

Our Kāpiti Story

Where we're at
and where we're headed

Pre-Election Report: Information for residents and
candidates to support the 2019 local body elections



Above: The free-entry splash pad at Ōtaki Pool was designed with community input.

Cover photo: Construction of the new Ōtaki bridge reflects the major investment in roading in our district by Government. Photo: Mark Coote.

Contents

Purpose	4
Election process	6
Overview from the Chief Executive	8
<i>What are the big issues for Kāpiti?</i>	
<i>What are we dealing with and what's our approach?</i>	
<i>How are we doing financially and how's it looking for the future?</i>	
Introduction	8
Managing our finances carefully and making good decisions about spending	10
Delivering value for money and continuing to improve services	15
Dealing with the social and environmental challenges facing us	20
Positioning ourselves well for growth opportunities and developing sustainably	26
Advocating for our district and working with our community	30
Our finances	35
What's key in our financial statements	36
Summary statement of financial position	37
Funding impact statement	38
How we're doing against our financial strategy limits	40
Further information	42
<i>Where can I find out more?</i>	
2019 Pre-Election Report Supplement – Our activities and services	
Other publications and resources	

Purpose

What is the pre-election report?

The pre-election report is an overview of the current position and direction of the Kāpiti Coast district to support the election process for the Council and community boards in October 2019.

This report has been prepared for people considering standing as candidates and for the wider community who will participate in the election process.

The report is the Chief Executive's overview of the Council's position and outlook. It highlights significant issues facing the district over the coming electoral term and what Council is planning to do to address those issues.

The report provides key details about the Council's financial strategy, financial position and planned spending including major projects agreed to in the Long Term Plan 2018–38 and emerging issues.

It outlines what the Council has been doing to meet the needs of the community in the past three years – the electoral term leading up to this year's election.

It highlights progress and achievements and planned future activities, particularly in the next three years. You can find more information about the work programme in our supplement to the pre-election report – *Our activities and services*.

The pre-election report includes information from other Council planning and reporting documents. In this way, it reflects the community's concerns and aspirations for the development of Kāpiti, and the projects and initiatives endorsed through the long term plan as priorities for the Council.

Right: Due to be ready in 2020, Transmission Gully will open up our district significantly.
Photo: Mark Coote







Left: Kāpiti's stunning landscape gives residents and visitors wide scope for recreation.

Election process

The elections are being conducted by postal vote with election day on Saturday 12 October 2019.

The single transferable voting system is used in the Kāpiti Coast district. There is information on the website stv.govt.nz about how the system works.

How do I stand for election?

Nominations open on Friday 19 July and close at noon Friday 16 August. Information on standing is in the *Candidates Information Handbook* available from the Electoral Officer or from our website.

How do I enrol to vote?

Enrol by 16 August to make voting easy and receive your voting documents in the post.

If you are already enrolled, you should have received your enrolment information in the mail from the Electoral Commission. Check that your details are correct. If your details are not correct, put the right information on the form and send it back in the enclosed envelope. If you haven't received anything, pick up an enrolment pack from a PostShop, library, or Council service centre; or visit the website vote.nz; or freephone 0800 36 76 56.

Ratepayers who live outside the district can download an enrolment form for ratepayer electors from our website or by contacting the Electoral Officer on 04 296 4700; or email electoral@kapiticoast.govt.nz

How do I vote?

If you enrol by 16 August, you will receive your voting documents in the mail between Friday 20 September and Wednesday 25 September 2019.

You can fill out and deliver or post your vote any time before voting closes at **noon 12 October 2019**. If you wish to post your voting papers, make sure you post them by 5pm Tuesday 8 October to ensure they are received by the Electoral Officer in time. Postage is free.

You can deliver your vote to Council service centres and libraries during normal business hours – see details in the panel. For additional times and locations see our website.

For all election information go to

kapiticoast.govt.nz/elections2019

Special votes

You can make a special vote if:

- your name doesn't appear on the final electoral roll, but you qualify as an elector; or
- you don't receive the voting document posted to you; or
- you spoil or damage it; or
- your name is on the unpublished electoral roll.

Special votes can be made at the Coastlands Meeting Room, Paraparaumu Library, Iver Trask Place from Friday 20 September 2019 to Friday 11 October 2019, 9am–5pm. For other times and locations see our website.

Publishing responses to information requests

This election we will be publishing Council's responses to information requests from election candidates and current elected members to ensure candidates and voters have equal access to information.

From 19 July 2019 you can view the responses on our website.

Where and when you can deliver your vote

Civic Administration Building
175 Rimu Road, Paraparaumu
Monday to Friday 8am–5pm

Paraparaumu Library
Iver Trask Place, Paraparaumu
Monday to Wednesday 9am–5pm
Thursday and Friday 9am–7.30pm
Saturday 10am–4pm*
Sunday 10am–2pm

Waikanae Library
Mahara Place, Waikanae
Monday to Friday 10am–4pm

Ōtaki Library
Main Street, Ōtaki
Monday to Friday 9am–5pm
Saturday 10am–4pm*

Paekākāriki Library
Wellington Road, Paekākāriki
Monday and Wednesday 1.30pm–4.30pm
Saturday 10am–2pm*

Wellington location

Wellington Railway Station
Bunny Street, Wellington
Monday 7 October to Friday 11 October 2019
6.30am–9.30am and 4pm–6.30pm

***Note:** on Saturday 12 October – election day – voting closes at all sites at noon.

Special votes

Wellington Regional Special Vote Hub
Wellington City Council
Arapaki Manners Library and Service Centre, 12 Manners Street, Wellington
Monday to Friday, 8am–5pm
Monday 7 October to Friday 11 October 2019
Saturday 5 October and Saturday 12 October (till noon) – for times check with Wellington City Council.



Overview from the Chief Executive

Introduction

It's my job as chief executive to produce the pre-election report. I see this as an important part of informing the community about the local government environment in Kāpiti.

Knowing the issues we face as a district, and the opportunities available to us, is vital for everyone in Kāpiti. Our community has a great track record of engaging with the shaping of our district and we want that to continue.

Focusing on the big issues

The information in this report is designed to highlight the big issues so that those putting themselves forward to stand for the Council, and everyone who votes, has a good picture of our current situation and outlook.

This pre-election report shouldn't have any surprises. The information in here is drawn from other Council documents and presents the work we have been doing and the key issues we are tackling.

The journey we're on

We've called it 'our Kāpiti story' because it is a journey. We have some big challenges but also some big opportunities. Overall, I think our story is one of optimism and potential. It will be an ongoing effort to get the balance right, but I believe this report shows we are clear about the issues we need to focus on and what we need to do, and we are in good shape to make the most of the opportunities.

We've organised our discussion of the issues into five themes:

- Managing our finances carefully and making good decisions about spending
- Delivering value for money and continuing to improve services
- Dealing with the social and environmental challenges facing us
- Positioning ourselves well for growth opportunities and developing sustainably, and
- Advocating for our district and working with our community.

All these areas are important and interdependent which is why getting the balance right is vital to support Kāpiti to flourish. We've integrated our key financial information into the discussion so you can readily see how we're doing financially and the approach we're taking to managing our finances. The detailed numbers are set out in Our Finances.

This integrated approach is reflected in our current Long Term Plan 2018–38 with the vision the Council adopted to recognise our community's desire that we develop in a holistic way and consider all aspects of our district's wellbeing: Toitū te whenua, toitū te wai, toitū te tāngata, Toitū Kāpiti!

Help set our future

Our upcoming local body elections are extremely important for our district's future. I strongly encourage you to get involved and I trust the information in this report will help all those taking part.



Wayne Maxwell
Chief Executive
July 2019

What are the big issues for Kāpiti?

What are we dealing with and what's our approach?

How are we doing financially and how's it looking for the future?

Managing our finances carefully and making good decisions about spending

Our district is full of opportunity but we come from a constrained position. This sums up our situation in a nutshell. Managing our finances really well and spending where it counts, is our number one focus because everything else the community needs us to do, depends on us getting that right.





Left: Closely managing our finances means we can provide amenities, such as playgrounds, as well as meeting our big infrastructure needs.

Managing our finances carefully and making good decisions about spending

Preparing for future needs

For the past five years our focus has been on getting our finances on a sound footing so we have what we need to progress the development people want to see in our district – done in a way that considers the future needs of the community and works for everyone.

It is extremely important that we manage our finances very carefully so that we can afford what we will need to pay for in the future – particularly our core three waters infrastructure (water, stormwater and wastewater) which will need to be renewed from 2045 onwards.

A lot of our below-ground assets were built between 1975 and 1981 and today they have between 25–60 years useful life remaining. Renewing this infrastructure will mean significant capital spending which will require us to be in a strong financial position at the time. The graph below shows a high level forecast of where we will need to spend over the next 50 years.

