



**PAPAIOEA**  
PALMERSTON  
NORTH  
CITY

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# **PALMERSTON NORTH CITY COUNCIL**

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AGENDA

## **FINANCE & AUDIT COMMITTEE**

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**9AM, WEDNESDAY 27 APRIL 2022**

COUNCIL CHAMBER, FIRST FLOOR, CIVIC ADMINISTRATION BUILDING  
32 THE SQUARE, PALMERSTON NORTH

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# MEMBERS

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**Susan Baty (Chairperson)**  
**Karen Naylor (Deputy Chairperson)**  
**Grant Smith (The Mayor)**

**Vaughan Dennison**  
**Renee Dingwall**  
**Lew Findlay QSM**  
**Patrick Handcock**  
**ONZM**  
**Leonie Hapeta**

**Lorna Johnson**  
**Bruno Petrenas**  
**Aleisha Rutherford**  
**Stephen Armstrong**

AGENDA ITEMS, IF NOT ATTACHED, CAN BE VIEWED AT

[pncc.govt.nz](http://pncc.govt.nz) | Civic Administration Building, 32 The Square  
City Library | Ashhurst Community Library | Linton Library

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**Chris Dyhrberg**

**Acting Chief Executive | PALMERSTON NORTH CITY COUNCIL**

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# **FINANCE & AUDIT COMMITTEE MEETING**

27 April 2022

## **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** Page 7

"That the minutes of the Finance & Audit Committee meeting of 23 March 2022 Part I Public be confirmed as a true and correct record."

**6. Waka Kotahi Recreation Pathways Fund Associated with Te Ahu a Turanga Highway** Page 15

Report, presented by Kathy Dever-Tod, Group Manager - Parks and Logistics.

**7. Quarterly Performance and Financial Report - Quarter Ending 31 March 2022** Page 37

Report, presented by Cameron McKay, Acting Chief Financial Officer and Andrew Boyle, Head of Community Planning.

**8. Treasury Report - 9 months ending 31 March 2022** Page 105

Memorandum, presented by Steve Paterson, Strategy Manager - Finance.

**9. Options for Reallocation of Events Related Budgets** Page 117

Memorandum, presented by Anton Carter, Group Manager Community Services.

**10. Committee Work Schedule** Page 125

**11. 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 Finance & Audit Committee Meeting Part I Public, held as an Audio-Visual meeting on 23 March 2022, commencing at 9.01am

**Members Present:** Councillor Susan Baty (in the Chair), The Mayor (Grant Smith) and Councillors Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

**Non Members:** Councillor Brent Barrett, Rachel Bowen, Zulfiqar Butt and Orphée Mickalad.

**Apologies:** The Mayor (Grant Smith) (early departure on Council business) and Councillors Lew Findlay QSM (early departure) and Billy Meehan.

Councillor Vaughan Dennison left the meeting at 9.39am and entered the meeting again at 9.52am during consideration of clause 20. He was present for all clauses.

Councillor Orphée Mickalad was not present when the meeting resumed at 10.52am. He entered the meeting again at 10.56am during consideration of clause 22. He was present for all clauses.

Councillor Lorna Johnson was not present when the meeting resumed at 10.52am. She entered the meeting again at 10.59am during consideration of clause 22. She was present for all clauses.

Councillor Rachel Bowen left the meeting at 11.02am during consideration of clause 22. She was present when the meeting resumed at 1.56pm. She was not present for clauses 22 and 23.

The Mayor (Grant Smith) left the meeting at 11.40am at the conclusion of clause 22. He entered the meeting again at 2.20pm during consideration of clause 25. He was not present for clauses 23 and 24.

Councillor Leonie Hapeta was not present when the meeting resumed at 1.56pm. She was not present for clauses 24 to 27 inclusive.

#### 17-22 Apologies

Moved Susan Baty, seconded Aleisha Rutherford.

#### The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 17-22 above was carried.

### **Declaration of Interest**

Councillor Vaughan Dennison declared a conflict of interest in item 13 (clause 26) and stated he would withdraw from the discussion.

### **18-22 Confirmation of Minutes**

Moved Susan Baty, seconded Lorna Johnson.

The **COMMITTEE RESOLVED**

1. That the minutes of the Finance & Audit Committee meeting of 23 February 2022 Part I Public and Part II Confidential be confirmed as true and correct records.

Clause 18-22 above was carried.

### **19-22 Palmerston North Airport Ltd - Interim Report for 6 months to 31 December 2021**

Memorandum, presented by Steve Paterson, Strategy Manager Finance, Murray Georgel (Palmerston North Airport Ltd (PNAL) Chair) and David Lanham (PNAL Chief Executive).

Moved Susan Baty, seconded Zulfiqar Butt.

The **COMMITTEE RECOMMENDS**

1. That Council receive the Interim Report and Financial Statements of Palmerston North Airport Ltd for the period ended 31 December 2021, presented to the Finance & Audit Committee on 23 March 2022.

Clause 19-22 above was carried.

### **20-22 Palmerston North Airport Ltd - Draft Statement of Intent for 2022/23**

Memorandum, presented by Steve Paterson, Strategy Manager Finance, Murray Georgel (PNAL Chair) and David Lanham (PNAL Chief Executive).

Councillor Vaughan Dennison left the meeting at 9.39am and entered the meeting again at 9.52am.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council receive the Palmerston North Airport Ltd (PNAL) draft Statement of Intent for 2022/23, presented to the Finance & Audit Committee on 23 March 2022, and PNAL be advised that Council supports the proposed direction and implementation strategy.

Clause 20-22 above was carried.

**21-22**

**Debt funding arrangements for Palmerston North Airport Ltd - Loan Facility Agreement**

Memorandum, presented by Steve Paterson, Strategy Manager Finance.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That the loan facility agreement (attached) that would enable the Council to borrow sums from the Local Government Funding Agency and on-lend to Palmerston North Airport Limited in the form of fixed rate unsecured debt be approved.
2. That the Chief Executive be authorised to approve amendments to the agreement (if required) to address the way in which Local Government Funding Agency Borrower Notes are treated between the parties, or as a consequence of annual reviews.
3. That the Chief Executive be authorised to enter transactions contemplated by the loan agreement of amounts not exceeding \$10 million in advance of the approval of the final Statement of Intent each year, and subsequently transactions not exceeding the maximum term debt for each year as outlined in the adopted Statement of Intent.

Clause 21-22 above was carried.

**Note:**

Councillor Orphée Mickalad did not participate in the vote.

The meeting adjourned at 10.33am.

The meeting resumed at 10.52am.

When the meeting resumed Councillors Lorna Johnson and Orphée Mickalad were not present.

**22-22**

**Fees and Charges Review**

Report, presented by Steve Paterson, Strategy Manager Finance.

Councillor Orphée Mickalad entered the meeting at 10.56am.

Councillor Lorna Johnson entered the meeting at 10.59am.

Councillor Rachel Bowen left the meeting at 11.02am.

Moved Susan Baty, seconded Lorna Johnson.

The **COMMITTEE RECOMMENDS**

Planning & Miscellaneous

1. That the Statement of Proposal (and the associated summary) to adopt updated fees and charges for Planning Services and Miscellaneous Services effective from 1 July 2022 as attached in Appendix 3, be approved for public consultation and the Chief Executive be authorised to undertake the necessary consultative

process under sections 83 and 150 of the Local Government Act 2002.

#### Building

2. That the fees and charges for Building Services, as proposed in Appendix 4 be adopted and following public notification take effect from 1 July 2022.

Clauses 22.1-22 and 22.2-22 above were carried.

Moved Susan Baty, seconded Lorna Johnson.

3. That Council receive the report titled 'Fees and Charges Review', presented to the Finance & Audit Committee on 23 March 2022, and that the current status of fees and charges be noted.

#### Trade Waste

4. That the proposal to adopt updated fees and charges for Trade Waste services effective from 1 July 2022 as attached in Appendix 2, be approved for public consultation and the Chief Executive be authorised to undertake the necessary consultative process under sections 82 and 150 of the Local Government Act 2002.

#### Environmental Health

5. That the fees and charges for Environmental Health Services (in terms of regulation 7 of the Health (Registration of Premises) Regulations 1966) as proposed in Appendix 5, be adopted and following public notification, take effect from 1 July 2022.

#### Animal Control

6. That the fees and charges for the Impounding of Animals (in terms of section 14 of the Impounding Act 1955) and for Dog Registration and Dog Impounding (in terms of sections 37 and 68 of the Dog Control Act 1996) as proposed in Appendix 6 be adopted, and following public notification, take effect from 1 July 2022.

#### Burial & Cremation

7. That the fees and charges for Burial and Cremation, as proposed in Appendix 7 be adopted and following public notification, take effect from 1 July 2022.

#### Service Connections

8. That the fees and charges for Service Connections, as proposed in Appendix 8 be adopted and take effect from 1 July 2022.

#### Resource Recovery/Waste Management

9. That the changes to fees and charges for Resource Recovery/Waste Management relating to the recycling of tyres as proposed in Appendix 9 be adopted and take effect from 1 July 2022.

#### Sportsfields

10. That the fees and charges for Sportsfields as proposed in Appendix 10 be adopted and take effect from 1 July 2022.

#### Backflow Prevention

11. That the fees and charges for Backflow Prevention testing and maintenance as proposed in Appendix 11 be adopted and take effect from 1 July 2022.

#### Corridor Access Request

12. That the fees and charges for Corridor Access Requests as proposed in Appendix 12 be adopted and take effect from 1 July 2022.

Clauses 22.3-22 to 22.12-22 above were carried.

The Mayor (Grant Smith) left the meeting at 11.40am.

### **23-22**

#### **Variations to Operating Budget**

Memorandum, presented by Cameron McKay, Acting Chief Financial Officer.

Moved Susan Baty, seconded Karen Naylor.

#### The **COMMITTEE RECOMMENDS**

1. That Council receive the memorandum titled 'Variations to Operating Budget' presented to the Finance & Audit Committee on 23 March 2022.
2. That Council note and approve bringing forward capital expenditure of \$1m from 2022/23 into 2021/22 for Programme 1879 - Council's Plant and Vehicle Replacements.

Clause 23-22 above was carried.

The meeting adjourned at 12.02pm.

The meeting resumed at 1.56pm.

The Mayor (Grant Smith) and Councillor Leonie Hapeta were not present when the meeting resumed.

### **24-22**

#### **Allocation of funding from the Low Carbon Fund to Capital Renewal Programmes**

Memorandum, presented by Adam Jarvis, Senior Climate Change Advisor.

Moved Susan Baty, seconded Lorna Johnson.

#### The **COMMITTEE RECOMMENDS**

1. That 'Programme 1791 – Parks Depot – Building Reserves' be increased by \$90,000 in the 2021/2022 Financial Year for the upgrade of the Ferguson Street Depot boiler to modern energy efficiency standards.
2. That 'Programme 1837 - Swimming Pools – Pool Renewals' be increased by \$39,558 in the 2021/2022 Financial Year for the upgrade of the modern energy efficient variable speed drives at the

Lido Aquatic Centre.

3. That 'Programme 1888 – Low Carbon Fund' be reduced by \$129,558 in the 2021/2022 Financial year.

Clause 24-22 above was carried.

## **25-22**

### **Ashhurst Domain - Vacant Ex-Cafe Building Options**

Report, presented by Bryce Hosking, Group Manager - Property, and Kathy Dever-Tod, Group Manager - Parks and Logistics.

After discussion Elected Members were of the opinion that Council should retain the ex-café building within Ashhurst Domain. Waiting until the review of Ashhurst Domain Reserve Management Plan was completed would provide a complete picture, including the historical and heritage value of both the land and building.

The Mayor (Grant Smith) entered the meeting at 2.20pm.

Moved Vaughan Dennison, seconded Karen Naylor.

#### **The COMMITTEE RECOMMENDS**

1. That Council retain the ex-café building within Ashhurst Domain and seek to lease the building once the review of Ashhurst Domain Reserve Management Plan is completed.

Clause 25-22 above was carried.

## **26-22**

### **Colquhoun Park - Proposal to grant a lease on reserve land to Manawatu Softball Association Incorporated and Freyberg Old Boys' Rugby Football Club Incorporated**

Memorandum, presented by Bryce Hosking, Group Manager - Property and Kathy Dever-Tod, Group Manager - Parks and Reserves.

Moved Grant Smith, seconded Patrick Handcock ONZM.

#### **The COMMITTEE RECOMMENDS**

1. That Council approve entering a new lease with Manawatu Softball Association and Freyberg Old Boys' Rugby Club Incorporated for part of the Colquhoun Park Pavilion, 134-136 Fairs Road, Palmerston North, in accordance with Section 54 of the Reserves Act 1977.

Clause 26-22 above was carried.

#### **Note:**

Councillor Vaughan Dennison declared a conflict of interest and withdrew from the discussion.

## **27-22**

### **Committee Work Schedule**

Moved Susan Baty, seconded Patrick Handcock ONZM.



The **COMMITTEE RESOLVED**

1. That the Finance & Audit Committee receive its Work Schedule dated March 2022.

Clause 27-22 above was carried.

The meeting finished at 2.35pm.

Confirmed 27 April 2022

**Chairperson**



## REPORT

**TO:** Finance & Audit Committee

**MEETING DATE:** 27 April 2022

**TITLE:** Waka Kotahi Recreation Pathways Fund Associated with Te Ahu a Turanga Highway

**PRESENTED BY:** Kathy Dever-Tod, Group Manager - Parks and Logistics

**APPROVED BY:** Sarah Sinclair, Chief Infrastructure Officer

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### RECOMMENDATION(S) TO COUNCIL

1. That the Chief Executive is authorised to prepare a bid to the Waka Kotahi Te Ahu a Turanga Recreational Paths Fund on behalf of the Council.
2. That the amount of the Council bid to the Waka Kotahi Te Ahu a Turanga Recreational Paths Fund is \$516,000, as described in Option 2 of this report and comprised of:
  - \$456,000 to enhance the existing pathways on the Ashhurst side of the river; and
  - \$60,000 to investigate the options and costs of addressing pedestrian, cycling and equestrian safety on the Saddle Road Bridge and equestrian facilities on the Pembroke Street rail overbridge.
3. That the Council note the funding application reflects the initial estimate of the cost to construct the chosen option, and further investigation is required before an engineer's estimate can be prepared.
4. That the Chief Executive report back to the Finance & Audit Committee on the outcome of the funding application, including any financial implications for consideration as part of the draft 2023/24 Annual Budget process.

## SUMMARY OF OPTIONS ANALYSIS FOR

<b>Problem or Opportunity</b>	<p>Waka Kotahi have established a \$1 million Recreational Paths Fund (the fund) associated with the construction of the new Te Ahu a Turanga highway.</p> <p>The fund priorities are for improvements associated with the communities affected by the Te Ahu a Turanga highway construction.</p> <p>Council is eligible to apply to the fund.</p> <p>A decision is required as to whether Council wishes to apply to the fund and accept the long-term maintenance and renewal costs associated with developments undertaken from the fund, as well as the community benefits.</p>
<b>OPTION 1:</b>	<b>Development of a full 3 Bridges Loop, 10 km off road recreation circuit.</b>
Community Views	<p>Proposal supported by Society for the Resilience and Engagement of the Community of Ashhurst &amp; Pohangina Incorporated (RECAP).</p> <p>Proposal supported by Ashhurst equestrian community representatives if improved access for horses around the village is provided.</p>
Benefits	<ul style="list-style-type: none"> <li>• Provide a 10 km recreational loop path connected to, and utilising portions of, the Te Ahu a Turanga shared path and repurposed construction road.</li> <li>• Improves the level of service on the existing Ashhurst pathway network providing safer, more accessible shared pathways in Ashhurst.</li> <li>• Improves access for horse riders.</li> <li>• Integrates with Rooding Programme 2057, which includes a connection from the Village to the Ashhurst Domain via a pedestrian/cycle bridge across the railway line at Pembroke Street.</li> <li>• Option is scalable to the amount of funding received, if any.</li> </ul>
Risks	<ul style="list-style-type: none"> <li>• Encouraging additional pedestrian, cyclist and equestrian use of the Saddle Road Bridge raises a significant safety risk. There are no separated facilities on the bridge.</li> <li>• Does not provide a full loop for horses because the Te Ahu a Turanga shared path is not approved for horses and there are no facilities on the Saddle Road Bridge.</li> <li>• Limited investigations into the design and costs on several elements of the proposal have been undertaken. There is a risk cost may come in higher than estimated. A preliminary engineering assessment of the Terrace ramp has been commissioned at the time of writing to reduce this risk.</li> <li>• There will be demand for further increased levels of service</li> </ul>

	<p>such as carparking, pest control and planting on the true left bank of the Pohangina River.</p> <ul style="list-style-type: none"> <li>Does not address uncertainty regarding additional costs for achieving an equestrian level of service on the Pembroke Street rail overbridge.</li> </ul>
Financial	<p>\$573,000 externally funded from Recreational Pathways Fund.</p> <p>Additional \$42,000 operational funding per annum for walkways maintenance.</p> <p>Increased renewals costs.</p>
<b>OPTION 2:</b>	<b>Enhance walkways on the Ashhurst Village side only and investigate loop feasibility – Preferred Option</b>
Community Views	<p>Proposal supported by RECAP.</p> <p>Proposal supported by Ashhurst equestrian community representatives if improved access for horses around the village is provided.</p>
Benefits	<ul style="list-style-type: none"> <li>Improves level of service on existing Ashhurst pathway network providing safer, more accessible shared pathways in Ashhurst.</li> <li>Improves access for horse riders.</li> <li>Integrates with Roading Programme 2057, which includes a connection from the Village to the Ashhurst Domain via a pedestrian/cycle bridge across the railway line at Pembroke Street.</li> <li>Investigates options and costs for safety improvements to the Saddle Road Bridge and assesses the marginal cost of equestrian access being included into the rail overbridge design so the feasibility of the long-term vision is better understood.</li> <li>Option is scalable to the amount of funding received, if any.</li> </ul>
Risks	<ul style="list-style-type: none"> <li>Does not provide access to the repurposed construction road.</li> <li>Limited investigations into the design and costs on several elements of the proposal have been undertaken. There is a risk costs may come in higher than estimated. A preliminary engineering assessment of the Terrace ramp has been commissioned at the time of writing to reduce this risk.</li> </ul>
Financial	<p>\$516,000 external funding from Recreational Pathways Fund.</p> <p>Additional \$15,000 operational funding per year for walkways maintenance.</p>
<b>OPTION 3:</b>	<b>Do not bid to the Te Ahu a Turanga Recreational Paths Fund to establish the Ashhurst Three Bridges Loop path.</b>
Community Views	<p>RECAP and equestrian representatives have supported making improvements to Ashhurst recreation facilities. This option does</p>

	not deliver those improvements.
Benefits	<ul style="list-style-type: none"> <li>No additional maintenance and renewal costs.</li> <li>No risk of demand for increased levels of service.</li> </ul>
Risks	<ul style="list-style-type: none"> <li>Disappointment in the Ashhurst community that the funding opportunity was not taken.</li> </ul>
Financial	There are new additional financial implications arising from this option.

## RATIONALE FOR THE RECOMMENDATIONS

### 1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 Waka Kotahi have established a \$1 million Recreational Paths Fund (the fund) associated with the construction of the new Te Ahu a Turanga highway.
- 1.2 The fund is expected to open for applications in late April/early May and will remain open until it is either all allocated/spent, or the highway project is complete.
- 1.3 Waka Kotahi are expected to prioritise the fund to the communities close to the highway but have not limited bids to that criteria.
- 1.4 The fund purpose includes a preference for pathways that connect to the highway shared path, but again this is not a limiting criterion.
- 1.5 Council Officers have scoped a potential project, labelled the 'Three Bridges Loop', as shown in Attachment 1, consistent with the vision presented in the Te Apiti Masterplan.
- 1.6 The Three Bridges Loop would complete a 10 km path that makes use of new and repurposed assets delivered by the highway project and enhances existing pathways in Ashhurst. It incorporates an existing Council active transport project, within Programme 2057 of the 2021-31 Ten Year Plan, to provide a railway overbridge, as a link in the loop.
- 1.7 The component projects that make up the Three Bridges Loop proposal are not currently included in the Parks Asset Management Plan or Council's 2021-32 Ten Year Plan.
- 1.8 If the Council funding bid is successful, Council would need to make a new funding provision for the ongoing costs maintenance and renewal costs associated with the new assets.
- 1.9 Council needs to decide whether it wishes to pursue this funding opportunity and if so, the extent of the projects it wishes to pursue given the risks and uncertainty around the Saddle Road Bridge of a full loop.

## 2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

- 2.1 Waka Kotahi is building Te Ahu a Turanga to replace the existing section of highway which incorporates the Manawatu Gorge. The new highway will have a sealed shared path alongside it from Ashhurst Domain to the roundabout at the Woodville end of the highway.
- 2.2 Waka Kotahi have established a contestable \$1 million 'Recreational Paths Fund' to be spent or fully committed to projects by the time the highway opens in late 2024.

### Wider environment

- 2.3 Te Apiti Masterplan: The Te Apiti/Manawatu Gorge Masterplan proposes 11 projects to enhance the recreation and biodiversity aspects of the scenic reserve. One of the projects listed in the Masterplan is length of pathway connecting the wetland walkways under the eco viaduct back to the Saddle Road Bridge.
- 2.4 Council contributes \$44,000 per annum through Long Term Plan Programme 835 – Ashhurst Domain – Biodiversity Improvements as Part of Manawatu Gorge Project. Through the Ten Year Plan Programme 1486, \$156,000 of operational funding has been budgeted towards implementation of the Te Apiti Masterplan.
- 2.4.1 Waka Kotahi has a separate workstream underway looking at the future of the old Gorge Road. Responsibility for maintenance of any future walk/cycle/equestrian pathway along the old road is yet to be confirmed.
- 2.5 Lindauer Trail, Tararua: Tararua District Council will be bidding for a portion of the Recreational Paths Fund to progress a long-envisaged 'Lindauer Trail' connecting Woodville to Ferry Reserve. Like the proposed pathway at the Ashhurst end, the Lindauer Trail will connect to the Te Ahu a Turanga shared path and the Manawatu Gorge walkways.
- 2.6 Gateway Park: Waka Kotahi will be delivering an enhanced carpark area at the Ashhurst end/start point of the Manawatu Gorge walks. The Te Ahu a Turanga shared path will pass through the carpark. Future responsibility and funding for the maintenance of this carpark in the Waka Kotahi construction corridor land is yet to be confirmed.
- 2.7 Ashhurst Domain Reserve Development and Management Plan: Work was initiated on review of the Ashhurst Domain Development and Management under Programme 1073, which allows \$60,000 per year for Reserve Management Planning. The background research was completed in 2021. This work has been delayed by staff resource prioritisation to urban growth planning and delivery of current programmes. The Ashhurst Domain work is planned for completion in 2022/23.

- 2.8 Manawatu River Park: The Manawatu River Framework plans for a continuous pathway between Palmerston North and Ashhurst. The 3 Bridges Loop has the potential to add value to that vision with a loop on the end that would mean a 40 to 50 km off-road route would be established.

### Land Ownership

- 2.9 All the land contained within the 3 Bridges Loop proposal is in public ownership.
- 2.10 The portion of the path east of the Pohangina River – between the new Manawatu River (Parahaki) Bridge and the Saddle Road Bridge, is the current highway construction road which passes over land owned by Waka Kotahi. Waka Kotahi have signalled that they intend to maintain ownership of this land.
- 2.11 The section of path described in 2.10 is within the city boundary, it is within the Manawatu District Council (MDC) rohe.

### Urban Growth in Ashhurst

- 2.12 Preliminary investigations have been completed for the proposed Ashhurst Urban Growth plan change. The Mulgrave Street area within the plan change is on the Terrace and related to the proposed loop development.
- 2.13 If the plan change proceeds as currently proposed it will add a 550m off-road path along the Terrace as shown in Figure 1.

