
Securing our future

TOITŪ KĀPITI

Annual Report 2021/22



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Introduction

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Mayor and Acting Chief Executive review

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Mihimihi greetings from tangata whenua

Ka rere tāwhangawhanga te au o te kupu ki te Toi o Ngā Rangi, ki ngā pou tiriao o te ao wairua ōtira o te waahi ngaro e poipoia ana ngā tāonga kāmehameha no tua whakarere nei ra te mihi matakuihui nā te mana, nā te tapu o te whenua e hōrapa ana te mihi tēna koutou katoa!

The tangata whenua of the district are Te Ātiawa ki Whakarongotai, Ngāti Raukawa represented through Ngā Hapū o Ōtaki and Ngāti Toa Rangatira, including whānau and hapū. In the 1820s–1830s they were firmly established in the district and were signatories to the Treaty of Waitangi at various locations on the Kāpiti coast. We recognise and affirm their whakapapa and their responsibilities to our past, present and future peoples by protecting and improving the wellbeing of our land and waters, so we can create an environment that is able to sustain, support and nourish its communities.



Te moemoeā o te tangata whenua

The vision of tangata whenua

<i>Te Harakeke, Te Kōrari,</i>	The flax plant, the flax flower,
<i>Ngā taonga whakarere iho</i>	Treasures left down here
<i>O te rangi. O te whenua.</i>	Of the sky. Of the land.
<i>O ngā tūpuna.</i>	Of the ancestors.
<i>Homai he oranga mō mātou</i>	Give wellness to us all.
<i>Tihei Mauri Ora</i>	Sneeze the breath of life.

In developing the Long-term Plan 2021-41 (LTP), tangata whenua of the district agreed to use Te Pā Harakeke (the flax bush) as a metaphor for their vision of the relationship between mana whenua and Kaunihera (the Council).

In the graphic representation used in the LTP, the roots of the Pā Harakeke are the principles and values agreed by iwi representatives and the councillors to guide our work together:

- **Kaitiakitanga** – Guardianship. Sustaining the environment and people.
- **Ūkaipōtānga** – Identity. Having a place where one belongs, where one counts, where one is important, and where one can contribute.
- **Whanaungatanga** – Connectedness. A system of 'kinship', including rights and reciprocal obligations that underpin the social organisation of family, and community.
- **Pūkengatanga** – Wisdom. Preserving, creating, teaching in building knowledge and understanding.
- **Manaakitanga** – Support. Supporting each other through generosity, care, respect and reciprocity towards others.

Pā Harakeke is about protection of our most vulnerable, and collective strength. It fosters connection to the whenua (land) and to Papatūānuku (Earth Mother), as well as our connection to family (including extended family) and people – past, present and future.

The focus of our activities over the past year has, therefore, been on establishing the means to achieve this moemoeā (vision).

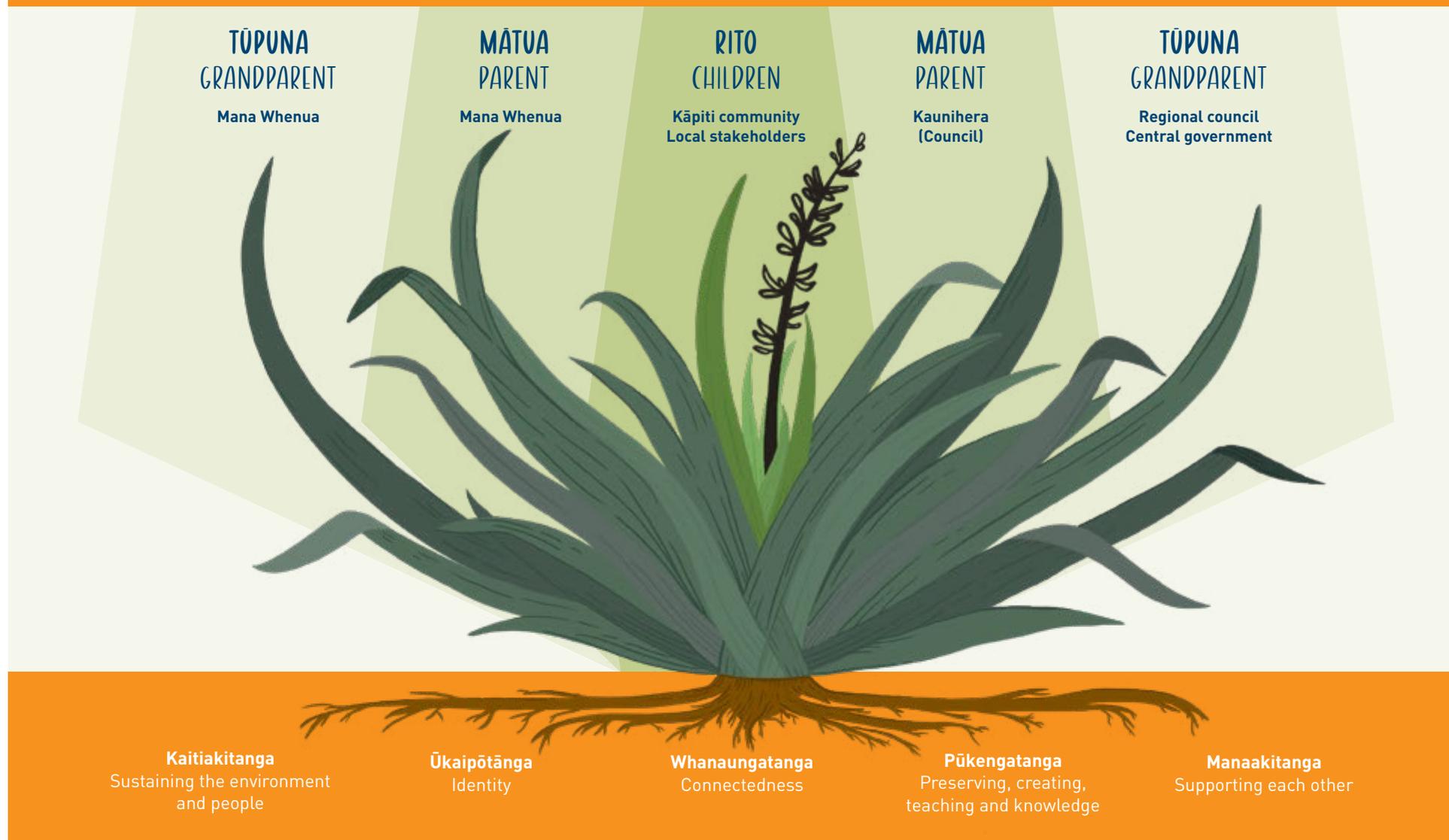
Although it was a difficult year, we have achieved much. Notably, we have finalised arrangements whereby mana whenua will have an increased formal representation on the Council and be directly involved in governance through the Council and its committees, and significantly increased support for capacity and capability-building within iwi and the Council. These developments reflect the maturing relationship with mana whenua where we strive to have a mutually mana-enhancing partnership. More information on activities and what has been delivered over the last year is provided in the Activities and Services section on pages 21 to 96.

These are the first steps in the journey envisaged in the LTP. There is still much to be done, but we are heading in the right direction. We would like to recognise and thank all those involved in this journey and all their mahi.

Nāku noa nei

Naomi Solomon,
Kaihautu Te Whakaminenga o Kāpiti

TE KAUPAPA MĀTUA | toitū Kāpiti



Mayor and Acting Chief Executive review



Mayor of Kāpiti Coast District Council, K Gurunathan JP, MA (left) and Acting Chief Executive, Gary Simpson (right).

Nau mai haere mai. Tēnā koutou, tēnā koutou, tēnā koutou katoa. Welcome to the Kāpiti Coast District Council Annual Report 2021/22.

This is the first Annual Report against the Kāpiti Coast District Council LTP.

It provides us with a sense of how well we are progressing against the LTP, the challenges we face and how much further we have to go.

It provides information about achieving the Council's financial management, project delivery and performance measure achievements, all of which contribute towards long-term community outcomes.

We've had our fair share of challenges this year, ranging from COVID-19 affecting people's health and wellbeing, to limited access to materials and resources for capital projects, to realising the severity of our housing crisis and the intensity of climate change through extreme weather events.

Despite these challenges, we ended the financial year with a strong local economy, low unemployment, governance representation that reflected community feedback, new scientific evidence to support coastal adaptation and a range of strategies to guide the district through growth and housing challenges.

Like other councils we are responding to increased momentum and pressure from central government reforms relating to the three waters, the resource management system and the future of local government itself.



Did you know:

GDP in our district grew by 3.2 percent over the year to June 2022, compared to the 1.0% growth in the Wellington region and 0.9 percent nationally.

Employment in our district grew 3.4 percent compared to last year, in line with national employment growth.

Jobseeker Support recipient numbers are down 12.7 percent since June 2021, with the number of recipients recovering to pre-pandemic levels.

Source: Infometrics June 2022 Quarterly Economic Monitor Report.

Growth and housing

We took a huge step forward with Council adopting the Te Tupu Pai – Growing Well Strategy. It is estimated that the district will need more than 15,000 additional dwellings to house 32,000 new residents by 2051.

The Kāpiti Coast District Council Housing Strategy 2022 reflects the diverse needs of our community, by better matching housing demand, supply and choice, which, in turn, supports papakainga housing and sustainable growth. This strategy, as well as changes to the District Plan, complement the Council's Open Spaces Strategy, the Wellington Regional Growth Framework and central government policies.

The Council undertook a review of options for establishing an affordable housing entity, including setting up a Council Controlled Organisation (CCO). Although the CCO was not the preferred option for this purpose, we will consider establishing a CCO for other purposes in the future.



The Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill received Royal Assent in December 2021 amending the Resource Management Act 1991 to rapidly accelerate the supply of housing.

Coastal adaptation, climate change and reducing carbon emissions

In June 2022, our district experienced intense storms and tornadoes in Waikanae and Paraparaumu, causing flooding and damaging up to 12 homes.

The Council activated its Emergency Operations Centre (EOC) and worked with the Wellington Regional Emergency Management Office and Fire and Emergency New Zealand to respond.

This was the second activation of the EOC in 2021/22, Having also been required during a significant rain event in December 2021.

To better protect people, property and essential infrastructure from storm events Council has several pieces of work under way. This includes seawall projects in Paekākāriki and Raumati. The first stage of the Paekākāriki seawall design is complete and design of the Raumati seawall began in February 2022.

More detail can be found in the Coastal Management activity section of this report on page 32.



Paekākāriki beach.

Through our Takutai Kāpiti project we have progressed work to help our community prepare for the impacts of sea-level rise due to climate change. Drawing on our updated 'Coastal Hazard Susceptibility and Vulnerability Assessment' completed by Jacobs New Zealand (which identifies areas susceptible to coastal erosion and inundation over 30, 50, and 100 years), our Coastal Advisory Panel (CAP) progressed its work to explore a range of adaption options and engage with our community to canvas a range of views.

To reduce the impact of climate change we continue to look for ways to decrease carbon emissions. This has included supporting shifts to increase use of public transport, walking and cycling, investing in an electric

vehicle fleet, supporting Energise Ōtaki to set up a solar farm (that now provides 40 percent of the power to the Ōtaki Wastewater Treatment Plant), and transitioning most streetlights to LED. Reducing emissions is an ongoing challenge especially as the district grows.

COVID-19 in our community

COVID-19 remained a constant presence throughout the year, impacting businesses and households.

It affected most of us in one way or another, whether contracting COVID-19, being a household contact, or experiencing changes in service and product availability.

Lockdowns, alert level changes, a switch to the traffic light system and the arrival of the Omicron variant to New Zealand required enormous adaptability across Aotearoa in the last year.

This was no different for Council. Whether acting to protect the community by closing our pools, libraries and other facilities, shifting to online meetings, or adjusting work programmes in response to resourcing challenges, COVID-19 has touched all aspects of our work.

Data collected from March 2022 showed up to 42 percent of Council staff have either had COVID-19 or required to isolate as a household contact. Many of our regular suppliers have had to cope with the same issue.

This has been a huge challenge and required some difficult decisions. We thank the community for its ongoing understanding.

Activity and service delivery

The Council kept essential business going throughout the pandemic, including:

- **21,078** service requests
- **25,897** front counter customers
- **47,445** customer calls
- **19,429** e-mail/antenna/website submissions
- **12.2** kilometres of local roads sealed
- **1.7** kilometres of footpaths built
- **1,382** metres of watermain renewals completed
- **1.5** kilometres of trunk water main upgrades completed to boost Ōtaki water supply
- **20,000** plants were planted in the district.

More about what we delivered can be found in the Activities and Services section of this report on pages 21 to 96.



Footpath creation in Waikanae.

Although some capital projects have been impacted by COVID-19 (availability of resources and materials) 75 percent of all major projects, some spanning multiple years, are on track.

We achieved 68 percent of our performance measures for the year (2020/21: 76 percent), a slightly weaker result that was largely due to the impacts of COVID-19 on staff and those we work with. Looking across our activities, we achieved all our coastal, stormwater and economic development performance measures and most performance measures relating to water, wastewater and parks and open spaces.

Total residents' satisfaction this year was 70 percent (2020/21: 74 percent) and more residents were satisfied with their value for money than in 2020/21.

Our residents were satisfied with the quality of drinking water, libraries, pools, access to beaches, public toilets, footpaths. We know we have more work to do on the condition of roads, allowing for easy movement and street lighting.

Financial performance

We recorded an operating surplus of \$6.9 million (mainly due to receiving capital grants and development contributions of \$9.0 million, which assists funding of capital projects). We delivered capital expenditure of \$45.5 million (double the level of two years ago in a difficult delivery environment), ended the year with net debt of \$169.4 million (176 percent of operating income, compared with our financial strategy limit of 280 percent) and retained our S&P Global AA credit rating.

Central government reforms

Central government is leading a number of substantive reforms that will fundamentally change the functions of local government and its role supporting local communities.

In terms of water reform, legislative change is underway with the introduction of the Water Services Entities Bill. It proposes to centralise water assets and operations of all councils into four new publicly owned water services entities.

The Kāpiti Coast District Council has been recognised for its strategic approach to water over many years and continues to deliver quality three waters (drinking water, wastewater and stormwater) outcomes. While the Council supports the objectives of three waters reform, it has concerns about the one-size-fits-all approach and the proposed changes being overly complex and difficult to implement.

Reforms are also underway to the resource management system, including the introduction of



School tour of the Waikanae Water Treatment Plant.

new regional spatial plans and steps to mitigate and adapt to climate change. While reforms signal moving to a regional planning approach and a new governance model, local government will continue to represent the local voice through representation on regional planning committees and contributing to the development of one Natural and Built Environment Plan in each region. Our role in managing growth and development will change, with future responsibilities for local government focusing on consenting and compliance monitoring and enforcement.

The Future for Local Government Review will articulate the future of local government over the next 30 years including changes to structures, powers, processes and funding systems.

Our Council presented to the review panel in March 2022 on key themes in the challenges and opportunities facing our communities and our sector, from a Kāpiti perspective. The panel will release a draft report in

October 2022, which is the next opportunity to provide feedback, with its final report expected in June 2023.

Health sector reform is another area of change. The shift to national coordination in combination with local design and delivery has the potential to provide new opportunities for collaboration with local government, through a strengthened focus on community wellbeing.

The complexity and scale of these interconnected reforms is unprecedented. The reviews and reforms will fundamentally change the system that local government operates within, including how decisions are made and by whom, what local government does and how it does it, and who local government needs to work with to enable community wellbeing.

The next two years will be a complex and challenging as we try to retain staff and keep business going, understand and adapt to the changes at a local level, while also contributing to the significant transition requirements.

Performance summary

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Snapshot of the Council's performance for the year

Financial performance/ position

\$6.9m Surplus mainly due to grants and development contributions of \$9.0 million for capital works.

72% Total income is derived from rates.

7.79% Average rates increase 2021–22.

\$75.7m Actual rates revenue for the year.

\$1.67b The Council's net value as at 30 June 2022.

\$169.4m Net debt at 30 June 2022.

AA/A-1+
credit rating from S&P Global.

Capital projects



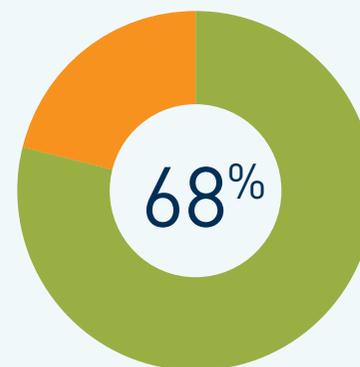
\$45.5m

Actual spend for the year. Despite supply and resource shortages we achieved our highest capital spend.

62% Capital expenditure budget spent.

\$28m Carried over to 2022/23 and outyears.

Service performance



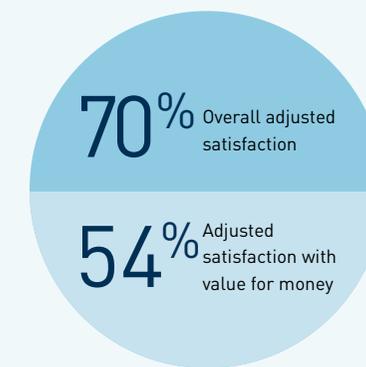
■ Achieved 68%
■ Not achieved 32%

58 achieved.

27 not achieved.

Out of 85 performance measures.

Residents' satisfaction



Compared to the previous year:

- overall adjusted **satisfaction** ↓ 4%
- satisfaction with **value for money** ↑ 1%

Kāpiti residents had higher overall satisfaction and were more satisfied with value for money than the national average.

The three drivers of change in satisfaction relate to the Council:

1. making good decisions
2. ease of participation in decisions
3. value for money.

Financial overview

Revenue for the year was
\$104.8 million

Total revenue was \$38.8 million below budget.

The variance is mainly due to other operating revenue being \$33.5 million lower than budget, with former State Highway One assets planned to vest to Council in 2021/22 but now transferring next year; and capital subsidies being \$4.8 million lower than budget mainly due to delays with the Link road, Mahara Gallery and Te Uruhi.

Other revenue items were broadly in line with budget for the year.

Total expenses for the year were
\$97.9 million

Operating expenses were \$2.4 million higher than budget mainly due to additional maintenance expenditure (\$1.3 million), higher costs associated with sludge removal from the wastewater treatment plant (\$105,000), increased electricity prices (\$172,000), higher than budgeted legal expenses relating to strategic projects (\$377,000) and professional services for business improvement initiatives including customer journey mapping, procurement system development and a library learning and development framework (\$239,000).

Operating surplus for the year was
\$6.9 million

The operating surplus was \$41.2 million lower than budget.

This is mainly due to grants and development contributions of \$9.0 million received for capital works. This is not a permanent cash surplus.

Unrealised gain on derivatives **\$23.4 million**

Unrealised gains on the revaluation of financial derivatives relate to the revaluation of our portfolio of interest rate swap contracts, which fix the rate of interest we pay on our debt. The revaluation gain reflects the fact that market interest rates have been rising and interest payable under our swap contracts is lower than today's market rates.

There is no intention to close out any of these contracts prematurely and this does not represent a permanent cash surplus.

Unrealised gain from revaluation of property, plant and equipment **\$117.1 million**

During the year we revalued our three waters (\$64.2 million) and roading (\$52.9 million) assets to reflect fair value, being current replacement costs, depreciated to account for the age of the assets.

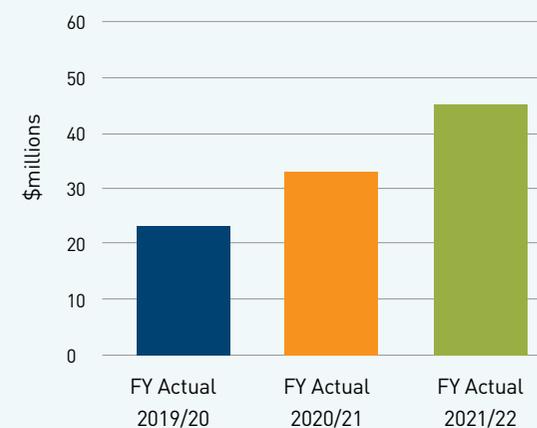
Capital spending

Capex spend for the year was **\$45.5 million**

Capex was \$28 million below budget. Key project underspends related to the Ihakara – Arawhata Link road (\$6 million), Mahara Gallery (\$2.7 million), Te Uruhi (\$2.2 million) and the Waikanae Water Treatment Plant upgrade (\$9.7 million).

The year has proven challenging for capex delivery with a very constrained supply market, the continuing effect of COVID restrictions and delays in business case and consent approvals. Nevertheless, we achieved the highest capex spend in three years.

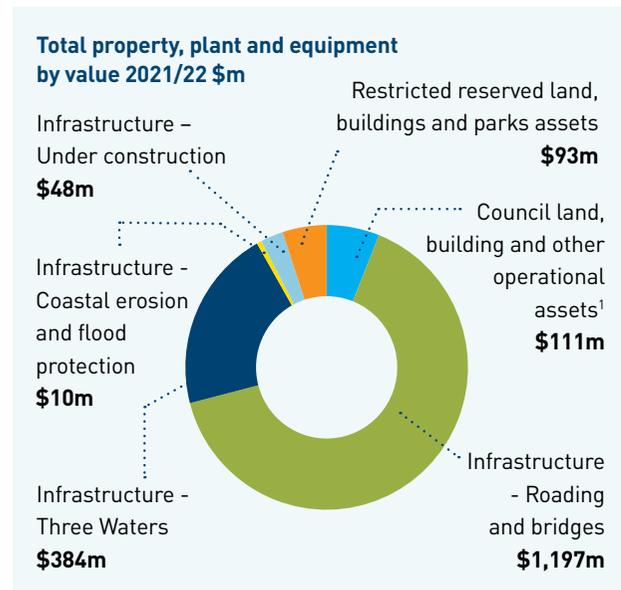
Capex spend



Financial position

Council assets at 30 June 2022
\$1.96 billion

Property, plant and equipment (PPE) of \$1.84 billion made up 94 percent of the total asset value. PPE ended the year \$51 million higher than budget due to higher than expected revaluations (\$117 million), offset by lower than budgeted capex (\$28 million) and vested assets (\$33 million).



¹ Includes buildings and equipment.

Council liabilities at 30 June 2022
\$285 million

\$255 million was medium- to long-term borrowings from the Local Government Funding Agency, and the remainder mainly trade creditors and accruals.

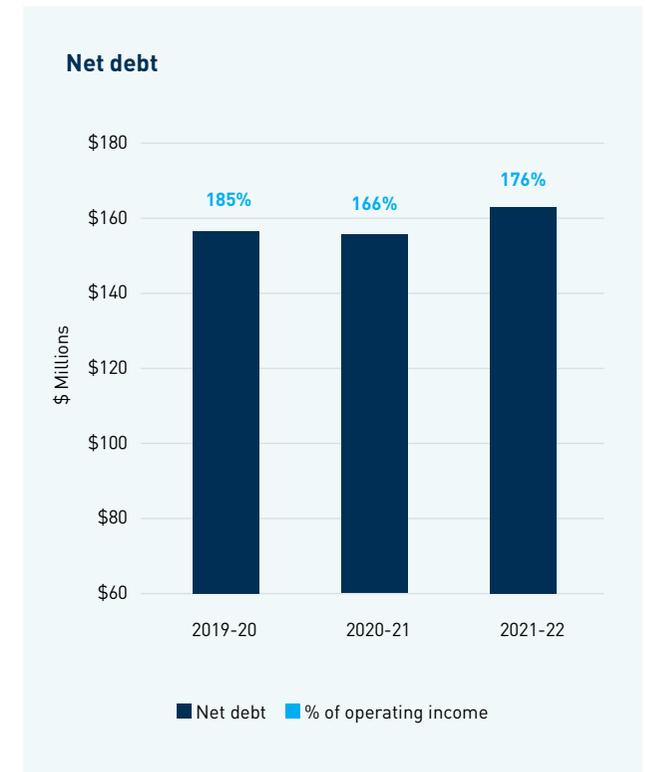
Public equity at 30 June 2022
\$1.67 billion

Ratepayers' equity, being the difference between total assets and liabilities, stood at \$1.67 billion.

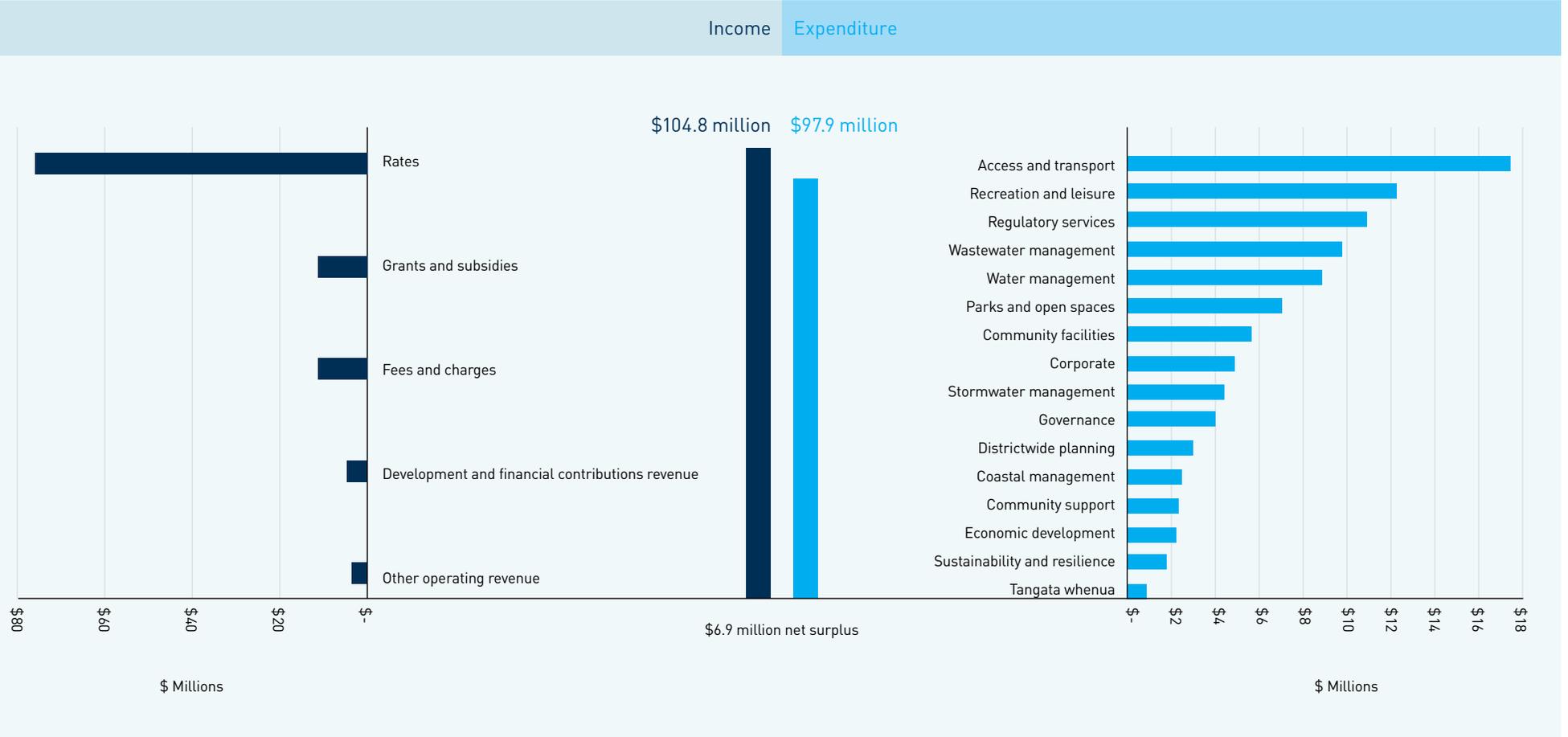
Cash and debt management

Net debt was
\$169.4 million
 176 percent of operating income

Net debt (total borrowings less term deposits, borrower notes and cash) is well below the upper limit of 280 percent and preferred limit of 250 percent set out in the LTP.



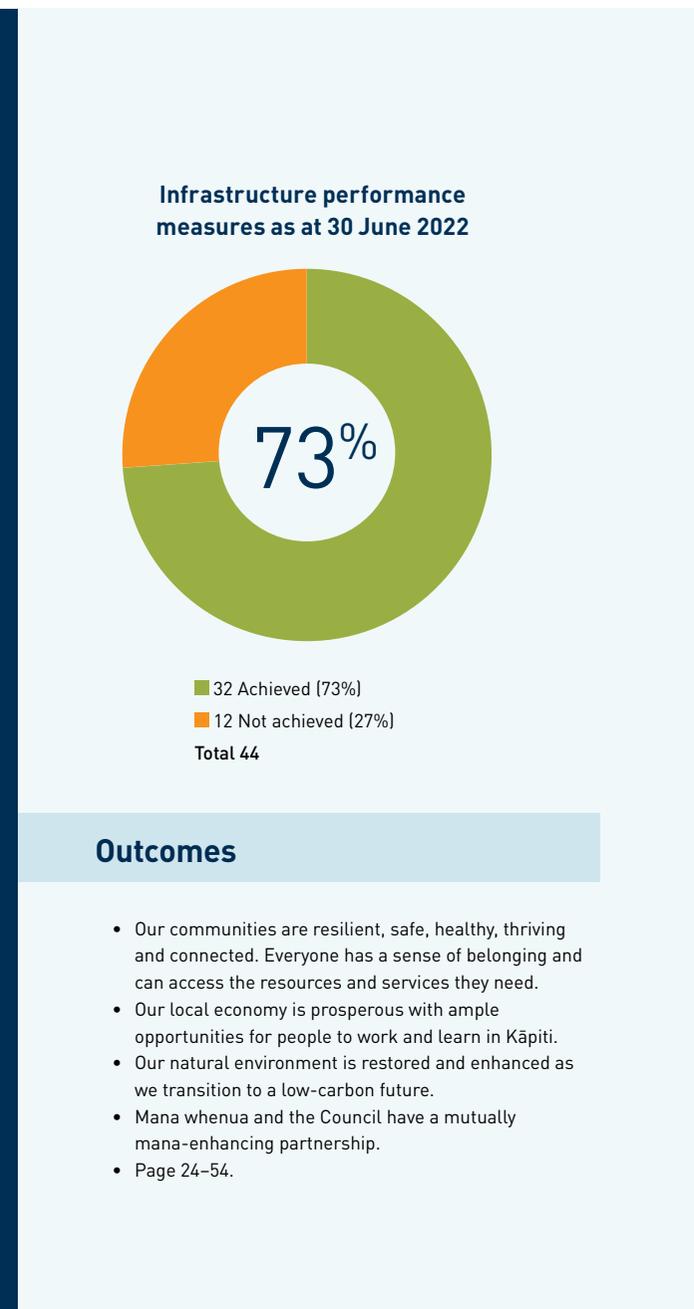
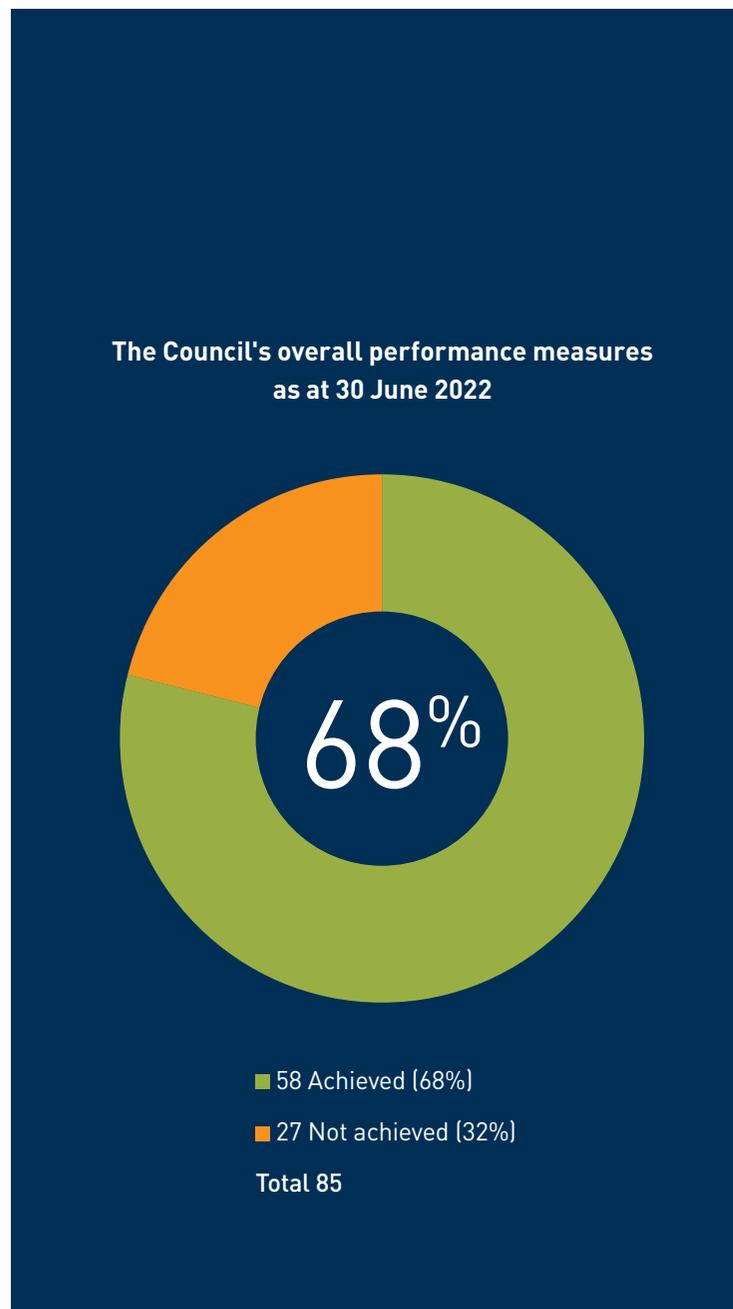
Financial performance (\$ millions)



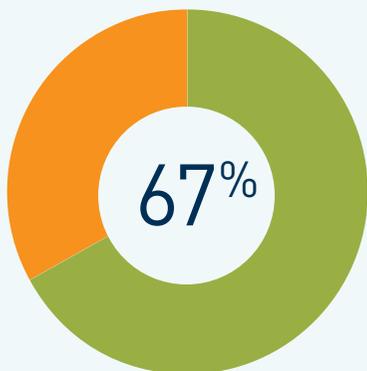
Service performance overview

The Council achieved 68 percent of its 85 performance measures that support delivery of levels of service across all activities.

This result is slightly weaker than the previous year where 76 percent of performance measures were achieved, however the impacts of COVID-19 on service delivery and staff have been more prominent than last year, especially in access and transport and recreation and leisure activities.



Community services performance measures as at 30 June 2022



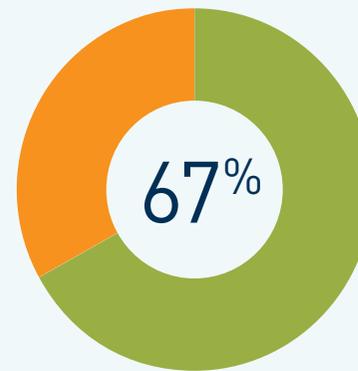
16 Achieved (67%)
8 Not achieved (33%)
Total 24

Partnerships performance measures as at 30 June 2022



6 Achieved (60%)
4 Not achieved (40%)
Total 10

Planning and regulatory performance measures as at 30 June 2022



4 Achieved (67%)
2 Not achieved (33%)
Total 6

Corporate performance measures as at 30 June 2022



1 Not achieved (100%)
Total 1

Outcomes

- Our communities are resilient, safe, healthy, thriving and connected. Everyone has a sense of belonging and can access the resources and services they need.
- Our natural environment is restored and enhanced as we transition to a low-carbon future.
- Mana whenua and the Council have a mutually mana-enhancing partnership.
- Page 55–69.

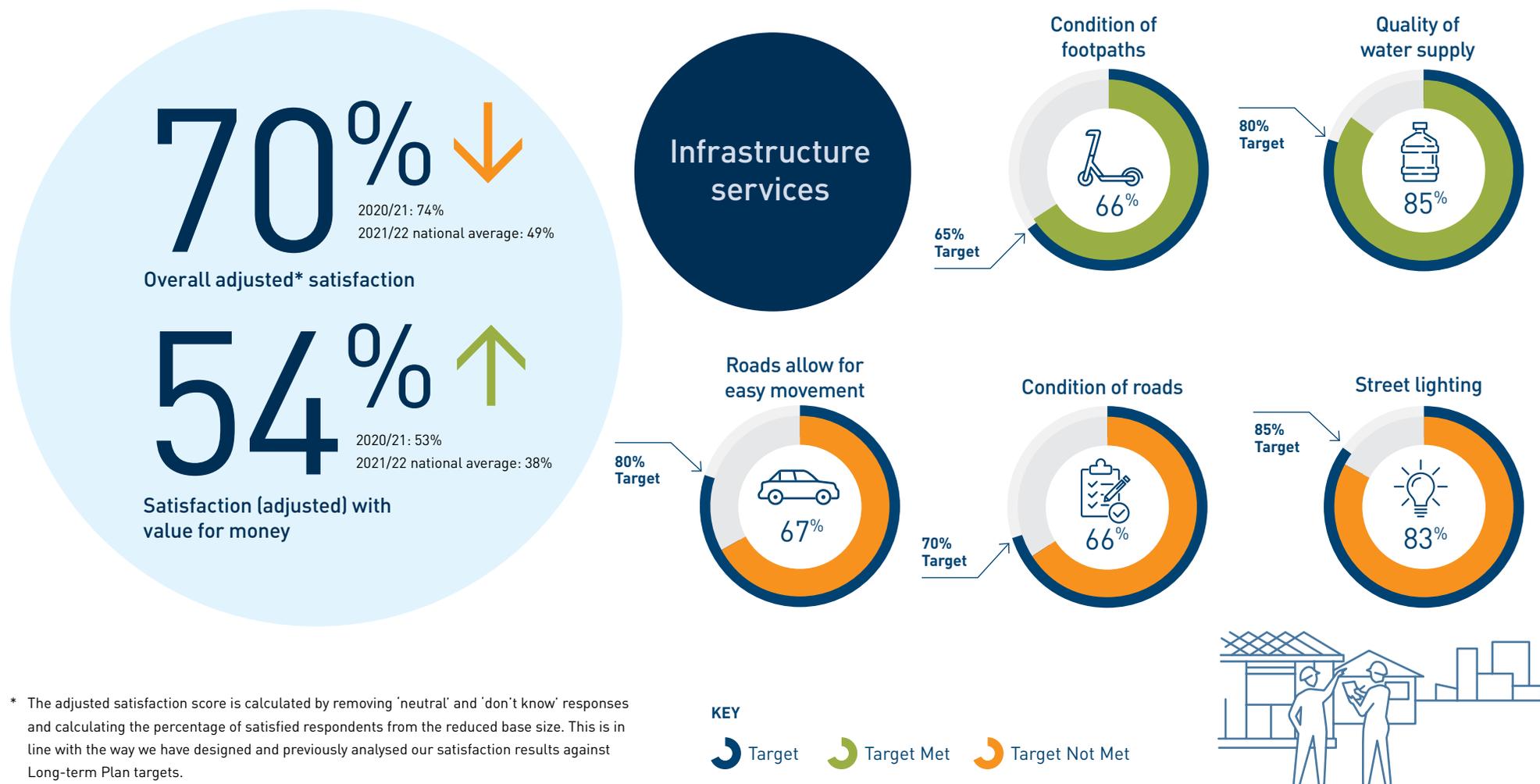
- Mana whenua and the Council have a mutually mana-enhancing partnership.
- Our local economy is prosperous with ample opportunities for people to work and learn in Kāpiti.
- Page 70–83.

