



Council Performance Report

For the half-year ended 31 December 2021

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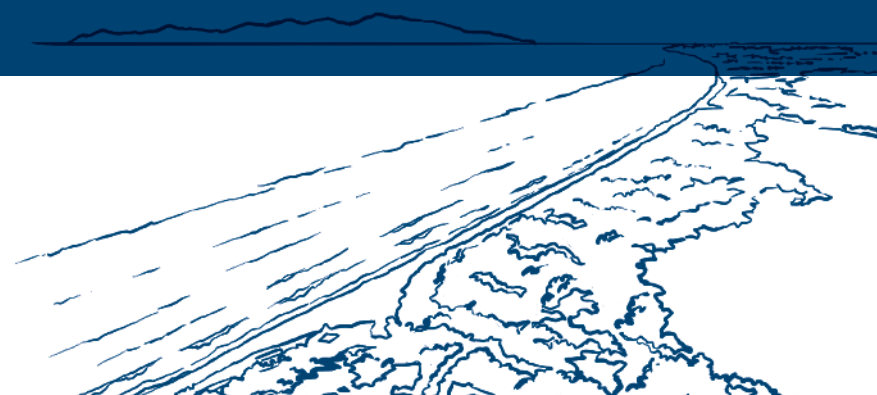
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Residents satisfaction survey results (quarter one and quarter two)

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Mayor & Chief Executive Kōrero



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

Nau mai haere mai

Welcome to our first Council Performance Report.

Purpose

This report details the Council's performance for the first half of 2021–22.

This report provides a half year account of Council's performance against our agreed service level performance measures, our key project deliverables, our financial management and our agreed outcomes. It also sets-out how we are seen by our most important stakeholders', our ratepayers. This report combines three previously separate reports (the Finance Report, the Activity Report and the Residents' Opinion Survey Report) into one report.



COVID-19 compliance – our new normal at the Kāpiti Arts Trail

Drivers of change

The first six months of 2021–22 was busy and challenging, navigating the fast-changing impacts of COVID-19 on both the community and Council.

Council encouraged the community to be vigilant and support higher vaccination rates to keep the Delta variant away. In mid-December 2021 we learnt that New Zealand had its first Omicron case with likely flow on effects.

We advocated on our community's interests as significant changes unfolded in water reform, resource management, housing intensification, the Future for Local Government Review and climate change. You will find more about these topics in Our Service Delivery by Activity on page 13.

Performance

Performance measures

Up to 44 percent of performance measures were achieved in the first half of the year and 31 percent are annual measures, where we need to wait until 30 June 2022 to know whether they have been achieved or not.

We have performed particularly well with our stormwater activity and services over this period but we need to do better with regards to our recreation and leisure activities.

Projects and initiatives

The vast majority of projects (80 percent) and initiatives are on-track. This includes major capital projects such as the Raumati seawall, the rebuild of the Paekākāriki seawall, the Coastal Adaptation Project – Takutai Kāpiti, upgrading our stormwater network to protect homes and businesses from flooding, upgrading our water network, upgrading wastewater treatment plants (Ōtaki and Paraparaumu) and the State Highway 1 revocation.

Our capital spend year-to-date against full year budget is not tracking as favourably. It is possible not all capital will be spent by 30 June 2022. We have 20 percent of projects and initiatives that are either not started or off-track. Reasons for this are explained in the What we delivered section of this report, under each activity from page 13.

Most off track projects relate to infrastructure and this is largely due to factors outside of our control. For example, there was a delay in Waka Kotahi approving the single stage detailed business case for the Paraparaumu east-west connection/link road project and Waka Kotahi confirmed restrained funding for minor road safety improvements. The drinking water safety and resilience projects for Waikanae, Hautere and Ōtaki were delayed due to contract negotiations.

While the Waikanae duplicate rising main work is 75 percent complete, Council is working with iwi and landowners to finalise the remaining part of the project.



Managing finances

Council realised a \$7.7 million surplus for the reporting period. This mainly reflects \$7.5 million of capex grants and subsidies received as part of funding towards Councils capital assets programme. This does not represent a permanent cash surplus for the Council.

Capex spend was \$17.8 million for the period, representing 24 percent of the full year budget of

\$73 million. At the time of writing this report we are forecasting capex spend of around \$58 million for the full year (which will be subject to further change). This still reflects a significant increase over the 2020–21 spend of \$33 million, as we embark on our growth programme.

Net debt at 31 December 2021 was \$163 million or 171 percent of total operating revenue, well within the Long-term Plan limit of 280 percent.

Total assets at 31 December were \$1.8 billion – the majority of this included infrastructure assets (\$1.5 billion).

Total assets at 31 December were **\$1.8 billion**

Residents' satisfaction

In quarter one of 2021–22 68 percent of surveyed residents felt satisfied and this improved to 72 percent of residents surveyed in quarter two.

Value for money is an area for improvement given it fell from 60 percent satisfaction in quarter one to 47 percent in quarter two. This signals the need to keep residents involved in funding decisions and better demonstrate what value residents are receiving for their rates.

Progress towards outcomes

Delivering our projects and services to agreed targets and standards, in a timely and cost-effective manner contributes to how residents feel about the degree to which we are progressing our outcomes.

Residents were generally pleased with our progress towards community, environmental and economic outcomes but we certainly have a long way to go to meet housing supply and affordability expectations of residents. We continue working alongside government, iwi and local organisations to make improvements in this area and results of our housing survey about current and emerging housing and social needs will inform our work.

Next quarter (1 January to 31 March 2022)

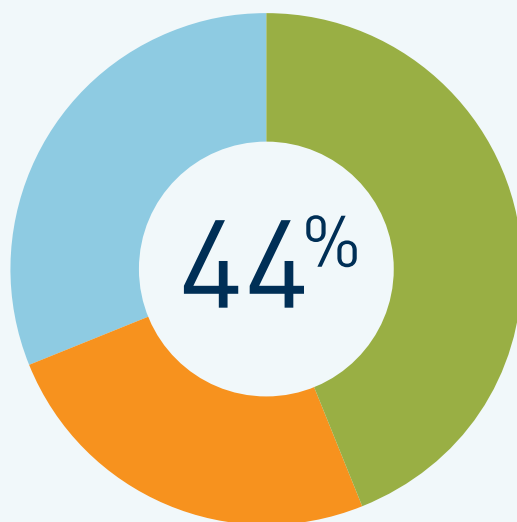
We will continue to change and be agile in response to Government's proposals and the impacts of COVID-19. We are also likely to continue experiencing challenges relating to supply chains and access to resources that affect delivery of services.

We will prepare for our 2022–23 Annual Plan to support the strategic direction we set in the 2021/41 Long-term Plan and keep delivering against our core projects and initiatives and performance standards. We will also focus on improving recreation and leisure activities and performance against targets.

Snapshot of Councils performance from 1 July to 31 December 2021

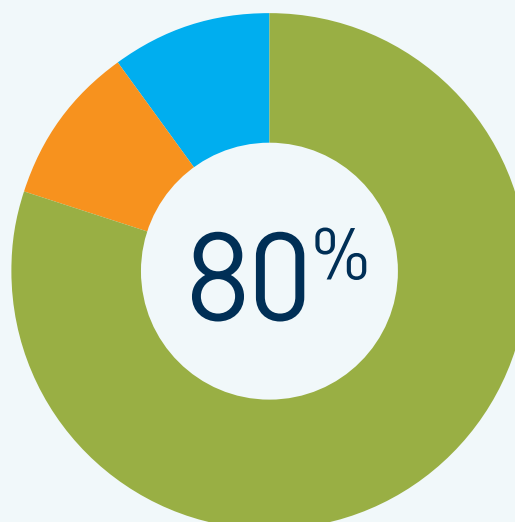
What we delivered

Performance measures



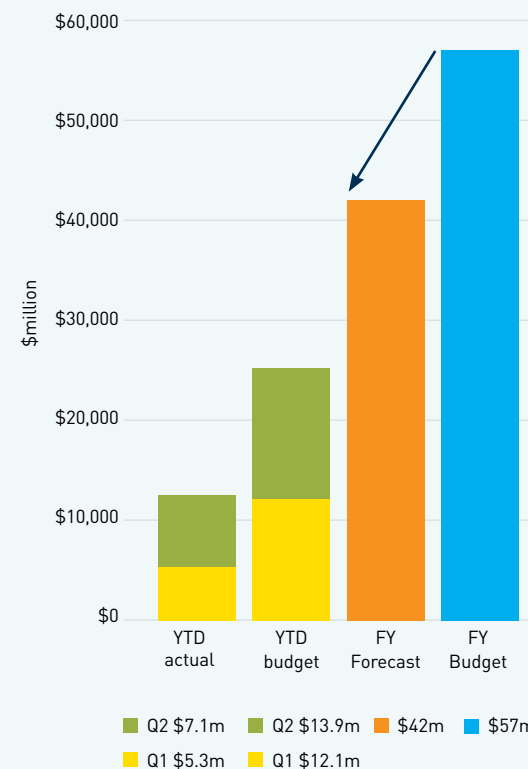
■ Achieved 44%
 ■ Not achieved 25%
 ■ Annual measure (not yet due) 31%

Project and initiative



■ On track 80%
 ■ Off track 10%
 ■ Not started 10%

Spend on major projects



Snapshot of Councils performance from 1 July to 31 December 2021

How we managed finances

\$54.4m Actual revenue as at
31 December 2021

72%
of total revenue makes up rates revenue

\$7.7m net surplus as at 31 December 2021
\$7.5 million relates to capital subsidies received during the
period to part fund our capital works programme and does
not represent a permanent cash surplus.

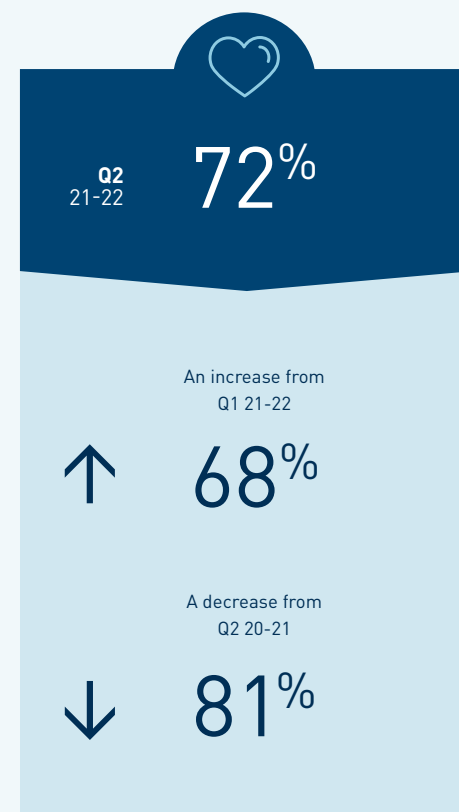
\$1.5b Councils net worth
at 31 December 2021

\$162.7m
Net debt at 31 December 2021

\$17.8m Capex spending at
31 December 2021

24%
of annual capital budget spent

How satisfied our surveyed residents' are



Section 1: What we delivered

1.1 Our activities: 10

- An overview of what Council does and what activities it performs that contribute towards achieving community outcomes.

1.2 Our performance measures: 11

- A summary of performance measures achieved, not yet achieved or not yet due for annual measures.

1.3 Our service delivery by activity: 13

- The purpose of each activity
- What projects and initiatives were delivered
- What challenges were faced
- Performance measure snapshot
- Activity financials



1.1 Our activities



Infrastructure



Access and transport – Putanga me te waka



Coastal management – Whakahaere takutai



Stormwater – Wai āwhā



Water – Wai



Wastewater – Wai para



Sustainability and resilience – Toiūtanga me te manawaroatanga



Community services



Parks and open space – Nga papa rēhia me ngā papa



Recreation and leisure – Ruhanui



Community facilities – Whare tapere hapori



Partnerships



Tangata whenua



Community support – Ngā hāpai hapori



Governance – Mana whakahaere



Economic development – Whakawhanake umanga



Planning and regulatory services



District wide planning – Mahere ā-rohe



Regulatory services – Ratonga whakaritenga



Corporate



Corporate – Paheko rangapū

Collectively activities are aimed at delivering Council outcomes

Communities

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

Economy

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

Environment

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

Housing

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

Mana Whenua

Mana Whenua and Council have a mutually Mana-enhancing partnership

1.2 Our performance measures

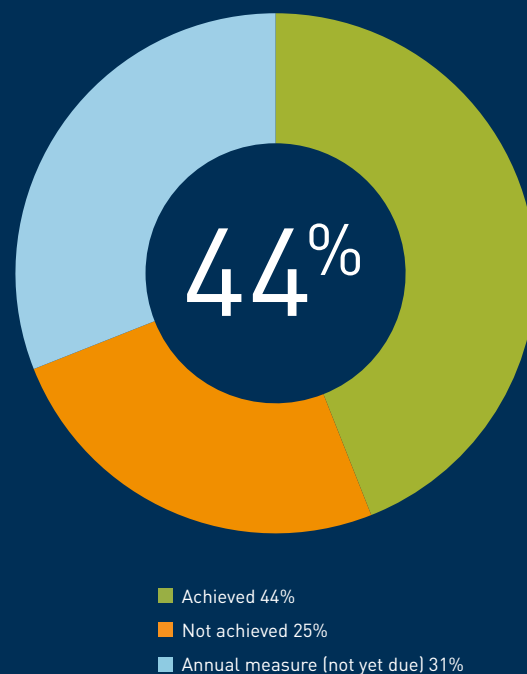
Halfway through 2021–22, Council has achieved 44 percent of all 84 non-financial performance measures.

With 31 percent of all measures being annual measures (and 25 percent not yet achieved or meeting target), there is still room over coming months for increased achievement of performance measures.

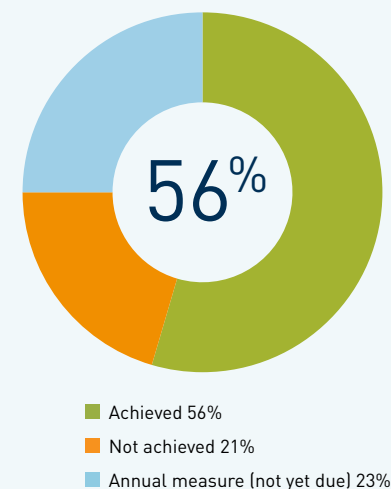
Performance measures for the planning and regulatory group of activities and the infrastructure group of activities are progressing well against target. It is too early to know how well the partnerships group of activities is performing given they mainly include annual measures. Corporate has only one performance measure (staff having access to materials and equipment they need to do their work right). The target was to be higher than the previous year but it was the same result as that achieved in 2020, so did not meet target.

In terms of activities, stormwater measures were 100 percent against target and water and wastewater are making good progress against target. Improved delivery against target for the recreation and leisure group of activities will be a focus area for improvement in the future.

