



Concerned Ratepayers Kapiti

Your local voice- advocating for you and your future

Public Meeting- 1 March 2026

The 2026 Annual Plan- another white wash by Council?

Agenda

- Welcome, housekeeping
- A bit about Concerned Ratepayers Kapiti
- Why we are concerned right now (and why you should be too!)
 - A bit of background: What is the annual plan? What's the long-term plan?
 - A bit about legislation: What councils are required to do now and what the future may hold
 - Are you happy with a 6.4% average rate rise? Here's what's coming...
- Taking action- what we're doing, and what you could consider doing to influence KCDC



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A bit about Concerned Ratepayers Kapiti

We are a grassroots community group fighting for fair and sustainable rates on the Kapiti Coast.

- Under the current Long Term Plan, KCDC rates are set to increase by 115% over the next ten years.
- 23.9% increase already took place over the last 2 years and a further 6.4% is being indicated for this year
- This will cause unprecedented financial pressure for many members of our community.
- We want community voices to drive elected members' decision making.



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Why we are concerned right now (and why you should be too!)

- Councillors had their third briefing about the annual plan for 2026/2027 on 5 February
- Briefings 1 and 2 in mid- December 2025 were closed to the public. In principle agreements made at those meetings were discussed further on 5 February
- The original proposed rates hike of 8.4% identified in December has been reduced to approx. 6.4% for 2026/27. This is below the projected rise of 7% in the LTP.

BUT

- The bad news is that KCDC is NOT controlling its operating costs, it is NOT keeping rates increases to the rate of inflation and it is NOT taking your views into account.

KCDC is not using an economic strategy or approach that makes sense.



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A bit of background:

What's a Long-Term plan? What's an Annual Plan? What's the difference?

- Under the Local Government Act, Councils are required to produce a Long-Term Plan
 - The LTP sets out the Council's strategy, priorities and proposed budget for the 10 years
 - The LTP is formally adopted by Council but is indicative, not binding
 - The LTP is reviewed every three years, but can be changed at any time
- Councils are also required to produce an Annual Plan for the financial year ahead
 - **The Annual Plan is important because it is the basis on which rates are set for the year ahead**
 - Councils are supposed to consult the community on its Annual Plan intentions
 - The Annual Plan and the rate set for the coming year is formally adopted before the end of June every year.



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A bit of background about legislation:

What councils are required to do now and may the future hold?

Central Government has been busy during 2024/25 introducing new legislation about local government

- Legislation already passed or about to be passed includes:
 - **Local Water Done Well** – changes to how water services are managed/funded
 - **The Local Government (Systems Improvement) Amendment Bill** – repeals the ‘wellbeing’ clauses, redirects local Councils to focus on core services
- Legislation under Selection Committee consideration
 - **Replacement of the RMA – the Planning Bill**, the Natural Environment Bill
 - **The Emergency Management (No 2) Bill**
- Government proposals (not yet legislation)
 - **Rates capping**
 - **Simplifying Local Government** (amalgamation as Mega Regions or Combined Territory Boards (CTB))



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KCDC is required to think and plan ahead about these existing or proposed changes.....and consult with you, the community

In particular, KCDC should be engaging and consulting with the public in this year's Annual Plan about:

- The impacts of Local Water Done Well
 - How the model KCDC has chosen for delivery of water services (water supply, stormwater and sewage) will work, how it will be established and what it will cost
 - The impact for YOU the ratepayer – the effect on rates, and the projected increase in water usage charges



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But...

It appears KCDC doesn't want to hear your views...

- It's making decisions behind closed doors
- KCDC is not changing its budgeting approach. It is 'trimming around the edges' in order to claim it has reduced the rate increase to lower than the 7% forecast in the LTP
- KCDC is not doing anything in response to actual or proposed legislative change. It says it hasn't got time to do that for the annual plan and we have to wait for the LTP.
- The Council is NOT planning to consult with the public on its Annual Plan AGAIN – this will be the third year in a row!!

