
Annual report 2014/15



Annual report 2014/15



Contents

Introduction and context

Introduction	2
Statement of compliance and responsibility	3
Foreword from the mayor	4
Message from tāngata whenua	6
Introduction from the chief executive	8
Key achievements	10
Financial overview	12
Context	14

Our activities and services

Infrastructure

• Access and transport	20
• Coastal management	27
• Solid waste	31
• Stormwater management	36
• Wastewater management	42
• Water management	47

Community services

• Community facilities	56
• Economic development	61
• Libraries, arts and museums	66
• Parks and open space	71
• Supporting social wellbeing	75

Planning and regulatory

• Building control and resource consents	82
• Development management	88
• Environmental protection	93

Governance and tāngata whenua

• Governance and tāngata whenua	102
---------------------------------	-----

Other

• Supporting environmental sustainability	108
---	-----

Community outcomes	114
--------------------	-----

Finance and revenue

Statement of comprehensive revenue and expense	116
Statement of changes in equity	117
Statement of financial position	118
Statement of cash flows	119
Funding impact statement	120
Notes to the financial statements	121
Disclosure statement	168
Funding impact statements per activity	174
Audit report	190

Other information

Governance structure	194
Meeting attendance	197
Elected member contact details	198
Organisation structure	200
Glossary of terms	201

Introduction

The council reports each year on performance against the plans made for that year.

The annual report is a legislative requirement and a key part of our accountability to the community.

We also see it as an important opportunity to inform residents about our achievements during the year, the progress we've made in each of our activity and service areas and where we've got to with the wide range of projects underway.

Planning sets the direction

To direct our activities and ensure we manage our budget and ratepayers' money responsibly, we work to detailed plans. Our overarching plan is the long term plan which covers 20 years. The council develops a long term plan every three years (and an annual plan in the intervening two years).

The content of the long term plan stems from the outcomes of a comprehensive process of engagement, planning, community consultation and decision making. In the two subsequent years the plan is reviewed, consulted on and amended where necessary to produce an annual plan.

Reporting is accountability

These plans become the basis for monitoring and evaluation, and reporting our achievements to the community through our annual report. The annual reports complete the accountability cycle that starts with consultation on our long term and annual plans.

This annual report details council's financial and service performance for 2014/15 against the plans for that year that were set out in year three of the 2012 – 32 Long term plan and in the 2014/15 Annual plan.

Statement of compliance and responsibility

1 July 2014 to 30 June 2015

Compliance

The elected members and management of Kapiti 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.

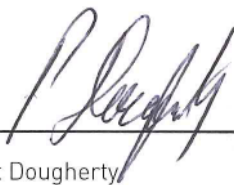
In our opinion, the annual financial statements for the year ended 30 June 2015 fairly reflect the financial position and operations of the council.



Ross Church

Mayor
Kāpiti Coast District

15 October 2015



Pat Dougherty

Chief Executive

15 October 2015



Wayne Maxwell

Group Manager
Corporate Services

15 October 2015

Foreword from the mayor

It is my pleasure to submit the 2014/15 annual report for the Kāpiti Coast District Council. This was my second year as mayor and great progress was achieved in many areas.

My style of leadership is to empower people, placing them in positions where they can make a difference. I also encourage engagement and the development of partnerships. The progress we've achieved reflects the benefits of such empowerment and willingness to engage.

Iwi partnership continued strongly

Our strong partnership with iwi was underlined by the huge turnout for the Waitangi Day commemorations at Queen Elizabeth Park.

The district's 21-year old Memorandum of Partnership, which sets out how the iwi partnership group Te Whakaminenga o Kāpiti and council will work together over the next three years, was then re-signed.

Community helped shape long term plan

Your elected members worked hard this year to determine the major projects and pieces of work we would present in the 2015-35 FutureKāpiti Long term plan for your feedback.

It was heartening to see the strong level of engagement from residents in this process with nearly 500 submissions received and 78 submitters who presented at hearings. It was also encouraging to see the general level of agreement with council's proposed direction.

People wanted us to promote initiatives that will enable us to improve our district, such as the "big four" – transforming Paraparaumu and Waikanae town centres, rebuilding the Te Ātiawa Park netball and tennis courts, upgrading the Ōtaki pool and building a splash pad, and investing in the Kāpiti College performing arts centre – for community use. We got the sense that people were comfortable with the balance of development and maintenance of services without unduly pushing up debt levels.

Economic development strategy finalised

A new economic development strategy was developed aimed at sparking greater growth and prosperity across the district. The strategy was prepared by a working party, comprising representatives of the business community, iwi, councillors, community board members and council officers.

A key part of the strategy involves developing a visitor attraction strategy. Although that is still under development, we scored a small coup in this area this year in getting coverage for our summer tourism programme in Air New Zealand's *Kia Ora* magazine.

Creating opportunities like this helps build awareness of Kāpiti as a tourism destination.

Work continued on proposed district plan

The journey of the proposed district plan (PDP) also reflects our commitment to improved engagement.

After adopting the reports of two independent review panels, council agreed to proceed with the PDP, but with changes.

Council's planners then spent months reviewing tens of thousands of submission points and engaging with submitters to refine the next draft of the PDP. That milestone was reached with the release of the submitter engagement version (SEV) of the PDP in June 2015.

In the SEV, every chapter has been redrafted and will form the basis for discussion and workshops with submitters through to the end of March 2016. The aim is to encourage consensus and agreement wherever possible, prior to the next formal stage of the process – the hearings.

Hard work on water solution paying off

Our hard work on finding a sustainable solution for the water supply problems that have long beset Kāpiti began to pay off during the year.

This first full year of water meters has shown they are working well to reduce consumption. People have seen how much water they are using and are more prudent as a result.

Importantly, the system is fair and effective – those who save water are rewarded by paying less, and due to the reduction in consumption the community overall is saving significantly in infrastructure costs for the next 30 years.

The methodology of working out our water supply budget is also fair. Although, reduced consumption means we are minimising future infrastructure spending, we still have to raise enough to cover the costs of running and maintaining our treatment plant, our pumps and our pipe network.

From 1 July 2015, we will pay a little bit more, amounting to a few cents a week, which I think is not too much to pay for a treated water supply at our taps.

We also saw the commissioning of our river recharge scheme, which will top up Waikanae River levels in times of drought, and significantly reduce the likelihood that we will ever have to drink bore water in the future.

Water is an important matter for our community, and I am confident we are developing a long-term solution to our water supply problems with a sensible plan that keeps the inevitable costs to a minimum.

Major progress on expressways

The year saw great progress on the M2PP (MacKays to Peka Peka) expressway and the start of work on Transmission Gully, both of which will eventually present us with opportunities to build a more vibrant Kāpiti.

M2PP is an example of the strong partnerships I mentioned earlier. Before the project began, work went into setting sustainability goals. Benchmarks were set with council becoming the first local authority to join with the NZ Transport Agency in an alliance.

We set down conditions that the expressway had to be designed, constructed, operated and maintained so as to minimise the loss of the dune and wetland landscape through which it passes.

The work will actually improve the local biodiversity and ecological connections with forest and wetland remnants on our coast, helping flora and fauna to thrive. This is an example of the strong partnerships we are encouraging with business, iwi, government agencies and others.

Proposed amalgamation not to proceed

Local body amalgamation in the Wellington region was debated during the year following a draft report from the Local Government Commission. At the commission hearing in Paraparaumu, Pat Dougherty and I gave the clear message that Kāpiti does not need “rescuing” by a Wellington super city and there is no “basket case” of local government rivalries in this region, compared to those which existed in pre-amalgamation Auckland.

The commission decided not to proceed with its recommended super-city proposal and we now await with interest any follow-up suggestions from them.

Community views informing representation

On a local level, we have been reviewing how residents are represented. The representation review has debated the number of councillors we should have, how they should be elected (by ward, districtwide, or both), and whether community boards are still needed.

The community boards have been invaluable in encouraging local engagement on this, reflecting their hard work on many issues during the year.

At the time of writing, an important change was being suggested to the Waikanae Ward boundary, to include all residents in Huia Street and Reikorangi, which were previously in the Ōtaki Ward. Strong resident feedback suggested that is what those people want.

The aim is to have an agreed structure in place for the 2016 local body elections.

Great response in significant floods

Council became closely involved with residents during the May floods which showed our strength as a community where people care about one another.

The professional response from the emergency management and civil defence officers was matched by local businesses and community volunteers. Individuals and groups rallied to help one another, ensuring people were well supported, with the offer of meals and beds for the night.

Council is using the knowledge gained from the floods to pinpoint how the community can work together; identify strengths and weaknesses and assets and skills that could be useful in an emergency.

A positive year

The 2014/15 year presented some significant challenges and opportunities – both of which I consider we responded to positively and this was borne out by improved ratings in our residents’ survey. I feel very pleased about the many areas in which people across the community have worked together and our increasing focus on engagement. We go into 2015/16 with a strong agenda of progress.



Ross Church BCA, JP
Mayor

Acknowledgement – Tony Lloyd

I and other councillors were saddened by the death during the year of Councillor Tony Lloyd.

He was a greatly-admired and appreciated councillor whom I chose as chair of our Appeals Committee. He was perfect for that role – calm, thoughtful, sincere and sensible.

I was pleased to see his wife Jill being voted into public office on the Waikanae Community Board, and his good friend, Michael Scott, elected to council to fill the vacancy left by Tony’s passing.

Message from tāngata whenua

Tāngata whenua of the Kāpiti coast district are pleased to have enjoyed an ongoing and productive relationship with the council since 1994, through the Memorandum of Partnership and the establishment of Te Whakaminenga o Kāpiti. Te Whakaminenga o Kāpiti is a forum where tāngata whenua and council come together to discuss matters of mutual interest and importance for iwi-specific issues and wider district matters.

The tāngata whenua of this district are: Āti Awa ki Whakarongotai, Ngāti Raukawa ki te Tonga and Ngāti Toa Rangatira, and including their whānau and hapū. Together they form the ART (Āti Awa, Raukawa, Toa) Confederation.

Te Whakaminenga o Kāpiti recognises the strength of the council's commitment to the role tāngata whenua have as kaitiaki of the district. They also support the manner in which the council upholds and takes account of the principles of the Treaty of Waitangi. Tāngata whenua have a vision for the district (set out in the *2012 – 32 Long term plan*, pages 10-12) based on four principles;

Whakawhanaungatanga/manaakitanga – the marae is our principal home which ties us to our whenua and is the physical embodiment of our ancestors. The wellbeing and health of the iwi and their marae are strongly linked and marae are important sites for the practical expression of kaupapa Māori (Māori philosophy and principles).

Te reo – is the language of the tāngata whenua through which tikanga (custom) is conveyed and kawa (protocol) and wairua (spirit) are expressed. Te reo Māori is an official language of New Zealand and it is fundamental that it is nurtured throughout the community and future generations are encouraged to use it.

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

Tino rangatiratanga – to exercise self-determination and self-governance with regard to all tribal matters and to advance Māori aspirations.

These principles underpinned the 2014/15 work programme for tāngata whenua.

Key achievements during the year included:

- support grants provided to marae for maintenance programmes;
- Waitangi Day, co-hosted by council and Ngāti Toa at Whareroa, Queen Elizabeth Park. The celebrations continue to be very successful;
- implementation of the Māori Economic Development Strategy;
- annual Maramataka produced, the calendar's theme focuses on the contribution of iwi to World War One;
- reflection of iwi aspirations across council's planning documentation as captured in the iwi planning document Te Haerenga Whakamua;
- regular newsletter promoting the activities that council and iwi collaborate on; and
- environmental management – two members achieved Commissioner certification.

Detailed comments about each initiative or project is provided in a table on the next page.

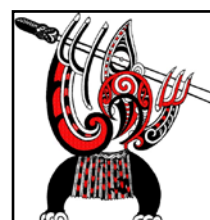
Rupene Waaka

Tumuaki, Te Whakaminenga o Kāpiti



The three pou in front of the council building represent the district's three iwi.

Te Whakaminenga o Kāpiti initiative and/or project		Progress comment
Iwi/council capacity building	Council liaison/Māori	<p>Council kaumātua – guides the Council in the expression of tikanga Māori for formal and informal occasions.</p> <p>Te Whakaminenga o Kāpiti – continues to provide strategic overview of priorities for ongoing engagement between tāngata whenua and Council.</p> <p>Iwi Liaison – increased liaison between council and iwi on issues of significance, including the District Plan Water Working Group, Māori Economic Development.</p> <p>Workforce Development and Cultural Advisor – increasing opportunities to develop cultural understanding within council activities.</p>
	Increasing efficiency of iwi response to joint work	Improved communications between iwi and the council.
	Resource management	Ongoing participation in relevant training opportunities on resource management. Two Commissioners were certified.
	Democratic process	Māori representatives appointed to each of the council's standing committees
State of the environment	Kaitiakitanga	<p>Develop understanding of Te Tiriti o Waitangi.</p> <p>Treaty settlements – keeping abreast of settlement process.</p> <p>Coastal strategy – annual forums.</p> <p>Exploring traditional kaupapa Māori practices that contribute to the management of the environment.</p>
Economic development	Building on the work from the Wellington Regional Strategy with a focus on local issues and opportunities to contribute towards Māori economic development potential.	The Māori Economic Development Strategy and its implementation are currently being reviewed. The focus is on enhancing the work being done in this area and strengthening the future direction.
He taonga te reo	Upholding te reo as a deeply treasured tāonga	<p>Nurturing the written and spoken use of te reo Māori throughout the district.</p> <p>Increased awareness of significant cultural events such as Matariki.</p> <p>Council and iwi co-hosting Waitangi Day and citizenship ceremonies.</p> <p>Promoting bi-lingual signage.</p> <p>Heritage trail – all signage is now in te reo Māori and English.</p>
He taonga tuku iho	Marae – the standing place of the people.	Supporting the wellbeing of marae as principal homes of tāngata whenua.



Te Runanga o Toa Rangitira

Introduction from the chief executive

The 2014/15 year has been busy and productive. We completed some major projects, progressed others and continued to deliver a range of services to the community.

Financial performance on track

We finished the year with an operating deficit (that is, our revenue minus our operating spending) of \$1.45 million. This was significantly better than our forecast deficit of \$2.84 million. The reasons for the smaller deficit are outlined in the *Financial overview* on page 12.

During the year, we invested \$24.6 million on capital works across the district. Major items included \$10.5 million on water projects, \$5.2 million on roads, footpaths, cycleways and bridleways and \$3 million on improvements to our wastewater infrastructure.

Our efficiency was confirmed in the 2014 national Ratepayers' Report. The report compares New Zealand's 67 local territorial authorities. It found we had the fourth lowest operational spending per ratepayer in the country.

The total rates funding requirement for 2014/15 was \$52.81 million. We ended the year with a surplus of \$0.33 million for the year. This was mainly a result of the settlement we negotiated on Coastlands Aquatic Centre work (discussed in the Financial overview).

Council repaid \$5 million worth of long-term debt during the year and our total borrowings were in line with the 2014/15 budget.

Important water supply projects delivered

One of the big highlights of the year, was the progress we've made towards providing a secure, sustainable and affordable water supply for Kāpiti residents for the next 35 years.

Our award-winning river recharge scheme is the first in the country to add groundwater below a treatment plant to top up river water during dry times. This means that except in extreme circumstances, such as a toxic algal bloom in the Waikanae River, which would prevent us using river water altogether for a time, we will no longer need to add bore water to the water supply.

At the same time as work on this scheme was being carried out, the treatment plant itself was being upgraded. It is now hugely improved with new equipment, pumps and control systems.

Both projects were completed on time and came in under budget at a total of \$9.04 million.

Water meters, another part of our water solution, have seen a reduction in peak day water use of 26% across the district. As the mayor has commented, now that

water has a value, people are generally using it more wisely. They are also able to identify and deal with leaks more quickly. This is a trend seen in other parts of the country and the world that have introduced meters. Through the year we continued to support people with advice on conserving water and detecting leaks.

Positive outcomes from long term plan

The mayor has highlighted another big project for council, the consultation we undertook for the long term plan. This was required by law but was very much in line with the direction the council is taking on engaging with the community.

A key part of the early development of this long term plan was the involvement of a reference group made up of a wide range of representatives from the community. This group provided input into setting outcomes and determining what we needed to focus on to achieve those. In addition, we worked with the three iwi in Kāpiti to get their input.

Feedback on our more user-friendly consultation document was very positive with people telling us it was easier to read and submit on.

Key council role in expressways work

Staff have also been busy on expressway work - processing resource consents, certifying site-specific management plans and strategies to retain vegetation, and approving design variations. The final design will mean these roads will be more environmentally sustainable and visually appealing, as well as reduce traffic congestion between different parts of the district.

Consultative approach continues on town centres

Our town centre projects have been gathering force too, with information sessions to engage the community and consultation leading into the long term plan. Feedback from these has helped define the vision for Waikanae and Paraparaumu town centres, refine their conceptual designs and decide when the different parts of each project should take place.

The next phases, procurement of technical services and engagement with stakeholders and long term plan submitters on detailed designs, are being planned. We will re-engage with the community as we develop the designs.

Advocating for ultra-fast broadband

We registered our interest in the second stage of the government's ultra-fast broadband rollout in July 2014. The focus this time was on Ōtaki which missed out on the first rollout. We expect to find out if we're successful or not in December 2015. Hopefully, it will be good news, as the benefits of improved internet connectivity will help grow our businesses, strengthen the local economy and drive innovation in the district – all aspects of our new economic development strategy which the mayor outlined.

Coordinated emergency response

To unplanned work now - our response to the two flooding events earlier this year. Staff from across council came together to work alongside emergency services, Red Cross and public health colleagues to put in a superb effort in the emergency operations centre which was activated for both events.

Our operations staff worked tirelessly out in the elements clearing slips, repairing roads and assessing damage or helping people in one way or another. Call centre staff also came under pressure, fielding hundreds of calls from residents. And we can't forget those who stayed in our offices, facilities and service centres to ensure business as usual for our customers while significant numbers of staff were busy with the emergency.

The dedication shown to helping the community made me immensely proud. As the mayor commented, we are also ensuring we review these events to help our future preparation.

Keeping our diverse services running

In addition to these more obvious achievements, we've continued to deliver our everyday services throughout the year. Sometimes, when we're dealing with the bigger issues, we can overlook staff diligently working away maintaining our parks and reserves, issuing library books, running our treatment plants, keeping swimmers safe in the district pools, ensuring dog owners are responsible, drafting policies, developing programmes to help our young people, processing building consents, maintaining pipes in the water supply network....the list goes on. However, this is the bread and butter of our responsibilities and often the area where we interact most with residents.

Developing an 'open for business' culture

An important initiative we got underway during the year was our 'open for business' programme. We are looking at all our services from the point of view of our 'customers' the residents of Kāpiti and aim to be caring, dynamic and effective in all the services we deliver.

The results in our residents' opinion survey for the year were an improvement on the previous year which indicates we are on the right track and we will continue our efforts to consistently deliver excellent service.



Pat Dougherty

Chief Executive

Key achievements

The following is a selection of the projects completed and the day to day services delivered in 2014/15. For full details see our activities and services section (pages 18 -113).



We completed around 1,000 metres of water main renewals and other reticulation repairs.

After extensive consultation on options for the Paekākāriki seawall rebuild the preferred option was selected and the project proceeded to final design and consent.

Further work on the proposed district plan has involved meeting with submitters to resolve issues, and redrafting every chapter before releasing a submitter engagement version.

We received 19,498 service requests from fire permits to leaking tobies

We carried out road safety improvements at five schools in the district.

An exhibition of over 41 Kāpiti artists and over 90 artworks was held in the parliament gallery, Bowen House, in late 2014.



The Memorandum of Partnership between council and the district's three iwi was re-signed at the Waitangi Day celebrations, marking 21 years of working together.

The kiosk in Maclean Park, Paraparaumu was repaired and has been leased to a community collective.

More than 2,721 handmade poppies made by the community formed part of a commemorative display honouring the 2,721 New Zealand soldiers who died at Gallipoli in 1915.

The Otaihangā retaining wall construction was completed in June 2015, providing improved sightlines for the intersection with Greendale Drive.

We installed a pilot solar array at the Paraparaumu wastewater treatment plant to provide cheaper electricity for some of the plant's needs.



An upgrade of the intersection between Kāpiti Road, Te Roto Drive and Milne Drive was completed in December 2014.

We started the process of identifying buildings that will require earthquake strengthening.

Over 700,000 items were borrowed from the district's three libraries

A new economic development strategy was developed in consultation with business stakeholders and local iwi.

Work on the MacKays to PekaPeka expressway consent involved 120 inspections by council staff.

Coastlands Aquatic Centre and Ōtaki pool staff were rated 'good' or 'excellent' by 95% and 99%, respectively, of customers surveyed.





Council and Ngāti Toa Rangatira co-hosted another successful Waitangi Day celebration at Whareroa, Queen Elizabeth Park.

We scored a publicity coup with Kāpiti's summer tourism campaign featuring in Air New Zealand's in-flight magazine *Kia Ora*.

The final cap construction started on the Otaihanga landfill with significant savings achieved through use of local capping materials at low or no cost.

With council support, the Kāpiti Coast older person's council hosted an 'age-friendly community' forum in April 2015.

2,000 young people attended the annual YouthFest in March 2015 organised by council

Council initiated a nationwide contract for shared purchasing of library materials and services which will save \$38,000 a year.

We secured \$1.57 million extra for cycleways, walkways and bridleways through the Government's Urban Cycleways Fund.



We upgraded the playground at Maclean Park with the addition of new equipment.

Over 890 people took part in a council-sponsored local technology expo in June 2015.

All **5,551** site inspections were completed within statutory timeframes by the building team

Our eBook initiative was launched in April 2015, with 5000 eBooks and eAudiobooks now available free of charge to the community at the district's libraries.

The wastewater treatment plant replacement drier was installed and commissioning completed in early September 2014.

The annual road pavement reseal programme saw 19 lane kilometres of new road seal laid for a budget of \$1.45 million.

The river recharge with groundwater project was completed in May 2015, significantly reducing the likelihood we'll need to drink bore water in future.



Council staff and contractors responded well to the one in fifty year flooding event in May 2015 eliciting widespread expressions of appreciation from the community.

The requirements of the new Sale and Supply of Alcohol Act 2012 were successfully implemented this year, with all new alcohol licenses issued and 112 premises inspected.

Over **200,000** people used the award-winning Coastlands Aquatic Centre

The Milne Drive and Te Roto rising main and pump station upgrade for our wastewater network was completed in September 2014 substantially under budget.

We began live-streaming of council meetings on the internet and all council meetings can be watched remotely by the community.

Our Māori economic development strategy provided funding for three initiatives, including the Māoriland Film Festival.



Financial overview

This overview gives a summary of the major aspects of our financial management and results for the 2014/15 year.

Accounting to ratepayers for our management of council's budget and assets is a key responsibility for council and required by law. We have produced this overview to help Kāpiti residents see the big picture of our finances. Details are provided in the full annual report where there is a statement of the cost of each activity comparing what was actually spent with what was budgeted in the *Activities and services* section (pages 117–114) and full financial statements in the *Finance and revenue* section (pages 115–192).

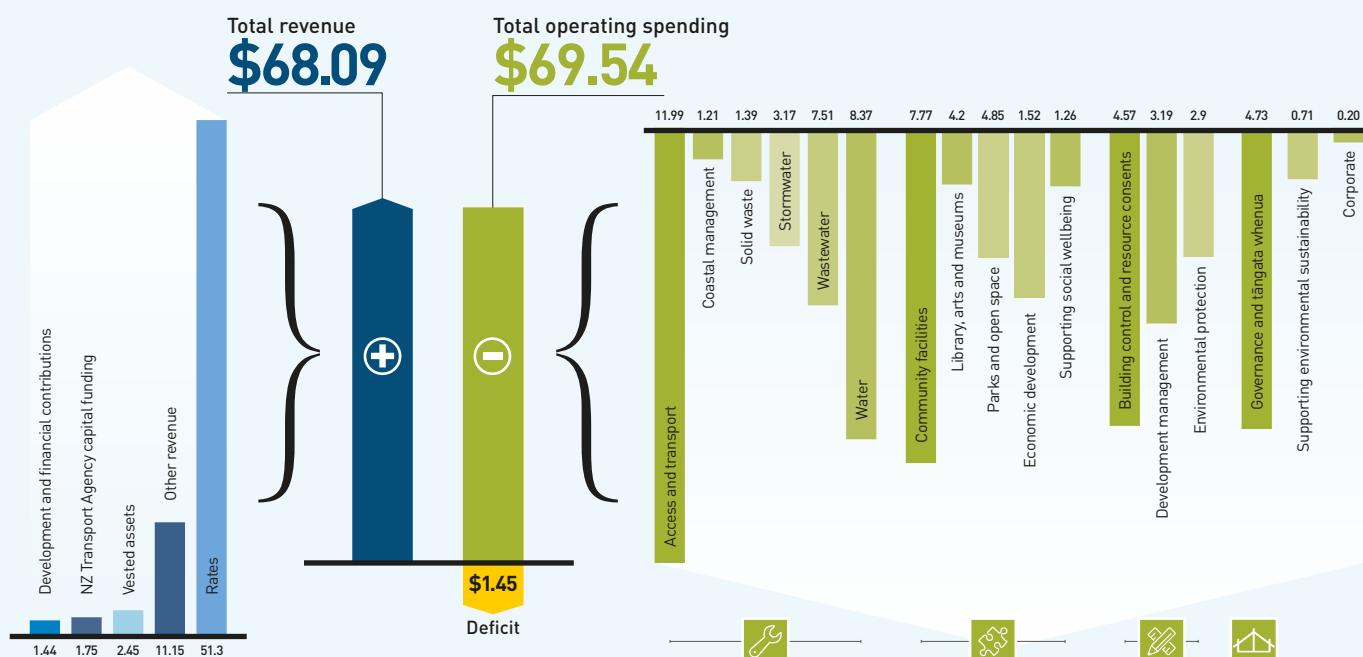
Financial context

Kāpiti Coast
District Council
is an entity of

\$1.3 BILLION

We have a significant number of assets and a complex mix of financial requirements to manage. As noted in the *Context* section (page 14), new legislation for local authorities sharpened the focus on financial management and we responded with improved practices and the development of our new financial strategy as part of the *FutureKāpiti Long term plan 2015–35*.

Financial performance (\$millions)



Financial performance

Operating profitability

We ended the year with better operating profitability (the difference between our income and our expenditure) than projected. Currently, council is not fully funding depreciation, so we had budgeted to make a deficit of \$2.8 million. We had an actual deficit of \$1.4 million.

The smaller loss was mainly due to negotiating a settlement from Mainzeal's receivers for additional work required to complete the Coastlands Aquatic Centre. We also received higher than expected subsidies from NZ Transport Agency for the road repairs we carried out in response to flood damage in May and June.

Note: in our new financial strategy, council will progressively move to fully funding annual depreciation of assets.

Capital spending

We had budgeted to spend \$30 million on capital work but some projects were delayed and have been carried forward to 2015/16.

We spent

\$24.6 MILLION during the year on capital work

Financial position

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

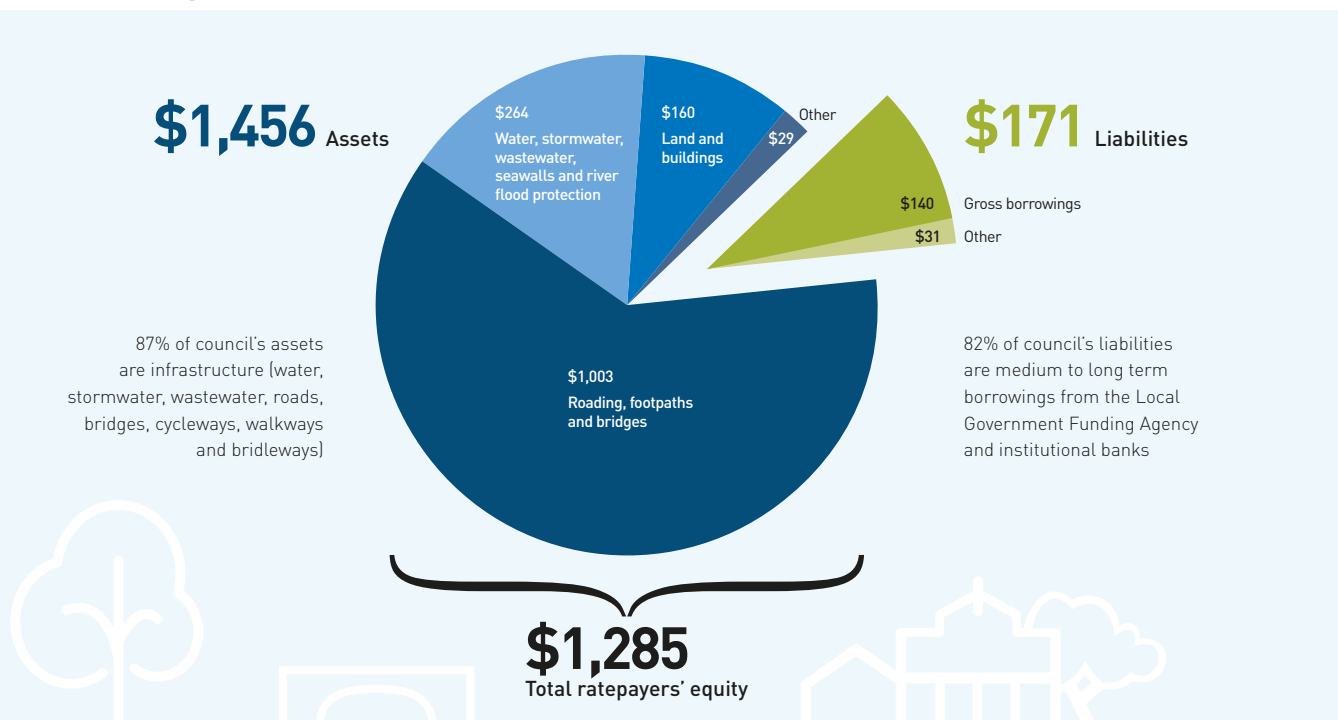
As at 30 June 2015, we had total assets of \$1,456 million. Of this, infrastructure (water, stormwater, wastewater, roads, bridges, cycleways, walkways and bridleways)

accounts for \$1,271 million and the remainder mainly includes facilities such as libraries and pools.

Our liabilities are \$171 million – with 82% of this being medium to long term borrowings from the Local Government Funding Agency and banks. Other liabilities include money owed, for example, to suppliers.

The difference between total assets and liabilities means ratepayers' equity in the council is \$1,285 million.

Financial position (\$millions)



Cash and debt management

The key result for our debt management is that we ended the year with our borrowings at \$138 million which is consistent with what we had projected. This reflected our careful management and the more streamlined approach we took to managing cash flows and new borrowings.

A positive result for the year is that we kept our Standard and Poor's credit rating of

A+

Maintaining our credit rating was a good outcome in a generally difficult financial environment. It is beneficial too because it helps to reduce our borrowing cost (which supports our financial strategy).

We repaid

\$5 MILLION

of long-term borrowings in the year

Financial prudence

One of the aspects of legislation that has changed recently is the introduction of regulations requiring all local authorities to report against a set of benchmarks around three key elements of financial prudence – affordability, sustainability and predictability. The benchmarks and our performance against them are set out in the *Finance and revenue* section, pages 168–173 of the full annual report.

Context

This section outlines the broader context within which we were operating during the year being reported.

The following includes an outline of the relevant legislative changes which have been taken into account when preparing this report, including the change in definition of community outcomes and discussion of the process we used to develop new outcomes in 2014/15.

It also discusses some aspects of the regional context within which the council operates and provides a brief summary of the decisions on the local government amalgamation proposal.

Legislative change

The Local Government Act 2002 (LGA) provides the legal framework within which council operates. The Act requires the council to produce an annual report and specifies what that should contain.

An amendment to the LGA, which came into effect on 5 December 2012, had major implications for all local authorities. That amendment impacted significantly on both the operating and reporting requirements for council.

Change of purpose

In particular, that amendment changed the *purpose* of local government by repealing part of the previous purpose, which had been:

“to promote the social, economic, environmental and cultural well-being of communities, in the present and for the future”.

That was replaced with a requirement for local authorities to:

“meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.”

As a result of that change, this annual report does not report on these four wellbeings.

Focus on efficiency and affordability

The 2012 LGA amendment made a number of other changes to our governing legislation. In addition to the requirement to focus on core services and activities, the legislation required local authorities to focus on the efficiency of the provision of those services and activities, and to consider the affordability of their decisions.

In reviewing these requirements, it was evident that much of what we do already reflects the intent of those changes. In particular, this council:

- addresses the question of rates impacts on the more vulnerable members of the community via the development every three years of an affordability report;
- provides rates relief via a range of provisions in our rates remission policy;
- prepares a 20 year long term plan, with a 20-year financial strategy that enables council to find a balance between meeting the needs of the community while avoiding spending beyond our means or pushing debt levels too high;
- has already identified three key drivers for change in the management and delivery of regulatory services: being ‘Open for Business’; improving performance (and the perception of performance); and responding to changes in the legislative environment; and
- has been reviewing our project management to ensure consistency in the way projects are developed, managed and reported.

Additional work planned to further develop council’s operational management to meet the intent of the 2012 LGA amendment includes reviewing service delivery in infrastructure and the provision of community and regulatory services to ensure existing arrangements are cost effective and meet the needs of the community. These reviews will be undertaken by August 2017.

Outcomes redefined

The Local Government Act also requires council to report on ‘each group of activities of the local authority’ and, among other things, to:

“identify the community outcomes to which the group of activities primarily contributes.”

However, the 2012 LGA amendment redefined the community outcomes the council is required to report against. That definition changed from a set of outcomes determined in regard to the previous purpose of local government, to:

“the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services and performance of regulatory functions.”

This change in definition occurred after the 2012–32 Long term plan was adopted.

With the change of purpose of local government and the changed definition of community outcomes in the LGA,

council decided to develop a set of outcomes which would make explicit how the council will contribute to the achievement of our vision and more closely align with the government's expressed aim that councils focus on their core service provision.

Our new outcomes were developed in 2014/15 in consultation with a specially formed community reference group and the district's iwi.¹ Those outcomes were developed as part of the 2015–35 Long term plan process, and were introduced in that document when it was published in July 2015.

However, as they were only determined mid-way through the year it is not reasonable to report against them for 2014/15. In this annual report we are reporting against the community outcomes that were in place at the time of the 2012–32 Long term plan. At the end of the activities section, we have included a table which identifies the activities which primarily contribute to each of those community outcomes (figure 1, page 112).

In future annual reports, we will report against the outcomes council adopted as part of the 2015–35 Long term plan.

Regional context

Our district is located within a complex regional environment. Much of the district has strong economic and labour market ties to the south, while the northern part of the district has economic, social and historic ties to parts of Horowhenua.

This complexity is compounded by the district falling completely within the Greater Wellington Regional Council jurisdiction and having divisions across a number of central government agencies.

Regional initiatives such as the regional land transport strategy, the Wellington Regional Strategy and shared services initiatives are central to leveraging resources into the district and demonstrating that the local government sector can work together at the regional level.

In the 2014/15 year, the most significant regional developments and shared services activities were:

- the physical, employment and economic impacts of the MacKays to PekaPeka expressway project;
- the change in role of the Wellington Regional Emergency Management Office to take over management, training and coordination of emergency management in Kāpiti. The new structure was tested during the May and June 2015 flooding events and came through strongly;

1. The Community Reference Group comprised a cross-section of community groups including business, youth, elderly, sporting, rural, disability, environmental and arts and culture groups.

- the formation of the Wellington Regional Economic Development Agency which combines the economic development activities of the Greater Wellington Regional Council with those of the Wellington City Council;
- the shared purchasing contract initiated by our district libraries in conjunction with the libraries of other local authorities. This is already resulting in savings for our libraries.

Initial steps have also been taken toward a shared services security contract with Wellington and Porirua City Councils. This approach is expected to result in both operational efficiencies and budget savings. A call for tenders was issued in mid-2015. Tenders will be assessed and, if the intended benefits can be realised, councils will consider proceeding.

Amalgamation

One of the issues due for resolution in 2014/15 which had major implications for the operation of local government in our district was the Local Government Commission's draft proposal to amalgamate the local bodies of the region into a single Greater Wellington Council.

Kāpiti Coast District Council came out strongly in favour of a poll of residents to decide on the Commission's proposal – if the Commission reached the stage of producing a final proposal.

Council also recommended that the Commission should satisfy itself it had "demonstrable support" for its proposal from the communities across the region before moving to a final document

Following hearings and the widely published results of surveys conducted on the issue, the Commission concluded that it did not have sufficient support for its draft amalgamation proposal and decided not to proceed.

Local Government Commission chief executive Sandra Preston said there was little support for the major structural option proposed for Wellington but there was a widespread mood for some form of change.

She stated there needed to be more emphasis on the role of communities identifying the challenges they face, the options that can address those challenges, and the development of more consensus on their preferred approach to change. The Commission's goal would be to assist communities to reach sufficient consensus on the changes required and the best form of local government.

Consequently, we can expect there will be some further consideration of the relationship between the different councils in the region in the future, but in the meantime the status quo remains.

Our activities and services

This part of the annual report details the achievements and performance of council across all its activities and services.

We organise our work in the community into four clusters:

- Infrastructure
- Community services
- Planning and regulatory services, and
- Governance and tāngata whenua.

In each cluster there are a number of specific services and activities. For each one we've outlined the key results for 2014/15, provided detail on projects and outcomes achieved and set out our performance against key measures. We have also provided a table of the costs of each activity against the budget.

As noted, at the end of this section there is a table showing how the activities contributed to the community outcomes that were in place when the plan we're reporting against was developed.

Infrastructure

- Access and transport
- Coastal management
- Solid waste
- Stormwater management
- Wastewater management
- Water management

Access and transport

Putanga me te waka

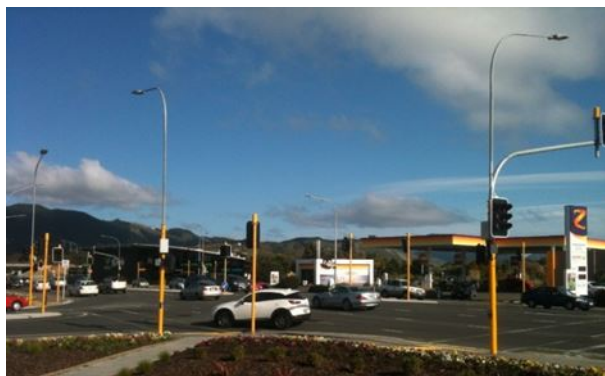
- ☑ Design for the Kāpiti Road/Milne Drive/Te Roto Drive junction safety improvement project was modified to widen the off-road shared cycleway path to 2.3 metres on the southern side of Kāpiti Road. Works were completed in December 2014 and practical completion was granted. The works will have a 12 month defects liability period. A post-construction road safety audit will be undertaken in August 2015.
- ☑ The provisional report of the Regional Land Transport Plan 2015-18 was released, showing the Paraparaumu Town Centre Link Road (Kāpiti Road relief route) sitting at the top of the prioritised list of significant activities for 2015 to 2021.
- ☑ The annual reseal programme saw 19 lane kilometres of new road seal laid over the year for a total budget of \$1.45 million. This included 17.34km of chipseal and 1.66 km of asphalt.
- ☑ Minor road safety improvements to school crossings were completed at Raumati South School, Paraparaumu Beach School and Waitohu School. A drop-off and pick-up parking area was installed near Te Ra Waldorf School and new footpath links and pedestrian crossings were provided at Kāpiti School.
- ☑ A range of school safety activities were undertaken, including cycle skills programmes and education initiatives such as an inquiry learning based model to assess parental driving and parking behaviour.
- ☑ The Otaihanga Road retaining wall construction was completed in June 2015, providing improved sightlines and enhanced safety for the intersection with Greendale Drive.
- ☑ The 2015 transport forum for older drivers was held in June 2015, with 100 people attending.
- ☑ Driving with confidence courses were held throughout the year to refresh driving skills. A motorcycle and scooter training day was held at Southward Car Museum and a combined Kāpiti and Porirua City councils' motorcycle education stop took place on the Paekākāriki Hill Road.
- ☑ The Pharazyn Reserve to Marram Way shared path and the Sandy Track pedestrian rail crossing at Paekākāriki were completed under the cycleways, walkways and bridleways programme.
- ☑ Additional cycleways, walkways and bridleways funding of \$1.57 million was secured through the government's Urban Cycleways Fund for our Stride n' Ride programme..

Council's strategic goal for access and transport as detailed in our sustainable transport strategy is to 'create a physical transport system that is attractive, affordable, connected, responsive, safe and offers effective mode choice so that it enables people to act in a sustainable way'. All renewals, upgrades and new projects are approached with this in mind.

Over the past four years, access and transport projects have been continually reviewed to assess the expected effects of the expressways, and the impacts on council's maintenance, renewal and capital works schedules.

Improvements to Kāpiti Road

Council recognises that Kāpiti Road congestion is a matter of concern to many residents. First steps were taken during the year to improve safety and traffic management on Kāpiti Road with the upgrade to the Te Roto Drive/Milne Drive intersection on Kāpiti Road. This work was completed in December 2014.



Completed Milne/Te Roto/Kāpiti Road intersection

The proposed town centre link road from Ihakara Street to Arawhata Road (planned for 2020/21) is expected to relieve pressure on significant parts of both Rimu Road and Kāpiti Road and enable the transformation of a substantial part of Rimu Road into a reduced speed 'main street' for Paraparaumu.

Town centre upgrades

Public engagement on the concept plans and implementation programme for Waikanae and Paraparaumu town centres concluded through the 2015 long term plan consultation.

Traffic modelling and car parking reviews have been conducted to help inform future decisions. A funding application was accepted so the Stride n' Ride programme can be implemented over the next few years in conjunction with the town centres project.

Planning for the next phase of these projects has commenced. This will include the procurement of technical services and further engagement with key stakeholders and long term plan submitters as detailed designs are developed.

The **access and transport activity** includes the following services and programmes:

- management of assets: roads, footpaths, street lighting, road signs, street furniture, walkways and cycleways
- replacement of assets to ensure long-term sustainability
- delivery of road safety improvement projects, in conjunction with New Zealand Police, NZ Transport Agency (NZTA) and other road safety partners
- promotion of active travel modes and public transport
- design of road corridors to accommodate a range of modes
- upgrades to footpaths and development of cycleways, walkways and bridleways
- providing safe cycleways, walkways and bridleways to promote active transport in Kāpiti
- advocacy for public transport services
- planning and design, linked to wider district development projects, and
- traffic and transport enforcement by regulations, standards and bylaws.

