BUILDING A RESILIENT FUTURE FOR KĀPITI

Te whakatupu i te anamata manawaroa mō Kāpiti



Annual Report 2025/26
Ripota ā tau 2025/26

Kāpiti Coast DISTRICT COUNCIL
Me Huri Whakamuri, Ka Titiro Whakamua

HOW TO
CONTACT US
Te whakapā mai ki a mātou

Visit our website: www.kapiticoast.govt.nz

Email us: kapiti.council@kapiticoast.govt.nz

Call us: 04 296 4700 or freephone 0800 486 486 (including after hours)

Visit us:
Civic Building Service Centre
175 Rimu Road, Paraparaumu
9am–5pm, Monday to Friday

Or our other service centres:
Waikanae Library, Mahara Place, Waikanae
Ōtaki Library, 81–83 Main Street, Ōtaki
9am–5pm, Monday, Tuesday, Thursday, Friday
and 10am–5pm Wednesdays

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NAU MAI, HAERE MAI

A MESSAGE FROM OUR MAYOR AND CHIEF EXECUTIVE

He Karere nā te Koromatua me Te Tumuaki

Nau mai haere mai, welcome to Kāpiti Coast District Council's Annual Report for 2025/26.

This is our second year reporting against the Long-term Plan 2024–34. It provides a snapshot of our financial and non-financial performance, and our progress against the community outcomes of place, people and partnership.

It was another year shaped by change, cost pressure and reform. In this uncertain environment, Council focused on maintaining essential services, investing carefully in infrastructure, supporting community wellbeing, and making decisions that contribute to a resilient, liveable and thriving Kāpiti.

In October, we welcomed new and returning councillors and community board members. Elected members quickly moved into a substantial work programme, including the formation of councillor-led Engagement and Finance Focus Groups to drive the initial work on the Long-term Plan 2027-37. We also carried out early engagement to ensure we hear what's important to our community as we balance affordability with the investment needed to maintain services, renew assets and respond to a growing and changing district.

We achieved 87 percent of our non-financial performance measures this year. This reflects the commitment of our people, the value of strong partnerships and the resilience of the organisation as we continued to respond to a busy and complex operating environment.

Partnering with mana whenua

Our partnership with mana whenua continued to strengthen through Te Whakaminenga o Kāpiti – He Whakaaetanga Hononga | Partnership Agreement. This year, Council began important work to make the partnership more visible in how we plan, decide, and deliver. This included a Council-wide Readiness Assessment and Te Ao Māori capability development for staff, supporting stronger understanding of Te Tiriti o Waitangi, tikanga Māori and the mātāpono that guide our partnership. This work builds a stronger foundation for more consistent, practical and accountable partnership across Council.

Supporting our community

Community was at the centre of our work during 2025/26. We supported connection, wellbeing and participation through events, grants, advisory groups, partnerships, facilities and public spaces. These activities help people take part in local life, access support, and contribute to decisions that affect their neighbourhoods and the wider district.

Our Youth Council and Advisory Groups provided advice on strategic planning, climate action, accessibility, transport, parks and community facilities, and the wider community provided feedback on a number of items to help our decision making.

We supported community and affordable housing initiatives through the Community and Affordable Housing Seed Fund and work with organisations such as the Kāpiti Housing Solutions Trust.

Movies in the Park, the Christmas on the Coast Festival and Parade, school holiday activities, and the 25th Kāpiti Art Trail helped residents and visitors connect with local places, people and creativity.



Investing in infrastructure

We delivered a $61.5 million capital works programme, with investment in the infrastructure our community relies on every day. This included water supply pipeline renewals in Waitohu Valley, Stage 1 of the Ōtaki wastewater network upgrade, flood relief works at Kenakena, and upgrades to the Waikanae Water Treatment Plant.

Construction also began on Te Ara Whetū, the new Waikanae library hub, and the Waikanae skatepark and playground refresh. Both projects have been shaped by community input and will provide important places for people to learn, connect, play and spend time together.

Work also started on the Paekākāriki seawall replacement, a multi-year project to improve protection for nearby infrastructure.

Keeping water services in-house

Water services were a significant focus this year. After community consultation, Council chose to keep water services in-house. Our Water Services Delivery Plan has been endorsed, and work is underway to establish the Water Services Internal Business Unit so we can continue to meet new requirements while retaining a strong local focus.

Responding to reform

Central government reform continued to demand time and resources, with proposed changes to resource management, local government systems and structure, and rates settings. We support simpler, more enabling legislation, while continuing to advocate for local voice and long-term community interests.

When the Government announced voluntary, fast-tracked pathways for councils considering amalgamation, our community survey saw 2,770 residents share their views. This feedback reinforced the importance of local voice and helped shape our response.

The Government put the Head Start local government pathway on hold in September 2026 until after the general election.

Managing affordability and financial sustainability

Affordability remains one of the most important issues facing Council and our community. In early 2026, Council commissioned a rates affordability report to better understand household pressures and inform future decision-making. Its findings will help shape our next Long-term Plan, balancing affordability with investment in the services and infrastructure our community relies on.

The Government's proposed rates cap will make these conversations more challenging, reinforcing the need for clear choices, transparent trade-offs and honest conversations about what Council can and can't deliver.

Building resilience and caring for the environment

We strengthened resilience through districtwide stormwater flood modelling, emergency preparedness training, additional emergency water tanks, and solar energy systems for community buildings. This work helps Kāpiti prepare for future events and adapt to a changing climate.

We also progressed environmental work, including engagement on the draft Emissions Reduction Plan, reserve management planning, biodiversity and fish passage improvements, the restoration at Pharazyn Reserve, Sustainable Spring, and waste minimisation initiatives.

Supporting growth

We continued to support economic development and well-planned growth. The Kāpiti NZ Trust deed was signed in April as part of a new operating model for economic development, designed to improve outcomes while reducing reliance on ratepayer funding over time.

Major events supported local businesses, brought people to Kāpiti and strengthened community identity.

As the district grows, we're ensuring there are enough parks, reserves and recreational spaces for current and future communities, including through subdivision planning and assessment of potential new reserve sites. These spaces are central to wellbeing, community connection and the way people experience Kāpiti.

Change will continue to shape our operating environment, but our commitment remains clear - to build a resilient, liveable and thriving Kāpiti for current and future generations.

We thank everyone who has contributed to Council's work this year. Your knowledge, time, feedback and support help shape the decisions we make and the district we are building together.

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



Janet Holborow
Mayor of Kāpiti Coast District Council
Koromatua o te Kaunihera a Rohe o Kāpiti



Darren Edwards
Chief Executive
Te Tumuaki Rangatira

WE'VE HAD A BIG YEAR

- We responded to nearly 80,000 customer service enquiries - connecting with our community in person, online, and over the phone to make sure you got the info and support you needed.
- We cleaned 28km of open waterways - restoring nature, reducing flood risk, and creating healthier spaces for our communities to thrive.
- Over 18km of local roads got a fresh new look by being resurfaced, making your journey smoother, safer and more comfortable.
- We built 1.5km of new footpaths, making it easier and safer for everyone to walk, roll, and move around their neighbourhoods.
- We delivered over 6 million cubic metres of safe, treated drinking water to households - keeping our communities healthy, hydrated, and flowing smoothly every day.
- We treated over 4.6 million cubic metres of wastewater - that's like cleaning the equivalent of 1,776 Olympic-sized swimming pools or nearly 30 million bathtubs!
- We helped 131 dogs who came into our care, reuniting them with their families or finding them loving new homes and a fresh start.
- Our libraries fostered learning, creativity, and community to 14,638 people through more than 500 sessions and events including children's programmes, school holiday activities, adult learning, book groups, and workshops.
- The Makerspace buzzed with creativity, welcoming 3,303 visitors to design, make, experiment, and learn at Paraparaumu Library.
- Curiosity and teamwork were on full display at the annual Mastermind event, which engaged more than 100 primary school students, teachers, and whānau.
- Our district welcomed around 20,000 visitors during the Kāpiti Arts Trail, where 138 talented artists showcased the vibrant creative spirit of our community.
- Over 4,000 people rolled out their picnic blankets for Movies in the Park at Waikanae - taking time to connect and soak up the February sunshine.
- Around 16,000 enjoyed our coast / sunshine at our council led community events.
- Over 250 school children enjoyed getting muddy and shaping a greener future, planting 1,800 trees (that's 10% of the 18,000 dune, forest, and wetland plants we planted this year).



- Sustainable Spring brought over 1,200 people together for 35+ events and workshops - supporting community connection, resilience, and local sustainability initiatives.
- We teamed up with the Youth Council to run a youth survey with over 1,000 young people sharing what it's like growing up in Kāpiti - that's more than 10% of our youth! Their voices will help shape future plans and services.
- With over 5,910 registrations, our water safety programmes made a splash - giving our community vital skills and confidence to stay safe in the water.
- Our community made waves in 1,172 aquafit classes - boosting health, fitness, and connection through fun and movement!
- Council is "all in" for emergency preparedness with 130 staff completing emergency management or emergency assistance training, strengthening our ability to respond swiftly and effectively when it matters most.
- 322 new citizens were welcomed to our district over five citizenship ceremonies throughout the year.



KIA PAKARI TE HONONGA STRENGTHENING THE PARTNERSHIP

Te Whakaminenga o Kāpiti - He Whakaaetanga Hononga | Partnership Agreement confirms the enduring relationship between Kāpiti Coast District Council and Mana Whenua. It sets out four shared mātāpono | principles that guide how we work together: Kotahitanga, Rangatiratanga, Whanaungatanga and Manaakitanga.

During the year, Council began work to make the Partnership Agreement more visible in how the organisation plans, decides, and delivers. This included starting a Council-wide Readiness Assessment and beginning Te Ao Māori capability development for staff.

By 30 June 2026, the Readiness Assessment had moved into its information gathering phase. The assessment is helping Council identify current strengths, capability gaps, and practical opportunities to align systems, processes, and behaviours with Mana Whenua aspirations, priorities, and strong partnership practice.

Council also undertook training in Te Tiriti o Waitangi and The Wall Walk®. This work supports staff to better understand the history, legislation, and local context that shape Council's responsibilities and relationships with Mana Whenua.

Building capability in te reo Māori, tikanga Māori and Te Tiriti helps staff move beyond participation into active partnership and protection of this knowledge. It supports practical fluency in the mātāpono, so staff understand how these principles shape planning, engagement, advice, investment, and decision-making.

This work builds on many years of partnership and good practice across Council. The focus is not to replace what already exists, but to strengthen Council's ability to coordinate itself internally so its work is connected to Mana Whenua aspirations. Through the partnership, Council's role is to act as an enabler — aligning people, systems, advice, and delivery so Mana Whenua aspirations can be understood, supported, and progressed where they are expressed.

Partnering for outcomes

Mātāpono| Principles	What this means in practice
Kotahitanga	Aligning Council work and Mana Whenua aspirations through shared purpose and collective responsibility for outcomes.
Rangatiratanga	Upholding Mana Whenua leadership, aspirations, and decision-making pathways as central to partnership practice.
Whanaungatanga	Maintaining enduring relationships through trust, consistency, presence, and shared commitment to the kaupapa.
Manaakitanga	Working in ways that uphold mana, apply tikanga and support the aspirations and priorities of Mana Whenua.

Progress During the Reporting Period

- Initiated a Council-wide Readiness Assessment to understand Council's capability and readiness to give effect to the Partnership Agreement.
- Began information gathering across Council to understand how current systems, processes and work programmes support delivery of the Partnership Agreement, and where there are clear opportunities to strengthen alignment with Mana Whenua priorities and aspirations. Initiated te Ao Māori capability development to support understanding of Te Tiriti o Waitangi, te reo Māori, tikanga Māori and local history, and build the confidence and capability needed to give practical effect to the Partnership Agreement
- Maintained and strengthened trusted relationships with Mana Whenua through established ways of working.
- Strengthened understanding that giving effect to the Partnership Agreement requires ownership across Council, not responsibility sitting with one group or team alone
- Held hui with Mana Whenua to understand their priorities and aspirations ahead of the 2027-37 Long Term Plan. This engagement is ongoing and will inform how Council aligns its work programmes with Mana Whenua priorities as they are confirmed Identified how the mātāpono can shape Council planning, advice, investment, and decisions.
- Began scoping a Rautaki Māori to set Councils strategic direction for its partnership and relationship with mana whenua and Māori.

Next Steps

- Finalise the Readiness Assessment and use its evidence-based recommendations to guide and prioritise the next stages of implementing the Partnership Agreement.
- Continue building staff capability in Te Tiriti o Waitangi, te reo Māori, tikanga Māori and partnership practice.
- Support staff to apply the mātāpono in practical ways across planning, advice, delivery, and decision-making.
- Develop an internal Mana Whenua engagement framework, setting out the tikanga for how Council works in partnership with Mana Whenua across the organisation, to strengthen internal coordination and the systems and processes that support it. This will ensure Mana Whenua aspirations are understood and connected to relevant work programmes, and that Council is better positioned to act as an enabler and partner through the partnership. The framework will be delivered alongside a defined work programme informed by Mana Whenua known priorities.
- Progress the design and development of the Rautaki Māori.

Overall, Council has begun strengthening the capability, systems and shared understanding needed to give practical effect to the mātāpono of Kotahitanga, Rangatiratanga, Whanaungatanga and Manaakitanga.

Together, this work marks an important shift from participation to active partnership. It strengthens Council's ability to coordinate internally, apply the mātāpono in practical ways, and connect planning, advice, investment, and delivery to shared priorities with Mana Whenua. Raising awareness through capability building is critical to moving from understanding to action, and to ensuring the partnership is enduring, reciprocal and grounded in shared responsibility. As the Readiness Assessment is finalised and the Rautaki Māori is developed, this foundation will support more consistent, coordinated, and accountable partnership practice across Council.

SUMMARY OF COUNCIL'S PERFORMANCE FOR THE YEAR

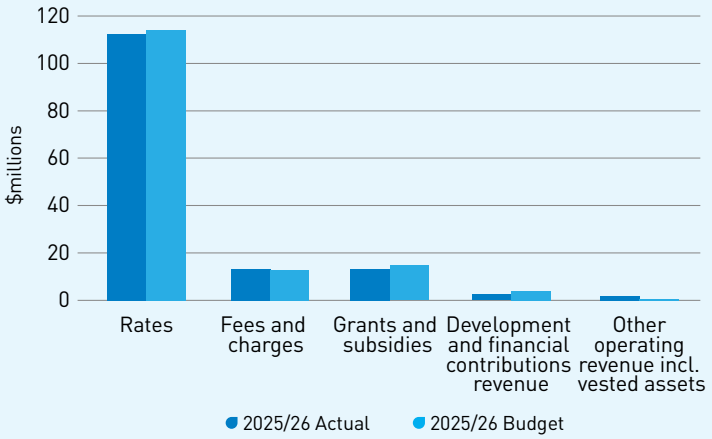
FINANCIAL PERFORMANCE

REVENUE
for the year was

$143.9m

Revenue for the year was $4.2 million lower than budget. Revenue was mostly from rates ($112.5 million), fees and charges ($13.2 million), grants and subsidies ($11.8 million), and development contributions ($3.8 million).

Revenue vs. Budget

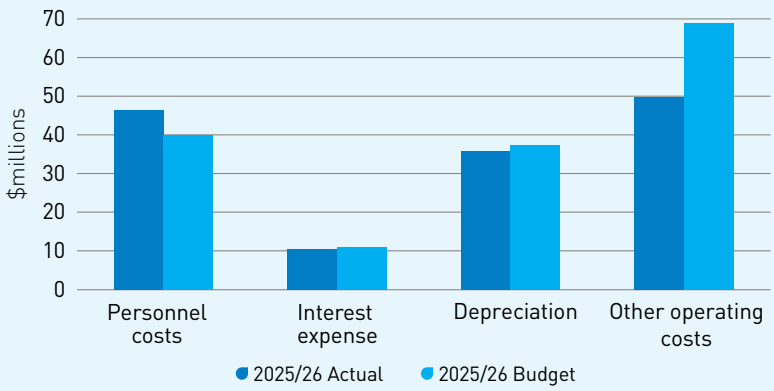


EXPENDITURE
for the year was

$142.3m

Expenditure was $14.6 million lower than budget largely due to a zero cost planned transfer of our Older Persons Housing portfolio not eventuating in 2025/26. The variance reflects timing and accounting treatment rather than reduced day-to-day service delivery costs.

Operating Expenditure



OPERATING SURPLUS
for the year

$1.6m

Our operating surplus was $10.3 million above budget, compared with a budgeted deficit of $8.7 million.

The result was largely due to the timing of the proposed Older Persons Housing sale, with the associated transfer not occurring in 2025/26 as planned, along with net interest costs being lower than planned. The surplus also includes capital grants and development contributions received for infrastructure projects. These funds are set aside for capital investment and are not available to fund Council's day-to-day activities. The accounting surplus therefore does not reflect surplus cash available for spending.

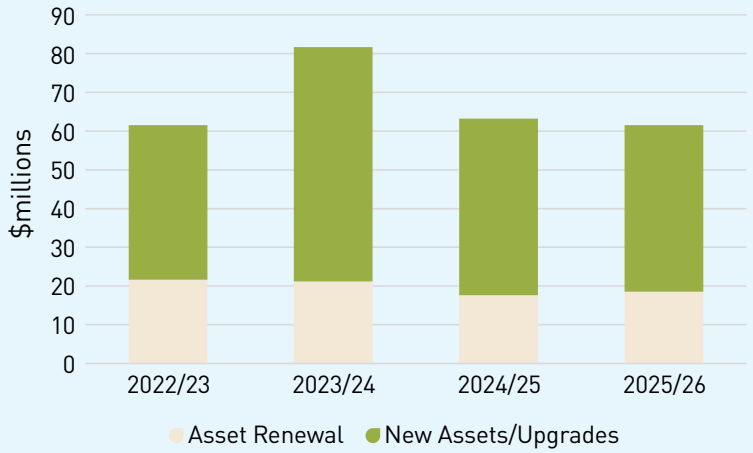
CAPITAL SPEND

for the year was

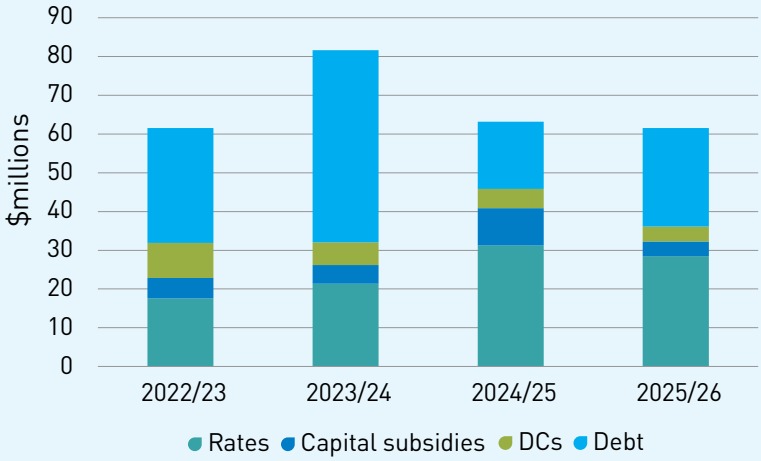
$61.5m

Our capital spending for the year included Three Waters ($30.2 million), Access and Transport ($12.4 million), and Community Facilities ($11.7 million).

Capex by expenditure type



Capex by funding source



NET DEBT

was

$299.5m

at 30 June 2026

Net borrowings	Actual $000
Gross borrowings	**402,957**
Less	
- Cash & cash equivalents	(9,814)
- Term Deposits	(80,000)
- Borrower notes	(13,615)
Net borrowings	**299,528**

NET DEBT TO REVENUE

was

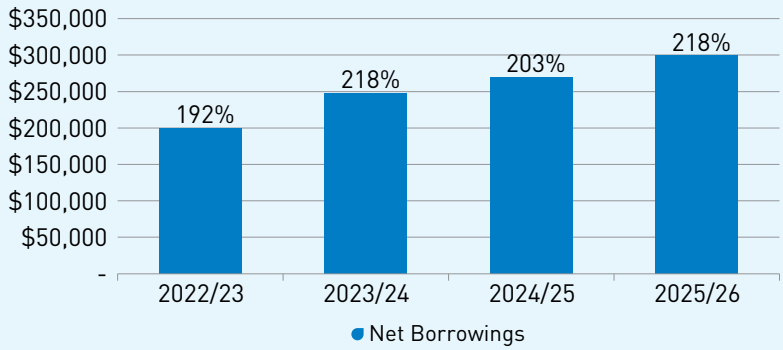
218%

at 30 June 2026.

This is below the quantified limit as determined by the Local Government Funding Agency (LGFA).

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Net debt/Total operating income ratio



PROPERTY, PLANT AND EQUIPMENT were **$2.43b**

$1.42b
Infrastructure - Roading and bridges

$197m
Restricted reserve land, buildings and parks assets

$93m
Infrastructure - Under construction

$521m
Infrastructure - Three Waters

$177m
Council land, building and other operational assets

$13m
Infrastructure - Coastal erosion and flood protection

NON-FINANCIAL PERFORMANCE

Strategic impact measures



34 Achieved 81% ● 9 Not Achieved 19%

PLACE
92%

PEOPLE
82%

PARTNERSHIP
75%

TOP 10 PRIORITIES
progress
96%
are on track.
One action has been delayed.

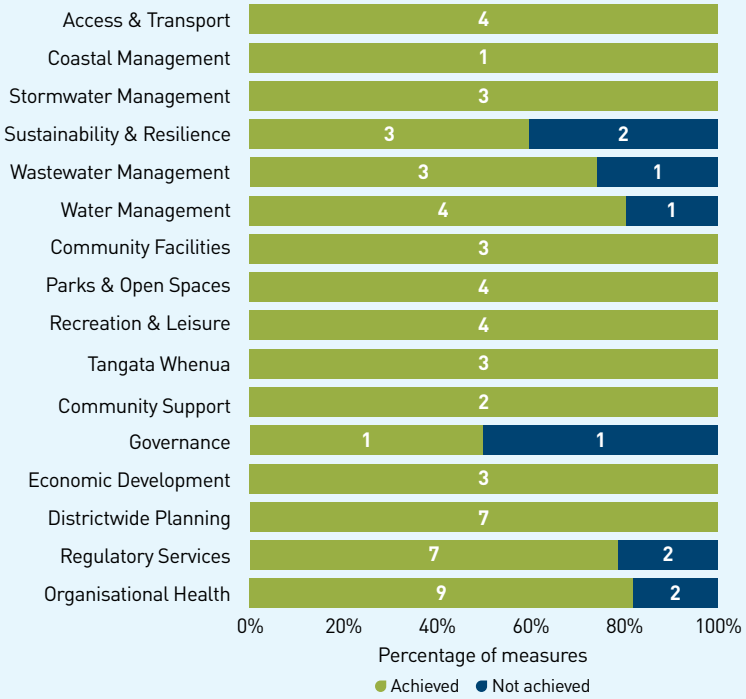
Level of service measures



61 Achieved 87% ● 9 Not Achieved 13%

Level of service performance by activity

Numbers in bars show the number of measures.



ACTIVITY COST PER RATEPAYER

The information below highlights what Council delivers and what ratepayers actually pay for these services. More detailed financial information can be found in the Funding Impact Statement for each activity - click on the symbol beside the activity (e.g. for water management) to view.

Council services provided		Total operating costs✪	Income to offset operating costs	Net operating cost◈	Cost per rating unit per week⊙
	Water Management	$16.5m	$1.5m	$15.0m	$11.05
	Wastewater Management	$16.0m	$0.7m	$15.3m	$10.84
	Stormwater Management	$9.0m	$1.2m	$7.8m	$5.64
	Three Waters Total	**$41.5m**	**$3.4m**	**$38.1m**	**$27.53**
	Access & Transport	$23.2m	$7.1m	$16.1m	$11.63
	Recreation & Leisure	$17.8m	$2.6m	$15.2m	$10.98
	Parks & Open Spaces	$12.4m	$0.7m	$11.7m	$8.45
	Regulatory Services	$15.5m	$6.1m	$9.4m	$6.79
	Community Facilities	$10.3m	$2.2m	$8.1m	$5.85
	Districtwide Planning	$7.3m	$0.6m	$6.7m	$4.84
	Governance	$3.6m	$0.1m	$3.5m	$2.53
	Economic Development	$3.0m	$0.3m	$2.7m	$1.95
	Tangata Whenua	$2.7m	$0.0m	$2.7m	$1.95
	Community Support	$2.3m	$0.1m	$2.2m	$1.59
	Sustainability & Resilience	$3.3m	$1.3m	$2.0m	$1.44
	Coastal Management	$1.3m	$0.1m	$1.2m	$0.87
	Total rest of Council	**$102.7m**	**$21.2m**	**$81.5m**	**$58.87**
	Total	**$144.2m**	**$24.6m**	**$119.6m**	**$86.40**

✪ Costs include day-to-day expenses including staff costs, overheads, utilities, maintenance, supplies, interest on debt, and depreciation.

◈ Net ratepayer funded operating costs are those funded only by rates. Costs covered by government subsidies and fees and charges are excluded.

⊙ Number of rating units 26,618 as at 30 June 2026.

STRATEGIC DIRECTION

WHERE WE'RE HEADING

PROGRESS ON OUR STRATEGIC DIRECTION

OUR VISION

TOITŪ KĀPITI

Supporting sustainable development and communities by a strengthened focus on place, people, and partnership.

OUR COMMUNITY OUTCOMES

Our community outcomes help us respond to our challenges and keep our focus on what matters most – the cultural, economic, environmental, and social wellbeing of all the people in our district.

Working with our mana whenua partners

We are committed to our partnership with mana whenua, and ensuring we address and prioritise issues of importance for our iwi partners. Appointed mana whenua representatives have a seat at our governance table, and we work together in mana-enhancing ways for our community.



Place

Our place is resilient and liveable for current and future generations.

Our natural environment, water, land, and infrastructure remains accessible, well maintained and protected from degradation, including climate change impacts as we grow.

People

Tāngata / people are supported to live, work, and play in our district.

Our people have access to services, resources, and opportunities that enable them to lead healthy, fulfilling lives and feel connected within their communities.

Partnership

We partner with others to connect, facilitate, and advocate for the good of all in Kāpiti.

Our community is involved in decisions that affect Kāpiti, and business, government, and community groups work together to ensure resources and funds support our economic needs.

These outcomes are our focus for the LTP with our financial and infrastructure strategies underpinning how we'll achieve them.

PROGRESS AGAINST TOP 10 PRIORITIES

Council's top 10 priorities help deliver on our community outcomes. The priorities are mapped across the needs of the community:

PLACE

We'll prioritise making Kāpiti resilient and liveable for current and future generations through various actions, including developing plans and strategies to better cope with weather events, balance community needs and the needs of our environment, and reduce emissions.

PEOPLE

We'll prioritise supporting people to live, work, and play in our district through various actions, including ensuring everyone has recreation and employment opportunities, the district is promoted as a good place to visit and do business, and health and housing strategies are implemented for the benefit of our communities.

PARTNERSHIP

We'll prioritise partnering more effectively with iwi partners and others to connect, facilitate, and advocate for the benefit of everyone that calls Kāpiti home. This includes having a shared vision for our district, and improving Council's accountability so our activities are seen as good value.

To read more about Council's top 10 priorities visit our website - www.kapiticoast.govt.nz/council/about-council/our-vision-and-direction.



PLACE

YOUR NEEDS	OUR PRIORITY	TARGETED ACTION	PROGRESS TO DATE	STATUS
Looking after our rivers, streams, and oceans; and ensuring supporting infrastructure is resilient and in top condition	**A** Develop a plan to address inland flooding and ponding – stormwater, infrastructure, and the impacts of three-waters reforms.	Implement Kāpiti Whaitua recommendations and Greater Wellington regional plan change requirements.	• Continuing to support the Greater Wellington (GW) led response to the recommendations, including working with iwi and GW to develop a prioritised response plan. • Continuing to support the Waikanae Ki Uta Ki Tai Partnership. • Impacted by resource management reforms and plan stop requirements.	**Ongoing**
		Introduce working arrangements with the new water entity to optimise our ecosystem.	• Water Services Delivery Plan approved by Department of Internal Affairs (DIA) November 2025. • Transition Manager appointed to oversee establishment of internal business unit. • Programme of work underway to achieve compliance with new legislation by 1 July 2027.	**On track**
Making the most of our land so that we meet the needs of current and future residents in a sustainable way.	**B** Implement a 'good' growth strategy that balances needs for housing & our environment, via appropriate district & regional spatial planning.	Work with partners on next steps for the Airport including updating the Regional Policy Statement.	• Ngāti Puketapu (Te Āti Awa) shared their vision for the Airport with Council, and sought clarification on process for re-zoning the Airport.	**Ongoing**
		Extend the complex development opportunity (CDO) to ensure infrastructure for growth (incl jobs, health, education, transport) is planned across the District.	• Ōtaki CDO / Priority Development Area project continues to be progressed through spatial planning work underway via Vision Kāpiti and the Town Centres Project. • Significant investment in infrastructure is almost complete, and housing development in Ōtaki ongoing. • Post completion of the new reservoir, the new Tasman Road bore construction is now underway, Waitohu Valley Road water main upgrade is progressing, and Mill Road roundabout works complete.	**On track**

PLACE

YOUR NEEDS	OUR PRIORITY	TARGETED ACTION	PROGRESS TO DATE	STATUS
A healthy, enhanced natural environment for us to live as a part of, so that we are resilient to climate change, as our population grows.	**C** Develop a climate strategy, to reach our bold emissions reduction goals, and an environment strategy to set out the state of the environment, and how we enhance it.	Introduce new coastal and flood risk rules that address CAP recs.	• Council has completed its review of available coastal science and is working through next steps to progress its Coastal Hazards Plan Change. • Review of flood modelling continues, with adjustments having been made due to feedback from engagement. Release of the updated maps is expected in late 2026.	**On track (Revised timeframes)**
		Determine climate adaptation actions for future years.	• Future years actions will be determined through the development of the Coastal Hazards Plan Change, which will include consideration of the use of signals, thresholds and triggers. No other specific local adaptation planning is currently in progress.	**On track (Revised timeframes)**
		Implement Climate and Environment action plans to deliver on goals.	• Environment - an agreed approach for next steps has been landed with iwi. A Direction of Travel is now in development for Council consideration in September 2026 ahead of community engagement. • Climate - Council endorsed an Emissions Reduction Strategy in September 2025. Consultation on the Emissions Reduction Action Plan is complete, and feedback will be considered in September 2026.	**On track (Revised timeframes)**
		Be a role model - implement sustainable practices.	• Next round of Greener Neighbourhoods programmes underway. • Arbor day planting at Pharazyn Reserve (PR), 20 years of partnership with PR Focus Group. • New Less Waste Fund Grant applications opened. • Agreement with Energy Efficiency and Conservation Authority (EECA) to co-fund installation of solar panels on community buildings. Implementation underway with work complete at Whakarongotai Marae.	**Ongoing**

PEOPLE

YOUR NEEDS	OUR PRIORITY	TARGETED ACTION	PROGRESS TO DATE	STATUS
Supporting the rights of all people in Kāpiti to connect and participate in community life now and in the future.	**D** Increase inclusive spaces and creative opportunities for all, and ensure intergenerational inequity is addressed.	Introduce the Culture and Creativity Strategy.	• Council and the Economic Development Kotahitanga Board (EDKB) are engaging with creative industries to establish a Creative Industries Cluster. • Staff are refreshing the approach for progressing the wider Strategy, and will seek Council approval for the way forward in late 2026.	**Delayed (Revised timeframes)**
		Report on inclusion and accessibility goals, and intergenerational inequity.	• The Social Needs Assessment will look at these matters with an aim to increase local knowledge. Completion for report-back is now scheduled for late 2027.	**On track (Revised timeframes)**
Ensuring the Kāpiti economy thrives, so that people can 'make a living' in our District.	**E** Enable residents to earn a living in Kāpiti, through increased tourism and economic development.	Implement the Economic Development Strategy.	• A refreshed Economic Development Strategy was published in April 2025 • Successfully supporting local employment through the Mayor's Taskforce for Jobs with 30+ young people supported into work. • Approved as a Destination Tourism Organisation (DTO) by Regional Tourism NZ.	**Ongoing**
		Support and nurture the EDKB.	• Established Kāpiti NZ, with the signing of the Trust deed. • Work is now underway to stand up operations, including progressing the Letter of Expectation for funding and the relationship between the new entity and Council.	**Ongoing**
		Review regulatory fees structure.	• Full review of regulatory fees and charges to occur as a part of the LTP 2027 process and in light of any Government decisions on rates capping. • Programme of work underway to lift Council's regulatory maturity and performance. This includes increasing levels of cost recovery which will inform the regulatory fees review.	**Ongoing**

PEOPLE

YOUR NEEDS	OUR PRIORITY	TARGETED ACTION	PROGRESS TO DATE	STATUS
Improving access to affordable, warm, dry and safe housing options that meet our local need.	**F** Implement the housing strategy.	Improve access to social housing through partnership.	• Approved a further round of the Community and Affordable Housing Seed Fund. Awarded $85,000 to support four local projects to move forward with early-stage affordable housing solutions.	**Ongoing**
		Introduce older persons Housing Strategy incl. Council's role in housing.	• Prospectus of options with interested parties in development for future delivery of older persons housing. To be considered in line with LTP consultation by Elected Members in 2026/27. Briefing scheduled for July 2026.	**On track (Revised timeframes)**
Improving our overall health through access to affordable health services in our community.	**G** Shape the design for a health strategy to create more coordination and more service.	Advocate local solutions to health needs.	• Agreed revised Kāpiti Health Advisory Group (KHAG) terms of reference and work programme and developing a new Ōtaki Health and Wellbeing Advisory Group (OHWAG) terms of reference. • Submitted on proposed National Mental Health and Wellbeing Strategy and Sale and Supply of Alcohol (Improving Alcohol Regulation) Amendment Bill.	**Ongoing**
		Implement the health strategy action plan.	• Continuing Strategy development alongside discussions with stakeholders, including developing an MOU with Health NZ and partners to improve access to health services in Kāpiti. Completion of the Strategy is now expected in late 2026. • Ongoing engagement with health sector stakeholders.	**On track (Revised timeframes)**

PARTNERSHIP

YOUR NEEDS	OUR PRIORITY	TARGETED ACTION	PROGRESS TO DATE	STATUS
Ensuring the community is involved in decisions about Kāpiti's future.	**H** Create a shared vision for Kāpiti.	Release Vision Kāpiti to 2060+.	• Pre-LTP community engagement on the Council's community priorities, and Vision Kāpiti Stage 2 Blueprint (initial focus on Town Centre planning).	**Ongoing**
		Introduce other funding streams.	• Continuing to apply for opportunities with Central Government to maximise funding and financing opportunities. Ministry of Business, Innovation and Employment (MBIE) approved $30K to co-fund tourism development activity. • Work underway to evaluate possible alternative revenue streams to diversify Council funding.	**Ongoing**
		Identify wider funding options within community.	• Recommendations to improve Council's community grants agreed by the Environment and Communities Committee. • Ongoing partnership with the Kāpiti Impact Trust to support capability building in the community/non-profit sector, including to improve access to funding.	**Ongoing**
		Implement the Vision Kāpiti 'master plan'.	• Town Centre Planning engagement has begun with commercial land owners, via pre-LTP engagement. • Wider Vision Kāpiti action/ projects will progress in early 2027.	**Ongoing**

PARTNERSHIP

YOUR NEEDS	OUR PRIORITY	TARGETED ACTION	PROGRESS TO DATE	STATUS
Ensuring Kāpiti Council engages well, and delivers value locally.	**I** Lift mana and pride in KCDC's operational culture so that we deliver more value to you.	Introduce new feedback approach to ensure values-based engagement goals are achieved.	• LTP Engagement Focus Group introduced to lift participation and engagement with Council on strategic direction and LTP itself • Significant engagement with the community during the last quarter on local government reform and community priorities, with more than 3,100 responses on these matters to date.	**Ongoing**
		Support participation in engagement.	• Targeted engagement with sector groups, advisory groups, and key focus groups were introduced to support participation in engagement. • Councillors are also attending engagements with community groups.	**Ongoing**
		Report on progress to achieve trust and confidence goals.	• Trust and confidence measures reported in the Annual Report • Work ongoing to improve accessibility of information in Council documents including reporting cost per service in the Annual Plan.	**Ongoing**
Improving trust and confidence in our role and service for the community we serve.	**J** Support KCDC to remain on-track and improve accountability.	Assess community 'happiness' and gaps in meeting 'needs'.	• Outcomes Reporting Framework in development. • Social Needs Assessment in planning stage. Completion of report-back now in late 2027.	**On track (Revised timeframes)**
		Be transparent about decisions that impact rates now and in the future.	• Engagement on Simplifying Local Government options occurred at pace in June/July 2026. • Informal engagement with the community as the Annual Plan was progressed. • Adopted Annual Plan 2026/27 on 11 June 2026.	**Ongoing**
		Optimise the use of funding to improve effectiveness.	• Regulatory system maturity improvement work underway as a part of Council wide focus on improving productivity and ensuring value for money • Considering rates reduction options through the Annual Plan process to achieve efficiencies while maintaining levels of service.	**Ongoing**

MEASURING OUR STRATEGIC IMPACT

Council's performance framework includes 44 strategic impact measures and 73 operational level of service measures across 16 activity areas. This section reports on performance against the strategic impact measures set in the Long-term Plan. Level of service results can be found on pages 39 to 116.