We think that flouts the intention of the Local Government Act



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How The Level of Your Rates Increase is being calculated by KCDC



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If you went to your boss at the beginning of the year, and asked for an 8.4% pay rise because your household costs had gone up by 8.4%...

Would your boss agree to that?



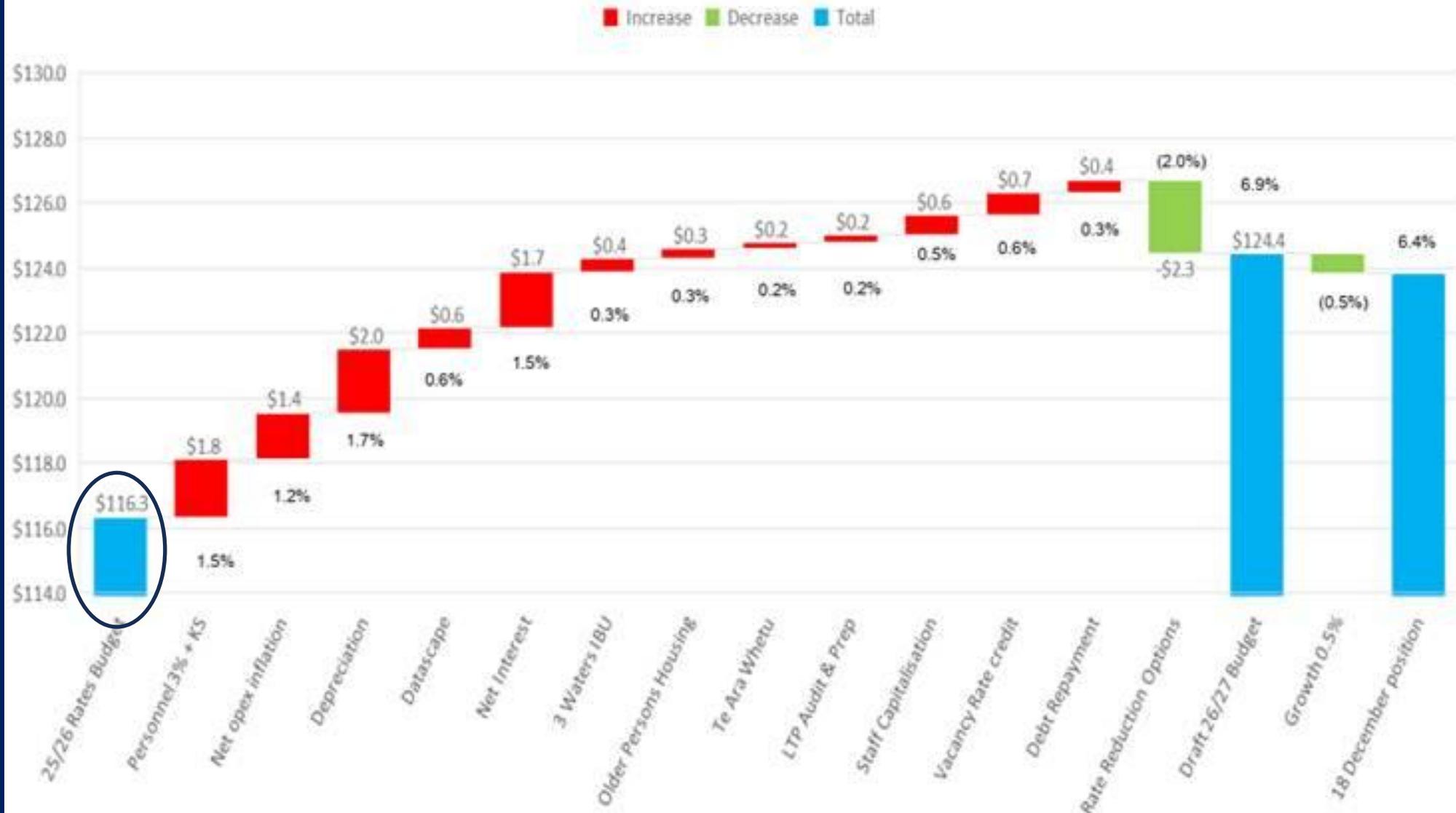
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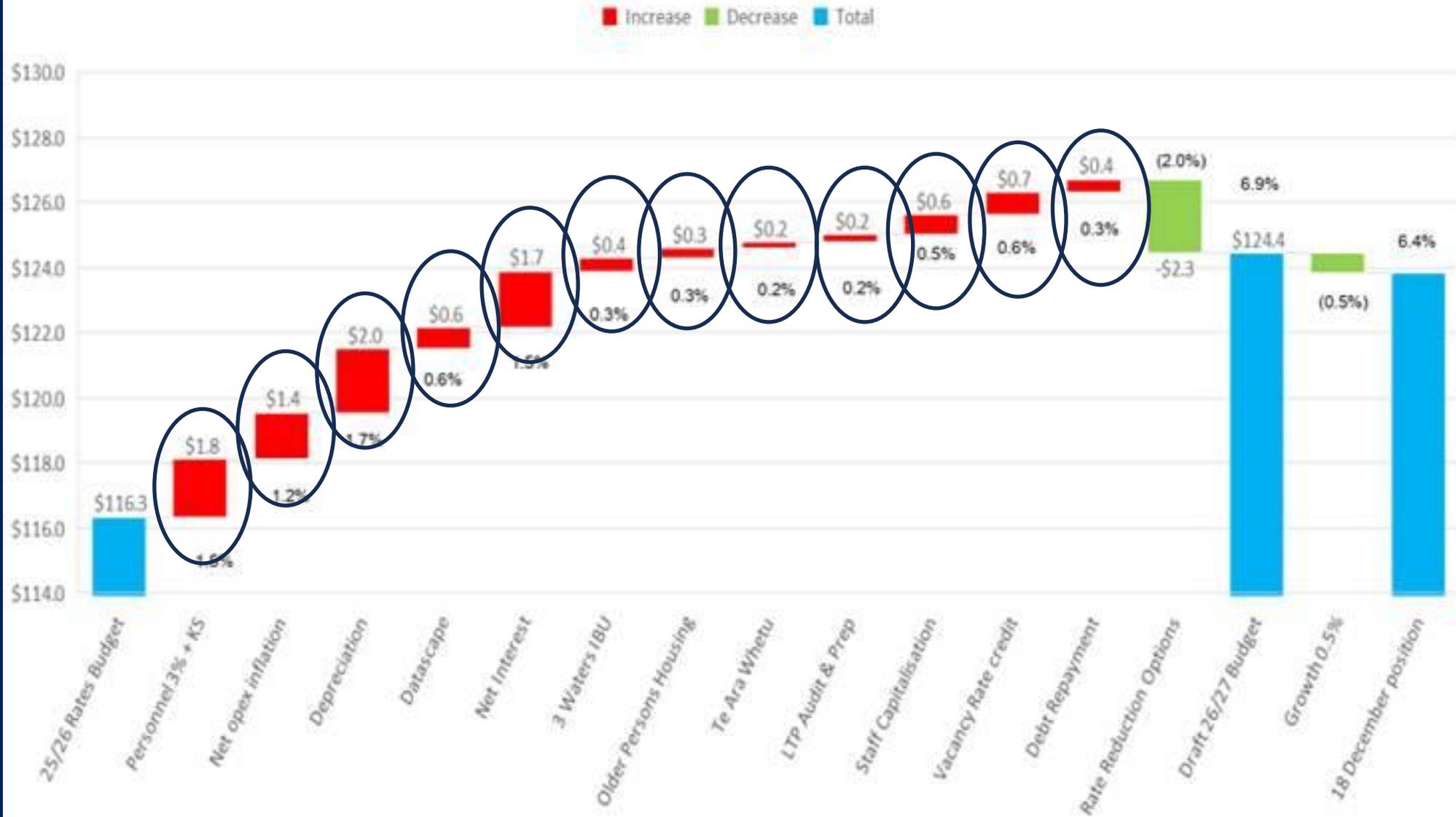


