



PALMERSTON NORTH CITY COUNCIL

AGENDA
COMMITTEE OF COUNCIL

9AM, WEDNESDAY 17 FEBRUARY 2021
COUNCIL CHAMBER, FIRST FLOOR, CIVIC ADMINISTRATION BUILDING
32 THE SQUARE, PALMERSTON NORTH



MEMBERSHIP

Grant Smith (Chairperson)

**Brent Barrett
Susan Baty
Rachel Bowen
Zulfiqar Butt
Vaughan Dennison
Renee Dingwall
Lew Findlay QSM**

**Patrick Handcock ONZM
Leonie Hapeta
Lorna Johnson
Billy Meehan
Karen Naylor
Bruno Petrenas
Aleisha Rutherford**

Agenda items, if not attached, can be viewed at:

**pncc.govt.nz | Civic Administration Building, 32 The Square
City Library | Ashhurst Community Library | Linton Library**

Heather Shotter

Chief Executive, Palmerston North City Council

Palmerston North City Council

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Private Bag 11034, 32 The Square, Palmerston North



COMMITTEE OF COUNCIL MEETING

17 February 2021

ORDER OF BUSINESS

1. Apologies

2. Notification of Additional Items

Pursuant to Sections 46A(7) and 46A(7A) of the Local Government Official Information and Meetings Act 1987, to receive the Chairperson's explanation that specified item(s), which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded, will be discussed.

Any additions in accordance with Section 46A(7) must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

Any additions in accordance with Section 46A(7A) may be received or referred to a subsequent meeting for further discussion. No resolution, decision or recommendation can be made in respect of a minor item.

3. Declarations of Interest (if any)

Members are reminded of their duty to give a general notice of any interest of items to be considered on this agenda and the need to declare these interests.

4. Public Comment

To receive comments from members of the public on matters specified on this Agenda or, if time permits, on other Committee matters.

(NOTE: If the Committee wishes to consider or discuss any issue raised that is not specified on the Agenda, other than to receive the comment made or refer it to the Chief Executive, then a resolution will need to be made in accordance with clause 2 above.)

5. Confirmation of Minutes

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"That the minutes of the Committee of Council meeting of 10 June 2020 Part I Public be confirmed as a true and correct record."

6. Approving the 2021 10 Year Plan Supporting Material (including the Draft Financial and Infrastructure Strategies and Updated Funding and Financial Policies) and Consultation Document for Audit

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Memorandum, presented by David Murphy, Acting General Manager - Strategy and Planning and Stuart McKinnon, Chief Financial Officer.

7. Exclusion of Public

To be moved:

"That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

The general subject 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(1) for passing this resolution

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public as stated in the above table.

Also that the persons listed below be permitted to remain after the public has been excluded for the reasons stated.

[Add Third Parties], because of their knowledge and ability to assist the meeting in speaking to their report/s [or other matters as specified] and answering questions, noting that such person/s will be present at the meeting only for the items that relate to their respective report/s [or matters as specified].

PALMERSTON NORTH CITY COUNCIL

Minutes of the Committee of Council Meeting Part I Public, held in the Elwood Room, Conference & Function Centre, 354 Main Street, Palmerston North on 10 June 2020, commencing at 9.00am.

Members Present: The Mayor (Grant Smith) (in the Chair) and Councillors Tangi Utikere, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

Apologies: Councillor Lew Findlay QSM (for lateness)

Councillor Lew Findlay entered the meeting at 10.41am during consideration of clause 14. He was not present for clause 14.1 inclusive.

11-20 Apologies

Moved Grant Smith, seconded Tangi Utikere.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 11-20 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Tangi Utikere, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

The Meeting adjourned at 9.01am

The Meeting resumed at 9.30am

12-20 Amended Minutes - 8 May 2020

Memorandum, presented by Hannah White, Democracy and Governance Manager.

Moved Grant Smith, seconded Vaughan Dennison.

The COMMITTEE RESOLVED

1. That the amended minutes of the ordinary meeting of 8 May 2020 Part 1 Public be confirmed as a true and accurate record.

Clause 12-20 above was carried 15 votes to 0, the voting being as follows:

For:

PALMERSTON NORTH CITY COUNCIL

The Mayor (Grant Smith) and Councillors Tangi Utikere, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

13-20 Confirmation of Minutes

Moved Grant Smith, seconded Tangi Utikere.

The **COMMITTEE RESOLVED**

1. That the minutes of the Committee of Council meeting of 20 May 2020 Part I Public be confirmed as a true and correct record.

Clause 13-20 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Tangi Utikere, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

14-20 Finalising the Annual Budget (Plan) for 2020/21

Memorandum, presented by Stuart McKinnon, Chief Financial Officer.

The Chief Financial Officer reported that the plan in Appendix 1 contained all the amendments asked for by the Committee at the previous meeting including the additional saving of \$500k. He explained that there was an error in the figures regarding the depreciation in the previous meeting, which meant that the Council's budget had shown as a surplus. In fact, the Council's budget will be in deficit.

The deficit is not a cash deficit only a paper one. It fundamentally doesn't change the Council's financial situation as the Council does not fund depreciation, it only funds actual expenditure on renewals. The ERP project which is being funded over 7 years rather than one year, is also contributing to the deficit.

Officers are comfortable to recommend the deficit be approved, due to the reasons behind it. Audit NZ does not have an issue with it.

The Committee queried the following parts of the draft Annual Budget:

- Officer salaries - the Chief Executive is not looking to reduce wages or have redundancies, but will be encouraging staff efficiencies.
- Venues – reduced revenue assumptions are still correct. It's going to take a while for event usage to return to pre-Covid levels.
- Libraries - no service level cut but overhead costs will be reduced.
- Deferrals and carry forwards in the Capital Programme will be looked at

during the Long Term Plan in 2021.

- Carry forwards have no effect on the rates. They are already funded but the work has not been completed.
- Refurbishment of the Community Centres - this project is ahead of schedule so the budget can be reduced.
- Council does not borrow to pay for renewals.
- \$500k for the streetscape project is enough for this financial year.
- This year, Council is not penalising ratepayers who have not paid their (quarter 4) rates, instead officers are urging ratepayers to contact Council and set up payment plans.

The Committee asked the Chief Executive to reinstate Programme 279 (minor road projects) budget because it is jointly financed by NZTA and Council.

The motion on library renewals was lost, as the Committee felt that despite the reduced funding for 2020/21, the level of library service was not going to decrease.

The Committee acknowledged that ratepayers (especially businesses) needed assistance from Council via a smaller rate increase than was consulted on.

The Committee congratulated the Chief Executive, the Chief Finance Officer and the Finance team for the work they had done to reduce the proposed council rate increase to 1.95%.

Councillor Lew Findlay entered the meeting at 10.41am

Moved Aleisha Rutherford, seconded Lorna Johnson.

The **COMMITTEE RESOLVED**

1. That Programme 279 (minor road projects) budget be reinstated from \$200k back to \$851K (noting this is a capital new budget).

Clause 14.1 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Tangi Utikere, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

Moved Grant Smith, seconded Tangi Utikere.

The **COMMITTEE RECOMMEND THAT COUNCIL**

2. Adopt the Amended Annual Budget 2020/21, with the report titled "Finalising the Annual Budget (Plan) 2020/21".

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Clause 14.2 above was carried 12 votes to 4, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Tangi Utikere, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Billy Meehan, Karen Naylor and Bruno Petrenas.

Against:

Councillors Brent Barrett, Zulfiqar Butt, Lorna Johnson and Aleisha Rutherford.

Moved Grant Smith, seconded Tangi Utikere.

The **COMMITTEE RECOMMEND THAT COUNCIL**

3. Acknowledge that the Prospective Statement of Comprehensive Revenue and Expense for the Annual Budget shows a budgeted deficit of \$3.95m for the 2020/21 year, and that using the calculation required by the Local Government (Financial Reporting and Prudence) Regulations 2014, projects a deficit of \$6.84m. For the reasons outlined in the memorandum the Council resolves this outcome is financially prudent having regard for the matters contained in Section 100 of the Local Government Act 2002.
4. Delegate Authority to the Mayor and Chief Executive to approve the final Annual Budget (Plan) document for publication.
5. Acknowledge that the adoption of the Annual Budget (Plan) 2020/21 be confirmed as a significant decision within the parameters of the Local Government Act 2002 and that the Council is satisfied that all submissions have been considered and that there has been compliance with the decision-making and consultation requirements of the Act.
6. Delegate Authority to the Chief Executive to authorise payments to Council-controlled organisations and other external organisations in accordance with their respective service level agreements.

Clauses 14.3 to 14.6 above were carried 16 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Tangi Utikere, Brent Barrett, Susan Baty, Rachel Bowen, Zulfiqar Butt, Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Billy Meehan, Karen Naylor, Bruno Petrenas and Aleisha Rutherford.

Note:

Moved Lorna Johnson, seconded Aleisha Rutherford.

On a motion: 'That the library renewals for programme 188 be reinstated to the 10 Year Plan budget amount of \$885K'.

The motion was lost 4 votes to 11, with 1 abstention, the voting being as follows:

For:

Councillors Brent Barrett, Zulfiqar Butt, Lorna Johnson and Aleisha Rutherford.

Against:

The Mayor (Grant Smith) and Councillors Tangi Utikere, Susan Baty, Rachel Bowen, Vaughan Dennison, Renee Dingwall, Patrick Handcock ONZM, Leonie Hapeta, Billy Meehan, Karen Naylor and Bruno Petrenas.

Abstained:
Councillor Lew Findlay QSM.

The meeting finished at 11.21am

Confirmed 17 February 2021

Chairperson

MEMORANDUM

TO: Committee of Council

MEETING DATE: 17 February 2021

TITLE: Approving the 2021 10 Year Plan Supporting Material (including the Draft Financial and Infrastructure Strategies and Updated Funding and Financial Policies) and Consultation Document for Audit

PRESENTED BY: David Murphy, Acting General Manager - Strategy and Planning and Stuart McKinnon, Chief Financial Officer

APPROVED BY: Heather Shotter, Chief Executive

RECOMMENDATION(S) TO COUNCIL

1. That the proposed Revenue and Financing Policy and the proposed 2021 Development Contributions Policy be approved for public consultation.
2. That the Supporting Material (consisting of the following documents) be approved, subject to Audit, as the basis for the Consultation Document for the 2021 10 Year Plan:
 - Council's 2021 Vision, Principles and Goals, plus Council's Strategies
 - Council's Plans (2021-24)
 - Activity levels of service and budgets
 - Financial Strategy
 - Infrastructure Strategy
 - Revenue and Financing Policy
 - Asset Management Plan Executive Summaries
 - 2021 Development Contributions Policy
 - Significant Forecasting Assumptions
 - Forecast Financial Statements
 - Rating Information
3. That the Consultation Document for the 2021 10 Year Plan be approved, subject to Audit.
4. That the Committee note that the Financial Policies, Supporting Material and the 2021 Consultation Document (amended if necessary following the audit process) will be presented to Council for adoption and subsequent consultation.
5. That the Mayor, Deputy Mayor and Chair of Finance and Audit be given delegated authority to make minor corrections to the documents before they are provided to Audit NZ.

1. ISSUE

The Council has to adopt its 2021 10 Year Plan (Long-term Plan) by 30 June 2021. As part of this it needs to prepare a Consultation Document (CD) and Supporting Material. The CD needs to include a report from Audit New Zealand on:

- whether the CD meets legal requirements
- the quality of the information in the CD.

This memorandum presents the CD and the Supporting Material for the Committee to approve for audit.

The Committee should note that once Audit has given its report the Council cannot make changes to the CD or Supporting Material without triggering another audit; therefore the Committee needs to be sure that the CD and Supporting Material state what the Council wants to consult on.

Once the CD has the audit report the Council adopts it (and the Supporting Material) for public consultation. The legislation says that the CD is the Council's main tool for the 10 Year Plan consultation.

Note: Some information is still being prepared and is not currently included in the attachments – e.g. the preface to the Consultation Document, rates examples, the submission form and development contributions fees schedule. This information will be ready for the final adoption of the material for consultation. It does not change the overall narrative of the documents.

2. BACKGROUND

10 Year Plan Direction and Challenges

The Council's current Vision is Small city benefits, Big city ambition – He iti rā, he iti pounamu. Council adopted this through the 2018 10 Year Plan. Elected Members have said that this Vision still describes the type of City they want to create; hence the proposed 10 Year Plan for 2021-31 largely continues the direction, services and projects of the 2018 Plan.

There are also some particular issues that the 2021 10 Year Plan needs to address:

- **Managing our assets and services:** Councils across New Zealand are facing major challenges with their infrastructure, with some high-profile examples of infrastructure issues in some other cities. Council needs to get ahead of this which means it must ensure infrastructure enables our city.

Council has put a strong focus on its asset management planning and now better understands the condition of its assets. As a result, Council is facing increased renewals costs, especially for roading, property, three waters and information management. Currently, Council is underinvesting in these assets. To address this Council is increasing the investment in renewals and moving to a more proactive maintenance approach for critical plant and equipment.

To ensure the Plan is balanced and affordable, Council is phasing this increase in over several years. There are risks with this approach. During the catch-up phase:

- assets could fail, causing environmental and health and safety problems (e.g. sewer blockages and overflows)
- assets may not be repaired in a timely manner, leading to customer complaints about the state of assets (e.g. footpath maintenance)
- levels of service may reduce (reduced facility operating hours, or increases in network blockages)
- we may need unbudgeted funding to fix faults and breakages.

Council is also facing level-of-service catch up costs. Over the past couple of 10 Year Plan cycles, there have been gradual increases in community and central government expectations. Budget pressures meant Council absorbed many of these service increases without corresponding budget increases. However, their incremental impact has led to a growing gap we can no longer cover.

- **Nature Calls:** this is the biggest financial and environmental decision our city faces. It is focused on determining the best practicable option for treating the city's wastewater for up to the next 35-plus years. A process is now underway to further refine the shortlisted options for how we treat and discharge wastewater in the future. We need to submit a resource consent application for a new wastewater treatment plant by June 2022. Our current estimate of the cost to build a likely preferred option is \$350m. It's our biggest project and has a major impact on our budgets and our plans.
- **Water reform:** Currently, drinking water, wastewater and urban stormwater are run by Councils. Under a three-year programme to reform local government three waters service delivery arrangements to improve outcomes, the Government is proposing they are managed by a small number of multi-region entities instead. At this point, we have agreed to consider the proposal and, as a result, we have been granted \$9.4m of central government funding to bring forward some critical renewals and advance key water and wastewater resilience projects. The timing and design of these reforms is not clear and, as they are not yet at a stage where we can meaningfully consult with our community, we are developing the 10 Year Plan on the

assumption we will continue to provide these services. Whatever happens will have a big impact on the Nature Calls project.

- **Covid-19:** The virus has changed the way we live and has greatly affected some peoples' livelihoods. Council recognised the hardship it has brought and adopted a Covid Annual Budget in 2020-21, with a rate increase of 1.95%, down from 4.4% in the proposed annual budget. This reduction puts pressure on our current budgets, meaning the catch-up budgets mentioned above are even more important right now.
- **Climate change:** Long-term weather patterns are changing, increasing the frequency of drought and flooding. As part of mitigating the impacts on our infrastructure and services we have included programmes to reduce flooding risk and reduce wastewater flows. We also have plans and actions to reduce Council and city-wide greenhouse gas emissions.
- **Sustainable growth:** The City is projected to grow significantly over the next 10 years. Housing affordability is declining and we need to ensure housing supply matches demand. Major infrastructure projects and private development (such as Te Ahu a Turanga: Manawatū Tararua Highway, KiwiRail Regional Freight Hub) will continue to drive this growth and place more pressure on housing affordability and infrastructure. We are planning our infrastructure to meet this demand for growth and to help address the housing affordability problem.

The significant pipeline of central government, residential and commercial infrastructure investment in the Manawatu means the existing contractor resources are stretched, putting upward pressure on prices and extending delivery.

- **Earthquake-prone buildings:** Council owns eight earthquake-prone buildings, including the central library, with estimated strengthening costs over the next 15 years of \$150m.

Consultation Document

The draft Consultation Document and proposed 10 Year Plan set out how Council intends to work towards the Vision and to address all these challenges. Council's overall aim is to achieve the Vision and address the challenges in an affordable way. Council considers that it has this balance right in the short-term and will seek community views on this, in particular:

- do the proposed services and programmes deliver what really matters?
- has Council got the right emphasis on infrastructure maintenance?

Under current conditions and NZ Local Government Funding Agency rules we will not be able to borrow sufficient funds for Nature Calls. This means, without change, the 10 Year

Plan is not financially sustainable in the longer term. Given the level of potential change to come with water reforms and Nature Calls we will revisit this issue when we have more certainty.

Strategic Direction

Council is continuing with the 2018 strategic direction. Strategies and Plans have been updated to reflect that the city and Council are three years into the Small city benefits, Big city ambition – He iti rā, he iti pounamu journey. The Strategies and Plans are currently being designed for the consultation process. This will include bilingual headings and translations as appropriate.

Financial Strategy

The Financial Strategy sets out how the Council will prudently manage its finances and provides a context for the 10 Year Plan consultation by showing the overall effects of the Plan's proposals on services, rates, debt, and investments.

Key points in the Strategy are:

- Council has assets with a replacement value of more than \$1.8 billion that are generally in good condition and are big enough to cope with significant city growth.
- The Council's current debt levels are moderate for a regional New Zealand city (especially given the range and quality of services provided).
- Rates levels are comparable with other districts of our size.
- Council is planning for medium population and household growth as forecast by Infometrics plus a margin as required by the National Policy Statement for Urban Development.
- The city has adequate appropriately zoned land or land identified for rezoning to cope with the first 10 years of growth.
- Council believes it needs to invest in new and better catalyst projects to meet its Vision and Goals for the city.
- The requirement to update the City's wastewater treatment and disposal system (Nature Calls) provides the greatest single challenge to long-term financial sustainability of the Council. At the present time it has been assumed that an acceptable option can be obtained for \$350 million (plus inflation) but there is a high level of risk it could be more or less than this.
- Council has been increasing its investment in asset management planning and is progressively obtaining better condition assessments of its infrastructure assets. This information has led the Council to conclude it needs to increase its investment in both asset maintenance and asset renewal.

- In order to fund Council services and key projects being proposed in the 10 Year Plan, including new capital expenditure of \$1,149 million, Council's rates debt levels will need to increase – debt increasing from a forecast \$164 million as at 1 July 2021 to \$870 million as at 30 June 2031.
- These projected levels of debt would mean Council's own prudent borrowing ratios would be significantly exceeded and it is highly unlikely lenders will be prepared to lend to the Council in such circumstances.
- The Government is proposing major reform which would include the transfer of three waters functions (or at least drinking water and wastewater) to a small number of regional water entities within the next three years. Like all Councils our Council is required to plan on the assumption this change will not occur, however the forecast borrowing required for the Nature Calls project is such a significant component of the Council's debt projections that the Council is not in a position to develop a credible, sustainable long-term financial strategy.
- It is proposed that once there is more certainty about the three waters proposal and the preferred option for the Nature Calls project an updated strategy will be prepared.
- Based on these assumptions total rates will need to increase by 6.9% in 2021/22, 8.2% in 2022/23, 8.2% in 2023/24, 7.7% in 2024/25, 12.9% in 2025/26 and increases of between 2.6% and 6.5% in each of the following five years.

Infrastructure Strategy

The Infrastructure Strategy identifies the significant issues facing Palmerston North over the next 30 years, identifies the principal options for managing these issues, and outlines the implications of those options. Major issues include Nature Calls, infrastructure renewals, central government water reforms, and keeping the City growing in a sustainable way.

Revenue and Financing Policy

The Council is required by s.102 LGA to adopt a revenue and financing policy and to include the policy in the 10 Year Plan. The policy considers who are the beneficiaries of each of the Council's services and how the cost of each service is to be funded. It particularly addresses the extent to which services are to be funded from specific users (through fees and charges) and from rates (either targeted or general). The proposed policy contains no significant change to the overall funding approach compared to the policy adopted in 2018 but has been reconfigured to recognise changes to the structure of Council activities to align with the goals and strategies.

Development Contributions Policy

The Development Contributions Policy does not form part of the final 10 Year Plan document, but the Policy is a fundamental part of the mix of funding arrangements for the

Council and needs to be updated each three years concurrently with the development of the 10 Year Plan.

The broad purpose of the proposed amendments to the Policy is to improve the administrative efficiency and clarity, create new development contribution areas for locations serviced or planned to be serviced by Council infrastructure, and to align the Policy's growth projections with the 10 Year Plan. A summary of the proposed amendments to the Policy are provided below:

- New development contribution areas for the Kikiwhenua Residential Area and Napier Road Residential Extension Area, and associated maps.
- Update of the household growth projections contained within the Policy.
- Amended appendix maps relating to water, wastewater and local reserve
- Updated development contributions fees schedule.

Rating Information

Differentials for General Rate

The Supporting Material contains a description of the Council's rating system including the definitions planned to be used to describe the various differential rating categories for the general rate. The basic structure of the differential system has remained unchanged for many years but there have been changes to components of it from time to time and, in particular, the descriptions of the various differential categories. No changes are proposed for 2021/22.

A rating system review is about to commence and the outcomes from the revaluation of the City (dated September 2021) will feed into that later this calendar year and any changes to the system will then be considered for the 2022/23 rating year.

UAGC & targeted rates

The Supporting Material includes the following assumptions regarding the proposed level of the Uniform Annual General Charge and the fixed targeted rates for services:

CHARGE TYPE	CHARGE 2020/21	CHARGE 2021/22	WHAT IT PAYS FOR
Water	\$255	\$307	The cost of provision of water
Wastewater	\$241	\$299	The cost of treating and disposing of wastewater
Kerbside Recycling	\$126	\$130	The cost of kerbside recycling
Rubbish & Public Recycling	\$64	\$66	General rubbish & recycling costs including transfer stations, cleaning up fly tipping, community education

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General	\$500	\$500	Contributes to paying for all other Council services and acts as a way of ensuring that all properties contribute a more equal share of the cost rather than it all being based on the land value
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The fixed component of the rates for most residential properties (i.e. those which are charged all of these rates) will increase from \$1,186 to \$1,302 (i.e. 9.8%). This means the average single unit residential rate (for a property with a land value of \$243,000) will increase from \$2,639 to \$2,820 (i.e. 6.9%), but multi-unit residential properties will increase more than this. It also means rates for non-residential properties will increase by between 4.2% and 4.6% (without considering the impact of higher increases for pan charges and metered water) and rural/semi-serviced properties by between 2.1% and 2.9%.

A new targeted rate, assessed on properties within a defined area of the central city, is planned to fund the Palmy BID programme of \$250k plus GST. It is proposed that 50% of this sum will be assessed as a fixed amount for each property and the balance as a rate based on the capital value of the property.

Metered water charges

Metered water charges are legislatively deemed to be rates and details of these are included in the rating system section of the supporting material. The metered water tariff comprises a fixed and a variable component.

The budget for 2020/21 assumes total revenue of \$2.5m plus GST will be obtained from metered water users.

In 2018/19 the fixed component of the charge was simplified and significantly increased. In 2020/21 two levels of fixed charge was introduced to lower the impact on smaller users.

The overall budgeted cost of water to be funded from rates for 2021/22 has increased by approximately 10% over 2020/21. To reflect this and maintain a fair comparison with the targeted rate for residential consumers it is necessary to increase metered water charges by a comparable amount, hence increasing the revenue assumption to \$2.75m plus GST.

	Annual charge \$ 2020/21	Annual charge \$ 2021/22
Up to 25mm connection	172.50	190.00
>25mm connection	375.00	415.00
	Charge \$ 2020/21	Charge \$ 2021/22
Rate per cubic metre	\$1.265	\$1.3915













3. NEXT STEPS

- a) Officers will make any changes to the CD and Supporting Material resulting from the Committee of Council's decisions.
- b) Officers will forward the CD and Supporting Material to Audit NZ for their review.
- c) When Audit NZ has finished its review officers will make any necessary changes to the CD and Supporting Material and present them to Council for adoption. Audit will present its report to the same meeting.
- d) Council will consult on the CD and Supporting Material, subject to Audit timing.
- e) Council will consider all submissions and adopt the final 10 Year Plan by 30 June.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	No
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative Procedure? (Note: the audited CD and Supporting Material will be brought back to Council on 3 March for adoption and subsequent consultation through the SCP.)	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
<p>The recommendations contribute to all of the Council's Goals, Strategies and Plans.</p> <p>They do this by setting the draft actions and budgets that, subject to consultation, will make up the 2021-31 10 Year Plan; hence help set and deliver the Council's Goals, Strategies and Plans.</p>	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The Goals, Strategies and Plans are set through the 10 Year Plan. They are the Council's strategic direction and they show how Council contributes to social, economic, environmental and cultural well-being.

ATTACHMENTS

1. Draft 10 Year Plan Consultation Document (attached separately) 
2. Council's 2021 Vision, Principles and Goals, plus Council's Strategies [↓](#) 
3. Council's Plans (2021-24) [↓](#) 
4. Asset Management Plan Executive Summaries [↓](#) 
5. Financial Strategy [↓](#) 
6. Infrastructure Strategy [↓](#) 
7. Rating information and Funding Impact Statements [↓](#) 
8. Significant Forecasting Assumptions [↓](#) 
9. Activity Levels of Service [↓](#) 
10. 2021 Development Contributions Policy [↓](#) 
11. Forecast Financial Statements [↓](#) 
12. Revenue and Financing Policy [↓](#) 

DRAFT

10-year plan: Innovative and growing city strategy

(July 2021-June 2024)

City growth plan

Housing and future development chapter

Urban design chapter

Economic development plan

Economic development chapter

International relations chapter

Transport plan

Strategic transport chapter

Active and public transport chapter



10 Year Plan: Innovative and growing city strategy

Palmerston North vision

He iti rā, he iti pounamu

Small city benefits, big city ambition

Palmerston North is the heart of the Manawatū region. We are a small city with a lot to offer, and we're ambitious about where we're going.

Palmerston North has many small city advantages - a great quality of life and easy access to services. We embrace our Rangitāne o Manawatū heritage and celebrate the diversity of our communities. We know that the talents and efforts of our whole city will help create the future we want.

To fulfil the vision Council has adopted five goals and strategies.

Goal 1: An innovative growing city

Goal 2: A creative and exciting city

Goal 3: A connected and safe community

Goal 4: An eco city

Goal 5: A driven and enabling Council

Goal 1: An innovative and growing city

Palmerston North is a growing city, and we need to plan for this growth. We need to make it easy to get around, and to make sure we cater for everyone's needs as the city expands.

Our goal is for a productive local economy that supports community wellbeing. We want new industries to create employment to expand our city's opportunities. We want to drive innovation by providing support and infrastructure to enable diversification. Palmerston North will stand out by becoming a low carbon economy.

The nature of work is changing and there will be many different types of work in the future. We must work with enterprises, small and large, to enable traditional industries to evolve and new industries to emerge. The natural advantages of Palmerston North will support innovation and the development of new industries. We will position Palmerston North to take advantage of new jobs in research, development and creative industries. Palmerston North will take advantage of change to encourage sustainable growth and wellbeing.

Target: 12,000 more jobs in Palmerston North by 2031

This **Innovative and growing city strategy** describes Council's 10-year plan vision for goal 1.

Three plans sit beneath this strategy and describes Council's activities for the first three years of the 2021-2031 10-Year Plan: **City growth, Economic development and Transport**.

Introduction

Community wellbeing

The purpose of local government is to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future. The Innovative and growing strategy focuses on the economic wellbeing of our communities, although we intend that this strategy will impact on all aspects of wellbeing.

Innovative and growing community

Palmerston North is the major economic hub for the Manawātū–Whanganui region for education, health services, retail, business services, government administration, agribusiness and logistics. Council's goal is to build on these current strengths and create new ones to ensure the city has a strong, diverse, and sustainable economy. Efforts to grow the economy will make the most of new technologies and promote careful environmental stewardship.

Increasing economic wellbeing will depend on Council working well with businesses, support agencies, central government and other local authorities. The Central Economic Development Agency (CEDA) will support business development and retention and will promote a diverse economy. CEDA will focus on helping young people develop the skills they need for the changing jobs market.

Palmerston North is growing, and a clear planning framework will promote good urban development. It will also provide certainty for public and private investors. Council will work closely with the development community and other partners who share our goals for

10 Year Plan: Innovative and growing city strategy

sustainable development. We will support the development of a greater range of housing choices.

Integrating land use planning and infrastructure can be a powerful economic development tool. Council will provide infrastructure in a timely way. We will manage the financial risks of duplicating or providing too much infrastructure in many locations. A ready supply of land to support the city's growth will ensure Council can harness new development opportunities

We need to ensure the city grows in ways that support Council's goals for a creative and exciting city, a connected and safe community, and an eco-city. We will measure our success by the increase in employment and wealth, and in the improved quality of life and prosperity of our community.

This strategy sets out our six priorities to support a strong and productive local economy that supports community wellbeing.

Priorities

- 1. Create and enable opportunities for employment and growth**
- 2. Provide infrastructure to enable growth and a transport system that links people and opportunities**
- 3. Support the development of more housing that meets community needs**
- 4. Support the diversification of the economy to reduce reliance on traditional industries**
- 5. Support an 'innovation economy' to underpin growth into the future**
- 6. Transform the economy to a low carbon economy**

Economic development

Community wellbeing and increasing living standards are supported by a productive and sustainable local economy. A strong local economy will bring higher incomes and greater wealth to share throughout the community.

Business and employment

Skill development is critical for improving competitiveness and productivity. More skills can lead to higher participation in work, more opportunities and a better standard of living. We want to ensure that young people can move readily from school to training, higher education, and work. We want more young people to find the work they want in Palmerston North. A partnership between CEDA and Talent Central will help address the barriers to workforce participation experienced by young people.

Many Palmerston North businesses and other organisations are competent in digital business and able to compete with national and international competition. Some others need help to develop the skills and capability to grow and thrive in the future. Through CEDA, Council will encourage employers to increase their focus on skills development and training for their employees.

By supporting local businesses and industries to grow and develop, Council will encourage new opportunities to attract investment to Palmerston North and the Manawatū region.

10 Year Plan: Innovative and growing city strategy

Through CEDA, Council's will work to attract businesses to invest in Palmerston North. We will provide new investment partners with the services and support they need to thrive.

City reputation

Events and festivals contribute to several of our strategic goals. We want to bring economic benefits to the city through major events and connect our communities through local, programmed and iconic events. We classify events as:

- Local: events providing social benefits for residents, with the potential for growth
- Programmed: the core business for many of the region's venues e.g. theatre and museum programmes
- Major: large-scale events which attract significant benefits for the city through interest, profile or visitation [refer to the Economic development plan under Goal 1]
- Iconic: events that attract national interest and define Palmerston North's identity

Because local, programmed and iconic events contribute primarily to other goals, details of actions are described elsewhere. See the Events and festivals chapter of the Connected communities plan for details of the actions we will to provide and support events and festivals.

The Conference and Function Centre, Holiday Park, Visitor Information Centre and other services for visitors all contribute to economic benefits for Palmerston North. We want to ensure that we compete effectively for our share of domestic and international visitors. We will market our city with our new 'Palmy' identity and, through CEDA, implement a regional visitor strategy.

Priority and growth sectors

Palmerston North's largest sectors are health services, government administration and defence, education, logistics, retail, construction and professional, scientific and technical services (including a focus on agritech). These are also the biggest contributors to growth in jobs and earnings. We will support these sectors and help them grow.

Palmerston North already has a significantly diversified economy and is not overly dependent on any one industry. This is a strong starting point for future growth. Council's goal is to build on the already diversified economy and develop new growth sectors by capitalising on the city's strengths. The city's natural advantages include its central location in the North Island, the availability of key infrastructure (for example, the road and rail hub and the airport's 24-hour freight operations are key factors in the growth of the city's logistics sector), the highly qualified workforce, and the relative affordability of land. These advantages form a basis for Palmerston North's case for regional, national and international investment and partnerships.

Innovation economy

An innovation economy enables and promotes the development and use of new or better products or services. Commitment to developing technology and innovation capabilities is

10 Year Plan: Innovative and growing city strategy

crucial for businesses to maintain a competitive edge and to improve the cost-effectiveness of all organisations. Moving to a sustainable low carbon economy will require innovation and increasing the use of a range of low carbon technologies by individuals and businesses. We want to contribute to programmes to build business capacity, skill development, a global perspective, and an environment in which innovation can flourish. Through CEDA, we will explore strategic international city partnerships that support shared research interests and strengths and promote opportunities for cross-border innovation. We will help businesses in the priority sectors work more efficiently and transition to low carbon technologies throughout their operations. We will encourage the growth of new sectors that embrace new technologies and contribute to reducing greenhouse gas emissions.

We will:

- Support economic wellbeing through the Central Economic Development Agency (CEDA)
- Achieve a positive city reputation

See the Economic development chapter of the Economic development plan for more detail.

International relations

Palmerston North has strengthened its long-standing Global City partnerships with Missoula (USA), Guiyang (China), Kunshan (China) and formalised relations with Mihara (Japan). Co-operation with Wageningen (The Netherlands) is also being developed, focusing on a shared strength in agri-food science. Prior to 2021 around 20% of Palmerston North-based students at Massey University, UCOL and IPU were international students. We contribute to the international education role of the region through the Regional International Education Strategy 2016-2020, International Education Leadership Group, and scholarships.

We want to build relationships within the international community and promote the reputation and economic interests of the city. We will continue to strengthen international partnerships, including Sister Cities, to support the city's priority sectors and to encourage students and other visitors to Palmerston North. We will support our partners to recover from the impact of the global pandemic.

See the International relations chapter of the Economic development plan for more detail.

Housing and future development

The National Policy Statement for Urban Development requires Council to provide enough land to meet the expected demand for development. Well-designed and connected city development will contribute to more affordable housing and long-term prosperity.

Housing

Our main role is to make sure land and infrastructure are available to accommodate growth and provide market choice while responding to changing demographics and needs. For the past 20 years, the main forms of housing development have been greenfield, infill subdivision and lifestyle blocks. Greenfield housing occurs at the edge of the city on large sections, most recently at Kelvin Grove and Aokautere. Infill housing creates new smaller sections among existing housing, with recent development in Hokowhitu and the central

city and hospital areas. Lifestyle blocks occur in rural areas, with recent development on the foothills of the Tararua Ranges and elevated land north-east of the city. The District Plan discourages lifestyle blocks on productive farmland.

There is strong demand for housing and new residential sections in Palmerston North. In recent years we have made changes to the District Plan in to enable more housing choices. For example, multi-unit developments are encouraged close to the city and suburban centres, and minor dwellings are intended to meet the demand for small and affordable rental accommodation. Uptake of new housing typologies has been slow, although infill housing is now the most prevalent (50% of new housing in 2019). We want Government, Council and privately owned land to be developed for housing. We want to protect valuable productive land to maximise potential for sustainable food production. We will discourage the provision of urban services in rural areas because it is an inefficient form of infrastructure investment. We will identify opportunities for appropriate development and reduce barriers to city centre living and brownfield development. We will work with developers to reduce risks and uncertainty over design and consents, and to encourage more housing choice.

Business

The formal planning framework for future growth in office, retail, and industrial development is well established. New office and retailing activities are directed to the city centre within one of the established business zones. Large-format retailing is directed to land to the north of the city centre and Rangitikei Line, but large land holdings remain vacant. The north-east of the city is zoned for large-format freight, distribution and logistics activities and has recently been extended. KiwiRail has announced a 180ha regional freight hub will be developed near Bunnythorpe. We want the Kiwirail regional freight hub to form part of an integrated central New Zealand distribution hub linked to the North East Industrial Zone, Airport, and regional freight ring road. This will require genuine collaboration with landowners and other stakeholders. Industrial land has also been made available at Longburn, which is best suited to wet or processing industries.

We will:

- Provide enough development capacity to meet expected demand for housing and business in the short, medium and long term
- Perform the regulatory planning role under the Local Government Act and Resource Management Act

See the Housing and future development chapter of the City growth plan for more detail.

Urban design

Good urban design provides attractive and vibrant places to encourage development investment, attract and retain talent, and promote the health and wellbeing of communities. Good urban design enhances the quality of our neighbourhoods, streets, buildings and open spaces, and creates new opportunities for the city to prosper and grow sustainably.

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Urban design principles are incorporated into District Plan expectations for the residential and business zones. We will take a multi-disciplinary approach to improving the quality, planning, and delivery of major catalyst projects. We will work closely with the development community to improve their understanding of the principles and value of good urban design. This will include collaboration on major private developments, urban design training opportunities for the private sector and a pre-application process for strategic developments.

We will:

- Provide public spaces (streets, open spaces, civic and community buildings and infrastructure) that are sustainable, connected, diverse, integrated, adaptable, interesting, comfortable and safe
- Work with the development community to increase knowledge and influence urban design outcomes

See the Urban design chapter of the City growth plan for more detail.

Transport

Strategic transport

Palmerston North has a network of roads, footpaths, cycleways and shared pathways and a diverse range of users. The network needs to accommodate freight transport, recreational users, and commuters. The strategic roading infrastructure needed to support the growth and development of Palmerston North is well researched and understood.

We want to develop infrastructure in an integrated way that is efficient and focused on the future needs of the growing city. We need to improve regional transport links for all modes of transport – rail, road and air. The city needs a regional freight ring road to optimise links between the city, the region and wider markets, accommodate growth, and remove traffic from congested urban corridors. This Palmerston North Integrated Transport Improvement Project needs central government investment to be completed. We will continue working towards the completion of this project.

The hierarchy between local streets and inter-regional routes is currently unclear; there is too much choice in the transport network which means streets and roads are trying to cater for competing user demands. The number of deaths and serious injuries on our roads is increasing. High traffic speeds contribute to harm caused by crashes and discourage active transport. We will ensure that all decisions about the transport network contribute to all our objectives – for safety, ease of movement, and a clear hierarchy between local streets and inter-regional routes.

We will:

- Provide an integrated multi-modal transport network that connects people and goods with destinations in a safe, efficient and sustainable manner and evolves to meet new transport demands with less reliance on private motor-vehicles

See the Strategic transport chapter of the Transport plan for more details.

Active and public transport

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Active and public transport have health and environmental benefits for our city. Walking and cycling are the most common forms of active transport, but there are also micro-mobility options like scootering and skateboarding. Public transport in the city consists of the urban bus service and bus connections to surrounding towns and villages.

Historically, transport investment prioritises and promotes private motor vehicle use over other modes. We want to encourage and enable more people to choose active and public transport options. The transport system needs to cater for the lowest level of mobility and physical capability, so that all people feel comfortable walking or cycling about the city. In many cases this will mean reallocating existing street space, such as on-street parking and traffic lanes, for another purpose. We will remove barriers to public and active transport choices. We will make decisions about the transport network that prioritise safety and promote an active and public transport culture.

There are important links between our actions to improve transport outcomes and our environmental goals. Transport is the biggest contributor to carbon emissions in Palmerston North. Improving the efficiency and effectiveness of our transport system will contribute to Goal 4: Eco city.

We will:

- Provide an integrated multi-modal transport network that connects people and goods with destinations in a safe, efficient and sustainable manner and evolves to meet new transport demands with less reliance on private motor-vehicles

See the Active and public transport chapter of the Transport plan for more detail.

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- identify opportunities to unlock the potential of local iwi businesses, workforce and investment
- develop major city events and promotions that acknowledge and express Māori values and perspectives
- identify opportunities for Māori business and cultural exchange through international relationships
- incorporate Rangitānenuiarawa¹ into city design
- implement citywide urban design principles and practices that acknowledge and express Te Ao Māori and which reflect and enhance the values and aspirations of Rangitāne o Manawatū
- provide urban design support and professional development opportunities to ensure Rangitāne o Manawatū are supported to realise their own development aspirations throughout the city, especially for sites of significance

¹ Rangitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

- involve Rangitāne o Manawatū early in major strategic transport and active management transport projects
- support opportunities to provide business and employment opportunities and improved health and social benefits for Māori through transport activities

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Number of jobs
- Index of socio-economic deprivation
- Median salaries and wages
- Total earnings (salaries, wages and self-employment income)
- Growth rate for median salaries and wages
- People registered for MSD job seekers benefit
- Labour force participation
- Employment in key sectors
- School leavers with NCEA Level 2 or higher
- GDP
- Ratio of rent to median household income in Palmerston North
- Ratio of house price to median household income in Palmerston North
- Number and type of new houses
- Location of new rural subdivisions
- Housing density
- Business and housing land supply
- Number of international students
- Building occupancy in the city centre
- Annual rail freight volume for Manawatū-Whanganui region
- Domestic and international visitor spending
- Digital maturity of businesses
- Public and active transport

DRAFT

10-year plan: Creative and liveable strategy

(July 2021-June 2024)

Active communities plan

Arts and heritage plan

Arts chapter

Heritage chapter

City shaping plan

Citymaking chapter

Placemaking chapter



Palmerston North vision

He iti rā, he iti pounamu

Small city benefits, big city ambition

Palmerston North is the heart of the Manawatū region. We are a small city with a lot to offer, and we're ambitious about where we're going.

Palmerston North has many small city advantages - a great quality of life and easy access to services. We embrace our Rangitāne o Manawatū heritage and celebrate the diversity of our communities. We know that the talents and efforts of our whole city will help create the future we want.

To fulfil the vision Council has adopted five goals and strategies.

Goal 1: An innovative growing city

Goal 2: A creative and exciting city

Goal 3: A connected and safe community

Goal 4: An eco city

Goal 5: A driven and enabling Council

Goal 2: A creative and exciting city

Our goal is for Palmerston North to be a creative and exciting place to live. We want to offer a great lifestyle in a city that reflects the diversity of city communities.

We want to support the arts to flourish and our cultural institutions to thrive as they respond to our communities' needs and interests. We want everyone to have opportunities to be active and to experience the advantages of a big city without hassle and cost. We understand that we will need to work with our partners to achieve our shared goals.

Target: Palmerston North scores above 65 in the Creative Cities Index by 2031

This **Creative and liveable city strategy** describes Council's 10-year plan vision for goal 2.

Three plans sit beneath this strategy and describes Council's activities for the first three years of the 2021-2031 10-Year Plan: **Active communities, Arts and heritage** and **City shaping**.

Introduction

Community wellbeing

The purpose of local government is to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future. The Creative and liveable strategy focuses on the cultural wellbeing of our communities, although we intend that this strategy will impact on all aspects of wellbeing.

Creative and liveable city

Palmerston North has already made some important steps towards creating an environment where liveability underpins city planning and decision making. We acknowledge the vital role of the city centre in shaping city perception and understand how the design of our public spaces can lead to better community outcomes. We know that our city's diversity is a strength, and that we need to provide arts, recreation, play and events opportunities that meet a broad range of needs.

Our goal is to continue to move to a more creative city-making approach¹ for Palmerston North. This strategy sets out our five priorities to be a creative and liveable city.

Priorities

1. Create a city that has great places for all people

Citymaking

Citymaking provides many opportunities to develop a more creative and liveable city. Cities around the world are trying to turn around decades of disjointed city planning to provide better outcomes for communities. Council is well positioned to connect local groups and sectors to maximise the collective impact of both public and private projects. We want to

¹ Landry, Charles (2007). *The art of city-making*.

maximise the impact of citymaking projects by working with our partners towards shared goals.

We will:

- Promote multidisciplinary working on Council and community projects to drive outcomes that deliver on multiple Council objectives
- Implement City shaping plan actions in partnership with other agencies

See the Citymaking chapter of the City Shaping plan for more detail.

City centre

The city centre plays a key role in creating the perception of any city. A successful city centre creates places that people can connect to emotionally. Some New Zealand city centres have been weakened by mall-development in outlying areas, suburban sprawl, and natural constraints. Palmerston North has a stable city centre, supported by the retention of The Plaza and Downtown Shopping Centre, the centre-based office and retail hierarchy within the District Plan, the compact nature of the city, and investment in quality public space design. However, our city centre has potential to become more vibrant with more accessible and welcoming places for people.

To support our city centre we will design public spaces that are pedestrian-friendly, intimate, and that support social interaction. The new Business Improvement District (BID) will promote city centre improvements. We have further opportunities to curate successful places through hardware (infrastructure) and software (people and events), rather than waiting for them to emerge naturally. We will emphasise place-based infrastructure design and support community-led place-based activations in the city centre.

We will:

- Implement the City Centre Streetscape Plan to increase city centre vibrancy and improve the perception of the city

See the City centre chapter of the City shaping plan for more detail.

Placemaking

The Project for Public Space describes great public spaces as accessible, comfortable, providing opportunities to socialise, and where people are engaged in activities. Placemaking is a community-based approach for the creation of public space. It provides opportunities for community leadership and participation.

In Palmerston North Placemaking started by promoting simple ideas such as moveable furniture, planter boxes, parklets and outdoor dining. With growing community leadership, Placemaking has expanded and people have begun to take the lead to help define the identity of places within the city. We will continue supporting landowners and tenants, to invest in activities that reinforce place identity. Although the city centre will remain the

10 Year Plan: Creative and liveable strategy

focus of placemaking activities, other placemaking opportunities exist in suburban centres, parks and streets. We want to co-create more opportunities for placemaking with our partners. We will strengthen then the links between placemaking and our other objectives, such as promoting active communities and developing accessible streetscapes.

We will:

- Provide seed funding and support for people to lead public space projects to develop accessible, active, comfortable and social public places

See the Placemaking chapter of the City shaping plan for more detail.

2. Celebrate the city's history and diversity, and build on the strength of being a city of many cultures and languages

Heritage

Our city heritage includes places, objects, stories, memories and traditions. The heritage of the city contributes to our identity and sense of belonging. Retention and celebration of the city's heritage is crucial in shaping the character of the city. We have opportunities to share and celebrate local history through the delivery of Council services.

We want the history and aspirations of Rangitāne o Manawatū to be expressed in the city landscape and to work with Rangitāne to protect significant sites. We want to provide opportunities for the community to use and appreciate the value of heritage buildings. We will make expressions of cultural heritage more visible in our landscape, for example, by affirming the significance of military heritage to the city.

We will:

- Work closely with Rangitāne o Manawatū to support it to be kaitiaki of its heritage places and to increase the wider community's understanding and appreciation of Rangitāne o Manawatū heritage
- Promote and celebrate local history
- Invest in cultural heritage buildings and places to give the community the opportunity to use and appreciate their heritage values

See the Heritage chapter of the Arts and heritage plan and the Connected communities plan for more detail.

3. Be a creative city that nurtures and celebrates the arts

Arts

'The arts' refer to expressions of creativity, and encompass craft and object art, visual arts, ngā toi Māori, Pacific arts, theatre, dance, literature, music and film. The arts bring the city to life, challenge ideas, and generate excitement about future possibilities. Communities of identity, interest and place express cultural identity through the arts; for example, by coming together to design a neighbourhood mural or to perform a traditional dance.

10 Year Plan: Creative and liveable strategy

Our city is home to artists, community groups and organisations who are passionate about being part of a creative city. Many people work in arts-related jobs, and city organisations rely on people with creative skills. Many of the region's key arts facilities are based in Palmerston North, such as Te Manawa, Regent on Broadway, Square Edge and Centrepunkt Theatre, New Zealand's only provincial professional theatre company. It is also the host city for the National Young Performer Awards.

The opportunity to participate in the arts contributes to all aspects of health; te whare tapa whā. The city needs the arts to attract people and help make the Palmerston North a creative and interesting place to be. We want to support artists and the arts community to co-ordinate activities, promote their work, encourage cooperation and share information. We want to make the arts a more central focus of Palmerston North.

We will:

- Provide support to community organisations, cultural Council-Controlled Organisations and individuals to help make Palmerston North a creative and exciting city
- Maintain and enhance cultural facilities that provide a range of opportunities for people to access and participate in the arts

See the Arts chapter of the Arts and heritage plan for more detail.

4. Develop a national reputation as an exciting city with plenty to do at night and on weekends

Events and festivals

Events and festivals provide opportunities for the community to gather, to be entertained, and to participate in new experiences.

We classify events as:

- Local: events providing social benefits for residents, with the potential for growth
- Programmed: the core business for many of the region's venues e.g. theatre and museum programmes
- Major: large-scale events which attract significant benefits for the city through interest, profile or visitation [refer to the Economic development plan under Goal 1]
- Iconic: events that attract national interest and define Palmerston North's identity

Events and festivals contribute to several of our strategic goals. We want to bring economic benefits to the city through major events and connect our communities through local, programmed and iconic events. Because these events contribute primarily to other goals, details of related actions are described elsewhere.

See the Events and festivals chapter of the Connected communities plan and the Economic development chapter of the Economic development plan for details of the actions we will to provide and support events and festivals.

5. Be one of the most active communities in New Zealand

10 Year Plan: Creative and liveable strategy

Active communities

People are generally healthier and happier in places where decision-makers prioritise physical activity. Being active contributes to includes all aspects of health, te whare tapa whā. The most common reasons adults in the Manawatū region give for taking part in sport and recreation are enjoyment, and fitness and health.

Palmerston North people consider that there are many opportunities to be active in our community². The city has more than 170 reserves and sports fields to enable and encourage active communities. Central Energy Trust Arena (CETA) is the city's sports and events hub and provides a variety of indoor and outdoor venues. The Lido Aquatic Centre, Freyberg Community Pool and Splashhurst provide opportunities for competitive swimming, learn-to-swim, and recreation. There are many other recreation facilities and opportunities provided throughout the city by schools, Massey University, private providers and membership clubs.

We recognise the importance of play and informal recreation alongside organised and formal sports opportunities. We want to continue to support our communities to be more active in whatever ways they choose. We will ensure that recreation planning is responsive to community needs and is a co-ordinated city approach.

We will:

- Provide a wide range of accessible and well-maintained play, active recreation and sports facilities to increase levels of physical activity and participation in sport and active recreation and meet a diverse range of local communities. (Note: these facilities are city reserves, suburb reserves, local reserves, sports fields, the Central Energy Trust Arena, walkways and shared paths, and swimming pools)
- Work in partnership with external recreation organisations, and facility providers, to help increase levels of participation in play, active recreation and sport

See the Active communities plan for more detail.

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- collaborate on city development and placemaking opportunities
- reflect the significance of historic and cultural places and features, such as Te Marae o Hine, in the cityscape
- ensure Rangitāne o Manawatū history and aspirations are expressed in the landscape of the city, for example, through art in the Streets for People upgrades
- involve Rangitāne o Manawatū early in major active community projects, including the development of parks and reserves
- protect iwi sites of significance
- co-manage some reserves

² Palmerston North City Council. (2019). Residents' Survey.

- ensure Rangitāne o Manawatū history and aspirations are expressed in the city landscape
- protect cultural concepts, values, practices and the taonga of Rangitāne
- provide for diverse expressions of Toi Māori which acknowledge and celebrate Māori culture and artistry

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Measurement on the Creative Cities Index
- Participation in the arts
- Heritage buildings retained and strengthened
- Street engagement
- Attendance at events
- Sites of significance to Rangitāne o Manawatū protected
- Performance against national benchmarks for swimming pool provision, parks area and sports grounds
- Availability of publicly accessible playgrounds and opportunities for leisure
- Use of CET Arena indoor facility
- People who meet physical activity guidelines

DRAFT

10-year plan: Connected communities strategy

(July 2021-June 2024)

Connected communities plan

Community facilities chapter

Community development chapter

Social housing chapter

Healthy communities chapter

Events and festivals chapter

Safe communities plan



10 Year Plan: Connected communities strategy

Palmerston North vision

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Palmerston North is the heart of the Manawatū region. We are a small city with a lot to offer, and we're ambitious about where we're going.

Palmerston North has many small city advantages - a great quality of life and easy access to services. We embrace our Rangitāne o Manawatū heritage and celebrate the diversity of our communities. We know that the talents and efforts of our whole city will help create the future we want.

To fulfil the vision Council has adopted five goals and strategies.

Goal 1: An innovative growing city

Goal 2: A creative and exciting city

Goal 3: A connected and safe community

Goal 4: An eco city

Goal 5: A driven and enabling Council

Goal 3: A connected and safe community

Our goal is for Palmerston North to be a city where everyone feels connected and included. We want to be a safe city, where people have access to the housing they need and opportunities to connect with others. We want communities to have access to accessible and appropriate social support.

We understand that we need to work with our partners towards achieving our shared goals. We can achieve better outcomes with our communities by working effectively together.

Target: More than 75% of people consider Palmerston North is a welcoming and inclusive city with a good standard of living

This **Connected communities strategy** describes Council's 10-year plan vision for Goal 3.

Two plans sit beneath this strategy and describe Council's activities for the first three years of the 2021-2031 10-Year Plan: **Connected communities** and **Safe communities**.

Introduction

Community wellbeing

The purpose of local government is to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future. The Connected communities strategy focuses on the social wellbeing of our communities, although we intend that this strategy will impact on all aspects of wellbeing.

Diverse city communities

The city's iwi and Māori heritage provide the foundation for the increasingly diverse community. Rangitāne o Manawatū has mana whenua status for Palmerston North and maintains strong relationships with other iwi in the Manawatū, including Ngāti Raukawa, Ngāti Kauwhata, Ngāti Apa, and Muaūpoko. There is also a wider Māori community in Palmerston North who do not have strong whakapapa connections to this region.

The city's iwi and Māori heritage provides the foundation from which the increasingly diverse community now grows. Māori, Pasifika and Asian people are projected to make up a growing proportion of the population, so this diversity will continue to increase. Since 2004, Palmerston North has become home to former refugees from the Republic of Congo, Burma, Bhutan, Syria, and Afghanistan. Palmerston North has a significant defence workforce, large numbers of transient tertiary students, and a strong connection to the wider Manawatū-Whanganui and Wellington regions. The city's population of 90,400 people is relatively young; by 2043 our projected average age is 37 - five years younger than for New Zealand overall. Our fastest growing age group is people aged over 65 years. While Palmerston North will be home to an increasing older population, there will continue to be growth in other age groups. Families with children make up 41% of city households, while one person households now make up almost a quarter of all households (23%). Our city population is projected to increase to 110,700 people by 2043.

Palmerston North is generally perceived to be a safe and caring city, with a positive community spirit. However, our communities are less certain that the city embraces from

10 Year Plan: Connected communities strategy

different cultures.¹ Many people in our city struggle to find appropriate and affordable housing, and people are not always able to access the services they need. This strategy sets out our four priorities to support safe, connected and inclusive communities.

Priorities

- 1. Develop, provide, support or advocate for services, facilities, and events that create connected, welcoming and inclusive communities**

Community facilities

Community facilities in our city include libraries, community centres, Hancock Community House, cemeteries, public toilets and CET Wildbase Recovery. User rates and satisfaction with community facilities are consistently high.

Community facilities provide opportunities for people to participate in their communities. Opportunities to take part are encouraged when community facilities are planned and delivered in partnership with the communities they serve.

We will develop, support, and advocate for community facilities where they are most needed. This means working to identify gaps, as well as new opportunities to promote and develop community connections. We acknowledge the Enabling Good Lives² principles and will strive to integrate them into our service delivery. We will work with our partners to ensure we respond to the changing needs of all communities, to promote inclusion and prosperity.

We will:

- Provide the City Library that collects, curates and provides access to knowledge, ideas and works of the imagination that are primarily focused on meeting the needs of communities with the greatest needs and reflect the diverse and changing needs of communities
- Provide library programmes that support the development of literacy in all its forms
- Provide public toilets throughout the city, to a standard that meets public expectations
- Support community centre management groups to provide community centres that are responsive to the needs of their communities
- Provide Wildbase Recovery Centre in partnership with Massey University
- Provide cemetery services that are responsive to community needs

See the Community facilities chapter of the Connected communities plan for more detail.

Community events and festivals

¹ Findings from the annual residents' survey are available on the City dashboards on the Palmerston North City Council website: [www://pncc.govt.nz](http://pncc.govt.nz)

² The Enabling Good Lives principles are self-determination, beginning early, person-centred, ordinary life outcomes, mainstream first, mana enhancing, easy to use, and relationship building
<https://www.enablinggoodlives.co.nz/>

Community events take many forms, including gala days, cultural and religious festivals, fund-raising events, art exhibitions, project launches, and national day and New Year celebrations for the many different groups living in the city.

We classify events as:

- Local: events providing social benefits for residents, with the potential for growth
- Programmed: the core business for many of the region's venues e.g. theatre and museum programmes
- Major: large-scale events which attract significant benefits for the city through interest, profile or visitation [refer to the Economic development plan under Goal 1]
- Iconic: events that attract national interest and define Palmerston North's identity

Community events include local, programmed and iconic events. They bring significant benefits to Palmerston North people by supporting community identity and celebrating our city. Over the past few years, Palmerston North has made progress towards having a full events calendar that reflects the interests and identities of our communities. A stand-out example of this is the Manawatu Multicultural Council Festival of Cultures, which, with council support over 20 years, has grown from a local event to a weekend of events that attracts more than 17,000 participants.

A strong events sector enables these benefits to be realised. We will work to support, facilitate, and deliver responsive and inclusive community events.

We will:

- Provide, fund and support events so that Palmerston North has a full events calendar that caters well for different sectors of the city's population

See the Events and festivals chapter of the Connected communities plan and the for more detail.

2. Ensure the city has a healthy community where everyone has access to healthy, safe and affordable housing and neighbourhoods

Social housing

Access to adequate housing is a major public health issue in New Zealand. Poor quality housing is associated with negative social outcomes for individuals and for communities.³ Inadequate and insecure housing affects participation in education, puts physical and mental health at risk, and makes social connections harder to maintain.

Social housing provider waiting lists shows there are many people in Palmerston North who do not have secure housing. We recognise that there is not a single solution to this complex problem. We want to increase our role as a social housing provider and work with partners to advocate for warm, safe and accessible and affordable social housing. We will also

³ Telfar-Barnard, L., Bennett, J., Robinson, A., Hailes, A., Ombler, J., & Howden-Chapman, P. (2019). Evidence base for a housing warrant of fitness. SAGE open medicine, 7, 2050312119843028.

advocate on issues that can contribute to good housing outcomes. We will work with community partners, such as Te Tihi, to develop comprehensive and caring responses to housing needs.

We will:

- Provide warm, safe and accessible social housing for older people, people with disabilities, and other people on low incomes who experience barriers to renting in the private market

See the Social housing chapter of the Connected communities plan for more detail.

Healthy communities

Community wellbeing includes all aspects of health, te whare tapa whā, and includes the promotion of physical wellbeing. The ‘determinants of health’ is the term used to describe the things that influence people’s health. The determinants of health include; the social and economic environment, the physical environment, and a person’s individual characteristics and behaviours. Community venues, events, and public spaces all provide opportunities to improve the health of communities.

We are committed to helping provide better access to health services. We will promote healthy lifestyles, including smokefree, eco-design advice, sun-smart, and healthy food guidelines. We want to work with partners to improve the community response to health issues and improve the overall health of communities.

See the Healthy communities chapter of the Connected communities plan for more detail.

3. Support communities to achieve their aspirations

Community development

Palmerston North is home to diverse communities of identity, interest and place.

Community development is “the process of enabling diverse groups to share concerns, plan for the future, capitalise on opportunities and strive toward wellbeing”⁴. Empowered and well-connected communities, served by sustainable for-purpose organisations⁵, can support every person to thrive.

Almost 2,000 organisations make up the city’s extensive voluntary and community sector, ranging from large social service agencies with numerous employees to small and informal support groups with just a few members. Local people volunteer at a slightly higher rate than in the country overall, and the past decade has seen co-ordinated and concerted efforts to grow and support this volunteer workforce and the sector that they support.

⁴ Department of Internal Affairs. (November 2002). *A Framework for Developing Sustainable Communities: Discussion Paper* (November).

⁵ “For-purpose organisations” are charities, social enterprises and other non-governmental entities that deliver a community benefit and reinvest surplus funds into achieving their goals. The term is used in place of “community groups” to distinguish communities from formalised organisations.

For-purpose organisations are sustainable when they have funding, volunteer support, and the time to build relationships and learn from others. We support community-led initiatives with a focus on those led by Māori, Pasifika, ethnic communities, former refugees, people with disabilities, children, young people, and older people. We will work to ensure that Council processes are inclusive and welcoming. We want to continue the city's high rate of volunteering, and to continue building the skills and experience volunteers need to do their important work.

We will:

- Support and fund communities and for-purpose organisations to build community, neighbourhood and organisational capacity and capability

See the Community development chapter of the Connected communities plan for more detail.

4. Be a city where people feel safe and are safe

Safe communities

Community wellbeing includes all aspects of health, te whare tapa whā, and includes safety. Safety is a fundamental human right, and wellbeing is dependent on being free from harm and from the threat of harm. The perception of safety impacts on the way people feel and interact in their communities.

Palmerston North is recognised by the Pan Pacific Safe Communities Network as an international safe community. This accreditation reflects a city safety focus in public design, city streets, readiness for natural disaster, alcohol-related harm, and family/whānau wellbeing. We will work with communities, businesses, local government, government agencies and others to promote safety. As part of the Safety Advisory Board we will work towards communities being safe and feeling safe.

See the Safe communities plan for more detail.

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- support community development activities
- encourage increasing responsiveness of the wider community sector to Māori
- engage early with Rangitāne o Manawatū in all planning and development for new and changing community facilities, including social housing
- collaborate with Rangitāne o Manawatū on events and festivals, particularly in the city centre and at the Manawatū River Park
- acknowledge the wealth of knowledge and experience held by Rangitāne o Manawatū about community wellbeing
- support Rangitāne representation on the Safety Advisory Board as a key partner in community safety

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These commitments will guide the implementation of all aspects of this strategy.

Measures of success

- Index of socio-economic deprivation
- Perception of community spirit in Palmerston North
- Perception of how well Palmerston North embraces different cultures
- Te reo Māori speakers
- Participation in volunteering
- Participation in general and local body elections
- Crime victimisation
- Perception of safety
- Accreditation as a Safe Community
- Participation in neighbourhood support networks
- Use of community facilities
- Satisfaction with community facilities

Council will monitor these measures of success and report on these through the City Dashboards.

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10-year plan: Eco city strategy

(July 2021-June 2024)

Climate change plan

Environmental sustainability plan

Sustainable practices chapter

Biodiversity chapter

Manawatū River plan

Resource recovery plan

Waters plan

Wastewater chapter

Water supply chapter

Stormwater chapter



Palmerston North vision

He iti rā, he iti pounamu

Small city benefits, big city ambition

Palmerston North is the heart of the Manawatū region. We are a small city with a lot to offer, and we're ambitious about where we're going.

Palmerston North has many small city advantages - a great quality of life and easy access to services. We embrace our Rangitāne o Manawatū heritage and celebrate the diversity of our communities. We know that the talents and efforts of our whole city will help create the future we want.

To fulfil the vision Council has adopted five goals and strategies.

Goal 1: An innovative growing city

Goal 2: A creative and exciting city

Goal 3: A connected and safe community

Goal 4: An eco city

Goal 5: A driven and enabling Council

Goal 4: An Eco city

We understand that Palmerston North has a responsibility to respond to climate change for the benefit of everyone. Our goal is for Palmerston North to decrease carbon emissions and reduce our ecological footprint. We want to protect and enhance our natural and built environments, accommodate growth through intensification, and support active transport. We will work with our partners towards achieving our shared goals.

Target: 30% reduction in CO₂e emissions in Palmerston North by 2031

This **Eco city strategy** describes Council's 10-year plan vision for goal 4.

Five plans sit beneath this strategy and describes Council's activities for the first three years of the 2021-2031 10-Year Plan: **Climate change, Environmental sustainability, Manawātū River, Resource recovery and Waters.**

Introduction

Community wellbeing

The purpose of local government is to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future. The Eco city strategy focuses on the environmental wellbeing of our communities, although we intend that this strategy will impact on all aspects of wellbeing.

Climate change

The Ministry for the Environment states that "[e]missions are changing the climate, and the changing climate is affecting us and our wellbeing. The native biodiversity of New Zealand and the places where we live, enjoy recreation, and make a living are also being affected."¹

The challenge of mitigating climate change is a global one, and Palmerston North needs to play its part in reducing emissions. The task of lowering the city's carbon footprint requires everybody to identify inefficiencies and improve the way we do things. This strategy sets out our seven priorities to respond to climate change and be a more environmentally sustainable city.

Priorities

1. Respect and enhance the mauri of the Manawātū River

The Manawātū River forms the geographic, recreational, and spiritual heart of the city and the wider region. The river is of great historical, cultural, spiritual and traditional significance to Rangitāne. The name 'Manawātū' refers to a pūrākau (story) of Hau, a significant ancestor in the region, whose heart stood still when he beheld the beauty of the river. The river's flow connects the people of Norsewood to those of Foxton Beach, linking all who live between. The tributaries of the river connect the city with its neighbours, the mountain ranges, and the sea.

¹ Ministry for the Environment. (2020). *Our atmosphere and climate*.

The Manawatū River is the heart of the city and region, and the mauri of the river is a reflection of our values. The Manawatū River Leaders Accord sets out the commitment to working in collaboration to improve the mauri of the river. We acknowledge the significance of the entire river system to the wellbeing of the city. We will collaborate with mana whenua to develop the best practical option for wastewater discharge, plant river banks, improve the city's stormwater network, re-establish wetlands, improve public access to the river, and undertake cultural monitoring of the quality of waterways. We want all these efforts to improve the mauri of the River.

We will:

- Understand the relationship Rangitāne o Manawatū has with Manawatū River
- Increase use of the Manawatū River environment for passive and active recreation
- Increase the health and amenity of the river environment through increased biodiversity

See the Manawatū River chapter of the Eco city plan for more detail.

2. Work with the community to reduce carbon emissions

Climate change

There is a growing international commitment to reduce carbon emissions in recognition of the threat posed by climate change. Public awareness about climate change is also growing, and in 2019 local students joined the international School Strike for Climate action. The New Zealand Government declared a climate emergency in December 2020 and committed to a carbon-neutral government and public sector by 2025. Palmerston North is a signatory of the New Zealand Local Government Leaders Climate Change Declaration. This declaration establishes our commitment to addressing climate change in decision-making in the interests of community wellbeing.

Understanding the emissions profile of our city was a critical first step to developing plans for emission reduction. The 2018 citywide emissions inventory² found that Palmerston North emits roughly 500,000tCO₂e each year, or approximately 5.7 tonnes per person. We want to lead by example and respond to opportunities to reduce organisational emissions through a new 'low carbon fund'. We will work with residents and other city partners to reduce citywide emissions. We will reduce electricity, natural gas, and fuel usage, and reduce waste. Reducing emissions will often reduce costs, while improving air quality and other environmental outcomes.

We will:

- Foster sustainable practices and behaviours so that city residents and organisations become more sustainable

² Palmerston North City Community Carbon Footprint 2016/17

- Develop policies and plans and work with city stakeholders to achieve the target of a 25% reduction in greenhouse gas emissions by 2031 and continue to reduce greenhouse gas emissions from Council's own activities

See the Climate change chapter of the Sustainable practices plan for more detail.

3. Regenerate native biodiversity

Biodiversity

The Turitea Reserve is one of the most well-preserved podocarp forests in the Lower North Island. Following the announcement of the national Predator Free 2050 vision, Council became involved in trial projects supporting Rangitāne and the wider community to control introduced predators. In recent years, pest control has led to bush regeneration and a significant increase in birdlife.

Planting the gullies and rapid regeneration of the streams between the city and the Turitea Reserve improves water quality and provides corridors for native birds to move between the ranges and city. This planting also reduces erosion and provides habitats for eels and other native fish. This work has the potential to transform the way residents and visitors experience the city.

As more urban intensification occurs, we will identify other trees for protection to ensure the city's urban canopy is safeguarded for future generations. We want to build on existing community achievements by extending the green corridors programme into neighbouring gullies and streams to create a network of links from the Turitea Reserve to the Manawatū River and city. The link could eventually extend along the Manawatū River pathway to Te Apiti and the Ruahine Ranges and provide the missing link from Wellington to East Cape – a corridor along the Central Range. We will plant more trees along streets and in city parks to ensure native birds, once down in the city, have adequate year-round food sources.

We will work with our environmental partners to achieve greater coordination of community efforts. We will plant native bird-friendly trees in urban areas and control predators, such as rats, possums and stoats. Increasing protection for the native wildlife throughout the city is an important part of Council's vision to have thriving native biodiversity within the city. We will also encourage native plantings where practical and provide guidance on which plants are most appropriate in different places.

We will:

- Work with iwi and community groups to re-establish bush, particularly along waterways, and to control introduced predators

See the Biodiversity chapter of the Sustainable practices plan for more detail.

4. Invest in infrastructure that services to protect, enhance and preserve the environment

5. Use Council's legislative powers and policies to ensure urban development is sustainable now and into the future

Resource recovery

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To meet its obligations under the Waste Minimisation Act 2008 to “promote effective and efficient waste management and minimisation”, Council must carry out a waste assessment and then adopt a Waste Management and Minimisation Plan (WMMP). We reviewed the WMMP in 2019 and this plan forms the basis for our actions in the 10-year plan.

The 2018 waste assessment found that in 2017 the city sent around 45,000 tonnes of waste to landfill. Almost half (48%) of this waste could have been reused, recovered, recycled or composted instead. Timber is the single largest type of waste (by weight) that could be diverted from the waste stream. The next largest type of waste going to landfill is organic waste, with food waste present in all kerbside rubbish collection systems.

We have begun working with communities to minimise the waste going to landfill. For example, we provide education on how to reduce waste, run an annual Hazardous Waste Day, and support actions towards zero waste community events. We want to protect public health and minimise the harm to the environment from our resource recovery activities. We will focus on waste-reduction in Council purchasing, support community-led resource recovery initiatives, and provide new resource recovery services.

We will:

- Ensure the city’s solid waste is adequately and affordably managed
- Maximise the proportion of waste diverted from landfill (e.g. through recycling and composting)
- Manage hazardous waste in an environmentally responsible manner.

See the Resource recovery chapter of the Eco city plan for more detail.

Wastewater

As a member of the Manawatū River Leaders Accord, Council recognises its role in improving the health and mauri of the Manawatū River. Palmerston North and its surrounding villages discharge treated wastewater into the Manawatū River via the Totara Road Wastewater Treatment Plant. In recent years we have reduced the environmental impact of wastewater by following regional policy and complying with resource consents. The number of council wastewater discharge points into the river has reduced to one.

We have brought forward the wastewater resource consent review by five years to consider how the city can contribute to improving the health and mauri of the Manawatū River. The upcoming review will identify ways to improve the city’s wastewater management. We will consider what improvements are needed to the current system and where the cities discharge will go. Options include either going to land, the River or the coast. We need to consider the long-term effects of putting treated wastewater on these environments. We will actively engage with the community in the lead-up to the decision-making process to help identify possible future treatment options.

Significant parts of the city’s wastewater network are at capacity during major wet weather events due to infiltration from the stormwater network. The primary causes of this are damaged infrastructure and private property owners either accidentally, or deliberately, diverting their stormwater into the wastewater network. Renewals will need to be

10 Year Plan: Eco city strategy

prioritised to target critical trunk sewers. The leakiest parts of the network also need to be targeted to exclude stormwater infiltration.

The city's wastewater consent review is taking into account the city's growth over the next 30 years. New growth areas may need a different approach to managing wastewater. Extending the network as it currently exists in parts of the city could create problems at the treatment plant. New pressurised sewer technologies could provide cost-effective reticulated services with increased storage control.

We will:

- provide wastewater services for the safe collection, treatment and disposal of the city's wastewater
- provide water services for the provision of safe and readily available water

See the Water chapter of the Eco city plan for more detail.

Water supply

Palmerston North City Council owns and operates four water supplies: Palmerston North, Ashhurst, Bunnythorpe and Longburn. A safe and reliable water supply is essential for everyone in our city and Palmerston North's water quality is currently very high. Recent amendments to the Health Act mean more emphasis on water safety and a significant change in expectations for managing drinking water supplies.

The Government is implementing a package of reforms to the three waters regulatory system, including the establishment of Taumata Arowai, the new Water Services Regulator. For now, our strategic documents assume that we will remain responsible for water assets and the delivery of services. However, the service delivery model for water supply is likely to change in future.

Water for Palmerston North is primarily sourced from the Turitea Dam and supplemented by bores. Daily water use has declined in recent years, and city residents have lower daily water consumption than in New Zealand overall. While the city has a generally good water supply, summer droughts mean we need to conserve water.

In recent years some other councils have faced critical water system failures. A 2019 review found we don't have good information about the condition and capacity of the city's pipe networks. We want to improve our resilience and ability to recover from a significant natural disaster. We will increase ability to deal with potential seismic event failures or mechanical faults. We will also increase resilience by providing a second pipeline across the Manawatū River and strengthening the trunk main network across the city.

We will

- provide water services for the provision of safe and readily available water

See the Water chapter of the Eco city plan for more detail.

Stormwater

10 Year Plan: Eco city strategy

Urban development has increased the amount and speed of rainwater that goes into urban waterways. This means there are greater peak flow rates and more soils and other contaminants going into the Manawātū River system. Horizons Regional Council is the lead agency for managing flood hazards, and the Council manages localised stormwater ponding issues and drains.

Intensification of development in the existing urban area and more urban development on the fringe of the city will generate even more stormwater for pipes and streams to cope with. Climate change will also bring higher intensity rainfall events, which will increase the frequency of nuisance flooding on roads and properties and the flooding of habitable dwellings.

In recent years we have taken a more naturalised approach to managing stormwater. This is apparent in Norton Park, where a trial wetland has been established, as well as the nearby Edwards Pit Park, where wetlands have been developed to reduce pollution, illegal dumping, and damage to critical assets and habitats. The District Plan includes water-sensitive design principles, and is now required in the North East Industrial Zone and the Whakarongo Residential Area. Water-sensitive design principles will be applied to other parts of the city when the District Plan is reviewed or new growth areas are proposed. We will look for more opportunities to transform drainage corridors and urban waterways, to improve biodiversity, and more sustainably manage stormwater.

We are working with Horizons Regional Council to develop a stormwater management framework that identifies effective and sustainable stormwater solutions. We will continue to explore alternative approaches to ensure there is a more sustainable response to growth. These approaches will include water-sensitive design approaches to development and a wider use of tools such as water tanks, green roofs, swales, rain gardens and detention ponds.

We will:

- provide stormwater services to protect buildings from inundation from flooding in major events

See the Water chapter of the Eco city plan for more detail.

- 6. Educate the community, and in particular, property owners, on the benefits of investing in sustainable building design and green buildings**
- 7. Demonstrate leadership and best practice by developing and implementing an environmental sustainability plan for the Council, Council-run events, and facilities**

Sustainable practices

There are opportunities for individuals and organisations to incorporate more sustainable practices into the way we live. Our homes and businesses can be warmer, drier, and more efficient. We can minimise the use of resources and reduce waste generation. We can choose more energy efficient transport and services. The Council can make these choices alongside the Palmerston North community.

10 Year Plan: Eco city strategy

In recent years we have made progress in encouraging more sustainable practices throughout the city. We support environmental education in schools and early childhood centres that are centred around living landscapes, zero waste, energy, water, and the ecological design of buildings. We have also done our own stocktake and used this information to improve Council practices. For example, we work with event organisers to ensure that events held on Council land or funded by Council are “zero waste”. We facilitated the provision of electric vehicle charging stations in the City Centre. The District Plan promotes energy-efficient design for major new commercial buildings and multi-unit residential developments, and enables more renewable energy generation.

For the city to be successful and sustainable, Council must lead the way in sustainability. We also want to educate the community alongside our service delivery, to make sure people understand how to make more environmentally responsible decisions. We will develop a culture of sustainability within our organisation. We recognise the value that mātauranga Māori adds to sustainability efforts. We will improve our own practices and share the lessons we learn with the community.

We will:

- Foster sustainable practices and behaviours so that city residents and organisations become more sustainable

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- Provide support to Rangitāne o Manawatū to achieve their own climate change aspirations
- Work with Rangitāne o Manawatū to understand the impacts climate change may have on Māori
- support Rangitāne o Manawatū in the retention and expression of mātauranga Māori and Rangitānenuiarawa³
- identify and pursue shared environmental aspirations
- strengthen Māori community involvement in biodiversity projects
- acknowledge the River is a significant cultural feature in the rōhe of Rangitāne o Manawatū
- collaborate and partner with Rangitāne o Manawatū on activities along and within the River
- provide opportunities for Rangitāne o Manawatū to be involved in project delivery to achieve the best outcomes for the River
- support Rangitāne o Manawatū in the retention and expression of mātauranga Māori and Rangitānenuiarawa
- reflect mātauranga Māori and Rangitānenuiarawa in resource recovery

³ Rāngitanenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe,

- collaborate with Rangitāne o Manawatū on the wastewater Best Practicable Option review [note – this will expand to include other iwi as the selection of the preferred option progresses]
- collaborate on urban waterway improvement projects
- reflect Rangitānenuiarawa in the city's approach to water management

These commitments will guide the implementation of all aspects of this plan.

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Citywide CO2e emissions
- Council CO2e emissions
- Citywide electricity consumption
- Native bird numbers
- Water consumption
- Water quality
- Waste sent to landfill
- Waste diverted from landfill

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10 year plan: City growth plan

(July 2021-June 2024)

Chapters:

Housing and future development

Urban design



10 year plan: City growth

City growth and Council's strategic goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The City growth plan primarily contributes to the Palmerston North City Council's goal of an Innovative and growing city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan in two chapters: **Housing and future development** and **Urban design**.

Council priorities

The priorities of Goal 1: An innovative and growing city are:

1. Create and enable opportunities for employment and growth
2. Support the development of more housing that meets community needs
3. Provide infrastructure to enable growth and a transport system that links people and opportunities
4. Support the diversification of the economy to reduce reliance on traditional industries
5. Support an 'innovation economy' to underpin growth into the future
6. Transform the economy to a low carbon economy

Purpose of the City growth plan

The Long-term Plan levels of service for this plan are:

- Provide enough development capacity to meet expected demand for housing and business in the short, medium and long term
- Perform the regulatory planning role under the Local Government Act and Resource Management Act
- Provide public spaces (streets, open spaces, civic and community buildings and infrastructure) that are sustainable, connected, diverse, integrated, adaptable, interesting, comfortable and safe
- Work with the development community to increase knowledge and influence urban design outcomes

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- incorporate Rangitānenuiarawa¹ into city design
- implement citywide urban design principles and practices that acknowledge and express Te Ao Māori and which reflect and enhance the values and aspirations of Rangitāne o Manawatū

¹ Rangitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

- provide urban design support and professional development opportunities to ensure Rangitāne o Manawatū are supported to realise their own development aspirations throughout the city, especially for sites of significance

These commitments will guide the implementation of all aspects of this plan.

Council documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- City Centre Framework
- District Plan
- Engineering Standards for Land Development.
- Housing and Business Needs Assessment
- Stormwater Management Framework (TBC)
- Street Design Manual
- Streets and Roads Framework (TBC)
- Urban Cycle Network Masterplan
- Vegetation Framework

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Enough land is zoned, infrastructure enabled and feasible to develop, to meet growth demand.
- Improving housing affordability
- City-wide urban design principles are reflected in planning advice and decision-making
- Increase in medium density housing being constructed around the city centre and local neighbourhood areas
- Increase in variety of residential housing typologies being consented and built
- Increase in city centre residential living options being consented and built
- Emergence of housing models in the city such as co-housing, co-operatives and community land trusts
- Increase in the adaptive reuse of existing city centre buildings for commercial, co-working, residential and mixed uses
- More 'Green Star' rated buildings (Green Building Council) are constructed throughout the city
- Increase in habitable rooms and front entry along the boundary of private residential developments with public streets
- Decrease in high, solid fencing along the boundary of private residential developments with public streets
- There are more people living and working in and around the city centre

10 year plan: City growth

Housing and future development chapter

Introduction

The National Policy Statement for Urban Development requires Council to provide enough land to meet the expected demand for development. Well-designed and connected city development will contribute to more affordable housing and long-term prosperity.

The purpose of this chapter is to provide direction on where and how the City will develop to meet strong projected growth.

Where are we now?

Housing

- A government-appointed panel has completed a comprehensive review of the resource management system.
- The review recommends repealing the Resource Management Act 1991 and replacing it with two new pieces of legislation called the Natural and Built Environments Act and the Strategic Planning Act.
- There is strong demand for housing and new residential sections in Palmerston North.
- Housing is more affordable than in most other cities but is becoming less affordable.
- Infill development is the most prevalent housing typology (50% in 2020 compared to the long-term average of 32%).
- There is capacity for approximately 300 greenfield residential sections. Greenfield housing development is predominately occurring at Aokautere.
- A consent for the Council's subdivision at the Whakarongo housing area has been lodged. This is the first stage of development for this growth area.
- The first stage of a new area to the west of the city, Kikīwhenua, has been rezoned residential.
- Napier Road Residential Extension Area rezoning is progressing to a hearing.
- Council has started working with landowners at Aokautere, Ashhurst, Kākātangiata, Roxburgh Crescent and Flyers Line to initiate planning processes to rezone land for more housing.
- The former Hokowhitu Campus has been rezoned and the first stage of housing development is under way.
- There is little innovation in the types of new houses being built to meet changing demographics and needs, and only a small number of major developers.
- Council owns many sites where housing development could potentially be undertaken.
- Council is part of Te Tihi Whānau Ora Alliance on the Pathways to Housing project.
- Council engages with Rangitāne o Manawatū early and on future sites or zones of development that are being considered for the city and encourages developers to engage directly with iwi interests.
- Kainga Ora is redeveloping its sites for social housing and has been the major player in multi-unit developments.

10 year plan: City growth – Housing and future development chapter

- Council redeveloped Papaioea Place to double the amount of social housing available at this site.
- There is significant capacity for new lifestyle blocks, which are directed away from high class soils.

Business

- KiwiRail has announced a 120ha regional freight hub will be developed near Bunnythorpe.
- New office and retailing activities are directed to the city centre or one of the established business zones.
- Large format retailing is directed to land to the north of the city centre and Rangitikei Line, but large land holdings remain vacant.
- A Housing Business Needs Assessment identified a need to undertake a targeted review of the business zones.
- The north-east of the city is zoned for large format freight, distribution and logistics activities and has recently been extended.
- Longburn is best suited to wet or processing industries but contains private infrastructure which does not meet Council's engineering standards.
- There are limited opportunities for new small-scale industrial activities.
- The centres-based regime for new retail and office activities leverages off existing infrastructure in the central city.
- Privately owned infrastructure at Longburn is inhibiting future growth of wet industrial activity. It is not designed to Council's engineering standards and is under capacity.

Other

- Council's Asset Management Plans and the Infrastructure Strategy are aligned with Council's land use planning and contain capital programmes to support growth in the city's residential and industrial growth areas.
- New national planning standards require the Council to make significant changes to the District Plan and create an e-Plan by 2024.
- The new National Policy Statement for Urban Development requires Council to develop a Future Development Strategy and to make significant changes to the District Plan to ensure there is sufficient development capacity to meet projected demand.
- Additional National Policy Statements related to Biodiversity and Protection of Productive Soils will be gazetted in 2021 and will require further significant changes to the District Plan to ensure they are given effect to.

What do we want to achieve?	What actions will we take to get there?		
<p>Over 50% of housing development takes place within the existing urban footprint, through redevelopment and infill subdivision.</p> <p>Residential land supply exceeds demand by 20%. This means a constant supply of at least 1,800 greenfield residential sections.</p> <p>Housing development at Aokautere is guided by a structure plan.</p> <p>The Kīkīwhenua Residential Area is developed.</p> <p>Kākātangiata rezoning is well advanced.</p> <p>Napier Road Residential Extension Area is rezoned residential.</p> <p>Developers deliver a more diverse range of housing types, such as duplexes, terraced housing, apartments and other multi-unit options, particularly in brownfield developments.</p> <p>There is increased mixed-use development incorporating new residential accommodation.</p> <p>Developers invest in new major housing projects.</p> <p>Council and Government land is used for housing.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in planning and development.</p> <p>Rangitānenuiarawa is incorporated in city design.</p> <p>Under-utilised Council land is repurposed to provide increased housing supply.</p> <p>Housing is more affordable.</p> <p>New housing development opportunities are confirmed at Ashhurst, Napier Road, and Roxburgh Crescent.</p> <p>There is a greater number of property developers, at all levels of the market.</p> <p>The strategic property interests of Rangitāne o Manawatū are supported and grow.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in planning and development.</p> <p>There is a significant increase in minor-dwellings (studios, granny flats).</p> <p>New office and retail development is directed to the Inner Business Zone.</p> <p>The best use of vacant large format retailing land has been determined.</p>	Ongoing actions	Start date	Involvement of partners
	Implement the National Policy Statement on Urban Development Capacity	2021/2022	
	Update the District Plan to rezone identified growth areas for housing and business needs	2021/2022	
	Hold an annual Developer Forum	2021/2022	
	Develop, launch and maintain an electronic District Plan	2022/2023	
	Carry out Housing and Business Needs Assessments every three years	2021/2022	
	Collaborate with the development community and Kainga Ora on delivery of new housing developments and diverse forms of housing, such as duplexes, terrace housing, apartments and other multi-unit options.	2021/2022	
	Administer the Development Contributions Policy	2021/2022	
	Monitor supply and demand of urban development and infrastructural capacity	2021/2022	
	New and one-off actions	Completion date	Involvement of partners
	Comply with new legislative and government policy requirements	2021/2022	
	Test and implement 'City Shapers' industry engagement tools with the development community	2021/2022	
	Implement the National Planning Standards	2022/2023	
	Develop an Illustrative District Plan User Guide	2022/2023	
	Develop a Future Development Strategy	2023/2024	Rangitāne o Manawatū
	Identify Council and Government land to be used for market and affordable housing	2021/2022	

<p>The development community understands the city planning framework.</p> <p>Council front-foots new infrastructure to support growth and is able to say ‘yes’ to new development.</p> <p>Council has clear priorities about where growth will occur and what supporting infrastructure is required.</p> <p>The costs and risks associated with pressure to provide growth infrastructure in multiple locations are balanced.</p> <p>The Development Contributions Policy provides clear guidance and continues to cover the costs of growth.</p> <p>Supporting infrastructure is in place to support planned housing and industrial development.</p> <p>There is infrastructure capacity for land supply to exceed demand by 20%.</p> <p>Council has positive collaborative relationships with the owners of the private infrastructure at Longburn.</p> <p>Council customers have positive experiences and development outcomes.</p>	<p>Provide additional infrastructural capacity that accommodates projected urban intensification and growth</p>	<p>2021/20222</p>	
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Urban design chapter

Good urban design provides attractive and vibrant places to encourage development investment, attract and retain talent, and promote the health and wellbeing of communities. Good urban design enhances the quality of our neighbourhoods, streets, buildings and open spaces, and creates new opportunities for the city to prosper and grow sustainably.

The purpose of this chapter is for good design to be a fundamental consideration in all elements of city growth.

Where are we now?

- Council is a signatory to the New Zealand Urban Design Protocol.
- Urban design outcomes are embedded into both strategic direction and regulatory frameworks and are giving effect to change.
- Sections of the District Plan give effect to positive urban design outcomes, particularly within the Outer Business and Residential Zones.
- Structure planning of new greenfield growth areas is underway for Kākātangiata, Aokautere and Ashhurst.
- Many residential and commercial subdivision schemes do not demonstrate good design principles; they have low connectivity of street network, high speed street environments, high degree of cul-de-sacs, rear lots and right of ways, unsafe pedestrian links and irregular lot shape at a consistent lot size.
- Housing in Palmerston North is still highly dependent on allocation of space for private motor vehicles.
- Onsite car parking and servicing is often in conflict with other open space outcomes in both commercial and medium density residential developments.
- There are quality and character tensions between private development and public streets in both business and residential zones.
- There are difficulties in delivering commercial developments that make a positive design and safety contribution to street edge conditions.
- There is little private interest in adaptive reuse of older building stock within the City Centre, and little interest in mixed use or residential development within the City Centre.
- There is an increasing need to address onsite stormwater management, especially for infill housing, greenfield subdivision and some commercial developments.
- There are some water-sensitive urban design (WSUD) techniques being applied in the city, such as stormwater attenuation tanks.
- There is little demonstration of green building design, construction or maintenance practices.
- There is a lack of available information about the reduction of permeable surfaces and existing mature urban vegetation cover from development.

10 year plan: City growth – Urban design chapter

- Council is taking a more pro-active approach to working with consent applicants and their agents, although the development community is still adjusting to urban design expectations.

What do we want to achieve?	What actions will we take to get there?		
<p>There are agreed, overarching, citywide urban design principles for Palmerston North that inform all design and planning processes.</p> <p>Design outcomes enrich the quality of life for communities in all city environments.</p> <p>Rangitāne o Manawatū have opportunities to participate early in planning and development.</p> <p>Rangitānenuiarawa is incorporated in city design.</p> <p>The Creative City Conversations programme fosters critical thinking and civic discussion on city making topics and good urban design</p> <p>Development outcomes contribute positively to urban form, are flexible and adaptable to current and future changes of use and tenure.</p> <p>There is a street network of connected places that are physically and visually integrated, legible, permeable, safe and provides choice of mode by which to easily move between and around.</p> <p>Development outcomes value, support and express city heritage, cultural identity and a sense of place across all planning zones.</p> <p>There is more adaptation of older buildings for commercial and mixed use in and around the city centre.</p> <p>Both constructed and natural environments apply sustainable design practices and use existing site qualities to maximise energy conservation, reduce waste, reduce cost and enhance biodiversity and amenity – solar gain, natural light, landform, hydrology, and ecology.</p> <p>There is more vegetation coverage of citywide urban permeable space.</p> <p>Regulatory conditions enable manageable and sustainable development outcomes.</p> <p>Council is a leader in applying urban design best practice.</p>	Ongoing actions	Start date	Involvement of partners
	Test and implement ‘City Shapers’ industry engagement tools with the development community	2021/2022	Design and development community
	Implement formal pre-application process for resource consent	2021/2022	
	Complete Residential Design Guidelines Identify and develop other development guidelines and tools	2022/2023	
	Complete city-wide character studies with priority to: <ul style="list-style-type: none"> • Inner Residential Suburbs - Bound by Botanical Rd, Tremaine Ave, Vogel St, Featherston St (East), Victoria Ave, Park Rd • Business Zones • Outer Residential Suburbs • Rural Residential Areas 	2023/2024	Design and development Community
	Review District Plan with priority: <ul style="list-style-type: none"> • Business Zone • Residential Zone 	2021/2022	Rangitāne, Massey University, Food HQ, UCOL, DHB, NZDF, PNAL, Master Builders, NZIA, NZILA, ADNZ
	Use ‘Delivering Change’ to: <ul style="list-style-type: none"> • Provide urban design support to key private community developments across the city • Provide urban design professional development opportunities for developers, designers, community, council officers and elected members • Deliver Creative City Conversations programme 	2021/2022	Rangitāne, Massey University, Food HQ, UCOL, DHB, NZDF, PNAL, Master Builders, NZIA, NZILA, ADNZ
	Review, update and complete strategic urban design frameworks that inform private and public development and investment with priority to: <ul style="list-style-type: none"> • Vegetation Framework • Streets and Roads Framework (see Transport plan) • Stormwater Management Framework (see Waters plan) • Manawatū River Framework (see Manawatū River plan) • City Centre Framework (see City Centre plan) 		

	Provide visual information about city development through the geo-spatial information tool	2021/2022	
	Acknowledge and express Te Ao Māori in citywide urban design principles and practice	2021/2022	
	Provide urban design support and professional development opportunities to Rangitāne o Manawatū on their own development projects, including sites of significance	2021/2022	
	New and one-off actions	Completion date	Involvement of partners
	Complete desktop study into potential vegetation and permeable surface loss on inner residential suburbs from infill housing: <ul style="list-style-type: none">• Inner Residential Suburbs - Bound by Botanical Rd, Tremaine Ave, Vogel St, Featherston St (East), Victoria Ave, Park Rd• Business Zones• Outer Residential Suburbs• Industrial Zones• Rural- Residential Zone	2021/2022 2022/2023	Design and development community
	Develop high level citywide urban design principles that inform strategic direction, strategic documents and decision making	2023/2024	
	Apply urban design best practice to greenfield structure planning and public space master planning	2022/2023	Rangitāne, Design & Development Community, Interest Groups, Massey University, Food HQ, UCOL, DHB, Design & Development Community

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10 year plan: Economic development plan

(July 2021-June 2024)

Chapters:

Economic development

International relations



10 Year Plan: Economic development

Economic development and Council's strategic goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Economic development plan primarily contributes to the Palmerston North City Council's goal of an Innovative and growing city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan in two chapters: **Economic development** and **International relations**.

Council priorities

The priorities of Goal 1: An innovative and growing city are:

1. Create and enable opportunities for employment and growth
2. Support the development of more housing that meets community needs
3. Provide infrastructure to enable growth and a transport system that links people and opportunities
4. Support the diversification of the economy to reduce reliance on traditional industries
5. Support an 'innovation economy' to underpin growth into the future
6. Transform the economy to a low carbon economy

Purpose of the Economic development plan

The 10 Year plan levels of service are:

- Support economic wellbeing through the Central Economic Development Agency (CEDA)
- Achieve a positive city reputation

Links with other plans

Economic wellbeing supports an increasing standard of living and corresponding social wellbeing. The Economic development plan supports the achievement of the City growth plan. The focus of the plan is housing availability and planning for increasing infrastructure.

Council's role in international relations is to support inclusivity through education and promotion of our international partners. Therefore, this plan also contributes to the achievement of the Connected Communities Plan, and the priority 'Develop, provide and advocate for services and facilities that create a connected, welcoming and inclusive community'.

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- identify opportunities to unlock the potential of local iwi businesses, workforce and investment
- develop major city events and promotions that acknowledge and express Māori values and perspectives
- identify opportunities for Māori business and cultural exchange through international relationships

These commitments will guide the implementation of all aspects of this plan.

Council documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- CEDA Statement of Expectation
- International Relations Policy

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Growing GDP
- Greater international investment in Palmerston North
- More businesses in the city
- Improving survival rate of new local businesses
- More building consents
- Increasing number of jobs
- Improving employment outcomes for newcomers to the city
- Increasing median household income
- Greater housing affordability
- Improving local, national and international reputation of the city
- More international students chose to study in Palmerston North
- Greater international investment in Palmerston North (as above)

Economic development chapter

Introduction

Community wellbeing and increasing living standards are supported by a productive and sustainable local economy. A strong local economy will bring higher incomes and greater wealth to share throughout the community.

The purpose of this chapter is to support local industries and encourage investment in our city. Many of the actions described in this plan will be implemented through the contractual relationship with the Central Economic Development Agency (CEDA).

Where are we now?

- Palmerston North is the major economic hub for the Manawatū-Whanganui region, contributing 43% of regional GDP and 48% of earnings from salaries, wages and self-employment.
- In the year to March, Palmerston North had an increase of 1.3% in GDP, to \$5,016m. Palmerston North's economic growth has closely matched that of New Zealand overall for the past several years.
- Palmerston North's largest sectors are health services, government administration and defence, education, logistics, retail, construction and professional, scientific and technical services. These are also the biggest contributors to growth in jobs and earnings.
- Median annual salaries and wages numbers rose more strongly in Palmerston North (4.7%) than in New Zealand overall (4.2% in the year to March 2019 to \$52,130).
- The number of people registered for the Jobseeker benefit who are 'work ready' in Palmerston North began to rise in March 2020 during the pandemic, although Palmerston has a declining proportion of New Zealand's work-ready Jobseekers. This suggests that Palmerston North has not experienced the impact from pandemic-related job losses as have many other parts of the country.
- Newcomers to the city do not always receive the support they need to access employment and business opportunities.
- There has been a reduction in the proportion of residents aged 15 years and over with no qualification, declining from 23% in 2006 to 17.8% in 2018. The percentage of 20 – 24-year olds with no qualification declined from 10.5% in 2006 to 6.0% in 2018.
- Of the 696 new Palmerston North businesses that were created in 2016, 405 were still operating three years later in 2019. The new business survival rate in Palmerston North is therefore 58.2% compared to 57.8% in New Zealand overall.
- Housing affordability is deteriorating despite an increase in the construction of new houses.
- Palmerston North has a reputation problem and no clear strategic position or agreed identity for city marketing.
- Visitor spending comes mostly from the domestic visitor sector, with a high share of visitors staying with friends and family. This cushioned the city during the pandemic

lockdown from the drop in turnover experienced by cities with greater dependence on international visitors.

- The annual programme of major events provides an incentive for people to visit Palmerston North and bring significant economic benefits to the city, but there is not a co-ordinated calendar of major events in Palmerston North.
- The i-site, Conference and Function Centre and Holiday Park all provide facilities to support economic activities in Palmerston North.

What do we want to achieve?	What actions will we take to get there?		
<p>Palmerston North continues to be the major economic hub for the Manawatū-Whanganui region and has a growing proportion of regional jobs.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in economic development projects and initiatives.</p> <p>GDP growth is at or above the national average.</p> <p>The priority sectors are growing.</p> <p>Palmerston North is a leading distribution hub.</p> <p>There is average annual employment growth of 1.9% (a further increase of 12,000 jobs by 2031).</p> <p>There are fewer barriers to participation in the workforce.</p> <p>Newcomers are supported to access local employment information, services and networks.</p> <p>The gap closes between the average annual household income in Palmerston compared with that of New Zealand.</p> <p>Jobs recovery remains ahead of New Zealand's pandemic recovery overall.</p> <p>New low-carbon technology businesses are supported in the region and more new businesses survive in Palmerston North.</p> <p>Businesses have access to the skilled workforce they need to grow.</p> <p>Local Iwi Māori businesses and workforce are supported and growing.</p> <p>Palmerston North has a positive reputation.</p> <p>Visitor spending remains strong, supported by investment in new visitor activities, events, and awareness of what the city offers</p> <p>The i-site is redeveloped as the Palmy Information Centre.</p> <p>The Palmy Information Centre supports and expresses the cultural heritage and identity of Te Marae o Hine/ The Square.</p> <p>The annual programme of major events brings significant economic benefits to the city.</p> <p>People who attend major events in Palmerston North have opportunities to participate in other community, city and regional activities.</p> <p>Māori values and perspectives reflected in major city events.</p>	Ongoing actions	Start date	Involvement of partners
	<p>Through CEDA:</p> <ul style="list-style-type: none"> • Implement Business Retention Strategy • Implement Talent Attraction and Retention strategy • Implement Destination Management Plan • Implement Manawatū Agritech Strategy • Deliver skill development and business growth programmes (funded by central government) • Implement Inward investment strategy • Implement Labour Market Plan • Implement Visitor Strategy (regional) • Implement Māori Engagement Strategy • Review and implement International Education Strategy • Support initiatives that promote the region's strengths: <ul style="list-style-type: none"> ○ research/agri-food/business/land/horticulture ○ distribution and logistics ○ defence ○ health ○ visitors ○ education (domestic and international) ○ digital and technology ○ Māori economy 	All 2021/2022	<p>Iwi</p> <p>Manawatu Chamber of Commerce</p> <p>International education sector</p> <p>Talent Central</p> <p>The Factory</p> <p>Central government agencies</p>
	Work collaboratively with industry to develop and implement the city's strategic position		
	Market the city to visitors, residents and investors		
	Provide information services for visitors and locals through the Visitor Information Centre 24/7		
	Maintain Palmerston North's Motorhome Friendly Town accreditation		
	Attract, fund and manage events which bring significant economic benefit to the city		
	Operate and promote the Conference and Function Centre		
	New and one-off actions	Completion date	Involvement of partners
	Agree a Statement of Expectation for CEDA with Manawatū District Council	2021/2022	Manawatū District Council
	Agree a Statement of Intent with CEDA	2022/2023	

<p>Palmerston North Holiday Park is highly rated and has a high occupancy rate.</p> <p>The Conference and Function Centre is highly rated with a high occupancy rate.</p>		2023/2024	
	Carry out regular performance monitoring and reporting for CEDA	2021/2022	
	Review the accommodation options offered at the Holiday Park (in consultation with the lease holder)	2023/2024	
	Upgrade the i-site/ Palmy Information Centre	2021/2022	
	Develop the area outside the-site/Visitor Information Centre in ways that reflect and express the cultural heritage and identity of Te Marae o Hine/ The Square	2021/2022	
	Provide a central point of contact and event management resource to support the delivery of major events in the city	2021/2022	
	Develop and implement a growth and retention plan for major events	2021/2022	

International relations chapter

Introduction

The focus of international relations activities between Palmerston North and other cities, regions, and governments is to promote the reputation and economic interests of the city. The purpose of this chapter is to strengthen international partnerships, including Sister Cities, to support the city's priority sectors and to encourage students and other visitors to Palmerston North.

Where are we now?

- Council established an International Relations office in 2016, following many years of more informal international relations.
- Palmerston North has strengthened its long-standing Global City partnerships with Missoula (USA), Guiyang (China), Kunshan (China) and formalised relations with Mihara (Japan). Co-operation with Wageningen (The Netherlands) is also being developed, focusing on a shared strength in agri-food science.
- Global-city partnerships facilitate sharing best-practice, such as a civil defence exchange with Japan.
- Council contributes to the international education role of the region through the Regional International Education Strategy 2016-2020, International Education Leadership Group, and scholarships.
- Palmerston North young people have been the recipients of scholarships from Kunshan and Mihara.
- Around 20% of Palmerston North-based students at Massey University, UCOL and IPU are international students. Massey University is ranked as being in the top 300 universities in the world.¹
- The Council offers targeted scholarships to support international education exchange, particularly with Global City partners.
- Around 250 international students study in Palmerston North primary and secondary schools each year.
- The pandemic has affected the plans of many students to study in New Zealand. The recovery process is uncertain for all educational exchange opportunities.
- The Palmy Global Ambassadors programme offers opportunities for young people (aged 18 to 24) to contribute to Palmerston North's international outreach. They do this by supporting the Welcoming Communities initiative.
- Palmerston North is a signatory to the China New Zealand Mayoral Forum Xiamen Declaration to support ongoing sub-national co-operation with China towards economic outcomes, with Mayors attending a joint forum held every two years. The 2019 Forum was postponed due to the pandemic.
- Council has worked with regional and national partners to jointly host events that strengthen our city's economic connections and capabilities.

¹ 2020 QS World University Rankings.

- Council has relationships with Embassies, High Commissions and national organisations that support international connections.
- Council provides a formal welcome and hospitality for international visitors who have economic, social or cultural significance for the city.
- In 2019 \$68m (or 15.7%) of the total \$433m visitor spending in Palmerston North was by international visitors (an increase from 13.4% in 2010).

What do we want to achieve?	What actions will we take to get there?		
<p>Palmerston North has a positive international reputation and is successful in attracting investment, businesses, visitors and students.</p> <p>Rangitāne o Manawātū have opportunities for involvement in projects and initiatives to achieve the partnership aspirations identified in this plan.</p> <p>Rangitāne o Manawātū and Council have clearly defined roles in civic engagement on behalf of the community.</p> <p>Palmerston North has a rationalised network of Global City Partnerships and is focused on managing them well.</p> <p>The City has excellent economic and education connections to its international partners.</p> <p>A greater proportion of visitor spending in Palmerston North is by international visitors.</p> <p>There are deeper relations with Palmerston North Global city partners, and greater economic, education and community cooperation.</p> <p>The community is familiar with the city's international city partnerships and have opportunities to be involved through the Global Ambassadors programme.</p> <p>Palmerston North is internationally recognised as a preferred destination in New Zealand for international education and research.</p> <p>Opportunities for digital engagement are maximised.</p> <p>Recovery from the disruption of international education and other activities occurs as quickly as possible and is supported by strong international city partnerships.</p>	Ongoing actions	Start date	Involvement of partners
	Promote Palmerston North's interests to global city partners	All 2021/2022	CEDA Global City Partnerships Palmerston North education and industry partners Rangitāne o Manawātū National trade, education and economic agencies
	Facilitate international economic and education investment partnerships with city institutions		
	Manage official delegations and relationships with embassies and high commissions		
	Manage approaches for international partnerships in accordance with the International Relations Policy		
	Promote our international partnerships at public events and support or global city partners to do the same		
	Participate in the China New Zealand Mayoral Forum		
	New and one-off actions	Completion date	Involvement of partners
	Review the International Relations Policy	2022/23	CEDA Global City Partnerships Palmerston North education and industry partners Rangitāne o Manawātū
	Strengthen engagement with New Zealand-based international representatives and organisations	2021/2022	CEDA Global City Partnerships Palmerston North education and industry partners Rangitāne o Manawātū
	Position ongoing international relations activities to support recovery from the impacts of the pandemic	2021/2022	

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10 year plan: Transport plan

(July 2021-June 2024)

Chapters:

Strategic transport

Active and public transport



10 Year plan: Transport

Transport and Council's strategic goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Transport Plan primarily contributes to the Palmerston North City Council's goal of an Innovative and growing city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan in two chapters: **Strategic transport** and **Active and public transport**.

Council's priorities

The priorities of Goal 1: An innovative and growing city are:

1. Create and enable opportunities for employment and growth
2. Support the development of more housing that meets community needs
3. Provide infrastructure to enable growth and a transport system that links people and opportunities
4. Support the diversification of the economy to reduce reliance on traditional industries
5. Support an 'innovation economy' to underpin growth into the future
6. Transform the economy to a low carbon economy

Purpose of the Transport plan

The Long-term Plan level of service for this plan is:

- Provide an integrated multi-modal transport network that connects people and goods with destinations in a safe, efficient and sustainable manner and evolves to meet new transport demands with less reliance on private motor-vehicles

Links with other plans

The actions in the Transport plan also contribute to the achievement of the Economic development plan and the City growth plan, by supporting economic development opportunities such as FoodHQ, Linton Army Camp and the Central New Zealand Distribution Hub and by providing connections to growth areas. The Transport plan also contributes to the achievement of the Safe communities plan, through decision-making about city streets.

Council's Eco city goal is supported by the delivery of this plan, through investment in transport infrastructure that prioritises low carbon transport options (see the Climate change plan and Environmental sustainability plan).

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

10 year plan: Transport

- involve Rangitāne o Manawatū early in major strategic transport and active management transport projects
- support opportunities to provide business and employment opportunities and improved health and social benefits for Māori through transport activities

These commitments will guide the implementation of all aspects of this plan.

Council policies, bylaws and other documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- City Centre Framework
- City Centre Streetscape Plan (Streets for People project)
- International Relations Policy
- Speed Limits Bylaw
- Urban Cycle Network Masterplan

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Less freight traffic using the urban transport network
- Fewer deaths and injuries related to use of the transport network
- Increasing walking and cycling
- Increasing passenger numbers and service satisfaction
- Decreasing carbon emissions
- Decreasing reliance on private motor vehicles

10 year plan: Transport

Strategic transport chapter

Introduction

Palmerston North has a network of roads, footpaths, cycleways and shared pathways and a diverse range of users. The network needs to accommodate freight transport, recreational users, and commuters. The purpose of this chapter is to provide transport infrastructure that supports day-to-day city activity and city growth in ways that integrate active and public transport.

Where are we now?

- The transport network is not keeping pace with city growth demands. For example, state highways through the city frustrate urban development and there are no inter-regional connections to the North East Industrial Zone.
- The city is unable to deliver on its broader strategic transport objectives without Waka Kotahi NZTA investing in the Palmerston North Integrated Transport Investment Project (Regional Freight Ring Road).
- The Palmerston North transport network has historically prioritised and encouraged the use of motor vehicle transport.
- There are instances where the transport network limits opportunities for economic development. For example, efforts to achieve traffic calming on Tennent Drive to support FoodHQ are being delayed by concerns that inter-regional traffic will be diverted to the state highway.
- High traffic speeds contribute to harm caused by crashes and discourage active transport.
- The transport network prioritises access and movement over safety and place.
- The hierarchy between local streets and inter-regional routes is unclear; there is too much choice in the transport network which means streets and roads are trying to cater for competing user demands.
- Heavy freight traffic is directed to local urban streets as there are limited alternatives.
- Street design does not reflect the land-use or place objectives for the area.
- Under-investment in active transport infrastructure is increasing pressure on current levels of service and creating future liabilities, such as issues with street tree maintenance.
- Motor vehicles are the most significant contributor to the city's carbon emissions.
- The current approach to car-parking management undermines strategic transport, land-use planning and urban design objectives.
- Maintenance and renewals are delivered to provide for the day-to-day needs of the city, but not all renewal programmes deliver modern street design.
- The way the transport network has developed over many years is unaffordable over the long-term. For example, there is a predominance of wide roads, cul-de-sacs and excess parking.
- Fatal and serious injury crashes on local roads in Palmerston North have increased over the past three years.

10 year plan: Transport – Strategic transport chapter

- Increased congestion, deaths, serious injuries, emissions and environmental effects is the inevitable outcome of the city's historical approach to investment in the transport network.

What do we want to achieve?	What actions will we take to get there?		
<p>Palmerston North has an integrated transport network with clear priorities for all users based around place and movement principles.</p> <p>The Palmerston North Integrated Transport Investment Project (PNITIP)/ Regional Freight Ring Road is completed.</p> <p>Palmerston North has safe streets with zero deaths or serious injuries.</p> <p>The urban network supports amenity outcomes, prioritises active and public transport, and directs freight to the Regional Freight Ring Road.</p> <p>There is timely provision of transport infrastructure to support city growth and economic development opportunities.</p> <p>Rangitāne o Manawātū have opportunities for early involvement in major strategic transport projects.</p> <p>Speed limits and traffic speeds are appropriate for the conditions throughout the transport network.</p> <p>Street design is responsive to land-use, place and movement.</p> <p>More people choose modes of transport other than motor vehicles.</p> <p>New growth areas have well-connected, multi-modal streets.</p> <p>Roads are designed to minimise long-term financial liabilities.</p> <p>Car-parking management supports strategic transport, land-use planning and urban design objectives.</p> <p>Maintenance and renewals interventions minimise whole of life costs for transport assets.</p> <p>Strategic transport projects provide pathways to business and employment opportunities for Māori.</p>	Ongoing actions	Start date	Involvement of partners
	Develop, maintain, operate and renew the transport network to deliver on the Council goals, the purpose of this plan, and the Government Policy Statement on Transport	2021/2022	Waka Kotahi NZTA KiwiRail Horizons Regional Council Massey University UCOL PNAL Defence FoodHQ Rangitāne o Manawātū Landowners and developers Chamber of Commerce People on bikes forum
	Prioritise transport programmes that deliver on the Council goals, the purpose of this plan and the Government Policy Statement on Transport	2021/2022	Waka Kotahi NZTA KiwiRail Horizons Regional Council Massey University UCOL PNAL Defence FoodHQ Rangitāne o Manawātū Landowners and developers Chamber of Commerce People on bikes forum
	Develop pathways to business and employment opportunities for Māori.		
	Progressively review speed limits throughout the City on a staged basis	2021/2022	Waka Kotahi NZTA Local residents
	New and one-off actions	Completion date	Involvement of partners
	Collaborate with Waka Kotahi NZTA and KiwiRail to deliver an integrated transport solution for the Central New Zealand Distribution Hub	2023/2024	Waka Kotahi NZTA

			KiwiRail Horizons Regional Council
	Advocate for early delivery of the Palmerston North Integrated Transport Investment Project (Regional Freight Ring Road)	2023/2024	Waka Kotahi NZTA
	Support Waka Kotahi NZTA with the economic assessment and detailed business cases for the Palmerston North Integrated Transport Investment Project (Regional Freight Ring Road)	2023/2024	Waka Kotahi NZTA
	Complete the Streets and Roads Framework to replace the Street Design Manual	2021/2022	Waka Kotahi NZTA
	Prepare a Carparking Management Plan and fund implementation of the actions, e.g. extended enforcement of mobility parks	2021/2022	Waka Kotahi NZTA

Active and public transport chapter

Introduction

Active and public transport have health and environmental benefits for our city. Walking and cycling are the most common forms of active transport, but there are also micro-mobility options like scootering and skateboarding. Public transport in the city consists of the urban bus service and bus connections to surrounding towns and villages.

The purpose of this chapter is to increase the availability and uptake of active and public transport options.

Where are we now?

- Historically, transport investment prioritises and promotes private motor vehicle use over other modes.
- A small proportion of total trips incorporate active and public transport. In 2018 in Palmerston North, 10.2 % of people used active modes of transport to travel to work, while 1.7% used public transport.¹
- Fatal and serious injury crashes involving pedestrians and cyclists in Palmerston North continue to increase.
- The perception of cycling as unsafe is one of the barriers for people cycling.²
- Bus services are operated by Horizons Regional Council, while Council provides the local infrastructure such as bus shelters and terminals.
- The inter-regional buses that use the terminal in The Square are operated by the private sector.
- Public transport is inefficient, inadequate and insufficiently resourced.
- It is common for the public or affected residents to resist changes to the transport network that seek to increase mode-shift.
- Motor vehicles are the most significant contributing sector to the city's carbon emissions.³
- Historical street design and traffic speeds discourage active transport choices.
- The active transport network is inconsistent, disconnected and insufficiently resourced.
- There is minimal and inconsistent data on active and public transport use.
- Some progress has been made in Palmerston North with off-road walking and cycling infrastructure, such as the Manawatū River shared path network.
- Walking is unsafe in parts of the transport network, where appropriate infrastructure is lacking.
- For many trips in Palmerston North, the choice of transport modes is limited. For example, there are insufficient or inadequate cycle lanes, and a lack of frequent bus service.

¹ Statistics New Zealand. (2018). Census.

² NZTA. (2019). Understanding attitudes and perceptions of cycling and walking.

³ CEMARS and carboNZ Certification programmes.

- Carparking management is undermining objectives regarding active and public transport.
- Council supports the promotion of active transport choices, for example through cycle skills education (via Sport Manawātū) and Bikes in Schools.
- Inappropriate traffic speeds discourage the use of active transport.
- There has been more than a decade of uncertainty regarding the design and location of a new urban bus terminal.
- The inter-regional bus terminal in The Square is operating effectively, but the urban bus terminal is not fit for purpose and does not communicate a positive image for public transport.

What do we want to achieve?	What actions will we take to get there?		
<p>An integrated multi-modal transport network that connects people with destinations and place.</p> <p>The transport network prioritises walking and cycling alongside other transport modes.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in major active and public transport projects.</p> <p>Active transport participation is increased to 15% of all journeys by 2024; to 20% by 2027; and to 30% by 2030.</p> <p>There is increased investment in active and public transport as a proportion of the transport budget.</p> <p>Active and public transport are genuine mode choices.</p> <p>There is a significant mode-shift to active and public transport.</p> <p>There are zero deaths and serious injuries from active and public transport.</p> <p>The city has a strong cycling culture.</p> <p>Walking and cycling journeys are safe and positive experiences.</p> <p>An active transport network provides for commuting and recreational users.</p> <p>People choose transport modes that reduce carbon emissions.</p> <p>Space is prioritised within the transport network for active and public transport.</p> <p>Traffic speeds are reduced through street design and speed limit bylaws to encourage the use of active and public transport and keep users safe.</p> <p>The benefits and need for active and public transport are well understood by the community.</p> <p>There is increased investment in active and public transport.</p> <p>Transport costs are transparently communicated.</p> <p>Horizons deliver a modern, comprehensive, efficient and reliable bus service in partnership with Council.</p> <p>A new urban bus terminal that supports an enhanced bus service and demonstrates that we place value in public transport in partnership with Horizons Regional Council.</p>	Ongoing actions	Start date	Involvement of partners
	Develop, maintain, operate and renew the active and public transport network to deliver on Council goals, the purpose of this plan, and the Government Policy Statement on Transport	All 2021/2022	Waka Kotahi NZTA Horizons Regional Council
	Prioritise active transport programmes that deliver on Council goals, the purpose of this plan, and the Government Policy Statement on Transport		Waka Kotahi NZTA Horizons Regional Council
	Deliver the Urban Cycle Network Masterplan		Waka Kotahi NZTA
	Gather ongoing, consistent active and public transport data		Waka Kotahi NZTA
	Promote active and public transport culture and provide opportunities for participation (e.g. events)		Waka Kotahi NZTA
	Align city active and public transport programmes with Government direction (GPS Transport) and Waka Kotahi NZTA guidance to maximise our likelihood of securing funding		Waka Kotahi NZTA
	Deliver enhanced behaviour change programmes, including school travel plans		Waka Kotahi NZTA
	New and one-off actions	Completion date	Involvement of partners
	Advocate to Horizons Regional Council for enhancements to the urban bus service and fleet	2021/2022	Horizons Regional Council
	Finalise location and design and deliver a new urban bus terminal	2023/2024	Horizons Regional Council
	Prepare a pedestrian network improvements plan	2021/2022	Waka Kotahi NZTA
	Research active transport innovation and trial initiatives such as bike share, scooter share, electric bike fleets, electric bike charging, priority intersections, route finding app and car sharing.	2021/22 – 2023/24	

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10 year plan: Active communities plan

(July 2021-June 2024)



10 year plan: Active communities

Active communities and Council's strategic goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Active communities plan primarily contributes to the Palmerston North City Council's goal of a Creative and exciting city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan.

Council priorities

The priorities of Goal 2: A creative and exciting city are:

1. Create a city that has great places for all people
2. Celebrate the city's history and diversity, and build on the strength of being a city of many cultures and languages
3. Be a creative city that nurtures and celebrates the arts
4. Develop a national reputation as an exciting city with plenty to do at night and on weekends
5. Be one of the most active communities in New Zealand

Purpose of the Active communities plan

The Long-term Plan levels of service for this plan are:

- Provide a wide range of accessible and well-maintained play, active recreation and sports facilities to increase levels of physical activity and participation in sport and active recreation and meet a diverse range of local communities. (Note: these facilities are city reserves, suburb reserves, local reserves, sports fields, the Central Energy Trust Arena, walkways and shared paths, and swimming pools)
- Work in partnership with external recreation organisations, and facility providers, to help increase levels of participation in play, active recreation and sport

Links with other plans

The actions in the Community facilities plan also contribute to the achievement of this plan. This is because community facilities, such as community centres and libraries, also provide opportunities for communities to participate in active recreation activities (Priority 1, Connected Community Strategy).

The actions in the Manawatū River Plan also contribute to the achievement of this plan because the Manawatū River provides a great place for people to enjoy a variety of recreational activities (Priority 1, Creative and Liveable Strategy).

The actions in this plan also contribute to the achievement of the Healthy communities plan and the priority 'to ensure we have a healthy community where everyone has access to healthy, safe, and affordable housing and neighbourhoods'. This is because the provision of a range of accessible play, recreation and sport facilities enable people to be active in their

10 year plan: Active communities

own neighbourhoods and this contributes to better health outcomes. (Priority 2, Connected Community Strategy).

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- involve Rangitāne o Manawatū early in major active community projects, including the development of parks and reserves
- protect iwi sites of significance
- co-manage some reserves

These commitments will guide the implementation of all aspects of this plan.

Council documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- Asset Management Plan – Recreation and Community Facilities (2017)
- Central Energy Trust Arena Master Plan
- City Centre Framework
- Community Funding Policy
- District Plan
- Dog Control Policy and Bylaw
- Flexible Future Facilities guideline (to be developed) – this year
- Manawatū-Whanganui Regional Sports Facility Plan
- Naming Rights for Council-Owned Recreational Facilities Policy
- Parks UAV Drone Policy
- Play Policy
- Policy for the use of public space
- Reserve and Walkway Naming Policy
- Reserve Management and Development Plans and Master Plans (prepared under the Reserves Act 1977) – Te Āpiti/Manawatu Gorge, Victoria Esplanade, Memorial Park, Ahimate Park, Manawatū River framework, Kahuterawa (Arapuke) Outdoor Recreation Plan
- Signs and Use of Public Places Bylaw
- Smokefree Outdoor Areas Policy
- Sun Protection Policy

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Increase in use of parks, sports fields and playgrounds

10 year plan: Active communities

- Increase in satisfaction of Council's sport and recreation facilities
- Increase in use of aquatic facilities
- Increase in use of Central Energy Trust Arena for community sport and active recreation
- Increase in participation rates for all adults in sport and recreation

Introduction

People are generally healthier and happier in places where decision-makers prioritise physical activity. Being active contributes to all aspects of health; te whare tapa whā. The purpose of this plan is for our community to access a range of play, active recreation and sport environments.

Where are we now?

General

- People in Palmerston North consider that they have many opportunities to be physically active.¹
- Around three quarters of adults in Palmerston North are active (compared to around 70% for the wider Manawatu Regional Sports Trust region).²
- By the same measure, young people are more likely to be active than are adults (92% of city 5-17 year olds are active over seven days in the city, equal to the level of activity for young people in the Manawātū Regional Sports Trust area).
- Despite these reported participation levels, the Ministry of Health's physical activity guidelines³ are not being met by about 40% of the adult population in the MidCentral District Health Board area, who are also less likely to report meeting the physical activity guidelines than the New Zealand population overall.
- Council is planning for play, active recreation and sport facilities in the city's residential growth areas.

Play and active recreation/nga taonga takaro

- Over eight in ten (86%) residents are satisfied with Council's overall provision of parks, reserves and open spaces.⁴
- The level of parks provision in Palmerston North has remained steady for the last five years (10.3 ha of parks/ 1,000 people). It is not known, however, if there is equitable distribution of parks, reserves and facilities across the City.
- Council estimates that there are over 3.8 million visits to our parks, reserves and open spaces on an annual basis - that equates to 42 visits per person each year (although this measure excludes children).⁵

¹ The 2019 Residents' Survey found that 87% of respondents agreed or strongly agreed with the statement that 'Palmerston North has lots of opportunities to be physically active'.