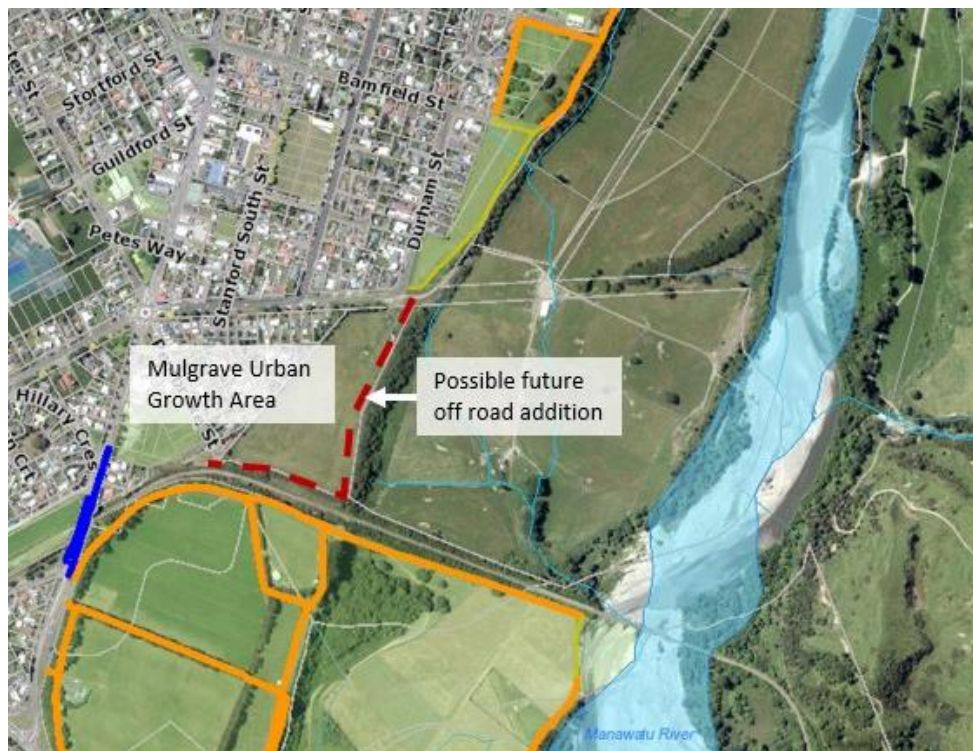


Figure 1: Mulgrave Street Urban proposed Urban Growth Area



### **Parks Asset Management Plan**

- 2.14 The current level of service for walkways, as described in the Parks Asset Management Plan, is:
- *Walkway surfaces are maintained to a standard appropriate to the type and level of usage, and the surrounding environment*
  - *Council is progressively replacing walkways on key active transport routes with shared pathways*
- 2.15 The level of service along The Terrace path is variable. Some sections have a gravel or limestone hard surface and other section are grass.
- 2.16 There has been demand from the equestrian community in Ashhurst for access along the Terrace walkway. A deputation to Council in December 2018 requested the removal of barriers, opening up of pathways and a potential overbridge across a railway track.
- 2.17 In April 2019 Council resolved:
1. *That Council notes the actions undertaken to improve access for horse riders in Ashhurst.*
  2. *That Council incorporates the needs of horse riders into a wider planning process to identify active transport routes from the realignment of State Highway 3, through the Ashhurst village and towards the Saddle Road.*
- 2.18 There are currently no projects in the AMP or Long-Term Plan of Council which facilitate a change to the level of service for existing paths in Ashhurst.
- 2.19 The provision of a consistent hard surface path would provide a more accessible path, including for wheeled uses and those with mobility issues, and more robust surface for regular equestrian use.

### **Timing and investigations**

- 2.20 There is some flexibility around timing of implementation with Waka Kotahi indicating funded projects must be completed or committed by 2024, when the highway is due for completion.
- 2.21 Council can submit a proposal based on the rough order estimates developed to date, noting that scope of the series of projects within the programme would be reviewed following the completion of investigations and design in 2022/23.
- 2.22 Implementation could then follow in 2023/24.

### **3. DESCRIPTION OF OPTIONS**

#### **3.1 Option 1: Development of a full 3-Bridges Loop, 10 km off road recreation circuit**

3.1.1 The pathway will utilise:

- a portion of the Ashhurst to Woodville highway shared path (3.2 km);
- the repurposed construction road from Saddle Road Bridge to the Parahaki Bridge (2.9 km), connecting the wetland walkways under the eco viaduct back to the Saddle Road. This would require an access and maintenance agreement with Waka Kotahi;
- the Saddle Road Bridge, which has no cycling/walking/equestrian facilities;
- portions of new pathway construction (2.2 km); and
- upgrades to existing paths (1.1 km) and a railway overbridge at Pembroke Street, Ashhurst.

3.1.2 The Pembroke Street railway overbridge is included in the 2021-2031 Ten Year Plan under Active Transport Programme 2057. Implementation is provisionally indicated for 2024/25<sup>1</sup>. This programme is Waka Kotahi funded and it is not known at this time whether an equestrian level facility would be eligible for funding or whether the additional costs would need to be met by Council.

3.1.3 Option 1 is estimated to cost \$531,000 to construct and \$40,000 a year to maintain.

#### **3.2 Option 2: Enhance walkways on the Ashhurst Village side only and investigate loop feasibility**

3.2.1 Limit the work to Council land on the Ashhurst side only – from McCraes Bush along the Terrace to Ashhurst Domain, as shown within the dotted white lines in Attachment 1.

3.2.2 This option excludes repurposing and connecting to the construction road on true left bank of the Pohangina River, within the Manawatu District, and constructing a path on the road shoulder from the Saddle Road Bridge to McCraes Bush.

3.2.3 The Pembroke Street railway overbridge would be completed under Programme 2057.

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<sup>1</sup> The programme is subject to Waka Kotahi subsidy and conditional on acceptance at the next three yearly funding approval process.

3.2.4 This Option would include an application for investigations funding to:

1. Ascertain options and their costs for pedestrian/cyclist/equestrian improvements to the Saddle Road Bridge.
2. Seek advice on the design and cost requirements for the Pembroke Street rail overbridge to ascertain the difference between pedestrian/cycle facilities with and without additional capacity for equestrian.

3.2.5 Option 2 is estimated to cost \$516,000 to construct and \$15,000 per year to maintain.

**3.3 Option 3: Status quo – Do not apply to the fund**

3.3.1 Council could determine that the ongoing maintenance and renewal costs do not justify the benefits of the capital funding available and decide not to apply to the fund.

**4. ANALYSIS OF OPTIONS**

**4.1 Option 1: Development of a full 3-Bridges Loop, 10 km off road recreation circuit**

4.1.1 Option 1 provides for a 10 km walking and riding loop.

4.1.2 The repurposed construction road would provide another walking environment connected to the Gateway Park/Te Apiti.

4.1.3 The full loop will be attractive to residents of Ashhurst, has potential for events (with appropriate traffic management on the Saddle Road Bridge) and would provide an extension to the recreation opportunity from Palmerston North in conjunction with the Manawatu River Path, when the connection to Ashhurst is completed.

4.1.4 The level of service for the existing walkway along the top of the Terrace would be increased to a hard surface, making it accessible to more people.

4.1.5 Connectivity to the Ashhurst Domain would add loop walking opportunities and improve access, including from the Mulgrave portion of the Ashhurst Urban Growth area, if that proceeds.

4.1.6 The redevelopment of the equestrian access ramp up and down the Terrace to McCraes Bush, along the Terrace and to the Domain via an overbridge were also presented to Waka Kotahi by RECAP at a community meeting on proposals.

4.1.7 This option could be considered a long-term objective if other options are preferable at this stage.

#### 4.1.8 The risks associated with Option 1 are:

- Limited time to prepare designs and costs estimates means this option has the greatest financial risk. A preliminary engineering assessment of the Terrace ramp has been commissioned at the time of writing to reduce this risk.
- The Saddle Road Bridge has no separate walking/cycling or equestrian facilities. The shoulder is narrow and cannot accommodate those transport modes without being very close to or in the live traffic lane as shown in Figure 2. Encouraging the loop use will present significant safety risks on this bridge.



Figure 2: Saddle Road Bridge

- Securing a public access agreement and maintenance agreement with Waka Kotahi for the land parcel on which the construction road sits, to repurpose and maintain the road as a shared path.
- Demand for new levels of service as a result of project implementation such as pedestrian/safety improvements to the Saddle Road Bridge, carparking, pest control and planting on the true left bank of the Pohangina River.
- The rail overbridge at Pembroke Street has not been designed. The marginal cost of achieving equestrian access is not understood or budgeted for. Waka Kotahi may not fund the equestrian level of service.

- 4.1.9 Costs are estimated at \$578,000 from the fund, as outlined in Attachment 2. The cost estimate excludes elements funded in existing programmes.
- 4.2 Individual projects within the overall programme could be prioritised to match the level of funding received from Waka Kotahi should funding awarded be less than the amount applied for.
- 4.2.1 Maintenance costs are estimated at \$42,000 per year including an allowance for the risk of illegal dumping at the service gates to the repurposed construction road.
- 4.3 **Option 2: Enhance walkways on the Ashhurst Village side only and investigate loop feasibility**
- 4.3.1 This is the preferred option due to the following benefits:
- 4.3.2 There would be no requirement to negotiate an agreement with Waka Kotahi for the parcel with the construction road on it, and there is no risk of increased level of service requests for the repurposed construction road.
- 4.3.3 Investigating the options and their costs for addressing the safety of encouraging walking, cycling and equestrian use of the Saddle Road Bridge ensures that options to mitigate the risk are understood before committing to the aspiration of the full loop.
- 4.3.4 Investigating the marginal cost of equestrian level specification for the Pembroke rail overbridge improves planning and cost understanding in a timely manner allowing an informed decision for future Asset Management Plan and 10 Year Plan processes.
- 4.3.5 The costs are \$516,000. The cost estimate excludes elements funded in existing programmes.
- 4.3.6 The maintenance costs are estimated as \$15,000 per annum.
- 4.3.7 Option 2 does not have the loop benefits of Option 1.
- 4.3.8 Option 2 has a lower risk profile than Option 1.
- The study of options to improve safety and/or provide facilities on the Saddle Road Bridge and the approaches to it from either direction will be undertaken, which reduces uncertainty with respect to practicable options and cost.
  - Option 2 reduces the immediate risks of pressure to increase the level of service such as further carparking, increased planting and pest control on the proposed repurposed construction haul road until the safety concerns of the Saddle Road Bridge and approaches are considered in more detail.

4.3.9 Limited time to prepare designs and costs estimates means high financial risk; in particular design and reliable costing for the Terrace to McCraes Bush ramp are still present in this option.

#### 4.4 **Option 3: Status quo - Do not apply to the fund**

4.4.1 Option 3 maintains the existing levels of service with no increased provision.

4.4.2 The benefits of Option 3 are:

- no increased renewal and maintenance costs; and
- no risk of increased demand for further facility provision in the future such as further carparking increased planting and pest control.

4.4.3 The risks are that Option 3 does not:

- deliver on demand for increased accessibility and equestrian access;
- investigate options for overcoming the barriers to delivering on the full loop proposed by the Te Apiti Masterplan;
- take advantage of the funding opportunity. The funding is a limited opportunity associated with the highway development. Other opportunities of this size may not arise again in this location.

### 5. **FLEXIBILITY OF COMPONENT DELIVERY**

5.1 There is uncertainty about the level of funding that may be secured. In the event that Waka Kotahi fund less than the applied for amount Council can prioritise projects within the overall proposal to fit the funding available.

5.2 If the fund were unsubscribed Council could consider other level of service improvements if requested to consider further applications.

### 6. **CONCLUSION**

6.1 The Waka Kotahi Recreational Paths Fund is available for community-initiated pathway projects, ideally connected to the Te Ahu a Turanga shared path.

6.2 The fund is a timely opportunity to progress delivery of improved levels of service for the Ashhurst community and visitors from Palmerston North and further afield.

6.3 Option 2, developing the paths within the village and scoping the implications of the key barriers to implementing a full loop, will be a significant step towards the Te Apiti Masterplan vision.

6.4 Option 2 ensures adequate research is completed on the feasibility and costs of addressing the key barriers of:

- the Saddle Road Bridge;

- the approaches to the Saddle Road Bridge; and
- the requirements for equestrian level of service on the planned Pembroke Street overbridge

to inform future decisions and significantly reduce risk.

- 6.5 Option 2 is the recommended option. If Waka Kotahi funding does not provide funding at the level applied for, the component projects within the Option 2 proposal can be prioritised to stay within budget.
- 6.6 The longer-term vision proposed for the 10 km Three Bridges Loop Path in the Te Apiti Masterplan would add to the exceptional recreational opportunities available and be accessible from the village of Ashhurst. Once the shared path from Palmerston North to Ashhurst is completed this loop would add value to the Manawatu River Park.
- 6.7 The design of the Pembroke Street Rail overbridge has not started. As such, there is not yet an understanding of the marginal costs of delivering improved equestrian access through to the Domain and River environments from the Village, over and above that for just cyclists and pedestrians.

## 7. NEXT ACTIONS

- 7.1 Prepare funding proposal for submission to Waka Kotahi.

## 8. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 8.1 Waka Kotahi has operated a series of stakeholder and community engagement hui throughout the planning and construction process for Te Ahu a Turanga.
- 8.2 There was a strong community call for the inclusion of a shared path alongside the new road all the way from Ashhurst to Woodville. Adding a community benefit component is a common feature of projects of this size.
- 8.3 Council, Waka Kotahi, Horizons Regional Council and Department of Conservation have worked together to develop plans for the future 'Gateway Park' as the start point for walks in the Manawatu Gorge.
- 8.4 Waka Kotahi has been holding Community Liaison Group meetings to keep the community informed of progress on the new highway and receive feedback from the community along the way.
- 8.5 To date Waka Kotahi has held two public meetings specifically to discuss the process and to hear ideas relating to the Recreational Paths Fund. The most recent of these was in February 2022.
- 8.5.1 Other ideas and proposals raised at the February 2022 Recreational Paths Fund community meeting included:

- A pathway up to Wharite Peak.
- Completing the Lindauer Trail on the Woodville side – Woodville to Ferry Reserve.
- Enhanced equestrian access across the local farms.
- Progressing a mountain bike trail through the Gorge following the southern boundary of the scenic reserve.
- Improving the Naenae Road link path into the Tararua Range. Connecting the Tararua District to Palmerston North District via Council maintained trails in Tararua Forest Park and Hardings Park and on to Sledge Path.
- Opening the old Manawatu Gorge Road to the public. Note this is being considered under a separate Waka Kotahi work-stream.

## COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	<b>No</b>
Are the decisions significant?	<b>No</b>
Can this decision only be made through a 10 Year Plan?	<b>No</b>
Does this decision require consultation through the Special Consultative procedure?	<b>No</b>
Is there funding in the current Annual Plan for these actions?	<b>No</b>
Are the recommendations inconsistent with any of Council's policies or plans?	<b>No</b>
The recommendations contribute to Goal 2: A Creative and Exciting City	
The recommendations contribute to the achievement of action/actions in Active Communities	
The actions are:	
<ul style="list-style-type: none"> <li>• Improve walkways and shared paths to support the City's most popular activity</li> <li>• Promote opportunities to be active</li> <li>• Work with other sport and recreation providers and adjoining Councils</li> <li>• Develop and improve walking opportunities through the promotion of new trails, designating links on private land to achieve network continuity</li> <li>• Extend the walkway/ shared path network and develop new parks in residential growth areas</li> </ul>	
Contribution to strategic direction and to social, economic, environmental	<p>The recommendations will add shared path experiences in Ashhurst improving the social well-being of residents of both Ashhurst and Palmerston North.</p> <p>In combination with the Te Ahu a Turanga shared path and gateway development, and in accordance with the Te Apiti</p>



and cultural well-being	Masterplan, the proposed walkway adds to the visitor experience and the associated economic benefits for the community.
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## ATTACHMENTS

1. Proposed Three Bridges Loop path map [↓](#) 
2. Preliminary Cost Estimates - Options 1 and 2 [↓](#) 







# Ashhurst 3 Bridges loop track

## Proposal by PNCC Parks and Reserves

Feb 2022





**Option 1 Ashhurst 3 bridges loop track preliminary cost rough estimate**

Map ID	Item	Location/description	Unit (m)	Unit Rate (per m)	Capital cost	Maintenance costs (\$5,200 /km/year)
All	Signage	All	20	\$ 200.00	\$4,000.00	\$571.43
1.0	New shared path in Domain (PNCC)	Cambridge Ave Domain Carpark to Domain SH 3 main entrance	619		By Waka Kotahi	\$3,218.80
2.0	New shared path (Waka kotahi)	SH 3 Domain entrance to Gateway Park	2556		By Waka Kotahi	Waka Kotahi
3.0	Re-purposed Construction road (ex Waka kotahi)	New bridge to Saddle Rd Bridge	2913		By Waka Kotahi	\$15,147.60
4.0	Saddle Rd Bridge	Saddle Rd Bridge and approaches	185	\$ 60.00	\$11,100.00	\$962.00
4.1	Counstruction Road connection	Saddle Rd Bridge to construction Road	200	\$ 120.00	\$24,000.00	
5.0	New lime pathway beside road	Saddle Rd bridge to McCraes Bush	724	\$ 60.00	\$43,440.00	\$3,764.80
6.0	New lime pathway beside road and up accessway	McCraes Bush, Bush entrance to Orchard	338	\$ 60.00	\$20,280.00	\$1,757.60
7.0	New ramp inc design and consenting	"Pony trail" up escarpment - McCraes Bush to Wyndham St	102	SAY	\$200,000.00	\$530.40
8.0	Move fencing (Deer)	Terrace walkway (grazed/fenced)	480	\$ 45.00	\$21,600.00	\$3,796.00
9.0	Upgrade surface to lime	Terrace walkway (Wyndham to Mulgrave)	1070	\$ 60.00	\$64,200.00	\$5,564.00
10.0	New and widen footpath	Mulgrave St (Programme 2121)	457		PNCC Roding	PNCC Roding
11.0	Widen footpath		270		PNCC Roding	PNCC Roding
12.0	New bridge	Railway overbridge - Pembroke to Domain (Programme 2057)	65		PNCC Roding	PNCC Roding

12.1	New bridge	Equestrian facility LOS				
13.0	New AC/chipseal shared path beside driveway	Canine club access track - Pembroke St Bridge to Cambridge Ave Domain Carpark	310	\$ 130.00	\$40,300.00	\$1,612.00
	<b>Subtotal</b>		<b>10289</b>		<b>\$428,920.00</b>	<b>\$36,353.20</b>
14.0	Design and consent	Escarpment ramp	1	\$ 30,000.00	\$ 30,000.00	
15.0	Project Management			7.5%	\$ 32,169.00	
16.0	Contingency	On paths		10%	\$ 22,892.00	
17.0	Contingency	On escarpment ramp		30%	\$ 60,000.00	\$5,000.00
	<b>TOTAL</b>			<b>Capital Cost</b>	<b>\$573,981.00</b>	<b>\$41,353.20</b>

Maintenance cost per km                      \$                      5,200.00

**Option 2 Ashhurst 3 bridges loop track preliminary cost rough estimate**

Map ID	Item	Location/description	Unit (m)	Unit Rate (per m)	Capital cost	Maintenance costs (\$5,200 /km/year)
All	Signage	All	10	\$ 200.00	\$2,000.00	\$285.71
1.0	New shared path in Domain (PNCC)	Cambridge Ave Domain Carpark to Domain SH 3 main entrance	619		By Waka Kotahi	\$3,218.80
2.0	New shared path (Waka kotahi)	SH 3 Domain entrance to Gateway Park	2556		By Waka Kotahi	Waka Kotahi
3.0	<del>Re-purposed Construction road (ex Waka kotahi)</del>	<del>New bridge to Saddle Rd Bridge</del>				
4.0	Saddle Rd Bridge	Saddle Rd Bridge and approaches				
4.1	<del>Counstruction Road connection</del>	<del>Saddle Rd Bridge to construction Road</del>				
5.0	<del>New lime pathway beside road</del>	<del>Saddle Rd bridge to McCraes Bush</del>				
6.0	<del>New lime pathway beside road and up accessway</del>	<del>McCraes Bush, Bush entrance to Orchard</del>				
7.0	New ramp inc design and consenting	"Pony trail" up escarpment - McCraes Bush to Wyndham St	102	SAY	\$200,000.00	\$530.40
8.0	Move fencing (Deer)	Terrace walkway (grazed/fenced)	480	\$ 45.00	\$21,600.00	\$3,796.00
9.0	Upgrade surface to lime	Terrace walkway (Wyndham to Mulgrave)	1070	\$ 60.00	\$64,200.00	\$5,564.00
10.0	New and widen footpath	Mulgrave St (Programme 2121)	457		PNCC Roding	PNCC Roding
11.0	Widen footpath	\$15,00	270		PNCC Roding	PNCC Roding
12.0	New bridge	Railway overbridge - Pembroke to Domain (Programme 2057)	65		PNCC Roding	PNCC Roding

12.1	New bridge	Equestrian facility LOS				
13.0	New AC shared path beside driveway	Canine club access track - Pembroke St Bridge to Cambridge Ave Domain	310	\$ 130.00	\$40,300.00	\$1,612.00
	<b>Subtotal</b>		<b>5929</b>		<b>\$328,100.00</b>	<b>\$14,721.20</b>
14.0	Design and consent	Escarpment ramp	1	\$ 30,000.00	\$ 30,000.00	
14.1	Design and estimate	Rail overbridge @ Pembroke to equestrian standard vs ped/cycle	1	\$ 30,000.00	\$ 30,000.00	
14.2	Options and estimate	Saddle Road ped/cycle/equestrian improvement options	1	\$ 30,000.00	\$ 30,000.00	
15.0	Project Management			7.5%	\$ 24,607.50	
16.0	Contingency	On paths		10%	\$ 12,810.00	
17.0	Contingency	On escarpment ramp		30%	\$ 60,000.00	
	<b>TOTAL</b>			<b>Capital Cost</b>	<b>\$515,517.50</b>	<b>\$14,721.20</b>

Maintenance cost per km      \$                      5,200.00



## REPORT

**TO:** Finance & Audit Committee

**MEETING DATE:** 27 April 2022

**TITLE:** Quarterly Performance and Financial Report - Quarter Ending 31 March 2022

**PRESENTED BY:** Cameron McKay, Acting Chief Financial Officer and Andrew Boyle, Head of Community Planning

**APPROVED BY:** Cameron McKay, Acting Chief Financial Officer  
David Murphy, Chief Planning Officer

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### RECOMMENDATION(S) TO COUNCIL

1. That the Committee receive the memorandum titled 'Quarterly Performance and Financial Report – Quarter Ending 31 March 2022' presented to the Finance & Audit Committee on 27 April 2022.
2. That Council note and approve that the capital expenditure and associated revenue values in the 2021/22 Long Term Plan Budget relating to the Three Water Reform funding will be changed as per the details in Appendix 4 of this report.
3. That 1888 – Low Carbon Fund budget be reduced by \$345,000, and 1847 – City Growth – City Reserves – Victoria Esplanade – Capital New budget be increased by \$115,000, and 1451 – Property – LED Lighting Upgrades be budget increased by \$230,000.
4. That the Chief Executive be given delegation to allocate 100% of funds from 1888 – Low Carbon Fund to other activities, as well as moving the fund between capital new and capital renewal for the financial year 2021/22.

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### 1. ISSUE

To provide an update on the performance and financial achievements of the Council for the period ending 31 March 2022.

### 2. BACKGROUND

Details of operating and financial performance are included in the following sections. Reports are against the goals as detailed in the 10 Year Plan 2021-31.

### 3. 1888 – LOW CARBON FUND BUDGET

As part of the 10 Year Plan 2021-31, a new Capital New programme, 1888 – Low Carbon Fund, was created to enable opportunities for capital expenditure programmes to seek out low carbon alternatives where possible, leading to better outcomes in the long term from an operating expense and environmental perspective.

The purpose of this fund is not to spend against it, but to allocate the fund to other capital programmes. This means that by year-end the fund should be reduced to \$0, meaning that 100% of the fund is allocated to other capital programmes, both new and renewal. As this is the only Capital New programme within the Climate Change Mitigation and Adaption activity, this means that any allocation made above \$312,000 (30% of the programme) is outside of the Delegations Manual for Chief Executive (CE) approval. In addition to this, the CE is not able to move budgets between Capital New and Capital Renewal programmes.

To enable Officers to flexibly provide capital for low carbon alternatives, it is therefore recommended that Council alter the delegation associated with this programme to enable the CE to approve budget allocations from this programme to other capital activities, both new and renewal.

### 4. NEXT STEPS

The final performance and financial report for the financial year will be provided after the end of the June 2022 quarter.

### 5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	<b>No</b>
Are the decisions significant?	<b>No</b>
If they are significant do they affect land or a body of water?	<b>No</b>
Can this decision only be made through a 10 Year Plan?	<b>No</b>
Does this decision require consultation through the Special Consultative procedure?	<b>No</b>
Is there funding in the current Annual Plan for these actions?	<b>No</b>
Are the recommendations inconsistent with any of Council's policies or plans?	<b>No</b>
The recommendations contribute to Goal 5: A Driven and Enabling Council	
The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy.	
The recommendations contribute to the achievement of action/actions in a plan under the Driven and Enabling Council Strategy	
The action is: to enable Council to exercise governance by reviewing financial	

performance and operating performance and provide accountability for these to the public.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	As above.

### **ATTACHMENTS**

1. FY 2022 Quarterly Report March 2022 [↓](#) 
2. FY 2022 Performance Measures March 2022 [↓](#) 
3. FY2022 Quarterly Report to Council March 2022 Supplementary Material [↓](#) 
4. Three Waters Stimulus Funding Changes [↓](#) 



# Quarterly Report to Council – March 2022

## Chief Executive's Quarterly Report to Council For March 2022

### Introduction

Planning was in place for levels of service disruptions based on a projection of 25 percent workforce Covid absenteeism. As at the end of March absenteeism hit 9 percent of the workforce resulting in the temporary suspension of glass recycling services. Future disruptions are unknown in terms of peaks and further waves of omicron.