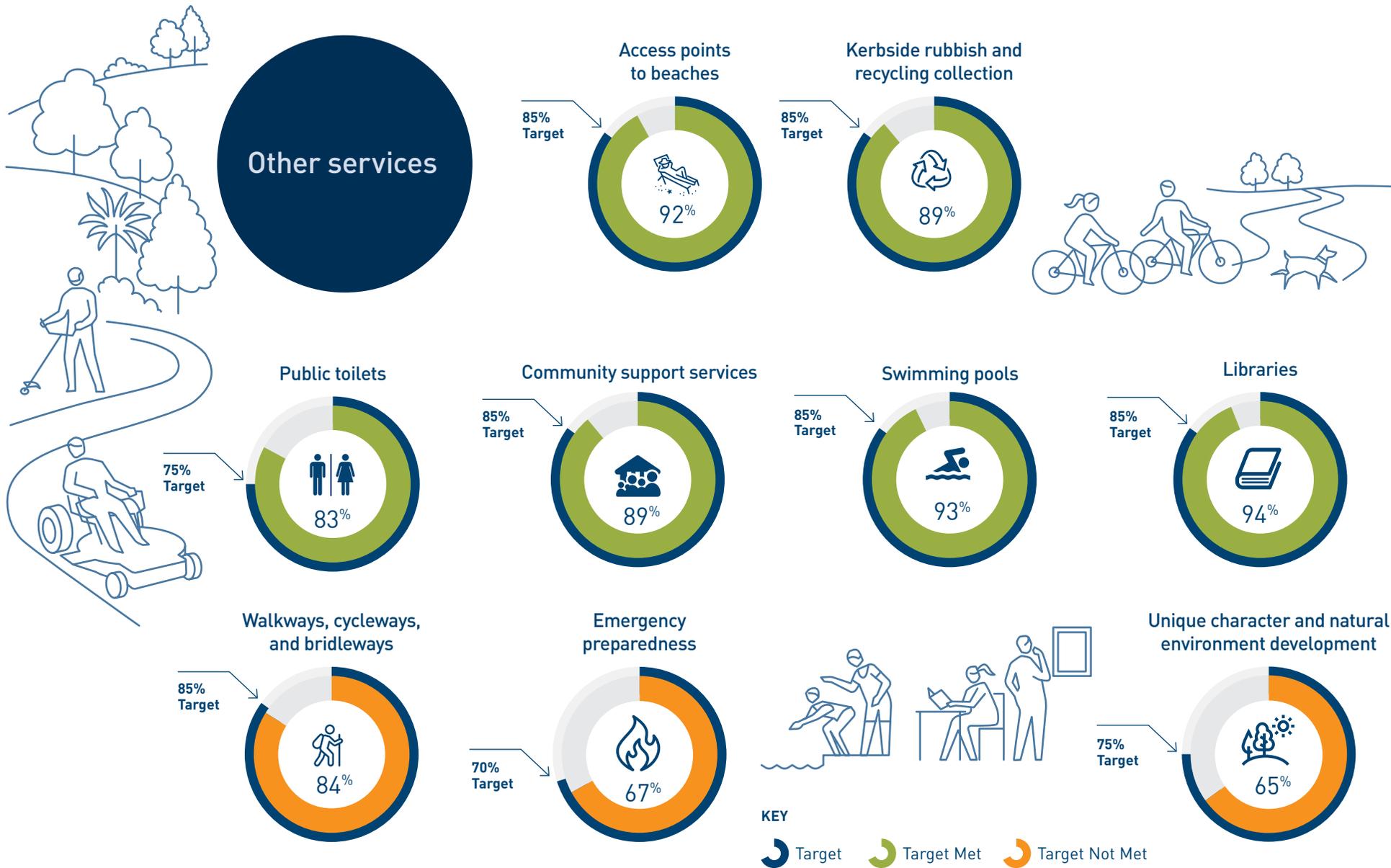
- People have access to suitable housing in Kāpiti so that they can live and thrive.
- Our communities are resilient, safe, healthy, thriving and connected. Everyone has a sense of belonging and can access the resources and services they need.
- Our natural environment is restored and enhanced as we transition to a low-carbon future.
- Mana whenua and the Council have a mutually mana-enhancing partnership.
- Page 84–93.

- Corporate activity supports other Council activities to deliver against outcomes.
- Page 94–96.

Residents' satisfaction survey results

Results that informed 2021/22 performance measures

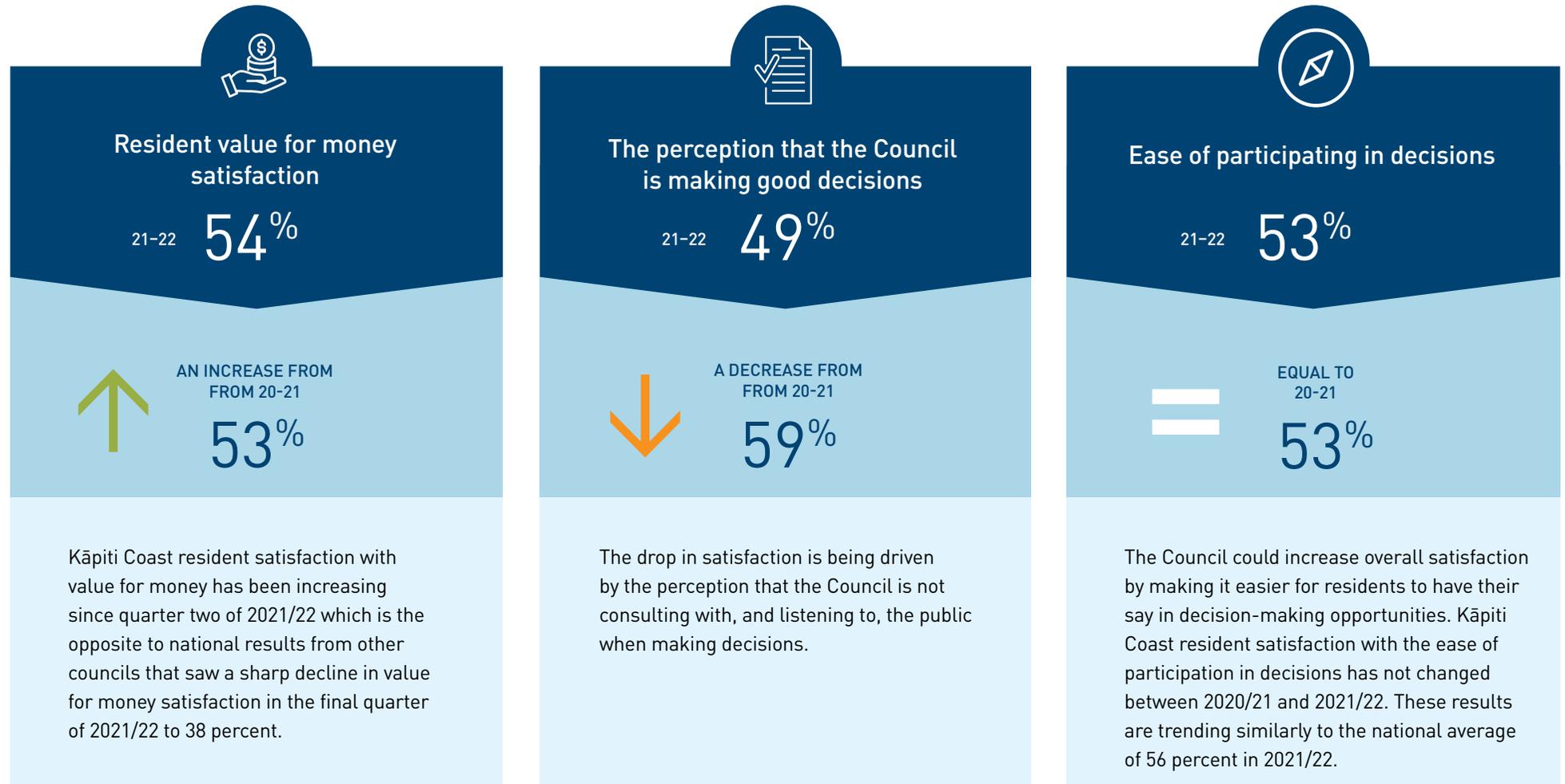




Drivers of change in satisfaction

These three drivers are very important to resident satisfaction.

Improving these aspects may improve residents' perceptions of the Council and ultimately raise their overall satisfaction with the Council.



Activities and services

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The Council manages 16 different types of activities and services for the district, all of which contribute towards community outcomes that align with the wellbeings (i.e. social, cultural, environment and economic).

The Council's strategic direction

Our plan on a page is from the LTP 2021-41 and contains five outcomes. All activities undertaken by the Council throughout the 2021/22 year were progressed to support achievement of these outcomes.

OUR VISION: **THRIVING ENVIRONMENT | VIBRANT ECONOMY | STRONG COMMUNITIES**
 toitū te whenua, toitū te wai, toitū te tāngata — toitū Kāpiti: the lifestyle choice

OUR CHALLENGES AND OPPORTUNITIES

Liveability of our district

Rising costs and limited income

Growing well

Being connected and resilient

Caring for our environment

OUR CONTRIBUTION

Our core services

Delivering efficient, reliable services, facilities and infrastructure to meet the needs of our growing communities.

Infrastructure



Community



Partnerships



Planning and regulatory



Corporate

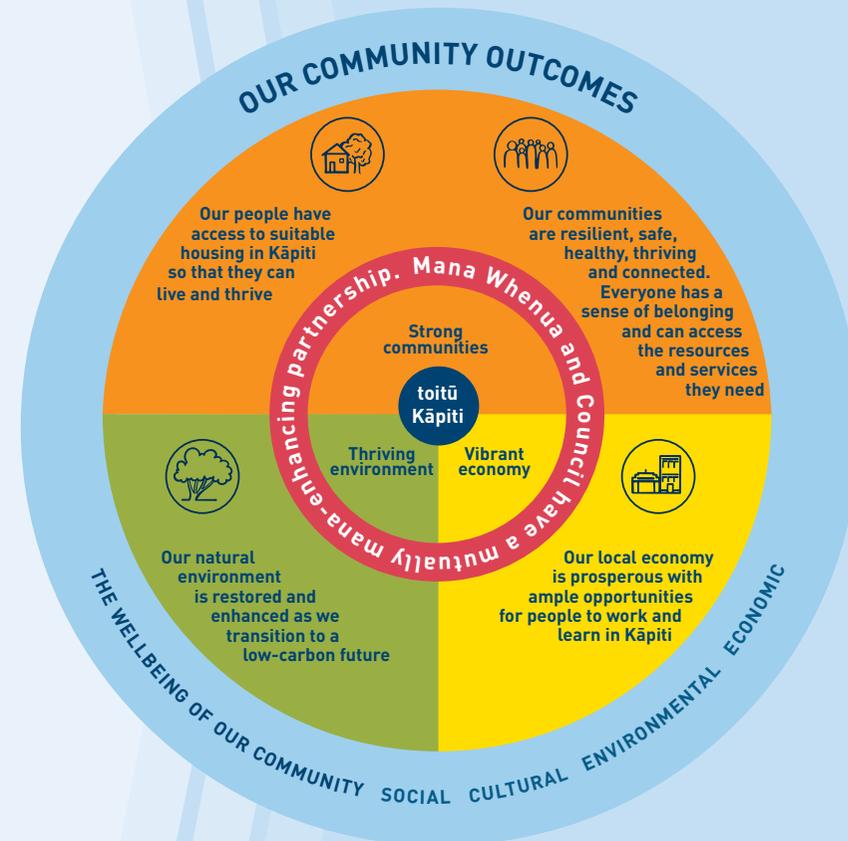


Our projects and priorities

Acting on important issues.

Our financial strategy

Managing how we pay for services and fund our community's development.



Overview of activities and services



Infrastructure

 Putanga me te waka – access and transport

 Whakahaere takutai – coastal management

 Wai āwhā – stormwater

 Wai – water

 Wai para – wastewater

 Toiūtanga me te manawaroatanga – sustainability and resilience



Community services

 Nga papa rēhia me ngā papa – parks and open space

 Ruhanui – recreation and leisure

 Whare tapere hapori – community facilities



Partnerships

 Tangata whenua

 Ngā hāpai hapori – community support

 Mana whakahaere – governance

 Whakawhanake umanga – economic development



Planning and regulatory services

 Mahere ā-rohe – districtwide planning

 Ratonga whakaritenga – regulatory services



Corporate

 Paheko rangapū – corporate

Mana whenua

Mana whenua and the Council have a mutually Mana-enhancing partnership.

Collectively activities are aimed at delivering the Council outcomes

Communities

Our communities are resilient, safe, healthy, thriving and connected. Everyone has a sense of belonging and can access the resources and services they need.

Economy

Our local economy is prosperous with ample opportunities to work and learn in Kāpiti.

Environment

Our natural environment is restored and enhanced as we transition to a low-carbon future.

Housing

Our people have access to suitable housing in Kāpiti so that they can live and thrive.



Infrastructure

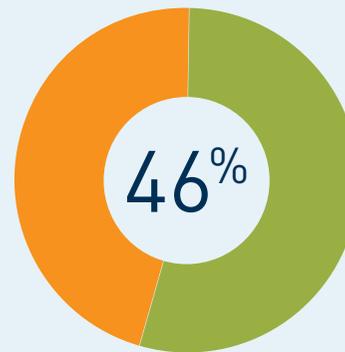


Putanga me te waka – access and transport

Purpose

This activity contributes to community resilience and connectedness by developing and maintaining a roading network that allows for the safe and efficient movement of people and goods to work, home, school, essential services, shops, and recreation activities throughout the district.

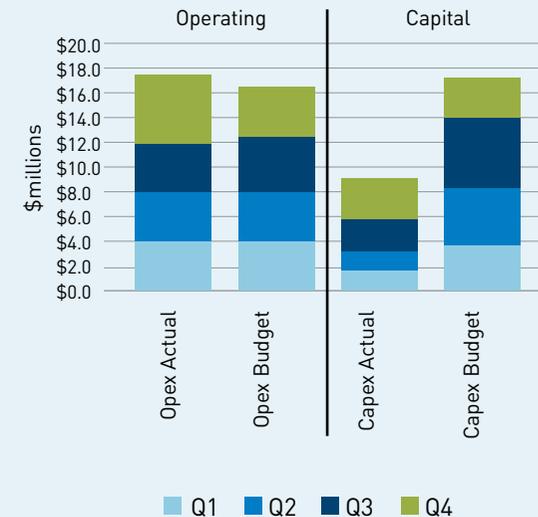
Performance measures as at 30 June 2022



Achieved 46% Not achieved 54%

6 Achieved 7 Not achieved 13 Total

Operating and capital expenditure 2021/22



Financial year capex variance is mainly due to the Link Road being \$6 million under budget.

What we delivered

Road and footpath maintenance and resealing

Sealed road resurfacing

Up to 65 percent of planned resurfacing was completed during the annual sealing period (October to April). We resurfaced 12.2km of the total 408km local road network.

A higher proportion of asphalt was delivered in the resurfacing programme than anticipated. Additional asphalt sites were included as the chipseal programme was unable to be completed.

Districtwide footpath upgrades/renewals

The footpath renewals programme was slowed due to the impact of COVID-19 on contractors, staff, and materials, resulting in the full programme not being achieved.

Nevertheless, 60 percent of the footpaths have been inspected in the first three years of the five-year cycle. Only 2 percent of those are below the standard with poor or very poor ratings.

Ōtaki Gorge Road/Blue Bluff

The Blue Bluff section of the Ōtaki Gorge Road is an area that becomes active during wet weather. It has been closed to all vehicles and walkers since September 2020.

The road was closed after a weather event triggered slipping and the road was at risk of dropping away. A subsequent slip of approximately 3000 cubic metres in volume and 65m in length covered the road in the same area in December 2021.

Construction of a proposed new walkway over the latest slip is underway. It will be similar to the track on the Paekākāriki Escarpment Trail, making access to the Ōtaki Forks area faster, easier and safer for walking access.



Ōtaki Gorge Road / Blue Bluff.

State Highway One revocation

McKays Crossing to Peka Peka (M2PP) revocation of the old State Highway One continues. It involves installing new stormwater infrastructure and constructing roundabouts, controlled intersections, new footpaths, kerbs, channels, and the traffic lights.

Work is well advanced in the urban zones.

Paraparaumu is 95 percent complete. Waikanae Main Road is progressing with traffic light installation underway at Ngaio Road and upgrades at Elizabeth St and Te Moana Rd.

Work in the rural zones to the south is complete. Work in the remaining zones (comprising mainly resurfacing and line-marking and the Waikanae Bridge pedestrian clip-on) will be completed later in the year.



Raumati shops.

Town centres – Paraparaumu transport hub

Design and engineering work is largely complete. The Council approved the required budget to complete the project and has entered into an early contractor involvement process. Final arrangements are underway with the construction contractor to finalise costs and identify areas of cost savings. Engagement with neighbouring retailers, building owners and advisory groups has been positive. Construction is planned to start August 2022.

Raumati village

The Council engaged urban strategists, First Retail Group, to explore opportunities and co-create a strategy with businesses and other stakeholders in the Raumati village area to realise opportunities created by increased connectivity and continued residential growth.

Minor safety improvements

We have undertaken a range of relatively minor road and intersection improvements across the district, which have included traffic calming, more safe-crossing points, lighting improvements, and installing of new road signs and road markings.

Waka Kotahi New Zealand Transport confirmed its rather restrained funding in November 2021, so the team was delayed in resolving the programme and resources necessary for delivery. Funding for the three-year safety programme was finally allocated early 2022.

A safety improvement was made at the Elizabeth Street level crossing in Waikanae, where traffic light phasing on Main Road was adjusted to increase the chances of heavy vehicles being able to cross the tracks safely.



Waikanae level crossing. From left to right: Eddie Cook (KiwiRail), Pete Brain (Goodmans), Tony McKay (Goodmans), Gary Evans (KCDC), Bruce Johnston (KCDC), Kath Lees (NZ Police). Photo credit: TrackSAFE.

Street lighting

The lighting network remains stable with low numbers of outages. However, there were failures due to lightning strikes and high winds during June 2022 storm events.

We have continued to invest in lighting improvements on:

- Raukawa Street Ōtaki
- Iver Trask Place
- Raumati South (dark corners).

Future upgrades will continue to focus on darker streets across the network.

Drainage, retaining wall and bridge repairs

Drainage and bridge repairs are part of an ongoing works programme funded in conjunction with Waka Kotahi New Zealand Transport.

Eight retaining walls have been installed during 2021/22 to protect land from storm damage, including on the Akatarawa Road.

Bridge deck replacements have been completed on the Ngarara Rd Bridge and Kaitawa Bridge.

Alternative designs for the replacement of culverts on Kāpiti Road and Marine Parade are underway to reduce traffic and environmental impacts. Work is scheduled for early 2024.

East-West Connections

'Link road' from Arawhata Road to Ihakara Street

East-West Connections is a programme of projects developed to relieve congestion on Kāpiti Road, support economic development in the Paraparaumu area, and future proof Kāpiti Road and surrounding areas as the population and economy grows.

The project was delayed waiting for Waka Kotahi (NZ Transport Agency) funding approval for the Single-Stage Business Case (SSBC). Since we received that approval in November 2021, the geotechnical drilling and other site investigations have been completed and work is continuing on the SSBC.

A planning assessment and re-scoping meeting were both held. Information required for a property valuation has been provided to the consultant.

Network planning

A total of 115 consents and 16 temporary event applications were received by the access and transport team in this financial year.

Officers attended pre-application meetings and provided advice and input to resource consent information responses, conditions on consents, and actioned service requests as required.

We also completed and published the Sustainable Transport Strategy and the Transport Bylaw 2022. The Bylaw sets the rules for car parking, our cycle, walk and bridleway network, signage, and activities on the Council-owned or managed roads, road reserves, public carparks and other spaces.

Expressways

Peka Peka to Ōtaki (PP2Ō)

Physical works continued on PP2Ō. The Council has been involved in the PP2Ō Expressway, both as consenting authority in the development of the required construction management plans, and as road controlling authority in the detailed design.

The main expressway alignment is expected to reach practical completion by late 2022 and will be opened to traffic at that time.

Other activities

Free Fares Campaign

On 11 November 2021, the Council supported and agreed to add its name to the Free Fares Campaign being coordinated by the Aotearoa Collective for Public Transport Equity. The campaign is advocating for free public transport for three groups: Community Service Card holders, tertiary students and under 25 year olds.

Advocacy

The Council continued to advocate to both central government and the Greater Wellington Regional Council for enhanced public transport connections, including:

- a low-carbon, regular and reliable transport network across the district
- extension and electrification of commuter rail to north of Ōtaki
- building transport connectivity between Ōtaki and the rest of the Kāpiti Coast District.



Kāpiti expressway.

Challenges

- Delays pending Waka Kotahi New Zealand Transport Agency finishing revocation work on old State Highway One.
- Late approval and reduced funding from Waka Kotahi New Zealand Transport Agency impacting on the Paraparaumu Transport Hub project, footpath renewals, resealing, and the minor safety improvement programme. Managing and restraining the costs of the Paraparaumu Transport Hub project will be a significant challenge.
- COVID-19-related resourcing and supply issues.
- Increased costs associated with materials availability, contractor and capacity limitations.
- Unplanned disruption and repair works due to weather events.

Putanga me te waka – access and transport performance measures

Performance measures	Target	Actual	Comment and previous years' result
Residents who agree the existing transport network allows easy movement around the district.	80 percent	67 percent Not achieved	<p>Satisfaction is associated with the number of traffic lights and their sequencing. We are entering into an agreement with Waka Kotahi for a joint contract for all traffic lights in Kāpiti, to enable real-time monitoring and expert support to improve performance. This will start in November this year.</p> <p>Easy movement will improve when Waka Kotahi New Zealand Transport complete changes to the old State Highway One through Paraparaumu and Waikanae, and the Peka Peka to Ōtaki Project.</p> <p>2020/21 result was not achieved at 74 percent.</p>
The change from the previous financial year in the number of serious and fatal crashes on the local road network, expressed as a number.	Five-year rolling average reduces each year	Reduced from 12 to 11 serious or fatal crash injuries from 2020/21 to 2021/22 Achieved	2020/21 result was not achieved with 12 serious injury or fatal crashes.
Residents who are satisfied with street lighting.	85 percent	83 percent Not achieved	<p>The lighting network remains stable with low numbers of outages. However, there were failures due to lightning strikes and high winds during the June storms.</p> <p>We have continued to invest in lighting improvements. Future upgrades will continue to focus on darker streets across the network.</p> <p>2020/21 result was not achieved at 84 percent.</p>
Percentage of sealed local road network that is resurfaced.	5 percent	3 percent Not achieved	<p>A higher proportion of asphalt was delivered in the resurfacing programme. Asphalt has a higher cost than chip-seal, therefore less length of resurfacing was achieved.</p> <p>2020/21 result was not achieved at 2.8 percent.</p>

Performance measures	Target	Actual	Comment and previous years' result
Residents who are satisfied with the condition of roads.	70 percent	66 percent Not achieved	Our condition monitoring surveys continue to show the network is stable. Residents comments relate to roadworks, potholes and Waka Kotahi's New Zealand Transport Agency road improvement work on State Highway One. 2020/21 result was achieved at 73 percent.
Roads that meet smooth roads standards.	Overall smooth travel exposure is above 85 percent	84 percent Not achieved	We are targeting levelling areas where peat ground condition has caused depressions and where manholes in road service covers have caused roughness. 2020/21 result was achieved at 86 percent.
Residents who are satisfied with the condition of footpaths.	65 percent	66 percent Achieved	2020/21 result was achieved at 73 percent.
Percentage of footpaths that fall within the service standard for the condition of footpaths as set out in the activity management plan.	60 percent	98 percent Achieved	Sixty percent of the footpaths have been inspected in the first three years of the five-year cycle. Two percent are below the standard with poor or very poor ratings. 2020/21 result was achieved at 94 percent.
Average cost of local roading per kilometre is comparable with similar councils.	Achieve	Achieved	Comparison of our peers for reseal and asphalt sites show similar costs for delivery. 2020/21 no result recorded.
Service requests relating to footpaths responded to within three to five hours hours (urgent).	85 percent	46 percent Not achieved	Service response was impacted by COVID-19 (available resource) and the impact of extreme weather events. 2020/21 was not achieved at 59.4 percent.

Performance measures	Target	Actual	Comment and previous years' result
Service requests relating to roads responded to within three to five hours (urgent).	85 percent	67 percent Not achieved	Service response was impacted by COVID-19 (available resource) and the impact of extreme weather events. 2020/21 was not achieved at 77.5 percent.
Service requests relating to footpaths responded to within 15 days (non-urgent).	85 percent	97 percent Achieved	2020/21 was achieved at 98 percent.
Service requests relating to roads responded to within 15 days (non-urgent).	85 percent	94 percent Achieved	2020/21 was achieved at 97 percent.



Whakahaere takutai – coastal management

Purpose

This activity contributes to community resilience and safety by identifying coastal hazards and providing and maintaining coastal assets to protect public infrastructure such as roads, wastewater assets, stormwater assets, walkways and beach accessways; as well as providing hazard management.

Coastal management performance measures as at 30 June 2022



■ Achieved 100%

3 Achieved 0 Not achieved 3 Total

Operating and capital expenditure 2021/22



Financial year capex variance is mainly due to Paekakariki Seawall \$1.1 million and Raumati South Seawall \$0.4 million under budget.

What we delivered

Paekākāriki seawall

Detailed designs are completed for the first stage of the project and compilation of the physical works tender (main access at Campbell Park) is in progress. The tender was advertised publicly at the beginning of the 2022/23 financial year.

Raumati seawall

A professional services contract associated with design and resource consents was awarded. Design work began in February 2022 and is expected to be completed in June 2023. Physical works tenders are planned to be advertised in the beginning of 2023/24 financial year with a construction period of three to four years.

Takutai Kāpiti

The CAP has been established, consisting of community and some iwi representatives.

The Council released a report produced by Jacobs New Zealand (including fact sheets and GIS viewer) entitled 'Coastal hazard susceptibility and vulnerability assessment for the Kāpiti Coast district coastline',



South Paekākāriki beach erosion.

which provides guidance on where and when we can expect increased coastal erosion and flooding in future.

The CAP is using technical information contained from the report to develop 'long-list' adaptation options relating to specific coastal locations for use in engagement with the community, which has begun.

Working with the community and tangata whenua, we will identify a sequence of coastal adaptation areas to form the work programme for the CAP to work through along the coastline.¹

¹ The coastline is divided into five coastal adaptation areas: Northern Kāpiti (Ōtaki, Te Horo, Peka Peka), Central Kāpiti (Waikanae, Paraparaumu), Raumati, Queen Elizabeth park, and Paekākāriki.

The Council made a submission to the Ministry for the Environment on its draft National Climate Change Adaptation Plan relating to a national approach to sea-level rise and 'managed retreat'. We called for legislative reform around funding and clarity of roles and responsibilities.

Challenges

Paekākāriki seawall: The tender was to be advertised in April 2022, but COVID-19-related issues slowed down the work associated with design review.

Raumati seawall: Completion of designs and the consents are taking longer than originally planned due to complexities associated with land ownership of several primary and secondary walls.

Whakahaere takutai – coastal management performance measures

Performance measures	Target	Actual	Comment and previous year's result
Working with the community and tangata whenua, we will develop a response to the impacts of coastal erosion and inundation resulting from sea-level rise and climate change on our coast.	2022/23	Achieved	We developed the work programme and identified the adaptation areas and sequencing of work, although we are yet to secure full iwi representation on the CAP. We are progressing towards full representation and have completed a cultural values assessment for the project. New measure not reported 2020/21.
We develop final recommendations to inform an implementation plan to address coastal hazards.	2022/23	Achieved	The Jacobs report Volume 2 results have been released along with accompanying fact sheets and GIS viewer. CAP community engagement and work programme for the adaptation areas has begun. New measure not reported 2020/21.
We will respond within 48 hours to urgent requests to repair seawalls or rock revetments.	90 percent	100 percent Achieved	2020/21 result was achieved at 100 percent.



Wai āwhā – stormwater

Purpose

This activity contributes to community resilience and safety by minimising risks to human life and health from flooding, by responding efficiently and effectively to flooding issues and maintaining, repairing, and renewing major flood protection and control works.

The aim of major stormwater projects is to eliminate the risk of loss-of-life and damage to property due to flooding, and these are focused on the alleviation of habitable floor flooding.

The work programme is divided into major and minor capital projects. These projects are in four phase of development and implementation: physical works under way; projects ready for procurement of physical works; design/resource consents; planned work.

Many of the projects straddle multiple years and are part of a wider programme.

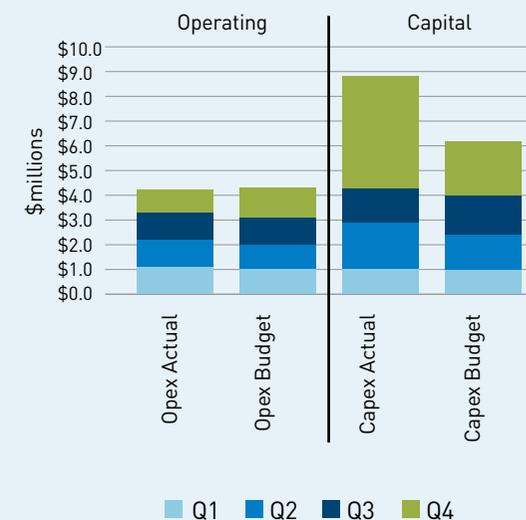
Stormwater performance measures as at 30 June 2022



■ Achieved 100%

7 Achieved **0** Not achieved **7** Total

Operating and capital expenditure 2021/22



Financial year capex variance is mainly due to the acceleration of major stormwater projects \$2.6 million.

What we delivered

Major stormwater capital projects

Major stormwater projects cover the design and construction of the main drainage systems to accommodate runoff from less frequent storms (one in 50-year or one in 100-year events). These projects include upgrades and renewals of under-capacity networks, network extensions, stream works, and pumping systems, and run over multiple years.

There were 32 major priority projects and 10 of these are in the construction phase:

- Paraparaumu catchment two asset renewals, Sunshine Avenue asset upgrades, Ōtaki Beach stage two upgrades, Awanui Drive upgrades, and Amohia catchment service locations were completed.
- Paraparaumu catchment four asset renewals, and Matena/Matai upgrades were substantially completed.
- Paraparaumu catchment three asset renewals, Riwai stage two upgrades, and Rauparaha street upgrades started on site.

Two projects were in the procurement phase with contracts for Jeep Road, Clunie Avenue and Kainui Road catchments upgrade and Amohia catchment stage one upgrade to be awarded early in the 2022/23 financial year.

Twenty projects were at the design and consenting phase:

- Kena Kena upgrades
- Moa Road flood wall
- Titoki Street upgrades
- Raumati Road area one upgrades
- Kākāriki Stream upgrades
- Amohia catchment stage two
- Amohia catchment stage three
- Paraparaumu one catchment asset renewals
- 156 to 230 Te Moana Road upgrades
- Hydes Road, Berts Way upgrades
- Paekākāriki town centre upgrades
- Paraparaumu five catchment asset renewals
- Paraparaumu nine catchment asset renewals
- Paraparaumu 10 catchment asset renewals¹

- Mazengarb culvert upgrades
- Magrath Avenue and Kāpiti Road upgrades
- Park Avenue, Ngarara Road and Kohekohe Road upgrades
- Waikanae lagoon upgrades
- Te Manuao Road upgrades
- Freemans Road upgrades.

¹ Paraparaumu 5, 9, 10 catchment asset renewals are different geographical areas of the district. The district is divided into 34 areas for stormwater management and these are three out of the 34 areas. Renewals in these areas are different to each other.

Minor stormwater capital projects

Minor capital work projects covering minor stormwater upgrades and extensions, sump upgrades, and overland flow paths in eight locations have been substantially completed.



Stormwater works in central Paraparaumu.

Drain cleaning and sediment removal

We completed 17.3km of open drain/stream cleaning (involving gravel extraction, machine cleaning and hand cleaning).

Other key developments

During the 2021/22 financial year we:

- lodged a Kena Kena resource consent application with Greater Wellington
- drafted a stormwater framework/strategy and began public consultation
- completed town centre stormwater modelling work
- undertook districtwide asset investigations including: data gathering on downpipe discharges through a stormwater survey (95 percent completed); CCTV inspections in Paraparaumu catchments (completed); assessments of the condition of manholes and sumps and manhole lid-level surveys to improve asset data (in progress); and CCTV assessments in Waikanae catchments (started)
- progressed districtwide flood hazard and water quality monitoring with no compliance issues associated with the discharge consent.
- substantially improved working relationships and processes with iwi partners

- progressed global maintenance consent application (40km of streams and drains), which we plan to submit to Greater Wellington in mid-2022/23
- started a districtwide inflow infiltration control project jointly with the water/wastewater team.

Challenges

- Gaining Greater Wellington's resource consent for stormwater capital works or operational/maintenance activities is extremely difficult.
- Increased contract costs exceeded budget allocated for this financial year. Tender prices were 30–35 percent more than LTP cost estimates. This could be mainly due to issues related to post COVID-19.
- Responding to major weather events especially in December 2021 and in May/June 2022.

Wai āwhā – stormwater performance measures

Performance measures	Target	Actual	Comment and previous years result
Median response times to attend a flooding event from notification to attendance on site.	Urgent = less than or equal to 24 hours	The median response time was 2.22 hours. Achieved	2020/21 result was achieved.
Median response times to attend a flooding event from notification to attendance on site.	Non urgent = less than or equal to five days	The median was less than a full day. Achieved	2020/21 result was achieved.
Percentage of all buildings that have been inundated due to minor flooding that are visited within four weeks.	90 percent	100 percent Achieved	Visited all inundated properties within one week. 2020/21 result was achieved at 100 percent.
Number of complaints received about the performance of the district's stormwater system.	Fewer than 30 per 1,000 properties connected to the Council's stormwater system	There were 21 per 1,000 property connections. Achieved	2020/21 result was achieved at 8.6.
Major flood protection and control works are maintained, repaired and renewed to the key standards as defined in the Council's activity management plan.	Achieve	Achieved	There were seven major stormwater projects completed (five projects are 100 percent complete and the remaining two substantially completed). The projects have followed the Council's Activity Management Plan standards. 2020/21 result was achieved.

Performance measures	Target	Actual	Comment and previous years result
<p>Number of buildings (habitable floors) reported to be flooded as a result of a less than one in 50-year rain event.</p>	<p>Fewer than three per 1,000 properties connected to the Council's stormwater system</p>	<p>There were two habitable floors affected by flooding events, which translates to 0.09 per 1,000 connections</p> <p>Achieved</p>	<p>2020/21 result was achieved at 0 per 1,000.</p>
<p>Compliance with the Council's resource consents for discharge from our stormwater system measured by the number of:</p> <ul style="list-style-type: none"> a) abatement notices b) infringement notices c) enforcement orders convictions, received by the Council in relation to those resource consents. 	<p>No notices or convictions</p>	<p>Achieved</p>	<p>2020/21 result was achieved at 0.</p>

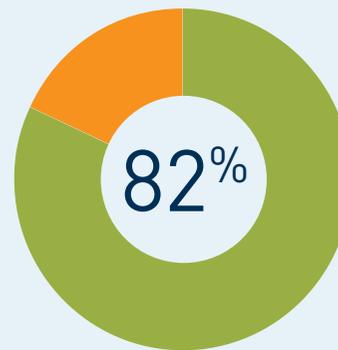


Wai – water management

Purpose

This activity contributes to community health and safety by providing high-quality drinking water across the district and ensuring there is enough water to fight fires when needed and protect the health and wellbeing of our communities.

Water management as at 30 June 2022



■ Achieved 82% ■ Not achieved 18%

9 Achieved 2 Not achieved 11 Total

Operating and capital expenditure 2021/22



Financial year capex variance is mainly due to Waikanae Wastewater Treatment Plant being \$9.7 million under budget.

What we delivered

Water services

Water safety plan

The Council is a drinking-water supplier registered under the Health Act 1956 (which has been repealed and now sits under the new Water Services Act 2021). As such, we are required to produce and maintain a Drinking Water Safety Plan (WSP).

We are currently reviewing and updating our WSP, including a Source Water Risk Management Plan (SWRMP) to ensure it complies with the Water Services Act 2021, and the revised Drinking Water Standards and Quality Assurance rules issued by Taumata Arowai (the new regulator). A copy of our updated WSP shall be submitted to Taumata Arowai on or before 15 November 2022.

Water backflow prevention

We began a review of the Council's Backflow Prevention Policy to identify what elements needed to be included in the policy and also reviewed the Backflow Prevention Management Plan against the Building Act and rules recently set by Taumata Arowai, to identify any gaps to be addressed.

Quality and compliance

The treatment plants at Waikanae and Paekākāriki continue to be compliant with the Drinking Water Standards for New Zealand. The treatment plant in Ōtaki and Hautere currently requires upgrades to meet challenges with the UV system and turbidity spikes in raw water. Proposed improvement plans are in place, and funding is allocated in the LTP 2021–41.

Hautere/Te Horo drinking-water safety upgrades

The new bore head and raw water pipelines installations were completed in late May 2022. Subsequently, the 'boil water notice' issued earlier in the year as a precautionary measure was lifted. The notice was originally issued following water turbidity (a measure of solid particles in water) flowing through UV treatment reactors exceeding the level for acceptable New Zealand Water Standards.

The Council still needs to finalise a resource consent application for discharge to waste. It will be actioned when the land-use easement from the landowner is signed.



Upgrade at the Hautere water treatment plant to increase turbidity resilience.

Ōtaki (Tasman Road) water treatment plant upgrades

Overhead powerlines have been relocated. The bore drilling contractor is currently working on designing and pricing the production bores.

A formal land-use easement agreement is required with Porirua Trust (landowners) for developing a medium-term future upgrade of the treatment building.

The upgrade for the long-term solution will be developed when we can confirm the reliability and adequacy of the water source. Preliminary work to identify a reservoir site location is progressing to secure water supply.



Waikanae Water Treatment Plant.

Waikanae water treatment plant upgrades

Stage one – the enabling works for construction, such as relocating the utility services of stormwater drainage and Chorus fibre optic cable ducts, are almost complete.

Stage two – an earthworks resource consent for a new clarifier construction has been granted. Work continues to bring the plant up to current seismic standards, building a new clarifier (a large settling pond that removes suspended solids from the water), planned renewals of pumps and dosing equipment, and procuring remaining long-lead items.¹

Design and supply issues provided some challenges, although these were resolved by July 2022. The forecast is still subject to final pricing by the civil works contractor.

Water supply network

Ōtaki upgrade

We completed a 1.5km trunk water main upgrade to boost supply to the Ōtaki central business district costing \$2 million.

¹ Long-lead items are items such as pumps, motors and internal mechanisms for clarifiers, for example that have a long manufacturing/delivery time.

Water mains renewals

Districtwide, we completed 1382m of water mains renewals, including:

- Waikanae (Hira Street)
- Paekākāriki (Haumia Street, Miriona Road)
- Ōtaki beach (Kāpiti Lane, The Avenue).

Water reservoir renewals

We completed work on relining the roof of Paekākāriki, Panorama and Tui water reservoirs.

The preliminary work for a new reservoir site at Ōtaki is in progress. Once the site is finalised and the land acquired, we will carry out further exploration of the groundwater source.

Challenges

The actual water treatment process for Hautere and Ōtaki supplies (Tasman and Rangiuuru Roads) has yet to be finalised based on the availability and quality of water sources.

Wai – water management performance measures

Performance measures	Target	Actual	Comment and previous years result
Median response times to a fault or unplanned interruption to our water network measured by attendance time (from the time the Council is notified to the time that staff are on site).	Non-urgent = three days or less	Median attendance time was 4 hours 45 minutes Achieved	2020/21 result was achieved at 28 minutes.
Median response times to a fault or unplanned interruption to our water network measured by attendance time (from the time the Council is notified to the time that staff are on site).	Urgent = less than or equal to one hour	Median attendance time was 25 minutes Achieved	2020/21 result was achieved at three hours and 46 minutes.
Median response times to a fault or unplanned interruption to our water network measured by resolution time (from the time the Council is notified to the time that staff confirm resolution).	Urgent = five hours or less	Median resolution time was one hour and five minutes Achieved	2020/21 result was achieved at 53 minutes.
Median response times to a fault or unplanned interruption to our water network measured by resolution time (from the time the Council is notified to the time that staff confirm resolution).	Non-urgent = four days or less	Median resolution time was one day one hour and 55 minutes Achieved	2020/21 result was achieved at 22 hours 48 minutes.
Compliance of the district's drinking-water supply with: a) Part 4 of the drinking water standards (bacteria compliance criteria).	Achieve 100 percent	Not achieved for Hautere water supply and Otaki water supply	The Hautere rural water supply was non-compliant during the construction of new bores that are now complete, and the precautionary 'boil water notice' has been lifted. The Ōtaki Supply (Tasman Road WTP) was non-compliant, and discussions with the landowner(s) are ongoing to replace bores and construct a new reservoir.
b) Part 5 of the drinking-water standards (protozoal compliance criteria).	Achieve 100 percent	Not achieved for Hautere water supply and Otaki water supply	2020/21 result was not achieved.