Two of Council's 44 strategic impact measures were assessed as not applicable. Both relate to the Takutai Kāpiti programme, where Council has not yet confirmed the programme's future direction.

Of the remaining 42 impact measures, Council achieved 34 (81%). Eight measures (19%) were not achieved.

PLACE



KEY: ✓ Achieved ✗ Not achieved – Not applicable

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
The change from the previous financial year in the number of fatalities and serious injury crashes on the local road network, expressed as a number. 5 year rolling average decreases.- PL-AT-IMP001	Maintain/ Decrease 5-year rolling average reduces each year	14 fatal and serious crashes on the KCDC roading network in the 2021-26 five year period	✓	14 fatal and serious crashes on the KCDC roading network in the 2020-25 five year period - an increase on the previous year (Not Achieved).
Mitigation/adaptation actions continues current level of protection/useful life of Council assets.- PL-CM-IMP001	Maintain	$62,430 was spent on coastal maintenance. The staged like-for-like renewal of the Paekākāriki seawall is underway, and a condition assessment of the Raumati South seawall has been completed	✓	$99,984 was spent on coastal maintenance (Baseline Set).

KEY: ✓ Achieved ✗ Not achieved – Not applicable

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Dune restoration effective in supporting stability or accretion, in accordance with the appropriate response for each adaptation area.- PL-CM-IMP002	Maintain	Not applicable	–	Not Applicable.
Number and percentage% of people (per adaptation area) who provide feedback into coastal adaptation next steps in 2024/25, as agreed by Council.- PL-CM-IMP003	Increase	Not applicable	–	Not Applicable.
% and total value of funding of central and regional government expenditure in Kāpiti (by health, transport, housing and infrastructure) resulting from MOU or proposals for funding.- PL-DP-IMP001	Increase	$2,015,761 of central and regional government expenditure in Kāpiti for Health, transport, housing and infrastructure resulting from MOU or proposals	✓	No funding resulting from MOU or proposals (Baseline Set).
The District Plan reflects national and regional policy requirements.- PL-DP-IMP002	Maintain 100% Consultation timeframes met	100%	✓	100% (Achieved).
Interment capacity to support current and future needs.- PL-PO-IMP001	Maintain burial capacity sufficient for at least next 10 years	Achieved	✓	Achieved.
Number and % of building consents, resource consents and land information memorandums issued within relevant statutory timeframes.- PL-RS-IMP001	Maintain 100%	96.8%	✓	84% (Not Achieved).

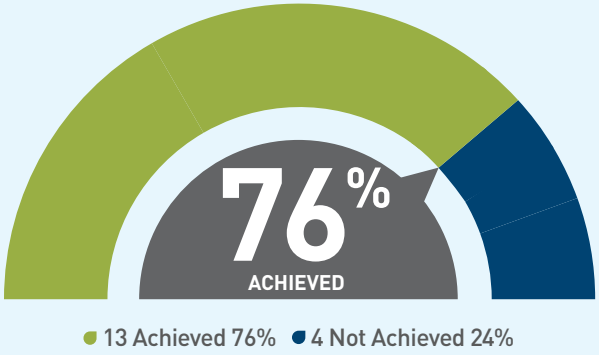
KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number and % of regulatory actions undertaken as a result of monitoring and complaints- PL-RS-IMP002	Maintain	16 infringement office notices, 24 abatement notices served, 1 enforcement order, and 1 prosecution commenced	✓	Achieved.
Corporate emissions reduction target is on track.- PL-SR-IMP001	Maintain	Achieved	✓	Achieved.
Corporate waste minimisation / reduction target is on track.- PL-SR-IMP002	Maintain Statutory Compliance (MfE)	Annual Waste Levy spend report submitted and approved by Ministry for the Environment	✓	Achieved.
% of people who know the purpose of a community emergency hub and where their closest one is located.- PP-SR-IMP001	Increase	46% of Kāpiti respondents knew the location of their nearest Community Emergency Hub, while 62% understood its purpose	✗	62% of those surveyed know the purpose of a community emergency hub and 46% are aware of where their closest hub is (Baseline Set).
COMMENT The WREMO Public Opinion Survey 2025 found that 46% of Kāpiti respondents knew the location of their nearest Community Emergency Hub, while 62% understood its purpose. Both measures remain below the regional 2031 target of more than 70%, indicating that further work is required to improve community awareness. Next survey undertaken 2026/27.				
Number of buildings (habitable floors) reported to be flooded as a result of a less than 1-in-50 year rain event.- PL-SW-IMP001	Maintain Less than 3 per 1,000 properties connected to the Council's stormwater system	0 complaints per 1,000 connections	✓	0.04 complaints per 1,000 connections (Achieved).

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Total number of complaints per 1,000 connections received by Council about the networked reticulation system, in regard to 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 f) Council's response to any of these issues.- PL-WM-IMP001	Maintain at or below 6.2 complaints per 1,000 connections	4.5 complaints per 1,000 connections	✓	4.91 complaints per 1,000 connections (Achieved).
Number of complaints received by Council about any of the following: a) sewage odour b) sewage colour c) sewerage system faults d) sewerage blockages e) Council's response to issues with the sewerage system expressed per 1,000 connections.- PL-WW-IMP001	Maintain Less than 7.2 complaints per 1,000 connections to Council's sewerage system	4.25 complaints per 1,000 connections	✓	3.3 complaints per 1,000 connections (Achieved).

PEOPLE



KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Utilisation of public halls.- PP-CF-IMP001	Increase	Achieved - bookings increased by 0.3%	✓	4% increase (Achieved).
Utilisation of public toilets.- PP-CF-IMP002	Maintain	750,880 users recorded	✓	551,156 users recorded (Achieved).
Utilisation of Council's older persons housing.- PP-CF-IMP003	Maintain 97% occupancy rate	98.5%	✓	99% (Achieved).
Council mandated advisory groups feel genuinely enabled and supported to inform the development and execution of approaches, strategies, and work programmes (as applicable).- PP-CS-IMP001	Maintain	Achieved 96.3% satisfaction	✓	93.3% (Achieved).
Social investment funding results in evidenced positive social impacts, as agreed in contracted services agreements.- PP-CS-IMP002	Maintain. All grant recipients met the terms of funding agreements	Achieved	✓	Achieved.
Number and % mix of housing typology consented for development across the housing continuum.- PP-DP-IMP001	Increase	326 dwellings were granted building consent. 44% 1-2 bedroom. No new public housing has been consented this year	✓	227 consents granted - 44% 1-2 bedroom, and 26 public housing units consented (Baseline Set).

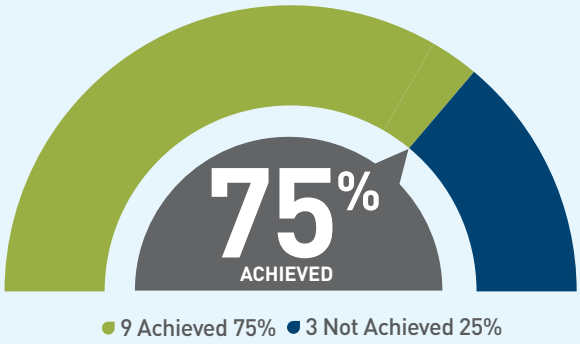
KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Percentage and total value of central and regional government expenditure in Kāpiti, by health, resulting from MOU or proposals for funding.- PP-DP-IMP002	Increase	Not achieved.	✗	$7.7 million committed (Baseline Set).
COMMENT No funding resulting from MOU or proposals committed.				
Number and % business and industry groups that agree they are supported by the EDKB, KCDC and the start-up ecosystem.- PP-ED-IMP001	Achieve per agreed engagement schedule	Achieved. 74% (43 businesses) agree they feel supported by the EDKB, KCDC, and the start-up ecosystem	✓	Achieved.
GDP per capita.- PP-ED-IMP002	Increase	Achieved	✓	Decrease of 1.9% on the previous year (Not Achieved).
Number and % increase in tourism visitors and spend.- PP-ED-IMP003	Increase	Achieved. Visitor spend $250.8 million (up 2%) and visitor days 1.2 million (up 5%)	✓	Decrease in tourism expenditure of 1% and guest nights reduced 18.8% (Not Achieved).
Use of open spaces.- PP-PO-IMP001	Maintain	Use of sports grounds is recorded as in use 89% of all available days after scheduled closures	✓	97% of sports grounds in use (Baseline Set).
COMMENT Measuring public use of open spaces across the district is difficult. For the 2024/25 and 2025/26 years we have focused on public use of sports grounds. We continue to consider ways of measuring other facilities over time.				

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Use of the cycleway, walkway, and bridleway network.- PP-PO-IMP002	Maintain	Achieved - more than 330,000 users recorded on monitored sections	✓	330,000 users (Achieved).
Number of attendances to our aquatic facilities.- PP-RL-IMP001	Maintain >= 290,000	283,103 visitors received during 2025/26	✗	290,027 visitors (Achieved).
COMMENT Attendance was impacted by the two-week Coastlands Aquatics Centre closure, Ōtaki roadworks, and a quieter season in Waikanae due to adverse weather conditions.				
Number and % of heritage and art institutions indicate they are well supported by Council.- PP-RL-IMP002	Maintain	95% of respondents say they are well or very well supported by Council	✓	83% (Baseline Set).
Number of people who use Council libraries in Kāpiti.- PP-RL-IMP003	Maintain at or above 300,000 annually	Not achieved	✗	Achieved.
COMMENT Foot traffic counters recorded 129,906 visitors. The measure was not achieved because visitor counter data is incomplete for our three busiest libraries. While staff believe visitor numbers have increased, the current data is insufficient to verify performance until upgraded counting technology is fully implemented across all sites. The Paraparaumu library has been upgraded. Ōtaki and Waikanae are pending.				
Number of licensees that comply with conditions of their license/ trade waste consent.- PP-RS-IMP001	Increase	645 (99.5%) of licensees complied with consent conditions	✗	763 licencees (99.5%) compliant (Baseline Set).
COMMENT The number of licences and consents issued, including food, alcohol, trade waste, temporary premises and health licences, decreased from 763 to 643 during the year. This decline was primarily driven by lower application volumes associated with the economic downturn, a reduction in alcohol licence applications, and changes to government legislation in 2025 that removed the requirement for hairdressers to hold a licence.				
Number and % of regulatory parties non-compliant with council policy regulations or requirements identified from complaints and monitoring.- PP-RS-IMP002	Decrease	447 parties (44%) were non-compliant	✓	558 parties (61%) non-compliant (Baseline Set).

PARTNERSHIPS



KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number feedback points received from residents on the direction of Kāpiti.- PN-DP-IMP001	Increase	2,770 feedback points received from engagement on the Simplifying Local Government options	✓	134 feedback points received (Baseline Set).
Number of requests for changes to Council policy or bylaws outside of review programme.- PN-DP-IMP002	Maintain	No requests received	✓	One request received (Baseline Set).
Number and % of elected members that annually agree they could a) inform development of strategies, policies and planning, and b) were supported to make informed decisions c) were provided with personal development opportunities.- PN-GV-IMP001	Maintain	Overall average survey rating of 7.4 out of 10	✗	8.0 out of 10 (Baseline Set).

COMMENT

31 elected representatives were invited to participate in the Elected Member Survey 2026. A smaller number of responses were received this year (12 responses compared with 19 in 2024-2025), which has influenced the average score. Note that the previous survey was undertaken with elected members in the final year of their triennium, while this survey reflects elected members in the first year of their triennium. The overall result is a moderate decline in members' perceptions of their ability to influence strategic direction and a smaller decline in members' perceptions of the support available to make informed decisions. Perceptions of access to professional development opportunities remained relatively stable.

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Council achieves no less than 75% of all LOS performance measures and delivers no less than 70% of the impact measures, measured annually as at 30 June each year.- PN-OH-IMP001	Maintain	Achieved - level of service 87% achieved, impact 83% achieved	✓	85% level of service, 88% impact (Achieved).
The level at which Council operates within its financial strategy limits (measured annually).- PN-OH-IMP002	Maintain	Achieved. Council operated within all financial strategy limits in 2025/26	✓	Achieved.
Annual satisfaction from Risk & Assurance Committee that Council is appropriately identifying and managing top 10 organisational risks.- PN-OH-IMP003	Maintain	Average survey result of 3 - satisfied	✗	Achieved (average survey result of 3.14 (Satisfied).
COMMENT The average satisfaction score decreased from 3.14 to 3.00, resulting in the target not being achieved. During the year, the Risk and Assurance Committee and Senior Leadership Team identified the need to review Council's key organisational risks and risk appetite settings. A refreshed risk profile will be considered by the Risk and Assurance Committee in December 2026 and is expected to improve the relevance and effectiveness of risk management and reporting.				
Staff and elected members report increased participation and understanding of health and safety initiatives in the workplace (Note - intended to be based off declaration).- PN-OH-IMP004	Maintain	Achieved. Staff satisfaction 71%. Elected Member satisfaction 5.5 out of 10	✓	Staff satisfaction of 6.9 out of 10, with no annual staff survey carried out in 2024/25 (Baseline Set).
Number and % of complaints referred and upheld to the Ombudsman, Public Service Commissioner and Auditor General..- PN-OH-IMP005	Decrease	0% of complaints upheld	✓	15% of complaints upheld (Baseline Set).
Council delivers the planned three year capital works programme within the total three year budget via prioritisation.- PN-OH-IMP007	Maintain	Achieved	✓	Achieved.

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
KCDC remains an employer of choice in the region with staff turnover sustainable to retain fit for purpose delivery (up to 20% when measured across three year averages).- PN-OH-IMP006	Maintain	Achieved. Staff turnover was measured at 11%	✓	15% (Baseline Set).
COMMENT The three-year average staff turnover for 2023/24, 2024/25, and 2025/26 is 12%.				
Number and % of satisfaction on customer service (including regulatory service) from feedback surveys.- PN-RS-IMP001	Increase	94%	✓	94% (Achieved).
% Iwi partners satisfied with their participation in the Council's annual work programme. - PN-TW-IMP001	Maintain	Not achieved	✗	Not measured.
COMMENT No formal satisfaction measure was collected during the year. Ongoing engagement with iwi partners indicated a positive working relationship and continued participation in Council's work programme.				



Waitohu Valley watermain

WHAT WE DELIVERED

SERVICE PERFORMANCE OVERVIEW

Council's performance framework includes 44 strategic impact measures and 73 operational level of service measures across 16 activity areas. This section reports on performance against the level of service measures set in the Long-term Plan. Strategic impact results can be found on pages 25 to 34.

Of the 73 level of service measures, three were assessed as not applicable for 2025/26 and were therefore excluded from the overall achievement calculation. One measure relates to the Takutai Kāpiti programme, for which Council is yet to confirm future delivery arrangements, and one relates to major stormwater flood protection and control works, for which no works were planned. The third relates to Coastal Management, for which there were no urgent requests for seawall repairs during the year.

Of the remaining 70 level of service measures, Council achieved 61 (87%). Nine measures (13%) were not achieved.

Council's overall level of performance



61 Achieved 87% • 9 Not Achieved 13%

PARTNERSHIPS

90%

ACHIEVED

9 Achieved 90% • 1 Not Achieved 10%

INFRASTRUCTURE

82%

ACHIEVED

18 Achieved 82% • 4 Not Achieved 18%

PLANNING AND REGULATORY

88%

ACHIEVED

14 Achieved 88% • 2 Not Achieved 12%

ORGANISATIONAL HEALTH

82%

ACHIEVED

9 Achieved 82% • 2 Not Achieved 18%

SERVICES

100%

ACHIEVED

11 Achieved 100% • 0 Not Achieved 0%

OUR ACTIVITIES & SERVICES

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INFRASTRUCTURE

ACCESS AND TRANSPORT

KEY HIGHLIGHTS

East-west connection in Paraparaumu (Arawhata Road to Ihakara Street link)

Council is working collaboratively with the development owners to identify opportunities to achieve cost savings through alignment with the wider development programme. Leveraging these efficiencies will help ensure the project delivers value for the community by completing earthworks for the road at the same time as the subdivision earthworks and minimising unnecessary expenditure.

The project was recently resubmitted for approval under the Fast Track Approvals Act 2024, enabling an accelerated consenting process to support timely delivery.

SH1 revocation (PP2Ō)

The Peka Peka to Ōtaki (PP2Ō) revocation has changed the road layout from a high-volume State Highway to a local activity street in Ōtaki and a rural connector route from Ōtaki to Peka Peka. Waka Kotahi NZ Transport (NZTA) are responsible for this work which has almost been completed.

The shared path south of Te Horo Beach Road connecting to the new bus stops is now open with the installation of the bridge over the Mangaone overflow.

Works along the Ōtaki shopping strip are well progressed, providing new footpaths, kerb and channel, several pedestrian refuges, Mill Road/Rahui Road roundabout and road surface asphalting with new road markings. Minor close-out actions are underway to enable the road to be handed over to Council over the coming months.

Our long-term maintenance contracts are delivering strong value

Our road maintenance, streetlights and electronic signs, asphalt, and road marking contracts have completed their first year, with up to five further years to run. These contracts are delivering core maintenance and renewal work across the Kāpiti Coast with strong commitment and a focus on safety, efficiency, and service reliability. Our chipseal contract has completed its second year successfully and has been extended for a further two years.

Did you know:

Our main chip sealing programme runs from mid-November to March and involves an average 18km of road surface.

Pavement surfacing

We fully completed our 16.2km of chipseal and 2km asphalt programme for pavement surfacing this year. This included the major asphalt resurfacing sites at Kāpiti Road/Rimu Road traffic signal, Kāpiti Road/Ocean Road roundabout, Kāpiti Road/Manly Street roundabout, and Waikanae rail overbridge.

Surfacing our roads is a critical area of our roading programme as the renewed waterproof layer protects our pavement and provides a smooth and safe riding surface for effective transportation.

Pavement Rehabilitation

400m of road rehabilitation works were completed on Ōtaki Gorge Road in April. The pavement has been strengthened and widened to 8m to provide long-term cost-effective improvement.



Waikanae shared path under construction

Footpath and pathway maintenance renewals

Reduced subsidy funding for footpaths and pathways has increased pressure to maintain a safe and reliable walking and cycling network. We're targeting trip hazards and poor sections with localised repairs to meet core maintenance needs.

1.5km of footpaths were renewed over the financial year, with the 250m of the Amohia Street footpath on the eastern side from the rail overbridge towards Kāpiti Road completed in April.

Work on the Park Avenue shared pathway is well progressed with minor actions required to complete in August. This pathway section enables a continuous pathway from Waikanae to Waikanae Beach.

The renewal of Rimu Road's footpath is in the design phase to create a wider footpath from Raumati Road to Manawa Avenue.

Bridges and retaining walls

Ngarara bridge strengthening works were completed in May. This work improved the capacity of the bridge to allow full traffic movement.

The planning for managing the Matatua Road twin culverts is progressing well. The preferred option is to concrete reline the left barrel (110m long, 5m wide) in mid-2026/27.

Minor safety improvements

Our 2024-27 speed management programme has moved forward with the installation of eight speed humps and the installation of 30km/h variable speed limits around 13 schools.

The draft Speed Management Plan 2027-30 has been developed and will involve community consultation between 4 August and 15 September 2026. The focus is for safe speeds around schools, safe places to cross roads, traffic calming near recreational areas, and minor changes to some speed limits.

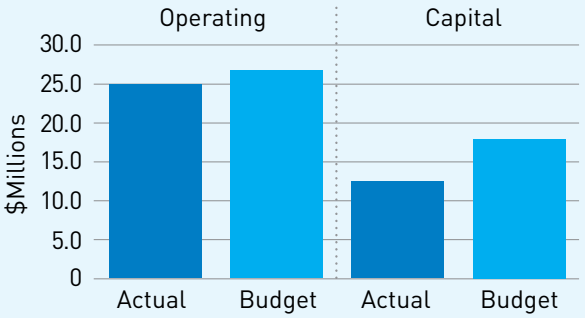
Cycle safety remained a focus area with the widening of key sections of Peka Peka Road between February and June to improve visibility and reduce conflict between vehicles and cyclists by creating more space.

HOW WE PERFORMED



4 Achieved 100% 0 Not Achieved 0%

Operating and capital expenditure



The underspend in 2025/26 was primarily due to delays in the SH1 Revocation Project, an NZTA-funded activity within a three-year programme.

KEY: Achieved Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
The percentage of sealed local road network that is resurfaced.- PL-AT-LOS001	3.9% of the sealed local road network	4.2%	✓	3.9% (Achieved).
The average quality of ride on a sealed local road network, measured by smooth travel exposure.- PL-AT-LOS002	Overall smooth travel exposure is above 80%	87%	✓	86% (Achieved).
Service requests relating to roads and footpaths responded to within 24 hours (urgent), 15 days (non-urgent).- PL-AT-LOS003	Urgent: 85% Non-urgent: 85%	Urgent: 86% Non-urgent: 90%	✓	Urgent requests was: 90% and non-urgent requests: 90% (Achieved).
Percentage of footpaths that fall within the service standard for the condition of footpaths as set out in the activity management plan.- PL-AT-LOS004	85%	98%	✓	97% (Achieved).

Access and Transport funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	679	581	(1,930)
Targeted rates	19,371	16,472	16,495
Grants and subsidies for operating purposes	3,270	3,432	2,889
Fees and charges	91	131	84
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	316	1,715	806
Total operating funding	**23,727**	**22,331**	**18,344**
Applications of operating funding			
Payment to staff and suppliers	9,163	7,953	6,956
Finance costs	6,763	4,340	1,992
Internal charges and overheads applied	-	1,222	1,319
Other operating funding applications	-	-	-
Total applications of operating funding	**15,926**	**13,515**	**10,267**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**7,801**	**8,816**	**8,077**
Sources of capital funding			
Grants and subsidies for capital expenditure	5,867	5,270	3,737
Development and financial contributions	385	538	288
Increase (decrease) in debt	8,373	8,322	5,532
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**14,625**	**14,130**	**9,557**
Applications of capital funding			
Capital expenditure			
to meet additional demand	577	308	277
to improve the level of service	9,999	9,016	5,875
to replace existing assets	7,135	8,534	6,276
Increase (decrease) in reserves	4,715	5,088	5,206
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**22,426**	**22,946**	**17,634**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(7,801)**	**(8,816)**	**(8,077)**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

INFRASTRUCTURE
COASTAL MANAGEMENT

KEY HIGHLIGHTS

Paekākāriki and Raumati seawalls

Replacing the Paekākāriki seawall with a like-for-like timber wall will be done in stages over the next six-seven years. This staged approach will help minimise community disruption, smooth the financial impact, and help local contractors plan works for when the weather is more reliable.

Work began on the seawall in March with lizard translocation to the Paekākāriki Escarpment under our wildlife permit, and the temporary removal of coastal plants. Main construction works began in April on the first 100-metre section opposite Paneta Street. This is where the worst area of wall was identified in the most recent condition assessment.

The Raumati seawall design is complete, with construction pencilled to start in the 2027/28 financial year, with works spread over the following 10 years.

We continue to monitor the state of both our seawalls with annual condition assessments and regular inspections after storm events by a structural engineer. Any potential weak points identified as requiring urgent repairs or replacement have been actioned.

Did you know:

Sand levels on our beaches can change by over 1 metre in just a few tides, making coastal management challenging.

Minor repairs

Minor repairs were undertaken to both seawalls following damage from king tides and storms. Most issues involved scouring above the wall and exposure of supporting elements.



Paekākāriki seawall lizard translocation



Paekākāriki seawall sheet piles

Private wall failures

Three privately owned walls failed during the February king tides, two of which are adjacent to Council's seawalls. These walls were constructed to a different standard than our assets and their failure present a risk to Council infrastructure. Staff are working with owners and contractors to coordinate repairs and minimise risk however, the cost of repairs remains a barrier for some owners.

Eco-reef

With the failure of a resident's wall next to the Groves Road beach accessway, Council was presented the opportunity to trial an EcoReef - an interlocking concrete coastal protection system installed by a local civil construction company as a proof-of-concept trial. The 50-metre installation is designed to help reduce shoreline erosion while protecting adjacent public infrastructure.

Construction was completed at the end of June 2026. The performance of the trial will be monitored over the coming years, particularly as forecast El Nino conditions may bring stronger winds and increased coastal swell.

Paekākāriki stormwater outfall

A new outfall structure was installed in Paekākāriki following a reassessment of the outfall's performance following removal of its seaward extension and occupation by penguins. While it was initially intended to delay works until a wildlife permit was granted for the temporary relocation of the penguins, movement of the surrounding rocks impeded the outlet, causing water to back up into the network and posing a risk to nearby properties. Council worked with a penguin expert to ensure the works could be undertaken safely.

Dune restoration

Council's biodiversity staff collected eco-sourced pīngao and spinifex seeds in January and February to be grown and planted in the 2027 planting season.

We published a Kāpiti centric dune restoration video on our website that was put together by the Coastal Restoration Trust of New Zealand with partial funding from Council.

Wharemauku block wall

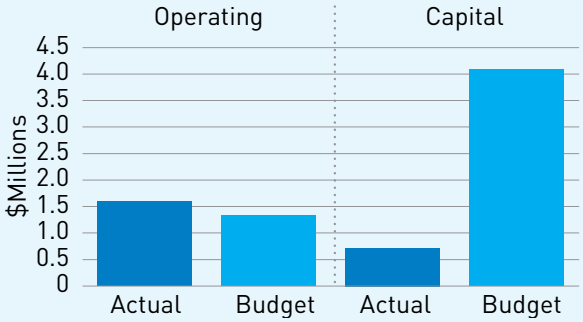
Council has been informed by Greater Wellington that the Wharemauku block wall is no longer in the Coastal Marine Area. This means the previous requirement to get the works reconsented no longer stands. Council continues to assess the situation.

HOW WE PERFORMED



1 Achieved 100% 0 Not Achieved 0%

Operating and capital expenditure



Delays to the start of the Paekākāriki Seawall Project resulted in an underspend in 2025/26 capex, with $2.0 million now forecast for 2026/27 and the balance deferred to 2027/28.

KEY: Achieved Not achieved Not applicable

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Respond within 48 hours to urgent requests to repair council seawalls or rock revetments.- PL-CM-LOS001	85%	Not applicable. No urgent requests received	–	100% (Achieved).
Number of new plantings on sand dunes in Kāpiti.- PL-CM-LOS002	Achieve against agreed schedule	7,480 dune plants were planted in 2025/26	✓	8,700 dune plants were planted (Achieved).
Number of Takutai Kāpiti community engagement (per adaptation area) on next steps in 2024/25.- PL-CM-LOS003	Number of Takutai Kāpiti community engagement (per adaptation area) on next steps in 2024/25	Not applicable. Council is yet to confirm next steps in the Takutai Kāpiti programme	–	Not applicable.

Coastal Management funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	1,369	1,169	1,093
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	-	168	72
Total operating funding	**1,369**	**1,337**	**1,165**
Applications of operating funding			
Payment to staff and suppliers	282	(92)	148
Finance costs	196	603	245
Internal charges and overheads applied	-	174	274
Other operating funding applications	-	-	-
Total applications of operating funding	**478**	**685**	**667**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**891**	**652**	**498**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	67	219	166
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**67**	**219**	**166**
Applications of capital funding			
Capital expenditure			
to meet additional demand	-	-	-
to improve the level of service	67	219	166
to replace existing assets	2,684	3,857	552
Increase (decrease) in reserves	(1,793)	(3,205)	(54)
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**958**	**871**	**664**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(891)**	**(652)**	**(498)**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

INFRASTRUCTURE

STORMWATER AND FLOOD PROTECTION

KEY HIGHLIGHTS

Flood hazard models

Flood hazard models for the district's urban catchments (and growth areas – Te Kowhai and Manapouri) were recently rebuilt, showing areas that could be affected by a 1-in-100-year rainfall event under current climate conditions and future scenarios with +1.8°C and +3.7°C of climate change. The purpose is to help Council and the community understand potential flood risks and plan for resilience.

Council has assessed matters raised through community engagement, and the updated topographic dataset (LiDAR) used for stormwater and flood modelling has been quality assured and incorporated into the model build. Six of the models are now uploaded into model management, and the remaining three will be completed shortly.

The next stage is to close the loop with people who provided feedback, including how their feedback has been considered, confirming relevant changes to the model outputs, and making the updated flood information available through public-facing online mapping portals and supporting information.

Council will also focus on incorporating the updated flood model into business-as-usual processes. We continue to define the scope for integrated catchment management planning across urban areas, including how the updated models will support long-term flood risk management, infrastructure planning, development assessment, emergency management, and future model manager processes.

Kenakena catchment stormwater upgrade

During the past year, we installed a fish-friendly pump and added culvert capacity under Manly Street to help address flooding in the Kenakena stormwater catchment area. A fish passage is also in place to help shortfin eel, longfin eel, and common bully to travel upstream. Planting and fencing will complete the site, while pump calibration for the differing seasons is taking place over the next year.

We have begun detailed design for stage 3, stream improvements and culvert upsizing under Mazengarb Road, and stage 4, improvements to the catchment beyond the stream.

Did you know...

We're responsible for 52.7 kilometres of open drains across the district.

Open channel inspections

Over the past 12 months, 16.6 kilometres of open drains were cleaned by hand and 11.4 kilometres cleaned by machine.

Council has several constructed wetlands within its urban drainage network. These assets provide multiple benefits for the community, including reduced peak stormwater flows, landscape amenity, biodiversity/habitat, education and passive cooling through vegetation. They require regular scheduled maintenance to ensure they remain healthy and perform as intended.

In the past this maintenance hasn't been consistent and several pest plant species have established across the district, including blackberry, pampas, agapanthus, inkweed, willows, wilding pines, night shade, wild cherry, brush wattle, tree lupin, gorse, evergreen buckthorn, tradescantia, blue morning glory, convolvulus, parrots feather, as well as several other invasive aquatic plants. Exotic plants compete with native taonga plant species which contributes to a loss of matauranga and cultural value.



Kenakena pump station

This financial year, Council has restored six constructed wetland areas. These are now being actively maintained. This work continues to be progressively rolled out across the district.

Global consents

Under the duration of the Consents Amendment Act 2025 all council resource consents operating under s124 have been reinstated until 31 December 2027. This includes WGN160316 [35856] which provides for the discharge of municipal stormwater to land or water, and the suite of consents allowing for the clearance of the Kakariki and Mazengarb Streams and tributaries of Wharemauku Stream.

Work on a Global Open Channel Maintenance Consent is ongoing. A final draft resource consent application and working Code of Practice has been completed and key affected parties are being engaged for feedback prior to the anticipated submission to Greater Wellington. Council continues to work in partnership with mana whenua.

Although work associated with the application to reconsent the water quality consent is suspended, Council is still required to ensure compliance with WGN160316 [35856].

Pump station prioritisation

A programme to improve site monitoring and operational status reporting for all pump stations is underway. Several sites were upgraded with a SCADAPack Remote Terminal Unit, with the remaining Stormwater Pump Station [SWPS] sites due to be upgraded during the 2026/27 financial year. This will allow Council to verify they're operating as designed and have confidence they're functioning correctly during storm events.

Investigation work continues to confirm the nature, scale and prioritisation of renewal/upgrade works across the SWPS network.

Installation of flow gauges

Council purchased 10 solar-powered monitoring sensors for gauging open channel water levels which have been deployed across the district. This approach uses the LoRa communication network, which is already used for water meter monitoring.

The information collected will be used to calibrate flood hazard model outputs and inform investigation/design parameters for capital works projects.

Delays and challenges

Regulatory uncertainty and consenting complexity

Stormwater planning and infrastructure delivery are occurring within a changing regulatory environment. Ongoing interpretation of the National Policy Statement for Freshwater Management (NPS-FM), evolving expectations around stormwater management within the broader water services reform context, and the use of fast-track consenting pathways for some development proposals are creating uncertainty in the consenting environment.

These factors can influence project sequencing, design requirements, and delivery timeframes. While Government policy signals an intention to streamline approvals and make it easier to construct and maintain infrastructure, the transition period is creating short-term uncertainty as regulatory expectations continue to evolve.

Community expectations and levels of service

Community expectations regarding Council's ability to address flooding and stormwater issues remain high. In some cases, there is an expectation that Council can fully mitigate flood risk, despite the complex interaction of natural floodplain processes, historical land development patterns, and constrained catchment hydrology.

Ratepayers in rural areas that aren't part of the urban stormwater rating area may expect a similar level of infrastructure intervention as urban areas that contribute directly to the stormwater network and associated targeted rates.

Three waters done well transition

Work continues to operationalise the strict financial and reporting requirements imposed under three waters reform legislation, while maintaining business as usual, including preparation of asset management plans, and inputs into the annual, and long-term planning processes.

Growth pressures and infrastructure constraints

Population growth and development pressures in parts of the district are increasing demand on the stormwater network and receiving environments. In some areas, the capacity of existing infrastructure and natural waterways may constrain development, requiring careful management of stormwater effects and additional infrastructure investment.

Waimeha Operational Plan review

The Waimeha Stream is managed by Greater Wellington (GW) under the Watercourses Agreement. Council is currently working collaboratively with GW and Te Āti Awa to develop a Waimeha Stream Operational Plan, which sets out the circumstances in which river management interventions such as river mouth cutting may occur.

The operational plan considers flood risk (including river levels), erosion risks, and environmental considerations, and guides GW's operational management of the stream. The outcome of this work will influence how flood risk is managed within the Waimeha catchment and how river management activities interact with the district's stormwater system.

Whaitua implementation programme

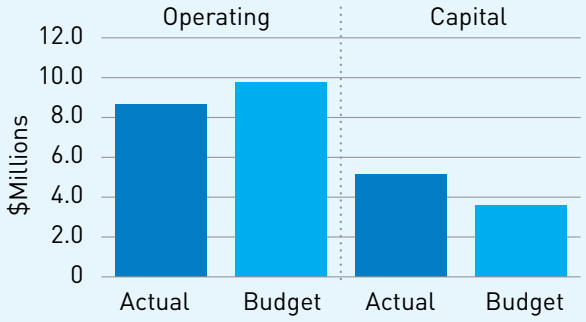
Council is also working collaboratively with GW and iwi partners to develop a three-year forward work programme to begin implementing the Kāpiti Whaitua Implementation Plan. This programme will identify priority actions and projects for consideration by governance and potential funding through long-term planning processes.

