



The Kapiti Coast District Council's 2025/26 Annual Plan

Why Your Rates are increasing 6.9%

Why They Didn't Have To

What You Can Do About It



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Who are we?

- We are a grassroots community group fighting for fair and sustainable rates on the Kapiti Coast.
- We are working to:
 - reduce the projected (and unreasonable) rate increases
 - challenge the KCDC to get its spending under control
 - reduce the focus and spend on non-core activities
 - make sure community views are heard and considered through 'consultation' processes
 - promote public engagement in KCDC activities
 - provide good information to support your vote in the next elections
 - encourage participation in the upcoming election.
- If you want things to change in Kapiti, you now have the opportunity to make a difference. Today we will outline where change is possible, and what you can do to secure it.



Roadmap

- Recap on the 10-year Long Term Plan
- Why your rates will increase 6.9% on 1 July – and why they didn't have to
- Are you getting performance and value-for-money from your rates dollar?
- Does the current Council listen?
- You have choices and you can make a difference.

Note: this presentation was updated on 30 July 2025 in light of new staffing figures provided by KCDC. Updated figures are included in slides 13 and 14



I'M NOT A BOTTOM-LESS BANK 2:

The Nightmare Continues



THE KCDC Long Term Plan 2024-2034: Recap

Rates across the Kapiti District increased by an average 17.2 percent on 1 July 2024.

They will increase again by an average 6.9% on 1 July 2025.

That's a 25% increase over two years.

How much does KCDC plan to increase your rates by over the 10 years between June 2024 and June 2034?



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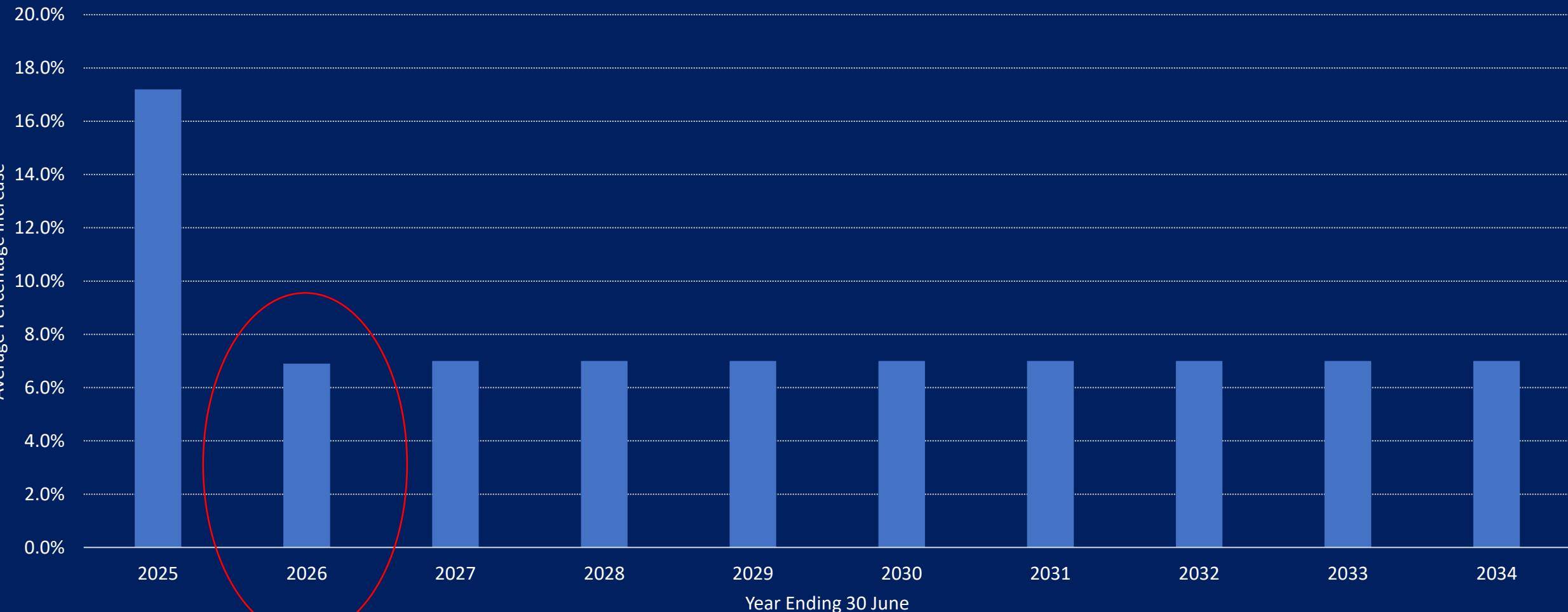
115%



