



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, 10 March 2022

Time: 9.30am

Location: Online via Zoom

Sean Mallon

Group Manager Infrastructure Services

Kapiti Coast District Council

Notice is hereby given that a meeting of the Strategy and Operations Committee will be held Online via Zoom, on Thursday 10 March 2022, 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

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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 ADOPTION OF THE POLICY WORK PROGRAMME 2021-2024

Kaituhi | Author: **Lesley Olsson, Policy Advisor**

Kaiwhakamana | Authoriser: **Natasha Tod, Group Manager Strategy, Growth and Recovery**

TE PŪTAKE | PURPOSE

- 1 This report presents Council's Policy Work Programme (PWP) 2021-2024 for adoption and an update on projects underway under the new PWP.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 This report presents Council's Policy Work Programme (PWP) 2021-2024 for adoption and an update on projects underway under the new PWP.

TE TUKU HAEPAPA | DELEGATION

- 3 The Strategy and Operations Committee has delegated authority to consider this matter under section B.1 of the 2019-2022 Triennium Governance Structure and Delegations, which states a key responsibility as: "Setting and approving the policy and strategy work programme".

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Strategy and Operations Committee adopt the Council Policy Work Programme 2021-2024 as shown in Appendix 1 to this report.
- B. That the Strategy and Operations Committee note the update on the active projects under the PWP 2021-2024.

TŪĀPAPA | BACKGROUND

- 4 The PWP supports the management of Council's policy framework. It ensures Council has a fit for purpose policy framework to achieve community outcomes and meet its statutory requirements by managing the development, review and update of strategies, policies and bylaws over a three-year period.
- 5 The previous PWP covered activity from July 2018 to December 2021. During this period 62 projects were completed. This included completion of the review of the *Beach Bylaw*, *Keeping of Animals, Poultry and Bees Bylaw* and *General Bylaw* (revoked) over the last 12 months.
- 6 A review of the PWP was commenced in October 2021 following the completion of the Long-Term Plan 2021-41 (LTP). Covid-19 delayed review work and continues to be a factor impacting the delivery of the PWP.

HE KŌRERORERO | DISCUSSION

Review and refresh of PWP

- 7 In reviewing the PWP and projects for the next three years, consideration was given to:
 - 7.1 Legislative obligations – including the development of new, or review of existing, policies and bylaws (such as the gambling policies);
 - 7.2 LTP outcomes and deliverables which set the priority focus for Council – a number of policies/strategies in the PWP will help provide initiatives around key identified issues of the LTP 2021-41 including housing, infrastructure, growth and climate change mitigation; and

- 7.3 Community outcomes – a number of policies and strategies planned will provide guidance of social, economic, environmental, and cultural benefit including a Well-being strategy.
- 8 A key finding of the review process was that the previous PWP focussed more broadly than policies and strategies; it included a number of other programmes of work and projects such as monitoring requirements under the National Policy Statement on Urban Development, District Plan changes, Annual Plan updates and Long-Term Plan documents etc. In addition, many of these areas of work were also reported and updated directly to Council and included in annual reporting.
- 9 This identified the need for a refined focus for the refreshed PWP to:
- 9.1 Minimise or eliminate repetition of information and/or reporting (creating time efficiency gains) by excluding items that are reported on through the Corporate Planning and Reporting Cycle or other separate reporting to Council;
 - 9.2 Keep it focused on its purpose of key strategies, policies and bylaws only i.e. excluding operational project work items and including those that require Council approval, are part of a statutory process and/or are external facing (involving district wide interest and/or consultation);
 - 9.3 Set realistic and achievable project timeframes (within the current Covid-19 impacted work environment); and
 - 9.4 Provide for targeted monitoring and reporting (six-monthly).
- 10 As the result of the review, a new PWP has been identified for the period July 2021 to December 2024 and is described further below.

The new PWP 2021-2024

- 11 The PWP 2021-2024 shown in Appendix 1 sets priorities for the three-year period from July 2021, extending to December 2024.
- 12 A total of 30 projects are identified including 13 strategies, 3 bylaws, 12 policies and 2 plans. Of these, 10 are new projects and 20 are reviews of existing strategies and policies.
- 13 A number of projects have been carried over from the previous PWP and some new projects have been identified through the LTP and as part of the PWP review process.
- 14 As part of the review process and in light of ongoing impacts of Covid-19, a number of policy projects have had their timeframes reconsidered and refreshed. Projects and timeframes are outlined below.
- 15 To help report and communicate progress on the PWP we have continued to present the information on the accompanying diagram/Gantt Chart (see Appendix 1) but have also made some improvements to information and overall presentations of PWP projects.
- 16 Features of the PWP visual are:
- 16.1 Timeframes across the top by year, indicative month and financial year;
 - 16.2 Split into two sections – Strategies (top) and Policies & Bylaws (bottom);
 - 16.3 Active (including delayed) projects are highlighted in bold colours with a solid border and scheduled or projects on hold are in lighter colours with a dashed border;
 - 16.4 A black mark indicates a previous planned project completion date for tracking purposes;
 - 16.5 A red border will indicate an addition to the programme from the original/previous update;
 - 16.6 Completed projects will be in grey;
 - 16.7 Each project name is followed by whether it is a review or new, the acronym of the group in which it sits and a legislative-based expiry/due date if applicable; and

16.8 An asterisk has also been used to indicate relevant statutory requirements/deadlines such as:

16.8.1 A bylaw made pursuant to the Local Government Act 2002 (LGA) must be reviewed no later than 5 years after the date it was first made. A further review must be no later than 10 years after the previous review. In either case, if the bylaw is not revoked by Council, it will be automatically revoked on the date that is 2 years after the last date on which the bylaw should have been reviewed.

16.8.2 Different policies are subject to different Acts and although the development of a policy itself may be optional, if it is implemented, there are then often statutory requirements around the timing of its review and potential revocation.

Update of current projects underway

17 On the new PWP there are 10 policy projects underway. Most of these have been carried over from the previous PWP. Two of these projects, the District Growth Strategy and Traffic Bylaw review were adopted at Council's meeting on 24th February 2022. Work on the Local Alcohol Policy is facing delays due to covid impacts. A report updating progress on this project will be presented at the Council meeting on 24th March 2022.

17.1 **Table 1:** Projects underway in the PWP 2021-2024

Project [Group]	Due to be completed	Last target completion date
<i>District Growth Strategy</i> [SGR]	Feb 2022	Dec 2021
<i>Open Space Strategy 2012 review (incorporating Cycleways, Walkways & Bridleways Strategy 2009 review)</i> [P&S]	Mar 2022	Dec 2020
<i>Positive Aging Strategy 2011 review</i> [P&P]	Apr 2022	Dec 2021
<i>Stormwater Management Strategy 2008 review</i> [INFR]	Jul 2022	On schedule
<i>Housing Strategy</i> [SGR]	Jun 2022	On schedule
<i>Major Events Strategy</i> [SGR]	Jun 2022	On schedule
<i>Traffic Bylaw review</i> [INFR]	Feb 2022	Oct 2021
<i>Stormwater Bylaw</i> [INFR]	Dec 2022	On schedule
<i>Local Alcohol Policy</i> [SGR]	Dec 2023	On schedule
<i>Backflow Policy (Drinking Water)</i> [INFR]	Nov 2022	Jan 2021

Upcoming Projects

18 Table 2 shows the projects where the work is planned to be undertaken in the new PWP and includes all other projects not shown in Table 1 that are programmed in 2022 and beyond.

18.1 **Table 2:** PWP projects scheduled in the PWP 2021-2024 (currently inactive)

Project [Group]	Planned project timeframe in PWP 2021-2024
<i>Culture & Heritage Strategy</i> (replacing previously named <i>Strategy for Supporting Arts 2012 review</i> as has a broader scope) [P&S]	Feb-Dec 2022
<i>Biosolids Strategy</i> [INFR]	Mar 2022-Jun 2023
<i>Property Strategy</i> [SGR]	Jul-Dec 2022

<i>Coastal Management Strategy 2006 review [INFR]</i>	Jul 2022-Aug 2023
<i>Māori Economic Development & Wellbeing in Kāpiti Strategy 2013 review [SGR]</i>	Aug 2022-Jun 2023
<i>Well-being Strategy [P&P]</i>	Oct-2022-Dec 2023
<i>Accessibility Strategy [P&P]</i>	Jan-Dec 2024
<i>TAB Venue Gambling Policy 2019 review [REG]</i>	Feb-Dec 2022
<i>Class 4 Gambling Policy 2019 review [REG]</i>	Feb-Dec 2022
<i>Older Persons' Housing Policy 1993 review [SGR]</i>	Jul 2022-Dec 2023
<i>Water Supply Bylaw 2013 review [INFR]</i>	Jul 2022-Jul 2023
<i>Easter Sunday Shop Trading Policy 2017 review</i>	Dec 2022-Dec 2023
<i>Kapiti Recovery Plan 2020 review [SGR]</i>	Jan-Dec 2023
<i>Encroachment Policy [P&S]</i>	Jan-Dec 2023
<i>Freedom Camping 2012 Policy review [REG]</i>	Jan-Dec 2023
<i>Development Contributions Policy 2021 review [CORP]</i>	Jul 2023-Jul 2024
<i>Road Naming & Street Numbering Policy 2011 review [CORP]</i>	Jul 2023-Jul 2024
<i>Reserves, Structures & Commemorative Places Naming Policy 2011 review [P&S]</i>	Jul 2023-Jul 2024
<i>KCDC Film Friendly Policy 2019 review [SGR]</i>	Jan-Dec 2024
<i>Kapiti Destination Management Plan 2021 review [SGR]</i>	Aug 2024-Jun 2025

18.2

He take | Issues

- 19 Discussion on the process and criteria used to develop the new PWP 2021-2024 is outlined in the discussion above.
- 20 Council is typically updated on the development and review of individual policy projects.

Ngā kōwhiringa | Options

- 21 The process to review and develop the Policy Work Programme 2021-2024 and its benefits have been outlined above.

Tangata whenua

- 22 The development of the PWP 2021-2024 has been informed by Council's Long-term Plan 2021-41 which was guided by the views of our local iwi and hapū partners Te Rūnanga O Toa Rangātira, Ngā Hapū o Ōtaki and Āti Awa ki Whakarongotai Charitable Trust.
- 23 The approved Policy Work Programme will be provided to our iwi partners, so they are fully aware of our work programme and have the opportunity for discussions about what the most important items are for them and how these align with their priorities.
- 24 As the implementation of the PWP is carried out over the next three years, planning to ensure that individual projects are created in partnership with mana whenua will be undertaken by individual project managers.

Panonitanga āhuarangi | Climate change

- 25 The decision to adopt the PWP has no direct climate change implications. Where there are projects on the PWP that have climate change implications (such as the *Coastal*

Management Strategy review), those implications and mitigation strategies will be discussed separately in those project reports at an appropriate time by the specific project manager.

- 26 The PWP addresses the Climate Emergency Action Framework through the inclusion of some policies and strategies that will assist in decision-making around climate change mitigation and adaptation.

Ahumoni me ngā rawa | Financial and resourcing

- 27 There are no immediate financial implications as a result of adopting the PWP. Budgets necessary for the implementation of PWP projects have been allocated through LTP and AP processes to ensure delivery.
- 28 The addition of any policy projects onto the PWP will need to consider resource and budget impacts and will be included as a proposed change to the PWP to be agreed by Council.

Ture me ngā Tūraru | Legal and risk

- 29 Legal Counsel has confirmed the timeframes for the review of all policies which have a legal driver or a mandatory review.
- 30 The PWP supports the ongoing management and prioritisation for the review of policies and bylaws to ensure they are completed within their respective statutory timeframes.
- 31 There are no inconsistencies with the New Zealand Bill of Rights Act 1990 and Human Rights Act 1993 in making this decision.

Ngā pānga ki ngā kaupapa here | Policy impact

- 32 The adoption of this PWP has a direct positive impact on Council policies in that it plans for the development and review of priority policy projects for the next three years.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

- 33 While the PWP itself has a low degree of significance under Council's Significance and Engagement Policy, the degree of significance for each individual policy project will be identified as each project is progressed, including the nature and type of any consultation required.
- 34 The next local election occurs in early October 2022. Prior this time (from July 2022), consultation on strategies, bylaws and policies may not take place. This has been taken into consideration with the timeframes shown in the PWP.
- 35 While the PWP project timelines have been set taking into account Covid-19 impacts, ever-changing and necessary government guidelines around group gatherings/interactions will continue to have an impact on the way projects can be consulted on and when over the coming months.