Despite that, good progress continues to be made on the Manawatu River Framework with the granting of a consent for the establishment of a carving workshop at Marae Tarata and the Albert Street entrance ready for construction. While the recommendations on the Notice of Requirement are with KiwiRail for decision, progress continues on Te Utanganui with the advocacy and communications planning completed and the collateral under development.

The red traffic light settings have continued to affect venues bookings and events programmes and the spread of omicron continues to be felt in supplier and contractor availability affecting deliverability of capital and renewal programmes. Council has received a report on strategies to mitigate the situation, however, this will take some time before we see a positive impact.

### Financial

For the period ending March 2022, our net operating position is \$5.9M favourable against budget. This is made up of \$450k rates, \$5.7M operating expenses, and \$300k favourable net interest, offset by \$550k unfavourable operating revenue. The bulk of the favourable position is due to continuing difficulty in sourcing contractors, border restrictions affecting Te Huringa programme, delays in the digital transformation programme and filling vacancies. Some of the favourable expense variance was offset by lower revenues in venues due to covid framework red light setting and lower government subsidies due to lower maintenance work completed on waters and transport.

March proved to be a challenging month. The predicted Omicron wave affected (and continues to affect) the local consultant and contractor workforce, Council staff and national supply chains. This has specifically resulted in delays in designs being ready for procurement, procurement process being extended and construction work progress being slower than planned. There have been illness levels of up to 25% of staff within Council and across our supply chain, with some construction teams unable to safely continue site work because of staff shortages. This has significantly curtailed our expenditure this month, and has adverse consequences for the remainder of the financial year.

Delays of approximately 2 months in getting materials from the dockside to Palmerston North are further compounding the issue, and impacting project start times and spend profiles.

Officers continue to mitigate the effects of supply chain delays, as possible, by working with contractors to identify and order long lead items early.

Staff have undertaken a further deliverability review as a part of the Annual Plan process and moved some work from this financial year to Annual Plan years 2 and 3, to reflect ongoing market uncertainty, noting that this work was done before the Omicron wave across New Zealand.

At the end of March, \$31.5M of capital was spent, against the YTD revised budget of \$55.2M. 31 Capital New and 63 Capital Renewal Infrastructure Projects have been completed this financial year with 369 projects in train.

The final forecasting for the financial year in May, will reflect the impacts of Omicron over this month and next month with potential for more work being carried forward.

Infrastructure staff continue to investigate opportunities for improving the predictability of delivery of capital programmes in future years. The commencement of the Design Panel to more effectively and efficiently move capital projects through the phases from concept, design to construction-ready will give more certainty of delivery next year. Further work is planned with the supply chain to continue to improve timeframes and predictability.

### Three Waters Reform

The Government's Three Waters Reform grant funding allocation, and our associated programme of works, is included in the above financial results across operational and capital renewal/new programmes. To date \$7.55M (81%) of work has been delivered against the grant funded allocation of \$9.34M. Work on the suite of projects remains ongoing with 16 projects now complete. The Service Managers and Project Managers continue to manage the remaining projects. There have been several minor transfers of funds within the programme to ensure successful delivery of outcomes. Contractor access at the Turitea Water Treatment Plant is being managed to mitigate Covid-19 risk of transmission between works teams. The first phase of the seismic strengthening project at the Water Treatment Plant is now underway.

The impact of the Omicron Covid variant has seen further delay to the delivery of the projects with 12 projects not being completed by the end of March 2022. Of these remaining projects yet to be completed, 8 are either in construction or awaiting commencement of the contract. Officers have obtained confirmation from the DIA that an extension has been granted for the completion of the programme from 31 March 2022 to 30 June 2022.

### Catalyst projects

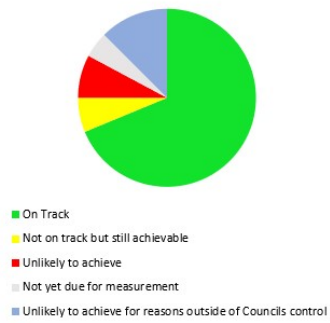
Catalyst Projects are those that will make major contributions to Council's vision. This report outlines progress made on these projects. A common theme being delays on some of these due to Omicron and the Covid-19 framework. Assessments are ongoing regarding what impact these will have on the ability to complete these projects on time.

### Safety and Health

Work on the SafePlus audit recommendations continued. We now have 90% of PNCC hazardous substance inventories in the WorkSafe hazardous substance calculator. Using the calculator standardises our approach, it meets legislative requirements and identifies both incompatibilities and storage requirements.

A lone worker register that identifies the tools provided to keep workers safe has been developed, covering all areas of the organisation that have lone workers. Reviews commenced on excavation, mobile plant, working alone, and threatening behaviour risks and will be completed in Quarter 4. Work started on identification of psycho-social incident consequence levels so that when an event/incident occurs there is a guide available to quantify harm levels.

### 10-Year Plan Performance Measure Summary



### 10 Year Plan KPIs

Our 10-Year Plan Key Performance Indicators (KPIs) monitor the delivery of major services for the city.

At the end of our second quarter, 44 of 64 KPIs are on track to be achieved for this financial year, with a further 4 not on track but still achievable and 3 not yet due for measurement. 8 KPIs are unlikely to be achieved for reasons outside Council's control. The main reason for the ones unlikely to be achieved relate to Omicron and Covid framework red light settings.

Chris Dyhrberg  
Acting Chief Executive

## Financial Summary to Budget

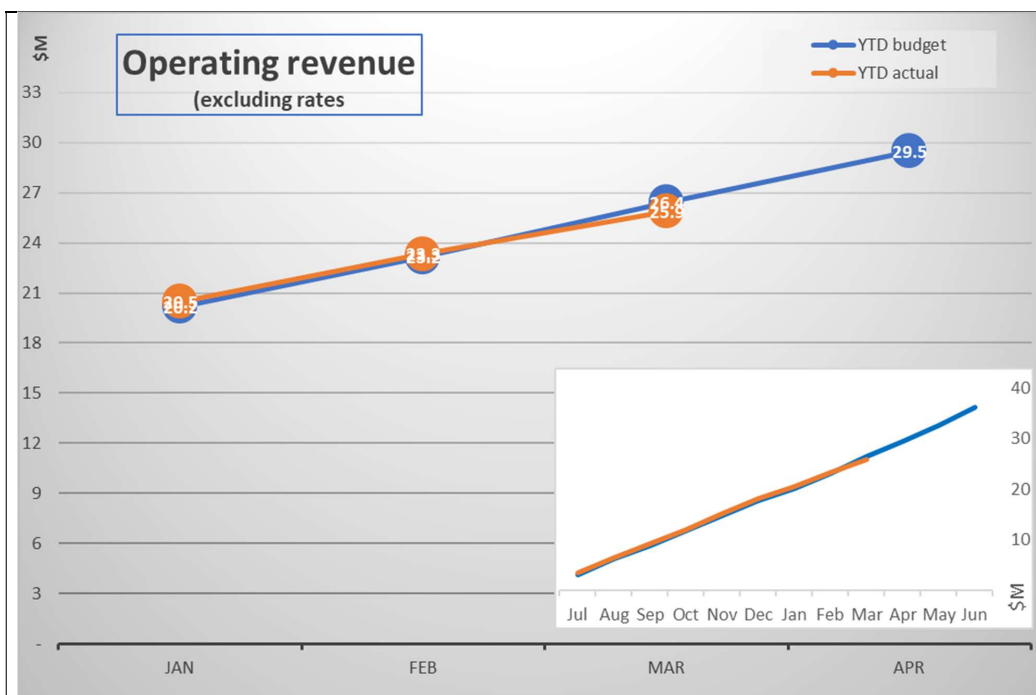
The following table of operating financial performance and graphs are compared to revised budget.

Summary of Financial Performance For the period to 31 March 2022	2021/22 \$000s					
	Year to Date		Variance		Full Year Revised Budget	Full Year Annual Budget
	Actual	Budget	\$000's	%		
Operating revenue	(25,867)	(26,421)	(555)	(2.1%)	(36,223)	(35,071)
Rates	(82,294)	(81,846)	449	0.5%	(109,090)	(109,059)
<b>Total Revenue</b>	<b>(108,161)</b>	<b>(108,267)</b>	<b>(106)</b>	<b>(0.1%)</b>	<b>(145,313)</b>	<b>(144,130)</b>
Operating Expenses	77,688	83,349	5,661	6.8%	112,439	111,497
Net Interest	3,494	3,800	305	8.0%	5,073	5,073
<b>Total Expenses</b>	<b>81,182</b>	<b>87,149</b>	<b>5,967</b>	<b>6.8%</b>	<b>117,512</b>	<b>116,571</b>
<b>Operating Controllable (Surplus) / Deficit</b>	<b>(26,979)</b>	<b>(21,118)</b>	<b>5,861</b>	<b>27.8%</b>	<b>(27,800)</b>	<b>(27,559)</b>
Depreciation	27,964	28,657	693		38,210	38,210
Non-operating revenue	(9,623)	(13,601)	(3,979)		(18,682)	(18,252)
Non-operating expenses	(11,804)	-	11,804		-	-
<b>Net Result</b>	<b>(20,442)</b>	<b>(6,062)</b>	<b>14,380</b>		<b>(8,273)</b>	<b>(7,601)</b>

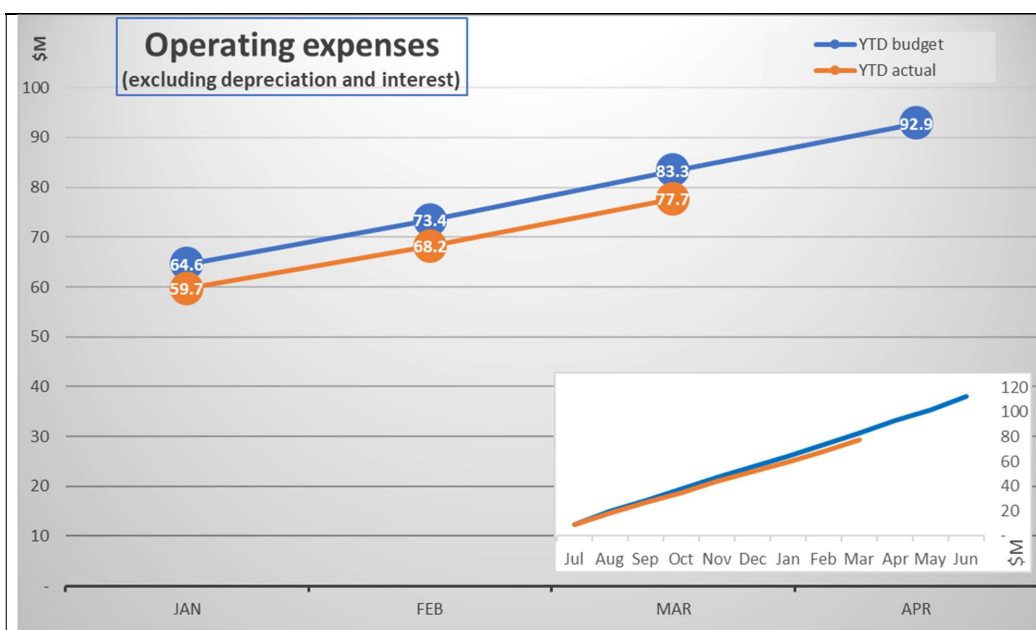
### Key Points:

- Overall operating surplus was \$5.9M favourable against revised budget.
- Operating revenue was unfavourable to budget due to:
  - Lower revenues associated with PNCC venues due to Covid-19 framework red light setting.
  - Lower grants and subsidies from government due to DIA waters and NZTA subsidies being under budget as a result of staff and contractor shortages due to Omicron.
  - These were offset by lower expenses in the relevant areas.
- The following variances contribute to the operating expenses surplus:
  - Contracted services were \$3.2M favourable due to supplier shortages through both border restrictions and Omicron.
  - Remuneration was \$1.0M favourable due to difficulties filling vacancies in the current labour market.
  - Te Huringa ERP project and digital transformation have been delayed and are signalled to be carried forward, totalling \$1.5M favourable to budget between them.
- Non-operating expenses are favourable due to a change in the valuation of swaps.

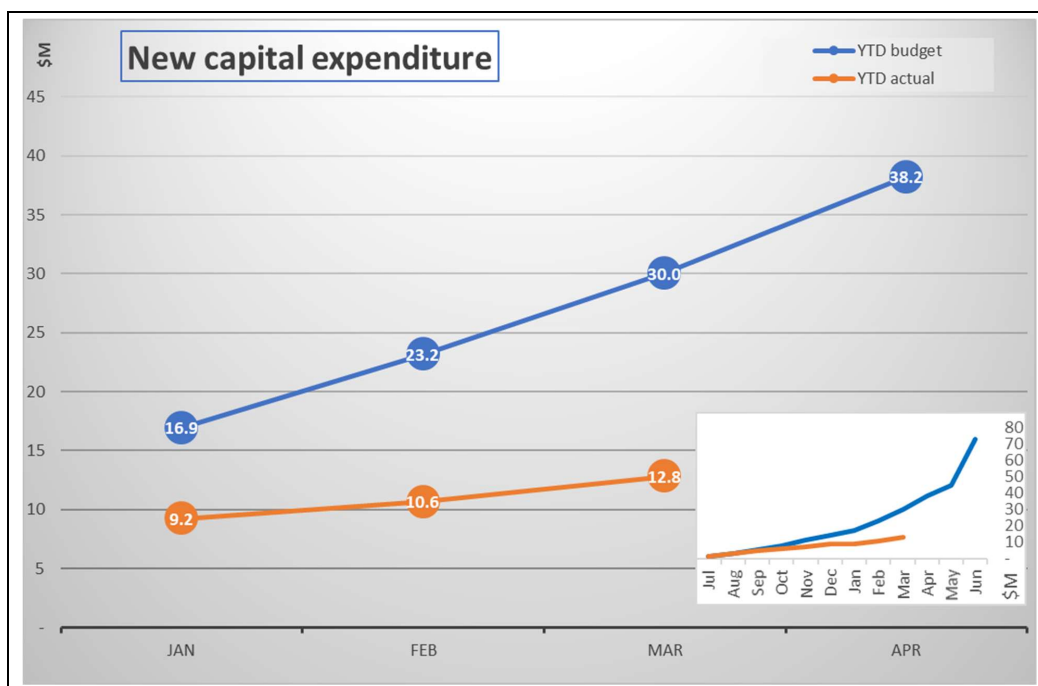




- Lower revenues from government grants and subsidies in 3 waters and transport due to contractor and staff shortages, and venues revenue due to Covid framework red light setting.

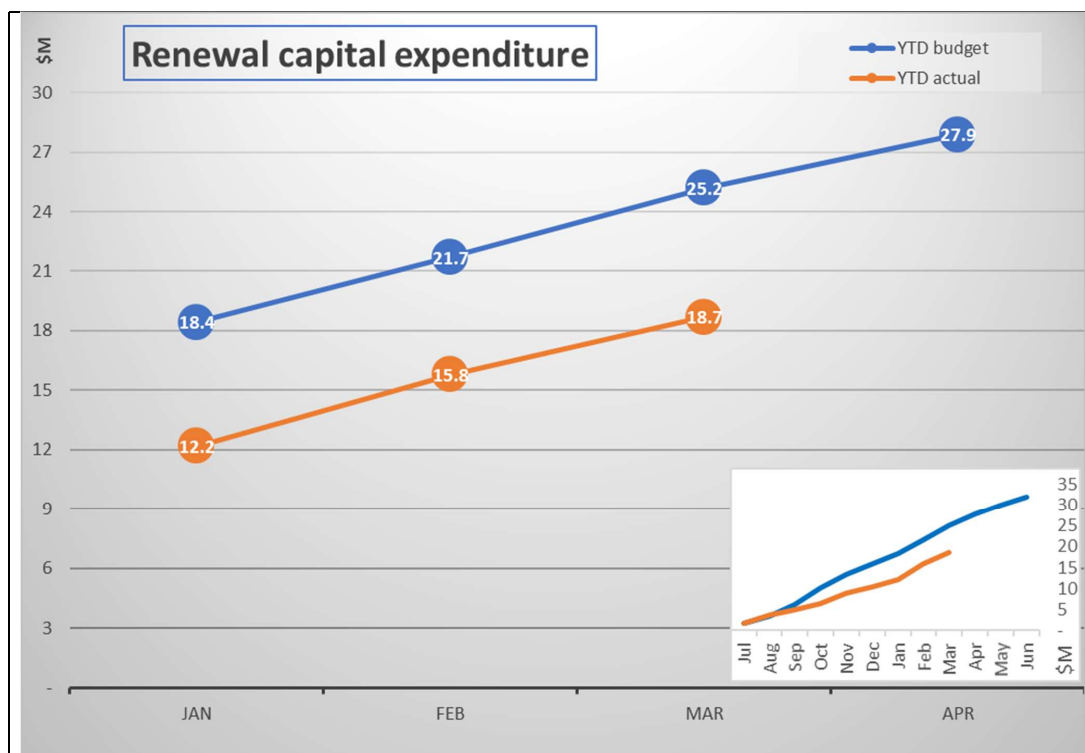


- Lower expenses are due to contractor shortages, vacancies, and major operating programmes (Te Huringa ERP and digital transformation) being delayed.



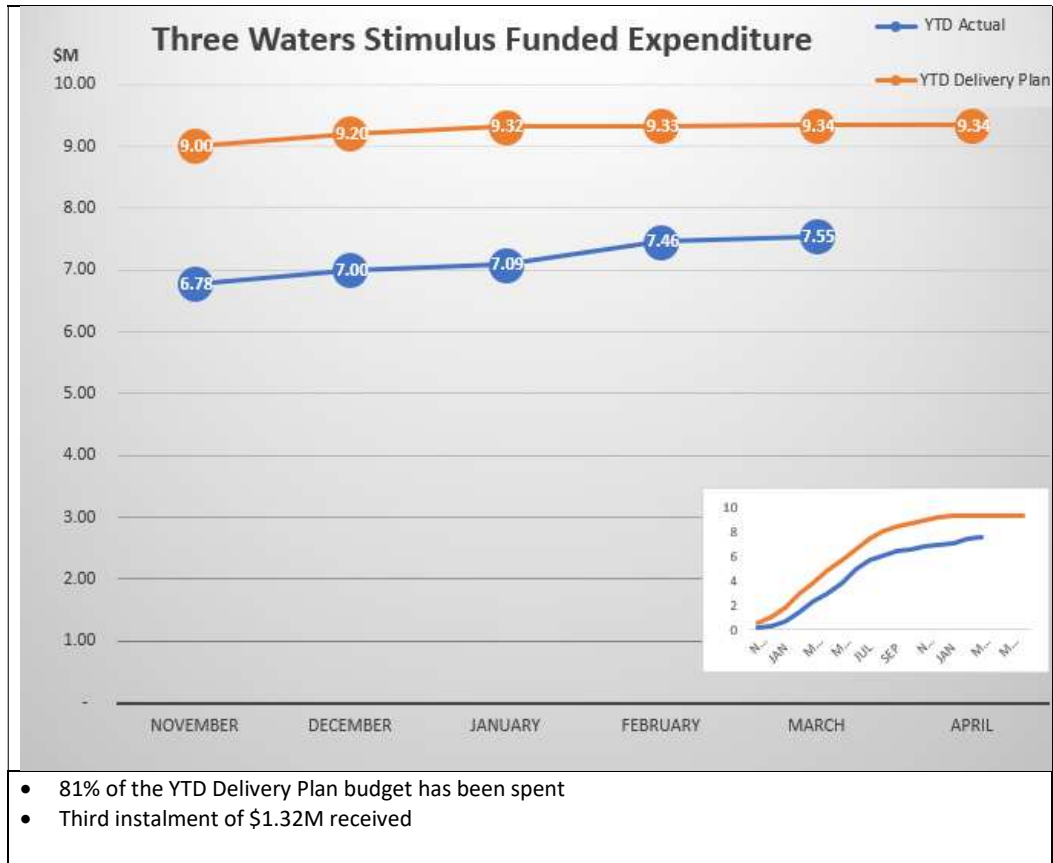
### Major Capital New Programmes Behind Budget

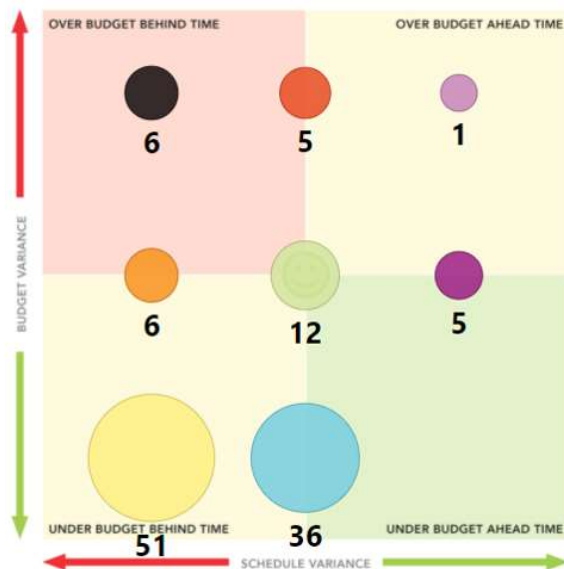
Programme Name	Reason for Delay	Variance to Budget	Comments
1617-Totara Road Wastewater Treatment Plant - Biogas System Improvements	Concept design in peer review	\$957k	Given the high cost and complexity, Council officers have opted to commission a peer review of the concept design, delaying delivery of the programme.
2128-WWTP - Consent Application	Changes in timelines and scopes of work	\$947k	Initial work has prioritised irrigation and land selection. As the current work packages are developed further and progressed, a better understanding of future work packages can be determined and budgets, timelines and forecasting will be adjusted accordingly. Consent application extended to December 2022.
651-City-wide - Water Supply Resilience - Seismic Strengthening	Covid Restrictions	\$745k	Physical works have started on-site and are progressing well. Negotiations with single tenderer were protracted and changes to COVID-19 precautions on site also delayed start date.
1844-City Growth - City Reserves - Manawatu River Park - Capital New	Contractor availability due to Covid	\$721k	Construction at the Turitea Pa site has been hampered by contractor illness, and is currently halted. The delays will not impact budget. Despite earlier delays, the natural play area is now progressing well, and construction of the pump track starts in April. The cabling installation for the riverside lighting project has progressed very smoothly and is 50% complete.
902-Property - Seismic Strengthening of Council Properties	Peer review delayed Consent	\$655k	A peer review delayed the consenting process for the Crematorium strengthening works. The preferred tenderer has been notified, consent received, and work will commence once the programme is confirmed and tender awarded. Programmed as a multi-year project with unspent funds to be carried forward.  Consented designs for CAB seismic upgrade to be completed as planned in 21/22.



### Major Capital Renewal Programmes Behind Budget

Programme Name	Reason for Delay	Variance to Budget	Comments
115-City-wide - Sealed Pavement Renewals (Waka Kotahi Subsidies)	Supplier issues and wet weather	\$1,692k	Work is underway progress expenditure as far as possible. Delays due to asphalt plant breakdown are now compounded by covid and by constraints on winter working.
1051-CET Arena - Arena Renewals	Contractor Availability	\$573k	Arena 2 roof replacement works delayed due to contractor availability. Works now commencing in August 2022. Programmed as a multi-year project with unspent funds to be carried forward.