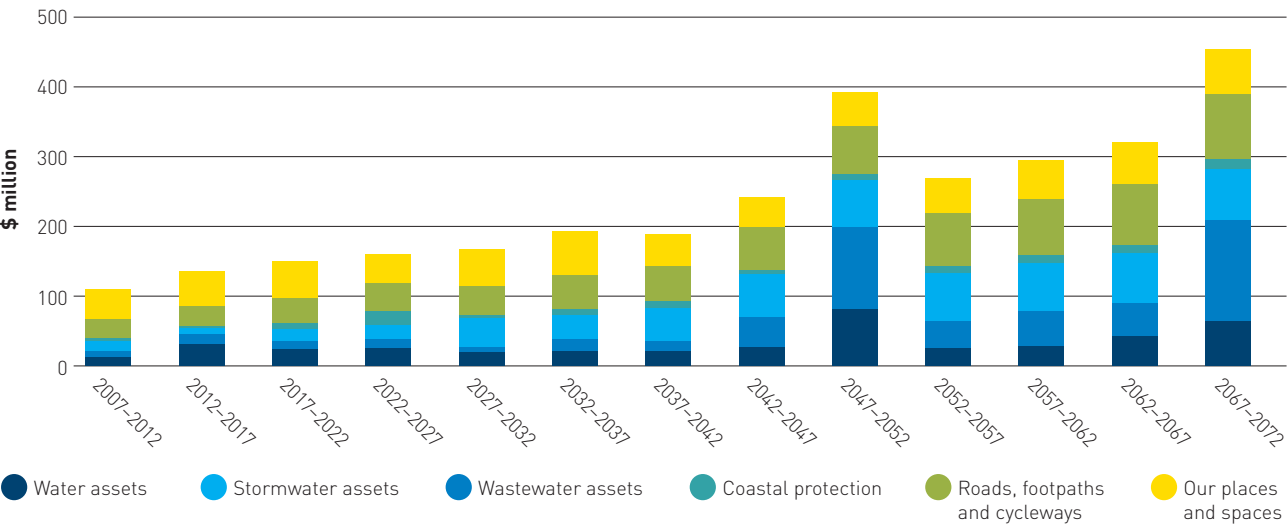
Reliance on rates income

Kāpiti has many natural advantages, but we don't have the income-generating assets that other local authorities have to draw on. For example, some councils

have ports or funds set up from the sale of local power suppliers and, therefore they have more substantial income streams. Unfortunately, we don't have such means and we must rely heavily on our rates.

This means we can't keep rates as low as we would like, It means we are very focused on how we manage our money and where and when we invest in new initiatives. We have to be very efficient. The advantage of this is it puts us in a good position for the challenge of planning a sustainable long term future for our district.

Our planned spending to renew and upgrade our infrastructure and community assets



Our green-line strategy

Our financial strategy is to deliver affordable rates; minimise borrowings by limiting capital spending and pay back what we've already borrowed so we can re-finance when we need to replace assets. We plan with the district's future needs in mind while managing current work closely to ensure ratepayers' money is well spent and everyone is paying a fair share.

We are applying what we call our 'green-line' strategy. We have committed to a programme of reduced capital expenditure that prioritises infrastructure for resilience and

growth and frees up funds to enable us to pay back debt earlier than previously forecast.

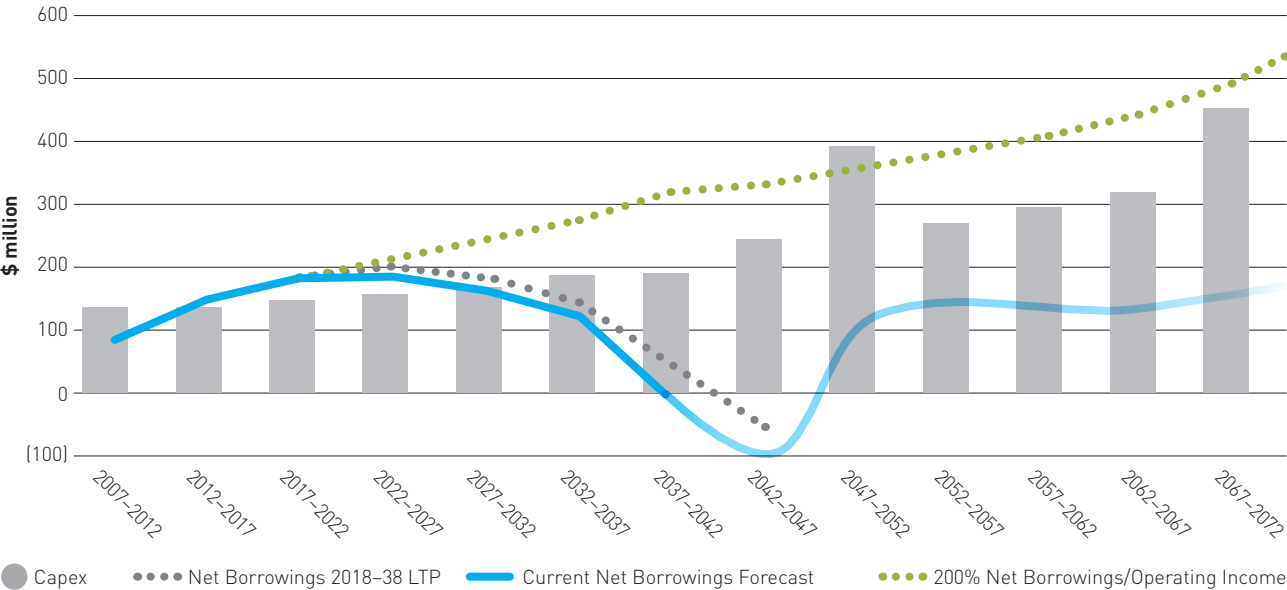
We often talk about the concept of 'good debt'. We know we will have to replace our district's major infrastructure – that isn't negotiable. And we know we will need to borrow money to pay for the work. Hence, our focus on gearing up for that now by managing costs tightly and paying back borrowings. Our approach is detailed in our financial strategy which has recently been commended by the Office of the Auditor General for its clarity and focus.

Restraining our spending and paying back debt

We have made a strong start into paying back money borrowed and living within our means. The main way we have done this is by holding our capital expenditure down, which has seen our debt holding steady in recent years. The Council's financial position has improved as a result, and the benefits will increase the more we continue to keep a tight rein on spending and reduce our debt.

Infrastructure is the biggest category of Council spending and accounts for most of the capital spending (CAPEX) you see in our budgets. We regularly review

Our green-line strategy: managing our borrowings to fund future infrastructure replacement



Right: For the past eight years we have been improving our water supply. Replacing the pump drawing water from the Waikanae River in 2015 was part of \$9m of work done.

and reprioritise planned projects to make sure they're affordable. People will have seen that sometimes we have changed the timing of planned work. We see that as part of ensuring we are responsible in our use of ratepayers' money. It also means we can be flexible if needs change.

Council credit rating lifted two grades

Financial rating agency Standard and Poor's (S&P) has recently revised our Council's credit rating outlook up two grades from A+ to AA. Receiving a higher rating is the direct result of our continued efforts to improve our financial position, which, as described, has been our focus over the past five years.

Credit ratings are issued by specialist rating agencies, in our case the internationally recognised Standard & Poor's, and are essentially an independent expert opinion of an organisation's ability to repay borrowings – in other words, the Council's financial strength or creditworthiness. Our AA rating means the community can be absolutely confident that we're managing our finances prudently and that we're planning well for future borrowing requirements. This rating puts us among the top tier of councils in New Zealand.

Our district benefits from the Council's high credit rating because it means we are attractive to lenders and can

... Managing our finances carefully and making good decisions about spending



borrow money at lower rates than those organisations that are not rated or not rated so highly. We borrow from the Local Government Funding Agency and our enhanced credit rating will reduce the costs of new borrowing even further.

Investment in water infrastructure paying off

Our focus on improving the district's water supply for the past eight years has meant we've been able to turn around long-standing problems with water access in Kāpiti. This has been a really good investment. It also means that we won't have to do any further major work on securing our water supply for the next 30 years. The community has really embraced this with water usage down 20% which also contributes towards our environmental aims.

The Office of the Auditor General endorsed our investment in water infrastructure for the way it takes a whole-of-system approach to managing the supply of, and demand for, water. And our more recent work on the River Recharge with Groundwater scheme has been given four star ratings from the Greater Wellington Regional Council for three years running for compliance and management. Most pleasingly, residents' satisfaction with quality of the water supply has gone up from just 51% in 2014/15 to 85% for 2018/19.

Major projects focus on core infrastructure

As shown in the graphics below, we have some major infrastructure projects underway or planned.

Improving the resilience of our drinking water supply remains a focus in our Long Term Plan with significant work budgeted for the next two years. This includes upgrading the Ōtaki and Hautere drinking water supplies to improve water safety.

Other major investments include the rebuilding of the Paekākāriki seawall to the design agreed by the community, and our stormwater programme which focuses on upgrades to better protect flood-prone homes.

