTAL	3,344	3,268

These funds are included in retained earnings.

25. Related Party Transactions and Balances

Subsidiary Holding Companies

The Council did not have any subsidiary holding companies in the 2010/11 year.

Key Management Personnel

During the year Councillors and key management as part of a normal customer relationship were involved in minor transactions with the Council (such as payment of rates).

In addition, during the year Kāpiti Coast District Council purchased plumbing services from Thomas Plumbing and Gas Limited and Paraparaumu Gas Appliances, which are both plumbing and gas firms in which Mr Harold Thomas, an Elected Member, is a Director. Plumbing and gas services supplied by Thomas Plumbing and Gas Limited amounted to \$500 (including GST) (2010: \$1,699) and these were supplied on normal commercial terms. There were no transactions with Paraparaumu Gas Appliance Centre during the financial year.

Council also purchased catering services from SK Bakery. James Cootes, an Elected Member, has a financial interest in SK Bakery. Catering Services supplied by SK Bakery for the 2010/11 year amounted to \$634 (2010: \$272) and these were supplied on normal commercial terms. This complied with the Local Authorities Members Interest Act 1968. These transactions relate to wastewater, water, property maintenance work and catering services.

There were no outstanding balances with key management personnel.

No provision has been required, nor any expense recognised for impairment of receivables to related parties.

Key Management Personnel (1) Compensation

	2010/11 Actual \$000	2009/10 Actual \$000
Salaries and other short term employee benefits	1,459	1,591
Termination Benefits	-	78

Note: (1) Key management personnel include the Mayor, Councillors, Chief Executive and members of the Senior Leadership Team.

26. Remuneration of the Chief Executive

The Chief Executive of the Council, Pat Dougherty, was appointed under Section 42 of the Local Government Act 2002 on 11 August 2008.

The total cost, including Fringe Benefit Tax, to the Council of the Chief Executive remuneration package was:

Total Remuneration for the Year	2010/11 Actual \$000	2009/10 Actual \$000
<u>Chief Executive</u>		
Annual Salary	227,109	215,023
Additional Benefit	-	-
Full use of Council Vehicle (including Fringe Benefit Tax)	12,768	13,850
TOTAL REMUNERATION	239,877	228,873

27. Severance Payments

For the year ended 30 June 2011, there was one severance payment (2010: five) made to an employee totalling \$20,415 (2010: \$144,549.47).

This disclosure is in accordance with Schedule 10 of the Local Government Act 2002.

28. Events After Balance Date

There were no events after balance date that impact on Council's financial position as at 30 June 2011.

29. Significant Variances in the Capital Works Programme for the 2010/11⁽¹⁾ year compared to the 2010/11 year programme in the 2009 LTCCP

Project	Actual 2010/11 \$000	2009 LTCCP 2010/11 Budget \$000	Variance \$000
Additional Water Supply/Storage Capacity ⁽²⁾	1,534	250	(1,284)
Roading Upgrade Commercial ⁽³⁾	1,349	373	(976)
Coastal Protection Paekākāriki ⁽⁴⁾	1,411	700	(711)
Woodfired Boiler ⁽⁵⁾	458	-	(458)
Dunstan Street Upgrade Part II ⁽⁶⁾	-	419	419
Balance Tanks Waikanae Rauparaha ⁽⁷⁾	134	722	588
Raumati Beach Town Centre Upgrade ⁽⁸⁾	149	1,000	851
Civic Building Upgrade ⁽⁹⁾	383	1,550	1,167
Raumati Town Centre Stormwater Upgrade ⁽¹⁰⁾	979	2,374	1,395
Western Link Road ⁽¹¹⁾	3	2,650	2,647
New Aquatic Facility ⁽¹²⁾	1,195	4,000	2,805
TOTAL	7,595	14,038	6,443

Notes:

- (1) It should be noted that the 2010/11 year was Year 2 of the 2009 LTCCP. Most of the significant variations between the actual capital expenditure in the 2010/11 year and the budgeted capital expenditure for the 2010/11 year as per the 2009 LTCCP, related to the re-scheduling of key major projects such as:
- The Civic Building Upgrade; and
 - The Aquatic Centre.

Other significant variations generally relate to issues that were not identified until after the 2009 LTCCP was adopted.

