



RĀRANGI TAKE AGENDA

Kaunihera | Council Meeting

**I hereby give notice that a Meeting of the Kāpiti Coast District Council
will be held on:**

Te Rā | Date: Thursday, 27 June 2024

Te Wā | Time: 9.30am

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

**Darren Edwards
Chief Executive**

Kāpiti Coast District Council

Notice is hereby given that a meeting of the Kāpiti Coast District Council will be held in the Council Chamber, Ground Floor, 175 Rimu Road, Paraparaumu, on Thursday 27 June 2024, 9.30am.

Kaunihera | Council Members

Mayor Janet Holborow	Chair
Deputy Mayor Lawrence Kirby	Deputy
Cr Glen Cooper	Member
Cr Martin Halliday	Member
Cr Sophie Handford	Member
Cr Rob Kofoed	Member
Cr Liz Koh	Member
Cr Jocelyn Prvanov	Member
Cr Kathy Spiers	Member
Cr Shelly Warwick	Member
Cr Nigel Wilson	Member

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1 NAU MAI | WELCOME

2 KARAKIA A TE KAUNIHERA | COUNCIL BLESSING

I a mātou e whiriwhiri ana i ngā take kei mua i ō mātou aroaro *As we deliberate on the issues before us,*

E pono ana mātou ka kaha tonu ki te whakapau mahara huapai mō ngā hapori e mahi nei mātou. *We trust that we will reflect positively on the communities we serve.*

Me kaha hoki mātou katoa kia whaihua, kia tōtika tā mātou mahi, *Let us all seek to be effective and just,*

Ā, mā te māia, te tiro whakamua me te hihiri *So that with courage, vision and energy,*

Ka taea te arahi i roto i te kotahitanga me te aroha. *We provide positive leadership in a spirit of harmony and compassion.*

3 WHAKAPĀHA | APOLOGIES

4 TE TAUĀKĪ O TE WHAITAKE KI NGĀ MEA O TE RĀRANGI TAKE | 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 TE WHAKATAKOTO PETIHANA | PRESENTATION OF PETITION

Nil

6 NGĀ WHAKAWĀ | HEARINGS

Nil

7 HE WĀ KŌRERO KI TE MAREA MŌ NGĀ MEA E HĀNGAI ANA KI TE RĀRANGI TAKE | PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA

8 NGĀ TAKE A NGĀ MEMA | MEMBERS' BUSINESS

(a) Leave of Absence

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

9 TE PŪRONGO A TE KOROMATUA | MAYOR'S REPORT

Nil

10 PŪRONGO | REPORTS

10.1 ADOPTION OF THE LONG-TERM PLAN FOR 2024-2034 AND TREASURY MANAGEMENT POLICY 2024

Kaituhi | Author: **Sheryl Gavin, Principal Advisor Corporate Services**

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

TE PŪTAKE | PURPOSE

- 1 To adopt the Long-Term Plan (LTP) for 2024-2034 and the final Treasury Management Policy 2024 (TMP).

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 The Local Government Act 2002 (the Act) requires all councils to have an operative LTP at all times. The LTP must be adopted before commencement of the first financial year to which it relates.
- 3 The LTP presented for adoption (Appendix 1) was developed from the supporting information previously adopted for consultation in March amended to reflect the decisions made by Council at deliberations meetings on 23 and 30 May 2024.
- 4 Adoption of the LTP precedes the setting of rates for the 2024/25 financial year.
- 5 The Act also requires a council to have operative Liability Management and Investment policies. Kāpiti Coast District Council satisfies both requirements in a TMP.
- 6 The TMP was reviewed, audited, and consulted on alongside the LTP. Council considered final amendments at a public briefing on 6 June. The Policy is presented for adoption at this meeting (Appendix 2).

TE TUKU HAEPAPA | DELEGATION

- 7 Only the Council has the authority to adopt the 2024-24 LTP and the Treasury Management Policy 2024.

TAUNAKITANGA | RECOMMENDATIONS

That the Council:

- A. Adopts the Long-Term Plan for 2024-2034 (Appendix 1) as amended in accordance with the decisions made at deliberations meetings on 23 and 30 May 2024, and final changes notified by Ernst & Young.
- B. Adopts the Treasury Management Policy 2024 (Appendix 2).
- C. Delegates to the Mayor and the Chief Executive, the authority to approve minor editorial changes to the material adopted prior to publication.

TŪĀPAPA | BACKGROUND

Long-Term Plan

- 8 The adoption of an LTP is a requirement of Section 93 of the Local Government Act 2002.
- 9 The process to be followed and matters to be considered are contained in Part 6 of the Act which encompasses Council's decision making (sections 76 – 81), consultation processes (sections 82 – 90), and planning (sections 93 – 94). Council has followed the Special Consultative Procedure as prescribed by the legislation (section 83).

- 10 Part 6 of the Act also requires Council to adopt Liability Management and Investment policies (section 102). Council satisfies these requirements in a TMP encompassing both topics. The policy must be adopted alongside an LTP.
- 11 On 28 March 2024 Council adopted the Consultation Document and Supporting Information, including the Draft TMP.
- 12 Community consultation was conducted from 28 March to 28 April 2024. 371 submissions were received, and 51 submitters spoke at hearings on 3 and 7 May 2024.
- 13 Council considered changes for inclusion in the final LTP at public Council meetings on 23 May and 30 May 2024. These decisions were guided by community input gathered through consultation, the submissions process, and public hearings.

Treasury Management Policy

- 14 Council’s independent treasury advisors Bancorp Treasury Services Limited (Bancorp) assisted Council with its review of the TMP as part of the development of the 2024-2034 LTP. Changes to the draft TMP reflected both editorial updates and changes necessary to align Council’s treasury management with industry best practice standards.
- 15 Consultation on the draft TMP did not attract any specific comments from submitters.
- 16 In preparation for adoption of the final TMP, on 6 June Councillors were briefed on the technical changes included in the draft TMP. Amendments to investment parameters were discussed and subsequently applied to the final TMP (Appendix 2), presented for adoption at this meeting.

HE KŌRERORERO | DISCUSSION

Long-Term Plan amendments as a result of deliberations

- 17 The LTP presented for adoption (Appendix 1) was compiled from the supporting information that was previously adopted with the Consultation Document in March 2024 and was amended to reflect the decisions made by Council at the deliberation meetings on 23 and 30 May 2024.
- 18 The table below summarises Council’s decisions:

Resolution number	Item	Resolution
CO2024/62	Three waters funding	Fund Three Waters shortfall using rates funding
CO2024/63	Reduction of debt	Rates increases of 7% per annum from year 2
CO2024/38	Housing for older people	Transfer older persons housing assets to a new CHP
CO2024/39	Climate Action targeted rate	Do not introduce new Climate Action Rate
CO2024/40	Rates Remission Policy	Adopt with no changes
Resolution number	Item	Resolution
CO2024/41	Revenue & Financing Policy	Adopt with no changes
CO2024/42	Development Contributions Policy	Adopt with funding service areas extended as identified
CO2024/43	DC Limited Remissions Policy	Adopt with no changes

CO2024/43	Significance & Engagement Policy	Adopt with no changes
CO2024/44	Enhancing Democracy	Continue to consider what more can be done to enhance democracy.
Additional requests received from submitters		
CO2024/45	Te Ara Korowai	Fund \$30,000 year 1 only
CO2024/46	Citizens Advice Bureau	Fund \$35,000 year 1 only
CO2024/47	NZ Symphony Orchestra	Consider during 2025/26 or 2026/27 annual plan
CO2024/48	Wellington Free Ambulance	Consider during 2025/26 or 2026/27 annual plan
CO2024/49	Kapiti Coast Trails Trust	Continue to establish the Trust with no additional funding
Fees and Charges		
CO2024/53	Building files	Adopt with no change
CO2024/53	Hall hire charges	Revert to 2023-24 fees + inflation
CO2024/53	Pool charges over 65's	Adopt with no change
CO2024/53	Learn to Swim fees	Remove special needs fees as recommended
CO2024/53	Housing for Older Persons	Increase rents by LGCI at 2.9% only

TMP amendments as a result of the public Council briefing held on the 6 June 2024

19 In finalising the TMP (Appendix 2), the following corrections (highlighted in yellow) were made:

- Paragraph 11 - correction to appendix reference for delegated authorities.
- Paragraph 23 - removal of footnote in the first bullet point to delete reference to rates for borrowers notes that is out-dated and no longer relevant.
- Paragraph 56 - correction to appendix reference for approved interest rate instruments.
- Paragraphs 60(b) and 67 - replace references to Strategy and Operations Committee with the term 'Council or delegated Committee'.
- Appendix 1(4) - substitute the word 'disposition' with 'disposal'.
- Appendix 3 - limits were amended as follows:

Credit Rating Criteria	Amended from	To
S&P (or Moody's or Fitch equivalents)		
S&P ST rating of 'A-1' or LT 'A'	\$6 million	\$12 million
S&P ST rating of 'A-1+' or LT 'A+' or better	\$30 million	\$60 million

He take | Issues

20 There are no issues arising from this report.

Ngā kōwhiringa | Options

21 There are no options arising from this report.

Mana whenua

22 Mana whenua representatives were invited to Council workshops and briefings throughout the development of the Long-Term Plan for 2024-2034.

Panonitanga Āhuarangi me te Taiao | Climate change and Environment

23 There are no climate change issues arising directly from this report.

Ahumoni me ngā rawa | Financial and resourcing

24 There are no financial and resourcing considerations in addition to those already covered in the LTP (Appendix 1) and the final TMP (Appendix 2).

Tūraru ā-Ture me te Whakahaere | Legal and Organisational Risk

25 There are no legal and organisational risks in addition to those already covered in this report.

Ngā pānga ki ngā kaupapa here | Policy impact

26 There are no policy impacts in addition to those already covered in this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

27 All submitters will receive written communications confirming the decisions made by Council as a result of community consultation following adoption of the LTP.

Te mahere tūhono | Engagement planning**Whakatairanga | Publicity**

28 A media release will be issued following this meeting.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Long-Term Plan 2024-34 (under separate cover) [⇒](#)
2. Treasury Management Policy 2024 [↓](#)

Treasury Management Policy 2024



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<i>Policy adopted</i>	June 2024
Next review date:	June 2026
Policy Owner:	Corporate Services

Introduction

1. The Kāpiti Coast District Council's (KCDC) Treasury Management Policy comprises a Liability Management Policy and an Investment Policy, as required by the Local Government Act 2002 (the Act).
2. Part 6, section 104 of the Act states that the Liability Policy must state the local authority's policies in respect of the management of both borrowing and other liabilities, including interest rate exposure, liquidity, credit exposure and debt repayment.
3. Part 6, section 105 of the Act states that the Investment Policy must state the local authority's policies in respect of investments, including the mix of investments, the acquisition of new investments, procedures for managing and reporting investments, and the assessment and management of risks.