District footpath renewal

Footpaths were replaced across the district in conjunction with other roading project upgrades. A number of sites were completed with approximately 1,959m² of footpath upgrades completed.

Road reconstruction and sealed road resurfacing

The annual reseal programme was completed in accordance with NZTA requirements. In particular:

- A total of 19 kilometres of chipseal and asphalt was resurfaced.
- A number of roads with weak subgrade were overlaid with polymer asphalt to add a structural layer.
- A number of smaller areas of road pavement were reconstructed to maintain pavement integrity.

Major bridge/culvert/structure renewals

Several culverts were replaced, including a culvert on Mangaone South Road, and a twin pipe culvert on Rangiora Road with a box culvert. A new gabion basket retaining wall was constructed on Otaihanga Road to improve sightlines at the Greendale Drive/ Otaihanga Road intersection.



Otaihanga retaining wall

A resource consent was applied for to replace an Armco corrugated steel culvert on Marine Parade, Paraparaumu. Council hopes to receive the consent and carry out the work in 2015/16.

Cycleways, walkways, bridleways

A review of the cycleways, walkways and bridleways (CWB) network across the district was completed and this informed council's 2015 long term plan and the urban cycleway fund application to the NZTA. The application was successful in securing funding of \$1.57 million for the extension of the district's CWB network.

Work was completed on the following pathways:

- The extension of the 800m Rutherford Drive off-road shared path from Pharazyn Reserve to Marram Way.
- A boardwalk constructed of recycled plastic was installed at Te Moana Road carpark and the south end of Waimea Domain.
- The works on the 'Sandy Track' pedestrian maze rail crossing at the north end of Paekākāriki were completed. A licence to occupy and easement agreement was obtained from NZTA prior to construction.
- The easement and land purchase agreement at 240 Otaihanga Road, to maintain access to the KiwiRail cycleway was completed.

Work is underway on the following pathways:

- The Wharemauku and Waikanae riverside walkways and cycleways were damaged in the May and June 2015 floods. The damage was primarily associated

with deposition of silt and the removal of the 20mm surface layer on paths closest to the river channel.

- Damage to the abutments of two footbridges occurred and consent to repair has been obtained.

In addition:

- The tenders have been let for the Bert's Way beach access stairway replacement;
- A consent application has been lodged to allow drain realignment enabling works to facilitate a proposed CWB connection at Georgia Grove.

School traffic safety

The following projects to improve traffic safety around local schools were completed:

- Pedestrian crossings at three schools were upgraded to either slow traffic down or make the crossing more obvious with Synthite red school patches.
- Three schools had maintenance carried out on advanced warning flashing amber school zone signs.

Road safety

Council, jointly with the New Zealand Police, supported a road safety campaign targeting key risk areas such as motorcycle safety, cell phone use, cycle safety, older drivers, driver fatigue and drink or drugged driving.

As part of the safety education programme, there were Driving with Confidence courses in Paraparaumu and Ōtaki designed and delivered to refresh driving skills and build the confidence of motorists. Our council, together with Porirua City Council, organised a Wellington motorcycle training course at Southward Car Museum and a motorcycle education stop on Paekākāriki Hill Road.

Flyers were sent to all 139 licensed premises in Kāpiti in conjunction with NZTA's new lower alcohol limits campaign in December 2014. This was followed up with distributing *stop someone driving drunk* bar mats in May 2015.

Low-energy streetlights

Council installed 125 LED luminaires on the local road lighting network in 2014/15, bringing the total installed to date to 247. The combined energy saving of these lights is 57% compared to conventional technology. This equates to 55,595 kWh in avoided energy use per year. Installations completed in 2014/15 include 50 light replacements in Paekākāriki, 22 concrete pole replacements, five pedestrian crossing upgrades in Main Street, Ōtaki and various smaller works.

Sustainable transport

There was a lot of interest in the sustainable transport options exhibited by council at the Sustainable Home and Garden show in March 2015. A selection of four commuter upright style bikes and a Scott Electric bike were available for show goers to have a ride on. This proved very popular with considerable interest in the potential use of electric bikes from older residents.

Expressway projects

Council continued its significant monitoring and consenting role in the four expressway projects currently either underway or in development in the district. The construction work is the responsibility of NZTA and, in the case of the Transmission Gully project, the Wellington Gateway Partnership.

MacKays to Peka Peka

Construction of the Mackays to Peka Peka expressway made further good progress and is on target to be completed by early-2017. Council has been closely involved in this project overseeing construction and certifying site specific management and vegetation retention plans for all stages of the project.

Council officers are also checking to ensure construction of the expressway is in compliance with the approved and certified plans.

Peka Peka to Ōtaki

The Peka Peka to Ōtaki expressway project has been going through a specimen design phase with detailed design construction scheduled to begin in mid-2016. It has an estimated four year construction timeframe.

Transmission Gully

The Transmission Gully project is being undertaken by the Wellington Gateway Partnership under a public-private partnership consortia.

Preliminary construction started in September 2014 with major construction work scheduled to begin during spring/summer of 2015. Transmission Gully is expected to be operational by 2020.

Ōtaki to Levin

The Ōtaki to Levin expressway project is progressing. During 2015, NZTA has undertaken safety improvements starting at Manakau and Ohau. Further work will be done for the future four lane route with the lodgement of the resource management application to follow. Construction is programmed to commence in 2019.

Key performance indicators

Access and transport				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
The allocation of space on the network matches the needs of users of all modes to get to work, home, school, shops, recreation areas etc	85% of people agree that the design and layout of the transport network gives the necessary access to civic, economic and social centres	85%	Not relevant	This measure was not programmed to be surveyed in 2014/15. (2012/13 result was 91%)
Users are safe on the transport network	Parents, cyclists and pedestrians perceive an improving safety environment for their own or their children's travel	Achieve	Achieved	The resident opinion survey, which was run in June 2015, recorded 89.5% satisfaction with regard to council's road safety programme. This was a significant improvement on last year's result – possibly in part because we included an explanatory preamble in the survey to help respondents understand what the road safety programme involves. (2013/14 result was 67%)
All users can reliably predict journey times	85% of users agree that travel times are usually predictable (during normal driving conditions and excluding SH1)	85%	Not relevant	This measure was not programmed to be surveyed in 2014/15. (2012/13 result was 91%)
The use of rates funding is optimised through efficient and effective design and management	The average cost of the local roading and cycleway, walkway and bridleway network per kilometre is about the same as for similar sized districts in New Zealand	Achieve	Ongoing/ on target	NZTA data for 2014/15 is not yet available. Data for 2013/14 shows that maintenance expenditure per network lane kilometre in Kāpiti is 14.7% higher than the peer group average.
The transport network is reliable and users can easily get around the district by their preferred means	75% compliance with maintenance contract response times	75%	83%	Compliance with maintenance contract times for service requests was 83% for 2014/15. (2013/14 result was 81%)

Access and transport				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
The transport network is reliable and users can easily get around the district by their preferred means	Roading (RAMM) survey data for Kāpiti roads compares favourably with other councils similar to Kāpiti district	Achieve	Ongoing/ on target	NZTA data for 2014/15 is not yet available. 2013/14 data shows that Kāpiti was at or just above average on the smooth travel exposure, condition index and pavement integrity measures for its peer group.
Low energy streetlighting systems will be used	Energy (kilowatts/hour) consumed by streetlighting per pole decreases over time	Achieve increase on savings from 27,000 kWh per year in 2013/14	Achieved	Council installed 125 LED luminaires on the local road lighting network in 2014/15, bringing the total installed so far to 247. The combined energy saving of these lights is 57% compared to conventional technology. This equates to 55,595 kWh in avoided energy use per year.
The CWB network is available at all times throughout the district	85% of residents are satisfied with the availability of the CWB network	85%	86%	The resident opinion survey in June 2015 recorded 86% satisfaction with the CWB network. This is an improvement on the result for the previous year. [2013/14 result 80%]

Cost of activity statement

Access and transport				
2013/14		2014/15		2014/15
Actual		Actual		Budget
\$000		\$000		\$000
	Expenditure			
5,645	Other operating expense	5,977		4,769
4,922	Depreciation and amortisation	4,560		5,420
1,547	Finance expense	1,460		1,605
12,114	Operating expenditure	11,997		11,794
	Revenue			
23	Fees and charges	384		16
3,499	Grants and subsidies	3,207		2,800
127	Development and financial contributions revenue	120		356
2,318	Other operating revenue	254		322
5,967	Operating revenue	3,965		3,494
6,147	NET OPERATING COSTS	8,032		8,300
	Capital items			
2,409	Asset renewal	2,572		2,640
8,686	New assets upgrade	2,587		3,085
228	Additional loan repayment	289		286
11,323	Total capital items	5,448		6,011
17,470	NET COST OF ACTIVITY	13,480		14,311
4,029	Rates	5,727		6,413
10,067	Borrowings	2,587		2,910
1,024	Depreciation reserve	2,572		2,640
-	Movement in other reserves	-		16
{690}	Reserves and special funds	{93}		{355}
3,042	Unfunded depreciation	2,687		2,687
{2}	Internal transfers	-		-
17,470	TOTAL SOURCES OF FUNDS	13,480		14,311

Coastal management

Whakahaere takutai

- ☑ Final concept designs were completed for the preferred option for the Paekākāriki seawall which includes a mixture of concrete, timber and rock. Council approved including this project in the 2015-35 Long term plan with a budget of \$10.9M. The detailed designs and consents are due to be completed in 2015/16 and construction is planned for 2016-20.
- ☑ Option analysis and concept designs were completed for the modifications to the rock revetment on Marine Parade, Paraparaumu. Initial discussions with the Greater Wellington Regional Council and residents commenced. Council has allocated funding (\$256,250) for 2016/17.
- ☑ An inventory of privately and publicly owned coastal structures including sea walls, stormwater outlets and retaining walls commenced and is due to be completed in 2015/16.
- ☑ Beach access upgrades at the bottom of Te Moana Road and Rangihiroa Street, both in Waikanane, were completed.
- ☑ The annual dune restoration planting and the reserve weed control programmes were completed.
- ☑ Five community dune restoration groups were supported in their efforts to improve biodiversity by providing technical advice, staff support at working bees, native plants and weed and pest animal control.

Coastal maintenance

Council carried out the following coastal maintenance activities:

- Marine Parade sand replenishment.
- Minor repair works to Paekākāriki seawall.
- Repair works to concrete walkways.
- Removal of spikes and rail irons from the beach.

Paekākāriki sea wall

The following tasks were completed:

- Geotechnical investigations were completed in October 2014 and helped refine design options and cost estimates. These were reported back to the Paekākāriki community board in November 2014.
- Final concept designs were completed for the preferred seawall option (a mixture of concrete, timber and rock) in consultation with the community design group in early February 2015.
- The preferred seawall option together with the cost estimates were presented to the Paekākāriki community board in February 2015 and to council in March 2015.
- A community open day was held in May 2015 to present the preferred seawall option. The open day was well attended and a total of 34 written submissions were received on overall concept, accessibility, design life and resilience.
- Council approved including this project in the 2015-35 Long term plan with a budget of \$10.9M.
- Discussions began with the Greater Wellington Regional Council (GWRC) regarding the resource consent and the GWRC advised that the resource consent application for this project will be publicly notified providing a further opportunity for community engagement.

Concept design for Paekākāriki seawall



The **coastal management activity** includes the following services and programmes:

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

The next steps are to complete the detailed designs in 2015/16, apply for resource consents and commence construction in 2016/17. The project is expected to be completed in 2019/20.

Marine Parade, Paraparaumu – modifications to the rock revetment

Council had two meetings in early 2015 with a group of local residents (one meeting was attended by GWRC as well) to discuss the options for carrying out modifications.

Residents living across from the Marine Parade and residents living further south have different views on the current structure. Local residents who are not in favour of the current structure also presented their preferred option.

GWRC confirmed that the council can proceed with this work without waiting for the formation of the Coastal Advisory Group.

In May/June 2015, council considered ten options including the residents' option and completed preparation of high level concept design plans for all the options. Cost estimates for these options are being prepared.

The next steps include obtaining multi criteria assessment for all the options, selecting the preferred option together with the community and obtaining resource consents.

Planting

As part of the coastal restoration programme, approximately 1,500 native sand-binding plants were planted on fore-dunes between Paraparaumu and Ōtaki, focussing on blow-outs and areas where native plants were not established and marram grass predominated. An additional 4,000 native trees, shrubs and sedges were planted in back-dune areas between Ames Street Reserve in Paekākāriki and the Waitohu Estuary in Ōtaki to improve biodiversity and replace controlled weeds such as boxthorn, pampas and lupin.

Key performance indicators

Coastal management				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Access points to the beach are maintained in usable condition	85% of residents agree that access to the beach meets their needs	85%	98%	The resident opinion survey undertaken in June 2015 recorded 98% of respondents were satisfied with access points to the beaches. (2012/13 result was 99%)
Damaged ecosystems are restored to a more natural state	Surveys and monitoring show improvement in ecosystem health over time	Achieve	Achieved	Ongoing visual monitoring continues to return positive feedback.
People are made aware of serious hazards on beaches	Hazards are clearly signposted within 24 hours of notification to the council	100%	100%	All hazards reported in this period have been sign posted as required before being removed.
The coastal/beach area is available for a wide range of activities	85% of residents agree that multiple uses don't spoil enjoyment of the beach	85%	Not relevant	This measure was not programmed to be surveyed in 2014/15. (2012/13 result was 95%)

Cost of activity statement

Coastal management				
2013/14		2014/15		2014/15
Actual		Actual		Budget
\$000		\$000		\$000
	Expenditure			
272	Other operating expense	529		283
265	Depreciation and amortisation	482		310
200	Finance expense	195		162
737	Operating expenditure	1,206		755
	Revenue			
-	Operating revenue	-		-
737	NET OPERATING COSTS	1,206		755
	Capital items			
169	Asset renewal	57		140
65	New assets upgrade	73		76
78	Additional loan repayment	20		19
312	Total capital items	150		235
1,049	NET COST OF ACTIVITY	1,356		990
654	Rates	1,061		609
217	Borrowings	73		76
17	Depreciation reserve	57		140
145	Unfunded depreciation	165		165
16	Movement in reserves	-		-
1,049	TOTAL SOURCES OF FUNDS	1,356		990

Solid waste

Para ūtonga

- ☑ A capital budget was approved for the final cap construction on the Otaihanga landfill over a period of 5 to 10 years.
- ☑ Otaihanga landfill capping works commenced. Additional capital budget for the 2014/15 year was approved as a large volume of clay became available at the local quarry and capping works could be carried out on receipt, saving double handling and stockpiling costs.
- ☑ A lease agreement for a land area adjoining the Otaihanga landfill site was signed for the construction of a pre-cast yard for the Mackays to Peka Peka expressway.
- ☑ A new 20-year resource consent was issued for the operation of Ōtaki resource recovery centre by Greater Wellington Regional Council.
- ☑ The 2013/14 levy funding expenditure report was submitted to the Ministry for the Environment in September 2014.
- ☑ The grants allocation committee approved \$96,026 waste levy funding for waste minimisation projects under council's waste levy allocation policy.
- ☑ The zero waste education programme was delivered in all classes of Paekākāriki School in March 2015. Very positive feedback was received and the programme formed the basis for a senior syndicate project into a sustainable Kāpiti.
- ☑ Council assisted and supported four events to be run as zero waste events; the international hockey test, Waitangi Day, Youthfest and the Sustainable Home and Garden Show. 71% of waste was diverted from landfill at the Sustainable Home and Garden Show.
- ☑ 36 families attended waste-free parenting workshops.

Kerbside collection services

Council continued monitoring the delivery of kerbside collections by the local collectors to ensure the services are delivered in accordance with their collectors' license requirements. Any issues or complaints received are immediately communicated to the collectors.

The resident opinion survey conducted in June 2015 reported that 92% of residents were satisfied with kerbside collection services (adjusting for those who answered 'don't know' or 'neither satisfied nor dissatisfied').

Ōtaki resource recovery centre

Envirowaste has been leasing and operating the Ōtaki resource recovery centre at Riverbank Road in Ōtaki now since December 2013. Envirowaste sets the gate fees and provides all recycling and disposal services at the centre. There has been no change to opening hours.

The canopy above the rubbish drop-off was renewed during 2014/15 and further ongoing asset maintenance is planned.

Waikanae recycling centre

Council continued to contract the management of the recycling drop-off station with Composting New Zealand (CNZ). CNZ manages the greenwaste drop-off on its own account and sets the greenwaste fees. During the 2015 long term plan process, council decided to continue the current level of service, which is seven days of full opening hours.

Improvements were made around the cardboard/paper drop-off bins and the entrance kiosk was painted.

Greenwaste

Composting New Zealand continued to set greenwaste fees by volume at the Otaihanga facility and continued to process all the greenwaste districtwide.

Wellington regional waste management and minimisation plan

The regional waste education strategy formed the basis for the Wellington region food survey that ultimately led to the launch of the national food waste prevention project. The national results were publicised through a co-ordinated media and education campaign.

An application to the waste minimisation fund of the Ministry for the Environment has been lodged in May 2015 to obtain funding for a national *love food hate waste* campaign. If funding is approved council will be co-funding this campaign along with other participating councils.

The steering group for the implementation of the regional waste management and minimisation plan

The **solid waste activity** includes the following services and programmes:

- promoting effective and efficient waste management, as required by the Waste Minimisation Act 2008
- licensing of waste collectors and operators in Kāpiti
- monitoring of compliance with license and bylaw requirements
- enabling and monitoring the provision of resource recovery services facilities in Otaihanga and Ōtaki, including asset management
- providing a greenwaste and recycling drop-off centre in Waikanae
- managing the (part-closed) Otaihanga landfill
- working with Greater Wellington Regional Council to ensure the landfill operation and aftercare development (capping) meets environmental requirements
- initiating, developing and encouraging waste minimisation activities and education, and
- implementation of Wellington region waste management and minimisation plan.

continued work on regional actions including planning for a new regional waste assessment during 2015/16.

Waste minimisation

Council continued to implement its waste minimisation and education action plan with waste levy income provided by the Ministry for the Environment.

In line with this plan, council has taken an active role and facilitated a number of waste minimisation activities throughout the past year, including: zero waste education in schools; recycling education visits and advice; waste audits for households; zero waste in council's offices and regional education actions such as the food waste survey and green parenting workshops.



Pupils from Paekākāriki School moving a worm farm

The zero waste education programme was delivered in Paekākāriki School this year in seven classes, 30 lessons in total, with very positive feedback.

Waste levy

In November 2014 the grants allocation committee approved \$16,026 levy funding to fund nine community projects.

Most community projects focused on organic waste reduction and are being carried out by schools, greener neighbourhood participants and a waste education provider.

In March 2015 the committee approved two business/innovation applications, awarding them \$40,000 each to conduct separate biosolids composting trials.

One trial was funded in 2014/15 and involves in-vessel composting of biosolids (agricultural bags). The other trial, involving vermicomposting of biosolids (in bins) in Ōtaki, will be funded in 2015/16 once resource consent is obtained by the applicant.

In March 2015 the grants allocation committee also approved \$20,000 to subsidise the recycling fee for TVs and CRT monitors at the Otaihanga and Ōtaki resource recovery facilities. Council has been subsidising this fee since December 2011 and so far over 5,800 units have been recycled.

Otaihanga landfill

Work was undertaken towards phasing out the landfilling of biosolids as the landfill is nearing its final capacity. The landfill continued to receive (restricted) cleanfill for capping.

Landfill final cap construction project

Vegetation was cleared and areas were shaped to allow for the start of the construction of the final clay cap on Otaihanga landfill. Cap construction started early January 2015 on the western slopes of the landfill site, adjoining the expressway designation and on an area located at the east boundary of the landfill site. The work is ongoing and will continue into 2015/16.

Development of the capping programme started, including finalising a plan for improving the southern (treatment) wetland, final drainage planning and proposals for the final cap design for the top of the landfill.



Capping underway at Otaihanga landfill

Key performance indicators

Solid waste				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Ensure all collection providers are licensed and operate in compliance with the solid waste bylaw	Performance survey results show that collection service providers are compliant with the solid waste bylaw and licensing requirements	All collectors licensed Compliance with bylaw	Achieved	All existing licences were reviewed and issued for 2014/15. One new collector was licensed. Surveys were carried out and compliance was achieved.
Reduce waste to landfill	Waste analysis every three years, (base year 2010), shows a reduction of waste (tonnes) to landfill	Less than 20,092 total tonnes to landfill	Not relevant	The next waste analysis is planned in 2016. (2013/14 result 21,655 total tonnes)
Reduce waste to landfill	Annual report on waste streams (tonnes) shows a reduction	Achieve	Achieved	There were 24,633 tonnes of waste to landfill in 2014/15, down 400 tonnes from 25,033 tonnes in 2013/14. The 2013/14 result was incorrectly reported last year as 26,824 tonnes, which included sewage sludge data. The correct amount, excluding sewage sludge, was 25,033 tonnes.

Cost of activity statement

Solid waste				
2013/14			2014/15	2014/15
Actual			Actual	Budget
\$000			\$000	\$000
	Expenditure			
923	Other operating expense		820	661
414	Depreciation and amortisation		394	60
175	Finance expense		179	143
1,512	Operating expenditure		1,393	864
	Revenue			
619	Fees and charges		748	681
-	Interest income		4	-
619	Operating revenue		752	681
893	NET OPERATING COSTS		641	183
	Capital items			
189	Asset renewal		-	200
-	Additional loan repayment		-	-
189	Total capital items		-	200
1,082	NET COST OF ACTIVITY		641	383
198	Rates		678	185
189	Borrowings		-	-
-	Depreciation reserve		-	200
-	Movement in other reserves		(33)	(2)
695	Reserves and special funds		(4)	-
1,082	TOTAL SOURCES OF FUNDS		641	383

Stormwater management

Whakahaere wai āwhā

- ☑ The Ōtaki beach stormwater upgrade detailed designs were completed and physical works were procured. The land ownership issues were resolved and council gave approval to award the construction contract. Physical works commenced in July 2015 and will be completed in June 2016.
- ☑ The Tilley Road stormwater upgrade concept and detailed designs were completed and physical works have been procured. Physical works are in progress and will be completed in September 2015.
- ☑ The Waikākāriki gravel extraction project had been on hold for several years. Council reached agreement with the land owner in May 2015. Work is now planned to commence in November 2015 and to be complete in January 2016.
- ☑ The council continued its staged stormwater approval process for the M2PP expressway in conjunction with Greater Wellington Regional Council. This work is ongoing as the expressways are built.
- ☑ The stormwater consent monitoring process continued and the monitoring results were all positive. The consents for council to discharge stormwater to freshwater bodies and to the coastal marine area are due to expire in July 2016. Council has initiated action on lodgement of an application for a new consent by December 2015.
- ☑ Council responded to 709 flooding requests over the year with 648 of them in response to the two major flooding events in May and June 2015. Investigations and option assessments to carry out minor construction works were completed on a number of flood damaged locations.

The stormwater management activity manages a network of streams, open drains, pipes and retention ponds in the main urban areas to protect residents from stormwater flooding.

Expected climate change impacts are incorporated into the council's management and design of stormwater infrastructure assets and all new flood plain management work. Climate change brings key risks around increases in rainfall intensity during heavy rainfall and challenges from projected rising ground water levels.

The GWRC is responsible for flood protection associated with the major rivers.

Ōtaki Beach stormwater upgrade

The existing stormwater network serving the Moana Road catchment area in Ōtaki Beach is under capacity and as a result, properties are flooding during heavy rain events. Council commenced the Ōtaki Beach stormwater upgrade project in 2013/14 to resolve this issue and in 2014/15 the following actions were completed:

- preliminary and detailed designs and cost estimates
- resolving property ownership issues
- consultation with iwi groups and dune care groups
- physical works tender process and tender evaluation, and
- council approval to award the construction contract.

Work on site commenced in July 2015 and will be complete in June 2016. Once completed, this project will help reduce the flood risk on Moana Road and for around 300 properties in the Moana Road catchment.

Tilley Road stormwater upgrade

The stormwater upgrade in Tilley Road, Paekākāriki, to alleviate frequent flooding was initially planned for 2013/14 but was deferred to 2014/15 and 2015/16 to reduce funding impacts in the 2013/14 year.

During the 2014/15 financial year the following actions were completed.

- Designs for an open excavation methodology were developed. However it was decided not to proceed with this methodology as it was disruptive, expensive, and likely to simply shift the flooding problem further downstream.
- Designs were then developed for a structural lining methodology to rehabilitate the existing stormwater pipes. This was proceeded with as it was more cost effective, less disruptive to the public and would provide relief to the properties getting flooded currently without impacting other properties.

The **stormwater management activity** includes the following services and programmes:

- identifying flood prone areas and/or reviewing known trouble spots
- identifying and designing possible solutions and setting priorities for works (based on greatest benefit for least cost) to protect property, public health and the environment
- maintenance of the existing stormwater system – pipes, streams and storage facilities
- undertaking capital works projects – increasing the size of the existing system or building new systems
- managing stormwater effects on water quality, by treating and disposing of stormwater run-off in urban areas, and
- undertaking flood hazard modelling, incorporating the effects of climate change impacts and the increased risk of heavy rainfall events.

- A physical works tender process and tender evaluation took place.
- The construction contract was awarded.
- Work on site started in June 2015 and is expected to be complete by October 2015. Once completed, this project will help reduce the flood risk on Tilley Road and for around 60 properties in the Tilley Road catchment.

Water quality

The following work related to water quality in local streams was completed:

- Water quality treatment devices have been installed to minimise contaminants discharging into open drains and streams.
- Dry weather sampling continued and results were shared with key stakeholders.
- A consultant was engaged to develop a freshwater stream plan for Paekākāriki.
- Ecological monitoring was completed for the Wharemauku Stream. The monitoring results are all positive, with all parameters below allowable limits.
- Flood modelling was completed to determine the extent and type of riparian planting possible along the banks of six streams without increasing the risk of flooding.

Success of previous flood mitigation projects

Stormwater assets created/ upgraded in the last six years performed as designed in the May flood event. The projects are:

- Middleton Road, Paraparaumu, stormwater upgrade
- Raumati village stormwater and pump station upgrade
- Matatua Bridge, Raumati Beach, replaced an under-capacity triple cell culvert
- Arthur Street, Paraparaumu, stormwater upgrade
- Ocean Road, Paekākāriki, stormwater upgrade, and
- Tasman Road, Ōtaki, stormwater upgrade.

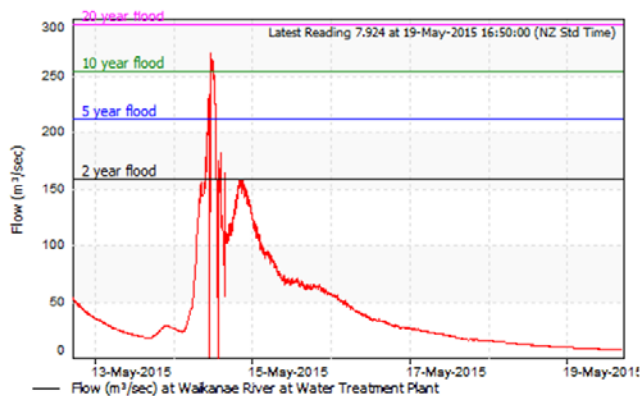
Significant flooding events

The district experienced a few minor flooding events this year and two major events in mid-May and mid-June 2015.

May 2015 event

The following data give an indication of the severity of the May 2015 flooding event:

- 143.6mm rain in 24 hours, whereas the average rainfall for the whole month of May is 76mm
- approximately 600 service requests were received and responded to, and
- 30 families were evacuated.



Waikanae River flow during May 2015 flooding

June 2015 event

The following information relates to the June 2015 flooding event:

- council received 78 flood related service requests and all were responded to within a reasonable timeframe, and
- the flood forced the closure of SH1 between Ōtaki and Levin and left motorists stranded.

Review of flood mitigation work

A review of flood mitigation work is underway and the following actions are planned to be completed in 2015/16:

Step 1 – data gathering

- incorporate the flood event service request data in GIS maps,
- undertake a condition and capacity assessment of stormwater assets (pipes, manholes, open drains, streams and outlets), and
- conduct a survey to identify the stormwater discharge point for each property.

Step 2 – data analysis

Use the above information to:

- identify the reasons for flooding in different locations, and
- identify new flood prone areas where projects are not currently planned.

Step 3 – reprioritisation of the work programme

Add the newly proposed project locations to the current work programme and assess using the prioritisation criteria and formulate a revised work programme.

Flood mapping

The preparation of flood maps for a 1 in 50 year event was completed during the year. These are for the entire district and will be available in the council's online Geographic Information System in 2015/16.

Key performance indicators

Stormwater management				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Risks to human life and health from flooding are minimised	Residents perceive that their physical safety is safeguarded by the stormwater system during design standard events ¹	Achieve	Achieved	The residents opinion survey undertaken in June 2015 recorded 73% agreement that residents' physical safety is safeguarded by the stormwater system. (2013/14 result was 83%)
Stormwater systems do not harm the downstream receiving environment	Environmental audits show an improving trend in stormwater quality year-on-year	Achieve	Achieved	Stormwater quality monitoring carried out during the year showed that results are satisfactory.
Detention and distribution systems minimise negative effects on natural systems	Water quality improvement measures – for example, riparian planting and treatment devices – are considered in all new stormwater designs and upgrades	100%	100%	Water quality improvement measures are considered in the expressway process, and in all upgrades.
The council responds to requests for help in a timely and professional manner	90% of all buildings that have been inundated due to minor flooding are visited within four weeks	90%	88%	88% of 157 of the inundated buildings were visited within four weeks and all requests were responded to within the four week period from the date of the request. Up until the end of the third quarter the measure was on target with attendance within four weeks to the three flooding incidents that were related to buildings (of a total of 61 flooding events). During the fourth quarter, council received 648 flooding requests due to the two heavy rain events in May and June 2015. 154 of the 648 were related to buildings. These were all responded to within the four week period from the date of the request but in some cases this was via phone. 136 were visited (88%).

¹ Notes - Although a ten-year event will occur, on average, once every ten years and a 100-year event is so large it is expected to occur only every 100 years, this is only a statistical statement to describe the level of risk arising from these storm or flooding events. It does not mean 100-year floods will happen regularly, every 100 years. In any given 100-year period, a 100-year storm may occur once, twice, more, or not at all. There were a few minor flood events and two major events in 2014/15.

Stormwater management				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
The council responds to requests for help in a timely and professional manner	98% of all urgent requests about flooding are responded to within 24 hours	98%	87%	87% of the 389 urgent requests were responded to within 24 hours. Up until the end of the third quarter the measure was on target with all urgent requests (1) about flooding responded to within 24 hours. During the fourth quarter council received 648 flooding requests and 388 of these were urgent. 338 of the 388 (87%) urgent requests were responded to within 24 hours.

Cost of activity statement

Stormwater management				
2013/14			2014/15	2014/15
Actual			Actual	Budget
\$000			\$000	\$000
	Expenditure			
1,214	Other operating expense		1,124	1,293
1,150	Depreciation and amortisation		1,137	1,195
951	Finance expense		913	879
3,315	Operating expenditure		3,174	3,367
	Revenue			
55	Fees and charges		56	51
40	Development and financial contributions revenue		194	60
95	Operating revenue		250	111
3,220	NET OPERATING COSTS		2,924	3,256
	Capital items			
436	Asset renewal		61	500
397	New assets upgrade		680	2,335
143	Additional loan repayment		242	242
976	Total capital items		983	3,077
4,196	NET COST OF ACTIVITY		3,907	6,333
3,322	Rates		3,360	3,558
490	Borrowings		680	2,335
342	Depreciation reserve		61	500
42	Reserves and special funds		(194)	(60)
4,196	TOTAL SOURCES OF FUNDS		3,907	6,333

Wastewater management

Whakahaere wai para

- ☑ The Milne Drive and Te Roto Drive rising main and pump station upgrade project was completed in September 2014 with the delivery of the last new pumps. The project came in significantly under budget.
- ☑ The wastewater treatment plant replacement drier was installed and commissioning completed in early September 2014. This completes the revitalisation of this critical piece of infrastructure and the management of wastewater sludge for Paraparaumu and Waikanae.
- ☑ The 2014/15 wastewater renewals contract was completed in June 2015. The open trenching and associated lateral connections and the pipe relining were all completed by the end of June 2015. These works will restore the strength and water tightness of the sewers that have been rehabilitated, improving the performance of our wastewater network in Paraparaumu and Ōtaki.
- ☑ The desludging of the Ōtaki wastewater treatment plant secondary ponds and earthen anaerobic digester (EADER) tank was completed in November 2014. Further desludging was undertaken from April-June 2015 which increased the long term performance of the ponds.
- ☑ The renewal of the wastewater pipe at Pehi Kupa Street, Waikanae, and all associated reinstatement works were completed. Following difficulty with drilling and the contractor going into liquidation, an alternative contractor was secured and the pipe replacement was completed in December 2014.
- ☑ The application for the renewal of air and land discharge consents for the Ōtaki wastewater treatment plant was submitted in June 2015 following a year of ground water monitoring. The submission of the application allows council to continue operation of the plant while the new consenting decision is considered.
- ☑ The review of the draft biosolids strategy short, medium and long term measures was completed. The review addresses the limited space at Otaihanga landfill. The views of iwi have been sought through Te Whakaminenga o Kāpiti on the reuse of biosolids and iwi representatives visited the Paraparaumu wastewater treatment plant. Further work is being considered to assess the cultural issues associated with land application of biosolids as one of the potential medium to long term options. The development of the biosolids strategy will be informed by work with iwi and council.

The provision of wastewater services is an important public health function that the council provides to most residents of Kāpiti.

The 2014/15 work programme has focused on the areas detailed below.

Consent renewals

Ōtaki wastewater treatment plant

The application for the renewal of air and land discharge consents for the Ōtaki wastewater treatment plant was submitted in June 2015 following a year of ground water monitoring.

Initial registrations of interest in the application were sought from neighbouring properties, specific interest groups and the wider community and these groups were consulted in preparing the application.

The submission of the application allows council to continue operation of the plant while the new consenting decision is considered.

Pipe renewals

Pehi Kupa Street

The wastewater pipe renewal in Pehi Kupa Street, Waikanae, struck significant problems in June 2013 when an unforeseen obstruction caused the drill head to lodge. Following several attempts to extract the head, the contractor went into liquidation in February 2014 causing further delays while contract issues were resolved.

A new contractor was engaged and the recovery of the drilling head was completed in August 2014. Drilling operations for the replacement wastewater pipe were completed in December 2014. Final works, including the connection to the wastewater network and the reinstatement of the railway, state highway and private property, were completed in February 2015.

2014/15 pipe renewals programme

The 2014/15 wastewater renewals contract was completed in June 2015. The open trenching and associated lateral connections was completed in mid-June and the pipe relining by end June. These works will restore the strength and water tightness of the sewers that have been rehabilitated, improving the performance of our wastewater network in Paraparaumu and Ōtaki.

The **wastewater management activity** includes the following services and programmes:

- managing the operation and maintenance of the existing wastewater system – collection, reticulation and treatment facilities
- managing the nature and impact of any discharges into the environment – air, water and land
- investigations and planning of renewals and upgrades to meet the wastewater service requirements, and
- delivery of capital works projects – to maintain the performance of the existing system and upgrade system to improve performance and service growth.

Pump station upgrades

Milne Drive and Te Roto Drive

The Milne Drive and Te Roto Drive wastewater pump station upgrade project was substantially completed in June 2014 despite delays in 2013/14 resulting from coordination of timing with the Mackays to Peka Peka project and resolution of access issues over private land.

Full completion was achieved in September 2014 with the provision and installation of the last pumps. The project provided upgrades to existing pumps and rising mains and provides for emergency storage at Te Roto Drive. It was completed significantly under budget with savings being used to offset the additional costs of completing the Pehi Kupa wastewater pipe renewal.

Minor pump station upgrades

A number of other smaller pumping station upgrades were completed to improve the operational performance of the stations. 11 minor pumping station renewals were completed. They varied in scope from simple pump replacements at four of our pumping stations through to full pipework, valves and pump replacements at two others. Four of the renewals were in Ōtaki with the balance in Paraparaumu. These works will improve the operational reliability of the stations.

Wastewater treatment plant upgrades

Ōtaki – desludging works

The upgrade work at the Ōtaki wastewater treatment plant was staged over two years. Stage one involved the remediation and decommissioning of the earthen anaerobic digester (EADER) tank including desludging, dewatering and disposal and was completed in 2012/13.

Stage two consisted of the desludging of the secondary ponds which commenced in August 2014. The budgeted amount of sludge removal was completed in November

2014. Additional sludge removal was undertaken in the last quarter of 2014/15, increasing the long-term performance life of the ponds.

Ōtaki – storm buffer pond

The conversion of the deslugged EADER tank to a stormwater overflow pond was completed in December 2014. This project uses a redundant asset to improve the management of storm flows in the plant.

The storm pond was used to good effect during the heavy rain in June helping the treatment plant maintain treatment performance by balancing the high inflows during the event.

Paraparaumu

The Paraparaumu wastewater treatment plant drier replacement was completed in September 2014. Additional design certification requirements delayed manufacturing until July 2014. The drier was then delivered, installed and commissioning completed in September 2014. Formal sign-off was completed in early 2015. The drier is now in service and will improve the performance reliability of the previous aging asset.

A 32 kilowatt solar photovoltaic (PV) array was installed at the Paraparaumu wastewater treatment plant this year. This is council's first ground-mounted PV system. The average price of electricity produced by the array is cheaper than our electricity supplier and is effectively fixed for the life of the system (25+ years).

Asset criticality framework

The three waters criticality framework development (for water supply, stormwater and wastewater) was used in the renewal prioritisation for the 2015-35 Long term plan. The framework provides a consistent approach to assessing the comparative impacts on people and the environment caused by the failure of an asset and loss of its function.

Biosolids strategy

The sewage sludge produced by the Paraparaumu wastewater treatment plant is stabilised via thermal heat drying. This produces an average of 1800 m³/day of dried biosolids per year (an average of five cubic metres per day) which has up to now has been disposed of at the Otaihanga landfill.

The landfill is at capacity and is closing for capping in 2015/16 and an alternative disposal option is required. A review of the draft biosolids strategy short, medium and long-term measures has been completed addressing the limited space at Otaihanga landfill.

The short-term solution is to continue to dispose of the biosolids at an alternative landfill site while the longer term options are considered.

The views of iwi were sought through Te Whakaminenga o Kāpiti on the reuse of biosolids and iwi representatives visited the Paraparaumu wastewater treatment plant.

The development of the biosolids management strategy will be informed by feedback from iwi and council.



Pilot solar array at the Paraparaumu wastewater treatment plant providing cheaper electricity.

Key performance indicators

Wastewater management				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Requests for service are addressed promptly	95% of reported blockages, spills and breaks resolved within four hours of being reported	95%	95%	81 of 85 incidents this year (95%) were resolved within four hours of being reported. (2013/14 result was 100%)
Quantity and range of contaminants discharged has minimal negative impact on the environment	All effluent leaving the treatment plant meets resource consent requirements	Achieve	Achieved	There were no effluent non-compliance incidents from the wastewater treatment plants.
Receiving natural environments are not damaged by effluent discharge and are enhanced where possible	No more than two notifications of wastewater pump station spills to Greater Wellington Regional Council during any 12 month period	No more than two	0	There were no wastewater pump station spills/overflows to natural environments or notifications to the Greater Wellington Regional Council in 2014/15.
Service outages are less than 24 hours in duration	Unplanned interruptions to service are addressed within four hours	100%	100%	All 85 reported service interruptions were addressed (responded to) within four hours. (2013/14 result was 100%)

Cost of activity statement

Wastewater management				
2013/14			2014/15	2014/15
Actual			Actual	Budget
\$000			\$000	\$000
	Expenditure			
5,509	Other operating expense		4,268	4,668
2,302	Depreciation and amortisation		2,506	2,597
741	Finance expense		735	705
8,552	Operating expenditure		7,509	7,970
	Revenue			
30	Fees and charges		22	-
234	Development and financial contributions revenue		81	127
1,225	Other operating revenue		-	-
1,489	Operating revenue		103	127
7,063	NET OPERATING COSTS		7,406	7,843
	Capital items			
2,189	Asset renewal		2,487	2,082
924	New assets upgrade		537	568
	Additional loan repayment			
3,113	Total capital items		3,024	2,650
10,176	NET COST OF ACTIVITY		10,430	10,493
7,124	Rates		6,832	7,304
761	Borrowings		537	756
2,350	Depreciation reserve		2,026	1,604
-	Movement in other reserves		461	301
(59)	Reserves and special funds		(81)	(127)
-	Unfunded depreciation		655	655
10,176	TOTAL SOURCES OF FUNDS		10,430	10,493

Water management

Whakahaere wai

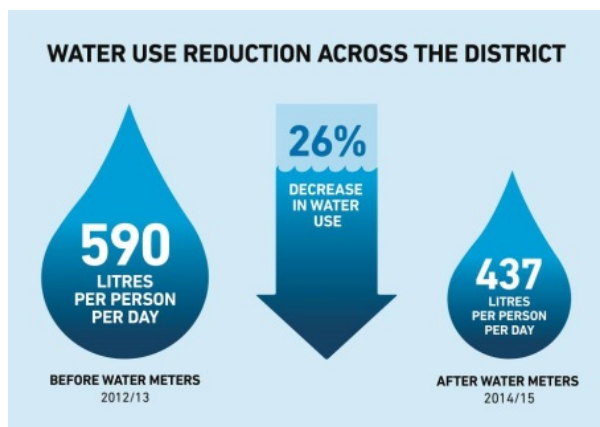
- ☑ The Waikanae water treatment plant upgrade works were completed and an official opening ceremony was held in May 2015 signifying the completion of the project. The project has renewed aging electrical control equipment, chemical dosing systems, pumps and staff facilities. It has also upgraded the seismic strength of this key water treatment plant.
- ☑ The construction of the river recharge with groundwater (RRwG) project is now also substantially completed with all bores, pipelines and treatment plant works in place to allow bore water to be discharged to the river. The three new production bores have been constructed and commissioned and one existing bore redeveloped. The first year of water quality monitoring of these bores for river recharge is underway. On completion this will provide the full stage one river recharge capacity from our bore field.
- ☑ Environmental monitoring continues in accordance with council's obligations under the RRwG consents. We completed the first season of baseline monitoring at the end of April 2015. The completion of compliance reporting, documentation and the 2014/15 annual reporting process will satisfy our consent conditions and allow us to discharge ground water into the river in limited amounts. This marks a significant step towards implementing the water supply project to secure water for Kāpiti.
- ☑ The 2014/15 water main renewals construction contract has replaced sections of the asbestos cement mains along Ames Street, Paekākāriki (412m) and Manly Street, Paraparaumu (563m). Final connections to the new length of the Manly Street water main were completed in May 2015.
- ☑ The water meter installation project was substantially completed at the end of 2013/14 with the last few remaining critical meter installations needed to complete districtwide metering installed in early 2014/15. By the end of September 2014 more than 23,400 water meters had been installed.
- ☑ In deliberations on the 2015-35 Long term plan, council resolved to increase the fixed charge to \$190 per annum and the volumetric charge to 99 cents per cubic metre (1,000 litres) so that we can move toward full recovery of the costs of providing a treated water supply.
- ☑ Following the opening reading of all water meters in the first two weeks in July 2014, readings continue on a rolling quarterly cycle across the district. Over 100,000 meter readings were taken including the full district wide readings in July 2015.