Explanations for Significant Variances

(2) Additional Water Supply/Storage Capacity

The Council, at its meeting of 17 December 2009, approved bringing forward \$1.725million of expenditure (from the total projects budget of \$24.85 million) into the 2010/11 year. Additional work was undertaken sooner than originally anticipated and future years budgets have been adjusted to reflect this. This coupled with the proposed Water Meters has meant significant change to the scope of this project.

(3) Rooding Upgrade Commercial

The Esplanade Stage Three project involves new kerbing, road resurfacing and formation of parking bays including installation of bollards and planting across the coastal frontage. The design has been completed, however construction tenders were withdrawn to allow the merging of this project with the Esplanade Stage Four project. Stage Four includes a new shared cycle and pedestrian accessway on top of the new

rock revetment seawall. This will allow a more cost effective approach with construction of Stage III undertaken in 2010/11.

(4) Coastal Protection Paekākāriki

Council approved a timing change to complete the first two stages of the project (over 9 years) in the first year. There was Council approval for a subsequent reduction in the stormwater work for the 2010/11 year.

(5) Woodfired Boiler

To improve energy efficiency with sludge drying by switching from diesel to wood fuel for the wastewater treatment boiler at Paraparaumu Wastewater Treatment Plant. This was operational in September 2010 within budget.

(6) Dunstan Street Upgrade Part II

The Ōtaki Town upgrade and associated work on stormwater meant a change in priorities regarding the above project.

(7) Balance Tanks Waikanae Rauparaha

A wastewater strategic option paper meant delays to all projects in this activity, including the above, to ensure current priorities were correct.

(8) Raumati Beach Town Centre Upgrade

Council resources were used on the Paraparaumu and Ōtaki Town Centre projects to the detriment of the intended work in this area. Work will gain momentum in 2011/12.

(9) Civic Building Upgrade

The 2009 LTCCP estimates and timing have been revised with the preferred option being the refurbishment of the current site. This option took longer to determine and will cost the Council a total of \$7.254million.

(10) Raumati Town Centre Stormwater Upgrade

The selected contractor, who was the lowest tenderer had resourcing issues which meant the project was delayed by six months and thus caused an underspend against the proposed 2009 LTCCP budget. This timing change was approved by Council to offset the bringing forward of the work approved on the Coastal Protection at Paekākāriki for the 2010/11 year.

(11) Western Link Road

The Western Link Road project is on hold. The decision of the New Zealand Transport Agency to use the Western Link corridor for the future Expressway means that the corridor may no longer be available for the Western Link. This will be resolved via the Board of Inquiry and it is likely to be late 2012 before the Council knows the outcome of that process.

(12) New Aquatic Facility

The facility was originally proposed to open in 2010/11 but the project was delayed. Additional time has been needed for:

- the outcome of the High Court hearings in relation to land south and west of the Council Rimu Road building earmarked for town centre development;
- the Kāpiti Coast Multi-Purpose Aquatic and Recreation Centre external fundraising to reach the required target for the preferred design; and
- a site has been selected with earth moving works commencing in 2010/11.

30. Rates Remission

Rates revenue is shown net of rates remissions. Under the Council's Rates Remission Policies which provide for rates to be remitted for Council Community Properties and Sporting, Recreational and other Community Organisations, as well as separately habitable parts of properties, the Council made remissions during the year that totalled \$174,509.