Te mahere tūhono | Engagement planning

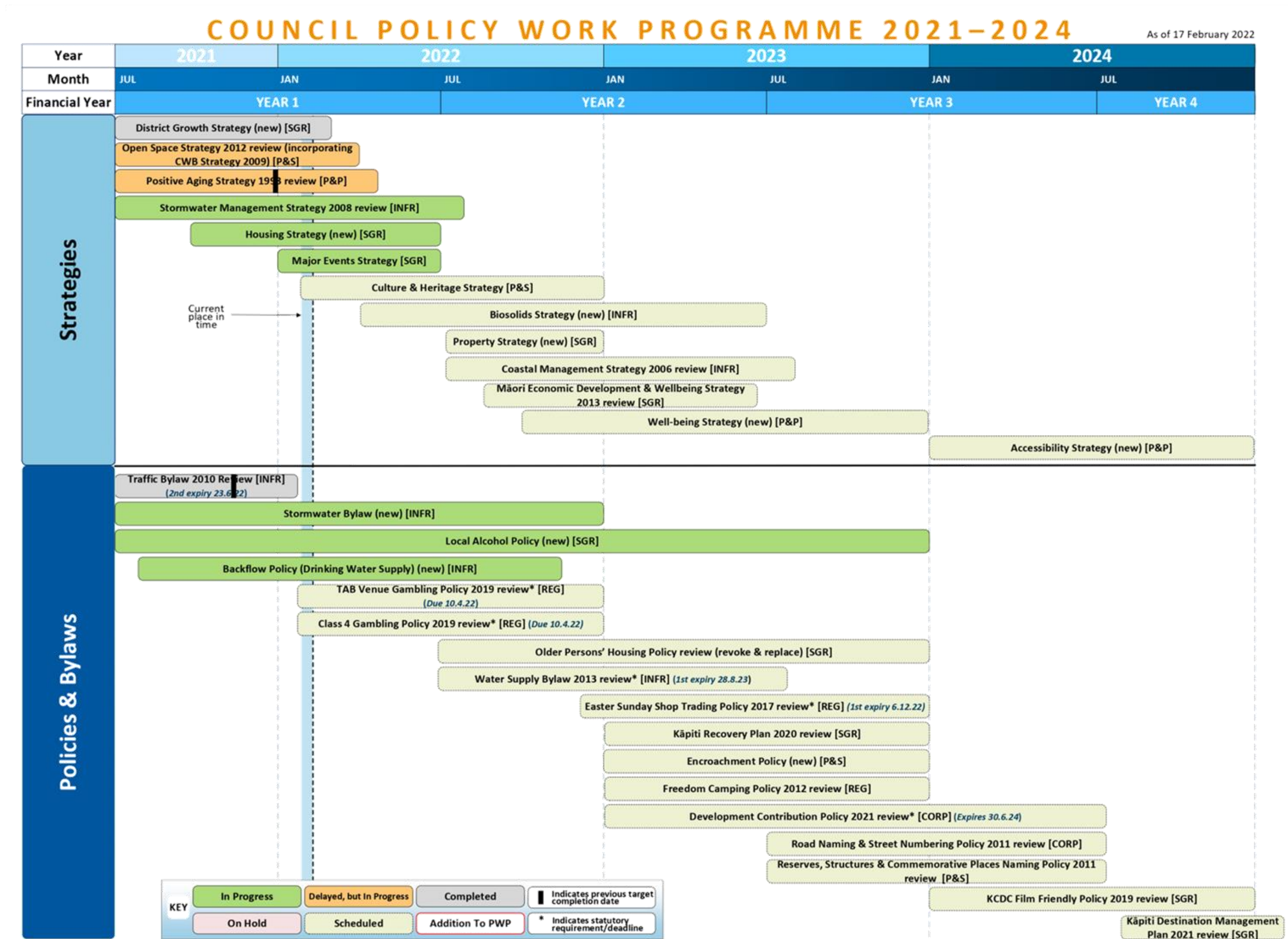
- 36 An engagement plan is not needed to implement this decision. Updates on the progress of the PWP will be reported on six-monthly to the Strategy and Operations Committee.

Whakatairanga | Publicity

- 37 A communications plan is not needed to implement this decision as the PWP is an internal planning and monitoring tool.
- 38 However, staff are looking to identify ways to communicate the review of policy projects under the PWP alongside our current website content on policies, strategies and bylaws.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Policy Work Programme 2021-2024 [↓](#)



8.2 MAJOR EVENT FUND POLICY UPDATE 2022

Kaituhi | Author: **Monica Turner, Economic Development Advisor**

Kaiwhakamana | Authoriser: **Natasha Tod, Group Manager Strategy, Growth and Recovery**

TE PŪTAKE | PURPOSE

This report reviews the Kāpiti Coast Major Events Fund Policy and seeks approval to update the criteria for the fund for the period 1 July 2022 to 30 June 2025, in alignment with the Economic Development Strategy and the Destination Management Plan.

HE WHAKARĀPOOTO | EXECUTIVE SUMMARY

- 1 The current Major Events Policy 2019-2021 is due to expire in June 2022 and has been revised. The next round of Major Events Funding is due to open in March 2022. The revised policy aligns the fund with the Economic Development Strategy and the Destination Management Plan adopted by Council in 2021.
- 2 The policy will redistribute funds from the current feasibility fund into a new “Strategic Growth Fund” that will assist event managers to develop and grow new events in the district. It will also provide clear guidelines on how the fund will operate in a Covid-19 pandemic setting.
- 3 This paper requests that the Council continue to support the Major Events Fund’s current funding allocation of \$200,000 per annum, and that up to \$50,000 (maximum) of that is allocated towards tier three events to help them become major events and support the local events offering to flourish and grow. To ensure it is aligned to the economic development purpose for this funding allocation, this targets events that have economic development potential and are not purely community events.

TE TUKU HAEPAPA | DELEGATION

- 1 The Strategy and Operations Committee has the authority to approve the revised policy in accordance with the Governance Structure.

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TAUNAKITANGA | RECOMMENDATIONS

That the Strategy and Operations Committee:

- A. Approve the Kāpiti Coast Major Event Fund Policy 2022-2025.
- B. Allocate \$50,000 to a new flexible “Strategic Growth Fund” targeted to support key tier 3 events to become major events. This \$50,000 will be made up of the current \$25,000 currently targeted to feasibility funding, plus another \$25,000 from the main Major Event Fund.
- C. Note that further work will be done to explore and report back on ways to help the community deliver other tier three events that do not fit in the Major Event Fund This work will be led by People and Partnerships Group.
- D. Approve the opening of the next Major Event Funding round in March 2022.

TŪĀPAPA | BACKGROUND

- 2 The current Major Events Policy 2019-2021 is due to expire in June 2022. The next round of Major Events Funding is due to open in March 2022, hence the need for review of this policy before it’s expiry date. Funds will be allocated in the next financial year.

- 3 The 2019 policy determined three tiers of events, tier one and two being eligible for the Major Event Fund - over 2,000 attendees, 20% of which must be from outside the district. The Major Event Fund has a budget of \$200,000 per annum to deliver events under the Policy, which can be allocated to tier 1 or 2 events (appendix 1).
- 4 The fund also contains \$25,000 (out of the \$200,000) of feasibility funding that event organisers can utilise to assess the viability of a proposed event.
- 5 The allocation of Major Event Fund funding is currently determined by a panel comprised of Council staff, an Elected Member, iwi representatives, and industry experts.
- 6 The Major Event Fund currently supports five or six major events per year - Māoriland Film Festival, Kāpiti Food Fair, XTERRA, Ōtaki Kite Festival, and others such as the Kāpiti Half Marathon and Matariki Ramaroa. Feedback on the impact of the Major Event Fund was sought from event managers (appendix 3), summarised here:

“Without Major Events Funding the Ōtaki Kite Festival would not be able to continue... This event is a huge attraction for the Kapiti Coast bringing thousands of people to Ōtaki Beach over the festival weekend... The festival not only brings revenue to businesses in the district, it promotes local acts on the stage, [and] provides fundraising opportunities to a large number of not for profits and local fundraising groups...” – Kirsty Doyle, Event Manager, Ōtaki Kite Festival

“... The events we have held over the past 8 years have generated significant economic impact for the wider community as visitors spend money on accommodation, food, gas and other amenities... The past two and a half years have been the most difficult period for the events sector in living memory. Any event that has survived through COVID-19 should be commended and supported because it has been both logistically and financially impossible.

If we look to the goals of the MEF - they are to attract visitors to the Kapiti Coast and support the long term local economy. It takes multiple years for any event to do either. At this time of huge disruption - events need support to ensure that they can either survive - or exist at all.

Beyond the goals of the MEF, cultural and community events contribute significantly to the cultural landscape of a region and community connectivity. This is a direct connection with tourism for Kāpiti.” – Libby Hakaraia, Māoriland Film Festival, Matariki Ramaroa.

“Being in the third year of Covid is a devastating situation for events, large or small, including Kāpiti Food Fair (KFF). It’s going to take some months/years for many events to recover or start again due to loss of income and presence in the market...”

The fund should also consider support of start-up events, not feasibility as often events start small at a community level to support a visionary idea and then grow to be larger events over time...

Many major events are not-for-profit or charitable entities that seek much of their support from local authorities and major event funds as they bring large economic and social benefits to towns and cities...

Covid has increased costs in all directions that events need to absorb or attempt to increase vendor and gate entry costs etc... Communities need events to drive happiness, creativity, fun and ROI – without events we risk losing our personality as an interesting place that values people, place and purpose.” – Helene Judge, Kāpiti Food Fair.

- 7 The table below shows the economic impact of the Major Event Fund in a non-Covid setting:
Table 1: Estimated return on investment in Major Event Fund 2019-2021

Event	Council funding	Attendee numbers (A=actual E=estimated)	Visitor Split		Return on Investment (ROI)	
			Kāpiti	Outside district	Visitor added value	ROI
Kapiti Food Fair 2019	\$25,000	22,064 (A)	50%	50%	\$ 264,057	10:1
Ōtaki Kite Festival 2019	\$25,000	20,000 (E)	52%	48%	\$519,421	21:1
Xterra 2020	\$20,000	1,997 (A)	19%	81%	\$100,680	5:1
Tootsuite	\$20,000	1,098 (A)	46%	54%	\$54,167	3:1
Kāpiti Food Fair 2020	\$25,000	12,000 (A)	60.4%	39.6%	\$470,007	19:1
Ōtaki Kite Festival 2020	\$20,000	25,000 (E)	53.3%	46.7%	\$205,260	10:1
Māoriland Film Festival 2021	\$40,000	12,913 (A)	47.2%	52.8%	\$297,528	7:1
XTERRA (covid) 2021	\$30,000	404	14%	85%	N/A	N/A
Matariki 2021	\$50,000	17,000 (E)	70%	30%	\$404,385	13:1
Coasters – Mary Poppins 2021	\$25,000	1323 (A)	53.9%	46.1%	\$9,197	0:6

- 8 The events industry is suffering from the effects of the Covid-19 Pandemic restrictions. Our local professional event industry needs support from Council now more than ever. Major Events are crucial to creating a vibrant and socially cohesive community in which to live. They bring people together in celebration and learning and help to build a district's reputation for being an inclusive and enjoyable place to live. They are a way to celebrate our cultural heritage, tell our stories and enjoy the environment. They contribute to economic development through encouraging visitation to the region and encouraging people to live and work in the area.
- 9 The majority of the recipients of the Major Event Fund are professional event managers who rely on running major events as their livelihood. Central government support has been sparse and several of our local major events have not been eligible for government support due to their size and timing.

HE KŌRERORERO | DISCUSSION

CHANGES TO THE MAJOR EVENTS POLICY 2019-2021

Destination Management Plan

- 10 In September 2021 Council adopted a new [Destination Management Plan](#) (DMP) to help attract more visitors to the district. Drawing on extensive engagement with iwi, local partners, and sector stakeholders, and research by Colmar Brunton, the plan provides a strategic framework and key actions to help increase the number of visitors to the Kāpiti Coast, their length of stay and their ability to spend more while here.
- 11 Major Events are used as a channel by which to deliver the DMP under the following strategic priorities and key actions:
- 11.1 Strategic priority 2 – Develop the Kāpiti destination story to build awareness and position the district as a sustainable visitor destination: Major events, which provide a catalyst for visitation, should be used as an opportunity to reach our target markets, to provide FOMO (Fear Of Missing Out) and stimulate longer trips. The Major Events fund should prioritise events that add to the desired positioning of the Kāpiti Coast.
- 11.2 Strategic priority 3 – Grow quality experiences to encourage new and existing markets to visit and spend: The four target segments identified in the DMP that should inform

the Major Events Implementation Plan are Explore Nature, Wine, Food and Scenery, Relaxation and Wellbeing, and Family Fun (Major events contribute to this segment by providing residents with the tools to have their friends and family visit and stay longer). A fifth, emerging market is Knowledge Seeking.

11.3 Key actions:

Attract or develop Major and business events to support the region's positioning:

- Enhance the calendar of events with a balanced portfolio of event themes and timings
- Focus on events that celebrate and support the positioning of the region as well as the strength of sectors like the arts and culture sector
- Create and actively enable new locally grown events that have broad appeal
- Explore the potential to leverage off the events in Wellington with peripheral events that resonate along the same theme.

12 The Major Event Policy and application criteria has been updated to align with the DMP and DMP marketing plan. To be eligible for the fund events must:

- fit into one of the target segments as above
- position the Kāpiti Coast as a destination
- demonstrate how funds will be used for destination marketing costs.

Strategic Growth Fund

- 13 The current feasibility fund that sits within the MEF has not been well utilised under the current policy due to non-delivery by applicants, unclear funding criteria and application process, and lack of knowledge from local event managers as to how to deliver a feasibility study.
- 14 Previous applicants, the MEF panel, Council, and council staff have identified a gap in funding for tier three events. It is very difficult and unusual for a new event to begin at "Major Event" status, often events must be run for several years before they can reach that size. Currently there is no funding available from Council to run a tier three event.
- 15 The "Strategic Growth Fund" will support smaller events with potential to become Major Events. Up to \$50,000 will be allocated to up to four events that meet the tier three criteria. The maximum amount of funding to one event will be \$25,000.
- 16 This fund will be single or multi-year, with a maximum of three years, supported by the Council's Economic Development Team to provide consistent marketing out of region.
- 17 Multi-year funded events will be reviewed after each event to ensure that the event achieves pre-agreed objectives and metrics such as visitor numbers and return on investment on the first year. A multi-year agreement can be cancelled if the event is not meeting targets.
- 18 The fund will contain a maximum of \$50,000. Of that, \$25,000 will be taken from what is currently allocated to feasibility funding, plus another \$25,000 currently allocated to Major Events. The fund will sit inside the Major Event Fund and will be administered within the same contestable process.
- 19 This fund will be flexible - if it is not allocated in a particular round, it will be diverted to other Major Event Fund applications, therefore the maximum allocation available to tier one and two events remains at \$200,000. For example, if only \$10,000 is allocated to Growth Events, then that leaves \$190,000 for other Major Event applications.
- 20 Accurate visitor data will be collected on these events to measure success and ensure that the funds are being delivered to appropriate events and organisations. The methodology to undertake these data studies will be provided to event organisers by the Economic Development team, and recipients may use some of their funding to deliver these studies where required.