Council maintained its 571 kilometres of water mains, five water treatment plants, seven pump stations and eight groundwater bores throughout the district.

In the 2014/15 year, council completed the construction of the river recharge with groundwater project and a substantial upgrade of the Waikanae water treatment plant. The completion of these works means Kāpiti now has the infrastructure to implement stage one of the river recharge scheme and secure the long term water supply for Kāpiti.

The introduction on 1 July 2014 of a charge for the volume of water used has contributed to a 26% reduction in peak day water since 2012/13 before water meter readings or charging commenced.

In 2014/15 peak water use dropped to 437 litres per person per day (l/p/d) on average across the district, surpassing the 490 litres l/p/d water conservation target.



With the reduced use council was able to avoid applying water restrictions during the summer drought period to remain within its consented water takes. However, because of falling river levels in summer the Waikanae bore field was used to supplement the water supply for 29 days in early 2015.

River recharge with groundwater project

Construction of the River recharge with groundwater (RRwG) project was completed in May 2015 with all bores, pipelines and treatment plant works in place to allow bore water to be discharged to the river. Four new production bores were constructed and the commissioning of their pumps in April 2015 saw the bore field at full stage one capacity.

Environmental monitoring continues in accordance with council's obligations under the RRwG consents. We completed the first season of baseline monitoring at the end of April 2015. The completion of compliance reporting, documentation and the 2014/15 annual reporting process will see Kāpiti in a position to discharge ground water into the river in limited amounts.

The **water management activity** includes the following services and programmes:

- supply of potable (treated) water to urban areas
- management of water reticulation and treatment assets
- delivering and managing the river recharge with groundwater scheme
- managing the installation, maintenance and reading of water meters
- detection of leaks on both council supply network and on private property
- establishing benchmark water loss estimates and tracking improvements against those
- education and promotion of responsible water use to meet water consumption targets
- monitoring the quality of on-site supply systems, and
- promotion of and funding assistance for non-potable supply systems.

In the 2015/16 summer, period council expect to be able to recharge up to 20% of the river in times of low flow allowing river water to be used for longer before bores are needed for supply. When fully operational no bore water will be needed for water supply during normal operations.



Mayor Ross Church at the opening of the river recharge with ground water project

Maungakotukutuku Valley dam

Council previously purchased land in the Maungakotukutuku Valley for the building of a dam. The land for the future dam is being maintained as part of the provision for these future works. It is expected the dam will not be needed until around 2060.

Waikanae water treatment plant upgrade

This upgrade has improved the security of supply, renewed aging critical infrastructure and improved the treatment processes.

The Waikanae water treatment plant upgrade and RRwG contract was awarded to Downer NZ Limited. Downer took possession of the site in February 2014 and practical completion of the project was issued on 27 May 2015 to programme and well under budget.

This work included:

- new electrical switchboards installation
- top-ups to the filter media
- installation of new chemical dosing equipment
- construction of a new bulk powdered activated carbon handling building, equipment and system dosing
- installation of a new lime make-up and dosing unit
- replacing the two raw water pumps and new river inlet screens
- renewal of two of the six high lift pumps, and
- the completion of ancillary works, testing and commissioning.

Water mains upgrades

The replacement of sections of the asbestos cement mains along Ames Street, Paekākāriki, (412m) and Manly Street, Paraparaumu, (563m) was completed in May 2015. These renewals improved security of supply and performance of the water supply network.

\$500,000 per year has been committed to water network renewals for the next 10 years. The planning of renewals for 2015/16 and beyond also uses improved water loss information based on the new consumer water meter data now available. Priority works will be determined taking into consideration this newly available information.

Water charging

In deliberations on the *2015-35 Long term plan*, council resolved to amend the current charging regime so that council can move toward full cost recovery for providing a treated water supply. It was agreed to increase the fixed charge from \$188.50 per annum to \$190 per annum for 2015/16 and to increase the volumetric charge from 95 cents to 99 cents per cubic metre (1,000 litres).

In the first year of the new water charging system, more than 200 people who fixed leaks on their properties applied for credits on their water bills (for water loss via leaks). People can continue to apply for credits if they have their leaks fixed promptly once discovered.

Water meters

The water meter installation project was substantially completed at the end of the last financial year with the last few remaining critical meter installations to complete districtwide metering installed in early 2014/15. By the end of September 2014 more than 23,400 water meters had been installed.

Ongoing additional 'check meter' installations have been undertaken this year at the request of property owners where they feel the need and can identify where their household water supply can be accessed. Check meters are offered to property owners where there is a single primary meter supplying more than one property/dwelling.

Water conservation plan

The 2010 water conservation plan was designed to ensure council and the community reached the 490 litres per person per peak day target by 2016/17. In 2014/15 peak water use dropped to 437 litres per person per day (l/p/d) on average across the district, surpassing the 490 l/p/d conservation target although some areas in the district remain above this figure.

The plan contains seven action areas which work together to help reach the target. These are set out below.

1) Council leadership

Council is involved in a range of initiatives and projects to provide leadership on water conservation, including communicating developments in water to the community, providing quality advice through the Water Conservation Advisor and Green Gardener services, a Water Education Officer and the Eco Design Advisor service. Council also makes efforts to ensure it uses water efficiently.

2) Better data, better results

Building on the reestablishment of district meter areas (DMA) and the water use management review last year, council implemented a number of water use management initiatives.

These included the development of pilot water loss reporting in one DMA and its subsequent roll out across the district's 19 DMAs, development of leakage prioritisation tools and standardised water demand reporting. These have allowed the prioritisation of leak detection activities in areas of greatest need and benefit to be implemented in 2014/15.

The availability of consumer water use data through water meter readings has substantially improved the accuracy and understanding of water use across the district. This was incorporated into water use management and further improvements are proposed to be made in 2015/16.

3) Reducing leakage in water supplies

Leak detection and location surveys in Paekākāriki and two other network areas were completed in 2014/15. Three areas were prioritised for investigation using water management reporting systems established in the first half of the year. The investigations covered 65km, 14% of the 460km of water networks.

The biggest leak discovered was in Paekākāriki in April 2015 which at its peak was wasting 432,000 litres of water a day, around 40% of the normal daily water usage. The leak once found was promptly fixed and water use for Paekākāriki dropped back to normal.

A total of 544 (81%) of the 667 m³/day of estimated leakage identified through the surveys had been repaired at the end of 2014/15 with the remaining council network repairs completed in the first month of 2015/16.

In addition, council made 778 repairs to the public water supply network, including both planned works and reactive responses to leaks as they arose. Council also replaced 975m asbestos cement mains, under the renewals programme.

A review of the 443 private leaks recorded during the meter installation contract has shown over 97% of these have been fixed, achieving an average of 90% reduction in water use for those properties.

The water loss estimate for 2014/15 is 4,235 m³/day against the baseline figure of 7,480 m³/day per day for 2012/13. The substantive (43%) reduction in losses is largely attributed to a difference in customer side leakage which has reduced significantly with the introduction of volumetric water charges.

4) Regulation

Council approved over 130 district plan compliant homes across the district over the 2014/15 period. Council requires all new homes with an on demand connection to the water supply to include water savings measures, including rainwater storage, greywater diversion devices or alternative water conservation measures to reduce peak water use.

5) Financial incentives

Forty properties took up the offer of targeted assistance of up to \$5,000 to install a rainwater tank or greywater system for outdoor irrigation. A total of \$156,686 (72%) of the \$217,350 funding available has now been committed.

6) Education

Council has introduced a range of education initiatives and support for the community. These are outlined below.

Water conservation advisor

The Water conservation advisor provides free home visits to advise on detecting leaks and managing water use,

replaces washers on leaking toilets and taps and provides advice to property owners with large leaks.

Water education officer and resources

Our water education service provided curriculum units and facilitator support for early childhood education, primary schools and secondary schools wanting to explore water issues.

Green gardener

The green gardener offers free garden advice to residents to create water-efficient gardens via articles, workshops and demonstrations.

7) Technical innovation

The introduction of water meters and the change in the method of charging for water to include a volumetric charge has provided a key incentive to encouraging both water conservation and leak repair.

The recent water meter installations will provide valuable information that will allow council to target effective active leakage control and planned network renewals. Water meters will also allow council to measure the effectiveness of different water conservation measures and target campaigns to areas of high water use.

Activity management planning

Criticality framework development

The three waters criticality framework development (for water supply, stormwater and wastewater) was used in the renewal prioritisation for the 2015-35 Long term plan. The framework provides a consistent approach to assessing the comparative impacts on people and the environment caused by the failure of an asset and loss of its function.

Asset management system

The Innoyse Infonet system has been rolled out across the three waters assets. The system has been used to improve the quality of asset data and procedures have been implemented that allow data sharing with other council water use management tools. This has improved the efficiency and accuracy of water use management reporting.

The system aligns Kāpiti with systems used in Wellington City and the water management utility Wellington Water. The sharing of knowledge and expertise has already occurred in the implementation phase and further benefits are expected in the future.

Key performance indicators

Water management				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Council has direct ownership, control, management and operation (other than works contracts) of water assets and services, and governs these in accordance with council standing orders	No changes are made to this level of service without (a) a special consultative procedure, and (b) following council standing orders which require a referendum and a 75% majority of members present and voting	Achieve	Achieved	There were no changes made to levels of service.
Council maintains direct control of pricing of water	Council sets water charges each year	Achieve	Achieved	Council set water charges for 2014/15 as part of the 2014/15 annual plan process.
No health problems arise from the operation of the drinking water network in nonemergency circumstances	Compliance with New Zealand drinking water standards	Achieve	Achieved	There were no instances of non-compliances with the New Zealand drinking water standards in 2014/15.
No health problems arise from the operation of the drinking water network in nonemergency circumstances	No positive results for bacteria (for example E-coli) as measured by laboratory	Achieve	Achieved	There were no positive results for bacteria measured by the laboratory.
System management practices ensure continuity of supply to all users	The number (frequency) of unplanned water service outages reduces each year	Less than 2013/14 (380)	297	There were 297 unplanned interruptions this year. The introduction of volumetric charging and a dry summer heightened awareness of water leaks.
System management practices ensure continuity of supply to all users	95% of planned interruptions last no longer than four hours	95%	80%	58 of 73 planned interruptions (80%) were resolved within four hours. Contractor works including mains renewals and works associated with the expressway were responsible for the longer interruptions. [2013/14 result was 95% of 191.
The needs of present and future generations are met by use of water resources	100% compliance with resource consents relating to water take from natural systems	100%	100%	There were no instances of non-compliance with regard to resource consents relating to water take from natural systems.

Water management				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Peak water consumption is managed to ensure long term sustainability	Peak water consumption per person declines to 400 litres per person per day plus 90 litres per person for water loss by 2016/17	490 l/p/d by 2016/17	Ongoing/ on target	<p>The districtwide peak water consumption for 2014/15 was 437 litres per person per day (l/p/d). The results vary between the supplies with Ōtaki and Paekākāriki (before the leak fix) still exceeding this target individually.</p> <p>This result is significantly down on results for prior years – 588 (2011/2012), 590 (2012/2013) and 557 (2013/14) l/p/d.</p>
The water provided is of an acceptable standard to residents and businesses	80% of residents and businesses agree that the water delivered by the Council supply is of an acceptable quality	80%	51%	<p>Satisfaction with the quality of council's water supply was below target again this year, with the resident opinion survey in June 2015 recording 51% satisfaction. Those dissatisfied complained about the taste of bore water.</p> <p>(2013/14 result was 56%)</p>
Water loss in the district is minimised	5% reduction of water loss by 2014/15. Baseline to be determined once the estimated water loss for 2012/13 is available	5% below 7,480 m ³ /day	Achieved	<p>The water loss estimate for 2014/15 is 4,235 m³/day against the baseline figure of 7,480 m³/day per day for 2012/13.</p> <p>The 43% reduction is largely attributed to an estimated 85% reduction in customer side leakage as a result of the introduction of volumetric water charges this year.</p> <p>A 6% water loss reduction has also been achieved for the public network from 2012/13.</p>

Cost of activity statement

Water management				
2013/14			2014/15	2014/15
Actual			Actual	Budget
\$000			\$000	\$000
	Expenditure			
4,166	Other operating expense		4,124	4,194
2,170	Depreciation and amortisation		2,468	2,161
1,593	Finance expense		1,773	2,092
7,929	Operating expenditure		8,365	8,447
	Revenue			
35	Fees and charges		185	38
475	Development and financial contributions revenue		263	101
510	Operating revenue		448	139
7,419	NET OPERATING COSTS		7,917	8,308
	Capital items			
2,577	Asset renewal		5,839	6,486
6,377	New assets upgrade		4,654	4,094
29	Additional loan repayment		3	3
8,983	Total capital items		10,496	10,583
16,402	NET COST OF ACTIVITY		18,413	18,891
7,268	Rates		8,057	8,288
6,580	Borrowings		4,654	4,094
2,374	Depreciation reserve		5,839	6,486
-	Movement in other reserves		-	(2)
(267)	Reserves and special funds		(263)	(101)
447	Unfunded depreciation		126	126
16,402	TOTAL SOURCES OF FUNDS		18,413	18,891

Community services

- Community facilities
- Economic development
- Libraries, arts and museums
- Parks and open space
- Supporting social wellbeing

Community facilities

Whakaurunga hapori

- ☑ The property team responded to 2,827 service requests during the year (2,954 in 2013/14).
- ☑ 15 housing for older persons flats become vacant over the course of the year, all of which have now been occupied.
- ☑ Seven major painting contracts were completed on council-owned halls and leased buildings.
- ☑ The property team managed 111 reports of graffiti on council-owned buildings. All of these were removed within 24 hours of being reported.
- ☑ In total, 202,237 people (not including spectators) visited the Coastlands Aquatic Centre. This is a good result even though it is down from 2013/14 (217,000 visitors) as that was the first year of operation and new facilities often experience a 'honeymoon' period of exceptionally high use.
- ☑ At Ōtaki Pool continued upgrades and improved service has contributed to increased popularity with a total of 50,699 visits, up from 35,000 visits in 2013/14 (although the pool was closed for three months of maintenance that year).
- ☑ A good summer saw attendance up at the open-air Waikanae Pool, with 49,196 visits compared to 38,815 in 2013/14.
- ☑ Customer surveys at both the Coastlands Aquatic Centre and Ōtaki Pool returned outstanding results. Staff were rated 'good' or 'excellent' by 95% and 99% of respondents, respectively, at each pool.
- ☑ The same survey showed that 45% of customers at Coastlands Aquatic Centre did not participate in water based activity prior to the centre opening. 70% of customers said that the opening of the centre has led to an increase in their physical activity.
- ☑ The SwimSchools at Coastlands Aquatic Centre and Ōtaki Pool peaked with 442 and 134 registered for term 1 2015, respectively. The pool parties at both venues were very popular with a peak of 250 at the Coastlands Aquatic Centre and 120 at Ōtaki.
- ☑ The AquaEase programme at the Coastlands Aquatic Centre and Ōtaki Pool has proved very popular with up to 90 participants at the Aquatic Centre and 28 at Ōtaki each term.

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

Swimming pools

The key priorities of the district swimming pools are to cater for all ages and abilities, for overall attendance to increase and to provide affordable opportunities for children to learn to swim.

Over the district, a total of 189 children took part in the SwimBegin reduced price, summer holiday learn-to-swim lessons.

In addition, swimming lessons were delivered to over 1,100 children through the funded KiwiSport learn-to-swim lessons.

The new AquaEase programme introduced in late 2014 for those with medical conditions or limited mobility has been very successful.

Coastlands Aquatic Centre

In its second year of operation, the Coastlands Aquatic Centre has continued to be very popular with 202,237 visitors in the 2014/15 year. By providing varied session-based programmes and promoting them widely, the centre is successfully catering for Kāpiti's diverse community with its range of ages and abilities. During the summer school holidays, over 30% of visitors were from outside of the district.

Funding received from the Lion Foundation enabled 18 people to participate in a free health and wellness programme, delivered in conjunction with Hora te Pai health services. This programme was a resounding success with participants saying the experience changed their lives.

The centre was a finalist in the Council Property Awards and the Wellington Business Gold Awards.

Waikanae Pool

As a result of significantly better summer weather this year, visitor numbers were up strongly at the open air Waikanae Pool, with 49,196 visits, compared to 38,815 in 2013/14.

Over 300 people attended the season opening event in November 2014.

The **community facilities activity** includes the following services and programmes:

- swimming pools and other major recreational facilities (not including sports fields)
- community halls (public)
- community halls (other projects)
- housing for older persons
- other rental housing
- public toilets
- cemeteries, including urupa support, and
- civic buildings (includes responsibility for the library building but not library services).

The family fun day in March 2015 was a very successful event, catering for people of all ages through activities such as old fashioned races.

During the season, staff entertained the swimmers with live music entertainment on Sunday afternoons.

Ōtaki Pool

Ōtaki Pool continues to increase in popularity with a total of 50,699 visits for the year. Upgrades such as new flooring around the pool, and a new sauna in addition to upgrades in previous years, have contributed to this.

A significant upgrade of the building planned for 2016/17 includes a new roof and cladding, ramp entry into the pool, separation of the filtration systems for the toddlers and lane pools as well as a new splash pad. This upgrade will ensure that Ōtaki Pool meets the needs of the community for years to come.

A customer survey in February 2015 saw staff given a 99% positive rating for being friendly and helpful. Learn-to-swim and Aquafit instructors received a 99% rating for their knowledge and friendliness while the attentiveness and helpfulness of the lifeguards also rated 99%.

Housing for older persons

Housing for older persons achieved an occupancy rate of 99.6% for the year, despite high turnover, with fifteen flats becoming available during the year. The waiting list remains at a high level (currently at 89 persons), so demand for these units continues to be strong.

Key performance indicators

Community facilities				
Level of service	Measure	Target	Result	Comment
<i>Library buildings</i>				
Provide a good standard of comfort, convenience, quality and usability of the library buildings from the users' perspective	85% of users are satisfied with the standard of comfort, convenience, quality and usability of the library buildings	85%	97%	The resident opinion survey in June 2015 recorded 97% satisfaction with the standard of the district's libraries. [2013/14 result was 98%]
<i>Halls</i>				
Council hall hirers are satisfied that the halls meet their needs	80% of customers are satisfied that halls meet the needs of different customers	80%	Not achieved	The survey was not commissioned. [2013/14 result 82.8%]
<i>Housing for older persons</i>				
Occupation of the housing for older persons units is maximised	97% of housing for older persons units are occupied	97%	99.6%	
Rents are fair and reasonable	85% of tenants are satisfied that rents are fair and reasonable	85%	Not achieved	The survey was not commissioned. [2013/14 result was 98.5%]
<i>Public Toilets</i>				
Toilets are clean, feel safe and well lit, and are well located	60% of people are satisfied that public toilets are well lit and well located	60%	Not relevant	This measure was not scheduled to be surveyed as part of the resident opinion survey this year. [2013/14 result was 83%]
Toilets are well maintained and functional	80% of people are satisfied that the toilets are well maintained and functional	80%	86.4%	The resident opinion survey in June 2015 recorded that 86.4% of respondents who have used the district's public toilets in the last 12 months are satisfied that they are well maintained, clean and feel safe. [2013/14 result was 74%]
<i>Buildings</i>				
Council owned buildings will be fit for purpose	100% of council owned buildings will have a current building warrant of fitness (where required) and be fit for purpose	100%	100%	All building warrants of fitness issued.

Community facilities				
Level of service	Measure	Target	Result	Comment
<i>Swimming pools</i>				
Kāpiti Coast District Council provides safe swimming pools to the community	Council will maintain its PoolSafe accreditation	Achieve	Achieved	Audit completed in the third quarter, accreditation maintained.
Pool facilities are available for use by the public	Across all facilities the number of shutdowns due to unplanned maintenance remains at three or less each year	Three or less	None	There have been no unplanned shutdowns.
Kāpiti Coast District Council provides clean and inviting facilities	85% of people surveyed are satisfied with the facilities' cleanliness	85%	Achieved	Coastlands Aquatic Centre 94%, Ōtaki Pool 99%, Waikanae Pool 97%. [2013/14 result Ōtaki 100%, Coastlands Aquatic Centre 90%]
Kāpiti Coast District Council provides clean and inviting facilities	During operating hours, across all facilities, there are no more than six incidents where pool temperature was not maintained within a range of 27 to 29 degrees celsius	Less than six	None	There have been no incidents.
<i>Cemeteries</i>				
Kāpiti Coast District Council provides well maintained cemeteries	85% of people surveyed are satisfied with the cemeteries' condition	85%	Not achieved	The contracted research company was unable to find any survey respondents when the park users' survey was conducted in the fourth quarter of 2014/15. [2013/14 result 86.7%]

Cost of activity statement

Community facilities				
2013/14		2014/15	2014/15	
Actual		Actual	Budget	
\$000		\$000	\$000	
	Expenditure			
4,993	Other operating expense	5,171	4,886	
1,335	Depreciation and amortisation	1,493	1,316	
1,055	Finance expense	1,109	799	
7,383	Operating expenditure	7,773	7,001	
	Revenue			
1,965	Fees and charges	2,298	2,160	
219	Development and financial contributions revenue	376	1	
347	Other operating revenue	794	125	
131	Capital grants	-	-	
2,662	Operating revenue	3,468	2,286	
4,721	NET OPERATING COSTS	4,305	4,715	
	Capital items			
653	Asset renewal	698	840	
1,698	New assets upgrade	251	481	
37	Additional loan repayment	425	422	
2,388	Total capital items	1,374	1,743	
7,109	NET COST OF ACTIVITY	5,679	6,458	
4,418	Rates	4,253	4,159	
1,658	Borrowings	251	481	
631	Depreciation reserve	698	840	
-	Movement in other reserves	(250)	(125)	
(372)	Reserves and special funds	(376)	-	
774	Unfunded depreciation	1,103	1,103	
7,109	TOTAL SOURCES OF FUNDS	5,679	6,458	

Economic development

Whakawhanake umanga

- ☑ The Ōtaki i-Site closed on 30 June 2015. Booking services and information are now available from various outlets around Ōtaki including the council service centre.
- ☑ The economic development strategy for 2015-2018 was adopted by the council in December 2014 and subsequently endorsed by the Kapiti Chamber of Commerce. Work has commenced on the strategy implementation plan, with an initial focus on developing the leadership and positioning Kāpiti streams of work.
- ☑ As part of the summer tourism promotion campaign, Kāpiti featured in *Kia Ora* magazine and other journalists working for Air New Zealand visited Kāpiti during February and March 2015. Summer visitor numbers in the district reflected the improved national figures.
- ☑ The youth pathways to employment project continues to gain momentum with a youth employment business forum held in May 2015 and a pilot project started in Ōtaki. The pilot will run for nine months with the aim of getting young people into meaningful employment.
- ☑ Council provided sponsorship support for a local technology expo in June 2015 which had over 890 participants. The focus of the expo was on building capability, attracting business, investment and talent to Kāpiti.
- ☑ Council has prepared a registration of interest to the Ministry of Business, Innovation and Employment (MBIE) for the second stage of the government's ultra-fast broadband (UFB) rollout. Council's registration has a particular emphasis on Ōtaki, which missed out in the initial government UFB rollout.
- ☑ The Māori economic development strategy supports and funds innovative projects that promote iwi prosperity in the district. This year three initiatives received funding support. These included the Māoriland Film Festival held in Ōtaki, a manuka honey venture on Kāpiti Island and a contribution to grow the 'glamour camping' initiative currently provided by Kāpiti Island Nature Tours on Kāpiti Island.

A review of the economic development strategy started in the first half of 2014 with a working party combining council and key business interests established to progress the strategy.

That review was completed and the economic development strategy for 2015-2018 was adopted by the council in December 2014. It was subsequently endorsed by the Kapiti Chamber of Commerce.

Work then got underway on the strategy implementation plan. A priority for action is the development of a strategy to underpin tourism and destination marketing in the form of a visitor attraction strategy. This strategy will map the approach to guide activities within the visitor sector that target both the international and domestic market.

The visitor attraction strategy will be supported by an events strategy; a stocktake of council's investment in local events is underway. These findings will inform and guide council's support for and/or investment in future events.

Kāpiti i-Site review

A review of the visitor information network was carried out through 2013/14 in consultation with the stakeholder group and the Ōtaki and Paraparaumu/Raumati community boards. As a result of that review, the council decided in October 2014 to close the Ōtaki i-Site from 30 June 2015.

The decision was predicated on a number of issues being addressed before the end of the 2014/15 year. These included the future use of the building, improving how the story of the Ōtaki township and surrounds is told digitally and in the remaining i-Site at Paraparaumu, and consideration of tourism information provision in Ōtaki after 1 July 2015.

Work to enable this commenced in late December 2014 and an implementation plan was endorsed by council in March 2015. The Ōtaki i-Site duly closed on 30 June 2015. Booking services and information are now available from various outlets around Ōtaki including the council service centre.

Tourism support

The Kapiti Company continued to deliver i-Site management and tourism support services in the 2014/15 year. The Kāpiti Company also worked with council on promotion of the very successful international hockey tests in November 2014.

As part of the summer tourism promotion campaign, the Kāpiti visitor guide and summer events programme were released in mid-December 2014. Kāpiti content was also included in the 2015 Wellington visitor guide and the Kapiti Company liaised with local operators to host

The **economic development activity** includes the following services and programmes:

- managing projects which contribute to council's strategy for supporting economic development;
- providing networking and an informed point of contact for businesses
- business attraction and retention initiatives;
- tourism product development and marketing;
- delivering visitor information centres (i-Sites) in Paraparaumu and Ōtaki
- supporting events development and facilitation
- supporting Māori economic development, and
- providing economic development advice together with policy and strategy development.

journalists from the *Christchurch Star* and *Kia Ora* magazine.

As a result of those initiatives Kāpiti featured in Air New Zealand's *Kia Ora* magazine and other journalists working for Air New Zealand visited Kapiti during February and March 2015.

Food sector

As an outcome of the Electra Business Forum a series of sector-led workshops have been delivered in partnership with the local food and beverage industry. These workshops are hosted and developed by council in conjunction with Horowhenua District Council and Grow Wellington (that latter has now been subsumed into the Wellington Regional Economic Development Agency). Their focus is to support sector development through the facilitation of collaboration opportunities

An inaugural group of food and beverage business stakeholders has been established to support the development of sustainable and cluster-based approaches to developing markets and building capability. This work is closely connected to the Electra Business Forum.

Business support

Council reviewed its business support services underwent in early 2015. It was decided to renew the current arrangement with QBS & Associates limited (who run the Kapiti Business Facilitation Service) as an independent contractor to deliver services for the following 12 months. These services are tailored to the needs of the business, and could range from tax advice to finding sources of investment.

Ultra-fast broadband

Council prepared a registration of interest to the Ministry of Business, Innovation and Employment (MBIE) for the second stage of the government's ultra-fast broadband (UFB) rollout. Council's registration has a particular emphasis on Ōtaki, which missed out in the initial government UFB rollout.

Council is developing a supporting digital enablement plan to substantiate the registration of interest with the delivery detail of how those funds will support strategic initiatives. A decision on the success or otherwise of the local authorities registrations of interest by MBIE is expected by December 2015.

Māori economic development strategy

The grants application round was completed with three successful applications. These included the 2015 Ōtaki Māoriland Film Festival, Kāpiti Island Nature Tours and new business venture that involves manuka honey production on Kāpiti Island.

Key performance indicators

Economic development				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
The clean technology sector grows on the Kāpiti Coast	The number of businesses at the Clean Technology Park, Ōtaki increases year to year	2	Not relevant	Council's strategy and that at GROW Wellington has changed in respect of the clean technology centre. Any tenants are now being considered for the building regardless of the tenant being associated with clean technology or not.
Partnerships between council and other organisations deliver projects which grow businesses and provide new jobs for the district	85% of organisations involved in economic development partnerships with the council are satisfied with the services received	85%	–	A substantial amount of work has been done building strong partnerships with the Kapiti Chamber of Commerce, iwi and other key stakeholders, as part of the development of the economic development strategy. Feedback has been very positive about the new direction.
The tourism support services provide high quality advice and assistance to tourism operators and visitors to the Kāpiti Coast	85% of individuals and organisations using tourism support services funded by the council are satisfied with the services received	85%	88%	A web based survey was undertaken in 2015 to gauge the performance of the council's funded tourism service provider. The results showed that 88% of respondents found the professionalism of the service satisfactory and 80% of respondents were satisfied with their interactions with the service.
The business support, retention and attraction services provide high quality advice and assistance to businesses on the Kāpiti Coast	85% of individuals and organisations using business support, retention and attraction services funded by the council are satisfied with the services received	85%	90%	QBS & Associates contract renewal for 2015/16 was informed by a review of the need for such a service in the district. Input from key stakeholders was sought with a unanimous view that the service delivery was of high quality and contributed to the potential growth of small to medium businesses in the district. In 2014, a telephone survey was undertaken and 90% of those that used the service were either satisfied or very satisfied with the service received. The data also showed that 91% would recommend the service to others and only 41% wouldn't use the service if it wasn't free.

Cost of activity statement

Economic development				
2013/14			2014/15	2014/15
Actual			Actual	Budget
\$000			\$000	\$000
	Expenditure			
2,190	Other operating expense		1,475	1,391
15	Depreciation and amortisation		15	15
26	Finance expense		31	45
2,231	Operating expenditure		1,521	1,451
	Revenue			
10	Fees and charges		81	211
-	Other operating revenue		158	-
10	Operating revenue		239	211
2,221	NET OPERATING COSTS		1,282	1,240
	Capital items			
44	Additional loan repayment		54	54
44	Total capital items		54	54
2,265	NET COST OF ACTIVITY		1,336	1,294
2,209	Rates		1,336	1,294
56	Movement in reserves		-	-
2,265	TOTAL SOURCES OF FUNDS		1,336	1,294

Libraries, arts and museums

Ngā wharepukapuka, ngā toi mengā whare tāonga

- ☑ Over 700,000 items were borrowed from the four district libraries and 83,000 items were reserved.
- ☑ 30,579 SMART (sharing and managing a region together) items from across 23 other SMART libraries were checked out to Kāpiti library customers and 16,099 eBooks were downloaded from the libraries website.
- ☑ More than 9,000 people came to free library events and activities including the Christmas craft fair, Time for a Yarn, Friday Family Fun Night, Book Club in a Bag and Live Arts @ My Library.
- ☑ Council initiated a nationwide contract for shared purchasing of library materials and services to secure cost savings for all libraries that joined the scheme. The contract was signed in late 2014 and initial orders were delivered in early 2015. This contract enabled the library to reduce their book materials budget by \$38,000, with no reduction in the level of service to the community.
- ☑ A learning centre at Paraparaumu Library has been established. Ten PCs, a 3D printer and software were available for digital training initiatives, digital clubs and workshops.
- ☑ The eBook initiative was launched in April 2015. This will deliver a substantial increase in the number of titles available, easier to use software, and a collection better suited to this community than previously. Approximately 5,000 eBooks and eAudiobooks have been purchased to date and are available free of charge.
- ☑ Kāpiti museums held a successful Discover Kāpiti Heritage day in January 2015, which attracted just over 880 people.
- ☑ More than 300 artists took part in the 2014 Kāpiti Arts Trail.
- ☑ Approximately 140 children attended the summer reading programme.
- ☑ More than 2,721 poppies made by members of the community were displayed to commemorate the 2,721 New Zealand soldiers who died at Gallipoli in 1915.
- ☑ 59 exhibitions were held in the community art spaces at Paraparaumu, Ōtaki and Waikanae libraries.

Libraries

Kāpiti Coast District Libraries had another successful year with a range of new services provided and a range of new programmes and events bringing people into the libraries:

- more than 700,000 items were borrowed from the four district libraries
- more than 79,000 items were reserved free of charge across the district. This represents an 8% increase in reservations compared with the previous twelve months
- 30,579 items from 23 other SMART (sharing and managing a region together) Libraries were lent to Kāpiti library customers
- 16,099 eBooks were downloaded from the libraries website, kapiticoastlibraries.govt.nz
- more than 94,000 sessions were logged on the libraries' free internet computers and more than 42,000 free wifi sessions were started
- 34 free internet PCs are available districtwide
- community hub services including Local Links @ my Library continued, and
- 21,978 new items were added to the collection. This includes 4,964 eBooks which are not owned by the library, but are lent for a specific number of issues.

More than 9,000 people came to free library events and activities, including:

- Time for a Yarn, a monthly event which provides an opportunity for people to meet and share handcraft projects, ideas and skills, was expanded and is now run at all Kāpiti libraries
- Tea and Tales, a monthly book reading group
- Bookbusters summer reading club which attracted over 140 children during the summer holidays
- bilingual story-times for pre-schoolers at Ōtaki Library
- Friday Family Fun Nights at Paraparaumu Library. art workshops, lego clubs, movie nights and the teens WRAPPERS (writers, readers and poets) group were all popular choices
- 36 library-led book discussion groups were held, and
- three book launches were hosted by Friends of the Kāpiti Coast District Libraries.

The **libraries, arts and museums activity** includes the following services and programmes:

- providing access to information for leisure, entertainment, research, education and career development across the district
- supporting local heritage through relationships with historical groups, museums, and initiatives such as the Kāpiti Heritage Trail
- promoting and supporting arts activities through initiatives such as the annual Kāpiti Arts Trail and creative communities funding schemes
- supporting the arts as detailed in the strategy for supporting the arts
- delivering events and programmes for children, teens and adults
- supporting museums to promote their collections and increase visitor numbers, and
- working collaboratively with other SMART Libraries in Masterton, Lower Hutt, Porirua, and WelTech and Whitireia polytechnics to provide a regional library service for our community.

Arts and museums

An exhibition of 41 Kāpiti artists and over 90 artworks was held in Wellington at the Parliament Gallery, Bowen House from 12 August–26 September 2014.

In December 2014 council signed a partnership agreement Mahara Gallery Trust and an agreement about the joint funding of the proposed upgrade of the gallery. The agreements will support the trust's major funding application to the Lotteries Grants Board.

The Discover Kāpiti Heritage day was successfully held on Sunday 18 January 2015, during Wellington's anniversary weekend. This was a family-focussed day where the eight Kāpiti museums welcomed visitors with special displays and fun activities. Most of the visitors were from Kāpiti, although there were visitors from neighbouring regions, elsewhere in New Zealand and international visitors. Feedback from all visitor categories was very positive. The museums were pleased with the turnout, with 884 visitors this year, up 42% from last year's inaugural event.

Other activities

Another successful Kāpiti Arts Trail was held with 308 artists and arts groups demonstrating, exhibiting and selling their work.

A video commemorating World War One (WW1) was produced. This formed part of an extensive WW1 programme of events and activities happening in the district libraries from April 2015.

A Matariki programme of events was delivered at all libraries from June 2015, in conjunction with Mahara Gallery.

Exhibition art spaces at Paraparaumu, Waikanae and Ōtaki Libraries were fully booked. More than 59 exhibitions were held at the libraries.

Friends of the Library held a successful Literary Festival. This consisted of panel discussions, book talks and literary workshops.



Kāpiti arts trail – locals Trevor Hunter (left) and Hans Itjeshorst check out one of the works at Scape Sculpture Park

Key performance indicators

Libraries, arts and museums				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Collections provide current information and a constant choice of new materials	Collections are refreshed with 350 new items added to the collections per annum per 1,000 population	350 new items per 1,000 population (17,150)	21,978	21,978 new items have been added to our collection. This includes 4,964 eBooks. We do not own the titles, but have paid to have access to them for a specific number of loans per item.
Libraries offer a range of materials and spaces to meet demand	At least 50% of the Kāpiti coast district population has utilised the libraries in the past two years	50%	59%	Active borrowers are 28,996 which is 59% of the district's population. Active borrowers are those who have issued and/or reserved items in the last two years. (This excludes SMART borrowers from other libraries).
Heritage collection is available electronically, and originals held within the region	At least 250 heritage collection items are digitised per year	More than 250	460	460 heritage items have been digitised.
Art is installed at appropriate community spaces to meet community expectations	At least one item of public art is commissioned every two years	Achieve	Ongoing/ on target	The public art panel will recommend to the council a purchase of public art in the 2015/16 financial year for the Paraparaumu Beach area. The previous public art purchase was in 2013/14.
Opportunities to recognise art and promote artists are supported	The numbers of artists participating in the annual arts trail increases annually	More than 270	308	308 artists participated in the 2014/15 arts trail.

Cost of activity statement

Libraries, arts and museums				
2013/14		2014/15	2014/15	
Actual		Actual	Budget	
\$000		\$000	\$000	
	Expenditure			
3,228	Other operating expense	3,210	3,296	
613	Depreciation and amortisation	765	642	
218	Finance expense	227	141	
4,059	Operating expenditure	4,202	4,079	
	Revenue			
221	Fees and charges	216	216	
36	Grants and subsidies	40	34	
36	Other operating revenue	-	-	
293	Operating revenue	256	250	
3,766	NET OPERATING COSTS	3,946	3,829	
	Capital items			
51	Asset renewal	286	320	
476	New assets upgrade	428	743	
-	Additional loan repayment	-	-	
527	Total capital items	714	1,063	
4,293	NET COST OF ACTIVITY	4,660	4,892	
3,843	Rates	3,946	3,829	
-	Borrowings	428	743	
356	Depreciation reserve	286	320	
94	Movement in other reserves	-	-	
4,293	TOTAL SOURCES OF FUNDS	4,660	4,892	

Parks and open space

Ngā papa rēhia me ngā waahi māhorahora

- ☑ The draft reserve management plan for Otaraua Park was released for community consultation in July 2014. Submissions were considered by the Waikanae and Paraparaumu/Raumati community boards and the council before the plan was adopted by council in December 2014.
- ☑ The first stage of irrigation has been installed and commissioned on the existing sports fields at Otaraua Park. Investigations have commenced on establishing permanent changing and toilet facilities.
- ☑ The Otaraua Park development plan is underway and is expected to be completed in late 2015/16. This plan will guide the timing and cost of projects to be included in future annual and long term plan funding considerations.
- ☑ The consultants' investigation into the cracking on the ten public netball/tennis courts at Te Ātiawa Park was completed in October 2014. A report on options for remedial works was prepared and the community view on these was sought through the 2015-35 Long term plan consultation in March/April 2015. Council has decided to rebuild the courts in 2015/16.
- ☑ Redevelopment of the Paraparaumu Domain war memorial was completed in January 2015. The unveiling ceremony was held on 14 February 2015 and the memorial played a key role in the ANZAC Day commemorations.
- ☑ A junior scooter path was developed alongside the skate park at Aōtaki Street in Ōtaki.
- ☑ The Maclean Park kiosk refurbishment was completed within budget. The Paraparaumu/Raumati community board hosted an open day on 29 November 2015.
- ☑ The play area in Maclean Park, Paraparaumu was upgraded. Work was completed in July 2015 with new play equipment installed.
- ☑ Installation of a new perm-a-loo toilet at Haruatai Park was completed during March 2015. Demolition of the old toilet block was completed in June 2015.
- ☑ A bird hide was constructed overlooking the ponds at Pharazyn Reserve in Waikanae in December 2014.
- ☑ The greenline planting project in association with Transpower was completed along the Waikanae River and Wharemauku Stream.

Council's strategic goal is to maintain a rich and diverse network of open spaces that protect the region's ecology and support the identity, health, cohesion and resilience of the district's communities.

To this end, the following major projects were undertaken in the 2014/15 year.

Otaraua Park

The draft reserve management plan for the new reserve in east Otaihangā, adjoining the Waikanae River, was released for community consultation in July 2014. Submissions were considered by the Waikanae and Paraparaumu/Raumati community boards and council before the plan was adopted by council in December 2014.

At that same meeting, the council decided to name the reserve Otaraūa Park following the recommendation by local mana whenua Te Āti Awa ki Whakarongotai.

An area sufficient for up to ten junior sports fields (or five senior ones) was developed last year. The fields have been in regular use since April 2014 for junior football games and the occasional senior game.

This year's focus has been on getting the first stage of irrigation installed on those new sports fields. Investigations have commenced on establishing permanent changing and toilet facilities.

The Otaraūa Park development plan is underway and is expected to be completed in late 2015/16. This plan will guide the timing and cost of projects to be included in future annual and long term plan funding considerations.

Maclean Park

A new play structure based on a tractor and boat and other new play equipment for Maclean Park, Paraparaumu, was manufactured in May 2015 and installed in July. This play equipment is in a high corrosion zone and is one of the most used playgrounds in the district.

The Maclean Park kiosk refurbishment was completed. The Paraparaumu/Raumati community board hosted an open day in November 2014. The board gathered feedback from the community on possible uses for the kiosk and reported this to the council in April 2015. A decision was made by the Paraparaumu/Raumati community board on the final use of the kiosk in May 2015. It is planned to be leased to the Kiosk Community Collective.

Te Ātiawa Park

The 2014/15 annual plan consultation process attracted a significant number of submissions expressing concern about the state of the Te Ātiawa park tennis and netball courts.

The **parks and open space activity** includes the following services and programmes:

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

Consultants were contracted to investigate the cracking on the ten public netball/tennis courts and this work was completed in October 2014. A report was then prepared outlining options for remedial works and the future of the courts in this location.

Following consideration of the options by council it was decided to present those options for public feedback through the 2015-35 Long term plan consultation process. A substantial majority of submissions on this matter supported the council's recommended option of a rebuild of the netball/tennis courts at Te Ātiawa Park. That work will be undertaken in 2015/16.

In the meantime the fencing around the Te Ātiawa tennis/netball courts has been replaced;

Pharazyn Reserve

A bird hide was constructed on the shore of the southern pond to enable viewing of the increasing number of birds.

Playground upgrades

The children's playgrounds in Matai Street, Ōtaki and Maclean Park, Paraparaumu were upgraded.

Other upgrades

Construction of a junior scooter path at Aotaki Skate Park, Ōtaki was completed in December 2014 and has been well received by the community.

A public toilet was established at Tilley Road reserve in Paekākāriki by providing an outside door to the toilets in the Weavers' Clubrooms which is opened when the grounds are in use.