**But this is actually
how KCDC calculates
your rates increase**

2026/27 rates revenue cost drivers and rates reduction options



2026/27 rates revenue cost drivers and rates reduction options

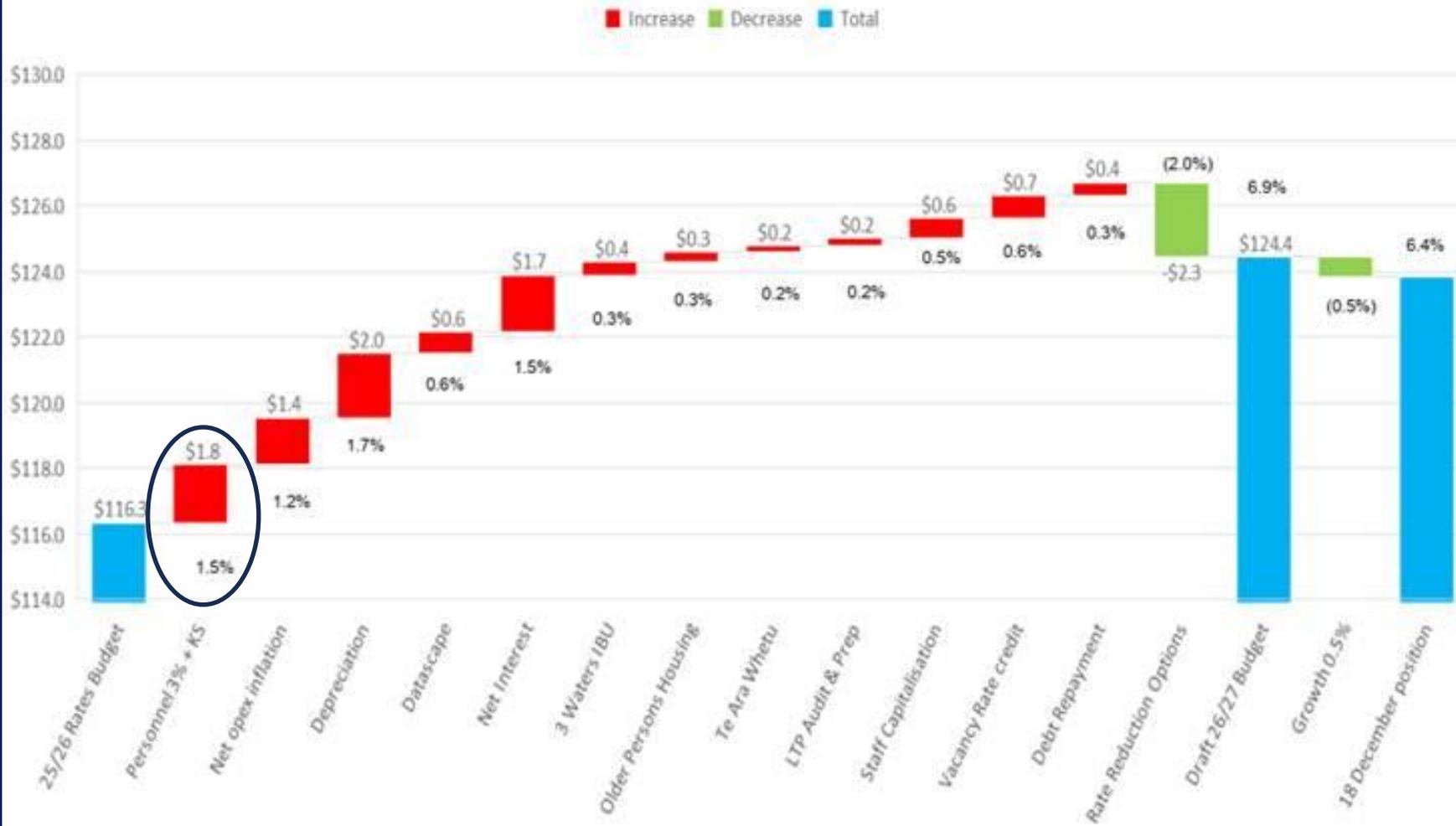