Performance measures	Target	Actual	Comment and previous years result
Residents who are satisfied with the quality of the Council's water supply (taste, odour, and clarity)	80 percent	85 percent Achieved	2020/21 result was achieved at 83 percent.
Total number of complaints received by the Council per 1,000 connections to the Council's networked reticulation system, about any of the following: a) drinking-water clarity b) drinking-water taste c) drinking-water odour d) drinking-water pressure or flow e) continuity of supply, and f) the Council's response to any of these issues.	At or below 6.2 complaints per 1,000 connections	4.35 complaints per 1,000 connections Achieved	2020/21 result was achieved at 3.42 complaints per 1,000 connections.
Peak water consumption in litres per person per day.	At or below 490 litres per person per day	403.3 l/p/d Achieved	2020/21 result was achieved at 398 l/p/d.
Average water consumption in litres per person per day (l/p/d).	At or below 325 litres per person per day	Achieved 287.4 l/p/d	2020/21 result was achieved at 310 l/p/d.
Percentage of real water loss from the Council's networked reticulation system calculated per the Water Loss Guidelines using WaterNZ's BenchLoss NZ software.	At or below 23.6 percent	23.38 percent Achieved	2020/21 result was achieved at 21.7 percent.



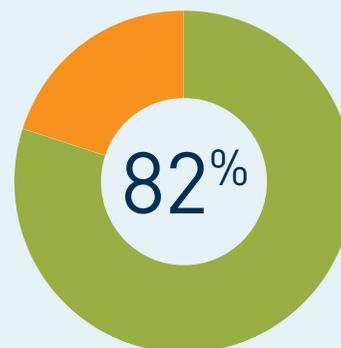
Wai para – wastewater management

Purpose

This activity contributes to community need. Managing wastewater is essential to our community's health and wellbeing.

Contributing to community resilience and safety by minimising risks to human life and health from contamination resulting from sewage overflows through wastewater management practices that ensure we respond efficiently and effectively to system blockages, faults and overflow issues.

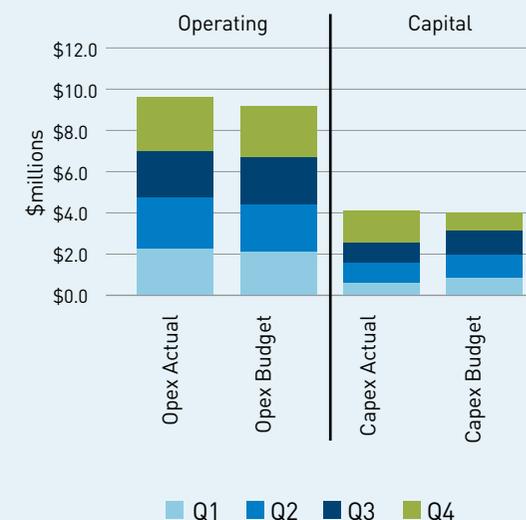
Wastewater as at 30 June 2022



■ Achieved 82% ■ Not achieved 18%

4 Achieved 1 Not achieved 5 Total

Operating and capital expenditure 2021/22



What we delivered

Wastewater services

Resource consents

The wastewater treatment plant (WWTP) at Paraparaumu operates under five resource consents from Greater Wellington Regional Council.

The consents expired in March 2022. However, we have 124 rights to continue to operate.

We lodged an application for renewal of consent with Greater Wellington in December 2021, seeking a consent duration of 15 years. Greater Wellington accepted the application as complete and it considers the continued operation of the plant under s124 to be appropriate in this situation. The alternative would be for the discharge to continue unconsented. Since it is a municipal wastewater treatment plant, we cannot simply cease discharging.

The technical experts appointed by Greater Wellington are reviewing our application. Greater Wellington will use the experts' advice in processing and recommending new conditions of consent that address these effects.

The Council has engaged with mana whenua in preparing the consent application. Mana whenua has also contributed to developing a staged improvement plan to ensure our application is considered.

Greater Wellington has approved our consent application for temporarily discharging untreated wastewater onto land (storm basin) at the Waikanae Terminal pump station for an additional 20 years, with a condition requiring improvement to the basin with lining. These improvements will be carried out in 2022/23, along with lining the overflow pond at Paraparaumu WWTP.

Our consent applications will be publicly notified because the assessment of environmental effects (AEE) has identified a few ecological, environmental and cultural issues that will be addressed through the improvement plan in the application.

WWTP improvement plan

A staged improvement plan is to be implemented in partnership with Te Atiawa (mana whenua) to address potential ecological, environmental, and cultural issues.

The Council is committed to staged improvements and monitoring to address potential adverse effects and to identify and deliver the long-term solution in consultation/partnership with mana whenua by 2028.

WWTP upgrades and renewals

Paraparaumu and Ōtaki WWTP

The design for the overflow pond capacity upgrade, liners and rerouting pipelines for discharges is complete. The electromechanical and process improvements design work for the Ōtaki and Paraparaumu WWTP is progressing.

A contract for de-sludging the Ōtaki oxidation pond was awarded in April 2022, and the work is expected to be completed by October 2022.

The potential upgrade to the Ōtaki WWTP may require upgrading the power transformer or we will explore alternative technology to meet future needs.

Waikanae pump station

A tender has been issued for supplying and installing a new electrical control panel for Waikanae ponds wastewater pump station.

Wastewater network upgrade

Waikanae rising main

The Waikanae duplicate rising main work is 75 percent complete, and the Council has been working with iwi partners and landowners to finalise the remaining work. However, negotiations with landowners are on hold.

Network resilience

An 80KvA diesel back-up power supply for generators at Waikanae ponds wastewater pump station were purchased and installed to ensure uninterrupted power during extreme conditions.

SCADA system upgrade and renewal

Testing of the SCADA system is progressing after practical completion of its upgrades and renewals.

Challenges

Waikanae rising main

Negotiations to finalise the duplicate rising main with iwi and other landowners is challenging. However, current partnership arrangements with iwi should enable further discussion about the way forward to enable growth and service provision.

Paraparaumu WWTP

The resource consent application may be publicly notified and could cause significant delays and additional costs. However, we are working closely with iwi partners to action some remedial measures and investigations.



The Paraparaumu Wastewater Treatment Plant. Ensuring safe removal and treatment of wastewater is one of our core services to the community.

Wai para – wastewater management performance measures

Performance measures	Target	Actual	Comment and previous years result
Median response times to sewage overflows resulting from a blockage or other fault measured by attendance time (from the time the Council receives notification to the time that staff are on site).	One hour or less	Median attendance time was 28 minutes Achieved	2020/21 result was achieved at 24 minutes.
Median response times to sewage overflows resulting from a blockage or other fault measured by resolution time (from the time that the Council receives notification to the time that staff confirm resolution).	Five hours or less	Median resolution time was 54 minutes Achieved	2020/21 result was achieved at 1 hour 3 minutes.
Number of complaints received by the Council about any of the following: a) sewage colour b) sewerage system faults c) sewerage blockages d) the Council's response to issues with the sewerage system expressed per 1,000 connections.	Fewer than 7.2 complaints per 1,000 connections to the Council's sewerage system	4.96 complaints per 1,000 connections Achieved	2020/21 result was achieved at 6.96 complaints.
Number of dry weather sewage overflows from the Council's sewerage system expressed per 1,000 network connections.	At or below two per 1,000 connections to the Council's sewerage system	1.65 overflows per 1,000 connections Achieved	2020/21 result was not achieved at 2.037 overflows.

Performance measures	Target	Actual	Comment and previous years result
<p>Compliance with the Council's resource consents for discharge from its sewerage system measured by the number of:</p> <ul style="list-style-type: none"> a) abatement notices b) infringement notices c) enforcement orders d) convictions, received by the Council in relation to those resource consents. 	No notices or convictions	Not achieved	<p>The Council received formal warning in early December 2021 due to discharging wastewater without UV treatment between 8 and 9 October. The Council strengthened its UV monitoring system to prevent similar reoccurrences.</p> <p>2020/21 result was achieved at 0.</p>



Toiūtanga me te manawaroatanga – sustainability and resilience

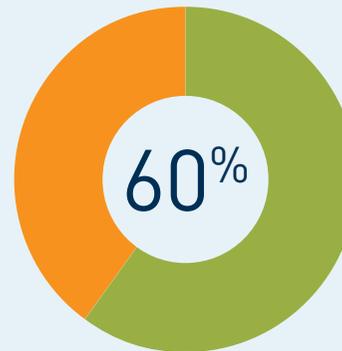
Purpose

This activity contributes by promoting sustainability and resilience, particularly in the face of climate change.

We do this by ensuring effective waste minimisation options, driving waste minimisation and carbon emission reductions initiatives in the Council and the community, and delivering a strategic work programme to embed climate change across the Council's activities.

We also provide emergency management through the Council's Emergency Operations Centre.

Sustainability and resilience as at 30 June 2022



■ Achieved 60% ■ Not achieved 40%

3 Achieved 2 Not achieved 5 Total

Operating and capital expenditure 2021/22



What we delivered

Climate Emergency Action Framework

The Council adopted the Climate Emergency Action Framework in July 2021. At that meeting, the Council agreed to develop a special climate change report to be presented to the Council for adoption before the end of the financial year. This report entitled 'Delivering on our Climate Change Commitments', was presented to, and approved by, the Council. It provides a stocktake of climate actions agreed for the first three years of the LTP 2021-2041, highlights special projects that are underway or planned, and reports on recently completed climate actions. The report was published on the website in July 2022.



The sustainability and resilience team also carried out climate change work relating to procurement (wider outcomes guidance), communications and the Stormwater Framework, and supported the economic development team to co-host an online Climate Action Workshop for businesses.

We made a submission to the Ministry for the Environment on its Draft National Climate Change Adaptation Plan and proposed legislation for managed retreat.

The Wellington Region Climate Change Impact Assessment began in the last quarter of the financial year. Developing the assessment methodology is phase one of the Regional Adaptation Plan project, which is a major project under the Wellington Regional Growth Framework, and is planned to be completed by early August 2022. It will inform decision-making across Council services.

Waste minimisation

Solid waste management

An online hui was held with stakeholders and experts in resource recovery to exchange ideas and build relationships and enable the development of a Resource Recovery Hub in Otaihangā with more of a community focus.

Seed funding for the development of this site was advertised as part of the Waste Levy Grants process in early July 2022, with a successful applicant decided in December 2022. In the meantime, site design and capital works planning for the 2022/23 year has started.

Stormwater design and capital works were carried out at the Otaihangā landfill as part of the overall cap construction process, which is expected to be completed in the next financial year. The Regional Steering Group is continuing development of a Regional Licensing System under the Regional Waste Management and Minimisation Bylaw, and a waste calculator is being developed to enable planning for waste minimisation in multi-unit developments, as is required under the Bylaw.

Phase 1 (carrying out a Regional Waste Assessment) of the six-yearly review of the Wellington Region Waste Minimisation Management Plan got underway:

Community education

Overall, the waste minimisation team delivered:

- 29 workshops and/or events on a range of waste reduction topics to an estimated 497 residents with 99 percent of respondents reporting being 'satisfied' or 'very satisfied' with the presentation and content of the session
- engaged with 98 residents at transfer stations to provide in-person education on reducing waste and recycling
- assisted four external community events with event waste minimisation advice and resources
- hosted Kate Meads to deliver a 'waste-free period' session with Years 7–13 at Ōtaki College to introduce the girls to reusable menstrual products. More than 235 free products were also given away to students to take home
- partnered with Enviroschools to teach over 1,000 year 5 and 6 children about Kāpiti's biodiversity. They made bird-feeders and biodomes to grow foraged native tree seeds for their school gardens.

'Love your compost' programme

The programme aims to help get Kāpiti composting, and ran over the full 2021/22 year. We held 18 community composting workshops (in-person and online), attended four market visits across the district, issued 333 vouchers for discounted compost systems or collection services, and distributed 135 printed composting resources. All together we had an estimated 223 residents attend a 'Love your Compost' workshop or engage with us at our market stalls.

Waste levy fund

The Council awarded Waste Levy Funds to 15 recipients across three categories – community projects, seed funding, and business waste reduction.

Recycling policy

We made a submission to the Ministry for the Environment on its proposal for 'Transforming Recycling' in May 2022.

Emissions reduction programme

In October 2021, the annual emissions audit took place and was verified by the end of November against the Council's Emissions Reduction programme certification. This year again, wastewater treatment emissions were included, which has increased the Council's gross carbon emissions.

Other emissions increased slightly for the first time in 10 years against the 2010 baseline. Advice was obtained in November on further reduction options, including carbon in-setting and off-setting.

The Council was briefed in February 2022 about the audit results, planned and new reduction projects for the LTP 2021–2024 period, as well as options for further reductions beyond 2024, such as carbon sequestration through planting.

Following the briefing, a significant feasibility study for two potential large-scale solar projects was commissioned and will be delivered in October 2022.

Two new electric vehicles (EVs) and three new plug-in hybrid electric vehicles (PHEV) have been purchased as part of the Council's fleet decarbonisation programme. Three additional double EV chargers were installed at the Civic Building.

Data gathering for the next emissions audit and development of a further work programme including community education, has started.

Strategic asset management

A new long-term lease agreement was completed and signed to ensure the provision of long-term green waste composting services for our district. Green waste diversion is a major contributor to minimising waste to landfill from our district. All other land leases at the Otaihanga landfill site were renewed for short to long-term periods.

The Ōtaki Transfer Station recycling drop-off area was renewed with a new asphalt layer, a block wall was installed around the green waste area, and stormwater works were carried out at the Otaihanga Landfill site to manage increased flooding risks.

The Leachate Management Plan review for Otaihanga Landfill report (Phase 1) was submitted to Greater Wellington Regional Council.



The Council's electric vehicle fleet.

Challenges

Emissions reduction programme within the Council

Based on the 2020/21 emissions audit findings and the (new) inclusion of wastewater emissions going forward, the 2025 target will have to be reviewed. This is planned for the next financial year.

Waste minimisation education

School closures and restrictions around COVID-19 impacted on the ability to deliver the Zero Waste education programme in schools, as schools cancelled planned events.

Toiūtanga me te manawaroatanga – sustainability and resilience performance measures

Performance measures	Target	Actual	Comment and previous years result
Residents are satisfied with the standard of kerbside collections.	85 percent	89 percent Achieved	2020/21 result was achieved at 89 percent.
Illegally dumped waste is removed within two working days.	85 percent	86 percent Achieved	2020/21 result was achieved at 93 percent.
Households have an emergency plan and kit sufficient for seven days following an emergency event.	70 percent	67 percent Not achieved	<ul style="list-style-type: none"> Delivered by Wellington Regional Emergency Management Office (WREMO) with communications support from the Council. General preparedness campaigns were delayed/reprioritised. Advisor availability was impacted due to COVID-19/safety concerns. Increasing financial pressures on households. New measure not reported in 2020/21.
The Council delivers a waste minimisation education programme in schools.	Minimum of four schools each year	Not achieved	Due to school COVID-19 policies, Council staff were not allowed on the premises and all planned education was cancelled. New measure not reported in 2020/21.
The number of the Council's total fleet that are low-emissions vehicles (i.e. EVs, plug-in hybrids or conventional hybrids).	2021/22: seven vehicles 2022/23: 10 vehicles 2023/24: 12 vehicles	Achieved	New measure not reported in 2020/21.



Community services

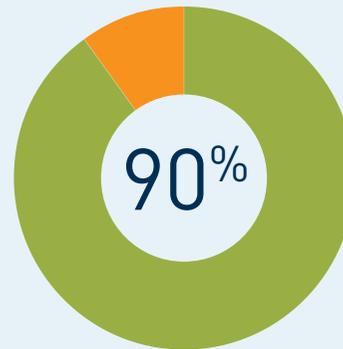


Ngā papa rēhia me ngā papa – parks and open spaces

Purpose

This activity contributes to people’s safety, health, connectedness and sense of belonging by providing access to and maintaining open public spaces, including sports facilities, playgrounds, cycleways, walkways, bridleways, parks and reserves and cemeteries.

Parks and open spaces as at 30 June 2022



■ Achieved 90% ■ Not achieved 10%

9 Achieved 1 Not achieved 10 Total

Operating and capital expenditure 2021/22



Financial year capex variance is mainly due to Otaraua Park \$1.2 million and MacLean Park being \$0.5 million under budget.



The current Maclean Park Skatepark.

What we delivered

Otaraua Park development

The design for the amenity building and sports pavilion is complete, with input from mana whenua and Waikanae Football Club. The detailed design and consenting phase is underway with construction expected to commence early in 2023.

This project's challenges include:

Actual construction costs will not be known until project tenders are received and the detailed design has been costed. In the current construction market, it may be difficult to secure contractors and/or materials and manage costs.

Maclean Park renewal

A landscape architect has been hired to begin work on the master plan. As a result, a well-known New Zealand skatepark design company has been engaged to create concept and detailed designs to improve the skatepark. The design and construction of the amenity block will be procured, and project managed in 2022/23. The first round of stakeholder engagement has begun.

This project's challenges include:

It could be difficult to achieve a high-quality outcome for all park users within the constraints of the current budget.

Waikanae Awa revitalisation

The Council, Te Atiawa ki Whakarongotai, Greater Wellington Regional Council and the Department of Conservation are continuing to collaborate under a Treaty House model for the revitalisation of the Waikanae Awa. A detailed action plan is currently being finalised. The collaboration is strongly aligned with the Government's Jobs for Nature programme, which has provided funding to set up a plant nursery and training academy at Otaraua Park. Under the same framework, this initiative will provide opportunities for joint delivery on prioritised actions, with the next step being the development of task-based working groups.

Renewals and upgrades

There were several renewals and upgrades:

- the Mazengarb Reserve hockey turf was completed
- planning, design and consultation work was completed for replacing the Lorna Irene, Shotover Grove and Milne Drive playground equipment.

Cycleways, walkways and bridleways

Several cycleways, walkways and bridleways projects were completed:

- the Waikanae River Walkway was reinstated twice after severe storm damage
- a joint project with Greater Wellington Regional Council and Waka Kotahi New Zealand Transport Agency has involved an upgrade to a shared path through Whareroa Farm and Queen Elizabeth Park.

A districtwide assessment of all cycleways, walkways and bridleways pathways was completed to identify and address urgent repair and maintenance needs.

Restoration plantings

Several restoration projects were completed:

- 1,700 harakeke were planted on Arbor Day at Pharazyn Reserve supported by 150 local school children volunteers.
- 19,500 native and eco-sourced plants and dune plants were planted across 16 different sites in the district by volunteers, contractors and the Council staff.



Arbor Day planting volunteers from Waikanae School.

Community partner projects

The Kāpiti Coast District Council Heritage Fund supports landowners and the Kāpiti Coast community to manage, protect and enhance ecological, geological, historical and cultural sites throughout the district.

This year, the Grants Allocation Subcommittee allocated \$38,070 towards 11 projects.

The Kāpiti Coast District Council Riparian Fund supports landowners to fence off waterways, carry out weed control and native planting. This year \$30,779 was allocated to 16 riparian projects, working closely with Greater Wellington.

A partnership agreement between the Council, Greater Wellington, the Department of Conservation and community representatives including mana whenua (Waikanae Ki Uta ki Tai), continues to be focused on improving the Waikanae River catchment.

Jobs for Nature

In November 2020, it was announced that \$8.5 million in Jobs for Nature funding would be coming to the district over the next four years. The Department of Conservation awarded the funding to create 92 jobs for environmental restoration in the Waikanae River catchment. Work on native afforestation, fencing and pest animal and weed control has continued through 2021 and 2022. The bid for funding was made by the local Department of Conservation office with support from the Council, Greater Wellington and Ātiawa ki Whakarongotai.

The investment brings both ecological and employment benefits. The Waikanae River catchment is a nationally important taonga and the potential for its ongoing improvement is significant. We expect to see improved water quality, a thriving natural landscape and greater biodiversity because of this work. We will continue to work with our partners on an ongoing basis to identify suitable land for planting, including on some Council-owned land.

Events

This financial year saw the creation of the Place and Space Marketing and Events team to support the promotion and activation of our places and spaces.

The team delivers projects including the School Sports Programme, Find Your Play project (both externally funded by Tu Manawa Active Fund), Creative Communities Scheme, Kāpiti Coast Art Trail, Aquatics Events and promotions, and park-based activations and events.

Even in our COVID-19-effected environment, the School Sports Programme delivered sports- and play-based events to over 6,000 primary school children, from 17 schools in the district. The loss of interschool events due to COVID-19 was compensated by our School Sports Coordinator developing additional in-school and virtual events, which resulted in a larger number of children able to participate in the programme through the year.

Highlights included the in-school 80's Gameathon and a virtual dance-off, with over 700 students learning dance moves in school classes and videoing their performance for judging. Other major school sports events included the cross-country mountain biking (with an emphasis on female participation) and 'Girls got Game' basketball training sessions, which resulted in a 30-percent increase in females participating in basketball tournaments.

The School Sports Programme continues to be well supported by the Paraparaumu College Sports Ambassadors, approximately 80 Year 10 students who volunteer to help at each of our interschool events. School sports were also supported by Kāpiti College senior sports students, approximately 60 of whom support the Senior Winter Tournament. The programme is also supported by our local sports clubs and community groups (for example, the Lions, and the Men's Shed) and by some Council staff.

The Find Your Play project involved implementing the Waka Kori-play trailer for delivery into the community and schools. Since the beginning of 2022, the trailer has been accessed by 15 of our primary schools (all ages) and delivered into our parks and playgrounds during school holidays. The Find Your Play project delivered two all-abilities play days to approximately 300 children and whanau, including our spectrum and differently-abled children and three play-based indoor school holiday events, collaborating with libraries, with great attendance.

Open Space Strategy

The Open Space Strategy was adopted by the Council in March 2022.



Find Your Play project in action.

Cemetery projects

Two new Cremation Gardens have been completed at Awa Tapu and one is a third full already. Two new gardens at Waikanae have also been completed with the first one already having 13 interments. The remaining 40-metre capped wooden paling fence has been installed at Awa Tapu Cemetery to replace the wire farm fence on the northern boundary, providing privacy for both the neighbouring property and cemetery users.

Two new rectangular ashes gardens have been installed at Waikanae Cemetery to provide 88 new ashes plots.

Sixteen additional natural burial plots have been position-surveyed at Ōtaki Cemetery.

Ngā papa rēhia me ngā papa – parks and open spaces performance measures

Performance measures	Target	Actual	Comment and previous years result
Residential dwellings in urban areas are within 400 metres of a publicly owned space.	85 percent	99 percent Achieved	2020/21 result was achieved at 99.4 percent.
Sportsgrounds are open when scheduled.	85 percent	97 percent Achieved	2020/21 result was achieved at 95 percent.
Residents are satisfied with the current availability of facilities.	85 percent	93 percent Achieved	2020/21 result was achieved at 99 percent.
Residents are satisfied with the quality of the Council's parks and open spaces.	85 percent	98 percent Achieved	2020/21 result was achieved at 99 percent.
Residents are satisfied with the quality of recreation and sporting facilities.	85 percent	89 percent Achieved	2020/21 result was achieved at 100 percent.
Residents are satisfied with the quality of playgrounds.	85 percent	98 percent Achieved	2020/21 result was achieved at 97 percent.
Residents are satisfied with the appearance of, and accessibility to cemeteries.	85 percent	95 percent Achieved	2020/21 result was achieved at 99 percent.
At least a 10-year burial capacity is maintained across the district.	Achieve	Achieved	2020/21 result was achieved.
Users are satisfied with the Council's cycleways, walkways and bridleways.	85 percent	84 percent Not achieved	Significant adverse weather events in December 2021, and again in June 2022, resulted in the necessary closure of tracks and trails, particularly the Waikanae River trail. 2020/21 result was achieved at 94 percent.
Residents are satisfied with access points to beaches.	85 percent	92 percent Achieved	2020/21 result was achieved at 90 percent.

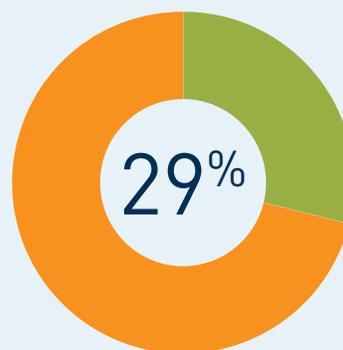


Ruhanui – recreation and leisure

Purpose

This activity contributes to people’s safety, health, connectedness and sense of belonging by providing access to community swimming pools and libraries; public arts, culture and heritage facilities; and managing grant funding for arts, museums and maintenance of heritage sites.

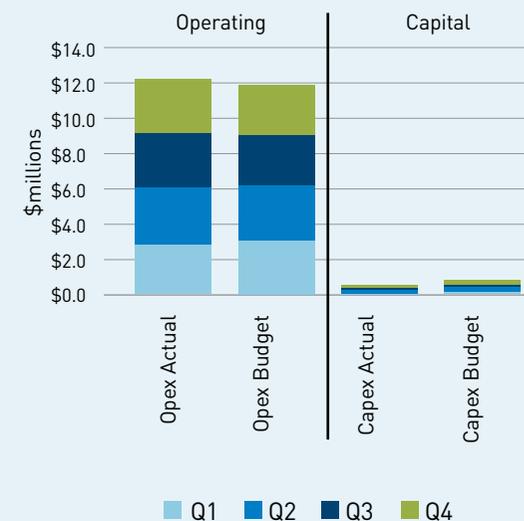
Recreation and leisure as at 30 June 2022



Achieved 29% Not achieved 71%

2 Achieved 5 Not achieved 7 Total

Operating and capital expenditure 2021/22



What we delivered

Create a new multi-purpose space for the Waikanae Library and Community Service Centre

As part of the Waikanae Town Centre Framework Plan, work is being done to define the location and functions of a new library and service centre. The project is actively supported by the Atiawa ki Whakarongotai Charitable Trust. A project advisory group comprised of community representatives and technical experts has been formed to provide valuable input into the project.

This project's challenges include:

If the preferred location for the new library and service centre is not currently owned by the Council, the timeframe and cost of this project could be significantly extended.



Waikanae Library.

Digital library services, resources and support

COVID-19 has shown the importance of digital access when the entire country is under lockdown.

The number of online resources available to customers has grown, as has support for developing digital literacy and skills.

We have purchased digital resources and held regular digital classes to help customers with issues or questions about their digital equipment.

Over the past year, we have expanded digital programming to include coding and robotics, and hired a permanent digital inclusion specialist to lead this work area and to expand programming in the coming fiscal year.

This project's challenges include:

COVID-19 continues to have an impact on programme delivery and public patronage.

The Kāpiti Arts Trail

The Trail took place on November 6–7 and 13–14 of 2021 with over 100 artists participating directly and many more exhibiting in galleries and art societies.



Arts Trail artist Vanessa Owens. Photo: Justine Hall.

Creative Communities Scheme

The Council's Grants Allocation Subcommittee awarded \$24,000 in funding under the Creative Communities Scheme to 16 applicants from a variety of cultures and innovative projects in addition to well-established regular activities and events. Poetry and music performances, orchestral concerts, a design and photography exhibition, as well as the regular Music in the park and Mulled wine concerts, are all planned for Kāpiti.

Events that took place in the 2021/22 financial year related to the following:

- Ngā Manu Nature Reserve
- Michael O'Leary
- Kāpiti Music Centre Trust
- The Pickle Pot Be-In
- Music festivals and events
- Kāpiti Community Choir
- Mulled wine concerts
- House of Sound Music Academy
- Kāpiti Youth Orchestra
- Kāpiti Concert Orchestra
- StarJam Charitable Trust
- The Art Saves Ltd
- The Can Inspire Charitable Trust
- Paekākāriki Station Precinct
- Ōtaki Pottery Club
- Bridget O'Shanassy
- Himiona Grace
- Ōtaki Montessori
- Kāpiti Playhouse.



Arts Trail artists Judy and Mike Page, from Summerstone Ceramics. Photo: Justine Hall.

Aquatics accreditation

The Ōtaki Pool, Waikanae Pool and Coastlands Aquatic Centre have all received annual 'Pool Safe' accreditation.

Kāpiti Coast Aquatics has something for all its visitors

Over the past year, we welcomed 223,110 visitors, with our customers reporting 93 percent satisfaction with our services. During the same time, approximately 1,881 children registered for our Learn to Swim group classes, with private lessons also growing in popularity. Aquafitness classes expanded to include Aquafit, AquaEase, AquaMove and AquaYoga. These offer low-impact exercise options for people of all ages and abilities.

Initiative for Aquatics Apprenticeships

Our Aquatics Apprenticeship initiative is a response to the increasing challenges recruiting and retaining aquatics staff.

In the last 12 months, we enrolled 25 new apprentices into one or several of the four apprenticeships we have provided in partnership with Skills Active. The qualifications are in the fields of learn to swim instruction or lifeguarding.



Coastlands Aquatic Centre Aquafit Group.

These apprenticeships are one or two years long and to date we have received \$152,000 in funding from the Ministry of Social Development. Five trainees have completed apprenticeships with 17 still enrolled.

This initiative attracts a wider range of talent to the aquatics industry, encourages professional development for our existing staff and helps us create a more well-rounded team.

Ruhanui – recreation and leisure performance measures

Performance measures	Target	Actual	Comment and previous years result
Users who are satisfied with the pools' services and facilities.	85 percent	93 percent Achieved	Customers expressed appreciation with the professional way in which we communicated and managed the disruption to services caused by COVID-19. 2020/21 result was achieved at 95 percent.
Visits to swimming pools in the district.	≥290,000 each year	223,110 Not achieved	This result was affected by COVID-19. 2020/21 result was achieved at 317,197.
Learn-to-swim registrations.	≥ 3,200 each year	1,881 Not achieved	This result was affected by COVID-19. 2020/21 result was not achieved at 2,989.
Users who are satisfied with the library services.	85 percent	94 percent Achieved	2020/21 result was achieved at 96.4 percent.
Visits to libraries.	≥ 300,000 each year	266,717 Not achieved	Visits to libraries were impacted by COVID-19. 2020/21 result was achieved at 342,115.
Collections are refreshed in accordance with the New Zealand public library standards.	350 new items (including renewals) per 1,000 population	11,851 Not achieved	Refreshing collections was impacted by COVID-19 including supply and demand issues for new overseas library stock. 2020/21 result was not achieved at 18,445.
Items borrowed and renewed per annum (including physical, digital, and SMART libraries).	520,000 each year	500,138 Not achieved	COVID-19 impacted library usage and borrowings. 2020/21 result was not achieved at 494,327.

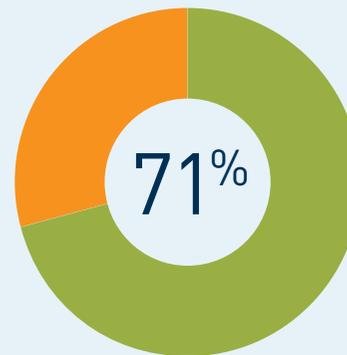


Whare tapere hāpori – community facilities

Purpose

This activity contributes to people’s safety, health, connectedness and sense of belonging by providing access to the facilities, resources, and services they need, and ensuring civic buildings are well-maintained and safe.

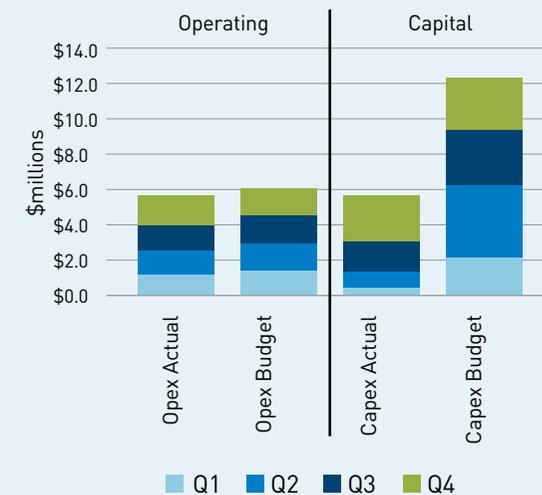
Community facilities as at 30 June 2022



■ Achieved 71% ■ Not achieved 29%

5 Achieved **2** Not achieved **7** Total

Operating and capital expenditure 2021/22



Financial year capex variance is mainly due to Mahara Gallery \$2.7 million, Waikanae Library \$0.8 million, Te Newhanga Community Centre \$0.9 million, and Ōtaki Pavilion Toilets \$0.9 million being under budget.

What we delivered

Mahara Gallery rebuild

The main contractor was appointed in October 2021 and demolition work began in November. Despite some delays due to COVID-19 and weather, the project has progressed well.

All demolition work was completed in early 2022 and structural work is well advanced. All sub-floor services have been installed, the first floor has been poured, blockwork is finished on both floors and sub-framing is well advanced. Roof framing was due to get underway in July and August 2022.

This project's challenges include:

Potential for delays due to COVID-19 impacts, both to supply chain and labour.

Older persons' housing renewals

An ongoing multi-year work plan is on track for renewing 12 units per year. Nine units were renewed, with another six under construction.

This project's challenges include:

While supply chain delays have caused issues, they have not slowed progress.



Athfield Architects image of Mahara Gallery.

Ōtaki pavilion toilets

This project is going through the heritage design process to determine the full scope. The project can proceed to the tender stage once the concept drawings are completed.

A heritage assessment has been carried out and will serve as the foundation for the upcoming renewal.

This project's challenges include:

Renewals must not destroy the original fabric or diminish heritage values.

Reshape community facilities in Ōtaki

We have allocated \$10 million over four years to investigate reshaping our community facilities in Ōtaki, with an initial focus on the library and memorial hall.

Preliminary planning with mana whenua and the Crown is underway to ensure an integrated approach to investment in community facilities in outyears. In the meantime, we only undertake renewals to ensure the existing level of service is maintained.



The new Waikanae toilets.

Waikanae toilets

The new toilets opened at the end of March 2022. More landscaping will be completed as the adjacent Gallery project is completed.

Te Newhanga Kāpiti Community Centre will be replaced

We undertook research to gain insights from our community organisations, groups and individuals about their hopes and aspirations for the community centre,

and to align with what we know about best practice both nationally and internationally for developing community spaces.

The Council appreciates the community centre's significance to our communities and local hapū and has been working to identify potential partnership options for progressing the co-design of a centre that meets the needs of its users and the wider community.

Whare tapere hapori – community facilities performance measures

Performance measures	Target	Actual	Comment and previous years result
Users are satisfied with the standard of the library building facilities.	85 percent	86 percent Achieved	2020/21 result was achieved at 95 percent.
Residents are satisfied that public toilets are clean, well-maintained and safe.	75 percent	83 percent Achieved	2020/21 result was achieved at 84 percent.
Urgent requests relating to public toilet facilities are responded to within four hours.	98 percent	83 percent Not achieved	Availability of maintenance contractors has been constrained by COVID-19. 2020/21 result was achieved at 100 percent.
Users are satisfied with community halls.	85 percent	70 percent Not achieved	Hall bookings were significantly disrupted by COVID-19 restrictions. Additionally, a shortage of contractors caused delays on maintenance and some programmed renewals work. In the final quarter, storm damage limited availability. 2020/21 result was achieved at 94 percent.
Occupancy rate of the total number of units available for older persons.	97 percent	99 percent Achieved	2020/21 result was achieved at 99.4 percent.
Tenants of housing for older persons rate services and facilities as good value for money.	85 percent	93 percent Achieved	2020/21 result was achieved at 100 percent.
Tenants of housing for older persons who are satisfied with services and facilities.	85 percent	98 percent Achieved	2020/21 result was achieved at 97.6 percent.



Partnerships

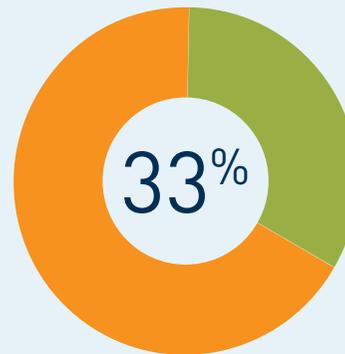


Tangata whenua

Purpose

Contributing to tangata whenua and the wider community's resilience, connectedness and sense of belonging through tikanga, engagement, capacity building and knowledge sharing.

Tangata whenua as at 30 June 2022



■ Achieved 33%
 ■ Not achieved 67%

1 Achieved
 2 Not achieved
 3 Total

Operating and capital expenditure 2021/22



What we delivered

We updated Te Whakaminenga o Kāpiti on our meetings calendar for 2022 on 7 December 2021, and sought their confirmation for proposed meeting dates.

Mana whenua are either progressing our work programmes via Te Whakaminenga o Kāpiti, or are engaging as individual iwi across our work streams.

Te Whakaminenga o Kāpiti annual work programme

Notable developments include:

- awarding the Marae Maintenance and Development Grant to Katihiku Marae
- awarding the grants to four Urupā (burial grounds)
- awarding Māori Economic Development Grants to Hapai Wellness, Hori Gallery Ltd and Te Rongoā Rerehua
- the Maramataka production and launch including Māori lunar calendar symbols, in collaboration with the Rongoā Collective of the ART Confederation.



Pou Rongoā of the 2022/23 Maramataka (from the left): Sharlene Maoate-Davis (Taranaki, Te Ātiawa, Wehiwehi, Raukawa, Toa Rangatira, Ngai Tahu), Pania Solomon (Ngāti Toa Rangatira) and Hemaima Wiremu (Ngāti Raukawa ki te tonga, Ngāti Toa Rangatira, Ngāti Tukorehe, Ngāti Huia), Rongoā Collective of the ART Confederation.

Housing and papakāinga developments

The Council continues to work closely with its iwi partners on comprehensive papakāinga developments in Ōtaki, and potential sites in Waikanae.

In collaboration with Te Āhuru Mōwai, the Ngāti Toa housing team, we also supported Ngāti Haumia of Paekākāriki to acquire a social housing home.

To support and enable whanau, hapū, iwi aspirations in the papakāinga development space, the Council has made a significant contribution around policies, proposed District Plan changes (PDP), trust models, and conversations around Te Puni Kōkiri infrastructure and house build/papakāinga funding.

Participation in decision-making

The Council took a significant step towards strengthening the voice of mana whenua in decision-making, by enhancing iwi representation in our governance structure.

We agreed to appoint one representative from each of our three mana whenua partners (Ngāti Toa Rangātira, Ngā Hapū o Ōtaki, and Te Ātiawa ki Whakarongotai Charitable Trust) to our Strategy and Operations Committee, the Appeals Hearing Committee and the Grants Allocation Subcommittee, with full voting rights from 1 July 2022. The representatives may also attend all the Council meetings and receive all papers, with the ability to contribute to the debate, but not vote.

In addition, we agreed to appoint one iwi representative to the Audit and Risk Subcommittee.

This supports the commitment that mana whenua and the Council made when developing the LTP 2021-2041, to have a mutually mana-enhancing partnership.

Capacity building

Discussions with our three iwi mana whenua partners about the implementation of a high-trust model resulted in increased capacity agreements with each partner for the fiscal year 2021/22.

Events

Waitangi Day

The Council, supported by Te Whakaminenga o Kāpiti, partnered with Ngāti Toa Rangātira to produce a video about what the Treaty of Waitangi means to the Kāpiti community. The video was released on our website and has had over 2,000 views.

Matariki

The Council organised the Matariki Ramaroa Lights Arts Festival at Maclean Park, Paraparaumu Beach, to celebrate the first Matariki public holiday.



Matariki Ramaroa Lights Arts Festival 24 June to 16 July 2022.

Challenges

Capacity limits have put pressure on our three iwi mana whenua partners, due to increasing requests for iwi representation and participation at meetings, and their input into policies and planning. While the increased capacity agreements for 2020/21 provide additional support, discussions around capacity will need to continue to ensure our iwi partners are well supported.

Tangata whenua performance measures

Performance measures	Target	Actual	Comment and previous years result
Partnership agreements are in place with each of our iwi partners, and they are reviewed annually.	Achieve	Not achieved	Partnership agreements are not yet in place with any of our three iwi partners. Some early conversations have started and will continue in 2022/23. 2020/21 result was not achieved.
Iwi partners are satisfied with their partnership with the Council.	Achieve	Not achieved	Members of Te Whakaminenga o Kāpiti, Ngāti Toa Rangātira and Ngā hapū o Ōtaki have expressed increased satisfaction with engagement and work undertaken with the Council but believe there is still room for improvement within the partnership. Te Ati Awa ki Whakarongotai Charitable Trust withdrew from Te Whakaminenga o Kāpiti in November 2019 due to concerns about the current state of the partnership. They have since been engaging directly across the Council's work streams where relevant to them. Further work is needed to strengthen our partnerships to ensure mana whenua have a strong voice at all levels of decision-making, planning and delivery within the Council. 2020/21 result was not able to be reported.
Iwi have the opportunity for representation on the Council's standing committees and mana whenua have opportunities to contribute to the Council work programmes.	Achieve	Achieved	On 7 June, the Council decided to appoint one representative from Ngāti Toa Rangātira, Ngā Hapū o Ōtaki and Ātiawa ki Whakarongotai Charitable Trust to the Strategy and Operations Committee, Appeals Hearing Committee and the Grants Allocation Subcommittee, with full voting rights from 1 July 2021. They may also attend all Council meetings and receive all papers, with the ability to contribute to the debate but not vote. In addition, the Council agreed to appoint one iwi representative to the Audit and Risk Subcommittee. 2020/21 result was not achieved.