Council-wide performance measures as at 31 December 2021



Infrastructure performance measures to 31 December 2021



Primary outcomes

Primary

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

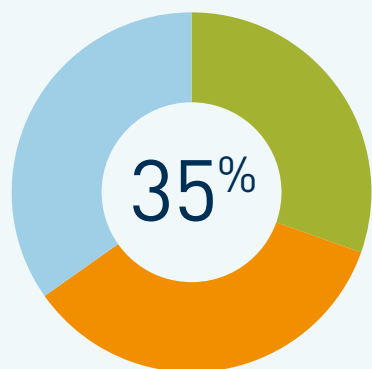
Secondary

Our local economy is prosperous with ample opportunities for people to work and learn in Kāpiti. Our natural environment is restored and enhanced as we transition to a low-carbon future.

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

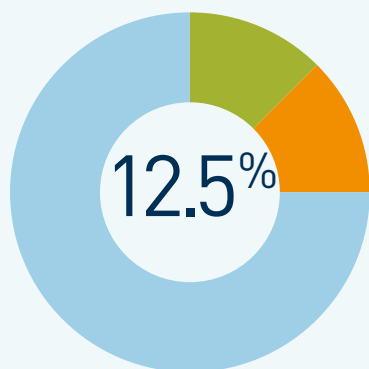
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Community Services performance measures to 31 December 2021



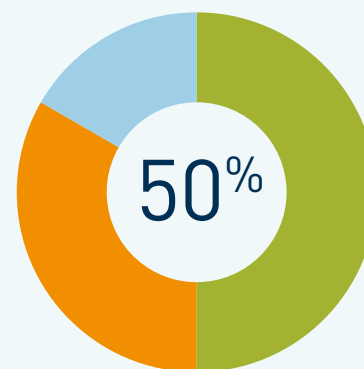
- Achieved 30%
- Not achieved 35%
- Annual measure (not yet due) 35%

Partnerships performance measures to 31 December 2021



- Achieved 12.5%
- Not achieved 12.5%
- Annual measure (not yet due) 75%

Planning and Regulatory Services performance measures to 31 December 2021



- Achieved 50%
- Not achieved 33%
- Annual measure (not yet due) 17%

Corporate performance measures to 31 December 2021



- Not achieved 100%

Primary outcomes

Primary

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

Secondary

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

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

Page 29-34.

Primary

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

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

Secondary

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

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

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Primary

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

Secondary

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

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

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

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Corporate activity supports other Council activities to deliver against outcomes.

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1.3 Our service delivery by activity

Infrastructure

Access and transport – Putanga me te waka

Purpose

We develop and maintain a roading network that provides access to work, home, school, essential services, shops and recreation activities throughout the district. Our local roading network includes all of our public roads (excluding State Highway 1 (SH1), walkways and cycleways).

We take care of road drain maintenance and cleaning, traffic lights and street lighting. We also provide road safety education for our community and maintain transport facilities such as public car parks, footpaths, footbridges, pedestrian crossings and underpasses.

What we delivered

The following projects/initiatives are **on track**:

- **Increase footpaths renewals.** Work is underway to deliver the increased programme but may soon be impacted by COVID-19 related delays
- **Town centres – Paraparaumu Transport Hub.** Design and planning work is progressing well,

despite some minor delays. A Procurement Plan for construction works is due mid-February 2022 and resource consent approval is due at the end of February 2022. Construction is planned to commence in April 2022.

- **SH1 Revocation.** On track for completion this season and the southern end is already complete. Complex work around Coastlands is currently progressing.

Other progress included:

- **Free Fares Campaign.** On 11 November 2021, Kāpiti Coast District Council supported, and agreed to add their name to, the Free Fares Campaign being coordinated by the Aotearoa Collective for Public Transport Equity. The campaign is advocating for free public transport for three groups: Community Service Card holders, tertiary students and under-25s.
- **Advocacy.** Council continued to advocate to both Central Government and the Greater Wellington Regional Council (GWRC) for enhanced public

transport connections across the district; including but not limited to:

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

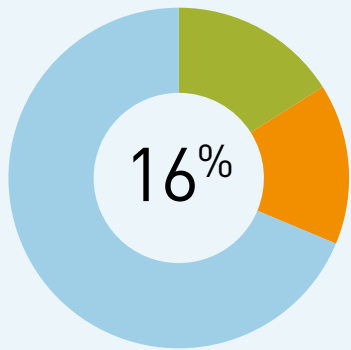
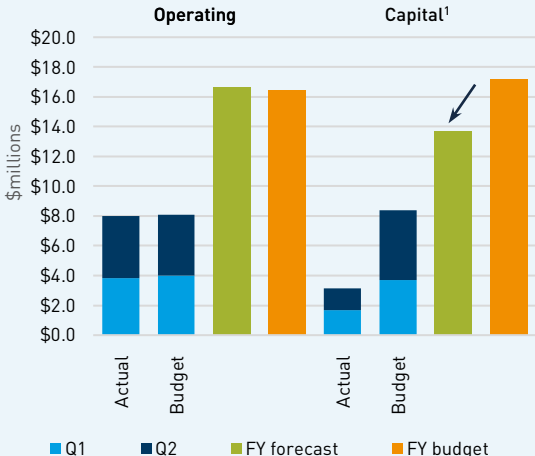
Challenges

The following projects/initiatives are **not on track**:

- **Strengthen east-west connection in Paraparaumu with a 'link road' from Arawhata Road to Ihakara Street.** Waka Kotahi approved funding for development of the Single Stage Detailed Business Case that includes design, but they were delayed in providing their approval. Work has been progressing on the detailed design.
- **Minor safety improvements.** Waka Kotahi have confirmed their restrained funding in November 2021, so the team can now resolve the programme and resources necessary for delivery.



Access and transport performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p>  <p> ■ Achieved 16 percent ■ Not achieved 15 percent ■ Annual measure 69 percent (not yet due) </p> <p>Operating and capital expenditure at 31 Dec 2021</p>  <p> ■ Q1 ■ Q2 ■ FY forecast ■ FY budget </p>	Residents who agree the existing transport network allows easy movement around the district.	80 percent	64 percent	We expect this drop in resident expectation relates to slow delivery of Waka Kotahi projects that directly impact movement in our district (Transmission Gully – yet to open, Peka Peka to Ōtaki – delayed opening, Old SH1 Revocation – behind programme). All three projects are due for completion in 2022.	Not achieved
	The change from the previous financial year in the number of serious and fatal crashes on the local road network, expressed as a number.	5-year rolling average reduces each year	–		Annual Measure
	Residents who are satisfied with street lighting.	85 percent	88 percent		Achieved
	Percentage of sealed local road network that is resurfaced.	5 percent	–		Annual Measure
	Residents who are satisfied with the condition of roads.	70 percent	67 percent	This measure achieved the performance standards for the past two years, however its has reduced this period. We are focusing on our arterial routes where cracking and flushing are impacting on performance. The wider network roughness and condition indexes remain stable.	Not achieved

¹ Underspending in capital expenditure mainly due to business case approval delay for the Ihakara-Arawhata "Link Road" project, and minor safety improvements programme funding from Waka Kotahi only confirmed in November 2021 with work now underway.

Performance measures	Target	Result	Achieved
Roads that meet smooth roads standards.	Overall smooth travel exposure is above 85 percent	–	Annual Measure ²
Residents who are satisfied with the condition of footpaths.	65 percent	66 percent	Achieved
Percentage of footpaths that fall within the service standard for the condition of footpaths as set out in the activity management plan.	60 percent	–	Annual Measure
Average cost of local roading per kilometre is comparable with similar councils.	Achieve	–	Annual Measure
Service requests relating to roads responded to within 3-5 hours (urgent)	85 percent	–	Annual Measure
Service requests relating to roads responded to within 15 days (non-urgent).	85 percent	–	Annual Measure
Service requests relating to footpaths responded to within 3-5 hours (urgent).	85 percent	–	Annual Measure
Service requests relating to footpaths responded to within 15 days (non-urgent).	85 percent	–	Annual Measure

² Annual measure means it's not yet due.



Coastal management – Whakahaere takutai

Purpose

The primary purpose of our coastal management activity is to protect people and property from the ocean. Council provides coastal assets to:

- protect public infrastructure such as roads, wastewater assets, stormwater assets, walkways and beach accessways
- provide hazard management.

Coastal assets include seawalls, rock revetments and coastal plantings. Council undertakes dune replenishment and beach re-nourishment to manage the effects of coastal hazards on existing development and infrastructure and provides guidance for private property owners building coastal defence structures.

What we delivered

The following projects/initiatives are **on track**:

- **Rebuild Paekākāriki seawall in timber and improve beach access.** Work is progressing on design with the intention of completing the first stage of construction (main access at Campbell Park) this financial year. Tendering will occur in February 2022.
- **Raumati Seawall.** A professional services contract associated with design and resource consents was awarded and work planned to commence in February 2022. Completion is expected in September 2022. Physical works tenders are planned to be advertised in October or November 2022 with a construction period of 3-4 years to complete replacing the current 3.1km seawall which has been built in the 1970s with a design life of 25 years.
- **Takutai Kāpiti.** The Coast Adaptation Panel (CAP) has been established, consisting of community representatives and two iwi representatives from Ngā Hapū o Ōtaki. We are awaiting confirmation of four iwi representatives to be appointed for Takutai Kāpiti. Jacobs has completed and released their methodology report. The panel have held three CAP meetings including a site visit.



Coastal management performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p> <p>33%</p> <p>■ Achieved 33 percent ■ Not achieved 67 percent</p> <p>Operating and capital expenditure at 31 Dec 2021</p> <p>Operating Capital</p> <p>\$millions</p> <p>Actual Budget Actual Budget</p> <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	Working with the community and tangata whenua, we will develop a response to the impacts of coastal erosion and inundation resulting from sea level rise and climate change on our coast.	2021-2022	Panel has been established with community representatives and 2 iwi representatives from Ngā Hapū o Ōtaki. They have held 3 CAP meetings to date including a site visit along the coastline. Jacobs have completed their methodology report.	Awaiting confirmation of iwi representatives from Te Atiawa and Ngāti Toa.	Not achieved
	Final recommendations are developed to inform an implementation plan to address coastal hazards.	2022-2023		Jacobs are scheduled to provide their next report in Q3 of 2021-22.	Not achieved
	Respond within 48 hours to urgent requests to repair seawalls or rock revetments.	90 percent	100 percent		Achieved



Stormwater – Wai āwhā

Purpose

The stormwater activity is a core Council activity that contributes towards the provision of good-quality infrastructure, helps ensure public health and safeguards the environment. We manage the district's urban catchments with care, protecting the environment ensuring water quality and reducing risks to people's health and property from flooding. We provide a 24-hour response system. The stormwater system comprises pipes, manholes, pump stations, open waterways, retention/treatment systems and other assets that represent significant Council investment over many years.

What we delivered

The following projects/initiatives are **on track**:

- **Keep upgrading our stormwater network to protect homes and businesses from flooding.**
Major projects are progressing across the District with contracts ongoing, this includes stormwater upgrades at:
 - Ōtaki Beach Stage 2
 - Sunshine Avenue
 - Awanui Drive
 - Tikotu stream works
 - Riwai Stage 2
 - Paraparaumu catchment 4
 - Paraparaumu catchment 3
 - Flood Modelling, Amohia street service locations.


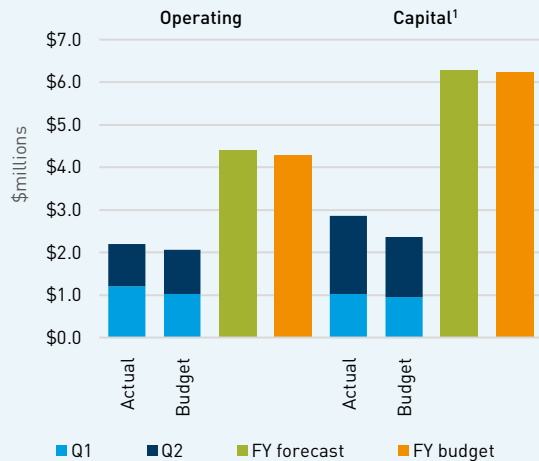
Several designs were completed:

- Amohia catchment stormwater upgrades
- Rauparaha street stormwater upgrades
- 156 to 230 Te Moana SW upgrades
- Asset Renewals in Paraparaumu 5, 9, 10 catchments

Minor capital works 2021-22 include stormwater upgrades at Jeep Road, Clunie Ave, Kainui Road, Hydes Road and Bert's Way which could be advanced this financial year if capital funding is reallocated.



Stormwater performance measures

	Performance measures	Target	Result	Achieved
<p>Performance Measures to 31 Dec 2021</p>  <p>■ Achieved 100 percent</p> <p>Operating and capital expenditure at 31 Dec 2021</p>  <p>Operating Capital¹</p> <p>\$millions</p> <p>Actual Budget Actual Budget</p> <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	Median response times to attend a flooding event from notification to attendance on site	Non urgent = less than or equal to 5 days	3 days	Achieved
	Median response times to attend a flooding event from notification to attendance on site	Urgent = less than or equal to 24 hours	less than 1 day	Achieved
	Percentage of all buildings that have been inundated due to minor flooding that are visited within 4 weeks	90 percent	100 percent	Achieved
	Number of complaints received about the performance of the district's stormwater system	Fewer than 30 per 1,000 properties connected to the Council's stormwater system.	15	Achieved
	Major flood protection and control works are maintained, repaired and renewed to the key standards as defined in the Council's activity management plan	Achieve	Achieved	Achieved
	Number of buildings (habitable floors) reported to be flooded as a result of a less than 1-in-50 year rain event	Fewer than 3 per 1,000 properties connected to the Council's stormwater system.	0.05	Achieved
	Compliance with Council's resource consents for discharge from its stormwater system measured by the number of: a) abatement notices, b) infringement notices, c) enforcement orders, and d) convictions, received by Council in relation to those resource consents.	No notices or convictions.	Achieved	Achieved

¹ Overspending in capital expenditure year to date but this is due to timing of expenditure, full year forecast to be broadly on track.



Water – Wai

Purpose

Water supply is a core Council service. We provide high-quality drinking water across the district and ensure there is enough water to fight fires when needed, protecting the health and wellbeing of our communities. We own and operate water reservoirs, water treatment plants, pump stations and underground pipe networks. To encourage water conservation, we run awareness programmes and use demand management techniques (metering).

What we delivered

The following projects/initiatives are **on track**:

- **Upgrade our water network.**
 - **Ōtaki Beach** – The avenue water main renewal – replacement of existing failing asbestos cement watermain.
 - **Tasman road** – 300mm trunk main upgrade 1.2km, completed for boosting supply to the Ōtaki central business district.
 - **Waikanae** – (Hira St) water main renewal, replacement of failing water main.

- **Paekākāriki (Haumia Street)** – unplanned emergency replacement of existing asbestos cement water main.
- **Water reservoir renewals** – Tender signed for relining the roof of three water reservoirs.

