Concerned Ratepayers Kapiti

Being proactive to create positive communities

26 July 2026

The Mayor and Councillors
Kapiti Coast District Council
175 Kapiti Road
Paraparaumu 5254

By email: kapiti.council@kapiticoast.govt.nz and haveyoursay@kapiticoast.govt.nz

Dear Mayor Holborow and Councillors

Concerned Ratepayers Kāpiti (CRK)

Submission: Prioritise Kāpiti: Help shape our ten-year plan

Thank you for the opportunity to 'have our say' about proposed principles and priorities that will be used to develop the next Long-Term Plan (LTP) 2027-2037. We appreciate that this as a clear attempt to involve the community early in the process, before the more formal consultation takes place from March 2027.

Before providing our submission below, we at CRK would like to acknowledge and thank the Council for embarking on this 'early engagement' process for the Long-Term Plan. We appreciate that this as a genuine attempt by Council to involve the community early in the process, prior to formal consultation early in 2027. We welcome this intervention and acknowledge it as a significant effort by Council to respond to community feedback, specifically that the community wishes to be able to provide input at the beginning of development of Council plans, rather than after the fact when decisions have already been made.

We do have some concerns about the survey approach and its format/construction, as set out below, but in no way wish our comments on that to serve as discouragement to Council on the new approach it is taking.

Our feedback is in two sections. The first section directly addresses the questions raised in the Prioritise Kāpiti survey. CRK members have discussed our views with councillors and council staff at drop in sessions and with community members at a public meeting on 19 July. Our overarching comment is that the survey as constructed did not help residents to distinguish principles and priorities that should underpin core responsibilities of Council as opposed to discretionary activities, and therefore feedback on this survey will not give Council a clear steer about community priorities and possible next steps.

The second part of this submission proposes a more targeted approach that we suggest could be used as the Council tries to seek more focused feedback about actual activities to be included in the next LTP.

Section One: CRK Survey responses

As noted above, we support the Council's aim to get a steer from the community about what matters. Unfortunately we have concluded that the way this survey is framed is flawed, and will not achieve the Council's purpose. We have therefore taken a very specific approach to answering the survey – and in our public meeting we have suggested the same to people concerned about the level of rates increases across the Kapiti district.

Question 1. Community priorities

CRK 'ticks' NO to each of the proposed community priorities.

The proposed list of priorities does not adequately describe the core responsibilities Council has, the functions it is mandated to undertake and the activities required to give effect to those things – that is, what KCDC should actually do. The list is a combination of functions, some of which are core and some are not.
In addition list mixes up the 'what' and the' how' with inclusion of categories that describe delivery approaches, ways of working, or outcomes and aspirations, not actual functions or activities.
Consequently, we do not think that this question, as framed, provides the means to get a clear view of what the community considers are Council's fundamental responsibilities, in a way that will help the Council to focus its activity and spending.

The proposed priorities mix up things that are:

- absolutely core business for KCDC – and should continue to be provided

with

- a number of things that are discretionary – and <u>could</u> be provided if spending is desirable, effective and affordable

and with

- things that are either aspirations or approaches, not functions and
- things which are and should continue to be the responsibility of others (e.g. central Government).

As a result, the proposed "community priorities" do not provide a useful discrimination of what should be the Council's focus for the next ten years, so we tick "no" accordingly. Our suggested "community priorities" are outlined in our answer to Question 2.

Question 2. Our alternative priorities

The priorities should focus on **Council prioritising the delivery of its fundamental responsibilities in undertaking core functions and providing services related to those functions.** CRK suggests the following priorities:

1. **Governance and management** - running an effective and efficient council with Community Boards, enabling democracy in action, every day.

2. **Water services -** While water services are a priority, there is some uncertainty about whether water services should be included in the Long-term Plan. This reflects that 'water' will be provided by an in-house business unit, and that a separate water plan was approved by the Department of Internal Affairs (DIA) in 2025.

   That said, we recommend that 'water' should continue to be included in the ambit of the new LTP so that residents can see all of the spending that will determine the level of local rates, fees and charges payable to KCDC. As water constitutes about one-third of Council activity, that will be delivered through in in-house business unit, the LTP will be incomplete if it is excluded.

3. **Regulatory functions** - land use, building and resource consents; district-wide planning, by-laws, RMA requirements

4. **Network Infrastructure related to:**
   a. **Water supply, sewage and stormwater management**
   b. Environmental and coastal management
   c. Access and Transport- local roads, footpaths

5. **Waste management and minimisation**

6. **Disaster management, emergency preparedness**

7. **Community and recreational facilities** including libraries, pools, parks and open spaces, sports fields, community buildings, cemeteries

Question 3. Planning principles

CRK 'ticks' NO to each of the proposed planning principles as they allow for wide variation in interpretation. We recommend alternative, more tightly specified, "planning principles" in our answer to Question 4.

