

# RĀRANGI TAKE AGENDA

# Te Komiti Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee Meeting

I hereby give notice that a Meeting of Te Komiti Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee will be held on:

Te Rā | Date: Thursday, 5 December 2024

Te Wā | Time: 9.30am

Te Wāhi | Location: Council Chamber

**Ground Floor, 175 Rimu Road** 

Paraparaumu

Kris Pervan Group Manager Strategy & Growth

# Kāpiti Coast District Council

Notice is hereby given that a meeting of Te Komiti Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee will be held in the Council Chamber, Ground Floor, 175 Rimu Road, Paraparaumu, on Thursday 5 December 2024, 9.30am.

# Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee Members

Cr Sophie Handford	Chair
Cr Liz Koh	Deputy
Mayor Janet Holborow	Member
Deputy Mayor Lawrence Kirby	Member
Cr Glen Cooper	Member
Cr Martin Halliday	Member
Cr Rob Kofoed	Member
Cr Jocelyn Prvanov	Member
Cr Kathy Spiers	Member
Cr Shelly Warwick	Member
Cr Nigel Wilson	Member
Ms Kim Tahiwi	Member
Mr Huriwai Paki	Member
Ātiawa ki Whakarongotai Representative	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

As we deliberate on the issues before us,

mua i ō mātou aroaro

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.

### WHAKAPĀHA | APOLOGIES 3

# 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

### HE WĀ KŌRERO KI TE MAREA MŌ NGĀ MEA E HĀNGAI ANA KI TE RĀRANGI 5 TAKE | PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA

### NGĀ TEPUTEIHANA | DEPUTATIONS 6

Nil

### 7 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)

### HE KÖRERO HOU | UPDATES 8

Nil

# 9 PŪRONGO | REPORTS

### 9.1 ECONOMIC DEVELOPMENT STRATEGY 2024-2027

Kaituhi | Author: Gina Anderson-Lister, Strategy Manager

Kaiwhakamana | Authoriser: Kris Pervan, Group Manager Strategy & Growth

# TE PŪTAKE | PURPOSE

This paper seeks your endorsement of the Economic Development Strategy 2024-27 and outlines proposed engagement with key stakeholders on the updated document in the new year.

# HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

2 An executive summary is not required for this paper.

# TE TUKU HAEPAPA | DELEGATION

The Strategy, Operations and Finance Committee (SO&F) has delegated authority to consider this matter under section B.1 of the Governance Structure and Delegations (2022-25 Triennium).

# TAUNAKITANGA | RECOMMENDATIONS

That the Strategy, Operations and Finance Committee:

- A. **Note** that the refresh of the Economic Development Strategy 2024-27 has been led by the Economic Development Kotahitanga Board, in line with its terms of reference.
- B. **Note** that the refresh of the Economic Development Strategy is informed by community and sector feedback gathered on the Direction of Travel in early 2024.
- C. **Endorse** the contents of the refreshed Economic Development Strategy 2024-27 which sets a simple, focused direction for collective action to improve economic opportunity in Kāpiti.
- D. **Note** the following steps will be progressed in early 2025 to finalise the strategy in preparation for its release in March 2025:
  - D.1 Economic Development Kotahitanga Board engage with key stakeholders in December 2024 and January 2025 on the refreshed Strategy.
  - D.2 A supporting webpage is developed in January and February 2025 to create an interactive space for people to engage in the substantive detail of the final Economic Development Strategy 2024-27.
  - D.3 Economic Development Kotahitanga Board and Strategy, Operations and Finance Committee approve release of the final Economic Development Strategy, via website, in March 2025.
- E. **Note** that implementation of the final Economic Development Strategy 2024-27 will be driven by the Economic Development Kotahitanga Board, under its new operating structure, with support from Council's Economic Development team and the wider economic development ecosystem.
- F. **Note** that progress against the final Economic Development Strategy 2024-27 will be reported to the Committee every six months.

# TŪĀPAPA | BACKGROUND

Promoting economic wellbeing is an important purpose of local government.<sup>1</sup> It is also one of the Top-10 Priorities for the Kāpiti Coast District Council, with the refresh of the current Strategy listed as an action for progress from 2024/25.

# **Economic Development Strategy 2020-23**

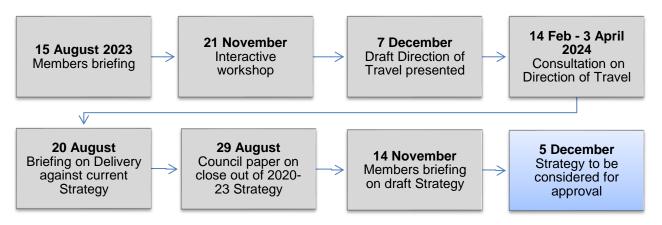
- Council's current Economic Development (ED) Strategy was adopted in 2020. Significant progress has been made against this strategy with Councillors briefed on this on 20 August 2024, and receiving a close out report at the Council meeting of 29 August 2024. The briefing showed the Kāpiti economy's strong performance against the national average and demonstrated several successful initiatives delivered through the Strategy.
- Some activity set by the ED Strategy 2020-23 was expected to be completed by 2023, and has ended; whilst other activity has a longer life and continues to progress today. New activity will be identified as important to add to the ED Strategy 2024-2027, this will sit alongside the existing activity underway.
- One of the major successes of the current Strategy has been the development of the Economic Development Kotahitanga Board (EDKB). The EDKB was established to oversee the implementation of the Strategy. The EDKB has steadily expanded its influence and has recently been working with Council to establish itself as an independent trust, with finalisation of the establishment due to be considered by Council on 28 November 2024.

# Strategy review process

- The current ED Strategy was written for a three-year period and has been under review since mid-2023. This review has been led by the EDKB with support from Council staff. The review has sought to focus on:
  - 8.1 Addressing areas where our local economy lags behind.
  - 8.2 Enhancing Kāpiti Coast's competitive advantage.
  - 8.3 Embedding economic development in the broader context of community values.
  - 8.4 Integrating findings from Vision Kāpiti and Long-Term Plan 2024-34 engagement, as these recent engagements provided substantial insight into what our community values and aspires to for local economic development.
- 9 Elected members have been engaged at key points through the development of drafting the refreshed Strategy, as illustrated in Figure 1 (below). Several workshops and briefings were run while the Direction of Travel was being drafted and Elected Members were briefed on the draft Strategy and Action Plan on 14 November 2024. Feedback from Elected Members was positive, particularly regarding the proposed 'plan on a page' infographic of the strategy. Elected Members also noted positively the change in legal form of the EDKB, the new opportunities this provided for attracting funding, and were keen that work under the new strategy seek to enhance engagement with key iwi groups and the Kāpiti Business Chamber.

Figure 1: Strategy review key milestones

<sup>&</sup>lt;sup>1</sup> Local Government Act 2002, s10(1)(b).



10 Community and sector views were gathered through the development of the Direction of Travel. This occurred through both direct engagement facilitated by the EDKB and a public survey. The main findings from this engagement are discussed at paragraph 20.

# HE KÖRERORERO | DISCUSSION

# Draft, refreshed, Economic Development (ED) Strategy 2024-27 (refreshed Strategy)

- 11 The refreshed Strategy is attached in Appendix 1 (with supporting material attached in Appendices 2 and 3) for your consideration and endorsement. This includes:
  - 11.1 The refreshed Strategy itself which will be a 10-page, simple to engage document that explains where we have come from; where we are heading' and what actions we will take to get there.
  - 11.2 Appendices, which include more detailed information on elements of the ED Strategy. These will not be reported as part of the refreshed Strategy itself but will be part of the online material available through interaction on our website. Key elements include descriptions of the workstream areas, case studies across the priority areas, and a year-on-year work programme of actions to be progressed.
  - 11.3 On this basis, we are seeking endorsement of the substantive material itself rather than the look-and-feel of the document which will be refined through January to March 2025.
- The refreshed Strategy is closely aligned to the Direction of Travel, which you considered earlier in 2024. It has retained the high-level elements, however, some changes have been made because of feedback received. This includes:
  - 12.1 Additional detail and context to show the relationship between economic development, the focus areas, and broader community wellbeing.
  - 12.2 Additional focus on support for existing business through business networks and the new EDKB model.
  - 12.3 Clarifying the respective roles of Council and the EDKB.
  - 12.4 Additional content related to Māori economic rangatiratanga.
  - 12.5 Refined the smart investment attraction priority action and added a priority action on inclusive employment.
  - 12.6 Refined success measures and further developed supporting actions.
- An Action Plan has also been drafted to be a supporting document appended to the refreshed Strategy (refer to Appendix 2), along with case studies of existing and planned activity (refer to Appendix 3). This approach ensures that we continue to build and expand on our successes to date, and also leaves opportunity to introduce new initiatives over the next three to five years.

## Our strategic approach

- The refreshed Strategy sets out a simple, focused direction for collective action to improve our economic opportunity in Kāpiti. The overarching vision is retained and updated, centred on three Focus Areas that align to the economic doughnut model. These are:
  - 14.1 A resilient Kāpiti Coast economy based on productive and innovative clusters that are environmentally sustainable and future focused.
  - 14.2 Kāpiti Coast residents and communities benefit from local training and career opportunities.
  - 14.3 Kāpiti Coast is an inclusive community and is recognised as a great and easy place to invest and do business.
- Aims have been refined to priority actions that capitalise on the momentum of the past three years. Figure 2 below shows how the new priorities relate to the previous strategy's aims.

Figure 2 - refreshed strategy mapping of priority actions to previous aims



The most significant change is in the associated actions and activities to put the strategy into action, included in the associated action plan (refer to Appendix 2).

### **Direction of Travel**

- 17 The Focus Areas were tested through engagement on the Direction of Travel (DoT), which was released for feedback in February 2024. The DoT provided a suggested approach for our community and stakeholders to engage with, and sought feedback on three questions:
  - 17.1 Do you think the priority focus areas are the right ones to build on the success to date and progress further towards our vision? Is there anything missing?
  - 17.2 Do you support the use of Special Purpose Vehicles (SPVs) to help attract increased external investment for economic development activities?
  - 17.3 Are we measuring the right things to know if we are having an impact? Do you know of other measures that might be appropriate?
- 18 A range of feedback was received against these questions as well as some more targeted feedback from groups such as Te Rōpū Pakihi and the Kāpiti Business Chamber. A review of the feedback shows general agreement with the focus areas and support for the EDKB to be an independent trust and utilise Special Purpose Vehicles to enable economic development initiatives and opportunities.
- 19 The measures included in the refreshed Strategy were endorsed by BERL's Chief Economist, Hillmarè Schulze, who is a member of the EDKB. However, it appeared that

respondents were unsure about the proposed measures with comments emphasising the need to evaluate success using broader quality of life measures. Several additional focus areas were also suggested, as was a stronger focus on Māori economic development and the contribution of Te Ao Māori to the local economy.

Figure 3 provides a summary of what we heard through engagement on the DOT, and what has been adjusted. A full summary of the feedback received is in Appendix 4.

Figure 3 – summary of changes from DOT feedback

What we asked	What we heard	What we are adjusting
Do you think the priority focus areas are the right ones to build on the success to date and progress further towards our vision? Is there anything missing?	<ul> <li>General agreement with the focus areas.</li> <li>Respondents also interested in improving ease of doing business, supporting trades and improving transport infrastructure.</li> </ul>	<ul> <li>Additional focus on support for existing business through business networks and the new EDKB model.</li> <li>Added priority action on inclusive employment.</li> </ul>
Do you support the use of SPVs to help attract increased external investment for economic development activities?	Support for the use of SPVs and for EDKB being an independent trust.     Council has already approved this in principle	Clarify the respective roles of Council and EDKB, including additional content on Council's role as procurer.
Are we measuring the right things to know if we are having an impact? Do you know of other measures that might be appropriate?	<ul> <li>Unsure about the measures suggested.</li> <li>Suggestions focus on broader quality of life measures and developing measures of Māori economic progress.</li> <li>Feedback underlines the need to see ED in broader context</li> </ul>	<ul> <li>Clarifying the respective roles of Council and EDKB, including additional content on Council's role as procurer.</li> <li>Clarified ecosystem model.</li> <li>Updated smart investment attraction priority action noting key sectors</li> </ul>
	Some specific feedback  Te Rōpū Pakihi – Need to emphasise the importance of Māori culture, support needed for existing Maori businesses and startups, and support for broader Māori economy.  Kāpiti Chamber of Commerce – Support for focus areas, importance of unpaid workforce in the ecosystem, greater substance and evidence.	<ul> <li>Additional context to show the relationship between economic development and broader community wellbeing.</li> <li>Strengthened content on Māori economic rangatiratanga under both priority Action 1 and 2: informing the approach to ED, and supporting iwi and Māori business.</li> <li>Added priority action on inclusive employment.</li> </ul>
		<ul> <li>Added greater detail and context to focus areas.</li> <li>Added priority action on inclusive employment.</li> <li>Refined measures supporting actions.</li> <li>Action Plan being developed.</li> <li>Developed plan on a page Infographic</li> </ul>

### **Next steps**

- Over December 2024 and January 2025 the EDKB will further engage with key stakeholders to reflect the changes made in response to feedback on the DOT and the actions that will deliver on the strategy.
- A supporting webpage will be developed in January and February 2025 to create an interactive space for people to engage in the substantive detail of the refreshed Strategy. We will come back to the EDKB and SO&F in March 2025 to approve the release of the final Strategy, via this webpage.

### He take | Issues

- The Committee is asked to endorse the refreshed Strategy. It sets the focus for activity, including that of the new Trust and Limited Liability Company which Council endorsed, in principle, to establish earlier this year.
- 24 Ensuring accountability for delivering against the refreshed Strategy will be of utmost importance. Going forward, the new legal entities noted in paragraph 23 will submit a plan for

- activity before the beginning of each year for Council agreement, and report on their progress at regular quarterly intervals.
- Further to this, an annual Letter of Expectation between Council and the new entities will set expectations around delivery of activity and funding allocated from the business rate that Council collects annually.
- The EDKB, and new entities, will be expected to lead across and work with the broader economic development ecosystem to ensure that business and industry is supported to thrive in our district. Memorandums of Understanding will be established between the EDKB, and new entities, and key stakeholders to ensure common goals and understanding of roles and responsibility is maintained.

### Ngā kōwhiringa | Options

27 No options are proposed. Elected Members are asked to endorse the refreshed Strategy. Progressing a decision on the substantive material of the ED Strategy aligns with the broad feedback from the community and key stakeholders, which show support for improving our economy.

### Mana whenua

- Economic development is a significant focus for mana whenua and local Māori business. The refreshed Strategy has particular focus on enabling Māori economic rangatiratanga. This will be supported through growing opportunities for Māori economic development and creating a specific strategy to advance economic opportunities for Māori alongside our iwi partners.
- lwi Māori and Māori business representatives have been involved in the development of this strategy. Mana whenua are represented on the EDKB and the views of Māori business were captured through engagement with Te Rōpū Pakihi.

# Panonitanga Āhuarangi me te Taiao | Climate change and Environment

The decision to endorse the refreshed Strategy does not have any direct implications for climate or the environment. However, the ED Strategy places a strong focus on sustainability and resilience. For example, regenerative agriculture and sustainable tourism are specific workstreams proposed in the Action Plan. This reflects community values on economic development and is linked to community aspirations for how the district should grow that Council heard through Vision Kāpiti.

### Ahumoni me ngā rawa | Financial and resourcing

- There are no direct financial or resourcing implications arising from this decision as the existing Budget for economic development will be used to fund the work proposed. For 2025/26 and 2026/27, actions have been set through the Long-term Plan process and are allocated in line with the annual plans proposed and discussed with Council by the EDKB.
- The refreshed Strategy will guide the work of the new legal entities that are stood-up. Through the establishment period of introducing these entities, it is envisaged that Council / rate funding will gradually reduce as investment and new funding revenues are accessed. It is proposed to shift incrementally over time as follows<sup>2</sup>:

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<sup>&</sup>lt;sup>2</sup> \*\*\* refers to Council only been able to direct focus of activities where it is providing funding; and \*\*\*\* refers to the first year that Council will receive a dividend from the Trust as a result of economic development activity.

Annual share of budget costs	2025/26	2026/27	2027/28****	2028/29	2029/30
Council***	90%	85%	75%	60%	40%
External funding	10%	15%	25%	40%	60%

In practice, the reduction in Council committed funding from the business rate will be reflected by the return of an annual dividend/return to Council – over time, this will be netted out and the rates collected from business will reduce.

# Türaru ā-Ture me te Whakahaere | Legal and Organisational Risk

No legal or organisational risks have been identified.

# Ngā pānga ki ngā kaupapa here | Policy impact

- The refreshed Strategy is intended to replace the existing Economic Development Strategy 2020-23. The ED Strategy is one of Council's five core operating strategies in its strategic architecture. It will guide Council and EDKB activities over the next three years.
- Council is also working on the development of an Outcomes Reporting Framework. Once this is complete, we will check in on the Strategy to ensure alignment between the two.

# TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

### Te mahere tühono | Engagement planning

37 Council and the EDKB have engaged with the sector and public through the Direction of Travel. This input was used to inform the draft Strategy. Given the level of change made between the Direction of Travel and the draft Strategy is not considered significant, further public engagement on the draft Strategy is not recommended. However, the EDKB will follow up with key stakeholders to discuss the final proposed product prior to publication in March 2025.

### Whakatairanga | Publicity

A communications plan will be developed to support engagement on the Strategy, and its release in March 2025. Council will use established communications channels to inform the community of this decision and what it means. This will include joint communications releases in partnership with the EDKB and a web page.

# NGĀ ĀPITIHANGA | ATTACHMENTS

- 1. Draft, refreshed Economic Development Strategy 2024-27 (substantive content) &
- 2. Economic Development Strategy Appendix C Action Plan J.
- 3. Economic Development Strategy Appendix D summary case studies U
- 4. Economic development Direction of Travel Survey Feedback J.



# **Foreword from Council**

### [Mayoral foreword to be confirmed].

### Placeholder:

Supporting business and industry to thrive in our district, is one of the Council's top priorities. Put simply, having access to employment, education and opportunity is one of the fundamental needs that our community has indicated is critical to ensuring that we all thrice.

Council has several opportunities to contribute to improved economic development. Firstly, as one of the largest employers in the community, we have the ability to work alongside those looking for work, such as youth, and businesses to ensure that we employ, and procure services, locally where its possible to do so. Through collection of our business rate, we are also able to support actions that improve our local economy, and economic development activity across the district.

For some time, Council has focused strongly on working with business, industry, and the wider economic development ecosystem to enhance opportunities in our district. With the support of the districts Elected Members, Council is committed to continuing to do so into the future; and to ensure that ratepayers receive a return from this investment.

Council will continue to work alongside the Economic Development Kotahitanga Board (EDKB) to deliver on key actions set by this strategy. Together, we work with business across our district to provide support, guidance and facilitation for the broader ecosystem to work together to foster a vibrant and thriving economy in our district. In this respect, Council and the EDKB are enablers and facilitators to support our businesses to flourish on the Kāpiti Coast.

# Message from the Economic Development Kotahitanga Board

[EDKB Chair foreword to be confirmed].

### Placeholder:

Comprising representatives from local business and iwi, the Economic Development Kotahitanga Board (EDKB) was established to oversee the implementation of the Kāpiti Coast Economic Development Strategy. The Board's primary role is to provide governance and a unified strategic direction for economic growth and resiliency. This involves working closely with Kāpiti Coast District Council, iwi, key partners, stakeholders, and the wider community.

The Board is committed to fostering trust and building momentum with these groups, so that together, they can work towards a thriving economic future for the district. The EDKB, along with local business associations and industry groups, provide essential input into Council's decision-making.

As we enter this next stage, the EDKB is enhancing its role as it transitions into an independent legal structure, that will support more independence, and increased financial opportunities for local economic development initiatives. You can read more about the EDKB, its new operating model, and members on the <u>Business</u> Kāpiti website.

We are looking forward to supporting business, industry, and our economic development ecosystem to shift out of survival mode, and into acceleration mode as the economy slowly lifts out of the current economic downturn on the last year or two.

### [INSERT PHOTO OF EDKB]

### Mayor of KCDC

**CAPTION - Board members** 

Neil Mackay - Chair

Hillmare Schultze (Berl Ltd)

Scott Houston (Arcanum AI)

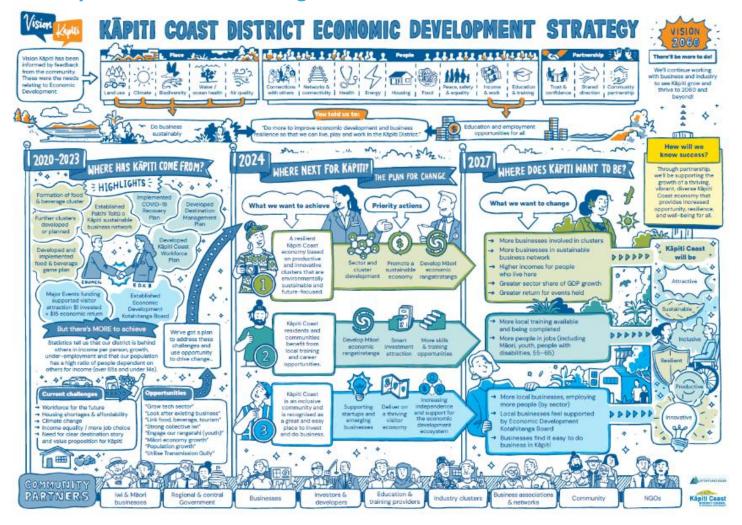
Kim Tahiwi (Ngā Hapū o Ōtaki)

Russell Spratt (Atiawa ki Whakarongotai)

Waipuna Grace (Ngāti Toa Rangatira).

1

# What you need to know at a glance



# Section 1: Where has Kāpiti come from?

# Kāpiti Coast Economic Development Strategy and Implementation Plan 2020-2023

In summary, we have made great progress against the implementation of this strategy, including establishing the Economic Development Kotahitanga Board (EDKB) to guide the work for our district<sup>1</sup> (as highlighted in the Table to the right).

We have seen strong shifts in the impact measures in the 2020-23 Strategy with:

- Improved employment growth with year-on-year growth in the period either at or above NZ and Wellington Region results
- Local unemployment rate consistently tracking lower than New Zealand and the Wellington Region
- The Kāpiti economy growing at a greater rate than the NZ or Wellington Region economies over most of the last 4 years.
- Local growth in business units outperforming both New Zealand and the Wellington Region over the 4 years.

However, we know that there are key challenges (green, below); and opportunities (blue, below), for businesses operating in Kāpiti which we will need to respond and/or pursue to support businesses and industry to thrive:.



 $<sup>^{\</sup>rm 1}\,{\rm See}$  close out report to Council  $\underline{\rm here}$  for more detail

Economic D	Development Strategy 2020-2023 key achievements		
EDKB	Established and supported the Economic Development		
	Kotahitanga Board which has worked proactively with the		
	business community, Council, iwi, and local and regional		
	partners to oversee and implement the strategy.		
Clusters	Food & beverage – formed and matured.		
approach	New clusters being stood up for tech, tourism and the		
	creative sector.		
Delivering	Food & beverage gameplan delivered and implemented		
plans	COVID-19 Recovery plan implemented – supported.		
	businesses and the community through high levels of		
	uncertainty during the pandemic.		
	Kāpiti Coast workforce Plan – supporting effective		
	pathways to employment for all residents, with		
	businesses having access to the skills and talent neede		
	to grow and thrive.		
	Destination Management Plan – providing a long-term		
	strategic framework to strengthen the visitor economy		
	via sustainable destination management.		
Sustainable	Establishment of Pakihi Toitū o Kāpiti – a sustainable		
business	business network with over 60 members, providing		
network	access to case studies, tools, and workshops to support		
	decreasing carbon emissions and waste.		
Major	Major events funding supported attraction of over		
events	155,000 visitors to the district and an economic return of		
	more than \$15 for each dollar invested through events		
	like the Māoriland Film Festival, Kāpiti Food Fair, Ōtaki		
	Kite Festival, Xterra Wellington and Kāpiti Half Marathon.		

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### Our local challenges

A number of factors continue to be a concern or unrealised opportunity for economic development in Kāpiti. We continue to be below our peers in key structural indicators like average income, growth, under-employment, and our dependency ratio (ie those over 65 and under 14 years). Further to this, like other parts of New Zealand and the work, Kapiti businesses and industry have been doing it hard as the slow but enduring recession tail pushes through. More positively, we have for some time benefited from better access to the Wellington Region and international market as a result of the opening of the Transmission Gully roading network. We must continue to leverage off this change, and to push our advantage as the place to live and do business.

### Vision Kāpiti

Since the 2020-2023 Strategy was introduced, we have established a programme of work to look at the bigger picture for our district. We initiated Vision Kāpiti in 2023, to hear from our community about their aspirations for the district across a range of factors.

In regards to Economic Development, we heard from the Kapiti community that they want to see sustainable, environmentally friendly businesses in our district, that bring high quality jobs and deliver local economic growth. We also heard the importance of education and employment opportunities that bring opportunity for everyone in our district and deliver pathways to stable employment.

### Our Districts Long-Term Plan (LTP) and other core strategies

Our Long-Term Plan 2024-34 sets out our new strategic direction, built on the key areas that informed the Vision Kāpiti engagement. Supporting economic growth is a priority under this LTP.

This strategy is one of Council's five key operating strategies that support our overall direction. This includes setting our collective focus and response to the most significant community challenges we face now and will continue to face into the future: Economic Development; Health; Housing; Climate Change; and the Environment.

These topics are also interconnected. Economic wellbeing is a key determinant of positive health and housing outcomes; housing is fundamental to enabling economic growth and health outcomes; the way we go about our economic activities will contribute to climate change and resilience outcomes; the health of Te Taiao, our environment, underpins the ability for us to undertake economic activity and prosper.

Together, the activities under these strategies will deliver or contribute to the topics under the Doughnut Model and, will help us make Kāpiti a great place for our people to live, work and play.

### Our drivers for change

To refresh the existing strategy, Council and the EDKB have reviewed our progress in lifting Economic Development in Kapiti, in consultation with the community and key stakeholder.

This review began in 2023, and has involved the EDKB and Council Economic Development Business Unit engaging with Elected Members, Te Rōpū Pakihi, Kāpiti Business Chamber, Kāpiti Economic Development Agency (KEDA), Kāpiti Coast Tourism Advisory Board, Youth Council, the Disability Advisory Group and Older Persons Council. Through this engagement, they identified key drivers, ongoing issues and big opportunities for ongoing work in economic development for Kāpiti. These are set out in the image below.