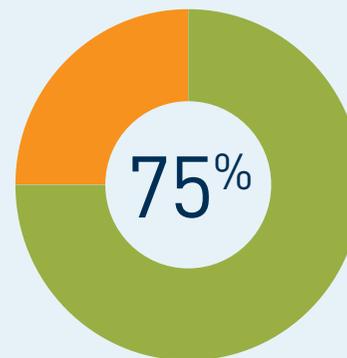


Ngā hāpai hapori – community support

Purpose

This activity contributes to communities resilience, safety, health and connectedness so they thrive. It does this by providing resources and services to the community to build capacity, and providing opportunities to influence the Council's social strategies, policies and programmes to address community priorities.

Community Support as at 30 June 2022



■ Achieved 75% ■ Not achieved 25%

3 Achieved **1** Not achieved **4** Total

Operating and capital expenditure 2021/22



What we delivered

Recovering and rebuilding from COVID-19 by implementing social investment and support programmes for the community

To respond quickly to COVID-19's ongoing impact, we allocated the 2021/22 Social Investment Fund to Social Impact Grants, allowing community-based organisations to meet immediate needs. We will award the Social Investment Fund's three-year round of service contracts in 2022/23. We have set aside a further \$50,000 to provide services in Ōtaki to address equity concerns.

Develop and implement an age-friendly approach to meet the needs of our 'seniors' population

While this initiative has been delayed due to recent staffing changes, we are seeking extra resources to help deliver an age-friendly approach (which is expected to be ready for implementation later this calendar year), in collaboration with our Age-Friendly Reference Group.

This work is currently underway and includes consultation with the Age-friendly Reference Group and the Kaumatua Group. This will be finished in 2022/23.

Work with our community to develop spaces – community centre/hubs – that enhance access to resources and services

Following engagement with rangatahi on what they want to see in a youth space, we began engaging with Ōtaki organisations working with rangatahi to determine how best to provide youth spaces and activities that will have a positive impact on youth development.

Neighbours' Day

The kaupapa of Neighbours' Day Aotearoa is to encourage people to get to know their neighbours better.

This year's theme was Kai Connections, which was then broken down into three subcategories: grow, make, and share. These were reflected in the workshops, goodie bags, and on the website.

We had to do things differently this year as Neighbours' Day was right at the peak of the COVID-19 outbreak. This meant we focused on ways to grow connections while being socially distanced.

We still found ways to get people involved including a recipe swap through the libraries, and hosting three online workshops focused on reducing food wastage and foraging for native food. Some neighbours still found ways to connect and have a cuppa over the fence.

Ngā hāpai hapori – community support performance measures

Performance measures	Target	Actual	Comment and previous years result
Youth development programme deliverables are achieved.	Achieve	Achieved	Progress continued on the Youth Development programme with the allocation of ThinkBig grants, the Human Library Project that saw a collaboration with Age Concern, and attendance at the Festival For the Future and Involve Conferences. 2020/21 result was partially achieved.
The Council's social investment programme enables services to deliver on community priorities.	Achieve	Achieved	The response to COVID-19 has been a significant focus for community groups and the Council. To ensure our social investment funding continued to enable services that delivered on community priorities in 2021/22, we granted \$370,000 of social investment funding to community groups via a one-off social impact grants round. We also made a one-off grant of \$25,000 to the Kāpiti Community Foodbank to help secure its new permanent home at a time when its services were needed more than ever. 2020/21 result was achieved.
Residents who are satisfied with the Council's community support services.	85 percent	89 percent Achieved	2020/21 result was achieved at 89 percent.
The formal Council mandated and supported advisory groups are satisfied or very satisfied with opportunities to influence the content of the Council's strategies, policies and project planning.	Satisfied	Not achieved	Due to the significant disruption to advisory groups' ability to meet and the delivery of associated work programmes caused by COVID-19 we have not surveyed advisory group members. Developing an age-friendly approach has been a significant focus for the Older Person's Council. The Youth Council has provided representation on a range of activities including cycleways, walkways and bridleways, Waikanae Service Centre Steering Group, the MacLean Park refresh, and Te Tupu Pai. 2020/21 result was achieved achieved at 84.75 percent.

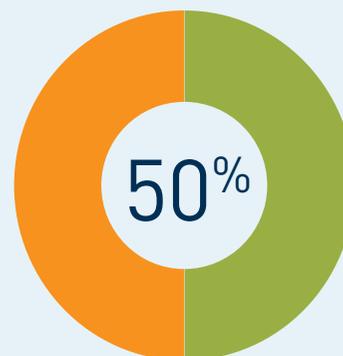


Mana whakahaere – governance

Purpose

This activity contributes to communities' resilience, connectedness and sense of belonging by providing access to the Council and managing democratic services.

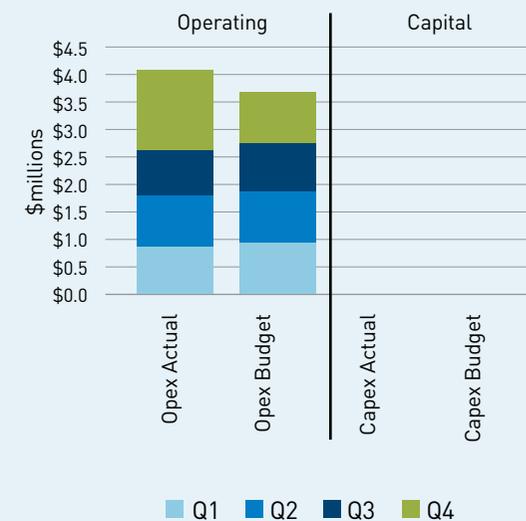
Governance as at 30 June 2022



■ Achieved 50% ■ Not achieved 50%

1 Achieved 1 Not achieved 2 Total

Operating and capital expenditure 2021/22



What we delivered

Continue to explore opportunities to enhance participation of Māori in the governance framework

Following the Council's decision to increase iwi representation within our governance structure, mana whenua now have a stronger voice in Council decision-making. One representative from each of our three mana whenua partners can be appointed with full voting rights to the Strategy and Operations Committee, Appeals Hearing Committee and Grants Allocation Subcommittee.

The Council also resolved to give representatives from Ngāti Toa Rangātira, Ngā Hapū o Ōtaki, and Ātiawa ki Whakarongotai Charitable Trust a seat at all the Council meetings, where they will not be able to vote but will be able to contribute to discussions and share important perspectives. The Audit and Risk Subcommittee may also appoint one iwi representative with relevant skills and experience through a recruitment and selection process.

Representation review

We reviewed our representation arrangements in the financial year as required by the Local Electoral Act 2022 ahead of local authority elections in October 2022. As required, we confirmed the Single Transferable Voting (STV) system as the preferred electoral system for the district, and resolved not to establish a Māori ward for electoral purposes. The latter was on the recommendation of the Council's three iwi partners who expressed a desire for us to focus on strengthening our partnership with mana whenua.

The Council undertook preliminary engagement with the community to inform the development of our initial representation proposal, followed by a public consultation process. We received 532 submissions on the initial proposal, which comprised 510 individuals and 22 organisations. Following hearings, we resolved to amend our initial proposal and adopted a final proposal on 11 November 2022. Our final decision was appealed resulting in an automatic referral to the Local Government Commission (LGC). LGC hearings were held to consider appeals and objections and, on 6 April 2022, the LGC released its determination on the district's representation arrangements, which would take effect from the 2022 local government elections.

The final determination sees the district retaining a mayor and 10 councillors with four wards. It also sees a change to the mix of ward and districtwide councillors, with seven ward and three districtwide councillors. There have also been some slight changes to the Te Horo and Raumati boundaries and the new Council will have five Community Boards (including a separate Community Board for Raumati).

Citizenship ceremonies

In response to COVID-19, there were no citizenship ceremonies held in the financial year. They are due to resume late in the first quarter of the new financial year.

The Council and Committee meetings

Over the financial year there were 18 council meetings, 10 committee meetings and 18 subcommittee meetings, as well as, 90 briefings and 7 workshops. We held five Te Whakaminenga o Kāpiti meetings.

Official information requests

The Council received 311 requests under the Local Government Official Information and Meetings Act 1987 in the financial year. This compares to 218 in the previous year.

Mana whakahaere – governance performance measures

Performance measures	Target	Actual	Comment and previous years result
The Council meeting agendas are available in hard copy in the Council service centres and/or district libraries within two working days before the meeting.	100 percent	100 percent Achieved	2020/21 result was achieved.
Official information requests are responded to within 20 working days.	100 percent	97.3 percent Not achieved	Statutory timeframes were impacted by staff illness, a delay by the team responsible for the request, and a technology problem. 2020/21 result was achieved.



Whakawhanake umanga – economic development

Purpose

This activity contributes to providing opportunities for people to work and learn in Kāpiti and increasing prosperity in the local economy by delivering the Kāpiti Coast Economic Development Strategy and Implementation Plan through partnerships.

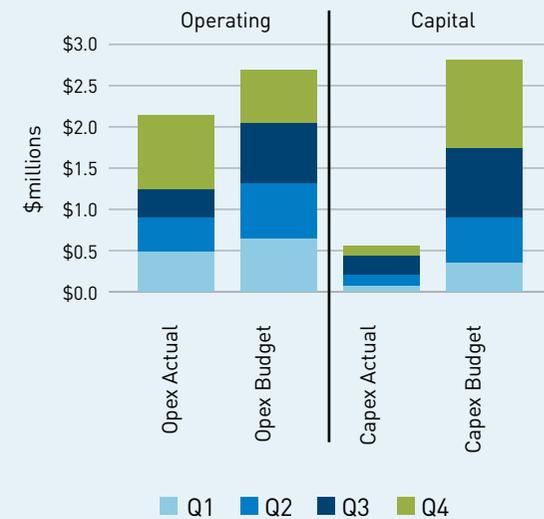
Economic development as at 30 June 2022



■ Achieved 100%

1 Achieved 0 Not achieved 1 Total

Operating and capital expenditure 2021/22



Financial year capex variance is mainly due to Te Uruhi being \$2.2 million under budget.

What we delivered

Major events funding

Applications opened on 18 March. This year, up to \$50,000 of the \$200,000 has been allocated to support the strategic growth of medium-sized events with the potential to grow into major events. All of the funding has been allocated across seven major events including from the Strategic Growth Fund for the Kāpiti Women's Triathlon and Duathlon. The other events that secured funding are Xterra, Kāpiti Food Fair, Kāpiti Half, Ōtaki Kite Festival, Māoriland Film Festival, and Matariki Ramaroa Lights Arts Festival.



Matariki lights.

Kāpiti Coast Tourism Advisory Board

The Kāpiti Coast Tourism Advisory Board was established to implement projects highlighted in the Kāpiti Coast Destination Management Plan, which was adopted in September 2021. The Board hosted a tourism sector function for operators and stakeholders to encourage joint implementation of the Destination Management Plan and information exchange. It is also helping with setting priorities and identifying visitor attraction opportunities.

Work with iwi and the business community to implement the Kāpiti Coast Economic Development Strategy and develop a Destination Management Plan and a Workforce Plan

The Economic Development Kotahitanga Board provided a six-month update to the Strategy and Operations Committee on 9 June 2022, indicating the Kāpiti Coast Economic Development Strategy is still on track. The Kāpiti Coast Destination Management Plan and Workforce Plan have been completed and approved by the Council, and implementation has begun.

Set up the Council Controlled Organisation (CCO) that could be used in the future

The Council has finished consultation on the formation of an independent community land trust. Consultation followed a review of options for establishing an affordable housing entity, including the option of establishing a CCO. Although the CCO was not the preferred option for this purpose, we will consider establishing a CCO for other purposes in the future. The results of the consultation, as well as any decision to establish a community land trust, will be made during the new Council triennium.

Explore whether the Council could have a role in the Kāpiti Coast Airport

The Council remains open to discussions with relevant parties about having a role in the airport, including discussions with Puketapu ki Paraparaumu Trust (hapū) about their aspirations for the future of the airport and surrounding land. There has been no decision made about the Council's role in relation to the airport.

Te Uruhi (Kāpiti Gateway)

The Te Uruhi (Kāpiti Gateway) project that includes co-funding from central government, is progressing.

The detailed design of the building including the Discovery Centre is continuing. The Tikotu Stream's new retaining walls are now complete.

This project's challenges include:

The resource consent process is still ongoing, with a hearing likely to be scheduled for early October 2022. Building construction will not begin until resource consent is obtained and the Council has given final approval. Forecast cost updates required additional budget to be set aside through the Annual Plan 2022/23 process.



Athfield Architects image of Te Uruhi (Kāpiti Gateway).



Te Uruhi blessing 17 September 2021.

Whakawhanake umanga – economic development performance measures

Performance measures	Target	Actual	Comment and previous years result
The actions in the Kāpiti Coast Economic Development Strategy and Implementation Plan 2020–23 are delivered.	Achieve (as reported annually in the Economic Development Kotahitanga Board report)	Achieved	2020/21 result was achieved.



Planning and regulatory services

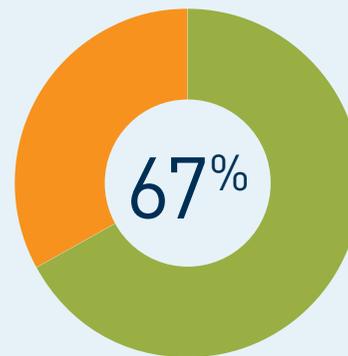


Mahere ā-rohe – districtwide planning

Purpose

This activity contributes by providing access to suitable housing through the efficient and effective development of policies and plans which encourage development and preserve the district's unique character and natural environment.

Districtwide planning as at 30 June 2022



■ Achieved 67% ■ Not achieved 33%

2 Achieved 1 Not achieved 3 Total

Operating and capital expenditure 2021/22



Financial year capex variance is mainly due to strategic land purchases expenditure being included under the Corporate activity.

What we delivered

Develop and implement our district growth strategy

Our growth strategy, Te tupu pai – Growing well, was adopted in February 2022 and outlines our vision and framework for diverse, high-quality development over the next 30 years. Underpinned by the Council's commitment to act on climate change and encourage low-carbon living, the strategy's core elements are growing both up and out, with an emphasis on:

- intensification
- protecting and enhancing our physical and built environments
- providing diverse housing options
- revitalising urban centers through 'mixed uses'
- improving access through 'walkability' and public and active transport options
- supporting low-carbon living, and integrating spaces for business and industry while protecting productive land.

Several projects are currently underway to support the strategy's implementation.

This includes collaborating with our iwi partners to create a framework for tracking and reporting progress towards the strategy's principles, priorities and aspirations for growth.

Support and enable increased supply and development of housing including land acquisition

On 12 May 2022, the Strategy and Operations Committee approved the Kāpiti Coast Housing Needs Assessment and adopted the Kāpiti Coast Housing Strategy. The Housing Needs Assessment has helped to identify the housing need in the district and the impacts on wellbeing in the community. The Housing Strategy has confirmed the Council's roles and identified key actions for us. A number of these are underway including implementing the Growth Strategy, changes to the District Plan and an application to the Infrastructure Acceleration Fund to secure government funding for infrastructure to enable new housing.

In addition, we have begun consultation on establishing a community land trust to help provide affordable housing and progressed work on land owned in Rangiuru Road, Ōtaki for an affordable housing development.

Review our District Plan to reflect National Policy Statement on Urban Development (NPS-UD) and medium-density residential standards

Minimum carparking requirements were removed from the District Plan before the NPS-UD deadline of 20 February 2022. Consultation on a draft intensification plan change was carried out in April/May 2022. The proposed plan change must be publicly notified no later than 20 August 2022.

This project's challenges include:

The Minister for the Environment has directed the Council to decide on provisions and matters raised in submissions no later than 20 August 2023. This 12-month timeframe may prove challenging if large numbers of submissions are received.

Rolling review of the District Plan, including notification of changes to the Omnibus plan

In October 2021, the Council approved work on 13 omnibus plan change topics. We approved three of these plan changes for public notification in February 2022, and a further four for public notification in June. In March 2022, we agreed to progress another omnibus topic as part of the draft intensification plan change. Progress on the remaining five omnibus topics was deferred until 2022/2023 due to unfilled vacancies in the District Planning team.

This project's challenges include:

Ongoing difficulties recruiting policy planners has caused delays in progressing a few omnibus plan change topics.



Policy work programme

Submissions

- National Adaptation Plan and managed retreat submission to the Ministry for the Environment.
- Transforming Recycling submission to the Ministry for the Environment.
- Revenue and Financing Policy 2022 submission to Greater Wellington.
- Enabling Local Voice and Accountability in the Future Resource Management System submission to the Local Government Resource Management Reform Steering Group.
- Our Future Resource Management System submission to the Ministry for the Environment.
- Waste Strategy and Legislation Submission to Ministry for the Environment.
- Submission to Ministry for the Environment on emissions reduction plan.
- Response to Government on Three Waters Reform proposal.
- Submission on Inquiry on the Natural and Built Environments Bill: Parliamentary Paper.
- Submission on the Government Policy Statement on Housing and Urban Development: Discussion Document.

- Contributed to the Wellington Civil Defence Emergency Management (CDEM) group feedback on Modernising the Emergency Management Framework.
- Submission on the Resource Management (Enabling Housing Supply) Amendment Bill.
- Submission on the National Policy Statement for Freshwater Management – Wetlands Management.
- Submission on the Government Policy Statement on Housing and Urban Development (GPS-HUD).

Strategies, policies and bylaws

- Housing Strategy was adopted.
- Open Space Strategy was adopted.
- Transport Bylaw 2022 was adopted replacing the Traffic Bylaw 2010.
- Animals, Bees and Poultry Bylaw 2021 was adopted.
- The General Bylaw 2010 was revoked in December 2021 with administrative provisions being included in individual bylaws.

Mahere ā-rohe – districtwide planning performance measures

Performance measures	Target	Actual	Comment and previous years result
<p>A forward programme of District Plan changes (dependent on timely completion of founding policies, strategies, and technical work) is developed and monitored.</p> <ul style="list-style-type: none"> • Omnibus plan change • Urban development plan • Flood-risk plan change • Coastal plan change • Urban development plan change • Mana whenua plan change. 	<p>Notified: 2021–2022</p> <p>Notified: Aug 2022</p> <p>Notified: 2023</p> <p>Notified: 2023</p> <p>Notified: 2024</p> <p>Notified: 2024</p>	<p>Achieved</p>	<p>Omnibus plan change: In October 2021, the Council approved work on 13 omnibus plan change topics. Three of these plan changes were then approved by the Council for public notification in February 2022, and, in June, the Council approved a further four for public notification. In March 2022, the Council agreed to progress another omnibus topic as part of the draft intensification plan change. Progress on the remaining five omnibus topics was deferred until 2022/2023 due to unfilled vacancies in the District Planning team.</p> <p>Urban development: In March 2022, the Council approved consultation on a draft of Plan Change 2, which is the draft intensification planning instrument required by the 2021 Resource Management Act (RMA) amendments and by the National Policy Statement on Urban Development 2020. Consultation occurred from 4 April to 2 May 2022, with over 200 submissions received.</p> <p>Other plan changes (flood risk, coastal, future urban development, mana whenua): These plan changes are scheduled for public notification in future years. In 2022/2023, progress was made to update flood-risk mapping to inform the future flood-risk plan change. The Takutai Kāpiti community-led coastal adaptation project, which will inform the future coastal environment plan change, also progressed during this period. Work on the future urban development and mana whenua plan changes was deferred until 2022/2023 as the Council and iwi capacity focused on the intensification plan change.</p> <p>New measure.</p>
<p>All policies and bylaws are reviewed according to their statutory timeframes.</p>	<p>100 percent</p>	<p>100 percent</p> <p>Achieved</p>	<p>2020/21 result was achieved at 100 percent.</p>

Performance measures	Target	Actual	Comment and previous years result
We efficiently and effectively develop policies and plans to encourage economic development in Kāpiti, and preserve our district's unique character and natural environment.	75 percent	65 percent Not achieved	<p>Kāpiti is poised for significant growth with Transmission Gully anticipated to trigger increased interest in the district as a place to live, work and play.</p> <p>While this is expected to deliver significant benefits to residents, these changes also cause concerns that change may affect our unique character and special natural environment. This is understandable, and to some extent unavoidable, especially given RMA amendments in late 2021 requiring the Council to enable more intense urban development.</p> <p>However, within the constraints of central government direction, we have made significant progress in 2022/2023 developing strategies to shape future development of the district. These include the Climate Emergency Action Framework, a new Open Space Strategy and Te Tupu Pai – Growing Well (our growth strategy for the next 30 years). Consultation also occurred on a draft intensification plan change (Plan Change 2), while the Takutai Kāpiti community-led coastal adaptation project also progressed during this period.</p> <p>2020/21 result was not achieved at 70 percent.</p>

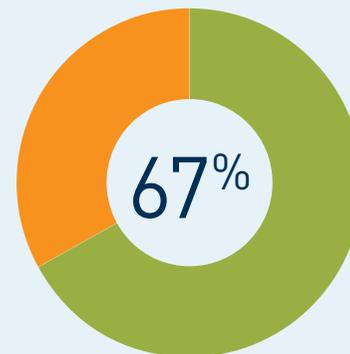


Ratonga whakaritenga – regulatory services

Purpose

This activity contributes to communities' safety and health through consenting, permitting and enforcement of policies, regulations and bylaws.

Regulatory services as at 30 June 2022



■ Achieved 67% ■ Not achieved 33%

2 Achieved **1** Not achieved **3** Total

Operating and capital expenditure 2021/22



What we delivered

- **1,574** service requests responded to for noise
- **535** service requests responded to for wandering dogs
- **2,557** service requests responded to for building enquiries
- **2,184** service requests responded to for land use.

Working with our customers, operators, and partner groups, we continue our programme of education, encouragement, and monitoring to support compliance and address non-compliance

Our focus has been on preparing customers and staff for the upcoming legislative changes introduced by the central government, including new medium-density housing standards and Building Code changes. Changes have been implemented to improve coordination of our advice around subdivision resource consents to address customer feedback. We have created a customer experience coordinator role and recruitment is imminent.

We have updated our land development minimum requirements document to give more clarity to people wishing to develop in the district. This is a result of feedback we received during our customer journey mapping project, and it will be incorporated into a District Plan change shortly.

This project's challenges include:

An increase in the complexity of applications has meant that finding time for improvement work has been challenging. Recruitment of specialist roles continues to be a challenge.

Building Consents Authority (BCA) accreditation

The two-year International Accreditation New Zealand (IANZ) accreditation was confirmed in October 2021. This represents significant quality assurance and business improvement work throughout the two-year period.

Building consents processing

We processed 1,185 building consents in 2021/22 with building work estimated value of \$243 million. There were 1,193 building consents issued last year. We have seen an increase in amendments to consents and site variations to substitute products due to the inability to

source materials as well as trades people struggling to keep up current demands across the sector. With product shortages, the industry is not as buoyant as it was, and predictions (all be it unknown) are that we may see a drop in building consents over the coming months.



Council building inspection.

Updated development code of practice

The review and updating of our development code of practice (Land Development Minimum Requirements) is a significant and important cross-Council and cross-industry piece of work to clearly articulate the Council's expectations around quality of new development being vested to the Council and ratepayers.

Customer journey mapping

We carried out customer journey mapping across both building and resource consent processes to improve our understanding of our customers' journeys through an often complex and difficult legislative process. These insights have formed the basis for a strategy to better position customers in our focus, seek continuous improvement opportunities and improve collaboration both internally and with industry.

Animal management public spaces team

The animal management and public spaces team responded to a total of 3,240 requests for service from customers over the financial year.

The largest number of customer service requests related to wandering dogs (535) followed by dog noise complaints (386) and dogs found (332).



Dog registration.

Environmental health, licensing and compliance

Food Act registration applications continued with a total of 46 new applications and 223 renewed this year. We issued 63 alcohol license (premises) applications along with 101 special licenses for the year. The team inspected all identified premises before year-end, comprising 63 health inspections and 205 trade waste inspections. The vast majority of inspections complied, and the team worked with customers on any outstanding issues to achieve compliance.

The Council waived the annual registration renewal fee for all existing food and beverage businesses that were registered during the COVID-19 red traffic light setting. This helped the sector manage the effects of this phase of the COVID-19 pandemic.

Resource consents and compliance

The resource consents and compliance team continue to have very high workloads. Over the year, the team received 390 applications and issued 268 decisions.

Emergency management

The Council responded to 300 percent more emergency events in the 2021/22 year compared to the previous year. Resourcing for these responses came from staff who were already at capacity with 'business-as-usual work'. Feedback from community and partner agencies has been overwhelmingly positive.

Challenges: Regulation/legislation

Currently, several proposed changes to planning legislation will impact development within our district. These include resource management reforms, the National Policy Statement on Urban Development, and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021. Any changes to the planning framework have a large impact on the workload of the resource consents and compliance team.

Processes, templates and advice need to be reviewed and communicated to the development community. Interpreting and applying these changes add to the challenges the team are dealing with.

The building sector is still coming to terms with changes to building regulations and guidance around the assessment of ground for liquefaction. There is no consistent understanding across the sector on how the changes should be applied and interpreted.

The increasing number of new subdivisions saw a corresponding increase in the number of applications being assessed for land subject to natural hazards such as flooding and ponding. Our easy-to-develop land has largely gone, making good development more complex but our role as regulator more important as we aim to 'grow well'.

Challenges: Climate change and natural hazards

Much of the urban land left to be developed is subject to natural hazards or could be impacted by climate change. This creates a challenge when assessing developments to ensure demand for development and housing is balanced against the risk to people and property.

Challenges: Staff retention and recruitment

Shortages of trained technical practitioners exist throughout New Zealand making retention and recruitment challenging. This is especially so in areas such as resource management, development engineering and building control. Although the team has vacancies, finding suitable candidates is difficult when the private sector offers better remuneration and incentives. Although this challenge is not new for our the Council, the expertise shortage and high workloads has exacerbated the situation. Focus on work/life balance and wellbeing (given the impact of two years of COVID-19) is a constant challenge for people managers.



Waikanae subdivision.

Ratonga whakaritenga – regulatory services performance measures

Performance measures	Target	Actual	Comment and previous years result
Average working days to process building consents will not exceed 17 days.	Note exceed 17 days	There were 1,185 building consents that took an average of 11 days to process. Achieved	The total estimated value of building work is \$243 million. 2020/21 result was achieved.
Average working days to process non-notified resource consents will not exceed 17 days, (excluding Resource Management Act s.37 extensions).	Achieve	25 average working days Not achieved	Council received 390 resource consent applications and issued 268 decisions in 2021/22. The quality of applications has deteriorated somewhat, reflecting the pressure the whole of the development community has been under, as the sector seeks to leverage the current building boom. Coupled with this is an increase in complexity of development within Kāpiti. Our easy to develop land, has all but disappeared and applications are taking longer to assemble the requisite information on which to base a sound decision, as we seek to 'grow well'. We have resourced up to manage both growth and complexity, undertaking more pre-application meetings in order to improve the quality of information coming to us and have proactively managed relationships with local consultants and developers. Overflow work volumes are being managed by contractors. 2020/21 result was achieved.
All dog attack and threatening behaviour requests for service (classified as urgent) are responded to within one hour of notification.	100 percent	100 percent Achieved	2020/21 result was achieved at 100 percent.



Corporate



Paheko rangapū – corporate

Purpose

This activity contributes to our communities' resilience, safety, health and connectedness by enabling operational delivery of support functions to both internal and external customers and stakeholders to satisfy their resource and service needs.

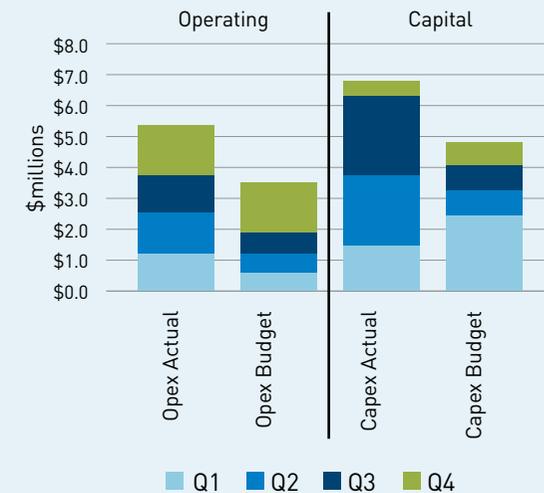
Corporate as at 30 June 2022



Not achieved 100%

0 Achieved 1 Not achieved 1 Total

Operating and capital expenditure 2021/22



Financial year capex variance is mainly due to Strategic Land Purchases being \$3 million over budget, noting that additional budget of \$0.9 million is included in the districtwide planning activity.

What we delivered

Key highlights and achievements of the Corporate Service Group included:

- completing the annual staff engagement survey
- adopting the Annual Report 2020/21
- adopting the Annual Plan (and new rates) 2022/23
- completing the pre-election report and making it publicly available
- completing significant policy and business improvements to the Council's enterprise risk management and assurance framework
- compliance of the Council's working capital requirements with the Treasury Management Policy
- considering implications of proposed Three Waters reform
- progressing improvements to the Council's procurement functions including developing an external supplier portal
- maintaining and improving IT capability by: implementing the Microsoft 365 Suite, installing SharePoint, implementing our new Electronic Document Records Management System (EDRMS) and implementing a new intranet called RAD that is accessible anywhere on any device.
- the Council receiving a Silver Award for the Annual Report 2020/21 from the Australasian Reporting Awards in Australia
- the Council being a finalist for the 2021 award for its GIS Project and Information Management RAD Project at the 2022 Association of Local Government Information Management (ALGIM) Conference.

Challenges include:

Corporate services continued to support staff to navigate through the impacts of COVID-19. Up to 42 percent of the Council staff either caught COVID-19 or became household contacts since March 2022.

Throughout the year, we ensured business continuity in alignment with the Government's traffic light framework, and consulted on a new vaccination policy for staff and anyone performing work on the Council's behalf.

Other challenges across the organisation included staff retention, recruitment and high workloads.

Paheko rangapū – corporate performance measures

Performance measures	Target	Actual	Comment and previous years result
Staff have the materials and equipment they need to do their work correctly.	Improved result from previous engagement survey	The result was 3.96 out of a total of 5 Not achieved	This is the same result as last year, so not an improvement.

Our finances

Statement of comprehensive revenue and expense	98
Statement of changes in net assets/equity	98
Statement of financial position	99
Statement of cash flows	99
Funding impact statement	100
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Disclosure statement	142
Funding impact statements per activity	146

In this section we provide all the financial information required by law as part of the Annual Report.

It includes the full financial statements that show our actual expenditure and income, changes in our equity, total assets and liabilities and our cash flows for the 2021/22 financial year against budget.

The funding impact statements outline how we have funded our activities and the disclosure statement reports on how we are tracking against the benchmarks set by central government to measure our financial prudence.

Statement of comprehensive revenue and expense for the year ended 30 June 2022

2020/21 Actual \$000		Note	2021/22 Actual \$000	2021/22 Budget \$000
	<i>Revenue</i>			
70,382	Rates	2	75,673	75,721
9,830	Fees and charges	3	10,521	10,412
10,674	Grants and subsidies	4	10,796	16,918
3,520	Development and financial contributions		4,363	3,564
3,694	Other operating revenue	5	3,475	36,994
98,100	Total revenue excluding gains		104,828	143,609
	<i>Expenses</i>			
61,769	Operating expenses	6	67,280	64,501
22,223	Depreciation and amortisation	11,12	23,421	23,440
83,992	Total expenses		90,701	87,941
	<i>Interest</i>			
1,107	Interest income		1,346	611
8,353	Interest expense		8,543	8,150
7,246	Total interest expense		7,197	7,539
6,862	OPERATING SURPLUS/(DEFICIT)		6,930	48,129
	<i>Unrealised gains/(losses)</i>			
13,963	Unrealised gain/(loss) on revaluation of financial derivatives		23,370	(2,535)
13,963	Total unrealised gains/(losses)		23,370	(2,535)
20,825	NET OPERATING SURPLUS/(DEFICIT)		30,300	45,594
	<i>Other comprehensive revenue and expense</i>			
21,754	Unrealised gain/(loss) from revaluation of property, plant, and equipment	11	117,071	–
21,754	Total other comprehensive revenue and expense		117,071	–
42,579	TOTAL COMPREHENSIVE REVENUE AND EXPENSE		147,371	45,594

1 As per 2021-41 Long-term plan.

Statement of changes in net assets/equity for the year ended 30 June 2022

	Accumulated funds	Reserves and special funds	Revaluation reserve	Total equity	Total equity
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000
Opening balance at 1 July 2020	576,495	5,938	900,853	1,483,286	1,560,440
Net operating surplus/(deficit)	20,825	–	–	20,825	143
Unrealised gain/(loss) from revaluation of property, plant, and equipment	–	–	21,754	21,754	10,035
Total comprehensive revenue and expense for the year	20,825	–	21,754	42,579	10,178
Transfer from revaluation reserve	495	–	(495)	–	–
Transfers from reserves and special funds	920	(920)	–	–	–
Transfers to reserves and special funds	(2,489)	2,489	–	–	–
Closing balance at 30 June 2021	596,246	7,507	922,112	1,525,865	1,570,618
Opening balance at 1 July 2021	596,246	7,507	922,112	1,525,865	1,527,206
Net operating surplus/(deficit)	30,300	–	–	30,300	45,595 ¹
Unrealised gain/(loss) from revaluation of property, plant, and equipment	–	–	117,071	117,071	–
Total comprehensive revenue and expense for the year	30,300	–	117,071	147,371	45,595
Transfers from revaluation reserve	174	–	(174)	–	–
Transfers from reserves and special funds	1,163	(1,163)	–	–	–
Transfers to reserves and special funds	(3,288)	3,288	–	–	–
CLOSING BALANCE AT 30 JUNE 2022	624,595	9,632	1,039,009	1,673,236	1,572,801

The accounting policies and accompanying notes on pages 101 to 141 form part of these financial statements. Explanation of the major variances against budget are provided in note 27.

Statement of financial position as at 30 June 2022

2020/21 Actual \$000		Note	2021/22 Actual \$000	2021/22 Budget \$000
Current Assets				
11,133	Cash and cash equivalents	7	15,274	23,882
11,277	Trade and other receivables	8	14,085	11,906
148	Inventories		158	180
13	Non-current assets held for sale		-	-
60,720	Other financial assets	10	45,765	41,000
51	Loans	9	52	55
2	Derivative financial instruments	22	113	-
83,344	Total Current Assets		75,447	77,023
Non-Current Assets				
1,706,663	Property, plant and equipment	11	1,844,621	1,793,486
57	Forestry assets		28	59
3,066	Intangible assets	12	3,120	3,177
3,635	Other financial assets	10	24,620	20,642
737	Loans	9	269	805
888	Derivative financial instruments	22	9,996	-
1,715,046	Total Non-Current Assets		1,882,654	1,818,169
1,798,390	TOTAL ASSETS		1,958,101	1,895,192
Current Liabilities				
20,848	Trade and other payables	14	21,930	38,196
2,946	Employee benefits	15	3,267	2,464
1,425	Deposits	16	1,692	1,224
45,000	Borrowings	17	45,000	40,000
119	Provisions	18	409	103
377	Derivative financial instruments	22	55	2,711
70,715	Total Current Liabilities		72,353	84,698
Non-Current Liabilities				
107	Employee benefits	15	109	160
185,000	Borrowings	17	210,000	220,219
2,477	Provisions	18	2,007	2,389
14,226	Derivative financial instruments	22	396	14,925
201,810	Total Non-Current Liabilities		212,512	237,693
272,525	TOTAL LIABILITIES		284,865	322,391
Public Equity				
596,246	Accumulated funds		624,595	642,893
7,507	Reserves and special funds	20	9,632	6,772
922,112	Revaluation reserve	19	1,039,009	923,136
1,525,865	TOTAL PUBLIC EQUITY		1,673,236	1,572,801
1,798,390	TOTAL LIABILITIES AND PUBLIC EQUITY		1,958,101	1,895,192

Statement of cash flows for the year ended 30 June 2022

2020/21 Actual \$000		Note	2021/22 Actual \$000	2021/22 Budget \$000
Cash flows from operating activities				
<i>Cash was provided from:</i>				
70,129	Kāpiti Coast District Council rates		75,724	75,612
13,495	Greater Wellington Regional Council rates collected		15,725	-
3,352	Grants and subsidies		3,379	2,958
1,454	Interest received		1,183	293
13,721	Fees and charges		13,217	14,469
(298)	GST (net)		(65)	1,673
101,853			109,163	95,005
<i>Cash was applied to:</i>				
53,801	Payments to employees and suppliers		65,099	58,647
13,495	Rates paid to Greater Wellington Regional Council		15,725	-
67,296			80,824	58,647
34,557	Net cash flow from operating activities	21	28,339	36,358
Cash flows from investing activities				
<i>Cash was provided from:</i>				
39,631	Proceeds from loan repayments/term deposit maturities		45,024	46,153
697	Proceeds from sale of assets held for sale		3,064	-
7,321	Proceeds from capital grants		7,417	14,185
47,649			55,505	60,338
<i>Cash was applied to:</i>				
32,760	Construction and purchase of property, plant and equipment and intangibles		45,442	67,065
55,861	Purchase of investments		51,029	47,060
88,621			96,471	114,125
(40,972)	Net cash flow from investing activities		(40,966)	(53,787)
Cash flows from financing activities				
<i>Cash was provided from:</i>				
-	Proceeds from short-term borrowings		-	-
60,000	Proceeds from long-term borrowing		70,000	82,406
60,000			70,000	82,406
<i>Cash was applied to:</i>				
8,396	Interest paid		8,232	8,150
-	Repayment of short-term borrowings		-	-
40,000	Repayment of long-term borrowing		45,000	45,000
48,396			53,232	53,150
11,604	Net cash flow from financing activities		16,768	29,256
5,189	Net increase/(decrease) in cash and cash equivalents		4,141	11,827
5,944	Total cash and cash equivalents at 1 July		11,133	12,055
11,133	TOTAL CASH AND CASH EQUIVALENTS AT 30 JUNE	7	15,274	23,882

Funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2020/21 Actual \$000	2021/22 Budget \$000	2021/22 Actual \$000
Source of operating funding				
General rate, uniform annual general charge, rates penalties	24,869	24,922	26,445	25,940
Targeted rates	45,295	46,041	49,909	50,336
Grants and subsidies for operating purposes	1,999	3,345	2,958	3,378
Fees and charges	9,052	9,146	9,579	9,816
Interest and dividends from investments	1,302	1,107	611	1,346
Vested asset, Local authorities fuel tax, fines, infringement fees, and other	609	3,758	36,970	2,264
Total operating funding	83,126	88,319	126,472	93,080
Applications of operating funding				
Payments to staff and suppliers	58,226	61,686	64,501	67,179
Finance costs	8,653	8,353	8,150	8,543
Internal charges and overheads applied	–	–	–	–
Other operating funding applications	–	–	–	–
Total applications of operating funding	66,879	70,039	72,651	75,721
SURPLUS/DEFICIT OF OPERATING FUNDING	16,247	18,280	53,821	17,359
Source of capital funding				
Grants and subsidies for capital expenditure	4,002	7,322	14,185	7,417
Development and financial contributions	2,124	3,520	3,564	4,363
Increase (decrease) in debt	21,407	12,370	31,361	19,881
Gross proceeds from sale of assets	–	635	–	3,022
Lump sum contributions	–	–	–	–
Other dedicated capital funding	–	–	–	–
Total source of capital funding	27,533	23,847	49,110	34,683
Applications of capital funding				
Capital expenditure				
> to meet additional demand	1,755	672	7,837	2,077
> to improve the level of service	23,201	17,702	43,032	27,562
> to replace existing assets	12,018	14,536	22,595	15,814
Increase (decrease) in reserves	6,806	9,217	29,467	6,588
Increase (decrease) in investments	–	–	–	–
Total applications of capital funding	43,780	42,127	102,931	52,042
SURPLUS/DEFICIT OF CAPITAL FUNDING	(16,247)	(18,280)	(53,821)	(17,359)
FUNDING BALANCE	–	–	–	–

Notes to the financial statements

1. Statement of accounting policies

Reporting entity

Kāpiti Coast District Council (Council) is a territorial local authority established under the Local Government Act 2002 (LGA) and is based and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The primary objective of Council is to cover the costs of providing services and managing the district's assets sustainably rather than aiming to make a profit. Accordingly, the Council has designated itself as a public benefit entity (PBE) for the purposes of the accounting standards framework applicable to public sector entities.

