



# **AGENDA**

## **Strategy and Operations Committee Meeting**

**I hereby give notice that a Meeting of the Strategy and Operations Committee will be held on:**

**Date: Thursday, 18 March 2021**

**Time: 9.30am**

**Location: Council Chamber  
Ground Floor, 175 Rimu Road  
Paraparaumu**

**Darryn Grant  
Acting Group Manager Place and Space**

**Kapiti Coast District Council**

**Notice is hereby given that a meeting of the Strategy and Operations Committee will be held in the Council Chamber, Ground Floor, 175 Rimu Road, Paraparaumu, on Thursday 18 March 2021, 9.30am.**

**Strategy and Operations Committee Members**

Cr James Cootes	Chair
Cr Gwynn Compton	Deputy
Mayor K Gurunathan	Member
Deputy Mayor Janet Holborow	Member
Cr Angela Buswell	Member
Cr Jackie Elliott	Member
Cr Martin Halliday	Member
Cr Sophie Handford	Member
Cr Jocelyn Prvanov	Member
Cr Bernie Randall	Member
Cr Robert McCann	Member

**Order Of Business**

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	Nil	



**1 WELCOME****2 COUNCIL BLESSING**

“As we deliberate on the issues before us, we trust that we will reflect positively on the communities we serve. Let us all seek to be effective and just, so that with courage, vision and energy, we provide positive leadership in a spirit of harmony and compassion.”

I a mātou e whiriwhiri ana i ngā take kei mua i ō mātou aroaro, e pono ana mātou ka kaha tonu ki te whakapau mahara huapai mō ngā hapori e mahi nei mātou. Me kaha hoki mātou katoa kia whaihua, kia tōtika tā mātou mahi, ā, mā te māia, te tiro whakamua me te hihiri ka taea te arahi i roto i te kotahitanga me te aroha.

**3 APOLOGIES****4 DECLARATIONS OF INTEREST RELATING TO ITEMS ON THE AGENDA**

Notification from Elected Members of:

4.1 – any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting, and

4.2 – any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968

**5 PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA****6 MEMBERS' BUSINESS**

- (a) Public Speaking Time Responses
- (b) Leave of Absence
- (c) Matters of an Urgent Nature (advice to be provided to the Chair prior to the commencement of the meeting)

**7 UPDATES**

Nil

## 8 REPORTS

### 8.1 FINANCE REPORT AS AT 31 DECEMBER 2020

**Author:** Ian Georgeson, Chief Financial Officer

**Authoriser:** Mark de Haast, Group Manager Corporate Services

#### PURPOSE OF REPORT

- 1 This report sets out Kāpiti Coast District Council's (Council) financial performance and position for the six months ended 31 December 2020, with explanations of key results and variances.

#### DELEGATION

- 2 The Strategy and Operations Committee (Committee) has delegated authority to consider this report under the 2019-2022 Triennium Governance Structure and Delegations in Section B.2. - *Monitoring and decision-making on all broader financial management matters. Key responsibilities will include financial management, including risk mitigation*

#### BACKGROUND

- 3 The report sets out the Council's financial information across nine broad areas:

Part A: Statement of Comprehensive Revenue and Expense

Part B: Statement of Financial Position

Part C: Statement of Cash Flows

Part D: Summary of Rates Funding

Part E: Water Account Statement

Part F: Capital Spending Programme

Part G: Outstanding Rates Debt

Part H: Treasury Management

Part I: Asset Revaluation

## Part A: Statement of Comprehensive Revenue and Expense

- 4 The statement of comprehensive revenue and expense covers all of the Council's revenue and expenditure for the reporting period.
- 5 The net position of revenue less expenditure provides the operating surplus or deficit for the reporting period.
- 6 Table 1 below outlines the Council's actual revenue and expenses for the six months ended 31 December 2020, including the full year budget and forecast for 2020/21.

Table 1	Year to date to 31 December 2020			Full Year 2020/21		
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000
Rates	35,171	34,910	261	69,849	69,550	299
Fees and Charges	5,176	5,233	(57)	9,605	9,890	(285)
Grants and Subsidies	5,924	2,413	3,511	12,169	6,001	6,168
Development and Financial Contributions Revenue	2,046	1,062	984	3,086	2,124	962
Other Operating Revenue	261	202	59	386	385	1
Interest Income	590	694	(104)	1,027	1,302	(275)
<b>Total Income</b>	<b>49,168</b>	<b>44,514</b>	<b>4,654</b>	<b>96,122</b>	<b>89,252</b>	<b>6,870</b>
Personnel, maintenance & operations	29,113	29,414	301	61,918	58,227	(3,691)
Depreciation and Amortisation	11,001	11,013	12	22,316	22,316	-
Finance Expense	4,234	4,388	154	8,521	8,653	132
<b>Total Expenditure</b>	<b>44,348</b>	<b>44,815</b>	<b>467</b>	<b>92,755</b>	<b>89,196</b>	<b>(3,559)</b>
<b>Operating (Deficit) / Surplus</b>	<b>4,820</b>	<b>(301)</b>	<b>5,121</b>	<b>3,367</b>	<b>56</b>	<b>3,311</b>
<b>Unrealised gains/(losses)</b>						
Unrealised gain/(loss) on revaluation of financial derivatives	4,729	-	4,729	4,729	-	4,729
<b>Total Comprehensive Revenue and Expense</b>	<b>9,549</b>	<b>(301)</b>	<b>9,850</b>	<b>8,096</b>	<b>56</b>	<b>8,040</b>

### Financial Performance Summary

#### December Year to Date

- 7 The Council is \$5.1 million favourable to budget as at 31 December 2020.
- 8 Revenue is \$4.7 million favourable to budget, mainly due to grants and subsidies from the Three Waters Stimulus funding \$3.1 million and \$129,000 from the central Government through the Provincial Development Unit, for the Council-led Te Hunga Rangatahi two-year pilot programme from the He Poutama Rangatahi initiative. Also, higher development and financial contributions revenue than planned from several residential subdivisions.
- 9 Expenditure is \$467,000 favourable to budget, mainly due to less spending in areas such as maintenance and operations. This does not reflect savings in operating expenditure but instead, it represents temporary timing differences of planned expenditure.
- 10 Typically, councils across New Zealand use financial derivatives to "fix" their interest rates rather than relying on floating interest rates, to provide more certainty over cash flows and to provide protection against adverse movements in market rates. The unrealised gain on revaluation of financial derivatives of approximately \$4.7 million reflects swap rates today are higher than they were back in June 2020.

#### Full Year Forecast

- 11 Excluding the gain on financial derivatives, the Council is forecasting to be \$3.3 million favourable to budget at year-end. This is mainly due to an unbudgeted net operating surplus uplift of \$2.1 million in 2020/21 resulting from the Three Waters Stimulus funding. The up-lift of \$2.1 million is ring-fenced for capital expenditure in the three waters activities.

**Revenue Commentary****12 Rates**

Description	Rates set and levied by the Council in accordance with the Council's 2020/21 Annual Plan.
Year to date Variance:	\$261,000 favourable to budget mainly due to increased water rate revenue and additional properties from subdivisions received after rates were calculated and set for the 20/21 financial year.
Full Year Forecast Variance:	\$299,000 favourable to budget due to more water rate revenue & more rateable properties than planned.

**13 Fees and Charges**

Description	Fees and charges include all non-rates revenue earned by the Council for providing services to the community. This also includes fines and penalties charged.
Year to date Variance:	\$57,000 unfavourable to budget mainly due to lower than expected rental of public halls.
Full Year Forecast Variance:	\$285,000 unfavourable to budget mainly due to swimming pool revenue lower than expected by \$103,000, lower than expected parking and traffic revenue \$61,000, \$59,000 less than expected from rental on public halls and \$51,000 lower revenue on Te Newhanga Kāpiti Community Centre.

**14 Grants and subsidies**

Description	Includes grants received by the Council for operating and capital spending.
Year to date Variance:	\$3.5 million favourable to budget mainly due to unbudgeted Three Waters Stimulus funding.
Full Year Forecast Variance:	\$6.2 million mainly due to: <ul style="list-style-type: none"> <li>• \$3.1 million Three Waters Stimulus funding,</li> <li>• \$1.1 million from the Government's Covid-19 Response and Recovery Fund towards the Gateway Project, and</li> <li>• \$1 million from the Government's Provincial Growth Fund grants for the refurbishment of the Paraparaumu Memorial Hall (\$500,000) and the Otaki Civic Theatre (\$500,000).</li> </ul>

**15 Development and financial contributions**

Description	<p>Development contributions are levied under the Local Government Act 2002 and cover all key activities except reserves and are also levied on developers at the time of subdivision. Developers' contributions to the Council works are treated as revenue.</p> <p>Financial contributions are levied under the Resource Management Act and cover reserves contributions levied on developers at the time of subdivision.</p>
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Year to date Variance:	\$984,000 favourable to budget mainly due to the following residential subdivisions: <ul style="list-style-type: none"> <li>• Stage 2 of the Ngarara Road development</li> <li>• Stage 2 of the Kohe Kohe subdivision</li> <li>• Margaret Road and Rimutaka Street</li> </ul>
Full Year Forecast Variance:	\$962,000 favourable to budget mainly due to the following residential subdivisions expected for the remainder of the financial year: <ul style="list-style-type: none"> <li>• Arawhata Road</li> <li>• Riverbank Road</li> <li>• Titoki Road and Rangiuuru Road</li> </ul>

#### 16 Other operating revenue

Description	Includes assets vested to the Council, local government petrol tax, donations and/or sponsorship and realised gains on asset disposals. Note also, that the value of land vested to the Council as part of subdivision activity in any year is recorded as revenue in that year.
Year to date Variance:	\$59,000 favourable mainly due to \$20,000 sponsorship agreement with KCP Physiotherapy.
Full Year Variance:	Expected to be in line with budget at this stage.

#### 17 Interest income

Description	Interest income represents the Council's earnings on its term deposits, overnight cash deposits and borrower notes held by the Local Government Funding Agency.
Year to date Variance:	\$104,000 unfavourable to budget mainly due to lower term deposit rates.
Full Year Forecast Variance:	Expected to be \$275,000 unfavourable to budget mainly due to lower term deposit rates.

### Expenditure performance - commentary

#### 18 Personnel, maintenance and operations

Description	Includes personnel expenses, maintenance, business-as-usual Council operating expenses, internal recoveries, grants and other sundry expenses.
Year to date Variance:	\$301,000 favourable to budget mainly due to less spend than anticipated. This does not reflect savings in operating expenditure but instead, it represents temporary timing differences of planned expenditure.

Full Year Forecast Variance:	<p>\$3.7 million unfavourable to budget at year end mainly due to:</p> <ol style="list-style-type: none"> <li>1) Unbudgeted spending on operating expenditure of \$1 million, which is fully funded from the Three Waters Stimulus funding of \$3.1 million. <ul style="list-style-type: none"> <li>• \$1 million additional operation expenditure will be focused on Water activity for water safety, asset management improvements, and local authority reform programme support, and in Stormwater activity for stormwater modelling, network connectivity and condition assessments.</li> </ul> </li> <li>2) Unbudgeted spending on personnel costs \$1.2 million; and</li> <li>3) Unbudgeted resources required to deliver the 2021-41 Long-term plan; and</li> <li>4) Unbudgeted additional resources required by the new Strategy, Growth and Recovery group in responding to Covid-19 with a focus on both recovery and strategic growth.</li> </ol>
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#### 19 Depreciation and amortisation

Description	Depreciation and amortisation reflect the use of our property, plant and equipment and intangible assets currently owned by the Council.
Year to date Variance:	\$12,000 favourable to budget mainly due to temporary timing differences of asset capitalisations (i.e. asset completion, commissioning and being put into full use).
Full Year Variance:	Expected to be in line with budget at this stage.

#### 20 Finance expense

Description	Interest is incurred on borrowings.
Year to date Variance:	\$154,000 favourable to budget mainly because the Council's weighted average cost of borrowings is lower than planned.
Full Year Variance:	\$132,000 favourable to budget mainly because the Council's weighted average cost of borrowings is lower than planned.

#### 21 Unrealised gain / (loss) on revaluation of derivatives

Description:	The Council recognises its interest rate swaps at fair value on a monthly basis. The change in fair value between 30 June 2020 and 31 December 2020 is treated as either an unrealised gain or an unrealised loss. This revaluation gain/loss needs to be shown in the Council's financial statements but it is not a real gain/loss, as there is no intention to prematurely terminate these financial derivative commitments.
Year to date Variance:	\$4.7 million favourable to budget reflects continued increase of market/swap interest rates since 30 June 2020, compared to the Council's committed financial derivatives.
Full Year Variance:	Due to the high volatility of market interest rates, the full year forecast is set to the year to date actual result.

## Part B: Statement of Financial Position

- 22 The Council's financial position as at 31 December 2020 and the full year budget and forecast are set out in Table 2, followed by a summary of the key variances.

Table 2	2020/21			
	YTD actual	Full year forecast	Full year budget	Variance
	\$000	\$000	\$000	\$000
<b>Assets</b>				
Cash and cash equivalents	12,283	7,531	200	7,331
Trade and other receivables	6,034	8,654	8,654	-
Inventories	164	152	167	(15)
Property, plant and equipment	1,669,875	1,702,996	1,775,423	(72,427)
Forestry assets	57	57	82	(25)
Intangible assets	2,278	3,255	3,507	(252)
Other financial assets	58,925	55,733	43,449	12,284
Loans	894	888	408	480
<b>Total assets</b>	<b>1,750,691</b>	<b>1,779,266</b>	<b>1,831,890</b>	<b>(52,624)</b>
<b>Liabilities</b>				
Trade and other payables	6,590	22,682	22,682	-
Employee benefit liabilities	3,100	2,531	2,531	-
Deposits	1,358	1,181	1,119	(62)
Borrowings	220,000	220,000	207,028	(12,972)
Provisions	2,873	2,580	3,769	1,189
Derivative financial instruments	23,936	23,936	24,143	207
<b>Total liabilities</b>	<b>257,857</b>	<b>272,910</b>	<b>261,272</b>	<b>(11,638)</b>
<b>Public equity</b>				
Accumulated funds	586,041	583,837	566,596	(17,241)
Reserves and special funds	5,940	6,692	6,367	(325)
Revaluation reserve	900,853	915,827	997,655	81,828
<b>Total equity</b>	<b>1,492,834</b>	<b>1,506,356</b>	<b>1,570,618</b>	<b>64,262</b>
<b>Total liabilities and equity</b>	<b>1,750,691</b>	<b>1,779,266</b>	<b>1,831,890</b>	<b>52,624</b>

### Year to Date Summary

- 23 Council's only material changes to its financial position for the quarter ended 31 December 2020 were in respect to financial assets and borrowings.
- 24 New debt of \$30 million was issued during the six months as part of the Council's prefunding programme. All prefunding is placed on term deposit, at the most favourable market rates available at that time. (See Part H: Treasury Management).
- 25 \$20 million of long term borrowings matured during October 2020. This was refinanced using a term deposit that had been built up over the last 18 months in advance of the maturity. (See Part H: Treasury Management).

### Full Year Forecast Summary

- 26 The Council's total equity is forecast to be \$57.3 million unfavourable to budget. This is mainly due Council's Property, Plant and Equipment asset base being significantly lower as at 30 June 2020, than assumed for the 2020/21 Annual Plan budget proposes. The main reasons for the difference between actual and budget are:
- Less actual spend on the capital works programme during 2019/20; and
  - A lower uplift in asset value from asset revaluations as at 30 June 2020.

## Part C: Statement of Cash Flows

- 27 The Council's cash flow for the half year ended 31 December 2020 and the full year budget and forecast are set out in Table 3, followed by a summary of key variances.

Table 3	YTD Actual	2020/21 Full year forecast	Full year budget	YTD Variance
	\$000	\$000	\$000	\$000
<b>Cash flows from operating activities</b>				
<i>Cash was provided from:</i>				
Kapiti Coast District Council rates	35,294	70,181	66,950	3,231
Greater Wellington Regional Council Rates	6,804	-	-	-
Grants and subsidies - operating	987	3,551	1,924	1,627
Interest received	732	1,143	1,276	(133)
Charges and fees	9,699	13,569	10,474	3,095
GST (net)	(113)	677	(54)	731
	<b>53,403</b>	<b>89,121</b>	<b>80,570</b>	<b>8,551</b>
<i>Cash was applied to:</i>				
Payments to employees and suppliers	31,711	53,799	59,162	5,363
Rates paid to Greater Wellington Regional Council	6,804	-	-	-
	<b>38,515</b>	<b>53,799</b>	<b>59,162</b>	<b>5,363</b>
<b>Net cash flows from operating activities</b>	<b>14,888</b>	<b>35,322</b>	<b>21,408</b>	<b>13,914</b>
<b>Cash flows from investing activities</b>				
<i>Cash was provided from:</i>				
Loan repayment/Term deposit maturities	19,525	40,031	40,640	(609)
Proceeds from sale of property, plant and equipment	-	-	-	-
Proceeds from capital grants	4,659	8,618	4,002	4,616
	<b>24,184</b>	<b>48,649</b>	<b>44,642</b>	<b>4,007</b>
<i>Cash was applied to:</i>				
Construction and purchase of property, plant and equipment and intangibles	8,088	36,674	37,471	797
Purchase of investments	30,430	47,738	19,360	(28,378)
	<b>38,518</b>	<b>84,412</b>	<b>56,831</b>	<b>(27,581)</b>
<b>Net cash flows from investing activities</b>	<b>(14,334)</b>	<b>(35,763)</b>	<b>(12,189)</b>	<b>(23,574)</b>
<b>Cash flows from financing activities</b>				
<i>Cash was provided from:</i>				
Long-term borrowings	30,000	50,000	39,261	10,739
	<b>30,000</b>	<b>50,000</b>	<b>39,261</b>	<b>10,739</b>
<i>Cash was applied to:</i>				
Interest on borrowings	4,215	7,972	8,480	508
Long-term borrowings	20,000	40,000	40,000	-
	<b>24,215</b>	<b>47,972</b>	<b>48,480</b>	<b>508</b>
<b>Net cash flows from financing activities</b>	<b>5,785</b>	<b>2,028</b>	<b>(9,219)</b>	<b>11,247</b>
Net increase/(decrease) in cash and cash equivalents	6,339	1,587	-	1,587
Add total cash and cash equivalents at 1 July 2020	5,944	5,944	200	(5,744)
<b>Total cash and cash equivalents</b>	<b>12,283</b>	<b>7,531</b>	<b>200</b>	<b>(4,157)</b>

### Year to Date Summary

- 28 The Council's material changes to its cash flow management for the half year ended 31 December 2020 were:
- \$30 million of new debt was issued during the quarter that was placed on term deposit as part of Council's prefunding programme.
  - \$20 million of debt matured during October 2020 that was refinanced using term deposits.
  - \$8.1 million was paid towards the Council's capital expenditure programme.

Full Year Forecast Summary

- 29 The Council's cash and cash equivalents are forecast to be \$7.3 million favourable to budget. This is mainly due to:
- Higher cash opening balance as 1 July 2020 than planned

## Part D: Summary of Rates Funding

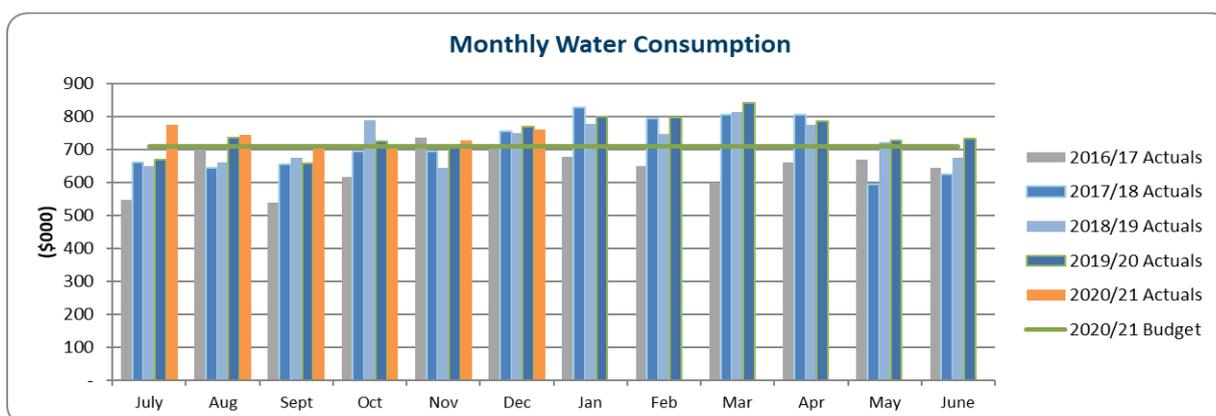
- 30 The summary of rates funding covers the Council's revenue and expenses that are funded by rates. It is a sub-set of the statement of comprehensive revenue and expense on page 2 which covers all of the Council's operating revenue and expenses.
- 31 Table 4 below details the actual rates funding surplus for half year ended 31 December 2020 and the forecast rates funding surplus for the year ending 30 June 2021:

Table 4	Year to date to 31 December 2020			Full Year 2020/21		
	Actual \$000	Budget \$000	Variance \$000	Forecast \$000	Budget \$000	Variance \$000
<b>Operating (deficit)/surplus</b>	<b>4,821</b>	<b>(299)</b>	<b>5,120</b>	<b>3,365</b>	<b>56</b>	<b>3,309</b>
<b>Adjusted by income and expenditure not funded by rates:</b>						
<i>Add:</i> Unfunded Depreciation	1,573	1,552	(20)	3,145	3,145	-
<i>Add:</i> (Gain)/Loss on Sale of Assets	50	-	(50)	50	-	(50)
<i>Add:</i> Expenditure funded by reserves and special funds	71	57	(14)	136	123	(13)
<i>Less:</i> Capital subsidies	(3,889)	-	3,889	(6,410)	(1,794)	4,616
<i>Less:</i> Development and Financial Contributions	(2,046)	(1,062)	984	(3,086)	(2,124)	963
<b>Underlying net rates surplus/(deficit)</b>	<b>579</b>	<b>248</b>	<b>331</b>	<b>(2,800)</b>	<b>(594)</b>	<b>(2,206)</b>
Represented by:						
Net underspend/(overspend) across the organisation	221	119	102	(3,183)	(758)	(2,425)
Water account surplus/(deficit)	359	129	229	383	164	219
<b>Rates surplus / (deficit)</b>	<b>579</b>	<b>248</b>	<b>331</b>	<b>(2,800)</b>	<b>(594)</b>	<b>(2,206)</b>

- 32 The year to date actual rates surplus variance is \$331,000 favourable to budget. This is mainly due to the following:
- \$229,000 uplift from the closed water account. This is due to \$167,000 higher water rates revenue and \$61,000 lower spending in the water activity.
  - \$102,000 less spending than anticipated across the Council in depreciation, personnel, maintenance and operations. This mainly reflects a temporary timing difference of planned expenditure.
- 33 The full year rates deficit is forecast to be \$2.2 million unfavourable to budget. This is mainly due to the resourcing requirements mentioned in paragraph 18 above, and additional operating expenditure including:
- Increased operational costs mainly in Property (e.g. for additional facility cleaning and work on the Kapiti Community Centre), and Parks (e.g. for open space strategy, and Otara Park amenity proposals).
  - Covid-19 effects - additional licensing, additional managed network costs for the district, and costs for Software as a Service in ICT, as well as additional cleaning for the Emergency Operations Centre and QR code signs.
  - Higher sludge costs due to more sludge waste needing to be removed.
  - Professional Services mainly for the Library Strategic Journey and the Asset Management Improvement Programme.

## Part E: Water Account Statement

- 34 Since water meters were introduced in 2014, the total operational cost of supplying potable water, which includes reticulation and treatment, and the rates we have received, has been tracked as part of the water account. The water account is a closed account. This means that any surpluses will be held within the account to fund future costs of providing water. Conversely, any deficits need to be recovered from future water charges.
- 35 Water usage has taken a number of years to normalise since districtwide water meter charging for all residential properties commenced from July 2014. Therefore, the Council has carefully monitored usage trends to best determine what charges are necessary to fully recover the total costs of providing a treated water supply over a rolling 5-year period.
- 36 The Council's water revenue is \$167,000 ahead of budget for the half year ended 31 December 2020.



- 37 The table below outlines the water account position. As shown, we achieved \$0.6 million annual surplus in 2019/20 which brings the overall water account balance from \$0.6 million deficit in 2018/19 to \$0.1 million surplus at the end of last financial year. This surplus position is three years earlier than originally expected. For 2020/21, we expect to achieve \$0.6 million annual surplus but there is still on-going work to revise this position further given the Three Waters Stimulus reform.

Table 5	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast
	\$m						
Cost of providing water	8.1	8.0	8.6	8.3	8.0	8.5	8.7
Water rates revenue	7.6	7.6	7.8	8.6	8.9	9.1	9.3
Annual surplus/(deficit)	(0.5)	(0.3)	(0.8)	0.2	0.9	0.6	0.6
Balance of water account	(0.5)	(0.8)	(1.6)	(1.4)	(0.6)	0.1	0.6
Variable price (Including GST)	\$0.95	\$0.99	\$1.04	\$1.09	\$1.14	\$1.19	\$1.19
Fixed price (Including GST)	\$189	\$190	\$199	\$207	\$215	\$222	\$222
Fixed portion	54%	55%	57%	54%	53%	54%	54%

## Part F: Capital Spending Programme

- 38 A summary of our capital spending programme for 2020/21 is shown by activity against the full year forecast and full year budget in Table 6 below.

Table 6	Year to date to 31 December 2020	Full Year 2020/21		
	Actual	Forecast	Budget	Variance
	\$000	\$000	\$000	\$000
Access and Transport	2,224	9,683	9,853	170
Coastal Management	252	414	411	(3)
Community Facilities and Community Support	755	2,670	1,830	(840)
Corporate	475	2,528	2,517	(11)
Economic Development	706	4,078	2,450	(1,628)
Governance and Tangata Whenua	52	416	416	-
Parks and Open Spaces	256	1,409	2,310	901
Recreation and Leisure	371	2,537	1,170	(1,367)
Regulatory Services	8	7	-	(7)
Solid Waste	67	216	216	-
Stormwater Management	1,205	4,080	4,080	-
Wastewater Management	791	3,379	4,713	1,334
Water Management	1,012	6,346	7,007	661
<b>Totals</b>	<b>8,174</b>	<b>37,763</b>	<b>36,973</b>	<b>(790)</b>

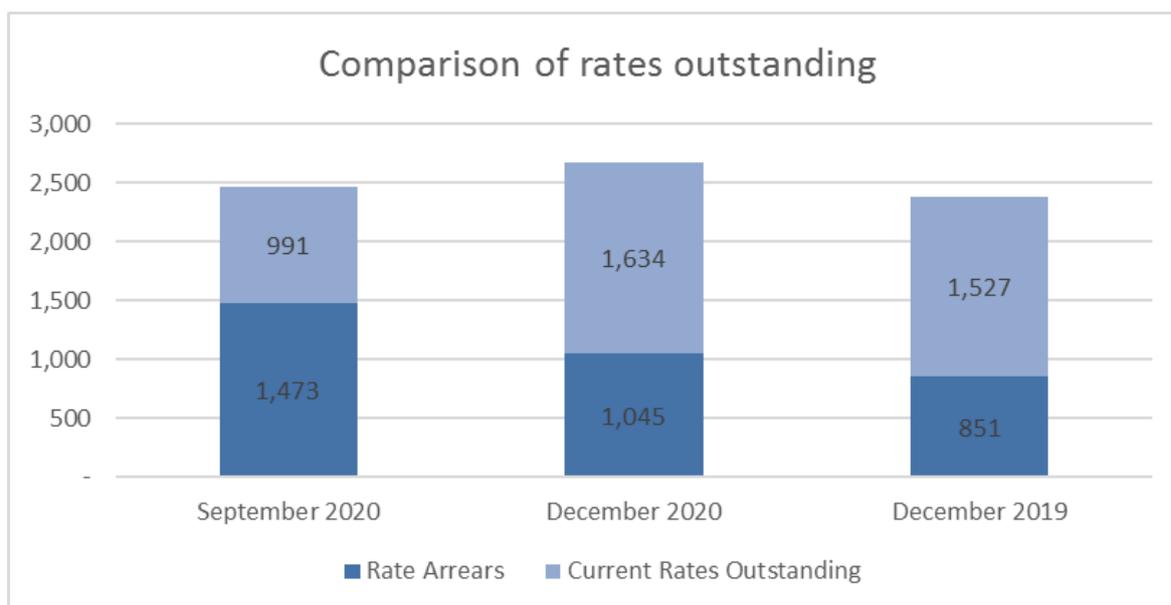
- 39 The capital expenditure budget of \$37 million includes approved carry-forwards of \$2.8 million from 2019/20. Year to date, the Council has completed \$8.2 million of work renewing and upgrading the Council's assets
- 40 In the Community Facilities activity, the forecast overspend is mainly due to the Paraparaumu Memorial Hall – total project is estimated at \$1 million with refurbishment works. This is unbudgeted with \$500,000 funding to come from the Provincial Growth Fund (PGF).
- 41 The Economic Development activity forecast overspend is mainly due to the bringing forward of the Gateway Project (\$1.1 million) in order to take advantage of the shovel-ready funding opportunity from the Government.
- 42 In the Parks and Open Spaces activity, the forecast reflects an early indication of likely carry-over of \$885,000 to 2021/22 for two Waikanae playgrounds, Otarua Park amenity building and Mazengarb turf replacement.
- 43 In the Recreation and Leisure activity, Otaki Civic Theatre project is estimated to cost \$1 million for refurbishment works. This is unbudgeted and \$500,000 funding provided from the PGF. \$465,000 for the Mahara Gallery upgrade planned for architect fees and project management time (\$332,800 is expected to be trust funded).
- 44 The Wastewater activity forecast underspend is mainly due to Waikanae Duplicate Rising Main project which has land access issues and the Wastewater Treatment Plant consent renewals programme continues to be delayed.
- 45 The Water Management activity forecasts an underspend mainly due to the Water Safety and Resilience programme (water treatment plant upgrades to Waikanae, Otaki and Hautere plants) being delayed.
- 46 Detailed information about spending variations at the activity level are included in the Activity Reports 1 July – 31 December 2020 that is also part of the agenda for the Strategy and Operations Committee meeting on 18 March 2021.