Major projects and priorities



Hautere/Te Horo water resilience

\$1.8m over 20/21 and 21/22



Ōtaki water treatment plan

\$3.6m to complete upgrade in 20/21 (\$0.7m planned for 19/20)



Paekākāriki seawall

\$16.8m to complete between 20/21 and 22/23



Stormwater programme

\$9m between 19/20 to 22/23 to protect homes from flood risk



Delivering value for money and continuing to improve services

The Council is a service organisation and we are mindful that we are here to manage our district's infrastructure and facilities – \$1.7b in assets – on behalf of the community. We are also very aware that most of the Council's annual budget to provide services in the community is paid for through rates.

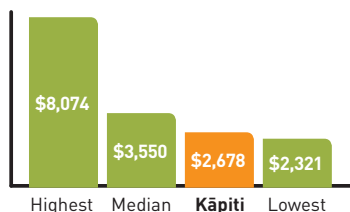


Operating spending per ratepayer

Kāpiti Coast is

2nd lowest

at **\$2,678** (for 2016/17)



Source: NZ Taxpayers' Union, 2018 Ratepayers' Report

Council efficiency confirmed

Our focus is on operating as efficiently as possible, and it is very pleasing that, as the graph shows, we have demonstrated our efficiency with the second lowest operating spending per ratepayer amongst all New Zealand councils. Operating spending includes all our day-to-day costs for providing services and all maintenance.

However, our rates are not as low as we'd like them to be, and there is also more that the community would like us to do.

We would have a choice between doing more or setting rates lower, if we had other income such as shares in a port, airport or lines company as some councils do.

Delivering services directly

We believe a factor in our efficiency is that we directly manage services such as our pools and parks which some other local authorities contract out. We outsource roading maintenance, but our own team looks after all our district's parks, reserves and playgrounds, and maintains our water supply stormwater and wastewater infrastructure.

This has implications for our staff numbers. We have around 300 staff, but when added to our other costs, as noted, we have an overall operating efficiency of second best in the country.

We receive good feedback from our residents about our staff and their responsiveness so we think our approach serves our community well.

The operating cost of our services varies hugely depending on their nature – many have a high capital spending element; some are funded partially through user fees and charges; and some are reliant almost completely on rates. The table (on the opposite page) shows, at high level, the cost per resident of each of the Council's activities in the community.

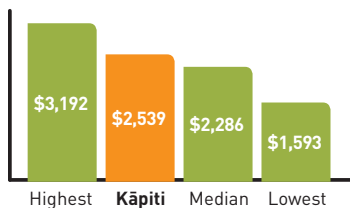
Positive feedback from residents

Overall satisfaction with our services is sitting at 76% for 2018/19 in the latest Residents' Opinion Survey which we undertake quarterly. We're pleased we're able to keep the majority of our residents satisfied, although satisfaction has been as high as 82% in 2016/17, so we know we're capable of better. In the past year we've focused on improving the interactions people have with Council, including the information we provide and letting people know about the progress of their enquiry, and it is rewarding to see this effort reflected in higher levels of satisfaction.

We see consistently that residents are very satisfied with our libraries, pools and our community support services. However, there are certain aspects where we need to do better; people say they are still finding it difficult to travel on our road network, for example, and the condition of our footpaths is a



Average residential rates



Source: NZ Taxpayers' Union, 2018 Ratepayers' Report

common concern. We have more work planned in these important areas to improve peoples’ experience and we are already seeing a lift in satisfaction as a result of the work completed this year.

The full year results will be out soon and you’ll see these on our website.

Focusing on our customers

We’ve used the term ‘open for business’ for some time. Being open for business is not just about compliance; it’s about all the dealings people have with us, every time they use one of the services or facilities we manage on the community’s behalf and also the experiences of visitors and tourists to Kāpiti. We recognise open for business will mean different things to different people. I see open for business as a focus on helping people and a focus on providing value for money.

Within Council we also emphasise our values of being caring, dynamic and effective and, more and more, being agile and responsive to what comes up and the big challenges our district is facing.

We’ve recently made some changes to our structure to continue the focus on our customers, and extend our open for business programme. While a customer focus is everyone’s responsibility, we now have a group – People and Partnerships – that champions our efforts to better understand our customers and communities and their needs.

Cost of services

This table shows the costs of all the services Council provides worked out as a cost per resident, per week. It is based on what Council has budgeted to spend for 2019/20 and on the forecast population* for the district of 52,762.

The majority of these activities and services are funded mainly by rates.

You can find full details of our operational spending in our long term plan, annual plans and annual reports.

Activity	Cost per resident per week	Activity	Cost per resident per week
 Access and transport	\$5.26	 Park and open space	\$2.56
 Water	\$3.16	 Community facilities and community support	\$2.06
 Wastewater	\$3.09	 Economic development	\$0.97
 Stormwater	\$1.53	 Regulatory services	\$3.44
 Coastal management	\$0.47	 Districtwide planning	\$1.04
 Solid waste	\$0.52	 Governance, tāngata whenua and corporate	\$3.45
 Recreation and leisure	\$4.09		

*Population forecast by .id.

Taking a strategic approach to spending on property

A key component of our service delivery involves property. The Council has responsibility for around 200 community assets around the district that make up our property portfolio. The age and condition of these varies significantly – some were purpose built, others we took on to keep a facility available to the local community. Some are very well used, others are no longer in the best configuration or location for today's needs.

Maintenance and general operating costs are funded mostly out of rates. There are some user charges which help to offset costs, however, these contribute only about 10% of what's required. Where there are user charges – such as with our pools – the Council has kept these low and also offers targeted subsidies to encourage as many people within our community as possible to use these collectively-owned facilities. This is in line with the community's wishes, as there are benefits to the wider public when more people use these facilities and we want to ensure affordability is not a barrier. However, keeping fees and charges low means that they do not generate a substantial income, so the bulk of the cost of delivering these services must be funded through rates.

As part of our close management of spending, we are taking a strategic look at our property portfolio making sure that facilities, such as community halls,

meet the community's needs before we decide to upgrade or refurbish.

We're working on solving some serious issues, such as the former Waikanae library building. There's strong demand for a local library to remain in Mahara Place, which we're committed to. We worked quickly to open a pop-up library as a temporary location, in July we opened the library's new medium-term home in the former Artel Gallery (now located on SH1 in Ōtaki), and we have begun exploring a more permanent location. We will do this while taking lessons from the situation to improve our overall property monitoring and maintenance processes. We also need to look at our options for Te Newhanga Community Centre in Paraparaumu, which may result in refurbishment or replacement.

Our district's ongoing investment in community facilities needs to be strategic and future-proofed for the long term. Again, this is a balancing act because we have some buildings and spaces that are no longer ideal but we can't afford to replace them all, and different groups in the community have different ideas about their use.

We're taking some flexible approaches to spreading our property investment budget. We're making a financial contribution towards the new Kāpiti Performing Arts Centre at Kāpiti College



and contributing to the refurbishment of Ōtaki College's gym for community use. Both of these partial investments keep costs down for ratepayers but help get the district great facilities.

Major projects to improve community facilities

We have some major projects underway which reflect the priorities determined with the community through the long term planning process.

As mentioned, we are committed to having a library in Mahara Place in Waikanae; and we've budgeted to part-fund the upgrade of the district's main art space – the Mahara Gallery – subject to the Gallery Trust's own fundraising.

We have long term development plans for two of our parks: Otara Park in Otaihangā – where the next step is to build changing and toilet facilities; and Maclean Park on the Paraparaumu beachfront where we've started on the next piece of work to develop the central path through the park.

Each of these projects will enhance the district's facilities for residents and visitors to enjoy.

To support these major projects and our wider portfolio of work, we're building up a project management office to ensure we deliver our projects successfully.

Left: Redeveloping Maclean Park is one of the major projects underway in the current long term plan.

Major projects and priorities



Waikanae Library redevelopment

Options, costs and timeframe to be developed



Mahara Gallery upgrade

\$1.3m from Council, (\$3.5m from Trust) in 20/21



Otara Park changing and toilet facilities

\$1.5m over 20/21 and 21/22



Maclean Park

\$370k to develop the central path in 21/22

Dealing with the social and environmental challenges facing us

We live in a beautiful place and for many people Kāpiti is about a positive, engaged lifestyle. However, it is a reality that some parts of our community have very limited means and need greater support.

We are also seeing the impacts of climate change increasing and we have some big issues to deal with in protecting our environment.



Income pressures and impact of rates

The most direct impact the Council has on people's household budgets is through rates – whether people are paying directly as homeowners or through their rent.

Across our community, we have a relatively low number of working people and high number of people on fixed incomes and on incomes below the national average, as the graphs show.

The income pressures a range of people in our community are experiencing is reflected in the sensitivity around rates increases. Ideally, we would be able to keep rates increases even lower than we have managed in recent years. However, to fund our district's infrastructure and services – which people in the community need and enjoy – we are heavily reliant on our rates income. As explained, in comparison with other councils, we have limited sources of revenue. Our approach, as described, is to manage our finances very tightly and keep expenditure down and, therefore, our rates as low as we reasonably can.