The financial statements presented in this report include a statement of comprehensive revenue and expense, a statement of changes in net assets/equity, a statement of financial position and a cash flow statement with supporting notes, encompassing all activities of the Council.

To ensure it is easy to see our performance across the Council, we have included separate funding impact statements for each activity as well as the whole of Council.

The financial statements of the Council are for the year ended 30 June 2022. The financial statements were adopted and authorised for issue by the Council on 29 September 2022.

Statement of compliance

The financial statements have been prepared in accordance with the requirements of the LGA and comply with generally accepted accounting practice in New Zealand (NZ GAAP).

Council is a Tier 1 entity and the financial statements have been prepared in accordance with and comply with the PBE Standards.

Basis of preparation

The financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

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

The financial statements have been prepared on a historical cost basis, modified by the revaluation of certain assets and liabilities as identified in the accounting policies.

Accounting Standards issued and not yet effective, and not early adopted

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are as follow:

Financial instruments

In January 2017, the XRB issued PBE IPSAS 41 Financial instruments. This replaces PBE IPSAS 29 Recognition and Measurement and introduces into PBE Standards the reforms introduced by NZ IFRS 9 in the for-profit sector. PBE IPSAS 41 is effective for annual periods beginning on or after 1 January 2022, with earlier application permitted.

The main changes under this standard relevant to Council are:

- New financial asset classification requirements for determining whether an asset is measured at fair value or amortised cost
- A new impairment model for financial assets based on expected losses, which might result in earlier recognition of impairment losses

The Council plans to apply this standard in preparing the 30 June 2023 financial statements and has not yet assessed in detail the impact of the new standard but anticipates that the standard will not have a material effect on Council's financial statements.

Service performance reporting

The Council is required under the Local Government Act 2002 to produce a Statement of Service Performance as part of its annual report.

In November 2017, the XRB issued a new standard, Service Performance Reporting (PBE FRS 48).

This standard establishes new requirements for public benefit entities (PBEs) to select and present services performance information. PBEs will need to provide users with: i) sufficient contextual information to understand why the entity exists, what it intends to achieve in broad terms over the medium to long term, and how it goes about this; and ii) information about what the entity has done during the reporting period in working towards its broader aims and objectives. The new standard is mandatory for annual periods beginning on or after 1 January 2022, with early application permitted.

The Council plans to apply this standard in preparing the 30 June 2023 financial statements and has not yet assessed in detail the impact of the new standard but anticipates that the standard will not have a material effect on Council's financial statements.

Other changes in accounting policies

There have been no changes in the accounting policies in the year ended 30 June 2022.

Summary of significant accounting policies

Significant accounting policies are included in the specific notes to which they relate.

Those policies that do not relate to a specific note are outlined below.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits or service potential will flow to the Council and the revenue can be reliably measured, regardless of when the payment is made.

Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Development and financial contributions

Development and financial contributions are non-exchange transactions and are recognised as revenue when the Council provides the service for which the contribution was charged.

Interest income

Interest income is recognised when it is earned using the effective interest rate method.

Expenses

Interest expense

Borrowing costs, including interest expense are recognised as expenditure in the period in which they are incurred.

Goods and Services Tax (GST)

All items in the financial statements are stated exclusive of GST except for receivables and payables which include the GST billed.

Other gains and losses

Other gains and losses include fair value adjustments on financial instruments at fair value through surplus or deficit.

Assets

Inventories

Inventories are valued at cost, adjusted when applicable, for any loss of service potential. The amount of write-down for the loss of service potential is recognised in surplus or deficit in the Statement of comprehensive revenue and expense. Cost is determined on a weighted average basis.

Forestry assets

Forestry assets are carried at fair value less estimated costs to sell. Gains or losses arising on revaluation are recognised in surplus or deficit in the Statement of comprehensive revenue and expense. Costs incurred to maintain the forests are expensed in the period they are incurred.

Other

Foreign currency translation

Foreign currency transactions are translated into the New Zealand Dollar (NZD) using the spot exchange rate at the date of the transaction.

The Council has minimal foreign currency transactions. Purchases from overseas vendors are mainly library resources and computer software.

Allocation of overheads to significant activities

For the purposes of reporting performance by activity, all overhead costs from support service functions are allocated to the Council's significant activities. The costs of internal services not already charged to activities are allocated as overheads (using appropriate cost drivers) such as actual usage, staff numbers and floor area.

Individually significant activity operating revenue and expenditure is stated inclusive of any internal revenue and internal charges.

The governance and tangata whenua (i.e. elected members' costs) is reported as a separate activity as it represents a direct public service.

Budget figures

The budget figures presented in these financial statements are from the Council's 2021-41 Long-term plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council in preparing the financial statements.

Explanation of major variances between actual results and budgeted figures is provided in note 27.

Accounting judgements and estimations

Preparing the financial statements using PBE Standards requires management to make judgements, estimates and assumptions

concerning the future that affect the application of policies and reported amounts of assets, liabilities, revenue, and expenses.

Management bases its assessments on historical experience and other factors which are reviewed on an ongoing basis. The subsequent actual results may be different.

Significant judgments, estimates and assumptions have been used for measurement of the following:

- the cost of our environmental obligations in respect to the closure of the Otaihanga landfill – see note 18
- the valuation of infrastructural assets – see note 11
- the determination of estimated useful lives and residual values for property, plant, and equipment – see note 11
- the valuation of long-term employee entitlements – see note 15, and
- the valuation of financial derivatives – see note 22.

2. Revenue from rates

2020/21 Actual \$000		2021/22 Actual \$000
	Revenue from exchange transactions:	
	Targeted rates	
4,438	Districtwide water supply volumetric rate	4,634
4,438	Total rates from exchange transactions	4,634
	Revenue from non-exchange transactions:	
	General rates	
24,715	Districtwide	25,337
	Targeted rates	
17,042	Community facilities rate	19,741
154	Hautere/Te Horo water supply rate	217
67	Ōtaki community rate	69
44	Paekākāriki community rate	45
77	Paraparaumu/Raumati community rate	79
9,451	Districtwide roading rate	10,221
2,430	Districtwide stormwater rate	2,704
88	Waikanae community rate	90
8,240	Districtwide wastewater disposal rate	8,963
4,724	Districtwide water supply fixed rate	4,833
369	Commercial rate	563
(1,097)	Less internal rates	(1,209)
(360)	Less rates remitted	(614)
65,944	Total rates from non-exchange transactions	71,039
70,382	Total rates from exchange and non-exchange transactions	75,673
85,634	Total rates levied	93,553
(1,097)	Less internal rates	(1,209)
(360)	Less rates remitted	(614)
(13,795)	Less Greater Wellington Regional Council rates	(16,057)
70,382	Total revenue from rates	75,673

Accounting policy

Revenue from rates is measured at fair value. General and targeted rates are set annually by way of a rates resolution by the Council. Rates revenue is measured at the amount assessed, which is the fair value of the cash received or receivable. The Council recognises revenue from rates when the rates are set, and the rates assessments have been provided. Rates are invoiced in quarterly instalments during the financial year. Rates are a tax as they are payable under the Local Government (Rating) Act 2002 and therefore meet the definition of non-exchange transactions.

Water rates are based on a fixed portion plus a volumetric charge for usage determined by meter readings once the service has been delivered. As the rates charged are based on a per unit consumption basis, water rates by meter are considered to be an exchange transaction. Revenue from water rates is recognised on an accrual basis. Unbilled usage as a result of unread meters at year end is accrued on an average usage basis.

Rates remissions are recognised when the Council has received an application that satisfies its Rates Remission Policy. Rates income is shown net of any rate remissions and rates levied on Council-owned properties. Rates levied on Council-owned properties and rates remissions are excluded from expenditure.

Rates collected on behalf of Greater Wellington Regional Council are not recognised in the Statement of comprehensive revenue and expenses as the Council acts as an agent for Greater Wellington.

Rates remissions

2020/21 Actual \$000		2021/22 Actual \$000
50	Council community properties, sporting, recreational and other community organisations	60
112	Residential rating units containing two separately habitable units	93
172	Financial hardship	252
6	Conservation Remission	30
-	Residential water leak remission	179
360	Total rates remissions	614

Rate remissions granted during the year in accordance with the Council's rates remission and postponement policies total \$0.61 million (2021: \$0.36 million). In 2020/21, Residential water leak remissions of \$0.17 million were classified against Districtwide water supply volumetric rate revenue making total rates remissions in that year \$0.53 million. Total rates levied on Council-owned properties were \$1.21 million (2021: \$1.10 million).

Summary of rates funding surplus

	2021/22 Actual \$000
Operating surplus/(deficit)	6,930
Adjustments for non-rates funded revenue and expenditure	
Add: unfunded depreciation	2,437
Add: Expenditure funded by reserves and special funds	(367)
Add: (Gain)/Loss on Sale of Assets	(1,211)
Add: Revaluation of Forestry Asset movement	36
Less: Capital subsidies	(4,660)
Less: Development and Financial Contributions	(4,363)
Less: Vested Assets	(732)
Underlying rates deficit	(1,930)
Represented by:	
Water account surplus	978
Net overspend across the organisation	(2,908)
Underlying rates deficit	(1,930)

The underlying rates funding deficit of \$1.93 million is different to the operating surplus of \$6.93 million as per the statement of comprehensive revenue and expense due to the following:

- operating surplus/(deficit) covers all the Council's operating revenue and expenditure from all funding sources.
- a funding surplus/(deficit) only covers the Council's revenue and expenditure that is rates funded.

The underlying rates funding deficit of \$1.93 million is mainly due to \$2.91 million increase in spending across the Council in personnel, maintenance and operations offset by a \$1.0 million higher net income from our water activity.

Rating base information			
Year	Rating units	Total capital value of rating units \$000	Total land value of rating units \$000
2017/18			
Rateable units	24,781	11,027,223	5,178,137
Non-rateable units	773	509,010	210,376
Total	25,554	11,536,233	5,388,513
2018/19			
Rateable units	25,053	14,816,185	7,122,954
Non-rateable units	722	555,506	242,781
Total	25,775	15,371,691	7,365,735
2019/20			
Rateable units	25,150	14,977,699	7,139,624
Non-rateable units	789	565,346	244,805
Total	25,939	15,543,045	7,384,429
2020/21			
Rateable units	25,321	15,136,250	7,177,818
Non-rateable units	800	736,123	378,913
Total	26,121	15,872,373	7,556,731
2021/22			
Rateable units	25,465	19,663,160	10,604,392
Non-rateable units	816	743,365	379,834
Total	26,281	20,406,525	10,984,226

The Council is required by the LGFA Guarantee and Indemnity Deed to disclose in its financial statements its annual rates income. The Deed defines annual rates income as an amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 together with any revenue received by the Council from other local authorities for services provided (and for which the other local authorities rate).

The annual rates revenue of the Council for the purpose of the LGFA Guarantee and Indemnity Deed disclosure are as per note 2.

3. Revenue from fees and charges		
2020/21 Actual \$000		2021/22 Actual \$000
	Revenue from exchange transactions:	
1,063	Sale of goods and services	1,394
1,768	Rent from lease of council-owned properties	1,971
2,831	Total fees and charges from exchange transactions	3,365
	Revenue from non-exchange transactions:	
6,315	Sale of goods and services	6,451
684	Fines and penalties	705
6,999	Total fees and charges from non-exchange transactions	7,156
9,830	Total fees and charges	10,521

Revenue from sale of goods and services includes building and resource consent fees, licence fees, library charges, and LIM reports.

Fines and penalties include penalties for late payment of rates of \$0.60 million (2021: \$0.58 million) and traffic infringements of \$0.02 million (2021: \$0.04 million). It also includes library fines and prosecutions for animal management and noise infringements.

Accounting policy

Revenue from operating activities is generally measured at the fair value of the consideration received or receivable.

Exchange transactions

i) Sale of goods

Revenue from the sale of goods is recognised when the significant risk and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods, when the amount of revenue can be measured reliably, and it is probable that the economic benefits or service potential associated with the transaction will flow to the Council.

ii) Rental revenue

Rental revenue is accounted for on a straight-line basis over the lease or rental term. Council receives rentals from properties used for operating activities e.g. community housing, and from properties that are held for future strategic purposes e.g. infrastructural developments. Council does not hold any properties for investment purposes.

Non-exchange transactions

The Council undertakes various activities as part of its normal operations that generate revenue, but generally at below market prices or at fees and user charges subsidised by rates. Revenue from the sale of goods or services at a price that is not approximately equal to the value of the goods provided by the Council is considered a non-exchange transaction. Generally, there are no conditions attached to such revenue.

i) Rendering of services

Revenue from such subsidised services is recognised when the Council issues the invoice or bill for the service. Revenue is recognised at the amount of the invoice or bill, which is the fair value of the cash received or receivable for the service.

Revenue is recognised by reference to the stage of completion of the service to the extent that the Council no longer has an obligation to refund the cash received for the service (or to the extent that the customer has the right to withhold payment from the Council for the service) if the service is not completed.

ii) Sale of goods – subsidised

Revenue from the sale of such subsidised goods is recognised when the Council issues the invoice for the goods. Revenue is recognised at the amount of the invoice which is the fair value of the cash received or receivable for the goods.

iii) Fines and penalties

Revenue from fines and penalties (e.g. traffic and parking infringements, overdue library items, animal management and noise control prosecutions) is recognised when infringement notices are issued or when the fines/penalties are otherwise imposed. Revenue is recognised at the amount of cash received or receivable for the infringement.

Penalties for late payment of rates are recognised as revenue when rates become overdue.

4. Revenue from grants and subsidies

2020/21 Actual \$000		2021/22 Actual \$000
	Revenue from non-exchange transactions	
7,321	Capital grants	7,417
3,353	Operating grants	3,379
10,674	Total grants and subsidies from non-exchange transactions	10,796

Accounting policy

Grants, subsidies, and funding subsidies received are recognised as revenue when control is obtained of the transferred asset (cash, goods, other assets or services) and the transfer is free from conditions that require the Council to refund or return the asset if the conditions relating to the assets are not fulfilled. When grants and subsidies include a condition, a liability is recognised until the Council has satisfied the conditions when the revenue is recognised.

Waka Kotahi New Zealand Transport Agency

The Council receives grants and subsidies revenue from Waka Kotahi New Zealand Transport Agency which subsidises part of the cost of maintenance and capital expenditure on the local roading infrastructure. The right to receive the funding from Waka Kotahi arises once the work is performed therefore revenue is recognised when receivable as there are no further conditions attached to the funding. Capital grants of \$3.34 million (2021: \$3.47 million) were used to subsidise the construction or renewal of new and existing local roading and operating grants of \$2.63 million (2021: \$1.83 million) was used towards the cost of maintaining existing local roading.

Three Waters Reform Programme

The New Zealand Government is currently undertaking a reform programme for Three Waters (drinking water, wastewater, and stormwater) service delivery. Capital grants of \$3.13 million and operating grants of \$0.14 million were received during the year. The Department of Internal Affairs (DIA) explicitly requires the return of any funding provided to the Council if the conditions within the expenditure programme milestones contract are not fulfilled. As at 30 June 2022, the Council recognised accrued revenue of \$0.61 million in the Statements of Financial Position relating to work completed in 2021/22 but not yet invoiced to the DIA.

Mahara Gallery

The Council and the Mahara Gallery Trustees have a Memorandum of Understanding to work together, to establish the Mahara Gallery as the district gallery for Kāpiti. The project involves rebuilding the current gallery on its existing site situated within Mahara Place, Waikanae. The Ministry for Culture & Heritage approved a time-limited \$1.733 million grant that is subject to the Trust and the Council meeting certain conditions. The Ministry for Culture & Heritage explicitly requires the return of any funding should there be any non-compliance with these conditions. As at 30 June 2022, the Council recognised a liability of \$0.480 million in the Statements of Financial Position relating to funds received for work to be completed in 2022-23.

5. Other operating revenue

2020/21 Actual \$000		Note	2021/22 Actual \$000
	Revenue from exchange transactions		
46	Realised gain on disposal of property, plant and equipment		1,313
-	Other Revenue		433
46	Total other operating revenue from exchange transactions		1,746
	Revenue from non-exchange transactions		
3,101	Vested assets	11	732
20	Donations and sponsorships		20
306	Local government petrol tax		281
221	Other revenue		696
3,648	Total other operating revenue from non-exchange transactions		1,729
3,694	Total other operating revenue		3,475

Vested assets are mainly infrastructural assets such as roading, drainage, water and wastewater assets that have been constructed by Waka Kotahi New Zealand Transport Agency or subdivision developers.

Ownership of these assets transfers to the Council as part of the consent process at the end of the subdivision development or when a state highway is revoked and becomes a local road.

6. Operating expenses

2020/21 Actual \$000		2021/22 Actual \$000
	Ernst & Young	
199	Audit of financial statements	197
164	Audit of long-term plan	-
3	Audit of debenture trust deeds	3
	Impairments and unrealised losses	
83	Loss on disposal of property, plant and equipment	102
-	Unrealised loss on fair value of forestry assets	36
-	Impairment of loans	443
(122)	Net increase/(decrease) of impairment of receivables	(22)
	Governance	
798	Councillor fees and costs	812
	Personnel costs	
30,150	Staff remuneration	31,491
1,120	Other personnel costs	2,087
1,274	Fixed term resourcing	2,614
949	Employer superannuation (including KiwiSaver)	1,008
418	Staff training	342
	Other	
138	Transport costs	134
601	Grants and sponsorships	819
934	Legal costs	994
1,728	Insurance	1,936
1,723	Operating projects	2,448
493	Operating lease rentals	692
2,163	Heat, light, power (energy)	2,710
299	Communications	314
1,072	Professional services	1,255
294	Printing and stationery	279
72	Bank charges	43
17,216	Other	16,543
61,769	Total other operating expense	67,280

Accounting policy

Vested assets

Where a physical asset is acquired for nil or nominal consideration, with no conditions attached, the fair value of the asset received, as determined by active market prices, is recognised as non-exchange revenue. Assets vested to the Council are recognised as revenue when control over the asset is transferred to the Council.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the assets. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

Realised and unrealised gains/losses

Gains/losses include realised gains/losses on the disposal of property, plant and equipment or an unrealised fair value increase/decreases on the revaluation of forestry assets.

Governance and personnel costs

Governance costs relate to the remuneration made to all elected members, comprising the Mayor, Councillors and Community Board members.

Personnel costs relate to the remuneration paid directly to staff (permanent and fixed term), other employee benefits such as KiwiSaver and other associated costs such as recruitment and training.

Grants and sponsorships

Discretionary grants (where approval or rejection is at the Council's discretion) are recognised as expenditure when the Council approves the grant and communication to this effect is made to the applicant.

Operating leases (Council as lessee)

The Council leases certain property, plant, and equipment under operating leases. Payments made under these leases (net of any incentives received from the lessor) are expensed on a straight-line basis over the term of the lease.

7. Cash and cash equivalents

2020/21 Actual \$000		2021/22 Actual \$000
5	Cash on hand	9
1,128	Cash at bank	5,265
10,000	Short term deposits	10,000
11,133	Total cash and cash equivalents	15,274

8. Trade and other receivables

2020/21 Actual \$000		2021/22 Actual \$000
	Trade and other receivables from exchange transactions	
3,670	Trade receivables	8,357
725	Rates receivable	730
2,065	Prepayments	419
(145)	Less provision for impairment	(132)
6,315	Total trade and other receivables from exchange transactions	9,374
	Trade and other receivables from non-exchange transactions	
1,163	GST receivable	643
1,707	Trade receivables	1,938
2,489	Rates receivable	2,518
(397)	Less provision for impairment	(388)
4,962	Total trade and other receivables from non-exchange transactions	4,711
11,277	Total trade and other receivables	14,085

Accounting policy

Cash and cash equivalents

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. It includes cash on hand, deposits held on call with banks, other short-term highly liquid investments with maturities of three months or less.

Bank balances are interest bearing and earn interest based on current floating bank deposit rates. Short-term deposits are made with a registered bank, with a credit rating of at least A+, for varying periods depending on the immediate cash requirements and short-term borrowings of the Council and earn interest at the applicable term deposit rates.

Trade and other receivables

Trade and other receivables are initially measured at their face value, less any provision for impairment. Receivables are generally short-term and non-interest bearing. The carrying value approximates the fair value.

A receivable is considered to be uncollectable when there is evidence that the amount due will not be fully collected. The amount that is uncollected is the difference between the amount due and the present value of the amount expected to be collected.

All receivables greater than 30 days in age are considered to be past due.

The impairment provision has been calculated based on a review of specific, larger, overdue receivables and a collective assessment of the remainder of receivables. The collective impairment provision is based on an analysis of past collection history and debt write-offs. Individually impaired receivables are determined to be impaired if the debtor has significant financial difficulties.

Provision for impairment of trade and other receivables

2020/21 Actual \$000		2021/22 Actual \$000
664	Opening balance	542
(50)	Provision utilised	(75)
177	Increase in provision ¹	97
(249)	Released unused provisions	(44)
542	Provision for impairment of trade and other receivables	520

¹ 2021-22 year includes \$71,148 of debt provided in accordance with section 90A of the Local Government (Rating) Act 2022.

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

Provision for impairment of trade and other receivables

2020/21 Actual \$000		2021/22 Actual \$000
495	Individual impairment	467
47	Collective impairment	53
542	Provision for impairment of trade receivables at 30 June	520

The aging profile of receivables excluding property rates, for the year ended 30 June:

Trade and other receivables (excluding property rates)

	2021/22 Gross \$000	2021/22 Provision \$000	2021/22 Net \$000	2020/21 Gross \$000	2020/21 Provision \$000	2020/21 Net \$000
Not past due	7,999	–	7,999	7,726	–	7,726
1–30 days	407	–	407	298	–	298
31–60 days	836	–	836	276	–	276
> 90 days	3,605	(196)	3,409	1,802	(191)	1,611
Total	12,847	(196)	12,651	10,102	(191)	9,911

The aging profile of property rates for the year ended 30 June:

Rates receivables

	2021/22 Gross \$000	2021/22 Provision \$000	2021/22 Net \$000	2020/21 Gross \$000	2020/21 Provision \$000	2020/21 Net \$000
Not past due	1,374	–	1,374	1,380	(14)	1,366
Up to 2 years	199	(139)	60	208	(208)	–
2 to 5 years	88	(88)	–	68	(68)	–
Over 5 years	97	(97)	–	61	(61)	–
Total Rate Debtors	1,758	(324)	1,434	1,717	(351)	1,366

9. Loans

2020/21 Actual \$000		2021/22 Actual \$000
	Current	
43	Water conservation loans	44
8	Loans to external organisations	8
51	Total current loans	52
	Non-current	
135	Water conservation loans	102
602	Loans to external organisations	610
–	Impairments	(443)
737	Total non-current loans	269
788	Total loans	321

Water conservation loans

The Council provides interest-free loans (up to \$5,000) to property owners who wish to install approved water conservation devices to reduce water use. The Council recovers the loans by way of a targeted rate on the property. The period of repayment is up to 10 years.

Accounting policy

Loans

Loans are initially measured at their fair value, and subsequently at amortised cost using the effective interest method, less any impairment.

A loan is considered to be impaired when there is evidence that the amount due will not be fully collected. The amount that is uncollected is the difference between the amount due and the present value of the amount expected to be collected.

Loans to external organisations

The Kāpiti Community Recreational Turf Trust

Loans to external organisations include a loan to The Kāpiti Community Recreational Turf Trust for laying artificial turf and construction of a new pavilion to meet standards for hosting national and international tournaments. The current market interest rate of 4.90 percent has been applied to this loan.

Air Chathams

The Council provided a \$500,000 concessionary loan to Air Chathams in November 2020 to maintain a minimum level of air services between Kāpiti Coast Airport and Auckland Airport. The loan is interest free with a repayment term of up to five years.

Given the significant challenges faced by the airline industry in the COVID-19 environment, the Council has elected to fully impair this loan. This does not alter Air Chathams' obligations under the loan.

Loans

2020/21 Actual \$000		2021/22 Actual \$000
419	Opening balance	788
419	Additions	14
(63)	Repayments	(54)
–	Impairments	(443)
13	Effective interest adjustment	16
788	Total loans	321

10. Other financial assets

2020/21 Actual \$000		2021/22 Actual \$000
	Current Deposits	
60,000	Term deposits	45,000
	Notes	
720	NZ Local Government Funding Agency	765
60,720	Total current other financial assets	45,765
	Non-current Shares	
100	NZ Local Government Funding Agency	100
14	Civic Financial Services	15
	Notes	
3,500	NZ Local Government Funding Agency	4,485
21	Fonterra perpetual	20
	Deposits	
–	Term deposits	20,000
3,635	Total non-current other financial assets	24,620
64,355	Total other financial assets	70,385

Bank deposits

Term deposits are made with a registered bank, with a credit rating of at least A+. Council holds term deposits as part of its overall liquidity risk management programme, whereby it pre-funds upcoming debt maturities. The carry amount of term deposits approximates their fair value.

Shares

The Council holds the following shares:

- The New Zealand Local Government Funding Agency (LGFA), 100,000 ordinary shares and 100,000 ordinary unpaid shares.
- Civic Financial Services Limited (formerly Civic Assurance), 15,060 shares.

Notes

The LGFA Borrower Notes are subordinated convertible debt instruments which each council that borrows from LGFA must subscribe for. LGFA will redeem Borrower Notes when the councils' related borrowings are repaid or no longer owed to LGFA.

11. Property, plant, and equipment

	Cost/Revaluation								Accumulated depreciation						Carrying amount	
	Opening balance \$000	Additions \$000	Vested assets \$000	Disposals \$000	Revaluation \$000	Impairment \$000	Transfers ((to)/(from)) \$000	Closing balance \$000	Opening balance \$000	Depreciation \$000	Disposals \$000	Revaluation \$000	Transfers (to/(from)) \$000	Closing balance \$000	Opening balance \$000	Closing balance \$000
2021/22																
<i>Operational assets</i>																
Buildings and improvements	58,609	-	-	(113)	-	-	4,961	63,457	(2,084)	(2,462)	12	-	6	(4,528)	56,525	58,929
Computers and office equipment	2,971	-	-	-	-	-	93	3,064	(1,626)	(516)	-	-	-	(2,142)	1,345	922
Furniture and chattels	2,724	-	-	-	-	-	84	2,808	(1,029)	(374)	-	-	2	(1,401)	1,695	1,407
Land	37,907	-	-	(1,715)	-	-	2,326	38,518	-	-	-	-	-	-	37,907	38,518
Library collections	3,419	-	-	-	-	-	343	3,762	(1,507)	(389)	-	-	-	(1,896)	1,912	1,866
Motor vehicles	3,205	-	-	(113)	-	-	363	3,455	(2,047)	(222)	113	-	8	(2,148)	1,158	1,307
Plant and machinery	3,436	-	-	(79)	-	-	150	3,507	(2,450)	(192)	78	-	(3)	(2,567)	986	940
Items under construction	2,804	13,780	-	-	-	-	(9,060)	7,524	-	-	-	-	(2)	(2)	2,804	7,522
Total operational assets	115,075	13,780	-	(2,020)	-	-	(740)	126,095	(10,743)	(4,155)	203	-	11	(14,684)	104,332	111,411
<i>Infrastructural assets</i>																
Bridges	16,446	-	-	-	1,805	-	57	18,308	(154)	(506)	-	444	2	(214)	16,292	18,094
River flood protection and control works	1,148	-	-	-	132	-	-	1,280	(19)	(19)	-	38	-	-	1,129	1,280
Roading – land under road	767,738	-	-	-	-	-	-	767,738	-	-	-	-	-	-	767,738	767,738
Roading and footpaths	363,199	-	151	-	43,814	-	6,513	413,677	(1,762)	(7,115)	-	6,760	36	(2,081)	361,437	411,596
Seawalls	7,578	-	-	-	782	-	759	9,119	(476)	(504)	-	981	-	1	7,102	9,120
Stormwater drainage	71,634	-	150	-	5,405	-	2,816	80,005	(1,068)	(1,096)	-	2,164	-	-	70,566	80,005
Wastewater – other assets	114,884	-	276	-	22,225	-	(568)	136,817	(2,632)	(2,618)	-	5,234	10	(5)	112,252	136,811
Wastewater treatment plants and facilities	22,839	-	-	-	3,257	-	916	27,012	(1,144)	(1,183)	-	2,289	(10)	(48)	21,695	26,964
Water – other assets	99,735	-	155	-	8,114	-	3,449	111,453	(2,330)	(2,325)	-	4,611	31	(13)	97,405	111,440
Water treatment plants and facilities	22,143	-	-	-	7,083	-	-	29,226	(967)	(966)	-	1,933	-	-	21,176	29,226
Items under construction	32,332	29,542	-	-	-	-	(13,882)	47,992	-	-	-	-	(36)	(36)	32,332	47,956
Total infrastructural assets	1,519,676	29,542	732	-	92,617	-	60	1,642,627	(10,552)	(16,332)	-	24,454	33	(2,397)	1,509,124	1,640,230
<i>Restricted assets</i>																
Buildings and improvements	36,030	-	-	-	-	-	1,035	37,065	(2,481)	(2,430)	-	-	32	(4,879)	33,549	32,186
Land	58,884	-	-	-	-	-	43	58,927	-	-	-	-	-	-	58,884	58,927
Items under construction	774	2,117	-	-	-	-	(1,023)	1,868	-	-	-	-	-	-	774	1,868
Total restricted assets	95,688	2,117	-	-	-	-	55	97,860	(2,481)	(2,430)	-	-	32	(4,879)	93,207	92,981
TOTAL PROPERTY, PLANT AND EQUIPMENT	1,730,439	45,439	732	(2,020)	92,617	-	(625)	1,866,582	(23,776)	(22,917)	203	24,454	76	(21,960)	1,706,663	1,844,621

11. Property, plant, and equipment (continued)

2020/21	Cost/Revaluation								Accumulated depreciation					Carrying amount		
	Opening balance \$000	Additions \$000	Vested assets \$000	Disposals \$000	Revaluation \$000	Impairment \$000	Transfers ((to)/from) \$000	Closing balance \$000	Opening balance \$000	Depreciation \$000	Disposals \$000	Revaluation \$000	Transfers (to)/(from) \$000	Closing balance \$000	Opening balance \$000	Closing balance \$000
<i>Operational assets</i>																
Buildings and improvements	54,580	–	–	(250)	(238)	–	4,517	58,609	–	(2,110)	26	–	–	(2,084)	54,580	56,525
Computers and office equipment	2,807	1,385	–	(443)	–	–	(778)	2,971	(1,569)	(500)	443	–	–	(1,626)	1,238	1,345
Furniture and chattels	2,561	975	–	(484)	–	–	(328)	2,724	(1,199)	(314)	484	–	–	(1,029)	1,362	1,695
Land	37,287	–	–	(320)	–	–	940	37,907	–	–	–	–	–	–	37,287	37,907
Landfill post-closure	2,835	–	–	(2,835)	–	–	–	–	(2,835)	–	2,835	–	–	–	–	–
Library collections	3,007	411	–	–	–	–	1	3,419	(1,179)	(328)	–	–	–	(1,507)	1,828	1,912
Motor vehicles	3,452	305	–	(533)	–	–	(19)	3,205	(2,206)	(256)	415	–	–	(2,047)	1,246	1,158
Plant and machinery	3,408	–	–	(20)	–	–	48	3,436	(2,250)	(220)	20	–	–	(2,450)	1,158	986
Items under construction	2,848	5,834	–	–	–	–	(5,878)	2,804	–	–	–	–	–	–	2,848	2,804
Total operational assets	112,785	8,910	–	(4,885)	(238)	–	(1,497)	115,075	(11,238)	(3,728)	4,223	–	–	(10,743)	101,547	104,332
<i>Infrastructural assets</i>																
Bridges	14,022	–	–	–	2,150	–	274	16,446	(271)	(352)	–	469	–	(154)	13,751	16,292
River flood protection and control works	1,145	–	–	–	–	–	3	1,148	–	(19)	–	–	–	(19)	1,145	1,129
Roading – land under road	767,739	–	–	–	–	–	(1)	767,738	–	–	–	–	–	–	767,739	767,738
Roading and footpaths	351,488	–	934	(8)	7,751	–	3,034	363,199	(6,334)	(6,786)	8	11,622	(272)	(1,762)	345,154	361,437
Seawalls	6,743	–	–	–	–	–	835	7,578	–	(476)	–	–	–	(476)	6,743	7,102
Stormwater drainage	66,819	–	900	–	–	–	3,915	71,634	–	(1,068)	–	–	–	(1,068)	66,819	70,566
Wastewater – other assets	113,203	–	728	–	–	–	953	114,884	(12)	(2,620)	–	–	–	(2,632)	113,191	112,252
Wastewater treatment plants and facilities	22,840	–	–	–	–	–	(1)	22,839	–	(1,144)	–	–	–	(1,144)	22,840	21,695
Water – other assets	99,096	–	521	–	–	–	118	99,735	(37)	(2,293)	–	–	–	(2,330)	99,059	97,405
Water treatment plants and facilities	22,434	–	–	–	–	–	(291)	22,143	(291)	(966)	–	–	290	(967)	22,143	21,176
Items under construction	21,135	22,761	–	–	–	–	(11,564)	32,332	–	–	–	–	–	–	21,135	32,332
Total infrastructural assets	1,486,664	22,761	3,083	(8)	9,901	–	(2,725)	1,519,676	(6,945)	(15,724)	8	12,091	18	(10,552)	1,479,719	1,509,124
<i>Restricted assets</i>																
Buildings and improvements	33,155	22	18	(53)	–	–	2,888	36,030	(502)	(1,969)	8	–	(18)	(2,481)	32,653	33,549
Land	58,335	–	–	–	–	–	549	58,884	(56)	56	–	–	–	–	58,279	58,884
Items under construction	(25)	931	–	–	–	–	(132)	774	468	(468)	–	–	–	–	443	774
Total restricted assets	91,465	953	18	(53)	–	–	3,305	95,688	(90)	(2,381)	8	–	(18)	(2,481)	91,375	93,207
TOTAL PROPERTY, PLANT AND EQUIPMENT	1,690,914	32,624	3,101	(4,946)	9,663	–	(917)	1,730,439	(18,273)	(21,833)	4,239	12,091	–	(23,776)	1,672,641	1,706,663

Accounting policy

Property, plant, and equipment

Property, plant and equipment is categorised into:

- Operational assets – these are used by the Council to provide core services (e.g. buildings, plant and equipment, library books).
- Infrastructural assets – these are the fixed utility systems owned by the Council that are required for the infrastructure network to function. They include roading, water, wastewater, and stormwater networks.
- Restricted assets – are assets such as parks and reserves that the Council maintains on behalf of the community. The use or transfer of these assets is legally restricted.

The Council does not pledge any property, plant and equipment as collateral for borrowings and none are subject to finance leases.

Initial recognition

Expenditure is capitalised as property, plant and equipment when it creates a new asset or extends or expands the service potential of an existing asset.

The costs of day-to-day servicing of property, plant and equipment are expensed as they are incurred.

Measurement

Property, plant, and equipment is initially recognised at cost, or in the case of vested assets that are acquired for nil or nominal cost, at fair value. The initial cost includes all costs (other than borrowing costs) that are directly attributable to constructing or acquiring the asset and bringing it into the location and condition necessary for its intended use.

Carrying value

Property, plant and equipment is carried at historical cost less accumulated depreciation and impairment, except for land, buildings, infrastructural assets and park assets which are carried at fair value less depreciation and impairment.

Revaluation

Valuations for the Council's land, buildings, park assets and infrastructural assets are performed with sufficient regularity to ensure their carrying amounts are maintained at fair value. The valuations are performed by independent qualified valuers.

Fair value is determined by reference to the depreciated replacement cost or market value on an asset class basis. Optimised depreciated replacement cost is a valuation methodology where the value of an asset is based on the cost of replacement with an efficient modern equivalent making allowance for obsolescence or surplus capacity.

The remaining life of the asset is estimated, and straight-line depreciation applied to bring the replacement cost to a fair value.

In addition, the carrying values are assessed annually to ensure that they do not differ materially from the asset's fair values. If there is a material difference, then off-cycle revaluations are performed on the relevant asset class.

Gains or losses arising on revaluation are recognised under other comprehensive revenue and expense and are accumulated in an asset revaluation reserve for the class of assets. Where this results in a debit balance in the reserve for a class of assets, the balance is expensed in surplus or deficit in the statement of comprehensive revenue and expense. Any subsequent increase in value that offsets a previous decrease in value will be recognised firstly in surplus or deficit in the statement of comprehensive revenue and expense up to the amount previously expensed, with any remaining increase recognised in the revaluation reserve.

Work in progress

Work in progress represents the cost of capital expenditure projects that are not financially and operationally complete. Capital work in progress is recognised at cost less impairment and is not depreciated.

The cost of assets within work in progress is transferred to the relevant asset class when the asset is in the location and condition necessary for its intended use.

Depreciation

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant or equipment less any residual value, over its remaining useful life. The residual value and useful life of an asset is reviewed and adjusted if applicable, at the end of each financial year.

Depreciation is charged on all assets other than land, certain parts of roading, river control and seawalls, that are composed of at least 80 percent base course and/or rocks, as these assets are considered to have indefinite useful lives. Regular inspections of these assets are undertaken to check for impairment.

Depreciation is not charged on work in progress until such time as the asset under construction is in its intended location and in use.

Disposal

Gains and losses on disposal of property, plant and equipment are recognised in surplus or deficit in the statement of comprehensive revenue and expense in the financial year in which they are sold.

When revalued assets are sold, the amounts included in asset revaluation reserves in respect of those assets are transferred to accumulated funds.

Asset category	Useful life for new assets (years)
Operational assets	
Buildings	3–75
Computer equipment	3–5
Furniture and chattels	3–25
Heritage assets	100
Library collection	5–7
Motor vehicles, trucks, motorcycles	10
Office equipment	3–10
Other improvements	4–100
Public art	10–75
Plant and machinery	
Tractors, trailers, heavy mowers	5–10
Other plant	3–20
Otaihanga Landfill post closure	8
Infrastructural assets	
Bridges	50–100
Seawalls	
Concrete, posts, rails, panels, rocks	5–60
River control	
Bank protection	50

Asset category	Useful life for new assets (years)
Roading	
Footpaths	50–60
Surfacing	14–20
Signs, railings, street lights, traffic signals	10–50
Drainage, surface water channels, sumps, sump leads, traffic islands	20–80
Stormwater	
Stormwater flood maps	10
Pump stations, manholes, Pipes	10–100
50–100	
Wastewater	
Pumps and pump stations	15–80
Manholes, cleaning eyes	90
Pipes	70–90
Treatment plant	5–50
Water	
Storage	60–80
Booster stations	10–80
Hydrants, valves, tobies	50–70
Meters	25
Pipes	30–90
Treatment plant	3–80

Impairment

The Council's assets are defined as cash generating if the primary purpose of the asset is to provide a commercial return. Non-cash generating assets are assets other than cash-generating assets.

The carrying value of cash-generating property, plant and equipment assets are reviewed at least annually to determine if there is an indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and an impairment loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported in surplus or deficit unless the asset is carried at a revalued amount, in which case any impairment loss is treated as a revaluation decrease and recorded within the statement of comprehensive revenue and expense.

The carrying value of non-cash-generating property, plant and equipment assets are reviewed at least annually to determine if there is an indication of impairment. Where an asset's recoverable service amount is less than its carrying amount, it will be reported at its recoverable service amount and an impairment loss will be recognised. The recoverable service amount is the higher of an item's fair value less costs to sell and value in use. A non-cash generating asset's value in use is the present value of the asset's remaining service potential. Losses resulting from impairment are reported in surplus or deficit unless the asset is carried at a revalued amount, in which case any impairment loss is treated as a revaluation decrease and recorded within the statement of comprehensive revenue and expense.