Purpose

4. The Treasury Management Policy provides the framework for all of the Council's treasury management activities and defines key responsibilities and the operating parameters within which treasury activity is to be carried out.

General Policy Objectives

5. This document identifies the Policy of the Council in respect of investment and liability management activities. The Policy has not been prepared to cover other aspects of the Council's operations, particularly transactional banking management, systems of internal control and financial management. Other policies and procedures cover these matters.
6. The objective of the Policy is to control and manage borrowing costs, investment returns, liquidity requirements, and risks associated with treasury management activity.
7. The Council is governed by the following relevant legislation:
 - The Local Government Act 2002, in particular Part 6 including sections 101,102, 104 and 105;
 - The Local Government (Financial Reporting and Prudence) Regulations 2014, in particular Schedule 4; and
 - The Trustee Act 1956.
8. The Council is a risk averse entity and wishes to minimise risk from its treasury management activities. Interest rate risk, liquidity risk, funding risk and credit risk are risks the Council seeks to manage, not capitalise on. Accordingly, any activity that may be construed as speculative in nature is expressly forbidden.

Governance

9. The Council has ultimate responsibility for ensuring that there is an effective policy for the management of its treasury risks. In this respect the Council decides the level and nature of risks that are acceptable. The Council is responsible for approving this Treasury Management Policy and any changes to it required from time to time.
10. The Council may delegate its responsibilities under this Policy to its committees, subcommittees and officers in accordance with its governance structure and delegations.
11. The full list of delegated authorities as they relate to the Treasury Management Policy is attached as **Appendix 2 Appendix 1**.
12. Treasury risk is minimised for the treasury activities by ensuring that there is adequate segregation of duties among the core functions of deal execution, confirmation, settling and accounting / reporting.

Liability Management Policy

Objectives

13. The Council's liability management objectives in relation to borrowings are to:
 - minimise borrowing costs within approved risk parameters;
 - prudently manage the Council's exposure to interest rate changes;
 - ensure sufficient levels of liquidity to meet planned and unforeseen cash requirements;
 - ensure that funding risks are managed by maintaining an appropriate spread of maturities;
 - prudently manage the Council's credit exposures;
 - monitor and report on the risk and the performance of debt portfolios against predetermined limits and benchmarks.
14. Maintain a credit rating of at least A- from S&P Global Ratings (S&P) or the Moody's Investors Service (Moody's) or Fitch Ratings (Fitch) equivalents. The Council's liabilities comprise borrowings (internal / external) and various other liabilities. The Council raises borrowings for the following primary purposes:
 - General debt to fund the Council's balance sheet, including working capital requirements;
 - Specific debt associated with 'one-off' projects and capital expenditure;
 - To fund assets where their useful lives extend over several generations of ratepayers.
15. Any new borrowings or roll-over of existing borrowing needs to be budgeted for as part of the Council's approved Long-term Plan or Annual Plan or be subject to Council approval. Debt will be repaid as it falls due in accordance with the applicable loan agreement.

Specific Borrowing Limits

16. In managing debt, the Council will adhere to the following targets and limits:

Item	Borrowing Target	Borrowing Limit
Net interest expense over total operating income	< 10%	< 20%
Net external debt over total operating income	< 285% for FY 2025 and 280% thereafter	see para 25
Liquidity	> 110%	> 110%

Security

- 17. The Council’s external borrowings and interest rate risk management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed. Under a Debenture Trust Deed, the Council’s borrowing is secured by a floating charge over all Council rates levied under the Local Government Rating Act. The security offered by the Council ranks all secured lenders equally on a pari-passu basis.
- 18. From time to time and with Council approval, security may be offered by providing a charge over one or more of the Council’s assets.

Borrowing Mechanisms

- 19. The Council is able to borrow through a variety of market mechanisms including issuing stock/debentures and commercial paper, direct bank borrowing, the Local Government Funding Agency (LGFA), or accessing the short and long-term debt capital markets directly or indirectly. In evaluating strategies for new borrowing, consideration should be given to the following:
 - available rates and terms from lenders;
 - the Council’s overall debt maturity profile;
 - the outlook on future interest rate movements.
- 20. The Council’s ability to readily attract cost-effective borrowing is largely driven by its ability to rate, maintain a strong financial standing and manage its relationships with its investors, the LGFA and financial institutions / brokers.

Debt Repayment

- 21. The Council repays borrowings from refinancing or surplus general funds. Borrowings may be refinanced by further borrowings with a 30-year maximum term.
- 22. Debt will be repaid as it falls due in accordance with the applicable borrowing arrangement. Subject to the appropriate approval and debt limits, a loan may be rolled over or re-negotiated as and when appropriate.

The Local Government Funding Agency

23. The Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) in accordance with its shareholding agreement with them. In connection with that borrowing, the Council may enter into the following related transactions to the extent that it considers necessary or desirable:
- contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA, for example Borrower Notes⁴;
 - provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself;
 - commit to contributing additional equity (or subordinated debt) to the LGFA if required;
 - secure its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue; and
 - subscribe for shares and uncalled capital in the LGFA.
24. In 2020, the LGFA made a number of changes to its borrowing documents. These include:
- a) As a local authority, the Council may now apply to the LGFA to be tested at the group level rather than at the parent level for compliance with LGFA covenants.
 - b) Council-controlled organisations (CCOs) can borrow directly through the LGFA borrowing programme (on the basis of a guarantee from and / or sufficient uncalled share capital issued to the parent local authority).
 - c) In response to the uncertainty arising from the Covid-19 pandemic, the LGFA shareholders approved changes to increase the foundation policy financial covenant net debt / total revenue from the current 250% to 280% for local authorities with a long-term credit rating of 'A' equivalent or higher.
 - d) Until 2025/26, local authorities with a long-term credit rating of 'A' equivalent or higher must comply with the "Alternative Net Debt / Total Revenue Covenant" as below.

Alternative Net Debt / Total Revenue Covenant	
Financial Year (Test Date)	Net Debt / Total Revenue
30 June 2021	<300%
30 June 2022	<300%
30 June 2023	<295%
30 June 2024	<290%
30 June 2025	<285%

25. The increased foundation policy financial covenant net debt / total revenue of 285% will apply in the 2025 financial year and 280% annually thereafter.

⁴ Note that the rate for Borrowers Notes increased from 1.6% to 2.5% with effect from June 2020

Internal Borrowing

26. The internal borrowing relates to the Council borrowing from its reserves, special funds and equity that the Council would otherwise have in cash. The Council has borrowed these funds to fund capital works which would otherwise be funded from external borrowers.
27. Any internal borrowing of reserve and special funds used must be reimbursed for interest revenue lost. Except where a specific rate has been approved for particular circumstances, interest is charged annually in arrears on all internal loans using the Council's current cost of borrowings.

Guarantees / contingent liabilities and other financial arrangements

28. The Council, from time to time, provides financial guarantees to local organisations, groups or bodies for recreational and community purposes. The Council is not allowed to guarantee loans to Council Controlled Trading Organisations under Section 62 of the Local Government Act.
29. The total value of guarantees at any one time, excluding LGFA guarantees, will not exceed 3% of the total annual rates levied during that year. Total loan guarantees held at any time shall be taken into account when calculating the Council's maximum borrowing limit.
30. The Council will ensure that sufficient funds or lines of credit exist to meet amounts guaranteed.

Investment Policy

General Policy

31. The Council may hold financial, property and equity investments if these are strategic, economic or there are other valid reasons for doing so, for example, where it is the most appropriate way to administer a Council function.
32. With the exception of financial investments, the acquisition of a new investment or disposal of an existing investment needs to be budgeted for as part of the Council's approved Long-term Plan or Annual Plan or be approved through a Council resolution.
33. The authority to acquire and dispose of financial investments is delegated to the Group Manager Corporate Services in consultation with the Chief Executive.

Investment Mix

Equity Investments

34. The Council currently maintains equity investments in Civic Financial Services Limited (formerly the New Zealand Local Government Insurance Corporation Limited). These shares were acquired by virtue of the Council insuring its past activities through these companies. They are held as they are not readily transferable, and the amount involved is immaterial relative to the Council's total investment holdings.
35. New equity investments may be acquired if an opportunity arises and approval is given by the Council, based on advice and recommendations from Council officers. Before approving any new investment, the Council gives due consideration to the contribution the investment will make in fulfilling the Council's strategic objectives and the financial risks of owning the investment.

Property Investments

36. Strategic Land Purchase - the Council has adopted a process of purchasing land when the opportunity arises, where this has been identified as progressing the community's and the Council's vision for the future.
37. Each individual property purchase is subject to consideration and / or approval by the Council or a delegated Committee.

Loan Advances

38. The Council will only advance loans to external organisations in exceptional circumstances. Where loan advances are secured against the assets of the borrower, those assets would revert to the Council in the event of loan default. New loan advances are by Council resolution only.
39. All loan advances are monitored to ensure that interest and principal repayments comply with the terms of the loan agreement. All loans in excess of \$25,000 are reported on a quarterly basis to the Council or a delegated Committee.

Development and Financial Contributions

40. In order to make it easier for developers to finance large-scale developments, the Council may allow payment of development and financial contributions on some residential developments to be deferred for a period. Payment arrangements, for example, bank bonds can be used as security against the assets of the developer so that those assets would revert to the Council in the event of default of the payment of development / financial contributions.

LGFA

41. The Council may invest in shares and other financial instruments of the LGFA and may borrow to fund that investment. The Council's objective in making any such investment will be to:
 - Obtain a return on the investment; and
 - Ensure that the LGFA has sufficient capital to remain viable, meaning that it continues as a source of debt funding for the Council.
42. Because of these dual objectives, the Council may invest in LGFA shares in circumstances in which the return on that investment is potentially lower than the return it could achieve with alternative investments.
43. If required in connection with the investment, the Council may also subscribe for uncalled capital in the LGFA.

Treasury Risk Management

44. Borrowing exposes the Council to three principal risks:

Liquidity / Funding Risk

45. Liquidity risk is the risk that an unforeseen event or miscalculation in the required liquidity level may lead to the Council being unable to meet its day-to-day obligations. Liquidity risk management has the objective of ensuring that adequate liquid assets and funding sources are available at all times to meet both the short- and long-term commitments of Council as and when they arise, in an orderly manner.

Funding risk centres on the ability to re-finance or raise new debt at acceptable pricing and maturity terms.

Interest Rate Risk

46. Interest rate risk is the risk that the Council will be exposed to changes in market conditions, particularly wholesale interest rates, prevailing at any time. It is important to consider this on a forward-looking basis when issuing new debt and refinancing existing debt on an on-going basis. It may impact on the maturity profile of issued debt and the process of re-financing.