How the Council can help

Over time, we hope the situation will improve with economic development lifting income levels and more ratepayers to share the load. In the meantime, the Council does try to recognise the particular impacts for people with very limited means.



Proportion of non-working age people

Kāpiti Coast is

3rd highest

at **80.1%**; NZ average is **52.8%**

Source: Infometrics (Stats NZ estimates at 2018)



Personal earnings

Kāpiti Coast is

5th lowest

at an average of **\$45,280**;
NZ average is **\$58,740**

Source: Infometrics (estimate at 2018)

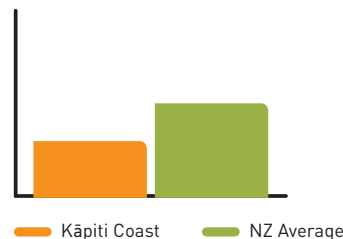
We have kept user fees and charges subsidised and offer some discounts at popular facilities such as our pools for community services card holders.

We've recently made it easier to apply for rates remissions and we're working hard to help people access central government rates relief. We are one of three councils who are part of the Department of Internal Affairs pilot for improving access for older people applying for rates rebates. We also offer rates postponement – rates are deferred, effectively borrowed from Council, until the property is sold which can be a good option for homeowners on fixed incomes.

More broadly, we put a lot of effort into our advocacy with central government agencies for improvements on health and social services and access to transport. These are areas where we know



Household income



Kāpiti Coast median is **\$53,300**;
NZ median is **\$63,800**

Source: Infometrics (2013 Census)



Rental affordability

Kāpiti Coast is

5th lowest

with rent costs **31.1%** of median household income; NZ is **28.1%**

Source: Infometrics (estimates)



Home ownership rate

Kāpiti Coast is

5th highest

with **74.5%** of homes owner-occupied; NZ average is **64.8%**

Source: Infometrics (2013 Census)

Major projects and priorities



Improving housing affordability

Putting together an effective housing programme

vulnerable people miss out because of poor access. Parts of our district, such as Ōtaki, are disproportionately affected. There are some real inequities in our community and these will be ongoing issues for us to champion and take into account in our planning.

Housing pressures increasing

A key issue affecting the most vulnerable in our community is increasing housing pressures. As with the rest of the country, we have seen a sharp rise in the number of people on the Government's Housing Register which records people assessed with a serious housing need and found eligible for social housing.

In the past three years, the number of people in Kāpiti on the register has increased from 13 to 110. The rate of increase is similar for the Wellington region, Horowhenua and New Zealand as a whole, though not as high as in Porirua and Lower Hutt. Our numbers are not large but the increase is steep.

Historically, we haven't had a lot of investment in social housing in comparison with other parts of the region, and the Council holds only a small portfolio of 118 one-bedroom units for older people. Our needs, however, are changing. Rental housing is increasingly unaffordable for the numbers of our people on low incomes. Kāpiti is the fifth least affordable area in the country in terms of the cost of rentals as a percentage of income.

Right: We will need to be creative to encourage affordable housing options in the district.

By contrast, we have the fifth highest rate of home ownership in the country.

This disparity in our community is not always recognised, but it is one of the complexities of our district that Council needs to understand when it plans how it delivers its services.

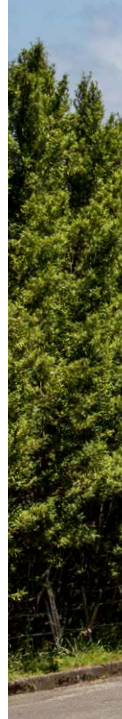
Improving housing affordability

Because the reasons for housing pressures are so multifaceted and expensive to resolve, central government has the major role in this area. In that respect, our job is to keep a close eye on what central government is planning and to advocate for our district. However, we want to be proactive, and do what we can locally.

We have begun assessing our current housing state and demand, and exploring possible options – including for social housing – to see how we can best put together an effective housing programme.

We are already part of a combined programme of work with the rest of the councils in the Wellington Region, and we are also working with our northern neighbours in Horowhenua. The new government agencies (the Ministry of Housing and Urban Development, and Kāinga Ora) are beginning to work with us as we identify opportunities for investment.

Housing was one of the main issues raised by people in the early community





workshops shaping our long term plan. There are a number of groups already active in the district who are important partners for the Council in this work, we are keen to work with our iwi and we're looking closely at the findings and recommendations of the Kāpiti Coast Communities Housing Taskforce.

The availability and affordability of our housing will be an important issue over the next few years because it has such a significant impact on the community's wellbeing.

Environmental challenges increasing

Our district faces some significant environmental challenges and we will need to prioritise our development of a comprehensive response

to climate change, which will include both mitigation and adaptation.

As a coastal community, coastal hazards – sea levels, ground water rise and tsunami risk – are major issues for us. By way of example, of the approximately 24,000 houses in our district, some 8,000 are in the tsunami zone.

Being proactive about climate change

Our Council is conscious of mounting climate change impacts and planning to address this will be a key issue and priority for our district in the next few years. We've declared a climate emergency and set a challenging goal for the Council to become carbon neutral by 2025. We are working with Greater Wellington Regional Council to develop an adaptation strategy

Major projects and priorities



Mitigating climate change impacts

Planning how the Council can reach net zero carbon emissions by 2025



Adapting to climate change impacts

Working with GWRC and our community on a regional approach to coastal adaptation



Minimising waste

Supporting our taskforce and targeting building and organic waste



Waste diverted from landfill



Kāpiti is **9.8%**; NZ average is **40%**

Source: Infometrics (estimates based on waste tonnage data from individual councils)



CO₂ emissions

(tonnes per resident)



Annual industry emissions per capita: Kāpiti is **5.8 tonnes**; NZ average is **16.5 tonnes**

Source: Infometrics (estimates based on 2015 data from Stats NZ)

for responding to changes on our coastline over the long term and will be developing this in collaboration with the community.

Climate change impacts, and the hazards that are likely to result, are also an area of huge potential cost for our community hence our emphasis on tight financial management and long term planning for resilience.

Considering all our environmental impacts

Many of our activities and services link to our environmental response and management. Our activities may be intended to reduce impacts on our environment such as recommendations for how land is used in our district plan; or they may respond to climate change impacts such as dealing with the more frequent and severe floods we have seen in recent years; and our approach to managing our sea walls.

We are looking at how we can organise what Council does overall to have a really strong focus on sustainability and resilience – in a similar way to the focus we have given to people and partnerships. We want our staff in every part of Council to be thinking about the environmental impacts of what they're doing and, wherever possible, how they can enhance the environment through their particular responsibilities. Having a more focused team would help give us the coordination we need to accelerate our efforts.

Right: With homes and infrastructure close to the coastline, we are vulnerable to the impacts of climate change.

Improving how we deal with waste

Although we have made some big improvements in our treatment of wastewater in recent years, we have some major work to do to improve our waste management, particularly diverting waste from landfill. As the graph shows we have a way to go on this. Our approach combines improving how we dispose of waste and reducing the amount we generate.

We have set up a Waste Minimisation Taskforce to help tackle this. Dealing with waste is an everyday issue for residents and a major factor in our long term care and improvement of our environment so we see it as an important priority to sort over the next few years. Our focus will include waste material from building sites, and organic waste – which together account for a significant proportion of waste nationally.

Making progress on reducing emissions

We are working hard to reduce Council's own carbon footprint with some really encouraging progress. As the graph shows, industry CO₂ emissions in Kāpiti are relatively low, and for 2016/17, Council as an organisation ranked as the top carbon reducer out of all New Zealand organisations in the Certified Emissions Management and Reduction Scheme (CEMARS). We are prioritising getting to carbon neutrality,

and have recently set a target of net zero emissions by 2025. We'll be looking at how we can best achieve this and will talk to the community through the next long term plan about the most effective reduction measures we can take. This will include where we may be able to plant trees using central government funding.

Saving power with LED lighting

We've been progressively moving to LED (light-emitting diode) street lighting and we've now converted 4,700 street lamps (nearly all of our public lamps) to LED bulbs with NZTA funding 85% of the conversion programme. LEDs require 58% less energy than conventional lighting and our conversion will deliver the district power savings of at least \$130k a year, as well as contribute to reducing carbon emissions.


Supporting community responses

Along with working on reducing Council's carbon emissions and improving the energy efficiency of our services, we are supporting community initiatives to develop sustainable energy solutions such as the innovative work of Energise Ōtaki. Partnering with the community and local enterprises will be vital to our long term success in lifting energy efficiency and access to sustainable energy for all our residents.

Positioning ourselves well for growth opportunities and developing sustainably

Our district is poised for growth. We need to actively plan for that and manage how it happens so it is sustainable and the benefits are shared across the community. We can't control growth but we can be well prepared for it and quick to deal with what we need to. This is a core role for the Council and involves all our services from future-proofing infrastructure to processing building permits to creating playgrounds.