2026/27 rates revenue cost drivers and rates reduction options



↑
All these “cost pressures” add up to an 8.4% rates increase
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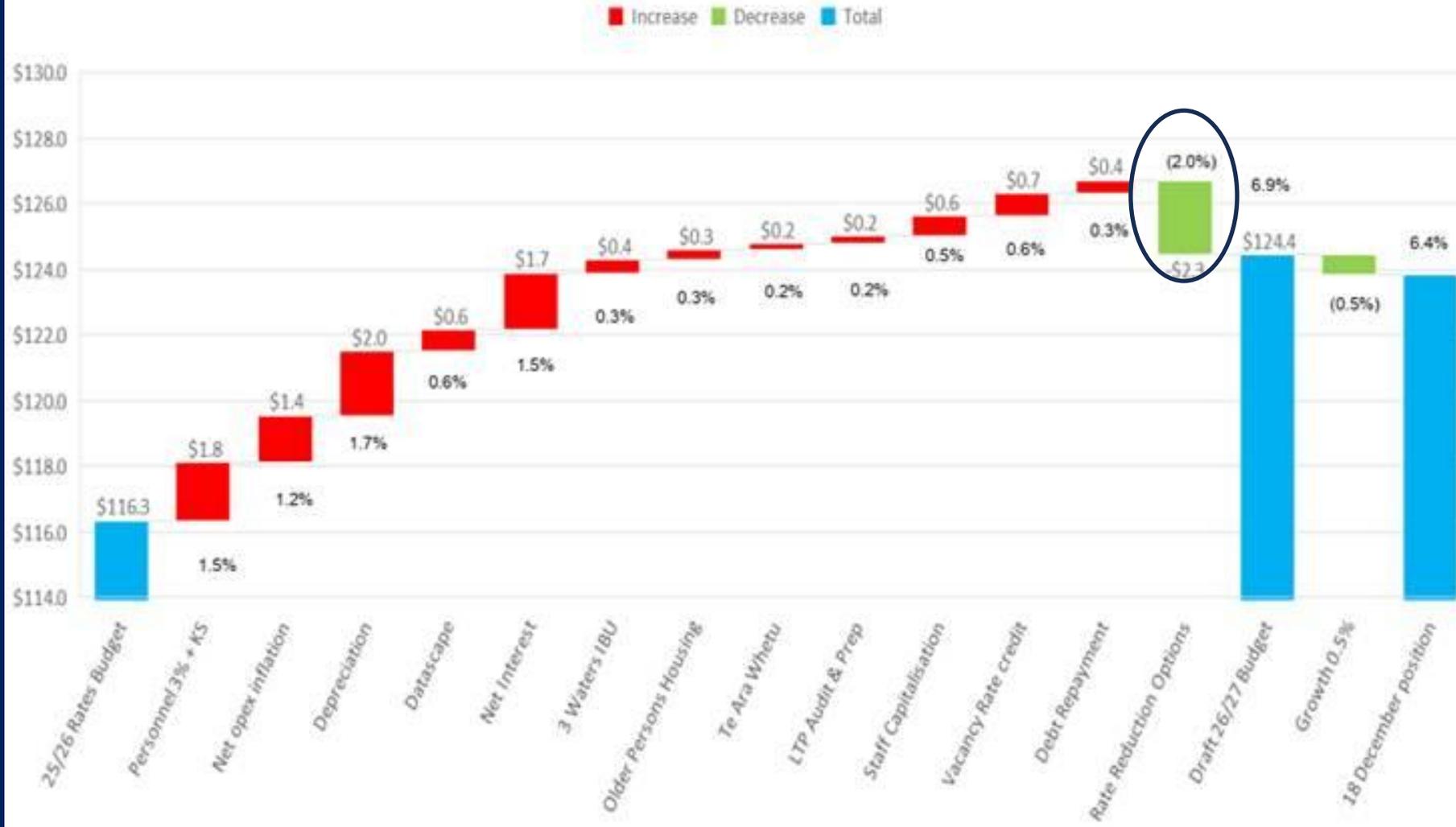
2026/27 rates revenue cost drivers and rates reduction options