² This measure looks at any physical activity that was specifically for the purpose of sport, exercise or recreation carried out over a seven day period. This question is asked in the national Active NZ surveys undertaken by Sport NZ. (Note: the Palmerston North percentage is a combined analysis of the 2017 and 2018 Sport NZ Active NZ surveys).

³ 'Physical activity' is defined as doing at least 30 minutes of brisk walking or moderate-intensity physical activity (or equivalent vigorous activity), for at least 10 minutes at a time, at least five days a week. Ministry of Health. (2015). Eating and Activity Guidelines for NZ adults

⁴ Palmerston North City Council. (2020). Annual Residents' Survey.

⁵ Based on the findings of the 2020 Residents' Survey.

10 year plan: Active communities

- Walking for sport and leisure is the city's most popular leisure activity and Palmerston North has over 100 kilometres of recreational pathways.⁶
- Reserves are categorised as:
 - City reserves –these are described as 'destination facilities due to their unique nature' offering several amenity aspects: Victoria Esplanade, Memorial Park, Ashhurst Domain, Linklater Reserve, Manawatū River Park and The Square/Te Marae o Hine; walkways are also included in this category
 - Premier, senior and other sportsfields - these provide unique spaces for the community to take part in recreational activities with a variety of surfaces for different sports/activities
 - Suburb reserves – local reserves that are centrally located within suburbs, are provided to an area of about 1.5 kilometres, and have public toilets, play opportunities, drinking fountains, outdoor gym equipment, and shade provision: Kelvin Grove Park, Takaro Park, Rangitāne Park, Peren Park, Skoglund Park/Edwards Pit Park, Colquhoun Park, Awapuni Park, Milverton Park, Bill Brown Park, Papaoeia Park, Cloverlea Park, Bunnythorpe Domain, Longburn School; new reserves in urban growth areas
 - Local reserves – all other types of reserves that are further grouped into special character, neighbourhood, esplanade, gully, outdoor adventure, nature and ecological links.
- Palmerston North's playground provision has remained steady in recent years with 58 playgrounds located across the City alongside other play opportunities in natural areas, in parks and reserves, and on streets.
- Council has a co-management agreement with Rangitāne o Manawatū for Te Motu o Poutoa.
- Council has not completed planning for all City reserves to guide management and development decisions.
- Arapuke Forest Park provides for a range of outdoor recreation activities, particularly mountain-biking and walking.
- Most of the Council's parks and reserves are protected under the Reserves Act 1977 that requires processes for leasing, licences and the grant of easements.

Water recreation

- The Council provides Lido Aquatic Centre, Freyberg Community Pool and Splashhurst. Council also provides outdoor pools for children at the Victoria Esplanade and Memorial Park; a new Splashpad (zero depth play) at Memorial Park is planned for 2020.
- In 2019/20 there were 459,000 visits to Council's pools: Splashhurst Community Pool (18,650), Lido Aquatic Centre (286,065) and Freyberg Community Pool (154,604).
- Fifty nine percent of residents were satisfied with public swimming pools in 2020, down from 68% in 2019.⁷

⁶ Pathways include all tracks, trails and walkways, including surfaced and unsurfaced walkways in natural and urban green spaces.

⁷ Palmerston North City Council. (2020). Residents' survey.

- Based on the national benchmarking standard, Palmerston North pools have a satisfactory level of water space provision and this has remained steady for the last five years. There are some peak time pressures experienced at some pools.
- More people are using the Manawatū River for recreational swimming, with Ahimate Beach a popular swimming spot.
- Hokowhitu Lagoon is used for canoe polo and other water-based (non-contact) sports but there are on-going issues with water quality that limit use.

Sport

- Palmerston North has a good supply of sports fields (1.6 ha of sports fields/1,000 people) and level of provision has been steady for the last five years.
- Council endorses the Manawatū-Whanganui Regional Sports Facility Plan (2018) for investment decisions on sports facility development.
- Investigations into a site for an artificial football turf have been undertaken over the last two years in the broader context of overall sports field provision. More suitable training facilities for some outdoor sports codes is needed.
- Sport membership numbers are low compared to people's participation in active recreation activities such as walking and cycling or recreation events (such as Striders' Super 7s). Some sports, such as bowls, are amalgamating their facilities in response to declining numbers of players.
- The Central Energy Trust Arena (CETA) is the City's main multi-purpose hub for organised community and semi-professional sport and recreation activities.⁸ The management and operation of CETA is separate to the wider parks and reserves activity.
- CETA is the 'sports capital of the region' and hosts several secondary schools' sports tournaments that generate significant economic benefits (bringing in about \$6 million annually to the city⁹).
- CETA's goal is for at least 80% of use to be for community sport and recreation, rather than commercial use.

Currently, community-use includes:

- Public events-(sport and non-sport) where the public attend and may be charged an admission fee. For example, Speedway, Super rugby, Home show, and Big Boys' Toys.
- Community events-(sport) where local clubs and associations organise weekly competitions, events or seasons for community participation.
- Community events-(non-sport) where organisations/ not for profit/ community groups organise events based around community participation. For example: Rotary Club and church services.

Currently commercial use includes:

⁸ 36 sporting codes use CETA with speedway, rugby, football, basketball, volleyball, badminton, skating and netball its main codes.

⁹ Sport Manawatū 12 month report (2019/20).

10 year plan: Active communities

- Commercial events-organised by private or commercial organisations for invited guests only, such as weddings, trade shows, or training.
- National sports events-where national sports bodies hold regional, North Island or national sports competitions.
- The development of CETA is guided by a Master Plan. Proposed sports facility developments projects at CETA are identified as the City's priority through the Regional Sports Facility Plan.
- Sixty eight percent of residents were satisfied or very satisfied with the CETA (down from 70% in 2019).¹⁰
- The sport sector is under considerable pressure in terms of retention of members, financial pressures and changing societal preferences that have been worsened by the COVID-19 pandemic.

Partnerships and support

- In partnership with Rangitāne o Manawatū, Council has worked on many projects that encourage and support ngā taonga tākaro opportunities and other physical activities of a Te Ao Māori nature, such as kī ō rahi and waka ama.
- Sport New Zealand's purpose is to *contribute to the wellbeing of everybody in Aotearoa New Zealand by leading an enriching and inspiring play, active recreation and sport system* and its national direction influences the activities and priorities of partner organisations such as Council and Regional Sports Trusts.
- Sport Manawatū and the Council have a strategic partnership reflected in a funding agreement (reviewed every three years) to deliver a range of activities and services to support Council's strategic outcomes particularly for everyone to be active.
- Council supports 24 sport and recreation clubs and organisations through lease arrangements at parks and reserves (also see the Community development chapter of the Connected communities plan).
- Council provides direct financial support through grants to some clubs and organisations for park and facility development as well as contributing to the renewal of specialist surfaces at Massey University to ensure continuity of community access.
- Council's Active Communities Fund helps people who are financially disadvantaged to be active (administered by Sport Manawatū).

Active Transport/ mobility

- Some people are active through using active transport modes (mainly walking and cycling) using a combination of the roading, walkway and shared path networks.¹¹
- Sport Manawatū is funded by Council to support active transport promotion and the deliver the national 'Bike Ready' (cycle skills education) programme.

¹⁰ Palmerston North City Council. (2020). Residents' survey.

¹¹ In 2018, 10.2% of people travelled to work by active transport means (walking, jogging, cycling); this has fallen from 16.3% in 2001. The percentage of people travelling to education by active means is higher at 24.2%. Source: New Zealand census.

What do we want to achieve?	What actions will we take to get there?		
<p>There is a range of quality play, active recreation and sport environments and facilities throughout the city that enable people to be more active.</p> <p>There is equitable access to play, recreation and sport facilities throughout the city.</p> <p>There are opportunities to participate in the cultural physical activities of mana whenua and other cultures.</p> <p>A Whānau Ora approach is the basis for the co-design of activities.</p> <p>People know about all play, active recreation and sport opportunities.</p> <p>Play, recreation and sport facility developments benefit from Māori design expertise from the beginning of their development.</p> <p>The community is increasingly active.</p> <p>Facilities are available, accessible and inviting to all people in the community.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in all active communities initiatives.</p> <p>Facilities are multi-purpose, where possible.</p> <p>Residents are satisfied with our parks and reserves network.</p> <p>The City's new residential growth areas support active communities.</p> <p>There is an extensive pathway network that keeps pace with urban and population growth.</p> <p>Rangitānenuiarawa¹² and wider Māori cultural heritage values are expressed in city parks through place names, art, signage, and story-telling.</p>	Ongoing actions	Start date	Involvement of partners
	Provide and maintain city reserves, local reserves, sportsfields, Arena Manawatū, aquatic facilities, walkways, shared paths, sport and recreation facilities	All 2021/2022	
	Work with other sport and recreation providers and adjoining Councils		
	Partner with Sport Manawatū to deliver play, active recreation and sport services to meet a number of community outcomes sought by Council including the co-ordination of the Regional Sports Facility Plan ¹³ , Active Communities Access and the Sports Event Partnership Funds		Sport Manawatū
	Carry out regular monitoring and reporting with Sport Manawatū		Sport Manawatū
	Contribute to pre-feasibility or needs assessment work (as required by Council's commitment to the Regional Sports Facilities Plan)		
	Develop and review Asset Management Plans for Recreation and Community Facilities		
	Administer the Reserves Act 1977		
	Apply a Whānau Ora approach ¹⁴ in the co-design of active community plan programmes		Rangitāne o Manawatū Communities of interest
	Prepare a generic/omnibus reserve management plan to cover all reserve categories (not covered by an individual development or management plan)		Rangitāne o Manawatu Department of Conservation Heritage NZ
	Prepare a development / reserve management plan for Te Marae o Hine – The Square		

¹² Rangitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

¹³ Note that the SEPF includes Programme 799 – national secondary schools sports events and is included within the Events and Festivals chapter of the Connected Communities Plan.

¹⁴ Whānau Ora is an approach that supports whānau and families to achieve their aspirations in life. It places whānau at the centre of decision making and supports them to build a more prosperous future. (source: <https://www.tpk.govt.nz/en/whakamahia/whanau-ora/about-whanau-ora>)

<p>City reserves reflect their special character and values.</p> <p>We better understand the role that community facilities play in meeting the community’s play, recreation and sport needs.</p> <p>RMPs or Master Plans guide the management and development of all City reserves.</p> <p>Palmerston North reserves are co-managed by Council and Rangitāne o Manawatū, where mutually agreed.</p> <p>Rangitāne o Manawatū sites of significance are developed, protected, and preserved.</p> <p>All of our parks are protected, and Council effectively administers the Reserves Act 1977.</p> <p>All swimming pools retain high levels of visitation and customer satisfaction.</p> <p>Aquatic sport and recreation planning takes account of predicted population growth, wider water recreation needs (including outdoor and natural environments) and trends.</p> <p>Facility programming and scheduling of events respond to community needs.</p> <p>The use of all community recreation facilities is optimised.</p> <p>The city’s sports field network is flexible enough to meet changing sports codes participation rates, and participant/user needs.</p> <p>The sports sector is sustainable.</p> <p>The Regional Sports Facility Plan decision-making investment process guides Council decision-making.</p> <p>The main purpose of Central Energy Trust Arena is as the ‘sports capital of the region’ where community sport and recreation is the highest priority.</p> <p>Community needs assessments (and the RSFP decision-making investment process) inform the review of the next CETA Master Plan projects.</p> <p>There is close collaboration throughout the sports sector.</p> <p>Council’s support for Sport Manawatū is primarily focused on the goal of a more active community.</p> <p>Council supports a variety of clubs, and organisations through consistent and transparent lease arrangements at parks and reserves and community centres.</p>	Provide sport and recreation opportunities in all of the City’s parks and reserves, that respond to the needs and views of communities of interest		Communities of interest
	Enable long-term community access to the Massey Community Athletics Track and hockey turf facilities		Massey University
	Provide outdoor gym equipment in suitable suburb reserves	2021/2022 2022/2023	
	Deliver the CETA master plan	2021/2022 2022/2023 2023/2024	Iwi Steering Group Stakeholder groups
	Provide swimming pools to meet a range of community needs including free swimming for under 5s	2021/2022	CLM Ministry of Education
	Extend the walkway/ shared path network and develop new parks in residential growth areas	2021/2022	
	Develop and improve walking opportunities through the promotion of new trails, designating links on private land to achieve network continuity	2021/2022	
	Provide safe and accessible city reserves	2021/2022	
	Promote opportunities to be active through Council’s communication channels	2021/22	

<p>Council supports clubs and organisations to carry out work in parks on its behalf (locally-led approaches).</p> <p>There is excellent walking and cycling infrastructure in Palmerston North.</p> <p>There is a strong uptake of active modes of travel across the entire city on road-based and off-road networks.</p>	Carry out drainage and irrigation improvements to existing sports fields (Skoglund Park)	2021/2022 2022/2023	
	Council's play policy informs Council's operational decisions about play	2021/2022	
	Provide more carparking at Bill Brown Park	2021/2022 2022/2023	Central Football Sports codes and users
	Improve walkways and shared paths to support the City's most popular activity	2021/2022	
	New and one-off actions	Start date	Involvement of partners
	Carry out a needs-assessment for swimming and other water-based recreation	2021/2022	Sport NZ Sport Manawatū Swimming NZ Manawatū Swimming Swimming and other water sports
	Carry out a detailed feasibility assessment for training and competition requirements for outdoor sports codes, including further consideration of an artificial football turf (as required by Council's commitment to the Regional Sports Facilities Plan)	2021/2022	Sports sector Central Football
	Plan and build an artificial football turf Note: Placeholder action pending decision in October 2020 about the continuation of this current commitment	2022/2023 2023/2024	Central Football
	Carry out a preliminary feasibility assessment of indoor court provision in the city (as required by Council's commitment to the Regional Sports Facilities Plan)	2022/2023	
	Carry out a detailed feasibility assessment for a covered bowling green (as required by Council's commitment to the Regional Sports Facilities Plan)	2021/2022	City bowling clubs
	Contribute towards a covered bowling green facility	2022/2023 2023/2024	

	Review the Manawatū-Whanganui Regional Sports Facility Plan (RSFP)	2022/2023	Sport Manawatū RSFP Steering Group Sport NZ
	Map the equity of provision of play, recreation and sport facilities across the city	2022/2023	
	Review the Kahuterawa Outdoor Recreation Plan	2022/2023	
	Explore opportunities for the extension of co-management arrangements for other reserves or activities.	2021/2022	Rangitāne o Manawatū
	Provide opportunities for play in Te Marae o Hine -The Square and the city centre	2022/2023	Rangitāne o Manawatū

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10 year plan: Arts and heritage plan

(July 2021 – June 2024)

Chapters:

Arts

Heritage



Arts and heritage and Council's strategic goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Arts and Heritage Plan primarily contributes to the Palmerston North City Council's goal of a Creative and exciting city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan in two chapters: **Arts** and **Heritage**.

Council priorities

The priorities of Goal 2: A creative and exciting city are:

1. Create a city that has great places for all people
2. Celebrate the city's history and diversity, and build on the strength of being a city of many cultures and languages
3. Be a creative city that nurtures and celebrates the arts
4. Develop a national and international reputation as an exciting city with plenty to do at night and on weekends
5. Be one of the most active communities in New Zealand

Purpose of the Arts and heritage plan

The Long-term Plan levels of service for this plan are:

- Provide support to community organisations, cultural Council-Controlled Organisations and individuals to help make Palmerston North a creative and exciting city
- Maintain and enhance cultural facilities that provide a range of opportunities for people to access and participate in the arts
- Work closely with Rangitāne o Manawatū to support it to be kaitiaki of its heritage places and to increase the wider community's understanding and appreciation of Rangitāne o Manawatū heritage
- Promote and celebrate local history
- Invest in cultural heritage buildings and places to give the community the opportunity to use and appreciate their heritage values

Links with other plans

The actions in Arts chapter of this plan also contribute to the achievement of the Connected communities plan and the priorities "Develop, provide, support or advocate for services, facilities, and events that create connected, welcoming and inclusive communities" and "Grow the capacity of communities to achieve their aspirations".

The actions in the Heritage chapter of this plan also contribute to the achievement of the City shaping plan and the City centre plan.

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

10 Year Plan: Arts and heritage

- ensure Rangitāne o Manawatū history and aspirations are expressed in the city landscape
- protect cultural concepts, values, practices and the taonga of Rangitāne
- provide for diverse expressions of Toi Māori which acknowledge and celebrate Māori culture and artistry

These commitments will guide the implementation of all aspects of this plan.

Council documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- CCO Statements of Expectation and Statements of Intent
- Community Funding Policy
- Dangerous and Insanitary Buildings Policy
- Disposal of Art Works resolution
- District Plan
- Naming Rights for Council-Owned Recreational Facilities Policy
- Policy for the Use of Public Space
- Reserve and Walkway Naming Policy
- Signs and Use of Public Places Bylaw
- Street Naming and Numbering Policy

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Increase in arts participation and attendance rates of residents
- Increase in the diversity of funding recipients, as measured by self-reported ethnicity and artform information provided by Creative Communities Scheme applicants
- Increase in patronage of Council-owned cultural facilities (Te Manawa, Globe Theatre, Regent Theatre, and Square Edge), as measured by reports provided by operators
- Increased representation of emerging, local and Māori artists in public art commissioned by Council
- Heritage is part of the multi-disciplinary approach to working on Council projects
- More community engagement in involvement in the development of heritage initiatives
- Heritage is more prominent within the City
- Sites of significance to Rangitāne o Manawatu are identified, protected or acknowledged
- Increase in the number of scheduled heritage features contained in the District Plan
- Increase in investment of earthquake-prone heritage buildings
- Decrease in vacancy rates in earthquake-prone heritage buildings

Arts chapter

Introduction

'The arts' refer to expressions of creativity, and encompass craft and object art, visual arts, ngā toi Māori, Pacific arts, theatre, dance, literature, music and film. The arts bring the city to life, challenge ideas, and generate excitement about future possibilities. Communities of identity, interest and place express cultural identity through the arts; for example, by coming together to design a neighbourhood mural or to perform a traditional dance. Many people work in arts-related jobs, and city organisations rely on people with creative skills.

The opportunity to participate in the arts contributes to all aspects of health; te whare tapa whā. The purpose of this chapter is to develop a culturally rich city and for people to have opportunities to express their creativity and cultural identity.

Where are we now?

- In 2017 Palmerston North people reported attending and participating in the arts in line with the national rate (81% of Palmerston North, compared to 80% for all New Zealanders).¹
- Arts have the capacity to bring about significant individual and community change in wellbeing. The Creative New Zealand survey found that most people believe that their community would be poorer without the arts, the arts contribute positively to the economy, the arts improve New Zealand society, and the arts help define who we are as New Zealanders.
- Palmerston North has a strong arts sector and thriving art scene with notable local artists, exhibitions, performances, and events. Participants in Creative Cities Index Survey, carried out in 2019, said that there is lots happening in the city, but it is difficult to find out what's on.
- Palmerston North is home to cultural facilities which are owned by Council and operated by independent organisations. These facilities provide a range of opportunities for creative participation. Many Council-owned cultural facilities are fit-for-purpose, while others require improvements including earthquake-strengthening – particularly Te Manawa, Square Edge, and the Central Library.
- There is evidence a minority find the arts elitist. Thirty-eight percent of respondents to the Creative New Zealand survey indicated that if they were confident of feeling welcome, it would make a big difference to their likelihood to attend the arts. This is higher than the national average (28%).
- Palmerston North is an accredited established Welcoming Community. Part of the outcomes-based standard measures how well culture and identity are respected and valued in the city.
- Some efforts have been made to make arts facilities and experiences more inclusive and accessible for people by removing financial, social and physical barriers. Examples

¹ Creative New Zealand (2017). New Zealanders and the arts.

include the NOA Open Studio at Te Manawa and the refurbishment of the Globe Theatre to increase physical accessibility.

- Palmerston North's strength is in providing opportunities for artists to develop their craft, and particularly for young artists. The city's secondary and tertiary institutions provide a range of arts education opportunities, including the Bachelor of Māori Visual Arts which is unique to Massey University, and UCOL creative industries pathway qualifications.
- Council works in partnership to support educational opportunities in the arts, such as the Artist in Residence scheme and the Arts Heart funding programme.
- It is a challenge to receive a reasonable return from effort in the arts, and national research shows over half of creative professionals also work outside the creative sector. This makes it difficult for creative careers to become self-sustaining.
- Council invests in the arts through contestable community grant programmes, as outlined in the Community Funding Policy 2018, and is a key operational funder for many of the city's cultural facilities. It funds the Palmerston North Sculpture Trust to purchase and install new public art. The Creative New Zealand survey found that 53% of respondents agreed the local council should provide funding for the arts.
- There is tension between Council's role as a facilitator and funder of arts organisations, and the importance of the sector self-determining when and how they collaborate. Sector feedback suggests that competitive arts funding can discourage collaboration.

What do we want to achieve?	What actions will we take to get there?		
	Ongoing actions	Start date	Involvement of partners
<p>The arts sector hosts diverse arts experiences and has the resources to grow its audiences.</p> <p>There are inclusive, visible, fit-for-purpose and resilient cultural institutions and facilities.</p> <p>The Globe Theatre is a busy and vibrant centre for the performing arts community in Palmerston North.</p> <p>Te Manawa Museum engages local communities in learning experiences, develops and provides access to taonga, artworks and artefacts, and attracts people to the city.</p> <p>The Regent Theatre is a historic venue that caters for large-scale international, national and local performing arts experiences.</p> <p>Rangitānenuiarawa² is embedded in public art, cultural facilities and public spaces.</p> <p>The city is host to diverse expressions of Toi Māori.</p> <p>Creative projects and facilities reflect the city's bicultural foundations, and people experience Māori culture through participation in, and exposure to, traditional and contemporary Māori creative practices.</p> <p>There are safe, affordable and welcoming spaces for people to express their creativity and cultural identity.</p> <p>Whānau, hapū, iwi are supported to create and deliver arts experiences that are of value to them.</p> <p>Governance bodies of arts and cultural organisations reflect the diversity of Palmerston North.</p> <p>Creative expression is incorporated into the design and management of Palmerston North's public spaces.</p> <p>Emerging Palmerston North artists have the tools, facilities, encouragement and confidence they need to pursue a career in the arts.</p> <p>There are arts education experiences that cater for people of all ages and backgrounds.</p> <p>Council's arts investment is strategic and coordinated with other funders and capacity-builders.</p>	Provide artists and arts organisations with advice and support in governance, funding, marketing and communications, collaboration, and event and project management	All 2021/2022	Arts organisations Central government Rangitāne O Manawatū Funders Local communities
	Renew, develop and maintain Council-owned cultural facilities, incorporating modern accessibility standards where practical		Facility leaseholders
	Lease Council-owned cultural facilities in line with the new community support policy [consulted on alongside the 10 Year Plan]		Cultural facility leaseholders
	Administer grants in line with the [draft community support policy] – this will be out for consultation alongside the 10 Year Plan. Currently support the arts sector through: <ul style="list-style-type: none"> • Creative Communities Scheme • Arts Event Fund • Strategic Priority Grants • Small Grants 		Creative New Zealand
	Support projects that promote the visibility of and participation in Māori creative practices		Rangitāne O Manawatū Te Wananga o Aotearoa Te Pūtahi-a-Toi
	Facilitate a coordinated approach to management and marketing of arts events (Refer to the Events and festivals chapter of the Connected communities plan)		
	Curate, maintain and promote Council's public art		Rangitāne O Manawatū PN Sculpture Trust
	Purchase and install new public art		Rangitāne O Manawatū PN Sculpture Trust Arts organisations Local artists
	Provide operational grants to cultural Council-Controlled Organisations		Te Manawa Museums Trust Globe Theatre Trust Regent Theatre Trust
	New and one-off actions	Completion date	Involvement of partners

² Rangitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

<p>Council events and projects involve local artists in a range of fairly paid roles.</p> <p>Council's arts role reflects meaningful relationships between central government, local government, iwi, funders, arts organisations and local communities.</p>	<p>Agree a Statement of Expectation with Te Manawa Museums Trust, The Regent Theatre Trust, and the Regent Theatre Trust</p> <p>Agree a Statement of Intent with Te Manawa Museums Trust, The Regent Theatre Trust, and the Regent Theatre Trust</p> <p>Carry out regular performance monitoring and reporting of Te Manawa Museums Trust, The Regent Theatre Trust, and the Regent Theatre Trust</p>	2021/2022	<p>Te Manawa Museums Trust</p> <p>Globe Theatre Trust</p> <p>Regent Theatre Trust</p>
	<p>Develop a public art policy to direct Council decisions on creativity in infrastructure projects and acquiring and maintaining new public art</p>	2021/2022	<p>PN Public Sculpture Trust</p> <p>Rangitāne O Manawātū</p> <p>Arts organisations</p> <p>Local artists</p>
	<p>Develop a street art programme for match-funding private building owners to incorporate street art onto their buildings</p>	2023/2024	<p>Building owners</p> <p>Local artists</p>
	<p>Provide support for arts organisations to build meaningful relationships and deliver community-led collaborative projects</p>	2022/2023	<p>Arts organisations</p> <p>Central government</p> <p>Rangitāne O Manawātū</p> <p>Funders</p> <p>Local communities.</p>
	<p>Complete the Civic and Cultural Masterplan in collaboration with affected organisations (see the City Shaping Plan)</p>	2022/2023	<p>Building owners and leaseholders</p>
	<p>Increase the number of free walls in the city to provide live environments for street art skill development</p>	2022/2023	
	<p>Carry out seismic strengthening of the Council-owned arts and cultural facilities</p>	2022/2023	<p>Te Manawa Museums Trust</p> <p>Globe Theatre Trust</p> <p>Regent Theatre Trust</p> <p>Square Edge Community Arts</p>

Heritage chapter

Introduction

Our city heritage includes places, objects, stories, memories and traditions. The heritage of the city contributes to our identity and sense of belonging. Retention and celebration of the city's heritage is crucial in shaping the character of the city.

The purpose of this chapter is for our city heritage to be understood, valued, and reflected in our storytelling and cityscape.

Where are we now?

- Education, awareness, and celebration of local history is provided through displays, exhibits, programmes, events, and trails (for example Local History Week and the Manawatū Heritage Tour App).
- Stories, objects and records are acquired, archived, conserved, researched, recorded, and developed.
- Marae, city facilities (for example, the Central Library, Ian Matheson City Archives, and Te Manawa), and private facilities are knowledge hubs of taonga and local history.
- Asset and infrastructure and project planning provide Council with an opportunity to be proactive and share local history e.g. Memorial Park redevelopment, signage panel in city reserves.
- Council supports community and individual heritage projects via funding, facilities, advice, and staff support.
- Local history is sometimes hidden in the modern landscape. Innovative initiatives have started to take cultural heritage to the wider community.
- The District Plan contains scheduled heritage features including: Sites of Significance to Rangitāne o Manawatū, Heritage Buildings and Objects, Notable Trees, and some Heritage Areas.
- The number of scheduled heritage features is low compared to other equivalent sized cities.
- Heritage features are held in both private and public ownership.
- Many heritage buildings are also classified as earthquake-prone (in whole or part) and require structural upgrade in the next 10-15 years. Few heritage buildings have been completely upgraded, and the cost of upgrading buildings remains a significant challenge.
- Unlike other buildings, heritage buildings cannot be demolished without a resource consent if a landowner considers the cost of earthquake strengthening is not economically or commercially viable. Earthquake strengthening of heritage buildings offers a unique opportunity for the city

- Since 2001 Council has supported third party heritage projects through the Natural and Cultural Heritage Incentive Fund.
- There is a spatial database of known military heritage for Palmerston North.

What do we want to achieve?	What actions will we take to get there?		
<p>Ongoing access to heritage is secured, through preservation, active collection, and facilities.</p> <p>There is greater community understanding and appreciation of Māori heritage places.</p> <p>Rangitāne o Manawatū history and aspirations are expressed in the landscape of the city.</p> <p>Sites of natural and cultural significance to Rangitāne o Manawatū are acknowledged, identified, and protected.</p> <p>The heritage collection contains community stories, objects and records from all cultures within our diverse community.</p> <p>Expressions of cultural heritage are more visible in the cityscape and innovative means are used to showcase heritage to the city and beyond.</p> <p>Heritage continues to form part of the multi-disciplinary approach to working on Council projects.</p> <p>Opportunities to collaborate with and support the heritage sector are realised, including heritage related interest groups.</p> <p>Investment in the retention of earthquake-prone heritage buildings is supported, and there is collaboration with those who want to invest in these buildings.</p> <p>Building upgrades on earthquake-prone heritage buildings have limited or no impact on heritage values.</p> <p>Council has a good understanding of the heritage values of scheduled heritage features.</p> <p>The District Plan contains a more complete understanding of culture and heritage results in an expanded list of scheduled and non-scheduled heritage, including:</p> <ul style="list-style-type: none"> • Sites of Significance to Rangitāne o Manawatū • Increasing native tree specimen representation • Investigating Tier 2 Notable Tree status • Residential character and heritage areas <p>Caccia Birch grounds, including the cottage gardens, are maintained and complement the historical values of the homestead.</p> <p>Military heritage is included in Council planning and programme delivery.</p> <p>There are, visible, fit-for-purpose and resilient heritage buildings.</p>	Ongoing actions	Start date	Involvement of partners
	Provide quality visitor experience and accessibility to council owned and operated heritage buildings	All 2021/2022	Caccia Birch Trust Board The Friends of the Regent Square Edge
	Maintain the internal integrity of Council owned and operated heritage buildings		Caccia Birch Trust Board The Friends of the Regent Square Edge
	Provide archives to enable the ongoing collection of, and access to, local history		
	Earthquake prone buildings are assessed for compliance with the Building Act		
	Include heritage conservation principles in Council Asset Management decisions		
	Provide an annual progress report on military heritage themed Council run programmes to the Arts, Culture and Heritage Committee		Palmerston North Defence Heritage Advisory Group
	Assist owners and investors of earthquake-prone buildings through the upgrade process		
	Provide the Natural and Cultural Heritage Incentive fund to third party owners of scheduled heritage features for the protection and earthquake strengthening of Heritage Buildings, and the promotion of the city's heritage		
	Include heritage storytelling in the delivery of major Council services, projects and activities		Rangitāne o Manawatū Historic Places Manawatū Horowhenua Heritage Manawatū Palmerston North Defence Heritage Advisory Group
	Provide the Manawatū Heritage and related Tour App		
	Make use of, and invest in, heritage buildings to provide Council and community facilities		
	Adopt the value of cultural heritage awareness in the delivery of Council activities		
	Promote the success stories where heritage buildings have been upgraded and share information about building upgrades		
	Regularly engage with a wider range of stakeholders in the heritage sector		
	Collaborate with the community to make heritage a visible part of city life and the cityscape		
	Investigate and trial innovative ways of showcasing our city heritage.		

<p>There is a reasonable level of public access to Council owned and operated heritage buildings.</p> <p>CCOS deliver heritage themed experiences and stories that are kept relevant for future generations.</p>	<p>Work with Rangitāne o Manawatū to actively protect, expand, enhance and co-design sites of cultural and natural significance, including:</p> <ul style="list-style-type: none">• proactively support the maintenance of knowledge and kōrero about those places, including kōrero tuku iho, mōteatea, waiata and pūrākau (ancestral narratives, chants, songs and stories)• provide opportunities for the wider public to engage with Rangitānenuiarawa• develop an understanding of the potential contribution of places of Māori heritage to health and well-being, and to culture and identity		Rangitane o Manawatu
	<p>Work with Mana Whenua to tell their stories and develop a partnership to look after taonga</p>		Mana Whenua
	<p>Implement the Earthquake Prone Buildings Policy for Council owned buildings</p>		
	<p>Review District Plan Schedule and processes, particularly:</p> <ul style="list-style-type: none">• Update of heritage value statements• The approach to notable tree protection• Investigate and identify character or heritage areas		
	New and one-off actions	Completion date	Involvement of partners
	Develop a Caccia Birch Site Masterplan	2022/2023	Caccia Birch Trust Board
	Complete an inventory of District Plan listed Built Heritage	2021/2022	
	Publish a public facing interactive online map that spatially shows the cities military heritage sites	2021/2022	Palmerston North Defence Heritage Advisory Group
	Develop a CBD Architectural Heritage Design Guide	2022/2023	
	Develop an earthquake strengthening guide for heritage buildings	2021/2022	
	Develop a ‘District Plan Heritage Buildings Tour’ on the Manawatu Heritage Tour App	2021/2022	
	Survey the community and stakeholders to inform future development of Manawatū Heritage	2021/2022	Rangitāne o Manawatū
	Investigate the need for additional shelving for archives as part of the Civic and Cultural Precinct Masterplan	2021/2022	
	Mark the city’s 150 th anniversary	2021/2022	Rangitāne o Manawatū

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DRAFT

10 year plan: City shaping plan

(July 2021-June 2024)

Chapters:

Citymaking

City centre

Placemaking



10 year plan: City shaping

Overview

Council goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The City shaping plan primarily contributes to the Palmerston North City Council's goal of a Creative and exciting city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan in three chapters: **Citymaking**, **City centre**, and **Placemaking**.

Council priorities

The priorities of Goal 2: A creative and exciting city are:

1. Create a city that has great places for all people
2. Celebrate the city's history and diversity, and build on the strength of being a city of many cultures and languages
3. Be a creative city that nurtures and celebrates the arts
4. Develop a national reputation as an exciting city with plenty to do at night and on weekends
5. Be one of the most active communities in New Zealand

Purpose of the City shaping plan

The Long-term Plan levels of service for this plan are:

- Promote multidisciplinary working on Council and community projects to drive outcomes that deliver on multiple Council objectives
- Implement the City Centre Streetscape Plan to increase city centre vibrancy and improve the perception of the city
- Implement City shaping plan actions in partnership with other agencies
- Provide seed funding and support for people to lead public space projects to develop accessible, active, comfortable and social public places

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- collaborate on city development and placemaking opportunities
- reflect the significance of historic and cultural places and features, such as Te Marae o Hine, in the cityscape
- ensure Rangitāne o Manawatū history and aspirations are expressed in the landscape of the city, for example, through art in the Streets for People upgrades

These commitments will guide the implementation of all aspects of this plan.

10 year plan: City shaping

Council documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- Alcohol Control Bylaw
- Business Improvement District Policy
- City Centre Framework
- Citywide Vegetation Framework
- Community Funding Policy
- Dog Control Policy and Bylaw
- Manawatū River Framework
- Policy for the use of public space
- Signs and Use of Public Places Bylaw
- Smokefree Outdoor Areas Policy
- Street Design Manual
- Sun Protection Policy
- Welcoming Communities Plan

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- More city centre businesses engage with the street environment
- Improved satisfaction with the process for running activations in the city centre
- More micro-events and activations led by the business community and social communities
- Increase in new applicants for Palmy Unleashed
- Palmy Unleashed activations capture a more diverse range of applications
- Increasing popularity of returning Palmy Unleashed applicants' projects
- Increase in pedestrian and cyclist numbers
- Decrease in city centre building vacancy rates
- Increase in the number of people living in the city centre
- Increase in people visiting the city centre during off-peak periods during the week
- Fewer Council barriers to successful completion of community-led public space projects
- More parklets hosted citywide
- Increase in co-contribution for placemaking activities

10 year plan: City shaping

Citymaking chapter

Introduction

Cities around the world are trying to turn around decades of disjointed city planning to provide better outcomes for communities. Council is well positioned to connect local groups and sectors to maximise the collective impact of both public and private projects.

The purpose this chapter is for citymaking to be creative, effective and collaborative.

Where are we now?

- Palmerston North's Creative Cities Index score indicates that Palmerston North is a reasonably creative city but lacks the urgency needed to accelerate success.
- Council does not always take a multi-disciplinary approach to citymaking.
- The strategic direction is compromised when contentious projects are considered.
- The contracting industry has limited capability to deliver on our programme of new major capital projects. In some instances, Council takes a partnership approach to planning for capital projects. This includes packaging programmes to make them more commercially attractive and strategic, for example, Streets for People. However, at other times Council's organisational approach is as the single 'citymaker' rather than a connector or collaborator.
- Council lacks data to demonstrate the advantages of strategic decision-making.

Where do we want to achieve?	What actions will we take to get there?		
<p>Citymaking is strategic and creative.</p> <p>The performance of Council is recognised through the prosperity of the city and its citymaking partners.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in citymaking projects.</p> <p>Public-facing programmes provide the opportunity for creative and collaborative citymaking.</p> <p>Communities of interest are identified and well known.</p> <p>Council programmes and activities are communicated to the public well in advance of planning and design.</p> <p>Experimentation, prototyping, and pilots become a standard practice when handling uncertain projects.</p> <p>Council programmes are delivered to maximise collective impact for the community.</p>	Ongoing actions	Completion date	Involvement of partners
	Create a public stocktake of citymaking partners and communities of interest	2021/2022	Rangitāne o Manawatū
	Create an agile engagement strategy	2021/2022	
	Conduct research on and promote citymaking problems	2021/2022	Massey University Living Lab
	New and one-off actions	Start date	Involvement of partners
	Undertake a creativity and obstacles audit (with reference to the Creative Cities Index)	2021/2022	
	Review Vegetation Framework	2021/2022	Rangitāne o Manawatū

City centre chapter

Introduction

The city centre plays a key role in creating the perception of any city. Some New Zealand city centres have been weakened by mall-development in outlying areas, suburban sprawl, and natural constraints.

Palmerston North has a stable city centre, supported by the retention of The Plaza and Downtown Shopping Centre, the centre-based office and retail hierarchy within the District Plan, the compact nature of the city, and investment in quality public space design. The purpose of this chapter is to recognise and protect the role of the city centre.

Where are we now?

- The performance of the city centre is critical to the city's image.
- There is varying engagement in public spaces by the business community.
- The expansiveness of The Square and number of inactive street edges are a barrier to pedestrian circulation between key retail precincts.
- There is a greater emphasis towards place-based infrastructure design, such as Streets For People, Cuba Street, and Queen Street.
- There are pockets of place identity (Little Cuba and Regent Arcade), while others areas are not so clear (Square North and Fitzherbert Avenue).
- The role of the Business Improvement District (BID) is to source external funds for city centre improvement, promotion and events.
- There is a lack of investment in inner city living, heritage adaptation, and office space.
- Council has yet to reach a clear position on parking, despite the clear benefits of place-based street design (e.g. Cuba Street and Streets for People).
- The central location of the public transport hub is not necessarily supported by a quality experience.
- A lot of key innovation institutions have no presence in the city centre.
- There is a lack of spontaneity in the city centre public spaces that builds curiosity and attracts people to the city centre in between times where large anchor events occur.
- Council contracted events are effective in bringing people to the city centre in large numbers, but they don't increase the baseline of activity in the city centre from day to day in the way that frequent, community-led, and lightweight activations would.
- The Palmy Unleashed Programme is a well-known brand with a history of successfully co-creating great public space activations, but has not yet reached its potential as an agile community-led and Council-supported public space programme.
- The Residents Survey (2019) shows that nearly two-thirds of people think Palmerston North is an attractive and well-designed city. However, less than half consider that Palmerston North has a vibrant city centre.

What do we want to achieve?	What actions will we take to get there?		
<p>Palmerston North maintains its reputation as a key retail tourism destination for the surrounding region, Hawkes Bay and Wellington.</p> <p>City Centre businesses take advantage of opportunities to contribute to vibrant street life.</p> <p>The Square is reinforced as an anchor for pulling people into the City Centre to shop.</p> <p>There are more people in the City Centre.</p> <p>Rangitāne o Manawatū history and aspirations are reflected in the art and design of the city centre.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in city centre projects.</p> <p>There are clear precincts in the City Centre with a confident place identity.</p> <p>The central city Business Improvement District is a key partner in the co-delivery and engagement of City Centre activities.</p> <p>The city centre has diverse night-time precincts.</p> <p>There are quality urban design outcomes on all new public and private investment.</p> <p>There are short-term commercial activities in the city centre.</p> <p>Parking management decisions are based on what kind of place will attract and get people to stay for longer in the city centre.</p> <p>Developers consider the city centre as a good place to invest in city centre living.</p> <p>There is an increased presence of innovation institutions in the city centre.</p> <p>There is a clear hierarchy of Place Streets, Place-movement Streets, Laneways, and Movement Streets.</p> <p>There are no barriers to community-led public space activations in the city centre.</p> <p>Community-led activations in the city centre have the are supported and have the potential to scale-up.</p> <p>Community-led activations inform placemaking and infrastructure provision in the city centre.</p>	Ongoing actions	Start date	Involvement of partners
	Deliver a city centre play programme (Note: this will be delivered alongside the city centre play opportunities described in the Active communities plan)	2021/2022	Rangitāne o Manawatū Palmy BID Sport Manawatu Students (Schools, Youth Space, UCOL, IPU, Massey) Community groups and individuals
	Assist developers to invest in city centre redevelopment opportunities through a review of Council's Strategic Development Sites	2023/2024	Palmy BID Development Community Property Institute Rangitāne o Manawatū
	Endorse and contribute to the implementation of the UCOL Campus Development Plan	2022/2023	UCOL Palmy BID
	Deprioritise through-traffic in the City Centre street renewals, upgrades, and management	2021/2022	Palmy BID People on Bikes Forum Disability Reference Group
	Support heritage building owners to activate and celebrate heritage buildings	2021/2022	Palmy BID
	Support the Central City Business Improvement District	2021/2022	Palmy BID
	Implement the Placemaking and Palmy Unleashed and events programmes	2021/2022	Palmy BID Community groups and individuals
	Create a vacant shop activation programme	2021/2022	Palmy BID Property Institute
	Implement the Palmy Laneways Project	2021/2022	Palmy BID
	Provide precinct by precinct retail health reports	2021/2022	Palmy BID CEDA

<p>Existing Palmy Unleashed participants develop their activations into bigger, better, and more unique events.</p> <p>Business groups celebrate the unique culture of their precinct with activations and events, e.g. arts events in George Street and Little Cuba, food and entertainment in Broadway Avenue.</p> <p>A Central Library and Civic and Cultural Precinct meets the future needs of Palmerston North.</p>			Chamber of Commerce
	Include Rangitāne o Manawatū art and design in the City Centre	2021/2022	Rangitāne o Manawatū
	New and one-off actions	Completion date	Involvement of partners
	Review regulations and incentives in the Outer Business Zone and Inner Business Zone to direct office development towards the City Centre first	2023/2024	Development Community
	Trial and pedestrian counter technology	2022/2023	Local technology sector
	Implement the City Centre Lighting and Projection Demonstration Project	2021/2022	UCOL Massey University
	Implement a wayfinding strategy to increase legibility in public spaces in the city centre	2021/2022	Rangitāne o Manawatū
	Implement the Streets for People programme		Rangitāne o Manawatū Palmy BID
	Finalise the Civic and Cultural Precinct Masterplan	2022/2023	Rangitāne o Manawatū Te Manawa
	Review the City Centre Framework	2021/2022	

Placemaking chapter

Introduction

Placemaking is a community-based approach for the creation of public space. Placemaking provides opportunities for community leadership and participation in Council processes and activities.

Mā te tangata e whai wairua ai ngā wāhi huihui o Papaioea

It is through people that the gathering places of Palmerston North gain spirit

The purpose of this chapter is to involve communities and reinforce our unique city identity in creating public spaces.

Where are we now?

- Palmerston North is internationally well-regarded for its approach to placemaking.
- The placemaking approach in Palmerston North has grown from a momentum-led programme to a kaupapa/purpose-led programme, resulting in enhanced outcomes for building shared meaning from public spaces.
- Lighter, quicker, cheaper principles are applied across strategy, policy, and programme delivery.
- Seed funding is available to incentivise innovative use of public spaces.
- Placemaking efforts have typically been driven towards the city centre and event-based activations, but recently has been able to direct more attention towards tactical projects and the reinforcement of place identity in suburbs and villages.
- There is a tension between Council's recognition of public spaces as community-owned and as assets to control.
- A community of practice has been developed around local placemaking.
- Palmerston North has taken a lead role recently in contributing a placemaking lens towards New Zealand Transport Agency and Sport New Zealand initiatives, particularly around play.
- Advice, advocacy, and connecting citymakers together has been of more critical importance than seed funding to placemaking successes.
- New initiatives have branched out from the placemaking initiative (such as Palmy Unleashed and Passport to Play)
- The 'pilot and scale' approach tends to be successful in applying agile principles to new ideas, and has led to the development of some new tools and guidance for communities. However, the scaling-up of pilot projects is not happening fast enough to create promotable tools for communities to reinforce their neighbourhoods.

What do we want to achieve?	What actions will we take to get there?		
<p>Palmerston North is a global leader in community-led placemaking policy and practice.</p> <p>Whānau Ora principles are used to anchor Palmerston North's placemaking approach to reinforcing a unique sense of Papaioea – Palmerston North.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in Placemaking projects.</p> <p>Public spaces are co-created with the community.</p> <p>Capital public space programmes provide the room for place-led design and community-led placemaking.</p> <p>Welcoming Community principles guide the inclusiveness of placemaking projects.</p> <p>Tactical urbanism and street pilots are a standard approach for testing and building confidence for new streetscape designs.</p> <p>There are opportunities for shared learning and mentorship between local placemakers.</p>	Ongoing actions	Start date	Involvement of partners
	Provide Placemaking promotion, advice, and seed funding citywide	2021/2022	Community groups and individuals
	Provide support for waste removal support for community-led clean up events	2021/2022	Palmy's Plastic Pollution Challenge Hei Manga Ora Environment Network Manawatū
	Provide tools for placemaking to citymaking partners (e.g. Neighbourhood Support, Sport Manawatū, Rangiwāhia Environmental Arts Centre Trust)	2021/2022	Citymaking partners citywide
	Embed an agile placemaking approach into infrastructure projects (such as berm public, play streets, road murals)	2021/2022	Palmy Placemaking Support Group
	Participate in New Zealand Placemaking Week each year	2021/2022	Palmy Placemaking Support Group Placemaking Aotearoa
	Pilot a local Park(ing) Day to generate interest in street-based placemaking	2021/2022	Palmy Placemaking Support Group Environment Network Manawatū
	New and one-off actions	Completion date	Involvement of partners
	Develop a placemaking kawenata/charter to guide the locally-sourced approach to placemaking	2023/2024	Rangitāne o Manawatū Palmy Placemaking Support Group
	Develop a food-truck friendly city Food Truck Manual	2021/2022	Local food-truck industry Hospitality NZ
	Develop a Community Gardens Manual	2022/2023	Manawatū Food Action Network
	Develop a local Play Streets Programme	2021/2022	NZTA Sport Manawatū Neighbourhood Support

	Develop a Road Mural Manual	2021/2022	NZTA Neighbourhood Support
	Council develops a tactical urbanism manual for enabling Council and community-led tactical streetscape pilots	2022/2023	NZTA Innovating Streets for People partners

3.1**DRAFT****10 year plan: Connected communities plan**

(July 2021-June 2024)

Chapters:

Community facilities

Community development

Social housing

Healthy communities

Events and festivals



10 Year Plan Connected communities

Connected communities and Council's strategic goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Connected Communities Plan primarily contributes to the Palmerston North City Council's goal of Connected and safe communities. The plan describes Council's activities for the first three years of the 2021-2024 10-Year Plan in five chapters: **Community facilities, Community development, Social housing, Healthy communities, and Events and festivals.**

Council priorities

The priorities of Goal 3: A Connected and safe community are:

1. Develop, provide, support or advocate for services, facilities, and events that create a connected, welcoming and inclusive community
2. Ensure the city has a healthy community where everyone has access to healthy, safe and affordable housing and neighbourhoods
3. Support communities to achieve their aspirations
4. Be a city where people feel safe and are safe

Purpose of the Connected communities plan

The Long-term Plan levels of service for this plan are:

- Provide the City Library that collects, curates and provides access to knowledge, ideas and works of the imagination that are primarily focused on meeting the needs of communities with the greatest needs and reflect the diverse and changing needs of communities
- Provide library programmes that support the development of literacy in all its forms
- Provide public toilets throughout the city, to a standard that meets public expectations
- Support community centre management groups to provide community centres that are responsive to the needs of their communities
- Provide cemetery services that are responsive to community needs
- Provide warm, safe and accessible social housing for older people, people with disabilities, and other people on low incomes who experience barriers to renting in the private market
- Support and fund communities and for-purpose organisations to build community, neighbourhood and organisational capacity and capability
- Provide, fund and support events so that Palmerston North has a full events calendar that caters well for different sectors of the city's population

Links with other plans

There are significant links between the Connected community plan and the achievement of Council's other goals:

10 Year Plan Connected communities

The Social housing Chapter outlines the specific actions the Council will take to deliver on the commitment to being a social housing provider, but Council also has a significant role to play in facilitating and supporting the achievement of other housing outcomes for Palmerston North. These actions are in the Housing and future development plan, and contribute to Goal 1: An innovative and growing city.

The Community development chapter sets out how Council will support communities, and the actions taken by communities will contribute to all other Council goals.

The Events and festivals chapter sets out Council's approach to providing and supporting events, although this chapter excludes events which are funded and supported for primarily economic city benefits. These 'Major events' are outlined in the Economic Development Plan under Goal 1: An innovative and growing city.

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- support community development activities
- encourage increasing responsiveness of the wider community sector to Māori
- engage early with Rangitāne o Manawatū in all planning and development for new and changing community facilities, including social housing
- collaborate with Rangitāne o Manawatū on events and festivals, particularly in the city centre and at the Manawatū River Park
- acknowledge the wealth of knowledge and experience held by Rangitāne o Manawatū about community wellbeing

These commitments will guide the implementation of all aspects of this plan.

Council documents that contribute to this plan

Cemeteries and Crematorium Bylaw

Community Funding Policy

Healthy Beverages Policy

Policy for the Use of Public Space

Smokefree Outdoor Areas Policy

Sun Protection Policy

Waste Management and Minimisation Bylaw

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

Community facilities

- Library users are satisfied with the services and programmes provided
- Library programmes reflect the changing needs of communities
- Community centres are well used
- Community centre users are satisfied with the community centre facilities and services
- Visitors to CET Wildbase Recovery are satisfied with the service provided
- Cemetery services are responsive to community needs
- Visitors to cemeteries are satisfied with the services provided
- Accessible and gender-neutral toilets are provided throughout the city, and especially in places where there is the most community activity
- Users of public toilets are satisfied with the services provided

Social housing

- Council's social housing is provided to older people on low incomes, people with disabilities on low incomes, and people on low incomes who experience other barriers to accessing housing in the private market
- Council's social housing tenants are satisfied with the social housing service they receive
- Council's social housing is warm and safe, as shown by compliance with the Otago Medical School He Kainga Oranga Rental Housing Warrant of Fitness Standard
- New Council housing is accessible (as shown by Lifemark 4 Star Design Standard accreditation)
- Council is an active participant and supporter of local social housing advocacy and initiatives
- There is significantly more social housing in Palmerston North

Community development

- There is an increase in community volunteering by people age under 65 years

10 Year Plan Connected communities

- The time taken to apply for Council's community funding is valued at less than 5% of the funding allocated
- More community-led projects are supported by Council
- Increasing capability of for-purpose organisations (self-assessment as measured by the Annual Navigator Survey report)

Healthy communities

- Decreasing prevalence of people smoking in public outdoor areas
- Healthy beverages replace sugar sweetened beverages at Council funded events and functions.
- Shade is available at public outdoor areas

Events and festivals

- Increase in occupancy rate for bookable public spaces and Council-owned facilities
- Increase in participation in community and city centre events
- Reduction in waste generated by events
- Increase in the percentage and number of events held outside the period October – March
- Increased community participation in events
- Greater satisfaction with the annual programme of events
- Increase in local volunteers involved in events in the city
- Increase in the range and diversity of community-led events in the city

Community facilities chapter

Introduction

Community facilities provide opportunities for people to participate in their communities. Opportunities to take part are encouraged when community facilities are planned and delivered in partnership with the communities they serve.

The purpose of this chapter is for communities to have access to community facilities. Libraries, community centres, cemeteries and other community facilities will be responsive to community needs.

Where are we now?

The City Library

- The purpose of public libraries is to “improve society by helping people understand themselves better [and to] help every user participate in the world around them”.¹
- Libraries support a ‘reading culture’ and respond to the growing need for digital literacy skills and for access to computer software and hardware.
- The City Library’s kaupapa is *Te Ara Whānui o Te Ao – To inspire people to explore the pathways of the world*.
- Council provides library services through the City Library, which is made up of four community libraries (Ashhurst, Awapuni, Highbury/ Te Pātikitiki, and Roslyn), the mobile library, Blueprint, and Youth Space.
- The City Library collects, curates and provides access to knowledge, ideas and works of the imagination that are primarily focused on meeting the needs of communities with the greatest needs and reflect the diverse and changing needs of communities.
- The City library provides programmes that support the development of literacy in all its forms. The purpose of these programmes is to encourage lifelong learning, research and innovation.
- The City Library provides opportunities for people to participate in their communities by directly providing ‘Crafternoon tea’, book clubs, pre-school programmes, the low vision support group, ‘Pūrerehua storytelling evening’, Lego create sessions, ‘Collect-a-comic’, ‘Off the page’ and ‘Tea and tales’.
- The City library facilitates further community connections by hosting other organisations’ events and programmes, such as the Age Concern ‘Steady as you go’ programme.
- Youth Space is a hub where young people aged 13-19 years can access library collections, participate in programmes and activities, and are assisted to access other youth services.
- Blueprint: The City Library Makerspace provides opportunities for people to use creative resources, such as 3D printers, design software, sewing equipment and fabrication technology.

¹ Public Libraries of New Zealand. (2014). *Why libraries?*

- Three quarters (74%) of Palmerston North residents have visited a Council library at least once in the past twelve months and a quarter of residents have visited at least once a month.²
- There is a high level of participation in programmes delivered through the City Library.
- All City Library sites aim to be welcoming, accessible, and responsive to community needs. Success in achieving this objective is evidenced by the consistently high community satisfaction with public libraries; 90% of people in the Annual Residents' Survey who had visited libraries in the last 12 months either 'satisfied' (47%) or 'very satisfied' (44%).
- Provision for the redevelopment of the Central Library was included in the 2018 Long Term Plan, however seismic issues with the building were subsequently discovered and these plans were put on hold. Council deferred decision-making until the wider Civic and Cultural Precinct Masterplan is considered.
- The Awapuni Library has outgrown the space available and there is an informal group in Awapuni who want to work with Council to consider the future of this library.
- The 2018-28 10-Year Plan identified that Te Pātikitiki Highbury Library does not meet community needs. A review of the future options for Te Pātikitiki was completed in 2019, but Council deferred decision-making to this current 10-Year Plan process.
- There was \$4.4m budgeted in year 7 of the 2018-28 10-Year Plan for a community hub (potentially including a new library) in Kelvin Grove. The review of this proposal planned for 2018 was not completed.
- The Community Services and Facilities Plan (agreed through the 10-Year Plan 2018-28) established some principles for the future development of community libraries; new services should be integrated and provided in partnership with other services and they should be responsive to community needs. However, there is no policy guiding the development or redevelopment of the City Library.

Community centres

- Council provides eight community centres (Ashhurst Village Valley Centre, Awapuni Community Centre, Highbury Whānau Resource Centre, Kelvin Grove Community Centre, Milson Community Centre, Palmerston North Community Leisure Centre, Pasifika Community Centre, Rangiora Community Centre).
- Bunnythorpe Community Centre is being built this year and will be supported alongside the other centres in future.
- There are management agreements in place which require all centres to meet the same level of use, despite their individual histories and functions in the community. Some centres have strong relationships within their suburban settings, whereas others operate city-wide.
- The community centres are primarily community organisations (committees) which receive Council funding and support.

² Palmerston North City Council. (2020). *Annual Residents' Survey*.

- Use-hours are collected and we are currently developing a system for further collection of community centre user-data.
- Hokowhitu Village Centre has operated a library and meeting space for a decade in a privately-owned building. The trust requests that the centre be funded and supported by Council, alongside the eight other community centres.
- At the last 10-year plan hearings, representatives from St Marks Church requested Council to consider taking on the church property in Awapuni for continued community use. This property is near to the Awapuni shops and library.
- The proposed Kikiwhenua residential area, part of the wider Kakatangiata growth area, highlights the need for high-level planning for new community facilities. At present there is no allowance for community facilities in this proposed housing development.
- As with libraries, there is no policy guiding Council's response to community requests for the support or development of community centres (or similar facilities).

Hancock Community House

- Council owns and maintains Hancock Community House, which was established to provide suitable, secure and affordable accommodation and shared facilities for community organisations which primarily provide social services.
- Palmerston North Community Services Council (PNCSC) is contracted to manage meeting room bookings and the property's communal areas, including the reception desk.
- PNCSC maintains a relationship with tenants and acts as a point of contact for Council on the property.
- There is no long-term plan for the future of Hancock Community House beyond the management agreement with PNCSC.

CET Wildbase Recovery

- The Central Energy Trust Wildbase Recovery Centre opened in 2019 and is a partnership between Massey University and Council. The facility is owned by the Palmerston North City Council and co-managed by Massey University's Veterinary School. The role of the Wildbase Recovery Community Trust is to assist in raising operational funds for the ongoing costs of the centre.
- The Centre provides an opportunity for the community to see native wildlife rehabilitating after receiving treatment at Massey University's Wildbase Hospital.
- Staffing has increased since the Centre opened and now enables longer weekend opening hours and more education outreach to schools.
- Survey responses from the first full year of operation show that the large majority of users were either 'satisfied' (40%) or very satisfied '(46%) with their Wildbase experience

Cemeteries

- Council is required by legislation to provide cemeteries for the community of Palmerston North. The Cemeteries and Crematorium Bylaw provides for the management of the cemeteries and crematorium.

- Council provides and operates four cemeteries (Kelvin Grove, Terrace End, Ashhurst and Bunnythorpe) and a crematorium at Kelvin Grove.
- The crematorium provides a service for the Manawatū region, and fees are higher for people from outside Palmerston North.
- Community expectations of cemetery services are changing. While services are increasingly responsive to different cultural and religious needs, other aspects of their operation are less responsive to community expectations (such as hours of operation and online services).
- Almost half of the respondents to the Annual Residents' Survey had visited a council cemetery in the past year, and three quarters of these people were either 'satisfied' (51%) or 'very satisfied' (22%) with the services.
- There is no special acknowledgement of Rangitāne o Manawatū in the city cemeteries.

Public toilets

- Public toilets are provided throughout the city to enable people to get out and about.
- New toilets are built in public places where most community activity takes place. For example, the most recently built toilets are at either end of He Ara Kotahi.
- All new toilets are both accessible and gender neutral, and these standards are also met, where possible, in the refurbishment of existing toilet blocks.
- Around three quarters of the respondents to the Annual Residents' survey have used a Palmerston North public toilet in the past year.³ Most of these people are reasonably satisfied with the services provided (55%) and just 11% were dissatisfied. These responses were consistent with those from the year before.

³ Palmerston North City Council. (2020). *Annual Residents' Survey*.

What do we want to achieve?	What actions will we take to get there?		
	Ongoing actions	Start date	Involvement of partners
<p>The design and operation of community facilities is culturally appropriate and reflects the diversity of the community.</p> <p>Community facilities create a sense of community ownership and inclusion for all, including newcomers.</p> <p>Community facilities are well-used.</p> <p>Planning for community facilities is based on need.</p> <p>Rangitāne o Manawatū has opportunities for early involvement in the development and review of community facilities.</p> <p>No new community centres, libraries or hubs are developed until there is a coherent plan for community facility development.</p> <p><i>City Library</i></p> <p>All current city library services are provided to a (continued) high level of community satisfaction.</p> <p>All programmes are targeted towards areas of greatest need.</p> <p>The Central Library is a core part of the wider Civic and Cultural Precinct Masterplan.</p> <p>There is a policy and plan for the provision of library services throughout the city. This plan addresses the currently identified issues in Awapuni, Kelvin Grove, Te Pātikitiki, Hokowhitu, new areas of housing growth, and any other areas of emerging need.</p> <p>The plan for future services includes contributions of community partners.</p> <p>The City Library encourages wide community use and actively minimise barriers to access.</p> <p><i>Community centres</i></p> <p>All current community centres are easy to book, frequently used, and provided to a high level of user satisfaction in accordance with the management agreement with Council.</p> <p>Community centre management agreements reflect the characteristics of each centre and its community.</p> <p>There is a policy and plan for the support of community centres throughout the city. This policy and plan address the currently identified issues in Awapuni (St Marks), Hokowhitu, new areas of housing growth, and any other areas of emerging need.</p>	<p>Provide library collections and services in accordance with New Zealand public libraries best practice through all City Library locations:</p> <ul style="list-style-type: none"> the Central Library Ashhurst, Awapuni, Highbury/ Te Pātikitiki, and Roslyn community libraries the mobile library Blueprint, and Youth Space. 	2021/2022	<p>Public Libraries of New Zealand</p> <p>Rangitāne o Manawatū</p> <p>National Library of New Zealand</p>
	<p>Provide library programmes in accordance with New Zealand public libraries best practice through all City Library locations:</p> <ul style="list-style-type: none"> the Central Library, Ashhurst, Awapuni, Highbury/ Te Pātikitiki, and Roslyn community libraries the mobile library Blueprint, and Youth Space 		<p>Community centre management committees</p>
	<p>Provide, in accordance with management agreements, and support the use of community centres:</p> <ul style="list-style-type: none"> Ashhurst Village Valley Centre Awapuni Community Centre Highbury Whānau Resource Centre Kelvin Grove Community Centre Milson Community Centre Palmerston North Community Leisure Centre Pasifika Community Centre Rangiora Community Centre Bunnythorpe Community Centre 		
	<p>Provides suitable, secure and affordable accommodation and shared facilities for for-purpose organisations through Hancock Community House</p>		<p>Community Services Council</p> <p>Hancock Community House tenants</p>
	<p>Fund Palmerston North Community Services Council to manage the day-to-day operations of Hancock Community House</p>		
	<p>Provide education programmes and visitor experiences at Wildbase Recovery Centre.</p>		

<p><i>Hancock Community House</i></p> <p>Hancock Community House has a sustainable management structure with clear roles for Council and Palmerston North Community Services Council.</p> <p>Hancock Community House provides suitable, secure and affordable accommodation and shared facilities for for-purpose organisations, which primarily provide social services.</p> <p><i>CET Wildbase Recovery</i></p> <p>CET Wildbase Recovery provides education programmes and visitor opportunities visit to a (continued) high level of satisfaction.</p> <p>All parties involved in the delivery of the centre have clearly defined roles and responsibilities.</p> <p><i>Cemeteries</i></p> <p>All cemeteries services are provided to a high level of visitor satisfaction.</p> <p>The crematorium provides a service for the Manawatū region, and fees are the same for all users.</p> <p>Cemetery services are responsive to changing community needs and are delivered in customer-focused ways.</p> <p>Palmerston North people have access to a natural burial option in the Manawatū/Whanganui region.</p> <p><i>Public toilets</i></p> <p>There are clean, accessible and gender-neutral (where practicable) public toilets provided throughout the city.</p> <p>New toilets are developed in the most popular locations.</p>	Provide cemeteries at Kelvin Grove, Terrace End, Ashhurst and Bunnythorpe		
	Provide and operate a crematorium at Kelvin Grove cemetery		
	Provide gender-neutral and accessible public toilets throughout the city		
	New and one-off actions	Completion date	Involvement of partners
	Develop a plan for the delivery of library services in Palmerston North	2021/2022	City Library user-groups Rangitāne o Manawatū Potential partner organisations
	Develop a plan for the delivery of community centres (and libraries) in Palmerston North	2021/2022	Community centre management committees and users of Council facilities
	Plan and provide new community centres, libraries or hubs in accordance with city-wide needs assessment and planning	2023 onwards	
	Assess the accessibility of Council facilities, particularly for people with disabilities	2021/2022	
	Implement online booking system for community centres	2021/2022	
	Develop a plan for the future of Hancock Community House	2021/2022 2021/2022	Tenants of Hancock Community House Community organisations Palmerston North Community Services Council
	Review the requirements for the day-today operation of Hancock Community House		
	Develop an MOU with the Wildbase Community Trust	2021/2022	Wildbase Community Trust
	Develop online services for cemeteries	2021/2022	
	Review opening hours of cemeteries	2021/2022	
	Centrally locate customer service office at Kelvin Grove Cemetery	2022/2023	

Community development chapter

Introduction

Palmerston North is home to diverse communities of identity, interest and place.

Community development is “the process of enabling diverse groups to share concerns, plan for the future, capitalise on opportunities and strive toward wellbeing”.⁴ Empowered and well-connected communities, served by sustainable for-purpose organisations⁵, can support every person to thrive.

For-purpose organisations are sustainable when they have funding, volunteer support, and the time to build relationships and learn from others. The purpose of this chapter is to have strong for-purpose organisations that support communities to achieve their aspirations.

Where are we now?

- The city is served by for-purpose organisations of all types which work to enhance community wellbeing. Stats NZ research shows that nationally these organisations contributed \$8.1 billion to GDP in 2018, and the value of volunteering was estimated at \$4 billion.
- Many people in Palmerston North enjoy a comfortable standard of living. However, the 2013 New Zealand Index of Multiple Deprivation shows that some Palmerston North neighbourhoods face higher levels of deprivation than others. Overall the city has good health and access to services, but could improve in the areas of income, adequate employment, and crime rates.
- In 2018 10.9% of Palmerston North residents reported participation in volunteering, slightly higher than the national rate of 10.1%, which is a decrease from 2013 (11.5% and 11.1% respectively). People age 65+ are more likely to volunteer than any other age group.
- For-purpose organisations face challenges due to increased reporting and compliance requirements, new patterns of donating and grant-making, and the evolving needs of volunteers, board members, employees and communities.
- Council funds for-purpose organisations with rental subsidies and rates remissions in line with the Council’s Rates Remissions Policy 2018. There is currently no Council-adopted policy guiding rental subsidies.
- Council allocates over \$2 million in community grants per year in line with the Community Funding Policy. A 2018 comparison showed that, per capita, Council offers a more community funding than some other local authorities. However, funding programmes are increasingly oversubscribed, especially for funds that support the ongoing operational costs of for-purpose organisations (rather than one-off projects).

⁴ Department of Internal Affairs. (November 2002). *A Framework for Developing Sustainable Communities: Discussion Paper* (November).

⁵ “For-purpose organisations” are charities, social enterprises and other nongovernmental entities that deliver a community benefit and reinvest surplus funds into achieving their goals. The term is used in place of “community groups” to distinguish communities from formalised organisations.

- Community funding is delivered in an efficient and transparent way, but Council funding programmes are numerous and unnecessarily complex.
- There is tension between Council's role as a public funder and its desire to encourage self-determining communities and organisations. Council must be willing to devolve power and resources to communities, while ensuring transparency and public accountability.
- Council is a signatory to the Kotahitanga Alliance partnership agreement (2016) to prioritise and promote a set of regional Whānau Ora outcomes to provide excellence in service delivery for whānau.
- Rangitāne o Manawātū takes a leadership role in community development in the city, utilising their kaitiaki role to work alongside communities and organisations in achieving wellbeing.
- Palmerston North has a higher Māori population than New Zealand as a whole (18.7% and 16.5% respectively in 2018). The city's has strong ethnic communities and at the time of the 2018 census there were 126 different languages spoken here.
- Palmerston North is accredited as an Established Welcoming Community under a national programme. Council recognises that communities are healthier, happier and more productive when newcomers are welcomed and participate fully in society and in the local economy.
- Council has strategic partnerships with membership agencies for people and organisations involved in the social, arts, recreation and environmental sectors. These agencies empower and advocate for community organisations and individuals, deliver capability-building services, and are key to achieving a sustainable community sector. They have long-running relationships with Council and receive operational funding through a contestable process every three years. This contestable process can make it difficult for these agencies to support their members, who may also be applying for Council grants.
- Some strategic connecting agencies have additional agreements with Council, such as the management of facilities (such as Hancock Community House, Square Edge, and the Stomach), the administration of funding (such as Community Development Small Grants Fund and Environmental Small Grants) and the delivery of training (the Community Groups Training Fund).
- Council encourages and recognises voluntary work by individuals by the annual presentation of Civic Honour Awards, and funds for-purpose organisations that support volunteers. Council recognises that volunteers are a vital part of what makes for-purpose organisations and community-led initiatives successful.

What do we want to achieve?	What actions will we take to get there?		
<p>Local communities (of identity, interest and place) have the capacity, capability and tools to understand their own challenges, set their own goals, and lead their own actions in response.</p> <p>Neighbourhoods and villages in Palmerston North are home to well-connected communities with a sense of place identity (see the Placemaking chapter).</p> <p>Members of local communities build relationships and are at ease connecting with and learning from each other.</p> <p>Council supports community-led initiatives, with a focus on those led by Māori, Pasifika, ethnic communities, former refugees, people with disabilities, children, young people, and older people.</p> <p>Palmerston North people embrace diversity.</p> <p>For-purpose organisations are well-led, sustainable and responsive to community aspirations.</p> <p>Governance bodies reflect the diversity of Palmerston North.</p> <p>Council takes the lead from communities in understanding how it can support projects and services that are of value to them, and where possible provides communities with the resources to deliver their own initiatives.</p> <p>Council community development activities acknowledge the city's bicultural foundations and intercultural aspirations.</p> <p>Rangitāne o Manawatū is supported to lead the achievement of Whānau Ora outcomes for local communities.</p> <p>Council participates in or facilitates collaborative networks designed to share resources and increase community impact.</p> <p>Palmerston North continues to be a national leader in moving from an Established to an Advanced accreditation through the Welcoming Communities programme.</p> <p>Council's grant and rental subsidy processes are transparent, responsive, and empower communities.</p> <p>Projects initiated by Palmerston North communities and for-purpose organisations attract national funding into the city.</p> <p>The city's strategic coordinating agencies are in a strong position to support for-purpose organisations, growing their sustainability and effectiveness.</p>	Ongoing actions	Start date	Involvement of partners
	Identify opportunities for organisational improvements which align with the aspirations of for-purpose organisations	All 2021/2022	For-purpose organisations
	Build and maintain relationships with local communities of identity, interest and place to understand their strengths and aspirations, utilising dedicated roles where possible		For-purpose organisations
	Provide advice, including governance support, funding expertise, and event and project support, to communities and for-purpose organisations		For-purpose organisations
	Provide support to community groups to increase freely-available food crops in the city		For-purpose organisations
	Integrate how Māori models of wellbeing can be reflected in community development work		Rangitāne o Manawatū
	Regularly develop and implement Welcoming Plans		Welcoming Communities Advisory Group Rangitāne o Manawatū
	<p>Administer grants in line with the [draft community support policy out for consultation alongside the 10 Year Plan]</p> <p>Current funding programmes:</p> <ul style="list-style-type: none"> • Creative Communities Scheme • Arts Event Fund • Celebrating Communities Fund • Local Initiatives Fund • Strategic Priority Grants • Small Grants • Youth Council grants and scholarships 		
	Lease Council land and facilities to for-purpose organisations in line with the [draft community support policy out for consultation alongside the 10 Year Plan]		Leaseholders
	Support the city's strategic coordinating agencies to deliver training, networking and professional development opportunities for employees, volunteers and board members of for-purpose organisations		Palmerston North Community Services Council Sport Manawatū Environment Network Manawatū Manawatū Multicultural Council Square Edge Community Arts Creative Sounds Society Volunteer Central
	Work with for-purpose organisations to increase volunteerism and community leadership, including understanding and responding to existing barriers to participation		Volunteer Central

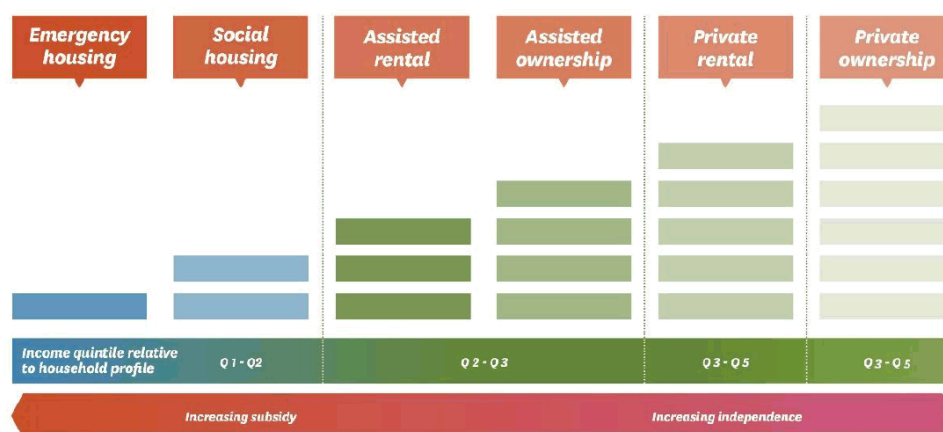
Palmerston North people of all ages volunteer at a high rate and have the skills and experience to do so effectively.	Monitor for-purpose organisations contracted or funded by Council against agreed outcomes		For-purpose organisations
	Run the Civic Honour Awards programme		Local communities For-purpose organisations
	Participate as a member of the regional Whānau Ora Strategic Innovation and Development Group		Whānau Ora Strategic Innovation and Development Group
	Support and strengthen Māori community networks and agencies as they work to address issues of opportunity and concern		Rangitāne O Manawatū Local communities For-purpose organisations
	Participate as a signatory to the Kotahitanga Alliance partnership agreement (2016) to support the achievement of Whānau Ora outcomes	2021/2022	MBIE, MSD, Kāinga Ora, Te Puni Kōkiri MidCentral DHB, Central PHO Te Pou Matakana Te Tihi o Ruahine Whānau Ora Alliance
	New and one-off actions	Completion date	Involvement of partners
	Review Council’s Civic Honours Awards to ensure they reflect the diversity of Palmerston North	2021/2022	
	Provide Council communication materials that are inclusive and reflect the diversity of the local community	2021/2022	Disability Reference Group Manawatū Multicultural Council
	Provide and support initiatives that promote participation in the community	2021/2022	Disability Reference Group

Social housing chapter

Introduction

Access to adequate housing is a major public health issue in New Zealand. Poor quality housing is associated with negative social outcomes, for individuals and for communities.⁶ The provision of social housing is one of the responses Council can make to contribute to an improvement in social outcomes for the community. Figure 1 (below) shows how social housing fits within the whole housing continuum.

Figure 1: Housing continuum



Source: Community Housing Aotearoa

The purpose of this chapter is to provide warm, safe and affordable social housing and to have a strong social housing sector.

⁶ Telfar-Barnard, L., Bennett, J., Robinson, A., Hailes, A., Ombler, J., & Howden-Chapman, P. (2019). Evidence base for a housing warrant of fitness. SAGE open medicine, 7, 2050312119843028.

Where are we now?

- Housing affordability in Palmerston North has gradually decreased over the past several years. In December 2018, 66% of rental households in Palmerston North were below the National Affordability Benchmark for renting, compared with 70% three years before.⁷
- The need for social housing reflects this broader context of housing affordability. Over the past three years, the Ministry of Social Development's social housing register (waiting list) in Palmerston North has increased by 252%, to 550 households.⁸
- Palmerston North City Council became a social housing provider in the 1960s, benefitting from central government loans to fulfil the traditional local government role as a landlord for older people on low incomes.
- A decade ago, Council extended its role as a social housing provider to include people with long-term disabilities among its tenants.
- In 2015, Council further decided that the 100 public housing units (previously designated as investment properties) would also contribute to achieving Council's social housing goals.
- There are around 400 individuals or households on the waiting list for Council's housing, an increase over time. Around half of these applicants are for subsidised housing.
- The 2018-2028 Long Term Plan confirmed Council's role as a social housing provider, and made a commitment to increase the number of social housing units.
- After completing the first stage of the redevelopment and expansion of the Papaioea Place social housing complex in 2020 (an increase of 14 new units), Council now provides 407 social housing units for older people, people with long term disabilities, and people who experience barriers to accessing housing in the private rental market.⁹
- Seventy-two Council social housing units are provided at market rental rates to people who also meet the specified housing criteria.
- The balance of Council's social housing is provided at subsidised rental rates.¹⁰
- Council's social housing meets the Otago Medical School He Kainga Oranga Rental Housing Warrant of Fitness Standard and the new Healthy Homes Standards (required by law for all rental housing by July 2024).
- Maintenance costs are not currently funded adequately (in the 2018-28 10 Year Plan).
- Tenant satisfaction [still to be included].

⁷ Statistics New Zealand.

⁸ Between March 2017 and June 2020 the national social housing register increased from 4,865 to 18,520 (381%). In Palmerston North the number of households on the register increased from 130 to 550 (423%).

⁹ To be eligible for Council social housing tenants must be 1. a superannuitant with a Community Services Card OR 2. receive the Supported Living Payment (or equivalent) OR 3. be on a low income with a Community Services Card and experience barriers to meeting their housing needs in the private market OR 4. be an international student family from a developing country (confirmed by a tertiary institution) AND (for 1-4) 5. have assets of less than \$40,000 (excluding a vehicle, household and personal effects and prepaid funeral arrangements).

¹⁰ Subsidised rentals will be no more than 30% of Superannuation, Supported Living Payment, Jobseeker Support (or other relevant benefit).

- Council contributes to meeting the social housing needs in Palmerston North alongside other government and community providers.
- Kāinga Ora¹¹ provides most of the social housing in Palmerston North, and there are also several small and well-established community providers.
- Kāinga Ora has plans to build around 500 new homes within the wider region in the next three years.
- Other social housing providers may register to take advantage of the Government's Income Related Rent (IRRS) subsidy for eligible tenants, but local authorities are unable to access this subsidy.

¹¹ Government agency Kāinga ora was established in 2019, combining the Kiwibuild Unit, Housing New Zealand Corporation and the development subsidiary HLC. Kāinga ora currently provides around 1,430 social housing properties in Palmerston North.

What do we want to achieve?	What actions will we take to get there?		
<p>Council's social housing provision makes a significant contribution to meeting the needs for social housing in Palmerston North, alongside government and community providers.</p> <p>Rangitāne o Manawatū and the Kotahitanga Alliance have opportunities for involvement in the development and review of social housing.</p> <p>Council's social housing meets the needs of older people on low incomes, people with disabilities on low incomes, and people on low incomes who experience other barriers to accessing housing in the private market.¹²</p> <p>Seventy-two Council social housing units are provided at market rental rates to people who also meet the specified housing criteria.</p> <p>The needs of the three main tenant groups are balanced, and no one group 'crowds out' another.</p> <p>Council's tenants are supported and satisfied with the social housing service they receive.</p> <p>Council's social housing is warm, safe, and accessible, and delivered in the most effective way.</p> <p>Maintenance on council social housing is delivered proactively in accordance with the proposed Asset Management Plan.</p> <p>Council's social housing is delivered according to best-practice standards in the social housing sector.</p> <p>Social housing networks in Palmerston North are strong and provide co-ordinated advocacy to government.</p> <p>There is an increase in warm, safe, and accessible social housing in Palmerston North.</p>	Ongoing actions	Start date	Involvement of partners
	Provide social housing for older people on low incomes, people with disabilities on low incomes, and people on low incomes who experience other barriers to accessing housing in the private market according to the current eligibility criteria	All 2021/2022	
	Provide social housing according to best practice guidance and subject to peer review		Community Housing Aotearoa Housing Needs Monitoring Group
	Provide support for Council tenants (either directly or through another agency)		Community support agencies
	Provide support for Council tenants, either directly or where agreed with the tenant, by facilitating the connection of the tenant with community support agencies		Community support agencies
	Provide social housing compliant with the Otago Medical School He Kainga Oranga Rental Housing Warrant of Fitness Standard		Otago Medical School He Kainga Oranga
	Build and renew social housing to the Lifemark 4 Star Design Standard, where feasible		Lifemark ¹³
	Advocate for increased support for local and national initiatives to increase the provision of warm, safe and accessible housing for people on low incomes in Palmerston North		Te Tihi o Ruahine Whānau Ora Alliance Housing Needs Monitoring Group Housing Working Group
	Support local social housing initiatives, including collaboration with the Kotahitanga Alliance		Te Tihi o Ruahine Whānau Ora Alliance
	New and one-off actions	Completion date	Involvement of partners
	Build new social housing	2021/2022	Rangitāne o Manawatū Kotahitanga Alliance and member organisations

¹² To be eligible for Council social housing tenants must be 1. a superannuitant with a Community Services Card OR 2. receive the Supported Living Payment (or equivalent) OR 3. be on a low income with a Community Services Card and experience barriers to meeting their housing needs in the private market OR 4. be an international student family from a developing country (confirmed by a tertiary institution) AND (for 1-4) 5. have assets of less than \$40,000 (excluding a vehicle, household and personal effects and prepaid funeral arrangements).

¹³ Lifemark is a commercial division of CCS Disability Action. Lifemark works alongside designers and builders to offer advice based on the principles of Universal Design. A Lifemark Star Rating is an official accreditation.

Healthy communities chapter

Introduction

Community wellbeing includes all aspects of health, te whare tapa whā, and includes the promotion of physical wellbeing. Community venues, events, and public spaces provide opportunities to improve the health of communities. The purpose of this chapter is to improve the health of communities in Palmerston North.

Where are we now?

- Council aims to encourage people in outdoor public places to be smokefree. The Smokefree Outdoor Areas Policy is implemented with the guidance of the Smokefree reference group. This is a collaborative group includes non-government organisations, government agencies, and Council officers from a range of Council units.
- The smokefree reference group conducted a survey titled 'attitudes towards smoking and vaping in outdoor areas in Palmerston North' in 2019 which was well responded to. Most respondents were generally supportive of smokefree measures in Palmerston North. Most respondents were supportive of vape-free and smokefree measures in outdoor dining areas.
- Businesses may be granted a permit to utilise the Council owned footpath to place table and chairs (under the Signs and Public Places Bylaw) and such permits include the condition of ensuring the area has visible smokefree signs and no ashtrays or similar devices. The recent renewal of the permits did not include the collection of data to understand whether these conditions were being met by permit holders.
- In 2019 an audit was completed on Council reserves to understand if there was adequate shade at parks and reserves (primarily at spots where people gather such as seats and playgrounds).
- The Sun protection policy (2010) makes a commitment for Council to provide adequate sun protection through the provision of shade in public venues and event but has not been consistently implemented.
- The Council adopted a Healthy Beverages Policy in 2018 which requires the provision of healthy beverage choices at Council venues and events. Significant progress has been made towards implementing this policy. The healthy beverages policy has yet to be reviewed since it was introduced in 2017.

What do we want to achieve?	What actions will we take to get there?		
<p>Council contributes to creating a culture in Palmerston North where healthy choices are encouraged and easy to make.</p> <p>Rangitāne o Manawatū has opportunities for involvement in the development and review of council policies and initiatives to promote community health and wellbeing.</p> <p>Outdoor areas that are owned and operated by Council are recognised as smokefree areas.</p> <p>Outdoor areas that are owned and operated by Council have adequate shade.</p> <p>Events that are funded or organised by Council comply with Council's healthy policies.</p> <p>All new projects consider the relevant health related policies in the design phase.</p>	Ongoing actions	Start date	Involvement of partners
	Raise awareness of the health-related policies including, smokefree, sun protection and healthy beverages policy	All 2021/2022	Smokefree Reference Group and member organisations Midcentral DHB Rangitāne o Manawatū
	Collect information from permit holders (use of footpath) to understand whether permit conditions are being met under the Signs and Public Places Bylaw		
	Provide sun protection at events and public places in accordance with the Sun protection policy		
	Promote smokefree Palmerston North in accordance with the Smokefree outdoor areas policy		
	Provide and facilitate the provision of beverages at Council events and facilities in accordance with the Healthy beverages policy		
	New and one-off actions	Completion date	Involvement of partners
	Include the consideration of health policies in the design phase of projects	2021/2022	Midcentral Health DHB
	Investigate the development of a Health Charter in partnership with Midcentral Health	2022/2023	Midcentral Health DHB

Events and festivals chapter

Introduction

Community events bring significant benefits to Palmerston North people. They provide opportunities to support community identity, and to celebrate our city. A strong events sector enables these benefits to be realised.

We classify events as:

- Local: events providing social benefits for residents, with the potential for growth
- Programmed: the core business for many of the region's venues e.g. theatre and museum programmes
- Major: large-scale events which attract significant benefits for the city through interest, profile or visitation [refer to the Economic development plan under Goal 1]
- Iconic: events that attract national interest and define Palmerston North's identity

The purpose of this chapter is for people to have opportunities to take part in a variety of local, programmed and iconic events.

Where are we now?

- Most of the city's events are led by local communities. The events take many forms, including gala days, cultural and religious festivals, fundraising events, art exhibitions, project launches, and national day and New Year celebrations for the many different communities living in the city.
- Council support for events and festivals includes the provision of facilities, dedicated funding, equipment and advice.
- The city is a central and accessible location for national and regional events. National secondary sports tournaments and major regional sports events are regularly held in Palmerston North, capitalising on the sports infrastructure already in the city.
- The city is home to iconic events that are truly Palmerston North, such as the Festival of Cultures, and major events that attract visitation from around the country, such as the National Young Performer Awards and New Zealand AgriFood Investment Week.
- Palmerston North is an accredited established Welcoming Community. Part of the outcomes-based standard measures how well culture and identity are respected and valued in the city.
- Council delivers or contracts out the delivery of annual city events including Anzac and Armistice Day, A Very Palmy Christmas, Explore Esplanade Day, Festival of Cultures, Fireworks and New Year's Eve in the Square.
- Progress has been made on incorporating Māori community priorities, tikanga and te reo Māori into significant city events.
- There is limited coordination of funding and advice available for community events.
- The Celebrating Communities Fund supports a diverse range of events each year but is increasingly oversubscribed, which puts pressure on event organisers.

- Palmerston North has an extensive and diverse events programme, but many events are centralised over the warmer months with limited provision throughout the rest of the year.

What do we want to achieve?	What actions will we take to get there?		
<p>There is strong and user-friendly event infrastructure available to local communities, including facilities, equipment, venues and advice to meet their aspirations.</p> <p>Palmerston North has a full events calendar that caters well for different sectors of the city's population.</p> <p>Palmerston North is an easy place to hold events and provides resources, coordinated funding and tools for community members and event organisers to build capability, plan, market and deliver events within the City.</p> <p>The city's Māori cultural events are supported to grow under the leadership of Rangitāne o Manawatū.</p> <p>The role of Rangitāne o Manawatū in welcoming guests and leading civic engagement on behalf of the community is honoured.</p> <p>Council support for events is clear, accessible, and user-friendly.</p> <p>Palmerston North has varied calendar of Local and Programmed community events that reflect and build on the city's identity</p> <p>Council venues accommodate the varied needs of community events and are community-focused in their services.</p> <p>Council-events are inclusive and reflect the increasingly diverse city.</p> <p>Palmerston North continues to host a few Iconic events including a new signature event that reflects and connects the region and celebrates its strengths.</p> <p>Council events are held in accordance with Council's sustainable practices goals.</p> <p>Information on events and activations taking place in the city is easy to find through a customer-centric, one-stop portal for events.</p> <p>Community event funding is coordinated across Council.</p> <p>The regional events industry collaborates to understand the events landscape, recognise opportunities and encourage successful events.</p> <p>Communities of identity, interest and place have opportunities to connect and celebrate through community events.</p>	Ongoing actions	Start date	Involvement of partners
	Provide a point of contact to ensure user-centric navigation of Council processes and resources for event organisers	All 2021/22	
	Co-ordinate enquiries and bookings for events and activities on Council land, manage bookings for the city's street flags and banners, and loan events equipment to event organisers		
	Work with event organisers to develop innovative ways to build valuable event experiences		
	Ensure city venues are fit-for-purpose		CCOs
	Identify and facilitate opportunities for new community events, particularly those that appeal to the core markets of younger people (age 18-34), people with kids at home, Māori, and older residents (age 55+)		
	Provide resources and support to enable waste minimisation and diversion practices at all city events		Environment Network Manawatū
	Collaborate with event organisers to balance a programme of peak and off-peak events and activities across the year		
	Coordinate delivery of Council's annual community events programme		
	Maintain relationships across community event organisers		
	Demonstrate best practice environmental, economic and social sustainability at all Council delivered events		
	Provide a portal for information on events and activations taking place within the city		
	Administer events grants in line with the [draft community support policy out for consultation alongside the 10 Year Plan]		
	Current funding programmes: <ul style="list-style-type: none"> • Creative Communities Scheme • Contestable Community Events Fund • Arts Event Fund • Celebrating Communities Fund • Sports Event Partnership Fund 		
	Support communities of identity to share major cultural celebrations with the city		Manawatū Multicultural Council Local communities
	Incorporate Māori community priorities, tikanga and te reo Māori into city events		Rangitāne O Manawatū
	Rangitāne O Manawatū leads events for Waitangi Day and Matariki Pūanga		Rangitāne O Manawatū

	Provide support to grow the city’s calendar of Māori cultural events		Rangitāne O Manawatū
	New and one-off actions (actions which do not continue)	Completion date	Involvement of partners
	Establish a strategic framework to capture and assess performance indicators across Local, Programmed and Iconic events	2021/22	
	Develop an event sustainability metrics dashboard	2022/23	Environment Network Manawatū
	Develop and implement an event sustainability best practice guide	2021/22	Environment Network Manawatū
	Develop a range of tools and resources including best practice principles to support community members to plan, market and deliver events	2021/22	
	Design and develop a signature event that reflects and connects the region and celebrates its strengths	2022/23	
	Establish an event forum network and stakeholder partnerships	2022/23	Event industry
	Develop a standardised survey for monitoring event satisfaction and community perception of pride in their city	2021/22	
	Use digital technology to develop a suite of bite-sized workshops and webinars to support community members and event organisers in the planning and delivery of events	2022/23	
	Develop and provide resources to implement event accessibility guidelines	2022/23	Disability Reference Group Manawatū Multicultural Council
	Review Council’s annual community events programme	2021/22	

3.2

DRAFT

10 Year Plan: Safe communities plan

(July 2021-June 2024)



10 Year Plan: Safe Communities

Safe communities and Council's strategic direction

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Safe Community Plan primarily contributes to the Palmerston North City Council's goal of Connected and safe communities. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan.

Council priorities

The priorities of Goal 3: A connected and safe community are:

1. Develop, provide, support or advocate for services, facilities, and events that create a connected, welcoming and inclusive community
2. Ensure the city has a healthy community where everyone has access to healthy, safe and affordable housing and neighbourhoods
3. Support communities to achieve their aspirations
4. Be a city where people feel safe and are safe

Purpose of the Safe communities plan

The Long-term Plan levels of service for this plan are:

- Coordinate and facilitate the work of the Safety Advisory Board to enable the fulfilment of its strategic plan
- Achieve the Manawātū Whanganui Civil Defence Emergency Management Group goals to build resilience and disaster preparedness for civil defence and emergency situations
- Enforces bylaws and legislation in relation to supply and sale of alcohol, stray and aggressive dogs, keeping animals, food and commercial premises, gambling, and excessive noise

Links with other plans

The actions in this plan also contribute to the achievement of the Connected communities plan. This is because Council recognises that the issues that underpin safety concerns can be attributed to a lack of community connectedness or whanaungatanga and opportunities to encourage this.

Rangitāne o Manawātū partnership

Council will work in partnership with Rangitāne o Manawātū and:

- support Rangitāne representation on the Safety Advisory Board as a key partner in community safety

These commitments will guide the implementation of all aspects of this plan.

10 Year Plan: Safe Communities

Council documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- Alcohol Control Bylaw
- Animal and Bees Bylaw
- Building Act
- Class 4 Gambling Venue Policy
- Contaminated Site management Strategy
- Dangerous and Insanitary Building Policy
- Dog Control Bylaw
- Dog Control Policy
- Local Alcohol Policy (under development)
- Local Approved Products Policy
- New Zealand Racing Board Venue Policy
- Palmerston North Local Approved Products Policy
- Signs and Use of Public Places Bylaw
- Speed Limits Bylaw

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Increasing perception of safety in Palmerston North
- More residents are satisfied with dog control outcomes
- Decreasing problem-gambling
- Decreasing alcohol-related harm
- Increase in collaboration on animal welfare initiatives
- Improvement in animal welfare at the Animal Shelter
- Decrease in crime in Palmerston North
- Increasing preparedness for emergency in Palmerston North (Manawatū-Wanganui CDEM survey)

Introduction

Community wellbeing includes all aspects of health, te whare tapa whā, and includes safety. The purpose of this plan is for people in Palmerston North to feel safe and be safe.

Where are we now?

Safety Advisory Board

- Formed in 2004, the Safety Advisory Board is a governance board for the Palmerston North safe community programme. Council provides facilitation support to the Safety Advisory Board, which is made up of representatives of agencies with an interest in safety.
- Palmerston North, through the Safety Advisory Board (SAB), was reaccredited as a 'Safe City' under the Safe Communities Foundation.
- The City Ambassadors programme is an initiative designed by the SAB. This runs during the summer months from December to March. The city ambassadors are inducted by the police and have a direct line to the police in the community. Their primary purpose is to patrol the city centre and assist the public with inquiries. They present as welcoming city hosts, but also assist with crime prevention and crime reporting. There have been three cycles of the programme so far.
- It is unclear whether the City Ambassadors programme is achieving its stated goals.
- The SAB has reviewed its strategic and agreed a broader scope in comparison to previous years, with the overall outcome being 'Palmerston North is a Safe Community'. The priority areas are:
 - Crime;
 - Connectedness and resilience;
 - Youth;
 - Housing;
 - Healthy lifestyles;
 - Education;
 - Employment and income.

Civil Defence emergency Management

- Council is a member of the Manawātū-Wanganui Civil Defence Emergency Management (CDEM) Group, which is based on regional boundaries and combines local councils, emergency services, health boards, Defence and the Ministry of Social Development. The CDEM group coordinates a regional approach to emergency management, overseen by the National Emergency Management Agencies (NEMA).
- In 2019 a survey was commissioned by the Manawātū-Wanganui CDEM to measure the regional communities' preparedness for, and resilience to emergency events. The survey found overall perception of preparedness in Palmerston North was lower than the regional average.

- Council is minimally meeting the CDEM goals which feed into the national plan. The goals are:
 - Reduce risks from hazards to acceptable levels;
 - Communities are aware of the hazardscape, are prepared and empowered to respond and recover from an emergency;
 - Agencies are aligned, prepared and able to provide an effective response to an emergency;
 - Communities and agencies can effectively recover from an emergency.
- The Emergency Operations Centre (EOC) is operating out of a newly purpose-built facility that meets legal specifications. This space is shared by Horizons and central government agencies.

Animal management and environmental health

- Work in this area is focused on maintaining compliance, as council's role and responsibilities are prescribed by legislation. The areas where Council has exercised some discretion are set out in Council bylaws and policies which are mentioned at the top of this document.
- Council delivers a regulatory response to safety concerns regarding:
 - Sale and supply of alcohol;
 - Stray and aggressive dogs;
 - Food and other commercial premises; and
 - Gambling;
- The number of dogs in the City is continuing to grow as Palmerston North experiences population growth.
- In 2019 Council's pound was renovated to meet the Ministry of Primary Industries code of welfare temporary housing of companion animals. Only dogs and sometimes livestock are housed temporarily in the Council pound.
- Council's animal management focus is predominantly on legislative compliance for dogs. Council educational programmes are focused on dogs and delivered at various community events and ad hoc outreach programmes.
- Council has successfully rehomed many dogs through its social media outreach programme, as well as working with community organisations.
- Council is a 'recognised agency' under the Food Act 2014.
- Council delivers a regulatory response to nuisance concerns regarding:
 - Keeping animals; and
 - Excessive noise.
- Council receives requests for cat traps, and these are issued when the Council is satisfied with the course of action the person will take after trapping a cat. From 01 July 2018 to 9 June 2020, 220 cat traps were issued by Council.

What do we want to achieve?	What actions will we take to get there?		
<p>Council supports SAB to be an expert local body, made up of members who are part of the network of programme developers and implementers contributing towards safety outcomes in the areas SAB have prioritised.</p> <p>Rangitāne o Manawatū are represented on the SAB.</p> <p>Council supports the SAB to fulfil the reaccreditation process in 2024 to maintain Palmerston North's Safe City Accreditation.</p> <p>High-level insights and gaps identified by the SAB in the areas they prioritised for safety outcomes are conveyed to relevant Council committees.</p> <p>Council meets the CDEM goals to the standard required by legislation</p> <p>Council meets a high level of compliance regarding its regulatory responses.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in safe community initiatives.</p> <p>Council delivers a consistent educational programme about dogs that is relevant and effective to the community.</p> <p>Council understands where the key cat colonies are in Palmerston North that are causing issues, with a view to developing options to approach these issues.</p>	Ongoing actions	Completion date	Involvement of partners
	Co-ordinate and facilitate the SAB, and the process to seek the Safe City reaccreditation in 2024	All 2021/2022	New Zealand Police
	Support the delivery of the 'crime prevention cameras' (CCTV) programme through the Safety Advisory Board		
	Implement the solutions to achieve CDEM goals to a standard required by legislation		
	Implement educational programme about dogs and other animals (within scope of Animal and Bees bylaw)		
	Engage an animal welfare community organisation to deliver cat management education and cat management plan	2022/2023	
	Provide regulatory services. <ul style="list-style-type: none"> Implement the Dog Control Bylaw Implement the Animal and Bees Bylaw Implement the Signs and Public Places Bylaw Implement the Alcohol Control Bylaw 	2022/2023	
	New and one-off actions	Start date	Involvement of partners
	Build a fit-for-purpose animal shelter to replace the dog pound	2023/2024	
	Complete a study to understand where the key cat colonies are in Palmerston North	2021/2022	

4.1

DRAFT

10 year plan: Climate change plan

(July 2021-June 2024)



Climate change and Council's strategic goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Climate change plan primarily contributes to the Palmerston North City Council's goal of becoming an Eco city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan.

Council priorities

The priorities of Goal 4: An eco city are:

1. Respect and Enhance the mauri of the Manawatū River
2. Work with the community to reduce carbon emissions
3. Regenerate native biodiversity
4. Invest in infrastructure that services to protect, enhance and preserve the environment
5. Use Council's legislative powers and policies to ensure urban development is sustainable now and into the future
6. Educate the community, in particular, property owners, on the benefits of investing in sustainable building design and green buildings
7. Demonstrate leadership and best practice by developing and implementing an environmental sustainability plan for the Council, Council-run events, and facilities

Purpose of the Climate change plan

The Long-term Plan levels of service for this plan are:

- Foster sustainable practices and behaviours so that city residents and organisations become more sustainable
- Develop policies and plans and work with city stakeholders to achieve the target of a 30% reduction in greenhouse gas emissions by 2031 and continue to reduce greenhouse gas emissions from Council's own activities

Links with other plans

The actions of all other Council plans continue to the achievement of this plan. This is because all Council activities have an impact on carbon emissions. Most of Palmerston North's emissions come from transport, land-use, housing, and commercial/industrial activities. Consequently, the actions in the City growth plan, Economic development plan, Transport plan, and Environmental sustainability plan are particularly relevant.

Climate change is expected to create significant challenges for the city, particularly in the areas of water supply resilience and stormwater management. Adapting to these challenges is covered in the Waters Plan.

10 Year Plan: Climate change

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- Provide support to Rangitāne o Manawatū to achieve their own climate change aspirations
- Work with Rangitāne o Manawatū to understand the impacts climate change may have on Māori

These commitments will guide the implementation of all aspects of this plan.

Council documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- Palmerston North City Council Emissions Inventory Report
- Palmerston North City Council Emissions Management and Reduction Plan
- Palmerston North Low Carbon Roadmap

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Decrease in Council's total organisational emissions
- Decrease in citywide emissions

Introduction

The climate is changing, bringing changes to long-term weather patterns and increasing the frequency of drought and flooding. The purpose of this plan is to understand the impacts of climate change and to reduce Council and citywide greenhouse gas emissions.

Where are we now?

- The climate is changing as a result of human greenhouse gas emissions.
- The pace of future change is uncertain, but climate change is likely to have significant impacts on the frequency and severity of droughts and flooding in our region.
- The impacts of future climate change can be mitigated by reducing greenhouse gas emissions (predominantly carbon dioxide and methane).
- New Zealand Parliament passed the Climate Change Response (Zero Carbon) Amendment Bill in late 2019, setting a national target of net zero carbon emissions by 2050.
- Palmerston North City Council has substantially reduced its annual emissions by 5,200 tonnes carbon dioxide equivalent (tCO₂e), or 20%, since it first began monitoring in 2016, with additional benefit of operational cost savings in many cases. For example, LED street lighting.
- In 2018, a citywide emission's inventory¹, found that Palmerston North emits roughly 500,000tCO₂e each year, or approximately 5.7 tonnes per person.
- Council has built upon this inventory and developed an emissions model which predicts citywide emissions out to 2050 under a wide range of scenarios.
- Following the release of the 'Palmy Climate Calculator' to the public, Council developed a 'Low Carbon Roadmap', which breaks down the 2050 net zero target into a series of actions and interim targets.

¹ Palmerston North City Community Carbon Footprint 2016/17

What do we want to achieve?	What actions will we take to get there?		
<p>Reduce Council's organisational greenhouse gas emissions.</p> <p>Rangitāne o Manawatū achieve their own climate change aspirations.</p> <p>Work with residents and other city partners to implement the 'Low Carbon Roadmap' and reduce citywide emissions.</p> <p>Work with Horizons Regional Council, mana whenua, and other regional partners to assess and adapt to climate change vulnerability.</p>	Ongoing actions	Start date	Involvement of partners
	Monitor, and have externally audited, PNCC greenhouse gas emissions	All 2021/2022	Toitu Carbonreduce Programme.
	Prepare a Council Emissions Management and Reduction Plan		
	Maintain citywide emissions model and monitor citywide emissions		
	Estimate emissions impact of all major Council decisions		
	Investigate options for further carbon reductions through the asset management process		
	Implement the Palmerston North Low Carbon Roadmap		
	Provide technical support to Rangitāne o Manawatū to achieve their own climate change aspirations	All 2021/2022	Rangitāne o Manawatū
	Work with Rangitāne and the wider Māori community to understand the additional impacts climate change may have on Māori		
	Provide technical and other support to Rangitāne o Manawatū to achieve their own climate change aspirations		
	New and one-off actions	Completion date	Involvement of partners
	Collaborate with regional partners to better understand climate change vulnerability and develop a coordinated adaptation response	2021/2022	Horizons Regional Council, and other territorial authorities within the region
	Create a 'low carbon fund' to allow Council the flexibility to respond to opportunities to reduce organisational emissions and, where possible, costs		Rangitāne o Manawatū, Massey University,
	Complete a feasibility study to determine process, actions and time required for PNCC to be carbon neutral	2021/2022	Toitu Carbonreduce Programme.

4.2

DRAFT**10 Year Plan: Environmental sustainability plan****(July 2021-June 2024)****Chapters:****Sustainable practices****Biodiversity**



Council goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Environmental Sustainability Plan primarily contributes to the Palmerston North City Council's goal of becoming an Eco city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan in two chapters: **Sustainable practices** and **Biodiversity**.

Council priorities

The priorities of Goal 4: An eco city are:

1. Respect and enhance the mauri of the Manawatū River
2. Work with the community to reduce carbon emissions
3. Regenerate native biodiversity
4. Invest in infrastructure that services to protect, enhance and preserve the environment
5. Use Council's legislative powers and policies to ensure urban development is sustainable now and into the future
6. Educate the community, in particular, property owners, on the benefits of investing in sustainable building design and green buildings
7. Demonstrate leadership and best practice by developing and implementing an environmental sustainability plan for the Council, Council-run events, and facilities

Purpose of the plan

The Long-term Plan levels of service for this plan are:

- Work with iwi and community groups to re-establish bush, particularly along waterways, and to control introduced predators
- Foster sustainable practices and behaviours so that city residents and organisations become more sustainable

Links between this plan with other goals

The actions in the Water Plan also contribute to the achievement of this plan. This is because Council's efforts in improving stormwater and wastewater management have an impact on the water quality of the Manawatū River and our urban streams, and hence will help improve native biodiversity.

The actions of this plan also contribute to the achievement of the Climate and Waste Plans. This is because many actions in this Sustainable Practices Chapter of this plan are targeted at assisting the public reduce waste to landfill and improve energy efficiency (hence reducing carbon emissions).

Rangitāne o Manawatū partnership

10 Year Plan: Environmental sustainability

Council will work in partnership with Rangitāne o Manawatū and:

- support Rangitāne o Manawatū in the retention and expression of mātauranga Māori and Rangitānenuiarawa¹
- identify and pursue shared environmental aspirations
- strengthen Māori community involvement in biodiversity projects

These commitments will guide the implementation of all aspects of this plan.

Council policies, bylaws and other documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- Waste Management and Minimisation Bylaw
- Waste Management and Minimisation Plan
- Water Supply Bylaw
- Trade Waste Bylaw
- Stormwater Drainage Bylaw
- Dangerous and Insanitary Buildings Policy
- Water Conservation Management Plan
- City Wide Vegetation Framework
- Waste Management and Minimisation Bylaw
- Waste Management and Minimisation Plan
- Urban Cycleway Master Plan
- Water Supply Bylaw
- Water Conservation Management Plan
- Trade Waste Bylaw
- Stormwater Drainage Bylaw

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Increase in consultations by Eco Design Advisor
- Increase in schools and learning centres participating in Enviroschools Programme
- Increase in sustainable living education seminars
- Improvement in Council's environmental performance (e.g. per capita / average basis) in terms of:
 - Energy Efficiency
 - Water Consumption
 - Waste Generation

¹ Rāngitanenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe,

- Waste Diversion
 - Carbon emissions from transportation
- Increase in native birds
- Increase of native canopy cover
- Decrease in predators
- Improvement in water quality

Sustainable practices chapter

Introduction

There are opportunities for individuals and organisations to incorporate more sustainable practices into the way we live. Our homes and businesses can be warmer, drier, and more efficient. We can minimise the use of resources and reduce waste generation. We can choose more energy efficient transport and services. The Council can make these choices alongside the Palmerston North community.

The purpose of this chapter is for the local community, and especially property owners, to understand the benefits of investing in sustainable building design and green buildings. We want Council to role-model sustainable practices and to share lessons learned with local communities.

Where are we now?

- Council fosters sustainable practices and behaviours so that city residents and organisations become more sustainable.
- Council supports community groups to foster sustainable practices through Strategic Priority Grants.
- Council supports the Horizons Regional Council in delivering the 'Enviroschools' programme in schools and early childhood centres that are centred around living landscapes, zero waste, energy, water, and ecological design of buildings.
- The Eco Design Advisor programme provides free advice to residents on how they can make their homes warmer and drier while also reducing their power bills and environmental footprint. It is subscribed to and rated highly positively by users.
- Events held on Council land and/or funded by Council aim to be "zero waste". Council works with the organisers of events such as *Festival of Cultures* to switch to compostable tableware and to guide public patrons to separate waste at source. Thus, reduced cross-contamination and increasing diversion rates of recyclable materials and compostable waste from landfill.
- Council facilitated provision of electric vehicle charging stations in convenient locations in the City Centre.
- Procurement guidance documents detailing sustainable procurement criteria covering environment, social and economy have been developed.
- Council's 2020 Vehicle Fleet Renewal Programme has begun rationalising the Council's vehicle fleet, including the incorporation of electric vehicles as budget allows.
- Council has reviewed workplace travel management plan, encouraging more staff to carpool and use active transport to commute to work.
- Monitoring of sustainability outcomes are ad-hoc and sporadic.

What do we want to achieve?	What actions will we take to get there?		
<p>Environmental education targeting schools, ECE and members of the public are effectively delivered toward achieving Council's goal for Palmerston North to become an Eco City.</p> <p>Council staff internalise best practices in sustainability in day-to-day decision making, activities and operations towards reducing impacts on the environment (air, water, and land) in a cost-effective manner.</p> <p>Council continues to improve on sustainable practices, and to share lessons learned with partners and stakeholders in the community and commercial sector.</p> <p>Council uses modern 'smart city' practices to allow cost-effective outcome monitoring.</p> <p>Council initiatives reflect mātauranga Māori and Rangitānenuiarawa.</p>	Ongoing actions	Start date	Involvement of partners
	Provide support to environmental groups through Strategic Priority Grants	All 2021/2022	Environment Network Manawatū (ENM) and member groups
	Provide free independent advice to residents about how to make their homes more sustainable through the 'Eco Design Advisor' service		
	Monitor the energy use of Council facilities		EECA
	Collaborate with Massey University to research local sustainability issues		Massey University
	Implement sustainable practices throughout the Council		
	Continue rationalising the Council's vehicle fleet, including the incorporation of electric vehicles		
	Prepare a bi-annual city sustainability report		Environment Network Manawatū (ENM) and member groups
	New and one-off actions	Completion date	Involvement of partners
	Work with community partners to deliver sustainable education outcomes	2021/2022	ENM and member groups, Horizons Regional Council
	Develop implementation framework and guidelines to internalise and implement sustainable practices across all Council activities, including energy efficiency and conservation, waste management and minimisation, and water use and conservation, and sustainable transport	2021/2022	EECA WaterNZ WasteMinz NZTA
	Document and disseminate lessons learned from Council's sustainability journey, including case studies demonstrating best practices	2023/2024	Council Controlled Own Organisations Chamber of Commerce ENM and member groups
	Utilise IoT devices to allow more cost-effective monitoring of sustainable outcomes	2021/2022	
	Support iwi led wānanga on environmental sustainability		

Biodiversity chapter

Introduction

Horizons Regional Council and the Department of Conservation lead action to increase local biodiversity. We also have a role to protect nature in the urban environment. The purpose of this chapter is to regenerate native biodiversity and for communities to take part in and learn from biodiversity initiatives.

Where are we now?

- Almost all (98%) of the original bush cover of the Manawatū has been cleared.
- As a consequence of habitat loss and introduced predators (including rats, mustelids, possums, and wild and domestic cats), many species have significantly declined or even become extinct (some globally, some only locally).
- Intensive pest control of the Turitea Reserve and other bush remnants has reversed species decline, with a significant improvement in bush vitality and native fauna within the managed area. This has had a broader impact as well, with some native birdlife (particularly Tui) noticeably increased across the rohe.
- Community predator control projects have continued to grow in number and scale.
- The 'Green Corridors' project has begun the process of creating a biodiversity corridor connecting the city with the Turitea Reserve.
- The Central Energy Trust Wildbase Recovery Centre has recently opened, providing members of the public to interact up-close with rare native wildlife.
- Fifteen habitats of local significance are protected in the District Plan.
- The City's urban streams are highly channelised and are in poor condition. In most cases, the area surrounding these streams are privately owned, and as such there is limited scope to introduce natural features such as wetlands or meanders.
- Many, but not all, of the city's streets contain street trees. More affluent and established streets have street trees. Less than 12% of street trees are native species.
- The Turitea windfarm is under construction.

What do we want to achieve?	What actions will we take to get there?		
<p>Mātauranga Māori is a fundamental foundation for understanding and managing indigenous species in Aotearoa New Zealand and is incorporated into Council practice.</p> <p>Council initiatives reflect mātauranga Māori and Rangitānenuiarawa.</p> <p>The Māori community are involved in city biodiversity projects.</p> <p>The urban environment provides opportunities for people to experience nature.</p> <p>Pests in the Turitea Reserve and adjacent forests are further suppressed, allowing those ecosystems to continue to recover.</p> <p>Where possible, locally extinct species are reintroduced.</p> <p>The Turitea Stream is connected to the river and city through an extensive green corridor network; native bird wildlife is increasingly established within the urban area.</p> <p>Community predator control is widespread, minimising the impact of introduced predators across the city.</p> <p>The city's urban waterways are attractive places to visit, and the mauri of these waterways is enhanced where practicable.</p> <p>More native-friendly species are planted within the city, providing year-round food sources for native wildlife.</p> <p>All Significant Natural Areas within the city boundary are identified and protected.</p> <p>The mauri of urban streams is enhanced, and native aquatic life is thriving.</p> <p>All streets have street trees, where practicable.</p> <p>Income from the Turitea Windfarm is used to invest in reserve development, with a priority for biodiversity related projects.</p> <p>There is increased biodiversity in Te Āpiti Manawatū Gorge (see the Manawatū River plan for details).</p>	Ongoing actions	Start date	Involvement of partners
	Develop an action plan for the long-term enhancement of the mauri of our urban streams	All 2021/2022	Rangitāne o Manawatū, Environment Network Manawatū and community member groups
	Monitor toutouwai reintroduction and develop plan for further translocations		Rangitāne o Manawatū, Massey University, Department of Conservation
	Support 'Predator Free Palmerston North' community efforts		Rangitāne o Manawatū, Predator Free Community Groups
	Enhance freshwater bodies such as wetlands and urban streams, and provide more opportunities for people to interact with these sites		
	Implement Hei Manga Oranga – Urban waterways programme		
	Control animal and plant pests in Council reserves		
	Restore biodiversity in the Stoney Creek Catchment		Stoney Creek Catchment Care Group, New Zealand Landcare Trust, Environment Network Manawatu, Rangitāne o Manawatū
	New and one-off actions	Completion date	Involvement of partners
	Expand the green corridors programme to allow for the increased maintenance requirements	All 2021/2022	Green Corridors, Horizons Regional Council, Environment Network Manawatu
	Plant native bird friendly trees in Council reserves and roadsides, where appropriate		
	Give effect to the requirements of the National Policy Statement for Indigenous Biodiversity by identifying and protecting Significant Natural Areas, and responding to the 10% native forest cover target		
	Collaborate with Massey University on its Botanical Gardens biodiversity project		

4.3

DRAFT

10 year plan: Manawatū River plan

(July 2021-June 2024)



10 year plan: Manawatū River

Council goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Manawatu River Plan primarily contributes to the Palmerston North City Council's goals of an Eco city and a Creative and exciting city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan.

Council priorities

The priorities of Goal 4: An eco city are:

1. Respect and Enhance the mauri of the Manawatū River
2. Work with the community to reduce carbon emissions
3. Regenerate native biodiversity
4. Invest in infrastructure that services to protect, enhance and preserve the environment
5. Use Council's legislative powers and policies to ensure urban development is sustainable now and into the future
6. Educate the community, and especially property owners, on the benefits of investing in sustainable building design and green buildings
7. Demonstrate leadership and best practice by developing and implementing an environmental sustainability plan for the Council, Council-run events, and facilities

Purpose of the Manawatū River plan

The Long-term Plan levels of service for this plan are:

- Understand the relationship Rangitane o Manawatū has with Manawatu River
- Increase use of the Manawatū River environment for passive and active recreation
- Increase the health and amenity of the river environment through increased biodiversity

Links with other plans

The Manawatu River Plan includes environmental improvement actions that link to achieving Goal 4: an Eco City, however it strongly contributes to Goal 2: A creative and liveable city. This is because delivery of the actions will improve the vibrancy of the urban environment thereby making the City a more attractive place to live and play.

As the River is one of the foremost geographical features in the City it is the focus of a range of Council initiatives. As such it has links to all plans and most chapters within them. However, in the context of Goal 2 and 4 it can be most directly linked to:

- The Active Communities Plan
- The Environmental Sustainability Plan
- The Transport Plan
- The City Shaping Plan

10 year plan: Manawatū River

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- acknowledge the River is a significant cultural feature in the rōhe of Rangitāne o Manawatū
- collaborate and partner with Rangitāne o Manawatū on activities along and within the River
- provide opportunities for Rangitāne o Manawatū to be involved in project delivery to achieve the best outcomes for the River
- support Rangitāne o Manawatū in the retention and expression of mātauranga Māori and Rangitānenuiarawa¹

These commitments will guide the implementation of all aspects of this plan.

Council documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- Dog Control Policy
- Manawatū River Framework
- Manawatu River Wayfinding Strategy
- Palmerston North City District Plan
- Reserve and Walkway Naming Policy
- Signs and Use of Public Spaces Bylaw
- Smokefree Outdoor Areas Policy
- Sun Protection Policy
- Use of Public Space Policy
- Victoria Esplanade Masterplan

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Increase in the public use of the river environment
- Increase in native planting and observed biodiversity improvements in suitable locations in the river environment
- Greater connectivity of features within the Manawatū River Park

¹ Rāngitanenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe

Introduction

The Manawatū River is a significant natural and cultural feature of our city. Implementation of the Manawatū River Framework guides the development of the river environment. The purpose of this chapter is for the Manawatū River to be a cultural, environmental and recreation resource which is connected with all aspects of city life.

Where are we now?

- The Manawatū River occupies a length of 42km between the eastern (Te Āpiti) and western (Longburn) boundaries of the Palmerston North territorial area and is predominately managed by Horizons Regional Council, however Council is actively involved as the main adjoining landowner of parks along the true right (northern) bank of the City section.
- A huge amount has been achieved along the river through the ongoing delivery of the Manawatū River Framework in the last three years ranging from plenty of activations (such as community bonfire events), Rangitāne o Manawatū collaborations (such as the Urban Eels Platform near the mouth of the Turitea Stream) and the shared path extension to Linton.
- The most notable achievement has been the opening in mid-2019 of the \$19m He Ara Kotahi Bridge near the Victoria Esplanade which has attracted huge interest from local residents with over 600,000 visitors in its first 12 months of operation.
- There is now over 21km of shared path available for public use of which 11km has a limestone surface, 10km has a tarseal ('hotmix') surface and 1km has a concrete surface.
- The He Ara Kotahi Bridge (190m long) and the associated shared path extension (over 7km) on the true left bank of the river from Fitzherbert Bridge to the end of Bells Road in Linton were opened in mid-2019.
- Access for water recreation has been significantly improved at Ahimate Park and this has resulted in a large increase in swimming in that area.
- Rangitāne o Manawatū is increasingly involved in working with Council on a range of projects in order to provide better expression of interwoven history with the awa.
- The river is a changeable and often volatile natural feature with regular flood events so any form of development or public event, including biodiversity enhancement, needs to be carefully considered.
- There is a good level of access to and along the river within the city reach, however it remains a disconnected system as there is a significant gap in the rural area where the shared path link to Ashhurst between Te Mātai Road and Raukawa Road is not yet complete.
- There are ongoing conflict issues between users of the shared path network, most notably between cyclists and dog walkers, and while Council has sought to address this conflict via a passive 'courtesy and respect others' approach there remains a need for more education.

10 year plan: Manawatū River

What do we want to achieve?	What actions will we take to get there?		
<p>The Manawatu River Framework is delivered.</p> <p>Council understands the contribution the Manawatū River makes to the City as its key cultural, environmental and recreation resource.</p> <p>Rangitāne o Manawatū is involved in all aspects of planning and delivery of Manawatū River projects and services.</p> <p>There is increased use of the river environment by the public for active and passive recreation.</p> <p>There is a biodiversity corridor extending along the river environment and the tributaries to it (notably the Mangaone, Turitea and Kahuterawa Streams) for amenity and water quality improvement reasons where this does not compromise the integrity of the flood protection system.</p> <p>There are recreation opportunities along and within the river</p> <p>Transport and car parking by the River are managed effectively.</p> <p>There are opportunities for rongoā (connecting people to the whenua through traditional medicine) and māra kai (food garden) within the Manawatu River Park</p> <p>Access to and along the river is as easy as possible for the public, with wayfinding signage and physical works that provide for all abilities</p> <p>Legal access agreements along the true right bank (northern side) of the River are secured and extend the shared path from the City to Ashhurst.</p> <p>The River is a core city destination.</p> <p>Te Āpiti is the gateway to the Manawatū River Park and is the leading area for the appreciation of biodiversity and provision of an outstanding recreation and cultural experience.</p>	Ongoing actions	Start date	Involvement of partners
	Make biodiversity improvements to Te Āpiti Manawatū Gorge	2021/2022	Te Āpiti Gorge Governance Group
	Implement Manawatū River Framework <ul style="list-style-type: none"> • Marae Tarata Development Plan • Hokowhitu Lagoon Development Plan • Bridge Lighting • Key entranceways (Esplanade, Albert St, Raukawa Rd, Ashhurst Domain) • Land purchases and shared path extensions 		Rangitāne o Manawatū Environment Network Manawatū Private landowners affected
	New and one-off actions	Completion date	Involvement of partners
	Te Motu o Poutoa - Reserve Development	2023/24	Rangitāne o Manawatū
	Te Motu o Poutoa – Purchase of entranceway land		Rangitāne o Manawatū Massey University
	Review and update the Manawatū River Framework	2022/2023	Rangitāne o Manawatū
	Implement the Victoria Esplanade Masterplan	2023/24	Rangitāne o Manawatū Esplanade User Group Forum
	Implement the Ashhurst Domain Masterplan		Rangitāne o Manawatū
	Implement Te Āpiti Manawatu Gorge Masterplan	2022/23	Rangitāne o Manawatū Te Āpiti Gorge Governance Group
	Provide lighting around shared path loop between Fitzherbert Bridge and He Ara Kotahi Bridge Light the Manawatū River Park		Rangitāne o Manawatū

4.4

DRAFT

10 year plan: Resource recovery plan

(July 2021-June 2024)



10 year plan: Resource recovery

Resource recovery and Council's strategic goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Resource Recovery Plan primarily contributes to the Palmerston North City Council's goal of an Eco city. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan.

Council priorities

The priorities of Goal 4: An eco city are:

1. Respect and Enhance the mauri of the Manawatū River
2. Work with the community to reduce carbon emissions
3. Regenerate native biodiversity
4. Invest in infrastructure that services to protect, enhance and preserve the environment
5. Use Council's legislative powers and policies to ensure urban development is sustainable now and into the future
6. Educate the community, and especially property owners, on the benefits of investing in sustainable building design and green buildings
7. Demonstrate leadership and best practice by developing and implementing an environmental sustainability plan for the Council, Council-run events, and facilities

Purpose of the Resource recovery plan

The Long Term Plan levels of service for this plan are:

- Ensure the city's solid waste is adequately and affordably managed
- Maximise the proportion of waste diverted from landfill (e.g. through recycling and composting)
- Manage hazardous waste in an environmentally responsible manner.