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Planned KCDC Average Rates Increase





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Waikanae property

Rateable value: \$780,000

Rates 2023/24: \$4,250

Rates 2024/25: \$5,138

Rates 2025/26: \$5,862

Rates 2033/34: \$9,141

(includes GWRC rates)



Which Councillors Voted in Favour of These Rates Increases?

For 17% + 7% per annum thereafter = 115%
rates increase over 10 years:

- Mayor Janet Holborow
- Sophie Handford
- Liz Koh
- Nigel Wilson
- Shelley Warwick
- Jocelyn Prvanov

Defeated

For 12% + 6% per annum thereafter = 89%
rates increase over 10 years:

- Deputy Mayor Lawrence Kirby
- Martin Halliday
- Glen Cooper
- Rob Kofoed
- Kathy Spiers

Questions to ask those standing again in the coming elections: have they since had second thoughts about these rates increases? Would they vote for them again?



THE KCDC Long Term Plan 2024-2034: Why are Rates Increasing So Much?

KCDC like to say that the level of rates increases are due to forces outside of their control, and in fact congratulate themselves for how well they have done in keeping rates increases as “low” as they are.

But the level of rates increases are a choice – KCDC have chosen to increase rates by 25% in two years, and have chosen to increase rates by 115% over 10 years.

KCDC did not have to make these choices.



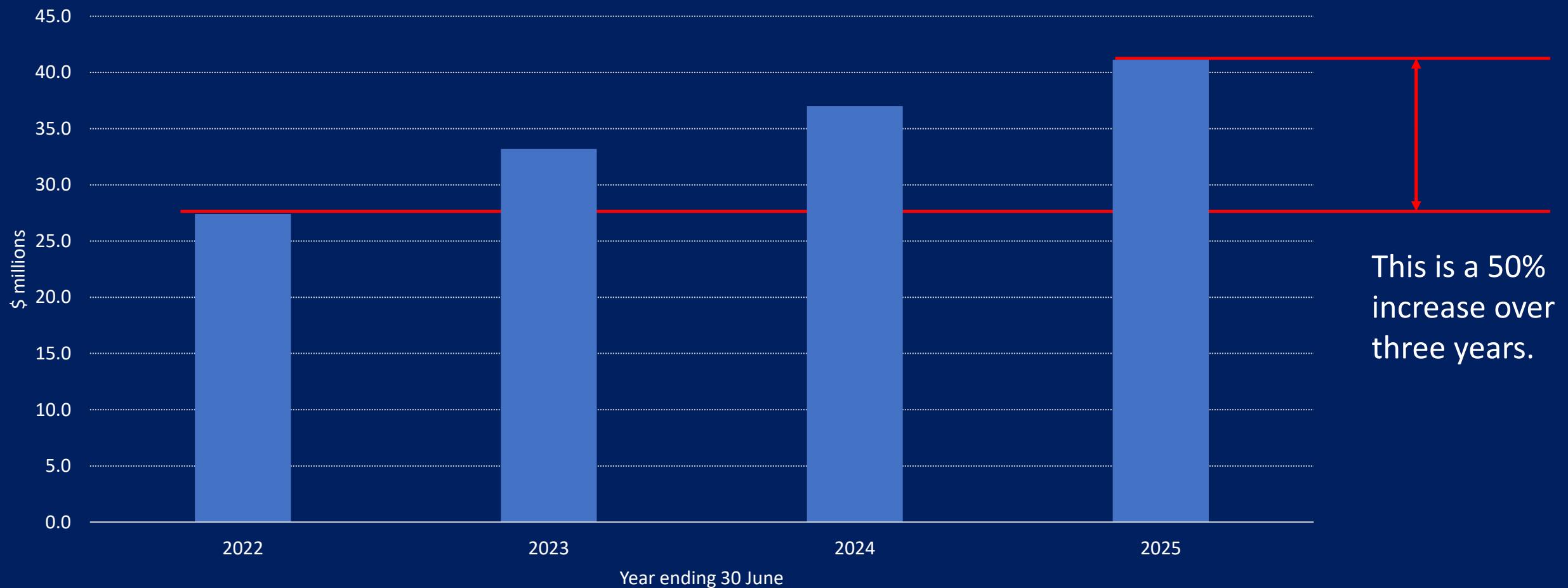
THE KCDC Long Term Plan 2024-2034: What Choices Have KCDC Made to Keep Rates High?