One of these uncontested and seemingly benign “cost pressures” is personnel costs – which is planned to increase by 4.5% compared to this year’s personnel budget

AT A TIME WHEN WAGES ACROSS THE REST OF THE ECONOMY ONLY GREW BY 2% LAST YEAR

2026/27 rates revenue cost drivers and rates reduction options





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What does this mean for you? # 1

The median property value in Kapiti is now around \$822,674 (QV Jan2026). This Paraparaumu house is for sale with a list price of \$825,000.

Rates increases since Mayor Holborow was elected Mayor:

- 2022/23 – \$3,615
- 2023/24 - \$3,973
- 2024/25 - \$4,662
- 2025/26 - \$5,333
- Next Year... about \$5,675



That's a 54% increase.



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What does this mean for you? #2

In that same period:

For a married couple on NZ Super, your super will have increased by about **20%**

For a wage or salary earner, on average your income will have increased by about **15%**

Rates on this property will have increased by about **54%**





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We say:

- This is the wrong way to set the Council budget. You would never think of setting your household budget this way – because you can't go to your boss and ask for an 8.4% pay rises just because your costs have gone up by that much
- You have to cut your cloth to what your income is actually going to be – and reduce your costs and make choices about what you can and can't do with the income you have
- KCDC should work to the same financial discipline that you have to.