From feedback to date, we know that the refreshed strategy will need to address emerging challenges for business, and our economic development ecosystem, and provide a more integrated and forward-looking agenda for change. For example, supporting businesses to enhance sustainable practice will be one lever to help reduce operating costs over the longer term, improve our environment, and support improved economic productivity. For example, shifting business operations from electricity to solar-powered alternatives can significantly reduce costs for businesses with high energy needs during peak periods. It will also support achievement of our districtwide emissions reduction goal.

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# Section 2: Where to next for Kāpiti?

Our vision for the Economic Development Strategy will remain unchanged from the vision set through the 2020-23 Strategy:

"Through partnership, we will support the growth of a thriving, vibrant, diverse Kāpiti Coast economy that provides increased opportunity, resilience, and well-being for all".

Maintaining continuity in focus will ensure that the momentum that is now underway continues, and that we keep our gaze focused on driving change. We will bring the vision to life through three focus areas that build on our success with clusters, increase focus on sustainability, build pathways for our people to high quality jobs, and make it easy for businesses to join us on the coast. Through 2024-27 this will include:

### **Three Focus Areas for change**

Fostering a resilient Kāpiti Coast economy based on productive and innovative clusters that are environmentally sustainable and future focussed: Creating a strong and environmentally sustainable economy by supporting the development of key industry clusters such as Food and Beverage, Technology, Tourism, and Creative Industries to drive economic growth and innovation.

Ensuring Kāpiti Coast residents and communities benefit from local training and career opportunities: Developing education opportunities and skills hubs that are local, easy to access, and provide wide variety of training programs tailored to the local workforce and industry needs.

Creating an inclusive community that is recognised as a great and easy place to invest and do business: Encouraging an inclusive business community where everyone can have the tools for success whilst making it easier to do and start business on the coast.

### Supported by three measurable shifts

More resilient, productive businesses and economy with strong, industry led clusters, job creation, wage growth, increased local GDP, and more events in the region

More inclusive, innovative networks and economic development system with increased access to local training opportunities, and more people completing training

More attractive, sustainable economic environment where businesses understand and navigate council processes, attracting more businesses to the district.

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### Our priority actions and workstreams

We will drive change in business and industry outcomes, through a simple work programme for each of the Focus Areas. For Focus Area 1, we will work alongside business, industry and our economic development ecosystem to deliver on three priority actions as follows:



Focus	A resilient Kāpiti Coast economy based on productive and innovative clusters that are environmentally sustainable and future focused		
Priority Actions	Faciliate Sector and Cluster     Development	2. Drive Sustainable Economy	3. Enable Māori Economic Rangatiratanga
Workstreams	1. Kāpiti Tech Cluster  1.2 Food and Beverage Cluster, (next level of maturity furthering collaboration and industry leadership)  1.3 Tourism Cluster  1.4 Creative Industries Cluster  1.5 Support wellbeing collective	2.1 Regenerative agriculture  2.2 Sustainable tourism practices  2.3 Local value-adding practices  2.4 Support sustainable enterprises	3.1 Te Ao Māori - economic development activity 3.2 Opportunities for Māori economic development

Further detail explaining the activity within each worksteam is outlined in the Appendices. A summary of the Action Plan supporting workstreams is also set out.

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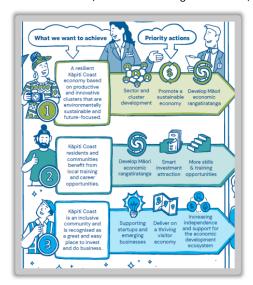
For Focus Area 2, we will work alongside business, industry and our economic development ecosystem to deliver on three priority actions as follows:



Focus	Kāpiti Coast residents and communities benefit from local training and career opportunitites		
Priority Actions	4. Progress Skills and Training options	5. Identify and Attract Smart Investment	6. Facilitate Inclusive Employment Opportunities
Workstreams	4.1 Education opportunities and skills hubs (implement local hub)  4.2 Training programmes (tailored to the local workforce and industry needs)	5.1 Targeted investment attraction strategy (including RIF)	6.1 Pathways to education and employment opportunities throughout the District

Further detail explaining the activity within each worksteam is outlined in the Appendices. A summary of the Action Plan supporting workstreams is also set out.

For Focus Area 3, we will work alongside business, industry and our economic development ecosystem to deliver on three priority actions as follows:



Focus	Kāpiti Coast is an inclusive community and is recognised as a great and easy place to invest and do business			
Priority Actions	7. Support Startups and Emerging Businesses	8. Increase the Visitor Economy	9. Increase Support for the ED system	
Workstreams	7.1 Start-up ecosystem 7.2 Scale-up support for business (wider support ecosystem)	8.1 Fund Major tourism and business events  8.2 Visitor experience opportunities (assist with business development)  8.3 Kāpiti Coast as a tourism destination	9.1 Connection of the local business networks and associations	

Further detail explaining the activity within each worksteam is outlined in the Appendices. A summary of the Action Plan supporting workstreams is also set out.

What shift we

# Section 3: How will we know we've made a difference for business?

How we will know we are making a difference

	Our Focus Areas for change	How we will measure change	will see
		Number of businesses engaged in each cluster	Increase
	Fostering a resilient Kāpiti Coast economy based on productive and innovative clusters that are environmentally sustainable and future focussed: Creating a strong and environmentally sustainable economy by supporting the development of key industry clusters such as Food and Beverage, Technology, Tourism, and Creative Industries to drive economic growth and innovation.	Per capita income	Increase
1		Sector share of GDP growth	Increase
_		Number of major events and economic impact of each event	Increase
		Business membership of Sustainable Business Network, Pakihi Toitū o Kāpiti.	Increase
		Number of local training programmes offered	Increase
	Ensuring Kāpiti Coast residents and communities benefit from local	Number of people completing local training programmes	Increase
	training and career opportunities: Developing education opportunities and skills hubs that are local, easy to access, and provide wide variety of training programs tailored to the local workforce and industry needs.	Māori employment rate	Increase
_		Youth NEET rate	Decrease
		Unemployment rate for people with disabilities	Decrease
		Unemployment rate for people aged 55-65	Decrease
		Business unit and FTE growth per sector	Increase
3	Creating an inclusive community that is recognised as a great and easy place to invest and do business: Encouraging an inclusive business community where everyone can have the tools for success whilst making it easier to do and start business on the coast.	Rates of Business Survey respondents feeling supported by EDKB and Council economic development services	Increase
		Rates of business survey respondents that have good awareness of Council requirements for business and agree that it is easy to do business in Kāpiti	Increase

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### Local & Central Incubators & NZTE Accelerators Government Enablers Techstars STARTUP ECONOMIC DEVELOPMENT **KOTAHITANGA BOARD** CREATIVE HQ Kiwi Can Do Kāpiti Coast **Business Networks** Te Puna Oranga **Industry Education** & Awards Kāpiti **KEDA Business Support Ecosystem** Electra Business & Business Y MATIHIK (P TE WĀNANGA O RAUKAWA UCOL Māoriland Hub Te Ao Māori **Tertiary Education**

# **Section 4: Who is driving shifts in Economic Development in our district?**

Figure 1 Kāpiti's Local economic ecosystem

Successful economic ecosystems are those that are well connected, with strong levels of collaboration and inclusion to allow innovation and creativity amongst participants to thrive. The diagram, above, outlines the wider ecosystem context for the Kāpiti Coast. The EDKB and Council will support work across this ecosystem to achieve the next level of progress in our local economic development and achieve the vision set out in this strategy. As the EDKB transitions into its new legal entity, work will be progressed annually to develop detailed action plans that outline the collective steps that will be progressed by these key stakeholders. Memorandum of Understanding will be set in place to confirm how these parties will work together to drive shifts in current economic development settings.

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Appendices – note these will be made available on our website as links but not form part of the main strategy document

# **Appendix A – Evidence Base**

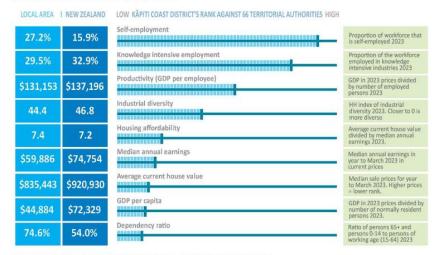
Lifestyle, proximity to Wellington, and lower house prices compared to Wellington, are key factors attracting people to live in Kāpiti. Population forecasts suggest the district will grow by 25,000 over the next 30-years. Migration is the primary driver of population growth in Kāpiti, with many new residents relocating from across Wellington suburbs, other national centres like Auckland, and internationally.

A range of statistics tell us that Kāpiti Coast District is well behind national and Wellington City in per capita income, growth. As illustrated in the structure indicators graph below, we know that not all members of the Kāpiti Coast community have equitable access to economic opportunities. Lower GDP and productivity levels generally correlate with lower levels of knowledge intensive employment, lower income levels and higher levels of dependency, with underemployment being a key issue for the district given the large older local demographic.

Limited pathways to employment for young people, Māori and people with disabilities and the lack of opportunities for people to retrain and upskill locally are often key barriers and often means that local businesses struggle to recruit the staff needed to grow and prosper locally.

Kāpiti is expected to follow national trends, with a growing and aging population. Kāpiti already has one of the oldest populations in New Zealand which is reflected in its high proportion of single (29%) and two-person (38%) households and high dependency ratio. While the District is expected to continue to increase its number of families, people in their mid and late career, and retirees moving to the District, it is also expected to lose young adults as they move away from the District for study, work and travel.

### Structural Indicators, 2023



Data source: Infometrics and Statistics New Zealand. Downloaded: 7 February 2024.

The opening of Transmission Gully and the Peka Peka to Ōtaki Expressway has improved accessibility to Kāpiti. While the opportunity for rural and semi-rural living continues to see some growth across the district's rural areas, most population growth is forecast across the larger urban centres of Paraparaumu, Raumati, Waikanae and Ōtaki.

At a national level, the economic challenges we face are many and varied. These include the rapid pace of technological change, which threatens to disrupt traditional business operations and employment across the economy. Global competition for skilled workers is high, making talent retention and attraction crucial for sustaining economic growth. Recent disruptions, from pandemics to geopolitical tensions, are shifting the dynamics of global supply chains and contributing to emerging barriers to international trade. As we become increasingly vulnerable to climate change, the challenges of improving our resilience to climate disruptions is increasingly front-of-mind.

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Despite these challenges, the Kāpiti Coast is well-positioned to take advantage of economic opportunities. As the northern gateway to the nation's capital, supported by strategic transport infrastructure investments including the Kāpiti Airport, commuter rail service, extensive bus network and Transmission Gully, Kāpiti holds a strategic position for connectivity and accessibility. The district boasts a strong Māori culture, particularly in and around Ōtaki, providing a firm foundation for the cultural economy and for economic development initiatives to benefit Māori. The district's natural beauty, including natural areas and coastal features including Kāpiti Island, offer opportunities for sustainable tourism and a lifestyle attractor for workers and businesses.

# Appendix B - More detailed information on workstreams

Our priority actions will build on Ngā Pou from the 2020-2023 Strategy and are grouped under each Focus Area.



Focus Area 1: A resilient Kāpiti Coast economy based on productive and innovative clusters that are environmentally sustainable and future focused.

### **Action: Sector and Cluster Development**



Having a sector focus enables us to tailor industry support in a targeted manner, assisting in ways particular industries find most helpful at the particular point of their development. Supporting the development of industry clusters, localised networks of interconnected businesses and institutions in key growth sectors, will drive sustainable economic development and leverage regional strengths to boost innovation, productivity, and competitiveness. These clusters are at different stages of development.

Clusters, existing and emerging, reflect key pillars of our economic picture on the Kāpiti Coast, and include:

- Food and Beverage Cluster: Food product manufacturers and associated support businesses.
- Tourism Cluster: Visitor attractions, accommodation and food services and destination operators.
- Technology Cluster: Businesses operating in Information and Communications Technologies (ICT) development and delivery.
- · Creative Industries Cluster: Encompassing film, music, broadcasting, design and digital technologies, performing and visual arts, and Ngā toi Māori.
- Wellbeing collective: Local businesses with a wellbeing focus including massage studios, herbal healing centres, acupuncture clinics, yoga studios, meditation and wellbeing retreats, fitness centres, and more.

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### **Action: Sustainable Economy**



We will support the transition to a lower carbon and climate resilient economy by supporting businesses we connect with to take up sustainable practices. This will focus on circular economy principles and business models that design waste and pollution out at source, while enhancing business efficiency, profitability, and stimulating innovation and investment in new opportunities. This will position local businesses to better respond to changing consumer preferences, growing environmental pressures, and environmental regulation.

Building on the existing natural advantages of the Kāpiti Coast, opportunities for sustainable businesses development and the circular economy are broad and growing. These opportunities include:

- Regenerative Agriculture improving the sustainability of current practices will enhance the quality of substandard land, marketability of local produce, and support broader social, economic and cultural opportunities.
- Sustainable Tourism showcasing our natural environment to provide incentives for environmental restoration and adoption of sustainable industry practices.
- Local value-adding the emerging food and beverage sector is an example of local manufacturing with the potential to leverage local sustainably-sourced primary production and resource efficiency to reduce waste and economic losses in the supply chain.
- Sustainable enterprises significant scalable opportunities exist for businesses focusing on solutions to supply chain shortages and environmental challenges. These
  include sustainable packaging, materials reuse, recycling and recovery, and sustainable design and construction technologies.

Through Pakihi Toitū o Kāpiti, we will support local businesses to adopt improve their sustainable practice. This will help demonstrate good practice activities to the market, and attract new sustainable business investment.

### **Enabling Māori Economic Rangatiratanga**





Māori aspirations and well-being are interdependent and focus on longer term priorities. These aspirations sit within a context of a deep relationship with the natural environment. Māori use these approaches to increase participation and inclusion in decision making, which affects their approach to economic development.

Greater economic opportunities for Māori including those based on their knowledge base – mātauranga Māori – are critical for enabling their positive economic wellbeing and mana motuhake. Respecting and valuing Te Āo Māori worldviews and Māori concepts is the first step to deliver and establish partnerships to support Māori business enterprise. To support a strong, sustainable business environment informed by Te Ao Māori, we will:

Work with representatives of Ātiawa ki Whakarongotai, Ngāti Toa Rangatira, Ngā Hapū o Ōtaki and Te Rōpū Pakihi (Māori Business Network) and other pakihi Māori, to inform a specific strategy that will advance economic opportunities for Māori in a way that respects their mana and recognises local taonga.

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Acknowledge that Māori businesses can have multiple purposes beyond profitability, reflecting the social and cultural aspirations as their core purpose.

Focus Area 2: Kāpiti Coast residents and communities benefit from local training and career opportunities.

### **Enabling Māori Economic Rangatiratanga**





Māori have great aspirations for their economic rangatiratanga. In addition to working with Māori to inform the Economic Development approach for Kāpiti, it will be critical to support opportunities for iwi and Māori locally. This will help tangata and pakihi Māori to live, work and play here in Kāpiti, while also delivering a boost to the Kāpiti Coast economy.

To deliver economic rangatiratanga for tangata and pakihi Māori, we will:

- Work with representatives of Ati Awa ki Whakarongotai, Ngati Toa Rangatira, Nga Hapu o Ōtaki and Te Rōpū Pakihi (Māori Business Network) and other pakihi Māori, to inform a specific strategy that will advance economic opportunities for Māori in a way that respects their mana and recognises local taonga.
- Support opportunities for training and career development for Māori.
- Commit time, energy and resource to lift the Māori economy and support pakihi Māori.
- Support Māori and mana whenua to take advantage of business opportunities.

### **Skills and Training**



Ensuring our people have the skills and education that are in demand benefits both local businesses and the communities they serve. This will help improve local productivity and enables access to new and better paying career options.

Facilitating inclusive local skills and training hubs that meet the needs of our youth, older people and people living with a disability will help address the critical need for accessible education and training opportunities, and support jobs growth. Establishing these hubs will foster local talent, address workforce shortages and skills gaps and enhance the overall economic and social well-being of the Kāpiti Coast region.

To make this a reality, we will:

- Collaborate with iwi, central government, education and training providers, businesses and community stakeholders.
- Locate education hubs in areas that are accessible and have diverse spaces to support classroom-based and practical learning needs.

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- Develop and deliver employability skills training.
- Facilitate education and training options that align with the workforce needs of the region.
- Secure on-going funding to develop training programs for rangatahi, older people and people with health conditions and impairments.
- Encourage workforce training opportunities that will benefit the growth of cluster businesses.

### **Smart Investment Attraction**



Attracting investment that is aligned with our community's social and environmental goals, will support economic vitality while enhancing our social and environmental well-being. By supporting job creation and economic diversification, we can nurture innovation and workforce development, embedding the principles of responsible growth into local commerce.

This will ensure that the infrastructure developments and the expansion of market opportunities that come with new investments contribute meaningfully to the community's wellbeing, and the Kāpiti brand and business story. This will also help provide a resilient foundation for an economy that thrives in harmony with its environment.

We also want to maximise business growth in areas that offer Kāpiti a competitive advantage economically. This includes supporting local business through Council procurement. For example, the development of physical space planning can provide vibrant spaces for our businesses to be part of.

To attract aligned investment, we will:

- Showcase the Kāpiti Coast as a great place to live, work, and invest.
- Support businesses to attract talent and investment and improve their capability and resilience.
- Support attraction and development of businesses in key areas including, food and beverage, medical tech, creative industry advanced tech and education.
- Support businesses, including innovative and key sector businesses, to navigate local regulatory requirements.
- Support local and regional business networks.
- Support local, outcomes focused, approaches to Council procurement
- Support urban planning and town centre design to maximise attractiveness for businesses to be located there.

### **Facilitating Inclusive Employment Opportunities**



Supporting inclusive employment opportunities will be crucial for ensuring we have a diverse and equitable workforce, which will in turn support economic growth and social cohesion in the district. Inclusive employment practices ensure that all individuals, regardless of age, ability, or background, have access to meaningful work opportunities. This will not only improve the economic well-being of individuals but also enhances the productivity and innovation of businesses by tapping into a broader talent pool. By creating an environment where everyone can contribute and thrive, the district can build a more resilient and vibrant economy that benefits all its residents.

To create a more inclusive and supportive employment landscape we will:

- Develop targeted training programs for specific groups such as youth, older adults, and people with disabilities.
- Promote inclusive hiring practices among local businesses and provide support to navigate regulatory requirements.
- Enhance digital literacy and job-readiness skills through workshops and training sessions to improve employability.
- Foster entrepreneurial skills and support career transitions through upskilling initiatives.
- Encourage collaboration and innovation by organising networking events, forums, and collaborative projects.

The commitment to inclusivity will not only drive economic growth but also ensure that the benefits of development are shared widely across the community.

Focus Area 3: Kāpiti Coast is an inclusive community and is recognised as a great and easy place to invest and do business.

**Supporting Startups and Emerging Businesses** 



Many Kāpiti businesses are small or emerging micro businesses which collectively contribute to a diverse and thriving economy. Startups are typically young, often technology-focused and high-growth organisations that use scalable business models, to enable the creation of highly-skilled jobs and drive economic growth. By adding to the economic diversity, start-ups can reduce our vulnerability to industry-specific slumps and strengthen resilience in our local economy.

The Kāpiti Coast is well supported by its various stakeholder groups, industry clusters and networking events. To maximise the potential of new businesses to grow and emerge, we will foster a culture of collaborative innovation and support by:

- Enabling ease of access to investment channels and resources.
- Providing access to accelerator programs and relevant education.

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- Championing success through marketing and profiling.
- Supporting Startups to navigate regulatory requirements.
- Supporting mana whenua to grow their economic development rangatiratanga.

We have begun bringing together entrepreneurs, business networks and investors to identify what is needed to develop the local entrepreneurial culture. This has involved bringing stakeholders together to identify what opportunities are available locally, regional and nationally, and to undertake a pilot to explore and realise untapped potential identified in the 'Startup Genome' and 'Upstart Nation' reports.

### **Thriving Visitor Economy**





A thriving visitor economy is critical for supporting local wellbeing and providing jobs that would not be economically sustainable if they were only supported by locals. Attracting visitors and increasing their length of stay, leads to higher visitor spending in the district but also encourages people to relocate into an area. A strong destination brand will also attract investment and business opportunities to other sectors.

To support a thriving Kāpiti visitor economy through sustainable development and visitation, we will:

- Build effective and collaborative leadership across iwi, industry, and community with establishment of a tourism cluster with strong leadership and collaborative relationships, and data insights.
- Deliver the K\u00e4piti Destination Story to build awareness and position the district for sustainable visitation and growth using marketing tools and collaborative relationships, highlighting experiences and our unique identity.
- Improve visitor experiences provide opportunities to grow quality experiences and encourage new and existing offerings.
- Develop a destination that is well connected Improving infrastructure, wayfinding, and visitor information.

### Increased support for the economic development ecosystem







Providing more active support for the economic development ecosystem is key for taking our economic development activity to the next level. We will support, and be supported by, the new EDKB model to more actively attract investment and support to our district.

Supporting business networks, including business associations, is also crucial for local economic development as they serve as conduits for knowledge exchange, collaboration, and advocacy, fostering a conducive environment for businesses to thrive.

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These networks provide platforms for sharing best practices, accessing resources, and addressing common challenges - enhancing the competitiveness and resilience of local enterprises. They can also facilitate partnerships between businesses and other stakeholders, including government agencies, academic institutions, and non-profit organisations. This enables coordinated efforts to address economic development priorities and opportunities. Business networks active in the Kāpiti Coast include:

- Kāpiti Business Chamber
- Ōtaki and Te Horo Business Association
- Raumati Village Business Association
- Te Rōpū Pakihi
- Waikanae Business Association

By nurturing vibrant business networks, we can stimulate innovation, job creation, and economic growth, while also promoting social cohesion, developing Māori economic rangatiratanga and supporting community prosperity.

Council's role in delivering supporting infrastructure will also provide support to business. Kāpiti is a great position to make the most of investments already made, like the completion of Transmission Gully and Peka Peka to Ōtaki and further development of the Ōtaki to North of Levin expressway development.

Further strengthening our infrastructure to withstand disruption and ensuring robust recovery plans are in place will increase our resiliency to natural hazards. This will enable quicker recovery and reduce long-term economic and social disruptions. Ensuring the reliability and resilience of our infrastructure will support confidence in the prospects of the Kāpiti Coast, attracting investment and enhancing overall community wellbeing.

# **Appendix C – Summary Action Plan**

See separate document attached.

# **Appendix D – Case Studies**

See separate document attached.

# **Economic Development Strategy 2025-27 Action Plan**

### Vision

Through partnership, support the growth of a thriving, vibrant, diverse Kāpiti Coast economy that provides increased opportunity, resilience, and well-being for all



### How we will know success

- 1. Resilient, productive Strong, industry led clusters, job creation, wage growth, increased local GDP, more events in the region
- 2. Inclusive, innovative increased access to local training opportunities, more people completing training
- 3. Attractive, Sustainable Businesses understand and navigate council processes, attracting more businesses



### Focus Areas & Priority Actions



A resilient Kāpiti Coast economy based on productive and innovative clusters that are environmentally sustainable and future focused.

- Sector and Cluster Development
- Sustainable Economy
- Enabling M\u00e4ori Economic
   Rangatiratanga Te Ao M\u00e4ori perspectives



Kāpiti Coast residents and communities benefit from local training and career opportunities

- Enabling M\u00e4ori Economic
   Rangatiratanga opportunities for
   M\u00e4ori
- Skills and Training
- Facilitating Inclusive Employment Opportunities
- Smart Investment Attraction

3

Kāpiti Coast is an inclusive community and is recognised as a great and easy place to invest and do business.

- Supporting Startups and Emerging Businesses
- Thriving Visitor Economy
- Increased support for the economic development ecosystem

**Activities** 

Focus Area	Priority Action	Activities Short (1y	r), <mark>Medium</mark> (2yr), <mark>Long</mark> (3+yr), ongoing
Focus Area 1  Fostering a resilient Kāpiti Coast economy based on productive and innovative clusters that are environmentally sustainable and future focused	Sector and Cluster Development	2 Strengthening the thriving Food and Beverage Cluster, for next level of maturity furthering collaboration and industry leadership	<ol> <li>1.1 Establish formal network cluster and work programme.</li> <li>1.2 Enhance cluster connection, collaboration and tech community.</li> <li>1.3 Build cluster capability.</li> <li>1.4 Partner with Iwi, hapu and Māori organisations.</li> <li>2.1 Developing centres of excellence based on niche strengths in manufacturing, packaging and logistics.</li> <li>2.2 These centres of excellence will lead to a centralised food hub.</li> <li>2.3 Support expansion into the international market in coordination with Wellington NZ, MPI and NZTE.</li> <li>2.4 Further develop the 'foodie vibe'.</li> <li>2.5 Communicate and promote the value proposition of Kāpiti Coast food and beverage sector.</li> </ol>
		3 Establish a thriving Kāpiti Tourism Cluster 4 Establish Creative industries cluster	<ul> <li>3.1 Build effective and collaborative leadership across the industry and community.</li> <li>4.1 Partner with the creative industries to develop a cluster to benefit the sector through capability development, visitor attraction, business support and coordination.</li> </ul>

	5 Support wellbeing collective	5.1 Support the Kāpiti Wellbeing Collective to develop and implement their strategy and action plan.
Sustainable Economy	6 Promote regenerative agriculture	6.1 Researching and piloting regenerative horticulture in partnership with iwi/hapū to support and enable the aspirations of mana whenua.
	7 Showcase sustainable tourism practices	7.1 Support the development of a sustainable place to live and visit as part of visitor attraction initiatives.
	8 Encourage local value-adding practices	8.1 Work with the clusters and hubs to cultivate local sustainably sourced ingredients and resource efficiency to minimise waste and economic losses in the supply chains.
	9 Support sustainable enterprises	9.1 Cultivate Kāpiti's sustainable business network Pakihi Toitū o Kāpiti to increase members from across sectors committed to reducing impacts on the environment.
Enabling Māori Economic Rangatiratanga	10 Develop Te Ao Māori input to economic development activity	10.1 Develop a strategic document on Māori economic wellbeing, jointly with mana whenua and Māori business stakeholders.