Challenges

The following projects/initiatives are **off track**:

- **Progress drinking water safety and resilience**
 - **Waikanae.** There have been significant delays getting contract agreement between the Council and Brian Perry Civil. The contract has been signed by Council and is now with Brian Perry Civil for signing. Works begin mid-February 2022 to relocate existing services to enable the main construction of the new clarifier and rapid mix tank. Design of the clarifier and rapid mix tank is continuing and due for completion at the end of February 2022. Major earthworks are expected to begin around April or May 2022. The order of the long lead items is in progress. The earthworks consent was put on hold in early December due to questions regarding iwi consultation. The consent is currently with Fish and Game New Zealand for comment, with consent expected to be granted around February 2022.
- **Ōtaki (Tasman Road) WTP upgrade.** We are liaising with the landowners of the property (Porirua Trust) regarding the terms and agreement for leasing long-term property access/use adjoining to our Tasman Road treatment plant. Beca is working on consenting for drilling new bores. We are liaising with Electra to work through a design for relocating the overhead power lines to enable the drilling of new bores for the security of the water supply.
- **Hautere WTP upgrade.** The water supply improvement work at Hautere is being done under emergency due to the current “boil water notice” that has been in place for a considerable time. New bores are drilled to ensure the security of the water supply. Beca has completed the design for the new Bore Wellhead pipework and the raw water rising main. The installation contract for the bore wellhead pipework and the raw water rising main is being negotiated with the preferred contractor. Cardno has completed the utility relocations survey and is in the process of working through land easement issues.

Three Waters Reform

In July 2020, the Government launched the Three Waters Reform Programme – a three-year programme to reform local government three waters service delivery arrangements, build on the findings of the Three Waters Review and the subsequent establishment of Taumata Arowai.

The initial stage of the programme (Tranche 1 – Memorandum of Understanding, Funding Agreement, Delivery Plan and RFI process) was an opt in, non-binding approach. It did not require councils to commit to future phases of the reform programme, to transfer their assets and/or liabilities, or establish new water entities. Council received \$6.3m funding through this initial Three Waters Reform funding process.

Council completed a RFI process in January 2021 and the Government has used this information to conclude that the case for change has been made.

On 30 September 2021, Councillors met to form an initial view and provide feedback to the Government on their Three Waters Reform programme. No decisions to opt-in or out are being made at this stage.

We understand that our community has a vested interest in how our three waters services are delivered

in the future, and we're committed to sharing information as we receive it. We published three opinion pieces about the Three Waters Reform programme, which outline some of the questions we have around the proposed four water service entity model. You can read these on kapiticoast.govt.nz:

[Opinion: Kāpiti Coast District Council chief executive Wayne Maxwell on the proposed Three Waters Reform](#)

[Leaky analysis](#)

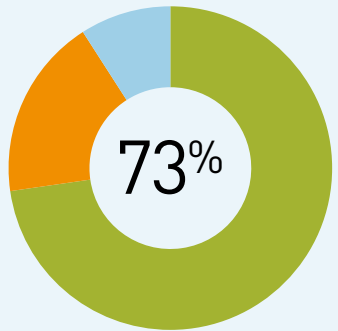
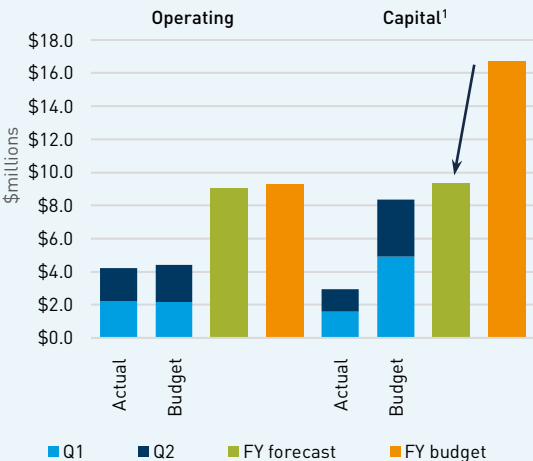
[Controlling the flow – other issues to consider with the Three Waters reform](#)

If you are interested in the Council's feedback to the Government on the proposed four water service entity model, you can view this here: [Council calls for collaboration on Three Waters Reform proposal](#)

An exposure draft of Water Services Entity Bill has now been developed and the Select Committee Process is likely to commence in late March/April 2022.



Water performance measures

	Performance measures	Target	Result	Achieved
<p>Performance Measures to 31 Dec 2021</p>  <p>■ Achieved 73 percent ■ Not achieved 18 percent ■ Annual measure 9 percent (not yet due)</p> <p>Operating and capital expenditure at 31 Dec 2021</p> 	Median response times to a fault or unplanned interruption to our water network measured by attendance time (from the time Council receives notification to the time that staff are on site)	Urgent = less than or equal to 1 hour	Median response time was 25 minutes for 21 urgent water interruptions	Achieved
	Median response times to a fault or unplanned interruption to our water network measured by attendance time (from the time Council receives notification to the time that staff are on site)	Non-urgent = 3 days or less	Median response time was 4 hours 3 minutes for 302 non-urgent faults	Achieved
	Median response times to a fault or unplanned interruption to our water network measured by resolution time (from the time Council receives notification to the time that staff confirm resolution)	Urgent = 5 hour or less	Median response time was 1 hour and 6 minutes for 21 urgent water interruptions	Achieved
	Median response times to a fault or unplanned interruption to our water network measured by resolution time (from the time Council receives notification to the time that staff confirm resolution)	Non-urgent = 4 days or less	1 day and ten minutes for 302 non-urgent faults.	Achieved

¹ Underspending in capital expenditure mainly due to Drinking water safety and resilience project experiencing significant delays with getting contract agreement. This is likely to impact the end of year result.

Performance measures	Target	Result	Comment	Achieved
Compliance of the district's drinking water supply with: a) Part 4 of the drinking water standards (bacteria compliance criteria)	Achieve 100 percent	100 percent compliance except for Hautere Water Supply	<p>The two bores at Hautere are vulnerable to changes in river turbidity (measure of water clarity). If the water taken from the Ōtaki River turbidity increases past 1 NTU, the UV treatment can no longer disinfect the water to a compliant level.</p> <p>The inclement weather in Q2 caused turbidity to frequently exceed 1NTU. While Council implemented a precautionary boil water notice, no E.Coli were present in any samples taken. The Council has installed two new bores at Hautere and over Q3 will be connecting the bores to the Hautere Water Supply. The aim is for the new bores to be more resilient to turbidity changes and provide a more secure compliant source by Q4.</p> <p>For Ōtaki, Council is installing two new bores at Tasman to resolve the turbidity issues that will provide compliant water for UV disinfection. Council aims to complete the works over Q4.</p>	Not achieved
Compliance of the district's drinking water supply with: b) Part 5 of the drinking water standards (protozoal compliance criteria)	Achieve 100 percent	100 percent compliance except for Hautere and Ōtaki	<p>The two bores at Hautere are vulnerable to changes in river turbidity (measure of water clarity). If the water taken from the Ōtaki River turbidity increases past 1 NTU, the UV treatment can no longer disinfect the water to a compliant level.</p> <p>The inclement weather in Q2 caused turbidity to frequently exceed 1 NTU. While Council implemented a precautionary boil water notice, no E.Coli were present in any samples taken. The Council has installed two new bores at Hautere and over Q3 will be connecting the bores to the Hautere Water Supply. The aim is for the new bores to be more resilient to turbidity changes and provide a more secure compliant source by Q4.</p> <p>For Ōtaki, Council is installing two new bores at Tasman to resolve the turbidity issues that will provide compliant water for UV disinfection. Council aims to complete the works over Q4.</p>	Not achieved

Performance measures	Target	Result	Achieved
Residents who are satisfied with the quality of Council's water supply (taste, odour, clarity)	80 percent	86 percent	Achieved
Total number of complaints received by Council, per 1,000 connections, to Council's networked reticulation system, about any of the following: a) drinking water clarity b) drinking water taste c) drinking water odour d) drinking water pressure or flow e) continuity of supply, and f) Council's response to any of these issues.	At or below 6.2 complaints per 1,000 connections	46 complaints received to date out of total of 23,428 connections or 1.96 complaints per 1,000 connections	Achieved
Peak water consumption in litres per person per day	At or below 490 litres per person per day	427	Achieved
Average water consumption in litres per person per day (L/p/d)	At or below 325 litres per person per day	321	Achieved
Percentage of real water loss from the Council's networked reticulation system calculated per the Water Loss Guidelines using WaterNZ's BenchLoss NZ software.	At or below 23.6 percent	–	Annual Measure



Wastewater – Wai para

Purpose

We manage wastewater (sewerage) services for the community. This includes the provision and management of wastewater collection, conveyance, treatment, discharge of treated wastewater, as well as biosolids management. Wastewater is collected and treated through an underground pipe network, pump stations and two treatment plants (Paraparaumu and Ōtaki). When wastewater reaches the treatment plant, it is treated until it is at an acceptable standard to be released into the environment.

What we delivered

The following projects/initiatives are **on track**:

- **The Paraparaumu Wastewater Treatment Plant (WWTP) operates under five resource consents from GWRC.** These resource consents are due to expire on 31 March 2022. Application for renewal of consents was lodged with GWRC on 22 December 2021. We proposed a consent duration of 15 years. A stagewise improvement plan is proposed for ecological, environmental and cultural issues identified as part of the Phase 1

application in consultation with iwi partners. The Council will continue to work with mana whenua to establish a collaborative process to identify the best practical option by 2028, subject to mana whenua capacity. This is a multi-year project and currently the preliminary design for upgrades is progressing in alignment with the new growth model. The design work for both the Ōtaki and Paraparaumu WWTP is progressing.

- **SCADA system upgrade and renewal.** The existing SCADA operating system renewal includes replacing eight servers, 12 SCADA work stations that control our five water treatment plants, two wastewater treatment plants, and 168 wastewater pumping stations. This includes full separation of the control system IT network from the Kāpiti Coast District Council corporate network to minimise risk to the safe operations of the water and wastewater system. This will also assist us in the asset valuation and depreciation of the Kāpiti Coast District Council water system.

Challenges

The following projects/initiatives are **off track**:

- **Upgrade our wastewater network.**
 - The Waikanae duplicate rising main work is 75 percent complete and Council is working with iwi and landowners to finalise remaining work.
 - Purchase and installation of 80kVA diesel backup power supply for Waikanae ponds wastewater pump station generator.
 - Tender issued for the supply and installation of a new panel for Waikanae ponds wastewater pump station, the work is expected to be completed by June 2022.
 - The renewal of the County Road wastewater pump station generator was completed.



Wastewater performance measures

	Performance measures	Target	Result	Achieved
<p>Performance Measures to 31 Dec 2036</p> <p>80%</p> <p>■ Achieved 80 percent ■ Not achieved 20 percent</p> <p>Operating and capital expenditure at 31 Dec 2021</p> <p>Operating Capital</p> <p>\$millions</p> <p>Actual Budget Actual Budget</p> <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	Median response times to sewage overflows resulting from a blockage or other fault measured by attendance time (from the time Council receives notification to the time that staff are on site)	1 hour or less percent	Median response time was 30 minutes for 67 blocks or faults attended year to date	Achieved
	Median response times to sewage overflows resulting from a blockage or other fault measured by resolution time (from the time that Council receives notification to the time that staff confirm resolution).	5 hours or less percent	Median resolution time was 54 minutes for 67 blockages or faults, year to date	Achieved
	Number of complaints received by Council about any of the following: a) sewage colour b) sewerage system faults c) sewerage blockages d) Council's response to issues with the sewerage system expressed per 1,000 connections.	Fewer than 7.2 complaints per 1,000 connections to Council's sewerage system.	72 complaints received year to date out of a total of 20,549 connections. This translates to 3.5 complaints per 1,000 connections.	Achieved
	Number of dry weather sewage overflows from the Council's sewerage system expressed per 1,000 network connections.	At or below 2 per 1,000 connections to Council's sewerage system.	23 dry weather overflows year to date out of total of 20,549 connections. This translates to 1.12 overflows per 1,000 connections	Achieved
	Compliance with Council's resource consents for discharge from its sewerage system measured by the number of: a) abatement notices b) infringement notices c) enforcement orders, and d) convictions, received by Council in relation to those resource consents.	No notices or convictions	Ōtaki abatement notice did not consult with residents. Paraparaumu abatement notice due to weather bomb in December causing overspilling from stormbasin into Mazengarb drain	Not achieved



Sustainability and resilience – Toiūtanga me te manawaroatanga

Purpose

Our sustainability and resilience work was strengthened by Council's climate change emergency declaration and decision to aim for carbon neutrality by 2025. Our activities include ensuring accessible, effective and efficient waste management options; driving waste minimisation initiatives in Council and the community; and providing landfill management that meets legal requirements and best practice guidelines. We also deliver carbon and energy management and a strategic programme to embed climate change across Council's activities.

Council works with the Wellington Region Emergency Management Office (WREMO), provides a local Emergency Operations Centre (EOC) and delivers emergency management planning.

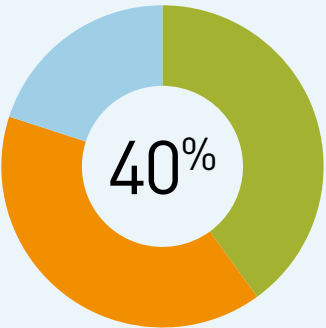
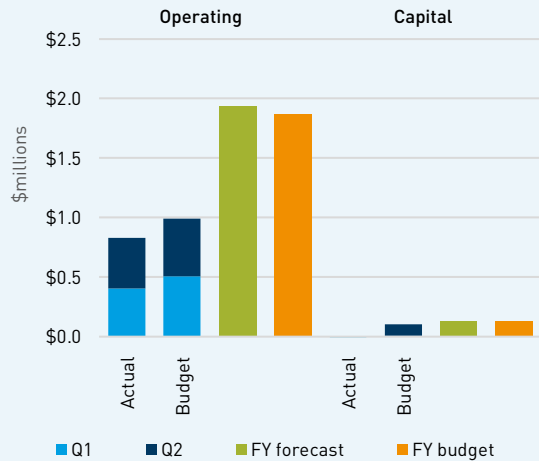
What we delivered

The following projects/initiatives are **on track**:

- **Implement our climate emergency action framework and action plans for climate change mitigation and adaptation.** Council adopted the Climate Emergency Action Framework in July 2021. At that meeting, Council agreed to the development of a special Climate Change report, to be presented to Council for adoption before the end of this financial year. This report is currently under development. The Sustainability and Resilience team has also carried out climate change work in relation to procurement (wider outcomes guidance), communications, the stormwater framework, and supporting the economic development team to co-host an online Climate Action Workshop for businesses. Under the Wellington Region Growth Framework a project plan and tender was developed for the Regional Climate Change Impact Assessment that will be advertised on 15 January 2022.
- **Continue our emissions reduction programme within Council as we work towards becoming carbon neutral by 2025 and increase community education to reduce waste.** In August and September the annual emissions reduction audit was prepared, which took place early October and was verified by the end of November. This year again, wastewater treatment emissions were included, which has increased Council's gross carbon emissions. Excluding these emissions, there was an increase in emissions for the first time in 10 years against the 2010 baseline. Advice was obtained in November on further reduction options, carbon in-setting and off-setting and a Council briefing is planned for early 2022. A submission was prepared and approved by Council on 25 November 2021 to Ministry for the Environment on transitioning to a low-emissions and climate-resilient future. In terms of waste minimization, the resource recovery (capex) project is progressing with a number of stakeholders and the operator of the Otaihangā Transfer Station. A collaborative hui is planned in February to consider future options. 14 composting workshops on waste minimisation were delivered with 122 participants with a very high satisfaction registered.



