

# Building a stronger Kāpiti together

TOITŪ KĀPITI

**Annual Report 2020–21**

**Summary**



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**Cover Photo:** Council funds the annual Ōtaki Kite Festival.

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# Introduction

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Nau mai, haere mai, Tēnā koutou,  
tēnā koutou, tēnā koutou katoa.

Welcome to the Kāpiti Coast District  
Council Annual Report 2020–21.

This report provides an overview of  
our achievements against the 2020–21  
Annual Plan and the 2018–38 Long-  
term Plan. It is also the third and final  
report against the 2018–38 Long-term  
Plan.



# Mayor and Chief Executive review



Mayor of Kāpiti Coast District, K Gurunathan JP, MA (right) and Chief Executive of Kāpiti Coast District Council, Wayne Maxwell (left).

## Introduction

It was a huge year for Kāpiti Coast District Council, supporting the District's recovery from the COVID-19 pandemic, planning for population growth and keeping essential services running.

We drew on our resilience as an organisation to get us through the impacts of COVID-19 and made conscious efforts to focus on community wellbeing and the wellbeing of our staff.

We provided a range of social events and grants for local initiatives, improved the local economy by ensuring it's well positioned for growth, and continued improving and protecting the natural environment with plantings.

We have now put the wheels in motion for some large and challenging pieces of work relating to climate change and developing our District in a way that supports future housing needs.

During the year we served 33,752 customers and handled 62,204 customer requests. We resealed 11.25 kilometres of local roads, built 4.3 kilometres of footpaths, renewed two playgrounds and planted over 30,000 trees.

We engaged openly with residents about proposals in our District Plan and Long-term Plan and on a range of bylaws and policy submissions, including the Beach Bylaw and Solid Waste Management and Minimisation Bylaw.

This was all in the midst of a growing central government agenda for local government reform and legislative change. The year ended on a positive note, with a healthy economy, engaged community, a clear picture of how we will grow and develop and with a strong, resilient organisation.

## Recovering from impacts of COVID-19

In October 2020 we launched our Kāpiti Recovery Plan to guide our response to the pandemic, strengthen connections and resilience among our people and provide economic development opportunities for local businesses. The Kāpiti Recovery Plan contained 42 actions, the majority of which have been (or are now becoming) business as usual.

**In quarter three, it became apparent that the community has in some ways coped better through COVID-19 than predicted.**

As a result, some actions in the Plan were adjusted to better reflect the needs of the community and iwi groups. A review of where we are up to with the Plan and our next steps is scheduled for later in 2021.

We established the Economic Development Kotahitanga Board and significant progress was made implementing the refreshed Kāpiti Coast Economic Development Strategy.

The Ōtaki youth initiative pilot called He Poutama Rangatahi grew skills and capability and we worked with government agencies, iwi, and local providers on housing-related issues. Our We Love Local campaign encouraged people to buy local and promoted parks and recreational summer activities, music in the park, the Arts Trail and the Kāpiti Food Fair – all bringing our community back together again.

We experienced changes in demand for services such as an increased need for emergency, social and affordable housing and a decrease in borrowings from libraries. COVID-19 also affected supply of materials for some infrastructure projects, progress of the Otaraua Park amenity building and some citizenship ceremonies due to social distancing early in the year.

## Our District Plan became operative and we planned for growth

**After nearly nine years in the making, our District Plan became operative on 30 June 2021, setting the scene for future development in our District.**



Kāpiti Goodies (rebranded to We Love Local).

**This was a massive achievement, considering 900 submissions, the resolution of all appeals and completion of variations over such a long timeframe.**

We also took steps to align the District Plan with National Planning Standards, five years ahead of the 2026 deadline set by central government.

An assessment of development capacity for housing is underway as part of an update to the Housing Business Assessment. Both of these pieces of work are informing the review of the Districts Growth Strategy.



New subdivision in Waikanae.

## Our economy improved

In July 2020 Council adopted the refreshed Kāpiti Coast Economic Development Strategy 2020–23. The strategy included developing a Kāpiti Coast Destination Management Plan, a new Workforce Plan, facilitating 25 work experience placements (through Work Ready Kāpiti) supporting 41 people to achieve Work Ready Passports and finalising the Elevate Ōtaki Strategy. Their role was to facilitate and support business growth in Ōtaki and Te Horo to recover from the impacts of COVID-19 and prepare for the impact of the new Expressway.

As the year progressed the District's economy gathered considerable strength, reversing predicted trends for GDP, employment, consumer spending and tourism.

## Improving housing availability and affordability

By March 2021 there were 180 people on the housing register and 83 percent of demand was for one-and-two bedroom properties. Demand for emergency housing remained high with 296 Special Needs Grants approved in the January to March 2021 quarter, compounding these effects (Kāpiti Coast house values rose 34.4 percent, compared with 27.3 percent nationally).

A housing work programme was agreed 30 April 2020 to improve housing supply. We worked with Kāpiti Impact Trust and Hora Te Pai services to improve emergency

housing and other organisations and developers to improve local provision of transitional housing.

We purchased a section of land in Rangiuru Road, Ōtaki, to explore development opportunities and looked at Council's existing residential land holdings to identify opportunities for development on Māori owned-land and other land. We also supported the Paekākāriki Housing Trust and Atareira to secure properties in Kāpiti.



House construction on the coast, photo copyright Mark Coote.

## A way forward to address climate change challenges

On 23 May 2019, Council declared a climate change emergency. This year, we developed a Climate Emergency Action Framework to guide decision making about mitigation and adaptation.

**The vision at the heart of our Climate Emergency Action Framework is: a thriving, vibrant and strong Kāpiti that has reduced its carbon footprint significantly, transitioned to a low-carbon future, and prepared for challenges and opportunities that come from responding to the climate crisis.**

## Takutai Kāpiti Community Assessment Panel

Former New Zealand Prime Minister and Waikanae resident, Rt Hon James Bolger ONZ PC, was appointed as Chair of the Takutai Kāpiti Community Assessment Panel that was set up to support Takutai Kāpiti, a community-led coastal adaptation project. The project comprises people from tangata whenua and the



Takutai Kāpiti Summit, the Rt Hon James Bolger ONZ PC and Iwi Partnerships Manager Kahu Ropata.

local community and provides a formal mechanism for wider community input, indigenous knowledge and technical expertise to be used to develop coastal adaptation options.

## Paekākāriki seawall

Since consultation was undertaken with the community for the 2018–38 Long-term Plan about the Paekākāriki seawall, costs and conditions changed, making the previously agreed plan unaffordable.

Through the draft 2021–41 Long-term Plan consultation, the majority of Kāpiti residents said they would like the seawall to be replaced with a “like for like” timber wall, and Council agreed.

The wall will be built in stages over the next five years and starting in 2021–22 financial year to improve protection of the road, three waters infrastructure and the beach environment.



## Reducing carbon emissions

To highlight the importance of declaring a Climate Change Emergency and taking action to reduce emissions further, Council adopted a resolution in May 2019 to strive for carbon neutrality by 2025.

### In August 2020, Kāpiti Coast District Council earned top placement in Toitū Envirocare's list of carbon emission reducers.

As part of the 2019–20 emissions audit, Council has been able to (for the first time since 2010) estimate emissions of its biological wastewater treatment process. These emissions are now considered Council's largest emissions source, followed by electricity usage.

During the year we continued to make gains to reduce carbon emissions, for example, the Rau Kūmara Solar Farm (owned and operated by Energise Ōtaki on Council-owned land) generated 80,246 kwh of solar electricity between September 2020 to the end of June 2021, which was used to run the Wastewater Treatment Plant. This equated to around 35 percent of the typical electricity use of the treatment plant.

We installed three electric vehicle (EV) charging stations in December 2020 at the Civic Building and purchased a second EV for the Council fleet.



Rau Kūmara – Aotearoa's first community-owned solar farm at Ōtaki Wastewater Plant 2021.

## Community facilities projects

### Ōtaki Civic Theatre and Paraparaumu Memorial Hall

We completed refurbishments of the Ōtaki Civic Theatre and the Paraparaumu Memorial Hall. This was possible with the Government's Provincial Growth Fund contributing \$500,000 to each of these projects.

### Te Uruhi (the Gateway) project

Council received access to \$2.23 million from the government's COVID-19 Response and Recovery Fund for the Te Uruhi (Kāpiti Gateway) project.

The Te Uruhi project will be a key part of the Kāpiti destination story. Although it is modest in scale, it will help promote other Kāpiti district attractions as well as be a stepping-off point for visitors to Kāpiti Island. It has high significance to local iwi, who are working closely with us through the development.

## We celebrated the 20th Anniversary of the much-loved Kāpiti Arts Trail.

The Kāpiti Arts Trail brought visitors from afar, providing a wonderful opportunity for over 67 local artists to show their artworks and benefit local businesses, artists and residents.



Kāpiti Arts trail 2020 – Marcus Ebbett.

## Our 2021–41 Long-term Plan was adopted

Our biggest and boldest 2021–41 Long-Term Plan was adopted following receipt and analysis of 741 submissions. The plan provided a stimulus package with an emphasis on preparing well for growth, tackling climate change and investing in our infrastructure and facilities for the benefit of everyone in our community.

## Working with others

Kaihāpai (volunteers) make a huge contribution to our communities in the areas of sport, restoration planting, participation in arts and culture, and emergency services.

In Kāpiti, our not-for-profit organisations are instrumental in creating local solutions for local needs. This year, Council was able to re-orient its grants and funding towards COVID-19 social recovery initiatives to support volunteers in not-for-profit organisations to respond to community related COVID-19 challenges.

We planned how to increase our capacity to deliver capital works by aligning procurement activity with Horowhenua District Council. This included through sharing information about capital work programmes and collaborating on procurement activities where it was mutually beneficial.

Council worked collaboratively with other Councils in the region to develop the Wellington Regional Growth Framework and the Wellington Regional Leadership Committee to oversee the framework. The framework provides useful context for development of our own District Growth Strategy.