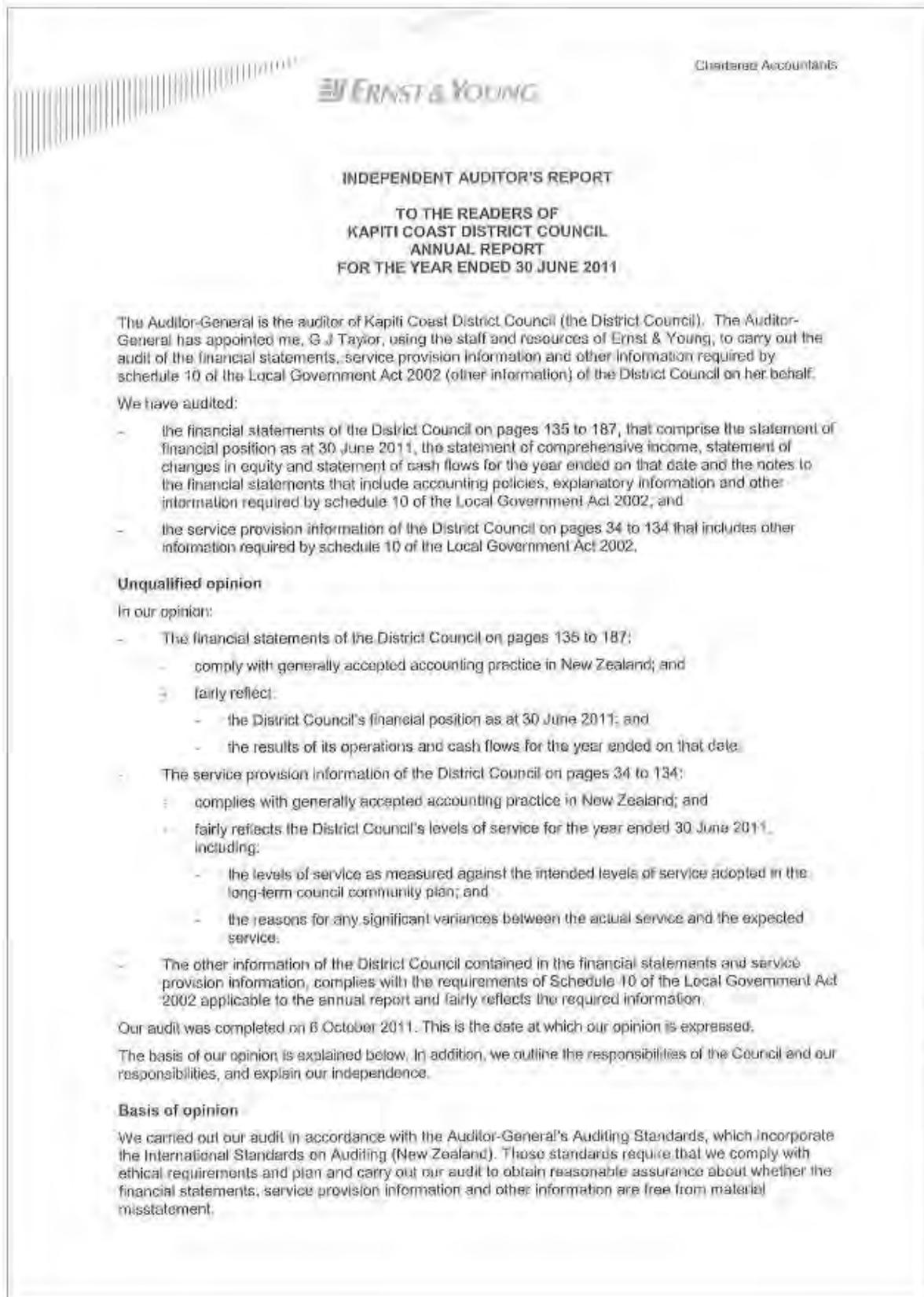
	2010/11 Actual \$000	2009/10 Actual \$000
Total Rates Revenue (net of Remissions)	42,447	39,638

	2010/11 Actual \$000	2009/10 Actual \$000
Council Policy Remissions		
Community Properties, Sporting, Recreational and Other Community Organisations	33,361	30,819
Separately Habitable Parts	102,642	92,564
Late Payment Penalties	38,506	105,522
TOTAL REMISSIONS	174,509	228,905

31. Loss on Disposal

During the year the Council recorded the following losses on disposal of assets.

	Loss on Disposal \$000	Comment
Paraparaumu Rail Station Walk Bridge	264	Railway Walk Bridge replaced with a pedestrian underpass. The Bridge was funded by the Greater Wellington Regional Council through reimbursement of annual debt servicing costs over a 10 year period.
TOTAL	264	



Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements, service provision information and other information. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the financial statements, service provision information and other information. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the financial statements, service provision information and other information whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the District Council's preparation of the financial statements, service provision information and other information that fairly reflect the matters to which they relate. We consider internal control in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of all disclosures in the financial statements, service provision information and other information;
- determining the appropriateness of the reported service provision information within the District Council's framework for reporting performance; and
- the overall presentation of the financial statements, service provision information and other information.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements, service provision information and other information. We have obtained all the information and explanations we have required and we believe we have obtained sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Responsibilities of the Council

The Council is responsible for preparing:

- financial statements and service provision information that:
 - comply with generally accepted accounting practice in New Zealand;
 - fairly reflect the District Council's financial position, financial performance and cash flows;
 - fairly reflect its service performance, including achievements compared to forecast; and
- other information in accordance with Schedule 10 of the Local Government Act 2002 that fairly reflects the required information.