Covid-19 Risk Mitigation

- 21 Covid risk will be a consideration when selecting events chosen to receive support under the MEF. A new clause has been added to the policy that aims to protect event managers and Council funding from Covid-19 risks, to some extent, and provide applicants with more certainty around funding in a Covid environment:
- 21.1 In the event of cancellation or postponement, event managers will be supported with funding and resource to redesign their events where possible, without taking a financial risk. Unspent MEF funds will be used for this purpose and not be required to be paid back. Failing a suitable event redesign, unused funds will be allowed to be kept by the event manager and used the following year while still they will remain eligible to apply for additional funding.
- 21.2 An event manager may apply to use unspent funds for a different event, provided it meets Major Event Fund criteria, at the discretion of the Major Events Fund panel.
- 21.3 Events that have received funding from the government's Events Transition Support Payment scheme (ETSP) may be required to pay back their funds to Council. This is to be decided on a case-by-case basis.

Funding Levels in the Major Events Fund

- 22 The Major Events Fund will remain at \$200,000, for the following reasons:
- High return on investment in non-Covid years
 - Rising costs of delivering events
 - Support of the events industry to get through the financial burden of the pandemic
 - Positioning Kāpiti Coast as a desirable destination and delivering on the DMP and EDS
 - Delivering activity and enjoyment to the local community as we emerge from a difficult few years.
- 23 There has been some discussion about whether there is a further gap in funding relating to broader community events which may not have potential to grow into major events. This is outside the scope of the Major Events ambit and this funding allocation which has an economic development and tourism focus. Further work is required to identify the appropriate scope/criteria, process and funding level for an additional fund to support community events – that is, events that do not have the required economic development potential to fit the Major Events criteria.

Opening the Major Event Funding round for 2022

- 24 This paper asks that Council approve the opening of the fund in March 2022. The deadline will be April 17 2022, with funds dispersed in early June.

He take | Issues

- 25 The issues outlined above are of low significance as per the Significance and Engagement Policy 2021. They do not reach the thresholds indicated in relation to strategic assets, finances, district strategy, public interest, or mana whenua's relationships with land and water. There is no change to the financial impact of this strategy.
- 26 As per the Significance and Engagement Policy 2021 Engagement Decision Tree no engagement is required by Council.

Ngā kōwhiringa | Options

Tangata whenua

- 27 Discussion was undertaken with Iwi liaison staff in council who helped formulate the wording for the application criteria around aspirations of tangata whenua.
- 28 Event selection criteria states that preference will be given to events that meet tangata whenua aspirations. Preference will be given to applications that can meet at least principle two of the tangata whenua vision. These principles have been defined clearly in the application documents and outline how an event can meet of these aspirations.
- 29 Preference will be given to events that show a commitment to having their event names translated into te reo Māori, and their marketing collateral redesigned to reflect these changes. Funding will be set aside within each funding allocation for this purpose. This reflects principle two in the vision for tangata whenua: Te Reo Māori from the Māori Economic Development and Wellbeing Strategy 2013.

Panonitanga āhuarangi | Climate change

- 30 All event managers must submit a waste management plan to our waste minimisation team who will assess the plan to ensure it is in alignment with our waste minimisation policy. Applicants may also request to use funding for waste minimisation at their event.
- 31 The Major Events Policy therefore supports reducing Kāpiti's footprint and embeds waste minimisation across activities into an Economic Development led policy. The Policy demonstrates leadership when it comes to waste minimisation and commitment to emissions reductions, and sustainability is integrated across Council.

Ahumoni me ngā rawa | Financial and resourcing

- 32 Funding is confirmed in the Economic Development budget as part of the 2021 LTP.

Ture me ngā Tūraru | Legal and risk

Legal has confirmed the proposed changes to the policy do not raise any new legal risks or any human rights implications.

Ngā pānga ki ngā kaupapa here | Policy impact

- 34 This is an update to the current Major Events Policy. The policy aligns with the Economic Development strategy and the Destination Management Plan. The new policy will be in place until June 30 2025.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

- 35 Feedback was sought from previous applicants to the Major Events Fund early in the process. Most of the feedback was around operational issues such lack of clarity in the application form. Feedback on the impact of the fund is included in appendix 3.
- 36 Other than operational issues the key piece of feedback was around the feasibility fund – the previous applicants indicated a lack of understanding of what the fund is for, how to do feasibility studies, and how to apply for the fund, this has been incorporated into the redesign of the policy as per the new Strategic Growth Fund.
- 37 Feedback was also received that there is no funding for smaller community events, or smaller events that have the potential to become major events.
- 38 The external Major Events Fund panel were also consulted for advice on the revision of the policy. No feedback was received.
- 39 Legal have been consulted and helped formulate wording where changes have been made in the terms and conditions, grant agreement, and policy.

Te mahere tūhono | Engagement planning

- 40 An engagement plan is not needed to implement this decision. Council will communicate this decision through its established communication channels.

Whakatairanga | Publicity

- 41 A communications plan has been developed to support communications with the key stakeholders and community about this issue, utilising Council's established communications channels.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Event tier matrix [↓](#)
2. Major Event Fund Policy 2022 Draft [↓](#)
3. Feedback from Major Event Fund recipients [↓](#)

Tier 1	Tier 2	Tier 3
10,000 + attendees	2,000- 10,000 attendees	Less than 2,000 attendees
Over 30% of attendees are visitors to the District.	Over 20% of attendees are visitors to the District.	Events that are driven and lead by local communities.
Primary	Primary	Primary
Aligns with Economic Development Strategy	Aligns with the Destination Management Plan	Has potential to be developed into a Major Event or Signature Event (for the purposes of the Strategic Growth Fund)
Aligns with the Destination Management Plan	Aligns with Economic Development Strategy	Encourages local pride and social outcomes
Event attracts visitors to stay overnight	Attracts visitors from the Wellington region and surrounding districts	Provides paid or free entertainment opportunities to the community
Event attracts visitors nationwide	Generates a greater than 5:1 return on Council investment	Provides social benefits such as fund raising for local organisations
The event generates a greater than 10:1 return on Council investment	Generates media profile for the Kāpiti District	Facilitates cross cultural awareness
Generates significant media profile for the Kāpiti District	Creates opportunities for local businesses to increase their profile at a regional level	Promotes community engagement
Creates opportunities for local businesses to increase their profile at a national level	Creates regional exposure	Aligns with Destination Management Plan
Creates national exposure		
Secondary	Secondary	Secondary
Assists with skill development in two or more industry sectors	Assists with skill development in one or more industry sector	Aligns with Economic Development Strategy
Provides exposure to local talent and capability	Provides exposure to local talent	Creates opportunities for local businesses
Encourages local pride and social outcomes	Encourages local pride and social outcomes	Assists with local skill development
Promotes environmental suitability	Meets the aspirations of tangata whenua and the community	Meets the aspirations of tangata whenua and the community
Meets the aspirations of tangata whenua and the community	Promotes environmental suitability and community engagement	
Tertiary	Tertiary	Tertiary
Provides entertainment opportunities to the community	Provides entertainment opportunities to the community	Greater than 5:1 return on Council investment
Provides social benefits such as fund raising for local organisations	Provides social benefits such as fundraising for local organisations	Generates media profile
Facilitates cross cultural awareness	Facilitates cross cultural awareness	Enhances the District's livability
Promotes community engagement		Attracts regional visitors

Kāpiti Coast Major Events Fund

10 March 2022

Background

The Kāpiti Coast Major Events Fund was established in 2016 to support major events in the Kāpiti Coast District that will help deliver a thriving, vibrant and diverse economy. The fund is aimed at supporting a small number of signature events each year that deliver long term economic benefits for the Kāpiti Coast District in alignment with the Kāpiti Coast Economic Development Strategy.

Policy Objectives

The objectives of the Kāpiti Coast Major Events Fund Policy are:

1. contribute to economic development by increasing visitation and visitor spend in the district
2. contribute to economic development by creating a vibrant community to encourage people to work and live in the district
3. support the Kāpiti Coast District events industry by encouraging a supportive environment for the industry
4. Celebrate our rich culture, natural environment and identity, and highlight the opportunities and advantages of the Kāpiti Coast.

Policy validation

The Kāpiti Coast District Council Major Events Fund Policy was approved at a meeting of the Kāpiti Coast District Council Strategy and Policy Committee on 10 March 2022.

Strategic Criteria

Priority will be given to events that deliver the strategic priorities of the Economic Development Strategy Whakapapa pou and the Destination Management Plan:

Economic Development Strategy 2020-23

Applications to the Major Events Fund should deliver under the following pou of the Economic Development Strategy 2020-23 (EDS):

Whakapapa – Positioning the Kāpiti Coast: *Celebrate our rich culture, natural environment and identity and; highlight the opportunities and advantages of the Kāpiti Coast*

Destination Management Plan

Major Events should be used as a channel by which to deliver the Destination Management Plan under the relevant strategic priorities.

Funding levels

A total of \$200,000 (excl GST) per annum is available in two categories:

1. Strategic Growth Fund: Up to \$50,000 per annum will be available in a strategic growth fund for tier three events that demonstrate their potential to become tier one or two events. Funding will not exceed \$50,000.
2. Major Events Fund: The balance will be invested in tier one and two events and will vary depending on the allocation to the Strategic Growth Fund. There is a maximum of \$200,000 available in this fund.

The Feasibility fund component of the previous policy has been removed to make way for the Strategic Growth Fund. This Policy does not cover community events that are not designed for economic development purposes.

Strategic Growth Fund

Applications can be made for tier three events that have the potential to become Major Events (tier one and two). Event organisers may apply for funding for up to three years to test a smaller event and grow it to fit the main Major Event Fund.

Up to \$50,000 will be allocated to events that meet the tier three criteria. Strategic Growth Fund events may not apply for additional funding in any given year and the event will be assessed every year to ensure it is meeting targets, to be agreed between event managers and council staff. Multi-year funding may be withdrawn if the event does not meet yearly targets. Applications may only be made to the Strategic Growth Fund once for any given event, including multi-year applications.

The full \$50,000 may not be allocated if suitable applications are not made to the fund. Unused funds may be reallocated to the main Major Event Fund for tier one and two events, at the Council's discretion. The Strategic Growth Fund will not exceed \$50,000 in any given year.

Frequency

Funding allocation decisions will be made annually via a funding application process. Should the fund not be fully allocated in the funding round, Council at its sole discretion may choose to hold a separate funding round for any residual funds. Unallocated funding from the Strategic Growth Fund may be allocated to the main Major Events Fund at any time throughout the year at the sole discretion of the Council.

Application process

The commencement of the fund application process will be notified through Council's communication channels, including the Council's website and www.kapiticoast.govt.nz.

The application period will be for a fixed period of time, which is to be no less than four weeks, in order to provide sufficient time for applications to be completed and submitted to the council.

Applicants will be required to complete the application form in full and submit this along with the required supporting information to Council before the closing date. Applications that have not been completed properly and do not have all the necessary supporting information may be excluded from the application process. Applicants will receive written notification of the funding decision.

Funding process

Funding applications received will be reviewed by the Major Events Fund Assessment Panel, who will make recommendations for the distribution of the funds to Council. The panel will be comprised of a mixture of Council representatives and industry specialists.

Applicants will be allowed to apply for funding for up to three years, where there is a proven track record, sound business case and evidence of the ability to deliver long-term outcomes. Applicants that secure multi-year funding will be required to submit annual event reports to Council and confirm the delivery of pre-agreed annual outcomes. The failure of an event to deliver pre-agreed outcomes in any one year may mean that any future funding allocation will need to be reviewed. This will be at the discretion of the Council, who will have the ability to either reduce or withdraw any future funding to the applicant for the event.

Funding of multi-year commitments may not be at the same levels each year; future funding levels may be at either a higher or lower level at the sole discretion of Council. Successful multi-year applicants that have received reduced event funding in subsequent years could request additional funding in the applicable year, however this would be subject to review along with other events applications in that year. A separate application would need to be made for additional funding.

Covid-19 Pandemic Requirements

Applicants must demonstrate how their event will operate at any pandemic alert level or protection framework setting. Covid risk will be considered when selecting events to receive support under the Major Event Fund policy.

In the event of cancellation or postponement, event managers may use any unspent funds to create alternative events, whether they are online or reduced capacity in-person events, even if the new event design may not meet the Major Event criteria. Where the event cannot be redesigned, unspent funds may be kept by the event manager to use for the same event the following year. The event manager may also apply for additional funding for the same event the following year. Requests to use the funds for a different event may be granted at the discretion of the Major Events Fund Panel and council staff. Events that have received funding from the government's Events Transition Support Payment scheme (ETSP) may be required to pay back their funds. This is to be decided on a case-by-case basis.

This clause remains in place until the pandemic is declared to be over, and this may not cover the lifetime of this policy.

Eligibility

To be eligible to receive funding the event must:

- Be run by a recognised legal entity such as a business or charity (individuals may not apply)
- Take place in the Kāpiti Coast District
- Not have already occurred in the applicable financial year
- Have confirmed at least 30% of total costs (Major Event Fund only)
- Show how residual costs after allowing for Council funding will be covered
- Have shown how the previous event met objectives, if applying for repeat funding (Major Event Fund only)
- Provide confirmation of any consenting and landowner approval requirements and the status of any required consents/approvals
- Meet any other eligibility criteria outlined in the application form.

The event manager must:

- Demonstrate sufficient prior experience of running a tier one, two or three event
- Have fulfilled the terms of any previous funding contract and reported back to Council sufficiently on any previous funding received through the Major Events Fund and any other Council fund.

Events will be assessed against the following criteria:

- Classified as a Tier 1 or 2 event (see page 5 for classifications) if applying for Major Event Funding
- Classified as a Tier 3 event (see page 5 for classifications) if applying for Strategic Growth Funding
- Operational excellence of the organisation and event manager
- Meets the target audience criteria as outlined in the Kāpiti Coast Destination Management Plan
- Demonstrates how the event will deliver on the Destination Management Plan strategy and Economic Development Strategy
- Viability of a three-year plan that shows, with clear objectives and actions, how the event can grow to become a Major Event (Strategic Growth Fund applicants only)
- Generates at least a 5:1 return on council's investment (tier one and two events only – see classifications)
- Demonstrates successful financial support from other funding sources
- Meets tangata whenua and community aspirations

- Demonstrated sufficient waste minimisation plans and consideration of mitigation of impact on the environment
- Ability to run at various Covid-19 Pandemic levels, or ability to adjust event format.