Revaluation methodology

Description	Date of last asset valuation	Valuation method used to assess fair value	Next asset revaluation date
Operational assets			
Land and buildings	30 June 2020	Where comparable sales evidence is available, the fair value of land and buildings was based on the capitalised income and/or direct comparison approach. The capitalised income approach is whereby a yield is applied to the property's rental income to assess its value. The direct comparison approach is where recent sales of similar properties are used to establish its value and compared based on quality age, condition and size of improvements, location, land area and shape. Where it is identified that the land is designated reserve, the appropriate adjustments to reflect the restricted nature of any future development potential has been made. Where comparable sales evidence is minimal or non-existent the summation approach has been utilised whereby the value of a property is assessed by separately obtaining the value of the land and buildings components. The land component has been derived from values of comparably zoned land in surrounding areas making due allowance for the size, character of location and other constraints. The building and site improvements has been determined by establishing their estimate costs to replace with an equivalent new asset less depreciation for their physical, functional and economic obsolescence. The most recent independent valuation was performed by AON Valuation Services.	30 June 2023
Infrastructural assets			
Roading, footpaths, bridges, and culverts	30 June 2022	The fair value is measured using the optimised depreciated replacement cost method. The valuation is based on the inventory within the Road Assessment and Maintenance Management (RAMM) database and unit prices updated by WSP New Zealand Limited as part of the valuation. The rates for replacement costs of assets are based on current construction costs of similar works. Rates for major items are equivalent rates for similar roading work in other parts of the Wellington region. Unit rates have been adjusted using the appropriate roading construction index. The most recent independent valuation was performed by WSP New Zealand Limited.	30 June 2023
Land under roads	30 June 2020	This represents the corridor of land directly under and adjacent to the Council's roading network. The fair value is based on the average market value of land by location and land use. The average market value is obtained from per hectare value of "across the fence" adjoining land discounted by 50 percent to reflect its restricted nature. The most recent independent valuation was performed by AON Valuation Services.	30 June 2023
Water, wastewater, stormwater, seawall, river control	30 June 2022	The fair value is measured using the optimised depreciated replacement cost method. Valuations are based on the physical attributes of the assets, their condition and their remaining lives based on Council's best information reflected in its assets management plans. The costs are based on current quotes from suppliers and as such they include ancillary cost such as breaking through seal, traffic control and rehabilitation. Unit rates are adjusted using the appropriate water and environmental management index. The most recent independent valuation was performed by WSP New Zealand Limited.	30 June 2023
Restricted assets			
Parks and reserves structures	30 June 2020	The fair value is measured using summation approach. The value has been determined by first establishing their estimated average costs to replace each asset type with an equivalent new asset less depreciation for their physical, functional and economic obsolescence. The most recent independent valuation was performed by AON Valuation Services.	30 June 2023

The Council has elected to revalue property, plant and equipment as follows:

Asset classification	Next revaluation	Subsequent revaluation
Water, wastewater, and stormwater (including seawalls and river control)	30 June 2023	Every three years thereafter
Roading and bridges (excluding land under roads)	30 June 2023	Every two years thereafter
Land and buildings (including land under roads revaluations)	30 June 2023	Every three years thereafter
Parks and reserves structures	30 June 2023	Every three years thereafter

Property, plant, and equipment (continued)			
Summary of gains/(losses) on disposal of property, plant, and equipment 2021/22	Net sale proceeds \$000	Carrying amount \$000	2021/22 gain/(loss) \$000
Buildings	-	101	(101)
Land	2,975	1,715	1,260
Plant and machinery	12	1	11
Motor vehicles	41	-	41
Closing balance	3,028	1,817	1,211

Methodology

The roading and bridge assets have been valued on a replacement cost basis in accordance with accepted New Zealand accounting practices.

Replacement cost is the cost of building the existing infrastructure using present-day technology, while maintaining the originally designed level of service, and assuming present day technology ensures that no value results from the additional cost of outdated and expensive methods of construction. Maintaining the original level of service ensures the existing asset with all its faults is valued instead of a currently desirable alternative.

Three waters Reform Programme

In July 2020, the Government launched the Three Waters Reform Programme with the goal of reforming three waters service delivery arrangements across the country. Currently 67 different councils own and operate the majority of the drinking water, wastewater and stormwater services across New Zealand. The Government announced in October 2021 that it will legislate the reform of local government's three waters services into four multi-regional entities, with effect from 1 July 2024. The Water Services Entities Bill giving effect to these entities was issued in June 2022 and will progress through the select committee process in late 2022.

Details of revenues, expenses, assets and liabilities that will transfer to the new entities from Councils are still to be determined. There is likely to be a material impact on the Council's financial statements from 1 July 2024. No allowance has been made in the 30 June 2022 financial statements for this possibility. The combined book value of the three waters assets at 30 June 2022 is \$384.4 million.

12. Intangible assets

2020/21 Actual \$000		2021/22 Actual \$000
	Computer Software	
	Cost	
2,104	Opening balance	2,492
151	Additions	9
815	Transfers during the year	549
(578)	Disposals during the year	-
2,492	Closing balance	3,050
	Amortisation	
1,299	Opening balance	1,063
342	Amortisation during the year	450
(578)	Disposals during the year	-
1,063	Closing balance	1,513
1,429	Carrying Value	1,537
	Right of Use	
	Cost	
1,600	Opening Balance	1,702
-	Additions	-
102	Transfers during the year	-
1,702	Closing balance	1,702
	Amortisation	
17	Opening Balance	65
48	Amortisation during the year	54
65	Closing balance	119
1,637	Carrying Value	1,583
3,066	Total carrying value	3,120

Accounting policy

Carrying value

An intangible asset is an identifiable non-monetary asset without physical substance. An asset is a resource that is controlled by the entity as a result of past events and from which future economic benefits are expected.

Intangible assets are carried at cost, less any accumulated amortisation and impairment losses.

An intangible asset is initially capitalised on the basis of the costs incurred to either develop or acquire it and bring it to the location and condition required for its intended use.

The useful lives of intangible assets have been established as follows:

- Computer software 3-5 years
- Right of use Kāpiti Performing Arts Centre 48 years
- Right of use Ōtaki Gymnasium 5 years

Impairment

The carrying value of intangible assets are reviewed at least annually to determine if there is an indication of impairment. Where an asset's recoverable amount is less than its carrying amount, it will be reported at its recoverable amount and a loss will be recognised. The recoverable amount is the higher of an item's fair value less costs to sell and value in use. Losses resulting from impairment are reported in surplus or deficit.

Amortisation

The carry amount 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 financial year is recognised in the surplus or deficit.

13. Insurance

To reduce the cost of insurance, the Council uses a combination of:

- 1) Transferring the risk by purchasing external insurance cover.
- 2) Sharing the risk between councils. The Council participates in an outer Wellington shared services insurance programme with Porirua, Hutt and Upper Hutt City Councils for the risk of material damage and business interruption arising from damage to property, plant and equipment and infrastructure assets, both above and below ground. This policy includes cover in the event of a natural catastrophe.
- 3) The Council's maximum limits of liability for the Kāpiti District's infrastructure assets have been determined independently through earthquake and liquefaction loss estimate analysis completed by Tonkin Taylor Limited.
- 4) The total value of the Council's assets that are covered by insurance contracts and/or financial risk-sharing arrangements and the maximum insurance amount available to the Council are included in the table below.
- 5) The Council does not insure land, roading, bridges or its forestry and does not administer or hold a restricted self-insurance fund.
- 6) The Council holds sufficient professional liability and indemnity insurance cover.

Asset	Type of insurance	Total value of Council assets covered by financial risk-sharing arrangements as at 30 June 2022	Maximum limit of insurance cover available to the Council under those arrangements as at 30 June 2022
Property, plant and equipment and above-ground infrastructural assets	Material damage and business interruption	\$193 million	\$600 million for any one loss or series of losses arising out of any one event and applying to material damage and business interruption combined.
Residential property	Earthquake Commission (EQC) and material damage	\$34 million	Natural catastrophe: First \$0.1 million for each loss event per property to be recovered from the EQC. Any remaining top-up required per loss event per property to a maximum of \$34 million for 129 properties. All other losses: Replacement value per loss event per property to a maximum of \$34 million for 129 properties.
Motor vehicles	Comprehensive motor vehicle cover	\$4.074 million	Fleet vehicles: Market or lease value of insured vehicle at the time and place of loss, additional vehicles limited to \$0.4 million for any one insured vehicle, unless notified to insurer. Third party liability: limit indemnity of \$20 million for any one claim or series of claims arising from any one accident.
Underground infrastructural assets	Material damage and business interruption in the event of natural catastrophe	\$691 million	\$600 million combined material damage and business interruption limit for an event involving more than one council for any loss or series of losses arising out of any one event and is subject to one automatic reinstatement at nil charge. Limited to a \$130 million sub-limit for Kāpiti Coast District Council.

14. Trade and other payables

2020/21 Actual \$000		2021/22 Actual \$000
	Trade and other payables	
14,257	Trade creditors	14,575
1,007	Contract retentions	1,000
2,199	Greater Wellington Regional Council rates payable	2,354
1,103	Interest payable	1,413
1,275	Rates received in advance	1,367
1,007	Sundry payables	1,221
20,848	Total trade and other payables	21,930

Accounting policy

Trade and other payables are initially recognised at fair value. Those with maturities beyond 12 months are subsequently measured at amortised cost using the effective interest rate method.

15. Employee benefit liabilities

2020/21 Actual \$000		2021/22 Actual \$000
	Current	
42	Long service leave	54
401	Salaries	564
74	Sick leave	110
2,429	Annual leave	2,539
2,946	Total current employee benefit liabilities	3,267
	Non-current	
55	Long service leave	55
52	Retirement gratuities	54
107	Total non-current employee benefit liabilities	109
3,053	Total employee benefit liabilities	3,376

Accounting policy

Short-term employee entitlements

Employee entitlements for salaries and wages, annual leave, long service leave, sick leave, and other such benefits are recognised in surplus or deficit when they accrue to employees. Employee entitlements to be settled within 12 months are reported at the amount expected to be paid.

A liability for sick leave is recognised only to the extent that absences in the following financial year are expected to exceed the full sick leave entitlements to be earned in that year.

Long-term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, 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, contractual entitlement information, and
- present value of the estimated future cash flows.

Employer contribution to pension schemes

Contributions to defined contribution retirement schemes such as KiwiSaver, are recognised in surplus or deficit in the statement of comprehensive revenue and expense when they accrue to employees.

16. Deposits

2020/21 Actual \$000		2021/22 Actual \$000
	Deposits	
14	Hall deposits	15
12	Miscellaneous deposits	16
581	Resource consent planning bonds	670
818	Road damage deposits	991
1,425	Total deposits	1,692

Accounting policy

Deposits are non-interest bearing and normally settle within 12 months, therefore the carrying values approximate fair value.

17. Borrowings

2020/21 Actual \$000		2021/22 Actual \$000
45,000	Short-term borrowings	45,000
185,000	Long-term borrowings	210,000
230,000	Total borrowings	255,000
	Maturity	
45,000	2021/22	-
40,000	2022/23	45,000
45,000	2023/24	55,000
35,000	2024/25	50,000
30,000	2025/26	50,000
20,000	2026/27	25,000
10,000	2027/28	25,000
5,000	2028/29	5,000
230,000	Total borrowings	255,000

Accounting policy

Borrowings are initially recognised at face value plus transaction cost. After initial recognition, all borrowings are measured at amortised cost using the effective interest rate.

Due to interest rates on debt resetting to the market rate every three months, the carrying amounts of the secured loans approximate their fair value.

Borrowings are primarily used to fund the purchase of new assets or upgrades to existing assets that are approved through the Annual Plan and Long-term Plan processes.

The Council joined the NZ Local Government Funding Agency (LGFA) as a shareholder in October 2012 and has borrowed longer term funding through the LGFA to make savings on interest rate margins. As at balance date, \$255 million (2021: \$230 million) of Council's total borrowings were funded through LGFA.

The Council's borrowings from the LGFA are secured by a Debenture Trust Deed over Council rates revenue.

As at balance date, the effective weighted average interest rate on Council's borrowings was 3.37 percent (2021: 3.78 percent).

Net borrowings at 30 June

2020/21 Actual \$000		2021/22 Actual \$000
230,000	Total gross borrowings	255,000
	Less	
(11,133)	Cash and cash equivalents (note 7)	(15,274)
(60,000)	Term deposits > 3 months (note 10)	(65,000)
(4,220)	Borrow notes – NZ Local Government Funding Agency (note 10)	(5,250)
154,647	Net borrowings	169,476

18. Provisions

2020/21 Actual \$000		2021/22 Actual \$000
	Landfill aftercare	
2,752	Opening balance	2,505
638	Increase/(decrease) in provision	(18)
(885)	Expenditure	(412)
2,505	Closing balance 30 June	2,075
	Other provisions	
225	Opening balance	91
–	Increase/(decrease) in provision	289
(134)	Expenditure	(39)
91	Closing balance 30 June	341
2,596	Total provisions	2,416

Accounting policy

The 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 expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the level of expenditure expected to be required to settle the obligation. Material liabilities and provisions to be settled beyond 12 months are recorded at their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Provisions		
2020/21 Actual \$000		2021/22 Actual \$000
	Current	
28	Provision for landfill aftercare	101
91	Other provisions	308
119	Total current provisions	409
	Non-current	
2,477	Provision for landfill aftercare	1,974
–	Other provisions	33
2,477	Total non-current provisions	2,007
2,596	Total provisions	2,416

Landfill aftercare provision

The Council currently operates the Otaihanga landfill and also manages the Ōtaki and Waikanae sites which are now closed.

The Council obtained a resource consent for 35 years in 1994 to operate the Otaihanga landfill. The Council has responsibility under the Resource Management Act 1991 to provide ongoing maintenance and monitoring of landfills after closure.

These closure responsibilities include:

- final cover application and vegetation
- provision and maintenance of stormwater control features
- completing wetlands for leachate treatment and monitoring, and
- monitoring and management of any landfill gas.

Post-closure responsibilities include:

- monitoring of leachate
- groundwater monitoring and surface water monitoring, and
- ongoing site maintenance for stormwater control, final cover and vegetation.

The Otaihanga landfill has been closed for general waste since 2007 and stopped accepting biosolids during 2015/16. Cleanfill (capping material) will however continue to be accepted until final closure. During June 2020, the Council reviewed the current useful life of the landfill due to the capping works progressing faster than initially projected. This has resulted in the final closure date being brought forward from the 2026 resource consent closure date to June 2022.

The annual cost for monitoring and maintenance of the Otaihanga landfill site is estimated to be \$90,140 for the first year, \$77,877 for the following three years after closure and then an annual monitoring cost of between \$77,877 and \$90,140 for the remaining 26 years.

The annual cost for monitoring the closed landfill in Waikanae is \$6,359 and will be required until 2030.

The annual cost for monitoring the closed landfill in Ōtaki is \$6,326 and will be required until 2026.

The long-term nature of the liability means that there are inherent uncertainties in estimated costs that will be incurred.

The provision is calculated as the present value of the expected cost to settle the obligation, using estimated cash flows and a discount rate that reflects the risks specific to the liability.

The Council has continued to apply the discount rate of 100 percent of the Government's risk-free rate.

This was done as a result of the final closure date of the landfill being brought forward by four years as well as more certainty around the estimated future cost.

The average government risk-free rate at 30 June 2022 was 4.03 percent (2.26 percent in 2020/21).

The provision is based on best estimated information available when preparing the calculation and is reviewed at reporting date.

Accounting policy

Landfill aftercare costs

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 post-closure.

The provision is based on the nominal value of future cash flows expected to be incurred, taking into account future events including known change to legal requirements and technology. The provision includes all costs associated with landfill post-closure including final cover application and vegetation, incremental drainage control features, completing facilities for leachate collection and monitoring, completing facilities for water quality monitoring, and completing facilities for monitoring and recovery of gas.

The provision is calculated as the present value of the expected cost to settle the obligation, using estimated cash flows and a discount rate that reflects the risks specific to the liability.

Equity

Equity is the community's interest in the council and is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into a number of components to enable clearer identification of the specified uses of equity.

The components of public equity are accumulated funds, revaluation reserves, and reserves and special funds. Refer to the statement of changes in net asset/equity for the year-on-year movements of the various components.

19. Revaluation reserve

	Opening balance Actual \$000	Increase Actual \$000	Decrease Actual \$000	Closing balance 2021/22 Actual \$000
Land and buildings	64,225	-	(174)	64,051
Roading and bridges	725,784	52,829	-	778,613
Water	19,713	21,740	-	41,453
Wastewater	74,695	33,001	-	107,696
Stormwater and river control	37,695	9,501	-	47,196
Total revaluation reserve	922,112	117,071	(174)	1,039,009

The revaluation reserves are used to record accumulated increases and decreases in the fair value of certain asset classes. Revaluation movements are non-cash in nature and represent the restating of the Council's assets, subject to revaluation, into current dollar values after taking into account the condition and remaining lives of the assets.

Accounting policy

Restricted reserves are those subject to specific conditions accepted as binding by the Council which may not be revised by the Council without reference to the courts or a 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 created by a 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 Council's discretion.

20. Reserves and special funds

	Opening balance Actual \$000	Transfers into reserve Actual \$000	Transfers out of reserve Actual \$000	Closing balance 2021/22 Actual \$000
Restricted reserves				
Plant purchase and renewal fund	1,392	375	(600)	1,167
Waikanae property fund	169	2	–	171
Waikanae capital improvements fund	936	15	(38)	913
Total restricted reserves	2,497	392	(638)	2,251
Council-created reserves				
Contingency fund	312	432	–	744
Paekākāriki Campe Estate	108	1	(2)	107
Roading reserve	785	2	–	787
Election reserve	(18)	58	(62)	(22)
LTP Reserve	(32)	45	(126)	(113)
Financial contribution reserve	3,855	2,358	(335)	5,878
Total Council-created reserves	5,010	2,896	(525)	7,381
Total reserves and special funds	7,507	3,288	(1,163)	9,632

Plant purchase and renewal fund

The purpose of the reserve is to fund ongoing replacement of plant and vehicles when this falls due. The reserve is funded from depreciation charges on our current plant and vehicles.

Waikanae property fund

The purpose of the reserve is to fund improvements to Council-owned properties in Waikanae. The source of funds is the proceeds from sale of other council property in the Waikanae ward (excluding districtwide funded properties).

Waikanae capital improvements fund

The purpose of the reserve is to fund capital improvements in the Waikanae ward and also to provide capital grants to Waikanae organisations in accordance with approved criteria. The source of funds is Waikanae ward's share of the property assets of the Horowhenua County Council and interest earned on the capital sum.

Contingency fund

This is a discretionary fund for the purpose of funding unexpected legal expenditure across the district, e.g. leaky home claims, flood events and insurance excess.

Paekākāriki Campe Estate

The purpose of the reserve is to fund administration of the Paekākāriki Campe Estate for the benefit of the youth of Kāpiti. The source of the funds is the proceeds from sale of the property owned by Mr Campe plus interest on the capital sum.

Roading reserve upgrading contributions

The purpose of the reserve is to fund road upgrading works. The source of funds was road upgrading development contributions from developers.

Election reserve

The purpose of the reserve is to fund the three-yearly election cycle.

Long-term Plan reserve

The purpose of the reserve is to fund the three-yearly Long-term Plan.

Financial contribution reserve

Financial contributions are a contribution of money, land, or a combination of both. The purpose of a financial contribution (consisting mainly of reserves contributions) is to address the specific adverse effects generated by a land-use activity or subdivision. This includes effects on open spaces and reserves; upgrading off-site infrastructure, before programmed works that will address any environmental effects created by the proposed development; significant heritage and ecological features; and riparian margins.

21. Reconciliation of operating surplus/(deficit) to cash flow from operating activities

2020/21 Actual \$000		2021/22 Actual \$000
20,825	Net operating surplus/(deficit) for the year	30,300
	Add/(less) non-cash items	
22,223	Depreciation and amortisation expense	23,421
(3,101)	Vested assets	(732)
(13,963)	Unrealised loss/(gain) on revaluation of financial derivatives	(23,370)
–	Impairment of loans	443
5,159	Total non-cash items	(238)
	Add/(less) items classified as investing or financing activities	
37	Loss/(gain) on disposal of property, plant and equipment and intangibles	(1,211)
(7,321)	Proceeds from capital grants	(7,417)
8,396	Interest on borrowings	8,232
1,112	Total investing or financing activities	(396)
	Add/(less) movements in working capital items	
(1,480)	(Increase)/decrease in receivables	(2,810)
4	(Increase)/decrease in inventory	(9)
8,721	Increase/(decrease) in payables	1,082
353	Increase/(decrease) in employee entitlements	323
244	Increase/(decrease) in deposits	267
(381)	Increase/(decrease) in provisions	(180)
7,461	Total movement in working capital	(1,327)
34,557	Net cash inflow/(outflow) from operating activities	28,339

22. Financial instruments

Accounting policy

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets include cash and cash equivalents, receivables (net of doubtful debt provisions), community loans, and other interest-bearing assets, and investments in unlisted shares.

Council's financial assets are classified into the following categories for the purpose of measurement:

Financial assets at amortised cost

Loans and receivables

These are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value. Loans and receivables with maturities beyond 12 months are subsequently measured at amortised cost using the effective interest method, less any impairment.

Financial assets at fair value through surplus or deficit

Derivatives

Financial assets in this category include derivatives and financial assets that are held for trading. They are initially recognised at fair value and subsequent measurement is on the same basis, i.e., fair value. Gains or losses on revaluation or impairment are recognised in surplus or deficit in the statement of comprehensive revenue and expense.

Financial assets at fair value through other comprehensive revenue and expense

Available for sale financial assets

These are non-derivative financial assets that are designated as available for sale or do not fall within any of the above classifications of (a) loans and receivables, (b) held-to-maturity investments, or (c) financial assets at fair value through surplus or deficit.

They are initially recorded at fair value plus transaction costs directly attributable to the acquisition or issue and are subsequently measured at fair value less any impairment.

If the asset is an equity instrument that does not have a quoted price in an active market and fair value cannot be reliably measured, the asset is measured at cost.

Any gains or losses are recognised in other comprehensive revenue and expense, except for impairment losses which are recognised in surplus or deficit in the statement of comprehensive revenue and expense.

Impairment of financial assets

Financial assets are assessed at each reporting period for impairment.

For loans and receivables and held-to-maturity investments, impairment is established when there is evidence that the credit risk on a financial asset has increased significantly since initial recognition. When making the assessment, the Council uses the change in the risk of default occurring over the expected life of the financial asset. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation, and default in payments are indicators that the asset is impaired.

For available for sale financial assets impairment is first recognised as a reversal of previously recorded revaluation reserve for that class of asset. Where no reserve is available, the impairment is recognised in the surplus/(deficit) in the prospective statement of comprehensive revenue and expense.

The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written off against the allowance account.

Financial liabilities

Financial liabilities at amortised cost

(i) Trade and other payables

Trade and other payables are initially recognised at fair value. Those with maturities beyond 12 months are subsequently measured at amortised cost using the effective interest rate method.

(ii) Borrowings

Borrowings are initially recognised at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities at fair value through surplus or deficit

(iii) Derivative financial instruments

The Council uses derivative financial instruments in the form of interest rate swaps to manage interest rate risks arising from borrowing activities. In accordance with its Treasury Management Policy, the Council does not hold or issue derivative financial instruments for trading purposes.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into, and subsequently re-measured to fair value at the end of each reporting period.

Derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. The fair value is determined using a valuation technique based on cash flows discounted to present value using current market interest rates. Fair value gains or losses on revaluation are recognised in surplus or deficit in the statement of comprehensive revenue and expense.

The Council has not adopted hedge accounting.

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

Financial instruments categories

2020/21 Actual \$000		2021/22 Actual \$000
	Financial assets	
	Loans and receivables	
11,133	Cash and cash equivalents	15,274
8,049	Trade and other receivables	13,023
788	Loans	321
4,220	NZ Local Government Funding Agency borrower notes	5,250
60,000	Term deposits	65,000
84,190	Total loans and receivables	98,868
	Available-for-sale	
21	Fonterra perpetual notes	20
100	Shares in NZ Local Government Funding Agency	100
14	Shares in Civic Financial Services	15
135	Total available-for-sale	135
	Fair value through other comprehensive revenue and expenses	
	Derivative financial instruments	
2	Current	113
888	Non-current	9,996
890	Total fair value through other comprehensive revenue and expenses	10,109
	Financial liabilities	
	Fair value through surplus or deficit	
	Derivative financial instruments	
377	Current	55
14,226	Non-current	396
14,603	Total fair value through surplus or deficit	451
	Financial liabilities at amortised cost	
19,573	Trade and other payables	20,563
230,000	Borrowings	255,000
249,573	Total financial liabilities at amortised cost	275,563

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 arm's length transaction. The fair values of all financial instruments equate to the carrying amount recognised in the statement of financial position.

Fair value hierarchy disclosures

For those instruments recognised at fair value in the statement of financial position, fair values are determined according to the following hierarchy.

- 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.

There were no transfers between the different levels of the fair value hierarchy.

The table below analyses the basis of the valuation of classes of financial instruments measured at fair value in the statement of financial position.

Fair value hierarchy disclosures								
\$000	2021/22				2020/21			
	Quoted market price	Valuation technique – market observable inputs	Valuation technique – non-market observable inputs	Total	Quoted market price	Valuation technique – market observable inputs	Valuation technique – non-market observable inputs	Total
	(level 1)	(level 2)	(level 3)		(level 1)	(level 2)	(level 3)	
Financial assets								
Perpetual notes	–	20	–	20	–	21	–	21
Shares in LGFA	–	100	–	100	–	100	–	100
Shares in Civic Financial Services	–	15	–	15	–	14	–	14
Derivative financial instruments	–	10,109	–	10,109	–	890	–	890
Total	–	10,244	–	10,244	–	1,025	–	1,025
Financial liabilities								
Derivative financial instruments	–	451	–	451	–	14,603	–	14,603
Total	–	451	–	451	–	14,603	–	14,603

Financial risk management

As part of its normal operations, the Council is exposed to a variety of risks. The most significant are credit risk, liquidity risk and interest rate risk. The Council's exposure to these risks and the action that it 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 concentration 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 table below analyses the Council's financial assets into relevant maturity groupings based on the remaining period at balance date to the contractual maturity date.

The amounts disclosed are the contractual undiscounted cash flows and include interest receipts.

Contractual maturity analysis of financial assets						
	Carrying amount	Total contractual cashflow	0–12 months	1–2 years	2–5 years	More than 5 years
2021/22	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	15,274	15,274	15,274	–	–	–
Derivative financial instruments	10,109	9,985	1,833	1,713	4,426	2,013
Trade and other receivables	13,023	13,023	13,023	–	–	–
Loan receivables	764	895	60	51	606	178
Term deposits	65,000	67,329	46,271	21,058	–	–
LGFA borrower notes	5,250	5,787	836	1,216	2,878	857
Total	109,420	112,293	77,297	24,038	7,910	3,048

Contractual maturity analysis of financial assets

	Carrying amount	Total contractual cashflow	0–12 months	1–2 years	2–5 years	More than 5 years
2020/21	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	11,133	11,133	11,133	–	–	–
Derivative financial instruments	890	867	143	139	396	189
Trade and other receivables	8,049	8,049	8,049	–	–	–
Loan receivables	788	945	60	60	125	700
Term deposits	60,000	60,876	60,876	–	–	–
LGFA borrower notes	4,220	4,481	765	698	2,224	794
Total	85,080	86,351	81,026	897	2,745	1,683

The Council is exposed to credit risk as a guarantor of all of the LGFA's borrowings. Information about this exposure is explained in note 28.

Credit quality 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).

Counterparties with credit ratings

	2021/22	2020/21
	\$000	\$000
Cash and cash equivalents and term deposits – registered banks		
AA-	80,274	71,133
LGFA borrower notes		
AA+	5,250	4,220
	85,524	75,353

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 manages its borrowings in accordance with its Treasury Management Policy. Council has a \$10 million credit line facility with Westpac Banking Corporation, plus a standby facility of \$10 million with LGFA. The Council is exposed to liquidity risk as a guarantor of all of the LGFA's borrowings. Information about this exposure is explained in note 28. The table below sets out the contractual cash flows from all financial liabilities that are settled on a gross cash flow basis. Contractual cash flows for financial liabilities comprise the nominal amount and interest payments.

Contractual maturity analysis of financial liabilities						
	Carrying amount	Total contractual cash flows	0–12 months	1–2 years	2–5 years	More than 5 years
2021/22	\$000	\$000	\$000	\$000	\$000	\$000
Trade and other payables	20,563	20,563	20,563	–	–	–
Deposits	1,692	1,692	1,692	–	–	–
Derivative financial instruments	451	614	349	168	97	–
Borrowings	255,000	272,836	50,868	59,722	131,641	30,605
Total	277,706	295,705	73,472	59,890	131,738	30,605

Contractual maturity analysis of financial liabilities						
	Carrying amount	Total contractual cash flows	0–12 months	1–2 years	2–5 years	More than 5 years
2020/21	\$000	\$000	\$000	\$000	\$000	\$000
Trade and other payables	19,573	19,573	19,573	–	–	–
Deposits	1,425	1,425	1,425	–	–	–
Derivative financial instruments	14,603	15,316	4,536	3,831	5,991	958
Borrowings	230,000	236,464	46,962	41,548	112,538	35,416
Total	265,601	272,778	72,496	45,379	118,529	36,374

Interest rate risk

The main objective of interest rate risk management is to reduce uncertainty around net interest expense as interest rates change.

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. Borrowings and investments issued at fixed rates expose the Council to fair value interest rate risk. The Council's Treasury Management Policy outlines the level of borrowing that is to be secured using fixed rate instruments.

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.

Generally, the Council raises long-term borrowings at floating rates and swaps them into fixed rates using interest rate swaps in order to manage the cash flow interest rate risk. Such Interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if 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 contracted fixed rates and floating-rate interest amounts calculated by reference to the agreed notional principal amounts.

As at 30 June 2022, the Council has interest rate swap agreements in place in relation to its borrowing programme. Including forward start swaps, the notional contract value of these agreements was \$207 million (2021: \$215 million).

The fixed interest rate range for the Council's interest rate swaps are 0.31 percent to 5.05 percent. The net fair value of the interest rate swaps as at 30 June 2022 was \$9.4 million net liability (2021: \$14.5 million net liability).

The movement in the fair value of interest rate swaps at balance date is taken directly to surplus or deficit of the statement of comprehensive revenue and expense.

Sensitivity analysis

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

The tables on the following page illustrate the potential effect on the net operating surplus or deficit for reasonably possible market movements, with all other variables held constant, based on the Council's financial instrument exposures at balance date.

Fair value sensitivity				
\$000	2021/22		2020/21	
	+100 BPS	-100 BPS	+100 BPS	-100 BPS
Interest rate risk				
Financial assets				
Cash and cash equivalents	–	–	–	–
Other financial assets – term deposits	650	(650)	600	(600)
Derivative financial instruments	5,705	(6,104)	1,595	(1,595)
Financial liabilities				
Derivative financial instruments	717	(754)	6,880	(6,880)
Borrowings	–	–	–	–
Gain/(loss)	7,072	(7,508)	9,075	(9,075)

Cash flow sensitivity				
\$000	2021/22		2020/21	
	+100 BPS	-100 BPS	+100 BPS	-100 BPS
Interest rate risk				
Financial assets				
Cash and cash equivalents	153	(153)	111	(111)
Other financial assets – LGFA notes	53	(53)	42	(42)
Derivative financial instruments	1,600	(1,600)	350	(350)
Financial liabilities				
Derivative financial instruments	470	(470)	1,800	(1,800)
Borrowings	(2,550)	2,550	(2,300)	2,300
Gain/(loss)	(274)	274	3	(3)

23. Related party disclosures

Related party transactions – key management personnel

For the purposes of related party disclosures, key management personnel include the Mayor, Councillors, the Chief Executive, and the Senior Leadership Team.

During the year, key management personnel have been involved in transactions with the Council that are of a minor and routine nature and were conducted at arm's length, such as payment of rates. These transactions have been conducted on normal commercial terms.

As at balance date, there were no commitments from the Council to key management personnel. The Mayor and Councillors disclose their personal interest in a register available on the Council website.

The Local Government Act 2002 requires the Council to disclose the total remuneration of key management personnel for the reporting period.

Key management personnel

Members	Full Year 2021/22	Full Year 2020/21
Elected members, including the Mayor	28	27
Senior Leadership Team: including the Chief Executive Officer	9	7
Total Members	37	34

Remuneration	2021/22 Actual \$000	2020/21 Actual \$000
Elected members, including the Mayor	812	798
Senior Leadership Team: including the Chief Executive Officer	1,901	1,603
Total remuneration key management personnel	2,713	2,401

24. Remuneration and staffing levels

Councillors and elected members' remuneration

Council members are paid an annual salary and their phone and broadband costs are subsidised. Total remuneration paid for the year ended 30 June 2022 is summarised as follows.

Remuneration of Councillors and elected members July 2021 to June 2022

2021/22 Name	Total remuneration Actual \$000
Councillors	
K Gurunathan – Mayor	134
Angela Buswell	52
Bernie Randall	47
Gwynn Compton	52
Jackie Elliott	52
James Cootes	57
Janet Holborow	62

Remuneration of Councillors and elected members July 2021 to June 2022

2021/22 Name	Total remuneration Actual \$000
Jocelyn Prvanov	47
Martin Halliday	47
Rob McCann	52
Sophie Handford	47
Paekākāriki Community Board members	
Holly Ewens (Chair)	9
Tina Pope (Deputy Chair)	5
Dan O'Connell	5
Jess Hortop	5
Paraparaumu – Raumati Community Board members	
Kathy Spiers (Chair)	21
Guy Burns (Deputy Chair)	11
Grace Lindsay	11
Jonny Best	11
Ōtaki Community Board members	
Christine Papps (Chair)	17
Marilyn Stevens (Deputy Chair)	9
Shelly Warwick	9
Cam Butler – appointed 20 July 2021	7
Waikanae Community Board members	
James Westbury (Chair)	18
Margaret Stevenson-Wright (Deputy Chair) – resigned 31 August 2021	3
Richard Mansell	9
Tonchi Begovich	9
Michelle Lewis – appointed 22 December 2021	4
Total	812

Chief Executive Officer's remuneration

For the year ended 30 June 2022, the Council's Chief Executive, Wayne Maxwell, who was appointed under Section 42(1) of the Local Government Act 2002, received a remuneration package of \$379,808 (2021: \$320,000 p.a.). This included accumulated annual leave paid out up until 30 June 2022, but excludes the severance payment mentioned in the severance section of this report.

Number of employees				
2020/21 (full-time equivalent)	2020/21 (headcount)		2021/22 (full-time equivalent)	2021/22 (headcount)
304	348	Permanent employees	317	365
49	109	Temporary employees	44	48
353	457	Total full time equivalent employees	361	413

Salary bands		
Number of employees (headcount) 2020/21		Number of employees (headcount) 2021/22
224	Less than \$60,000	156
86	\$60,000 – \$79,999	95
66	\$80,000 – \$99,999	68
38	\$100,000 – 119,999	42
22	\$120,000 – \$139,999	26
12	\$140,000 – \$159,999	15
2	\$160,000 – \$199,999*	6
7	\$200,000 – \$379,999*	5
457	Total remuneration	413

*If the number of employees for any band was 5 or less we are legally required to combine it with the next highest band.

The Council also employs casual staff throughout the year to provide additional resourcing for seasonal work and workload peaks, to cover staff absences, and to support other one-off events. Casual staff are not included in the above headcount.

Included in Staff remuneration is severance payment made to six Employees (2021: two) totalling \$142,901 (2021: \$9,902). The value of each of the severance payments were: \$11,500, \$16,101, \$5,316, \$29,193, \$26,231 and \$53,750. In addition, the Chief Executive received a severance payment of \$218,999 inclusive of associated holiday pay entitlements and KiwiSaver entitlements.

25. Commitments and operating leases

Capital commitments

2020/21 Actual \$000		2021/22 Actual \$000
21,417	Contracted capital commitments at 30 June but not yet completed	36,575
21,417	Total capital commitments	36,575

Non-cancellable operating leases (as lessee)

2020/21 Actual \$000		2021/22 Actual \$000
	<i>Remaining payables under leases</i>	
483	Not later than one year	326
1,254	Later than one year and not later than five years	619
179	Later than five years	63
1,916	Non-cancellable operating leases (Council as lessee)	1,008

The Council leases commercial premises in Ōtaki, Waikanae and Paraparaumu.

Non-cancellable operating leases (as lessor)

2020/21 Actual \$000		2021/22 Actual \$000
	<i>Remaining receivables under leases</i>	
616	Not later than one year	561
1,012	Later than one year and not later than five years	1,304
253	Later than five years	314
1,881	Total operating lease commitments (Council as lessor)	2,179

The Council leases various council-owned land and buildings to the community and to commercial organisations.

26. Council-controlled organisations (CCOs)

Local Government Funding Agency

Background information

On 30 November 2012, the Council became a principal shareholder local authority in the Local Government Funding Agency (LGFA). The Council holds 200,000 shares (total number of shares available 45,000,000) reflecting a 0.44 percent interest.

The primary objective of the LGFA is to optimise the debt funding terms and conditions for participating local authorities. This includes providing savings in annual interest costs, making longer-term borrowings available and enhancing the certainty of access to debt markets.

Local Government Act (2002) considerations

The LGFA meets the definition of a council-controlled organisation under section 6(10(a)) as an entity in respect of which one or more local authorities have, whether or not jointly with other local authorities or persons, control, directly or indirectly, of 50 percent or more of the votes at any meeting of the members or controlling body of the entity.

The Council therefore has an interest over the LGFA which is subject to the reporting requirements of a council-controlled organisation.

Financial reporting considerations

PBE IPSAS 20 Related party disclosure – The Council does not have the ability to control the entity (0.44 percent shareholding is less than the control threshold). The Council does not exercise significant influence over the entity in making financial and operating decisions. The relationship with the LGFA therefore does not meet the definitions of a related party as outlined in the accounting standard.

PBE IPSAS 36 Investments in associates – The Council does not exercise significant influence over the entity in making financial and operating decisions. The relationship with the LGFA therefore does not meet the definitions of an associate as outlined in the accounting standard.

PBE IPSAS 35 Consolidated financial statements – The Council does have exposure to variable benefits from its involvement with the LGFA under the terms and conditions of participating local authorities. However, the Council has no existing rights that give it the current ability to direct relevant activities, nor does the Council have the power to affect the nature or amount of the benefits from its involvement with the LGFA. The Council therefore does not meet the definition of a controlling entity over the LGFA.

Based on the assessment outline above, the LGFA does not meet the requirements for consolidation into the Council's financial statements.

Implications

LGA 2002 – LGFA is subject to the reporting requirements imposed on council-controlled organisations as outlined in Part A of the Act.

Financial reporting – There are no financial reporting obligations arising from the Council's relationship with LGFA.

During the year the Council borrowed \$60 million from the LGFA and repaid \$40 million to the LGFA.

27. Major variances from budget

Major variances from the Council's budget figures are explained below.

Statement of comprehensive revenue and expense

Grants and subsidies

Grants and subsidies were \$6.1 million lower than budget mainly due to the Ihakara – Arawhata link road, Mahara Gallery and Te Uruhi projects progressing slower than budgeted, with associated capital subsidies similarly delayed.

Other operating revenue

Other operating revenue was \$33.5 million below budget, mainly due to former State Highway 1 assets budgeted to vest in 2021/22 but not now transferring until next year.

Operating expenses

Operating expenses were \$2.3 million higher than budget:

- personnel costs were \$0.8 million higher than budget, mainly annual leave expenses running higher than budgeted
- maintenance expenses \$1.3 million above budget, mainly due to additional roading (\$989,000) and water maintenance (\$134,000)

- higher costs associated with sludge removal from the wastewater treatment plant (\$105,000)
- increased electricity prices (\$172,000)
- higher than budgeted legal expenses relating to strategic projects and risk issues (\$377,000), and:
- professional services for business improvement initiatives including customer journey mapping, procurement system development and a library learning and development framework (\$239,000).

Interest expense

Net interest expense was \$0.3 million lower than budget, due to the slightly positive interest margin achieved on term deposits held to prefund future debt maturities.

Unrealised gain on financial derivatives

The Council's unrealised gain on revaluation of financial derivatives was \$25.9 million higher than budget, reflecting that interest payable under our fixed swap contracts is lower than current market rates, which rose significantly during the year.

Unrealised gain from revaluation of property, plant and equipment

Unrealised gain from revaluation of property, plant and equipment was \$117.1 million higher than budget. To ensure assets were stated at fair value, during the year the Council revalued its three waters (\$64.2 million) and roading (\$52.9 million) assets to reflect current replacement costs, depreciated to account for the age of the assets. No asset revaluations were budgeted this year.

Statement of financial position

Non current assets:

Property, plant and equipment

Property, plant and equipment was \$51 million higher than budget at 30 June 2022 mainly due to higher than expected revaluations (\$117 million), offset by lower than budgeted capex (\$28 million) and vested assets (\$33 million).

Derivative financial instruments

Derivative financial instruments (assets) were \$9.9 million at 30 June, \$9.9 million higher than budgeted reflecting that interest payable under our fixed swap contracts is lower than current market rates, which rose significantly during the year.

Non current liabilities:

Borrowings

The non-current portion of borrowings were \$10 million lower than budget, mainly due to capital expenditure being lower than budgeted during the year.

Derivative financial instruments

Derivative financial instruments (liabilities) were \$14.5 million lower than budget at 30 June, reflecting that interest payable under our fixed swap contracts is lower than current market rates, eliminating the liability of June 2021 and creating a net asset (refer note under non-current assets).