Left: Government has invested \$2b on roading recently in our district.

Positioning ourselves well for growth opportunities and developing sustainably

Preparing for a bigger population

Currently our population is around 53,000. Over the past five years our growth has been steady, with an increase of around 2,000 people, or 4%. Looking ahead, we're planning for similar steady growth – but due largely to the influence of Transmission Gully, we could have growth that is much higher.

We don't want to just let that growth 'happen'. We need to monitor where growth is expected and make sure we're positioned for it by planning the appropriate infrastructure and community amenities in an affordable way.

In September we will be releasing an assessment of the district's housing and business development capacity, which shows that we have good capacity for residential and commercial growth over the next 10 years; but not quite sufficient for 30 years. It means that we will need to provide for more capacity, and that we need to respond faster if growth is higher than expected.

Making best use of our infrastructure

As highlighted in the discussion on managing our finances, we have a significant emphasis on budgeting for renewing infrastructure to service our current population as well as for expected growth and impacts of climate change.

We need to encourage growth that makes use of infrastructure that we have in place now, including our new transport connections, and that complements our townships and villages and the 'community feel' that is so special to Kāpiti. As discussed earlier, we need to look creatively at housing. That could mean exploring more infill and higher density housing options.

Influencing sustainable development

The Council has the opportunity to influence the nature of our growth through its policies and plans which means an ongoing conversation with the community about what we collectively want to see.

Our District Plan is a key tool for managing growth in a sustainable way and ensuring a long term focus. Our Proposed District Plan was prepared before the expressway was built so it's been a long journey. We're looking at appeals being resolved over the next little while and we can then move on and do things that respond to emerging needs and support sustainable development.

Council's Development Contributions policy is another important tool for managing balanced growth that doesn't cost the community. Development and financial contributions ensure that developers pay their share – they pay 100% of the capital costs for growth related infrastructure. However, they

don't pay towards the cost of existing infrastructure that we are renewing. To put this into context, growth-related costs are around 10% of our total capital expenditure so we need to factor that into our planning.

Dealing with the challenges of growth

Growth brings a range of opportunities, but also challenges – as we have seen with the impacts of the expressway. In that respect, Council's role is to maximise the benefits, mitigate the disadvantages where it can, and take a long term view. That's what our town centres and connectors projects are about.

We started planning early for the expressway, and our projects to smooth the impacts, such as improvements to Mahara Place in Waikanae, are a long term commitment. We've worked hard to develop our responses and mitigations with the community, though naturally this is sometimes challenging with a wide range of stakeholders and the inherent challenges of accommodating any major infrastructure. It also isn't static, so we're continuing to work on getting the most out of the expressway for all our communities and focusing on where we can provide some extra help.

Major projects and priorities



Revocating SH1

Transforming the former highway into local roads

Regional development has benefitted Kāpiti

We are gaining from the development of the Wellington region. Kāpiti has been very fortunate – benefitting from around \$2b of roading investment in the region. The impact of the expressway has been massive – including a lot of work for Council – and it's incredible that in around a year Transmission Gully will be open. This is huge for our district.

We are really well placed and connected generally. While we're part of the Wellington region – sitting as we do at the top, we don't just look south, we look north too. In the coming years we will want to connect more with Horowhenua, Palmerston North and Whanganui.

Transport connections key to the future

There's also further focus on transport with the Let's Get Wellington Moving programme that we link up with – particularly our many residents who commute to Wellington each day.

The whole connected transport story is key for the region and for us. What we really want to see next to complement the roading development is the electrification of rail between Ōtaki and Waikanae. This would be particularly beneficial and significant because Ōtaki has the poorest transport connections and many in the area have the least ability to pay.

We also know how important a viable airport is to our district. The combined

effect of the expressways, growth in our district, and the future of sustainable air travel make Kāpiti Airport a valuable link to Auckland connecting us with the country's biggest economy.

Developing our local economy

As a well-connected and passionate district, we have the potential to build our local economy together to benefit our community – to attract further investment and create employment opportunities. Our goal is a strong economy with more jobs, more diverse range of businesses and higher average incomes as we have a low income base.

There are some exciting things happening and being planned in Kāpiti and we already have some real success stories. When the Police Digital and Communications Centre opened in Paraparaumu last year, it brought over 300 new jobs to the district. And it was fantastic to see two local organisations get funding from the Provincial Growth Fund in July. It's great to see the potential in our district recognised by central government with some substantial investment.

The Council has a role in enabling sustainable economic growth and over recent years we have implemented a visitor attraction plan and a major events fund; as well as supported the PopUp Business School, Start Up weekend and the International Student Growth programme.

Our town centres programme is an example of a long term initiative and





investment by Council to help grow our economy and help our towns flourish. Over the next five years we'll be spending \$6.8m on making our two largest centres, Paraparaumu and Waikanae, more accessible and vibrant.

Being responsive is vital

We try to respond to changes quickly and this will be increasingly important as the national economy moves in different directions and new opportunities open up. In the last couple of years, we've demonstrated our responsiveness and

proactivity. We've secured Air Chathams to provide an airline service between Kāpiti and Auckland and we've also responded to the opportunities presented by the Provincial Growth Fund, through working with organisations across the district to advance their proposals. Council is also getting some support from the Fund to help further applications from Kāpiti.

There are areas where the district has definite gaps – for example, opportunities for young people for training and work entry are limited. We've supported the Youth Passport

programme – preparing young people for work and connecting them with employers. It will be important for us to continue to look at what else the Council can do to help young people into work as this is a big contributor to wellbeing.

We're currently refreshing the economic development strategy with input from a range of stakeholders. This will include where the Council should put its emphasis to reflect the focus Kāpiti needs now.


Above: Maintaining flights to Auckland through Air Chathams keeps us connected to bigger economic opportunities. Our kaumatua, Koro Don, at the blessing of the airline's inaugural flight to Kāpiti.

Advocating for our district and working with our community

There are multiple issues that we can't tackle alone such as climate change impacts, health and housing needs. We need to look at how we can best advocate for Kāpiti in our region and continue to work with central government, other councils and local organisations to achieve better outcomes for our district.

The ideas and energy of our community are vital to addressing these big issues and we see the next few years bringing more opportunities for local initiatives.





Left: We support the annual Ōtaki Kite Festival run by committed locals. This year it drew an estimated 20,000 people.

Responding to a dynamic political environment

We need to be 'agile'. It can seem like a buzz word but it does reflect how we've needed to respond and adapt particularly over the last five years and this is likely to continue.

The legislation to require councils to conduct earthquake assessments is an example. We completed a lot of assessments and then the legislation changed again to require us only to profile buildings and then advise owners to assess them. All appropriate buildings have now been profiled and we've followed up with owners and the buildings identified as earthquake prone have been added to the national register. So we had to be agile to change our approach to meet the new requirements imposed and work with property owners in the district to help them through the process.

More recently, this Government has made some major changes in the direction for transport nationally. We need to be able to respond to substantial policy shifts such as this, adapt and make the most of the current situation, but also keep our focus

on our district's core needs and long term direction.

We did this very successfully with our comprehensive response to the roading development funded by central government and the gains from that are huge. That doesn't take away from the major impact and disruption all the work has had on many people and businesses, but overall the benefit for our district is high. As a district, we need to seize opportunities that arise and being able to respond quickly is often the key.

Addressing climate change is high on this government's agenda too, so we want to be ready to go on any opportunities for our district as that is such a challenging issue we face.

Focus on wellbeing

The Government has reinstated the four well-beings (social, cultural, economic and environmental). These were previously in place from 2002 to 2012. We've yet to see exactly what that means for requirements on councils. However, we are well placed as the well-beings are consistent with the strategic direction we have set. We may need to monitor some different aspects

to ensure Government has comparative information about wellbeing across the country but that information will be valuable for us too.

In practical terms, the Government's focus on lifting wellbeing has little direct impact for our Council's responsibilities in the district. We welcome more money being allocated to tackling some of New Zealand's long term challenges – which are present in our community, but the local government sector is unlikely to feel any immediate benefits. We'll need to continue to advocate hard for the things that matter most to our community, for example sustainable public transport links, affordable housing, better healthcare and responding to the effects of climate change. For now, the major emphasis of the new legislation is that when we are developing plans we ask ourselves "Will this contribute to our community's wellbeing?"

Financial pressures on councils continue

More is being expected of local authorities generally. The funding of local government is being reviewed by the Productivity Commission which is welcome. We advocated strongly to the Commission for the needs of local councils and for our situation in Kāpiti. Some of our key points were around the major differences – and inequities – in funding sources across councils. Kāpiti is very dependent on rates as explained.