Preference may be given to events which:

- Are run by a professional event manager
- Show potential to be self-sustaining without Council funding in future years
- Have received less than three years of previous funding from Council, excluding Strategic Growth funding
- Do not coincide with any other major events in the Wellington region, unless compatible.

Activities that will be considered for funding include:

- Destination marketing
- Local marketing
- Visitor experience survey costs
- Translation and design work in relation to using te reo Māori in event names and marketing collateral
- Operational costs including but not exclusive to venue, stage, lighting and performance costs
- Health and safety costs particularly related to management of Covid-19 pandemic requirements
- Waste minimisation and management costs
- Personnel costs to undertake event management, marketing, and sponsorship/funding.

All applications for funding should include (where applicable):

- Completed application form which will request:
 - Information on the organisation seeking funding, its primary business purpose, experience and areas of expertise
 - Information on the primary event manager and their prior major event experience
 - Description of the event, including objectives and expected economic outcomes
 - Details on how the organisation will manage environmental impacts from the event and follow waste minimisation processes.
- Project plans and timelines
- Risk assessment for any proposed event, including Covid-19 Pandemic planning
- A detailed budget, including a breakdown of whether costs are confirmed or estimates, and competitive quotes for the amounts requested
- A detailed marketing and communications plan
- Previous financial accounts for the organisation.

Measuring success and reporting

All successful event funding applicants are required to conduct a post-event visitor satisfaction survey and submit a post event report to Council within two months of the event being held. The report is to be satisfactory to the Council in all respects and include all information requested by Council.

Applicants that do not submit a satisfactory report to Council will be ineligible for future funding.

Event reports must include the following information:

- Attendance figures including breakdown of visitor origin and visitor overnight stay in the district
- Information on the level of visitor spending within the Kāpiti Coast district
- Robust analysis of event outcomes, including estimated economic impacts
- Full financial report, including receipts and invoices showing how the funds were spent
- Marketing and media outcomes.

Tier 1	Tier 2	Tier 3	
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The event generates a greater than 10:1 return on Council investment	Generates media profile for the Kāpiti District	Facilitates cross cultural awareness	
Generates significant media profile for the Kāpiti District	Creates opportunities for local businesses to increase their profile at a regional level	Promotes community engagement	
Creates opportunities for local businesses to increase their profile at a national level	Creates regional exposure	Aligns with Destination Management Plan	
Creates national exposure			
Secondary	Secondary	Secondary	
Assists with skill development in two or more industry sectors	Assists with skill development in one or more industry sector	Aligns with Economic Development Strategy	
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Encourages local pride and social outcomes	Encourages local pride and social outcomes	Assists with local skill development	
Promotes environmental suitability	Meets the aspirations of tangata whenua and the community	Meets the aspirations of tangata whenua and the community	
Meets the aspirations of tangata whenua and the community	Promotes environmental suitability and community engagement		
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Provides entertainment opportunities to the community	Provides entertainment opportunities to the community	Greater than 5:1 return on Council investment	
Provides social benefits such as fund raising for local organisations	Provides social benefits such as fundraising for local organisations	Generates media profile	
Facilitates cross cultural awareness	Facilitates cross cultural awareness	Enhances the District's livability	
Promotes community engagement		Attracts regional visitors	

Feedback from event managers

“Without Major Events Funding the Ōtaki Kite Festival would not be able to continue...This event is a huge attraction for the Kapiti Coast bringing thousands of people to Ōtaki Beach over the festival weekend. This event is free, family friendly and the biggest of its kind in New Zealand. The festival not only brings revenue to businesses in the district, it promotes local acts on the stage, provides fundraising opportunities to a large number of not for profits and local fundraising groups - the loss of the Ōtaki Kite Festival to the district would be a tragedy.”

– Kirsty Doyle, Event Manager, Ōtaki Kite Festival

“In the best environment, running an event is a huge financial risk. For our community in Kāpiti - and particularly - to ensure that that event is accessible to people in Ōtaki, it must be affordable for the community to attend. This means our ticket prices are low. For those travelling to the region the lack of local infrastructure pushes up the cost for external visitors to attend events in Kāpiti and these are much higher than if they were to travel to events in other centres... The events we have held over the past 8 years have generated significant economic impact for the wider community as visitors spend money on accommodation, food, gas and other amenities...

The past two and a half years have been the most difficult period for the events sector in living memory. Any event that has survived through COVID-19 should be commended and supported because it has been both logistically and financially impossible.

If we look to the goals of the MEF - they are to attract visitors to the Kapiti Coast and support the long term local economy. It takes multiple years for any event to do either. At this time of huge disruption - events need support to ensure that they can either survive - or exist at all.

COVID-19 has introduced a raft of additional costs that did not exist prior to the pandemic. Furthermore, the costs of living - particularly on the Kapiti Coast, have sky-rocketed. The real costs of delivering any event have increased by 25%.

Beyond the goals of the MEF, cultural and community events contribute significantly to the cultural landscape of a region and community connectivity. This is a direct connection with tourism for Kāpiti.

Our events - the MaoriLand Film Festival and Matariki Ramaroa, have put Ōtaki on “the map” both throughout New Zealand and internationally. Every week we receive emails from internationals wanting to come to Ōtaki - this is because of Māoriland.

We have also trained and employed hundreds of local people over the past 8 years in all areas of events as well as contributed to artists economically and by providing them with a national and international profile.”

– Libby Hakaraia, Māoriland Film Festival, Matariki Ramaroa

“Being in the third year of Covid is a devastating situation for events, large or small, including Kāpiti Food Fair (KFF). It’s going to take some months/years for many events to recover or start again due to loss of income and presence in the market...

The fund should be about balance – being sustainable is important to events from a social, economic and environmental perspective – if an event can demonstrate this then why would the fund cease to support or reduce funding particularly if the event is driving visitors to live, work and play here. We must not forget locals who continue to live, work and play here as their contribution to loving local, buying local should not be undervalued or undermined by reducing the potential for local major events to deliver to that demand.

The fund should also consider support of start-up events, not feasibility as often events start small at a community level to support a visionary idea and then grow to be larger events over time. There is nothing wrong with events growing organically particularly if there is local support/need demonstrated. KFF started like this and over time has grown and decided to maintain private/commercial ownership as a way of achieving social, economic and environmental sustainability goals.

Establishing secure commercial sponsorship is important for larger events yet even those relationships can change over time meaning local, domestic and regional event funds are important for larger scale event survival even in the best of times. KFF usually looks to secure 15-20% of its income from commercial cash sponsorship and uses additional in-kind sponsorship to keep marketing expenses as low as possible. 15-20% is also a reasonable major events fund contribution with remaining income streams being driven by the event.

Many major events are not-for-profit or charitable entities that seek much of their support from local authorities and major event funds as they bring large economic and social benefits to towns and cities ie CubaDupa, VWOAP, The Newtown Festival etc – without that support their other income streams eg gate entry, vendors etc would not be enough to support every event expense ie marketing, entertainment, logistics, personnel.

As events grow, so do demands on time/cost. In addition, Covid has increased costs in all directions that events need to absorb or attempt to increase vendor and gate entry costs etc. ... Communities need events to drive happiness, creativity, fun and ROI – without events we risk losing our personality as an interesting place that values people, place and purpose.

KFF always looks to local contractors and suppliers first and then to regional and national suppliers depending on who can supply what we need to operate. KFF also targets 30% of vendors to be from Kāpiti – this is not always an easy task as it takes good comms and stroking for some to come on-board, some never do. KFF also contracts local community groups and pays them for their services which is a fundraising mechanism for their groups – win/win for both entities.

KFF had five-year goals in-place that expired in 2021 so we are reevaluating for the next five years however Covid has us reverting to a lower start point than what we had planned which is disappointing yet fact. Any reduction in the major events fund would mean scaling back activity for KFF in 2022."

– Helene Judge, Kāpiti Food Fair.

8.3 COUNCIL PERFORMANCE FOR THE HALF-YEAR ENDED 31 DECEMBER 2021

Kaituhi | Author: **Jo Bryan, Manager Corporate Planning and Reporting**

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

TE PŪTAKE | PURPOSE

- 1 This report provides the Committee with a detailed account of Council's financial and non-financial performance for the half-year ended 31 December 2021. This includes the resident satisfaction survey results for the same period.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 An Executive Summary is not required for this report.

TE TUKU HAEPAHA | DELEGATION

- 3 The Strategy and Operations Committee has delegated authority to consider this under section B.1. of the 2019-2022 Triennium Governance Structure and Delegations including 'overviewing strategic programmes' and 'financial management.'

TAUNAKITANGA | RECOMMENDATIONS

It is recommended that the Strategy and Operations Committee:

- A. receives this report, including Appendix 1 to this report; and
- B. notes the Council's performance for the half-year ended 31 December 2021, as detailed in Appendix 1 to this report.

TŪĀPAPA | BACKGROUND

- 4 The Council's Performance Report, attached as Appendix 1 to this report, now combines three previously separate reports (the Activity Report, the Finance Report and the Residents Opinion Survey results).
- 5 This new report has been completely re-designed for readers' to quickly determine and to easily understand how the Council is performing against the 2021-41 Long Term Plan (LTP).
- 6 Due to resource constraints brought about by Covid-19, this report covers Council's performance for quarters one and two of 2021/22. The next report will showcase the Council's quarter three results (1 January to 31 March 2022), as well as year-to-date achievements.
- 7 At the time of writing this report, further consideration is being given to how the Council's fourth-quarter results (1 April to 30 June 2022), can be incorporated into the Council's Annual Report going forward. Achieving this will help to reduce the heavy year-end workload on staff and will also remove duplication of results reported to Council.

HE KŌRERORERO | DISCUSSION

He take | Issues

Performance measure progress

- 8 The Council has achieved 44 percent of performance measures for the reporting period, 25 percent of performance measures have not yet met target and 31% are annual measures and will only be measured and reported at year-end. Further information is provided in Appendix 1 to this report.

Key project delivery

- 9 Note that 80 percent of the Council's LTP key projects and initiatives are on track for the reporting period. Further information is provided in Appendix 1 to this report.

Financial management

- 10 The Council realised a \$7.7 million net surplus for the reporting period. This mainly reflects external grants and subsidies received to part-fund Council's capital works programme. This does not represent a permanent cash surplus for the Council. Council's net worth at 31 December 2021 is \$1.5 billion, mainly represented by infrastructure assets.
- 11 The Council has spent \$17.8 million (24 percent) of its capital works programme (full year budget of \$73 million) as at 31 December 2021. At the time of writing this report, the forecast full year spend is estimated to be \$58 million but will be subject to further change as the year continues.
- 12 Net debt at 31 December 2021 was \$163 million, being 171 percent of total operating revenue and is well below Councils LTP upper limit of 280%. Further information is provided in Appendix 1 to this report.

Residents' satisfaction

- 13 The residents' satisfaction score for the second quarter was 72 percent. While this was a 4 percent increase from quarter one (July to September 2021), it was a 9 percent decrease from the same period last year. Areas Council needs to improve on, relate to value for money, perceptions that Council is making good decisions and the ease of participation in decision-making opportunities.
- 14 Residents' responses indicate that the Council is making good progress on three of its four outcomes, with housing remaining the Council's biggest challenge. Further information is provided in Appendix 1 to this report.

Ngā kōwhiringa | Options

- 15 There are no options to consider with this report.

Tangata whenua

- 16 There are no tāngata whenua matters in addition to those already outlined in this report.

Panonitanga āhuarangi | Climate change

- 17 There are no climate change matters in addition to those already outlined in this report.

Ahumoni me ngā rawa | Financial and resourcing

- 18 There are no financial and resourcing matters in addition to those already outlined in this report.

Ture me ngā Tūraru | Legal and risk

- 19 There are no legal and risk matters in addition to those already outlined in this report.

Ngā pānga ki ngā kaupapa here | Policy impact

20 There are no policy impacts arising directly from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT**Te mahere tūhono | Engagement planning**

21 There is no engagement planning required for this report.

Whakatairanga | Publicity

22 Appendix 1 to this report will be made publicly available on the Council's website.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Performance Report for the half-year ended 31 December 2021 [↓](#)



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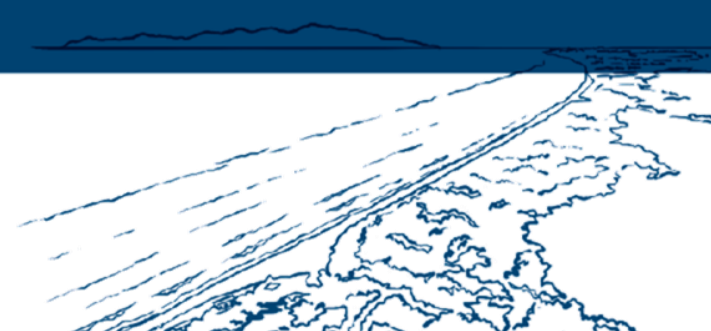
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What we delivered

Financial management

Resident's satisfaction

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Mayor & Chief Executive Kōrero



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

Nau mai haere mai

Welcome to our first Council Performance Report.