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- reflect mātauranga Māori and Rangitānenuiarawa in resource recovery activities ¹

This commitment will guide the implementation of all aspects of this plan.

Council documents that contribute to this plan

¹ Rāngitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

The implementation of this plan is shaped by these Council-adopted documents:

- Waste Management and Minimisation Bylaw
- Waste Management and Minimisation Plan

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Decrease in per capita volume of waste sent to landfill
- Increase in the proportion of waste diverted from landfill (target 48% by 2025)

10 year plan: Resource recovery

Introduction

The Waste Minimisation Act 2008 requires Council to adopt a Waste Management and Minimisation Plan (WMMP). The WMMP describes how the Council will manage and minimise waste effectively and efficiently. The Council adopted its WMMP in December 2019.

The WMMP is the foundation of the Resource Recovery Plan. The purpose of this plan is to reduce the impact of waste on our environment. Less waste will go to landfill and we will reuse, recover and recycle more materials.

Where are we now?

- Council provides a range of waste management and minimisation services to the city through a combination of rates and user fees. These services include:
 - Public litter and recycling collection bins, emptied weekly
 - Weekly kerbside waste collection
 - Weekly kerbside recycling collection (comingled and glass collections alternating weekly)
 - Recycling drop-off centres. The Ferguson Street Recycling Centre accepts recycling and e-waste, carseats, and household motor oil. The Awapuni Resource Recovery Park accepts recycling and green waste. The Ashhurst Transfer Station accepts recycling and green waste.
 - A single transfer station at Ashhurst, which accepts general waste.
 - A commercial recycling collection and food waste collection service for local businesses, including a weekly comingled recycling collection, on-call collection of glass recycling, and a daily food waste collection.
- Council enforces the Litter Act, taking action against those that dump rubbish illegally, also known as fly-tipping.
- Council provides education programmes on what can be recycled, and how to effectively reduce waste.
- Approximately 30% of the city uses the Council's kerbside waste collection service; many households use a wheeled-bin waste collection service provided by commercial waste collectors.
- The Waste Assessment 2018 found that in 2017 Palmerston North sent just over 45,000 tonnes of waste to landfill, of which 48% could have been reused, recovered, recycled or composted.
- The single largest type of waste (by weight) that can potentially be diverted from the waste stream is timber. The next largest type of waste going to landfill is organic waste, with food waste present across all kerbside rubbish collection systems.
- Households using larger wheeled-bin collection services discard more food and green waste than those using small bins or the Council's bag service.

10 year plan: Resource recovery

What do we want to achieve?	What actions will we take to get there?		
<p>The amount of waste that is sent to landfill is minimised (the goal of the WMMP).</p> <p>The community is committed to minimising waste sent to landfill.</p> <p>The community considers, and where appropriate implements, new initiatives and innovative ways to assist in reducing, reusing and recycling wastes.</p> <p>Resource recovery activities minimise environmental harm and protect public health.</p> <p>Resource recovery activities reflect mātauranga Māori and Rangitānenuiarawa.</p> <p>[The Council has set the following target for its Waste Management and Minimisation Plan: increase the proportion of waste diverted from landfill from 38% to 48% by 2025.]</p>	Ongoing actions	Start date	Involvement of partners
	Enforce the Litter Act against those that dump waste illegally (including fly tipping) and work with community groups to identify and address problem areas	All 2021/2022	Environment Network Manawatū Manawatū District Council
	Maintain current education and engagement with community and identified target groups		
	Communicate and promote the introduction of new or changed services		
	Establish a community-led zero-waste action group to deliver project areas prioritised and planned by the community		Rangitāne o Manawatū Environment Network Manawatū
	Work in partnership with Rangitāne o Manawatū and other regional partners to ensure culturally appropriate waste management methods where possible, particularly relating to bio-solids		
	Maintain existing kerbside waste and recycling collections		
	If supported by investigation (separate action above), introduce a city-wide weekly kerbside food waste collection service for residential households (user-pays for non-residential customers)	2023/2024	Environment Network Manawatū
	Promote use of existing services for garden waste (e.g. home composting, drop-off centres, private collections)	2021/2022	
	Provide additional recycling collection services to non-residential customers to accommodate their needs	2021/2022	
	Trial a programme providing for the recycling of mattresses	2022/2023	
	Maintain Awapuni Resource Recovery Park and existing resource drop off points (RDOPs)	2021/2022	
	Advocate to central government for more extended producer responsibility to address problem waste streams at the source.	2021/2022	
	Work closely with mana whenua, community groups and the private sector to progress opportunities for increased waste diversion	2021/2022	
	Continue to improve internal data collection and analysis, and identify trends over time	2021/2022	
	Maintain existing public space rubbish and recycling bins	2021/2022	

	Establish a competitive fund for waste minimisation projects	2021/2022	
	Provide opportunity for annual hazardous waste disposal (Hazardous Waste Day)	2021/2022	
	Establish a polystyrene recycling programme	2021/2022	
	New and one-off actions	Completion date	Involvement of partners
	Review Council's procurement policy to require lower-waste Council purchasing.	2023/2024	
	Investigate options to remove food waste from the residual waste stream, including reduction of food waste, home composting and kerbside food waste collection.	2021/2022	Environment Network Manawatū
	Investigate provision of recycling services for difficult materials.	2022/2023	
	Investigate the potential for Council to support non-profit early childhood education facilities and schools (primary, intermediate and secondary) to enable them to divert more from landfill	2021/2022	
	Investigate establishing a new drop off site for recycling and green waste in Whakarongo/Kelvin Grove to serve urban growth	2022/2023	
	Investigate the establishment of a construction and demolition waste processing service (with associated collections), aiming to divert at least one third of this waste currently going to landfill.	2022/2023	
	Complete Waste Assessment to support review of the Waste Management and Minimisation Plan	2022/2023	
	Review Waste Management and Minimisation Plan	2023/2024	
	Review the Waste Management and Minimisation Bylaw	2021/2022	
	Implement a licensing system for commercial waste collectors under the Waste Management and Minimisation Bylaw	2021/2022	
	Introduce material limits for commercial waste collectors	2022/2023	
	Establish a community-led zero-waste action group to deliver project areas prioritised and planned by the community	2021/2022	Rangitāne o Manawatū Environment Network Manawatū
	If supported by investigation (separate action above), introduce a city-wide weekly kerbside food waste collection service for residential households (user-pays for non-residential customers)	2023/2024	Environment Network Manawatū

	Trial a programme providing for the recycling of mattresses	2022/2023	
	Establish a competitive fund for waste minimisation projects	2021/2022	
	Provide opportunity for annual hazardous waste disposal (Hazardous Waste Day)	2021/2022	
	Establish a polystyrene recycling programme	2021/2022	

4.5

DRAFT

10 Year Plan: Waters

(July 2021 – June 2024)

Chapters:

Wastewater

Water supply

Stormwater



Waters and Council's strategic goals

The Palmerston North City Council (Council) vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Waters Plan primarily contributes to the Palmerston North City Council's goal of an Eco city. The Plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan in three chapters: **Wastewater**, **Water supply** and **Stormwater**. Significant reform has been proposed for the future management of the three waters. The Government is considering shifting the three waters management functions of councils to new regional entities. If the reforms proceed, the role of Council in managing three waters infrastructure could be significantly changed.

Council priorities

The priorities of Goal 4: An eco city are:

1. Respect and Enhance the mauri of the Manawatū River
2. Work with the community to reduce carbon emissions
3. Regenerate native biodiversity
4. Invest in infrastructure that serves to protect, enhance and preserve the environment
5. Use Council's legislative powers and policies to ensure urban development is sustainable now and into the future
6. Educate the community, and especially property owners, on the benefits of investing in sustainable building design and green buildings
7. Demonstrate leadership and best practice by developing and implementing an environmental sustainability plan for the Council, Council-run events, and facilities

Purpose of the Waters plan

The 10 Year Plan levels of service for this plan are:

- Council provides stormwater services to protect buildings from inundation from flooding in major events
- Council provides wastewater services for the safe collection, treatment and disposal of the city's wastewater
- Council provides water services for the provision of safe and readily available water

Links with other plans

The actions in this Plan also contribute to the achievement of the City growth plan, and the priority 'Create and enable opportunities for employment and growth' and 'Provide infrastructure to enable growth and a transport system that links people and opportunities'.

10 Year Plan: Waters

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- collaborate with Rangitāne o Manawatū on the wastewater Best Practicable Option review [note – this will expand to include other iwi as the selection of the preferred option progresses]
- collaborate on urban waterway improvement projects
- Rangitānenuiarawa¹ is reflected in the city's approach to water management

These commitments will guide the implementation of all aspects of this plan.

Council documents that contribute to this plan

The implementation of this plan is shaped by these Council-adopted documents:

- District Plan
- Stormwater Bylaw
- Trade waste Bylaw
- Wastewater Bylaw
- Water Supply Bylaw

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- A regional resource consent for wastewater discharge is lodged by June 2022
- The wastewater network has the capacity to function without failure in significant rainfall events
- Safe drinking water
- District Plan is updated to address stormwater detention, water sensitive design and restrict impervious surface by June 2024
- City-wide stormwater discharges are consented by Horizons Regional Council by June 2024

¹ Rangitānenuiarawa is the Rangitāne expression of kaitiakitanga, or customary authority and guardianship, and affirms their customary leadership in ensuring the health and regeneration of their tribal rohe.

Wastewater chapter

Introduction

The purpose of this chapter is to for wastewater to be well managed, enhance the mauri of the Manawatū River and avoid adverse effects on the environment.

Where are we now?

- As a member of the Manawatū River Leaders Accord, Council recognises its role in improving the health and mauri of the Manawatū River.
- Council has brought forward its wastewater resource consent review by five years to look at how the city can contribute to improving the health and mauri of the Manawatū River. A new resource consent must be lodged with Horizons Regional Council by June 2022.
- Council has an integrated district-wide wastewater network.
- A pressure sewer policy has been developed to be implemented in dedicated zones within Council's network.
- Wastewater from the city and its associated villages are treated at and discharged from the Totara Road Wastewater Treatment Plant.
- The wastewater treatment plant is fully compliant with its existing resource consent requirements.
- Rural properties are self-serviced for wastewater.
- Significant parts of the existing wastewater network are at capacity during major wet weather events, due to stormwater entering the network through damaged pipes and illegal discharges e.g. runoff from roofs being misdirected into wastewater pipes instead of stormwater pipes.
- Wastewater reticulation renewals and condition assessments are sufficient to keep up with current budgets, but a greater level of funding will be required to fully grasp the asset condition and renew critical parts of the network.
- A city-wide wastewater network model has been developed. Trade waste discharge monitoring and control of trade waste discharges is being carried out by Council. An online monitoring system has been commissioned to assist trade waste customers to monitor their flow, discharge quality and invoicing.
- The wastewater treatment plant is still performing well, but infrastructure is reaching its end of reasonable life and needs to be renewed.
- The wastewater treatment plant still needs to be maintained and kept reliable to maintain level of service until the Best Practicable Option (BPO) decision has been finalised.
- Council has commissioned cultural impact assessments from Rangitāne o Manawatū to inform decision making on infrastructure projects. E.g. Ashhurst Wastewater Treatment Plant Review.

- There is a 100% user pays charge for trade waste consent monitoring, inspection, treatment and conveyance costs.

What do we want to achieve?	What actions will we take to get there?		
	Ongoing actions	Start date	Involvement of partners
<p>Wastewater has a lesser impact on the health and mauri of the Manawatū River.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in all wastewater projects and initiatives.</p> <p>Council understands impact of flows and loads from large trade waste discharges.</p> <p>Council's renewal planning and investment in wastewater infrastructure is based on a better understanding of the asset condition.</p> <p>Stormwater infiltration and inflow into the wastewater network is reduced.</p> <p>Wastewater infrastructure is provided to support urban growth.</p> <p>Wastewater infrastructure has improved resilience to natural disasters and mechanical failures.</p>	Develop, maintain, upgrade and renew wastewater infrastructure in accordance with legislative requirements	All 2021/2022	
	Initiate a city-wide stormwater infiltration and inflow reduction programme to identify defects in the wastewater network that are susceptible to stormwater entry and repair		
	Identify and remedy sources of stormwater entry from private property to the wastewater network		
	Introduce smart metering and online monitoring to provide more robust profiling of flows and loads from large trade waste discharges		
	Gain a better understanding of the condition of wastewater infrastructure to create clear direction on upgrades and renewals required		
	Renew and upgrade existing wastewater assets to maintain capacity and accommodate growth		
	Investigate and carry out the seismic strengthening of wastewater infrastructure	2022/2023	
	Operate and maintain pressure sewer systems vested in Council	2021/2022	
	New and one-off actions	Completion date	Involvement of partners
	Actively engage with Rangitāne and the community to identify a BPO for the treatment and disposal of the city's wastewater	2021/2022	
	Lodge resource consent application for future discharge of the wastewater treatment plant	2021/2022	

Water supply chapter

Introduction

The provision of drinking water is an important public service. Unsafe drinking water can have negative effects on public health, economic wellbeing and the natural environment. The purpose of this chapter is for water supplies to be safe and readily available. Water services will protect, enhance and preserve the environment.

Where are we now?

- The Government is implementing a package of reforms to the three waters regulatory system, including the establishment of Taumata Arowai, the new Water Services Regulator. The service delivery model for water supply is likely to change in future.
- Council owns and operates the infrastructure required to collect, treat and carry water within a defined water supply area. Water collection infrastructure consists of two dams at Turitea Reserve, 21 bores and pump stations, and 14 reservoirs. The Turitea Water Treatment Plant treats water collected in the dams.
- Water is generally readily available in Palmerston North, and treatment capacity is adequate to meet current and immediately foreseeable demands. However, dry summers have led to a need to conserve water for months at a time to ensure residents and businesses have enough water for consumption and sanitation.
- Long-term the sustainable yield from the Turitea catchment will decline. This will lead to an increased reliance on bore supplies.
- As in all cities, Palmerston North's infrastructure is ageing. In recent years other councils have faced failures of critical water systems.
- A 2019 review of Council's three waters assets concluded that there is a lack of understanding of the condition and capacity of the pipe networks.
- Water New Zealand records from 2015 to 2018 show that average daily residential water consumption in Palmerston North has steadily declined.
- In 2018 the average daily water consumption in Palmerston North was 191.6 litres per person per day. This was below the national average daily residential water consumption of 306.1 litres.
- Council's obligations as the city's drinking water supplier are currently regulated by the Health Act 1956 and the New Zealand Drinking Water Standards. Recent amendments to the Health Act mean more emphasis on water safety and a significant change in expectations for managing drinking water supplies. This will have flow-on effects for both water supply infrastructure and operations.
- Water Safety Plans (WSP) are required to be reviewed and updated every five years. The WSP for the Palmerston North Supply was updated in 2020.
- The city needs to be able to bounce back quickly from a significant natural disaster, with water an essential need for residents and businesses. Some assets have already been renewed or upgraded, and others will need to be.

- Most residential users of water pay a targeted rate. The targeted rate is intended to cover infrastructure and use costs. Non-residential customers are metered.
- Water discolouration is more frequent in Ashhurst than other communities, and Bunnythorpe water has higher turbidity than desired.

What do we want to achieve?	What actions will we take to get there?		
<p>Water supplies are safe and secure, and Council meets the most recent legislative requirements for water safety.</p> <p>Water is conserved to ensure water supplies are sustainable into the future and wastewater flow is reduced.</p> <p>Water supply is delivery is efficient and cost-effective.</p> <p>Water supply infrastructure has improved resilience to natural disasters and mechanical failures.</p> <p>Water is available at the necessary flow rate for firefighting.</p> <p>Council's renewal planning and investment in water supply infrastructure is based on a better understanding of the asset condition.</p> <p>Renewal programmes reduce the risk of unforeseen treatment and network failures.</p> <p>Water supply infrastructure is provided to support urban growth.</p> <p>Rangitāne o Manawatū have opportunities for early involvement in all water supply projects and initiatives.</p> <p>Rangitānenuiarawa is reflected in the city's approach to water management</p>	Ongoing actions	Start date	Involvement of partners
	Develop, maintain, upgrade and renew water infrastructure in accordance with legislative requirements	2021/2022	
	Ensure all Council water supplies have approved Water Safety Plans in place		
	Use smart technology to optimise costs and identify sources that cost less to produce water		
	Provide adequate water supply to provide for urban growth		
	Meter industrial and commercial water users		
	Provide education to all ages, with a focus on schools, about water supply and water conservation		
	New and one-off actions	Completion date	Involvement of partners
	Investigate the costs and benefits of reducing water pressure Use smart metering to accurately profile water use		
	Increase the resilience of key water supply assets to emergency and seismic events		Lifelines Advisory Group
	Reinforce the trunk main network across the city		
	Review the Water Conservation Management Plan 2016		
	Investigate and promote domestic water-saving and storage solutions		
	Extend Palmerston North's reticulated water supply to Bunnythorpe and Longburn supplies		
	Investigate connecting Ashhurst water supply to Palmerston North supplies		
	Gain a better understanding of the condition of water supply infrastructure to create clear direction on upgrades and renewals required		
	Complete the renewal of the Ashhurst rising main	2023/2024	
	Renew and upgrade water supply infrastructure to address identified water quality and contamination risks		
	Strengthen processes and policies around the issuing, construction and commissioning of all new water supply service connections		
	Upgrade hardware and software systems for real-time water quality monitoring		
	Upgrade water mains to meet levels of service for firefighting flows		
	Investigate the costs and benefits of reducing water pressure Use smart metering to accurately profile water use		
	Increase the resilience of key water supply assets to emergency and seismic events		Lifelines Advisory Group

Chapter: Stormwater

Introduction

More urban development has increased the amount and speed of rainwater that goes into urban waterways. This means there are greater peak flow rates and more soils and other contaminants going into the river system.

Horizons Regional Council is the lead agency for managing flood hazards, such as flooding from the Manawatū River or Mangaone Stream. The Council manages localised stormwater ponding issues and drains. The purpose of this chapter is for stormwater to be well managed and planned for city growth.

Where are we now?

- Council is working with Horizons Regional Council to measure the impact of urban run-off on the Manawatū, as part of developing a consistent regional approach to stormwater management.
- Intensification of development in the existing urban area and more urban development on the fringe of the city will generate even more stormwater for pipes and streams to cope with, which may trigger expensive upgrades if current levels of service are to be maintained.
- Climate change is expected to bring higher intensity rainfall events, moreover, which will increase the frequency of both nuisance flooding on roads and properties and the flooding of habitable dwellings. Ponding and surface flooding are apparent in parts of the city during significant and high intensity rain events. Infrastructure upgrades are being made progressively to address this.
- Water sensitive design is mandatory in new industrial and residential growth areas under the District Plan. There are no specific controls or standards that are applicable to existing brownfield or infill developments.
- The City is serviced by a range of engineered stormwater facilities, including culverts, drains and stormwater detention areas. Natural waterways also play a significant role in stormwater management, particularly in rural settings.
- City-wide stormwater modelling has been completed. Modelling data is being used to develop a Stormwater Management Framework, which will identify engineering solutions to reduce flood risk and improve water quality.
- Open channel stormwater facilities are largely treated as conveyance corridors with some connectivity via walkways.
- An active programme of work is in place to improve the connectivity and performance of the existing stormwater pipe network.
- Council has recently tried to take a more naturalised approach to managing stormwater. This is apparent in Norton Park, where a trial wetland has been established, as well as the nearby Edwards Pit Park, where wetlands have been developed to reduce pollution, illegal dumping, and damage to critical assets and habitats. There are otherwise very few functioning wetlands in the City.

- Secondary flow paths are often compromised by urban development, where they are not in the road corridor.
- Urban waterways are discontinuous through the City and interrupted by short piped sections and private property ownership, which makes access for maintenance difficult.
- Urban waterways have limited aquatic biodiversity, due to poor water quality, limited riparian vegetation, low base flow and because they are managed as stormwater conveyance corridors rather than waterways.
- The Rangitāne o Manawatū Claims Settlement Act 2016 places specific requirements on Council to inform and consult Rangitāne o Manawatū on developments adjacent to the Manawatū River and its tributaries. Rangitāne o Manawatū are informing Council's understanding of the sensitive sites located along waterways to ensure development is undertaken in a culturally appropriate matter.
- A cultural monitoring framework, Hei Manga Ora, is being developed to ensure appropriate management of waterways.

What do we want to achieve?	What actions will we take to get there?		
	Ongoing actions	Start date	Involvement of partners
<p>Adopt a Stormwater Management Framework to identify engineering solutions to reduce flood risk and improve water quality.</p> <p>Rangitānenuiarawa is reflected in the city's approach to stormwater management</p> <p>Council understands community values around urban waterways.</p> <p>Urban waterways and wetlands are thriving ecosystems.</p> <p>Stormwater services are resilient enough to cope with the effects of climate change.</p> <p>The District Plan has the necessary provisions to regulate stormwater for all development across the city.</p> <p>Major stormwater mitigation projects protect the city from localised flooding.</p> <p>Rangitāne o Manawātū have opportunities for early involvement in all water supply projects and initiatives.</p> <p>There is an approved city-wide resource consent from Horizons Regional Council for managing stormwater.</p> <p>Biodiversity treatments are undertaken on all urban waterways.</p> <p>Council's renewal planning and investment in water supply infrastructure is based on a better understanding of the asset condition.</p>	Develop, maintain, upgrade and renew stormwater infrastructure in accordance with legislative requirements	2021/2022	
	Establish and deliver a city-wide flood mitigation programme	2021/2022	Horizons Regional Council
	Council-managed urban waterways and wetlands are enhanced and protected through planting and active management	2021/2022	Horizons Regional Council, Rangitāne o Manawatu, Environment Network Manawatu
	Upgrade stormwater infrastructure to manage capacity, accommodate growth and reduce ponding	2021/2022	
	Encourage water-sensitive design approaches to development and a wider use of tools such as water tanks, green roofs, swales, rain gardens and detention ponds	2021/2022	
	Implement Hei Manga Ora – a cultural monitoring framework for freshwater management	2021/2022	Rangitāne o Manawatu
	Provide education to increase awareness of sustainability in three waters	2021/2022	
	New and one-off actions	Completion date	Involvement of partners
	Update the District Plan to require stormwater detention, restrict impervious surface cover and consideration of water sensitive design	2023/2024	Rangitāne o Manawatu, Developers
	Lodge a city-wide ('global') resource consent for urban stormwater discharges with Horizons Regional Council	2023/2024	Rangitāne o Manawatu, Horizons Regional Council
	Stormwater discharges and urban stream environments are assessed to better understand the impacts of urban stormwater on the environment		
	Increase the resilience of key stormwater assets to emergency and seismic events		
	Establish drainage reserves for urban streams in private ownership		
	Gain a better understanding of the condition of stormwater infrastructure to create clear direction on upgrades and renewals required	2023/2024	

5.1

DRAFT**10 year plan: Good governance and active citizenship
plan****(July 2021-June 2024)****Chapters:****Good governance****Active citizenship**



10 year plan: Good governance and active citizenship

Good governance and citizenship and Council's strategic goals

The Palmerston North City Council vision is He iti rā, he iti pounamu Small city benefits, big city ambition. The Governance and Active Citizenship Plan primarily contributes to the Palmerston North City Council's goal of a Driven and enabling council. The plan describes Council's activities for the first three years of the 2021-2031 10-Year Plan through two chapters: **Good governance** and **Active citizenship**.

Council priorities

The priorities of Goal 5: A driven and enabling council are:

1. Customer-centric service
2. Active citizenship
3. Operational excellence
4. High-performance culture
5. Good governance

The chapters in this plan focus on the priorities of 2) Actively engaged communities and 5) Good governance.

Purpose of the Good governance and citizenship plan

The Long-term Plan levels of service for this plan are:

- Actively engage residents in decision-making
- Clearly communicate the purpose and value of Council facilities and services
- Provide a range of opportunities for residents to engage with decision-making processes
- Administer committee and Council meeting processes which are open to the public
- Run local body elections every three years and any polls
- Support Elected Members to excel at good decision making

Links with other plans

The Good governance and active citizenship plan contributes to the success of all the plans across each of the goals, as community and elected members engage in the direction setting and leadership activities which lead to good decision-making and ownership of community solutions.

The actions in this plan contribute to the achievement of the Connected and Safe Community Strategy and, in particular, Priority 3: Support communities to achieve their aspirations.

Some of the key links with the Connected communities plan are found in Council's work with youth development and the Welcoming Communities outcomes.

10 year plan: Good governance and active citizenship

Rangitāne o Manawatū partnership

Council will work in partnership with Rangitāne o Manawatū and:

- honour the Kawenata agreement, under which Rangitāne representatives have been appointed to the Environmental Sustainability Committee, the Community Development Committee and the Rangitāne o Manawatū committee to co-manage Te Motu o Poutoa Anzac Park in the 2019-2022 term of Council
- provide opportunities for Māori to contribute to the decision-making processes and consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes
- engage with whānau (18.7% of Palmerston North residents) who wish to participate more fully local government decision-making

These commitments will guide the implementation of all aspects of this plan.

Council documents that contribute to this plan

Appointment of Directors Policy

Kawenata agreement

Code of Conduct for Elected Members

Delegations Manual

Significance and Engagement Policy

Standing Orders

Measures of success

Council will monitor these measures of success and report on these through the City Dashboards:

- Engagement and consultation methods match the significance of the issue and the preferences and needs of interested and affected people
- More than two out of every three residents in the Residents Survey are 'satisfied' with both the 'opportunity to have a say' and the 'ease of having a say'
- Increase in resident satisfaction with the performance of the Mayor and Councillors
- More than 70% of residents are satisfied with 'governance and reputation'
- Voting participation rate over the next two local body elections increases to 50%
- More people accessing meeting agendas through the PNCC website and increased views of recorded meetings
- Increase in the diversity of those who are 'having a say', either through formal processes such as standing as a candidate for election, writing a submission, speaking in public comment, or informal opportunities, such as attending consultation drop-in sessions, nominations for civic awards

10 year plan: Good governance and active citizenship

- More Māori vote, advocate, and serve as public leaders (Whānau ora's 5-10 year outcome measure of 'whānau are participating fully in society')
- Progress in our assessment levels against the Welcoming Communities Standard "Civic Engagement and Participation"
- Youth participation is assessed as being at Level 4 of Shier's participation pathway

10 year plan: Good governance and active citizenship

Good governance chapter

Introduction

Good governance is achieved when elected members have access to robust advice, and the right training and support to make effective decisions.

To govern well, Council needs to engage with our communities. Good engagement will support quality decision-making for current and future generations. The purpose of this chapter is to provide governance support that enables elected members to govern effectively.

Where are we now?

- We have 15 councillors and a Mayor; one city-wide 'ward', and we have a range of committees and portfolios.
- Rangitāne o Manawatū is formally represented on four committees.
- The recent Residents' survey found that more than half (58%) of residents are satisfied with the performance of the Mayor and Councillors (2020, 54% in 2019).¹
- The survey also found that two out of every three residents are satisfied with governance and reputation (2020, 61% in 2019).

¹ Palmerston North City Council (2020). Residents' survey.

What do we want to achieve?	What actions will we take to get there?		
Council staff and elected member decision-making focuses on agreed strategic priorities. Governance and management roles are clearly defined and understood. Strategic goals are at the forefront of advice and decision-making. Council decision-makers are given high-quality and timely advice.	Ongoing actions	Completion date	Involvement of partners
	<ul style="list-style-type: none">Ongoing review of governance systems and structures to support Councils effectiveness and reputation	All 2021/2022	
	<ul style="list-style-type: none">Clarify and communicate governance and management roles		Elected members and staff
	New and one-off actions	Start date	Involvement of partners
	<ul style="list-style-type: none">Develop a skills and knowledge-based ongoing induction and training programme for elected members	2022/2023	Rangitāne o Manawatū
	<ul style="list-style-type: none">Carry out qualitative research on Council's reputation and participation in decision-making (as well as the annual Residents' Survey)	2022/2023	
	<ul style="list-style-type: none">Undertake a Representation Review	TBC	

Active citizenship chapter

Introduction

The purpose of local government is democratic local decision-making that promotes the social, economic, environmental and cultural well-being of our city communities. Decision-making on city issues benefits from the contribution of citizens to debate.

Engaged and active citizens have access to good information and opportunities to contribute diverse ideas and experiences. Active citizens collaborate to find solutions to benefit this generation and the next. The purpose of this chapter is to have greater community participation in decision-making.

Where are we now?

- The 2020 Residents' survey found that 44% of Palmerston North residents are 'satisfied' with the 'opportunity to have a say', 42% are neutral and 13% are dissatisfied.²
- The survey also found that 34% of Palmerston North residents are 'satisfied' with the 'ease of having a say'. 46% are neutral and 19% are dissatisfied.
- Engagement with content on Palmerston North City Council's Facebook page increased 177% year on year April 2019-April 2020.
- Palmerston North City voter participation rate in the 2019 local body election was 37.4% of eligible voters, compared to an overall national average of 41.7%. It was the lowest of all the metro cities. In contrast the Palmerston North electorate for central government participation rate was 80.6% in the 2017 national election compared to a national average of 79%.
- Council carries out cyclical consultation, such as bylaw reviews, the Annual Plan and Long Term Plan, as well as consultation that is single issues-based, such as District Plan changes, policy development and review, and service delivery changes. Formal submission numbers vary depending on the topic, from a handful to the most recent BPO feedback, which received over 1,000 submissions.

[Add current demographic dashboard information]

² Palmerston North City Council (2020). Residents' survey.

What do we want to achieve?	What actions will we take to get there?		
<p>Palmerston North residents know how to “have their say” in formal and informal opportunities.</p> <p>More Palmerston North residents and organisations participate in decision-making processes.</p> <p>A range of voices are heard in decision-making processes.</p> <p>Palmerston North residents understand what the Council does.</p> <p>Palmerston North residents can see the relevance of decisions.</p> <p>Council understands barriers to participation and works collaboratively to facilitate solutions.</p> <p>Young people are actively engaged in decision-making processes.</p>	Ongoing actions	Completion date	Involvement of partners
	Administer committee and Council meeting processes which are open to the public	2020/2021	Rangitāne o Manawātū Youth Council Welcoming Communities Advisory Group Disability Reference Group Community Services Council
	Review of the Significance and Engagement Policy		
	Run local body elections every three years and any polls		
	Support Mayor and Councillors		
	Provide civic ceremonial functions		
	Develop the Centre of Excellence for Consultation		
	New and one-off actions	Start date	Involvement of partners
	Review Chamber and related spaces as inclusive public spaces, including bilingual wayfinding to Council Chambers	2023/2024	Rangitāne o Manawātū Youth Council Welcoming Communities Advisory Group Disability Reference Group Community Services Council
	Develop a communications and marketing programme to increase voter turnout and interest in Council participation processes throughout the triennium	2021/2022	
	Develop a civics education programme	2022/2023	
	Review Council structures to improve accessibility and reduce barriers to participation	2021/2022	
	Review connection opportunities for Councillors and public	2023/2024	
	Improve staff capability in community engagement	2023/2024	





Produced by
Palmerston North City Council

OVERVIEW

STRATEGIC ASSET MANAGEMENT PLAN EXECUTIVE SUMMARY

Manaaki whenua, manaaki tangata, haere whakamua.

Tihei mauri ora!

No reira, e te haukainga Rangitāne, nei rā te mihi nui ki a koutou e pupuri nei i te mauri o te whenua me ngā wai e rere atu e rere mai.

Tēnā koutou, tēnā koutou, tēnā tātou katoa.

Why Is Asset Management Important?

We manage a wide range of assets on behalf of our community. These assets are essential to the delivery of services that support the social, economic, environmental and cultural wellbeing of our community. Our community expect us to extract the maximum value out of our assets for the lowest possible cost from the time the asset is created to the end of the asset's life. This approach forms the basis of our Asset Management (AM) practice.

What is the purpose of the Strategic Asset Management Plan?

The Strategic Asset Management Plan (SAMP) describes how we plan to manage and make decisions about our assets in a way that achieves the Council's strategic direction for the city. Every asset based service we deliver to our community should contribute to achieving the Vision, Goals and Strategies that form the strategic direction our Councillors have set for the

city. The SAMP sets out our plan to manage our assets in a way that achieves our strategic direction for the city. Our strategic direction is as follows:

Our vision: Small City Benefits, Big City Ambition.

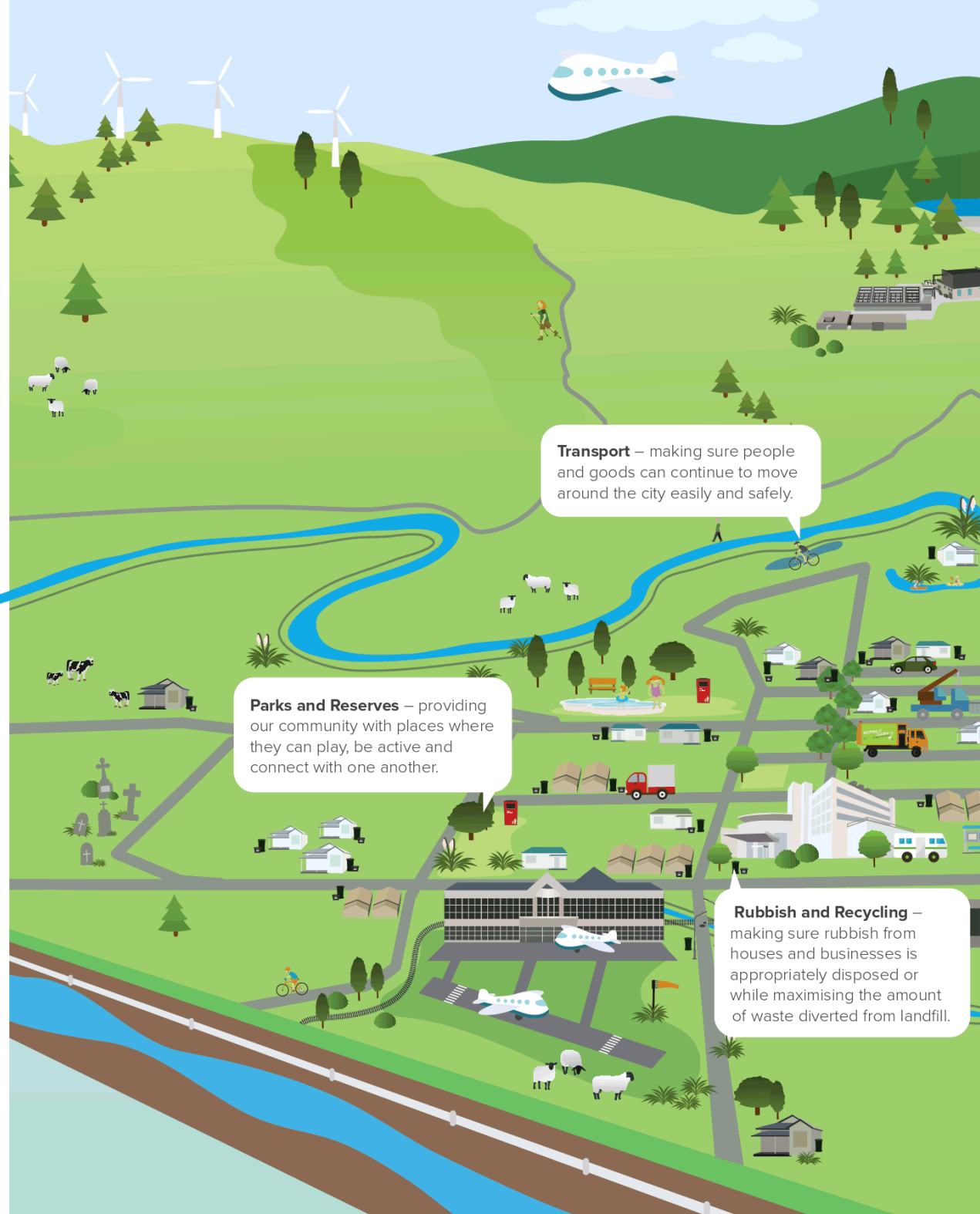
Goals:

- An innovative and growing city
- A creative and exciting city
- A connected and safe community
- An eco-city
- A driven and enabling Council

Strategies:

- City Development Strategy
- Creative and Liveable Strategy
- Connected Communities Strategy
- Eco City Strategy
- Driven and Enabling Strategy

WHAT WE PROVIDE



Transport – making sure people and goods can continue to move around the city easily and safely.

Parks and Reserves – providing our community with places where they can play, be active and connect with one another.

Rubbish and Recycling – making sure rubbish from houses and businesses is appropriately disposed of while maximising the amount of waste diverted from landfill.

WE HAVE SOME CHALLENGES + RISKS

The maturity of our asset management approach

An independent review of the maturity of our AM approach was undertaken in 2019.

Given the size of our organisation, the complexity of our assets and the level of risk we manage our overall AM maturity level should be at the high end of the "Intermediate", a score of 80. The asset management maturity assessment placed us at "Core" level of asset management, with a score of 51. While we have made significant progress since our 2019 review, we still have significant improvements to make in the way we manage our assets. Some of our challenges and risks include:

Audit and improvement

It is important that we audit and plan to improve our approach to AM. In the past we have developed an AM Improvement Plan, but it was not budgeted for or actioned. For this reason, we have not been progressing our AM Improvement Plan and improving AM practice across the organisation.

Managing risk

Risk management is our weakest area of AM practice. We do not have a whole of organisation approach to managing risk and tend to manage our risks as they arise – dealing with issues and developing short-term responses to risk. We don't currently understand where we face the greatest risk to service delivery if a particular asset fails (asset criticality). For example, what is the criticality of our wastewater treatment plant assets and how does this influence how we maintain and renew these assets.

Service delivery models (procurement)

Our procurement processes are generally informal and inconsistently applied across our asset areas. We have a contract register which focuses mainly on recording key dates, but we have no procurement or contract management system in place. We carry risk when we don't have robust processes in place to manage conflicts of interest, use purchase order systems incorrectly, or don't have formal contracts in place where appropriate.

Life cycle decision methods (decision making)

We do not have a formalised decision-making process in place when making decisions about prioritising the maintenance and renewal of existing assets or investment in new assets. For this reason, we have found it difficult to assess relative priority of investment across our asset areas. The increased frequency of break downs at our wastewater treatment plant and the associated increase in our renewals programme are symptoms of not having robust decision-making processes in place in the past.

Operational planning

Our current approach to operational planning deals with individual issues as they arise rather than a planned approach guided by policies, processes and procedures. While our Parks and Reserves team have well documented operational procedures for their work practices not all asset areas do. In many cases we do not have maintenance plans in place which means our approach to maintenance is often reactive and unbudgeted costs occur. The recent \$400k of unbudgeted maintenance at Arena is an example of this reactive approach to the maintenance of our assets.

Asset performance and condition

We have significant gaps across our asset areas in terms of condition and performance data. We don't understand where we face the greatest risk to service delivery because we are not collecting condition data on our critical assets. Although some work has been done in the past to assess asset criticality, we are not using it well. For example, our wastewater pipes have good CCTV data, but is not always reliably loaded into our asset data base.

AM systems

If we follow formalised processes we can improve effectiveness and efficiency, increase community satisfaction and better manage risks associated with our assets. We do not have a robust suite of AM policies, processes or procedures being used by our staff. We have relied heavily on experienced staff in the past. Because we have little AM process documentation, we have been vulnerable when experienced staff and institutional knowledge has left the Council.

Policy and strategy

We need to manage our assets in a way that contributes towards achieving our strategic direction. Our long-term strategic direction is clear and settled. However, in the past our AMPs and AM Policy have not had a good understanding of our strategic direction and for this reason our AM decisions have not always given effect to the strategic direction our Councillors have set for the city.

Asset management plans (AMPs)

AMPs provide transparency about how we plan to manage and invest in our assets. Our 2017 AMPs were comprehensive but long documents that struggled to provide operational value. They were prepared with limited interaction with other parts of Council and in trying to be comprehensive were too long to be usable. In the past, our AMPs have struggled to align with our strategic direction and to effectively support our 10 Year Plan and Infrastructure Strategy.

Forecasting future demand

Forecasting future demand is important because it considers how future changes may impact on the demand for an asset and the service(s) it provides. The projected increase in investment in the region over the next 10-15 years means there is a need for robust demand forecasting. If we don't understand future demand and its impact on our asset based services, we run the risk of not having enough system capacity available at the right time to meet future growth.



WHAT'S OUR PLAN?

Audit and Improvement

We will be developing an organisation wide AM Improvement Plan based on the recommendations of our AM Maturity Assessment and the AM improvement tasks contained in our 2020 AMPs. We are developing an interactive dashboard that shows our prioritised improvement plan tasks so that we can monitor and report on our progress. We plan to form an Asset Management Steering Group that will provide governance and oversight to our AM practice and monitor how we progress our improvement plan tasks.

Managing Risk

We currently have a review of risk management underway. We have set up a Risk and Resilience team, adopted a Risk Policy and are in the process of developing a Risk Management Framework. Subject to resourcing, we plan to have in place AM Improvement Plan tasks that focus on assessing the resilience of our assets. Improvement tasks will also focus on process documentation to address the risks posed by the loss of experienced staff. The creation of our Project Management Office (PMO) in 2020 will support our Asset Managers to better manage project risk.

Service Delivery Models (Procurement)

Our newly established Procurement Team are in the process of developing better contract management capabilities across the Council. This includes work developing pre-approved procurement panels and formalising contracts which more clearly define expected contractor performance measurement and monitoring. Our Procurement Team are also working with our PMO to implement new tendering thresholds and new procurement processes. We expect to have an improved contract management system in place in 2021.

Life Cycle Decision Methods (Decision Making)

We will have in place AM improvement tasks that look to create formal decision-making processes to better prioritise the maintenance, renewal and creation of new assets. It is important this approach is supported by reliable asset condition data. We will also work to bed-in improved business case development to better justify our projects and ensure we are aligning with our strategic direction.

Operational Planning

We need to better prepare and plan for how we keep our critical assets delivering services to our community. To do this we need to review our approach to operational planning. We will take a structured approach to our lifecycle planning outputs (particularly renewals and maintenance budgets), and continually collect and update data to better understand the performance of our assets and our approach to operational planning. We want to develop strategies that better balance renewals and / or other proactive maintenance and the potential impacts on operational costs and LoS. We need to develop clear renewal and maintenance plans and communicate these with key staff and broader stakeholders (e.g. Rangitāne and Waka Kotahi / NZTA).

Asset Performance and Condition

We will be reviewing our policy governing our asset condition and performance assessment in terms of content and frequency. Once we have defined and identified our critical assets, we will need to complete condition surveys and schedule regular inspections with the frequency based on asset criticality. While unexpected failure of our water assets in the past has prompted a programme to increase the collection of condition data through physical surveys, we will need to develop a comprehensive condition assessment programme across all our assets. In our Property and Transport areas we have started working towards developing processes for contractors and in-house staff to collect condition information using real time mobile data applications to increase efficiency in this area.

AM Systems

We plan to undertake a review of our AM Systems and develop policies, processes, and procedures. We have developed a draft AM Policy and SAMP which form the first steps towards building our formal AM System. We have invested in web-based software to map business process change and will focus on a more comprehensive approach to mapping all our AM processes.

Policy and Strategy

We have confirmed with Councillors and other stakeholders the Vision, Goals, Strategies and Plans that will inform our 10 Year Plan decision-making. We have completed our SAMP and draft AM Policy, which both align with the strategic direction set to guide the city forward. Our AMPs have been informed by the SAMP which sets out the overall strategic approach to managing council assets and overarching issues, practices, and systems.

Asset Management Plans (AMPs)

We have developed our 2020 Asset Management Plans in two parts. Part A is our SAMP. This document sets out the overall strategic approach to managing our assets. Part B includes our AMPs for each asset group, detailing optimal management requirements and how the practices in Part A are applied.

We have set up an Asset Planning Division with one of its functions to develop AMP documents in a way that draws on the collaborative input of staff across the whole organisation. We have completed a review of our AMP templates and formatted our approach to better align with our needs and the operational areas of the organisation.

We need to better prepare and plan for how we keep our critical assets delivering services to our community.

Forecasting Demand

In preparing for the 10 Year Plan we have reviewed both our growth projections for the city and our Growth Infrastructure Plan. Our AMPs explain how each of our asset areas (transport, water, wastewater, stormwater, parks and reserves and rubbish and recycling) contribute towards achieving our Growth Plan. However, as part of our AM Improvement Plan, we need to carry out a more detailed review of how infrastructure capacity will be planned and rolled out to support the city's growth needs over the next 30 years. This work will feed into more fully fleshed out lifecycle plans in our AMPs that focus on how each asset area needs to respond to growth and ensure ongoing asset operation over the lifecycle of these assets.



OUR BIG PICTURE DEMANDS AND DRIVERS

We seek to understand how future changes could impact on the city's assets and the demand for services.

When we understand what is driving change we can better plan for the future, develop assets to cater for growth, and consider levels of service that meet our community's needs. Some of the big picture demands and drivers that may impact on how we plan for our assets and deliver LoS to our community are:



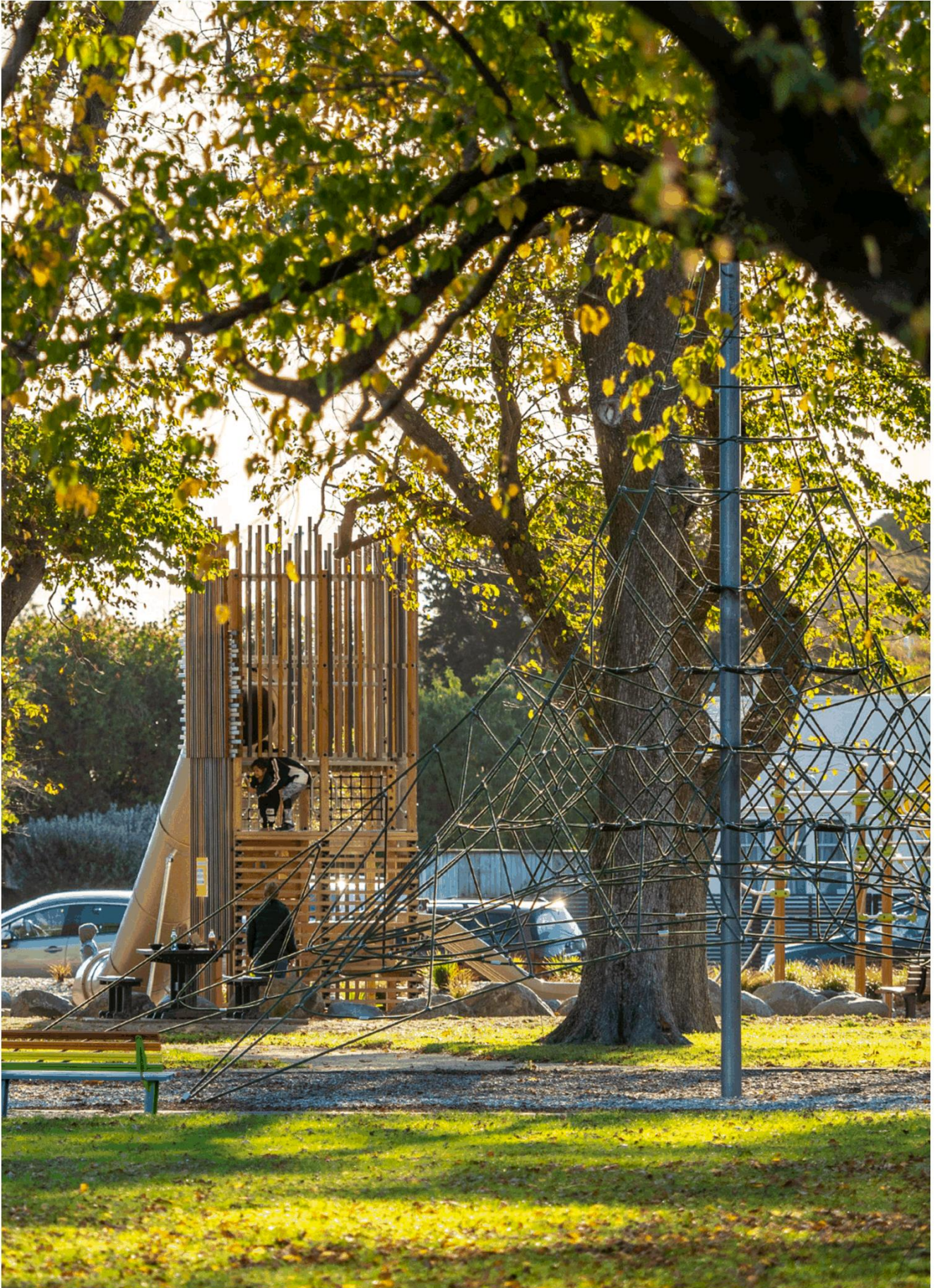
Big Picture Issues		Impact on Asset Management Planning
	Council Strategy To provide the ideal conditions to support growth and development.	What we will do New infrastructure will be in place to support housing development in greenfield areas. Our existing infrastructure will have enough capacity to support infill development.
	Population Growth The city's population is growing. By 2051 we will have 25,908 more people living here.	
	Household Growth The number of households in the city is increasing. By 2051 there will be an additional 12,865 houses here.	
	City Growth (Houses) In the future there will be more greenfield development in the North, East and West of the City. Housing density may increase with new infill housing developing throughout the city.	
	City Growth (Industrial) The city is poised for industrial growth. The North East Industrial Zone provides the City with development options for large industrial businesses.	What we will do New infrastructure will be in place to support industrial growth in new areas, providing businesses with "spade ready land" and essential services when needed.
	Economic Growth The city will have strong economic growth for the next fifteen years. The city is the major economic hub for the region for education, research, health services, retailing, defense, government administration, agribusiness and logistics.	What we will do Our infrastructure will position the City as a competitive option for business and enables economic growth opportunities.
	Customer Expectations We aim to deliver a customer centric experience. Key to delivering the levels of service is having good quality infrastructure assets, with the capacity to deliver services.	What we will do Our assets will enable us to provide customers with the levels of service we promised to deliver.
	Iwi Partnerships Rangitāne o Manawatū are acknowledged as having a significant and special relationship with the Council by virtue of them being Tangata Whenua.	What we will do Our infrastructure will enable us to provide levels of service that are considerate of iwi aspirations.
	Sustainability & Climate Change Climate change is a significant environmental challenge. In the future the city's climate will be different from now and will require changes to infrastructure assets.	What we will do Our infrastructure will be sustainable and provide for the changes likely to be experienced by present and future generations.





ASSET MANAGEMENT PLAN

PARKS AND RESERVES



Produced by
Palmerston North City Council

OVERVIEW

ASSET MANAGEMENT PLAN EXECUTIVE SUMMARY **PARKS AND RESERVES**

Manaaki whenua, manaaki tangata, haere whakamua.

Tihei mauri ora!

No reira, e te haukainga Rangitāne, nei rā te mihi nui ki a koutou e pupuri nei i te mauri o te whenua me ngā wai e rere atu e rere mai.

Tēnā koutou, tēnā koutou, tēnā tātou katoa.

As our community continues to grow and our lives get busier, parks and reserves become increasingly important as places where people can play, be active and connect with one another.

Climate change will bring warmer temperatures and more frequent and intense rainfall events to our city and our management of open green spaces will need to adapt. Our trees and gardens are the lungs of our city, and managed well, they will provide places for people and wildlife to escape an increasingly harsh environment.

Parks and Reserves are quite diverse

Parks and Reserves is a collection of facilities, managed by a single division of council. They range from high profile parks such Victoria Esplanade and Ashhurst Domain to remnant stands of bush such as Tutukiwi reserve. They include a vast network of walkways that enable people to move around the city easily and connect with our awa. Our sportsfields support a wide range of sports, by providing places for teams and individuals to train and play. We provide swimming pools for people to grow their water confidence, play and exercise. Our cemeteries are places to visit and celebrate the lives of our past citizens.

Our parks and reserves also play a role in the management of stormwater. They provide large areas within the city where rainfall can naturally soak into the ground and trees and other plants can absorb moisture from the soil. We undertake riparian planting to improve water quality, biodiversity and secure wetland reserves.

This Asset Management Plan outlines how we currently manage parks and reserves, what our challenges are, changing expectations, and how we're going to prepare our city for the next 30 years to ensure that our parks and reserves support our community to be more active and connected, and support biodiversity.

Our partners

Rangitāne o Manawātū and Council work in a collaborative partnership. Since the 2016 Rangitāne o Manawātū Treaty settlement, Rangitāne have become highly involved in the development of parks and reserves of cultural significance. Rangitāne sites of significance are identified, protected, and enhanced. Current Parks and Reserves projects being developed in partnership with Rangitāne include Te Motu o Poutoa (Anzac Park) and the Manawātū River Park.

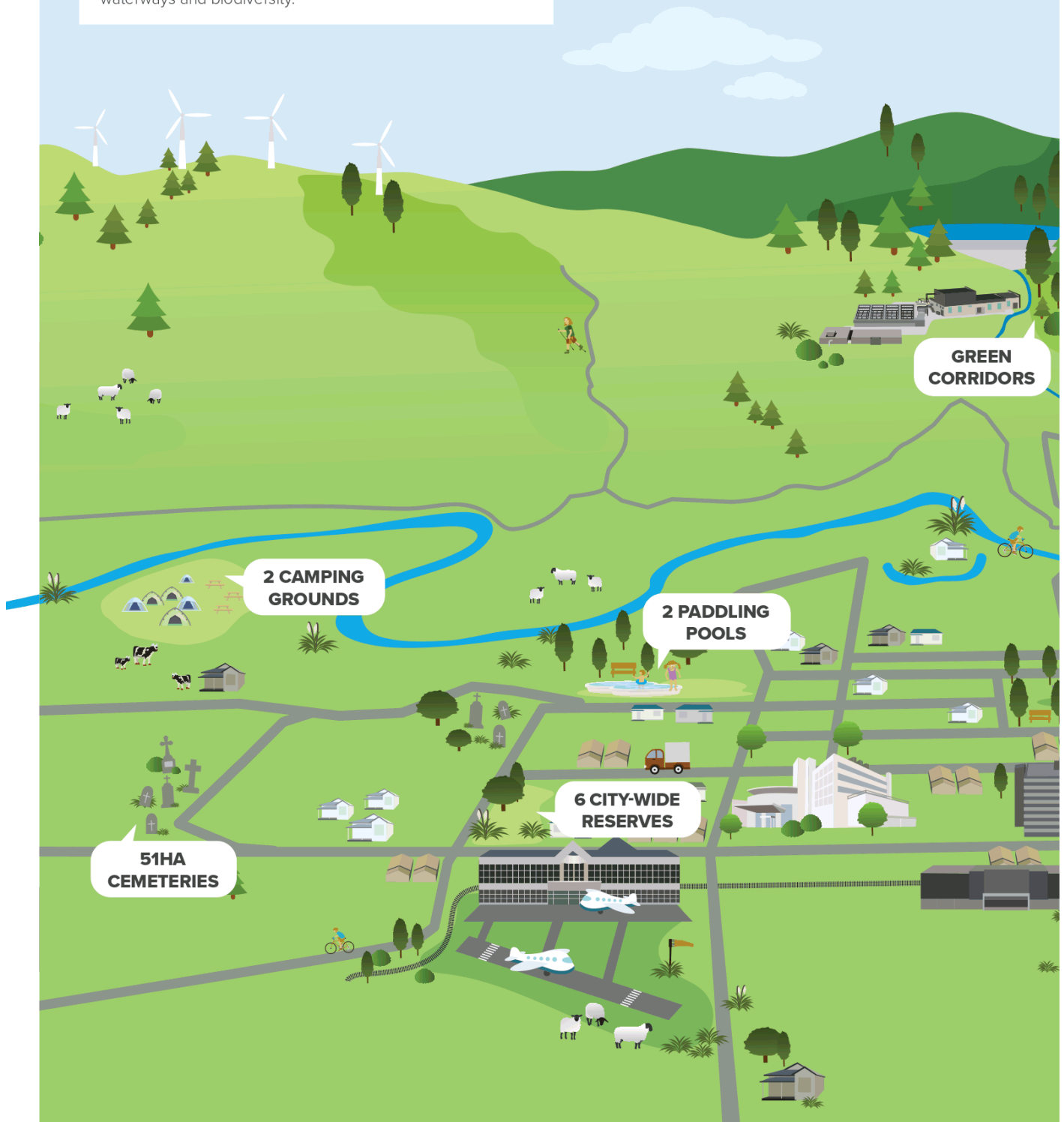
The Department of Conservation (DoC) has statutory responsibility for administering the Reserves Act. The DoC manages the Manawātū Gorge, a major ecological and recreation area, in partnership with Councils and other agencies, as part of the Te Apiti Manawātū Gorge Biodiversity Project.

WHAT WE PROVIDE



Around 6 in 10 residents visit/use parks, reserves and walkways at least once or twice a month.

Collectively parks and reserves support our community to be playful, active and connected, and help us to protect our waterways and biodiversity.



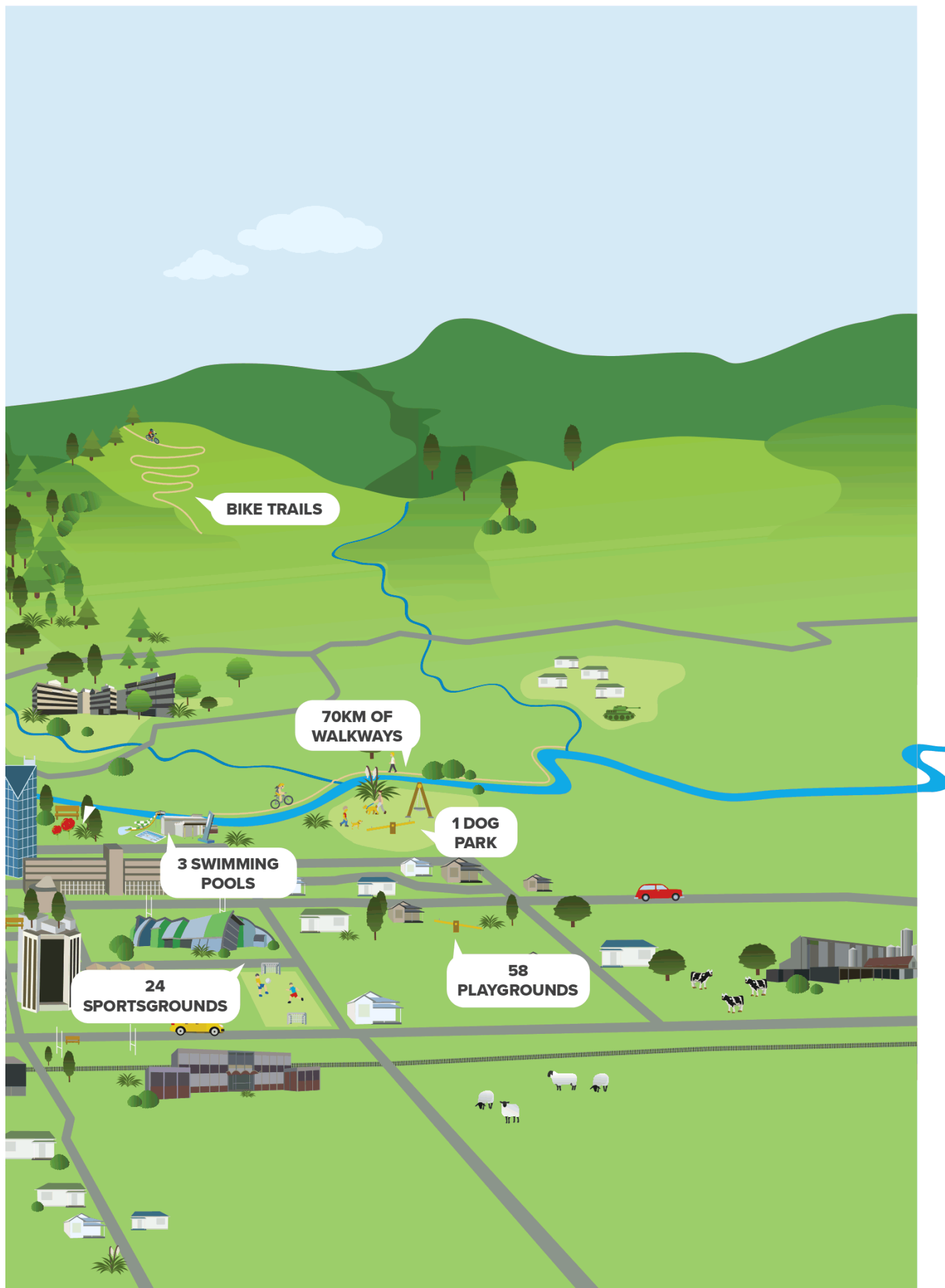
**GREEN
CORRIDORS**

**2 CAMPING
GROUNDS**

**2 PADDLING
POOLS**

**51HA
CEMETERIES**

**6 CITY-WIDE
RESERVES**



EVERYONE IS A CUSTOMER



WALKERS



BIKERS



FAMILIES



RUNNERS



SWIMMERS



SPORTS TEAMS



ENVIRONMENTAL GROUPS



CAMPERS



EDUCATION

Our level of service

A diverse range of people enjoy our parks and reserves to undertake all kinds of activity. Most users expect our parks to provide a pleasant visitor experience, to be well maintained, safe to use, spread throughout the City and easy to access.

Parks, reserves and green spaces, and walkways and shared pathways are the most frequently used/visited Council facilities.

We get great feedback from our community about the facilities we provide! Overall satisfaction with parks, reserves and public spaces is high when compared to other Council services and has been consistently high for many years.

Our assets are spread throughout the city and are generally in average to good condition.

There are very few areas where the community inform us we are not delivering the level of service they expect. The levels of service gaps relate to specific sites, rather the parks and reserves collectively. These sites are usually where demand is high and people want to use them at the same time, e.g. lane swimmers, sports training, or where high usage leads to the asset condition deteriorating quickly.

WE HAVE SOME CHALLENGES & RISKS

Climate change means we need to start to do things differently

Changes to rainfall patterns will lead to issues for our sportsfields and walkways, because there will be more heavy downpours. Flooded surfaces may result in cancellation of sports events and walkways closed due to slips. In addition to more intense rainfall it is likely long dry periods, or drought events, will also occur more frequently. This will put a strain on trees and plants, restricting their growth or even causing them to die. If new parks and reserves infrastructure is not designed to cope with weather extremes, then the contribution our green assets make to our city will diminish and biodiversity will be lost.

Meeting the needs of every sport is challenging

At present some sports are well catered for, whilst others must compete with the general public, particularly for winter sports training grounds, swimming pools and indoor courts. As new sports emerge and our community grows, demand at key times of the day and week will continue to increase. It is impractical and unaffordable to provide new sports facilities, when we know they will only be used for a small proportion of the week.

Our community expectations are high, and our resources limited

As new families move into the city, and our community becomes more diverse, there is an increased expectation that Council will upgrade facilities at local parks. This is particularly true of playgrounds, where everyone wants something they have seen at another park. Unchecked, this has led an increase in level of service in some areas of the city and a decline in others. Overall the cost to maintain our parks is increasing as a result.

We have some other risks too

As our population is becoming more diverse, their preferences and needs are changing. Our existing network assets and services will struggle to support the needs of all members of the community in the future.

As sections get smaller, and housing more intensive, there will be increasing pressure to provide more public reserve land in the city.

Sports are changing and there is an increased need for indoor spaces and specialised sports surfaces. Our traditional sports facilities may become less desirable.

Our city is spreading in many directions – considerable investment will be needed, and new assets will place further pressure on our existing maintenance budget.

Continued pressure to further reduce chemical usage in our parks and reserves, with alternative weed and pest control measures likely to be less effective, may lead to a decline in quality and a loss of biodiversity in some areas.

Increasing conflict between the need to use parks and reserves for stormwater detention following heavy rainfall events, and the community desire to access parks.

Unstable banks throughout the gullies in Aokautere, means we may have to modify or relocate existing walkway tracks in the future.

WHAT'S OUR PLAN?

We need to make the best use of our existing assets

We have provision standards with clear levels of service for each category of park. We will use these to manage our reserves as a network, providing a range of play experiences within each suburb. City reserves will continue to be our destination parks and we will implement signature projects at these reserves to ensure they provide unique high-quality visitor experiences.

We will continue our annual assessment of the condition and performance of assets and prioritise our resources to replace assets that have reached end of life or become unsafe. We will take the opportunity when replacing assets to address any identified levels of service gaps and improve accessibility and safety as part of the project.

In the longer term, we will increase the use of our existing assets through initiatives such as draining sports fields, installing floodlights and upgrading existing fields to artificial surfaces.

We will help build the resilience of our city

We'll continue to work with our stakeholders and users to manage park assets in a manner that supports sustainable levels of service and environmental outcomes.

All new parks will include design features which will help make them more resilient to climate change. We will actively reduce our carbon footprint by choosing more sustainable materials and energy options.

We will continue to improve the resilience of our communities and the environment by planting edible trees, managing plant and animal pests and supporting community initiatives to restore our waterways and increase biodiversity.

We will only invest in new assets if there is a proven need

Where demand for new assets exists, we will explore partnerships with others to provide community access to their existing assets. The regional sports facilities investment framework will be used to ensure that needs are proven, and that a new facility is financially viable in the long-term before we commit to funding a new facility, either by ourselves, or in conjunction with others.

We'll work closely with landowners and our city planners to ensure new growth areas of the city make adequate provision for parks and other recreation facilities. These should meet the needs of the local neighbourhood, and support the park and walkway needs of the surrounding suburbs. The cost to buy and develop these parks in line with our provision standards needs to be fairly shared between ratepayers and owners of the new properties. There needs to be adequate funding provision in the long-term plan to maintain these parks to the agreed standard well into the future.



HOW MUCH WILL IT COST?

(This will be added at a later date and likely be a couple of pages)







PALMYRA
PALMYRA
NORTH
CITY

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ASSET MANAGEMENT PLAN

PROPERTY



OVERVIEW

ASSET MANAGEMENT PLAN EXECUTIVE SUMMARY **PROPERTY**

Manaaki whenua, manaaki tangata, haere whakamua.
Tihei mauri ora!

No reira, e te haukainga Rangitāne, nei rā te mihi nui ki a koutou e pupuri nei i te mauri o te whenua me ngā wai e rere atu e rere mai.

Tēnā koutou, tēnā koutou, tēnā tātou katoa.

With a growing population, one of the most diverse communities in the country, and ever-changing building standards - our buildings portfolio is undergoing some major changes and will continue to do so for some time yet.

Our buildings portfolio is quite diverse. The Property Division supports other Council divisions to deliver various services from our buildings.

The Property Division is responsible for tenancy and contract management, building facilities maintenance, property compliance. The capital projects teamwork with various Council divisions to ensure we deliver our building capital projects on time and in the right locations.

The purpose of the Property Asset Management Plan (AMP) is to support the goals of the various activities by ensuring that building assets are operated and maintained so that they provide the required level of service for present and future customers sustainably and cost-effectively.

Scope of this plan

The AMP outlines how we plan on investing in our facilities over the next 30 years.

The Asset Management Plan highlights:

- how we ensure that our asset management decisions are aligned to strategic goals and plans
- how we want to improve asset knowledge, facilities maintenance and monitor performance
- key upgrade, renewal and maintenance work programmes
- how we can minimise risk

This Plan informs our 10 Year Plan, Financial Strategy and 30 Year Infrastructure Strategy.

Our buildings portfolio supports council goals

The buildings we own, each support services being provided from them to contribute to our vision of 'He iti rā, he iti pounamu' - 'Small city benefits, big city ambition'! We have five strategic goals that support the direction of our vision - which are to have a:

GOAL 1 an innovative and growing city	GOAL 2 a creative and exciting city	GOAL 3 a connected and safe community	GOAL 4 an eco-city	GOAL 4 a driven and enabling council
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The five goals support the well-being of our communities to thrive economically, socially, environmentally, and culturally for now and into the future.

Our investment and strategic buildings at George Street, Main Street, Rangitikei Street, and Broadway Avenue support 23 local businesses to grow, be innovative, and contribute to our local economy – which supports goal 1.

The Central Energy Trust Arena and our cultural facilities - Globe Theatre, Creative Sounds, Square Edge, Te Manawa, and Regent Theatre provide spaces for our communities to be creative and host exciting shows and events – which supports goal 2.

We provide spaces for our communities to be connected and active through providing spaces in our community centres, community agency facilities, and sportsfield buildings, supporting us to achieve goal 3.

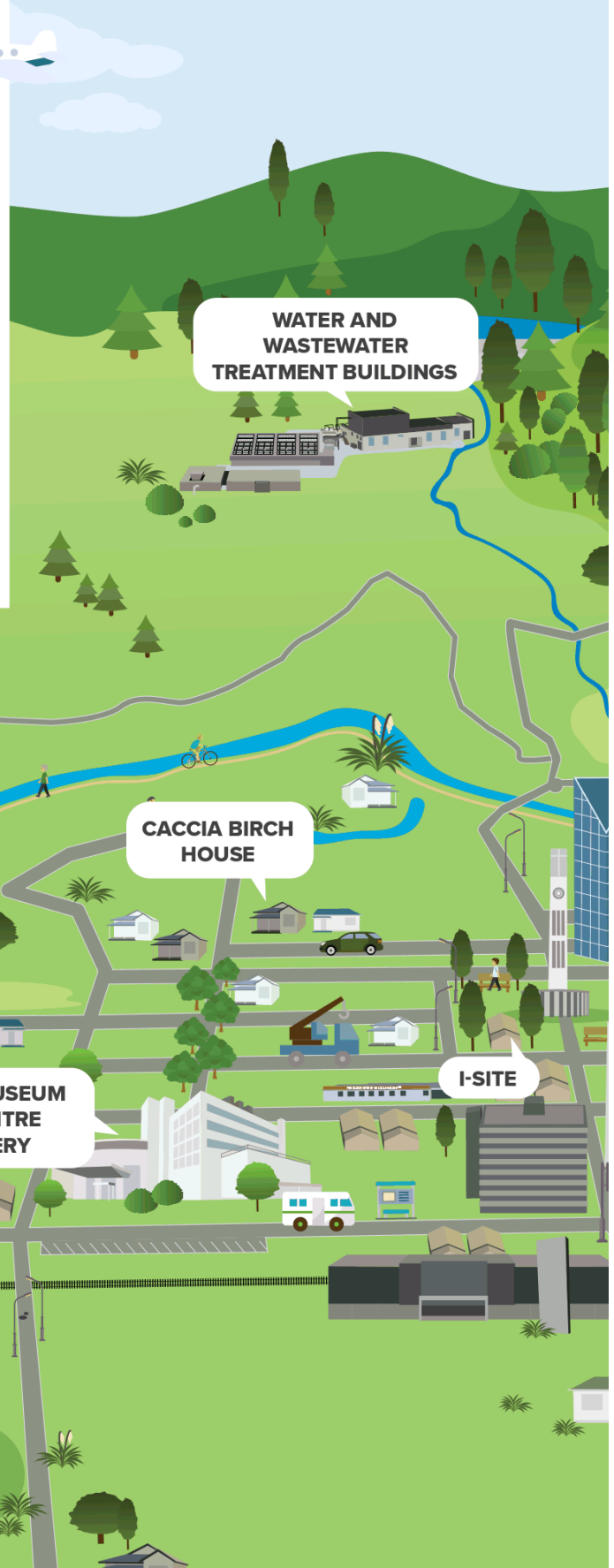
Our warm, dry and safe 407 housing units are a home for families and senior residents that are on a low income and experience barriers to renting in the private market – which supports us to achieve goal 3 for our communities.

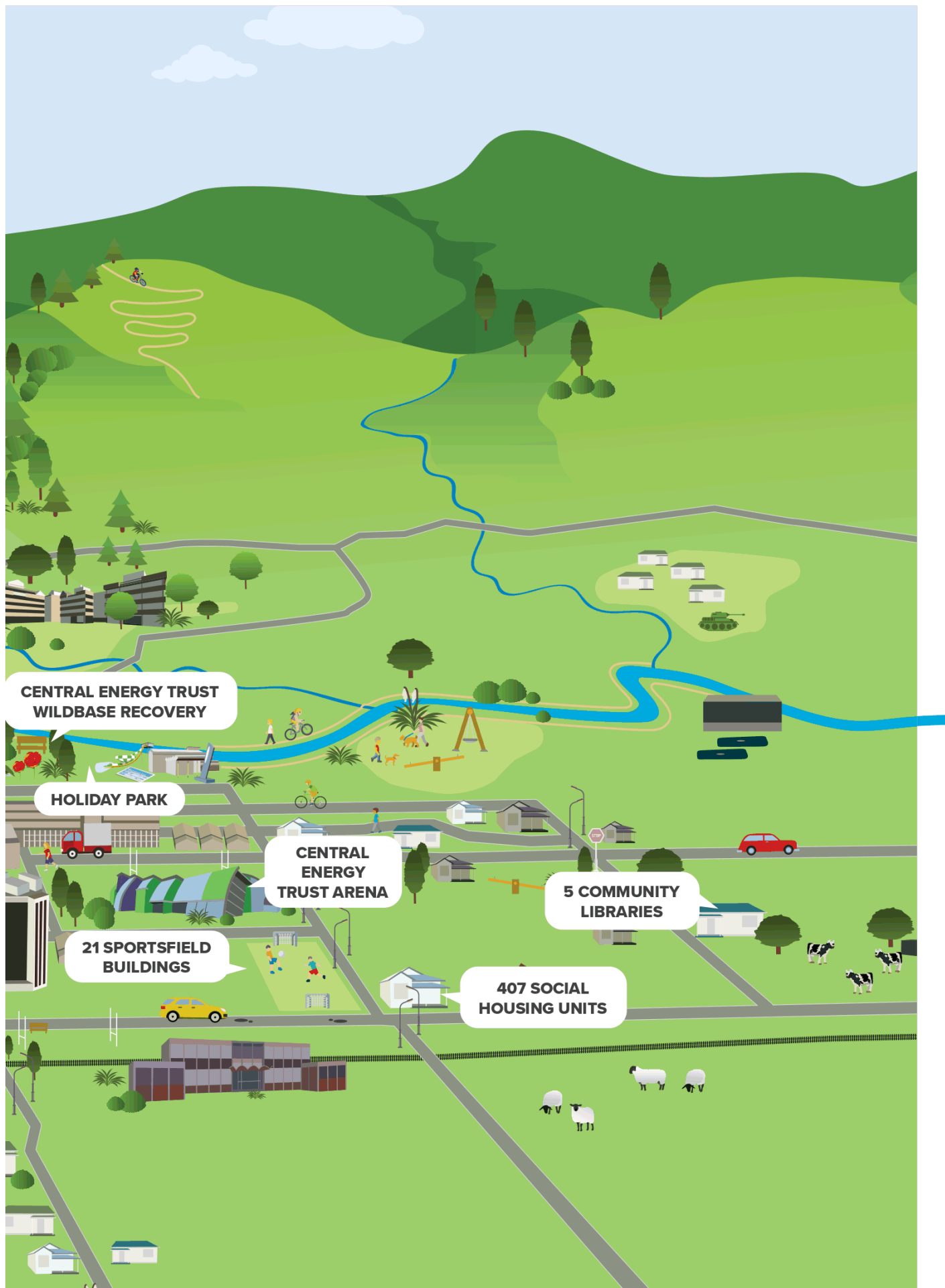
Operational buildings, such as the water treatment plant, enable us to treat and deliver quality water to our residents. Our Awapuni Materials Recovery Centre ensures that we are contributing to recycling and minimising waste within our city, supporting us to achieve goal 4.

WHAT WE PROVIDE

The Property Division supports other Council divisions to deliver various services from our facilities.

- Our 8 Community Centres on average are used for 1870 hours during the year - going above our target of 1400 hours of use
- Our Te Manawa Museum, Art Gallery and Science Centre had over 100,000 visitors over the last year
- The Globe Theatre hosted 190 performances
- CET Arena - hosted 2,500 individual bookings
- Central Energy Trust - Wildbase Recovery Centre has had 100,000 visitors since 1 July 2019
- 23 local businesses are located in our investment and strategic properties





EVERYONE IS A CUSTOMER



RESIDENTS



TOURISTS



FAMILIES



COMMUNITY GROUPS



EDUCATION



SENIOR CITIZENS



COUNCIL DEPARTMENTS



EVENT/SPORT ORGANISERS



SMALL BUSINESS OWNERS

Our buildings cater to a wide variety of people, including our residents, small business owners, community groups, families and senior citizens, schools, council departments, event and sports organisers, as well as tourists passing through our city.

We engage with our partner Rangitāne o Manawātū – early in our projects for planning and development for new and changing community facilities.

We work alongside our partners within our Council Controlled Organisations (CCOs) board committees, to ensure that our facilities are fit for purpose. We continue working with community trusts and organisations, and other key stakeholders such as Central Energy Trust, Department of Conservation and Massey University.

Our levels of service

Although all our buildings portfolio is varied, our customers usually expect that all our buildings to be well maintained, clean, accessible, safe, warm and dry.

We have found it challenging to have consistent levels of service across all our varied property portfolio. In the past, we have acted reactively regarding building maintenance. We are now working to improve our planned maintenance so we can provide better levels of service to our communities.

WE HAVE SOME CHALLENGES + RISKS

We have earthquake-prone buildings

Our earthquake-prone buildings are the most vulnerable. If the buildings are not seismically strengthened, they will continue to pose a risk to people's safety. Major seismic strengthening work will need to be completed at Civic Administration Building (CAB), Square Edge, the Kelvin Grove Crematorium, Wastewater Treatment Plant, Regent Theatre, Keith Street Power Station. The affordability of this work is a challenge for us, as we try to strengthen our buildings to the required National Building Standards (NBS) while ensuring we spend in a financially sustainable way. The change in building standards means there is a chance that there may be more earthquake-prone buildings identified in the future.

Unknown future costs of asbestos management

Asbestos is commonly found in building products in properties that were built, altered, or refurbished between the 1940s and 1990s. Most asbestos in our buildings is non – hazardous while it is intact and undisturbed. However, it poses a risk when building work needs to be carried out that makes asbestos friable. Friable asbestos is a high risk to human health. Asbestos remediation is high-cost work, as it needs specialist removal. However, due to the variation in the property portfolio, it presents a challenge in determining the true future cost of any remedial work that could be needed to remove the asbestos.

We are learning more about our buildings

We are learning more about our buildings just through the way we have been managing them. We are still investigating the true condition of some of our building asset components – such as our roofs. We don't fully understand the condition of our underground pipes (water, wastewater, and stormwater) of our facilities. In the past, stormwater pipes have been overloaded or blocked due to severe storm weather events. An example of this was at Arena 2 where stormwater pipes were blocked. This caused significant water damage to Arena 2 and consequent disruption, which affected community use of the building and created an unexpected cost to our budgets.

Deferred maintenance work needs to be addressed

We are still catching up to deferred maintenance and renewals due to historical underfunding of maintenance and renewals work. We now have a dedicated facilities and maintenance team and capital projects team that ensures we are on the right track with investing at adequate levels for our renewals and maintenance work programmes. However, it will take many years to achieve the right balance with funding as we are still maturing in our asset management practices.

Our new buildings need operational budgets

We are building new assets and have not had operational maintenance budgets set aside – due to new builds requiring minimal maintenance in the first few years. However, this has meant that as these assets, age and start to require maintenance or renewal, we don't have sufficient budgets to maintain them. This will mean that some of our buildings could deteriorate faster than they are supposed to. In the past, this has led to historical underfunding for some of our buildings. In some areas, this has led to surprise budget increases during the year for our renewals and upgrade work programmes. This may end up costing us more in the long run to do any remedial work and have an impact on agreed levels of service.

Our approach to maintenance has been too reactive

In the past, our facilities maintenance has had a run to failure maintenance strategy. With this strategy, we let some of our buildings keep running until they were about to fail – at which point we responded with reactive maintenance. A lot of maintenance was planned, but it was planned to respond to the anticipated failure of assets. This was due to the lack of condition data-driven decision making. In the past, our budgets have been roughly 30% planned maintenance and 70% reactive maintenance. We now have a dedicated facilities maintenance team that is trying to change this. It will take some time to get the right budget balance for reactive and planned maintenance.



Unaffordability of housing for local residents is an issue

Housing demand is an ever-growing issue due to the undersupply of suitable and affordable housing locally in Palmerston North. Housing unaffordability of rent and homeownership has increased in the last four years. There is an increased demand for one to two-bedroom homes within the city. Private and public agencies provide the majority of social housing to residents. Council's strategic direction is to increase social housing supply to ensure that we can provide homes for people with the greatest needs. Council supplies 407 social housing homes.

We are rescoping our direction for cultural facilities and community centres

The Civic Cultural Precinct Masterplan aims to create better connectivity between the four key civic areas in the central business district - the CAB, Central Library, Te Manawa Museum and the Art Gallery. The masterplan work actions are on hold, due to seismic strengthening work programmes to be completed at the Central Library and the Te Manawa Complex. A feasibility study is being undertaken to understand the potential future use of the facilities to ensure that the buildings are fit for purpose to meet the future needs of the wider community.

If we are to build any new community centres, we need to understand what a community centre needs to entail –i.e., a library, a gym, a community centre all into one. We won't be able to invest in creating new community centres until there is clear strategic direction. In the meantime, we need to continue to maintain our buildings to the agreed levels of service.

Climate change will have an impact on how we invest in our property

We aim to adapt our building designs to account for higher temperatures and more frequent, extreme weather events, and changes in rainfall patterns. This will mean there will be greater demand for ventilation and cooling systems. Lowering our carbon footprint has been one of Council's main priorities, and energy use was an area we have been trying to tackle through implementing a lighting upgrade programme. Each time a building needs new lighting, we opt-in for the more sustainable LED lighting. While this requires a greater up-front cost, the use of longer-lasting and more efficient fixtures will minimise the whole of life costs and be more energy-efficient.

Levels of service not always clear

The levels of service that we are supposed to deliver throughout the building portfolio has not always been clear. This is due to a combination of old service agreements and overlooked performance targets. We need to understand the levels of service for each facility. Not all assets and components can or need to be maintained at the same level. More work is still yet to be completed in this area. Clear levels of service and performance targets, will enable us to ensure we maintain, renew, and even refurbish our buildings to the required level. Our revised approach is to maintain facilities at the asset component level. This approach reflects that some areas within a facility may need to be kept at a higher standard than others. An example of this could be maintaining the carpet in a reception or public-fronting area in good condition, whereas carpet in a back office of a building may not be replaced until it is in poor condition.

WHAT'S OUR PLAN?

We have prioritised our seismic strengthening

We have undertaken detailed seismic investigations. This will help us to understand what the future cost is to complete seismic strengthening for our buildings. We now have an Earthquake Prone Buildings Policy. Our 'Seismic Strengthening Roadmap for Council Owned Earthquake Prone Buildings' has helped us to identify the priority order for seismic strengthening.

A majority of the seismic strengthening budget is going towards the Central Library and Te Manawa. Seismic strengthening designs will be developed on a building by building basis. As we progressively seismically strengthen our key buildings – it is likely that more work programmes could be triggered, such as roof replacements, fire upgrades, or asbestos remediation.

Our approach to this is that any of our buildings that are due to be refurbished or demolished must be first surveyed to determine the presence of asbestos. No demolition or refurbishment can start until a survey is complete.

Increased staff resource

For work to be completed well and change to occur, we also need a good team of people to coordinate all facilities maintenance, renewals, and compliance work. The Property Division has had a recent expansion in people resource in the last 12 months. There is now a dedicated Facilities Maintenance team, capital projects team, and a compliance officer. They ensure that our buildings are well maintained, renewed, building projects meet regulatory requirements within legislated timeframes. The expansion of the Property Division has set a foundation for better planned facilities management and forward work programmes planning for all our buildings. This will also enable:

- Better contractor engagement, robust KPIs, and expectations
- Condition reporting
- Health and safety accountability
- Better risk mitigation

We are investing in more asset condition assessments

We will be developing a Condition Assessment Strategy that defines what condition assessments should be conducted, by whom, their frequency, and why. Our facilities maintenance team will be an integral part of this – they have already completed condition assessments for most of our property portfolio at a component level. However, we also plan on being able to understand the structural condition of our assets; for example, our roofs need structural assessments. We have also created programmes to understand the condition of our underground pipes (water, wastewater and stormwater).

Using better data to inform decision making

We are aiming to use accurate data to drive better long-term investment decision making across our property portfolio. We are working on finding ways to integrate our asset data system, SPM, and our facilities maintenance system. This will create ease in identifying repeat faults and repairs. It will help us to understand our historical maintenance and ensure that maintenance work is completed on time.

We are increasing our maintenance budgets

We are increasing our maintenance budgets across the portfolio to ensure we can provide better levels of maintenance. Increasing our maintenance budgets will help us to catch-up to deferred maintenance. In the long run, having a planned maintenance approach will mean that we can push out renewing our assets until later in their lifecycle, potentially minimising whole of life costs. In response to building new assets, we recognise that we need to have robust operational maintenance plans and budgets in place.

HOW MUCH WILL IT COST?

(This will be added at a later date and likely be a couple of pages)







PALMY
PALMY
NORTH
CITY

ASSET MANAGEMENT PLAN

RUBBISH AND RECYCLING



Produced by
Palmerston North City Council

OVERVIEW

ASSET MANAGEMENT PLAN

EXECUTIVE SUMMARY RUBBISH AND RECYCLING

Manaaki whenua, manaaki tangata, haere whakamua.
Tihei mauri ora!

No reira, e te haukainga Rangitāne, nei rā te mihi nui ki a koutou e pupuri nei i te mauri o te whenua me ngā wai e rere atu e rere mai.

Tēnā koutou, tēnā koutou, tēnā tātou katoa.

Most of the things we do, buy, and consume generates some form of waste. This not only costs money when we throw things away but, if we do not manage the waste properly, it can cause problems with the environment and with people's health.

We provide rubbish collection and recycling services for the City in order to:

- Ensure the city's solid waste is adequately and affordably managed;
- Maximise the amount of waste diverted from landfill (such as through recycling and composting); and
- Manage hazardous waste in an environmentally responsible manner.

Our waste management and minimisation plan guides our work

We are required by the Waste Minimisation Act 2008 to adopt a Waste Management and Minimisation Plan (WMMP) that sets out our objectives, policies and methods for achieving effective and efficient waste management and minimisation, and how the plan is to be funded. We reviewed and updated the WMMP in December 2019 and identified four priority actions, three of which are likely to require infrastructure.

We also receive funds from the national waste disposal levy to spend on promoting or achieving the waste minimisation activities set out in our WMMP.

We are also guided by the Resource Recovery Plan which is our tactical response to the Goal 4: An Eco City and the Eco City Strategy.

This Asset Management Plan outlines how we manage our rubbish and recycling activity, what our challenges are and our investment plan for the next 30 years.

We can be a leader in waste diversion

In 2017, Palmerston North sent just over 45,000 tonnes of waste to landfill. Nearly half of this was potentially divertible. While we cannot be directly responsible for all the City's waste, we can promote effective and efficient waste management and minimisation.

There are opportunities for us to invest in new services to increase the proportion of waste diverted from landfill from 38 percent to 48 percent by 2025 as identified in our WMMP.

We could save nearly 20,000 tonnes of material from going into the landfill each year.

Scope of this plan

This Plan informs our 10 Year Plan, Financial Strategy and 30 Year Infrastructure Strategy. It supports us in the management of our rubbish and recycling activity to:

- Achieve our strategic outcomes as set by Goal 4: An Eco City and the Eco City Strategy
- Meet the levels of service we have committed to;
- Plan for growth and adjust to other drivers such as climate change and new legislation;
- Improve asset knowledge and monitor performance;
- Minimise risk; and
- Plan operations.

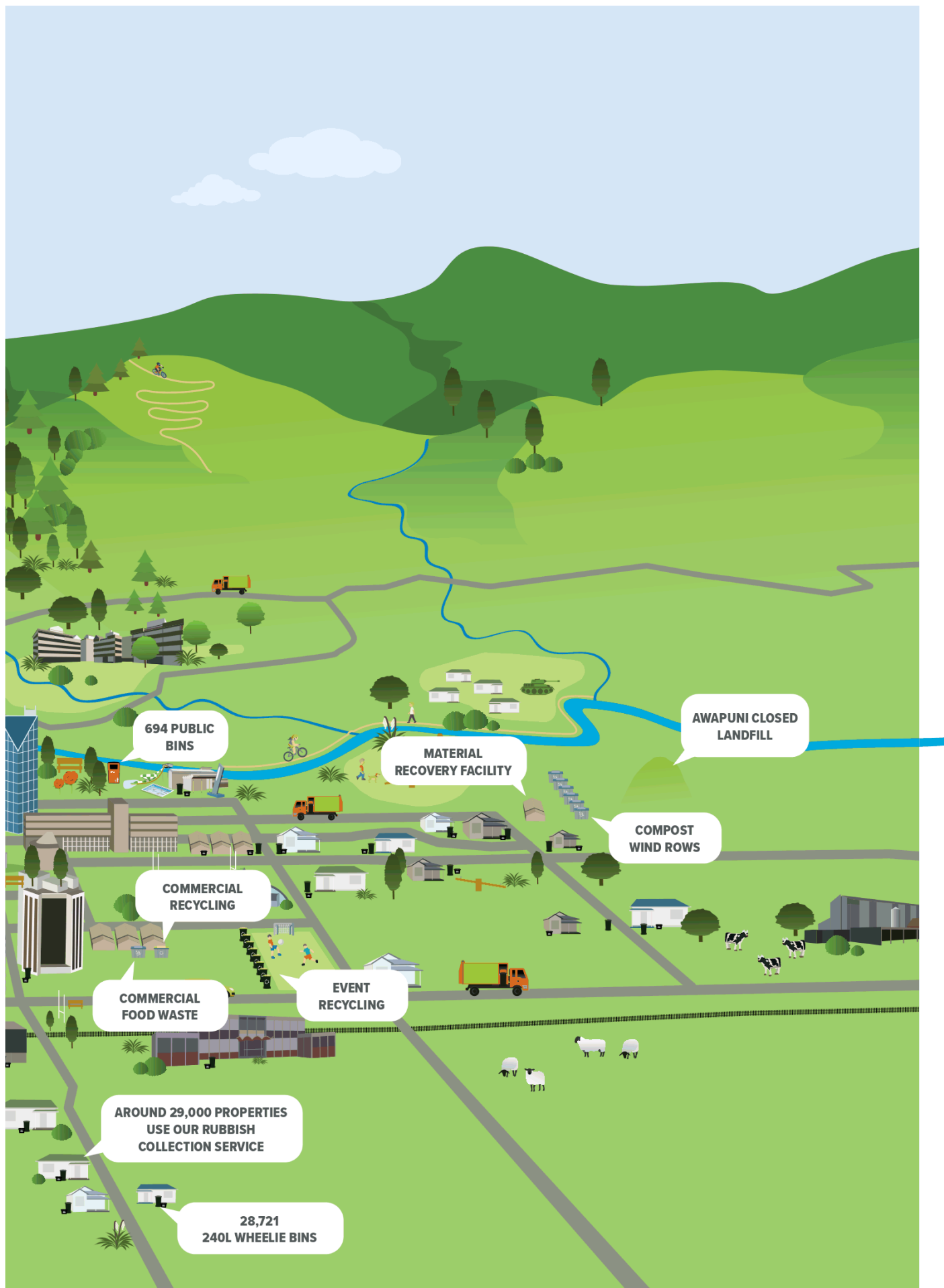
WHAT WE PROVIDE

We provide waste minimisation (recycling), waste management (rubbish) and closed landfill management services.

In addition to the services listed below we promote waste diversion through behaviour change campaigns and education.

Service	Typical Usage [Tonnes per year]
Kerbside Comingled Recycling Collections	3800
Kerbside Rubbish Bag Collection	3300
Organic and Green Waste Drop Off Points	2700
Kerbside Glass Recycling Collections	1700
Three Recycling Drop-off Points	1000
Food Waste Collection	380
Public Space Bins	257
Rubbish Transfer Station	118
Illegal Dumping Response	42
Events Recycling	1
Household Chemical Drop Off	1
E Waste	TBA





EVERYONE IS A CUSTOMER



RESIDENTS



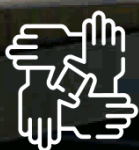
FAMILIES



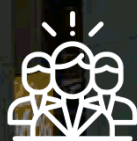
RURAL



EDUCATION



COMMUNITY GROUPS



COUNCIL



EVENT/SPORT ORGANISERS



COMMERCIAL

About a third of residents use our rubbish bag service. These customers are less likely to throw out material that could be recycled.

10 percent of recyclable materials are dropped off. The use of the Ferguson Street Recycling Drop Off Point has tripled in the last five years.

Waste from the CBD has doubled, and we are seeing growth in our commercial food waste, glass and recycling services.

We are collecting less waste from our public space bins, but illegal dumping has increased.

We have worked hard to educate residents on keeping rubbish out of recycling bins but Covid-19 has set us back.

We have supported over 40 events with recycling services – the biggest being the Festival of Cultures.

The 2020 Annual Residents survey found that our residents are generally happy with all aspects of waste management, particularly with kerbside rubbish and recycling collection.

Our stakeholders include: Ministry for the Environment, Ministry of Health, Horizons Regional Council, Neighbouring Local Authorities, Other Waste Collection Providers, Environmental Groups

WE HAVE SOME CHALLENGES + RISKS

We can do better in sorting our waste

The 2017 Waste Assessment provided data on nearly all waste streams for Palmy. This data was analysed and identified the main areas where we could improve our effectiveness in waste diversion.

The WMMP was updated to include three priority issues that require new services and infrastructure:

- A significant proportion of waste going to landfill is organic waste, with food waste present across all kerbside rubbish collection systems.
- Lack of facilities to recycle or otherwise divert construction and demolition waste, in particular with a predicted increase in construction activity.
- More recyclables could be diverted from commercial properties.

Waste minimisation mitigates climate change

The government has further incentivised waste reduction by including landfills in the New Zealand Emissions Trading Scheme so the more we can divert from landfill, the greater part we play in reducing green-house gases.

Law changes are imminent but uncertain

Waste management is also a national concern and hence, a key driver of change is new legislation and standards.

Central Government has a New Zealand Waste Strategy and is consulting on phasing out some types of unrecyclable (including some polystyrene packaging) and single use plastics.

Other changes are more advanced, such as a Container Return Scheme (CRS), increased waste disposal levy and kerbside collection standards (due 2021).

A beverage container return scheme is on the cards

A major benefit of having our own Material Recovery Centre (MRF) is the ability to separate out high-value commodities. Our MRF also has processing capacity to accommodate growth.

Government has funded the design of a CRS for New Zealand and is now considering next steps. A CRS would not be implemented until 2023 at the earliest. As a result of the CRS, high value plastics and glass could be removed from kerbside collections. Therefore, it is in our interest to investigate how we can be involved in running a CRS locally.

Rubbish disposal will cost us more

It is expected that from July 2021 to 2024, the Waste Disposal Levy will increase from \$10 a tonne to \$50-\$60 a tonne for Class 1 landfills. We will have to pay more for disposing of rubbish in the Bony Glen landfill. Assuming we will continue with the kerbside rubbish collection as a ring-fenced, cost-neutral, user pays service this may result in an increase in the cost of rubbish bags.

Kerbside collections may become standardized

A national review is currently underway into how collections differ around country. The most likely change to impact our services would be the standardisation of products that can be collected in the mixed recycling service. We already collect glass separately which is the other major change expected.

Covid-19 changed behaviour

In 2020 Covid-19 became a significant issue for contamination of waste in our mixed recycling residential wheelie bin service.

In recent years we have worked hard to reduce contamination, but this work was undermined when people started to use the recycling service for disposing waste during Level 4 when we were unable to process the material and had to send it to landfill it for health reasons.

Since our normal service has resumed, recycling contamination levels have not returned to previous levels, costing us more to dispose of this waste.

Public education and awareness programmes are vital, and will continue to play a key factor in all of our work.

Limited markets for commodities

Another major driver is the change in commodity markets impacting on our ability to divert materials. Since China's "National Sword" policy in 2018 that banned importing of "waste" there has been a dramatic decline in markets willing to pay for recovered materials. We are now paying to supply some commodities instead of selling them. This is increasing our operating costs.

Our closed landfill will continue to play a role

From 1950 to 2007, 2.5 million tonnes of rubbish were deposited at the Awapuni Landfill. Now closed, we have the ongoing responsibility to maintain its integrity. The current consent expires in 2029 and will need to start the process of re-consenting it a couple of years ahead of this.

Our assets are aging

Recent unexpected maintenance costs at our Material Recovery Facility have highlighted a need to better classify the criticality of assets and assess their condition.



WHAT'S OUR PLAN?

We plan to provide new services to divert more waste from landfill

Our target is to increase the proportion of waste diverted from landfill from 38 percent to 48 percent by 2025. This will mean a reduction in waste being sent to the landfill and an increase in material being diverted.

Kerbside food waste service (+ 4 percent diversion rate)

Subject to investigation and detailed financial analysis, Council would provide a city-wide, rates-funded, weekly kerbside food waste collection service to households. This service would be offered to non-residential customers on a user-pays basis. A tailored service could be offered to those that have larger quantities such as restaurants, hostels, and cafeterias.

Note that we are recommending running a trial to confirm assumptions and feasibility and to introduce the new service a year later than previously indicated in the WMMP.

Citywide Recycling Services to Non-Residential Properties (+ 2 percent Diversion Rate)

Provide additional recycling collection services to non-residential customers to accommodate their needs; such as variety in containers, types of materials, frequency of collection and location of collection. These would be provided on a user-pays basis.

Diversion of New Materials from Landfill (+ 2.7 percent Diversion Rate)

This would include investigating the establishment of a construction and demolition waste processing service (with associated collections), aiming to divert at least one third of this waste currently going to landfill. Implementation would be subject to investigation and detailed financial analysis.

Our response to growth

The city has grown further away from our existing recycling drop-off points. We need to investigate establishing a new drop off site for recycling and green waste in the north east of the city to better service this growth.

We will continue to investigate and pilot new services

We will continually adapt to the changing markets and legislative environment and to do this we plan to be:

- Investigating the possibility of recycling difficult materials like polystyrene.
- Continuing education to change behaviour and promote awareness.
- Continuing to take enforcement action against those that dump rubbish illegally, and work in partnership with community group to identify and address problem spots.
- Continuing to support a community led Zero Waste Action Group; and
- Applying our new Bylaw to influence and reduce the amount of materials going to landfill that could have been diverted.

Maintain existing levels of services

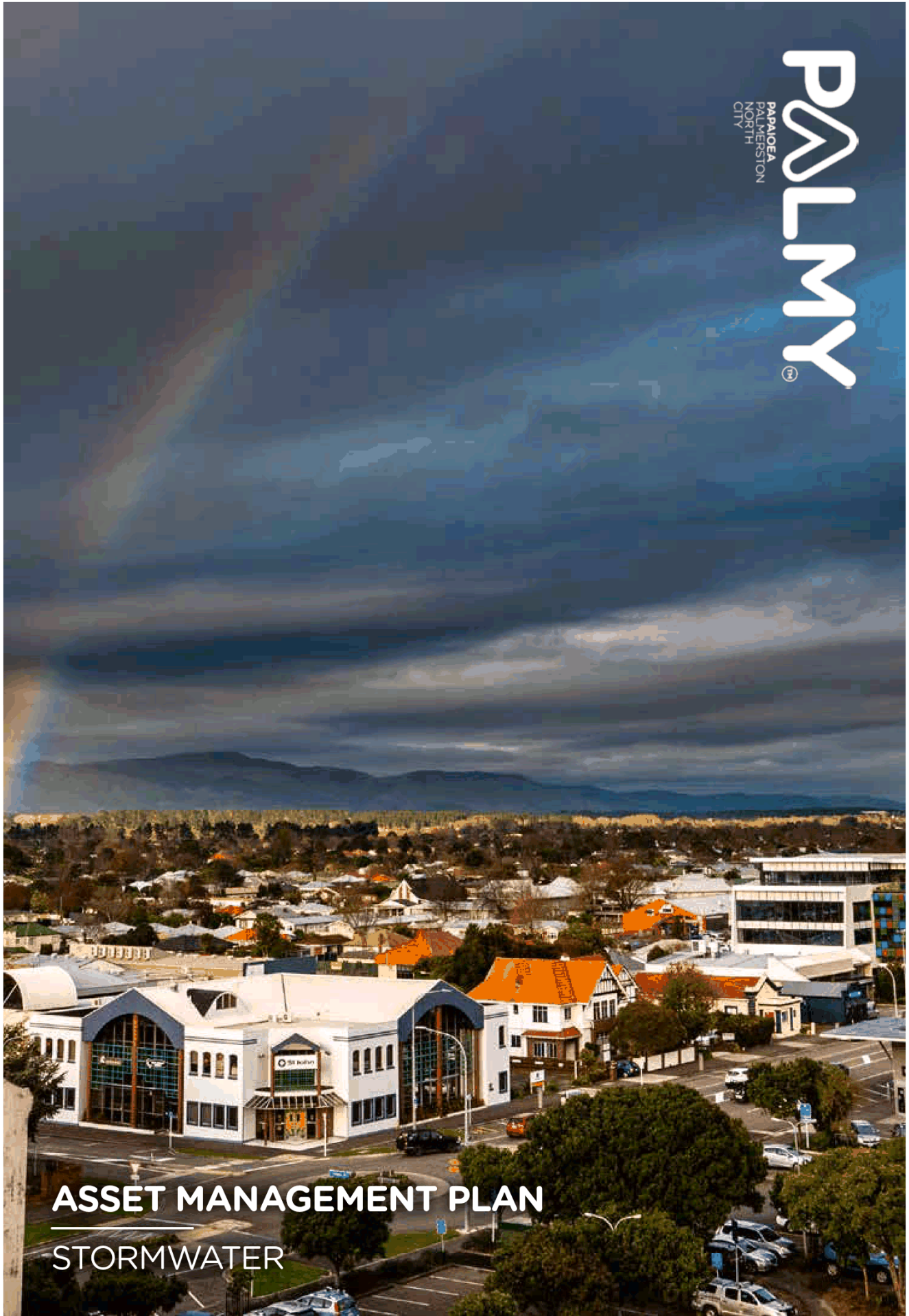
We plan to keep operating the existing services at the same level

HOW MUCH WILL IT COST?

(This will be added at a later date and likely be a couple of pages)



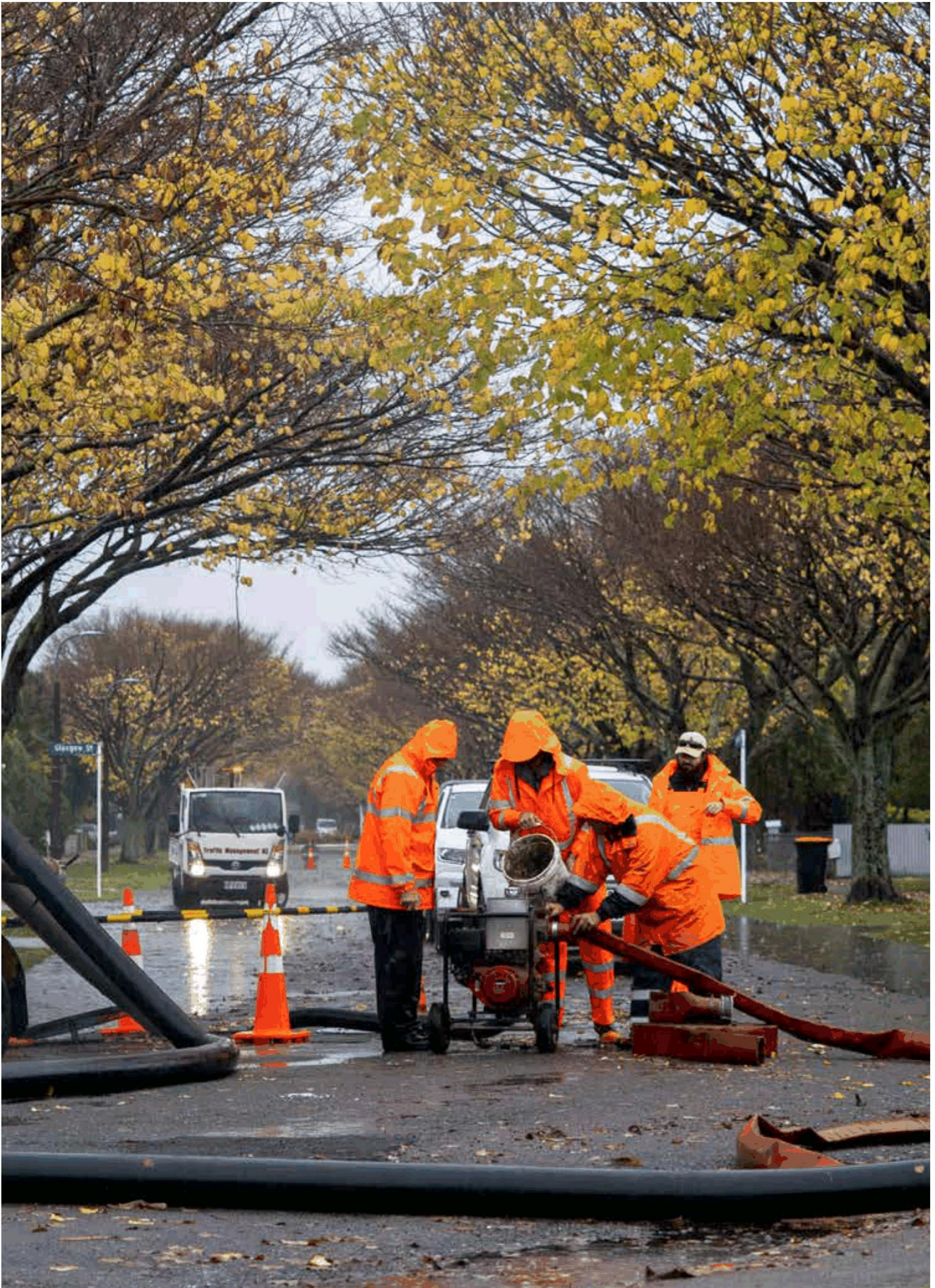




PALMY[®]
PAPAŌEA
PALMERSTON
NORTH
CITY

ASSET MANAGEMENT PLAN

STORMWATER



Produced by
Palmerston North City Council

OVERVIEW

ASSET MANAGEMENT PLAN EXECUTIVE SUMMARY **STORMWATER**

Manaaki whenua, manaaki tangata, haere whakamua.
Tihei mauri ora!

No reira, e te haukainga Rangitāne, nei rā te mihi nui ki a koutou e pupuri nei i te mauri o te whenua me ngā wai e rere atu e rere mai.

Tēnā koutou, tēnā koutou, tēnā tātou katoa.

With the effects of climate change becoming more apparent over the next 30 years, our stormwater network has never been so important.

More frequent and intense rainfall means our network will need to be adapted to cope with these new risks.

The purpose of the stormwater system is to protect the environment and public health by controlling the level of pollutants and sediment in stormwater runoff that goes into streams and rivers, and to protect buildings from internal flooding by water that ponds or flows during heavy rain events.

As a member of the Manawātū River Leaders' Accord, we recognise we have a role in improving the mauri and health of the Manawātū River. Council's strategic focus is to raise the profile and quality of city urban streams, acknowledging their cultural significance as tributaries of the Manawātū River.

Taumata Arowai

In 2019, the Taumata Arowai-Water Services Regulator Bill was introduced to Parliament with the purpose to establish a new regulatory body by the same name. Initially, Taumata Arowai will be responsible for administering and enforcing a new drinking water regulatory system and a small number of complementary functions relating to improving the environmental performance of wastewater and stormwater networks.

A freshwater policy review is also underway. It is likely this will mean stronger regulations and more inter-regional coordination. We expect this would mainly have implications lead to discharge of wastewater and a stronger emphasis on protecting waterways from uncontrolled overflows.

Te Mana o te Wai

This section will be added in 2021

This Asset Management Plan outlines how we plan to manage and invest in our stormwater assets for the next 30 years

Scope of this plan

This Plan informs our 10 Year Plan, Financial Strategy and 30 Year Infrastructure Strategy. It supports us in the management of our stormwater assets to:

- Achieve our strategic outcomes as set by Goal 4: An Eco City and the Eco City Strategy
- Meet the levels of service we have committed to
- Plan for growth and adjust to other drivers such as climate change and new legislation
- Improve asset knowledge and monitor performance
- Minimise risk
- Plan operations

WHAT WE PROVIDE

We provide stormwater services in order to:

- Protect the environment and public health by controlling the level of pollutants and sediment in stormwater runoff that goes into streams and rivers; and
- Protect buildings from internal flooding by water that ponds during heavy rain.

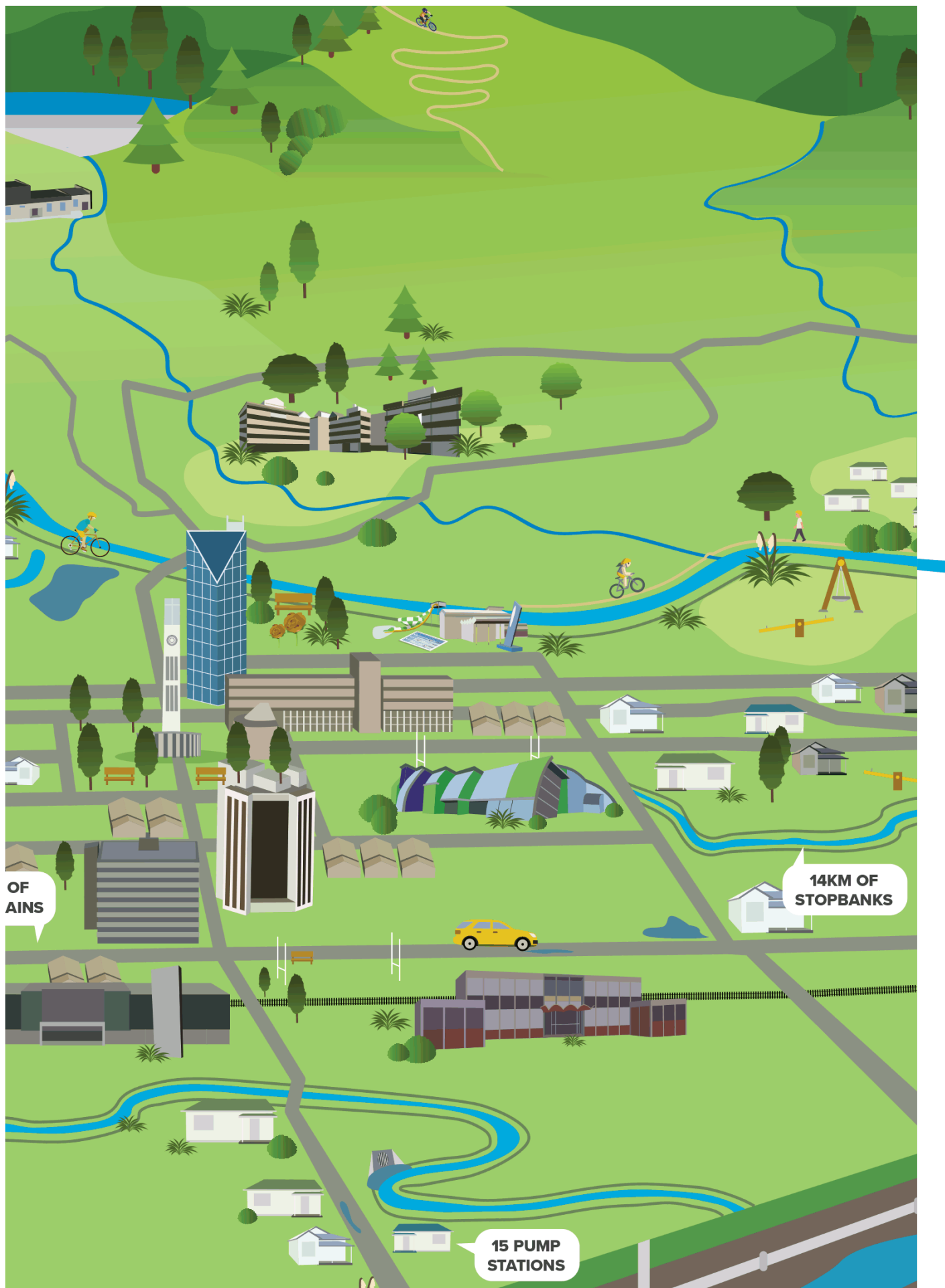
Council does this through a reticulated stormwater system of pipes, pumping stations and channels with the capacity to protect from street flooding for a five-year rainfall event and protect buildings from flooding for a 100-year event.

20KM OF
OPEN DRAINS

5,511 MANHOLES

290
PIPELINES

8.3 HA OF
DRAINAGE
RESERVE LAND



EVERYONE IS A CUSTOMER



RESIDENTIAL



VISITORS



INDUSTRIAL



RURAL



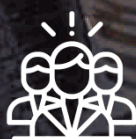
EDUCATION



**FIRE AND
EMERGENCY
NEW ZEALAND**



HEALTHCARE



COUNCIL



DEVELOPERS



COMMERCIAL

Our strategic focus is to raise the profile and quality of city urban streams, acknowledging their cultural significance to Rangitāne as tributaries of the Manawātū River. Stormwater quality is an issue across the city due to contamination from wastewater during heavy rain and land use. We are working with Horizons Regional Council as we have overlapping responsibilities. Complaints about the urban waterways have increased since maintenance budgets and activities were reduced.

People expect their properties to be safe from flooding. We ensure that at the very least, habitable floors are protected

by requiring minimum floor levels to be set on new houses where appropriate. Some properties have been flooded in recent years and we are in the process of upgrading the network to address these capacity issues. Complaints about nuisance ponding of water on roads has increased but no action is justified as this is part of the stormwater system design.

Even though certain complaints have increased, the overall satisfaction of residents has improved for the Stormwater Activity.

WE HAVE SOME CHALLENGES + RISKS

Our city is growing

In most areas where the City is growing there are existing sensitive receiving environments such as degraded urban streams and wetlands. As these areas are urbanised there is an opportunity to improve water quality and ecology by applying water sensitive design.

Water quality is poor in our urban streams

Cultural health monitoring of the urban streams carried out by Rangitāne o Manawātū under our joint programme Hei Manga Ora, and previous water quality monitoring indicates that the urban streams are contaminated by sewage from urban environment and our waste water networks.

Inspections in 2019 identified significant areas of poorly managed vegetation in our open drains and streams and other issues causing hydraulic capacity problems. More appropriate species are needed to improve both capacity, water quality and amenity.

Infill / intensification

While the urban area expands we're seeing more subdivisions of existing properties (infill). This is putting the existing level of service at risk due to more hardstand surfaces contributing to direct more rapid rainfall runoff.

Climate change will have an impact

Current research suggests that the main impacts of climate change on the stormwater activity will be a significant increase in rainfall in winter, and a higher frequency of extreme rainfall events. This could increase both nuisance surface water ponding and flood events.

Overland flow paths have been piped and built over

We now have better modelling and GIS tools to manage overland flow paths but a lack of controls in the past has meant that there are some problematic areas that need rectifying.

Related to this, some urban streams are now accessible only through private property, preventing us from managing them properly.

Regional stormwater management

We are working regionally to better manage stormwater, but this work has slowed while water reforms take place as some issues will be addressed nationally. However, progress towards integrated management of our stormwater discharges.

Asset condition knowledge is limited

While the risk profile of our stormwater pipes is acceptable as they tend to last a very long time, we have limited knowledge of the actual condition of these assets.

Pump stations are vulnerable

Our pump stations are vulnerable due to the lack of dedicated backup power supply.



WHAT'S OUR PLAN?

Partnership with rangitāne and the community

Applying water sensitive design to renewal work will be a key change as it will help achieve improved outcomes for water quality, hydraulic capacity and amenity.

Our new approach is to fund a “one time” clean up and vegetation removal exercise for all the urban streams over the next five years. As sections are cleared, they will be planted with appropriate species with support from Rangitāne and community groups/businesses.

Operationalise our new stormwater framework

The framework will set out the performance requirements and challenges for each catchment in the city and other work to renovate our open streams and drains. Once adopted by Council it will empower Council officers to set specific requirements of developers.

Respond to growth

Requiring hydraulic neutrality will be a key response to growth but some capacity upgrades of existing infrastructure will be required.

We are expecting increased operational costs to maintain stormwater treatment devices that are vested to us.

As our city grows, we will need to maintain our stormwater model to reflect the changes.

Improve resilience and reduce risk

Purchasing additional mobile generators and emergency pumps will provide the much needed resilience in the stormwater system.

Areas where more capacity is needed has been identified for upgrading, and retention of flows at the Linklater Reserve is planned.

Where possible, we intend to purchase land adjacent to urban streams to enable us to better manage them and facilitate access for walking and cycling.

Design for climate change

We will continue to design new infrastructure with provision for climate change. Where infill is occurring, the impacts of heavier, more frequent rainfall is expected to be mitigated by developers adopting rainwater tanks for retention and minimising the areas of improvement of impervious surfaces.

Use data to prioritise repairs

New condition assessment data will confirm our service failure risk profile and provide us with a prioritised backlog of pipe defects. This will help us maintain our level of service and plan and optimise future pipe replacements.

Obtain consents for our discharges

Our partnership with Rangitāne on Hei Manga Ora has provided us with invaluable information on the cultural health of our waterways. This information combined with the roll out of an improved water quality monitoring programme will inform future discharge consent applications.



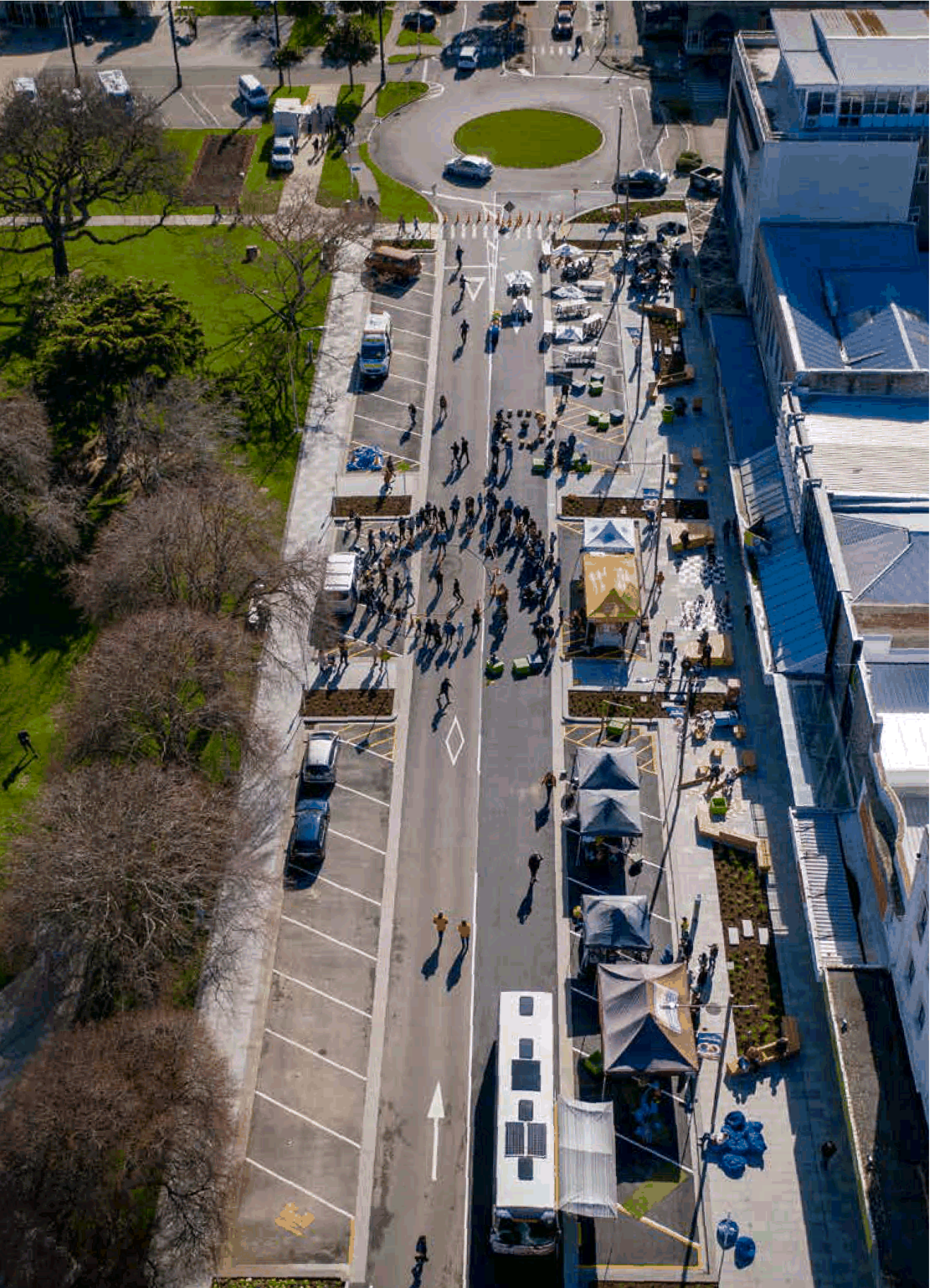
HOW MUCH WILL IT COST?