Fitness equipment was installed at Haruatai Park in Ōtaki in March/April 2015.

Key performance indicators

Parks and open space				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Residents in urban areas live reasonably close to a recreation facility (including other publicly owned space)	85% of residential dwellings in urban areas are within 400 metres of a publicly owned open space	85%	–	We do not have a final percentage figure available as Geographic Information System data is still being updated. [2013/14 result was 95.7%]
Each ward in the district has open spaces suitable for a range of physical and mental abilities	Each ward has open spaces that provide an equivalent experience for all visitors regardless of any limit to their abilities	Achieve	Achieved	The park users' survey returned a result of 95% satisfaction that each ward has open spaces suitable for a range of physical and mental abilities, with 5% neither satisfied nor dissatisfied. [2013/14 result was 91%]
A range of active recreation facilities is available throughout the district both during and after business hours	85% of residents are satisfied with the current time availability of facilities	85%	93%	The resident opinion survey undertaken in June 2015 recorded that 93% of respondents are satisfied that sportsgrounds and associated facilities are available at suitable times. [2013/14 result 87%]
Open spaces offer a range of environments of different characters	75% of residents are satisfied with the range, variety and character of council-owned parks and open spaces	75%	97.5%	The resident opinion survey undertaken in June 2015 recorded that 97.5% of residents are satisfied with the range, variety and character of council owned parks and open spaces. [2013/14 results: 93% in the resident opinion survey 93% and 96% in the park users' survey]

Cost of activity statement

Parks and open space				
2013/14		2014/15	2014/15	
Actual		Actual	Budget	
\$000		\$000	\$000	
	Expenditure			
4,252	Other operating expense	3,680	3,681	
913	Depreciation and amortisation	1,011	956	
138	Finance expense	157	91	
5,303	Operating expenditure	4,848	4,728	
	Revenue			
143	Fees and charges	84	87	
-	Grants and subsidies	199	-	
-	Development and financial contributions revenue	401	465	
-	Other operating revenue	141	-	
143	Operating revenue	825	552	
5,160	NET OPERATING COSTS	4,023	4,176	
	Capital items			
144	Asset renewal	541	520	
1,082	New assets upgrade	562	846	
	Additional loan repayment			
1,226	Total capital items	1,103	1,366	
6,386	NET COST OF ACTIVITY	5,126	5,542	
4,595	Rates	3,879	3,961	
961	Borrowings	484	718	
91	Depreciation reserve	541	510	
-	Development and financial contributions	78	137	
-	Movement in other reserves	-	(5)	
739	Reserves and special funds	(542)	(465)	
-	Unfunded depreciation	686	686	
6,386	TOTAL SOURCES OF FUNDS	5,126	5,542	

Supporting social wellbeing

Te tautoko oranga-ā-iwi

- ☑ The annual community grants round was completed in September 2014 with 34 groups and organisations receiving a total of \$29,095.
- ☑ Council's support for youth engagement and projects in Ōtaki resulted in a community mural paying homage to those who have fallen during past wars. The mural was designed and painted by students from Te Kura-ā-Iwi o Whakatupuranga Rua Mano at the Ōtaki Memorial Park.
- ☑ The annual YouthFest, organised by the Kāpiti Youth Council, was held in March 2015 with over 2,000 young people attending. Over 80 young people participated in running activities, managing stalls and performing.
- ☑ More than 30 local streets and neighbourhoods took part in the Over the Fence Cuppa initiative for Neighbours' Day Weekend 28th and 29th of March 2015. The weekend focuses on getting to know your neighbours as a nationwide building community resilience campaign.
- ☑ Keep New Zealand Beautiful and council commenced a community initiative to help clean up graffiti in the district. Keep New Zealand Beautiful provides graffiti eradication tool boxes for community use. The boxes can be borrowed from local libraries.
- ☑ Council's local approved products (psychoactive substances) policy restricting the sale of legal highs was adopted. Council will continue to lobby central government for a law change to totally ban these drugs from the Kāpiti coast district and the wider region.
- ☑ In April 2015 the Kāpiti Coast Older Persons' Council with council's support hosted an age friendly community forum. Hon Maggie Barry opened the forum in Paraparaumu and Dr Kathleen Brasher from Australia was the keynote speaker. Dr Brasher is a member of the Strategic Advisory Group for the World Health Organisation's Global Network of Age Friendly Cities and Communities. Over 30 organisations and community groups attended the forum.
- ☑ The environment and community development committee approved the recommendation to appoint an established incorporated charitable trust to deliver the youth development centre service. We are now undertaking a robust assessment to ensure the preferred organisation meets the needs of the community and has a service operating by December 2015.

Council continues to respond to community concerns and interests, and the impact of changes to central government policy and funding direction.

The 2014/15 work programme has focussed on, supporting the community and community groups to respond to issues in the following areas.

Reducing alcohol related harm and crime prevention

The local approved products (psychoactive substances) policy was developed to restrict where psychoactive substances ('legal highs') can be sold when products are licensed for sale. In May 2015, the environment and community development committee approved the policy that allowed the sale of approved psychoactive substances in a restricted area in Paraparaumu. Council is against this approach to regulate the sale of legal highs and continues to lobby government for a total ban of any psychoactive substances.

The development of a local alcohol policy was put on hold pending the outcome of appeals made against local alcohol policies developed by other councils and to enable the council to develop the local approved products (psychoactive substances) policy.

Supporting young people

Council continues to work with young people to implement youth development projects:

- Council has decided to proceed with establishing a youth development centre in 2015/16 that provides social, developmental and recreation opportunities for young people. An existing youth centre provider will be contracted to run the facility from leased premises.
- The youth pathways to employment project is a community and council initiative to get young people into meaningful employment. A pilot project has been funded by council and carried out by Kāpiti Youth Support. The pilot is based in Ōtaki and will connect young Ōtaki people to youth-friendly employers. The pilot will run for nine months to inform the feasibility of a districtwide programme.
- The annual Youth Shout Out awards were held in December 2014. These awards publicly recognised nine young people who had shown leadership on the Kāpiti coast. The awards are open to 12-24 year olds.
- Council continues to support youth development and youth participation through a range of youth development initiatives such as YouthFest.

The **supporting social wellbeing activity** includes the following services and programmes:

- general community group support and development, including capacity building e.g. increasing the skills of groups in planning, management and operation, and in attracting and retaining funding
- development of formal partnerships with central and regional government agencies which have a significant role in the district
- working with the Kāpiti Coast Youth Council on youth development initiatives
- working with the Kāpiti Coast Older Persons' Council on projects for older people
- administration of community and youth development grants
- management of contracts with organisations contributing to or delivering community services;
- working with the Kāpiti Accessibility Advisory Group and other disability responsiveness projects, and
- developing social wellbeing action plans based on research and consultation, and working with the community to advocate for services.

- A youth leadership group called Ngā Kākano was established with a focus on development of young Māori in the district. With council's support, Ngā Kākano have held a number of marae-based workshops that have engaged rangatahi. The workshops had a range of themes from leadership and music to DJ-ing and street art. The aim of Ngā Kākano is to assist rangatahi to reach their full potential in a way that gives them a sense of belonging and gets them involved in community life.

Supporting people with disabilities

Council continues to work with the Kāpiti Accessibility Advisory Group and the Disability Information and Equipment Centre to deliver disability responsiveness training to all council staff, and to improve the access outcomes of council projects.

Age friendly city

Council is committed to an age friendly approach to its projects. This is demonstrated through representatives actively participating in council advisory groups such as the road safety and transport group. Community groups representing older people have had input into council projects such as the town centres transformation, the redesign of Kāpiti Road and the council's long term plan through the community reference group.

Council supported the older persons' council to host an age friendly community forum in April 2015. Hon Maggie

Barry opened the forum in Paraparaumu and Dr Kathleen Brasher from Australia was the keynote speaker. Dr Brasher is a member of the Strategic Advisory Group for the World Health Organisation's Global Network of Age Friendly Cities and Communities.

Supporting community groups

Council continues to fund a range of organisations through community contracts and grants. This includes:

- Te Newhanga Kāpiti Community Centre
- Kapiti and Otaki Citizens Advice Bureaux
- Kapiti Disability Information and Equipment Centre
- Paekakariki and Otaki Beach Lifeguards (through Surf Life Saving New Zealand)
- Kapiti Health Shuttle (through New Zealand Red Cross)
- Otaki Health Shuttle (through St John)
- Volunteer Kapiti
- Kapiti Safer Community Trust
- Kapiti Youth Support, and
- Wellington Free Ambulance and Lifelight Trust.

In September 2014, as part of its community financial support the council awarded a total of \$29,095 in community grants between 34 groups and organisations that provide a social service in the district. Recipients included the Kapiti Food Bank, Otaki MenzShed, Youth Quest Kapiti, Kapiti Coast Community Patrol, The Shed Project, and Age Concern Kapiti.

Council, the Department of Internal Affairs and Volunteer Kapiti sponsored a funding seminar in October 2014. The seminar provided the Kāpiti community with important information and access to funders to support community services and activities and over 60 organisations and individuals attended.

Neighbours Day Aotearoa

The Over the Fence Cuppa project was supported by council as part of the Neighbours Day Aotearoa initiative in March 2015, following a very successful inaugural event in March 2014.

It provided an opportunity for neighbours to meet and get to know each other which is a useful for building community awareness and resilience. Around 35 neighbourhoods in Kāpiti participated in the initiative.

Other community initiatives

A Makarini Street community forum with residents affected by expressway construction impacts was held at Kāpiti School in February 2015. The forum provided the opportunity for residents to talk with council and Paraparaumu/Raumati community board about ways to improve their neighbourhood.

International author and expert in community-based development, Jim Diers, facilitated a session on community connectedness, resilience and innovation at Te Newhanga, Kapiti Community Centre. This council sponsored workshop was part of the communities leading change series. Over 30 people attended the workshop throughout the day. Other workshops in this series included a presentation showcasing the Project Lyttelton model of place-led development (an initiative which has helped develop the resilience of the Lyttelton community as evidenced by the way the community pulled together after the February 2011 earthquake).

Key performance indicators

Supporting social wellbeing				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Council facilitates the community to work together and to work smarter, better meeting needs	85% of community groups report stronger community networks and better collaboration as a result of council involvement	85%	85%	85% of community groups and community organisations surveyed thought that the council helped strengthen community networks. (2012/13 result was 94%)
Council provides resources to the community for capacity building and service provision focused on community priorities	85% of community groups rate the support provided as relevant to their circumstances and needs	85%	70%	Only 70% of community groups and organisations thought that council's support was relevant to their needs and circumstances. 15% of those surveyed were neutral while a further 15% thought that council's support was not relevant to community needs. It is important to note that additional comments made in the survey reflected council's role in the community not just the supporting social wellbeing activity. (2012/13 result was 81%)
Council provides the Youth Council, Kāpiti Coast Older Persons' Council and the Disability Reference Group with opportunities to influence the content of council strategies, policies and project planning	All proposed major council strategies and projects are provided to the youth council, older persons' council and disability reference group (now the Kāpiti Accessibility Advisory Group) for their review and provide comment when desired to the relevant staff	100%	100%	Current opportunities where these groups can influence council strategies and planning include: the long term plan community reference group, the town centres and connectors project; the development of the community hub project; Coastlands Aquatic Centre services. The Youth 2U Action plan and age friendly cities initiative feature in the council plans at the request of these stakeholder groups.

Cost of activity statement

Supporting social wellbeing				
2013/14			2014/15	2014/15
Actual			Actual	Budget
\$000			\$000	\$000
	Expenditure			
1,327	Other operating expense		1,256	1,426
-	Depreciation and amortisation		-	1
-	Finance expense		-	-
1,327	Operating expenditure		1,256	1,427
	Revenue			
6	Fees and charges		1	-
6	Operating revenue		1	-
1,321	NET OPERATING COSTS		1,255	1,427
	Capital items			
-	Asset renewal		32	32
-	New assets upgrade		-	250
	Additional loan repayment			
-	Total capital items		32	282
1,321	NET COST OF ACTIVITY		1,287	1,709
1,289	Rates		1,255	1,427
-	Borrowings		-	250
-	Depreciation reserve		32	32
-	Reserves and special funds		-	-
32	Internal transfers		-	-
1,321	TOTAL SOURCES OF FUNDS		1,287	1,709

Planning and regulatory

- Building control and resource consents
- Development management
- Environmental protection

Building control and resource consents

Te mana whakatū whare me te whakāetanga rawa

- ☑ Building consents issued were at similar levels to the previous year, with 1,006 consents issued in 2014/15 (compared with 1,030 in 2013/14). This follows a sharp 22% increase in consents issued in 2013/14 on the previous year.
- ☑ 971 of 1,006 building consents (96%) were processed within statutory timeframes. This was above the target of 95% despite the continued higher level of consent applications reported above.
- ☑ All 5,551 site inspections this year were completed within 24 hours of request, or at the scheduled time. The number of inspections required was down 9% from the 6,076 in 2013/14.
- ☑ 754 of 756 LIM requests (99.7%) were processed within the required 10 working days. LIM numbers were up 4% compared to then previous year. The average processing time was six working days.
- ☑ 196 of 205 resource consents (96%) were processed within statutory timeframes including 6 notified applications, against a target of 100%. Although applications were 8% down on the previous year's 223 consents, they remain historically quite high as 2013/14 applications were up 41% on the previous year.
- ☑ 99% of 2,007 service requests for resource consent issues were responded to within one working day of receipt, just short of the 100% target.
- ☑ Seven site specific management plans, 12 alterations (some of which required notification) and numerous vegetation retention plans in relation to the Mackays to Peka Peka expressway were certified, all within statutory timeframes.
- ☑ Council has started the process of identifying buildings that will require earthquake assessment within the district and will be moving forward with this project in 2015/16.

There has been significant change in the Building Act 2004 and the Resource Management Act 1991 over recent years. In anticipation of ongoing change, council had reviewed, in early 2013, the management and delivery of regulatory services and established three key drivers for change: being open for business; improving performance (and the perception of performance) and responding to changes in the legislative environment.

The focus for the future is to proceed with delivering a work programme that achieves results in those three key areas.

Improved performance on a number of key performance indicators was expected in 2014/15 after several of these were not achieved in the past two years. Results are detailed in the building control and resource consent sections below.

Legislative change

The changes to the Building Act 2004 regarding the management of earthquake prone building assessments by council is still being considered by select committee and is likely to be passed in the second half of 2015. Significant changes have been made during the select committee process including looking at timeframes with regard to risk. The Kāpiti coast district is still considered a high risk area, with five years for council to assess buildings in its district and 15 years for building owners to resolve the issues.

The changes to the Resource Management Act 1991 proposed in the Resource Amendment Act, 2013 (phase 1) were divided into four parts coming into force during the last 18 months. The final part came into force on 3 March 2015. The amendments involved a wide range of largely procedural changes.

Building control

Council issued 1,006 building consents during 2014/15, a similar number as in the 2013/14 year. This follows a sharp 22% increase in consents issued in 2013/14 on the previous year. Of these, 971 (96%) were issued within statutory timeframes. This was above the target of 95% despite the continued high level of consent applications.

Resource consents

The resource consents and compliance team has had another busy year. In total, 205 non-notified resource consents were processed. Although this is an 8% reduction on the 223 consents processed in 2013/14, that was itself up 41% on the prior year. Staff responded well to the continued relatively high workload, issuing 96% of consents within the statutory 20 day period.

The **building control and resource consents activity** includes the following services and programmes:

- maintaining accreditation as a registered building consent authority
- processing of building consent applications under the Building Act 2004
- processing of LIMs
- undertaking building warrant of fitness audits
- processing of resource consent and designation applications under the Resource Management Act 1991
- providing associated advice to applicants on opportunities for innovation, good design, links to the wider community vision around the environment, walkways, water quality etc
- undertaking district plan and expressways monitoring and compliance checks, and
- leading pre-application meetings with landowners to promote sustainable design and coordinate whole-of-council advice for commercial activities and major subdivisions.

In addition to processing resource consents, the team certified/approved seven site-specific management plans, and numerous vegetation retention plans as well as processing twelve variations to the Mackays to Peka Peka (M2PP) expressway (some of which required notification).

The team is also working closely with councils in the Wellington region to certify the suite of enabling management plans required by the board of inquiry's decision to approve the M2PP expressway's construction and to ensure the proposed detailed design for Transmission Gully expressway is in general accordance with that decision. The first 'in general accordance' determination was also required for the Peka Peka to Ōtaki expressway project.

Earthquake-prone buildings policy

Council has started the process of identifying buildings that will require assessment within the Kāpiti coast district and will be moving forward with this project in 2015/16.

Changes to the Building Act 2004 are now likely to be passed in the second half of 2015 and council continues to be part of the submission process.

Council agrees that both keeping people safe and building a resilient community is important. However, we are aware that this process could mean substantial costs for both the council as a building owner and other building owners within the district.

Key performance indicators

Building control and resource consents				
Level of service	Measure	Target	Result	Comment
<i>Building control</i>				
All building consents are processed promptly in compliance with the building code	95% of all building consent applications are processed within statutory timeframes ¹	95%	96%	971 of 1,006 building consents (96%) were processed within statutory timeframes in 2014/15. [2013/14 result was 92% of 1,020]
All required inspections are carried out to enable code compliance certificates to be issued in a timely manner	All site inspections are completed within one working day of request, or at requested scheduled times, to enable code compliance certificates to be issued within statutory timeframes	100%	100%	All 5,551 site inspections this financial year were completed within required timeframes. [2013/14 result was 100% of 6,076]
Land information memoranda are issued without delay ensuring there are no potential delays of property sales	All applications for land information memoranda (LIMs) are processed within 10 working days	100%	99.7%	754 of 756 LIMs were processed within ten working days this financial year. This is an increase of 4% on the previous year. The average processing time was six working days. [2013/14 result was 100% of 727]
Commercial buildings are safe for users to occupy or visit	33% of all buildings that are subject to a building warrant of fitness are inspected annually	33%	36.7%	164 of all 447 buildings subject to a building warrant of fitness (36.7%) were inspected this year. [2013/14 result was 34% of 447].
Illegal or unauthorised work is identified and prompt action is taken	95% of all notified complaints regarding illegal or unauthorised building work are investigated within three working days	95%	96%	26 of 27 complaints (96%) about unauthorised work or illegal activity were investigated within three working days. [2013/14 result was 100% of 21]

¹ The proposed changes to the Building Act 2004 will include differing timeframes for the four new building consent categories.

Building control and resource consents				
Level of service	Measure	Target	Result	Comment
<i>Resource consents</i>				
All developments in the community are monitored to ensure they are consistent with the district plan	All resource consents are monitored in accordance with the landuse resource consents monitoring programme	100%	100%	<p>All 241 resource consents (involving 298 inspections) were monitored in the year to date in accordance with the monitoring programme).</p> <p>This was in addition to work on the expressway consent over the year to date (involving 120 inspections and 168 other actions such as site specific plan reviews, responding to complaints, attendance at neighbourhood impact fora, etc.).</p> <p>(2013/14 result was 100% of 302 land use inspections)</p>
Resource consents are issued without undue delay	All resource consent applications are processed within statutory timeframes	100%	96%	<p>196 out of 205 (96%) resource consent applications were processed within statutory timeframes in the year.</p> <p>(2013/14 result was 98% of 223 consents)</p>
Avoid unnecessary delays with notified consents, which due to their complexity can span a lengthy period	All decisions on notified applications (including requests extended under section 37 Resource Management Act 1991) are processed and issued within statutory timeframes	100%	86%	<p>Six out of seven notified applications were completed within statutory timeframes in the 2014/15 year.</p> <p>(2013/14 result was 100% of six)</p>
Process completion certificates promptly to avoid costly delays	95% of all subdivision completion certificates are issued within 15 working days of completion of subdivision	95%	95%	<p>93 out of 98 (95%) subdivision completion certificates (including legal documents) were processed within statutory timeframes in the year. This is an increase of 21% in subdivision completion certificates processed over the previous year.</p> <p>(2013/14 result was 100% of 81 certificates)</p>
Requests for service are dealt with promptly	All service requests for resource consent issues are responded to within one working day of receipt	100%	99%	<p>1,983 of 2,007 service requests for resource consent issues were responded to within one working day of receipt. Service requests were up 26% compared to last year.</p> <p>(2013/14 result was 99% of 1,588)</p>

Building control and resource consents				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Co-management opportunities are endorsed through Te Whakaminenga o Kāpiti	Tāngata whenua have the opportunity to review all notified resource consent applications	Achieve	Achieved	Tāngata whenua have had the opportunity to consider all resource consent applications received by council.

Cost of activity statement

Building control and resource consents				
2013/14			2014/15	2014/15
Actual			Actual	Budget
\$000			\$000	\$000
	Expenditure			
4,024	Other operating expense		4,566	4,603
-	Depreciation and amortisation		7	-
4,024	Operating expenditure		4,573	4,603
	Revenue			
2,062	Fees and charges		2,252	2,248
-	Other operating revenue		13	-
2,062	Operating revenue		2,265	2,248
1,962	NET OPERATING COSTS		2,308	2,355
	Capital items			
-	New assets upgrade		12	12
-	Additional loan repayment		-	-
-	Total capital items		12	12
1,962	NET COST OF ACTIVITY		2,320	2,367
1,915	Rates		2,308	2,355
-	Borrowings		12	12
47	Movement in reserves		-	-
1,962	TOTAL SOURCES OF FUNDS		2,320	2,367

Development management

Whakahaere whanaketangai

- ☑ Council endorsed the independent review of the proposed district plan presented to the council on 24 July 2014. Work has progressed since then on implementing the option recommended by the independent review and according to the implementation plan endorsed by the council. Over the course of the year the planning work has included:
 - formation of issues groups and ongoing meetings with many submitters on a range of issues
 - analysis of full submissions and further submissions, and redrafting proposed district plan chapters
 - preparation of council's submission to the draft natural resources plan of Greater Wellington Regional Council (GWRC)
 - working with GWRC to ensure consistency between the draft natural resource plan and the proposed district plan, and
 - the release of the redrafted proposed district plan as a submitter engagement version on 15 June 2015.
- ☑ Significant progress has been made on the proposed upgrades to Waikanae and Paraparaumu town centres, Kāpiti Road and SH1. Cost estimates and programme for the implementation of individual projects have been accepted by council through the long term plan process.
- ☑ During the year, ten natural heritage management projects received grants from the heritage fund. The fund budget of \$30,624 was fully allocated, enabling conservation work estimated to cost \$117,000 to be undertaken.

Plan review

An independent review of the proposed district plan was publicly released on 24 June 2014 together with the report from the coastal experts' panel reviewing the coastal erosion science underpinning the coastal hazard provisions of the proposed district plan.

On 24 July 2014, council resolved to adopt Option 4 as the way forward on the proposed district plan. This option allowed council to build on all the previous work done, and make full use of important input from submitters whilst withdrawing coastal hazard provisions.

Work has progressed since then on implementing that option and has involved:

- clarifying the proposed district plan rules with immediate effect
- withdrawal of the coastal hazard, priority areas for restoration and hazardous facilities provisions from the proposed district plan
- appointment of an independent chair and independent commissioner to the proposed district plan hearings panel
- formation and ongoing meetings with the rural issues group
- analysis of full submissions and further submissions
- redrafting of all proposed district plan chapters
- preparation of council's submission to the draft natural resources plan of Greater Wellington Regional Council (GWRC) and working with GWRC to ensure consistency of their plan with the proposed district plan
- release of the redrafted proposed district plan as a submitter engagement version in June 2015, and
- commencement of consultation on the proposed urban trees variation.

Town centres and connectors project

It had been recognised that the expressway projects would have a significant impact on the physical form of the district, in particular on traffic flows and pressures on town centres.

A town centre and connectors project was formed by council to advance this work.

Further public engagement helped refine the development of concept plans for Waikanae, Paraparaumu, Kāpiti Road and SH1. This has involved:

- public engagement with community groups, community boards, business and land owners and with the public at open days
- further consultation on the desired pace of implementation through the long term plan consultation process

The **development management activity** includes the following services and programmes:

- environmental planning through the district plan and other associated processes, including district plan review process and plan changes
- urban management strategies and local community outcome statements which inform district plan processes
- sustainable design guidance for engineering and infrastructure development, various best practice design guides and engineering input into subdivision consents
- analysis and recommendations on policy approaches relating to climate change and other natural hazards
- design and planning advice to external stakeholders and to other activity areas within council
- design and construction of town centre upgrades, and
- setting policy direction for council land throughout the district, including strategic land purchase.

- traffic modelling and car parking reviews have been conducted to help inform future decisions
- refinement of concept designs based on public feedback and input from the above reviews
- cost estimates and programme for the implementation of individual town centre projects have been accepted by council through the long term plan process, and
- a funding application was accepted so the 'Stride n Ride' programme can be implemented over the next few years.

Planning for the next phase of these projects has commenced. This will include the procurement of technical services and further engagement with key stakeholders and long term plan submitters as we develop detail designs.

The individual projects currently programmed first are Mahara Place (projects W3A, B and C) in Waikanae and Coastlands/Civic precinct and Kapiti Lights (projects P2 and P3) in Paraparaumu. For further information on these projects see the Town Centres and Connectors Transformation project page on the council website (under *Your Council/Projects*)

Strategic land purchase fund

There were no strategic property purchases in 2014/15.

Key performance indicators

Development management				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Districtwide and local community outcomes relating to character, growth management, intensification, affordability, and the natural environment are reflected in the district plan	The district plan is notified with text that builds on districtwide and local community outcomes relating to character, growth management, intensification, affordability, and the natural environment	Achieve	Achieved	Submissions on relevant parts of the proposed district plan have been analysed and a submitter engagement version of the proposed district plan was released to submitters on 15 June 2015.
Significant waahi tapu sites are researched and lodged in a systematic approach and are protected in the district plan	Waahi tapu sites are protected in the district plan as per tāngata whenua guidance	Achieve	Achieved	Property visits with all submitters to the proposed district plan on waahi tapu matters have been completed in conjunction with council's expert and iwi representatives. The process to either confirm or amend waahi tapu sites and related rules within the proposed district plan continues.
Town centres have a high-quality, public space that meets the community's needs for safety, amenity and functionality	85% of residents are satisfied that town centres have a high-quality, public space that meets the community's needs for safety, amenity and functionality	85%	80%	The resident opinion survey undertaken in June 2015 recorded 80% of residents satisfied that town centres have high-quality public spaces and facilities that are safe and functional. This is an improvement on the previous year's result. (2013/14 result was 70%)
High quality, coordinated design advice is provided to developers, consultants, and landowners prior to formal application for regulatory approval (via resource consent or plan change), and to council project managers prior to internal project approval	85% of resource consent applicants, plan change applicants and council project managers who have participated in the design review process are satisfied with the robustness, clarity and timeliness of pre-application design advice provided by council	85%	–	No design and review meetings took place in 2014/15.

Development management				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
Local outcomes statements are completed for all communities that request them	Local outcomes statements are completed for all communities that request them via their community board	100%	100%	The town centres and connectors project developed concepts for Paraparaumu and Waikanae. Work on a local outcome statement for Waikanae Beach will commence in 2015/16 and a timeline will be confirmed for work on new outcome statements for a number of other communities.
Council provides clear processes and timely, professional services with regard to private plan change requests	85% of private plan change applicants are satisfied with the timeliness and professionalism of council's private plan change services	85%	-	No private plan change applications have been made due to the district plan review taking place.

Cost of activity statement

Development management				
2013/14		2014/15		2014/15
Actual		Actual		Budget
\$000		\$000		\$000
	Expenditure			
2,039	Other operating expense	2,773		2,633
170	Depreciation and amortisation	47		186
711	Finance expense	375		465
2,920	Operating expenditure	3,195		3,284
	Revenue			
66	Fees and charges	-		215
-	Development and financial contributions	-		-
66	Operating revenue	-		215
2,854	NET OPERATING COSTS	3,195		3,069
	Capital items			
526	New assets upgrade	888		2,001
72	Additional loan repayment	354		354
598	Total capital items	1,242		2,355
3,452	NET COST OF ACTIVITY	4,437		5,424
2,855	Rates	3,549		3,424
526	Borrowings	888		2,000
71	Movement in reserves	-		-
3,452	TOTAL SOURCES OF FUNDS	4,437		5,424

Environmental protection

Whakāhuru taiao

- ☑ The introduction of the Sale and Supply of Alcohol Act 2012 in December 2013 generated a substantial volume of work for all councils in New Zealand in inspections and processing alcohol licence applications. In the 2014/15 year, 112 alcohol premises were inspected within our district.
- ☑ Inspections of licensed food premises were well below target in the first half of the year due to the reallocation of staff to process alcohol licence applications as those had a stronger commercial imperative. Resourcing was addressed in the second half of the year which resulted in a marked improvement in inspection results with all required inspections being carried out.
- ☑ Inspections of other licensed premises were also impacted strongly in the first half of the year by the reallocation of staff to dealing with alcohol licensing. Additional resourcing in this area also resulted in a dramatic increase in inspections in the second half of the year, achieving the required 54 inspections for the year.
- ☑ Swimming pool inspections did not reach target levels. In a change of approach aligned with our open for business policy, staff have focused on assisting pool owners to reach compliance, rather than simply completing the inspection tally.
- ☑ 98.8% of all known dogs were registered. There were 7,065 registered and recorded in the district at 30 June 2015. The animal control team responded to 2,805 routine and 184 urgent complaints about dogs (2,682 and 304 respectively in 2013/14).
- ☑ The Kāpiti Emergency Operations Centre (EOC) was activated on 14 and 15 May 2015 in response to heavy rain and substantial flooding in the district. Council's customer service team handled 1,100 calls on 14 May compared to the usual average of 330 a day.

This activity protects public health and safety through the administration and enforcement of statutory requirements.

Over the year, the council's environmental standards team:

- inspected 112 alcohol premises
- inspected all 303 food premises (342 inspections as some needed inspecting more than once)
- undertook 29 notifiable disease investigations
- issued 174 fire permits within two working days
- registered 7,065 dogs, and
- responded to 2,805 routine complaints about dogs and 184 urgent dog complaints.

Sale and Supply of Alcohol Act 2012

The Sale and Supply of Alcohol Act 2012 has been in place for over a year. The work required to meet the new requirements placed a significant demand on the resources council has. However, inspection targets were achieved in this area and even those areas that were being impacted as a result of the reallocation of staff time to dealing with alcohol license inspections have achieved their performance targets for the year.

Environmental health

Inspections of licensed food premises and other licensed premises were well below target in the first half of the year due to the reallocation of staff to deal with the impacts of the new alcohol supply legislation. The latter had been given priority as they had a stronger commercial imperative.

Resourcing was addressed in the second half of the year which resulted in a marked improvement in these environmental health inspections. That concerted effort resulted in inspection targets for the year being achieved by 30 June 2015.

Swimming pools

Council staff inspected 202 private pools during the year (20% of the total 1,014 known private pools). This number was below the annual target of 338 (33% of total pools) as staff concentrated on assisting pool owners to reach compliance.

This aligns with our open for business focus on working with pool owners to assist them to meet the requirements of the Act as opposed to simply visiting pool sites and issuing non-compliance notices. This approach reduces the inspection rate; however, the expected longer term benefits are that this should result in higher compliance rates and simpler inspection regimes for the future.

The **environmental protection activity** includes the following services and programmes:

- inspection of food premises (Health Act 1956)
- animal control (Dog Control Act 1996)
- inspection of swimming pools (Fencing of Swimming Pools Act 1987)
- liquor licensing (Sale and Supply of Alcohol Act 2012)
- noise control – investigation and enforcement of excessive noise complaints under those provisions in the Resource Management Act 1991, and
- bylaws enforcement and administration.

The result achieved (20%) aligns with the inspection targets expected to be required in future following finalisation of the legislative changes in this area that the government has been considering.

Rural fire

The Wellington Rural Fire Authority commenced operations on 1 October 2013 and took over responsibility for all rural fire reduction, readiness and response activities in the district. Council continues to be involved in:

- maintaining and funding assets that the council owns at Te Horo Rural Fire Station (such as vehicles and some operational equipment), and
- providing a level of support to the Te Horo Rural Fire Service and Wellington Rural Fire Authority as they build a working relationship.

Civil defence and emergency management response

The Kāpiti emergency operations centre (EOC) was activated on 14 and 15 May 2015 in response to heavy rain and substantial flooding in the district. Greater Wellington Regional Council described this as a 50-100 year event given the levels of rainfall experienced, although the Waikanae river only reached a little over a 1 in 10 year flow rate.

There was significant flooding across the Wellington region. Slip and surface flooding blocked all major transport routes between Kāpiti and Wellington, including SH1, SH2 and the railway line, making transport one of the biggest challenges resulting from the event.

There was also significant flooding of properties across the district and 30 homes were evacuated. In a sign of the strength of family and community bonds in the district, only two of the people evacuated needed to stay in welfare centres as the rest were offered accommodation with friends, family or neighbours.

Council's customer service team handled 1,100 calls on 14 May compared to the usual average of 330 a day. The EOC was staffed by two shifts of council staff over the day coordinating the response and communications around the event.

Council operations staff were kept busy throughout the day checking and clearing streams, culverts and drains and delivering and placing sand bags. They were assisted by staff from Downers, council's roading contractors, as well as staff from the MacKays to Peka Peka Alliance and Goodmans Contractors.

A positive outcome of the event was that it demonstrated that stormwater upgrade work carried out over the past seven years throughout the district had been successful as, although known remaining trouble spots again caused problems, previous trouble spots that had been addressed did not.

Many areas that flooded are identified in activity management plans and remediation works are planned. However, some of that work is still several years away as work is needed to increase downstream stormwater capacity before those repairs can be effective. New problem areas identified in the 14 May flooding will be reviewed and prioritised accordingly.



The Matatua Bridge in Raumatī Beach replaced an under capacity triple culvert. Despite the extreme rain event of 14 May 2015 (see above) there was no repeat of the flooding that had plagued this part of Raumatī Beach in the past.

Key performance indicators

Environmental protection				
Level of service	Measure	Target	Result	Comment
<i>Environmental health and liquor licensing</i>				
All food premises display certification that accurately reflects the quality of the outlet and their food storage and preparation	All food premises inspected using a risk-based approach in accordance with government regulations. Note: The legislation has not yet been enacted, therefore timeframes are not known at this stage	100%	100%	All 303 food premises were inspected as required, although this amounted to 342 inspections. The number of inspections was higher than the number of food premises as some premises required more than one inspection (for example, as a result of change of ownership). (2013/14 result was 74% of 301 inspections completed)
Notifiable communicable diseases are managed in a way that minimises their spread	All notifiable communicable disease investigations are commenced, and the investigation outcome reported to the Medical Officer of Health in accordance with regional service level agreements	100%	97%	28 of 29 notifiable disease investigations were conducted and reported on within agreed timeframes. (2013/14 result was 100% of 42)
Swimming pools are operated and managed in a safe and healthy way	All functioning public, school and commercial swimming pools are inspected to ensure compliance with public health standards and management advised on remedial action where necessary	100%	100%	All 14 public, school and commercial swimming pools were inspected in 2014/15. (2013/14 result was 80% of 15)
Liquor outlets operate within an environment that is safe and healthy	50% of liquor outlets are inspected for compliance with appropriate regulations annually	50%	80%	112 alcohol premises inspected (80%), above the required 70. (2013/14 result was 79% of 138)
All other licensed premises, e.g. hairdressers, operate within an environment that is safe and healthy	All other licensed premises are inspected for compliance with appropriate regulations	100%	100%	All 54 required inspections were conducted. (2013/14 result was 35% of 54)

Environmental protection				
Level of service	Measure	Target	Result	Comment
<i>Compliance</i>				
Access to private swimming pools is limited to prevent entry to children under six years of age	33% of all known private swimming pools inspected to ensure compliance with the Fencing of Swimming Pools Act 1987	33%	20%	<p>There are 1,014 pools giving a target for the year of 338. 202 pools (20% of the 1,014 known private pools) were inspected.</p> <p>This reflected our open for business focus on working with pool owners to assist them to meet the requirements of the Act. This approach creates additional work and slows the inspection rate. However, the longer term benefits are expected to be reflected in higher compliance rates and simpler inspection regimes in the future.</p> <p>(2013/14 result was 26% of a total 990 pools)</p>
All outdoor fires are permitted to ensure they are managed in a way that limits the risk of spread	All outdoor fire permits are issued within two working days providing council staff are satisfied that the site surroundings are safe and that fire safety equipment is available	100%	100%	<p>All 174 fire permits were issued within two working days.</p> <p>(2013/14 result was 100% of 171)</p> <p>Note these figures exclude Rural Fire Permits as that function has been taken over by the Wellington Rural Fire Authority.</p>
<i>Animal control</i>				
Action is taken to manage dangerous dog incidents	95% of all urgent calls/complaints about dogs are responded to within one hour of receipt	95%	100%	<p>All 184 calls received were responded to within one hour of receipt.</p> <p>(2013/14 result was 100% of 304).</p>
Dogs are managed effectively to minimise nuisance	95% of all routine calls/complaints about dogs are responded to within 24 hours of receipt	95%	99.7%	<p>2,796 of 2,805 calls (99.7%) were responded to within 24 hours of receipt</p> <p>(2013/14 result was 99% of 2,682)</p>
All dogs in the district are registered	95% of all known dogs are registered	95%	98.8%	<p>6,985 of 7,071 previously registered dogs have been registered (98.8%).</p> <p>(2013/14 result was 99% of 7,043)</p>

Environmental protection				
Level of service	Measure	Target	Result	Comment
<i>Emergency management and rural fire</i>				
The number of households that are ready for any emergency with stored water, food, survival items and a household emergency plan	The number of prepared households increases by 20% every three years until 80% of households state they are prepared for an emergency	50%	69%	The resident opinion survey undertaken in June 2015 recorded that 69% of respondents have an emergency plan and a kit sufficient to get them through three days following an emergency event. (2013/14 result was 81%)
The rural fire service meets the National Rural Fire Authority audit standards	The rural fire service meets the National Rural Fire Authority audit standards	Achieve	Not relevant	The Council Rural Fire Authority addressed all matters outlined in the National Rural Fire Authority (NRFA) audit within the 1 October 2013 timeframe stipulated. The Wellington Rural Fire Authority is now responsible for ensuring all rural fire operations carried out in this district continue to comply with standards stipulated by the NRFA.
Civil defence emergency management and fire plans provide an effective response to emergencies and reduce the exposure of council to costs and litigation following an event	The civil defence emergency management and fire plans are updated annually	Achieve	Achieved	The Wellington Regional Emergency Management Office has updated the group civil defence emergency management plan which supersedes all local plans. The council rural fire plan was updated prior to the handover to the enlarged rural fire district and will remain valid until March 2015. All future fire plans will be updated by the Wellington Rural Fire Authority.

Cost of activity statement

Environmental protection				
2013/14		2014/15		2014/15
Actual		Actual		Budget
\$000		\$000		\$000
	Expenditure			
2,824	Other operating expense	2,741		2,752
55	Depreciation and amortisation	86		47
98	Finance expense	75		79
2,977	Operating expenditure	2,902		2,878
	Revenue			
1,044	Fees and charges	1,135		1,005
3	Grants and subsidies	6		-
40	Other operating revenue	-		-
1,087	Operating revenue	1,141		1,005
1,890	NET OPERATING COSTS	1,761		1,873
	Capital items			
7	Asset renewal	8		32
44	Additional loan repayment	48		48
51	Total capital items	56		80
1,941	NET COST OF ACTIVITY	1,817		1,953
1,887	Rates	1,809		1,921
-	Borrowings	-		-
7	Depreciation reserve	8		32
47	Movement in other reserves	-		-
1,941	TOTAL SOURCES OF FUNDS	1,817		1,953

Governance and tāngata whenua

Governance and tāngata whenua

Kāwanatanga me te tāngata whenua

- ☑ Waikanae community board member Michael Scott was elected to council on 26 February 2015 in a Waikanae ward by-election. Jill Lloyd was subsequently elected to the then vacant Waikanae community board position.
- ☑ Council agreed to amend its governance structure to allow for the appointment of an independent external member to the audit and risk subcommittee and for the membership of the chief executive performance and employment committee to include all councillors.
- ☑ Council made a submission to the Local Government Commission on the draft amalgamation proposal for the Wellington region.
- ☑ After a pre-consultation period, the representation review working party presented its recommendations to council on 18 June 2015. Council notified its initial proposal for representation arrangements on 25 June, triggering a formal consultation period.
- ☑ 73 council, committee and subcommittee meetings were held, along with 108 briefings and 18 workshops. There were also 32 meetings of the district's four community boards.
- ☑ Waitangi Day celebrations were co-hosted by council and Ngāti Toarangatira (on behalf of the ART Confederation) at Whareroa (Queen Elizabeth Park).
- ☑ The memorandum of partnership between council and Te Āti Awa, Ngāti Raukawa and Ngāti Toarangatira was re-signed at the official Waitangi Day commemorations at Whareroa. This marked the twenty-first year of the partnership.
- ☑ Six citizenship ceremonies were held, including one ceremony which was hosted by Ngā Hapū o Ōtaki and Ngāti Raukawa at Raukawa marae. This included a total of 210 people from Australia, Britain, China, Croatia, Fiji, Holland, India, Kiribati, Paraguay, Peru, the Philippines, Russia, Slovakia, South Africa, Sri Lanka, Thailand, Tuvalu, USA and Zimbabwe.
- ☑ In total, 231 requests were received under the Local Government Official Information and Meetings Act 1987 (264 requests in 2013/14).

Governance

This activity is an important contributor to council's wider strategy for working with the community, and meeting our statutory requirements relating to governance, consultation and decision-making responsibilities.

Elected members

In addition to the meeting statistics provided in the meeting attendance section, elected members also attended a series of public workshops in November/December 2014 discussing asset and activity management plans, as a precursor to development of the *2015-35 Long term plan*. They subsequently attended a range of public events in March and April 2015 in support of the consultation around that plan.

This was followed in May 2015 by three days of hearings of submitters to the plan.

Council submissions

Council made a number of submissions during the review period. These included submissions to the Greater Wellington Regional Council's natural resources plan and draft long term plan, and to the Local Government Commission on the latter's draft amalgamation proposal for the Wellington region.

Long term plan

In line with recent legislative change, a new consultation approach was adopted for the 2015-35 Long term plan. Instead of the full, three-volume, long term plan document being released for public consultation as in the past, council prepared a much more concise and reader-friendly consultation document that focused on the major projects and key decisions facing council.

That document was released for public consultation on 19 March 2015 and submissions were presented to council from 20 March to 24 April 2015. All the component parts of the draft long term plan were available on the council's website for those who wished to understand the detail of council's spending plans and strategies.