Public equity

Total public equity was \$101 million higher than budget due to unbudgeted revaluations of property, plant and equipment (\$117 million) offset by an operating surplus \$15 million lower than budgeted, mainly due to State Highway One assets not vesting occurring this year.

28. Contingent liabilities

Guarantees and uncalled capital

The Council is one of 30 local government shareholders of the LGFA (2021: 30) in addition to the Crown, and uncalled capital \$100,000 as at 30 June 2022. When aggregated with the uncalled capital of the other shareholders, \$20m is available in the event that an imminent default is identified. Also together with the other shareholders, the Council is a guarantor of all of LGFA's borrowings. At 30 June 2022, LGFA had borrowings totalling \$15.8 billion (2021: \$13.6 billion).

Financial reporting standards require the Council to recognise the guarantee liability at fair value. However, the Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. The Council considers the risk of LGFA defaulting on repayment of interest or capital to be very low on the basis that;

- We are not aware of any local authority debt default events in New Zealand; and
- Local government legislation would enable local authorities to levy a rate to recover sufficient funds to meet any debt obligations if further funds were required.

Legal claims

The Council has a pending legal claim in regards to a leaky home dispute. The Council granted a building consent for a residential property which is now subject to a leaky home claim. The matter is currently before the courts, and is being handled by the Council's insurance agents. The Council will be liable for 50 percent of the financial settlement should the judgement be found in favour of the plaintiff.

29. Events after the end of the reporting period

There are no material non-adjusting events after the reporting date.

Disclosure statement for the year ending 30 June 2022

What is the purpose of this statement?

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

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

Rates affordability

The Council meets its affordability benchmark if:

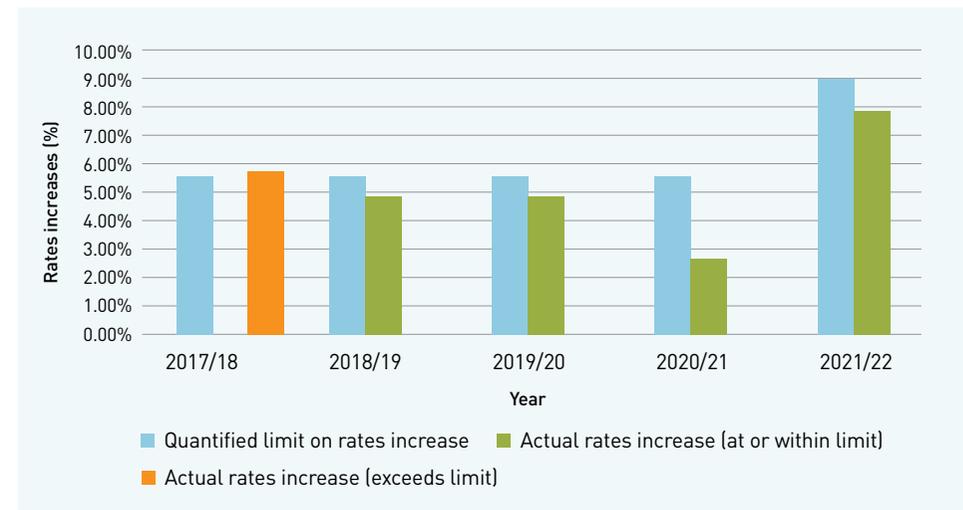
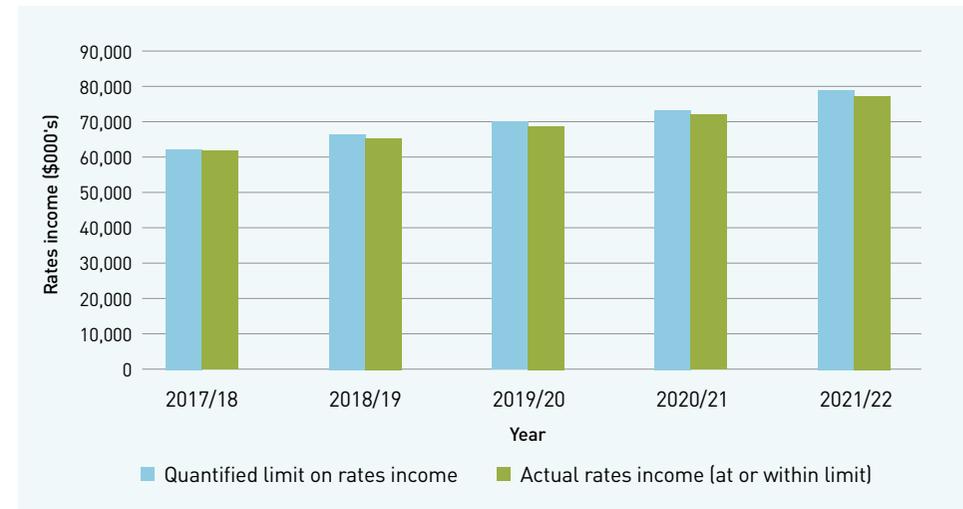
- its actual rates income equals or is less than each quantified limit on rates, and
- its actual rates increases equal or are less than each quantified limit on rates increases.

Rates (income) affordability

The following top graph on the right compares the Council's actual rates income with a quantified limit on rates contained in the financial strategy included in the Council's Long-term Plans.

Rates (increases) affordability

The second graph on the right compares the Council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in the Council's Long-term Plans.

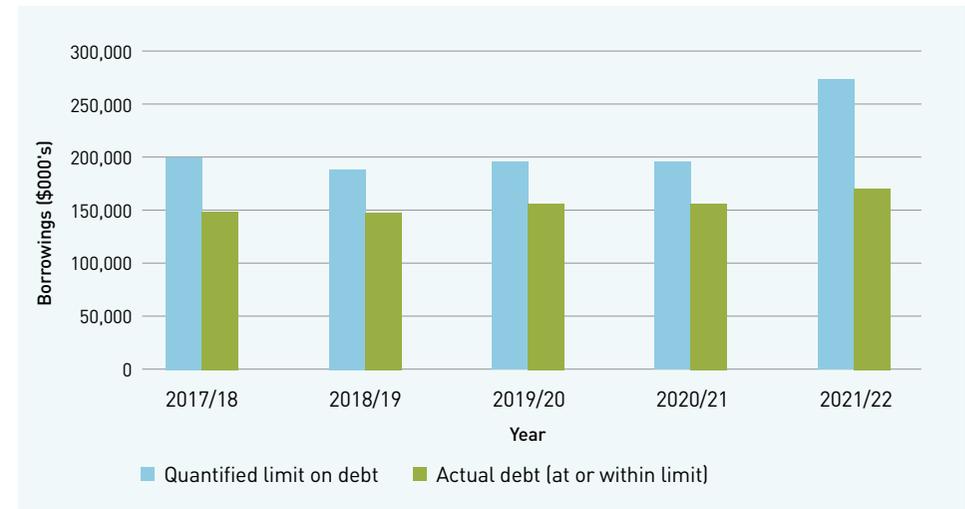


Debt affordability

The Council meets the debt affordability benchmark if its actual borrowing is within each quantified limit on borrowing.

The graph at right compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in Council's Long-term Plans. The Council's quantified limit on borrowings, as set out in the financial strategy excludes debt prefunding.

The Council's gross borrowings are \$255 million at 30 June 2022 which includes total prefunding of \$65 million. Excluding prefunding, borrow notes and cash investments Council's borrowings at year end are \$169.5 million (refer to Note 17.), which is within the borrowings limit.

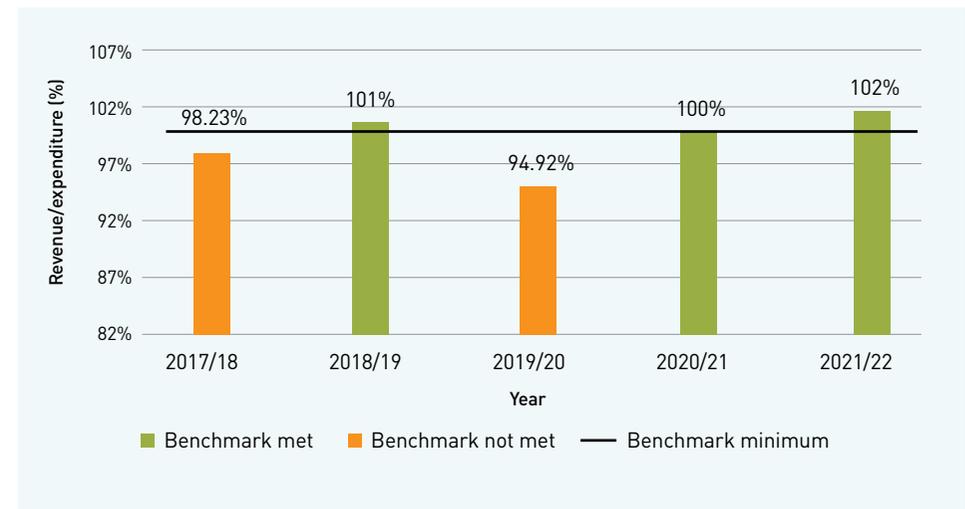


Balanced budget

The graph at right shows Council's revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluations of property, plant and equipment) as a proportion of operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant and equipment).

The Council meets this benchmark if its revenue equals or is greater than its operating expenses.

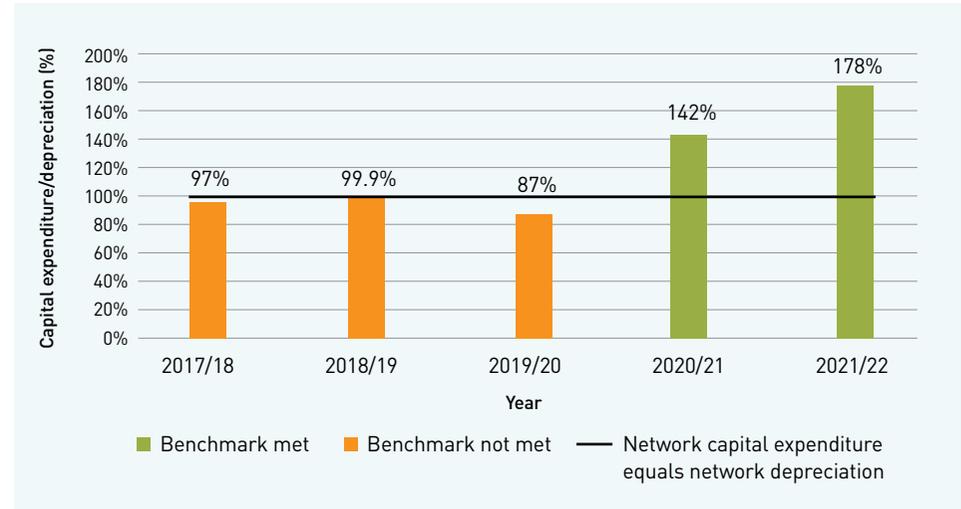
The Council is working towards balancing its budget through committing to a financial strategy that progressively funds depreciation with a target of fully funding depreciation by 2025.



Essential services

The graph at right shows the Council's capital expenditure on network services as a proportion of depreciation on network services. Network services means infrastructure related to water supply, sewerage, treatment and disposal of sewage, stormwater drainage, flood protection and control works and the provision of roads and footpaths.

The Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.

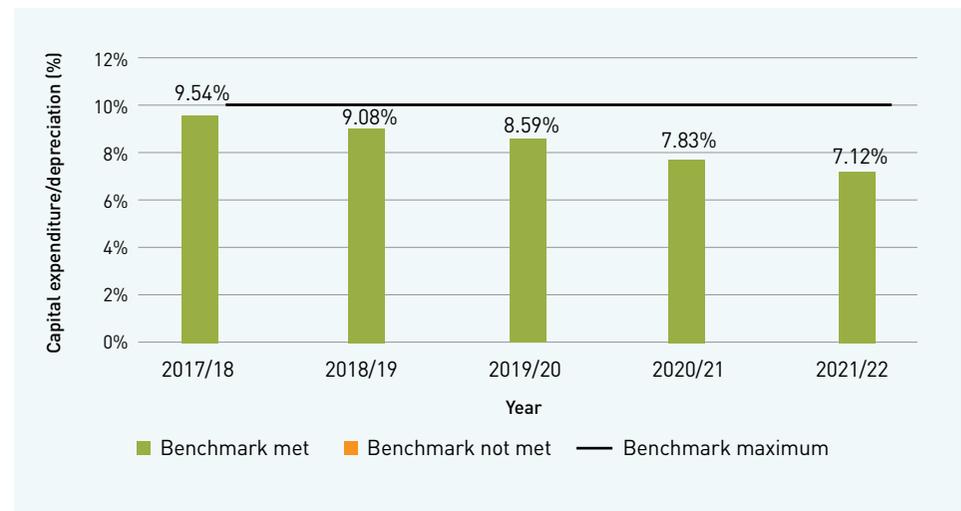


Debt servicing

The graph at right shows the Council's net borrowing costs as a proportion of revenue (excluding development contributions, financial contributions vested assets, gains on derivative financial instruments, and revaluations of property, plant and equipment).

Because Statistics New Zealand projects the Council's population will grow more slowly than the national population is projected to grow, the Council meets the debt servicing benchmark if its net borrowing costs equal or are less than 10 percent of its revenue.

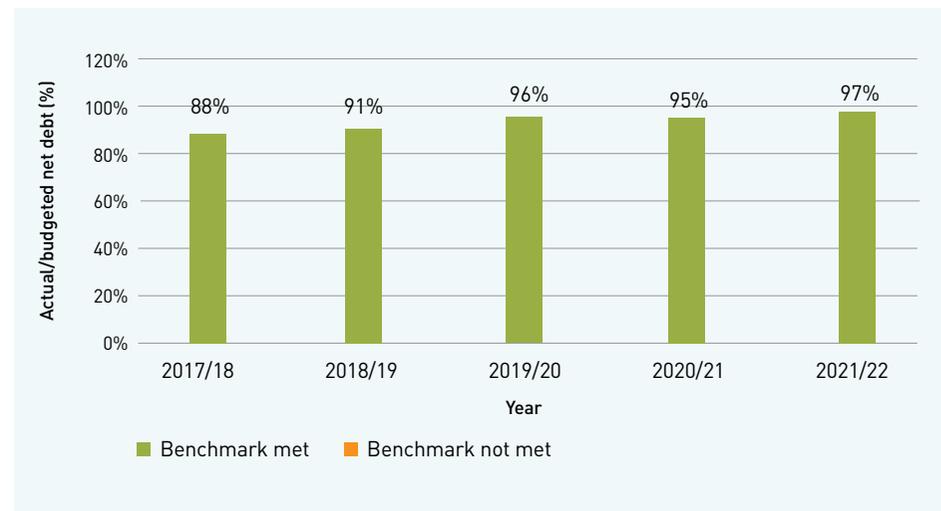
The Council has started meeting this benchmark through its green-line strategy (reducing borrowings) and its careful treasury management. This was recognised by Standard and Poor's maintaining The Council's credit rating at AA/A-1+.



Debt control

The graph at right shows the Council's actual net debt as a proportion of planned net debt. In this statement, net debt means financial liabilities less financial assets (excluding trade and other receivables).

The Council meets the debt control benchmark if its actual net debt equals or is less than its planned net debt.

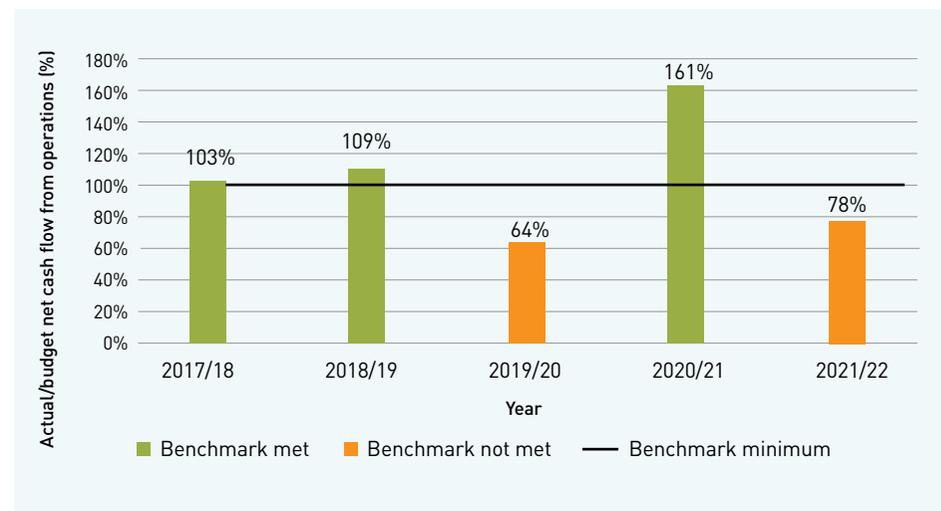


Operations control

This graph at right shows the Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

The Council meets the operations control benchmark if its actual net cash flow from operations equals or is greater than its planned net cash flow from operations.

As an outcome of the Council's 'Sustain Community Package', we provide suppliers with rapid invoice payments. Suppliers are now paid within seven to ten working days, compared to the Council's previous payment terms of the 20th of the month following the date on the invoice.



Funding impact statements per activity

Water management funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	–	–	–
Targeted rates	8,363	8,802	8,751
Grants and subsidies for operating purposes	–	–	80
Fees and charges	41	42	31
Internal charges and overheads recovered	–	–	–
Local authorities fuel tax, fines, infringement fees and other	–	–	50
Total operating funding	8,404	8,844	8,912
Applications of operating funding			
Payment to staff and suppliers	3,284	3,713	3,887
Finance costs	1,030	1,003	751
Internal charges and overheads applied	949	959	931
Other operating funding applications	–	–	–
Total applications of operating funding	5,263	5,675	5,569
SURPLUS/DEFICIT OF OPERATING FUNDING	3,141	3,169	3,343
Sources of capital funding			
Grants and subsidies for capital expenditure	–	3,212	3,127
Development and financial contributions	492	902	891
Increase (decrease) in debt	6,106	8,906	1,501
Gross proceeds from sale of assets	–	–	–
Lump sum contributions	–	–	–
Other dedicated capital funding	–	–	–
Total sources of capital funding	6,598	13,020	5,519
Applications of capital funding			
Capital expenditure			
> to meet additional demand	433	3,435	658
> to improve the level of service	6,106	12,118	4,627
> to replace existing assets	468	1,154	974
Increase (decrease) in reserves	2,732	(518)	2,603
Increase (decrease) in investments	–	–	–
Total applications of capital Funding	9,739	16,189	8,862
SURPLUS/DEFICIT OF CAPITAL FUNDING	(3,141)	(3,169)	(3,343)
FUNDING BALANCE	–	–	–

Access and transport funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	–	202	10
Targeted rates	9,252	10,155	10,747
Grants and subsidies for operating purposes	1,857	2,235	2,628
Fees and charges	152	191	173
Internal charges and overheads recovered	–	–	–
Local authorities fuel tax, fines, infringement fees, and other	249	35,658	337
Total operating funding	11,510	48,441	13,895
Applications of operating funding			
Payment to staff and suppliers	4,824	5,118	6,385
Finance costs	2,020	2,233	2,287
Internal charges and overheads applied	1,031	1,094	1,052
Other operating funding applications	–	–	–
Total applications of operating funding	7,875	8,445	9,724
SURPLUS/DEFICIT OF OPERATING FUNDING	3,635	39,996	4,171
Sources of capital funding			
Grants and subsidies for capital expenditure	4,002	6,899	3,350
Development and financial contributions	482	442	395
Increase (decrease) in debt	2,811	6,132	2,790
Gross proceeds from sale of assets	–	–	–
Lump sum contributions	–	–	–
Other dedicated capital funding	–	–	–
Total sources of capital funding	7,295	13,473	6,535
Applications of capital funding			
Capital expenditure			
> to meet additional demand	527	1,570	175
> to improve the level of service	4,604	10,517	3,382
> to replace existing assets	4,721	5,112	5,477
Increase (decrease) in reserves	1,078	36,270	1,673
Increase (decrease) in investments	–	–	–
Total applications of capital Funding	10,930	53,469	10,706
SURPLUS/DEFICIT OF CAPITAL FUNDING	(3,635)	(39,996)	(4,171)
FUNDING BALANCE	–	–	–

Coastal management funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	1,407	2,235	2,329
Targeted rates	–	–	–
Grants and subsidies for operating purposes	–	–	–
Fees and charges	–	–	–
Internal charges and overheads recovered	–	–	–
Local authorities fuel tax, fines, infringement fees, and other	–	–	–
Total operating funding	1,407	2,235	2,329
Applications of operating funding			
Payment to staff and suppliers	386	995	1,158
Finance costs	244	251	223
Internal charges and overheads applied	229	531	513
Other operating funding applications	–	–	–
Total applications of operating funding	859	1,777	1,894
SURPLUS/DEFICIT OF OPERATING FUNDING	548	458	435
Sources of capital funding			
Grants and subsidies for capital expenditure	–	–	–
Development and financial contributions	–	–	–
Increase (decrease) in debt	55	217	151
Gross proceeds from sale of assets	–	–	–
Lump sum contributions	–	–	–
Other dedicated capital funding	–	–	–
Total sources of capital funding	55	217	151
Applications of capital funding			
Capital expenditure			
> to meet additional demand	–	–	–
> to improve the level of service	55	217	151
> to replace existing assets	356	3,043	1,442
Increase (decrease) in reserves	192	(2,586)	(1,007)
Increase (decrease) in investments	–	–	–
Total applications of capital Funding	603	675	586
SURPLUS/DEFICIT OF CAPITAL FUNDING	(548)	(458)	(435)
FUNDING BALANCE	–	–	–

Wastewater management funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	–	–	–
Targeted rates	7,987	8,727	9,192
Grants and subsidies for operating purposes	–	–	–
Fees and charges	–	–	26
Internal charges and overheads recovered	1,486	1,439	1,221
Local authorities fuel tax, fines, infringement fees, and other	–	–	12
Total operating funding	9,473	10,166	10,451
Applications of operating funding			
Payment to staff and suppliers	3,918	4,781	5,227
Finance costs	130	(6)	35
Internal charges and overheads applied	1,980	1,763	1,661
Other operating funding applications	–	–	–
Total applications of operating funding	6,028	6,538	6,923
SURPLUS/DEFICIT OF OPERATING FUNDING	3,445	3,628	3,528
Sources of capital funding			
Grants and subsidies for capital expenditure	–	–	–
Development and financial contributions	101	176	104
Increase (decrease) in debt	2,684	350	481
Gross proceeds from sale of assets	–	–	–
Lump sum contributions	–	–	–
Other dedicated capital funding	–	–	–
Total sources of capital funding	2,785	526	585
Applications of capital funding			
Capital expenditure			
> to meet additional demand	363	447	141
> to improve the level of service	2,684	350	481
> to replace existing assets	1,666	3,181	3,440
Increase (decrease) in reserves	1,517	176	52
Increase (decrease) in investments	–	–	–
Total applications of capital Funding	6,230	4,155	4,113
SURPLUS/DEFICIT OF CAPITAL FUNDING	(3,445)	(3,629)	(3,528)
FUNDING BALANCE	–	–	–

Stormwater management funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	1,734	1,589	1,932
Targeted rates	2,385	2,581	2,209
Grants and subsidies for operating purposes	–	–	60
Fees and charges	–	–	–
Internal charges and overheads recovered	–	–	–
Local authorities fuel tax, fines, infringement fees, and other	–	–	–
Total operating funding	4,119	4,169	4,201
Applications of operating funding			
Payment to staff and suppliers	1,659	1,877	1,933
Finance costs	993	902	983
Internal charges and overheads applied	296	292	283
Other operating funding applications	–	–	–
Total applications of operating funding	2,948	3,071	3,199
SURPLUS/DEFICIT OF OPERATING FUNDING	1,171	1,098	1,002
Sources of capital funding			
Grants and subsidies for capital expenditure	–	–	–
Development and financial contributions	152	150	277
Increase (decrease) in debt	3,602	4,823	7,777
Gross proceeds from sale of assets	–	–	–
Lump sum contributions	–	–	–
Other dedicated capital funding	–	–	–
Total sources of capital funding	3,754	4,973	8,054
Applications of capital funding			
Capital expenditure			
> to meet additional demand	432	536	777
> to improve the level of service	3,602	4,823	7,777
> to replace existing assets	46	864	269
Increase (decrease) in reserves	845	(151)	232
Increase (decrease) in investments	–	–	–
Total applications of capital Funding	4,925	6,072	9,056
SURPLUS/DEFICIT OF CAPITAL FUNDING	(1,171)	(1,099)	(1,002)
FUNDING BALANCE	–	–	–

Sustainability & resilience funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	444	1,258	1,133
Targeted rates	–	–	–
Grants and subsidies for operating purposes	–	–	–
Fees and charges	575	611	790
Internal charges and overheads recovered	–	–	–
Local authorities fuel tax, fines, infringement fees, and other	–	–	–
Total operating funding	1,019	1,869	1,923
Applications of operating funding			
Payment to staff and suppliers	506	1,049	963
Finance costs	158	88	87
Internal charges and overheads applied	268	588	605
Other operating funding applications	–	–	–
Total applications of operating funding	932	1,725	1,655
SURPLUS/DEFICIT OF OPERATING FUNDING	87	144	269
Sources of capital funding			
Grants and subsidies for capital expenditure	–	–	–
Development and financial contributions	–	–	–
Increase (decrease) in debt	–	–	–
Gross proceeds from sale of assets	–	–	–
Lump sum contributions	–	–	–
Other dedicated capital funding	–	–	–
Total sources of capital funding	–	–	–
Applications of capital funding			
Capital expenditure			
> to meet additional demand	–	–	–
> to improve the level of service	–	–	–
> to replace existing assets	216	132	187
Increase (decrease) in reserves	(129)	12	81
Increase (decrease) in investments	–	–	–
Total applications of capital Funding	87	144	269
SURPLUS/DEFICIT OF CAPITAL FUNDING	(87)	(144)	(269)
FUNDING BALANCE	–	–	–

Economic development funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	2,117	1,572	1,311
Targeted rates	370	565	563
Grants and subsidies for operating purposes	70	449	207
Fees and charges	–	10	34
Internal charges and overheads recovered	–	–	–
Local authorities fuel tax, fines, infringement fees, and other	31	31	30
Total operating funding	2,588	2,627	2,145
Applications of operating funding			
Payment to staff and suppliers	1,302	2,307	1,698
Finance costs	877	85	26
Internal charges and overheads applied	261	297	339
Other operating funding applications	–	–	–
Total applications of operating funding	2,440	2,689	2,063
SURPLUS/DEFICIT OF OPERATING FUNDING	148	(62)	82
Sources of capital funding			
Grants and subsidies for capital expenditure	–	865	(312)
Development and financial contributions	–	–	–
Increase (decrease) in debt	2,450	1,950	898
Gross proceeds from sale of assets	–	–	–
Lump sum contributions	–	–	–
Other dedicated capital funding	–	–	–
Total sources of capital funding	2,450	2,815	586
Applications of capital funding			
Capital expenditure			
> to meet additional demand	–	–	–
> to improve the level of service	2,450	2,815	586
> to replace existing assets	–	–	–
Increase (decrease) in reserves	148	(62)	82
Increase (decrease) in investments	–	–	–
Total applications of capital Funding	2,598	2,754	668
SURPLUS/DEFICIT OF CAPITAL FUNDING	(148)	(62)	(82)
FUNDING BALANCE	–	–	–

Community facilities funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	1,303	1,021	1,103
Targeted rates	840	3,515	3,126
Grants and subsidies for operating purposes	–	–	–
Fees and charges	1,461	1,358	1,236
Internal charges and overheads recovered	–	–	–
Local authorities fuel tax, fines, infringement fees, and other	10	5	8
Total operating funding	3,614	5,899	5,473
Applications of operating funding			
Payment to staff and suppliers	1,550	2,688	2,234
Finance costs	175	395	286
Internal charges and overheads applied	1,344	1,155	1,322
Other operating funding applications	–	–	–
Total applications of operating funding	3,068	4,239	3,842
SURPLUS/DEFICIT OF OPERATING FUNDING	546	1,660	1,631
Sources of capital funding			
Grants and subsidies for capital expenditure	–	3,210	1,253
Development and financial contributions	106	361	338
Increase (decrease) in debt	368	2,986	2,360
Gross proceeds from sale of assets	–	–	–
Lump sum contributions	–	–	–
Other dedicated capital funding	–	–	–
Total sources of capital funding	474	6,557	3,951
Applications of capital funding			
Capital expenditure			
> to meet additional demand	–	–	–
> to improve the level of service	368	6,196	3,613
> to replace existing assets	1,462	6,084	2,038
Increase (decrease) in reserves	(810)	(4,062)	(69)
Increase (decrease) in investments	–	–	–
Total applications of capital Funding	1,021	8,218	5,582
SURPLUS/DEFICIT OF CAPITAL FUNDING	(547)	(1,661)	(1,631)
FUNDING BALANCE	–	–	–

Community support funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	2,218	2,721	2,317
Targeted rates	-	-	-
Grants and subsidies for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	-	-	-
Total operating funding	2,218	2,721	2,317
Applications of operating funding			
Payment to staff and suppliers	1,611	2,070	1,725
Finance costs	16	10	11
Internal charges and overheads applied	567	641	581
Other operating funding applications	-	-	-
Total applications of operating funding	2,195	2,721	2,317
SURPLUS/DEFICIT OF OPERATING FUNDING	23	-	-
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure			
> to meet additional demand	-	-	-
> to improve the level of service	-	-	-
> to replace existing assets	-	-	-
Increase (decrease) in reserves	23	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital Funding	23	-	-
SURPLUS/DEFICIT OF CAPITAL FUNDING	(23)	-	-
FUNDING BALANCE	-	-	-

Parks and open spaces funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	-	167	117
Targeted rates	6,578	6,912	5,952
Grants and subsidies for operating purposes	-	-	66
Fees and charges	193	497	648
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	-	-	53
Total operating funding	6,771	7,576	6,836
Applications of operating funding			
Payment to staff and suppliers	2,583	4,008	3,305
Finance costs	436	231	155
Internal charges and overheads applied	2,407	1,752	1,735
Other operating funding applications	-	-	-
Total applications of operating funding	5,426	5,991	5,195
SURPLUS/DEFICIT OF OPERATING FUNDING	1,345	1,585	1,641
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	790	1,533	2,358
Increase (decrease) in debt	1,150	1,328	963
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	1,940	2,861	3,321
Applications of capital funding			
Capital expenditure			
> to meet additional demand	-	1,848	326
> to improve the level of service	1,150	1,328	725
> to replace existing assets	1,159	1,072	627
Increase (decrease) in reserves	976	198	3,284
Increase (decrease) in investments	-	-	-
Total applications of capital Funding	3,285	4,446	4,962
SURPLUS/DEFICIT OF CAPITAL FUNDING	(1,345)	(1,585)	(1,641)
FUNDING BALANCE	-	-	-

Recreation and leisure funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	443	649	646
Targeted rates	9,213	9,009	9,633
Grants and subsidies for operating purposes	52	274	281
Fees and charges	1,807	1,703	1,270
Internal charges and overheads recovered	–	–	–
Local authorities fuel tax, fines, infringement fees, and other	56	75	213
Total operating funding	11,571	11,709	12,043
Applications of operating funding			
Payment to staff and suppliers	6,379	7,551	7,214
Finance costs	985	550	861
Internal charges and overheads applied	2,710	2,127	2,315
Other operating funding applications	–	–	–
Total applications of operating funding	10,074	10,228	10,390
SURPLUS/DEFICIT OF OPERATING FUNDING	1,497	1,482	1,653
Sources of capital funding			
Grants and subsidies for capital expenditure	–	–	–
Development and financial contributions	–	–	–
Increase (decrease) in debt	202	89	31
Gross proceeds from sale of assets	–	–	–
Lump sum contributions	–	–	–
Other dedicated capital funding	–	–	–
Total sources of capital funding	202	89	31
Applications of capital funding			
Capital expenditure			
> to meet additional demand	–	–	–
> to improve the level of service	202	89	31
> to replace existing assets	968	766	589
Increase (decrease) in reserves	529	715	1,064
Increase (decrease) in investments	–	–	–
Total applications of capital Funding	1,699	1,570	1,684
SURPLUS/DEFICIT OF CAPITAL FUNDING	(1,497)	(1,481)	(1,653)
FUNDING BALANCE	–	–	–

Districtwide planning funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	3,301	3,114	3,027
Targeted rates	–	–	–
Grants and subsidies for operating purposes	–	–	–
Fees and charges	–	–	–
Internal charges and overheads recovered	–	–	–
Local authorities fuel tax, fines, infringement fees, and other	–	–	–
Total operating funding	3,301	3,114	3,027
Applications of operating funding			
Payment to staff and suppliers	2,534	2,558	2,386
Finance costs	–	–	–
Internal charges and overheads applied	767	556	641
Other operating funding applications	–	–	–
Total applications of operating funding	3,301	3,114	3,027
SURPLUS/DEFICIT OF OPERATING FUNDING	–	–	–
Sources of capital funding			
Grants and subsidies for capital expenditure	–	–	–
Development and financial contributions	–	–	–
Increase (decrease) in debt	–	1,027	115
Gross proceeds from sale of assets	–	–	–
Lump sum contributions	–	–	–
Other dedicated capital funding	–	–	–
Total sources of capital funding	–	1,027	115
Applications of capital funding			
Capital expenditure			
> to meet additional demand	–	–	–
> to improve the level of service	–	–	–
> to replace existing assets	–	–	–
Increase (decrease) in reserves	–	–	–
Increase (decrease) in investments	–	–	–
Total applications of capital Funding	–	1,027	115
SURPLUS/DEFICIT OF CAPITAL FUNDING	–	–	–
FUNDING BALANCE	–	–	–

Regulatory services funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	5,201	4,894	5,404
Targeted rates	-	-	-
Grants and subsidies for operating purposes	-	-	34
Fees and charges	4,472	4,878	5,321
Internal charges and overheads recovered	-	449	836
Local authorities fuel tax, fines, infringement fees, and other	176	147	66
Total operating funding	9,849	10,368	11,661
Applications of operating funding			
Payment to staff and suppliers	5,565	6,385	7,285
Finance costs	6	11	14
Internal charges and overheads applied	4,189	3,943	4,328
Other operating funding applications	-	-	-
Total applications of operating funding	9,760	10,339	11,627
SURPLUS/DEFICIT OF OPERATING FUNDING	89	29	34
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	11	31
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	-	11	31
Applications of capital funding			
Capital expenditure			
> to meet additional demand	-	-	-
> to improve the level of service	-	11	31
> to replace existing assets	-	-	-
Increase (decrease) in reserves	89	29	34
Increase (decrease) in investments	-	-	-
Total applications of capital Funding	89	40	65
SURPLUS/DEFICIT OF CAPITAL FUNDING	(89)	(29)	(34)
FUNDING BALANCE	-	-	-

Governance funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	4,069	3,256	3,687
Targeted rates	314	339	305
Grants and subsidies for operating purposes	-	-	-
Fees and charges	12	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	-	-	-
Total operating funding	4,395	3,595	3,992
Applications of operating funding			
Payment to staff and suppliers	2,517	2,175	2,272
Finance costs	(16)	5	6
Internal charges and overheads applied	1,827	1,459	1,809
Other operating funding applications	-	-	-
Total applications of operating funding	4,328	3,639	4,087
SURPLUS/DEFICIT OF OPERATING FUNDING	67	(44)	(95)
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	-	(3,022)
Gross proceeds from sale of assets	-	-	3,022
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	-	-	-
Applications of capital funding			
Capital expenditure			
> to meet additional demand	-	-	-
> to improve the level of service	-	-	-
> to replace existing assets	-	-	-
Increase (decrease) in reserves	467	(44)	(95)
Increase (decrease) in investments	(400)	-	-
Total applications of capital Funding	67	(44)	(95)
SURPLUS/DEFICIT OF CAPITAL FUNDING	(67)	44	95
FUNDING BALANCE	-	-	-

Tangata whenua funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	463	911	752
Targeted rates	-	-	-
Grants and subsidies for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	-	-	-
Total operating funding	463	911	752
Applications of operating funding			
Payment to staff and suppliers	421	720	573
Finance costs	-	-	-
Internal charges and overheads applied	93	191	179
Other operating funding applications	-	-	-
Total applications of operating funding	514	911	752
SURPLUS/DEFICIT OF OPERATING FUNDING	(51)	-	-
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	3	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	-	3	-
Applications of capital funding			
Capital expenditure			
> to meet additional demand	-	-	-
> to improve the level of service	-	3	-
> to replace existing assets	-	-	-
Increase (decrease) in reserves	(51)	-	-
Increase (decrease) in investments	-	-	-
Total applications of capital Funding	(51)	3	-
SURPLUS/DEFICIT OF CAPITAL FUNDING	(51)	-	-
FUNDING BALANCE	-	-	-

Corporate funding impact statement for the year ended 30 June 2022

	2020/21 Budget \$000	2021/22 Budget \$000	2021/22 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	-	2,048	2,030
Targeted rates	-	-	-
Grants and subsidies for operating purposes	-	-	22
Fees and charges	-	289	285
Internal charges and overheads recovered	-	21,879	23,456
Local authorities fuel tax, fines, infringement fees, and other	-	1,666	2,840
Total operating funding	-	25,881	28,633
Applications of operating funding			
Payment to staff and suppliers	-	16,506	18,934
Finance costs	-	2,391	2,819
Internal charges and overheads applied	-	6,420	7,218
Other operating funding applications	-	-	-
Total applications of operating funding	-	25,318	28,971
SURPLUS/DEFICIT OF OPERATING FUNDING	-	564	(338)
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	3,539	5,806
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	-	3,539	5,806
Applications of capital funding			
Capital expenditure			
> to meet additional demand	-	-	-
> to improve the level of service	-	3,539	5,806
> to replace existing assets	-	1,186	1,010
Increase (decrease) in reserves	-	(621)	(1,348)
Increase (decrease) in investments	-	-	-
Total applications of capital Funding	-	(4,104)	5,468
SURPLUS/DEFICIT OF CAPITAL FUNDING	-	(565)	338
FUNDING BALANCE	-	-	-

Governance, people and capability

Governance 154

People and capability 164

Governance

This activity supports Kāpiti Coast District Council's wider strategy of working with the community and being good partners, as well as meeting our statutory requirements relating to governance, consultation and decision-making responsibilities.

1 Mayor and 10 elected members

4 wards

7 committees

4 community boards

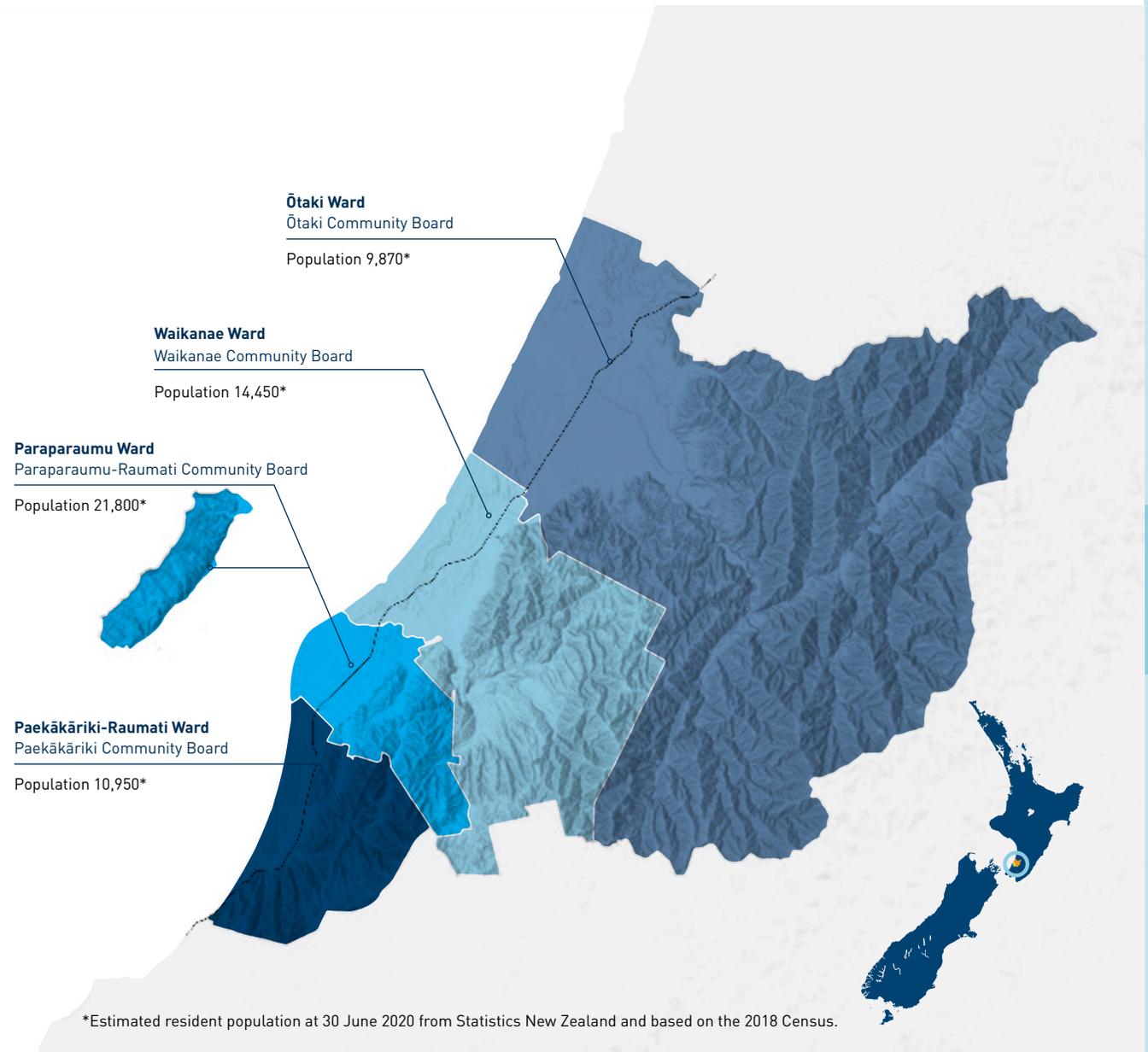
Local body electorate wards

The map shows how the Kāpiti Coast District is made up of four local body electorate wards (represented by ward councillors). There are also four community boards (represented by community board members).