(This will be added at a later date and likely be a couple of pages)









Produced by
Palmerston North City Council

OVERVIEW

ASSET MANAGEMENT PLAN EXECUTIVE SUMMARY **TRANSPORT**

Manaaki whenua, manaaki tangata, haere whakamua.
Tihei mauri ora!

No reira, e te haukainga Rangitāne,
nei rā te mihi nui ki a koutou e pupuri nei i te
mauri o te whenua me ngā wai e rere atu e rere mai.

Tēnā koutou, tēnā koutou, tēnā tātou katoa.

Palmerston North's population and industrial sector is growing, and we need to make sure people and goods can continue to move around the city easily and safely.

With more journeys on our roads, our transport network is becoming busier and more constrained. Palmerston North has emerged as the primary freight hub for the lower north island, resulting in more trucks on our roads. At the same time there is a growing desire to be able to move around the city easily and safely as a pedestrian, cyclist or by bus. This is resulting in decreasing accessibility, liveability, journey reliability while there are increasing conflicts between transport users.

It's more than just roads and cars

Our vision for Transport is to provide an integrated multi-modal network that connects people and goods with destinations in a safe, efficient and sustainable manner and evolves to meet new transport demands with less reliance on private motor-vehicles.

The transport network also supports us in realising other strategic priorities. Well designed roads and streets help create a city that has great places for all people.

Our footpaths, cycle lanes and shared paths provide the facilities to support us to have one of the most active communities in New Zealand. Our streets have a significant portion of our public vegetation cover providing opportunities for biodiversity and infrastructure that serves to protect, enhance and preserve the environment.

This Transport Asset Management Plan focuses on our local transport network and the economic, health and safety, climate and financial challenges that surround it. It highlights why we're spending money on the transport network and the benefits we're going to get from this.

We have an investment partner

Waka Kotahi (NZ Transport Agency) are a key partner funding approximately half of the work we do in the transport space. We've worked closely with Waka Kotahi to ensure that our investment supports their strategic priorities of improving road safety, providing better travel options, improving freight connections and developing a low carbon transport system.

WHAT WE PROVIDE

Active and public transport modes are continuing to decline;

2 percent regularly catch the bus to work;

4 percent regularly cycle to work;

8 percent regularly walk to work;

More than 1500 heavy vehicles travel on Tremaine Ave each day;

More than 400 million kilometres are travelled in vehicles each year;

There is an increasing number of fatal and serious injury crashes;

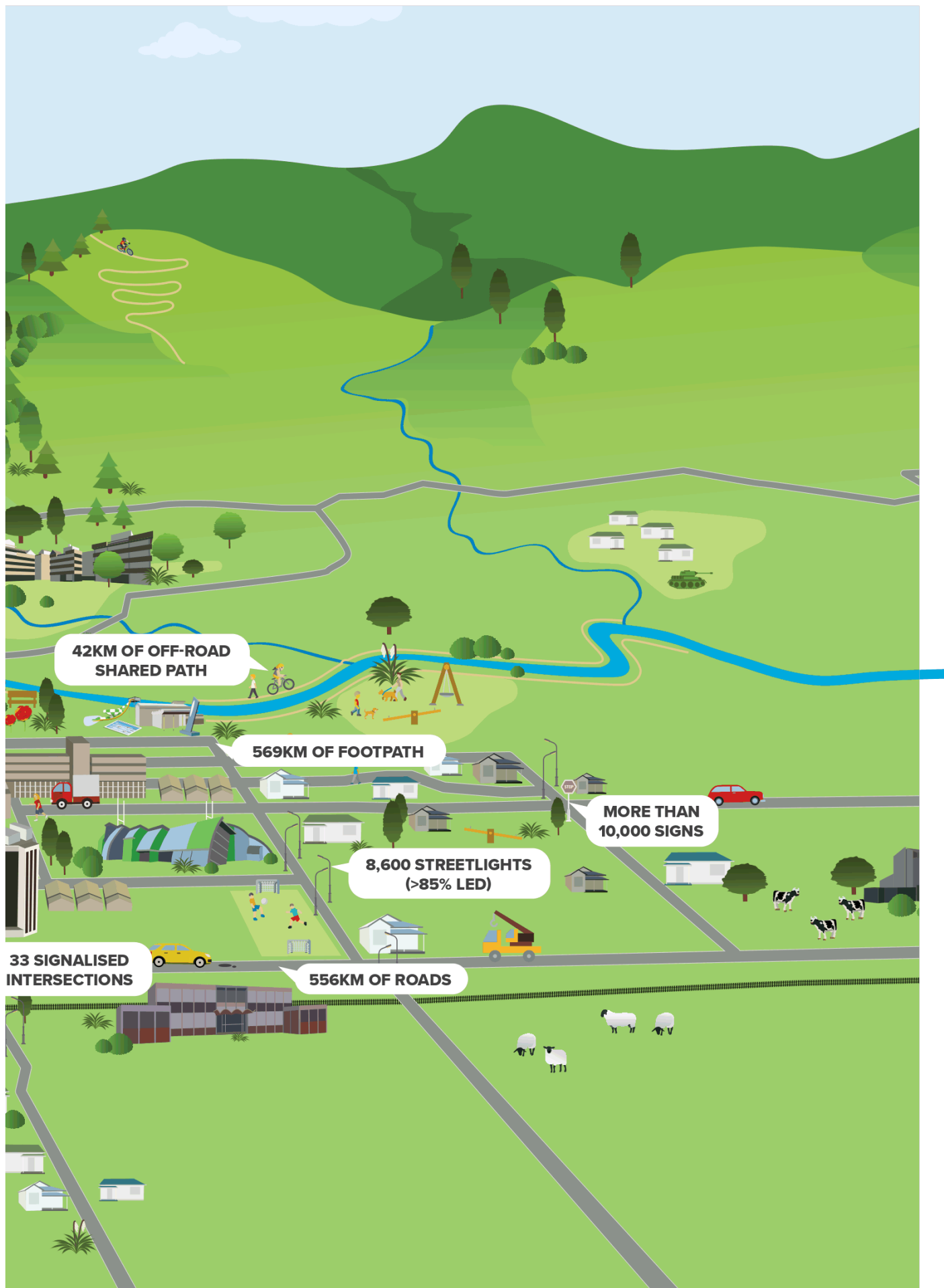
More than 30 people die or are seriously injured on our roads each year;

**106
BRIDGES**

**13,900
STREET TREES**

**88 BUS
SHELTERS**

**NEARLY 5,000
METERED AND
TIME RESTRICTED
CAR PARKS**



EVERYONE IS A CUSTOMER



PEDESTRIANS



CYCLISTS



DRIVERS



COMMUNITIES



EDUCATION



BUS USERS



**FREIGHT AND
DISTRIBUTION**



**TAXIS AND
RIDE SHARING**



BUSINESSES

Our level of service

People use the transport network in a variety of ways. Common expectations among transport users are that our roads and streets provide a safe, reliable, accessible and comfortable journey. We want to create an environment for all transport users, irrespective of their age, ability or mobility.

There are only a few areas that the transport network is delivering the level of service anticipated. These are related to satisfaction with street lighting, overall cost to manage transport assets and road asset condition. However, road asset condition is deteriorating.

Overall satisfaction with the transport network is low compared to other Council services. This is reflected in the transport network failing to deliver on levels of service. Very severe road crashes are increasing, and the overall condition of our footpaths is not to the desired standard. The number of people walking, cycling and catching the bus for work or education is declining. This also impacts our ability to reduce transport carbon emissions in the city.

WE HAVE SOME CHALLENGES & RISKS

Our road safety record is getting worse

The number of recorded road crashes causing injuries on our roads and streets has been generally flat over the ten-year period. However, the amount of harm from transport crashes on roads and streets in Palmerston North has been increasing resulting in more deaths and serious injuries from road crashes.

Our roads are deteriorating

The quality of road surfaces in Palmerston North has been steadily decreasing over the past five-years. This has been especially so on our busiest urban roads which have shown a significant drop in the amount of travel on smooth roads. There have been many contributors to this including an increase in the number and size of heavy vehicles on the transport network, poor underlying ground conditions, service and utility trenches and inadequate levels of investment.

Transport is an enabler for economic growth

Palmerston North is the primary freight distribution hub in the lower North Island. This provides a significant economic opportunity for the city, while also placing pressures on existing infrastructure. Increases in the number of heavy vehicle movements associated with this growth are creating safety and efficiency issues on the transport network as well as impacting road quality. The strategic response to these issues has been slow and uncertainty remains over when improvements will be delivered and when growth will occur.

Fewer people are walking, cycling and catching the bus

Palmerston North is a flat, compact city ideal for cycling or walking. However, the same wide roads which are great for vehicles and parking, create challenges for pedestrians and cyclists. Wide and busy roads can be an impediment for pedestrians with lower mobility, deterring them from walking. There are no parts of the transport network where pedestrians, cyclists or buses receive priority over vehicles, despite the adjacent land use.

Our roads and streets don't support our communities

The need to seek a better balance between "movement" and "place" on roads and streets is increasingly being recognised and this will influence the allocation of road space and investment programmes. New initiatives will seek to optimise the transport network based on function, balancing movement and place, "de-tuning" some streets to reduce unnecessary through traffic, reducing speed environments and creating more liveable local streets.

The wrong vehicles are travelling on the wrong roads

Our transport network is open and accessible, providing opportunities for almost all types of vehicles and users to travel on most roads. While this provides choice for drivers, as traffic volumes increase it will result in more issues and conflict. Heavy vehicles rumbling past schools, cars rat-running to avoid busy intersections and buses stopped in cycle lanes are all examples of where the wrong vehicles and travelling on the wrong roads.

Transport is the greatest contributor to carbon emissions in the city

The transport sector produces more than half of our city's greenhouse gas emissions. To address this, we need to encourage or facilitate more sustainable modes of travel, reduce the need to travel and provide opportunities to use alternative fuel sources.

WHAT'S OUR PLAN?

We're changing how we manage our transport network

Our current method for managing the transport network is not sustainable. There are a number of changes we can make through the management of our transport network that will help us achieve our outcomes.

We're beginning to provide greater priority in our investment and the way we manage the network to pedestrians, cyclists and those catching the bus. There are many benefits from these transport modes, including improved health, environment, economic and social outcomes. This shift will enable change to occur over time. Even if it doesn't happen all at once the trajectory for investment in our transport network will change.

Road safety is being improved by reducing speed limits on our roads. We're already doing this around some of our schools and on some of the fringes of our city. Lower vehicle speeds mean a lower likelihood of a death or serious injury if a crash occurs.

We can take the opportunity to create better places whenever we upgrade and renew our roads. We did this on Cuba Street, by combining several planned renewals at the same time, while also providing a better urban design outcome.

By right sizing asset maintenance and renewals, we'll be able to reduce the long-term costs of our transport assets. Too often in the past we've made the work fit the budget we have, rather than doing the job right first time. We've recently been constructing roads that are more expensive up front but are expected to last longer.

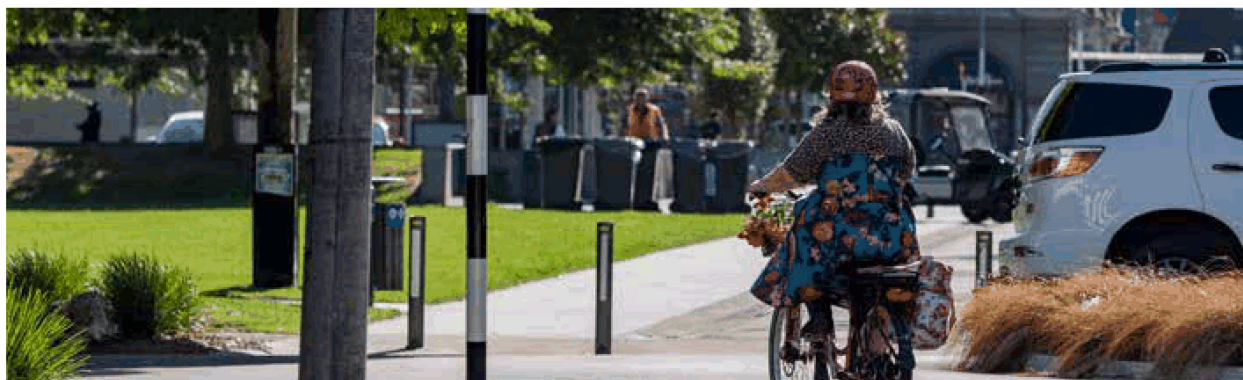
We need to invest in our transport network

Our renewal and maintenance budgets – especially those relating to our road structure and surface – are increasing to ensure we can continue to deliver the expected level of service. By renewing assets at the right time and for the right cost it will also reduce our long-term maintenance costs.

The strategic transport route around Palmerston North is needed to fully enable the economic growth sought from development in the North East Industrial Zone, KiwiRail and other growth areas. In the short-term we're proposing to make improvements to the transport network – alongside Waka Kotahi – that will activate this route. This will allow heavy vehicles to use this route, placing less strain on urban routes. Upgrades to transport infrastructure is also required to support the city's other growth areas including Whakarongo and Kākātangiata.

The Streets for People programme is changing the way streets in our CBD look and operate. It's providing a vibrant city centre that will make Palmerston North even more attractive for work and play, provide more opportunities for locals and visitors to connect with the city and the people who live here, and bring significant benefits for the local economy.

Changes to our transport infrastructure are needed to deliver the pedestrian, cycling and safety outcomes sought. Long-term programmes are proposed to shift the way people use the transport network and provide a safer journey and better experience for all transport users.

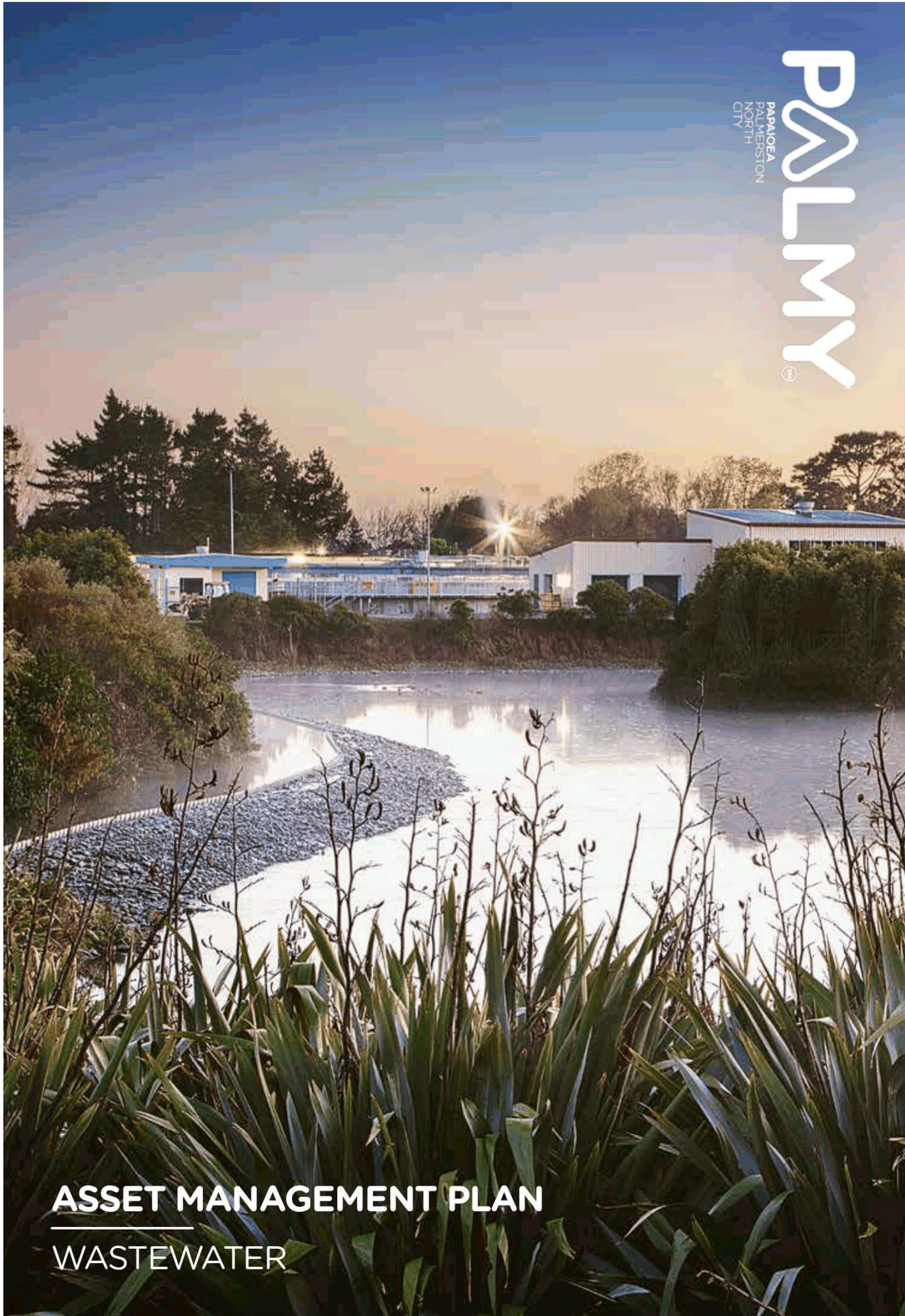


HOW MUCH WILL IT COST?

(This will be added at a later date and likely be a couple of pages)







PALMY[®]
PALMY
NORTH
CITY

ASSET MANAGEMENT PLAN

WASTEWATER



Produced by
Palmerston North City Council

OVERVIEW

ASSET MANAGEMENT PLAN EXECUTIVE SUMMARY **WASTEWATER**

Manaaki whenua, manaaki tangata, haere whakamua.
Tihei mauri ora!

No reira, e te haukainga Rangitāne, nei rā te mihi nui ki a koutou e pupuri nei i te mauri o te whenua me ngā wai e rere atu e rere mai.

Tēnā koutou, tēnā koutou, tēnā tātou katoa.

We provide wastewater systems for the safe and reliable collection, treatment and disposal of wastewater (sewage) from residential and commercial properties in Ashhurst, Bunnythorpe, Longburn and Palmerston North.

As a member of the Manawātū River Leaders' Accord, we recognise we have a role in improving the mauri and health of the Manawātū River. Presently, all the wastewater is treated at a single facility at Tōtara Road, Awapuni and discharged to the Manawātū River. As our population grows, environmental legislation is tightened, and residents' value in our natural environment strengthens – the way we manage wastewater in the future is likely to change dramatically.

The infrastructure assets that provide the wastewater service are valued at \$400 Million.

Taumata Arowai

In 2019, the Taumata Arowai-Water Services Regulator Bill was introduced to Parliament with the purpose to establish a new regulatory body by the same name. Initially, Taumata Arowai will be responsible for administering a new drinking water regulatory system and a small number of complementary functions relating to improving the environmental performance of wastewater and stormwater networks.

A freshwater policy review is also underway. It is likely this will mean stronger regulations and more inter-regional coordination. We expect this would mainly have implications for the current discharge of wastewater and may lead to a stronger emphasis on protecting waterways from uncontrolled overflows.

Te Mana o te Wai

This section will be added in 2021

Nature calls will answer many of our questions

The Nature Calls project is taking a fresh look at how we treat and dispose of our wastewater. We are collaborating with Rangitāne o Manawātū on the wastewater Best Practicable Option review in order to apply for new consents by June 2020. Any outcome will require us to treat wastewater to a higher standard but will also require us to look closely at how we manage our Trade Waste customers and how we manage the network to reduce wet weather flows at the treatment plant.

This Asset Management Plan outlines how we plan to manage and invest in our wastewater assets for the next 30 years

Scope of this plan

This Plan informs our 10 Year Plan, Financial Strategy and 30 Year Infrastructure Strategy. It supports us in the management of our wastewater assets to:

- Achieve our strategic outcomes as set by Goal 4: An Eco City and the Eco City Strategy
- Meet the levels of service we have committed to;
- Plan for growth and adjust to other drivers such as climate change and new legislation;
- Improve asset knowledge and monitor performance;
- Minimise risk; and
- Plan operations.

WHAT WE PROVIDE

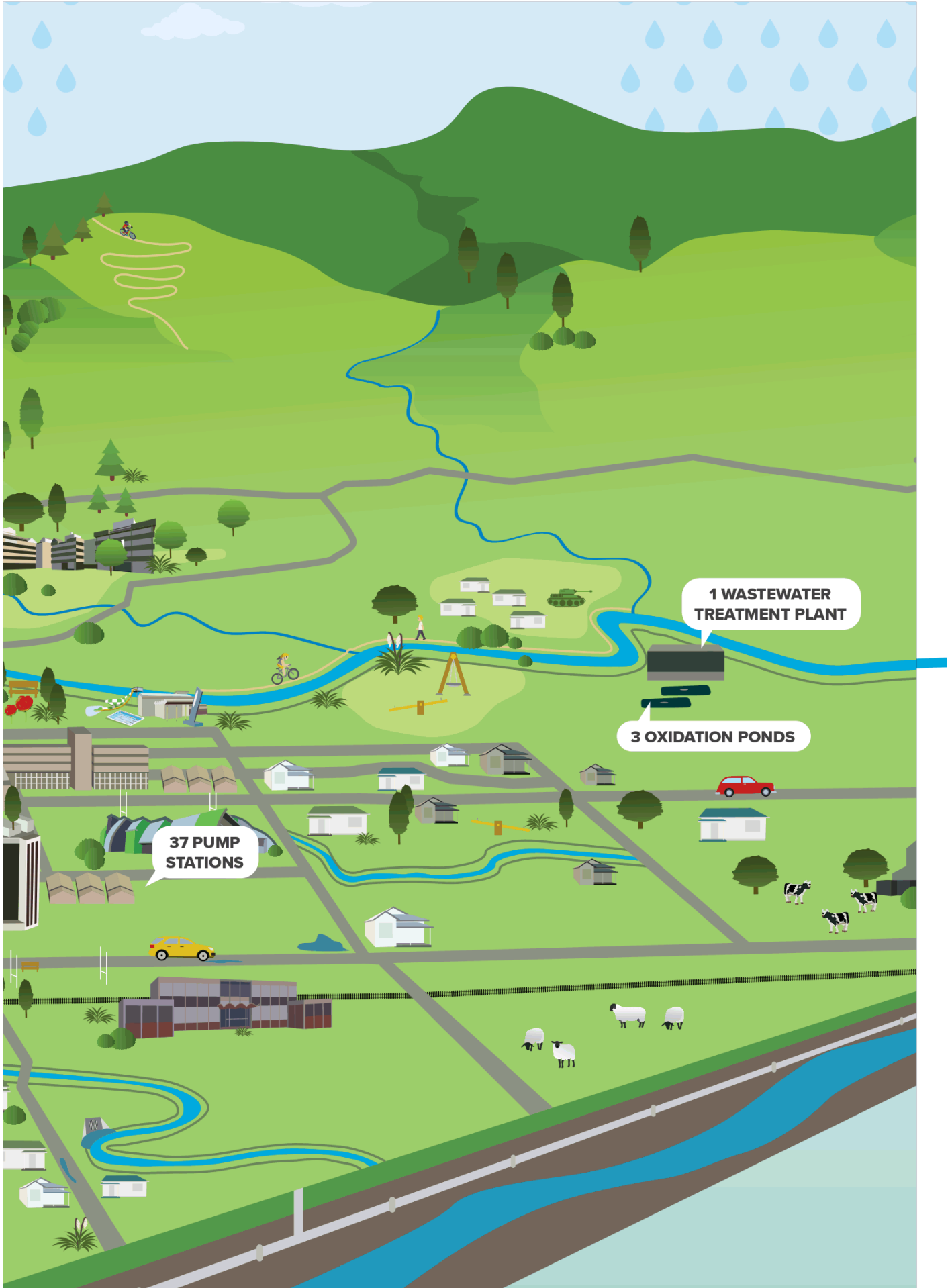
We provide wastewater collection, and treatment and disposal services for Palmerston North, Ashhurst, Bunnythorpe and Longburn.

Every year, up to 12.9 billion litres of wastewater is collected from 25,300 connections and treated at the centralised Tōtara Road Wastewater Treatment Plant, before being discharged into the Manawātū River.

245KM LATERAL CONNECTIONS TO PRIVATE PROPERTIES

5,794 MANHOLES

422KM WASTEWATER PIPE MAINS



EVERYONE IS A CUSTOMER



RESIDENTIAL



VISITORS



INDUSTRIAL



RURAL



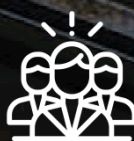
EDUCATION



**FIRE AND
EMERGENCY
NEW ZEALAND**



HEALTHCARE



COUNCIL



DEVELOPERS



COMMERCIAL

We service a population of around 90,000 people by providing wastewater services in Palmerston North City, Ashhurst, Longburn and Bunnythorpe.

Businesses that produce trade waste are consented as their wastewater can contain substances which can be detrimental to the sewage system, treatment plant processes and the environment, and to the health and safety of people working in wastewater plants.

About 500 businesses are required to have a treatment device to prevent fat, grease and oil from getting into the wastewater system. A smaller number of industries pay significant additional fees, mainly to cover treatment and sampling costs.

There are no restrictions on our other customers, but we do remind them to bin wipes instead of flushing them to reduce blockages. This was more of an issue than usual during Covid-19 due to people taking extra sanitary measures.

The majority of residents were satisfied with the wastewater activity in 2020 but village residents were significantly less satisfied compared to 2019. People expect a reliable service and the number of blockages and faults is increasing. Otherwise, we are meeting our customer performance measures.

We have a strong partnership with Rangitāne o Manawātū. Our stakeholders include, regulators, river leadership, adjoining councils and communities and central government.

WE HAVE SOME CHALLENGES + RISKS

Our treatment plant is aging

Under Nature Calls it is likely the treatment plant will come online some time between 2026-2028. The existing treatment plant was opened in 1968 and it has been maintained to a high standard, but it is showing its age. Some of the equipment has been in service for more than 40 years and some of the technology is out-dated. As a result, levels of breakdowns are more frequent, requiring higher levels of maintenance. The treatment plant must remain fully operational until the plant is commissioned, so we have been busy replacing critical components. We have been shifting more and more from a reactive maintenance to preventative maintenance plan.

Our pipe infrastructure is at risk of failing

Currently we have \$20M (31km) of highly critical pipes, (typically service a large number of customers or critical providers such as hospitals), that are old and potentially overdue for replacement. The true state of these pipes needs to be understood in order to confirm the risk of them failing, and the priority for their repair or replacement.

We need to stop stormwater entering our wastewater pipes

Stormwater and groundwater can get into our wastewater pipes in a variety of ways, including through downpipes, gully traps and leaking pipes. This is known as inflow and infiltration and increases as pipes and manholes age and deteriorate. This can lead to more overflows during heavy downpours and puts a higher demand on treatment and disposal facilities (flows increase some can be 6 fold to 150,000 m³ per day). As there are multiple entry points it is a challenging issue to address. The cost of locating defects and repairs needs to be carefully balanced with early renewal and treatment plant upgrades so a targeted approach is being proposed. The catchments with the highest assessed inflow and infiltration have been the focus of our renewals over the past few years.

Disaster resilience is more than earthquakes and floods

In late 2019, the Ministry of Civil Defence & Emergency Management updated its National Disaster Resilience Strategy, Rautaki ā-Motu Manawaroa Aitua. This strategy covers natural hazards, pandemics, technological risks, security risks, and economic risks.

We have a good understanding of our natural hazard risks from earthquakes and floods. Our Business Continuity Planning has identified a residual risk of wastewater overflows potentially impacting low lying properties in the unlikely scenario of the Manawatu River being in flood following a major earthquake.

Around 80% of our pipes are made of brittle material like concrete or earthenware that could fracture or be damaged in a major earthquake. Our Operational Planning is key to managing risks that we cannot "build" our way out of but needs revising to reflect the recent creation of the Water Operations Division.

Covid-19 has forced us to revise our Business Continuity Planning to manage biological hazard risks and ensure that wastewater services continue as a critical service during pandemics.

However, technological risks, security risks, and economic risks have not been comprehensively assessed for the Wastewater Activity.

Climate change will have an impact

Current research suggests that the main impacts of climate change on the wastewater activity will be a significant increase in rainfall in winter, resulting in higher peak flows and total wastewater volumes due to more Inflow and Infiltration. This increase in wet weather flows will increase energy and treatment costs. Climate change will also increase the intensity of short duration events. The impact of more downpours is likely to result in an increase in the number of overflows during wet weather. A budget has been proposed to identify and reduce Infiltration and Inflow, which will also benefit the Nature Calls project.

We are meeting our level of service though and our customers are satisfied

While the risk of failure is considered too high, particularly at the wastewater treatment plant, the actual performance of our network is currently considered satisfactory for our customers. This is based on the number of pipes blocked, sewer overflows and customer satisfaction surveys.

Our short-term focus is on projects that support growth and demand

While we are still unsure what the treatment and discharge solution will look like in the future, it is clear our region is showing strong signs of economic recovery from Covid-19 and growth.

This means a key short term focus is supporting this growth and the increase in demand. This work includes constructing new assets for land that is rezoned for residential and industrial growth, as well as implementing capacity upgrades of existing pump stations.

WHAT'S OUR PLAN?

Improve health and safety

We have some health and safety hazards which though currently controlled, need to be further mitigated to minimise the risk. These include access for staff around the digesters at the Tōtara Road Wastewater Treatment Plant, our wastewater pump stations as well as the quality of equipment we use for maintenance.

Reduce risk of service failure

When we upgrade our pump stations for health and safety reasons, we will also make them more resilient through standardising equipment and ensuring they have enough storage and backup power supplies. Standardisation will also reduce maintenance costs.

We will consolidate the renewal of more critical pipes (trunk mains) into a single programme of works in order to better prioritise projects as better inspection data is obtained.

An investigation has found that the network is vulnerable in locations such as in gullies, below stormwater services and trees. We plan to relocate these services to reduce the risk of stormwater ingress or sewage spills, particularly in Aokautere.

There are a number of large diameter mains that are no longer in service but have not been decommissioned. To prevent collapses in these old pipes we plan to properly decommission these assets to prevent property damage and keep the public safe.

Maintain the front end of the plant

The treatment plant will be upgraded under the Nature Calls Project, but the front end of the plant is unlikely to change. Therefore, we plan to carry out seismic strengthening on the sedimentation tanks, screen and pumping chamber and main building.

Collect more condition data to inform renewals

Better pipe condition data will either confirm our risk of failure profile as unacceptable or lower it. Either way, better data is needed to prioritise renewal investment to address the current backlog. Better plant condition data will ensure fewer “surprises” and better resource planning.

Improve network and treatment performance

We will be Investigating inline storage options to mitigate the risk of overflows occurring during wet weather. Storage will also attenuate peak flows reaching the plant and improve treatment performance.

In addition to carrying out more condition inspections we need to better identify sources of inflow and infiltration. This will also help with prioritisation of pipe renewals and will generate a backlog of prioritised defects to repair.

Sludge removal – 25% of aerated ponds is sludge and we need to better manage sludge removal and disposal from the ponds.

Maintain existing levels of services

We plan to keep operating the existing services at the same level and continue to look for ways to improve operational efficiency. This includes responding to growth in a way that enables new customers to receive the same level of service, at an optimum cost.

HOW MUCH WILL IT COST?

(This will be added at a later date and likely be a couple of pages)





Financial Strategy 2021-2031

1. Introduction

The Council is driven by a strategic approach to achieving outcomes that contribute to the its vision for Palmerston North **Small city benefits, big city ambition**. This Vision is supported by the following goals and related strategies:

- Goal 1: An innovative and growing city
- Goal 2: A creative and exciting city
- Goal 3: Connected and safe communities
- Goal 4: An eco-city
- Goal 5: A driven and enabling Council

More detail about these in outlined in section xx of the 10 Year Plan.

2. Purpose

The purpose of the Financial Strategy is to:

- facilitate prudent financial management by Council, by providing a guide against which to consider proposals for funding and expenditure
- provide a context for consulting on Council's proposals for funding and expenditure, by making their overall effects on services, rates, debt and investments transparent

[Note: This Financial Strategy is an integral component of the Council's 10 Year Plan. It should be read in conjunction with the Plan, which amplifies many aspects of the Strategy in relevant sections. The Strategy also links closely with the 30 Year Infrastructure Strategy.]

3. Approach

This strategy is structured in the following manner:

- Financial overview
- The current financial position of the Council
- Desired future financial position and challenges being faced
- Guiding financial management principles
- What this means for 2021-31 including debt and rates forecasts
- Appendices:
 - Growth assumptions
 - Cost of providing for growth
 - Looking after present infrastructure
 - Policy on giving security for borrowings
 - Financial investments

4 Financial overview

- Council has assets with a replacement value of more than \$1.8 billion that are generally in good condition and are big enough to cope with significant city growth.
- The Council's current debt levels are moderate for a regional New Zealand city (especially given the range and quality of services provided).
- Rates levels are comparable with other districts of our size.
- Council is planning for medium population and household growth as forecast by Infometrics plus a margin as required by the National Policy Statement for Urban Development.

Page 1

the next three years. Like all Councils our Council is required to plan on the assumption this change will not occur. However, the forecast borrowing required for the Nature Calls project is such as significant component of the Council's debt projections that the Council is not in a position to develop a credible, sustainable long-term financial strategy.

- It is proposed that once there is more certainty about the 3 waters proposals and the favoured option for the Nature Calls project an updated strategy will be prepared.
- Based on these assumptions total rates will need to increase by 6.9%¹ in 2021/22, 8.3% in 2022/23, 8.1% in 2023/24, 9.3% in 2024/25, 11.0% in 2025/26 and increases of between 2.6% and 6.5% in each of the following five years.

- The City has adequate appropriately zoned land or land identified for rezoning to cope with the first 10 years of growth.
- Council believes it needs to invest in new and better catalyst projects to meet its Vision and Goals for the City.
- The requirement to update the City's wastewater treatment and disposal system (Nature Calls) provides the greatest single challenge to long-term financial sustainability of the Council. At the present time it has been assumed that an acceptable option can be obtained for \$391.7 million (\$350 million plus inflation) but there is a high level of risk it could be more or less than this.
- Council has been increasing its investment in asset management planning and is progressively obtaining better condition assessments of its infrastructure assets. This information has led the Council to conclude it needs to increase its investment in both asset maintenance and asset renewal.
- In order to fund existing Council services and key projects being proposed in the 10 Year Plan, including new capital expenditure of \$xxx million, Council's rates and debt levels will need to increase – debt increasing from a forecast \$164 million to \$861 million.
- These projected levels of debt would mean Council's own prudent borrowing ratios would be significantly exceeded and it is highly unlikely lenders will be prepared to lend to the Council in such circumstances.
- The government is proposing major reform which would include the transfer of 3 waters functions (or at least water and wastewater) to a small number of regional water entities within

programme would mean total rates income for 2021/22 would increase by 7.1% over the budget for 2020/21.

¹ The Council proposes to fund a central city Palmy BID group and to set targeted rates to collect the \$250k plus GST to fund the programme. Including this new

5. Current Financial Position of the Council

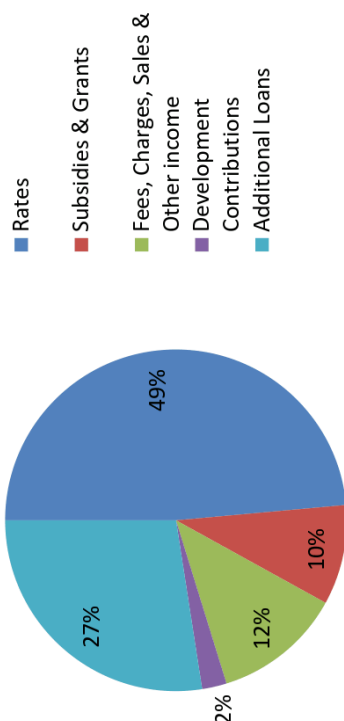
The Council provides the full range of territorial local government services to its community. It has believed it to be important to fund new infrastructure and facilities just in advance of when required as a means of providing for and encouraging city growth. As a significant regional centre it has invested in community facilities to serve the wider region. From a policy perspective it has committed to maintaining and renewing those assets in a prudence manner.

With assets of over \$1.8 billion and debt projected to be \$164m as at 1 July 2021 the Council is conservatively geared. It has a S&P Global AA credit rating enabling it to borrow at the best rates available to local government and is currently operating well within its own prudent debt ratios and those of the NZ Local Government Funding Agency. The Council has been prepared to set rates and fees and charges at levels necessary to fund the delivery of these services and facilities and currently these rates and charges are comparable with other like Councils.

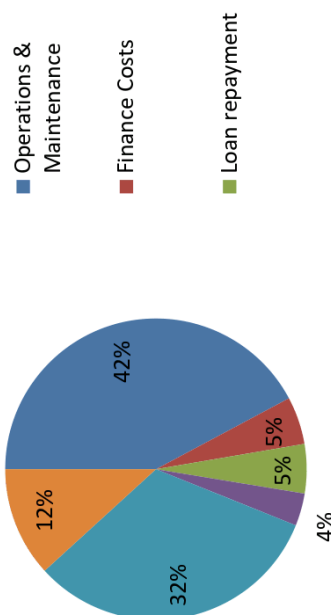
The key elements of the financial strategy underpinning this have been:

- to ensure the Council's long-term financial position is sustainable
- to recognise inter-generational funding requirements
- to manage debt within defined levels
- to maintain the infrastructure provided for the City by previous generations, for the use by current and future generations
- to ensure financial capacity for future generations so they are able to fund high-priority programmes
- timely provision of new infrastructure that builds capacity and enables the City to harness new development opportunities while avoiding the financial risks associated with over provision.

What are the proposed sources of funds?



What is it proposed that money will be spent on?



In developing this strategy, the Council has focused on:

- what needs to be done to ensure the City's infrastructure can continue to provide desired levels of service and meet any growth in demand
- what level of rates is required to meet the infrastructure needs
- how to create sufficient borrowing 'capacity' to cope with future high-priority programmes.

As a result, the approach has been to:

- encourage staff to provide innovative and efficient delivery of services
- commit to funding capital renewals at the levels required to maintain assets
- challenge expenditure proposals to ensure they are aligned to key Council Strategies, that the proposed timing is realistic and that they are capable of being delivered
- peer-review capital expenditure budgets to ensure they are adequate in the current challenging contracting market
- make sure the expenditure required for growth is committed soon enough to enable the City to harness development opportunities, but not too far ahead of when the infrastructure will actually be required.

6. Desired Future Financial Position and Challenges being faced

Council's broad desire is to maintain the financial strategy that has served it well, the key elements of which are outlined above.

However, in determining the way forward the Council faces a number of challenges which make developing a sustainable financial strategy more difficult than usual. Most of them introduce a very high level of uncertainty to the planning process. They include:

6.1 Recognition of underinvestment in costs of maintaining services and assets

With an increasing investment in asset management planning more information is becoming available about the condition of the Council's assets although there is considerable further investment required to obtain a full picture of this. This has led the Council to understand that for a number of activities (especially roading, property, three waters and information management) there is a need to increase funding for maintenance and renewal.

6.2 Uncertainty about the level of funding required for the Nature Calls (wastewater treatment and disposal upgrade) project

Although this is not a new issue the Council is committed to determining a best practicable option for wastewater treatment and disposal by June 2021 and to lodge a resource consent application by June 2022. Capital expenditure (assumed to be \$350 million plus inflation) is scheduled for 2023-2027 and significantly impacts on the Council's projected financial position, in particular the level of borrowing required.

6.3 The nature and timing of proposed water reforms

In a three-year programme to reform local government three waters service delivery arrangements to improve service delivery outcomes, the government is proposing they are managed by a small number of multi-region entities instead. At this point, the Council has agreed to consider the proposal and, as a result, has been granted \$9.4m of central government funding to bring forward some critical renewals and advance key water and wastewater resilience projects. The timing and design of these reforms is not clear. Due to this uncertainty Councils preparing their 2021 10 Year Plans assuming the status quo. As the Nature Calls project is such a significant component of the Council's planned overall capital expenditure programme whether or not it is ultimately the responsibility of the Council to deliver it has a real and significant impact on the credibility of the financial strategy.

6.4 The impact of Covid-19

Recognising a potential loss in income from a range of services and that there may be many in the community with uncertain income as a consequence of Covid-19 the Council decided to reduce its budgeted operating expenditure for 2020/21 and to increase rates by 1.95%, rather than the 4.4% increase originally proposed. This means that for a number of the Council's activities there is a catchup required for operating expenses budgets. The 10 Year Plan has been prepared on the assumption that there will not be a repeat of the nationwide lockdown and that supply channels for goods and services will remain open. There are increasing examples of worldwide disruptions to these channels and as a consequence goods are either unavailable when required or if they are available the cost (especially the transport component) will have increased significantly.

6.5 Climate change

Council's previous plans have recognised the climate is changing and has incorporated design solutions to cope with this especially for the stormwater activity. Council has set its own greenhouse emission reduction targets and is aware the government will also be imposing a number of new requirements that will likely impact on transport and other city infrastructure.

6.6 Earthquake-prone buildings

More of the Council's buildings than previously assuming have now been assessed as earthquake prone. Although the remediation can be staged over 15 years the potential cost (\$150 million plus) is significant. Whilst they remain assessed as earthquake prone it is not possible to obtain re-instatement insurance cover meaning the Council is exposed to significantly more risk for many of its major buildings.

6.7 Sustainable city growth

The City is projected to grow more significantly than previously assumed placing pressure on the Council to invest in infrastructure to enable and service that growth. Not only is this impacting on housing supply and affordability for city residents but a number of major government, residential and commercial projects throughout the Manawatu is stretching contractor resources and putting upward pressure on contract prices and ability to deliver.

7. Key forecasting assumptions

Council has made a number of significant forecasting assumptions in preparing its 10 Year Plan. These are contained in section 3 of the Plan.

These assumptions range from global issues such as the worldwide pandemic and climate change, to national issues such as the magnitude and frequency of natural disasters or the level of external funding available from agencies (in particular, the Waka Kotahi New Zealand Transport Agency) or inflation rates, to more local issues such as the conditions for resource consents (for stormwater and wastewater discharges).

Although Council believes it has made prudent assumptions in each case, there is a high level of uncertainty surrounding some assumptions. In most cases the Council has some flexibility to cope with changing circumstances. Depending on the issue, Council's response could involve reducing maintenance for a short period, postponing scheduled capital renewals, postponing new capital development or using any 'headroom' in the Council's borrowing capacity.

8. Guiding financial management principles

8.1 Equity between generations

Council will manage its financial operations and position in a responsible way, in the best interests of current and future generations of City residents.

This means trying to ensure the current generation pays a fair share of the costs of the City's services and facilities and that future generations are given a sound foundation to be able to address challenges and grasp new opportunities for the City.

It also means operating within a framework that assesses and tries to mitigate major risks and always strives to obtain value for money.

8.2 Levels of service, priorities and funding levels

The Council will review the levels of service to be provided within each activity at least every three years, and assets will be maintained to the standard needed to deliver the agreed levels of service.

Asset management plans will be maintained for all facilities and infrastructure, and these will contain information about asset condition and performance and any renewals required to keep them to the required standard.

A robust framework will be used to determine what expenditure should be undertaken. This framework includes:

- ensuring the expenditure will contribute to the Council's Vision for the future, including levels of service
- assessing the whole cost of any capital development over its expected life
- considering options for achieving the desired outcome.

The level of new capital expenditure that is considered sustainable will be governed by Council's ability to service and repay debt. This will be assessed against a series of prudent guidelines, which are outlined in section 8.5 of this Financial Strategy.

Council will set fees, charges and rates at levels that are sufficient to balance the Council's budget over the medium term.

The Council will aim to ensure that the total rates set each year are sufficient to cover net annual operating expenses (excluding depreciation). In addition they will cover the projected three-year rolling average cost of renewals and a contribution towards repaying debt over

the effective life of the assets (to a maximum of 30 years) funded from the borrowing.

8.3 Funding and financial policies

Grants, subsidies and capital contributions will be actively sought to minimise the impact of increased capital expenditure on City ratepayers.

The spending needed to service City growth will be funded by development contributions set according to the Development Contributions Policy.

Council may borrow to fund capital expenditure in the following circumstances:

- as an interim measure before development contributions for growth-related expenditure are received
- to spread the costs of major developments over the generations who will ultimately benefit
- to smooth the effects of capital expenditure
- where programmes will provide a positive net present value.

Council may also borrow in limited instances to fund operating expenses and then spread the cost over the period of the expected benefit – usually five to seven years. This is particularly the case for significant enterprise wide information management systems.

Council will operate a corporate treasury function that will allocate the costs of servicing and repaying borrowings over the activities funded from borrowing. Renewals will be funded from subsidies and grants, rates revenue and, in certain circumstances (on an interim basis), from borrowing.

To foster the sense of a single community, Council will operate a common system of charging for services throughout the City.

To ensure all residents contribute to the cost of providing City services, charges will be set on a beneficiary-pays basis where practicable, with the rationale for each activity set out in the Revenue and Financing Policy.

To enable ratepayers to plan with certainty, Council will operate a stable, easily understood method of setting rates. The Council will aim to set rates in a way that is fair and equitable for all ratepayers and classes of ratepayer, and that is consistent with Council's strategic and district planning objectives.

9. What this means for 2021-31

9.1 Levels of service

The aim is to maintain the current services as a minimum. New environmental and building standards, changed expectations regarding modes of transport and forms of leisure, climate change and a range of other factors outlined in the Infrastructure Strategy led to pressure to improve levels of service for a number of activities. It has also been recognised that in a number of areas additional funding needs to be committed to ensure assets and service levels are properly maintained. The 10 Year Plan includes progressively increased levels of funding to bridge this gap. Council believes that, subject to the significant forecasting assumptions, there will be sufficient revenue to fund the levels of service outlined. More information about each activity is provided in section 2 of this 10 Year Plan.

9.2 Asset condition

Council has assets with a replacement value of more than \$1.8 billion (mainly infrastructure like roads and pipe networks). It is committed to maintaining and renewing these in a responsible way so that they do not become run down. Most of the infrastructure is assumed to be in good condition, with much of it in the early to mid-point phase of its life cycle. Additional focus is now being placed on obtaining better information about asset condition and utilising that information to plan asset maintenance and renewal in a more cost-effective way.

9.3 Sustainability of long-term funding

As many the City's key assets, particularly its infrastructure, are in the early to middle of their life cycles, the peak for capital renewal expenditure is not expected for another 30 to 50 years, depending on the activity. It has been recognised that though a better understanding of asset condition the Council is facing increased renewals costs especially for roading, property,

three waters and information management. The 10 Year Plan includes provision for a significant increase in renewal funding in the early years.

Council's present approach is to fund the net cost of capital renewals from rates. The amount funded from rates in each year is calculated using a formula that averages the expected renewal expenditure in the current and next two years. Over the 10-year period of the Plan, forecast capital renewal expenditure totals \$337 million and it is assumed that \$44 million of this will be funded from external subsidies and grants, leaving a net sum of \$293 million to be funded from rates. The Council's rolling average calculation formula achieves this aim.

The Council believes that, based on its current asset information, the amounts sought from current ratepayers are appropriate.

The present funding arrangements are adequate to meet forecast costs for now, but Council recognises that in the longer term additional revenue will be needed to fund a higher level of renewal. One of the big challenges for the future is deciding which generations should bear the cost of the increased level of renewals. This will be considered in more detail at each three-yearly review of the 10 Year Plan.

9.4 Level of capital development

As outlined in section 3, the Plan assumes there will be significant City growth over the 10 years and that the Council will need to provide infrastructure to support this. Council does not wish to constrain desirable City growth through a lack of key infrastructure, but in order to make the Plan affordable, future commitments will need to be reviewed regularly to ensure the proposed investment continues to support the Vision and Goals and is financially sustainable.

The largest single programme impacting on the Council's financial position is the requirement to upgrade the City's wastewater treatment and disposal system. More information about this is outlined in the Infrastructure Strategy and the Significant Forecasting Assumptions. In summary:

Council's resource consent to discharge treated wastewater from the treatment plant into the Manawatū River is due to expire in 2028. As part of the new consent process a review of the wastewater treatment and disposal options needs to be completed by June 2021 and the new consent application lodged by June 2022. A process is under way to further refine the shortlisted options before there is further community consultation. Ultimately the Council will need to balance regulatory compliance requirements with community expectations and Council's ability to pay.

For the purposes of the 10 Year Plan the following budgetary provisions have been made:

- \$5.9 million to complete the options analysis and obtain the consent
- \$392 million (\$350 million plus inflation) between 2023 and 2027 to undertake the capital upgrades.

The amount of this provision does not signal that a particular option has yet been determined.

The 10 Year Plan assumes there will be total capital expenditure of \$1,487 million over the 10 year period comprising \$337 million for capital renewals and \$1,150 million for new capital works.

9.5 Level of debt

Council needs to borrow to fund major new capital developments in the same way individuals do when they need a new home or car. To help decide the maximum level of borrowing that is sustainable, the Council has adopted the following policy limits (based on Council's core financial statements):

BORROWING LIMITS	POLICY MAXIMUM	FORECAST LEVEL AT 30 JUNE 2022	FORECAST MAXIMUM DURING 10 YEARS	FORECAST LEVEL AT 30 JUNE 2031
Net external debt as a percentage of total assets	<20%	11%	28.5%	27%
Net external debt as a percentage of total revenue	<200%	151%	386%	366%
Net interest as a percentage of total revenue	<15%	3.6%	10.5%	10.3%
Net interest as a percentage of annual rates income	<20%	4.7%	13.1%	12.9%
Liquidity	>110%	%	%	%

Total revenue is defined as income from rates, grants and subsidies, user charges, interest, dividends, financial and other revenue, and excludes mark to market gains/losses on financial instruments, revaluations of assets and grants or development contributions for capital programmes.

Net external debt is defined as total external debt less liquid financial assets and liquid investments.

Net interest is defined as all interest and financing costs (on external debt) less interest income for the relevant period.

Liquid financial assets are defined as overnight cash deposits, wholesale/retail bank term deposits no greater than 30 days and bank-issued RCDs less than 181 days.

Annual rates income is defined as the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 (including metered water charges).

Liquidity is defined as external debt plus committed, unutilised bank facilities plus investments divided by external debt.

The policy maximum for the net external debt as a percentage of total revenue ratio is 200%. This is less than the 250% level that has been set by the NZ Local Government Funding Agency for Council's with credit ratings but in the normal course of events is considered appropriate to enable Council to borrow the projected amounts needed for the proposed capital development programme.

However as demonstrated above the Council's projected borrowing requirements (including the amount assumed for the Nature Calls wastewater project) of \$392 million mean this ratio is projected to be exceeded from 2024/25 onward.

At these levels it is highly likely the Council's credit rating would be lowered and funding agencies would not be prepared to lend the sums required.

The Council believes it has little option but to adopt the proposed 10 Year Plan and forecasts and in doing so recognises that in the longer term it is not financially sustainable under current ownership and funding arrangements.

Given the uncertainty of the forecast costs (especially in relation to Nature Calls), and the future structure for the management of the three waters Council has determined that for the time being the forecast programme of capital development and consequential borrowing requirements are appropriate.

Once these two key uncertainties are determined the Council will be in a better position to consider planning for the longer term. An updated 10 Year Plan will be prepared at that time, possibly in advance of the next scheduled update in 2024.

Budgets have assumed that as new loans are raised, provision will be made to repay them (on a table mortgage basis) over the average life (with a maximum of 30 years) of the asset being funded.

In recent years, the Council has generated operating surpluses (due in part to delays to the capital expenditure programme and the resulting savings in interest costs). As a matter of policy, Council has used these savings to repay debt early and to substitute for new debt.

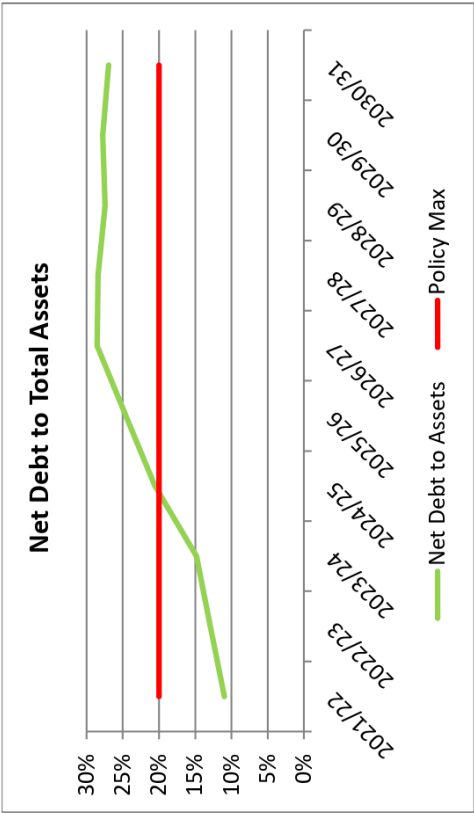
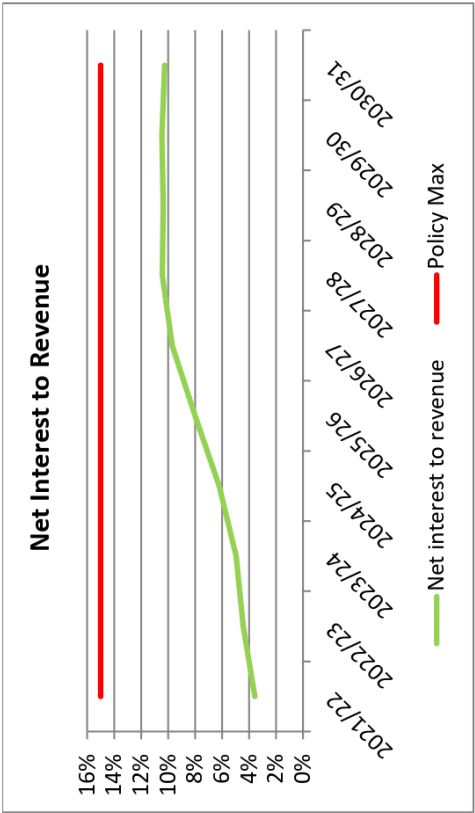
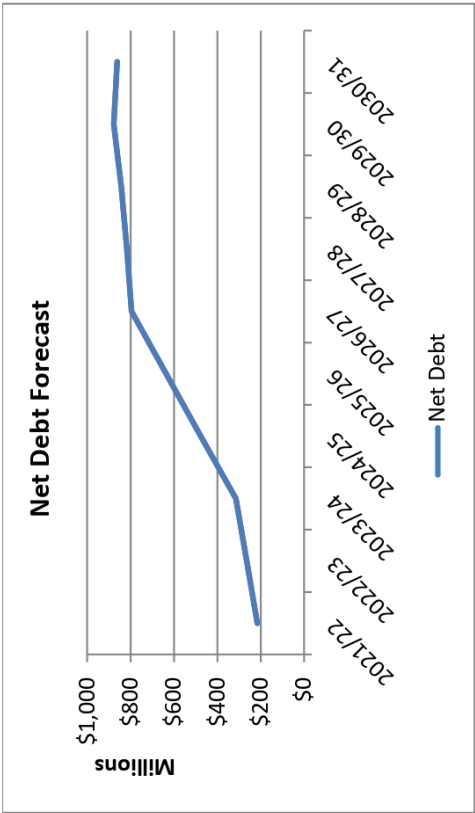
Council's 2018-28 10 Year Plan recognised that it needed to repay more debt in the short term to leave financial capacity to borrow for essential works in the future (in particular, the expected upgrades to the wastewater treatment plant). Provision was made for accelerated debt repayments totalling \$49.8 million over the seven years from 2021/22.

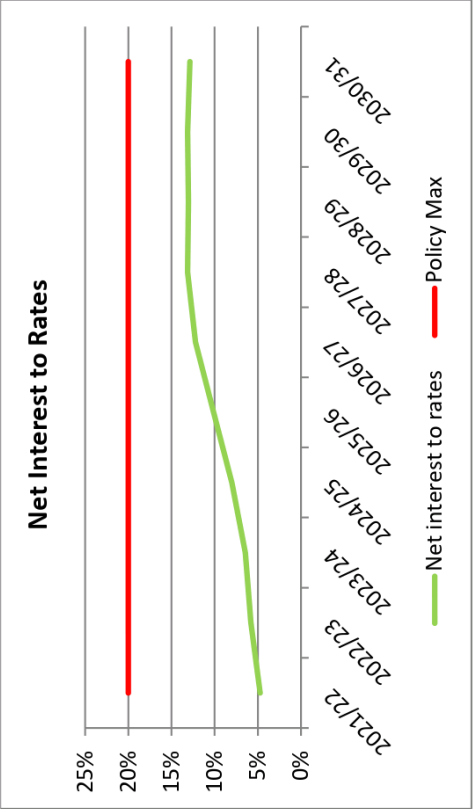
These accelerated debt repayment provisions have now been removed from the budgets in the 2021-31 10 Year Plan.

The combination of the debt repayment for present debt and the additional debt needed to fund new capital items means the following movements in the Council's debt levels are forecast over the 10-year period:

Forecast movement in debt (\$m)	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Planned expenditure on new capital items	72.0	72.0	88.6	197.9	197.8	208.3	82.0	97.3	106.3	29.2	1,151.3
less external subsidies and grants	(8.6)	(11.5)	(19.8)	(17.5)	(16.7)	(20.2)	(26.4)	(32.9)	(32.8)	(7.8)	(194.3)
less development contributions	(2.1)	(2.6)	(3.2)	(5.3)	(7.5)	(9.9)	(10.2)	(10.4)	(10.9)	(11.0)	(73.1)
Additional debt required to fund new capital programmes	61.4	57.9	65.5	175.0	173.7	178.1	45.3	54.0	62.7	10.4	883.9
less debt repayment funded from rates	(5.4)	(6.7)	(8.1)	(9.8)	(14.0)	(18.3)	(22.9)	(24.8)	(26.9)	(29.1)	(166.0)
less net proceeds of residential subdivision	(4.8)	(2.8)	(7.8)	(7.5)							(22.9)
Operating expenses spread over life of investment	2.5	1.7	2.3	2.8	(2.0)	(2.0)	(1.5)	(1.2)	(0.9)	(0.3)	1.2
less funding from rates for capital renewals received in advance	(1.8)	(1.2)	(2.8)	2.3	1.7	1.5	1.1	(2.5)	(0.1)	2.8	1.0
Additional debt required	51.8	48.9	49.1	162.8	159.3	159.3	21.9	25.4	34.8	(16.1)	697.3

These movements result in Council's total debt increasing from \$164 million to \$861 million, as shown in the following graph:





9.6 Fees and charges for services

Council has developed policies for the proportion of costs of each activity to be paid by direct users of the service and by ratepayers. Where it is practical to identify the user, then the user will generally be expected to pay (for example, owners or developers pay for resource consents). In some cases, a subsidy from ratepayers is considered desirable so that a facility is affordable to all (for example, swimming pool entry charges do not cover the full cost). Some activities (such as civil defence) are funded entirely from rates because they benefit everyone.

Fees and charges will continue to be set at levels that are sufficient to fund the changing cost of services.

9.7 Rates

Rates will have to increase to fund the activities in the Plan.

The desire to keep rates increases as low as possible has to be balanced with the need to fund the maintenance and renewal of key City infrastructure. The need to plan for a higher level of debt repayment to be able to service debt from future high-priority capital programmes also has to be considered.

Over the 10-year period, Council aims to limit rates as follows:

- Total rates² will increase by no more than the Local Government Cost Index (LGCI)³.
 - Plus additional rates obtained from growth⁴ in the rating base
 - plus 3% (to fund costs of higher standards and new services)
 - plus increase in funding required for asset renewal⁵

The proposed increases in total rates each year are shown in the following graph:

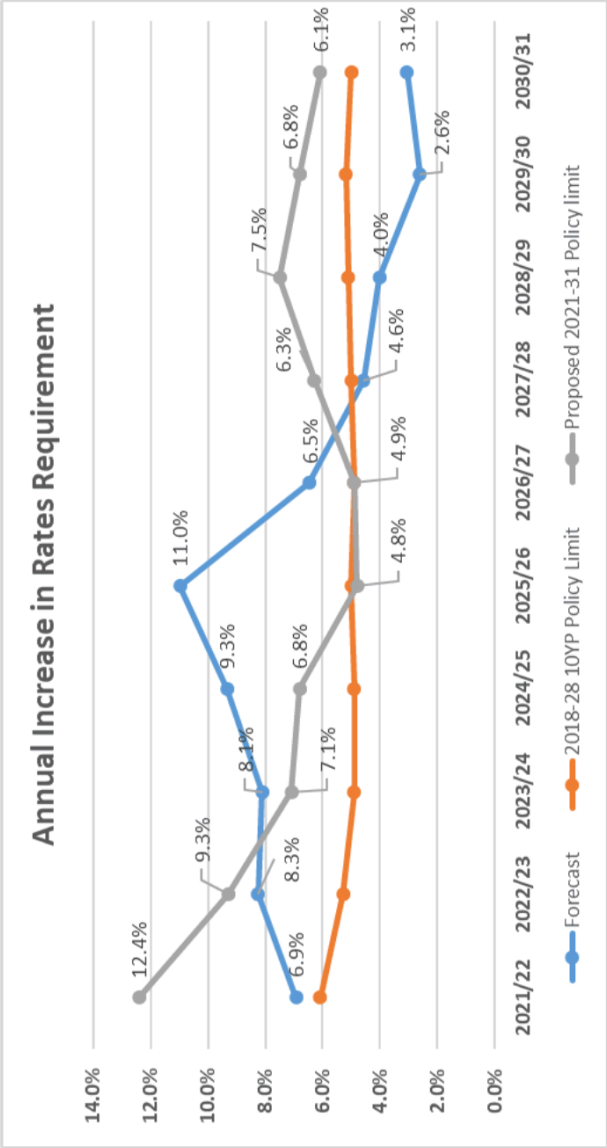
published by BERL in September 2020 was used in this Plan.

⁴ Assumed to be 0.4% each year

⁵ Assumed to be 5.3% for 2021/22 & 3% for 2022/23

2 Total rates excludes rates on Council properties but includes metered water revenue.

3 LGCI is an overall cost index developed by Business and Economic Research Limited (BERL) for local authorities. It is based on the cost structures of local authorities and includes operating expenditure and capital expenditure variables. The forecast LGCI



At this stage, the 10 Year Plan does not achieve the policy aims for some years. To meet its Vision and Goals for the City, the Council believes rates need to increase by more than its target limit at least in the short term, and then again when the full impact of the proposed wastewater system upgrade takes effect. The actual increase each year will be determined in the light of updated circumstances and the development of each Annual Plan.

Rates are made up of two parts, a fixed component that is the same for each property and a variable component based on the land value. For 2021/22, the fixed part (\$1,302 for residential properties) is proposed to be made up of the following:

CHARGE TYPE	CHARGE	WHAT IT PAYS FOR
Water	\$307	The cost of providing water
Wastewater	\$299	The cost of treating and disposing of wastewater
Kerbside Recycling	\$130	The cost of kerbside recycling
Rubbish & Public Recycling	\$66	General rubbish and recycling costs, including transfer stations, cleaning up fly tipping, community education
General	\$500	Contributes to paying for all other Council services and helps ensure all properties contribute a more equal share of cost rather than it all being based on the land value

The portion which is based on the land value is charged as a rate in the dollar which depends on how the property is used. Commercial property is charged at a higher rate than residential property. Residential property is charged at a higher rate than rural/semi-serviced property.

Council is legally required to obtain updated rating valuations at least every three years. The values from 2018 will be used again in 2021/22 and the new values obtained in 2021 will be used for the three years from 2022/23.

More details about the rating system are shown in section 3 of this 10 Year Plan.

Appendix One

Palmerston North now and over the next 10 years

Strategically located in the central southern North Island, the City is ideally located as a hub for a wide range of activities, including commercial, education, health, defence, logistics and recreational activities. This location, together with the strength of the surrounding agricultural sector, has enabled the City to grow at a steady pace over the last decade. The City is the major economic hub for the Manawatu–Whanganui region.

Since 2006, the population has grown at an average rate of 0.8% a year and has accelerated over the last three years to 1.2% a year. At June 2020, Palmerston North's population was estimated to be 90,400.

The Council has adopted medium growth population and household projections from Infometrics plus the additional margins required by the National Policy Statement for Urban Development. They are higher than the high growth assumptions made in the previous 10 Year Plan and assume the population will grow at an average annual rate of 1.1% from 2021 to 2031 (1,089 people a year) and that the number of households will increase by 1.4% (504) annually over the same period.

Projected growth in the economy will lead to more industrial, commercial and residential development, all of which require additional infrastructural capacity. Council's main role is to make sure land and infrastructure are available to accommodate growth and provide market choice, while responding to changing demographics. Council continues its focus on ensuring the district planning framework clearly shows where future growth of the City should occur, how basic infrastructure will be provided and how it will be funded. Recent District Plan updates enable a wider range of housing choice in urban areas, with more intensive development making use of existing infrastructure.

Strong housing growth has occurred in the past three years. Growth in land values has made intensification more attractive for landowners and greenfield capacity has been consumed quickly. This is driving the need to bring forward long-term growth options to satisfy short and medium term demand. Significant capacity is proposed to be rezoned and serviced over the first three years of the 10 Year Plan. More detail about this can be found in the Infrastructure Strategy.

The 10 Year Plan makes provision for network and community infrastructure at Whakarongo to support new greenfield housing, and for developing Council-owned land (Tamakuku Terrace) in the area. Provision has been made for servicing land in the first stage (Kikiwhenua) of Kakatangiata (formerly known as City West).

Limited greenfields capacity remains in Aokautere and there are other greenfields pockets that can be developed without the need for substantial infrastructure.

Adequate land is available for office and retail activities in the central city and nearby business zones, with industrial development capacity in the City's north-east and at Longburn. KiwiRail has lodged a notice of requirement with the Council, seeking to designation land in the north east industrial area as a rail hub. The proposed development will not draw significant demand on water and wastewater infrastructure but will have a significant impact on transport infrastructure in the area and will place greater emphasis on the need for a regional freight ring road.

Owners of private infrastructure at Longburn are assessing options to upgrade it to the standards necessary for it to be vested in the Council. This may involve the Council undertaking some works itself to enable

development and seek to recoup costs through development contributions or some other means.

The City has a uniquely diverse community, with a prominent defence workforce, large numbers of young and transient tertiary students, and a strong connection to the wider Manawatu area. The population is relatively young, with a median age of 34.2. This is 3.2 years younger than the national median age. The fastest growing group is people aged over 65.

Palmerston North is also becoming increasingly ethnically diverse. Along with the City's changing age and ethnic profile, there has been a change in household composition. More than 60% of households are made up of only one family, and a quarter of all households have only one member. The changing nature of the community needs to be considered when determining infrastructure investment.

Appendix Two

The costs of providing for growth

As a consequence of anticipated growth in population and changes in land use, Council will incur significant new capital expenditure and operating costs. For each activity, the 10 Year Plan identifies the specific capital expenditure programmes it is anticipating will be required. Any operating costs associated with the programmes are incorporated in the operating budgets. These are summarised in the following table:

ACTIVITY GROUP	GROWTH-RELATED CAPITAL EXPENDITURE FOR 10 YEARS (EXCLUDING RENEWALS) (\$'000)	ADDITIONAL OPERATING COSTS ASSOCIATED WITH GROWTH-RELATED EXPENDITURE (INCLUDES DEPRECIATION & INTEREST ON BORROWING) (\$'000)
Connected & Safe Community	3,442	2,022
Creative & Exciting City	11,235	7,096
Eco-City	4,390	2,729
Stormwater	13,142	6,679
Transport	71,163	16,804
Wastewater	87,031	42,151
Water	28,650	8,635
TOTAL	\$219,054	\$86,116

The Council's Revenue and Financing Policy outlines how expenditure and operating costs are to be funded for each activity. The Development Contributions Policy outlines how capital expenditure incurred for growth-related network and community infrastructure will be funded, and what proportion of the costs will be funded from development contributions assessed on development. It has been assumed that growth-related capital expenditure will amount to \$xx million over the 10-year period and that revenue from development contributions will amount to \$73 million over that time. The Council will try not to commit expenditure for growth too far in advance of when the infrastructure is needed. The level of development contribution revenue received will depend on the actual timing of development. The revenue forecast represents our best assessment of timing for the associated growth, and is consistent with our overall growth forecasts.

Appendix Three

Looking after existing infrastructure

In fulfilling its responsibilities as a local authority, Council is legally required to provide residents with the key components of a city’s infrastructure. The level of service in each case depends on a combination of factors, including Council’s assessment of what the community wants and is prepared to pay for, the standards imposed by law, and resource consent conditions.

The Council’s assessment of what the community wants is determined in a number of ways, including feedback from the 10 Year Plan and Annual Plan processes, obtaining residents’ views and consulting from time to time about specific issues.

To help plan and manage its large investment in City infrastructure, Council has an overall 30 Year Infrastructure Strategy and detailed asset management plans for each activity that are continuously reviewed and updated at least each three years. Once the Council has committed to deliver a particular level of service for an activity, it must ensure that assets are appropriately maintained and renewed and that sufficient funding is available for this to occur.

The 10 Year Plan incorporates the following provisions for renewal of network infrastructure:

	TOTAL CAPITAL RENEWAL EXPENDITURE FOR 10 YEARS (\$'000)
Eco-City	10,759
Stormwater	8,985
Transport	88,358
Wastewater	52,344
Water Supply	48,662
TOTAL	\$209,108

As part of the Council’s Funding Policy, capital renewal expenditure is drawn directly from rates. The amount funded from rates in each year is currently calculated using a formula that averages the expected renewals expenditure in the current and next two years. Capital renewal expenditure is determined from Council’s Asset Management Plans. Council reviews longer-term capital renewal expenditure to assess whether the three-year average capital renewal funding is sustainable over the following 20 years. The forecast average level of renewals to be funded from rates will increase from \$20 million in 2020/21

to approximately \$25 million in 2021/22, \$28 million in 2022/23, \$30 million in 2023/24 and between \$28 million and \$31 million each year after that. This increase will impact on the total rates requirement and place restraints on other expenditure if Council is to live within its guidelines for the maximum percentage increase in total rates.

Appendix Four

Policy on giving securities for borrowing

The security for Council debt will be the ability to levy rates. The Council will use Debenture Trust Deed security documents and appoint a professional trustee.

Council will undertake a portion of its borrowing through the New Zealand Local Government Funding Agency, and has provided guarantees to the Agency and cross-guarantees in favour of other local authorities who borrow through the Agency.

In unusual circumstances, with prior Council approval, a specific charge may be given over one or more Council assets. Physical assets will be pledged only when:

- there is a direct relationship between the debt and the asset purchase/construction, such as an operating lease or project finance; and/or
- Council considers a pledge of physical assets to be appropriate.

Any pledging of physical assets must meet the terms and conditions of the Debenture Trust Deed and Local Government Act 2002 (which prevents water service assets from being used as security for any purpose).

Appendix Five

Financial investments and equity securities

Financial investments

The Council has no plans to undertake new investments in long-term financial instruments.

As a net borrower, Council will seldom have funds to invest but it may invest to:

- meet statutory obligations by funding certain reserves
- match retentions held 'in trust' for the benefit of contractors under the Construction Contracts Act 2002
- manage short- or medium-term cash surpluses
- maintain operating cash levels
- pre-fund refinancing of maturing debt.

Any such investments will be held in a form consistent with the anticipated funding requirement. For short-term investments, generally held for liquidity management purposes, investments are held for up to three months as call deposits or negotiable instruments (that is, cash or cash equivalents) with registered banks. For investments held for periods beyond three months, government securities, LGFA or other strongly rated securities will be held.

Equity securities

The Council currently maintains equity securities in the following entities:

ENTITY	CATEGORY OF BUSINESS	REASON FOR HOLDING	% OF SHAREHOLDING
Palmerston North Airport	Owns and operates Palmerston North	To ensure the City has an appropriate air	

ENTITY	CATEGORY OF BUSINESS	REASON FOR HOLDING	% OF SHAREHOLDING
Limited (PNAL)	Airport	gateway for passengers and freight	100%
Central Economic Development Agency Limited (CEDA)	Provides economic development services for the Council and Manawatu District Council	To ensure there is an appropriate entity to help create and grow economic wealth in the Manawatu and beyond	50%
Civic Financial Services Limited (CFSL)	Provides a range of risk management products for New Zealand local government	To ensure there is appropriate insurance cover for local government if the private market fails to provide the desired cover	3%
New Zealand Local Government Funding Agency (LGFA)	Provides long-term funding to local government	To help give access to cost-effective long-term funding	0.4%

Shareholder expectations for these entities are set out in the Statements of Intent prepared each year. Although Council expects these entities to operate in a business-like manner, it does not expect high financial returns as the principal reason for the investment is to achieve strategic objectives.

Present performance targets for these entities are shown in the following table:

ENTITY & RATIOS	TARGET
Palmerston North Airport Ltd (for 2021/22)	
Net surplus before interest/tax/reevaluations to total assets	Yet to be confirmed
Net surplus after interest/tax to consolidated shareholders' funds	
Maintain ratio of shareholders' fund to total assets > 40%	
Interest cover (net surplus before interest and tax to interest)>=2.5	
Maintain a net tangible worth>\$50m	
Maintain a customer satisfaction Net Promoter Score >=50	
Passenger throughput p.a.	
CAA part 139 certification	
Lost time injuries to those who work within airport community	
Company roadmap to carbon neutrality	
Emission reduction targets	
Central Economic Development Agency Ltd	No specific financial targets
Civic Financial Services Ltd and NZ Local Government Funding Agency	No specific targets

Further capital investments in these entities will only be considered to achieve stated strategic objectives and by specific Council resolution. Sale of the investments would also require a specific resolution of Council and be subject to the requirements of the Local Government Act 2002.

It is expected that any other equity investments held by Council in future would only be as a result of a gift, through a restructuring of Council or to enable Council to participate in a central government or regional initiative to provide a key infrastructural activity. From time to time, Council will establish 'shelf' companies to be able to respond appropriately to any opportunities that arise.

Proposed 10 Year Budget at a Glance				For every \$100 of rates this much goes on this	
Area of Spend	2021-31 Capital Expenditure	2021-31 Expenses	How operating expenses are funded		
	\$1,488.8m	\$1,967.6m			
Innovative & Growing City	\$5.7m	\$160.6m	<div> <div>48%</div> <div>52%</div> </div>		\$5
Creative & Exciting City	\$229.2m	\$341.0m	<div> <div>85%</div> <div>15%</div> </div>		\$19
Transport	\$440.8m	\$388.2m	<div> <div>46%</div> <div>54%</div> </div>		\$14
Connected & Safe Community	\$65.5m	\$288.3m	<div> <div>72%</div> <div>28%</div> </div>		\$14
Eco-City	\$43.1m	\$141.3m	<div> <div>68%</div> <div>32%</div> </div>		\$7
Water	\$125.3m	\$109.3m	<div> <div>98%</div> <div>2%</div> </div>		\$9
Wastewater	\$477.5m	\$285.8m	<div> <div>85%</div> <div>15%</div> </div>		\$19
Stormwater	\$42.1m	\$65.3m	<div> <div>100%</div> <div>0%</div> </div>		\$3
Driven & Enabling Council	\$59.5m	\$187.6m	<div> <div>52%</div> <div>48%</div> </div>		\$9

Infrastructure Strategy 2021 – 51

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Infrastructure Strategy 2021 – 51

7. Introduction

The Council is required to prepare an Infrastructure Strategy for a period of at least 30 years to inform its 10 Year Plan. The Infrastructure Strategy has been directly informed by the city's vision and goals, supporting strategies and asset management plans, and sits alongside the Financial Strategy. The Strategy covers transport, stormwater, wastewater, water, property and recreational assets.

One of the primary and significant purposes of local government is to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. Council infrastructure plays a significant role in achieving this.

Renewing and maintaining existing infrastructure and developing new infrastructure is expensive. Infrastructure represents a significant proportion of Council expenditure and is also an important enabler of economic growth. The way that Council invests in infrastructure has a significant influence on the extent to which it will deliver on its Vision and Goals for Palmerston North. For these reasons, it is important that the Infrastructure Strategy aligns with the Council's broader strategic direction, including the Financial Strategy.

8. Purpose

The purpose of the Infrastructure Strategy is to:

- (a) identify significant infrastructure issues for Palmerston North City over the period 2021–51
- (b) identify the principal options for managing those issues and the implications of those options.

9. Background –

9.1 Strategic direction

The Vision for Palmerston North is **small city benefits, big city ambition**. This Vision is supported by five goals and strategies. Key extracts from the strategies are detailed in sections 3.2 to 3.6 of this Infrastructure Strategy.

Goal 1: An innovative and growing city

A city that is clever about the way it uses its natural advantages to encourage and support innovation, entrepreneurship and new industries, and positions itself to take advantage of change to fuel sustainable growth, prosperity and wellbeing.

Goal 2: A creative and exciting city

A city that draws inspiration from the diversity within its culture and creates a vibrant urban environment that attracts creative and clever people, and nurtures creative talent.

Goal 3: Connected and safe communities

A city that includes, supports, connects and uses the talents and advantages of the whole community in the pursuit of prosperity and wellbeing. A city with an international reputation as a safe city in which to live, study, work and play. A city that embraces its iwi heritage and partnership, and where people connect with the city's past, celebrating its history and heritage.

Goal 4: An eco city

The Council wants a future-focused city that plans for and cares about the future, enhancing its natural and built environment. Our city will realise the benefits to society from creating clean energy, lowering carbon emissions, and reducing our ecological footprint.

Goal 5: A driven and enabling Council

A Council and organisation that works as one team with its communities and is a catalyst and enabler for change in the city.

3.2 Innovating and Growing City Strategy

Palmerston North is the major economic hub for the Manawatu—Whanganui region for education, research health services, retailing, business services such as banking and finance, insurance, and professional services, government administration, agribusiness and logistics. The city's growing economic influence within the region is demonstrated by the number of people commuting to work in Palmerston North from surrounding local authority areas, and the expansion of the city's labour market region over the past 25 years. With 36% of the regional population, Palmerston North has 49% of jobs and 49% of earnings for the region. Projected growth in the economy will lead to more industrial, commercial and residential development, all of which requires additional infrastructural capacity.

Palmerston North is expanding, and Council wants to accelerate the city's growth and prosperity. Having a ready supply of land with infrastructure to support the city's growth will ensure Council can harness new development opportunities and increase Palmerston North's competitiveness. Council will provide infrastructure in a timely way while managing the financial risks of providing too much infrastructure in multiple locations. Integrating land use planning and infrastructure can be a powerful economic development tool. The Government has provided strong direction about this, particularly for housing, in its National Policy Statement for Urban Development (2020).

The Council has adopted the medium growth household and population projections from Infometrics plus the additional margins required by the National Policy Statement for Urban Development. Despite taking a medium growth approach, the projections exceed the high growth assumptions made in the previous Long Term Plan.

The following population projections are assumed:

- 10-year projection 2021–31, 1089 people per annum at 1.1%
- 20 year projection 2021–41, 1039 people per annum at 1.0%
- 30 year projection 2021–51, 1002 people per annum at 1.0%.

The following household projections are assumed:

- 10-year projection 2021–31, 504 households per annum at 1.4%
- 20 year projection 2021–41, 459 households per annum at 1.2%
- 30 year projections 2021–51, 432 households per annum at 1.1%.

Housing

Council's main role is to make sure land and infrastructure are available to accommodate growth and provide market choice, while responding to changing demographics. Housing choices now allowed under the District Plan include multi-unit developments and minor dwellings. The planning framework also enables apartments in or near the city centre, including as part of a mixed-use development. The demand for infill housing is expected to continue and extend to areas west of the city. Lifestyle blocks are directed away from productive land and need to have their own infrastructure. Strong housing growth has occurred in the past three years. A significant feature of housing growth has been as a result of infill and multi-unit development. The traditional housing preference for greenfield development has been overtaken by intensification. This has likely been influenced by large value uplifts in land value, which has made intensification attractive for landowners. Greenfield capacity has also been consumed quickly, which is driving the need to bring forward long-term growth options to satisfy short and medium term demand. Significant capacity is proposed to be rezoned and serviced over the first three years of this long term plan to meet greenfield housing demand over the next 30 years. Changes will also be made to the District Plan to further encourage and enable more intensification, to place less reliance on growing the city outward. Additional growth in the outlying villages (Ashurst, Longburn, Bunnythorpe and Linton) will also need to be explored to provide greater locational and price point choices for the market.

Council wants land for new sections for housing within the various greenfield sites within the Whakarongo growth area brought to the market quickly. The Council will work closely with landowners and develop its Council-owned site within Whakarongo, under a subdivision named Tamakuku Terrace. To release pressure and meet updated growth projections, significant capacity at Kākātangiata (formerly called City West), between Palmerston North and Longburn, identified for medium- to long-term greenfield housing sites will need to be released earlier than previously anticipated. The first stage of Kākātangiata has recently been rezoned. This area is referred to as Kikiwhenua, and is the area bound by the Mangaone Stream, Te Wanaka Road and Pioneer Highway (the Racecourse land).

Limited greenfield housing capacity remains at Aokautere, but additional land is being planned to be rezoned and serviced to enable significant housing capacity. As well as the Hokowhitu Residential Area, Council will work with landowners at Napier Road and Flyers Line, where small greenfields additions can be made without the need for substantial new infrastructure. Affordable and first homes are in high demand in all locations throughout the city. An area within Ashhurst is also being sought to be provided by rezoning and servicing land for over 300 additional homes. Council will also work with landowners at Roxburgh Crescent to enable a transition from Industrial to Residential and to encourage medium density housing to be built.

Rezoning and servicing the wider Kākātangiata growth area, Aokautere and Ashhurst will ensure there is adequate supply of greenfield housing for more than 30 years, based on medium growth projections.

Office and retailing

The formal planning framework for future growth in office and retailing is well settled. The District Plan expects new stand-alone office or retail activities to be established in one of the four central business zones, where significant capacity is available. New office and retailing should leverage off planned public investment in the city centre.

Council will look at ways to help fill vacancies in larger office blocks in the city centre, including looking at long-term leases for public parking. Office activities are expanding in business areas on the city centre fringes, where intimate purpose-built offices with onsite parking are meeting market preferences.

Vacant land at Rangitikei Street is zoned for large-format retailing. Further work is needed to determine whether the land should be made available for other uses, such as housing or mixed-use development.

Industrial

The formal planning framework for future industrial development is well settled. Industrial land has been made available to the north-east of the city and at Longburn. The north-east is earmarked for large-format freight, distribution and logistics activities, while Longburn is best suited to wet or processing industries. Both locations are well placed for the new regional ring road. Industrial capacity also exists within the historical industrial spine adjacent to the rail corridor at Tremaine Avenue and at the airport. The Longburn site has significant legacy issues with private wastewater and water services which will require significant investment in upgrading of services. A potential shortfall in small and medium scale industrial activities from 2024 onwards was identified in the Housing and Business Needs Assessment that Council published in May 2019. Therefore, more industrial land will need to be identified, rezoned and serviced to ensure adequate supply is available to the market from 2024 onwards.

The regional freight ring road is important to service projected industrial growth. Council will undertake a collaborative planning exercise to direct future investment in rail in the north-east and at Longburn. Integrating rail to form a significant intermodal freight and distribution hub is a major strategic issue. Rail access at Longburn is limited to sidings only and rail is unavailable at the north-east. Traffic flows compromise the industrial land adjacent to the rail corridor at Tremaine Avenue.

KiwiRail have lodged a notice of requirement with the Council, seeking to designate land in the North East Industrial Area as a rail hub. The rail hub is expected to be developed over a 10 year period but will not be at full capacity for 30 years. The rail hub is not expected to draw significant demand on water or wastewater infrastructure; however, the transport

network between Bunnythorpe and Palmerston North will need to change to accommodate the development. There are also likely to be stormwater management issues that will need to be resolved through the designation process. The rail hub development will place greater emphasis on the need for a regional freight ring road.

Council needs to work with infrastructure owners at Longburn to make future development possible. Much of the existing infrastructure is privately owned, not up to modern standards or does not allow for future growth. Council intends to invest in infrastructure in this location and recoup the cost through Development Contributions. Specific planning has been done to support the future growth of Fonterra's industrial activities at Longburn.

Rural

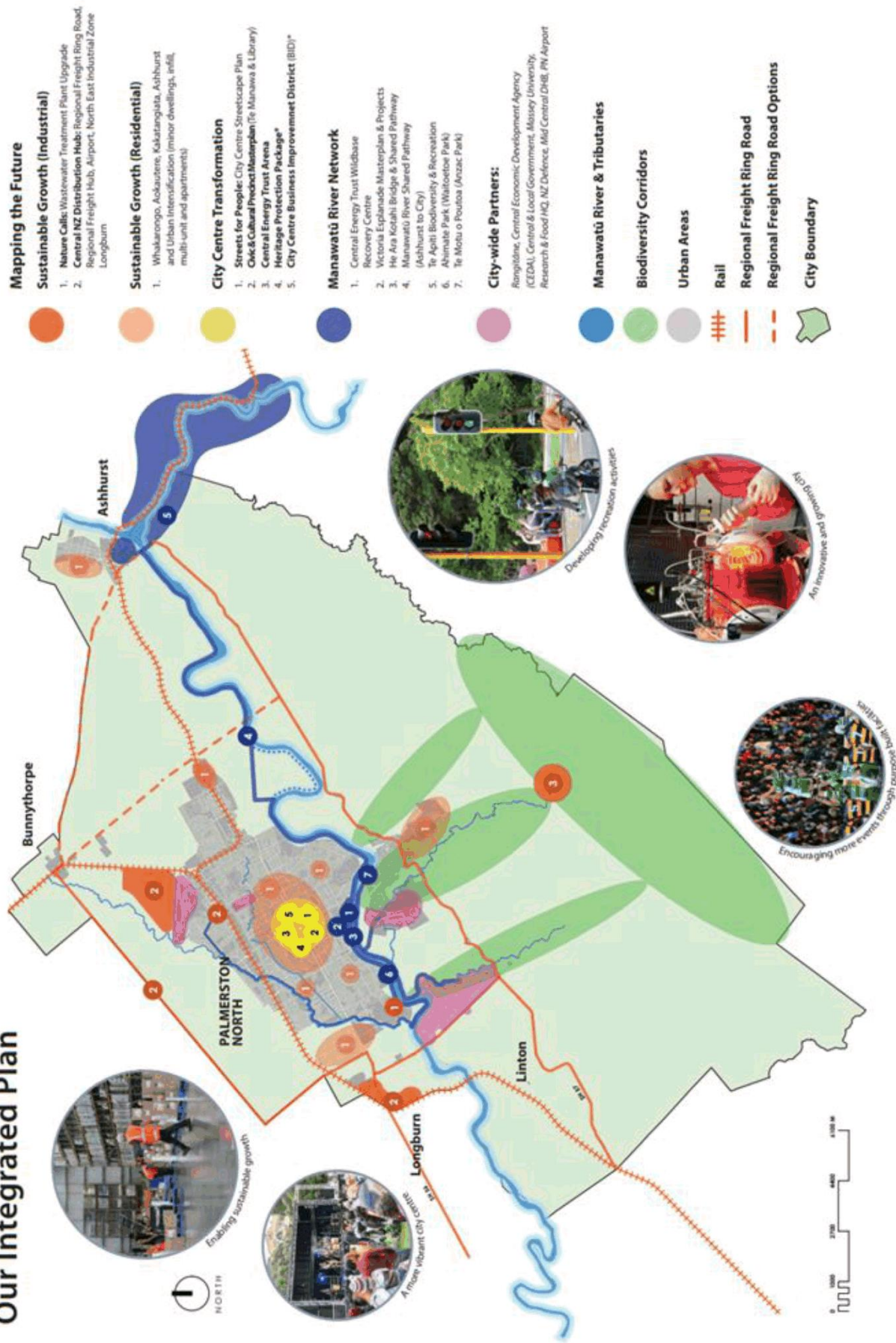
The formal planning framework for rural subdivision and development is well settled. The District Plan discourages lifestyle blocks and further fragmentation of productive farmland. Substantial capacity for lifestyle blocks is provided on the foothills of the Tararua Ranges, to ensure they remain a legitimate housing choice for the city.

The District Plan discourages the provision of urban services, particularly reticulated services, in rural areas because it is an inefficient form of infrastructure investment. It also blurs the lines between rural and urban development and leads to confusion about future development opportunities. Many landowners see the provision of urban services as legitimising intensification, while others believe it undermines the rural amenity they sought out.

Spatial Plan

The Innovative and Growing City Strategy, together with other catalyst projects, is summarised in the following Spatial Plan:

Our Integrated Plan



3.4 Creative and Liveable Strategy

To help Palmerston North compete for people, talent and investment, as well as improving how the city is perceived by locals, visitors, potential new citizens and investors, creative city-making needs to inform the way that Council invests in infrastructure.

Charles Landry, an international authority on cities and creativity, visited Palmerston North in 2013 to find out how local people view the city and assess the city against his Creative City Index. In his report, Landry said place-making now plays an important role: “Most cities historically were built in a very functional way, encapsulated in the cliché ‘roads, rates and rubbish’ (a hardware focus). In the last two decades, however, there has been a major shift related in large part to global competition between cities and the need to attract the best talents. Urban development is now concerned with combining hardware and software and so focus on what places look and feel and how emotionally satisfactory they are as well as how they attract activity. In this approach there is a stronger focus on walkability and the need to downgrade the power of the car. Place-making is now an aim and requires a completely different skill set, spread throughout a local authority and its external stakeholders. This new approach is concerned with building communities and places, not only infrastructure.” This approach needs to be applied to the way Council invests in infrastructure in Palmerston North.

3.5 Connected Communities Strategy

Palmerston North has a uniquely diverse community, with a prominent defence workforce, large numbers of young and transient tertiary students, and a strong connection to the wider Manawātū. The city is relatively young; by 2043 the average age is projected to be 37 – five years younger than for New Zealand overall. However, the fastest-growing age group in Palmerston North is people aged over 65. In future, the city will be home to a large older population, as well as growing numbers of children and young people.

The ethnic mix of Palmerston North also continues to become more diverse, and it is arguably the most ethnically diverse provincial city in New Zealand. Pasifika and Asian people are projected to make up a growing proportion of the population, behind only NZ European (73%) and Māori (22%) by 2028. Since 2004, Palmerston North has become home to small groups of former refugees from the Republic of Congo, Burma, Bhutan and Syria.

Along with the city’s changing age and ethnic profile comes a change in household composition. More than 60% of the 30,000 households are made up of only one family, and a quarter of all households have only one member.

Infrastructure investment needs to recognise the changing nature of the Palmerston North community.

3.6 Eco City Strategy

The Ministry for the Environment advises that “climate change is the biggest environmental challenge of our time. Each one of us needs to work on ways to cut our emissions, adapt to the effects of climate change, and become more resilient to the changes that are coming. Climate change is already affecting our climate. It is likely to impact our agriculture and other climate-sensitive industries, our native ecosystems, infrastructure, health and biosecurity, as well as having broader social and economic impacts”.

The Manawātū River is the heart of the city and region, and the mauri of the river is a direct reflection of the city’s values. The city is increasingly looking to the waterways it once turned its back on, only to find that those waterways are not in the same state as they were before. Council is a signatory to the Manawātū River Leaders Accord along with other councils, iwi, businesses and community groups. In the Accord, Council has made a series of commitments towards improving the mauri of the Manawātū River.

Adapting to the effects of climate change, playing a part to slow climate change and managing the city’s impact on the Manawatū River are critical drivers within the Eco City Strategy that will inform Council’s approach to infrastructure investment.

10.City infrastructure

4.1 Description and value

Transport, stormwater, wastewater, water, property, parks and reserves assets provide core infrastructure services that underpin the economic and social activity of the city.

The transport network consists of 556 km of road, 106 bridges, 569km of footpaths, 8,600 streetlights, 33 sets of traffic signals, more than 2,700 central city car parking spaces, 105km of on and off-road cycle lanes / paths and more than 13,900 street trees.

The stormwater drainage network consists of 290 km of piped drain, 8 km of culverts, 5,511 manholes, connections to more than 17,500 properties, 89 floodgates, and other structures.

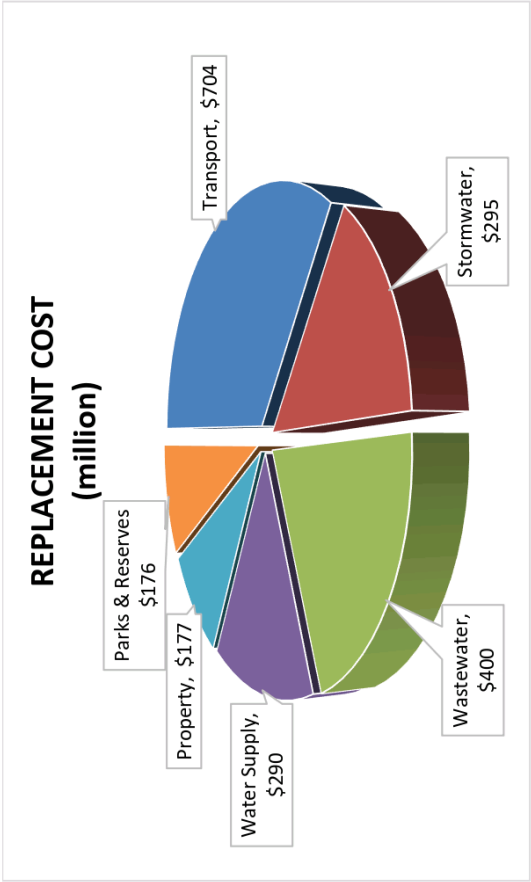
The wastewater network consists of 422 km of pipelines, 5,794 manholes, 37 wastewater pumping stations, and connections to about 30,000 properties. In addition, the Totara Road wastewater treatment plant treats all of the city’s wastewater before discharge to the Manawatū River.

The water supply assets provide for water collection, treatment and distribution. The infrastructure for water collection consists of two dams at Turitea Reserve, and 21water supply bores and pump stations. The Turitea Water Treatment Plant treats water collected in the dams. The distribution network consists of 548km of main pipelines, 196km of service lines, 4,650 valves, 3,128 hydrants, 2,097 meters, 448 backflow preventers and 28,162 tobies connecting to properties.

The property assets consist of thirty three operational properties, eight cultural properties (including libraries), 407 social housing units, eight community centres, three swimming pools, 3 cemeteries and the Central Energy Trust Arena multi-use events complex.

The parks and reserves assets comprise of seven city reserves (including walkways), 106 local reserves (including suburb reserves, neighbourhood / small neighbourhood reserves, esplanade reserves, ecological and special character reserves), three aquatic facilities, and 24 sports fields.

This infrastructure has been developed largely over the past 150 years as the city has grown. The total replacement cost of this infrastructure is approximately \$2 billion. The replacement cost for each of the asset areas is as shown in the following diagram:



4.2 Condition and performance

Most of the infrastructure is assumed to be in good condition, with much of it in the early to midpoint phase of its life cycle. On average, approximately \$14.0 million per annum has been spent on renewing the infrastructure over the past three years.

Renewal expenditure over the past 3 years			
Activity	2017/18 \$M	2018/19 \$M	2019/20 \$M
Transport	5.29	5.86	5.79
Stormwater	0.26	0.58	0.67
Wastewater	3.45	3.46	2.63
Water	3.27	3.61	3.79
Property	4.69	5.12	6.55
Parks and Reserves	2.28	2.08	4.06

Total	19.24	20.71	23.49
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Expectations for **transport** have changed to include greater emphasis on the movement of people and goods, rather than vehicles. This means delivering the regional freight ring road, providing for pedestrians, cyclists and those catching the bus and treating streets as public spaces that work for all users to achieve multiple outcomes. More work is required in all of these areas and should be the strategic focus of the transport activity. The way that Council assesses the performance of the transport activity should also be changed to reflect this new strategic focus. The conditions of road pavement assets are showing signs of decline. Especially on our busiest roads. Renewals and maintenance activities need to be focussed to maintain levels of service on these roads.

The life of road pavement surface varies from 12 to 30 years, depending on the type of surface and level of traffic. The overall condition of footpaths has improved over the last few years, with a targeted renewals programme ensuring the majority of footpaths are in the top half of the condition rating scale. Approximately 75% of bridges are greater than 50 years old, with significant renewal requirements expected between 2030 and 2050.

Like transport, the expectations for **stormwater** infrastructure have changed. There is a need to improve the performance, amenity and quality of our open drains and urban streams. This is to both to mitigate the flooding risk associated with more frequent high intensity rainfall but also to acknowledge their cultural significance as tributaries of the Manawatu River. Development has increased the amount and speed of rainwater going into urban waterways, increasing peak flow rates, and the levels of soil sediment and other contaminants going directly into the river system. Water-sensitive design approaches to development and the adoption of a wider use of tools such as water tanks, green roofs, swales, rain gardens and detention ponds will all help. Climate change is expected to bring higher-intensity rainfall events that will increase the frequency of nuisance flooding on both roads and properties as well as increase the level of property damage and loss due to flood events.

Stormwater drainage infrastructure generally only operates during major rainfall events and as a result, pipeline and culvert assets have a very long life (more than 150 years). Most of these assets are only in the early stage of their life cycles and are assessed as being in very good condition. Exceptions to this are those sections of the network damaged by tree root intrusion, high vehicle loads and the ingress of sediment and debris. Most of the older stormwater pump stations have recently been renewed and the condition rating for stormwater pump stations is also very good. The key deficiencies are associated with the condition of the electrical and control systems and the lack of standby pumps should the existing pump fail. Performance of the stormwater drainage system is also rated as good, although there is some street ponding for short periods at times of major storm events and this is recognised in the level of service provided.

The overall condition of **wastewater** pipelines and pumping stations is assumed to be good, with more than 60% of the system installed since 1960. The average life of pipes is about 90 years. The key deficiencies are associated with inadequate information about the condition of critical trunk sewers, the presence of abandoned sewers which have not been decommissioned and unreliable pump station electrical and control equipment which needs renewal. Blockages of the network can occur as a result of tree root intrusion and uneven grades caused by ground settlement, although these are minimised through a targeted maintenance regime. Stormwater inflow and infiltration, although on par with wastewater networks worldwide, will continue to increase without investment in targeted fault remediation.

While the wastewater treatment plant performs as designed Council has agreed, following a review by Horizons Regional Council, to consent conditions requiring identification of a Best Practicable Option by June 2021 and lodgement of new consents associated with upgrading the plant by June 2022. The Council is currently working through the options assessment and selection process to confirm and detail the best practicable option for the upgrade.

In the **water** network, about 59% of pipelines are less than 30 years old and expected to have a life of more than 100 years. Problems experienced with discoloured water as a result of iron and manganese build-up in cast-iron pipes have largely been overcome in Palmerston North. Most of our old cast iron mains, which were the ones causing these issues, have been replaced. There are still 29km of cast iron mains on our networks. These are planned for replacement in the next few years. Our renewal programme will also concentrate on replacing some of our asbestos cement (AC) network. This material was used extensively in the 1970s and 1980s, but around the country people are finding that a lot of these mains are failing decades before expected. Renewing our cast iron and AC mains will give us a more resilient network with reduced leakage and improved water quality. Issues with discoloured water in Ashhurst will be addressed with additional treatment of the bore water and are not caused by the water mains themselves.

Maintenance and renewal regimes for **building** assets have kept them in overall good condition, although this is having been primarily with a reactive focus as opposed to a focus on preventative and planned maintenance. As a result, a higher level of both maintenance and renewals is now due across the building portfolio. This includes social housing units, many of Council's operational facilities and the City Library. Although there has been considerable renewal investment in recent years in some areas of the portfolio such as sports field changing room facilities and public toilets, more is needed in these areas and overall. The Central Energy Trust Arena is generally in good condition, with areas in need of upgrading to be addressed through the Arena Masterplan development.

The Seismic strengthening of our earthquake-prone buildings will occur incrementally and will require significant investment over the next 15 years. Council has identified 9 earthquake-prone buildings or facilities within its building portfolio which will need to be strengthened to meet new legislative requirements. The affordability of this work is a challenge for us, as we try to strengthen our buildings to meet the required National Building Standards (NBS) while ensuring we spend in a financially sustainable way. The change in building standards means there is a chance that there may be more earthquake-prone buildings identified in the future.

Council takes a city-wide approach to the management of parks and reserves assets and assesses the condition of all assets annually. Resources are targeted to the poorest performing assets within the network, to minimise the whole of life cost of ownership, whilst delivering the agreed level of service. A proactive approach is taken to asset maintenance. As a result, most parks and reserves assets are currently in very good to excellent condition. The long-term renewal programme is based on forecast future condition and the changing needs of the City.

There are no significant disposal issues for assets coming to the end of their useful life in the period of this strategy.

4.3 Critical assets Critical assets, based on their failure affecting a large number of people or having a high cost, are:

- transport: Fitzherbert Ave and Saddle Road bridges
- stormwater drainage: large-diameter pipelines and major pump stations
- wastewater: wastewater treatment plant, major pump stations and large-diameter pipelines
- water supply: Turitea dams, water treatment plant, water reservoirs and large-diameter pipelines

- property: Civic Administration Building and Central Energy Trust Arena.
- Parks and reserves: cemeteries and crematoriums and swimming pools

11. Significant infrastructure issues and principal options –

5.1 Introduction

Council’s significant infrastructure issues over the next 30 years involving high expenditure, high risk, strategic priorities and/or high public interest are identified as:

- Three Waters Reform
- Wastewater treatment and upgrading
- Provision of a regional freight ring road including a second river crossing
- Developing new infrastructure for growth
- Renewal and maintenance of infrastructure
- Stormwater quality and capacity
- Applying urban design
- Facilities to encourage alternative transport modes
- Security of water supply
- Increasing the resilience of infrastructure
- The impact of climate change
- Modernising Central Energy Trust Arena
- Using Council land for housing
- Earthquake strengthening
- Construction Industry Capacity
- Asset performance and condition

5.2 Three Waters Reform

Currently, Council is responsible for managing “the three waters” comprising water supply, wastewater and stormwater.

New Zealand’s three waters system is facing significant challenges. Central Government is undertaking a three-year programme to reform local government three waters service delivery arrangements.

Local government in New Zealand is facing urgent challenges in the provision of these services including: funding infrastructure deficits, complying with increased safety standards and environmental expectations, building resilience to natural hazards and climate change into three waters networks, and supporting growth.

The Government is looking at reforming how these waters are managed. Its current thinking is drinking water and wastewater should be managed by a small number of multi-region entities. These entities would be publicly owned, with mechanisms to stop the privatisation of water supplies. The size, shape and design of these entities is still being worked through.

The main reason for the reforms is the huge cost of meeting public health and environmental standards for water and wastewater. Central Government has estimated a \$30-40 billion deficit in waters funding across the country. Total spending by local government each year is \$1.5b, so the problem is significant - fixing water and wastewater problems is unaffordable for most Councils. It's a significant problem for us (see the previous section on Nature Calls).

Residents connected to the water or wastewater networks will still have to fund the networks, but the new entities will have economies of scale. They will have stronger balance sheets, more access to capital, and alternative ways of funding their work.

These reforms are still just a Central Government proposal, and there is a lot of detail to work through. We've agreed to participate in the exploration of these reform options and, as a result, we received \$9.4m in Central Government grant funding to bring forward some critical renewals and advance key water and wastewater resilience projects.

While the government is developing detailed proposals, we're preparing this 10 Year Plan on the assumption we'll continue to manage and fund the three waters. If the reforms go ahead we'll need to develop a new 10 Year Plan to reassess our priorities.

5.3 Wastewater treatment and upgrading

The resource consent for the discharge from Council's main wastewater treatment plant to the Manawatu River is due to expire in 2028. Following a review in 2013 of the impact of the current discharge on the Manawatu River, Council agreed to new conditions of consent which require a best practicable option review for its wastewater treatment and disposal to be completed by June 2021 and a new consent application to be lodged by June 2022. The BPO review currently underway is looking to identify ways to mitigate the impact of the city's wastewater discharge on the river, particularly when the river level is low. Council is actively engaging with the community through this process to help identify the preferred treatment and discharge option. Financial provision of at least \$1 million has been made for each year until 2023/24 to undertake detailed investigations and secure the resource consents for this project.

The range of potential operating and capital costs have been estimated as ranging from \$200 to \$700m, however they are approximate only and will not be known with any confidence until the best practicable option investigation review is completed and the consent is granted.

Council does not wish to prejudice which **option** might be chosen (or which consents will be granted through the regulatory process) but is required to make adequate financial provision for the final outcome. A number of factors will influence the final outcome, and it is likely that national and regional policies for water quality will change before a final decision is made. Whatever option is chosen, it will have a significant impact on Council's debt levels and rates requirements. For the purpose of the 10 Year Plan, it has been assumed that a solution will be provided with a capital outlay of \$350 million (\$391.7m including inflation) and that the expenditure will be incurred between 2023 and 2027. The final option could cost more or less.

The 10 Year Plan assumption has been chosen as a way to ensure that the Council's longer-term plans demonstrate it can cope with a project of this size and scale, and to transparently show the public the possible implications for debt and rates. It has also been assumed there will be additional operating costs of \$6.5 million per annum from 2026 on top of the debt servicing and repayment costs.

When designing and selecting the preferred wastewater treatment and discharge option, it is important for Council to have a good understanding of trade waste production, including the intentions of current industry in the city, the likelihood of new industry being attracted to the city, and the preferred locations for that industry. Oversizing the treatment plant would be inefficient, while undersizing could mean the city misses development opportunities. The infrastructure costs associated with servicing industries with significant trade waste discharges may be more cost effectively accommodated in other locations in New Zealand particularly where wastewater need only be partially treated before discharge via an ocean outfall.

Council has been conscious of the potential scale and financial impact of this project, including when it has programmed its other likely commitments. If the final option chosen costs more than has been assumed, the Council may need to review its priorities in later years of the Plan to be able to operate within its prudential borrowing limits.

5.4 Provision of a regional freight ring road including a second river crossing

Council has been collaborating with Waka Kotahi NZ Transport Agency, Horizons Regional Council and neighbouring local councils on the proposed regional freight ring road for more than a decade. Waka Kotahi have developed the Palmerston North Integrated Transport Initiative (PNITI) to guide investment in strategic transport in the city. PNITI is a package of interventions to support the freight and distribution potential of the region, assist in building the region's resilience and provide a safer, more effective connection between some of the region's key industrial areas whilst improving access and safety for Palmerston North residents. The key opportunities identified in the PNITI for strategic transport investment are:

- (a) Economic growth, development and investment;
- (b) Grow Palmerston North as a distribution and transport hub;
- (c) Reduce freight on residential and place-based streets;
- (d) Reduce the travel time between key destinations;
- (e) Improvement in levels of service at key intersections;
- (f) Reduce the number of deaths and serious injuries on the transport network;
- (g) Reduce carbon emissions from land transport;

PNITI considers a programme of investment to deliver on the investment objectives. This includes delivering the regional freight ring road, a future second Manawatu River crossing, improvements around Bunnythorpe, connections to the North East Industrial Zone, accessibility and safety improvements throughout the city. We will be taking the lead on many of the elements of the PNITI programme with Waka Kotahi leading others.

Our initial focus is on activating the regional freight ring road. This includes improvements to key intersections and bridges that are currently inaccessible to heavy vehicles. In the medium to long-term, our focus will be on improving other parts of the regional ring road and the strategic transport network around Bunnythorpe. Waka Kotahi is expected to take the lead on improvements on existing state highways, parts of the regional ring road and the second Manawatu River crossing. Delivering the PNITI and the provision of a further river crossing will only be viable for Council with financial assistance from Waka Kotahi.

Council's engagement with Waka Kotahi over these issues relate to advocacy in delivery of the regional freight ring road in particular timing, ownership and funding. This strategy details a default position with Council as the sole roading authority in regard to delayed timing and restricted funding. The Council will continue to advocate to Waka Kotahi on progressing the regional freight ring road as early as possible to address the transportation issues identified above.

We have maintained a future proposed budget for a further river crossing at 2040-2043. The intention is that this would complete the regional ring road in association with other improvements prior to this time. There remains uncertainty around the necessary location and timing of such an additional crossing. This will be influenced by the previous investment at this point and pace of development in the city.

5.5 Development of new infrastructure for growth

The location of new greenfields urban development is well settled. This is useful, as it means there is a high level of certainty about the location of new infrastructure to service greenfields growth. District Plan changes to rezone land for Kākātangiata (formerly referred to as City West), Aokautere and Ashurst will be progressed throughout 2021 to supply significant urban growth capacity. A Future Development Strategy will be prepared in 2022 to help shape the next long term plan and will be informed by a Housing Needs Assessment which will be completed in June 2021.

While rezoning land makes it available for development, greenfields development cannot proceed until network infrastructure is provided. Development goes in cycles, and demand can vary according to a range of factors, many of which are out of Council's control. One factor Council can control is the timing of new infrastructure. Having 'shovel-ready' land can be a strong incentive for new development because it means that land is zoned and network infrastructure is available. This process requires the Council to put infrastructure in place in advance of development, and this comes at a cost. While that cost is ultimately recovered at a later date, there is a risk that the Council provides the infrastructure too early and faces increased holding costs, or the Council provides the infrastructure too late and discourages new development.

Matching the capacity of new infrastructure with the likely activities that will occur in greenfields areas, particularly for new industrial development, can also be challenging. Unlike housing development, which has a reasonably uniform demand for infrastructure, the capacity required to service different types of industry can vary significantly. For example, food processing or pharmaceutical activities place a heavy demand on water and wastewater, while freight and distribution activities place a heavy demand on roads. It is important that Council has a good understanding of the industry that is likely to occur, the industry it would like to attract, and the preferred locations for different types of industry so that it can appropriately match infrastructure with land use. Oversizing infrastructure is inefficient, while undersizing means the city could miss development opportunities.

The Council has signalled a desire for more brownfield development, and the District Plan now makes an increased range of housing types possible. However, predicting the location, demand and type of brownfield development that will occur, and the impact on infrastructure capacity, can be difficult. The assumption is that 38% of all new houses will be infill or brownfield developments in the existing urban area, with the balance being 50% greenfields and 12% rural. There is a risk that infrastructure planning focuses on greenfields development because it involves new infrastructure. It is important that infrastructure capacity is provided to accommodate the projected increased housing density and that housing preferences are monitored to ensure that any changes inform future planning.

The reality is that other than good planning, the Council has limited options to address issues affecting the development of new infrastructure for growth. Council has strong aspirations for growth and it is important to have a clear strategic framework that directs where growth will occur and to align infrastructure with this direction. Council should also be as agile as possible in planning and infrastructure provision. Being clear about the type of industry and inward investment the city is seeking is also important. The infrastructure costs associated with servicing certain types of wet industry may be more easily accommodated in other locations that can address wastewater via an ocean outfall. Secure funding sources are also important. Council will continue to recover the costs of growth via development contributions, but should also advocate to government for funding support for infrastructure to service growth and alternative funding sources.

5.6 Renewal of infrastructure

In order to provide service to the community Council's infrastructure needs to be maintained and then later renewed. This is a national issue: Councils across New Zealand are facing major challenges with their infrastructure as part of a national conversation, with high-profile examples of infrastructure issues in some other cities. We need to get ahead of this which means we must ensure infrastructure enables our city.

Generally, as assets age they require a higher level of maintenance to provide the required level of service which means there can be a point at which it is more cost effective to renew an asset than to go on maintaining it, or sometimes a higher level of maintenance can delay a costly renewal. It depends on the kind of asset as to which is the best approach. Council endeavours through its asset management processes to choose the most cost-effective option in the long term. However, where the asset is a critical asset and failure could affect many people it takes a conservative approach to renewing the asset to reduce the risk of failure.

Adequate condition and performance data is required to accurately assess the quantum of expenditure required over the next 30 years to renew assets in the most cost-effective way. As stated below the asset management maturity assessment found that there are significant gaps in this data. This means that the financial requirements for renewals have been based on available data (such as age) and the relevant industry best practice for factors such as expected life.

This available data would suggest that there is potentially a significant amount of deferred renewals for most asset groups, but this cannot be confirmed until additional condition and performance data is collected. The exception to this is Park assets where condition and performance information shows that there is not a backlog of renewals. Apart from the Parks and reserves assets the historic assumption was that there were little in the way of deferred renewals. However, trends in the condition data that could be obtained (including failures) and more intensive analysis of the available data over the past three years has caused this assumption to be revised. This analysis shows that a greater level of investment than previously assessed is required in the next 30 years for the backlog not to increase any further.

The Council has limited options for renewal of infrastructure. It has a statutory responsibility to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future. Infrastructure is a key enabler to provide for these wellbeing's. Council seeks to provide infrastructure that is efficient, effective and appropriate to present and anticipated future circumstances. Council must look after the infrastructure it already has, which means it must be renewed when it reaches the end of its useful life. Council could choose to defer renewals, but this would place an increased financial burden on future generations and is unlikely to meet the purpose of local government.

As the city grows and ages, it has an increasing amount of infrastructure to renew. The current generation must pay for the renewal of all previously established infrastructure. Future generations will be required to pay for the renewal of all previously established infrastructure and any new infrastructure yet to be established. While population growth spreads future renewal costs across a greater number of people, keeping up with renewals is expensive. The way Council develops new infrastructure to support the growth of the city can affect the amount of renewals Council will face in the future. For example, brownfield redevelopment and making use of existing infrastructure can be more efficient than new greenfield infrastructure.

A total of about \$731 million (present-day cost) over the next 30 years is estimated to be required to ensure the transport, stormwater, wastewater, water, property and parks assets infrastructure is kept in good condition so that it can provide the same level of service to the community. This is equivalent to expenditure of about \$24.4 million (present day cost) per annum. This is an increase over the average of \$21 million per annum that has been spent over the past three years.

Activity	Average annual renewal expenditure (Present-day costs \$M)
Transport	\$8.9
Stormwater	\$0.7
Wastewater	\$5.7
Water	\$3.3
Property	\$2.8
Parks and Reserves	\$3.0
Total	\$24.4

Given the size of the expenditure, the renewals programme represents an opportunity to make a significant contribution to Council's strategic direction. More attention is required to examine which renewals present an opportunity to provide infrastructure in a different way to deliver outcomes consistent with Council direction. For example, all renewals on streets identified within the cycle network plan represent an opportunity to contribute toward improving cycling infrastructure.

5.7 Application of urban design

The Council has tried to include urban design principles in public and private development since 2010. Good progress has been made influencing private development via the Sectional District Plan Review, which has incorporated urban design principles into a number of zones. A variety of design-led planning documents, such as the City Centre Streetscape Plan

(Streets for People), Manawātū River Framework and Central Energy Trust Arena Master Plan, have been prepared to inform significant Council investment in infrastructure. The development of all of these planning documents considered a range of options which were assessed by Council and subject to specific public engagement. Significant budgets have been included in the 2021 Long Term Plan to deliver on these planning documents, which will demonstrate the social and economic benefits of good urban design. A total of \$29.3 million (\$32.1m with inflation) is included to deliver the City Centre Streetscape Plan, including the new urban bus terminal, over the 10 years. The priorities and scheduling of works are as follows:

- City Centre Streetscape Plan – Square East (Plaza to ANZ)
- City Centre Streetscape Plan – Main Street East (bus terminal and canopies)
- City Centre Streetscape Plan – Broadway
- City Centre Streetscape Plan - Rangitikei Street
- City Centre Streetscape Plan – Square West
- City Centre Streetscape Plan – Church Street
- City Centre Streetscape Plan – Square North
- City Centre Streetscape Plan - Inner Square

Urban design is important because, since the 1950s, most authorities have broken their city into individual infrastructural parts that are managed by separate disciplines. The need for urban design has grown out of this siloed approach to city and infrastructure development. Urban design is not just about making infrastructure look pretty. It is fundamental to the way people engage, use and perceive a city. Creativity is essential, and urban design can make a significant contribution to the big-city ambition component of the city vision. It is critical to attracting and retaining young talent.

Council investment in day-to-day infrastructure represents a significant opportunity to make integrated city-making a fundamental driver for all new infrastructure, particularly for transportation, property, recreational assets and stormwater. There are fewer opportunities to influence urban design outcomes via water and wastewater infrastructure. Further change, new processes and support are required to ensure a multi-disciplinary approach to the planning and delivery of Council projects. The use of design expertise is essential.

The **options** for improving the application of urban design to infrastructure relate to improving internal processes, education, advocacy and working in a multi-disciplinary way. Some cities have made radical changes, such as transferring major capital budgets to an urban design team or requiring formal sign-off on major capital projects. While some progress has been made, further work on internal processes is required to truly deliver on this issue.

5.8 Facilities to encourage walking, cycling and public transport

Palmerston North has an excellent track record of facilitating daily car journeys. While Council has provided additional capacity for cars via wider roads, more lanes, traffic lights, roundabouts, car parking and slip-lanes, it has been less successful in providing modern facilities for walking, cycling and public transport. While the car will continue to be an important mode of transport, walking, cycling and public transport are the areas where the biggest changes are needed. In many cases, this will mean reallocating existing street space, such as on-street parking and traffic lanes, for another purpose.

The Council has made good progress with off-road walking and cycling facilities, and generally have good footpath coverage. However, Council needs to consider how it treats and prioritises space for pedestrians and cyclists at pinch-points, intersections and crossings within existing transport corridors, particularly as existing urban areas are intensified. Street design, way-finding and planning need to allow for the space and safety needs of cyclists and pedestrians.

Like walking and cycling, public transport has many benefits. It reduces congestion and carbon emissions and can increase mobility for people who are unable or unwilling to drive a car, walk or ride a bike. Strong public transport networks make a significant contribution to city liveability scores. The current urban terminal at Main Street is near capacity and the design is problematic. This strategy includes funding for a new urban terminal at the current location, which would improve both functionality and the streetscape.

The broad **options** available to Council are to continue with catalyst projects such as the pedestrian and cycle bridge and extensions to the shared path network, or combine the catalyst projects with incremental change as part of delivering the day-to-day transportation infrastructure. This strategy, together with a number of other strategic planning documents adopted by the Council, promotes the second option.

Council adopted an Urban Cycle Network Masterplan in 2019. It's purpose is to map out an investment programme for the urban cycle network and to create an environment and culture that encourages more people in Palmerston North to choose cycling more often. The Urban Cycle Network Masterplan commits council to:

- Reduce traffic speeds around schools and shops
- Expand the network of cycle lanes, including physically separated cycleways
- Support school and workplace travel planning, education about sharing roads and paths courteously, events like street festivals, recreation tours and competitions.

The implementation of the Urban Cycle Network Masterplan requires significant investment to achieve its ambitions. New programmes are included in the Long Term Plan to deliver on the masterplan.

Waka Kotahi are preparing to launch a One Network Framework (ONF) to help provide more detail on the function of transport corridors and differentiate areas of on-street activity. The ONF will require changes to transport networks to ensure integration between land-use and transport and to ensure a consistent design and use for different street and road typologies. This new classification system will also identify future state intentions for transport, which will assist Council's in planning for new state highways, or devolution of state highways to local roads. The ONF is likely to have significant relevance for the next Long Term Plan, when it will be fully implemented.

5.9 Security of water supply

An adequate supply of drinking water is a fundamental requirement for the health and general wellbeing of the community. An adequate water supply also underpins economic activity in the city. Council must comply with the New Zealand Drinking Water Standards and any resource consents issued, both now and in the future, by Horizons Regional Council under the One Plan. A government inquiry revealed that a number of water supplies around New Zealand are not complying with current standards. As a result, there is likely to be greater scrutiny of the quality of Council's water supply and the quality assurance and risk management processes in place to prevent a contamination event from causing illness.

Central government has established a new water regulator (Taumata Arowai) who will take over responsibility for drinking water regulation from District Health Boards. From July 2021, new more stringent water quality standards will require investment by us in the near future in more advanced treatment, more stringent monitoring and quality assurance. Key investments will include investment in UV disinfection or other protozoa water removal for all the City's water sources including the Turitea Water Treatment Plant and the bores.

Council will also need to increase capacity to deal with potential seismic events or mechanical faults. Seismic strengthening of key assets, such as reservoirs, is needed to reduce the risk of a major asset failure and service disruption in a significant event as well as reduce the duration of any loss of service. Resilience will also be increased by providing a second crossing of the Manawatu River and reinforcing the trunk main network across the city.

Over the period of this strategy, significant investment is required to ensure the water supply remains secure and safe for the community. Three aspects are addressed in this strategy and include refurbishment of the city's bores, plus extra treatment barriers at the plant to meet anticipated changes to the New Zealand Drinking Water Standards.

Several of the city's bores have declining yields and issues with sand ingress, and they need to be redeveloped or replaced over the next 10 years to ensure security of water supply.

The Turitea Water Treatment Plant supplies more than half of the city's water and is linked to the Ngahere Park reservoirs by a single large pipeline. This pipeline is nearing the end of its life and will need to be renewed within the next five years. It also passes along the treatment plant access road, which is subject to slips. As a result, there is a relatively high risk of damage to this supply line and loss of supply from this source for several weeks. A duplicate pipeline is currently in construction and will be completed later in 2021 and will allow renewal of the existing pipeline to occur and reduce the risk of losing the supply of water to the city from the water treatment plant.

Water supplied to the community meets the New Zealand Drinking Water Standards. These standards are reviewed regularly and with the establishment of the new regulator, revised drinking water standards are planned to be released in early 2021 for adoption in July 2021. To respond to those changes the city is likely to require an additional level of treatment protection (barrier) at its Turitea water treatment plant and bore sites to maintain compliance with the standards. It may also be necessary to add storage to each of the bore sites to provide additional contact time for chlorine disinfection so that water delivered to the network meets the free available chlorine guidance levels. This will enhance the safety of the water supply. Some provision is made in this strategy for these additional treatment processes, but detailed planning for the implementation of any improvements will be required once the new drinking water standards are released.