The Council is responsible for such internal control as it determines is necessary to enable the preparation of financial statements, service provision information and other information that are free from material misstatement, whether due to fraud or error.

The Council's responsibilities arise from the Local Government Act 2002.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on the financial statements, service provision information and other information and reporting that opinion to you based on our audit. Our responsibility arises from section 15 of the Public Audit Act 2001 and section 99 of the Local Government Act 2002.



Independence

When carrying out the audit, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants.

Other than the audit and in carrying out the audit of the Statements of Proposal to amend the long term council community plan, dated 17 March 2011 and 18 August 2011, we have no relationship with or interests in the District Council.

G J Taylor
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand

Section 5: Other Information

Glossary of Terms

Term	Definition
Activity	Groups of related services, projects or goods provided by, or on behalf of the Council are combined into an activity. These activities are then linked to Community Outcomes.
Annual Plan	The Annual Plan is produced in the intervening years between Long Term Council Community Plans. It explains the variations from the activities and/or budgets in the Long Term Council Community Plan and confirms arrangements for raising revenue for the financial year.
Annual Report	The Annual Report comments on the performance of the Council against the community outcomes, objectives, policies, activities, performance measures (effectiveness measures, key actions/outputs and service standards), indicative costs, and sources of funds outlined in the Long Term Council Community Plan and the Annual Plan.
Asset	Something of value that the Council owns on behalf of the Kāpiti Coast District Community, such as roads.
Asset Management Plan	A long term planning document for managing the Council's infrastructural assets that ensures that capacity to provide a service is maintained, and that costs over the life of the assets are kept to a minimum.
Capital Expenditure	Cost of purchasing, constructing or improving an asset.
Census (2006 Census of Population and Dwellings)	Statistics New Zealand provide statistical information gathered from the 2006 Census of Population and Dwellings. The statistics provide information on the size and makeup of the New Zealand population by age, gender and ethnicity.
Community Outcomes	A set of statements owned and developed by the community with Kāpiti Coast District Council assistance, found in the <i>Kāpiti Coast: Choosing Futures - Community Outcomes</i> document. They exist to guide decisions made by the Council and to engage with other agencies about how they will invest in the community's future.
Cost of Capital	Opportunity cost of (assets less related net loan).