We also put forward that local authorities may need extra funding and an overall direction from central government for areas of national importance such as impacts of climate change. It was encouraging to see the Commission acknowledge this in its draft report recommending that central government provide the research and data nationally that we can work from locally. The Commission's report also noted how successive governments had reduced social services spending and more has fallen to local authorities. They also noted the additional challenges faced by areas with a high

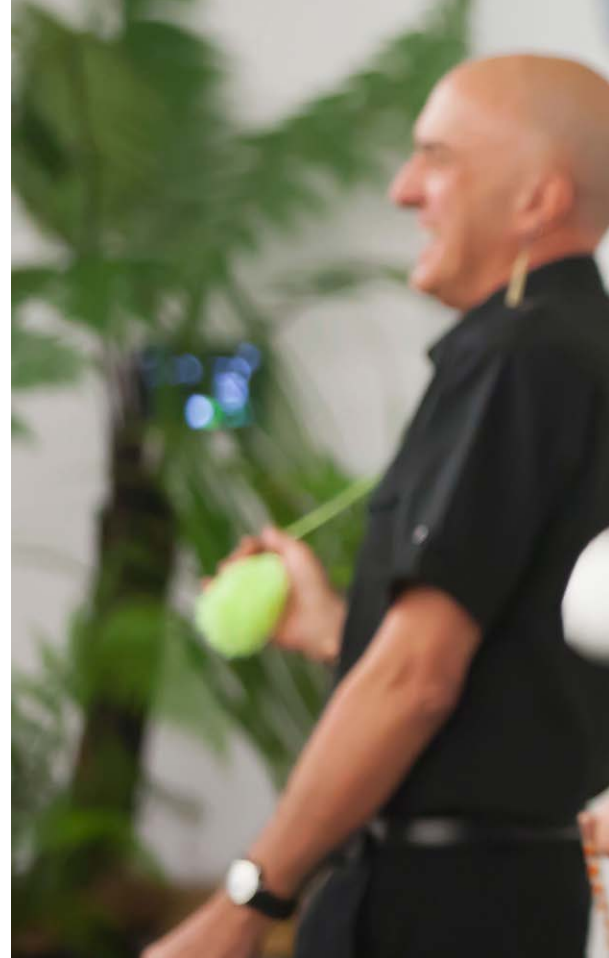
population of older people on fixed incomes, such as ours.

The Commission's final report will go to Government in November. Hopefully, there will be greater recognition of the big challenges faced by local authorities – and as a consequence, their local communities – and some new direction agreed. However, we will need to continue to manage with what we have in the medium term because any major shift in funding policy and expectations on councils will not be quick.

Working with other local authorities

Increased collaboration is also being prioritised by the Government. We already work closely with our colleagues in the Wellington region and that will continue to be important as will increasing our interactions with those north of us too.

Some examples of our current collaboration in the Wellington region:



partnering with the other councils to reduce our risks for insurance, working together on the Wellington Region Investment Plan and preparation for climate adaptation; and northwards working with Horowhenua District Council on installing a series of electric vehicle charging stations.

Above: Staff at the launch of Kāpiti's multicultural council. The new group reflects the increasing diversity of our residents.



Our partnership with tāngata whenua

Serving our community means honouring the Treaty of Waitangi and reflecting the heritage and aspirations of tāngata whenua. We have a special bond with iwi through Council's partnership with Ngā Hapū o Ōtaki, Te Āti Awa ki Whakarongotai and Ngāti Toa Rangatira. Our partnership, known as Te Whakaminenga o Kāpiti, is the longest-standing such relationship between any local authority and Māori.

We have just marked 25 years with the re-signing of our Memorandum of Understanding and this is precious. Like any meaningful relationship it is an ongoing process of building mutual respect. We want our partnership to work well for another 25 years – especially now as we are needing to plan our district's development sustainably, which reflects Te Whakaminenga o Kāpiti's focus on kaitiakitanga.

We endorse our tāngata whenua partners' principles of whakawhanaungatanga/ manaakitanga; te reo; kotahitanga and tino rangatiratanga shared in our Long Term Plan 2018–38.

We are aware that the next few years are a significant time, too, for our district's iwi in that Te Āti Awa is in the middle of its Treaty of Waitangi claim process currently and Raukawa has its coming up.



Local election turnout

48.2%

of enrolled electors in Kāpiti voted in the 2016 local election; NZ average turnout is **41.8%**

Source: Infometrics (actual data from the Department of Internal Affairs)



General election turnout

Kāpiti Coast is

2nd highest

at **85.9%** of enrolled electors in Kāpiti who voted in the 2017 general election; NZ average turnout is **79%**

Source: Infometrics (actual data from the Electoral Commission)

Prioritising community engagement

We work hard to engage with our community and provide opportunities for people to have their say. From our standing advisory groups such as the Older Persons Council and Youth Council through to our processes for developing key planning documents and policies where we seek to engage across all our communities. We're also committed to working with local communities on the design of amenities that rates pay for. Recent examples are the Splash Pad at Haruatai Park in Ōtaki and the planned Paekākāriki sea wall. Community-led developments are something we expect to see more of in the future and will mean Council needs to work with the community in a different way.

Engaging and working together can make development slower and, of course, not everyone will see their individual ideas or views put into action, but the Council takes the democratic process seriously and is committed to listening and having the conversations – including the difficult ones!

Sometimes we won't do as well as we could and we take that feedback on board. Again, this is part of our focus on people and partnerships in our new organisational structure. We will keep tabs on what we need to do better in, as well as what's working.

We have a very engaged community in our district as can be seen by our high rates of participation in general elections – and almost as good – our local body elections. This is very healthy and a great indicator of our overall wellbeing as a community. It also means there are high expectations on us as a local authority, which can be demanding, but is absolutely appropriate.

Finding local solutions

In the local government environment, we are expecting more emphasis on local leadership and facilitation to find solutions for local issues. Our aim is for a community better supported to lead initiatives in response to agreed community priorities. Council can't do everything and in many cases locals and community organisations are much better placed to deal with things and come up with innovative ideas.

Council's role can be to help and facilitate. We've seen the value of this in our economic development support work with the success of applicants to the Provincial Growth Fund. It can also be seen in the community space. A great example of collaboration and partnering is our relationship with the Kāpiti Health Advisory Group – a successful community-led group which we support to secure better health services for Kāpiti.

Right: Resealing the popular Te Ātiawa hard courts was a major project we completed in 2017.



Our finances

Our district's finances are healthy and our outlook is positive. As explained in the Overview, in recent years we have been focusing on very close management of our spending and reducing our borrowings to put us in a strong position to meet the district's future needs for replacing infrastructure and dealing with challenges such as climate change. The success of this approach has been recognised with Standard & Poor's recently raising our credit rating two grades from A+ to AA.

The statements on the following pages summarise our detailed financials over the past three years and our projections for the next three – the period following this election. The data from 2016/17 and 2017/18 has been audited and the information relating to the year just ended – 2018/19 – is based on estimates which will be confirmed when we have our financials audited and the Council approves them in September.

What's key in our financial statements

Summary statement of financial position – What we own and what we owe

Everything the Council owns – our assets, and owes – our borrowings, is shown in the summary statement of financial position on the opposite page.

Our non-financial assets, which total \$1.7 billion, are the assets we take care of on behalf of Kāpiti residents. These comprise infrastructure, such as our water treatment plants, and community facilities such as our libraries and all our parks and reserves.

The liabilities includes our total borrowings. We talk about our borrowings as gross and net. Gross is the total and net is what we owe less our financial assets – essentially the cash and term deposits we hold to repay borrowings. To make sure we can always cover repayments when they are due, we start to build up funds in advance of the due date and put those funds into term deposits. Our net borrowings therefore reflect the true position of what we owe.

The graph here shows how our total borrowings break down into gross and net. It also shows our strategy to keep below 200% of operating income – represented by the green line. Currently our borrowings are 186% of our operating income. Looking at borrowing against income shows how well an organisation (or even an individual) is placed to handle and repay borrowings in the future.

It is one of the key measures used by Standard & Poor's when they give us our credit rating.

While we could borrow more (up to 240% as outlined in our treasury management policy and shown with the orange dotted line) we are choosing to limit our borrowings to 200% of operating income and that becomes our 'green line'. This approach is so we can afford to replace infrastructure in the future as discussed and illustrated on pages 11 and 12.

Funding impact statement – Where we get our income and how we use it

Our sources of funding – operating and capital, and our spending – OPEX and CAPEX, are summarised in the funding income statement on pages 38 and 39. The statement shows what has come in and how we've applied it in the last couple of years and what we're projecting for the next three years.

The first side of the statement shows that our operating income includes rates, grants, fees and some charges

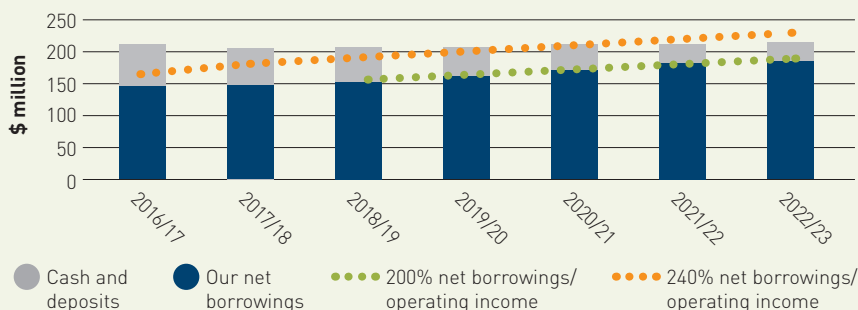
such as pool entry and hall rental, as well as the interest we earn on our term deposits. As noted in the Overview, rates are our main source of income.