Sustainability and resilience performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p>  <p>■ Achieved 40 percent ■ Not achieved 40 percent ■ Annual measure 20 percent (not yet due)</p> <p>Operating and capital expenditure at 31 Dec 2021</p>  <p>Operating Capital</p> <p>\$millions</p> <p>Actual Budget Actual Budget</p> <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	Residents who are satisfied with the standard of kerbside collections.	85 percent	87 percent		Achieved
	Council delivers a waste minimisation education programme in schools.	Minimum of 4 schools each year.	0	Planned education was cancelled by schools as result of the orange traffic light level.	Not achieved
	Households that have an emergency plan and kit sufficient for 7 days following an emergency event.	70 percent	74 percent		Achieved
	Illegally dumped waste is removed within 2 working days.	85 percent	79 percent	Due to staff changes, staff shortages and major flood event that required priority resourcing the target was not met.	Not achieved
	The number of Council's total fleet that are low-emission vehicles (i.e. EVs, plug-in hybrids or conventional hybrids).	2021/22: 7 vehicles 2022/23: 10 vehicles 2023/24: 12 vehicles	–	2 EVs and 3 PHEVs have been ordered.	Annual Measure



Community services

Parks and open space – Nga papa rēhia me ngā papa

Purpose

Council manages a range of parks, reserves and open spaces on behalf of the community, including:

- Urban open spaces and amenity reserves
- Formal parks and gardens
- Sports grounds
- Playgrounds
- Built assets such as bridges, pavilions, outdoor lighting and furniture
- Recreational trails
- Trees and amenity plantings
- River and beach esplanade reserves
- Monitored ecological sites
- Restoration planting sites
- Spaces for disaster recovery and management of stormwater overflow
- Cemeteries.

What we delivered

The following projects/initiatives are **on track**:

- **Developing Otaraau Park (stage 2).** The concept design for the new clubrooms and changing rooms is complete. The developed design has commenced. Once the detailed design is complete, procurement will begin for a contractor to begin construction by the end of 2022.

Challenges

The following projects/initiatives have **not started**:

- **Maclean Park renewal.** Improvements are planned for the skatepark, however the key skills required for the project design and delivery are unlikely to come available until 2022/23.



Parks and open space performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p> <p>30%</p> <ul style="list-style-type: none"> Achieved 30 percent Not achieved 20 percent Annual measure 50 percent (not yet due) <p>Operating and capital expenditure at 31 Dec 2021</p> <p>Operating Capital¹</p> <p>\$millions</p> <p>Actual Budget Actual Budget</p> <p>Q1 Q2 FY forecast FY budget</p>	Sports grounds are open when scheduled.	85 percent		Data relating to this measure has not been collected for this period due to a staffing continuity issue that has since been rectified.	Not achieved
	Residents who are satisfied with the current availability of facilities.	85 percent	–	The Parks Survey is to be carried out in February 2022.	Annual Measure
	Residents who are satisfied with the quality of Council's parks and open spaces.	85 percent	–	The Parks Survey is to be carried out in February 2022.	Annual Measure
	Residents who are satisfied with quality of recreation and sporting facilities.	85 percent	–	The Parks Survey is to be carried out in February 2022.	Annual Measure
	Residents who are satisfied with the quality of playgrounds.	85 percent	–	The Parks Survey is to be carried out in February 2022.	Annual Measure
	Residents who are satisfied with the appearance of, and accessibility to, cemeteries.	85 percent	–	The Parks Survey is to be carried out in February 2022.	Annual Measure
	At least a 10-year burial capacity is maintained across the district.	Achieve	Achieved		Achieved
	Users who are satisfied with Council cycleways, walkways and bridleways.	85 percent	80 percent	Flood damage prior to the Christmas holidays impaired access and the quality of the network – this is now being remediated through a programme of works. Staff recruitment into key roles is also expected to result in an improvement in service and maintenance of the network.	Not achieved
	Residents who are satisfied with access points to beaches.	85 percent	89 percent		Achieved

¹ Underspending in Capital Expenditure mainly due to Maclean Park renewal not yet started, and Otara Park (stage 2) project starting later than planned. Developed design for Otara Park (stage 2) project has commenced, and once completed, procurement will begin for a contractor to begin construction by the end of 2022.



Recreation and leisure – Ruhanui

Purpose

Council supports recreation and leisure through swimming pools, libraries and the arts, culture and heritage facilities. It also manages grant funding for arts, museums and maintenance of heritage sites.

What we delivered

The following projects/initiatives are **on track**:

- **Develop a new multi-use space for the Waikanae Library and Community Service Centre.** The scope of works and initial planning are complete for the first stage of work – to develop a framework plan for services and location options assessment. This first stage will include community engagement and commence in early 2022.
- **Increase digital library services, resources and support across Council's libraries.** COVID-19 has shown us just how important digital access is when the whole country is in lockdown. The range of online resources made accessible to customers has been increased alongside increased support for building digital literacy and skills.

Other progress included:

- **The Kāpiti Arts.** Trail happened on 6-7 and 13-14 November with more than 100 artists involved directly with many more exhibiting in galleries and art societies.
- **Creative Communities Scheme.** Creative Communities Scheme funding of \$24,000 was awarded by Council's Grants Allocation Subcommittee to 16 applicants across a range of cultures and innovative projects alongside well-established regular activities and events. Kāpiti can expect to see poetry and music performances, orchestral concerts, a design and photography exhibition, as well as the regular Music in the park and Mulled Wine concerts, among other offerings.



Recreation and leisure performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p> <p>29%</p> <p>■ Achieved 29 percent ■ Not achieved 71 percent</p> <p>Operating and capital expenditure at 31 Dec 2021</p> <p>Operating Capital</p> <p>\$millions</p> <p>Actual Budget Actual Budget</p> <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	Users who are satisfied with the pools' services and facilities.	85 percent	92 percent		Achieved
	Visits to swimming pools in the district.	≥290,000 each year	113,062	Ōtaki Pool and Coastlands Aquatic Centre attendance down due to closures and COVID-19 restrictions.	Not achieved
	Learn-to-swim registrations.	≥ 3,200 each year	1,307	Numbers continue to stabilise after COVID-19 closures.	Not achieved
	Users who are satisfied with the library services.	85 percent	94.3 percent	The Annual Library Survey was in August 2021.	Achieved
	Visits to libraries.	≥ 300,000 each year	145,699	There were reduced visits during August and September closures.	Not achieved
	Collections are refreshed in accordance with the New Zealand public library standards.	350 new items (including renewals) per 1,000 population.	5,944	The book budget is on track to be fully spent but this may not equate to 18,000 items as per this measure. This reflects the increase in book and processing costs.	Not achieved
	Items borrowed and renewed per annum (including physical, digital, SMART libraries).	520,000 each year	238,626	There was reduced issuing during Aug/Sept closures due to COVID-19 lockdown.	Not achieved



Community facilities – Whare tapere hāpori

Purpose

Council operates, maintains and renews our community properties and facilities including civic buildings; community halls and centres; housing for older persons; libraries, galleries and museums; the service depot and operational facilities; public toilets; and commercial properties.

What we delivered

The following projects/initiatives are **on track**:

- **Older persons' housing renewals.**
- **Mahara Gallery upgrade.** The lead contractor was appointed in October 2021, demolition work commenced in November and was 70 percent complete by end December. Construction work is due to start in February 2022.
- **Waikanae Beach Hall.** The Waikanae Community Board Meeting on 9 November, discussed work planned for Waikanae Beach Hall.
- **Waikanae Toilet.**

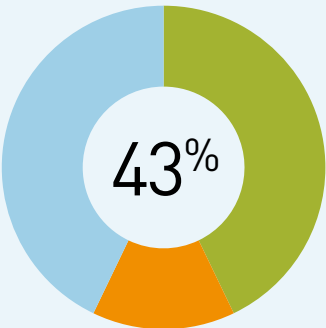
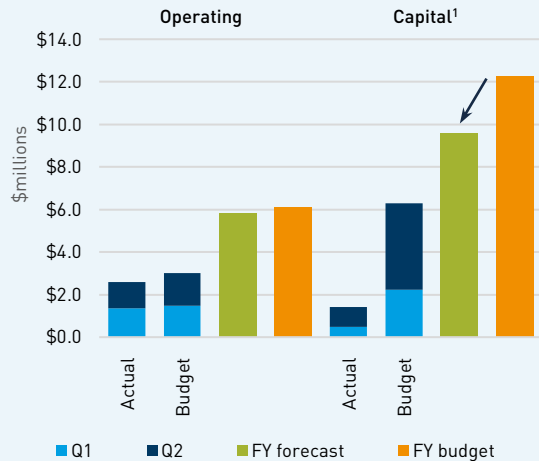
Challenges

The following projects/initiatives have **not progressed as far as intended**:

- **Replace Te Newhanga Kāpiti Community Centre.** Initial consultation with users has been undertaken in preparation for replacing the community centre. Scoping and initial planning for the next stage to develop a framework for services and location options will start in early 2022.
- **Reshape community facilities in Ōtaki, focusing initially on the library and memorial hall.** This project is in the planning phase. We have set aside a budget of \$10 million over four years from 2024-25 to explore reshaping our community facilities in Ōtaki, with a focus on the library and memorial hall.
- **Ōtaki Pavilion toilet.** Seismic work is being undertaken and a Heritage Architect has been engaged.



Community facilities performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p>  <p> ■ Achieved 42.86 percent ■ Not achieved 14 percent ■ Annual measure 43 percent (not yet due) </p> <p>Operating and capital expenditure at 31 Dec 2021</p>  <p> ■ Q1 ■ Q2 ■ FY forecast ■ FY budget </p>	Users who are satisfied with the standard of the library building facilities.	85 percent	86.4 percent		Achieved
	Residents who are satisfied public toilets are clean, well-maintained and safe.	75 percent (LTP wrongly had 80 percent)	83 percent		Achieved
	Urgent requests relating to public toilet facilities that are responded to within 4 hours.	98 percent (LTP wrongly had 75 percent)	86.54 percent	While all requests were responded to, in some cases the timeframes were not captured in this quarter. This process issue has been addressed.	Not achieved
	Users who are satisfied with Community halls.	85 percent	–	The Hall Survey not available until end of financial year.	Annual Measure
	Occupancy rate of the total number of units available for older persons.	97 percent	97 percent	This measure does not include the Units that are being renewed / upgraded due to the Councils Older Persons Housing Units Renewal / Refurbishment program and also the Healthy Homes program and decant provisions.	Achieved
	Tenants of housing for older persons who rate services and facilities as good value for money.	85 percent	–	The Tenants Survey will be carried out before financial year end.	Annual Measure
	Tenants of housing for older persons who are satisfied with services and facilities.	85 percent	–	The Tenants Survey will be carried out before financial year end.	Annual Measure

¹ Underspending in Capital Expenditure mainly due to Te Newhanga Kapiti Community Centre project not yet started, and Mahara Gallery project starting later than budgeted.



Partnerships

Tangata whenua

Purpose

The activity relates to the Council growing and evolving its partnership with Mana Whenua and mātāwaka (kinship group) on the Kāpiti coast. It does this through:

- supporting and enabling Te Whakaminenga o Kāpiti
- our Council-iwi partnership and other such partnerships
- developing and delivering the Te Whakaminenga o Kāpiti annual work programme
- ensuring our commitment to the Council's partnership with iwi is reflected in our day-to-day work.


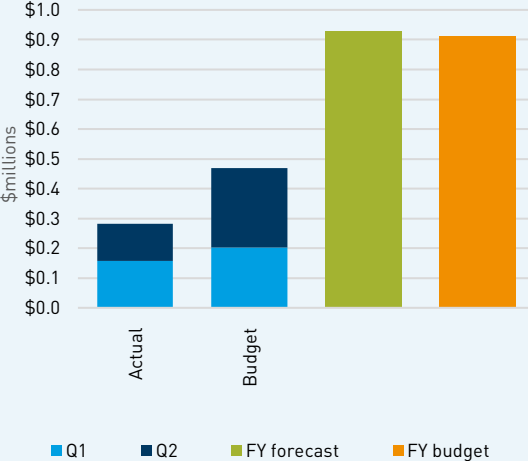
What we delivered

The following projects/initiatives are **on track**:

- **Support increased capacity within iwi to be involved with the work of Council.** On 7 December 2021, Te Whakaminenga o Kāpiti were updated on the Council Calendar of Meetings for 2022 and their confirmation was sought for proposed meeting dates.
- **Building capability within Council, focusing on increasing knowledge and understanding of Te Tiriti o Waitangi, Te Reo Māori, and kaupapa Māori.**



Tangata whenua performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p>  <p>■ Annual measure 100 percent (not yet due)</p> <p>Operating expenditure at 31 Dec 2021</p>  <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	Partnership agreements are in place with each of our iwi partners, and they are reviewed annually.	Achieve	–		Annual Measure
	Iwi partners are satisfied with their partnership with Council.	Achieve	–		Annual Measure
	Iwi have the opportunity for representation on standing committees of Council and Mana Whenua have opportunities to contribute to Council work programmes.	Achieve	–	Council are engaging with mana whenua on proposed governance arrangements	Annual Measure



Community support – Ngā hāpai hapori

Purpose

The activity supports communities to achieve wellbeing by focusing on resilience, equitable outcomes, reducing disparities and partnering for collective impact on community issues and challenges. It does this through:

- Community financial support programmes
- Youth development, older persons and accessibility projects
- Community advisory groups support
- Food security and resilience programme
- Community and neighbourhood projects
- Diversity and inclusiveness projects
- Community safety projects
- Social investment and sector capability building

What we delivered

The following projects/initiatives are **on track**:

- **Implement our social investment and support programme for the community sector to support our district's recovery and rebuilding from COVID-19 impacts.** Council has implemented a phased approach to the upcoming social investment programme. Applications are now open for not-for-profit organisations to apply for Social Impact Grants – funding for initiatives to help the community respond to and recover from the impacts of COVID-19. The Grant has \$320,000 available for initiatives in the whole district and \$50,000 for Ōtaki based initiatives. Applications close in late February 2022.
- **Develop and implement an age-friendly approach to meet the needs of our “seniors” population.** Community and Kaumatua engagement has been completed. Councillors have been updated on progress. An Age Friendly steering group has been established for strategy development. External funding has been awarded from the Office of Seniors to support local Age Friendly initiatives.