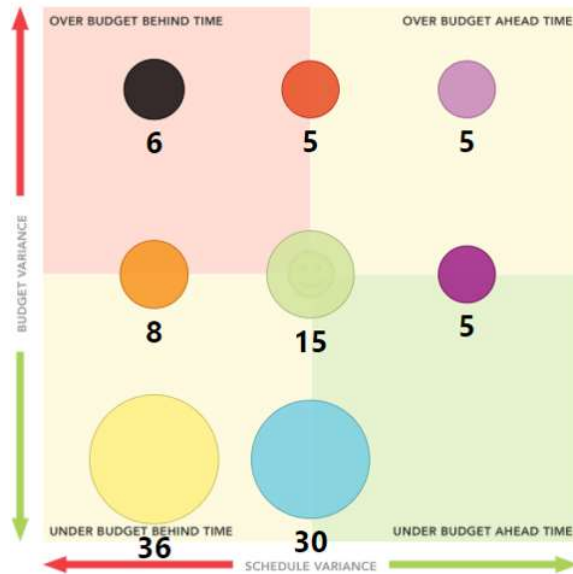


### Capital New

Description	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	FEBRUARY	MARCH
Not Started	37	29	27	22	20	19	20	19
On Budget Ahead of Schedule		1	4	2	2	4	4	4
On Budget Behind Schedule	3	68	30	22	16	14	8	6
On Track	40	38	11	14	9	13	9	12
Over Budget Ahead of Schedule			1	6	6	4	1	1
Over Budget Behind Schedule	1	1	1	8	9	16	6	6
Over Budget On Schedule	38	4	22	11	9	5	7	5
Under Budget Ahead of Schedule			2	1	2	2	1	
Under Budget Behind Schedule	2	1	26	37	49	51	51	51
Under Budget On Schedule	30		19	17	17	12	33	36
<b>Total</b>	<b>151</b>	<b>142</b>	<b>143</b>	<b>140</b>	<b>139</b>	<b>140</b>	<b>140</b>	<b>140</b>

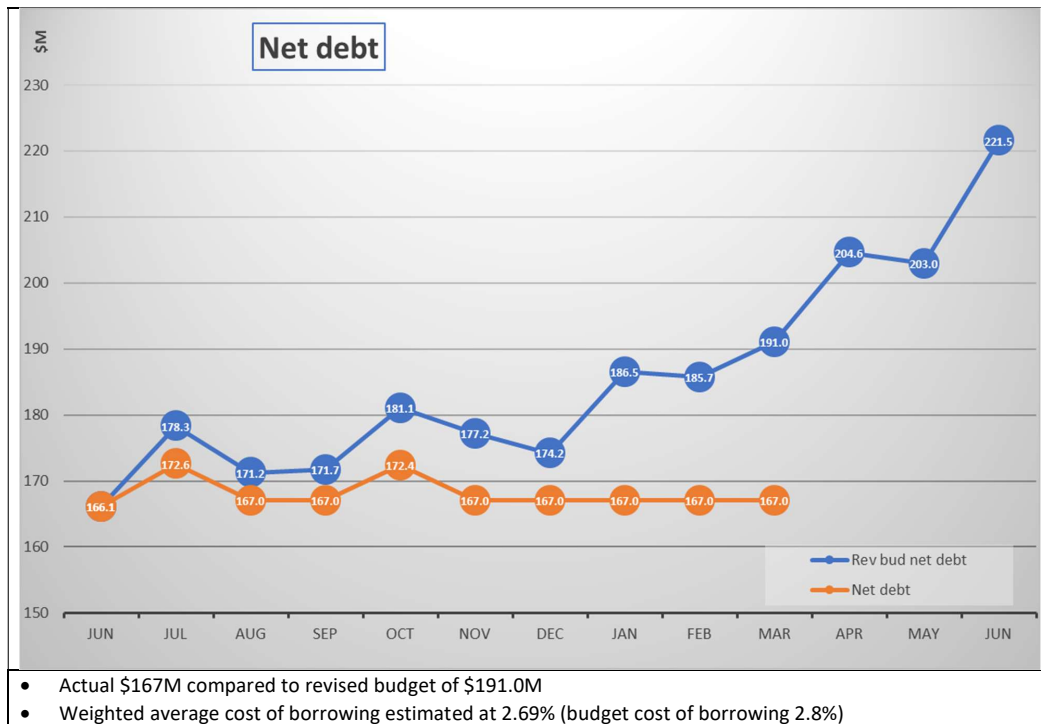
Programme	Comment
2056-City-wide - Supporting Cycle Infrastructure Improvements	Materials affected by supply chain delay. Contractor availability is also affecting installation.
111-Local Reserves - Roslyn - Edwards Pit Park Development	Expenditure on engineering and consenting has occurred earlier than originally forecast. Project anticipated to be within budget at year end.
51-Urban Growth - Development Contributions - Stormwater	This is a growth programme and dependant on timing of external developments. This has not occurred as anticipated.
1846-City Growth - City Reserves - Walkway Extensions - Capital New	This programme is progressing ahead of schedule due to the fine weather. It is forecast to be on budget by year end.
967-City-wide - Edibles Planting	Total programme budget of \$5k. The timing of community group tree plantings has lead to the variance. Programme expected to be on budget by year end.
721-Awapuni Closed Landfill - Landscaping Development	Lower Mangaone stream restoration work which is a Freshwater Improvement Fund Project. Plant purchases completed ahead of time in preparation for site works to be completed by year end.

### Capital Renewal



Description	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	FEBRUARY	MARCH
Not Started	34	26	17	12	13	12	10	4
On Budget Ahead of Schedule			1	3	4	4	3	5
On Budget Behind Schedule	1	54	12	12	10	10	7	8
On Track	41	27	18	13	9	12	11	15
Over Budget Ahead of Schedule	1		1		2	3	4	5
Over Budget Behind Schedule		3	4	9	9	7	5	6
Over Budget On Schedule	22	1	21	10	7	8	10	5
Under Budget Ahead of Schedule				2	2	1	2	
Under Budget Behind Schedule			25	32	36	41	42	36
Under Budget On Schedule	16	2	14	20	21	16	20	30
<b>Total</b>	<b>115</b>	<b>113</b>	<b>113</b>	<b>113</b>	<b>113</b>	<b>114</b>	<b>114</b>	<b>114</b>

Programme	Comment
1834-City Reserves - Walkways - Renewals	Resurfacing work was undertaken early to take advantage of good weather. Programme will be overspent by year end due to the
664-Conference & Function Centre - Renewals	Slight delay in materials prevented works being completed in March. Planned works now being undertaken in April 2022.
1801-Wastewater Pump Stations - Building Renewals	Programme budget of \$8,000. Contract in place for works in April. Will be delivered to programme.
1797-Water Treatment Plant - Building Renewals	Non material variance (\$1,000.00 on \$30,000.00 programme) Will be delivered to programme.
1822- Water Pump Stations - Building Renewals	Non material variance (\$700.00 on \$8,000.00 programme) Will be delivered to programme.



## 10-Year Plan Catalyst Projects Update (As at 31 March 2022)

**Streets for People:** The developed design has been reviewed by relevant PNCC Officers and their feedback collated to be incorporated in the detailed design. The design package is currently going through an internal sign-off process which is expected to be completed by 8 April.

**Civic and Cultural Precinct Master Plan:** Council has appointed a consultant team to prepare a draft Civic and Cultural Precinct Master Plan. The lead consultant has familiarised themselves with the key project issues and opportunities, and an Elected Members briefing on the development of the Master Plan will be rescheduled in May. The consultant and staff engaged with key stakeholders over the latter half of 2021 and ongoing engagement is occurring in the New Year. An update report will go to Council in April and June 2022 and a final report will be presented in December 2022. While the consultant will draw on some international experience, the large majority of the work will be led by New Zealand based experts, Council Officers and local stakeholders, with direction from Elected Members at key stages.

**Heritage:** The Heritage Incentives Fund has opened. There has been some interest from earthquake prone building owners to seek funding assistance to get their buildings up to Building Code standards. The Fund is about half used up at this stage so there is ample opportunity for buildings owners to apply for funding.

**Victoria Esplanade Masterplan:** Park Road entrance is now complete, and bollard defects are being remedied. The Rose Garden signs were completed, camellia sign designs underway. Designs for improvements to the Manawaroa Street pedestrian entrance are complete. Wayfinding signage templates are complete and the design of specific signage scheduled for this year underway. Designs for three accessibility improvements/pedestrian/ wayfinding raised platforms between central area and café/duckpond/bush have been commissioned.

**Manawatū River Shared Pathway:** Officers are working with consultants to prepare a Notice of Requirement (NoR) to designate land necessary to complete the Manawatū River Pathway. The route options previously presented to Council are being assessed as part of the alternatives assessment required. Included in this are multiple technical reports covering safety, flooding, cultural impacts, organic farming, geo-tech, biodiversity and landscape design. Investigations are ongoing to determine the precise dimensions of the land corridor necessary for the pathway along the river edge, in terms of constructability and amenity. Landowners are being approached to arrange access for site surveys which will provide clarity on this. The NoR will be lodged when all the reports and designation details are complete.

**Manawatū River Framework:** Work with Rangitāne to establish a carving workshop in the old industrial buildings at Marae Tarata has continued. A resource consent has now been granted. We will look to issue a licence to occupy.

Marae Tarata Development Plan – stakeholder workshops are now completed. Public consultation will occur after the Te Motu O Poutoa consultation has been completed (see the next item).

The next river entrance to be built will be at the end of Albert Street. Detailed design has been completed, lighting and bollards have been purchased. A resource consent application has been lodged, and procurement for the construction has now been completed and a contractor is in place for the work. Construction will commence in March/April 2022.

Cabling the Victoria Esplanade in anticipation of 2022/23 lighting installations – we are now establishing contracts with providers to begin work in April/May. Work will begin next week on the cabling.

The riverside cycle tracks, exercise equipment stations, Turitea Pa site and wayfinding projects are all underway. Albert St fort build has begun and is around 80% complete.

The earthworks for the Turitea Pa site are now completed, and the foundations have all been poured. The steel is all on site, and once the concrete has cured (2 weeks) we will begin bolting the platform onto the



foundations. All work has ceased until around the end of March, as the contractors have isolated due to covid.

The Fitzherbert Bridge Lighting project trial is progressing and judging of the light installations will be in the 2022/23 financial year.

**Te Motu o Poutoa:** Council and Rangitāne are co-working on the design. The Design Team Working Party has determined the site constraints, and distilled the ideas that came from Elected Members, Rangitāne, stakeholder workshops and neighbour workshops into a set of spatially located ideas. A workshop was held with Elected Member in February to finalise the distilled proposals for the site development consultation options.

**Wastewater Treatment Plant Upgrade:** The project team continue to refine a land area to focus further investigations within. This area has been identified through an assessment process, with larger land parcels being preferred to maximise the available area to discharge wastewater per property. Letters have been drafted for communications with landowners on the wider testing area. These will be sent out in April.

The Concept Design for the Wastewater Treatment Plant (WWTP) has now been scoped and agreed with Stantec (engineering consultants), and work has commenced.

There has been a preliminary confirmation of flows into the plant, including growth projections, and consideration of the future composition of wastewater. More work will be done on this with our design partners, including iwi, to consider the implications of reducing wastewater generated, and of beneficial reuse of treated wastewater.

The Draft Consent Strategy has also been prepared by Stantec and is being reviewed by the project team. The Consent Strategy is an important milestone to outline the statutory approvals and consenting pathway for the Project.

Officers have identified the need for a farm adviser to assist with considerations of land assessment, purchase, back lease and operation of the irrigation options. Scoping of an advisory role is underway.

**Te Utanganui** (Central NZ Distribution Hub), **PNITI** (PN Integrated Transport Initiative), **Rail, Airport:** The KiwiRail Notice of Requirement (NOR) hearing is now complete. Council received (on 28 February) the recommendation of the Hearings Panel to approve the NOR filed by KiwiRail to build an intermodal freight and rail hub.

The Commissioners that comprise the Hearings Panel consider that the NOR meets the requirements of the Resource Management Act and have made some recommended conditions in their report. KiwiRail now has 30 working days to accept or reject the recommendations, either in whole or part.

Once Council has received KiwiRail's decision we will send the decision to everyone who made a submission to the NOR. It is at this stage that any appeals to the Environment Court can be made, these need to be filed with the Court within 15 working days.

CEDA has confirmed the Central NZ Distribution Hub (CNZDH) Strategy and work is progressing on the advocacy and communications plans.

Rangitāne have gifted the name 'Te Utanganui' to the CNZDH. A key work stream for Te Utanganui - CNZDH is the development of a Master Plan to guide future public and private investment. Council has appointed GHD (consultants) to lead the Master Plan work programme. Technical advisors have been secured for the project and stakeholder workshops started in the last week of February and finished in late March.

The Te Utanganui - CNZDH and PN Integrated Transport Initiative (PNITI) Reference and Steering Groups are now established and will provide strategic overview and leadership to Te Utanganui and PNITI.

PNCC is working with Waka Kotahi to finalise the Transport System Improvement Plan (TSIP) - the first action within the PNITI programme. Officers are now working to implement outputs of the TSIP into the Network Operating Plan (NOP) update, as well as the upcoming Roads and Streets Framework.

**Infrastructure for Residential Growth:** Construction at Tamakuku Terrace continues and is on track for completion in May / June 2022. The 2nd sales release of 17 sections is currently underway although are not selling as quickly as anticipated. Several potential purchasers are now unable to get finance after the LVR (loan-to-value ratio) changes. This is one of the major contributors to the slow uptake on the 2nd lot of sales. Council Officers are now exploring alternative sales opportunities and methods to assist with reducing this barrier such as using Real Estate Agents and also doing further active engagement with group builders.

Work is continuing on Plan Changes for Aokautere, Ashhurst, Roxburgh Crescent, Summerhayes Reserve and Kakatangiata. The Whisky Creek Private Plan Change is also progressing, with a hearing scheduled for June 2022.

**Citywide Stormwater:** Whakarongo Resource Consent: Council is still awaiting a draft response from Horizons including a draft set of conditions. Final draft drawings of the stormwater attenuation and treatment system is currently under internal review but will be subject to final review following receipt of the proposed consent conditions.

Internal review is close to completion. Officers will engage with Rangitāne and other key partners with the aim of bringing a proposed draft framework to Councillors within the first quarter of 2023.

**City-wide Water Supply:** Flow testing of Papa-i-oea Park Bore 3 has been completed to determine the amount of sand being produced at various flow rates. We are investigating a full inspection with a diving quality camera to assess the sand production issue and will put this bore into service as soon as possible.

Cold commissioning of mechanical and electrical components for Railway Rd Bore is about to commence as we move towards completion of the current contracts for this site. Landscape planting and fencing design of the site have been completed and are being priced. Updated groundwater residence time testing is underway for Drinking Water Standards compliance.

**Three Waters Reform:** The Government has confirmed that the reforms will go ahead and that four entities will provide water, wastewater and stormwater services across the country. Councils will not be able to opt out.

The Government also set up a working group of local government, iwi and water industry experts to review the proposals. It reported to the Minister of Local Government on March 7, and asked the Minister to consider recommendations that would:

- strengthen iwi and Council co-governance arrangements
- add additional safeguards for public ownership of the water entities
- strengthen local voice and accountability.

Details on how the entities will operate will be in a Water Services Entities Bill to be introduced to Parliament around May – June 2022.

The Government intends to have the new entities up and running by 1 July 2024.

The Department of Internal Affairs has begun a second phase of data gathering with Council staff.

# Quarterly Performance and Financial Report - March 2022

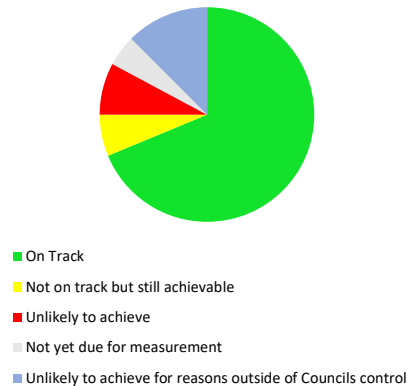
## 10-Year Plan KPIs

This part of the report looks at how well the Council is delivering on the performance measures.

The report is organised by Activities. Each Activity page has "traffic lights" to show progress towards the 10-Year Plan:

Not yet due for measurement	W
On track	G
Not on track but still achievable	Y
Unlikely to achieve	R
Unlikely to achieve for reasons outside of Councils control	B

### 10-Year Plan Performance Measure Summary



Performance Measure Summary by Activity	G	Y	R	W	B	Total
<b>Goal 1 - An Innovative &amp; Growing City</b>						
City Growth	2	-	3	-	-	5
Economic Development	2	-	-	-	-	2
Transport	2	-	2	-	1	5
<b>Goal 2 - Creative &amp; Exciting City</b>						
Active Communities	2	-	-	2	1	5
Arts, Culture and Heritage	3	-	-	-	2	5
City Shaping	1	1	-	-	-	2
<b>Goal 3 - Connected &amp; Safe Community</b>						
Connected Communities	4	1	-	1	3	9
Safe Communities	1	1	-	-	1	3
<b>Goal 4 - Eco-City</b>						
Climate Change	3	-	-	-	-	3
Environmental Sustainability	2	-	-	-	-	2
Manawatu River	1	-	-	-	-	1
Resource Recovery	2	-	-	-	-	2
Stormwater	5	-	-	-	-	5
Wastewater	5	-	-	-	-	5
Water Supply	9	-	-	-	-	9
<b>Goal 5 - Driven &amp; Enabling Council</b>						
Good Governance and Active Citizenship	-	1	-	-	-	1
<b>Total Measures</b>	<b>44</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>8</b>	<b>64</b>
<b>% of measures able to be measured</b>	<b>69%</b>	<b>6%</b>	<b>8%</b>	<b>5%</b>	<b>13%</b>	

## Quarterly Performance and Financial Report - March 2022

### Goal 1: An Innovative and Growing City

#### City Growth

Performance Measures (Page 32 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> Enough land is zoned, infrastructure enabled and feasible to develop, to meet growth demand. <b>Target:</b> At least three years of housing and business land with services is immediately available.	Greenfield land capacity is limited largely to Whakarongo. Land at Kikiwhenua is zoned, but not infrastructure enabled. The Napier Road Residential Area is also zoned, but requires changes to the State Highway speed before development can occur. Waka Kotahi are currently consulting on speed and safety improvements to Napier Road, which would enable growth to proceed. Waka Kotahi plan to undertake changes in the next financial year. Aokautere development capacity has largely been accounted for. Remaining land is consented and construction underway. Planning for more urban growth at Aokautere will unlock housing capacity for approximately 1000 additional dwellings. A plan change is intended to be notified mid-year. Planning is also underway to rezone land at Kakatangiata. Master planning to date provides for up to 6,500 additional dwellings, which will provide medium-long term growth needs. Until new greenfield growth areas are brought online, urban growth needs will need to be provided for through intensification. Building consent data for 2021 suggests that the targets for housing are generally being met for intensification (target 55%, actual 54%), but that rural-residential growth is higher (target 5%, actual 12%) and greenfield growth is down (target 40%, actual 34%).	G	G	R	
<b>02. Measure:</b> Resource consent applications are processed within statutory frameworks. <b>Target:</b> At least 95%	391 consents have been processed year to date with 291 (74%) processed within statutory time frames. The Planning Services team consent workloads and volume of inquiry have remained high during the third quarter. That coupled with delays from getting expert assessments has meant continued difficulties processing within time frames. We have successfully recruited a planner and still hold a senior planner vacancy.	Y	R	R	

<b>03. Measure:</b> Building consent applications are processed within statutory frameworks. <b>Target:</b> At least 95%	Of the 269 building consent applications processed for the quarter, 260 (97%) were processed within the statutory timeframe. Year to date: Of 981 consents processed, 913 (93%) were within the statutory timeframe. This quarter has again been affected by the continued effects of Covid-19 and associated construction supply chain and industry resource restrictions, particularly employee absences due to illness or isolation, industry wide.	Y	R	R	
<b>04. Measure:</b> City-wide urban design principles are reflected in planning advice and decision-making. <b>Target:</b> Narrative measure outlining how urban design principles are being implemented.	Urban design expertise is informing District Plan changes under development. All major greenfield growth projects are being master planned. There is now also a higher level of integrated transport and landuse planning (movement & place) underway that will greatly impact and improve future urban structure, form and function. Projects include Te Utanganui, Civic and Cultural Precinct Plan, Streets for People, PN System Improvement Plan, PN Parking Framework.	G	G	G	
<b>05. Measure:</b> There is an increase in range of building types being built in the city centre and local neighbourhoods (eg different densities, cohousing, CBD residential, green buildings). <b>Target:</b> Narrative measure outlining trends in the range of building types.	Developers outside of the city are making enquiries into existing city centre commercial buildings looking to converting them to mixed use models including studio apartments, though generally City centre housing is not being developed. Medium density housing applications around the peripheral of the city centre and across the broader city are increasing, with many proposals now looking to deliver 2 storey, duplexes and terraced rows at higher densities. Work is underway to prepare an intensification plan change to make it easier to develop intensified housing.	G	G	G	

## Economic Development Activity

Performance Measures (Page 37 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> Funding is distributed and the key objectives achieved. <b>Target:</b> Narrative measure outlining outcomes achieved by the funded organisations.	CEDA six month report presented to Joint Strategic Planning Committee along with proposed Statement of Intent for 2022/23. Strong focus on Te Utanganui, Central New Zealand Distribution Hub and Food Strategy.	G	G	G	
<b>02. Measure:</b> Achieve a positive city reputation. <b>Target:</b> 3x narrative measures: Increases in positive sentiment, increase in levels of engagement, and formal survey/research	Narrative measure around sentiment regarding city/org, supported by media analysis and other channels: There were 331 media items related to Palmerston North City Council in the period 1 January - 31 March 2022. Across the total coverage, there were 70 items with a positive sentiment towards the council (21%), 34 items with a negative sentiment towards the council (10%) and the remaining 227 items with a neutral sentiment towards the council (69%). Narrative measure showing levels of engagement including marketing campaigns and city visitor nights: City Marketing campaign – 'Famous for....' Was successfully rolled out during this period to markets within a 2 hour drive of Palmy. Narrative measure outlining residents' satisfaction with city/organisation profile: 2021 Resident's Survey results show that 62% of respondents are satisfied with the Council's overall performance. 28% are neutral. Only 11% are dissatisfied. Satisfaction is slightly higher than it was for the previous two years (59% for each year).	G	W	G	

## Transport

Performance Measures (Page 42 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> The change in the number of fatal and serious injury crashes from the previous year on the city's local road network. Fewer than the previous year. <b>Target:</b> Narrative measure outlining long-term accident trends and causes.	For the 12 month period ending Q3 2022, there were 2 fatal and 39 serious injury crashes on the city's local road network. The number of fatal crashes is the lowest number in the last five years, however the number of serious crashes is equal highest. In the 12 months prior there were 4 fatal and 25 serious crashes. The trend over the last five years tends to be increasing, particularly for serious injuries.	Y	R	B	
<b>02. Measure:</b> The average quality of ride on the sealed local road network, measured by smooth travel exposure. <b>Target:</b> Greater than 80%.	The average quality of ride on the sealed local road network is 86%.	G	G	G	
<b>03. Measure:</b> The percentage of the sealed local road network that is resurfaced. <b>Target:</b> More than 3.5%	As of February 2022, 0.52% of the local road network was resurfaced. It is planned that 3.4% of roads will be resurfaced by the end of 21/22. The measure will not be met due to Covid and supply chain impacts.	W	W	R	
<b>04. Measure:</b> The percentage of footpaths that meet Council standard. <b>Target:</b> Greater than 93% rated 3 or above.	95% of footpaths meet council standard, with a condition score of 3 or less (Average to Excellent). The total length of faults with a condition grading of 4 (Poor) or 5 (Very Poor) is 28.2km.	G	G	G	
<b>05. Measure:</b> Percentage of requests for service relating to roads and footpaths responded to (with at least an initial response) within three working days. <b>Target:</b> Greater than 95% of safety and critical requests.	There were 8342 requests received relating to footpath and roads. 88% of these requests were responded within three working days. Staff Absences due to Covid impacts and due to temporary vacancies across Council and its supplier Fulton Hogan have affected the achievement of this measure.	Y	Y	R	

## Goal 2: Creative and Exciting City

### Active Communities

Performance Measures (Page 54 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> Increase in use of parks, sports fields and playgrounds. <b>Target:</b> Narrative measure outlining Parks Check Survey results.	We will report on the Park Survey measures at the Year-end - surveying is currently ongoing.	W	W	W	

<b>02. Measure:</b> Increase in use of aquatic facilities. <b>Target:</b> Usage numbers at Lido, Freyberg and Ashhurst Pools.	There has been a 9% increase in visits to the Ashhurst Pool, in comparison to the same period last year with 28,841 visitors. The tally of visitors at the Lido Pool was 248,593 a decrease of 16% compared to last year. Attendance at Freyberg steadily increased through the months of January, February and March, however it has been challenging for staff with a number of children and families requiring to isolate at home. Reported attendances for this period were 112,853, a decrease of 21% from the same period last year. Overall usage of children under 5 was 11,251 visitors; a decrease of 29% over the same period. As New Zealand moved into the government Omicron plan, self-isolation and close contact rules changed and this had a significant impact on staff and visitor attendances at all facilities.	B	B	B	
<b>03. Measure:</b> Increase in use of Central Energy Trust Arena for community sport and active recreation. <b>Target:</b> Narrative measure outlining number of community events and hours.	Year to date there has been a total of 1,724 individual bookings totalling 6,766 hours of use. Of these, 1,553 are community sport bookings, accounting for 4,190 hours of use. The number of total bookings is down 16% on last year to date and community sport bookings down 22%. Total hours of use are down 17% on last year to date and community sport hours of use are down 24%. This is again due to ongoing disruptions of covid-19 restrictions, with this particular quarter being heavily affected with restrictions of the red setting that came into effect at the end of January. Community sport activity has continued to be heavily affected by these disruptions and unable to run to usual capacity.	B	B	G	
<b>04. Measure:</b> Increase in satisfaction of Council's sport and recreation facilities. <b>Target:</b> Narrative measure outlining trends in user and resident feedback and surveys.	End of year measure - surveying is currently ongoing.	W	W	W	
<b>05. Measure:</b> Council works in partnership with external organisations. <b>Target:</b> Narrative measure outlining partnership initiatives designed to increase participation and their outcomes.	Council works with Sport Manawātū to implement the Regional Sports Facilities Plan and work with sport and recreation representatives to facilitate access to facilities and increase participation. Sport Manawātū's six-month report (to the end of December 2021) will be reported to the Play, Recreation and Sport Committee in April 2022. Preparatory work is underway with Sport Manawātū on a new funding agreement for 2022-2025.	G	G	G	