## Part G: Outstanding Rates Debt as at 31 December 2020

- 47 As part of the wider strategy of continuing to reduce the Council's debt, we need to ensure that everyone is paying their property and water rates.
- 48 Like a number of other Councils around the country, we have been using the services of a local government shared services agency, Debt Management Central (DMC), to assist our team with collecting rates debt owed from previous rating years.
- 49 This framework for recovery of rates owed from previous rating years is set out in the Local Government (Rating) Act 2002. DMC works within the provisions of section 62 of the Local Government (Rating) Act 2002 and follows our internal debt collection processes.
- 50 Due to COVID-19, collection of rates owed from previous rating years was put on hold at the end of March 2020. This was restarted from the second quarter of 2020/21.

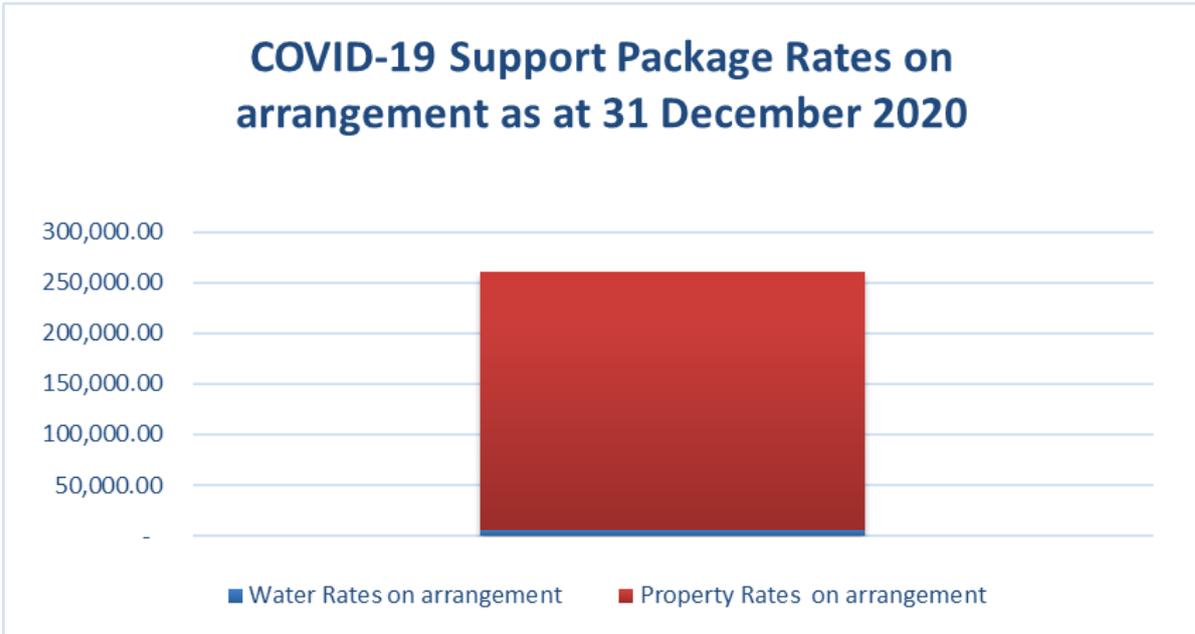
### Collection of outstanding property rates

- 51 The total property rates outstanding as at 31 December 2020 was \$2.68 million, which was an increase of 12.6% from this time last year (31 December 2019: \$2.38 million). This can be attributed to COVID-19 halting active collection and mortgagee notifications from 25 March 2020 through to October 2020.

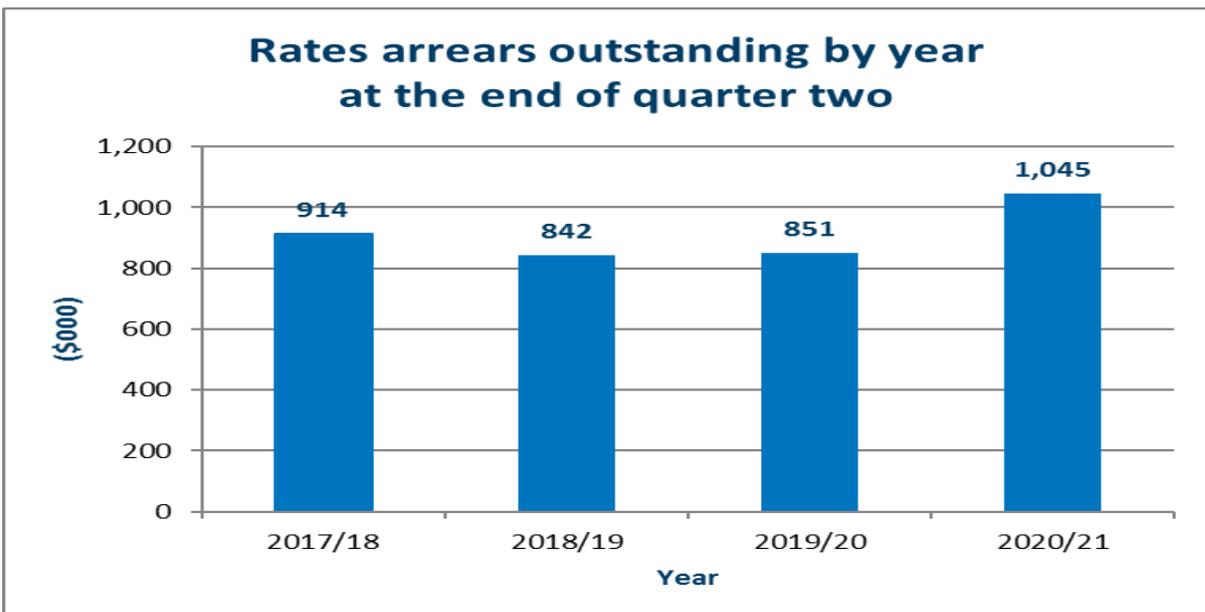


- 52 The COVID-19 Support Package announced by the Council in April 2020 allowed for property and water rates late payment penalties incurred between 1 March 2020 and 30 June to be remitted, and payment of rates for the same period to be deferred for up to six months, through an agreed payment plan.

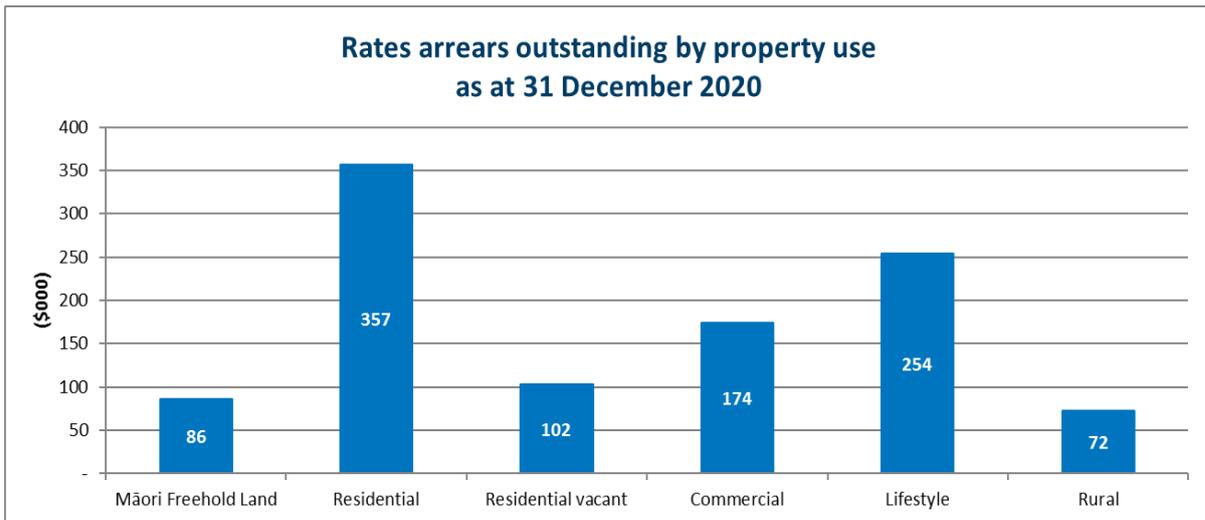
- 53 Applications closed for the support package on 31 August 2020, and the deferral period ended on 9 December 2020. Total property and water rates payments deferred and on payment arrangements as at 31 December 2020 aggregated to \$260,412, spread over 93 agreed payment plans.



- 54 The Council’s debt collection staff will continue to work with ratepayers to set up workable payment arrangements.
- 55 Where a payment arrangement has not been agreed, and provided the property is subject to a mortgage, from July each year the Council can follow the collection process set out in the Local Government (Rating) Act 2002.
- 56 In light of COVID-19, the usual collection process has been considered very carefully and will focus on files where no payment has been received and requests to contact the Council have received no response.
- 57 The graph below shows a comparison of the \$1.05 million of rate arrears outstanding as at 31 December 2020 and for the previous three years.



58 The graph below details the rates arrears of \$1.05 million by property use/type. The majority of the total rate arrears are from residential and lifestyle properties.



59 The rate arrears from Māori freehold land are rates owed to the Greater Wellington Regional Council.

60 There are a small number of properties with significant outstanding arrears over a number of years. There are processes prescribed in the Local Government (Rating) Act 2002 for collection of this long outstanding debt.

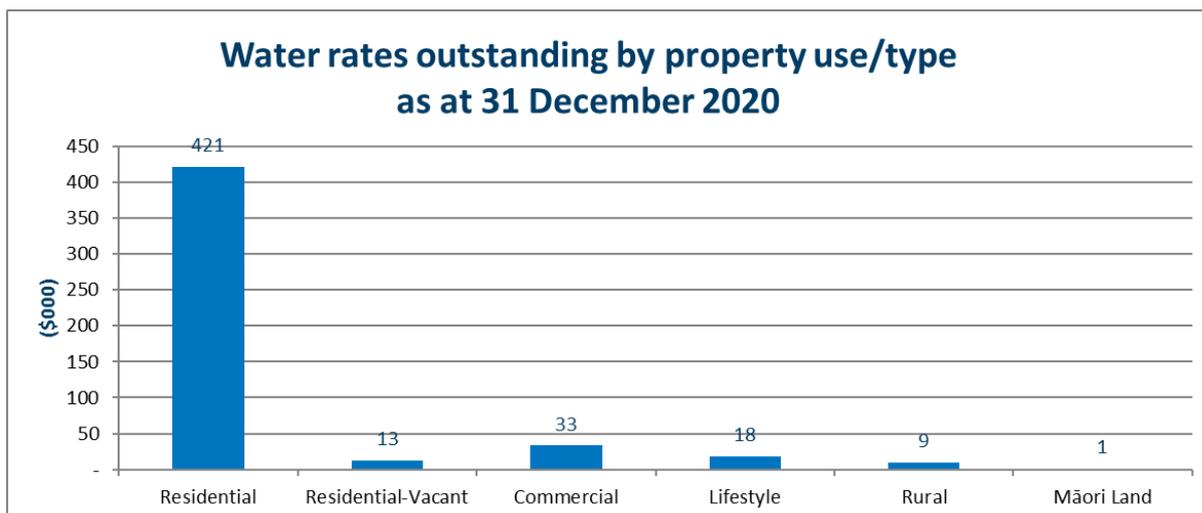
**Collection of Outstanding Water Rates**

61 A total of \$496,000 of water rates is overdue as at 31 December 2020, which is a 19% increase from the same time last year (\$417,000 as at 31 December 2019). This increase is due to COVID-19 halting the usual collection process with DMC from 25 March 2020.

62 Water rates payments received are first applied to water rate arrears. The chart below reflects the overdue and not-yet-due water rates as at 31 December 2020, 30 September 2020 and 31 December 2019.



- 63 The graph below details the total water rates outstanding by property use/type. The majority of the outstanding water rates are from residential properties.



- 64 \$236,000 or 48% of outstanding water rates relate to individual debtor balances of less than \$500.
- 65 Table 7 below details the total rate remissions approved to 31 December 2020 against the full year budget. Applications for rates assistance for the 2020/21 financial year were sent to eligible property owners in December 2020, with applications open until 30 June 2021, or until the allocated budget is fully subscribed whichever is earlier.
- 66 Rates assistance remissions are funded by rates and are a unique level of additional support provided by this Council to assist households in need. Further detail on the eligibility criteria can be found in the Council's rates remission policy.

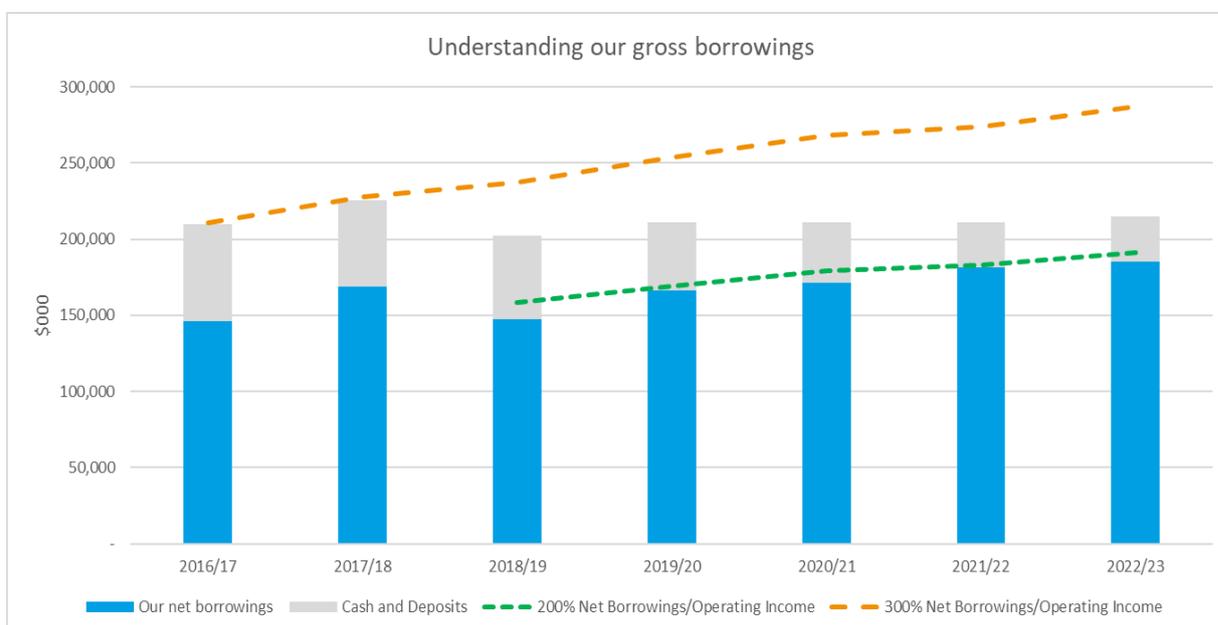
Table 7	Actual \$000	Forecast \$000	Budget \$000	Variance \$000
Community properties (Council and private ownership), sporting, recreational and other community organisations	15	208	208	141
Residential rating units containing two separately habitable units	52			
Rates assistance including ongoing financial assistance, temporary financial assistance and water rates remission for vulnerable households	-	203	203	203
<b>Total</b>	<b>68</b>	<b>412</b>	<b>412</b>	<b>344</b>

- 67 Up to 31 December 2020, central government rates rebates have been granted for 1,703 Kāpiti properties totalling \$1.04 million. Of these, 206 totalling \$118,000 were granted to Licence to Occupy retirement village residents.
- 68 The Council provides the approved rates rebate (up to \$655 per rateable property or Licence to Occupy agreement for retirement village residents) to the successful applicants and recovers the costs directly from the Department of Internal Affairs (DIA).
- 69 The Council promotes the Government rates rebate and remissions on our website, radio, Facebook and through advertisements in the local papers and have worked with Grey Power, the Older Persons' Council and property managers to promote remissions and rebates more widely.
- 70 The Rates Rebate (Statutory Declarations) Amendment Act 2020 became law on 6 August 2020. The objectives of the Act are to make it easier for eligible applicants to apply for a rates rebate by replacing the previous requirement to make a statutory declaration which must be witnessed, with a requirement for applicants to verify the application with no witnessing required. Customers can apply using either application form for the 2020/21 year.

## Part H: Treasury Management

### SUMMARY

- 71 We talk about our borrowings as gross and net. Gross is the total and net is what we owe less our financial assets – essentially the cash and term deposits we hold to repay borrowings. To make sure we can always cover repayments when they are due, we start to build up funds in advance of the due date and put those funds into term deposits. Our net borrowings therefore reflect the true position of what we owe.
- 72 The graph below shows how our total borrowings break down into gross and net. It also shows our strategy to keep below 200% of operating income – represented by the green line. Looking at borrowing against income shows how well an organisation (or even an individual) is placed to handle and repay borrowings in the future.
- 73 The Council is however targeting, through its financial strategy, to keep net borrowings below 200% of total operating income. At 31 December 2020, the Council's net borrowings are forecast to be 178.4% of total operating income as at 30 June 2021.



- 74 It is one of the key measures used by Standard & Poor's when they assess our credit rating. While we could borrow more (now up to 300% for the next two financial years recently introduced by the Local Government Funding Agency due to COVID-19), we will continue to limit our borrowings to 200% of operating income, this being our 'green line'. This approach is so we can afford to replace significant water and wastewater infrastructure in the future.
- 75 The table below shows the Council's net debt position as at 31 December 2020 against full year budget and the prior year closing balance.

Table 1	December YTD Actual \$000's	Full Year Budget \$000's	Full year 2019/20 \$000's
External debt	220,000	207,028	210,000
less borrower notes	(3,790)	(3,312)	(3,360)
less cash and cash equivalents	(67,283)	(40,200)	(50,944)
<b>Net debt</b>	<b>148,927</b>	<b>163,516</b>	<b>155,696</b>

- 76 During the half year ended 31 December 2020, the Council issued \$30 million of new debt.
- 77 The \$30 million was issued to pre-fund \$5 million of the May 2021, \$10 million of the October 2021 and \$15 million of the May 2022 debt maturities. As part of the Council's prefunding programme, all prefunding is placed on term deposit, at the most favourable market rates available at that time.
- 78 \$20 million of debt matured during October 2020 that was refinanced using term deposits.
- 79 The table below shows (a) the movement in the Council's external debt balance and (b) the movement in the Council's pre-funding programme by debt maturity, for the six months ended 31 December 2020.

Borrowings	Gross borrowings \$000	Pre-funding borrowings			
		TD Oct 2020 \$000	TD May 2021 \$000	TD Oct 2021 \$000	TD May 2022 \$000
		Opening balance 1 July	210,000	20,000	15,000
New long term debt issued YTD	30,000	-	5,000	10,000	15,000
Matured long term debt	(20,000)	(20,000)	-	-	-
<b>Total</b>	<b>220,000</b>	<b>-</b>	<b>20,000</b>	<b>20,000</b>	<b>15,000</b>

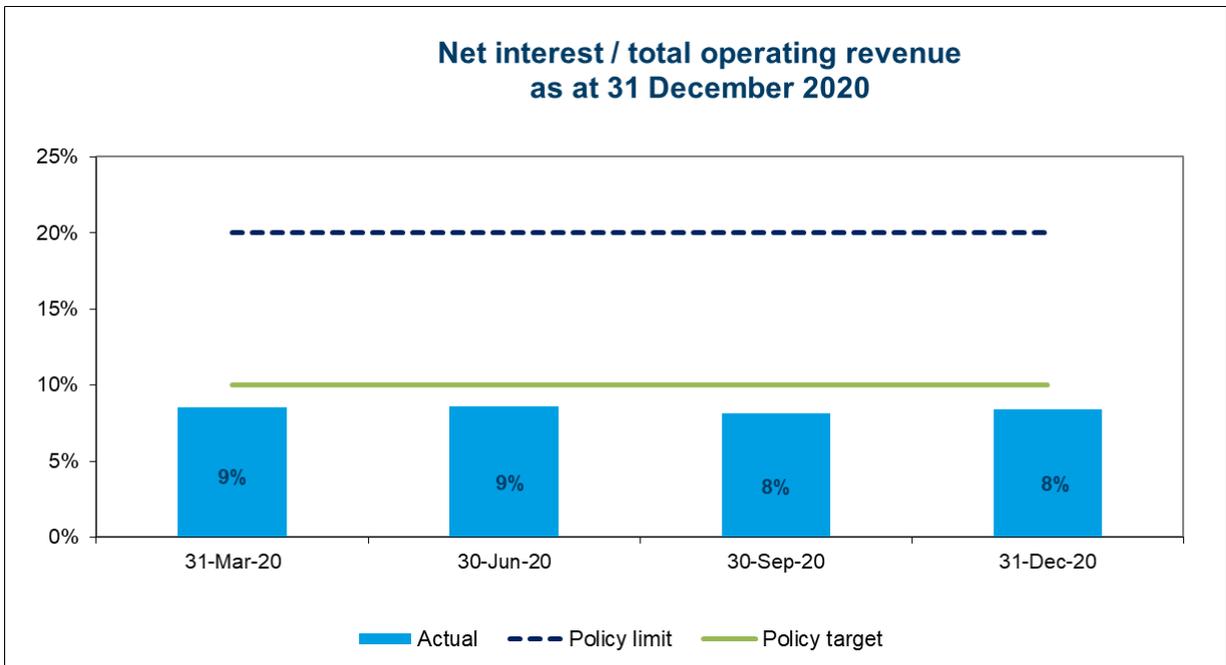
- 80 As at 31 December 2020 the Council had \$71.1 million of cash, borrower notes and term deposits on hand. This is broken down as follows:

Term deposits, cash and borrower notes	Term deposits to prefund borrowings \$000	Borrower notes \$000	Cash \$000	Total \$000
LGFA debt maturing May 2021	20,000	-	-	20,000
LGFA debt maturing Oct 2021	20,000	-	-	20,000
LGFA debt maturing May 2022	15,000	-	-	15,000
Surplus cash	-	-	12,283	12,283
Borrower notes held	-	3,790	-	3,790
<b>Total</b>	<b>55,000</b>	<b>3,790</b>	<b>12,283</b>	<b>71,073</b>

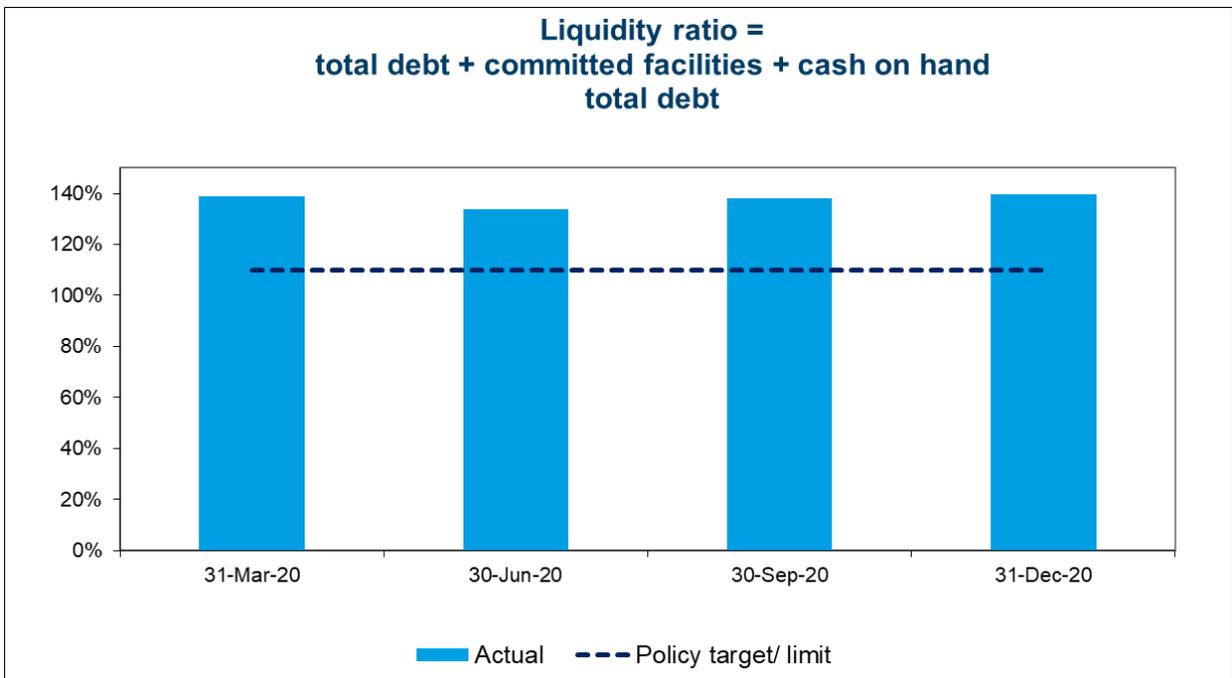
- 81 The official cash rate (OCR) remained unchanged at 0.25% since March 2020.

**Treasury policy limits**

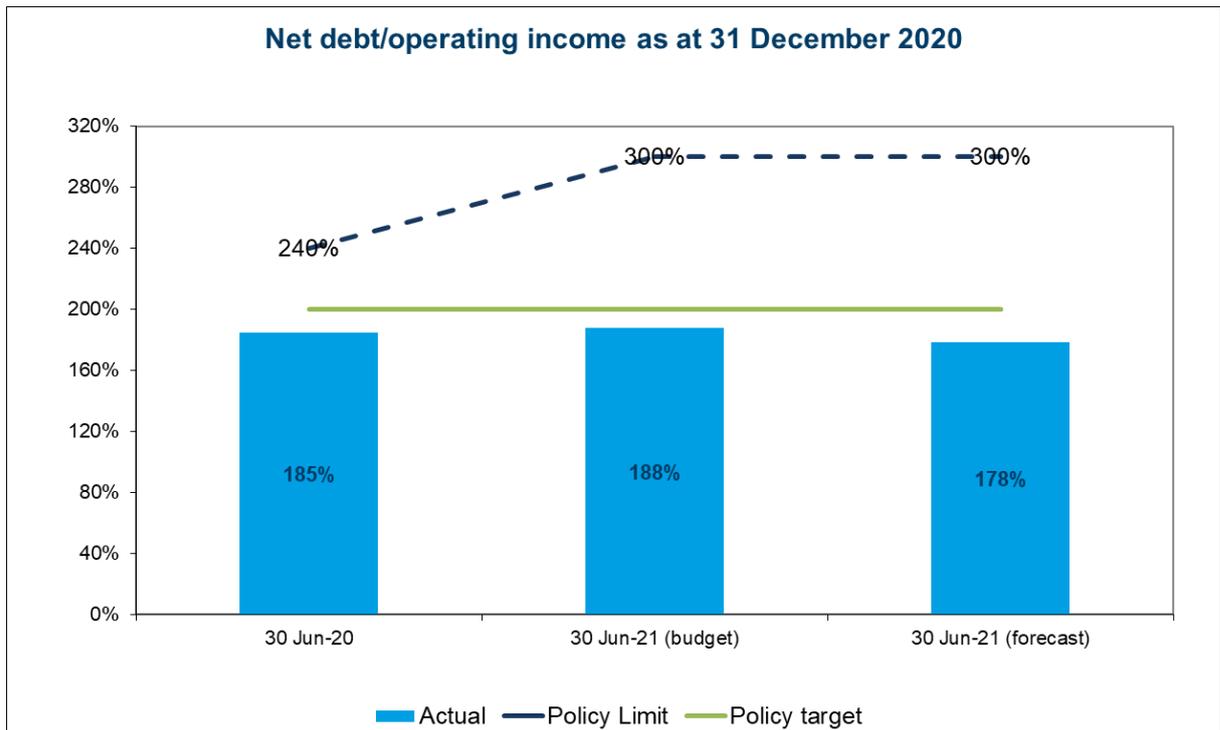
- 82 The treasury management policy (Policy) contains three financial ratios with either a maximum or minimum policy limit.
- 83 The Policy sets the maximum limit for the ratio of net interest expense to total operating revenue of 20%. The following chart shows actual limits achieved for each quarter.