HOW WE PERFORMED



3 Achieved 100% 0 Not Achieved 0%

Operating and capital expenditure



KEY: Achieved Not achieved Not applicable

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Median response times to attend a flooding event from notification to attendance on site.- PL-SW-LOS001	Urgent - 24 hours Non-urgent - 5 days	Urgent: 1 hour 1 minute Non-urgent: 19 hours 7 minutes	✓	Urgent: 43 minutes and non-urgent: 15 hours 33 minutes (Achieved).
Number of complaints received about the performance of the District's stormwater system, expressed per 1,000 properties connected to the Council's stormwater system.- PL-SW-LOS002	Fewer than 30 properties per 1000 connection	21.28 complaints per 1,000 connections	✓	19.96 complaints per 1,000 connections (Achieved).
Major flood protection and control works (as defined under Department of Internal Affairs' supporting guidance for flood protection and control) are maintained, repaired, and renewed to the key standards as defined in the Council's activity management plan.- PL-SW-LOS003	Achieve	Not applicable. No major works planned in 2025/26	–	Not applicable.
Measure compliance with Council's resource consents for discharge from its stormwater system by the number of: a) Abatement notices b) Infringement notices c) Enforcement orders d) Successful prosecutions, received by the Council in relation to those resource consents.- PL-SW-LOS004	No notices, orders, or convictions	No notices, orders, or convictions	✓	Achieved.

Stormwater Management funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	2,578	3,537	2,201
Targeted rates	3,283	4,886	4,834
Grants and subsidies for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	-	1,173	1,108
Total operating funding	**5,861**	**9,596**	**8,143**
Applications of operating funding			
Payment to staff and suppliers	3,010	2,805	1,826
Finance costs	1,489	3,795	3,748
Internal charges and overheads applied	-	416	507
Other operating funding applications	-	-	-
Total applications of operating funding	**4,499**	**7,016**	**6,081**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**1,362**	**2,580**	**2,062**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	56
Development and financial contributions	216	295	97
Increase (decrease) in debt	2,109	1,570	4,835
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**2,325**	**1,865**	**4,988**
Applications of capital funding			
Capital expenditure			
to meet additional demand	157	78	409
to improve the level of service	1,951	1,492	4,482
to replace existing assets	603	2,024	251
Increase (decrease) in reserves	976	851	1,908
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**3,687**	**4,445**	**7,050**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(1,362)**	**(2,580)**	**(2,062)**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

INFRASTRUCTURE

SUSTAINABILITY AND RESILIENCE

KEY HIGHLIGHTS

Climate Action

An action plan to implement the Emissions Reduction Strategy and support the district's aspirational goal of net zero emissions by 2040 is in development. Community engagement was carried out in May 2025, and the final plan is expected to be adopted in late 2026.

Council continues to reduce emissions while delivering wider community benefits. Kāpiti also continues to lead the Wellington region in the proportion of young people cycling to school, supported by safer infrastructure, speed management and cycling education initiatives.

Since 2017, Council has converted more than 95% of the district's streetlights to energy-efficient LED technology, reducing streetlighting emissions by 74% and avoiding more than $500,000 in annual electricity costs.

Council's latest emissions inventory found operational emissions have reduced by 69.4% since 2009/10, keeping Council on track to achieve its 2032 emissions reduction target. This strong performance also enables Council to access Climate Action Loan discounts through the Local Government Funding Agency, reducing borrowing costs by approximately $58,000 per year.

Supporting community transition

Sustainable Spring 2025 involved more than 1,200 participants across 35 events focused on sustainability, climate action and community connection. The programme will return in 2026.

Council also supported local Greener Neighbourhood projects that are strengthening resilience, sustainability and community connections. Initiatives included a tool library, food-sharing pantry and predator control project. One community initiative has evolved into the Kāpiti Kiwi project, which aims to reintroduce kiwi to the district within the next decade.

Did you know:

In its second year of operation, Otaihanga Zero Waste is on track to divert more than 500 tonnes of priority materials and products from landfill. The site was also a finalist in the 2026 WasteMINZ national Awards for Excellence, in the Reuse, Repair and Repurposing category.

The Enviroschools programme was expanded to provide additional sustainability and waste-minimisation education in participating Kāpiti Coast schools.

Resource recovery and less waste

Otaihanga Zero Waste continues to grow

Otaihanga Zero Waste is on track to divert more than 500 tonnes of material from landfill in its second year of operation and was recognised as a finalist in the 2026 WasteMINZ Awards for Excellence.

A new Reuse Shop opened during the year, providing affordable refurbished household goods while creating local employment, skills and training opportunities. Council also entered into a new



Otaihanga Zero Waste

contract with Otaihanga Zero Waste to support the continued growth of resource recovery and reuse services.

Less Waste Grants expanded

Council increased annual Less Waste Grant funding to $100,000 and adopted a revised funding policy to support more community and business waste-minimisation initiatives. Demand for funding was strong, with applications significantly exceeding available funding.

Projects supported through previous grant rounds continued to deliver results, including the growth of the Paekākāriki Tool Library, bicycle repair and reuse programmes, school waste reduction initiatives and reduced waste at local events.

Construction waste diverted from Te Ara Whetū

Council is working with Otaihanga Zero Waste and contractor Naylor Love to implement waste minimisation measures during construction of Te Ara Whetū, the new library hub for Waikanae.

The building team is sorting waste on site so more materials can be reused or recycled instead of going to landfill. Otaihanga Zero Waste collects useful materials such as timber, steel, scrap metal, PVC, plastic, polystyrene, glass, pallets, cardboard, insulation offcuts and cable drums.

So far, the project has kept 97 percent of demolition waste, by weight, out of landfill. During construction, the team is aiming to keep at least 75 percent of waste out of landfill – higher than similar projects in the Wellington region.

Progressing the Waste Management and Minimisation Plan

Council continued implementing the Wellington Region Waste Management and Minimisation Plan 2023-29. Activities included waste education programmes, Less Waste grants, support for events, waste data improvements, implementation of bylaw requirements, and improvements to public recycling information.

More than three tonnes of household batteries have been collected for recycling through Kāpiti Coast libraries since the programme began, while community clean-up initiatives continue through the Keep Kāpiti Beautiful programme.

Emergency management

Council continued to strengthen emergency preparedness through workforce development, regional collaboration and community resilience initiatives.

More than 70 staff are now trained to support emergency response functions, with a further 60 trained to provide surge capacity during emergency events. Ongoing exercises, training and collaboration with neighbouring councils and regional partners continue to build response capability.

EECA community resilience project

Solar and battery systems are being installed at schools, marae and community facilities to improve resilience during emergencies, reduce electricity costs and lower emissions. This programme is being delivered in partnership with Efficiency and Conservation Authority (EECA), Wellington Region Emergency Management Office (WREMO) and community organisations.

EECA and Council are co-funding the initiative. EECA is investing up to 75% of the programme costs, with Council funding the remaining 25%.

Council will retain ownership of the solar energy systems and be responsible for carrying out the required maintenance to ensure the systems remain safe, reliable, and ready to support the community when needed.

Six of the nine facilities have been completed. We're working with the Ministry of Education to get three schools across the line.

Community emergency water stations

Following the installation of seven 25,000-litre Community Emergency Water Stations across the district, Council is working with iwi and community organisations to identify future locations for additional tanks.

Regional and local coordination

Council continued working with emergency services, iwi, community organisations and neighbouring councils through the Kāpiti Emergency Services Coordinating Committee and Kāpiti Local Welfare Committee. Regular meetings, exercises and collaborative planning support coordinated planning, response and recovery across the district and wider region.

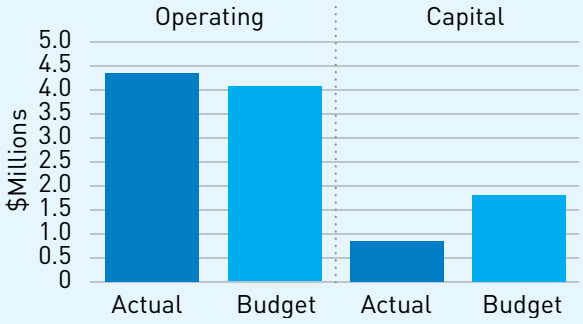


Āti Awa Whakarongotai Marae solar panels

HOW WE PERFORMED



Operating and capital expenditure



Capex expenditure was below budget due to the deferral of the new transfer station project to 2027/28.

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Corporate climate action plan delivered to schedule.- PL-SR-LOS001	Achieve against agreed schedule	Achieved	✓	Achieved.
Number of education programmes on reducing Kāpiti Coast District's carbon footprint completed- PL-SR-LOS002	Achieve against agreed schedule	Education programmes were delivered as scheduled. Achieved	✓	Achieved.
Number of education programmes on waste minimisation in Kāpiti Coast District completed.- PL-SR-LOS003	Achieve against agreed schedule	One of four scheduled education events occurred	✗	Achieved.
COMMENT Education programmes were delivered as scheduled. Sustainable Spring delivered 35 events with over 1,200 participants. Greener Neighbourhoods supported five neighbourhood groups to deliver local sustainability projects. Council continued to fund delivery of the Enviroschools programme at nine participating schools and six Early Childhood Education centres in Kāpiti.				
Illegally dumped waste is removed within two working days.- PL-SR-LOS004	85%	76.9%	✗	71% (Not Achieved).
COMMENT While all reported incidents of illegally dumped waste were responded to, some instances could not be verified or accessed due to factors outside Council's control. In particular, reported rubbish could not always be located when crews attended the site, or access was restricted because of road closures or police activity.				

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number and % of education programmes on emergency management response, and preparedness (incl recovery).- PP-SR-LOS001	Equivalent to prior year	57 events were run by WREMO in the 2025/26 year	✓	41 events run by WREMO (Achieved).

Sustainability & Resilience funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	2,572	2,982	2,177
Targeted rates	-	(39)	(74)
Grants and subsidies for operating purposes	-	-	1,220
Fees and charges	1,053	994	801
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	-	80	73
Total operating funding	**3,625**	**4,017**	**4,197**
Applications of operating funding			
Payment to staff and suppliers	3,326	2,506	2,762
Finance costs	86	273	124
Internal charges and overheads applied	-	990	1,092
Other operating funding applications	-	-	-
Total applications of operating funding	**3,412**	**3,769**	**3,978**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**213**	**248**	**219**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	400
Development and financial contributions	-	-	-
Increase (decrease) in debt	124	16	2
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**124**	**16**	**402**
Applications of capital funding			
Capital expenditure			
to meet additional demand	-	-	-
to improve the level of service	124	16	2
to replace existing assets	313	1,799	848
Increase (decrease) in reserves	(100)	(1,551)	(229)
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**337**	**264**	**621**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(213)**	**(248)**	**(219)**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

INFRASTRUCTURE

WASTEWATER MANAGEMENT

KEY HIGHLIGHTS

Paraparaumu Wastewater Treatment Plant

Resource consent

Our resource consent application for the discharge of treated effluent from the Plant to Mazengarb Road was submitted in December 2021, we have also responded to all Requests for Information and Section 92 replies.

- Following the new Water Services Act 2025 and Wastewater Environmental Performance Standards (WEPS), the consent expiry date extended to December 2027.
- We're undertaking a nitrate reduction trial to see if the plant can meet the WEPS limits for Total Nitrogen and Total Suspended Solids. If achieved, Council can decide whether to continue with the existing application for 15 years or withdraw and submit a new application for a 35-year term in line with the WEPS provisions.

We're still waiting for clean fill to complete the decommissioning of the old sludge beds. Approved fill material has been moved to sludge bed sites at Paraparaumu WWTP from:

- Expressway work that was stockpiled at landfill site,
- Waitohu Valley Watermain Site at Ōtaki, and
- Te Horo School – new car park site.

Discussions with prospective contractors are underway. An approval recently granted for the soil from the Paekākāriki Seawall site which is planned to be moved in July-August 2026.

Around 40% of the sludge bed area has been filled.

Upgrades and major maintenance:

- A contract has been awarded to Stantec NZ for preliminary and detailed design services, which is expected to be completed by October 2026.
- The concept design for hydraulic debottlenecking of Clarifier 3 outflow and the UV system upgrade has been completed. Supplier consultation is ongoing, but final design will proceed once Greater Wellington confirms consent conditions and the required UV specifications.
- Following a condition assessment, a new scrubber arm for Clarifier 3 was procured. Installation is planned to take place summer 2026/27 (weather permitting).
- The upgrade of the distribution board-1 to enable the new inlet-works is progressing.

Did you know:

Replenishment of the land disposal treatment area at Ōtaki Wastewater Treatment Plant requires 40,000m³ of soil.

Ōtaki Wastewater Treatment Plant

Desludging of the aeration lagoon and concrete sealing of its base was completed in May 2025. Specification of the aerators has been determined, and the contract to supply aerators and accessories, supervise the installation, and commissioning has been awarded. The project is expected to be completed by 2026/27.

We're progressing works to upgrade the land discharge and treatment area (LDTA) to improve the effectiveness of the land treatment at the Plant. We're progressing a resource consent application to upgrade the discharge laterals to a sprinkler discharge system, which will significantly improve discharge spread across the LDTA.

We completed sprinkler trials in November 2025 and have included mitigation measures in our design and operational procedures to ensure all effects are managed onsite.



Ōtaki wastewater gravity main

Subject to the resource consent application being granted, we plan to replace the laterals by September 2026.

We're also working with a consultant to analyse options and prepare an implementation plan to identify further upgrades required and ensure the upgrades address ongoing nutrient issues on the LDTA.

Wastewater network upgrade

The installation of 2.7 kilometres of new mains pipes and manholes on Stage 1 of the Ōtaki network upgrade from Riverbank Road, along Aotaki Street, and up Mill Road were completed in June 2026. A significant list of reinstatement works was carried out over March to June, with the major road reseal works to be done during the next summer reseal programme.

We expect to begin Stage 2, which involves tunnelling under the railway corridor and Expressway, to start in the summer of 2026/27. A contractor has been short-listed and is currently under contract negotiation. This major wastewater pipe upgrade will make the town's wastewater system stronger and more resilient for current and future homes. It'll also make the system work better by reducing the number of pump stations needed. We've also achieved a significant reduction in energy costs for the Matene Street and Arthur Street wastewater pumping stations following the commissioning of the trunk main along Aotaki to Mill Road.

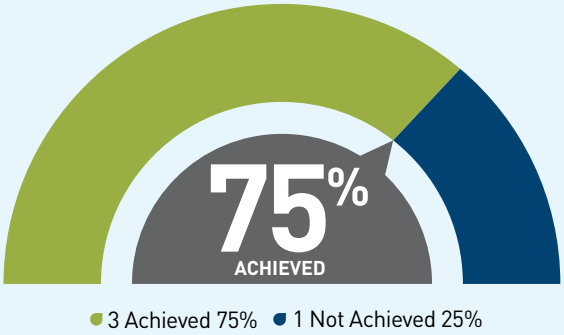
Other progress across the wastewater network

The southern section of the Waikanae duplicate sewer rising main was completed in July 2025. For the northern section, consultation with property owners and iwi is ongoing. An easement corridor has been identified, discussed with the landowner, and valuation underway to finalise easement/ License to Occupy.

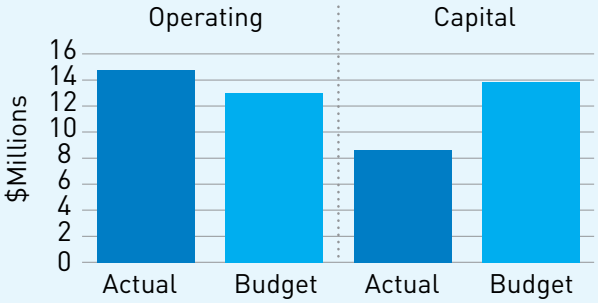
The consent for construction of the northern section of the pipe and connecting it to the pump station has been granted and the design and tender document is ready to be released subject to the grant of easement. The resource consent application for the middle section has been notified to mana whenua given it crosses through a wāhi tapu site identified in the Operative District Plan. Mana whenua opposed commissioning of the main, through their written submission following consent notification.

Switchboards, control panels and SCADA pack upgrades across wastewater pump stations are progressing well. The upgrade of Remote Terminal Units to SCADA-Packs for standardisation and removal of obsolete systems is nearing completion. Thirty three out of 157 pump stations remain and are planned to be completed by December 2026.

HOW WE PERFORMED



Operating and capital expenditure



The full-year capital programme expenditure of $8.7 million was $5.3 million below budget, primarily due to the Ōtaki gravity main project being delivered at a lower cost than anticipated.

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Median response times to sewage overflows resulting from a blockage or other fault measured by attendance time (from the time Council receives notification to the time that staff are on site).- PL-WW-LOS001	1 hour or less	30 minutes	✓	24 minutes (Achieved).
Median response times to sewage overflows resulting from a blockage or other fault measured by resolution time (from the time that Council receives notification to the time that staff confirm resolution).- PL-WW-LOS002	5 hours or less	1 hour 42 minutes	✓	1 hour 30 minutes (Achieved).
Number of dry weather sewage overflows expressed per 1,000 connections.- PL-WW-LOS003	At or below 2 per 1,000 connections to Council's sewerage system	2.01 overflows per 1,000 connections	✗	1.81 overflows per 1,000 connections (Achieved).

COMMENT

The result was marginally above the target. There was no single event or systemic network failure that contributed to this result. The measure reflects a small number of individual overflow incidents across a large wastewater network, with the result exceeding the target threshold by only 0.01 overflows per 1,000 connections.

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Compliance with Council's resource consents for discharge from its sewerage system measured by the number of: a) Abatement notices b) Infringement notices c) Enforcement orders, and d) Convictions, received by Council in relation to those resource consents.-PL-WW-LOS004	No notices, orders, or convictions	No notices, orders, or convictions		Achieved.

Wastewater Management funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	-	-	940
Targeted rates	13,129	12,428	12,264
Grants and subsidies for operating purposes	-	-	-
Fees and charges	44	45	29
Internal charges and overheads recovered	-	1,474	-
Local authorities fuel tax, fines, infringement fees, and other	5	201	518
Total operating funding	**13,179**	**14,148**	**13,751**
Applications of operating funding			
Payment to staff and suppliers	6,086	4,560	6,116
Finance costs	2,507	555	1,761
Internal charges and overheads applied	-	2,552	1,311
Other operating funding applications	-	-	-
Total applications of operating funding	**8,594**	**7,667**	**9,188**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**4,585**	**6,481**	**4,563**
Sources of capital funding			
Grants and subsidies for capital expenditure	5,920	4,768	1,948
Development and financial contributions	154	244	220
Increase (decrease) in debt	7,642	5,605	5,773
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**13,716**	**10,617**	**7,941**
Applications of capital funding			
Capital expenditure			
to meet additional demand	4,113	4,007	152
to improve the level of service	9,449	6,366	7,569
to replace existing assets	1,836	3,546	930
Increase (decrease) in reserves	2,903	3,179	3,853
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**18,301**	**17,098**	**12,504**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(4,585)**	**(6,481)**	**(4,563)**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

INFRASTRUCTURE

WATER MANAGEMENT

KEY HIGHLIGHTS

Hautere Water Treatment Plant

The Hautere Water Treatment Plant Stage 1 is operational, with the new UV reactor running and the filtration system in place. The 2,000-litre diesel storage tank for the generator and the chemical tank are still awaiting final HSNO sign-off following a third-party risk assessment. The electrical, automation, and control works have been completed, integrating the existing PLC control system into the new switchboard along with electrical controls. Commissioning for Stage 2, which includes the new high-lift pumps, has been delayed because the bore pumps operating pressure is now outside the specification for the plant's lower operating pressure.

Tasman Road (Ōtaki) Water Treatment Plant

A new bore will be drilled at the Tasman Road Water Treatment Plant to improve the security of the Ōtaki water supply. The selective tender process had progressed, tender documentation had been finalised, and the works were originally planned for completion in 2025/26. However, the initial well drilling contractor withdrew late in the process due to staffing issues and the contract was offered to another well driller. Work is now scheduled to begin in August 2026. As the drilling site is close to the road and footpath, a full Traffic Management Plan will be required, along with road widening into the road reserve for a temporary lane and speed restrictions in place.

The drilling and associated discharge will occur near a wetland on Ōtaki Porirua Trust Board land. This wetland protection area has recently been fenced by a contractor from Ngā Hapū o Ōtaki as part of the contract to both delineate the wetland and protect it from cattle, the planting is scheduled within 12 months of contract completion. Untreated bore discharge will help recharge the wetland.

We have worked closely with Ngā Hapū o Ōtaki throughout the process and will continue engaging with mana whenua to support monitoring of the Ngātoko Stream and restoration of a nearby natural inland wetland.

Did you know:

Ōtaki's new reservoir will provide at least 24 hours of water storage, meaning the town can keep water flowing if a pump fails or a major pipe break.

Waikanae Water Treatment Plant (Stage 2)

The Stage 2 upgrade at Waikanae Water Treatment Plant remains on track for completion on 26 September 2026. Key milestones include commissioning the new clarifier, rapid mix tank, chemical tank farm and dosing system. Two new high-lift pumps, each capable of delivering 160 litres per second to the Waikanae reservoir have also been commissioned. The two new filter backwash pumps are expected to be operational by the end of July, completing the major equipment installations. Final asphalting around the plant is complete, and the main contractor has begun demobilising, with staff numbers reduced and major equipment being removed from site.

The project is now focused on final integration of the upgraded systems and removing redundant equipment as it progresses through the final commissioning phase. These upgrades will significantly improve the plant's treatment capacity, seismic resilience, and long-term reliability.



Waikanae Water Treatment Plant chemical tank farm

Second Ōtaki reservoir

Land acquisition for the second Ōtaki reservoir has been completed, and the project is progressing well. Pump station construction on Waitohu Valley Road has been completed with some minor reinstatements required and the pipework from the pump station to the reservoir site has been installed with some minor reinstatements required.

Earthworks for the reservoir site are scheduled to begin 2026/27, following the approval of the earthworks consent. This project will further strengthen resilience and storage capacity for the Ōtaki water supply.

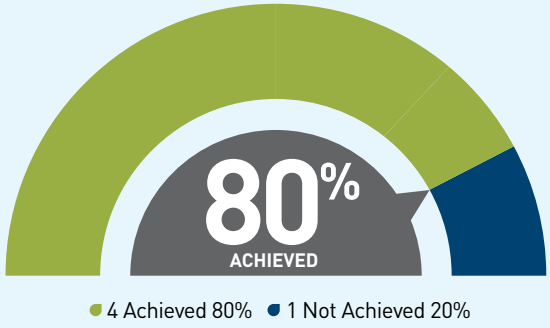
Rangiuru and Paekākāriki water main upgrade

The Rangiuru water main upgrade has been commissioned and is now in service. The Paekākāriki water main upgrade has been commissioned and is now in service. Another watermain in Paekākāriki supplying the NZTA weigh station has been commissioned and is now in service with a contribution from Council to help future-proof growth in the area.

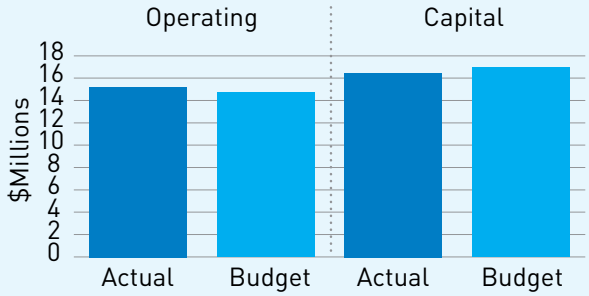
Waikanae water trunk main upgrade

Planning is underway for the next stage of the Waikanae water trunk main upgrade. A procurement plan is in place to go to tender for design this financial year, including redesign work at Manu Park and 99–103 Old State Highway 1. This work will ensure future upgrades align with growth and development in the area.

HOW WE PERFORMED



Operating and capital expenditure



KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Compliance of the district's drinking water supply with: Taumata Arowai Drinking Water Quality Assurance Rules: T3 – Treatment Requirements for Protozoal Monitoring D3 – Distribution Requirements for Bacterial Monitoring.- PL-WM-LOS001	All met (100%) - protozoal, bacterial, and DWQAR aggregate compliance	Protozoal compliance: all met (100%) bacterial compliance: (99.8%), DWQAR aggregate compliance: all met (100%)	✗	Protozoal: 100%; Bacterial: compliance 99%; DWQAR aggregate: 100% (Not Achieved).
COMMENT 100% protozoal compliance was achieved at all five water supplies and 80% of water supplies were 100% compliant for E.Coli. Aggregated compliance was achieved for all five water supplies. In the Hautere Zone a single E.Coli was detected in October 2025 in a routine sample. Council took immediate steps to rectify the issue with the added precaution of a boil notice that was removed the following day after samples were tested clear of E.Coli.				
Percentage of current real water loss from the Council's networked reticulation system calculated per in compliance with Taumata Arowai measures.- PL-WM-LOS002	At or below 23.6%	21.2%	✓	25.1% (Not Achieved).
Median response times to a fault or unplanned interruption to our water network measured by attendance time (from the time Council receives notification to the time that staff are on site).- PL-WM-LOS003	Urgent = less than or equal to 1 hour Non-urgent = 3 days or less	Urgent: 16 minutes Non-urgent: 21 hours 49 minutes	✓	Urgent: 10 minutes and non-urgent: 5 hours 45 minutes (Achieved).

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Median response times to a fault or unplanned interruption to our water network measured by resolution time (from the time Council receives notification to the time that staff confirm resolution).- PL-WM-LOS004	Urgent = 5 hours or less Non-urgent = 4 days or less	Urgent: 1 hour and 28 minutes Non-urgent: 1 day, 13 hours and 59 minutes	✓	Urgent: 1 hour 9 minutes Non-urgent: 1 hour 19 minutes (Achieved).
Average water consumption in litres per person per day.- PL-WM-LOS005	At or below 325 litres per person per day	269 litres per person per day	✓	280 litres per person per day (Achieved).

Water Management funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General Rate, Uniform Annual General Charge, Rates Penalties	(569)	-	1,062
Targeted rates	10,352	13,415	12,037
Grants and subsidies for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	54	736	1,360
Total operating funding	**9,837**	**14,151**	**14,459**
Applications of operating funding			
Payment to staff and suppliers	3,840	4,676	4,556
Finance costs	2,596	2,457	4,217
Internal charges and overheads applied	-	1,326	1,360
Other operating funding applications	-	-	-
Total applications of operating funding	**6,436**	**8,459**	**10,133**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**3,401**	**5,692**	**4,326**
Sources of capital funding			
Grants and subsidies for capital expenditure	3,009	1,151	1,157
Development and financial contributions	984	1,424	1,071
Increase (decrease) in debt	16,360	13,900	13,929
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**20,353**	**16,475**	**16,157**
Applications of capital funding			
Capital expenditure			
to meet additional demand	6,878	2,091	2,257
to improve the level of service	12,491	12,960	12,830
to replace existing assets	1,306	1,914	1,417
Increase (decrease) in reserves	3,079	5,202	3,979
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**23,754**	**22,167**	**20,483**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(3,401)**	**(5,692)**	**(4,326)**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

SERVICES

COMMUNITY FACILITIES

KEY HIGHLIGHTS

Te Ara Whetū (a new library hub for Waikanae)

Enabling work began in September 2025 and the main work got underway in November, with the building on track for completion in December 2026. Te Ara Whetū is expected to open early 2027, providing a modern, accessible community facility in the heart of Waikanae.

Public toilets

While no new public toilet facilities were constructed this financial year, planning and design work progressed for a new four-pan public toilet facility at Waikanae Park, adjacent to the new skatepark. This new facility has been designed to be durable, easy to maintain and resistant to vandalism, helping to reduce ongoing repair costs and service disruptions. Construction is expected to be completed in September 2026 to align with the wider Waikanae Park upgrade and associated groundworks.

Did you know:

There are 46 public toilets across the district. From Paekākāriki to Ōtaki, our Community Facilities team helps keep these essential facilities clean, safe and available for everyone to use.



Community Facilities, Waimea



Ōtaki Civic Theatre

As part of a district-wide assessment of public toilet provision, Council has also identified a further four existing toilet facilities requiring significant upgrades and three locations where additional public toilet facilities are needed to meet current and future community demand. These projects will be considered and prioritised through future asset management and long-term planning processes.

Ōtaki Civic Theatre earthquake strengthening

The earthquake strengthening of the Ōtaki Civic Theatre was completed and the theatre officially reopened in March 2026. The work improved the building's resilience while preserving its Art Moderne character and heritage values. Upgrades included structural strengthening, a new fire safety system, an accessible unisex bathroom, improved building accessibility, and a rear extension to provide additional storage and services space.

The project has helped secure the future of one of the district's most significant heritage buildings, supporting its ongoing role as a venue for community events, performances, film screenings and cultural activities.

Raumati Pool and Waterfront Bar

Work at the Raumati Pool and Waterfront Bar complex is being delivered through a staged approach. Stage 1, which included structural and seismic strengthening work required to meet Council's legal obligations, was completed during 2025/26. This work focused on strengthening the northern end of the building beneath the Waterfront Bar and associated service areas.

The next phase of the project will focus on the long-term future of the wider site, including community engagement to better understand aspirations for the site and explore options for its future use.

Halls

Council's community halls continued to support a wide range of recreational, cultural, social and community activities during 2025/26. While use varies across the portfolio, overall community use increased, reflecting ongoing demand for safe, reliable and fit-for-purpose community spaces.

Continued investment in maintenance, renewals and facility improvements, together with upgraded access and booking systems, has made it easier for people to use Council facilities and has

provided better information about how the different spaces are being used. These improvements have contributed to the portfolio being in its best overall condition for many years.

To support future planning, Council has begun developing a districtwide Community Facilities Network Approach. This work will assess the wider network of community spaces across Kāpiti, including Council-owned facilities and those provided by schools, clubs, churches and other community organisations. It will provide a framework to help inform future decisions about community facilities, ensuring the network continues to meet the district's changing needs.

Vandalism

Vandalism remains an ongoing challenge across the district. While targeted improvements such as more durable materials in public toilets can reduce damage at specific sites, this often results in the issue shifting to other locations. Council continues to manage the impacts of vandalism as effectively as possible, supported by a consistent repair programme to address damage and graffiti and ensure facilities remain safe and usable.

Automated External Defibrillators (AEDs)

Council continues to actively manage and expand the network of automated external defibrillators across the district in partnership with the Wellington Free Ambulance and St Johns. New sites are continually being assessed to improve coverage and accessibility.

Seismic sensors

Seismic sensors are now installed in 22 Council-owned buildings, including community halls, libraries, civic buildings and critical infrastructure. The sensors measure how buildings respond during an earthquake, supporting improved safety, preparedness and faster post-event assessments.

Storm effects

During 2025/26, the district experienced several weather events, including periods of heavy rainfall and high winds. Despite these events, there was limited impact on Council's property portfolio, with no major damage to facilities or disruption to services.

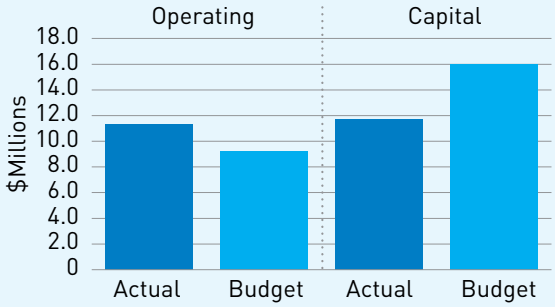
This outcome demonstrates the value of Council's proactive approach to asset management, including ongoing maintenance, planned renewals and targeted resilience improvements. Continued investment in building condition, roofing, drainage, weather-tightness and other critical asset components has helped ensure facilities remain safe, reliable and better able to withstand severe weather events. As climate-related weather events become more frequent and intense, this proactive maintenance approach will remain an important part of protecting community assets and reducing future repair costs.

HOW WE PERFORMED



3 Achieved 100% 0 Not Achieved 0%

Operating and capital expenditure



The $2.9 million capex underspend on Te Ara Whetū reflects the reforecasting of expenditure, with delivery now expected to occur in 2026/27.

KEY: Achieved Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number and % of council owned halls are safe and compliant.- PP-CF-LOS001	85%	100%	✓	100% (Achieved).
Urgent requests relating to public toilet facilities that are responded to within 4 hours.- PP-CF-LOS002	98%	100%	✓	98.18% (Achieved).
Number and % maintained to comply with the Residential Tenancy Act.- PP-CF-LOS003	85% compliance	100%	✓	100% (Achieved).

Community Facilities funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	1,848	1,530	1,449
Targeted rates	4,883	5,578	5,404
Grants and subsidies for operating purposes	-	-	-
Fees and charges	1,825	1,342	1,924
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	6	395	148
Total operating funding	**8,562**	**8,845**	**8,925**
Applications of operating funding			
Payment to staff and suppliers	5,442	3,892	4,319
Finance costs	430	1,188	486
Internal charges and overheads applied	-	1,649	1,655
Other operating funding applications	-	-	-
Total applications of operating funding	**5,872**	**6,729**	**6,460**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**2,690**	**2,116**	**2,465**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	9
Development and financial contributions	303	436	289
Increase (decrease) in debt	2,768	10,168	6,722
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**3,071**	**10,604**	**7,020**
Applications of capital funding			
Capital expenditure			
to meet additional demand	-	-	-
to improve the level of service	2,768	10,168	6,731
to replace existing assets	4,576	5,799	4,956
Increase (decrease) in reserves	(1,583)	(3,247)	(2,202)
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**5,761**	**12,720**	**9,485**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(2,690)**	**(2,116)**	**(2,465)**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

SERVICES

PARKS AND OPEN SPACES

KEY HIGHLIGHTS

Reserve Management Plan

Progress continued on the districtwide omnibus reserve management plan, which will guide the management of more than 140 parks and reserves. Public consultation between August and October 2025 attracted more than 200 submissions, with mana whenua partners actively involved in shaping the plan's structure, direction and management principles.

Reserve classifications

We reviewed over 700 parcels of land to confirm their legal status and determine whether classification under the Reserve Act is required. More than 300 parcels have now been classified according to their primary purpose, and we are working with mana whenua partners to classify a further 170 before the draft omnibus reserve management plan is notified for public feedback.

Growing the open space network

Council continued working with developers to secure land for future parks, recreation areas, ecological protection and recreational connections. Discussions and agreements covering more than 125 hectares of potential open space are helping ensure the network can meet the needs of our growing communities.

Waikanae Park

Significant progress was made on the redevelopment of Waikanae Park, including completion of the new skatepark, which officially opened shortly after year end. Contracts were also awarded for the new playground and associated infrastructure, with construction due to begin in August 2026. The project has been developed in close collaboration with the community and key stakeholders, including the Waikanae Community Market.

Did you know:

97% of the Kāpiti Coast's residential properties in our urban zones are within 400 metres of an open space zone.

Cemeteries

Work began to identify future cemetery sites to meet the needs of the growing district, including the development of assessment criteria and engagement with mana whenua partners. Improvements were completed across the cemetery network, including expanded natural burial capacity at Ōtaki Cemetery, upgraded infrastructure at Waikanae Cemetery, and improved signage and wayfinding.

Playgrounds and recreation facilities

Three playgrounds were fully renewed and upgraded - Matuhi Street, Leinster Avenue and Ferndale Reserve. Major equipment renewals were also completed at several reserves, including flying foxes at Mazengarb and Kaitawa Reserves, a replacement climbing net at Maclean Park, and improvements to the Marine Gardens junior play space, all designed to improve accessibility and play opportunities.



Maclean Park, Paraparaumu

Sportsfields and school sports

Our sportsfields continued to support local, regional and national events. The district's croquet clubs successfully co-hosted the National Championships, leading to the region being selected to host the World Championships in 2027. Through our school sports programme, hundreds of local students participated in a wide range of sporting activities, including the successful *All Abilities: Play Your Way* initiative, supporting children with disabilities to participate in physical activity.

Tracks, trails and beach accessways

Council maintained and improved its network of tracks, trails and beach accessways, including opening a new section of the Waikanae River Trail between Weggery Drive and Queens Road. Planning also advanced on accessible destination beach accessways at Ōtaki and Paraparaumu Beaches, while asset management planning was strengthened to support future investment and resilience.

Asset management planning

Significant progress has been made on strengthening the long-term management of parks and recreation assets. Work continued on the development of two new asset management plans covering playgrounds and neighbourhood parks, and sports fields. These plans will provide a more robust framework for planning maintenance, renewals, levels of service and future investment, helping ensure these valued community assets remain fit for purpose and meet the needs of current and future residents.

Providing for future growth

As the district continues to grow, Council is proactively ensuring sufficient parks, reserves and recreational spaces are available to meet the needs of new and existing communities. We have continued to work closely with subdivision developers to secure accessible green space in key growth areas and are assessing six potential new reserve sites. This work aligns with broader efforts to expand and connect the district's open space network, ensuring future generations have access to quality recreation, play and environmental spaces close to where they live.