Purpose

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

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

What we delivered

Financial management

Resident's satisfaction



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

Drivers of change

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

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

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

Performance

Performance measures

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

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

Projects and initiatives

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

What we delivered

Financial management

Resident's satisfaction

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

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

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



Managing finances

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

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

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

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

What we delivered

Financial management

Resident's satisfaction

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

Total assets at 31 December were
\$1.8 billion

Residents' satisfaction

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

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

Progress towards outcomes

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

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

Next quarter (1 January to 31 March 2022)

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

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

What we delivered

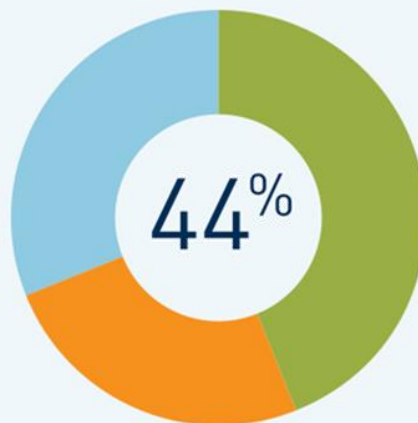
Financial management

Resident's satisfaction

Snapshot of Councils performance from 1 July to 31 December 2021

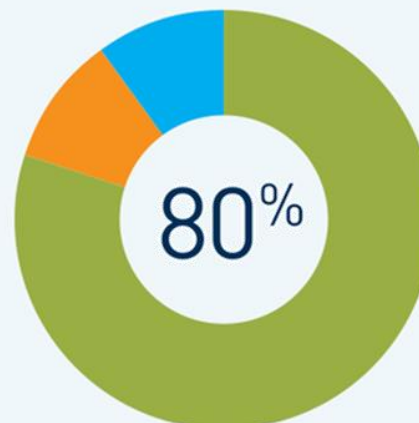
What we delivered

Performance measures



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

Project and initiative



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

Spend on major projects



Snapshot of Councils performance from 1 July to 31 December 2021

How we managed finances

\$54.4m Actual revenue as at
31 December 2021

72%
of total revenue makes up rates revenue

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

\$1.5b Councils net worth
at 31 December 2021

\$162.7m
Net debt at 31 December 2021

\$17.8m Capex spending at
31 December 2021

24%
of annual capital budget spent

How satisfied our surveyed residents' are



What we delivered

Financial management

Resident's satisfaction

Section 1: What we delivered

1.1 Our activities: 10

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

1.2 Our performance measures: 11

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

1.3 Our service delivery by activity: 13

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



What we delivered

Financial management

Resident's satisfaction

1.1 Our activities



What we delivered | 1.1 Our activities | 10

1.2 Our performance measures

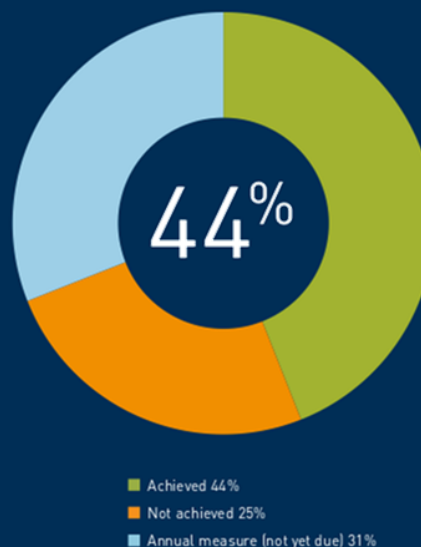
Halfway through 2021–22, Council has achieved 44 percent of all 84 non-financial performance measures.

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

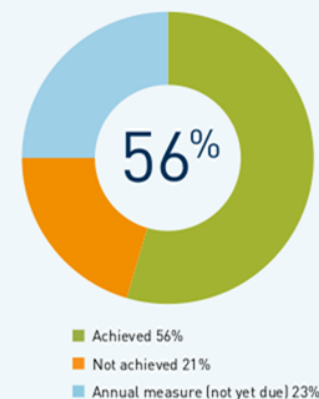
Performance measures for the planning and regulatory group of activities and the infrastructure group of activities are progressing well against target. It is too early to know how well the partnerships group of activities is performing given they mainly include annual measures. Corporate has only one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

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

Council-wide performance measures as at 31 December 2021



Infrastructure performance measures to 31 December 2021



Primary outcomes

Primary

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

Secondary

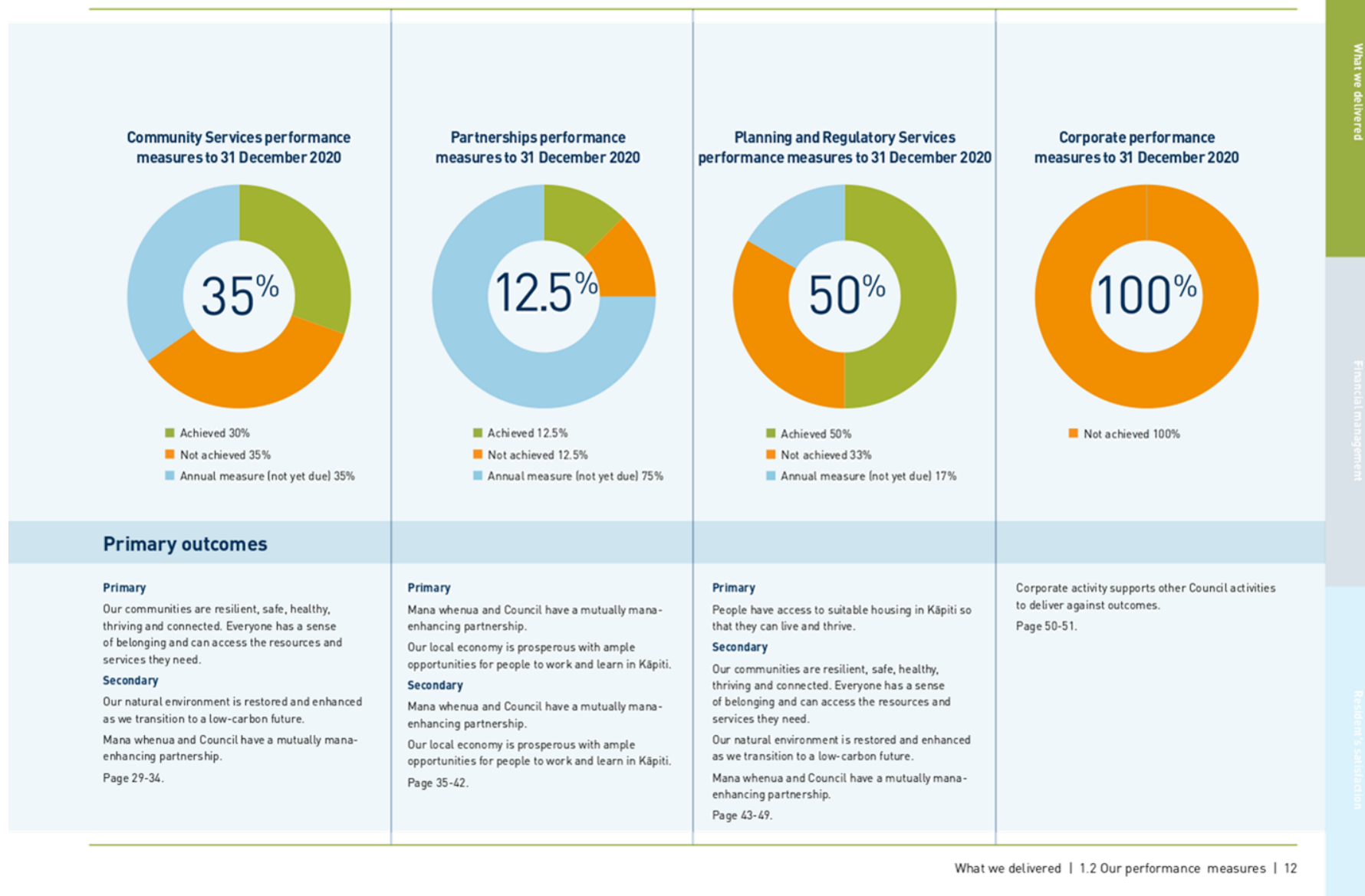
Our local economy is prosperous with ample opportunities for people to work and learn in Kāpiti. Our natural environment is restored and enhanced as we transition to a low-carbon future. Mana whenua and Council have a mutually mana-enhancing partnership.

Page 13-28.

What we delivered

Financial management

Resident's satisfaction



What we delivered | 1.2 Our performance measures | 12

1.3 Our service delivery by activity

Infrastructure

Access and transport – Putanga me te waka

Purpose

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

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

What we delivered

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

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

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

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

Other progress included:

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



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

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

Challenges

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

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

What we delivered

Financial management

Resident's satisfaction



Access and transport performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p> <p>16%</p> <ul style="list-style-type: none"> Achieved 16 percent Not achieved 15 percent Annual measure 69 percent (not yet due) <p>Operating and capital expenditure at 31 Dec 2021</p> <p>Operating Capital¹</p> <p>\$millions</p> <p>Actual Budget Actual Budget Actual Budget Actual Budget</p> <p>Q1 Q2 FY forecast FY budget</p>	Residents who agree the existing transport network allows easy movement around the district.	80 percent	64 percent	We expect this drop in resident expectation relates to slow delivery of Waka Kotahi projects that directly impact movement in our district (Transmission Gully – yet to open, Peka Peka to Ōtaki – delayed opening, Old SH1 Revocation – behind programme). All three projects are due for completion in 2022.	Not achieved
	The change from the previous financial year in the number of serious and fatal crashes on the local road network, expressed as a number.	5-year rolling average reduces each year	–		Annual Measure
	Residents who are satisfied with street lighting.	85 percent	88 percent		Achieved
	Percentage of sealed local road network that is resurfaced.	5 percent	–		Annual Measure
	Residents who are satisfied with the condition of roads.	70 percent	67 percent	This measure achieved the performance standards for the past two years, however its has reduced this period. We are focusing on our arterial routes where cracking and flushing are impacting on performance. The wider network roughness and condition indexes remain stable.	Not achieved

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

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

² Annual measure means it's not yet due.

What we delivered

Financial management

Resident's satisfaction



Coastal management – Whakahaere takutai

Purpose

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

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

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

What we delivered

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

- **Rebuild Paekākāriki seawall in timber and improve beach access.** Work is progressing on design with the intention of completing the first stage of construction (main access at Campbell Park) this financial year. Tendering will occur in February 2022.
- **Raumati Seawall.** A professional services contract associated with design and resource consents was awarded and work planned to commence in February 2022. Completion is expected in September 2022. Physical works tenders are planned to be advertised in October or November 2022 with a construction period of 3-4 years to complete replacing the current 3.1km seawall which has been built in the 1970s with a design life of 25 years.

- **Takutai Kāpiti.** The Coast Adaptation Panel (CAP) has been established, consisting of community representatives and two iwi representatives from Ngā Hapū o Ōtaki. We are awaiting confirmation of four iwi representatives to be appointed for Takutai Kāpiti. Jacobs has completed and released their methodology report. The panel have held three CAP meetings including a site visit.

What we delivered

Financial management

Resident's satisfaction

What we delivered | 1.3 Service delivery by activity | Infrastructure | Coastal management | 16



Coastal management performance measures

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



Stormwater – Wai āwhā

Purpose

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

What we delivered

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

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

Several designs were completed:

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

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

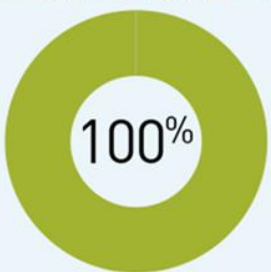

What we delivered

Financial management

Resident's satisfaction



Stormwater performance measures

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

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



Water – Wai

Purpose

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

What we delivered

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

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

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

Challenges

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

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

What we delivered | 1.3 Service delivery by activity | Infrastructure | Water | 20

What we delivered

Financial management

Resident's satisfaction

Three Waters Reform

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

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

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

On 30 September 2021, Councillors met to form an initial view and provide feedback to the Government on their Three Waters Reform programme. No decisions to opt-in or out are being made at this stage. We understand that our community has a vested interest in how our three waters services are delivered

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

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

[Leaky analysis](#)

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

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

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

What we delivered

Financial management

Resident's satisfaction



Water performance measures

	Performance measures	Target	Result	Achieved
<p>Performance Measures to 31 Dec 2021</p> <p>Operating and capital expenditure at 31 Dec 2021</p>	Median response times to a fault or unplanned interruption to our water network measured by attendance time (from the time Council receives notification to the time that staff are on site)	Urgent = less than or equal to 1 hour	Median response time was 25 minutes for 21 urgent water interruptions	Achieved
	Median response times to a fault or unplanned interruption to our water network measured by attendance time (from the time Council receives notification to the time that staff are on site)	Non-urgent = 3 days or less	Median response time was 4 hours 3 minutes for 302 non-urgent faults	Achieved
	Median response times to a fault or unplanned interruption to our water network measured by resolution time (from the time Council receives notification to the time that staff confirm resolution)	Urgent = 5 hour or less	Median response time was 1 hour and 6 minutes for 21 urgent water interruptions	Achieved
	Median response times to a fault or unplanned interruption to our water network measured by resolution time (from the time Council receives notification to the time that staff confirm resolution)	Non-urgent = 4 days or less	1 day and ten minutes for 302 non-urgent faults.	Achieved

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

What we delivered | 1.3 Service delivery by activity | Infrastructure | Water | 22

What we delivered

Financial management

Resilience & satisfaction

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

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

What we delivered

Financial management

Residents' satisfaction

What we delivered | 1.3 Service delivery by activity | Infrastructure | Water | 24



Wastewater – Wai para

Purpose

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

What we delivered

The following projects/initiatives are on track:

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

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

Challenges

The following projects/initiatives are off track:

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



Wastewater performance measures

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

What we delivered | 1.3 Service delivery by activity | Infrastructure | Wastewater | 26