We use operating funding for the day-to-day costs of providing services and maintaining our assets including paying our staff and businesses who supply services to the district and covering interest on our borrowings.

The second half of the statement shows where our income for capital spending comes from – mainly grants, development contributions and borrowings (debt). Our borrowings is the biggest source of capital funding. This peaks in the current year and next and then reduces after that following our green-line strategy. Most of our grants are from NZTA for their contribution towards our roading, footpath and cycleway network. Property developers and individuals subdividing their properties contribute towards the costs of providing services such as infrastructure.

We use our capital funding for replacing existing assets, building new assets and accommodating growth in our district.

Understanding our borrowings



Summary statement of financial position

What we own and what we owe

	2016/17 Actual \$000	2017/18 Actual \$000	2018/19 Forecast \$000	2019/20 AP Budget \$000	2020/21 LTP Budget \$000	2021/22 LTP Budget \$000	2022/23 LTP Budget \$000
Assets							
<i>Current</i>							
Financial assets	71,173	47,710	60,381	49,466	39,878	24,570	14,778
Non-financial assets	118	130	920	127	121	123	126
Total current assets	71,291	47,840	61,301	49,593	39,999	24,693	14,904
<i>Non-current</i>							
Financial assets	3,028	18,405	13,202	8,252	33,966	49,227	59,424
Non-financial assets	1,598,841	1,646,142	1,667,730	1,762,979	1,852,161	1,873,453	1,952,615
Total non-current assets	1,601,869	1,664,547	1,680,932	1,771,231	1,886,127	1,922,680	2,012,039
TOTAL ASSETS	1,673,160	1,712,387	1,742,233	1,820,824	1,926,126	1,947,373	2,026,943
Liabilities							
<i>Current</i>							
Borrowings	80,000	30,000	45,000	40,000	30,000	15,000	5,000
Other liabilities	23,874	22,716	24,506	26,380	25,345	24,849	25,434
Total current liabilities	103,874	52,716	69,506	66,380	55,345	39,849	30,434
<i>Non-current</i>							
Borrowings	130,000	175,000	165,000	170,000	217,895	236,210	255,006
Other liabilities	15,915	16,037	23,821	14,241	14,910	15,813	16,496
Total non-current liabilities	145,915	191,037	188,821	184,241	232,805	252,023	266,502
Total liabilities	249,789	243,753	258,327	250,621	288,150	291,872	296,936
TOTAL EQUITY/NET ASSETS	1,423,371	1,468,634	1,483,906	1,570,203	1,637,976	1,655,501	1,730,007

Notes:

- The figures for Actual 2016/17 and 2017/18 are from the Council's 2017/18 Annual Report.
- The figures for Forecast 2018/19 are the Council's estimated figures for the 2018/19 financial year.
- The figures for Annual Plan budget 2019/20 are the budgeted figures from Council's 2019/20 Annual Plan.
- The figures for LTP budget 2020/21 to 2022/23 are the budgeted figures from Council's 2018–38 Long Term Plan.

Funding impact statement

Operational

	2016/17 Actual \$000	2017/18 Actual \$000	2018/19 Forecast \$000	2019/20 AP Budget \$000	2020/21 LTP Budget \$000	2021/22 LTP Budget \$000	2022/23 LTP Budget \$000
Sources of operating funding							
General rate, uniform annual general charge, rates penalties	20,413	22,251	22,908	23,591	18,729	18,802	20,721
Targeted rates	36,729	39,144	41,936	44,521	53,276	56,753	58,213
Grants and subsidies for operating purposes	1,580	1,658	1,947	1,942	1,826	1,868	1,913
Fees and charges	8,195	8,608	8,146	8,976	8,763	8,991	9,290
Interest and dividends from investments	1,563	2,269	2,164	1,848	2,859	2,860	2,861
Local authorities fuel tax, fines, infringement fees, and other	785	4,369	1,941	1,086	54,455	687	696
Total operating funding	69,265	78,299	79,042	81,964	139,908	89,961	93,694
Applications of operating funding							
Payment to staff and suppliers	47,998	50,963	51,116	56,418	57,861	58,778	60,060
Finance costs	9,385	9,793	9,592	9,493	11,268	11,597	11,761
Internal charges and overheads applied	-	-	-	-	-	-	-
Other operating funding applications	-	-	-	-	-	-	-
Total applications of operating funding	57,383	60,756	60,708	65,911	69,129	70,375	71,821
SURPLUS/DEFICIT OF OPERATING FUNDING	11,882	17,543	18,334	16,053	70,779	19,586	21,873

Funding impact statement

Capital

	2016/17 Actual \$000	2017/18 Actual \$000	2018/19 Forecast \$000	2019/20 AP Budget \$000	2020/21 LTP Budget \$000	2021/22 LTP Budget \$000	2022/23 LTP Budget \$000
Sources of capital funding							
Grants and subsidies for capital expenditure	3,104	4,095	3,882	2,664	6,989	2,459	2,470
Development and financial contributions	2,000	3,772	1,536	2,124	1,124	1,148	1,175
Increase (decrease) in debt	7,543	8,346	8,973	21,372	23,232	9,376	5,420
Gross proceeds from sale of assets	165	311	742	-	-	-	-
Lump sum contributions	-	-	-	-	-	-	-
Other dedicated capital funding	-	-	-	-	-	-	-
Total sources of capital funding	12,812	16,524	15,133	26,160	31,345	12,983	9,065
Applications of capital funding							
Capital expenditure							
> to meet additional demand	2,693	695	-	2,186	1,642	661	416
> to improve the level of service	9,800	11,666	11,988	22,237	24,800	10,027	5,931
> to replace existing assets	9,248	11,427	9,674	11,393	9,383	15,718	23,072
Increase (decrease) in reserves	2,953	10,279	11,805	6,397	66,299	6,163	1,519
Increase (decrease) in investments	-	-	-	-	-	-	-
Total applications of capital funding	24,694	34,067	33,467	42,213	102,124	32,569	30,938
SURPLUS/DEFICIT OF CAPITAL FUNDING	(11,882)	(17,543)	(18,334)	(16,053)	(70,779)	(19,586)	(21,873)
FUNDING BALANCE	-	-	-	-	-	-	-

How we're doing against our financial strategy limits

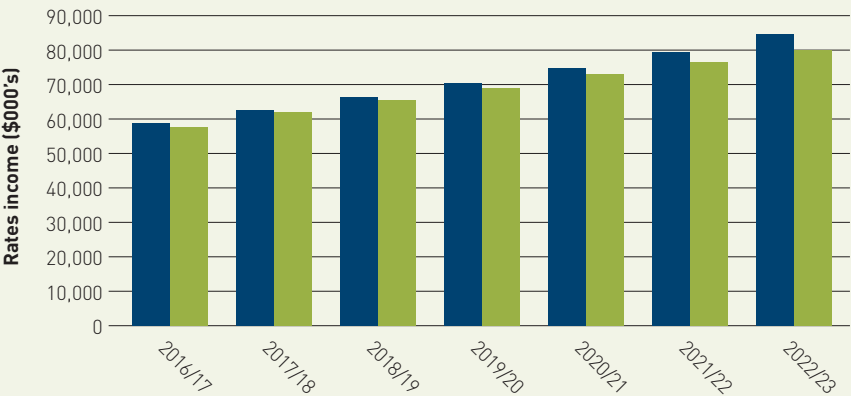
In our financial strategy, we set limits on: our income from rates, increases to rates, and borrowings. The limits are part of what we work out with the community in developing our long term plans. Our aim is to set limits that enable us to deliver affordable rates and minimise borrowings while maintaining services and preparing for the future. The graphs show how we are tracking against those limits.

Our rates compared with the limits we've set

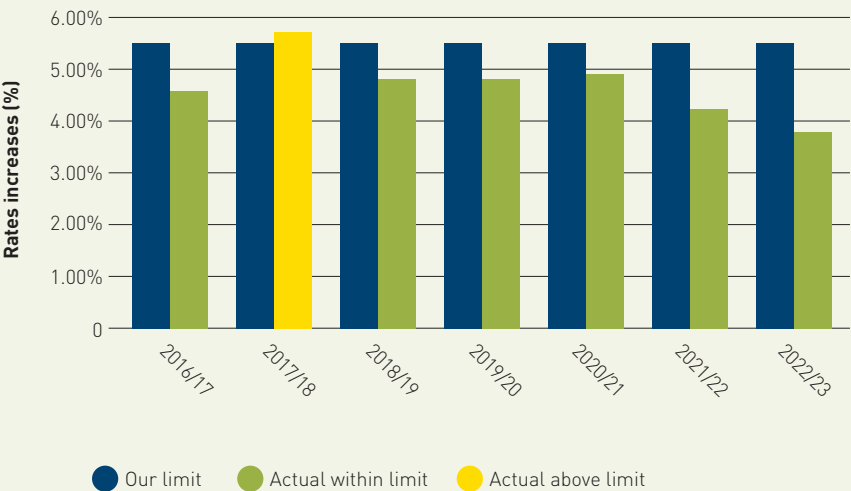
Our income from rates has kept within our limit for the past three years and is projected to continue within the limit.