## Management of Council

We focused on the wellbeing of those in our community and the wellbeing of our staff as we transitioned through COVID-19.

### Our people's wellbeing

We supported a more open conversation with our people about how they are feeling and learnt to be more flexible as the year went on to accommodate the impacts of COVID-19 and how we work. We recognised that we all have a role to play in looking after our own wellbeing and that of others and continued to look for

opportunities to improve staff wellbeing, health and safety and organisational resilience. We also enhanced Council capability by creating a new Programme Management Office to oversee infrastructure project delivery, and created a new Strategy Growth and Recovery Group.

### Opening the books – our financial health

Our Standard and Poor's Global AA credit rating was retained, we had a surplus of \$6.9 million from unplanned central government stimulus funding, we

kept average rate increases low at 2.6 percent and completed 89 percent of capital projects with a total capital spend of \$32.9 million, carrying over \$3 million into next year.

### Acknowledging our people

Thank you to everyone, every organisation and every business we have worked with.

**Together, with all our efforts, we have built a stronger Kāpiti!**



Kāpiti Coast District Council front desk counter.





Pou (carved pillars) representing the three local iwi.

## Te moemoeā o te tangata whenua

Me huri whakamuri, ka titiro whakamua – drawing from our past to inform our future.

The Council and tangata whenua have an enduring partnership that lies at the heart of our activities for the community and wider relationships that surround us. We're working hard to ensure we understand tangata whenua aspirations for our District and its people and bring them to life in our daily work. In this past year, the development of the 2021–41 Long-term Plan provided an opportunity to better reflect these aspirations in our overarching plan for the District.

This year we saw the resignation of Rupene Waaka, the Chair of Te Whakaminenga o Kāpiti since 2013 and one of the signatories on behalf of Ngāti Raukawa ki te Tonga at the first signing of the partnership between Mana Whenua and Council in 1994. We acknowledge his leadership and contribution to the partnership, and service to his iwi, hapū and community.

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

### Kaitiaki/Kaitiakitanga

Māori have a relationship that is inextricably intertwined with the environment, spanning centuries of observation and experience from which a unique body of knowledge and cultural practice has developed. This experience is valuable, alongside Western scientific knowledge and experience, to the development of tools and processes for ensuring that the mauri (life force) of the environment is maintained and improved.

For Māori, the exercise of tikanga over natural resources is clearly bound to kaitiakitanga. Kaitiakitanga means guardianship, protection, preservation or sheltering.

Kaitiakitanga is the managing of the environment, based on the traditional Māori world view. Kaitiaki/Kaitiakitanga is linked to tino rangatiratanga as it may only be practised by those whānau, hapū or iwi who possess mana whenua in their area. Tangata whenua consistently indicate the following reasons for seeking recognition of cultural values and practices in relation to the management of the environment:

- The belief that their cultural practices have a very strong environmental basis and could enhance the management process.
- An obligation, as kaitiaki, to protect the natural world.
- The belief that spirituality is integral to the connection between Māori culture and tradition with the environment<sup>1</sup>.

<sup>1</sup>ERMA New Zealand Policy Series. Incorporating Māori perspectives in Part V Decision Making; November 2004.

## Tangata whenua base their vision on four principles.

### Principle one:

**Whakawhanaungatanga/Manaakitanga** – the marae is our principal home, which ties us to our whenua and is the physical embodiment of our ancestors. The wellbeing and health of the iwi and their marae can often determine the emotional, spiritual and physical wellbeing of the people who belong to the iwi.

### Principle two:

**Te Reo** – it is the language of the tangata whenua through which tikanga is conveyed; kawa and wairua are expressed. Te Reo Māori is an official language of New Zealand.

### Principle three:

**Kotahitanga** – through unity, tangata whenua and communities have strength. Working together we can ensure that our District's heritage, cultural development, health, education and economy flourish.

### Principle four:

**Tino Rangatiratanga** – to exercise self-determination and self-governance with regard to all tribal matters.

This is a shortened version of Te moemoeā o te tangata whenua. A more detailed version is available in the full Annual Report.



# Governance

The Kāpiti Coast District Council consists of a Mayor and 10 Councillors.

Five Kāpiti Coast District Councillors are elected from across the district wards.

In total for the year, there were 13 Council meetings, 13 Committee meetings and 10 Subcommittee meetings as well as 84 briefings and 13 public workshops.

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.



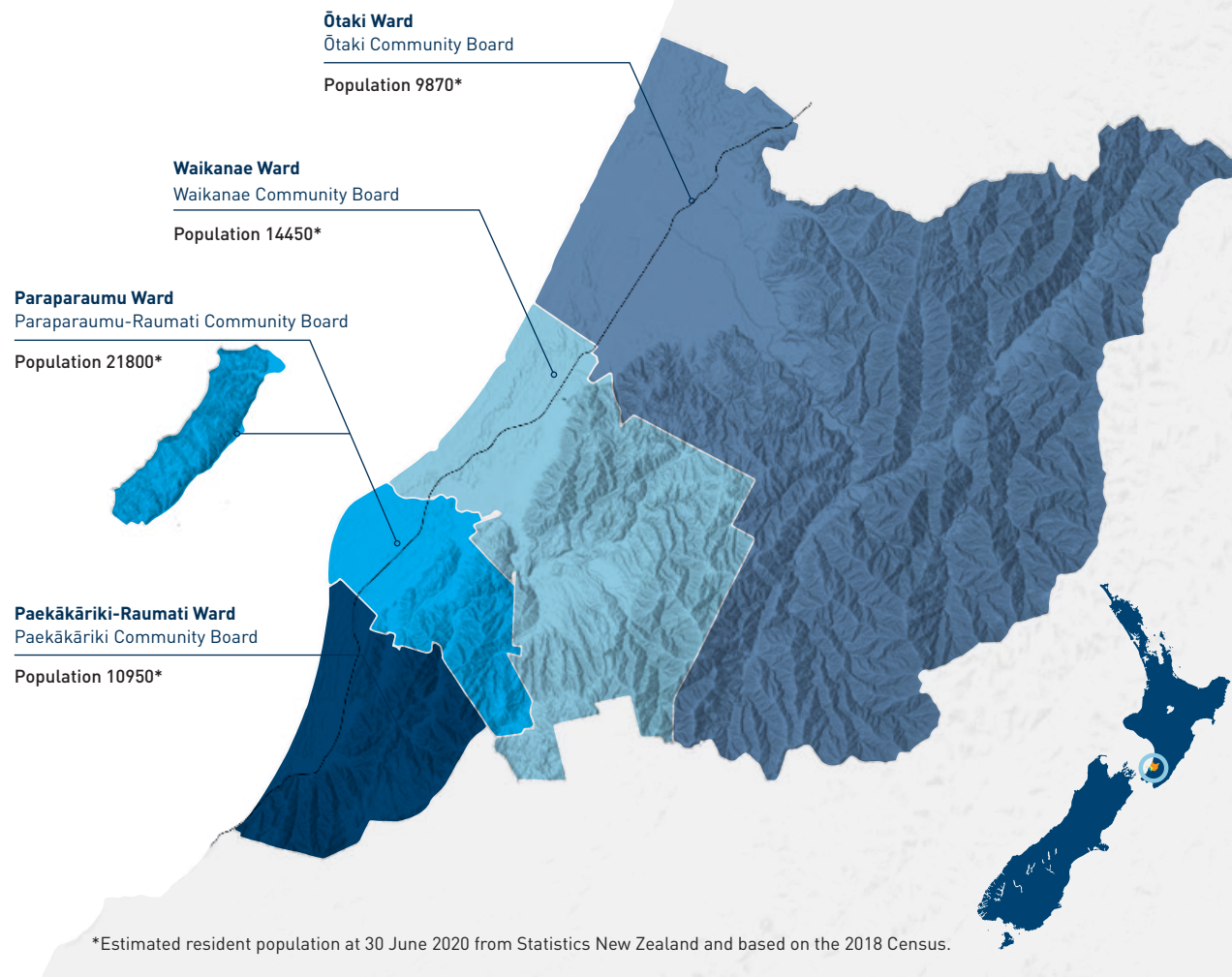


## Local body electorate wards

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).

## By-elections

Over the past financial year, Kāpiti Coast District Council held one by-election as a result of two resignations from the Waikanae Community Board. The Council also received a resignation from the Ōtaki Community Board, triggering a further by-election in July 2021 that was uncontested.



# Performance summary

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# Snapshot of Council-wide performance for the year

## Financial performance/position

**\$6.9m**

Surplus mainly from unplanned stimulus funding from central government

**71%**

Total income is derived from rates

Average rates increase 2020–21 **2.6%**

**\$70.4m**

Actual rates revenue for the year

**\$1.53b**

Council's net value as at 30 June 2021

**\$154.6m**

Net debt at 30 June 2021 and maintained our AA credit rating from Standard and Poor's Global

## Capital projects



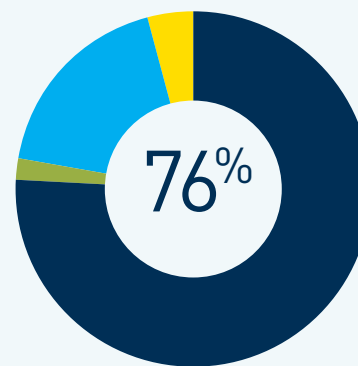
**89%**

Capital projects completed. Total spend for the year was \$32.9 million

**\$3m**

Carried over to 2021–22 to complete planned projects

## Service performance



- Achieved 76%
- Partially achieved 2%
- Not achieved 18%
- Not able to be reported 4%

## Residents' satisfaction

**74%** Overall adjusted satisfaction

**53%** Adjusted satisfaction with value for money



# Financial overview

We produced this overview to give Kāpiti residents a snapshot of our finances.

## Financial performance

### Operating profitability

We achieved an operating surplus of \$6.9 million for the year – \$6.8 million higher than budgeted.

