



# **Concerned Ratepayers Kapiti**

## **Being proactive to create positive communities**

13 April 2026

Mayor Janet Holborow  
All Councillors

By email to all Councillors

Dear Mayor Holborow and Councillors

### **THE WORSENING COST OF LIVING CRISIS AND THE FUEL CRISIS: IT IS TIME TO REDUCE THE FORECAST RATES INCREASE FOR 2026/27**

We have spoken to you on many occasions over the impact that the cost-of-living crisis and cumulative rates increases have had on Kapiti residents. Everyday costs — groceries, insurance, power, and mortgages — have risen far faster than incomes. In recent years, rate increases of over 35% on average (compared to cumulative CPI inflation 11.2%)<sup>1</sup> of have added to that burden, becoming one of the most significant contributors to rising household costs.

At our public meetings, we hear real stories from Kapiti residents about the difficult trade-offs they are having to make. Households are reducing their insurance cover, delaying repairs, or putting discretionary spending, like holidays on hold, just to stay afloat. We know of Kapiti residents who have put their houses on the market as the impact of cumulative rates increases have become the final straw in their battle to stay in their homes. Councillor Koh's famous prediction at the June 2024 Council meeting has come to pass for some residents.

Even though you are ultimately responsible to residents, the Council's failure to consult on the 2026 Annual Plan means that Council is oblivious to the real pain that rates increases – past and planned – is having on the welfare and mental wellbeing of Kapiti residents.

The current fuel crisis has only made matters worse – much, much worse. We have surely reached a tipping point where the Council's planned rates increases are simply too much for the community to bear.

We call upon the Council to urgently re-think its planned rates increase for 2026/27 of between 5.7 and 6.4%.

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<sup>1</sup> Some Councillors have long argued that the Local Government costs increase faster than the rate of CPI inflation. However, the recent Infometrics report: *Wellington City Rates Affordability*, March 2026, Chart 23, page 38 shows that since 2021, the CPI and LGCI indices have in fact tracked very closely.

In response to the fuel crisis, the Government has made it clear to all but a few households that, as costs go up, they must manage their spending and bring down their costs to make ends meet. The same discipline should apply to Kapiti Coast District Council.

At a time when households are making tough, sometimes painful, decisions to balance their budgets, Council should be applying the same discipline to its own. Some costs have indeed gone up but no apparent effort has been made to absorb or offset those costs or to reconsider the timing or magnitude of the work it plans to undertake. Instead, the Council is planning to pass increased costs directly to ratepayers, and make “savings” not by reducing the Council’s own budget but by reducing funding to NGOs and community groups. This was laid bare in the so-called “waterfall diagram” presented to Councillors at the Annual Plan briefing on 5 February 2026.

Concerned Ratepayers Kapiti is calling on Councillors to stop the level of planned rate increases for 1 July. We believe the Council to reassess its whole approach to setting rates - not just to trim around the edges. Fortunately, we have already provided advice to Councillor through our Briefing to the Incoming Council of November 2025 on how this can be done (this advice can be found at: <https://concernedratepayerskapiti.org/our-proposal-for-affordable-rates>).

The Council also needs to fundamentally reconsider how to set its budget, with the best interests of its community front and centre.

With the combined impacts of the cost-of-living crisis and the fuel crisis, the time to start this is now.



Chris Harwood  
Chair, Concerned Ratepayers Kapiti