- **Work with our community to develop spaces – community centre/hubs – that enhance access to resources and services.** Youth engagement is nearing completion for developing a fit for purpose youth space in Ōtaki. The youth engagement report captures insights from youth from Ōtaki College, Te Hunga rangatahi programme and mana whenua and is essential to next steps in the project.

Challenges

- COVID-19 has exacerbated existing socio-economic issues and changed the way people work and connect.



Community support performance measures

	Performance measures	Target	Result	Achieved
<p>Performance Measures to 31 Dec 2021</p> <p>25%</p> <p>■ Achieved 25 percent ■ Annual measure 75 percent (not yet due)</p> <p>Operating expenditure at 31 Dec 2021</p> <p>\$millions</p> <p>Actual Budget FY forecast FY budget</p> <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	Formal Council-mandated and supported advisory groups are satisfied or very satisfied with opportunities to influence the content of Council strategies, policies and project planning.	Satisfied	–	Annual Measure
	Youth development programme deliverables are achieved.	Achieve	–	Annual Measure
	Residents who are satisfied with the Council's community support services.	85 percent	87 percent	Achieved
	Council's social investment programme enables services to deliver on Community priorities.	Achieve	–	Annual Measure



Governance – Mana whakahaere

Purpose

We provide governance and legal services that meet the needs of elected members and staff; enable strong and effective partnerships between elected members, iwi and Council staff; and facilitate public participation in democratic processes. Key activities include:

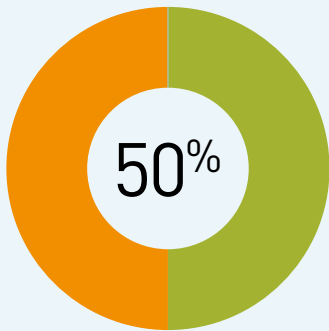
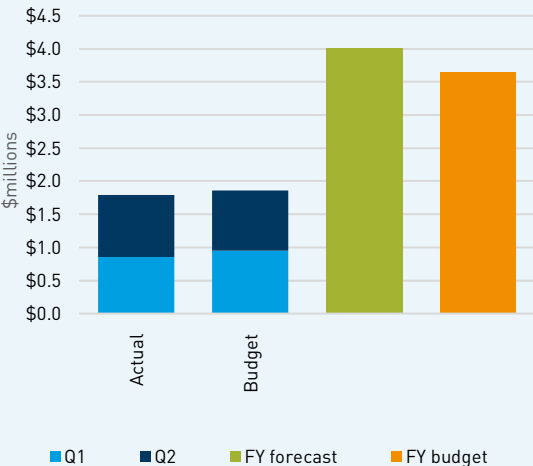
- delegations to support Council decision-making under the Local Government Act 2002
- providing committee secretarial services for Council staff and elected members
- managing the electoral processes, including representation reviews, local body elections and referenda
- providing support and services to elected members, including induction, professional development, remuneration and expenses
- ensuring quality, timely and cost-effective democratic and legal advice and assistance to staff and elected members
- managing the legal function including the issuing of warrants and staff delegation
- managing requests under the Local Government Official Information Act 1987 and Privacy Act 2020
- delivering or contributing to key projects and activities, including civic events.

What we delivered

- **Representation review.** Council received 532 submissions on the review and spent almost two days hearing oral submissions. The Kāpiti Coast District will keep a local democracy system similar to that in place now, but with a new community board to represent Raumati, making five community boards in total. It keeps the current four wards. The decision was publicly notified and open for appeals or objections until 13 December. It will then go to the Local Government Commission for a decision by 11 April 2022. Common themes were that people want distinct voices to be heard, including Māori voices. They want distinct suburbs recognised and they want more accessible and representative democracy.
- **Waikanae community board by-election.** A resignation from the Waikanae Community Board led to a by-election that closed on 22 December. Voting papers will be delivered to eligible voters on 26 January 2022, and voting will close on 17 February 2022.
- **Continue to explore opportunities to enhance participation of Māori in the governance framework.** Council's Iwi Partnerships team is currently engaging with Council's iwi partners about specific options to enhance mana whenua participation within Council's governance framework, following which staff will present options to Councillors for consideration.



Governance performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p>  <p>■ Achieved 50 percent ■ Not achieved 50 percent</p> <p>Operating expenditure at 31 Dec 2021</p>  <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	Council meeting agendas are available in hard copy in Council service centres and/or district libraries within two working days prior to the meeting.	100 percent	100 percent	Performance measure met.	Achieved
	Official information requests that are responded to within 20 working days.	100 percent	98.3 percent	A total of 172 requests were received for quarters one and two. One response was outside of the statutory timeframe due to the request being received through another email channel and not forwarded onto the LGOIMA team until after the due date. For this response, the final response went out two days after the revised due date, due to a delay on the part of staff responsible for the request. Two responses were outside of the statutory timeframe due to an ICT issue which meant that requests were not received by staff until close to or after the due date and for one of these, the final response went out a day after the revised due date due to a delay on the part of staff responsible for the request.	Not achieved



Economic development – Whakawhanake umanga

Purpose

Council works in partnership to support growth of a vibrant, diverse economy that provides increased opportunity and resilience. This involves:

- business support and facilitation
- business attraction
- destination marketing and promotion
- major events
- workforce and skills development
- districtwide economic infrastructure projects and initiatives
- supporting delivery of the Kāpiti Recovery Plan.

What we delivered

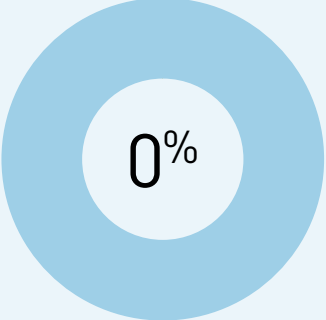
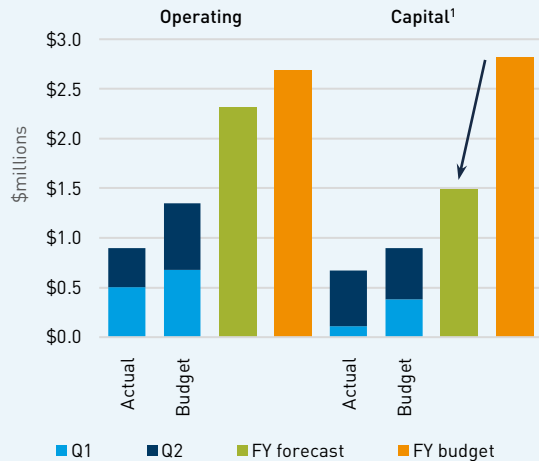
The following projects and initiatives are **on track**:

- **Work with iwi and the business community to implement the Kāpiti Coast Economic Development Strategy and develop a Destination Management Plan and developing a Workforce Plan.** Good progress continues to be made with the implementation of the Economic Development Strategy. All three iwi continue to be represented on the Economic Development Kotahitanga Board. Notable achievements include the approval of the Kāpiti Coast Destination Management Plan.
- **Set up a CCO (Council Controlled Organisation) that could be used in the future.** Work is underway to better understand CCO options for consideration by Council, with a paper currently scheduled to be presented to Council in quarter three.
- **Explore whether Council may be able to have a role in the Kāpiti Coast Airport.** Council continues to be actively involved in relevant discussions about the ongoing future of the Kāpiti Airport.

- **Kāpiti Gateway (Te Uruhi) Kāpiti Gateway with co-funding from Government.** The Tikotu Stream retaining wall is complete on south bank and work is starting in January on the north bank. The lead contractor has been appointed for the overall project under an early contractor involvement model and we expect to start first stage of work (replacing Tikotu Stream footbridge) in late March, while progress on the Te Uruhi buildings is dependent on pending resource consent.



Economic development performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p>  <p>0%</p> <p>■ Annual measure 100 percent (not yet due)</p> <p>Operating and capital expenditure at 31 Dec 2021</p>  <p>Operating Capital¹</p> <p>\$millions</p> <p>Actual Budget Actual Budget</p> <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	<p>The actions in the Kāpiti Coast Economic Development Strategy and Implementation Plan 2020-23 are delivered.</p>	<p>Achieve (as reported annually in the Economic Development Kotahitanga Board report</p>	<p>–</p>		<p>Annual Measure</p>

¹ Underspending in Capital Expenditure mainly due to Te Uruhi project starting later than planned and likely to impact on full year result.



Planning and regulatory services

District wide planning – Mahere ā-rohe

Purpose

Districtwide planning covers district planning, research, policy and housing. It is focused on ensuring that we are more active in supporting suitable housing supply and that the district has access to the right strategic assets for the future.

What we delivered

The following projects/initiatives are **on track**:

- **Develop and implement our district growth strategy.** Kāpiti District Council's proposed approach to growth over the next 30 years, called 'Te tupu pai – Growing well', opened for public feedback in October and November. We received 145 submissions to inform final decisions on the Council's final growth strategy, set to be adopted in February 2022.
- **Support and enable increased supply and development of housing including land acquisition.** Council applied for funding to support housing developments through the Government's \$1 billion Infrastructure Acceleration Fund to support councils, iwi and developers to invest in

enabling infrastructure for new housing. Kāpiti Coast District Council submitted on the Resource Management (Enabling Housing Supply and other matters) Amendment Bill which was passed under urgency and must be implemented by Council through a District Plan change notified by 20 August 2022. Early-stage planning work underway on future housing development on Council-owned land in Rangiora Rd, Ōtaki. A housing survey was conducted as part of assessing the district's current and emerging housing and social needs. The full housing and social needs assessment will be report to Council in Q4. Develop of a Housing Strategy is underway to clearly identify actions Council will take.

- **Review our District Plan particularly to reflect National Policy Statement on Urban Development (NPS-UD) and medium density residential standards.** Technical assessments to support identification of growth and intensification areas have been completed and will inform District Plan changes. Consistent with our proposed approach to growth, our approach considers protecting our environment, offering housing choice, revitalising town centres, creating better access and transport options, and spaces for business, industry and productive land.

An assessment was undertaken of the impact of the Resource Management (Enabling Housing Supply and Other Matters) Amendment Bill and related changes to the NPS-UD on the upcoming urban development plan change, which will implement the NPS-UD. Input was provided into the Select Committee process.

- **Rolling review of the District Plan, including notification of changes to the Omnibus plan.** A package of omnibus plan changes has been developed and was approved for initiating early consultation and drafting amended district plan provisions. Approval will be sought to undertake formal public notification in early 2022. The package includes changes that are related to requirements of the NPS-UD and have specified timeframes to be done. Other changes include actions committed to in mediation agreements and amending/updating waahi tapu listings.

Other progress included:

- **Open Space Strategy.** We consulted on the draft updated strategy that outlines a vision for a diverse and cohesive network that supports the connection of the community to the environment and enhances the mauri or essential vitality of both. It will ensure we have the right spaces in the right places.
- **Traffic Bylaw refresh.** We sought community feedback to update the Traffic Bylaw from 2010 that sets the rules for car parking, our cycleway, walkway and bridleway network, signage, and roadworks on Council-owned or managed roads, road reserves, public carparks and other spaces. We propose changing the name to the Transport Bylaw 2021 to better reflect its role in managing non-vehicle modes of transport, the addition of clauses to enable future resident and business parking schemes –upon approval by Council - and adding sections to support enforcement when this is required. We received 44 submissions on the proposed bylaw. The submissions will inform the final version, which will go to Council on 24 February 2022 for approval.
- **Animals, Bees and Poultry Bylaw 2021.** The Bylaw was adopted on 30 September 2021 and came into effect on 1 January 2022 to manage the keeping of animals, bees and poultry to ensure they do not create a nuisance or become a threat to public health and safety and to better align with the District Plan.
- **Review of the General Bylaw.** The review of the General Bylaw was completed in August 2021 and found that most of its provisions were either now either redundant or replicated with the recent updates of other bylaws. On 26 August 2021 Council agreed to revoke the General Bylaw 2010 supported by a number of technical amendments to reflect this change across other bylaws. The bylaw was revoked on 31 December 2021.
- **National Policy Statement for Freshwater Management – Wetlands Management** – October 2021
- **Response to Government on Three Waters Reform proposal** – 01 October 2021
- Submission on **Inquiry on the Natural and Built Environments Bill: Parliamentary Paper** – 4 August 2021
- Government Policy Statement on Housing and Urban Development (GPS-HUD) – 30 July 2021
- **Cover letter**
- **Submission on the Government Policy Statement on Housing and Urban Development: Discussion Document**

Submissions provided:

- **Waste Strategy and Legislation Submission to Ministry for the Environment** – 8 December 2021
- **Submission to Ministry for the Environment on emissions reduction plan** – 24 November 2021
- **Resource Management (Enabling Housing Supply) Amendment Bill** – 16 November 2021

Challenges

- COVID-19 has limited the ability for some forms of public engagement in uncontrolled settings. As a result, we have used a number of alternative steps and methods to help reach and connect with our community.



District wide planning performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p> <p>33.3%</p> <ul style="list-style-type: none"> Achieved 33.33 percent Not achieved 33.33 percent Annual measure 33.33 percent (not yet due) 	<p>A forward programme of District Plan changes (dependent on timely completion of founding policies, strategies, and technical work) is developed and monitored.</p> <ul style="list-style-type: none"> Omnibus plan change Urban development plan Flood risk plan change Coastal Plan change Urban development plan change Mana Whenua Plan Change 	<p>Notified: 2021-2022 Notified: Aug 2022 Notified: 2023 Notified: 2023 Notified: 2024 Notified: 2024</p>	–	<p>Consultation has been completed on the draft plan changes: 1a (accessible car parking), 1b (liquifaction), 1c (cycle parking). Significant preparatory work on Urban Development plan change.</p>	Annual Measure
<p>Operating and capital expenditure at 31 Dec 2021</p> <p>Operating Capital</p> <p>\$millions</p> <p>Actual Budget Actual Budget</p> <p>Q1 Q2 FY forecast FY budget</p>	<p>All policies and bylaws are reviewed according to their statutory timeframes.</p>	100 percent	100 percent		Achieved
	<p>Residents who agree that the district is developing in a way that takes into account its unique character and natural environment.</p>	75 percent	61 percent	<p>We consulted on our draft approach for growth.</p>	Not achieved



Regulatory services – Ratonga whakaritenga

Purpose

The regulatory activity comprises three teams:

- Building
- Resource consents and compliance
- Environmental standards.

These teams are responsible for:

- building consent processing and inspections (Building Warrants of Fitness, Land Information Memoranda (LIMs), Certificates of Acceptance)
- resource consent processing and consent monitoring (subdivision consenting, expressway consent monitoring)
- environmental standards (animal management, residential swimming pool inspections, noise control, trade waste licence compliance, food premises licencing and inspections, alcohol licensing, environmental health, and public space and parking monitoring).

What we delivered

Building Consents Authority (BCA) accreditation

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

Building consents processing

During this period, we received 658 building consent applications and granted and issued 602 building consents. Total value of this new work was \$138M.