## Arts and Heritage

Performance Measures (Page 63 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> Increase in patronage of Council-owned cultural facilities (Te Manawa, Globe Theatre, Regent Theatre, and Square Edge), as measured by reports provided by operators. <b>Target:</b> Annual patronage numbers for the CCOs increase.	Note CCOs report six monthly, so this information is for the period July-December 2021. Patronage numbers for all of the cultural CCOs have been directly impacted by the Covid-19 lockdown and ongoing attendance restrictions, which have caused the cancellation or postponement of many bookings, events and performances during this period. Many performance targets set before the Delta (and Omicron) outbreaks are now unlikely to be achieved due to the Covid-19 restrictions. The Globe reported 9,643 visitors/audience for the six months from July – December 2021 against a target of 13,000. Te Manawa Museum has reported a total of 45,683 visits to Te Manawa against a target of 75,000, and 4,907 visits to Te Manawa exhibitions at other venues against a target of 12,500 for the six months from July – December 2021. The Regent Theatre has reported total attendance of 18,337 for July – December 2021 down from 38,190 in July – December 2020. Caccia Birch has had a total of 30 visitors to the two open days held against an annual target of 580 and 205 hires against an annual target of 425 hires for July – December 2021.	W	B	B	

<p><b>02. Measure:</b> Funding is distributed and the key objectives achieved. <b>Target:</b> Narrative measure outlining outcomes achieved by the CCOs.</p>	<p>Note CCOs report six monthly, so this information is for the period July-December 2021. The Globe Theatre was shortlisted for the Small Venue of the Year 2021 Awards. The Globe experienced the cancellation or postponement of 59 shows with staff working to transfer performances to the larger 200-seat Globe 1 Theatre to enable performances to go ahead to socially distanced audiences of 100 people. The Regent Theatre has been the most severely impacted of the CCOs by the Covid-19 restrictions, with 35 events cancelled or postponed between August – December 2021. Most of the national and international acts were cancelled, and only a handful of community events continued in the latter part of December when the Orange Covid-19 Protection Framework (traffic light system) loosened attendance restrictions. Pasifika Fusion Cultural Festival went ahead in July 2021 with over 700 attendees enjoying this celebration. Te Manawa Museum's Curious Contraptions exhibition was well received with record numbers over July, and the exhibition period was extended until March 2022. Despite visitor numbers being down, Caccia Birch increased occupancy rates with 132 usage days from July-December 2021 compared to 114 in July – December 2020. This included hosting a large group of artists for the Manawatū Art Trail in October 2021.</p>	G	G	B	
<p><b>03. Measure:</b> Sites of significance to Rangitāne o Manawatū are identified, protected or acknowledged. <b>Target:</b> Narrative measure outlining the number and description of sites.</p>	<p>Staff continue to work in partnership with Rangitāne to identify and protect sites of significance. The Turitea Pa sites restoration project is progressing well and the design working party are developing concepts for community consultation on Te Motu o Poutoa</p>	G	G	G	
<p><b>04. Measure:</b> Increase in investment of earthquake-prone heritage buildings. <b>Target:</b> Narrative measure outlining investment in buildings and its outcomes.</p>	<p>The Heritage Incentives Fund has opened. There has been significant interest from earthquake prone building owners to seek funding assistance to get their buildings up to Building Code standards. The fund is likely to be exhausted by the end of the financial year.</p>	G	G	G	

<p><b>05. Measure:</b> Heritage is part of the multidisciplinary approach to working on Council projects. <b>Target:</b> Narrative measure outlining the projects and their multi-disciplinary nature.</p>	<p>We are having continued recognition of our successful multi-disciplinary approach to integrating heritage outcomes into the design of Central Energy Trust Arena. This project has picked up Best Design awards as well as being shortlisted for further success by both NZILA&amp; NZIA design awards. Other public realm projects, particularly streetscape improvements are still adjusting to implementing a multi-disciplinary approach to projects with some heritage outcomes being considered a nice to have rather than a must have. Ensuring heritage values are spatially recognised, budgeted for and physically delivered in public space projects is a key focus area for increased multi-disciplinary practice by staff.</p>	G	G	G	
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## City Shaping

Performance Measures (Page 69 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> City Centre Streetscape Plan is successfully implemented. <b>Target:</b> Narrative measure outlining progress on implementing the Plan.	The wider streetscape plan programme is in developed design phase with the next stages of implementing Square East Stage 3 in detailed design phase.	G	G	G	
<b>02. Measure:</b> A wide range of public space projects are implemented. <b>Target:</b> Narrative measure outlining the public space projects, their multi stakeholder / multidisciplinary nature, and their outcomes.	Further public realm improvements along the river are complete or in construction with and civic precinct masterplanning and streetscape improvements are underway in the City Centre . These include new entry and controlled intersection to the Victoria Esplanade, new river entrance at Esplanade Scenic Rail Station completed and Turitea Pā lookout under construction. In the City Centre, engagement and masterplanning has commenced on the Civic and Cultural Precinct while the next construction stage of the Cuba St link (George St to Rangitikei St) is underway.	G	G	Y	

### Goal 3: Connected & Safe Community

#### Connected Communities Activity

Performance Measures (Page 74 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<p><b>01. Measure:</b> Library users are satisfied with the services and programmes provided. More than 800,000 visits a year. Average use per item per year is at least 4 (physical items).</p> <p><b>Target:</b> Narrative measure outlining the development and use of digital collections. Narrative measure outlining the results of user and residents' satisfaction surveys.</p>	<p>Physical visitor numbers continued to be significantly impacted by the way individuals, families and groups have responded to the ongoing impact of Covid-19; specifically in relation to the Omicron wave, and the on-going restrictions under an Orange or Red Traffic light. At the end of this quarter there were 273,587 physical visits across City Library locations - this compares to 536,215 for the equivalent period last year. However, the collection is working hard with the average use per item increasing to 4.28 from 4.22 (this compares to a national average of 3.42). There were 573,656 City Library website page views and 136,131 website sessions; Manawatu Heritage had 226,142 website views and 52,801 website sessions; the library hosted 32,348 PC sessions and 120,510 Wi-Fi sessions. There were 773 heritage enquiries; and 2529 digital help sessions, a significant decrease on last year (4549 sessions) - some of this decrease can be colloquially linked to the implementation of Vaccine Passes as many people that rely on the library for assistance have been unable to use our facilities. A new "Click and Collect" service was used to reserve 730 items since it started in February and the We Pick, You Collect" service has been used 13 times in the two weeks since it started. For the three months this quarter, the streaming service Kanopy had 3322 views and 1866 plays; and users watched 769 films on Beamafilm. The Library App continued to increase in its usage with 54,773 sessions this year compared to 44,856 for the same period last year.</p>	G	G	Y	

<p><b>02. Measure:</b> Library programmes reflect the changing needs of communities. <b>Target:</b> Narrative measure number and description of programmes and their outcomes.</p>	<p>Due to the on-going impact of Covid-19 restrictions firstly under Orange, and now under Red, the delivery of programmes this year has been extremely difficult and challenging, and much of our programming has had to be put on hold. The team delivered 832 programmes with 18,592 attendees this year vs 1306 programmes with 47,409 attendees for the equivalent period last year. Despite the ongoing challenges the team contributed to a number of community programmes including the Lunar New Year, Holi celebrations, Waitangi Day, International Women's Day and most recently Neighbours' Day. Other programmes that enhanced community connection and wellbeing included garden and seed exchanges; budgeting advice and support; CV writing; and digital help sessions. Pop up children's activities included "Grab and Go" bags, interactive play kits and a kids art trail within the Central Library. Peta Mathias had close to 300 people attend her Shed Couture author talk that was delivered over 3 sessions in order to meet Covid restrictions. Awapuni Library now has 3 titles written by local children in their collection and the Manawatu Writers Hub returned to the Central Library. 600 children successfully completed the ECREAD Summer Read Programme in a digital format across multiple languages, including 56 children participating in Te Reo. Highlights from Youth Space include the completion of the Tu Manawa funded skate project by 40 rangatahi; the art workshops where young people created and exhibited their art at the "Waitangi, WhyTangi, WhyWeTangi" exhibition at Square Edge; Women's history month; and launching the PN Multicultural Youth Council.</p>	G	G	B	
<p><b>03. Measure:</b> Accessible and genderneutral toilets are provided throughout the city, and especially in places where there is the most community activity. <b>Target:</b> Narrative measure outlining number, type and location of toilets, plus annual satisfaction survey results)</p>	<p>All planned public toilet refurbishments and any new toilet builds are determined by the area of most need. When undertaking these works toilets are made accessible and gender neutral if appropriate. The Hokowhitu public toilets have been completed, and the Highbury toilets, the skatepark toilets on the Railway Land, along with the toilets within Memorial Park are planned for refurbishment in the balance of 2021/22.</p>	G	G	G	

<b>04. Measure:</b> Community centres are well used. <b>Target:</b> Narrative measure outlining use of centres and range of use with them).	All Community Centres continue to be well utilised (by both regular and casual user groups) considering the current Omicron outbreak, with the exception of the Pasifika Centre where many activities have been put on hold and the centre is used for Omicron specific activities (e.g. pop up vaccination, care packages). Committees of all community centres have been responsive to council recommendations for community centre use, by following central government advice for gatherings and events under the Covid 19 Protection Framework. We acknowledge their adaptability to changing community needs at this time. Rangiora is currently undergoing renovations and some of their groups are using other community centres in the meantime. The planned six-monthly cross community committee hui was cancelled due to concerns over Covid-19 circulating in the community; we hope to host this mid-year.	B	G	G	
<b>05. Measure:</b> Visitors to cemeteries are satisfied with the services provided. <b>Target:</b> Narrative measure outlining user and residents survey trends.	Measures to collect trends are in the early stages of progress. Our expectation is to report on the performance measures at the year-end.	W	W	W	
<b>06. Measure:</b> Council's social housing tenants are satisfied with the social housing service they receive. <b>Target:</b> Narrative measure outlining survey results and tenant feedback.	Overall satisfaction rate in the 2021 tenancy survey was 98%.Of the 121 tenants who answered question 3 (how satisfied are you living in a Palmerston North City Council housing unit?), 118 gave a rating of 7 out of 10 or higher.Survey was last carried out in 2021 and is due to be completed again in 2023.	G	G	G	
<b>07. Measure:</b> 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. <b>Target:</b> Standards met.	Of the 430 units in Council's housing portfolio all housing units meet the requirements for insulation and 19 units need improvements to prevent draughts. 332 units are required to have their heating and extraction fans upgraded to meet the new requirements of the Healthy Homes and WOF standards. A programme is in place to address these over the 2021/22 and 2022/23 financial years.	G	G	G	

<p><b>08. Measure:</b> More community-led projects are supported by Council. <b>Target:</b> Narrative measure outlining description of activities funded and their outcomes.</p>	<p>It has been a quiet quarter for community-led projects, with the Omicron outbreak impacting planning and delivery. There were some small scaled back cultural activities supported, including 'Around the World' a mini youth-led Festival of Cultures, a Holi celebration, and a Lunar New Year video. The Pakistan Arts &amp; Crafts Exhibition was funded through the Creative Communities Scheme. The Revitalisation of Highbury Shops has slowed due to Covid19, however delayed safety improvements are still progressing. Community Development continues to support community aspirations for the development of the area in support of the Ora Konnect Squad and their engagement with the community. Finally, the Community Development team has support the delivery of Neighbours Day 2022, with the theme of Kai Connections. This was a successful community development programme delivered together with the Manawatū Food Action Network and Library Services, providing an opportunity to both celebrate the community led kai resilience in our city and to encourage connection with our neighbours and communities through the growing, sharing and eating of kai.</p>	G	G	B	
<p><b>09. Measure:</b> There are increases in: 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. <b>Target:</b> Narrative measure outlining number and range of events, plus participation and satisfaction with events.</p>	<p>Minimal public engagement and delivery of community and city centre events this quarter due to Covid Traffic Light restrictions.</p>	G	B	B	



## Safe Communities Activity

Performance Measures (Page 84 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> The SAB carries out a range of successful initiatives. <b>Target:</b> Narrative measure (outlining description of SAB initiatives and their outcomes).	The City ambassador Programme (CAP) has come to an end for 2021 / 2022 period. The CAP added vibrancy to the CBD, with over 2000 locals and visitors enjoying the activities at the UNBOX. Local businesses welcomed the Ambassadors and provided positive feedback about the programme. The Ambassadors related positively with youth in the CBD, building relationships and engaging them in activities. While the Ambassador programming was running, instances of fights in Te Marae o Hine reduced significantly. The other SAB members have been under strain in terms of resources during this quarter, due to Covid-19, and thus initiatives outside of the CAP have been limited.	G	G	B	
<b>02. Measure:</b> Increasing preparedness for emergencies in Palmerston North. <b>Target:</b> Narrative measure outlining Manawātū Wanganui CDEM preparedness 2- yearly survey trends and description of initiatives.	Council's Emergency Management team, regularly interacts with community groups and at community events. Our Emergency Management team has been working with the foodbank sector, as we move forward with Covid19 in our communities and other emergencies that our community could face. Regular interactions with key stakeholders ensure relationships are well established before an emergency. Council Emergency Management teams' water tank project continues to be popular with the community with high regular sales. Council will continue to interact with the community to be prepared for all emergencies, and meet objectives from the Manawatu Whanganui CDEM group plan.	G	G	G	
<b>03. Measure:</b> Bylaws are reviewed on legal timeframe and enforced. <b>Target:</b> Narrative measure outlining description of programme to develop and review bylaws and their outcomes.	The Stormwater Drainage Bylaw and the Trade Waste Bylaw are being proposed for adoption in April 2022, along with an amendment to the Signs and Use of Public Places Bylaw to determine rules for e-scooter provider permits. The Water Supply Bylaw was delayed but is now in the early stages of review.	G	G	Y	

## Goal 4: Eco-City

### Climate Change

Performance Measures (Page 89 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> Increase in sustainable practices. <b>Target:</b> Narrative measure outlining projects and initiatives that foster sustainable practices / behaviours and their impacts.	As outlined in the 'Low Carbon Roadmap', presented to the March Environmental Sustainability Committee, the primary focus for sustainability/carbon reductions going forward is to be the broader application of the investment logic used in the Low Carbon Fund to programme development for the 2024-2034 LTP. This process seeks to understand the both the up-front capex and 'whole of life' operational costs of assets, and prioritises investment in those projects for which deliver the greatest value (including emission reductions and other sustainable outcomes) at the lowest cost.	G	G	G	
<b>02. Measure:</b> Decrease in Council's total organisational emissions. <b>Target:</b> Narrative measure outlining greenhouse gas reduction initiatives and their impacts.	2020/21 Organisational emissions inventory functionally complete, pending external audit due May 2022. Presentation to Council expected at the next Environmental Sustainability Committee in September 2022. Low Carbon Fund progressing, as outlined to the March Finance and Audit committee. Annual Report on activities to be delivered to the same Sep committee.	G	G	G	
<b>03. Measure:</b> Work with iwi and community groups to re-establish bush, particularly along waterways, and to control introduced predators. <b>Target:</b> Measured through Manawatū River level of service.	Every year additional plantings occur through iwi and community group partnerships as well as Council staff. Council staff are currently reviewing the draft long-term planting plan for the river with flood management staff from Horizons Regional Council.	G	G	G	

## Environmental Sustainability

Performance Measures (Page 93 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> Increase in sustainable practices. <b>Target:</b> Narrative measure outlining projects and initiatives that foster sustainable practices / behaviours and their impacts.	Delivered presentation about information, resources and support for waste minimisation in Palmerston North at "Your Sustainable School Train the Trainer Workshop" (15 February 2022) organised by Sustainability Trust for schools in the Manawātū region. The recent Sustainable Living Programme concluded with the final 2 topics (out of 8) held on 3 Feb (Travel) and 10 Feb (Energy) at Papaioea Pasifika Community Centre. A 2-hr facilitators training workshop was held online on 22 February as part of recruitment for facilitators and organisers. Our community-based Zero Waste Action Group meeting (once every 2 months) was held on 17 February and discussed suggestions to raise awareness and improve actions in waste minimisation among the business sector, and to explore projects for encouraging circular economy linking food waste and urban farm / community gardens.	G	G	G	
<b>02. Measure:</b> Work with iwi and community groups to re-establish bush, particularly along waterways, and to control introduced predators. <b>Target:</b> Measured through Manawātū River level of service.	Every year additional plantings occur through iwi and community group partnerships as well as Council staff. Council is currently reviewing the long-term planting plan for the Manawātū River Park in conjunction with river management staff from Horizons Regional Council.	G	G	G	

## Manawatu River

Performance Measures (Page 97 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> 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 Manawātū River Park. <b>Target:</b> Narrative measure outlining public use the river, biodiversity and native plantings, and connectivity of features.	Indicatively, public use of the Manawātū River environment continues to grow and feedback from the public on new developments is positive, but this has not been quantified. New plantings is ongoing with planting at the Turitea Pa site planned for Autumn	G	G	G	

## Resource Recovery

Performance Measures (Page 101 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> Compliance with resource consents for the Resource Recovery Activity measured by the number of abatement notices, infringement notices, enforcement orders and convictions. <b>Target:</b> 100% compliance	100% compliance, we will continue to monitor as required by the conditions of our resource consents and submit reports as appropriate	G	G	G	
<b>02. Measure:</b> Decrease in per capita volume of waste sent to landfill. <b>Target:</b> Narrative measure outlining Council initiatives to decrease waste sent to landfill.	During this quarter tyre recycling commenced at Awapuni to help divert more material from landfill. Our campaign on reducing hard to recycle/non recycleable plastics was launched this quarter.	G	G	G	

## Stormwater Activity

Performance Measures (Page 107 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> The number of flood event per year resulting in stormwater from the Council's stormwater system entering a habitable floor in an urban area. <b>Target:</b> Less than 5	There has been 1 recorded flood event resulting in stormwater entering a habitable floor due to the rain event on 13-14 of December 2021.	G	R	G	
<b>02. Measure:</b> The number of habitable floors per 1,000 properties within urban stormwater service areas affected by a flood event. <b>Target:</b> Less than 2	There have been 6 flooded habitable floors which is equivalent to 0.17 per 1,000 properties.	G	G	G	
<b>03. Measure:</b> Median time to attend a flooding event. (note: a flooding event is one resulting in stormwater entering a habitable building) <b>Target:</b> Less than 2 hours	In some cases of stormwater flooding of habitable floors in buildings, notification to Council occurred after the response period for the event had elapsed. Some cases were reported through to Civil Defence and some were to claims and others through Kbase.	G	W	G	
<b>04. Measure:</b> The number of complaints received about the performance of Council's stormwater system per 1,000 properties connected. <b>Target:</b> Less than 15	A total of 161 complaints have been received for the last 9 months or 4.7 complaints per 1000 properties connected. These include 19 complaints relating to stormwater events, 59 associated with pipe/underground services damage, 33 cases of on-property flooding or drainage problems, 3 cases of roadside ponding and 47 complaint related to waterway or open drain problems.	G	G	G	
<b>05. Measure:</b> 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. <b>Target:</b> 100% Compliance	All stormwater consent conditions have been fully complied with, such that no convictions, abatement, infringement or enforcement orders have been received.	G	G	G	

## Wastewater Activity

Performance Measures (Pages 107 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> Number of dry weather wastewater overflows from Council's wastewater system per 1,000 connections per year. <b>Target:</b> Less than 1	There were 14 recorded incidents of a dry weather wastewater overflow during the last 9 months, which is equivalent to 0.4 overflows per 1000 connections.	G	G	G	

<b>02. Measure:</b> Complaints per 1,000 connections about wastewater odour, system faults, system blockages and Council's response to issues with the wastewater system. <b>Target:</b> Less than 15	There were 240 RFS recorded for the last 9 months which is equivalent to 7 complaints per 1,000 connections. 16 of these relate to wastewater odour, and 224 relate to blocks or leaks.	G	G	G	
<b>03. Measure:</b> Median time for attending to overflows resulting from blockages or other faults. <b>Target:</b> Less than 1.5 hours	Median time for attending to an overflow resulting from a blockage is 0.17 hours.	G	G	G	
<b>04. Measure:</b> Median time for resolution of overflows resulting from blockages or other faults. <b>Target:</b> Less than 8 hours	The median time for resolution of an overflow resulting from blockages or other faults is 2.9 hours.	G	G	G	
<b>05. Measure:</b> 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. <b>Target:</b> 100% compliance	All wastewater consent conditions have been fully complied with, such that no convictions abatement, infringement, or enforcement orders have been received.	G	G	G	

## Water Activity

Performance Measures (Pages 107 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> Compliance with Part 4 (bacteria compliance criteria) of the Public Health Act 1956 (as amended by the Health (Drinking Water) Amendment Act 2007. <b>Target:</b> 100% compliance	All monitoring data received to date indicates full compliance with bacterial compliance criteria included in the Drinking Water Standards for New Zealand 2005 (Revised 2018)	G	G	G	
<b>02. Measure:</b> Compliance with Part 5 (protozoal compliance criteria) of the Public Health Act 1956 (as amended by the Health (Drinking Water) Amendment Act 2007. <b>Target:</b> 100% compliance	All monitoring data received to date indicates full compliance with Protozoal compliance criteria included in the Drinking Water Standards for New Zealand 2005 (Revised 2018)	G	G	G	
<b>03. Measure:</b> 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. <b>Target:</b> Less than 40	A total of 1092 complaints were received for the last nine months or 32 complaints per 1000 connections. The 1092 complaints included 78 complaints relating to clarity, 15 complaints relating to taste, 6 complaints related to odour, 42 complaints relating to continuity of supply, and 38 complaints relating to drinking water pressure	Y	G	G	
<b>04. Measure:</b> Average consumption of drinking water per day per resident. <b>Target:</b> Met - Less than 360 litres	Average consumption of drinking water per day per residence is estimated at 186.3L, well below the 360 litre target	G	G	G	
<b>05. Measure:</b> Median response time for urgent call out attendance. <b>Target:</b> Less than 2 hours	The median time for urgent call outs during the quarter for which a response time is recorded was 0.22 hours	G	G	G	
<b>06. Measure:</b> Median response time for resolution of urgent call outs. <b>Target:</b> Less than 7 hours	The median time for urgent call outs during the quarter for which a resolution time is recorded was 2.77 hours	G	G	G	
<b>07. Measure:</b> Median response time for non-urgent call out attendance. <b>Target:</b> Less than 10 hours	The median time for non-urgent call outs during the quarter for which a response time was 1.15 hours	G	G	G	
<b>08. Measure:</b> Median response time for resolution of non-urgent call outs. <b>Target:</b> Less than 75 hours	The median time for non-urgent call outs during the quarter for which a response time is recorded was 16.55 hours	G	G	G	
<b>09. Measure:</b> Percentage of real water loss from the water reticulation network. <b>Target:</b> Less than 20%	Real water loss from the water reticulation network is calculated at 18.2% less than the targeted 20% but is slightly higher than last year's calculated real loss of 18%	G	G	G	

## Goal 5: Driven & Enabling Council

### Leadership Activity

Performance Measures (Page 128 of the 10 Year Plan)	Comments	Sept	Dec	March	June
<b>01. Measure:</b> 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'. <b>Target:</b> Narrative measure outlining satisfaction trends.	The 2021 Residents Survey shows that 42% of residents are satisfied with "the ease of having a say in Council decision making", an increase from 35% in 2020. 40% are Neutral and 18% are Dissatisfied. For "opportunities to have a say", 46% are Satisfied (44% in 2020), 40% Neutral and 14% Dissatisfied. Council is now doing more online engagement to give more people more options to be involved. The Covid-19 Pandemic has meant that people have become more open to virtual sessions than they were pre-pandemic. Council also uses a range of other techniques, depending on the topic. (Note: the "two out of three residents" satisfied measure is a medium term measure. The annual target is progress towards it.)	Y	Y	Y	



# Supplementary Material for March 2022 Quarterly Report

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## Attachment 1 – Activities Net Result Statement