Credit Risk

47. Credit risk is the risk that a party to a transaction, such as a counterparty or a financial intermediary / institution, may not settle or provide committed funding as and when required. This risk is applicable where the Council is both a borrower and an investor, with the more significant risk arising when the Council is an investor.
48. Other risks include legal risk, operational risk, foreign exchange risk, concentration risk, volatility risk and carbon credit risk.

Liquidity / Funding Risk

49. A key factor in the management of funding risk is to spread and control the risk to reduce the concentration of risk at any point so that the overall borrowing cost is not increased unnecessarily and / or the desired maturity profile compromised due to market conditions.
50. The following control limits apply to the Council's management of liquidity risk:
 - a. The Council will ensure that it has sufficient funds available to:
 - fund all new and roll-over debt, and
 - pay all financing costs.
 - b. To manage liquidity risk the Council will ensure that external debt plus committed loan facilities together with available liquid investments will be maintained at an amount of 110% of projected external debt over the ensuing 12 month period.
 - c. The Council has the ability to pre-fund debt requirements including re-financing.
 - d. The Chief Executive has delegated to the Group Manager Corporate Services the discretionary authority to re-package existing debt on more favourable terms. Such action is to be ratified and approved by Council or delegated Committee.
 - e. The Council can borrow for a maximum term of 30 years. Any debt issued for longer than 10 years will be reported to Council or delegated Committee.
 - f. The maturity profile of the total committed funding with respect to all external loans / debt and committed facilities, calculated monthly on a rolling basis is to be within the following funding control limits.

Funding control limits

51. No more than 40% of debt shall be subject to refinancing in any rolling 12-month period.
52. A maturity schedule that is outside the above limits but self-corrects within 90 days is not in breach of this Policy. However, maintaining a maturity profile outside the above limits for a period beyond 90 days requires specific approval by Council or delegated Committee at its next meeting.

Interest Rate Risk

53. Interest rate risk is the risk that funding costs (due to movements in market interest rates) will materially exceed adopted Annual Plan and Long-term Plan interest cost projections, so as to adversely impact cost control, and capital investment decisions, returns and feasibility.
54. The primary objective of interest rate risk management is to reduce uncertainty of interest rate movements through fixing of wholesale market interest costs. Certainty around interest costs is to be achieved through the active management of underlying interest rate exposures.

- 55. Dealing in interest rate products must be limited to financial instruments approved by the Council as per an internally updated schedule. Credit exposure on these financial instruments is restricted by specified counterparty credit limits.
- 56. A list of the current approved interest rate instruments is attached as **Appendix 3 Appendix 2**.
- 57. All unsecured investment securities must be senior in ranking. The following types of investment instruments are expressly excluded:
 - structured debt where issuing entities are not a primary borrower / issuer;
 - subordinated debt, junior debt, perpetual notes and debt / equity hybrid notes such as convertibles.
- 58. Any other financial instrument not on the approved list must be specifically approved by the Council on a case-by-case basis and only applied to each transaction being approved.

Interest Rate Risk Control Limits

- 59. Major control limit – at any point in time the amount of all current interest rate risk management instruments must not exceed the total amount of gross debt.
- 60. Hedging of the Council’s external debt / borrowings must be within the following fixed /floating interest rate risk control limit:

Risk control limits – exposure to interest rate risk is managed and mitigated through the risk control limits below.		
Fixed/Floating Interest Rate Risk Control Limits		
	Minimum Fixed Rate	Maximum Fixed Rate
0 – 2 years	40%	100%
2 – 4 years	20%	80%
4 – 10 years	0%	60%

- a. External debt is the total amount of gross debt. This allows for pre-hedging in advance of projected physical drawdowns of new debt. When approved forecasts are changed, the amount of fixed rate cover in place may have to be adjusted to comply with the Treasury Management Policy minimums and maximums.
- b. A fixed rate maturity profile that is outside the above limits but self-corrects within 90 days is not in breach of this Policy. However, maintaining a maturity profile outside the above limits beyond 90 days requires specific approval by the **Strategy and Operations Committee Council or delegated Committee** at the next available meeting.

Authorised Risk Management Instruments

61. The Council is able to use the following financial market instruments to manage interest rate risk:
 - a. Interest rate swaps.
 - b. Interest rate options including collar option structures but in a ratio which does not exceed 1:1. The outright selling of interest rate options is not permitted. Options on hedging floating rate debt with an exercise rate greater than 2.00% above the equivalent period interest rate at the time of inception cannot be counted as part of the fixed rate cover percentage calculation.
 - c. Borrower swaptions.
 - d. Fixed rate bonds.
 - e. Fixed rate term loans

Credit Risk

Counterparty Credit Risk for Derivatives

62. Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument where the Council is a party. The credit risk to the Council in a default event will be weighted differently depending on the type of instrument entered into.
63. Counterparties and limits can only be approved on the basis of a minimum long term credit rating (S&P Global Ratings or the Moody's or Fitch equivalents of A+ and a minimum short-term rating of A-1).
64. Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure. The approval process to allow the use of individual financial instruments must take into account the liquidity of the market the instrument is traded in and repriced from.
65. The maximum exposure for any one counterparty is \$10 million. Exposures are calculated as follows:
 - a. Interest rate swaps/swaptions and interest option caps = MTM + 1% of FV per annum calculated on the average duration of the derivatives portfolio. For example, if the derivatives portfolio that KCDC had with a particular bank totalled \$40 million, with had an average duration of 3 years and was \$3.5 million in the money, the total exposure that KCDC would have to the bank would be \$4.7 million.
 - b. MTM is defined as positive if the position is 'in the money' for KCDC and nil if it is 'out of the money' for Council.

66. The following table shows the gross counterparty limit for borrowing:

Counterparty/ Issuer	Borrowing maximum per counterparty
NZ Government	Unlimited
LGFA	Unlimited
NZ Registered Bank minimum credit rating of A+	\$50 million

67. A counterparty profile that is outside the above limits but self-corrects within 90-days is not in breach of this Policy. Any departures from the above limits will be reported to the ~~Strategy and Operations Committee~~ Council or delegated Committee at its next meeting.

Legal Risk

68. Legal and regulatory risks relate to the unenforceability of a transaction due to an organisation not having the legal capacity or power to enter into the transaction, usually because of prohibitions contained in legislation.
69. This risk is minimised by standing dealing and settlement instructions being sent to counterparties, matching of third-party confirmations, and the immediate follow-up of anomalies.
70. Derivative financial instruments can only be entered into with banks that have in place an executed International Swaps and Derivatives Association (ISDA) Master Agreement with the Council.

Operational Risk

71. This is the risk of loss as a result of human error (or fraud), system failures and inadequate procedures and controls. Operational risk, particularly relevant to dealing with financial instruments, is minimised through appropriate segregation of duties, recording and reporting procedures and system controls.

Foreign Exchange Risk

72. The Council has limited foreign exchange risk through the occasional purchase of foreign exchange denominated plant and equipment. All foreign exchange exposures greater than NZD100,000 must be hedged using forward exchange contracts. The Council does not borrow or enter into incidental arrangements within or outside New Zealand in any foreign currency other than New Zealand dollars.

Concentration Risk

73. This is the risk of a loss arising as a result of a heavily lopsided exposure to one or more counterparties. The risk is managed through adherence to the gross counterparty limits.

Volatility Risk

74. This is the risk of a change of price of a portfolio as a result of changes in the volatility of a risk factor. The risk is managed through ensuring that the asset allocation is continuously reviewed to ensure that it stays diversified over the long term.

Carbon Credit Risk

75. The Council needs to minimise the financial impact of movements in the carbon credit prices by balancing the need for price stability with the benefit of realising market opportunities to reduce costs as they arise.

Treasury Performance

76. In order to assess the effectiveness of the Council's treasury management activities, benchmarks and performance measures have been prescribed to assess operational performance and the management of debt and interest rate risk. The Council undertakes regular reporting which includes the following four major information/reporting objectives:
- a. Cash / Debt Position.
 - b. Risk Exposure Position.
 - c. Treasury management Policy Compliance
 - d. Interest Rate Risk Management Performance.
77. The Finance Team has Council discretion to manage debt and interest rate risk within policy control limits. Thus, the actual funding rate achieved must be compared against an appropriate external benchmark interest rate that assumes a risk neutral position within the current fixed to floating policy parameters. In this respect, a risk neutral position is always precisely at the mid-point of the minimum and maximum control limits specified in the policy.
78. Given the fixed/floating interest rate risk control limits in paragraph 60 of this Policy, the market benchmark (composite) indicator rate will be calculated as follows:
- a. 30% Average 90-day bill rate for reporting month.
 - b. 15% 2-year swap rate at end of reporting month.
 - c. 15% 2-year swap rate, 2 years ago.
 - d. 10% 4-year swap rate at end of reporting month.
 - e. 10% 4-year swap rate, 4 years ago.
 - f. 10% 8-year swap rate at end of reporting month.
 - g. 10% 8-year swap rate, 8 years ago.
79. The actual reporting benchmark is the 12-month rolling average of the monthly calculated benchmarks using the above parameters. This is compared to actual cost of funds, excluding all credit margins and fees.