There was ongoing demand for new building consents with a focus on new dwellings and alterations to existing homes, while commercial building consents were at a similar level to previous years.

The increase in construction activity across the country meant increasing delays for homeowners and their builders as suppliers struggled to keep up with demand. This led to an increase in the number of requests for changes to consents due to inability to source materials. We also saw an increase in the number of requests for time extensions for building work to be completed.

Animal Management

In October, an Annual Dog Control Report 2020-21 on the 2019 Dog Control Policy and Practices was provided to Strategy and Operations Subcommittee.

In October an Annual alcohol licensing report was provided to Council pursuant to section 199 of the Sale and Supply of Alcohol Act 2012 (the Act) and the 2020/21 Regulation 19 Financial Report as required each year showing the income from fees, and costs incurred in the performance of the DLC and the inspectors pursuant to regulation 19 of the Sale and Supply of Alcohol (Fees) Regulations 2012 (the Regulations).

Resource Consents and Compliance

This last quarter was exceptionally busy for the Resource Consents and Compliance team. The team received 20 percent more resource consent applications compared to the same time last year. External consultants are being heavily relied on to assist with the overflow processing, however this can be time consuming and add additional cost and time to consent processing. Average processing days have increased, and the team are processing resource consents within an average 23 working days this quarter. Although this exceeds the teams internal KPIs and the RMA Statutory timeframe this average is significantly less than many other Councils within the Wellington region.

Due to the current workloads and the government resource management reforms which will continue to increase pressure within the industry and on our regulatory teams a business case was formulated and approved for additional resourcing to assist with timeframes and workloads. It is forecast that provided these positions can be filled in the third quarter that the current timeframes will reduce with the aim of having average processing days to less than 20 by the end of the financial year. Recruitment for these positions will commence in February 2022.

The team continues to be involved in inspections on the PP20 expressway project, are working with the Builder on the completion of Transmission Gully Project and continuing to ensure that the M2PP project finalise their consent requirements prior to revocation of State Highway 1. Also, officers are meeting and attending workshops for the O2NL (Ōtaki to North of Levin) roading project as Waka Kotahi have indicated that a Notice of Requirement application for the O2NL designation will be lodged with Council in mid-2022. This quarter the Development Control team were also reviewing the Conditions imposed by the Fast-Track Consenting Panel in relation to the Waikanae Summerset Retirement Village development. Works on this project will start in 2022 and there is a significant amount of management plans that need to be submitted and reviewed by the team prior to the commencement of works.

Customer Journey Mapping Project

As part of our commitment to an improved customer experience, we have undertaken a project to better understand our customers journey through an often complex regulatory environment. Across both Building and Resource Consent activity areas, we have conducted customer and partner agency surveys, reaching over 120 people, undertaken more detailed interviews of some 40 customers and developed 11 customer journey 'maps', which when workshoped with staff, provide a rich source of information about how customers experience our services.

In turn, applying learnings under the heading of 'moments that matter', we are collating a programme of work to imbed these insights and improve the customer experience end to end. Some of these insights have been challenging but nonetheless valuable as we develop our curiosity as a regulator.

Challenges

Regulation/legislation

Currently there are a number of proposed changes to planning legislation that will impact development within our District. These include the Resource Management Reforms, National Policy Statement on Urban Development, and the Resource Management (Enabling Housing Supply and Other Matters) Amendment Act 2021. Any changes to the planning framework have large impacts upon the Resource Consents and Compliance team workload. Processes, templates, and advice need to be reviewed and communicated to the development community. This coupled with the fact that the team also must interpret these changes and apply quickly, accurately and efficiently adds to the challenges the team are dealing with.

There were changes to building regulations and guidance around the assessment of ground for liquefaction that caused some confusion within the sector. This led to several applications being put on hold while customers sort further advice from their engineers. Due to a lack of understanding by the industry about the changes along with limited advice from MBIE it put officers under pressure as they were expected to simultaneously be educators and regulator.

The increasing number of new subdivisions being brought online saw a corresponding increase in the number of applications being assessed for land subject to natural hazards such as flooding and ponding. This meant some owners needed to undertake further design work to mitigate the hazards, while developers undertook further work to remove the hazard through ground improvements. Basically, our easy to develop land has largely gone, making good development more complex but our role as regulator more important as we aim to 'grow well'.

Climate change and natural hazards

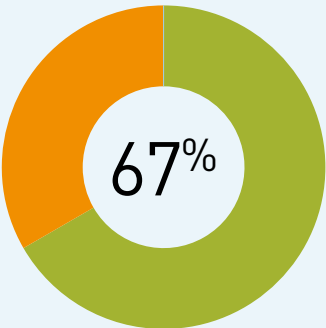
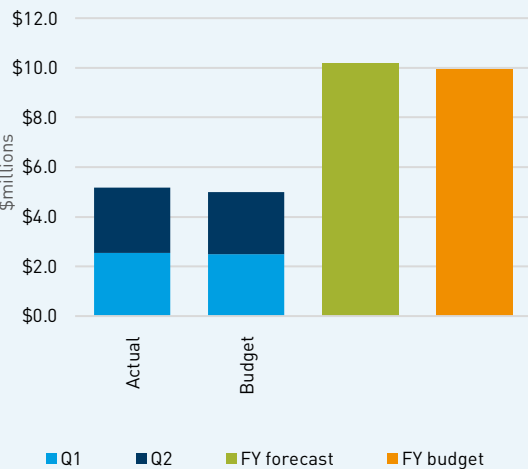
Much of the urban land left to be developed is subject to natural hazards or could be impacted upon by climate change. This creates a challenge when assessing developments and the regulatory services group must ensure that the demand for development and housing with the risk to people and property.

Staff retention and recruitment

There is a material shortage of trained technical practitioners throughout New Zealand which makes retention and recruitment for local government organisations very challenging. This is especially so in areas such as resource management, development engineering and building control. Although the team has vacant positions, finding suitable candidates is difficult especially when the private sector is offering far better remuneration and additional incentives for staff. Although this challenge is not new for our Council, the expertise shortage and the currently high workloads has exacerbated the situation. Currently the Resource Consents and Compliance team have two team leader positions vacant and another team leader is on parental leave impacting workload. Focus on work/life balance and well-being, given the two years of COVID-19 impact that we've had, is a constant challenge for people managers.



Regulatory services performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p>  <p>67%</p> <p>■ Achieved 67 percent ■ Not achieved 33 percent</p> <p>Operating expenditure at 31 Dec 2021</p>  <p>Actual Budget</p> <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	Average working days to process building consents will not exceed 17 days.	Not exceed 17 days	12 days	Average processing days for building consents was 12 days. We received 658 applications and we processed and granted 602 building consents. Total value of the applications was \$138m.	Achieved
	Average working days to process non-notified resource consents will not exceed 17 days, (excluding Building Act s.37 extensions).	Achieve	22 average working days	The average working days for Quarter 2 were 23.5 working days. The resource consents team received 110 applications and issued 44 decisions this quarter. This is compared to 87 applications received and 60 decisions issued during the same time last year. Currently the team are dealing with extremely high workload and although external consultants are being utilised the statutory processing timeframes have increased. All territorial authorities within the Wellington Region are experiencing the same issues.	Not achieved
	All dog attack and threatening behaviour requests for service (classified as urgent) are responded to within 1 hour of notification	100 percent	100 percent	Council received one dog attack report and two threatening behaviour requests for service. Animal Management staff responded to these requests within one hour of calls received. This low number of dog attacks and threatening incidents occurred against the backdrop of an increasing number of requests for service (a trend that continued throughout a COVID-19 lockdown) and is testament to the proactive efforts of Animal Management staff to educate and take enforcement action against dog owners in the District.	Achieved



Corporate

Purpose

The corporate activity includes many cross-Council support functions mainly focused on enabling operational delivery. Support functions are provided to both internal and external customers and stakeholders. It is made up of:

- The Chief executive's office (including Mayoral support)
- Business improvement
- Communications and engagement
- Corporate planning and reporting
- Customer engagement
- Digital solutions
- Finance
- Human resources
- Legal counsel
- Procurement

What we delivered


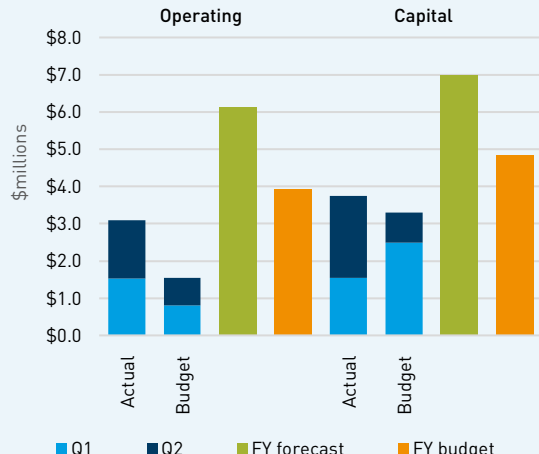
- **IT capability.** Continued to improve and build on an already good level of IT capability by successfully implementing the Microsoft 365 Suite, we installed Sharepoint, our new Electronic Document, Records Management System (EDRMS) and implemented a new intranet that can be accessed from anywhere on any device called RAD.
- **Long-term Plan.** Completed responses to submissions made to the Council's draft 2021-41 Long-term Plan.
- **Annual Report.** Completed and adopted the Council's Annual Report for the year ended 30 June 2021 on 25 November 2021 with a "clean" audit opinion
- **Staff engagement survey.** Completed the annual staff engagement survey.
- **Managed continued impacts of COVID-19.** Successfully maintained all support functions throughout the August 2021 COVID-19 Alert level 4 lockdown.
- **Strategic land purchases.**

Challenges

- Staff retention and recruitment across the whole organisation.
- High workloads, mainly from central government mandated initiatives and timeframes.
- Business continuity planning in light of changing COVID-19 response requirements.
- Increasing use of technology-enabled communication channels in engagement campaigns.
- Anticipating potential impacts of the Local Government Review Panel. Their review includes considering how councils can maintain and improve the wellbeing of New Zealanders in the communities they serve. It will look at what local government does, how it does it, and how it pays for it. From there, they will explore what local government's future looks like, including roles, functions and partnerships, representation and governance and funding and financing. The Future for Local Government Review Panel is due to release their draft report and recommendations for public consultation on 30 September 2022.



Corporate performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p>  <p>Not achieved 100 percent</p> <p>Operating and capital expenditure at 31 Dec 2021</p>  <p>Operating Capital</p> <p>\$millions</p> <p>Actual Budget Actual Budget</p> <p>Q1 Q2 FY forecast FY budget</p>	Staff have the materials and equipment they need to do their work right.	Improved result from previous engagement survey	3.96 from a total of 5	There has been no change from last year. However, we continue to perform well in this area, as demonstrated during COVID-19 lockdown in August 2021, and the government's new protection framework (traffic lights).	Not achieved

Section 2: Financial management

What is this section about?

This section explains how we have managed our finances over the reporting period.

This section has two subsections:

2.1 Financial overview	53
2.2 Financial statements	60

2.1 Financial overview

Financial performance

Operating profitability

Operating surplus for the half year
\$7.7 million

We achieved an operating surplus of \$7.7 million for the half year, \$2.7 million lower than budget, and are currently forecasting a full year operating surplus of \$7.3 million - \$41 million lower than budget. The year to date variance and surplus is mainly due to capital grants and subsidies received as part of funding towards Councils capital works programme. This does not represent a permanent cash surplus for Council.

Revenue for the six months was
\$54.4 million

Revenue was \$54.4 million for the first six months. This was \$3.3 million lower than budget YTD due mainly to revenue from grants and subsidies (\$3.9 million lower), with the Link Road business case delayed. Development and financial contributions were \$601,000 ahead of budget for the period, while other revenue items were broadly on budget.

Revenues are currently forecast to be \$105.6 million for the full year, \$38.7 million below budget mainly due to vested assets (\$34.5 million lower) and grants and subsidies (\$4.7 million lower, being the link road). Vested asset revenue budgets assume Council will take over old state highway assets, however this is unlikely to be completed this financial year and is reflected in the forecast. This does not affect the rates funded position.

Total operating expenditure
for the half year was
\$46.7 million

Total operating expenditure was \$46.7 million for the half year, \$650,000 under budget YTD mainly due to lower maintenance expenditure. This is temporary in nature and is expected to correct in the second half of the year. Operating expenditure is forecast to be \$98.3 million for the full year, \$2.4 million above budget due to unbudgeted COVID-19 expenses (for things like PPE gear (gloves and wipes) and extra services to meet our health obligations in relation to official Government advice (such as additional cleaning of high-touch areas). Other costs related to legal and professional services for housing, Council Controlled Organisation and airport matters, disposal of sludge, screening and grit.

Capital spending

Spend on capital projects
in the first six months
\$17.8 million

The Council has adopted a programme of capex delivery for the 2021/41 Long-term Plan, which will build upon the foundations of the expected strong growth in the district. All major projects have been and will continue to be assessed and prioritised according to their return and stimulus to the economy.

We spent \$17.8 million on capital projects in the first six months renewing and upgrading the Council's assets and forecast to spend \$58.3 million (subject to further change) for the full year against a budget of \$73.5 million. This lower forecast level of expenditure reflects a combination of factors including consenting and business case approval delays, supply challenges and the impact of the COVID-19 lockdown in 2021. We intend to seek approval through the 2022-23 Annual Plan process to carry the majority of the unspent capex forward to future years. The following table shows the full year variances for major projects.

Major projects & initiatives	Jul-Dec actual (\$000)	Jul-Dec budget (\$000)	Jul-Dec variance (\$000)	Full year forecast (\$000)	Full year budget (\$000)	Full year variance (\$000)
Footpath programme	382	769	387	1,167	1,493	326
Ihakara-Arawhata Link Rd	313	3,304	2,991	1,218	6,715	5,496
Maclean Park	34	34	[0]	67	619	552
Major stormwater projects	2,786	2,254	[532]	5,801	5,801	0
Ōtaki Library renewals (24/25 onwards)	-	-	-	-	-	-
Otaraua Park Stage 2	96	307	211	416	1,465	1,049
Paekākāriki Seawall replacement	274	160	[114]	1,744	1,590	[154]
Para WWTP/Ōtaki WWTP	3,293	3,262	[31]	7,330	6,495	[835]
Te Newhanga Community Centre	57	502	445	455	1,032	577
Te Uruhi (Kāpiti Gateway)	672	898	227	1,491	2,815	1,324
Waikanae Library project	85	441	355	726	1,032	306
Waikanae WTP upgrade/Hautere WTP upgrade/Ōtaki Water supply upgrade	1,021	7,135	6,114	6,385	14,374	7,989
Waste network renewals/Wastewater network upgrades	331	172	[159]	867	430	[437]
Water network renewals/Water network renewals and upgrades	1,500	1,004	[496]	1,883	1,565	[319]
Total major projects led by Council PMO	10,843	20,241	9,398	29,552	45,427	15,874

Other major projects & initiatives	Jul-Dec actual (\$000)	Jul-Dec budget (\$000)	Jul-Dec variance (\$000)	Full year forecast (\$000)	Full year budget (\$000)	Full year variance (\$000)
Mahara Gallery	540	1,658	1,119	3,928	4,649	721
Minor road safety improvements	68	59	[9]	784	1,136	352
Older persons' housing renewals	254	704	450	707	1,407	700
Public Toilets - Ōtaki Pavilion	55	989	934	589	1,044	455
Public Toilets - Waikanae	249	310	62	452	328	[124]
Raumati South seawall replacement	33	184	150	452	588	137
SH1 revocation	305	636	331	2,282	1,028	[1,253]
Transport Hub	38	1,200	1,162	3,322	1,634	[1,687]
Total other major capital projects	1,541	5,739	4,198	12,515	11,816	[699]
Total other minor capital projects	5,417	8,932	3,515	16,281	16,222	[59]
Total Capital Expenditure	17,801	34,912	17,111	58,348	73,464	15,116

Rates funded position

The year-to-date actual rates funding surplus of \$2.9 million is mainly due to less spending than anticipated across the Council in personnel and maintenance & operations. This mainly reflects a temporary timing difference of planned expenditure.