Activities Net Result Statement	2021/22 \$000s						Variance explanation (10% of YTD budget or 30% of specified sum)
	Year to Date		Bud. Var.		Full Year	Full Year	
For the period to 31 March 2022	Actual	Budget	\$000's	%	Revised Budget	Annual Budget	
<b>Operating Result by Activities</b>							
<b>Innovative &amp; Growing City</b>	<b>5,616</b>	<b>5,911</b>	<b>296</b>	<b>5%</b>	<b>7,603</b>	<b>7,663</b>	
City Growth	2,696	2,856	161	6%	3,794	3,794	
Economic Development	2,920	3,055	135	4%	3,809	3,869	
<b>Transport</b>	<b>5,551</b>	<b>5,788</b>	<b>237</b>	<b>4%</b>	<b>7,877</b>	<b>7,727</b>	
Active and Public Transport	711	1,156	445	38%	1,098	1,448	Favourable due to impact of Covid on our staff and supply chain, plus some prioritisation of urgent work in roading for our supplier.
Roading	4,840	4,632	(208)	-4%	6,779	6,279	
<b>Creative &amp; Exciting City</b>	<b>13,772</b>	<b>13,838</b>	<b>66</b>	<b>0%</b>	<b>17,245</b>	<b>17,417</b>	
Active Communities	8,684	8,388	(296)	-4%	10,736	10,836	
Arts and Heritage	4,687	4,979	291	6%	6,509	6,581	
City Shaping	400	471	70	15%	568	568	Favourable due to impact of Covid on our staff and supply chain, plus some prioritisation of urgent work in roading for our supplier.
<b>Connected &amp; Safe Community</b>	<b>10,247</b>	<b>11,750</b>	<b>1,504</b>	<b>13%</b>	<b>15,448</b>	<b>15,417</b>	
Connected Communities	9,394	10,933	1,539	14%	14,114	14,083	Favourable in Libraries due to staff remuneration and government grants; Favourable in Events due to Covid framework red light setting; Favourable in social housing, cemeteries and community centres due to contractor shortages.
Safe Communities	853	817	(36)	-4%	1,333	1,333	
<b>Eco-City</b>	<b>3,870</b>	<b>4,099</b>	<b>230</b>	<b>6%</b>	<b>1,205</b>	<b>1,205</b>	
Climate change mitigation and adaption	71	156	85	54%	208	208	Favourable due to vacancies in first part of the year, which have subsequently been filled.
Environmental sustainability	760	778	17	2%	997	997	
Manawatu River	26	72	46	64%	94	94	Favourable due to impacts of Covid on staff and supply chain.
Resource Recovery	3,013	3,094	81	3%	4,215	4,215	
<b>Stormwater</b>	<b>1,569</b>	<b>1,717</b>	<b>148</b>	<b>9%</b>	<b>2,270</b>	<b>2,270</b>	
<b>Wastewater</b>	<b>3,677</b>	<b>4,129</b>	<b>452</b>	<b>11%</b>	<b>5,349</b>	<b>5,908</b>	Favourable due to inability to source contractors for maintenance.
<b>Water</b>	<b>3,153</b>	<b>3,633</b>	<b>480</b>	<b>13%</b>	<b>4,765</b>	<b>5,062</b>	Favourable due to inability to source contractors for maintenance.
<b>Driven &amp; Enabling Council</b>	<b>4,367</b>	<b>6,062</b>	<b>1,694</b>	<b>28%</b>	<b>10,656</b>	<b>9,959</b>	
Governance and Active Citizenship	6,913	6,539	(374)	-6%	9,656	8,990	
Organisational performance	(1,789)	385	2,174	565%	1,000	969	Favourable due to Te Huringa (programme 1572) and Digital Transformation (programme 1520).
Strategic Investments	(757)	(862)	(106)	-12%	(1,079)	(1,079)	Over in after hours contact centre, with higher remuneration than budget due to absenteeism and high staff turnover.
<b>Activities Controllable Surplus/ (Deficit)</b>	<b>51,822</b>	<b>56,928</b>	<b>5,107</b>	<b>9%</b>	<b>72,417</b>	<b>72,627</b>	

## Attachment 2 – Operating Programme Reporting

Activities Net Result Statement For the period to 31 March 2022	2021/22 \$000s						
	Activity	Year to Date Actual Budget		Bud. Var. 1000' %		Full Year Revised Budget	Variance explanation
1572-Enterprise Resource Planning (ERP) System Replacement	Organisational performance	807	1,553	746	48%	2,125	Te Huringa (ERP) has been behind schedule due to border restrictions and reviewing of the programme. This programme will be under budget at year-end, and will be requested as a carry forward to 2022/23 through the Annual Budget process.
1520-Digital Transformation	Organisational performance	12	750	738	98%	1,500	Under-budget due to lack of internal resourcing to drive the programme. This programme will be under budget at year-end, and will be requested as a carry forward to 2022/23 through the Annual Budget process.
1319-Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade Options Analysis	Wastewater	413	489	75	15%	464	Operating programme complete, as consent process advanced enough to begin capitalisation. Capital Budget created through Council in December 2021.
1506-Community Events	Connected Communities	248	397	149	38%	430	Under-budget due to Covid framework red light setting, and is will remain under through to year-end. A report addressing usage of this for Covid relief efforts is being presented to F&A Committee.
1949-Civic and Cultural Precinct Master Plan	Governance and Active Citizenship	106	188	82	43%	250	Status update included as part of catalyst reporting. Covid has presented challenges in delivery. A reset of the project timeline in February will help delivery the project within the timeline.
2054-Funding Palmy BID group	City Shaping	183	184	1	0%	250	Total is allocated to the BID.
1344-Major Events Fund	Economic Development	121	167	46	28%	200	Under-budget due to Covid framework red light setting, and is will remain under through to year-end. A report addressing usage of this for Covid relief efforts is being presented to F&A Committee.
1675-Support for community relief efforts post COVID-19	Connected Communities	88	98	10	10%	131	A report addressing increasing the fund is being presented to F&A Committee.

### Attachment 3 – Capital expenditure by funding source and Group of Activities

Capital Expenditure	2021/22 \$000's					
	YTD		Variance		Full Year	Full Year
For the period to 31 March 2022	Actual	Budget	\$000's	%	Revised Budget	Annual Budget
Capital New	12,818	30,034	(17,216)	(57.3%)	72,763	67,216
Funded by:						
Borrowing	5,436	21,385	(18,483)	(86.4%)	62,021	55,683
External revenue	7,382	8,649	1,267	14.7%	10,741	11,533
Capital Renewal	18,701	25,183	(6,482)	(25.7%)	32,167	30,778
Funded by:						
Rates	14,783	20,338	(7,410)	(36.4%)	20,982	20,982
External revenue	3,918	4,846	927	19.1%	5,941	4,719
Three year averaging					5,077	5,077
Borrowing					166	
<b>TOTAL CAPITAL</b>	<b>31,519</b>	<b>55,217</b>	<b>(23,698)</b>		<b>104,930</b>	<b>97,994</b>

Group of Activities - Capital Expenditure	2020/21 \$000's					
	Year to Date		Variance		Full Year	Full Year
For the period to 31 March 2022	Actual	Budget	\$000's	%	Revised Budget	Annual Budget
<b>Capital New</b>	<b>12,818</b>	<b>30,034</b>	<b>(17,216)</b>	<b>(57.3%)</b>	<b>72,763</b>	<b>67,216</b>
Innovative & Growing City	16	-	16	-	15	15
Creative & Exciting City	2,452	4,027	(1,575)	(39.1%)	12,357	10,856
Connected & Safe Community	2,440	4,455	(2,016)	(45.2%)	7,240	6,629
Eco-City	872	2,642	(1,769)	(67.0%)	4,471	4,586
Transport	2,720	6,816	(4,096)	(60.1%)	23,233	23,092
Water	1,181	4,320	(3,138)	(72.6%)	8,436	7,724
Wastewater	1,552	4,750	(3,197)	(67.3%)	8,160	5,826
Stormwater	743	1,867	(1,124)	(60.2%)	7,501	7,062
Driven & Enabling Council	840	1,157	(317)	(27.4%)	1,348	1,428
<b>Capital Renewal</b>	<b>18,701</b>	<b>25,183</b>	<b>(6,482)</b>	<b>(25.7%)</b>	<b>32,167</b>	<b>30,778</b>
Innovative & Growing City	304	424	(120)	(28.3%)	640	661
Creative & Exciting City	2,083	3,110	(1,027)	(33.0%)	5,097	5,030
Connected & Safe Community	1,396	2,248	(852)	(37.9%)	3,179	3,265
Eco-City	183	369	(186)	(50.3%)	477	423
Transport	2,986	4,943	(1,957)	(39.6%)	5,895	6,207
Water	3,425	3,951	(526)	(13.3%)	4,795	4,376
Wastewater	3,520	4,913	(1,393)	(28.3%)	6,075	5,040
Stormwater	813	936	(122)	(13.1%)	1,084	875
Driven & Enabling Council	3,990	4,289	(299)	(7.0%)	4,924	4,901

## Attachment 4 –Capital expenditure by Programme (programmes over \$500,000)

The following table highlights the spending of the programmes with budgets in excess of \$500,000 with commentary.

<b>Description</b>	
<b>Not Started</b>	
<b>On Budget Ahead of Schedule</b>	
<b>On Budget Behind Schedule</b>	
<b>On Track</b>	
<b>Over Budget Behind Schedule</b>	
<b>Over Budget On Schedule</b>	
<b>Under Budget Behind Schedule</b>	
<b>Under Budget On Schedule</b>	

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status	Comments
<b>Capital NEW</b>						
<b>Active and Public Transport</b>						
1559-City-wide - Urban Cycle Infrastructure Network improvements	\$213	\$574	\$361	\$1,806		Awaiting outcome of Waka Kotahi application for additional funding. Design work will be allocated to Design Panel once outcome is understood.
2057-Regional Shared Path Network Improvements	\$39	\$274	\$235	\$1,915		Design work for this major project is expected to commence this financial year, with construction expected to commence in the 2022/23 financial year. Implementation of another major project within the programme is delayed, subject to the process and outcome to acquire access to the land.

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status	Comments
2121-City-wide - Footpath Improvements	\$3	\$224	\$221	\$518		Network Maintenance contractor to concentrate their programme of works through the winter months, with some carry forward as required.
<b>Active Communities</b>						
144-Urban Growth - Whakarongo - Reserves Land Purchases	-	-	-	\$639		This is a growth programme. The reserve will not be available for purchase until 2022/23 or later.
1846-City Growth - City Reserves - Walkway Extensions - Capital New	\$170	\$75	(\$95)	\$534		Expenditure has occurred earlier than forecast, due to the fine weather. The programme will continue to be managed within budget.
<b>Arts and Heritage</b>						
902-Property - Seismic Strengthening of Council Properties	\$489	\$1,144	\$655	\$2,633		Consented designs for CAB seismic upgrade to be completed as planned in 21/22. Crematorium strengthening works preferred tenderer notified, consent obtained, awaiting revised construction programme and will award contract. Programmed as a multi-year project with unspent funds to be carried forward.
<b>City Shaping</b>						
1440-Cuba Street urban streetscape improvements - Rangitikei to George Street (Stage 2)	\$142	\$608	\$465	\$2,346		Long lead items ordered prior to Christmas are currently delayed at the port. Work is scheduled to begin 26 April 2022.
2122-CBD Streets for People	\$481	\$770	\$289	\$3,336		Covid has delayed developed design completion. Early contractor engagement is underway.
<b>Climate change mitigation and adaption</b>						
1888-Low Carbon Fund	-	\$55	\$55	\$655		
<b>Connected Communities</b>						
161-Public Toilets - New City-wide Toilets	\$35	\$526	\$491	\$645		Preferred tenderer notified for the Memorial Park toilet upgrades. Project has been delayed so construction to commence in April/ May 2022. Planned multi-year project which will have a carry forward.
1743-Social Housing - Papaioea Place Redevelopment - Stage 3	\$265	\$905	\$640	\$1,689		Contract awarded in December 2021. Earthworks commenced in March 2022. Planned multi-year project on track for completion in June 2023
1896-Social Housing - Healthy Homes Compliance Items Purchase	\$355	\$451	\$96	\$900		Contract awarded in December 2021. Upgrade works are progressing as planned throughout housing portfolio. Planned multi-year project on track for completion in June 2023
<b>Manawatu River</b>						

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status	Comments
1435-City Reserves - Manawatu River Park - Water Front Precinct Lighting	\$25	\$248	\$223	\$928		Initial lighting trials did not deliver the expected outcomes, delaying the overall programme. A new solution, within the budget parameters, is being tested in early April. If successful, the programme will move rapidly into the build phase.
1844-City Growth - City Reserves - Manawatu River Park - Capital New	\$533	\$1,254	\$721	\$1,403		The programme has been delayed by the availability of contractors and materials. The programme is forecast to be completed within budget, however some elements may not be in service until the new year.
<b>Organisational performance</b>						
1826-CAB - Workplace Transformation	\$428	\$434	\$5	\$500		1st floor south project to be completed prior to June 2022. Works to commence in 4th Floor north in May 2022.
<b>Roading</b>						
279-City-wide - Minor transport improvements	\$498	\$623	\$125	\$1,649		Projects started late due to NZTA project funding announced in Oct 21. Workflow also disrupted due to contractor availability and resourcing
1367-City-wide - Street Light Infill	\$271	\$333	\$62	\$846		Programme on track
1695-PNITI – Intersection & bridge improvements	\$5	\$388	\$384	\$918		Underspent funds to be accrued to 22/23. Designs to be a focus of the design panel. Expenditure for physical works to absorb the 3 yr LTP allocation before June 23/24
2058-Urban Growth - NEIZ - Transport	\$147	\$678	\$532	\$7,740		Design work for this major project is expected to commence this financial year, with construction expected to commence in the 2022/23 financial year. Implementation of another major project within the programme is delayed, subject to the process and outcome to acquire access to the land.
2059-Urban Transport Improvements - Enabling PNITI	\$104	\$593	\$489	\$1,990		Underspent funds to be accrued to 22/23 and be a focus from the design panel to design expend for physical works to absorb the 3 yr LTP allocation before June 23/24
2119-Road to Zero - Transport Safety Improvements	\$49	\$504	\$455	\$1,170		Projects started late due to NZTA project funding announced in Oct 21. A number of projects will go to the design panel. Roberts/Railway process slow due to Kiwirail engagement/requirements.
<b>Safe Communities</b>						
1552-Animal Shelter - New Building	\$409	\$928	\$519	\$2,320		Construction of new building is currently out of tender, report to award construction contract coming to Council in June 2022. Planned multi-year project on track for completion next financial year.
<b>Stormwater</b>						
197-Urban Growth - NEIZ - Stormwater	-	-	-	\$1,300		This is a growth programme, dependant on external development. This hasn't happened as anticipated.

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status	Comments
1001-Urban Growth - Whakarongo - Stormwater	\$142	\$450	\$308	\$4,048		Draft drawings under internal review. Awaiting draft consent conditions from Horizons.
1060-City-wide - Stormwater Network Improvement Works	\$550	\$833	\$283	\$1,140		Tremaine Ave improvement project pushed out to next financial year so it can be delivered in conjunction with a roading project. Gas works drain improvement project remains to be completed this financial year.
1372-City-wide Stormwater Pump Stations Improvement	\$26	\$374	\$348	\$540		Site Investigation underway to size the pumps to be procured. Delivery lead time of 26 weeks. Physical works to be completed next financial year.
<b>Wastewater</b>						
66-Totara Road Wastewater Treatment Plant - Resilience Programme	\$40	\$180	\$140	\$560		High voltage upgrade at the treatment plant has gone out to tender, expected to start construction later in financial year. Awapuni pressure sewer to be installed later this financial year, Online phosphorous control project has been placed on hold, technical issues with equipment delayed project commencement.
210-Urban Growth - NEIZ - Wastewater	\$1	\$1	\$0	\$675		This is a growth programme, which will be delivered next financial year with roading and water components.
1616-City-wide - Wastewater Pump Station - Capacity Upgrade	\$46	\$171	\$125	\$600		New online flowmeters will be installed at Maxwells line pump station, emergency generators to be procured for network resilience. Lack of Internal staff resources delayed investigations of some projects and will be deferred to next financial year
1617-Totara Road Wastewater Treatment Plant - Biogas System Improvements	\$37	\$993	\$957	\$1,280		Concept design has been delivered by consultant. Council officers have commissioned a peer review.
2128-WWTP - Consent Application	\$481	\$1,429	\$947	\$2,500		Initial work has prioritised irrigation and land selection. As the current work packages are developed further and progressed, a better understanding of future work packages can be determined and budgets, timelines and forecasting done accordingly. Consent application extended to December 2022.
<b>Water</b>						
91-DELETE - Turitea WTP - Falling Main Duplication	\$354	\$412	\$58	\$1,170		The duplicate main is fully commissioned and is in service. Some minor works to be completed over the next few weeks. There will be savings in this Programme.
651-City-wide - Water Supply Resilience - Seismic Strengthening	\$57	\$802	\$745	\$1,062		Physical works have started on-site and demolition has been completed. Negotiations with single tenderer were protracted and changes to COVID-19 precautions on site also delayed start date.



Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status	Comments
1005-Urban Growth - NEIZ - Water Supply	\$26	\$566	\$540	\$665		This is a growth programme, which will be delivered next financial year with roading and wastewater components.
1384-City-wide - Water Supply Resilience - Additional Reservoirs	\$573	\$587	\$15	\$890		Investigation on track to be completed before the end of this financial year as planned.
1388-Palmerston North - District Metering Areas for Water Supply	\$133	\$383	\$250	\$538		Areas for potential new District metering areas have been identified. Also, in order to get quick wins, existing locations have been identified where additional infrastructure can easily be installed for improvements.
1697-Turitea WTP - Water Supply Resilience - Upgrades	-	\$186	\$186	\$1,286		In this financial year, this programme is for the current seismic strengthening work happening at Turitea Water Treatment Plant. This is the current Long Term Plan programme which continues on from Programme 651, which was under the previous Long Term Plan.
<b>Capital RENEWAL</b>						
<b>Active and Public Transport</b>						
64-City-wide - Footpath Renewals (Waka Kotahi Subsidies)	\$353	\$550	\$197	\$650		Network management contractor is to concentrate their programme of works through the winter months. There will be some money carried forward.
<b>Active Communities</b>						
1051-CET Arena - Arena Renewals	\$238	\$811	\$573	\$1,490		The majority renewal project is the part replacement of the Arena 2 and 3 roofing. Roofing works delayed due to contractor availability. Works now commencing in August 2022. Programmed as a multi-year project with unspent funds to be carried forward.
1827-Local Reserves - Renewals	\$434	\$351	(\$83)	\$724		The programme has moved ahead of schedule due to the fine weather. The programme will be completed within budget by year end
<b>Arts and Heritage</b>						
213-Cultural Facilities - Renewals	\$524	\$669	\$144	\$850		Square Edge Fire Upgrade project delayed due to covid-19 impact on contractor, now commencing in April 2022. Globe toilet upgrades to be completed in April 2022.
<b>Connected Communities</b>						
180-Social Housing - Renewals	\$289	\$320	\$30	\$500		This is a programme predominantly for reactive works which are coordinated as required.
188-City Library Replacement and Purchase of Library Materials	\$523	\$574	\$51	\$750		
<b>Organisational performance</b>						

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status	Comments
53-Computer Replacement - Rolling Replacements	\$627	\$500	(\$127)	\$670		
281-CAB - Renewals	\$538	\$946	\$408	\$1,236		Commencement of Stage 4 of Fire safety upgrades was slightly delayed but now well underway. Overall programme to be completed this financial year.
<b>Roading</b>						
115-City-wide - Sealed Pavement Renewals (Waka Kotahi Subsidies)	\$470	\$2,161	\$1,692	\$2,121		Work is underway progress expenditure as far as possible. Delays due to asphalt plant breakdown are now compounded by covid and by constraints on winter working.
139-City-wide - Sealed Road Resurfacing	\$1,813	\$1,554	(\$259)	\$2,000		Network management Contractor to undertake asphaltic concrete reseal application to expend the budget by 30th June. Chip seal reseal have been suspended due to colder temperatures with unfinished programme of works to be completed next summer 22/23.
<b>Stormwater</b>						
1062-City-wide - Stormwater Network Renewal Works	\$624	\$573	(\$51)	\$650		Work slightly ahead of schedule.
<b>Strategic Investments</b>						
1879-Council's Plant and Vehicle - Replacements	\$1,966	\$1,793	(\$173)	\$1,793		Vehicle ordering has occurred earlier than forecast to minimise the impacts of price escalations and delivery delays. A small overspend was signalled at the December quarterly review. Some of next year's vehicles are now being ordered to implement the Council decision bring forward \$1m from 2022/23.
<b>Wastewater</b>						
54-City-wide - Wastewater Pipe Renewal	\$2,386	\$2,668	\$282	\$3,056		Relining contract and additional scope completed, one section of sewer main left to be renewed, 3 minor jobs to be completed
65-City-wide - Wastewater Pump Station Renewal	\$260	\$452	\$192	\$563		Pump station electrical cabinet renewals scheduled for later in the FY, College street renewals currently being scoped.
179-Totara Road Wastewater Treatment Plant - Minor Equipment Renewals	\$313	\$621	\$308	\$631		Digester control room switchboard renewal deferred due to delay in going to tender for main plant electrical renewals. Last aerator renewal to be completed before June.
<b>Water</b>						
199-City-wide - Water Supply Bore and Network Facility Renewals	\$34	\$397	\$363	\$602		Headworks renewals identified and concept designs produced. In the process of engaging a consultant to complete detailed designs and as much construction as possible prior to end of June.

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status	Comments
207-Turitea WTP - Equipment and Facility Renewals	\$637	\$780	\$143	\$786		Minor renewals on assets associated with actuator replacements being done with budget moved from this project to the actuator project. Reactive replacement of power supply from WTP to Dams following Ex tropical cyclone Dovi completed from this budget (insurance claim pending).
218-City-wide - Water Main Renewals	\$2,461	\$2,080	(\$381)	\$2,413		Five water main renewals completed so far this financial year, including Cloverlea Roundabout which was a project to enable important roadworks. Two more renewals substantially complete with only minor work to finish.

## Attachment 5 –Capital expenditure by Programme (programmes under \$500,000)

The following table highlights spend against budget of the programmes with budgets less than \$500,000.