Revenue was \$10.1 million higher than budget due mainly to revenue from development and financial contributions (\$1.4 million), grants and subsidies (\$4.7 million) and vested assets (\$3.1 million) all being higher than expected.

The additional grants and subsidies revenue included unbudgeted Three Waters stimulus funding of \$3 million, \$1.1 million from the government's COVID-19 response and recovery fund for the Te Uruhi project, and \$1 million from the Provincial Growth Fund for refurbishment of the Paraparaumu Memorial Hall and Ōtaki Civic Theatre.

Total operating expenditure was \$3.5 million higher than budgeted, mainly due to unbudgeted opex costs relating to the Three Waters stimulus funding, and higher than expected costs associated with delivering the Long-term Plan.

Revenue was higher  
than budgeted by  
**\$10.1 million**

Spent 89 percent of budget for capital  
work planned for the year

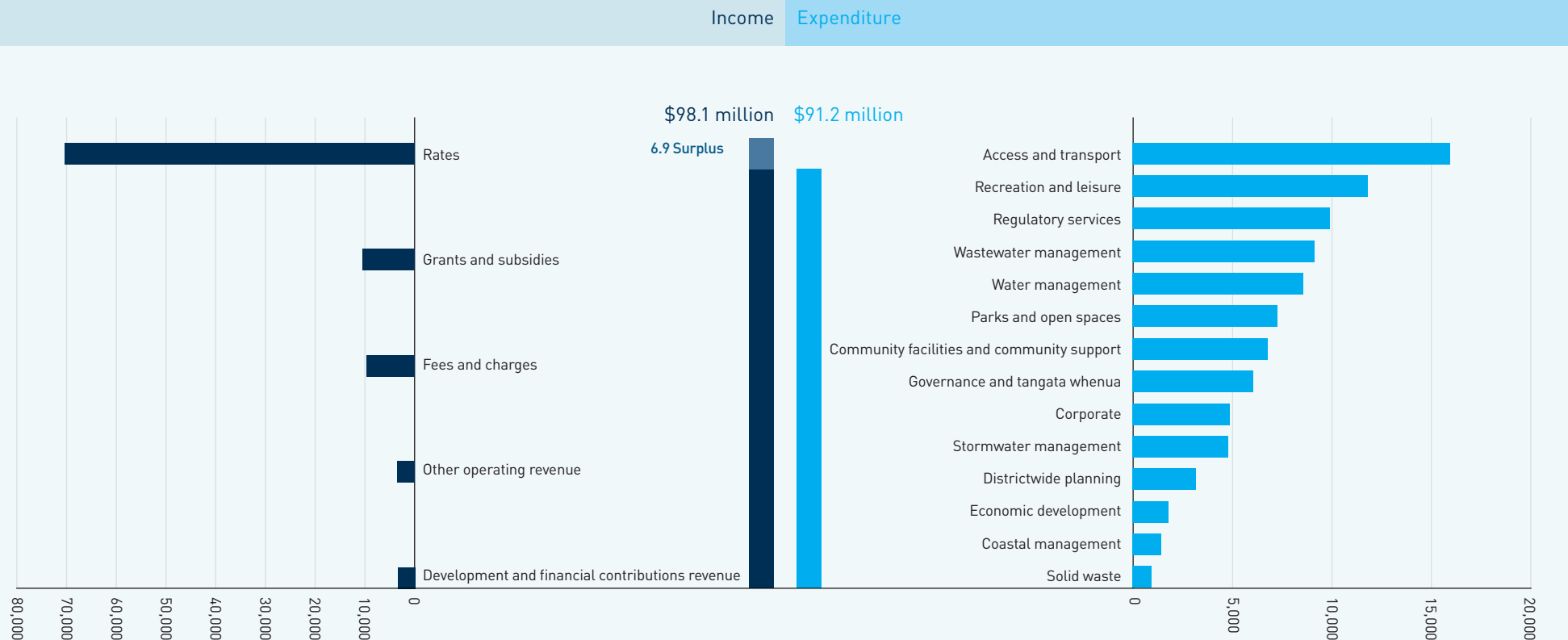
**\$32.9 million**

### Capital spending

In setting the 2020–21 Annual Plan we had budgeted to spend \$37 million on capital work.

We ended the year completing \$32.9 million, 89 percent of planned, with \$3 million of projects being carried forward to future years.

## Financial performance (\$ millions)



## Financial position

At the end of each year, we determine our financial position. This reflects the overall value of Council as an entity.

As at 30 June 2021, total assets were \$1,798 million. Of this, infrastructure (water, stormwater, wastewater, roading, bridges, cycleways, walkways and bridleways) accounted for \$1,509 million, and the remainder included community facilities, parks and open spaces and financial assets.

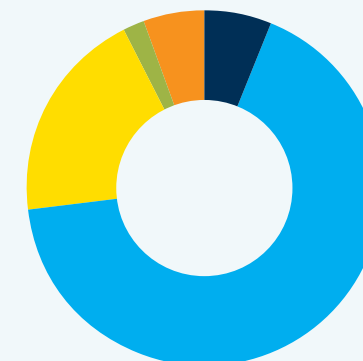
## Value of the Council assets \$1,798 million

## Liabilities for the year \$272 million

Our liabilities are \$272 million, with 84 percent of this being medium to long-term borrowings from the Local Government Funding Agency. Other liabilities include money owed, for example, to suppliers.

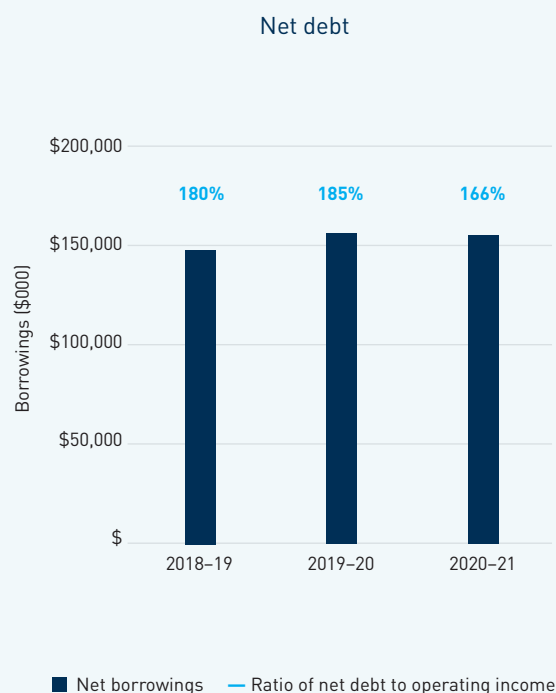
The difference between total assets and liabilities means that ratepayers' equity in the Council is \$1,526 million.

Total property, plant and equipment  
by value 2020–21 \$'000



- Council operational – \$104,332
- Infrastructure – Roding – \$1,145,467
- Infrastructure – Three Waters – \$331,325
- Infrastructure – Under construction – \$32,332
- Other Assets – \$93,207





### Cash and debt management

We ended the year with net debt (total borrowings less cash, term deposits and borrower notes) of \$154.6 million, which represents 166 percent of our operating income. This reflects our commitment to our “green-line” strategy to keep net borrowings below 200 percent of our operating income.

A positive result for the year is that we kept our credit rating of AA. This is beneficial because it helps reduce our borrowing costs, supporting our financial strategy.

### We kept our Standard and Poor's credit rating

AA

### Progress in 2020-21 towards our financial strategy

Our financial strategy is based on balancing rates, borrowings and capital spending.

We've been working hard to improve Council's financial position – spending less, so we can pay back more in preparation for future infrastructure replacements. We maintained this approach of close financial management in 2020-21 and have stayed on track with our strategic approach.

Due to our desire to minimise rates increases in the wake of COVID-19, we did not reduce the unfunded depreciation gap in 2020-21. The gap remains \$3.1 million, which we forecast to reduce progressively until depreciation is fully funded by 2024-25.

## Service performance overview

Council achieved 76 percent of all 97 non-financial performance measures. In addition, 2 percent were partially achieved, 18 percent were not achieved and 4 percent were not able to be reported.

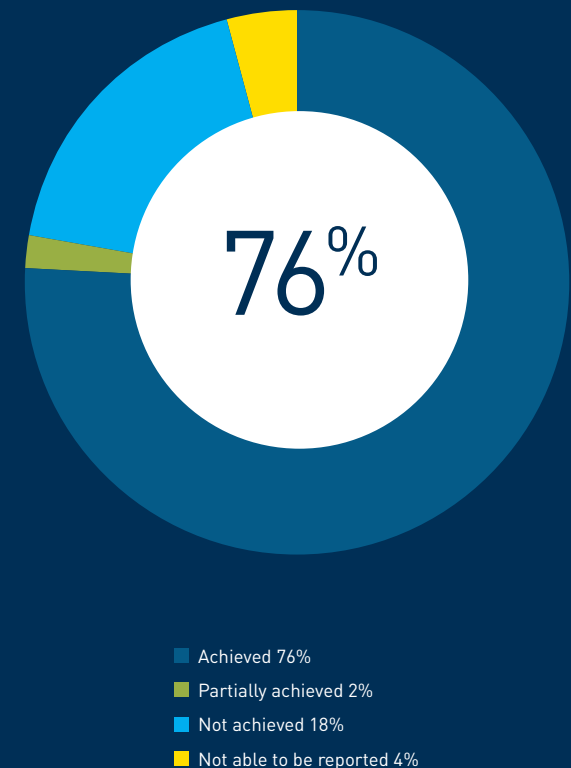
Our 2020–21 result (76 percent achieved) was a decrease compared to the previous two years (81 percent achieved in 2019–20 and 83 percent achieved in 2018–19).

There are a range of reasons why some results were not able to be reported that are explained in the Activities and Services section of the full Annual Report.