Events and activities

Our parks and open spaces continued to provide a vibrant setting for community events and recreation. Christmas on the Coast attracted approximately 10,000 people to the annual parade and festival at Mazengarb Reserve, while the Kāpiti Food Fair welcomed a similar number of visitors and around 200 vendors from across the region. The popular Movies in the Park series also returned to Waikanae Park, drawing large crowds during the summer months.

Council supported the successful staging of the Quinovic PGA Championship by establishing a temporary practice driving range at Ōtaraua Park.

Biodiversity

Council continued to work alongside mana whenua and agency partners to enhance biodiversity and restore natural ecosystems across the district. This included supporting the Department of Conservation's koi carp eradication programme at Paraparaumu Ponds through the temporary relocation of native fish species.

Under the Waikanae Ki Uta Ki Tai kaupapa, a partnership between Council, Te Āti Awa ki Whakarongotai, Greater Wellington and the Department of Conservation, Council provided technical advice and consenting support for the construction of a fish passage ladder in Kaitawa Reserve. This project will improve connectivity between freshwater environments and the sea, supporting the lifecycle of at-risk native fish species.

This year's Arbor Day planting at Pharazyn Reserve marked the 20th anniversary of the transformation of the former Waikanae wastewater treatment site into a thriving recreation and wildlife reserve. Led by Council and the Pharazyn Reserve Focus Group, and supported by generations of local school children, the project reached another milestone with the planting of 2,000 native plants.



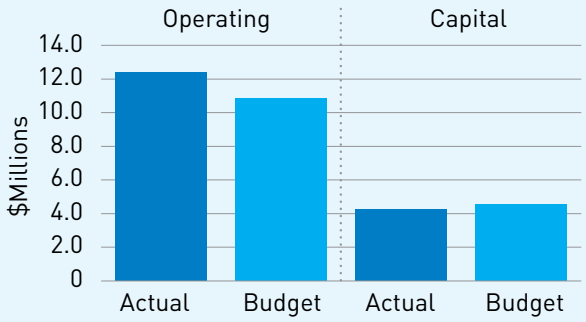
Kaitawa fish ladder

HOW WE PERFORMED



4 Achieved 100% 0 Not Achieved 0%

Operating and capital expenditure



KEY: Achieved Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number and % of urban dwellings within a realistic walking distance of an open space as defined in the Open Space Strategy.- PP-PO-LOS001	85%	97%	✓	97% (Achieved).
% and number of days council sportsgrounds districtwide are open and available for scheduled competitions.- PP-PO-LOS002	85%	89%	✓	88.75% (Achieved).
Number and % of Council maintained cycleways, walkways and bridleways assets with a condition assessment completed. - PP-PO-LOS003	Equivalent to prior year	292 assets, 69% condition assessed	✓	281 assets, 7% condition (Baseline Set).
Districtwide interment capacity is maintained in accordance with the Burial and Cremation Act 1964. - PL-PO-LOS001	Interment capacity is sufficient for at least the next 10 years	Achieved	✓	Achieved.

Parks and Open Spaces funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	429	624	1,628
Targeted rates	9,940	9,472	9,353
Grants and subsidies for operating purposes	-	20	9
Fees and charges	474	548	613
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	-	15	(18)
Total operating funding	**10,843**	**10,679**	**11,585**
Applications of operating funding			
Payment to staff and suppliers	7,617	4,607	5,755
Finance costs	817	169	(83)
Internal charges and overheads applied	-	3,520	3,740
Other operating funding applications	-	-	-
Total applications of operating funding	**8,434**	**8,296**	**9,412**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**2,409**	**2,383**	**2,173**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	2,200	3,011	1,877
Increase (decrease) in debt	1,911	2,794	2,096
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**4,111**	**5,805**	**3,973**
Applications of capital funding			
Capital expenditure			
to meet additional demand	18	1,123	2,220
to improve the level of service	1,894	2,792	590
to replace existing assets	938	628	1,464
Increase (decrease) in reserves	3,670	3,645	1,872
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**6,520**	**8,188**	**6,146**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(2,409)**	**(2,383)**	**(2,173)**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

SERVICES

RECREATION AND LEISURE

KEY HIGHLIGHTS

Library services

As construction of Te Ara Whetū progresses, with the top-floor concrete poured and internal walls going up, the new library has also reached significant staffing and operational milestones.

In late April, Kāpiti Libraries welcomed their new Hub Lead for Te Ara Whetū who has quickly navigated the soft furnishings procurement process, contributed to room-hire policy development, and the approach to wayfinding and signage for the new Library Hub.

Our Makerspace Lead is working with Te Āti Awa artists and Studio Pacific Architects on design features and art installations for Te Ara Whetū which will contribute to a facility rich with visual elements made locally through care-filled collaboration.

Alongside this work, a Libraries website refresh is underway capitalising on the palette, art, and design elements developed for Te Ara Whetū. The website will be easier to navigate and a portal to new offerings at our library hubs.

Together with Masterton, Carterton, South Wairarapa, Hutt City, and Porirua libraries, we recently welcomed Upper Hutt into the SMART consortium. This has expanded the range and number of physical books Kāpiti residents can borrow free of charge through this highly successful collection-sharing arrangement.

Operationally, we're positioning our libraries to work as efficiently and prudently as possible while continuing to broaden services and improve access. Drawing on library sector trends and successful initiatives across New Zealand, Kāpiti will introduce several new ways of working at Te Ara Whetū. The focus extends beyond the new building and as we continue to explore technology that supports customer autonomy and respond to growing demand for eBooks by increasing investment in this collection.

Did you know:

Coastlands Aquatic Centre hosted 300 tāmariki Māori at New Zealand's first indigenous swimming sports event, Kauora Ahurei.

Aquatic facilities and services

Aquatic facilities supported 283,103 visits across the district, helping people access recreation, health, wellbeing and water safety opportunities. Demand for programmed activities continued to grow, with Kauora participation now surpassing the incumbent Learn to Swim programme in Ōtaki and AquaFit performing strongly. We continue to review participation and add new classes to meet demand or create new opportunities, particularly at Ōtaki and Waikanae Pool.

Learn to Swim and water safety

Learn to Swim and water safety remain a key focus, with 5,910 registrations across programmes and initiatives. Demand continues to grow, supported by easier online registration, better access and improved customer experience. Extra leadership capacity has strengthened programme quality, instructor support and consistency across Swim Kāpiti. Work also started on a quality assurance framework to support good teaching and better learning outcomes.

Community outreach and water safety

Council continued to grow community water safety through Kauora and the free Year 5 and 6 Water Safety Programme. These programmes help tamariki build confidence, water skills and safety awareness. They also help reduce barriers



Te Ara Whetū roof pour

for communities that may not otherwise access aquatic programmes. Kauora continues to grow as a kaupapa Māori programme delivered in te reo Māori and grounded in local values, linking water safety with culture, wellbeing and connection. Kauora also continued to develop as a workforce pathway, creating opportunities for Māori leadership and employment in aquatics.

Council also delivered water safety education in schools across the district, supporting safer outcomes for Kāpiti communities.

Community activation and participation

Our AquaFit programme performed above expectations with 16,561 attendances. This is a 20% increase on the previous year. May 2026 was the strongest month on record, with 1,295 participants, and Coastlands Aquatic Centre had the strongest growth (+25%). The programme continues to support health, wellbeing, and social connections, especially for older adults and rehabilitation users. Timetable changes, new class formats, and ongoing staff development are driving the gains while more accurate data helps improve scheduling and access across all three pools.

Operational sustainability and asset optimisation

Better plant control, energy management and day-to-day operating practices are helping reduce costs and support Council's emissions goals. Planning also progressed on major asset priorities, including heating renewals at Coastlands Aquatic Centre and future investment at Ōtaki Pool. These projects will improve reliability, resilience, and long-term network sustainability.

Arts and Heritage

Creativity and Culture Strategy

Work on a draft Creativity and Culture Strategy was paused in late 2023, due to concerns about its framing and process. It is being resumed in 2026 after approval of the triennium's Policy Work Programme by Council in May. The strategy will provide future direction for investment, partnerships, participation, cultural identity, and creative sector development.

Arts and Heritage Activity Management Plan

A new internal Arts and Heritage Activity Management Plan provide a long-term framework to guide investment, partnerships and programme delivery. The plan aligns arts and heritage activity with the Long-term Plan, Vision Kāpiti 2060, community wellbeing outcomes and mana whenua partnership objectives.

The Public Art Panel

Council's Public Art Panel is an independent expert advisory group that sets the strategic direction for public art in the district and advises Council on public art projects, programmes and major commissions. The Panel is working towards completing its 10-year vision which will help shape the emerging Creativity and Culture Strategy. The vision provides a roadmap for future public art investment, strengthening storytelling, place-making, mana whenua visibility, community identify, and visitor experiences across the district.

The Clue Hunt – Discover Kāpiti Heritage Group

Council continued to support this annual heritage event, delivered by the Discover Kāpiti Heritage Group over Wellington Anniversary Weekend. The Clue Hunt attracted 2,005 visits across nine local museums and heritage sites, generated 1,555 survey responses, and drew a regional audience, with more than 50% of visitors from outside Kāpiti and 2% from overseas.

Further public art and heritage highlights

- Supported the commissioning of a new mural at Ngā Manu Nature Reserve, led by mural artist Theo Arraj in collaboration with the Youth Council.
- Partnered with the Raumati Community Board to commission six temporary art panels for the Raumati Pools walkway, created by local artists Rebecca Bond and Dana James-Kennedy, with support from Resene.
- Updated Council's public art register to establish a comprehensive asset database and valuation framework.
- Completed audits of public art assets, Heritage Trail assets, and associated web pages, improving asset management, maintenance planning and future investment priorities.
- Began work to improve public access to information about artworks through updated online content and QR-code-based interpretation.

Supporting Kāpiti Coast's cultural economy

Kāpiti Coast Art Trail

The Kāpiti Coast Art Trail celebrated its 25th anniversary in 2025, marking a significant milestone for one of the district's flagship arts events.

- Approximately 20,000 visitors attended the two-weekend event.
- 138 artists participated through open studios, shared exhibition spaces and galleries.
- 48% of visitors travelled from outside the district.
- 52% of attendees were local residents.
- Artists reported $330,000 in artwork sales.
- Artist satisfaction remained high and visitor satisfaction was very high, with strong positive feedback about Council's event delivery and communication.

Council's digital marketing campaign achieved a 30% increase in engagement, while website traffic increased by 8.5% compared with the previous year. The Art Trail's digital mapping platform was recognised as a finalist in the ALGIM Awards for digital transformation, and other councils have expressed interest in adopting the model.

The event was supported through grants from One Foundation, Pub Charity, The Lion Foundation and NZ Community Trust, alongside artist participation fees.

Te Raukura ki Kāpiti Performing Arts Centre

Te Raukura ki Kāpiti continued to play an important role in supporting community, cultural and civic life. Through Council's community support funding, the venue returned more than 106% value through subsidised venue hire, technical support and event delivery. Te Raukura also provided technical expertise, ticketing and marketing services, volunteer coordination and access to specialist equipment, helping local organisations reduce costs, grow audiences and deliver successful events.

Toi MAHARA partnership

Through Council funding and ongoing collaboration, Toi MAHARA worked alongside artists, iwi, schools and community organisations to create meaningful cultural experiences, expand access to the arts and strengthen community connections.



Raumati Pool art panels

The gallery delivered 13 exhibitions and hosted 263 events, including public programmes and workshops. Around 10,000 visitors were from Kāpiti, and another 10,000 were from the wider Wellington region, Aotearoa and overseas making up the rest. This highlights Toi MAHARA's role as both a valued cultural hub and an important visitor destination.

Grants and sector support

Arts Sustainability Fund

Following three years of funding support, the Ōtaki Pottery Club has established a sustainable operating model and is now continuing the Matariki Pottery Festival independently. The event has grown into a well-supported mid-winter community arts festival, creating opportunities for local creatives and celebrating Matariki through the arts.

Bookmark Kāpiti launched the district's first literary festival, including a very popular Cycle Stories event along the Coast 35 shared pathway, and followed up with a programme of writing workshops.

The Arts Sustainability Fund is fully subscribed in 2026/27.

Museum and Heritage Development Fund

The Wellington Heritage Festival helped promote events across Kāpiti and contributed to strong community participation and growing visitor interest. The Kāpiti US Marines Trust received support to expand its digital presence and share the stories of United States Marines stationed in Kāpiti during World War II, complementing broader plans for interpretive walking and cycling trails through Whareroa Farm and Queen Elizabeth Park.

Earlier grant recipients also reported positive outcomes. The Kāpiti Coast Aviation Museum completed a two-year programme to modernise its displays, while the Kāpiti Museum's *Telling the Kāpiti Story* project contributed to increased visitation, stronger school engagement and an enhanced online presence.

Creative Communities Scheme

The Creative Communities Scheme provides Creative New Zealand funding to local artists, groups and organisations to support arts participation, cultural expression and community creativity.

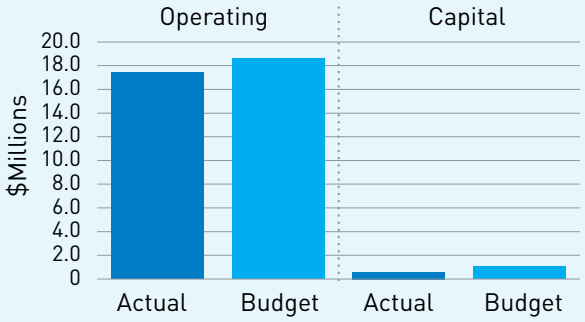
During 2025/26, 20 applications were received, requesting a total of $43,796. 13 projects received funding from the $23,700 available. The projects included creative writing workshops, professional theatre performances for tamariki, a Matariki comedy showcase, a kapa haka festival and inclusive dance programmes, reflecting the diversity and strength of creative activity across the district.

HOW WE PERFORMED



4 Achieved 100% 0 Not Achieved 0%

Operating and capital expenditure



KEY: Achieved Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Maintain annual PoolSafe accreditation.- PP-RL-LOS001	Achieve	Achieved	✓	Achieved.
Number of registrations in water safety programmes. - PP-RL-LOS002	Target 4000 per year	5,910 registrations	✓	7,357 registrations (Achieved).
Number of heritage and art institutions supported by Council funding. - PP-RL-LOS003	Equivalent to prior year	198	✓	197 (Baseline Set).
Number of items accessed annually from Kāpiti libraries, including onsite, offsite and online services.- PP-RL-LOS004	520,000 items	875,748 items accessed	✓	729,427 items accessed (Achieved).

Recreation and Leisure funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	1,610	1,362	94
Targeted rates	11,937	14,723	14,778
Grants and subsidies for operating purposes	63	49	49
Fees and charges	1,830	1,872	1,988
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	21	543	412
Total operating funding	**15,460**	**18,549**	**17,321**
Applications of operating funding			
Payment to staff and suppliers	12,923	9,599	8,726
Finance costs	650	1,891	1,320
Internal charges and overheads applied	-	5,051	4,998
Other operating funding applications	-	-	-
Total applications of operating funding	**13,572**	**16,541**	**15,044**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**1,888**	**2,008**	**2,277**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	1,055	538	355
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**1,055**	**538**	**355**
Applications of capital funding			
Capital expenditure			
to meet additional demand	-	-	-
to improve the level of service	1,055	538	355
to replace existing assets	910	505	221
Increase (decrease) in reserves	978	1,503	2,056
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**2,943**	**2,546**	**2,632**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(1,888)**	**(2,008)**	**(2,277)**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

PARTNERSHIPS

TANGATA WHENUA

KEY HIGHLIGHTS

Readiness assessment

Our Iwi Partnerships Group initiated an organisation-wide readiness assessment to support the implementation of He Whakaaetanga Hononga | Partnership Agreement. It is designed to establish a baseline understanding of Council's readiness across governance, systems, capability, and partnership practices. The assessment progressed into its evidence-gathering phase, engaging elected members, staff, leadership, and mana whenua partners to identify strengths, opportunities for improvement, and priorities for strengthening Council's partnership with mana whenua.

Internal capability building

Te Ao Māori capability building remains a priority. The Iwi Partnerships Group established the Te Ao Māori Education Programme to build staff capability, deepen understanding of Te Tiriti o Waitangi and Te Ao Māori, and support more confident, consistent, and respectful engagement with mana whenua. The first workshops commenced in June 2026 and run through to the end of the calendar year.

Local elections

During the local election period, Iwi Partnerships Group worked alongside mana whenua to support democratic participation and access to voting. Initiatives included facilitating a mobile voting unit, maintaining regular communication with mana whenua representatives across key election matters, and supporting opportunities for voter education and community engagement. Council also supported the incorporation of tikanga Māori into the inauguration of newly elected councillors, reflecting its commitment to partnership.

Did you know:

Our He Whakaaetanga Hononga | Partnership Agreement with Te Whakaminenga o Kāpiti strengthens Council and mana whenua partnership through shared priorities, improved collaboration, increased organisational capability, and meaningful decision-making.

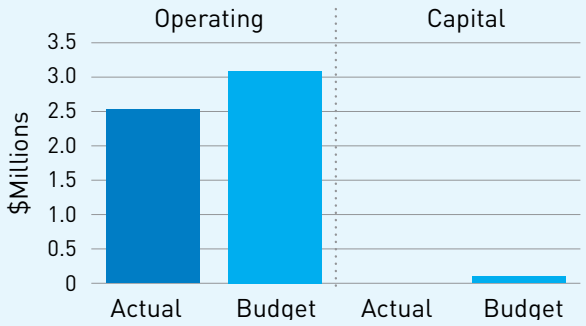
Partnering with mana whenua

We continued to support initiatives that strengthen relationships with mana whenua and celebrate local iwi history, culture and identity. This included partnering with Ngā Hapū o Ōtaki to deliver the annual Waitangi Day commemoration event, supporting Ngāti Korokī in the production,and Te Whakaminenga o Kapiti Maramataka, who contributing to marae and urupā maintenance initiatives. These activities reflect Council's ongoing commitment to working in partnership with mana whenua.

HOW WE PERFORMED



Operating and capital expenditure



Operating expenditure was mainly below budget due to staff vacancies and underspend on personnel costs.

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Total funding (and % total KCDC spend) allocated to support iwi capacity initiatives and engagement on Council activity.- PN-TW-LOS001	Equivalent to last year	Total funding (and % total KCDC spend) allocation was $202,204	✓	$196,000 allocated (Baseline Set).
Iwi have the opportunity for representation on standing committees of Council, and mana whenua have opportunities to contribute to Council work programmes.- PN-TW-LOS002	Achieve	Achieved. Iwi have continued opportunities to provide representation within some work programmes and standing committees	✓	Achieved.
Partnership agreement reviewed as agreed in 2024/25.- PN-TW-LOS003	Achieve	Achieved. The He Whakaaetanga Hononga | Partnership Agreement between Mana Whenua and Council was finalised in July 2025 and is active	✓	Achieved.

Tangata Whenua funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	1,754	3,115	2,326
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	-	-	10
Total operating funding	**1,754**	**3,115**	**2,336**
Applications of operating funding			
Payment to staff and suppliers	1,754	2,129	1,596
Finance costs	-	-	-
Internal charges and overheads applied	-	986	954
Other operating funding applications	-	-	-
Total applications of operating funding	**1,754**	**3,115**	**2,550**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**-**	**-**	**(214)**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	101	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**-**	**101**	**-**
Applications of capital funding			
Capital expenditure			
to meet additional demand	-	-	-
to improve the level of service	-	101	-
to replace existing assets	-	-	-
Increase (decrease) in reserves	-	-	(214)
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**-**	**101**	**(214)**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**-**	**-**	**214**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

PARTNERSHIPS

COMMUNITY SUPPORT

KEY HIGHLIGHTS

Community Advisory Groups

Our Community Advisory Groups continue to play an important role in providing community perspectives and informed advice on Council projects, policies and submissions.

The new Youth Council is now well established bringing a diverse range of experiences, perspectives and interests. Representation from Ōtaki has increased significantly, with five members from the town participating this year.

The three Community Advisory Groups provided input into a range of Council projects and programmes, including strategic planning, climate action, accessibility, transport, community facilities, parks and public spaces. They have also contributed to local and national submissions on matters affecting community wellbeing, disability support and mobility services.

The Older Persons Advisory Group and Disability Advisory Group actively contributed to project consultations, policy discussions and advocacy on issues impacting older people and disabled residents. The groups have also taken an active role in preparing submissions and raising community concerns with Council and external organisations.

Alongside their advisory role, the groups have supported initiatives including youth-led Youth Week celebrations, New Zealand Sign Language Week activities, and the promotion of information and opportunities for older residents through Age Friendly Kāpiti initiatives.

Thriving and capable community sector

Community Forum 2026

Council continues to partner with the Kāpiti Impact Trust to strengthen the capability, sustainability and connectedness of Kāpiti Coast's community and social sector. A key milestone was the Forum 2026, which brought together community, social, environmental and kaupapa Māori organisations to discuss strategic challenges and opportunities, hear from sector leaders, and contribute to discussions that will inform future sector development activities. Forty-five community organisations from across Kāpiti attended.

Sector capability

Sector capability-building initiatives have remained a strong focus, with a programme of free professional development workshops. Topics included a financial management and grant seeking series to help organisations build practical skills and increase organisational resilience. Feedback from participants highlights the value of opportunities for whakawhanaungatanga, peer learning and collaboration.

There remains strong interest across the sector in coming together more regularly to share knowledge, strengthen partnerships and collectively respond to emerging challenges and opportunities.

Age Friendly

Following endorsement of the Age Friendly Action Plan in March 2026, work has focused on embedding age-friendly principles across Council activities and progressing implementation of the plan's priorities. The Action Plan provides a framework for monitoring progress, measuring outcomes, and ensuring Council continues to respond to the needs of older residents.

Information and promotional resources are available through Council facilities to help residents connect with services, programmes and opportunities in the community. Community partnerships continue to play a key role in delivering age-friendly outcomes. Digital support initiatives for older residents have expanded across the district, and Council is working alongside community partners to support a programme of age-friendly activities and events that encourage participation, connection and wellbeing.



Mayor's Taskforce for Jobs in Kāpiti

Youth development provision

Youth Survey: Youth Voice in Action

Our Taiohi Voices Report 2026 captures the experiences and priorities of more than 1,000 young people from across Kāpiti we surveyed in 2025. This report will help inform our Youth Approach and Youth Action Plan to help Council better consider and respond to the experiences, aspirations and priorities of rangatahi aged 12 to 24 across Council's planning, services and decision-making.

Paekākāriki to Waikanae Youth Provision: Zeal Youth Trust (Zeal)

- Zeal delivered more than 2,500 youth engagements for young people living in the southern part of the district. These primarily involved 13–18-year-olds and centre-based programmes, school activations, community events, holiday activities and leadership initiatives.
- Afternoon Hangs attracted 1,178 attendances across 39 sessions, offering a safe space for connection, activities and support.
- A school-based sport and recreation programme reached 120 Year 7–8 students across four primary schools.
- College engagement reached 380 young people and wider youth events attracting around 389, supporting wellbeing, leadership, social connection and community participation.
- Youth leadership remained a key focus, with young people helping plan and deliver events that reflected local rangatahi interests while building leadership, teamwork and organisational skills.
- 91% reported stronger belonging, 84% increased life skills and goal clarity, and 78% improved confidence and self-esteem.

Ōtaki Youth Provision: Te Puna Oranga o Ōtaki

Te Haemata Youth Space continues to provide a welcoming and culturally grounded environment for rangatahi in Ōtaki.

- The space had over 650 attendances, demonstrating the ongoing value of a trusted place for young people to connect, participate and access support, with particularly strong engagement from Māori and Pasifika rangatahi.
- Attendance remained highest among young people aged 13–15 years, with an increase in new attendees alongside a strong core group of regular participants.

- Community-based activities included Te Haemata's Youth Week event at Ōtaki Pool, attended by more than 150 young people.
- The rangatahi leadership group involvement helps ensure programmes remain relevant, responsive and reflective of the needs and aspirations of local young people.

Community Grants and Creative Communities Scheme Grants

Our grant funding programmes continue to support a diverse range of community-led initiatives that strengthen wellbeing, participation and connectedness across the district.

Demand for funding support remained high, reflecting the role our grants play in enabling grassroots community projects. A total of 37 applications sought more than $68,000 in funding. $40,000 was allocated across 24 for-purpose organisations, supporting a wide range of initiatives that promote community wellbeing, inclusion, and resilience.

Supported initiatives included a Multiple Sclerosis whānau support programme, assistance for vulnerable individuals and families facing challenging circumstances, a grief support programme for tamariki experiencing bereavement, a disability exposition, a community festival, and workshops for people coping with cancer.

Over the Fence Cuppa

A total of 51 Over the Fence Cuppa events brought neighbours together to connect, share experiences, foster a greater sense of belonging, and build resilient communities. 39% of hosts participated for the first time, demonstrating the ongoing appeal of the initiative.

Council facilitated 12 workshops focused on waste minimisation, composting and emergency preparedness - providing practical information while encouraging community members to work together on issues that contribute to local resilience and wellbeing.



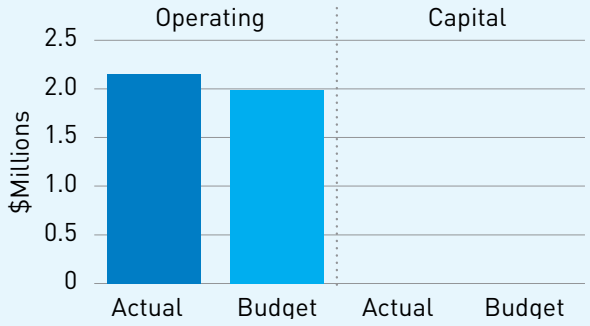
Over the Fence Cuppa event in Waikanae

HOW WE PERFORMED



3 Achieved 100% 0 Not Achieved 0%

Operating and capital expenditure



KEY: Achieved Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number and % scheduled engagements for all Council mandated advisory groups.- PP-CS-LOS001	Achieve per agreed engagement schedule	100%	✓	Achieved.
Number and % of mandated advisory group actions delivered.- PP-CS-LOS002	Achieve against agreed work programme	100%	✓	100% (Achieved).
Council's social investment fund is fully allocated to contracted social investment services/projects.- PP-CS-LOS003	Achieve against agreed work programme	100%	✓	97.25% (Achieved).

Community Support funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	1,974	1,985	1,933
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	-	-	34
Total operating funding	**1,974**	**1,985**	**1,967**
Applications of operating funding			
Payment to staff and suppliers	1,974	1,569	1,539
Finance costs	-	20	7
Internal charges and overheads applied	-	396	597
Other operating funding applications	-	-	-
Total applications of operating funding	**1,974**	**1,985**	**2,143**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**-**	**-**	**(176)**
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	-	-	(176)
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**-**	**-**	**(176)**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**-**	**-**	**176**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

PARTNERSHIPS
GOVERNANCE

KEY HIGHLIGHTS

Local body election 2025

The local body election took place on 11 October 2025. The candidate nomination period saw a record 87 nominations for the 31 seats, translating to a record 74 candidates standing for election, with some standing for multiple seats.

The final election results were publicly notified on 18 October 2025 and confirmed a voter turnout of 46.9% - a 1.1% increase from the 2022 local body election. Newly elected members took office on Sunday 19 October in line with the provisions of the Local Electoral Act 2001 but could not act in their roles until they were sworn in at their inaugural meeting, the Inauguration.

Māori Ward and Māori Ward poll

In 2023, Council resolved to establish a Māori ward. The inaugural Kāpiti Coast Māori ward councillor was elected to Council at the 2025 local body elections. Due to legislative changes enacted in 2024 through the Local Government (Electoral Legislation and Māori Wards and Māori Constituencies) Amendment Act, Council was required to hold a poll at the same time as the elections to determine the future of the Māori ward. The poll had 52.7% of voters vote for the Māori ward to be retained. This means the Māori ward seat will remain in place for the 2028 and 2031 local body elections.

Inaugural Council meeting and induction

The inaugural Council meeting for the 2025-28 triennium was held at Te Raukura ki Kāpiti on 30 October 2025. Mayor Janet Holborow and all councillors were sworn into office at the meeting and the Mayor exercised her powers under the Local Government Act 2002 to appoint Councillor Martin Halliday as Deputy Mayor.

Did you know:

47% (out of 43,681) enrolled voters cast a vote in the 2025 local body election with 15% voting on election day.

After their swearing-in, newly elected members were inducted into their roles through various sessions organised by Council and Local Government New Zealand (LGNZ) throughout November and December 2025, ensuring they were provided with the information and knowledge to successfully discharge their roles. Council also set a Governance Structure for the new triennium and made appointments to positions of responsibility. Community Board members were also sworn into office at their respective inaugural meetings.

Wellington Region Triennial Agreement

In line with the requirements of the Local Government Act 2002, on 29 January 2026 Council adopted the Wellington Region Triennial Agreement which is a document outlining the parameters of the relationship and coordination between all councils of the Greater Wellington Region.



Council and Committee meetings

Between 1 July 2025 and 30 June 2026, the following Council, Committee and Community Board meetings took place:

- 10 Council meetings
- 30 Community Board meetings
- 109 briefings and workshops (includes induction training sessions)
- Six Te Whakaminenga o Kapiti meetings

Official information requests

Council received 396 requests for information under the Local Government Official Information and Meetings Act 1979 (LGOIMA).

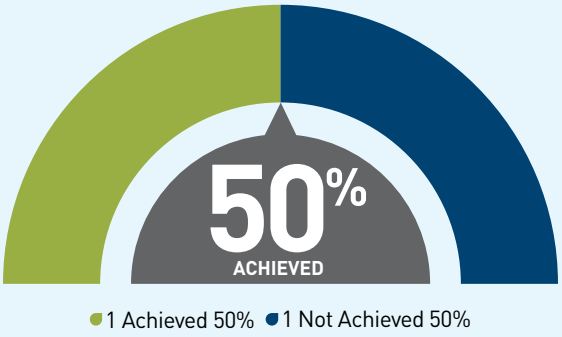
Seven requests were recorded as non-compliant (response sent after the maximum 20 working days without a valid extension under section 14 of the LGOIMA).

Citizenship ceremonies

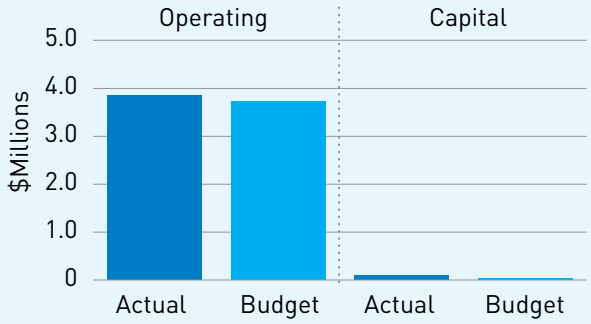
Council held five citizenship ceremonies at Te Raukura ki Kāpiti with a total of 322 people receiving their New Zealand citizenship. The new citizens hailed from a diverse range of countries, including:

Australia, Belgium, Brazil, Cambodia, Canada, Chile, China, Colombia, Denmark, England, Fiji, France, Germany, India, Ireland, Israel, Japan, Korea, Kuwait, Lithuania, Malaysia, Netherlands, Philippines, Poland, Rhodesia, Samoa, Saudi Arabia, Scotland, South Africa, Sri Lanka, Taiwan, Thailand, Tonga, United Arab Emirates, United Kingdom, United States of America, Venezuela, Vietnam, Wales and Zimbabwe.

HOW WE PERFORMED



Operating and capital expenditure



KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Council meeting agendas are available within two working days prior to the meeting.- PN-GV-LOS001	100%	100%	✓	100% (Achieved).
Official information requests are responded to within 20 working days or by date of valid extension.- PN-GV-LOS002	100%	98.21%	✗	99.48% (Not Achieved).

COMMENT

In the period 1 July 2025 to 30 June 2026, seven OIRs were responded to outside the 20 working day timeframe without valid extension.

Governance funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	6,746	2,936	2,763
Targeted rates	415	388	392
Grants and subsidies for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	-	67	121
Total operating funding	**7,161**	**3,391**	**3,276**
Applications of operating funding			
Payment to staff and suppliers	7,197	2,447	2,573
Finance costs	1	17	13
Internal charges and overheads applied	-	1,262	1,253
Other operating funding applications	-	-	-
Total applications of operating funding	**7,198**	**3,726**	**3,839**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**(37)**	**(335)**	**(563)**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	-	(63)
Gross proceeds from sale of assets	-	-	63
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	-	32	90
Increase (decrease) in reserves	(37)	(367)	(653)
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**(37)**	**(335)**	**(563)**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**37**	**335**	**563**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

PARTNERSHIPS

ECONOMIC DEVELOPMENT

KEY HIGHLIGHTS

On 16 April 2026, the Trust Deed was signed for the Kāpiti NZ Trust, the first key step in implementing the new operating model for economic development in Kāpiti. Chris Roberts, John Barrett, Josie Adlam, John Page (Chair) and Gerard Quinn were confirmed as the initial trustees.

The Kāpiti Mayor's Taskforce for Jobs supported 29 young people aged 18–24 into employment placements during the year. This exceeded our required outcome of 24 placements and was achieved with the support of local businesses.

Our Food and Beverage, Tourism and Tech industry clusters have continued to thrive, taking up new opportunities to collaborate and build capability as they grow their collective customer base. Discussions also commenced with local Creative Industries businesses and we're exploring the best approach to support this sector.

Highlights include:

Food and Beverage Cluster:

- The first Cluster Leadership Committee has been appointed. This is an exciting step as the cluster matures towards an industry-led model.
- February's Block Party attracted over 2,000 attendees with businesses reporting a 50% increase in trade compared to the previous year. The event strengthened connections between the community, visitors, and local businesses while showcasing the district's unique food and beverage producers.
- The Kāpiti Artisan Pantry pilot in Coastlands Shopping Centre concluded on 31 December 2025, with 17 producers participating over 10 weeks. Alongside strong sales, it provided valuable brand exposure for the participating businesses and the wider sector.
- Over 30 Kāpiti food and beverage businesses were invited by MP Tim Costly to showcase their brands and products at Parliament to Wellington buyers and hospitality businesses and Members of Parliament.

Did you know:

Council supported the Paraparaumu Beach Golf Club hosting of the 2026 Quinovic PGA Golf Tournament in February 2026, with 9,463 people attending the four-day event.

Tourism and Major Events:

- Major events including the Kāpiti Food Fair, Māoriland Film Festival, Kāpiti Women's Triathlon and Duathlon, Kāpiti Half Marathon, and PGA golf tournament attracted over 50,000 visitors to Kāpiti and boosted local hospitality, accommodation, and retail businesses.
- Visit Kāpiti refreshed its marketing programme with seasonal campaigns, destination storytelling, and digital advertising promoting the district's food, drink, nature, events, and coastal experiences. Views on our social media platform have grown to more than 11 million views.
- The inaugural districtwide Hot Chocolate Competition generated sales of $100,000 and delivered Kāpiti Coast's largest-ever coordinated Wellington on a Plate campaign.
- A new Kāpiti destination magazine and updated visitor itineraries were developed to encourage longer stays and greater engagement with local businesses and experiences. Visitor numbers have increased 5% to 1.2 million and visitor spend by 2% to $251 million.



Matariki on Moana (photo credit Andy Snaps)

- In response to the challenging economic conditions nationally, new visitor activations and seasonal food and beverage campaigns were introduced to support local businesses, encourage off-peak visitation, and create new reasons to visit Kāpiti.

Tech Cluster and Start up Work programme:

- Kāpiti hosted the Pegasus Start up World Cup in October with approximately 240 people attending from across New Zealand and overseas. Two local businesses were finalists in the event.
- ThinkTech Kāpiti, delivered during the national Techweek, was a stand out event in the Wellington regional programme. Strong attendance, an outstanding speaker line-up, and a relevant programme showcased Kāpiti Coast's growing technology and innovation capability. Three additional events supported non-technical businesses and youth participation and learning.
- The next round of the Kāpiti Start up Programme was launched in February, supporting local start up and high growth businesses to grow, build networks and strengthen pathways into regional, and national ecosystems.