- KCDC have chosen to increase how much of your income they believe they are entitled to:
 - KCDC used to limit their spending so that rates were no more than 5% of median income.
 - In the Long Term Plan they deliberately increased this to 7% of median income (but even then they don't plan to stick to this new "limit")
- KCDC have chosen to start an un-necessary debt reduction programme – KCDC doesn't have a debt problem, unlike other Councils
 - But this debt reduction programme doesn't really kick in until 2029/30 – so that's not a big driver of what's happening today. We'll come back to this in a future meeting.
- KCDC have chosen to have cost-plus approach to their budgets
- KCDC have chosen – either deliberately or by negligence – not to control core costs



Core Costs: Staffing Costs

KCDC staffing costs (excluding capital recoveries)
Staff remuneration + other personnel costs + super+ training

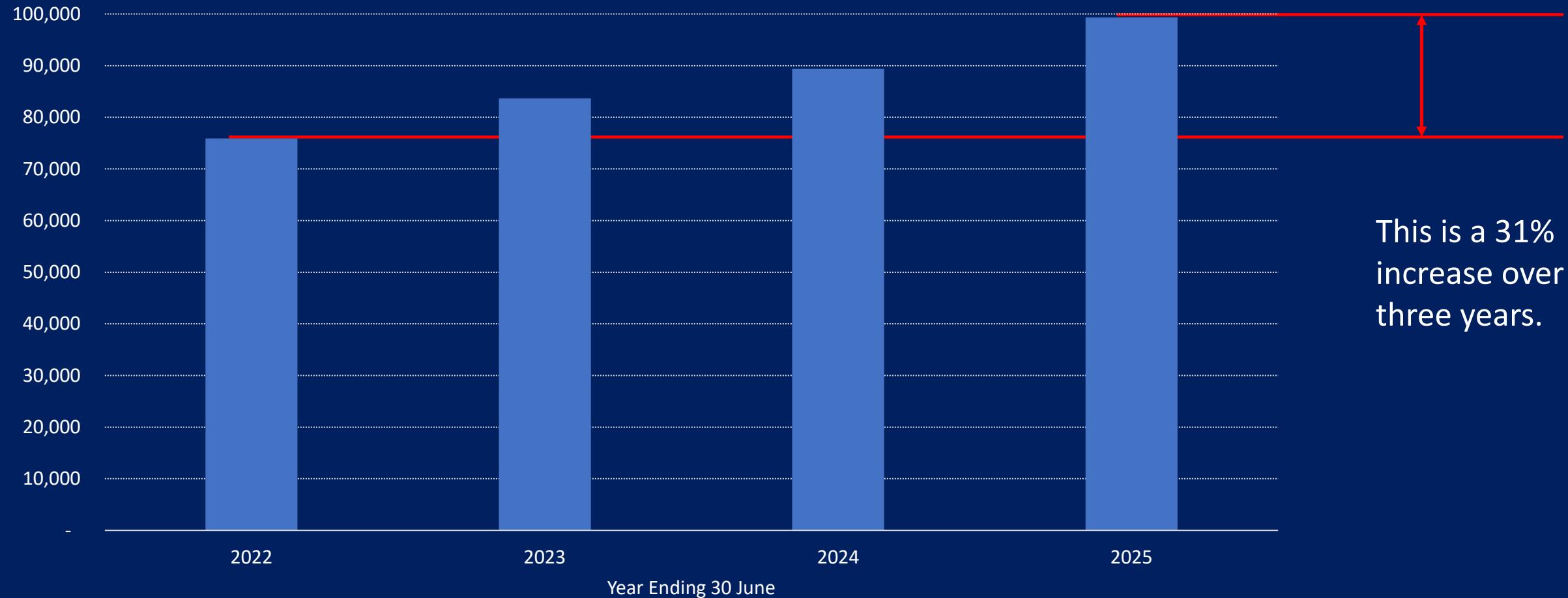




A FTE is one person working fulltime, for a full year

Core Costs: Costs per Staff Member

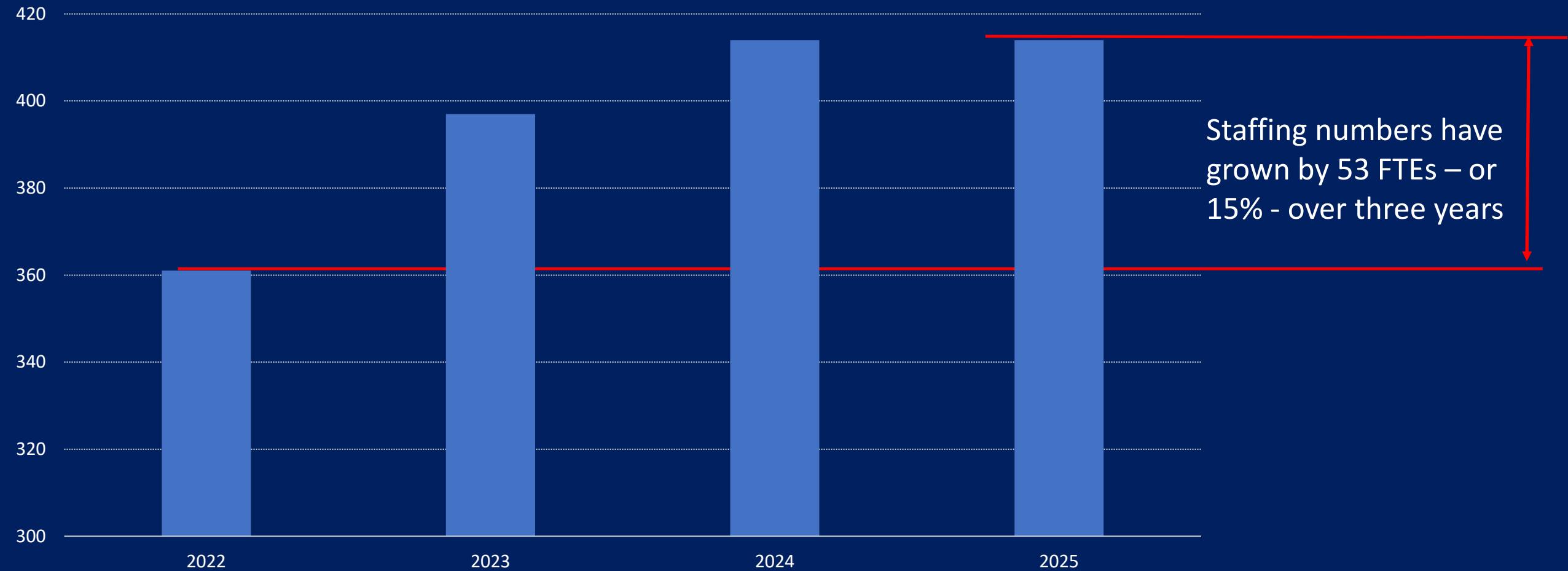
Average staffing costs per Full Time Equivalent