The Eco-City strategy notes the following:

- (a) The costs and benefits of reducing water pressure need to be weighed up. Reducing water pressure could prevent significant wastage of water and reduce maintenance costs for water infrastructure. However, the community may not accept lower water pressure and there may be implications for commercial fire system compliance.
- (b) The Council will investigate domestic water saving and storage solutions to identify potential water demand savings and wastewater flow reduction. District-wide resilience will be improved by connecting Palmerston North's water supplies to its satellite communities.

5.10 Increasing resilience of infrastructure

One of the outcomes of the Christchurch earthquakes is an increasing focus on understanding and improving the resilience of local authority infrastructure, particularly those assets that are critical to delivering core services.

In recent years, substantial work has been undertaken to assess the seismic strength and impact of maximum probable floods on key infrastructure such as the Council's major bridges (Manawatu River Bridge, Milson Line Bridge and Saddle Road Bridge) and the Turitea water supply dams.

These have been assessed as having sufficient strength (apart from the Milson Line Bridge) to withstand the required seismic design loadings. The bridges have also been assessed as being capable of withstanding major flood events. The Milson Line bridge does carry some higher risk in a major seismic event but is scheduled for improvements in 2032.

Other key infrastructure that is critical to the continuation of services, such as the water and wastewater treatment plant civil structures, the crematorium, large pumping stations and large diameter pipelines, have also been assessed and work is currently underway on the detailed design and strengthening of these structures to meet the required code levels for withstanding seismic shock. Programmes for completing the strengthening of critical wastewater and water structures are included in this Strategy.

Generally, the transport network, with its grid network, has a high level of resilience to seismic activity, with particular lifeline risks for wider connection being the bridges identified above and those under Waka Kotahi jurisdiction, namely SH3 Ashhurst Bridge and SH56 Opiki Bridge. Delivery of a regional freight ring road including a second road bridge over the Manawatu River will improve transport resiliency.

A key part of increasing the resilience of the city's infrastructure is to require new infrastructure to be built to a standard that will better withstand the effects of seismic events such as liquefaction. The ongoing review of the District Plan will address this matter, particularly for new greenfields development. The Council's engineering standards for land development were revised in 2016, incorporating requirements for increased resilience with engineering works. A further review planned for 2021 is likely to incorporate further requirements to strengthen the resilience of the pipe infrastructure as these practices are developed nationally.

Increased resiliency of infrastructure is also addressed in the impact of climate change issue. The specific **options** for improving resiliency are best addressed as part of individual infrastructural projects, rather than a more general assessment of options.

5.11 Impact of climate change

The Ministry for the Environment advises that climate change is the biggest environmental challenge of our time. The way Council invests in infrastructure can influence how much the city mitigates climate change by reducing emissions and adapting to the effects of a changing climate.

The Council target is a 30% reduction in CO₂e in Palmerston North by 2031. The task of lowering the carbon footprint forces Council to identify its inefficiencies and improve the way it delivers infrastructure to improve energy efficiency, make better use of trees and natural systems, and take advantage of the opportunities offered by new technologies like LED lighting. To achieve this target, Council needs to provide infrastructure that enables the rest of the city to make low-carbon choices, particularly for transport space, and support the provision of fast-charging stations for electric vehicles.

The Ministry of the Environment predicts that over the longer term, the Manawātū-Wanganui region will become warmer and be subject to more extreme weather events, with the region experiencing more frequent heavy rainfall events as well as more frequent droughts. Horizons Regional Council has increased its standard for defining areas prone to flooding from 1% AEP (1-in-100-year) flood event to a 0.5% (1-in-200-year) flood event and completed significant upgrades to the Lower Manawātū Flood Protection scheme to take account of this change.

This has significant implications for infrastructure, with many assets having life cycles of more than a hundred years, and in some cases much more. Council needs to take account of expected long-term changes when building new infrastructure. The largest impact is on stormwater infrastructure. New infrastructure associated with development for growth will be designed with the aim of achieving hydraulic neutrality for the development as a whole where possible (i.e. not increasing the peak flows from the development area) and will take into account the expected stormwater loadings.

There are also likely to be additional peak stormwater flows in the existing network as a result of infill development. Modelling has been carried out to assess the impact of additional stormwater loading on the network, and provision has been made for stormwater network improvements over the period of this Strategy to enable some mitigation of the worst of the flooding issues to be addressed. Water-sensitive design and green infrastructure approaches to development and a wider use of tools such as water tanks, green roofs, swales, rain gardens and detention ponds will all help and will be encouraged if not required. Council has recently tried to take a more naturalised approach to managing stormwater. This is apparent in Norton Park, where a trial wetland has been established, as well as the nearby Edwards Pit Park, where Council has created and planted a series of wetlands to reduce pollution, illegal dumping and damage to critical assets and habitats. Council is actively renovating the open streams and drains within the city both to improve their drainage capacity and to transform them into green corridors to provide improved biodiversity and more sustainable stormwater management.

Changes to rainfall patterns will lead to issues to for our sportsfields and walkways, because there will be more heavy downpours, leading to flooded surfaces and slips. In addition to more intense rainfall it is likely long dry periods, or drought events, will also occur more frequently. This will put a strain on park trees and plants, restricting their growth or even causing them to die. If new parks and reserves infrastructure is not designed to cope with intense extremes of weather, then the contribution our green assets make to our city will diminish and biodiversity will be lost.

From time to time, water restriction measures need to be put into place for consumers during dry periods when water levels in the dams become low. Without changes in consumer behaviour this may occur on a more frequent basis given a reduction in the sustainable yield available from the Turitea dams. Council are trialling the implementation of a Summer Watering Period when regardless of the weather, consumers are encouraged to adopt water conservation measures as standard practice during summer. Even with such measures, additional bore supply capacity will be required to compensate for the lower sustainable yield from the dams.

In terms of **options**, the Resource Management Act and Local Government Act require the Council to adapt to the effects of climate change. While there is no explicit statutory obligation to mitigate climate change by reducing Council and city emissions, there is a growing international commitment from states, cities and the private sector to reduce carbon emissions. Agreements such as the 2015 Paris Accords and the Compact of Mayors, of which Palmerston North is a signatory, provide formal mechanisms to report on emissions and share practical knowledge.

The Climate Change Response (Zero Carbon) Amendment Act 2019 introduced a new framework to assist the move to a low emissions and climate resilient society. This includes new requirements for local authorities to set emissions reduction target and mitigation policies and provide reports on progress.

5.12 Modernisation of Central Energy Trust Arena

Central Energy Trust Arena is the regional hub for sports in the lower North Island and the city's central hub for sport. It caters for some 36 different sporting codes in eight indoor and several outdoor facilities. In addition, Central Energy Trust Arena accommodates a range of community activities, trade shows, exhibitions, conferences, concerts and a host of other leisure and recreational functions.

National and international speedway events (some 23 meets per year) are held at Arena 1 and during those events occupy a substantial proportion of Central Energy Trust Arena overall, with extensive parking and pit requirements. The 'open pits' arrangement is one of the few available (internationally), allowing the public to come into close contact with the stock cars and teams.

While some of the Arenas and facilities are fit for purpose, others such as Arena 5 and aspects of the Pascal Street frontages to Arenas 2, 3 and 4 need to be improved. An all-weather artificial turf has been developed for the rear fields (Arena 6), which used to suffer from flooding. This has dramatically enhanced the usability of this space. Improved capacity of Arena 1 is also needed along the southern and western embankments and re-use of modular seating no longer needed within Arena 2 is to be utilised.

Council adopted the Central Energy Trust Arena Master Plan in December 2017 to inform future investment and address the issues detailed above. Four alternative development **options** were considered during the development of the Central Energy Trust Arena Master Plan, and these have been detailed in the Master Plan itself.

The preferred option proposes considerable change to the southern end of Central Energy Trust Arena, with a focus on addressing the speedway pits and their location, the entrance into the Arena complex as well as future-proofing the southern embankment.

The preferred masterplan includes:

- Relocation and improvement of the speedway pits;
- Construction of Sports House building and ticketing booth;
- Redevelop the Arena 5 building into multi-sport and community facility;
- New Cuba Street main entrance and plaza;
- Upgrade of the western concourse and southern embankment;
- Construction of a new South Grandstand;
- Improved rear fields (Nos. 2, 3, 4, 5) including new artificial turfs reconfigured with new Oakley Street access;
- Service sheds relocated; and
- Pascal Street frontage to Arenas 2 and 3 upgraded, new services and drop-off.

The redevelopment of the speedway pits, western concourse, south embankment, and the new entrance plaza and Cuba Street access have been completed in 2020/21 and has significantly transformed the Arena complex and made a considerable movement towards meeting the goals of the masterplan.

The sense of arrival at Central Energy Trust Arena was poor, with ill-defined entries and entrance spaces onto Cuba Street and an unremarkable quality of design for the street interface, fencing, planting, gates and building frontages. Acquisition of the south-east corner properties (Waldegrave/Cuba Streets) has enabled construction to begin on redeveloping this frontage and give effect to the Arena Masterplan. Council has also expressed the view that the quality of the Central Energy Trust Arena has a significant impact on the perception of Palmerston North by locals and visitors.

The Master Plan also details specific priorities and costing for projects which were included in the 2018-28 10 Year Plan and projects beyond that timeframe. These projects have been updated and included in this Strategy.

5.13 Use of Council land for housing and development

While Palmerston North housing is more affordable than many other growing metropolitan cities in New Zealand, house prices have been increasing and as the city grows it is susceptible to the sharp increases experienced in other cities. While this risk is being addressed via strategic land-use planning, changes to the District Plan and the provision of growth infrastructure, the Council can also use its own land for housing and development to provide increased choice, competition, and revenue. This is an activity the Council has undertaken in the past, although there has been no activity in recent years.

The Council owns a significant portion of the Whakarongo Residential Area and has included specific infrastructural programmes to develop this land for housing. This is in addition to the growth infrastructure programmes required to service the broader Whakarongo Residential Area. Council has opted to develop this land itself and sell to new owners to build their own homes. Council will oversee the development of each home through the administration of a design guide and covenants. To minimise cost and risk, Council has opted not to build houses itself. The 10 Year Plan also includes a series of investigations of other Council owned land to decide whether they are appropriate for development.

If the Council-led development at Whakarongo is successful and the investigation of other Council-owned land identifies opportunities for further development, this is an activity the Council has signalled that it would like to increase its involvement in. Longer term it is likely there are further opportunities for using Council land for housing and development over and above those sites specifically identified for investigation in the 10 Year Plan.

Huia Reserve is one of these sites. In 2020, Council released a proposal to change the use of the site to enable the sale or development of the reserve for housing. Following public consultation, Council agreed to progress the change. This requires Government changing the reserve status through a legislative change and then a District Plan change to rezone the site to Residential. This will be progressed throughout 2021.

The Terrace End Bowling Club (Summerhouse) is another site that Council has agreed to investigate repurposing for housing. This bowling club is intended to be amalgamated with another club in North Street, which will leave the site available for alternative use. Half of the site is already zoned residential and the other half is zoned Recreation. A District Plan change will need to be carried out to rezone the entire site to Residential. Once rezoned, the Council can develop the site and sell on. Another opportunity is relocating the Council depot from the current site on the corner of Ferguson and Albert Streets and redeveloping this land for housing. The depot site is already zoned residential and is ideally suited for medium to high-density development.

5.14 Seismic Strengthening of Council Buildings & Civic and Cultural Precinct Masterplan

The Seismic strengthening of our earthquake-prone buildings will occur incrementally and will require significant investment over the next 15 years. Strengthening our earthquake-prone buildings is all about ensuring people can safely get out of a building in the event of a moderate-large earthquake. If the buildings are not seismically strengthened, they will continue to pose a risk to people's safety, should they not be able to evacuate.

As at May 2019, the following buildings and facilities have been identified as Earthquake-Prone Buildings (EPBs):

- Civic Administration Building (CAB)
- Square Edge
- Central Library
- Kelvin Grove Crematorium
- Wastewater Treatment Plant
- Regent Theatre
- Keith Street Power Station
- Te Manawa Museum of Art, Science and History

The redevelopment of the Central Library and Te Manawa Complex were included in the 2018 10 Year Plan. However, Council deferred both redevelopment projects due to:

- Seismic issues with the Central Library building were subsequently discovered
- A further needs assessment was required to inform the proposed Civic and Cultural Precinct Masterplan (CCPMP)

A Draft CCPMP was prepared in 2019 to inform future investment in Te Manawa, the Civic Administration Building and the Conference and Function Centre. The Draft CCPMP was placed on-hold when it was discovered the Central Library was an earthquake prone building. Council has allocated funds to complete the CCPMP to assist with the broader revitalisation of the city centre and to provide direction to future investment to the Council's core Civic and Cultural facilities, including the Central Library. This work will build on the work completed on the Draft CCPMP in 2019 and explore alternative funding and delivery options. It will also investigate options to deliver mixed-use and housing developments within the Civic and Cultural Precinct. The outcomes and delivery options recommended by the updated CCPMP may impact on the priorities and delivery options of programme 902 in future 10 Year Plan processes.

Council has created work programme 902 – Seismic Strengthening of Council Properties. Using Council's Earthquake Prone Building Policy, the programme allows for both the planning, design, consenting and construction. The programme targets seismic strengthening work to be completed incrementally over the next 15 years. We will be investing around \$150 million over the next 15 years. Council has developed the following priority order for seismic strengthening of all our EPBs after considering several different factors.

Table 1 Priority Order for Seismic Strengthening and Costs over the next 15 years

Order of Priority	Year Strengthening Commences	Approx. Cost (Millions)
1. Kelvin Grove Crematorium	2021	\$1.5M
2. Wastewater Treatment Plant	2021	\$2.5M
3. CAB	2023	\$10M
4. Square Edge	2025	\$10M
5. Regent Theatre	2027	\$15M
6. Central Library	2029	\$60M
7. Te Manawa Museum of Art, Science and History	2031	\$50M
8. Caccia Birch House	2033	\$0.5M
9. Keith Street Power Station	2035	\$0.5M

The affordability of this work is a challenge for us, as we try to strengthen our buildings to meet the required National Building Standards (NBS.) We also need to ensure that we spend in a financially sustainable way.

As seismic strengthening progresses this may also coincide with asbestos remediation and fire upgrade work that may need to be completed within our older buildings. The Building Act 2004 requires all territorial authorities in high seismic areas to report annually to MBIE on their progress in identifying potential EPBs. For this reason there is potential for more EPBs to be identified.

5.15 Construction Industry Capacity

The City is projected to grow significantly over the next 10 years. Major infrastructure projects and private development including Te Ahu a Turanga: Manawatū Tararua Highway, KiwiRail Regional Freight Hub, Mercury Energy Turitea Wind Farm, Regional Freight Ring Road, FoodHQ, Defence regeneration at Linton and Ohakea, Countdown Distribution Centre and a variety of Council infrastructure projects will continue to drive this growth across the Region and the city. With this significant pipeline of central government, residential and commercial infrastructure investment the capacity of the existing construction market to respond to this sustained period of infrastructure investment is becoming stretched.

Over the next 10 years there is a risk that Council's access to a constrained construction market will lead to an upward pressure on contracting prices and extend delivery timeframes for infrastructure delivery. This is likely to impact on Council's ability to deliver on its own infrastructure programme over the life of the 10 Year Plan. While it is positive for the local economy to have sustained investment over the next 10 years it will be a challenge for Council to compete in a crowded market to access the limited construction market resource in the Region. This is particularly so when competing with Central Government infrastructure investment given the scale of projects like Te Ahu a Turanga: Manawatū Tararua Highway and the Defence regeneration at Linton and Ohakea.

Given the construction industry constraint over the 10 Year Plan period Council have considered its programme of work and taken the opportunity to push out non-critical programmes. The Council will have to respond to this challenge and may have to consider options such as:

- Aggregating projects into larger packages and/or multi-year contracts to provide greater certainty to contractors and support investment in resources and capacity building e.g. recent roading maintenance, renewal and capital new contract includes significant value of "capital new" projects
- Starting procurement earlier and allowing longer lead times so that contract delivery obligations can be accommodated within a contractor's forward work commitments. This will require more provision for funding of multi-year programmes of work.
- Engaging proactively with the contracting market including providing a clear indication of Council's forward pipeline of work

5.16 Asset Performance and Condition

An independent review of the maturity of Council's asset management (AM) approach was undertaken in 2019. The assessment found we have significant gaps across our asset areas in terms of condition and performance data. There is a particular need to prioritise the collection of condition information on our critical assets. Although some work has been done in the past to assess asset criticality and condition, we are not using the information well. For example, our wastewater pipes have good CCTV data, but it's not always reliably loaded into our asset data base. Staff and contractors working on maintenance and renewal of our assets need to be collecting good quality condition data. This needs to feed into our asset data bases and used to better inform and optimise our investment in the maintenance and renewal of our assets.

Our Asset Management Improvement Plan will prioritise a review of our policy governing our asset condition and performance assessment. We will need to complete condition surveys on all our critical assets, and schedule regular inspections with the frequency based on asset criticality. While unexpected failure of our water assets in the past has prompted a programme to increase the collection of condition data through physical surveys, we will need to develop a comprehensive condition assessment programme across all our assets. We will need to work towards developing processes for contractors and in-house staff to collect condition information using real time mobile data applications to increase efficiency

in this area. Subject to 10 Year Plan funding decisions, proposed condition assessment programmes have been developed to address the issue of lack of condition data for our wastewater plant (programme 1716), wastewater pipelines (programme 1717), water supply (programme 1813), citywide stormwater (programme 1709) and property (programme 1726).

12. How council intends to manage its infrastructure assets

6.1 Renewals

As noted in section 5.6, Council has limited options for renewing infrastructure. It has a statutory responsibility to meet the current and future needs of communities for good-quality local infrastructure in a way that is most cost-effective for households and businesses. 'Good-quality' in this context means infrastructure that is efficient, effective, and appropriate to present and anticipated future circumstances. This means Council must look after the infrastructure it already has. This is usually done by renewing assets when they reach the end of their useful life. Council could choose to defer renewals, but this would place an increased financial burden on future generations and is unlikely to meet the primary purpose of local government with respect to good quality infrastructure.

More specific renewal details for each asset group are provided in section 7.

6.2 Growth or decline in demand for services

As noted in section 3.3, Palmerston North is expanding, and the Council wants to accelerate the city's growth and prosperity. Having a ready supply of land with infrastructure to support the city's growth will ensure Council can harness new development opportunities and increase Palmerston North's competitiveness. The Council has adopted a hybrid growth scenario based on a specific Palmerston North high growth projection for years 1 - 10 and a Statistics New Zealand (December 2016) medium growth projection for years 11 - 30, which also accommodates the additional margins required by the National Policy Statement for Urban Development Capacity for the household projections, but not the population projections. The specific population and household projections are detailed in section 3.3.

Commercial office and retail development is expected to utilise existing infrastructure capacity within the city centre. Industrial development is projected at the NEIZ and Longburn, with significant new infrastructure investment required at the NEIZ. The infrastructure servicing the industrial land at Longburn is currently privately owned and is in poor condition and requires upgrading both to meet the needs of current users and satisfy demand from undeveloped land.

6.3 Increases or decreases in levels of service

Taking into account Council's broader strategic framework, the anticipated increases in levels of service relate to the following infrastructure and assets:

- City centre streetscapes (see programme 1686)
- Urban bus terminal (see programme 243)

- Central Energy Trust Arena (see programmes 990 and 1194)
- Seismic strengthening (see programme 902)
- Victoria Esplanade (see programmes 1847, 1838, 1890 and 2012)
- Manawatū River Park. See programme (programme 1435, 1844, 1894, 1892 and 1895)
- Council housing - Papaioea Place (see programmes 1743 and 1459)
- LED street lighting (see programme 1806)
- Water-sensitive design and green infrastructure (see programme 1930)
- Design infrastructure to accommodate the effects of climate change and natural hazards (see programme: 1708)
- Regional shared path network improvements (see programme 1677 and 1678)
- PNITI programmes. (see programmes 1688, 1690, and 2013)
- Road to Zero – transport safety improvements (see programmes 1691 and 159)
- Village streetscape improvements (see programme 1803)
- Innovating streets for people / tactical urbanism (see programme 2021)

For specific levels of service see the activity pages of the 10 Year Plan. This is background information that will be provided alongside the Infrastructure Strategy.

6.4 Public health and environmental outcomes

Wastewater

The Council is required to lodge applications for new resource consents for its current wastewater discharge to the Manawatū River by June 2022. The Best Practicable Option (BPO) review, which is well advanced is required to identify a preferred option for treatment and discharge of the city's wastewater by June 2021. Council is actively engaging with the community to help identify the preferred option. For the 10 Year Plan, it has been assumed that a solution will be provided with a capital outlay of \$350 million (plus inflation) between 2023 and 2027.

Climate change

The Council target is a 30% reduction in CO₂e in Palmerston North by 2031. The task of lowering our carbon footprint forces Council to identify its inefficiencies and improve the way it delivers infrastructure to improve energy efficiency, make better use of trees and natural systems, and take advantage of the opportunities offered by new technologies like LED lighting. To achieve this target, the Council needs to provide infrastructure that enables the rest of the city to make low-carbon choices, particularly for transport space, and support the provision of fast-charging stations for electric vehicles.

Stormwater

There will be additional peak stormwater flows in the existing network as a result of climate change and increasing infill development. Water-sensitive design and green infrastructure approaches to development and a wider use of tools such as water tanks, green roofs, swales, rain gardens and detention ponds will all help and be encouraged. Council has recently tried to take a more naturalised approach to managing stormwater. This is apparent in Norton Park, where a trial wetland has been established, as well as the nearby Edwards Pit Park, where Council has created and planted a series of wetlands to reduce pollution, illegal dumping and damage to critical assets and habitats. Council is renovating open drain corridors and urban waterways, to improve stormwater conveyance capacity, biodiversity and more sustainably manage stormwater.

6.5 Service Delivery

Service delivery is provided by a mixture of using in house resources and externally contracted resources. Operation and maintenance of the stormwater, wastewater and water assets (3 waters), property and parks and reserves assets are largely provided by in house resources apart from swimming pools for which a long term facilities management contract is in place. Some property maintenance is also contracted externally.

Roading maintenance is provided through a long-term externally tendered maintenance contract, which includes pavement renewals and road resealing. While currently Council has a number of separate external roading contracts for specialist areas such as road marking, lighting, traffic signals and footpath renewals, a new Road Maintenance, Renewals and Minor Capital Works contract has been tendered. This contract, which is due to be awarded in March 2021, will have a duration of 9 years and provide for the delivery of up to \$14m of maintenance, renewal and capital works in the roading space. The bringing together of nearly all of the maintenance, renewal and minor capital work in a single contract is designed to support the development of a collaborative delivery model which contributes to improved quality, timeliness and optimisation of Council's budget as well as addressing the current contractor capacity constraint.

Renewal of assets and construction of new assets is undertaken through a combination of external contractors and internal resources. The majority of three waters pipe network asset renewal and construction of new assets, along with a range of concrete construction totalling around \$6m per annum is undertaken by the Council's Civil Construction Team. The balance of specialist projects and larger capital projects, particularly in water and wastewater treatment and property and recreation areas, is delivered using a diverse mix of small and medium sized external contractors. Council is working to rationalise the number of external contractor relationships and to achieve improved value and service as well as reduce risk. It is doing this by aggregating delivery of common services across Council in large multi-year contracts procured through competitive tender processes. For example mowing and vegetation management, mechanical and electrical maintenance and renewals as well as pest management.

6.6 Data Reliability

Renewal and maintenance forecasts are based on that data available about Council's assets, their performance and their condition. Data about the assets is kept on Council's asset management systems. Most asset registers are over 85 +/-5% complete in terms of physical attributes, construction date and asset location, and have a high level of accuracy in this regard.

However, as stated previously there are significant gaps in condition and performance data. The exception is parks and reserves assets, with condition and performance of assets is assessed at least annually. The condition rating of the assets of the remaining asset groups comes from periodic survey of the assets, but there are currently insufficient condition

assessments being carried out, particularly on critical assets. Performance ratings are rarely recorded. Programmes are being developed to develop a current condition and performance baseline, with processes to keep this data maintained.

Processes for new assets to be entered into the system are currently being improved. Data collection and verification is ongoing with Council's knowledge of its assets improving all the time.

13. Infrastructure assets: The most likely scenario

The Council prepared 30-year Asset Management Plans (AMPs) during 2020. These AMPs set out the programmes that are assessed as optimal for the maintenance, renewal and development of the assets. The programmes from these plans have informed the 10 Year Plan process, although there has been some adjustment during this process to the scope and timing of some programmes to fit better with Council priorities and community affordability.

The most likely 30-year scenario for the management of Council assets comprises the infrastructure programmes that form part of the 10 Year Plan in years 1–10 and the AMP programmes for years 11–30.

The following sections outline the major programmes in each of the asset areas (that also cover the significant infrastructure issues identified in Section 5) together with indicative present day costs, when a decision by council can be expected, and what options can be expected to be considered.

Section 7.6 shows inflation adjusted 30 year financial forecasts for each year for the first 10 years and then the 5 year average for the remainder of the 30 years for operational, renewal and capital development programmes. The capital development programme also shows the overall split between expenditure for growth and for increased level of service.

Council's AMPs give further information about the management of the assets and programmes that are part of the most likely scenario.

13.1 Transport

Renewal

Renewal of transport infrastructure covers assets comprising roads, footpaths, parking, street facilities, street lighting and traffic services and requires around \$8.9 million (present-day cost) on average to be spent annually over 30 years to maintain these assets in good condition. Generally, the lifecycle of the transport assets, apart from bridges, is shorter than those in the pipe networks.

The major expense is incurred in rehabilitation of the sealed pavements and resurfacing of sealed roads with about 2km of pavement rehabilitation and 25–30km of resurfacing being undertaken each year. Footpath renewals have also been accelerated. The largest single renewal is the renewal or replacement of the Milson Line overbridge scheduled for 2029–31.

Capital development (growth and LOS)

Major transport programmes include the following:

- growth programmes to service Whakarongo, Kākātangiata (formerly City West) and North East Industrial Zone
- Streets for People streetscape upgrade
- new urban bus terminal
- extensions to the shared path and on-road cycle path network
- transport safety improvements
- regional freight ring road and further bridge crossing.

Besides the major expenditure items listed in the table below, there are a variety of other capital programmes over 30 years to improve safety for all road users, including pedestrians, particularly at intersections, road widening and road realignment in places to accommodate increasing traffic demands and maintain the level of service.

Transport programmes, principal options and timing of decisions

Major programmes	When	\$m present-day costs	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
Renewals					
Sealed pavement renewals	2021-51	82.1	124.7	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Renewals of pavements to maintain the current LOS and minimise long term maintenance costs</i> • Only renew sealed pavements when LOS is no longer met.
Sealed road resurfacing	2021-51	95.6	145.2	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Replacement of a sealed road surface layer to ensure the agreed level of service is maintained</i> • Only reseal roads when LOS is no longer met.
Footpath renewals	2021-51	45.5	70.9	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Renew footpaths at a greater rate than existing to improve overall condition of the stock</i> • Cease to renew footpaths and only carry out maintenance when failure occurs • Renew footpaths at the current rate
Development					

Major programmes	When	\$m present-day costs	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
Infrastructure to support Whakarongo residential development	2021-33	8.8	10.2	The schedule and timing of roading infrastructure established through the 2021-31 10 Year Plan process	<ul style="list-style-type: none"> • <i>Provision of infrastructure in line with PNCC engineering standards and the Whakarongo Structure Plan</i> • No allocation provided for new infrastructure, leave provision to the developer
Infrastructure to support NEIZ industrial development	2021-26	11.6	12.0	Through the 2021-31 10 Year Plan process.	<ul style="list-style-type: none"> • <i>Continuation of programme established in 2015-25 10 Year Plan to service the NEIZ Extension. Timing of programmes subject to demand and alignment with other private and public investment interests.</i> • Do nothing. Development may not occur.
Infrastructure to support Kākatangiata (formerly City West) residential development	2021-42	48.8	66.3	The development of this area will be subject to further investigation and planning process under the RMA over the next few years.	<ul style="list-style-type: none"> • <i>Provision of infrastructure in line with PNCC engineering standards and the Kākatangiata Structure Plan (in development).</i> • No allocation provided for new infrastructure, leave provision to the developer.
Streets for People - Urban design streetscape	2021-29	22.6	24.7	The overall scope of the project was endorsed by Council in 2016. The decision around timing for the different stages is part of the 2021-31 10 Year Plan process following earlier consultation. Later stages may be modified in future 10 Year Plan processes.	<ul style="list-style-type: none"> • <i>Deliver the full scope of the Streets for People programme</i> • Keep the pre-existing urban city layout and stop progressing improvements to CBD amenity and city image.
Bus terminal	2021-25	11.6	12.4	The broad programme has been considered as part of the City Centre Streetscape programme. There will be a further Council decision on the best option before implementing a programme over the period 2020-24.	<ul style="list-style-type: none"> • <i>Complete the urban bus terminal development</i> • Minor upgrade of infrastructure, lighting, landscaping and roading only • Let the bus terminal remain as it is
Shared pathways	2021-31	24.0	27.8	This is a programme of developing shared pathways around the city. The broad on-going programme has been decided through the 2021-31 10 Year Plan process. It may be modified in subsequent 10 Year Plans.	<ul style="list-style-type: none"> • <i>Create new shared paths that link regional centres - Bunnythorpe, Feilding, Ashhurst and Aokautere</i> • Deliver some or part of the network • Incomplete shared path network meaning Council strategic direction not met.

Major programmes	When	\$m present-day costs	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
Manawatū River Bridge	2037-43	112.0	189.3	From around 2040 onwards noting that demand on the Fitzherbert corridor is under constant monitoring. Decisions around the strategic transport route are connected with the PNITI investment and may change this timeframe	<ul style="list-style-type: none"> • Construct a new bridge to link Te Matai Road and Staces Road • Test downstream bridge alternatives in the business case process • Defer from research, design, and delivery of a new bridge
Urban cycle network improvements	2021-31	21.4	24.4	A decision on investment priority was made in 2019. Appropriate level of investment decided through each 10 Year Plan process.	<ul style="list-style-type: none"> • Deliver the full scope of the Urban Cycle Network Masterplan with additional cycle lane and signal phasing works • Remain at current state.
PNITI	2021-30	108.8	126.6	Through 2021-31 10 Year Plan process.	<ul style="list-style-type: none"> • Ring road transport improvements • Intersection and bridge improvements • Strategic transport corridor improvements.
Road to zero	2021-30	24.3	27.7	Appropriate level of investment decided through each 10 Year Plan process.	<ul style="list-style-type: none"> • Improve network safety through speed management, intersection upgrades, corridor improvements, and access control management • Address the vertical realignment and widening of five dips on Kelvin Grove Road to improve sightlines and adjoining properties
Ashhurst growth	2021-25	5.6	5.8	The schedule and timing of roading infrastructure established through the 2021-31 10 Year Plan process	<ul style="list-style-type: none"> • Provision of infrastructure in line with PNCC engineering standards and the future structure plan(s) (in development) • No allocation provided for new infrastructure, leave provision to the developer.
Rural road safety and accessibility	2024-34	15.5	19.2	Appropriate level of investment decided through each 10 Year Plan process.	<ul style="list-style-type: none"> • Deliver all the road safety and accessibility projects • Deliver some of the projects as they are discrete • No allocation provided for any new infrastructure, leave provision to the developer.

13.2 Stormwater Renewal

While there is an ongoing programme of minor renewals of stormwater assets, there are few major renewal programmes of work required during this period. The exception are some significant stormwater mains where the pipes have collapsed due to poor material quality, excessive external loads or aggressive root intrusion. Most stormwater assets are in reasonable condition as they operate in a less aggressive environment compared to the wastewater network and consequently have longer asset lives. Generally, the stormwater system is still in the early stages of its life cycle.

Capital development (growth & LOS)

There are major programmes during this period for extending the stormwater system to the Whakarongo and Kākātangiata Residential areas and the North East Industrial Zone to provide for predicted residential and industrial growth. However, it is also expected that developers will make provision either individually or collectively to manage stormwater within their own properties in accordance with the principles of achieving hydraulic neutrality prior to discharge to the receiving drainage channels. Council is involved in facilitating the consenting, provision and construction of detention storage and wetland treatment systems. In addition, there is an ongoing programme of stormwater improvement works to mitigate flooding and inundation issues as well as improve stormwater discharge quality. Further modelling work has been undertaken to inform this programme and take into account the likely changes in frequency and intensity of storm events that is likely to occur as a result of climate change and increasing density of infill housing over this period. Large scale mitigation works including major new drainage and detention infrastructure is planned to effectively mitigate the increased flooding likely to result from climate change.

Stormwater Principal Options and Timing of Decisions

Major programmes	When	\$m present-day cost	\$m cost with inflation	When council decision likely	Expected principal options to be considered
Renewals					
Citywide renewal works	Ongoing 2021-51	17.5	26.3	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • Full replacement of stormwater pipes and manholes due to structural or service problems • Renewal of pipes and manholes only when the network is significantly underperforming and on reactive basis • Defer renewal of the network.
Citywide pump renewals	Ongoing 2021-51	2.4	3.0	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • Renew pump stations at greater level than current • Renewal will be as required or necessary only

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Major programmes	When	\$m present-day cost	\$m cost with inflation	When council decision likely	Expected principal options to be considered
Development					
Provision of stormwater systems for Whakarongo residential development	2021-24	4.1	4.1	The schedule and timing of stormwater infrastructure established through the 2021-31 10 Year Plan process. A council decision has already been made.	<ul style="list-style-type: none"> Defer the renewal of stormwater pump stations. Provision of infrastructure in line with the Whakarongo Structure Plan, PNCC engineering standards and low-impact design principles. No further progression of the proposed attenuation pond construction and leave to developers to construct
Stormwater systems for NEIZ Extension	2021-23	2.4	2.4	NEIZ Extension rezoned 2016. Timing of stormwater infrastructure established through 2021-31 10 Year Plan process.	<ul style="list-style-type: none"> Design and construct stormwater systems in line with NEIZ Structure Plan, PNCC engineering standards and low-impact design principles to service an expanded NEIZ A localised, conventional infrastructure approach, though the Council's sustainability goals would not be met No allocation provided for any new infrastructure, leave provision to the developer
Stormwater systems for Kākatangiata residential growth area	2021-30	2.9	3.3	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development, as development progresses.	<ul style="list-style-type: none"> Current infrastructure to remain and unable to support development Upgrade the relevant infrastructure to enable development
Stormwater Improvement works, including new pump stations	2021-51	15.5	20.7	Ongoing decision making through 10 Year Plan and Annual Plan processes to meet specific issues in the stormwater system.	<ul style="list-style-type: none"> Address the issues identified in the citywide flood model Significant electrical and mechanical improvements at the pump station Ensure only the current capacity and requirements are met No allocation provided for any new infrastructure.
Citywide stormwater flood mitigation	2021-28	7.2	8.3	Through the 2021-31 10 Year Plan process	<ul style="list-style-type: none"> Undertake large capital projects to reduce catchment-wide risk flooding No allocation for capital works to mitigate citywide flooding.
Stormwater management improvements for Aokautere urban growth area	2021-29	1.1	1.2	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development as development progresses.	<ul style="list-style-type: none"> Carry out mitigation works in all the severely affected gullies to allow further development Leave the gullies to self-stabilise

Major programmes	When	\$m present-day cost	\$m cost with inflation	When council decision likely	Expected principal options to be considered
Stormwater improvements for Ashhurst urban growth area	2021-25	0.6	0.7	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development as development progresses.	<ul style="list-style-type: none"> Design and construct stormwater systems in line with PNCC engineering standards and low-impact design principles. No allocation provided for any new infrastructure, leave provision to the developer.
Stormwater improvements for Napier Rd Urban Growth Area	2021-25	0.2	0.2	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development as development progresses.	<ul style="list-style-type: none"> Design and construct stormwater systems in line with PNCC engineering standards and low-impact design principles. No allocation provided for any new infrastructure, leave provision to the developer.

13.3 Water

Renewal

Most of the pipe network is in very good physical condition. However, there are some major items for renewal and refurbishment during this period, as discussed below.

Over the period 2010–14, pipeline renewal was focused on replacing cast iron pipes to address the discoloured water issue. Subsequently, the focus has been on replacing asbestos cement (A/C) pipelines. The life of these pipelines is proving to be less than originally expected resulting in a higher number of pipe breaks and increased maintenance costs. An enhanced A/C replacement programme is now programmed through to 2030 to maintain the serviceability of the network. There is also a need to renew the supply main from the Lower Turitea Dam through to Ngahere Park reservoir. This will be done following the completion of the duplication of the pipeline from the Water Treatment Plant to the Ngahere Park Reservoirs which is currently underway so as to also increase the resilience and security of this supply. The rising main from the Ashhurst bore to the reservoirs has been identified for some time as in need of replacement. The lower half of the rising main has been renewed and the remainder of the alignment will be renewed by the end of 2022-23. The other area of major renewal investment required in this period is the replacement or redevelopment of several of the bores feeding the city's water supply. Bores programmed over the next few years include Ashhurst, Takaro and Roberts Line with other bores programmed for redevelopment over the following 25 years. Significant investment in renewal of critical components of the water supply network are also programmed including significantly enhanced investment in renewal of tobies (as part of installed new meter ready manifolds with backflow prevention), meters and critical shut-off or sluice valves. These are critical as they contribute to the risk of contaminants entering the network and the level of disruption required to repair a break in the network.

Capital development (growth & LOS)

There are major programmes during this period for extending the water system to the Whakarongo and Kākatangiata Residential areas and North East Industrial Zone to provide for projected residential and industrial growth. Some seismic strengthening of water structures is scheduled to increase the resilience of our water supplies. There are also proposals to build new reservoirs to increase available storage and improve treatment

Other major programmes that provide for ensuring a secure and safe water supply for the city include providing additional treatment barriers at the Turitea water treatment plant to meet the expected more stringent NZ drinking water standards proposed for adoption in July 2021. It is expected that UV treatment of all water sources will be required (surface water and bore water treatment plants) as well as provision of storage to provide adequate contact time for chlorine disinfection to achieve current free available chlorine guideline levels at all bores. As indicated above, there is already some provision in this Strategy for implementing UV treatment at the Turitea water treatment plant over the period 2021–24. There is also provision for adding storage to some bores so that the required contact time to meet a FAC standard can be met. However, once new standards are released it will be necessary to review both the timing and financial provision required in order to meet them.

There are other programmes over the 30 year period covering access road improvements, upgrading communication technology, pressure management and various new water pipeline linkages to increase the resilience and reliability of the water supply system.

Water principal options and timing of decisions

Major programmes	When programmed	\$m present-day cost	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
Renewals					
Rehabilitation of pipeline from Lower Dam to Ngahere Park reservoirs	2023-26	2.2	2.4	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • Rehabilitate the existing main to prolong serviceable life • Replace existing main, resulting in two new falling mains • Continue using the existing main, without rehabilitation, until it is unserviceable.
Network pipeline renewal	Ongoing 2021-51	56.2	81.2	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • Rolling renewals. Renew when the mains approach the end of their useful life • Proactive replacement of all Asbestos Cement (AC) and Cast-Iron mains, even if they are not at the end of their useful life • No proactive renewals. Mains only renewed reactively on failure

Major programmes	When programmed	\$m present-day cost	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
Water bore headworks and station renewals	Ongoing 2021-51	10.5	16.6	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • Enhanced renewals including replacement of electrical controls and mechanical fittings • Renew components when they approach the end of their useful life • No proactive renewals. Components only renewed reactively on failure.
Equipment and facility renewals at the Turitea Water Treatment Plant	Ongoing 2021-51	11.0	16.6	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • Rolling renewals of the components as they tend toward the end of their useful life • Replace all components, as soon as possible, with modern equivalents • Components are only renewed reactively on failure.
Water Toby and Manifold Renewals	2021-31	18.2	20.4	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • Replace all over the first four years of the LTP, as planned • Replace all tobies with manifolds in Year 1 of the LTP • No proactive renewals. Wait until tobies reach the end of their useful life then replace with manifolds
Development					
Development of water supply network for Whakarongo residential growth	2021-26	2.8	3.0	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development, as development progresses.	<ul style="list-style-type: none"> • Fund infrastructure, lead and enable development • Don't fund infrastructure, instead either constrain development or ask developer to construct all assets and vest them in Council
Development of water supply for NEIZ industrial growth area	2021-28	4.5	5.1	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development, as development progresses.	<ul style="list-style-type: none"> • Find an appropriate site, drill a bore, and bring into full production • Refrain from sinking another bore, instead relying on current facilities. • Further investigation work to be done to identify options
Development of water supply for Kākatangiata residential growth	2021-33	7.3	8.6	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development, as development progresses.	<ul style="list-style-type: none"> • Fund, lead and enable development to provide water infrastructure for Kākatangiata • Leave the area as is, resulting in halted residential growth
Bunnythorpe water supply extension	2024-26	1.6	1.7	The Palmerston North water supply will be extended to join with Bunnythorpe following completion of the KiwiRail hub	<ul style="list-style-type: none"> • Eventual extension of water supply for Palmerston North to include Bunnythorpe

Major programmes	When programmed	\$m present-day cost	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
				and provision of water supply to their freight partners.	<ul style="list-style-type: none"> Extension of the water supply from the North-East Industrial Zone to the KiwiRail freight hub, and not the further distance to Bunnythorpe
Improvements to water supply at Longburn Industrial Park	2024-27	5.5	6.2	The Palmerston North water supply will be extended to join with Longburn in future years after the supply has been extended to service Kākatangiata development.	<ul style="list-style-type: none"> Reticulation improvements addressing the shortfalls in the Longburn supply enabling further development Leave the reticulation in its current condition, restricting the development in Longburn to its current level
Development of water supply in Ashhurst	2022-27	0.8	0.8	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development, as development progresses.	<ul style="list-style-type: none"> Invest to address shortfalls and enable development in Ashhurst Restrict Ashhurst development to its current levels
Development and growth of water supply for Aokautere	2024-26	1.7	1.9	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development, as development progresses.	<ul style="list-style-type: none"> Cater for growth of Aokautere by supporting the development of their water supply Delay the funding allocation constraining the development of this area
Seismic strengthening of water structures to meet building code	2024-27	0.8	0.8	Through the 2021-31 10 Year Plan process	<ul style="list-style-type: none"> Strengthen facilities where there are known weaknesses, ensuring a resilient water supply Complete the above, but within one year of the Long-Term Plan Let the facilities continue on as is, even though they are vulnerable to a seismic event
Upgrades to respond to review of NZ Drinking Water Standards (network and Water Treatment Plant)	2021-25	6.9	7.1	Indicative timing has been given as part of 2021-31 10 Year Plan process. Delivery will be dependent on timing and requirements of updated Drinking Water Standards.	<ul style="list-style-type: none"> Installation of UV disinfection equipment Investigate options and select an option other than UV disinfection Complete identified upgrade work in the first two years of the Long-Term Plan, as planned Complete the above, but within one year of the Long-Term Plan With the impending arrival of regional or multi-regional entities, Council could choose to defer upgrades and have the incoming
New water supply reservoirs to increase resilience	2021-26	5.6	6.0	Through 2021-31 10 Year Plan and subsequent 10 Year Plan processes.	<ul style="list-style-type: none"> Construct new reservoirs at the bare sites at the timing indicated to allow for greater security of supply

Major programmes	When programmed	\$m present-day cost	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
					<ul style="list-style-type: none"> Construct the reservoirs at an enhanced rate to obtain security of supply sooner Let the current water storage network remain and risk security of supply

7.4 Wastewater Renewal

The Totara Road Wastewater Treatment Plant (WWTP) was opened in 1969. Significant parts of the treatment plant components are now reaching the end of their asset lives or have reached the limit of their capacity such that renewal or refurbishment and upgrade is urgently required. Council is currently implementing detailed design and construction work to replace and upsize capacity for the inlet screens, screening solids handling facilities, lift pumps, grit removal systems and sedimentation tank solids handling and removal equipment totalling nearly \$4m. In addition, work has started on the detailed design and implementation of seismic strengthening work with modifications to the sedimentation tanks. Further renewal and refurbishment work is also planned for the next few years covering aerators, sludge pumps, water supply pipelines, high voltage power supply capacity in the site, electrical power controls and substation capacity, back-up generator capacity and bio-gas piping and storage equipment. A portion of this work has been facilitated by the Central Government Three Waters Grant.

Some major capital investment such as the duplication of the primary sedimentation system has been deferred pending the outcome of the Best Practicable Options (BPO) review underway as this could result in the selection of a preferred treatment and discharge option which requires a different configuration of the treatment process.

Within the network there is an ongoing pipe renewal programme throughout the period of the Strategy replacing around 2.5km of pipes per year to maintain the serviceability of the network. The programme has been augmented by specific programmes to renew critical trunk sewers and decommission abandoned sewers running under roads and private properties. These programmes are integrated with investment in a stormwater infiltration and control programme to try to manage and reduce the very high wet weather peak flows in the network. There are also 36 pump stations for which replacement of pumps and electrical equipment is provided for.

Capital development (growth & LOS)

There are major programmes during this period for extending the wastewater system to the Whakarongo, and Kākatangiata Residential areas and North East Industrial Zone to provide for residential and industrial growth. Some seismic strengthening of the civil structures at the WWTP is scheduled to bring these up to building code standards.

New investment is proposed to address wet weather capacity constraints in the network and achieve a consistent wet weather overflow standard through a combination of expanded wet weather storage and upsized pipework. However, the most significant expenditure during this period will be the implementation of a new wastewater treatment and discharge solution following on from the BPO review. This review is to identify the best practicable solution for the city's wastewater disposal and treatment so as to meet the higher environmental standards required by Horizon's One Plan. New resource consents need to be applied for before June 2022. The process for Council investigating all practicable options for treatment and disposal of the city's wastewater is well advanced with a preferred option to be identified by June 2021. A provision of \$350 million (plus inflation) for capital expenditure has been included in the 2021-31 10 Year Plan to cover the cost of this project, but this sum will be subject to review as investigations and the consenting process provide greater certainty as to the specific option and costs associated with implementation..

Major programmes	When	\$m present-day cost	\$m cost with inflation	When council decision likely	Expected principal options to be considered
Renewals					
Treatment plant renewals	2021-51	7.0	10.0	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • Renew minor mechanical and electrical equipment at the current level of funding <ul style="list-style-type: none"> • Renew at greater rate than the existing • Cease to renew any minor electrical and mechanical equipment. • Renew wastewater pipes at a greater rate than existing schedule indicates <ul style="list-style-type: none"> • Renew wastewater network at current rate • Cease to renew any parts of the wastewater network. • Trunk mains to be renewed at a greater level than currently <ul style="list-style-type: none"> • Trunk mains will be renewed within the current renewal program • Remain with trunk mains on a repair and maintenance only basis.
Pipeline renewals	Ongoing 2021-51	90.1	135.8	Appropriate level of renewal decided through each 10 Year Plan process	
Wastewater trunk mains Renewal	2021-51	13.7	19.6	Appropriate level of renewal decided through each 10 Year Plan process	
Development					
Extension of network to service Whakarongo residential development	2021-24 and 2031-32	1.0	1.0	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development, as development progresses.	<ul style="list-style-type: none"> • Install gravity sewer network and connect to existing trunk mains to maintain LOS <ul style="list-style-type: none"> • Leave the trunk wastewater network as it is and don't extend

Major programmes	When	\$m present-day cost	\$m cost with inflation	When council decision likely	Expected principal options to be considered
Extension and upgrading of network to service North East Industrial Zone (NEIZ)	2021-26	2.3	2.4	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development, as development progresses.	<ul style="list-style-type: none"> • Install a gravity network using gravity pipes, a pump station, and rising main • Install a pressure sewer system to service the individual lots • Install a vacuum sewer system in the NEIZ area. • Install a pressure system with on-site pump stations for individual lots • Install gravity sewer network that links in with the Maxwells line pump station • Install vacuum sewer system for the Kākatangiata development.
Extension of network to service Kākatangiata residential development	2021-22 and 2024-26	0.7	0.7	A decision on the low-pressure pipe system is set to be in 2021/22. The rest of the network will be decided on as development progresses.	<ul style="list-style-type: none"> • Upgrade capacity in the network from a 150mm pipe to a 225mm pipe • Keep network as is and only upgrade when asset is due for replacement
Upgrade the sewer mains in Ashhurst	2024-25	0.3	0.3	The budget has been approved to initiate the design phase of this programme. Construction is planned for 2024/25 in the 10 Year Plan	<ul style="list-style-type: none"> • Pressure sewer system to service individual lots • Install a conventional gravity network to service area • Let the private owner repair assets as and when required
Development of wastewater system at the Longburn Industrial Park	2021-23	0.7	0.7	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development, as development progresses.	<ul style="list-style-type: none"> • Upgrade existing gravity network • Keep the existing network unchanged, risking sewer surcharge
Upgrade the required sections of network in Aokautere and Pacific Drive.	2022-25	0.8	0.8	Indicative timing given as part of 2021-31 10 Year Plan process. Infrastructure will be delivered in time to facilitate development, as development progresses.	<ul style="list-style-type: none"> • Plan strengthening program based on report from consultants to upgrade structures to correct standards • Postpone seismic strengthening until business process outsourcing (BPO) options are confirmed.
Seismic strengthening of wastewater structures to meet building code requirements	2021-24	3.0	3.1	The budget has been confirmed for phase one of the programme. Awaiting confirmation for the next three phases of the programme, where a decision is likely to be made on these in the next financial year.	<ul style="list-style-type: none"> • Acquire land • Partially utilise the river • Partially utilise the ocean • A hybrid of any of the above locations
Treatment plant consent renewal upgrade	2023-27	350.0	391.7	Investigation into finding the Best Practicable Option for the future treatment and disposal of the city's wastewater has begun. Council is required to have made the final decision	

Major programmes	When	\$m present-day cost	\$m cost with inflation	When council decision likely	Expected principal options to be considered
Wastewater wet weather overflow mitigation	2021-41	14.2	19.3	on the BPO for the wastewater scheme by June 2021. The consent will be lodged before June 2022. Indicative timing given as part of 2021-31 10 Year Plan process.	<p><i>And design a new treatment plant process to comply with discharge requirements.</i></p> <ul style="list-style-type: none"> <i>Upgrade dedicated parts of the network to create storage and build offline storage where more capacity is required, and the catchment is bigger</i> Leave network at its current capacity.

13.4Property Assets

13.5Property assets

Renewal

The major renewal programmes throughout the 30-year period include:

- Social Housing refurbishments
- Cultural facilities refurbishments
- CAB refurbishments
- Further redevelopment the Central Energy Trust Arena

Capital development (growth & LOS)

Major property programmes include the following:

- The development of a new social housing complex
- Construction of a new Animal Shelter
- Further redevelopment of the Central Energy Trust Arena
- Seismic strengthening of Council-owned earthquake-prone buildings
- Redevelopment of both the Central Library Building and Te Manawa as part of the seismic strengthening outcomes

Property, principal options and timing of decisions

Major programmes	When	\$m present-day cost	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
Renewals					
Social housing renewals	Ongoing 2021-51	12.8	17.3	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Provide facilities that are safe, fit for purpose, and support the activity</i> • Provide enhanced housing quality • Only address issues as assets fail.
Cultural facilities renewal	Ongoing 2021-51	10.8	15.3	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Provide facilities that are safe, fit for purpose, and support the activity</i> • Enhance to be industry leading facilities • Tend to the assets when they fail.
Civic Administration Building refurbishments	2021-26	2.8	3.0	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Proactive refurbishment of CAB workspaces</i> • Refurbish the CAB over the whole 10-year period, not in first few years • Leave the CAB workspaces as their current state, only refurbishing when failure occurs.
Central Energy Trust Arena Manawatu asset refurbishment	Ongoing 2021-51	27.9	37.6	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Provide facilities that are safe, fit for purpose, and support the activity</i> • Address the assets only when failure occurs.
Hard surfaces renewals	2022-51	5.4	7.2	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Provide facilities that are safe, fit for purpose, and support the activity</i> • Address the assets only when failure occurs.
Community centre renewals	2021-51	6.4	9.1	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Maintains the current level of service</i> • Considerable renovations potentially required, and some rebuild options considered • Only address issues as assets fail
Depot building and structures renewals	2021-51	3.4	5.0	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Focus on functionality, compliance and provide the ability to upgrade inadequate staff facilities so it is fit for purpose</i>

Major programmes	When	\$m present-day cost	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
					<ul style="list-style-type: none"> • Maintain current standard of facility • Only address issues as assets fail
Public toilet renewals	2021-51	4.7	6.6	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Provide facilities that are safe, fit for purpose, and support the activity</i> • Only address issues as assets fail.
Conference and function centre renewals	2021-51	4.0	5.0	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Maintains the facility to ensure it is safe, fit for purpose and functional</i> • Enhance to be industry leading facilities • Only address issues as assets fail.
Recreational building renewals – sports pavilion and changing rooms	2021-31 and 2036-46	4.0	5.4	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Provide facilities that are safe, fit for purpose, and support the activity</i> • Enhanced facilities • Only address issues as assets fail.
Development					
Development of additional social housing units	2023-26	6.5	7.0	Through the 2021-31 10 Year Plan process and subsequent 10 Year Plan processes. The location and scope of the programme are yet to be determined.	<ul style="list-style-type: none"> • <i>Redevelop an existing housing complex</i> • Build new units on a greenfield site • Let the social housing capacity remain at its current level.
Development of a new animal shelter	2021-23	4.2	4.2	Through the 2021-31 10 Year Plan process and subsequent 10 Year Plan processes. A decision is likely to be made within years one and two of the next 10 year plan.	<ul style="list-style-type: none"> • <i>Build a new Animal Shelter facility</i> • Attempt to retro-fit the existing facility to meet Code requirements
Central Energy Trust Arena – includes masterplan items, property purchase, and southern grandstand development	2021-34	45.9	57.4	The Arena Masterplan was adopted in 2018 to inform the 2018-28 10 Year Plan which includes programmes to deliver on the Masterplan. Future 10 Year Plans will determine investment priorities beyond 2021.	<ul style="list-style-type: none"> • <i>Proceed with all projects in the masterplan</i> • Reduce the scope and only proceed with some of the masterplan options • Defer from completing the remaining masterplan items • <i>Purchase both properties (78 and 80 Waidegrave Street)</i> • Do not purchase the properties – impacting the masterplan • <i>Construct a roof over new seating and existing embankment seating</i> • Leave the southern embankment as it is

Major programmes	When	\$m present-day cost	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
Seismic strengthening of Council-owned buildings	2021-35	150.1	182.8	Through the 2021-31 10 Year Plan process and subsequent 10 Year Plan processes	<ul style="list-style-type: none"> • Strengthen properties to an optimum outcome between highest NBS vs. cost – as per council policy • Sell buildings rather than strengthening • Strengthen buildings to the maximum NBS rating • Demolish and rebuild buildings • Strengthen to 34% only so no longer earthquake prone
Citywide new public toilets	2021-30	1.3	1.4	Through the 2021-31 10 Year Plan process and subsequent 10 Year Plan processes	<ul style="list-style-type: none"> • Build new toilets in the places of most need • Only create new public toilets within existing buildings in our parks and reserves • Defer from building any new public toilets
Kākatangiata Community Centre	Various 2022-23 and 2028-30	2.8	3.3	Through the 2021-31 10 Year Plan process and subsequent 10 Year Plan processes	<ul style="list-style-type: none"> • Build a community centre that meets the needs of the community • Build a community hub like proposed for Kelvin Grove, incorporating a community centre and library • Defer from building a new community centre.
Papaioea Place refurbishment stage 3	2021-23	5.0	5.1	Through the 2021-31 10 Year Plan process and subsequent 10 Year Plan processes. A decision is likely to be made within year one of the next 10 year plan.	<ul style="list-style-type: none"> • Build six units and a tenant lounge • Build twelve new units and no tenant lounged • Build a tenant lounge and gardens • Retain the area as a green space.
CAB workplace transformation	2021-26	2.8	3.0	Through the 2021-31 10 Year Plan process and subsequent 10 Year Plan processes	<ul style="list-style-type: none"> • Proactive refurbishment of CAB workspaces • Spread works over longer period • No proactive refurbishment - run to fail

13.6 Parks and reserves assets

Renewal

Major renewal programmes throughout the 30-year period include city and local reserves, sportsfields, swimming pools and cemetery assets.

Capital development (growth & LOS)

Major parks and reserves programmes include the following:

- Victoria Esplanade Master Plan
- Manawatu River Framework
- local reserves at Whakarongo and Kākātangiata.
- Kelvin Grove Cemetery extension

Besides the major expenditure items listed in the table below, there are a variety of other capital programmes over 30 years related to meeting demands and maintaining the level of service for reserves, sports fields, walkways, swimming pools and cemeteries.

Parks and reserves assets, principal options and timing of decisions

Major programmes	When	\$m present-day cost	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
Renewals					
Cemetery renewals	2021-51	3.7	5.1	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Provide renewal of the assets associated with cemeteries</i> • Renew only when asset failure occurs or fail and don't renew
Citywide reserve renewals	Ongoing 2021-51	7.9	10.4	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Renewals at Ashhurst Domain, Linklater Reserve, Memorial Park, The Square, and Victoria Esplanade to maintain the service potential of the assets.</i>
Local reserve renewals	Ongoing 2021-51	18.7	26.2	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Renewals of the following: plant, furniture surfaces, ecological (planting and gardens) structures (gazebos, shade sails, fencing, etc), and playgrounds at smaller, local reserves.</i>
Sports field and pavilion renewals	2021-51	9.6	13.0	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Provide facilities that are safe, fit for purpose, and support the activity</i> • Increase the LOS within the facilities to lift them to be more than just fit for purpose • Only address issues as assets fail.

Major programmes	When	\$m present-day cost	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
Swimming Pools - community pool asset renewals	Ongoing 2021-51	20.1	28.4	Appropriate level of renewal decided through each 10 Year Plan process	<ul style="list-style-type: none"> • <i>Renewals of plant structures at The Lido, Freyberg, and Splashhurst community swimming pools, with structures including; buildings, plant and interior fitout.</i>
Development					
Implementation of the Manawatu River Framework Plan	2021-32	5.1	5.4	Through the 2021-31 10 Year Plan process	<ul style="list-style-type: none"> • <i>Consolidate all existing river lighting budgets but do not increase any budgets</i> • Partially consolidate budgets for Fitzherbert Bridge only • Achieve the desired lighting impact by bundling programmes and additional funding • River lighting budgets for lighting the loop from bridge-to-bridge made up of three slightly underfunded programmes.
Te Motu o Poutoa	2021-23	1.7	1.9	Through the 2021-31 10 Year Plan process	<ul style="list-style-type: none"> • <i>Construct pathways and an associated car parking area linking to the Anzac Cliffs pathway, interpretive signage, street furniture, and art works.</i>
Development of Memorial Park	2021-26	0.9	0.9	Through the 2021-31 10 Year Plan process	<ul style="list-style-type: none"> • <i>Park development including; a splash pad, playground upgrade, new entranceway, and other development.</i> • Deliver only some of the proposed new developments • Leave Memorial Park in its current state
Development of Victoria Esplanade	2021-40	5.2	6.3	Through the 2021-31 10 Year Plan process	<ul style="list-style-type: none"> • <i>Create eight new exotic aviaries and a new support building</i> • Install six aviaries, some with reduced the size in comparison to the above option. No new support/quarantine building • Build three smaller aviaries and convert the bulk of the exiting aviary area to gardens • Leave Victoria Esplanade in its current state.

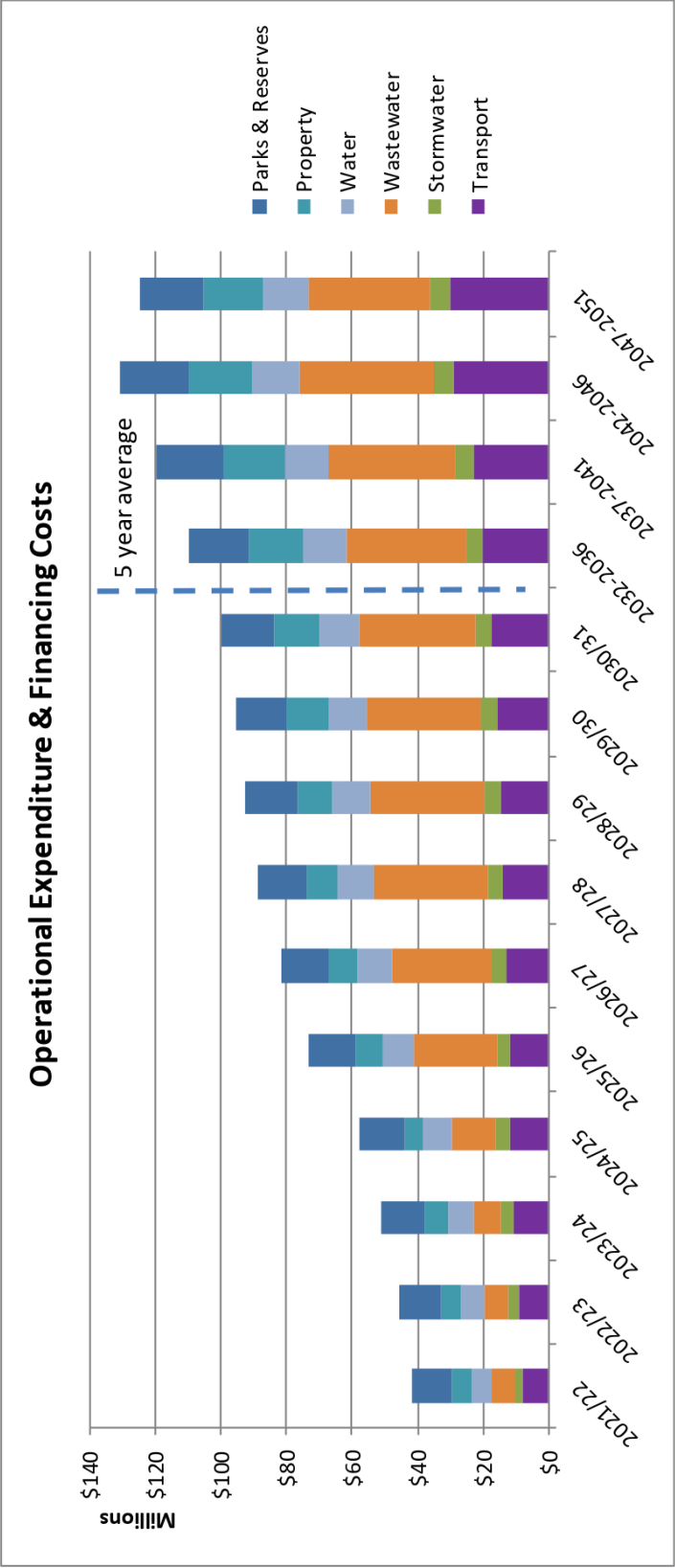
Major programmes	When	\$m present-day cost	\$m cost with inflation	When Council decision likely	Expected principal options to be considered
Sports field – artificial football field	2022-24	1.7	1.8	A decision can be made once the results of 2021/22 sportsfield feasibility programme (1906) is complete.	Based on demonstrated need: <ul style="list-style-type: none"> • <i>Contribution to the construction of a second artificial sportsfield in the city.</i> • Council fully fund a second artificial sportsfield
Reserves land purchase and development for Ashhurst, Hokowhitu, Kākatangiata, and Whakarongo residential growth	2021-51	19.5	26.5	Through the 2021-31 10 Year Plan process	<ul style="list-style-type: none"> • <i>Purchase and build new residential developments in the Ashhurst, Kākatangiata, and Whakarongo areas. Purchase and develop two cultural reserves and a river entranceway in the Hokowhitu area</i> • Purchase and build new residential developments in the Ashhurst, Kākatangiata, and Whakarongo areas, but do not with the Hokowhitu area developments.

13.7 Financial expenditure – operating and capital (inflation indexed)

The following graphs show the projected capital and operating expenditure that is associated with the management and development of the assets. Annual expenditure is shown for the first 10 years and corresponds to the 10 Year Plan. Years 11–30 of the Strategy are shown as an annual average for five-yearly bands. The detail of this expenditure is covered in the relevant AMPs. These projections are adjusted for inflation using the relevant BERL indices. (Note: The previous figures in this Strategy are shown as present-day costs unless specifically identified as including inflation.)

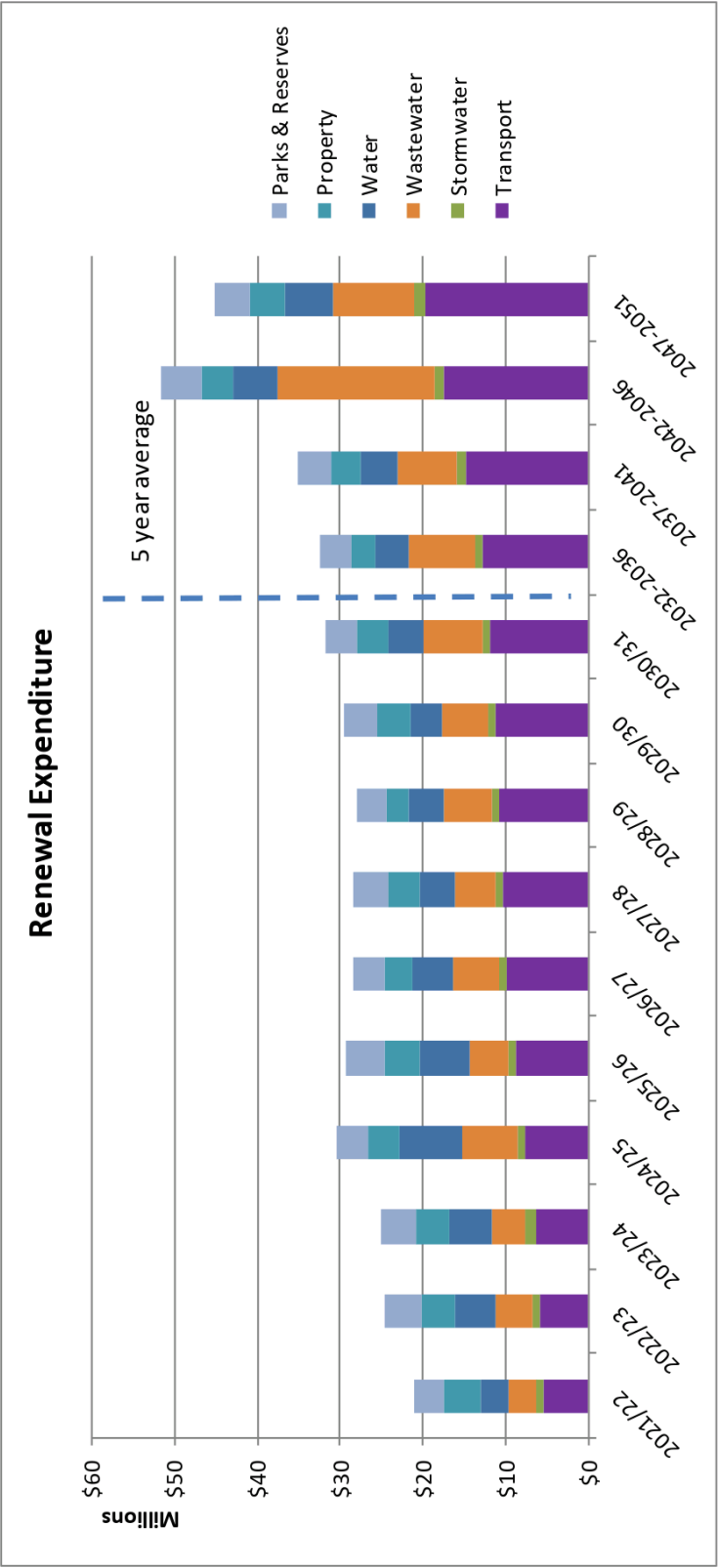
Operational

Operational costs through this period are projected to rise steadily during the 30 years, in keeping with the increased asset base. The largest increase during the period is in wastewater, where a substantial increase in operating costs will be required in about 2027 for a further treatment facility likely to be required to obtain new discharge consents.



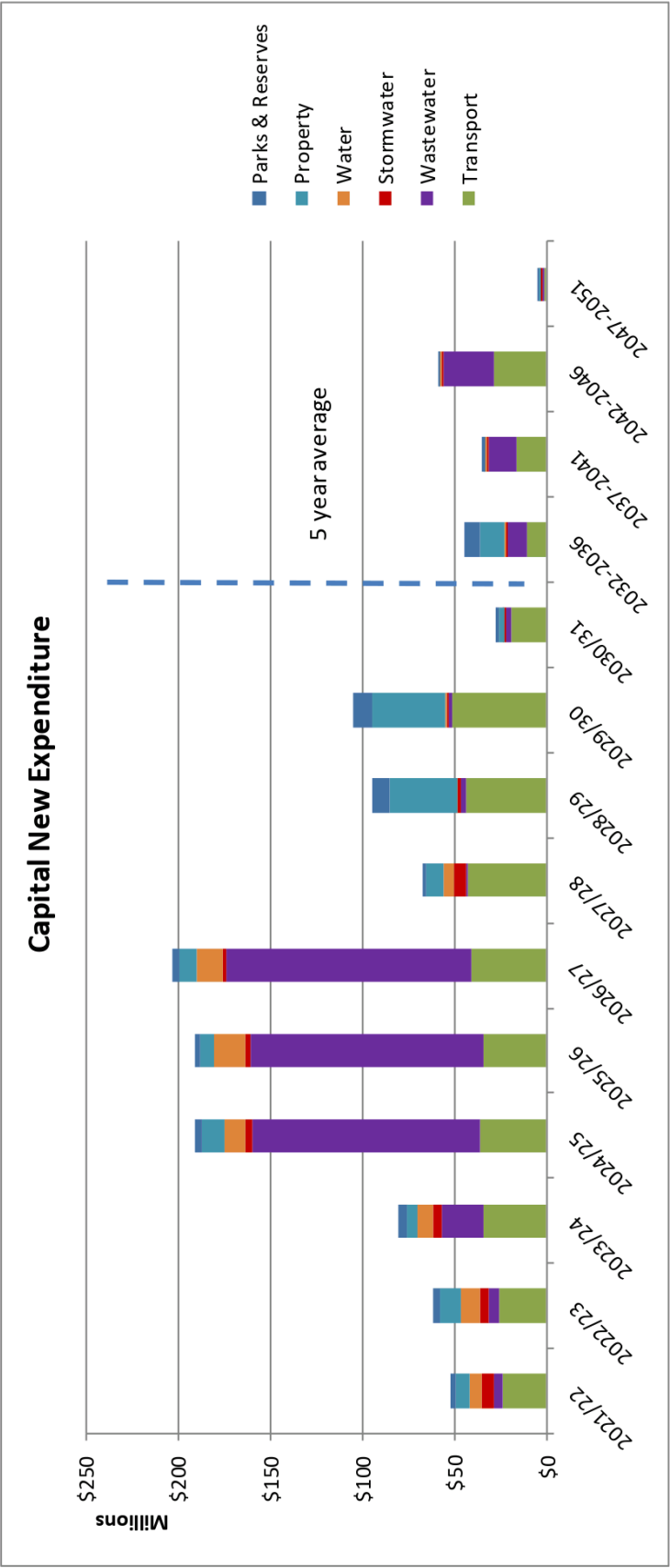
Renewal

The overall level of renewals expenditure is expected to be fairly constant throughout the first 20 years, with differences from year to year reflecting significant projects undertaken in a given year and some adjustment of timing to align better with other programmes. From years 20 onwards, significant increases in renewals are required for wastewater and then transport, reflecting the age of infrastructure requiring replacement. Further information about renewals and sustainability of asset performance is given in each of the AMPs.

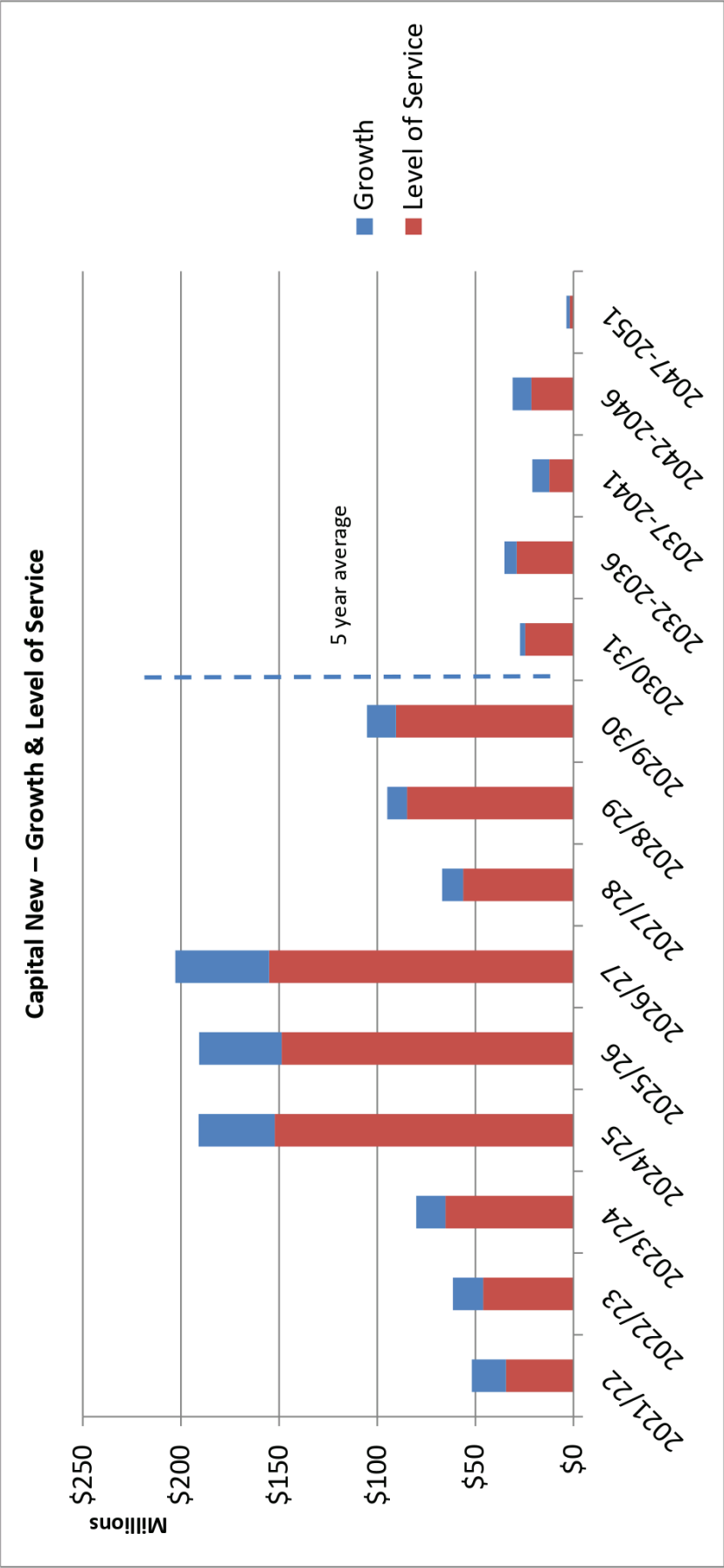


Capital development

The first graph shows the capital development requirements for each activity area. The transport activity has the largest overall requirement for new asset investment, with the further river crossing showing through at the end of the 30-year period. Wastewater also has a significant requirement for asset development over the period 2023–27, particularly for additional treatment facilities required to meet new consent conditions.



The second capital development graph shows the breakdown between expenditure for growth and what is required to maintain or improve the level of service. A significant proportion of the expenditure for growth is for providing infrastructure for the Whakarongo and Kākatangiata residential growth areas and the NEIZ growth area. The level of service increase between 2024 and 2027 is related to the wastewater treatment plant upgrade.



14. Significant decisions

The significant decisions are the Council response to the significant infrastructure issues identified above. The significant decisions are:

Wastewater treatment and upgrading: It has been assumed that a solution will be provided with a capital outlay of \$350 million (plus inflation) and that the expenditure will be incurred between 2023 and 2027.

Provision of a further river crossing and regional freight ring road: Delivery of the regional freight ring road and provision of a further river crossing will only be viable for the Council with financial assistance from NZTA. The decision on the Manawātū Gorge replacement will affect the way in which the regional freight ring road is delivered.

Development of new infrastructure for growth: Council will provide new infrastructure for growth in a manner that:

- a) is appropriately timed to service growth in greenfields areas
- b) aligns the capacity of new infrastructure the likely activities that will occur in greenfields areas, particularly new industrial development
- c) accounts for projected brownfield development and the resulting impact on infrastructure capacity.

Renewal of infrastructure: Council has a statutory responsibility to meet the current and future needs of communities for good-quality local infrastructure in a way that is most cost-effective for households and businesses. A total of about \$731 million (present-day cost) over the next 30 years is estimated to be required to ensure that infrastructure is kept in good condition so that it can go on providing the same level of service to the community.

Application of urban design: Significant budgets have been included to deliver on the City Centre Streetscape Plan, Manawātū River Framework and Central Energy Trust Arena Master Plan. New processes and support is required to ensure that a multi-disciplinary approach is applied to the planning and delivery of Council projects.

Facilities to encourage alternative transport modes: The Council will continue with catalyst projects such as the pedestrian and cycle bridge and extensions to the shared path network, and combine these with incremental change as part of the delivery of day-to-day transportation infrastructure.

Security of water supply: Water is generally readily available and capacity is adequate to service our current and foreseeable demands. However, summertime droughts have led to a need to conserve water for months at a time. In order to conserve water the Council will need to assess the costs and benefits of reducing water pressure and investigate domestic water saving and storage solutions.

Increasing resilience of infrastructure: A key part of increasing the resilience of the city's infrastructure is to require new infrastructure to be built to a standard that will better withstand the effects of seismic events such as liquefaction. The review of the District Plan and Council's Engineering Standards for Land Development will need to address these matters.

Impact of climate change: A changing climate has significant implications for infrastructure with many assets having life-cycles of over a hundred years. The Council target is a 30% reduction in CO₂e in Palmerston North by 2031. The task of lowering our carbon footprint forces us to identify our inefficiencies, and improve the way Council delivers infrastructure.

Modernisation of Central Energy Trust Arena: Delivery of the Central Energy Trust Arena Master Plan relative to other investment priorities and ensuring the principles of the Master Plan are not lost during implementation over 10 plus years.

Use of Council land for housing: Budgets have been included to develop sections at the Council owned land at Whakarongo and investigate opportunities to develop other Council owned land at Huia Street Reserve and Summerhays Reserve.

Te Manawa and Library of the Future: The scale of the funding commitment to support significant upgrades to important social and cultural assets.

15.Assumptions

The key assumptions relate to asset life cycle, growth or decline in the demand for services, and increases or decreases in levels of service.

9.1 Asset life cycle

The following asset life cycles for the main components have been used to inform the valuation of the assets and, together with condition and performance information, the renewal programme:

Activity	Asset type	Description	Assumed life (years)
TRANSPORT	Road pavements	Formation and base course Asphaltic concrete	100 25
	Footpaths	Chip seal Asphaltic concrete Concrete	12 40 80
	Drainage	Channels and sumps Culverts	80 80
	Bridges	Reinforced concrete and steel beams	55-80 110
	Street lighting	Steel pole Luminaire	45 25
	Bus shelters	Shelter Main terminal	15-20 50
	Cycleways	Limestone Asphaltic concrete	1-5 40
	Pipes and channels	Pipes Culverts	80-250 150-400 120-150
	Pump Stations	Manholes and structures Mains and sump connections Kerb connections Concrete retaining and flood walls Concrete channel lining	110 80 120 70
		Civil structure Mechanical plant (pumps) Electrical equipment Earthen stop banks, channels and storage basins	100 10-35 10-25 indefinite
WASTEWATER	Pipe network	Pipes Manholes	60-120 120
	Pump stations	Civil structure Mechanical plant (pumps) Electrical equipment	100 15-30 10-25
	Treatment plant	Building and civil Electrical Mechanical	80-100 10-25 15-30

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WATER	Headworks	Pipework	100-120
	Treatment facilities Reservoirs distribution network	Bores	30-70
		Pipework	50-120
		Valves	50-80
		Pumps	15-30
		Electrical	10-30
		Telemetry	15
		Building	75-100
		Structures	75-100
		Pipework	50-120
		Mechanical	15-50
Electrical	10-30		
Reservoirs distribution network	Structures	80-100	
	Pipes (ductile iron, steel, PVC, Polyethylene, ABS)	60-120	
PROPERTY	Buildings	AC pipes	60-90
		Hydrants and valves	75
	Services	Structural	40-55
		Walls cladding	60-90
		Roofing	8-150
		Electrical	10-90
		Heating and ventilation	15-30
		Lifts	20-60
		Mechanical	5-60
	Grounds	Fences and gates	5-100
		Carparks	40-60
PARKS & RESERVES	Park furniture	Hardcourts	25-40
		Driveways and access	40-60
		Signs	8-60
		Play equipment	4-40
	Swimming Pools	Seats	15-25
		Bins	10-20
		Pools	40-60
		Plant	12-20

9.2 Demand for services and levels of service

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Assumptions	Uncertainties and implications
<p>Population and household growth</p> <p>The following population projections are assumed:</p> <ul style="list-style-type: none"> • 10-year projection 2021–31, 1089 people per annum at 1.1% • 20 year projection 2021–41, 1039 people per annum at 1.0% • 30 year projection 2021–51, 1002 people per annum at 1.0%. <p>The following household projections are assumed:</p> <ul style="list-style-type: none"> • 10-year projection 2021–31, 504 households per annum at 1.4% • 20 year projection 2021–41, 459 households per annum at 1.2% • 30 year projections 2021–51, 432 households per annum at 1.1%. 	<p>If the rate of growth is different from what has been predicted, changes will need to be made to the timing of the growth programmes. The three-year review of AMPs and the 10 Year Plan minimises the risk of expenditure not matching growth requirements.</p>
<p>City growth – greenfields residential</p> <p>Development will continue at Kelvin Grove and Aokautere. Whakarongo will start development in year 1, followed by an initial small stage of City West starting development in year 2. A significant extension of Aokautere will be rezoned and ready for development in year 3. An even larger block at Kākātangiata (formerly City West) will start developing around years 5 and 6 and continuing until year 30. A small amount of new greenfields development is also anticipated at Flyers Line and Ashhurst.</p>	<p>The Whakarongo Residential Area is zoned and available for development. Council-led development at Whakarongo will ensure this land is brought to the market. Other landowners are showing interest in development following the upgrade of James Line. Development at Aokautere is suffering from the lack of an overall Structure Plan to ensure a coordinated outcome. Work is underway on the development of a Structure Plan that will also assess the potential for providing additional development capacity. Kākātangiata is a large area that will provide significant growth capacity for the city for the next 30 years. High Class soils, flooding and liquefaction risks will need to be weighed up against housing demand needs, and the requirement for Council to ensure there is sufficient capacity to meet projected demand. This may necessitate Council providing higher intensity development opportunities to ensure efficient use of land is maximised, while avoiding or mitigating natural hazard and productive land constraints.</p>
<p>City growth – brownfield residential</p> <p>Housing choices now allowed under the District Plan include multi-unit developments and minor dwellings. Multi-unit developments are encouraged close to the city and suburban centres, where there is ready pedestrian access to services and facilities. Minor dwellings are aimed at meeting the demand for small, good quality and affordable rental accommodation. The planning framework enables apartments in or near the city centre, including as part of a mixed-use development. Council will actively identify opportunities and reduce barriers to city centre living and brownfield development, including transitioning Roxburgh Crescent from industrial to residential and the Hokowhitu campus from institutional to residential.</p>	<p>It is difficult to predict how the market will respond to new housing choices and whether traditional infill is reaching a natural saturation point.</p>
<p>City growth – greenfields industrial</p>	<p>This depends on the uptake by industry. The timing of upgrades will be altered to meet the establishment of industry in the area as far as possible. However, there is a risk that substantial investment is made for initial businesses but the</p>

Assumptions	Uncertainties and implications
<p>Development will continue at the North East Industrial Zone and start in the North East Industrial Zone Extension Area during years 1–5. Industrial development will continue at Longburn. Owners of private infrastructure at Longburn are assessing options to upgrade it to meet Council Engineering Standards, to enable it to be vested with Council. This may involve the Council undertaking some works itself to enable development and seek to recoup the costs through development contributions or some other means. This will also have wider benefits for the broader Longburn community. The Braeburn Industrial Area at Longburn is a site-specific zone that enables the expansion of the Fonterra Dairy Plant via the provision of private services.</p>	<p>overall uptake is slower than expected. Developer agreements made under the Development Contributions Policy may be required at the North East Industrial Zone to help with the timely provision of infrastructure.</p> <p>An expansion of the Fonterra Dairy Plant at Longburn may result in pressure to connect to the city's wastewater treatment plant.</p>
<p>Development type</p> <p>The types of residential development are assumed to remain constant throughout the next 30 years, based on a preference for greenfields development of 50%, infill development of 38% and rural residential development of 12%. These percentages exclude the construction of apartments and housing units in retirement villages.</p>	<p>These are based on an assessment of future population and recent trends which includes increased demand for small dwellings and infill development. If preferences changed over the period of this Strategy, this could be accommodated by accelerating or decelerating the appropriate growth programmes. It is unclear how the market will respond to the new housing choices provided in the District Plan.</p>
<p>Natural disasters</p> <p>No major natural disasters such as storms, floods, earthquakes and volcanic eruptions that damage city infrastructure.</p>	<p>Given that the Strategy covers a period of 30 years, there is a high likelihood of one or more significant events occurring during this period. Council has assessed its critical assets, lifelines and emergency response plan to be prepared for such events. Specific recovery plans would be drawn up at the time. Reprioritisation of budgets may be necessary. Financial and insurance aspects are covered in the Financial Strategy.</p>
<p>Climate change</p> <p>In the longer term, increased frequency and intensity of storm events and, possibly, longer drought periods.</p>	<p>Provision is being made to adapt infrastructure for climate change, based on NIWA predictions for 2090, given the long life cycle of assets. If the changes are different from what is predicted, this will be assessed as they become evident.</p>
<p>LGA 2002 Section 17A – Delivery of services review</p> <p>This review was carried out during 2017 and will occur at no more than six-yearly intervals. It is assumed it will not lead to major changes to the governance, funding and delivery of infrastructure or services.</p>	<p>After each review, Council may wish to make changes that could impact on the future delivery of infrastructure-based services. Community views would be sought, in compliance with Council's Significance and Engagement Policy.</p>

Assumptions	Uncertainties and implications
<p>Legislation and policy</p> <p>Three Waters Reform may eventuate. This could see three waters infrastructure removed from Council and placed into a regionalised water authority.</p> <p>The National Policy Statement Fresh Water 2020 (NPSFW) places greater requirements on Councils to ensure that degraded water bodies are improved, and to maintain or improve all others based on defined environmental bottom lines.</p> <p>The National Policy Statement for Urban Development (NPSUD) requires council to provide sufficient development capacity to meet projected demand. The NPSUD also requires an additional 20% of capacity to be supplied to provide market choice and allow for responsiveness to market demand where demand exceeds what was projected.</p>	<p>Amalgamation of authorities and/or new structures to manage particular classes of assets (such as a water CCO) would impact on the way the assets are managed, particularly the synergies between the current infrastructure activities although the fundamental service delivered by the asset is likely to remain the same.</p> <p>The NPSFW will have implications for stormwater management in particular, especially in areas where rare and threatened habitats are identified by the Regional Council. There are also likely to be implications for direct discharges of Council's stormwater network into waterways. The Regional Council is required to update its regional policy statement to give effect to the NPSFW. This will provide greater guidance to Council regarding what locations are considered degraded, and therefore, what treatment requirements may apply to Council and private developers. Council is also required to update its District Plan to include objectives, policies and methods to promote positive effects, and avoid, remedy or mitigate adverse effects of urban development on the health of water bodies, freshwater ecosystems, and receiving environments.</p> <p>The NPSUD places obligations to service land to meet projected demand. The additional 20% buffer is a significant cost to incur. This capacity must be available at a network wide level, given that Council's water, wastewater and roading network is considered integrated. If anticipated growth is lower than projected, Council is left with holding costs that may take much longer to recoup through development contributions. The probability of growth being less than anticipated is considered low, given that demand is currently exceeding what is projected, despite Covid-19.</p> <p>Legislative changes generally have transition periods for Councils to respond as necessary. In the case of the NPSFW, changes to Council's District plan are required to be made as soon as reasonably practicable. The principles of the NPSFW are being incorporated into urban development plan changes as they arise. A comprehensive update to the District Plan will likely be undertaken once the Regional Council has set in place the broader regulatory framework for water management. This will allow Palmerston North to have a freshwater management response that is consistent with higher order requirements.</p>
<p>Construction costs</p> <p>No major changes to the current cost structure, apart from what has been incorporated into the BERL inflation factor applied.</p>	<p>The price of some components may change relative to others due to changes in commodity prices and labour/plant/materials ratios, as a result of technology and work practices changes. Some change is likely over 30 years. As a result, some programmes may become more or less viable. This will be addressed at the time.</p>
<p>Transport</p>	
<p>Financial assistance</p>	<p>Should the rate of financial assistance change, this could impact on the viability of some city projects, particularly the regional freight ring road and further bridge crossing.</p>

Assumptions	Uncertainties and implications
<p>A NZTA financial assistance rate of 51% will apply to all qualifying expenditure for the first three years of the 10 Year Plan. Ko subsidies have been assumed at this rate for the term of the 30 years of the Infrastructure Strategy.</p>	
<p>Demand for services</p> <p>Demand for services will grow in line with a growing city, but with particular increased demands on freight routes, with the city acting as a centre for North Island freight distribution and key arterial routes.</p> <p>Increased demand for pedestrian, cycling and public transport services.</p>	<p>Any substantial change to demand will lead to reassessment of timing and scope of programmes to meet these demands through the three-yearly 10 Year Plan process. There is low risk of infrastructure development getting out of line with demand.</p>
<p>Levels of service</p> <p>Generally, the overall levels of service remain at the same level apart from an increase in the areas of freight / heavy traffic movements, safety, cycling and passenger transport.</p>	<p>The Council is only the provider of the passenger transport infrastructure and not the services themselves. Waka Kotahi support is required to deliver the regional freight ring road.</p>
<p>Asset life cycles</p> <p>Shown in section 8.1</p>	<p>Life cycles are generally in line with accepted industry standards, with some modification for local conditions. With the generally shorter life cycles (15–30 years) for most transport assets there is a high level of certainty for adopted life cycles.</p>
<p>Stormwater</p>	
<p>Demand for services</p> <p>Demand for stormwater drainage services increases in line with household and industrial growth. Greater emphasis on hydraulic neutrality for new subdivisions will limit the need for enlarging the existing pipe stormwater network.</p> <p>Water-sensitive design and green infrastructure approaches to development and a wider use of tools such as water tanks, green roofs, swales, rain gardens and detention ponds will help address other issues such as climate change, water quality and biodiversity.</p>	<p>The sections of the stormwater system that need attention as a result of greater infill housing will depend on the locations of infill development. This is expected to happen gradually and will be addressed if needed through the three-yearly 10 Year Plan process.</p>

Assumptions	Uncertainties and implications
<p>Level of service provided</p> <p>The level of service provided remains at a similar level to that currently provided.</p>	<p>Climate change may alter this level of service for some properties and areas of the city. Provision is made in this Strategy for meeting expected changes.</p>
<p>Asset life cycles</p> <p>Shown in section 8.1</p>	<p>Life cycles are generally in line with accepted industry standards, with some modification for local conditions. Any variance will only become apparent over a long period of time, with gradual adjustment of programmes as required.</p>
<p>Wastewater</p>	
<p>Wastewater treatment and disposal</p> <p>The resource consent for the discharge from the Council's main wastewater treatment plant to the Manawatu River is due to expire in 2028. A condition of the resource consent is that Council will complete a best-practicable option review for its wastewater treatment and disposal by June 2021 and lodge a complete consent application by June 2022. The review will need to identify ways to improve the city's wastewater treatment, particularly when the river level is low.</p>	<p>There is significant uncertainty about the best-practicable option review for wastewater treatment and disposal. The range of potential operating and capital costs is unknown at this stage and will not be known until completion of the review and the granting of the consent.</p> <p>Council does not wish to prejudice which option might be chosen (or imposed through the regulatory process) but is required to make adequate financial provision for the final outcome. A number of factors will influence the final outcome and it is likely that national and regional policies for water quality will change before a final decision is made. Whatever option is chosen, it will have a significant impact on Council's debt levels and rates requirements.</p>
<p>Demand for services</p> <p>Demand will increase in line with household and industrial growth. The industrial demand will depend on the industry types established in the city.</p>	<p>This is based on monitoring and long-term usage trends and is linked to use of water. There is low risk of infrastructure development getting out of line with demand, with demand and programmes reassessed through the three-yearly 10 Year Plan process.</p>
<p>Levels of service</p> <p>The level of service provided for collection will remain at a similar level to what is currently provided. Council expects improvements to the quality of wastewater treatment following the upcoming review of the treatment plant.</p>	<p>The level of service is largely established by the infrastructure already in place. Severe earthquake could interrupt this service and would be addressed at the time.</p>
<p>Asset life cycles</p> <p>Shown in section 8.1</p>	<p>Life cycles are generally in line with accepted industry standards, with some modification for local conditions. Any variance will only become apparent over a long period of time, with gradual adjustment of programmes as required.</p>

Assumptions	Uncertainties and implications
Water	
Resource consents New resource consents will be obtained when they become due, allowing the facilities to be operated as at present.	Several consents fall due for renewal during this period, including abstracting groundwater from the water bores and operating the Turitea dams. No major issues are expected to arise around renewal of these consents.
Demand for services Overall demand will increase in line with household and industrial growth, but demand per capita remains at or below current demand.	This is based on monitoring and long-term trends and will be adjusted with the three-yearly review of AMPs and 10 Year Plan if necessary. There is low risk of infrastructure development getting out of line with demand.
Levels of service The level of service provided will remain at a similar level to that currently provided, adjusted by any requirements of the New Zealand Drinking Water standards.	The level of service is largely established by the infrastructure already in place. Severe earthquake could interrupt this service and would be addressed at the time.
Asset Life cycles Shown in section 8.1	Life cycles are generally in line with accepted industry standards, with some modification for local conditions. The lower A/C life cycle to what was predicted when laid has been accounted for in this Strategy.
Parks and Reserves Demand for Services At present some sports are well catered for, whilst others must compete with the general public, particularly for winter sports training grounds, swimming pools and indoor courts. Where demand for new assets exists, we will explore partnerships with others to provide community access to their existing assets. The regional sports facilities investment framework will be used to ensure that needs are proven, and that a new facility is financially viable in the long-term, before we commit to funding a new facility, either by ourselves, or in conjunction with others.	As new sports emerge and our community grows, demand at key times of the day and week will continue to increase. It is impractical and unaffordable to provide new sports facilities, when we know they will only be used for a small proportion of the week.
Levels of Service The level of service provided will remain at a similar level to that currently	We will work closely with landowners and our city planners to ensure new growth areas of the city make adequate provision for parks and other recreation facilities that will meet the needs of the local neighbourhood, and support the park and walkway needs of the surrounding suburb. The cost to buy and develop these parks in line with our

Assumptions	Uncertainties and implications
	provision standards needs to be fairly shared between ratepayers and owners of the new properties. There needs to be adequate funding provision in the long-term plan to maintain these parks to the agreed standard well into the future.

16.Relationship to Financial Strategy

As a component of the Council’s long-term planning framework, the Council also prepares a Financial Strategy. The Strategy only covers a 10-year period, although it also takes into account longer-term impacts on Council’s long-term financial sustainability.

The Strategy not only incorporates information from the Infrastructure Strategy for the groups of activities it covers, but also includes the long-term planning and budgeting information for all other Council activities. The Strategy contains the debt and rates parameters Council uses to judge that its long-term plans are financially sustainable.

Key elements of the Strategy are:

- to ensure the Council’s long-term financial position is sustainable
- to recognise inter-generational funding requirements
- to manage debt within defined levels
- to maintain the infrastructure provided for the City by previous generations, for the use by current and future generations
- to ensure financial capacity for future generations so they are able to fund high-priority programmes
- timely provision of new infrastructure that builds capacity and enables the City to harness new development opportunities while avoiding the financial risks associated with over-provision.

The Strategy envisages an approach that, among other things:

- encourages staff to find innovative and efficient ways of delivering services
- commits to funding capital renewals at levels required to maintain assets

- challenges expenditure proposals to ensure they are aligned to key Council strategies, that the proposed timing is realistic and that they are capable of being delivered
- peer-reviews capital expenditure budgets to ensure they are adequate in the current challenging contracting market
- make sure the expenditure required for growth is committed soon enough to enable the City to harness development opportunities, but not too far ahead of when the infrastructure will be required.

The Strategy recognises a number of challenges to the development of a financially sustainable 10 Year Plan including:

- recognition of underinvestment in costs of maintaining services and assets
- uncertainty about the level of funding required for the Nature Calls (wastewater treatment and disposal upgrade) project
- the nature and timing of proposed water reforms
- the impact of Covid-19
- climate change
- earthquake-prone buildings
- sustainable city growth

Based on the significant forecasting assumptions made within the Strategy, the forecast costs of maintaining services, providing for growth, providing for the new facilities considered necessary to meet the Council's Vision and Goals and, in particular, funding the upgrade to the wastewater treatment and disposal system requires significant increases in rates and the levels of Council debt during the 10 years of the Strategy.

It concludes that the funding requirements mean that the Council would need to borrow to levels that would result in a number of its prudent debt ratios being significantly exceeded and that this was not sustainable in the longer term under present governance structures and funding arrangements.

Given the uncertainty of the forecast sums (especially in relation to Nature Calls), and the future structure for the management of the three waters Council has determined that for the time being the forecast programme of capital development and consequential borrowing requirements are appropriate. Once these two key uncertainties are determined the Council will be in a better position to consider planning for the longer term. An updated 10 Year Plan will be prepared at that time, possibly in advance of the next scheduled update in 2024.

Rating system, rates and Funding Impact Statements

1. Introduction

Rating incidence is governed by the Council's Revenue and Financing Policy and its Rating Policies. This section outlines details of the present rating system used by the Council. It also incorporates the Funding Impact Statements in the form prescribed by the Local Government (Financial Reporting and Prudence) Regulations 2014.

At various points within this section a level of rate or charge is outlined. These are indicative figures provided to give ratepayers an estimate of what their level of rates is likely to be in the forthcoming year. They are not necessarily the actual figures as these will not be known until the Council's rating information database is finalised. Rates figures in this section are GST-inclusive unless otherwise specified.

2. Rating objectives

These are the Council's rating objectives:

- to encourage growth and confidence in the city by operating a stable, easily understood method of setting rates
- to set rates in a manner that is fair and equitable as between various ratepayers and classes of ratepayer, and consistent with Council's planning objectives
- to ensure that all citizens contribute to the cost of providing city services by charging on a user-pays basis where practicable
- to foster the sense of a single community by operating a common system throughout the city.

3. Components of the present rating system - a summary

The Council's rating system, designed to meet these objectives, is utilised to fund the net cost of operations and programmes outlined in the 10 Year Plan and Annual Plan. It comprises the following components:

A common system applies throughout the city.

Targeted rates, in the form of fixed amounts (as proxy user charges) are made to cover the costs of services that are identifiable by property (water supply, wastewater disposal, and rubbish and recycling). In addition, significant non-residential and some rural users of water are metered and some non-residential wastewater users are charged on the basis of the number of pans.

A Uniform Annual General Charge (UAGC) is applied as a fixed amount to every rating unit within the city. It is used as a mechanism to ensure each rating unit contributes a minimum amount of the general rate and also to moderate rates on high land-value properties.

A General Rate, based on the land value, is applied to each rating unit, with different rates (differentials) applying to each property category.

The categories in the Council's differential rating scheme reflect differing property use and can be broadly grouped as follows:

- Single-unit residential
- Multi-unit residential
- Non-residential
- Rural and semi-serviced
- Miscellaneous.

Differential surcharges (that is, a higher rate in the dollar) are applied to multi-unit residential and non-residential properties, while lower rates are applied to single unit residential and rural/semi-serviced properties. No surcharge is applied to miscellaneous properties.

4. Examples of proposed rates for 2021/22

Examples of proposed rates for 2021/22 are shown in the following table:

	Land value	Rates 2020/21	Rates 2021/22
Single unit residential			
Average	243,000	2,639	2,820
Median	230,000	2,561	2,739
Quartile 1	185,000	2,292	2,458
Quartile 3	280,000	2,860	3,051
Two unit residential			
Average	273,000	4,265	4,595
Median	255,000	4,107	4,431
Quartile 1	220,000	3,801	4,111
Quartile 3	300,000	4,502	4,841
Non-residential			
Average	708,000	15,107	15,751
Median	400,000	8,885	9,275
Quartile 1	230,000	5,451	5,701
Quartile 3	790,000	16,764	17,475
Rural & semi-serviced (5ha or more)			
Average	829,000	1,828	1,882
Median	475,000	1,288	1,320
Quartile 1	320,000	1,052	1,074
Quartile 3	840,000	1,845	1,899
Rural & semi-serviced (between 0.2 and 5ha)			
Average	316,000	1,648	1,694
Median	315,000	1,644	1,691
Quartile 1	250,000	1,422	1,459
Quartile 3	365,000	1,816	1,869
Miscellaneous			
Average	594,000	5,092	5,279
Median	315,000	2,965	3,065
Quartile 1	145,000	1,669	1,716
Quartile 3	630,000	5,366	5,564

If all of the properties in the category of property were listed from lowest to highest land value, then the 'median' is the value at the half way point in the list, quartile 1 is the value at the first quarter point in the list, and quartile 3 is the value at the three-quarter point in the list.

For example, if there are 1,000 properties and they are sorted from the lowest to the highest land value then quartile 1 in the 250th property from the lowest.

The three-yearly revaluation of the city for rating purposes was undertaken in 2018 and those valuations are the base for general rates set in 2021/22.

The examples should be read with regard for the following assumptions:

- the Council's total rates revenue will increase by 6.9%
- the Uniform Annual General Charge will remain at \$500 per rating unit
- targeted rates in the form of fixed amounts will be applied for water supply (\$307); wastewater disposal (\$299); kerbside recycling (\$130); rubbish and public recycling (\$66) (\$255, \$241, \$126 and \$64 respectively in 2020/21)
- a targeted rate for wastewater disposal will be set on non-residential properties on the basis of the number of pans, in excess of three, on the rating unit. The charge per pan will be \$299 compared with \$241 per pan in 2020/21
- the examples shown for non-residential, miscellaneous and rural/semi-serviced properties do not include the charges (either fixed or metered) for water, wastewater or kerbside recycling because these vary from property to property but they do include the rubbish and public recycling rate. They do not include the proposed targeted rates to

fund the Palmy BID as these will be applied to selected properties in the defined central city Palmy BID area.

5. Components of the rating system – more detail

5.1 General rate

The Council proposes to set a general rate based on the land value of each rating unit in the city.

The general rate will be set on a differential basis based on land use (see description below), with the differential factors as shown in the following table:

Differential group		Differential factor (expressed as % of Group Code MS)	Rate (cents in \$ of LV)
Code	Brief description		
R1	Single-unit residential	Balance (approx. 79%)	0.6246
R2	Two-unit residential	115	0.9124
R3	Three-unit residential	125	0.9918
R4	Four-unit residential	135	1.0711
R5	Five-unit residential	145	1.1504
R6	Six-unit residential	155	1.2298
R7	Seven-unit residential	165	1.3091
R8	Eight- or more unit residential	175	1.3885
MS	Miscellaneous	100	0.7934
CI	Non-residential (commercial/industrial)	265	2.1025
FL	Rural/semi-serviced (5 ha or more)	20	0.1587
FS	Rural/Semi-serviced	60	0.4760

Differential group	Differential factor (expressed as % of Group Code MS)	Rate (cents in \$ of LV)
(0.2 ha or less)		
FM Rural/Semi-serviced (between 0.2 & 5 ha)	45	0.3570

5.2 Uniform annual general charge

The Council proposes to set a uniform annual general charge of \$500 (\$500 for 2020/21) on each rating unit.

5.3 Targeted rates

For the purposes of the targeted rates proposed below the term ‘residential’ is defined as “having a predominant or exclusive residential use and on which one or more residential units is erected.”

For the purposes of the targeted rates proposed below, a ‘separately used or inhabited part (SUIP) of a rating unit’ is defined as:

“Any part of the rating unit that is, or is able to be, separately used or inhabited by the ratepayer, or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner.

For the purposes of the definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as ‘used’.

Serviceable: \$153.50

There are situations where the Council will require water to be supplied on a metered basis. Where this occurs, the Council proposes instead of the above to set metered water targeted rates that comprise a fixed amount (estimated at \$190 per metered connection for connections of 25mm or less and \$415 for connections greater than 25mm) and a variable amount (estimated at \$1.3915 per cubic metre) based on the volume of water supplied.

5.3.2 Wastewater disposal

The Council proposes to set a targeted rate for wastewater disposal. For residential rating units, it shall be set on the basis of a fixed charge per separately used or inhabited part, and for all other properties a fixed charge per rating unit. The charge will be set on a differential basis based on the availability of the service (either 'connected' or 'serviceable'). Connected means the rating unit is connected to a public wastewater drain, while serviceable means the rating unit is not connected to a public wastewater drain but is within 30m of such a drain, and Council would allow a connection. The serviceable rate will be 50% of the connected rate.

Rating units that are not connected to the scheme, and which are not serviceable will not be liable for this rate.

The estimated rates for the 2021/22 year are:

Connected:	\$299
Serviceable:	\$149.50

In addition, for the 2021/22 year the Council proposes to set a targeted rate for connected non-residential rating units of \$299 per pan (water closet or urinal) for each pan in excess of three.

For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one SUIP.

For a residential property a SUIP will have a separate entrance, kitchen facilities (including sink or cooking facilities), living facilities and toilet/bathroom facilities.

By way of example the following would be considered to have separately used or inhabited parts of a rating unit:

- A single dwelling with flat attached
- Two or more houses, flats or apartments on one certificate of title."

The Council does not have a lump sum contribution policy and lump sum contributions will not be invited for any targeted rate.

5.3.1 Water supply

The Council proposes to set targeted rates for water supply. For residential rating units it shall be on the basis of a fixed amount per separately used or inhabited part, and for all other properties a fixed amount per rating unit. The charge will be set on a differential basis based on the availability of the service (either 'connected' or 'serviceable'). Connected means the rating unit is connected to a Council-operated waterworks while serviceable means the rating unit is not connected to a Council-operated waterworks but is within 100m of such waterworks and Council would allow a connection. The serviceable rate will be 50% of the connected rate.

Rating units that are not connected to the scheme and are not serviceable will not be liable for this rate. The estimated rates for the 2021/22 year are:

Connected:	\$307
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5.3.3 Rubbish and recycling

5.3.3.1 Kerbside recycling

The Council proposes to set a targeted rate for kerbside recycling on the basis of:

- a fixed amount per separately used or inhabited part of a rating unit for residential properties receiving the Council's kerbside collection service
- a fixed amount per rating unit for non-residential and rural/semi-serviced properties receiving the Council's kerbside collection service

Where ratepayers elect, and the Council agrees, additional levels of service may be provided. These additional services could be providing more recycling bins or more frequent service. Each additional level of service will be charged at a rate of \$130. This may include charges to non-rateable rating units where the service is provided. Rating units for which the Council is not prepared to provide the service will not be liable for these rates.

The estimated rates for the 2021/22 year are:

Kerbside recycling \$130

5.3.3.2 Rubbish and public recycling

The Council proposes to set a targeted rate for rubbish and public recycling on the basis of a fixed amount per separately used or inhabited part of each residential rating unit and a fixed amount per rating unit for all other rating units. Rating units that are vacant land will not be liable for these rates.

The estimated rates for the 2021/22 year are:

Rubbish and public recycling \$66

5.3.4 Warm Palmerston North

The Council proposes to set a targeted rate on properties that have benefited from the installation of insulation through the Warm Palmy Home Insulation Scheme. The rate is calculated as a percentage of the service amount (the cost of the installation) until the service amount and costs of servicing the service amount are recovered. For 2021/22 the rate is proposed to be 16%.

5.3.5 Palmy BID

The Council proposes to set targeted rates on those properties within the central city Palmy BID area as shown on the map xxx that are categorised as non-residential for the Council's general rate. The rate will fund a grant to the Palmy BID group.

The targeted rates will comprise:

A fixed amount of \$340 per rating unit; and

A variable amount of 0.0152851 cents in the \$ of the capital value of the rating unit.

5.4 Differential matters and categories

5.4.1 Objectives of differentials for general rate

The Council believes that a uniform general rate based on land value would not produce a fair and equitable allocation of rates. For this reason, it operates a system of differentials based on land use. Descriptions of the land use categories are shown in 5.4.2.

The Council describes the relationship between the rates charged to each group in terms of a factor expressed as a percentage of the rate that would apply if there were no differential rating in place – that is, the group described as Miscellaneous (MS). Each year, the Council reviews the differential factors applied to each land use category. The factors proposed for 2021/22 are outlined in 5.1 and are unchanged from 2020/21.

The factors have been developed to address the following matters:

- rating units containing more than one residential unit will place an increasing demand on Council services as the number of units increase
- the land value for non-residential property is often driven by different influences from the land value for residential or rural land and therefore is not directly comparable as a rating base
- the Council's Revenue and Financing Policy identifies a number of activities where it believes non-residential users gain a greater benefit than other users and should bear a greater share of the cost
- for large rural rating units a pure land value system would produce rates charges that would be unsustainable
- rural and semi-serviced rating units generally have limited or, in some cases, no access to some Council activities funded through the general rate

5.4.2 Differentials based on land use

The Council proposes to differentiate the general rate primarily on the basis of land use. Properties with more than one use will be placed in a category that the Council considers reflects the primary use.

The Council will consider partitioning the property into parts and allocate each part to the most appropriate category in situations such as the following:

- where there are discreet parts of the property used for different purposes such as a retail shop and a residence
- for manager's residences associated with motel complexes
- where part of the property is used for not-for-profit or other community purposes and the remainder is used for other purposes
- where the property is not serviced and is used for commercial, industrial or business purposes but a significant part is used for farming or horticultural purposes
- where a property has a rural zoning but is serviced and has one or more residential units then the first 2ha will be classified as group code R1 and the balance as FM or FL depending on its size.
- where a property that is greater than 5ha (and residential use is a permitted activity under the city's District Plan) becomes serviced the first 5ha (or the area of the actual sub-divisional development if larger than this) will be categorised in group code R1 and the remainder will continue to be treated as not serviced for rating purposes
- where a property that is less than 5ha becomes serviced and features of the land or District Plan requirements impede subdivision the part that reflects the extent of the impediment will continue to be treated as not serviced for rating purposes

Note that, subject to the rights of objection to the rating information database set out in sections 29 and 39 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories.

In the context of the general rate, 'serviced' means the property is either connected or serviceable for wastewater disposal. Connected means the rating unit is connected to a public wastewater drain, while serviceable means the rating unit is not connected to a public wastewater drain but is within 30m of such a drain, and Council would allow a connection.

The following differential categories will be used:

Single-unit residential (R1)

Every serviced rating unit not otherwise classified:

- having a predominant or exclusive residential use (excluding home occupations) and on which is erected one residential unit; or
- being vacant property where residential use is a permitted activity under the city's District Plan.

Multi-unit residential (R2 - R8)

Every serviced rating unit not otherwise classified on which is erected:

- two residential units (R2); or
- three residential units (R3); or
- four residential units (R4); or
- five residential units (R5); or
- six residential units (R6); or
- seven residential units (R7); or
- eight or more residential units (R8).

In determining what is a residential unit, the Council will apply the same criteria as defined for a SUP, as shown in 5.3.

Miscellaneous (MS)

Every rating unit not otherwise classified of the following types:

- property used primarily for not-for-profit or other community purposes, excluding retail shops

- property owned by the Council that is used by it for parking that is available for public use
- property where the ratepayer conducts or permits to be conducted a business (a Home Occupation, as defined in the city's District Plan), which would otherwise qualify for inclusion in group code R1
- vacant serviced property where non-residential use is a permitted activity under the city's District Plan
- property that is not serviced and would otherwise qualify for inclusion in group code FL, FS or FM but is used for predominantly commercial, industrial or business purposes (excluding farming and horticulture).
- Property not specifically categorised in any of the other group codes.

Non-residential (CI)

Every serviced rating unit, not otherwise classified, used for commercial, industrial or business purposes including licensed hotel, serviced apartments or residential institution including a guesthouse, rooming house, boarding house, private hotel, motel, residential club or hostel.

Rural and semi-serviced (FL, FS and FM)

FL – Every rating unit not otherwise classified that is not serviced and has either

- an area of 5ha or more; or
- an area less than 5ha but on which there is no residential dwelling or non-residential improvements.

When the rating unit becomes serviced, as defined above (and provided it is zoned to permit subdivision), the property will be reclassified to the higher rated differential category in the immediately following year.

FS – Every rating unit not otherwise classified that is not serviced and has an area of 0.2ha or less and on which there is a residential dwelling.

FM – Every rating unit not otherwise classified that is not serviced and has an area greater than 0.2ha and less than 5ha and on which there is either residential dwellings or non-residential improvements.

6. Early payment of rates

Sections 55 and 56 of the Local Government (Rating) Act 2002 empowers councils to accept early payment of rates.

The Council will accept any payment of rates for either the current or future years in advance of the due date.

7. Rates payable by instalment and due dates

The Council provides for rates to be paid in four equal instalments. For the 2021/22 year the due dates (that is, final dates for payment without incurring penalty charges) will be:

Instalment 1: 31 August 2021
 Instalment 2: 26 November 2021
 Instalment 3: 25 February 2022
 Instalment 4: 27 May 2022

Ratepayers may elect to pay on a more regular basis if they choose. They may also elect to pay the full year's rates in one lump sum prior to the due date for instalment 2 without incurring penalty charges on instalment 1.

Rates may be paid using any one of a number of payment methods acceptable to the Council, including direct debit, cash or Eftpos at Council's office, direct credit and other bank transfer methods. Payment by credit card can be made using the Internet or at Council's office, subject to the payment of a fee to cover costs.

The due date for metered water targeted rates will be the 20th of the month following the invoice date as follows:

Monthly Invoicing	
Instalment	Due date
1	20 July 2021
2	20 August 2021
3	20 September 2021
4	20 October 2021
5	20 November 2021
6	20 December 2021
7	20 January 2022
8	20 February 2022
9	20 March 2022
10	20 April 2022
11	20 May 2022
12	20 June 2022

Two-monthly invoicing			
Linton, East & North Rounds		Ashhurst, South West, PNCC & Central Rounds	
Instalment	Due date	Instalment	Due date
1	20 July 2021	1	20 August 2021
2	20 September 2021	2	20 October 2021
3	20 November 2021	3	20 December 2021
4	20 January 2022	4	20 February 2021
5	20 March 2022	5	20 April 2021
6	20 May 2022	6	20 June 2021

8. Rates penalties

To provide an incentive for rates to be paid by the due date, penalties will be imposed when rates are not paid on time. A penalty of 10% will be added to any portion of an instalment remaining unpaid after the due date for payment, as outlined in clause 7 above.

A penalty charge of 10% will be added to any outstanding rates (including penalties) assessed in previous years and remaining outstanding at 2 July 2021 and again on 3 January 2022.

Penalty charges will not be applied to the metered water targeted rate.

9. Rating base information

The number of rating units projected for each year of the Plan as at the end of the preceding financial year is as follows:

Year ¹	No. of rating units	Year	No. of rating units
2021/22	33,850	2026/27	35,350
2022/23	34,150	2027/28	35,650
2023/24	34,450	2028/29	35,950
2024/25	34,750	2029/30	36,250
2025/26	35,050	2030/31	36,550

The following are projected as at 30 June 2021:

Total capital value of all rating units: \$20,070,000,000
Total land value of all rating units: \$10,170,000,000

¹ As at 30 June of the preceding year – for example, 2021/22 = as at 30 June 2021.

10. Rates summary

		Basis of rates	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
General Rates												
General Rates		rate in \$ of LV (differentiated by use)	66,380	71,167	77,850	80,230	85,871	89,434	91,234	95,384	98,931	102,340
UAGC		fixed charge p rating unit	14,196	14,613	15,035	15,462	15,895	16,333	16,776	17,224	17,677	18,136
Targeted rates												
Water												
- connected		fixed charge p SUIP (residential) or p rating unit (non-residential)	8,093	10,010	11,086	11,643	11,226	11,666	12,040	12,683	12,569	12,687
- serviceable		fixed charge p SUIP (residential) or p rating unit (non-residential)	86	105	115	120	115	118	121	126	123	124
- metered		\$ p m3 plus fixed charge	2,750	2,800	2,850	2,900	2,950	3,000	3,050	3,100	3,150	3,200
Wastewater												
- connected		fixed charge p SUIP (residential) or p rating unit (non-residential)	8,280	9,578	10,516	15,188	23,886	28,088	31,539	32,177	32,631	33,560
- serviceable		fixed charge p SUIP (residential) or p rating unit (non-residential)	83	95	103	147	227	265	295	298	299	306
- pans		fixed charge p pan in excess of three	2,343	2,682	2,913	4,166	6,469	7,547	8,407	8,504	8,560	8,744
Rubbish & Recycling												
- kerbside recycling		fixed charge p SUIP	3,574	3,421	3,559	3,926	4,923	5,153	5,614	6,533	6,764	6,898
- rubbish & public recycling		fixed charge p SUIP	1,938	2,511	2,545	2,544	2,390	2,301	2,314	2,188	2,189	2,514
Palmy BID			250	250	250	250	250	250	250	250	250	250
			107,972	117,232	126,822	136,576	154,202	164,155	171,640	178,466	183,144	188,758

Table yet to be updated

11. Source and application of funds statements (Funding Impact Statements)

The Local Government (Financial Reporting and Prudence) Regulations 2014 prescribe the format for statements showing the sources and application of funds for the whole of Council and for each group of activities of the Council.

These statements are designed to show where operational and capital funding comes from, and how they are used.

This information is presented in two ways, firstly at the Whole of Council level, and in a slightly different form at the "Group of Activities" level. At the Group of Activities level, internal revenue and expenditure are shown as separate items, while at the Whole of Council level they are not displayed because the amounts balance each other out.

Capital Expenditure is grouped into three broad categories based on which one the programme most relates to. The three categories are:

- to meet additional demand
- to improve the level of service
- to replace existing assets.

The categories do not clearly represent the fact that some programmes will contribute to more than one purpose.

In addition to the statements mentioned, the Council is also providing Activity Financial Statements which show the revenue and expenses for the services provided, as well as how the rates are calculated (see section 1).

Please Note:

1. In the statements, the term Other Operating Funding is an abbreviation of "Local authority fuel tax, fines, infringement fees and other receipts".
2. The totals appear different between the two statements due to the different way the figures have been categorised. The Funding Impact Statements include rates revenue, whereas the Activity Financial Statements separate rates out to clearly show how they've been calculated. In addition, the Activity Financial Statements include depreciation in the expenses to show the full cost of the activity, but this is not included in the Funding Impact Statements.

Funding Impact Statements

To be separately circulated with other financial statements

Significant forecasting assumptions

A forecasting assumption is defined as something the Council accepts as being true for the purposes of future decisions and actions.

The Local Government Act 2002 requires councils to disclose in their 10 Year Plan the significant forecasting assumptions they have used to develop their Plan and the risks underlying the financial estimates. In cases where the level of uncertainty is assessed as being high, this has to be disclosed as well as an estimate of the potential effects on the financial estimates.