80. The table below summarises the key reporting outputs in relation to treasury management:

Report type	Audience	Frequency	Format
Management	Senior Leadership Team	Quarterly	Report compliance with all limits and thresholds
Governance	Council or delegated Committee	Quarterly	Overview of quarterly performance
Annual Report	Council or delegated Committee	Annually	Review of annual performance and of the Policy and policy limits to ensure they are fit for purpose

Policy Review

81. The Policy is to be formally reviewed on at least a triennial basis by Council or delegated Committee.

Appendix 1: Delegated Authorities

	Activity	Delegated Authority	*Limit
1	Approving and changing the Treasury Management Policy	Council	Unlimited
2	New annual borrowing as set out in the Annual Plan/Long Term Plan	Council	Within the prescribed limits set out in the Financial Strategy
3	Approval for charging assets as security over borrowing	Council	Subject to the requirements of Debenture Trust Deed
4	Acquisition and disposition disposal of investments other than financial investments	Council	Unlimited
5	Approving transactions outside the Treasury Management Policy	Council	Unlimited
6	Re-financing existing debt	Chief Executive	Subject to Policy
7	Negotiate bank facilities	Chief Executive (or) Group Manager Corporate Services	Subject to Policy
8	Manage cash / liquidity requirements	Chief Executive (or) Group Manager Corporate Services	Per risk control limits
9	Approving counterparty credit limits	Chief Executive	Within the prescribed limits set out in the Treasury Management Policy
10	Adjust interest rate risk profile	Chief Executive delegated to the Group Manager Corporate Services; each adjustment individually signed off by the Chief Executive	Fixed rate debt ratio as per risk control limits Fixed rate maturity profile limit as per risk control limits
11	Managing funding and investment maturities in accordance with the Council's approved facilities	Chief Executive Group Manager Corporate Services	Per risk control limits
12	Maximum daily transaction amount (borrowing, investing and interest rate risk management) excludes roll-	Council Chief Executive Group Manager Corporate Services	Unlimited \$30 million \$15 million

	Activity	Delegated Authority	*Limit
	overs on existing debt and interest rate swaps	CFO (delegated)	\$5 million
13	Authorising lists of signatories	Chief Executive Group Manager Corporate Services	Unlimited
14	Opening/closing bank accounts	Chief Executive Group Manager Corporate Services	Unlimited
15	At least triennial review of Treasury Management Policy	Group Manager Corporate Services	N/A
16	Ensuring compliance with Treasury Management Policy	Group Manager Corporate Services	N/A

**All activity limits in the above table are subject to the limits contained in the Council approved Long-term Plan / Annual Plan. The Council can approve changes to the limits.*

Appendix 2: Current approved interest rate instruments

Category	Instrument
Cash management and borrowing	<ol style="list-style-type: none">1. Bank overdraft2. Committed cash advance and bank accepted bill facilities (short-term and long-term loan facilities)3. Uncommitted money market facilities4. Retail and Wholesale Bond and Floating Rate Note (FRN) issuance5. Commercial paper (CP) / Promissory Notes6. NZD denominated Private Placements
Foreign exchange management	<ol style="list-style-type: none">1. Spot foreign exchange2. Forward exchange contracts

Appendix 3: Authorised Financial Market Investment Parameters

Authorised Asset Classes	Maximum limit as a Percentage of the Total Portfolio	Approved Financial Market Investment Instruments (must be denominated in NZ dollars)	Credit Rating Criteria – S&P (or Moody’s or Fitch equivalents)	Limit for each issuer subject to overall portfolio limit for issuer class
New Zealand Government or Government Guaranteed	100%	Government Bonds Treasury Bills	Not Applicable	Unlimited
Rated Local Authorities	50%	Commercial Paper Bonds/MTNs/FRNs	S&P ST rating of ‘A-1’ or LT ‘A-’ or A S&P ST rating of ‘A-1+’ or LT ‘A+’ or better	\$4 million \$8 million
Unrated local authorities where rates are used as security	25%	Bonds/MTNs/FRNs	Not applicable	\$4 million
New Zealand Registered Banks	100%	Call/Term Deposits Bonds/MTNs/FRNs	S&P ST rating of ‘A-1’ or LT ‘A-’ or ‘A’ S&P ST rating of ‘A-1+’ or LT ‘A+’ or better	\$6 \$12 million \$30 \$60 million
State Owned Enterprises	33%	Commercial Paper Bonds/MTNs/FRNs	S&P ST rating of ‘A-1’ or LT ‘A-’ or ‘A’ S&P ST rating of ‘A-1+’ or LT ‘A+’ or better	\$4 million \$8 million
Corporates	25%	Commercial Paper Bonds/MTNs/FRNs	S&P ST rating of ‘A-1’ or LT ‘A-’ or ‘A’ S&P ST rating of ‘A-1+’ or LT ‘A+’ or better	\$2 million \$4 million
Financials	25%	Commercial Paper Bonds/MTNs/FRNs	S&P ST rating of ‘A-1’ or LT ‘A-’ or ‘A’ S&P ST rating of ‘A-1+’ or LT ‘A+’ or better	\$2 million \$4 million

10.2 SETTING OF RATES, DUE DATES AND PENALTIES FOR 2024/25

Kaituhi | Author: **Vicky Silk, Rates Manager**

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

TE PŪTAKE | PURPOSE

- 1 The purpose of this report is to request that the Council set the rates, due dates and penalties regime for the 2024/25 financial year.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 Setting of rates, due dates and penalties regime for the 2024/25 financial year.

TE TUKU HAEPAPA | DELEGATION

- 3 Only the Council can set the rates, due dates and penalties regime for the 2024/25 financial year.

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Council set the following rates under Section 23 of the Local Government (Rating) Act 2002, on rating units in the Kāpiti Coast District (District) for the financial year commencing on 1 July 2024 and ending 30 June 2025:

(1) Districtwide General Rate

A Districtwide general rate set under section 13(2)(b) of the Local Government (Rating) Act 2002, assessed on a differential basis on all rateable rating units in the District as follows:

- a rate of 0.33452 cents in the dollar (inclusive of GST) of land value on every rating unit in the urban rating area of the District as per the Council's rating area maps;
- a rate of 0.12712 cents in the dollar (inclusive of GST) of land value on rating units in the rural rating area Category R1 as defined in the Funding Impact Statement;
- a rate of 0.07359 cents in the dollar (inclusive of GST) of land value on rating units in the rural rating area Category R2 as defined in the Funding Impact Statement;
- a rate of 0.23416 cents in the dollar (inclusive of GST) of land value on rating units in the rural rating area Category R3 as defined in the Funding Impact Statement.

(2) Districtwide Community Facilities Rate

A Districtwide targeted rate for community facilities, set under section 16(3)(a) and 16(4)(b) of the Local Government (Rating) Act 2002, assessed on a differential basis on all rateable rating units in the District as follows:

- all rateable rating units other than Accommodation/Hospitality and Motels and camping grounds - \$1,083.40 (inclusive of GST) per separately used or inhabited part of a rating unit.
- Accommodation/Hospitality (other than motels and camping grounds) - \$2,166.80 (inclusive of GST) per separately used or inhabited part of a rating unit.
- Motels and camping grounds - \$325.02 (inclusive of GST) per separately used or inhabited part of a rating unit.

(3) Districtwide Rooding Capital Value Rate

A Districtwide targeted rate for roading, set under section 16(3)(a) and 16(4)(a) of the Local Government (Rating) Act 2002, assessed on all rateable rating units in the District as follows:

- a rate of 0.09667 cents in the dollar (inclusive of GST) of capital value on all rateable rating units in the District.

(4) Districtwide Stormwater Rate

A Districtwide targeted rate for stormwater, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, on all rateable rating units in the District's stormwater rating areas as per the Council's stormwater rating area maps as follows:

- a rate of 0.01989 cents in the dollar (inclusive of GST) of capital value on all rating units.

(5) Districtwide Water Supply Fixed Rate

A Districtwide targeted rate set under section 16(3)(b) and 16(4)(b) of the Local Government (Rating) Act 2002, assessed on all rating units connected or capable of being connected to the District's water supply, assessed on a differential basis as below. The Districtwide water supply fixed rate is invoiced as a daily rate for convenience.

- General - \$260.00 (inclusive of GST) per separately used or inhabited part of a rating unit.
- Medium Scale - \$234.00 (inclusive of GST) per separately used or inhabited part of a rating unit.
- Large Scale - \$208.00 (inclusive of GST) per separately used or inhabited part of a rating unit.
- Accommodation/Hospitality – \$520.00 (inclusive of GST) per separately used or inhabited part of a rating unit.
- Serviceable - \$260.00 (inclusive of GST) per rating unit not connected to the district's water supply, but within 100 metres of a water main and capable of being connected.

(6) Districtwide Water Supply Volumetric Rate

A Districtwide targeted rate set under section 19(2)(a) of the Local Government (Rating) Act 2002 on each rating unit which is provided with a metered water supply service.

- Volumetric rate of water consumed or supplied - \$1.39 (inclusive of GST) per cubic metre.

(7) Hautere/Te Horo Water Supply Rate

A targeted rate for water supply set under section 19(2)(a) of the Local Government (Rating) Act 2002 per unit of water supplied by the Hautere/Te Horo water supply.

- A fixed charge of \$571.92 (inclusive of GST) per unit of allocation to the Hautere/Te Horo water supply (annual allocation of 1 unit = 1 cubic metre of water per day).

(8) Districtwide Wastewater Disposal Rate

A Districtwide targeted rate for wastewater disposal, set under sections 16(3)(b) and 16(4)(b) on rating units in the Waikanae, Paraparaumu, Raumati and Ōtaki rating areas, as shown on the Council's rating area maps.

- General - \$554.00 (inclusive of GST) per rating unit connected to the sewerage system.
- Community - \$277.00 (inclusive of GST) per water closet or urinal connected to the sewerage system.
- Educational – \$249.30 (inclusive of GST) per water closet or urinal connected to the sewerage system.
- Recreational - \$138.50 (inclusive of GST) per water closet or urinal connected to the sewerage system.

- Large Scale Commercial/Residential - \$277.00 (inclusive of GST) per water closet or urinal connected to the sewerage system, where there is more than one water closet or urinal.
- Serviceable - \$277.00 (inclusive of GST) per rating unit not connected to the sewerage system but within 30 metres of a sewer main and capable of being connected.

(9) Paraparaumu/Raumati Community Rate

A targeted rate set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 as follows:

- a rate of 0.00171 cents in the dollar (inclusive of GST) of capital value on all rating units in the Paraparaumu and Raumati urban and rural rating areas as per the Council's rating area maps.

(10) Waikanae Community Rate

A targeted rate set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 as follows:

- a rate of 0.00177 cents in the dollar (inclusive of GST) of capital value on all rating units in the Waikanae urban and rural rating areas as per the Council's rating area maps.

(11) Ōtaki Community Rate

A targeted rate set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 as follows:

- a rate of 0.00227 cents in the dollar (inclusive of GST) of capital value on all rating units in the Ōtaki urban and rural rating areas as per the Council's rating area maps.

(12) Paekākāriki Community Rate

A targeted rate set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 as follows:

- a rate of 0.00679 cents in the dollar (inclusive of GST) of capital value on all rating units in the Paekākāriki urban and rural rating areas as per the Council's rating area maps.

(13) Commercial Rate

A targeted rate set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 as follows:

- a rate of 0.03633 cents in the dollar (inclusive of GST) of capital value assessed on all Commercial rating units (as defined in the Funding Impact Statement Rating Policies).

(14) Water Conservation Device Loan Rate

A targeted rate on those rating units that have received an interest free loan (up to \$5,000 plus GST) for approved water conservation devices from the Council that has not yet been fully repaid, set at 10% of the amount of the original loan plus GST.

- B. That the Council agrees all property rates (including Hautere/Te Horo Water Supply Rate, but excluding Districtwide Water supply fixed and volumetric rates) be payable in four equal instalments due on:

Instalment	Due Dates	Penalty Dates
Instalment One	6 September 2024	9 September 2024
Instalment Two	6 December 2024	9 December 2024
Instalment Three	6 March 2025	10 March 2025
Instalment Four	6 June 2025	9 June 2025

All payments made will be receipted against the earliest outstanding rate amount in accordance with authorised accounting procedures.