- 84 The Policy sets the minimum limit for the liquidity ratio of 110%. This is a measure of the Council's available financial facilities compared to its current debt levels. The chart below shows actual limits achieved for each quarter.



85 The policy sets the maximum limit for net debt to operating income of 300% (previously 240%). This is a measure of the Council’s ability to repay its debt from the operating revenue it receives during a given financial year. The Council’s preference is to be less than 200%.



## Part I: Asset Revaluation

- 86 The Council's asset valuations are performed with sufficient regularity to ensure the carrying amounts are maintained at fair value. All valuations are performed by independent qualified valuers.
- 87 By maintaining asset values at fair value, the Council ensures that it best achieves intergenerational equity whereby ratepayers pay their fair share, and only their fair share, of the assets they use and benefit from.
- 88 We have completed asset revaluations as at 30 June each year and are planning a 31 March 2021 revaluation date this year, to facilitate more budget certainty regarding the 2021-41 LTP.

The revaluation programme will be completed on the following cycle:

Asset classification	Revaluation date	Subsequent revaluation
Roading and bridges, (excluding land under roads)	31 Mar 2021	Every two years' thereafter
Land and buildings (including land under roads revaluations)	31 Mar 2023	Every three years' thereafter
Parks and reserves structures	31 Mar 2023	Every three years' thereafter
Water, wastewater and stormwater (including seawalls and river control)	31 Mar 2023	Every three years' thereafter

### CONSIDERATIONS

#### Policy considerations

- 89 There are no policy implications arising from this report.

#### Legal considerations

- 90 There are no legal considerations arising from this report.

#### Financial considerations

- 91 The financial information as detailed in Parts A to I of this report is unaudited. Best endeavours have been made by all Council Officers to ensure the accuracy, completeness and robustness of the financial information contained herein as at the time of issuance of this report.

#### Tāngata whenua considerations

- 92 There are no specific tāngata whenua considerations arising from this report.

### SIGNIFICANCE AND ENGAGEMENT

#### Significance policy

- 93 This matter has a low level of significance under the Council Policy.

#### Publicity

- 94 There are no publicity considerations arising from this report.

**RECOMMENDATIONS**

- 95 That the Strategy and Operations Committee receives and notes this report.
- 96 That the Strategy and Operations Committee notes the actual financial performance and position of the Council for the half year ended 31 December 2020.

**APPENDICES**

Nil

**8.2 ACTIVITY REPORTS FOR THE PERIOD 1 OCTOBER 2020 TO 31 DECEMBER 2020.**

**Author:** Marece Wenhold, Senior Advisor

**Authoriser:** Mark de Haast, Group Manager Corporate Services

**PURPOSE OF REPORT**

- 1 This report provides the Strategy and Operations Committee with a quarterly performance overview of the second quarter of the 2020/21 financial year for each activity, as set out in the 2018/38 Long Term Plan.

**DELEGATION**

- 2 The Strategy and Operations Committee has delegated authority to consider this report under the responsibilities delegated in Section B.1 of *Governance Structure and Delegations*. In particular, the Committee's key responsibilities include:
  - *Overviewing strategic programmes;*
  - *Financial management, including risk mitigation.*

**BACKGROUND**

- 3 This report provides a summary of the Council's work programme and detailed activity progress reports.
- 4 Section 1 of this report gives an overview of progress on projects and results for key performance indicators (KPIs) across the Council as a whole.
- 5 Section 2 of this report provides a summary of the 'Across Council Work Programmes'.
- 6 Sections 3 to 6 of this report, provides a discussion on the activity cluster groupings. These sections report on the status of projects (with a brief explanation where projects are not on target), presents other key development highlights and provides more detail on KPI performance.
- 7 Further and more detailed information is included in Appendix A to this report. Appendix A contains a detailed discussion of each Activity, which includes an overview of performance across a range of projects and work programmes, recent developments and actual performance against key performance measures as published in the 2018–38 Long Term Plan.
- 8 The dashboard graphic on the following page gives a snapshot of performance across all Council activities and is intended to highlight at a glance where there might be issues that need attention.

Activity overview dashboard for the second quarter 2020/21

Activity	KPIs			Projects		Capital Spend (\$M)	Operating Spend (\$M)	Income (\$M)
	Achieved On target Not on target	Not yet due Not achieved		On target Not on target On hold		Favourable On budget Unfavourable		
INFRASTRUCTURE	 Access & Transport	3	4	1	6	\$2.22	\$7.14	\$2.41
	 Coastal Management	2			1	\$0.25	\$0.44	\$0.00
	 Solid Waste	3	1	1	1	\$0.07	\$0.31	\$0.29
	 Stormwater	7			1	\$1.21	\$1.85	\$0.13
	 Wastewater	5			3	\$0.79	\$4.44	\$0.09
	 Water	8	3		1	\$1.01	\$3.64	\$3.71
PLACE & SPACE	 Parks & Open Space	4	7		2	\$0.26	\$2.27	\$0.96
	 Recreation & Leisure	5	2	3	1	\$0.37	\$4.53	\$1.12
	 Community Facilities & Community Support	11	3		1 3	\$0.75	\$2.26	\$1.19
	 Economic Development	2			4	\$0.71	\$0.49	\$0.21
PLANNING & REGULATORY	 Districtwide Planning	2			1		\$0.86	\$0.00
	 Regulatory Services	6	2			\$0.01	\$2.60	\$2.60
GOVERNANCE & TĀNGATA WHENUA	 Governance & Tāngata Whenua	4	2			\$0.05	\$1.50	\$0.36
	 Corporate					\$0.47	\$12.02	\$36.01
						\$8.18	\$44.35	\$49.17

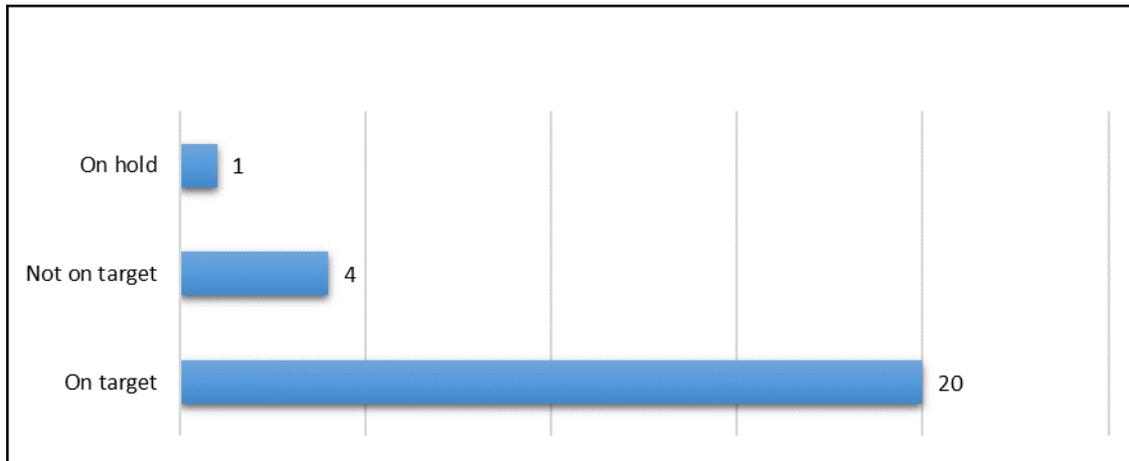
**CONSIDERATIONS**

**Section 1: Overview of KPIs and Projects**

**Summary of significant projects**

- 9 25 significant projects are being undertaken by Council in the activities reported below (compared to 19 last year). Of these, all are capital expenditure projects with a value of \$250,000 and above.<sup>1</sup>

**Figure 1: Status summary of significant projects**  
as of 31 December 2020

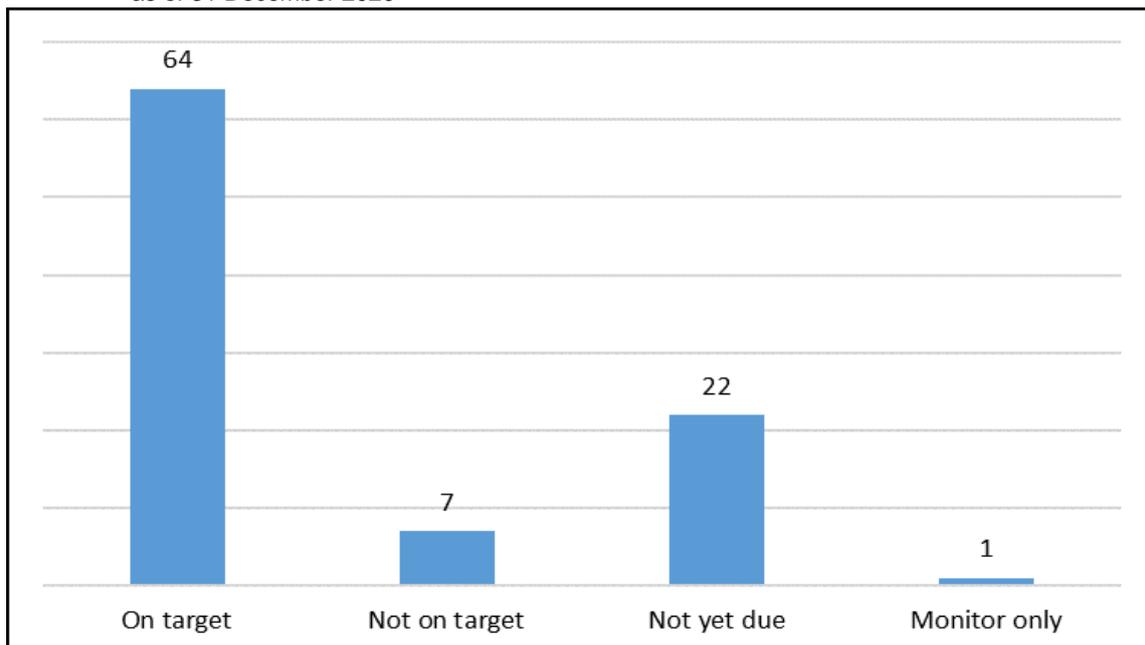


- 10 Twenty projects were on target as of 31 December 2020.
- 11 Four projects were not on target for a range of reasons and one was on hold. These are reported on in the activity chapters in Appendix A to this report.

**Summary of key performance indicators**

- 12 There are 94 KPIs, which have targets this year. Figure two below reports on KPI results against their targets.

**Figure 2: Key Performance Indicators**  
as of 31 December 2020



<sup>1</sup> Note that there are other work programmes and projects reported in the ‘Across Council Work Programmes’ section of this report (and in that chapter in Appendix A) that are not included in Figure 1.

- 13 Sixty-four KPIs were achieved at the end of the second quarter. Of the remainder, seven were not on target, twenty-two were not yet due and one was monitor only. These are reported in more detail in the activity chapters in Appendix A to this report.

## Section 2: Across Council Work Programmes

- 14 There are several programmes of work that carry across some activities. These are outlined below, and their progress is discussed in more detail in the 'Across Council Work Programmes' chapter in Appendix A to this report.
- **COVID-19 Recovery Plan:** Council's Recovery Plan is intended to help mitigate the impact of COVID-19 on our community by focusing on three aims.
  - **Housing work programme:** Defining an implementation strategy for Council to progress housing supply across the District including physical assets and advocacy work streams on behalf of the local community.
  - **Coastal adaptation work programme:** Developing a regional approach to community-led coastal adaptation under the umbrella of the Wellington Region Climate Change Working Group's coastal adaptation sub-group.
  - **Corporate IT projects:** The hardware programme includes servers, desktops, laptops, mobile phones, internal network, digital radio network across the district and the CCTV network.
  - **Policy work programme:** The Policy Work Programme identifies policy work to develop, review and update strategies, policies and bylaws across the 2018-2021 period to help achieve Council's outcomes and meet its statutory requirements. The programme was agreed on 31/01/2019 with updates and changes regularly reported to the Strategy and Operations Committee.
  - **Independent organisational review:** This work programme is about implementing the programme of actions developed by Council officers in response to the recommendations of the Independent Organisational Review.

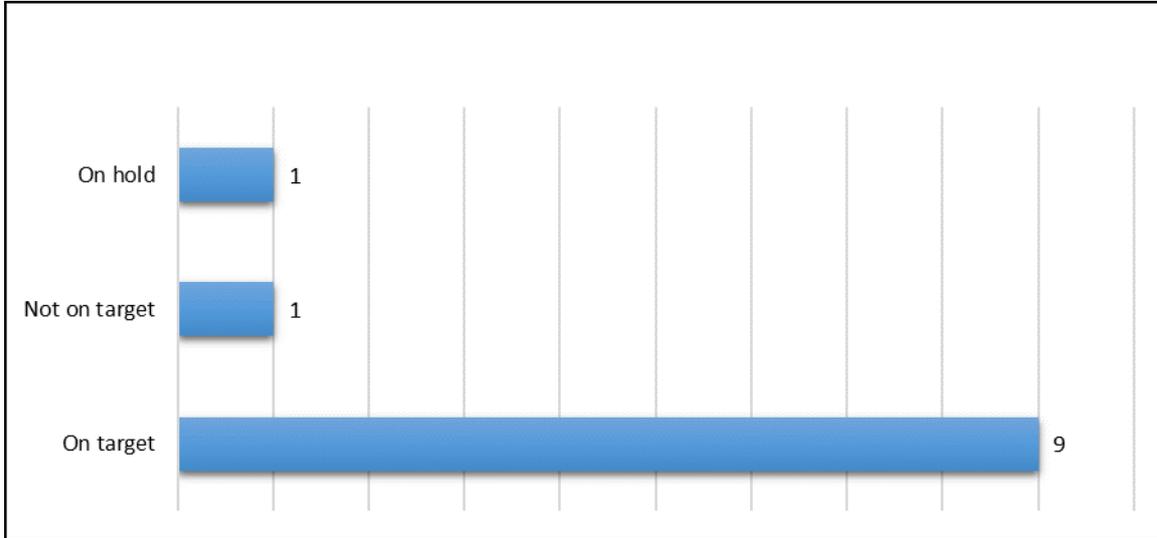


Section 3: Place & Space

Significant projects

- 15 There are eleven Place and Space projects, all of which are capital expenditure over \$250,000 projects.

**Figure 3: Place & Space – significant projects**  
as of 31 December 2020

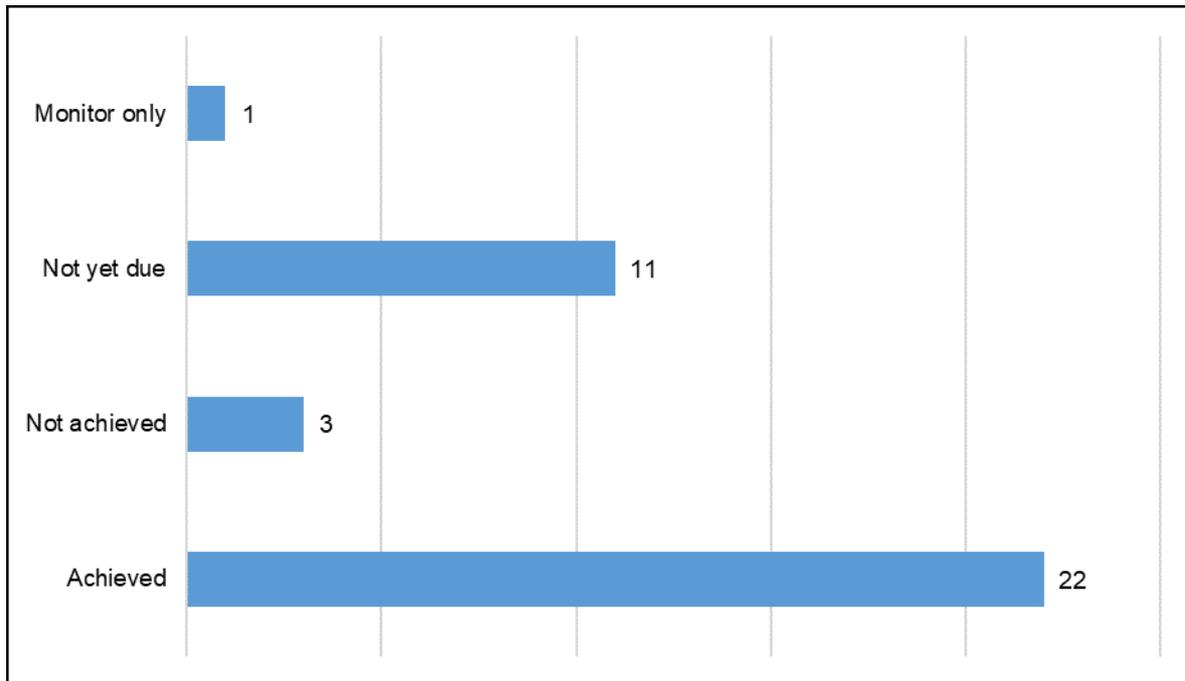


- 16 Nine projects were on target, one on hold and one not on target as of 31 December 2020.
- 17 There are two major projects for Parks and Open Space this year; the Otaraua Park Amenity Building and the Hockey Turf replacement at Mazengarb Reserve. There’s one project for Recreation and Leisure.
- 18 For Community facilities and support, there are four major projects; three are on target and one not on target. The Older person’s housing renewals, the Paraparaumu College Gymnasium and Paraparaumu Memorial Hall projects are on target The Otaki Theatre has had a seven-week extension of time approved.
- 19 There are four economic development projects, the Strategic Land Purchase Fund, the Town Centres project, Elevate Ōtaki and Kāpiti Gateway. These projects are currently all on target.

**Key performance indicators**

20 In this cluster there are 39 KPIs.

**Figure 4: Place & Space KPIs**



- Twenty-two KPIs were achieved at the end of the second quarter (details in Appendix A).
- 1
- Three KPIs were not achieved at the end of the second quarter (details in Appendix A).
- 2
- Eleven KPIs were not yet due at the end of the second quarter (details in Appendix A).
- 3
- One KPI is monitoring only and one not applicable at the end of the second quarter (details in Appendix A).



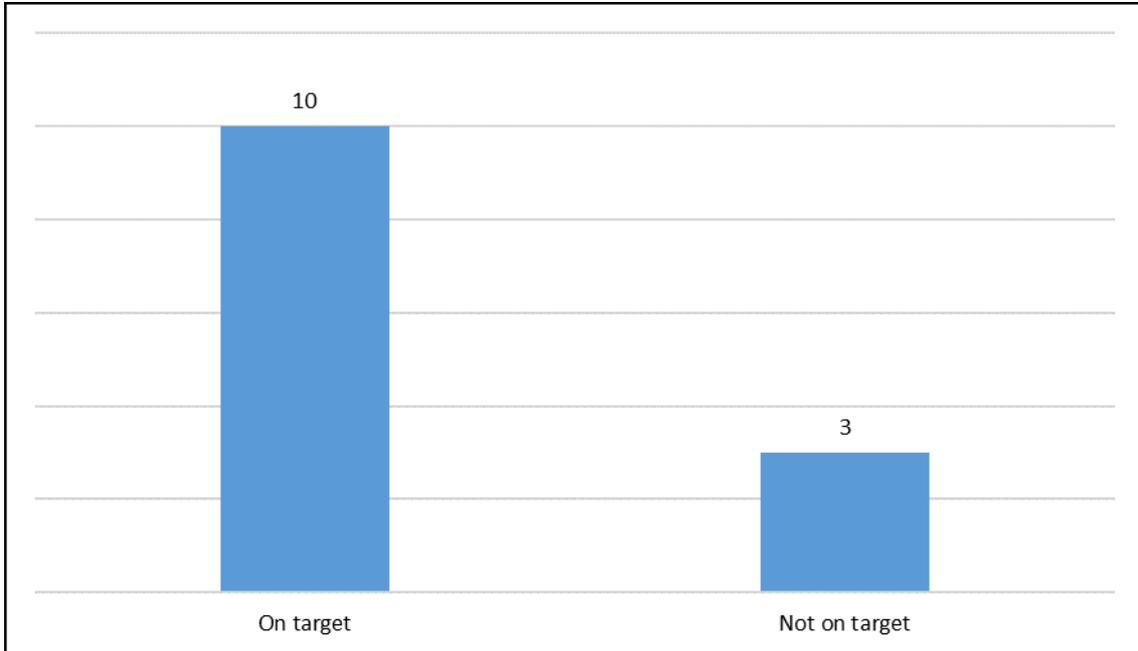
Section 4: Infrastructure

Significant projects

21 There are 13 Infrastructure projects, which are capital expenditure over \$250,000 projects.

**Figure 5: Infrastructure projects**

as of 31 December 2020



22 Ten projects were on target as of 31 December 2020.

23 There are six significant projects in the Access & Transport activity and all six are on target.

24 There is one significant project in the Stormwater activity and it is on target.

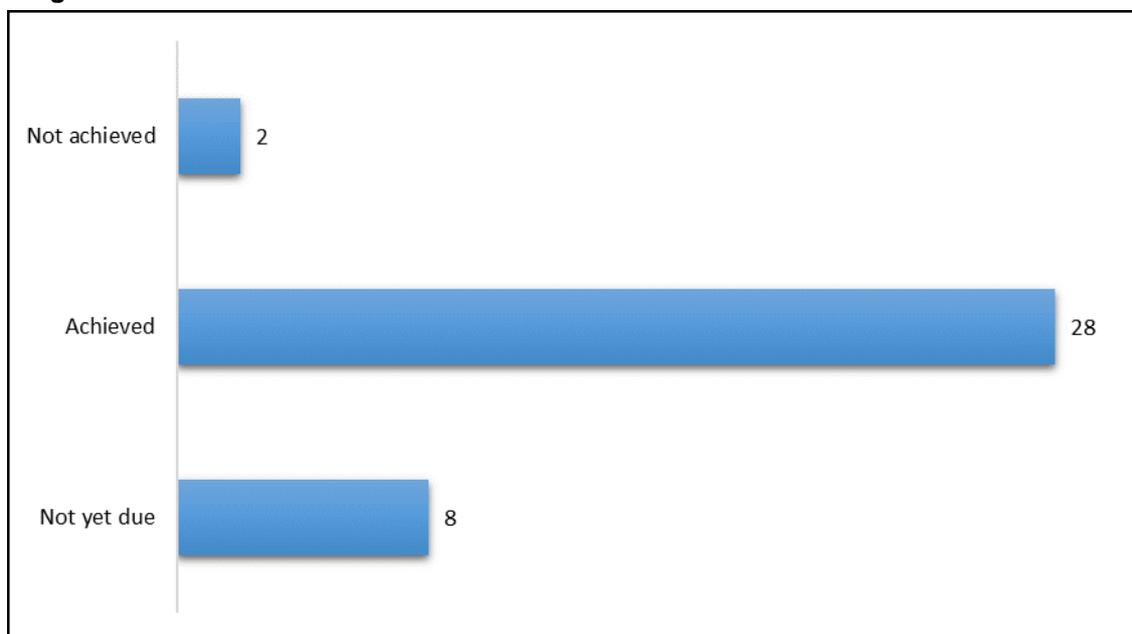
25 For Wastewater, there are three significant projects, and all three are not on target. Paraparaumu wastewater treatment plant (WWTP) upgrades, Paraparaumu WWTP – resource consent and the Waikanae Duplicate Rising main.

26 There is one water project, Drinking Water Safety and Resilience, and it is on target. Equally, for Resilience and Sustainability, there is one project, which is on target. Lastly, for coastal management, the Paekākāriki seawall project is on target.

**Key performance indicators**

27 In this cluster there are 38 KPIs with assigned targets to report against this year.

**Figure 6: Infrastructure KPIs**



- 28 KPIs were achieved at the end of the second quarter (details in Appendix A).
- Two KPIs were not achieved at the end of the second quarter (details in Appendix A).
- Eight KPIs were not yet due at the end of the second quarter (details in Appendix A).



**Section 5: Planning & Regulatory**

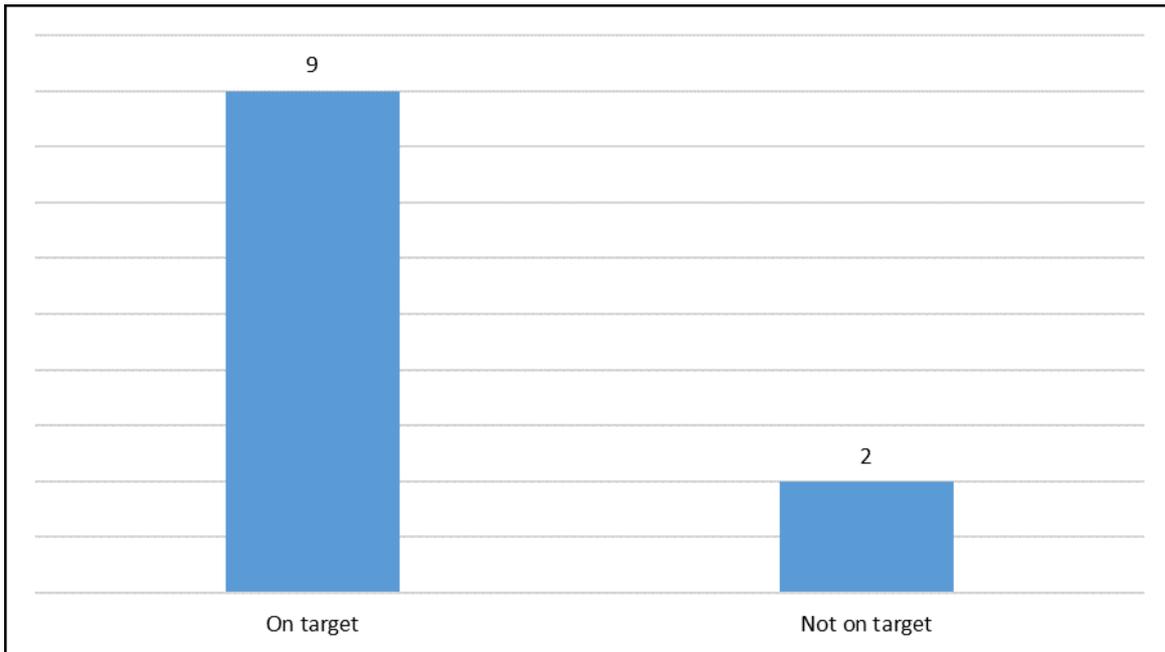
**Significant projects**

- 28 In this cluster there is one major project and it is on target.
- 29 There is no significant Regulatory Services projects.
- 30 The District Plan Review is the only significant Districtwide Planning project and is on track for year-end.

**Key performance indicators**

- 31 In this cluster there are 11 KPIs.

**Figure 7: Regulatory Services KPIs**



- 32 Nine KPIs were on target at the end of the second quarter and two were not on target.