Business Support:

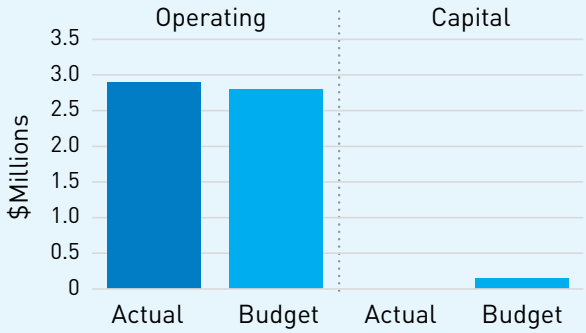
- In April, we launched a retail activation campaign aimed at supporting local business patronage. This was promoted in partnership with local Business Associations. The project also included capability building workshops in collaboration with the Kāpiti Business Chamber and KEDA to support businesses in the current difficult economic environment.
- Council continued its support for local Business Associations including helping establish the new Paraparaumu Beach Business Association.

HOW WE PERFORMED



2 Achieved 100% 0 Not Achieved 0%

Operating and capital expenditure



KEY: Achieved Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number of engagements with business and sector clusters (including technology, creative and food and beverage), relevant to the ED Strategy in Kāpiti.- PP-ED-LOS001	Achieve per agreed engagement schedule	Achieved. 126 planned engagements	✓	Achieved (Baseline Set).
Number of engagements with the sector to market Kāpiti as a destination, and to implement the Destination Management Plan. - PP-ED-LOS002	Achieve per agreed engagement schedule	Achieved. 204 planned engagements	✓	Achieved.

Economic Development funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	2,801	2,066	1,824
Targeted rates	-	637	636
Grants and subsidies for operating purposes	-	-	224
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	-	100	5
Total operating funding	**2,801**	**2,803**	**2,689**
Applications of operating funding			
Payment to staff and suppliers	2,755	2,058	2,130
Finance costs	46	30	-
Internal charges and overheads applied	-	699	730
Other operating funding applications	-	-	-
Total applications of operating funding	**2,801**	**2,787**	**2,860**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**-**	**16**	**(171)**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	154	150	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**154**	**150**	**-**
Applications of capital funding			
Capital expenditure			
to meet additional demand	-	-	-
to improve the level of service	154	150	-
to replace existing assets	-	-	-
Increase (decrease) in reserves	-	16	(171)
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**154**	**166**	**(171)**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**-**	**(16)**	**171**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

PLANNING AND REGULATORY SERVICES

DISTRICTWIDE PLANNING

KEY HIGHLIGHTS

Support community input to Council strategic direction

This year we:

- Agreed a Policy Work Programme for the triennium
- Made 20 submissions on regional and national change proposals and held seven dedicated discussions with our elected members on change and reforms
- Adopted an Emissions Reduction Strategy
- Delivered an Operational Tree Policy.

Current work includes the following:

- We're progressing work to complete our Freedom Camping Bylaw and the Environment and Health Strategies to deliver on the LTP 2024-2027 Top 10 priorities, alongside further development of Council's climate-related strategies. We're also supporting required Bylaw review work to deliver on Local Government (Water Services) Act 2025 requirements, including roll over of our Water Supply Bylaw to enable this to be considered alongside our new water service delivery model
- Work is underway to create an outcomes framework and assess the district's social needs, providing evidence and measures to guide Council and stakeholder efforts towards achieving community outcomes.
- District Plan changes are progressing, including the processing of two private plan change applications.

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

Council is actively tracking development trends across the district to ensure the right homes are being built in the right places, with a continued focus on smaller, accessible dwellings that meet growing community need.

Did you know:

The Community and Affordable Housing Seed Fund has delivered 10 new homes in Paekākāriki that wouldn't exist in this location without Council's direct investment in our community.

The development pipeline remains robust, despite global economic headwinds creating some caution in the market. Larger developments continue to progress, with earthworks underway across Kāpiti. Some developers have moderated the pace of lot and dwelling releases, but overall momentum is strong.

A notable shift is underway in how developments are being consented. Fast-track approvals are becoming an increasingly prominent pathway, with three projects currently being processed by the Environmental Protection Authority.

Housing

Kāpiti Housing Solutions

Council has played a foundational role in establishing the Kāpiti Housing Solutions Trust which is partnering with iwi and community organisations to deliver social and affordable housing in Kāpiti.



The Trust's first development is now ready to break ground on Rangiuru Road in Ōtaki:

- 46 dwellings to be constructed
- 21 affordable rentals in the first stage
- Resource consent received; works commencing in July 2026
    - The site was purchased by Council in 2021 specifically for affordable and community housing. Extensive feasibility and design work followed, undertaken in partnership with Ngā Hapū o Ōtaki, before the land was formally transferred to the Trust in June 2026.

Crucially, $6.83 million central government funding secured by Council from the Ministry of Housing and Urban Development's Affordable Housing Fund in 2023 has been transferred to the Trust to directly support construction of the 21 affordable rental dwellings.

Te Urunga Whakakāinga o Kāpiti

Council continues to actively support Te Urunga Whakakāinga o Kāpiti, a collaborative forum bringing together iwi partners, Ātiawa ki Whakarongotai Charitable Trust, Ngā Hapū o Ōtaki, and Te Rūnanga o Ngāti Toa Rangatira alongside relevant central government agencies.

Together, this group is progressing opportunities across the rohe to support Māori housing outcomes. The partners are advocating strongly for increased central government investment to address the growing need for public and community housing including Papakāinga and other Māori housing opportunities.

Additional Dwelling Guide

Council's Additional Dwelling Guide gives property owners a clear, practical pathway to adding a second home on their property helping increase the supply of one- and two-bedroom dwellings where demand is highest.

The Guide is well-timed; it complements central government's "granny flat" consent exemption, which took effect in January 2026. Council ran six additional dwelling workshops across the district in partnership with Homes for Good. We received positive feedback from attendees, indicating high engagement and that the information shared was well-targeted and valuable.

Responding to increasing numbers of rough sleeping and homelessness

- Council is seeing a rising number of reports of people sleeping rough or living in vehicles across the district. Officers respond directly to these reports and, with people's consent, connect them to support organisations.
- This isn't just a frontline response, Council officers are actively raising this issue with the Ministry for Social Development, Kāinga Ora, and the Ministry for Housing and Urban Development, pressing for stronger agency support in our district.

Town centre planning

As part of stage two of Vision Kāpiti, the Town Centre Planning Project continues to make progress, with draft principles currently developed for four town centres:

- Ōtaki Main Street
- Ōtaki Railway
- Waikanae
- Paraparaumu.

Work has also commenced on Paraparaumu Beach, Raumati, and Paekākāriki town centres. Engagement to develop these principles will include iwi partners, advisory groups, business associations, commercial property owners, and elected members. These principles will inform the development of scenario options for each town centre area as part of the next stage of the project.

Progressing District Plan changes

The Resource Management (Consenting and Other System Changes) Amendment Act came into force on 21 August 2025. Except for a few areas, the Act introduced a 'plan stop' for progressing most plan changes ahead of substantive reforms to the RMA system, unless an exemption is provided by the Minister for the Environment.

This change affected our Plan Change 3 Kārewarewa Urupā (PC3). An application for exemption was made in November 2025, which was granted in January 2026. The independent hearing occurred in June, with recommendations coming back to Council later in 2026.

We have two private plan changes underway, which are exempt from the 'plan stop' changes. Proposed Plan Change 4 Welhom Developments Ltd (PC4) held its independent hearing in February 2026. Council considered the panel's report and approved the plan change in June 2026. Council's decision was notified for any appeals to the Environment Court by 3 August 2026, subject to which the plan change will be made operative.

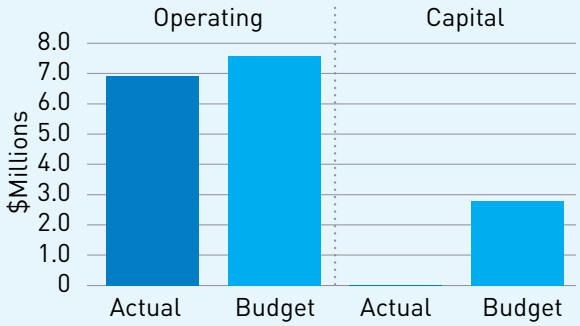
Private Proposed Plan Change 5-100 and 110 Te Moana Road Waikanae (PC5) was notified for public submissions on 22 October 2025 and the further submissions period closed on 6 March 2026, with a hearing scheduled for September 2026.

HOW WE PERFORMED



7 Achieved 100% 0 Not Achieved 0%

Operating and capital expenditure



The planned investment in social housing did not proceed in 2025/26 and is now being considered as part of the wider Housing Strategy work programme in 2026/27.

KEY: Achieved Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number and % of engagements and partnerships with iwi and the sector to increase provision of social and affordable housing in Kāpiti and to implement the housing strategy.- PP-DP-LOS001	Achieve per agreed engagement schedule	Achieved. 113 engagements with iwi, community housing organisations, central government and local authorities as planned	✓	48 planned engagements (Achieved).
Number engagements with the community to develop vision, strategy and other pathway documents to share Kāpiti community's direction.- PN-DP-LOS001	Achieve per agreed engagement schedule	Achieved 100% of five planned engagements	✓	23 planned engagements as scheduled (Achieved).
Number of reports and submissions completed in relation to national direction, legislative change, regional requirements, or Council policies and bylaws.- PN-DP-LOS002	Achieve per agreed engagement schedule	Achieved. 20 submissions and 11 reports as planned	✓	14 planned reports and submissions (Achieved).
Number and percentage of policy projects completed against the currently agreed Policy Work Programme and timeframes.- PN-DP-LOS003	Achieve per agreed engagement schedule	100%. Three policy projects completed, two scheduled	✓	50% (Not Achieved).

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number of engagements with regional and central government to bring needed health, housing, infrastructure, and public transport services to Kāpiti.- PL-DP-LOS001	Agreed engagement schedule is delivered	Achieved. 44 engagements as planned	✓	34 engagements as planned (Achieved).
The number and percentage of District Plan changes meeting consultation and statutory timeframes.- PL-DP-LOS002	100%	100%	✓	100% (Achieved).
Number of district plan changes progressed against agreed schedule.- PL-DP-LOS003	Achieve	100%	✓	100% (Achieved).

Districtwide Planning funding impact statement for the year ended 30 June 2025

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	6,710	7,589	5,939
Targeted rates	-	-	-
Grants and subsidies for operating purposes	-	-	114
Fees and charges	-	-	361
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	-	-	11
Total operating funding	**6,710**	**7,589**	**6,425**
Applications of operating funding			
Payment to staff and suppliers	6,710	5,089	4,305
Finance costs	-	-	21
Internal charges and overheads applied	-	2,500	2,634
Other operating funding applications	-	-	-
Total applications of operating funding	**6,710**	**7,589**	**6,960**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**-**	**-**	**(535)**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	2,782	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**-**	**2,782**	**-**
Applications of capital funding			
Capital expenditure			
to meet additional demand	-	-	-
to improve the level of service	-	2,782	-
to replace existing assets	-	-	-
Increase (decrease) in reserves	-	-	(535)
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**-**	**2,782**	**(535)**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**-**	**-**	**535**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

REGULATORY SERVICES

KEY HIGHLIGHTS

Customer service

Our Customer Engagement teams continued to provide responsive, accessible support across phone, digital and face-to-face channels, helping residents connect with Council services in the way that best suited them.

- The Contact Centre handled 36,537 calls, resolving 75% of enquiries at first contact, with calls answered in an average of 23 seconds.
- Our after-hours service answered a further 5,223 calls, ensuring urgent enquiries could be managed around the clock helping keep our community informed and safe.
- We also responded to 10,577 customer emails and supported 25,660 customers through our Service Centres, ensuring equitable access to Council services across our diverse community.
- Behind the scenes, our support teams processed thousands of consenting, LIM, licensing and dog registration activities, helping Council exceed its regulatory requirements and deliver on its commitments to our residents' time-sensitive and important needs.

Continuous improvement

To better understand what matters most to our customers, we introduced post-call surveys during the year. Early results have been encouraging, with 65% of respondents awarding the highest satisfaction rating and 83% reporting their enquiry was resolved during the call. While the results have identified some areas for further focus, customers consistently highlighted staff knowledge as a key strength.

Our Interactive Voice Response (IVR) system improves access by helping callers reach the right service more quickly, and we also strengthened our emergency response capability by improving flexibility, capacity and coordination between Council and our after-hours team. This enables more effective communication with the community during emergency events and periods of heightened demand.

Did you know:

One of the key principles in our compliance framework is "education first, enforcement when necessary". The goal is voluntary compliance, with enforcement escalating only when co-operation fails.

As Council implemented new core systems, we invested in staff training and capability development to support consistent customer service delivery, modernised system adoption, and future organisational capability.

Changes under the Food and Health Acts

Government's programme of change provided an opportunity for our Environmental Health and Licensing team to develop an accredited quality management system (QMS). The team are now able to offer more complex food businesses additional verification services and further reduce the business cost of meeting the Food Act requirements.

Public Spaces

An AI parking system has been implemented, improving the efficient use of officer time while realising added benefits to businesses with increased customer circulation opportunities. As the Freedom Camping Bylaw passes through Council adoption processes, we're focused on providing a clear framework of where freedom



Customer service staff assisting a resident

camping can be enjoyed in a responsible manner over the coming summer.

Animal management

Of the 8,146 dogs and 6,831 dog owners in the district only 264 (or 3%) of dogs known to Council received an infringement last year. That means 97% of Kāpiti Coast's dogs (and their owners) are very well behaved.

Building consents

We processed 976 building consents with 98.05% delivered within the 20-working days timeframe. The average number of processing days for this period was ten days.

We completed 8,200 building consent inspections with 100% being carried out within the 3-day timeframe. We also issued 708 code compliance certificates with a completed in-time rate of 99.01%, as well as 99 building Warrant of Fitness audits and 207 swimming pool audits.

The Government introduced new minor dwellings (granny flat) reforms which saw an up-tick in the number of enquiries from the public about building a second dwelling on their land.

Similar to the 24/25 year, while many districts experienced a slowdown in building consents due to higher interest rates and slower immigration, sector activity remains reasonably steady in the Kāpiti Coast with the number of applications remaining close to historical norms.

Resource consents

During this reporting period, the team processed 239 applications, with 75% completed within 20 working days. The overall average was 21.69 days. Despite ongoing staff shortages and an increased reliance on consultants, we continue to maintain strong performance.

We saw an increase in the number of fast-track applications for new developments in the district lodged with Government. The fast-track process means Council doesn't process the application and is more akin to a participant in the process, making submissions on the proposal like other interested parties.

We're also piloting the use of AI and workflow technology to further streamline consent processing and improve overall efficiency.

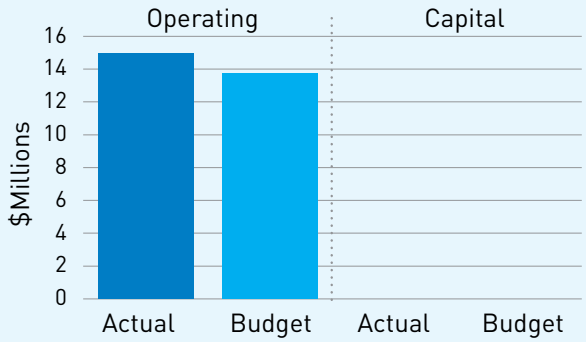
Land Information Memoranda (LIMs)

We processed and issued 421 LIMs during this period. All were issued within the 10-day statutory timeframe. There has been an exponential increase in the number of LIMs being requested as more purchasers undertake a higher level of due diligence before deciding to purchase a new home. The increase in LIM requests has seen an increase in the number of building file requests being made.

HOW WE PERFORMED



Operating and capital expenditure



KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number and % of regulatory actions (licences and inspections) undertaken for food, alcohol, funeral homes, camp grounds, amusement devices, hairdressers, public place trading and trade waste.- PP-RS-LOS001	Equivalent to prior year	648 Inspections were carried out, and 777 licences issued or re-issued (renewed)	✓	627 inspections and 724 licences issued or renewed (Baseline Set).
Number and % of regulatory actions (licences and infringements) undertaken for dog and animal control, freedom camping, and traffic/parking in Kāpiti under current bylaws or legislation. - PP-RS-LOS002	Equivalent to prior year	264 dog infringements and 564 parking infringements issued, no freedom camping infringements occurred. 8,146 dogs registrations processed	✗	114 dog and 897 parking infringements issued, no freedom camping infringements occurred. 8,305 dog registrations processed (Baseline Set).
COMMENT Parking infringements dropped in 2025/26 due to a trial period using AI hardware. Dog registrations dropped due to data cleansing in the transition to Datascape, removing duplicate records.				
Number and % of service requests responded to in agreed timeframes.- PN-RS-LOS001	Equivalent to last year	91%	✓	88% (Baseline Set).
Number and % of service requests closed.- PN-RS-LOS002	Equivalent to last year	98%	✓	98% (Baseline Set).

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Building consents are issued within an average of 17 working days, as calculated under the relevant legislation.- PL-RS-LOS001	Achieve 95%	98.02%	✓	98.22% (Achieved).
Average working days to process non-notified resource consents will not exceed 17 working days, as calculated under the relevant legislation.- PL-RS-LOS002	Achieve 95%	75%	✗	84% (Not Achieved).
COMMENT Resourcing constraints within the resource consents team affected processing capacity during the year. Staffing levels were significantly below the planned establishment, resulting in processing timeframes exceeding legislative requirements.				
Land Information Memorandums are issued within an average of 10 working days, as calculated under the relevant legislation.- PL-RS-LOS003	Achieve 100%	100%	✓	100% (Achieved).
Number and % of final building inspections passed on first inspection.- PL-RS-LOS004	Equivalent to prior year	61% (8,200 inspections carried out, 5,035 passed	✓	56% (Baseline set).
Number and % of land use consents monitored.- PL-RS-LOS005	Equivalent to prior year	100%	✓	84% (Not Achieved).

Regulatory Services funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	6,050	7,064	7,965
Targeted rates	-	-	-
Grants and subsidies for operating purposes	72	-	-
Fees and charges	5,900	6,605	5,979
Internal charges and overheads recovered	-	-	-
Local authorities fuel tax, fines, infringement fees, and other	101	111	59
Total operating funding	**12,123**	**13,780**	**14,003**
Applications of operating funding			
Payment to staff and suppliers	12,053	7,014	7,475
Finance costs	8	17	-
Internal charges and overheads applied	-	6,686	7,469
Other operating funding applications	-	-	-
Total applications of operating funding	**12,061**	**13,717**	**14,944**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**62**	**63**	**(941)**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	-	-	15
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**-**	**-**	**15**
Applications of capital funding			
Capital expenditure			
to meet additional demand	-	-	-
to improve the level of service	-	-	15
to replace existing assets	-	-	-
Increase (decrease) in reserves	62	63	(941)
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**62**	**63**	**(926)**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(62)**	**(63)**	**941**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.

ORGANISATIONAL HEALTH

KEY HIGHLIGHTS

Planning and reporting

The Annual Plan 2026/27 was adopted by Council on 11 May 2026.

Development of the Long-term Plan 2027–37 is progressing at pace. Council has established three governance focus groups to guide key aspects of the programme: the Engagement Focus Group, which is tasked with providing direction on LTP community engagement; the Finance Focus Group, which is guiding and testing the financial assumptions, strategies and affordability considerations underpinning the LTP; and the LTP/Consultation Document Focus Group, which is providing guidance ahead of adoption of the Consultation Document and final Long-term Plan.

Significant progress has been made on asset management planning, the review of Council's performance framework, and supporting policy work. Development of the Financial Strategy and Infrastructure Strategy is well underway, and the programme is now moving into the next phase, with detailed operating and capital budgeting, rates modelling and affordability analysis underway in preparation for formal consultation in 2027.

Organisational Health continues to support Council's transition to a Water Services Independent Business Unit (IBU), including ring-fencing water services financials in the Long-term Plan, supporting development of the Water Services Strategy, and establishing the financial and planning frameworks required to enable the new delivery model from 1 July 2027.

Strengthening procurement and supplier partnerships

The successful implementation of our Supplier Hub has created greater transparency, accessibility, and inclusion in our procurement processes. A range of supplier events, workshops, and learning opportunities have helped build supplier capability, strengthen relationships with our supplier community, and supported a broader range of businesses to confidently participate in Council tender opportunities.

We're exploring how artificial intelligence (AI) can support procurement and organisational efficiency through improved planning, contract management, reporting, and analysis.

Digital services

Following a robust procurement process, Council commenced replacing its Enterprise Resource Management System (ERP) in January 2024, replacing MagiQ with Datascape. Datascape implementation has been programmed across three separate phases. Phase 1 was completed in October 2025 which included customer contacts and service requests. A significant milestone was reached with the go-live of Phase 2 on 1 July 2026, introducing new finance, property rates, water rates and regulatory services modules and capabilities for Council. The key focus areas continue to be support for users, refinement of processes, and resolving issues as the organisation transitions to the new system. Phase 3 is expected to go live in the 2026/27 financial year. Datascape was initially planned to take 18 months to complete and cost approximately $2.6 million. Due to materially underestimating the complexity, scope and resourcing required to successfully configure, test, implement and train staff to use Datascape, this is now expected to take 36 months to complete and cost approximately $7.5 million (mainly driven by additional internal and external resources). Datascape is the largest digital change project the Council has undertaken in over 30 years.

In addition, an upgrade of key water services communications infrastructure from 3G to 4G/5G was completed, helping to ensure critical telemetry and SCADA systems at our treatment plants remain connected to support the delivery of safe drinking water across the district.

Health, Safety and Wellbeing

Council progressed the rollout of the Workplace Wellbeing Framework and embedded My Everyday Wellbeing through ongoing communication, wellbeing initiatives and engagement activities. Kaimahi feedback highlighted positive recognition of wellbeing programmes and mental health initiatives.

Progress has been made on the replacement of Council's Health and Safety Management System.

Work has commenced to enhance worker participation, committee oversight, and assurance reporting, including a stronger focus on risk management, contractor assurance, and health and safety performance discussions through the Health and Safety Steering Committee.

We have also reviewed staff engagement survey results to identify opportunities to further improve safety culture, leadership visibility, psychological safety and workplace wellbeing across Council.

People development and engagement

Following He Puna Kōrero - The Spring of Voices engagement survey in February, the People and Capability Group has been focused on supporting leaders and teams to understand and use the insights in a practical and meaningful way. This included facilitating discussions, helping leaders interpret results, identify areas of focus, and encouraging small, achievable actions that can positively influence team culture, engagement, and ways of working.

Work is progressing to refresh Council's Performance and Development Framework, including responding to feedback from across the business. The approach is focused on strengthening the foundations of good performance and development practice by building consistent habits, expectations, and capability across the organisation. A key focus will be supporting people leaders to develop the skills and confidence to have regular, meaningful conversations about performance, development, wellbeing, goals, and growth.

People and Capability operational improvements

Developing a People and Capability Strategy has been a focus, including shaping the work programme into four pillars to focus our efforts on culture change and capability uplift across Council.

Focusing on employee experience, we have embedded digital tools, including the Ask Your Teams (He Puna Kōrero) engagement survey and Job Adder and Xref to provide a better candidate experience and streamline recruitment processes for hiring managers.

Implementation of quarterly reporting has provided Senior Leadership Team with data and insights to support improved decision-making and line of sight on people matters. Manager capability sessions have run fortnightly to strengthen people leaders' knowledge and capability in supporting and developing their kaimahi.

We continued to review, modernise and update policies, including the Flexible Working Policy, Leave Policy, HR Delegations, Drug and Alcohol Policy, Care Register Policy, and Emergency Preparedness Policy. We are also developing an annual Conflict of Interest review programme as part of our risk management approach. This Policy work will continue into 2026/27.

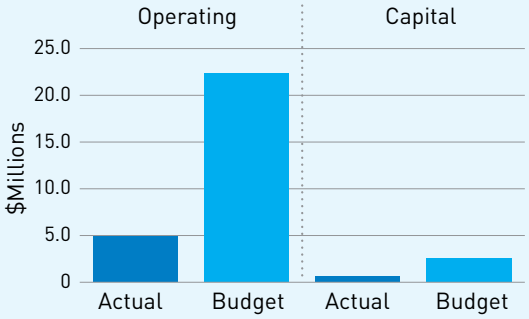
The payroll team continues to work in the background to implement legislative changes, tax (including KiwiSaver changes), and system upgrades. We have successfully migrated to Amazon Web Services for system hosting and reconfigured systems to meet business needs such as Datascape.

HOW WE PERFORMED



9 Achieved 82% 2 Not Achieved 18%

Capital expenditure



The underspend reflects the reclassification of the Datascape ERP programme from capital expenditure to operating expenditure, in line with Treasury guidance for Software as a Service (SaaS) arrangements.

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Productivity output/$ for activities. - PN-OH-LOS001	Achieve	Actual cash spend of $6,276 per rating unit	✓	$6,245 per rateable unit (Achieved).
Unless otherwise approved, Council approves and delivers rates increases, capital works and debt levels within the financial strategy limits for the 2024-34 LTP.- PN-OH-LOS002	Achieve	Achieved	✓	Achieved.
Council's financial performance (both opex and capex) is within +/- 10% of flexed budget unless otherwise approved.- PN-OH-LOS003	Achieve	Achieved	✓	Achieved.
Council is compliant with its Financial or Treasury Management Policy limits.- PN-OH-LOS004	Achieve within +/-10% of flexed budget	Achieved	✓	Achieved.
Top 10 organisational risks, risk treatments and mitigation controls are reported to the Risk and Assurance Committee.- PN-OH-LOS005	Achieve	Achieved. Top 10 Organisational Risk reports presented to all scheduled Risk and Assurance Committee meetings during the 2025/26 year	✓	Achieved.

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Number and % of staff and elected members who report annually that their health, safety and wellbeing is supported.- PN-OH-LOS006	Achieve	Achieved. 78% of staff surveyed indicated satisfaction and an average of 6 out of 10 satisfaction for Elected Members	✓	Achieved, indicating 7.4 out of 10 satisfaction for Elected Representatives. No staff survey was carried out in 2024/25.
Council provided with regular reports as scheduled to inform status of workplace support and initiatives for health, safety and wellbeing.- PN-OH-LOS007	Equivalent to last year	43 reports provided to Risk and Assurance Committee, Senior Leadership Team, and the Health and Safety Committee throughout the year	✗	51 reports (Baseline Set).
COMMENT The result reflects a reduced number of Committee meetings during the year as a consequence of the local government elections and the process of re-establishing Council's governance committees, including the Health and Safety Committee.				
% of legislative requirements met Council wide.- PN-OH-LOS008	100%	89.4%	✗	100% (Achieved).
COMMENT The target was not achieved due to five recorded legislative breaches assessed as having a moderate risk rating. These related to health and safety compliance by a Council contractor, safety check requirements under the Children's Act 2014, privacy breaches involving the disclosure of personal information, resource consent compliance associated with Composting New Zealand, and hazardous substances storage and handling requirements identified through a Council-initiated health and safety audit. No high-risk breaches were recorded during the year. Three of the five matters have been resolved, with the remaining two subject to ongoing mitigation and corrective actions. All breaches were reported publicly to the Council's Risk and Assurance Committee.				
Number of staff compared to the agreed cap.- PN-OH-LOS009	Achieve	Achieved. 416 FTE	✓	414 FTE (Achieved).

KEY: ✓ Achieved ✗ Not achieved

MEASURE	TARGET	RESULT	2025/26 STATUS	PREVIOUS YEAR RESULT
Annual number and % of staff turnover as at 30 June.- PN-OH-LOS010	Maintain staff turnover remains under 20% which is the local government standard	11% turnover rate.	✓	15% turnover rate (Achieved).
Capital work programme is delivered to within the approved Council multi-year budget.- PN-OH-LOS011	Achieve	Achieved	✓	Achieved.

Organisational Health funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2025/26 Budget $000	2025/26 Actual $000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	(4,722)	(476)	5,415
Targeted rates	-	-	(540)
Grants and subsidies for operating purposes	-	-	6
Fees and charges	329	339	346
Internal charges and overheads recovered	3,723	42,210	44,041
Local authorities fuel tax, fines, infringement fees, and other	115	206	3,218
Total operating funding	**(555)**	**42,279**	**52,486**
Applications of operating funding			
Payment to staff and suppliers	(1,249)	26,579	34,829
Finance costs	(899)	109	838
Internal charges and overheads applied	-	14,111	14,147
Other operating funding applications	-	-	-
Total applications of operating funding	**(2,148)**	**40,799**	**49,814**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**1,593**	**1,480**	**2,672**
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase (decrease) in debt	2,697	2,038	(186)
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	**2,697**	**2,038**	**(186)**
Applications of capital funding			
Capital expenditure			
to meet additional demand	-	-	-
to improve the level of service	2,697	2,038	(187)
to replace existing assets	746	480	804
Increase (decrease) in reserves	847	1,000	1,869
Increase (decrease) in investments	-	-	-
Total applications of capital funding	**4,290**	**3,518**	**2,486**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(1,593)**	**(1,480)**	**(2,672)**
FUNDING BALANCE	**-**	**-**	**-**

Note - For each activity, the operating and capital expenditure charts differ to the Funding Impact Statement because the Funding Impact Statement excludes depreciation and operating costs and includes an increase or decrease in reserves.



Waitangi Day 2026

FINANCIAL MANAGEMENT

FINANCIAL STATEMENTS

Statement of comprehensive revenue and expense for the year ended 30 June 2026

2024/25 Actual $000		Note	2025/26 Actual $000	2025/26 Budget $000
	Revenue			
106,375	Rates	2	112,457	114,024
13,372	Fees and charges	3	13,210	12,697
17,254	Grants and subsidies	4	11,818	14,690
5,011	Development and financial contributions revenue		3,841	5,948
2,414	Other operating revenue	5	2,554	778
144,426	**Total revenue excluding gains**		**143,880**	**148,137**
	Expenses			
89,317	Operating expenses	6	96,225	108,717
34,406	Depreciation and amortisation	11, 12	35,682	37,309
123,723	**Total expenses**		**131,907**	**146,026**
	Interest			
4,649	Interest income		4,320	4,627
15,255	Finance expense		14,690	15,466
10,606	**Total interest expense**		**10,370**	**10,839**
10,097	**OPERATING SURPLUS/(DEFICIT)**		**1,603**	**(8,728)**
	Unrealised gains/(losses)			
(6,558)	Unrealised gain/(loss) on revaluation of financial derivatives		(688)	2,366
3,539	**NET OPERATING SURPLUS/(DEFICIT)**		**915**	**(6,362)**
	Other comprehensive revenue and expense			
(16,861)	Unrealised gain/(loss) from revaluation of property, plant and equipment	11	85,895	49,324
(13,322)	**TOTAL COMPREHENSIVE REVENUE AND EXPENSE**		**86,810**	**42,962**

Statement of changes in net assets/equity for the year ended 30 June 2026

	Accumulated funds Actual $000	Reserves and special funds Actual $000	Revaluation reserve Actual $000	Total equity Actual $000	Total equity Budget $000
Opening balance at 1 July 2024	**713,934**	**13,649**	**1,322,694**	**2,050,277**	**2,066,959**
Net operating surplus/(deficit)	3,539	-	-	3,539	12,784
Unrealised gain/(loss) from revaluation of property, plant and equipment	-	-	(16,861)	(16,861)	127,919
Transfer from revaluation reserve	-	-	-	-	-
Total comprehensive revenue and expense for the year	**3,539**	**-**	**(16,861)**	**(13,322)**	**140,703**
Transfer from revaluation reserve	77	-	(77)	-	-
Transfers from reserves and special funds	4,340	(4,340)	-	-	-
Transfers to reserves and special funds	(2,553)	2,553	-	-	-
Closing balance at 30 June 2025	**719,337**	**11,862**	**1,305,756**	**2,036,955**	**2,159,770**
Opening balance at 1 July 2025	**719,337**	**11,862**	**1,305,756**	**2,036,955**	**2,066,959**
Net operating surplus/(deficit)	915	-	-	915	(6,362)[1]
Unrealised gain/(loss) from revaluation of property, plant and equipment	-	-	85,895	85,895	49,324[1]
Total comprehensive revenue and expense for the year	**915**	**-**	**85,895**	**86,810**	**42,962**
Transfer from revaluation reserve	(1,123)	-	1,123	-	-
Transfers from reserves and special funds	5,225	(5,225)	-	-	-
Transfers to reserves and special funds	(2,747)	2,747	-	-	-
CLOSING BALANCE AT 30 June 2026	**721,607**	**9,384**	**1,392,774**	**2,123,765**	**2,109,921**

[1] As per 2025/26 Annual Plan.