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status
<b>Capital NEW</b>					
<b>Active and Public Transport</b>					
235-Manawatu River (Ashhurst to Riverside Drive) - Cycle/Pedestrian Pathway	\$8	\$27	\$19	\$29	
243-Urban Bus Terminal Redevelopment	-	-	-	\$75	
1257-City-wide - Cycle Phases at Intersections	-	\$42	\$42	\$42	
1358-City-wide - Footpath extension	-	-	-	\$25	
1694-Summerhill Drive - On-Street Parking Infrastructure	\$65	\$96	\$31	\$49	
1803-Neighborhood Streetscape Improvements	\$19	\$141	\$121	\$330	
2026-Active Transport Measurement	\$64	\$102	\$38	\$200	
2056-City-wide - Supporting Cycle Infrastructure Improvements	\$16	\$9	(\$7)	\$76	
2120-City-wide - Off Road Shared Path Network Improvements	\$105	\$188	\$83	\$415	
<b>Active Communities</b>					
111-Local Reserves - Roslyn - Edwards Pit Park Development	\$10	-	(\$10)	\$35	
140-Neighbourhood Reserves- Aokautere - Peace Tree Reserve Development	\$95	\$75	(\$20)	\$118	
165-Outdoor Adventure Reserves - Arapuke Forest Park/Kahuterawa Development	\$3	\$3	(\$0)	\$7	
558-Urban Growth - Local Reserves - Takaro - Oriana Reserve Development	-	-	-	\$80	
697-Clearview Reserve Development	-	-	-	\$31	
708-Urban Growth - Aokautere - Reserves Land Purchase	-	-	-	\$34	
716-Urban Growth - Whakarongo - Walkways Land Purchases	-	-	-	\$148	
967-City-wide - Edibles Planting	\$6	-	(\$6)	\$5	
1081-City Reserves -Victoria Esplanade - Park Road Entrance and Parking Reconfiguration	\$408	\$436	\$28	\$436	
1099-Parks and Reserves - Shade Development	\$22	\$30	\$8	\$30	
1127-City Reserves - Victoria Esplanade - Bonsai & Shade House	-	-	-	\$66	
1534-Central Energy Trust Arena Manawatu - Embankment Redevelopment	-	-	-	\$0	
1763-CET Arena - Property Purchase	-	-	-	\$450	
1845-City Growth - City Reserves - Te Marae o Hine - The Square - Capital New	\$28	-	(\$28)	\$138	
1847-City Growth - City Reserves - Victoria Esplanade - Capital New	\$37	\$140	\$103	\$226	
1848-City Growth - City Reserves - Linklater Reserve - Capital New	\$68	\$68	(\$0)	\$68	
1850-City Growth - City Reserves - Memorial Park - Capital New	\$254	\$235	(\$18)	\$264	
1852-Local Reserves - Improvements to existing reserves to close identified level of service gaps	\$105	\$100	(\$5)	\$150	

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status
1853-Local Reserves - Development of Existing Reserves - Capital New	\$5	\$25	\$20	\$25	
1854-Swimming Pools - Splashhurst Pool Enhancements	\$17	\$30	\$13	\$60	
1856-Urban Growth - Hokowhitu - Reserves - Purchase and Development	-	-	-	\$41	
1884-Local Reserves - Accessibility and Safety Improvements	\$31	\$40	\$9	\$99	
1966-Arena 4 Powerlock Install for Emergency Connection	\$50	\$50	\$0	\$50	
2006-City Centre Play - Fixed Play Development	-	\$50	\$50	\$70	
2112-Arapuke Forest Park - Manawatu Mountain Bike Club Co-Funding building of shelter	\$17	\$70	\$53	\$100	
2113-Mobility Scooters for Public Use	\$4	\$20	\$16	\$20	
<b>City Shaping</b>					
1330-Placemaking Co-created Project (capital)	-	\$7	\$7	\$15	
1473-City Centre Lighting and Projection Demonstration Project	\$9	\$51	\$42	\$104	
<b>Climate change mitigation and adaption</b>					
1924-Improving remote monitoring capabilities	\$5	\$40	\$35	\$40	
<b>Connected Communities</b>					
1413-Bunnythorpe Community Facility	\$492	\$579	\$87	\$488	
1561-Community Centres - Kelvin Grove Community Centre Carpark	\$40	\$237	\$197	\$240	
1833-City Growth - Cemeteries - Extensions to burial and ashes areas to meet demand	\$50	\$128	\$78	\$131	
1948-Events and Festival Equipment Purchase	-	-	-	\$55	
<b>Economic Development</b>					
1933-Brand and Marketing Critical Equipment	\$16	-	(\$16)	\$15	
<b>Environmental sustainability</b>					
1077-Citywide - Biodiversity Enhancement Through Native Planting	\$18	\$9	(\$9)	\$30	
1451-Property - LED Lighting Upgrades	\$83	\$305	\$222	\$305	
<b>Manawatu River</b>					
1894-City Growth - City Reserves - Manawatu River Park - Marae Tarata Development Plan - Implementation	\$1	\$55	\$54	\$55	
1895-City Growth - City Reserves - Manawatu River Park - Te Motu o Poutoa Development Plan - Implementation	\$7	\$105	\$98	\$150	
<b>Organisational performance</b>					
60-Information Management Strategic Plan Project - New Software Applications	-	\$43	\$43	\$106	
1736-CAB - Rubbish and Recycling Compound	\$24	\$80	\$56	\$80	
2047-Property - Furniture transformation	\$155	\$90	(\$65)	\$150	
<b>Resource Recovery</b>					
506-City-wide - Public Space Rubbish & Recycling Bins Development	\$26	\$35	\$9	\$64	
657-Urban Growth - Recycling - City-wide Wheelie Bins and Crates	\$55	\$51	(\$4)	\$70	
721-Awapuni Closed Landfill - Landscaping Development	\$9	\$1	(\$8)	\$25	
1371-Closed Landfills and Transfer Stations - Safety, Security and Development	\$41	\$119	\$78	\$159	
1373-City-wide - Recycling Drop Off Facilities - Development	-	\$42	\$42	\$42	

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status
1410-Recycling - City-wide Recycling Services to Commercial/organisational Properties Development	\$31	\$26	(\$5)	\$40	
1783-Rubbish and Recycling Buildings - Staff Welfare and Health and Safety Improvements	\$39	\$296	\$257	\$300	
1810-City-wide - Diversion of Waste from Landfill - New Materials Development	-	-	-	\$70	
<b>Roading</b>					
201-Urban Growth - Development Contributions - Transport	\$98	\$142	\$44	\$200	
324-Park Road / Cook Street - Intersection Improvements	\$362	\$474	\$112	\$474	
684-Longburn Rongotea Road/No. 1 Line - Intersection Safety Upgrade	-	\$199	\$199	\$250	
719-College Street - Implementation Plan for Transport Upgrade	\$19	\$20	\$1	\$20	
1003-Whakarongo - Intersection Upgrades	-	-	-	\$100	
1362-Roberts/Railway Road North Intersection Safety Realignment	\$3	\$98	\$96	\$261	
1578-Monrad Pencarrow Roundabout installation	\$427	\$395	(\$33)	\$395	
1615-City-wide - Parking and Traffic Signs and Marking	\$15	\$43	\$28	\$63	
1804-Road drainage improvements	-	\$4	\$4	\$80	
1807-City-wide - Car park infrastructure improvements	\$38	\$280	\$242	\$475	
1808-City-wide - Street amenity improvements	\$120	\$127	\$7	\$274	
2065-Urban Growth - Whakarongo - Transport	\$14	\$33	\$19	\$200	
2123-Urban Growth - Kakatangiata - Transport	-	-	-	\$400	
2124-Urban Growth - Ashhurst - Transport	\$18	\$83	\$65	\$250	
<b>Stormwater</b>					
51-Urban Growth - Development Contributions - Stormwater	\$26	-	(\$26)	\$200	
1706-City-wide - Stormwater Network Resilience	-	\$130	\$130	\$130	
1708-City-wide - Stormwater Flood Mitigation	-	\$80	\$80	\$143	
<b>Strategic Investments</b>					
99-New Vehicles and Plant to enable the delivery of improved Council services	\$179	\$393	\$214	\$393	
1903-Garage - Workshop Safety and Operating Improvements	\$55	\$118	\$63	\$118	
<b>Wastewater</b>					
73-Urban Growth - Development Contributions - Wastewater	-	\$75	\$75	\$100	
1000-Urban Growth - Whakarongo - Wastewater	\$2	-	(\$2)	\$200	
1055-Urban Growth - Kakatangiata - Wastewater	\$24	\$398	\$374	\$398	
1074-Totara Road Wastewater Treatment Plant - Earthquake Strengthening of Civil Structures	\$401	\$355	(\$46)	\$355	
1579-WWTP - Health and Safety Upgrades	\$146	\$152	\$7	\$152	
1618-Totara Road Wastewater Treatment Plant - High Voltage Power resilience upgrades	\$28	\$187	\$159	\$262	
1619-Totara Road Wastewater Treatment Plant - Inlet Screens	\$106	\$363	\$257	\$373	
1621-Totara Road Wastewater Treatment Plant - New Storage Shed for critical equipment.	\$115	\$153	\$38	\$153	
1688-Three Waters Resilience - Installing Telemetry	\$33	\$136	\$103	\$136	
1689-Three Waters Data Centre Upgrade	\$94	\$116	\$22	\$116	
1711-Industrial Growth - Longburn Industrial Park - Wastewater	-	-	-	\$50	

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status
1712-City-wide Wastewater wet weather overflow mitigation	-	\$40	\$40	\$200	
1821-City-wide Wastewater Pipeline Realignment of at-risk mains	-	-	-	\$50	
<b>Water</b>					
124-Turitea WTP - Drinking Water Standards Upgrades	-	\$286	\$286	\$400	
132-City-wide - Water Supply Resilience - Trunk Mains	-	\$111	\$111	\$113	
246-Urban Growth - Development Contributions - Water Supply	-	-	-	\$250	
986-Turitea Dams - Aeration Upgrade	-	\$35	\$35	\$35	
1004-Urban Growth - Whakarongo - Water Supply	-	-	-	\$479	
1170-Urban Growth - Kakatangiata - Water Supply	-	-	-	\$250	
1389-City-wide - Water Supply Resilience - Security of Supply	\$1	\$205	\$204	\$375	
1607-City-wide - Health & Safety - Water Treatment Chemical Handling	\$38	\$355	\$317	\$355	
1696-City-wide - Drinking Water Standards Upgrades	\$5	\$25	\$20	\$150	
1863-City-wide - Water Supply Resilience - Generators	\$4	\$197	\$193	\$200	
1874-Turitea Dams - Health & Safety Improvements	-	\$15	\$15	\$15	
1883-Water Operations -Small Plant & Equipment - New	\$24	\$43	\$19	\$43	
2060-City-wide - Commercial Water Meters	\$1	\$112	\$111	\$160	
<b>Capital RENEWAL</b>					
<b>Active and Public Transport</b>					
181-City-wide - Public Transport Infrastructure Renewals	\$1	\$14	\$13	\$30	
648-City-wide - Supporting Cycle Infrastructure Renewals	\$1	\$19	\$18	\$20	
2110-City-wide - Footpath Renewals (No Subsidy)	-	\$65	\$65	\$172	
<b>Active Communities</b>					
98-Citywide Reserves - Renewals (Victoria Esplanade, Memorial Park, Ashhurst Domain and Te Marae o Hine)	-	-	-	\$82	
258-City-wide - Refurbishment and Replacement of Boundary Fences on Reserves	-	-	-	\$11	
819-Central Energy Trust Arena - Replacement of Equipment	\$28	\$45	\$17	\$45	
1759-CET Arena - Grounds Renewals	\$25	\$45	\$20	\$45	
1786-Recreational Buildings - Sports Pavilion and Changing Room Renewals	\$100	\$98	(\$3)	\$200	
1829-Sportsfields and Artificial Turfs - Renewals	\$188	\$188	\$0	\$285	
1830-City Reserves - Memorial Park - Renewals	\$168	\$163	(\$5)	\$163	
1831-City Reserves - Te Marae o Hine - The Square - Renewals	\$46	\$52	\$6	\$52	
1832-City Reserves - Ashhurst Domain - Renewals	\$4	\$51	\$47	\$51	
1834-City Reserves - Walkways - Renewals	\$97	\$60	(\$37)	\$101	
1835-City Reserves - Linklater Reserve - Renewals	-	\$2	\$2	\$3	
1837-Swimming Pools - Pool Renewals	\$116	\$237	\$121	\$490	
1840-City Reserves - Victoria Esplanade-Renewals	\$94	\$139	\$45	\$305	
1962-Arena Security Card System	-	\$15	\$15	\$15	

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status
1964-Arena Indoor Stadium Sound System Replacement	-	\$150	\$150	\$150	
<b>Arts and Heritage</b>					
777-Heritage Genealogy Equipment	\$22	\$25	\$3	\$25	
1144-Manawatu Heritage (Archives Digital Repository) Renewal	-	\$10	\$10	\$10	
<b>Connected Communities</b>					
178-City Library (all sites) Replacement of Shelving, Furniture and Equipment	\$51	\$87	\$36	\$87	
186-Public Toilets - Renewals	\$77	\$214	\$136	\$250	
202-Central Library Interior Design Renewals	-	\$20	\$20	\$20	
203-Community Libraries, Youth Space, Blueprint and Mobile Library Interior Design Renewals	-	\$31	\$31	\$31	
265-Community Centres - Renewals	\$79	\$265	\$186	\$265	
563-Cemeteries - Kelvin Grove - Crematorium Office reconfiguration to address health and safety issues	-	\$154	\$154	\$266	
567-Cemeteries - Crematorium Chapel Interior Renewals	-	-	-	\$66	
1120-Community Libraries - Renewals	\$4	(\$18)	(\$22)	\$5	
1136-CET Wildbase Recovery Centre - Renewals	\$113	\$57	(\$56)	\$100	
1138-Digital Technology to Support 21st Century Citizens and Service (Renewal)	-	\$51	\$51	\$51	
1139-Radio Frequency Identification (RFID) Materials Management	-	\$25	\$25	\$25	
1269-Bylaw Signage - Replacement	-	\$12	\$12	\$12	
1452-Community Stage - repair	\$5	-	(\$5)	\$50	
1742-Social Housing - Grounds Renewals	\$5	\$70	\$65	\$130	
1769-Community Agency Facilities - Renewals	\$32	\$77	\$45	\$120	
1775-Central Library - Renewals	\$45	\$158	\$113	\$201	
1796-Cemeteries - Building Renewals	\$11	\$20	\$9	\$20	
1828-Cemeteries - Non-Building Asset Renewals	\$68	\$98	\$30	\$99	
<b>Economic Development</b>					
251-Conference & Function Centre - Replacement of Equipment	\$13	\$32	\$19	\$36	
270-Holiday Park - Renewals	\$169	\$279	\$111	\$424	
664-Conference & Function Centre - Renewals	\$36	\$29	(\$7)	\$50	
1166-Conference & Function Centre - Equipment Purchases	\$77	\$70	(\$7)	\$70	
1730-Information Centre - Building Renewals	\$9	\$1	(\$7)	\$10	
1943-Information Centre Refurbishment	\$1	\$13	\$11	\$50	
<b>Manawatu River</b>					
1825-City Reserves - Manawatu River Park - Renewals	\$0	\$2	\$1	\$2	
<b>Organisational performance</b>					
58-Network Additions and Upgrades	\$65	\$42	(\$24)	\$42	
68-Aerial Photography	-	\$41	\$41	\$41	
221-Print Synergy - Replacement of Print Synergy Machinery	\$3	\$13	\$10	\$35	
272-Staff Cafeteria - Replacement of Equipment	\$6	\$6	\$0	\$6	
318-Telecommunications Replacement - Council Buildings	\$31	\$40	\$9	\$101	
755-Replacement of Parking Enforcement Hand Helds and iPhones	\$53	\$26	(\$27)	\$56	



Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status
784-Replacement of Council's Photocopiers/Printers	\$15	\$45	\$30	\$70	
1732-Depot - Hard Surfaces Renewals	\$80	\$200	\$120	\$200	
2027-Video and Audio Equipment	-	-	-	\$8	
<b>Resource Recovery</b>					
185-Closed Landfills and Transfer Stations - Site Renewals	\$4	\$38	\$34	\$74	
612-Recycling - City-wide Wheelie Bin and Crate Renewals	\$44	\$43	(\$1)	\$78	
649-Recycling - Materials Recovery Facility Renewals	\$74	\$147	\$73	\$160	
1368-City-wide - Public Space Rubbish & Recycling Bins Renewals	\$20	\$25	\$4	\$45	
1374-City-wide - Recycling Drop Off Facilities - Renewals	\$19	\$40	\$21	\$40	
1721-Composting Activity Site Renewals	\$7	\$6	(\$0)	\$8	
1784-Rubbish and Recycling Buildings - Renewals	\$15	\$68	\$53	\$70	
<b>Roading</b>					
74-City-wide - Street Light Renewals	\$18	\$67	\$50	\$90	
82-Off-street Parking Renewals	\$20	\$46	\$26	\$65	
122-City-wide - Road Drainage Renewals	\$254	\$300	\$46	\$431	
162-City-wide - Vehicle Crossing Renewals	-	\$70	\$70	\$103	
1443-City-wide - Road Drainage Replacements (Unsubsidised)	\$5	\$47	\$42	\$65	
1805-City-wide - Transport structure component renewal	\$53	\$50	(\$3)	\$100	
2109-City-wide - Sealed Pavement Renewals (No Subsidy)	-	-	-	\$49	
<b>Safe Communities</b>					
1512-CCTV replacements	\$92	-	(\$92)	\$111	
1569-Replacement of wearable cameras for parking and animal control officers	-	\$20	\$20	\$20	
<b>Stormwater</b>					
20-City-wide - Stormwater Pump Station Renewals	\$189	\$363	\$174	\$434	
<b>Strategic Investments</b>					
80-Council Small Mobile Plant and Equipment - Replacement	\$221	\$200	(\$22)	\$225	
85-Depot - Buildings and Structures Renewals	\$198	\$247	\$49	\$247	
86-Property - Furniture Replacements	\$101	\$100	(\$1)	\$100	
1753-Investment Properties - Building Renewals	\$21	\$25	\$4	\$25	
1791-Parks Depot - Building Renewals	\$5	\$1	(\$4)	\$5	
1970-Gordon Kear Forest Culvert Replacements	\$63	\$65	\$2	\$65	
<b>Wastewater</b>					
1068-Totara Road Wastewater Treatment Plant - Replacement of Inlet Pumps	\$316	\$419	\$103	\$419	
1351-Eastern Trunk Main - Hokowhitu Campus Renewal	-	\$126	\$126	\$126	
1380-Totara Rd WWTP - Biogas Generator Major Overhauls	\$36	\$32	(\$4)	\$300	
1620-Totara Road Wastewater Treatment Plant - High Voltage Power renewals	\$43	\$259	\$216	\$298	
1685-Replacement of potable water service in WWTP	\$9	\$234	\$225	\$241	
1693-PS Telemetry unit compatibility upgrade	-	\$50	\$50	\$50	

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)	Status
1714-City-wide Wastewater Trunk Mains Renewal	-	\$30	\$30	\$200	
1799-Wastewater Treatment Plant - Buildings Renewals	\$157	\$20	(\$137)	\$180	
1801-Wastewater Pump Stations - Building Renewals	\$1	-	(\$1)	\$8	
1887-Water Operations - Small plant and Equipment - Renewals	-	\$3	\$3	\$3	
<b>Water</b>					
214-City-wide - Water Toby and Manifold Renewals	\$154	\$293	\$139	\$431	
1058-City-wide - Groundwater Bores Renewal	-	\$50	\$50	\$50	
1063-Turitea WTP - SCADA Renewals	\$5	\$13	\$8	\$13	
1385-City-wide - Water Supply Resilience - Telemetry Replacement	\$20	\$23	\$2	\$23	
1700-City-wide - Water Meter Renewals	\$35	\$140	\$106	\$200	
1701-City-wide - Water Supply Valve & Hydrant Renewals	\$35	\$141	\$106	\$200	
1797-Water Treatment Plant - Building Renewals	\$2	-	(\$2)	\$30	
1822- Water Pump Stations - Building Renewals	\$1	-	(\$1)	\$8	
2042-Turitea WTP - Raw Water Main Renewal	-	\$35	\$35	\$40	

## Attachment 6 – Financial Statements

Palmerston North City Council  
Summary of Financial Performance  
For the period to 31 March 2022

	Year to Date			Full Year	
	Actual	Budget	Actual	Revised	Annual
	\$000	\$000	Prior Year \$000	Budget \$000	Budget \$000
<b>OPERATING REVENUE</b>					
Rates revenue	82,294	81,846	50,588	109,090	109,059
Interest and dividends	179	13	142	17	17
Other revenue	22,472	22,601	14,908	30,592	30,184
Operating subsidies and grants	3,413	3,820	1,603	5,631	4,887
<b>TOTAL OPERATING REVENUE</b>	<b>108,359</b>	<b>108,280</b>	<b>67,242</b>	<b>145,330</b>	<b>144,147</b>
<b>CAPITAL REVENUE</b>					
Capital subsidies and grants	7,580	10,534	3,450	14,593	14,162
Development contributions	1,983	1,567	652	2,090	2,090
Vested assets	37	1,500	294	2,000	2,000
<b>TOTAL CAPITAL REVENUE</b>	<b>9,601</b>	<b>13,601</b>	<b>4,396</b>	<b>18,682</b>	<b>18,252</b>
<b>TOTAL REVENUE</b>	<b>117,959</b>	<b>121,881</b>	<b>71,638</b>	<b>164,012</b>	<b>162,398</b>
<b>EXPENSES</b>					
Employee remuneration	38,416	39,431	23,309	52,564	52,388
Elected member remuneration	755	763	496	1,023	1,023
Depreciation and amortisation	27,964	28,657	20,214	38,210	38,210
Interest	3,670	3,812	2,498	5,090	5,090
Professional service costs	7,922	9,508	6,269	14,024	11,624
Other expenses	18,791	33,647	18,000	44,827	46,462
<b>TOTAL EXPENSES</b>	<b>97,518</b>	<b>115,819</b>	<b>70,788</b>	<b>155,739</b>	<b>154,797</b>
<b>NET SURPLUS/(DEFICIT) BEFORE TAX</b>	<b>20,442</b>	<b>6,062</b>	<b>850</b>	<b>8,273</b>	<b>7,601</b>

Palmerston North City Council  
Statement of Financial Position  
For the period to 31 March 2022

	2021/22			As at 30 June 2021
	As at 31 March 2022		Full Year	
	Actual \$000s	Budget \$000s	Rev Budget \$000s	
<b>Current Assets</b>				<b>Actual \$000s</b>
Cash & Short Term Deposits	2,821	1,522	1,522	1,522
Trade and other receivables	9,765	15,464	17,181	17,217
Inventory	137	230	230	230
Derivative financial instruments	358	-	-	-
Other financial assets	35,000	-	-	-
<b>Total Current Assets</b>	<b>48,082</b>	<b>17,217</b>	<b>18,934</b>	<b>18,970</b>
<b>Non-Current Assets</b>				
Property, plant and equipment	1,981,942	2,002,110	2,049,837	1,974,051
Inventory-Non-current	13,668	9,261	4,261	9,261
Intangible Assets	999	1,127	1,127	1,127
Biological Assets	1,430	1,430	1,430	1,430
Investment Properties	5,335	5,335	5,335	5,335
Investments & Advance	15,697	14,556	14,556	14,556
<b>Total Non-Current Assets</b>	<b>2,019,072</b>	<b>2,033,820</b>	<b>2,076,546</b>	<b>2,005,760</b>
<b>Total Assets</b>	<b>2,067,153</b>	<b>2,051,036</b>	<b>2,095,480</b>	<b>2,024,730</b>
<b>Current Liabilities</b>				
Trade and other payables	20,336	22,554	27,236	27,236
Provisions	889	889	889	889
Current Employee Entitlements	6,268	5,914	5,897	5,897
Current Portion - Term Liab	15,000	10,000	10,000	10,000
Derivative financial instruments	578	2,719	2,719	2,719
<b>Total Current Liabilities</b>	<b>43,072</b>	<b>42,077</b>	<b>46,742</b>	<b>46,742</b>
<b>Non-Current Liabilities</b>				
Provisions	415	575	575	575
Term Employee Entitlements	1,231	1,196	1,196	1,196
Term Liabilities	187,000	181,034	211,536	156,125
Derivative financial instruments	548	5,645	5,645	5,645
<b>Total Non-Current Liabilities</b>	<b>189,194</b>	<b>188,451</b>	<b>218,952</b>	<b>163,541</b>
<b>Total Liabilities</b>	<b>232,265</b>	<b>230,528</b>	<b>265,694</b>	<b>210,283</b>
<b>Assets less Liabilities</b>	<b>1,834,888</b>	<b>1,820,509</b>	<b>1,829,786</b>	<b>1,814,447</b>
<b>Public Equity</b>				
Retained earnings	1,080,939	1,066,560	1,068,771	1,060,498
Other reserves	753,949	753,949	761,015	753,949
<b>Total Public Equity</b>	<b>1,834,888</b>	<b>1,820,509</b>	<b>1,829,786</b>	<b>1,814,447</b>

Palmerston North City Council  
Statement of Cash Flows  
For the period to 31 March 2022

	Year to Date		Full Year	
	Actual \$000s	Revised Budget \$000s	Revised Budget \$000s	Annual Budget \$000s
<b>Cash Flows From Operating Activities</b>				
Receipts from rates revenues	83,516	82,278	109,090	109,059
Interest received	176	13	17	17
Dividends received	3	-	-	-
Operating subsidies and grants	1,592	3,991	5,631	4,882
Receipts from other revenue	28,733	23,731	25,592	25,184
Capital subsidies and grants	7,580	10,534	14,593	14,162
Development contributions	1,983	1,567	2,090	2,090
Receipts from tax losses	-	-	-	-
Interest paid	(3,670)	(3,812)	(5,090)	(5,090)
Payments to suppliers and employees	(82,804)	(88,374)	(112,403)	(111,497)
Goods and Services Tax (net)	907	380	-	-
<b>Net Cash From Operating Activities</b>	<b>38,016</b>	<b>30,308</b>	<b>39,520</b>	<b>38,807</b>
<b>Cash Flows From Investing Activities</b>				
Proceeds from sale of property	-	-	5,000	5,000
Proceeds from sale of biological assets	-	-	-	-
Purchase of property, plant and equipment - new	(12,818)	(30,265)	(78,374)	(71,268)
Purchase of property, plant and equipment - renewal	(19,676)	(24,952)	(26,556)	(26,726)
Net other advances repayment received/(made)	-	-	-	-
Net increase in investments	-	-	-	-
<b>Net Cash From Investing Activities</b>	<b>(32,494)</b>	<b>(55,217)</b>	<b>(99,930)</b>	<b>(92,994)</b>
<b>Cash Flows From Financing Activities</b>				
Short term investments (4-12 months)	(35,000)	-	-	-
Net borrowing proceeds/(repaid)	30,777	24,909	55,411	49,187
Repayment of borrowings	-	-	-	-
Repayment of leases	-	-	-	-
<b>Net Cash From Financing Activities</b>	<b>(4,223)</b>	<b>24,909</b>	<b>55,411</b>	<b>49,187</b>
<b>Net Increase/(decrease)</b>	<b>1,299</b>	<b>-</b>	<b>(4,999)</b>	<b>(5,000)</b>
Cash at beginning of year	1,522	1,522	1,279	1,279
<b>Cash at Month End</b>	<b>2,821</b>	<b>1,522</b>	<b>(3,720)</b>	<b>(3,721)</b>

## Attachment 7 – Approved variations to 10-Year Plan 2021-31 (Year 1)

After the 10-Year Plan 2021-31 was approved, the following changes were authorised by Council for the 2021/22 financial year. These also impacted the debt.