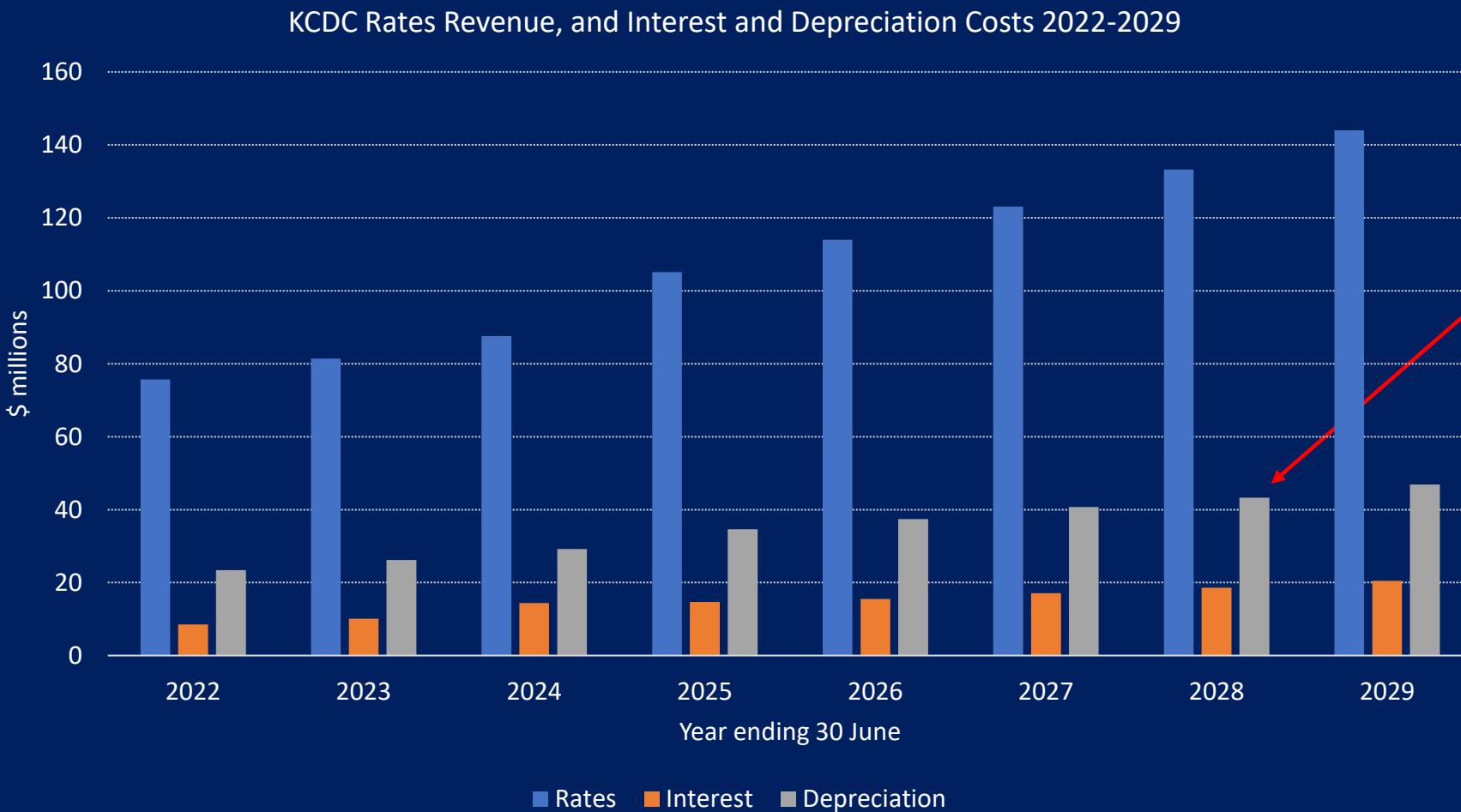
Core Costs: Staffing numbers

Full Time Equivalent Employees





Core Costs: Interest and Depreciation Costs



While you probably hear a lot about debt and interest costs, the other large driver of KCDC costs is depreciation.

Depreciation costs increased by \$6.4 million this year – the single largest cost increase.

It is expected to grow by another \$20 million per annum between now and 2034.



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Do Your Rates Have to Increase by 6.9% on 1 July?

NO

because KCDC can change the choices they have made:

- Reduce their spending limit back to 5% of median income
- Stop being a cost-plus organisation: all of the cost increases in the slides before are just added onto your rates
- Start controlling core costs
- Keep control of discretionary – and low value - spending and demand performance and value for money.