## Section 6: Governance and Tāngata Whenua

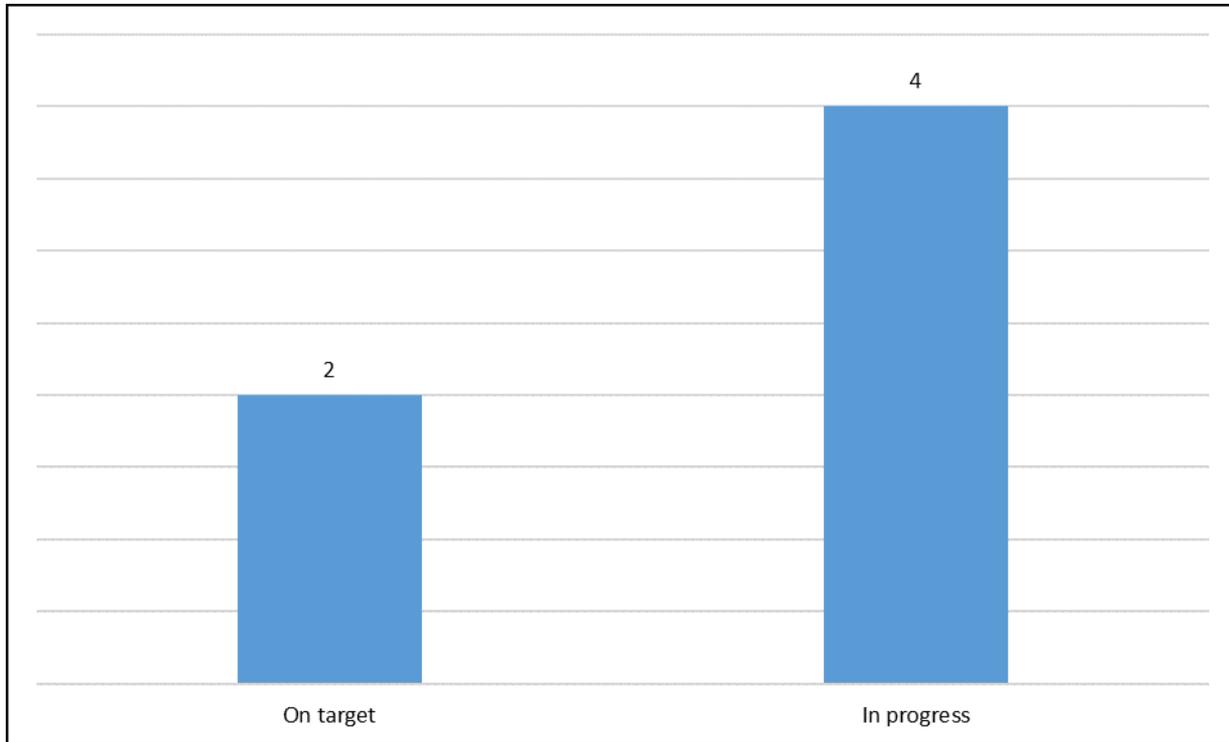
### Significant projects

33 There are no significant projects in this activity in 2020/21.

### Key performance indicator

34 There are six KPIs in this stand-alone activity.

**Figure 8: Governance & Tāngata Whenua KPIs**



- Two KPIs were on target.
- Four KPIs are in progress.

### Policy considerations

35 There are no policy issues to consider.

### Legal considerations

36 Under the Local Government Act 2002, the Council has a legislative responsibility to monitor and report on the Council's organisational performance.

### Financial considerations

37 A summary of budget details for each activity (as of 31 December 2020) is provided in the activity chapters attached as Appendix A to this report.

### Tāngata whenua considerations

38 There are no tāngata whenua issues to consider concerning this report.

39 There is reporting on issues of interest to iwi and tāngata whenua throughout this report, not just limited to the Governance and tāngata whenua section of this report or the activity chapter contained in Appendix A to this report.

40 However, this report is for information about recent developments only and is not calling for any decision.

**Strategic considerations**

- 41 There are no specific strategic considerations in this report. The developments outlined in this report, including Appendix A to this report, contribute towards achieving Council's ten-year outcomes.

**SIGNIFICANCE AND ENGAGEMENT****Significance policy**

- 42 This matter has a low level of significance under the Council's Significance and Engagement Policy.

**Consultation already undertaken**

- 43 This is a report for information only – no consultation is required.

**Publicity**

- 44 Many of the developments referred to in this report have already been communicated through the Council's regular communications channels.
- 45 Performance outcomes for the year will be published in the Council's 2020/21 Annual Report

**RECOMMENDATIONS**

46. That the Strategy and Operations Committee receives this report, including Appendix A to this report.
47. That the Strategy and Operations Committee notes the Council's performance for the second quarter of the 2020/21 financial year, for each activity included in its 2018-38 Long Term Plan.

**APPENDICES**

1. Appendix A [↓](#)



# APPENDIX A

- 
- Across Council Work Programmes
  - Place and Space cluster
  - Infrastructure cluster
  - Regulatory Services cluster
  - Governance and Tāngata Whenua

# Across Council Work Programmes

- COVID-19 Recovery Plan
- Housing work programme
- Policy work programme
- Independent organisational review
- Corporate Information Technology

## COVID-19 Recovery Plan

Covid-19 Recovery Plan	
<b>Description</b>	<p>Council's Recovery Plan is intended to help mitigate the impact of Covid-19 on our community by focusing on the following three aims:</p> <ol style="list-style-type: none"> <li>1. <i>Whakapapa</i> - Reconnecting our community</li> <li>2. <i>Manaakitanga</i> - Reactivating our businesses and our economy</li> <li>3. <i>Kotahitanga</i> - Restoring our social wellbeing.</li> </ol> <p>These aims will be achieved by focusing our efforts on a work programme of 42 actions that fall within the following six objectives:</p> <ol style="list-style-type: none"> <li>1. Strengthening partnerships and leadership</li> <li>2. Enabling resilience in our economy and non-government organisations</li> <li>3. Loving local</li> <li>4. Growing skills and capability</li> <li>5. Staying warm, healthy and safe</li> <li>6. Encouraging connections and kindness.</li> </ol> <p>All actions within this initial work programme are intended to be started (but not necessarily completed) by 30 June 2021.</p>
<b>Lead</b>	Strategy, Growth and Recovery Group
Second quarter activity report – 1 October to 31 December 2020	
<p>Significant progress has been made in the quarter to 31 December 2020, with actions underway across all six objectives. No actions have been identified as at risk of delay or non-delivery. Key achievements are outlined below.</p> <ol style="list-style-type: none"> <li><b>1. Strengthening partnerships and leadership</b> <ul style="list-style-type: none"> <li>• The Economic Development Kotahitanga Board first met in November 2020 and the recovery plan has been established as an agenda item that is getting significant focus from the Board. A workshop is due to be held in a meeting to discuss recovery actions.</li> </ul> </li> <li><b>2. Enabling resilience in our economy and non-government organisations</b> <ul style="list-style-type: none"> <li>• A new funding coordinator was appointed in late 2020. They will play a key role in supporting the council, and other partners to access available Government funding opportunities to assist with Covid recovery. Then commence in January 2021.</li> <li>• Significant progress has been made with the Kāpiti Destination Plan over the quarter, with consultation planned to occur in the next quarter.</li> </ul> </li> </ol>	

**3. Loving local**

- Council has supported and promoted several initiatives over the summer, including parks and recreational summer activities, music in the town, and the Arts Trail and Kāpiti Food Fair.
- The Love Local initiative has continued to have good community engagement.

**4. Growing skills and capability**

- KCDC was successful in securing He Poutama Rangatahi funding of \$995k for a 2-year youth initiative pilot in Ōtaki. The programme commences next quarter.

**5. Staying warm, healthy and safe**

- Council continued to engage with government agencies, iwi, and local providers on housing-related issues over the quarter, with further meetings planned for the next quarter. [See separate report on housing].

**6. Encouraging connections and kindness.**

- Council's support for summer activities/events has also contributed to encouraging connections and kindness.
- While there has been less progress in this objective area, the majority of actions are expected to have been started in the next quarter.

**Risks (to programme, cost, quality, other)**

Staff continue to engage with iwi to discuss priorities and needs from the Covid-19 recovery work programme, however progress has been slow due to resourcing issues among our iwi partners. We will continue to seek their input over the next quarter to ensure the programme meets their needs.

**Issues (for elected member attention)**

There are no specific issues for elected members' attention this quarter.

## Housing work programme

<b>Housing work programme</b>	
<b>Description</b>	<p>This work programme defines the implementation strategy for the Council to progress housing supply across the District including physical assets and advocacy work streams on behalf of the local community.</p> <p>A housing work programme was agreed by Council on 30 April 2020.</p>
<b>Lead</b>	Strategy, Growth and Recovery Group
<b>Key developments from 1 October to 31 December 2020</b>	
<b>Housing Programme Report</b>	
<b>Impact of Covid on Housing (emergency, social, affordable)</b>	
<ol style="list-style-type: none"> <li>1) The Covid epidemic continues to place strain on the availability of emergency and social and affordable housing in Kāpiti as rental and housing prices continue to rise.</li> <li>2) Concern was raised about the housing situation in Ōtaki where traditionally lower house prices and rental costs are rising fast and community commentary suggests that this is resulting in local people seeking housing in Horowhenua. This concern led staff to meet with a range of concerned people and groups including; Ngā Hapū, Ōtaki Medical Centre, Ōtaki Birthright, Te Puna o Ōtaki, Ōtaki principals group, MSD, MCDHB.</li> </ol>	
<b>Emergency Housing</b>	
<ol style="list-style-type: none"> <li>1) The Covid epidemic and pressure on the rental and housing market has seen a continued need for emergency accommodation. These people are staying in this accommodation for longer periods due to the lack of other options in Kāpiti.</li> <li>2) The continued use of Emergency Housing across the district has led to a range of challenges that include the displacement of families and children from their wider whanau, support services/schools and community safety issues in the locality of some of the emergency accommodation providers.</li> <li>3) Staff arranged a series of meetings between MSD and a range of community organisations to highlight the local issues and offer local solutions.</li> <li>4) Staff enabled a group of community organisations to develop a proposal to MSD about the establishment of an emergency housing navigator to support people to access to emergency housing.</li> <li>5) Staff facilitated conversations between CCDHB, Tu Ora Compass Health and Hora Te Pai Health Services to improve the provision of health support to people living at a local accommodation provider. A pilot project was launched in December 2020.</li> </ol>	
<b>Progress on agreed Housing Programme actions;</b>	
<ol style="list-style-type: none"> <li>6) Undertake an audit of Councils existing residential land holdings to determine redevelopment potential and improvements needed.</li> </ol>	

The first stage is complete and has identified some land for further consideration which staff are working through.

**7) Investigate the suitability of other land owned to support housing developments, giving greater weight to the use of Council land for housing.**

Staff supported several parties that are exploring opportunities to develop small scale social and affordable housing developments in the district.

**8) Engage with local iwi to determine how Council can support and enhance the capacity of Māori housing providers through opportunities for development partnerships on Māori owned-land and other land.**

Staff continued to work with Iwi so that they can be involved in the development of the housing work programme and the Housing Need and Social Impact assessment. Initial conversations have taken place.

Staff continued discussions with Te Puni Kokiri (TPK) to discuss the approach to supporting local iwi in the housing space. TPK can fund iwi to explore housing feasibility. Staff have offered to work alongside TPK and iwi to support the development of housing on Māori land, where this is sought by iwi.

Staff met with Te Kāhui Kāinga Ora (MHUD Māori team) to discuss the Housing Needs and Social Impact assessment and explore how this team can support Iwi to partner in this work

Staff continued to meet with representatives of Ātiawa Ki Whakarongotai Charitable Trust, Ngāti Toa and Te Ahuru Mowai to discuss housing opportunities they are considering in the district.

**9) Identify partnerships opportunities with the public housing sector.**

Staff continued to meet with a range of organisations to discuss the housing programme and possible social and affordable housing developments. Also, new connections have been made with Atareira, St Vincent DePaul's, Miyamoto, He Tangata Trust, Te Ahuru Mowai, Whakakainga.

Staff facilitated conversations and connections to promote the development of housing in Kāpiti and continue to meet with a range of relevant government agencies.

**Other key developments**

**Housing Need and Social Impact Assessment**

- 10) Planning for a housing need and social impact assessment started and initial planning meetings took place with Ngāti Toa, Ātiawa Ki Whakarongotai Charitable Trust.

**Meetings with Government Agencies**

- 11) Staff continued to meet with a broad range of Government agencies to discuss the housing programme and how to increase the provision of social and affordable housing in Kāpiti.

This included meeting with senior staff from MHUD and Kainga Ora to discuss housing development opportunities in the district.

**Risks (to programme, cost, quality, other)**

1. Council's role in the housing sector is not consistently understood.
2. The Council's reputation is eroded by the perceived lack of action on addressing housing issues in the district.
3. Lack of social and affordable housing in Kāpiti and its impact on vulnerable residents.

**Issues (for elected member attention)**

None to report.

## Coastal adaptation work programme

<b>Coastal adaptation work programme</b>	
<b>Description</b>	Takutai Kāpiti: Our-community led coastal adaptation project.
<b>Lead</b>	Infrastructure Services Group
<b>Key developments from 1 October to 31 December 2020</b>	
<ol style="list-style-type: none"> <li>1. The Coastal Science and Engineering services contract was awarded to Jacobs with Beca as providing independent peer review services.</li> <li>2. The Working Group recommendations on a single-Community Assessment Panel (CAP) model, governance structure and appointment process were adopted by Council on 10 December 2020.</li> <li>3. The recruitment process for the CAP Chair is due to be complete by end-February/ early-March 2021.</li> <li>4. The appointment process for iwi and community CAP members are due to commence end- of February 2021.</li> <li>5. Project timeframes are working toward the Community Assessment Panel commencing in the Second Quarter of 2021.</li> </ol>	
<b>Risks (to programme, cost, quality, other)</b>	
<ol style="list-style-type: none"> <li>1. Due to the high degree of importance and significance to iwi, interested parties, and the wider community, iwi and the community must have ample opportunity to provide input into the coastal adaptation process. If effective consultation, engagement and collaboration is not achieved, the aim of the project to be community-led and meet best practice recommendations from the Ministry for the Environment will not be achieved.</li> <li>2. Delay to timeframes due to COVID-19 and resultant risk of disengagement from iwi and the wider community.</li> </ol>	
<b>Issues (for elected member attention)</b>	
Wide media and community interest is expected as the project proceeds into Phase 2- CAP workshops. The project will work proactively with Elected Members and the community to keep them updated on progress.	

## Policy work programme

<b>Policy work programme</b>	
<b>Description</b>	The Policy Work Programme identifies policy work to develop, review and update strategies, policies and bylaws across the 2018-2021 period to help achieve Council's outcomes and meet its statutory requirements. The programme was agreed on 31/01/2019 with updates and changes regularly reported to the Strategy and Operations Committee.
<b>Lead</b>	Strategy Growth and Recovery
<b>Key developments from 1 October to 31 December 2020</b>	
<b>Programme items completed over this period include:</b>	
<ul style="list-style-type: none"> <li>• Kāpiti Recovery Plan</li> <li>• Proposed District Plan (PDP) Variation 2 – Waikanae Beach</li> <li>• Local Approved Products (Psychoactive Substances)</li> <li>• Solid Waste Minimisation Bylaw Review</li> <li>• National Policy Statement on Urban Development quarterly report</li> </ul>	
<b>Risks (to programme, cost, quality, other)</b>	
<ol style="list-style-type: none"> <li>1. The Programme is subject to change and includes regular updates to the Strategy and Operations Committee.</li> <li>2. A Policy Work Programme update is due with the Strategy and Operation Committee on 18 February 2021.</li> <li>3. A new Policy Work Programme for the 2021-2024 period is due to be developed and agreed upon by Council by the end of 2021.</li> </ol>	
<b>Issues (for elected member attention)</b>	
None to report.	

## Independent organisational review

<b>Independent organisational review</b>	
<b>Description</b>	<p>This work programme is about implementing the programme of actions developed by Council officers in response to the recommendations of the Independent Organisational Review.</p> <p>The programme was agreed by Council on 27 August 2020.</p>
<b>Lead</b>	Senior Leadership Team
<b>Key developments from 1 October to 31 December 2020</b>	
<p><b>Overall progress</b></p> <p>As noted in the last quarterly update, planning for how and when the agreed actions will be resourced and delivered is a critical step. Some of the actions can be completed within existing budgets, while others, as new pieces of work, are dependent on securing funding through the Long Term Plan. As such, there has been good progress on some of the actions, while others are on hold until funding and resources can be confirmed.</p> <p><b>Progress on agreed actions</b></p> <p><b><u>Focus Area 1: Strong and effective partnerships between Elected Members, Iwi and Management</u></b></p> <p>A key action for this focus area is to initiate a conversation with iwi partners on aspirations for partnership and opportunities to strengthen this (action 1.11). This is closely linked to initiating a formal review of Te Whakaminenga o Kāpiti, with a 25-year view of what this looks like (action 1.12). This review is in the early stages, with the current focus on setting out a process for the review of our Council's partnership with mana whenua, in conjunction with responding formally to Atiawa Ki Whakarongotai's recent partnership review.</p> <p>The organisation is committed to involving iwi in project governance as opportunities arise and resources allow. The Iwi Partnerships team is facilitating this. However, as noted in Atiawa Ki Whakarongotai's recent review report, there continue to be challenges for iwi around capacity for governance-level activities. Iwi feedback regarding capacity funding has helped to inform LTP budget bids.</p> <p>As part of the current Representation Review, the option of establishing a Māori ward (action 1.1) was considered by Council at the meeting of 29 October 2020. It was resolved not to consider a Māori Ward for electoral purposes. However, the question may now be reconsidered due to pending legislative changes.</p> <p><b><u>Focus Area 2: Building organisational capacity and capability</u></b></p>	

A new business group, Strategy, Growth and Recovery, has been established, bringing several existing teams together to focus on both recovery and strategic growth (refer action 2.3). It is responsible for District Planning, Economic Development, Research and Policy, Housing Programme and Strategy, as well as planning for and monitoring our district's recovery from COVID-19.

'The Big Why' project completed in 2020 captured the core purpose and vision of the Council – Toitu Kāpiti. All staff were engaged, and are on board with the outcomes. These backbone elements provided a framework upon which to generate discussions about how people want to work at KCDC, to do their best work and have more good days – 'The Big How'. There was widespread and genuine affiliation and a sense of alignment to the purpose of KCDC – the great majority are motivated to serve their community and find this rewarding. The recommendations have a strong focus on leadership development and support (refer action 2.1).

Additional resource has been added to our Project Management Office to help lift our project management capability across the organisation. We have begun implementing project management software CAPEX Insights within the PMO and are investigating the potential to configure it for wider application in our organisation. Alongside this, we are investigating project management training tailored for local government to assist in achieving a consistent approach to project delivery.

We initiated the Digital Workplace project in December 2020 which will see a programme of projects aimed at improving and integrating the end-user computing environment.

Improvement work to the website is ongoing along with online services being investigated (action 2.7). The ability to book council facilities (halls) online has been scoped and is being worked through with the vendor.

Preliminary work has begun to identify roles where understanding of Te Ao Māori and ability to work effectively with iwi is a core requirement, and to actively recruit for that capability when vacancies arise (action 2.6).

An independent audit of resource and building consent applications is underway to highlight where delays occur and identify process improvements to address these issues (refer action 2.8). A report will be provided back to Council with findings and recommendations.

Additional resource has been added to the Organisational Development team which will assist with adopting a more strategic approach to workforce planning (action 2.10). Initial scoping of the requirements for workforce planning has commenced and will continue to develop in conjunction with the organisational structure changes required as a result of COVID-19 recovery and upcoming changes expected in the local government sector.

### **Focus Area 3: Business planning to ensure we are clear on our priorities**

Initial scoping of an Operating Model is underway (action 3.1), which will link to our people strategy and organising framework including our work on purpose and culture (refer action 2.1).

### **Focus Area 4: An increased focus on public participation/ democratic participation**

Work continues to improve the way we inform and engage our communities. A new digital engagement and consultation platform (EngagementHQ) was launched in October to improve and provide new ways for our communities to participate in the democratic process.

A series of changes have also been delivered to Kāpiticoast.govt.nz to make priority content more accessible, including information about changes to plans, bylaws and policies (refer action 4.1).

Community engagement for the Long Term Plan is underway and is a flagship for using different channels and approaches to make consultation less complex and more engaging (action 4.2).

#### **Risks (to programme, cost, quality, other)**

##### **Availability of resources**

1. Many actions are dependent on securing funding for new initiatives through the Long Term Plan process. Until the Long Term Plan is finalised, there is a risk that a lack of resources will limit or delay the organisation's ability to deliver the full programme of actions.
2. There is also a risk that staff time may be reprioritised to fulfilling the Government's work programme, for example, the Three Waters and resource management reforms.

##### **COVID-19 Response and Recovery**

3. There is a risk that staff time and budgets may be reprioritised away from delivering actions within this programme to supporting COVID-19 response and recovery, resulting in a slowing down of progress in implementation. This risk is considered low at this stage.

#### **Issues (for elected member attention)**

None to report.

## Corporate Information Technology projects

<b>IT Projects</b>	
<b>Description</b>	The hardware programme includes servers, desktops, laptops, mobile phones, internal network, digital radio network across the district and the CCTV network. The software programme includes upgrading existing software applications where required along with projects that require new modules or new software applications.
<b>Lead</b>	Ewen Church
<b>Key developments from 1 October to 31 December 2020</b>	
<ol style="list-style-type: none"> <li>1. Planned and executed the exit of Corporate Services and Organisational Development staff from the Maple building due to the end of the lease. Staff have been housed in temporary locations at Civic, Takiri North, EOC and the Portacom in the EOC carpark along with some staff working from home until the new Takiri South building is completed in March 2021.</li> <li>2. Moved the call centre onto the new Mitel phone system, increasing resiliency by providing access to the phone system for call centre operators from any location with an internet connection.</li> <li>3. Implemented a minor upgrade to Magiq v4.26, which was implemented successfully.</li> <li>4. Rebuilt our GIS server environment for both our internal and external mapping and upgraded the Esri software to v10.8.1.</li> <li>5. Worked with other Councils in the region on a shared GIS RFP for new aerial photography and lidar data. The contract was let in December with flying scheduled for January 2021.</li> <li>6. New network switches purchased and installed in the Civic building, data outlets tested and labelled correctly to make it easier when tracing faults. This project reduced the number of switches from twelve to six which reduced costs and complexity.</li> </ol>	
<b>Risks (to programme, cost, quality, other)</b>	
There are no risks to the current programme.	
<b>Issues (for elected member attention)</b>	
None to report.	

# Place and Space

- Parks and open space
- Recreation and leisure
- Community facilities and community support
- Economic development



# Parks and open space

Ngā papa rēhia me ngā waahi māhorahora

## Second quarter activity report – 1 October to 31 December 2020

<b>Purpose</b>	To manage a wide range of parks, reserves and open space to benefit the whole of our community. To facilitate barrier-free access to our network of cycleways, walkways and bridleways.
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Financial key: ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

**Operating expenditure**  
The costs to operate the council's activities  
(Excluding Overhead Allocation)

**\$2.27m (ytd)** F/Y Outlook ●  
 \$2.39m budget (ytd) Year To Date ●  
 \$4.78m budget (full year) ●  
 F/Y Forecast \$0.02m unfavourable

Minor variance – on track for year-end.

**Operating income**  
What we earn – fees, charges, grants etc  
(Excluding Rates)

**\$0.96m (ytd)** F/Y Outlook ●  
 \$0.46m budget (ytd) Year To Date ●  
 \$0.98m budget (full year) ●  
 F/Y Forecast \$0.00m unfavourable

Year to date variance relates to higher than expected development and financial contributions.

**Capital expenditure**  
Costs for our capital projects

**\$0.26m (ytd)** F/Y Outlook ●  
 \$0.72m budget (ytd) Year To Date ●  
 \$2.31m budget (full year) ●  
 Forecast \$0.90m favourat

Variance to date relates to projects not yet completed but in progress. Forecast is favourable due to carryovers already signalled for the Waikanae playground renewals: Shotover Park and Waikanae Memorial, Mazengarb Reserve Artificial Turf renewal and Otaraua Park development.

**Projects**

On hold		1
Not on target		1

Deferred large projects are Mazengarb Reserve Artificial Turf renewal and Otaraua Park build and some design work.

Deferral of two Waikanae Playgrounds due to concern that adequate consultation would not occur as a result of COVID-19.

**Performance measures (KPI)**

Achieved		4
Not yet due		7

Four performance measures have been achieved and seven are not yet due.

## Summary of projects

The parks and open space significant projects are summarised below.

1. Districtwide Parks and Playgrounds					
<u>Major Projects:</u>					
Otaraua Park Amenity Building					
<u>Key issues and risks:</u>					
The detailed design for the Otaraua Park Amenity Building will be completed in time for construction to commence and be completed before the 2022 winter sport season. The budget for this project has been included in year 1 of the LTP.					
Project	YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
Otaraua Park Amenity Building	14	701	225		Design is slightly behind schedule but good progress is being made to enable construction to begin next financial year.

2. Destination park					
<u>Major Projects:</u>					
Hockey Artificial Turf replacement.					
<u>Key issues and risks:</u>					
Advice has been received that the turf does not need to be replaced this year so funding has been carried over into year 1 of the LTP.					
Project	YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
Hockey Artificial Turf replacement at Mazengarb Reserve	0	350	0		

Project status key									
Complete		On target		Not on target		On hold		High risk	
Ahead		Lagging		Underspend		Overspend			

### Other key developments

- Contracts completed and equipment ordered for playground renewal at Matai Road Reserve and Kotuku Reserve.
- Replacement bore drilled at Waikanae Park and consenting is in progress.
- Contracts for annual plant supply out for tender.

- The new portable pump track for Waikanae Park has been ordered, with delivery expected May 2021. The pump track is being part-funded by a 50% contribution from Waikanae Community Board.
- Marine Gardens Splashpad surface renewal completed – project led by Aquatics Team.
- Funding received from Sport Wellington's Te Manawa Fund for the School Sports Coordinator role for 2021/22.

### Performance measures

There are 11 key performance indicators (KPI) in the parks and open space activity.

Performance measures	Target	Result	Comment
<b>Achieved</b>			
Residential dwellings in urban areas are within 400 metres of a publicly owned open space	85%	Achieved (99.4%)	103ha out of 18,452ha (0.6%) of the total District Plan residential area are not within 400m of a publicly owned open space.
At least a 10-year burial capacity is maintained across the district	Achieve	Achieved (54 years)	There is a total of 54 years' capacity across the three cemeteries.
Sports grounds are open when scheduled	85%	Achieved	Sports grounds were open 98% of the time in the second quarter.
All available records will be on Council's website within four weeks of interment	100%	Achieved	Achieved
<b>Not yet due</b>			
Residents(%) who are satisfied with the current availability of facilities	85%		Not yet due
Residents (%) who are satisfied with the quality of Council parks and open space	85%		Not yet due
Residents (%) who are satisfied with the quality and range of recreation and sporting facilities in the district	85%		Not yet due
Residents (%) that are satisfied with Council playgrounds	85%		Not yet due
Users who are satisfied with the cemeteries appearance and accessibility	85%		Not yet due
Users who are satisfied with Council walkways, cycleways and bridleways	85%		Not yet due
Residents (%) who are satisfied with access points to beaches	85%		Not yet due



# Recreation and leisure

Hākinakina

## Second quarter activity report – 1 October to 31 December 2020

<b>Purpose</b>	To provide affordable and safe aquatic facilities, services and programmes for the health and wellbeing of our community. This activity also provides a districtwide library service. Also, arts and museums services for the Kāpiti community.
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Financial key: ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

**Operating expenditure**  
The costs to operate the council's activities (Excluding Overhead Allocation)

**\$4.53m (ytd)** F/Y Outlook ●  
 \$4.57m budget (ytd) Year To Date  
 \$8.86m budget (full year) ●  
 F/Y Forecast \$0.09m unfavourable

Minor variance, on track for year-end.

**Operating income**  
What we earn – fees, charges, grants etc (Excluding Rates)

**\$1.12m (ytd)** F/Y Outlook ●  
 \$0.94m budget (ytd) Year To Date  
 \$1.92m budget (full year) ●  
 F/Y Forecast \$0.38m favourable

Full-year outlook favourable due to Provincial Growth Capital grant for the Otaki Theatre. Income from the Aquatic facilities has been impacted by Covid-19 level changes and the inability to run programmes.

**Capital expenditure**  
Costs for our capital projects

**\$0.37m (ytd)** F/Y Outlook ●  
 \$0.71m budget (ytd) Year To Date  
 \$1.17m budget (full year) ●  
 Forecast \$1.37m unfavourable

Full-year outlook unfavourable due to the Otaki Theatre renewal and initial project costs for Mahara Gallery. Other variances on track for year-end.

**Projects**

On target 1

One major project, on target.

**Performance measures (KPI)**

Not yet due 2  
 Not on target 3  
 On target 5

Ten performance measures in total, two not yet due, three on target and five not on target.

## Summary of projects

1. Library Books				
<u>Work completed in this period:</u>				
New library items continue to be ordered regularly.				
<u>Key issues and risks:</u>				
There continues to be a severe disruption to our ongoing supply chains this is impacting the receipt of new items.				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
122	419	419		On track, however, could be impacted by supply chain issues.

Project status key				
Complete	On target	Not on target	On hold	High risk
Ahead	Lagging	Underspend	Overspend	

### Other key developments

#### Aquatics

There were 86,504 pool visits in the 20/21 second quarter, up from Q2 2019/20. 54,208 at Coastlands Aquatic Centre, 15,082 at Ōtaki Pool and 17,214 at Waikanae Pool

A total of 723 people were registered for swimming lessons during the school term– 502 at Coastlands Aquatic Centre, 151 at the Ōtaki Pool and 70 at Waikanae Pool.