What we delivered

Financial management

Resident's satisfaction



Sustainability and resilience – Toiūtanga me te manawaroatanga

Purpose

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

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

What we delivered

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

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

What we delivered

Financial management

Resident's satisfaction



Sustainability and resilience performance measures

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

Community services



Parks and open space – Nga papa rēhia me ngā papa

Purpose

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

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

What we delivered

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

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

Challenges

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

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

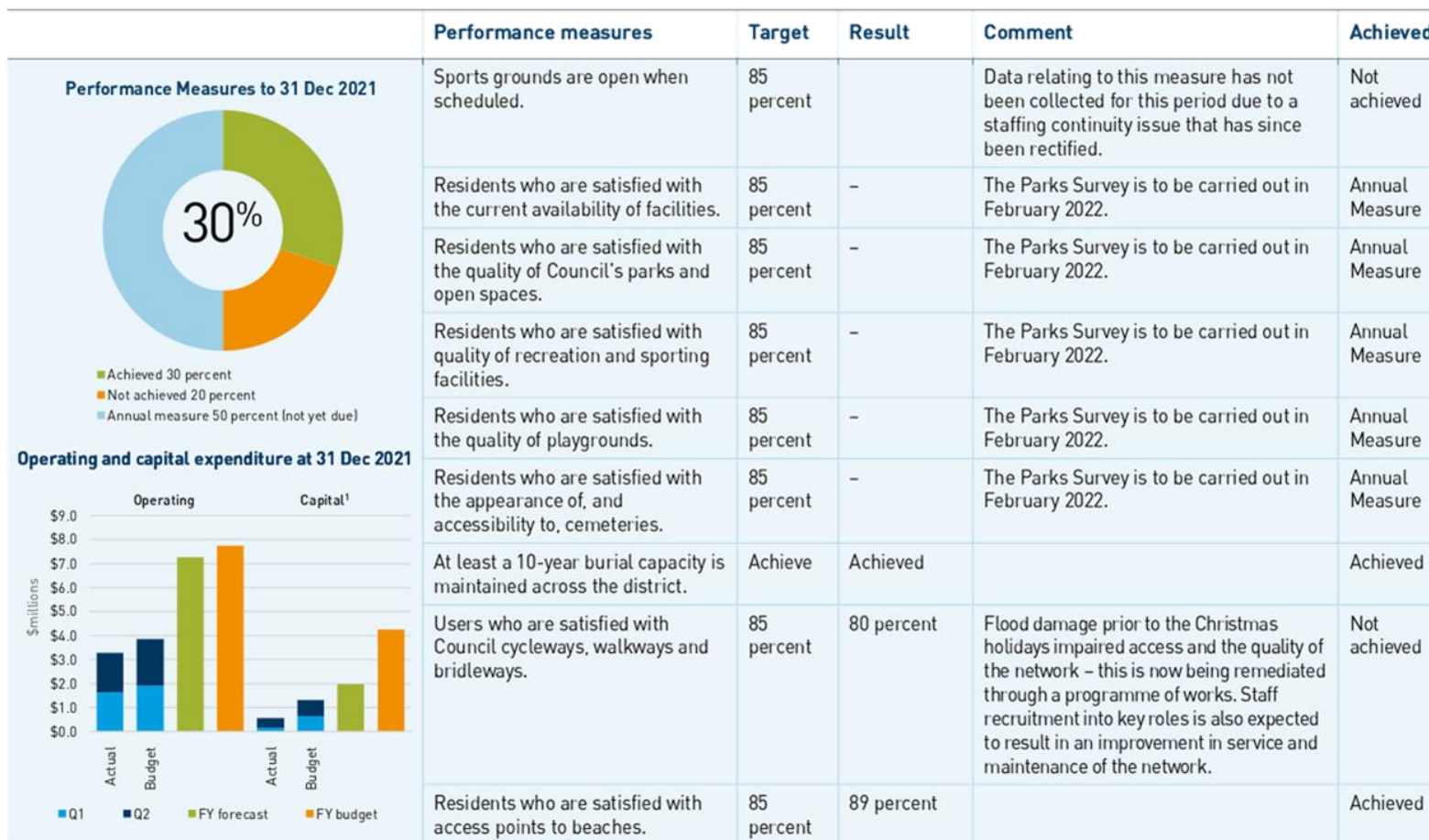
What we delivered

Financial management

Resident's satisfaction



Parks and open space performance measures



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



Recreation and leisure – Ruhanui

Purpose

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

What we delivered

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

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

Other progress included:

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

What we delivered

Financial management

Resident's satisfaction



Recreation and leisure performance measures

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

What we delivered | 1.3 Service delivery by activity | Community services | Parks and open space | 32

What we delivered

Financial management

Resident's satisfaction



Community facilities – Whare tapere hapori

Purpose

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

What we delivered

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

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

Challenges

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

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

What we delivered

Financial management

Resident's satisfaction



Community facilities performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p> <p>43%</p> <ul style="list-style-type: none"> Achieved 42.86 percent Not achieved 14 percent Annual measure 43 percent (not yet due) <p>Operating and capital expenditure at 31 Dec 2021</p> <p>Operating Capital¹</p> <p>\$millions</p> <p>Actual Budget Actual Budget Actual Budget</p> <p>Q1 Q2 FY forecast FY budget</p>	Users who are satisfied with the standard of the library building facilities.	85 percent	86.4 percent		Achieved
	Residents who are satisfied public toilets are clean, well-maintained and safe.	75 percent (LTP wrongly had 80 percent)	83 percent		Achieved
	Urgent requests relating to public toilet facilities that are responded to within 4 hours.	98 percent (LTP wrongly had 75 percent)	86.54 percent	While all requests were responded to, in some cases the timeframes were not captured in this quarter. This process issue has been addressed.	Not achieved
	Users who are satisfied with Community halls.	85 percent	–	The Hall Survey not available until end of financial year.	Annual Measure
	Occupancy rate of the total number of units available for older persons.	97 percent	97 percent	This measure does not include the Units that are being renewed / upgraded due to the Councils Older Persons Housing Units Renewal / Refurbishment program and also the Healthy Homes program and decant provisions.	Achieved
	Tenants of housing for older persons who rate services and facilities as good value for money.	85 percent	–	The Tenants Survey will be carried out before financial year end.	Annual Measure
	Tenants of housing for older persons who are satisfied with services and facilities.	85 percent	–	The Tenants Survey will be carried out before financial year end.	Annual Measure

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

Partnerships

Tangata whenua

Purpose

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

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

What we delivered

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

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



What we delivered

Financial management

Resident's satisfaction



Tangata whenua performance measures

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

What we delivered | 1.3 Service delivery by activity | Partnerships | Tangata whenua | 36

What we delivered

Financial management

Resident's satisfaction



Community support – Ngā hāpai hapori

Purpose

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

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

What we delivered

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

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

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

Challenges

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

What we delivered

Financial management

Resident's satisfaction



Community support performance measures



What we delivered | 1.3 Service delivery by activity | Partnerships | Community support | 38

What we delivered

Financial management

Resident's satisfaction



What we delivered

Financial management

Resident's satisfaction

Governance – Mana whakahaere

Purpose

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

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

What we delivered

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



Governance performance measures

	Performance measures	Target	Result	Comment	Achieved
<p>Performance Measures to 31 Dec 2021</p> <p>50%</p> <p>■ Achieved 50 percent ■ Not achieved 50 percent</p> <p>Operating expenditure at 31 Dec 2021</p> <p>Actual Budget</p> <p>■ Q1 ■ Q2 ■ FY forecast ■ FY budget</p>	Council meeting agendas are available in hard copy in Council service centres and/or district libraries within two working days prior to the meeting.	100 percent	100 percent	Performance measure met.	Achieved
	Official information requests that are responded to within 20 working days.	100 percent	99.4 percent	A total of 172 requests were received for quarters 1 and 2. 1 response was outside of the statutory timeframe due to the request being received through another email channel and not forwarded onto the LGOIMA team until after the due date.	Not achieved

What we delivered

Financial management

Resident's satisfaction



Economic development – Whakawhanake umanga

Purpose

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

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

What we delivered



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

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

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



Economic development performance measures

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

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

What we delivered | 1.3 Service delivery by activity | Partnerships | Governance | 42

What we delivered

Financial management

Resident's satisfaction

Planning and regulatory services



District wide planning – Mahere ā-rohe

Purpose

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

What we delivered

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

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

- enabling infrastructure for new housing. Kāpiti Coast District Council submitted on the Resource Management (Enabling Housing Supply and other matters) Amendment Bill which was passed under urgency and must be implemented by Council through a District Plan change notified by 20 August 2022. Early-stage planning work underway on future housing development on Council-owned land in Rangiora Rd, Ōtaki. A housing survey was conducted as part of assessing the district's current and emerging housing and social needs. The full housing and social needs assessment will be report to Council in Q4. Develop of a Housing Strategy is underway to clearly identify actions Council will take.
- **Review our District Plan particularly to reflect National Policy Statement on Urban Development (NPS-UD) and medium density residential standards.** Technical assessments to support identification of growth and intensification areas have been completed and will inform District Plan changes. Consistent with our proposed approach to growth, our approach considers protecting our environment, offering housing choice, revitalising town centres, creating better access and transport options, and spaces for business, industry and productive land.

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

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

Other progress included:

- **Open Space Strategy.** We consulted on the draft updated strategy that outlines a vision for a diverse and cohesive network that supports the connection of the community to the environment and enhances the mauri or essential vitality of both. It will ensure we have the right spaces in the right places.
- **Traffic Bylaw refresh.** We sought community feedback to update the Traffic Bylaw from 2010 that sets the rules for car parking, our cycleway, walkway and bridleway network, signage, and roadworks on Council-owned or managed roads, road reserves, public carparks and other spaces. We propose changing the name to the Transport Bylaw 2021 to better reflect its role in managing non-vehicle modes of transport, the addition of clauses to enable future resident and business parking schemes – upon approval by Council – and adding sections to support enforcement when this is required. We received 44 submissions on the proposed bylaw. The submissions will inform the final version, which will go to Council on 24 February 2022 for approval.

- **Animals, Bees and Poultry Bylaw 2021.** The Bylaw was adopted on 30 September 2021 and came into effect on 1 January 2022 to manage the keeping of animals, bees and poultry to ensure they do not create a nuisance or become a threat to public health and safety and to better align with the District Plan.
- **Review of the General Bylaw.** The review of the General Bylaw was completed in August 2021 and found that most of its provisions were either now either redundant or replicated with the recent updates of other bylaws. On 26 August 2021 Council agreed to revoke the General Bylaw 2010 supported by a number of technical amendments to reflect this change across other bylaws. The bylaw was revoked on 31 December 2021.

Submissions provided:

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

- [National Policy Statement for Freshwater Management – Wetlands Management](#) – October 2021
- [Response to Government on Three Waters Reform proposal](#) – 01 October 2021
- Submission on [Inquiry on the Natural and Built Environments Bill: Parliamentary Paper](#) – 4 August 2021
- Government Policy Statement on Housing and Urban Development (GPS-HUD) – 30 July 2021
- [Cover letter](#)
- [Submission on the Government Policy Statement on Housing and Urban Development: Discussion Document](#)

Challenges

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

What we delivered

Financial management

Resident's satisfaction

What we delivered | 1.3 Service delivery by activity | Planning and regulatory services | District wide planning | 44



District wide planning performance measures

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



What we delivered

Financial management

Resident's satisfaction

Regulatory services – Ratonga whakaritenga

Purpose

The regulatory activity comprises three teams:

- Building
- Resource consents and compliance
- Environmental standards.

These teams are responsible for:

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

What we delivered

Building Consents Authority (BCA) accreditation

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

Building consents processing

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

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

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

Animal Management

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

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

Resource Consents and Compliance

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

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

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

Customer Journey Mapping Project

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

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

What we delivered

Financial management

Resident's satisfaction

Challenges

Regulation/legislation

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

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

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

Climate change and natural hazards

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

Staff retention and recruitment

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

What we delivered

Financial management

Resident's satisfaction

What we delivered | 1.3 Service delivery by activity | Planning and regulatory services | Regulatory services | 48



Regulatory services performance measures

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

Corporate



What we delivered

Financial management

Resident's satisfaction

Purpose

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

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

What we delivered

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



Challenges

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

What we delivered | 1.3 Service delivery by activity | Corporate | 50



Corporate performance measures

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

Section 2: Financial management

What is this section about?

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

This section has two subsections:

2.1 Financial overview	53
2.2 Financial statements	60

What we deliver

Financial management

Resident's satisfaction

2.1 Financial overview

Financial performance

Operating profitability

Operating surplus for the half year

\$7.7 million

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

Revenue for the six months was

\$54.4 million

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

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

Total operating expenditure for the half year was

\$46.7 million

What we delivered

Financial management

Resident's satisfaction

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

Capital spending

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

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

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

What we delivered

Financial management

Resident’s satisfaction

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

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

Section 2: Financial management | 2.1 Financial overview | 56

Rates funded position

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

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

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

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

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What we delivered

Financial management

Resident's satisfaction

Financial position

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

Value of the Council assets

\$1.8 billion

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

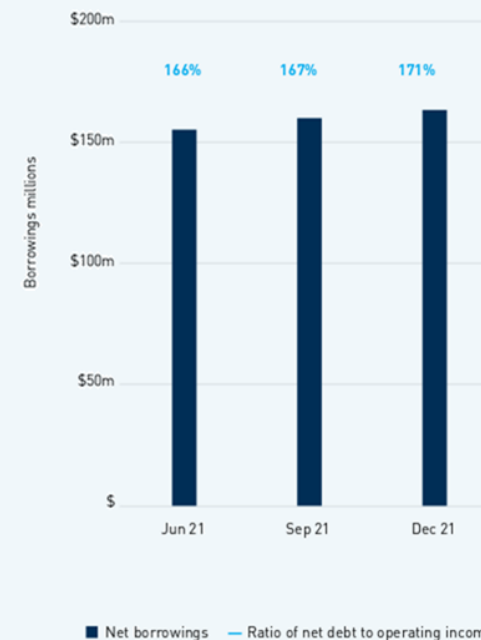
Ratepayer's equity, being the difference between total assets and liabilities, stood at \$1.5 billion.