The accounting policies and accompanying notes on pages 125 to 178 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 2026

2024/25 Actual $000		Note	2025/26 Actual $000	2025/26 Budget $000
	Current Assets			
15,570	Cash and cash equivalents	7	11,541	10,448
22,979	Trade and other receivables	8	23,430	29,635
181	Inventories		185	208
60	Non-current assets held for sale		-	-
71,910	Other financial assets	10	82,365	82,365
521	Loans	9	418	19
108	Derivative financial instruments	22	6	1,202
111,329	**Total Current Assets**		**117,945**	**123,877**
	Non-Current Assets			
2,311,546	Property plant and equipment	11	2,425,030	2,415,909
3,589	Intangible assets	12	3,024	6,772
9,729	Other financial assets	10	11,364	13,114
171	Loans	9	151	153
3,461	Derivative financial instruments	22	2,470	5,067
2,328,496	**Total Non-Current Assets**		**2,442,039**	**2,441,015**
2,439,825	**TOTAL ASSETS**		**2,559,984**	**2,564,892**
	Current Liabilities			
27,996	Trade and other payables	14	23,202	36,125
4,425	Employee benefit	15	4,976	4,468
2,352	Deposits	16	2,118	2,481
70,000	Borrowings	17	107,957	80,000
237	Provisions	18	115	88
40	Derivative financial instruments		-	-
105,050	**Total Current Liabilities**		**138,368**	**123,162**
	Non-Current Liabilities			
141	Employee benefit	15	165	226
295,000	Borrowings	17	295,000	330,000
1,519	Provisions	18	1,891	1,583
1,160	Derivative financial instruments		795	-
297,820	**Total Non-Current Liabilities**		**297,851**	**331,809**
402,870	**TOTAL LIABILITIES**		**436,219**	**454,971**
	Public Equity			
719,337	Accumulated funds		721,607	707,770
11,862	Reserves and special funds	20	9,384	17,019
1,305,756	Revaluation reserve	19	1,392,774	1,385,132
2,036,955	**TOTAL PUBLIC EQUITY**		**2,123,765**	**2,109,921**
2,439,825	**TOTAL LIABILITIES AND PUBLIC EQUITY**		**2,559,984**	**2,564,892**

Statement of cash flows for the year ended 30 June 2026

2024/25 Actual $000		Note	2025/26 Actual $000	2025/26 Budget $000
	Cash flows from operating activities			
	Cash was provided from:			
105,747	Kāpiti Coast District Council rates		112,514	112,362
25,594	Greater Wellington Regional Council rates collected		29,556	-
4,167	Grants and subsidies		4,510	3,723
5,424	Interest received		4,032	4,627
17,053	Fees and charges		11,524	19,104
554	GST (net)		(942)	(57)
158,539			**161,194**	**139,759**
	Cash was applied to:			
98,278	Payments to employees and suppliers		96,897	85,538
25,594	Rates paid to Greater Wellington Regional Council		29,556	-
123,872			**126,453**	**85,538**
34,667	**Net cash inflow from operating activities**	**21**	**34,741**	**54,221**
	Cash flows from investing activities			
	Cash was provided from:			
61,118	Proceeds from loan repayments/term deposit maturities		72,157	72,435
106	Proceeds from sale of assets held for sale, property, plant and equipment and intangibles		129	-
18,150	Proceeds from capital grants		11,149	11,738
79,374			**83,435**	**84,173**
	Cash was applied to:			
63,208	Construction and purchase of property, plant and equipment and intangibles		61,567	79,472
75,250	Purchase of investments		84,000	85,754
138,458			**145,567**	**165,226**
(59,084)	**Net cash outflow from investing activities**		**(62,132)**	**(81,053)**
	Cash flows from financing activities			
	Cash was provided from:			
-	Short-term borrowings		27,957	-
105,000	Long-term borrowing		80,000	115,000
105,000			**107,957**	**115,000**
	Cash was applied to:			
16,115	Interest paid		14,595	15,439
-	Short-term borrowings		-	-
60,000	Long-term borrowing		70,000	70,000
76,115			**84,595**	**85,439**
28,885	**Net cash inflow from financing activities**		**23,362**	**29,561**
4,468	Net increase/(decrease) in cash and cash equivalents		(4,029)	2,729
11,102	Total cash and cash equivalents at 1 July		15,570	7,719
15,570	**TOTAL CASH AND CASH EQUIVALENTS AT 30 JUNE**	**7**	**11,541**	**10,448**

Funding impact statement for the year ended 30 June 2026

	2024/25 Budget $000	2024/25 Actual $000	2025/26 Budget $000	2025/26 Actual $000
Source of operating funding				
General rate, uniform annual general charge, rates penalties	31,829	34,395	36,065	36,878
Targeted rates	73,311	72,977	77,959	75,579
Grants and subsidies for operating purposes	3,405	4,115	3,501	4,510
Fees and charges	11,546	12,294	11,877	12,126
Interest and dividends from investments	3,723	4,650	4,627	4,320
Local authorities fuel tax, fines, infringement fees, and other	617	2,405	882	3,615
Total operating funding	**124,431**	**130,836**	**134,911**	**137,028**
Applications of operating funding				
Payment to staff and suppliers	82,884	89,265	87,244	95,607
Finance costs	14,690	15,255	15,466	14,690
Internal charges and overheads applied	-	-	-	-
Other operating funding applications	-	-	-	-
Total applications of operating funding	**97,574**	**104,520**	**102,710**	**110,297**
SURPLUS/(DEFICIT) OF OPERATING FUNDING	**26,857**	**26,316**	**32,201**	**26,731**
Source of capital funding				
Grants and subsidies for capital expenditure	14,796	13,139	11,190	7,308
Development and financial contributions	4,242	5,011	5,948	3,842
Increase (decrease) in debt	43,261	33,410	48,202	38,776
Gross proceeds from sale of assets	-	133	-	63
Lump sum contributions	-	-	-	-
Other dedicated capital funding	-	-	-	-
Total source of capital funding	**62,299**	**51,693**	**65,340**	**49,989**
Applications of capital funding				
Capital expenditure				
to meet additional demand	11,743	11,714	7,564	5,315
to improve the level of service	42,651	32,275	48,639	38,429
to replace existing assets	21,046	19,186	29,163	17,810
Increase (decrease) in reserves	13,716	14,834	12,175	15,166
Increase (decrease) in investments	-	-	-	-
Total applications of capital funding	**89,156**	**78,009**	**97,541**	**76,720**
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	**(26,857)**	**(26,316)**	**(32,201)**	**(26,731)**
FUNDING BALANCE	**-**	**-**	**-**	**-**

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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) based and operating 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, a Statement of Cash Flows, and supporting notes, encompassing all activities of Council. To ensure it is easy to report performance across Council we have included funding impact statements for each activity and the whole of Council. The financial statements of Council are for the year ended 30 June 2026. The financial statements were adopted and authorised for issue by Council on 22 October 2026.

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 Public Benefit Entity (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

There have been no accounting standards issued that have not been adopted in the year ended 30 June 2026.

Other changes in accounting policies

There have been no changes in the accounting policies in the year ended 30 June 2026.

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 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.

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.

Other

Foreign currency translation

Foreign currency transactions are converted to New Zealand Dollars (NZD) using the spot exchange rate at the date of the transaction. Council has seen an increase in foreign currency transactions, and in accordance with the Council's Treasury management policy, a foreign exchange dealing line has now been established to mitigate any foreign currency exposures on amounts greater than $100,000 NZD. This dealing line has been established with Council's banker Westpac. 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 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. Governance and tāngata whenua costs are reported as a separate activity as it represents a direct public service.

Budget figures

The budget figures presented in these financial statements are from Council's 2025/26 Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by 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 environmental obligations in respect to the closure of the Otaihanga landfill – see note 18
- the valuation of infrastructure 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

2024/25 Actual $000		2025/26 Actual $000
	Revenue from exchange transactions:	
	Targeted rates	
5,844	Districtwide water supply volumetric rate	5,797
5,844	**Total rates from exchange transactions**	**5,797**
	Revenue from non-exchange transactions:	
	General rates	
33,398	Districtwide	36,878
	Targeted rates	
27,327	Community facilities rate	30,227
393	Hautere/Te Horo water supply rate	214
82	Ōtaki community rate	79
46	Paekākāriki community rate	40
171	Paraparaumu/Raumati community rate	172
19,554	Districtwide roading rate	16,586
3,461	Districtwide stormwater rate	5,067
105	Waikanae community rate	102
11,599	Districtwide wastewater disposal rate	12,809
6,370	Districtwide water supply fixed rate	6,609
673	Commercial	636
(1,866)	Less internal rates	(1,909)
(782)	Less rates remitted	(850)
100,531	**Total rates from non-exchange transactions**	**106,660**
106,375	**Total rates from exchange and non-exchange transactions**	**112,457**
135,301	Total rates levied	145,687
(1,866)	Less internal rates	(1,909)
(782)	Less rates remitted	(850)
(26,278)	Less Greater Wellington Regional Council rates	(30,471)
106,375	**Total revenue from rates**	**112,457**

Accounting policy

Revenue from rates is measured at fair value. General and targeted rates are set annually by way of a Council rates resolution. Rates revenue is measured at the amount assessed which is the fair value of the cash received or receivable. Council recognises revenue from rates when rates are set, and 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 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 (GWRC) are not recognised in the Statement of Comprehensive Revenue and Expense as Council acts as an agent for GWRC.

Rates remissions

2024/25 Actual $000		2025/26 Actual $000
90	Council community properties, sporting, recreational and other community organisations	96
160	Residential rating units containing two separately habitable units	178
290	Financial hardship	304
35	Conservation remission	32
207	Residential water leak remissions	240
782	**Total rates remissions**	**850**

Rates remissions granted during the year in accordance with Council's rates remission and postponement policies total $0.85 million (2025: $0.78 million). Total rates levied on Council-owned properties were $1.91 million (2025: $1.87 million).

Rating base information

Year	Rating units	Total capital value of rating units $000	Total land value of rating units $000
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**
2022/23			
Rateable units	25,592	19,818,958	10,624,712
Non-rateable units	845	750,718	390,025
Total	**26,437**	**20,569,676**	**11,014,737**
2023/24			
Rateable units	25,860	20,050,214	10,688,357
Non-rateable units	886	767,775	403,277
Total	**26,746**	**20,817,989**	**11,091,634**
2024/25			
Rateable units	26,195	23,261,704	12,652,385
Non-rateable units	875	907,126	454,950
Total	**27,070**	**24,168,830**	**13,107,335**
2025/26			
Rateable units	26,418	23,562,626	12,714,005
Non-rateable units	833	881,200	430,394
Total	**27,251**	**24,443,826**	**13,144,399**

Council is required by the Local Government Funding Agency (LGFA) Guarantee and Indemnity Deed to disclose annual rates revenue in its financial statements. 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 Council from other local authorities for services provided (and for which the other local authorities rate). The annual rates revenue of Council for the purpose of the LGFA Guarantee and Indemnity Deed disclosure are as per the Revenue from Rates table earlier in this note.

3. Revenue from fees and charges

2024/25 Actual $000		2025/26 Actual $000
	Revenue from exchange transactions:	
3,615	Sale of goods and services	2,789
2,531	Rent from lease of council-owned properties	2,937
6,146	**Total fees and charges from exchange transactions**	**5,726**
	Revenue from non-exchange transactions:	
6,148	Sale of goods and services[1]	6,400
1,078	Fines and penalties	1,084
7,226	**Total fees and charges from non-exchange transactions**	**7,484**
13,372	**Total fees and charges**	**13,210**

[1] During 2025/26 the Waste Minimisation revenue was reclassified under "Grants and Subsidies" from previously disclosed under "Sale of goods and services" (2025: $1,131).

Revenue from the sale of goods and services includes building and resource consent fees, licence fees, library charges and fines, LIM report charges, and prosecutions for animal management and noise infringements. Fines and penalties include penalties for late payment of rates of $1.03 million (2025: $0.99 million) and traffic infringements of $0.006 million (2025: $0.070 million).

Accounting policy

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

Exchange transactions

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.

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 such as infrastructure developments. Council does not hold properties for investment purposes.

Non-Exchange transactions

Council undertakes various activities as part of its normal operations which 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 Council is considered a non-exchange transaction. Generally, there are no conditions attached to such revenue.

Rendering of services

Revenue from such subsidised services is recognised when Council issues the invoice for the service. Revenue is recognised at the amount of the invoice 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 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 Council for the service) if the service is not completed.

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.

Fines and penalties

Revenue from fines and penalties (e.g., traffic and parking infringements, 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

2024/25 Actual $000		2025/26 Actual $000
	Grants and subsidies from non-exchange transactions	
13,139	Capital grants	7,308
4,115	Operating grants[1]	4,510
17,254	**Total grants and subsidies from non-exchange transactions**	**11,818**

[1] During 2025/26 the Waste Minimisation revenue was reclassified under "Grants and Subsidies" from previously disclosed under "Sale of goods and services" (2025: $1,131).

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 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 Council has satisfied the conditions when the revenue is recognised.

Waka Kotahi

Council receives grants and subsidies from The NZ Transport Agency Waka Kotahi (NZTA) for maintenance and capital expenditure on the local roading network. The right to receive the funding from NZTA arises once the work is performed. Revenue is recognised when receivable as there are no further conditions attached to the funding. Capital grants of $3.73 million (2025: $4.50 million) were used to subsidise the construction or renewal of new and existing local roading and operating grants of $2.89 million (2025: $3.07 million) contributed to the cost of maintaining existing local roading.

Infrastructure Acceleration Fund (IAF)

In June 2021, the New Zealand Government announced the IAF initiative as part of the Housing Acceleration Fund. The IAF provides councils with funding to support the delivery of critical infrastructure (transport, water and flood management projects) needed to enable housing development and commits councils and developers to building homes in areas of high housing need. In 2022, Council entered an agreement to deliver a programme of infrastructure projects that will help improve resiliency in Ōtaki and enable housing outcomes. The agreement supports the development of a mix of papakāinga, affordable and market housing to meet current and future housing needs. These projects are being delivered between 2023-29. During 2025/26, Council incurred $4.53 million of billable grant funding for water and wastewater projects (2025: $7.72 million). To date, a total of $15.94 million of billable work has been performed from the $29.30 million available grant funding.

Better Off Funding

Under the previous Labour governments Three Waters Reform Programme, a "Better off Funding" package of $2 billion was offered to Councils to support the overall goals of the reform. The funding was to support local government to invest in the wellbeing of their communities in a manner that would meet the priorities of both the central and local government during the transition and establishment of the new water entities.

The Council was awarded a total of $5.26 million for a range of community activities. As at 30 June 2026 a total of $4.98 million of the awarded amount has been utilised by the Council.

Waste Minimisation Revenue

Under the Waste Minimisation Act 2008, the Ministry for the Environment distributes waste disposal levy funding to territorial authorities to support activities that promote waste minimisation and reduce the environmental harm caused by waste.

During 2025/26, Council received $1.22 million (2025: $1.13 million), which was used to fund local waste minimisation activities including waste reduction grants, resource recovery and reuse initiatives, composting and food waste programmes, and community waste education activities.

5. Other operating revenue

2024/25 Actual $000		Note	2025/26 Actual $000
	Other operating revenue from exchange transactions		
88	Realised gain on disposal of property plant and equipment		22
101	Other revenue		-
189	**Total other operating revenue from exchange transactions**		**22**
	Other operating revenue from non-exchange transactions		
1,307	Vested assets	11	1,806
23	Donations and sponsorships		23
246	Local government petrol tax		217
649	Other revenue		486
2,225	**Total other operating revenue from non-exchange transactions**		**2,532**
2,414	**Total other operating revenue**		**2,554**

Vested assets are mainly infrastructure assets such as roading, drainage, water and wastewater assets that have been constructed by NZTA or subdivision developers. Ownership of these assets transfers to 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

2024/25 Actual $000		2025/26 Actual $000
	Auditor's remuneration	
	Ernst & Young	
97	Audit of Long Term Plan	-
255	Audit of Financial Statements	277
4	Audit of debenture trust deeds register	4
	Impairments and unrealised losses	
49	Loss on Disposal of Property, Plant and Equipment	619
-	Present Value adjustments -Landfill	311
(478)	Impairment (reversal of impairment) of Loans	-
(19)	Net increase/(decrease) of impairment of trade receivables	(14)
	Governance	
991	Councillor Fees and Costs	1,015
	Personnel costs	
45,319	Staff remuneration	45,824
(5,635)	Staff cost recovered from capital projects and grants	(4,309)
(1,989)	Staff cost recovered from operational projects and grants	(2,228)
1,694	Other Personnel Costs	2,571
1,414	Contractors	2,454
1,390	Employer superannuation (including Kiwisaver)	1,442
621	Staff Training	609
	Other	
186	Transport Costs	237
3,101	Grants	1,589
699	Legal Costs	524
3,381	Insurance	3,102
2,711	Operating Projects	3,775
634	Operating Lease Rentals	646
3,212	Heat, Light, Power (Energy)	3,521
317	Communications	293
1,340	Professional Services	1,415
318	Printing & Stationery	289
61	Bank Charges	72
25,248	Facility operations and maintenance	27,971
4,396	Other	4,216
89,317	**Total other operating expenses**	**96,225**

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 Council are recognised as revenue when control over the asset is transferred to 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 remuneration paid to elected members, comprising the Mayor, Councillors and Community Board members. Personnel costs relate to 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 Council's discretion) are recognised as expenditure when Council approves the grant and communication to this effect is made to the applicant.

Operating leases (Council as lessee)

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

2024/25 Actual $000		2025/26 Actual $000
9	Cash on hand	6
13,518	Cash at bank	9,808
2,043	Contract retentions	1,727
15,570	**Total cash and cash equivalents**	**11,541**

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 Council and earn interest at the applicable term deposit rates.

Contract retentions

The Construction Contracts (Retention Money) Amendment Act 2023 states all contract retention money must be held on trust with a registered bank in New Zealand for all contracts entered into from 5 October 2023 onwards. Contract retentions held in trust align with our Contract retentions liability as per note 14.

8. Trade and other receivables

2024/25 Actual $000		2025/26 Actual $000
22,979	**Current**	23,430
-	Non-Current	-
22,979	**Total trade and other receivables**	**23,430**
	Trade and other receivables	
14,323	Trade receivables	16,598
3,076	Rates receivable	3,952
1,698	Water rates receivable	1,017
3,127	Prepayments	1,339
1,584	GST Receivable	1,491
(829)	Less allowance for credit losses	(967)
22,979	**Total trade and other receivables**	**23,430**

Accounting Policy

Trade and other receivables

Trade and other receivables are initially measured at their face value, less allowance for credit losses. Receivables are generally short-term and are not interest bearing. The carrying value approximates the fair value. A receivable is considered 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 expected credit loss provision has been calculated based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment. Individually impaired receivables are determined to be impaired if the debtor has significant financial difficulties.

Allowance for expected credit loss of trade and other receivables

2024/25 Actual $000		2025/26 Actual $000
780	Individual impairment[1]	919
49	Collective impairment	48
829	**Allowance for expected credit loss of trade and other receivables at 30 June**	**967**

[1] 2025/26 year includes $31,073 of debt provided in accordance with section 90A of the Local Government (Rating) Act 2023

Movement in the allowance for credit losses

2024/25 Actual $000		2025/26 Actual $000
801	Opening balance	829
25	Provision Utilised	52
76	Increase in provision	86
(73)	Released unused provisions	-
829	**Closing balance for expected credit losses at 30 June**	**967**

Aging profile of trade and other receivables (excluding property rates) at 30 June

	2025/26 Gross $000	2025/26 Provision $000	2025/26 Net $000	2024/25 Gross $000	2024/25 Provision $000	2024/25 Net $000
Not past due	17,002	-	17,002	15,633	-	15,633
31 - 60 days	230	-	230	1,791	-	1,791
61 - 90 days	3,000	-	3,000	546	-	546
>91 days	213	182	31	2,763	236	2,527
	20,445	**182**	**20,263**	**20,733**	**236**	**20,497**

Aging profile of property rates receivables at 30 June

	2025/26 Gross $000	2025/26 Provision $000	2025/26 Net $000	2024/25 Gross $000	2024/25 Provision $000	2024/25 Net $000
Not past due	3,181	14	3,167	2,480	-	2,480
Up to 2 years	416	416	-	307	305	2
2 to 5 years	150	150	-	117	117	-
Over 5 years	205	205	-	171	171	-
Total	**3,952**	**785**	**3,167**	**3,075**	**593**	**2,482**

9. Loans

2024/25 Actual $000		2025/26 Actual $000
	Current	
16	Water conservation loans	8
505	Loans to external organisations	410
521	**Total current loans**	**418**
	Non-current	
30	Water conservation loans	19
141	Loans to external organisations	132
-	Impairments	-
171	**Total non-current loans**	**151**
692	**Total loans**	**569**

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.

Water conservation loans

Council provided interest-free loans (up to $5,000) to property owners who wish to install approved water conservation devices to reduce water use. Council recovers the loans by way of a targeted rate on the property. The period of repayment is up to 10 years. This initiative was suspended during 2023/24 for any new applications.

Accounting Policy

Loans to external organisations

Kāpiti Hockey Turf Trust

Loans to external organisations include a loan to the Kāpiti Hockey 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% has been applied to this loan.

Air Chathams

Council agreed to provide a $0.5 million concessionary loan to Air Chatham's during September 2020 to maintain a minimum level of air services between the Kāpiti Coast airport and Auckland airport. The loan is interest-free with a repayment term of up to 5 years. During 2025/26, Air Chathams repaid $100k of the loan, with the remaining $400k received on 08 July 2026, whereby extinguishing their liability in the 2026/27 Financial year.

Loans movement

2024/25 Actual $000		2025/26 Actual $000
233	Opening balance	692
-	Additions	-
(37)	Repayments	(123)
478	Impairments	-
18	Effective interest adjustment	-
692	**Total loans**	**569**

10. Other financial assets

2024/25 Actual $000		2025/26 Actual $000
	Current	
	Deposits	
70,000	Term deposits	80,000
	Notes	
1,910	NZ Local Government Funding Agency	2,365
71,910	**Total current other financial assets**	**82,365**
	Non-current	
	Shares	
100	NZ Local Government Funding Agency	100
14	Civic Financial Services	14
	Notes	
9,615	NZ Local Government Funding Agency	11,250
9,729	**Total non-current other financial assets**	**11,364**
81,639	**Total other financial assets**	**93,729**

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

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), 14,909 shares.

Notes

LGFA Borrower Notes are subordinated convertible debt instruments which each council that borrows from LGFA must subscribe for. This is currently set at 5.0% of the amount borrowed. LGFA will redeem Borrower Notes when Councils' related borrowings are repaid or no longer owed to LGFA or may be converted into equity under specific circumstances. There is no active market for the trade of borrower notes nor has there been any reported default that would trigger an equity conversion event. Council therefore values these notes at their redeemable value.

11. Property, plant and equipment

	Cost/Revaluation									Accumulated depreciation						Carrying amount	
2025/26	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
Operational assets																	
Buildings and improvements	75,580	-	-	-	(4,363)	-	6,216		77,433	(5,965)	(3,350)	-	9,046	38	(231)	69,615	77,202
Computers and office equipment	2,749	-	-	(1,341)	-	-	863		2,271	(2,031)	(474)	1,341	-	(400)	(1,564)	718	707
Furniture and chattels	5,018	-	-	-	-	-	(24)		4,994	(2,578)	(488)	-	-	405	(2,661)	2,440	2,333
Land	81,670	-	-	(599)	(3,577)	-	1,802		79,296	-	-	-	251	(251)	-	81,670	79,296
Library collections	4,023	-	-	-	-	-	226		4,249	(1,940)	(386)	-	-	-	(2,326)	2,083	1,923
Motor vehicles	3,811	4	-	(180)	-	-	371		4,006	(2,135)	(288)	177	-	5	(2,241)	1,676	1,765
Plant and machinery	3,742	-	-	(188)	-	-	278		3,832	(2,842)	(158)	137	-	(16)	(2,879)	900	953
Items under construction	9,803	14,045	-	-	-	-	(11,122)		12,726	-	-	-	-	-	-	9,803	12,726
Total operational assets	**186,396**	**14,049**	**-**	**(2,308)**	**(7,940)**	**-**	**(1,390)**		**188,807**	**(17,491)**	**(5,144)**	**1,655**	**9,297**	**(219)**	**(11,902)**	**168,905**	**176,905**
Infrastructural assets																	
Bridges	28,228	-	-	-	-	-	161		28,389	176	(885)	-	-	(400)	(1,109)	28,404	27,280
River flood protection and control works	1,275	-	-	-	284	-	-		1,559	(24)	(22)	-	46	-	-	1,251	1,559
Roading – land under road	821,504	-	-	-	82,060	-	-		903,564	-	-	-	-	-	-	821,504	903,564
Roading and footpaths	492,008	-	791	-	-	-	11,281		504,080	(743)	(11,077)	-	-	318	(11,502)	491,265	492,578
Seawalls	8,373	-	-	-	3,335	-	-		11,708	(560)	(560)	-	1,121	-	1	7,813	11,709
Stormwater drainage	143,946	-	165	-	(21,911)	-	11,927		134,127	(2,245)	(2,381)	-	4,576	-	(50)	141,701	134,077
Wastewater – other assets	174,842	-	470	-	(4,684)	-	6,350		176,978	(4,156)	(4,168)	-	8,320	(143)	(147)	170,686	176,831
Wastewater treatment plants and facilities	24,211	-	-	-	437	-	2,747		27,395	(1,792)	(1,721)	-	3,299	143	(71)	22,419	27,324
Water – other assets	154,855	-	380	-	(3,422)	-	4,021		155,834	(3,684)	(3,968)	-	7,589	-	(63)	151,171	155,771
Water treatment plants and facilities	29,016	-	-	-	(2,318)	-	149		26,847	(1,433)	(1,535)	-	2,967	-	(1)	27,583	26,846
Items under construction	86,041	43,216	-	-	-	-	(35,939)		93,318	(1)	-	-	-	-	(1)	86,040	93,317
Total infrastructural assets	**1,964,298**	**43,216**	**1,806**	**-**	**53,781**	**-**	**697**		**2,063,798**	**(14,462)**	**(26,317)**	**-**	**27,918**	**(82)**	**(12,943)**	**1,949,836**	**2,050,855**
Restricted assets																	
Buildings and improvements	51,455	-	-	-	(9,521)	-	3,457		45,391	(5,298)	(3,153)	-	8,117	299	(35)	46,157	45,356
Land	144,313	-	-	-	4,243	-	277		148,833	-	-	-	-	-	-	144,313	148,833
Items under construction	2,335	4,293	-	-	-	-	(3,547)		3,081	-	-	-	-	-	-	2,335	3,081
Total restricted assets	**198,103**	**4,293**	**-**	**-**	**(5,278)**	**-**	**187**		**197,305**	**(5,298)**	**(3,153)**	**-**	**8,117**	**299**	**(35)**	**192,805**	**197,270**
TOTAL PROPERTY, PLANT AND EQUIPMENT	**2,348,797**	**61,558**	**1,806**	**(2,308)**	**40,563**	**-**	**(506)**		**2,449,910**	**(37,251)**	**(34,614)**	**1,655**	**45,332**	**(2)**	**(24,880)**	**2,311,546**	**2,425,030**

11. Property, plant and equipment

	Cost/Revaluation									Accumulated depreciation						Carrying amount	
2024/25	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
Operational assets																	
Buildings and improvements	72,041	-	-	-	-	-	3,539		75,580	(2,870)	(3,095)	-	-	-	(5,965)	69,171	69,615
Computers and office equipment	2,365	-	-	168	-	-	216		2,749	(1,352)	(511)	(168)	-	-	(2,031)	1,013	718
Furniture and chattels	4,062	-	-	-	-	-	956		5,018	(2,144)	(434)	-	-	-	(2,578)	1,918	2,440
Land	77,564	-	-	-	-	-	4,106		81,670	-	-	-	-	-	-	77,564	81,670
Library collections	3,501	-	-	-	-	-	522		4,023	(1,538)	(402)	-	-	-	(1,940)	1,963	2,083
Motor vehicles	3,814	33	-	(344)	-	-	309		3,811	(2,132)	(286)	283	-	-	(2,135)	1,682	1,676
Plant and machinery	3,541	-	-	(2)	-	-	203		3,742	(2,667)	(177)	2	-	-	(2,842)	874	900
Items under construction	9,918	7,681	-	-	-	-	(7,796)		9,803	-	-	-	-	-	-	9,918	9,803
Total operational assets	**176,806**	**7,714**	**-**	**(178)**	**-**	**-**	**2,054**		**186,396**	**(12,703)**	**(4,905)**	**117**	**-**	**-**	**(17,491)**	**164,103**	**168,905**
Infrastructural assets																	
Bridges	23,991	-	-	-	674	-	3,563		28,228	(1,303)	(985)	-	2,464	-	176	22,688	28,404
River flood protection and control works	1,275	-	-	-	-	-	-		1,275	(2)	(22)	-	-	-	(24)	1,273	1,251
Roading – land under road	821,394	-	-	-	-	-	110		821,504	-	-	-	-	-	-	821,394	821,504
Roading and footpaths	524,384	-	285	-	(39,017)	-	6,356		492,008	(8,862)	(10,900)	-	19,019	-	(743)	515,522	491,265
Seawalls	8,363	-	-	-	-	-	10		8,373	-	(560)	-	-	-	(560)	8,363	7,813
Stormwater drainage	136,566	-	291	-	-	-	7,089		143,946	(23)	(2,222)	-	-	-	(2,245)	136,543	141,701
Wastewater – other assets	175,960	-	288	-	-	-	(1,406)		174,842	(69)	(4,158)	-	-	71	(4,156)	175,891	170,686
Wastewater treatment plants and facilities	22,801	-	-	-	-	-	1,410		24,211	(1)	(1,720)	-	-	(71)	(1,792)	22,800	22,419
Water – other assets	135,460	-	443	-	-	-	18,952		154,855	(8)	(3,676)	-	-	-	(3,684)	135,452	151,171
Water treatment plants and facilities	28,066	-	-	-	-	-	950		29,016	(1)	(1,432)	-	-	-	(1,433)	28,065	27,583
Items under construction	76,686	51,174	-	-	-	-	(41,819)		86,041	(1)	-	-	-	-	(1)	76,685	86,040
Total infrastructural assets	**1,954,946**	**51,174**	**1,307**	**-**	**(38,343)**	**-**	**(4,785)**		**1,964,298**	**(10,270)**	**(25,675)**	**-**	**21,483**	**-**	**(14,462)**	**1,944,676**	**1,949,836**
Restricted assets																	
Buildings and improvements	41,091	-	-	(43)	-	-	10,407		51,455	(2,449)	(2,857)	8	-	-	(5,298)	38,642	46,157
Land	143,734	-	-	-	-	-	579		144,313	-	-	-	-	-	-	143,734	144,313
Items under construction	6,731	4,319	-	-	-	-	(8,715)		2,335	-	-	-	-	-	-	6,731	2,335
Total restricted assets	**191,556**	**4,319**	**-**	**(43)**	**-**	**-**	**2,271**		**198,103**	**(2,449)**	**(2,857)**	**8**	**-**	**-**	**(5,298)**	**189,107**	**192,805**
TOTAL PROPERTY, PLANT AND EQUIPMENT	**2,323,308**	**63,207**	**1,307**	**(221)**	**(38,343)**	**-**	**(460)**		**2,348,797**	**(25,422)**	**(33,437)**	**125**	**21,483**	**-**	**(37,251)**	**2,297,886**	**2,311,546**

Accounting Policy

Property, plant, and equipment

Property, plant and equipment is categorised into operational assets used by Council to provide core services (e.g., buildings, plant and equipment, library books), infrastructure assets incorporating the fixed utility systems owned by Council that are required for the roading, water, wastewater and stormwater networks to function, and restricted assets such as parks and reserves that Council maintains on behalf of the community. The use or transfer of these assets is legally restricted. 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 Council's land, buildings, park assets and infrastructure 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, 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, 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% 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 attributed to work in progress until such time as the asset under construction is in its intended location and in use.

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	3-12
Other improvements	4–100
Public art	5-75
Plant and machinery	
Tractors, trailers, heavy mowers	5–10
Other plant	3–20
Infrastructural assets	
Bridges	50–100
Seawalls	
Concrete, posts, rails, panels, rocks	5–60
River control	
Bank protection	50
Roading	
Footpaths	35-60
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,	10–100
Pipes	50–100

Asset category	Useful life for new assets (years)
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	15
Pipes	30–90
Treatment plant	3–80

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.

Impairment

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-Jun-26	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 is 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 as reserve the appropriate adjustments to reflect the restricted nature of any future development potential have 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 have been determined by establishing their estimated 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-Jun-29
Infrastructural assets			
Roading, footpaths, bridges, and culverts	30-Jun-25	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.	30-Jun-27
Land under roads	30-Jun-26	This represents the corridor of land directly under and adjacent to 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% to reflect its restricted nature. The most recent independent valuation was performed by AON Valuation Services.	30-Jun-29

Revaluation methodology

Description	Date of last asset valuation	Valuation method used to assess fair value	Next asset revaluation date
Operational assets			
Water, wastewater, stormwater, seawall, river control	30-Jun-26	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-Jun-28
Restricted assets			
Parks and reserves structures	30-Jun-26	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-Jun-29

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-Jun-28	Every two years thereafter
Roading and bridges (excluding land under roads)	30-Jun-27	Every two years thereafter
Land and buildings (including land under roads revaluations)	30-Jun-29	Every three years thereafter
Parks and reserves structures	30-Jun-29	Every three years thereafter

Methodology

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 assets with all its faults are valued instead of currently desirable alternative.

Water services reform programme

The Government's Local Water Done Well reforms have introduced new requirements for the planning, funding, governance, reporting, and delivery of water services. Following public consultation in 2025, Kāpiti Coast District Council resolved to retain the delivery of drinking water, wastewater, and stormwater services within Council through a dedicated Water Services Internal Business Unit (IBU).

Council adopted and submitted its Water Services Delivery Plan to the Department of Internal Affairs (DIA) in September 2025. The DIA subsequently approved the Plan, confirming that Council's proposed delivery model and implementation approach met the requirements of the Local Government (Water Services Preliminary Arrangements) Act 2024.

Council is currently implementing the transition programme required to establish the IBU. This includes strengthening governance and accountability arrangements, implementing financial ring-fencing of water services activities, enhancing reporting systems and regulatory compliance processes, and preparing for the increased disclosure and performance reporting requirements under the new framework. The Water Services IBU is scheduled to become operational on 1 July 2027.

The reform programme has had no material impact on the financial statements presented in this Annual Report. However, Council continues to incur costs associated with planning for and implementing the transition to the new operating model.

Property, plant and equipment (continued)

Summary of gains/(losses) on disposal of property, plant and equipment	Net sale proceeds $000	Carry amount $000	2025/26 gain/(loss) $000
Operational land	-	599	(599)
Operational buildings	-	-	-
Plant and machinery	35	51	(16)
Motor vehicles	21	3	18
Closing balance	**56**	**653**	**(597)**

12. Intangible assets

2024/25 Actual $000		2025/26 Actual $000
	Computer software	
2,586	Opening balance	2,956
-	Assets repointed during the year	(5)
-	Additions	-
370	Transfers during the year	508
-	Disposals during the year	(1,066)
2,956	**Closing balance**	**2,393**
	Amortisation	
(1,853)	Opening balance	(2,216)
(363)	Amortisation during the year	(452)
-	Disposals during the year	1,066
(2,216)	**Closing balance**	**(1,602)**
740	**Carrying value**	**791**
	Right of Use asset	
3,938	Opening balance	4,028
-	Additions	-
90	Transfers during the year	-
-	Disposals during the year	-
4,028	**Closing balance**	**4,028**
	Amortisation	
(574)	Opening balance	(1,179)
(605)	Amortisation during the year	(616)
-	Disposals during the year	-
(1,179)	**Closing balance**	**(1,795)**
2,849	**Carrying value**	**2,233**
3,589	**Total Carrying value as at 30 June**	**3,024**

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, and are 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
Right of use Paraparaumu sports hall	6 years
Paekākāriki Surf Lifesaving Club	3 years

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 operating surplus or deficit.

13. Insurance

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

- Transferring the risk by purchasing external insurance cover.
- Sharing the risk between councils. Council participates in the Outer Wellington Shared Services (OWSS) 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.
- 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.
- The total value of Council assets 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.
- Council holds professional indemnity and general liability insurance cover.

Asset	Type of insurance	Total value of council assets covered by financial risk sharing arrangements as at 30 June 2026		Maximum limit of insurance cover available to council under those arrangements as at 30 June 2026	Insured/Limit Shared with	Deductible
Infrastructure assets (predominantly underground water assets)	Natural Catastrophe (Physical loss and Business Interruption caused by: Earthquake, Natural Landslip, Flood, Tsunami, Tornado, Windstorm, Volcanic Eruption, Hydrothermal & Geothermal Activity)	~$947 million		$800 million OWSS 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.	OWSS comprising Kāpiti Coast District, Porirua, Hutt and Upper Hutt City Councils.	The deductible for Kāpiti Coast District Council is $1 million per event.
Buildings and plant including water treatment plants	Material Damage and Business Interruption (MDBI) Covering accidental damage including fire and Natural Catastrophe.	~$427 million		$800 million placed to 100% This placement assumes no central government funding.	Wellington Combined Insurance Group comprising Kāpiti Coast District, Greater Wellington Regional, Hutt City, Upper Hutt City, and Porirua City Councils.	The natural disaster deductible is 5% of sum insured, with a minimum deductible of $100,000 and maximum deductible of $25,000,000. For other events the deductible is $50,000 (except for landslip or subsidence which is $250,000 and flood which is $100,000).
Residential property	Included within MDBI policy above	~$32 million (Included in $427 million MDBI)		First $300,000 for each loss event covered by Toka Tū Ake – Natural Hazards Commission (previously EQC). All other losses: as per MDBI policy above	Wellington Combined Insurance Group comprising Kāpiti Coast District, Greater Wellington Regional, Hutt City, Upper Hutt City, and Porirua City Councils.	The NHC deductible is 1% of sum insured with a minimum deductible of $200. If claim is for land, the deductible is 10% of sum insured with minimum deductible of $500. All other deductibles: as per the MDBI policy above.
Motor vehicles	Commercial Motor	~$4.3 million		Market value of vehicle and Third Party Liability $20 million	n/a	1% of Vehicle insured value, minimum $1,000 + additional excess for drivers under the age of 25

14. Trade and other payables

2024/25 Actual $000		2025/26 Actual $000
	Trade and other payables	
16,249	Trade creditors	10,410
2,043	Contract retentions	1,727
3,946	Greater Wellington Regional Council rates payable	4,666
2,803	Interest payable	2,858
1,501	Rates received in advance	1,762
1,454	Sundry payables	1,779
27,996	**Total trade and other payables**	**23,202**

Accounting Policy

Trade and other payables are initially recognised at fair value as they are non-interest bearing and are normally settled on 30-day terms. Those with maturities beyond 12 months are subsequently measured at amortised cost using the effective interest rate method.