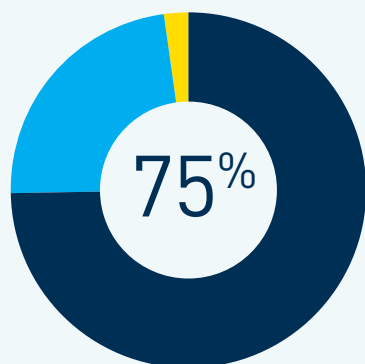
Looking across all our activities, Community Services (which includes community facilities and community support services) had the highest levels of achievement with 85 percent of performance measured achieved, followed by the Infrastructure with 75 percent of performance measured achieved.

In the lead up to the new Long-term Plan, we identified opportunities to update performance measures and reviewed questions in the Residents' Opinion Survey to measure achievement towards our new Long-term Plan outcomes.

Overall performance of 97 activity measures

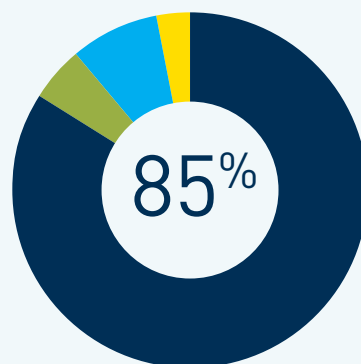


Infrastructure



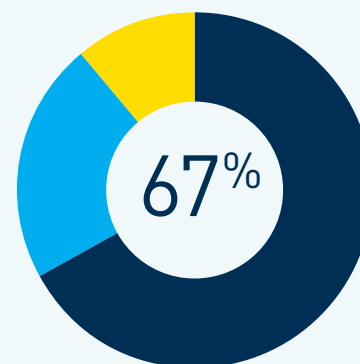
■ Achieved 75%  
 ■ Not achieved 23%  
 ■ Not able to be reported 2%

Community services



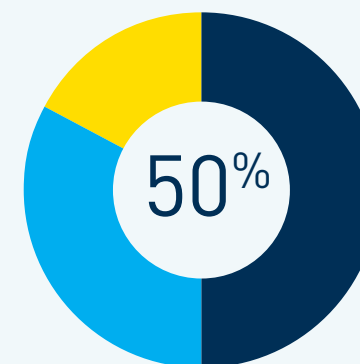
■ Achieved 85%  
 ■ Partially achieved 5%  
 ■ Not achieved 8%  
 ■ Not able to be reported 2%

Planning and regulatory



■ Achieved 67%  
 ■ Not achieved 22%  
 ■ Not able to be reported 11%

Governance and tangata whenua



■ Achieved 50%  
 ■ Not achieved 33%  
 ■ Not able to be reported 17%

## Primary outcomes

- Infrastructure investment that supports resilience and agreed growth projections
- A resilient community that has support for basic needs and feels safe and connected
- A high-quality natural environment enjoyed by all
- Improved biodiversity and environment through sustainable practices.

- A high-quality natural environment enjoyed by all
- An attractive and distinctive Kāpiti identity and sense of place that make people proud to live, work and play here
- A strong economy with more jobs and higher average incomes
- A community better supported to lead initiatives in response to agreed community priorities

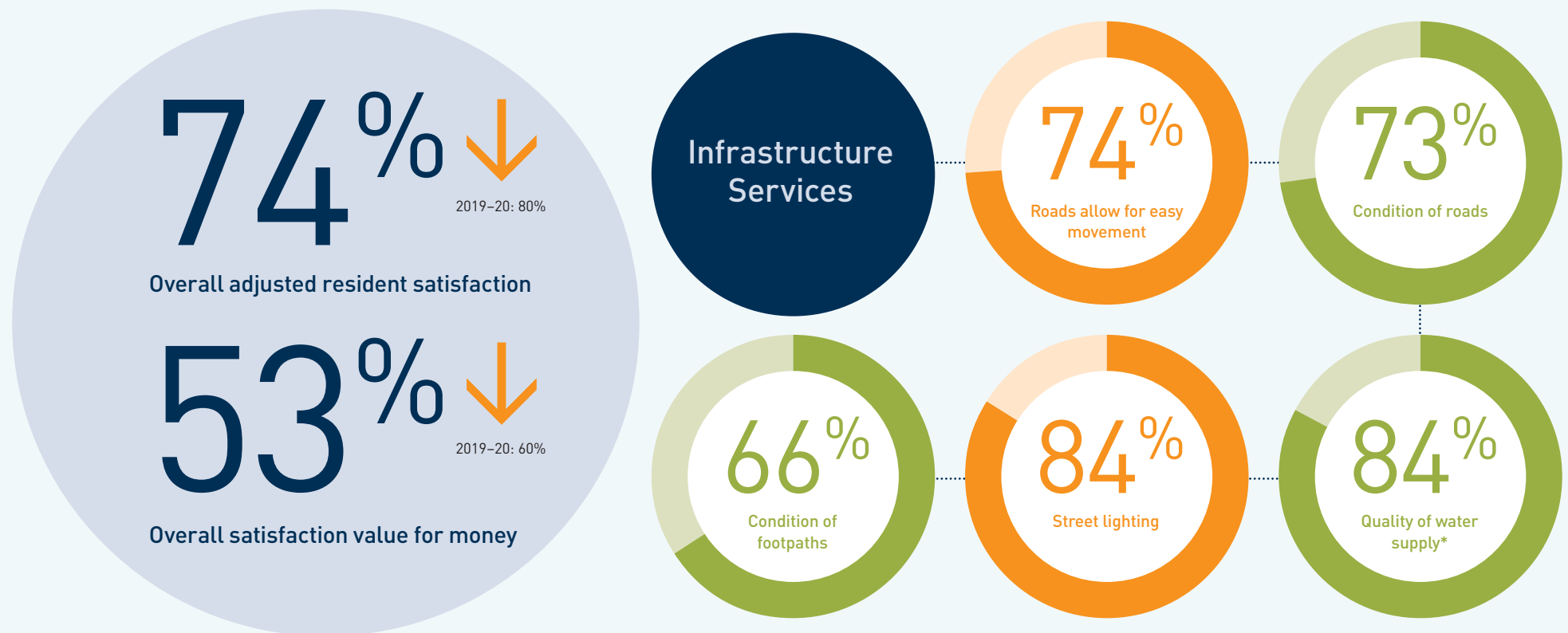
- An attractive and distinctive Kāpiti identity and sense of place that make people proud to live, work and play here
- Improved accessibility of Council services

- **Governance**  
A community is more resilient through Council advocacy
- **Tangata whenua**  
Council is a trusted partner with tangata whenua and strongly engaged with the community

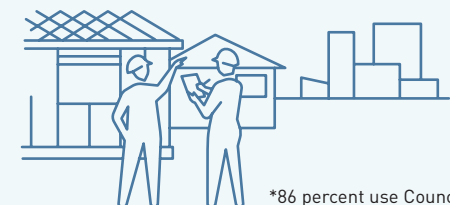


# Residents' satisfaction survey results

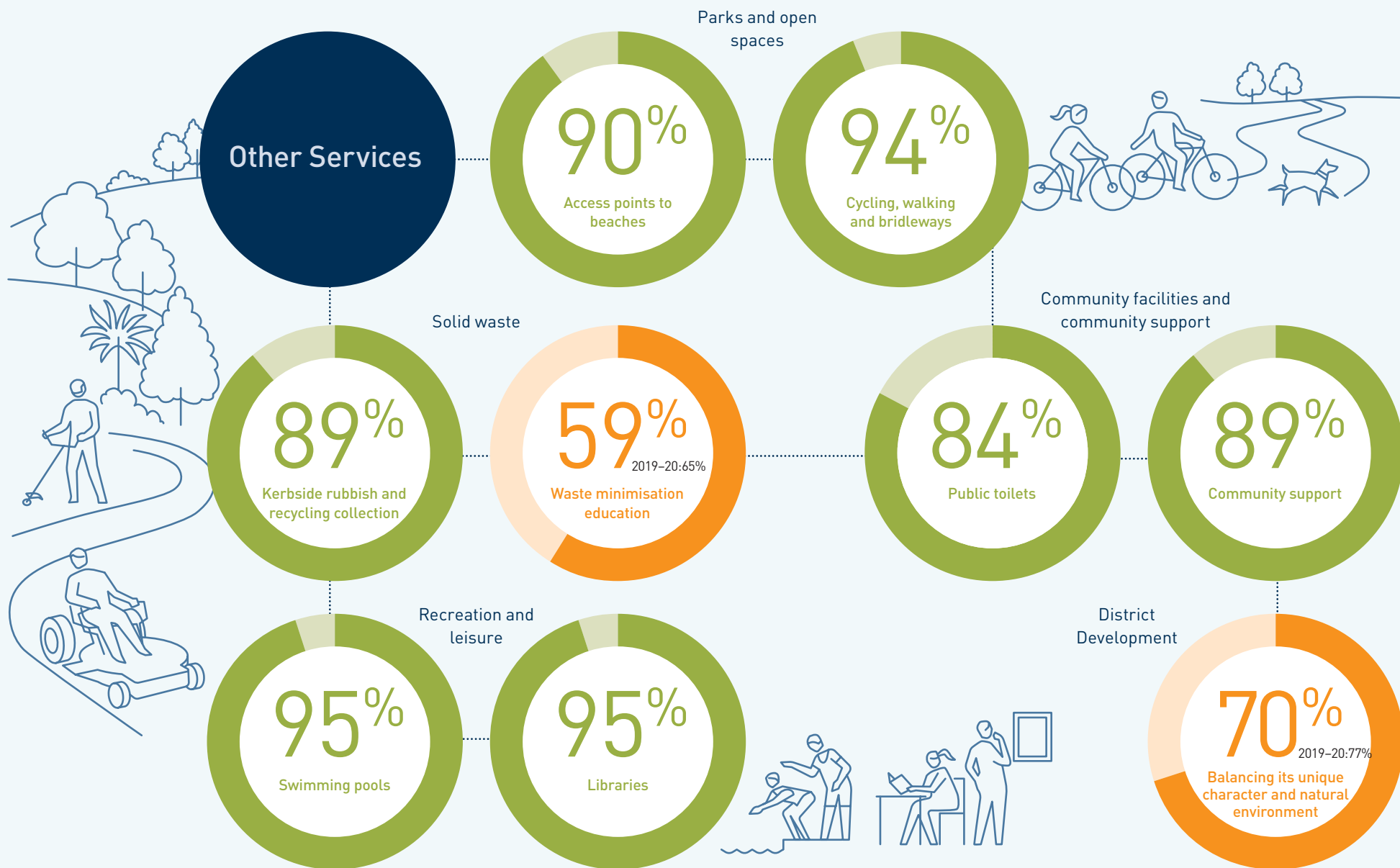
## Results that informed achievement of 2020-21 performance measures



Footnote: adjusted satisfaction – The adjusted satisfaction score is calculated by removing 'neutral' and 'don't know' responses and calculating the percentage of satisfied respondents from the reduced base size. This is in line with the way Council has designed and previously analysed its satisfaction results against Long-term Plan targets.