Question 4. Revised principles

CRK has bolded suggestions below for re-worded principles (with an explanation of why we've made the change in brackets).

1. **Live within the finances provided by affordable rates across the Kapiti District**
   ("Live within our limits" is too broad as the limit is not specified. The limit could be rates increases of 10% per annum! We suggest this principle needs to be unequivocal in its intent.)
2. **Prioritise core responsibilities**
   (Focusing on 'must dos' is open to interpretation and different aspirations about 'must'. We suggest Council should focus on its fundamental responsibilities)
3. **Community voice- community feedback**
   (We are not clear what the term 'local insights' mean and how they are gathered. It's redundant and open to interpretation.)
4. **Growth pays for growth**
   (No change)
5. **User pays (using Auditor General Guidelines)**
   (We would like to see this principle applied using a transparent rationale and using externally mandated guidelines.)

Question 5. Let's talk rates

CRK rejects the premise of this question and responds with a resounding NO.

A rates affordability measure means making hard choices so that core services continue to be funded at an appropriate level and quality, while areas of discretionary funding are limited or stopped altogether. CRK thinks that Council needs to stop threatening the public that service levels will have to be cut back s (with the implication these cuts will be to things the Council knows the community values such as community facilities such as libraries) as the only way of reducing rates increases. Instead, the Council should demonstrate a more responsible approach to financial discipline.

By implying that the only possible trade-off is a reduction in services, this question implies:

- Everything that KCDC does now is a priority
- There is no wasteful spending at KCDC

- There are no efficiencies to be found in how KCDC delivers services
- That debt reduction – if it occurs – must paid by rates increases (which is the current LTP assumption)
- That cost-plus budgeting will continue into the future.

CRK supports the approach of limiting rates increases to no more than 5% of median household income including water and regional council rates. Including regional council functions into the 5% calculation would align KCDC with the measure of rates affordability used elsewhere in New Zealand – see, for example, the report on rates affordability commissioned by Wellington City Council earlier this year.

CRK's Briefing to Incoming Councillors, provided to Council in November 2025, showed how this could be delivered through a combination of greater financial discipline and spending control, through:

- Ensuring all essential services are budgeted before any 'discretionary spending' is considered
- Exercise a prudent approach to discretionary spending by
    - Setting a spending limit for discretionary expenditure
    - Reducing or stopping altogether any discretionary spending that is not affordable within the set spending limit
    - Funding new spending from savings in current activities, if outside of the discretionary spending limit
- Limiting increases in operational spending to no more than the rate of inflation (the CPI)
- Undertaking and acting on efficiency and cost management audits to ensure all services are provided at maximum efficiency and reasonable cost
- Reviewing capital projects to ensure that they are actually needed, and that the scope of work is not overspecified
- Only using borrowing for agreed infrastructure projects, not day-to-day operations
- Using depreciation, rather than rates increases, to repay debt

Question 6. Who do you think should fund the cost of amalgamation?

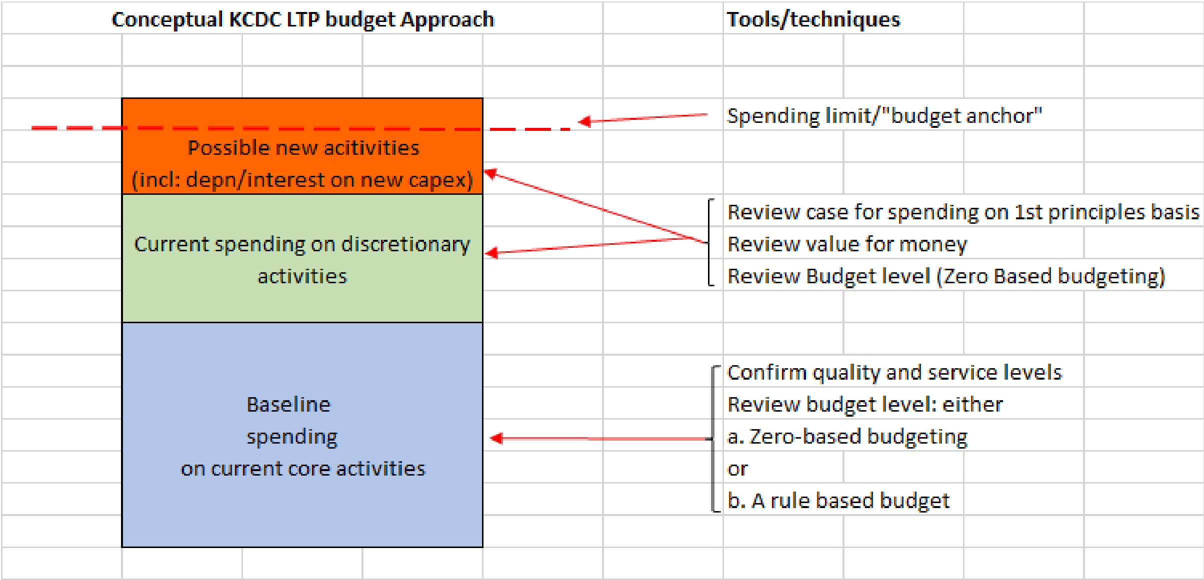
CRK does not understand why this question has been included in a survey to inform the parameters of the LTP. It feels like an opportunist way of gaining information to lobby central government about a separate issue. We are therefore not making a response to this question.