A total of 479 submissions were received. The majority of these gave feedback on the key issues the council was asking for feedback on in the consultation document and, on the whole, that feedback was significantly in support of council's recommended options. A substantial number of submissions were on single issues while some submitters took the opportunity to extend their feedback to cover a wider range of issues.

There were a significant number of submitters who expressed appreciation for the new approach and the clear, concise and readable format of the consultation document.

The **governance and tāngata whenua activity** includes the following services and programmes:

- management of all council and committee processes, both formal and informal
- maintenance of a legally coherent and workable governance structure
- delivery of statutory documents and processes under associated legislation
- management of electoral processes including representation reviews, elections and by-elections
- elected member remuneration and expenses
- tāngata whenua relationships and associated projects, e.g. inviting Te Whakaminenga o Kāpiti to contribute to resource management planning
- management of the integration of tāngata whenua aspirations across council workstreams
- encouraging community awareness of and participation in decision-making processes through a civics education programme, and
- district general expenses – e.g. legal and insurance costs.

Hearings were held over three days from 18-20 May and were attended by a range of people speaking in support of 80 of the written submissions. After consideration of all submissions, final decisions on the content of the long term plan were made at a council meeting on 4 June 2015.

After the impacts of those decisions were incorporated, the 2015-35 Long term plan was adopted by council on 25 June 2015.

Regional governance

The context section of this report outlines council involvement in discussions about the shape and form of the proposed future governance structure for the Wellington region.

The Local Government Commission released its draft amalgamation proposal in December 2014. That draft proposed a new unitary authority for the region, to be called the Greater Wellington Council which would take over the functions of the existing nine councils in the region.

Public submissions were sought on the proposal through to 2 March 2015. Council made a submission to the Local Government Commission on the proposal. In June 2015 the commission announced it would not proceed with its draft proposal for Wellington but would work with the communities to develop other options.

Resident opinion survey 2015

A resident opinion survey undertaken in June 2015 asked residents a number of questions regarding their satisfaction with council services and facilities.

Many of the questions asked, and the survey results, are provided in the key performance indicator tables within each activity area.

A full report on the resident opinion survey 2015 can be found on the council's website kapiticoast.govt.nz

Events

Council is committed to hosting civic ceremonies. Events during the year included:

- Community and civic awards
- Electra business awards
- ShoutOut awards for youth
- Waitangi Day event, co-hosted with Ngāti Toarangatira at Whareora (Queen Elizabeth Park)
- Citizenship ceremonies, and
- ANZAC Day 100th anniversary commemoration.

Tāngata whenua

Council has a long standing relationship with tāngata whenua and a commitment to its partnership with Te Āti Awa ki Whakarongotai, Ngāti Raukawa ki te Tonga and Ngāti Toa Rangatira and the memorandum of partnership it holds with them. This relationship provides for active projects and includes a commitment to working via Te Whakaminenga o Kāpiti, the partnership mechanism for advancing matters of mutual interest.

The memorandum of partnership between council and tāngata whenua is reviewed and renewed every triennium. The process was completed this triennium with the re-signing of that memorandum and its terms of reference by the council and the three iwi at the Waitangi Day commemorations at Whareora on 6 February 2015.

The 2014/15 year's events included:

- The tri-annual Te Whakaminenga o Kāpiti newsletter was developed and distributed. Its purpose is to promote the outcomes of the partnership between council and each of the three iwi. This newsletter is available from iwi, council service centres, by email and from the council website.
- Activities were organised to celebrate Matariki in the districts' libraries during 30 June 2014 to 25 July 2014.
- Ngā Hapū o Ōtaki and Ngāti Raukawa hosted a citizenship ceremony at Raukawa marae in November 2014.
- Māori representatives were appointed to the environment and community development committee, the corporate business committee and the regulatory management committee.
- Two iwi members received Environment Commissioner accreditation.
- Annual marae maintenance grants were allocated to three marae in the district for maintenance works and insurance.
- The annual maramataka (calendar) was developed and launched. The theme was commemoration of 100 years since the beginning of World War 1.

Key performance indicators

Governance and tāngata whenua				
Level of service	Measure	Target	Result	Comment
<i>Governance</i>				
Council agendas and minutes are available two working days ahead of the meeting date in council service centres and district libraries and on the council website	All meeting agendas and reports are available in hard copy in service centres and/or district libraries at least two working days ahead of the meeting date	100%	100%	
Council agendas and minutes are available two working days ahead of the meeting date in council service centres, district libraries and the council website	All council meeting agendas and minutes are available 99% of the time on the council website	99%	100%	
<i>Tāngata whenua</i>				
The strong partnership that has evolved is reflected in council's commitment to work through Te Whakaminenga o Kāpiti and that Te Whakaminenga o Kāpiti continues to implement work focused on development of knowledge and understanding of tāngata whenua values through the intended activity	Te Whakaminenga o Kāpiti receives all proposed council strategies for review and provides comment, when desired, to the council	Achieve	Achieved	<p>Council has been working with Te Whakaminenga o Kāpiti on the following key pieces of work:</p> <ul style="list-style-type: none"> • Māori economic development evaluation process • Proposed district plan process • Vision from tāngata whenua reviewed and amended for long term plan, and • Resigning of the memorandum of partnership at the Waitangi Day commemorations.
Council and tāngata whenua participate in civic activity that reflects our community's history	Council and tāngata whenua co-host a Waitangi Day commemoration	Achieve	Achieved	Commemoration co-hosted between council and Ngāti Toarangatira on behalf of Te Whakaminenga o Kāpiti on 6 February 2015.

Cost of activity statement

Governance and tāngata whenua			
2013/14		2014/15	2014/15
Actual		Actual	Budget
\$000		\$000	\$000
	Expenditure		
2,161	Other operating expense	4,669	4,529
1,422	Depreciation and amortisation	90	42
142	Finance expense	11	6
3,725	Operating expenditure	4,770	4,577
	Revenue		
964	Fees and charges	513	763
604	Other operating revenue	667	-
7	Interest income	44	55
1,575	Operating revenue	1,224	818
2,150	NET OPERATING COSTS	3,546	3,759
	Capital items		
759	Asset renewal	1,188	1,486
61	New assets upgrade	154	246
17	Additional loan repayment	19	18
837	Total capital items	1,361	1,750
2,987	NET COST OF ACTIVITY	4,907	5,509
3,655	Rates	3,321	3,901
58	Borrowings	154	246
762	Depreciation reserve	559	843
-	Movement in other reserves	-	485
246	Reserves and special funds	873	34
(1,734)	Internal transfers	-	-
2,987	TOTAL SOURCES OF FUNDS	4,907	5,509

Other

- Supporting environmental sustainability

Supporting environmental sustainability

Te tautoko turuki taiao

- ☑ The results of the audit under the carbon emissions and reductions scheme (CEMARS) show a 49% reduction in emissions for 2013/14 compared with the baseline year of 2009/10.
- ☑ Provisional results for 2014/15 show an increase of carbon emissions compared to the previous year as a result of having to use a wood waste mixing agent to treat wet sewage sludge when the sewage drier was being upgraded. Consequently carbon emissions were only 44% below the 2009/10 base year, marginally short of the 45% reduction target. Audited results for 2014/15 will not be available until well into 2015/16.
- ☑ Council's carbon and energy management work was featured in Radio NZ's *Our Changing World* programme on 18 September 2014 including discussion of council's reduction targets, solar energy plans, NABERSNZ energy rating for the civic administration building and our work on energy efficiency in the community.
- ☑ Council hosted the Local Government Carbon and Energy Management Forum on 21 November 2014 at its offices, which attracted over 30 delegates from around the country. Council's work in this area was highlighted and there were presentations from three other councils and the NZ Transport Agency.
- ☑ The fourth spring series of lectures was held in November and December 2014. The theme was nourishing and flourishing, with speakers looking at how local responses to local needs, in New Zealand and elsewhere, have fostered outstanding examples of stronger, healthier communities.
- ☑ The Sustainable Home and Garden Show, held in March 2015, continued to draw a very positive response from the Kāpiti community and further afield and gave the opportunity for council to present exhibits focussing on the greener neighbourhood project, sustainable transport, energy efficiency and conservation and water conservation.
- ☑ The Lego town centre display of "Paraparaumu 2035" set up at the sustainable home and garden show and at Coastlands Mall for the following four weeks was a key drawcard for consultation with the community on the 2015-35 Long term plan.
- ☑ Significant electricity savings are attributable to the installation of water meters reducing demand for water and therefore treatment and pumping energy. Over the year an estimated \$88,000 of energy costs for water, and 159 tonnes of CO₂ emissions, were avoided,.

The supporting environmental sustainability activity provides direct support for the community in assisting with environmental sustainability, as well as monitoring and reducing the council's own impact on the environment when carrying out its business.

Reducing council's greenhouse emissions

The Kāpiti Coast District Council was the first council in the country to gain admission to the prestigious carbon emissions and reduction scheme (CEMARS).

The result of the 2013/14 CEMARS audit (carried out in 2014/15) shows council achieved a 49% reduction in emissions compared to the baseline year of 2009/10. On that basis council achieved its objective of reducing operational greenhouse gas emissions by 45% (compared with the baseline year) one year early.

However, provisional results for 2014/15 show emissions increased from the previous year and are higher than the target due to extra waste emissions arising from the sewage drier being out of action while it was upgraded.

As a result of having to use a wood waste mixing agent to treat wet sewage during this period, emissions for the year are provisionally calculated at 7,073 tonnes of CO₂ equivalent. This is a reduction in emissions of 44% against the 2009/10 baseline year, just short of the 45% reduction target.

That result is despite significant reductions in other areas, such as diesel, petrol and electricity usage. Audited 2014/15 figures will be available later in 2015/16 and will be reported in that year's annual report.

Projects undertaken in 2014/15 that contribute to improving the energy efficiency of council's operations and reducing carbon emissions were:

- LED (light-emitting diode) ceiling panel lights were installed in the Paraparaumu Library meeting room, providing more and better light for 70% less energy than the fittings they replaced.
- A building management system was installed at Ōtaki Pool providing a much greater level of control than before, enabling efficiency improvements in heating, ventilation and how solar energy is used.
- A 32kW solar photovoltaic system was installed at Paraparaumu wastewater treatment plant. This is expected to save over \$6,000 in electricity costs at current prices and around 6 tonnes of CO₂ per year.
- A staff engagement campaign was launched in August 2014 to encourage staff to find ways to save energy and greenhouse gas emissions.
- Forty-eight of council's most frequent drivers attended fuel-efficient driver training in September 2014. Petrol and diesel use in 2014/15 was 10% lower than the year before.

The **environmental sustainability activity** includes the following services and programmes:

- providing advice, support and policy development on energy efficiency, carbon emissions reduction, climate change and adaptation
- environmental education
- biodiversity and environmental restoration advice, support and policy development
- water use and conservation advice, policy development
- delivering the annual sustainable home and garden show
- providing households with sustainable building advice
- implementing energy efficiency projects
- implementing community sustainability programmes such as waste minimisation, and
- supporting local working groups addressing climate change impacts.

Electric refuse truck

The ZEV (Zero Emission Vehicles) Enviro 9000 electric refuse truck currently used to empty public litter bins from Ōtaki to Waikanae, drove over 30,000 km in 2014/15, the furthest of any vehicle in the council's fleet. Recharging costs were a third of the fuel costs of an equivalent diesel vehicle, providing a saving of around \$3,800 and 12 tonnes of CO₂.

Eco-design advice

This service provides independent and impartial information on sustainable, intelligent and sensible residential building practices, and is available to all Kāpiti residents.

The service provided 197 full home consultations and 323 short appointments, participated in 213 contacts/networking events and delivered 17 presentations to various commercial and community groups. 98% of requests were responded to within time. In addition, 139 households were assisted to access the EECA free home insulation scheme. Transition Towns Ōtaki helped promote the scheme with council's help.

Sustainable Home and Garden Show

Another successful and well attended sustainable home and garden show was held on 21/22 March 2015.

As with previous shows, there was a large range of eco-friendly products on display, talks and demonstrations, vibrant school gardens, plus activities and a treasure hunt for kids.

The Lego town centre exhibit set up at the show and then transferred to Coastlands Mall from 23rd March to 20

April was used to highlight the long term plan consultation and was the culmination of the efforts of over 60 Lego builders of all ages. A series of five Saturday afternoon workshops helped builders learn about sustainability and the work of council, which was reflected in the final result.

Enviroschools

Four local schools and four early childhood education (ECE) centres are part of the Enviroschools programme, which is supported by council. A further ten schools are part of the wider network.

The schools and ECE carried out a range of environmental projects. Common themes were tree planting, gardening, water saving and waste reduction. Three school and two ECE cluster meetings were held so participants could share ideas.

Six of the Kāpiti Enviroschools and ECE participated in the Enviroschools tent at the sustainable home and garden show. Fifteen students ran activities, showed their displays and sold sustainable creations or produce from their school.

Sustainable communities

Greener neighbourhoods

The greener neighbourhoods project (previously Greenest Street) was inspired by council's ongoing commitment to increasing sustainability and community resilience in the district.

The greener neighbourhood projects for 2014/15 were launched at St Peter's Hall, Paekākāriki in August 2014, with over 40 people in attendance. There are four groups this year – two from Paekākāriki and one each from Raumati Beach and Otaihanga.

The competitive element of the programme was dropped this year in order to make it easier for groups to get started. Groups held a number of workshops and events over the year with the green gardener, water use advisor and waste minimisation officer. Three groups obtained waste minimisation community grants.

New Greener Neighbourhood groups have started in Kotari Street, Waikanae and Goldsborough Avenue, Raumati. The latter held a beach clean-up event with around forty participants.

Spring series of workshops

The fourth spring series of lectures was held on four consecutive Wednesdays from 12 November to 3 December. The theme was nourishing and flourishing, with speakers looking at how local responses to local needs, in New Zealand and elsewhere, have fostered outstanding examples of stronger, healthier communities. Topics included community gardens and community energy.

Food forest workshop

Council organised a food forest workshop in September 2014 at Mazengarb Reserve, looking at how areas can be planted to provide an ongoing source of food and other useful materials with minimal maintenance. This was organised in response to continuing community interest in the concept. A mailing list has been set up for those interested.

Film screening

Council supported the group Keep a Cool World to arrange a screening of the film *Thin Ice* on climate change science in July 2014, which 160 people attended. The film was followed by a panel discussion chaired by Veronika Meduna, Radio NZ science broadcaster.

On To It

Ten issues of council's sustainable living newsletter On To It were produced. It has over 1,600 subscribers.

Water conservation initiatives

Council has a number of water conservation initiatives underway aligned to support the introduction of water meters. These are set out in the water management activity on pages 47–53.

Environmental restoration

Council supports community environmental restoration groups. Support is also provided for private land owners to assist with the management of ecologically important/sensitive sites and works.

Over the past year, 20,000 eco-sourced native plants were supplied by the council. More than 25,000 native plants were planted by community groups with support from council.

Energise Ōtaki

The Energise Ōtaki initiative is aimed at turning Ōtaki into a net exporter of clean energy. It is community-based and supported by council.

As part of this, Ōtaki College has installed a 10 kilowatt-peak solar photovoltaic (electric) array with the help of grants from council and others. The system will generate approximately 13,000 kWh per year and offset the college's electricity needs. The system is owned by a college alumni trust and revenue from sale of electricity generated to the school will go towards scholarships for students. The college also had science lessons using solar energy collectors built by local firm SunRayker.

Energise Ōtaki won the project category at the World Wildlife Fund's inaugural conservation innovation awards on 3 November 2014. The \$25,000 prize will be used to fund new Energise Ōtaki related projects.

Key performance indicators

Supporting environmental sustainability				
Level of service	Measure	Target	Result	Comment
High quality advice is provided in the areas of water, sustainable buildings, energy conservation, and biodiversity	85% of customers are satisfied with the services of the green gardener, green plumber, eco-design advisor and sustainable communities coordinator	85%	Achieved	<p>Water conservation advisor service visited 206 properties for general advice and replacing washers and a further 180 for advice specifically on fixing leaks during 2014/15.</p> <p>Green gardener provides regular community workshops, articles in paper and council publications. They have assisted with the establishment of two community gardens.</p> <p>Eco-design advisor – 98% of respondents to the client survey in the second quarter of 2014/15 were satisfied with the service received.</p> <p>Sustainable communities' coordinator – consistently positive feedback from Greener Neighbourhoods participants in 2014/15.</p>
New energy savings projects pay for themselves out of savings	85% of the initial investment is returned over the planned time frame for the project	85%	Not relevant	Capex projects originally scheduled for 2014/15 have been put on hold to defer further borrowing. Therefore there were no projects in 2014/15 to measure performance against.
Policies and initiatives are effective in reducing the council's carbon footprint	Carbon emissions from council activities show a decreasing average trend over the previous three years	45% reduction in emissions for 2014/15 compared with 2009/10	44% reduction (provisional)	<p>Verified results show council's emissions in 2013/14 were 49% below baseline. However, provisional results for 2014/15 show that emissions increased during the year as a result of using a sludge mixing agent in the first quarter of 2014/15 when the sewage drier was out of operation for an upgrade.</p> <p>This resulted in a reduction in emissions of 44% compared to the baseline year, just below the target reduction of 45%.</p>
Community groups engaged in environmental sustainability and biodiversity projects using council resources are supported with advice and practical assistance	85% of community groups engaged in environmental sustainability and biodiversity projects using council resources are satisfied with the services received	85%	Achieved	Council continues to receive very positive feedback from all community groups about the service levels provided by the council's environmental restoration officers.

Supporting environmental sustainability				
<i>Level of service</i>	<i>Measure</i>	<i>Target</i>	<i>Result</i>	<i>Comment</i>
The parks and open space network and community biodiversity projects make a significant contribution to the effort to increase numbers of specimens of native, and especially endemic, plants and animals in the district	Biodiversity projects receiving council support result in a net increase in biodiversity and eco-sourced plants	Achieve	Achieved	<p>Council staff coordinated the planting of more than 20,000 eco-sourced native plants supplied by the council this winter.</p> <p>Eco-sourced seeds have been collected and distributed to community groups to boost the diversity and number of endemic plants grown for restoration projects.</p>

Cost of activity statement

Supporting environmental sustainability				
2013/14		2014/15		2014/15
Actual		Actual		Budget
\$000		\$000		\$000
	Expenditure			
1,109	Other operating expense	708		791
-	Finance expense	-		5
1,109	Operating expenditure	708		796
	Revenue			
200	Fees and charges	-		159
2	Finance revenue	-		-
202	Operating revenue	-		159
907	NET OPERATING COSTS	708		637
	Capital items			
53	New assets upgrade	-		-
-	Additional loan repayment	-		3
53	Total capital items	-		3
960	NET COST OF ACTIVITY	708		640
888	Rates	708		640
53	Borrowings	-		-
19	Movement in reserves	-		-
960	TOTAL SOURCES OF FUNDS	708		640

Community outcomes

The table below identifies which activities primarily contribute to the community outcomes that were incorporated in the 2012 – 32 Long term plan. New outcomes have been developed as part of the 2015 – 35 Long term plan process and these will be reported against in the 2015/16 annual report.

Outcomes		Activities
1	There are healthy natural systems which people can enjoy	Development management is the prime contributor to this outcome, although this outcome is also contributed to by the other planning and regulatory activities and to some degree by the parks and open space activity and the supporting environmental sustainability activity. Most infrastructure activities contribute ensuring best practice operations and avoiding potential negative impacts.
2	Local character is retained within a cohesive district	Building control and resource consents together with development management are the two prime contributors toward achievement of this outcome. Of the infrastructure activities, access and transport and coastal management make the most significant contribution to this outcome, while several of the community services activities also have an impact.
3	The nature and rate of population growth is appropriate to community goals	Development management is the prime contributor to this outcome. Most other activities provide support by ensuring that provision of services is maintained relative to population growth.
4	The community make use of local resources and people have the ability to act in a sustainable way on a day-to-day basis	Supporting environmental sustainability, solid waste and supporting social wellbeing are the prime contributors to advancing this outcome. The libraries, arts and museums activity contributes through providing information and education resources to residents to help them act sustainably.
5	There is increased choice to work locally	Economic development and supporting social wellbeing are the prime contributors to this outcome.
6	The district is a place that works for young people	Supporting social wellbeing and economic development are the prime contributors to this outcome. The other community services activities also contribute by providing opportunities and facilities for young people to participate in sporting, recreation and other leisure activities. Governance and tāngata whenua contributes specifically through its support for the youth council.
7	The district has a strong, healthy, safe and involved community	Wastewater management, stormwater management, water management, community facilities and supporting social wellbeing activities are the prime contributors to this activity. Other community services activities, supporting environmental sustainability and governance and tāngata whenua have a significant role in informing and encouraging involvement, participation and resilience.

Finance and revenue

- Statement of comprehensive revenue and expense
- Statement of changes in equity
- Statement of financial position
- Statement of cash flows
- Funding impact statement
- Notes to the financial statements
- Disclosure statement
- Funding impact statements per activity
- Independent audit report

Statement of comprehensive revenue and expense for the year ended 30 June 2015

2013/14 Actual \$000		Note	2014/15 Actual \$000	2014/15 Budget \$000
Revenue				
50,149	Rates	3	51,300	51,800
7,443	Fees and charges	4	8,244	7,936
3,272 ¹	Development and financial contributions		1,435	1,188
3,669	Grants and subsidies	5	3,453	2,835
3,419	Other operating revenue	7	3,659	1,572
67,952	Total revenue excluding gains		68,091	65,331
Expenses				
45,393	Operating expenses	9	45,735	45,009
15,746	Depreciation and amortisation	14/16	16,154	15,869
61,139	Total expenses		61,889	60,878
Interest				
197	Interest income	6	143	609
7,595	Interest expense	8	7,795	7,899
7,398	Total interest expense		7,652	7,290
(585)	OPERATING SURPLUS/(DEFICIT)		(1,450)	(2,837)
Unrealised gains/(losses)				
3,992	Unrealised gain/(loss) on revaluation of financial derivatives		(6,541)	-
3,992	Total unrealised gains/(losses)		(6,541)	-
3,407	NET OPERATING SURPLUS/(DEFICIT)		(7,991)	(2,837)
Other comprehensive revenue and expense				
563,754	Unrealised gain/(loss) from revaluation of property, plant and equipment		(83)	-
563,754	Total other comprehensive revenue and expense		(83)	-
567,161	TOTAL COMPREHENSIVE REVENUE AND EXPENSE		(8,074)	(2,837)

¹ Development and financial contributions for 2013/14 do not correspond to the 2013/14 Annual report as they reflect adjustments made due to the first time adoption of public benefit entity standards. Refer to note 33.

The accounting policies and accompanying notes on pages 121 to 167 form part of these financial statements.

Statement of changes in equity for the year ended 30 June 2015

	Accumulated funds	Reserves and special funds	Revaluation reserve	Total equity	Total equity
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Budget \$000
Opening balance at 30 June 2013	577,171	3,246	145,713	726,130	721,164¹
Net operating surplus/(deficit)	3,407	-	-	3,407	(2,622) ¹
Unrealised gain/(loss) from revaluation of property, plant and equipment	-	-	563,754	563,754	60,831 ¹
Total comprehensive revenue and expense for the year	3,407	-	563,754	567,161	58,209¹
Transfers from reserves and special funds	2,092	(2,092)	-	-	-
Transfer to reserves and special funds	(2,092)	2,092	-	-	-
Transfers from revaluation reserve	777	-	(777)	-	-
Closing balance at 30 June 2014	581,355	3,246	708,690	1,293,291	779,373¹
Opening balance at 1 July 2014	581,355	3,246	708,690	1,293,291	786,347²
Net operating surplus/(deficit)	(7,991)	-	-	(7,991)	(2,837) ²
Unrealised gain/(loss) from revaluation of property, plant and equipment	-	-	(83)	(83)	-
Total comprehensive revenue and expense for the year	(7,991)	-	(83)	(8,074)	(2,837)²
Transfers from reserves and special funds	871	(871)	-	-	-
Transfers to reserves and special funds	(586)	586	-	-	-
Closing balance at 30 June 2015	573,649	2,961	708,607	1,285,217	783,510²

¹As per 2013/14 Annual Plan

²As per 2014/15 Annual Plan.

The accounting policies and accompanying notes on pages 121 to 167 form part of these financial statements.

Statement of financial position for the year ended 30 June 2015

2013/14 Actual \$000		Note	2014/15 Actual \$000	2014/15 Budget \$000
Current assets				
7,145	Cash and cash equivalents	10	1,440	3,734
6,052	Trade and other receivables	11	8,298	6,244
113	Inventories		95	139
2,672	Non-current assets held for sale	13	111	-
197	Loans	12	53	-
-	Derivative financial instruments	26	-	39
16,179	Total current assets		9,997	10,156
Non-current assets				
1,431,846	Property, plant and equipment	14	1,442,470	936,654
77	Forestry assets	15	218	268
733	Intangible assets	16	860	350
1,976	Other financial assets	17	2,216	-
227	Loans	12	507	-
775	Derivative financial instruments	26	389	232
1,435,634	Total non-current assets		1,446,660	937,504
1,451,813	TOTAL ASSETS		1,456,657	947,660
Current liabilities				
16,749	Trade and other payables	18	13,830	14,693
2,113	Employee benefits	19	2,379	1,643
910	Deposits	20	847	1,218
5,030	Borrowings	21	43	15,749
686	Provisions	22	765	-
- ¹	Development and financial contributions	33	-	1,622
16	Derivative financial instruments	26	262	1,342
25,504	Total current liabilities		18,126	36,267
Non-current liabilities				
199	Employee benefits	19	212	460
125,117	Borrowings	21	140,022	122,267
4,718	Provisions	22	4,187	39
2,984	Derivative financial instruments	26	8,893	5,117
133,018	Total non-current liabilities		153,314	127,883
158,522	TOTAL LIABILITIES		171,440	164,150
Public equity				
581,355 ¹	Accumulated funds		573,649	574,892
3,246	Reserves and special funds	23	2,961	2,074
708,690	Revaluation reserve		708,607	206,544
1,293,291	TOTAL PUBLIC EQUITY		1,285,217	783,510
1,451,813	TOTAL LIABILITIES AND PUBLIC EQUITY		1,456,657	947,660

¹ Development and financial contributions and Accumulated funds for 2013/14 do not correspond to the 2013/14 Annual report as they reflect adjustments made due to the first time adoption of public benefit entity standards. Refer to note 33.

The accounting policies and accompanying notes on pages 121 to 167 form part of these financial statements.

Statement of cash flows for the year ended 30 June 2015

2013/14 Actual \$000		Note	2014/15 Actual \$000	2014/15 Budget \$000
Cash flows from operating activities				
<i>Cash was provided from:</i>				
50,192	Kāpiti Coast District Council rates		50,755	52,350
8,442	Greater Wellington Regional Council rates collected		8,995	8,120
3,669	Grants and subsidies		3,453	-
-	Interest received		143	-
11,378	Charges and fees		10,406	11,964
1,372	GST (net)		(1,007)	-
75,053			72,745	72,434
<i>Cash was applied to:</i>				
38,674	Payments to employees and suppliers		46,230	43,293
8,442	Rates paid to Greater Wellington Regional Council		8,995	8,120
7,736	Interest		7,723	7,899
54,852			62,948	59,312
20,200	Net cash inflow from operating activities	25	9,797	13,122
Cash flows from investing activities				
<i>Cash was provided from:</i>				
10,808	Proceeds from sale of assets held for sale and property, plant and equipment		2,493	120
347	Donations and sponsorships		264	125
11,155			2,757	245
<i>Cash was applied to:</i>				
34,833	Construction and purchase of property, plant and equipment and intangibles		27,853	29,323
240	Purchase of investments		376	-
35,073			28,229	29,323
(23,918)	Net cash outflow from investing activities		(25,472)	(29,078)
Cash flows from financing activities				
<i>Cash was provided from:</i>				
10,000	Short-term borrowings		18,250	-
25,000	Long-term borrowings		15,000	25,125
35,000			33,250	25,125
<i>Cash was applied to:</i>				
10,000	Short-term borrowings		18,250	-
20,076	Long-term borrowings		5,030	9,278
30,076			23,280	9,278
4,924	Net cash inflow from financing activities		9,970	15,847
1,206	Net increase/(decrease) in cash and cash equivalents		(5,705)	(109)
5,939	Total cash and cash equivalents at 1 July		7,145	3,843
7,145	TOTAL CASH AND CASH EQUIVALENTS AT 30 JUNE		1,440	3,734

The accounting policies and accompanying notes on pages 121 to 167 form part of these financial statements.

Funding impact statement for the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	10,334	10,901	10,929
Targeted rates	40,090	41,278	40,764
Grants and subsidies for operating purposes	1,470	1,501	1,703
Fees and charges	6,846	7,575	7,637
Interest and dividends from investments	591	609	143
Local authorities fuel tax, fines, infringement fees, and other receipts	572	1,744	3,709
Total operating funding	59,903	63,608	64,885
Applications of operating funding			
Payment to staff and suppliers	44,065	45,202	45,565
Finance costs	8,741	7,899	7,795
Internal charges and overheads applied	-	-	-
Other operating funding applications	-	-	-
Total applications of operating funding	52,806	53,101	53,360
SURPLUS/(DEFICIT) OF OPERATING FUNDING	7,097	10,507	11,525
Sources of capital funding			
Grants and subsidies for capital expenditure	1,755	1,334	1,750
Development and financial contributions	1,299	1,188	1,435
Increase/(decrease) in debt	23,654	14,737	8,335
Gross proceeds from sale of assets	-	-	2,492
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	26,708	17,259	14,012
Application of capital funding			
Capital expenditure			
To meet additional demand	7,361	4,607	5,360
To improve the level of service	16,293	10,130	5,465
To replace existing assets	15,932	15,278	13,770
Increase/(decrease) in reserves	(5,781)	(2,249)	942
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	33,805	27,765	25,537
SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(7,097)	(10,507)	(11,525)
FUNDING BALANCE	-	-	-

The accounting policies and accompanying notes on pages 121 to 167 form part of these financial statements.

Notes to the financial statements

1. Statement of accounting policies

Reporting entity

Kāpiti Coast District Council (council) is a territorial local authority domiciled in New Zealand and is governed by the Local Government Act 2002.

The primary objective of council is to provide goods or services for the community and social benefits to the residents of the Kāpiti coast, rather than making a financial return. Accordingly, 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 include a statement of comprehensive revenue and expense, a statement of changes in equity, a statement of financial position and a cash flow statement with supporting notes, encompassing all activities of council.

In order to meet its obligations of public accountability, council has also included separate funding impact statements for the whole of council and for each activity.

The financial statements of council are for the year ended 30 June 2015. The financial statements were adopted and authorised for issue by council on 15 October 2015.

Statement of compliance

The financial statements have been prepared in accordance with the requirements of the Local Government Act 2002 and comply with generally accepted accounting practice in New Zealand (NZ GAAP). The financial statements comply with the standards for public sector public benefit entities reporting under tier 1 of the framework.

First time adoption of PBE standards

This is the first set of financial statements of council that is presented in accordance with PBE standards. Council have previously reported in accordance with NZ IFRS (PBE).

The accounting policies adopted in these financial statements are consistent with those of the previous financial year, except for instances when the accounting or reporting requirements of a PBE standard are different to requirements under NZ IFRS (PBE).

The changes to accounting policies and disclosures caused by first time application of PBE accounting standards are as follows:

PBE IPSAS 1: Presentation of financial statements

PBE IPSAS 1 prescribes the financial reporting requirements for receivables arising from exchange and non-exchange transactions.

On adoption of PBE standards, council is required to disclose amounts of receivables from exchange and non-exchange transactions. This requirement affected the presentation of both current and comparative receivable figures disclosed in the notes to the financial statements.

PBE IPSAS 23: Revenue from non-exchange transactions

PBE IPSAS 23 prescribes the financial reporting requirements for revenue arising from exchange and non-exchange transactions. There is no equivalent financial reporting standard under NZ IFRS.

On adoption of PBE standards, council is required to disclose amounts of revenue from exchange and non-exchange transactions. This requirement affected the presentation of both current and comparative revenue figures disclosed in the notes to the financial statements.

2. Basis of preparation

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, except for land and buildings, infrastructural assets, forestry assets, derivative financial instruments, provisions and employee entitlements which have been measured at fair value.

Accounting judgements and estimations

The preparation of the financial statements 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. These estimates and assumptions may differ from subsequent actual results. The judgements, estimates and assumptions are based on historical experience and other factors which are reviewed on an on-going basis.

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

- the cost of our environmental obligations in respect to the closure of the Otaihangā landfill
- the valuation of infrastructural assets, forestry assets, parks and reserves
- the determination of estimated useful lives and residual values for property, plant and equipment, and
- the valuation of long term employee entitlements.

Comparative information

To ensure consistency with the current year, certain comparative information has been reclassified where appropriate. This has occurred where:

- classifications have changed between periods
- council has made additional disclosure in the current year, and where a greater degree of disaggregation of prior year amounts and balances is therefore required, and
- there has been a change in accounting policy.

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.

Revenue from non-exchange transactions

Rates

- (i) General and targeted rates (excluding water meter rates)

General and targeted rates are set annually by way of a rates resolution by council. Council recognises revenue from rates when the rates are set and the rates assessments have been provided. Rates revenue is measured at the amount assessed, which is the fair value of the cash received or receivable. Rates are invoiced in quarterly instalments within the financial year.

- (ii) Rates collected on behalf of Greater Wellington Regional Council (GWRC)

Rates collected on behalf of GWRC are not recognised in the statement of comprehensive revenue and expenses as council acts as an agent for the GWRC.

Fees and charges

- (i) Rendering of services

Rendering of services at a price that is not approximately equal to the value of the service provided by council is

considered a non-exchange transaction. This includes rendering of services where the price does not allow council to fully recover the cost of providing the service (such as resource consents, building consents, water connections, dog licensing, etc.), and where the shortfall is subsidised by income from other activities, such as rates. Generally, there are no conditions attached to such revenue.

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

Revenue is recognised by reference to the stage of completion of the service to the extent that council has an obligation to refund the cash received from 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.

- (ii) Sale of goods

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. This includes sales of goods where the price does not allow council to fully recover the cost of producing the goods (such as council recycle bins), and where the shortfall is subsidised by income from other activities such as rates.

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

Government grants

Revenues from non-exchange transactions with the government and government agencies are recognised when council obtains control of the transferred asset (cash, goods, services, or property), and:

- it is probable that the economic benefits or service potential related to the asset will flow to council and can be measured reliably, and
- the transfer is free from conditions that require the asset to be refunded or returned to the government if the conditions are not fulfilled.

Revenue from government grants and funding is measured at the fair value of the assets (cash, goods, services, or property) transferred over to council at the time of transfer.

To the extent that there is a condition attached that would give rise to a liability to repay the grant amount or to return the granted asset, a deferred revenue liability is recognised instead of revenue. Revenue is then

recognised only once council has satisfied these conditions.

Fines and penalties

Council recognises revenue from fines and penalties (such as traffic and parking infringements) when the notice of infringement or breach is served by council.

Donated or vested assets

Where a physical asset is acquired for nil or nominal consideration, the fair value of the asset received is recognised as revenue. Assets vested to council are recognised as revenue when control over the asset is transferred to council.

Revenue from exchange transactions

Rates

- (i) Targeted water rates by meter

Water rates are based on a fixed portion plus a volumetric charge for usage once the service has been delivered.

Fees and charges

- (i) Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods, and 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 council.

Development and financial contributions

Development and financial contributions are recognised as revenue when council provides, or is able to provide, the service for which the contribution was charged.

Interest revenue

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

Rental revenue

Rental revenue arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in surplus or deficit in the statement of comprehensive revenue and expense due to its operating nature.

Expenses

Other operating expenses

Grants and sponsorships

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

Non-discretionary grants (which are awarded if the criteria for the grant are met) are recognised as expenditure when the grant is approved.

Borrowing costs

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

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.

Goods and Services Tax (GST)

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

Other gains and losses

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

Assets

Property, plant and equipment

Property, plant and equipment is categorised into:

- (i) Operational assets – these are used to provide core council services (e.g. buildings, plant and equipment, library books).
- (ii) Infrastructural assets – these are the fixed utility systems owned by council that are required for the infrastructure network to function. They include roading, water and storm water networks.
- (iii) Restricted assets – the use or transfer of these assets is legally restricted. They include parks and reserves.

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

Initial recognition

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.

Subsequent costs

Subsequent expenditure that extends or expands an asset's service potential is capitalised.

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

Carrying value

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

Revaluation

Valuations for council's land, buildings and infrastructural assets are performed with sufficient regularity to ensure their carrying amounts are maintained at fair value. The valuations are performed by independent qualified valuers. In addition, the carrying values are assessed annually to ensure that they do not differ materially from the asset's fair values. If there is a material difference, then off-cycle revaluations are performed on the relevant asset class.

Gains or losses arising on revaluation are recognised in 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

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.

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.

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 each financial year end.

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 unlimited useful lives. Regular inspections of these assets are undertaken to check for impairment.

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

Asset category	Estimated useful life (years)
Operational assets	
Buildings	5–65
Computer equipment	4–5
Furniture and chattels	2–25
Heritage assets	100
Library collection	5–7
Motor vehicles, trucks and motorcycles	5–10
Office equipment	4–10
Other improvements	2–80
Public art	10–75
Plant and machinery	
Tractors, trailers and heavy mowers	5–10
Other plant	2–20
Otaihanga landfill (post closure)	13
Infrastructural assets	
Bridges	3–100
Seawalls	
Concrete, posts, rails, panels and rocks	8–15
River control	
Bank protection	40–75
Roading	
Basecourse (20% depreciable content)	6
Footpaths	38–39
Cycleways	6–15
Kerbs, culverts, drainage and lighting	14–75
Surfacing	6–16
Traffic modelling	10
Stormwater	
Stormwater flood maps	10
Pump stations, manholes and sumps	15–95
Pipes	60–90
Wastewater	
Pumps and pump stations	5–85
Manholes and cleaning eyes	55–80
Pipes	35–85
Treatment plant and plant items	5–35
Water	
Storage	25–70
Booster stations	10–20
Hydrants, valves and tobies	15–85
Meters	15
Pipes	35–85
Treatment plant	5–55

Forestry assets

Forestry assets are carried at fair value less estimated costs to sell. They are revalued annually by an independent qualified valuer.

Gains or losses arising on revaluation are recognised in surplus or deficit in the statement of comprehensive revenue and expense. Costs incurred to maintain the forests are expensed in the period they are incurred.

Intangible assets

Computer software

Computer software is carried at cost, less any accumulated amortisation and impairment losses.

Computer software is initially capitalised on the basis of the costs incurred to either develop or acquire it and bring it to the location and condition required for its intended use. Amortisation on a straight-line basis over the period of useful life begins from the time the asset is available for use. The estimated useful life of our computer software is 3–5 years.

Realised gains/losses on disposal of intangible assets are recognised in surplus or deficit in the statement of comprehensive revenue and expense.

Carbon credits

New Zealand Carbon Units (NZCUs) were received at nil cost from the New Zealand Emission Trading Scheme (the Scheme) in respect of our forestry assets, when the scheme was first established. They are recognised at fair value on acquisition.

Subsequent to initial recognition, they are not amortised but are instead carried at cost less any impairment which is considered annually.

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 is recognised in surplus or deficit in the statement of comprehensive revenue and expense. Cost is determined on a weighted average basis.

Non-current assets held for sale

Non-current assets held for sale are measured at the lower of the carrying amount and fair value, less selling costs. Non-current assets are assessed to be 'held for sale' if it is highly probable that the asset is available for immediate sale in its present condition, the sale is expected to be completed within one year from balance date, and the carrying amount will be recovered through a sale transaction rather than through continuing use.

Any impairment losses for write-downs of non-current assets held for sale are recognised in surplus or deficit in the statement of comprehensive revenue and expense.

Non-current assets held for sale are not depreciated or amortised.

Impairment

The carrying value of assets held at historical cost less accumulated depreciation is 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 within the statement of comprehensive revenue and expense.

Non-cash-generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return. For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Liabilities

Employee benefit liabilities

Short term employee entitlements

Employee entitlements for salaries and wages, annual leave, long service leave, sick leave, and other such benefits are recognised in surplus or deficit in the statement of comprehensive revenue and expense 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. The liability represents the unused sick leave entitlement that can be carried forward at balance date, to cover those absences expected to exceed the annual entitlement.

Long term employee entitlements

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, contractual entitlement information, and
- present value of the estimated future cash flows.

Employer contribution to pension schemes

Contributions to defined contribution retirement schemes such as KiwiSaver, are recognised in surplus

or deficit in the statement of comprehensive revenue and expense when they accrue to employees.

Provisions

A provision is recognised in the statement of financial position when council has a present obligation as a result of a past event, it is probable that expenditure will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are measured at the level of expenditure expected to be required to settle the obligation. Liabilities and provisions to be settled beyond 12 months are recorded at their present value.

Financial assets and liabilities

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

Financial assets

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

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

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.

Held to maturity investments

These are non-derivative financial assets with fixed or determinable payments and fixed maturities that council has the intention and ability to hold to maturity. They are initially recorded at fair value, and subsequently measured at amortised cost using the effective interest method, less any impairment. Gains or losses when the asset is impaired or settled are recognised in surplus or deficit in the statement of comprehensive revenue and expense.

Available for sale financial assets

These are non-derivative financial assets that are designated as available for sale or do not fall within any of the above classifications of (a) loans and receivables,

(b) held-to-maturity investments, or (c) financial assets at fair value through operating 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.

Financial liabilities

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.

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 based on quoted market prices, and subsequently re-measured to fair value at the end of each reporting period. Fair value is determined by reference to quoted prices for similar instruments in an active market. 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.

Impairment of financial assets

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

For loans and receivables, and held-to-maturity investments impairment is established when there is evidence that the council and group will not be able to collect amounts due according to the original terms of

the receivable. 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.

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.

Equity

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

The components of public equity are accumulated funds, reserve and special funds and revaluation reserves.

Reserves and special funds

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. We may alter them without reference to any third party or the courts. Transfers to and from these reserves are at council's discretion.

Other

Foreign currency translation

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

Council has minimal foreign currency transactions. These mainly include the purchase of library books, periodicals and ICT software from overseas vendors.

Landfill aftercare 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. A provision for post-closure costs is recognised as a liability when the obligation for post-closure arises.

The provision is measured based on the present value of future cash flows expected to be incurred, taking into account future events including 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.

Amounts provided for landfill post-closure are capitalised to the landfill asset. The capitalised landfill asset is depreciated over its remaining useful life.

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.

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

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

Budget figures

The budget figures presented in these financial statements are in line with council's 2014/15 annual plan. During the year, council has made additional disclosures to provide a greater degree of disaggregation for both current and prior year amounts and balances. These budget figures do not include any additional expenditure subsequently approved by council outside of the annual plan process.