\*86 percent use Council water supply



# Residents' satisfaction survey results

## Results from non Annual Plan measures



### COVID-19 wellbeing

66%	Calm and relaxed
17%	Nervous when I think about current circumstances
17%	Worried about the risk of getting COVID-19
7%	Stressed about leaving home
71%	Household income has stayed the same
78%	Prepared for an emergency event

### Perceptions and sentiments about intent

98% 2019-20: 99%	Kāpiti great place to live
67% 2019-20: 73%	Confidence Kāpiti is going in the right direction
59% 2019-20: 66%	Trust Council do the right thing
48% 2019-20: 56%	Council makes good decisions
85% 2019-20: 87%	Clarity about what Council does
80%	Dealings with a Council staff member



## Residents' involvement

**53%** ↓  
2019–20: 62% Council provides clear information on issues

**53%** ↓  
2019–20: 60% Council enables participation in decision-making

## Infrastructure Services

**60%** Safety on-road cycle lanes

**64%** Availability of on-road cycle lanes

**77%** ↓  
2019–20: 81% Ability to protect your home from flooding

**59%** Ability to protect streets from flooding

Our annual Residents' Opinion Survey (adjusted) satisfaction score for 2020–21 was 74 percent (compared to 80 percent in 2019–20).

We exceeded performance targets for cycling, walking and bridleways, swimming pools, libraries, public toilets and emergency preparedness. Themes of satisfaction related to maintaining roads, library services, making the environment better to live and doing things differently for Ōtaki.

However, we have more work to do to improve performance related to roads (allowing for easy movement), street lighting, waste minimisation education and in enabling the district to develop in a way that considers its unique character and natural environment. We also know we need to improve perceptions about rates (value for money), perceptions that Council makes good decisions and perceptions about trusting Council to do the right thing. These are all areas that drove satisfaction down this year and we will consider how we can improve future satisfaction scores.

# Activities and services

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## Our plan on a page

Our plan on a page from the 2018–38 Long-term Plan outlines 17 outcomes. Activities undertaken by Kāpiti Coast District Council throughout the 2020–21 year were progressed to support achievement of these outcomes.

## Key challenges



Affordability of Council services



District economy



Community and connectedness



Environment

## Approaches



Living within financial constraints



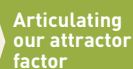
Kotahitanga and working with the community



Sustainable growth



Enhancing our natural environment



Articulating our attractor factor

## Financial strategy



Deliver affordable rates



Minimise borrowings



Optimise capital spending

## 10-year outcomes

## Three-year focus:

- » Improved financial position against financial constraints
  - » Infrastructure investment that supports resilience and agreed growth projections
  - » Improved accessibility of Council services
  - » A positive response to our distinct District identity
  - » An effective response to climate change in Kāpiti
- 
- » Community satisfaction with Council services is maintained or improved
  - » A more diverse range of businesses in the District
  - » A community that is more resilient through Council's advocacy
  - » A community better supported to lead initiatives in response to agreed community priorities
  - » Improved biodiversity and environment through sustainable practices
  - » WREMO levels of service consistently met or exceeded in response to emergency preparedness

## Long term goals



WISE MANAGEMENT of public resources and sustainable funding of Council services




Council is a **TRUSTED PARTNER** with tangata whenua and strongly engaged with the community



A high **QUALITY NATURAL ENVIRONMENT** enjoyed by all



A **RESILIENT COMMUNITY** that has support for basic needs and feels safe and connected



An attractive and distinctive **KĀPITI IDENTITY** and sense of place that make people proud to live, work and play here



A **STRONG ECONOMY** with more jobs and higher average incomes



Our vision

thriving environment :: vibrant economy :: strong communities

toitū te whenua :: toitū te wai :: toitū te tāngata

**toitū Kāpiti – the lifestyle choice**



# Overview of activities and services

This section describes how Council activities for 2020–21 were organised into four groups of work.

## Activity purpose

Each activity later in this summary, begins with a description about the purpose of the activity.

## Contribution to Council outcomes

Each activity later in this summary contributes to one or more outcomes.



## Activities

-  Stormwater – wai āwhā
-  Access and transport – putanga me te waka
-  Coastal management – whakahaere takutai
-  Water – wai
-  Wastewater – wai para
-  Solid waste – para ūtonga



## Activities

-  Parks and open spaces – ngā papa rēhia me ngā waahi māhorahora
-  Recreation and leisure – hākinakina
-  Economic development – whakawhanake umanga
-  Community facilities and community support – whakaurunga hapori me ngā hāpai hapori

### What we delivered

Key deliverables, projects, and decisions are described later in this summary for each activity.

### Service performance

Detailed performance measure results per activity are provided in the full Annual Report.

### Financial information

Actual spend against budget for both capital and operating costs per activity is provided in the full Annual Report.



#### Activities



Districtwide planning – ngā kaupapa takiwa



Regulatory services – ratonga whakaritenga



#### Activities



Governance and tangata whenua – kāwanatanga me te tangata whenua

# Infrastructure



Installing a 2.5m diameter manhole at Ōtaki Beach



## Stormwater

### Purpose

We manage surface-water run-off from urban catchments, while protecting the receiving environment, ensuring water quality and reducing risks to human life and health from flooding.

### What we delivered

Five major stormwater capital projects were in the physical works phase during the 2020–21 year;

- Margaret Road (Raumati Beach) stage 2 upgrades are complete
- Riwai Street (Paraparaumu) upgrades are complete
- Paraparaumu stage two renewals are 95 percent complete
- Sunshine Avenue upgrades are 70 percent complete
- Moana Road stage 2 upgrades (Ōtaki) are 50 percent complete.

Minor stormwater capital works contracts are 95 percent complete.

We worked on 17 designs and lodged applications for resource consents for a range of capital works. We completed 11.4 kilometres of open drain clearing, pipe inspections, manhole assessments, water quality monitoring, flood hazard modelling and developed a stormwater strategy and bylaw.

**Primary outcome:** Infrastructure investment that supports resilience and agreed growth projections.



## Access and Transport

### Purpose

We maintain, protect and improve our roading network, enhance community connectedness and support sustainable transport options that allow for the reliable, efficient and safe movement of people and goods.

### What we delivered

Council received the top available ranking of “effective” in the six yearly Waka Kotahi (NZTA) Procedural Investment Audit that was completed in February 2020. The audit confirmed the Kāpiti Coast District Council is effectively delivering its roading programme, including contract management, financial processes and procurement procedures.

The prioritised road and footpath maintenance programme was delivered, maintenance and repairs were undertaken and the revocation of old SH1 was progressed on the Raumati Straights with a new roundabout on Raumati Road almost complete. Physical works continued on the Peka Peka to Ōtaki (PP20) Expressway, in terms of Council as consenting authority in the development of construction management plans, and as road controlling authority in the detailed design. We completed all but one of the local roads and all bridge decks on the main alignment.



Other high priority repairs on our bridges were completed, the East-West Connector Programme Business Case was completed and 101 new resource consent applications were received.

In addition, intersection improvements were completed, including traffic calming to reduce traffic speed, more safe-crossing points, lighting improvements and installation of new road signs and road markings.

The Sustainable Transport Strategy was adopted and a Safety Programme with a focus on vulnerable road users was completed.

**Primary outcome:** A resilient community that has support for basic needs and feels safe and connected.



## Coastal Management

### Purpose

We have a community-led coastal adaptation project with a focus on sustainable management of the coastal environment. This includes protecting publicly owned roads and public health infrastructure, by maintaining Council-owned seawalls and rock revetments as long as practicable and facilitating beach protection projects.

### What we delivered

Maintenance included regular cleaning of beach outlets, minor repairs to seawalls and monitoring of coastal assets. Renewal of asset replacements at Willow Grove and Rosetta Road, and Raumati Beach launching ramp were completed and approximately 1,700 m<sup>2</sup> of the Raumati South seawall walkway was upgraded.

Council decided to canvass options for the Paekākāriki Seawall as part of the 2021–41 Long-term Plan consultation process. As a result, tendering the physical works and commencement of construction was deferred and then in June 2021, Council approved the 'like-for-like' timber option for the replacement seawall, so tendering and construction will be undertaken in stages commencing in 2021–2022 for five years.

Takutai Kāpiti, a community-led coastal adaptation project, engaged coastal science and engineering services to carry out a Coastal Hazard and Susceptibility Assessment, they established the Takutai Kāpiti Community Assessment Panel, commissioned a Social Impact Assessment (SIA) and worked with the Ministry for the Environment on a climate change pop-up stall in Coastlands to share information about the project.

**Primary outcome:** A high-quality natural environment enjoyed by all.



Raumati South seawall



## Water Management (drinking water)

### Purpose

We provide potable water for the health of the community, for commercial and industrial enterprises, and ensure an adequate water supply and pressure for firefighting.

### What we delivered

The treatment plants at Waikanae and Paekākāriki continue to be compliant with the Drinking Water Standards for New Zealand but treatment plants in Ōtaki and Hautere were non-compliant, due to their level of treatment technology. Funding is allocated and upgrades are planned to address this. The Water Safety and Resilience Programme includes renewals and upgrades to infrastructure in Waikanae, Ōtaki and Hautere. We completed an optioneering report for Hautere, Tasman and Rangiora Water Treatment Plants, including concept designs and costs estimates. We started drilling new bores to secure the water supply for Hautere.