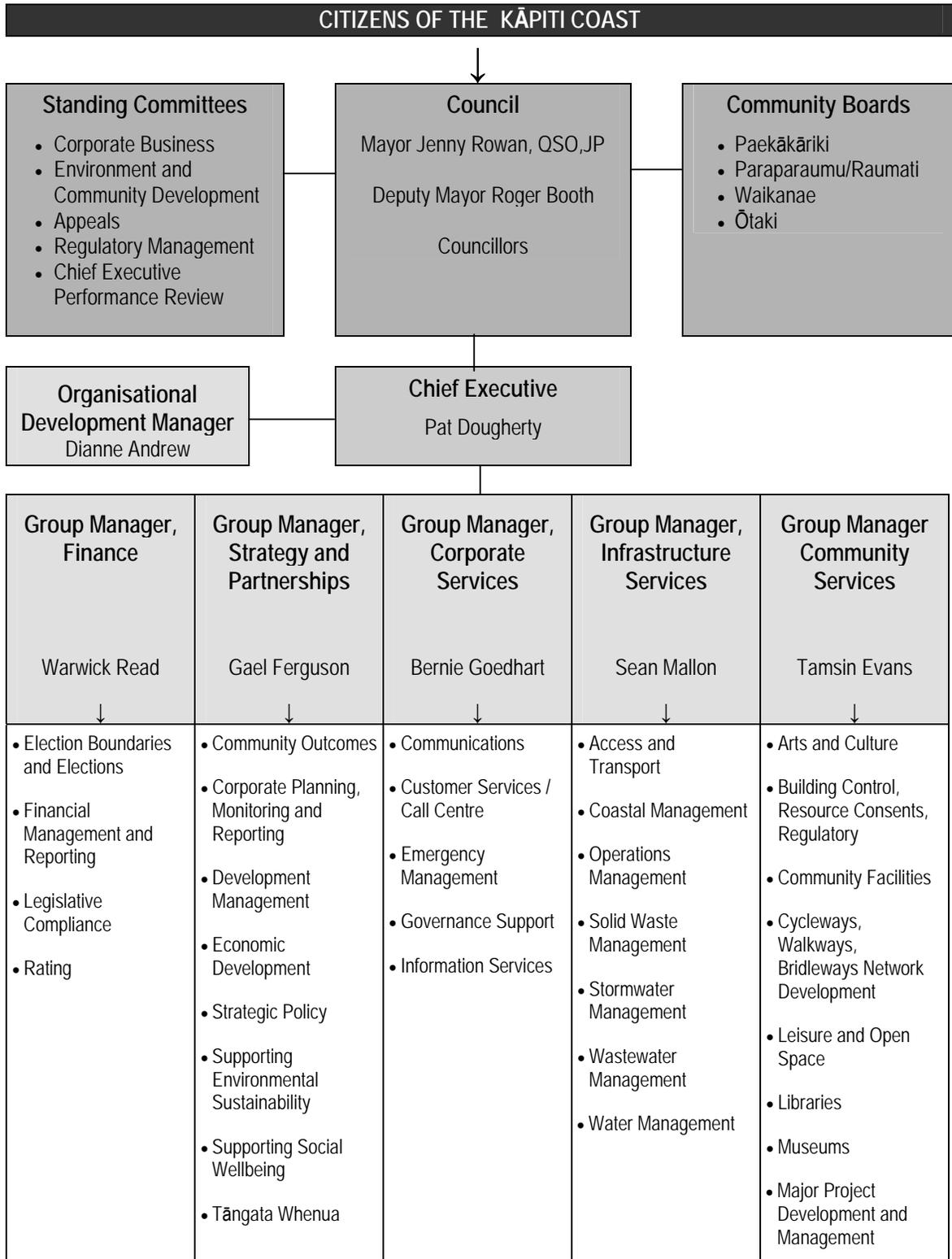
Council-controlled Organisation	An organisation in which one or more local authorities control 50% or more of the voting rights or appoint 50% or more of the directors.
Cultural Wellbeing	Includes: <ul style="list-style-type: none"> • an understanding of the history of cultural traditions; • mutual respect for those traditions and values; • a willingness to seek and work with common features and values; • a reflection of those values in the present physical and social environment; • confidence that decisions about change take these principles and values into account; • a sense of control over decisions affecting what is valued by the community.
Current Assets	Any asset which can be readily converted to cash or will be used up within the financial year.
Current Portion of Public Debt	Council debt that matures in less than 12 months.
Current Liabilities	Creditors and other liabilities due for settlement within the next 12 months, i.e. the next financial year. All other liabilities are non-current.
Debt Servicing	Interest cost on loans.
Depreciation	An accounting concept to describe the wearing out, consumption or other loss of value of an asset over its useful life.
District Plan	A plan under the Resource Management Act 1991 that manages the adverse impact of land uses on the environment of the District.
Economic Wellbeing	Includes: <ul style="list-style-type: none"> • economic activity that is within the capacity of natural systems to absorb effects; • local benefit; • employment, including local employment; • a local economy that can adapt to change and pressures; • having people who understand and are willing to take economic risks to establish viable businesses; • skills and the opportunity to use them; • the ability to add value and to think what local resources may offer.