Section Two- preparing for the next LTP engagement with residents

We understand that Council is considering a further survey with residents later in this LTP early engagement process. We understand this will seek to get a more detailed level of feedback from the community about specific priorities and possible choices and trade-offs.

Given our critique of the current survey, we welcome this proposal. An alternative mechanism is now needed to get sufficient feedback from the community to enable the so-called "hard choices" to be made.

We recommend the following framework be adopted for the next residents' survey, (alongside how the financial disciplines we have suggested above can be applied to each part of the framework):



That is:

1. There is a core set of baseline activities that will be beyond (much) question that residents just want delivered – and delivered well -at a reasonable cost. Once the quality and service levels for these have been defined, - and unless there is a clear case for change, for current purposes this could be defined as the status quo. It's about making sure that these are managed efficiently and any excess costs are squeezed out of budgets. We have previously suggested the use of "budget rules" or similar mechanisms to ensure tight financial control over time. We strongly suggest that Council sets out what its core functions and activities are so that residents can understand the basis for the LTP. This is critical to residents understanding the difference between core functions and activities and possible discretionary or new activities.

2. There is a range of current Council activities where it is arguable whether they should be continued or not. In any future survey, we suggest that these are the areas where resident's feedback should be sought. Do they want "economic development" to be continued or not? This needs to be informed by:

    a. Is there a good case – on a first principles basis – for Council intervention

    b. What are the existing and/or proposed interventions?

    c. What have the current interventions actually delivered? (What is their value for money and/or benefit to the community as a whole?)

    d. If they are to continue, how will Council ensure that they are being delivered efficiently and at a reasonable cost (eg: using zero-based budgeting techniques).

3. During the LTP exercise, there will be a range of funding requests and new spending ideas coming from parts of the Kapiti community. The more logical/realistic of these ideas – which should include the interest and depreciation costs of the capex programme – needs the same analysis as in (2) above.

Underpinning this approach is the need for a budget cap or limit (we have referred to a budget "anchor" in the past) that sets the limits of Council spending. Things that are above the limit would be considered unaffordable – and not funded – irrespective of their individual merits. As noted earlier, we recommend a budget cap for rates set at 5% of median household incomes – including both KCDC and regional council rates.

We recommend that to make it manageable for respondents, that the upcoming survey focuses on items (2) and (3) above. Residents should be able to take the delivery of core services (cemeteries is one often quoted example) as read, for the purposes of this type of survey at this time. If the level of service for core activities really needs to be changed to make the budget fit – and we do not believe this is necessary at this time – that should be a separate discussion with the community at that time.

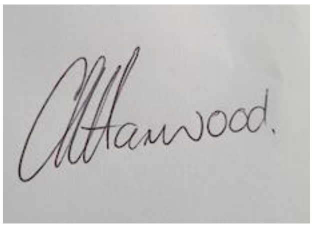
The same methodology and disciplines should be applied to the Council's planned capital spending programme as well, but with the interest and depreciation costs factored into the operating budget as mentioned above.

Conclusion

Again, we would like to thank the Council for embarking on its "early engagement " process for the upcoming Long-Term Plan. We recognise that this is a genuine effort by Council, and a very welcome and important development, which we support. It is very unfortunate that, in our view, the current survey will not help discriminate between those things that the Council should continue, and those that might be stopped to keep rates affordable. We have sought to provide an alternative approach to the Council's survey which, in our view, helps provide the necessary parameters and level of definition. We have also sought to outline how the Council's further early engagement activities can provide the extra clarity that is essential for Council decision making.

We have sought to be constructive and helpful. We commend our submission to Councillors on that basis.

We would be happy to discuss any aspects of this submission with Councillors or Council staff, as appropriate.



Chris Harwood (Ms)

Chair, Concerned Ratepayers Kapiti