A draft Water Safety Plan for the Waikanae Water Treatment Plant was submitted to the Ministry of Health and a backflow prevention programme is being developed to protect the water supply from possible contamination. The Drinking Water Emergency Response Programme (DWERP) also commenced.

We engaged a consultant to complete the discharge consenting and hydrogeological assessment for Ōtaki and Hautere Water Treatment Plants and the Waikanae Water Treatment Plant Stage two upgrade included constructing a new clarifier, rapid mix tank and chemical plant upgrades.

Protection of the Waikanae water supply catchment continues, with a further two hectares of native planting completed at the future dam site and a contract in place to reforest the remaining 11 hectares of surrounding farmland at the site.

The Waikanae river recharge scheme was used this year, as the river level/flow rate fell enough to require river recharge, on four days in March and April. The water conservation peak day water use target of less than 490 litres per person per day (l/p/d) was achieved again this year, with the peak day being 398 l/p/d. The annual leakage index remained acceptable this year, at 2.51.

Scores around two indicate a good balance between leakage management efforts and the opportunity for leak reduction. Drones shone a light on our underground waterpipe network in Ōtaki – a thermal imaging light that detects leaks, as undetected slow leaks can waste huge volumes of water and cause extensive damage that is both costly and disruptive to repair once identified.

**Primary outcome:** Infrastructure investment that supports resilience and agreed growth projections.



Drone leak detection image in Ōtaki.



## Wastewater

### Purpose

Managing our wastewater network involves protecting public health, the natural environment and providing continuity of service for the Kāpiti community.

### What we delivered

The Paraparaumu Wastewater Treatment Plant upgrades are on target and the aeration system has commenced, replacement dissolved oxygen sensing equipment was installed and factory testing of the four blower units was completed. Detailed design continues for the inlet works upgrades scheme and geotechnical and buried-services surveys are complete.

There are ongoing and consent timing issues with the Paraparaumu Wastewater Treatment Plant. The current resource consent expires in March 2022, so we have progressed an application for an interim extension to the existing consent. Further works on ecological and environmental effects of current discharges was completed. Engagement with mana whenua in the re-consenting process continues with an initial mana whenua impact assessment report provided in June 2021.

Waikanae Duplicate Rising Main did not progress as planned due to land access issues.

Ōtaki Waste Water Treatment Plant renewal and upgrade programmes is on target and included specification for pond sludge removal and procurement of a larger capacity rotary drum inlet screen. Construction of the Ōtaki Waste Water Treatment Plant Land Disposal Treatment Area (effluent treatment fields) upgrades was completed.

A desktop study of tradewaste discharges is complete and so is a condition study of wastewater pumping. Flow scenario modelling has been done to examine the performance of our wastewater networks and the cost/benefits of upgrades and renewals. The hydraulic model supporting the network performance upgrade and renewals analysis programme is now capable of supporting any future population growth scenario testing, such as urban development plan changes.

**Primary outcome:** Infrastructure investment that supports resilience and agreed growth projections.



## Solid waste

### Purpose

We provide accessible, effective and efficient waste management options, encourage waste minimisation, and provide closed landfill management.

### What we delivered

The Solid Waste Management and Minimisation Bylaw was adopted.

We provided a number of campaigns, workshops and events to educate residents about waste minimisation. For example, we visited transfer station sites to speak to 119 residents about recycling, the zero waste education programme was provided to 1,247 students in eight schools and a composting project was actioned to divert food and green waste from landfill. The Otaihanga Landfill Capping project involved construction and replanting of wetlands.

Council resolved to close the Waikanae recycling drop off from 1 August 2021 and will consider alternate recycling options. The current greenwaste operator will continue to operate the greenwaste drop-off at their own cost for three days a week.

**Primary outcome:** Improved biodiversity and environment through sustainable practices.

# Community services



## Parks and Open Spaces

### Purpose

We manage parks, reserves and open spaces, including facilitating access to cycleways, walkways and bridleways.

### What we delivered

We upgraded the Weka Park footbridge, raised the nearby track, upgraded the Paraparaumu Domain changing rooms and resealed tennis courts. We renewed the Marine Gardens splashpad surface, the Kotuku Park playground and Matai Road Reserve playgrounds, the Waimea Domain boardwalk, the Waikanae Park and Haruatai Park cricket wicket surface. Three bridges at Waikanae Park, Ngawhakangutu Reserve and Waimea Domain were renewed and the Waikanae Park bore was renewed. The Mazengarb Reserve hockey turf replacement was deferred to 2021–2022.

Cycleway, walkway and bridleway projects included renewing 15 metres of boardwalk at Barry Hadfield Nikau Reserve and access to Ōtaki River for equestrians, off Te Roto Road. Safety improvements were made to a shared path from Mazengarb Road into Mazengarb Reserve and shared path signage was provided along the Waikanae River Trail.

Restoration projects included 2,000 plantings on Arbor Day at Pharazyn Reserve, supported by 250 local school children volunteers. Over 150 students from Kapakapanui School pitched in to help Council staff restore the banks along the Waikanae River. There were 5,500 dune plantings, 3514 wetland plantings and 19,800 natives and eco-sourced plants were planted across 16 different sites in the District.

The Department of Conservation awarded \$8.5 million in Jobs for Nature to the District over the next four years, creating 92 jobs for environmental restoration in the Waikanae River catchment. Kāpiti Coast District Council will continue to work with its partners on an ongoing basis to identify suitable land for planting, including on some Council-owned land.

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 \$36,154 towards 11 projects.

**Primary outcome:** A high-quality natural environment enjoyed by all.



A successful parks summer programme was delivered with over 3,000 people attending a variety of events including sport and playdays, acoustics in the park, movies in the park and the park to Path fun run.

The Sport Wellington's Te Manawa Fund supported a School Sports Coordinator role that implemented a virtual challenge event to keep 1,800 school children active during COVID-19 level two, which included a triathlon event, the super schools event and a swimming event with approximately 1,400 students.

The rugby league 'have a go' sessions were delivered into 10 Schools with approximately 2,000 students attending. The Interschool Cross Country had 1,400 children attend from 12 schools at Waikanae Park. Volleyball had the best registration turn-out to date, with 14 teams and 150 children participating. A portable pump track was delivered in partnership with the Waikanae Community Board.

A new 65 metre fence was installed at Awa Tapu, 15 double lawn plaques were installed on cemetery beams at Waikanae Cemetery and two new ashes gardens commenced installation at Awa Tapu Cemetery.



## Recreation and Leisure

### Purpose

We provide facilities, services and programmes for recreation and leisure activities in the District. This includes aquatic facilities, libraries, arts and museums, and provision of a range of services, programmes and facilities for the Kāpiti community.

### What we delivered

There were 317,197 pool visits and 2,989 Learn-to-Swim registrations during the year.

It was the 20th anniversary of the Kāpiti Arts Trail with 67 artists opening their studio doors. The event attracted an estimated 10,000 visitors with 41 percent coming from outside of the District.

Two rounds of Creative Grant funding were oversubscribed with a total of 47 applications received with nearly \$50,000 allocated.

There has been an increase in the number of customers visiting libraries (compared to 2019–2020) but this has not translated into increased borrowing of books, although e-book usage remained high.

Our libraries are using Radio Frequency (RFID) technology to enable self service and there was a 500 percent increase in the use of a new movie streaming platform called Beamafilm (on-demand cinema).

A total of 592 community programmes (e.g. school holiday programmes) were delivered with over 6,000 participants.

**Primary outcome:** An attractive and distinctive Kāpiti identity and sense of place that make people proud to live, work and play here.

## Economic Development

### Purpose

Economic development is focused on generating greater growth, employment and prosperity in the Kāpiti region.

### What we delivered

We implemented the Refreshed Kāpiti Coast Economic Development Strategy and worked with the community to develop and support events to enable economic/employment opportunities and attract visitors. An Economic Development Kotahitanga Board was established to oversee implementation of the strategy.

Implementing the strategy included progressing a Kāpiti Coast Destination Management Plan, a new Workforce Plan, planning the Te Uruhi project, implementing the Elevate Ōtaki project and the Te Hunga Rangatahi youth pilot programme.

We facilitated 25 work experience placements through Work Ready Kāpiti and 41 young people attained Work Ready Passports. We also managed the major events fund that enabled events such as the Ōtaki Kite Festival, the Māoriland Film Festival, the Kāpiti Food Fair and the XTERRA Wellington Festival during 2020–21.

The annual Kāpiti Start-up Weekend was held on 19–20 September 2020 with more than 60 participants and six new business ideas were pitched during the 54-hour start-up sprint. Of the participants 70 percent indicated they would continue to work on their start-up.

The Frater Lane Stage two (Waikanae Town Centre Project) project was completed and opened. The Rimu Road Intersection upgrade (Paraparaumu Town Centre) commenced and is expected to be completed first quarter 2021–22.

**Primary outcome:** A strong economy with more jobs and higher average income.



Kāpiti Food Fair.

## Community Facilities and Community Support

### Purpose

We provide resources to the community for capacity building and service provision focused on community priorities, as well as support for community initiatives that promote diversity, resilience and connectedness.

### Community Facilities

### What we delivered

Condition reports and Healthy Homes Standard assessments were completed on all stock to comply with the Residential Tenancies Act 1986.

The Paraparaumu Memorial Hall and Ōtaki Civic Theatre were refurbished with help of Provincial Growth Funding of \$500k for each project.

The Paraparaumu College gymnasium roof and changing room project was delayed till next year.

Funding for a long-term solution for Waikanae Library was approved in the 2021–41 Long-term Plan over the next three years with work in the next financial year focused on concept development and project planning.

The Waikanae Library replacement will either involve an upgrade to the existing Waikanae Library building or building a new facility with project planning and design beginning 2021–22.