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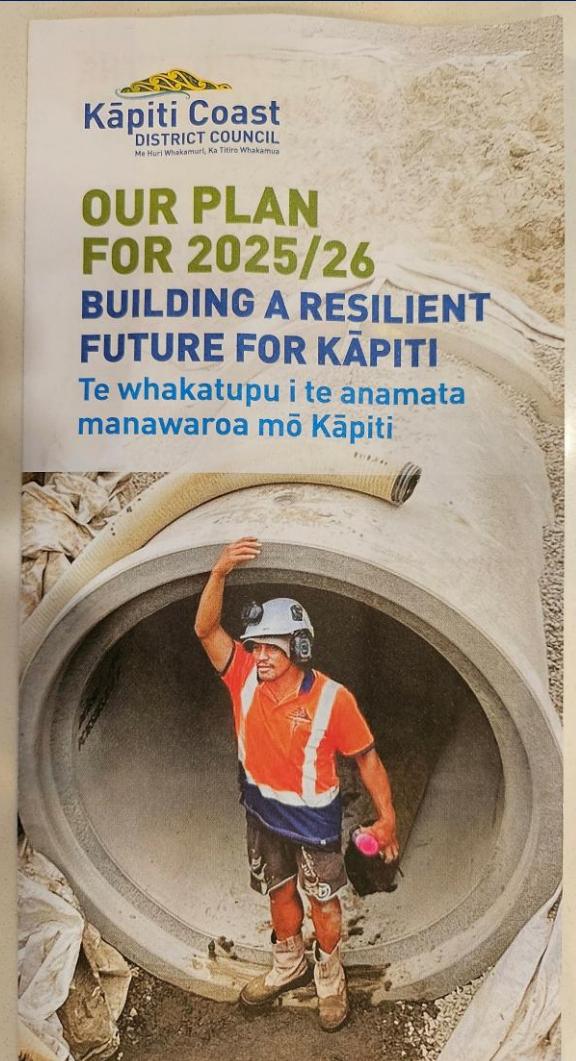
But haven't KCDC made savings this year?

Because KCDC does not have its core costs under control, the rates increase would have been about 2.6% higher than what's been announced.

So KCDC has found savings – about \$3.1 million - to be just below the “promised” 7% rates rise.

But they have not addressed the underlying causes why costs are out of control.

And KCDC is still committed to increasing your rates by 115% over 10 years.





Do we have to hit core services, to reduce the level of rates increases?

- Some people will tell you the only way to have lower rates increases is to reduce core services – such as parks, pools, libraries and how often the lawns are mowed.
- Anyone who tells you this either:
 - doesn't know how to control costs, and/or
 - is a true believer in the 115% rates increase, and is trying to scare you into believing it too.
- We have already outlined some of the ways that costs – and rates – can be controlled
- In the following slides, we outline what else could be looked at, to keep rates low.



Are You Getting Value for Money for Your Rates Dollar?

Some Examples



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Economic Development

Cost: \$2.8 million in 2025/26, \$31 million over the 10 years of the LTP

What does it do?

- Facilitating “cluster and sector development” – eg: a food and beverage cluster, a tech cluster
- Funding Māori economic development, funding skills and training development, “inclusive employment opportunities”
- Supporting start-ups and emerging businesses – eg: through mentoring programmes
- Supporting major events in Kapiti eg: Kapiti Food Fair

Who pays for it? – Supposed to be paid for by “targeted” business rates, but in fact 72% is paid by residents

Is this Value for Money?

- A sad fact is that only 40% of small businesses last beyond 5 years; this spending will not change that
- The programme is not targeted to businesses most likely to succeed
- There are no meaningful performance measures to assess performance and to help future spending choices



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Every extra \$1 million spent on economic development – or any other item of Council spending – increases your rates by an extra 1%.

Residential ratepayers pay \$2 million a year towards economic development activities. If this one item of spending was stopped, your rates rise this year would drop from 6.9% to 4.9%.

Put another way, this year it took the rates of about **390** properties like this one to pay for residents' share of economic development spending.





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Grants Spending

Cost: Actually, very hard to tell. The accounts say \$2 million per annum, but we calculate at least \$2.5 million – and it's probably higher. According to KCDC's accounts, grant funding increased 150% in the two years June 2022 to June 2024.

What does it do?