Focus Area 2  Kāpiti Coast residents and communities benefit from local training and career opportunities.	Enabling Māori Economic Rangatiratanga	11 Support opportunities for Māori economic development	<ul> <li>11.1 Develop a strategic document on Māori economic wellbeing, jointly with mana whenua and Māori business stakeholders.</li> <li>11.2 Support opportunities for training and career development for Māori.</li> <li>11.3 Commit time, energy and resource to lift the Māori economy and support pakihi Māori.</li> <li>11.4 Support mana whenua to take advantage of business opportunities.</li> <li>11.5 Partnering with iwi/hapu to support and enable the aspirations of mana whenua. Researching and piloting regenerative horticulture.</li> </ul>
	Skills and training	12 Develop education opportunities and skills hubs that are local and accessible.	<ul> <li>12.1 Collaborate with iwi, central government, education and training providers, businesses and community stakeholders.</li> <li>12.2 Locate education hubs in areas that are accessible and have diverse spaces to support classroom-based and practical learning needs.</li> </ul>
		13 Provide a wide variety of training programmes tailored to the local workforce and industry needs	<ul> <li>13.1 Develop and deliver employability skills training.</li> <li>13.2 Secure on-going funding to develop training programs for rangatahi, older people and people with health conditions and impairments.</li> <li>13.3 Facilitate education and training options that align with the workforce needs of the region.</li> <li>13.4 Encourage workforce training opportunities that will benefit the growth of cluster businesses.</li> </ul>

targeted investment and business attraction strategy  14.2 Support businesses to attract talent and investment and improve their capability and resilience.  14.3 Support attraction and development of businesses in key areas including food and beverage, medical tech, creative industries, advanced tech and education.  14.4 Support businesses, including innovative and key sector businesses, to navigate local regulatory requirements.  14.5 Support local, outcomes focused, approaches to Council procurement.  14.6 Support urban planning and town centre design to maximise attractiveness for businesses to be located there.  Facilitating inclusive employment opportunities employment opportunities throughout the district.  15.1 Develop targeted training programs for specific groups such as youth, older adults, and people with disabilities.  15.2 Promote inclusive hiring practices among local businesses and provide support to navigate regulatory requirements.  15.3 Enhance digital literacy and job-readiness skills through workshops and training sessions to	Smart investment attraction	14 Develop and implement a	14.1 Showcase the Kāpiti Coast as a great place to live, work, and invest.
businesses in key areas including food and beverage, medical tech, creative industries, advanced tech and education.  14.4 Support businesses, including innovative and key sector businesses, to navigate local regulatory requirements.  14.5 Support local, outcomes focused, approaches to Council procurement.  14.6 Support urban planning and town centre design to maximise attractiveness for businesses to be located there.  Facilitating inclusive employment opportunities  15 Create effective and inclusive pathways to education and employment opportunities  15.1 Develop targeted training programs for specific groups such as youth, older adults, and people with disabilities.  15.2 Promote inclusive hiring practices among local businesses and provide support to navigate regulatory requirements.  15.3 Enhance digital literacy and job-readiness skills through workshops and training sessions to		and business	investment and improve their capability and
Facilitating inclusive employment opportunities    Toportunities   15 Create effective and inclusive pathways to education and employment opportunities   15.1 Develop targeted training programs for specific groups such as youth, older adults, and people with disabilities.    Toportunities   15.1 Develop targeted training programs for specific groups such as youth, older adults, and people with disabilities.    Toportunities   15.2 Promote inclusive hiring practices among local businesses and provide support to navigate regulatory requirements.    Toportunities   15.3 Enhance digital literacy and job-readiness skills through workshops and training sessions to   15.3 Enhance digital literacy and job-readiness skills   15.4 Enhance digital literacy and job-readiness skills   15.5 Enhance digital literacy and job-readiness skills   15.6 Enhance digital literacy and job-readiness   15.6 Enhance digital literacy and job-readiness   15.6 Enhance digital literacy   15.7 Enhance digital literacy   15.8 Enhance digital		G,	businesses in key areas including food and beverage, medical tech, creative industries, advanced tech and education.  14.4 Support businesses, including innovative and key sector businesses, to navigate local regulatory requirements.  14.5 Support local, outcomes focused, approaches to Council procurement.  14.6 Support urban planning and town centre design
inclusive employment opportunities  inclusive pathways to education and employment opportunities  inclusive pathways to education and employment opportunities  throughout the district.  inclusive pathways to education and employment opportunities.  inclusive pathways to education a			
throughout the regulatory requirements. district. 15.3 Enhance digital literacy and job-readiness skills through workshops and training sessions to	inclusive employment	inclusive pathways to education and employment	groups such as youth, older adults, and people with disabilities.  15.2 Promote inclusive hiring practices among local
15.4 Foster entrepreneurial skills and support career		throughout the	regulatory requirements.  15.3 Enhance digital literacy and job-readiness skills through workshops and training sessions to improve employability.

Focus Area 3  Kāpiti Coast is an inclusive community and is	Supporting startups and emerging business	16 Establish a thriving start-up ecosystem with a culture of entrepreneurial innovation.	<ul><li>16.1 Start-up pilot programme insights used in the startup ecosystem programme.</li><li>16.2 Supporting Startups to navigate regulatory requirements.</li></ul>
recognised as a great and easy place to invest and do business.		17 Emerging businesses seeking to scale-up are supported by a wider support ecosystem through their phases of growth.	<ul> <li>17.1 Enabling ease of access to investment channels and resources.</li> <li>17.2 Providing access to accelerator programs and relevant education.</li> <li>17.3 Championing success through marketing and profiling.</li> <li>17.4 Supporting mana whenua to grow their economic</li> </ul>
	Thriving Visitor economy	18 Attract or develop major and business events to support the region's positioning	development rangatiratanga.  18.1 Support the delivery of events that celebrate the positioning of the region, strengthen key sectors like arts and culture.  18.2 Enhance the events calendar with a balanced portfolio of event themes that align with the DMP
		19 Identify visitor experience opportunities throughout the district and assist with business development support	19.1 Grow quality experiences to encourage new and existing markets to visit and spend.

	20Build awareness of	20.1 Implement the Kāpiti destination story to build
	the Kāpiti coast as a	awareness and position the district as a
	tourism destination	sustainable visitor destination.
		20.2 Supporting ease of access with a well-connected
		district.
Increased support	21 Support local	21.1 Promote and collaborate with business networks
for the economic	business networks	and local associations to support their members.
development	and business	21.2 Support funding attraction initiatives into the
ecosystem	associations to thrive	district and leverage funding opportunities to
	and connect	implement their programmes for their members.
		21.3 Use feedback from engagement with networks
	and associations as a voice of the business	
		community.
		21.4 Provide in-kind support where networks and
		associations have resource constraints.
		21.5 Encourage collaboration and innovation by
		organising networking events, forums, and
		collaborative projects.
		-

### Appendix C (Case Studies)

Kāpiti has many examples of businesses excelling in the sectors and featured below are case studies from Food & Beverage, Tech, Tourism, Construction (skills training) and Manufacturing. The businesses featured also have strong sustainability credentials as well as being innovative and collaborative. When this refreshed strategy is delivered, they will continue to be celebrated as valued exemplars in the business community.

#### Kāpiti Pure Foods Limited (F&B producer)

There's something remarkable that people don't often know about Kāpiti Pure Foods Limited, according to its owner Richard Parry, who took over the eco-conscious bakery brand in 2020.

Of the 30-plus nutritious, organic, and gluten-free products that come from the company's bustling Paraparaumu factory, zero percent goes into landfill. Instead, leftovers are frozen and turned into breadcrumbs or donated to Kāpiti's Kaibosh Food Rescue, who distributes it to people in need. Then, additional scraps are turned into feed for animals on Richard's Otaki lifestyle block, where he settled after two decades working overseas in IT development.

"There's a huge food wastage problem in the food and beverage industry and from an ethical standpoint, having it going to the landfill while people are in need is not the right thing to do," says the former global product manager, who purchased Purebread at the start of the first lockdown.

"If any of the bread we put into supermarkets doesn't sell, we'll pick it up and bring it back to our premise to freeze and use how we can. We also try to be as eco-conscious as possible with our packaging."

That means offering hand-wrapped fresh bread for customers who shop via their online bakery, using greaseproof and food grade newsprint papers.

But Kāpiti Pure Foods doesn't only manufacture organic, nutrient rich bread. It has multiple sister brands under its artisan umbrella, including Gluten Free Goodies Company, 4 Ever Free, and Puregood- a new division that boasts a fair-trade coffee roast.

"We produce gluten free cakes, snacks, pancake mix, and bread mix that we sell into supermarkets and cafes and restaurants," Richard enthuses. "It's fulfilling putting out high quality, healthy products that are also tasty."

While he spent the first two years strengthening the business internally - fixing quality control and process improvement capabilities to increase sales and manufacturing rates - Richard ensured Kāpiti Pure Foods stuck to its origins.

Kāpiti Pure Foods, trading as Purebread, was founded in 1975 by Robert Glensor, who was passionate about sustainable living, healthy food, and community care.

Back then, Robert saw organic as the only way forward after watching an episode of *Country Calendar* about organic farming and visiting an organic farm on the Kaipara Harbour. He proudly went on to create New Zealand's first Bio-Gro certified organic bread, which earned product and bakehouse certification in 1996.

"Organic was at the heart of his little bakery from the beginning," says Richard, whose products are still manufactured in Purebread's original factory from the nineties.

"We're continuing Robert's philosophy of producing fresh and safe food through sustainable production to grow business."

Updated company practices have seen the enterprise switch from being paper based to electronic. As well as plans to focus on wholesale and website sales, the brand has welcomed a modern and colourful revamp.

"The trend in the marketplace is that people are more aware of the types and quality of the foods they're eating now. In the past, special dietary breads were sort of the domain of elderly people, but we're seeing younger people with needs such as gluten free or wanting to eat organic."

Another milestone was the purchase of the Rosedale fruit bread business, which Richard moved from Auckland to Kāpiti, where it's manufactured and shipped to national Foodstuff locations and 200 Countdown stores. The growth has meant more job opportunities and training for locals.

"When I took over the business, the bakers used to work night shift. The labour market has been incredibly tight and trying to convince somebody to come to a small company and work in the middle of the night was hard," Richard admits.

"We moved the baking shift to daytime and made it available as a job share in the middle of the day, so parents with school kids can do a few hours and re-enter the workforce."

Next, Richard is gearing up to expand with the introduction of breakfast cereals and granolas, while working alongside major retail chains to sell their vegan gluten free options nationally.

"It's unexpected that right here in Kāpiti, we're making high quality organic products that are being shipped all over the country!"

#### Figgy & Co cleaning with less (Manufacturer)

Figgy & Co was born in 2014 when two busy mums from a health and science background needed a solution for cleaning their homes with less toxins. A combination of theoretical knowledge and practical skills lead Jane and Aimee, the passionate founders of Figgy & Co, to launch their whole business around healthier homes. Figgy & Co deliver cleaning products using less chemicals and irritants plus less packaging.

Jane now runs Figgy & Co with the operation based in Paraparaumu but shipping cleaning products all over New Zealand to loyal Figgy followers. Jane shares her wisdom and learnings about how to apply sustainable thinking to business practices.

"We are not perfect but at every point we stop to consider the best sustainable solution. It can be hard as a start-up business to see what is possible within New Zealand and within your budget. Sometimes it is an uncomfortable place to know that you could do better and not be able to get there but it's about doing the best you can today." says Jane.

Figgy & Co do not have a formal written sustainability plan but rather a deep ethos which means every action taken is reviewed from a health and environmental perspective.

"Our standards are high – when it comes to our environment, we want products that won't harm our beautiful country," said Jane.

"The sustainability space is constantly evolving. We don't have a formal plan, but our values are centered around environmental sustainability."

Jane's knowledge on recyclable plastics is second to none and she encourages business owners to do their own research.

"We use plastic milk bottles for some of our products. We use a standard milk bottle that is recognised to be recycled curbside and know every council around the country will pick it up. Choosing packaging that is highly desired for recyclability. If there was a glass returnable system in New Zealand, I would use this, so the vessel would be fully circular. However, there is nothing available, so we look to the next best solution."

"When we send out our powders, we use compostable paper bags. Even with paper bags, you need to be careful that it's not lined. It needs to be plain paper. We say to our customers this is a partnership. We will send it in a compostable bag but you need to put it in an airtight container to ensure the longevity of the product. We will get it to you in the most sustainable way then you can store it. Even the ink on our brown bags is soy-based ink and able to be composted."

Jane is a curious person who has invested time and energy in gathering valid information.

"I read published research regularly. With greenwashing, you need to look through the false truths. I asked a lot of questions directly from the people doing the research. I pick up the phone and hear it from the horse's mouth."

Jane finds Waste Free with Kate Meads and The Rubbish Trip to be useful and unbiased sources of information.

Jane suggests that business owners be adaptable about how they are operating and willing to implement changes.

"Be honest with yourself about what is coming into your business and how it is going out of your business. You need a plan. Could some of my products be in different packaging? You are the gatekeeper and in charge of what is coming into your business. Can you use less, recycle, compost, repurpose? Then make sure you set goals for each quarter and measure your progress."

"Our core sustainability values were set up from the very beginning of our business and we have modified them to improve as the world evolves. We are proud overall that we are not standing still and are committed at the time to doing the best with what we have available."

"Take it one step at a time. If we are all slowly but surely turning the ship together, we will get there. We need to work together as a collective."

Learn more about the Figgy & Co family at: https://figgyandco.co.nz/

### Dark Horse Coffee Co (F&B producer)

Blair Harley didn't always like the taste of coffee. In fact, it wasn't until the company director tried an artisan blend by Dark Horse Coffee Co that he fell into the warm arms of quality espresso appreciation.

Now, he's the co-owner of the Kāpiti Coast based coffee company, whose bustling roastery is located on Sheffield Street in Paraparaumu.

There, beside a quaint industrial-style Dark Horse Espresso Garden, internationally sourced Arabica beans are lovingly roasted using state of the art equipment.

The rich and chocolatey Dark Horse Coffee blend is then packed into environmentally friendly packaging and shipped across the country to customers and distributed to wholesalers.

"Dark Horse was introduced to Kāpiti in 2016, as the brainchild of former Raumati Social Club owner Matthew Payne and his wife Rachel Deller-Pincott," says Blair, who joined the company in 2019 after a career as national sales manager for a national brewery.

"Matt returned from working in hospitality in Melbourne, where coffee was being roasted quite differently and had changed his perspective on what good coffee could taste like."

When he couldn't find a coffee brand that gave him the darker, richer, and more chocolatey blend he wanted for his cafe, Matt decided to roast his own.

He began trialling his coffee on customers and quickly realised he was onto something, setting up a little coffee window on Sheffield Street, where the Dark Horse hub is now humming.

In 2019, Matt welcomed Blair and former brewery co-founder Simone Vasta onboard as business partners, and Dark Horse took a bold investment step setting up its own roastery.

"I probably used to offend Matt back in the day with my hot chocolate orders," Blair laughs.

"I didn't like coffee because the New Zealand blends were too bitter for me. Dark Horse was a great breakthrough with its lovely balance and rounded flavour. What I really enjoyed about it were the things I enjoy about good craft beer - the balance, nuance, complexity, and mouth feel."

Dark Horse began gaining traction as foot traffic to the area increased. Soon, their coffee was being purchased in wholesale by cafes from Paekākāriki to Foxton and they ventured online.

"Off the back of that, having brand presence across multiple channels, we gained entry into supermarkets. It's a very competitive, highly penetrated category but we were really fortunate to have some great support," says Blair, whose business now supplies to around 50 cafes.

"In particular, our two local Foodstuff supermarkets, New World and Kāpiti PAK'nSAVE, jumped on board straight away."

Blair agrees there's massive opportunity in Kāpiti for artisan food businesses to drive profitability, providing they can get the rest of the marketing right.

"We're very fortunate because there's a wonderful heritage for local handcrafted, artisan producers here," he explains.

"If you go right back to Kāpiti Cheese, Kāpiti Ice Cream, and Kāpiti Olive Oil, they all became household names for premium quality products. Even though some of these brands are no longer local, that artisan essence still remains."

With the Expressway now a major driver for visitors to the coast, Blair has seen a trend with tourism and online sales.

"We have about 250 reviews on our website and a huge number say they tried our coffee when they were in Kāpiti because their friends took them to Dark Horse. Now, they order our beans online."

A further allure of Dark Horse Coffee is its loud sustainability practices, which includes using soft plastics, a hybrid vehicle fleet, and a special on-site recycle bin for soft plastics.

"A big change for us was moving to soft plastic recyclable packaging for our bags, while maintaining the product quality," says Blair, whose company has the slogan *Leave Less Hoof Prints*.

"They have an awesome little re-closable zipper on the back, which very few of our competing brands have."

The team are also proud of their Loring roaster, dubbed the 'Rolls Royce' of roasters in the industry, which uses 80 percent less emissions than traditional hot-air roasters.

"As a result, we've managed to take our coffees to new levels of flavour and consistency too," he concludes.

"You need to celebrate all those little wins."

#### AgileData (Tech)

Most workdays, AgileData co-founder Shane Gibson steps out of his home office and heads across the road for a walk along the quiet Paekākāriki Beach stretch. With EarPods in, the data entrepreneur listens to podcasts to keep up to date with the data market, while breathing in the sights of water and nearby hills.

His business partner Nigel Vining also resets in nature, escaping his home office fifteen minutes from Shane's. Only, the data engineer does it on a jet ski, launching off the beach and circling Kāpiti Island, before grabbing coffee from his local coffee cart and returning to his 'tech cave' to work.

It's the kind of lifestyle the pair wouldn't go without now they've experienced the benefits of running a business remotely from the tranquil coast.

A global scale business that's the first in New Zealand and Australia to have a Google BigQuery validated product, in fact.

From Kāpiti, the pair - known for bringing 'magical simplicity' to complex data - help industries collect, store, and analyse their data through a web application.

They also run their AgileData Network, which removes the barrier of isolation for remote data consultants, who are invited to tap in for knowledge sharing and collaboration from anywhere in the world at any time.

"Nigel and I purposely built our company to be remote and we are lucky enough to live and work from the place we love," says Shane, a podcaster and AgileData Coach, who works with industries including insurance, energy, banking, and government.

"Everything you need is here, and it's relaxed. Being by the sea and bush brings a feeling you don't get anywhere else in the world."

When he and Nigel launched AgileData in 2019, they brought a combined 50+ years sector experience, including working with major international data and analytics software companies. Often, they saw businesses struggle with complex data and wondered, 'How can we solve it? Why does it have to be hard?'

"Every organisation has their data stored in more than seven different systems and with that comes mess and the risk of duplicates. A business could have an email, financial system, HR system for people and salaries, and a website. To get value out of data, you have to take it out of those systems and put it together," Shane explains.

"Nigel and I were brought into rescue projects within large government or corporate organisations that weren't going so well."

One rescue project was the catalyst for the pair's desire to create an AgileData app, after they witnessed tens of millions of dollars spent without results.

While having data in one location is a game changer, they knew it was only the first step. Working with data also requires a coding skillset, which many small to medium businesses don't have and can't afford in-house.

"Previously, I had a data services consulting company that grew to about 20 employees. But I didn't like that it wasn't a reusable product," says Shane, who founded the multi-million-dollar business in 2008.

"I wanted to build one and Nigel is incredibly focused on reusability, so we engineered a low-code app."

The product puts the magic of Google Cloud and data engineering into users' hands, enabling businesses to explore data quickly and independently. Using simple business language and easy data flow maps and catalogues, the app cuts out the middleman – aka, the need to hire costly data engineers.

"There's a low level of data fluency in the world and our app is important because users can see everything we do and start doing it themselves. But because we're still a software as a service, clients pay subscription pricing to use it."

AgileData followed a rigorous validation process to have its app certified on BigQuery, a data analytics platform.

"A bunch of experts from the Google BigQuery team went through our product and found very little we needed to change. It means our customers know Google has taken us through quite a strenuous exercise to make sure we work optimally with BigQuery," Shane says.

"Nigel and I were like, 'Good, we're doing the right job here!' Everybody's got a data problem, and we solve and simplify it from here in Kāpiti."

#### Ngā Manu Nature Reserve (Conservation/Tourism/Destination)

Ngā Manu Nature Reserve is one of the Kāpiti Coast's most precious taonga. Nestled in Waikanae, the sanctuary is a buzzing conservation and tourism hotspot, set across fourteen hectares of thriving coastal lowland swamp forest.

Awash with native flora and fauna, Ngā Manu is run by a small, hardworking team of employees and growing circle of passionate volunteers. Together, they've taken incredible steps to help preserve and restore local wildlife since the sanctuary opened 50 years ago.

When General Manager Anna McKenzie Hawea joined in April 2022, bringing management consultancy experience from across London, Australia, and New Zealand, she was motivated to help the charitable trust-owned reserve offer an improved visitor experience.

The Kāpiti mother of two also saw possibilities to strengthen Ngā Manu's positioning as a sustainable ecotourism business, while deepening its ties with local mana whenua.

"We understand the importance of acting with urgency to contribute to Aotearoa's transition to a net zero carbon economy, and we want to lead by example," says Anna, who helped Ngā Manu secure a 2023 Silver Sustainable Tourism Business Award.

"Ngā Manu is beautiful, and I want to see it succeed."

Since relaunching all their guided tour experiences in October 2022, including the Native Bird Close Encounter Tour and "intimate" Kiwi Night Encounter, income from the sanctuary's prized tours has tripled.

A forward-thinking Ngā Manu Sustainability Strategy was also launched in 2023, committing the reserve to becoming a carbon neutral organisation and waste free eco-tourism business within five years.

So far, Ngā Manu has reduced negative environmental impacts from its daily operations by introducing recycling facilities for visitor waste, and replacing a diesel 'wildlife ambulance' with an electric vehicle ute.

The team also installed solar panels on the three largest buildings, which is set to reduce annual electricity costs by an estimated \$10,000 in its first year.

Four decades after officially opening to the public, Ngā Manu – which means 'The Birds' in te reo Māori – continues to run successful bird and reptile breed-for-release programmes.

Last year, 12 precious pāteke, or Brown teal, ducklings were produced and 11 Wellington Barking Green Geckos were bred and released on Mana Island.

A further 33 yellow crown kākāriki were successfully bred, raised and transferred for release at Pūkaha National Wildlife Centre in the Wairarapa.

Connections with mana whenua are deepening, too.

"Ngā Manu is privileged to support Waikanae Jobs for Nature, a programme that upskills locals and connects them to work in nature," Anna enthuses. "Two of Ngā Manu's talented rangers originally came through the programme, which is a collaboration between Te Ātiawa ki Whakarongotai, Ground Truth, and the Department of Conservation."

Ngā Manu and mana whenua also find common goals in their efforts to protect threatened native plant species including pua o te Rēinga, or dactylanthus, a parasitic plant that relies on the rare short-tailed bat for pollination, and Pikirangi, or green mistletoe.

"The original pikirangi seeds were sourced from Whakarongotai Marae in Waikanae several decades ago," Anna says.

"After years of work in establishing these species, Ngā Manu recently built a rare plant nursery to assist their growth.

Now, both species are thriving in the reserve."

To support Ngā Manu in its expansion, Kāpiti Coast District Council has backed a Visitor Experience Development Project, which will see the sanctuary introduce 10 interactive zones focused on different conservation or environmental topics.

Among them is an upgrade of the much-loved eel feeding pond to teach visitors about the life cycle of eels and their part in Aotearoa's ecosystem.

"Most of the really exciting stuff at Ngā Manu happens out the back," Anna says. "The last step for us is to talk about in a way that's interactive, meaningful, and connects with our visitors."

The bridges at Ngā Manu were recently replaced as part of a larger project to create upgraded pathways around the reserve, leading visitors on a journey to the educational zones - including an interactive Kererū Perch.

Upgrading a bush lookout tower, the zone will educate visitors about the helpful role kererū play in regenerating local forest, since many native trees rely on the bird to spread and fertilise their seeds. Eventually, a multi-million-dollar visitor centre upgrade will begin, too.

"Connecting people to nature has always been the kaupapa for Ngā Manu. Now, we're extending it to include inspiring people to understand their role in nature and, ideally, take away knowledge to act on," Anna concludes. "It's all about

uplifting the end-to-end visitor experience for people; whether it's their first visit to Ngā Manu or they're returning again and again."

#### Mills Albert Limited (Civil Construction/Education)

When Dave Mills and Lisa Mills-Albert moved to the Kāpiti Coast over two decades ago, with a dream to start an earthmoving company, business ownership wasn't something either had under their belt.

While Whanganui-born Dave had mastered supervisory and operations management roles after 15 years in the industry, the heavy machinery world was completely foreign to then-hairdresser and mum Lisa. But with an insatiable hunger to succeed, along with \$100,000 and a Hilux and trailer, the couple launched their company Mills Albert Limited in 2000 alongside Lisa's brother Phillip Albert.

Now, the proudly Māori-owned earthmoving and forestry enterprise employs around 120 staff and covers multi-million-dollar projects between Taranaki and the Wairarapa. But like many start-ups, Mills Albert has navigated speed bumps too, since launching from the basement of Dave and Lisa's Paraparaumu home.

After buying Philip out of the business in 2006, the market was hit, and subdivisions stopped being built within the region.

Mum of three Lisa recalls having to let four of their 26 staff members go, which was one of the company's hardest moments.

"We hadn't quite got ourselves structurally right and our staff are our biggest asset, so from there we agreed we weren't going to get into that kind of situation again. We put important steps in place."

It meant bringing in the right amount of supervision, or as Dave calls it, 'getting the layers right', so management could filter down the business.

They welcomed Paul Albert as operations manager, another of Lisa's brothers who's now the company's general manager. Then, the employment of their first contract manager saw structure start to take shape.

When Mills Albert entered the Horowhenua Electra Business Awards in 2017, they won the health and safety category, but missed out on the finals for Overall Business of the Year. "It made us think about the heart of who we are and our values. Internally, we had structure, but it wasn't really reinforced with any set principles," Lisa says. "So, our staff put time into building our values and company mission."

Based on core Māori principles, the values are now displayed on a wall in reception at their expansive Nikau Palm Road headquarters, which is home to 12 trucks in various sizes and around 50 items of plant machinery.

Mills Albert also introduced teams for contractual management, human resources, health and safety, and environmental components.

As a result, significant planning goes into every project to prevent the impact on native and endangered species, and the company recycles and reuses as much as possible to minimise waste.

In late 2023, they made another bold move and purchased a dairy farm in Taranaki with the purpose of extracting rock for placement supply.

"The region is going to keep requiring river and sea wall protection, so it's a given that this rock needs to be used," says Dave, who was originally paying farmers a royalty for their rock. A recent project at Poets Park in Upper Hutt saw Greater Wellington Regional Council use Mills Albert as an example to demonstrate carbon offset.