An upgrade of the Mahara Gallery in Waikanae is planned to start later in 2021 and the project is estimated to cost \$6.5million.

The Te Newhanga Kāpiti Community Centre closed due to ongoing weather-tightness issues, until the building can be rebuilt or replaced. Up to \$5 million has been invested across the next two financial years for investigation, design and construction. In the meantime we support the current tenants Kāpiti Foodbank and Volunteer Kāpiti to find new long-term premises for their vital services.

In April 2021, 22 buildings in Kāpiti remain on the earthquake-prone building register, none of which are priority buildings requiring urgent immediate action. Owners of these buildings have 15 years (until 2033–34) to provide further seismic assessment evidence or undertake remediation work. In terms of asset management improvements, we are incorporating the asbestos register and operational planning into the property asset management system.

The recent upgrade to Kāpiti Coast District Council's animal shelter is enabling the Public Spaces and Animal Management team to provide a greater standard of care to animals.

**Primary outcome:** A community better supported to lead initiatives in response to agreed community priorities.

## Community support

### What we delivered

Planning for social investment began with priority areas:

- connected communities
- safe communities
- capable sector.

Joint social investment contract holders, Kāpiti Women's Centre and Kāpiti Living without Violence, adapted their approach to work collaboratively on a project to better understand family violence in our local communities.

A Youth Survey (of 652 youth) was developed and completed by the Youth Council, supported by Council staff and socialised with local youth organisations. The information will help inform a refreshed Youth Action Plan later in 2021.

The Think BIG Programme had five successful groups that received \$1,800 each to run a youth-led project that will help deliver positive change in Kāpiti. The Youth Council launched their 'Secrets of Kāpiti' Project, to find a unique way to address feedback from young people

that there was not much to do for them in Kāpiti. They wanted to promote accessible, free or low-cost activities to encourage young people to outdoors and explore taiao.

Two technology-help sessions were held at Zeal Kāpiti in late October 2020. Six young people volunteered and received references for supporting older people with their technology questions.

We hosted a funder's forum for community organisations and we are planning to provide learning opportunities, including Tiriti o Waitangi training, sustainable funding approaches and equity workshops for the social and community sector.

Neighbourhood Support Wellington continues to support Kāpiti groups – a collaboration between Council and the Regional Neighbourhood Support office. Approximately 397 people participated in the Neighbour's Day in March 2021.

Concerns over community safety in the Ōtaki community and at Mahara Place in Waikanae continue and we met with community organisations and individuals to support a strength-based community approach in response to safety concerns.

An inter-generational project called the Human Library completed filming for their stereotype-defying series. This project is a collaboration between Age Concern, the Kāpiti Coast Youth Council and community members. Early next year, a launch will mark the project going live on social media.

# Planning and regulatory services



Transmission Gully aerals. Flying north, looking west.  
Photo copyright Mark Coote.



## Districtwide Planning

### Purpose

This activity focuses on establishing the development framework for the sustainable management of the District's natural and physical resources, including planning responses to natural hazards such as coastal erosion, seismic events, flooding, tsunami and slope instability.

### What we delivered

A massive achievement was the Kāpiti Coast District Plan becoming operative from 30 June 2021. The Plan is aligned with National Planning Standards, five years ahead of the 2026 deadline set by central government.

Council included resources in the 2021–41 Long-term Plan for a time-staged rolling review of the District Plan. The review will include an Urban Development Plan Change to be notified no later than August 2022, with a further urban development plan change scheduled for notification in 2024. The rolling review will also include plan changes on mana whenua values, coastal issues, flood risk and omnibus plan changes to improve plan

effectiveness at managing a wide range of other issues. Climate change is a theme of this programme of work, with the urban development, coastal and flood risk plan changes all providing opportunities to improve the future resilience of the District.

A total of 17 policy projects were completed including the Development Contribution Policy, Sustainable Transport Strategy, the refreshed Economic Development Strategy, the Beach Bylaw and Solid Waste Management and Minimisation Bylaw. Nine submissions were made by Council on proposals from central and regional government including issues relating to climate change, transport strategies and freedom camping.

**Primary outcome:** An attractive and distinctive Kāpiti identity and sense of place that make people proud to live, work and play here.





## Regulatory Services

### Purpose

We provide regulatory services covering public health, safety and design needs associated with building control, resource consents, environmental health, food safety, animal control (dog registrations), noise management, alcohol licencing, designations and compliance.

### What we delivered

The team has worked towards improved customer experience through a more customer focused, collaborative process that values feedback, results and continuous improvement.

Council responded to 13,035 regulatory service requests, issued 243 resource consents and made 78 deemed activity permitted boundary activity decisions. In addition, 1,193 building consents were processed, 8,546 building inspections and 905 code of compliance certificates were issued. Initial consenting work commenced on the Ōtaki to North Levin expressway.

Dog registrations exceeded target, but the Public Spaces Animal Management Team received four urgent service requests relating to a dog threatening incident, and five urgent requests about dog attacks.

Up to 198 food businesses had their food control plan verified, there were 75 health regulation inspections of registered premises, 422 swimming pool barrier inspections, 75 alcohol licenses were issued and 277 tradewaste inspections completed.

**Primary outcome:** Improved accessibility of Council service.



# Governance and tangata whenua



Kāpiti Coast District Council meeting.



## Governance and tangata whenua

### Purpose

This work programme manages our democratic processes, provides administrative support, facilitates community input to decision-making and provides information to our community in support of that. Responsibility for liaising with iwi to ensure that, through Te Whakaminenga o Kāpiti, they can contribute to Council policy and practice.

### What we delivered

Council confirmed the Single Transferable Voting (STV) system as the preferred electoral system for the District and approved a community engagement process for 2021 Review of Representation Arrangements for the Kāpiti Coast District, to inform recommendations to Council.

Following the recommendation of its three iwi partners, Te Atiawa ki Whakarongotai Charitable Trust, Ngā Hapū o Ōtaki (Ngāti Raukawa) and Ngāti Toa Rangatira, the Council resolved not to establish a Māori ward for electoral purposes under section 19Z of the Local Electoral Act 2001 ahead of the 2022 local body elections.

In terms of our partnership, iwi representatives for Te Whakaminenga o Kāpiti were confirmed from Ngāti Toa Rangatira and Ngā Hapū o Ōtaki. Te Atiawa ki Whakarongotai confirmed their withdrawal from Te Whakaminenga o Kāpiti.

Members of Te Whakaminenga o Kāpiti discussed what would be involved to review the Memorandum of Partnership and the Terms of Reference and Meeting Protocol Document in the context of wider conversations and other work in progress, including the recommendations of the Independent Organisational Review. Te Whakaminenga o Kāpiti met in 2020 to consider opportunities for iwi nominations to Council's committees this Triennium. Te Whakaminenga o Kāpiti met in 2020 to consider opportunities for iwi nominations to Council's committees this Triennium. Te Whakaminenga o Kāpiti agreed with an amendment of the Governance Structure and Delegations to allow for the appointment of a Māori representative to the Council's Strategy and Operations Committee. Work is ongoing to develop the Reorua Plan and Te Reo Māori Policy.



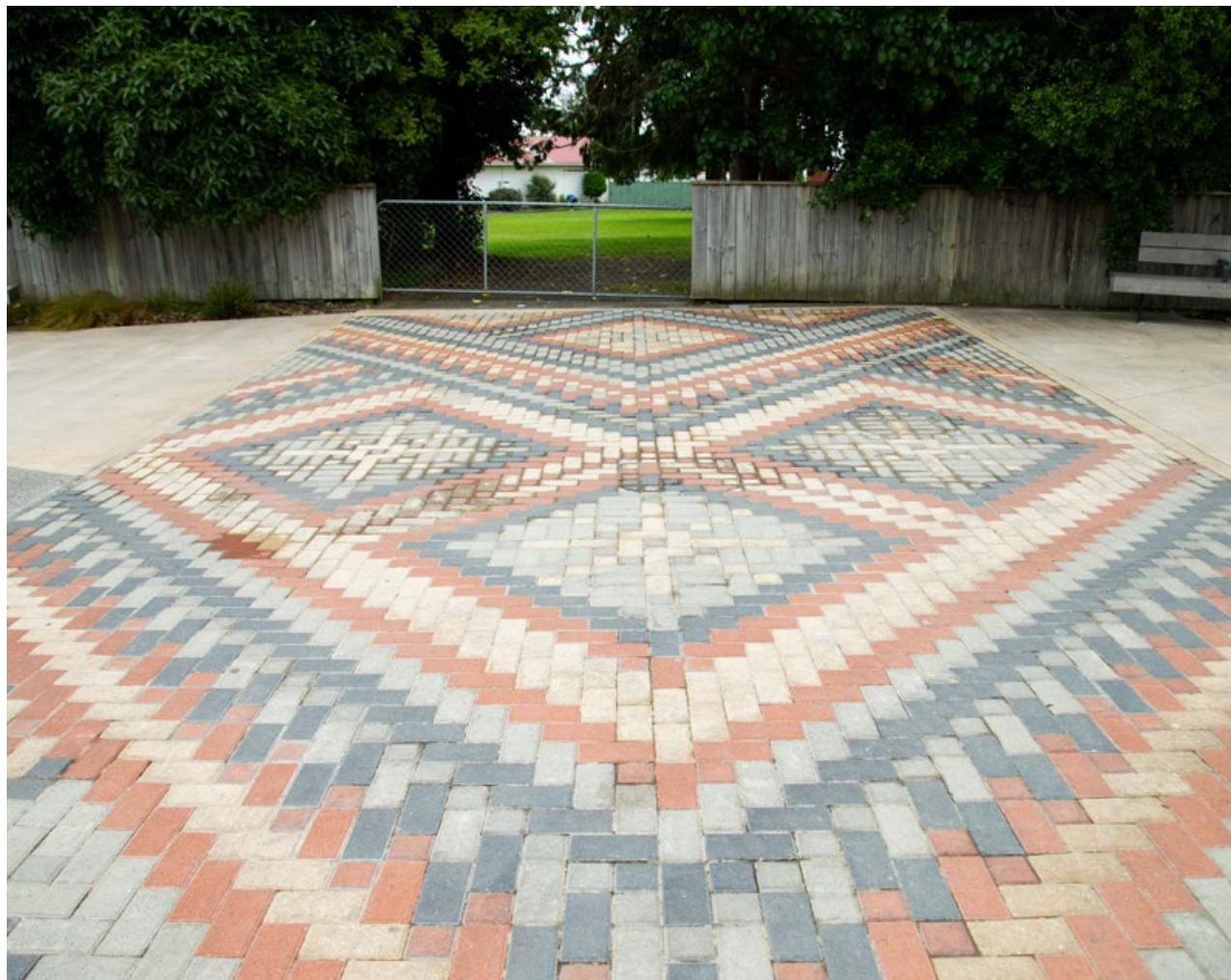
Te Whakaminenga o Kāpiti and the Council delivered online commemorations of Waitangi Day and Maramataka was planned to be launched at Katihiku Marae in Ōtaki on 2 July 2021. An intimate ceremony, was held in Waikanae to bless and open the Te Ara Tangata cultural thread pathway.