A further 100 children completed the holiday swimming programme, which is a revised programme consisting of swimming lessons, water safety and snorkelling components. Parents have warmly received this new structure, which is in its second term, and some great feedback has been received.

Also, 218 private lessons, 205 AquaEase classes, 493 AquaMove classes and 145 Yoga classes were delivered over the second quarter.

School-based lessons took place in Q2 after a term of cancellations due to COVID-19 restrictions in Q1. A total of 4,408 school children attended lessons with our instructors.

Waikanae Pool opened for the summer period on October 26, slightly earlier this year, in time for Labour Day. The pool held a family Christmas event, which included Santa in his grotto - painted and designed by our staff members.

The Sound Splash Pool Party was held on Saturday 17 October. This was attended by 450+ excited 8-13-year-olds who swam and danced the evening away.

#### Libraries

Q2 has seen a continued high visitation to all the district's libraries. Whilst this level of visitation has not flowed on to increased borrowing it indicates that the usage of the library is not just about borrowing books.

During Q2 a total of 160 programmes were delivered, with over 1500 participants attending. Highlights included the range of Christmas events held across the district and the ongoing popularity of Justice of the Peace services at Paraparaumu and Ōtaki libraries.

In October 2020, preparatory work began to introduce Radio Frequency (RFID) technology to libraries across the district. This will enable customers to easily loan and return items, pay fees and charges, and to check their borrowing records. The first stage was inserting an RFID tag on to all library items. New RFID self-service machines should be introduced in March 2021.

#### Arts

For Q2 the focus of work has been delivering the Kāpiti Arts Trail and the follow-up evaluation work.

The 2020 Kāpiti Arts Trail was held on 7/8 and 14/15 November. Whilst the final evaluation work is still being completed, it should be noted that the estimated economic impact on the Kāpiti region was \$238,000.

In October 2020, Council appointed four members to the Public Art Panel and agreed in principle to the appointment of a representative of Te Whakaminenga o Kāpiti, with the formal nomination to be received at a later date.

In February 2021 meeting of Te Whakaminenga o Kāpiti Tracey Morgan was nominated as their representative on the Public Art Panel for the current triennium, which Tracey has accepted.

#### Performance measures summary

There are ten key performance indicators (KPI) in recreation and leisure activity.

The three KPIs not on target are discussed below:

- i) *Learn to swim registrations* are continuing to climb back as restrictions lift. While sitting below target, numbers appear to be stabilizing.
- ii) Whilst the number of customers visiting libraries continues to be significantly above the same quarter in 2019/20, this has not translated into increased issues of library items in 2020/21. It is assumed that COVID-19 and the revised Waikane Library service have contributed to this.
- iii) New collection materials continue to be ordered but the actual addition of new collection materials is currently hampered by the availability of items and the significant delays in overseas deliveries.

Performance measures	Target	Result	Comment
<b>Achieved</b>			
Users who are satisfied with the library services	85%	Achieved	96.4% Annual library survey conducted in Oct 2020
Users who are satisfied with library spaces and physical environments	85%	Achieved	87.3% Annual library survey conducted in Oct 2020
<b>On target</b>			
Visits to swimming pools in the district	At or above 290,000 annual admissions	On target	147,898 combined swims in the year to date at the end of Q2. On target. (2019/20 Q2 result was 83,281).
Total value of applications received relative to the	Ratio is > 1	On Target	Ratio – 2.71 The latest funding round was undertaken in Oct 2020. 27 applications totalling

total amount of funding in each allocation round			\$61,410 were received, with \$22,645 allocated. The next funding allocation is March 2021.
Total visits to libraries	At or above 300,000 annually	On target	Library visits for Q2 were 83,014 Total annual visits to date are 164,212
<b>Not on target</b>			
Learn to swim registrations	At or above 3,200 annual registrations	Not on target	1,224 registrations for the year to date. (2019/20 Q2 result was 668).
Collections are refreshed in accordance with New Zealand public library standards	Maintain 350 new items (incl renewals) per 1,000 (where population is 52,762)	Not on target	Target for 2020/21 is 18,445 Q2 - 3074 new items added Total new items added year to date is 4,863
Number of items borrowed per annum (including renewals)	650,000	Not on target	Q2 – 118,957 items issued Total annual issues to date – 256,042
<b>Not yet due</b>			
Council will maintain PoolSafe accreditation	Achieve	Not Yet Due	PoolSafe accreditation is due in Q3 2020/21  (2019/20 result was 'Achieved').
Users who are satisfied with the pools services and facilities	85%	Not Yet Due	Customer Survey will be undertaken in Q3 2020/21  (2019/20 result was 94%).



# Community facilities and support

Whakaurunga hapori me ngā hāpai hapori

## Second quarter activity report – 1 October to 31 December 2020

<b>Purpose</b>	To manage and maintain Council’s building and property assets and provide resources for community building and service provision.
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Financial key: ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

<p><b>Operating expenditure</b> The costs to operate the council’s activities (Excluding Overhead Allocation)</p> <p><b>\$2.26m (ytd)</b> ● F/Y Outlook                  \$2.52m budget (ytd) ● Year To Date                  \$4.60m budget (full year) ●                  F/Y Forecast \$0.09m unfavourable</p>	<p>Operating expenditure of \$2.26m in on track to budget. Full-year forecast variance is due to additional expenditure required for maintenance and cleaning of Community Facilities.</p>						
<p><b>Operating income</b> What we earn – fees, charges, grants etc (Excluding Rates)</p> <p><b>\$1.19m (ytd)</b> ● F/Y Outlook                  \$0.80m budget (ytd) ● Year To Date                  \$1.58m budget (full year) ●                  F/Y Forecast \$0.40m favourable</p>	<p>Operating income of 1.19m is favourable to budget mainly due to Provincial Growth Fund revenue (Paraparaumu Memorial Hall) and higher than expected development contributions. Usage of community halls has been impacted by Covid-19 level changes and changes to the operation of the Te Newhanga Kāpiti Community Centre.</p>						
<p><b>Capital expenditure</b> Costs for our capital projects</p> <p><b>\$0.75m (ytd)</b> ● F/Y Outlook                  \$0.94m budget (ytd) ● Year To Date                  \$1.83m budget (full year) ●                  Forecast \$0.84m unfavourable</p>	<p>The full-year forecast mainly reflects the Paraparaumu Memorial Hall project shortfall.</p>						
<p><b>Projects</b></p> <table border="1"> <tr> <td>Not on target</td> <td>1</td> </tr> <tr> <td>On target</td> <td>3</td> </tr> </table>	Not on target	1	On target	3	<p>Three of the four projects are on target. The Ōtaki Theatre has had a seven-week extension of time approved by the PDU.</p>		
Not on target	1						
On target	3						
<p><b>Performance measures (KPI)</b></p> <table border="1"> <tr> <td>Monitor only</td> <td>1</td> </tr> <tr> <td>Not yet due</td> <td>3</td> </tr> <tr> <td>On target</td> <td>11</td> </tr> </table>	Monitor only	1	Not yet due	3	On target	11	<p>Fifteen performance measures in total, with eleven on target, three not yet due and one monitor only.</p>
Monitor only	1						
Not yet due	3						
On target	11						

## Summary of projects

1. Older person's housing renewals				
<u>Work completed in this period:</u>				
Council completed full interior renewals on three Housing for Older Persons units during Q2. This means the overall total number of units that have received full interior renewals now totals 45.				
The renewed units were actioned by either becoming vacant and requiring significant renewal, or through the SPM building condition surveys (September 2019) which identified units for renewal on a priority basis as per the Renewal Programme strategy.				
<u>Key issues and risks:</u>				
Nil at this stage.				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
350	761	762		No comment, on track.

2. Ōtaki Theatre & Museum				
<u>Work completed in this period:</u>				
Work commenced in mid-October, which achieved the first PGF agreement milestone.				
Full access to the building allowed the viewing and interrogation of the building substrates.				
This revealed significant water ingress damage to the concrete walls, chimney, roofing gables & spouting. This has affected the project timeline and budget. A separate report will be provided to Council.				
<u>Key issues and risks:</u>				
Nil at this stage.				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
133	102	1,110		Funding of \$500k received from PGF. A separate report is to be provided to Council concerning forecasted CAPEX expenditure.

3. Paraparaumu College Gymnasium				
<u>Work completed in this period:</u>				
The decision to proceed with current proposed works is with the Ministry of Education for Approval with the scope of works in line with Council expectations.				
<u>Key issues and risks:</u>				
Nil at this stage.				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
-	255	255		No comment, on track.

4. Paraparaumu Memorial Hall				
<u>Work completed in this period:</u> Construction has commenced on site. The expected completion is mid-April 2021. The work is progressing as scheduled and PDU are undertaking regular site visits to check on progress.				
<u>Key issues and risks:</u> Nil at this stage.				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
335	-	1,037		Funding of \$500k received from PGF. A separate report is to be provided to Council concerning forecasted CAPEX expenditure

Project status key									
Complete		On target		Not on target		On hold		High risk	
Ahead		Lagging		Underspend		Overspend			

#### Other key developments – Community Facilities

##### Housing for Older Persons

- As of 31 December 2020, 45 units have had interior renewals completed.
- There are **59** applicants on the Applicant Register awaiting placement. During Q2, **5** applicants were allocated units. The majority of demand is in Paraparaumu.

##### Asset Management Improvement Program

- The Steering Group has approved several processes about the management of Data Collection which will be rolled out to the Property Team in the next quarter. The draft AMP is ready to be reviewed. Operational Planning is a focus for the next quarter.

#### Other key developments – Community Support

Council is working with our social investment contract holders to ensure that contract deliverables remain relevant to community priorities, amongst challenges of central government changing funding streams, increased demand on services and navigating alert levels. This remains a priority for the council.

Joint social investment contract holders, Kāpiti Women's Centre and Kāpiti Living without Violence have adapted their approach to work collaboratively on a project to better understand family violence in our local communities. This will be delivered by utilising unspent social investment funding (not used because of COVID-19 and Alert Levels impacting services).

Funding information clinics were reinstated in COVID-19 Alert Level 1. Having a Department of Internal Affairs funding advisor located at the Community Centre, readily available to provide information about central government funds is useful for local not-for-profits. It is important to note, that previous funding clinics in the Ōtaki community were not well attended by Ōtaki organisations however, we have been able to directly connect DIA with organisations in Ōtaki.

Planning has commenced to get the Kāpiti Garden series underway in March (formerly known as Community Garden Parties series) with a specific focus on resourcefulness, resilience and food security.

Council is looking to host the Kai and our Community meeting with Regional Public Health and the wider food growing community. This work not only promotes healthy eating it also promotes food security. This regional approach to food security has support from a range of organisations and groups across Wellington.

#### ***Neighbourhood Support and Community Safety***

Neighbourhood Support Wellington continues to support Kāpiti groups as a collaboration between the council and the Regional Neighbourhood Support office. Work has commenced to work with Neighbourhood Support during Council's Neighbours Day Campaign in March 2021.

Local Community Patrols are continuing to report high incidences of tagging and graffiti in the district – we continue to work with each patrol to collate important community intel to inform our community safety programmes.

The Connected Communities continue to have a watching brief regarding safety concerns at Mahara Place in Waikanae.

Concerns over community safety in the Ōtaki community continue. The Connected Communities team continues to meet and talk with community organisations and individuals to support a strength-based community approach.

#### ***Youth development***

The Youth Council and members of the Connected Communities team facilitated support for the Think Big programme. A project fund to support youth and community wellbeing. Projects will run from November to January. Five groups were successful in receiving funding this round (of up to \$1800 each). Accountability and report backs are due in early 2021.

The Youth Council successfully launched their 'Secrets of Kāpiti' Project supported by the Council's Connected Communities, Communications and Economic Development teams. The series of videos and posts engaged over 8,100 to date.

Te Anamata, rangatahi group in Ōtaki, hosted four Kickbacks (Kickback & Kōrero) on four different kaupapa and three study sessions in November 2020 at Ōtaki College. The Youth Council, Ōtaki College and Council support this initiative.

Pride in the Park gained Temporary Event Approval in late January 2021 and is on track for the event date on the 28 February 2021. This youth-led, event is a collaboration between the Youth Council, Zeal Kāpiti and Council and aims to celebrate diversity amongst Young people.

The Kāpiti Coast Youth Council has commenced work on a new initiative called Ngahere Hoa i Kāpiti. The initiative looks to embed to ao Māori worldviews in our communities, planning has started on: a Ki o Rahi tournament between all kura in the district, Matariki events and Kōrero mai activities for Māori and Pākehā speakers.

Think Big 2020 was successfully delivered. Five of the nine applications were successful in receiving funding and mentoring support. This included the Think Big workshop to set goals and clarify ideas supported by Youth Council members. Evaluation of project and events will get underway in February 2021.

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

Two Tech Help sessions were held at ZEAL Kāpiti in late October. Six young people volunteered and received references for supporting older people with their technology questions. This project was a collaboration between Age Concern, the Kāpiti Coast Youth Council and community members.

Council and the youth council have progressed the youth engagement project aimed at engaging with young people of Kāpiti through a survey and focus groups – A youth survey has been developed by the youth council, supported by council staff, socialised with local youth organisations. Early next year the survey will go through an external review process to ensure that it is fit for purpose.

Zeal Kāpiti reported back to the council against its key deliverables for Year four and five of their youth development contract in September.

Updates on contract deliverables, including a sustainable funding plan, is due in March 2021.

Planning is underway to host a funder's forum for community organisations in March 2021; this enables face-to-face meetings with a range of funders from around the region and will be held in Ōtaki and Paraparaumu.

Council is working towards reinstating its suite of activities to support the community sector early next year. We will provide learning opportunities, including Tiriti o Waitangi training, sustainable funding approaches and equity workshops for the social and community sector.

The council continues to support and facilitate opportunities for the Accessibility Advisory Group to shape and influence the council's policy and plans.

David Ogden has been appointed the new Chair of the Kāpiti Coast Older Persons' Council. The Connected Communities team have provided support and advice by way of induction over the past 2 months.

The Youth Council continue to have opportunities to influence council plans. The Youth Council have been invited to participate in Council's destination planning and Transport Strategy.

#### Performance measures summary

There are 15 KPIs in the Community facilities and community support activity. Only 14 of these have targets as one is for recording and monitoring purposes.

Performance measures	Target	Result	Comment
<b>Community facilities</b>			
<b>On target</b>			
Occupancy rate of available <sup>1</sup> housing for older persons units	97%	99.4%	Q2 result.
Percentage of council-owned buildings that have a current building warrant of fitness (where required)	100%	100%	On track.
Residents (%) who are satisfied that public toilets are clean, well-maintained and safe	75%	88.0%	Residents' Opinion Survey result for 2019/20 The survey is undertaken on annual basis.
Users (%) who are satisfied with the standard of the library building facilities	85%	87.27%	Achieved.

<sup>1</sup> Where 'available' units exclude those flats that are unavailable due to renewals or maintenance work being carried out.

Urgent requests regarding public toilet facilities that are responded to within four hours	98%	100%	Achieved.
Not yet due			
Users who are satisfied with halls	80%	Not yet due	Survey is undertaken on annual basis in Q4.
Housing for older persons tenants (%) who rate services and facilities as good value for money	85%	Not yet due	Survey is undertaken on annual basis in Q4.
Housing for older persons tenants (%) who are satisfied with services and facilities	85%	Not yet due	Survey is undertaken on annual basis in Q4.

Performance measures	Target	Result	Comment
<b>Community support</b>			
<b>On target</b>	<b>On target</b>		
Council's social investment programme enables services to deliver on community priorities	Achieve	Achieved	Results in 'Other key developments' section above.
Residents (%) who are satisfied with the Council's community support services	85%	88%	Residents' Opinion Survey Q2.
Community connectedness and diversity projects and initiatives planned for the year are progressed or completed	Achieve	Achieved	Results in 'Other key developments' section above.
Youth Development Centre opens and Youth development programme deliverables are achieved	Achieve	Achieved	Results in 'Other key developments' section above.
Participants from the social and community sector are satisfied with the learning opportunities and workshops provided by Council	85%	Achieved	Results in 'Other key developments' section above.
The youth council, older person's council and accessibility advisory group are satisfied or very satisfied with opportunities provided to influence the content of council strategies, policies and project planning	Satisfied	Achieved	Results in 'Other key developments' section above.
<b>Monitor only</b>			
Estimated attendance at council-supported events	There is no target as we will use this for monitoring.		Over 430 people attended both Community Open Day's in November and December at Te Newhanga Kāpiti Community Centre. Both Open Day's showcased community services, on sight health checks and food security and resourcefulness opportunities. This initiative is designed to improve access to services, information to community.



# Economic development

Whakawhanake umanga

## Second quarter activity report – 1 October to 31 December 2020

**Purpose** This activity is aimed at generating greater growth, employment and prosperity in the Kāpiti region

Financial key: ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

<p><b>Operating expenditure</b> The costs to operate council's activities (Excluding Overhead Allocation)</p> <p><b>\$0.49m (ytd)</b> ● \$1.24m budget (ytd) ● \$2.33m budget (full year) ● F/Y Forecast \$0.16m unfavourable</p>	<p>On track.</p>
<p><b>Operating income</b> What we earn – fees, charges, grants etc (Excluding Rates)</p> <p><b>\$0.21m (ytd)</b> ● \$0.04m budget (ytd) ● \$0.10m budget (full year) ● F/Y Forecast \$1.49m favourable</p>	<p>On track.</p>
<p><b>Capital expenditure</b> Costs for our capital projects</p> <p><b>\$0.71m (ytd)</b> ● \$1.17m budget (ytd) ● \$2.45m budget (full year) ● Forecast \$1.63m unfavourable</p>	<p>On track.</p>
<p><b>Projects</b></p> <p>Four major projects: status on target 4</p>	<p>Four projects on target.</p>
<p><b>Performance measures (KPI)</b></p> <p>On target: 2 Not applicable: 1</p>	<p>On track.</p>

**Summary of projects**

There are two economic development projects reported in this activity report (the Strategic Land Purchase Fund and the Town Centres project). We have reported on the Elevate Ōtaki project developments on the next page. This is not included as a Council project in the chart on the previous page as Council is providing resource and funding support for the project but is not managing it.

Town Centres programme				
<u>Work completed in this period:</u>				
Frater Lane Stage 2 project completed and opened. Rimu Road Intersection upgrade design near complete with plan to start early next quarter. The project team continue to build designs for the SH1 Revocation related projects in Waikanae and Paraparaumu Town Centres.				
<u>Key issues and risks:</u>				
SH1 Revocation works do not align with Town Centres projects leading to re-prioritisation and re-scheduling.				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
509	854	1,301		On track.

Strategic Land Purchase Fund				
<u>Work completed in this period:</u>				
No settlements occurred during this period.				
<u>Key issues and risks:</u>				
There is no timeline set for this fund as it is dependent on when strategic parcels of land come up for sale. No risks have been identified.				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
19	1,341	1,341		On track.

**Project status key**

Complete 	On target 	Not on target 	On hold 	High risk 
Ahead 	Lagging 	Underspend 	Overspend 	

**Elevate Ōtaki**

Work completed in this period:

Elevate Ōtaki have successfully appointed a Community Connector for Ōtaki and Te Horo Business in an initial three-month contract commencing just before Christmas. The key objectives of this appointment is to facilitate and support business growth in Ōtaki and Te Horo, acting as a catalyst to make things happen'. The role is viewed as pivotal to the success of local businesses and their recovery from the impacts of COVID-19 and in preparation for the changes as a result of the Expressway.

Growth of the Small Town Big Heart identity continued through the quarter with social media promotion of local business and events including release of 'our people, their stories' see <https://www.smalltownbigheart.co.nz/stories>



**Small Town Big Heart Ōtaki**

Published by Claire Louise Mance · November 5, 2020 ·

Five unhappy people in a shed full of tools. What could possibly go wrong?  
 The Pink Hammer - kicking off 12 November 2020, through to 21 November 2020 at the Civic Theatre here in Ōtaki.  
 Don't miss out and get your tickets today!  
 ~  
 Visit our website to find out more and support this wonderful collective of talent coming to the stage in Ōtaki.  
[#SmallTownBigHeart](#)  
<https://circle-alpaca-5mns.squarespace.com/.../the-pink...>



OTAKIPLAYERS.NZ

**The Pink Hammer - General Information | Otaki Players Society**

Four very different women answer a flyer for 'The Pink Hammer Workshop' – a ladies-only woodwork class. They turn up expecting empowerment and sisterhood from the advertised tutor, Maggie Taylor....but when they arrive, Maggie's gone AWO...

The group welcomed residents of Ōtaki Adrian Gregory, Pip Payne and Caroline-Charlotte Myers, to the committee in December. Local businesses and Elevate Ōtaki members met with new committee members at a casual networking event before Christmas.

Key issues and risks:

There are currently no key issues or risks to report.

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
25	90	90		Elevate Ōtaki is currently on track to be on target with budget.

Kāpiti Gateway				
<u>Work completed in this period:</u>				
<ul style="list-style-type: none"> <li>• Further analysis was undertaken, and forecast costs and revenues of the proposal were updated, along with revised visitor numbers based on Tourism NZ's market forecast.</li> <li>• Public car-parking mitigation has been identified and costed.</li> <li>• PwC were engaged to conduct an independent review of the business models available, interrogate assumptions and provide recommendations.</li> <li>• The GWRC resource consent has been granted.</li> </ul>				
<u>Key issues and risks:</u>				
<ul style="list-style-type: none"> <li>• Resource consent application with KCDC is on hold. A decision about notification is yet to be decided.</li> <li>• The government's COVID-19 Response and Recovery Funding for 50% of the CAPEX costs for the Kāpiti Gateway project was approved based on "shovel ready". The project is now over 90 days behind schedule. A Council decision is scheduled for 25 February 2021.</li> </ul>				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
104	255	1,363		On track.

#### Other key developments

##### *Economic Development Strategy and Implementation Plan 2020-23*

The appointment process for the independent Economic Development Kotahitanga Board members and Iwi representatives has concluded with the new Board being introduced to stakeholders along with the launch of the Economic Development Strategy and Implementation Plan 2020-23 held in November.

##### *Filming requests*

Two new filming requests were received this quarter. These were both for advertisements – one of which did not go through due to their timing issues. A release date for the Poppy, which was filmed in Kāpiti is yet to be confirmed.

##### *Major Events*

The Economic Development team supported the delivery of two events during this quarter:

- Kāpiti Arts Trail Nov 7-8 and Nov 14-15
- Kāpiti Food Fair - 5 Dec 2020

Both events were the first of the district's large events post-COVID19. Attendance at the Food Fair was significantly less than previous years though this is most likely due to a combination of factors including poor weather, a large musical event in Wellington and post-COVID19 nervousness. Both events still achieved higher than the 5:1 return on investment ratio that Council seeks from Major Events. Promotional activity for Major Events began in earnest after the Arts Trail including regular liaison with and promotion through WellingtonNZ channels, Air Chathams in-flight magazine, Council's "everything Kāpiti" newsletter and our own Kāpiti Coast NZ website, Facebook page and Love Local - Kāpiti Coast Facebook group.

A 2-day workshop facilitated by CreativeHQ was held for Creative Kāpiti which is looking to deliver an Arts and Design Festival. The workshop was to determine the feasibility of the event and to provide the insights and framework for a business case to be developed by Creative Kāpiti for the event. Once this business case is completed, she should have a thorough event concept document that will provide for scalable longevity and support applications for sponsorship and funding.

#### *Other Events*

Funding was secured in support of a series of five concerts, initiated by concert organiser AJ Crawshaw and arts advocate Jenna-Lea Philpott. These concerts aimed to provide paid work for some of our local musicians. The concerts were funded through the Town Centre and Recovery funds and were slotted in around existing Parks music events to create a summer of music for the district.

#### *Ōtaki Youth Programme*

Te Hunga Rangatahi – a 2-year pilot programme based in Ōtaki was successful in receiving \$995k of from the PGF – He Poutama Rangatahi Fund. The office setup and recruitment of staff has been underway with the first cohort of rangatahi starting in mid-March 2021. Council has contracted Work Ready Kāpiti and Te Puna Oranga o Ōtaki as the delivery partners for Te Hunga Rangatahi. The programme specifically focusses on pastoral care, which each rangatahi receives for 12-months from the day they start. There is a 3-month training programme which sees Work Ready Kāpiti's already established programmes delivered as well as other soft skills, industry training and work experience. Rangatahi also get the opportunity to sit their learner's licence and have driving lessons to achieve their restricted licence.

#### *Work Ready Kāpiti (WRK)*

Work Experience placements for the quarter was four. To date, there has been 23 placements (Compared to 22 in total completed in 2019).

Work Ready Passports – A total of 41 young people have completed their passports in this quarter.

#EmployerMeets - all four events for 2020 are now complete. All 5 local colleges participated, plus Te Kura (online correspondence school) in this year's events. WRK saw a 27% increase on last year's student attendance and over 10% increase in employer engagement. WRK also had several Councillors attend this year's event, and several successful connections were made.

Awards Night – Councillor Sophie Handford was the MC for the awards night and the Mayor presented the certificates. WRK also saw a 50% increase in attendees at the Awards Night, largely due to the increased student involvement in our programmes this year and our growing employer database. WRK also secured 3 new awards sponsors - Web Genius, Bens Buns and Leith Consulting – which allowed them to add a new award.

#### **Marketing and Business Communications**

##### *Monthly ED Business Emails*

Originally set up to communicate during COVID-19 lockdown, we have continued to communicate with our Business database every month. The newsletter consists of relevant resources gathered from other areas of Government (such as IRD and business.govt.nz) and also anything happening in the region that business should know about including Council and some Chamber events. This quarter the following emails went out:

Date Sent	Recipient numbers:	Open rate:	Click rate:
November 5th	1749	17.3% (301)	0.6% (11)
December 2nd	1745	18.0% (311)	0.9% (16)

No October emails went out as an email advising about the WellingtonNZ seminars was sent on 29th September.

**Performance measures**

There are three key performance indicators (KPI) in the economic activity.

Performance measures	Target	Result	Comment
<b>On target</b>			
The economic development strategy implementation plan deliverables are achieved	Achieve	On target	The Economic Development Kotahitanga Board was launched in November 2020. The Greater Wellington Destination Plan consultation structure is getting underway. The Workforce Plan scope is being drafted.
Representatives of the business leadership forum are satisfied that the economic development strategy implementation plan deliverables are being achieved	85%	N/A	A new governance structure called the Economic Development Kotahitanga Board was launched in November 2020.
The Māori Economic Development Strategy implementation plan deliverables are achieved	Achieve	On target	Te Whakaminenga o Kāpiti at its 4 November 2020 meeting agreed that \$62,000 would be available through the following resolutions about the Māori Economic Development Grants 2020/21 and the funding grant would open in January 2021.

# Infrastructure

- Access and transport
- Coastal management
- Resilience & Sustainability
- Stormwater
- Wastewater
- Water management



# Access and Transport

Putanga me to ikiiki

Second quarter activity report – 1 October to 31 December 2020

<b>Purpose</b>	To maintain, protect and improve our roading network and strongly encourage and support sustainable transport options.
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Financial key: ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

<p><b>Operating expenditure</b> The costs to operate the council's activities (Excluding Overhead Allocation)</p> <div style="border: 1px solid #ccc; padding: 5px; margin: 5px 0;"> <p style="text-align: right; font-size: small;">F/Y Outlook</p> <p style="font-size: 24px; font-weight: bold; color: blue;">\$7.14m (ytd)</p> <p style="font-size: 12px; color: #0070C0;">\$7.08m budget (ytd)</p> <p style="font-size: 12px; color: #0070C0;">\$14.33m budget (full year)</p> <p style="font-size: 10px; color: #0070C0;">F/Y Forecast \$0.02m unfavourable</p> <div style="display: flex; justify-content: space-around; font-size: 10px;"> <span>Year To Date <span style="color: green;">●</span></span> </div> </div>	<p>On track.</p>
<p><b>Operating income</b> What we earn – fees, charges, grants etc (Excluding Rates)</p> <div style="border: 1px solid #ccc; padding: 5px; margin: 5px 0;"> <p style="text-align: right; font-size: small;">F/Y Outlook</p> <p style="font-size: 24px; font-weight: bold; color: blue;">\$2.41m (ytd)</p> <p style="font-size: 12px; color: #0070C0;">\$2.78m budget (ytd)</p> <p style="font-size: 12px; color: #0070C0;">\$6.74m budget (full year)</p> <p style="font-size: 10px; color: #0070C0;">F/Y Forecast \$0.58m favourable</p> <div style="display: flex; justify-content: space-around; font-size: 10px;"> <span>Year To Date <span style="color: orange;">●</span></span> </div> </div>	<p>On track.</p>
<p><b>Capital expenditure</b> Costs for our capital projects</p> <div style="border: 1px solid #ccc; padding: 5px; margin: 5px 0;"> <p style="text-align: right; font-size: small;">F/Y Outlook</p> <p style="font-size: 24px; font-weight: bold; color: blue;">\$2.22m (ytd)</p> <p style="font-size: 12px; color: #0070C0;">\$3.27m budget (ytd)</p> <p style="font-size: 12px; color: #0070C0;">\$9.85m budget (full year)</p> <p style="font-size: 10px; color: #0070C0;">F/Y Forecast \$0.17m favourable</p> <div style="display: flex; justify-content: space-around; font-size: 10px;"> <span>Year To Date <span style="color: purple;">●</span></span> </div> </div>	<p>Minor variance YTD due to the progression of the NZTA business case for the East/west connector. On track for year-end.</p>
<p><b>Projects</b></p> <div style="border: 1px solid #ccc; padding: 5px; margin: 5px 0;"> <p>On target <span style="font-size: 24px; font-weight: bold; color: blue;">■</span> 6</p> </div>	<p>Six major projects, all on target.</p>
<p><b>Performance measures (KPI)</b></p> <div style="border: 1px solid #ccc; padding: 5px; margin: 5px 0;"> <p>Not yet due <span style="font-size: 24px; font-weight: bold; color: blue;">■</span> 4</p> <p>Not on target <span style="font-size: 24px; font-weight: bold; color: blue;">■</span> 1</p> <p>On target <span style="font-size: 24px; font-weight: bold; color: blue;">■</span> 3</p> </div>	<p>There are eight performance measures. Three is on target, one is not on target and four is not yet due.</p>

## Summary of projects

There are six significant Access and Transport projects are summarised below.