"We stripped 1400m3 of topsoil for hardstand areas and excavated 2300m3 of material for garden hollows. All Kelly blocks and rocks that lay unused were then re-purposed into raised garden features," Dave explains.

"We also covered disestablished hardstand areas with the leftovers and the only material taken off site was scrap metal and other waste material."

In August 2023, Mills Albert entered the Horowhenua Electra Business Awards again, winning three categories including Construction and Trades and Overall Business of the Year. Then they took out the Health and Safety category at the Wellington Gold Awards.

For 2024, they're developing a dedicated training facility and pilot programme that goes beyond traditional qualifications to provide advanced skills necessary for civil construction projects that'll help manage the shortfall of skilled workers in the industry. Additionally, it'll upskill locals and welcome more rangatahi into the civil industry, teaching budgeting and time management, operation of machinery, health and safety, and overall well-being based on Te Whare Tapa Whā.

"It's supported by the Civil Contractors Federation and we're working with Kāpiti Coast District Council, Te Puni Kōkiri and Ministry of Social Development" enthuses Dave, who still lives with Lisa in the home where they raised their children and started Mills Albert.

"We're really proud of what we're doing."

**END** 

# SUMMARY OF COMMUNITY FEEDBACK ON THE ECONOMIC DEVELOPMENT DIRECTION OF TRAVEL

This document summaries the community input regarding the Economic Development Direction of Travel consultation document, received in the form of written submissions and response to an online survey.

Responses to the substantive consultation questions are provided below, incorporating the responses provided in the 4 written submissions. A summary of each of the written submissions is provided at the end of this document.

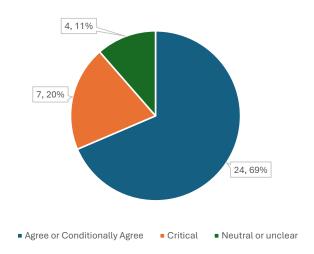
# Q1: Do you think the priority focus areas are the right ones to build on the success to date and progress further towards our vision? Is there anything missing?

There were 35 responses to this question, which have been categorised as follows:

- Agree or conditionally agree: Positive comments regarding the Economic Development
  Direction of Travel Focus Areas, and responses indicating conditional support for the focus
  areas, including those making suggestions for refinement and/or additional actions within
  the focus areas as outlined under Q1.2 below.
- No: the respondent answered with 'no', or a 'no' was strongly implied
- Critical: the respondent answered in a manner that was clearly critical of Council or critical
  of its efforts in terms of the Direction of Travel document, or its intent to prepare an
  Economic Development Strategy
- Neutral or Unclear: The respondent was not clearly a 'yes', 'no' or critical'.

Of note, some feedback was provided around specific actions that should progress, rather than the focus areas themselves. This indicated some confusion around the priorities and how they link to actions and implementation actions.

Q1: Do you think the priority focus areas are the right ones to build on the success to date and progress further towards our vision?			
Agree or conditionally agree 24 69%			
Critical	7	20%	
Neutral or unclear	4	11%	
Total	35	100%	



An example of a positive comment is:

"We fully support the core focus areas articulated in the Direction of Travel (DoT) document, including the development of sector-focused clusters, building a rich, circular, sustainable economy, enhancing our local whenua and environment to help make Kāpiti a more attractive place to live and do business, and a focus on Māori economic rangatiratanga."

#### An example of a critical comment is:

"There is no point trying to start a business out here when you have nowhere for it to BE. There is a lack of buildings and location. We have operated our business in Kapiti since 2015 when we moved it from Lower Hutt, for the success of the business it was probably the worst thing we could have done - we have moved locations four times due to lack of facilities, now we are building but that has taken 2 years so far due to slow council consent processes.

There is too much focus on businesses that don't make money i.e. tourism and hospitality, and no focus at all on helping businesses that actually do make money and create jobs e.g. construction."

#### Q1.2: Is there anything missing?

In response to the invitation to suggest additional focus areas, the responses included:

- Improve the ease of doing business (3 mentions)
- Stronger focus on affordable and sustainable housing, including trades (3 mentions)
- Stronger focus on improving transport infrastructure, including support for bus drivers (3 mentions)
- Promote attractions, including supporting the creative industries (3 mentions)
- Stronger emphasis on the strength and value of local Māori culture (2 mentions)
- Stronger on environmental sustainability (2 mention)
- Attract better health services, including dementia care (2 mentions)
- More support for Otaki (2 mentions)
- Improve amenities and signage (2 mentions)
- Greater emphasis on the importance of the Kāpiti Airport (1 mention)
- Encourage government Departments to relocate (1 mention)
- Improve living standards (1 mention)
- Improve availability of information regarding development opportunities (1 mention)
- Greater focus on Kapiti Coast businesses benefitting from an enabling eco-system and having access to business advice support, local and global thought leadership, funding, capital. incubators etc (1 mention).

In addition, critical comments that contained additional suggestions included the following:

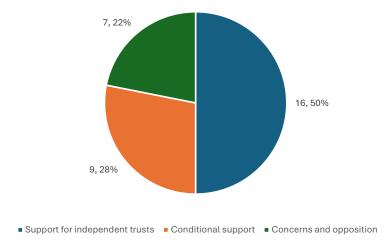
- Focus on the basics (2 mentions)
- Don't promote tourism, due to the impact on local services (2 mentions)
- Too difficult to do business in the District (1 mention)
- Need more focus on major events (1 mention)
- Critical of supporting Māori economic development (1 mention)

### Q2: Do you support using different operating models like the proposed independent trust to attract more external investment?

Three were 32 responses to this question, which have been categorised as follows:

- Support for independent trusts: Respondents expressed clear support for independent economic development entities/trusts.
- Concerns and opposition: Respondents raised concerns or opposition with independent trusts.
- Conditional support: Respondents indicated conditional support for independent trusts, provisional on certain outcomes or approaches.

Q2: Do you support using different operating models like the proposed independent trust to attract more external investment?			
Support for independent	16	50%	
trusts			
Conditional support	9	28%	
Concerns and opposition	7	22%	
Total	32	100%	



The majority of respondents (78%) indicated either support (16 responses or 50%) or conditional support (9 responses or 28%) for the establishment of independent trusts to advance economic development opportunities in Kāpiti. Seven (7) respondents raised concerns or opposition to the establishment of independent trusts (22%).

An example of a supportive comment:

"Yes, Charitable Trusts. CCOs can be easily privatised in the future and should be avoided."

An example of conditionally supportive comment:

"On one hand, being independent of the Council will help with funding etc. On the other hand, we need an 'all of everything' approach to making the district a good, easy, place to do business and growing the opportunities that are here. Maybe in the short term, its best to stay as it is until those major issues are sorted."

An example of concerned or opposing comment:

"No, I think an independent trust is open to misuse, I think if this document is a council initiative then council should retain control to ensure impartiality"

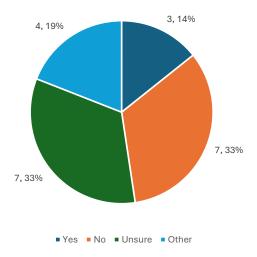
Issues raised by those expressing conditional support for independent trusts included the following provisos (1 mention each), in addition to that already noted in the above example:

- Provided Council's focuses on improving its regulatory and approval process to make it easier for businesses to establish and succeed.
- Provided success using such models has been demonstrated elsewhere ('don't reinvent the wheel')
- As long as they can act flexibly, and have adequate budget, resources and people to do the
- As long as they don't rely on increasing rates.
- The more independence from the three-year political cycle the better.

#### Q3: Are we measuring the right things to know if we are having an impact?

There were 21 responses to this question, which were answered by selection of options as described in the following table. Overall, there was no clear conclusion around feedback on the right things to measure.

Q3: Are we measuring the right things to know if we are having an impact?			
Yes	3	14%	
No	7	33%	
Unsure	7	33%	
Other	4	19%	
Total	21	100%	



Suggestions of alternative measures is addressed in question 4 below.

#### Q4: Do you know of other measures that might be appropriate?

There were 9 responses to this question, which included calls for additional measures regarding the following:

- Broader community 'quality of life' measures (eg crime rates, school attendance, food costs, public transport and health data) (3 mentions)
- Determine measure of Māori economic progress in consultation with Iwi/Hāpu (3 mentions)
- More detailed industry metrics including workforce characteristics, industry type, where businesses are in their cycles, status (start-ups etc) and size (1 mention)
- Progress on the UN Sustainable Development Goals (1 mention)
- Include circular economy measures (1 mention)
- Improved regulatory performance (e.g. consenting timeframes) (1 mention)
- Business continuity/survival (1 mention)

#### Sources of information

#### **Online Survey**

A survey was conducted to gather feedback on the Economic Development Direction of Travel, which received a total of 44 responses. There were insufficient responses provided to identify the demographic characteristics of the survey respondents.

Most respondents were not business owners (n=37 or 80%). Of the nine (9) respondents that were business owners, six (6) had operated in Kāpiti for between 5-10 years, one (1) had operated between 3-5 years and two (2) business had operated in the district for under 2 years.

#### Written Submissions

There were four written submissions received regarding the Economic Development Direction of Travel consultation document. Submitter details are protected for privacy reasons.

#### Submission One

Suggested a number of initiatives for information sharing, promotion and collaboration relating to real estate data, supporting sustainable horticulture, mentoring, tourism, the value of local character and Māori culture, and leveraging the creative and performing arts sectors. It is noted that these suggestions are broadly consistent with the strategic direction of the Direction of Travel document, and can be further considered at an operational level as a part of the forward work program.

#### Submission Two

The submission made the following key points:

- Strategy should mention the importance of culture and the Māori economy to Kapiti.
- The reference to clusters in the Areas of Focus is too prescriptive (clusters being only one way to support a resilient, innovative, productive, sustainable and future-focused economy).
- Need to include support for new businesses and startups, whilst at the same time supporting and investing in existing businesses.
- References to Māori ED stakeholders should be more broadly defined than mana whenua, iwi and hapu, and should acknowledge that Māori businesses come in many forms.
- Call to ensure adequate Maori representation on SPV governance board.
- Need to include clearer commitment to developing a M\u00e3ori economic development strategy or action plan.
- Greater emphsis needed on ensuring Kāpiti Coast businesses benefit from an enabling eco-system and having access to business advice support, local and global thought leadership, funding, capital. incubators etc.

#### Submission Three

The submission focussed on the importance of, and need for continued support for the continued operation of the Kāpiti Airport. This focus was justified having regard to the economic development strengths, opportunities and reslience of the district, including the airport's role with regard to:

- Civil defence
- Fixed-wing aero medical transfers
- Local tourism (sight-seeing/tours)
- · Flight training and aviation services

#### Submission Four

The submission raised the following key points with regard to the Economic Development Direction of Travel:

- Questioned the evidence base and rationale for the identification of Focus Areas, and the focus on particular industry clusters.
- Called for Council to leverage the opportunities of an aging population, in terms of their knowledge and expertise and contribution to economic activity.
- Suggested that the strategy should focus on broader business support, rather than on the development of particular industry clusters.
- Would like to see greater engagement regarding the context and delivery of activities identified in the Direction of Travel, including how progress is measured.
- Suggested broader quality of life measures be included to monitor progress.
- Generally supportive of establishing independent trusts to progress economic development and investment in Kāpiti, provided there are opportunities for stakeholder input into their ongoing operations.
- The consultation document acknowledges equity and inclusion as fundamental principles but lacks clear strategies for achieving these goals, particularly in fostering collaboration and making Kāpiti business-friendly.
- Critical strategic partners like local Chamber and Business Associations are notably absent. Not all businesses fit into or want to be part of clusters, and a broader approach is needed for true inclusiveness.
- Need to be clearer and use consistent language regarding start-ups and emerging businesses, which have distinct needs and networks.
- Key challenges such as housing supply, healthcare, education, and community support are crucial for both businesses and the community but are inadequately addressed.
- The strategy should support both small and large businesses to prevent larger companies from leaving due to insufficient land or infrastructure.
- Town Centres, vital for economic, social, and cultural well-being, need clearer intentions and adequate space.
- The current regulatory performance indicators should be based on positive business feedback and fewer regulatory process problems (such as delays).
- With businesses struggling, the focus on a sustainable circular economy is questioned, and investment may be better allocated to regulatory improvements.
- The ecosystem image needs rethinking to be more inclusive and collaborative.
- Questioned the current operating model of the EDKB and suggested that it needs to
  evolve to an entirely independent model.

#### 9.2 AFFORDABLE HOUSING TRUST: STEPS TO SETTLE THE TRUST

Kaituhi | Author: Stephen Cross, Housing Programme Manager

Kaiwhakamana | Authoriser: Kris Pervan, Group Manager Strategy & Growth

### TE PŪTAKE | PURPOSE

1 This paper updates you on the establishment of the Affordable Housing Trust, including:

- 1.1 Confirmation of the appointment of Trustees
- 1.2 The Trustees consideration of the Trust Deed and Relationship Framework Agreement, and
- 1.3 Final steps to settle the new Affordable Housing Trust.

### HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

2 An executive summary is not required for this report.

### TE TUKU HAEPAPA | DELEGATION

3 The Strategy, Operations and Finance Committee has the authority to consider this matter.

### TAUNAKITANGA | RECOMMENDATIONS

That the Strategy, Operations and Finance Committee:

- A. **Note** that the Independent Trustees have now been appointed to the Affordable Housing Trust using the process approved by Council on 29 February 2024.
- B. **Note** the Trustees have considered the draft Trust Deed and Relationship Framework Agreement ("RFA") which were approved in principle by Council on 29 February 2024 and have made suggested changes for consideration.
- C. **Note** that Council has received legal advice on the changes and that changes proposed by the Trustees to do not affect the fundaments of the Trust Deed and in terms of the RFA are not substantive, therefore, subsequent Council approval of the documents is not required.
- D. **Note** that further to the decision made by Council on 29 February 2024, the Mayor and Chief Executive have the delegation to finalise and agree the documentation with the Trust, enabling the Trust to be settled.
- E. **Note** that the Trust will be settled on the 11 December 2024, and that discussion of a potential first project for the Trust will be discussed in February 2025.

### TŪĀPAPA | BACKGROUND

- 4 On 29 February 2024, Council:
  - 4.1 Approved in principle the Trust Deed and RFA, documentation required to establish the Affordable Housing Trust. It was acknowledged that Trustees, once appointed to the Trust would consider the documentation and may suggest changes before the documents were finalised.
  - 4.2 Resolved to delegate the power to finalise and agree the Trust Deed and RFA to the Chief Executive and Mayor. The documents were to be finalised following the receipt of feedback from the Trustees and after a review of suggested changes was undertaken by Council's General Counsel to confirm that suggested changes were not substantive.

4.3 Approved the process for appointing Trustees.

### **HE KÖRERORERO | DISCUSSION**

Trustees have now been appointed to the Trust, using the process approved by Council on 29 February 2024. Appointees to the Trust are as follows:

Trustee	Role	Biography
Murray Edridge	Council Appointed Trustee Interim Chair	Murray is the Wellington City Missioner and is the Council appointee to the Trust. Kāpiti based, he has held governance and leadership roles in business, community, church, and sporting organisations and has worked with children and families for many years, including as chief executive of Barnardo's New Zealand and deputy chief executive in the Ministry of Social Development. He was ordained in 2023. Rev Edridge comes from a commercial background as a chartered accountant. He lives in Kāpiti and has been appointed interim chair of the trust.
Kim Tahiwi	Te Whakaminenga o Kāpiti appointed Trustee	Kim is a kaiarahi (leader) representing Ngā Hapū o Ōtaki on the Kāpiti Coast District's independent Economic Development Kotahitangi Board.
Alison Cadman	Independent Trustee	Alison has worked in the community housing sector for 20 years. She is former chief executive of the Dwell Housing Trust, board member of the Winston Churchill Memorial Trust, and trustee of the Newtown Ethical Lending Trust.
Cindy Foote	Independent Trustee	Cindy brings 30 years of experience in property management to the Trust. She is the director/owner of local business Jade Property Management and has extensive networks in Kāpiti Coast District communities.
Greg Foster	Independent Trustee	Greg is territorial director of property and social housing with the Salvation Army. He has 25 years of experience working in governance and operational roles including Habitat for Humanity.
Waipuna Grace	Independent Trustee	Waipuna (Ngāti Toa, Ngāti Raukawa and Te Ātiawa) is the kaiwhakahaere ratonga pakihi business services and community manager of Ngāti Toa community housing provider Te Āhuru Mōwai. She is also a member of the Kāpiti Coast Economic Development Kotahitanga Board.
Alexandra Hare	Independent Trustee	Alexandra is an executive adviser and governance professional with two decades of experience in the energy, water, and environmental sectors. Alexandra currently serves in multiple governance roles within the infrastructure, environmental stewardship, and non-profit sectors in Aotearoa New Zealand. She is a member of Engineering New Zealand and the New Zealand Institute of Directors.

- The Trustees have now met and considered the draft Trust Deed and RFA documents. Based on this review they have made some suggested changes for noting by Council.
- As discussed with Elected Members on 29 October 2024, the key changes requested by the Trustees are in relation to the draft Trust Deed are minor in nature, as follows:

Clause / Section	Proposed amendment by Trustees	Council comments
Trust Name	Kāpiti Housing Solutions	N/A
Interpretation / Trustee Skills and Experience	Trustees will have one or more of the following skills listed.	Changes proposed so it is clear that the collective Trustees hold the requisite skills and experience, rather than each individual. This has always been the intention for the Trustees therefore is a minor change.
		Agree to change.
Registration and Status Clause 5.2, 5.3 & 5.4.	Remove wording "to be eligible for subsidies" and requirement to maintain status as a provider.	Council agrees wording is not required as the Trust will be required to maintain relevant requirements as an outcome of registration. Council agrees that the Trust as an independent entity should have the flexibility to decide to suspend or alter their status as a Community Housing Provider in the future if required. The intention has always been that registration as a Community Housing Provider (and the maintenance of this registration) is a decision for the Trust to make, rather than a critical requirement for the new entity. This is therefore a minor change.
		Agree to change.
Keeping Records Clause 14.5 / Schedule 1.1 (q)	Remove requirement for the Trust to arrange an audit and obtain approval to appoint a chartered accountant	The Trust will be independent of Council.  Council has confirmed that as Council will not have a significant influence on Trust activity there is no requirement to consolidate into Council accounts.  Council is able to agree to the removal of the
		requirement for Trustees to consult with the Settler before appointing a chartered accountant and for the requirement for a financial audit to be replaced with 'independent review'.
		Council notes the Trust will still need to comply with any requirements that result from registration as a charity and Community Housing Provider, which could introduce a separate requirement for audited accounts (the Charities Act requires this for mediumsized charities as defined under the Act).
		Agree to change.
Conflict Transaction Clause 17 /	Replace "conflict transaction" with "conflict of interest".	Minor changes have been made to language for clarity. This does not affect the operation of these clauses.
Schedule 3 (Clause 6)		Proposed change also inserted at clause 6.3 of Schedule 3 to reflect Trust's request to maintain a conflict-of-interest register.
		Agree to change.

Opies of the adjusted Trust Deed and RFA with the proposed amendments are attached to this paper in Appendix 1 and 2 respectively. Changes to the Trust Deed are tracked in the document.

#### He take | Issues

- The changes to the Trust Deed and RFA from the Trustees have been reviewed by Council's Strategy and Growth Group, General Legal Counsel, and with input from Council's Chief Financial Officer. Following clarification of intent and meaning not all changes suggested by the Trustees were progressed for further consideration or were not supported. The documents were finalised following these discussions.
- 11 Council has obtained legal advice on the proposed changes to confirm that:
  - 11.1 The required amendments to the Trust Deed do not affect the fundamentals of the Trust; and
  - 11.2 The required changes to the RFA, which are minimal, are non-substantive.

### Ngā kōwhiringa | Options

- No options are proposed, as the requested changes do not affect the substantive fundaments of the Trust or RFA, meaning that further Council approval of the amended documents is not required.
- Further to this, following Council resolution in August 2024, the Mayor and Chief Executive have delegation from Council to approve the Trust Deed and RFA.

### Mana whenua

- The inclusion of specific principles, an objective and actions related to Māori housing within the Housing Strategy illustrate that Council recognises it needs to take a supportive role in helping to deliver Māori housing solutions. One of the key objectives for the affordable housing entity is to be able to partner with iwi for delivery. This is aligned with the above key guiding principle from the Housing Strategy and enables ongoing partnership.
- Initial feedback on the preferred option for an affordable housing entity was sought from our Ngā Hapū o Ōtaki, Te Ātiawa ki Whakarongotai, and Ngāti Toa Rangitira and the establishment of a trust has continued to be supported.
- The importance of Māori representation at a governance level within the Trust is recognised by the appointment of Kim Tahiwi as Te Whakaminenga o Kāpiti appointed Trustee.

### Panonitanga Āhuarangi me te Taiao | Climate change and Environment

17 Minimising climate impact can be achieved through having compact and well-designed and planned urban areas. Climate impact will be considered through greater housing options, a variety of transport connections, and ensuring that development considers natural hazard constraints. The resilience and sustainability objective within the Housing Strategy considers that new homes meet or exceed Climate/Carbon measurements and Healthy Homes benchmarks. This will be built into the affordable housing trust approach when delivery of housing is considered.

### Ahumoni me ngā rawa | Financial and resourcing

- The RFA outlines support services that Council will provide to the Trust. These include an annual operating grant, and in-kind support such IT and administrative services on a transitional basis.
- There is sufficient funding in Council's Housing budget to support the establishment of the Trust as agreed in the Long-Term Plan process. The funding set aside in the Housing Budget to support the Trust is as follows:

Financial Year	Budget Allocation
2024/25	\$100K
2025/26	\$150K
2026/27	\$150K

20 Should additional funding / support be required from the Trust, Council would consider this in accordance with the requirements of the RFA. This includes the potential for partnering on project opportunities such as the development at 254 Rangiuru Road, Otaki, and Council 'transferring' this or any other Council assets to the Trust.

### Türaru ā-Ture me te Whakahaere | Legal and Organisational Risk

21 Legal advice was sought for the preparation of the Trust Deed and RFA and to assess the proposed changes to documentation. The RFA provides mechanisms for Council to monitor and review the trust's performance on a regular basis as required for Council organisations under the Local Government Act 2002.

### Ngā pānga ki ngā kaupapa here | Policy impact

- 27 The community outcome 'our people have access to suitable quality housing in Kāpiti so that they can live and thrive' was included in the Long-Term Plan 2021-41 due to the strong concern about the growing local housing issues and to guide Council's response to the district's challenges and opportunities.
- The Kāpiti District Council Housing Strategy was approved by the Strategy and Operations Committee on 12 May 2022. Housing Affordability is identified as a key focus area in the Housing Strategy with a response to 'explore how alternative tenure and ownership models could be incentivised or delivered in partnership with others (e.g., build to rent, community land trust or leaseholder arrangements)' (the Housing Strategy, page 28.

### TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

#### Te mahere tühono | Engagement planning

A Communications Plan has been developed to support communications with the community and key stakeholders about the establishment of the housing trust.

#### Whakatairanga | Publicity

30 Council will use its established communications channels to inform the community of the key stages of the establishment of the Trust and the rationale for the decision to establish the Trust. Arrangements will be made for publicity associated with the signing of the finalised Trust Deed and RFA by Council and the Trust.

### NGĀ ĀPITIHANGA | ATTACHMENTS

- 1. Affordable Housing Trust: Relationship Framework Agreement with changes <u>U</u>
- 2. Affordable Housing Trust: Trust Deed with changes \$\mathcal{J}\$

**DATED** 2024

RELATIONSHIP FRAMEWORK AGREEMENT

between

KĀPITI COAST DISTRICT COUNCIL

and

**KĀPITI HOUSING SOLUTIONS** 

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# RELATIONSHIP FRAMEWORK AGREEMENT BETWEEN KAPITI COAST DISTRICT COUNCIL AND KĀPITI HOUSING SOLUTIONS

#### **PARTIES**

- (1) KĀPITI COAST DISTRICT COUNCIL (KCDC)
- (2) KĀPITI HOUSING SOLUTIONS (Trust)

(each a "party", together "the parties").

#### **BACKGROUND**

- A. KCDC has established [name of trust] to contribute to the improvement of social housing, public housing, community housing, older persons' housing and affordable housing outcomes in the Kāpiti Coast District. The Trust will:
  - (a) be a council organisation (but for the avoidance of doubt, not a council-controlled organisation) as defined in the Local Government Act 2022;
  - (b) operate at arms-length from KCDC; and
  - (c) be a charitable trust board, and register as a charity under the Charities Act 2005.
- B. The Trust may register as an independent Community Housing Provider (CHP) in due course.
- C. The purpose of this Relationship Framework Agreement (**Agreement**) is to describe how KCDC and the Trust will work together. In particular, this Agreement formalises:
  - (a) the ongoing relationship principles and shared objectives of KCDC and the Trust;
  - (b) the rights and responsibilities of each party;
  - (c) the development of Written Protocols relating to Community Housing offerings; and
  - (d) the key monitoring and reporting arrangements between KCDC and the Trust.

# 1. INTERPRETATION

- 1.1 In this Agreement, unless the context requires otherwise:
  - (a) Commencement Date means the date that this agreement is executed;
  - (b) Community Housing means community housing, social housing, public housing, affordable housing, older persons' housing, or any other similar housing that the Trust will provide in the Kāpiti Coast District through a variety of tenure models, in accordance with the charitable purposes specified in the Trust Deed;
  - (c) Contribution means a gift, transfer of land (including by way of long-term lease), or funding from:
    - (i) KCDC to the Trust; or

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- (ii) a third party to the Trust if KCDC requires the third party to make that gift, transfer of land, or funding to the Trust;
- (d) CHP means "Community Housing Provider" as defined in section 2 of the Public and Community Housing Management Act 1992;
- (e) **Housing Records** mean all information relating to the establishment and on-going provision and management of Community Housing offerings by the Trust including, but not limited to, information prescribed by a Written Protocol.
- (f) KCDC includes its successors and permitted assigns;
- (g) Kāpiti Coast District means the district of the Kapiti Coast District Council as constituted by the Local Government (Wellington Region) Reorganisation Order 1989, Gazette 1989 page 2491
- (h) Trust includes its successors, administrators and permitted assigns; and
- Trust Deed means the Kāpiti Housing Solutions trust deed dated [date] between the settlor and the trustees named in the Trust Deed;
- (j) Written Protocol means an agreement that sets out a Contribution that will be made by KCDC to the Trust, and the obligations on the Trust in relation to that Contribution (such as how that Contribution may be used, and reporting obligations).