This section contains assumptions about the following matters:

Issue	Level of uncertainty of assumption	Significance of financial impact on overall position
1. Population & Household Growth	Medium	Medium
2. City Growth – Nature, Type & Location	Medium	High
3. Covid-19 Pandemic	Medium	High
4. Climate Change	Medium	Low
5. Natural Disasters & Adverse Weather Events	High	High
6. Services Provided by Council	High	High
7. Continuity of External Funding	High	Low
8. Sources of Funds for Future Replacement of Assets	Low	Low
9. Waka Kohahi (NZIA) Subsidy	Low	Medium
10. Airport Shareholding & Dividends	Low	Low
11. Revaluation of Property, Plant & Equipment Assets	Low	Low
12. Asset Lives	Low	Low
13. Depreciation	Low	Low
14. Inflation	Low	Low
15. Interest Rates for Borrowings	Low	Medium
16. Resource Consents (especially wastewater discharge)	High	High
17. Turitea Windfarm	Medium	Low
18. Weathertight (Leaky) Homes Claims	Low	Low
19. Insurance	Low	Low
20. Earthquake-prone Buildings	Medium	High
21. Regional freight ring road including an additional Road Crossing of Manawatū River	Medium	High
22. Legal Expenses	Low	Low
23. Delivery of Services Reviews	Low	Low
24. Residential Subdivision	Medium	Medium
25. Drinking Water Standards	Medium	Low
26. 3 Waters Reform	High	High
27. Construction Industry Capacity	High	High

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
<p>1. Population and household growth</p> <p>The population will increase as follows:</p> <ul style="list-style-type: none"> • 10 year projection 2021–31, 1089 people per annum at 1.1% • 20 year projection 2021–41, 1039 people per annum at 1.0% • 30 year projection 2021–51, 1002 people per annum at 1.0% <p>The number of households will increase as follows:</p> <ul style="list-style-type: none"> • 10 year projection 2021–31, 504 households per annum at 1.4% • 20 year projection 2021–41, 459 households per annum at 1.2% • 30 year projections 2021–51, 432 households per annum at 1.1% <p>This is a medium growth population and household projection from Infometrics plus the additional margins required by the National Policy Statement for Urban Development.</p> <p>These population projections assume the city will retain its status as having one of the lowest median ages (34.2 in 2020 compared with the national median age of 37.4) but, as is projected for the rest of New Zealand, there will be a gradual ageing of the population.</p> <p>The difference between population and household growth is because of the reduction in average household size.</p>	<p>City growth is at significantly different rates than assumed.</p>	<p>Medium</p>	<p>If growth is less than predicted, then some projects will be deferred and expenditure will be lower than forecast. If growth is higher than predicted, then some projects will go ahead earlier than forecast and expenditure will be higher than forecast. Higher or lower expenditure will impact on debt levels, the total rates requirement and the timing of the receipt of development contributions.</p> <p>Actual growth and changes to the makeup of the city's population will be monitored and any changes will be reflected in subsequent Annual and 10 Year Plans.</p>

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
<p>Any change in the makeup of the city's population in terms of ethnicity or age will have minimal impact on the activities to be provided by the Council.</p> <p>Employment growth of 1.2% per annum (688 jobs) for the first 10 years and 1.0% per annum (621 jobs) for the next 20 years.</p>			<p>Council's target is 1,200 jobs per year, a growth rate of 1.9%.</p>
<p>2. City growth – nature, type and location</p> <p>The Strategies and Plans assume that during years 1–10, greenfields residential growth will continue at Aokautere, be centred on the Whakarongo area and make a start in the Kakatangiata (formerly called City West) area and at Ashhurst. New industrial growth will be focused on the extended northeast area of the city, the proposed KiwiRail freight hub and in Longburn.</p> <p>Owners of private infrastructure in Longburn are assessing options to upgrade it to the standards required for it to be vested in the Council. This may involve the Council undertaking some works itself to enable development and seek to recoup the costs through development contributions or some other means.</p> <p>The types of residential development are assumed to remain constant throughout the next 30 years, based on a preference for greenfields development of 50%, infill development of 38%, and rural residential development of 12%. These percentages exclude the construction of apartments and housing units in retirement villages.</p>	<p>Privately initiated development is approved in areas other than those planned for by the Council or earlier than anticipated.</p>	<p>Medium</p>	<p>The Whakarongo residential area is zoned and available for development – development is being led by the Council's own subdivision. Work is underway on a structure plan for further development in Aokautere to ensure co-ordinated outcomes in the area. Kakatangiata is a large area that will provide significant growth capacity for the next 30 years. Four small urban additions are being investigated at Ashhurst. High class soils, flooding and liquefaction risks and infrastructure costs will need to be weighed up against housing demand, and the requirement for Council to ensure there is sufficient capacity to meet projected demand. This will necessitate Council enabling and promoting higher density development opportunities to ensure efficient use of land is maximised, whilst avoiding or mitigating natural hazard and productive land constraints. While KiwiRail are in the process of securing land for the proposed freight hub, they are yet to secure funding to deliver it.</p> <p>If such development is approved, it may result in a need for increased infrastructural investment by the Council. This may lead to the Council needing to reprioritise other planned expenditure so that it can operate within its own prudent limits.</p> <p>It is difficult to predict how the market will respond to new housing choices and whether traditional infill is reaching a natural saturation point.</p>

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
<p>3. Covid-19 Pandemic</p> <p>There will be no long-term significant economic or social disruption such as increased unemployment, homelessness, lack of income or reduced personal wellbeing that adversely affects residents of Palmerston North as a result of Covid-19 or any subsequent pandemic.</p> <p>In the event of a lockdown such as occurred in 2020 the Council will continue to be able to deliver essential city services.</p> <p>Although there may be disruptions to the worldwide supply chains for some goods they will not be so significant as to disrupt the Council's ability to deliver essential services.</p>	<p>That the present Covid-19 worldwide crisis continues unabated (despite the development of vaccines) and it becomes a significant threat to people and the economic order in Palmerston North.</p>	Medium	<p>The Palmerston North economy is diverse and has significant activity funded by central and local government. To date this has helped shield the City from the worst of the economic impacts of the world-wide Covid-19 pandemic.</p> <p>Although the Council's revenue was reduced during the period of national lockdown in 2020 and subsequently most revenue streams have now been restored to near previous levels.</p> <p>The Council was able to redirect staff resources to cope with working from home and continue to deliver essential city services.</p> <p>If necessary, the Council has the ability to modify its priorities through the Annual Plan process each year.</p>
<p>4. Climate change</p> <p>In the longer term, increased frequency and intensity of storm events and possibly, longer drought period.</p> <p>Efforts will be made to reduce Palmerston North's greenhouse gas emissions by 30% over the next 10 years, in line with targets set by Council and central government.</p>	<p>That changes to climate will be more significant than assumed.</p> <p>That new levels of service and/or standards of living expectations will require a significant expansion in energy use and hence emissions.</p> <p>That the targets set</p>	Medium	<p>Provision is being made to adapt infrastructure for climate change based on NIWA predictions to 2090, given the long life cycle of assets.</p> <p>If they are different from what is predicted this will be assessed as they become evident.</p> <p>Work is required to better understand the greenhouse gas emissions profile of Palmerston North, and to better understand what actions are required to meet the set targets. Further, while new technologies such as LED lights and electric vehicles (EVs) create significant opportunities for greater energy efficiency and, therefore, cost and emission reductions, many emerging technologies are emission-intensive and will require significant offset if implemented widely. Palmerston North's emissions will also depend on future commodity</p>

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
	will become more ambitious and enforced, as is intended under the COP21 Paris Accord signed by New Zealand.	Medium	prices, particularly for oil, and whether the current trend of falling EV and renewable energy prices continue.
5. Natural disasters and adverse weather events There will be no significant natural disasters such as storms, floods, earthquakes and volcanic eruptions that damage city infrastructure. There will be no adverse weather events that cause significant damage to the city's infrastructure, including parks.	That there will be a significant natural disaster or adverse weather event.	High	The Council currently contributes to the Local Authority Protection Programme (LAPP) and has the ability to source commercial infrastructure insurance if required. The LAPP fund was designed to cover 40% of the repair costs for certain damaged infrastructure. In certain circumstances, central government may fund the remainder of the costs, although this is subject to review by the Government. Roads and bridges are not covered by this programme, with the only relief available being from NZTA, which funds some of these repair costs. In the event of a disaster, the Council has the flexibility to fund uninsured repair costs by re-prioritising its capital expenditure programme and utilising available lines of credit. If there is an adverse weather event, the Council will need to reprioritise its operating budgets to cope or, in the short-term, utilise established lines of credit.
6. Services provided by council Unless otherwise stated in the individual activity sections, service levels are generally assumed to remain the same. Increases to service levels are shown in the individual activity sections as operating and capital programmes. It has been assumed there will be no unexpected changes to legislation or other external factors that alter the nature of services provided by Council.	That there will be some unexpected change to legislation or other factors.	High	In the past, changes have usually taken time to be developed then passed into legislation. There continues to be debate about the structure of local government (for example, the possibility of larger regional groupings) and the possible centralisation of some resource management functions but these have not developed to specific proposals in this region. Other possibilities for change include the water and roading activities. If these are to be progressed, costs and benefits will be assessed and an amended 10 Year Plan prepared if

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
			<p>necessary.</p> <p>The government is currently reviewing the way 3 waters (drinking water, wastewater and stormwater) is delivered – refer to assumption 26.</p>
<p>7. Continuity of external funding</p> <p>Unless otherwise stated in the individual activity sections, it is assumed that external funding sources will continue at present levels for the duration of the 10 Year Plan.</p> <p>It is also assumed that the Council will be able to borrow at the assumed levels.</p> <p>No provision has been made for any possible additional funding from central government for renewal and resilience programmes for the three waters.</p>	<p>That there is a material change to the way Council services are used or charged for that adversely impacts on revenue.</p> <p>That qualifying criteria or subsidy rates will be changed and/or the Council's access to borrowing becomes restricted.</p>	High	<p>Any changes to the way Council services are charged for will be planned with consideration for the Revenue and Financing Policy and the impact on revenue. Use patterns are monitored and any change in use that impacts on revenue will be considered in subsequent Annual and 10 Year Plans. Lower external operating revenue would lead to an increased rates requirement.</p> <p>Qualifying criteria and subsidy ratios have traditionally been stable and there is no indication they are likely to be changed. If they are, Council will reassess its commitment to undertaking the projects concerned.</p> <p>The Council has strong relationships with the financial markets and access to the Local Government Funding Agency to raise cost-effective funding, and will manage its financial arrangements in a manner designed to protect its AA S&P Global credit rating. However it is unlikely, under the present funding arrangements, funders would provide the Council sufficient funding to undertake the Nature Calls project.</p>
<p>8. Sources of funds for future replacement of assets</p> <p>Adequate funding will be provided to replace assets as scheduled. The funding approach is detailed in the Revenue and Financing Policy.</p>	That a particular funding source is unavailable.	Low	<p>As the Council operates a central treasury function, should one source of funding be unavailable for asset replacement, a further option would be available.</p> <p>See the comments above regarding funding the Nature Calls project.</p>

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
<p>9. Waka Kotahi (NZTA) subsidy</p> <p>The present Waka Kotahi New Zealand Transport Agency financial assistance rate for the Council is 51% of qualifying expenditure. Waka Kotahi subsidies have been assumed at this rate throughout the term of the Plan and for the 30 years of the Infrastructure Strategy. A conservative view has been taken about which programmes will meet the qualifying criteria for subsidy.</p>	<p>Changes in subsidy rate and variation in criteria for inclusion in subsidised works programmes.</p>	<p>Low</p>	<p>In the past, the Government has demonstrated a long-term commitment to funding roading infrastructure that meets the funding agency's benefit/cost ratios. However, in recent times Waka Kotahi has had significant commitments to a number of very large projects throughout NZ, meaning it has been more difficult to obtain funding for capital projects in other areas. Over the 10 years of the Plan, it has been assumed that \$xx million of new capital programmes will attract Waka Kotahi funding of \$xx million. In the event this funding is not secured, the Council will review its priorities and may choose to delay projects until funding can be obtained.</p>
<p>10. Airport shareholding and dividends</p> <p>No dividend will be received from Palmerston North Airport Ltd (PNAL) for the period of the 10 Year Plan.</p> <p>No additional share capital will be required by the company in the foreseeable future.</p>	<p>That the actual dividends may be received.</p> <p>That the company requires additional capital.</p>	<p>Low</p>	<p>PNAL's ability to pay dividends depends on the company's net surplus each year. In a policy sense the Council's expectation is that PNAL will pay a dividend of 40% of after-tax profits. PNAL's business was severely impacted by the downturn in air travel due to Covid-19 and the Council has agreed that in the immediate future dividends will not be expected but that any surpluses will be re-invested in the business.</p> <p>PNAL has plans for significant capital development for the terminal and for sub-division of non-airside property. Current expectations are that the company will be capable of funding this through additional borrowing though servicing this will impact on the company's operating surpluses in the short to medium term.</p> <p>PNAL had a debt to equity ratio of 22:78 at 1 July 2020 and at this stage the company's plans for future years are under review post Covid. The Council has the ability to consider business cases put forward by the company and to reorganise its priorities in future Annual and 10 Year Plans.</p>

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
<p>11. Revaluation of property, plant and equipment assets</p> <p>Property, plant and equipment assets will be revalued using the following cycle:</p> <p>Leisure assets – years 1, 4, 7 and 10</p> <p>Roading and parking – years 2, 5 and 8</p> <p>Water and waste – years 2, 5 and 8</p> <p>Property – years 1, 4, 7 and 10</p> <p>The revaluations have been based on current industry pricing and the Business and Economic Research Ltd (BERL) forecasts of price level change adjusters.</p> <p>Revaluation movements will be shown in the Statement of Comprehensive Revenue and Expense.</p>	<p>Actual revaluation results differ from those in the forecast.</p>	<p>Low</p>	<p>Where the actual inflation rate is different from what has been forecast, the actual revaluation will be different from the forecast. This would lead to depreciation being higher or lower than forecast, but as the Council does not directly fund depreciation, there will be no direct impact on ratepayers.</p> <p>Annual Plans will reflect the outcomes of actual revaluations, as will the new 10 Year Plan produced every three years.</p>
<p>12. Asset lives</p> <p>Useful lives of assets are as recorded in asset management plans or based on professional advice. These are summarised in the depreciation note within the accounting policies. The 30 Year Infrastructure Strategy also contains summarised information about the roading, water, wastewater, stormwater, recreation and built property assets.</p>	<p>That assets wear out or are decommissioned earlier than estimated.</p>	<p>Low</p>	<p>Asset life is based on estimates of engineers, valuers and asset managers.</p> <p>In the event that assets need to be replaced in advance of the assumption, depreciation and interest costs may increase. The extent of the increase will depend on the nature and value of the asset. The renewal programme is reviewed annually, and any changes to planned timing of renewals will be reflected in the Annual Plan, with adjustments to funding arrangements if required.</p>
<p>13. Depreciation</p> <p>Depreciation has been calculated on asset values at their latest revaluation date, and on additions at cost afterwards. It is assumed that:</p> <ul style="list-style-type: none"> existing depreciation rates will continue new assets' depreciation will be the result of their estimated lives and values 	<p>That more detailed analysis of planned capital works once complete may alter the depreciation expense.</p> <p>That asset lives may be extended due to</p>	<p>Low</p>	<p>Council has asset management planning and upgrade programmes in place. Asset capacity and condition is monitored, with replacement works planned according to standard asset management and professional practices. Actual depreciation is calculated according to normal accounting and asset management practices, which require depreciation to start once an asset is commissioned. However, the planning assumption is considered reasonable given the level of uncertainty about the likely timing of the</p>

2021-31 10YP assumption					Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
<ul style="list-style-type: none">depreciation on new and renewal programmes will impact in the year following the capital programme.					new technology improving asset lives, or reduced due to assets being decommissioned sooner than originally assumed.		commissioning of each asset. Also, from a funding perspective, the Council bases its funding decisions on the forecast average levels of renewals, so the forecast level of depreciation does not affect this.
14. Inflation Costs and revenues for 2021/22 have been predicted. Beyond this, inflation has been included in the 10 Year Plan using the BERL mid-scenario forecasts of cost adjusters, issued in September 2020, as follows:					That actual inflation differs from what has been predicted and that decisions are made based on predicted inflation levels.	Low	Where the actual inflation rate is different from what has been forecast, the cost of projects and expenditure will be different from the forecast. In the two years following the adoption of the 10 Year Plan, this will be addressed through the Annual Plan process, and in the third year a new 10 Year Plan is produced.
Year ending	Roading	Planning & regulation	Water & environment	Community activities			
Jun 2022	3.3%	2.7%	6.0%	3.2%			
Jun 2023	3.1%	2.5%	3.5%	2.7%			
Jun 2024	3.0%	2.3%	2.6%	2.5%			
Jun 2025	2.9%	2.2%	2.7%	2.4%			
Jun 2026	2.9%	2.2%	2.9%	2.5%			
Jun 2027	2.9%	2.2%	2.8%	2.4%			
Jun 2028	2.9%	2.2%	3.2%	2.5%			
Jun 2029	2.9%	2.2%	3.3%	2.6%			
Jun 2030	2.9%	2.2%	3.4%	2.6%			
Jun 2031	2.9%	2.2%	3.1%	2.4%			
Remaining 20 years of Infrastructure Strategy	2.5%	2.0%	2.5%	2.5%			

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty																				
<p>15. Interest rates for Borrowings</p> <p>Interest on term debt is calculated using an interest rate of 2.8%. To allow for anticipated timing of capital expenditure, interest is provided for on only 50% of forecast new loan amounts in the year of the capital expenditure, but on the full amount in each year thereafter. For 2021/22 interest is provided for on 33% of the forecast new loan amounts.</p>	<p>That the interest rate will differ from what has been used in the calculations.</p>	<p>Low</p>	<p>This will be managed through the Treasury (incorporating Liability Management and Investment) Policy. The Council has hedging strategies to protect against upward movement in interest rates. It currently has an AA S&P Global credit rating and utilises the Local Government Funding Agency – both arrangements mean the Council has access to markets at prime rates. If the average cost of borrowing increased by 0.5% the interest expense for each year of the 10 Year Plan would increase as follows:</p> <table><tr><td>2021/22</td><td>\$ million</td></tr><tr><td>2022/23</td><td>\$ million</td></tr><tr><td>2023/24</td><td>\$ million</td></tr><tr><td>2024/25</td><td>\$ million</td></tr><tr><td>2025/26</td><td>\$ million</td></tr><tr><td>2026/27</td><td>\$ million</td></tr><tr><td>2027/28</td><td>\$ million</td></tr><tr><td>2028/29</td><td>\$ million</td></tr><tr><td>2029/30</td><td>\$ million</td></tr><tr><td>2030/31</td><td>\$ million</td></tr></table> <p>There would be an equivalent reduction in each year if the average cost of borrowing was 0.5% lower than assumed.</p>	2021/22	\$ million	2022/23	\$ million	2023/24	\$ million	2024/25	\$ million	2025/26	\$ million	2026/27	\$ million	2027/28	\$ million	2028/29	\$ million	2029/30	\$ million	2030/31	\$ million
2021/22	\$ million																						
2022/23	\$ million																						
2023/24	\$ million																						
2024/25	\$ million																						
2025/26	\$ million																						
2026/27	\$ million																						
2027/28	\$ million																						
2028/29	\$ million																						
2029/30	\$ million																						
2030/31	\$ million																						
<p>16. Resource consents (especially wastewater discharge)</p> <p>Conditions of resource consents held by the Council will not be altered significantly, except for the discharge consent for the wastewater plant. In this case, it has been assumed that the new consent will require the Council to invest significantly to upgrade the plant with consequential ongoing operating cost impacts.</p>	<p>That resource consent conditions are altered in a way that is different from what was assumed.</p>	<p>High</p>	<p>Council's most significant resource consent is for the discharge from the main wastewater treatment plant to the Manawatu River, which is due to expire in 2028. A condition of the consent is that the Council will complete a best practicable option review for its wastewater treatment and disposal by June 2021 and lodge a complete consent application by June 2022.</p> <p>Financial provision of nearly \$6 million has been made in the next six years to undertake investigations and manage the consent application process relating to this project.</p>																				

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
			<p>A range of potential options has been shortlisted and a preferred option is to be selected by June 2021.</p> <p>For the purpose of the 10 Year Plan, it has been assumed that a solution will be provided with a capital outlay of \$350 million (plus inflation) and that the expenditure will be incurred between 2023 and 2027</p> <p>In addition, it has been assumed there will be additional operating costs of \$xx million per annum from 2028 on top of the debt servicing and repayment costs.</p> <p>The Council recognises that under present funding arrangements it is unlikely to be able to borrow the full sum assumed will be required for this project.</p>
<p>17. Turitea Windfarm</p> <p>Construction of Mercury's 60 turbine windfarm (with 30 on Council's Turitea Reserve land) will be 50% complete and operational by July 2021 & 100% complete and operational by January 2022.</p> <p>Resulting from the contract Mercury will pay the Council at least \$0.5 million during 2021/22 and \$0.8 million p.a. thereafter.</p> <p>Any such revenue received from Mercury is planned to be used to fund operating costs for city reserves – this complies with the purposes outlined in the Reserves Act 1977.</p>	<p>That windfarm energy production is lower than assumed and/or wholesale electricity prices are lower than assumed.</p>	<p>Medium</p>	<p>It is assumed the 30 turbines will generate 420 Gwh p.a. A minimum annual payment of \$0.76 million would be payable based on a 12 month rolling average wholesale price of \$62 per Mwh.</p> <p>If they generated only 350 Gwh the minimum annual payment would be \$0.63 million.</p> <p>The current rolling average wholesale price is approximately \$90 per Mwh and at this rate revenue would total \$1.1 million (for 420 Gwh) or \$0.95 million for 350 Gwh.</p>

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
<p>18. Weathertight (leaky) homes claims</p> <p>The Council will continue to receive claims relating to leaky homes and that it will be required to pay contributions toward settlement.</p> <p>Any uninsured claims that are paid will be charged against the balance of the previously funded provision.</p>	<p>That the number of claims and/or the level of settlement per claim is significantly higher than the levels assumed.</p>	<p>Low</p>	<p>The Council's exposure to new claims is uninsured.</p> <p>For several years, the Council funded a provision for future claims. The balance of this provision is expected to be approximately \$xx million at 1 July 2021 and to be adequate to cope with claims in the foreseeable future. If the Council is faced with paying more than remains in the provision in any particular year, it will determine at the time whether it has the financial capacity to fund from operations or whether short-term borrowing will be required. The appropriateness of the level of expenditure assumed will be reviewed in each year's Annual Plan.</p>
<p>19. Insurance</p> <p>The Council will continue to be able to obtain adequate insurance cover for its infrastructure and property assets as well as for public liability and professional indemnity at terms and cost that are affordable.</p> <p>Material damage re-instatement cover will not be obtainable for the Council's properties that are classified as earthquake prone.</p>	<p>That the terms of insurance cover available become unreasonably restrictive and/or the premium cost is significantly higher than assumed.</p>	<p>Low</p>	<p>The significant earthquakes in New Zealand in the last decade have impacted on the terms and cost of insurance cover. The markets have largely stabilised.</p> <p>To date, the Council has retained its membership of the Local Authority Protection Programme, but each year it assesses other market options for underground infrastructure insurance.</p> <p>There continues to be uncertainty about the future basis of calculating fire service levies to fund Fire and Emergency New Zealand.</p> <p>Due to the number and nature of claims against local government it is becoming more difficult to obtain affordable liability cover for professional indemnity.</p>
<p>20. Earthquake-prone buildings</p> <p>The Council will need to incur significant expenditure to address any shortcomings in the standard of its buildings</p>	<p>That when the upgrade work starts, the actual cost will be significantly more</p>	<p>Medium</p>	<p>Council's properties have been assessed, beginning with those that are the most significant (in terms of size and public exposure) and those considered to be the most likely to be at risk.</p>

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
<p>in relation to earthquakes.</p> <p>The Council will upgrade each of its buildings to a minimum of 34% of the New Build Standard (NBS) and that this will be done progressively over a 15-year period.</p> <p>Currently nine of the Council's buildings and facilities have been assessed as earthquake prone including the Civic Administration Building, Te Manawa, The Regent, the library, Square Edge, crematorium, Caccia Birch, Keith St historic power station & wastewater treatment plant.</p>	<p>than is currently contemplated.</p>		<p>Preliminary assessments have been made of the forecast cost of upgrading the buildings to meet a minimum of 34% of the NBS.</p> <p>Given what is known about the buildings at this stage, a proposed programme of works has been prepared (totalling approx. \$150 million) to progressively upgrade the buildings over a 15-year period. As more information becomes available, the Council will reassess budget priorities.</p> <p>The outcomes of the civic and cultural precinct masterplan work will influence decisions about the nature of the investments to be made in relation to the library and Te Manawa.</p> <p>At all times the Council will have regard for the safety of occupiers and public users of the properties.</p>
<p>21. Provision of a regional freight ring road including an additional road crossing of the Manawatu River</p> <p>There will be progress made with the Palmerston North Integrated Transport Initiative (PNITI) to guide investment in strategic transport.</p>	<p>That regional economic growth may be hindered by the lack progress with implementing the PNITI.</p>	<p>Medium</p>	<p>Council has been collaborating with Waka Kotahi, Horizons and neighbouring local councils on the proposed regional freight ring road for more than a decade. Waka Kotahi have developed the Palmerston North Integrated Transport Initiative (PNITI) to guide investment in strategic transport in the city. PNITI is a package of interventions to support freight and distribution potential of the region, assist in building the region's resilience and provide a safer, more cost effective connection between some of the regions key industrial areas whilst improving access and safety for Palmerston North residents. PNITI considers a programme of investment including a regional freight ring road, an additional Manawatu River crossing, improvements around Bunnythorpe, connections to the North East Industrial Zone, accessibility and safety improvements throughout the city.</p> <p>Council's initial focus is on delivering the regional freight ring</p>

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
			road. Delivering the PNITI and a further river crossing will only be viable for the Council with assistance from Waka Kotahi.
22. Legal expenses The Council will not be required to incur significantly more legal expenses than has been the case in recent years.	That the Council needs to incur more legal expenses than assumed.	Low	The nature of Council's activities (especially in the resource management and regulatory areas) means legal expenses are often incurred to develop and/or defend Council's position. The actual position will be monitored and, if necessary, changes made to operating budgets to cope.
23. Delivery of services reviews The service reviews required under section 17A LGA 2002 will not lead to major changes to the governance, funding and delivery of Council's infrastructure or services.	That following the reviews, the Council may decide to change certain current service delivery arrangements.	Low	Changes would be proposed only if they were expected to produce a more effective and efficient outcome for citizens and ratepayers. If a change is proposed, the Council will be able to decide on any transitional arrangements to be made. The nature and extent of any public consultation undertaken will be assessed against the Council's Significance and Engagement Policy.
24. Residential subdivision The Council will progressively develop and sell 9.63ha of its land in the Whakarongo growth residential zone and that the subdivision will provide a net return of more than \$6 million – these proceeds will be used to fund progressive renewal of the Council's social housing portfolio. Other land owned by the Council will be assessed for potential development for residential housing.	That development costs are higher than assumed (with additional requirements identified through detailed design or higher contracting costs). That the variability of the housing market will impact on the sale price and period taken to sell.	Medium	Construction of stage 1 of Council's subdivision in Whakarongo (Tamakuku Terrace) has commenced and resource consent is being sought for stage 2. Based on the present market demand for greenfields sites it is anticipated these sections should sell quickly.
25. Drinking water standards	That the expected changes to the	Medium	The city's water supply is fully chlorinated. Provision has been made in the 10 Year Plan for programmes to add an

2021-31 10YP assumption	Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty																								
The Council has made adequate financial provision to accommodate any changes that may be made as a result of the latest review of the NZ Drinking Water Standards.	standards will impose requirements that are more expensive and/or needed sooner than provided for.		additional layer of barrier protection (UV treatment) to its water treatment to maintain compliance with the standards. It may be necessary to add storage to the city's bore sites so that free available chlorine contact time can be provided to the water from the bores. The provisions will be reviewed when the updated standards are known, and the Council will be able to reassess the timing and/or scope of the work required when preparing future Annual and 10 Year Plans.																								
<p>26. Three Waters Reform</p> <p>Council will continue to have legislative responsibility for delivering the water, wastewater and stormwater activities over the term of the 10 Year Plan.</p> <p>Over the period of the 10 Year Plan Council has assumed the following in relation to these activities:</p> <table border="1"> <thead> <tr> <th>\$000</th><th>Water</th><th>Wastewater</th><th>Stormwater</th></tr> </thead> <tbody> <tr> <td>Operating revenue (incl rates)</td><td></td><td></td><td></td></tr> <tr> <td>Direct operating costs</td><td></td><td></td><td></td></tr> <tr> <td>Council Overheads allocated to activity</td><td></td><td></td><td></td></tr> <tr> <td>Interest costs</td><td></td><td></td><td></td></tr> <tr> <td>Depreciation</td><td></td><td></td><td></td></tr> </tbody> </table>	\$000	Water	Wastewater	Stormwater	Operating revenue (incl rates)				Direct operating costs				Council Overheads allocated to activity				Interest costs				Depreciation				That responsibility for some or all of these activities will transfer to another entity.	High	<p>Central government is proposing major reform of the delivery of the three waters activities. Like other territorial authorities the Council has entered a Memorandum of Understanding with the Crown to work together to identify an approach to service deliver reform that considers the following design features:</p> <p>Water service entities that are:</p> <p>Of significant scale (most likely multi-regional) to enable benefits from aggregation to be achieved over the medium to long term;</p> <p>Asset owning entities, with balance sheet separation to support improved access to capital, alternative funding instruments and improved balance sheet strength; and</p> <p>Structured as statutory entities with appropriate and relevant commercial disciplines and competency-based boards;</p> <p>Delivery of drinking water and wastewater services as a priority, with the ability to extend to stormwater service provision only where effective and efficient to do so;</p> <p>Water entities would be publicly owned entities, with a preference for collective council ownership;</p> <p>Mechanisms for enabling communities to provide input in relation to the new entities.</p> <p>The three waters are a core part of the Council's current responsibilities.</p>
\$000	Water	Wastewater	Stormwater																								
Operating revenue (incl rates)																											
Direct operating costs																											
Council Overheads allocated to activity																											
Interest costs																											
Depreciation																											

2021-31 10YP assumption				Risk	Level of uncertainty of assumption	Reasons and financial effect of uncertainty
Book value of assets (as at 30 June 2031)						<p>The present design draft assumes a new entity would assume all of the income and expenditure relating to the activities transferred but at this stage it is not clear whether the Council would continue to have a role as a shareholder or an agent to raise the operating revenue for the entity. There would likely be second level impacts on the Council that would need to be analysed when assessing any proposal received.</p> <p>Once the proposals become more certain the Council will need to consider preparing an updated 10 Year Plan. At this stage it is not clear whether this will happen as part of the next three yearly planning cycle or before that.</p>
Portion of Council debt associated with activity (as at 30 June 2031)						
Budgeted capital renewals						
Budgeted new capital						
27. Construction industry capacity				That there will not be sufficient capacity to undertake the work within the timeframes or budgets that have been assumed	High	<p>There is a huge pipeline of projected public and private work scheduled for the region. The Council is already experiencing some difficulty obtaining contractors for programmed works. In recognition of this some non-critical programmes have been scheduled later.</p> <p>Council will be proactively working with contractors to find ways of reducing the level of uncertainty.</p>
<p>The construction industry will have the capacity to undertake the Council's programmes in addition to the other large public and private projects planned for the next 10 years.</p>						

10 Year Plan Performance Framework.

These levels of service and measures of success reflect the 10 Year Plan Levels of Service in the Plans. They also include the Department of Internal Affairs mandatory measures of success.

Goal 1: An Innovative and Growing City

Activity	10 YP levels of service	Measures of Success	Targets
Economic development	Support economic wellbeing through funding of external organisations.	Funding is distributed and the key objectives achieved.	Narrative measure outlining outcomes achieved by the funded organisations.
City Growth	Achieve a positive city reputation.	Measure of success and targets to be determined.	To be determined.
	Provide enough development capacity to meet expected demand for housing and business in the short, medium and long term.	Enough land is zoned, infrastructure enabled and feasible to develop, to meet growth demand.	At least three years of housing and business land with services is immediately available.
	Perform the regulatory planning role under the Local Government Act and Resource Management Act.	Resource consent applications are processed within statutory frameworks.	At least 95%.
	Provide public spaces (streets, open spaces, civic and community buildings and infrastructure) that are sustainable, connected, diverse, integrated, adaptable, interesting, comfortable and safe. Work with the development community to increase knowledge and influence urban design outcomes.	Building consent applications are processed within statutory frameworks. City-wide urban design principles are reflected in planning advice and decision-making.	At least 95%. Narrative measure outlining how urban design principles are being implemented.
Transport		There is an increase in range of building types being built in the city centre and local neighbourhoods (eg different densities, co-housing, CBD residential, green buildings).	Narrative measure outlining the range of building types.
	Provide an integrated multi-modal transport network that connects people and goods with destinations in a safe,	The change in the number of fatal and serious injury crashes from the previous year on the city's local road network (mandatory measure).	Fewer than the previous year.

efficient and sustainable manner and evolves to meet new transport demands with less reliance on private motor-vehicles.			Narrative measure outlining long-term accident trends and causes.
		The average quality of ride on the sealed local road network, measured by smooth travel exposure (mandatory measure).	Greater than 80%.
		The percentage of the sealed local road network that is resurfaced (mandatory measure).	More than 3.5%.
		The percentage of footpaths that meet Council standard (mandatory measure).	Greater than 93%.
		Percentage of requests for service relating to roads and footpaths responded to (with at least an initial response) within three working days (mandatory measure).	Greater than 95% of safety and critical requests.

Goal 2: A Creative and Exciting City

Activity	10 YP levels of service	Measures of Success	Targets
Active Communities	Provide a wide range of accessible and well-maintained play, active recreation and sports facilities to increase levels of physical activity and participation in sport and active recreation and meet a diverse range of local communities. (Note: these facilities are city reserves, suburb reserves, local reserves, sports fields, the Central Energy Trust Arena, walkways and shared paths, and swimming pools).	Increase in use of parks, sports fields and playgrounds.	Narrative measure outlining Parks Check Survey results.
		Increase in use of aquatic facilities.	Usage numbers at Lido, Freyberg and Ashurst Pools.
		Increase in use of Central Energy Trust Arena for community sport and active recreation.	Narrative measure outlining number of community events and hours.
		Increase in satisfaction of Council's sport and recreation facilities.	Narrative measure outlining results of user and resident feedback and surveys.
City Shaping	Work in partnership with external recreation organisations, and facility providers, to help increase levels of participation in play, active recreation and sport.	Council works in partnership with external organisations.	Narrative measure outlining partnership initiatives designed to increase participation and their outcomes.
	Implement the City Centre Streetscape Plan to increase city centre vibrancy and improve the perception of the city.	City Centre Streetscape Plan is successfully implemented.	Narrative measure outlining progress on implementing the Plan
	Implement City Shaping Plan actions in partnership with other agencies. Provide seed funding and support for people to lead public space projects to develop accessible, active, comfortable and social public places. Promote multidisciplinary working on Council and community projects to drive outcomes that deliver on multiple Council objectives.	A wide range of public space projects are implemented.	Narrative measure outlining the public space projects, their multi stakeholder / multidisciplinary nature, and their outcomes

Arts and Heritage	Provide support to community organisations, cultural Council-Controlled Organisations and individuals to help make Palmerston North a creative and exciting city.	Increase in patronage of Council-owned cultural facilities (Te Manawa, Globe Theatre, Regent Theatre, and Square Edge), as measured by reports provided by operators.	Annual patronage numbers for the CCOs increase
	Maintain and enhance cultural facilities that provide a range of opportunities for people to access and participate in the arts.	Funding is distributed and the key objectives achieved.	Narrative measure outlining outcomes achieved by the CCOs.
	Work closely with Rangitāne o Manawatū to support it to be kaitiaki of its heritage places and to increase the wider community's understanding and appreciation of Rangitāne o Manawatū heritage.	Sites of significance to Rangitāne o Manawatu are identified, protected or acknowledged.	Narrative measure outlining the number and description of sites.
	Invest in cultural heritage buildings and places to give the community the opportunity to use and appreciate their heritage values.	Increase in investment of earthquake-prone heritage buildings.	Narrative measure outlining investment in buildings and its outcomes.
	Promote and celebrate local history.	Heritage is part of the multi-disciplinary approach to working on Council projects.	Narrative measure outlining the projects and their multi-disciplinary nature.

Goal 3: Connected and Safe Communities

Activity	10 YP levels of service	Measures of Success	Targets
Connected Communities	Provide city libraries that collect, curate and provide access to knowledge, ideas and works of the imagination that are primarily focused on meeting the needs of communities with the greatest needs and reflect the diverse and changing needs of communities. Provide library programmes that support the development of literacy in all its forms.	Library users are satisfied with the services and programmes provided (physical and online).	More than 800,000 visits a year. Average use per item per year is at least 4 (physical items). Narrative measure outlining the development and use of digital collections. Narrative measure outlining the results of user and residents' satisfaction surveys.
		Library programmes reflect the changing needs of communities.	Narrative measure number and description of programmes and their outcomes.
	Provide public toilets throughout the city, to a standard that meets public expectations.	Accessible and gender-neutral toilets are provided throughout the city, and especially in places where there is the most community activity.	Narrative measure outlining number, type and location of toilets, plus annual satisfaction survey results)
	Support community centre management groups to provide community centres that are responsive to the needs of their communities.	Community centres are well used.	Narrative measure outlining use of centres and range of use with them).
	Provide cemetery services that are responsive to community needs.	Visitors to cemeteries are satisfied with the services provided.	Narrative measure outlining user and residents survey results.
	Provide warm, safe and accessible social housing for older people, people with disabilities, and other people on low incomes who experience barriers to renting in the private market.	Council's social housing tenants are satisfied with the social housing service they receive (two yearly survey).	Narrative measure outlining survey results and tenant feedback.

			<p>Council's social housing is warm and safe, as shown by compliance with the Otago Medical School He Kainga Oranga Rental Housing Warrant of Fitness Standard.</p> <p>New Council housing is accessible (as shown by Lifemark 4 Star Design Standard accreditation).</p> <p>More community-led projects are supported by Council.</p>	Standards met.
	Support and fund communities and for-purpose organisations to build community, neighbourhood and organisational capacity and capability.	Provide, fund and support events so that Palmerston North has a full events calendar that caters well for different sectors of the city's population. (Footnote: this includes economic events that create and enable opportunities for employment and growth.)	<p>There are increases in:</p> <ul style="list-style-type: none"> • participation in community and city centre events • satisfaction with the annual programme of events • the range and diversity of community-led events in the city. 	Narrative measure outlining description of activities funded and their outcomes.
Safe Communities	Coordinate and facilitate the work of the Safety Advisory Board to enable the fulfilment of its strategic plan.		The SAB carries out a range of successful initiatives.	Narrative measure (outlining description of SAB initiatives and their outcomes).
	Achieve the Manawātū Whanganui Civil Defence Emergency Management Group goals to build resilience and disaster preparedness for civil defence and emergency situations.		Increasing preparedness for emergencies in Palmerston North.	Narrative measure outlining Manawātū-Wanganui CDEM preparedness survey results and description of initiatives.
	Enforces bylaws and legislation in relation to supply and sale of alcohol, stray and aggressive dogs, keeping animals, food and commercial premises, gambling, and excessive noise.		Bylaws are up to date and enforced.	Narrative measure outlining description of programme to develop and review bylaws and their outcomes.

Good Governance and Active Citizenship Plan	Actively engage residents in decision making	Increase in satisfaction with Council's community engagement processes	Narrative measure outlining the results of user and residents' satisfaction surveys. Narrative measure on the range of engagement techniques used.
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Goal 4: An Eco City

Activity	10 YP levels of service	Measures of Success	Targets
Climate Change and Environmental Sustainability	Foster sustainable practices and behaviours so that city residents and organisations become more sustainable.	Increase in sustainable practices.	Narrative measure outlining projects and initiatives that foster sustainable practices / behaviours and their impacts.
	Develop policies and plans and work with city stakeholders to achieve the target of a 30% reduction in greenhouse gas emissions by 2031 and continue to-reduce greenhouse gas emissions from Council's own activities.	Decrease in Council's total organisational emissions.	Narrative measure outlining greenhouse gas reduction initiatives and their impacts.
	Work with iwi and community groups to re-establish bush, particularly along waterways, and to control introduced predators.	Measured through Manawatū River level of service (see next item).	(see next item)
Manawatū River	Understand the relationship Rangitane o Manawatū has with Manawatū River. Increase use of the Manawatū River environment for passive and active recreation. Increase the health and amenity of the river environment through increased biodiversity.	Increase in the public use of the river environment. Increase in native planting and observed biodiversity improvements in suitable locations in the river environment. Greater connectivity of features within the Manawatū River Park.	Narrative measure outlining public use the river, biodiversity and native plantings, and connectivity of features.
Resource Recovery	Ensure the city's solid waste is adequately and affordably managed. Maximise the proportion of waste diverted from landfill (e.g. through recycling and composting). Manage hazardous waste in an environmentally responsible manner.	Compliance with resource consents for the Resource Recovery Activity measured by the number of abatement notices, infringement notices, enforcement orders and convictions.	100% compliance.
		Decrease in per capita volume of waste sent to landfill.	Narrative measure outlining Council initiatives to decrease waste sent to landfill.

Stormwater	Provide stormwater services to protect buildings from inundation from flooding in major events.	The number of flood event per year resulting in stormwater from the Council's stormwater system entering a habitable floor in an urban area (mandatory measure).	Less than 5.
		The number of habitable floors per 1,000 properties within urban stormwater service areas affected by a flood event (mandatory measure).	Less than 2.
		Median time to attend a flooding event (note: a flooding event is one resulting in stormwater entering a habitable building) (mandatory measure).	Less than 2 hours.
		The number of complaints received about the performance of Council's stormwater system per 1,000 properties connected (mandatory measure).	Less than 15.
		Compliance with resource consents for discharge from Council's stormwater system as measured by the number of abatement notices, infringement notices, enforcement notices and convictions received by Council in relation to resource consents (mandatory measure).	100%.
Wastewater	Provide wastewater services for the safe collection, treatment and disposal of the city's wastewater.	Number of dry weather wastewater overflows from Council's wastewater system per 1,000 connections per year (mandatory measure).	Less than 1.

		Complaints per 1,000 connections about wastewater odour, system faults, system blockages and Council's response to issues with the wastewater system (mandatory measure).	Less than 15.
		Median time for attending to overflows resulting from blockages or other faults (mandatory measure).	Less than 1.5 hours.
		Median time for resolution of overflows resulting from blockages or other faults (mandatory measure).	Less than 8 hours.
		Compliance with resource consents for discharge from Council's wastewater system as measured by the number of abatement notices, infringement notices, enforcement notices and convictions received by Council in relation to resource consents.	100%.
Water	Provide water services for the provision of safe and readily available water.	Compliance with Part 4 (bacteria compliance criteria) of the Public Health Act 1956 (as amended by the Health (Drinking Water) Amendment Act 2007 (mandatory measure)).	100%.
		Compliance with Part 5 (protozoal compliance criteria) of the Public Health Act 1956 (as amended by the Health (Drinking Water) Amendment Act 2007 (mandatory measure)).	100%.

		The number of complaints per 1,000 connections relating to clarity, taste, odour, continuity of supply, drinking water pressure or flow, and Council's response to any of these (mandatory measure).	Less than 40.
		Average consumption of drinking water per day per resident (mandatory measure).	Less than 360 litres.
		Median response time for urgent call out attendance (mandatory measure).	Less than 2 hours.
		Median response time for resolution of urgent call outs (mandatory measure).	Less than 7 hours.
		Median response time for non-urgent call out attendance (mandatory measure).	Less than 10 hours.
		Median response time for resolution of non-urgent call outs (mandatory measure).	Less than 75 hours.
		Percentage of real water loss from the water reticulation network (mandatory measure).	Less than 20%.

APPENDIX 3

- 1 -

Palmerston North City Council 2021 Development Contributions Policy

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2021 Development Contributions Policy

[1] Introduction

[1.1] Legislative Requirements and Powers

1. Council is required to have a Development Contributions Policy as a component of its Funding and Financial Policies under section 102(2)(d) of the Local Government Act 2002 (LGA02). Section 198 of the LGA02 gives territorial authorities the power to require a contribution for developments. Development Contributions provide Council with the means to fund infrastructure required due to growth.

2. The purpose of development contributions under section 197AA of the LGA02 is to enable territorial authorities to recover from those persons undertaking development a fair, equitable and proportionate portion of the total cost of capital expenditure necessary to service growth over the long term.

3. Section 197AB of the LGA02 sets out 7 principles to take into account when preparing a development contributions policy or when a requiring a development contribution as follows:

- a) Development contributions can only be required when the effect of development is to require territorial authorities to have provided, or to provide, new or additional assets or assets of increased capacity.
- b) Development contributions should be determined in a manner that is generally consistent with the capacity life of assets, and in a way that avoids over-recovery of costs allocated to development contributions funding.
- c) Cost allocations used to establish development contributions should be determined according to who benefits (including the community as a whole) as well as who created the need for assets.
- d) Development contributions must be used for the purpose for which they were collected, and for the benefit of the district or part of the district in which they were required.
- e) Sufficient information should be available to demonstrate what development contributions are being used for and why.
- f) Development contributions should be predictable and consistent with the methodology and schedules in the development contributions policy.
- g) When calculating or requiring development contributions, territorial authorities may group development or categories of land use, provided administrative efficiencies are balanced with fairness and equity, and grouping across entire districts is avoided where practical.

[1.2] When a Development Contribution is Required

1. A Development Contribution is required in relation to a development when:

- a) the effect of that development is to require new or additional assets or assets of increased capacity in terms of network infrastructure, reserves and community infrastructure; and
- b) the Council incurs capital expenditure to provide appropriately for those assets, i.e. network infrastructure, reserves and community infrastructure.

2. The effect of a development in terms of impact on these assets includes the cumulative effect that a development may have in combination with other development. A Development Contributions Policy also enables Council to require a development contribution that is used to pay, in full or in part, for capital expenditure already incurred by the Council in anticipation of development.

[1.3] Limitations to the Application of Development Contributions

Council will not require a development contribution for the purposes of network infrastructure, reserves or community infrastructure in the following cases:

- a) Where it has, under Section 108(2)(a) of the Resource Management Act 1991 (RMA), imposed a condition on a resource consent in relation to the same development for the same purpose; or
- b) Where the developer will fund or otherwise provide for infrastructure such as a reserve, network infrastructure, or community infrastructure; or
- c) Where the territorial authority has received or will receive sufficient funding from a third party to fund particular infrastructure.

[1.4] Relationship to Resource Management Act 1991

1. Development contributions under the LGA02 are in addition to, and separate from, Financial Contributions under the RMA. While Council generally considers development contributions under this Development Contributions Policy as its main funding tool for infrastructure to provide for growth it may also require Financial Contributions under the RMA. Council may require a Financial Contribution, as a condition of consent, in accordance with any relevant rule in the District Plan under the RMA. Financial Contributions must not be applied as a condition on a consent where a Development Contribution has been required for the same purpose on the same development.

2. Despite the above the Council still has the power to require services or works for subdivisions or developments to avoid, remedy and mitigate the

environmental effects through resource consent conditions.

[2] City Vision and Goals

The Council outlines its City Vision and goals in Section 1 of the Long-Term Plan (LTP), which are:

[2.1] Vision:

Palmerston North: small city benefits, big city ambition.

[2.2] City Goals:

1. An innovative and growing city that is clever about the ways it uses its natural advantages to encourage and support innovation, entrepreneurship and new industries, and positions itself to take advantage of change to fuel sustainable growth, prosperity and wellbeing.
2. A creative and exciting city that draws inspiration from the diversity within its culture and creates a vibrant urban environment that attracts creative and clever people, and nurtures creative talent.
3. A connected and safe community: a city that includes, supports, connects and uses the talents and advantages of the whole community in the pursuit of prosperity and wellbeing. A city that has an international reputation as a safe city in which to live, study, work and play. A city that embraces its Iwi heritage and partnership, and where people connect with the city's past, celebrating its history and heritage.

4. An eco-city: we want a future focused city that plans for and cares about the future, enhancing its natural and built environment. Our city will realise the benefits to society from creating clean energy, lowering carbon emissions, and reducing our ecological footprint.
5. A driven and enabling Council and organisation that works as one team with its communities and is a catalyst and enabler for change in the city.

[3] Overview of Development Contributions Policy

Section 201 of the LGA02 outlines the required contents of a Development Contributions Policy. The following section is consistent with this requirement of the Act.

[3.1] Purpose of a Development Contributions Policy

The key purpose of the Development Contributions Policy is to ensure that growth, and the cost of infrastructure to meet that growth, is funded by those who cause the need for that infrastructure. Development Contributions are not a tool to fund the cost of maintaining infrastructure or improving levels of service. This cost will be met from other sources.

[3.2] Trigger for Taking a Development Contribution

Under Section 202 of the LGA02 Council may apply a development contribution for developments generating increased reserves, network or community infrastructure demands upon the granting of:

- a) A resource consent; or
- b) A building consent; or
- c) An authorisation for a service connection.

2. A resource consent, building consent or authorisation for a service connection is only a trigger for taking developing development contributions in the sense of timing, not in the definitional context. The application of development contributions by Council upon the granting of a resource consent, building consent or authorisation for service connection is subject to clause 1.2 and 1.3 of this Policy.

[3.2.1] Preferred Stage of Applying a Development Contribution

It is Council's preference to apply a development contribution at the first stage of development, which is generally at the subdivision consent stage. It is not the intent of the Policy to delay the payment of contribution to subsequent consent/development stages. Deferring payment of development contributions to subsequent stages is both administratively onerous and also results in the same request at all subsequent development stages. Council considers that the subdivision consent stage is generally the most appropriate stage to take a development contribution for the following reasons:

- a) Practicality of implementation;
- b) Economies of scale in implementation costs;
- c) Fairness; and
- d) Best available knowledge for projections and allocating budgets.

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[3.2.2] Payment of Development Contributions at Subsequent Development Stages

- .1** While generally development contributions will apply at subdivision consent stage, Council will apply contributions at the building consent stage or at the service connection stage on all types of development where **additional units of demand** are created in the absence of subdivision.
- .2** The Council's experience is that occasionally units of demand are created on land already subdivided. In such cases, as a matter of equity, Council will assess and seek the appropriate development contribution at the building consent or service connection stage. If additional units of demand are created in the absence of subdivision or outside of the building consent stage Council will require a development contribution at service connection stage.
- .3** Refer also to clause 5.2 (Amount, Payment and Collection of Development Contributions) and clause 5.3 (Transitional Provisions) of the Policy.

[3.2.3] Determining the Contribution Payable based on the Type of Development

- .1** There are three types of development categories in assessing a Development Contribution. These include:
 - a)** Residential;
 - b)** Non-Residential; and
 - c)** Rural.
- .2** Development is categorised by type to adequately reflect the demand that type of development has on our infrastructure networks. When Council levies a development contribution, the expected dominant nature of activities in the underlying zone will generally determine the type of development contribution payable. For example, the dominant activity in the industrial zone will be assumed to be non-residential and will therefore be subject to a non-residential development contribution.
- .3** However, there are exceptions where the underlying zone will not appropriately reflect the dominant activity proposed for a development. For example, a residential development / dwelling in a non-residential zone. In this circumstance it may be appropriate to levy a 'residential' unit of demand to that development where there is certainty that it will be the dominant activity on that particular site.

[3.3] Activities Requiring a Development Contribution to Meet the Costs of Growth

- .1** Council may require a development contribution from any development for the following:
 - a)** Capital expenditure **expected** to be incurred as a result of growth; and/or
 - b)** Capital expenditure **already** incurred in anticipation of development.
- .2** Funding Council's capital expenditure for growth with development contributions must be considered alongside Council's other funding tools. Development Contributions will be required from development under this Policy to meet the growth component of the future capital expenditure budgets, not met from other sources, for Community Facilities: network infrastructure, community infrastructure and reserves. Table 1 identifies activities Council will require a development contribution on.
- .3** In section 13 of the Policy is a schedule of assets that form Council's capital expenditure for growth for which development contributions will fund. The schedule of assets provides information regarding the planned programme of capital works that are yet to take place and capital works that have already taken place in anticipation of development (back works).

Table 1: Activities requiring a Development Contribution

ACTIVITIES	COMMUNITY FACILITIES
Water	Network Infrastructure
Wastewater	Network Infrastructure
Roading	Network Infrastructure
Stormwater	Network Infrastructure
Parks and Reserves – Buildings and Works	Community Infrastructure
Parks and Reserves – Land	Reserves

[3.4] Capital Expenditure Council Expects to Incur as a Result of Growth

- .1** The total estimated capital expenditure Council expects to incur, as a result of growth, to meet increased demand for network infrastructure, reserves, and community infrastructure over the next 20 years, is summarised in Table 2. The total growth component, excluding funding from other sources, of the capital expenditure budgets will be funded by development contributions.

Table 2: Summary of 20 Year Estimated Capital Expenditure and Funding for Growth¹

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Activity	Total Planned Capital Expenditure Work	Total Level of Service Component	Third Party Funding	Total Estimated Growth Component (20 Years)	Total Estimated Growth Component included in the 10 Year Plan (10 Years)	Total Estimated Growth Component to be funded by the 2018 Development Contributions Policy ²
Water	73,648,510	44,424,602	-	29,223,908	25,487,294	21,378,469
Wastewater	386,237,597	309,452,700	-	76,784,897	76,104,897	57,330,349
Roading	353,654,781	254,828,281	147,840,309	98,826,500	62,974,000	49,583,900
Stormwater	33,544,000	20,625,000	-	12,919,000	12,419,000	10,222,950
City Reserves – Reserves and Community Infrastructure	49,797,137	43,280,575	10,565,000	6,516,561	5,117,223	3,919,058
Local Reserves – Reserves and Community Infrastructure	20,500,728	-	-	20,500,728	11,204,473	8,312,000

- 2** In determining the total estimated growth component to be funded by Development Contributions, careful consideration was given to those matters listed under section 101(3) of the LGA 02 for each individual activity (network infrastructure or community facility). Key considerations included:
- a)** The nature and operation of the activity;
 - b)** An analysis of who will benefit from the planned capital expenditure work; and
 - c)** An analysis of who will cause the need for the planned capital expenditure work.
- 3** A detailed description of each activity, the funding approach taken for each activity and justification for the funding approach taken for each activity is included in section 6 of this Policy.
- 4** The reasons for the difference between the total estimated growth component and the total estimated growth component to be funded by this Development Contributions Policy are:
- [3.5] Capital Expenditure Council has Incurred in Anticipation of Development**
Development contributions will also be required from development to meet the cost of capital expenditure already incurred in anticipation of development, where Council has assessed it appropriate and reasonable. The capital expenditure already incurred to meet increased growth demand for network infrastructure, reserves and community infrastructure over the next 20 years is summarised in Table 3 and will be funded by development contributions.
- a)** Many of the growth works planned over the next 20 years will provide capacity beyond the 20 year planning horizon of this Development Contributions Policy; and
 - b)** The local reserves costs represent future costs in Kelvin Grove (including the Whakarongo Residential Area) and Aokautere only.
 - c)** The stormwater costs represent future costs in Kelvin Grove (including the Whakarongo Residential Area), Aokautere and the North East Industrial Zone Extension Area only.

**Table 3:
Summary of Capital Expenditure Council has Incurred in Anticipation of Development**

¹ The values in Table 2 are based on the actual splits between levels of service and growth not the broad categories the individual programmes within each activity most relate to.

² As estimated in June 2018.

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TOTAL CAPITAL EXPENDITURE INCURRED IN ANTICIPATION OF DEVELOPMENT TO BE FUNDED BY DEVELOPMENT CONTRIBUTIONS³

Water	\$4,529,997	
Wastewater	\$3,339,498	
Roading	\$7,912,253	
Stormwater	\$4,158,122	
City Reserves – Reserves and Community Infrastructure	\$2,037,923	
Local Reserves – Reserves and Community Infrastructure	\$2,147,126	

[3.6] Council Use of Development Contributions

1. Council will use development contributions only on the activity for which they are collected. This will be undertaken on an aggregated project basis for each of the activities.

2. Where Council anticipates funding from a third party for any part of the growth component of the capital expenditure budget, then this proportion is excluded from the total estimated growth component to be funded by development contributions in Table 2. Similarly, third party funding received for capital expenditure Council has incurred in anticipation of development has also been excluded from figures represented in Table 3.

[3.7] Level of Service

The level of service component of Council's identified infrastructure works, for the network activities, relates to increasing the level of infrastructure provision due to higher public expectation, environmental or statutory obligation e.g. environmental standards for water quality or technological improvements. The level of service proportion of the identified infrastructure works will not be funded by development contributions. Approved Council Asset Management Plans for each activity define the relevant level of service for that activity.

[3.8] Implementation and Review

1. It is anticipated that this policy will be updated on a three yearly basis, or at shorter intervals if Council deems it necessary. Any review of the policy will take account of:

- Any changes to significant assumptions underlying the Development Contributions Policy;
- Any changes in the capital development works programme for growth;
- Any changes in the pattern and distribution of development in the District;
- Any changes that reflect new or significant modelling of the networks;
- The regular reviews of the Funding and Financial Policies, and the LTP;
- Any issues associated with the implementation of the Policy; and
- Any other matters Council considers relevant.

2. The three year review period of the Policy is preferred and takes into account

³ As calculated in June 2018.

the following:

- The need for certainty of the fee structure over a reasonable duration; and
 - Alignment with the required statutory update of the Council's LTP.
3. The Policy would only be reviewed at a shorter interval than the preferred three-year period where there was a significant change in the projected growth rates and assumptions, or issues associated with the implementation of the Policy arise, or a large growth capital work is required that was not anticipated.

[3.9] Development contribution applications for land within a Boundary Reorganisation Scheme under the Local Government Act 2002

Development contributions for subdivision or development of land within an area subject to a Boundary Reorganisation Scheme under the Local Government Act 2002 will be assessed and payable under the Palmerston North City Council Development Contributions Policy only after the Scheme comes into effect. The expected dominant nature of activities in the underlying zone will generally determine the area and type of development contribution payable. Further guidance on determining a contribution payable based on the type of development is provided in section 3.2.3.

[4] Significant Assumptions of the Development Contributions Policy

[4.1] Approach to Methodology

In developing a methodology for the Development Contributions Policy, Council has taken an approach to ensure that the cumulative effect of development is considered from a system-wide perspective. This policy considers the specific infrastructure demands created by individual developments in the context of Council's wider community responsibilities as an infrastructure service provider.

[4.2] Development Contribution Areas

For the purposes of development contributions the City is broken into twenty one development contribution areas based on activity service catchments (Refer to Map 1 in Appendix A to this policy). This map is indicative only and zones may change during the life of this Policy. Where a zone does change, for example from rural to residential, then the principles of Section 3.2.3 shall apply. Where a rural zone is changed to a residential or non-residential zone those fees attributable to Development Contribution Area B shall apply and be based on the dominant type of development within the new zone.

[4.3] Planning Horizons

A 20-year timeframe is being used as a basis for forecasting growth and applying a development contribution. This is consistent with Council's asset management

planning horizons. Benefits will be distributed over that timeframe with averaging to avoid the effects of lumpy infrastructure⁴ works within any given year on development contributions.

[4.4] Projecting Growth

.1 To estimate the number of residential and rural developments Council expects over a 20-year period, this policy has used, and has maintained consistency with, Council's urban growth planning and asset management planning data. Projected growth for residential and rural development is a medium growth scenario based on a specific Palmerston North projection, which also accommodates the additional margins required by the National Policy Statement for Urban Development. Based on this growth the rate of accumulating population growth is projected to be 1.3% over a 20-year period. Over the next 20-year period, the rate of accumulating household growth is projected to increase by 1.4% per annum for the first 10 years and 1.2% per annum for the following 10-year period. This represents 9,171 new households in the City over the 20 year period.

.2 Council has used past trends in non-residential land uptake to estimate the area of non-residential development Council expects each year. This represents approximately 6.8ha of non-residential development in the City. This estimate recognises that a number of non-residential developments within the City will be classified as non-residential brownfield redevelopment.

[4.5] Best Available Knowledge

Development contributions are based on capital expenditure budgets from Council Asset Management Plans, which in turn feed into the LTP budgets. The capital expenditure budgets and projected estimates of future asset works are based on the best available knowledge at the time of preparation. The policy will be updated, as practicable, to reflect better information as it becomes available, as per Section 3.8 of this policy.

[4.6] Growth in the District

Continued greenfield residential development will take place in Kelvin Grove (including the Whakarongo Residential Area) and the Aokautere/Summerhill area units respectively in the short to medium term. Within the Kelvin Grove area the Whakarongo Residential Area became operative in the District Plan in 2014. It is envisaged that the Whakarongo Residential Area will provide additional greenfield land supply to the market in the short to medium term. Kikihenua Residential Area became operative in the District Plan in 2021. This is the first stage of the wider Kakātangiata Growth Area (formerly referred to as City West), which is intended to provide medium to long term growth for greenfield housing. During the course of the 20-year period covered by the Policy other greenfield residential areas will be required to meet the projected growth, as directed by the Innovative and Growing

City Strategy. Further residential development within existing developed residential areas and brownfields development in the Hokowhitu Residential Area are also assumed within the district. Further rural development, in particular rural-residential development, in the district is assumed to continue at current trends.

Non-residential development is expected to continue within all relevant zones, in particular the Business Zones, the North East Industrial Zone and the North East Industrial Zone Extension Area. Where any new Greenfield areas are rezoned prior to an update of the Policy Section 4.2 shall apply.

[4.7] Unit of Demand

Different types of measurements are used to allocate units of demand for each community facility to residential, rural and non-residential developments (refer to clause 6.6.2 and table 4 – Units of Demand for Community Facilities for further guidance). Council will demonstrate that it has attributed units of demand to particular developments or types of developments on a consistent and equitable basis. For all activities a differentiation is made between residential, rural and non-residential development due to the demand and use they place on the network activities. A specific explanation of units of demand allocated for each activity is provided in Section 6 of this policy. Clauses 6.6.4 – 6.6.7 provide specific guidance for measuring units of demand for certain types of activities and different development scenarios e.g. Multi-unit residential development and development in the absence of subdivision.

[5] Administration of Development Contributions

[5.1] Additional Considerations: Reconsiderations, Postponements, Refunds and Special Circumstances of Development Contributions

[5.1.1] Reconsiderations and Postponements

At the request of the applicant, the development contribution required on a development may be reconsidered or postponed.

[5.1.2] Reconsideration Criterion

.1 An applicant may request the Council to reconsider a requirement to make a development contribution if the applicant has grounds to believe that:

- a) The development contribution was incorrectly calculated or assessed under the 2018 Development Contributions Policy;
- b) The Council incorrectly applied the 2018 Development Contributions Policy; and
- c) The information relied upon to assess the applicant's development against the 2018 Development Contributions Policy, or the way the Council recorded or used the information when requiring a development contribution, was incomplete or contained errors.

.2 A person may not apply for a reconsideration of a requirement for a

⁴ Lumpy infrastructure is where in any given year there are large sums assigned given the discrete nature of the development work.

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- development contribution if the person has already lodged an objection to that requirement under section 199C and Schedule 13A of the LGA02.
3. A reconsideration must be applied for before a development contribution payment is made to Council. Council will not allow reconsiderations retrospectively.

[5.1.3] Postponements

Postponement of the land-based⁵ portion of a development contribution applicable to the balance lot⁶ of a development may be allowed in the following circumstances:

- a) The development contribution is deemed by Council to be manifestly excessive given that no immediate capital works or expenditure are planned or required by Council.

[5.1.4] Postponements Criterion

1. Postponements must be applied for before a development contribution payment is made to Council. Council will not allow postponements retrospectively.

2. The postponed land-based portion of a development contribution will be reassessed at the next and any subsequent development phase.

3. In certain circumstances the Council may choose to only postpone part of the land-based portion of a development contribution applicable to the balance lot.

4. The postponed land-based portion of the development contribution that is applied at a subsequent development phase will be assessed on the development contribution charges applicable at that time.

5. Postponement of the land-based portion of a development contribution required on a development does not indicate that the development does not create additional units of demand.

[5.1.5] Process for Reconsideration of a Development Contribution

1. A request for reconsideration must be made within 10 working days after the date on which the applicant receives notice from the Council of the level of development contribution that the Council requires.
2. A request for reconsideration must be made in writing to the Council and identify the basis on which the reconsideration is sought.

⁵ The land-based portion of a development contribution includes those charges that are calculated on the area of land included within a development.

⁶ A balance lot is a remaining allotment not yet intended for development that will be developed at a later date.

3. The Council will consider the request for reconsideration with respect to the criteria set out in clause 5.1.2 of the Policy.
4. The Council may reject, uphold, reduce or cancel the original amount of development contribution required and shall communicate its decision in writing to the person who lodged the request within 15 working days of receiving the request.
5. The Council will make the decision, by way of delegation to officers to an appropriate level, on the papers without convening a hearing.
6. A person who requested the reconsideration may object to the outcome of the reconsideration in accordance with section 199C and Schedule 13A of the LGA02.
7. An applicant may request a remission for a development contribution fee assessed prior to 8 September 2014 under clause 5.1.5 of the 2012 Development Contributions Policy as if the Policy had not been subsequently amended or replaced on or after 8 September 2014.

[5.1.6] Process for Consideration for Postponement of Development Contribution

1. Any request for postponement of a development contribution shall be made by notice in writing, from the applicant to Council, before development contributions required on the development are paid. Any request for postponement shall set out reasons for the request.
2. In undertaking the review:
 - a) Council shall consider the request as soon as reasonably practicable.
 - b) Council may, at its discretion postpone the original amount of development contribution required on the development and shall communicate its decision in writing to the applicant within 15 working days of receiving the request.
 - c) Council will make the decision, by way of delegation to officers to an appropriate level, and on the papers.
3. Where Council decides to consider such a postponement the following matters will be taken into account:
 - a) The Development Contributions Policy.
 - b) The extent to which the value and nature of works proposed by the applicant reduces the need for works proposed by Council in its capital works programme.
 - c) Existing uses on the allotment area of the proposed development.
 - d) Development contributions paid and/or works undertaken and/or land set aside as a result of:
 - i) Development Contributions.
 - ii) Agreements with Council.
 - iii) Financial Contributions under the RMA.
 - e) Any other matters Council considers relevant.

f) The timing, likelihood and type of capital works or expenditure planned or required within or surrounding the postponed balance lot.

.4 In any case, Council retains the right to uphold the original amount of development contributions levied on any particular development.

.5 The applicant may request a further review of an officer's determination on a request for postponement. That review will be undertaken by the Council's Hearings Committee. No further review will be available unless:

- a) The further request is received by Council together with the prescribed fee within 20 working days of receipt of the officer's decision; and
- b) The Hearings Committee gives leave for a further review.

.6 The Hearings Committee will determine an application for leave on the papers. The Hearings Committee may give leave for a further review only if it is clearly arguable that the development contributions are manifestly excessive.

.7 A Council decision must not have the practical effect of altering the methodology of this policy including the underlying averaging approach inherent to the calculation of units of demand.

[5.1.7] Objection

.1 An applicant may object to the assessed amount of a development contribution required by the Council.

.2 The right to make an objection applies irrespective of whether a reconsideration of a requirement for a development contribution has been requested.

.3 Pursuant to section 199C of the LGA02, the right to make an objection does not apply to challenges to the content of the Development Contributions Policy.

[5.1.8] Objection Criterion

.1 An objection may be made only on the grounds that the Council has:

- a) Failed to properly take into account features of the objector's development that, on their own or cumulatively with those of other developments, would substantially reduce the impact of the development on requirements for community facilities in the city or within parts of the city; or
- b) Required a development contribution for community facilities not required by, or related to, the objector's development, whether on its own or cumulatively with other developments; or

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- c) Required a development contribution in breach of section 200 of the LGA02 (Limitations applying to requirement for a development contribution); or
- d) Incorrectly applied its development contributions policy to the objector's development.

[5.1.9] Process for Objection

.1 An objection must be made to Council within 15 working days after the date on which the applicant received notice from the Council of the level of development contribution that the Council requires.

.2 If the applicant has received notice of the outcome of a reconsideration under clause 5.1.5(4) of the Development Contributions Policy, the 15 working day clause in 5.1.9(1) begins on the day after the date on which the applicant receives written notice of the reconsideration outcome.

.3 The request to the Council for an objection must:

- a) Be in writing; and
- b) Set out the grounds and reasons for the objection; and
- c) State the relief sought; and
- d) State whether the objector wishes to be heard on the objection.

.4 The Council will as soon as practicable after receiving the objection select no more than 3 development contributions commissioners to decide the objection.

.5 A hearing on an objection need not be held if:

- a) The objector has indicated they do not wish to be heard or has otherwise agreed that no hearing is required; or
- b) The development contribution commissioner/s who will hear and decide the objection are satisfied, having regard to the nature of the objection and the evidence already provided, that they are able to determine the objection without a hearing.

.6 The selected development contribution commissioners will give parties notice of the date by which briefs of evidence relating to the objection must be exchanged. Briefs of evidence, and any additional or amended evidence, must be exchanged not later than 10 working days before:

- a) The commencement of a hearing; or
- b) If there is no hearing, a date fixed by the commissioners.

.7 Written copies of the development contributions commissioners' decision will be served on the objector and the Council within 15 working days after:

- a) The end of the hearing; or

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b) If no hearing is held, the last day of the commissioners' consideration of the evidence.

.8 If an applicant objects to the Council's requirement that a development contribution be made, the Council may recover from the applicant, pursuant to section 150A of the LGA02, its actual and reasonable costs in respect of the objection. The costs the Council may recover include:

- a) The selection, engagement, and employment of the development contributions commissioners; and
- b) The secretarial and administrative support of the objection process; and
- c) Preparing for, organizing, and holding the hearing.

.9 An applicant may object to a development contribution fee assessed on or after 8 September 2014 under clause 5.1.9 of the 2015 Development Contributions Policy.

[5.2.0] Refunds

.1 The refund of money and return of land if development does not proceed and refund of money or return of land if not applied to specified reserves purposes will be applied in accordance with Sections 209 and 210 of the LGA02 as set out in Appendix B.

.2 Any refunds will be issued to the consent holder of the development to which they apply and will not be subject to any interest or inflationary adjustment.

[5.2] Amount, Payment and Collection of Development Contributions

.1 Any resource consent, building consent or service connection applications received on or after the date the 2018/28 LTP came into effect (1 July 2018) will be subject to a development contributions charge under this Policy (the 2018 Policy).

.2 The development contribution payable during the life of this Policy shall not be less than the amounts shown in the attached schedule of fees and shall increase annually on 1 July of each year, in accordance with the following formula:

$$DC = BC \times (PPIC / PPIB)$$

DC = the development contribution charge for the relevant service or infrastructure payable under the Policy.

BC = the base development contribution charge payable under the Policy as set out in the schedule of fees.

PPIC = the Producers Price Index – Construction (Outputs) for the current year.

PPIB = the Producers Price Index – Construction (Outputs)⁷ for the base year⁸.

.3 Subject to the Council's powers under section 208 LGA 02 the development contribution assessed under this Policy may be paid at any time until the consent or authorisation that triggered the assessment lapses or expires. If the consent or authorisation lapses or expires, a new consent will be required in which case the development contribution payable will be re-assessed. If the development contribution is not paid within 12 months of the date the assessment was made, then the development contribution shall increase annually on 1 July each year by the amount of increase in the Producer's Price Index – Construction for that year.

.4 Development contributions payable on resource consents, building consents or service connections will not be re-assessed following an update to the Policy.

.5 If payment of development contributions is not received Council will exercise its powers outlined in Section 208 LGA02. Those provisions state that until a development contribution required in relation to a development has been paid or made under section 198, a territorial authority may:

- a) In the case of a development contribution required under section 198(1)(a), -
 - i) Withhold a certificate under section 224(c) of the Resource Management Act 1991;
 - ii) Prevent the commencement of a resource consent under the Resource Management Act 1991;
- b) In the case of a development contributions required under section 198(1)(b), withhold a code of compliance certificate under section 95 of the Building Act 2004;
- ba) in the case of a development contribution required under section 198(4A), withhold a certificate of acceptance under section 99 of the Building Act 2004;
- c) In the case of development contribution required under section 198(1)(c), withhold a service connection to the development; and
- d) In each case, register the development contribution under the Statutory Land Charges Registration Act 1928, as a charge on the title of the land in respect of which the development contribution was required.

[5.3] Transitional Provisions

.1 Any resource consent, building consent or service connection applications received on or after the date the interim 2004/2005 – 2013/2014 10 Year Plan came into effect (1 July 2004) but before any subsequent Policy came into

⁷ December 2010 Quarter (=1000)

⁸ The year the Development Contributions Policy was updated

effect will be subject to a development contributions charge under the 2004 Policy and will not be reassessed based on the fees applicable under the 2006 Policy or any other Development Contributions Policy adopted by Council.

- .2 Any resource consent, building consent or service connection applications received on or after the date the 2006/2007 – 2015/2016 10 Year Plan came into effect (1 July 2006) but before any subsequent Policy came into effect will be subject to a development contributions charge under the 2006 Policy and will not be reassessed based on the measure of a unit of demand and fees applicable under the 2007 Policy or any other Development Contributions Policy adopted by Council.
- .3 Any resource consent, building consent or service connection applications received prior to the date the 2007/2008 Annual Plan came into effect (1 July 2007) will not be subject to Producer's Price Index – Construction adjustment.

[5.4] Valuing of Land

Council will no longer accept land as a development contribution. All land requirements for reserves purposes will be obtained through sale and purchase agreements outside of this development contributions policy. Future land requirements for reserves purposes are budgeted for in Council's Recreation and Community Facilities Asset Management Plan. Council will use structure plans and where appropriate, designation processes under the RMA to identify future reserve requirements.

[5.5] Special Circumstances

- .1 Council reserves the discretion to enter into specific arrangements outside the Development Contributions Policy with a developer for the provision of particular infrastructure to meet the special needs of a development, for example where a development requires a special level of service or is of a type or scale which is not readily assessed in terms of units of demand. Where a development is considered to be a special circumstance, an individual assessment will be undertaken by Council to determine the effect of the development on the network infrastructure, reserves and community facilities and the development contributions amount payable.
- .2 A development may be identified as a special circumstance for one of the following reasons:
 - a) The potential effect the development may have on the capacity of the network infrastructure, reserves and community infrastructure is likely to be greater than that taken into account when developing a methodology for the Development Contributions Policy and calculating the development contributions charges per unit of demand.
 - b) The development is likely to require the provision of particular infrastructure to meet the special needs of a development, for example where a development requires a special level of service or is of a type

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or scale which is not readily assessed in terms of units of demand.

- .4 Significant adverse effects on infrastructure of particular developments will be considered as part of the evaluation of application for resource consent and may influence consideration of the application in the absence of agreed mitigation with the Council.

[5.6] Development Agreements

- .1 Pursuant to section 207A of the LGA02, a developer may request that the Council enter into a contractual agreement with the developer to provide infrastructure as an alternative to paying all or part of a development contribution. The contractual agreement in this instance is called a "development agreement".
- .2 Pursuant to section 207B of the LGA02, the Council will consider the request for a development agreement and provide written notice to the developer of its decision on the request, and the reasons for the decision without unnecessary delay.
- .3 The content and effect of a development agreement must comply with sections 207D and 207E of the LGA02.

[5.7] Non-Residential Brownfield Redevelopment

- .1 Non-residential brownfield redevelopment⁹ generally places negligible increased demand on the capacity of the network infrastructure. This is because it occurs in established areas and the new or altered activities and buildings established on the site generally place a similar demand on the network infrastructure as the previous activity or building. For this reason non-residential brownfield redevelopment does not create additional units of demand.
- .2 Non-residential brownfield redevelopment will generally occur on allotments that have not paid development contributions in the past based on allotment area (2007 Policy or later) or per additional allotment (2004 and 2006 Policies).
- .3 The alteration of an existing non-residential building or construction of a new non-residential building may still create additional units of demand and be subject to development contributions (refer to sections 6 and 7 for further guidance) e.g. the extension of a non-residential building established after 1

⁹ Brownfield redevelopment means further development of sites that are developed at or over 40% site coverage, or were at some time in the past at or over 40% site coverage, provided the buildings located on the site were established prior to 1 July 2004, and specifically includes:

- further subdivision of the site;
- alterations and additions to existing buildings; and
- the demolition of existing buildings and construction of new buildings

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July 2004 located on an allotment that has not paid any development contributions in the past based at the subdivision stage.

The applicant shall provide sufficient information to enable the Council to determine whether or not:

- a) A development is a non-residential brownfield redevelopment; and
- b) Existing or past site coverage was or is legally established under the RMA and/or the Building Act.

[5.8] Massey University – Turitea Campus

The Massey University Turitea Campus¹⁰ is made up of a number of different sites. For the purposes of clause 5.7 (Non-Residential Brownfield Redevelopment), the various sites that make up the Massey University Turitea Campus shall be considered as one site.

[5.9] Tax – GST

Development contributions required will incur a Goods and Services Tax upon assessment of a contribution payable.

[5.10] Cross Area Development

In the situation where a proposed development lies partially in each of two or more development contribution areas, the development contribution for the entire development will be calculated based on the contribution applicable to the development contribution area that contains the majority of the development allotment area.

[6] Community Facilities: Network Infrastructure, Reserves and Community Infrastructure

[6.1] Water

.1 The water reticulation network is made up of four service catchments, being the Palmerston North, Ashhurst, Longburn, and Bunnythorpe urban areas. Each of the defined service catchments of the water reticulation system is characterised by interdependent components. For the purposes of development contributions, the water reticulation network is optimised to include only those components necessary to the effective operation of the network-wide system.

.2 Interdependence within the network creates a need for integrated management of the operation of these necessary components. As such, the management of this network is undertaken with network-wide supply and demand issues in mind. This network is referred to as the 'Integrated Water Network' and its components in the service catchments are defined visually

¹⁰ Massey University Turitea Campus means land that is occupied by Massey University whether leasehold or freehold that is zoned Institutional within the Palmerston North City District Plan.

on Map 2 in Appendix C.

.3

The Integrated Water Network for water is made up of:

- a) All trunk and distribution pipelines, valves, and hydrants 200 mm in diameter or larger
- b) All reservoirs
- c) All water sources capable of delivering more than 1,000 m³/day, including but not limited to the Turitea Water Treatment Plant and all bores
- d) Any pipe(s) that are not trunk or distribution pipelines but provide capacity to the Integrated Network

The Integrated Network contains trunk mains and distribution mains. These pipelines have an important function in transferring water from source (trunk mains) to a series of pipes that convey water to areas or groups of streets (distribution mains). Local pipes receive water from distribution mains and serve individual properties. Local pipes are part of the overall water network but in most cases, but not all, do not form part of the integrated network for the purpose of the Development Contributions Policy.

.4

Inadequate capacity in a trunk or distribution main can have a significantly greater impact on the overall operation of the water network than inadequate capacity in a smaller localised pipe.

.5

The requirement to provide water in sufficient volumes at a required pressure and for the extinguishing of fires guide the decision of which components of the overall water network make up the Integrated Network. Achieving the required flows and pressures established in Council's level of service for every property (including at extreme ends of the network) means that those pipes conveying water from source to trunk mains and distribution mains need to have sufficient capacity to ensure levels of service are met. As growth occurs the capacity of trunk and distribution mains need to be increased to ensure levels of service are maintained.

[6.1.1] Development Contributions Approach

A development contribution for the identified water service catchments will be based on the value of future identified growth works and growth works incurred in anticipation of development on each of the service catchments in the 'Integrated Water Network'. The anticipated future works on the 'Integrated Water Network' in each area are identified in the Palmerston North City Council's Water Asset Management Plan and the values are summarised in Table 2 in Section 3.4 of this Policy. The value of growth works incurred in anticipation of development is summarised in Table 3 in Section 3.5 of this Policy.

[6.1.2] Who Gets Charged?

Under the above outlined method, all new developments in the service catchments will be subject to a development contribution within identified development contribution areas. The only exclusions (at present) are:

- a) Developments in the rural area that are not connected to the City water systems (Development Contributions Area A); and
- b) Developments in Longburn and Bunnythorpe that have a separate water network on which no future growth works are planned (at present) (Development Contribution Areas Q and R).

[6.1.3] Justification for Approach

All growth works on the 'Integrated Water Network' are considered to contribute to the function of the integrated network. All components of the integrated network also have excess capacity that will cater for anticipated future capacity uptake. Any identified capital development growth-related works undertaken on the identified integrated network add to the capacity of the existing integrated network directly.

[6.1.4] Unit of Demand

The development contribution is subject to a form of measurement to allocate units of demand to development. This allows for differences between residential, rural and non-residential demand.

1. The following factors have been used to portion out the 20-year residential and non-residential growth costs for water:
 - a) an average residential – non-residential water demand ratio;
 - b) the average number of equivalent household units per hectare; and
 - c) the residential and non-residential growth projections.
2. All residential and non-residential development is assumed to create a unit of demand. All rural development is assumed to create zero units of demand.
3. The measure for a residential unit of demand is:
 - a) per additional allotment at subdivision; or
 - b) per connected equivalent household unit at building consent or service connection.
4. The measure for a non-residential unit of demand is:
 - a) per 100m² of allotment area at subdivision; or
 - b) per 100m² of Gross Floor Area (GFA) at building consent or service connection.
5. The measures for units of demand is summarised at the end of this section in Table 4.
6. Refer also to clause 5.5 (Special Circumstances) and clause 5.7 (Non-Residential Brownfield Redevelopment).

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8. Further guidance on measuring units of demand is provided in sections 6.6 and 7.

[6.2] Wastewater

The wastewater reticulation network is made up of three discrete service catchments. The first service catchment is made up of the Palmerston North, Ashhurst and Bunnythorpe urban areas. The second service catchment is Longburn. The third service catchment are pressure sewer areas, which are intended to service Kakatangiata, North East Industrial Zone Extension, and the Napier Road Residential Extension Area. Each of the defined service catchments of the wastewater system is characterised by a combination of interdependent components. For the purpose of development contributions, the wastewater network is rationalised to include only those components necessary to the effective operation of the network-wide system.

Interdependence within the network creates a need for integrated management of the operation of these necessary components. As such, the management of the identified network is undertaken with network-wide supply and demand issues in mind. This network is referred to as the 'Integrated Wastewater Network' and its components are defined visually on Map 3 in Appendix D

To be considered part of the Integrated Wastewater Network an asset must first have a direct connection to and be hydraulically linked to the existing Integrated Network. The Integrated Network for wastewater is made up of:

- a) Any trunk or collector gravity pipe of 250mm or larger.
- b) Pump stations and associated pressure pipelines at Jickell Street, Massey, College Street, Tremaine Avenue, and Ashhurst.
- c) Any new pump station carrying a flow equivalent to that produced by 3,000 persons (35 l/sec) or more.
- d) Wastewater treatment plant(s) serving Palmerston North, Ashhurst, and Bunnythorpe, and any oxidation ponds.
- e) Any pipe(s) that are not a trunk or collector gravity pipe of 250mm but provide capacity to the Integrated Network.

The Integrated Network contains a series of main trunk pipelines which carry large volume of flows to the treatment plant. Collector pipes convey flows from local streets to the trunk mains. A number of smaller more localised pipes connect into each collector or directly to the trunk mains.

Wastewater pipes serving individual properties or pipes in a local street connecting to another street do not contribute to or have a very limited impact on the overall operation of the wastewater network. However, overloading of one trunk main or collector pipe could have significant network wide operational impacts due to hydraulic inter-connectivity of the trunk pipes. Inadequate capacity in one trunk could have an effect on another trunk placing the entire system under stress.

5. There is a degree of interdependence between the trunk systems that creates a requirement for management and operation of the system at a network level. The inter-dependency of the trunks and the resulting requirement to manage system operation at a network level enable identification of those components that form the Integrated Network. Consequently, the demarcation of components at trunk and collector level and, in the case of pump stations, at a capacity level, is considered appropriate for determining which components of the system form the Integrated Network.

6. The *Integrated Wastewater Network and Villages – Ashhurst, Bunnythorpe and Longburn* – Both Ashhurst and Bunnythorpe are connected to the existing Integrated Network and the nature of the connection means they are hydraulically linked with the City's Integrated Network. For these reasons both Ashhurst and Bunnythorpe are considered as part of the City's Integrated Network for wastewater. The wastewater trunk main serving Longburn is directly connected to the treatment plant. However the trunk main is not connected to or hydraulically linked to the City's Integrated Network. For these reasons Longburn it is not considered part of the City's Integrated Network.

[6.2.1] Development Contributions Approach

The development contribution is based on the value of future identified growth works and growth works incurred in anticipation of development in each of the service catchments in the 'Integrated Wastewater Network'. The anticipated future works on the 'Integrated Wastewater Network' are identified in the Palmerston North City Council's Wastewater Asset Management Plan and the value is summarised in Table 2 in Section 3.4 of this Policy. The value of growth works incurred in anticipation of development is summarised in Table 3 in Section 3.5 of this Policy.

[6.2.2] Justification for Approach

All growth works on the 'Integrated Wastewater Network' are considered to service any allotment within the specified boundary, up to a uniform service level, at any time. All necessary components of the integrated networks also have excess capacity that will cater for anticipated future capacity uptake. Any identified capital development growth-related works undertaken on the identified integrated network add to the capacity of the existing integrated network directly.

[6.2.3] Who Gets Charged?

Under the above outlined method, all new developments in the Palmerston North, Ashhurst and Bunnythorpe service catchments will be subject to a development contribution within identified development contribution areas. The only exclusions (at present) are:

- a) developments in the rural area that are not connected to the City wastewater systems (Development Contributions Area A); or
- b) developments in Longburn that have a separate wastewater network on which no future growth works are planned (at present)

(Development Contributions Area R).

[6.2.4] Unit of Demand

1. The development contribution is subject to a form of measurement to allocate units of demand to development. This allows for differences between residential, rural and non-residential demand.

2. Production of wastewater correlates closely with the consumption of water. Therefore the following factors have been used to portion out the 20-year residential and non-residential growth costs for wastewater:

- a) an average residential – non-residential wastewater demand ratio.
- b) the average number of equivalent household units per hectare.
- c) the residential and non-residential growth projections.

3. All residential and non-residential development is assumed to create a unit of demand. All rural development is assumed to create zero units of demand.

4. The measure for a residential unit of demand is:

- a) per additional allotment at subdivision; or
- b) per connected equivalent household unit at building consent or service connection.

5. The measure for a non-residential unit of demand is:

- a) per 100m² of allotment area at subdivision; or
- b) per 100m² of GFA at building consent or service connection.

6. The measures for units of demand is summarised at the end of this section in Table 4.

7. Refer also to clause 5.5 (Special Circumstances), clause 5.7 (Non-Residential Brownfield Redevelopment).

8. Further guidance on measuring units of demand is provided in sections 6.6 and 7.

[6.3] Rooding

1. The roading network service is contained within the Palmerston North City Council territorial boundary. The roading network is characterised by a combination of interdependent components. Interdependence within the network creates a need for integrated management of operation of these components. As such, the management of the network is undertaken with network-wide supply and demand issues in mind.

2. For the purposes of development contributions, the roading network is considered to be an unrestricted system. This means that the roading network can be accessed by anyone at any time in the City. The roading network is defined visually on Map 4 in Appendix E.

- .3 To be considered part of the Integrated Rooding Network a road must be classified, or proposed to be classified, in the Palmerston North City District Plan roading hierarchy as either a Major Arterial, Minor Arterial or Collector Road.

[6.3.1] Development Contributions Approach

- .1 Development contributions are applied citywide and are based on the value of future identified growth works and growth works incurred in anticipation of development on the roading network. The anticipated future growth capital development works are identified in the Palmerston North City Council's Rooding Asset Management Plan and the values are summarised in Table 2 in Section 3.4 of this Policy. The value of growth works incurred in anticipation of development is summarised in Table 3 in Section 3.5 of this Policy. The development contribution for the roading network is based on the proportion of these works that have been assessed as the result of increased demand generated by new residential, rural and non-residential development.
- .2 The proportion of future growth works resulting from increased demand attributable to new residential and non-residential development is determined by Council from data collected for Palmerston North City Council's Transportation Management Plan.

[6.3.2] Who Gets Charged?

Under the above outlined method, all new developments in all development contribution areas will be subject to a development contribution for the roading network.

[6.3.3] Justification for Approach

All components included in the development contribution for the roading network are considered to service any allotment within the specified boundary, up to a uniform service level, at any time. The current network also has excess capacity that has been planned and will cater for anticipated future capacity uptake. Any identified capital development works undertaken on the network enhance the capacity of the existing integrated network directly.

[6.3.4] Unit of Demand

- .1 The development contribution is subject to a form of measurement to allocate units of demand to development. This allows for differences between residential, rural and non-residential demand.
- .2 The following factors have been used to portion out the 20-year rural, residential and non-residential growth costs for roading:
 - a) average vehicle trip generation data for residential and non-residential activities.
 - b) the residential and non-residential growth projections.

- .3 All residential, non-residential and rural development is assumed to create a unit of demand.
- .4 The measure for a residential and rural (dwellings) unit of demand is:
 - a) per additional allotment at subdivision; or
 - b) per connected equivalent household unit at building consent or service connection.
- .5 The measure for a non-residential unit of demand is:
 - a) per 100m² of allotment area at subdivision; or
 - b) per 100m² of GFA at building consent or service connection.
- .6 The measure for a rural (other) unit of demand is:
 - a) per 100m² GFA at building consent or service connection.
- .7 The measures for units of demand is summarised at the end of this section in Table 4.
- .8 Refer also to clause 5.5 (Special Circumstances) and clause 5.7 (Non-Residential Brownfield Redevelopment).
- .9 Further guidance on measuring units of demand is provided in sections 6.6 and 7.

[6.4] Stormwater

- .1 The stormwater network is defined using a catchment-based approach because it is dependent on natural geographical features and events. The stormwater network is characterised by a number of relatively autonomous service catchments and within each of these is an integrated system of interdependent network components. For the purposes of this policy there are thirteen defined service catchments that make up twenty one development contribution areas.
- .2 Stormwater infrastructure development within service catchments is based on a defined level of service, as outlined in Council's Stormwater Asset Management Plan, under a fully developed catchment scenario. For the purpose of development contributions specific demand analysis has been undertaken on existing service catchments and infrastructure requirements have been identified as a result.

[6.4.1] Development Contributions Approach

- .1 A stormwater development contribution for each of the thirteen service catchments is based on the value of components to be located within each in order to meet the defined level of service under the fully developed catchment scenario. Anticipated future components are identified in Council's Stormwater Asset Management Plan capital development budgets.

- .2 Current and planned future stormwater infrastructure provided in the thirteen service catchments is anticipated to cater for the entire catchment when it is fully developed. Thus, in partially developed service catchments, infrastructure provision identified will specifically cater for growth in that service catchment.

[6.4.2] Who Gets Charged?

Under the above outlined method, all new developments in development contribution areas F, G, H, I, J, K, L, M, N, O, and P will be subject to a development contribution. New developments in other catchments will not be required to pay any development contributions for stormwater.

[6.4.3] Justification for Approach

- .1 Demand investigations, undertaken by Council, tested stormwater catchments under a fully developed scenario. Investigations suggested that additional development within existing developed stormwater catchments would have little effect on the demand for additional stormwater infrastructure. In contrast, additional development in partially developed catchments had a significant effect on the demand for additional stormwater infrastructure.

- .2 Only Aokautere, Kelvin Grove (including the Whakarongo Residential Area) and the North East Industrial Zone Extension Area stormwater service catchments will be subject to development contributions for stormwater as other identified stormwater catchments have level of service deficiencies that require remedy before it is appropriate to further develop infrastructure for growth, and thus apply a development contribution in these catchments. As a result of the findings of these demand investigations Council will apply development contributions to partially developed service catchments only. Identified partially developed catchments are illustrated on Map 5, 6 and 7 in Appendices F, G and H.

[6.4.4] Unit of Demand

- .1 The development contribution is subject to a form of measurement to allocate units of demand to development. This allows for differences between residential, rural and non-residential demand.
- .2 The allotment area of development and hence information related to site coverage and impermeable surface area has been used to calculate a unit of demand.
- .3 All residential development is assumed to create one unit of demand. All rural development is assumed to create zero units of demand. All non-residential development is assumed to create two units of demand.
- .4 The measure of a unit of demand is per 700m² of allotment area.
- .5 The measures for units of demand is summarised at the end of this section in

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Table 4.

- .6 Refer also to clause 5.5 (Special Circumstances) and clause 5.7 (Non-Residential Brownfield Redevelopment).

- .7 Further guidance on measuring units of demand is provided in sections 6.6 and 7.

[6.5] Reserves and Community Infrastructure

- .1 The Palmerston North City reserves and community infrastructure asset comprises two distinct parts. They are: land zoned as reserve and identified for recreational purposes ("reserves"), and infrastructure associated with that zoned land ("community infrastructure"). Community infrastructure includes capital developments and facilities associated with the identified reserves, such as playgrounds, car parks, and fences.

- .2 The reserves and community infrastructure assets are also distinguished at two levels, these being "citywide" and "local".

RESERVES AND COMMUNITY INFRASTRUCTURE

...
"Citywide"
"Local"

[6.5.1] Citywide Reserves and Community Infrastructure

The primary purpose of citywide reserves and community infrastructure is to provide active recreational facilities to the city community. Citywide reserves are destination reserves that are accessed for recreational purposes from all areas of the City and people within the Palmerston North City boundary. The citywide reserves and community infrastructure service catchment is illustrated on Map 8 in Appendix I.

[6.5.2] Local Reserves and Community Infrastructure

Identified local reserves and community infrastructure primarily serve a local area. The primary purpose of these assets is to provide amenity for local areas by breaking up the urban environment and also to provide for passive recreation. Local reserves are not considered destination type reserves. Local reserves and community infrastructure service catchments are illustrated on Maps 1, 9 & 10 in Appendices A, J & K.

[6.5.3] Development Contributions Approach

A city development contribution is based on the value of identified future provision of citywide reserves and community infrastructure and the provision that has incurred in anticipation of development.

A local development contribution is based on the value of identified future provision of local reserves and community infrastructure and the provision that has incurred in anticipation of development.

[6.5.4] Who Gets Charged?

- .1 All residential and rural developments (dwellings and additional allotments only) in all development contribution areas will pay a citywide development contribution for 'citywide' reserves and community infrastructure.
- .2 All residential development within the Kelvin Grove (including the Whakarongo Residential Area) and Aokautere/Summerhill development contributions areas will pay a development contribution for 'local' reserves and community infrastructure.

[6.5.5] Justification for Approach

- .1 The assumed demand for citywide reserves and community infrastructure is created and driven as a result of additional people, or residential households, being located within the Palmerston North territorial boundary. As citywide reserves and community infrastructure are destination reserves, increased demand can come from anywhere within the defined city boundary from both residential and rural development. Non-residential development is generally assumed to have no impact on the demand for citywide reserves and community infrastructure networks.

- .2 As one of the key purposes of 'local' reserves and community infrastructure is to provide amenity by breaking up the urban environment, it is assumed for the purposes of development contributions that the key driver and demand for the provision of such 'local' assets is the take up of land in a defined local area. While local population increase within a defined local area does have a bearing on the provision of local reserves, ultimately there is only a finite land area in which to provide local reserves. Residential development is considered to have an impact on the provision of local reserves because of the development of land area and the need for local reserves to provide amenity by breaking up the urban environment and provide for passive recreation needs.

[6.5.6] Legislative Considerations

- .1 A development contribution for reserves may not exceed the greater of 7.5% of the value of additional allotments created by a subdivision and the value equivalent of 20 square metres of land for each additional household unit created by the development.
- .2 A development contribution for community infrastructure must not exceed the amount calculated by multiplying the cost of the relevant unit of demand calculated under clause 1 of schedule 13 by the number of units of demand assessed for a development or type of development, as provided for in clause 2 of Schedule 13 of the LGA02.

[6.5.7] Unit of Demand

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- .1 The development contribution is subject to a form of measurement to allocate units of demand to development. This allows for differences between residential and rural demand.
 - .2 For citywide reserves, information regarding the average resident populations and households has been used to calculate a unit of demand for citywide reserves and community infrastructure.
 - .3 For local reserves, information regarding the average allotment area of development and hence information related to public access to reserve areas available has been used to calculate a unit of demand for local reserves and community infrastructure.
 - .4 For **citywide reserves and community infrastructure**, all residential and rural development (dwellings and allotments only) is assumed to create one unit of demand. The measure of a unit of demand for citywide reserves and community infrastructure is per additional allotment at subdivision or per equivalent household unit at building consent or service connection.
 - .5 For **local reserves and community infrastructure**, all residential development is assumed to create one unit of demand (Aokautere / Summerhill and Kelvin Grove areas only). All rural development is assumed to create zero units of demand. The measure of a unit of demand for local reserves and community infrastructure is per 700m² of allotment area.
 - .6 The measures for units of demand is summarised at the end of this section in Table 4.
 - .7 Refer also to clause 5.5 (Special Circumstances).
 - .8 Further guidance on measuring units of demand is provided in sections 6.6 and 7.
- [6.6] Units of Demand for All Community Facilities Requiring a Development Contribution**
- [6.6.1] Key Criterion in Assessing Contributions under the Policy**
- .1 The **key criterion** that Council uses to assess whether a development contribution is payable on a proposed development is '**units of demand**' and the characteristics of that unit of demand.
 - .2 **Units of demand** can be assessed at subdivision, building consent and service connection stage.
 - .3 **Units of demand** can also be created outside of the subdivision process i.e. an additional dwelling on an existing lot. Therefore the Policy enables Council to assess units of demand created at the building and service connection stage also.

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4. It is Council's preference to assess and apply a development contribution at the first stage of development, namely the subdivision consent stage. The reasons for this are set out in Section 3.2.1 of this Policy and Council will apply this preference consistently.

[6.6.2] Measuring Units of Demand

1. Different types of measurements are used to allocate units of demand for each community facility to residential, rural and non-residential developments.
2. The measures for units of demand is summarised at the end of this section in Table 4.
3. Further guidance on measuring units of demand is provided in clauses 6.6.4 - 6.6.7 and section 7.

Water and Wastewater

- a) **Residential:** The measure of a residential unit of demand for water and wastewater is per additional allotment at subdivision or per connected equivalent household unit at building consent or service connection.
- b) **Rural:** Not applicable.
- c) **Non-Residential:** The measure of a non-residential unit of demand for water and wastewater is per 100m² of allotment area at subdivision or per 100m² of GFA at building consent or service connection.
- d) Whether a lot or site has existing services on site or at the boundary does not necessarily determine an existing unit of demand i.e. the placement of a new dwelling on a site with existing services.

5. Roading

- a) **Residential:** The measure of a residential unit of demand for roading is per additional allotment at subdivision or per connected equivalent household unit at building consent or service connection.
- b) **Rural:** The measure of a rural (dwellings) unit of demand for roading is per additional allotment at subdivision or per equivalent household unit at building consent or service connection. The measure for a rural (other) unit of demand for roading is per 100m² GFA.
- c) **Non-Residential:** The measure of a non-residential unit of demand for roading is per 100m² of allotment area at subdivision or per 100m² of GFA at building consent or service connection.

6. Citywide Reserves and Community Infrastructure

- a) **Residential:** The measure of a residential unit of demand for Citywide Reserves and Community Infrastructure is per additional allotment at subdivision or per equivalent household unit at building consent or service connection.

- b) **Rural:** The measure of a rural unit of demand for Citywide Reserves and Community Infrastructure is per additional allotment at subdivision or per equivalent household unit at building consent or service connection.
- c) **Non-Residential:** Not applicable.

7. Stormwater and Local Reserves and Community Infrastructure

- a) **Residential:** Access to stormwater, local reserves and community infrastructure is limited to the land area within specific service catchment areas. Therefore the measure for a residential unit of demand for stormwater, local reserves and community infrastructure is per square meter of allotment area developed. Each equivalent household unit is assumed to occupy 700m² of allotment area.¹¹
- b) **Non-Residential:** Access to stormwater and community infrastructure is limited to the land area within specific service catchment areas. Therefore the measure for a non-residential unit of demand for stormwater and community infrastructure is per square metre of allotment area developed. Each equivalent household unit is assumed to occupy 700m² of allotment area.¹²
- c) **Rural:** Not applicable.
- d) **Non-Residential:** Not applicable to Local Reserves.

[6.6.3] Applying Units of Demand

1. Individual developments may create multiple units of demand for any of the given community facilities. To determine the number of units of demand created by development on a particular community facility the unit of demand factor is multiplied by the number of measures associated with the development as defined in 6.6.2 and shown in Table 4. Examples of applying the units of demand to development can be found in Section 10 of this policy.
2. Table 4 gives a summary of the assessed units of demand for residential, rural and non-residential development for each of the community facilities and should be read in conjunction with the Residential, Rural and Non-Residential Schedule of Contributions per Unit of Demand contained within section 8 of the Policy. The table also illustrates the measure associated with a unit of demand for each of the community facilities.

¹¹ The number of units of demand created is the total allotment area divided by the measure of 700m² where the allotment area is greater or lower than 700m²

¹² The number of units of demand created is the total allotment area divided by the measure of 700m² where the allotment area is greater or lower than 700m²

Table 4 – Units of Demand for Community Facilities

COMMUNITY FACILITIES	UNIT OF DEMAND		MEASURE: SUBDIVISION	MEASURE: BUILDING CONSENT AND SERVICE CONNECTION
	RESIDENTIAL	NON-RESIDENTIAL		
Water	1	0	1	Residential: Per Additional Allotment Rural: Not Applicable Non-Residential: Per 100m ² of Allotment Area
Wastewater	1	0	1	Residential: Per Additional Allotment Rural: Not Applicable Non-Residential: Per 100m ² of Allotment Area
Stormwater	1	0	2 ¹³	Residential: 700m ² of Allotment Area Rural: Not Applicable Non-Residential: 700m ² of Allotment Area
Roading	1	1	1	Residential: Per Additional Allotment Rural: Per Additional Allotment Non-Residential: Per 100m ² of Allotment Area
Citywide Reserves and Community Infrastructure	1	1	0	Residential: One EHU Rural (Dwellings): One EHU Rural (Other): Per 100m ² GFA* Non-Residential: Per 100m ² GFA*
Local Reserves and Community Infrastructure	1	0	0	Residential: 700m ² of Allotment Area Rural: Not Applicable Non-Residential: Not Applicable

*For fees applied at the building consent stage for non-residential development a minimum of 100m² GFA, or a minimum increase of 100m² GFA, applies.

¹³ Note: for the North East Industrial Zone Extension Area the unit of demand is 1.

[6.6.4] Measuring Units of Demand – Specific Guidance, Principles and Notes (Residential)

1. **Communal Residential Development:** For the purposes of establishing the number of equivalent household units that apply for communal residential developments, the maximum possible number of occupants on any given night is to be divided by 2.6, which is the average number of occupants per dwelling in Palmerston North (2013 Census).
2. **Accommodation Motel:** For the purposes of establishing the number of equivalent household units that apply for accommodation motels, the number of individual units that meet the definition of an equivalent household unit is to be multiplied by 0.48 (48%), which is the average occupancy rate for Palmerston North (Statistics New Zealand Accommodation Survey). For units that do not meet the definition of an equivalent household unit, the communal residential development measure can be used in combination with the average occupancy rate multiplier (0.48).

3. **Retirement Villages:** For the purposes of establishing the number of equivalent household units that apply for retirement villages, the total number of units within a development that meet the definition of a dwelling shall be multiplied by 0.44. Any part of a retirement village that does not meet the definition of a dwelling shall be assessed as a communal residential development.

4. In determining the final number of equivalent household units that apply to a particular development, a combination of the general measure of an equivalent household unit, the communal residential development measure of equivalent household units and the accommodation motel measure of equivalent household units may be used to recognise the specific composition of a particular development. For example, a retirement village that includes a combination of independent dwellings and communal living arrangements or an accommodation motel that includes a combination of fully serviced units, hostel accommodation and a managers unit.

5. **Small Dwellings:** Where a new dwelling is constructed that is below 100m² Gross Floor Area (for example a Minor Dwelling) and the development contributions for the dwelling are levied by Council at the building consent or service connection stage, the following calculation shall apply for the purposes of establishing the equivalent household unit of the dwelling:
GFA of the dwelling / 100 = equivalent household unit.

6. **Dependent Dwelling Units and Accessory Buildings:** where an existing dependent dwelling unit or accessory building is being used as an equivalent household unit a development contribution fee will be payable¹⁴.

7. Refer to the residential development contributions assessment flowchart for further guidance.

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[6.6.5] Measuring Units of Demand – Specific Guidance, Principles and Notes (Rural)

1. It is assumed that each additional rural allotment may accommodate an additional dwelling. Each additional rural allotment therefore creates one unit of demand for roading and citywide reserves and community infrastructure.
2. While most new rural development is likely to be dwellings, occasionally a more general rural activity may establish in the rural area e.g. a rural industry or milking shed. These types of activities are identified in table 4 above as Rural (Other) and attract one unit of demand per 100m² GFA at the building consent or service connection stage for roading only.
3. For the purposes of assessing units of demand for rural developments, Rural (Other) does not include accessory buildings.
4. Refer to the residential development contributions assessment flowchart for further guidance.

[6.6.6] Measuring Units of Demand – Specific Guidance, Principles and Notes (Non-Residential)

1. **General:** All new non-residential subdivisions are assessed and measured based on allotment area (per 100m²). Subsequent non-residential building development on sites that have paid development contributions based on allotment area (2007 Policy or later) or per additional allotment (2004 and 2006 Policies) are assumed to have paid in full and therefore do not create additional units of demand.

Refer to the non-residential development contributions assessment flowchart for further guidance.

2. **Subdivision:**

- a) Where the underlying allotment has not paid any development contributions in the past based on allotment area (2007 Policy or later) or per additional allotment (2004 and 2006 Policies) and there is (or was) a non-residential building located on the site, the remaining lot¹⁴ is to be excluded from the final allotment area calculation.
- b) Where the underlying allotment has not paid any development contributions in the past based on allotment area (2007 Policy or later) or per additional allotment (2004 and 2006 Policies) and a building has never been located on the site, the entire site is subject to additional units of demand.

- c) Where development contributions are applied at the subdivision stage they will be assessed and measured based on allotment area (per

¹⁴ A remaining lot is an allotment created as part of a new subdivision that remains with or provides for an existing non-residential building located on the original allotment.

100m²).

d) Non-residential boundary adjustments and amalgamations will be assessed on a case by case basis. Refer to clause 11.1 Boundary Adjustments / Amalgamations for further guidance.

e) Refer to the non-residential development contributions assessment flowchart for further guidance.

.3 Building Consent or Service Connection

a) Where the underlying allotment of a particular development has not paid any development contributions in the past based on allotment area (2007 Policy or later) or per additional allotment (the 2004 and 2006 Policies) and there is or was a building located on the site, the following principles shall apply when measuring units of demand:

i) Buildings established or approved between 1 July 2004 and 30 June 2007 (2004 and 2006 Policies) are not assumed to have paid in full should further development occur. Further development of these buildings may create additional units of demand.

ii) Buildings established or approved after 1 July 2007 (2007 Policy or later) that have paid development contributions at the building consent or service connection stage based on the GFA measure are not assumed to have paid in full should further development occur. Further development of these buildings may create additional units of demand.

iii) A new or additional building on an allotment with remaining development potential is assumed to create additional units of demand.

iv) As provided by clause 5.7 of this Policy, non-residential brownfield redevelopment does not create additional units of demand.

b) Where the underlying allotment has not paid any development contributions in the past based on allotment area (2007 Policy or later) or per additional allotment (2004 and 2006 Policies) and a building has never been located on the allotment, it is assumed that development on the site will create additional units of demand.

c) Where development contributions are applied at the building consent or service connection stage they will be assessed and measured based on GFA (per 100m²) or the overall increase in GFA (per 100m²). For fees applied at the building consent stage for non-residential development a minimum of 100m² GFA, or a minimum increase of 100m² GFA, applies to ensure small insignificant buildings and alterations and additions to existing buildings are not levied development contributions. This will also ensure the application of the Policy does not become administratively onerous.

e) Refer to the non-residential development contributions assessment flowchart for further guidance.

.4 Non-Residential Brownfield Redevelopment and Special Circumstances

a) Refer to clauses 5.5 to 5.7 for further guidance on non-residential brownfield redevelopment and special circumstances.

b) Refer to the non-residential development contributions assessment flowchart for further guidance.

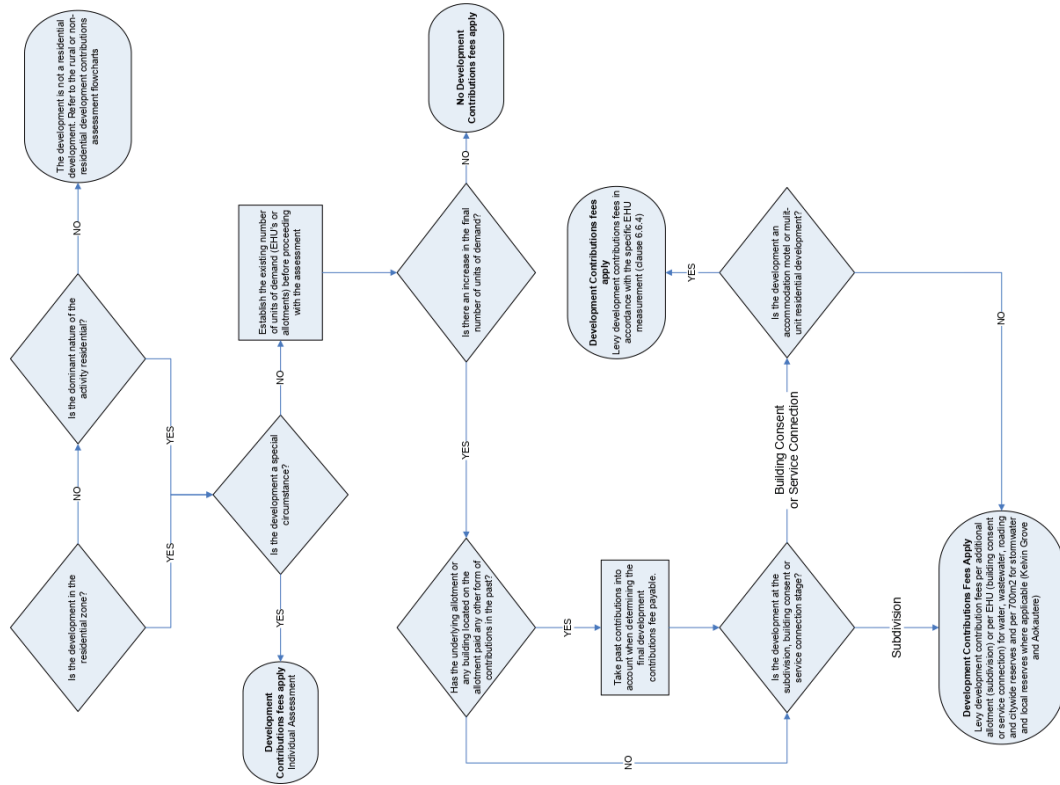
[6.6.7] Measuring Units of Demand – Specific Guidance, Principles and Notes (General)

.1 **Stormwater and Local Reserves: Building development in the absence of Subdivision:** Where building development occurs in the absence of subdivision in a development contributions area that is subject to local reserves and stormwater charges, the total area of the underlying allotment will determine the stormwater and local reserves fees applicable.

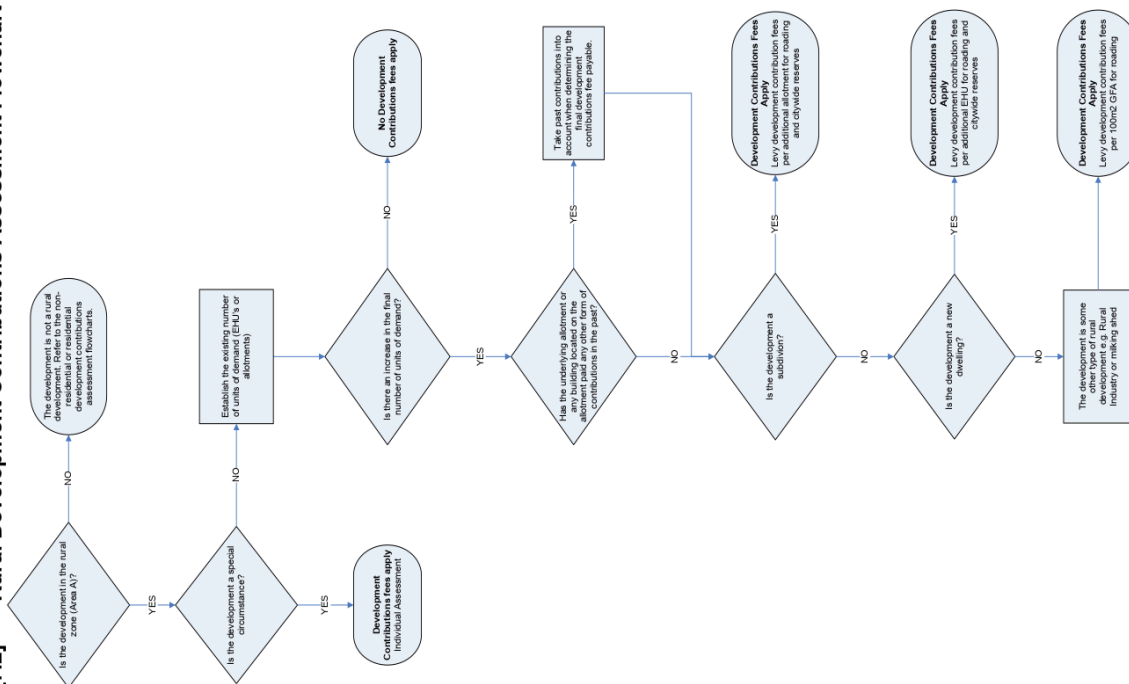
[7] Development Contributions Assessment Flowcharts

The following flowcharts have been included in the Policy to assist with determining whether or not development contributions fees apply. The flowcharts are for guidance purposes only.

[7.1] Residential Development Contributions Assessment Flowchart

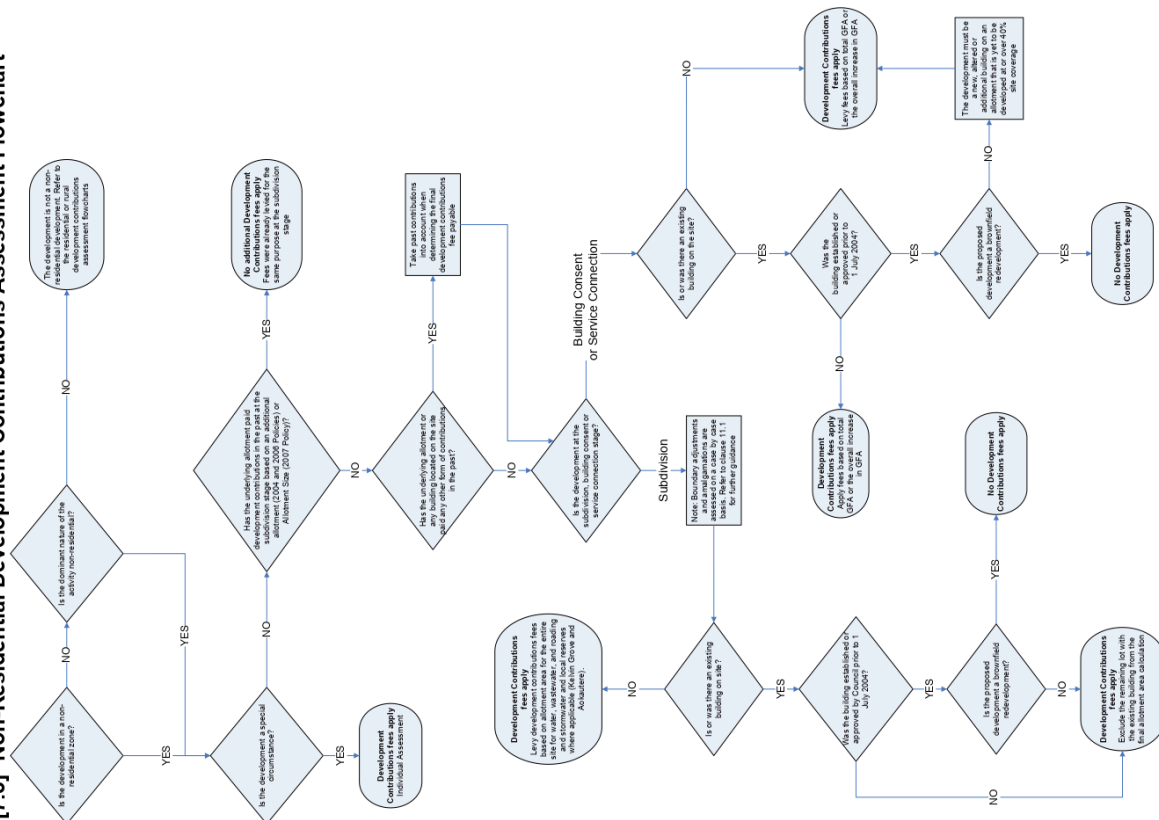


[7.2] Rural Development Contributions Assessment Flowchart



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[7.3] Non-Residential Development Contributions Assessment Flowchart



[8] Schedule of Contributions Per Unit of Demand

The residential, rural and non-residential schedule of development contributions refer to Development Contributions Areas A to S. Area A is the rural area and is therefore excluded from the residential and non-residential schedule and is the only area listed in the Rural Area schedule. These areas relate to geographically defined development contribution areas in Appendix A, Map 1.

Each column of development contribution for the community facilities is per unit of demand as measured by Table 4. Section 10 shows examples of how to work out your development contribution for particular developments. All fees in the schedule are GST exclusive, however final assessment of development contribution payable will incur GST.

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS: RESIDENTIAL This schedule should be read in conjunction with Table 4 - Units of Demand for Community Facilities. The development contribution payable during the life of this Policy shall not be less than the amounts shown in the schedule of fees below and shall increase annually on 1 July of each year, in accordance with the following formula:

DC = BC x (PPIC / PPIB).

DC = the development contribution charge for the relevant service or infrastructure payable under the Policy.

BC = the base development contribution charge payable under the Policy as set out in the schedule of fees below.

PPIC = the Producers Price Index – Construction (Outputs) for the current year.

PPIB = the Producers Price Index – Construction (Outputs) for the base year.

TABLE 5: RESIDENTIAL FEES

DEVELOPMENT CONTRIBUTION AREA	COMMUNITY FACILITIES											
	ROADING		WATER		WASTEWATER		STORMWATER		CITYWIDE RESERVES		LOCAL RESERVES	
	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION
MEASURE	Per Additional Allotment	Per EHU	Per Additional Allotment	Per Connected EHU	Per Additional Allotment	Per Connected EHU	Per 700m ² of Allotment Area	Per 700m ² of Allotment Area	Per Additional Allotment	Per EHU	Per 700m ² of Allotment Area	Per 700m ² of Allotment Area
B	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$0	\$0
C	\$2,529	\$2,529	\$682	\$682	\$4,989	\$4,989	\$1,843	\$1,843	\$739	\$739	\$3,278	\$3,278
D	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$384	\$384
E	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$4,303	\$4,303	\$739	\$739	\$702	\$702
F	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$50	\$50	\$739	\$739	\$384	\$384
G	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$574	\$574	\$739	\$739	\$384	\$384
H	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$2,363	\$2,363	\$739	\$739	\$384	\$384
I	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$338	\$338	\$739	\$739	\$384	\$384
J	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$2,433	\$2,433	\$739	\$739	\$384	\$384
K	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$693	\$693	\$739	\$739	\$702	\$702
L	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$1,442	\$1,442	\$739	\$739	\$702	\$702
M	\$18,197	\$18,197	\$2,501	\$2,501	\$4,989	\$4,989	\$8,403	\$8,403	\$739	\$739	\$4,213	\$4,213
N	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$0	\$0
O	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$3,023	\$3,023	\$739	\$739	\$0	\$0
P	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$0	\$0
Q	\$2,529	\$2,529	\$0	\$0	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$0	\$0
R	\$2,529	\$2,529	\$0	\$0	\$0	\$0	\$0	\$0	\$739	\$739	\$0	\$0
S	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$384	\$384
T	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$3,415	\$3,415	\$739	\$739	\$7,032	\$7,032
U	\$2,529	\$2,529	\$2,501	\$2,501	\$4,989	\$4,989	\$0	\$0	\$739	\$739	\$2,981	\$2,981

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS: RURAL

This schedule should be read in conjunction with Table 4 - Units of Demand for Community Facilities.

The development contribution payable during the life of this Policy shall not be less than the amounts shown in the schedule of fees below and shall increase annually on 1 July of each year, in accordance with the following formula:

$$DC = BC \times (PPIC / PPIB).$$

DC = the development contribution charge for the relevant service or infrastructure payable under the Policy.
BC = the base development contribution charge payable under the Policy as set out in the schedule of fees below.

PPIC = the Producers Price Index – Construction (Outputs) for the current year.

PPIB = the Producers Price Index – Construction (Outputs) for the base year.

TABLE 6: RURAL FEES

DEVELOPMENT CONTRIBUTION AREA	COMMUNITY FACILITIES									
	ROADING		WATER		WASTEWATER		STORMWATER		CITYWIDE RESERVES	
	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION (DWELLINGS ONLY)	BUILDING CONSENT OR SERVICE CONNECTION (OTHER)	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION (OTHER)	SUBDIVISION
MEASURE	Per Additional Allotment	Per EHU	Per 100m ² GFA	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Per Additional Allotment or Per EHU	Not Applicable
A	\$2,529	\$2,529	\$2,529	\$0	\$0	\$0	\$0	\$0	\$739	\$0
										\$0

SCHEDULE OF DEVELOPMENT CONTRIBUTIONS: NON-RESIDENTIAL

This schedule should be read in conjunction with Table 4 - Units of Demand for Community Facilities.

The development contribution payable during the life of this Policy shall not be less than the amounts shown in the schedule of fees below and shall increase annually on 1 July of each year, in accordance with the following formula:

DC = BC x (PPIC / PPIB).

DC = the development contribution charge for the relevant service or infrastructure payable under the Policy.

BC = the base development contribution charge payable under the Policy as set out in the schedule of fees below.

PPIC = the Producers Price Index – Construction (Outputs) for the current year.

PPIB = the Producers Price Index – Construction (Outputs) for the base year.