- C. That the Council agrees water rates (excluding Hautere/Te Horo Water Supply Rate) be invoiced separately on a quarterly basis dependent on when the relevant meter is read. Due dates for each area are specified below:

Area	Water Meters invoiced During	Due Date	Penalty Date
Paraparaumu/Raumati/Raumati Beach/Raumati South/Paekākāriki	Jul-24	26-Aug-24	27-Aug-24
	Oct-24	25-Nov-24	26-Nov-24
	Jan-25	24-Feb-25	25-Feb-25
	Apr-25	26-May-25	27-May-25
Otaki/Peka Peka/Waikanae Beach	Aug-24	25-Sep-24	26-Sep-24
	Nov-24	6-Jan-25	7-Jan-25
	Feb-25	26-Mar-25	27-Mar-25
	May-25	25-Jun-25	26-Jun-25
Waikanae/Nikau Valley/Otaihanga/Paraparaumu Beach	Sep-24	29-Oct-24	30-Oct-24
	Dec-24	21-Jan-25	22-Jan-25
	Mar-25	28-Apr-25	29-Apr-25
	Jun-25	28-Jul-25	29-Jul-25

All payments made will be receipted against the earliest outstanding water rate amount in accordance with authorised accounting procedures.

- D. That the Council agree to apply the following penalties on unpaid rates in accordance with sections 57 and 58 of the Local Government (Rating) Act 2002:
- a charge of ten per cent (10%) on so much of any property rate instalment that has been assessed after 1 July 2024 and which remains unpaid after the due dates as per paragraph B, to be added on the penalty dates as per paragraph B.
 - a charge of ten per cent (10%) on so much of any property rates (including previously applied penalties) assessed before 1 July 2024 which remain unpaid on 5 July 2024. The penalty will be added on 8 July 2024.
 - a charge of ten per cent (10%) will be added to any portion of a current water rates invoice that remains unpaid after the due date specified. Penalty will be added on the penalty dates shown as per paragraph C.
- E. That the Council agrees property and water rates be payable by cash, and eftpos at any of the following places:
- Paraparaumu, Civic Building, 175 Rimu Road, Paraparaumu
 - Waikanae Service Centre, Mahara Place, Waikanae
 - Ōtaki Service Centre, Ōtaki Library, Main Street, Ōtaki
 - New Zealand Post agencies, countrywide
 - Westpac Bank, countrywide
 - Greater Wellington Regional Council, 100 Cuba Street, Te Aro, Wellington
 - Greater Wellington Regional Council, 34 Chapel Street, Masterton

Alternatively, payment of rates can be made to the Council by direct debit, internet banking, direct credit, telephone banking and credit card through the Council’s website.

TŪĀPAPA | BACKGROUND

- 4 The Council must first adopt its 2024/34 Long Term Plan before it can legally set the rates in accordance with the relevant provisions of the Funding Impact Statement Rating Policies for the 2024/25 financial year and its Revenue and Financing policy.

HE KŌRERORERO | DISCUSSION

He take | Issues

- 5 The setting of rates for the 2024/25 financial year follows the adoption of the 2024/34 Long Term Plan and is not in itself a matter that triggers the Council's significance and engagement policy.

Ngā kōwhiringa | Options

- 6 There are no options arising from this report.

Tangata whenua

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

Panonitanga āhuarangi | Climate change

- 8 Climate action initiatives will continue to be funded through the districtwide general rate for the 2024/25 financial year.

Ahumoni me ngā rawa | Financial and resourcing

- 9 The total rates revenue requirement for the 2024/25 financial year is \$123.553 million (inclusive of GST) but excludes the water conservation device loan rate.

The districtwide water supply fixed rate and districtwide water supply volumetric rates will increase for the first time since 2019/20.

Ture me ngā Tūraru | Legal and risk

- 11 The Revenue and Financing Policy, Funding Impact Statement – Rating Policies and this report have been subject to a full and detailed legal review by Simpson Grierson.
- 12 A copy of the setting of rates, due dates and penalties regime resolution will be made available on the Council's website within 20 days of adoption.

Ngā pānga ki ngā kaupapa here | Policy impact

- 13 This report is governed by the provisions of the Funding Impact Statement – Rating Policies.
- 14 A new climate action targeted rate was proposed and consulted on for the 2024/25 financial year, with \$575,000 (including GST) of the costs associated with climate action activities to be funded from a new climate action rate. Council resolved at a meeting on 23 May 2024 to continue funding climate action activities from the Districtwide general rate for the 2024/25 financial year.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

Te mahere tūhono | Engagement planning

- 15 There are no engagement plans required for this report.

Whakatairanga | Publicity

- 16 A media release is planned subsequent to the Council adopting its 2024/34 Long Term Plan.

NGĀ ĀPITI HANGA | ATTACHMENTS

Nil

10.3 2024 COUNCIL INSURANCE PREMIUM

Kaituhi | Author: **Jing Zhou, Chief Financial Officer**

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

Te pūtake | Purpose

- 1 This report seeks Council's approval to (a) delegate financial authority to the Chief Executive to authorise payment of Council's 2024 insurance premium, and (b) increase the Chief Executive's delegated financial authority for all contracts up to \$5 million that are budgeted for in Council's adopted Long-Term and Annual Plans.

He whakarāpopoto | Executive summary

- 2 Not required for this report.

Te tuku haepapa | Delegation

- 3 The Council has the authority to consider this matter under the Local Government Act 2002.

Taunakitanga | Recommendations

That the Council:

- A. receives and notes this report.
- B. delegates financial authority to the Chief Executive to approve the 2024 insurance renewal of \$3.48 million, noting the \$358,000 shortfall to budget for 2024/25.
- C. approves an increase to the Chief Executive's delegated financial authority from \$2.4 million to \$5 million for all contracts that are budgeted for in Council's Long-Term Plans and Annual Plans.

Tūāpapa | Background

- 4 Council's annual insurance programme (for above and below ground assets) renewed on 1 May 2024. This was reported to the Risk and Assurance Committee on the 23 May 2024.
- 5 The total cost of the 2024 insurance renewal is \$3.48 million and is due for payment on or before the 9 July 2024.
- 6 This requires Council approval because it exceeds the Chief Executive's current delegated financial authority of \$2.4 million.

He kōrerorero | Discussion

7 The total 2024 insurance premium (compared to 2023) is detailed in the following table:

	2024 premium \$000s	2023 premium \$000s	Change \$000s	Change %
Underground Infrastructure	707	895	-188	-21.01%
Above ground asset (MDBI)	2,241	1,409	777	55.15%
FENZ (Material Damage)	127	76	39	51.32%
EQC (Material Damage)	43	43	0	0.00%
Other policies	360	314	46	14.65%
Total	3,478	2,737	674	24.63%

8 The total sum insured values (compared to 2023) are detailed in the following table:

	2024 Sum Insured Value \$000s	2023 Sum Insured Value \$000s	Change \$000s	Change %
Underground Infrastructure	705,282	883,444	(178,162)	(20.16)
Above ground assets MDBI	468,535	275,209	193,326	70.24
Total	1,173,817	1,158,653	15,164	1.31%

9 As shown above, the Council’s sum insured values over the last 12 months have increased by \$15.2 million or 1.31%. However, the 2024 insurance premium has increased by \$674,000 or 24.63% compared to 2023.

10 This premium increase is mainly due to a net premium increase of \$725,000 directly related to transferring the Council’s wastewater and water treatment plants, (with a combined sum insured value of \$166 million), from underground infrastructure to above ground assets (MDBI).

2024 Sum Insured Value of Treatment Plants	2024 Above Ground Assets (MDBI) premium increase for Treatment Plants	2024 Underground Infrastructure Premium saving from removing Treatment Plants	Net Premium Increase of transferring Treatment Plants to Above Ground Assets (MDBI)
\$000’s	\$000’s	\$000’s	\$000’s
166,000	915	(190)	725

11 Treatment plants house extensive electrical componentry. Losses to the Council’s treatment plants could be sustained from fire damage caused by electric fault(s). Underground infrastructure insurance only covers losses from natural catastrophe and excludes fire related damages. Given the current full re-instatement cost of \$166 million for treatment plants, these assets are now covered by above ground asset (MDBI) to protect the Council from losses caused by both natural catastrophe and non-natural catastrophe damages. The premium increase largely reflects the higher risk and loss of 60% central government underwriting for underground infrastructure insurance cover.

He take | Issues

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

Ngā kōwhiringa | Options

- 13 Given insurance premiums now exceed \$2.4 million in aggregate, the Chief Executive requires Council approval every year to authorise insurance premium payments.
- 14 Alternatively, it is recommended that the Council increase the Chief Executive's delegated financial authority from \$2.4 million to \$5 million for all contracts that are budgeted for in Council's adopted Long Term Plans and Annual Plans.

Tangata whenua

- 15 There are no tāngata whenua considerations required with this report.

Panonitanga āhuarangi | Climate change and Environment

- 16 There are no climate change considerations required with this report.

Ahumoni me ngā rawa | Financial and resourcing

- 17 The table below sets out the total 2024/25 insurance premium compared to the 2024/25 budget.

	2024/25 Actual \$000s	2024/25 Budget \$000s	Variance Favourable / (Unfavourable) \$000s
2024 insurance premium	3,478	3,120	(358)

- 18 The 2024-34 Long Term Plan includes annual budget increases of 20% for insurance for years one to ten.

Ture me ngā Tūraru | Legal and risk

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

Ngā pānga ki ngā kaupapa here | Policy impact

- 20 There are no policy impacts in addition to those already discussed in this report.

Te whakawhiti kōrero me te tūhono | Communications & engagement**Te mahere tūhono | Engagement planning**

- 21 There are no engagement planning requirements for this report.

Whakatairanga | Publicity

- 22 No publicity is required for this report.

Ngā āpitihanga | Attachments

Nil

10.4 TE ARA WHETŪ DESIGN

Kaituhi | Author: **Mike Richardson, Programme Delivery Manager – Community Facilities**

Kaiwhakamana | Authoriser: **Sean Mallon, Group Manager Infrastructure and Asset Management**

TE PŪTAKE | PURPOSE

- 1 This report seeks Council's approval to:
 - 1.1 Proceed on option four from the proposed strategic concept options for Te Ara Whetū.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 An executive summary is not necessary for this report.

TE TUKU HAEPAPA | DELEGATION

- 3 Council has delegated authority to consider this matter under section A.2 of the 2022-2025 Triennium Governance Structure and Delegations 'Council and Mayoral Powers'.

TAUNAKITANGA | RECOMMENDATIONS

That Council:

- A. Approves proceeding with option four of the strategic concept option for Te Ara Whetū.
- B. Notes the delay to the start of construction to mid-2025.