Cash and debt management

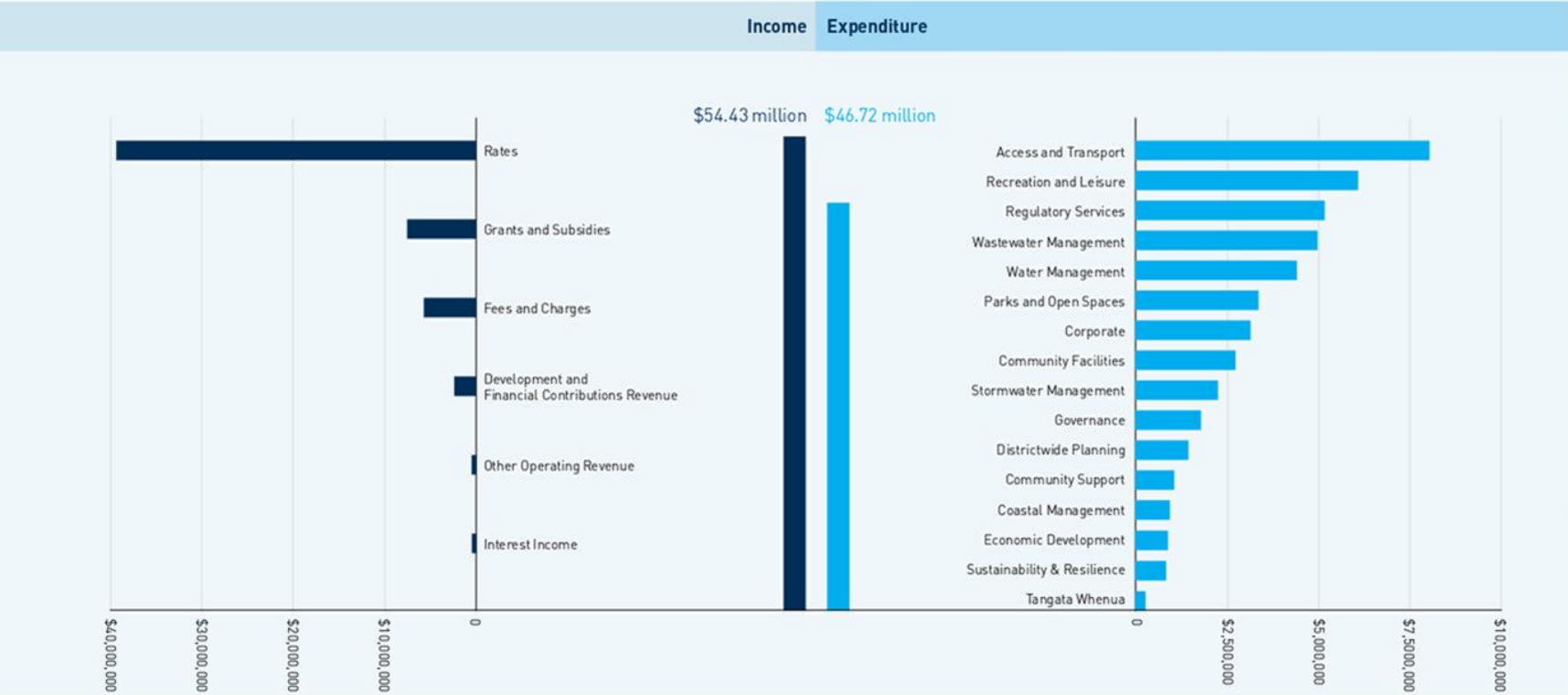
At December, we had net debt (total borrowings less cash, term deposits and borrower notes) of \$163 million, which represents 171 percent of our operating income - well below the maximum of 280 percent and preferred level of 250 percent set out in our financial strategy. Because capex will be below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

We expect to be well within our year budgeted net debt level of **210 percent of operating revenue**

Net debt as a percentage of revenue



Financial performance to 31 December 2021



2.2 Financial statements

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

Section 2: Financial management | 2.2 Financial statements | 60

Statement of Financial Position

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

Statement of cashflows

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

Section 2: Financial management | 2.2 Financial statements | 62

What was delivered

Financial management

Resident's satisfaction

Section 3: Residents' satisfaction survey results

What's this section about?

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



What's new & different?

Financial management

Resident's satisfaction

Residents' satisfaction survey summary and insights

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



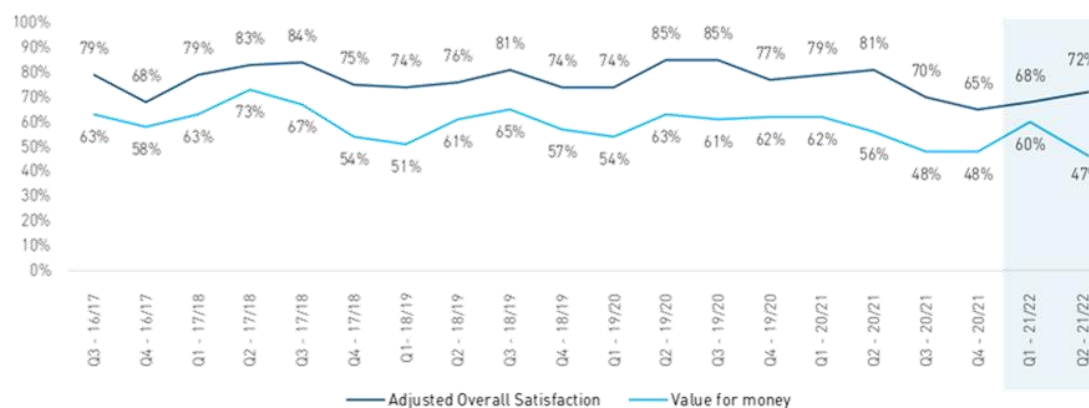
Quarter one of 2021–22 saw scores for overall satisfaction and perceptions of value for money being closely aligned whereas quarter two of 2021–22 identifies a large separation in the two perceptions (Figure 1). 47 percent of residents were satisfied with value for money, while 72 percent of residents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

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

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

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

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

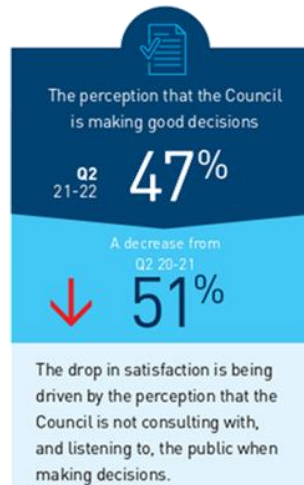


Residents' satisfaction to 31 December 2021

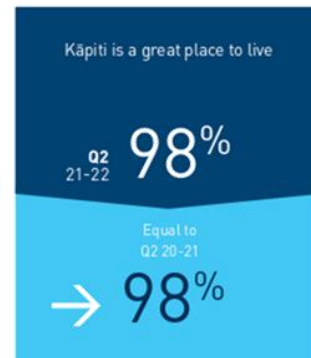
Drivers of change in satisfaction

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

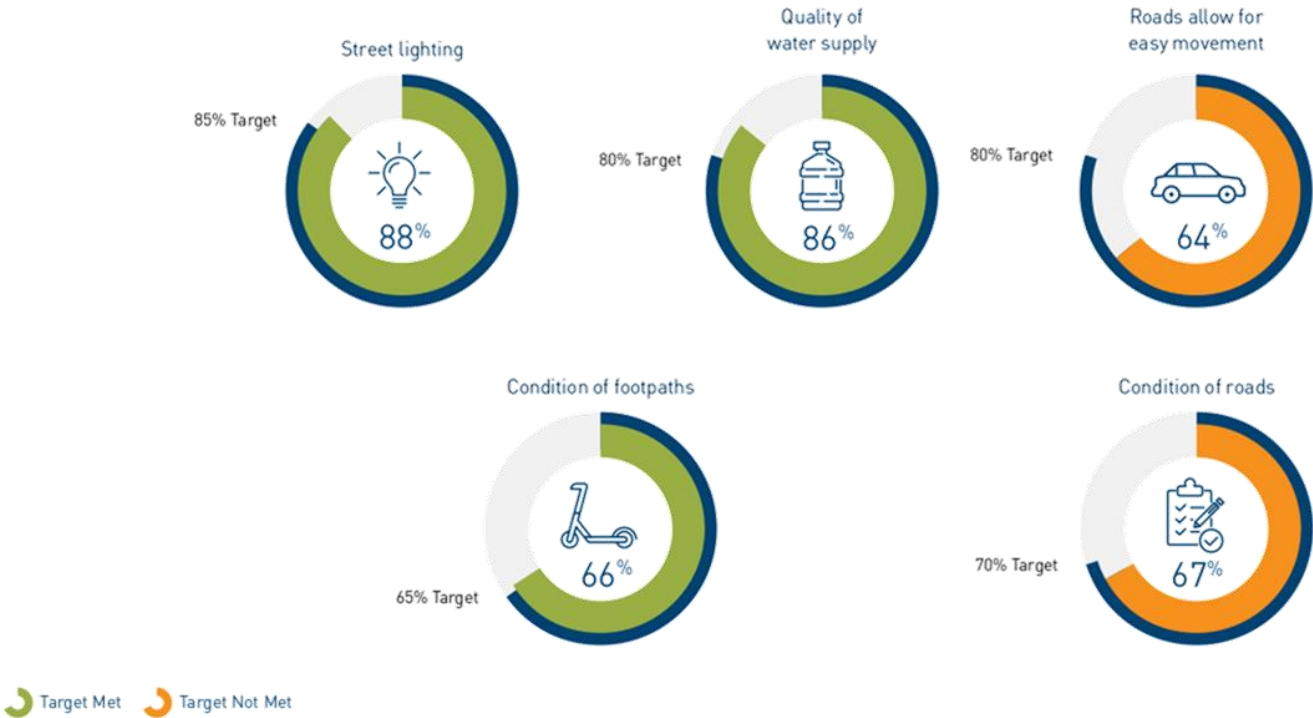
Improving these aspects may improve residents' perceptions of the Council and ultimately raise their overall satisfaction with the Council.