## 2. RELATIONSHIP PRINCIPLES AND OBJECTIVES

# 2.1 Both parties agree:

- (a) to act with integrity and in a manner that promotes mutual trust and confidence;
- (b) to work together with openness, promptness, consistency and fairness in all dealings and communications;
- (c) that they share a common objective of improving Community Housing outcomes in the Kāpiti Coast District, and will work together to achieve that objective;
- (d) not to do anything that could reasonably be expected to have an adverse effect on the reputation, good standing or good will of the other party;
- (e) to use their best efforts to perform their obligations in a manner consistent with Te Tiriti o Waitangi, Te ao Māori and tikanga Māori; and
- (f) that the Trust is an independent entity that has the responsibility of governing and managing its operations.

# 2.2 Both parties acknowledge that the Trust:

- (a) has been established, and has the objective of operating in partnership with, lwi and other partners;
- (b) should seek to qualify for government and other funding and support;
- (c) will operate with independence and will seek to ensure that it has access to necessary specialist skills and experience;

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- (d) will provide affordable rentals and affordable housing ownership options (e.g. a range of alternative tenure options) to the local community;
- (e) will operate with financial sustainability over the long term; and
- (f) will reinvest any returns into additional community housing outcomes.

#### 3. TRUST ROLE AND INDEPENDENCE

- 3.1 The parties agree and acknowledge that:
  - the primary object and charitable purposes of the Trust are recorded in the Trust Deed. The
     Trust will carry out its activities in accordance with the Trust Deed, and accepted principles of
     good governance for similar community organisations;
  - (b) the Trust may register as a CHP. If it does register as a CHP, the Trust will maintain that registration, and meet the performance standards and guidelines prescribed by the Community Housing Regulatory Authority or any successor organisation; and
  - (c) in order for the Trust to be registered as a CHP and maintain that registration, the Trust must be, and be perceived to be, independent from KCDC.

## 4. SUPPORT SERVICES PROVIDED BY KCDC

- 4.1 Subject to clause 4.2, KCDC will provide the following support services on a transitional basis to the Trust on the terms agreed between the parties:
  - (a) IT services, [in that KCDC hosts, as agent or for the sole purpose of safe custody, on its server the Trust's information];
  - (b) administrative services; and
  - (c) an annual operating grant.
- 4.2 The parties will:
  - (a) review the appropriateness of the support services described in clause 4.1 no later than 2 years after the Commencement Date; and
  - (b) over time, work together to reduce the support services that KCDC provides to the Trust.

# 5. ADDITIONAL SUPPORT AND THE DEVELOPMENT OF COMMUNITY HOUSING OFFERINGS

- 5.1 The Trust will provide Community Housing within the Kāpiti Coast District.
- 5.2 KCDC acknowledges that the Trust may wish to request further support from KCDC in order to better improve Community Housing outcomes. The Trust may request further financial or non-financial support from KCDC by providing KCDC with a proposal showing:
  - (a) the level of support required and why the support will advance the Trust's objectives;
  - (b) other options the Trust has considered to achieve the outcome prior to requesting support from KCDC;
  - (c) the potential exposure, financial and/or reputational, to KCDC;

| Page 3

- (d) the steps the Trust has taken to identify and mitigate any risks to KCDC; and
- (e) when and how the need for support will end (for example, updated financial forecasts).
- 5.3 If KCDC receives a proposal in accordance with clause 5.2, KCDC will take reasonable steps to confirm its position, and advise the Trust of that position within an appropriate timeframe, taking into account its obligations under the Local Government Act 2002. However, the Trust acknowledges that KCDC has no obligation to support the Trust beyond what is set out in the Trust Deed and clause 4 above.
- 5.4 The Trust acknowledges that KCDC may itself provide a proposal to the Trust to better improve Community Housing outcomes. The Trust will take reasonable steps to reach a position on the proposal and advise KCDC of its position within an appropriate timeframe, but has no obligation to accept the proposal.
- 5.5 If the parties agree in principle about a proposal, they will work together to prepare and agree a Written Protocol, which will specify, for example:
  - (a) the mechanism and ownership model of the Community Housing offering;
  - (b) the objectives and outcomes of the Community Housing offering;
  - (c) any Contributions that KCDC proposes to provide to the Trust for the Community Housing offering;
  - (d) terms and conditions on the use of the Contributions, in addition to those specified in this Agreement; and
  - (e) how KCDC will monitor the performance of the Trust to achieve the objectives or outcomes of the Community Housing offering; and
  - (f) any reporting obligations on the Trust relating to the Community Housing offering.
- 5.6 After a Written Protocol has been agreed by the Parties, it will be:
  - (a) executed by the parties, and attached to this Agreement; and
  - (b) subject to the general provisions of this Agreement.

# 6. LIMITS ON USE OF CONTRIBUTIONS

- 6.1 Any Contribution must be used exclusively by the Trust for the purposes for which the land or funding is provided.
- 6.2 KCDC expects that any land that it provides to the Trust will be used by the Trust for the Community Housing offering described in the relevant Written Protocol, and that it will be retained by the Trust notwithstanding any changes in the relationship between the Trust and KCDC or any internal or external restructuring or other changes to either the Trust or KCDC. The Trust agrees that it will not sell, transfer or otherwise alienate such land without the written consent of KCDC.
- 6.3 At KCDC's election, land will be subject to an encumbrance, covenant or other appropriate charge in favour of KCDC in order to preserve the purposes for which the land is transferred and on terms to be agreed in an applicable Written Protocol if:

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- (a) the land was transferred to the Trust by way of a Contribution from KCDC; or
- (b) the land was acquired or developed by the Trust using funding procured or provided by KCDC by way of a Contribution.

## 7. REPORTING AND MONITORING

- 7.1 The Trust acknowledges that the reporting obligations specified in this Agreement are necessary to:
  - provide KCDC with information to determine whether the intended outcomes of the Trust are being achieved; and
  - ensure that KCDC is able to meet its obligations under section 65 of the Local Government Act
     2002 to undertake performance monitoring of council organisations (such as the Trust).

# 7.2 The Trust will:

- (a) keep, store and maintain Housing Records in accordance with proper business, accounting practice and all applicable laws;
- (b) make sure that Housing Records include any information prescribed by Written Protocols;
- (c) provide a report to KCDC every 3 months that:
  - (i) outlines the activities undertaken by the Trust in the preceding 6 month period; and
  - (ii) includes any other information reasonably requested by KCDC, which may include information such as the number of houses completed or in the pipeline, the types of housing being developed, or have been developed, and numbers on the Trust's waitlist
- (d) make those 3 monthly reports publicly available (however the Trust may withhold any information that could be withheld under the Local Government Official Information and Meetings Act 1987 as if that Act applied to the Trust); and
- (e) report to KCDC in accordance with any other requirements and milestones agreed between the parties
- 7.3 In addition to the above, KCDC may, from time to time, reasonably request the Trust to provide information. If the Trust receives such a request, it will provide that information within a reasonable time of the request.
- 7.4 The parties acknowledge that any tenant related reporting is to be consolidated, so that no personal information is provided to KCDC unless separately agreed to by the tenant in accordance with the Privacy Act 2020.
- 7.5 It is intended that KCDC and the Trust will agree:
  - (a) how to securely manage the flow of information between each party; and
  - (b) to hold regular relationship and coordination meetings.

# 8. DISPUTE RESOLUTION

8.1 If any dispute arises under this Agreement or any Written Protocol (**Dispute**), the parties will use their best endeavours to resolve the dispute within [15 Business Days] through good faith discussions.

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- 8.2 If the parties fail to resolve the Dispute through good faith discussions under clause 9.1, the parties will refer the Dispute to a mediator or an independent expert, that is acceptable to both parties on terms that are acceptable to both parties.
- 8.3 If the parties fail to resolve the Dispute through mediation or an independent expert (as applicable, depending on the matter), within [3 calendar months] from the Dispute arising, either party may submit the Dispute for resolution by arbitration.
- 8.4 Nothing precludes the parties from applying to a court for urgent interim injunctive or declaratory relief.

## 9. TERM AND REVIEW OF AGREEMENT

- 9.1 The parties acknowledge that the relationship governed by this Agreement is intended to be a long-term relationship. Therefore, the Agreement:
  - (a) commences on the Commencement Date; and
  - (b) will continue in effect unless it is terminated in accordance with clause 10.
- 9.2 The parties will conduct periodic reviews of the operation of the Agreement and of any written protocols or funding agreements from time to time on an agreed timeframe. The purpose of each review is to assess whether the Agreement and each Written Protocol remains fit for purpose (i.e., the Agreement continues to enable a positive and effective working relationship between the parties).
- 9.3 The first review shall take place within 2 years of the Commencement Date.
- 9.4 The parties agree that they are able to vary the Agreement at any time by mutual written agreement.

# 10. TERMINATION

- 10.1 Either party may serve notice that it wishes to terminate this Agreement. However, this Agreement may only be terminated on terms:
  - (a) agreed by the parties, following good faith discussions; and
  - (b) that ensure that, to KCDC's satisfaction, any property transferred to the Trust under the Agreement will continue to be used for the purpose for which it was transferred.

# 11. GENERAL

- 11.1 The parties acknowledge that they may each publicly discuss the activities that they are undertaking or providing in the Kāpiti Coast District relating to housing.
- 11.2 However, each party acknowledges and agrees that:
  - (a) they will not comment publicly on the activities provided by the other party unless the parties have jointly agreed to the comment;
  - (b) they will not publicly criticise or undermine the position of the other party; and
  - (c) any challenges, problems, or criticisms of Community Housing matters may be directed to either KCDC or the Trust.

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- 11.3 The parties intend to keep the information that they hold and obtain on Community Housing matters confidential. However, the Trust recognises that KCDC is a statutory body and may be required to disclose such information to other parties or to the wider public if requested.
- 11.4 If either party is required by law to disclose any information that has been obtained by them under this Agreement or a Written Protocol, they will immediately notify the other party.
- 11.5 Both parties to this Agreement will, at all times, act in accordance with the Privacy Act 2020 and any relevant codes of practice.
- 11.6 The parties acknowledge that KCDC is the local authority for the Kāpiti Coast District, and that, in terms of its regulatory functions as a local authority, KCDC must act as an independent local authority and not as a party to this Agreement. No act of KCDC under this Agreement will be construed as consent or approval or bind it in its regulatory capacity.

) ) )	Signature
_ )	Position
)	Signature
, - )	Position
	) ) ) - ) ) ) )

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Dated 2024

TRUST DEED FOR KĀPITI HOUSING SOLUTIONS
BETWEEN

KĀPITI COAST DISTRICT COUNCIL

Settlor

AND

[NAMES OF TRUSTEES]

Trustees

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TRUST DEED dated the

day of

2023

## **PARTIES**

- (1) KĀPITI COAST DISTRICT COUNCIL (the Settlor)
- (2) NAME OF COUNCIL-APPOINTED TRUSTEE, [Title], of [Location]

NAME OF MĀORI TRUSTEE, [Title], of [Location]

NAME OF INDEPENDENT TRUSTEE, [Title], of [Location]

NAME OF INDEPENDENT TRUSTEE, [Title], of [Location]

NAME OF INDEPENDENT TRUSTEE, [Title], of [Location] (Original Trustees)

### INTRODUCTION

- A. The Settlor wishes to establish a charitable trust to be known as Kāpiti Housing Solutions for the Charitable Purposes set out in this Trust Deed.
- B. The Settlor gifts \$10.00 (**Initial Gift**) to the Trustees to settle the Trust. It is anticipated that further money, property, and investments may, from time to time, be paid or transferred to the Trust.
- D. The Settlor and the Original Trustees have agreed to enter into this Trust Deed specifying the terms of the Trust.

## 1. INTERPRETATION

1.1 **Defined Terms**: In this Trust Deed, unless the context otherwise requires:

Act means the Trusts Act 2019;

**Associated Person** means a person who is an associated person of any Trustee for the purposes of the exemptions from income tax for a tax charity as set out in the Income Tax Act 2007;

Board means the board of Trustees of the Trust;

Board Appointments Panel means the panel of persons specified in clause 3.3 of Schedule 2;

Charitable Purposes means the purposes of the Trust as set out in clause 4.1;

**Community Housing Provider** means a "community housing provider" as defined in section 2 of the Public and Community Housing Management Act 1992;

Conflict of Interest has the meaning given in clause 17.1;

**Council-Appointed Trustee** means a Trustee that is appointed by the Settlor in accordance with clause 4.1(a) of Schedule 2;

**Council-Controlled Organisation** means an entity that is a "council-controlled organisation" pursuant to section 6 of the Local Government Act 2002;

**Council Organisation** means an entity that is a "council organisation pursuant to section 6 of the Local Government Act 2002;

 $\textbf{Council Officer} \ \text{means an employee of, or contractor to, the Settlor};$ 

Elected Member means a person elected as a councillor of the Settlor;

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Financial Year means each 12-month period ending on 30 June;

Income Related Rent Subsidy or IRRS means the subsidy paid by the Ministry of Housing and Urban Development to Registered Community Housing Providers pursuant to a reimbursement agreement or tailored agreement under the Public and Community Housing Management Act 1992 to cover the difference between rent paid by public housing tenants and the market rent for the property;

**Independent Trustee** means a Trustee that is not associated with the Settlor (including as an Elected Member or Council Officer) or any of the Māori Trustee Appointing Parties and is appointed by the Board Appointments Panel in accordance with clause 4.1(c) of Schedule 2;

**Kapiti Coast District** means the district of the Kapiti Coast District Council as constituted by the Local Government (Wellington Region) Reorganisation Order 1989, Gazette 1989, page 2491

Local Authority means "local authority" as defined in section 5 of the Local Government Act 2002;

**Māori Trustee** means a Trustee that is appointed by Te Whakaminenga o Kāpiti in accordance with clause 4.1(b) of Schedule 2;

**Registered Community Housing Provider** means a "registered community housing provider" as defined in section 2 of the Public and Community Housing Management Act 1992;

**Settlor Representatives** means persons, who are not Trustees, that are chosen by the Settlor to attend Board meetings;

**Subsidies** means any subsidies, payments or financial accommodation provided by the Crown to Registered Community Housing Providers or community housing providers to assist such providers with the provision of pubic, social or community housing, including the payment of IRRS;

**Te Whakaminenga o Kāpiti** means the independent advisory forum for the partnership between mana whenua and Kapiti Coast District Council, where mana whenua means each of:

- (a) Ngāti Raukawa ki te Tonga;
- (b) Ngāti Toa Rangatira; and
- (c) Te Ātiawa ki Whakarongotai;.

Trust means the trust evidenced by this Trust Deed;

Trust Deed means this Trust Deed and any deed of variation or replacement;

**Trust Fund** means the Initial Gift, all money, investments or other property paid or given to or acquired or agreed to be acquired by the Trustees, and additions and accretions to the Trust Fund and any part of the Trust Fund after this Trust Deed has been signed with the intention that it be held by the Trustees subject to the trusts and other provisions set out in this Trust Deed;

Trustee Skills and Experience means one or more of the following:

- (a) experience in community, social or affordable housing;
- experience in management or governance in any or all of tenancy management, property development, asset management and social services;
- (c) experience in the operation and implementation of government funding programmes;

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- (d) an empathy with the communities in the locations where the Trust intends to provide community, social and/or affordable housing;
- (e) an understanding of the Charitable Purposes;
- (f) financial management experience;
- (g) governance experience in either not-for-profit or business organisations;
- (h) legal experience in either not-for-profit or business organisations;
- experience in strategy development, policy development, risk management or organisational change;
- (j) experience in operations or service delivery;
- (k) knowledge and understanding of Te Tiriti o Waitangi, Te Ao Māori and tikanga Māori;
- (I) financial literacy relevant to the financial and economic issues related to the Trust; and
- (m) any other attributes deemed necessary or desirable; and

Trustees means the trustees for the time being of the Trust.

- 1.2 **Construction**: In this Trust Deed, unless the context otherwise requires:
  - (a) the singular includes the plural and vice versa;
  - (b) a reference to parties is a reference to the parties to this Trust Deed, including their successors, permitted assignees and permitted transferees;
  - a reference to persons includes a reference to human beings and any form of legal personality, incorporated or unincorporated;
  - (d) whenever the words includes or including (or any similar expression) are used, they are deemed to be followed by the words "without limitation";
  - headings are included for the purpose of ease of reference only and are not to have any
    effect on construction and interpretation;
  - (f) a clause is a reference to the clauses of this Trust Deed;
  - (g) a schedule is a reference to a schedule of this Trust Deed;
  - (h) a reference to documentation includes:
    - (i) a reference to that document as varied, supplemented, novated or substituted from time to time; and
    - (ii) a reference to that documentation in any form, whether paper based or in electronic form encoded on or as part of any form of media; and
  - (i) legislation includes amendments to and re-enactments of that legislation.

# 2. NAME OF TRUST

2.1 The name of the Trust is Kāpiti Housing Solutions.

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2.2 The Trustees may by deed, and only with the consent of the Settlor, change the name of the Trust at any time.

#### 3. TRUST FUND AND DECLARATION

- 3.1 The Settlor directs and the Trustees acknowledge and declare that they hold the Trust Fund upon trust for the Charitable Purposes and on the trusts set forth in this Trust Deed.
- 3.2 The Trustees shall be at liberty to receive and accept from any source, gifts or grants of monies, investments, or other property for the Charitable Purposes or for any specific purpose that falls within the Charitable Purposes. The receipt of the secretary, treasurer or other person or persons appearing to the Trustees to be authorised to give receipts on behalf of the recipient of any payment made under the terms of this deed, shall be a complete discharge to the Trustees for that payment.

# 4. CHARITABLE PURPOSES

- 4.1 The Trust is established to relieve poverty and benefit the people of the Kāpiti Coast District by providing community housing, social housing, public housing, older persons' housing, affordable housing or any other similar housing in the Kāpiti Coast District, which may include the Trustees carrying out (without limitation) any of the following activities:
  - (a) acquiring, developing and leasing community housing, social housing, public housing, affordable housing, older persons' housing or any other similar housing;
  - (b) providing associated housing services;
  - carrying out any other activities that may assist or support community housing, social housing, public housing, affordable housing, older persons' housing or any other similar housing schemes;
  - (d) engaging with local, and central government authorities and other social agencies to assist with the provision of housing in the Kāpiti Coast District;
  - (e) engaging and working with existing Community Housing Providers, iwi and other housing providers in the Kāpiti Coast District;
  - (f) advising, educating and supporting households facing housing stress through hosting seminars, workshops and any other means deemed appropriate by the Trustees that help households with their housing needs;
  - (g) becoming a Registered Community Housing Provider.
- 4.2 In carrying out the Charitable Purposes, the Trustees shall, to the extent deemed appropriate:
  - focus on benefitting those who qualify for community housing, social housing, public housing, affordable housing, older persons' housing or any other similar housing due to their financial position and income;
  - (b) have due regard to the following:
    - (i) te Tiriti o Waitangi;
    - (ii) Tikanga Māori;

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- (iii) Te Ao Māori; and
- (iv) principles, including (but not limited to):
  - (1) manaakitanga, inclusivity and collaboration with mana whenua;
  - (2) recognition and respect for sacred kinship networks that extend to our natural environment:
  - (3) balance during processes, engagements and interactions;
  - (4) honesty and transparency;
  - (5) solutions that bring success through aroha and kotahitanga; and
  - (6) humility and service to promote care and safety to others;
- (c) engage with local whānau, hapū and iwi, where appropriate, to ensure their needs are understood and recognised, and housing for mana whenua is provided for through the Trust's housing development projects.

# 5. REGISTRATION AND STATUS

- 5.1 As soon as reasonably practicable and as a matter of priority, following the date of execution of this Trust Deed, the Trustees shall apply:
  - (a) to be registered as a charitable entity under the Charities Act 2005;
  - (b) to be incorporated as a board pursuant to the Charitable Trusts Act 1957; and
  - (c) a donee organisation recorded on the Inland Revenue register of donee organisations.
- 5.2 The Trust may apply to become a Registered Community Housing Provider in accordance with the Public and Community Housing Management Act 1992.
- 5.3 The Trustees shall endeavour to ensure that no action is carried out that would result in the Trust becoming a Council-Controlled Organisation or subsidiary of the Settlor or any other Local Authority.

# 6. BOARD OF TRUSTEES

- 6.1 The Board shall conduct the business and activities of the Trust only so as to achieve the Charitable Purposes.
- 6.2 Schedule 2 sets out provisions in relation to the following:
  - (a) the number of Trustees;
  - (b) the composition of the Board;
  - (c) the appointment and removal of Trustees;
  - (d) the appointment and composition of the Board Appointments Panel;
  - (e) the terms of appointment for Trustees; and
  - (f) the appointment of a chairperson,

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- and will bind the Trustees both before and after their incorporation as a board under the Charitable Trusts Act 1957.
- 6.3 Subject to the terms of this Trust Deed, the Trustees may by deed, amend the provisions relating to the composition of the Board and the appointment and removal of Council-Appointed Trustees specified in Schedule 2 only with the consent of the Settlor.

## 7. TRUSTEE DUTIES

- 7.1 In addition to the mandatory and default duties specified below, the Trustees shall:
  - (a) develop and maintain a working relationship with the Settlor and iwi, and with other community, social, public and affordable housing providers in the Kāpiti Coast District; and
  - (b) consult with the Settlor on a regular basis to ensure that the Trustees are aware of the Settlor's views and policies relating to community housing, provided that the Trustees shall not be bound to promote any views and/or policies of the Settlor.
- 7.2 The Trustees must comply with the mandatory duties set out in sections 23 to 27 of the Act as follows:
  - (a) know the terms of the Trust;
  - (b) act in accordance with the terms of the Trust;
  - (c) act honestly and in good faith;
  - (d) act to further the Charitable Purposes; and
  - (e) exercise their Trustee powers for a proper purpose.
- 7.3 The Trustees must comply with the default duties set out in sections 29-36 of the Act, save as to any modification contained in this deed.
- 7.4 The duties contained in sections 36 (duty of impartiality) and 38 (duty to act unanimously) of the Act are excluded and shall not apply to the Trustees.

# 8. TRUSTEES' GENERAL DUTY OF CARE

- 8.1 Notwithstanding section 29 of the Act, it is hereby declared that the care and skill to be exercised by the Trustees when administering the Trust shall, at all times, be the care and skill that is reasonable in the circumstances, without having regard to:
  - any special knowledge or experience that a Trustee has or holds themselves out as having;
     and
  - (b) if a Trustee acts as a trustee in the course of a business or profession, any special knowledge or experience that is reasonable to expect of a person acting in the course of that kind of business or profession.
- 8.2 Clause 8.1 represents a modification of section 29 (general duty of care) of the Act.

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#### 9. TRUSTEE POWERS AND DISCRETIONS

- 9.1 In addition to all the powers, authorities and discretions vested in the Trustees by law, the Trustees shall have all the powers of an absolute owner of property and shall have the widest possible powers and discretions to achieve the Charitable Purposes, subject to the terms of this Trust Deed and any direction to the contrary in any instrument evidencing or conferring a gift accepted by the Trustees, provided that such direction is not inconsistent with the charitable nature of the Trust.
- 9.2 The Trustees may appoint, from time to time, any committee, sub-committee, focus group or adjunct as they may from time to time think expedient for carrying out the Purposes. The Trustees may appoint a member of any such committee, sub-committee, focus group or adjunct to exercise or perform, on behalf of the Trustees, specified powers or functions in relation to the Trust or to make specified decisions in relation to the Trust Fund subject always to the restrictions contained in section 67(2) of the Act.
- 9.3 Without prejudice to the generality of clause 9.1, or to any of the Trustees' express or implied powers, the Trustees shall also have the powers set out in Schedule 1 and may exercise them either alone or with any other person(s).
- 9.4 Subject to the provisions of this Trust Deed, including clause 9.5, all powers and discretions of the Trustees may be exercised by the Trustees in their absolute discretion on such terms as the Trustees think fit.
- 9.5 In the exercise of the Trustees' powers and discretions the Trustees shall:
  - (a) observe the duties set out in clause 7; and
  - (b) not breach, and shall further, the Charitable Purposes.
- 9.6 In developing, purchasing, holding, maintaining or selling property for the Charitable Purposes the Trustees are not to be taken to be exercising a power of investment of the Trust Fund.

# 10. APPLICATION OF INCOME

- 10.1 The Trustees may at any time pay, apply or appropriate, or decide to pay, apply or appropriate as much of the income arising from the Trust Fund in a Financial Year as they think fit towards one or more of the Charitable Purposes, provided that where there is more than one Charitable Purpose, the Trustees need not treat each Charitable Purpose equally.
- 10.2 The Trustees, by written resolution, may appropriate any investments for one or more of the Purposes of the Trust in anticipation of a payment or application under clause 11.1.
- 10.3 In any Income Year, the Trustees may appropriate all or part of the income derived or to be derived from the Trust Fund during that Income Year even though, at the time of appropriation, they have not received the income being appropriated.
- 10.4 If the Trustees appropriate any income for any purpose of the Trust the recipient of that income shall take an absolute and indefeasible interest in that income as from the date on which it is appropriated.
- 10.5 The Trustees need not distribute all of the income arising from the Trust Fund in an Income Year but may retain or decide to retain all or part of that income to establish or augment any reserve

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fund, which may be used at any later time for any purpose for which income arising from the Trust Fund may be used.

- 10.6 Any payment or application pursuant to clause 10.1:
  - (a) shall be after the payment or provision for costs or expenses arising or expected to arise out of the Trust's activities; and
  - (b) take account of any trust or obligation that may be impressed upon a part of the Trust Fund.

#### 11. APPLICATION OF CAPITAL

11.1 At any time, the Trustees may, or may decide to pay, apply or appropriate as much of the capital of the Trust Fund as they think fit for or towards one or more of the Charitable Purposes of the Trust provided that where there is more than one Charitable Purpose, the Trustees need not treat each Charitable Purpose equally. Any payment, application or appropriation of capital may be made either in addition to or in place of any payment, application or appropriation of income.