TŪĀPAPA | BACKGROUND

- 4 On 31 August 2023 Council received a report summarising the community engagement process associated with a new Library. Council adopted Option 1 (refurbish and extend the former library) to enable an immediate start of the construction process.
- 5 On 21 March 2024 Council were introduced to Studio Pacific Architecture who have been awarded the design contract. An update was provided on the building condition assessment. It was noted that the initial seismic assessment was at 110% however the more detailed seismic assessment had come back at 34% which is in the earthquake prone category.
- 6 Studio Pacific Architecture have been working closely with the project engineers to determine the condition and capacity of the concrete structure and understand all potential design possibilities as a result of the reduced seismic capacity of the existing structure.
- 7 On 15 May 2024 Council also accepted from Te Ātiawa ki Whakarongotai their gift of the name 'Te Ara Whetū' for the new Waikanae Library.
- 8 On 18 June 2024 Council were briefed with an update on the building structure condition and the four strategic concept options outlined later in this report.

HE KŌRERORERO | DISCUSSION

He take | Issues

- 9 Since our last update the following specialists have been involved with the project and their advice has been included in the project estimates:
 - 9.1 Geotech Engineers;
 - 9.2 Structural Engineers;

- 9.3 Concrete structure investigations (reviewed and engaged by the structural engineers).
- 10 The additional building condition investigations and work to develop four strategic concept options has delayed the design programme resulting in a delay to the construction start time to mid-2025. The four strategic concept options were developed following the advice of Studio Pacific Architecture who felt it would be prudent to work these up to review alongside Option 1 of extending out the back of 15 Mahara Place.

Ngā kōwhiringa | Options

Option 1 – Extension to Rear

- 11 Option 1 is most closely aligned to the direction given by Council at the meeting on 31 August 2023. Studio Pacific Architecture recommended that alternative design options are considered to ensure the best outcomes are achieved for this project.
- 12 There are concerns regarding the ceiling heights of the existing structure and the lack of natural lighting created by the extension to the back of 15 Mahara Place and only having the ability to have windows on the East and West ends of the building.
- 13 Option 1 does not address the historical design faults of the internal gutters and roof design that has caused many of the past problems with the building.
- 14 There will be a 100mm step in the foundation between the new extension and the existing building due to flood level requirements.
- 15 Refer to Table 1 below for the benefits and risks of Option 1.

Table 1: Option 1 – Extension to Rear

Kōwhiringa Options	Hua Benefits	Tūraru Risks
<p>Option 1</p> <ul style="list-style-type: none"> • Extension to rear <p>Total Cost: \$17,308,250</p>	<p>Meets Council and public expectations</p> <p>Cheapest of the three options</p> <p>Options 1 and 2 will have similar construction durations</p> <p>The least amount of floor area taken up by stairs and voids</p> <p>There is an allowance to infill the existing building to Mahara Corner</p> <p>Full Level 1 extension to rear</p> <p>Courier park provided to rear</p>	<p>Historical design faults with the existing roof are not addressed.</p> <p>No level 2, no roof terrace, no views</p> <p>The greatest “C” Grade % of floor area</p> <p>Challenging to enable alignment with mana whenua narrative</p> <p>No external space provided</p> <p>Misalignment with Functional Brief</p> <p>Very limited sun/daylight access to centre of floor plan</p> <p>Ground floor head levels are very low and integrating high-level services is very problematic</p> <p>Space planning will be restricted by service requirements</p> <p>Ground floor extension slab level may need to be lifted 100mm to meet Flood Zone</p>

Kōwhiringa Options	Hua Benefits	Tūraru Risks
		<p>level causing misalignment with the existing Ground Floor level and reducing head clearances to Ground Floor</p> <p>External services plant space on roof with accessible stair/ladder to Level 1. No external yard for this but it could go Ground Floor by courier park</p> <p>Challenging to design aspects inherited by the current design of 15 Mahara Place</p>

Option 2 – Extension Above Existing Building

- 16 Option 2 allows for a lighter and brighter internal space, the ability to lift the ceiling height on Level 1 and remove the existing roof and its historical problems.
- 17 The Structural Engineers have reviewed Option 2 and have provided a high-level model that has been incorporated in the structural upgrade of the building.
- 18 The views and opportunities from level 2 will work well with the cultural narrative gifted by Te Ātiawa ki Whakarongotai.
- 19 Option 2 provides an opportunity for a further extension in the future on the rear of the building.
- 20 Refer to Table 2 below for the benefits and risks of Option 2.

Table 2: Option 2 – Extension Above Existing Building

Kōwhiringa Options	Hua Benefits	Tūraru Risks
<p>Option 2</p> <ul style="list-style-type: none"> • Extension above existing building <p>Total Cost: \$17,665,250</p>	<p>The greatest “A” Grade % of floor area</p> <p>Options 1 and 2 will have similar construction durations</p> <p>New Level 2 floor level can be lifted so that Level 1 and Level 2 head levels are improved</p> <p>Terrace opportunity to roof Level 2. Can be placed in the optimal location</p> <p>Design can work well with cultural narrative</p> <p>Option 2 and Option 3 are Te Ātiawa ki Whakarongotai’s preference</p> <p>Courier and general parking provided to rear</p>	<p>A new Level 2 added to the roof of the existing building increasing loads to foundations</p> <p>Very limited sun/daylight access to centre of plan</p> <p>Ground Floor head levels are very low and integrating high-level services is problematic</p> <p>Space planning will be restricted by services requirements</p> <p>Level 1 head levels are low and integrating high-level services is challenging</p>

Kōwhiringa Options	Hua Benefits	Tūraru Risks
	<p>Ground Floor rear access for public possible</p> <p>Existing building infill to Mahara corner</p> <p>Level 2 can be built to existing grids for optimisation</p> <p>Under-utilises airspace development opportunity</p> <p>Existing lunchroom Level 1 can be retained</p> <p>Problematic internal gutters and the roof of the current building are removed</p> <p>Opportunity for further extensions on the building for stage 2</p> <p>External services plant space in the rear external yard</p>	

Option 3 – New Building

- 21 Upon receiving the news that the detailed seismic assessment classified the building as seismically prone, we considered a new build as a viable option. A high-level design for a three-story building with a roof terrace, similar in size to Options 1 and 2, was reviewed.
- 22 Further investigations confirmed that the existing building can be seismically upgraded to meet the desired 100% NBS (new building standard). However, as Option 3 exceeds the current project budget, it is not considered viable or necessary.
- 23 Refer to Table 3 below for the benefits and risks of Option 3.

Table 3: Option 3 – New Building

Kōwhiringa Options	Hua Benefits	Tūraru Risks
<p>Option 3</p> <ul style="list-style-type: none"> • New Building <p>Total Cost: \$20,683,200</p>	<p>100% new building (everything brand new)</p> <p>New three story building, optimised to brief, site and budget</p> <p>Terrace opportunity to roof Level 2 – can be placed in optimal location</p> <p>Design can work well with cultural narrative</p> <p>Option 2 and Option 3 are Te Ātiawa ki Whakarongotai’s preference</p> <p>Ground Floor rear access for public possible</p>	<p>Most disruptive option to public and Mahara Place businesses</p> <p>Longest construction duration</p> <p>The most expensive option</p> <p>Over budget and would need Council decision to proceed</p>

	<p>A void can be located centrally to bring daylight into the centre plan</p> <p>Floor-to-floor levels can be designed and optimised with services, experience, etc</p> <p>A new structural grid and system can be optimised</p> <p>Ground Floor existing slab can meet Flood Level requirements</p> <p>Courier and general parking provided to rear</p> <p>External services plant space in the rear external yard</p> <p>Best option as an EAC as it will have the most current engineering design and can be designed as a “low damage velocity design”</p>	
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Option 4 – Extension Above Existing Building with reduced Level 2

- 24 Since the first three options exceeded the Long-term Plan 2024-34 budget, Council officers collaborated with the design team, quantity surveyor, and project team to reverse engineer the building size. This helped to determine the necessary floor area reduction to meet the budget, including Kāpiti Coast District Council costs, contingencies, and potential cost escalation. This option has a reduced Level 2 floor area and excludes a formal sustainability accreditation, though sustainable building practices remain budgeted.
- 25 This option now meets the brief and budget and will have less impact on Mahara Place businesses during construction.
- 26 Refer to Table 4 below for the benefits and risks of Option 4.

Table 4: Option 4 – Extension Above Existing Building with reduced Level 2

Kōwhiringa Options	Hua Benefits	Tūraru Risks
<p>Option 4</p> <ul style="list-style-type: none"> • Extension above existing building with reduced Level 2 <p>Total Cost: \$15,480,200</p>	<p>Option 4 meets the Long-term Plan 2024-34 project budget</p> <p>The greatest “A” Grade % of floor area</p> <p>A sustainability allowance has been included within the budget</p> <p>Option 4 will have a similar construction duration to Options 1 and 2</p> <p>New Level 2 floor level can be lifted so that Level 1 and Level 2 head levels are improved</p>	<p>A new Level 2 added to the roof of the existing building increasing loads to foundations</p> <p>Very limited sun/daylight access to centre of plan.</p> <p>There is no formal sustainability accreditation</p> <p>Ground Floor head levels are very low and integrating high-level services is problematic</p> <p>Space planning will be restricted by services requirements</p>

	<p>Terrace opportunity to roof Level 2. Can be placed in the optimal location</p> <p>Design can work well with cultural narrative</p> <p>Option 4 is based on Option 2 which is one of Te Ātiawa ki Whakarongotai’s preferences</p> <p>Courier and general parking provided to rear</p> <p>Ground Floor rear access for public possible</p> <p>Existing building infill to Mahara corner</p> <p>Level 2 can be built to existing grids for optimisation</p> <p>Under-utilises airspace development opportunity</p> <p>Existing lunchroom Level 1 can be retained</p> <p>Problematic internal gutters and the roof of the current building are removed</p> <p>Opportunity for further extensions on the building for stage 2</p> <p>External services plant space in the rear external yard</p>	<p>Level 1 head levels are low and integrating high-level services is challenging</p>
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Mana whenua

- 27 Te Ātiawa ki Whakarongotai have a representative on the project control group, have provided a cultural building design narrative and have gifted Council the name ‘Te Ara Whetū’ for the building.
- 28 Te Ātiawa ki Whakarongotai have advised that their preferred strategic concept options are Option 2 and Option 3. Option 4 is based on Option 2.

Panonitanga Āhuarangi me te Taiao | Climate change and Environment

- 29 Recommendation of Studio Pacific Architecture to look at alternate options to extending out the back of 15 Mahara Place due to the risk of flooding identified in the planning report and flood level requirements.
- 30 Reusing the existing structure of 15 Mahara Place and seismically upgrading rather than building new will reduce the carbon impact of this project on the environment.
- 31 A sustainability memo which will set targets will be agreed and budget has been allowed in the project for sustainable building practices. This is a similar approach taken with Toi MAHARA.