Project status key					
Complete		On target		Not on target	
Ahead		Lagging		Underspend	
				Overspend	
					
					

### 1. Sealed road resurfacing

#### Work completed in this period:

Planning and programming is underway for the resealing programme which will be completed over the summer sealing period.

#### Key issues and risks:

Due to COVID-19 delays last sealing season for some Councils (our programme was completed in full), inclement weather before Christmas and the large amount of surfacing work being undertaken in the region (including TG, M2PP and PP20) the contracting industry is under pressure to complete all programmed works. Our work is programmed for late February, March and April, and we are working with our contractors to ensure our programme is delivered.

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
178	1,436	1,436		No comment, on track.

### 2. Footpath renewals and upgrades

#### Work completed in this period:

Footpath work has commenced and is on track.

#### Key issues and risks:

Nil at this stage.

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
693	1,499	1,499		No comment, on track.

### 3. SH1 revocation

#### Work completed in this period:

M2PP Revocation of old SH1 is under way on the Raumati Straights. The installation of new storm water infrastructure continues as well as the construction of the Raumati Road roundabout, new footpaths, kerb and channel.

Work is progressing well. Works within the town centres of Paraparaumu and Waikanae has now been scheduled for June and November 2021 respectively. Stakeholder engagement has commenced.

#### Key risks/issues:

Nil at this stage

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
94	1,368	1,171		No comment, on track.

#### 4. Minor Improvements Programme

Work completed in this period:

Designed work continues on safety improvements at sites including the intersection of Ames and Beach in Road in Paekakariki, Raumati Village, the intersection of Rimu Road and Iver Trask Place in Paraparaumu. A new section of footpaths is also being installed along Arawhata Road.

Key issues and risks:

Some delays to projects are being experienced due to the difficulty in sourcing parts or supplies imported from overseas. This will be monitored, and at this stage, our programmed works are expected to be completed by year-end.

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
266	1,320	1,320		No comment, on track.

#### 5. NZTA Drainage & NZTA Bridges

Work completed in this period:

Work continues of the ongoing drainage and bridge repairs programme.

Key issues and risks:

Nil to date

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
177	177	1,19		No comment, on track.

#### 6. NZTA Targeted Roding (East/West Connector)

Work completed in this period:

Programme Business being finalised for Waka Totahi submission.

Key issues and risks:

Timing/coordination associated projects

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
115	1,624	1,624		No comment, on track.

## Other key developments

### Network Planning

In addition to providing further advice on resource consents received in previous quarters, 30 new resource consents were received by access and transport in quarter 2. Advice has been provided at several pre-application, business start-up meetings and in response to 17 temporary events.

### Expressways

Physical works continue on PP20 and Fletcher Construction is liaising with Council and residents to enable the works.

Travel planning and safety initiatives.

### Safety

The following safety events were undertaken:

- ✓ Child Restraint checking clinics were held at the Kāpiti Plunket rooms. Thirty-three child seats and restraints were checked and reinstalled during this period.
- ✓ Pedal Ready GWRC bicycle training over nine half days at Paraparaumu Beach School with years 7 and 8 students and five days on-road bicycle skills training in November.
- ✓ An E-Bike bicycle skills course was held at the Kāpiti Community Centre with five Senior E-bike riders attending.
- ✓ The Orange Day Parade school patrols event took place in December with 251 School Patrollers attending. Each school nominated a school patroller of the year and they all received a prize of sports balls provided by Rebel sports. The School Patrol of the year was Paraparaumu Primary school. They received the Kāpiti Police Bluelight Road Safety cup and a \$250 Stirling Sports Kāpiti voucher. The McDonald's Kāpiti Road Safety cup and a \$250 Kāpiti Sports voucher was won by Paraparaumu Primary School.
- ✓ A Mobility Scooter safety course was held at the MetLife Kāpiti village of Guildford Drive with twelve mobility scooter riders from the Kāpiti Village and Coastal Villas.

### Performance measures

There are ten key performance indicators (KPI) in the Access and Transport activity.

Performance measures	Target	Result	Comment
<b>On target</b>			
Residents (%) who are satisfied with street lighting	85%	86%	The Q2 result for the resident opinion survey was 86%.
Number of serious and fatal crashes on district roads for this quarter. (DIA mandatory measure)	5-year rolling average is reducing	Achieved	There were 3 serious injury crashes recorded in the second quarter of 2020-2021 compared to 4 serious injury crashes for the second quarter of 2019-20.
Percentage of service requests relating to roads and footpaths responded to within 3-5 hrs (urgent), 15 days (non-urgent). (DIA mandatory measure)	85%	85.5%	The result of Q2 was achieved with 85.5% responded to within contractual timeframes.
<b>Not on target</b>			

Performance measures	Target	Result	Comment
Residents (%) who are satisfied with the condition of footpaths	65%	63%	The Q2 resident opinion survey provides a score of 63%.
<b>Not yet due</b>			
Roads that meet smooth roads standards. <i>(DIA mandatory measure)</i>	Overall Smooth Travel Exposure is above 85%		This is reported at the end of the year.
The average cost of local roading per kilometre is comparable with similar councils in New Zealand	Achieve		This is reported at the end of the year.
Percentage of footpaths that fall within the service standard for the condition of footpaths as set out in the activity management plan.  <i>(DIA mandatory measure)</i>	50% for 2019/20 (increases to 60% for 2020/21)		This is reported at the end of the year.
Percentage of the sealed local road network that is resurfaced <i>(DIA mandatory measure)</i>	5% (expressed as kilometres)		This is reported at the end of the year.



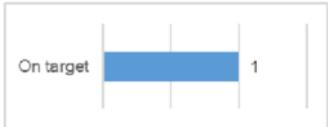
# Coastal management

Whakahaere takutai

## Second quarter activity report – 1 October to 31 December 2020

**Purpose** To assist in achieving the sustainable management of the coastal environment and to protect publicly-owned assets.

Financial key: ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

<p><b>Operating expenditure</b> The costs to operate council's activities (Excluding Overhead Allocation)</p> <p><b>\$0.44m (ytd)</b> ● F/Y Outlook                  \$0.63m budget (ytd) ● Year To Date                  \$1.28m budget (full year) ●                  F/Y Forecast \$0.02m unfavourable</p>	<p>Minor variance, on track for year-end. YTD underspend is due to the late start of asset condition assessments.</p>
<p><b>Operating income</b> What we earn – fees, charges, grants etc (Excluding Rates)</p> <p><b>(\$0.00m) (ytd)</b> ● F/Y Outlook                  \$0.00m budget (ytd) ● Year To Date                  \$0.00m budget (full year) ●                  F/Y Forecast \$0.00m unfavourable</p>	<p>On track for year-end.</p>
<p><b>Capital expenditure</b> Costs for our capital projects</p> <p><b>\$0.25m (ytd)</b> ● F/Y Outlook                  \$0.28m budget (ytd) ● Year To Date                  \$0.41m budget (full year) ●                  Forecast \$0.00m unfavourable</p>	<p>On track for year-end.</p>
<p><b>Projects</b></p> 	<p>There is one major project which is on target.</p>
<p><b>Performance measures (KPI)</b></p> 	<p>There are two performance measures and both are on target.</p>

### Summary of projects

Significant Coastal management projects this year are summarised below.

1. Paekakariki Seawall				
<u>Work completed in this period:</u>				
Paekakariki Seawall is ready for construction (all the designs are completed, Resource and Building Consents granted).				
In April 2020, Council submitted an application to Government for consideration under the “Shovel Ready” project category, to bring this project forward. The application was shortlisted for consideration in May 2020 but declined in September.				
The most updated estimated cost of the remaining work associated with this project is \$23.5M. The project was added to 2021 LTP (draft) with this most updated budget in October 2021. However, considering KCDC’s financial situation, alternative implementation options may have to be considered.				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
113	120	120		As per the 2018 Long Term Plan (LTP), the plan is to commence the procurement of physical works in the remaining period of 2020/21 and start construction in 2021/22. However, this is subject to Council approving \$23.5M as part of the 2021 Long Term Plan.

### Risks and Issues

- Severe weather events and damage to both Paekakariki and other coastal protection assets.

**Project status key**

Complete <span style="display: inline-block; width: 15px; height: 10px; background-color: yellow; border: 1px solid black;"></span>	On target <span style="display: inline-block; width: 15px; height: 10px; background-color: #90EE90; border: 1px solid black;"></span>	Not on target <span style="display: inline-block; width: 15px; height: 10px; background-color: orange; border: 1px solid black;"></span>	On hold <span style="display: inline-block; width: 15px; height: 10px; background-color: blue; border: 1px solid black;"></span>	High risk <span style="display: inline-block; width: 15px; height: 10px; background-color: red; border: 1px solid black;"></span>
Ahead <span style="font-size: 0.8em;">🕒 ▲</span>	Lagging <span style="font-size: 0.8em;">🕒 ▼</span>	Underspend <span style="font-size: 0.8em;">\$ ⬆️</span>	Overspend <span style="font-size: 0.8em;">\$ ⬆️</span>	

### Other key developments

- Prepared the work programme and the draft budgets (20 years) for the 2021 Long Term Plan for Coastal activity.
- Renewal of coastal assets physical works (commenced in 2019/20 and carried forward due to COVID-19 delays) - Asset replacements at Willow Grove and Rosetta Road, Raumati Beach launching Ramp are now completed.

**Performance measures**

There are two key performance indicators (KPIs) in the coastal management activity.

Performance measures	Target	Result (ytd)	Comment
On target			
Respond within 48 hours to urgent requests to repair seawalls or rock revetments	90%	Achieved (100%)	There were 56 requests to date. Three of them were urgent and were responded to within 24 hours.
Stormwater beach outlets are kept clear	80%	Achieved (100%)	All beach outlets cleaned and kept clear.



# Resilience & Sustainability

Manawaroa & Toitū

## SOLID WASTE: Second quarter activity report – 1 October to 31

**Purpose** To provide accessible, effective and efficient waste management options, encourage waste minimisation, and provide landfill management.

**Financial key:** ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

**Operating expenditure**  
The costs to operate the council's activities  
(Excluding Overhead Allocation)

**\$0.31m (ytd)** ● F/Y Outlook

\$0.36m budget (ytd) ● Year To Date

\$0.75m budget (full year) ●

F/Y Forecast \$0.00m unfavourable

Minor variance, on track for year-end.

**Operating income**  
What we earn – fees, charges, grants etc.  
(Excluding Rates)

**\$0.29m (ytd)** ● F/Y Outlook

\$0.30m budget (ytd) ● Year To Date

\$0.57m budget (full year) ●

F/Y Forecast \$0.00m unfavourable

A new land valuation was obtained which will increase fees for land leases of the various sites at the Otaihanga landfill site in quarter 3 of this financial year or starting next financial year.

**Capital expenditure**  
Costs for our capital projects

**\$0.07m (ytd)** ● F/Y Outlook

\$0.14m budget (ytd) ● Year To Date

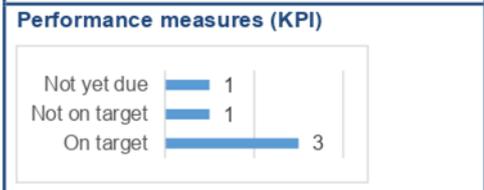
\$0.22m budget (full year) ●

Forecast \$0.00m unfavourable

Due to very unstable weather conditions between July and the end of December, no further physical works could commence at the landfill site. These are now underway to be finished before winter, weather permitting.



One major capital project is on target.



There are five performance measures, three have been achieved, one is not yet due and one has not been achieved. For this one, the questions asked in the resident survey were changed in Q2 (see comment below) and an amended KPI is proposed for LTP 2021 period.

**Summary of projects**

There is one solid waste significant project, the Otaihanga Landfill Capping project.

Landfill Capping				
<u>Work completed in this period:</u>				
Initial capping works and stormwater control works started end of February/early March 2020 at the South end of the Otaihanga landfill but were stopped during the COVID-19 lockdown period as these works are not considered essential. The remaining area to be capped at 30 June is 7,625m <sup>2</sup> .				
Wet weather has prevented these works from resuming between June and December 2020. Part of the work will be finished over the summer period, but given the depth of fill required for the last area of capping (which will also include stormwater works), this is likely to take up to 1-2 years subject to the amount of suitable clean fill received.				
Some maintenance works for the cap are planned following gas monitoring results.				
<u>Key issues and risks:</u>				
There is no financial risk, these works are part of the landfill provision budget which is a multi-year budget set up specifically for the capping project and available until 2023.				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
65	188	188		No comment, on track.

**Project status key**

Complete 	On target 	Not on target 	On hold 	High risk 
Ahead 	Lagging 	Underspend 	Overspend 	

**Other key developments**

**Resource Recovery project**

In August, Council was briefed on the final stages of the Otaihanga landfill capping project and the proposed strategic programme to develop and implement local Construction & Demolition waste recovery on the wider Otaihanga site. First investigations and conversations are underway and Council will be briefed again on progress in April 2021. C&D waste is a significant waste stream for which few recovery options are available in Kāpiti, and Council wants to improve and provide local options to assist businesses to be more sustainable but also to work towards meeting the target of reduced waste to landfill by 2026.

**Audit**

In December 2020 the Ministry for the Environment audited Council's waste levy spending practices for the second time since 2009 and found the team's processes to be 100% compliant with the Waste Minimisation Act 2008 and levy spending guidelines.

**Regulation**

On 29 October, submissions for the new Waste Minimisation and Management Bylaw were provided

for information to Council. On 12 December, the Bylaw was adopted by Council to come into force on 1 January 2021.

**Waste minimisation activities included:**

**Engagement**

Delivery of the Zero Waste Education programme to 22 classes (563 students) at Waikanae School and 2 classes (40 students) at Paekākāriki School.

Facilitated a tour of Otaihanga transfer station and Composting NZ for a group of home-schooling families (23 people) and visited transfer station sites to speak to residents about recycling (119 residents engaged with).

**Community**

Organised a Zero Waste Events workshop, which was attended by five-event organisers. Loaned bin hoods to seven external events for zero waste.

Kate Meads delivered her Waste Free Living workshop to 14 residents in person with 2 additional residents subsequently accessing the online workshop.

**Education**

The public education campaign on changes in plastic recycling continues via social media channels with videos on contamination and a large-image update of the recycling brochure. Since 1 July 2020, only plastics 1, 2 and 5 are accepted in kerbside recycling and at the three drop off stations. Development of the project outline for the home composting project to divert food waste and green waste from landfill with delivery starting in Q4.

**Waste Levy Grants process**

4 Waste Levy Grants applications were received from schools, 2 business-focused applications were received and 2 applications were received from Māori land.

**Regional:** Hosted the Wellington Region Waste Forum in November 2020.

**Support marae and iwi:** Advised an educational facility on a significant demolition project.

**Resource Recovery**

Liaison continued to support the establishment of the Zero Waste Ōtaki Trust at the Ōtaki Resource Recovery Centre. The site is to officially opened the end of January 2021. 3 Waste Levy Grants applications were received and reviewed by officers related to food diversion.

**Public Places**

The upgraded public recycling bins at Maclean Park were re-installed to accommodate separated glass recycling and use will be audited in January 2021.

**Council's waste minimisation – internal**

Worked with the building project team for Ōtaki Theatre and the Paraparaumu Memorial Hall refurbishments. Worked with staff at Waikanae Pool to set up recycling bins on the grounds. Ran a staff litter clean-up for Keep NZ Beautiful Clean-up Week.

## Across-Council climate change programme

Carbon and energy management work programme (mitigation)	
<b>Description</b>	Since 2012 Council has had a target of an 80% reduction in greenhouse gas (GHG) emissions from the organisation by 2021/22, compared to 2009/10. That target was augmented and extended in May 2019 when Council decided to aim for carbon neutrality by 2025. The Council has the inventory of its annual emissions independently audited to gain GHG emissions reduction accreditation to the ISO-14064 standard.
<b>Group</b>	Infrastructure
<b>Second-quarter activity report – 1 October to 31 December 2020</b>	
<u>Recent developments</u>	
<p>The Energise Ōtaki Solar PV array at the Ōtaki wastewater treatment plant has been operating successfully since early September. The supply to the treatment plant is in line with expectations and it is, at times of peak solar gain, exporting modest supply to the grid (also as expected).</p> <p>The Fleet Review work is progressing steadily with a full picture of fleet spend data established. GPS tracking units have been installed on the Civic pool vehicles to enable an accurate utilisation assessment of those vehicles. The next stage will be fit-for-purpose requirements to be assessed across the fleet.</p> <p>As discussed at the Strategy and Operations Committee meeting on 3 December 2020, Council was part of the All of Government (AoG) tender process for our electricity contract, which expires on 30 June 2021. At that meeting the committee decided, based on the advice received, to decline the offers received and initiate an independent tender process in February/March 2021. We have engaged an energy specialist firm to undertake that tender for us. We will be reporting back to the Council on the outcome of that tender in due course and will be seeking a decision on our preferred electricity provider at that time.</p>	
<b>Risks</b> (to programme, cost, quality, other)	
There were COVID-19-related delivery delays of the new EVBox charging stations, which had to come from Europe. The three new charging stations were finally installed and commissioned in December 2020. The old charging station was removed as it was no longer compliant.	
<b>Issues</b> (for elected member attention)	
There are no issues at present.	

## Across council climate change programme

Strategic climate change programme (embedding adaptation and strategy/policy)	
<b>Description</b>	On 23 May 2019, Council declared a climate change emergency and resolved that climate crisis issues be considered as part of <u>all</u> future decision-making, reports and recommendations of the Council. To this end, this programme actively assists in the incorporation of climate change mitigation and adaptation into the design and implementation of all Council programmes.
<b>Group</b>	Infrastructure
Second-quarter activity report – 1 October to 31 December 2020	
<u>Recent developments</u>	
<ol style="list-style-type: none"> <li>1. To ensure that Council adheres to best practice based on national guidance and is aligned with our regional counterparts, the team has participated in numerous working group meetings and webinars over this quarter including:               <ol style="list-style-type: none"> <li>a. The national Council Climate Network meeting on 16 November;</li> <li>b. The Wellington Region Climate Change Working Group for Elected Members meeting on 27 November;</li> <li>c. The Wellington Region Climate Change Working Group for Officers meeting on 10 November;</li> <li>d. BECA and SOLGM's four-part webinar series entitled <i>Integrating Sustainability for a Prosperous New Zealand</i>;</li> <li>e. The Environmental Defence Society's <i>2020 Climate Change and Business Conference Livestream</i>, which was held on 11-12 November; and</li> <li>f. A series of webinars from the Climate Change Commission in November and December on the Commission's vision, current science and modelling techniques, and the current work underway to develop recommendations for central government.</li> </ol> </li> <li>2. Under section 5ZW of the Climate Change Response Act 2002, the Climate Change Commission and the Minister for Climate Change are empowered to request information from local authorities. We responded to the first request from the Ministry for the Environment on 14 October. MfE sought to gather high-level information about how local governments and other organisations are preparing for the impacts of climate change. This information would then be used by MfE to provide a snapshot of how prepared reporting organisations are for climate change to inform the development of the National Adaptation Plan.</li> </ol>	
<u>Upcoming milestones:</u>	
<ol style="list-style-type: none"> <li>3. Materials have been prepared to support Council officers complete the new 'climate change considerations' section, which will be added to the standard reporting template for all Council reports. Once this new section is added, it will enable more consistent reporting on climate change to Elected Members.</li> </ol>	

4. Work continues to be underway to increase our reporting and information/education on climate change via Council's website and social media feed. A new section of the website on Climate Change is scheduled to coincide with the release of the LTP consultation document.
5. The Policy Work Programme includes a Climate Change (Sustainability and Resilience) Strategy. It was determined that the best approach would be to include the Strategic Framework into the LTP consultation document. Previous submissions (from the 2018 LTP, Annual Plans, and other strategies over the past few years) were analysed, and a review of climate change strategies across the country was carried out. This information will be used to draft a Strategic Framework, which will be presented to the Elected Members in the new year.

**Risks** (to programme, cost, quality, other)

1. One of the greatest risks to the Kāpiti Coast is flooding, and it has been determined that more information is required about the impacts of climate change on groundwater in order to truly understand the risks to assets, activities and communities. It is likely that more research will be required, so the team is continuing discussions with GWRC and other groundwater scientists from across New Zealand to learn more about what is already known and what, if any, research might already be in process.

**Issues** (for elected member attention)

Legal risk to challenge from community groups on proposed and agreed deliverables.

**Performance measures**

There are five key performance indicators (KPIs) in the solid waste section of the Sustainability and Resilience activity.

Performance measures	Target	Result (ytd)	Comment
<b>On target</b>			
Residents (%) who are satisfied with the standard of kerbside collections	85%	88%	Resident Opinion Survey Q2.
Licensed collectors are compliant with licence requirements	Achieve	Achieved	Regular collection monitoring has been carried out and found overall good compliance.
Illegally dumped waste is removed within two working days	85%	90%	Most service requests received for illegal dumping were responded to within 2 days.
<b>Not on target</b>			
Residents (%) who are satisfied with the waste minimisation education, information and advice available	75%	75% and 53%	In Q2 the resident survey question relating to this KPI was split in an awareness question which score increased from 50% to 75% (awareness of information provided) and a satisfaction question, where the score was 53%. The feedback from dissatisfied residents (6 residents of a 146 sample) focussed more on personal choices rather than services delivered by Council.
<b>Not yet due</b>			
Number of days disposal facilities are open	357 days per year		To be reported in Q4.



**Second quarter activity report – 1 October to 31 December 2020**

**Purpose** To provide a stormwater system to manage surface-water run-off from urban catchments while protecting the receiving environment, ensuring water quality and reducing risks to human life and health from flooding.

**Financial key:** ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

**Operating expenditure**  
The costs to operate the council’s activities (Excluding Overhead Allocation)

**\$1.85m (ytd)** F/Y Outlook ●  
 \$1.77m budget (ytd) Year To Date ●  
 \$3.82m budget (full year) ●  
 F/Y Forecast \$0.60m unfavourable

YTD variance is due to bringing forward the planned condition assessments.

The full-year unfavourable variance of \$600,000 is due to Stormwater modelling & condition assessment work that is funding by the 3 waters reform funding.

**Operating income**  
What we earn – fees, charges, grants etc (Excluding Rates )

**\$0.13m (ytd)** F/Y Outlook ●  
 \$0.08m budget (ytd) Year To Date ●  
 \$0.15m budget (full year) ●  
 F/Y Forecast \$0.60m favourable

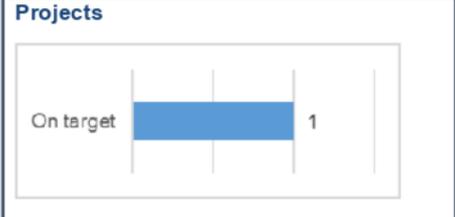
Minor variance YTD due to development contributions income higher than planned, as two large developments were completed in Q2.

The full-year favourable variance of \$600,000 is due to the 3 waters reform funding

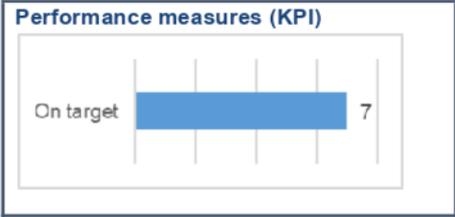
**Capital expenditure**  
Costs for our capital projects

**\$1.21m (ytd)** F/Y Outlook ●  
 \$1.42m budget (ytd) Year To Date ●  
 \$4.08m budget (full year) ●  
 Forecast \$0.00m unfavourable

Minor variance YTD is due to the commencement of Moana Road Ōtaki stage 2 project in March 2021 as opposed to in November 2020 as originally planned.



One major project is on target.



Seven performance measures are on target.

### Major stormwater Projects

**Major stormwater projects**

The major stormwater projects cover the design and construction of major drainage systems to accommodate runoff from less frequent storms (1 in 50 year or 1 in 100-year events). These projects include upgrading under capacity networks, network extensions, stream works, pumping systems etc. and the main purpose of major stormwater projects is to eliminate the risk of loss of life and damage to property due to flooding.

The projects covered under this category in 2020/21 are mainly focused on the alleviation of habitable floor flooding.

**Projects in Physical Works Phase:**

- Margaret Road SW upgrades Stage 2 – Construction completed
- Asset upgrades in Sunshine Avenue – Construction commenced
- Asset upgrades in Moana Road , Ōtaki Stage 2 – Contract awarded. Commencing in March 2021
- Asset upgrades in Riwai Street – Planning to award in February 2021
- Paraparaumu 2 SW Renewals - Planning to award in February 2021
- Awanui Drive SW upgrades - Contract awarded. Commencing in Feb/March 2021
- 2020/21 Minor SW capital works - Contract awarded. Commencing in February 2021

**Projects ready for procurement of physical works:**

- Paraparaumu 3 Catchment Asset Renewals
- Paraparaumu 4 Catchment Asset Renewals
- Asset upgrades in Titoki Street / Simpson Crescent/ Rewa Road
- Asset upgrades in Raumati Road Area 1
- Moa Road flood wall - on hold due to affected party (Kāpiti air port) consenting issues
- Asset upgrades in Amohia Street (93-97) – on hold due to GWRC consent issues

**Work Planned for Q3, Q4 of 2020/21:**

- Construction of design ready projects
- Resolving issues with GWRC
- Completion of designs in progress
- Commence new design projects in priority areas as identified in the 2018 Long Term Plan

**Key issues and risks:**

- Gaining Greater Wellington Regional Council’s resource consent for Stormwater projects is becoming increasingly difficult as GWRC ‘s focus is mainly on the environment and not on flooding issues.

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
1,119	4,029	4,029		With the projects ready for procurement in Q3 and Q4, the FY forecast is easily achievable.

**Project status key**

Complete 	On target 	Not on target 	On hold 	High risk 
Ahead 	Lagging 	Underspend 	Overspend 	

**Other key developments**

- In 2020/21, to date there were 109 complaints compared to 213 in 2019/20.
- District-wide asset investigations : Stormwater survey, CCTV and Manhole condition assesments, data gathering to close the gaps in Asset data in progress.
- District-wide water quality monitoring and flood hazard modelling work in progress.
- In Q1 and Q2 of 2020/21, completed 3.5km of open drain/stream cleaning (gravel extraction, machine cleaning and hand cleaning).
- Stormwater strategy and bylaw, Hydraulic Neutrality effectiveness and global drain maintenance consent projects progressing well.
- Prepared the project programme and the draft budgets (for 30 years) for 2021 Long Term Plan.

**Performance measures**

There are seven key performance indicators in the Stormwater Management activity.