TABLE 7: NON-RESIDENTIAL FEES

DEVELOPMENT CONTRIBUTION AREA	COMMUNITY FACILITIES											
	ROADING			WATER			WASTEWATER			STORMWATER		
	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	Per 100m ² of Allotment Area	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	Per 100m ² of Allotment Area	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	Per 100m ² GFA	SUBDIVISION	BUILDING CONSENT OR SERVICE CONNECTION	Per 700m ² of Allotment Area
MEASURE	Per 100m ² of Allotment Area	Per 100m ² GFA	Per 100m ² of Allotment Area	Per 100m ² of Allotment Area	Per 100m ² GFA	Per 100m ² of Allotment Area	Per 100m ² of Allotment Area	Per 100m ² GFA	Per 100m ² of Allotment Area	Per 700m ² of Allotment Area	Per 700m ² of Allotment Area	Per 700m ² of Allotment Area
B	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$0	\$0	\$0	\$0	\$0	\$0
C	\$809	\$2,529	\$11	\$3	\$4,785	\$1,531	\$0	\$0	\$0	\$0	\$0	\$0
D	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$0	\$0	\$0	\$0	\$0	\$0
E	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$0	\$0	\$0	\$0	\$0	\$0
F	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$50	\$50	\$0	\$0	\$0	\$0
G	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$574	\$574	\$0	\$0	\$0	\$0
H	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$2,363	\$2,363	\$0	\$0	\$0	\$0
I	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$338	\$338	\$0	\$0	\$0	\$0
J	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$2,433	\$2,433	\$0	\$0	\$0	\$0
K	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$693	\$693	\$0	\$0	\$0	\$0
L	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$1,442	\$1,442	\$0	\$0	\$0	\$0
M	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$8,403	\$8,403	\$0	\$0	\$0	\$0
N	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$0	\$0	\$0	\$0	\$0	\$0
O	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$3,023	\$3,023	\$0	\$0	\$0	\$0
P	\$809	\$2,529	\$488	\$1,524	\$4,785	\$1,531	\$0	\$0	\$0	\$0	\$0	\$0
Q	\$809	\$2,529	\$0	\$0	\$4,785	\$1,531	\$0	\$0	\$0	\$0	\$0	\$0

R	\$809	\$2,529	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
S	\$809	\$2,529	\$488	\$1,524	\$1,531	\$4,785	\$0	\$0	\$0	\$0	\$0	\$0	\$0

[9] How to Work Out Development Contribution Payable

[STEP 1]

Go to Appendix A, Map 1 and check what development contribution area your development lies within.

[STEP 2]

Establish what type of development it is i.e. residential, rural or non-residential.

Determine the stage of development i.e. subdivision, building consent or service connection.

[STEP 3]

Check clause 6.6.4 Measuring Units of Demand – Specific Guidance and Notes.

Check the relevant Development Contribution Flowchart Contained in section 7 to ensure Development Contributions Fees are applicable.

Using the Unit of Demand (Table 4) in Section 6.6.3 establish how many units of demand your development will create for each of the community facilities.

[STEP 4]

Go to the relevant Development Contributions Schedule of Fees in Section 8 and identify the fees payable per unit of demand for your development contribution area.

[STEP 5]

Apply the Units of Demand to your development i.e. multiply the charges by the number of units of demand applicable.

Calculate your total development contribution by summing the individual community facilities charges established in steps 1-4 and add GST.

[EXAMPLES]

In Section 10.1-10.8 working examples of steps 1 through to 5 are provided to help you work out your development contribution payable.

[10] Examples

The examples below are intended as a simple illustration of the calculation process associated with the development contributions policy.

The figures used exclude GST.

[10.1] Development Contributions Calculation – Example 1 (Residential):
Consider the example of a proposed residential subdivision as shown in diagram 1 and 2. The proposed subdivision is for an original lot size of 4000m². The proposed subdivision will result in the creation of 3 new additional allotments each consisting of an area of 1000m². The Development Contributions applied will be worked out in relation to the new units of demand being created (3 additional allotments) that will contain a total area of 3000m². An example to work out the appropriate contribution is set out below.

Step1 What Development Contribution Area is the development in?

Area H (Residential Activity)

Step 2 What is the demand for each Community Facility being created for the proposed development?

Formula: Row 1 – Row 2 = Row 3					
	Water	Wastewater	Roading	City Reserves	
How many final units of demand will there be?	Row 1	4	4	4	4
How many existing units of demand are there?	Row 2	1	1	1	1
TOTAL demand created for each community facility	Row 3	3	3	3	3

(Note: An existing unit of demand is determined by either an existing equivalent residential unit on the site such as a dwelling or a past contribution has been paid in respect to that development. Refer to Section 11.2 for guidance)

Step 3: Calculate the Area Based Charges

Stormwater: 3000m²/700m² = 4.2

Local Reserves 3000m²/700m² = 4.2

These contributions are based on the total land area being developed (less area in road/s) i.e. the measure of a unit of demand is per 700m².

Step 4: Calculate Final Development Contributions Payable

Water:	3 (additional allotments)	x	\$2,501	=	\$7,503
Wastewater:	3 (additional allotments)	x	\$4,989	=	\$14,967
Stormwater:	4.2 (3000 m ² /700 m ²)	x	\$2,363	=	\$9,925
Roading:	3 (additional allotments)	x	\$2,529	=	\$7,776
City Reserves:	3 (additional allotments)	x	\$739	=	\$2,217
Local Reserves:	4.2 (3000 m ² /700 m ²)	x	\$384	=	\$1,612

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE **\$44,000**

Notes:

The remaining lot of 1000m² as shown in diagram 2 may also create a unit of demand and could be subject to a development contribution. If the remaining lot has a dwelling on it connected to all City services then it will not be subject to a further development contribution levy as it is assumed it has an existing unit of demand. If the remaining lot does not have a dwelling on it and has not paid a past contribution, or it has a dwelling that is not fully connected to infrastructure services then Council officers will assess this at the time of processing the consent for development and will advise applicants if additional contributions are required as a result of additional units of demand being assessed.

Diagram 1 – Original Lot Size

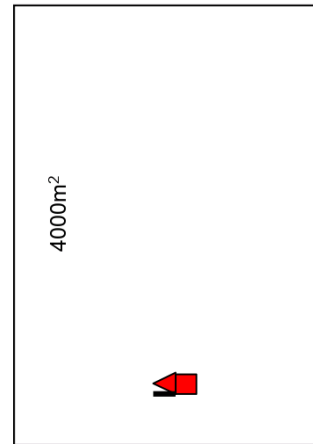
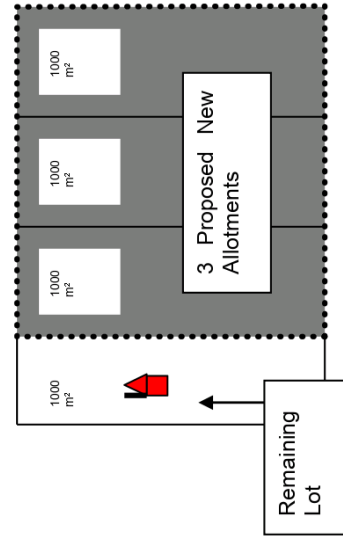


Diagram 2 – Proposed new allotments for original lot



[10.2] **Development Contributions Calculation – Example 2 (Rural):** Consider the example of a proposed rural subdivision as shown in diagram 3 and 4. The proposed subdivision is for an original lot size of 16ha. The proposed subdivision will result in the creation of 3 new additional allotments each consisting of an area of 4ha. The Development Contributions applied will be worked out in relation to the new units of demand being created (3 additional allotments) that will contain a total area of 12ha. An example to work out the appropriate contribution is set out below.

Step 1: What Development Contribution Area is the development in?
Area A (Rural Activity)

Step 2: What is the demand for each Community Facility being created for the proposed development?

Formula: Row 1 – Row 2 = Row 3					
	Water	Wastewater	Roading	City Reserves	
How many final units of demand will there be?	Row 1	N/A	4	4	
How many existing units of demand are there?	Row 2	N/A	1	1	
TOTAL demand created for each community facility	Row 3	N/A	3	3	

(Note: An existing unit of demand is determined by either an existing equivalent residential unit on the site such as a dwelling or a past contribution has been paid in respect to that development. Refer to Section 11.2 for guidance)

Diagram 3 – Original Lot Size

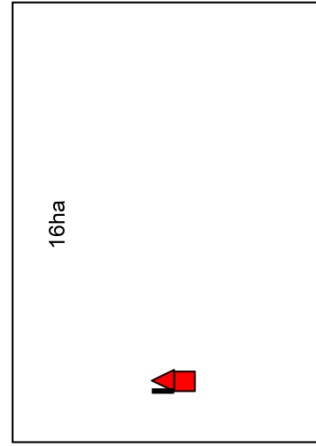
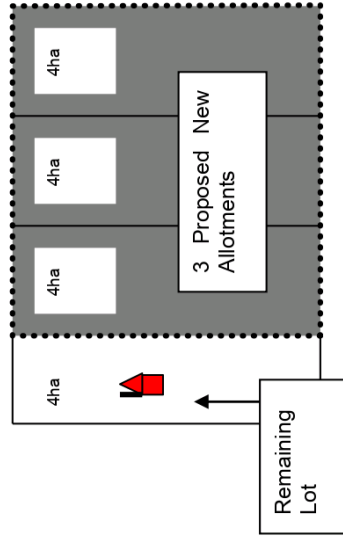


Diagram 4 – Proposed new allotments for original lot



Step 3: Calculate the Area Based Charges

Not applicable

Step 4: Calculate Final Development Contributions Payable

Roading: 3 (additional allotments) x \$2,529 = \$7,776

City Reserves: 3 (additional allotments) x \$739 = \$2,217

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE \$9,993

[10.3] Development Contributions Calculation – Example 3 (Non-Residential):
Consider the example of a proposed non-residential subdivision. The proposed subdivision is for an original lot size of 10,000m² that has not paid any development contributions in the past at the subdivision stage. The original lot has an existing non-residential building located on it that was established prior to 1 July 2004. The proposed development does not meet the definition of a non-residential brownfield redevelopment. The proposed subdivision will result in the creation of 3 additional allotments each consisting of an area of 2000m², leaving a 4000m² remaining lot that will provide for the existing building. The development contributions applied will be worked out in relation to the 3 new allotments that will contain a total area of 6000m². The remaining lot of 4000m² with the existing building established prior to 1 July 2004 is excluded from the allotment area calculation.

Step 1: What Development Contribution Area is the development in?
Area B (Non-Residential Activity)

Step 2: What is the demand for each Community Facility being created for the proposed development?

Formula: Row 1 – Row 2 = Row 3					
How many final units of demand will there be?	Water	Wastewater	Roading	City Reserves	
Row 1	10,000m ²	10,000m ²	10,000m ²	N/A	
Row 2	4,000m ²	4,000m ²	4,000m ²	N/A	
TOTAL demand created for each community facility	Row 3	6,000m ²	6,000m ²	N/A	

Step 3: Calculate the Area Based Charges

Not applicable

Step 4: Calculate Final Development Contributions Payable

Water: (6000/100) = 60 Units of Demand (100m² of Allotment Area) x \$488 = \$29,280

Wastewater: (6000/100) = 60 Units of Demand (100m² of Allotment Area) x \$1531 = \$91,860

Roading: (6000/100) = 60 Units of Demand (100m² of Allotment Area) x \$809 = \$48,540

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE \$169,680

[10.4] Development Contributions Calculation – Example 4 (Non-Residential):
Consider the example of a proposed non-residential subdivision. The proposed subdivision is for an original lot size of 8,000m² that has not paid any development contributions in the past at the subdivision stage. The original lot has an existing non-residential building located on it that was established after 1 July 2004. The proposed development does not meet the definition of a non-residential brownfield redevelopment. The proposed subdivision will result in the creation of 3 additional allotments each consisting of an area of 1500m², leaving a 3500m² remaining lot that will provide for the existing building. The development contribution applied will be worked out in relation to the 3 additional allotments that will contain a total area of 4500m². The remaining lot of 3500m² with the existing building established after 1 July 2004 is not included in the allotment area calculation.

Step1 What Development Contribution Area is the development in?
Area B (Non-Residential Activity)

Step 2 What is the demand for each Community Facility being created for the proposed development?

Formula: Row 1 – Row 2 = Row 3					
How many final units of demand will there be?	Water	Wastewater	Roading	City Reserves	
Row 1	8,000m ²	8,000m ²	8,000m ²	N/A	
Row 2	3500m ²	3500m ²	3500m ²	N/A	
TOTAL demand created for each community facility	Row 3	4,500m ²	4,500m ²	N/A	

Step 3: Calculate the Area Based Charges

Not applicable

Step 4: Calculate Final Development Contributions Payable

Water: (4500/100) = 45 Units of Demand (100m² of Allotment Area) x \$488 = \$21,960

Wastewater: (4500/100) = 45 Units of Demand (100m² of Allotment Area) x \$1531 = \$68,895

Roading: (4500/100) = 45 Units of Demand (100m² of Allotment Area) x \$809 = \$36,450

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE \$127,260

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[10.5] Development Contributions Calculation – Example 5 (Non-Residential):

Consider the example of a proposed extension to an existing non-residential building. The existing 5000m² building is located on an allotment which has not paid any development contributions in the past at the subdivision stage. The existing building was established after 1 July 2004. The proposed development does not meet the definition of a non-residential brownfield redevelopment. The proposed extension will add 2000m² to the building. The development contributions applied will be worked out in relation to the 2000m² extension only.

Step 1 What Development Contribution Area is the development in?**Area B (Non-Residential Activity)****Step 2 What is the demand for each Community Facility being created for the proposed development?**

Formula: Row 1 – Row 2 = Row 3					
		Water	Wastewater	Roading	City Reserves
How many final units of demand will there be?	Row 1	7,000m ²	7,000m ²	7,000m ²	N/A
How many existing units of demand are there?	Row 2	5,000m ²	5,000m ²	5,000m ²	N/A
TOTAL demand created for each community facility	Row 3	2,000m ²	2,000m ²	2,000m ²	N/A

Step 3: Calculate the Area Based Charges

Not applicable

Step 4: Calculate Final Development Contributions Payable

Water: (2000/100) = 20 Units of Demand (100m² GFA) x \$1,524
= \$30,480

Wastewater: (2000/100) = 20 Units of Demand (100m² GFA) x \$4,785
= \$95,700

Roading: (2000/100) = 20 Units of Demand (100m² GFA) x \$2,529
= \$50,580

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE \$176,760

Notes:

It is assumed for this example the activity is not a special circumstance.

If the underlying allotment in the above example had paid development contributions in the past then the GFA fees would not be applied.

2021 Development Contributions Policy

[10.6] Development Contributions Calculation – Example 6 (Non-Residential):

Consider the example of a proposed new non-residential building. The new building is to be located on a vacant allotment which has not paid any development contributions in the past. The proposed development does not meet the definition of a non-residential brownfield redevelopment. The new building will have a GFA of 9,000m². The Development Contributions applied will be worked out in relation to the GFA of 9,000m².

Step 1 What Development Contribution Area is the development in?**Area B (Non-Residential Activity)****Step 2 What is the demand for each Community Facility being created for the proposed development?**

Formula: Row 1 – Row 2 = Row 3					
		Water	Wastewater	Roading	City Reserves
How many final units of demand will there be?	Row 1	9,000m ²	9,000m ²	9,000m ²	N/A
How many existing units of demand are there?	Row 2	0m ²	0m ²	0m ²	N/A
TOTAL demand created for each community facility	Row 3	9,000m ²	9,000m ²	9,000m ²	N/A

Step 3: Calculate the Area Based Charges

Not applicable

Step 4: Calculate Final Development Contributions Payable

Water: (9000/100) = 90 Units of Demand (100m² GFA) x \$1,524
= \$137,160

Wastewater: (9000/100) = 90 Units of Demand (100m² GFA) x \$4,785
= \$430,650

Roading: (9000/100) = 90 Units of Demand (100m² GFA) x \$2,529
= \$227,610

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE \$795,420

Notes:

It is assumed for this example the activity is not a special circumstance.

If the underlying allotment in the above example had paid development contributions in the past then the GFA fees would not be applied.

[10.7] Development Contributions Calculation – Example 7 (Non-Residential):
Consider the example of a proposed redevelopment involving the demolition of four existing non-residential buildings established prior to 1 July 2004 and the construction of one new non-residential building. The proposed redevelopment is located in an established area and meets the definition of non-residential brownfield redevelopment. Non-residential brownfield redevelopment generally places negligible increased demand on the capacity of the network infrastructure and therefore does not create additional units of demand.

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE: \$0.

[10.8] Development Contributions Calculation – Example 8 (Non-Residential):
Consider the example of a proposed new 500m² non-residential building. The new building is to be located a recently subdivided 1500m² allotment that paid development contributions based on allotment area at the time of subdivision under the 2007 Development Contributions Policy. The proposed new 500m² building does not create any additional units of demand.

TOTAL DEVELOPMENT CONTRIBUTIONS PAYABLE: \$0.

[11] Guidance Notes

[11.1] Boundary Adjustments/Amalgamations

.1 The Policy does not exempt boundary adjustments or amalgamations from being assessed for development contributions. Boundary adjustments and amalgamations create new lots, but not necessarily additional lots or additional allotment area, through subdivision. Where the new lot and the characteristics of that new lot are determined to **create additional units of demand** then a development contribution will be payable. Each circumstance will be assessed on a case-by-case basis.

.2 One example is where a boundary adjustment or an amalgamation includes land where all or part of that land has not had contributions previously paid on it. Council will, in this instance, assess the contributions payable related to the specific development application.

.3 The measure of a non-residential unit of demand for water, wastewater and roading is per 100m² of allotment area at subdivision or per 100m² GFA at building consent. In determining whether a non-residential boundary adjustment or amalgamation creates additional units of demand, the following matters will be taken into account:

- a) Previous contributions paid;

- b) Whether or not the existing allotment(s) meet the definition of non-residential brownfield redevelopment;
- c) Whether or not the proposed allotment(s) meet the definition of non-residential brownfield redevelopment;
- d) The current or previous level of demand placed on the network infrastructure, reserves and community facilities;
- e) The level of demand the proposed boundary adjustment or amalgamation may place on the network infrastructure, reserves and community facilities;
- f) Whether or not it is more appropriate to levy development contributions at the building consent stage; and
- g) Any other matters Council considers relevant.

[11.2] Past Contributions and Determining an Existing Unit of Demand

.1 Past contributions will be taken into account in assessing new units of demand. It is incumbent on the applicant to provide the necessary information, where possible, to show contributions have been paid on a particular development. Where past contributions can be validated, what these cover in terms of units of demand under the new Policy, and how they apply to new developments, will depend on the original intent of the contribution or agreement at that time. As the new Policy is different in methodology and application to the previous policy there will need to be an assessment made by Council officers on a case-by-case basis.

.2 Where it is proven a past contribution has not been paid on a proposed development, and that development creates a unit of demand as defined in the Policy, then a development contribution will be assessed accordingly.

.3 One example is where no past contribution has been paid on a vacant lot and where an applicant now proposes to build a house or further subdivide the lot. An existing vacant lot does not necessarily mean that there is an existing unit of demand. A determination, by staff on the application, will assess if past contributions were paid and what they covered, and if they were not paid what units of demand the particular proposed development now creates, if any.

.4 Where a site is deemed to have existing units of demand:

- a) Only present or past site coverage or equivalent household units legally established under the RMA or and or the Building Act will be counted as an existing unit(s) of demand; and

- b) Only site coverage or equivalent household units currently connected, or connected in the past, to Council's integrated network will be counted towards units of demand for water or wastewater.

[11.3] Granting consents does not assume that final contributions payment has been made

A development contribution can be levied either at the subdivision, building or service connection consent stage. Having a development contribution levied upon the granting of consent does not assume final payment. Under the Policy, payment of contributions is required prior to the issue of either: the 224 certificate (for subdivision), the code compliance certificate or certificate of acceptance (for building consent), or service connection. As such, full and final payment of development contribution charges on a specific development will not be assumed until one of these criteria has been met

[11.4] Development contributions on overlapping consents and future subdivision applications

In the case where two or more overlapping consent applications are being processed simultaneously in the same development area, full contributions (under whatever contribution regime existed at that time) will be levied on both applications until full payment has been received for one or the other as explained above. Once payment has been received for one of the two consents concerned, all contributions applicable to future subdivision applications will be revised to include those contributions already paid.

[12] Glossary of Terms

Accommodation Motel has the same meaning as Accommodation Motel in the Palmerston North City District Plan

"means land and/or buildings used for transient residential accommodation and includes the provision of playgrounds, spa pools and swimming pools. It does not include restaurants, bars or conference facilities".

Accessory Building has the same meaning as accessory building in the Palmerston North City District Plan:

"means a building not being part of the principal building, the use of which is incidental to that of any other building or buildings on the site. In the case of a site on which no building has been erected, it is a building incidental to the use of the principal building permitted on the site. This includes a garage, carport, tool shed, playroom, recreation room, glasshouse, shipping container, swimming pool, spa pool and sleepout."

Activity means a good or service provided by, or on behalf of, a local authority or a council-controlled organisation; and includes—

- (a) the provision of facilities and amenities; and
- (b) the making of grants; and
- (c) the performance of regulatory and other governmental functions.

Allotment has the meaning given to it in section 218(2) of the Resource Management Act 1991, and for the purposes of the development contributions policy only, excludes allotments to be vested with Council as roads.

Allotment Area is the total land area of an allotment, and for the purposes of the development contributions policy only, excludes 'limited development land' as defined in the Palmerston North City District Plan when applying units of demand to stormwater and local reserves only. It does include 'limited development land' where resource consent or building consent is obtained to develop 'limited development land'.

Applicant is the person/persons that apply for resource consent, building consent or service connection.

Asset Management Plan means Council documents that outline how the Council will manage and provide infrastructure assets.

Balance Lot means a remaining allotment not yet intended for development that will be developed at a later date.

Brownfield Redevelopment means further development of sites that are developed at or over 40% site coverage, or were at some time in the past, provided the buildings located on the site were established prior to 1 July 2004, and specifically includes:

- further subdivision of the site;
- alterations and additions to existing buildings; and
- the demolition of existing buildings and construction of new buildings.

Catchment means the area served by particular infrastructure.

Capital Expenditure means the cost council expect to incur to provide infrastructure assets for the running of network infrastructure, reserves and community infrastructure.

Community Facilities means reserves, network infrastructure, or community infrastructure for which development contributions may be required in accordance with section 199 of the Local Government Act 2002.

Community Infrastructure means the following assets when owned, operated, or controlled by a territorial authority:

- (a) community centres or halls for the use of a local community or neighbourhood, and the land on which they are or will be situated;
- (b) play equipment that is located on a neighbourhood reserve; and
- (c) toilets for use by the public.

Community Outcomes, in relation to a district or region, — means the outcomes that a local authority aims to achieve in meeting the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions.

Connected Equivalent Household Unit means an equivalent household unit with an existing unit of demand with direct access to a service connection.

Consent Holder is the person/persons that are the applicants to which resource consent, building consent or service connection was granted.

Development means

- (a) any subdivision, building (as defined in section 8 of the Building Act 2004), land use, or work that generates a demand for reserves, network infrastructure, or community infrastructure; but
- (b) does not include the pipes or lines of a network utility operator.

Development agreement means a voluntary contractual agreement made under sections 207A to 207F between 1 or more developers and 1 or more territorial authorities for the provision, supply, or exchange of infrastructure, land, or money to provide network infrastructure, community infrastructure, or reserves in 1 or more districts or a part of a district.

Development Contribution means a contribution -

- (a) provided for in a development contribution policy of a territorial authority; and
- (b) calculated in accordance with the methodology; and
- (c) comprising-
 - (i) money; or
 - (ii) land, including a reserve or esplanade reserve other than in relation to a subdivision consent), but excluding Maori land within the meaning of Te Ture Whenua Maori Act 1993, unless that Act provides otherwise; or
 - (iii) both.

Development Contribution Areas relate to defined indicative geographical areas to which a development contribution is applicable in relation to the service catchments within those areas for network infrastructure, community infrastructure and reserves.

Development contribution objection means an objection lodged under clause 1 of Schedule 13A of the LGA02 against a requirement to make a development contribution.

Development Contribution Policy means the policy on development contributions adopted under section 102(1) of the LGA02.

District means the district of a territorial authority.

Equivalent Household Unit has the same meaning as Dwelling and Dwelling Unit in the Palmerston North City Council District Plan.

"means any self-contained building or structure, or part thereof, that is used (or intended to be used) for a single household, and which is generally not available for public use".

Financial Contribution has the same meaning as financial contributions in s108(9)(a)-(c) of the Resource Management Act 1991.

Goods and Services Tax (GST) means goods and services tax under the Goods and Services Tax Act 1985 or any legislation substituted for the same.

Greenfield Areas are defined as those areas where building capacity exists on the perimeter of the city. Where land is zoned residential or industrial and has capacity to provide for future development it is considered a Greenfield site. Three defined Greenfield areas for the purposes of Development Contributions Policy are Kelvin Grove (including the Whakarongo Residential Area) Aokautere and North East Industrial Zone areas.

Gross Floor Area (GFA) has the same meaning as Gross Floor Area in the Palmerston North City District Plan:

"Is the sum of the gross area of all floors of all buildings on a site, measured from the exterior faces of the exterior walls, or from the centre lines of walls separating two buildings.

In particular, gross floor area includes:

- (a) Elevator shafts, stairwells, and lobbies at each floor;
- (b) Floor space in interior balconies and mezzanines;
- (c) All other floor space not specifically excluded.

The gross floor area of a building shall not include:

- (1) Uncovered stairways;
- (2) Floor space in terraces (open or roofed), external balconies, breezeways, porches;
- (3) Roof vehicle parking, lift towers and machinery rooms on the roof, having a floor area of not more than 200 m²;
- (4) Public thoroughfare areas in malls (this does not include food-court areas);
- (5) Areas used exclusively for fire egress;
- (6) Switchboard areas / Plant rooms;
- (7) Public Toilets".

LGA02 means the Local Government Act 2002 or any legislation substituted for the same.

Limited Development Land has the same meaning as *Limited Development Land* in the *Palmerston North City District Plan*:

"means any land in Aokautere which is not identified as developable land in Map 10.1 of the District Plan."

Local Authority means a regional council or territorial authority.

Massey University – Turitea Campus means land that is occupied by Massey University whether leasehold or freehold that is zoned Institutional within the Palmerston North City District Plan.

Methodology has the same meaning as methodology in s197 of the Local Government Act 2002.

Communal Residential Development means any form of residential development that does not meet the definition of an *equivalent household unit*.

Network Infrastructure means the provision of roads and other transport, water, wastewater, and stormwater collection and management.

Non-Residential Development means any activity in a non-residentially zoned area, excluding the rural zone, or where the predominant activity is not residential or rural.

Prepared Food & Beverage Outlet means a business primarily engaged in the preparation and serving of food and beverages for immediate consumption and without limiting the generality of this term includes takeaway food outlets and restaurants.

Remaining Lot means an allotment created as part of a new subdivision that remains with or provides for an existing building located on the original allotment.

Residential Development means any activity in a residentially zoned area or where the predominant activity is not non-residential or rural.

Retirement Village has the same meaning as Retirement Village in the Palmerston North City District Plan:

"means a comprehensive development which may include housing, recreational, welfare, and medical facilities which is intended principally or solely for retired persons or people with disabilities".

RMA 1991 means the Resource Management Act 1991.

Rural Development means any activity in a rural zoned area or where the predominant activity is not non-residential or residential.

Schedule of Development Contributions means the schedule to the council's development contributions policy required by section 201 of the LGA02 and setting out the information required by section 202, namely:

- the contributions payable in each district in respect of reserves, network infrastructure and community infrastructure
- the events giving rise to the requirement for development contribution
- specified by district and by activity.

Service Catchment means a catchment defined by reference to the characteristics of the service and the common characteristics of the geographical area (for example stormwater catchments).

Service Connection means a physical connection to a service provided by, or on behalf of, a territorial authority.

Service Station has the same meaning as Service Station in the Palmerston North City District Plan.

"means a business primarily engaged in the fueling of motor vehicles. This may also include mechanical repairs and servicing of motor vehicles. Retail sales for the convenience of the traveling public may also be included, provided such sales remain incidental and ancillary to the principal use of fueling motor vehicles."

Site Coverage has the same meaning as Site Coverage in the Palmerston North City District Plan:

"means that portion of the net site area, expressed as a percentage, which may be covered by all buildings and storage space, including eaves, balconies and verandas in excess of 0.6 of a metre in width, but excluding uncovered swimming pools, decks of 0.5 of a metre in height or less, and ramps of 0.5 of a metre in height or less with handrails of an additional 0.9 of a metre in height or less. Where no garage is shown at the construction of a dwelling, an allowance for a garage of 18 m² will be added to the total building coverage."

Subdivision has the same meaning as Section 218 of the Resource Management Act 1991.

Third Party Funds means funding or subsidy, either in full or in part, from a third party.

Unit of Demand means measure of demand for community facilities.

Wet Industry means any activity which seeks to use water or discharge wastewater at a rate exceeding 25m³ /ha/day (or per area equivalent).

Wind Farm means wind turbines (other than a Domestic Wind Turbine and Microscale wind turbine) used to generate energy from the wind, and includes:

- turbines, including support pylons or towers
- ancillary buildings and structures including substations, maintenance building and communications equipment

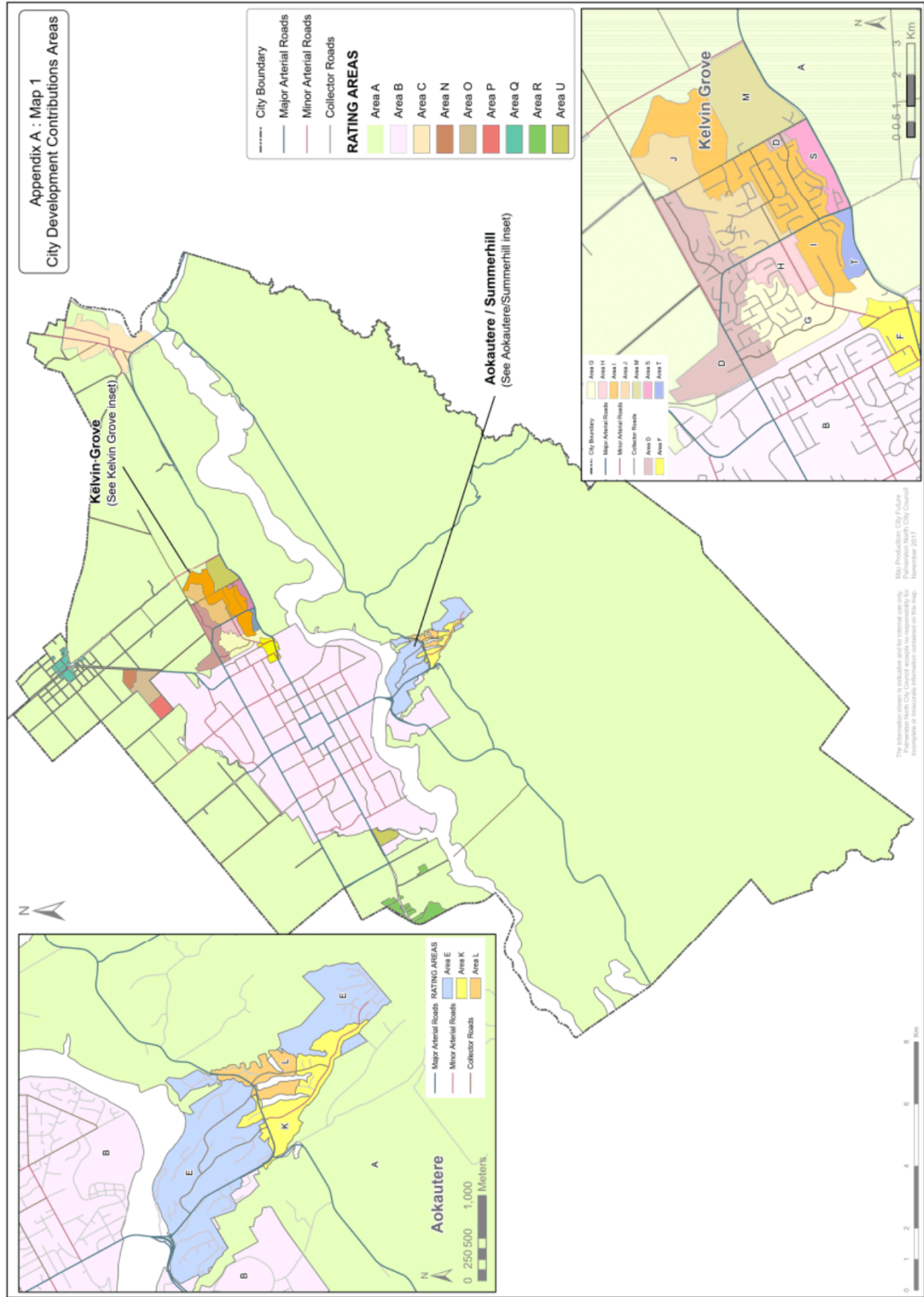
A Wind Farm excludes transmission lines and infrastructure associated with transmission lines.

[13] Schedule of Assets For Which Development Contributions Will Be Used (Planned programmes)

To be inserted

Schedule of Assets For Which Development Contributions Will Be Used (Back works)

To be inserted



Appendix B

Refund of development contributions

209 Refund of money and return of land if development does not proceed

[1] A territorial authority must refund or return to the consent holder or to his or her personal representative a development contribution paid or land set aside under this subpart if—

- (a) the resource consent—
 - (i) lapses under section 125 of the Resource Management Act 1991
- ; or
- (ii) is surrendered under section 138 of that Act; or
- (b) the building consent lapses under section 52 of the Building Act 2004; or
- (c) the development or building in respect of which the resource consent or building consent was granted does not proceed; or
- (d) the territorial authority does not provide the reserve, network infrastructure, or community infrastructure for which the development contribution was required.

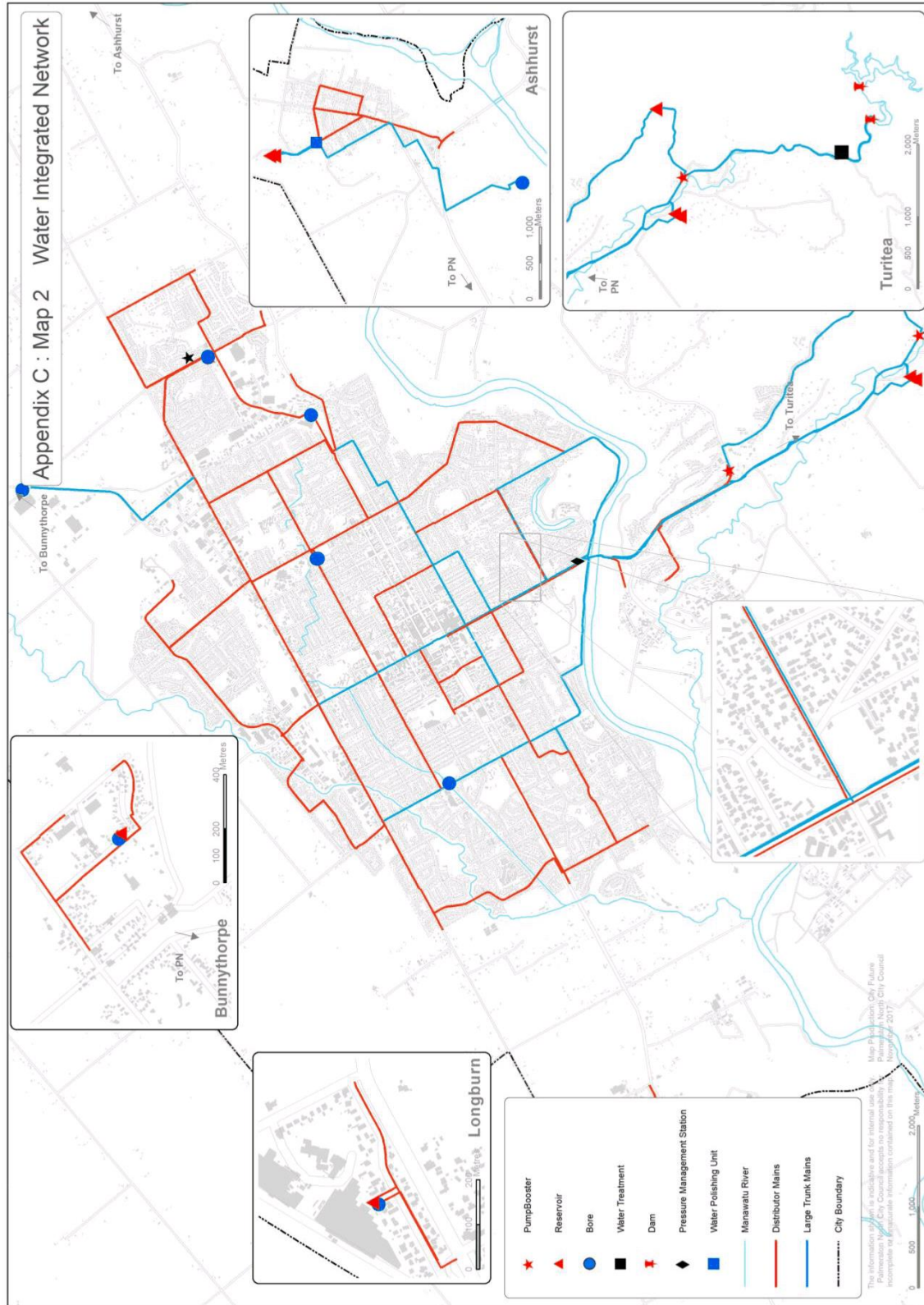
[2] A territorial authority may retain any portion of a development contribution or land referred to in subsection (1) of a value equivalent to the costs incurred by the territorial authority in relation to the development or building and its discontinuance.

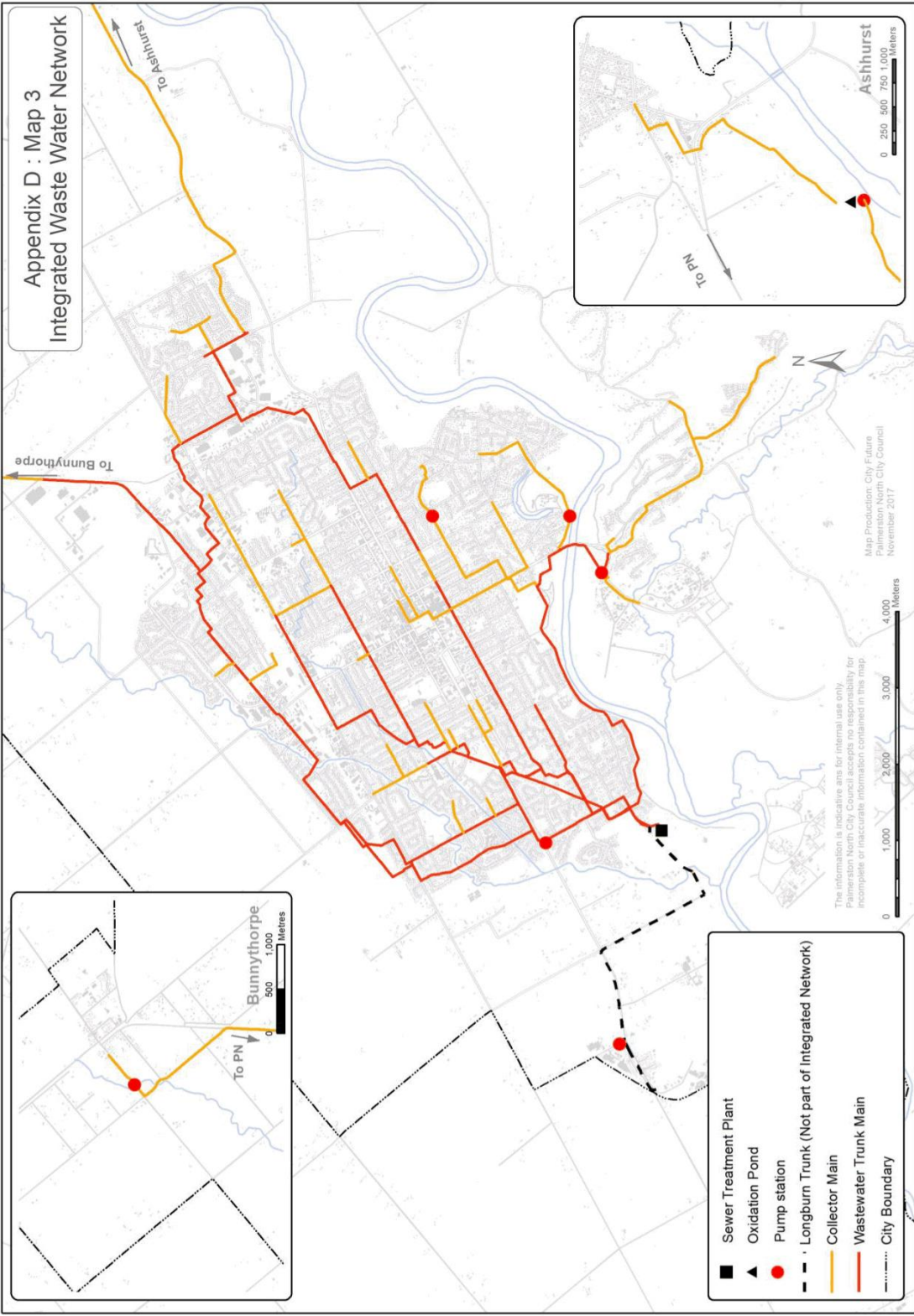
210 Refund of money or return of land if not applied to specified reserve purposes

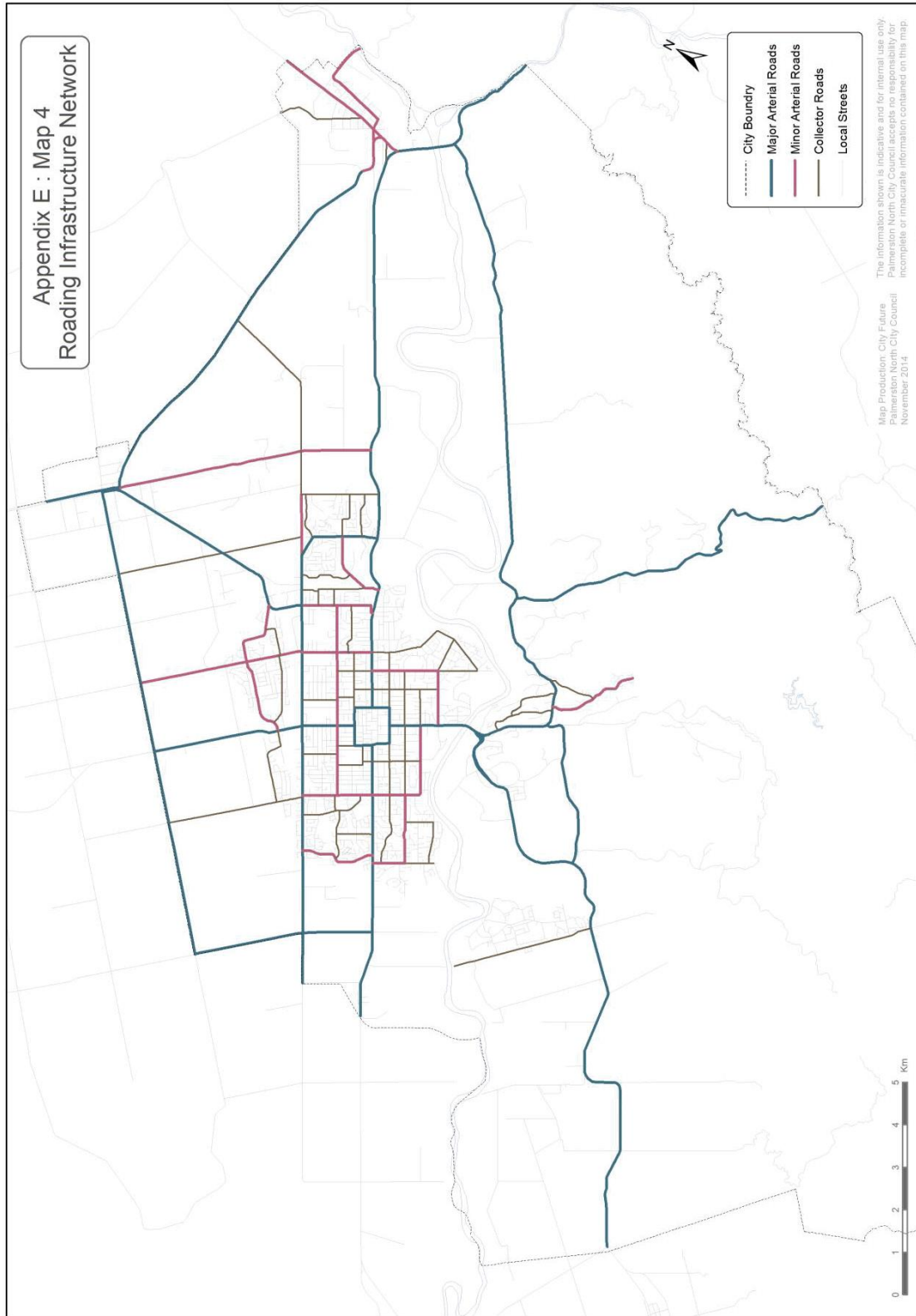
[1] If a development contribution has been required for a specified reserve purpose, a territorial authority must—

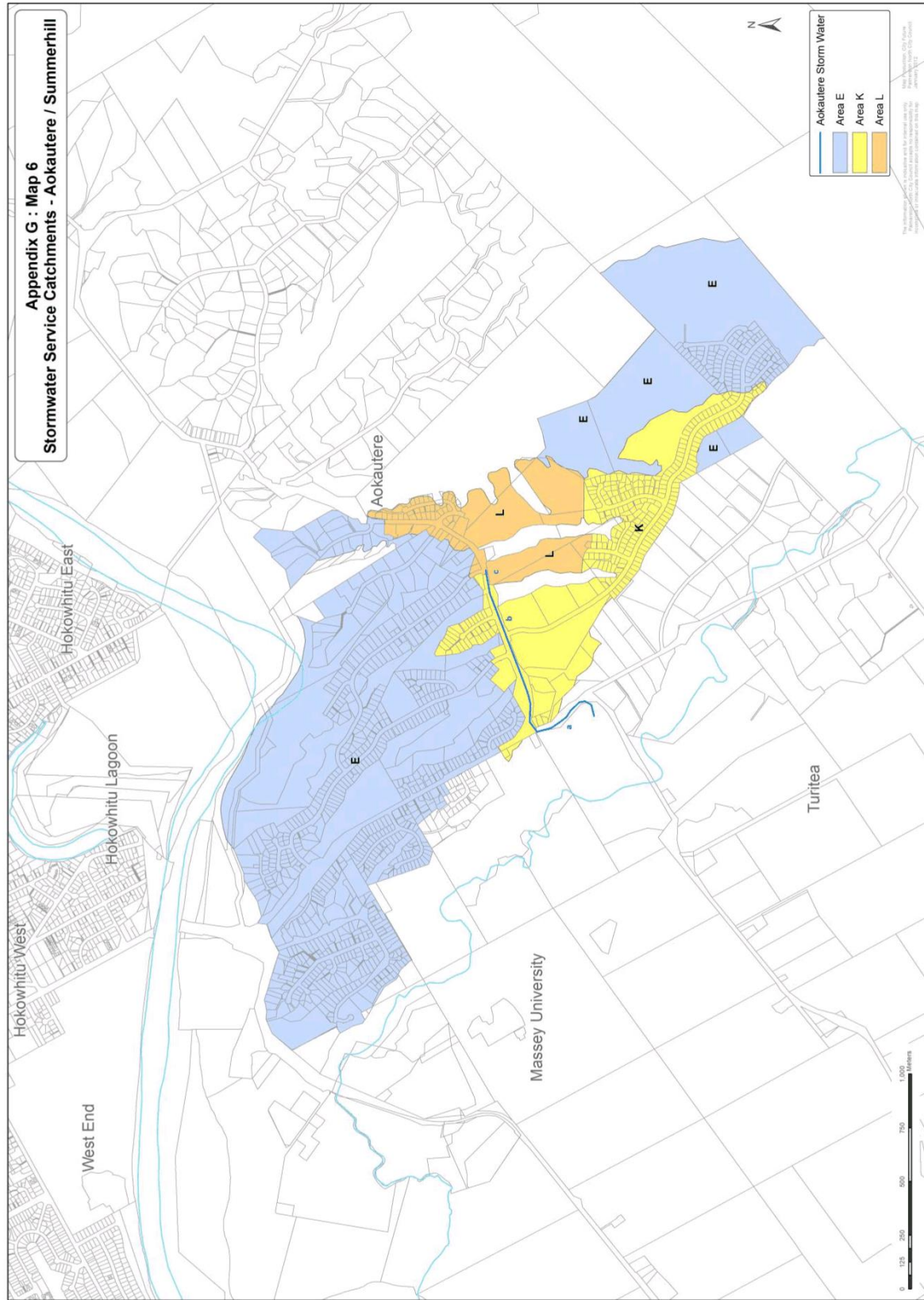
- (a) refund money received for that purpose, if the money is not applied to that purpose within 10 years after the authority receives the money or other period specified in the development contribution policy; or
- (b) return land acquired for the specified reserve purpose, if the authority does not use the land for that purpose within 10 years after the authority acquires the land or other period agreed by the territorial authority and the person who paid the development contribution.

[2] A territorial authority may retain part of the money or land referred to in subsection (1) of a value equivalent to the costs of the authority in refunding the money or returning the land.

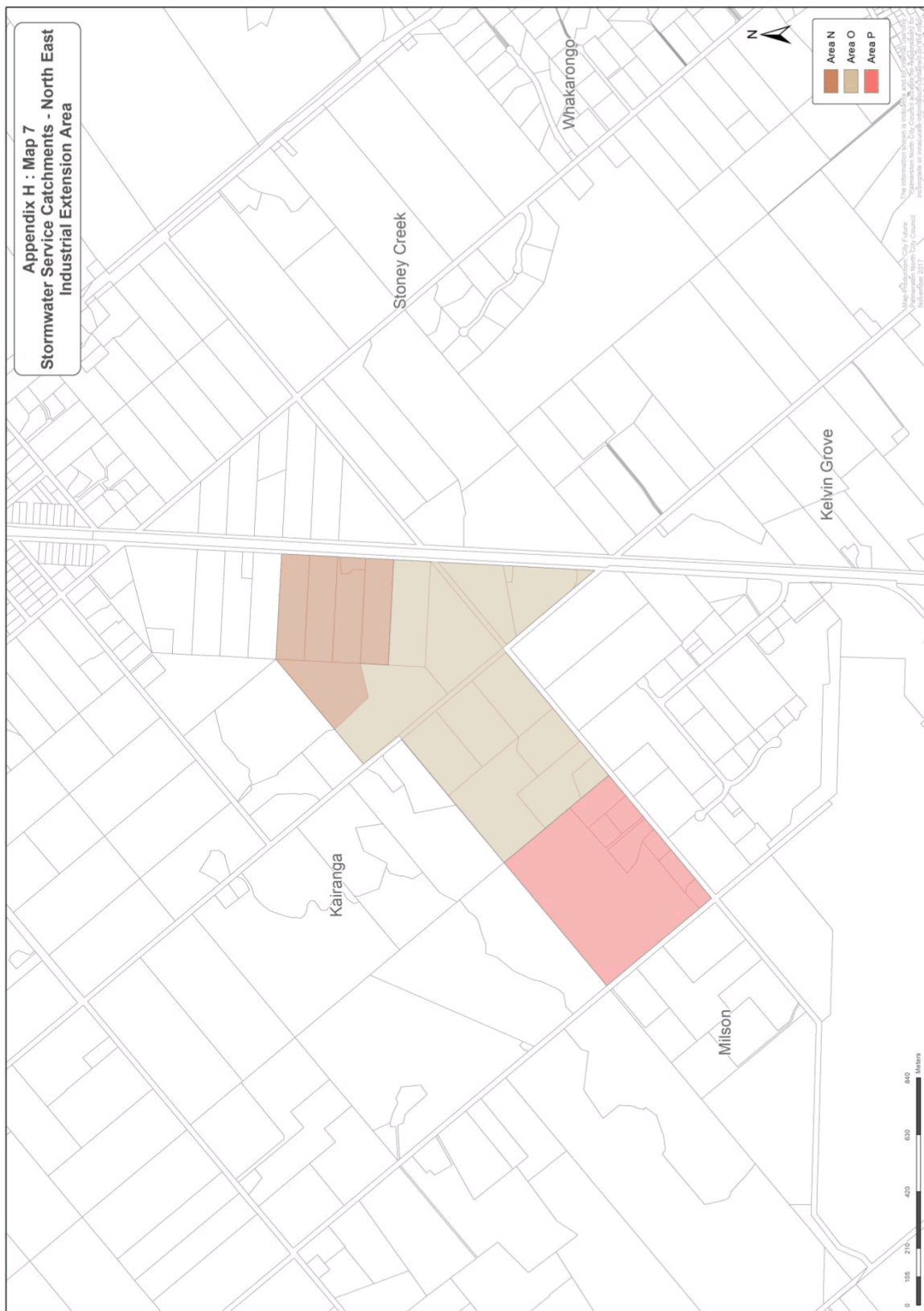






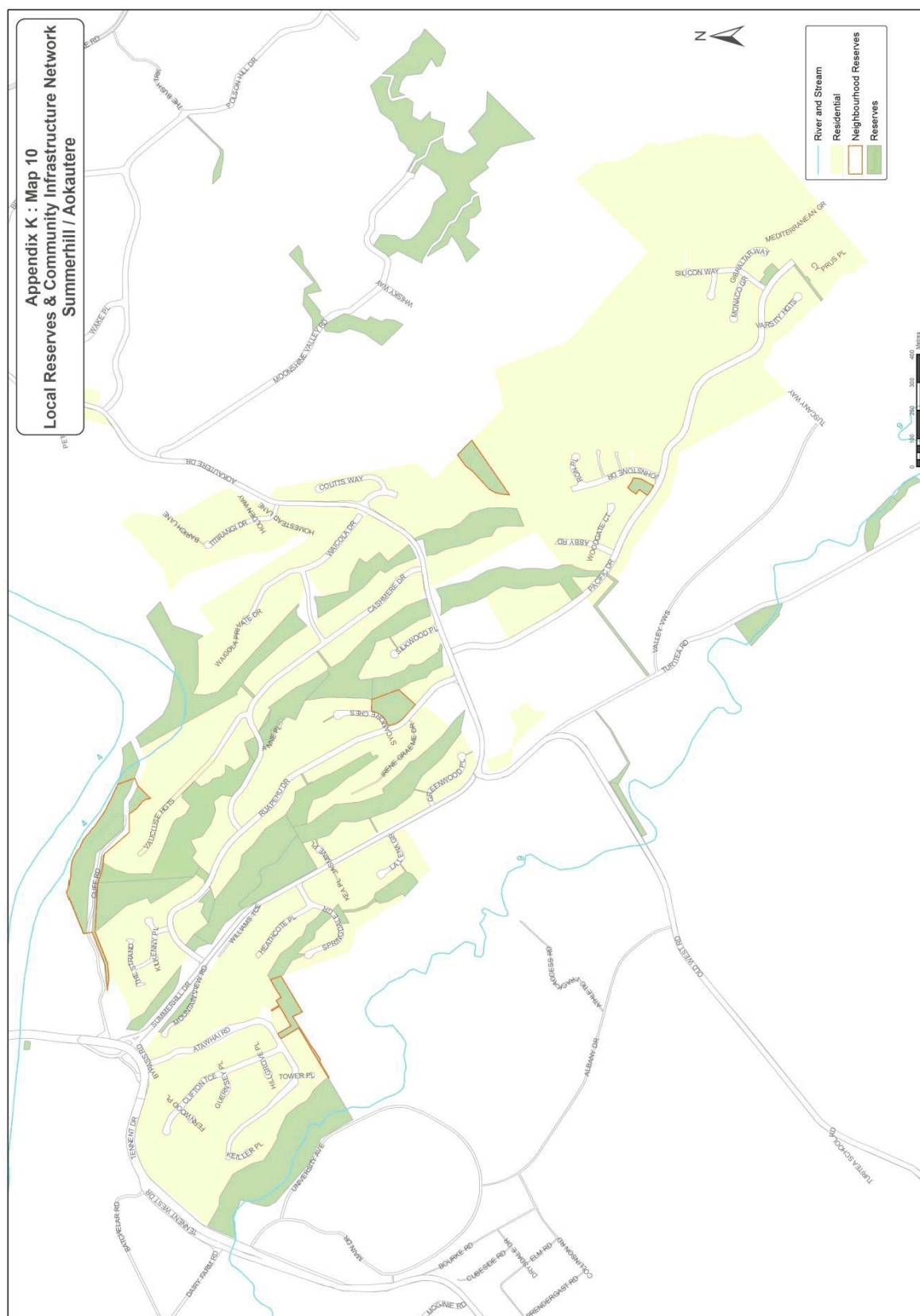


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Financial Overview and Statements

FORECAST FINANCIAL STATEMENTS

The Council's 10 Year Plan covers the period 1 July 2021 to 30 June 2031. It incorporates operating and capital expenditure for the period for the core Council entity - consolidated statements have not been prepared to include subsidiaries. In this section financial information is provided at a summary level, but more detailed information for each activity and group of activities is included throughout the document.

The financial information contained in the 10 Year Plan is a forecast for the purposes of Public Benefit Entity (PBE) Financial Reporting Standard (FRS) 42. This information may not be appropriate for purposes other than those described. It has been prepared on the basis of assumptions (refer to Significant Forecasting Assumptions in section 3) about future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take, as at the date the forecast was prepared. The actual results are likely to vary from the information presented and may vary materially depending on the circumstances that arise during the period. The 10 Year Plan has been prepared in accordance with generally accepted accounting practice and the Council's accounting policies are outlined in section 3. The policies incorporate the latest PBE accounting standards and the changes have had no material effect.

The Funding Impact Statements in section 3 have been prepared in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. The regulations are not consistent with generally accepted accounting practice.

Rates revenue is included net of any remissions granted under the Council's Rates Remission Policy. Remissions of \$0.25 million per annum have been assumed.

Legislation states that councils are required to operate a 'balanced budget' i.e. income must equal or exceed expenditure (and expenditure must include non-cash items such as depreciation). However if a council determines that it is prudent not to have a 'balanced budget' (i.e. an operating surplus is not required), it must make a formal decision to that effect. The decision must be a prudent one and have included consideration of levels of service and useful lifespan of assets. There are grounds for not having a surplus every year to avoid building up unnecessary cash reserves. Council's asset management plans ensure the Council is appropriately planning for renewals and its financial strategy is to make adequate financial provision to fund renewals from rates revenue. Council is making provision to fund between \$20 million and \$30.9 million per annum for capital renewals throughout the 10 years of the Plan.

The Council's Prospective Statement of Comprehensive Revenue and Expense (next page) shows that after including capital revenue of between \$15.4m and \$51.2 million p.a. there is a surplus of between \$5.2 million and \$55.8 million p.a. projected throughout the 10 years of the Plan. Council interprets the position to mean it is projected to have a 'balanced budget' throughout this period.

These forecast financial statements were authorised for issue by Palmerston North City Council on 25 June 2021.

Palmerston North City Council is responsible for these forecast financial statements, including the appropriateness of the assumptions underlying the forecast financial statements and all other disclosures.

Because the figures are rounded to the nearest thousand dollars, it may appear that they do not add up, but the total represents the sum of the individual forecast amounts.

For a detailed view of forecasted revenue and expenses, including a proposed schedule of programmes, see the Council's Activities – How we are planning to get there – in section 2 of this Plan.

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PROSPECTIVE STATEMENT OF CASH FLOWS

Budget 2020/21	10 YP 2021/22	10 YP 2022/23	10 YP 2023/24	10 YP 2024/25	10 YP 2025/26	10 YP 2026/27	10 YP 2027/28	10 YP 2028/29	10 YP 2029/30	10 YP 2030/31
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Operating Activities										
Cash Provided										
100,782	107,974	116,885	126,374	138,173	153,330	163,252	170,714	177,570	182,231	187,832
17	17	17	17	17	17	17	17	17	17	17
Dividends										
3,395	4,817	4,967	5,445	5,892	5,662	6,011	6,186	6,366	6,552	6,742
28,730	30,329	31,795	32,726	34,223	35,331	36,466	38,072	39,182	40,019	41,003
7,321	11,307	14,467	23,062	21,303	21,020	25,173	31,653	38,288	38,330	13,751
1,891	2,090	2,588	3,249	5,327	7,463	9,903	10,214	10,449	10,863	10,998
Cash Disbursed										
(5,557)	(5,124)	(6,809)	(8,150)	(11,093)	(15,545)	(19,946)	(22,420)	(23,133)	(23,950)	(24,181)
(101,756)	(109,984)	(113,713)	(120,905)	(129,526)	(133,335)	(137,132)	(139,518)	(143,785)	(146,327)	(151,112)
34,822	41,426	50,196	61,819	64,316	73,943	83,744	94,918	104,954	107,735	85,050
Investing Activities										
Cash Provided										
-	5,000	3,075	7,826	7,502	-	-	-	-	-	-
Cash Disbursed										
(70,466)	(98,213)	(102,208)	(118,779)	(234,621)	(233,260)	(243,003)	(116,835)	(130,400)	(142,566)	(68,919)
(70,466)	(93,213)	(99,133)	(110,953)	(227,119)	(233,260)	(243,003)	(116,835)	(130,400)	(142,566)	(68,919)
Financing Activities										
Cash Provided										
35,643	51,787	48,937	49,135	162,801	159,314	159,259	21,916	25,446	34,831	-
Cash Disbursed										
-	-	-	-	-	-	-	-	-	-	(16,131)
35,643	51,787	48,937	49,135	162,801	159,314	159,259	21,916	25,446	34,831	(16,131)
- Net Increase / (Decrease)										
679	1,279	1,279	1,279	1,279	1,281	1,284	1,284	1,284	1,284	1,284
679	1,279	1,279	1,279	1,281	1,284	1,284	1,284	1,284	1,284	1,284
679 CASH AT YEAR END										

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2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
2,500	2,750	2,800	2,850	2,900	2,950	3,000	3,050	3,100	3,150	3,200
Rates revenue shown above includes the following amounts for metered water revenue										

Activity Financial Statements**Whole of Council**Budget
2020/21

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
<u>Innovative & Growing City</u>										
4,088	6,049	6,200	6,343	6,483	6,626	6,771	6,920	7,073	7,228	7,387
727	1,136	1,164	1,191	1,217	1,244	1,272	1,300	1,328	1,357	1,387
<u>Creative & Exciting City</u>										
1,332	2,812	3,196	3,276	3,358	3,442	3,525	3,613	3,707	3,803	3,895
98	96	98	100	103	105	107	110	112	115	118
<u>City Shaping</u>										
<u>Connected & Safe Community</u>										
4,494	4,969	5,095	5,252	5,372	5,496	5,619	5,748	5,881	6,018	6,153
781	866	887	908	928	948	969	990	1,012	1,034	1,057
<u>Safe Communities</u>										
<u>Eco-City</u>										
-	-	-	-	-	-	-	-	-	-	-
<u>Climate change mitigation and adaption</u>										
-	-	-	-	-	-	-	-	-	-	-
<u>Environmental sustainability</u>										
-	-	-	-	-	-	-	-	-	-	-
<u>Manawatu River</u>										
-	10	11	11	11	11	12	12	12	13	13
2,697	3,070	3,232	3,409	3,558	3,661	3,764	3,884	4,012	4,148	4,277
<u>Resource Recovery</u>										
<u>Transport</u>										
6,840	8,836	9,144	9,678	10,231	10,111	10,572	10,862	11,160	11,466	11,781
204	1,345	1,334	1,429	1,470	1,513	1,557	1,602	1,648	1,696	1,745
37	95	98	101	374	106	109	113	117	121	124
1,336	1,201	1,243	1,276	1,528	1,797	2,078	2,621	2,707	2,799	2,886
2	6	6	6	7	7	7	7	7	8	8
<u>Stormwater</u>										
<u>Driven & Enabling Council</u>										
1,186	220	360	231	236	385	246	252	411	263	269
427	401	410	419	428	437	446	456	465	475	485
3,897	4,051	4,298	4,558	4,828	5,120	5,438	5,785	5,912	6,042	6,175
<u>Organisational performance</u>										
<u>Strategic Investments</u>										
28,146	35,163	36,779	38,189	40,132	41,009	42,494	44,275	45,565	46,587	47,762
Total Revenue										

ExpensesInnovative & Growing City

8,791	9,493	9,902	9,896	10,222	10,133	10,369	10,546	10,821	10,991	11,270
4,547	4,993	5,169	5,414	5,535	5,660	5,789	5,918	6,044	6,173	6,303
<u>Economic Development</u>										
<u>Creative & Exciting City</u>										
20,360	19,424	20,215	21,102	21,817	22,281	20,809	21,278	22,129	22,574	23,324
<u>Active Communities</u>										

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8,482	Arts and Heritage	8,587	8,826	9,323	9,647	10,083	10,513	10,999	12,028	13,638	14,761
370	City Shaping	650	899	1,222	1,484	1,702	1,930	2,170	2,436	2,584	2,608
	<u>Connected & Safe Community</u>										
22,154	Connected Communities	22,493	23,940	25,368	26,589	25,700	26,261	26,776	26,802	27,870	28,432
2,115	Safe Communities	2,309	2,576	2,699	2,765	2,802	2,860	2,923	2,983	3,048	3,116
	<u>Eco-City</u>										
	Climate change mitigation and adaption	7	41	123	140	138	137	135	133	132	130
701	Environmental sustainability	878	880	919	916	970	1,018	1,048	1,084	1,120	1,152
1,141	Manawatu River	1,382	1,683	2,090	2,079	2,186	2,264	2,346	2,497	2,537	2,589
7,801	Resource Recovery	8,385	9,132	9,341	9,952	10,855	11,130	11,606	12,365	12,654	13,150
	<u>Transport</u>										
24,978	Roading	25,578	27,358	29,864	31,628	31,132	27,876	29,287	30,589	33,044	40,721
5,187	Active and Public Transport	6,112	6,499	7,237	7,734	8,220	8,524	8,776	9,065	9,370	9,627
8,164	Water	8,939	9,402	10,007	10,939	10,421	11,156	11,599	12,179	12,277	12,366
10,623	Wastewater	11,832	12,349	13,553	19,124	30,829	35,925	40,410	40,147	40,662	41,017
4,015	Stormwater	4,401	4,794	5,300	7,309	5,833	6,807	7,023	7,145	8,307	8,424
	<u>Driven & Enabling Council</u>										
10,562	Governance and Active Citizenship	9,440	9,520	9,980	10,429	9,723	9,803	9,957	10,389	10,452	10,601
3,092	Organisational performance	2,239	866	991	1,157	1,107	1,088	1,056	1,051	1,046	1,052
4,662	Strategic Investments	6,174	6,530	7,068	7,389	7,432	7,802	8,055	8,217	8,404	8,595
147,742	Total Expenses	153,318	160,580	171,495	186,857	197,207	202,062	211,905	218,104	226,881	239,239

119,596	NET OPERATING COST OF ACTIVITY GROUPS	118,154	123,801	133,307	146,725	156,198	159,569	167,630	172,539	180,293	191,477
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Rating Requirement

(40,430)	Less Depreciation	(38,210)	(40,058)	(42,440)	(46,239)	(48,328)	(44,985)	(49,968)	(51,186)	(56,604)	(63,946)
(4,087)	Less Transfers To/(From) Reserves	(2,675)	(2,016)	(2,298)	(2,769)	2,047	2,039	1,522	1,229	855	323
19,955	Plus Net Capital Renewal (3 Year Average)	25,262	28,472	29,748	30,701	29,394	28,285	28,599	30,149	30,815	30,921
5,748	Plus Debt Repayment	5,443	6,685	8,059	9,755	14,020	18,345	22,932	24,840	26,873	29,058
100,782	RATES REQUIREMENT	107,974	116,885	126,375	138,173	153,331	163,253	170,715	177,571	182,231	187,833
1.9%		7.1%	8.3%	8.1%	9.3%	11.0%	6.5%	4.6%	4.0%	2.6%	3.1%

Capital Expenditure**Capital Renewals**

	Innovative & Growing City										
-	City Growth	-	-	-	-	-	-	-	-	-	-
300	Economic Development	536	221	1,018	178	851	408	463	215	576	1,138
	<u>Creative & Exciting City</u>										

3,260	Active Communities	3,637	4,297	4,370	3,922	4,882	3,900	4,148	3,601	3,853	3,789
555	Arts and Heritage	885	627	437	540	537	414	395	304	397	188
	City Shaping										
	<u>Connected & Safe Community</u>										
2,245	Connected Communities	2,713	2,706	2,531	3,259	3,005	2,315	3,160	2,852	2,931	2,610
31	Safe Communities	100	513	94	118	99	101	126	105	108	110
	<u>Eco-City</u>										
-	Climate change mitigation and adaption	-	-	-	-	-	-	-	-	-	-
-	Environmental sustainability	-	-	-	-	-	-	-	-	-	-
-	Manawatu River	307	338	168	88	337	380	193	58	161	348
176	Resource Recovery	375	432	432	850	844	643	1,028	842	1,076	1,857
	<u>Transport</u>										
4,579	Roading	4,473	4,831	5,289	6,268	7,387	8,381	8,892	9,176	9,470	9,781
1,034	Active and Public Transport	1,050	1,083	1,115	1,412	1,453	1,495	1,542	1,599	1,645	2,017
3,277	<u>Water</u>	3,478	4,925	5,257	7,579	6,134	4,708	4,302	4,096	3,887	4,295
3,642	<u>Wastewater</u>	3,191	4,459	4,065	6,683	4,548	5,777	4,810	5,921	5,669	7,221
860	<u>Stormwater</u>	875	818	1,136	960	887	808	833	861	890	918
	<u>Driven & Enabling Council</u>										
	Governance and Active Citizenship										
2,009	Organisational performance	2,315	2,079	1,773	1,853	1,329	1,813	1,683	1,214	1,379	1,434
1,743	Strategic Investments	2,273	2,882	2,538	3,045	3,166	3,603	3,299	2,238	4,193	3,973
23,711	Total Capital Renewals	26,206	30,210	30,222	36,756	35,457	34,746	34,874	33,083	36,234	39,678
	Capital New										
	<u>Innovative & Growing City</u>										
-	City Growth	-	-	-	-	-	-	-	-	-	-
-	Economic Development	15	7	77	16	-	-	17	-	-	-
	<u>Creative & Exciting City</u>										
17,925	Active Communities	2,419	3,782	4,211	3,972	2,080	3,705	1,887	10,014	10,365	1,148
2,078	Arts and Heritage	600	6,162	4,632	6,474	4,424	9,117	8,184	35,730	37,271	2,628
71	City Shaping	2,974	4,411	4,365	3,304	1,915	3,223	4,303	787	-	-
	<u>Connected & Safe Community</u>										
6,151	Connected Communities	15,837	4,771	883	4,463	3,383	181	337	545	2,635	200
300	Safe Communities	2,750	-	-	-	-	-	-	-	-	-
	<u>Eco-City</u>										
	Climate change mitigation and adaption	500	769	1,049	-	-	-	-	-	-	-
82	Environmental sustainability	145	149	152	545	503	119	122	457	128	131
	Manawatu River	2,644	4,060	1,427	582	1,002	708	1,731	119	122	1,116

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246	Resource Recovery	753	413	519	1,428	1,981	228	8,027	206	314	213
	Transport										
5,870	Roading	18,471	17,340	20,626	23,284	27,722	33,460	32,331	32,869	43,730	9,833
3,195	Active and Public Transport	5,420	8,432	13,760	12,394	6,691	7,716	10,711	10,786	7,941	8,892
5,906	Water	7,193	10,303	8,578	11,910	17,188	13,619	6,410	553	547	328
2,813	Wastewater	4,736	5,884	22,600	124,388	126,640	132,424	1,087	2,906	1,161	3,360
1,761	Stormwater	6,203	4,647	4,267	3,235	2,143	2,702	5,851	1,537	1,653	918
	Driven & Enabling Council										
155	Governance and Active Citizenship										
16	Organisational performance	836	570	583	1,025	1,376	284	288	119	119	122
185	Strategic Investments	511	296	827	846	755	771	674	689	345	353
46,754	Total Capital New	72,007	71,998	88,557	197,865	197,802	208,258	81,960	97,317	106,332	29,241

70,466	Total Capital Expenditure	98,213	102,208	118,779	234,621	233,260	243,003	116,835	130,400	142,566	68,919
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Funded By

2,705	External Revenue Renewal	2,741	2,926	3,250	3,787	4,366	4,938	5,221	5,392	5,562	5,907
4,616	External Revenue New	8,566	11,541	19,812	17,516	16,654	20,235	26,432	32,896	32,768	7,844
1,891	Development Contributions	2,090	2,588	3,249	5,327	7,463	9,903	10,214	10,449	10,863	10,998
19,955	Rates	25,262	28,472	29,748	30,701	29,394	28,285	28,599	30,149	30,815	30,921
41,299	New Borrowing / (Repayment)	54,555	53,606	54,894	169,788	175,383	179,643	46,369	51,514	62,558	13,249
70,466	Total	98,213	102,208	118,779	234,621	233,260	243,003	116,835	130,400	142,566	68,919

Economic Development - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
563 Conference & Function Centre	910	933	954	975	997	1,019	1,041	1,064	1,087	1,111
132 Economic Development	126	129	132	135	138	141	144	147	151	154
31 City Marketing	100	103	105	107	110	112	114	117	119	122
727 Total Revenue	1,136	1,164	1,191	1,217	1,244	1,272	1,300	1,328	1,357	1,387
Expenses										
1,483 Conference & Function Centre	1,697	1,750	1,817	1,862	1,907	1,954	2,001	2,044	2,088	2,132
2,403 Economic Development	2,520	2,583	2,646	2,702	2,759	2,821	2,881	2,941	3,002	3,066
301 International Relations	212	250	256	261	267	272	278	284	290	296
153 City Marketing	363	380	407	416	425	434	444	454	464	474
206 Economic Events	200	205	288	295	301	308	315	322	329	336
4,547 Total Expenses	4,993	5,169	5,414	5,535	5,660	5,789	5,918	6,044	6,173	6,303
3,820 NET OPERATING COST OF ACTIVITY	3,857	4,004	4,223	4,318	4,415	4,517	4,619	4,716	4,815	4,916
Rating Requirement										
(470) Less Depreciation	(470)	(497)	(511)	(524)	(538)	(553)	(568)	(576)	(586)	(594)
325 Plus Net Capital Renewal (3 Year Average)	592	472	682	479	574	362	418	643	684	586
14 Plus Debt Repayment	7	9	9	11	11	12	12	12	13	13
3,690 RATES REQUIREMENT	3,986	3,988	4,403	4,284	4,462	4,338	4,481	4,795	4,926	4,921
Capital Expenditure										
300 Renewal	536	221	1,018	178	851	408	463	215	576	1,138
- New	15	7	77	16	-	-	17	-	-	-
300 Total Capital Expenditure	551	228	1,094	194	851	408	480	215	576	1,138
Funded By										
325 Rates	592	472	682	479	574	362	418	643	684	586
(25) New Borrowing / (Repayment)	(41)	(244)	412	(285)	277	46	62	(427)	(108)	552
300 Total	551	228	1,094	194	851	408	480	215	576	1,138

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Economic Development - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1344-Major Events Fund	0%	100%	200	205	288	295	301	308	315	322	329	336
1480-Sponsorship Opportunities for Council with economic benefits	0%	100%	51	52	54	55	56	57	58	60	61	62
1842-Information Centre - Building Maintenance	0%	100%	30	31	49	50	51	53	54	55	56	57
1983-Conference & Function Centre - Building Maintenance	0%	100%	20	21	43	44	45	46	47	48	49	50
TOTAL			301	309	434	444	454	463	474	484	495	506

Economic Development - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
251-Conference & Function Centre - Replacement of Equipment	0%	100%	36	37	37	38	39	39	39	40	38	39
270-Holiday Park - Renewals	0%	100%	320	-	262	-	131	224	-	23	24	85
664-Conference & Function Centre - Renewals	0%	100%	50	103	629	54	602	56	286	58	418	916
1166-Conference & Function Centre - Equipment Purchases	0%	100%	70	72	73	75	77	78	80	82	84	85
1730-Information Centre - Building Renewals	0%	100%	10	10	16	11	1	11	57	12	12	12
1943-Information Centre Refurbishment	0%	100%	50	-	-	-	-	-	-	-	-	-
TOTAL			536	221	1,018	178	851	408	463	215	576	1,138
Funded by Council (Rates and Borrowing)			536	221	1,018	178	851	408	463	215	576	1,138

Economic Development - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1535-City-wide - Campervan Dump Stations	0%	100%	-	7	77	-	-	-	-	-	-	-
1933-Brand and Marketing Critical Equipment	0%	100%	15	-	-	16	-	-	17	-	-	-
TOTAL			15	7	77	16	-	-	17	-	-	-
Funded by Council (Rates and Borrowing)			15	7	77	16	-	-	17	-	-	-

Active Communities - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
1,018 Central Energy Trust Arena	1,925	1,977	2,026	2,077	2,129	2,180	2,235	2,293	2,352	2,409
40 City Reserves	556	879	901	924	947	970	994	1,020	1,046	1,071
116 Local Reserves	131	135	138	142	145	149	152	156	160	164
57 Sportsfields	120	123	126	129	133	136	139	143	147	150
100 Swimming Pools	80	82	84	86	88	91	93	95	98	100
1,332 Total Revenue	2,812	3,196	3,276	3,358	3,442	3,525	3,613	3,707	3,803	3,895
Expenses										
6,289 Central Energy Trust Arena	6,720	6,851	7,034	7,150	7,207	5,433	5,552	5,769	6,206	6,634
2,743 City Reserves	2,730	2,900	3,063	3,204	3,434	3,517	3,617	3,492	3,635	3,709
4,070 Local Reserves	3,456	3,796	4,119	4,347	4,447	4,552	4,669	4,969	5,011	5,124
3,309 Sportsfields	3,020	3,079	3,195	3,405	3,457	3,501	3,556	3,928	3,671	3,725
1,294 Support to recreation groups	1,047	1,106	1,166	1,141	1,112	1,137	1,165	1,193	1,220	1,251
2,655 Swimming Pools	2,451	2,483	2,526	2,569	2,624	2,669	2,718	2,779	2,831	2,881
20,360 Total Expenses	19,424	20,215	21,102	21,817	22,281	20,809	21,278	22,129	22,574	23,324
19,028 NET OPERATING COST OF ACTIVITY	16,612	17,018	17,826	18,458	18,838	17,284	17,665	18,422	18,770	19,430
Rating Requirement										
(6,668) Less Depreciation	(5,600)	(5,758)	(5,880)	(6,058)	(6,355)	(4,442)	(4,513)	(4,613)	(4,968)	(5,259)
2,400 Plus Net Capital Renewal (3 Year Average)	4,101	4,197	4,391	4,235	4,310	3,883	3,867	3,747	3,710	3,592
870 Plus Debt Repayment	1,027	1,115	1,242	1,389	1,519	1,603	1,728	1,796	1,928	2,063
15,630 RATES REQUIREMENT	16,140	16,572	17,579	18,023	18,313	18,328	18,747	19,352	19,440	19,826
Capital Expenditure										
3,260 Renewal	3,637	4,297	4,370	3,922	4,882	3,900	4,148	3,601	3,853	3,789
17,925 New	2,419	3,782	4,211	3,972	2,080	3,705	1,887	10,014	10,365	1,148
21,185 Total Capital Expenditure	6,055	8,080	8,581	7,895	6,962	7,605	6,035	13,615	14,218	4,937
Funded By										
529 External Revenue New	-	77	816	-	-	-	389	5,586	5,731	-
294 Development Contributions	325	283	355	582	814	1,081	1,114	1,140	1,185	1,200
2,400 Rates	4,101	4,197	4,391	4,235	4,310	3,883	3,867	3,747	3,710	3,592
17,962 New Borrowing / (Repayment)	1,629	3,523	3,019	3,078	1,838	2,641	665	3,142	3,592	145
21,185 Total	6,055	8,080	8,581	7,895	6,962	7,605	6,035	13,615	14,218	4,937

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Active Communities - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
355-Arapuke Forest Management	0%	100%	60	53	38	40	55	45	46	48	53	95
799-Events - Major School Sports Events funding (part of Sports Events Partnership Fund)	0%	100%	89	92	94	96	98	100	102	104	107	109
1073-City-wide - Reserve Management Planning	0%	100%	64	66	67	69	71	72	74	76	78	80
1249-Arapuke Forest Park - Contribution to Manawatu Mountain Bike Club for Trail Development	0%	100%	50	51	53	54	55	57	58	60	61	63
1356-Sportsfields and Outdoor Courts - Hockey Turf Renewal Grant - Massey University	0%	100%	-	-	-	-	-	-	-	310	-	-
1422-Regional Sports Facilities Plan - Investment Process Management (Sport Manawatu)	0%	100%	20	21	21	22	22	23	23	24	24	25
1424-Active Community Access Fund - Low Income Opportunities	0%	100%	10	10	11	11	11	11	12	12	12	12
1431-Walkways and Shared Paths - Art and Heritage Trails	0%	100%	6	6	6	6	7	7	7	7	7	8
1438-Asset Management Planning - Parks underground services investigations	0%	100%	-	-	21	22	22	23	23	24	24	25
1611-Free Swimming for Under 5 Year Olds	0%	100%	147	151	155	159	163	166	171	175	180	184
1726-Property - Condition Assessments	0%	100%	20	21	21	22	22	23	23	24	24	25
1728-Property - Underground Services Investigations	0%	100%	25	26	53	54	55	57	58	60	61	63
1885-Asset Management Improvement Plan Task Programme	0%	100%	150	411	105	-	-	-	-	-	-	-
1899-Aquatic facilities and water recreation preliminary feasibility study/needs assessment	0%	100%	-	51	52	-	-	-	-	-	-	-
1906-Sportsfields/artificial turf detailed feasibility assessment	0%	0%	35	-	-	-	-	-	-	-	-	-
1912-Indoor courts preliminary feasibility study/needs assessment	0%	0%	-	-	52	54	-	-	-	-	-	-
1913-Review of the Manawatu-Whanganui Regional Sport Facility Plan (PNCC contribution)	0%	0%	-	21	-	-	-	-	-	-	-	-
1973-Arena - Building Maintenance	0%	100%	190	195	236	242	248	254	260	267	274	280
1981-City-wide Reserves - Building Maintenance	0%	100%	80	82	122	126	129	132	135	139	142	146
1985-Swimming Pools - Splashhurst Pool Maintenance Costs	0%	100%	29	30	31	31	32	33	34	35	35	36
1992-Sportsfields - Building Maintenance	0%	100%	45	46	72	73	75	77	79	81	83	85
1997-City Reserves- Memorial Park - Operate New Splashpad	0%	100%	22	23	23	24	24	25	26	26	27	28
2000-City Reserves - Walkways - Maintain existing network	0%	100%	29	30	78	80	82	84	86	88	91	93
2005-Local Reserves - Operation and Maintenance of new assets	0%	100%	95	98	183	188	192	197	202	207	213	218
2041-Property - Accessibility of Council Facilities Assessment	0%	100%	100	-	-	-	-	-	-	-	-	-
TOTAL			1,268	1,483	1,494	1,371	1,364	1,385	1,419	1,765	1,497	1,573

Active Communities - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
819-Central Energy Trust Arena - Replacement of Equipment	0%	100%	45	46	46	46	47	47	47	49	49	50
1051-CET Arena - Arena Renewals	0%	100%	1,490	1,407	1,442	1,931	1,980	1,461	917	1,536	965	989

ID-Name	Growth	LOS	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
			\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
1242-Central Energy Trust Arena - Replacement for Arena Big Screen	0%	100%	-	-	-	-	-	866	-	-	-	-
1759-CET Arena - Grounds Renewals	0%	100%	45	46	47	49	50	51	52	54	55	55
1786-Recreational Buildings - Sports Pavilion and Changing Room Renewals	0%	100%	200	205	211	216	221	227	232	238	244	250
1827-Local Reserves - Renewals	0%	100%	647	680	655	714	688	750	722	824	760	828
1829-Sportsfields and Artificial Turfs - Renewals	0%	100%	254	227	133	93	141	165	669	126	704	380
1830-City Reserves - Memorial Park - Renewals	0%	100%	146	222	279	57	42	24	46	6	54	99
1831-City Reserves - Te Marae o Hine - The Square - Renewals	0%	100%	52	73	93	62	31	71	31	11	4	62
1832-City Reserves - Ashhurst Domain - Renewals	0%	100%	51	36	259	3	3	65	6	7	12	4
1834-City Reserves - Walkways - Renewals	0%	100%	87	89	102	115	118	121	125	127	130	133
1835-City Reserves - Linklater Reserve - Renewals	0%	100%	3	62	19	13	3	3	3	7	10	66
1836-Kahuterawa Outdoor Recreation Park - Renewals	0%	100%	-	-	-	8	28	49	2	7	13	20
1837-Swimming Pools - Pool Renewals	0%	100%	453	638	664	615	664	866	1,294	609	852	850
1960-Central Energy Trust Arena - Arena 1 Sound System Replacement-oval	0%	100%	-	205	-	-	-	-	-	-	-	-
1962-Arena Security Card System	0%	100%	15	51	53	-	-	-	-	-	-	-
1963-Central Energy Trust Arena - Score clock Replacement Arena2	0%	100%	-	-	368	-	-	-	-	-	-	-
1964-Arena Indoor Stadium Sound System Replacement	0%	100%	150	154	-	-	-	-	-	-	-	-
1965-Arena Kitchen Equipment Replacement	0%	100%	-	154	-	-	-	-	-	-	-	-
TOTAL			3,637	4,297	4,370	3,922	4,882	3,900	4,148	3,601	3,853	3,789
Funded by Council (Rates and Borrowing)			3,637	4,297	4,370	3,922	4,882	3,900	4,148	3,601	3,853	3,789
Active Communities - Capital New												
111-Local Reserves - Roslyn - Edwards Pit Park Development	0%	100%	35	36	37	38	39	40	41	-	-	-
165-Outdoor Adventure Reserves - Arapuke Forest Park/Kahuterawa Development	0%	100%	7	7	5	6	6	6	6	6	6	6
558-Urban Growth - Local Reserves - Takaro - Oriana Reserve Development	100%	0%	82	-	-	-	-	-	-	-	-	-
967-City-wide - Edibles Planting	0%	100%	5	5	5	6	6	6	6	6	-	6
990-Central Energy Trust Arena - Southern Grandstand (subject to part external funding)	0%	100%	-	-	-	-	-	-	-	-	-	-
1099-Parks and Reserves - Shade Development	0%	100%	30	31	32	11	11	11	12	8,337	8,554	-
1133-Sportsfields - Artificial Football Field (subject to part external funding)	0%	100%	-	154	1,632	-	-	-	-	-	-	13
1194-CET Arena - Future Masterplan Items	0%	100%	-	-	-	-	332	1,472	-	-	-	626
1487-Walkways and Shared Paths - Mangaone Stream Shared Path enhancement - Harness Racing Club planting strip purchase and development	0%	100%	-	-	281	-	-	-	-	-	-	-
1560-Sportsfields - Bill Brown Park - Additional Carparking	0%	100%	102	-	-	-	-	-	-	-	-	-
1763-CET Arena - Property Purchase	0%	100%	450	-	-	917	-	-	-	-	-	-
1845-City Growth - City Reserves - Te Marae o Hine - The Square - Capital New	34%	66%	138	90	75	-	113	75	-	-	-	-

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1846-City Growth - City Reserves - Walkway Extensions - Capital New	34%	66%	195	200	279	210	216	221	226	232	238	244
1848-City Growth - City Reserves - Linklater Reserve - Capital New	34%	66%	57	72	-	-	-	-	-	-	-	-
1849-City Growth - City Reserves - Ashhurst Domain - Capital New	34%	66%	-	-	-	-	94	294	308	-	-	-
1850-City Growth - City Reserves - Memorial Park - Capital New	34%	66%	548	225	8	84	64	-	-	-	-	-
1851-Sportsfield Improvements - Capital New	0%	100%	-	12	185	-	-	7	259	-	-	-
1852-Local Reserves - Improvements to existing reserves to close identified level of service gaps	0%	100%	150	154	147	76	66	68	-	-	-	-
1853-Local Reserves - Development of Existing Reserves - Capital New	0%	100%	25	27	293	-	-	-	-	-	-	-
1854-Swimming Pools - Splashhurst Pool Enhancements	0%	100%	60	-	-	-	-	-	-	-	-	-
1855-Urban Growth - Aokautere - Reserves - Purchase and Development	100%	0%	-	-	-	1,169	106	210	3	77	92	112
1856-Urban Growth - Hokowhitu - Reserves - Purchase and Development	100%	0%	41	444	-	22	-	-	-	-	-	-
1857-Urban Growth - Kakatangiata - Kikiwhenua - Reserves - Purchase and Development	27%	73%	-	1,773	303	890	-	-	-	-	-	-
1859-Urban Growth - Whakarongo - Reserves Purchase and Development	100%	0%	-	28	37	-	249	14	332	-	550	18
1860-Urban Growth - Ashhurst - Reserves Purchase and Development	100%	0%	-	345	11	267	-	-	-	1,191	27	-
1861-Urban Growth - Flyers Line - Reserves Purchase and Development	100%	0%	-	-	590	10	592	-	-	-	-	-
1862-Urban Growth - Kakatangiata - Reserves Purchase and Development	100%	0%	-	-	-	-	-	1,089	-	35	765	-
1884-Local Reserves - Accessibility and Safety Improvements	0%	100%	99	102	104	107	109	112	115	118	121	124
1966-Arena 4 Powerlock Install for Emergency Connection	0%	100%	50	-	-	-	-	-	-	-	-	-
2006-City Centre Play - Fixed Play Development	0%	100%	70	72	74	76	77	79	-	-	-	-
2038-Urban Growth - Aokautere - Reserves - Development of Adderstone Reserve	0%	100%	-	-	-	85	-	-	-	-	-	-
2043-Urban Growth - Napier Road Extension - Reserve and walkways purchase and development	100%	0%	275	6	114	-	-	-	-	-	-	-
TOTAL			2,419	3,782	4,211	3,972	2,080	3,705	1,887	10,014	10,365	1,148
Funded by Council (Rates and Borrowing)			2,419	3,705	3,395	3,972	2,080	3,705	1,499	4,429	4,634	1,148

Arts and Heritage - Activity Financial Statements

Budget 2020/21 \$'000s	2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
- Heritage Management	-	-	-	-	-	-	-	-	-	-
- Other Cultural Facilities	1	1	1	1	1	1	1	1	1	1
64 Support to arts, culture & heritage groups	64	66	67	69	70	72	73	75	76	78
34 Te Manawa	31	32	33	33	34	35	36	37	38	39
98 Total Revenue	96	98	100	103	105	107	110	112	115	118
Expenses										
195 Heritage Management	195	200	205	209	214	218	223	228	233	238
2,097 Other Cultural Facilities	2,095	2,215	2,504	2,665	2,967	3,211	3,560	4,412	5,848	6,816
1,843 Support to arts, culture & heritage groups	1,951	1,967	2,051	2,118	2,152	2,238	2,268	2,332	2,392	2,436
4,348 Te Manawa	4,346	4,443	4,563	4,655	4,751	4,846	4,947	5,055	5,165	5,271
8,482 Total Expenses	8,587	8,826	9,323	9,647	10,083	10,513	10,999	12,028	13,638	14,761
8,384 NET OPERATING COST OF ACTIVITY	8,492	8,727	9,223	9,545	9,978	10,406	10,889	11,915	13,523	14,644
Rating Requirement										
(2,049) Less Depreciation	(2,049)	(2,064)	(2,142)	(2,201)	(2,355)	(2,412)	(2,527)	(2,789)	(3,236)	(3,698)
326 Plus Net Capital Renewal (3 Year Average)	650	534	504	497	448	371	365	296	225	145
67 Plus Debt Repayment	182	200	340	450	603	716	938	1,145	1,952	2,816
6,728 RATES REQUIREMENT	7,275	7,399	7,925	8,290	8,674	9,081	9,665	10,569	12,463	13,906
Capital Expenditure										
555 Renewal	885	627	437	540	537	414	395	304	397	188
2,078 New	600	6,162	4,632	6,474	4,424	9,117	8,184	35,730	37,271	2,628
2,633 Total Capital Expenditure	1,485	6,789	5,069	7,014	4,961	9,530	8,579	36,034	37,668	2,815
Funded By										
326 Rates	650	534	504	497	448	371	365	296	225	145
2,308 New Borrowing / (Repayment)	836	6,254	4,564	6,517	4,512	9,159	8,213	35,738	37,443	2,671
2,633 Total	1,485	6,789	5,069	7,014	4,961	9,530	8,579	36,034	37,668	2,815

Arts and Heritage - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
778-Arts Initiatives	0%	100%	34	35	36	37	37	38	39	40	41	42
1323-Heritage Digitization Programme (City Library)	0%	100%	50	51	52	54	55	56	57	58	60	61
1447-Earthquake prone heritage building fund	0%	100%	151	155	158	162	165	169	173	177	180	184
1464-Massey Arts Funding	0%	100%	10	10	10	11	11	11	11	12	12	12
1469-Local Heritage Programmes	0%	100%	15	16	16	16	17	17	18	18	18	19
1501-Public Sculptures Trust Funding	0%	100%	50	51	52	54	55	56	57	58	60	61
1536-Regent Theatre - Trustee Meeting Fee Grant	0%	100%	6	6	7	7	7	7	7	7	7	8
1537-Caccia Birch - Trustee Meeting Fee Grant	0%	100%	6	6	7	7	7	7	7	7	7	8
1538-Globe Theatre - Trustee Meeting Fee Grant	0%	100%	5	5	5	6	6	6	6	6	6	6
1554-Military Heritage Commemorations	0%	100%	8	8	8	9	9	9	9	9	10	10
1824-Care and Maintenance of Public Art and Historic Objects	0%	100%	63	24	30	30	35	50	30	31	38	36
1950-Caccia Birch - Development of a Site Masterplan	0%	100%	-	-	53	-	-	-	-	-	-	-
1988-Creative Sounds - Building Maintenance	0%	100%	10	10	16	16	17	17	17	18	18	19
1989-Te Manawa - Building Maintenance	0%	100%	-	-	32	32	33	34	35	36	37	38
TOTAL			409	379	483	439	453	478	467	478	495	503

Arts and Heritage - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
213-Cultural Facilities - Renewals	0%	100%	850	616	426	502	525	402	354	292	385	144
777-Heritage Genealogy Equipment	0%	100%	25	-	-	27	-	-	29	-	-	31
1144-Manawatu Heritage (Archives Digital Repository) Renewal	0%	100%	10	10	11	11	11	12	12	12	12	13
TOTAL			885	627	437	540	537	414	395	304	397	188
Funded by Council (Rates and Borrowing)			885	627	437	540	537	414	395	304	397	188

Arts and Heritage - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
902-Property - Seismic Strengthening of Council Properties	0%	100%	600	6,162	4,632	6,474	4,424	9,060	8,126	35,730	37,271	2,628
1468-Heritage Archive Shelving	0%	100%	-	-	-	-	-	57	58	-	-	-
TOTAL			600	6,162	4,632	6,474	4,424	9,117	8,184	35,730	37,271	2,628
Funded by Council (Rates and Borrowing)			600	6,162	4,632	6,474	4,424	9,117	8,184	35,730	37,271	2,628

City Shaping - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
- City Centre	-	-	-	-	-	-	-	-	-	-
- Total Revenue	-	-	-	-	-	-	-	-	-	-
Expenses										
11 City Centre	108	342	651	900	1,104	1,318	1,543	1,728	1,858	1,865
231 Place activation	394	405	414	424	435	445	456	533	546	559
127 Placemaking	149	152	156	160	163	167	171	175	179	183
370 Total Expenses	650	899	1,222	1,484	1,702	1,930	2,170	2,436	2,584	2,608
370 NET OPERATING COST OF ACTIVITY	650	899	1,222	1,484	1,702	1,930	2,170	2,436	2,584	2,608
Rating Requirement										
(5) Less Depreciation	(5)	(104)	(267)	(407)	(516)	(632)	(740)	(883)	(1,001)	(1,001)
47 Plus Debt Repayment	39	72	121	174	206	224	265	317	331	333
412 RATES REQUIREMENT	685	867	1,076	1,251	1,392	1,521	1,695	1,870	1,914	1,940
Capital Expenditure										
71 New	2,974	4,411	4,365	3,304	1,915	3,223	4,303	787	-	-
71 Total Capital Expenditure	2,974	4,411	4,365	3,304	1,915	3,223	4,303	787	-	-
Funded By										
- External Revenue New	1,509	2,231	2,121	1,665	864	1,635	2,195	401	-	-
71 New Borrowing / (Repayment)	1,465	2,180	2,245	1,638	1,050	1,588	2,109	385	-	-
71 Total	2,974	4,411	4,365	3,304	1,915	3,223	4,303	787	-	-

City Shaping - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1167-Placemaking Co-created Project (operational)	0%	100%	35	36	37	38	39	40	42	43	44	45
1273-Palmy Unleashed	0%	100%	75	77	79	81	83	85	87	155	159	163
2017-Citycentre Pop Up Play	0%	100%	30	31	32	32	33	34	35	36	37	38
2054-Funding Palmy BID group	0%	100%	250	257	263	270	277	283	290	298	306	313
TOTAL			390	401	411	421	432	443	454	531	545	558

City Shaping - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
TOTAL			-	-	-	-	-	-	-	-	-	-
Funded by Council (Rates and Borrowing)			-	-	-	-	-	-	-	-	-	-

City Shaping - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1330-Placemaking Co-created Project (capital)	0%	100%	15	16	16	17	17	18	-	-	-	-
1476-City Centre Laneways Programme	0%	100%	-	21	191	22	202	-	-	-	-	-
1686-CBD Streets for People	0%	100%	2,959	4,375	4,158	3,265	1,695	3,206	4,303	787	-	-
TOTAL			2,974	4,411	4,365	3,304	1,915	3,223	4,303	787	-	-
Funded by Council (Rates and Borrowing)			1,465	2,180	2,245	1,638	1,050	1,588	2,109	385	-	-

Governance and Active Citizenship - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
20 Councillor Meetings and Administration	10	10	11	11	11	11	12	12	12	12
1,160 Direction Setting	210	215	220	225	230	235	240	246	251	256
6 Elections	-	134	-	-	143	-	-	153	-	-
1,186 Total Revenue	220	360	231	236	385	246	252	411	263	269
Expenses										
2,618 Councillor Meetings and Administration	2,288	2,294	2,395	2,606	2,382	2,420	2,588	2,539	2,576	2,756
6,399 Direction Setting	5,624	5,357	5,899	6,083	5,416	5,700	5,648	5,784	6,068	6,011
43 Elections	27	301	44	29	305	30	31	338	44	33
1,502 Mayoral and Chief Executive's Office	1,502	1,568	1,641	1,711	1,619	1,654	1,690	1,728	1,764	1,802
10,562 Total Expenses	9,440	9,520	9,980	10,429	9,723	9,803	9,957	10,389	10,452	10,601
9,376 NET OPERATING COST OF ACTIVITY	9,220	9,160	9,749	10,193	9,338	9,557	9,705	9,978	10,189	10,332
Rating Requirement										
(3) Less Depreciation	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
10 Plus Debt Repayment	19	1	1	1	1	1	1	1	1	1
9,383 RATES REQUIREMENT	9,236	9,158	9,746	10,191	9,336	9,554	9,702	9,976	10,186	10,330
Capital Expenditure										
155 New	-	-	-	-	-	-	-	-	-	-
155 Total Capital Expenditure	-	-	-	-	-	-	-	-	-	-
Funded By										
155 New Borrowing / (Repayment)	-	-	-	-	-	-	-	-	-	-
155 Total	-	-	-	-	-	-	-	-	-	-

Governance and Active Citizenship - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1190-Smokefree Education	0%	100%	5	5	5	5	5	6	6	6	6	6
1911-Strategic monitoring	0%	100%	-	87	89	91	93	95	97	99	102	104
1922-Elections- Representation Review	0%	100%	-	15	16	-	-	-	-	12	12	-
1936-Funding for Section 17a Review	0%	100%	-	31	52	54	55	56	57	58	60	61
1949-Civic and Cultural Precinct Master Plan	0%	0%	250	-	-	-	-	-	-	-	-	-
TOTAL			255	138	163	150	153	157	160	175	179	171

Governance and Active Citizenship - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
TOTAL			-	-	-	-	-	-	-	-	-	-
Funded by Council (Rates and Borrowing)												

Governance and Active Citizenship - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
TOTAL			-	-	-	-	-	-	-	-	-	-
Funded by Council (Rates and Borrowing)												

Connected Communities - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
706 Cemeteries	735	755	774	793	813	832	853	875	898	920
141 Community Centres	139	142	146	150	153	157	161	165	169	174
215 Libraries	315	323	289	296	304	311	319	327	335	343
2,822 Social Housing	3,079	3,156	3,306	3,379	3,454	3,530	3,607	3,687	3,768	3,850
52 Central Energy Trust Wildbase	52	53	55	56	58	59	60	62	64	65
47 Community & Commemorative Events	40	41	43	44	47	48	50	52	55	56
511 Public Health	610	625	639	653	668	682	697	713	728	744
4,494 Total Revenue	4,969	5,095	5,252	5,372	5,496	5,619	5,748	5,881	6,018	6,153
Expenses										
1,159 Cemeteries	1,340	1,364	1,414	1,430	1,439	1,485	1,517	1,556	1,586	1,624
766 Community Centres	905	820	859	865	877	885	896	911	938	1,004
9,832 Libraries	9,773	10,271	11,009	11,809	10,517	10,678	10,930	10,600	11,348	11,573
434 Public toilets	670	1,211	1,278	1,327	1,380	1,398	1,410	1,475	1,486	1,509
3,667 Social Housing	3,630	3,850	4,086	4,206	4,551	4,758	4,809	4,855	4,961	5,016
2,793 Support to community groups	2,520	2,592	2,670	2,750	2,795	2,851	2,914	2,991	3,042	3,108
990 Central Energy Trust Wildbase	895	919	958	989	1,008	1,029	1,052	1,077	1,100	1,124
1,220 Community & Commemorative Events	1,241	1,297	1,347	1,382	1,438	1,450	1,487	1,536	1,578	1,607
1,294 Public Health	1,519	1,616	1,747	1,832	1,695	1,727	1,762	1,800	1,831	1,869
22,154 Total Expenses	22,493	23,940	25,368	26,589	25,700	26,261	26,776	26,802	27,870	28,432
17,661 NET OPERATING COST OF ACTIVITY	17,525	18,845	20,116	21,217	20,204	20,642	21,028	20,921	21,852	22,279
Rating Requirement										
(3,979) Less Depreciation	(3,661)	(4,046)	(4,244)	(4,306)	(4,536)	(4,696)	(4,718)	(4,277)	(4,896)	(4,971)
1,764 Plus Net Capital Renewal (3 Year Average)	1,978	2,202	2,309	2,271	2,036	2,010	2,241	2,236	2,377	2,523
424 Plus Debt Repayment	488	826	939	981	1,106	1,210	1,248	1,290	1,333	1,396
15,870 RATES REQUIREMENT	16,330	17,826	19,120	20,164	18,810	19,165	19,799	20,170	20,667	21,226
Capital Expenditure										
2,245 Renewal	2,713	2,706	2,531	3,259	3,005	2,315	3,160	2,852	2,931	2,610
6,151 New	15,837	4,771	883	4,463	3,383	181	337	545	2,635	200
8,396 Total Capital Expenditure	18,550	7,477	3,414	7,722	6,388	2,496	3,497	3,397	5,566	2,810
Funded By										
- External Revenue Renewal	-	-	79	-	-	-	-	-	-	-
582 External Revenue New	-	613	-	-	-	-	-	251	1,458	-
1,764 Rates	1,978	2,202	2,309	2,271	2,036	2,010	2,241	2,236	2,377	2,523

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6,050	New Borrowing / (Repayment)	16,572	4,662	1,026	5,451	4,352	486	1,256	910	1,730	287
8,396	Total	18,550	7,477	3,414	7,722	6,388	2,496	3,497	3,397	5,566	2,810

Connected Communities - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
812-Youth Council Grants and Scholarships	0%	100%	8	9	9	11	11	11	11	12	12	12
1157-Military Heritage Commemorations (Events)	0%	100%	28	28	30	31	36	32	33	36	35	38
1262-Ashhurst Christmas Lights	0%	100%	2	2	3	3	3	3	3	4	4	4
1448-Welcoming Communities	0%	100%	100	103	105	107	110	112	114	117	119	122
1463-Play Palmy	0%	100%	5	5	5	5	6	6	6	6	6	6
1465-Contestable Community Events Fund	0%	100%	26	26	27	28	28	29	30	30	31	32
1506-Community Events	0%	100%	433	444	463	475	487	498	511	533	547	560
1564-Funding for Strategic Priority Grants (increased amount from 2018/29)	0%	100%	53	54	55	56	58	59	60	62	63	64
1565-Community Development Small Grants funding (increased amount from 2018/29)	0%	100%	31	31	32	33	34	34	35	36	37	37
1573-Arts Event Fund	0%	100%	50	51	53	54	55	57	58	60	61	63
1574-Hancock Community House Management Fund	0%	100%	63	64	66	67	69	70	72	73	75	76
1898-City-wide community facilities needs assessment	0%	100%	100	-	-	-	-	-	-	-	-	-
1935-Cats - Public Education & Colonies Management	0%	0%	10	15	16	16	16	17	17	18	18	18
1941-City Library (all sites) - Removal of overdue fines (Youth and Childrens)	0%	100%	-	-	42	43	44	45	46	48	49	50
1945-City Library (all sites)- Library Management System replacement or upgrade	0%	100%	-	-	63	324	44	-	-	-	-	-
1952-Companion Card	0%	0%	10	10	10	-	-	-	-	-	-	-
1980-CET Wildlife Recovery Centre - Building Maintenance	0%	100%	36	37	57	58	60	61	63	64	66	68
1982-Library - Building Maintenance	0%	100%	51	52	101	103	106	108	111	114	117	120
1987-Community Centres - Building Maintenance	0%	100%	19	20	31	32	32	33	34	35	36	37
1991-Public Toilets - Building Maintenance	0%	100%	92	94	125	128	132	135	138	142	145	149
2020-Cemeteries - Digitisation of historical cemetery records	0%	100%	20	21	-	-	-	-	-	-	-	-
TOTAL			1,135	1,068	1,293	1,574	1,329	1,311	1,342	1,388	1,421	1,456

Connected Communities - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
40-Noise Measuring Equipment for Noise Complaints - Rolling Replacement	0%	100%	-	46	-	-	49	-	-	51	-	-
178-City Library (all sites) Replacement of Shelving, Furniture and Equipment	0%	100%	36	104	38	39	41	41	42	43	73	44
180-Social Housing - Renewals	0%	100%	500	513	524	472	482	493	503	514	526	537
186-Public Toilets - Renewals	0%	100%	160	164	168	216	221	227	186	191	196	250
188-City Library Replacement and Purchase of Library Materials	0%	100%	750	796	842	863	885	906	929	953	978	1,001
202-Central Library Interior Design Renewals	0%	100%	20	103	21	22	22	23	23	24	24	25
203-Community Libraries, Youth Space, Blueprint and Mobile Library Interior Design Renewals	0%	100%	31	31	33	33	34	35	36	37	37	38
265-Community Centres - Renewals	0%	100%	220	308	84	313	288	102	151	464	293	125

Connected Communities - Capital New												
ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
161-Public Toilets - New City-wide Toilets	80%	20%	250	-	263	-	277	-	290	-	306	-
556-Placeholder - Carry forward programme	0%	100%	12,592	-	-	-	-	-	-	-	-	-
11130-Urban Growth - City West - New Community Centre	59%	41%	-	866	-	-	-	-	-	354	2,060	-
11196-Cemeteries - Kelvin Grove - Renewal of staff facilities	0%	100%	-	252	-	-	-	-	-	-	-	-
14159-Social Housing - Additional Social Housing Units	0%	100%	-	-	524	4,287	2,191	-	-	-	-	-
17143-Social Housing - Papaloa Place Redevelopment - Stage 3	0%	100%	2,000	3,075	-	-	-	-	-	-	-	-
1833-City Growth - Cemeteries - Extensions to burial and ashes areas to meet demand	0%	100%	40	167	96	176	518	181	46	191	269	200
1882-City Growth - Cemeteries - Expansion of Kelvin Grove Cemetery Roading network	100%	0%	-	-	-	-	398	-	-	-	-	-
1896-Social Housing - Healthy Homes Compliance Items Purchase	0%	100%	900	410	-	-	-	-	-	-	-	-
1948-Events and Festival Equipment Purchase	0%	100%	55	2	-	-	-	-	-	-	-	-
TOTAL			15,837	4,771	883	4,463	3,383	181	337	545	2,635	200
Funded by Council (Rates and Borrowing)												
			15,837	4,159	883	4,463	3,383	181	337	294	1,177	200

Safe Communities - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
781 Animal Control	866	887	908	928	948	969	990	1,012	1,034	1,057
781 Total Revenue	866	887	908	928	948	969	990	1,012	1,034	1,057
Expenses										
908 Animal Control	1,138	1,359	1,385	1,407	1,436	1,457	1,481	1,511	1,535	1,563
818 Civil Defence	826	854	880	905	894	913	932	943	962	992
388 Safer Community Initiatives	344	362	435	453	472	490	510	530	550	561
2,115 Total Expenses	2,309	2,576	2,699	2,765	2,802	2,860	2,923	2,983	3,048	3,116
1,334 NET OPERATING COST OF ACTIVITY	1,443	1,689	1,791	1,837	1,854	1,891	1,933	1,971	2,013	2,059
Rating Requirement										
(24) Less Depreciation	(24)	(128)	(192)	(203)	(217)	(228)	(239)	(244)	(253)	(264)
42 Plus Net Capital Renewal (3 Year Average)	236	242	104	106	109	111	113	108	110	112
83 Plus Debt Repayment	75	137	141	141	145	149	153	157	151	78
1,435 RATES REQUIREMENT	1,730	1,939	1,843	1,881	1,891	1,923	1,960	1,991	2,021	1,984
Capital Expenditure										
31 Renewal	100	513	94	118	99	101	126	105	108	110
300 New	2,750	-	-	-	-	-	-	-	-	-
331 Total Capital Expenditure	2,850	513	94	118	99	101	126	105	108	110
Funded By										
42 Rates	236	242	104	106	109	111	113	108	110	112
289 New Borrowing / (Repayment)	2,615	271	(9)	12	(10)	(10)	13	(2)	(2)	(2)
331 Total	2,850	513	94	118	99	101	126	105	108	110

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Safe Communities - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1458-New MPI Code of Welfare compliance	0%	100%	57	58	60	61	62	64	65	67	68	70
TOTAL			57	58	60	61	62	64	65	67	68	70

Safe Communities - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1512-CCTV replacements	0%	100%	80	513	84	86	88	90	92	94	96	98
1569-Replacement of wearable cameras for parking and animal control officers	0%	100%	20	-	-	22	-	-	23	-	-	-
1737-Animal Shelter - Renewals	0%	100%	-	-	10	11	11	11	11	12	12	12
TOTAL			100	513	94	118	99	101	126	105	108	110
Funded by Council (Rates and Borrowing)			100	513	94	118	99	101	126	105	108	110

Safe Communities - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1552-Animal Shelter - New Building	0%	100%	2,750	-	-	-	-	-	-	-	-	-
TOTAL			2,750	-	-	-	-	-	-	-	-	-
Funded by Council (Rates and Borrowing)			2,750	-	-	-	-	-	-	-	-	-

Climate change mitigation and adaption - Activity Financial Statements													
Budget	10YP	10YP	10YP	10YP	10YP	10YP	10YP	10YP	10YP	10YP	10YP	10YP	10YP
2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31			
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s			
Revenue													
- Climate change mitigation and adaption	-	-	-	-	-	-	-	-	-	-			
- Total Revenue	-	-	-	-	-	-	-	-	-	-			
Expenses													
- Climate change mitigation and adaption	7	41	123	140	138	137	135	133	132	130			
- Total Expenses	7	41	123	140	138	137	135	133	132	130			
- NET OPERATING COST OF ACTIVITY	7	41	123	140	138	137	135	133	132	130			
Rating Requirement													
- Less Depreciation	-	(17)	(42)	(77)	(77)	(77)	(77)	(77)	(77)	(77)			
- Plus Debt Repayment		11	28	51	53	54	56	57	59	61			
- RATES REQUIREMENT	7	35	108	114	114	114	114	114	114	113			
Capital Expenditure													
- New	500	769	1,049	-	-	-	-	-	-	-			
- Total Capital Expenditure	500	769	1,049	-	-	-	-	-	-	-			
Funded By													
- New Borrowing / (Repayment)	500	769	1,049	-	-	-	-	-	-	-			
- Total	500	769	1,049	-	-	-	-	-	-	-			

Climate change mitigation and adaption - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
2019-PNCC zero-carbon feasibility study	0%	100%	-	-	31	-	-	-	-	-	-	-
TOTAL			-	-	31	-	-	-	-	-	-	-

Climate change mitigation and adaption - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
TOTAL			-	-	-	-	-	-	-	-	-	-
Funded by Council (Rates and Borrowing)			-	-	-	-	-	-	-	-	-	-

Climate change mitigation and adaption - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1888-Low Carbon Fund	0%	100%	500	769	1,049	-	-	-	-	-	-	-
TOTAL			500	769	1,049	-	-	-	-	-	-	-
Funded by Council (Rates and Borrowing)			500	769	1,049	-	-	-	-	-	-	-

Manawatu River - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
- Manawatu River	10	11	11	11	11	12	12	12	13	13
- Total Revenue	10	11	11	11	11	12	12	12	13	13
Expenses										
1,141 Manawatu River	1,382	1,683	2,090	2,079	2,186	2,264	2,346	2,497	2,537	2,589
1,141 Total Expenses	1,382	1,683	2,090	2,079	2,186	2,264	2,346	2,497	2,537	2,589
1,141 NET OPERATING COST OF ACTIVITY	1,371	1,673	2,079	2,068	2,174	2,252	2,334	2,485	2,524	2,576
Rating Requirement										
(221) Less Depreciation	(221)	(328)	(471)	(511)	(554)	(572)	(587)	(683)	(684)	(684)
Plus Net Capital Renewal (3 Year Average)	271	198	198	268	303	210	138	189	276	302
- Plus Debt Repayment		73	175	211	230	258	280	318	330	342
920 RATES REQUIREMENT	1,422	1,616	1,980	2,036	2,154	2,149	2,164	2,309	2,447	2,536
Capital Expenditure										
Renewal	307	338	168	88	337	380	193	58	161	348
- New	2,644	4,060	1,427	582	1,002	708	1,731	119	122	1,116
Total Capital Expenditure	2,950	4,398	1,595	671	1,340	1,088	1,924	177	283	1,464
Funded By										
- External Revenue New	26	225	-	-	-	30	367	-	-	-
Rates	271	198	198	268	303	210	138	189	276	302
- New Borrowing / (Repayment)	2,654	3,975	1,397	402	1,036	847	1,420	(12)	7	1,162
- Total	2,950	4,398	1,595	671	1,340	1,088	1,924	177	283	1,464

Manawatu River - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
835-Ashhurst Domain - Biodiversity Improvements as Part of Manawatu Gorge Project	0%	100%	44	45	46	47	49	50	51	52	54	55
1486-City Reserves - Te Apiti Manawatu Gorge Development	0%	100%	-	51	105	-	-	-	-	-	-	-
1998-City Reserves - Manawatu River Park - Operation and Maintenance	0%	100%	38	39	82	84	86	88	91	93	95	98
2011-City Reserves - Victoria Esplanade - Operating Costs	0%	100%	45	46	94	96	98	101	103	106	109	111
TOTAL			127	182	327	228	233	239	245	251	258	264

Manawatu River - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1825-City Reserves - Manawatu River Park - Renewals	0%	100%	2	6	28	3	10	27	7	23	25	12
1840-City Reserves - Victoria Esplanade- Renewals	0%	100%	305	332	140	85	327	353	186	36	136	336
TOTAL			307	338	168	88	337	380	193	58	161	348
Funded by Council (Rates and Borrowing)												
			307	338	168	88	337	380	193	58	161	348

Manawatu River - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1435-City Reserves - Manawatu River Park - Water Front Precinct Lighting	34%	66%	928	924	-	-	-	-	-	-	-	-
1838-City Growth - City Reserves - Victoria Esplanade - Exotic Aviaries Stage One	34%	66%	85	749	-	-	-	-	-	-	-	-
1844-City Growth - City Reserves - Manawatu River Park - Capital New	34%	66%	1,395	672	679	199	144	-	549	-	-	-
1847-City Growth - City Reserves - Victoria Esplanade - Capital New	34%	66%	30	-	481	-	466	488	508	-	-	991
1890-City Growth - City Reserves - Victoria Esplanade Master Plan Developments - Stage Two	34%	66%	-	-	25	-	6	5	2	-	-	-
1892-City Growth - City Reserves - Manawatu River Park - Hokowhitu Lagoon Development Plan	34%	66%	-	10	63	108	-	-	-	-	-	-
1894-City Growth - City Reserves - Manawatu River Park - Marae Tarata Development Plan - Implementation	34%	66%	55	103	179	275	387	170	116	119	122	125
1895-City Growth - City Reserves - Manawatu River Park - Te Motu o Poutoa Development Plan - Implementation	34%	66%	150	1,602	-	-	-	-	-	-	-	-
2012-City Reserves - Victoria Esplanade - Exotic Aviaries Stage Two	0%	100%	-	-	-	-	-	45	555	-	-	-
TOTAL			2,644	4,060	1,427	582	1,002	708	1,731	119	122	1,116
Funded by Council (Rates and Borrowing)												
			2,618	3,835	1,427	582	1,002	678	1,365	119	122	1,116

City Growth - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
3,256 Building Services	4,747	4,866	4,978	5,088	5,200	5,314	5,431	5,551	5,673	5,798
833 Planning Services - Private	1,302	1,334	1,365	1,395	1,426	1,457	1,489	1,522	1,555	1,590
4,088 Total Revenue	6,049	6,200	6,343	6,483	6,626	6,771	6,920	7,073	7,228	7,387
Expenses										
4,876 Building Services	6,493	6,753	7,046	7,288	7,218	7,396	7,510	7,718	7,826	8,036
1,964 Housing and Future development	524	586	189	193	197	201	206	210	215	220
719 Planning Services - Private	1,165	1,194	1,222	1,249	1,277	1,301	1,329	1,359	1,388	1,420
880 Planning Services - Public	875	923	983	1,028	965	984	1,005	1,027	1,044	1,066
353 Urban Design	435	446	456	466	476	486	496	507	518	529
8,791 Total Expenses	9,493	9,902	9,896	10,222	10,133	10,369	10,546	10,821	10,991	11,270
4,702 NET OPERATING COST OF ACTIVITY	3,444	3,702	3,553	3,740	3,507	3,598	3,626	3,748	3,763	3,882
Rating Requirement										
(1) Less Depreciation	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
4,702 RATES REQUIREMENT	3,443	3,701	3,552	3,739	3,507	3,597	3,625	3,747	3,763	3,882

City Growth - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
130-Earthquake Prone Buildings - Assessment of Compliance with the Building Act	0%	100%	14	14	14	93	95	97	101	104	106	108
762-City-wide - Urban Design - Delivering Change	0%	100%	50	51	53	54	55	56	57	59	60	61
1264-Development Contributions Fees - Support for Community Groups	0%	100%	22	22	23	23	24	24	25	25	26	26
1485-Property Development - Whakarongo Council Subdivision Development	0%	100%	(5,000)	(3,075)	-	-	-	-	-	-	-	-
1750-Property Development - Summerhays Street Residential Subdivision	0%	100%	103	10	(6,797)	20	20	20	21	21	22	22
1751-Property Development - Huia Street Redevelopment	0%	100%	-	-	(524)	(7,502)	-	-	-	-	-	-
1914-Electronic District Plan	0%	100%	-	144	42	43	44	45	46	47	48	49
1918-Compliance with new RMA requirements	0%	100%	100	103	105	107	110	112	114	117	119	122
2040-Property Development - Albert Street Depot Residential Subdivision Investigation	0%	100%	100	-	-	-	-	-	-	-	-	-
TOTAL			(4,611)	(2,731)	(7,006)	(7,160)	349	357	364	372	381	389

City Growth - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
TOTAL			-	-	-	-	-	-	-	-	-	-
Funded by Council (Rates and Borrowing)			-	-	-	-	-	-	-	-	-	-

City Growth - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
TOTAL			-	-	-	-	-	-	-	-	-	-
Funded by Council (Rates and Borrowing)			-	-	-	-	-	-	-	-	-	-

Environmental sustainability - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
- Biodiversity	-	-	-	-	-	-	-	-	-	-
- Total Revenue	-	-	-	-	-	-	-	-	-	-
Expenses										
314 Biodiversity	308	319	328	337	347	357	369	386	403	415
160 Support to environmental groups	161	165	169	174	178	182	187	192	197	201
227 Sustainable Practices	409	396	421	405	445	479	492	506	521	535
701 Total Expenses	878	880	919	916	970	1,018	1,048	1,084	1,120	1,152
701 NET OPERATING COST OF ACTIVITY	878	880	919	916	970	1,018	1,048	1,084	1,120	1,152
Rating Requirement										
- Less Depreciation	-	(4)	(8)	(12)	(37)	(61)	(65)	(69)	(73)	(78)
13 Plus Debt Repayment	18	23	28	34	44	54	59	65	78	67
714 RATES REQUIREMENT	896	899	939	939	977	1,011	1,042	1,079	1,125	1,141
Capital Expenditure										
82 New	145	149	152	545	503	119	122	457	128	131
82 Total Capital Expenditure	145	149	152	545	503	119	122	457	128	131
Funded By										
- External Revenue New	-	-	-	287	257	-	-	-	-	-
82 New Borrowing / (Repayment)	145	149	152	257	246	119	122	457	128	131
82 Total	145	149	152	545	503	119	122	457	128	131