We have kept rates increases within our limit of 5.5% except for 2017/18 when the increase was just above the limit at 5.7%. For that year, the Council considered it necessary to increase rates to cover operating costs and continue work on the initiatives agreed with the community in the 2015 long term plan. We are acutely aware of the impact that rates increases have on our residents, particularly those on low and fixed incomes. We have kept within the limit since confirming the financial strategy for 2018/19 onwards and we are projected to stay within the limit.

Income from rates



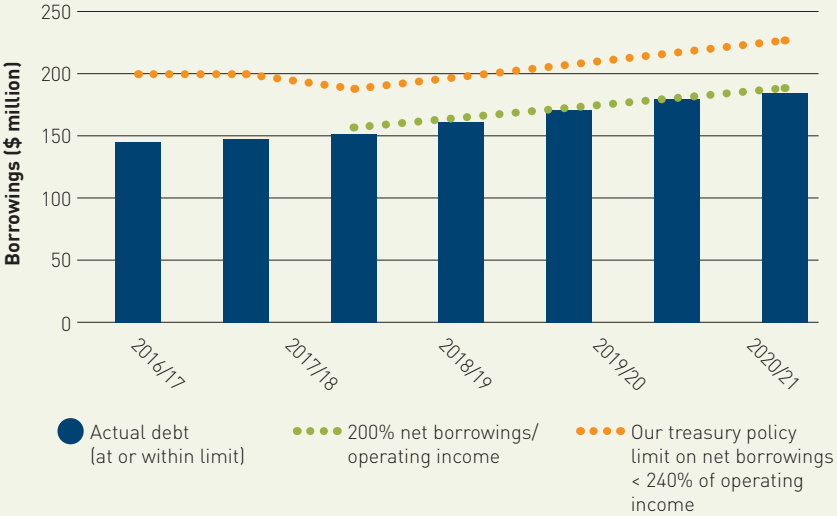
Rates increases



Our borrowings compared with the limits we've set

We have kept borrowings within the limits we have set. When we renewed our financial strategy in 2018 we committed to reducing the targeted level of borrowings and sticking to it – our green-line strategy. There's more detail on pages 11 and 12 about where we expect our borrowings to head over the next 50 years and how we're preparing for that.

Below: Our financial management is focused on ensuring we will be able to replace infrastructure for future generations.



Further information

Where can I find out more?

2019 Pre-Election Report Supplement

Our activities and services

We have produced a summary of the key activities and services provided by the Council in the past three years and a brief overview of planned actions for the coming three years (the next electoral period).

Other publications and resources

As outlined, the pre-election report includes information from other plans and reports. You can find these on the Council website (see specific links), or copies are held at our service centres or libraries.

Website

kapiticoast.govt.nz

Facebook

facebook.com/kapiticoastdistrictcouncil

Annual and Long Term Plans

kapiticoast.govt.nz/your-council/planning/annual-and-long-term-plans/

District Plan

kapiticoast.govt.nz/Your-Council/Planning/District-Plan1

Other strategies and plans and submissions the Council has made

kapiticoast.govt.nz/your-council/forms-documents/policy-and-strategy/council-strategies/

kapiticoast.govt.nz/your-council/planning/submissions/

Annual reports, previous pre-election reports and other reports

kapiticoast.govt.nz/your-council/forms-documents/reports-reviews-surveys/

Regional plans

Regional waste management and minimisation plan

wellingtonregionwasteplan.govt.nz/the-plan

Regional land transport plan

gw.govt.nz/RLTPlan

Other local government links

Local Government Act 2002

legislation.govt.nz/act/public/2002/0084/latest/DLM170873

Local Government New Zealand

lgnz.co.nz

Right: Some rates funding is used to subsidise the cost of our pools so they are accessible to everyone in the community.

Back cover: We maintain a network of cycleways, walkways and bridleways across the district.





“We have some big challenges
but also some big opportunities.
Overall, I think our story is one
of optimism and potential.”

Wayne Maxwell, Chief Executive

**Be part of our Kāpiti story and
help shape our district's future**

2019 local elections



Kāpiti Coast District Council

Private Bag 60601

Paraparaumu 5254

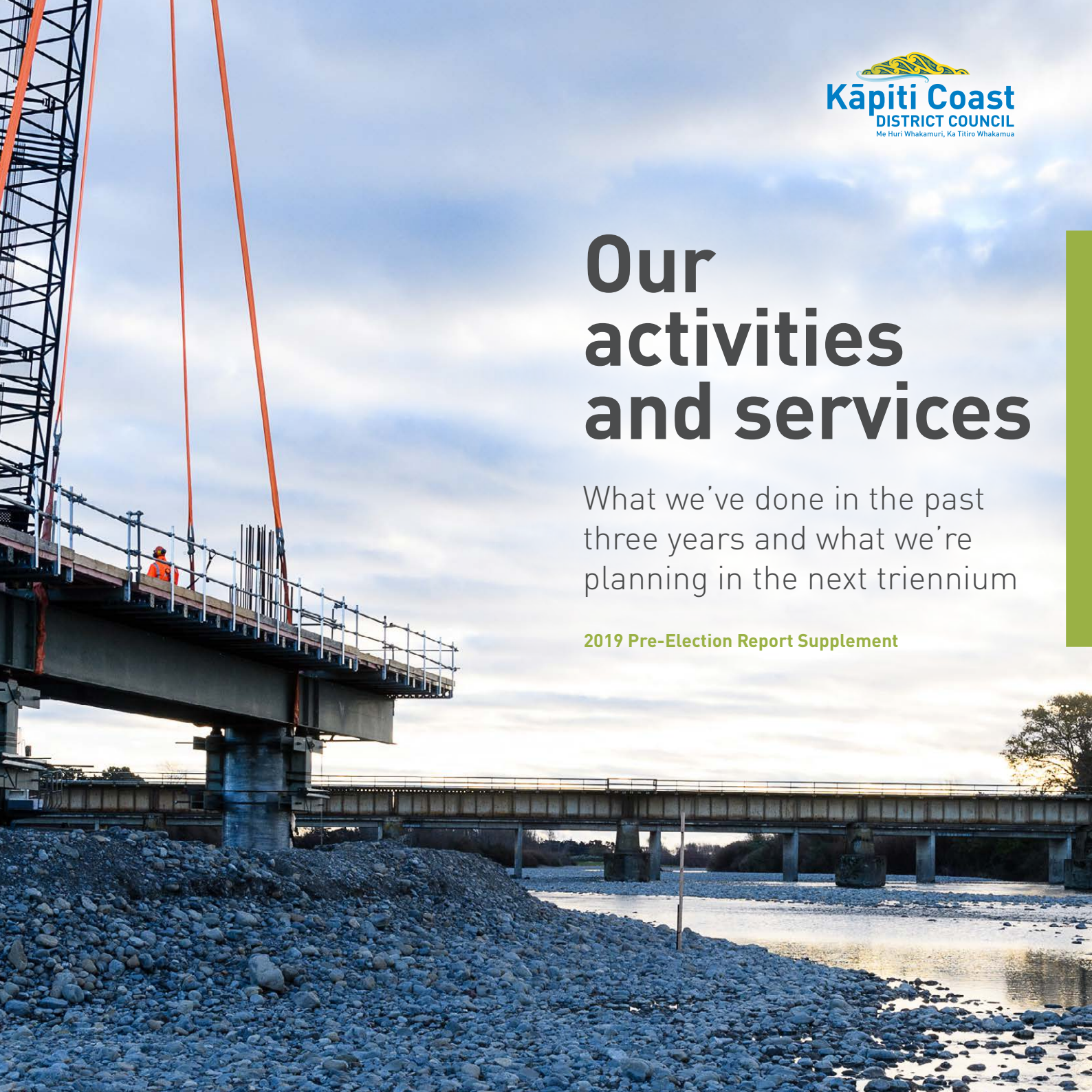
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kapiticoast.govt.nz

Our activities and services

What we've done in the past
three years and what we're
planning in the next triennium

2019 Pre-Election Report Supplement





Do you have questions about how we'll pay for infrastructure and keep improving services?

Are you concerned about climate change and housing and local jobs?

Do you want to see us grow in a good way?

Is it important to you our community is strong?

**Read Our Kāpiti Story and help
shape our district's future**

2019 local elections



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