Ahumoni me ngā rawa | Financial and resourcing

Option 1 – Extension to Rear	Build Cost: \$13,935,000 KCDC overheads: \$953,250 Contingencies and escalation: \$2,420,000 TOTAL: \$17,308,250
Option 2 – Extension Above Existing Building	Build Cost: \$14,205,000 KCDC overheads: \$970,250 Contingencies and escalation: \$2,490,000 TOTAL: \$17,665,250
Option 3 – New Building	Build Cost: \$16,635,000 KCDC overheads: \$1,113,200 Contingencies and escalation: \$2,935,000 TOTAL: \$20,683,200
Option 4 – Extension Above Existing Building with reduced Level 2	Build Cost: \$12,124,000 KCDC overheads: \$866,200 Contingencies and escalation: \$2,490,000 TOTAL: \$15,480,200

Tūraru ā-Ture me te Whakahaere | Legal and Organisational Risk

32 There are no significant legal or organisational risks anticipated with the matters in this report.

Ngā pānga ki ngā kaupapa here | Policy impact

33 There are no policy considerations.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

Te mahere tūhono | Engagement planning

34 A Communications and Engagement plan has been developed and will be modified to reflect the preferred strategic concept option.

Whakatairanga | Publicity

35 Council will use its established communications channels to inform the community of this decision and to explain the rationale for why it made this decision.

NGĀ ĀPITI HANGA | ATTACHMENTS

Nil

10.5 REPORTS AND RECOMMENDATIONS FROM COMMITTEES AND SUBCOMMITTEES

Kaituhi | Author: **Evan Dubisky, Advisor Democracy Services**

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

TE PŪTAKE | PURPOSE

- 1 This report presents any items considered and recommendations made to Council by Committees and Subcommittees from 16 March 2024 to 12 June 2024.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 There were three recommendations made to Council by the Social Sustainability Subcommittee during this period.

TE TUKU HAEPAPA | DELEGATION

- 3 The Council has the authority to consider recommendations made by Committees and Subcommittees.

TAUNAKITANGA | RECOMMENDATIONS

- A. That Council receives this report.
- B. That Council notes the following recommendations received from the Social Sustainability Subcommittee meeting of 9 May 2024:
- B.1 Recommends that Council investigate producing a map identifying mobility car parks in the Kāpiti Coast District (Paekākāriki to Otaki).
- B.2 Recommends that Council investigate permitting people with disabilities, who are displaying their mobility pass, be allowed extra time for parking in non-mobility carparks.
- B.3 Recommends to the Mayor, Councillors and Council to encourage parents of potentially affected children to ensure that they are immunised against measles.
- C. That Council requests officers to investigate and report back options to a future Social Sustainability Subcommittee meeting regarding the feasibility of:
- C.1 Producing and distributing a map that identifies mobility car parks in the Kāpiti Coast District public roading network.
- C.2 Changes to parking regulations which would allow for people with disabilities who are displaying a mobility pass to be allowed extra time for parking in non-mobility carparks, or alternatively investigate the possibility of increasing the amount of mobility carparks across the district.
- D. That Councillors consider using their platform as elected members to encourage parents of potentially affected children to ensure that they are immunised against measles.

TŪĀPAPA | BACKGROUND

- 4 During the period of 16 March 2024 to 12 June 2024, Committee and Subcommittee meetings took place on the following dates:

Climate and Environment Subcommittee	Thursday, 4 April 2024
Strategy, Operations and Finance Committee	Thursday, 4 April 2024

Social Sustainability Subcommittee	Tuesday, 9 April 2024
Strategy, Operations and Finance Committee	Thursday, 11 April 2024
Grants Allocation Committee Creative Communities Scheme	Tuesday, 30 April 2024
Social Sustainability Subcommittee	Thursday, 9 May 2024
Strategy, Operations and Finance Committee	Thursday, 16 May 2024
Risk and Assurance Committee	Thursday, 23 May 2024
Grants Allocation Committee Community Grants	Tuesday, 4 June 2024

5 Items discussed at each of the meetings listed in paragraph 4 are noted below:

- 5.1 On Thursday, 4 April 2024 the Climate and Environment Subcommittee met to discuss:
- Updates on Climate Change and Resilience and Environment Strategies
 - Wellington Region Waste Management and Minimisation Plan (WMMP 2023-2029) Update
- 5.2 On Thursday, 4 April 2024 the Strategy, Operations and Finance Committee met to discuss:
- Update on Climate Change and Resilience and Environment Strategies
 - Report: Developing Vision Kāpiti - a progress update
- 5.3 On Tuesday, 9 April 2024 the Social Sustainability Subcommittee met to discuss:
- Update on Kāpiti Health Advisory Group work programme
 - Report: Housing Update - Kāinga Ora
- 5.4 On Thursday, 11 April 2024 the Strategy, Operations and Finance Committee met to discuss:
- Update on Council's revised Compliance and Enforcement Policy
 - Update on the Strategy, Operations and Finance Committee Work programme
 - Report: LGFA Draft Statement of Intent 2024-2027 and 2023-24 Half-Year Report
 - Report: Contracts Under Delegated Authority
- 5.5 On Tuesday, 30 April 2024 the Grants Allocation Committee Creative Communities Scheme met to discuss:
- Creative Communities Scheme - Consideration of Applications for Funding
- 5.6 On Thursday, 9 May 2024 the Social Sustainability Subcommittee met to discuss:
- Deputation: Update from the Kāpiti Disability Advisory Group
 - Indoor Sports Feasibility Study
 - Update on Kāpiti Health Advisory Group Work Programme
 - Update on the Housing Work Programme

- 5.7 On Thursday, 16 May 2024 the Strategy, Operations and Finance Committee met to discuss:
 - Report: Performance Report for the period ending 31 March 2024
 - Report: Update on the Policy Work Programme 2021-2024
 - Report: Interim update on Vision Kāpiti and our Blueprint
- 5.8 On Thursday, 23 May 2024 the Risk and Assurance Committee met to discuss:
 - Report: Ernst & Young Audit Plan for the Year ended 30 June 2024
 - Report: Progress Update Regarding Audit Control Findings 2022/23
 - Report: Health and Safety Quarterly Report: 1 January 2024 - 31 March 2024
 - Report: Top 10 Organisational Risk Report
 - Report: Internal Audit Work Programme - Progress Update
 - Report: Legislative Compliance 1 January to 31 March 2024
 - Report: Quarterly Treasury Compliance
 - Report: 2024 Council Insurance update
- 5.9 On Tuesday, 4 June 2024 the Grants Allocation Committee Community Grants met to discuss:
 - Report: Community Grants 2024 Summary Report

6 In addition, the following meetings took place:

Youth Council	Monday, 11 March 2024
Youth Council	Monday, 22 April 2024
Older Person’s Council	Wednesday, 24 April 2024
Youth Council	Monday, 20 May 2024
Older Person’s Council	Wednesday, 29 May 2024

7 Two Te Whakaminenga o Kapiti meetings were cancelled: 26 March 2024 and 7 May 2024.

8 Details with regards to the discussion items of the meetings listed in paragraph 7 are noted below:

- 8.1 On Monday, 11 March 2024 the Youth Council met to discuss:
 - Partner Report: Work Ready Kāpiti
 - Partner Report: Mayor Janet Holborow
 - Partner Report: Councillor Sophie Handford
 - Partner Report: Parks & Rec
 - Partner Report: Ōtaki Pool
 - General Business
- 8.2 On Monday, 22 April 2024 the Youth Council met to discuss:
 - Partner Report: Councillor Sophie Handford
 - Partner Report: Mayor’s Task Force

- Partner Report: Mural Update
 - General Business
- 8.3 On Wednesday, 24 April 2024 the Older Person's Council met to discuss:
- Discussion on traffic refuges, including Kapiti Road
 - Health Strategy Update
 - Long-term Plan
 - Aged Friendly Update
- 8.4 On Monday, 20 May 2024 the Youth Council met to discuss:
- Partner Report: Councillors Update – Councillor Sophie Handford
 - Partner Report: Careers Expo – Tracey O'Connor
 - Partner Report: Climate Action Connected Communities team – Acting Manager Monique Engelen
 - Partner Report: Chief Executive – Darren Edwards
 - General Business
- 8.5 On Wednesday, 29 May 2024 the Older Person's Council met to discuss:
- Older persons' housing rent increases
 - Westpac rescue helicopter
 - Budgets
 - Refuge outside of Seven Oaks
 - Kāpiti Community Health Network update
 - Wellington Free Ambulance update – May 2024
 - Long Term Plan update
 - Age Friendly update
 - General business

HE KŌRERORERO | DISCUSSION

He take | Issues

- 9 Within the reports and recommendations considered by Committees and Subcommittees between 16 March 2024 and 12 June 2024, there were two recommendations made to Council from the 9 May 2024 Social Sustainability Subcommittee meeting:
- 9.1 The first recommendation that was resolved was:
- That the Social Sustainability Subcommittee:
- A. Receives the recommendations from the Kāpiti Disability Advisory Group.
 - B. Recommends that Council investigate producing a map identifying mobility car parks in the Kāpiti Coast District (Paekākāriki to Otaki).
 - C. Recommends that Council investigate permitting people with disabilities, who are displaying their mobility pass, be allowed extra time for parking in non-mobility carparks.
- 9.2 The second recommendation that was resolved was:
- That the Social Sustainability Subcommittee:
- A. Receives the recommendations from the Kāpiti Health Advisory Group.
 - B. Notes with concern the significant measles immunity gap and epidemic risk.
 - C. Recommends to the Mayor, Councillors and Council to encourage parents of potentially affected children to ensure that they are immunised against measles.

- 10 In relation to the production of a map identifying mobility car parks in the Kāpiti Coast District, Council officers are currently able to produce a map that shows public mobility car parks but the map would not include private parking spaces (e.g. Coastlands mall mobility parking).
- 11 In relation to permitting people with disabilities extra time for parking in non-mobility car parks, Council officers recommend investigating installing more mobility spaces where needed to address the recommendation rather than changing parking regulations.

Ngā kōwhiringa | Options

- 12 No further options are provided in this report.

Tangata whenua

- 13 Mana whenua were not specifically consulted for this report.

Panonitanga āhuarangi | Climate change

- 14 There are no climate change considerations relevant to this report.

Ahumoni me ngā rawa | Financial and resourcing

- 15 There are no direct financial and resourcing considerations relevant to this report.

Ture me ngā Tūraru | Legal and risk

- 16 There are no legal considerations relevant to this report.