Environmental Wellbeing	Includes: <ul style="list-style-type: none"> • the effect of actions on the environment; • the capacity of natural systems to absorb change; • community aspirations to restore the quality of natural systems; • the ability to harvest natural systems without harm to them.
External Revenue	Income (other than Rates) from external sources.
Fixed Assets	These consist of land and buildings and infrastructural assets (utilities such as roads, stormwater and wastewater networks).
Loan Repayment Provisions	Annual loan repayment provisions have replaced annual sinking funds provisions on all new loans.
Local Government Act 2002	The Local Government Act 2002 is the primary legislation that governs the Council's operations and actions.
Long Term Council Community Plan (LTCCP)	A plan which: <ul style="list-style-type: none"> • describes the Council's responsibilities and contributions to the Community Outcomes developed by the Kāpiti Coast community during 2009; • sets out the Council's leadership vision and how it wishes to work with the community; • the suggested investment priorities for the next 20 years; • identifies partners with a commitment to the wellbeing of the Kāpiti Coast community; • provides a long term programme and budget and funding choices.
Long Term Investments	Investments that have a maturity date of 12 months or longer.
Operating Costs	Costs of maintaining assets plus the allocation of overhead costs.
Non-current Portion of Public Debt	Council debt that has a maturity date of 12 months or longer.
Public Benefit Entities	Reporting entities whose primary objective is to provide goods and services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return to equity holders (as defined in New Zealand equivalents to International Financial Reporting Standards).
Public Equity	Council's net worth (i.e. total assets less total liabilities).

Restricted Assets	Parks and reserves which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
Short Term Investments	Investments that mature in less than 12 months.
Significance Policy	A policy which explains how the Council determines how significant a project or decisions are and the subsequent amount of consultation and analysis required.
Sinking Funds	An annual provision made towards the final repayment of loans. The sinking fund provision is calculated so that when a loan matures there are sufficient funds set aside to fully repay the loan. Sinking funds are separately invested and interest accrues each year on an annual basis. Sinking funds are no longer required on new loans raised after 1 July 1998.
Social Wellbeing	Includes: <ul style="list-style-type: none"> • the ability of all to participate in and use what the District offers; • respect and support for people and groups that sustain and help; • the ability of individuals to see a future and feel that they might achieve it; • basic levels of physical and mental health or wellness; • personal safety and freedom from fear; • a sense of control over individual and community futures; • affordability: ability of people to pay for basic survival (food, shelter etc) and to have enough disposable income to allow participation in local community life.
Structure Plans	A structure plan is a comprehensive indicative development plan for a large area which identifies such things as bush to be protected, roads, sections, stormwater etc. It allows a more integrated sustainable development approach which weaves together urban and environmental matters. A structure plan has a legal status in the District Plan and is used in the formal resource consent process to guide particular decisions.

Sustainable Development Principles	<p>A general definition is: 'development which meets the needs of the present without compromising the ability of future generations to meet their needs' (<i>Central Government - Sustainable Development: Programme for Action – published January 2003.</i>) This general statement provides some guidance for action and decision-making but does require further detail to assist with complex issues. The Local Government Act 2002 provides guidance on some principles, as does the Programme for Action cited above.</p> <p>The Kāpiti Coast District Council has developed fourteen principles to guide decision-making, based on the Local Government Act requirements, the Programme for Action and a review of principles developed by other local, regional and national governments, in New Zealand and elsewhere. These principles have been formally adopted and can be found in Section 1, Part 1 <i>Kāpiti Coast: Choosing Futures – Community Plan.</i></p>
SWAPS	A financial instrument or contract which turns fixed interest rate debt into floating rate debt or vice versa.
Targeted Rates	A rate that a local authority sets for a specified function or functions.
Wellbeing	Consists of four connected components - social, cultural, environmental and economic – that actively support the well being or “health” of a community.

Kāpiti Coast District Council Structure



Staff at 1 July 2011 = 262.5 FTE (full time equivalents)



Contact Information for Council

Main Office	<u>Street Address</u> 175 Rimu Road Paraparaumu 5032	<u>Postal Address</u> Private Bag 60601 Paraparaumu 5254
	Phone (including after hours)	04 296 4700 Or 0800 486 486 (Toll free)
	Fax Email Website	04 296 4830 kapiti.council@kapiticoast.govt.nz www.kapiticoast.govt.nz
	After Hours Emergencies Including: Noise control Animal control Other emergencies	0800 486 486 (Toll free)



me huri whakamuri, ka titiro whakamua

Contact the Council:

Kāpiti Coast District Council

Private Bag 60601

PARAPARAUMU 5254

Tel. (04) 296-4700

Toll free line: Tel. 0800-486-486

Fax: (04) 296-4830

Email: kapiti.council@kapiticoast.govt.nz