The annual plan figures have been prepared in accordance with NZ GAAP and are consistent with the above accounting policies adopted by council for the preparation of these financial statements. Explanation of major variances between actual results and budgeted figures is provided in note 34.

3. Revenue from rates

2013/14 Actual \$000		2014/15 Actual \$000
	Revenue from exchange transactions:	
	Targeted water rates by meter	
190	Districtwide water supply volumetric rate	3,372
190	Total rates from exchange transactions	3,372
	Revenue from non-exchange transactions:	
	General rates	
10,397	Districtwide general rate	10,536
	Targeted rates	
5,625	Districtwide regulatory services rate	5,811
11,375	Community facilities rate	11,065
5,271	Districtwide roading rate	6,371
2,598	Districtwide stormwater rate	3,009
7,501	Districtwide water supply fixed rate	4,015
190	Hautere/Te Horo water supply rate	228
7,330	Districtwide wastewater disposal rate	7,340
64	Paraparaumu/Raumati community rate	242
121	Waikanae community rate	103
251	Ōtaki community rate	257
35	Paekākāriki community rate	46
51	Ōtaki community services charges	47
16	Paekākāriki community services charges	15
15	Water conservation device loan rate	-
(568)	Less internal rates	(756)
(313)	Less rates remitted	(401)
49,959	Total rates from non-exchange transactions	47,928
50,149	Total rates from exchange and non-exchange transactions	51,300
59,492	Total rates levied	61,439
(568)	Less: internal rates	(756)
(313)	Less: rates remitted	(401)
(8,462)	Less: Greater Wellington Regional Council rates	(8,982)
50,149	Total revenue from rates	51,300

Rates are shown net of rate remissions. Rate remissions granted during the year in accordance with council's rates remission and postponement policies total \$0.40 million (2014: \$0.31 million).

Total rates levied on council-owned properties were \$0.76 million (2014: \$0.57 million). Rates levied on council-owned properties have been excluded from rates revenue and from expenditure.

2013/14 Actual \$000	Rates remissions	2014/15 Actual \$000
41	Council community properties, sporting, recreational and other community organisations	17
124	Residential rating units containing two separately habitable units	116
148	Financial hardship	182
-	Māori freehold land	86
313	Total rates remissions	401

Summary of rates funding surplus

	2014/15 Actual \$000's
Net operating surplus/(deficit) for the year ended 30 June 2015	(7,991)
Adjustments for non-rates funded revenue and expenditure variances to budget	
Add: variance from non-rates funded revenue	168
Add: expenditure variance funded by reserves and special funds	119
Add: variance for unrealised loss on revaluation of financial derivatives	6,541
Less: variance for vested assets exceeding budget	(1,327)
Less: other	(15)
	(2,505)
Less: budgeted net operating surplus/(deficit) for the year ended 30 June 2015	(2,837)
Rates funding surplus for the year ended 30 June 2015	332

The rates funding surplus of \$0.33 million is different to the net operating deficit of \$7.99 million as per the statement of comprehensive revenue and expense due to the following:

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

The rates funding surplus of \$0.33 million achieved for 2014/15 was primarily due to the unbudgeted settlement of \$0.53m received from Mainzeal for additional work required to complete the Coastlands Aquatic Centre in 2014.

4. Revenue from fees and charges

2013/14 Actual \$000		2014/15 Actual \$000
	Revenue from exchange transactions	
1,038	Rent from lease of council-owned properties	1,273
5,701	Sale of goods and services	6,364
6,739	Total fees and charges from exchange transactions	7,637
	Revenue from non-exchange transactions	
704	Fines and penalties	607
704	Total fees and charges from non-exchange transactions	607
7,443	Total fees and charges	8,244

Council receives rentals from properties used for operating activities e.g. community housing, and from properties that are held for future strategic purposes e.g. future infrastructural developments. Council does not hold any properties for investment purposes.

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

Fines and penalties include penalties for late payment of rates of \$0.44 million (2014: \$0.52 million) and traffic infringements of \$0.12 million (2014: \$0.10 million). It also includes library fines and fines for dog prosecution and noise control.

5. Revenue from grants and subsidies

2013/14 Actual \$000		2014/15 Actual \$000
	Grants and subsidies from non-exchange transactions	
2,228	Capital grants	1,750
1,441	Operating grants	1,703
3,669	Total grants and subsidies from non-exchange transactions	3,453

Capital grants of \$1.6 million (2014: \$2.1 million) were received from NZTA to subsidise the construction of new local roading and \$0.15 million (2014: \$0.1 million) was received from Transpower New Zealand Limited for their Greenline partnership project.

Operating grants of \$1.6 million (2014: \$1.4 million) were received from NZTA to subsidise the cost of maintenance and renewal of existing local roading.

6. Interest income

2013/14 Actual \$000		2014/15 Actual \$000
	Interest income	
197	Interest earned	143
197	Total interest income	143

7. Other operating revenue

2013/14 Actual \$000		Note	2014/15 Actual \$000
	Other operating revenue from non-exchange transactions		
230	Local government petrol tax		226
598	Vested assets (non-crown)	14	2,453
347	Donations and sponsorships		264
-	Unrealised gain on revaluation of forestry assets	15	141
2,088	Other		557
3,263	Total other operating revenue from non-exchange transactions		3,641
	Other operating revenue from exchange transactions		
156	Realised gain on disposal of property, plant and equipment	14	18
156	Total other operating revenue from exchange transactions		18
3,419	Total other operating revenue		3,659

Vested assets (non-Crown) are mainly infrastructural assets such as roading, drainage, water and wastewater assets that have been constructed by developers for a subdivision development. As part of the consents process, ownership of these assets is transferred to council at the end of the subdivision process.

Other includes a \$0.53 million settlement received from Mainzeal's receivers for additional works required to complete the Coastlands Aquatic Centre.

8. Interest expense

2013/14 Actual \$000		2014/15 Actual \$000
	Interest expense	
7,554	Interest expense	7,741
41	Bank charges	54
7,595	Total finance expense	7,795

9. Operating expenses

2013/14 Actual \$000		Note	2014/15 Actual \$000
	Auditor's remuneration		
	<i>Ernst & Young</i>		
166	Audit of financial statements		166
-	Audit of long term plan		115
9	Other assurance related services		15
	Impairments and unrealised losses		
559	Net increase/(decrease) of impairment of trade receivables	11	(99)
377	Net increase/(decrease) of provisions	22	160
84	Impairment of forestry assets	15	-
-	Impairment of intangible asset	16	7
14	Unrealised loss on revaluation of forestry assets		-
78	Impairment of non-current assets held for sale		-
15	Realised loss on disposal of property, plant, equipment and intangibles	14/16	28
	Governance		
543	Councillor fees and costs	30	566
	Personnel costs		
20,182	Staff remuneration		21,252
500	Contractors		1,397
471	Staff training		409
631	Employer superannuation (including KiwiSaver)		660
204	Termination benefits		-
611	Other personnel costs		695
	Other		
783	Grants		826
567	Legal fees		611
1,252	Insurance		960
1,799	Operating projects		2,852
241	Operating leases		377
334	Transport costs		132
2,038	Heat, light, power (energy)		2,000
312	Communications		293
13,623	Other		12,313
45,393	Total other operating expense		45,735

10. Cash and cash equivalents

2013/14 Actual \$000		2014/15 Actual \$000
471	Cash at bank	20
7	Cash on hand	5
6,667	Short term deposits	1,415
7,145	Total cash and cash equivalents	1,440

Cash and cash equivalents comprise cash balances and cash deposits with maturity dates of less than three months.

11. Trade and other receivables

2013/14 Actual \$000		2014/15 Actual \$000
	Trade and other receivables from exchange transactions	
1,363	Trade receivables	2,953
37	Rates receivables	698
(742)	Less provision for impairment	(317)
658	Total trade and other receivables from exchange transactions	3,334
	Trade and other receivables from non-exchange transactions	
2,446	Trade receivables	1,103
2,024	Rates receivables	2,343
960	GST receivables	1,880
(36)	Less provision for impairment	(362)
5,394	Total trade and other receivables from non-exchange transactions	4,964
6,052	Total trade and other receivables	8,298

Except for GST, receivables are non-interest bearing and the carrying value approximates the fair value.

2013/14 Actual \$000		2014/15 Actual \$000
	Provision for impairment of trade and other receivables	
667	Opening balance	778
559	Increase in provision	370
(448)	Released unused provisions	(469)
778	Provision for impairment of trade and other receivables	679

The impairment provision has been calculated based on a review of specific, larger overdue receivables and a collective assessment of the remainder of receivables.

The collective impairment provision is based on an analysis of past collection history and debt write-offs. Individually impaired receivables have been determined to be impaired if the particular debtor has significant financial difficulties.

2013/14 Actual \$000		2014/15 Actual \$000
	Provision for impairment of trade and other receivables	
671	Individual impairment	637
107	Collective impairment	42
778	Provision for impairment of trade receivables at 30 June	679

12. Loans

2013/14 Actual \$000		2014/15 Actual \$000
	<i>Current</i>	
26	Water conservation loans	53
171	Loans to community groups	-
197	Total current loans	53
	<i>Non-current</i>	
175	Water conservation loans	289
52	Loans to community groups	218
227	Total non-current loans	507
424	Total loans	560

Loans to community groups

Loans to community groups include a loan to the Kapiti Hockey Turf Trust for the purpose of laying artificial turf and construction of a new pavilion. This will enable this facility to meet standards suitable for national and international tournaments. The loan is carried at amortised cost using the effective interest rate of 5.8%. The value of the loan is \$0.22 million (2014: \$0.23 million). On 26 June 2015, the council approved a deferral of loan repayments until 1 July 2016.

Water conservation loans

Council makes interest-free loans (up to \$5,000) to property owners who wish to install approved water conservation solutions that have potential to reduce the use of water supply. These loans are carried at amortised cost using the effective interest rate of 5.8%. The value of the loans is \$0.44 million (2014: \$0.26 million).

13. Non-current assets held for sale

2013/14 Actual \$000		Note	2014/15 Actual \$000
272	Western Link Road reserve land		90
2,400	Town centre land, Rimu Road, Paraparaumu		-
-	Motor vehicles	14	21
2,672	Total non-current assets held for sale		111

Valuation details

Asset	Future net sale proceeds \$000	Pre- impairment carrying amount \$000	Impairment \$000	Revaluation decrease \$000	Closing carrying amount \$000	Final settlement date
Western Link Road reserve land	90	90	-	-	90	Subject to road reserve land revocation
Passenger vehicle – hatchback	6	5	-	-	5	July 2015
Light commercial vehicles (utilities, 4WD, vans, minibuses)	32	16	-	-	16	August 2015
	128	111	-	-	111	

As at 30 June 2014, three separate parcels of Western Link Road land were held by council as local purpose reserve (road reserve land).

As at balance date, only one of the three parcels of land is now required and only if the reserve status of the road reserve land is satisfactorily revoked in accordance with section 24 of the Reserves Act 1977. The NZTA will make payment of \$0.09 million to council for that parcel of land, at the time of revocation.

14. Property, plant and equipment

2014/15	Cost								Accumulated depreciation						Carrying amount	
	Opening balance ¹	Additions	Vested assets	Disposals	Revaluation	Impairment	Transfers (to)/from assets held for sale	Closing balance	Opening balance ¹	Depreciation	Disposals	Revaluation	Transfers (to)/from assets held for sale	Closing balance	Opening balance ¹	Closing balance
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
<i>Operational assets</i>																
Buildings and improvements	58,089	1,901	-	-	(87)	-	-	59,903	(293)	(1,662)	-	4	-	(1,951)	57,796	57,952
Computers and office equipment	7,917	416	-	-	-	-	-	8,333	(6,380)	(507)	-	-	-	(6,887)	1,537	1,446
Furniture and chattels	2,122	176	-	-	-	-	-	2,298	(1,437)	(112)	-	-	-	(1,549)	685	749
Land	29,238	-	-	-	-	-	-	29,238	-	-	-	-	-	-	29,238	29,238
Landfill post-closure	4,364	252	-	-	-	-	-	4,616	(337)	(336)	-	-	-	(673)	4,027	3,943
Library collections	7,536	534	-	(45)	-	-	-	8,025	(5,251)	(511)	12	-	-	(5,750)	2,285	2,275
Motor vehicles	3,664	414	-	(202)	-	-	(118)	3,758	(2,063)	(302)	168	-	97	(2,100)	1,601	1,658
Plant and machinery	2,816	1,019	-	(176)	-	-	-	3,659	(2,001)	(178)	140	-	-	(2,039)	815	1,620
Items under construction	1,844	(1,247)	-	-	-	-	-	597	-	-	-	-	-	-	1,844	597
Total operational assets	117,590	3,465	-	(423)	(87)	-	(118)	120,427	(17,762)	(3,608)	320	4	97	(20,949)	99,828	99,478
<i>Infrastructural assets</i>																
Bridges	14,537	440	327	-	-	-	-	15,304	-	(294)	-	-	-	(294)	14,537	15,010
River flood protection and control works	1,092	-	-	-	-	-	-	1,092	-	(16)	-	-	-	(16)	1,092	1,076
Roading – land under road	733,693	-	-	-	-	-	-	733,693	-	-	-	-	-	-	733,693	733,693
Roading and footpaths	249,190	7,971	966	-	-	-	182	258,309	(217)	(4,224)	-	-	-	(4,441)	248,973	253,868
Seawalls	5,116	-	-	-	-	-	-	5,116	-	(467)	-	-	-	(467)	5,116	4,649
Stormwater drainage	59,703	232	406	-	-	-	-	60,341	(571)	(1,036)	-	-	-	(1,607)	59,132	58,734
Wastewater – other assets	63,214	4,416	373	-	-	-	-	68,003	(34)	(1,488)	-	-	-	(1,522)	63,180	66,481
Wastewater treatment plants and facilities	21,694	2,374	-	-	-	-	-	24,068	-	(854)	-	-	-	(854)	21,694	23,214
Water – other assets	72,257	15,710	310	-	-	-	-	88,277	(2)	(1,727)	-	-	-	(1,729)	72,255	86,548
Water treatment plants and facilities	14,502	9,016	-	-	-	-	-	23,518	-	(682)	-	-	-	(682)	14,502	22,836
Items under construction	24,403	(20,002)	-	-	-	-	-	4,401	-	-	-	-	-	-	24,403	4,401
Total infrastructural assets	1,259,401	20,157	2,382	-	-	-	182	1,282,122	(824)	(10,788)	-	-	-	(11,612)	1,258,577	1,270,510
<i>Restricted assets</i>																
Buildings and improvements	24,625	2,887	71	-	-	-	-	27,583	(45)	(1,493)	-	-	-	(1,538)	24,580	26,045
Land	46,423	-	-	-	-	-	-	46,423	-	-	-	-	-	-	46,423	46,423
Items under construction	2,438	(2,424)	-	-	-	-	-	14	-	-	-	-	-	-	2,438	14
Total restricted assets	73,486	463	71	-	-	-	-	74,020	(45)	(1,493)	-	-	-	(1,538)	73,441	72,482
TOTAL PROPERTY, PLANT AND EQUIPMENT	1,450,477	24,085	2,453	(423)	(87)	-	64	1,476,569	(18,631)	(15,889)	320	4	97	(34,099)	1,431,846	1,442,470

¹ During the year, assets have been reclassified to align entirely to the fixed asset register. The aggregate opening and closing carrying amounts remain unchanged.

Property, plant and equipment (continued)

2013/14	Cost								Accumulated depreciation					Carrying amount	
	Opening balance ¹	Additions	Vested assets	Disposals	Revaluation	Impairment	Transfers (to)/from assets held for sale	Closing balance ¹	Opening balance ¹	Depreciation	Disposals	Revaluation	Closing balance ¹	Opening balance ¹	Closing balance ¹
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operational assets															
Buildings and improvements	36,140	22,864	-	(191)	(724)	-	-	58,089	(1,793)	(1,510)	-	3,010	(293)	34,347	57,796
Computers and office equipment	7,594	323	-	-	-	-	-	7,917	(5,866)	(514)	-	-	(6,380)	1,728	1,537
Furniture and chattels	1,967	155	-	-	-	-	-	2,122	(1,316)	(121)	-	-	(1,437)	651	685
Land	24,467	(637)	-	(486)	5,894	-	-	29,238	-	-	-	-	-	24,467	29,238
Landfill post-closure	-	4,364	-	-	-	-	-	4,364	-	(337)	-	-	(337)	-	4,027
Library collections	7,060	476	-	-	-	-	-	7,536	(4,861)	(390)	-	-	(5,251)	2,199	2,285
Motor vehicles	3,520	369	-	(225)	-	-	-	3,664	(1,943)	(265)	145	-	(2,063)	1,577	1,601
Plant and machinery	2,744	72	-	-	-	-	-	2,816	(1,917)	(84)	-	-	(2,001)	827	815
Items under construction	22,744	(20,900)	-	-	-	-	-	1,844	-	-	-	-	-	22,744	1,844
Total operational assets	106,236	7,086	-	(902)	5,170	-	-	117,590	(17,696)	(3,221)	145	3,010	(17,762)	88,540	99,828
Infrastructural assets															
Bridges	13,274	104	-	-	1,159	-	-	14,537	(537)	(274)	-	811	-	12,737	14,537
River flood protection and control works	1,125	-	-	-	(33)	-	-	1,092	(26)	(13)	-	39	-	1,099	1,092
Roading – land under road	200,961	-	-	-	532,732	-	-	733,693	-	-	-	-	-	200,961	733,693
Roading and footpaths	242,718	8,883	242	(4,241)	1,938	(78)	(272)	249,190	(7,855)	(4,678)	-	12,316	(217)	234,863	248,973
Seawalls	6,010	426	-	-	(1,320)	-	-	5,116	(494)	(301)	-	795	-	5,516	5,116
Stormwater drainage	63,648	1,471	179	-	(5,595)	-	-	59,703	(2,042)	(1,147)	-	2,618	(571)	61,606	59,132
Wastewater – other assets	65,034	489	86	-	(2,395)	-	-	63,214	(2,838)	(1,424)	-	4,228	(34)	62,196	63,180
Wastewater treatment plants and facilities	23,334	177	-	-	(1,817)	-	-	21,694	(1,625)	(851)	-	2,476	-	21,709	21,694
Water – other assets	65,660	9,473	84	-	(2,960)	-	-	72,257	(2,566)	(1,409)	-	3,973	(2)	63,094	72,255
Water treatment plants and facilities	11,038	11	-	-	3,453	-	-	14,502	(1,307)	(719)	-	2,026	-	9,731	14,502
Items under construction	24,357	4,458	-	(1,979)	(33)	-	(2,400)	24,403	-	-	-	-	-	24,357	24,403
Total infrastructural assets	717,159	25,492	591	(6,220)	525,129	(78)	(2,672)	1,259,401	(19,290)	(10,816)	-	29,282	(824)	697,869	1,258,577
Restricted assets															
Buildings and improvements	23,941	408	-	-	276	-	-	24,625	(1,574)	(1,481)	-	3,010	(45)	22,367	24,580
Land	48,039	507	-	-	(2,123)	-	-	46,423	-	-	-	-	-	48,039	46,423
Items under construction	1,939	499	-	-	-	-	-	2,438	-	-	-	-	-	1,939	2,438
Total restricted assets	73,919	1,414	-	-	(1,847)	-	-	73,486	(1,574)	(1,481)	-	3,010	(45)	72,345	73,441
TOTAL PROPERTY, PLANT AND EQUIPMENT	897,314	33,992	591	(7,122)	528,452	(78)	(2,672)	1,450,477	(38,560)	(15,518)	145	35,302	(18,631)	858,754	1,431,846

¹ During the year, assets have been reclassified to align entirely to the fixed asset register. The aggregate opening and closing carrying amounts remain unchanged.

Property, plant and equipment (continued)

Summary of gains/(losses) on disposal of property, plant and equipment

	Net sale proceeds	Carrying amount	2014/15 gain/(loss)
	\$000	\$000	\$000
Plant and machinery	39	36	3
Library collections	5	33	(28)
Motor vehicles	49	34	15
Closing balance	93	103	(10)

Motor vehicle fleet summary

2014/15	Total as at 1 July 2014	Additions during the year	Disposals during the year	Held for sale as at 30 June 2015	Total as at 30 June 2015	Held for sale carrying amount 30 June 2015 \$000
	number	number	number	number	number	
Heavy commercial vehicles (trucks)	13	1	-	-	14	-
Light commercial vehicles (utilities, 4WD, vans, minibuses)	57	9	(4)	(3)	59	16
Passenger vehicles (hatch, sedan, station wagons, 4WD)	31	2	(3)	(1)	29	5
Motorcycles, ATV, quad bikes	3	-	-	-	3	-
TOTAL FLEET	104	12	(7)	(4)	105	21

The replacement criteria for light commercial and passenger vehicles is the earlier of the vehicles travelling 100,000 km or reaching five years of age.

Revaluation methodology

Description	Date of last asset valuation	Valuation method used to assess fair value	Next asset revaluation date
Operational assets			
Land and buildings	30 June 2014	Valuations were performed by external registered valuers Quotable Value (QV) New Zealand Limited. The methodology used to assess the fair value of land and most of the buildings was the market value based on recent equivalent sales. Valuations were undertaken in accordance with standards issued by the New Zealand Property Institute. Where no market exists due to the specialised nature of the buildings, the valuation has been performed using the optimised depreciated replacement cost method. Land valuations have been based on extensive local knowledge, the district rating records, the QV mapping system and records held by Quotable Value .	30 June 2017
Infrastructural assets			
Roading and footpaths	30 June 2014	Valuations were performed by external registered valuers Spiire New Zealand Limited. The optimised depreciated replacement cost method was used to assess the fair value. The roading valuation was completed using the Roding Asset Management and Maintenance (RAMM) database valuation module. The valuation is based on the inventory with the RAMM database and unit prices updated by Spiire as part of the valuation. Unit values have been adjusted using the appropriate roading construction index. The rates for replacement costs of assets were based on current construction costs of similar works. Rates for major items have been made with equivalent rates for similar roading work with other parts of the Wellington region.	30 June 2017
Land under roads	30 June 2014	Valuations was performed by registered valuers Tse Value Limited and reviewed by Spiire New Zealand Limited. The optimised depreciated replacement cost method was used to assess the fair value. Valuations were carried out in accordance with the Property Institute New Zealand Standards, the Local Government Act 2002, New Zealand infrastructure asset valuation and depreciation guidelines. The land was valued on the basis of the average market value of land by location and land use and based on the per hectare value of "across the fence" adjoining land.	30 June 2017
Bridges	30 June 2014	Valuations were performed by registered valuers Spiire New Zealand Limited. The optimised depreciated replacement cost method was used to assess the fair value. A "brownfields" optimisation approach was used for roading and bridges, and was based on the assumption the entire roading system remains in its current configuration. No capacity for optimisation of the roading assets was identified. The rates for replacement costs of assets were based on current construction costs of similar works and adjusted using the appropriate consumer price index where there were no other current rates that were applicable.	30-Jun-17

Description	Date of last asset valuation	Valuation method used to assess fair value	Next asset revaluation date
Water	30 June 2014	Valuations were performed by external registered valuers Spiire New Zealand Limited. All assets have been valued using optimised depreciation replacement cost method. The New Zealand infrastructure asset valuation and depreciation guidelines issued by the New Zealand Assets Management (NZAM) group of the Institute of Public Works Engineering Australasia (IPEWA) give direction as to the overall methodology applicable to the optimised depreciated replacement cost valuation technique for water utilities. Replacement costs for any but new assets were factored using the capital goods price index from the previous valuations.	30 June 2016 ¹
Wastewater	30 June 2014	Valuations were performed by external registered valuers Spiire New Zealand Limited. All assets have been valued using the optimised depreciation replacement cost method. The New Zealand infrastructure asset valuation and depreciation guidelines issued by the NZAM group of IPEWA give direction as to the overall methodology applicable to optimised depreciated replacement cost valuations for water utilities. Replacement costs for any but new assets were factored using the capital goods price index from the previous valuations.	30 June 2016 ¹
Stormwater	30 June 2014	Valuations were performed by external registered valuers Spiire New Zealand Limited. All assets have been valued using the optimised depreciation replacements cost method. The New Zealand infrastructure asset valuation and depreciation guidelines issued by the NZAM group of IPEWA give direction as to the overall methodology applicable to optimised depreciated replacement cost valuations for water utilities. Replacement costs for any but new assets were factored using the capital goods price index from the previous valuations.	30 June 2016 ¹
Seawalls	30 June 2014	Valuations were performed by external registered valuers Spiire New Zealand Limited. All assets have been valued using the optimised depreciated replacements cost method. Unit rates were checked against recent contracts for appropriateness and consistency and following review the replacement costs were prepared using the capital goods price index for reclamation and river control.	30 June 2016 ¹
River control	30 June 2014	Valuations were performed by external registered valuers Spiire New Zealand Limited. All assets have been valued using the optimised depreciated replacement cost method. Unit rates were checked against recent contracts for appropriateness and consistency and following review the replacement costs were prepared using the capital goods price index for reclamation and river control.	30 June 2016 ¹
Restricted assets			
Parks and reserves structures	30 June 2014	Valuations were performed by external registered valuers Spiire New Zealand Limited. All assets have been valued using the optimised depreciated replacement cost method. Unit rates were checked against recent contracts for appropriateness and consistency and following review the replacement costs were assessed using the capital goods price index for reclamation and river control.	30 June 2017

From 1 July 2015, the council has elected to revalue property, plant and equipment as follows:

Asset classification	Next revaluation	Subsequent revaluation
Water, wastewater and stormwater (including flood protection)	30 June 2016	Every two years thereafter
Roading, including land under roads	30 June 2017	Every two years thereafter
Land and buildings (excluding land revaluations)	30 June 2017	Every three years thereafter

15. Forestry assets

2014/15 \$000	Opening balance	Additions	Unrealised gain/(loss)	Disposals	Closing balance
Lot 1 Waikanae water treatment area, Reikorangi, Waikanae (5.3 hectares pinus radiata, established 1985)	77	-	10	-	87
Lot 2 Paraparaumu sewage treatment area, Otaihanga landfill (approximately 8.0 hectares pinus radiata, established 1984-86)	-	-	131	-	131
	77	-	141	-	218

During the year, eight hectares of pine trees located on and adjacent to the Otaihanga landfill were returned to council by NZTA for nil consideration. These trees were not located on land currently designated for the construction of the M2PP expressway.

Valuation assumptions

Independent valuer, Tim Hunt, re-assessed the forest valuations of the pinetree wood lots located on Kāpiti Coast District Council land at Waikanae and Otaihanga. Harvesting age was set at 30 years. As the stands have attained economic maturity, the liquidation approach was applied. As at balance date, there was no imminent harvesting planned.

Financial risk management strategies

Council is exposed to financial risks from changes in timber prices. Council is not a long-term forestry investor and has not taken any measures to manage the risks of a decline in timber prices given the comparatively small nature of its total forestry resource.

Forestry asset correction

Note 11 – forestry assets on page 138 of council's 2006/07 annual report disclosed a decrease to forestry assets due to harvest of \$53,000 for forestry lots 3 and 4. Council received nil proceeds from the sale of the timber from these lots. Instead, the de-recognition of the forestry asset is a consequence of council's decision to transfer the entitlement to any proceeds from selling the timber to the contractor engaged to harvest the trees. Council's decision was based on the poor quality of the pinus radiata trees located on the Paraparaumu Escarpment and the high costs to remove them.

Council's entire interest in forestry lot 3 should not have been de-recognised in the 2007 financial year. Subsequent tree harvesting occurred on forestry lot 3 between 2009 and 2012. Tree harvesting was based on the same commercial terms and the net contractor costs were included in the cost of services for parks and reserves.

A condition of the sale and purchase for forestry lot 4 was that the harvest rights to the trees located thereon were retained solely by the vendor. Council should not have initially recognised a forestry asset on lot 4.

16. Intangible assets

		Computer software Actual \$000	Carbon credits Actual \$000	Total Actual \$000
Cost	Opening balance 1 July 2014	1,523	7	1,530
	Additions during the year	399	-	399
	Disposals during the year	-	(7)	(7)
	Closing balance 30 June 2015	1,922	-	1,922
Amortisation	Opening balance 1 July 2014	(797)	-	(797)
	Amortisation during the year	(265)	-	(265)
	Disposals during the year	-	-	-
	Closing balance 30 June 2015	(1,062)	-	(1,062)
Carrying value	As at 30 June 2014	726	7	733
Carrying value	As at 30 June 2015	860	-	860

Carbon credits

During the year, 12.17 hectares of forest at Otaihanga was cleared for the expressway. The deforestation resulted in an obligation under the New Zealand Emissions Trading Scheme (ETS) to surrender 6,474 emissions units. Changes to legislation required council

to meet its ETS obligations using only New Zealand emissions units (NZUs). The council discharged this obligation by surrendering 1,775 NZUs already held and purchased the additional NZUs required during the year.

17. Other financial assets

Financial assets

2013/14 Actual \$000		2014/15 Actual \$000
	Non-current	
	Shares	
100	NZ Local Government Funding Agency shares	100
15	NZ Local Government Insurance Corporation shares	15
	Notes	
1,840	NZ Local Government Funding Agency borrower notes	2,080
21	Fonterra perpetual notes	21
1,976	Total other financial assets	2,216

18. Trade and other payables

2013/14 Actual \$000		2014/15 Actual \$000
	Trade and other payables	
11,063	Trade creditors	8,021
639	Interest payable	763
1,654	Rates received in advance	2,007
1,222	Contract retentions	1,091
1,457	Greater Wellington Regional Council rates payable	1,261
714	Sundry payables	687
16,749	Total trade and other payables	13,830

Trade payables are non-interest bearing and normally settled on 30-day terms, therefore the carrying values approximate fair value.

19. Employee benefit liabilities

2013/14 Actual \$000		2014/15 Actual \$000
	Current	
499	Salaries	519
1,469	Annual leave	1,679
81	Sick leave	110
64	Long service leave	71
2,113	Total current employee benefit liabilities	2,379
	Non-current	
45	Long service leave	55
154	Retirement gratuities	157
199	Total non-current employee benefit liabilities	212
2,312	Total employee benefit liabilities	2,591

20. Deposits

2013/14 Actual \$000		2014/15 Actual \$000
	Deposits	
550	Road damage deposits	429
347	Resource consent planning bonds	403
7	Hall deposits	6
6	Miscellaneous deposits	9
910	Total deposits	847

21. Borrowings

The council joined the Local Government Funding Agency (LGFA) as a shareholder in October 2012 and has borrowed longer term funding through the LGFA to make savings on interest rate margins. As at balance date, \$130 million (2014: \$115 million) of council's total borrowings were funded through LGFA.

The council's borrowings from the LGFA are secured by a debenture trust deed over council rates. All council borrowings are secured as a charge over rates and no defaults or breaches occurred during the year.

2013/14 Actual \$000		2014/15 Actual \$000
5,030	Current portion of borrowings	43
125,117	Long term borrowings	140,022
130,147	Total borrowings	140,065
Maturity		
5,030	2014/15	-
60	2015/16	43
10,000	2016/17	10,018
60,057	2017/18	60,004
20,000	2018/19	20,000
-	2019/20	15,000
20,000	2020/21	20,000
-	2021/22	-
15,000	2022/23	15,000
130,147	Total borrowings	140,065

As at balance date, the effective weighted average interest rate on council's borrowings was 5.51% (2014: 5.91%).

22. Provisions

2013/14 Actual \$000		2014/15 Actual \$000
	Weathertight buildings	
525	Opening balance	366
219	Increase/(decrease) in provision	136
(378)	Expenditure	(99)
-	Adjustment to present value	(12)
366	Closing balance 30 June	391
	Landfill aftercare	
38	Opening balance	4,431
4,572	Increase/(decrease) in provision	(282)
(179)	Expenditure	(453)
-	Adjustment to present value	416
4,431	Closing balance 30 June	4,112
	Other provisions	
-	Opening balance	607
607	Increase/(decrease) in provision	(101)
-	Expenditure	(60)
-	Adjustment to present value	3
607	Closing balance 30 June	449
5,404	Total provisions	4,952

2013/14 Actual \$000		2014/15 Actual \$000
	Current	
366	Provision for weathertight buildings	168
209	Provision for landfill aftercare	509
111	Other provisions	88
686	Total current provisions	765
	Non-current provisions	
-	Provision for weathertight buildings	223
4,222	Provision for landfill aftercare	3,603
496	Other provisions	361
4,718	Total non-current provisions	4,187
5,404	Total provisions	4,952

Provision for weathertight buildings

This provision represents council's estimated liability relating to the settlement of claims arising in relation to the Weathertight Homes Resolution Services (WHRS) Act 2006 and civil proceedings for weather tightness.

During the year, weathertight building claims of \$0.99 million (2014: \$0.378 million) (net of insurance recoveries) were settled by council and a further provision of \$0.136 million (2014: \$0.366 million) was recognised for the estimated costs of known claims currently outstanding, including those claims that are being actively managed by council as well as claims lodged with WHRS but not yet being actively managed. This method of calculation is consistent with prior years.

Landfill aftercare provision

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

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

These closure responsibilities include:

- final cover application and vegetation
- 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.

Post-closure responsibilities include:

- treatment and monitoring of leachate
- ground monitoring and surface monitoring
- implementation of remedial measures needed for cover and control systems, and
- ongoing site maintenance for drainage systems, final cover and vegetation.

The Otaihanga landfill has been closed for general waste since 2007 and will stop accepting biosolids during 2015/16. Cleanfill (capping material) will however continue to be accepted until final closure in 2026.

The annual cost for monitoring the Otaihanga landfill site after closure is estimated to be \$10,000 per year for the first five years after closure. An annual monitoring cost of \$3,000 is estimated for a further 30 years.

The annual cost for monitoring the closed landfills in Waikanae and Ōtaki is \$3,000 per landfill and will be required until 2039 for Waikanae and 2040 for Ōtaki.

The long-term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred. A discount rate of 5.8% has been used in the calculation.

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

23. Reserves and special funds

	Opening balance	Transfers into reserve	Transfers out of reserve	Closing balance 2014/15
	Actual \$000	Actual \$000	Actual \$000	Actual \$000
Restricted reserves				
Plant purchase and renewal fund	404	486	(629)	261
Waikanae property fund	81	-	-	81
Waikanae capital improvements fund	1,192	38	(33)	1,197
Total restricted reserves	1,677	524	(662)	1,539
Council-created reserves				
Contingency fund	596	-	(176)	420
Paekākāriki-Campe Estate	113	4	(4)	113
Roading reserve	784	1	-	785
Election reserve	76	57	(29)	104
Total council-created reserves	1,569	62	(209)	1,422
Total reserves and special funds	3,246	586	(871)	2,961

Plant purchase and renewal fund

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

Waikanae property fund

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

Waikanae capital improvements fund

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

Contingency fund

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

Paekākāriki Campe Estate

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

Roading reserve upgrading contributions

The purpose of the reserve is to fund road upgrading works. The source of funds is the road upgrading development contributions from developers and interest on the capital sum.

Election reserve

The purpose of the reserve is to fund the three yearly election cycle. The reserve is funded from rates on an annual basis.

24. Revaluation reserve

	Opening balance	Transfers into reserve	Transfers out of reserve	Closing balance 2014/15
	Actual \$000	Actual \$000	Actual \$000	Actual \$000
Land and buildings	42,867	-	(83) ¹	42,784
Roading and bridges	612,113	-	-	612,113
Water	18,269	-	-	18,269
Wastewater	19,285	-	-	19,285
Stormwater and river control	16,156	-	-	16,156
Total revaluation reserve	708,690	-	(83)	708,607

1. The revaluation of land and buildings for the year ended 30 June 2014 included an outbuilding at the Otaihangā landfill not owned by the council. \$0.08 million was de-recognised at balance date following an independent valuation from Quotable Value.

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

2013/14		2014/15
Actual		Actual
\$000		\$000
1,230	Net operating surplus/(deficit) for the year	(7,991)
	Add/(less) non-cash items	
15,746	Depreciation and amortisation expense	16,154
(156)	Asset disposal	10
(598)	Vested assets	(2,453)
(3,992)	Revaluation of interest rate swaps	6,541
333	Provision for doubtful debts	(86)
(98)	Revaluation of forestry	(141)
4,968	Provision for landfill	(452)
16,203	Total non-cash items	19,573
	Add/(less) items classified as investing or financing activities	
(347)	Donations and sponsorships	(264)
(2,228)	NZTA capital funding	-
(2,575)	Total investing or financing activities	(264)
	Add/(less) movements in working capital items	
(320)	(Increase)/decrease in accounts receivable	(2,160)
304	Increase/(decrease) in employee entitlements	279
(21)	(Increase)/decrease in inventory	18
(86)	Increase/(decrease) in deposits	(63)
4,751	Increase/(decrease) in accounts payable (operating)	405
714	Increase/(decrease) in development contributions	-
5,342	Total movement in working capital	(1,521)
20,200	Net cash inflow/(outflow) from operating activities	9,797

26. Financial risk management

As part of its normal operations, council is exposed to credit risk, interest rate risk and liquidity 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 on the following page shows the maximum exposure to credit risk.

Credit risk exposure of financial assets

The table below 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.

2014/15	Carrying amount	Total contractual cash flows	0-12 months	1-2 years	2-5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	1,440	1,440	1,440	-	-	-
Derivative financial instruments	389	(1,369)	(26)	(116)	(438)	(789)
Trade and other receivables	8,298	8,298	8,298	-	-	-
Loan receivables	560	674	53	83	204	334
Total	10,687	9,043	9,765	(33)	(234)	(455)

2013/14	Carrying amount	Total contractual cash flows	0-12 months	1-2 years	2-5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000
Cash and cash equivalents	7,145	7,145	7,145	-	-	-
Derivative financial instruments	775	(2,668)	(163)	(301)	(1,182)	(1,022)
Trade and other receivables	6,052	6,052	6,052	-	-	-
Loan receivables	424	511	196	36	112	167
Total	14,396	11,040	13,230	(265)	(1,070)	(855)

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 issued at fixed rates expose the council to fair value interest rate risk. The council's treasury management policy outlines the level of borrowing that is to be secured using fixed rate instruments.

Cash flow interest rate risk

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

Council manages its cash flow interest rate risk on borrowings by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings at floating rates into fixed rates that are generally lower than those available if council borrowed at fixed rates directly. Under the interest rate swaps, 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.

Council has interest rate swap agreements in place at 30 June 2015 in relation to its borrowing programme. Including forward start swaps, the notional contract

value of these agreements was \$212.73 million (2014: \$163.28 million).

The fixed interest rate range for the interest rate swaps is 3.78% to 6.07%. The net fair value of the interest rate swaps as at 30 June 2015 was \$8.77 million net liability (30 June 2014: \$2.23 million net liability) comprising assets of \$0.39 million (30 June 2014: \$0.77 million) and liabilities \$9.16 million (30 June 2014: \$3.00 million).

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

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 \$20 million credit line facility with Westpac Banking Corporation.

The table below sets out the contractual cash flows from all financial liabilities that are settled on a gross cash flow basis. Contractual cash flows for financial liabilities comprise the nominal amount and interest payments.

Contractual maturity analysis of financial liabilities

2014/15	Carrying amount	Total contractual cash flows	0-12 months	1-2 years	2-5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000
Trade and other payables	13,830	13,830	13,830	-	-	-
Derivative financial instruments	9,155	11,749	1,962	1,993	5,010	2,784
Borrowings	140,000	163,104	5,923	15,710	103,892	37,579
Borrowings – EECA loan	65	65	43	18	4	-
Total	163,050	188,748	21,758	17,721	108,906	40,363

2013/14	Carrying amount	Total contractual cash flows	0-12 months	1-2 years	2-5 years	More than 5 years
	\$000	\$000	\$000	\$000	\$000	\$000
Trade and other payables	16,749	16,749	16,749	-	-	-
Derivative financial instruments	3,000	7,089	1,756	1,605	3,286	442
Borrowings	130,000	155,867	10,600	5,453	100,957	38,857
Borrowings – EECA loan	147	147	30	60	57	-
Total	149,896	179,852	29,135	7,118	104,300	39,299

Financial instrument categories

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

	2014/15 Actual \$000	2013/14 Actual \$000
Financial assets		
Loans and receivables		
Cash and cash equivalents	1,440	7,145
Trade and other receivables	8,298	6,052
Loans	560	424
Total loans and receivables	10,298	13,621
Held-to-maturity		
LGFA borrower notes	2,080	1,840
Total held-to-maturity	2,080	1,840
Available-for-sale		
Perpetual notes	21	21
Shares in LGFA	100	100
Shares in LGIC	15	15
Total available-for-sale	136	136
Fair value through other comprehensive revenue and expense		
Derivative financial instruments		
Current	-	-
Non-current	389	775
Total fair value through other comprehensive revenue and expense	389	775
Financial liabilities		
Fair value through other comprehensive revenue and expense		
Derivative financial instruments		
Current	262	16
Non-current	8,893	2,984
Total fair value though other comprehensive revenue and expense	9,155	3,000
Financial liabilities at amortised cost		
Trade and other payables	13,830	16,749
Borrowings	140,065	130,147
Total financial liabilities at amortised cost	153,895	146,896

Sensitivity analysis

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

As at 30 June 2015, it is estimated that a general increase of one percent in interest rates would result in a net operating surplus of \$6.52 million. This is driven by an unrealised gain on the revaluation of derivatives of an estimated \$8.05 million partially offset by a net \$0.08 million increase in net interest expense.

Conversely, it is estimated that a general decrease of one percent in interest rates would result in a net operating loss of \$10.06 million. This is driven by an unrealised loss on the revaluation of derivatives of an estimated \$8.69 million partially offset by a net \$0.08 million decrease in net interest expense.

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.