Ngā pānga ki ngā kaupapa here | Policy impact

- 17 This report has no current or future impact on Council policies.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

Te mahere tūhono | Engagement planning

- 18 An engagement plan is not required for this report.

Whakatairanga | Publicity

- 19 The decision made in this report will be publicly available through Council's normal communications channel.

NGĀ ĀPITIHINGA | ATTACHMENTS

Nil

10.6 REPORTS AND RECOMMENDATIONS FROM COMMUNITY BOARDS

Kaituhi | Author: **Kate Coutts, Advisor Democracy Services**

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

TE PŪTAKE | PURPOSE

- 1 This report presents items considered and recommendations made to Council by community boards between 30 April 2024 and 18 June 2024.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 Council has received a recommendation from the Ōtaki Community Board to consider financially supporting the Kapiti Citizens Advice Bureau.
- 3 Council has received recommendations from the Waikanae Community Board to consider:
 - 3.1 exercising its authority to approve funding from the Waikanae Property Fund (the Fund) to the Reikorangi Residents' Association, and
 - 3.2 amending the community board delegations for administering and disbursing the Fund.

TE TUKU HAEPAPA | DELEGATION

- 4 Council has the authority to consider recommendations made by Community Boards and provide direction to Council officers to action these recommendations.
- 5 Council has the authority to disperse funds from the capital sum of the Waikanae Property Fund.
- 6 Council has the authority to set and amend delegations for community boards which includes determining whether the administration and disbursement of the Fund should be delegated to the Waikanae Community Board.

TAUNAKITANGA | RECOMMENDATIONS

- A. That Council **receives** this report.
- B. That Council **notes** the recommendation from the Ōtaki Community Board meeting of 21 May 2024:

That the Ōtaki Community Board strongly supports the Kapiti Citizens Advice Bureau (CAB) and recommends to Council that they should be financially and non-financially supporting the organisation. Kapiti CAB have reported to the Ōtaki Community Board that they will close their doors at the end of the 2024 year due to a lack of funds or other alternative funding sources. We would like to note that the Kapiti CAB is the only CAB in the country not supported by the local territorial authority.
- C. That Council **notes** that at the Additional Council meeting of 23 May 2024, the Council, during its deliberation on the Draft 2024-2034 Long-term Plan, indicated the intent to financially support the Kapiti Citizens Advice Bureau with funding of \$35,000.00 for the purpose of rent relief.
- D. That Council **notes** the recommendations from the Waikanae Community Board meeting on 18 June 2024:
 - That the Waikanae Community Board support the application made by the Reikorangi Residents' Association to assist with the cost of installing a playground at the Reikorangi Hall.
 - That the Waikanae Community Board recommends to Council to approve a Waikanae Property Fund grant to the Reikorangi Residents' Association of \$35,000.00 to install a playground at the Reikorangi Hall.

- That the Waikanae Community Board recommends to Council to delegate to the Waikanae Community Board the authority to administer and disburse the Waikanae Property Fund.
- E. That Council **approves** a Waikanae Property Fund grant to the Reikorangi Residents' Association of \$35,000.00 to assist with the cost of installing a playground at the Reikorangi Hall.
- F. That Council **requests** Council officers investigate the possibility of delegating the authority to administer and disburse the Waikanae Property Fund to the Waikanae Community Board by providing the Mayor with advice on the options.

TŪĀPAPA | BACKGROUND

- 4 During the period of 30 April 2024 to 18 June 2024, Community Board meetings took place on the following dates:

Paekākāriki Community Board	Tuesday, 30 April 2024
Paraparaumu Community Board	Tuesday, 7 May 2024
Raumati Community Board	Tuesday, 14 May 2024
Ōtaki Community Board	Tuesday, 21 May 2024
Waikanae Community Board	Tuesday, 21 May 2024
Paekākāriki Community Board	Tuesday, 11 June 2024
Waikanae Community Board	Tuesday, 18 June 2024
Paraparaumu Community Board	Tuesday, 18 June 2024

- 5 Items discussed at each of the meetings listed in paragraph 4 are noted below:
- 5.1 On Tuesday, 30 April 2024 the Paekākāriki Community Board met to discuss:
- Update on the Transmission Gully Project
 - Review of the Freedom Camping Policy 2012
 - Consideration of Applications for Funding
- 5.2 On Tuesday, 7 May 2024 the Paraparaumu Community Board met to discuss:
- Review of the Freedom Camping Policy 2012
 - Consideration of Applications for Funding
- 5.3 On Tuesday, 14 May 2024 the Raumati Community Board met to discuss:
- Review of the Freedom Camping Policy 2012
 - Deputation of the Coastal Advisory Panel
 - Consideration of Applications for Funding
- 5.4 On Tuesday, 21 May 2024 the Ōtaki Community Board met to discuss:
- Ōtaki Pool Redevelopment

- Review of the Freedom Camping Policy 2012
 - Consideration of Applications for Funding
- 5.5 On Tuesday, 21 May 2024 the Waikanae Community Board met to discuss:
- Review of the Freedom Camping Policy 2012
 - Consideration of Applications for Funding
- 5.6 On Tuesday, 11 June 2024 the Paekākāriki Community Board met to discuss:
- Consideration of Applications for Funding
- 5.7 On Tuesday, 18 June 2024 the Waikanae Community Board met to discuss:
- Consideration of Applications for Funding
- 5.8 On Tuesday, 18 June 2024 the Paraparaumu Community Board met to discuss:
- Consideration of Applications for Funding

HE KŌRERORERO | DISCUSSION

He take | Issues

- 6 Within the reports and recommendations considered by Community Boards from 30 April 2024 to 18 June 2024, there were several recommendations made to Council.

Ōtaki Community Board

- 7 In relation to Council, a recommendation was made at the Ōtaki Community Board meeting on Tuesday, 21 May 2024:
- 7.1 That the Ōtaki Community Board strongly supports the Kapiti Citizens Advice Bureau (CAB) and recommend to Council that they should be financially and non-financially supporting the organisation. Kapiti CAB have reported to the Ōtaki Community Board that they will close their doors at the end of the 2024 year due to a lack of funds or other alternatives funding sources. We would like to note that the Kapiti CAB is the only CAB in the country not supported by the local territorial authority.
- 8 The Ōtaki Community Board received a funding application from the Kapiti Citizens Advice Bureau, which prompted the Ōtaki Community Board to make the recommendation to Council.
- 9 The Draft 2024-2034 Long-term Plan has since been deliberated upon at the Additional Council meeting of Thursday, 23 May 2024, where Council indicated an intent to financially support the Kapiti Citizens Advice Bureau with funding of \$35,000.00 for the purpose of rent relief.

Waikanae Community Board

- 10 In relation to Council, several recommendations were made at the Waikanae Community Board meeting on 18 June 2024:
- 10.1 That the Waikanae Community Board support the application made by the Reikorangi Residents' Association to assist with the cost of installing a playground at the Reikorangi Hall.
- 10.2 That the Waikanae Community Board recommends to Council to approve a Waikanae Property Fund grant to the Reikorangi Residents' Association of \$35,000.00 to install a playground at the Reikorangi Hall.
- 10.3 That the Waikanae Community Board recommends to Council to delegate to the Waikanae Community Board the authority to administer and disburse the Waikanae Property Fund.

- 11 The Waikanae Community Board received nine grant applications for the Waikanae Capital Improvement fund totalling \$133,500. This was more than what the Waikanae Community was able to allocate.
- 12 As a result, the Waikanae Community Board considered options to explore further funding opportunities for the grant application by the Reikorangi Residents' Association which it supported funding. The Waikanae Property Fund is a special purpose equity reserve that would offer a possible funding mechanism for this application. However, only Council has the authority to disperse funds from the capital sum of the Waikanae Property Fund, which currently has a balance of \$187,000.
- 13 The Waikanae Community Board has therefore made a recommendation to Council to approve the request for \$35,000 by the Reikorangi Residents' Association to install a playground on the grounds at the Reikorangi Hall. The association made its application to the Waikanae Community Board for funds from the Waikanae Capital Improvement Fund and the Waikanae Promotion Fund, and the application documents are attached at Attachments 1 and 2 to this report.
- 14 The Waikanae Community Board further recommends that Council delegates authority to the Waikanae Community Board to administer and disburse the Waikanae Property Fund, within eligible criteria.
- 15 Council officers note that:
 - 15.1 The Waikanae Property Fund is a restricted equity reserve, and the purpose of the Fund is to fund improvements to Council-owned properties in Waikanae. The source of the Fund is the proceeds from the sale of other Council property in the Waikanae ward (excluding districtwide funded properties).
 - 15.2 There are sufficient funds in the Fund (\$187,000), for Council to approve the \$35,000 requested from the Reikorangi Residents' Association.
 - 15.3 Delegating authority to administer and disburse the Waikanae Property Fund to the Waikanae Community Board requires further investigation.
 - 15.4 The establishment of a community asset like a playground (even if only some items of play equipment) requires specific considerations in terms of needs, safety, design, construction, and ongoing maintenance. Council officers will need to work closely with the Reikorangi Residents' Association throughout this process, and take the lead on implementing any decisions in order to ensure all standards are met, and Council's management accountability for the site is exercised appropriately.

Ngā kōwhiringa | Options

- 16 There are no options in addition to those already discussed in this report.

Mana whenua

- 17 There are no specific mana whenua considerations arising from this report.

Panonitanga āhuarangi | Climate change and Environment

- 18 There are no climate change and environment considerations in this report.

Ahumoni me ngā rawa | Financial and resourcing

- 19 There are no financial considerations in addition to those already discussed in this report.

Ture me ngā Tūraru | Legal and risk

- 20 There are no legal or risk considerations relevant to this report.

Ngā pānga ki ngā kaupapa here | Policy impact

21 There are no policy impacts in addition to those already discussed in this report.

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

22 An engagement plan is not required for this report.

Whakatairanga | Publicity

15 The decision made in this report will be publicly available through Council's normal communications channel.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Waikanae Capital Improvement Fund Application - Reikorangi Residents' Association - Public Excluded
2. Waikanae Promotion Fund Application - Reikorangi Residents' Association - Public Excluded

11 TE WHAKAŪ I NGĀ ĀMIKI | CONFIRMATION OF MINUTES

Nil

12 TE WHAKAŪNGA O NGĀ ĀMIKI KĀORE E WĀTEA KI TE MAREA | CONFIRMATION OF PUBLIC EXCLUDED MINUTES

Nil

13 PURONGO KĀORE E WĀTEA KI TE MAREA | PUBLIC EXCLUDED REPORTS

RESOLUTION TO EXCLUDE THE PUBLIC

PUBLIC EXCLUDED RESOLUTION

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
13.1 - Verbal Property and Strategic Development Update	Section 7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	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

14 CLOSING KARAKIA