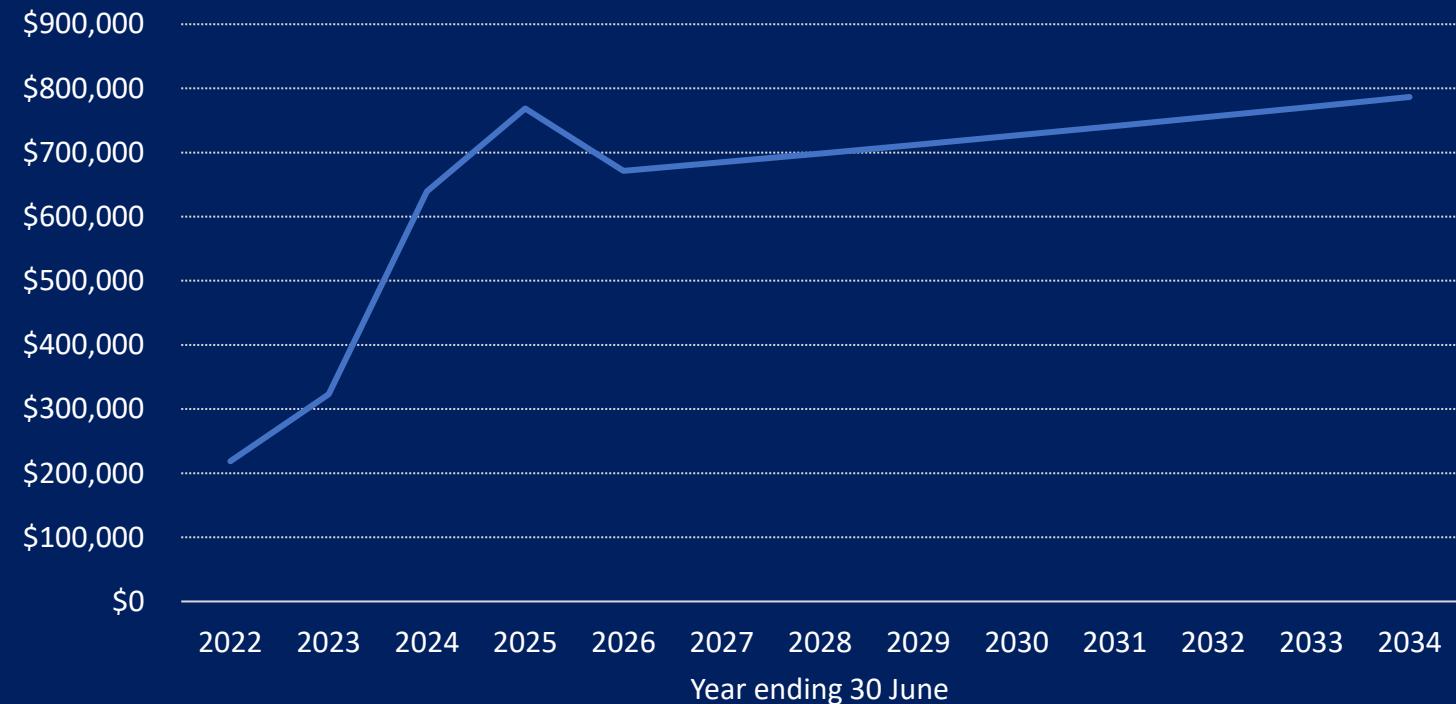
- Funds a whole variety of activities, from art galleries to nature reserves to private hockey grounds.
- Outside of grants to iwi, the two largest grants are for the Toi Mahara Galley in Waikanae and “Arts and Museum Support”
- Who Pays for it? – all ratepayers
- Is this Value for Money?
 - We asked KCDC for their performance metrics. In almost all cases, the only expectation is that the money is spent. It is impossible to tell if any of this increased expenditure is value for money.



Grants Spending: A Case Study



Toi Mahara Gallery Grant (source: KCDC Annual Accounts, LTP)



The single largest non-iwi grant is to the Toi Mahara gallery, which has increased 251% in three years. The grant pays for running costs. There is no performance expectation for this grant, other than the money is spent.



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It took the rates of about **150** properties like this one to pay for the grant to the Toi Mahara gallery this year.