Cash flow sensitivity \$000	2014/15		2013/14	
Interest rate risk	+100 BPS	-100 BPS	+100 BPS	-100 BPS
Financial assets				
Cash and cash equivalents – current	14	(14)	66	(66)
Derivative financial instruments – current	-	-	-	-
Derivative financial instruments – non-current	-	-	250	(250)
Financial liabilities				
Derivative financial instruments – current	370	(370)	100	(100)
Derivative financial instruments – non-current	937	(937)	893	(893)
Borrowings	(1,400)	1,400	(1,292)	1,292
Gain/(loss)	(79)	79	17	(17)

Fair value sensitivity \$000	2014/15		2013/14	
Interest rate risk	+100 BPS	-100 BPS	+100 BPS	-100 BPS
Financial assets				
Cash and cash equivalents – current	-	-	-	-
Derivative financial instruments – current	-	-	-	-
Derivative financial instruments – non-current	1,693	(1,882)	2,260	(2,487)
Financial liabilities				
Derivative financial instruments – current	78	(83)	(100)	100
Derivative financial instruments – non-current	6,280	(6,727)	2,047	(2,200)
Borrowings	-	-	-	-
Gain/(loss)	8,051	(8,692)	4,207	(4,587)

Fair value

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

Fair value hierarchy disclosures

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

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

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

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

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

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

	2014/15				2013/14			
	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	-	389	-	389	-	775	-	775
Perpetual notes	-	21	-	21	-	21	-	21
Shares in LGIC	-	15	-	15	-	15	-	15
LGFA borrower notes	-	2,080	-	2,080	-	1,840	-	1,840
Shares in LGFA	-	100	-	100	-	100	-	100
Total	-	2,605	-	2,605	-	2,751	-	2,751
Financial liabilities								
Derivative financial instruments	-	9,155	-	9,155	-	3,000	-	3,000
Total	-	9,155	-	9,155	-	3,000	-	3,000

27. Commitments and operating leases

2013/14 Actual \$000		2014/15 Actual \$000
	Capital commitments	
856	Contracted capital commitments at 30 June but not yet completed	818
856	Total capital commitments	818
2013/14 Actual \$000		2014/15 Actual \$000
	Non-cancellable operating leases (as lessee)	
	<i>Remaining payables under leases</i>	
324	Not later than one year	316
1,312	Later than one year and not later than five years	1,065
90	Later than five years	2
1,726	Non-cancellable operating leases (council as lessee)	1,383

Council leases commercial premises in Ōtaki and the i-site offices at Paraparaumu and Ōtaki railway station.

2013/14 Actual \$000		2014/15 Actual \$000
	Non-cancellable operating leases (as lessor)	
	<i>Remaining receivables under leases</i>	
475	Not later than one year	522
1,567	Later than one year and not later than five years	1,603
1,370	Later than five years	1,073
3,412	Total operating lease commitments (council as lessor)	3,198

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

28. Contingent liabilities

Guarantees and uncalled capital

Council is one of 30 local authority shareholders of the LGFA and has an obligation in respect of uncalled capital of \$100,000.

At 30 June 2015, the LGFA had borrowings totalling \$4.955 billion.

Council considers the risk of the LGFA defaulting on repayment of interest or capital to be very low on the basis that:

- 1) The only circumstance where LGFA would default on its debt is the event where a council defaulted on a loan obligation that exceeded LGFA's available liquidity assets. As at 30 June 2015, this would need to be a single council default event that exceeded the sum of:
 - cash and deposits of \$70 million, and
 - LGFA borrower notes of \$80 million, and
 - LGFA credit facility of \$400 million, and
 - uncalled share capital of \$20 million from LGFA shareholders.
- 2) In the event of an LGFA default, the call on the guarantee is made on council's proportion of their share of the underlying rate base.
- 3) In the event of a default exceeding the LGFA's available liquid assets, the council would be called for 1.2% of the overall call (less than the council's 2.5% of LGFA's loan assets).

Legal claims

Councillor K Gurunathan has commenced a judicial review against council in respect of the membership of the chief executive performance and employment committee. This may result in a court order for costs against the council for up to \$20,000.

On 17 June 2015, KiwiRail Holdings Ltd issued a notice of a potential claim against council for alleged disruption to both rail and road networks following the 14 May 2015 storm event. Council has denied all liability and the matter is with council's insurers.

29. Related party disclosures

Related party transactions – key management personnel

For the purposes of related parties 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.

Material related party transactions – other organisations

During the year council borrowed \$15 million from the LGFA.

30. Remuneration and employees

Executive remuneration

The Local Government Act 2002 requires the council to disclose the total remuneration of key management personnel for the reporting period. Key management personnel include the senior leadership team, councillors and elected committee members.

The total salary and other short term employee benefits paid to the key management personnel for the year ended 30 June 2015 was \$1.731 million (2014: \$2.023 million). There were no termination payments made to key management personnel in 2014/15 (2014: \$0.17 million).

Senior leadership team

Chief executive

For the year ended 30 June 2015, council's chief executive, Pat Dougherty, who was appointed under Section 42(1) of the Local Government Act 2002, received a fixed remuneration package of \$294,270 until January 2015 when the package was increased to \$300,430 per annum. The fixed remuneration package comprises a salary component and a salary sacrifice component, covering professional fees and the use of a vehicle (vehicle use ceased from 25 June 2015). The chief executive was reappointed on 18 May 2015 for a term of five years.

Group managers

For the year ended 30 June 2015, council's group managers received total salary and other short term employee benefits of \$0.868 million.

Councillors and elected members remuneration

Council members are paid an annual salary and also have mileage reimbursed for journeys of 30 kilometres or more and some IT costs are subsidised. Total remuneration paid for the year ended 30 June 2015 is summarised in the table on the following page.

Remuneration of councillors and elected members

Name	2014/15 Remuneration	2014/15 Reimbursement	2014/15 Total remuneration
	Actual	Actual	Actual
	\$	\$	\$
Councillors			
Ross Church – Mayor	103,878	-	103,878
Diane Ammundsen	42,024	161	42,185
Murray Bell	29,700	-	29,700
Mike Cardiff	40,610	-	40,610
Jackie Elliott	29,700	945	30,645
Penny Gaylor	35,640	1,720	37,360
Janet Holborow	30,510	58	30,568
K Gurunathan	31,620	185	31,805
Tony Lloyd	11,936	-	11,936
Michael Scott (as from 26 February 2015)	10,643	-	10,643
David Scott	29,700	-	29,700
Gavin Welsh	35,640	-	35,640
Paekākāriki community board members			
Sam Buchanan	3,890	-	3,890
Stephen Eckett	3,890	-	3,890
Philip Edwards (Chair)	5,472	72	5,544
Jack McDonald	5,777	-	5,777
Paraparaumu community board members			
Jonny Best	8,390	-	8,390
Deborah Morris-Travers	8,390	20	8,410
Kathy Spiers	8,390	-	8,390
Fiona Vining (Chair)	16,400	-	16,400
Ōtaki community board members			
James Cootes (Chair)	14,000	550	14,550
Rob Kofoed	7,190	-	7,190
Christine Papps	7,190	-	7,190
Colin Pearce	7,190	108	7,298
Waikanae community board members			
Eric Gregory (Chair)	9,970	-	9,970
Jill Lloyd (as from 16 June 2015)	491	-	491
Jocelyn Prvanov	7,390	30	7,420
Michael Scott (up to 25 February 2015)	9,240	-	9,240
James Westbury	7,390	-	7,390
Total	562,251	3,849	566,100

Number of employees

2013/14		2014/15
253	Full time employees	262
39	Full time equivalents (FTEs) of all non-full time employees (based on a 40 hour week)	39
292	Total full time equivalent employees	301

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 employees (headcount) 2013/14		Number of employees (headcount) 2014/15
244	Less than \$59,999	202
75	\$60,000 to \$79,999	66
31	\$80,000 to \$99,999	36
17	\$100,000 to 119,999	12
18	\$120,000 to \$299,999	18
1	More than \$300,000	1
386	Total remuneration	335

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 reported above.

Severance payments

For the year ended 30 June 2015 there were three severance payments (2014: four) made to employees totalling \$50,159 (2014 \$203,883). The value of each severance payment was \$24,797, \$19,362 and \$6,000 respectively.

31. Insurance

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

- 1) Transferring the risk by purchasing external insurance cover.
- 2) Sharing the risk between councils. The council participates in an outer Wellington shared services insurance group 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 underground. 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's assets that are covered by insurance contracts and/or financial risk sharing arrangements and the maximum insurance amount available to council are included in the table below.

Council does not insure land, roading, bridges and its forestry and does not administer or hold a restricted self-insurance fund.

Council holds sufficient professional liability and indemnity insurance cover.

Asset	Type of insurance	Total value of council assets covered by financial risk sharing arrangements as at 30 June 2015	Maximum limit of insurance cover available to council under those arrangements as at 30 June 2015
Property, plant and equipment and above-ground infrastructural assets	Material damage and business interruption	\$184.75 million	\$150 million for any one loss or series of losses arising out of any one event and applying to material damage and business interruption combined.
Residential property	Earthquake Commission (EQC) and material damage	\$17.63 million	Natural catastrophe: First \$0.1 million for each loss event per property to be recovered from the EQC. Any remaining top-up required per loss event per property to a maximum of \$17.63 million for 131 properties. All other losses: Replacement value per loss event per property to a maximum of \$17.63 million for 131 properties.
Motor vehicles	Comprehensive motor vehicle cover	\$1.80 million	Fleet vehicles: Market or lease value of insured vehicle at the time and place of loss, limited to \$0.25 million for any one insured vehicle, unless notified to insurer. Third party liability – limit indemnity of \$10 million for any one claim or series of claims arising from any one accident.
Underground infrastructural assets	Material damage and business interruption in the event of natural catastrophe	\$303.29 million	\$500 million combined material damage and business interruption limit for an event involving more than one council for any loss or series of losses arising out of any one event and is subject to one automatic reinstatement at nil charge. Limited to an \$80 million sub-limit.

32. Events after the end of the reporting period

There were no events subsequent to the date of these financial statements that would affect the amounts or disclosures in these financial statements.

33. Reclassification and restatement

Development and financial contributions had been recognised as revenue when council provides, or is able to provide, the service for which the contribution was

levied. Until such time as the service was delivered, the contribution was recognised as a liability.

Development and financial contributions are now to be recognised as revenue when council has the right to receive the funds for which the contribution was levied. This is consistent with PBE accounting standards.

The effect of the changes to the reported financial statements for 30 June 2014 is reflected in the following table.

2013/14	Before reclassification \$000	Reclassification \$000	After reclassification \$000
Statement of comprehensive revenue and expense			
Development and financial contributions from exchange transactions	1,095	2,177	3,272
Statement of changes in net assets/equity			
Operating surplus/(deficit)	1,230	2,177	3,407
Statement of financial position			
Development and financial contributions from exchange transactions (current liabilities)	2,177	(2,177)	-

34. Major variances from budget

The council has applied 2% of total operating expenditure to determine major variances to budget.

Statement of comprehensive revenue and expense

Other operating revenue

Other operating revenue was \$2.09 million favourable to budget. This was mainly due to \$1.3 million of additional assets vested to council than planned and an unexpected settlement of \$0.53 million from Mainzeal's receivers for additional works required to complete the Coastlands Aquatic Centre.

Operating expenses

Operating expenses were \$0.73 million unfavourable to budget. This was mainly due to \$0.4 million of unforeseen costs from two flooding events in May and June 2015. A further overspend of \$0.3 million was due to additional resources required to complete council's 2015-35 Long term plan and other business improvement initiatives.

Unrealised loss on revaluation of financial instruments

Council does not budget for gains or losses on financial derivatives due to the unpredictability and volatility of the financial markets. The unrealised loss of \$6.54 million of financial instruments from lower market fixed interest

rates was driven mainly by low levels of domestic inflation, low economic growth and falling dairy prices.

This does not represent a cash loss as the council has no intention to realise the changes (whether gains or losses).

Statement of financial position

Cash and cash equivalents

Cash and cash equivalents are \$2.9 million unfavourable to budget. At the start of the financial year, the council was holding significant cash on hand, which was inefficient, given that the council is a net borrower. During the year, the council has aimed to have no cash on hand, with a net nil balance as the optimal position as at rates payment day, each quarter.

Property, plant and equipment

Property, plant and equipment is \$505.82 million favourable to budget. This is mainly due to the 2013/14 unbudgeted revaluation of land under roads.

Development and financial contributions

Development and financial contributions are \$1.62 million favourable to budget. This is due to the new accounting standards now requiring council to recognise all development and financial contributions as revenue when they are billed (instead of a liability).

Borrowings

Borrowings (excluding LGFA borrower notes) are \$2 million above budget at year end. The budget for borrowing was set net of LGFA borrower notes. Including LGFA borrower notes, total borrowings are in line with budget.

Derivative financial instruments

Derivative financial instruments are \$2.54m unfavourable to budget. This is mainly due to a fall in fixed interest swap rates in the second part of the 2015 financial year, due to low levels of domestic inflation, low economic growth and falling dairy prices.

Provisions

Provisions are currently \$4.91 million unfavourable to budget. This is due to the unbudgeted provision for the Otaihangā landfill capping costs.

Revaluation reserve

This reserve is \$688.06 million favourable to budget mainly due to 2013/14 unbudgeted revaluation of land under roads.

35. Financial results excluding revaluation of land under roads

During the previous triennium, council resolved to value land under roads as part of the three yearly asset revaluation cycle. This decision was made to ensure that council's valuation methodology was in line with other councils in the Wellington region such as Porirua City Council. This increase in the value of assets does not impact on council's overall credit rating or ability to raise external funding.

Council made a commitment that it would clearly outline the impact of the revaluation on the financial statements and so the tables on the following pages show the financial statements both including and excluding the revaluation of land under roads for comparative purposes.

Statement of comprehensive revenue and expense showing the impact of land under roads valuation

2013/14 Actual \$'000		Note	2014/15 Actual including valuation of land under roads \$'000	2014/15 Actual excluding valuation of land under roads \$'000
Revenue				
50,149	Rates		51,300	51,300
7,443	Fees and charges		8,244	8,244
3,272	Development and financial contributions revenue		1,435	1,435
3,669	Grants and subsidies		3,453	3,453
3,419	Other operating revenue		3,659	3,659
67,952	Total revenue excluding gains		68,091	68,091
Expenses				
45,393	Other operating expenses		45,735	45,735
15,746	Depreciation and amortisation		16,154	16,154
61,139	Expenses		61,889	61,889
Interest				
197	Interest income		143	143
7,595	Interest expense		7,795	7,795
7,398	Net interest costs		7,652	7,652
(585)	OPERATING SURPLUS/(DEFICIT)		(1,450)	(1,450)
Other gains/losses				
3,992	Unrealised gain/(loss) on revaluation of derivatives		(6,541)	(6,541)
3,992	Other gains/losses		(6,541)	(6,541)
3,407	NET OPERATING SURPLUS/(DEFICIT)		(7,991)	(7,991)
Other comprehensive revenue and expense				
563,754	Revaluation of property plant and equipment		(83)	(83)
563,754	Other comprehensive revenue and expense		(83)	(83)
567,161	TOTAL COMPREHENSIVE REVENUE AND EXPENSE		(8,074)	(8,074)

Statement of changes in equity showing the impact of land under roads valuation

	Accumulated funds	Reserves and special funds	Revaluation reserve including valuation of land under roads	Revaluation reserve excluding valuation of land under roads	2014/15 Total equity including valuation of land under roads	2014/15 Total equity excluding valuation of land under roads
	Actual \$000	Actual \$000	Actual \$000	\$000	Actual \$000	\$000
Opening balance at 30 June 2013	577,171	3,246	145,713	145,713	726,130	726,130
Net surplus/(deficit) for the period	3,407	-	-	-	3,407	3,407
Revaluation of property, plant and equipment	-	-	563,754	31,022	563,754	31,022
Total comprehensive revenue/expense	3,407	-	563,754	31,022	567,161	34,429
Transfers to reserves and special funds	2,092	(2,092)	-	-	-	-
Transfer from reserves and special funds	(2,092)	2,092	-	-	-	-
Transfers from revaluation reserve	777	-	(777)	(777)	-	-
Closing balance at 30 June 2014	581,355	3,246	708,690	175,958	1,293,291	760,559
Net surplus/(deficit) for the period	(7,991)	-	-	-	(7,991)	(7,991)
Revaluation of property, plant and equipment	-	-	(83)	(83)	(83)	(83)
Total comprehensive revenue/expense	(7,991)	-	(83)	(83)	(8,074)	(8,074)
Transfers from reserves and special funds	871	(871)	-	-	-	-
Transfers to reserves and special funds	(586)	586	-	-	-	-
Closing balance at 30 June 2015	573,649	2,961	708,607	175,875	1,285,217	752,485

Statement of financial position showing the impact of land under roads valuation

2013/14 Actual		2014/15 Actual including valuation of land under roads \$000	2014/15 Actual excluding valuation of land under roads \$000
\$000			
	Current assets		
7,145	Cash and cash equivalents	1,440	1,440
6,052	Trade and other receivables	8,298	8,298
113	Inventories	95	95
2,672	Non-current assets held for sale	111	111
197	Loans	53	53
-	Derivative financial instruments	-	-
16,179	Total current assets	9,997	9,997
	Non-current assets		
1,431,846	Property plant and equipment	1,442,470	909,738
77	Forestry assets	218	218
733	Intangible assets	860	860
1,976	Other financial assets	2,216	2,216
227	Loans	507	507
775	Derivative financial instruments	389	389
1,435,634	Total non-current assets	1,446,660	913,928
1,451,813	TOTAL ASSETS	1,456,657	923,925
	Current liabilities		
16,749	Trade and other payables under exchange transactions	13,830	13,830
2,113	Employee benefit liabilities	2,379	2,379
910	Deposits	847	847
5,029	Borrowings	43	43
687	Provisions	765	765
-	Development contributions	-	-
16	Derivative financial instruments	262	262
25,504	Total current liabilities	18,126	18,126
	Non-current liabilities		
199	Employee benefit liabilities	212	212
125,117	Borrowings	140,022	140,022
4,718	Provisions	4,187	4,187
2,984	Derivative financial instruments	8,893	8,893
133,018	Total non-current liabilities	153,314	153,314
158,522	TOTAL LIABILITIES	171,440	171,440
	Public equity		
581,355	Accumulated funds	573,649	573,649
3,246	Reserves and special funds	2,961	2,961
708,690	Revaluation reserve	708,607	175,875
1,293,291	TOTAL PUBLIC EQUITY	1,285,217	752,485
1,451,813	TOTAL LIABILITIES AND PUBLIC EQUITY	1,456,657	923,925

36. Surplus (deficit) by activity

2014/15 \$000	Rates	Fees and charges	Grants and subsidies	Development and financial contributions	Other operating revenue	Interest income	Total revenue	Other operating expense	Depreciation and amortisation	Finance expense	Unrealised loss on revaluation of derivatives	Total operating expense	Net surplus (deficit)	Budgeted net surplus (deficit)
Access and transport	5,719	385	3,208	120	254	-	9,686	5,977	4,553	1,460	-	11,990	(2,304)	(2,590)
Building control and resource consents	2,323	2,252	-	-	13	-	4,588	4,566	7	-	-	4,573	15	(39)
Coastal management	1,068	-	-	-	-	-	1,068	530	482	195	-	1,207	(139)	315 ¹
Community facilities	4,016	2,298	-	376	794	-	7,484	5,171	1,493	1,109	-	7,773	(289)	(655)
Corporate	-	268	-	-	1,632	95	1,995	(1,356)	1,092	555	6,541	6,832	(4,837) ²	1,033 ²
Development management	3,571	-	-	-	-	-	3,571	2,772	47	375	-	3,194	377	505
Economic development	1,342	81	-	-	158	-	1,581	1,476	15	31	-	1,522	59	101
Environmental protection	1,813	1,135	6	-	-	-	2,954	2,741	86	75	-	2,902	52	(61)
Governance	2,966	513	-	-	667	44	4,190	4,669	90	11	-	4,770	(580)	(687)
Libraries, arts and museums	3,968	216	40	-	-	-	4,224	3,210	765	227	-	4,202	22	141
Parks and open space	3,841	84	199	401	141	-	4,666	3,679	1,011	157	-	4,847	(181)	(359)
Solid waste	661	748	-	-	-	4	1,413	820	394	179	-	1,393	20	481 ³
Stormwater management	3,315	56	-	194	-	-	3,565	1,124	1,137	913	-	3,174	391	51
Supporting environmental sustainability	684	-	-	-	-	-	684	709	-	-	-	709	(25)	77
Supporting social wellbeing	1,263	1	-	-	-	-	1,264	1,256	-	-	-	1,256	8	(162)
Wastewater management	6,731	22	-	81	-	-	6,834	4,268	2,506	735	-	7,509	(675)	(1,096) ⁴
Water management	8,019	185	-	263	-	-	8,467	4,123	2,476	1,773	-	8,372	95	108
Total operating surplus (deficit)	51,300	8,244	3,453	1,435	3,659	143	68,234	45,735	16,154	7,795	6,541	76,225	(7,991)	(2,837)

¹ The variance is due to work previously capitalised for coastal hazards, that was reviewed and expensed in the current year (\$0.26 million).

² The variance relates to unrealised loss of revaluation of derivatives which is not budgeted.

³ The variance is primarily due to the depreciation of the Otaihanga landfill post-closure asset which was not included in the 2014/15 budget.

⁴ The variance relates to delays in the capitalisation of capital projects (\$0.092 million) and lower than planned maintenance and energy costs (\$0.39 million).

37. Internal borrowings by activity

2013/14		2014/15
Actual		Actual
\$'000		\$'000
-	Access and transport	-
-	Coastal management	-
47	Community facilities	40
158	Stormwater management	127
6,942	Wastewater management	6,297
259	Water management	225
7,406	Total internal borrowings	6,689

38. Capital expenditure by activity

2013/14		2014/15
Actual		Actual
\$'000		\$'000
11,095	Access and transport	5,159
-	Building control and resource consents	12
234	Coastal management	130
2,351	Community facilities	949
-	Corporate	-
526	Development management	888
-	Economic development	-
7	Environmental protection	8
820	Governance and tāngata whenua	1,342
527	Libraries, arts and museums	714
1,226	Parks and open space	1,103
189	Solid waste	-
833	Stormwater management	741
53	Supporting environmental sustainability	-
-	Supporting social wellbeing	32
3,113	Wastewater management	3,024
8,954	Water management	10,493
29,928	Total capital expenditure	24,595

39. 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 6(10(a)) as an entity in respect of which one or more local authorities have, whether or not jointly with other local authorities or persons, control, directly or indirectly, of 50 percent or more of the votes at any meeting of the members or controlling body of the entity.

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

Financial reporting considerations

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.

IPSAS 7 Investments in associates – Council does not exercise significant influence over the entity in making financial and operating decision. The relationship with the LGFA therefore does not meet the definitions of an associate as outlined in the accounting standard.

IPSAS 6 Consolidated and separate financial statements – Council does benefit from the activities of the LGFA under the terms and conditions of participating local authorities. However, council does not have the power to govern the financial and operating policies of the LGFA and therefore the relationship with the LGFA does not meet the definition of a controlled entity.

Based on the assessments outlined above the LGFA does not meet the definition of a related party, is not an associate and does not meet the requirements of consolidation into 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.

40. Rating base information

Year	Rating units	Total capital value of rating units \$000	Total land value of rating units \$000
2010/11			
Rateable units	24,198	10,335,629	5,292,531
Non-rateable units	794	337,194	143,962
Total	24,992	10,672,823	5,436,493
2011/12			
Rateable units	24,380	10,475,319	5,324,350
Non-rateable units	702	340,285	146,843
Total	25,082	10,815,604	5,471,193
2012/13			
Rateable units	24,444	10,303,888	5,025,736
Non-rateable units	657	359,437	138,781
Total	25,101	10,663,325	5,164,517
2013/14			
Rateable units	24,452	10,287,650	5,017,185
Non-rateable units	739	362,390	140,252
Total	25,191	10,650,040	5,157,437
2014/15			
Rateable units	24,527	10,431,956	5,030,918
Non-rateable units	818	363,157	134,917
Total	25,345	10,795,113	5,165,835

Disclosure statement

for the year ending 30 June 2015

What is the purpose of this statement?

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). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

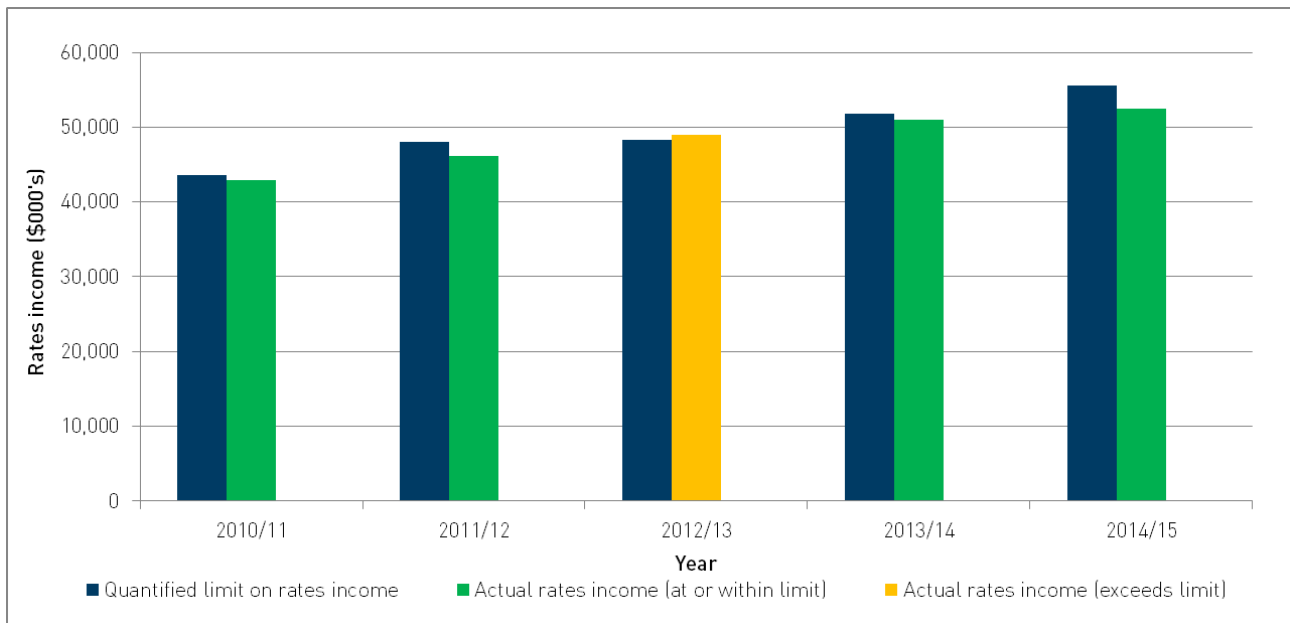
Rates affordability

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 long term plans.



The quantified limits for rates income are as follows:

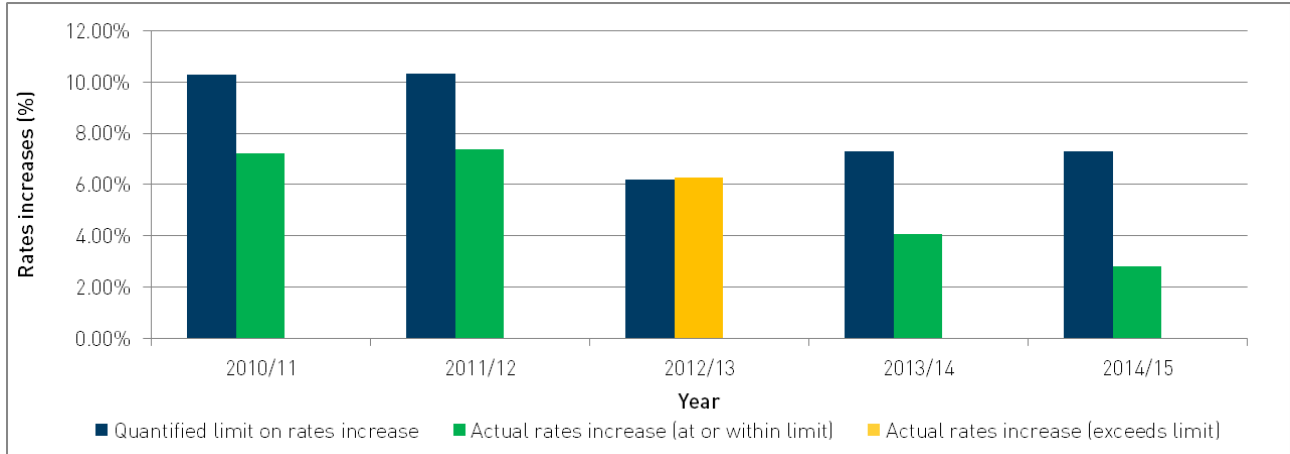
Years	Rates income limits (\$'000's)
2010/11 ⁽¹⁾	\$43,538
2011/12 ⁽¹⁾	\$48,028
2012/13 ⁽²⁾	\$48,267
2013/14 ⁽²⁾	\$51,783
2014/15 ⁽²⁾	\$55,557

Note 1: Quantified limits as per Kāpiti Coast District Council's 2009 Long term council community plan.

Note 2: Quantified limits as per Kāpiti Coast District Council's 2012 Long term plan.

Rates (increases) affordability

The following graph compares council's actual rates increases with a quantified limit on rates increases included in the financial strategy included in council's long term plans.



The quantified limits for rates increases are as follows:

Years	Rates increase limits (%)
2010/11 ⁽¹⁾	10.28%
2011/12 ⁽¹⁾	10.31%
2012/13 ⁽²⁾	6.20%
2013/14 ⁽²⁾	7.30%
2014/15 ⁽²⁾	7.30%

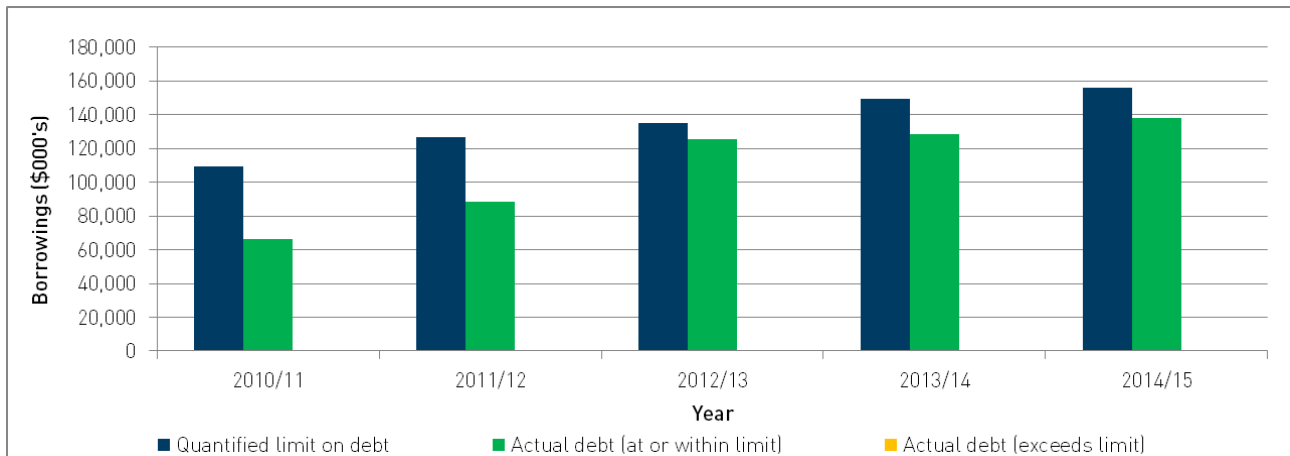
Note 1: Quantified limits as per Kāpiti Coast District Council's 2009 Long term council community plan.

Note 2: Quantified limits as per Kāpiti Coast District Council's 2012 Long term plan.

Debt affordability

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

The following graph compares council's actual borrowing with a quantified limit on borrowing stated in the financial strategy included in council's long term plans.



The quantified limits on borrowings per year are as follows:

Years	Borrowing limits \$'000
2010/11 ⁽¹⁾	\$109,502
2011/12 ⁽¹⁾	\$126,774
2012/13 ⁽²⁾	\$135,190
2013/14 ⁽²⁾	\$149,340
2014/15 ⁽²⁾	\$156,053

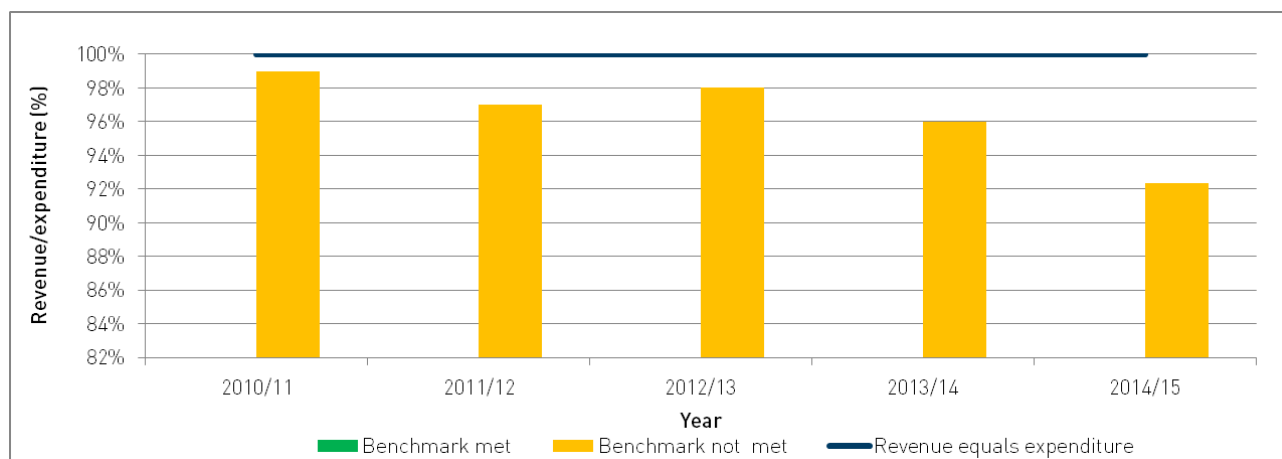
Note 1: Quantified limits as per Kāpiti Coast District Council's 2009 Long term council community plan.

Note 2: Quantified limits as per Kāpiti Coast District Council's 2012 Long term plan.

Balanced budget

The following graph 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.



Kāpiti Coast District Council has not met this benchmark in the reported years due to its policy of non-funded depreciation of infrastructure assets.

This council manages its non-funded depreciation prudently via the following limits:

- 1) The total amount of depreciation funded over the period (or partial non-funding of depreciation), must be sufficient to fund the asset renewal programme over that period.

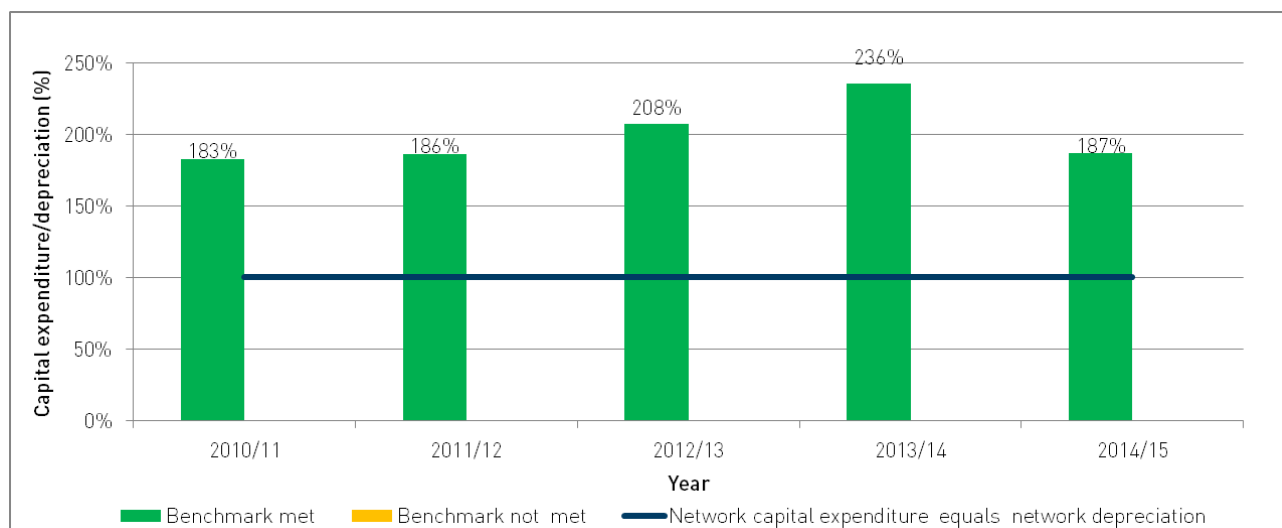
- 2) Non-funding of depreciation can only be applied to longer term assets where the asset lives are at least 30 years.

Non-funding of depreciation must be repaid over the 20 year period of the 2012 Long term plan.

Essential services

The following graph shows 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.



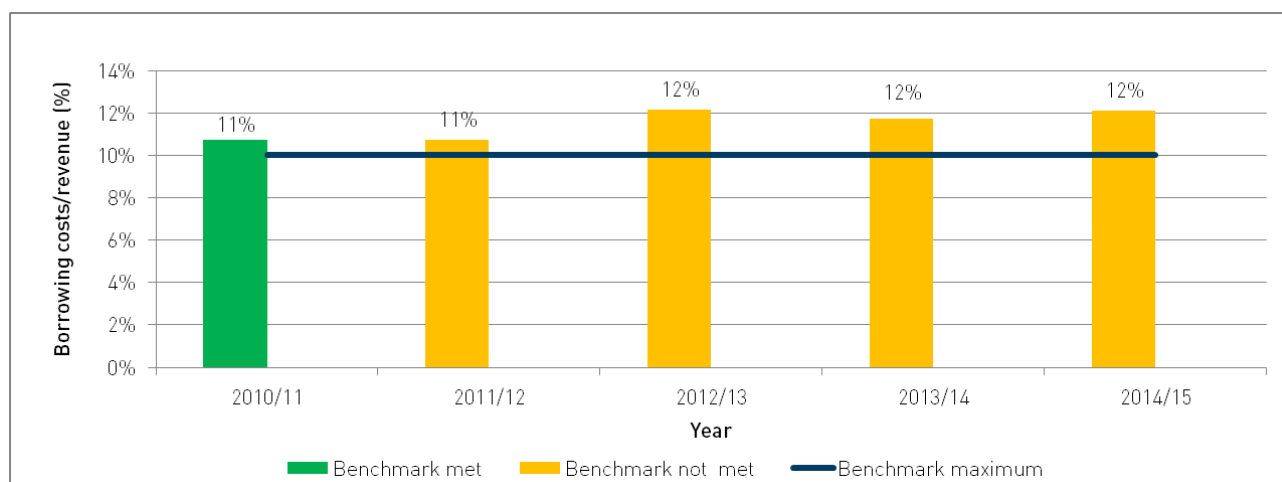
Debt servicing

The following graph shows council's 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 borrowing costs equal or are less than 10% of its revenue.

The expected population growth for the Kāpiti district for the 2014/15 financial year was 0.8% compared to the national population growth rate of 1.5%.

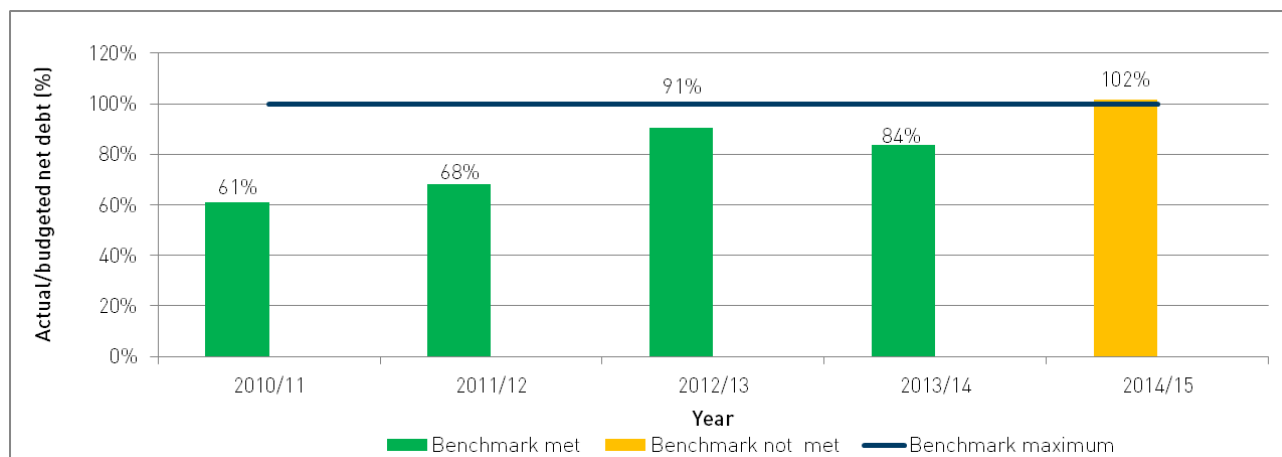
There has been significant capital investment in the Kāpiti district over the past four years, in response to the community's needs



Debt control

The following graph 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. At balance date, less cash was on hand than planned, giving rise to higher net debt.



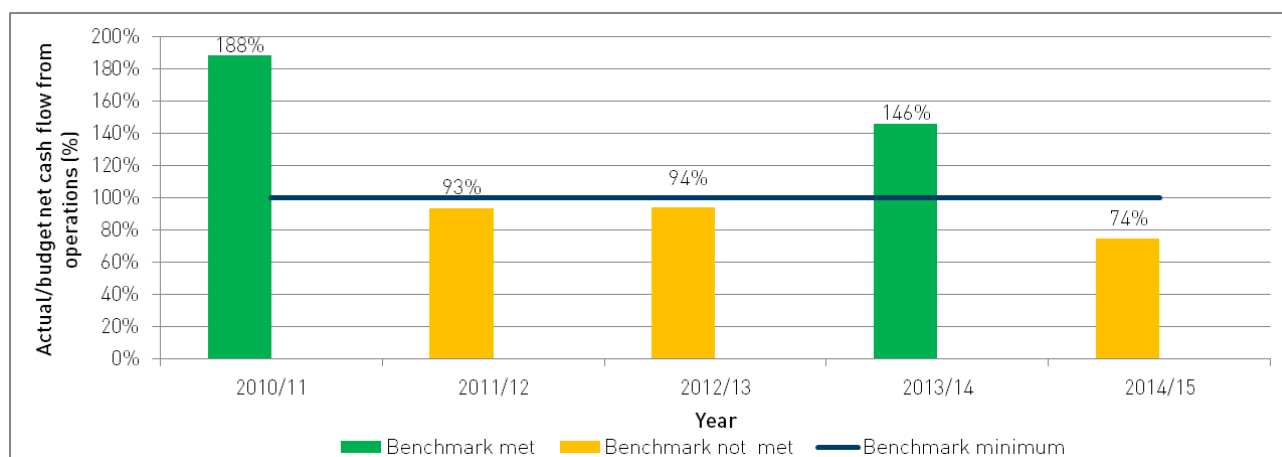
Operations control

This graph shows council's actual net cash flow from operations as a proportion of its planned net cash flow from operations.

Less cash was received from volumetric water charges due to lower consumption, and in addition, part of the district's fourth quarter volumetric water charges fell due for payment beyond balance date

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.

Cash received from fees and user charges was significantly below budget in 2011/12 and 2012/13. Reduced activity was a direct result of the extended market slowdown from the economic recession.