15. Employee benefit liabilities

2024/25 Actual $000		2025/26 Actual $000
	Current	
97	Long service leave	101
984	Salaries	1,156
180	Sick leave	162
3,164	Annual leave	3,557
4,425	**Total current employee benefit liabilities**	**4,976**
	Non-current	
76	Long service leave	95
65	Retirement gratuities	70
141	**Total non-current employee benefit liabilities**	**165**
4,566	**Total employee benefit liabilities**	**5,141**

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 the operating 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
- the 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

2024/25 Actual $000		2025/26 Actual $000
	Deposits	
29	Hall deposits	20
19	Miscellaneous deposits	21
1,386	Resource consent planning bonds	1,116
918	Road damage deposits	961
2,352	**Total deposits**	**2,118**

Accounting Policy

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

17. Borrowings

2024/25 Actual $000		2025/26 Actual $000
	Current	
-	Commercial paper	27,957
70,000	Debt securities - floating rate notes	80,000
70,000	**Total current**	**107,957**
	Non-current	
295,000	Long term borrowings	295,000
295,000	**Total non-current**	**295,000**
365,000	**Total borrowings amortised cost**	**402,957**
	Maturity	
70,000	2025/26	-
80,000	2026/27	108,000
80,000	2027/28	85,000
80,000	2028/29	105,000
45,000	2029/30	90,000
10,000	2030/31	15,000
365,000	**Total borrowings at nominal value**	**403,000**

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.

During 2025/26, Council, through consultation with their Treasury advisors (Bancorp), entered into a Commercial paper with the LGFA. A commercial paper is a short-term funding mechanism that allows Council to take advantage of the favourable short-term interest rates, and offers diversification within the debt portfolio. The Commercial paper nominal value is $28 million maturing 22 July 2026 with a fair value as at 30 June 2026 being $27.96 million.

As at 30 June 2026, $403 million (2025: $365 million) of Council's total borrowings were funded through LGFA. Council's borrowings from the LGFA are secured by a Debenture Trust Deed over Council's rates revenue. As at 30 June 2026, the effective weighted average interest rate on Council's borrowings was 3.64% (2025: 4.16%).

Net borrowing at 30 June

2024/25 Actual $000		2025/26 Actual $000
365,000	**Total gross borrowings**	**402,957**
	Less	
(13,527)	Cash and cash equivalents (note 7)	(9,814)
(70,000)	Term deposits > 3 months (note 10)	(80,000)
(11,525)	Borrower notes - Local Government Funding Agency (note 10)	(13,615)
269,948	**Net borrowings**	**299,528**

18. Provisions

2024/25 Actual $000		2025/26 Actual $000
	Landfill aftercare	
1,907	Opening balance	1,736
(169)	Increase/(decrease) in provision	438
(88)	Expenditure	(54)
86	Adjustment to present value	(124)
1,736	**Closing balance 30 June**	**1,996**
	Other provisions	
156	Opening balance	20
-	Increase/(decrease) in provision	10
(136)	Expenditure	(20)
20	**Closing balance 30 June**	**10**
1,756	**Total provisions**	**2,006**

Accounting Policy

Landfill after-care costs

Council, as operator of the Otaihanga 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.

Landfill aftercare provision

Council obtained a resource consent for 35 years in 1994 to operate the Otaihanga landfill. Council operated the Otaihanga landfill (closed 30 June 2024) and also manages the Ōtaki and Waikanae sites which are now closed. Council has responsibility under the Resource Management Act 1991 to provide ongoing maintenance and monitoring of landfills after closure.

The 2025/26 financial year was the final year Council incurred any monitoring and maintenance costs and subsequently has no ongoing liability for the Ōtaki site.

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.

	Annual post-closure costs as at 30 June 2026 $000	Final year of monitoring and maintenance
Waikanae	6	2030
Otaihanga	96 -104	2054

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

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

The average government risk-free rate at 30 June 2026 was 4.64% (4.81% in 2024/25).

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

Provisions classifications

2024/25 Actual $000		2025/26 Actual $000
	Current	
217	Provision for landfill aftercare	105
20	Other provisions	10
237	**Total current provisions**	**115**
	Non-current	
1,519	Provision for landfill aftercare	1,891
-	Other provisions	-
1,519	**Total non-current provisions**	**1,891**
1,756	**Total provisions**	**2,006**

Equity

Equity is the community's interest in Council's financial position 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 Assets/Equity for the year-on-year movements of the various components.

19. Revaluation reserve

	Opening balance Actual $000	Increase Actual $000	Decrease Actual $000	Transfers Actual $000	Closing balance 2025/26 Actual $000
Land and buildings	189,148	21,658	(16,338)	-	194,468
Roading and bridges	828,719	82,060	-	-	910,779
Stormwater and river control	62,658	12,329	(24,229)	-	50,758
Wastewater	143,399	12,055	(4,684)	-	150,770
Water	81,832	7,589	(3,422)	-	85,999
Total revaluation reserve	**1,305,756**	**135,691**	**(48,673)**	**-**	**1,392,774**

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 Council's assets, subject to revaluation, into current dollar values after taking into account the condition and remaining lives of assets.

Accounting Policy

Restricted reserves are those subject to specific conditions accepted as binding by Council which may not be revised by 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. Council may alter them without reference to any third party or the courts. Transfers to and from these reserves are at Council's discretion.

20. Reserves and special funds

2025/26	Opening balance 2024/25 Actual $000	Transfers into reserve Actual $000	Transfers out of reserve Actual $000	Closing balance 2025/26 Actual $000
Restricted reserves				
Plant purchase and renewal fund	1,161	460	(447)	1,174
Waikanae capital improvements fund	951	34	(42)	943
Total restricted reserves	**2,112**	**494**	**(489)**	**2,117**
Council-created reserves				
Contingency fund	518	-	-	518
Datascape Project	(3,137)	509	(3,169)	(5,797)
Paekākāriki Campe Estate	114	4	(5)	113
Financial contribution reserve	12,255	1,740	(1,562)	12,433
Total Council-created reserves	**9,750**	**2,253**	**(4,736)**	**7,267**
Total reserves and special funds	**11,862**	**2,747**	**(5,225)**	**9,384**

Plant purchase and renewal fund

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

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 uninsured loss events.

Datascape Project

Datascape is a Software as a Service (SaaS) solution, with implementation costs expensed as they are incurred. The purpose of the reserve is to monitor the recovery of costs through rates over time.

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.

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

2024/25 Actual $000		2025/26 Actual $000
3,539	Net operating surplus/(deficit) for the year	915
	Add/(less) non-cash items	
34,406	Depreciation and amortisation expense	35,682
(1,307)	Vested assets	(1,806)
6,558	Unrealised (gain)/loss on revaluation of financial derivatives	688
(478)	Impairment (reversal of impairment) of Loans	-
-	(Gains)/losses in fair value of forestry assets	-
86	Present value adjustments	(124)
39,265	**Total non-cash items**	**34,440**
	Add/(less) items classified as investing or financing activities	
(39)	(Gain)/Loss on disposal of property, plant and equipment and intangibles	597
-	(Gain)/Loss on disposal of motor vehicles from prior year adjustment	-
(13,139)	Proceeds from capital grants	(7,308)
(5,011)	Proceeds from development and financial contributions revenue	(3,841)
16,115	Interest on borrowings	14,595
(2,074)	**Total investing or financing activities**	**4,043**
	Add/(less) movements in working capital items	
3,158	(Increase)/decrease in receivables	(450)
(6)	(Increase)/decrease in inventory	(4)
(8,777)	Increase/(decrease) in payables	(4,794)
66	Increase/(decrease) in employee entitlements	575
(197)	Increase/(decrease) in deposits	(234)
(307)	Increase/(decrease) in provisions	250
(6,063)	**Total movement in working capital**	**(4,657)**
34,667	**Net cash inflow/(outflow) from operating activities**	**34,741**

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

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) amortised cost, (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, 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 operating surplus/(deficit) in the 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

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.

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

Derivative financial instruments

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, 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.

Council has not adopted hedge accounting.

Financial instruments categories

2024/25 Actual $000		2025/26 Actual $000
	Financial assets	
	Amortised Cost	
15,570	Cash and cash equivalents	11,541
18,268	Trade and other receivables	20,600
692	**Loans**	569
11,525	LGFA borrower notes	13,615
70,000	Term deposits	80,000
116,055	**Total amortised cost**	**126,325**
	Fair value through other comprehensive revenue and expense	
100	Shares in LGFA	100
14	Shares in Civic Financial Services	14
114	**Total fair value through other comprehensive revenue and expense**	**114**
	Fair value through surplus or deficit	
108	Current	6
3,461	Non-current	2,470
3,569	**Total fair value through surplus or deficit**	**2,476**
	Financial liabilities	
	Fair value through other comprehensive revenue and expense	
	Derivative financial instruments	
40	Current	-
1,160	Non-current	795
1,200	**Total fair value though other comprehensive revenue and expense**	**795**
	Financial liabilities at amortised cost	
2,352	Deposits	2,118
26,495	Trade and other payables	21,440
365,000	Borrowings	402,957
393,847	**Total financial liabilities at amortised cost**	**426,515**

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.

Fair value hierarchy disclosures

$000	2025/26				2024/25			
	Quoted market price (level 1)	Valuation technique – market observable inputs (level 2)	Valuation technique – non-market observable inputs (level 3)	Total	Quoted market price (level 1)	Valuation technique – market observable inputs (level 2)	Valuation technique – non-market observable inputs (level 3)	Total
Financial assets								
Derivative financial instruments	-	2,476	-	2,476	-	3,569	-	3,569
Shares in CFS	-	14	-	14	-	14	-	14
Shares in LGFA	-	100	-	100	-	100	-	100
Total	**-**	**2,590**	**-**	**2,590**	**-**	**3,683**	**-**	**3,683**
Financial liabilities								
Derivative financial instruments	-	795	-	795	-	1,200	-	1,200
Total	**-**	**795**	**-**	**795**	**-**	**1,200**	**-**	**1,200**

Financial risk management

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

Credit risk

Credit risk is the risk that a third party will default on its obligations to council, thereby causing a loss. 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 Council's exposure to bad debts is not significant. The table to the right analyses 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. 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.

Contractual maturity analysis of financial instruments

2025/26	Carrying amount $000	Total contractual cashflow $000	Less than 1 year $000	1-2 years $000	2-5 years $000	More than 5 years $000
Financial Assets						
Cash and cash equivalents	11,541	11,541	11,541	-	-	-
Derivative financial instruments	2,476	2,562	965	722	871	4
Trade and other receivables	20,600	20,600	20,600	-	-	-
Loan receivables	569	613	425	22	60	106
Term deposits	80,000	83,241	83,241	-	-	-
LGFA borrower notes	13,615	15,680	2,707	3,160	9,813	-
Total	**128,801**	**134,237**	**119,479**	**3,904**	**10,744**	**110**
Financial Liabilities						
Deposits	2,118	2,118	2,118	-	-	-
Trade and other payables	21,440	21,440	21,440	-	-	-
Derivative financial instruments	795	1,242	762	342	138	-
Borrowings	402,957	430,042	118,894	93,396	217,752	-
Total	**427,310**	**454,842**	**143,214**	**93,738**	**217,890**	**-**

Contractual maturity analysis of financial instruments

2024/25	Carrying amount $000	Total contractual cashflow $000	Less than 1 year $000	1-2 years $000	2-5 years $000	More than 5 years $000
Financial Assets						
Cash and cash equivalents	15,570	15,570	15,570	-	-	-
Derivative financial instruments	3,569	3,745	1,106	989	1,556	94
Trade and other receivables	18,268	18,268	18,268	-	-	-
Loan receivables	692	746	532	25	55	134
Term deposits	70,000	73,539	73,539	-	-	-
LGFA borrower notes	11,525	13,651	2,190	2,735	8,392	334
Total	**119,624**	**125,519**	**111,205**	**3,749**	**10,003**	**562**
Financial Liabilities						
Deposits	2,352	2,352	2,352	-	-	-
Trade and other payables	26,495	26,495	26,495	-	-	-
Derivative financial instruments	1,200	1,252	526	465	258	3
Borrowings	365,000	402,475	83,788	90,670	217,886	10,131
Total	**395,047**	**432,574**	**113,161**	**91,135**	**218,144**	**10,134**

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

	2025/26 $000	2024/25 $000
Cash and cash equivalents and term deposits - registered banks		
AA-	91,541	85,570
LGFA borrower notes		
AA+	13,615	11,525
	105,156	**97,095**

Liquidity risk

Liquidity risk is the risk that 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.

Council manages its borrowings in accordance with its treasury management policy. Council has a $10 million credit line facility with Westpac Banking Corporation. 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.

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. 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 council to cash flow interest rate risk. Generally, Council raises long-term borrowings at floating rates and swap 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 2026, 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 $378 million (2025: $360 million).The fixed interest rate range for Council's interest rate swaps are 0.31% to 3.84%. The net fair value of the interest rate swaps as at 30 June 2026 was $1.32 million net asset (2025: $2.49 million net asset).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, 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 council's financial instrument exposures at balance date.

Fair value sensitivity

$000	2025/26		2024/25	
Interest rate risk	**+100 BPS**	**-100 BPS**	**+100 BPS**	**-100 BPS**
Financial assets				
Cash and cash equivalents	-	-	-	-
Other financial assets – term deposits	800	(800)	700	(700)
Derivative financial instruments - current	35	(37)	57	(61)
Derivative financial instruments - non-current	2,598	(2,734)	3,797	(4,000)
Financial liabilities				
Derivative financial instruments - current	-	-	60	(62)
Derivative financial instruments - non current	6,224	(6,507)	5,590	(5,796)
Borrowings	-	-	-	-
Gain/(loss)	**9,657**	**(10,078)**	**10,204**	**(10,619)**

Cash flow sensitivity

$000	2025/26		2024/25	
Interest rate risk	**+100 BPS**	**-100 BPS**	**+100 BPS**	**-100 BPS**
Financial assets				
Cash and cash equivalents	115	(115)	156	(156)
Other financial assets - LGFA notes	136	(136)	115	(115)
Derivative financial instruments - current	50	(50)	100	(100)
Derivative financial instruments - non-current	900	(900)	1,170	(1,170)
Financial liabilities				
Derivative financial instruments - current	-	-	270	(270)
Derivative financial instruments - non current	2,830	(2,830)	2,060	(2,060)
Borrowings	(4,030)	4,030	(3,650)	3,650
Gain/(loss)	**1**	**(1)**	**221**	**(221)**

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 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 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 Council to disclose the total remuneration of key management personnel for the reporting period.

Key management personnel

Members	Full Year 2025/26	Full Year 2024/25
Councillors and elected members	31	31
Senior Management Team, including Chief Executive Officer	7	7
Total Members	**38**	**38**

Remuneration	2025/26 $000	2024/25 $000
Councillors and elected members[1]	1,015	991
Senior Management Team, including Chief Executive Officer[2]	2,079	2013
Total remuneration key management personnel	**3,094**	**3,004**

[1] The Full Year numbers include both the Previous Triennium (July to September), and the Current Triennium (October to June)

[2] The 2024/25 Senior Management Team, including Chief Executive Officer total Remuneration disclosure has been adjusted to $2,013 (Previously disclosed: $2,001), to account for non financial benefits and Kiwisaver contributions that were omitted.

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 2026 is summarised as follows.

Remuneration of Councillors and Elected Members July 2025 to October 2025 (previous triennium)

Name	Base Salary Actual $000	Allowances Claimed Actual $000	District Licensing Committee Actual $000	Total remuneration Actual $000
Councillors				
Janet Holborow (Mayor)	51	1.6	-	53
Lawrence Kirby (Deputy Mayor)	21	2.0	-	23
Glen Cooper	17	1.6	-	19
Jocelyn Prvanov	20	1.6	-	22
Kathy Spiers	16	2.0	-	18
Liz Koh	20	1.6	-	22
Martin Halliday	20	1.6	-	22
Nigel Wilson	17	2.0	22	41
Rob Kofoed	16	2.0	-	18
Shelly Warwick	16	1.6	-	18
Sophie Handford	19	-	-	19
Paekākāriki community board members				
Kelsey Lee (Chair)	3	1.6	-	5

Name	Base Salary Actual $000	Allowances Claimed Actual $000	District Licensing Committee Actual $000	Total remuneration Actual $000
Sorcha Ruth (Deputy Chair)	1	-	-	1
Christian Judge	1	-	-	1
Sean Mckinley	1	0.5	-	1
Paraparaumu community board members				
Glen Olsen (Chair)	8	1.6	-	10
Guy Burns (Deputy Chair)	3	-	-	3
Bernie Randall	4	-	-	4
Karl Webber	4	1.6	-	6
Ōtaki community board members				
Cameron Butler (Chair)	5	1.6	-	7
Simon Black (Deputy Chair)	3	1.6	-	5
Christine Papps	2	1.6	-	4
Jackie Elliott	3	1.6	3	8
Waikanae community board members				
Michael Moore (Chair)	6	1.6	-	8
Richard Mansell (Deputy Chair)	3	-	-	3
Michelle Lewis	3	-	-	3
Tonchi Begovich	3	1.6	-	5
Raumati community board members				
Bede Laracy (Chair)	6	-	2	8
Jonny Best (Deputy Chair)	3	-	-	3
Tarn Sheerin	2	2.0	-	4
Tim Sutton	2	-	-	2
Total	**299**	**34**	**27**	**360**

Remuneration of Councillors and Elected Members October 2025 to June 2026 (current triennium)

Name	Base Salary Actual $000	Allowances Claimed Actual $000	District Licensing Committee Actual $000	Total remuneration Actual $000
Councillors				
Janet Holborow (Mayor)	105	-	-	105
Martin Halliday (Deputy Mayor)	48	-	-	48
Bede Laracy	35	-	6	41
Glen Cooper	41	-	-	41
Glen Olsen	41	-	-	41
Heniti Buick	36	1.0	-	37
Himi Grace	36	-	-	36
Jocelyn Prvanov	41	-	-	41
Liz Koh	43	-	-	43
Rob McCann	42	-	-	42
Steven Botica	36	-	-	36
Paekākāriki community board members				
Kelsey Lee (Chair)	6	-	-	6
Elyse Robert (Deputy Chair)	3	-	-	3
Himiona Grace	3	-	-	3
Tina Pope	3	-	-	3
Paraparaumu community board members				
Clint Smith (Chair)	14	-	-	14
Bernie Randall (Deputy Chair)	7	-	-	7
David Ogden	8	-	-	8
Karl Webber	7	-	-	7
Ōtaki community board members				
Cameron Butler (Chair)	11	-	-	11
Simon Black (Deputy Chair)	6	-	-	6
Jackie Elliott	6	-	1	7
Rhyna Taratoa	6	-	-	6
Waikanae community board members				
Peter Bollmann (Chair)	13	-	-	13
Phil Byrne (Deputy Chair)	7	-	-	7
Michael Moore	7	-	-	7
Richard Mansell	7	-	-	7
Raumati community board members				
Jonny Best (Chair)	11	-	-	11
Zelda Edwards (Deputy Chair)	6	-	-	6
Fiona Vining	6	-	-	6
Sue Harris	6	-	-	6
Total	**647**	**1**	**7**	**655**

Chief Executive Officer's Remuneration

For the year ended 30 June 2026, council's Chief Executive, Darren Edwards, who was appointed under Section 42(1) of the Local Government Act 2002, received a total remuneration of $426,758, inclusive of any non-financial benefits and employer KiwiSaver contributions (2025: $399,249, inclusive of any non-financial benefits and employer KiwiSaver contributions).

Employee staffing levels and remuneration

Number of employees

(full time equivalent)	(headcount)		(full time equivalent)	(headcount)
2024/25			2025/26	
383	437	Permanent employees	381	434
31	35	Temporary employees	36	37
414	**472**	**Total full time equivalent employees**	**417**	**471**

Employees who work more than 37.5 hours per week are deemed a full time equivalent even if they work on a casual basis

Salary bands

Number of permanent employees (headcount)		Number of employees (headcount)
2024/25		2025/26
83	Less than $60,000	80
108	$60,000 to $79,999	98
108	$80,000 to $99,999	105
58	$100,000 to 119,999	69
57	$120,000 - $139,999	55
23	$140,000 - $159,999	27
20	$160,000 - $179,999	21
7	$180,000 - $199,999	7
6	$200,000 - $279,999*	7
2	$260,000 - $439,999*	2
472	**Total remuneration**	**471**

* if the number of employees for any band was 5 or less we are legally required to combine it with the next highest band. This means that some rows span different bands across the two years shown. This has resulted also in the 2024/25 bands being reinstated for comparative purposes.

Employee remuneration includes salary and motor vehicles as part of the salary package paid to the employee. These figures represent headcount and so do not agree to the total full time equivalent employees.

Included in Staff remuneration is severance payment made to eighteen employees' totalling $481,464. The value of each of the severance payments were: $24,956, $24,691, $50,384, $16,858, $31,881, $16,151, $76,418, $11,666, $31,000, $7,821, $18,962, $21,017, $17,857, $16,116, $24,186, $48,500, $18,000 and $25,000.

In 2024/25 Council made severance payments to eighteen employees' totalling $283,589. The value of each of the severance payments were: $34,342, $31,835, $10,832, $14,730, $24,998, $2,556, $3,138, $23,734, $10,000, $10,000, $15,000, $24,035, $17,637, $4,820, $12,000, $12,949, $10,000 and $20,983.

25. Commitments and operating leases

Capital commitments

2024/25 Actual $000		2025/26 Actual $000
35,540	Contracted capital commitments at 30 June but not yet completed	24,910
35,540	**Total capital commitments**	**24,910**

Non-cancellable operating leases (as lessee)

2024/25 Actual $000		2025/26 Actual $000
	Remaining payables under leases	
273	Not later than one year	294
1,064	Later than one year and not later than five years	1,136
1,130	Later than five years	2,107
2,467	**Non-cancellable operating leases (council as lessee)**	**3,537**

Council leases commercial premises in Ōtaki, Waikanae and Paraparaumu.

Non-cancellable operating leases (as lessor)

2024/25 Actual $000		2025/26 Actual $000
	Remaining receivables under leases	
924	Not later than one year	1,222
3,350	Later than one year and not later than five years	4,602
8,303	Later than five years	11,325
12,577	**Total operating lease commitments (council as lessor)**	**17,149**

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, Council became a principal shareholder local authority in the Local Government Funding Agency (LGFA). Council holds 200,000 shares (total number of shares available 45,000,000) reflecting a 0.44% 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 6b(i) 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% or more of the votes at any meeting of the members or controlling body of the entity. 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 – Council does not have the ability to control the entity (0.44% shareholding is less than the control threshold). 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 – 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 – Council does have exposure to variable benefits from its involvement with the LGFA under the terms and conditions of participating local authorities. However, Council has no existing rights that give it the current ability to direct relevant activities, nor does Council have the power to affect the nature or amount of the benefits from its involvement with the LGFA. 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 Council's relationship with LGFA.

During the year Council borrowed $108 million from the LGFA and repaid $70 million to the LGFA.

27. Major variances from budget

Major variances from council's budget figures are explained below.

Statement of comprehensive revenue and expense

Total revenue excluding gains

Total revenue (excluding gains) was $4.3 million lower than budget. This was mainly due to:

- Rates revenue being $1.6 million lower than budget, primarily due to year-end adjustments to rates revenue accruals.
- Grants revenue being $2.8 million lower than budget, largely reflecting the timing of the capital works programme and the associated grant funding.
- Development and Financial Contributions revenue being $2.1 million lower than budget.

Other operating revenue was $1.8 million higher than budget, mainly due to $1.6 million of unbudgeted vested assets received during the year.

Operating Expenses

Operating expenses were $12.5 million lower than budget. The main reason for this was that the planned $21.5 million transfer of the Older Persons Housing portfolio did not proceed during the year. This favourable variance was partly offset by:

- $2.6 million less staff time being capitalised than budgeted, reflecting lower levels of capital expenditure activity during the year;
- Personnel costs being $2.3 million higher than budget; and
- $3.2 million of Datascape implementation costs being recognised as operating expenditure in accordance with accounting standards, rather than being capitalised as budgeted. These costs are being managed through a Council reserve and will be recovered through rates over the life of the system.

The remaining variance relates to a number of smaller expenditure movements across Council activities.

Depreciation and amortisation

Depreciation and amortisation expense was $1.6 million below budget, partly reflecting the treatment of Datascape implementation costs discussed above.

Total interest expense

Net interest costs were $0.5 million lower than budget, primarily due to interest rates being lower than assumed in the budget.

Unrealised loss on financial derivatives

The unrealised loss on financial derivatives was $3.1 million higher than budget. This was primarily due to a reduction in market interest rates during the year, which decreased the fair value of Council's interest rate swap portfolio. This is an accounting adjustment only and does not represent a cash loss.

Unrealised gain on revaluation of property, plant and equipment

The unrealised gain on the revaluation of property, plant and equipment was $36.6 million higher than budget. The budget assumed a modest increase in asset values of $49.3 million following the significant decrease recorded in the previous year. However, the actual revaluation resulted in an increase of $85.9 million, reflecting stronger growth in asset values than anticipated.

Statement of financial position

Current assets:

Trade and other receivables

Trade and other receivables were $6.2 million lower than budget. This primarily reflects lower-than-budget revenue from rates, grants and subsidies, and development and financial contributions, which were collectively $6.5 million below budget.
In addition, the opening balance assumed in the 2025/26 Annual Plan was $5.2 million higher than the actual 2024/25 closing balance. This difference arose because capital expenditure in 2024/25 was lower than budget, resulting in lower receivables being carried forward into the year.

Derivative financial instruments

Derivative financial instruments had a net asset value of $1.7 million at year end, compared with a budgeted asset value of $6.3 million. This reflects the decline in market interest rates during the year, which reduced the fair value of Council's portfolio of interest rate swaps.

Non-current assets:

Property, plant and equipment

Property, plant and equipment was $9.1 million higher than budget. This was due to the 2025/26 forecast transfer of the Older Person Housing stock of $21.5 million that did not eventuate during the 2025/26 Financial year. This was offset by the higher than budgeted asset revaluation carried out on 30 June 2026.

Intangible Assets

Intangible assets were $3.7 million lower than budget. This was primarily due to the treatment of the Datascape ERP implementation. The 2025/26 Annual Plan assumed these costs would be recognised as an intangible asset. However, the system was subsequently assessed as Software as a Service (SaaS), requiring the implementation costs to be expensed in accordance with accounting standards rather than recognised as an asset.

Current liabilities

Trade and other payables

Trade and other payables were $12.9 million lower than budget. This was primarily due to three factors:

- In preparation for the implementation of the Datascape ERP system, Council made an additional supplier payment of $4.0 million on 30 June 2026 to reduce the number of outstanding creditor balances requiring migration to the new system. This payment was not anticipated in the 2025/26 Annual Plan.
- Actual capital expenditure for the year was $61.5 million, compared with a budget of $79.4 million, resulting in lower capital-related liabilities at year end.
- Council's annual insurance premium of approximately $3.0 million was not payable at 30 June 2026 due to a change in payment arrangements with the insurer, with the payment instead falling into the 2026/27 financial year.

Non-current liabilities

Net debt

Closing net debt (gross debt, less cash, term deposits and borrower notes) was $299.5 million, against a budget of $307.1 million. The difference reflects a lower than budgeted capital expenditure programme in the 2025/26 financial year.

28. Contingencies

Assets

Betterment Value

During the 2023/24 Financial year, Council purchased land for the construction of a road linking Kāpiti Road and Ihakara Street. The purchase was made under a Public Works Agreement, which also entitles Council to receive a betterment value of $2.7 million upon construction of the road. Robust conversations have been undertaken between Council and the developer, however given the ongoing uncertain timing of construction this amount has not been recognised as a receivable in the June 2026 financial statements

Liabilities

Guarantees and uncalled capital

Council is one of 30 local government shareholders of the LGFA (2025: 30) in addition to the Crown, and uncalled capital of $100,000 as at 30 June 2026. 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, Council is a guarantor of all LGFA's borrowings. At 30 June 2026, LGFA had borrowings totalling $28.4 billion (2025: $25.5 billion).

Financial reporting standards require Council to recognise the guarantee liability at fair value. However, Council has been unable to determine a sufficiently reliable fair value for the guarantee, and therefore has not recognised a liability. 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.

Riskpool

Kāpiti Coast District Council previously obtained public liability and professional indemnity insurance cover as a member of the New Zealand Mutual Liability Riskpool scheme until 2008. Riskpool operated as a mutual fund where each member made an annual contribution to obtain cover, however should claims exceed contributions then calls can be made on the members of that fund year, for the shortfall amount. The scheme is in wind-down. Kāpiti Coast District Council has an on-going obligation to contribute to the scheme should a funding call be made in respect of historical claims (to the extent those claims are not covered by reinsurance or where reinsurance recovery is delayed), and to fund the on-going operations of the scheme. Ongoing litigation involving other Council members of Riskpool has introduced a high level of uncertainty about both the level of Kāpiti Coast District Council's potential financial exposure and its timing. At this stage, Riskpool cannot quantify the total potential liability associated with these matters.

Legal claims

The Council was previously a member of the New Zealand Mutual Liability Riskpool scheme ('Riskpool'). The Scheme is in wind down, however the Council has an ongoing obligation to contribute to the scheme should a call be made in respect of any historical claims (to the extent those claims are not covered by reinsurance), and to fund the ongoing operation of the scheme. During the 2025/26 financial year, the Council was required the pay $0.09m for historic claims (2025: $0.05m).

The likelihood of any call in respect of historical claims diminishes with each year as limitation periods expire. However, as a result of the Supreme Court decision on 1 August 2023 in Napier City Council v Local Government Mutual Funds Trustee Limited, it has been clarified that Riskpool has a liability for that member's claim in relation to non-weathertight defects (in a mixed claim involving both weathertight and non-weathertight defects). A number of member councils have brought mixed claims against Riskpool, two cases were listed for trial in September 2025. The outcome of these trials has not been communicated and Riskpool advised that it is working through the implications of the Supreme Court decision. At this point any potential liability is unable to be quantified.

29. Events after the end of the reporting period

There are no material adjusting events after the reporting period.

30. Local Government Reform

Simplifying Local Government

The Government is progressing a wider programme of local government reform, including consideration of future local government structures and functions across New Zealand. As part of this programme, the Government released a policy proposal for the voluntary "Head Start" pathway, enabling councils to bring forward reorganisation proposals ahead of wider reforms.

The Council participated in discussions relating to a Wellington regional Head Start proposal and tabled an alternative option for the future governance of the Kāpiti Coast. Council resolved to reject amalgamation options to form a single unitary region and to seek inclusion for a Kāpiti Unitary option, through the Wellington Region Head Start Proposal.

Council submitted the Kāpiti Unitary proposal directly to the Ministry for Cities, Environment, Regions and Transport (MCERT), Ministers and other relevant parties. In September 2026, the Government announced that consideration of Head Start proposals had been deferred until early 2027. The Wellington Mayoral Forum has subsequently agreed to stop all work related to amalgamation through the Wellington Regional Leadership Forum.

The outcome, timing and nature of any local government reorganisation remain uncertain.

Legislative Reform

The Government has also passed, or is progressing, several legislative reforms that may affect how local authorities operate in the future, including:

- Local Government (System Improvements) Amendment Act 2026
- Local Government (Water Services) Act 2025
- Local Government (Water Services) (Repeals and Amendments) Act 2025
- Planning and Natural Environment Acts 2026
- Local Government (Rates Capping) Amendment Bill

The Council is currently assessing the implications of these reforms.

The financial statements have been prepared on a going concern basis as the Council continues to operate as a legally established local authority, and the outcome and timing of any future reform remain uncertain.

DISCLOSURE STATEMENT
FOR THE YEAR ENDING 30 JUNE 2026

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

Council is required to include this statement in its annual 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.

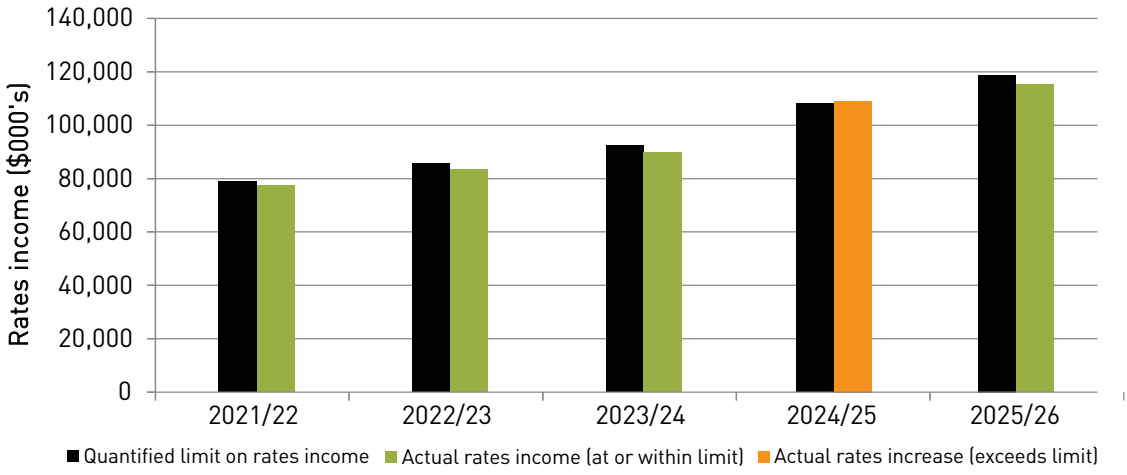
Rates affordability

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.

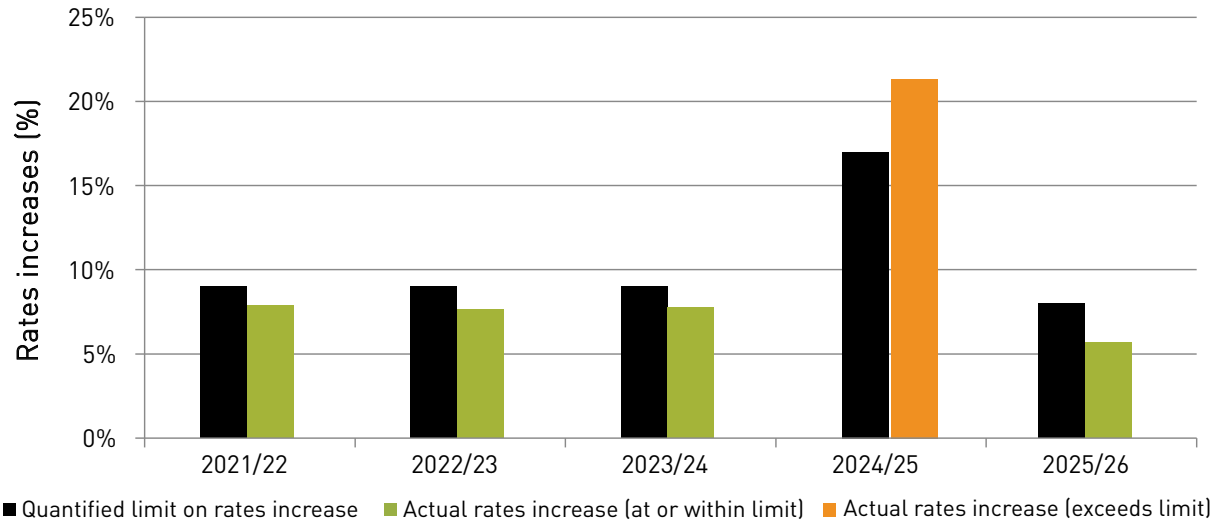
Rates (income) affordability

The following graph compares council's actual rates income with a quantified limit on rates contained in the financial strategy included in Council's LTPs.



Rates (increases) affordability

The actual rates revenue increase for 2025/26 reflects total income including growth. The 2025/26 Annual Plan increase was 6.9% after growth of 1.0% making the comparator 7.9%.