Iwi Partnership Arrangement

- KCDC decided to establish a Māori ward, coming into effect at 2025 local government election
- In addition, Council decided to retain its current 'Iwi Partnerships' arrangement - 'Whakaminenga o Kapiti'
- Whakaminenga o Kapiti is a 'partnership' arrangement with three large 'manawhenua iwi' in the Kapiti District – Ngati Raukawa, Te Atiawa and Ngati Toa
- These three iwi exist outside the KCDC arrangement as the ART Confederation – a political and business collaboration of these three iwi
- Seven representatives from the three iwi (selected by the iwi) and nominated Councillors meet monthly as the 'Whakaminenga o Kapiti' committee and
- The iwi representatives are also appointed to sit on other Committees of Council
 - The iwi representatives have voting rights on Council committee deliberations
 - Do not vote on the main Council



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Iwi Partnerships

- The ‘Whakaminenga o Kapiti’ arrangement costs ratepayers a base level of approx. \$2.5 million a year running costs, consisting of:
 - \$1.5 - \$1.9 million a year to run the Iwi Partnerships Team – Group management level division within Council which facilitates liaison with the 3 iwi, provides admin support to the Whakaminenga o Kapiti committee and provides training for Council staff in Te ao Māori values
 - KDCD provides funding for the three iwi of approx. \$495,000 per year in ‘capacity payments’, plus a stipend of approx. \$150,000 (\$50,000 to each iwi) to sit on Council committees
 - In addition Council pays meeting fees and expenses to the appointed iwi representatives to attend meetings of the Whakaminenga o Kapiti committee and other Council committees
- In addition to the costs above of ‘iwi representation’, the Council also provides other financial contributions to the selected three iwi for e.g. marae upgrades, other iwi initiatives/projects



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Iwi Partnership Arrangements – Information and Questions

- Only approx. 30% of Māori in the Kapiti district have affiliation with the three iwi participating in the ‘Whakaminenga o Kapiti’ arrangement (representing just over 2,000 people and about 3% of the district’s population – according to Council documents)
- These three iwi are large corporate businesses in their own right, with an estimated collective wealth/asset base of approx. \$1.2 billion
- The three iwi are involved in huge developments e.g. Ngati Toa’s extensive housing and investment activities, Raukawa’s Wananga (tertiary education centre) at Otaki. The three iwi also receive extensive financial contributions from central government
- Should Kapiti ratepayers be funding wealthy business corporates, and paying for these to have preferential access to Council deliberations and decision-making?
- Is the funding provided to these three iwi the best way of ‘honouring Te Tiriti’ – in addition to having a Māori ward?



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It took the rates of about **590** properties like this one to pay for the Council's iwi partnership activity this year.





What does the community think?

- 69% of the Kapiti public did not support establishment of a Māori ward, but KCDC decided to go ahead anyway
- If they had been asked, would the public support retention of the ‘manawhenua partnership’ in addition to the Māori ward if they knew the costs?



Your Have a Choice Coming Up

- The level of your future rates is a choice – and it's in your hands.
- If you want your rates to go up by 115%, there are people standing for Mayor and Council who will happily do that for you. Find out who they are, and vote for them.
- If you don't want your rates to go up by 115%, look for candidates who are committed to a lower rates path. Ask them what they would do to keep future rates increases low.
- We have shown that there are a number of legitimate ways to keep future rates low, without hitting parks, libraries, pools and the number of times the lawns get mowed.
- Concerned Ratepayers will continue to highlight the issues, and choices, and try to give you good information so that you can vote for the candidates that best match your aspirations.



What We Are Doing to Support Your Decision-Making for the Election

- A change in the proposed level of rates increases, and the way that KCDC engages with you, requires change at the Council table
- What Concerned Ratepayers is doing to support change:
 - We will be asking all Council and mayoral candidates whether they support 115% rates increases, and what they will do to effect change in how KCDC operates
 - We will publicise their answers, including if they refuse to answer
 - We will hold public meetings before the election, so that you can meet all of the candidates, and ask them about what change they believe in
- While we are on the look-out for more, we have already found some Council candidates that want change!



**Candidates That We Have Identified So Far Who Are Committed to
Change and to a Lower Rates Path**



You Can Make a Difference

- We still need to find more candidates for the Council if we are going to effect change
 - Nominations open on 4 July and close on 1 August
 - All nominations are announced on 6 August
 - Voting packs arrive in your letterbox from 9 September, and you can vote anytime from then
 - Voting Closes 11 October.
- Come and talk to us if you might be interested in standing for Council.
- The next biggest impact you can make is to be involved and to vote. And get your friends and neighbours involved. Encourage them to vote as well.



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Discussion

<https://concernedratepayerskapiti.org>

<https://www.facebook.com/concernedratepayerskapiti/>