The full year forecast rates deficit of \$2.7 million reflects that more spending is anticipated in the second half of the financial year (COVID-19 expenses, legal and professional services costs for Housing, CCO, and Airport matters), coupled with less

funding anticipated to be received from external parties (National Library Funding, funding assumptions for resources on central government led reforms/changes). This is slightly offset by lower than expected expenditure on water activity during the period.

Summary of rates funding	Year to date 31 December 2021 Actual \$000	Budget \$000	Variance \$000	Full Year 2021/22 Forecast \$000	Budget \$000	Variance \$000
Operating (deficit)/surplus	7,710	10,374	(2,664)	7,280	48,283	(41,003)
Adjusted by income and expenditure not funded by rates:						
Add: Unfunded Depreciation	2,425	2,462	37	2,500	2,500	-
Add: (Gain)/Loss on Sale of Assets	7	-	(7)	7	-	(7)
Add: Expenditure funded by reserves and special funds	140	54	(86)	137	104	(33)
Less: Capital subsidies	(5,046)	(9,125)	(4,079)	(7,008)	(11,671)	(4,663)
Less: Development and Financial Contributions	(2,383)	(1,782)	601	(3,564)	(3,564)	0
Less: Vested Assets	-	-	-	(2,000)	(35,370)	(33,370)
Underlying net rates surplus/(deficit)	2,854	1,983	870	(2,648)	281	(2,929)
Represented by:						
Net underspend/(overspend) across the organisation	2,129	1,592	536	(3,372)	(144)	(3,228)
Water account surplus/(deficit)	725	391	334	724	425	299
Rates surplus / (deficit)	2,854	1,983	870	(2,648)	281	(2,929)

Financial position

As at December 2021, total assets were \$1.8 billion. The majority of this (\$1.5 billion) was infrastructure assets - primarily three waters (\$321 million), roading (\$1.1 billion). The remainder includes community facilities, parks and open spaces and financial assets.

Value of the Council assets

\$1.8 billion

Our liabilities were \$272 million, of which \$250 million was medium to long term borrowings from the Local Government Funding Agency. Other liabilities include money owed, for example, to suppliers.

Ratepayer's equity, being the difference between total assets and liabilities, stood at \$1.5 billion.

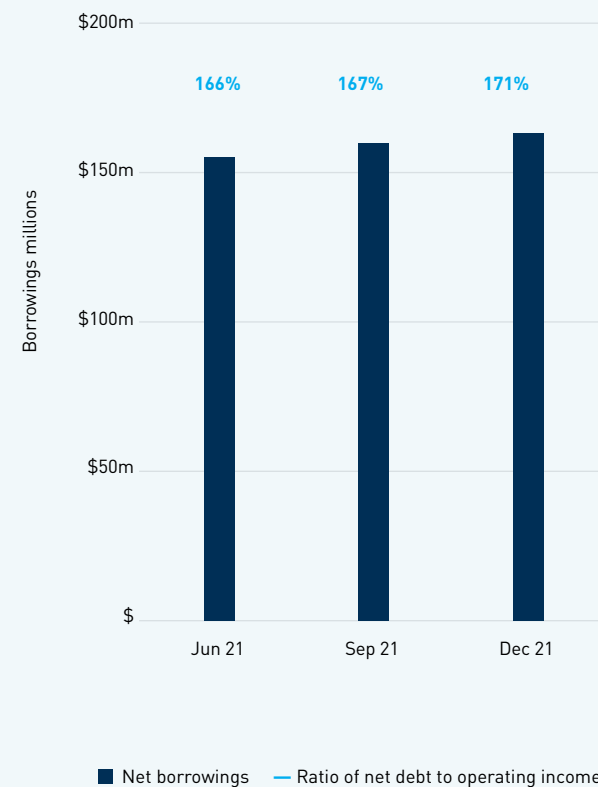
Cash and debt management

At December, we had net debt (total borrowings less cash, term deposits and borrower notes) of \$163 million, which represents 171 percent of our operating income - well below the maximum of 280 percent and preferred level of 250 percent set out in our financial strategy. Because capex will be below budgeted levels this year, we expect to be well below our year end budgeted net debt level of 210 percent.

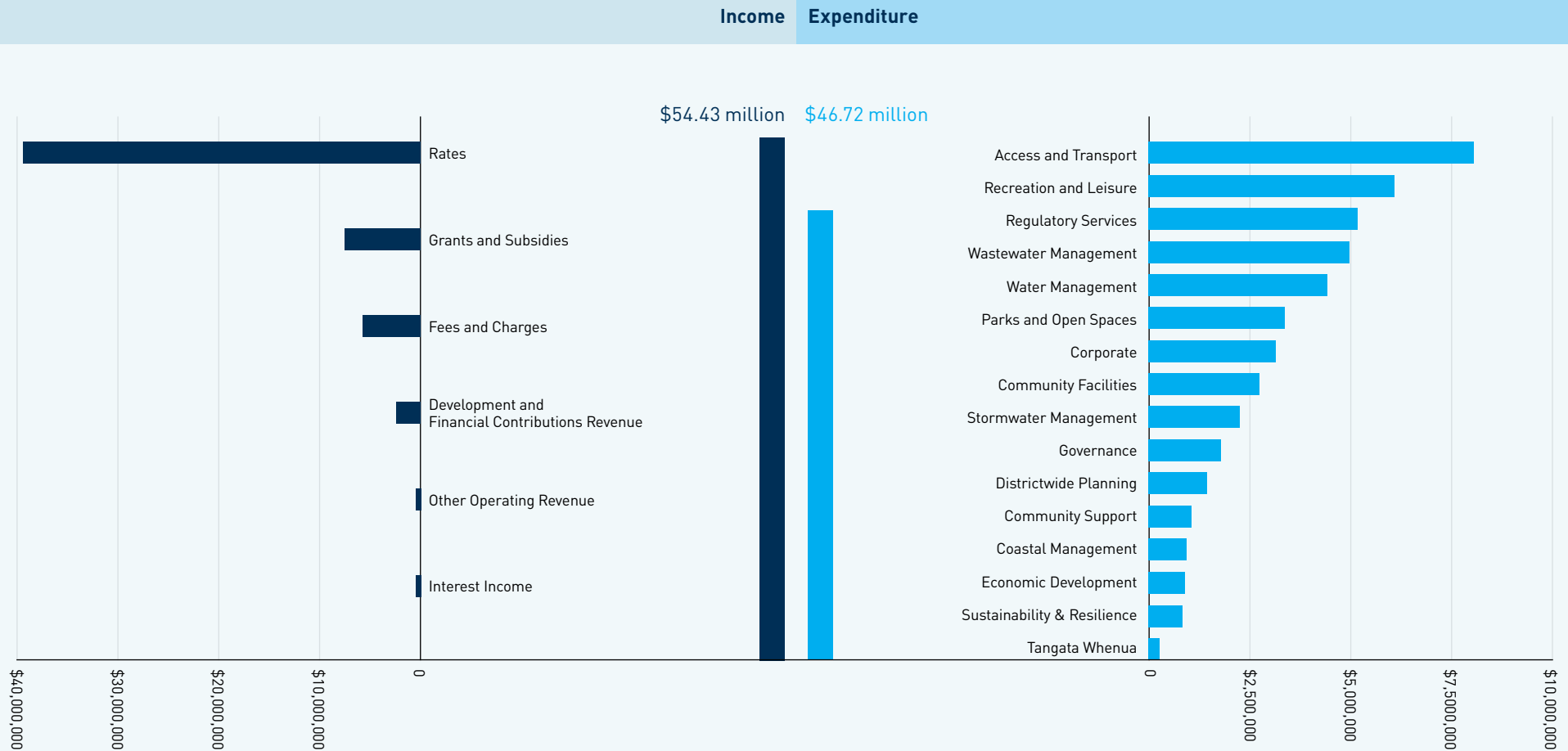
We expect to be well within our year budgeted net debt level of

210 percent of operating revenue

Net debt as a percentage of revenue



Financial performance to 31 December 2021



2.2 Financial statements

Statement of financial performance						
	Year to date 31 Dec 2021			Full year 2021/22		
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000
Rates	37,777	37,804	(27)	75,736	75,721	15
Fees and Charges	5,702	5,464	238	10,529	10,412	117
Grants and Subsidies	7,527	11,487	(3,960)	12,194	16,918	(4,724)
Development and Financial Contributions Revenue	2,383	1,782	601	3,564	3,564	–
Other Operating Revenue	532	872	(340)	2,493	36,994	(34,501)
Interest Income	509	335	174	1,052	611	441
Total Income	54,430	57,744	(3,314)	105,568	144,220	(38,652)
Personnel Costs	14,669	14,790	121	29,381	29,167	(214)
Maintenance & operations	16,354	17,018	664	37,087	35,180	(1,907)
Depreciation and Amortisation	11,499	11,491	(8)	23,440	23,440	–
Finance Expense	4,198	4,071	(127)	8,380	8,150	(230)
Total Expenditure	46,720	47,370	650	98,288	95,937	(2,351)
Operating (Deficit) / Surplus	7,710	10,374	(2,664)	7,280	48,283	(41,003)
Unrealised gains/(losses)						
Unrealised gain/(loss) on revaluation of financial derivatives	11,394	–	11,394	11,981	2,535	9,446
Total unrealised gains/(losses)	11,394	–	11,394	11,981	2,535	9,446
Total Comprehensive Revenue and Expense	19,104	10,374	8,730	19,261	50,818	(31,557)

Statement of Financial Position			
	YTD actual \$000	June 2022 (forecast) \$000	June 2022 (budget) \$000
Assets			
Cash and cash equivalents	12,379	14,600	23,882
Trade and other receivables	9,817	12,672	11,906
Inventories	173	153	180
Property, plant and equipment	1,713,212	1,743,624	1,793,486
Forestry assets	57	59	59
Intangible assets	2,816	3,014	3,177
Other financial assets	75,036	55,385	61,642
Loans	773	777	860
Derivative financial instruments	3,460	890	-
Total assets	1,817,723	1,831,174	1,895,192
Liabilities			
Trade and other payables	9,819	21,819	38,196
Employee benefit liabilities	3,177	2,638	2,624
Deposits	1,435	1,476	1,224
Borrowings	250,000	255,000	260,219
Provisions	2,577	2,493	2,492
Derivative financial instruments	5,779	2,622	17,636
Total liabilities	272,787	286,048	322,391
Public equity			
Accumulated funds	615,316	615,427	642,893
Reserves and special funds	7,508	7,587	6,772
Revaluation reserve	922,112	922,112	923,136
Total equity	1,544,936	1,545,126	1,572,801
Total liabilities and equity	1,817,723	1,831,174	1,895,192

Statement of cashflows			
	YTD actual \$000	June 2022 (forecast) \$000	June 2022 (budget) \$000
Cash flows from operating activities			
<i>Cash was provided from:</i>			
Kāpiti Coast District Council rates	38,799	74,649	75,612
Greater Wellington Regional Council Rates	7,916	13,727	13,727
Grants and subsidies – operating	1,614	2,685	2,958
Charges and fees	7,629	14,375	14,469
GST (net)	196	703	1,673
	56,154	106,139	108,439
<i>Cash was applied to:</i>			
Payments to employees and suppliers	40,917	66,892	58,647
Rates paid to Greater Wellington Regional Council	7,916	13,727	13,727
	48,833	80,619	72,374
Net cash flows from operating activities	7,321	25,520	36,065
Cash flows from investing activities			
<i>Cash was provided from:</i>			
Proceeds from sale of property, plant and equipment	(7)	13	–
Proceeds from capital grants	5,913	9,335	14,185
	5,906	9,348	14,185
<i>Cash was applied to:</i>			
Construction and purchase of property, plant and equipment and intangibles	17,798	58,348	67,065
	17,798	58,348	67,065
Net cash flows from investing activities	(11,892)	(49,000)	(52,880)
Cash flows from financing activities			
<i>Cash was provided from:</i>			
Interest Received	573	1,010	293
Loan repayment/Term deposit maturities	16	50,773	46,153
Long-term borrowings	20,000	75,000	82,406
	20,589	126,783	128,852
<i>Cash was applied to:</i>			
Interest on borrowings	4,092	8,045	8,150
Purchase of investments	10,680	41,791	47,060
Long-term borrowings	–	50,000	45,000
	14,772	99,836	100,210
Net cash flows from financing activities	5,817	26,947	28,642
Net increase/(decrease) in cash and cash equivalents	1,246	3,467	11,827
Add total cash and cash equivalents at 1 July 2021	11,133	11,133	12,055
Total cash and cash equivalents	12,379	14,600	23,882

Section 3: Residents' satisfaction survey results

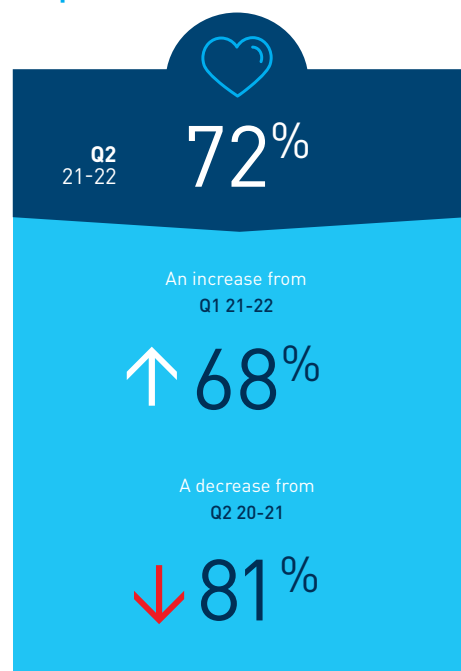
What's this section about?