## 12. INVESTMENT OF THE TRUST FUND

- 12.1 The Trustees may invest the Trust Fund and the income from it in any form of investment, and vary any such investment from time to time. Where, for the time being, there is more than one person acting as a trustee of the Trust Fund, and one or more, but not all, of them is or are engaged in a profession, employment or business which is or includes acting as a trustee or investing money on behalf of others, then in exercising any power of investment, that trustee or those trustees (as the case may be) shall not be required to exercise the care, diligence and skill that a prudent person engaged in that profession, employment or business would exercise in managing the affairs of others. Rather, that trustee or those trustees (as the case may be) shall be required only to exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of others. This clause represents a modification of sections 29 (general duty of care) and 30 (duty to invest prudently) of the Act.
- 12.2 The Trustees may retain any investments coming into the Trustees' hands as part of the Trust Fund for as long as the Trustees think proper, even if they are not investments which could be properly made by a trustee. This clause represents a modification of sections 29 (general duty of care) and 30 (duty to invest prudently) of the Act.
- 12.3 The Trustees may hold any part of the Trust Fund uninvested and in any currency for as long as the Trustees think fit without being liable for any loss due to devaluation or any foreign exchange or other governmental restriction except in circumstances where that loss was sustained as a result of that Trustee dishonesty, wilful misconduct or gross negligence. This clause represents a modification of sections 29 (general duty of care) and 30 (duty to invest prudently) of the Act.
- 12.4 The Trustees may have regard to the factors set out in section 59 of the Act when exercising the power to invest.

# 13. EXECUTION OF DOCUMENTS

13.1 If the Trustees become incorporated as a board under the Charitable Trusts Act 1957, they shall have custody of the common seal, and from time to time by resolution they may adopt any seal they

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think fit. The common seal must not be affixed to any document unless the Trustees have already authorised its use on that document. When a document is to be sealed on the prior authority of the Trustees the seal must be affixed to the document in the presence of two Trustees who must sign the document.

- 13.2 Contracts may be made on behalf of the Board as follows:
  - (a) a contract which if made by private persons would be by law required to be by deed may be made on behalf of the Board in writing under the common seal, attested to by at least 2 of the Trustees; and
  - (b) a contract which if made between private persons would be by law required to be in writing, signed by the parties to be charged therewith, may be made on behalf of the board in writing signed by a Trustee acting under its express authority.

#### 14. KEEPING RECORDS

- 14.1 The Trustees shall maintain full and accurate records of the activities of the Trust and comply with the requirements of sections 45-48 of the Act. The records may be in hard copy or electronic format.
- 14.2 The Trustees shall ensure that adequate arrangements are in place for the continuous retention of documents and records relating to the Trust such as:
  - (a) the Trust Deed and deeds effecting Trustee changes:
  - (b) correspondence and records on implementation of the Charitable Purposes;
  - (c) minutes of Trustee meetings; and
  - (d) records of title, accounting, payroll and investment records, contracts in writing and other records created in the course of conduct of the activities of the Trust.
- 14.3 The Trustees may arrange for the retention of the records in electronic format.
- 14.4 Each Trustee:
  - (a) shall retain a copy of the Trust Deed; and
  - (b) in the event of ceasing to be a Trustee, hand over to a continuing Trustee all documents and records relating to the Trust.
- 14.5 The Trustees shall appoint an auditor or other party with appropriate qualifications and experience to audit or undertake an independent review the activities of the Trust. The appointed individual will continue in this role until removed by resolution of the Trustees.

# 15. LIMITATION OF LIABILITY AND INDEMNITY

15.1 Subject to clause 15.4 The Trustees are fully indemnified by and out of the Trust Fund for any loss or liability incurred in the exercise or attempted exercise of any trust, power, authority or discretion vested in the Trustees of the Trust, to the extent the Trust has sufficient funds. The indemnity includes, in particular, any liability to satisfy all costs and expenses arising out of conduct of the

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- activities of the Trust. The Trustees shall have a lien on and may use monies forming part of the Trust Fund in pursuance of the indemnity contained in this clause 15.1.
- 15.2 The Board may effect insurance for a Trustee or employees of the Trust in respect of any liability referred to in clause 15.1 and will meet all costs associated with such insurance.
- 15.3 The indemnity conferred by clause 15.1 may extend to any loss or liability arising after a person has ceased to be a Trustee.
- 15.4 The indemnity conferred by clause 15.1 does not extend to a loss or liability that is attributable to a Trustee's dishonesty, wilful misconduct or gross negligence.
- 15.5 The Trustees are not liable to account to the Trust in its own right for:
  - (a) the consequence of any act or omission or for any loss; and
  - (b) any loss or cost caused by a special trust adviser or an attorney, delegate, manager, agent or employee engaged by the Trustees, despite any rule of law or equity to the contrary.
- 15.6 The exclusion from liability set out in clause 15.5 does not apply where the consequence or loss is attributable to a Trustee's dishonesty, wilful misconduct or gross negligence.
- 15.7 If there is more than one Trustee, no Trustee is bound to take any proceeding against a co-Trustee for any alleged breach of trust by the co-Trustee.

## 16. NO PRIVATE PECUNIARY PROFIT

- 16.1 Despite any other provision in this Trust Deed but subject to clauses 4 and 16.5, neither the Trustees nor an Associated Person shall receive any form of private pecuniary profit from the Trust.
- 16.2 In the conduct of the activities of the Trust:
  - (a) any income, benefit or advantage shall be applied to promote the Charitable Purposes;
  - (b) the Trustees and an Associated Person shall not receive any form of private income, benefit or advantage from the activities of the Trust, nor influence receipt of the same; and
  - (c) any payment to a Trustee or an Associated Person for goods or services that help promote the Charitable Purposes must be reasonable and commensurate with payments that would be made between unrelated parties.
- 16.3 The effects of this clause 16 must be retained in any other Trust Deed evidencing or continuing the Trust.
- 16.4 Notwithstanding this clause 16, the Trustees may allow a Trustee or committee member appointed by the Trustees to be paid:
  - reasonable and proper remuneration for services actually provided to the Trust and/or for carrying out their role as Trustee or committee member;
  - (b) for 'out of pocket' expenses properly incurred in carrying out the duties and responsibilities of a Trustee or committee member;
  - any Trustee is to be paid all usual professional, business or trade charges for services rendered, time expended and all acts done by that Trustee or by any firm or entity of which

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- that Trustee is a member, employee or associate in connection with the affairs of the Trust; and
- (d) any Trustee may retain any remuneration properly payable to that Trustee by any company or undertaking with which the Trust may be in any way concerned or involved for which that Trustee has acted in any capacity whatsoever, notwithstanding that that Trustee's connection with that company or undertaking is in any way attributable to that Trustee's connection with the Trust.

The provisions of this clause 16.4 represent a modification of the duties contained in sections 31 (duty not to exercise power for own benefit), 34 (duty to avoid conflict of interest), 36 (duty not to profit) and 37 (duty to act for no reward) of the Act.

- 16.5 Any such payment made under clause 16.4 shall:
  - (a) be reasonable having regard to the nature and extent of the services provided or expenses incurred; and
  - (b) be an amount that is at a market rate (consistent with an appropriate fee framework(s) for notfor-profit boards) and not more than the Trust would have paid a third party for a similar service or expense.
- 16.6 The amount of any payment referred to in clause 16.4 shall be decided by the Trustees in accordance with clause 16.5 above and the restrictions imposed by this clause 16.
- 16.7 The Trustees shall not fix any Trustee remuneration for time spent as Trustee more than once annually.
- 16.8 No person with control over any business carried on for the benefit of the Trust shall be permitted to direct or divert an amount derived from such business in a manner that would breach section CW 42(1)(c) of the Income Tax Act 2007. For the purposes of the preceding sentence, the terms "control over a business" and "carrying on a business" shall be interpreted having regard to the ordinary meanings of those terms and sections CW 42(3) and CW 42(5) of the Income Tax Act 2007.
- 16.9 For the avoidance of doubt, a person who is in the course of and as part of the carrying on, of their business of a professional public practice, shall not, by reason only of them rendering professional services to the Trust or to any company or person by which any business of the Trust is carried on, be in breach of clause 16.8.

# 17. CONFLICT OF INTEREST

- 17.1 A Conflict of Interest in relation to a transaction of the Trust exists for a Trustee where the Trustee:
  - is associated with any company, partnership, organisation, group or trust with which the Trustee is dealing with in his/her capacity as Trustee;
  - (b) is a party to, or will derive or may derive a material financial benefit from that transaction;
  - (c) has a material financial interest in another party to the transaction;

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- (d) is a director, officer or trustee of another party to, or person who will or may derive a material financial benefit from the transaction, not being a party that is wholly owned by the Trust;
- (e) is the parent, child or spouse, civil union partner, or de facto partner of another party to, or person who will or may, derive a material financial benefit from the transaction; or
- (f) is otherwise directly or indirectly materially interested in the transaction.
- 17.2 The procedure for dealing with a Conflict of Interest is set out in clause 6 of Schedule 3.

## 18. AMENDMENTS OF THE TRUST DEED

- 18.1 Subject to any relevant legislation, clause 18.2 and other provisions of this Trust Deed in relation to amendments to specific terms of this Trust Deed, the Trustees may by unanimous decision only, by deed, vary the terms of the Trust by way of amendments, deletions or additions to the Trust Deed.
- 18.2 The Trustees shall not vary the terms of the Trust if such variations would result in:
  - (a) the Trust being permitted to operate in a manner other than to advance the Charitable Purposes, or operate for the private pecuniary profit of any individual; or
  - (b) any status obtained by the Trust as referred to in clauses 5.1 being revoked, suspended, altered or being unable to be renewed.

## 19. WINDING UP

- 19.1 The Trustees may at any time, by unanimous decision only, wind up the Trust if:
  - (a) in their opinion, it becomes impossible, impracticable or inexpedient to carry out the Purposes; and
  - (b) they decide not to exercise their power under clause 11.1 to pay, apply or appropriate the whole of the capital of the Trust Fund for the Charitable Purposes.
- 19.2 In the event the Trustees unanimously vote to wind up the Trust and after all liabilities of the Trust have been discharged, the Trustees shall, subject to clause 19.3, apply the surplus assets of the Trust Fund to some other charitable organisation or body registered under the Charities Act 2005 and having similar objects to the Trust.
- 19.3 In complying with their obligations under clause 19.2, and subject to the Trustees being unanimously satisfied (acting reasonably) that a transfer would further the Charitable Purposes (or similar charitable purposes as defined in section 5(1) of the Charities Act 2005), the Trustees must offer the Settlor the first right to accept the transfer of the land owned by the Trust that was provided to the Trust by Kāpiti Coast District Council or purchased by the Trust using a financial contribution from Kāpiti Coast District Council, under a written protocol..
- 19.4 If the Trustees cannot determine the application of the Trust Fund in accordance with the requirements of this clause 19, the Trust Fund will be applied to such charitable purposes within New Zealand as directed by a Judge of the High Court of New Zealand.

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# 20. GOVERNING LAW

20.1 This Trust Deed will be governed by and construed in accordance with the laws of New Zealand.

# **EXECUTION**

SIGNED on behalf of KĀPITI COAST DISTRICT COUNCIL as Settlor by the Mayor in the presence of:	) ) )	The Mayor
	-	Print Name
Witness	-	
Print Name	-	
Address	-	
Occupation	_	
SIGNED on behalf of KĀPITI COAST DISTRICT COUNCIL as Settlor by [name of Councillor] in the presence of:	) ) )	
		[name of Councillor]
	_	Print Name
Witness	-	
Print Name	_	
Address	_	
Occupation	-	

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SIGNED on behalf of KĀPITI COAST DISTRICT COUNCIL as Settlor by DARREN EDWARDS in the presence of:	) ) )	
	,	DARREN EDWARDS
	<u>-</u>	- Division
		Print Name
Witness	-	
Print Name	=	
Address	-	
Occupation	=	
SIGNED by [x] as a Trustee in the presence of	)	Signature
	,	
Witness signature		
Occupation	-	
Address	-	
SIGNED by [x]	)	
as a <b>Trustee</b> in the presence of	)	Signature
Witness signature	<u>-</u>	
	_	
Occupation		
Address	-	

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SIGNED by [x] as a Trustee in the presence of	)	Signature
Witness signature	=	
Occupation	_	
Address	_	
SIGNED by [x] as a <b>Trustee</b> in the presence of	)	Signature
Witness signature	_	
Occupation	_	
Address	_	

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## **SCHEDULE 1: TRUSTEE POWERS**

#### 1. POWERS

- 1.1 Subject to the provisions of this Deed, the Trustees have the power to undertake the following activities:
  - (a) to sell any real or personal property forming part of the Trust Fund in the manner and on the terms and conditions the Trustees think fit, including (without limitation) power to allow such part of the purchase price as the Trustees think fit to remain on loan with or without security or to be payable by instalments;
  - (b) to postpone the sale of any real or personal property forming part of the Trust Fund for as long as the Trustees think fit without being liable for any resultant loss to the Trust Fund;
  - (c) to let any real and personal property at such rent (including on a rent free basis) and on such terms and conditions (including an option to purchase) as the Trustees think fit and to accept surrenders of any leases and tenancies. This clause represents a modification of the duties contained in sections 29 (general duty of care) and 30 (duty to invest prudently) of the Act:
  - (d) to borrow any money at whatever rate of interest and upon whatever other terms and conditions the Trustees may think fit. For this purpose, the Trustees may give security for repayment over the entire Trust Fund or any part of it, whether or not any part over which the security is given benefits from the borrowing;
  - (e) undertake fundraising activities to help with promotion of the Charitable Purposes;
  - adopt procedures for inviting and processing applications for assistance from the Trust in ways which would promote the Charitable Purposes;
  - (g) seek and receive any conveyance, transfer, gift, devise, donation or bequest to help the Trustees promote the Charitable Purposes;
  - (h) maintain a bank account and set authorisations on operating the account and the payment of creditors;
  - pay all costs and expenses incurred in the course of the Trustees carrying out or exercising any of the Trustees' powers and discretions;
  - (j) create a provision for possible liabilities;
  - (k) make any loans or advances (with or without security) for any of the Charitable Purposes in such manner and on such terms and conditions as the Trustees think fit (this clause represents a modification of the duties contained in sections 29 (general duty of care) and 30 (duty to invest prudently) of the Act);
  - (I) for any part of the Trust Fund, the Trustees may:
    - apply the Trust Fund to make an investment in a debt security and/or an equity security;

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- (ii) apply the Trust Fund towards the purchase of property or any interest in property which the Trustees consider will advance the purposes of the Trust and in exercising this power, the Trustees shall not be taken to be exercising a power of investment;
- (iii) retain the Trust Fund even if it is of a wasting, speculative or reversionary nature, may not produce income, or might be decreasing or not increasing in value;
- (iv) pay all insurance premiums, rates, taxes, rents, repairs and other outgoings;
- (v) improve, develop or subdivide the Trust Fund;
- (vi) do anything that may increase value including, for example, adding to any buildings or structures, and entering into leases, tenancy agreements, party wall agreements, easements or profits à prendre;
- (vii) grant a lease or licence;
- (viii) waive debts, breaches, accept surrenders and terminate tenancies and licences either absolutely or on such terms as the Trustees think expedient except in circumstances where that loss was sustained as a result of the Trustee's own dishonesty, wilful misconduct or gross negligence;
- (ix) deposit all or part of the Trust Fund in any currency in a savings or other interest or non-interest bearing account with any bank, trust, company or other financial or investment institution in New Zealand;
- (x) convert the Trust Fund into money;
- (xi) grant security over the Trust Fund;
- (xii) deal generally and manage the Trust Fund as if the Trustees were the absolute owners of it; and
- (xiii) carry on any business or venture and establish any company, partnership or joint venture to conduct the same and the Trustees may use any part of the Trust Fund as capital in the business, and may also employ in the business such managers, agents, employees and other persons (including any Trustee other than a person who for the time being is the sole Trustee of the Trust Fund) as they think fit provided that each Trustee shall be absolutely indemnified out of the Trust Fund for any losses which they may sustain in so carrying on any such business except in circumstances where that loss was sustained as a result of a Trustee's dishonesty, wilful misconduct or gross negligence;
- (m) enter into and perform swap, hedging or other financial transactions;
- enter into and perform a contract of indemnity and act as surety with any guarantee and security in support (this clause represents a modification of the duty contained in section 29 (general duty of care) of the Act);
- (o) in relation to any company or other legal body:
  - (i) exercise any voting, decision-making rights or other powers;
  - (ii) appoint directors, officers or employees or trustees of it; and

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- (iii) provide further share or loan capital;
- (p) engage any person including volunteers as:
  - (i) a special trust adviser;
  - (ii) an expert to assist the Trustees;
  - (iii) an attorney or delegate for the Trustees;
  - (iv) a manager or agent for the Trustees;
  - (v) a secretary of the Trustees;
  - (vi) an employee of the Trustees in any matter relating to the Trust; or
  - (vii) a nominee or custodian pursuant to section 67 of the Act (and in accordance with section 68 of the Act, keep the arrangements under review and consider whether to exercise any power to intervene);
- (q) engage an accountant to prepare annual accounts or to perform an audit or review of accounts;
- (r) effect policies of insurance or assurance for such amounts and on such terms as the Trustees in their absolute discretion think fit, including trustee liability insurance, and to transfer, assign, surrender or mortgage any interest in any such policies and to hold, accept and deal with any interest in any policy of insurance or assurance or its proceeds, but no Trustee will be liable for any loss due to lack of insurance or inadequate insurance not attributable to their own dishonesty, wilful misconduct or gross negligence (this clause represents a modification of sections 29 (general duty of care) and 30 (duty to invest prudently) of the Act);
- (s) act upon any expert or professional opinion or advice;
- (t) accumulate the income of the Trust Fund;
- treat as capital of the Trust Fund the income of a Financial Year not determined by the end
  of the Financial Year to be applied for the Charitable Purposes;
- (v) set apart any part of the Trust Fund under a distinguishing name:
  - (i) as a sub-trust;
  - (ii) as a special endowment; or
  - (iii) for a special purpose,

and the costs of administration of any such discrete fund shall be met either out of such fund or out of the Trust Fund or any income derived from the Trust Fund as the Trustees may in their absolute discretion determine;

- (w) adopt procedures for the execution of documents;
- (x) decide all questions arising in the course of the management, administration, investment, realisation, distribution, liquidation, partition, resettlement or winding up of the Trust;

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- (y) in respect of any company in which the Trust Fund holds or is the beneficial owner of shares, notes, stock or debentures:
  - to act as a director of the company and to receive and retain fees or other remuneration for so acting without having to account to the Trust Fund unless the Trustees otherwise require;
  - (ii) to provide out of the Trust Fund on such terms as the Trustees think fit further capital for the company either by way of advances, loans, deposits or otherwise (with or without security) or by taking further shares in the company, but only insofar as the Trustees are satisfied on reasonable grounds that the provision of such further capital will contribute to the ability of the Trustees to fulfil the Purposes;
  - (iii) to concur in the winding up, reconstruction or amalgamation of the company or in the modification of its regulations, on whatever terms the Trustees think fit; and
  - (iv) generally to act in relation to the company in whatever manner the Trustees consider to be in the best interests of the Trust Fund,

(and this subclause represents a modification of the duties contained in sections 31 (duty not to exercise power for own benefit), 34 (duty to avoid conflict of interest), 36 (duty not to profit) and 37 (duty to act for no reward) of the Act);

- (z) generally do all other lawful acts and things that may promote the Charitable Purposes; and
- (aa) enter into any arrangement with any part of the government or local authority to obtain any rights, privileges or concessions that the Trustees may think desirable to obtain and carry out, and exercise and comply with any such arrangements.

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# Schedule 2: Board of Trustees

## 1. Number of Trustees

1.1 Subject to the provisions in the Schedule, there must be no fewer than five Trustees, and no more than seven Trustees. There will always be one Council-Appointed Trustee and one Māori Trustee on the Trust.

# 2. Appointment of Original Trustees

- 2.1 The Original Trustees are the signatories to this Trust Deed.
- 2.2 For the purpose of:
  - (a) clause 4.1(a) of this Schedule, [name] is appointed as a Council-Appointed Trustee;
  - (b) [clause 4.1(b) of this Schedule, [name] is appointed as a Māori-Appointed Trustee;
  - (c) clause 4.1(c) of this Schedule, [name] is deemed to be appointed as an Independent Trustee;
  - (d) clause 4.1(c) of this Schedule, [name] is deemed to be appointed as an Independent Trustee;
  - (e) clause 4.1(c) of this Schedule, [name] is deemed to be appointed as an Independent Trustee.]
  - (f) clause 4.1(c) of this Schedule, [name] is deemed to be appointed as an Independent Trustee.]
  - (g) clause 4.1(c) of this Schedule, [name] is deemed to be appointed as an Independent Trustee.]
- 2.3 Following the establishment of the Trust:
  - the Board Appointments Panel will be constituted in accordance with clause 3.3 of this Schedule; and
  - (b) once the Board Appointments Panel has been constituted, the Board Appointments Panel will appoint further Independent Trustees if the Trust Board determines that more than three Independent Trustees are required in accordance clause 4.1(c) of this Schedule.

# 3. Board Appointments Panel

- 3.1 The Board Appointments Panel will:
  - (a) identify and appoint suitable candidates to fill any Board vacancy that arises for an Independent Trustee from time to time;
  - (b) when making any appointment have regard to any guidance it receives from the Board of Trustees regarding particular skills or experience referred to in clause 4.3 of this Schedule that the Board of Trustees considers are desirable in relation to the vacancy; and
  - (c) carry out its function as soon as practicable and use best endeavours to appoint an Independent Trustee within 60 calendar days of the relevant vacancy arising.
- 3.2 The Board Appointments Panel shall notify the Trust in writing of any appointment of an Independent Trustee made by the Board Appointments Panel as soon as such appointment has been made.

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- 3.3 The Board Appointments Panel will be constituted as follows:
  - (a) the Council-Appointed Trustee;
  - (b) the Māori-Appointed Trustee appointed collectively by Te Whakaminenga o Kāpiti, with [name of Māori-Appointed Trustee] being a member of the initial Board Appointments Panel
  - (c) An Independent Trustee who shall be nominated by the initial Board Appointments Panel to be a member of the Board Appointment Panel

# 3.4 At any time:

- (a) if the Settlor removes the Council-Appointed Trustee and appoints a new Council-Appointed
   Trustee in accordance with clause 4.1(a) of this Schedule, the new Council-Appointed
   Trustee will become a Board Appointments Panel member;
- (b) if Te Whakaminenga o Kāpiti removes the Māori-Trustee and appoints a new Maori Trustee, the new Maori Trustee will become a Board Appointments Panel member; and
- (c) the Trust Board may by majority resolution remove any independent panel members referred to in clause 4.1(c) of this Schedule 2, at any time during that person's term; and
- (d) if an Independent Trustee who is a member of the Board Appointments Panel is removed under clause 3.4(c) of this Schedule 2, the remaining members of the Board Appointments Panel must, by consensus, appoint another Independent Trustee as a member of the Board Appointments Panel
- 3.5 Unless a person is removed from the Board Appointments Panel in accordance with clause 3.4 of this Schedule 2, each person appointed to the Board Appointments Panel shall be appointed for a term of three years and may be reappointed under clause 3.4 for subsequent periods of up to two years, except that the Council-Appointed Trustee member of the panel will remain a member of the panel for so long as the member remains a Council-Appointed Trustee. A Trustee whose term has expired under this clause remains a Trustee until a replacement Trustee is appointed, or the Trustee is informed in writing that the vacacy is not to be filled.
- 3.6 In performing its duties and undertaking its functions under this Trust Deed, the Board Appointments Panel shall not be liable to the Trust or any Trustee for any losses for damages incurred as a result of any act or omission of the Board Appointments Panel, provided that the Board Appointments Panel has acted honestly and has not wilfully committed any act known to be in breach of this Trust Deed
- 3.7 The Board Appointments Panel shall not delegate its powers under this Trust Deed.

# 4. Composition of Board and appointment of Trustees

- 4.1 Each of the following persons shall have the power, exercisable by deed, to appoint trustees and to remove any trustees appointed by them, without assigning any reason, as follows:
  - (a) the Settlor shall appoint one (1) Council-Appointed Trustee;
  - (b) Te Whakaminenga o Kāpiti shall have the right to appoint one (1) Trustee; and

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- (c) the Board Appointments Panel shall appoint the number of Independent Trustees determined by the Board of Trustees (being not less than three (3) or more than five (5) Independent Trustees).
- 4.2 Subject to clause 4.3, each of the appointors referred to in clause 4.1 of this Schedule shall be entitled to determine and follow their own appointment process.
- 4.3 In making the appointments of Trustees pursuant to clause 4.1 of this Schedule 2, the relevant appointing party must:
  - (a) be reasonably satisfied that the relevant candidate possesses a combination of skills and experience that align with the Trustee Skills and Experience; and
  - (b) ensure that the following essential skills and experience are represented by at least one Trustee on the Board at all times:
    - (i) social tenancy management;
    - (ii) property development;
    - (iii) strategy development and business planning;
    - (iv) financial management and literacy;
    - (v) asset management;
    - (vi) legal and risk management; and
    - (vii) Mātauranga Māori,

before any appointment of such candidate as a Trustee can be made.

4.4 A person disqualified by the Charities Act 2005 from being an officer of a charitable entity may not be a Trustee.

# 5. Chairperson

- 5.1 The appointment of a Trustee as the chairperson of the Board will be made by majority resolution of the Trustees.
- 5.2 The appointment of the chairperson will be made at the first meeting of the Original Trustees.
- 5.3 The Board will decide on the period for which the chairperson will hold office.
- 5.4 In the absence of the chairperson at a meeting, another Trustee may be elected by Trustees present to be the chairperson for the meeting.
- 5.5 The chairperson shall take the chair at all meetings of the Trustees but shall not have a casting vote.
- 5.6 The chairperson may be removed from that position by a majority resolution passed by the other Trustees.

# 6. Term of Appointment

6.1 Subject to clause 6.3, any Trustee that is appointed to the Board shall have a term of appointment of three years (unless they cease to be a Trustee under clause 7 of this Schedule 2).

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- 6.2 Any Trustee may be reappointed for a maximum of two subsequent terms of three years each. The maximum consecutive term to be served by any Trustee shall be nine years, unless the Trustees by unanimous decision resolve otherwise that a Trustee may serve for a longer period in order to further the Charitable Purposes. The power of reappointment shall be vested in the parties referred to in clause 4.1 of this Schedule 2.
- 6.3 Two of the Trustees shall retire two years after the date of execution of this Trust Deed Unless agreed by the Trustees, the Trustees that will retire at the end of those specified periods shall be determined by lot.