The Waikanae and Ōtaki Wards both align to the same geographical area as their respective community boards, while the other two wards and community boards overlap each other.

The suburbs of Raumati South and Raumati Beach are part of the Paekākāriki–Raumati Ward. However, at a community board level, they form part of the Paraparaumu–Raumati Community Board.

Representation Review results (including boundary changes) will take effect from the elections on 8 October 2022.





Elected members

The Kāpiti Coast District Council consists of a Mayor and 10 Councillors. Five Kāpiti Coast District Councillors are elected from across the district and five are elected from four wards.



K (Guru) Gurunathan

Mayor of Kāpiti Coast District Council
k.gurunathan@Kāpiticoast.govt.nz



Janet Holborow

Deputy Mayor and Districtwide Councillor
Portfolio: Cultural Wellbeing
janet.holborow@Kāpiticoast.govt.nz



Angela Buswell

Districtwide Councillor
Portfolio: Business and Jobs
angela.buswell@Kāpiticoast.govt.nz

From left to right: Councillor Jackie Elliott, Councillor Rob McCann, Councillor Bernie Randall, Councillor Jocelyn Prvanov, Councillor Janet Holborow (Deputy Mayor), Mayor K (Guru) Gurunathan, Councillor James Cootes, Councillor Gwynn Compton, Councillor Sophie Handford, Councillor Martin Halliday, Councillor Angela Buswell.



Gwynn Compton

Districtwide Councillor
Portfolios: Rural, Greater Wellington
Regional Council, and Economic Wellbeing
gwynn.compton@Kāpiticoast.govt.nz



Jackie Elliott

Districtwide Councillor
Portfolio: Waste
jackie.elliott@Kāpiticoast.govt.nz



Rob McCann

Districtwide Councillor
Portfolios: Housing and Social Wellbeing
robert.mccann@Kāpiticoast.govt.nz



James Cootes

Ōtaki Ward Councillor
Portfolio: Transport
james.cootes@Kāpiticoast.govt.nz



Jocelyn Prvanov

Waikanae Ward Councillor
Portfolio: Environmental Wellbeing
jocelyn.prvanov@Kāpiticoast.govt.nz



Martin Halliday

Paraparaumu Ward Councillor
Portfolios: Health and Seniors
martin.halliday@Kāpiticoast.govt.nz



Bernie Randall

Paraparaumu Ward Councillor
bernie.randall@Kāpiticoast.govt.nz



Sophie Handford

Paekākāriki/Raumati Ward Councillor
Portfolios: Climate and Youth
sophie.handford@Kāpiticoast.govt.nz

Community boards

Supporting the Council are four district community boards: Ōtaki, Paraparaumu/Raumati, Waikanae and Paekākāriki. Community boards are the grassroots of local democracy, where people in each of our towns and villages can take their concerns or seek assistance.

The Council has a strong partnership base with community boards on local matters. The corresponding ward councillors sit on each board. As far as practicable, local issues are referred to community boards for consideration, comment or recommendations before decisions are made.

Board chairs can sit at the Council meetings and contribute to the debate, helping ensure that the interests of the whole district are taken into account. They do not have voting rights at the Council meetings. A board's role is mainly advocacy, but it also has powers to make some decisions about issues within its boundaries. Boards make submissions to the Council and other statutory agencies.

They control local funds for making grants to individuals and groups for community purposes.

Community board members

Ōtaki Community Board

The area covered by the Ōtaki Community Board includes north of Marycrest, Te Horo, Ōtaki and north to Forest Lakes.

Christine Papps, Chair
christine.papps@Kāpiticoast.govt.nz

Marilyn Stevens, Deputy Chair
marilyn.stevens@Kāpiticoast.govt.nz

Shelly Warwick
shelly.warwick@Kāpiticoast.govt.nz

Cam Butler
cam.butler@Kāpiticoast.govt.nz

The following changes occurred in the Ōtaki Community Board:

- Cam Butler – elected 20 July 2021 (replacing Steven Carkeek who resigned 13 June 2021)

Waikanae Community Board

The area covered by the Waikanae Community Board stretches from the Waikanae River in the south through to Peka Peka in the north.

James Westbury, Chair
james.westbury@Kāpiticoast.govt.nz

Tonchi Begovich
tonchi.begovich@Kāpiticoast.govt.nz

Richard Mansell
richard.mansell@Kāpiticoast.govt.nz

Margaret Stevenson-Wright
margaret.stevenson-wright@Kāpiticoast.govt.nz

Michelle Lewis
michelle.lewis@Kāpiticoast.govt.nz

The following changes occurred in the Waikanae Community Board:

- Margaret Stevenson-Wright – resigned 31 August 2021
- Michelle Lewis – elected 22 December 2021

Paraparaumu/Raumati Community Board

The area covered by the Paraparaumu/Raumati Community Board includes from Raumati South through to Otaihanga.

Kathy Spiers, Chair
kathy.spiers@Kāpiticoast.govt.nz

Guy Burns, Deputy Chair
guy.burns@Kāpiticoast.govt.nz

Jonny Best
jonny.best@Kāpiticoast.govt.nz

Grace Lindsay
grace.lindsay@Kāpiticoast.govt.nz



Paekākāriki Community Board

The area covered by the Paekākāriki Community Board includes the Emerald Glen area and Whareroa Road in the north, down to Fisherman's Table in the south.

Holly Ewens, Chair
holly.ewens@Kāpiticoast.govt.nz

Tina Pope, Deputy Chair
tina.pope@Kāpiticoast.govt.nz

Jess Hortop
jessica.hortop@Kāpiticoast.govt.nz

The Council meetings

The Council meetings are generally scheduled monthly with additional meetings arranged as required. The Council meetings are publicly advertised in the local media and on the Council's website. The Council has delegated some of its powers to committees, subcommittees and hearing commissioners (standing committees) to meet regularly to discuss matters within their delegation and/or make recommendations to the Council.

In total for the year there were 18 Council meetings, 10 committee meetings and 18 subcommittee meetings.

There were 90 briefings and 7 public workshops.

By-elections

Over the past financial year, the Council held two by-elections as a result of two resignations from the Ōtaki and Waikanae Community Boards.

Committees (2019–22 triennium)

As well as the Council and community boards, committees are set up with each new triennium to better channel the Council's resources for an efficient governance structure. For the 2019–22 triennium these are:

- Strategy and Operations Committee
- District Licensing Committee
- Audit and Risk Subcommittee
- Chief Executive Performance and Employment Subcommittee
- Appeals Hearings Subcommittee
- Grants Allocation Subcommittee
- Campe Estate Subcommittee.

Audit and Risk Subcommittee

The Audit and Risk Subcommittee maintains and reviews the Council's internal control framework, reviews processes associated with financial and operational information (including processes for performance measures) and ensures financial statements are supported by appropriate management sign-off and adequate systems of internal control. The terms of engagement for each audit and receipt of external audit reports for recommendation to the Council are considered by the subcommittee.

The subcommittee considers reports on the status of investigations by the Office of the Ombudsman against decisions by the Council, ensures a comprehensive risk management framework exists, that recommendations about risk mitigation are made and compliance procedures are in place for all statutory requirements relating to elected members' roles.

The subcommittee also provides governance for the Health and Safety Leadership Charter and Health and Safety Plan.

During the last financial year there were four meetings of the Audit and Risk Subcommittee.

The subcommittee meets every three months and its members are:

- Bryan Jackson, Chair (independent)
- K Gurunathan – Mayor
- Janet Holborow
- Gwynn Compton
- Angela Buswell
- Gary Simpson (independent).

Te Whakaminenga o Kāpiti

Te Whakaminenga o Kāpiti is one of the longest-lasting partnerships between tangata whenua and local government in New Zealand. Current members include the Kāpiti Coast District Council and two of the three iwi on the Kāpiti Coast: Ngāti Raukawa ki te Tonga and Ngāti Toa Rangatira. During the last financial year, there were five Te Whakaminenga o Kāpiti meetings held.

Representatives

Naomi Solomon – Interim Chair

Representing – Te Rūnanga o Toa Rangatira
Iwi affiliations – Ngāti Toa Rangatira

Kirsten Hapeta

Representing – Ngā Hapū o Ōtaki
Iwi affiliation – Ngāti Raukawa ki te Tonga

Natalia Repia

Representing – Te Rūnanga o Toa Rangatira
Iwi affiliation – Ngāti Toa Rangatira

K Gurunathan – Mayor

James Cootes – Ōtaki Ward Councillor

The following changes occurred in Te Whakaminenga o Kāpiti:

- Naomi Solomon was appointed Interim Chair at the meeting on 26 October 2021.
- Natalia Repia's last Te Whakaminenga o Kāpiti meeting as the representative of Ngāti Toa Rangatira was the 9 December 2021.



Meeting attendance record of elected members

Elected member	The Council (18 meetings)				Strategy and Operations Committee (10 meetings)			
	Possible attendance	Attended	Absent (leave)	Absent (apology)	Possible attendance	Attended	Absent (leave)	Absent (apology)
K Gurunathan (Mayor)	18	16	-	2	10	9	-	1
Janet Holborow (Deputy Mayor)	18	18	-	-	10	9	-	1
Angela Buswell	18	18	-	-	10	9	1	-
Gwynn Compton	18	18	-	-	10	10	-	-
James Cootes	18	18	-	-	10	10	-	-
Jackie Elliott	18	18	-	-	10	10	-	-
Martin Halliday	18	18	-	-	10	10	-	-
Sophie Handford	18	18	-	-	10	10	-	-
Rob McCann	18	18	-	-	10	10	-	-
Jocelyn Prvanov	18	18	-	-	10	9	-	1
Bernie Randall	18	18	-	-	10	10	-	-

Attendance at community boards

The following tables detail attendance of community board members at board meetings between 1 July 2021 and 30 June 2022.

Ōtaki (6 meetings)

Elected member	Attended	Absent (leave)	Absent (apology)
Christine Papps (Chair)	6	-	-
Marilyn Stevens (Deputy Chair)	4	-	2
Shelly Warwick	5	-	1
Cam Butler (from 20 July 2021)	6	-	-
Cr James Cootes	5	-	1

Paraparaumu–Raumati (6 meetings)

Elected member	Attended	Absent (leave)	Absent (apology)
Kathy Spiers (Chair)	6	-	-
Guy Burns (Deputy Chair)	6	-	-
Jonny Best	6	-	-
Grace Lindsay	6	-	-
Cr Martin Halliday	6	-	-
Cr Bernie Randall	6	-	-

Waikanae (6 meetings)

Elected member	Attended	Absent (leave)	Absent (apology)
James Westbury (Chair)	6	-	-
Margaret Stevenson-Wright (until 31 August 2021)	1	-	-
Cr Jocelyn Prvanov	6	-	-
Tonchi Begovich	5	-	1
Richard Mansell	6	-	-
Michelle Lewis (from 22 December 2021)	4	-	-

Paekākāriki (6 meetings)

Elected member	Attended	Absent (leave)	Absent (apology)
Holly Ewens (Chair)	5	-	1
Jessica Hortop (Deputy Chair)	5	-	1
Daniel O'Connell	5	-	1
Tina Pope	5	-	1
Cr Sophie Handford	5	-	1

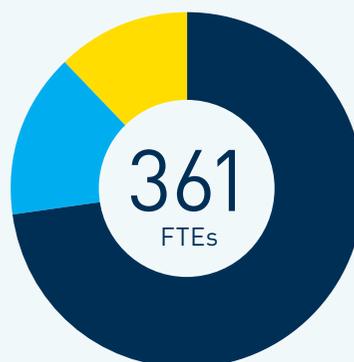
People and capability

Workforce profile

At the end of 2021–22, our workforce comprised 361 full-time equivalent employees (FTEs). This included people working part-time but not those on a casual employment basis. The headcount on 30 June 2022 was 413 employees (excluding casual employees).

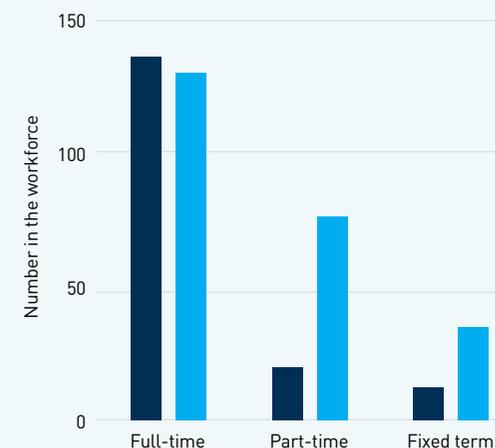
Our employees are spread across seven different business groups.

Total workforce composition



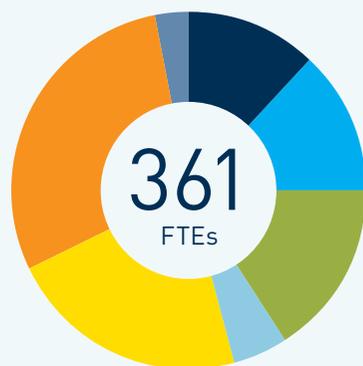
■ Full time – 263 FTE (73%)
■ Part-time – 54 FTE (15%)
■ Fixed term – 44 FTE (12%)

Workforce by gender



■ Male (%) ■ Female (%)

Full-time employees (FTEs) per group



- People and partnerships – 50 FTEs (14%)
- Corporate services – 46 FTEs (13%)
- Regulatory services – 54 FTEs (15%)
- Strategy, growth and recovery – 21 FTEs (6%)
- Place and space – 74 FTEs (20%)
- Infrastructure services – 105 FTEs (29%)
- Organizational development and CE's office – 11 FTEs (3%)

Staff engagement

The Gallup Survey provides an opportunity for staff to have their say about how they feel about working for the Council and what needs to be done to ensure the Council remains a great place to work.

Since the COVID-19 disruptions, we have implemented a digital workplace platform that further enabled staff to work effectively remotely, and we have continued to progress a programme of wider digital changes across the organisation. Our focus over this past year continues to support initiatives that ensure staff know what is expected of them at work, they have access to the tools to do what is required, and they are trained how to use these tools.

This is part of a series of ongoing initiatives focused on leadership development, improvements to our induction process, training delivery and career development opportunities. Due to the organisational-wide disruptions from COVID-19 and its ongoing impact on staff availability, another full Gallup Survey has not been undertaken since October 2021, however action plans and initiatives from that survey are continuing. Another full survey is planned before February 2023.

Impact of COVID-19

Managing the impact of COVID-19 on employee wellbeing and workloads was again a major focus for the year. We continue to operate in a highly constrained environment due to competition from central government agencies for skilled workers, particularly in the human resources, building, resource consent, planning and engineering areas. Our staff are committed to delivering but our current resourcing is stretched to meet demand.

Response to COVID-19

The Council takes its responsibility for staff and community health and safety seriously. Following lockdown, for the first wave of Omicron, in conjunction with mitigation procedures advised by the Ministry of Health, Council staff were split into two working 'bubbles' (with alternate weeks in the office) to reduce the risk of spreading the virus.

Government's transition from alert levels to the current Traffic Light Protection Framework, often at very short notice, required intensive efforts to maintain operational readiness, while also meeting health and safety obligations for staff.

At 30 June 2022, 42 percent of our organisation has either had COVID-19 or been a household contact and, as a result, some community facilities closed for short periods due to staff shortages. We are working through our 'new normal' for our organisation and our community and will continue to make changes to service provision to minimise disruption and enable core services to remain operational.

Health and safety

We all have an obligation to take care of our own health and safety, and the health and safety of other people who may be impacted by the work we do. Our Health and Safety Policy Statement sets out the employer's expectations for our officers, managers, team leaders, supervisors and workers in this regard.

For elected members we have a Health and Safety Leadership Charter that sets out the responsibilities of elected members. Quarterly reporting to the Audit and Risk Subcommittee includes reporting on all events (injury, illness, events and near misses, and progress on mitigation of hazards and risks). The Council has experienced an increase in abusive and violent

behaviour from customers and members of the public since COVID-19 lockdown and as such has a greater focus on the physical and psychological health and wellbeing of our staff.

Event reporting continues to increase as staff become more aware of the need to report events. A total of 373 events were reported for the year 1 July 2021 to 30 June 2022 and 55 percent of these were third-party events (including customers using our facilities and our public open spaces), 44 percent were worker-related events and 1 percent of events involved contractors undertaking work on our behalf. Unfortunately, several employees continue to be exposed to unreasonable behaviour from customers so safety-at-work training for frontline employees has been put on a regular recurring schedule.

Risks identified during the period 1 July 2021 to 30 June 2022 included asbestos management, driving and psychological risk management.

Management programmes are in place for managing asbestos and driver awareness and work continues with programmes and initiatives to strengthen psychological risk management for workers.



Improved capability

We implemented a leadership strategy and a programme for developing people leaders. We are also developing a programme of work to encourage resilience and further enable awareness of the importance of psychological wellbeing. We continue to work with iwi partners to develop a resource to build shared understanding of the Council's legislative and partnership obligations to iwi/Māori.

Our Project Management Office continues to evolve and provides a joined-up view of key projects across the organisation, currently with a primary focus on infrastructure projects.

Staff turnover

At the end of 2021/22, our staff turnover rate was 27 percent and we had one retirement. Turnover excludes casual employees and employees on fixed-term agreements that terminate as planned. We face strong competition from central government agencies who can attract staff through higher remuneration package offers.

Information from exit interviews continues to indicate that staff are leaving to pursue career opportunities with increased pay benefits, and/or for personal or family reasons. On a positive note, the indications continue that the best thing about working for the Council is the people/colleagues and the opportunity to make a positive difference and add value to the community.

Policy changes to benefit employees

With differing individual needs across our workforce, we have implemented changes to our leave policy to enable leave to care for dependents and also a new leave category for COVID-19-related absences.

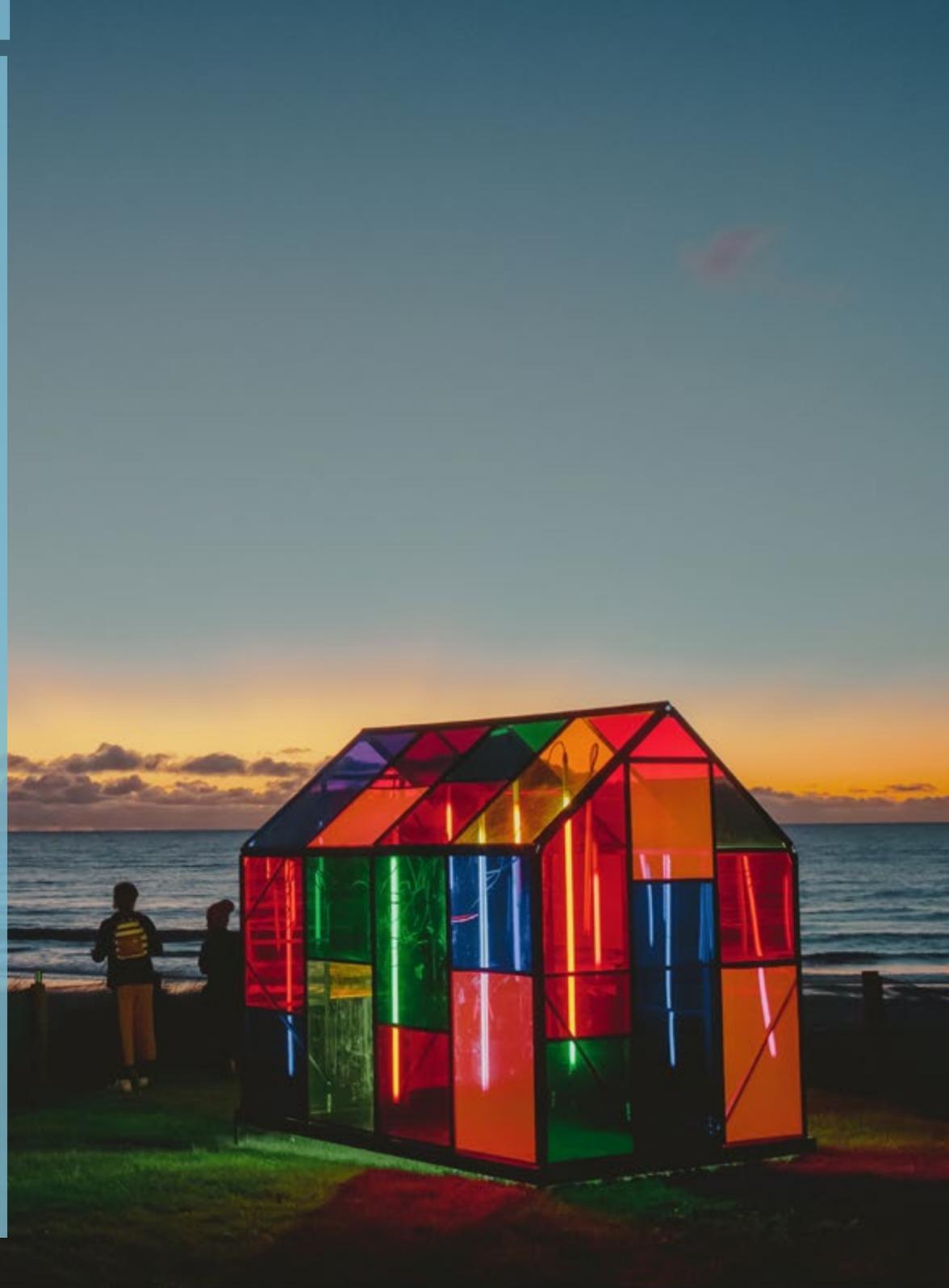
The Council contributes to the KiwiSaver compulsory employer contribution 'on top' of remuneration and does not stop the employer contribution to KiwiSaver for employees over 65 years of age. We also have a multi-union collective employment agreement in place with the Public Service Association and the Amalgamated Workers' Union. No employee is paid less than the minimum adult wage as we do not subscribe to minimum youth nor apprenticeship rates of pay.

Equal employment opportunities and pay equity

The Council is an equal opportunities employer and operates on the basis of identifying the best person for the role. Our policies and procedures around recruitment and selection support this, as does our remuneration policy and procedures and overall organisational remuneration strategies.

The Council uses the Strategic Pay 5-Factor System to assign a grade to roles. We assess each role on its own merit, not on the role holder. Each grade has a remuneration range between 85 and 115 percent of the median and a position in range is determined upon skills, experience, tenure in the role and qualifications required. We have 45 percent of female employees paid at 100 percent or above of their role grade and 55 percent of our male employees are paid at 100 percent or above of their role grade. Information about employee remuneration by salary bands is found in the Our finances section on page 137.

Statement of compliance and responsibility



Statement of compliance and responsibility

1 July 2021 to 30 June 2022

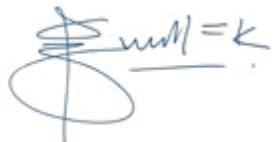
Compliance

The elected members and management of Kāpiti Coast District Council confirm that all statutory requirements of sections 98 and 99 of the Local Government Act 2002 have been complied with.

Responsibility

We accept responsibility for the preparation of the annual financial statements and the judgements used in them, and for establishing and maintaining a system of internal control that provides reasonable assurance as to the integrity and reliability of our financial reporting.

In our opinion, the annual financial statements for the year ended 30 June 2022 fairly reflect the financial position and operations of the Council.



K Gurunathan
Mayor, Kāpiti Coast District

29 September 2022



Gary Simpson
Acting Chief Executive

29 September 2022

Independent auditor's report





INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF KĀPITI COAST DISTRICT COUNCIL'S ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2022

The Auditor-General is the auditor of Kāpiti Coast District Council (the District Council). The Auditor-General has appointed me, David Borrie, using the staff and resources of Ernst & Young, to report on the information in the District Council's annual report that we are required to audit under the Local Government Act 2002 (the Act). We refer to this information as "the audited information" in our report.

We are also required to report on:

- whether the District Council has complied with the requirements of Schedule 10 of the Act that apply to the annual report; and
- the completeness and accuracy of the District Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014.

We refer to this information as "the disclosure requirements" in our report.

We completed our work on 06 October 2022. This is the date on which we give our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 98 to 141:
 - present fairly, in all material respects:
 - the District Council's financial position as at 30 June 2022;
 - the results of its operations and cash flows for the year ended on that date; and

- comply with generally accepted accounting practice in New Zealand in accordance with Public Benefit Entity Standards;
- the funding impact statement on page 100, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's Long-term plan.
- the statement of service provision referred to as 'Activities & Services' on pages 24 to 94:
 - presents fairly, in all material respects, the District Council's levels of service for each group of activities for the year ended 30 June 2022, including:
 - the levels of service achieved compared with the intended levels of service and whether any intended changes to levels of service were achieved;
 - the reasons for any significant variation between the levels of service achieved and the intended levels of service; and
- complies with generally accepted accounting practice in New Zealand; and

- the statement about capital expenditure for each group of activities on pages 146 to 153, presents fairly, in all material respects, actual capital expenditure as compared to the budgeted capital expenditure included in the District Council’s Long-term plan; and
- the funding impact statement for each group of activities on pages 146 to 153, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council’s Long-term plan.

Report on the disclosure requirements

We report that the District Council has:

- complied with the requirements of Schedule 10 of the Act that apply to the Annual Report; and
- made the disclosures about performance against benchmarks as required by the Local Government (Financial Reporting and Prudence Regulations 2014) on pages 142 to 145, which represent a complete list of required disclosures and accurately reflects the information drawn from the District Council’s audited information and, where applicable, the District Council’s Long-Term Plan.

Emphasis of matter – The Government’s three waters reform programme announcement

Without modifying our opinion, we draw attention to note 11 on page 121, which outlines that, in June 2022, the Government introduced legislation to establish four publicly owned water services entities to take over responsibilities for service delivery and infrastructure from local authorities with effect from 1 July 2024. The impact of these proposed reforms, once legislated, will mean that the District Council will no longer deliver three waters services or own the assets required to deliver these services. The bill is currently before Parliament and as such, the impacts of the proposed reforms are currently unclear. Additional legislation is expected later in 2022 that will provide detail on the transfer of assets and liabilities to the water service entities.

Basis for our opinion on the audited information

We carried out our audit in accordance with the Auditor-General’s Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand)

issued by the New Zealand Auditing and Assurance Standards Board. We describe our responsibilities under those standards further in the “*Responsibilities of the auditor for the audited information*” section of this report.

We have fulfilled our responsibilities in accordance with the Auditor-General’s Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the audited information.

Responsibilities of the Council for the audited information

The Council is responsible for meeting all legal requirements that apply to its annual report.

The Council’s responsibilities arise under the Local Government Act 2002 and the Local Government (Financial Reporting and Prudence) Regulations 2014.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the information we audit that is free from material misstatement, whether due to fraud or error.

In preparing the information we audit the Council is responsible for assessing its ability to continue as a going concern. The Council is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless there is an intention to amalgamate or cease all of the functions of the District Council or there is no realistic alternative but to do so.

Responsibilities of the auditor for the audited information

Our objectives are to obtain reasonable assurance about whether the audited information, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Auditor General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of readers taken on the basis of this audited information.

For the budget information reported in the audited information, our procedures were limited to checking that the budget information agreed to the District Council's Annual Plan or Long Term Plan.

We did not evaluate the security and controls over the electronic publication of the audited information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the audited information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of internal control relevant to the audit 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.

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- We determine the appropriateness of the reported intended levels of service in the statement of service provision referred to as "Activities & Services", as a reasonable basis for assessing the levels of service achieved and reported by the District Council.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Council and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast a significant doubt on the District Council's ability to A member firm of Ernst & Young Global Limited continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the audited information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report.

However, future events or conditions may cause the District Council to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the audited information, including the disclosures, and whether the audited information represents, where applicable, the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibilities arise from the Public Audit Act 2001.

Other Information

The Council is responsible for the other information included in the annual report. The other information comprises the information included on pages 1 to 23, 97, 154 to 170 and 175 to 181, but does not include the audited information and the disclosure requirements, and our auditor's report thereon.

Our opinion on the audited information and our report on the disclosure requirements do not cover the other information, and we do not express any form of audit opinion or assurance conclusion thereon.

Our responsibility is to read the other information. In doing so, we consider whether the other information is materially inconsistent with the audited information and the disclosure requirements, or our knowledge obtained during our work, or otherwise appears to be materially misstated. If, based on our work, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independence

We are independent of the District Council in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have carried out an assurance engagement in relation to the District Council's debenture trust deed, which is compatible with independent requirements. Other than these engagements we have no relationship with or interests in the District Council.



David Borrie
Ernst & Young
Chartered Accountants
On behalf of the Auditor-General
Wellington, New Zealand
06 October 2022

Glossary and references

Some of the words and terms in the Annual Report are technical or have a specific meaning where they are used.

This glossary provides definitions of Te Reo Māori terms and technical terms.

Annual Report

The Annual Report outlines what we achieved for the year against the LTP. It is a statutory requirement under the Local Government Act 2002.

Asset

An asset is an object (physical or intangible) that has an identifiable value and a useful life greater than 12 months, that is used, or could be used, to provide a service. Our assets include local roads, the water supply network, sewerage network and buildings. Managing asset performance, risks and expenditure over an asset's life cycle is a core part of our work.

Climate Emergency Action Framework

This framework sets out the overarching vision, objectives and principles we follow when we make decisions about climate change mitigation and adaptation.

Code Compliance Certificate

A Code Compliance Certificate is issued when a building work is finished and the Council is satisfied building and plumbing work under the consent complies with the New Zealand Building Code.

Development Contribution Policy

This policy provides the Council with a means of recovering costs of specific growth infrastructure that is required for new development, where the development results in an increase in demand on the district's infrastructure.

District Plan

Our district plan details the specific objectives, policies and rules that have been adopted to promote the sustainable management of natural and physical resources in our district.

Economic Development Strategy

This strategy provides a framework for growing the Kāpiti Coast economy for the benefit of current and future residents, iwi, communities and businesses and was adopted by the Council on 30 July 2020.

Fees and Charges Policy

This policy sets out fees and charges from building consents to hall hire. They reflect the costs of providing services each year and are reviewed annually.

Local Government Act 2002 (LGA 2002)

The Act is the primary legislation for local authorities. It provides the general framework and powers under which our Council and the other local authorities throughout New Zealand operate.

Long-term Plan (LTP)

We prepare and consult on an LTP every three years in accordance with requirements in the Local Government Act 2002. Our LTP outlines the services we will provide, the projects we will undertake, the cost of doing this work, how it will be paid for and how we will measure quality and effectiveness. The LTP 2021-41 was adopted on 24 June 2021.

Performance measures

These are the main measures by which we assess our performance across our activities and services. Performance measures from our LTP can be a mix of quantitative and qualitative measures. Some of the indicators for our core infrastructure services are compulsory for all the Councils to measure.

Resident Satisfaction Survey

The Council undertakes this survey four times a year to measure residents' satisfaction across a range of services, as well as their interactions with the Council and general perceptions of the Council. The survey is conducted over the phone with a total of 800 respondents each year (200 per quarter).

River recharge

The Council's Waikanae River recharge with groundwater scheme allows more fresh water to be taken from Waikanae River while maintaining the river's ecological balance and required minimum flow.

Takutai Kāpiti

This project aims to encourage the Kāpiti community to become more aware of the impacts of coastal hazard risks resulting from sea-level rise and climate change and empower them to take part in developing solutions and pathways for adapting to coming change.

Three waters

This term collectively refers to drinking water supply, stormwater and wastewater assets and services.

Financial

Amortisation

This is an expense charged each year to reflect the estimated cost of using our assets over their lives. Amortisation relates to intangible assets such as software while depreciation relates to physical assets such as buildings.

Depreciation

This is an expense charged each year to reflect the estimated cost of using our assets over their lives. Depreciation relates to physical assets such as buildings.

Capital expenditure

Capital expenditure, also referred to as CAPEX, is the money that we invest in purchasing or improving our assets, such as buildings, vehicles, equipment or land.

Credit rating

This is an independent, expert opinion of the capability and willingness of the Council to repay its debts – in other words, its financial strength or creditworthiness. Our credit rating is issued by S&P Global, an internationally recognised rating agency. Ratings are expressed alphabetically with the higher rating, e.g. 'AAA', being superior (having a lower chance of default) to a lower rating, e.g. 'C', (a higher risk of default). Our current credit rating is AA/A-1+.

Current asset

This is an asset that can be readily converted to cash or that will be used to repay a liability within 12 months of the balance date.

Current liability

This is a liability that is required to be discharged within 12 months of the balance date.

Fair value

Fair value reflects the market value of our assets or liabilities.

Impairment

Impairment describes a permanent reduction in the value of an asset.

Net borrowings

These are total borrowings, less any funds held on deposit.

Operational expenditure

Operating expenditure or OPEX refers to all the costs for providing day-to-day services that are not related to building or renewing assets. OPEX includes asset maintenance and depreciation, insurance, utilities like power and internet, and salaries and training.

Prudential limits

These are limits applied to the level of borrowings to ensure we are managing the Council's assets and liabilities prudently. These limits are outlined in the Investment and Liability Management Policy in Part 2 of our Long-term Plan.

Unfunded depreciation

This is the amount of depreciation not funded by rates.

Te Reo Māori terms

Kāpiti is rich in Māori heritage and we are proud we have a high number of speakers of Te Reo Māori in our district. The Council shares our iwi partners' aspirations to promote Te Reo Māori to everyone in the community, so we are using more Te Reo Māori words and names and phrases in our activities and documents. The list that follows provides meanings and information about the terms we have used in this Annual Report – some of which are familiar to many of us, and some less so. A great source of further information is Te Papa Kupu Māori Dictionary, or Māori Dictionary online. (maoridictionary.co.nz)

Hapū

Sub-tribe, kinship group, clan and primary political unit in traditional Māori society.

Iwi

Extended kinship group, tribe, nation, large group of Māori descended from a common ancestor and associated with a distinct territory. We have three iwi in our district considered as mana whenua: Te Āti Awa ki Whakarongotai, Ngāti Raukawa kite Tonga and Ngāti Toa Rangatira.

Mana whenua

The local tribes that have authority over the land. Territorial rights associated with possession and occupation of tribal lands.

Kaitiaki

Guardian, caregiver, custodian, keeper.

Kaitiakitanga

Guardianship, stewardship.

Kaupapa

Topic, policy, matter for discussion, plan, purpose, scheme, proposal, agenda, subject, programme, theme, issue, initiative.

Kawa

To perform the kawa ceremony, open a new house.

Kotahitanga

Unity, togetherness, solidarity, collective action. The Council has set up an Economic Development Kotahitanga Board to oversee the delivery of the Economic Development Strategy.

Marae

The courtyard of a Māori meeting house, especially as a social or ceremonial forum.

Maramataka

Māori lunar calendar, a traditional Māori planting and fishing almanac. The Council has supported the production of a Maramataka for the past 10 years.

Me huri whakamuri,ka titiro whakamua

Let us look to the past, in order to see the future.

A Māori proverbial saying encouraging us to learn from our mistakes of the past or how understanding the past can often set the vision for the future.

Pōwhiri

A traditional Māori welcome; to welcome, invite, beckon.

Rangatahi

To be young, youthful, younger generation.

Rohe

Boundary, district, region, territory, area, border (of land).

Takutai Kāpiti

Kāpiti sea coast. We have given this name to our coastal adaptation programme.

Tamariki

Children. Tamariki Time is our libraries' online story programme for pre-schoolers.

Tangata whenua

People of the land, a general term given to the indigenous people of Aotearoa New Zealand.

Taonga

Anything prized and valued including socially or culturally valuable objects, resources, phenomena. For our water management activity, we use the phrase: He taonga te wai – water is precious.

Te Waewae Kāpiti o Tara rāua ko Rangitāne

Traditional name for Kāpiti Island.

Te Whakaminenga o Kāpiti

The confederation of Kāpiti. The Te Whakaminenga o Kāpiti partnership reflects the Council's long-standing relationship with iwi/mana whenua.

Te Tiriti o Waitangi

Māori version of the Treaty of Waitangi signed by Māori. Local iwi were early signatories of Te Tiriti o Waitangi (the Māori version) as opposed to the translated English version.

Tikanga

Correct procedure, custom, habit, lore, method, manner, rule, way, code, meaning, plan, practice, convention, protocol – the customary system of values and practices that have developed over time and are deeply embedded in the social context.

Toitū te whenua, toitū te wai, toitū te tangata, toitū Kāpiti

Permanence of the land, water, people, Kāpiti district. The Council has chosen this phrase to describe the vision of our Long-term Plan.

Tuia

To sew, to thread. Each year, the Mayor selects a rangatahi from Kāpiti to participate in the Tuia Programme. The Tuia programme is an intentional, long-term, intergenerational approach to develop the leadership capacity of young Māori in communities throughout New Zealand. This programme involves local mayors selecting a young Māori from their district to mentor on a one-to-one basis, to encourage and enhance leadership skills.

Waikanae ki Uta ki Tai

Waikanae in land to the sea. This is the name given to the Waikanae River Mountains to the Sea catchment restoration programme the Council contributes to.

Wairua

Attitude, quintessence, feel, mood, feeling, nature, essence, atmosphere.

Whakawhanaungatanga

Process of establishing relationships, relating well to others.

Whānau

Extended family, family group, a familiar term of address to a number of people.

Whenua

Land, territory, domain, placenta, afterbirth, ground, nation, start, country.

In our activities and services section of this report we give the Te Reo Māori for each of our activity areas alongside the English.

References

Long-term Plan 2021–41

[Kāpiticoast.govt.nz/your-council/forms-documents/annual-and-long-term-plans/long-term-plan/](https://www.kapiticoast.govt.nz/your-council/forms-documents/annual-and-long-term-plans/long-term-plan/)

Annual Plan for 2022–23

Annual Plan – Kāpiti Coast District Council (Kāpiticoast.govt.nz)

Annual Report for 2020–21

Annual reports – Kāpiti Coast District Council (Kāpiticoast.govt.nz)

Pre-election Report 2022

Pre-election reports – Kāpiti Coast District Council (Kāpiticoast.govt.nz)

Kāpiti Coast District Plan

[Kāpiticoast.govt.nz/your-council/forms-documents/district-plan/](https://www.kapiticoast.govt.nz/your-council/forms-documents/district-plan/)

Kāpiti Coast District Council Performance Reports

The Council performance reports – Kāpiti Coast District Council (Kāpiticoast.govt.nz)

Takutai Kāpiti website

[takutaiKāpiti.nz](https://www.takutaiKapiti.nz)

Economic Development Strategy 2020–23

[Kāpiticoast.govt.nz/our-district/economic-development/strategy-for-supporting-economic-development/](https://www.kapiticoast.govt.nz/our-district/economic-development/strategy-for-supporting-economic-development/)



Contact information

Main office street address: 175 Rimu Road,
Paraparaumu 5032

Postal address: Private Bag 60601, Paraparaumu 5254

Phone: 04 296 4700

0800 486 486 (toll free)

Email: Kāpiti.council@KāpitiCoast.govt.nz

Website: www.KāpitiCoast.govt.nz

Facebook: facebook.com/KāpitiCoastDistrictCouncil

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