This section provides results of the Residents Opinion Survey. In total each year 800 residents (200 per quarter) are surveyed to see how they feel about progress Council is making.



Residents' satisfaction survey summary and insights

The satisfaction score for Council in quarter two of 2021–22 was 72 percent from October to December 2021. This is an increase from the quarter one result of 68 percent.



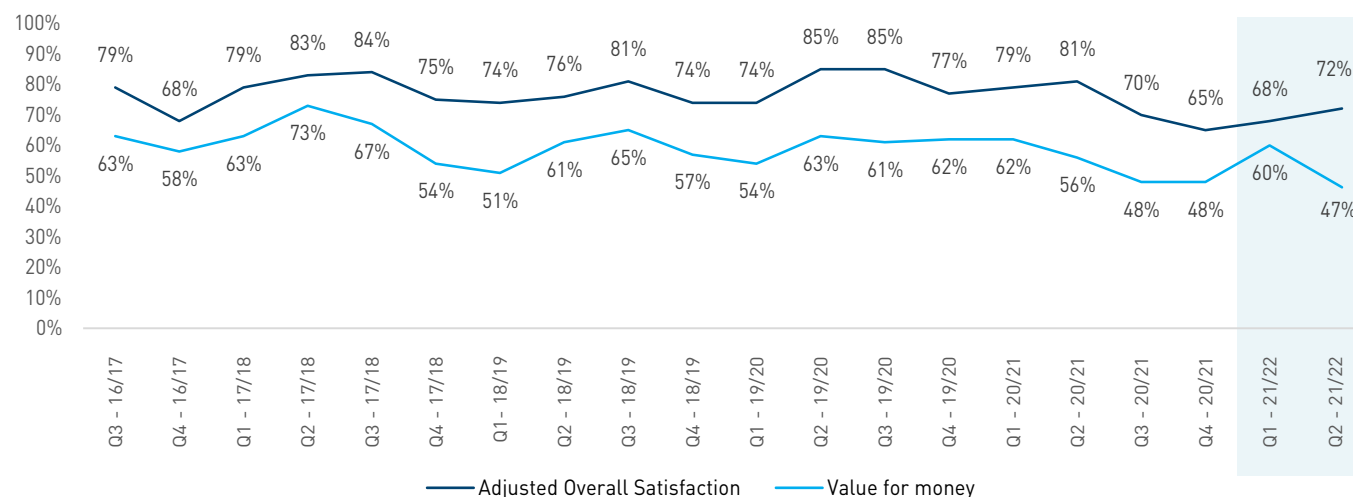
Quarter one of 2021–22 saw scores for overall satisfaction and perceptions of value for money being closely aligned whereas quarter two of 2021–22 identifies a large separation in the two perceptions (Figure 1). 47 percent of residents were satisfied with value for money, while 72 percent of residents were satisfied overall.

The drop between the quarter one and quarter two scores for value for money is statistically significant and analysis of residents' comments also found a slight

increase in the number of issues being raised around value for money. A drop between quarter one and quarter two was also seen in the 2020–21 survey year.

Performance against Councils core service delivery targets was positive with targets exceeded for all service delivery and infrastructure measures apart from those relating to roads, walkways, cycleways and bridleways, emergency preparedness and unique character and natural environment development.

Figure 1. Overall satisfaction with Council services and perceived value for money trend analysis



Residents' satisfaction to 31 December 2021

Drivers of change in satisfaction

These three drivers are very important to resident satisfaction but they are performing poorly and trending down.

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

The perception that the Council is making good decisions

Q2 21-22 **47%**

A decrease from Q2 20-21

↓ **51%**

The drop in satisfaction is being driven by the perception that the Council is not consulting with, and listening to, the public when making decisions.

Resident value for money satisfaction

Q2 21-22 **47%**

A decrease from Q2 20-21

↓ **56%**

The majority of residents were dissatisfied with the Council's decisions on how funds were used and the lack of opportunity to input into the decision process.

The belief that the Council is "going in the right direction"

Q2 21-22 **66%**

A decrease from Q2 20-21

↓ **71%**

The decrease in satisfaction can be attributed to the residents' perceptions that the Council lacks a clear vision and plan for the future of the district.

Perceptions and sentiments about intent

Kāpiti is a great place to live

Q2 21-22 **98%**

Equal to Q2 20-21

→ **98%**

Providing information about up-and-coming decisions

49%

A decrease from Q2 20-21

↓ **52%**

Ease of participation in decision-making opportunities

46%

A decrease from Q2 20-21

↓ **55%**

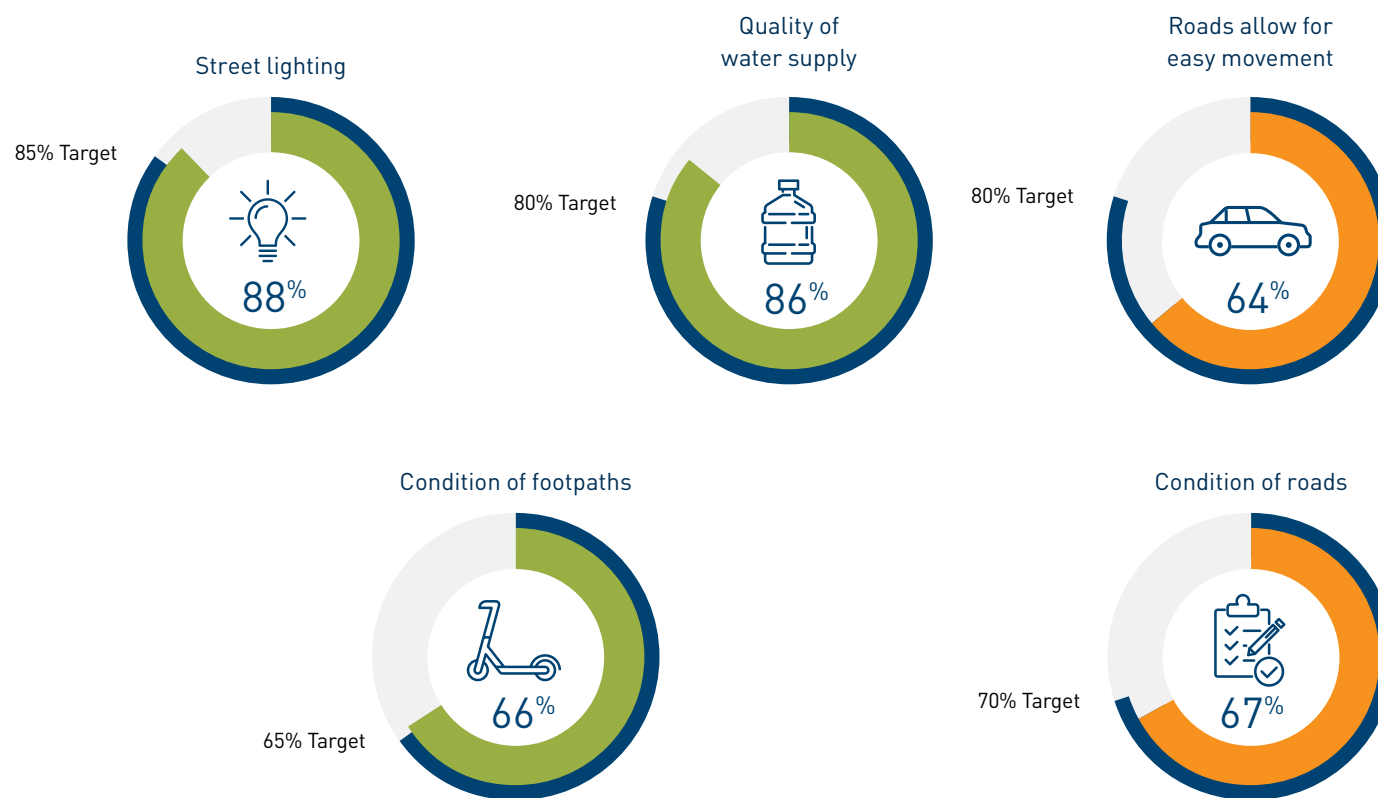
Trust in the Council to do the right thing

51%

A decrease from Q2 20-21

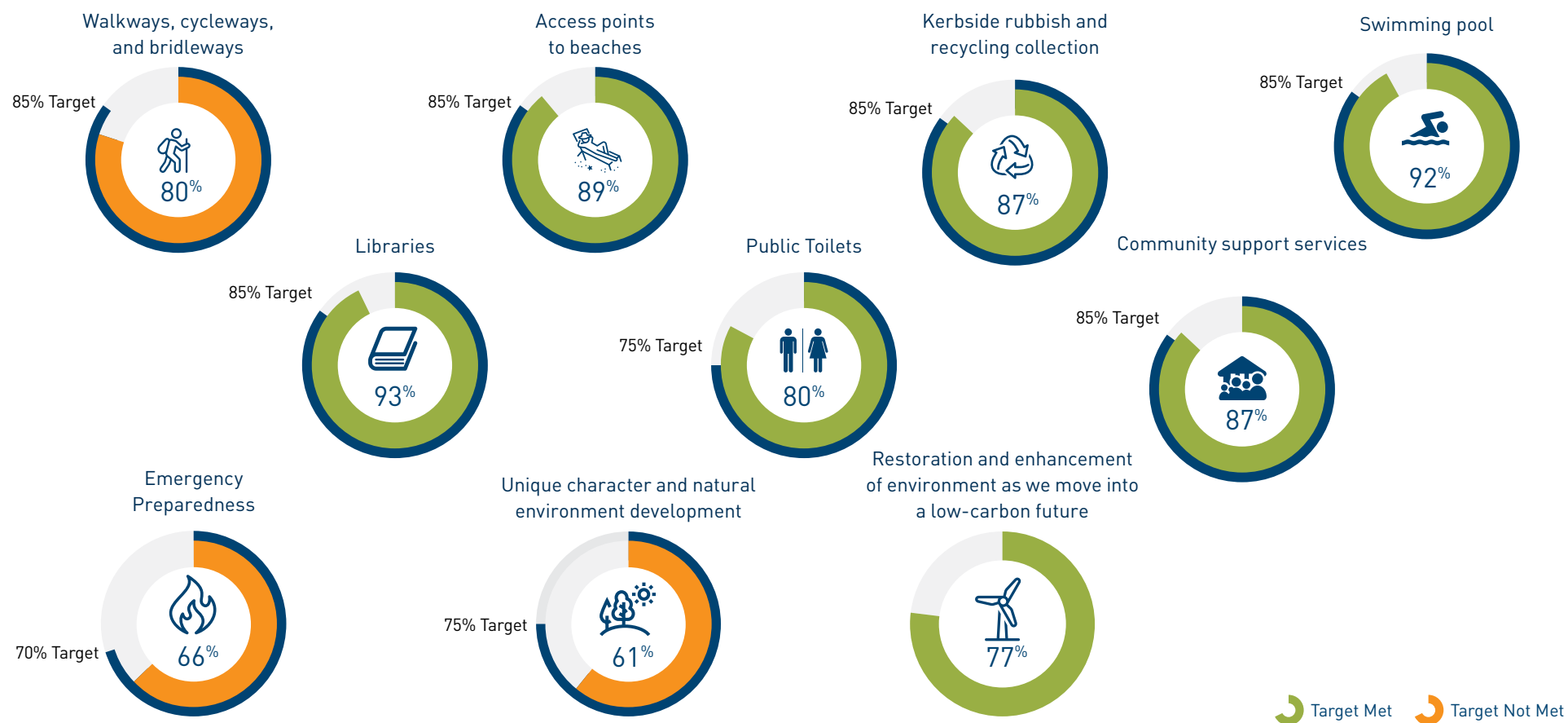
↓ **61%**

Infrastructure services



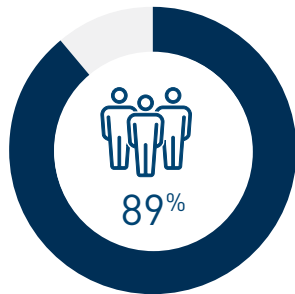
 Target Met  Target Not Met

Service delivery



Perceptions about how we are progressing against our outcomes

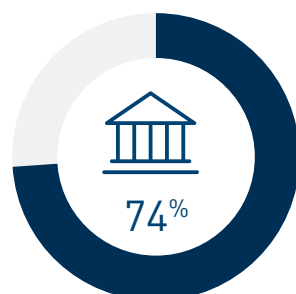
Communities



Our communities are resilient, safe, healthy, thriving and connected

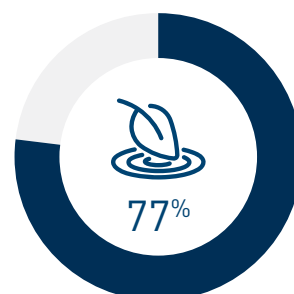
Everyone has a sense of belonging and can access the resources and services they need

Economy



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

Environment



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

Housing



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

Mana Whenua

Mana Whenua outcome progress is reported annually only, given it is partnership based and was not included in the quarter one and two surveys.

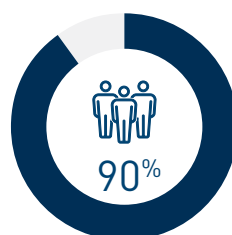
Outcomes are a long term game, they may take many years to reach a desirable state, have multiple moving parts and may not always be within Councils control (eg. the impact of inflation on housing).

This is the first time we have reported residents' perceptions of our progress against outcomes from the 2021/41 Long-term Plan. These results came from the Residents Opinion Survey, that survey's 200 residents every quarter.

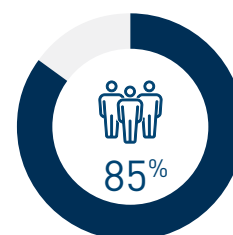
These results are perceptions only and may not always match actual delivery, which has been reflected in our achievement of performance measures, progress of projects and initiatives and in how we have managed our finances. However, through the eyes of our residents, results do indicate how well we are doing, progress we are making and where we need to focus more effort.

Residents were most pleased with the progress against the community resilience, health and safety outcome. **This outcome is made up of the following four questions results:**

How much we are progressing outcomes



Communities are resilient and safe



Communities are healthy, thriving, and connected



Access to resources and services



Sense of belonging

Residents also perceive that we are also making good progress with our natural environment and local economic outcomes. In order to continue this progress, Council is continuing to actively work with the Economic Development Kotahitanga Board as they oversee the implementation of the Kāpiti Coast Economic Development Strategy.

Providing access to suitable housing remains a challenge that is now a defined part of our district-wide planning work programme and growth strategy. In order to better understand the current housing need, Council has also commissioned a Housing Needs Assessment which is due to be completed in April 2022. This work has had a high level of community engagement with over 1,300 survey responses received. The information from this assessment is being used to help finalise a Housing Strategy for the Kāpiti Coast, which will outline different ways that Council is helping to address the current situation. Working with others is a key tool as our role in housing is limited. In addition, Council has also made an application to the Infrastructure Acceleration Fund and is exploring opportunities for the provision of increased social and affordable housing in the district.

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