## 7. Cessation and Removal

- 7.1 A person shall cease to be a Trustee if:
  - (a) the Trustee's term of appointment as provided for in clause 6] of this Schedule 2 comes to an end:
  - (b) the Trustee resigns by notice in writing to the chairperson of the Board;
  - (c) the Trustee becomes a person whom clause 4 of this Schedule 2 does not permit to be a Trustee;
  - (d) the Trustee can no longer adequately fulfil the office of Trustee due to physical or mental incapacity, as determined by the remaining Trustees (acting reasonably);
  - (e) the Trustee dies;
  - (f) the Trustee refuses to act as a Trustee;
  - (g) the Trustee fails to attend three consecutive Trustee meetings in the absence of reasons acceptable to the chairperson of the Board;
  - (h) the relevant appointing party in clause 4 of this Schedule 2 removes its appointed Trustee;
  - (i) the Trustee ceases to qualify as an officer of a charitable entity under section 16 of the Charities Act 2005; or
  - the Trustee has been deemed by unanimous resolution of the other Trustees to have failed to fulfil their duties as a Trustee.
- 7.2 The Trustees able to continue to act as Trustees shall resolve any question of whether a Trustee has ceased to be a Trustee pursuant to clause 7.1 of this Schedule 2. The decision of the continuing Trustees shall be final.

# 8. Minute book

- 8.1 Upon every appointment, retirement, re-appointment or termination of office of any Trustee the Trustees will ensure that:
  - (a) an entry is made in the minute book of the Trust to that effect;
  - (b) any statutory requirements as to the vesting of the Trust Fund in the Trustees and the notification of the appointment are satisfied; and
  - (c) if the Trust is registered under the Charities Act 2005, the Charities Commission is notified in accordance with the requirements of that Act.

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# 9. Validity of proceedings

- 9.1 Where, for any reason, a Trustee is not properly appointed, re-appointed or is disqualified from holding office, anything done by that Trustee (or by a meeting at which that Trustee was present as a Trustee or committee member) before discovery of the irregularity, shall be as valid as if that Trustee had been duly appointed, re-appointed or had not been disqualified (as the case may be).
- 9.2 If at any time the Trustees number less than the minimum number of Trustees required by the Trust

  Deed they shall not take any action until first restoring the number of Trustees to five Trustees.

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#### **SCHEDULE 3: TRUSTEE MEETINGS**

# 1. Meetings

- 1.1 The Trustees have the discretion to decide when and where ordinary meetings of the Board shall be held to ensure the efficient and proper conduct of the affairs of the Trust, but in any event the Board shall meet at least four times in each Financial Year.
- 1.2 A Trustee may at any time summon a special meeting, subject to clause 2 of this Schedule 3.

# 2. Notice of meeting and attendees

- 2.1 Seven days' notice of any Board meeting shall be communicated by the chairperson to each of the other Trustees. However, all of the Trustees may unanimously agree to shorten or waive the period of notice.
- 2.2 No notice is necessary for the resumption of an adjourned meeting. However, a Trustee who was not present at the meeting adjourned must be notified of the time and place of the reconvened meeting.
- 2.3 Subject to clause 2.4, [two] Settlor Representatives may be invited to attend Board meetings at the discretion of the Trustees, and for that purpose will be provided with each notice of meeting specified in clauses 2.1 and 2.2 of this Schedule. The Trustees will ensure that such Settlor Representatives are also provided with the relevant materials for consideration prior to meetings, and well as any minutes taken. Settlor Representatives do not have any rights to participate in any vote of the Trustees of the Trust.
- 2.4 The Trustees may exclude the Settlor Representatives from meetings, or part of the meetings of the Trust in appropriate circumstances, including when the Trust is considering entering into transactions with the Council.

# 3. Quorum

- 3.1 Subject to clause 3.2 of this Schedule 3, a quorum for meetings of Trustees shall be:
  - (a) one more than half the current number of Trustees if there is an even number of Trustees;
  - (b) a majority of the current number of Trustees if there is an odd number of Trustees (so that, by way of example only, if the current number of Trustees is seven, a majority of Trustees will be four)
- 3.2 Where this Trust Deed requires a unanimous decision, a quorum will not be present unless the meeting of Trustees present comprises at least 75% of the total number of Trustees.
- 3.3 A Trustee suffering from any temporary physical incapacity, who is mentally incapable, or for whom a Conflict of Interest exists, shall not be treated as a Trustee for the purposes of clause 3.1 or 3.2 of this Schedule 3.

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## 4. Adjournment

- 4.1 If a quorum is not present within thirty minutes after the time appointed for a Board meeting, the Board meeting may be adjourned.
- 4.2 A Board meeting in session may be adjourned if the Trustees present so resolve.

# 5. Holding a meeting and attendance

- 5.1 A Board meeting may be held:
  - (a) in person by the number of Trustees who constitute a quorum, being assembled together at the place, date and time of the meeting; or
  - (b) by means of audio or electronic communication by which all Trustees participating and constituting a quorum can simultaneously hear or communicate with each other throughout the meeting (with electronic messages treated as the equivalent of views expressed in person).

# 6. Conflict of Interest

- 6.1 A Trustee for whom a Conflict of Interest may exist:
  - (a) shall disclose as soon the Trustee becomes aware that a Conflict of Interest may exist to the Board meeting all relevant details concerning the Conflict of Interest and, if the monetary value of the Trustee's interest is able to be quantified, the nature and monetary value of that interest:
  - (b) must not be involved in deliberations, vote, or attend meetings in relation to any Conflict of Interest:
  - (c) may, subject to the provisions above being complied with, sign any written resolution or any other document relating to the Conflict of Interest on behalf of the Trust, be counted towards the quorum required for a Board meeting and do anything else as a Trustee in relation to the Conflict of Interest, as if he or she were not interested in the Conflict of Interest, unless the Board determines otherwise.
- 6.2 Clause 6.1 represents a modification of the duties contained in sections 31 (duty not to exercise power for own benefit), 34 (duty to avoid conflict of interest), 36 (duty not to profit) and 37 (duty to act for no reward) of the Act.
- 6.3 The Trust shall maintain a register of Conflicts of Interest to record Conflict of Interest disclosures by trustees further to clause 17 of the Trust Deed or clauses 6.1 and 6.2 of this Schedule 3.

# 7. Decisions and voting rules

- 7.1 Unless this Trust Deed requires a unanimous decision for a matter, the Trustees present at a meeting must reach agreement by a majority vote to pass an effective resolution or decide a matter.
- 7.2 Each Trustee shall be entitled to one vote.
- 7.3 The method of voting on motions and Trustee resolutions shall be decided by the Trustees. Different methods may be adopted for different motions.
- 7.4 A resolution may be prepared and signed in counterparts including signature in electronic format.

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- 7.5 A resolution of the Trustees may be rescinded or varied by the Trustees in the same manner as it was passed.
- 7.6 A written resolution signed by at least a majority of the Trustees for the time being, excluding any Trustee for whom any matter dealt with by the resolution is a Conflict of Interest, will be as effective as a resolution compliant with clause 7.1 in a duly convened meeting of the Trustees.

#### 8. Minutes

- 8.1 The Trustees shall maintain a minute book recording minutes of their Board meetings and their decisions.
- 8.2 The minute book may be in hard copy or electronic format.
- 8.3 Unless there is evidence to the contrary, matters referred to in a meeting minute shall be treated as approved where the chairperson of the meeting, or the chairperson of the next meeting:
  - (a) records the minute in an electronic message; or
  - (b) signs the minute.
- 8.4 Decisions recorded in the minutes shall be read in conjunction with this Deed and are binding on all persons interested in the Trust.

#### 9. Financial reporting, record-keeping and audit

9.1 The Trustees must ensure that any and all financial reporting or record-keeping requirements to which the Trust may from time to time be subject under the Charities Act 2005 or any other enactment are complied with. In addition, and without limiting the obligations of the Trustees as set out in the preceding sentence, the Trustees may from time to time resolve to prepare or to procure the preparation of such financial and other reports dealing with the affairs of the Trust as they may deem appropriate.

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#### 9.3 RESPONDING TO THE COASTAL ADVISORY PANEL'S REPORT

Kaituhi | Author: Jason Holland, District Planning Manager

Kaiwhakamana | Authoriser: Kris Pervan, Group Manager Strategy & Growth

# TE PŪTAKE | PURPOSE

This paper seeks agreement to proposed implementation steps that respond to the Coastal Advisory Panel's Recommendations Report.

# HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

2 An Executive Summary is not required.

# TE TUKU HAEPAPA | DELEGATION

The Strategy, Operations and Finance Committee (SO&F) has delegated authority to consider this under section B.1 of the 2022-2025 Triennium Governance Structure and Delegations 'Overviewing strategic programmes'.

# TAUNAKITANGA | RECOMMENDATIONS

That the Strategy, Operations and Finance Committee:

- A. **Note** the overview and initial analysis for setting practical next steps, as outlined in this paper, to respond to the Coastal Advisory Panel's (Panel) Recommendation Report.
- B. **Agree** to not undertake further work regarding the Coastal Advisory Panel's recommendations to:
  - B.1 Consult further across all demographics on the Report itself.
  - B.2 Integrate coastal adaptation work with overlapping work by the Greater Wellington Regional Council (related to flood hazard risk assessment).
- C. **Approve** proceeding with the proposed investigation steps described in paragraph 9, and Table 1, that will support Council to make future decisions regarding the Panel's Recommendation Report.
- D. **Note** that a more detailed programme of work to progress steps approved in Recommendation C, of this paper, will be tabled with the Strategy, Operations and Finance Committee in April 2025.
- E. **Agree** that the Climate Change and Resilience Strategy be progressed through three substrategies, to enable activity related to adaptation (as noted in Recommendation C of this paper) and mitigation to separately proceed, through development of a:
  - E.1 Climate Change: Mitigation sub-strategy which will set out the direction, levers for change, and focus of work related to Mitigation actions to support our net zero emission reduction goal.
  - E.2 Climate Change: Resilience and Recovery sub-strategy which will set out the direction, goals, and focus of work related to resilience and post-disaster recovery work
  - E.3 Climate Change: Adaptation sub-strategy which will set out the direction, goals, and focus of work related to adaptation (including but not limited to priorities for sand dunes planting and seawall management).

F. **Note** that the Climate and Environment Committee, and the Strategy, Operations and Finance Committee will receive updates on the three sub-strategies in the new year, in line with the timeframes set in paragraph 17.

# TŪĀPAPA | BACKGROUND

- The Committee has previously been briefed on the Takutai Kāpiti project, and the background to the Coastal Advisory Panel's (Panel) work. Briefly, of note:
  - 4.1 In 2020, Council established the Takutai Kāpiti project to meet commitments arising from Environment Court mediation in response to litigation on the coastal hazard provisions of the Proposed District Plan that was publicly notified in 2012, following the withdrawal of its coastal hazard provisions in 2014 and 2017.
  - 4.2 The Takutai Kāpiti project also aimed to support Council to respond to legislative obligations, under the New Zealand Coastal Policy Statement 2010 and Resource Management Act 1991, that require Council's to manage risks from coastal hazards and the effects of climate change.
  - 4.3 The Panel was established to undertake work, endorsed by the Council via a Terms of Reference, to recommend coastal adaptation options for Council's consideration and to respond to the terms set through the mediation agreement.
  - 4.4 The Panel convened meetings and workshops; considered advice from a Technical Advisory Group and engaged with the community to raise awareness of the process and to seek feedback.
  - 4.5 The Panel completed the Recommendation Report in May 2024, following which it submitted the Recommendation Report to Council in June 2024.
- On 20 June 2024,<sup>3</sup> Council passed the following resolutions relating to the Panel's Recommendation Report:

#### That the Council:

- A. Receives the Coastal Advisory Panel's Recommendation Report, provided in Appendix 14
- B. **Acknowledges** and thanks the Chair and Members of the Coastal Advisory Panel for their expertise, advice and steadfast work throughout the term of the Takutai Kāpiti project.
- C. **Confirms** that with the tabling of the Recommendation Report and completion of its agreed work programme, that the Coastal Advisory Panel's role will now also end.
- D. Seeks feedback from:
  - D.1 The Insurance Council of New Zealand regarding the Report's findings.
  - D.2 The Department of Conservation regarding Council's obligations under the New Zealand Coastal Policy Statement 2010 to "take a 100-year perspective".
- E. Given the significance of the matters addressed in the Report, it is noted that further analysis will be carried out before Council makes any decisions regarding next steps including recommendations.
- 6 The Panel's Recommendation Report included:
  - 6.1 A summary of recommendations, provided in Attachment 1, including to short-list the dynamic adaptive pathways for 20 management units<sup>5</sup> along the Kāpiti Coast; and ten additional recommendations to Council as follows:
    - 6.1.1 Prepare a Kāpiti Coastal Adaptation Plan.

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<sup>&</sup>lt;sup>3</sup> Taken from: Minutes of Council Meeting - Thursday, 20 June 2024

<sup>&</sup>lt;sup>4</sup> Available at: Coastal Advisory Panel's Recommendation Report

<sup>&</sup>lt;sup>5</sup> The term "management unit" is defined in the Recommendation Report as: "mapped sub-areas within the five Adaptation Areas used for pathway development, assessment and recommendations".

- 6.1.2 Consult further across all demographics on the Report's findings.
- 6.1.3 Revisit the DAPP6 process and review pathways at least every 10 years.
- 6.1.4 Integrate coastal adaptation work with overlapping work by Greater Wellington Regional Council (GWRC).
- 6.1.5 Establish formal regular ongoing monitoring of coastal conditions in alignment with community signals, triggers and thresholds.
- 6.1.6 Develop Implementation Action Plans prior to trigger points being activated.
- 6.1.7 Work with communities in each Management Unit on an anticipatory signals, triggers, and thresholds approach.
- 6.1.8 Prepare for longer term developments that may be required, including planning for retreat.
- 6.1.9 Undertake further assessment by Council on the prioritisation of, economic costs, benefits, and funding mechanisms for the short-term actions for the 20 management units.
- 6.1.10 Prepare a coastal district plan change using a risk-based approach constraining subdivision, use and development according to levels of risk, mapping risk areas based on the best available information including relevant national and regional direction (NZCPS and RPS) and the most up to date IPCC information and relevant national guidance, in partnership with mana whenua and consultation with the community.
- 7 This paper acknowledges the proposed response to the two open Council resolutions, outlined in paragraph 5 as follows:
  - 7.1 Resolution D: Council has now written to the Insurance Council and the Department of Conservation. These letters are provided as Attachment 2 and 3.7
  - 7.2 Resolution E: Council decision is sought today around next steps for each of the Panel's recommendations (as outlined in paragraph 6, above). Initial analysis of the recommendations follows below.

# **HE KÖRERORERO | DISCUSSION**

- 8 Elected members were briefed on the Panel's recommendations and options to progress proposed actions on 14 November 2024. A summary of the assessment presented by Council officers on the priority and proposed approach for responding to these recommendations is noted in paragraph 9, and Table 1 (below).
- With the exception of two recommendations which are not supported, no decisions are sought on the individual recommendations now; however, a programme of investigation, engagement and analysis is set out to support agreement on next steps for each of the Panel's recommendations. As outlined in Table 1, this will include Elected Members receiving advice in tranches beginning from 2025/26 and substantive decisions around implementing actions will be progressed through to 2035/36.

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<sup>&</sup>lt;sup>6</sup> "DAPP" is defined in the Recommendation Report as: "Dynamic Adaptive Planning Pathways - an approach to planning for sea level rise in the future." This method (recommended by the Ministry for the Environment) acknowledges the uncertainties of climate change and natural hazard risks, and enables communities to adapt and avoid unnecessary loss and damage. Pathways include short, medium and long term adaptation actions (measures to reduce or eliminate risk); and early warning signals, triggers for starting preparation work; and thresholds indicating when agreed objectives/community values/risk exposure/levels of service are no longer being met requiring an alternative adaptation action to be in place before this occurs. <sup>7</sup> Responses will be added to the Council website once received.

Table 1: Assessment of practical next steps regarding the Panel's recommendations

Package	Panel Recommendation	Council Officer	assessment and proposed approach
Further work on the Report's findings	Consult further across all demographics on the Report's findings (ie the Report itself).	Not supported	Continued engagement and discussion on the Panel's Report will not add value to progressing practical action
	Integrate coastal adaptation work with overlapping work by GWRC.	Not supported	Combining analysis and engagement on coastal erosion and flooding hazards will add unnecessary cost / complexity.
Non- statutory Coastal Adaptation Planning	Work with communities in each Management Unit on an anticipatory signals, triggers, and thresholds approach	Top-Priority Progress from 2025/26	Introduce a practical approach for adaptation planning to canvas with the community to determine how we will identify the "signals, triggers and thresholds" for when change has occurred and action is needed.
	Develop Implementation Action Plans prior to trigger points being activated	Top-Priority Progress from 2025/26	Determine what "Adaptation Planning" covers and agree on priorities with the community.  Following this, develop a <i>Climate</i>
		Progress from 2026/27	Change: adaptation sub-strategy that includes these priorities, key approaches and policies.
	Prepare a Kāpiti Coastal Adaptation Plan	Top-Priority Progress from 2025/26	Develop an Adaptation Plan, to support the implementation of the <i>Climate Change: adaptation sub-strategy.</i>
	Revisit the DAPP process and review pathways at least every 10 years	Low-Priority Progress in 2035/36	
Non- statutory Coastal Adaptation Actions	Undertake further assessment by Council on the prioritisation of, economic costs, benefits, and funding mechanisms for the short-term actions for the 20 management units.	Medium- Priority  Progress from 2026/27 or as relevant for future Annual and Long-term Plans	Confirm the economic costs, benefits, funding mechanisms, and prioritisation of adaptation actions for each management unit to inform future community engagement and Annual and Long-term Plans.
	Establish formal regular ongoing monitoring of coastal conditions in alignment with community signals, triggers and thresholds	Top-Priority Progress from 2025/26	Develop a suite of metrics from signals, triggers, and thresholds to report regularly.
		Progress from 2026/27	Introduce the community agreed signals, triggers, and thresholds in the Climate Change: adaptation substrategy and set out a monitoring framework to identify when change occurs.
	Prepare for longer term developments that may be required, including planning for retreat	Medium- Priority  Progress from 2026/27 or as relevant for future Annual and Long-term Plans	Prioritise in Council's work programme options for investing in new land areas for development, that are away from coastal hazard areas.

Package	Panel Recommendation	Council Officer	assessment and proposed approach
Statutory (RMA) Coastal Adaptation Planning	Prepare a coastal district plan change using a risk-based approach constraining subdivision, use and development according to levels of risk, mapping risk areas based on the best available information including relevant national and regional direction (NZCPS and RPS) and the most up to date IPCC information and relevant national guidance, in partnership with mana whenua and consultation with the community.	Top-Priority Progress in 2025/26	<ul> <li>Take a pragmatic approach to assessing coastal hazards through the District Planning process that considers:</li> <li>Use of a risk-based approach similar to that adopted by Porirua City Council and Wellington City Council in their recent District Plan reviews.</li> <li>Coastal hazard planning rules and provisions will constrain subdivision, use and development according to levels of risk.</li> </ul>

Following SO&F's approval of this approach, a more detailed overview of timing for the programme and engagement, and associated budget, will be discussed before work begins. This will be tabled with SO&F in April 2025.

### He take | Issues

11 Community engagement through the Takutai Kāpiti project highlighted the wide variety of perspectives on coastal adaptation issues. While some support was expressed for taking a proactive approach, others expressed concerns about Council doing anything (except seawalls) as they were concerned about the impact to property values and insurability. These concerns will need to be taken into account, as potential next steps progress.

# Ngā kōwhiringa | Options

Table 2: Options to respond to the Panel's recommendations

Kōwhiringa   Options	Hua   Benefits	Tūraru   Risks
Option A (recommended) Proceed with the proposed work programme as described in paragraphs 9, and Table 1, of this paper	Likely to be supported by members of the community who support taking a practical and proactive approach to coastal adaptation issues.  The proposed work programme will provide Council with more information to inform future substantive decisions on next steps.	Potential confusion may occur if the Council is engaging communities on different coastal matters at the same time (for example, on triggers, signals and thresholds at the same time as the coastal district plan change).
Option B  Do not progress the proposed work programme as described in paragraph 9, and Table 1, of this paper	May be supported by members of the community concerned about potential impacts of doing anything (other than seawalls) on their property values and insurability.	Partners and stakeholders who participated in the Panel's process could become frustrated and disengaged due to lack of progress.  Reputational risk if Council is seen as not taking action.  An alternative approach to coastal hazard adaptation would need to be developed, with additional cost and time.

#### Mana whenua

- 12 Mana whenua have partnered with Council on this project through:
  - 12.1 Membership of the Co-design Working Group which established the Panel's operating design.
  - 12.2 Membership on the Panel, and inclusion of cultural experts on the Technical Advisory Group.
- The Panel's "multi-criteria decision-making analysis" (MCDA) included scoring adaptation options based on Te Ao Māori. Additionally, the Panel benefitted from consideration of cultural reports produced specifically to inform the project.

# Panonitanga Āhuarangi me te Taiao | Climate change and Environment

- The purpose of this project was to inform Council's future approach to coastal adaptation. The Panel's findings were prepared following a comprehensive process, including consideration of technical information and feedback from the community.
- As noted in paragraph 5, Council resolved to undertake further analysis before making any decisions regarding next steps in relation to the Panel's Recommendation Report. This has had downstream effects on the development of the Climate Change and Resilience Strategy, as adaptation is one of four components of focus in that strategy which was expected to be informed by:
  - 15.1 Reports and other information generated as part of the Takutai Kāpiti project; and
  - 15.2 The Panel's recommendations.
- To address this delay, including progressing further analysis on the Panel's recommendations before decisions are made, it is proposed that the Climate Change and Resilience Strategy be progressed through three sub-strategies, to enable activity related to adaptation (as noted in paragraph 9) and mitigation to separately proceed, through development of a:
  - 16.1 Climate Change: Mitigation sub-strategy which will set out the direction, levers for change, and focus of work related to Mitigation actions to support our net zero emission reduction goal. This sub-strategy will utilise key information such as the cultural, social and ecological impacts of climate change for mitigation.
  - 16.2 Climate Change: Resilience and Recovery sub-strategy which will set out the direction, goals, and focus of work related to resilience and post-disaster recovery work.
  - 16.3 Climate Change: Adaptation sub-strategy which will set out the direction, goals, and focus of work related to adaptation (including but not limited to priorities for sand dunes planting and seawall management). This sub-strategy will utilise key information such as the cultural, social and ecological impacts of climate change for adaptation.
- 17 Climate and Environment Committee and SO&F will receive updates on the sub-strategies in the new year but broad timeframes include:
  - 17.1 Climate Change: Mitigation sub-strategy development progresses through early 2025, and approval sought in April 2025.
  - 17.2 Climate Change: Resilience and Recovery sub-strategy development is already underway, with oversight of the Risk and Assurance Committee, and approval of the sub-strategy sought in 2025/26.
  - 17.3 Climate Change: Adaptation sub-strategy progresses alongside actions noted in this paper for further work, and approval sought in 2027.

### Ahumoni me ngā rawa | Financial and resourcing

- 18 The Long-term Plan 2024-34 has committed to further technical work and engaging with communities about coastal adaptation.
- Determining the financial and resourcing implications of the proposed next steps will be worked through as part of reporting back on the work programme in April 2025.

# Türaru ā-Ture me te Whakahaere | Legal and Organisational Risk

Any legal risks regarding taking next steps to respond to the recommendations will be addressed by seeking legal advice at the appropriate time to ensure any risks are addressed.

### Ngā pānga ki ngā kaupapa here | Policy impact

This report notes there are connected pieces of work that need to inform, and be informed by, the next steps that respond to the Panel's recommendations (including progressing the proposed Climate and Resilience Strategy).

# TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

# Te mahere tūhono | Engagement planning

This report seeks Council's approval for officers (as part of the proposed work programme) to develop a plan for engagement with the community on the Coastal Advisory Panel's Recommendation Report, which would be brought back to Council for approval.

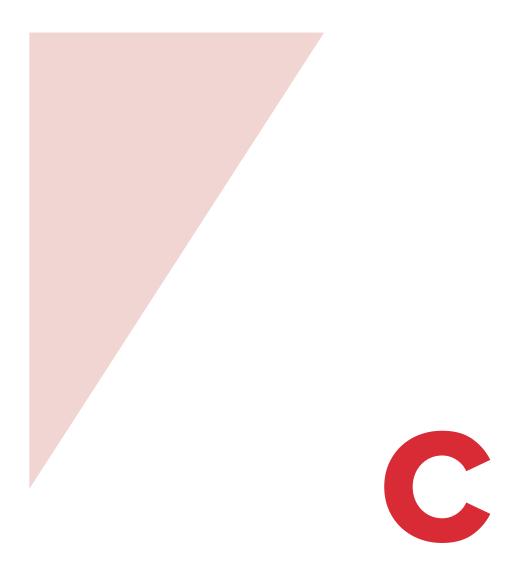
# Whakatairanga | Publicity

23 No publicity is planned at this time.

### NGĀ ĀPITIHANGA | ATTACHMENTS

- 1. Takutai Kāpiti Coastal Advisory Panel Recommendations Report Section C (Recommendations) 

  ...
- 2. 24.10.31 Letter to Kris Faafoi Insurance Council U
- 3. 24.10.31 Letter to Penny Nelson Department of Conservation J.



# **PART C**

Recommendations

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#### 10. SIGNALS, TRIGGERS AND THRESHOLDS

In order to know *when* to implement the next option in an adaptive pathway, the Kāpiti community needs to identify:



**Signals** that will provide an **early warning** that a decision point is approaching and should prompt thinking and initial engagement processes on the next steps or any changes to the trigger.



**Triggers** indicate that it is time to **change the management approach**. It allows sufficient time to ensure a new pathway or adaptation action can be implemented before the threshold is reached.



**Threshold** is when the management approach is no longer delivering the desired outcome. An alternative adaptation action or pathway needs to be in place before the trheshold is met.

CAP have considered, at a high level, some optional thresholds to inform the Council's and coastal community's design of signals, triggers and thresholds regime for each specific management unit. A critical part of the DAPP approach is that signals, triggers and thresholds are independent to the pathways and are not timeframes, rather they are observable changes in the world around us.

The signals, triggers and thresholds could be:

- Physical responses;
- Social/cultural factors; or
- Economic factors.

The first step is to identify thresholds which are based on the impact of an event. We have sought to recommend thresholds which respond to community values, risk exposure and agreed levels of service, however, we recognise that consultation with the community to

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determine thresholds and the associated signals and triggers is essential. CAP have therefore developed a set of 'optional thresholds' for the Council to take to the community.

These thresholds relate to matters such as:

- The frequency of coastal flooding;
- Risk to drinking water and wastewater infrastructure;
- Disruptions to public road access;
- The cost of insurance for dwellings or their ability to obtain insurance;
- The size of dune systems; and
- The abundance of mahinga kai and shore bird habitat.