Performance measures	Target	Result	Comment
<b>On target</b>			
Median response time to attend a flooding event from notification to attendance on site  <i>(DIA mandatory measure)</i>	Urgent = less than or equal to 24 hours	On target (median response time was less than 24 hours)	Year to date, there were 144 service requests and 109 were flooding related complaints. Of those 109 complaints, 39 were urgent and the median response time was 0 days (less than 24 hours). (2019/20 result was less than 24 hours.)
	Non-urgent = less than or equal to 5 days	On target (median response time was 1 day)	The median response time was 1 day for 70 non-urgent flooding related complaints. (2019/20 result was 1 day)
Percentage of all buildings that have been inundated due to minor flooding are visited within four weeks	90%	On target (100%)	Year-to-date there was 1 building related flooding requests (garage flooding) and visited within 1 week. (2019/20 result was 1 building related request, which was visited within less than 1 day)
Number of complaints received about the performance of the district's stormwater system  <i>(DIA mandatory measure)</i>	Less than 30 per 1000 properties connected to the Council's stormwater system	On target (4.85 per 1000)	The 109 flooding related complaints in the year to date translate to 4.85 per 1000 connections (estimated 22,464 connections).  (2019/20 result was 9.5)
Number of buildings (habitable floors) reported to be flooded as a result of a less than 1-in-50-year rain event  <i>(DIA mandatory measure)</i>	Less than 3 per 1000 properties connected to the council's stormwater system	On target	There were no habitable floors affected by flooding events. This translates to 0 per 1000 connections. (2019/20 result was 0.00 as habitable floors were not affected by flooding in Q1 and Q2 of 2019/20)
Measure compliance with council's resource consents for discharge from its stormwater system, by the number of: a) abatement notices; b) infringement notices; c) enforcement orders; and d) successful prosecutions, received by the council in relation those resource consents.  <i>(DIA mandatory measure)</i>	None	On target (None)	To date in 2020/21, There has been no non-compliance with Council's resource consents for discharge from its stormwater system.  (2019/20 result was 'Achieved').
Major flood protection and control works are maintained, repaired and renewed to the key standards as defined in the	Achieve	Achieved	One major stormwater project completed to date in this year. The work has been carried out following the key standards as defined in the Council's activity management plan.

council's activity management plan <i>(DIA mandatory measure)</i>			(2019/20 result was Achieved)
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# Wastewater management

Whakahaere wai para

## Second quarter activity report – 1 October to 31 December 2020

<b>Purpose</b>	To provide wastewater (sewerage) infrastructure that protects public health and the natural environment and provides continuity of service for the Kāpiti community.
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Financial key: ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

<p><b>Operating expenditure</b> The costs to operate the council's activities (Excluding Overhead Allocation)</p> <p>F/Y Outlook ●</p> <p><b>\$4.44m (ytd)</b></p> <p>\$3.98m budget (ytd) ●</p> <p>\$7.89m budget (full year) ●</p> <p>F/Y Forecast \$0.46m unfavourable</p>	<p>On track for year-end.</p>
<p><b>Operating income</b> What we earn – fees, charges, grants etc (Excluding Rates)</p> <p>F/Y Outlook ●</p> <p><b>\$0.09m (ytd)</b></p> <p>\$0.05m budget (ytd) ●</p> <p>\$0.10m budget (full year) ●</p> <p>F/Y Forecast \$0.96m favourable</p>	<p>Minor variance YTD due to development contributions income higher than planned as two large developments were completed in Q2. FY variance is due to development contributions.</p>
<p><b>Capital expenditure</b> Costs for our capital projects</p> <p>F/Y Outlook ●</p> <p><b>\$0.79m (ytd)</b></p> <p>\$0.62m budget (ytd) ●</p> <p>\$4.71m budget (full year) ●</p> <p>F Forecast \$1.33m favourable</p>	<p>FY underspend is due to the Duplicate Rising Main.</p>
<p><b>Projects</b></p>  <p>Not on target 3</p>	<p>Three projects are not on target.</p> <p>One project programme delayed by resources, one project delayed by lack of iwi engagement, one project delayed due to land ownership issues.</p>
<p><b>Performance measures (KPI)</b></p>  <p>On target 5</p>	<p>Five performance measures are on target.</p>

**Summary of projects****1. Paraparaumu wastewater treatment plant (WWTP) upgrades**Work completed in this period:

- Due to the risk of failure of existing blower equipment, priority is placed on the scheme of work to upgrade the aeration system, ahead of the planned Inlet Works upgrade programme. Related replacement Dissolved Oxygen sensing equipment was delivered to the site and installation has commenced. Specification of the new blower units is advanced - advanced procurement of blower units for the upgrade will commence mid-Quarter 3 (previously budget for early FY2021/22).
- Detailed design continues for the Inlet Works upgrades scheme, with screening and grit removal technology having been selected.
- The core rotating machinery for the main decanting centrifuge (solids handling) was refurbished, to return as a spare unit.

Key issues and risks:

- The premature failure of a blower unit and the withdrawal of support by the current agent of this make of blower means advanced procurement of non-stock equipment under the planned 2021/22 upgrades is a high priority.
- Delivery of long lead mechanical/electrical equipment will potentially be impacted this year by ongoing COVID-19 issues in Europe and Asia, affecting both manufacturing and shipping and so outside of Council control.
- Work is underway to ensure we have correct funding profiles for future planned works (future renewals and upgrades) and planned works in years 1 to 5 now that scope and forecast cost are further developed) as part of the LTP 2021 development process.

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
236	1,980	1,069		The project is not on target.

**2. Paraparaumu WWTP – resource consent**

The renewal of existing resource consents for Paraparaumu WWTP. All current consents expire in 2022.

- The project is now on a critical path to develop an application due to delays in engagement with our key stakeholder.
- Whilst the next phase of development was for the full list of future treatment options for stakeholder review, we have commenced strategic development of a phased application approach, including a parallel holding consent.
- Engagement with mana whenua in the re-consenting process has now commenced, where this was on hold prior, starting with discussions about Council's strategic approach to a phased renewal application – discussions opened in Quarter two, with the first stakeholder hui held in January.
- Simpson Grierson were engaged in Quarter 2 to review several legal questions arising from consideration of the "Phase 1", parallel holding application, approach.

Key risks/issues

- Additional work is required to complete an interim consent application for the discharges from the treatment plant. This affects the programme and cost.
- Delays in engagement and consultation on options has meant a full process cannot be completed before the discharge consents expire, thus Council has commenced the development of an application for interim extension to the existing consents, in parallel with the development of options under the main application.
- The extent of work discussed as to be required to work up the Long List of discharge options, now that long-term discharge to the current discharge point is considered unlikely, affects the programme also.

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
102	951	235		The project is not on target.

3. Waikanae Duplicate Rising main				
This project has effectively been put on hold, until another upgrade project has been completed, as the contractor selected for early involvement will not become available until FY2021/22.				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Commentary
36	921	73		Project put on hold.

**Project status key**

Complete 	On target 	Not on target 	On hold 	High risk 
Ahead 	Lagging 	Underspend 	Overspend 	

**Other key developments**

- The Q4 FY2020/21 condition and capacity study of the Ōtaki Wastewater treatment plant informed the 2021 LTP in this Q2. This has highlighted further removal of sludge from the ponds is required to maintain the performance of this treatment process. Desludging and optimisation funding is now loaded into the AMP and LTP funding profile for FY2021/22 and FY2022/23 years. This does leave us with a capacity risk – now (marginal effluent quality performance) and in future (now that we have adopted appropriate Growth values for LTP21).
- The contract was awarded for the Ōtaki Wastewater Treatment Plant Land Disposal Treatment Area (effluent treatment fields) upgrades, procurement has commenced and the contractor is to commence site works in Q3 FY2021/22.
- Asset planning has identified Wastewater Pumping Stations that require new control cabinets in this FY. Procurement of these panels is now underway.
- Significant work has been completed on developing the models and flow scenarios to examine the performance of our wastewater networks, as a result of the Containment Standard definition project. Upgrades and renewals can be analysed against a standard for the containment of wastewater in the network; modelling was recently updated for new growth figures and climate change dynamics. This has informed investment profiles in the current draft of 2021 LTP.

**Performance measures summary**

There are five key performance indicators (KPIs) in the wastewater management activity. All five were on target at the end of the second quarter of FY2020/21.

Please note that data used for reporting service requests to end-Quarter-2 FY21 is "raw"; a shortage of resources has meant that the full vetting of all performance data for call-outs etc. has not been undertaken. This will be resolved for the end-Quarter-3 FY21 report.

Performance measures	Target	Result (ytd)	Comment
<b>On target</b>			
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) <i>(DIA mandatory measure)</i>	Less than or equal to 1 hour	On target	Median attendance time was 23 minutes, for 66 blockages or faults attended in this year so far.
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) <i>(DIA mandatory measure)</i>	Less than or equal to 5 hours	On target	The median resolution time was 1 hour and 10 minutes, for 66 blockages or faults resolved in this year so far.
Number of complaints received by council about any of the following: a) sewage odour; b) sewerage system faults; c) sewerage system blockages, and d) council's response to issues with the sewerage system. <i>(DIA mandatory measure)</i>	Less than 7.2 complaints per 1,000 connections to Council's sewerage system.	On target	74 complaints were received at the close of the quarter (from a total of 20,410 connections). This equates to 3.63 complaints per 1,000 connections.
Number of dry weather sewerage overflows  <i>(DIA mandatory measure)</i>	At or below 2 per 1000 connections to Council's sewerage system	On target	There were 31 dry weather overflows this quarter; however, there were only <i>three</i> GWRC-Notifiable events this year (out of a total of 20,410 connections). This equates to 1.52 overflows per 1,000 connections.
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. <i>(DIA mandatory measure)</i>	None	On target	No non-compliance actions in the quarter.



# Water management

Whakahaere wai

## Second quarter activity report – 1 October to 31 December 2020

<b>Purpose</b>	The key goal for the water management activity is ensuring a safe, affordable and sustainable long-term water supply solution for our district.
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● within 10% of budget   
 ● 10% or more favourable to budget   
 ● 10% or more unfavourable to budget

**Operating expenditure**  
The costs to operate the council's activities (Excluding Overhead Allocation)

**\$3.64m (ytd)** ● F/Y Outlook

\$3.67m budget (ytd) ● Year To Date

\$7.53m budget (full year) ●

F/Y Forecast \$0.12m unfavourable

On track for year-end.

**Operating income**  
What we earn – fees, charges, grants etc (Excluding Rates)

**\$3.71m (ytd)** ● F/Y Outlook

\$0.27m budget (ytd) ● Year To Date

\$0.53m budget (full year) ●

F/Y Forecast \$2.53m favourable

Minor variance YTD due to development contributions income higher than planned as two large developments were completed in Q2. Full-year variance is due to the 3waters reform funding.

**Capital expenditure**  
Costs for our capital projects

**\$1.01m (ytd)** ● F/Y Outlook

\$1.13m budget (ytd) ● Year To Date

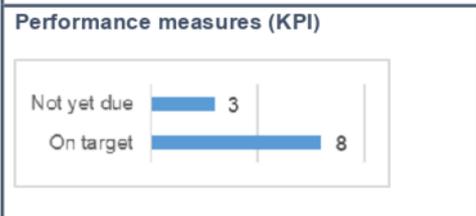
\$7.01m budget (full year) ●

F/Y Forecast \$0.66m favourable

Full-year unfavourable variance is due to the Water safety resilience project. Potential to advance Tasman Road water main improvements to deliver on this years total budget.



One project delayed due to a delay in design delivery by the Consultant, and due to re-mapping of the scheme to a revised capital programme (now scope and cost developed further, now revised as LTP21 draft).



All KPIs on track, barring one known one on which we will not achieve again this FY (water treatment compliance; until capital works can commence).

### Summary of projects

The one significant water management project this year is summarised below.

#### Drinking water safety and resilience project

The WSRP project has experienced delays in the design and contractor procurement through quarter 2, however in quarter 3, we expect to gain the time during the construction phase.

#### Waikanae WTP Stage 2

##### Design

1. With early contractor involvement, the contractor is reviewing the design for constructability in conjunction with Council's review process. This process has extended the programme during the design phase, however, will reduce the risk in the construction phase of any possible design issues.

#### Completed at the end of Quarter 2 of FY2020/21 are:

##### Waikanae WTP Stage 2 –

- Completion of detailed design to approximately 90% including some reviews from early contractor involvement.
- Completion of a series of constructability workshops during the final stages of detailed design that involved Council, Beca and Brian Perry Civil. This is part of the early contractor involvement strategy.
- Draft 1 of the construction pricing with Brian Perry Civil based on 90% detailed design completion (excluding the Lime silo, chlorine room, backwash pump and also electrical scope).
- Agreement reached with the relocation of the Archery club from the forestry block adjacent to the WTP land which will be used as a new access during construction. A new WTP access road will be finalised after stage 2 construction.
- This forestry block adjacent to the WTP will also be replanted with natives to regenerate the area and the land will be protected from public access for future protection of the source water supply.

##### Ōtaki & Hautere –

- Continuation of the discharge consenting & hydrogeology for Ōtaki & Hautere.

#### The activities planned for Quarter 3 of FY2020/21 are:

##### Waikanae WTP stage 2 –

- 100% completion of detailed design, including issuing of design report & specifications.
- Finalise the communications plan and start internal & external project communications.
- Engagement of Bond CM to peer review the final construction cost.
- Enter into a contract with Brian Perry Civil for the construction delivery of the Waikanae WTP stage 2 upgrade including agreeing to separable portions.
- Site establishment of contractor PM staff, installation of site compound & ablution blocks, relocation of services, construct new access road and procurement of equipment that have long lead times.

Ōtaki & Hautere –

- Completion of Hydrogeology desktop study and partial completion of the discharge consenting applications for Ōtaki & Hautere WTP's
- Confirmation of bore location and commencement of landowner discussions at Tasman Road & Hautere.

**Key issues and risks:**

- Waikanae WTP – Construction costs of the Lime Silo, Chlorine Room and Backwash Pump which has still to be included in the provisional construction cost.

YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Commentary
710	6,539	4,757		On track.

**Project status key**

Complete 	On target 	Not on target 	On hold 	High risk 
Ahead 	Lagging 	Underspend 	Overspend 	

**Other key developments**

- The drinking water safety improvement programme continues in this quarter. Several capital improvement works are drafted in LTP21, and Stantec have been engaged to continue the development of the Water Safety Plan (WSP) document for Waikanae Water Treatment Plant, under the recently amended MoH Framework. However, a draft WSP was submitted to MoH (Drinking Water Assessor) in Quarter 2. Examples of allied water safety planning actions are also discussed below, exemplified by the completion of a draft policy for water contamination risks from private properties backflowing into the water supply network.
- A detailed assessment of the condition of the Paekākāriki Water treatment plant has been completed and a planned renewals programme developed to maintain the operational performance of this critical lifeline asset for the Paekākāriki community.
- The Tasman Road water main design is completed. This project originally planned to commence next year can be advanced with available funding this year. The budgetted expenditure for next financial year would then be used to Waikanae WTP Stage 2.

## Performance measures

Performance measures	Target	Result	Comment
<b>Achieved</b>			
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) <i>(DIA mandatory measure)</i>	Urgent = less than or equal to 1 hour	On target	Median attendance time was 28 minutes for 33 urgent water interruptions. (2019/20 result was 13.5 minutes)
	Non-urgent = less than or equal to 3 days	On target	Median attendance time was 2 hours and 41 minutes for 299 non-urgent water faults. (2019/20 result was 3hrs)
Median response times to a fault or unplanned interruption to our water network measured by resolution time (from the time that council receives notification to the time that staff confirm resolution) <i>(DIA mandatory measure)</i>	Urgent = less than or equal to 5 hours	On target	The median resolution time was 50 minutes for 33 urgent water interruptions. (2019/20 result was 48.5 min)
	Non-urgent = less than or equal to 4 days	On target	The median resolution time was 3 hours and 20 minutes for 299 non-urgent water faults. (2019/20 result was 22 hrs, 21 min)
Peak water consumption in litres per person per day (l/p/d)	At or below 490 l/p/d	On target	Peak day water use for the year to date was 398 l/p/d. (2019/20 result was 414 (l/p/d)
Average water consumption in litres per person per day <i>(DIA mandatory measure)</i>	At or below 325 l/p/d	On target	The average use for the year to date was 311 l/p/d. (2019/20 result was 312 l/p/d)
Measure the total number of complaints received by the council, per 1000 connections, to the 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. <i>(DIA mandatory measure)</i>	At or below 6.2 complaints per 1,000 connections	On target	A total of 51 'complaints' were logged this year (13 water quality [taste/odour], 33 service requests for no water supply, & 5 low-pressure enquiry). Thus, with a total of 23,253 connections, this translates to 2.19 complaints per 1,000 connections.  (2019/20 result was 6.34 per 1,000)
Residents who are satisfied with the quality of council's water supply (taste, odour, clarity)	80%	On target	The Resident Opinion Survey Quarter 2 result is the adjusted score of 85%. (now using Dapresey Dashboard tool, online)

Performance measures	Target	Result	Comment
Not yet available			
Percentage of real water loss from the Council's networked reticulation system. (DIA mandatory measure)	At or below 23.6%	Not yet assessed	Assessed at end-Year
Measure the extent to which the district's drinking water supply complies with: a) part 4 of the drinking-water standards (bacteria compliance criteria); and b) part 5 of the drinking-water standards (protozoal compliance criteria) (DIA mandatory measure)	a) Achieve 100%	Not yet due	Confirmed compliance results are not due until later in 2020 from the Drinking Water Assessors (DWAs). (2019/20 result was 'Not achieved')
	b) Achieve 100%	Not yet due	Note that the Ōtaki and Hautere supplies will not be 100% compliant until upgrade work is undertaken which is programmed in the 2018 LTP for 2019–2022. (2019/21 result was 'Not achieved')

# Planning and Regulatory Services

- Districtwide planning
- Regulatory services



# Districtwide planning

Ngā kaupapa takiwa

## Second quarter activity report – 1 October to 31 December 2020

**Purpose** To establish the development framework for the sustainable management of the district's natural and physical resources.

Financial key: ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

**Operating expenditure**  
The costs to operate the council's activities  
(Excluding Overhead Allocation)

**\$0.86m (ytd)** ● F/Y Outlook  
\$1.26m budget (ytd) ● Year To Date  
\$2.49m budget (full year) ●  
F/Y Forecast \$0.07m unfavourable

Operating expenditure favourable to budget mainly due to district plan and coastal adaptation projects both looking to spend towards the end of the financial year. On target for full year.

**Operating income**  
What we earn – fees, charges, grants etc.  
(Excluding Rates)

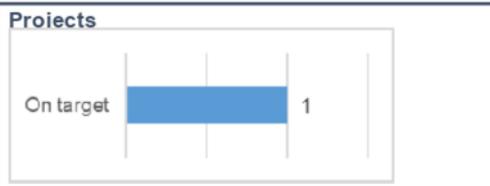
**(\$0.00m) (ytd)** ● F/Y Outlook  
\$0.00m budget (ytd) ● Year To Date  
\$0.00m budget (full year) ●  
F/Y Forecast \$0.00m unfavourable

There is no operating income for this activity.

**Capital expenditure**  
Costs for our capital projects

**(\$0.00m) (ytd)** ● F/Y Outlook  
\$0.00m budget (ytd) ● Year To Date  
\$0.00m budget (full year) ●  
Forecast \$0.00m unfavourable

There is no capital expenditure for this activity.



There is one major project which is on target.



There are two performance measures, one is achieved and the other not achieved.

**Summary of projects**

District Plan Review				
<p>→ On 5 November Variation 2 progressed to Council’s Strategy and Operations Committee for a decision on provisions and matters raised in submissions. The Committee resolved to adopt the report and recommendations of the hearings panel as its own decision. Public notification of this decision occurred on 18 November 2020, initiating a 30 working day period for appeals to the Environment Court. This period ends in late January 2021.</p> <p>→ Work continued on modifications to the Proposed District Plan and accommodate to National Planning Standards requirements. In anticipation of the Proposed District Plan became operative in 2021, scoping began of potential plan changes including a response to the National Policy Statement on Urban Development 2020.</p> <p><u>Key risks/issues:</u></p> <ul style="list-style-type: none"> <li>• Council faces significant district planning costs in future years, largely as a result of central government amending legislation and issuing new national policy statements which require the Council to review the District Plan. Council is also likely to face increasing pressures to take on the costs of private plan change requests, rather than requiring developers to meet those costs. This will result in ongoing budget pressure.</li> <li>• The repeal of the Resource Management Act and replacement with new legislation appears increasingly certain, with new legislation proposed to be introduced to Parliament in 2021. This will make some fundamental changes to Resource Management responsibilities. It is likely to take some time to implement and may well have a significant impact on this activity area. Council officers will be keeping across this government work as it progresses and look for opportunities for input.</li> </ul>				
YTD Actuals (\$000)	FY Budget (\$000)	FY Forecast (\$000)	Status	Comment
71	511	526		

Project status key					
Complete		On target		Not on target	
On hold		High risk			
Ahead		Lagging		Underspend	
				Overspend	

**Performance measures**

There are two key performance indicators (KPI) in the districtwide planning activity.

Performance measures	Target	Result (YTD)	Comment
<b>On target</b>			
Develop and monitor a strategic policy framework and research programme to underpin the district plan and long term plan	Achieve	Achieved	<p>The 2018-21 policy work programme was adopted by Council on 31 January 2019.</p> <p>The Strategy and Operations Committee received an update on the policy work programme on 19 November 2020.</p>

			<p>The update identified several projects continued to be on hold or experienced delays due to COVID-19.</p> <p>The review of the Kāpiti Recovery Plan and Freedom Camping Policy were both added to the Policy Work Programme.</p>
Not on target			
Residents (%) who agree that the district is developing in a way that takes into account its unique character and natural environment	75%	70%	The Resident Opinion Survey for the 2 <sup>nd</sup> quarter is 70%.



# Regulatory services

Ratonga whakaritenga

## Second quarter activity report – 1 October to 31 December 2020

<b>Purpose</b>	To manage a range of public health, safety and design needs associated with building control, resource consents, environmental health, food safety, animal control, noise management, alcohol licencing, designations and compliance.
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Financial key: ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

<p><b>Operating expenditure</b> The costs to operate this activity (excluding overheads)</p> <p style="text-align: right;">F/Y Outlook</p> <p><b>\$2.60m (ytd)</b> <span style="color: green; font-size: 2em;">●</span></p> <p>\$2.84m budget (ytd) <span style="text-align: right;">Year To Date</span></p> <p>\$5.66m budget (full year) <span style="color: green; font-size: 2em;">●</span></p> <p>F/Y Forecast \$0.14m favourable</p>	<p>Operating Expenditure of \$2,600,000 is \$240,000 favourable to budget mainly due to savings in personnel vacancies.</p>										
<p><b>Operating income</b> What we earn – fees, charges, grants etc. (excluding rates)</p> <p style="text-align: right;">F/Y Outlook</p> <p><b>\$2.70m (ytd)</b> <span style="color: green; font-size: 2em;">●</span></p> <p>\$2.57m budget (ytd) <span style="text-align: right;">Year To Date</span></p> <p>\$4.65m budget (full year) <span style="color: green; font-size: 2em;">●</span></p> <p>F/Y Forecast \$0.09m unfavourable</p>	<p>Operating Income of \$2,700,000 is \$130,000 favourable to budget mainly due to dog registrations being paid earlier in the financial year and an MBIE grant of \$70,000 for Freedom Camping.</p>										
<p><b>Capital expenditure</b> Costs for our capital projects</p> <p style="text-align: right;">F/Y Outlook</p> <p><b>\$0.01m (ytd)</b> <span style="color: green; font-size: 2em;">●</span></p> <p>\$0.00m budget (ytd) <span style="text-align: right;">Year To Date</span></p> <p>\$0.00m budget (full year) <span style="color: green; font-size: 2em;">●</span></p> <p>Forecast \$0.01m unfavourable</p>	<p>Capital Expenditure of \$6,600 is a final invoice for the new animal shelter that was completed last financial year.</p>										
<p><b>Performance measures (KPI)</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Not on target</td> <td style="width: 20%; text-align: center;">2</td> <td style="width: 20%;"></td> <td style="width: 20%;"></td> <td style="width: 20%;"></td> </tr> <tr> <td>On target</td> <td style="text-align: center;">6</td> <td></td> <td></td> <td></td> </tr> </table>	Not on target	2				On target	6				<p>There are nine performance measures, six are on target, two are not on target and one is not measured this quarter due to staff capacity.</p>
Not on target	2										
On target	6										

## Other key developments

### *Regulatory Services*

- Regulatory Services received a total of 3119 service requests in the second quarter of 2020/2021. Of those 2909 (93.30 %) were responded to within the required times.
- Regulatory Services received one complaint, which was not upheld, and 21 compliments about service received in the second quarter of 2020/2021.
- In the 2nd quarter of 2020/2021, 236 Land Information Memoranda (LIM) were issued, compared with 189 the previous year. The average days to issue LIMs during this quarter was 6 days.

### *Building*

This quarter has seen the Building Team return to nearly full operations. Some other activities of the team were affected, such as over the counter enquiries, due to social distancing requirements reinstated during the increase to Alert level 2 at the beginning of this quarter.

It is unclear at this stage whether COVID-19 will deliver a longer-term effect on building consents. In general, local builders are (verbally) confirming they have a reasonable amount of future work on the books with some being booked out 12 months in advance. However, there is anecdotal evidence emerging supply chain issues of some construction goods and services is becoming a problem and causing delays on some sites.

**Building consents processing:** Processing of consent applications was steady during this quarter with new applications being the same for the same time last year.

- In the second quarter, 265 building consents were processed compared with 265 for the same quarter last year.
- For this quarter 2020-21 98.11% of building consents were issued within statutory 20-day timeframes. The Consents team also met the Kāpiti Coast District Council KPI of a majority of consents being issued within 17 days.
- The average days to issue building consents during this quarter was 12 days. To date, COVID-19 appears to be only having a marginal impact on consent volume.

**Building inspections:** Building inspections have been steady for this quarter and been on par with the same period last year.

- 1,377 building consent inspections were undertaken in the second quarter, (1,356 for the same quarter last year).

**Code Compliance certificates:** Due to the ongoing effects of the COVID-19 pandemic, we continue to see an increase in the number of Code Compliance Certificates to be issued as owners and contractors work through the backlog of outstanding building work created due to the COVID-19 lockdown.

During this period two Code Compliance certificates went over the 20-day statutory timeframe. One was due to human error and the other was due to a reporting error. Steps have been put in place that aim to ensure the same problem does not reoccur.

MBIE has advised that there is an expectation that not all statutory timeframes will be able to be met as a result of the effects of the pandemic.

- 226 code compliance certificates issued in the second quarter (196 for the same quarter last year)
- 99.11% of code compliance certificates were issued within statutory timeframes.
- The average processing times for code compliance certificates was approximately 5 days.

**BWoF audits:** Twenty-four BWoF inspections were completed during this quarter. We are tracking slightly behind on last year due to COVID-19 with some customers not wanting inspections to take place during level alert 2 in September 2020. We have put plans in place to increase audit numbers in the third and fourth quarter to help meet the target of 166 for the year.

**Certification notifications:** Fourteen section 73 certifications under the Building Act were registered with LINZ during this quarter.

#### *Resource Consents*

The Resource Consents and Compliance team received 108 resource consent and deemed permitted boundary activity applications in the second quarter of this year. This is significantly more than the number of applications received in the same quarter last year. 87 applications were received in the second quarter of last year.

69 resource consent decisions, 18 deemed permitted boundary activities, 1 outline plan, 1 alteration to a designation and 2 right of way approvals were issued this quarter. This is compared to 74 resource consents and 14 deemed permitted boundary activities, 1 code compliance certificate and 1 right of way approval in the same quarter last year.

This quarter all resource consents were processed non-notified and 29 had time extensions under section 37 of the Resource Management Act. For consents that did not have their statutory timeframes extended, the average processing time was 17 working days against a target of 17 working days. One consent (RM200148) was not issued within 20 working days this was a result of the application deposit fee not being paid. The RMA discount regulations did not apply to this consent. Recent changes to the RMA will resolve this issue. Under the Resource Management Amendment Act 2020 resource consent working days will not start until a deposit has been received however this consent was lodged before the new regulations taking legal effect.

There were two resource consents issued in the second quarter that were not issued within the statutory timeframe of 20 working days. RM200248 and RM200180 were issued on day 26 and day 86 respectively. The RMA Regulations relating to administrative charges were applied and a discount provided to the applicants. These consents were not processed within the statutory timeframe due to administrative errors when the applications were lodged and recorded within Council's system. Additional safeguards have been put in place to ensure that this is unlikely to occur again.

This quarter the team issued 22 s223 subdivision certifications all within the statutory timeframe of 10 working days. 2 certifications (RM190175 & RM190143) for Kainga Ora (Housing New Zealand) were extended under s37 of the RMA at the request of the applicant so that the s223 and s224 certifications could be issued at the same time. One s223 certification (RM190267) was issued on day 18 as the certification fee had not been paid. The certification was issued 2 days after the fee was received. Within the second quarter of last year, 13 s223 certifications were issued. 20 s224 subdivision certifications creating 41 new lots were completed this quarter compared to the same time last year where 15 s244 certifications were completed creating 25 new lots.