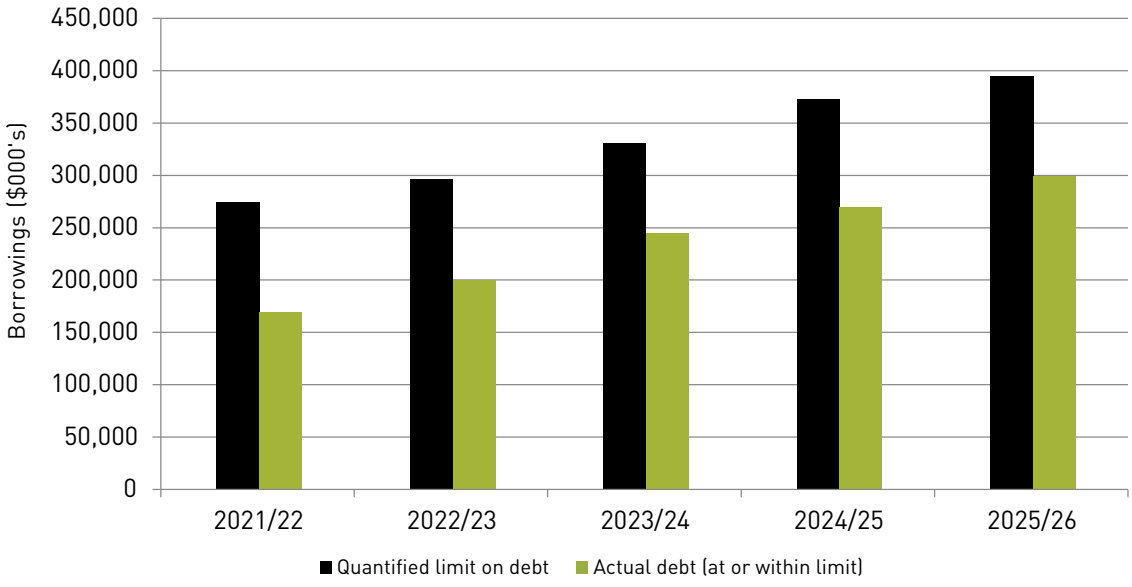


Debt affordability

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

The graph below compares the Council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in Council's LTPs. Council's quantified limit on borrowings, as set out in the financial strategy excludes debt prefunding.

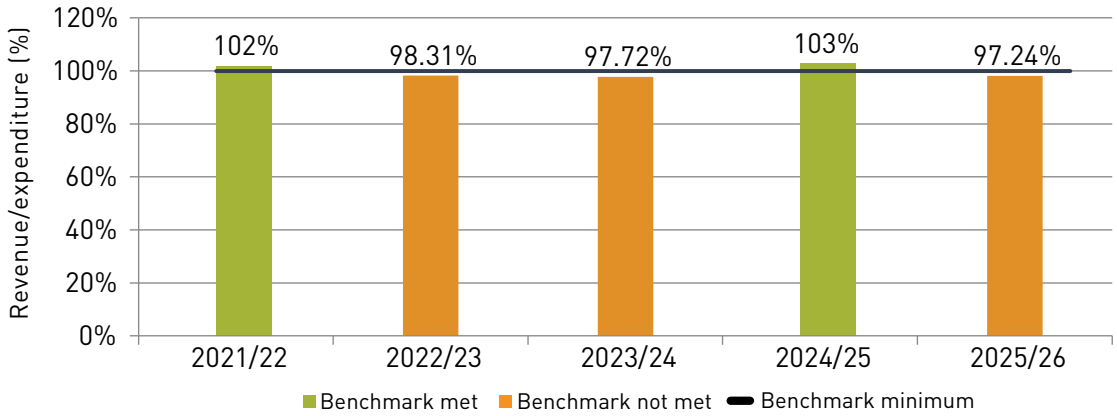
Council's gross borrowings are $403 million at 30 June 2026 which includes total prefunding of $80 million. Net debt (after deducting term deposits, borrower notes and cash) at year end is $299.5 million (refer to Note 17.), which is within the borrowings limit.



Balanced budget

The graph below 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).

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



Council did not meet the balanced budget benchmark in 2025/26 because revenue was lower than expected and operating expenditure was higher than planned.

Revenue was $4.2 million below budget, primarily due to lower grant and subsidy funding than anticipated, along with lower revenue from rates, fees and charges, and interest.

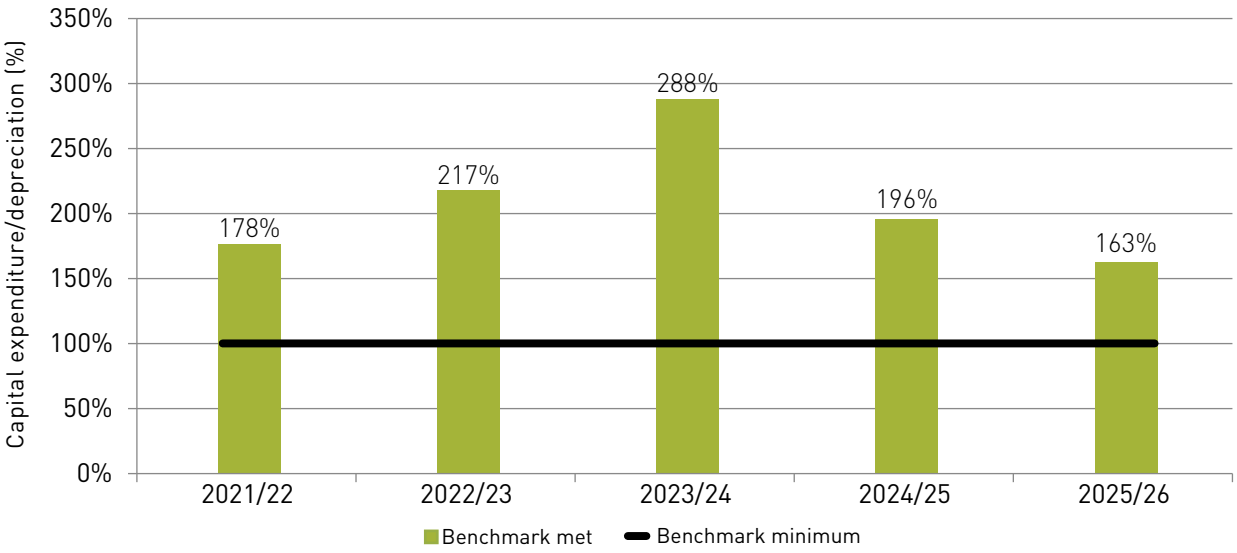
Expenditure was $8.1 million above budget. The main drivers were higher personnel costs, lower levels of staff costs being allocated to capital projects due to reduced capital programme delivery, and the treatment of Datascape ERP implementation costs. While the Annual Plan assumed these costs would be capitalised, accounting standards required them to be recognised as operating expenditure.

Together, these factors resulted in Council not achieving the balanced budget benchmark for the year.

Essential services

The graph below 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.

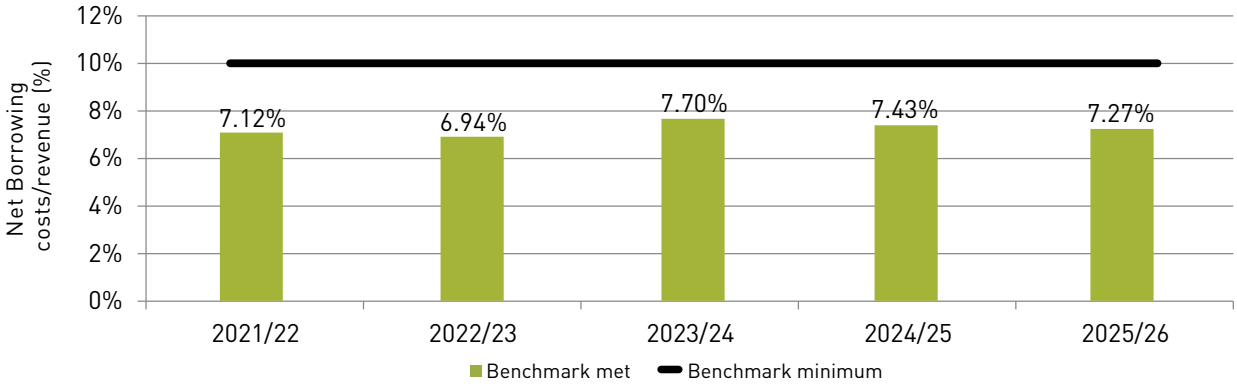
Council meets this benchmark if its capital expenditure on network services equals or is greater than depreciation on network services.



Debt servicing

The graph below 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 Council's population will grow more slowly than the national population is projected to grow, Council meets the debt servicing benchmark if its net borrowing costs equal or are less than 10% of its revenue.

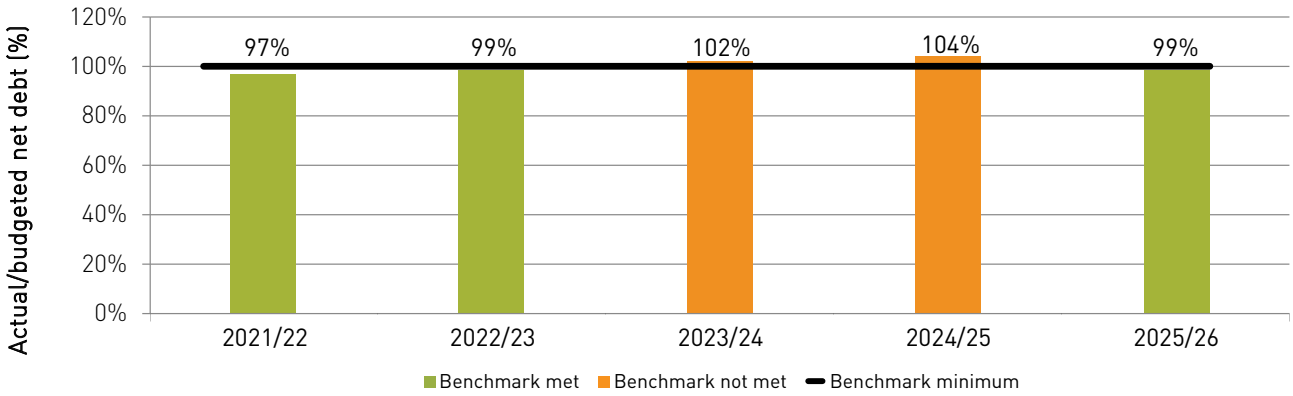


Debt control

The graph below shows 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).

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

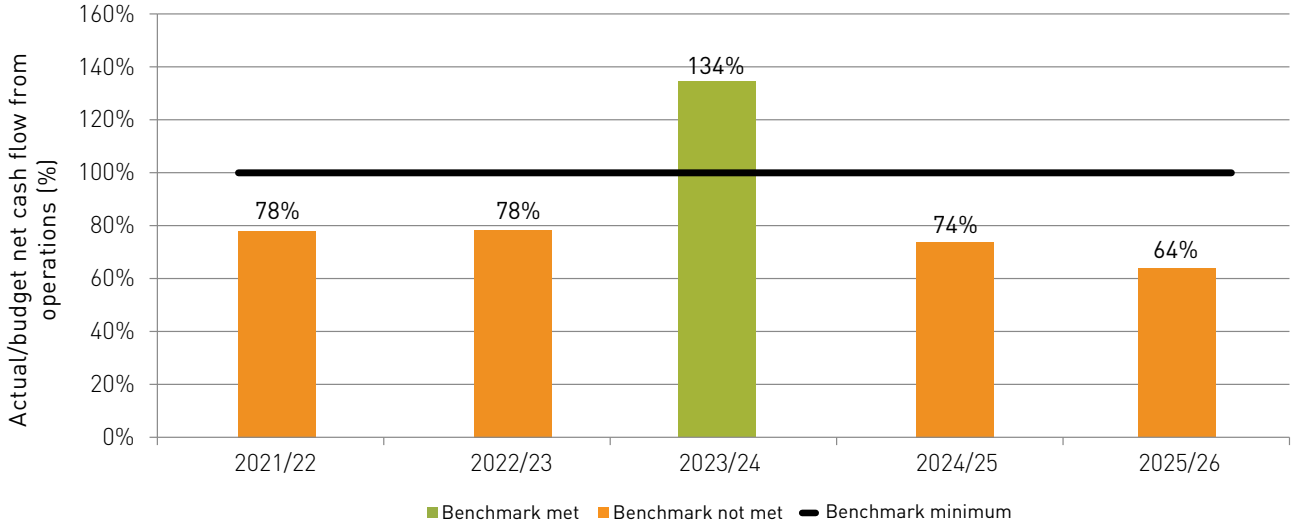
Council had forecast net debt as $307 million but the actual result was $299.5 million in borrowings.



Operations control

The graph below shows Council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

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.



The operations control benchmark was not achieved because operating cash inflows were lower than expected and operating cash outflows were higher than planned. Key factors included the delayed receipt of $5.0 million of Infrastructure Acceleration Fund funding, lower-than-forecast revenue from fees, charges and development contributions, an additional $4.0 million supplier payment associated with the Datascape ERP implementation, and higher personnel costs. Together these factors reduced Council's cash position compared with that assumed in the budget.

GOVERNANCE

YOUR COUNCIL
Tōu Kaunihera

ELECTED MEMBERS

The Kāpiti Coast District Council consists of a Mayor and 10 councillors. Two Kāpiti Coast District councillors are elected from across the district and eight are elected from four wards.



Janet Holborow
Mayor, Kāpiti Coast District Council
janet.holborow@kapiticoast.govt.nz



Martin Halliday
Deputy Mayor and Paraparaumu Ward Councillor
martin.halliday@kapiticoast.govt.nz



Steven Botica
Waikanae Ward Councillor
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Heniti Buick
Ōtaki Ward Councillor
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Glen Cooper
Paraparaumu Ward Councillor
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Himiona Grace
Kapiti Coast Māori Ward Councillor
himi.grace@kapiticoast.govt.nz



Liz Koh
Districtwide Councillor
liz.koh@kapiticoast.govt.nz



Bede Laracy
Paekākāriki-Raumati Ward Councillor
bede.laracy@kapiticoast.govt.nz



Rob McCann
Districtwide Councillor
rob.mccann@kapiticoast.govt.nz



Glen Olsen
Paraparaumu Ward Councillor
glen.olsen@kapiticoast.govt.nz



Jocelyn Prvanov
Waikanae Ward Councillor
jocelyn.prvanov@kapiticoast.govt.nz

COMMUNITY BOARDS

The Kāpiti Coast district has five community boards, one each for Paekākāriki, Raumati, Paraparaumu, Waikanae and Ōtaki. Community board members' role is to represent and advocate for the interests of their communities, liaise with community organisations, maintain an overview of the services provided by Council and carry out the responsibilities, duties and powers that have been delegated to the boards by Council relating to issues within their boundaries. 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. Council is represented at Community Board meetings through ward Councillors which sees one ward Councillor appointed to each of the Community Boards.

Community board chairs or alternates can also attend Council and committee meetings where they can contribute to debate, to ensure that the interests of the whole district are considered but they cannot vote at these meetings. Other community board members may attend meetings of Council and/or its committees with speaking rights, at the discretion of the Chair. A Community Board's role is mainly advocacy, but it also has powers to make some decisions about issues within its boundaries. Boards can make submissions to the Council and other statutory agencies.

Community Boards can approve small grants to individuals and groups for community purposes and name local roads.

COMMUNITY BOARD MEMBERS – ELECTED AT THE 2025 LOCAL BODY ELECTION

Ōtaki Community Board

The Ōtaki Community Board covers an area from Te Horo Beach Road and School Road in the south, up to Forest Lakes in the North.

Simon Black (Deputy Chair)
simon.black@kapiticoast.govt.nz

Cam Butler (Chair)
cam.butler@kapiticoast.govt.nz

Jackie Elliott
jackie.elliott@kapiticoast.govt.nz

Rhyna Taratoa
rhyna.taratoa@kapiticoast.govt.nz

Waikanae Community Board

The Waikanae Community Board covers an area from Waikanae Downs in the south through to Te Horo Beach Road and School Road in the north.

Peter Bollmann (Chair)
peter.bollmann@kapiticoast.govt.nz

Phil Byrne (Deputy Chair)
phil.byrne@kapiticoast.govt.nz

Richard Mansell
richard.mansell@kapiticoast.govt.nz

Michael Moore
michael.moore@kapiticoast.govt.nz

Paraparaumu Community Board

The Paraparaumu Community Board covers an area from Waikanae River in the north (excluding Waikanae Downs), down to Newry Road and across to Hookway Grove in the south.

David Ogden
david.ogden@kapiticoast.govt.nz

Bernie Randall (Deputy Chair)
bernie.randall@kapiticoast.govt.nz

Clint Smith (Chair)
clint.smith@kapiticoast.govt.nz

Karl Webber
karl.webber@kapiticoast.govt.nz

Raumati Community Board

The Raumati Community Board covers an area from Whareroa Stream in the south, up to Newry Road in the north and across to former State Highway One.

Johnny Best (Chair)
johnny.best@kapiticoast.govt.nz

Zelda Edwards (Deputy Chair)
zelda.edwards@kapiticoast.govt.nz

Sue Harris
sue.harris@kapiticoast.govt.nz

Fiona Vining
fiona.vining@kapiticoast.govt.nz

Paekākāriki Community Board

The Paekākāriki Community Board covers an area from Whareroa Stream and over to Maungakotukutuku Road in the north, down to Fisherman's Table in the south.

Himiona Grace (Deputy Chair) (elected Deputy Chair in August 2026)
himiona.grace@kapiticoast.govt.nz

Kelsey Lee, (resigned as Chair in August 2026)
kelsey.lee@kapiticoast.govt.nz

Tina Pope
tina.pope@kapiticoast.govt.nz

Elyse Robêrt (Chair) (elected Chair in August 2026, prior to that Deputy Chair)
elyse.robert@kapiticoast.govt.nz

COUNCIL MEETINGS

Council meetings are generally scheduled every six weeks with additional meetings arranged as required. These meetings are publicly advertised on Council's website, and via social media channels. The Council has delegated some of its powers to committees which meet regularly to discuss and decide on matters within their delegation and/or make recommendations to the Council.

For the 2025/26 financial year there were 10 Council meetings, 25 committee meetings and six Te Whakaminenga o Kapiti meetings.

Committees for the 2025-2028 triennium

As well as Council and community boards, committees are established each new triennium to better channel Council's resources for efficient governance. For the 2025–28 triennium (starting in October 2025) these are:

- Strategy and Policy Committee – Chair Councillor Liz Koh
- Environment and Communities Committee – Chair Councillor Martin Halliday
- Risk and Assurance Committee – Independent Chair Bruce Robertson
- Chief Executive Performance and Employment Committee – Chair Mayor Janet Holborow
- Appeals Hearing Committee – Chair Councillor Glen Cooper
- Campe Estate Committee – Chair Mayor Janet Holborow
- Grants Allocation Committee – Chair Councillor Glen Olsen

Te Whakaminenga o Kāpiti

Te Whakaminenga o Kapiti is the independent advisory committee representing Council's partnership with the three iwi and hapū on the Kāpiti Coast: Ātiawa ki Whakarongotai Charitable Trust, Ngā Hapū o Ōtaki (Ngāti Raukawa ki Te Tonga) and Te Rūnanga o Toa Rangatira (Ngāti Toa Rangatira). Council's Memorandum of Partnership with iwi and hapū, which was renewed last year, is one of the longest-lasting partnership agreements between mana whenua and local government in New Zealand. During the 2025/26 financial year, six Te Whakaminenga o Kapiti meetings were held.

Mana Whenua Representatives

As part of its Governance Structure for the 2025-28 triennium, Council has invited mana whenua to nominate representatives from each iwi to participate in Council and Committee meetings to represent its partnership with mana whenua and allow for participation in decision-making.

Since the start of the triennium, two of the three iwi have nominated representatives to attend Council and committee meetings, with the ability to participate and contribute to debate at Council and to vote on committees.

Council's mana whenua representatives since the start of the triennium are:

- Kim Tahiwi, Chair, Te Whakaminenga o Kapiti
- Representatives from Ātiawa ki Whakarongotai – Helena Gerretzen Parata, Richard Evans and Angela Hayden
- Representatives from Ngā Hapū o Ōtaki – Kim Tahiwi
- Representative from Ngāti Toa Rangatira – Linda Faulkner and Huriwai Paki

MEETING ATTENDANCE FOR 2025/26

The start of the 2025/26 financial year was part of the 2022-25 triennium (until October 2025) and after the election in October 2025, a new Council took office. The attendance records have therefore been split into the attendance per meeting for the 2022-25 triennium (from July 2025 to October 2025) and the attendance per meeting for the new 2025-28 triennium (October 2025 to June 2026).

2022–25 TRIENNIUM

Council (3 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Mayor Janet Holborow	3	-	-
Deputy Mayor Lawrence Kirby	3	-	-
Cr Glen Cooper	3	-	-
Cr Martin Halliday	3	-	-
Cr Sophie Handford	3	-	-
Cr Rob Kofoed	3	-	-
Cr Liz Koh	3	-	-
Cr Jocelyn Prvanov	3	-	-
Cr Kathy Spiers	3	-	-
Cr Shelly Warwick	3	-	-
Cr Nigel Wilson	3	-	-

Strategy, Operations and Finance Committee (2 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Sophie Handford (Chair)	2	-	-
Cr Liz Koh (Deputy Chair)	2	-	-
Mayor Janet Holborow	2	-	-
Deputy Mayor Lawrence Kirby	2	-	-
Cr Glen Cooper	2	-	-
Cr Martin Halliday	2	-	-
Cr Rob Kofoed	2	-	-
Cr Jocelyn Prvanov	2	-	-
Cr Kathy Spiers	1	-	1
Cr Shelly Warwick	2	-	-
Cr Nigel Wilson	2	-	-
Ātiawa ki Whakarongotai representative	1	-	-
Ngāti Toa Rangatira representative	2	-	-
Ngā Hapū o Ōtaki representative	2	-	-

Social Sustainability Committee (2 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Martin Halliday (Chair)	2	-	-
Cr Rob Kofoed (Deputy Chair)	2	-	-
Mayor Janet Holborow	1	-	1
Deputy Mayor Lawrence Kirby	2	-	-
Cr Kathy Spiers	2	-	-
Cr Nigel Wilson	1	-	-
Ātiawa ki Whakarongotai representative	2	-	-
Ngāti Toa Rangatira representative	2	-	-
Ngā Hapū o Ōtaki representative	2	-	-
Michael Moore (Waikanae Community Board)	2	-	-
Jonny Best (Raumati Community Board)	2	-	-
Jackie Elliott (Ōtaki Community Board)	-	-	-
Guy Burns (Paraparaumu Community Board)	-	-	2
Sorcha Ruth (Paekākāriki Community Board)	-	-	-

Climate and Environment Committee (2 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Jocelyn Prvanov (Chair)	1	1	-
Cr Sophie Handford (Deputy Chair)	2	-	-
Mayor Janet Holborow	2	-	-
Cr Glen Cooper	2	-	-
Cr Liz Koh	2	-	-
Cr Shelly Warwick	2	-	-
Ātiawa ki Whakarongotai representative	2	-	-
Ngāti Toa Rangatira representative	2	-	-
Ngā Hapū o Ōtaki representative	2	-	-
Michael Moore (Waikanae Community Board)	2	-	-
Tim Sutton (Raumati Community Board)	1	-	-
Simon Black (Ōtaki Community Board)	1	-	1
Glen Olsen (Paraparaumu Community Board)	2	-	-
Christian Judge (Paekākāriki Community Board)	2	-	-

Risk and Assurance Committee (2 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
David Shand (Independent Chair)	2	-	-
David Cochrane (Independent Member)	2	-	-
Mayor Janet Holborow	2	-	-
Deputy Mayor Lawrence Kirby	2	-	-
Cr Glen Cooper	1	-	-
Cr Liz Koh	2	-	-
Cr Jocelyn Prvanov	2	-	-
Mana whenua representative (vacant)	-	-	-

Chief Executive Performance & Employment Committee (2 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Mayor Janet Holborow	2	-	-
Deputy Mayor Lawrence Kirby	2	-	-
Cr Liz Koh	2	-	-
Cr Sophie Handford	2	-	-

Campe Estate Committee (2 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Mayor Janet Holborow	2	-	-
Cr Sophie Handford	2	-	-
Darren Edwards (Chief Executive)	2	-	-

Appeals Hearing Committee (0 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Glen Cooper	-	-	-
Cr Bede Laracy	-	-	-
Cr Rob McCann	-	-	-

Grants Allocation Committee - Creative Communities (1 meeting)

Member	Attended	Absent (Leave)	Absent (Apology)
Grant Stevenson (Chair)	1	-	-
Cr Glen Cooper	-	-	1
Cr Rob Kofoed	1	-	-
Cr Nigel Wilson	1	-	-
Ngā Hapū o Ōtaki representative	-	-	1
Ātiawa ki Whakarongotai representative	1	-	-
Jennifer Turnbull	-	-	-
Michelle Scullion	1	-	-
Patupaiarehe Porter	-	-	-

Grants Allocation Committee - Heritage Fund (1 meeting)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Nigel Wilson (Chair)	1	-	-
Mayor Janet Holborow	-	-	1
Cr Glen Cooper	-	-	1
Cr Rob Kofoed	1	-	-

Grants Allocation Committee - Waste Levy (1 meeting)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Nigel Wilson (Chair)	1	-	-
Mayor Janet Holborow	1	-	-
Cr Glen Cooper	1	-	-
Cr Rob Kofoed	-	-	1
Cr Martin Halliday	1	-	-
Cr Shelly Warwick	1	-	-
Sean McKinley (Paekākāriki Community Board)	-	-	-
Tarn Sheerin (Raumati Community Board)	-	-	-
Bernie Randall (Paraparaumu Community Board)	1	-	-
Tonchi Begovich (Waikanae Community Board)	-	-	-
Chris Papps (Ōtaki Community Board)	-	-	-

2025–28 TRIENNIUM

Council (7 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Mayor Janet Holborow	6	-	1
Deputy Mayor Martin Halliday	7	-	-
Cr Steven Botica	7	-	-
Cr Heniti Buick	7	-	-
Cr Glen Cooper	7	-	-
Cr Himiona Grace	7	-	-
Cr Liz Koh	7	-	-
Cr Bede Laracy	7	-	-
Cr Rob McCann	7	-	-
Cr Glen Olsen	6	1	-
Cr Jocelyn Prvanov	6	-	1

Strategy and Policy Committee (3 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Liz Koh (Chair)	3	-	-
Cr Rob McCann (Deputy Chair)	3		
Mayor Janet Holborow	1	-	2
Deputy Mayor Martin Halliday	2	-	1
Cr Steven Botica	3	-	-
Cr Heniti Buick	3	-	-
Cr Glen Cooper	3	-	-
Cr Himiona Grace	2	-	1
Cr Bede Laracy	2	1	-
Cr Glen Olsen	2	-	1
Cr Jocelyn Prvanov	3	-	-
Ātiawa ki Whakarongotai representative	3	-	-
Ngāti Toa Rangatira representative	-	-	-
Ngā Hapū o Ōtaki representative (vacant)	-	-	-

Environment and Communities Committee (3 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Deputy Mayor Martin Halliday (Chair)	3	-	-
Jocelyn Prvanov (Deputy Chair)	3	-	-
Mayor Janet Holborow	1	-	2
Cr Steven Botica	3	-	-
Cr Heniti Buick	3	-	-
Cr Glen Cooper	3	-	-
Cr Himiona Grace	2	-	1
Cr Liz Koh	3	-	-
Cr Bede Laracy	3	-	-
Cr Rob McCann	3	-	-
Cr Glen Olsen	3	-	-
Ātiawa ki Whakarongotai representative	1	-	2
Ngāti Toa Rangatira representative	-	-	-
Ngā Hapū o Ōtaki representative (vacant)	-	-	-

Risk and Assurance Committee (2 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Bruce Robertson (Independent Chair)	2	-	-
Cr Liz Koh (Deputy Chair)	2	-	-
Mayor Janet Holborow	2	-	-
Cr Himiona Grace	2	-	-
Cr Glen Olsen	2	-	-
Cr Jocelyn Prvanov	2	-	-
David Cochrane (Independent Member)	2	-	-

Chief Executive Performance & Employment Committee (2 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Mayor Janet Holborow	2	-	-
Cr Steven Botica	2	-	-
Deputy Mayor Martin Halliday	2	-	-
Cr Heniti Buick	2	-	-
Cr Jocelyn Prvanov	1	-	1

Campe Estate Committee (1 meeting)

Member	Attended	Absent (Leave)	Absent (Apology)
Mayor Janet Holborow	1	-	-
Cr Bede Laracy	1	-	-
Darren Edwards (Chief Executive)	1	-	-

Appeals Hearing Committee (0 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Glen Cooper	-	-	-
Cr Bede Laracy	-	-	-
Cr Rob McCann	-	-	-

Grants Allocation Committee - Creative Communities (1 meeting)

Member	Attended	Absent (Leave)	Absent (Apology)
Grant Stevenson (Chair)	1	-	-
Cr Glen Olsen	1	-	-
Cr Heniti Buick	1	-	-
Deb Donnelly	1	-	-
Pam Hindmarsh	1	-	-

Grants Allocation Committee - Community Grants (1 meeting)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Glen Olsen	1	-	-
Cr Heniti Buick	1	-	-
Cr Steven Botica	1	-	-
Cr Himiona Grace	1	-	-
Sally Heppenstall	1	-	-
John Smith	1	-	-

Grants Allocation Committee - Districtwide Hall Hire Remissions (0 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Glen Olsen	1	-	-
Cr Heniti Buick	1	-	-
Cr Steven Botica	1	-	-

Grants Allocation Committee - Heritage Fund (0 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Glen Olsen	1	-	-
Cr Heniti Buick	1	-	-
Cr Steven Botica	1	-	-

Grants Allocation Committee - Waste Levy (0 meetings)

Member	Attended	Absent (Leave)	Absent (Apology)
Cr Glen Olsen	-	-	-
Cr Heniti Buick	-	-	-
Cr Steven Botica	-	-	-
Cr Himiona Grace (Paekākāriki Community Board)	-	-	-
Jackie Elliott (Ōtaki Community Board)	-	-	-
Sue Harris (Raumati Community Board)	-	-	-
David Ogden (Paraparaumu Community Board)	-	-	-
Phil Byrne (Waikanae Community Board)	-	-	-

STATEMENT OF COMPLIANCE AND RESPONSIBILITY

STATEMENT OF COMPLIANCE AND RESPONSIBILITY

1 JULY 2025 TO 30 JUNE 2026

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 2026 fairly reflect the financial position and operations of the Council.



Janet Holborow
Mayor of Kāpiti Coast District Council
Koromatua o te Kaunihera a Rohe o Kāpiti
22 October 2026



Darren Edwards
Chief Executive
Te Tumuaki Rangatira
22 October 2026

INDEPENDENT AUDITORS REPORT

The Audit Office
Te Mana Arotake

INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF KĀPITI COAST DISTRICT COUNCIL'S ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2026

The Auditor-General is the auditor of Kāpiti Coast District Council (the Council). The Auditor-General has appointed me, Sam Nicolle, using the staff and resources of Ernst & Young, to carry out the audit on his behalf.

We have audited the information in the annual report of the Council that we are required to audit in accordance with 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 Council has complied with the requirements of Schedule 10 of the Act (Schedule 10) that apply to the annual report; and
- the completeness and accuracy of the Council's disclosures about its performance against benchmarks that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 (the Regulations).

We refer to this information as "the disclosure requirements" in our report.

Opinion on the audited information

In our opinion:

- the financial statements on pages 119 to 178 present fairly, in all material respects, the Council's financial position as at 30 June 2026, and the results of the operations and cash flows for the year ended on that date, in accordance with Public Benefit Entity Standards;
- the statement of service provision referred to as "Activities & Services" for the year ended 30 June 2026 on pages 39 to 116:
    - is appropriate and meaningful and prepared in accordance with the Council's measurement bases or evaluation methods and Public Benefit Entity Standards; and
    - presents fairly, in all material respects, the Council's actual levels of service for each group of activities, including the levels of service achieved compared with the intended levels of service, whether any intended changes to levels of service were achieved, and the reasons for any significant variation between the levels of service achieved and the intended levels of service.
    - the funding impact statement for the year ended 30 June 2026 on page 123, has been prepared, in all material respects, in accordance with clause 30 of Schedule 10;
- the funding impact statements for each group of activities for the year ended 30 June 2026 on pages 39 to 116 have been prepared, in all material respects, in accordance with clause 26 of Schedule 10; and
- the statements comparing actual capital expenditure to budgeted capital expenditure for each group of activities for the year ended 30 June 2026 on pages 39 to 116, have been prepared, in all material respects, in accordance with clause 24 of Schedule 10.

Report on the disclosure requirements

We report that:

- the Council has complied with the information disclosure requirements of Part 3 of Schedule 10 for the year ended 30 June 2026; and
- the Council's disclosures about its performance against benchmarks required by Part 2 of the Regulations for the year ended 30 June 2026 are complete and accurate.

Basis for our opinion on the audited information and the disclosure requirements

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards, the International Standards on Auditing (New Zealand), and New Zealand Auditing Standard 1 (Revised): *The Audit of Service Performance Information* issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the *Responsibilities of the auditor for the audited information and the disclosure requirements* section of our 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 and our report on the disclosure requirements.

Emphasis of matter – Simplifying Local Government reform

The government has announced it wants to simplify local government, including reducing the number of local authorities by amalgamations within regions. As described in Note 30, the Council engaged in discussions on the Wellington Region Head Start proposal and resolved to pursue a Kāpiti Unitary option rather than form a single unitary region. The eventual outcome for the Council is dependent on future cabinet decisions and enactment of enabling legislation. Because of the significant uncertainty about the outcome and timing of any future reorganisation, the financial statements have continued to be prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Responsibilities of the Council for the audited information and the disclosure requirements

The Council is responsible for preparing the audited information and the disclosure requirements in accordance with the Act. The Council's responsibilities include the preparation and fair presentation of the financial statements and service performance information in accordance with Public Benefit Entity Standards.

This includes:

- the selection of elements/aspects of service performance, performance measures and/or descriptions, and measurement bases or evaluation methods to enable the presentation of service performance information that is appropriate and meaningful; and
- the preparation of a statement of service provision, in accordance with the Council's measurement bases or evaluation methods, that provides an appropriate and meaningful basis to enable readers to assess what has been achieved for the year.

The Council is responsible for such internal control as it determines is necessary to enable it to prepare the audited information and the disclosure requirements that are free from misstatement, whether due to fraud or error.

In preparing the audited information and the disclosure requirements the Council is responsible for assessing the Council's 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 Council or there is no realistic alternative but to do so.

The Council's responsibilities arise under the Act and the Regulations.

Responsibilities of the auditor

Responsibilities 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 a 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 Council's Annual plan or Long-term plan as applicable.

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 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 evaluate whether the selection of elements/aspects of service performance, performance measures and/or descriptions and measurement bases or evaluation methods present an appropriate and meaningful assessment of the Council's service performance.
- We evaluate whether the service performance information is prepared in accordance with the Council's measurement bases or evaluation methods, and presents fairly, in all material respects, in accordance with Public Benefit Entity Standards, the actual service performance achieved compared with the intended levels of service.
- 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 significant doubt on the ability of the Council to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the information we audited 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 auditor's report. However, future events or conditions may cause the 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.

Responsibilities for the disclosure requirements

Our objective is to provide reasonable assurance about whether the Council has complied with the disclosure requirements. To assess whether the Council has met the disclosure requirements we undertake work to confirm that:

- the Council has made all of the disclosures required by Part 3 of Schedule 10 to the Act and Part 2 of the Regulations; and
- the disclosures required by Part 2 of the Regulations accurately reflect information drawn from the audited information and, where applicable, the Council's long-term plan and annual plans.

Our responsibilities for the audited information and for the disclosure requirements arise from the Act and the Public Audit Act 2001.

Other information

The Council is responsible for the other information included in the annual report. The other information comprises all the information included in the annual report other than the audited information and the disclosure requirements, and our auditor's report thereon.

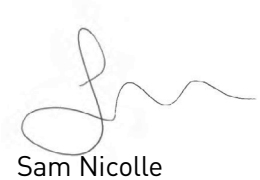
Our opinion on the audited information and our report on the disclosure requirements do not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the audited information and our report on the disclosure requirements, 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 Council in accordance with the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* as applicable for audits of public interest entities 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 a limited assurance engagement in relation to the Council's debenture trust deed, which is compatible with independent requirements. Other than this engagement, we have no relationship with, or interests in, the Council.



Sam Nicolle
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand
22 October 2026



Annual Report 2025/26

Ripota ā tau 2025/26

Kāpiti Coast DISTRICT COUNCIL

Me Huri Whakamuri, Ka Titiro Whakamua