The complete set of optional thresholds developed by CAP are included as Appendix 14.

It remains up to Kāpiti's coastal communities in each management unit to determine the quantitative parameters of the thresholds.

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#### 11. FUNDING OPTIONS AND IMPLEMENTATION

While CAP have received and considered some economic analysis in identifying preferred pathways over a 100-year timeframe. We have not assessed the detailed cost of delivery, timing or funding options for the short-term actions which the community will need to deal with to confirm for the next 10-20 years.

We understand that this work is to occur in preparation for consultation on LTP 2027, in three years from now. In the interim, we anticipate the Council will set up a post CAP work programme to investigate in more detail both the timing and prioritisation of implementing the short-term actions across the twenty management units that have been assessed, along with further consultation with those communities regarding funding and their preferred signals, triggers and thresholds.

#### 12. RECOMMENDATIONS OF THE COASTAL ADVISORY PANEL

In addition to **recommending the short-listed dynamic adaptive pathways**, CAP recommend the following.

#### Imperative for putting a Kāpiti Coastal Adaptation Plan in place

Having a coastal adaptation plan is imperative as it serves as a blueprint for addressing the multifaceted challenges posed by climate change and coastal hazards. It is essential for fostering sustainable development and ensuring the long-term viability of coastal regions in the face of ongoing environmental change.

#### Ensuring the Takutai Kāpiti process, including consultation, is ongoing

The community have been highly engaged through Takutai Kāpiti. A common thread through all feedback we have received is that transparency and clear communication are highly valued.

We recommend the Council utilise a variety of methods to engage across demographics within the region. We highly valued the feedback received from high school students and see many opportunities for including younger people and a greater diversity of community members in the conversation.

While we understand there are a range of possible future consultation methods available to the Council might chose to use, we recommend that the Council follow the Special Consultative Process to consult with the community on this report.

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#### Revisiting the DAPP approach and reviewing pathways at least every 10 years

The DAPP approach is a cycle. For its effective implementation, it is essential that the process is revisited, and the pathways are reviewed on a regular basis. In this way, the Council can ensure the pathways, signals, triggers and thresholds remain relevant in light of evolving circumstances, new data, innovative new solutions and changing community objectives.

Regular reviews (we recommend every 10 years) provide opportunities for engagement, fostering transparency, accountability, and ownership of the planning process, ultimately enhancing the plan's impact and ensuring its continued alignment with the community's needs and aspirations.

# Integration of Takutai Kāpiti with the GWRC plan, Whaitua Kāpiti freshwater catchment study and its coastal groundwater investigation

GWRC have established a team known as the Whaitua Kāpiti Committee which includes community members, mana whenua, the Council representations and GWRC representatives. They will give recommendations on how to manage Kāpiti's freshwater resources, which will form the basis for new regulations and programmes of action to protect and restore freshwater across Kāpiti.

Where this work provides insights into groundwater and coastal inundation risks, these findings should be assimilated with the adaptive coastal pathways recommended by CAP, in areas where the coastal adaptation areas overlap with rivers, streams and groundwater.

#### Need for formal regular ongoing monitoring

By continuously observing and analysing changes in coastal conditions, the Council can effectively respond to potential threats, thereby safeguarding lives, infrastructure, and ecosystems. Monitoring allows for early warning sign to be noticed, effective planning, and the implementation of adaptive measures to minimize the impact of hazards on coastal communities, ensuring their resilience and sustainability in the face of evolving environmental challenges.

Establishing monitoring which aligns with the communities selected thresholds, triggers and signals will also be key to the success of implementing the adaptive pathways.

#### Implement Action Plans need to be developed prior to trigger points being activated

We recommend the Council take an anticipatory approach to signals, triggers, and thresholds. The Council should develop action plans which are ready for implementation when a trigger is activated.

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# Working with communities in each Management Unit on an anticipatory signals, triggers and thresholds approach

As discussed in the signals, triggers and threshold section of this report (Section 10), CAP has developed some optional thresholds for future consideration. However, it is important that these thresholds and the associated signals and triggers are discussed at a community level for each management unit and we see this best completed by Council in the next stage of the project.

#### Preparing for future developments that may be required, including planning for retreat

In developing pathways, CAP have assumed that the "avoid" option forms part of all pathways at all times. This means that no new development should occur in areas at risk from coastal hazards.

A number of our pathways also identify retreat as an option. When the time is right, the Council should start planning on how to accommodate the growth of the district away from coastal hazards and anticipate the potential need for whole communities to be relocated should critical infrastructure failure be imminent.

# Further assessment by Council is needed on the prioritisation of, economic costs, benefits and funding mechanisms for the short-term actions for the 20 Management Units

In order to inform community consultation through the next LTP, in 2027, the Council should look further at the economic costs, benefits, and funding mechanisms for the short-term actions defined in the twenty management units, recognising that in terms of relative hazard s and risks some of these management units will require more urgent planning than others – hence the need for Councils to prioritise it's response over the coming years. This is essential for turning implementation of these adaptation plans into a tangible reality for community members to know and understand the potential impacts on them.

# Further, as agreed at the CAP meeting held on 6<sup>th</sup> December 2023 CAP endorses the following planning approach:

- Use of a risk-based approach similar to that adopted by Porirua City Council and Wellington City Council in their recent District Plan reviews.
- Coastal hazards planning rules and provisions will constrain subdivision, use and development according to levels of risk.
- Risk areas will be mapped based on the best available information including relevant national and regional direction (NZCPS & RPS) and the most up to date IPCC information and relevant national guidance.

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Note: The mapping, planning provisions and rules will be developed by Council district planners after Takutai Kapiti in partnership with mana whenua and consultation with the community

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30 October 2024

Kris Faafoi Chief Executive Insurance Council of New Zealand Wellington

#### Tēnā koe Kris

I am writing on behalf of Council to invite the Insurance Council to provide its feedback on recent recommendations Council has received relating to climate change adaptation along our coast. In particular, we seek your feedback on how Council might respond to those recommendations in a way that supports private property owners concerned about the impacts of future adaptation actions on the insurability of their properties.

#### Introduction to the Takutai Kāpiti Project

The Takutai Kāpiti Project ("the Project") was initiated by Council in recognition of obligations under the New Zealand Coastal Policy Statement and Resource Management Act 1991, and to meet commitments arising from past litigation during previous district plan processes. An independent Coastal Advisory Panel ("the Panel") chaired by Jim Bolger was tasked with developing coastal adaptation options and making recommendations for Council's consideration.

In carrying out its work, the Panel followed the "Dynamic Adaptive Pathways Planning" (DAPP) method recommended by the Ministry for the Environment, considering a wide range of technical information as it evaluated potential adaptation pathways for 20 different "management units" along our coastline. The Panel also engaged with coastal communities at several points throughout the process.

#### The Panel's Recommendations Report

The Panel's Recommendations Report was received by Council on 20 June 2024. The recommendations report is available at:

https://www.kapiticoast.govt.nz/media/d3ih4wwq/takutai-kapiti-coastal-advisory-panel-recommendations-report-final-v1.pdf

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The Panel's recommendations include:

- multiple adaptation pathway options for each of the 20 management units
- putting a Kāpiti Coastal Adaptation Plan in place
- ensuring ongoing community consultation post-Takutai Kāpiti, including further work with communities post-Takutai Kāpiti on signals, triggers and thresholds
- 10 yearly reviews of the pathways
- integrating the Coastal Adaptation Plan with Greater Wellington Regional Council work on rivers, streams and groundwater
- · need for formal regular ongoing monitoring
- · develop action plans ready for when trigger points are activated
- avoid new development in risk areas and, when the time is right, plan ahead for retreat where necessary
- Council to do more work on the prioritisation of, economic costs, benefits and funding mechanisms for short-term actions across the 20 management units
- Council to take a risk-based approach to its future district plan change on coastal hazards, similar to that adopted by Porirua and Wellington, with constraints on subdivision, use and development according to levels of risk.

#### Council's response to the Panel's Recommendations Report

Given the significance of the matters addressed in the Panel's Recommendations Report, Council decided further analysis is required before any decisions regarding next steps.

One matter of particular interest to Council when considering its response to the Panel's findings is understanding how its reaction to the Panel's findings might affect insurability. Some members of the community expressed concerns about this during the Project, which the Panel responded to on p.7 of its Report:

The insurance industry undertakes its own research to monitor risk and to decide whether it will or will not insure certain properties or certain areas. They have also made it clear that where communities have an adaptation plan in place to mitigate or reduce risk, this is likely to reduce any impact on insurance premiums. Without an adaptation plan, insurance premiums may be higher. Community feedback has been clear that people want to be able to get insurance and have concerns over the value of their homes decreasing.

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Council has responded to this concern and the Panel's views on this issue by resolving to seek feedback from the Insurance Council. You can find Council's resolutions relating to the Panel's Recommendation Report in association with Item 7.1 on the Council meeting agenda for 20 June 2024, available at:

https://kapiticoast.infocouncil.biz/Open/2024/06/CO 20240620 AGN 2689 AT WEB.htm

#### Council's invitation to the Insurance Council

Council wishes to invite the Insurance Council:

- 1. To provide Council with feedback on any aspect of the Panel's findings which may assist Council in its deliberations about next steps.
- 2. To respond specifically to the concern expressed by some members of the community that the Project itself and/or Council's implementation of its findings (i.e. to carry out any of the adaptation actions recommended by the Panel) may carry a risk of adversely affecting insurability and/or increasing insurance premiums. Where the Insurance Council agrees such a risk exists, Council would welcome the Insurance Council's advice on how it might best respond to that recommendation in a manner that reduces or (preferably) eliminates that risk.
- 3. To present its views on these matters in person to a future public Council meeting (at a date and time to be arranged).

I appreciate that our inquiry is technical in nature. If your staff would like to discuss the detail in this letter, Kris Pervan (Strategy and Growth Group Manager) is the best contact at the Council on this work. Kris can be contacted via kris.pervan@kapiticoast.govt.nz.

I look forward to your advice, at your earliest convenience.

Nāku it noa, nā

Därren Edwards

**Chief Executive** 

Kāpiti Coast District Council

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30 October 2024

Penny Nelson
Director-General
Department of Conservation
Wellington

#### Tēnā koe Penny

I am writing on behalf of Council to update you on progress with our coastal adaptation project ("the Takutai Kāpiti Project", or "the Project"), and to seek your feedback regarding Council's obligations under the Department's New Zealand Coastal Policy Statement (NZCPS) to "take a 100-year perspective."

#### About the Takutai Kāpiti Project

The Takutai Kāpiti Project ("the Project") was initiated by Council in recognition of obligations under the New Zealand Coastal Policy Statement and Resource Management Act 1991, and to meet commitments arising from past litigation during previous district plan processes. An independent Coastal Advisory Panel ("the Panel") chaired by Jim Bolger was tasked with developing coastal adaptation options and making recommendations for Council's consideration.

In carrying out its work, the Panel followed the "Dynamic Adaptive Pathways Planning" (DAPP) method recommended by the Ministry for the Environment, considering a wide range of technical information as it evaluated potential adaptation pathways for 20 different "management units" along our coastline. The Panel also engaged with coastal communities at several points throughout the process.

#### The Panel's Recommendations Report

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<sup>&</sup>lt;sup>1</sup> Technical information considered by the Panel included a helpful response from your Department (signed by Ruth Isaac, dated 6 November 2023) to my previous letter to you dated 10 October 2023.

The Panel's recommendations include:

- multiple adaptation pathway options for each of the 20 management units
- putting a Kāpiti Coastal Adaptation Plan in place
- ensuring ongoing community consultation post-Takutai Kāpiti, including further work with communities post-Takutai Kāpiti on signals, triggers and thresholds
- 10 yearly reviews of the pathways
- integrating the Coastal Adaptation Plan with Greater Wellington Regional Council work on rivers, streams and groundwater
- need for formal regular ongoing monitoring
- · develop action plans ready for when trigger points are activated
- avoid new development in risk areas and, when the time is right, plan ahead for retreat where necessary
- Council to do more work on the prioritisation of, economic costs, benefits and funding mechanisms for short-term actions across the 20 management units
- Council to take a risk-based approach to its future district plan change on coastal hazards, similar to that adopted by Porirua and Wellington, with constraints on subdivision, use and development according to levels of risk.

#### Council's response to the Panel's Recommendations Report

Given the significance of the matters addressed in the Panel's Recommendations Report, Council decided further analysis is required before any decisions regarding next steps.

One matter of particular interest to Council are the timeframes over which it should be looking to manage natural hazard risks along our coastline. On page 7 of its Recommendations Report, the Panel noted that:

The New Zealand Coastal Policy Statement 2010 ("NZCPS") requires decision-makers to take a precautionary approach when planning for and making any resource management decisions in the coastal environment. It also requires a 100-year perspective to be used for planning".

Some members of the community expressed concerns about the 100-year timeframe during the Project. Essentially, we understand these concerns are that:

 Inherent uncertainty: the high degree of uncertainty associated with modelling of relative sea level rise (RSLR) scenarios over 100-year or longer timeframes raises real questions about the appropriateness of using it in district plan changes to establish coastal hazard

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- zones, particularly given the potential impacts of that zoning on affected private property values.
- Inconsistency: timeframes for managing risk in the New Zealand Coastal Policy Statement should be aligned with other regulatory timeframes; for example, the typical "life" of district plan provisions (typically 10-20 years before they are replaced with fully operative next generation provisions) or alternatively the minimum life of structural elements of buildings (50 years).

Council has responded to these concerns and the Panel's views by resolving to seek feedback from the Department of Conservation. You can find Council's resolutions relating to the Panel's Recommendation Report in association with Item 7.1 on the Council meeting agenda for 20 June 2024, available at:

https://kapiticoast.infocouncil.biz/Open/2024/06/CO 20240620 AGN 2689 AT WEB.htm

#### Feedback sought from the Department

Council wishes to invite the Department:

- 1. To provide Council with feedback on any aspect of the Panel's findings which may assist Council in its deliberations about next steps.
- 2. To provide specific feedback to Council regarding its obligations under the New Zealand Coastal Policy Statement 2010 to "take a 100-year perspective". Specifically, we seek the Department's view on whether:
  - a. Council is obliged under the NZCPS to base its coastal hazard zoning in its District Plan on modelling of RSLR over timeframes out to or beyond 100 years, given the concerns noted in this letter; or
  - b. Council has discretion under the NZCPS to consider an alternative approach, such as:
    - i. Shorter timeframes to align with other regulatory timeframes; or
    - ii. A staged approach to establishing coastal hazard zones as the environment changes in reflection of signals, triggers and thresholds established as part of a future Council-adopted Kāpiti Coastal Adaptation Plan.

I appreciate that our inquiry is technical in nature. If your staff would like to discuss the detail in this letter, Kris Pervan (Strategy and Growth Group Manager) is the best contact at the Council on this work. Kris can be contacted via kris.pervan@kapiticoast.govt.nz.

I look forward to your advice, at your earliest convenience.

Nāku it noa, nā

Darren Edwards
Chief Executive

Kāpiti Coast District Council

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#### 9.4 PERFORMANCE REPORT FOR THE PERIOD ENDING 31 OCTOBER 2024

Kaituhi | Author: Sheryl Gavin, Principal Advisor Corporate Services

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

# TE PŪTAKE | PURPOSE

This report details Council's financial and non-financial performance for the four months ended 31 October 2024.

# HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

2 An Executive Summary is not required for this report.

# TE TUKU HAEPAPA | DELEGATION

The Strategy, Operations and Finance Committee has delegated authority to consider this under section B.1. of the 2022-2025 Triennium Governance Structure and Delegations including 'overviewing strategic programmes' and 'financial management including risk mitigation'.

# TAUNAKITANGA | RECOMMENDATIONS

That the Strategy, Operations and Finance Committee:

- A Receives this report; and
- B **Notes** the Council's financial and non-financial performance for the four months ended 31 October 2024, as attached in Appendix 1 to this report.

# TŪĀPAPA | BACKGROUND

- The performance report for the four months ended 31 October 2024 details how we have performed against operating and capital budgets, service levels, and our top 10 priorities for the reporting period.
- We have changed to thirdly performance reporting for years one, two, and three of our 2024-34 Long Term Plan and refreshed how we present our performance, taking on board feedback for simpler, more transparent and relevant information.
- The new performance framework introduced in the 2024-34 Long Term Plan comes into effect in 2024/25 with 44 strategic outcome measures (impact targets) and 73 operational level of service targets across 16 activities.
- Impact targets are measured annually. For level of service targets some are measured thirdly and some are only measured annually. How Council has performed against all 73 level of service and 44 impact targets will be included in Council's Annual Report for 2024/25.

# HE KÖRERORERO | DISCUSSION

#### He take | Issues

#### **Performance**

- 8 Ninety-four (94) percent of the non-financial performance targets that were measured were achieved.
- 9 Eighty-one (81) percent of the Top-10 priority actions are on track for completion within expected timeframes.

- 10 Year-to-date operating results were \$2.5 million below budget, namely due to temporary timing differences of crown funding (NZTA Waka Kotahi and the Infrastructure Acceleration Fund) and higher fixed costs (personnel, cleaning, security, energy) than expected.
- Full year operating results anticipate an operating surplus of \$8.2 million at year end. This is \$3.8 million below budget (due to higher fixed operating costs than expected) and is not a permanent cash surplus but instead a temporary timing difference of capital project funding received within the 2024/25 financial year.
- 12 Year-to-date capital spend of \$21.9 million (or 29% of full year budget) was mainly in line with budget.
- 13 Capital projects spend of \$82.3 million is estimated at year end which would be an overspend of \$6.9 million against budget. The forecast overspend will continue to be closely monitored, re-assessed and updated in subsequent performance reports to ensure delivery remains within the three-year total LTP budget.
- Net debt at 31 October 2024 was \$272.3 million, 208 percent of total operating revenue (well within the limit of 280 percent).
- Total assets at 31 October 2024 were \$2.4billion the majority of this being property plant and equipment (\$2.31 billion).

# Ngā kōwhiringa | Options

16 There are no options to consider with this report.

#### Tangata whenua

17 There are no tangata whenua matters in addition to those already outlined in this report.

### Panonitanga āhuarangi | Climate change

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

#### Ahumoni me ngā rawa | Financial and resourcing

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

#### Ture me ngā Tūraru | Legal and risk

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

#### Ngā pānga ki ngā kaupapa here | Policy impact

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

# TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

# Te mahere tūhono | Engagement planning

22 There is no engagement planning required for this report.

# Whakatairanga | Publicity

Appendices to this report will be made publicly available on the Council's website.

### NGĀ ĀPITIHANGA | ATTACHMENTS

1. Performance Report for the period ending 31 October 2024 (under separate cover) ⇒

# 10 TE WHAKAŪ I NGĀ ĀMIKI | CONFIRMATION OF MINUTES

#### 10.1 CONFIRMATION OF MINUTES

Author: Jessica Mackman, Senior Advisor Governance
Authoriser: Kris Pervan, Group Manager Strategy & Growth

# TAUNAKITANGA | RECOMMENDATIONS

That the minutes of the Strategy, Operations and Finance Committee meeting of 14 November 2024 be accepted as a true and correct record.

# NGĀ ĀPITIHANGA | ATTACHMENTS

1. Strategy, Operations and Finance Committee Meeting Minutes - 14 November 2024 &

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STRATEGY, OPERATIONS AND FINANCE COMMITTEE MEETING MINUTES

**14 NOVEMBER 2024** 

MINUTES OF THE KĀPITI COAST DISTRICT COUNCIL STRATEGY, OPERATIONS AND FINANCE COMMITTEE MEETING HELD IN THE COUNCIL CHAMBER, GROUND FLOOR, 175 RIMU ROAD, PARAPARAUMU ON THURSDAY, 14 NOVEMBER 2024 AT 9.36AM

PRESENT: Cr Sophie Handford (Chair), Cr Liz Koh, Mayor Janet Holborow, Cr Martin

Halliday, Cr Rob Kofoed, Cr Jocelyn Prvanov, Cr Shelly Warwick, Cr Nigel

Wilson, Cr Kathy Spiers

Via Zoom: Cr Glen Cooper, Mr Huriwai Paki (Ngāti Toa Rangatira)

IN ATTENDANCE: Ms Kris Pervan, Mr Darren Edwards, Mr Sean Mallon, Ms Hara Adams, Mr

Brendan Owens, Mr Cam Butler, Mr Bede Laracy, Mr Glen Olsen, Mr Ian Georgeson, Ms Kate Coutts, Ms Anna Smith, Ms Jessica Mackman

WHAKAPĀHA | Deputy Mayor Lawrence Kirby, Ms Kim Tahiwi (Ngā Hapū o Ōtaki), Mr

**APOLOGIES:** Michael Moore (Waikanae Community Board)

**LEAVE OF** There were none.

**ABSENCE:** 

# 1 NAU MAI | WELCOME

The Chair, Cr Sophie Handford welcomed everyone to the meeting. Cr Glen Cooper joined the meeting via Zoom at 9.37am.

#### 2 KARAKIA A TE KAUNIHERA | COUNCIL BLESSING

The Chair opening the meeting with karakia a te Kaunihera.

# 3 WHAKAPĀHA | APOLOGIES

The Chair advised that apologies had been received from Deputy Mayor Lawrence Kirby, Kim Tahiwi and Michael Moore.

# APOLOGY

#### **COMMITTEE RESOLUTION SOF2024/42**

Moved: Cr Sophie Handford Seconder: Mayor Janet Holborow

That the apologies received from Deputy Mayor Lawrence Kirby, Kim Tahiwi and Michael Moore

be accepted.

**CARRIED** 

# 4 TE TAUĀKĪ O TE WHAITAKE KI NGĀ MEA O TE RĀRANGI TAKE | DECLARATIONS OF INTEREST RELATING TO ITEMS ON THE AGENDA

There were no declarations of interest made.

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# STRATEGY, OPERATIONS AND FINANCE COMMITTEE MEETING MINUTES

**14 NOVEMBER 2024** 

#### 5 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

There were no members of the public present who wished to speak.

#### 6 NGĀ TEPUTEIHANA | DEPUTATIONS

There were no deputations scheduled.

#### 7 NGĀ TAKE A NGĀ MEMA | MEMBERS' BUSINESS

- (a) There were no leaves of absence requested.
- (b) There were no matters of an urgent nature notified to the Chair prior to the commencement of the meeting.

#### 8 HE KŌRERO HOU | UPDATES

There were no updates scheduled.

### 9 PŪRONGO | REPORTS

# 9.1 LOCAL GOVERNMENT FUNDING AGENCY'S STATEMENT OF INTENT 2024-27 AND ANNUAL REPORT 2023/24

Ian Georgeson, Acting Chief Financial Officer introduced the item and Andrew Michl, Senior Manager - Credit and Client Relations at Local Government Funding Agency (LGFA) spoke to the appended presentation to provide an overview of the LGFA's Statement of Intent 2024-2027 and 2023/2024 Annual Report. Mr Michl answered members' questions.

Huriwai Paki joined the meeting via Zoom at 9.40am.

Huriwai Paki left the meeting at 10.01am and returned to the meeting via Zoom at 10.11am.

#### **COMMITTEE RESOLUTION SOF2024/43**

Moved: Cr Liz Koh

Seconder: Cr Shelly Warwick

That the Strategy, Operations and Finance Committee:

- A. Receives and notes the Local Government Funding Agency's Statement of Intent 2024-27, including covering letter to shareholders, attached as Appendix 1 to this report.
- B. Receives and notes the Local Government Funding Agency's Annual Report to 30 June 2024, including covering letter to shareholders, attached as Appendix 2 of this report.

CARRIED

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# STRATEGY, OPERATIONS AND FINANCE COMMITTEE MEETING MINUTES

**14 NOVEMBER 2024** 

#### **TABLED DOCUMENTS**

The following documents were tabled.

LGFA's Statement of Intent 2024-27 and Annual Report 23-24 (Presentation)

# **Appendices**

LGFA's Statement of Intent 2024-27 and Annual Report 23-24 (Presentation)

#### 10 TE WHAKAŪ I NGĀ ĀMIKI | CONFIRMATION OF MINUTES

#### 10.1 CONFIRMATION OF MINUTES

#### **COMMITTEE RESOLUTION SOF2024/44**

Moved: Mayor Janet Holborow Seconder: Cr Nigel Wilson

That the minutes of the Strategy, Operations and Finance Committee meeting of 24 October 2024

be accepted as a true and correct record.

**CARRIED** 

# 11 PURONGO KĀORE E WĀTEA KI TE MAREA | PUBLIC EXCLUDED REPORTS RESOLUTION TO EXCLUDE THE PUBLIC

#### **PUBLIC EXCLUDED RESOLUTION SOF2024/45**

Moved: Cr Liz Koh

Seconder: Cr Shelly Warwick

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
11.1 - 2024 Community and	d Section 7(2)(b)(ii) - the	Section 48(1)(a)(i) - the
Affordable Housing Seed	withholding of the information	public conduct of the
Fund - Additional Funding		relevant part of the
Request and Summary of	information where the making	proceedings of the meeting
Successful Applicants	available of the information	would be likely to result in
	would be likely unreasonably	the disclosure of information
	to prejudice the commercial	for which good reason for
	position of the person who	withholding would exist

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# STRATEGY, OPERATIONS AND FINANCE COMMITTEE MEETING **14 NOVEMBER 2024**

	supplied or who is the subject of the information	under section 6 or section 7
CARRIED		

The Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee meeting went into public excluded session at 10.23am.

#### **COMMITTEE RESOLUTION SOF2024/47**

Cr Sophie Handford Seconder: Mayor Janet Holborow

That the Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee

moves out of a public excluded meeting.

#### **CARRIED**

The Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee came out of public excluded session at 10.38am.

#### 12 KARAKIA WHAKAMUTUNGA | CLOSING KARAKIA

The Chair, Cr Sophie Handford closed the meeting with karakia.

The Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee meeting closed at 10.39am.

**HEAMANA | CHAIRPERSON** 

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

#### 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
11.1 - Confirmation of Minutes	Section 7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	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

# 12 KARAKIA WHAKAMUTUNGA | CLOSING KARAKIA

Kia tau ngā manaakitanga ki runga i a May blessings be upon us all,

tātou katoa,

Kia hua ai te mākihikihi, e kī ana And our business be successful.

Kia toi te kupu So that our words endure,

Kia toi te reo And our language endures,

Kia toi te wairua May the spirit be strong,

Kia tau te mauri May mauri be settled and in balance,

Ki roto i a mātou mahi katoa i tēnei rā

Among the activities we will do today

Haumi e! Hui e! Taiki e! Join, gather, and unite! Forward together!