Environmental sustainability - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
268-Arapuke Forest Park/Kahuterawa Pest Control and Biodiversity Protection and Enhancement	0%	100%	60	62	64	65	67	69	71	74	76	79
764-City-wide - Council Facility Energy Use Monitoring	0%	100%	57	59	60	62	63	64	66	67	69	70
1080-City-wide -Biodiversity Increased Plant and Animal Pest Control	0%	100%	30	31	32	33	34	35	36	37	38	39
1145-Green Corridors Project - Continued Development	0%	100%	60	62	64	65	67	69	71	74	76	79
1450-Predator Free Palmerston North	0%	100%	25	26	27	27	28	29	30	31	32	33
1453-Freshwater Body Improvements	0%	100%	41	42	44	45	46	47	49	50	52	54
1916-Delivery of sustainable education outcomes	0%	100%	-	-	42	43	44	45	46	47	48	49
TOTAL			273	282	332	340	349	358	369	380	391	402

Environmental sustainability - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
TOTAL			-	-	-	-	-	-	-	-	-	-
Funded by Council (Rates and Borrowing)			-	-	-	-	-	-	-	-	-	-

Environmental sustainability - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1077-Citywide - Biodiversity Enhancement Through Native Planting	0%	100%	30	31	32	33	34	35	36	369	38	39
1451-Property - LED Lighting Upgrades	0%	100%	75	77	79	80	82	84	86	88	90	92
1924-Improving remote monitoring capabilities	0%	100%	40	41	42	-	-	-	-	-	-	-
1959-Envirohub and Resource Recovery Centre (subject to external funding)	0%	100%	-	-	-	432	387	-	-	-	-	-
TOTAL			145	149	152	545	503	119	122	457	128	131
Funded by Council (Rates and Borrowing)			145	149	152	257	246	119	122	457	128	131

Resource Recovery - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
247 Landfill Management	223	231	237	243	250	257	265	274	284	292
1,213 Waste Management	1,261	1,359	1,488	1,585	1,631	1,677	1,730	1,788	1,848	1,906
1,237 Waste Minimisation	1,586	1,641	1,684	1,730	1,780	1,829	1,888	1,950	2,017	2,079
2,697 Total Revenue	3,070	3,232	3,409	3,558	3,661	3,764	3,884	4,012	4,148	4,277
Expenses										
233 Landfill Management	422	506	535	558	592	637	671	726	757	785
1,781 Waste Management	1,736	1,866	2,029	2,157	2,226	2,293	2,371	2,453	2,541	2,625
5,788 Waste Minimisation	6,228	6,761	6,778	7,237	8,036	8,200	8,564	9,186	9,357	9,740
7,801 Total Expenses	8,385	9,132	9,341	9,952	10,855	11,130	11,606	12,365	12,654	13,150
5,104 NET OPERATING COST OF ACTIVITY	5,316	5,900	5,933	6,394	7,194	7,367	7,722	8,353	8,506	8,873
Rating Requirement										
(923) Less Depreciation	(923)	(954)	(979)	(998)	(1,056)	(1,135)	(1,161)	(1,497)	(1,559)	(1,605)
305 Plus Net Capital Renewal (3 Year Average)	413	571	709	779	839	838	982	1,258	1,382	1,498
811 Plus Debt Repayment	709	419	441	290	330	377	377	601	618	641
5,297 RATES REQUIREMENT	5,515	5,936	6,104	6,466	7,306	7,447	7,920	8,716	8,947	9,407
Capital Expenditure										
176 Renewal	375	432	432	850	844	643	1,028	842	1,076	1,857
246 New	753	413	519	1,428	1,981	228	8,027	206	314	213
422 Total Capital Expenditure	1,128	845	951	2,278	2,826	871	9,055	1,047	1,391	2,070
Funded By										
305 Rates	413	571	709	779	839	838	982	1,258	1,382	1,498
117 New Borrowing / (Repayment)	715	274	242	1,498	1,987	33	8,073	(211)	9	571
422 Total	1,128	845	951	2,278	2,826	871	9,055	1,047	1,391	2,070

Resource Recovery - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
974-City-wide - Rubbish & Recycling - Communication, Education and Resource Materials	0%	100%	30	31	32	33	34	35	36	37	38	39
1425-Awapuni Closed Landfill - Waste Mixed Colour Glass Stockpile Processing	0%	100%	-	48	49	51	52	54	55	57	59	61
1724-City-wide - Diversion of Waste from Landfill - Investigation Studies	0%	100%	125	207	80	82	84	87	89	92	95	98
1811-City-Wide - Bi-Annual Hazardous Waste Day	0%	100%	-	-	53	-	-	58	-	61	-	66
1886-City-wide - Rubbish & Recycling - Resource Consent Application Renewals	0%	100%	-	-	13	107	-	-	34	31	-	-
1908-City-Wide - Rubbish & Recycling - Asset Condition Assessments	0%	100%	50	52	53	33	34	35	36	37	38	39
1909-Waste Minimisation Levy - Contestable Fund	0%	100%	40	41	42	44	45	46	48	49	51	52
2044-City-Wide - Kerbside Food Waste - Investigations and Trial	0%	100%	-	197	74	-	-	-	-	-	-	-
TOTAL			245	576	397	348	249	313	298	365	282	356

Resource Recovery - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
185-Closed Landfills and Transfer Stations - Site Renewals	0%	100%	35	36	37	360	62	40	42	43	64	66
612-Recycling - City-wide Wheelie Bin and Crate Renewals	0%	100%	78	120	162	217	269	316	379	518	678	939
649-Recycling - Materials Recovery Facility Renewals	0%	100%	130	140	90	129	95	156	117	121	184	246
1368-City-wide - Public Space Rubbish & Recycling Bins Renewals	0%	100%	45	47	48	49	50	52	54	55	57	59
1374-City-wide - Recycling Drop Off Facilities - Renewals	0%	100%	9	9	11	10	22	12	11	11	19	12
1721-Composting Activity Site Renewals	0%	100%	8	8	8	9	290	9	367	32	10	10
1784-Rubbish and Recycling Buildings - Renewals	0%	100%	70	72	74	76	56	58	60	61	64	524
TOTAL			375	432	432	850	844	643	1,028	842	1,076	1,857
Funded by Council (Rates and Borrowing)			375	432	432	850	844	643	1,028	842	1,076	1,857

Resource Recovery - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
506-City-wide - Public Space Rubbish & Recycling Bins Development	0%	100%	64	66	67	69	56	58	60	61	64	66
657-Urban Growth - Recycling - City-wide Wheelie Bins and Crates	0%	100%	68	70	72	74	76	80	82	85	88	91
721-Awapuni Closed Landfill - Landscaping Development	0%	100%	18	19	19	20	20	21	21	22	23	24
727-Recycling - Materials Recovery Facility Development	0%	100%	-	-	-	-	-	-	7,143	-	-	-
1105-Awapuni Closed Landfill - Weighbridge and Ancillary Infrastructure Development	0%	100%	-	-	-	-	393	-	685	-	102	-
1371-Closed Landfills and Transfer Stations - Safety, Security and Development	0%	100%	159	181	53	142	67	35	-	-	-	-

1373-City-wide - Recycling Drop Off Facilities - Development	0%	100%	35	36	-	1,091	1,122	-	-	-	-
1410-Recycling - City-wide Recycling Services to Commercial/organisational Properties Development	0%	100%	40	41	42	33	34	35	36	37	38
1783-Rubbish and Recycling Buildings - Staff Welfare and Health and Safety Improvements	0%	100%	300	-	-	-	-	-	-	-	-
1810-City-wide - Diversion of Waste from Landfill - New Materials Development	0%	100%	70	-	265	-	213	-	-	-	-
TOTAL			753	413	519	1,428	1,981	228	8,027	206	314
Funded by Council (Rates and Borrowing)			753	413	519	1,428	1,981	228	8,027	206	314
											213

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Roading - Activity Financial Statements

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Roading - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1472-Business Case work for strategic roads (PNITI)	0%	100%	118	121	250	257	-	-	-	-	-	-
1932-Urban Transport Improvements - Enabling PNITI - Business Case	0%	100%	50	52	107	145	-	-	-	-	-	-
1977-City-wide – Transport - Operation and maintenance of vested assets	0%	100%	-	-	-	-	79	81	83	86	88	623
2001-Transport Network & Asset Management - Operating Cost	0%	100%	113	116	120	123	127	130	134	138	142	146
2007-Road Sealed Pavement Maintenance	0%	100%	123	126	130	134	138	142	146	150	154	159
2009-Transport Advanced Investigation	0%	100%	90	93	191	197	202	208	214	221	227	233
2010-Transport & three waters subdivision public good	0%	100%	150	155	212	219	225	231	238	245	252	259
2018-Transport Bridge Maintenance	0%	0%	62	64	104	107	110	113	117	120	124	127
2028-Street Tree Removals	0%	100%	160	165	308	317	327	336	346	356	366	377
2032-Transport Maintenance - new contract prices	0%	100%	-	-	-	206	295	465	479	493	507	522
2052- Implement Corridor Access Request Fees	0%	100%	(134)	(139)	(143)	(147)	(151)	(156)	(160)	(165)	(169)	(174)
TOTAL			730	753	1,280	1,557	1,352	1,552	1,597	1,643	1,691	2,272

Roading - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
74-City-wide - Street Light Renewals	0%	100%	90	103	117	120	124	168	179	184	189	201
82-Off-street Parking Renewals	0%	100%	65	77	80	126	135	17	18	18	19	19
115-City-wide - Sealed Pavement Renewals	0%	100%	1,750	1,804	2,018	2,404	2,811	3,471	3,572	3,675	3,782	3,892
122-City-wide - Road Drainage Renewals	0%	100%	365	382	399	417	449	484	522	564	608	655
139-City-wide - Sealed Road Resurfacing	0%	100%	2,000	2,217	2,389	2,786	3,429	3,760	4,108	4,227	4,349	4,475
162-City-wide - Vehicle Crossing Renewals	0%	100%	103	119	127	142	157	191	196	202	208	214
1805-City-wide - Transport structure component renewal	0%	100%	100	129	159	273	281	289	298	306	315	324
TOTAL			4,473	4,831	5,289	6,268	7,387	8,381	8,892	9,176	9,470	9,781
Funded by Council (Rates and Borrowing)			2,277	2,467	2,697	3,208	3,769	4,213	4,466	4,609	4,756	4,912

Roading - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
159-Kelvin Grove Road - Safety Improvements	0%	100%	-	-	-	656	787	5,901	-	-	-	-
167-James Line (Schnell Dr to Kelvin Grove Rd) - Improvements	25%	75%	-	-	-	273	1,574	-	-	-	-	-
201-Urban Growth - Development Contributions - Transport	100%	0%	200	206	212	219	225	231	238	245	252	259
279-City-wide - Minor transport improvements	0%	100%	1,225	1,315	1,407	1,557	1,715	1,620	1,667	1,715	1,765	1,816
684-Longburn Rongotea Road/No. 1 Line - Intersection Safety Upgrade	0%	100%	250	-	-	437	2,024	2,314	-	-	-	-
839-Rangitikei St / Featherston St - Intersection Improvements	0%	100%	-	-	-	-	-	-	1,191	(613)	441	5,189
1094-Milson Line Overbridge Improvement	0%	100%	-	-	-	-	-	-	-	245	378	-
1367-City-wide - Street Light Infill	0%	100%	846	896	923	676	-	-	-	-	-	-
1615-City-wide - Parking and Traffic Signs and Marking	0%	100%	50	52	53	66	67	69	89	-	-	-
1681-Urban Growth - Kakatangiata - Transport	90%	10%	400	5,671	319	2,732	-	231	536	551	756	778

1682-Pioneer Highway - Improvements	75%	25%	-	-	-	-	-	-	-	-	238	490	4,034	843
1683-Urban Growth - Whakarongo - Transport	100%	0%	200	206	212	328	562	7,173	-	-	238	245	252	259
1684-Urban Growth - Ashhurst - Transport	75%	25%	250	2,784	1,699	1,093	-	-	-	-	-	-	-	-
1685-Urban Growth - NEIZ - Transport	80%	20%	7,650	-	265	1,639	2,249	-	-	-	-	-	-	-
1688-Urban Transport Improvements - Enabling PNITI	0%	100%	1,950	103	319	437	1,574	1,388	1,388	357	1,225	-	-	-
1689-Rural Road Safety & Accessibility Improvements	0%	100%	-	-	-	328	3,373	1,388	1,388	2,381	490	5,244	259	-
1690-PNITI – Intersection & bridge improvements	25%	75%	3,400	3,712	6,796	-	-	-	-	-	-	-	-	-
1691-Road to Zero - Transport Safety Improvements	0%	100%	1,170	1,902	2,368	1,508	2,474	1,770	1,770	2,917	3,369	2,899	-	-
1804-Road drainage improvements	0%	100%	80	82	85	87	90	93	93	95	98	101	104	-
1806-City-wide - Street light LED lighting improvements	0%	100%	-	-	-	650	618	-	-	-	-	-	-	-
1807-City-wide - Car park infrastructure improvements	0%	100%	800	155	425	-	-	-	-	-	-	-	-	-
1944-Village Road upgrades to urban standard	0%	100%	-	-	234	1,858	270	289	289	2,143	306	2,395	324	-
2013-PNITI – Strategic Transport Corridor Improvements	25%	75%	-	258	5,310	8,742	10,120	10,992	10,992	20,240	24,502	25,212	-	-
TOTAL			18,471	17,340	20,626	23,284	27,722	33,460	33,460	32,331	32,869	43,730	9,833	
Funded by Council (Rates and Borrowing)			13,962	13,104	10,620	13,708	15,444	18,590	18,590	14,023	11,463	22,025	6,260	

Active and Public Transport - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1442-Active Transport Behaviour Change Programmes	0%	100%	81	84	113	116	119	123	126	130	134	138
1494-Active and Public Transport Planning & Investigation	0%	100%	74	76	78	80	83	85	88	90	93	95
1878-Active Transport Innovation	0%	100%	-	52	106	109	112	116	119	123	126	130
1978-City-wide – Active Transport - Operation and maintenance of vested assets	0%	100%	-	-	-	-	-	-	-	-	-	21
1994-Cycle Path Maintenance	0%	100%	48	49	104	107	110	113	116	119	123	126
1995-Footpath Maintenance	0%	100%	34	35	36	37	38	39	40	41	43	44
2021-Innovating Streets	0%	100%	56	58	60	61	63	65	67	69	71	73
2025-Urban Bus Terminal Redevelopment Business Case	0%	100%	98	51	-	-	-	-	-	-	-	-
2037-Additional cycle path sweeping	0%	100%	49	51	104	107	110	113	117	120	124	127
TOTAL			440	454	600	617	635	654	673	692	712	754

Active and Public Transport - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
64-City-wide - Footpath Renewals	0%	100%	1,000	1,031	1,062	1,366	1,406	1,446	1,488	1,531	1,576	1,946
181-City-wide - Public Transport Infrastructure Renewals	0%	100%	30	31	32	33	34	35	36	49	50	52
648-City-wide - Supporting Cycle Infrastructure Renewals	0%	100%	20	21	21	14	14	14	18	18	19	19
TOTAL			1,050	1,083	1,115	1,412	1,453	1,495	1,542	1,599	1,645	2,017
Funded by Council (Rates and Borrowing)			505	520	536	685	705	726	747	774	797	979

Active and Public Transport - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
243-Urban Bus Terminal Redevelopment	0%	100%	75	2,268	5,044	4,999	-	-	-	-	-	-
1121-Tennent Drive Improvements - Food HQ & Massey	0%	100%	-	268	2,761	-	40	787	3,834	2,475	-	-
1559-City-wide - Urban Cycle Infrastructure Network improvements	0%	100%	2,000	2,217	2,283	2,349	2,417	2,488	2,560	2,634	2,710	2,789
1676-City-wide - Supporting Cycle Infrastructure Improvements	0%	100%	76	103	59	50	40	112	33	28	35	121
1677-Regional Shared Path Network Improvements	0%	100%	1,832	1,926	2,320	2,912	2,824	2,555	2,597	3,558	3,661	3,767
1678-City-wide - Off Road Shared Path Network Improvements	0%	100%	415	453	441	453	467	480	494	508	523	538
1679-City-wide - Footpath Improvements	0%	100%	518	513	529	544	560	576	593	610	628	646
1680-City-wide - Public Transport Infrastructure Improvements	0%	100%	-	93	-	98	-	104	-	110	-	117
1803-Neighborhood Streetscape Improvements	0%	100%	30	309	32	328	34	347	36	368	38	389
1808-City-wide - Street amenity improvements	0%	100%	274	282	291	299	308	317	326	336	345	355
1925-Urban Growth - Development Contributions - Active Transport	20%	80%	-	-	-	142	-	150	-	159	-	169
2026-Active Transport Measurement	0%	100%	200	-	-	219	-	-	238	-	-	-
TOTAL			5,420	8,432	13,760	12,394	6,691	7,716	10,711	10,786	7,941	8,892
Funded by Council (Rates and Borrowing)			2,898	4,273	6,891	6,407	3,436	4,016	5,536	5,534	4,067	4,621

Stormwater - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
2 Stormwater Collection and Disposal	6	6	6	7	7	7	7	7	8	8
2 Total Revenue	6	6	6	7	7	7	7	7	8	8
Expenses										
4,015 Stormwater Collection and Disposal	4,401	4,794	5,300	7,309	5,833	6,807	7,023	7,145	8,307	8,424
4,015 Total Expenses	4,401	4,794	5,300	7,309	5,833	6,807	7,023	7,145	8,307	8,424
4,012 NET OPERATING COST OF ACTIVITY	4,395	4,788	5,294	7,303	5,826	6,800	7,015	7,138	8,299	8,416
Rating Requirement										
(1,909) Less Depreciation	(1,909)	(2,013)	(2,117)	(3,901)	(2,244)	(3,011)	(3,035)	(3,095)	(4,412)	(4,427)
861 Plus Net Capital Renewal (3 Year Average)	943	971	994	885	842	834	861	890	885	877
206 Plus Debt Repayment	150	290	400	505	589	652	729	877	935	997
3,171 RATES REQUIREMENT	3,579	4,036	4,572	4,791	5,014	5,275	5,571	5,808	5,706	5,863
Capital Expenditure										
860 Renewal	875	818	1,136	960	887	808	833	861	890	918
1,761 New	6,203	4,647	4,267	3,235	2,143	2,702	5,851	1,537	1,653	918
2,621 Total Capital Expenditure	7,078	5,465	5,403	4,194	3,030	3,509	6,685	2,398	2,543	1,835
Funded By										
126 Development Contributions	139	132	166	272	381	506	522	534	555	562
861 Rates	943	971	994	885	842	834	861	890	885	877
1,634 New Borrowing / (Repayment)	5,996	4,362	4,243	3,038	1,806	2,169	5,301	975	1,103	396
2,621 Total	7,078	5,465	5,403	4,194	3,030	3,509	6,685	2,398	2,543	1,835

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Stormwater - Operational

ID-Name	LOS	Growth	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1369-City-wide Data Collection and WQ Monitoring	100%	0%	100	104	202	207	213	219	226	234	242	249
1614-Stormwater - Open channels and drains - maintenance	100%	0%	250	290	297	305	314	391	388	373	127	131
1709-City-wide - Stormwater Condition Assessments	100%	0%	110	114	117	120	123	127	131	61	64	66
1710-City-wide - Stormwater Modelling, Consenting and Planning	100%	0%	140	145	198	204	209	215	222	230	237	245
1930-City-wide - Maintenance of Stormwater Treatment Devices	0%	0%	18	18	53	55	56	58	60	61	64	66
1976-City-wide – Stormwater - Operation and Maintenance of vested assets	100%	0%	-	-	-	-	-	-	-	-	-	14
2002-Stormwater Reticulation Network Maintenance	100%	0%	24	25	64	66	68	70	72	74	77	79
2003-Stormwater Pump Station Operation & Maintenance	100%	0%	24	25	25	26	27	28	29	30	31	31
TOTAL			665	720	957	983	1,011	1,107	1,127	1,063	841	881

Stormwater - Capital Renewal

ID-Name	LOS	Growth	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
20-City-wide - Stormwater Pump Station Renewals	100%	0%	225	176	499	305	213	115	119	123	127	131
1062-City-wide - Stormwater Network Renewal Works	100%	0%	650	642	637	654	673	692	714	738	763	787
TOTAL			875	818	1,136	960	887	808	833	861	890	918
Funded by Council (Rates and Borrowing)			875	818	1,136	960	887	808	833	861	890	918

Stormwater - Capital New

ID-Name	LOS	Growth	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
51-Urban Growth - Development Contributions - Stormwater	0%	100%	200	207	212	218	112	12	12	123	127	131
197-Urban Growth - NEIZ - Stormwater	0%	100%	1,300	1,087	-	-	-	-	-	-	-	-
1001-Urban Growth - Whakarongo - Stormwater	0%	100%	3,190	714	106	-	-	-	-	-	-	-
1060-City-wide - Stormwater Network Improvement Works	100%	0%	760	787	828	829	853	865	714	738	763	787
1065-Urban Growth - Kakatangiata - Stormwater	0%	100%	-	-	850	382	-	1,384	-	-	636	-
1372-City-wide Stormwater Pump Stations Improvement	100%	0%	480	497	499	371	281	358	-	-	127	-
1704-Urban Growth - Aokautere - Stormwater	0%	100%	-	362	-	-	449	-	-	430	-	-
1706-City-wide - Stormwater Network Resilience	100%	0%	130	223	175	-	-	-	-	-	-	-
1707-City-wide - Land purchase associated with streams and channels	100%	0%	-	207	-	-	224	-	-	246	-	-
1708-City-wide - Stormwater Flood Mitigation	100%	0%	143	564	1,036	1,097	224	83	5,125	-	-	-
2034-Urban Growth - Ashhurst - Stormwater	0%	100%	-	-	560	120	-	-	-	-	-	-
2035-Urban Growth - Napier Rd - Stormwater	0%	100%	-	-	-	218	-	-	-	-	-	-
TOTAL			6,203	4,647	4,267	3,235	2,143	2,702	5,851	1,537	1,653	918
Funded by Council (Rates and Borrowing)			6,203	4,647	4,267	3,235	2,143	2,702	5,851	1,537	1,653	918

Wastewater - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
955 Wastewater Collection	6	6	6	7	7	7	7	7	8	8
381 Wastewater Treatment and Disposal	1,195	1,237	1,269	1,522	1,790	2,071	2,614	2,700	2,792	2,878
1,336 Total Revenue	1,201	1,243	1,276	1,528	1,797	2,078	2,621	2,707	2,799	2,886
Expenses										
4,827 Wastewater Collection	5,590	5,787	6,649	6,841	6,946	7,317	7,364	7,404	7,817	7,898
5,796 Wastewater Treatment and Disposal	6,242	6,562	6,904	12,283	23,883	28,609	33,046	32,743	32,845	33,119
10,623 Total Expenses	11,832	12,349	13,553	19,124	30,829	35,925	40,410	40,147	40,662	41,017
9,286 NET OPERATING COST OF ACTIVITY	10,630	11,106	12,277	17,596	29,032	33,847	37,789	37,439	37,863	38,131
Rating Requirement										
(4,251) Less Depreciation	(4,195)	(4,316)	(4,505)	(4,942)	(7,408)	(10,223)	(12,852)	(12,869)	(13,251)	(13,269)
3,028 Plus Net Capital Renewal (3 Year Average)	3,905	5,069	5,099	5,670	5,045	5,503	5,467	6,270	6,394	6,945
466 Plus Debt Repayment	370	504	662	1,171	3,904	6,763	9,827	10,126	10,473	10,791
8,529 RATES REQUIREMENT	10,710	12,363	13,533	19,494	30,573	35,890	40,231	40,967	41,478	42,599
Capital Expenditure										
3,642 Renewal	3,191	4,459	4,065	6,683	4,548	5,777	4,810	5,921	5,669	7,221
2,813 New	4,736	5,884	22,600	124,388	126,640	132,424	1,087	2,906	1,161	3,360
6,454 Total Capital Expenditure	7,927	10,343	26,665	131,071	131,188	138,202	5,897	8,828	6,830	10,581
Funded By										
482 Development Contributions	533	1,022	1,283	2,104	2,949	3,912	4,035	4,128	4,292	4,345
3,028 Rates	3,905	5,069	5,099	5,670	5,045	5,503	5,467	6,270	6,394	6,945
2,944 New Borrowing / (Repayment)	3,489	4,252	20,283	123,297	123,194	128,787	(3,605)	(1,571)	(3,856)	(709)
6,454 Total	7,927	10,343	26,665	131,071	131,188	138,202	5,897	8,828	6,830	10,581

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Wastewater - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1319-Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade Options Analysis	0%	100%	1,251	1,212	1,096	482	624	670	571	-	-	-
1401-City-wide - Infiltration & Inflow Investigations	0%	100%	250	259	478	491	505	519	536	553	572	590
1614-Stormwater - Open channels and drains - maintenance	0%	100%	-	52	106	109	112	115	119	123	127	131
1716-City-wide - Wastewater Facility Condition Assessment Programme	0%	100%	50	52	85	87	90	92	95	98	102	105
1717-City-wide - Wastewater Pipeline Condition Assessment Programme	0%	100%	175	181	393	404	415	427	440	455	470	485
1718-City-wide Pressure Wastewater systems operation	0%	100%	2	2	65	67	68	70	73	75	78	80
1719-City-wide - Decommissioning of Redundant Wastewater Mains	0%	100%	200	207	212	218	224	231	238	246	254	262
1720-Operate and Maintain Wastewater Network Model	0%	100%	10	10	53	55	56	58	60	61	64	66
1802-Wastewater Pump Stations - Building Maintenance	0%	100%	10	10	22	23	24	24	25	26	27	28
1814-Wastewater Treatment Pond Sludge Removal	0%	100%	-	-	-	3,381	1,683	-	-	-	-	-
1843-Wastewater Treatment Plant - Building Maintenance	0%	100%	35	36	74	76	79	81	83	86	89	92
1974-City-wide - Wastewater - Operation and maintenance of vested assets	0%	100%	-	-	-	-	-	-	-	-	-	35
1999-Wastewater Reticulation Network Maintenance	0%	100%	68	73	144	148	152	156	161	166	172	177
2004-Wastewater Reticulation Pump Stations Operation & Maintenance	0%	100%	20	21	21	22	22	23	24	25	25	26
TOTAL			2,071	2,115	2,750	5,561	4,055	2,467	2,425	1,915	1,980	2,077

Wastewater - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
54-City-wide - Wastewater Pipe Renewal	0%	100%	2,100	2,381	2,655	2,945	3,254	3,576	3,929	4,304	4,705	5,244
65-City-wide - Wastewater Pump Station Renewal	0%	100%	300	311	340	349	421	115	119	123	127	131
179-Totara Road Wastewater Treatment Plant - Minor Equipment Renewals	0%	100%	380	414	425	436	449	461	238	246	254	262
1068-Totara Road Wastewater Treatment Plant - Replacement of Inlet Pumps	0%	100%	-	-	212	1,309	-	-	-	-	-	-
1380-Totara Rd WWTP - Biogas Generator Major Overhauls	0%	100%	150	155	159	273	135	173	208	184	254	459
1714-City-wide Wastewater Trunk Mains Renewal	0%	100%	200	1,139	212	1,309	224	1,384	238	984	254	1,049
1799-Wastewater Treatment Plant - Buildings Renewals	0%	100%	50	52	53	55	56	58	60	61	64	66
1801-Wastewater Pump Stations - Building Renewals	0%	100%	8	8	8	9	9	9	10	10	10	10
1887-Water Operations - Small plant and Equipment - Renewals	0%	100%	3	-	-	-	-	-	8	9	-	-
TOTAL			3,191	4,459	4,065	6,683	4,548	5,777	4,810	5,921	5,669	7,221
Funded by Council (Rates and Borrowing)			3,191	4,459	4,065	6,683	4,548	5,777	4,810	5,921	5,669	7,221

Wastewater - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
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66-Totara Road Wastewater Treatment Plant - Resilience Programme	50%	50%	560	735	828	480	853	877	-	-	-	-	-
73-Urban Growth - Development Contributions - Wastewater	100%	0%	100	104	106	109	56	58	60	61	64	66	66
210-Urban Growth - NEIZ - Wastewater	100%	0%	600	155	531	545	561	-	-	-	-	-	-
628-Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade	20%	80%	-	-	18,507	120,377	123,864	128,995	-	-	-	-	-
1000-Urban Growth - Whakarongo - Wastewater	100%	0%	200	486	283	-	-	-	-	-	-	-	-
1055-Urban Growth - Kakatangiata - Wastewater	100%	0%	53	-	-	344	337	-	-	-	-	-	-
1074-Totara Road Wastewater Treatment Plant - Earthquake Strengthening of Civil Structures	0%	100%	1,000	1,035	1,062	-	-	-	-	-	-	-	-
1412-Urban Growth - Ashhurst - Wastewater	50%	50%	-	-	-	327	-	-	-	-	-	-	-
1616-City-wide - Wastewater Pump Station - Capacity Upgrade	0%	100%	580	714	690	676	685	704	726	750	776	800	800
1617-Totara Road Wastewater Treatment Plant - Biogas System Improvements	0%	100%	1,300	1,035	-	-	-	-	-	-	-	-	-
1711-Urban Growth - Longburn Industrial Park - Wastewater	100%	0%	50	621	-	-	-	-	-	-	-	-	-
1712-City-wide Wastewater wet weather overflow mitigation	0%	100%	200	621	212	763	224	1,384	238	1,845	254	2,229	2,229
1821-City-wide Wastewater Pipeline Realignment of at-risk mains	0%	100%	50	259	53	382	56	404	60	246	64	262	262
1883-Water Operations - Small Plant & Equipment - New	0%	100%	43	16	8	3	3	3	4	4	4	4	4
2030-Urban Growth - Aokautere - Wastewater	100%	0%	-	104	319	382	-	-	-	-	-	-	-
TOTAL			4,736	5,884	22,600	124,388	126,640	132,424	1,087	2,906	1,161	3,360	3,360
Funded by Council (Rates and Borrowing)			4,736	5,884	22,600	124,388	126,640	132,424	1,087	2,906	1,161	3,360	3,360

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Water - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
29 Water Collection	29	30	31	302	32	33	34	36	37	38
8 Water Distribution	56	58	59	61	63	64	67	69	71	73
- Water Treatment	10	10	11	11	11	12	12	12	13	13
37 Total Revenue	95	98	101	374	106	109	113	117	121	124
Expenses										
2,001 Water Collection	2,807	2,812	3,044	3,533	3,190	3,241	3,366	3,736	3,760	3,733
3,900 Water Distribution	4,323	4,497	4,677	4,959	5,331	5,946	6,223	6,395	6,449	6,532
2,263 Water Treatment	1,809	2,093	2,286	2,447	1,900	1,969	2,011	2,048	2,068	2,101
8,164 Total Expenses	8,939	9,402	10,007	10,939	10,421	11,156	11,599	12,179	12,277	12,366
8,126 NET OPERATING COST OF ACTIVITY	8,844	9,304	9,906	10,566	10,315	11,047	11,486	12,063	12,156	12,241
Rating Requirement										
(3,271) Less Depreciation	(3,090)	(3,101)	(3,228)	(3,322)	(2,929)	(2,916)	(3,001)	(3,089)	(3,314)	(3,314)
3,807 Plus Net Capital Renewal (3 Year Average)	4,553	5,921	6,323	6,140	5,048	4,369	4,095	4,093	4,064	4,055
601 Plus Debt Repayment	631	805	1,051	1,267	1,561	1,978	2,314	2,518	2,601	2,685
9,265 RATES REQUIREMENT	10,938	12,928	14,052	14,651	13,994	14,477	14,895	15,585	15,507	15,668
Capital Expenditure										
3,277 Renewal	3,478	4,925	5,257	7,579	6,134	4,708	4,302	4,096	3,887	4,295
5,906 New	7,193	10,303	8,578	11,910	17,188	13,619	6,410	553	547	328
9,183 Total Capital Expenditure	10,670	15,229	13,835	19,489	23,321	18,327	10,713	4,650	4,434	4,623
Funded By										
332 Development Contributions	367	337	423	694	972	1,290	1,331	1,361	1,415	1,433
- Asset Sales	-	-	486	-	-	-	-	-	-	-
3,807 Rates	4,553	5,921	6,323	6,140	5,048	4,369	4,095	4,093	4,064	4,055
5,044 New Borrowing / (Repayment)	5,750	8,971	6,603	12,655	17,301	12,668	5,286	(804)	(1,046)	(865)
9,183 Total	10,670	15,229	13,835	19,489	23,321	18,327	10,713	4,650	4,434	4,623

Water - Operational

ID-Name	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
898-Water Supply Development Planning	50	-	-	131	-	-	-	-	-	-
1052-Turitea Dams - Dam Safety Assurance Programme	-	-	42	-	-	-	-	49	-	-
1246-Three Waters Public Education - Water	40	41	42	44	45	46	48	49	51	52
1798-Water Treatment Plant - Buildings Maintenance	30	31	62	72	74	76	79	81	84	87
1812-City-wide - Water Supply Network Modelling	15	16	16	16	17	17	18	18	19	20
1813-City-wide - Water Supply Condition Assessments	50	52	32	33	34	35	36	37	38	39
1870-Turitea Dams - Consent Renewal - Hydroelectricity	-	-	-	-	-	-	-	246	-	-
1871-Bunnythorpe - Water Safety Plan Update	25	-	-	-	-	-	-	-	-	-
1872-Longburn - Water Safety Plan Update	25	-	-	-	-	-	-	-	-	-
1881-Water Pump Station - Building Maintenance	10	10	16	16	17	17	18	18	19	20
1900-Ashhurst - Water Safety Plan Update	25	-	-	-	-	29	-	-	-	-
1902-Palmerston North - Water Safety Plan Update	-	-	-	55	-	-	-	-	64	-
1905-Turitea Dams - Turitea Forest Harvest	-	-	(486)	-	-	-	-	-	-	-
1975-City-wide - Water supply - Operation and maintenance of vested assets	-	-	-	-	-	-	-	-	-	31
1996-Turitea Dams - Catchment Management	100	104	207	213	219	225	232	240	248	256
2053-Implement Commercial Backflow Fee	(47)	(49)	(50)	(52)	(53)	(55)	(57)	(58)	(60)	(62)
TOTAL	323	204	(119)	527	352	390	373	681	462	442

Water - Capital Renewal

ID-Name	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
88-Turitea WTP - Falling Main Rehabilitation	-	-	106	927	1,347	-	-	-	-	-
199-City-wide - Water Supply Bore and Network Facility Renewals	300	518	891	627	215	105	703	133	94	170
207-Turitea WTP - Equipment and Facility Renewals	239	607	395	273	455	308	362	591	318	524
214-City-wide - Water Toby and Manifold Renewals	325	518	531	545	561	577	595	630	652	672
218-City-wide - Water Main Renewals	2,113	2,394	2,671	3,016	3,271	3,478	2,399	2,478	2,562	2,642
663-Ashhurst - Water Supply Rising Main Renewal - Stage 3	-	-	-	872	-	-	-	-	-	-
1061-City-wide - Water Supply Reservoir Renewals	-	311	-	-	-	-	-	-	-	-
1385-City-wide - Water Supply Resilience - Telemetry Replacement	23	-	-	-	-	-	-	-	-	-
1700-City-wide - Water Meter Renewals	200	333	342	351	17	23	19	33	22	41
1701-City-wide - Water Supply Valve & Hydrant Renewals	200	207	212	218	224	173	179	184	191	197
1797-Water Treatment Plant - Building Renewals	30	31	32	33	34	35	36	37	38	39
1822- Water Pump Stations - Building Renewals	8	8	8	9	9	9	10	10	10	10
2042-Turitea WTP - Raw Water Main Renewal	40	-	69	709	-	-	-	-	-	-
TOTAL	3,478	4,925	5,257	7,579	6,134	4,708	4,302	4,096	3,887	4,295
Funded by Council (Rates and Borrowing)	3,478	4,925	5,257	7,579	6,134	4,708	4,302	4,096	3,887	4,295

Water - Capital New

	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31

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ID-Name	Growth	LOS	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
124-Turitea WTP - Drinking Water Standards Upgrades	0%	100%	770	1,697	1,524	559	-	-	-	-	-	-
132-City-wide - Water Supply Resilience - Trunk Mains	10%	90%	113	1,232	1,588	1,562	1,122	1,154	-	-	-	-
135-Urban Growth - Bunnythorpe Extension - Water Supply	90%	10%	-	-	-	141	1,597	-	-	-	-	-
246-Urban Growth - Development Contributions - Water Supply	100%	0%	250	259	265	273	281	288	298	307	318	328
651-City-wide - Water Supply Resilience - Seismic Strengthening	0%	100%	-	-	-	273	281	288	-	-	-	-
986-Turitea Dams - Aeration Upgrade	0%	100%	35	26	127	-	-	-	-	-	-	-
1004-Urban Growth - Whakarongo - Water Supply	100%	0%	891	42	43	1,173	869	-	-	-	-	-
1005-Urban Growth - NEIZ - Water Supply	100%	0%	585	-	966	-	-	-	-	-	-	-
1054-Ashhurst - Water Quality Improvements	0%	100%	-	207	1,371	-	-	-	-	-	-	-
1170-Urban Growth - Kakatangiata - Water Supply	100%	0%	694	-	-	545	281	3,749	1,598	-	38	-
1384-City-wide - Water Supply Resilience - Additional Reservoirs	0%	100%	210	2,070	-	1,854	1,908	-	-	-	-	-
1387-Urban Growth - New North-East Water Supply Bore	100%	0%	-	-	-	-	561	1,154	1,786	-	-	-
1388-Palmerston North - District Metering Areas for Water Supply	0%	100%	320	-	-	-	-	-	95	61	191	-
1389-City-wide - Water Supply Resilience - Security of Supply	0%	100%	375	-	-	-	1,962	779	-	-	-	-
1607-City-wide - Health & Safety - Water Treatment Chemical Handling	0%	100%	355	-	-	-	-	-	-	-	-	-
1693-City-wide - Commercial Water Meters	0%	100%	160	166	112	115	-	-	-	-	-	-
1696-City-wide - Drinking Water Standards Upgrades	0%	100%	1,340	1,242	-	-	-	-	-	-	-	-
1697-Turitea WTP - Water Supply Resilience - Upgrades	0%	100%	1,079	657	-	1,581	729	519	-	184	-	-
1815-Urban Growth - Longburn Industrial Park - Water Supply	100%	0%	-	-	-	273	3,086	2,884	-	-	-	-
1841-Urban Growth - Ashhurst - Water Supply	50%	50%	-	247	-	-	345	252	-	-	-	-
1863-City-wide - Water Supply Resilience - Generators	0%	100%	-	-	-	189	-	-	-	-	-	-
1864-Longburn Extension - Water Supply	0%	100%	-	-	59	579	-	-	-	-	-	-
1873-City-wide - Water Main Upgrades - Firefighting	0%	100%	-	155	159	164	-	-	-	-	-	-
1874-Turitea Dams - Health & Safety Improvements	0%	100%	15	-	-	-	-	-	-	-	-	-
1880-Urban Growth - Aokautere - Water Supply	100%	0%	-	-	-	218	1,683	-	-	-	-	-
2048-City-wide - Water Toby and Manifold enhancements	0%	100%	-	2,303	2,363	2,413	2,483	2,552	2,634	-	-	-
TOTAL			7,193	10,303	8,578	11,910	17,188	13,619	6,410	553	547	328
Funded by Council (Rates and Borrowing)			7,193	10,303	8,578	11,910	17,188	13,619	6,410	553	547	328

Organisational performance - Activity Financial Statements

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Revenue										
260 Civic Administration Building	270	277	283	289	296	302	309	316	323	330
101 Financial Services	101	103	105	107	109	111	113	115	117	120
66 Print Synergy	30	30	31	32	32	33	34	35	35	36
427 Total Revenue	401	410	419	428	437	446	456	465	475	485
Expenses										
235 Civic Administration Building	758	779	807	828	846	880	901	919	955	977
- Customer Services	()	()	()	()	()	()	()	()	()	()
(432) Financial Services	(454)	(466)	(473)	(485)	(499)	(512)	(526)	(540)	(558)	(574)
987 Human Resources	1,348	1,385	1,421	1,454	1,489	1,523	1,559	1,596	1,634	1,672
3,315 Information Services	1,554	130	194	272	290	240	191	144	106	80
33 Marketing & Communications	49	70	90	116	25	24	24	24	25	25
(78) Print Synergy	(29)	(19)	(10)	35	46	48	49	77	83	99
4,061 Total Expenses	3,226	1,879	2,029	2,221	2,196	2,203	2,197	2,221	2,244	2,280
3,634 NET OPERATING COST OF ACTIVITY	2,825	1,469	1,610	1,792	1,759	1,756	1,741	1,755	1,769	1,795
Rating Requirement										
(1,620) Less Depreciation	(1,580)	(1,855)	(2,156)	(2,433)	(2,517)	(2,579)	(2,625)	(2,686)	(2,702)	(2,708)
(969) Less Internal Rates Recovered	(987)	(1,013)	(1,038)	(1,063)	(1,089)	(1,115)	(1,142)	(1,170)	(1,199)	(1,228)
- Less Transfers To/(From) Reserves	(2,175)	(1,401)	(1,984)	(2,447)	-	-	-	-	-	-
1,593 Plus Net Capital Renewal (3 Year Average)	2,055	1,901	1,651	1,665	1,608	1,570	1,425	1,342	1,401	1,319
190 Plus Debt Repayment	284	337	146	183	204	242	256	270	276	281
2,827 RATES REQUIREMENT	423	(562)	(1,771)	(2,303)	(35)	(126)	(344)	(487)	(455)	(542)
Capital Expenditure										
2,009 Renewal	2,315	2,079	1,773	1,853	1,329	1,813	1,683	1,214	1,379	1,434
16 New	836	570	583	1,025	1,376	284	288	119	119	122
2,025 Total Capital Expenditure	3,151	2,649	2,356	2,878	2,705	2,097	1,971	1,333	1,499	1,556
Funded By										
1,593 Rates	2,055	1,901	1,651	1,665	1,608	1,570	1,425	1,342	1,401	1,319
433 New Borrowing / (Repayment)	1,096	747	705	1,213	1,097	527	546	(9)	98	237
2,025 Total	3,151	2,649	2,356	2,878	2,705	2,097	1,971	1,333	1,499	1,556

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Organisational performance - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
225-PNCC Website Upgrade	0%	100%	-	-	-	236	-	-	-	257	-	-
1520-Digital Transformation	0%	100%	1,500	2,563	3,880	5,251	438	448	458	468	478	488
1572-Enterprise Resource Planning (ERP) System Replacement	0%	100%	1,846	384	393	402	411	420	429	438	448	458
1727-Property - Facilities Management Software	0%	100%	-	-	336	43	44	45	46	47	48	49
1929-Workforce Transformation	0%	100%	250	256	262	268	274	280	286	-	-	-
1990-CAB - Cleaning Budget Shortfall	0%	100%	86	88	90	92	94	96	98	100	102	104
TOTAL			3,681	3,291	4,960	6,291	1,260	1,288	1,316	1,310	1,076	1,100

Organisational performance - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
53-Computer Replacement - Rolling Replacements	0%	100%	496	508	520	531	543	555	567	580	580	580
58-Network Additions and Upgrades	0%	100%	42	43	44	43	44	44	44	45	45	46
68-Aerial Photography	0%	100%	41	42	43	44	45	46	47	48	49	50
86-Property - Furniture Replacements	0%	100%	100	103	105	107	110	112	114	29	30	31
221-Print Synergy - Replacement of Print Synergy Machinery	0%	100%	35	10	42	11	11	11	12	12	12	12
272-Staff Cafeteria - Replacement of Equipment	0%	100%	6	6	6	6	6	7	7	7	6	6
281-CAB - Renewals	0%	100%	1,200	1,179	734	536	438	504	229	351	478	244
318-Telecommunications Replacement - Council Buildings	0%	100%	101	157	151	137	98	165	193	-	-	-
755-Replacement of Parking Enforcement Hand Helds and iPhones	0%	100%	56	-	-	60	-	-	-	-	-	-
784-Replacement of Council's Photocopiers/Printers	0%	100%	31	31	128	163	34	34	71	143	179	37
1732-Depot - Hard Surfaces Renewals	0%	100%	200	-	-	214	-	336	400	-	-	427
2027-Video and Audio Equipment	0%	100%	8	-	-	-	-	-	-	-	-	-
TOTAL			2,315	2,079	1,773	1,853	1,329	1,813	1,683	1,214	1,379	1,434
Funded by Council (Rates and Borrowing)			2,315	2,079	1,773	1,853	1,329	1,813	1,683	1,214	1,379	1,434

Organisational performance - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
60-Information Management Strategic Plan Project - New Software Applications	0%	100%	106	109	111	114	116	116	117	119	119	122
1736-CAB - Rubbish and Recycling Compound	0%	100%	80	-	-	-	-	-	-	-	-	-
1826-CAB - Workplace Transformation	0%	100%	500	308	315	750	1,095	-	-	-	-	-
2047-Property - Furniture transformation	0%	100%	150	154	157	161	164	168	172	-	-	-
TOTAL			836	570	583	1,025	1,376	284	288	119	119	122
Funded by Council (Rates and Borrowing)			836	570	583	1,025	1,376	284	288	119	119	122

Strategic Investments - Activity Financial Statements													
Budget	10YP		10YP		10YP		10YP		10YP		10YP		10YP
2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31			
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Revenue													
3,483	3,796	4,036	4,291	4,554	4,841	5,153	5,493	5,614	5,738	5,864			
294	255	261	267	273	279	285	292	298	305	311			
120	-	-	-	-	-	-	-	-	-	-			
3,897	4,051	4,298	4,558	4,828	5,120	5,438	5,785	5,912	6,042	6,175			
Expenses													
3,445	4,559	4,922	5,349	5,729	5,711	6,047	6,417	6,544	6,684	6,836			
469	767	784	836	854	869	893	911	927	954	974			
447	598	574	632	556	602	611	475	494	513	534			
301	250	250	250	251	251	251	251	252	252	252			
4,662	6,174	6,530	7,068	7,389	7,432	7,802	8,055	8,217	8,404	8,595			
765	2,123	2,232	2,509	2,562	2,312	2,363	2,270	2,304	2,361	2,420			
Rating Requirement													
(1,561)	(1,542)	(1,555)	(1,561)	(1,614)	(1,669)	(529)	(1,768)	(1,803)	(1,848)	(1,849)			
1,349	2,564	2,822	2,916	3,272	3,356	3,047	3,243	3,468	3,474	2,910			
99	84	105	115	171	229	281	328	375	390	372			
651	3,228	3,604	3,978	4,389	4,229	5,162	4,074	4,345	4,378	3,853			
Capital Expenditure													
1,743	2,273	2,882	2,538	3,045	3,166	3,603	3,299	2,238	4,193	3,973			
185	511	296	827	846	755	771	674	689	345	353			
1,928	2,784	3,179	3,365	3,891	3,921	4,375	3,973	2,927	4,538	4,326			
Funded By													
1,349	2,564	2,822	2,916	3,272	3,356	3,047	3,243	3,468	3,474	2,910			
579	220	357	449	619	565	1,328	729	(541)	1,064	1,416			
1,928	2,784	3,179	3,365	3,891	3,921	4,375	3,973	2,927	4,538	4,326			

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Strategic Investments - Operational

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
1792-Parks Depot - Building Maintenance	0%	100%	20	21	50	51	53	54	55	56	57	59
1885-Asset Management Improvement Plan Task Programme	0%	100%	50	205	157	-	-	-	-	-	-	-
TOTAL			70	226	208	51	53	54	55	56	57	59

Strategic Investments - Capital Renewal

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
80-Council Small Mobile Plant and Equipment - Replacement	0%	100%	225	231	236	241	246	252	257	263	269	275
85-Depot - Buildings and Structures Renewals	0%	100%	200	103	105	27	27	336	400	-	-	427
1753-Investment Properties - Building Renewals	0%	100%	25	384	26	241	246	28	46	23	24	49
1791-Parks Depot - Building Renewals	0%	100%	5	5	21	54	1	22	1	12	24	-
1879-Council's Plant and Vehicle - Replacements	0%	100%	1,793	1,929	1,914	2,370	2,311	2,736	2,474	1,419	2,795	3,094
1970-Gordon Kear Forest Culvert Replacements	0%	100%	25	26	26	27	27	28	29	29	30	31
2022-Property - Hard Surfaces Renewals	0%	100%	-	205	210	86	307	201	92	491	1,052	98
TOTAL			2,273	2,882	2,538	3,045	3,166	3,603	3,299	2,238	4,193	3,973
Funded by Council (Rates and Borrowing)			2,273	2,882	2,538	3,045	3,166	3,603	3,299	2,238	4,193	3,973

Strategic Investments - Capital New

ID-Name	Growth	LOS	2021/22 \$'000s	2022/23 \$'000s	2023/24 \$'000s	2024/25 \$'000s	2025/26 \$'000s	2026/27 \$'000s	2027/28 \$'000s	2028/29 \$'000s	2029/30 \$'000s	2030/31 \$'000s
99-New Vehicles and Plant to enable the delivery of improved Council services	0%	100%	393	296	303	310	317	324	331	338	345	353
1875-Fleet - Upgrade to Electric Vehicles - Capital New	0%	100%	-	-	524	536	438	448	343	351	-	-
1903-Garage - Workshop Safety and Operating Improvements	0%	100%	118	-	-	-	-	-	-	-	-	-
TOTAL			511	296	827	846	755	771	674	689	345	353
Funded by Council (Rates and Borrowing)			511	296	827	846	755	771	674	689	345	353

Funding Impact Statements

Whole of Council

Budget 2020/21 \$'000s	10YP 2021/22 \$'000s	10YP 2022/23 \$'000s	10YP 2023/24 \$'000s	10YP 2024/25 \$'000s	10YP 2025/26 \$'000s	10YP 2026/27 \$'000s	10YP 2027/28 \$'000s	10YP 2028/29 \$'000s	10YP 2029/30 \$'000s	10YP 2030/31 \$'000s
Sources of Operating Funding										
77,734 General Rates, UAGC & Rates Penalties	80,811	85,658	92,686	97,563	101,457	105,438	107,669	112,303	116,300	120,159
23,047 Targeted Rates	27,164	31,227	33,689	40,611	51,873	57,815	63,046	65,268	65,932	67,673
3,395 Subsidies & Grants for Operating Purposes	4,817	4,967	5,445	5,892	5,662	6,011	6,186	6,366	6,552	6,742
6,479 Fees and Charges	7,520	7,710	7,888	8,063	8,242	8,425	8,612	8,803	8,999	9,199
17 Interest and Dividends from Investments	17	17	17	17	17	17	17	17	17	17
22,251 Other Operating Funding *	22,809	24,085	24,838	26,160	27,088	28,041	29,460	30,379	31,020	31,804
132,923 Total Operating Funding	143,137	153,664	164,563	178,305	194,340	205,746	214,989	223,136	228,819	235,594

Applications of Operating Funding

101,756 Payments to Staff and Suppliers	109,984	113,713	120,905	129,526	133,335	137,132	139,518	143,785	146,327	151,112
5,557 Finance Costs	5,124	6,809	8,150	11,093	15,544	19,946	22,420	23,133	23,949	24,181
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
107,313 Total Applications of Operating Funding	115,108	120,522	129,055	140,619	148,880	157,077	161,937	166,918	170,277	175,293
25,611 Surplus/(Deficit) of Operating Funding	28,029	33,141	35,509	37,687	45,461	48,669	53,052	56,218	58,542	60,302

Sources of Capital Funding

7,321 Subsidies and Grants for Capital Expenditure	11,307	14,467	23,062	21,303	21,020	25,173	31,653	38,288	38,330	13,751
1,891 Development & Financial Contributions	2,090	2,588	3,249	5,327	7,463	9,903	10,214	10,449	10,863	10,998
35,643 Increase/(Decrease) in Debt	51,787	48,936	49,134	162,802	159,316	159,259	21,916	25,446	34,830	(16,132)
- Gross proceeds from sale of assets	5,000	3,075	7,826	7,502	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
44,855 Total Sources of Capital Funding	70,184	69,066	83,271	196,934	187,799	194,334	63,783	74,182	84,024	8,617

Applications of Capital Funding

Capital Expenditure:-										
2,241 - to meet additional demand	17,462	14,943	7,964	12,745	14,876	18,730	5,628	4,112	10,276	2,795
41,470 - to improve the level of service	50,058	50,159	80,026	180,081	178,533	185,945	70,266	91,712	97,203	25,548
26,754 - to replace existing assets	30,693	37,106	30,789	41,795	39,851	38,328	40,941	34,577	35,087	40,576
- Increase/(Decrease) in Reserves	-	-	-	-	-	-	-	-	-	-
- Increase/(Decrease) of Investments	-	-	-	-	-	-	-	-	-	-
70,466 Total Applications of Capital Funding	98,213	102,208	118,779	234,621	233,260	243,003	116,835	130,400	142,566	68,919
(25,611) Surplus/(Deficit) of Capital Funding	(28,029)	(33,141)	(35,509)	(37,687)	(45,461)	(48,669)	(53,052)	(56,218)	(58,542)	(60,302)

() Total Funding Surplus/(Deficit)

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Funding Impact Statements
Budget Connected & Safe Community - Group of Activities

Budget 2020/21	10YP 2021/22	10YP 2022/23	10YP 2023/24	10YP 2024/25	10YP 2025/26	10YP 2026/27	10YP 2027/28	10YP 2028/29	10YP 2029/30	10YP 2030/31
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operating Funding										
17,304 General Rates, UAGC & Rates Penalties	18,060	19,766	20,963	22,045	20,701	21,089	21,759	22,162	22,688	23,211
- Targeted Rates	-	-	-	-	-	-	-	-	-	-
58 Subsidies & Grants for Operating Purposes	52	53	55	56	58	59	60	62	64	65
1,262 Fees and Charges	1,450	1,486	1,520	1,554	1,588	1,623	1,659	1,695	1,732	1,771
478 Internal Charges & Overheads Recovered	473	485	496	507	519	530	542	554	566	578
3,954 Other Operating Funding *	4,333	4,443	4,585	4,690	4,798	4,906	5,020	5,136	5,256	5,375
23,057 Total Operating Funding	24,368	26,234	27,620	28,852	27,663	28,207	29,039	29,608	30,306	30,999
Applications of Operating Funding										
14,046 Payments to Staff and Suppliers	14,769	15,092	15,683	16,320	16,535	16,886	17,354	17,765	18,214	18,655
709 Finance Costs	718	1,024	1,039	1,056	1,125	1,143	1,115	1,082	1,057	1,038
5,990 Internal Charges & Overheads Applied	6,105	6,711	7,405	7,977	6,608	6,698	6,815	6,971	7,063	7,197
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
20,744 Total Applications of Operating Funding	21,591	22,827	24,127	25,353	24,268	24,727	25,285	25,817	26,335	26,891
2,313 Surplus/(Deficit) of Operating Funding	2,777	3,407	3,493	3,499	3,395	3,480	3,755	3,791	3,971	4,109
Sources of Capital Funding										
582 Subsidies and Grants for Capital Expenditure	-	613	79	-	-	-	-	251	1,458	-
- Development & Financial Contributions	-	-	-	-	-	-	-	-	-	-
5,832 Increase/(Decrease) in Debt	18,624	3,971	(63)	4,341	3,091	(883)	(131)	(540)	244	(1,189)
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
6,414 Total Sources of Capital Funding	18,624	4,583	16	4,341	3,091	(883)	(131)	(289)	1,702	(1,189)
Applications of Capital Funding										
Capital Expenditure:-										
- to meet additional demand	250	866	263	-	675	-	290	354	2,366	-
6,451 - to improve the level of service	18,567	3,787	757	4,603	2,852	215	769	345	427	362
2,276 - to replace existing assets	2,583	3,337	2,488	3,238	2,960	2,382	2,564	2,803	2,880	2,558
- Increase/(Decrease) in Reserves	-	-	-	-	-	-	-	-	-	-
- Increase/(Decrease) of Investments	-	-	-	-	-	-	-	-	-	-
8,727 Total Applications of Capital Funding	21,401	7,990	3,508	7,840	6,486	2,597	3,623	3,502	5,673	2,920
(2,313) Surplus/(Deficit) of Capital Funding	(2,777)	(3,407)	(3,493)	(3,499)	(3,395)	(3,480)	(3,755)	(3,791)	(3,971)	(4,109)
- Total Funding Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-

Funding Impact Statements
Budget Creative & Exciting City - Group of Activities

Budget 2020/21	10YP 2021/22	10YP 2022/23	10YP 2023/24	10YP 2024/25	10YP 2025/26	10YP 2026/27	10YP 2027/28	10YP 2028/29	10YP 2029/30	10YP 2030/31
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operating Funding										
22,770 General Rates, UAGC & Rates Penalties	24,099	24,837	26,580	27,564	28,379	28,930	30,107	31,790	33,817	35,671
- Targeted Rates	-	-	-	-	-	-	-	-	-	-
64 Subsidies & Grants for Operating Purposes	64	66	67	69	70	72	73	75	76	78
- Fees and Charges	-	-	-	-	-	-	-	-	-	-
924 Internal Charges & Overheads Recovered	1,066	1,353	1,132	1,050	1,076	1,099	1,125	1,153	1,180	1,208
1,366 Other Operating Funding *	2,844	3,229	3,310	3,392	3,477	3,561	3,650	3,745	3,842	3,934
25,124 Total Operating Funding	28,074	29,485	31,089	32,076	33,002	33,661	34,954	36,762	38,915	40,891

Applications of Operating Funding

18,532 Payments to Staff and Suppliers	11,938	12,634	13,422	14,032	14,742	15,332	15,781	16,655	16,843	17,292
1,259 Finance Costs	1,140	1,358	1,550	1,728	1,901	2,120	2,384	2,989	3,982	4,453
1,623 Internal Charges & Overheads Applied	8,997	9,375	9,517	9,572	9,273	9,412	9,626	9,817	9,946	10,198
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
21,414 Total Applications of Operating Funding	22,075	23,367	24,489	25,332	25,915	26,864	27,791	29,461	30,770	31,944
3,710 Surplus/(Deficit) of Operating Funding	5,999	6,118	6,599	6,744	7,087	6,797	7,163	7,302	8,145	8,947

Sources of Capital Funding

529 Subsidies and Grants for Capital Expenditure	1,509	2,308	2,936	1,665	864	1,635	2,584	5,987	5,731	-
294 Development & Financial Contributions	325	283	355	582	814	1,081	1,114	1,140	1,185	1,200
19,357 Increase/(Decrease) in Debt	2,682	10,570	8,124	9,221	5,072	10,846	8,057	36,007	36,825	(2,395)
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
20,180 Total Sources of Capital Funding	4,516	13,161	11,416	11,468	6,750	13,562	11,754	43,134	43,741	(1,195)

Applications of Capital Funding

Capital Expenditure:-										
1,119 - to meet additional demand	398	823	751	1,468	947	1,313	335	1,304	1,434	130
16,877 - to improve the level of service	5,770	13,711	12,375	12,498	7,693	14,958	14,272	45,466	46,447	3,897
5,894 - to replace existing assets	4,347	4,745	4,889	4,246	5,197	4,087	4,311	3,666	4,005	3,726
- Increase/(Decrease) in Reserves	-	-	-	-	-	-	-	-	-	-
- Increase/(Decrease) of Investments	-	-	-	-	-	-	-	-	-	-
23,890 Total Applications of Capital Funding	10,515	19,279	18,015	18,212	13,837	20,359	18,917	50,436	51,886	7,752
(3,710) Surplus/(Deficit) of Capital Funding	(5,999)	(6,118)	(6,599)	(6,744)	(7,087)	(6,797)	(7,163)	(7,302)	(8,145)	(8,947)
- Total Funding Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-

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Funding Impact Statements**Budget Driven & Enabling Council - Group of Activities**

2020/21

\$'000s

Sources of Operating Funding											
10,771	General Rates, UAGC & Rates Penalties	12,588	11,892	11,639	11,955	15,576	16,630	14,954	15,062	14,964	13,964
-	Targeted Rates	-	-	-	-	-	-	-	-	-	-
4	Subsidies & Grants for Operating Purposes	-	-	-	-	-	-	-	-	-	-
1,160	Fees and Charges	210	215	220	225	230	235	240	246	251	256
29,243	Internal Charges & Overheads Recovered	30,859	33,098	35,653	37,759	33,480	32,873	34,841	35,600	36,020	36,780
4,345	Other Operating Funding *	4,462	4,853	4,988	5,267	5,712	5,896	6,252	6,543	6,530	6,673
45,523	Total Operating Funding	48,119	50,058	52,500	55,206	54,999	55,634	56,287	57,450	57,765	57,674

Applications of Operating Funding

35,170 Payments to Staff and Suppliers	33,692	34,049	36,481	38,410	34,470	35,157	35,997	36,937	37,333	38,187
479 Finance Costs	443	531	594	700	755	729	693	737	707	685
8,725 Internal Charges & Overheads Applied	11,452	12,021	12,894	13,575	12,329	12,569	12,822	13,092	13,327	13,597
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
44,373 Total Applications of Operating Funding	45,587	46,600	49,970	52,685	47,554	48,455	49,512	50,765	51,368	52,469
1,150 Surplus/(Deficit) of Operating Funding	2,532	3,458	2,530	2,521	7,445	7,179	6,776	6,685	6,397	5,205

Sources of Capital Funding

- Subsidies and Grants for Capital Expenditure	-	-	-	-	-	-	-	-	-	-
- Development & Financial Contributions	-	-	-	-	-	-	-	-	-	-
2,958 Increase/(Decrease) in Debt	3,403	2,370	3,191	4,247	(819)	(708)	(832)	(2,425)	(360)	677
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
2,958 Total Sources of Capital Funding	3,403	2,370	3,191	4,247	(819)	(708)	(832)	(2,425)	(360)	677

Applications of Capital Funding

Capital Expenditure:-										
- to meet additional demand	-	-	-	-	-	-	-	-	-	-
356 - to improve the level of service	1,260	1,461	1,668	2,251	2,685	1,307	1,101	1,334	1,564	622
3,752 - to replace existing assets	4,675	4,366	4,053	4,518	3,941	5,164	4,843	2,926	4,473	5,260
- Increase/(Decrease) in Reserves	-	-	-	-	-	-	-	-	-	-
- Increase/(Decrease) of Investments	-	-	-	-	-	-	-	-	-	-
4,108 Total Applications of Capital Funding	5,935	5,827	5,721	6,768	6,625	6,471	5,944	4,260	6,037	5,882
(1,150) Surplus/(Deficit) of Capital Funding	(2,532)	(3,458)	(2,530)	(2,521)	(7,445)	(7,179)	(6,776)	(6,685)	(6,397)	(5,205)
- Total Funding Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-

Funding Impact Statements

Budget Eco-City - Group of Activities

2020/21

[illegible]

Applications of Operating Funding

5,527	Payments to Staff and Suppliers	8,132	8,868	9,225	9,634	10,604	10,827	11,209	11,573	11,868	12,363
231	Finance Costs	235	361	454	504	561	602	730	843	830	828
2,783	Internal Charges & Overheads Applied	1,141	1,205	1,294	1,351	1,260	1,276	1,305	1,337	1,352	1,385
-	Other operating funding applications	-	-	-	-	-	-	-	-	-	-
8,541	Total Applications of Operating Funding	9,508	10,433	10,973	11,488	12,424	12,705	13,244	13,753	14,050	14,576
1,128	Surplus/(Deficit) of Operating Funding	1,411	1,296	1,578	1,634	1,798	1,792	1,892	2,490	2,743	2,911

Sources of Capital Funding

[illegible]

Applications of Capital Funding

[illegible]

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Funding Impact Statements
Budget Innovative & Growing City - Group of Activities

Budget 2020/21	10YP 2021/22	10YP 2022/23	10YP 2023/24	10YP 2024/25	10YP 2025/26	10YP 2026/27	10YP 2027/28	10YP 2028/29	10YP 2029/30	10YP 2030/31
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operating Funding										
6,394 General Rates, UAGC & Rates Penalties	7,229	7,382	7,956	8,022	7,969	7,935	8,106	8,542	8,689	8,802
- Targeted Rates	-	-	-	-	-	-	-	-	-	-
- Subsidies & Grants for Operating Purposes	-	-	-	-	-	-	-	-	-	-
4,051 Fees and Charges	5,672	5,814	5,948	6,079	6,213	6,350	6,489	6,632	6,778	6,927
883 Internal Charges & Overheads Recovered	936	959	982	1,003	1,025	1,048	1,071	1,095	1,119	1,143
4,759 Other Operating Funding *	1,513	1,551	1,586	1,621	1,657	1,693	1,731	1,769	1,808	1,847
16,087 Total Operating Funding	15,350	15,706	16,471	16,726	16,864	17,026	17,397	18,038	18,393	18,720
Applications of Operating Funding										
11,518 Payments to Staff and Suppliers	10,729	11,109	11,116	11,401	11,614	11,912	12,136	12,446	12,678	13,003
(32) Finance Costs	5	13	21	22	22	22	23	23	23	24
2,264 Internal Charges & Overheads Applied	4,217	4,411	4,643	4,813	4,643	4,718	4,808	4,914	4,994	5,095
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
13,750 Total Applications of Operating Funding	14,952	15,533	15,780	16,236	16,279	16,652	16,967	17,383	17,696	18,121
2,337 Surplus/(Deficit) of Operating Funding	399	173	691	490	585	374	430	655	697	599
Sources of Capital Funding										
- Subsidies and Grants for Capital Expenditure	-	-	-	-	-	-	-	-	-	-
- Development & Financial Contributions	-	-	-	-	-	-	-	-	-	-
(2,037) Increase/(Decrease) in Debt	(4,848)	(3,020)	(6,937)	(7,798)	265	35	50	(440)	(121)	539
- Gross proceeds from sale of assets	5,000	3,075	7,340	7,502	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
(2,037) Total Sources of Capital Funding	152	55	403	(296)	265	35	50	(440)	(121)	539
Applications of Capital Funding										
Capital Expenditure:-										
- - to meet additional demand	-	-	-	-	-	-	-	-	-	-
- - to improve the level of service	100	110	706	54	602	56	286	58	418	916
300 - to replace existing assets	451	119	389	140	248	352	194	157	157	222
- Increase/(Decrease) in Reserves	-	-	-	-	-	-	-	-	-	-
- Increase/(Decrease) of Investments	-	-	-	-	-	-	-	-	-	-
300 Total Applications of Capital Funding	551	228	1,094	194	851	408	480	215	576	1,138
(2,337) Surplus/(Deficit) of Capital Funding	(399)	(173)	(691)	(490)	(585)	(374)	(430)	(655)	(697)	(599)
() Total Funding Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-

Funding Impact Statements**Budget Transport - Group of Activities**

Budget 2020/21	10YP 2021/22	10YP 2022/23	10YP 2023/24	10YP 2024/25	10YP 2025/26	10YP 2026/27	10YP 2027/28	10YP 2028/29	10YP 2029/30	10YP 2030/31
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operating Funding										
15,646 General Rates, UAGC & Rates Penalties	12,930	15,195	17,948	20,097	20,574	22,305	23,852	25,435	26,751	28,858
- Targeted Rates	-	-	-	-	-	-	-	-	-	-
2,918 Subsidies & Grants for Operating Purposes	4,361	4,496	4,962	5,396	5,153	5,488	5,647	5,811	5,979	6,153
- Fees and Charges	134	139	143	147	151	156	160	165	169	174
- Internal Charges & Overheads Recovered	-	-	-	-	-	-	-	-	-	-
4,127 Other Operating Funding *	5,686	5,844	6,002	6,158	6,320	6,486	6,657	6,832	7,013	7,200
22,691 Total Operating Funding	23,111	25,673	29,055	31,798	32,197	34,434	36,316	38,244	39,912	42,385

Applications of Operating Funding

15,735 Payments to Staff and Suppliers	7,590	8,051	9,833	10,617	10,517	11,331	11,689	12,270	12,702	13,613
1,566 Finance Costs	1,261	1,706	2,054	2,413	2,803	3,219	3,611	3,892	4,243	4,507
(612) Internal Charges & Overheads Applied	9,900	10,786	11,081	11,607	10,717	10,935	11,273	11,560	11,730	12,085
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
16,689 Total Applications of Operating Funding	18,752	20,543	22,968	24,637	24,037	25,485	26,573	27,722	28,674	30,205
6,002 Surplus/(Deficit) of Operating Funding	4,360	5,131	6,087	7,161	8,160	8,949	9,743	10,522	11,238	12,180

Sources of Capital Funding

6,210 Subsidies and Grants for Capital Expenditure	9,772	11,321	20,047	19,351	19,899	23,508	28,703	32,050	31,141	13,751
657 Development & Financial Contributions	726	814	1,022	1,675	2,347	3,114	3,212	3,286	3,416	3,458
1,809 Increase/(Decrease) in Debt	14,555	14,420	13,635	15,172	12,847	15,482	11,818	8,572	16,990	1,134
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
8,676 Total Sources of Capital Funding	25,054	26,555	34,704	36,198	35,093	42,104	43,733	43,909	51,547	18,343

Applications of Capital Funding

Capital Expenditure:-										
563 - to meet additional demand	8,700	8,867	2,708	6,010	3,036	7,636	1,250	1,531	5,295	2,140
8,501 - to improve the level of service	15,211	16,927	31,700	29,682	31,391	33,555	41,810	41,897	46,017	16,604
5,613 - to replace existing assets	5,503	5,893	6,383	7,667	8,826	9,862	10,416	11,001	11,474	11,779
- Increase/(Decrease) in Reserves	-	-	-	-	-	-	-	-	-	-
- Increase/(Decrease) of Investments	-	-	-	-	-	-	-	-	-	-
14,678 Total Applications of Capital Funding	29,414	31,686	40,791	43,359	43,253	51,053	53,476	54,430	62,786	30,523
(6,002) Surplus/(Deficit) of Capital Funding	(4,360)	(5,131)	(6,087)	(7,161)	(8,160)	(8,949)	(9,743)	(10,522)	(11,238)	(12,180)
- Total Funding Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-

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Funding Impact Statements**Budget Stormwater - Group of Activities**

Budget 2020/21	10YP 2021/22	10YP 2022/23	10YP 2023/24	10YP 2024/25	10YP 2025/26	10YP 2026/27	10YP 2027/28	10YP 2028/29	10YP 2029/30	10YP 2030/31
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operating Funding										
3,171 General Rates, UAGC & Rates Penalties	3,579	4,036	4,572	4,791	5,014	5,275	5,571	5,808	5,706	5,863
- Targeted Rates	-	-	-	-	-	-	-	-	-	-
- Subsidies & Grants for Operating Purposes	-	-	-	-	-	-	-	-	-	-
- Fees and Charges	-	-	-	-	-	-	-	-	-	-
19 Internal Charges & Overheads Recovered	-	-	-	-	-	-	-	-	-	-
2 Other Operating Funding *	6	6	6	7	7	7	7	7	8	8
3,192 Total Operating Funding	3,585	4,042	4,578	4,798	5,021	5,282	5,578	5,816	5,714	5,871

Applications of Operating Funding

1,018 Payments to Staff and Suppliers	3,142	3,313	3,641	3,816	3,974	4,165	4,300	4,327	4,199	4,340
174 Finance Costs	236	380	481	556	603	641	727	789	790	784
933 Internal Charges & Overheads Applied	(886)	(912)	(938)	(963)	(988)	(1,010)	(1,039)	(1,067)	(1,095)	(1,127)
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
2,125 Total Applications of Operating Funding	2,493	2,781	3,184	3,408	3,589	3,796	3,987	4,050	3,894	3,997
1,067 Surplus/(Deficit) of Operating Funding	1,093	1,261	1,394	1,390	1,432	1,486	1,591	1,766	1,819	1,874

Sources of Capital Funding

- Subsidies and Grants for Capital Expenditure	-	-	-	-	-	-	-	-	-	-
126 Development & Financial Contributions	139	132	166	272	381	506	522	534	555	562
1,428 Increase/(Decrease) in Debt	5,846	4,072	3,843	2,533	1,217	1,517	4,572	98	169	(601)
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
1,554 Total Sources of Capital Funding	5,985	4,204	4,009	2,805	1,598	2,023	5,094	632	724	(39)

Applications of Capital Funding

Capital Expenditure:-										
151 - to meet additional demand	4,690	2,370	1,728	938	561	1,396	12	553	763	131
1,610 - to improve the level of service	1,383	2,054	2,364	2,297	1,582	1,306	5,839	984	890	787
860 - to replace existing assets	1,005	1,040	1,311	960	887	808	833	861	890	918
- Increase/(Decrease) in Reserves	-	-	-	-	-	-	-	-	-	-
- Increase/(Decrease) of Investments	-	-	-	-	-	-	-	-	-	-
2,621 Total Applications of Capital Funding	7,078	5,465	5,403	4,194	3,030	3,509	6,685	2,398	2,543	1,835
(1,067) Surplus/(Deficit) of Capital Funding	(1,093)	(1,261)	(1,394)	(1,390)	(1,432)	(1,486)	(1,591)	(1,766)	(1,819)	(1,874)
- Total Funding Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-

Funding Impact Statements**Budget Wastewater - Group of Activities**

Budget 2020/21	10YP 2021/22	10YP 2022/23	10YP 2023/24	10YP 2024/25	10YP 2025/26	10YP 2026/27	10YP 2027/28	10YP 2028/29	10YP 2029/30	10YP 2030/31
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operating Funding										
- General Rates, UAGC & Rates Penalties Targeted Rates	10,710	12,363	13,533	19,494	30,573	35,890	40,231	40,967	41,478	42,599
- Subsidies & Grants for Operating Purposes	-	-	-	-	-	-	-	-	-	-
5 Fees and Charges	6	6	6	7	7	7	7	7	8	8
42 Internal Charges & Overheads Recovered	-	-	-	-	-	-	-	-	-	-
1,331 Other Operating Funding *	1,195	1,237	1,269	1,522	1,790	2,071	2,614	2,700	2,792	2,878
9,907 Total Operating Funding	11,912	13,606	14,809	21,023	32,370	37,969	42,852	43,674	44,277	45,485

Applications of Operating Funding

3,944 Payments to Staff and Suppliers	9,304	9,640	10,383	13,608	19,576	18,564	18,999	19,117	19,672	20,439
455 Finance Costs	400	523	853	2,811	6,140	9,484	10,970	10,625	10,268	9,911
2,014 Internal Charges & Overheads Applied	(2,068)	(2,131)	(2,188)	(2,237)	(2,294)	(2,346)	(2,411)	(2,464)	(2,529)	(2,602)
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
6,413 Total Applications of Operating Funding	7,637	8,033	9,048	14,182	23,421	25,703	27,558	27,278	27,411	27,748
3,494 Surplus/(Deficit) of Operating Funding	4,275	5,573	5,761	6,841	8,950	12,266	15,294	16,396	16,866	17,736

Sources of Capital Funding

- Subsidies and Grants for Capital Expenditure	-	-	-	-	-	-	-	-	-	-
482 Development & Financial Contributions	533	1,022	1,283	2,104	2,949	3,912	4,035	4,128	4,292	4,345
2,478 Increase/(Decrease) in Debt	3,119	3,748	19,621	122,126	119,289	122,024	(13,432)	(11,697)	(14,328)	(11,500)
- Gross proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
2,960 Total Sources of Capital Funding	3,652	4,770	20,904	124,230	122,238	125,936	(9,397)	(7,569)	(10,036)	(7,155)

Applications of Capital Funding

Capital Expenditure:-										
103 - to meet additional demand	1,003	1,470	1,239	1,707	954	58	60	61	64	66
2,210 - to improve the level of service	2,938	2,844	20,320	121,116	124,614	129,765	795	822	849	876
4,142 - to replace existing assets	3,986	6,029	5,106	8,248	5,620	8,379	5,042	7,945	5,917	9,640
- Increase/(Decrease) in Reserves	-	-	-	-	-	-	-	-	-	-
- Increase/(Decrease) of Investments	-	-	-	-	-	-	-	-	-	-
6,454 Total Applications of Capital Funding	7,927	10,343	26,665	131,071	131,188	138,202	5,897	8,828	6,830	10,581
(3,494) Surplus/(Deficit) of Capital Funding	(4,275)	(5,573)	(5,761)	(6,841)	(8,950)	(12,266)	(15,294)	(16,396)	(16,866)	(17,736)
- Total Funding Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-

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Funding Impact Statements**Budget Water - Group of Activities**

Budget 2020/21	10YP 2021/22	10YP 2022/23	10YP 2023/24	10YP 2024/25	10YP 2025/26	10YP 2026/27	10YP 2027/28	10YP 2028/29	10YP 2029/30	10YP 2030/31
\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Sources of Operating Funding										
- General Rates, UAGC & Rates Penalties	-	-	-	-	-	-	-	-	-	-
9,265 Targeted Rates	10,938	12,928	14,052	14,651	13,994	14,477	14,895	15,585	15,507	15,668
- Subsidies & Grants for Operating Purposes	-	-	-	-	-	-	-	-	-	-
- Fees and Charges	48	49	50	52	53	55	57	58	60	62
189 Internal Charges & Overheads Recovered	201	208	255	261	269	275	282	291	299	307
37 Other Operating Funding *	47	49	50	322	53	55	56	58	60	62
9,491 Total Operating Funding	11,234	13,234	14,407	15,286	14,369	14,862	15,290	15,992	15,926	16,099

Applications of Operating Funding

4,236 Payments to Staff and Suppliers	3,134	3,243	3,455	3,998	3,644	3,997	4,118	4,558	4,478	4,606
715 Finance Costs	684	914	1,104	1,304	1,635	1,985	2,168	2,152	2,049	1,951
131 Internal Charges & Overheads Applied	2,231	2,352	2,474	2,577	2,481	2,533	2,595	2,671	2,734	2,801
- Other operating funding applications	-	-	-	-	-	-	-	-	-	-
5,082 Total Applications of Operating Funding	6,050	6,509	7,033	7,879	7,761	8,515	8,880	9,381	9,261	9,358
4,409 Surplus/(Deficit) of Operating Funding	5,184	6,725	7,374	7,407	6,609	6,347	6,409	6,611	6,665	6,741

Sources of Capital Funding

- Subsidies and Grants for Capital Expenditure	-	-	-	-	-	-	-	-	-	-
332 Development & Financial Contributions	367	337	423	694	972	1,290	1,331	1,361	1,415	1,433
4,442 Increase/(Decrease) in Debt	5,119	8,166	5,552	11,388	15,741	10,691	2,972	(3,322)	(3,646)	(3,551)
- Gross proceeds from sale of assets	-	-	486	-	-	-	-	-	-	-
- Lump sum contributions	-	-	-	-	-	-	-	-	-	-
- Other dedicated capital funding	-	-	-	-	-	-	-	-	-	-
4,774 Total Sources of Capital Funding	5,486	8,503	6,460	12,082	16,713	11,981	4,303	(1,961)	(2,231)	(2,118)

Applications of Capital Funding

Capital Expenditure:-										
305 - to meet additional demand	2,420	548	1,275	2,623	8,703	8,327	3,681	307	356	328
5,154 - to improve the level of service	956	5,504	7,072	5,154	3,648	3,750	2,679	47	48	50
3,724 - to replace existing assets	7,294	9,176	5,488	11,713	10,970	6,250	4,352	4,296	4,029	4,246
- Increase/(Decrease) in Reserves	-	-	-	-	-	-	-	-	-	-
- Increase/(Decrease) of Investments	-	-	-	-	-	-	-	-	-	-
9,183 Total Applications of Capital Funding	10,670	15,229	13,835	19,489	23,321	18,327	10,713	4,650	4,434	4,623
(4,409) Surplus/(Deficit) of Capital Funding	(5,184)	(6,725)	(7,374)	(7,407)	(6,609)	(6,347)	(6,409)	(6,611)	(6,665)	(6,741)
- Total Funding Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-

Revenue and Financing Policy

INTRODUCTION

The Local Government Act 2002 (The Act) requires the adoption of policies that outline how operating and capital expenditure will be funded for each activity. They are aimed at providing predictability and certainty about sources and levels of funding.

The Act requires the Council to manage its finances prudently and in a way that promotes the current and future interests of the community. The Council must ensure that each year's projected operating revenues are set at a level sufficient to meet that year's projected operating expenses and that its long-term development programme is financially sustainable.

In deciding the most appropriate funding source for each activity the Council must show:

- the community outcomes to which the activity primarily contributes; and
- the distribution of benefits between the community as a whole, any identifiable part of the community, and individuals; and
- the period in or over which those benefits are expected to occur; and
- The extent to which the actions or inactions of particular individuals or a group contribute to the need to undertake the activity; and
- the costs and benefits, including consequences for transparency and accountability, of funding the activity distinctly from other activities; and
- the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community.

In its long-term plan (10 Year Plan) the Council identifies the Vision, Goals and Strategies that represent its desired community outcomes.

Vision

Palmerston North: Small city benefits, big city ambition

Goals

- Goal 1: An innovative and growing city
- Goal 2: A creative and exciting city
- Goal 3: Connected and safe communities
- Goal 4: An eco-city
- Goal 5: A driven and enabling council

The Council's activities have been grouped into major groups of activities, as follows:

- Innovative and Growing City
- Transport (incorporating Rooding and Footpaths)
- Creative and Exciting City
- Connected and Safe Communities
- Eco-city
- Stormwater
- Wastewater
- Water Supply
- Driven and Enabling Council

The relationships between these groups of activities and the identified community outcomes (Council's Vision and Goals) are outlined in detail in each Activity page of the 10 Year Plan.

Funding of operating expenses

The Council has made a determination as to the most appropriate way of funding the operating expenses for each activity. This was based on an assessment of the nature of the benefits provided from the activity, and who benefits (i.e. the whole community, identifiable groups or individuals) and for what period. Funding source proportions were then attributed using the following scale:

High	80-100%
Med/high	60-79%
Med	40-59%
Med/low	20-39%
Low	0-19%

The specified funding source proportions are indicative only. They are not intended as an exact realisable proportion, rather as a guideline. It is recognised that within each activity there may be justification for variation from those proportions on a case-by-case basis. The basis for such variations will need to rest in the criteria outlined below.

In general terms the Council believes that:

- an activity should be collectively funded if the benefits of the activity are largely received by the broader community without differentiation, in equivalent proportions, and the costs of the activity cannot easily be attributed to an individual or group of individuals.

For example: civil defence. Everyone benefits. No individual can be responsible for the costs. Therefore it is entirely publicly funded.

- an activity should be funded on a user-pays basis if an individual or group of individuals directly receives benefits of the activity exclusively, and the costs of the activity can easily be attributed to that individual or group of individuals.

For example: Private Planning Services. Only those who seek resource consents benefit from them so they can be held responsible for the costs. Therefore it is entirely funded by users.

- an activity should be funded by an exacerbator if the benefits of the activity are largely received by the broader community without differentiation, in equivalent proportions, but the costs of the activity can be attributed to an individual or group of individuals.

For example: parking enforcement. Everyone faces the cost of unavailability
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of public parking if someone parks over the time they're allowed. The individual who parked over time can be held directly responsible for that cost. Therefore the public cost can be privately borne completely by that individual.

- an activity can be funded from other sources if the benefits of the activity are largely received by the broader community without differentiation, in equivalent proportions, but the costs of the activity can be met by other means.
For example: roading. Everyone benefits. No individual can be responsible for the costs. However, the Council is eligible for central government subsidies from organisations such as the Waka Kotahi New Zealand Transport Agency. Therefore it is entirely publicly funded, but a proportion of the costs is recouped from 'other' sources.

- although the Council believes that it would be appropriate to charge for some activities on a user-pays basis this is not always practicable and sometimes a proxy is required.

For example: wastewater. Everyone benefits although the extent of use depends on the nature of the use of the property. Trade waste can be measured and separately charged for. It is not practical to measure other non-residential users with higher volumes, such as motels or hospitals but a proxy of the number of pans can be used. Likewise, a targeted rate in the form of a fixed annual charge for each separately occupied portion of a rating unit is seen as a reasonable proxy for residential property.

The tables that follow show this analysis for each activity within the groups of activities. A summary is provided on the final page of the policy.

The process for funding operating costs of these activities is as follows:

- Any operating grants or subsidies for a particular activity are used to reduce the gross cost.
- Where it is practical to recover the designated portion of the net operating cost of an activity from a private user or exacerbator, fees and charges are set at levels designed to achieve this, provided there are no legislative constraints.
- Where a fee or charge is not practical, targeted rates may be set in accordance with Council's rating policies.
- Any net income from investments or fuel taxes may then be applied and any residual requirement will be funded through general rates and/or uniform annual general charges (UAGC) – these latter rates and charges will be set on a differential basis according to Council's rating policies. For the purposes of this policy any reference to general rates as a funding source is

considered to include UAGCs.

- Rating policies including the details of targeted rates, the level of the UAGC, the choice of valuation base for the general rate and the details of the differential system will be outlined in the Funding Impact Statement in the 10 Year Plan or Annual Plan as appropriate.

Funding of capital expenditure

The Council takes a consolidated corporate approach to the management of its financial position. Through its 10 Year Plan it determines what capital expenditure is sustainable within the prudent guidelines it has set itself. These parameters are contained in the Financial Strategy.

Asset management plans are maintained for all infrastructural services and these provide information about asset condition and asset renewals required to maintain desired service levels.

Routine ongoing plant and equipment purchases are funded from operating revenue and proceeds of asset sales.

Renewals are funded from subsidies and grants (when available), revenue and, in extenuating circumstances, from borrowing.

New capital developments are funded from subsidies and grants (when available), user contributions, reserves, asset sales and, where necessary, from borrowing.

Through the application of its Development Contributions policy, the Council seeks to obtain contributions to fund infrastructure required due to city growth.

Borrowing is an appropriate funding mechanism to enable the effect of peaks in capital expenditure to be smoothed and to enable the costs of major developments to be borne by those who ultimately benefit from the expenditure. This is known as the 'intergenerational equity principle' and means that the costs of any expenditure should be recovered from the community at the time or over the period the benefits of that expenditure accrue. It is not appropriate or sustainable for all capital expenditure to be funded from borrowings. In periods of low capital expenditure borrowings should be reduced.

REVENUE SOURCE	POLICY FOR FUNDING OPERATING EXPENSES ¹	POLICY FOR FUNDING CAPITAL EXPENDITURE ²
<p>General rates</p> <p>General rates are currently set at rates of cents in the dollar of land value, calculated differentially based on the following classifications (and further sub-classifications) of property:</p> <ul style="list-style-type: none"> • Single-unit Residential • Multi-unit residential • Non-residential • Miscellaneous • Rural/semi-serviced <p>Its incidence is modified by a uniform annual general charge (UAGC).</p>	<p>General rates will be primarily used to fund those activities, or parts of activities, that benefit the community in general and where no identifiable individuals or groups benefit in a significantly different way from the rest of the community.</p> <p>General rates may also be used where the use of direct charging would discourage use, when encouraging use of the service is an explicit objective, or important to achieving the community outcomes to which the activity is intended to contribute.</p> <p>General rates may also be used where it is impractical, or too administratively expensive, to fund the activity from other funding sources.</p> <p>General rates are currently apportioned according to the land value and deemed use of each property.</p> <p>National studies have concluded that capital value is a better measure of benefits received from council services and of a ratepayer's ability to afford rates. To date the Council has not been convinced the benefits are so superior as to justify a change to the system. Further investigation is continuing, and this policy would enable a change to a capital value base following appropriate public consultation.</p> <p>Use of property is determined according to whether its primary use is single-unit residential, multi-unit residential, non-residential, miscellaneous or rural/semi-serviced. Each type of property pays different rates (cents in the dollar of land value). These differentials are designed to achieve an apportionment of rates that more closely reflects the estimated value of services received by each classification of property, after modification by the use of the UAGC and fixed charges (targeted rates).</p> <p>The UAGC is a fixed charge per rating unit which the Council treats as a part of the general rate. It is used as a mechanism to ensure each rating unit contributes a minimum amount of the general rate and also to moderate rates on high value properties.</p>	<p>General rates may be used to retire debt.</p> <p>General rates may be used to purchase assets where the Council determines that funding the assets from debt is not the preferred option.</p>
<p>Targeted rates</p> <p>Targeted rates, in the form of fixed amounts are set to cover the net cost of water, wastewater and rubbish/recycling.</p> <p>Targeted rates, in the form of a percentage of the service amount (the cost of insulation</p>	<p>Targeted rates may be used to fund activities which identifiable categories of ratepayer, or ratepayers in identifiable locations, receive benefits from the activity to be funded in a significantly different way from other ratepayers.</p> <p>Targeted rates may be set as a fixed annual amount, or based on some other legally permissible basis such as land or capital value. They may be set differentially depending the location or classification of ratepayer or the nature of the service being provided.</p>	<p>Targeted rates may be used to retire debt, where the debt arose from the purchase of assets used for the activity funded from the targeted rate.</p> <p>Targeted rates may be used to purchase</p>

1. Operating expenses are those incurred to provide the day to day activities of the Council and include the costs of staff and consumables. Operating expenses are funded from the sources mentioned and for the reasons outlined.

2. Capital expenditures include those to purchase, build or acquire physical assets into council ownership. Such assets have service lives of more than one year. The principle of "intergenerational equity" says that expenditure that provides benefits over time should be funded over the same period, so that each generation of users pays a fair share.

Capital expenditures also include the renewal or replacement of existing assets. These are usually funded from resources built up from the revenue sources that fund the particular activity. They also include debt repayment.

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REVENUE SOURCE	POLICY FOR FUNDING OPERATING EXPENSES ¹	POLICY FOR FUNDING CAPITAL EXPENDITURE ²
<p>provided by the Council under a Warm Palmerston North scheme) may be set to cover the service amount and the cost of servicing the service amount.</p> <p>Targeted rates may be set to fund the operation of Business Improvement Districts (BIDs) if such districts are established at the community's request.</p>	<p>Targeted rates may be set for the purpose of achieving a more fair, efficient or transparent allocation of costs across the community.</p>	<p>physical assets, where the Council determines that funding the assets from debt is not the preferred option, and the assets are to be used for the activity funded from the targeted rate.</p>
<p>Lump sum contributions</p> <p>These are a mechanism for enabling ratepayers to elect to pay for capital projects by lump sums instead of by targeted rates.</p>	<p>Operating costs are not funded from lump sum contributions.</p>	<p>The Council may fund capital projects in whole or part through lump sum contributions.</p>
<p>Fees and charges</p> <p>A wide range of fees and charges are made to cover either the whole or part of the cost of activities.</p>	<p>Fees and charges will generally be used for services where the benefit is entirely, or in part, to the direct user of the service and where the use of the service is at the discretion of the user. This includes fees for various consents, licences, permits and property information. The user charge may recover all, including a market return on the value of the Council's investment, or part of the cost of the activity.</p> <p>Where the Council needs to ration the use of an activity, it may charge at a level above what would be necessary to recover the costs of the activity.</p> <p>Fees and charges may be in the form of fines, penalties or similar and used where the Council wishes to modify the behaviours that impose cost, or inconvenience, on other members of the community.</p>	<p>User charges may be used to retire debt, where the debt arose from the purchase of assets used for the activity funded by the user charge.</p> <p>User charges may be used to purchase physical assets, where the Council determines that funding the assets from debt is not the preferred option, and the assets are to be used for the activity funded from the user charge.</p>
<p>Interest and dividends from investments</p> <p>The Council receives interest and dividends from its investments and short-term cash management.</p>	<p>Ordinary budgeted interest and dividends, along with any other investment income, is treated as general revenue.</p>	<p>Investment income may be used to retire debt when that income has not been budgeted for other purposes.</p>
<p>Borrowing</p>		

REVENUE SOURCE	POLICY FOR FUNDING OPERATING EXPENSES ¹	POLICY FOR FUNDING CAPITAL EXPENDITURE ²
<p>Borrowing involves the taking on of debt and in normal circumstances is only appropriate to fund assets with long lives.</p>	<p>Unless there are exceptional circumstances the Council will not borrow to fund operating costs.</p> <p>Some expenses that are classified as operating do provide a longer term benefit and in such situations the Council may consider borrowing to fund them (if the sum involved is significant) then repay the sum borrowed from revenue over the estimated period of benefit. Development and implementation of enterprise wide information management systems fit this criteria.</p>	<p>Borrowing is the preferred means of funding capital expenditure because it promotes intergenerational fairness. What is an appropriate level of borrowing is assessed against criteria in the Council's Financial Strategy.</p> <p>The Council may also borrow to fund insulation for homes under a Warm Palmerston North scheme in conjunction with the Energy Efficiency and Conservation Authority (ECCA). The borrowing and associated servicing costs will be repaid from targeted rates set on the properties concerned for a term of up to nine years.</p>
<p>Proceeds from asset sales</p> <p>These are the sums received when physical assets are sold.</p>	<p>Operating costs are not funded from asset sales.</p>	<p>Proceeds from asset sales are an appropriate source for purchasing assets or retiring debt because they have a neutral effect on Council's financial position (assets versus liabilities).</p>
<p>Development contributions</p> <p>Development contributions are sums payable or assets transferred to Council by developers or new service users to cover the costs imposed on infrastructure and facilities by growth in numbers of users.</p>	<p>Operating costs are not funded from development contributions.</p>	<p>Development contributions will be used to fund that proportion of new asset expenditure that is made necessary by increased demand as a result of growth in the number of users. Contributions will be calculated in accordance with the Council's Development Contributions Policy.</p>
<p>Financial contributions under Resource Management Act</p> <p>Financial contributions are sums payable, or assets transferred to Council by developers</p>	<p>Operating costs are not funded from financial contributions.</p>	<p>Financial contributions may be used to fund that proportion of new asset</p>

REVENUE SOURCE	POLICY FOR FUNDING OPERATING EXPENSES ¹	POLICY FOR FUNDING CAPITAL EXPENDITURE ²
or new service users to enable mitigation, avoidance or remedying of adverse effects arising from subdivision or development.		expenditure that is made necessary by the effects of subdivision and development. The contribution may be required as a condition of consent, in accordance with any relevant rule in the District Plan.
Grants and subsidies These are payments from external agencies and are usually for an agreed specified purpose. The main source of these are Waka Kotahi NZ Transport Agency subsidies for road maintenance, renewals and improvements.	Grants and subsidies will be used for operating expenses only when this is consistent with the purpose for which they were given.	Grants and subsidies will be used for capital expenditure only when this is consistent with the purpose for which they were given.

Innovative and Growing City

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION #)	FUNDING SOURCE RATIONALE
Economic development					
Economic development International relations City marketing Economic events	Individual businesses will benefit directly from specific initiatives and events Entire economy benefits from improved economic activity, choice, employment opportunities and incomes	Short-term business support initiatives, but on-going benefits of infrastructure development and flow-on effects Ongoing benefits for entire economy The benefits of events are both immediate and longer term, the latter bringing the perception of vibrancy of the city	Entire economy displays need for economic development Businesses display specific need for support services and infrastructure Need is created by those who wish to stage events	General rates, but with business differential (high) Central government funding (low) Other territorial authorities (low) Private sector (low)	As the entire city benefits from the economic returns from this expenditure the cost should be funded from general rates Most businesses benefit from increased economic activity so should contribute a greater portion of the cost through the application of a differential on the general rate
Conference and function centre	Individual users benefit from the provision of the Conference and function centre Accommodation, food and other businesses benefit from the presence of the users of the centre	Benefits are on-going	Need is created by those who wish to stage events, functions and conferences	General rates (medium/low) Fees and charges (medium/high)	Individual users of the conference and function centre should pay market rates for its use As the entire City benefits from the economic returns from this expenditure the cost should be funded from general rates Many businesses benefit from increased economic activity so should contribute a greater portion of the cost through the application of a differential on the general rate

City growth					
Building services	The entire community benefits from safe reliable infrastructure and resources and consistent, transparent Council procedures Developers and property owners benefit from the building services advice, information and certainty provided by the Council	Benefits of regulation in general are ongoing even though the specific regulations may change over time	Need is created by the following: <ul style="list-style-type: none"> entire community for structure, consistency and certainty those who do not comply with the rules (i.e. exacerbators) property developers and building owners seeking building consents Council for rules to protect its position and manage its risk exposure 	General rates (medium/low) Fees and charges (medium/high)	As the main beneficiaries are property developers and building owners they should pay for the majority of the cost of the activity No particular group or individual benefits more than others so the residual cost should be allocated to the whole city as part of the general rate
Housing & future development	The entire community benefits from Council's efforts to provide an appropriate framework to encourage development and housing	Benefits are ongoing	Need is created by the entire community for structure, consistency and certainty and a range of options for housing	General rates (high)	As the community at large benefits from this activity it is appropriate that the costs be funded as a public good from general rates

Planning services – public (includes planning advice, information, monitoring and enforcement)	The entire community benefits from safe reliable infrastructure and resources and consistent, transparent Council procedures	Benefits of regulation in general are ongoing even though the specific regulations may change over time	Need for information is created by entire community	Planning services public: General rates (high) Fees and charges (low)	No particular group or individual benefits more than others from the provision of information, monitoring and enforcement activities so the cost should be allocated to the whole City as part of the general rate
Planning services – private (resource consent processing)	The entire community benefits from advice relating to potential resource consents or resource management as well as from resource consent monitoring and enforcement activities	Benefits of providing free information to the public and monitoring resource consents are ongoing	Need for information is created by those who do not comply with the rules (i.e. exacerbators)	Planning services private: Fees and charges (high)	As the main beneficiaries of processing resource consents are property developers and building owners they should pay for the cost of the activity
Urban design	The entire community benefits from increased citywide knowledge of the principles of good urban design	Benefits are ongoing	Need for information is created by entire community	General rates (high)	As the entire community benefits from the application of good urban design principles the cost should be funded through general rates

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Transport (incorporating Roothing and Footpaths)

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Roothing					
Roads Street lighting Street facilities Traffic services	<p>Entire community benefits from accessibility of city and ease of transportation throughout the city</p> <p>Specific benefit to road users including cyclists and pedestrians</p> <p>Businesses benefit from an effective rooothing infrastructure</p> <p>Specific benefit to parking facility users</p>	Ongoing benefits as long as infrastructure is maintained	<p>Entire community creates the need for an accessible urban environment where transport links are readily available for both business and public use</p>	<p>Roads: Street lighting: Street facilities: Traffic services:</p> <p>General rates with business differential (high)</p> <p>Waka Kotahi subsidy (medium for qualifying expenditure)</p> <p>Parking: Fees and fines (high)</p>	<p>Roothing and related costs that meet the benefit/cost qualifying criteria should be funded from Waka Kotahi NZ Transport Agency (Waka Kotahi) subsidies as a proxy for direct contributions from road users, many of whom are not city residents</p> <p>It is impractical to charge for road use by any direct mechanism such as tolls so the residual cost should be borne by the whole city through the general or a targeted rate with a differential applied to business</p> <p>Parking users should pay at levels that are appropriate to manage demand and provide a net return that can be applied to reduce the net cost to ratepayers of rooothing and transportation</p>
Parking					

Active and public transport				
Footpaths	Entire community benefits from the provision of footpaths cycle/pedestrian pathways	Ongoing benefits as long as infrastructure is maintained	Entire community creates the need for an accessible urban environment where walking, cycling and bus links are readily available for public use	General rates (high) Waka Kotahi (medium for expenditure)
Active transport	Entire community benefits from public transport being available			Active and public transport costs that meet the benefit/cost qualifying criteria should be funded from Waka Kotahi subsidies as a proxy for direct contributions from users, many of whom are not city residents
Public transport				It is impractical to charge for footpath or pathway use by any direct mechanism so the residual cost should be borne by the whole city through the general rate
Council is not responsible for the provision of public bus services as this is provided by Horizons. Council does provide infrastructure such as terminals and seating				

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Creative and Exciting City

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
City Shaping					
City Centre Place activation City making/Placemaking	<p>The entire community benefits from activity that leads to increased city centre vibrancy and improved perceptions of the City</p> <p>It also benefits from the development of accessible, active, comfortable and social public spaces</p> <p>The business community benefits from spending by visitors attracted to the central city</p>	Benefits are ongoing	Need is created by the entire community who wish live in an environment that is interesting and vibrant	<p>General rates (high)</p> <p>Sponsorship/grants (low)</p> <p>Fees and charges (low)</p>	<p>A vibrant City Centre is an important component of how a city is perceived</p> <p>The Council actively encourages partnerships with businesses and groups to enhance public spaces and to obtain external funding to do this where practicable</p> <p>As the entire city benefits from these activities any residual expenditure should be funded from general rates</p>

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION ')	FUNDING SOURCE RATIONALE
Arts and Heritage					
Te Manawa (Museum, Art Gallery and Science Centre) Other cultural facilities such as: Regent on Broadway Globe Theatre Caccia Birch House Creative Sounds (The Stomach)	The entire community benefits from the educational opportunities and cultural awareness that the provision of activities and facilities brings The business community benefits from spending by visitors attending facilities and events Specific benefit to those who use facilities and attend activities	Ongoing benefits from an informed, creative and innovative population	Need is created by the entire community for access to information about cultural heritage and creative media as well as for venues for the performing arts	General rates (high) Some entry charges (low) Sponsorship/grants (low) Central government (low) Rental income (low) [Represents the manner in which the Council's share of the costs are funded. Organisations running some of these facilities also incur costs and receive any revenue associated with them]	Those who use the facilities should pay a reasonable charge but it is recognised that for some activities (such as Te Manawa) such a charge would be prohibitively high if set at a level to cover the entire cost Every effort will be made to obtain grant funding from external agencies As the entire city benefits from these activities any residual expenditure should be funded from general rates
Support to arts, culture and heritage groups					
Heritage management	The entire community benefits from retention of sites and buildings of significance with heritage features Owners of heritage buildings benefit from any support given to preserve and protect them	Benefits are ongoing	Need is created by building owners requiring assistance or support to preserve the city's heritage features	General rates (high)	Although building owners benefit directly from the preservation of heritage sites and buildings, the entire community benefits from the city retaining its heritage features so any Council contribution toward achieving this should be funded through general rates

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Active communities					
Central Energy Trust Arena City reserves # Local reserves Sportsfields Swimming pools Support to recreation groups # Note – this excludes the Esplanade as it is included in the Manawatu River activity	<p>The entire community benefits from choice of recreational activities and a healthy active community</p> <p>Particular event organisers also benefit from commercial gains from activities</p> <p>The business community benefits from spending by visitors attending facilities and events</p> <p>Specific benefits for users of facilities and spectators at events</p>	<p>Benefits are ongoing as long as facilities are maintained</p> <p>The benefit of events are both immediate and longer term, the latter being to the perception of vibrancy of the city</p>	<p>Need is created by entire community for recreational facilities, activities and choice</p> <p>Event organisers create a need for infrastructure in order to hold events</p>	<p>Central Energy Trust Arena: General rates (medium/high) User charges (medium/low) City-wide reserves, local reserves and sports fields: General rates (high) User charges (low) Swimming pools: General rates (high)# Support to recreation groups: General rates (high)</p> <p>[# Operation of the swimming pools is contracted to an external entity that incurs day-to-day operating costs and obtains all revenue from entry fees – the general rates funding represents the share of the costs incurred by Council]</p>	<p>Those who use the facilities should pay a reasonable charge but it is recognised that for some activities (such as swimming pools, sports fields and Central Energy Trust Arena) such a charge would be prohibitively high if set at a level to cover the entire cost</p> <p>Also it is impractical to charge users of some facilities such as city-wide and local area reserves</p> <p>Every effort will be made to obtain grant funding from external agencies</p> <p>As the entire city benefits from these activities any residual expenditure should be funded from general rates</p>

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Connected and Safe Communities

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Connected communities					
Cemeteries (including the Crematorium)	Individual users particularly families of the deceased The entire community benefits from the comfort that there is adequate provision for interring the deceased in an appropriate manner and that cemeteries are maintained as a place of remembrance	Benefits are on-going	The entire community creates the need for cemeteries and related services Families and genealogists researching cemetery records	General rates (medium/low) Fees and charges (medium/high)	As the main beneficiaries of the activity are those who use the service a significant portion of the cost should be borne by the users As there are public benefits from the service a portion of the cost should be funded from general rates As the service is partially subsidised by ratepayers a premium should be charged to non-city residents where this is practicable
Community centres	The entire community benefits from the existence of places to meet to foster community identity Specific benefits for users of facilities	Benefits are ongoing as sharing of experiences and expertise leads to community enhancement	The entire community creates the need as the more integrated members of society are, the more they contribute to the city's economic, social and cultural wellbeing	General rates (high) Fees and charges (low)	Those who use the facilities should pay a reasonable charge but it is recognised there are wider community benefits from the availability of community centres. The residual cost should be funded from general rates

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Libraries	<p>The entire community benefits from choice of leisure and recreational activities, a healthy caring community, the educational opportunities the library offers and from being informed</p> <p>Specific benefits for borrowers of material</p>	<p>Ongoing educational benefits from an informed, creative population</p> <p>Benefits are ongoing as sharing of experiences and expertise leads to community enhancement</p>	Need is created by the entire community for library facilities and access to information sources	<p>General rates (high)</p> <p>Fees and charges (low)</p>	<p>Those who utilise some services (such as CDs, DVDs, etc) should pay a reasonable charge as should non-residents provided it is practical and cost effective to do so</p> <p>City residents take great pride in the facilities and expect the resource to be available to all regardless of whether they actually use it</p> <p>It is not practical to charge visitors of the facility nor for the lending of basic resources so the net cost should be funded from general rates</p>
Public toilets	The entire community benefits from the provision of public toilets	Benefits are ongoing	Need is created by the entire community for public toilets	General rates (high) Fees and charges (low)	<p>Apart from the main central city facility it is not practical to charge individual users</p> <p>Costs should be funded through general rates</p>

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Social housing	<p>People on low incomes who:</p> <ul style="list-style-type: none"> • are superannuitants; or • have long-term disabilities; or • experience barriers to renting in the private market <p>The whole community benefits from people having access to adequate housing</p>	<p>Benefits accrue through the period of tenancy</p> <p>Benefits to the whole community are ongoing</p>	<p>Need is created by the housing tenants</p>	<p>Fees and charges (high)</p> <p>General rates (low)</p>	<p>As the main beneficiaries of the activity are those who use the service the cost should be borne by the users taking into account Council's rental policies for tenants which are based on a tenant's income</p> <p>As far as practicable it has been the intention that this activity standalone financially and is fully funded from rental income</p> <p>Although central government funding assistance is sought (if available) it is recognised that at times it may be necessary for the activity to receive support from general rates</p>
Support to community groups	Members of community groups and those they support	Benefits accrue for the period of the support		<p>General rates (high)</p> <p>Central government grant</p> <p>agency funding (low)</p>	<p>Council's contribution is directed to community groups rather than individuals and to events and facilities that benefit the entire community so should be funded from general rates</p> <p>Although funding support is sought from external agencies this contribution is usually small</p>

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Central Energy Trust Wildbase Recovery	Th entire community benefits from seeing native wildlife rehabilitating after treatment at Massey University's Wildbase hospital Children in particular benefit from education programmes Visitors benefit from the visitor programmes	Ongoing benefits from an informed and educated population	Need is created by the entire community who wish to having an understanding of wildlife	General rates (high) Sponsorship/grants (low) (assisted by Wildbase Recovery Community Trust)	The main beneficiaries are those who visit the centre but the Council has determined that the centre will be provided as a public good. Volunteers assist with operating the centre and donations are encouraged from those who visit.
Community and commemorative events	The entire community benefits from community events that celebrate the richness of a diverse community and bring vibrancy to the city The business community benefits from spending by visitors attending events Specific benefit for those who attend events	The benefits of events are both immediate and longer term, the latter bringing the perception of vibrancy of the city	Need is created by those who wish to stage events Need is created by the entire community who wish to have a variety of events to attend	General rates (high) Sponsorship/grants (low) Fees and charges (low)	Many events are provided for the benefit of the entire community and are held in venues where it is not possible to charge those who attend Every effort will be made to obtain grant funding from external agencies As the entire city benefits from these activities any residual expenditure should be funded from general rates

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Public health	Licensed businesses gain economic advantage from the public health activity of the Council and the public benefit from a healthy, safe and clean city	Benefits of regulation in general are ongoing even though the specific regulations may change over time	Need is created by: <ul style="list-style-type: none"> entire community for structure, consistency and certainty those who do not comply with the rules (exacerbators) Council for rules to protect its position and manage its risk exposure	General rates (medium/high) Fees and charges (medium/low)	As licensed businesses are major beneficiaries they should bear a significant portion of the cost of the activity. The public at large also benefit from the activity so the residual cost should be allocated to the whole city as part of the general rate
Safe Communities					
Animal control	Animal control activity is principally related to the actions or inactions of dog owners - owners and the public at large (through reduced nuisance) benefit from this	Benefits of regulation in general are ongoing even though the specific regulations may change over time	Need is created by : <ul style="list-style-type: none"> entire community for structure, consistency and certainty those who do not comply with the rules (i.e. exacerbators) Council for rules to protect its position and manage its risk exposure 	General rates (low) Fees and charges (high)	A significant portion of the costs should be borne by dog owners as the majority of the activity relates to their actions or inactions No particular group or individual benefits more than others so the residual cost should be allocated to the whole city as part of the general rate
Civil defence	The entire community benefits from having people who are trained and organised to help the community survive and cope with natural disasters	Benefits in terms of peace of mind for residents are ongoing, although direct benefits are short to medium term in the event of a disaster	Need is created by: <ul style="list-style-type: none"> the entire community for an action plan in the event of a disaster or emergency Council to meet legal obligations 	General rates (high)	No particular group or individual benefits more than others so the cost should be allocated to the whole city as part of the general rate

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION #)	FUNDING SOURCE RATIONALE
Safer community initiatives	The entire community benefits from activities that aim to keep people safe	Benefit is on-going	Need is created by the entire community, who wish to be able to feel safe, especially in public places	General rates (high)	As the benefits accrue to the entire community, the costs should be funded from all ratepayers through the general rate

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Eco-City

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Climate change mitigation and adaption					
Climate change and mitigation	Entire community benefits from Council's leadership and commitment to meeting greenhouse emission targets, fostering sustainable practices and behaviours so City residents and organisations become more sustainable	Ongoing benefit	The entire community creates the need for a sustainable future	General rates (high)	As the activity being undertaken benefits the whole community the costs should be funded through the general rate
Resource recovery					
Landfill management Waste management (includes kerbside rubbish collection and disposal, public space rubbish collection and disposal) Waste minimisation (includes kerbside recycling and processing, green waste, minimisation projects, recycling centre)	Entire community benefits from safe and efficient disposal of solid waste Direct households benefit from kerbside refuse collection and recycling	Ongoing benefits as long as infrastructure is maintained	The entire community creates the need for a safe urban environment where solid waste is adequately dealt with Exacerbators and individual householders	Landfill management: Targeted rates (high) Fees and charges (low) Waste management: Rubbish bag sales or similar (high) Targeted rate with fixed annual property charge (low) Waste minimisation: Targeted rate with fixed annual property charge (high – net after sales of recyclable material) Subsidies and grants (low)	To minimise the volume of waste, costs should be funded by the users of the service – through rubbish bag sales or other mechanism with the same effect The costs of public space rubbish collection and disposal should be funded by all ratepayers through a targeted rate (set on a fixed annual charge basis) Recycling costs should be funded as much as possible from the sale of recyclables but as the Council wishes to encourage recycling it is not desirable or practicable to charge individual users by volume. The residual cost should be funded from a targeted rate (set on a fixed annual charge basis)

Environmental sustainability					
Biodiversity Support to environmental groups	The entire community benefits from activity that leads to improved environmental practices with more sustainable outcomes	Ongoing benefits	The entire community creates the need to implement more sustainable operating practices	General rates (high)	As the whole community benefits from this activity the costs should be funded from the general rate
Sustainable practices					
Manawatu River					
Manawatu River (includes Esplanade, Manawatu River Park, Centennial Lagoon)	The entire community benefits from enhancing the River and its environs as a cultural, environmental and recreation resource	Ongoing benefits	The entire community creates the need for enhanced respect for, and use of the River and its environs	General rates (high)	As the whole community benefits from this activity the costs should be funded from the general rate

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Stormwater

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Stormwater					
Stormwater collection and disposal	<p>The entire community benefits from safe and efficient discharge of stormwater</p> <p>Specific benefit to owners of properties more prone to effects of stormwater</p>	<p>Ongoing benefits as long as infrastructure is maintained</p>	<p>The entire community creates the need for a safe urban environment where stormwater discharges are adequately dealt with</p> <p>Property owners directly affected by stormwater create a need for infrastructure to maintain adequate protection</p>	<p>General rates with business differential (high)</p>	<p>As the whole community benefits from this activity the costs should be funded from the general rate with a business differential due to the nature and volume of run-off from properties used for business</p>

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Wastewater

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Wastewater					
Wastewater collection and treatment and Wastewater disposal	<p>The entire community benefits from safe and efficient disposal of wastewater</p> <p>Commercial and industrial businesses specifically benefit from the provision of wastewater services</p> <p>Direct household benefit from the provision of wastewater services</p>	<p>Ongoing benefits as long as infrastructure is maintained</p>	<p>The entire community creates the need for a safe urban environment where wastewater is adequately dealt with</p> <p>Commercial and industrial enterprise create the need for wastewater services applicable to their business</p> <p>Property owners</p>	<p>Targeted rate with fixed annual charge for households and small users (medium/high)</p> <p>Targeted rate in form of pan charges for larger users (medium/low)</p> <p>Trade waste charges for exacerbators (low)</p>	<p>Although there is some overall community benefit from the activity, the major benefit is to those who use the facilities</p> <p>Volumes of trade waste are capable of being measured so those who discharge trade waste should be charged based on the nature and volume of discharge</p> <p>Those capable of being connected to the wastewater system are identifiable so should bear the cost through a targeted rate</p> <p>The cost of servicing each household is similar so a fixed annual charge is appropriate</p> <p>Costs are higher for those with more discharge so it is appropriate to charge non-residential users on a per-pan basis</p>

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Water Supply

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION #)	FUNDING SOURCE RATIONALE
Water supply					
Water collection Water treatment Water distribution	<p>The entire community benefits from safe and efficient provision of drinking water</p> <p>Commercial businesses benefit specifically from the provision of water services</p> <p>The entire community benefits from provision of water services for fire-fighting to maintain community safety services</p> <p>Direct household benefit from the provision of water services</p>	Ongoing benefits as long as infrastructure is maintained	<p>The entire community creates the need for a safe urban environment where water services are adequately provided and health standards maintained</p> <p>Commercial and industrial enterprise create the need for water services applicable to their business</p> <p>Property owners create need for water services to aid fire-fighting services</p>	<p>Targeted rate with fixed annual household charge (medium/high)</p> <p>Targeted rate through metering of non-residential users (medium/low)</p>	<p>Although there is some overall community benefit from the activity, the major benefit is to those who use the facilities</p> <p>Volumes of water used are capable of being measured so it would be desirable to charge by metered use</p> <p>The Council does not currently support a universal metering philosophy, so only non-residential users are metered</p> <p>Those capable of being connected to the water system are identifiable, so should bear the cost through a targeted rate</p> <p>The cost of servicing each household is similar, so a fixed annual charge is appropriate</p>

- this proportion relates to the whole of the activity, not the individual components of it, unless stated otherwise

Driven and Enabling Council

NATURE OF ACTIVITY	WHO BENEFITS	PERIOD OF BENEFIT	WHO CREATES NEED	FUNDING SOURCE (PROPORTION %)	FUNDING SOURCE RATIONALE
Governance and active citizenship					
<p>Elections</p> <p>Councillor meetings and administration</p> <p>Mayoral and Chief Executive's Offices</p> <p>Direction setting</p>	<p>The entire community benefits from the ability to elect local representatives and influence Council decisions</p> <p>Council benefits from the clarity of community needs and wants</p>	<p>Benefits of a good working relationship between the Council and the community are on-going</p> <p>Benefits of the Council being well led and operating as an effective, efficient organisation are ongoing</p> <p>Benefits of providing clear direction for city development are ongoing</p>	<p>Need is created by entire community for knowledge of and involvement in Council decisions</p> <p>Need is created by Council for guidance from the public in decision making</p> <p>Need is created by the entire community for a well-structured community infrastructure with adequate provision to cope with growth</p>	<p>General rates (high)</p> <p>Fees and charges (low)</p>	<p>No particular group or individual benefits more than others so the cost should be allocated to the whole city as part of the general rate</p> <p>Additional costs are incurred each third year to run the elections. Part of the cost is recovered from the Regional Council and Health Board</p> <p>Costs relating to processing private District Plan changes are recovered from applicants</p>
Strategic investments					

External contracts (provision of services to external entities)	The entire community benefits from the Council obtaining positive net financial returns on its investments	Benefits are ongoing or for the life of the particular contract	Need for strategic investments is created by community as a whole	General rates (high) Net cost or return from investments or provision of services to external entities	Commercial investments are expected to generate a net return that can benefit the city as a whole and lead to lower rates, fees and charges Strategic investments benefit the whole city and so it is appropriate to fund any net cost from general rates
Investment property	The entire community benefits from the Council making sound strategic investments				
Investments in companies (including airport)	Lessees and users benefit from the provision of property				
Organisational performance					
Civic Administration Building	The entire community benefits from access to Council information, efficient dealings with Council, and basic channel through which to communicate with Council	Benefits are ongoing	All of the Council's activities require some corporate support Need is created by the entire community for knowledge and an accessible Council	Costs are allocated to other activities based on appropriate drivers	Organisational performance exists not for itself, but to enable the Council to provide its other activities. Support costs should therefore be reflected in the overall costs of other activities
Customer services	Council benefits from clarity of community needs and wants, and efficient processing of public enquiries		Need is created by Council for an efficient interface with the public		
Financial services					
Human resources					
Information services					
Marketing and communication					
Print Synergy					

- this proportion relates to the whole of the activity, not the individual components of it, unless stated otherwise

Revenue and Financing Policy

Funding source proportions for operating costs

	GENERAL RATES	TARGETED RATES	USER FEES AND CHARGES	OTHER
Innovative and Growing City				
Economic development				
City marketing	High			Low
Economic development	High			Low
Economic events	High			
Conference and function centre	Med/Low		Med/High	
International relations	High			
City growth				
Building services	Med/Low		Med/High	
Planning services – public	High		High	
Planning services – private				
Urban design	High			
Transport				
Roading				
Parking			High	Low
Roads	High		Low	Low
Street facilities	High			Low
Street lighting	High			Low
Traffic services	High			
Active and public transport				
Footpaths	High			Low
Active transport	High			Low
Public transport	Med/High			Med/Low

	GENERAL RATES	TARGETED RATES	USER FEES AND CHARGES	OTHER
Creative and Exciting City				
City shaping				
City Centre	High			
Place activation	High			
Placemaking	High			
Arts and heritage				
Te Manawa (see note 1)	High			Low
Other cultural facilities (see note 1)	High			
Support to arts, culture and heritage groups	High			
Heritage management				
Active communities	High			
Central Energy Trust Arena	Med/High		Med/Low	
City reserves	High		Low	
Local reserves	High		Low	
Sports fields	High		Low	
Swimming pools (see note 1)	High			
Support to recreation groups	High			
Connected and Safe Community				
Connected communities				
CET Wildbase Recovery	High		Low	Low
Cemeteries	Med/Low		Med/High	
Community centres	High		Low	
Community and commemorative events	High			
Libraries	High		Low	
Public health	Med/High		Med/Low	
Public toilets	High		Low	
Social housing	Low		High	

	GENERAL RATES	TARGETED RATES	USER FEES AND CHARGES	OTHER
Support to community groups	High			
Safe communities				
Animal control	Low		High	
Civil defence	High			
Safer community initiatives	High			
Eco-city				
Climate change mitigation and adaption	High			
Resource Recovery				
Landfill management		High	Low	
Waste management		Low	High	
Waste minimisation		High		Low
Environmental sustainability				
Biodiversity	High			
Support to environmental groups	High			
Sustainable practices	High			
Manawatu River	High			
Stormwater	High		Low	
Wastewater		High	Low	
Water Supply (see note 2)		High		
Driven and Enabling Council				
Governance and Active Citizenship	High			
Councillor meetings and administration	High			Low
Elections	High			
Mayoral and Chief Executive's office	High		Low	
Direction setting	High			High
Organisational performance				

	GENERAL RATES	TARGETED RATES	USER FEES AND CHARGES	OTHER
Strategic investments				High

High	80 – 100%
Med/High	60 – 79%
Med	40 – 59%
Med/Low	20 – 39%
Low	0 – 19%

The funding proportions outlined in this table represent the Council's desired consolidated intention, that is, the share of the gross operating costs borne by each sector.

Note 1: The Council has varying levels of control over the actual revenue obtained from users of these facilities. Management and operations are contracted to other entities and revenue from entry fees is retained by them.

Note 2: Metered water is deemed to be a targeted rate.