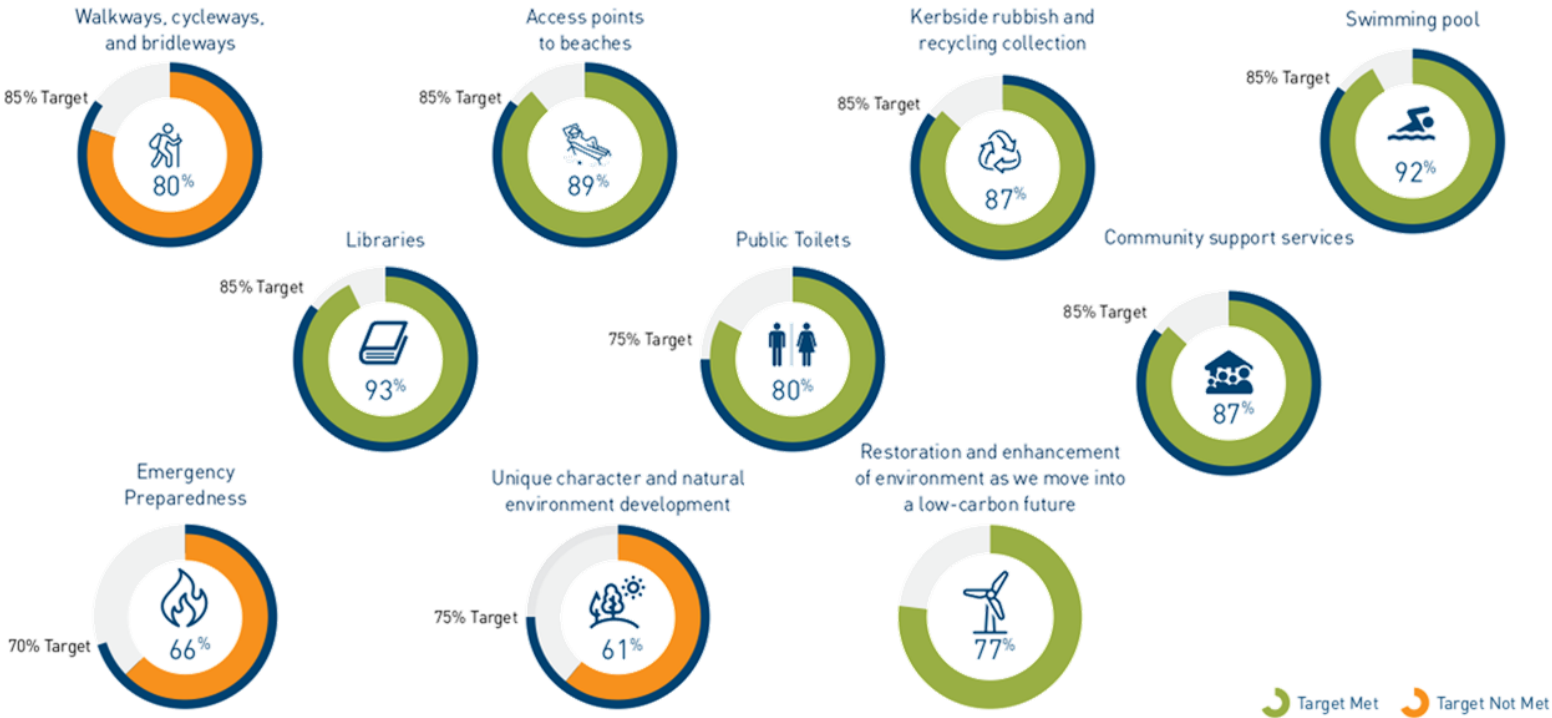
Perceptions and sentiments about intent



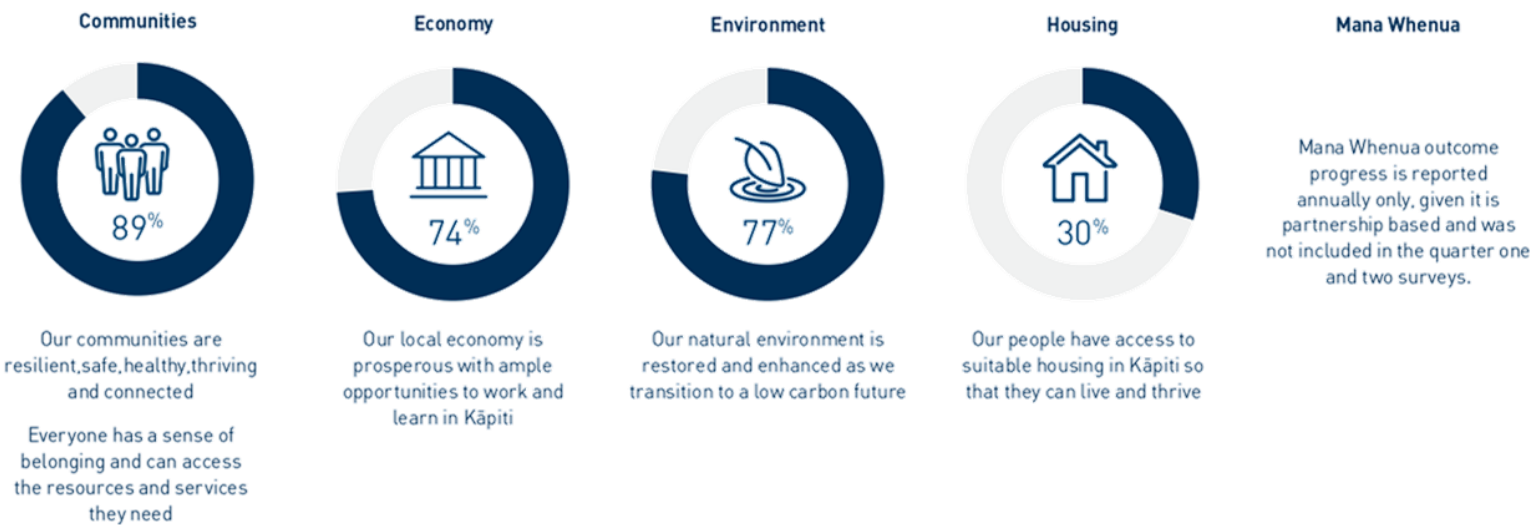
Infrastructure services



Service delivery



Perceptions about how we are progressing against our outcomes



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

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

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

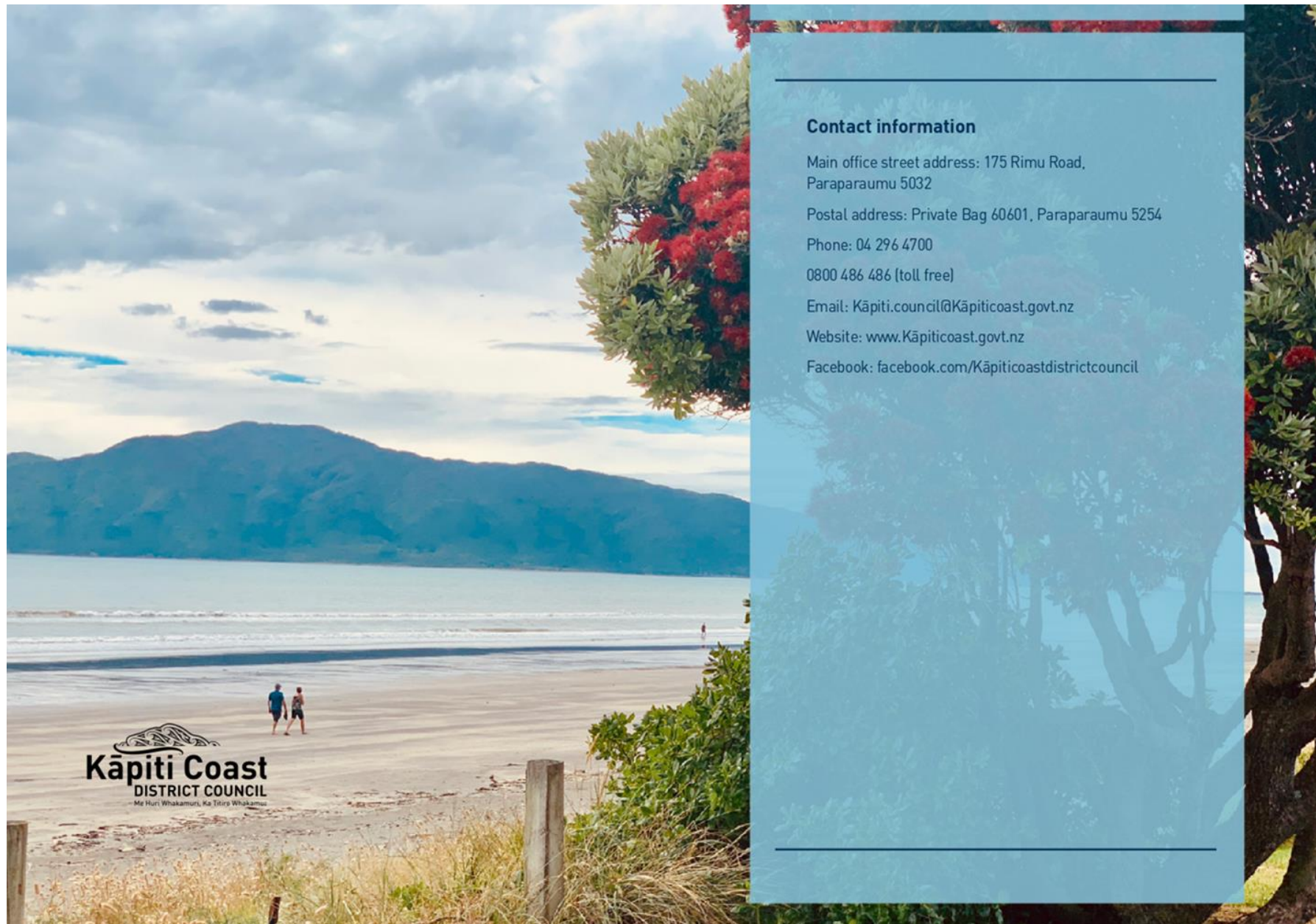
Residents were most pleased with the progress against the community resilience, health and safety outcome. This outcome is made up of the following four questions results:

How much we are progressing outcomes



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

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



9 CONFIRMATION OF MINUTES**9.1 CONFIRMATION OF MINUTES**

Author: Fiona Story, Senior Advisor Democracy Services

Authoriser: Janice McDougall, Group Manager People and Partnerships

Taunakitanga | Recommendations

That the minutes of the Strategy and Operations meeting of 10 February 2022 be accepted as a true and correct record.

APPENDICES

1. Confirmation of Minutes - 10 February 2022 [↓](#)

STRATEGY AND OPERATIONS COMMITTEE MEETING MINUTES**10 FEBRUARY 2022**

**MINUTES OF KAPITI COAST DISTRICT COUNCIL
STRATEGY AND OPERATIONS COMMITTEE MEETING
HELD ONLINE VIA ZOOM
ON THURSDAY, 10 FEBRUARY 2022 AT 9.35AM**

PRESENT: Cr James Cootes (Chair), Cr Gwynn Compton, Deputy Mayor Janet Holborow, Cr Angela Buswell, Cr Jackie Elliott, Cr Martin Halliday, Cr Sophie Handford, Cr Jocelyn Prvanov, Cr Bernie Randall, Cr Robert McCann

IN ATTENDANCE: Wayne Maxell, Sean Mallon, Janice McDougall, James Jefferson, Mike Mendonça, Natasha Tod, Guy Burns, Richard Mansell, Sarah Wattie, Angela Bell, Jason Holland, Laura Willoughby, Karen Watson, Laura Bertelsen, Mark Ward, Darryn Grant, Fiona Story, Jayne Nock, Patrick McVeagh, Neil Mackay

APOLOGIES: Mayor K Gurunathan

LEAVE OF ABSENCE: Nil

1 WELCOME

The Chair welcomed everyone to the meeting

2 COUNCIL BLESSING

Cr Halliday read the Council blessing.

3 APOLOGIES

An apology from Mayor Gurunathan and lateness to the meeting from Cr Prvanov were noted.

4 DECLARATIONS OF INTEREST RELATING TO ITEMS ON THE AGENDA

Nil

5 PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA

Nil

6 MEMBERS' BUSINESS

(a) Public Speaking Time Responses

Nil

(b) Leave of Absence

Nil

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

Nil

STRATEGY AND OPERATIONS COMMITTEE MEETING MINUTES

10 FEBRUARY 2022

7 UPDATES

Nil

8 REPORTS

8.1 RM REFORM CONSULTATION

Angela Bell, Strategy Manager, gave a presentation showing a summary of the proposed Resource Management Reform programme. Members' questions were responded to and their comments were noted.

Cr Prvanov joined the meeting at 10.04am.

COMMITTEE RESOLUTION SAOCC2022/1

Moved: Deputy Mayor Janet Holborow

Seconder: Cr Sophie Handford

That the Strategy and Operations Committee:

- A. Note that the government is consulting on its resource management reform programme through the document *Transforming Aotearoa New Zealand's resource management system: Our future resource management system* and that submissions are due on 28 February 2022.
- B. Agree that the key themes to be covered in Council's submission will be:
 - B.1 Concerns regarding loss of local decision-making and input
 - B.2 System alignment isn't going far enough
 - B.3 Funding and sector support
 - B.4 The role of Māori in resource management
 - B.5 We are doing many of these things already.
- C. Delegate final approval of the submission to the Chief Executive in consultation with the Mayor, Deputy Mayor, and Chair of Strategy and Operations.
- D. Note that no further consultation is anticipated prior to the Select Committee consideration of the draft legislation, which is expected to occur in the second half of 2022.

CARRIED

Congratulations were given to staff for a very good, detailed report.

8.2 SEEKING APPROVAL FOR PUBLIC NOTIFICATION OF PROPOSED PLAN CHANGES 1A, 1B AND 1C TO THE OPERATIVE DISTRICT PLAN 2021

Jason Holland, District Planning Manager and Laura Willoughby, Principal Advisor Regulatory Services, spoke to the report, noted comments and responded to Members' questions.

COMMITTEE RESOLUTION SAOCC2022/2

Moved: Cr Robert McCann

Seconder: Cr Jackie Elliott

- A. That the Strategy and Operations Committee has particular regard to, and endorses the content of the Section 32 evaluation report and proposed provisions for the following package of proposed plan changes to the Operative District Plan 2021:

STRATEGY AND OPERATIONS COMMITTEE MEETING MINUTES**10 FEBRUARY 2022**

<p>A.1 Proposed Plan Change 1A – Accessible car parking provisions.</p> <p>A.2 Proposed Plan Change 1B – Liquefaction risk management for new buildings.</p> <p>A.3 Proposed Plan Change 1C – Cycle parking provisions.</p> <p>B. The Strategy and Operations Committee approves to proceed with the package of proposed plan changes and approves the public notification of the proposed plan changes in accordance with Clause 5 of Schedule 1 of the RMA to occur on or around 17 February 2022.</p> <p>CARRIED</p>
Staff were thanked for a thorough report.

The meeting adjourned at 11.19am and reconvened at 11.26am.

8.3 KĀPITI COAST WORKFORCE PLAN 2022

Laura Bertelsen, introduced Patrick McVeagh from Martin Jenkins and Neil Mackay, Chair of the Economic Development Kotahitanga Board. Mr Mackay spoke to the report, Members' comments were noted and their questions responded to.

COMMITTEE RESOLUTION SAOCC2022/3

Moved: Cr Angela Buswell

Seconder: Cr Martin Halliday

The Strategy and Operations Committee approves the Kāpiti Coast Workforce Plan 2022, subject to minor editorial changes.

The Strategy and Operations Committee mandates the Economic Development Kotahitanga Board to lead the implementation of the Kāpiti Coast Workforce Plan 2022 and provide a progress report of the plan in the six-monthly board report.

CARRIED

Thanks were given to Mr McVeagh and Mr Mackay for their contribution in the meeting and congratulations to everyone involved within the report.

8.4 CONTRACTS UNDER DELEGATED AUTHORITY**COMMITTEE RESOLUTION SAOCC2022/4**

Moved: Deputy Mayor Janet Holborow

Seconder: Cr Gwynn Compton

A. That the Strategy and Operations Committee notes there was one contract accepted under delegated authority over \$250,000 for the period 1 October to 31 December 2021.

CARRIED

STRATEGY AND OPERATIONS COMMITTEE MEETING MINUTES

10 FEBRUARY 2022

9 CONFIRMATION OF MINUTES

9.1 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION SAOCC2022/5

Moved: Cr Martin Halliday

Seconder: Cr Bernie Randall

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

CARRIED

10 PUBLIC SPEAKING TIME

- For items not on the agenda - Nil

11 CONFIRMATION OF PUBLIC EXCLUDED MINUTES

12 PUBLIC EXCLUDED REPORTS

RESOLUTION TO EXCLUDE THE PUBLIC**PUBLIC EXCLUDED RESOLUTION SAOCC2022/6**

Moved: Cr Angela Buswell

Seconder: Cr Sophie Handford

That, pursuant to Section 48 of the Local Government Official Information and Meetings Act 1987, the public now be excluded from the meeting for the reasons given below, while the following matters are considered.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
11.1 - Confirmation of public excluded minutes	<p>Section 7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>Section 7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p>	Section 48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

STRATEGY AND OPERATIONS COMMITTEE MEETING MINUTES

10 FEBRUARY 2022

12.1 - Mahara Gallery Construction Contract	<p>Section 7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>Section 7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	<p>Section 48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>
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CARRIED

COMMITTEE RESOLUTION SAOCC2022/7

Moved: Cr Jackie Elliott

Seconder: Deputy Mayor Janet Holborow

That the Strategy and Operations Committee moves out of a public excluded meeting.

CARRIED

The Strategy and Operations Committee meeting went into public excluded session at 12.06pm.

The Strategy and Operations Committee came out of public excluded session at 12.37pm.

The Strategy and Operations Committee meeting closed at 12.38pm.

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CHAIRPERSON

10 PUBLIC SPEAKING TIME

- For items not on the agenda

11 CONFIRMATION OF PUBLIC EXCLUDED MINUTES

12 PUBLIC EXCLUDED REPORTS**RESOLUTION TO EXCLUDE THE PUBLIC****PUBLIC EXCLUDED RESOLUTION**

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