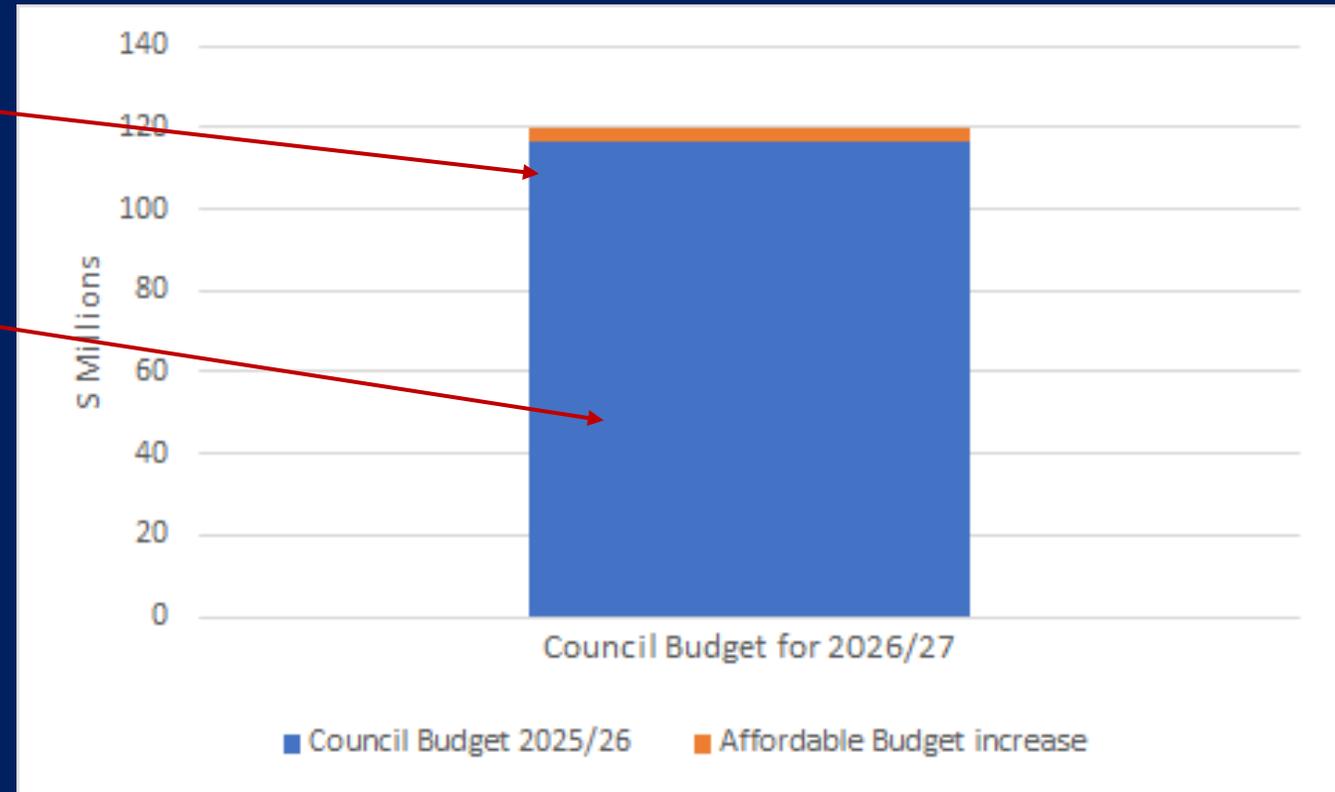


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KCDC should model a different approach

- Set the budget limit at the level of extra spending ratepayers can afford
- Be clear about what spending is for core services and what is discretionary and THEN...
- Review baseline expenditure to ensure it's still fit for purpose
- Review 'cost pressures' for drivers that will increase baseline expenditure
- Impose HARD scrutiny on proposals for new initiatives and new spending
- KCDC should be managing 'cost pressures' within agreed budget limits





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It is possible to do if enough Councillors want to change how budgets are set is in Kapiti

- Council staff are unlikely to recommend this approach as the current system works so well for them. The current approach:
 - Maximises the Council's budget
 - Protects Council staff budgets and inflation proofs them
 - Limits the ability of Councillors to ask difficult questions about what's going on in base line spending because things are getting locked in year to year without being not questioned
- At least six out of the eleven Councillors will have to vote to get this system changed.
- Otherwise, what's happening now will happen when the next Long-Term Plan is developed (later this year) and in next year's Annual Plan.



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What's the Council's proposed timeline?

- February to May develop an information campaign
- February to April-finalise fees and charges for 2026/27
- 12 March- **Councillor only briefing** about Economic Development and reports to Council (as requested)
- 6 May- Q3 rates instalment with draft Annual Plan brochure n letterboxes. **INFORMATION CAMPAIGN STARTS**
- 19 May- Final Annual Plan public briefing (TBC)
- 11 June- Annual Plan and fees and charges for 2026/27 adopted and rates set

Where will your voice be in this process? How were you consulted?



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Discussion/ thoughts/ questions



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Next steps

Think about what the proposed rates might mean for you , talk to your friends and neighbours and think about the questions you still have.

If you want things to change:

- Raise your concerns directly with your elected ward councillor, districtwide councillors and/or the Mayor (cc the CEO). We have some tips on our website to help you get started concernedratepayerskapiti.org
- Direct your questions/ concerns to the Council- kapiti.council@kapiticoast.govt.nz
- Work with us to talk to as many people as you can. Go to council meetings. We need to raise awareness of what's going on with no input from the community.



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Thank you