Funding impact statements

per activity

Access and transport funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	-	-	-
Targeted rates	4,614	6,127	5,396
Grants and subsidies for operating purposes	1,437	1,466	1,580
Fees and charges	89	16	385
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	311	322	254
Total operating funding	6,451	7,931	7,615
Applications of operating funding			
Payment to staff and suppliers	3,999	3,864	4,909
Finance costs	1,834	1,605	1,460
Internal charges and overheads applied	898	905	1,068
Other operating funding applications	-	-	-
Total applications of operating funding	6,731	6,374	7,437
SURPLUS/DEFICIT OF OPERATING FUNDING	(280)	1,557	178
Sources of capital funding			
Grants and subsidies for capital expenditure	1,755	1,334	1,628
Development and financial contributions	545	356	120
Increase/(decrease) in debt	3,999	3,085	2,587
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	6,299	4,775	4,335
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	715	521	516
> to improve the level of service	3,284	2,564	2,071
> to replace existing assets	2,564	2,640	2,572
Increase/(decrease) in reserves	(544)	607	(646)
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	6,019	6,332	4,513
SURPLUS/DEFICIT OF CAPITAL FUNDING	280	(1,557)	(178)
FUNDING BALANCE	-	-	-

Building control and resource consents funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	-	-	-
Targeted rates	2,139	2,354	2,308
Grants and subsidies for operating purposes	-	-	-
Fees and charges	1,550	2,248	2,252
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	3,689	4,602	4,560
Applications of operating funding			
Payment to staff and suppliers	2,063	2,981	2,690
Finance costs	-	-	-
Internal charges and overheads applied	1,626	1,621	1,863
Other operating funding applications	-	-	-
Total applications of operating funding	3,689	4,602	4,553
SURPLUS/DEFICIT OF OPERATING FUNDING	-	-	7
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	-	12	12
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	-	12	12
Application of capital funding			
Capital expenditure			
> to meet additional demand	-	-	-
> to improve the level of service	-	12	12
> to replace existing assets	-	-	-
Increase/(decrease) in reserves	-	-	7
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	-	12	19
SURPLUS/DEFICIT OF CAPITAL FUNDING	-	-	(7)
FUNDING BALANCE	-	-	-

Coastal management funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	585	587	1,041
Targeted rates	2	2	-
Grants and subsidies for operating purposes	-	-	-
Fees and charges	-	-	-
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	587	589	1,041
Applications of operating funding			
Payment to staff and suppliers	255	252	491
Finance costs	201	162	195
Internal charges and overheads applied	30	31	38
Other operating funding applications	-	-	-
Total applications of operating funding	486	445	724
SURPLUS/DEFICIT OF OPERATING FUNDING	101	144	317
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	74	76	73
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	74	76	73
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	74	76	73
> to replace existing assets	215	140	57
Increase/(decrease) in reserves	(114)	4	260
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	175	220	390
SURPLUS/DEFICIT OF CAPITAL FUNDING	(101)	(144)	(317)
FUNDING BALANCE	-	-	-

Community facilities funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	541	583	549
Targeted rates	74	75	65
Grants and subsidies for operating purposes	-	-	-
Fees and charges	1,895	2,160	2,298
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	125	125	794
Total operating funding	2,635	2,943	3,706
Applications of operating funding			
Payment to staff and suppliers	3,082	3,475	3,663
Finance costs	839	799	1,109
Internal charges and overheads applied	1,312	1,411	1,508
Other operating funding applications	-	-	-
Total applications of operating funding	5,233	5,685	6,280
SURPLUS/DEFICIT OF OPERATING FUNDING	(2,598)	(2,742)	(2,574)
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	24	1	376
Increase/(decrease) in debt	970	481	251
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	994	482	627
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	970	481	251
> to replace existing assets	894	840	698
Increase/(decrease) in reserves	(3,468)	(3,581)	(2,896)
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	(1,604)	(2,260)	(1,947)
SURPLUS/DEFICIT OF CAPITAL FUNDING	2,598	2,742	2,574
FUNDING BALANCE	-	-	-

Development management funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	648	651	421
Targeted rates	2,502	2,418	2,773
Grants and subsidies for operating purposes	-	-	-
Fees and charges	211	215	-
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	3,361	3,284	3,194
Applications of operating funding			
Payment to staff and suppliers	1,991	1,911	1,977
Finance costs	540	465	375
Internal charges and overheads applied	722	723	795
Other operating funding applications	-	-	-
Total applications of operating funding	3,253	3,099	3,147
SURPLUS/DEFICIT OF OPERATING FUNDING	108	185	47
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	1,288	2,001	888
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	1,288	2,001	888
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	1,288	2,001	888
> to replace existing assets	-	-	-
Increase/(decrease) in reserves	108	185	47
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	1,396	2,186	935
SURPLUS/DEFICIT OF CAPITAL FUNDING	(108)	(185)	(47)
FUNDING BALANCE	-	-	-

Economic development funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	1,144	1,241	1,282
Targeted rates	-	-	-
Grants and subsidies for operating purposes	-	-	-
Fees and charges	-	211	81
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	1,144	1,452	1,363
Applications of operating funding			
Payment to staff and suppliers	956	1,269	1,192
Finance costs	42	45	31
Internal charges and overheads applied	127	122	126
Other operating funding applications	-	-	-
Total applications of operating funding	1,125	1,436	1,349
SURPLUS/DEFICIT OF OPERATING FUNDING	19	16	14
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	650	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	650	-	-
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	650	-	-
> to replace existing assets	-	-	-
Increase/(decrease) in reserves	19	16	14
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	669	16	14
SURPLUS/DEFICIT OF CAPITAL FUNDING	(19)	(16)	(14)
FUNDING BALANCE	-	-	-

Environmental protection funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	757	742	651
Targeted rates	1,108	1,132	1,109
Grants and subsidies for operating purposes	-	-	6
Fees and charges	878	1,005	1,135
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	2,743	2,879	2,901
Applications of operating funding			
Payment to staff and suppliers	1,771	1,928	1,677
Finance costs	103	79	75
Internal charges and overheads applied	811	824	1,064
Other operating funding applications	-	-	-
Total applications of operating funding	2,685	2,831	2,816
SURPLUS/DEFICIT OF OPERATING FUNDING	58	48	85
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	-	-	-
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	-	-	-
> to replace existing assets	32	32	8
Increase/(decrease) in reserves	26	16	77
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	58	48	85
SURPLUS/DEFICIT OF CAPITAL FUNDING	(58)	(48)	(85)
FUNDING BALANCE	-	-	-

Governance and tāngata whenua funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	3,872	3,981	3,408
Targeted rates	287	284	315
Grants and subsidies for operating purposes	-	-	-
Fees and charges	261	381	120
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	55	55	710
Total operating funding	4,475	4,701	4,553
Applications of operating funding			
Payment to staff and suppliers	3,153	3,045	3,106
Finance costs	8	6	11
Internal charges and overheads applied	1,431	1,484	1,614
Other operating funding applications	-	-	-
Total applications of operating funding	4,592	4,535	4,731
SURPLUS/DEFICIT OF OPERATING FUNDING	(117)	166	(178)
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	297	246	(2,338)
Gross proceeds from sale of assets	-	-	2,492
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	297	246	154
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	297	246	154
> to replace existing assets	1,613	1,486	1,188
Increase/(decrease) in reserves	(1,730)	(1,320)	(1,366)
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	180	412	(24)
SURPLUS/DEFICIT OF CAPITAL FUNDING	117	(166)	178
FUNDING BALANCE	-	-	-

Libraries, arts and museums funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	259	227	215
Targeted rates	-	-	-
Grants and subsidies for operating purposes	33	34	40
Fees and charges	245	216	216
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	537	477	471
Applications of operating funding			
Payment to staff and suppliers	2,581	2,507	2,324
Finance costs	206	141	227
Internal charges and overheads applied	754	788	886
Other operating funding applications	-	-	-
Total applications of operating funding	3,541	3,436	3,437
SURPLUS/DEFICIT OF OPERATING FUNDING	(3,004)	(2,959)	(2,966)
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	712	743	428
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	712	743	428
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	712	743	428
> to replace existing assets	213	320	286
Increase/(decrease) in reserves	(3,217)	(3,279)	(3,252)
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	(2,292)	(2,216)	(2,538)
SURPLUS/DEFICIT OF CAPITAL FUNDING	3,004	2,959	2,966
FUNDING BALANCE	-	-	-

Parks and open space funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	-	-	-
Targeted rates	4,454	3,960	3,879
Grants and subsidies for operating purposes	-	-	76
Fees and charges	84	87	84
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	4,538	4,047	4,039
Applications of operating funding			
Payment to staff and suppliers	2,181	2,251	2,054
Finance costs	132	91	157
Internal charges and overheads applied	1,362	1,430	1,485
Other operating funding applications	-	-	-
Total applications of operating funding	3,675	3,772	3,696
SURPLUS/DEFICIT OF OPERATING FUNDING	863	275	343
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	123
Development and financial contributions	222	465	401
Increase/(decrease) in debt	1,620	846	562
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	1,842	1,311	1,086
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	1,620	846	562
> to replace existing assets	569	520	541
Increase/(decrease) in reserves	516	220	326
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	2,705	1,586	1,429
SURPLUS/DEFICIT OF CAPITAL FUNDING	(863)	(275)	(343)
FUNDING BALANCE	-	-	-

Solid waste funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	240	200	678
Targeted rates	15	(15)	-
Grants and subsidies for operating purposes	-	-	-
Fees and charges	1,257	681	748
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	4
Total operating funding	1,512	866	1,430
Applications of operating funding			
Payment to staff and suppliers	1,039	401	497
Finance costs	162	143	179
Internal charges and overheads applied	256	261	323
Other operating funding applications	-	-	-
Total applications of operating funding	1,457	805	999
SURPLUS/DEFICIT OF OPERATING FUNDING	55	61	431
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	46	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	46	-	-
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	46	-	-
> to replace existing assets	143	200	-
Increase/(decrease) in reserves	(88)	(139)	431
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	101	61	431
SURPLUS/DEFICIT OF CAPITAL FUNDING	(55)	(61)	(431)
FUNDING BALANCE	-	-	-

Supporting environmental sustainability funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	740	637	685
Targeted rates	-	-	23
Grants and subsidies for operating purposes	-	-	-
Fees and charges	151	159	-
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	891	796	708
Applications of operating funding			
Payment to staff and suppliers	644	552	459
Finance costs	2	5	-
Internal charges and overheads applied	245	239	249
Other operating funding applications	-	-	-
Total applications of operating funding	891	796	708
SURPLUS/DEFICIT OF OPERATING FUNDING	-	-	-
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	708	-	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	708	-	-
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	708	-	-
> to replace existing assets	-	-	-
Increase/(decrease) in reserves	-	-	-
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	708	-	-
SURPLUS/DEFICIT OF CAPITAL FUNDING	-	-	-
FUNDING BALANCE	-	-	-

Supporting social wellbeing funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	1,356	1,428	1,251
Targeted rates	-	-	-
Grants and subsidies for operating purposes	-	-	-
Fees and charges	-	-	1
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	1,356	1,428	1,252
Applications of operating funding			
Payment to staff and suppliers	1,023	1,104	910
Finance costs	3	-	-
Internal charges and overheads applied	330	323	342
Other operating funding applications	-	-	-
Total applications of operating funding	1,356	1,427	1,252
SURPLUS/DEFICIT OF OPERATING FUNDING	-	1	-
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	-	-	-
Increase/(decrease) in debt	65	250	-
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	65	250	-
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	-	-	-
> to improve the level of service	65	250	-
> to replace existing assets	32	32	32
Increase/(decrease) in reserves	(32)	(31)	(32)
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	65	251	-
SURPLUS/DEFICIT OF CAPITAL FUNDING	-	(1)	-
FUNDING BALANCE	-	-	-

Stormwater management funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	473	481	491
Targeted rates	2,673	2,836	2,626
Grants and subsidies for operating purposes	-	-	-
Fees and charges	52	51	56
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	3,198	3,368	3,173
Applications of operating funding			
Payment to staff and suppliers	1,095	1,095	883
Finance costs	975	879	913
Internal charges and overheads applied	195	198	240
Other operating funding applications	-	-	-
Total applications of operating funding	2,265	2,172	2,036
SURPLUS/DEFICIT OF OPERATING FUNDING	933	1,196	1,137
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	110	60	194
Increase/(decrease) in debt	2,756	2,335	680
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	2,866	2,395	874
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	269	221	62
> to improve the level of service	2,487	2,114	618
> to replace existing assets	727	500	61
Increase/(decrease) in reserves	316	756	1,270
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	3,799	3,591	2,011
SURPLUS/DEFICIT OF CAPITAL FUNDING	(933)	(1,196)	(1,137)
FUNDING BALANCE	-	-	-

Wastewater management funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	-	-	-
Targeted rates	7,818	7,304	6,831
Grants and subsidies for operating purposes	-	-	-
Fees and charges	-	-	22
Internal charges and overheads recovered	1,268	1,313	1,186
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	9,086	8,617	8,039
Applications of operating funding			
Payment to staff and suppliers	3,928	3,827	3,163
Finance costs	778	705	735
Internal charges and overheads applied	2,104	2,153	2,291
Other operating funding applications	-	-	-
Total applications of operating funding	6,810	6,685	6,189
SURPLUS/DEFICIT OF OPERATING FUNDING	2,276	1,932	1,850
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	198	127	81
Increase/(decrease) in debt	1,583	568	537
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	1,781	695	618
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	257	201	466
> to improve the level of service	1,477	535	537
> to replace existing assets	3,048	1,914	2,021
Increase/(decrease) in reserves	(725)	(23)	(556)
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	4,057	2,627	2,468
SURPLUS/DEFICIT OF CAPITAL FUNDING	(2,276)	(1,932)	(1,850)
FUNDING BALANCE	-	-	-

Water management funding impact statement

For the year ended 30 June 2015

	2013/14 Budget \$000	2014/15 Budget \$000	2014/15 Actual \$000
Sources of operating funding			
General rate, uniform annual general charge, rates penalties	-	-	-
Targeted rates	7,992	8,286	8,055
Grants and subsidies for operating purposes	-	-	-
Fees and charges	37	38	185
Internal charges and overheads recovered	-	-	-
Local authorities' fuel tax, fines, infringement fees, and other receipts	-	-	-
Total operating funding	8,029	8,324	8,240
Applications of operating funding			
Payment to staff and suppliers	3,026	3,029	2,830
Finance costs	2,168	2,092	1,773
Internal charges and overheads applied	1,163	1,165	1,294
Other operating funding applications	-	-	-
Total applications of operating funding	6,357	6,286	5,897
SURPLUS/DEFICIT OF OPERATING FUNDING	1,672	2,038	2,343
Sources of capital funding			
Grants and subsidies for capital expenditure	-	-	-
Development and financial contributions	122	101	263
Increase/(decrease) in debt	8,886	4,094	4,654
Gross proceeds from sale of assets	-	-	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding	9,008	4,195	4,917
Application of capital funding			
Capital expenditure	-	-	-
> to meet additional demand	6,120	3,664	4,316
> to improve the level of service	2,876	587	430
> to replace existing assets	5,622	6,329	5,747
Increase/(decrease) in reserves	(3,938)	(4,347)	(3,233)
Increase/(decrease) in investments	-	-	-
Total applications of capital funding	10,680	6,233	7,260
SURPLUS/DEFICIT OF CAPITAL FUNDING	(1,672)	(2,038)	(2,343)
FUNDING BALANCE	-	-	-

Independent auditor's report



To the readers of Kāpiti Coast District Council's annual report
for the year ended 30 June 2015

The Auditor-General is the auditor of Kāpiti Coast District Council (the District Council). The Auditor-General has appointed me, Grant Taylor, using the staff and resources of Ernst & Young to audit:

- the financial statements of the District Council that comprise:
 - the statement of financial position as at 30 June 2015 on page 118;
 - the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ending 30 June 2015 on pages 116 to 117 and 119;
 - the funding impact statement of the District Council on page 120;
 - the notes to the financial statements that include accounting policies and other explanatory information about the financial statements on pages 121 to 167;
- the statement of service provision of the District Council (referred to as "Our activities and services") which includes the cost of activity statements in relation to each group of activities of the District Council and the statements about budgeted and actual capital expenditure in relation to each group of activities of the District Council on pages 17 to 113;
- the funding impact statements in relation to each group of activities of the District Council on pages 174 to 189; and
- the disclosures of the District Council that are required by the Local Government (Financial Reporting and Prudence) Regulations 2014 on pages 168 to 173.

In addition, the Auditor-General has appointed me to report on whether the District Council's annual report complies with the *Other Requirements* of schedule 10 of the Local Government Act 2002, where applicable, by including:

- information about:
 - internal borrowing on page 166;
 - reserve funds on page 148;
 - each group of activities carried out by the District Council on pages 17 to 113;
 - remuneration paid to the elected members and certain employees of the District Council on pages 156 to 157;
 - employee staffing levels and remuneration on page 158; and
 - severance payments on page 158;
 - rating base units on page 167; and
 - insurance of assets on page 159;
- a report on the activities undertaken by the District Council to establish and maintain processes to provide opportunities for Maori to contribute to the Council's decision-making processes on pages 6 to 7; and
- a statement of compliance signed by the Mayor of the Council, and by the District Council's chief executive on page 3.

Opinion

Audited information

In our opinion:

- the financial statements of the District Council on pages 116 to 167:
 - present fairly, in all material respects:
 - the District Council's financial position as at 30 June 2015;
 - the results of its operations and cash flows for the year ended on that date; and
 - comply with generally accepted accounting practice in New Zealand.

- the funding impact statement of the District Council on page 120, presents fairly, in all material respects, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan.
- the statements about budgeted and actual capital expenditure in relation to each group of activities of the District Council on pages 17 to 113, present fairly, in all material respects, by each group of activities, the capital expenditure spent as compared to the amounts budgeted and set out in the District Council's long-term plan or annual plan.
- the statement of service provision of the District Council on pages 17 to 113:
 - presents fairly, in all material respects, the District Council's levels of service for the year ended 30 June 2015, including:
 - the levels of service as measured against the intended levels of service adopted in the long-term plan;
 - the reasons for any significant variances between the actual service and the expected service; and
 - complies with generally accepted accounting practice in New Zealand.
- the funding impact statements in relation to each group of activities of the District Council on pages 174 to 189 present fairly, in all material respects, by each group of activities, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's long-term plan.
- the disclosures on pages 168 to 173 represent a complete list of required disclosures and accurately reflects the information drawn from the District Council's audited information.

Compliance with the other requirements of schedule 10

The District Council's annual report complies with the *Other Requirements* of schedule 10 that are applicable to the annual report.

Our audit was completed on 15 October 2015. This is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and our responsibilities, and we explain our independence.

Basis of opinion

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the International Standards on Auditing (New Zealand). Those standards require that we comply with ethical requirements and plan and carry out our audit to obtain reasonable assurance about whether the information we audited is free from material misstatement.

Material misstatements are differences or omissions of amounts and disclosures that, in our judgement, are likely to influence readers' overall understanding of the financial statements and statement of service provision. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

An audit involves carrying out procedures to obtain audit evidence about the amounts and disclosures in the information we audited. The procedures selected depend on our judgement, including our assessment of risks of material misstatement of the information we audited, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the District Council's preparation of the information we audited in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District Council's internal control.

An audit also involves evaluating:

- the appropriateness of accounting policies used and whether they have been consistently applied;
- the reasonableness of the significant accounting estimates and judgements made by the Council;
- the adequacy of the disclosures in the information we audited;
- determining the appropriateness of the reported statement of service provision within the Council's framework for reporting performance; and
- the overall presentation of the information we audited.

We did not examine every transaction, nor do we guarantee complete accuracy of the information we audited.

When reporting on whether the annual report complies with the *Other Requirements* of schedule 10 of the Local Government Act 2002, our procedures were limited to making sure the information required by schedule 10 was included in the annual report, where relevant, and identifying material inconsistencies, if any, with the information we audited. This work was carried out in accordance with International Standard on Auditing (New Zealand) 720; *The Auditor's Responsibilities Relating to Other Information in Documents Containing Audited Financial Statements*. As a result we do not express an audit opinion on the District Council's compliance with the requirements of schedule 10.

We did not evaluate the security and controls over the electronic publication of the information we are required to audit and report on. We believe we have obtained sufficient and appropriate evidence to provide a basis for our opinion.

Responsibilities of the Council

The Council is responsible for preparing:

- financial statements and statement of service provision that:
 - comply with generally accepted accounting practice in New Zealand;
 - present fairly the District Council's financial position, financial performance and cash flows;
 - present fairly its service performance, including achievements compared to forecast;
- a funding impact statement that presents fairly the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's annual plan;
- funding impact statements in relation to each group of activities that present fairly by each group of activities, the amount of funds produced from each source of funding and how the funds were applied as compared to the information included in the District Council's long-term plan;
- statements about budgeted and actual capital expenditure in relation to each group of activities that presents fairly by each group of activities the capital expenditure spent as compared to the amounts budgeted and set out in the District Council's long-term plan or annual plan; and
- disclosures in accordance with the requirements of the Local Government (Financial Reporting and Prudence) Regulations 2014; and
- the other information in accordance with the requirements of schedule 10 of the Local Government Act 2002.

The Council's responsibilities arise under the Local Government Act 2002.

The Council is responsible for such internal control as it determines is necessary to ensure that the annual report is free from material misstatement, whether due to fraud or error. The Council is also responsible for the publication of the annual report, whether in printed or electronic form.

Responsibilities of the Auditor

We are responsible for expressing an independent opinion on, the information we are required to audit, and whether the Council has complied with the Other Requirements of schedule 10, and reporting that opinion to you. Our responsibility arises under section 15 of the Public Audit Act 2001.

Independence

When carrying out this audit, which includes our report on the *Other Requirements*, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board. Other than this audit, which includes our report on the *Other Requirements*, we have no relationship with, or interests, in the District Council.



Grant Taylor
Ernst & Young
On behalf of the Auditor-General
Wellington, New Zealand



Other information

- [Governance structure](#)
- [Meeting attendance](#)
- [Elected member contact details](#)
- [Organisation structure](#)
- [Glossary of terms](#)

Governance structure

Your mayor and councillors



Front row, left to right: Diane Ammundsen, Pat Dougherty (Chief Executive), Ross Church (Mayor), Mike Cardiff (Deputy Mayor), Penny Gaylor

Back row, left to right: Dr David Scott, Jackie Elliott, K Gurunathan, Gavin Welsh, Michael Scott, Janet Holborow, Murray Bell

Council comprised a mayor and ten elected councillors.

Mayor	Ross Church
Councillors	
Districtwide	Mike Cardiff (Deputy Mayor), Diane Ammundsen, Jackie Elliott, David Scott, Gavin Welsh
Ōtaki	Penny Gaylor
Waikanae	Michael Scott (from 26 February 2015)
Paraparaumu	K Gurunathan, Murray Bell
Paekākāriki-Raumati	Janet Holborow

Council meetings

Council meetings were scheduled every six weeks, with additional meetings held as required. These meetings were advertised in the local news media.

To assist council to discharge its duties, it had standing committees which generally met every six weeks. Each committee had its own terms of reference and powers delegated to it by council. The membership of three of those standing committees is a committee of the whole, that is, every councillor sits on every committee. There were changes in membership during the period as detailed below.

During the 1 July 2014 to 30 June 2015 period, the council held 23 council meetings and 34 standing committee meetings.

Committees

Environment and community development committee

The Environment and community development committee (ECD) was chaired by Councillor Gaylor. The committee developed policies and strategies for the council on behalf of the community for the social, economic, environmental and cultural interests of the district, and policies and strategies associated with the development of the 2015 – 35 Long term plan.

Corporate business committee

The Corporate business committee (CBC) was chaired by Councillor Welsh. The committee managed the financial affairs of the council including risk management issues within the overall financial programme and financial management parameters set out in the long term plan. It also acted as the owner of all council assets.

Regulatory management committee

The Regulatory management committee (RMC) was chaired by Councillor Amundsen. The committee controlled a range of regulatory activities such as animal control, building control, bylaws, environmental matters, parks and reserves, resource management, plan changes, subdivision and land use consents, public safety and traffic. Its provisions also cover the delegations for hearing commissioners (independent and elected).

Appeals hearing committee

The appeals hearing committee was chaired by Councillor Lloyd until he passed away in November 2014, when Councillor Bell took over as chair. The committee is responsible for hearing appeals or objections on council's regulatory and compliance areas.

District licensing committee

The district licensing committee was chaired by Councillor Amundsen. The committee is responsible for carrying out the duties and functions as prescribed in the Sale and Supply of Alcohol Act 2012.

Chief executive performance and employment committee

The chief executive performance and employment committee was chaired by the mayor. On 11 June 2015 council agreed to reconstitute the committee with a membership comprising the mayor and all councillors. The committee undertakes the formal management of the contract of employment between the council and the chief executive.

Grants allocation committee

The grants allocation committee was chaired by Councillor Holborow. On 12 March 2015, council approved changing the status of the grants allocation group, from a subcommittee to a committee. The committee has the authority to assess all applications and allocate funds for the following grant programmes: community grants, creative community scheme, districtwide hall hire remissions, heritage fund allocations and waste levy fund grants.

Māori representation members

Māori representation members appointments in 2014/15 were Russell Spratt (CBC), Reina Solomon (ECD) and Caleb Royal (RMC).

Community boards

The community boards' role is to advise the council on local issues and to help determine priorities. They also have delegated power to deal with some local matters. The community boards generally met every six weeks and during the year a total of thirty-two meetings were held. The chair of each community board was also invited to sit at the council table for meetings of the council and committees and contribute to the discussion.

The boards and their members were as follows:

Ōtaki	James Cootes (Chair) Rob Kofoed (Deputy Chair) Christine Papps Colin Pearce Cr Penny Gaylor
Waikanae	Eric Gregory (Chair) Jocelyn Prvanov (Deputy Chair) James Westbury Jill Lloyd Cr Michael Scott
Paraparaumu-Raumati	Fiona Vining (Chair) Jonny Best (Deputy Chair) Deborah Morris-Travers Kathy Spiers Cr K. Gurunathan Cr Murray Bell
Paekākāriki	Philip Edwards (Chair) Steve Eckett (Deputy Chair) Sam Buchanan Jack McDonald Cr Janet Holborow

Waikanae

Councillor Michael Scott was chair of Waikanae community board until he was elected ward councillor on 26 February 2015. He replaced Councillor Tony Lloyd who had passed away in November 2014 thereby triggering a by-election.

Eric Gregory was acting chair from 26 February 2015 and was elected chair on 16 June 2015. Jill Lloyd was elected as a Community Board member on 16 June 2015, replacing Michael Scott.

Paekākāriki

Jack McDonald resigned as chair on 27 January 2015 and Philip Edwards was elected as chair.

Further details on council's governance arrangements can be found in the governance structure document available at kapiticoast.govt.nz.

Te Whakaminenga o Kāpiti

Te Whakaminenga o Kāpiti is one of the longest lasting partnerships between tāngata whenua and local government in New Zealand. The partners are the Kāpiti Coast District Council and the mana whenua (people with authority over the land) on the Kāpiti Coast: Te Āti Awa ki Whakarongotai, Ngāti Raukawa ki te Tonga and Ngāti Toa Rangatira.

Representatives

Rupene Waaka, JP (Chair) – Ngāti Raukawa Ki Te Tonga
Iwi affiliations – Ngāti Raukawa ki te Tonga
Hapū affiliations – Ngāti Kapumanawawhiti | Ngāti Maiotaki

Ann-Maree Ellison – Te Āti Awa Ki Whakarongotai
Iwi affiliations – Te Āti Awa ki Whakarongotai

Cherie Seamark – Te Āti Awa Ki Whakarongotai
Iwi affiliations – Te Āti Awa ki Whakarongotai

Mahinarangi Hakaraia – Ngāti Raukawa Ki Te Tonga
Iwi affiliations – Ngāti Raukawa ki te Tonga
Hapū affiliations – Ngāti Kapumanawawhiti

Carol Reihana – Ngāti Toa Rangatira
Iwi affiliations – Ngāti Toa Rangatira | Ngāi Tahu
Hapū affiliations – Ngāti Haumia

Jennie Smeaton – Ngāti Toa Rangatira
Iwi affiliations – Ngāti Toa Rangatira

Council Kaumātua Rakauoteora Te Maipi (Koro Don), QSM
Iwi affiliations – Te Arawa | Tuhoe | Te Aitanga-a-Mahaki
Hapū affiliations – Rato Awe | Tama Kaimoana

Ross Church – Mayor

Janet Holborow – Ward Councillor Paekākāriki-Raumati

Council meeting attendance record of elected members

The following table details the attendance record of the mayor and councillors at the 23 meetings of council and 31 standing committee meetings during the 2014/15 year.

Council meetings (23)				Council committee meetings (31)*			
<i>Elected member</i>	<i>Attended</i>	<i>Absent (leave)</i>	<i>Absent (apology)</i>	<i>Possible attendance*</i>	<i>Attended</i>	<i>Absent (leave)</i>	<i>Absent (apology)</i>
Ross Church (Mayor)	22	1	-	27	25	-	2
Diane Ammundsen	20	3	-	31	27	2	2
Murray Bell	23	-	-	27	23	1	3
Mike Cardiff	22	1	-	24	21	2	1
Jackie Elliott	18	2	2	20	15	1	4
Penny Gaylor	20	1	2	27	24	-	3
K Gurunathan	21	-	2	20	18	-	2
Janet Holborow	23	-	-	23	23	-	-
Tony Lloyd**	3	1	1	10	8	2	-
David Scott	21	-	1	20	19	1	-
Michael Scott**	10	2	-	8	5	2	1
Gavin Welsh	22	1	-	27	26	1	-

* There are six standing committees which had a total of 31 meetings during the year. Membership varies between committees.

** Tony Lloyd passed away in November 2014. Michael Scott was elected as the new Waikanae ward councillor in February 2015.

Community board meeting attendance

The following tables detail the attendance record of community board members at the following board meetings.

Ōtaki			
<i>Elected member</i>	<i>Attended</i>	<i>Absent (leave)</i>	<i>Absent (apology)</i>
James Cootes (Chair)	8	-	-
Rob Kofoed	7	1	-
Christine Papps	7	-	1
Colin Pearce	8	-	-
Cr Penny Gaylor	8	-	-

Waikanae			
<i>Elected member</i>	<i>Attended</i>	<i>Absent (leave)</i>	<i>Absent (apology)</i>
Eric Gregory (Chair)	8	-	-
Jocelyn Prvanov	7	1	-
James Westbury	8	-	-
Cr Tony Lloyd	3	-	-
Jill Lloyd	1	-	-
Cr Michael Scott	8	-	-

Paraparaumu-Raumati			
<i>Elected member</i>	<i>Attended</i>	<i>Absent (leave)</i>	<i>Absent (apology)</i>
Fiona Vining (Chair)	7	-	1
Johnny Best	8	-	-
Deborah Morris-Travers	7	1	-
Kathy Spiers	7	1	-
Cr K. Gurunathan	7	-	1
Cr Murray Bell	7	-	1

Paekākāriki			
<i>Elected member</i>	<i>Attended</i>	<i>Absent (leave)</i>	<i>Absent (apology)</i>
Philip Edwards (Chair)	8	-	-
Sam Buchanan	8	-	-
Steve Eckett	6	-	2
Jack McDonald	6	-	2
Cr Janet Holborow	8	-	-

Elected members' contact details



Mayor
Ross Church

ross.church@kapiticoast.govt.nz



Deputy Mayor
Mike Cardiff

mike.cardiff@kapiti.govt.nz



Districtwide Councillor
Diane Ammundsen

diane.ammundsen@kapiti.govt.nz



Districtwide Councillor
Jackie Elliott

jackie.elliott@kapiti.govt.nz



Districtwide Councillor
Dr David Scott

david.scott@kapiti.govt.nz



Districtwide Councillor
Gavin Welsh

gavin.welsh@kapiti.govt.nz



Paraparaumu Ward Councillor
Murray Bell

murray.bell@kapiti.govt.nz



Ōtaki Ward Councillor
Penny Gaylor

penny.gaylor@kapiti.govt.nz



Paraparaumu Ward Councillor
K Gurunathan

k.gurunathan@kapiti.govt.nz



Paekākāriki-Raumati Ward Councillor Janet Holborow

janet.holborow@kapiti.govt.nz



Waikanae Ward Councillor
Michael Scott

michael.scott@kapiti.govt.nz

Community board members

Ōtaki

The area covered by the community board includes north of Marycrest, Te Horo, Ōtaki north to Forest Lakes.



James Cootes | Chair
james.cootes@kapiti.govt.nz

Rob Kofoed | Deputy Chair
rob.kofoed@kapiti.govt.nz

Christine Papps
christine.papps@kapiti.govt.nz

Colin Pearce
colin.pearce@kapiti.govt.nz

Waikanae

The area covered by the community board stretches from the Waikanae river in the south through to Peka Peka in the north.



Eric Gregory | Chair
eric.gregory@kapiti.govt.nz

Jocelyn Prvanov
jocelyn.prvanov@kapiti.govt.nz

James Westbury
james.westbury@kapiti.govt.nz

Jill Lloyd
jill.lloyd@kapiti.govt.nz

Paraparaumu-Raumati

The area covered by the community board includes from Raumati South through to Otaihanga.



Fiona Vining | Chair
fiona.vining@kapiti.govt.nz

Jonny Best | Deputy Chair
jonny.best@kapiti.govt.nz

Deborah Morris-Travers
deborah.morris-travers@kapiti.govt.nz

Kathy Spiers
kathy.spiers@kapiti.govt.nz

Paekākāriki

The area covered by the community board includes the Emerald Glen area and Whareroa Road in the north, down to Fisherman's Table in the south.



Philip Edwards | Chair
philip.edwards@kapiti.govt.nz

Steve Eckett | Deputy Chair
steve.eckett@kapiti.govt.nz

Sam Buchanan
sam.buchanan@kapiti.govt.nz

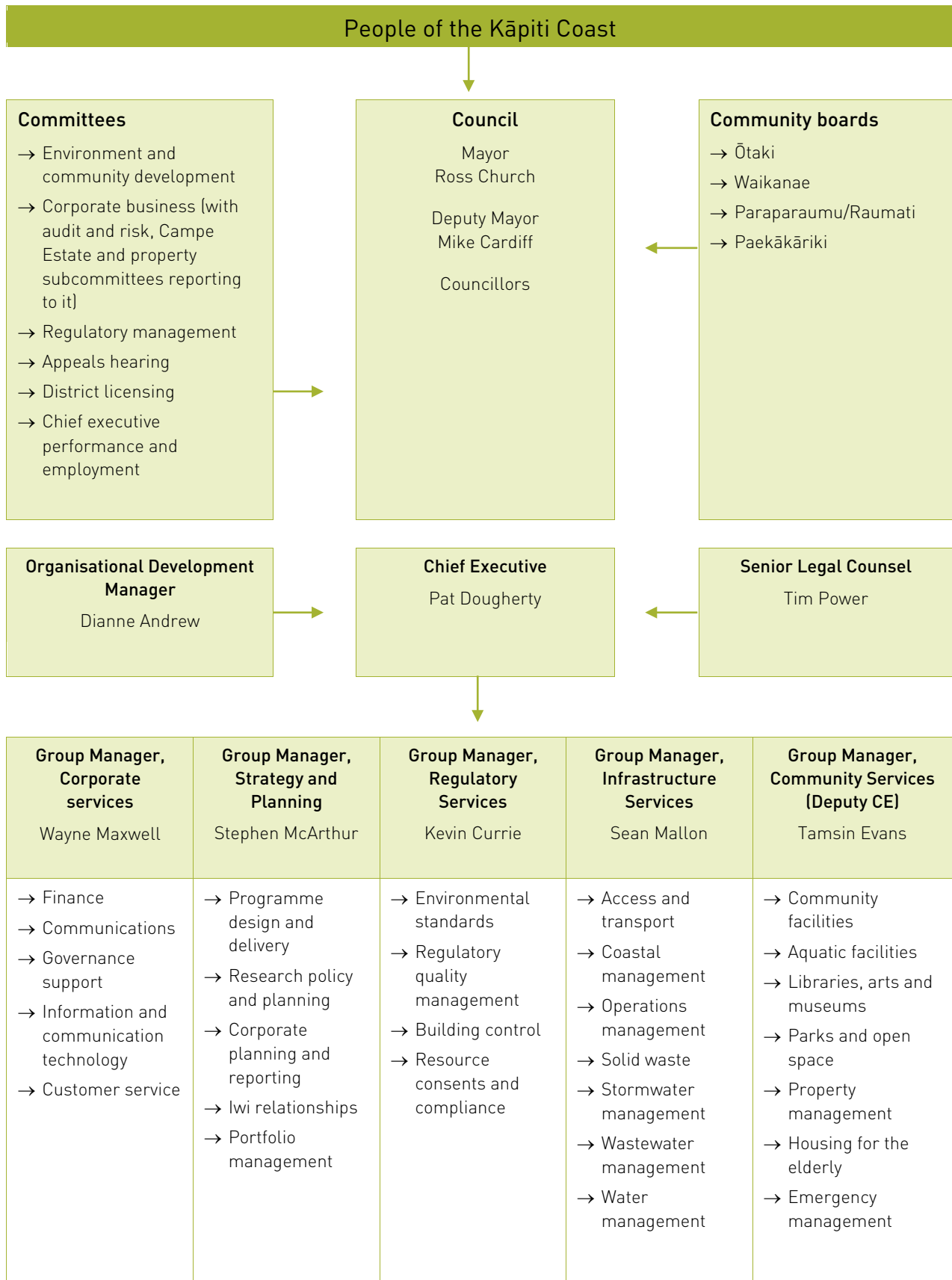
Jack McDonald
jack.mcdonald@kapiti.govt.nz

Contact information for the council

Main office

Street address	175 Rimu Road Paraparaumu 5032
Postal address	Private Bag 60601 Paraparaumu 5254
Phone	04 296 4700
After hours emergency	0800 486 486 (toll free)
Fax	04 296 4830
Email	kapiti.council@kapiticoast.govt.nz
Website	kapiticoast.govt.nz

Organisation structure



Glossary of terms

Term	Definition
Activity	Groups of related services, projects or goods provided by, or on behalf of council are combined into an activity.
Activity management plan	A long term planning document for managing council's activities that ensures that capacity to provide a service is maintained, and that costs over the life of relevant assets are kept to a minimum.
Annual plan	The annual plan is produced in the intervening years between long term plans. It explains the variations from the activities and/or budgets in the long term plan and confirms arrangements for raising revenue for the financial year.
Annual report	The annual report comments on the performance of the council against the objectives, policies, activities, performance measures (effectiveness measures, key actions/outputs and service standards), indicative costs, and sources of funds outlined in the long term plan and the annual plan.
Asset	Something of value that the council owns on behalf of the community, such as roads.
Capital expenditure	Cost of purchasing, constructing or improving an asset.
Census (2013 Census of Population and Dwellings)	Statistics New Zealand provide statistical information gathered from the 2013 Census of Population and Dwellings. The statistics provide information on the size and makeup of the New Zealand population by age, gender and ethnicity.
Cost of capital	Opportunity cost of (assets less related net loan).
Council-controlled organisation	An organisation in which one or more local authorities control 50% or more of the voting rights or appoint 50% or more of the directors.
Current assets	Any asset which can be readily converted to cash or will be used up within the financial year.
Current portion of borrowings	Council debt that matures in less than 12 months.
Current liabilities	Creditors and other liabilities due for settlement within the next 12 months, i.e. the next financial year. All other liabilities are non-current.
Depreciation	An accounting concept to describe the wearing out, consumption or other loss of value of an asset over its useful life.
District plan	A plan under the Resource Management Act 1991 that manages the adverse impact of land uses on the environment of the district.
External revenue	Income (other than rates) from external sources.
Fair value	The amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction.
Fixed assets	These consist of land and buildings and infrastructural assets (utilities such as roads, stormwater and wastewater networks).
Local Government Act 2002	The Local Government Act 2002 is the primary legislation that governs the council's operations and actions.
Long term plan	A plan which: <ul style="list-style-type: none"> • sets out the council's leadership vision and how it wishes to work with the community • the suggested investment priorities for the next 20 years • identifies partners with a commitment to the wellbeing of the community • provides a long term programme and budget and funding choices.

Term	Definition
Long term investments	Investments that have a maturity date of 12 months or longer.
Operating expenses	Costs of maintaining assets plus the allocation of overhead costs.
Non-current portion of receivables	Council receivables (amounts owed to council) that have a maturity date of 12 months or longer.
Non-current portion of borrowings	Council debt that has a maturity date of 12 months or longer.
Public benefit entities	Reporting entities whose primary objective is to provide goods and services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return to equity holders (as defined in New Zealand equivalents to international financial reporting standards).
Public equity	Council's net worth (i.e. total assets less total liabilities).
Restricted assets	Parks and reserves which provide a benefit or service to the community and cannot be disposed of because of legal or other restrictions.
Short term investments	Investments that mature in less than 12 months.
Significance policy	A policy which explains how council determines how significant a project or decisions are and the subsequent amount of consultation and analysis required.
Structure plans	A structure plan is a comprehensive indicative development plan for a large area which identifies such things as bush to be protected, roads, sections, stormwater etc. It allows a more integrated sustainable development approach which weaves together urban and environmental matters. A structure plan has a legal status in the district plan and is used in the formal resource consent process to guide particular decisions.
Sustainable development principles	<p>A general definition is: 'development which meets the needs of the present without compromising the ability of future generations to meet their needs' (<i>Central Government - Sustainable Development: Programme for Action – published January 2003.</i>) This general statement provides some guidance for action and decision-making but does require further detail to assist with complex issues. The Local Government Act 2002 provides guidance on some principles, as does the Programme for Action cited above.</p> <p>Council has developed fourteen principles to guide decision-making, based on the Local Government Act 2002 requirements, the programme for action and a review of principles developed by other local, regional and national governments, in New Zealand and elsewhere. These principles have been formally adopted and can be found in Section 2, Part 1 <i>Kāpiti Coast: 2012 Long Term Plan</i>.</p>
Swaps	A financial instrument or contract which has the effect of converting floating interest rate debt into fixed rate debt or vice versa.
Targeted rates	A rate that a local authority sets for a specified function or functions.

CONTACT THE COUNCIL
FOR MORE INFORMATION:

KĀPITI COAST DISTRICT COUNCIL
PRIVATE BAG 60601 PARAPARAUMU
5254

TEL: (04) 296 4700

TOLL FREE: 0800 486 486

FAX: (04) 296 4830

EMAIL: kapiti.council@kapiticoast.govt.nz