Input has continued into the three major roading projects within the Kāpiti District. Construction on PP2O continues to progress with the team processing several requests for amendments to Site-Specific Management Plans (SSEMP's) as well as undertaking regular site inspections to ensure that consent conditions are complied with. Compliance staff have also been involved with the Mackays to Peka Peka project as this project gets closer to transferring the responsibility back to NZTA. Transmission Gully continues to progress and regular monitoring checks were undertaken.

*Environmental Health, Licensing and Compliance*

- In the second quarter, 47 registered food businesses which operate under a template food control plan were verified by the team. Also, 5 support, follow-up or investigative visits to food premises were undertaken.
- 13 health licensed premises (hairdressers and miscellaneous premises) were inspected in the second quarter.
- In the second quarter, inspections were carried out of all 20 premises for which an alcohol licence was granted or renewed. 63 additional inspections of licensed premises were conducted. 63 special licences were issued, and 76 managers' certificates were issued or renewed.
- In the second quarter, Compliance Officers carried out 96 new (due three-yearly) inspections of residential swimming pool barriers. An additional 69 re-inspections were undertaken to check that non-compliances had been rectified.

*Public Spaces and Animal Management*

- The Public Spaces and Animal Management team received one urgent service request for 'dog attacks' in the second quarter on another animal. There were no other urgent attack or threatening reports received. The urgent requests were responded to within the required one hour.
- By 31 December 2020, there were 7,889 dogs registered with 234 remaining unregistered. So the team has met their annual target in that 97% of all known dogs are registered.

**Performance measures**

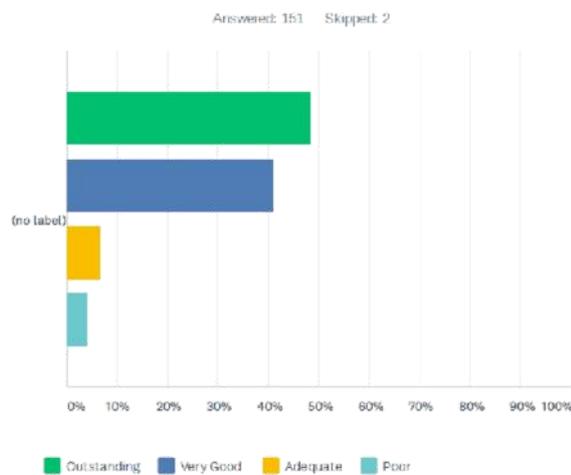
There are seven key performance indicators (KPIs) in the activity of the regulatory service.

Performance measures	Target	Result	Comment
<b>On target</b>			
Average working days to process building consents will not exceed 17 days	Achieve	Achieved	265 BC's were issued in the 2 <sup>nd</sup> quarter and 98.11% were completed within 20 working days.
Average working days to process non-notified resource consents will not exceed 17 days	17 days	17 days	For the first and second quarters of this year, the average processing time excluding consents deferred under s.37 in 17 working days.
All dog attack and threatening behaviour requests for service (classified as urgent) are responded to within 1 hour of notification	100%	Achieved 100%	In Q2, Council received one urgent dog attack on another animal. There were no other reported urgent dog attack or threatening incidents. Staff responded to the urgent complaint within 1 hour of receipt of the call.
Ratio of compliments to complaints greater than 3:1	Achieve	Achieved	Received 21 compliments and 1 complaint. That complaint was not upheld.
Building Consent Authority (BCA) accreditation is retained	Achieve	Achieved	IANZ accreditation confirmed
Percentage of survey respondents that agree that the regulatory events are good or very good	93%	Not measured this quarter	One stakeholder event was undertaken in the third quarter (All four attendees rated the event as excellent).
<b>Not on target</b>			
Percentage of service requests that are responded to within corporate standards are responded to in time	95%	Not achieved 94.5%	This quarter Council received 3119 Service Requests. Of those requests, 2909 were responded to within time.  For the year to date, the number of Service Request received was 6703 of which 6340 were responded to within time.
Percentage of users/respondents agree that pre-application processes are useful and informative.	75%	56.8%	For a breakdown of the survey, results see Chart 2.

Management KPIs	Target	Result	Comment
Percentage of alcohol, food, resource consent, and building consent application survey respondents agree that they have received good or better service.	75%	89% for resource consents only	Other areas not measured this quarter due to staff capacity. For a breakdown of survey results see Chart 1.

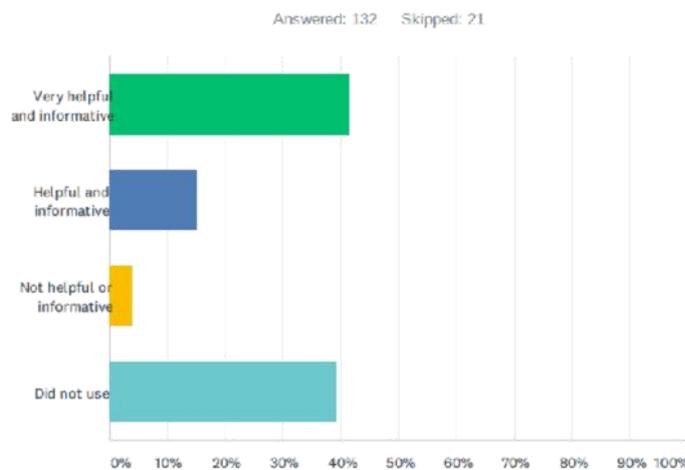
**Chart 1: Application survey respondent's results**

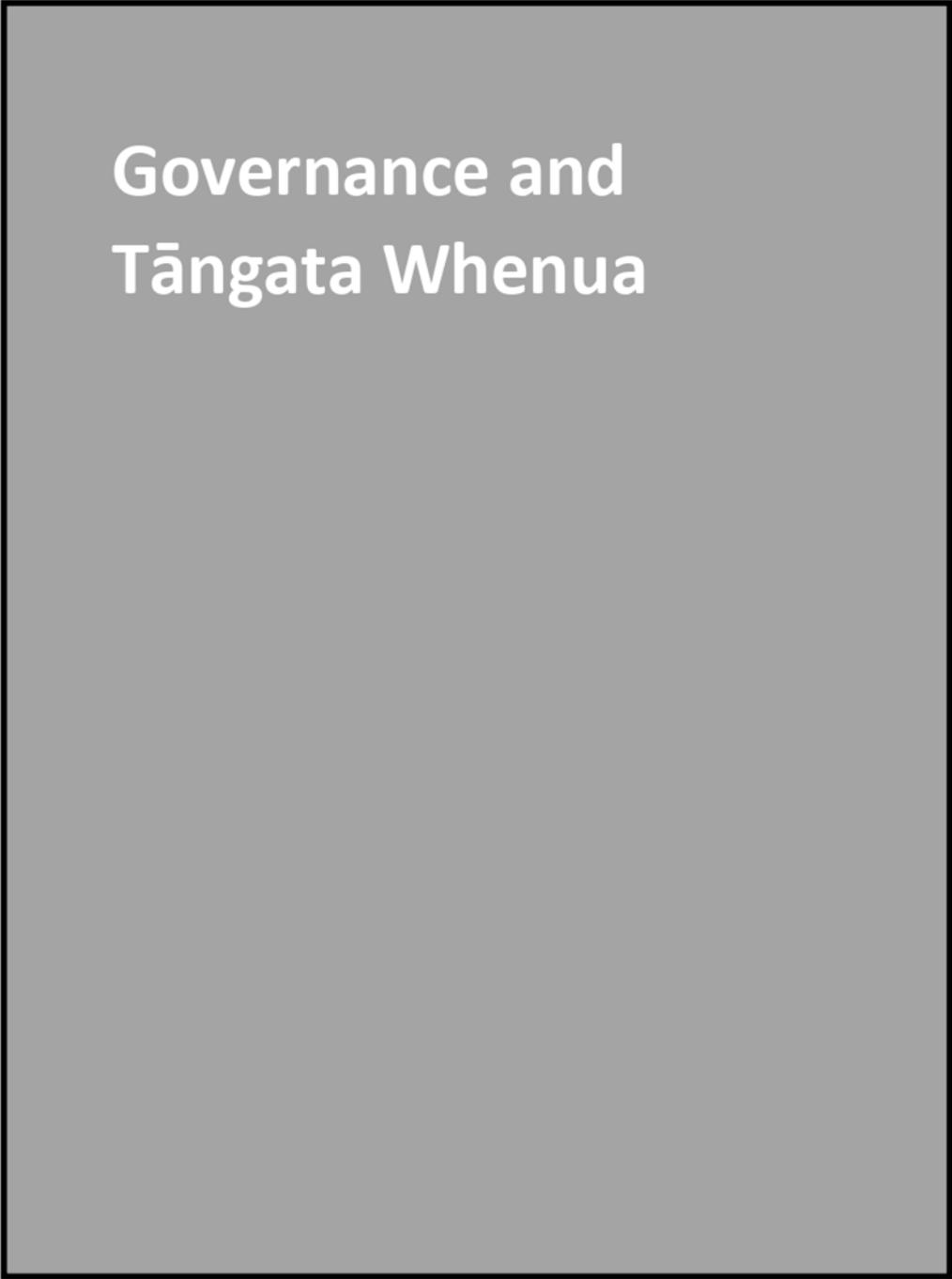
Q7 Overall, how would you rate the performance of the Resource Consents staff involved in processing your application.



**Chart 2: Rating of pre-application services**

Q5 If you used one of our pre-application services how helpful and informative was this service in preparing for the resource consent application / process?





# Governance and Tāngata Whenua



# Governance and tāngata whenua

Kāwanatanga me ngā tāngata whenua

## Second quarter activity report – 1 October to 31 December 2020

**Purpose** To manage our democratic processes, provide administrative support, facilitate community input to decision-making and provide information to our community in support of that. Responsibility for liaising with iwi to ensure that, through Te Whakaminenga o Kāpiti, they can contribute to council policy and practise.

Financial key: ● within 10% of budget ● 10% or more favourable to budget ● 10% or more unfavourable to budget

<p><b>Operating expenditure</b></p> <p>The costs to operate the council's activities (Excluding Overhead Allocation)</p> <p><b>\$1.50m (ytd)</b> ●                  \$1.39m budget (ytd) ●                  \$2.97m budget (full year) ●                  F/Y Forecast \$0.43m unfavourable</p>	<p>On track for year-end.</p>
<p><b>Operating income</b></p> <p>What we earn – fees, charges, grants etc (Excluding Rates)</p> <p><b>\$0.36m (ytd)</b> ●                  \$0.39m budget (ytd) ●                  \$0.63m budget (full year) ●                  F/Y Forecast \$0.02m favourable</p>	<p>On track for year-end.</p>
<p><b>Capital expenditure</b></p> <p>Costs for our capital projects</p> <p><b>\$0.05m (ytd)</b> ●                  \$0.21m budget (ytd) ●                  \$0.42m budget (full year) ●                  Forecast \$0.00m unfavourable</p>	<p>On track for year-end.</p>
<p><b>Performance measures (KPI)</b></p> <p>In progress: 4                  On target: 2</p>	<p>There are six performance measures, two have been achieved and four is in progress.</p>

**Key developments****Governance**

- Council adopted, according to Section 98 of the Local Government Act 2002, the Kāpiti Coast District Council Annual Report for the year ending 30 June 2020.
- Council approved the COVID-19 Recovery Plan for Kāpiti.
- Council approved a submission to the Greater Wellington Regional Council on the Te Toitū Te Whenua Parks Network Plan 2020-30.
- Council, concerning the 2021 Review of Representation Arrangements for the Kāpiti Coast District, approved a staff-led community engagement process to inform recommendations to Council for consideration. Council resolved not to consider a Māori Ward for electoral purposes.
- Council endorsed the draft Wellington Regional Growth Framework.
- No Citizenship Ceremonies took place in this quarter. In response to COVID-19, nationwide citizenship ceremonies were suspended.
- The Council received 62 requests under the Official Information Act in the second quarter. This compares to 61 in the second quarter last year.
- There were 3 Council Meetings, 3 Committee Meetings and 2 Subcommittee meeting in the first quarter. There were 14 briefings and 0 workshops.
- A calendar of meetings for 2021 was approved.
- Richard Mansell and Tonchi Begovich were successful candidates in a by-election which was held following the resignations of Waikanae Community Board Members Jill Griggs and Geoffrey Churchman.

**Tāngata whenua**

- Te Whakaminenga o Kāpiti (TWOK) met on 24 November 2020.
- Ongoing support was provided to iwi partners to engage within council activities including:
  - Working alongside Councillors to develop the strategic direction for the Long Term Plan 2021-41;
  - Introduction of the Kotahitanga Governance Board;
  - Providing on-going support and feedback into the Beach Bylaw review, the Sustainable Transport Strategy and the Open Parks and Spaces Strategy;
  - Kāpiti recovery plan.
- Ongoing support was provided to other internal Council activities to facilitate iwi engagement. This work continues to inform the council on the critical values and

aspirations that are significant to iwi and works towards meeting the legislative requirements on the council in regards to iwi participation.

- Destination Management Plan: KCDC are in the process of starting the development of a destination/visitor plan for the district. The council needs to ensure that there is good engagement with iwi as a partner in the development of this plan. The council have a proposed a consultant (TRC) for the work and have suggested an approach to working with iwi.
- A timetable for the Māori Economic Development Grants programme was agreed upon.

**Performance measures**

There are six key performance indicators (KPI) in the Governance and tāngata whenua activity.

Performance measures	Target	Result	Comment
<b>On target</b>			
Council meeting agendas are available in hard copy in council service centres and/or district libraries within two working days before the meeting	100%	100%	On track.
Māori have representation on standing committees of Council and tāngata whenua working parties contribute to significant Council work programmes	Achieve	Achieved	Te Whakaminenga o Kāpiti gave in-principle approval to the appointment of a Māori representative to the Council's Strategy and Operations Committee and agreed to convene a recruitment panel to manage the initial phase of the recruitment process. Te Whakaminenga o Kāpiti noted the opportunities for iwi nominations for decision-making bodies in this Triennium.
Percentage of official information requests responded to within 20 working days	100%	100%	On track.
Number of households that have an emergency plan and kit sufficient for three days following an emergency event	70%	In Progress	Residents' Opinion Survey result for 2019/20 was 80%.
<b>Not yet due</b>			
The memorandum of partnership is renewed each triennium	Not started	In progress	Members of Te Whakaminenga o Kāpiti discussed a piece of work to review the Memorandum of Partnership and the Terms of Reference and Meeting Protocol Document needed to be considered and undertaken in the context of wider conversations and other work that was already in progress including the recommendations of the Independent Organisational Review.
Te Whakaminenga o Kāpiti is satisfied or very satisfied with the partnership	Achieve	In progress	In progress

1. Unless a time extension is notified under LGOIMA (1987) Section 14 (1).

### 8.3 CONTRACTS UNDER DELEGATED AUTHORITY

**Author:** Ian Georgeson, Chief Financial Officer

**Authoriser:** Sean Mallon, Group Manager Infrastructure Services

#### PURPOSE OF REPORT

- 1 This report provides an update on any contracts over \$250,000 accepted under delegated authority for the period 1 October to 31 December 2020.

#### DELEGATION

- 2 The Strategy and Operations Committee has delegated authority to consider this report under the following delegation in the Governance Structure, Section B.2.

*This Committee will deal with monitoring and decision-making on all broader financial management matters, including approval of contracts and contract variations outside the Chief Executive's delegations.*

#### CONTRACTS

##### 2020/C340 – Coastal Science and Engineering Services – Takutai Kapiti: Our community-led coastal adaptation project.

- 3 Six tenders were received ranging between \$182,320 to \$316,040.
- 4 The Contract was awarded to Jacobs New Zealand Limited for the sum of \$245,600 based on the weighted attribute method.
- 5 Due to the specialised work, there were no contracts received from local contractors.

##### 2020/C362 – Te Hunga Rangatahi

- 6 No tenders – the Council is partnering with local businesses.
- 7 Kapiti Youth Employment Foundation trading as Work Ready Kāpiti and Te Puna Oranga o Ōtaki are delivery partners.
- 8 The Council has been granted \$995,000 for a two-year pilot – Te Hunga Rangatahi from Ministry of Business, Innovation and Employment.
- 9 Local content is 95%-100%.

##### 2019/C315 – Stormwater Upgrades and Renewals at Sunshine Avenue

- 10 Four tenders were received ranging between \$472,792 to \$694,573.
- 11 The Contract was awarded to Quick-Shot trading as NZ Lining for the sum of \$474,724 based on the weighted attribute method.
- 12 Engineer's estimate was \$529,202.
  - Budget allocated in 2020/2021 \$472,724 + \$70,000 (15% contingency)
- 13 The Contractor is based in Porirua and local content will include wages and materials.

##### 2019/C323 – Otaki Beach Stormwater Upgrades Phase 2

- 14 Three tenders were received ranging between \$2,022,889 to \$3,242,776.
- 15 The Contract was awarded to Action Civil Limited for the sum of \$2,022,889 based on the weighted attribute method.
- 16 Engineer's estimate was \$2,637,679.
  - 2020/2021 budget is \$1,000,000
  - 2021/2022 budget is \$1,022,889 + \$300,000 (contingency)
- 14 Local content is approximately 70% (wages 33% and pipes, aggregates and concrete 37%)

**CONSIDERATIONS**

17 There are no legal, consultation and publicity considerations arising from this report.

**SIGNIFICANCE AND ENGAGEMENT****Significance policy**

18 The Council's significance policy is not triggered.

**RECOMMENDATIONS**

19 That the Strategy and Operations Committee notes there were four contracts accepted under delegated authority over \$250,000 for the period 1 October to 30 December 2020.

**APPENDICES**

1. Contracts Under Delegated Authority for the 2020/2021 year [↓](#)

**Contracts for the 2020/21 year**

<b>Strategy and Operations Committee meeting (unless otherwise stated)</b>	<b>Contract</b>
19 November 2020 (covering the period 1 July to 30 September 2020)	No Contracts

**8.4 ROAD MAINTENANCE AND RESURFACING CONTRACT EXTENSIONS.**

**Author:** Glen O'Connor, Access and Transport Manager

**Authoriser:** Sean Mallon, Group Manager Infrastructure Services

**PURPOSE OF REPORT**

- 1 To gain approval to extend contracts C178 Road Maintenance and C198 Resurfacing.

**DELEGATION**

- 2 This Committee has the delegation to consider this matter.

**BACKGROUND****C178 Road Maintenance Contract**

- 3 On 14 of June 2018 Council resolved:

*That the Council approves to award contract C178 Road Maintenance 2018–2021 to Higgins Contractors Limited for the sum of \$13,827,479 plus GST as proposed in report IS-18-523.*

- 4 The scope of works for Contract C178 includes maintenance and renewal works on our roading network.
- 5 Contract C178 has an initial term of three years commencing on 1 July 2018 until 30 June 2021, and may be extended twice, with each extension for a 24-month period. Extension of the Contract depends on the contractor's performance amongst other factors.
- 6 Higgins Contractors Limited (Higgins) are completing the contract to a reasonable standard, act in good faith and demonstrate collaborative behaviours. There are cost increases in this contract, largely reflecting increased health, safety and traffic management requirements as our transport network and industry develops. These cost increases for the initial extension period are around 5% of the contract value.

**C198 Resurfacing Contract**

- 7 On 6 December 2018 Council resolved:

*That the Council approves awarding contract C198 Resurfacing 2018-2021 to Higgins Contractors Limited for the sum of \$3,537,000 plus GST as recommended in report IS-18-690.*

- 8 The scope of works for Contract C198 includes chipseal resurfacing of our roading network.
- 9 The Contract has an initial term of three years until 30 June 2021. It may be extended twice, with each extension for one year. Extensions of the Contract depends on a number of factors including the contractor's performance on delivering the contract. No contract cost increases are sought by Higgins for this initial extension period.
- 10 Higgins have provided good service and achieved the required outputs in the first two sealing seasons completed under this contract. The chip sealing work for this current sealing season is programmed to commence in mid-March.

**ISSUES**

- 11 For both these long-term contracts collaborative behaviours have been formed, with reasonably settled delivery teams and equipment in place. There are significant costs and risks around retendering either of these contracts including:
  - the potential for no or minimal tenders for this work

- the potential for substantial cost increases due to the large amount of work currently being undertaken, or being planned, in the lower north island
- the loss of established contractor staff either prior, during or after the tender process
- the interruption of service delivery as new contract teams are put in place by any new contractor during the transition to a new contract.

## **CONSIDERATIONS**

### **Policy considerations**

12 There are no policy considerations.

### **Legal considerations**

13 Officers will continue to adhere to the requirements of Waka Kotahi (previously known as NZTA) who typically co-fund 51% of the works undertaken by these two contracts.

### **Financial considerations**

14 The budgets incorporated in the 2021-31 Long Term Plan that is currently being developed include the cost increases associated with the contract extensions for these contracts.

### **Tāngata whenua considerations**

15 There are no Tāngata whenua considerations.

### **Strategic considerations**

16 The services delivered under these contracts link to Council's strategic considerations.

### **Significance policy**

17 This matter has a low level of significance under Council's Significance and Engagement Policy.

### **Consultation already undertaken**

18 No consultation has been undertaken.

### **Engagement planning**

19 No engagement has been undertaken.

### **Publicity**

20 A media release will be developed on this issue.

## **RECOMMENDATIONS**

- 21 That the Strategy and Operations Committee agree that Higgins Contractors Limited are awarded contract extensions for Contract C178 Road Maintenance and Contract C198 Resurfacing.
- 22 That the Strategy and Operations Committee agree that the Chief Executive has delegated authority to conclude all contract extension negotiations for contracts C178 Road Maintenance and Contract C198 Resurfacing and execute the contract extension documents.

**APPENDICES**

Nil

**9 CONFIRMATION OF MINUTES**

**9.1 CONFIRMATION OF MINUTES**

**Author:** Grayson Rowse, Democracy Services Advisor

**Authoriser:** Janice McDougall, Group Manager People and Partnerships

**CONFIRMATION OF MINUTES**

**RECOMMENDATIONS**

- 1 The minutes of the Strategy and Operations committee meeting of 4 March 2021 be accepted as a true and correct record.

**APPENDICES**

1. Strategy and Operations Committee Minutes 4 March 2021 [↓](#)

**MINUTES OF KAPITI COAST DISTRICT COUNCIL  
STRATEGY AND OPERATIONS COMMITTEE MEETING  
HELD AT THE COUNCIL CHAMBER, GROUND FLOOR, 175 RIMU ROAD, PARAPARAUMU  
ON THURSDAY, 4 MARCH 2021 AT 9.30AM**

**PRESENT:** Cr James Cootes, Cr Gwynn Compton, Mayor K Gurunathan, Deputy Mayor Janet Holborow, Cr Angela Buswell, Cr Jackie Elliott, Cr Martin Halliday, Cr Sophie Handford, Cr Jocelyn Prvanov (via A/V link), Cr Bernie Randall (via A/V link), Cr Robert McCann.

**IN ATTENDANCE:** Community Board Chair Holly Ewens  
Community Board Members Margaret Stevenson-Wright, Richard Mansell, Marilyn Stevens, and Guy Burns (via A/V link)

Mr Wayne Maxwell, Mr Sean Mallon, Mr Mark de Haast, Mrs Janice McDougall, Ms Natasha Tod (via A/V link), Mr Steve Cody (via A/V link), Ms Jaime Bigwood, Ms Leanna Hill, Ms Suzanne Rushmere (via A/V link), Ms Brandy Griffin, Mr Grayson Rowse

**APOLOGIES:** There were none

**LEAVE OF ABSENCE:** There were none.

**1 WELCOME**

**2 COUNCIL BLESSING**

The Chair welcomed everyone to the meeting and Cr Janet Holborow read the Council blessing.

**MAYORAL STATEMENT**

With the permission of the Chair, the Mayor made the following statement in relation to the Council meeting held on Thursday 25 February 2021.

**MAYORAL STATEMENT**

I would like to make a statement in relation to the Council Meeting of Thursday 25 February, in particular public speaking time in relation to agenda item on Te Uruhi – the Kāpiti Gateway.

At the beginning of the meeting I outlined the protocols around my expectations of behaviour for all people present in the room. I indicated I would not tolerate inappropriate or offensive behaviour and would act accordingly.

Since the meeting I have been informed of behaviour in the public gallery at the time that I consider to be both inappropriate and highly offensive. From where I was sitting and distance I was not aware of it at the time. Had I been, I would have acted promptly in response.

I make this statement today to ensure there is a formal record of this inappropriate and offensive behaviour having been called out.

Let me make it very clear. There is no place for racism of any form here in this Council chamber.

There is no place for racism in our communities.

As a Council we have an important role in showing leadership in the face of behaviour that has no place in Aotearoa New Zealand.

This Council chamber should be a safe place for anybody wishing to participate in the democratic process.

Mana whenua should feel they can freely share their views and thoughts with the Council in a constructive and welcoming environment that recognises our partnership.

It is clear to me now that this was not the case last Thursday.

As a district we face some significant challenges and opportunities. In the months to come there will be times when passionately held opinions and concerns will be expressed in this chamber.

Today, I offer my commitment that we must and will do better to create a safe environment in which those opinions can be expressed.

### **3 APOLOGIES**

There were none.

### **4 DECLARATIONS OF INTEREST RELATING TO ITEMS ON THE AGENDA**

Cr McCann declared conflict of interest in relation to item 8.1 and did not vote on the matter.

### **5 PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA**

### **6 MEMBERS' BUSINESS**

(a) Public Speaking Time Responses

There were none.

(b) Leave of Absence

There were none.

(c) Matters of an Urgent Nature (advice to be provided to the Chair prior to the commencement of the meeting)

There were none.

### **7 UPDATES**

There were none.

**8 REPORTS****8.1 2021/22 MAJOR EVENTS FUND TIMING AND PROCESS****COMMITTEE RESOLUTION SAOCC2021/4**

Moved: Cr Angela Buswell  
Seconder: Cr Gwynn Compton

The Strategy and Operations Committee confirms the proposed timeline and process for the 2021/22 Major Event funding round.

The Strategy and Operations Committee adopts the structure of the 2020/21 Major Events Fund Assessment Panel for the 2021/22 funding round.

The Strategy and Operations Committee appoints Councillor Rob McCann to the 2021/22 Major Events Fund Assessment Panel.

**CARRIED**

Cr McCann abstained.

**8.2 NPS NATIONAL PARKING MANAGEMENT GUIDANCE**

Suzanne Rushmere presented the report, which was taken as read. Sean Mallon along with Suzanne Rushmere responded to questions from elected members.

**COMMITTEE RESOLUTION SAOCC2021/5**

Moved: Cr Jackie Elliott  
Seconder: Cr Robert McCann

That the Strategy and Operations Committee approve this submission.

That the Strategy and Operations Committee delegates to the Chief Executive to approve minor editorial amendments to the submission.

**CARRIED**

The meeting adjourned at 10:40 am and resumed at 10:51.

*Cr Martin Halliday left the meeting at 10:51 am.*

*Cr Martin Halliday returned to the meeting at 10:53 am.*

**8.3 SUBMISSION ON THE CLIMATE CHANGE COMMISSION 2021 DRAFT ADVICE FOR CONSULTATION**

Brandy Griffin introduced the report, which was then spoken to by Cr Sophie Handford, who is the Climate Change portfolio leader.

**COMMITTEE RESOLUTION SAOCC2021/6**

Moved: Cr Sophie Handford  
Seconder: Mayor K Gurnathan

That the Strategy and Operations Committee approve the submission to the Climate Change Commission 2021 Draft Advice for Consultation, as amended.

That the Strategy and Operations Committee delegates to the Chief Executive and Councillor Sophie Handford, as the Climate Change portfolio leader, to approve minor editorial amendments to the submission.

**CARRIED**

## **9 CONFIRMATION OF MINUTES**

### **9.1 CONFIRMATION OF MINUTES**

#### **COMMITTEE RESOLUTION SAOCC2021/7**

Moved: Cr Gwynn Compton

Seconder: Cr Angela Buswell

That the minutes of the Strategy and Operations committee meeting of 18 February 2021 be accepted as a true and correct record.

**CARRIED**

## **10 PUBLIC SPEAKING TIME**

- For items not on the agenda

There were no public speakers for items not on the agenda.

## **11 CONFIRMATION OF PUBLIC EXCLUDED MINUTES**

There were none.

**The Strategy and Operations Committee meeting closed at 11:12am.**

.....  
**CHAIRPERSON**

**10 PUBLIC SPEAKING TIME**

- For items not on the agenda

**11 CONFIRMATION OF PUBLIC EXCLUDED MINUTES**

Nil