Financial assistance \$90,000 (\$30,000 to each of our three iwi) was provided to support iwi with their response to COVID-19. Five organisations received support totalling \$60,000 from the Māori Economic Development Grants fund to develop their services and products.

Two citizenship ceremonies took place in the fourth quarter and 61 people received citizenship.

The Council received 279 requests under the Local Government Official Information and Meetings Act 1974 in the financial year. This compares to 218 in the last year.

**Primary outcome:** A community is more resilient through Council advocacy and Council is a trusted partner with tangata whenua and strongly engaged with the community.



Te Ara Tangata cultural thread pathway.

# Our finances

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Summary statement of cash flow	44

This section provides our actual expenditure and income, assets and liabilities, net debt and cash flow for the 2020–21 financial year against budget.



# Summary statements

## Summary statement of comprehensive revenue and expense for the year ended 30 June 2021

2019/20 Actual \$000		2020/21 Actual \$000	2020/21 Budget \$000
	<i>Revenue</i>		
67,570	Rates	70,382	69,550
39,171	Other operating revenue	27,718	18,400
<b>106,741</b>	<b>Total revenue</b>	<b>98,100</b>	<b>87,950</b>
	<i>Expenses</i>		
79,894	Operating expenses	83,992	80,542
<b>79,894</b>	<b>Total expenses</b>	<b>83,992</b>	<b>80,542</b>
	<i>Interest</i>		
1,624	Interest income	1,107	1,302
8,857	Interest expense	8,353	8,653
<b>7,233</b>	<b>Net interest expense</b>	<b>7,246</b>	<b>7,351</b>
<b>19,614</b>	<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>6,862</b>	<b>57</b>
	<i>Unrealised gains/(losses)</i>		
(6,984)	Unrealised gain/(loss) on revaluation of financial derivatives	13,963	86
<b>12,630</b>	<b>NET OPERATING SURPLUS/(DEFICIT)</b>	<b>20,825</b>	<b>143</b>
	<i>Other comprehensive revenue and expense</i>		
(18,293)	Revaluation of property, plant and equipment	21,754	10,035
<b>(5,663)</b>	<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>42,579</b>	<b>10,178</b>

## Summary statement of financial position as at 30 June 2021

2019/20 Actual \$000		2020/21 Actual \$000	2020/21 Budget \$000
51,641	Current assets	83,344	49,799
1,688,307	Non-current assets	1,715,046	1,782,091
<b>1,739,948</b>	<b>TOTAL ASSETS</b>	<b>1,798,390</b>	<b>1,831,890</b>
56,054	Current liabilities	70,715	76,522
200,608	Non-current liabilities	201,810	184,750
<b>256,662</b>	<b>Total liabilities</b>	<b>272,525</b>	<b>261,272</b>
<b>1,483,286</b>	<b>TOTAL EQUITY</b>	<b>1,525,865</b>	<b>1,570,618</b>
<b>1,739,948</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,798,390</b>	<b>1,831,890</b>

### Summary statement of changes in net assets/equity for the year ended 30 June 2021

2019/20 Actual \$000		2020/21 Actual \$000	2020/21 Budget \$000
1,488,949	Equity as at 1 July	1,483,286	1,560,440
12,630	Net surplus/(deficit)	20,825	143
(18,293)	Revaluation of property, plant and equipment	21,754	10,035
(5,663)	Total comprehensive revenue/expense	42,579	10,178
<b>1,483,286</b>	<b>CLOSING EQUITY AT 30 JUNE</b>	<b>1,525,865</b>	<b>1,570,618</b>
	<i>Equity is represented by:</i>		
576,495	Accumulated funds	596,246	566,596
5,938	Reserves and special funds	7,507	6,367
900,853	Revaluation reserve	922,112	997,655
<b>1,483,286</b>	<b>CLOSING EQUITY AT 30 JUNE</b>	<b>1,525,865</b>	<b>1,570,618</b>

### Summary statement of cash flows for the year ended 30 June 2021

2019/20 Actual \$000		2020/21 Actual \$000	2020/21 Budget \$000
19,966	Net cash inflow from operating activities	34,557	21,408
(9,036)	Net cash outflow from investing activities	(40,972)	(12,189)
(9,072)	Net cash inflow from financing activities	11,604	(9,219)
1,858	Net increase/(decrease) in cash and cash equivalents	5,189	-
4,086	Total cash and cash equivalents at 1 July	5,944	200
<b>5,944</b>	<b>TOTAL CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>11,133</b>	<b>200</b>

## Notes

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

The summary financials have been prepared in accordance with PBE FRS 43. They are presented in New Zealand dollars and rounded to the nearest thousand (\$'000).

The summary financial statements do not provide as complete an understanding as the full financial statements in the Annual Report 2020–21.

There have been no changes in the accounting policies in the year ended 30 June 2021.

### Three waters reform programme

In July 2020, the Government launched the Three Waters Reform Programme with the goal of reforming local government three waters service delivery arrangements. Currently 67 different councils own and operate the majority of the drinking water, wastewater and stormwater services across New Zealand. The Government announced on 27 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 exact size, shape and design of these entities is still being worked through, including details of revenues, expenses, assets and liabilities that may transfer to the new entities from Councils. There is

likely to be a material impact on the Councils financial statements from 1 July 2024. No allowance has been made in the 30 June 2021 financial statements for this possibility. The combined book value of the three waters assets at 30 June 2021 is \$323.1 million

### Compliance

A statement of compliance to generally accepted accounting practice in New Zealand can be found in the full annual report. Council is a Tier 1 entity and the full financial statements comply with the standards for public sector public entities (PBE Standards) reporting.

The full and summary financial statements have been subject to audit and both received unqualified audit opinions.

### Events after the end of the reporting period

The Minister of Local Government announced on 27 October 2021, that government intends to proceed with three waters reforms using a legislated “all in” approach. Four new publicly owned water entities will be created to take over the provision of community drinking, waste, and storm water infrastructure from Councils on 1 July 2024. The exact size, shape and design of these entities is still being worked through, including details of revenues, expenses, assets, and liabilities that may transfer to the new entities from Councils.

There has been no adjustment in these financial statements to reflect the expected future transfer of assets and liabilities to the new water entities. It is expected central government will develop details regarding the transfer prior to 1 July 2024. As further details are established this may require adjustments to Council's three water assets and liabilities.

This summary has been extracted from the Annual Report 2020–21, which was adopted by the Council on 25 November 2021. It contains detailed information about council's service and financial performance for the year ending 30 June 2021.

**The full annual report can be viewed on the Council website [www.kapiticoast.govt.nz](http://www.kapiticoast.govt.nz). Printed copies of the annual report are available at the district's libraries and service centres.**

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# Independent auditor's report





# INDEPENDENT AUDITOR'S REPORT

## TO THE READERS OF KĀPITI COAST DISTRICT COUNCIL'S SUMMARY OF THE ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2021

The summary of the Annual Report was derived from the Annual Report of the Kāpiti Coast District Council (the District Council) for the year ended 30 June 2021.

The summary of the Annual Report comprises the following summary statements on pages 20 to 21 and pages 43 to 45:

- the summary statement of financial position as at 30 June 2021;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in net assets / equity and statement of cash flows for the year ended 30 June 2021;

- the notes to the summary financial statements that include accounting policies and other explanatory information; and
- the summary statement of service provision (referred to as Service performance overview)

### Opinion

In our opinion:

- the summary of the Annual Report represents, fairly and consistently, the information regarding the major matters dealt with in the Annual Report; and
- the summary statements comply with PBE FRS-43: *Summary Financial Statements*.

### Summary of the Annual Report

The summary of the Annual Report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the Annual Report and the auditor's report thereon, therefore, is not a substitute for reading the full Annual Report and the auditor's report thereon.

The summary of the Annual Report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full Annual Report.

### The full Annual Report and our audit report thereon

We expressed an unmodified audit opinion on the information we audited in the full Annual Report for the year ended 30 June 2021 in our auditor's report dated 25 November 2021. Our opinion included an emphasis of matter drawing readers' attention to the disclosures about the Government's three waters reform programme.

### Council's responsibility for the summary of the Annual Report

The Council is responsible for preparing the summary of the Annual Report which includes preparing summary statements, in accordance with PBE FRS-43: *Summary Financial Statements*.

### Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the Annual Report represents, fairly and consistently, the information regarding the major matters dealt with in the full Annual Report and whether the summary statements comply with PBE FRS 43: *Summary Financial Statements*.

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Our opinion on the summary of the Annual Report is based on our procedures, which were carried out 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.

In addition to our audit and our report on the summary Annual Report, we have audited the Council's consultation document and Long-term Plan and 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  
25 November 2021





## Contact information

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The Kāpiti Coast District Council disclaims any liability whatsoever in connection with any action taken in reliance of this document for any error, deficiency, flaw or omission contained in it.