### Variations to 10-Year Plan 2021-31 (Year 1) approved by Council

<b>Profit and Loss</b>	<b>\$000</b>
10-Year Plan (Year 1) Net Surplus/(Deficit) Before Tax	7,601
Changes authorised by Council:	
Adjust budget for capital revenue as a result of carry forwards	2,301
Adjustment to carryforward of DIA 3 waters operating revenue	744
Adjustment to carryforward of DIA 3 waters operating expense	(744)
Carry forward of support for community relief efforts post COVID-19	(131)
Reduction in budget for BPO to begin capitalisation of expenses	786
Reduction in capital revenue budgets from Waka Kotahi	(1,910)
Moving of budgets from Sealed pavement renewals to Sealed Pavement Maintenance	(500)
Increase in budget for Chief Executive Performance Review Panel	(6)
17A Caccia Birch review outcome (6-month revenue budget adjustment)	57
17A Caccia Birch review outcome (6-month expense budget adjustment)	(35)
Capital Revenue from Horizons for programme 1970-Gordon Kear Forest Culvert Replacements	40
DIA funded budget adjustment moved from opex to capex (Recommendation included in Quarterly Report)	70
<b>Revised Budget 2021/22 Net Surplus/(Deficit) Before Tax</b>	<b>8,273</b>

<b>Capital Expenditure</b>	<b>Programme</b>	<b>\$000</b>
<b>10-Year Plan (Year 1) Capital Expenditure</b>		<b>97,994</b>
Changes authorised by Council:		
Adjust budget carry forwards		4,044
Start of capitalisation for WWTP BPO	2128-WWTP – Consent Application	2,500
Moving of budgets from Sealed pavement renewals to Sealed Pavement Maintenance	115-City-wide - Sealed Pavement Renewals (Waka Kotahi Subsidies)	(500)

To enable completion of Cuba Street redevelopment work	1440-Cuba Street urban streetscape improvements - Rangitikei to George Street (Stage 2)	1,000
Due to limited Council residual funding, Napier Road Shared path project removed.	2057-Regional Shared Path Network Improvements	(40)
Design costs for Streets for People brought forward to 2021/22	2122-CBD Streets for People	1,223
Reduction in budget for Streets for People based on Waka Kotahi funding	2122-CBD Streets for People	(1,402)
External funding obtained from HRC allowing for further expenditure	1970-Gordon Kear Forest Culvert Replacements	40
DIA funded budget adjustment moved from opex to capex and between capex programmes (Recommendation included in Quarterly Report)	179-Totara Road Wastewater Treatment Plant - Minor Equipment Renewals	(50)
	207-Turitea WTP - Equipment and Facility Renewals	(220)
	1384-City-wide - Water Supply Resilience - Additional Reservoirs	340
Bringing forward capital expenditure of \$1m (offsets to be found before adjustment made)	Programme 1879 - Council's Plant and Vehicle Replacements	1,000
	Offsets TBA	(1,000)
Low Carbon Fund allocation to capital programmes in other activities (recommendation included in Quarterly Report)	1888-Low Carbon Fund	(345)
	1847-City Growth - City Reserves - Victoria Esplanade - Capital New	115
	1451-Property - LED Lighting Upgrades	230
<b>Revised Budget 2021/22 Capital Expenditure</b>		<b>104,930</b>

### Variations to 10-Year Plan 2021-31 (Year 1) approved by Chief Executive

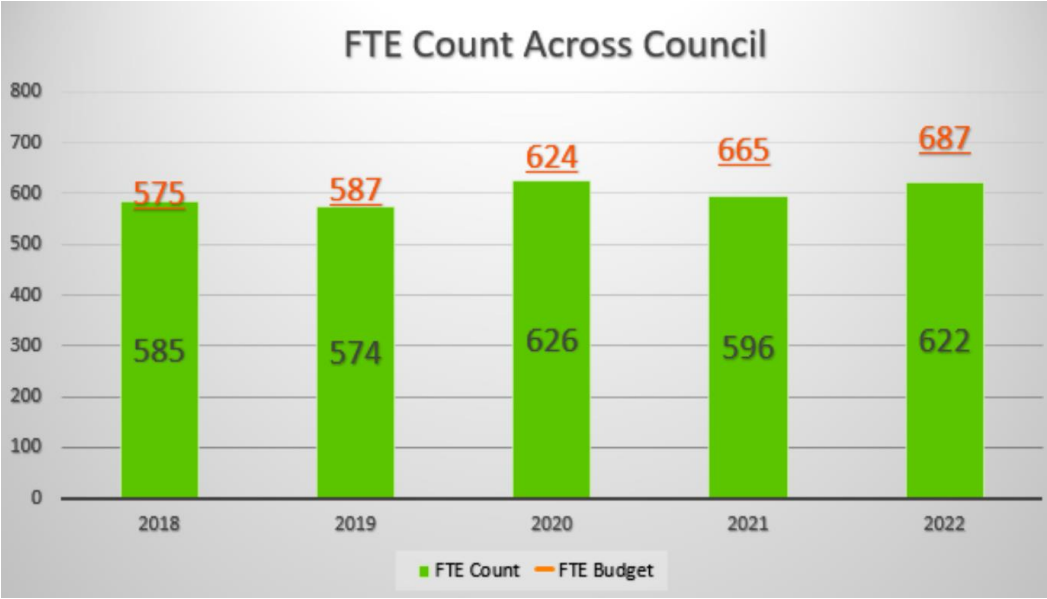
The Delegations Manual provides that the Chief Executive may approve transfers of budgets where this will best achieve the outcome intended and savings can be made to offset the authorised increase. Where the amounts authorised cross activities, these are required to be reported quarterly to the Finance and Performance Committee.

Profit and Loss	Activity and Budget change
Description	\$000
Correction to administrative error in budgeting process where expenses were attached to incorrect activity	Wastewater Expense (297) Water Expense 297
Active Community offsetting increase in revenue and expense due to CET Arena community subsidies	Active Communities Revenue 350 Active Communities Expense 350
Corporate Support offsetting increase in both revenue and expenses due to Warm up Palmy	Organisational Performance Revenue 31 Organisational Performance Expense 31
Additional budget to support urban growth work programme	Active and Public Transport (350) Connected Communities (100) Active Communities (100) Arts and Heritage (50) Economic Development (60) Governance and Active Citizenship 660

Capital New	Programme	\$000
Activity		
Connected Communities	161-Public Toilets - New City-wide Toilets	283
Active Communities	1850-City Growth - City Reserves - Memorial Park - Capital New	(283)
Roading	244-City Centre Streetscape Plan - Square East	(555)
City Shaping	2122-CBD Streets for People	555



Attachment 8 – Personnel



The FTE count continues to trend up with current FTE numbers catching up to the 2020 peak. The current labour market is very tight and competitive, making it difficult to fill vacancies. This is largely the cause of the salary budget surplus, although outsourced support to reduce the strain on staff reduces the surplus slightly.

PNCC’s staffing budget is based on Full Time Equivalents (FTE), the budget does not get revised during the financial year to account for structure changes. Our vacancies and turnover are based on headcount (the number of people).

## Attachment 9 - Councillor Training

March year to date spend is \$20,220 against a full year budget of \$42,000.

Aleisha Rutherford	Zulfiqar Butt	Renee Dingwall
LGNZ Conference	LGNZ Conference	LGNZ Conference
Blenheim	Blenheim	Blenheim
15-17 July 2021	15-17 July 2021	15-17 July 2021
Orphee Mickalad	Susan Baty	Patrick Hancock
LGNZ Conference	Affordable Housing Development & Investment Seminar.	Affordable Housing Development & Investment Seminar.
Blenheim	Auckland	Auckland
15-17 July 2021	17-18 August 2021 (Flew home early due to lockdown)	17-18 August 2021 (Flew home early due to lockdown)
Rachel Bowen	Renee Dingwall	Lew Findlay
Affordable Housing Development & Investment Seminar.	Affordable Housing Development & Investment Seminar.	Vision for Ageing in Aotearoa
Auckland	Auckland	Online
17 August 2021	17-18 August 2021 (Flew home early due to lockdown)	30 September to 1 October 2021
Billy Meehan		
Vision for Ageing in Aotearoa		
Online		
30 September to 1 October 2021		

**Three Water Reform Grant Funding Budget Changes**

<b>Capital Type</b>	<b>Activity</b>	<b>Programme</b>	<b>Change</b>
Operating Expenses	Wastewater	609-Totara Road Wastewater Treatment Plant - Desludging of Sludge Lagoons	(70,000)
Capital New	Water	1384-City-wide - Water Supply Resilience - Additional Reservoirs	340,000
Capital Renewal	Wastewater	179-Totara Road Wastewater Treatment Plant - Minor Equipment Renewals	(50,000)
Capital Renewal	Water	207-Turitea WTP - Equipment and Facility Renewals	(220,000)
<b>Net Change</b>			<b>0</b>



## MEMORANDUM

**TO:** Finance & Audit Committee

**MEETING DATE:** 27 April 2022

**TITLE:** Treasury Report - 9 Months Ending 31 March 2022

**PRESENTED BY:** Steve Paterson, Strategy Manager - Finance

**APPROVED BY:** Cameron McKay, Acting Chief Financial Officer

### RECOMMENDATION(S) TO FINANCE & AUDIT COMMITTEE

1. That the Committee note the performance of Council's treasury activity for the 9 months ending 31 March 2022.

#### 1. ISSUE

To provide an update on the Council's treasury activity for the 9 months ending 31 March 2022.

#### 2. BACKGROUND

The Council's 10 Year Plan 2021-31 forecast additional debt requirements for 2021/22 of \$49.5m would need to be raised during the year to fund the \$67.5m of new capital expenditure programmes (including assumed carry forwards from 2020/21). In July 2021 the Council resolved to specifically authorise the raising of up to \$50m of additional debt. In September 2021 the Council approved increasing the new capital expenditure programme for the year by a further \$4.2m (with associated external funding of \$2.3m) due to a revised assessment of the level of carryforwards from 2020/21. Further adjustments to the capital expenditure budget for the year have been approved but there has been no change to the formal resolution approving increased debt levels as there was a high likelihood the full capital expenditure programme for the year would not be achieved.

Council's Financial Strategy (updated version adopted 7 July 2021) contains the following ratios which the Council has determined to be prudent maxima:

- Net debt as a percentage of total assets not exceeding 20%
- Net debt as a percentage of total revenue not exceeding 200%
- Net interest as a percentage of total revenue not exceeding 15%
- Net interest as a percentage of annual rates income not exceeding 20%

An updated version of the Treasury Policy (embracing the Liability Management and Investment Policy), adopted by the Council in August 2020, also contains a number of other criteria regarding debt management.

### 3. PERFORMANCE

Following the annual review published on 3 May 2021 Council's S&P Global Rating's credit rating remained unchanged at AA / A-1+.

**Schedule 1** attached shows the details of Council's debt as at 31 March 2022. Debt levels were within the policy parameters outlined in section 2 of this report.

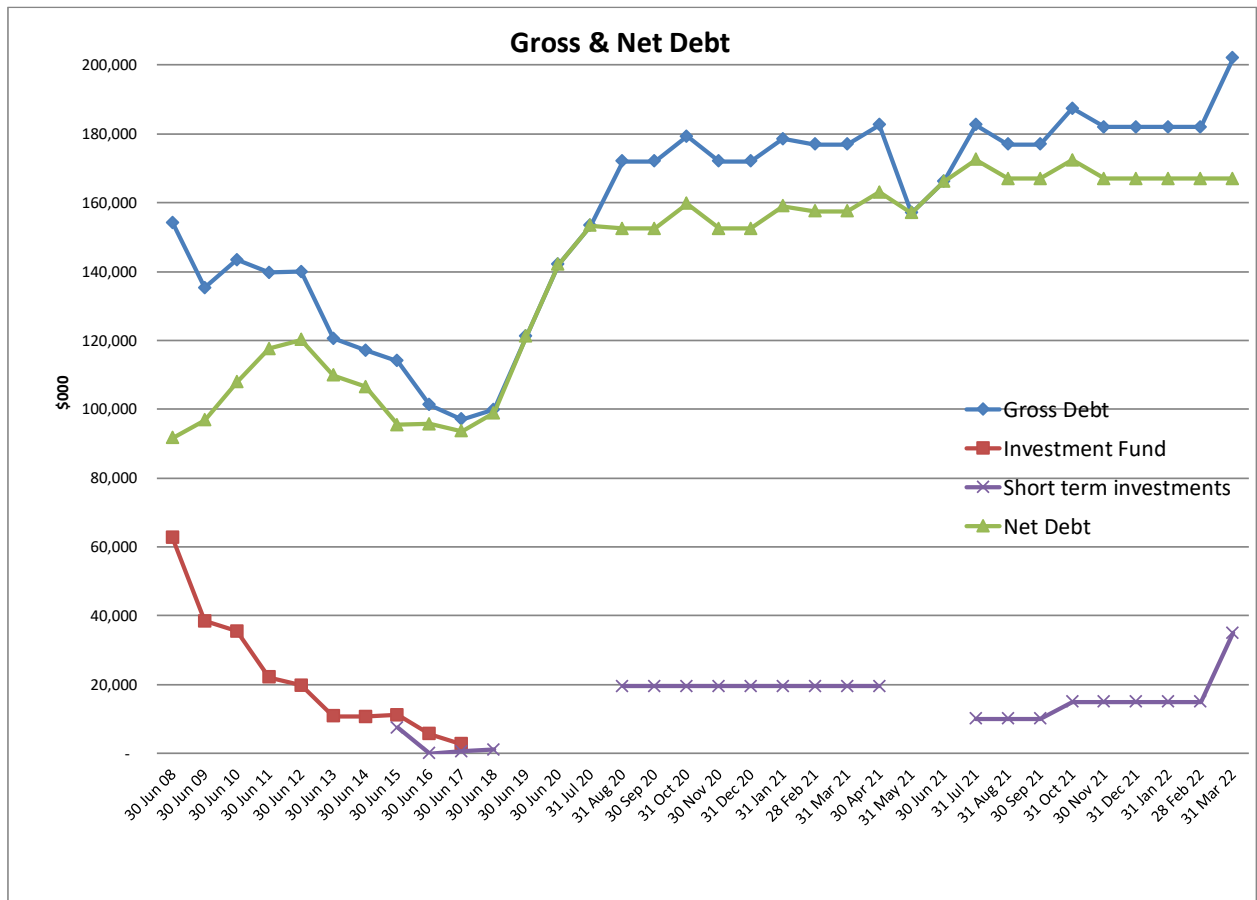
The summarised **gross term debt** movements are shown in the following table:

	10YP Budget for year (2021/22) \$000	Actual – 3 months (2021/22) \$000	Actual – 6 months (2021/22) \$000	Actual – 9 months (2021/22) \$000
Debt Balance at 1 July 2021	163,163	166,125	166,125	166,125
New Debt #	49,184	20,000	25,000	45,000
Debt repayments #		(9,125)	(9,125)	(9,125)
Closing Balance	212,347	177,000	182,000	202,000
<u>Comprising:</u>				
Bank advance (on call)				
LGFA short term advance				
LGFA & Council stock		177,000	182,000	202,000
Deposits held for debt repayment		(10,000)	(15,000)	(35,000)
Net term debt		167,000	167,000	167,000

# A portion of the Council's debt is drawn on a daily basis – daily drawdowns and repayments are not included in these figures but the net draw or repayment for the year to date is shown as part of new debt or debt repayment as appropriate.

Gross debt at 31 March 2022 was \$202m compared with \$166.125m at 1 July 2021. \$35m of this sum was raised in advance to prefund debt maturing on 5 April 2022, 5 August 2022 and 5 April 2023.

Movements in recent years are shown in the following graph:



Actual finance costs incurred during the 9 months (including interest, line fees and the effects of payments relating to swaps) amounted to \$3.67m compared with the budget for the year of \$5.09m. \$122k of this expense related to \$10m of new loans raised in July 2021, \$5m of new loans raised in October 2021 and \$20m raised on 14 March 2022 to prefund debt maturing on 5 April 2022, 5 August 2022 and 17 April 2023 respectively. This cost was more than offset by unbudgeted interest income of \$140k received from short term investment of this \$35m. The effective average interest rate for the 9 months was 2.7% compared with the budgetary assumption of 2.8%.

The Council has entered financial instruments related to its debt portfolio utilising swap trading lines established with Westpac, ANZ and BNZ. The details of these are shown in **Schedule 2** attached.

The value of these instruments is measured in terms of its 'mark-to-market', ie. the difference between the value at which the interest rate was fixed and the current market value of the transaction. Each of these transactions was valued at the date they were fixed and again at the reporting date. Financial reporting standards require the movement in values to be recorded through the Council's Statement of Comprehensive Income (Profit & Loss Account). They have been revalued as at 31 March 2022 and show a reduction in the book value liability of \$5.3m for the quarter and \$11.6m for the year to date.

Swaps with a notional value of \$5m matured during the first quarter. During November the maturity dates for swaps with a notional value of \$18m were extended and the fixed interest rates applying to them reduced. These changes were negotiated in an effort to moderate the impact of increasing interest rates on rates for 2022/23 and to lengthen the fixed cover in place.

The Council's Treasury Policy contains guidelines regarding the measurement of treasury risk as follows:

- Funding and liquidity risk is managed by the Council maintaining a pre-set portion of its debt in a range of maturity periods, eg. < 3 years, 3 - 7 years, 7 years +.
- Interest rate risk is managed by the Council maintaining the ratio of debt that is subject to floating versus fixed interest rates within pre-set limits.

The position compared to the policy is illustrated in the graphs in **Schedule 3 attached**.

The funding & liquidity risk position can be summarised as follows:

- Council's liquid position complies with policy.
- Since 30 June 2021 \$45m of term debt has been raised. \$35m of this is to pre-fund debt maturing in April 2022, August 2022 and April 2023 and has been invested in the meantime at a rate that for the time being more than covers the cost of the interest expense. The remainder is funding capital expenditure in the 2022/23 year.

The interest rate risk position describes the portion of the overall forecast debt that is fixed versus floating and can be summarised as follows:

- There is significant uncertainty about forecast levels of future debt – this very much depends on a number of factors including future Council decisions on the proposed capital expenditure programme and Government decisions on the future structure of the provision of three waters.
- At the present time the strategy being adopted is to use the forecast debt figures from the 2021-31 10 Year Plan but reducing them by 30% each year. Past experience is the Council has struggled to deliver its full programme of budgeted work so it is prudent to assume this reduced requirement. Failing to do this would likely lead to the Council's portfolio becoming over-hedged.
- At the present time projected debt levels that exclude debt assigned for three waters programmes are also being considered to make sure the Council is not over-hedged if water related debt is effectively transferred (or paid off) on 30 June 2024.
- At the present time interest rates are being fixed at or near policy minimums based on the debt forecasts mentioned above and that is the position as at 31 March. As market opportunities present themselves consideration is being given to increasing the hedging to nearer policy mid-points.



The Treasury Policy also contains requirements in relation to counterparty credit risk – this relates to investments and financial risk management instruments.

The position as at 31 March is shown in **Schedule 4 attached**. As can be seen from the schedule the policy limit for the level of investments at Westpac of \$15m has been exceeded by \$20m. \$10m of this investment matures on 4 April leaving the limit exceeded by \$10m until August. The most recent investment of \$20m was made with Westpac as they offered an interest rate that significantly exceeded what was on offer elsewhere. The limit per counterparty is considered to be very conservative and will be considered for review when the policy is next reviewed. In the meantime, the Policy requires that counterparties exceeding the limits are required to be reported to the Council.

As at 31 March 2022, all remaining policy targets had been met.

Council's credit lines with the banks include an \$18m three-year credit facility with Westpac Bank (maturing 31 October 2025) and a revolving \$25m three-year facility with ANZ Bank (maturing 31 March 2025).

#### 4. CONCLUSION & NEXT STEPS

Finance costs for the year (including interest, line fees and the effect of swaps) were \$3.67m compared with the budget for the year of \$5.09m.

In conjunction with Council's treasury advisors hedging instruments are regularly reviewed in an effort to ensure the instruments are being utilised to the best advantage as market conditions change. The level of hedging cover is also reviewed as the forecasts of future debt levels are revised.

Council's borrowing strategy is continually reviewed, in conjunction with Council's treasury advisors, to ensure the best advantage is taken of Council's quality credit rating.

A further performance report will be provided after the June 2022 quarter.

#### 5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	<b>Yes</b>
Are the decisions significant?	<b>No</b>
If they are significant do they affect land or a body of water?	<b>No</b>
Can this decision only be made through a 10 Year Plan?	<b>No</b>
Does this decision require consultation through the Special Consultative procedure?	<b>No</b>
Is there funding in the current Annual Plan for these actions?	<b>Yes</b>
Are the recommendations inconsistent with any of Council's policies or plans?	<b>No</b>
The recommendations contribute to Goal 5: A Driven & Enabling Council	

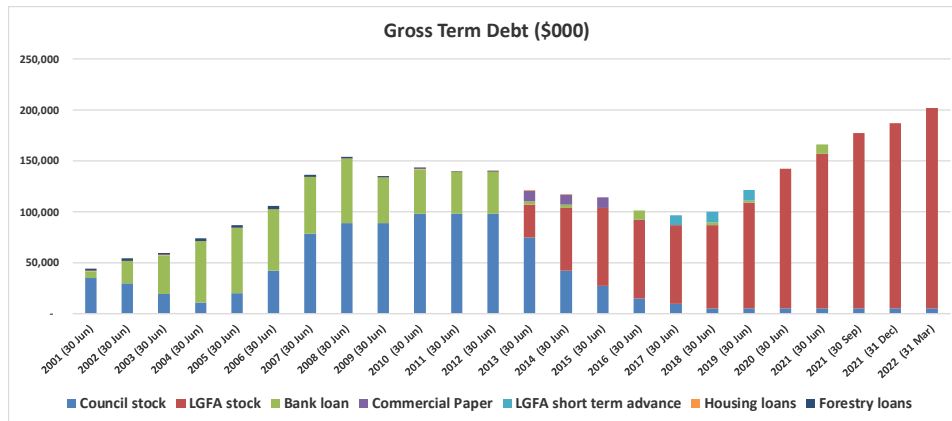
This report outlines the outcomes of a fundamental administrative activity of the Council.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Managing the Council's treasury activity is a fundamental component of day to day administration of the Council.

## ATTACHMENTS

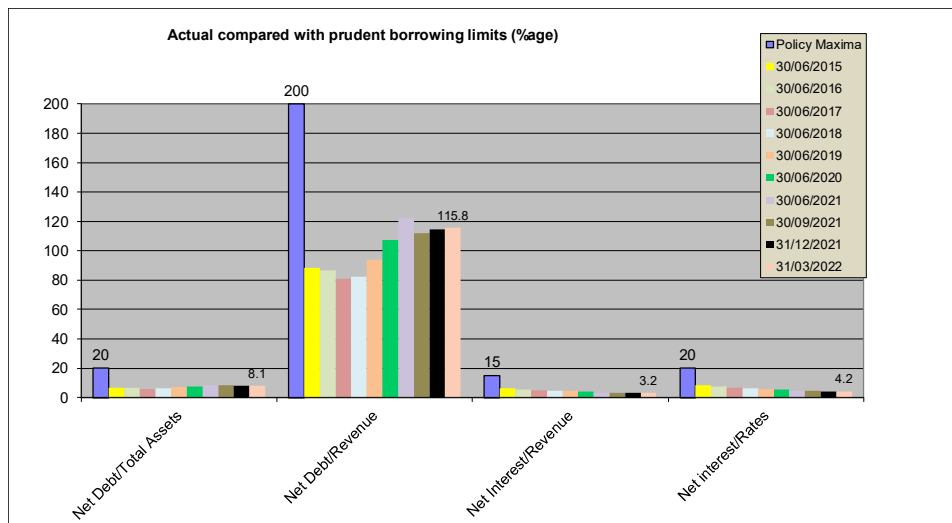
1. Schedules 1 to 4 [↓](#) 

### Schedule 1 - Debt levels & Prudent Borrowing Ratios

Palmerston North City Council								
<b>Term Debt as at 31 March 2022</b>								
<b>1. Loan Stock on Issue - Council debentures</b>						<b>Current</b>		
<b>Issue Date</b>	<b>Term</b>	<b>Principal</b>	<b>Margin over BKBM</b>	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>as at 31/03/2022</b>	<b>Interest Rate</b>	<b>Reset Date</b>
FRN 5 Aug 16	6	5,000,000	0.6300%	1.8050%	5-Aug-2022	5,000,000	Floating Qtrly	5-May-22
		5,000,000						
<b>2. Loan Stock on Issue - Borrowed from LGFA</b>								
LGFA 13 Apr 15	7	10,000,000	0.3300%	1.3029%	5-Apr-2022	10,000,000	Floating Qtrly	5-Apr-22
LGFA 18 Aug 14	9	10,000,000	0.6325%	1.6725%	17-Apr-2023		Floating Qtrly	19-Apr-22
LGFA 15 Apr 20	3	10,000,000	0.7350%	1.7750%	17-Apr-2023		Floating Qtrly	19-Apr-22
LGFA 23 Jul 18	6	15,000,000	0.5525%	1.5925%	15-Apr-2024		Floating Qtrly	19-Apr-22
LGFA 15 Apr 20	4	5,000,000	0.7850%	1.8250%	15-Apr-2024		Floating Qtrly	19-Apr-22
LGFA 6 Sep 17	7	6,000,000	0.6000%	2.0900%	15-Sep-2024		Floating Qtrly	15-Jun-22
LGFA 6 Sep 17	8	6,000,000	0.6600%	1.7000%	15-Apr-2025		Floating Qtrly	19-Apr-22
LGFA 28 Jan 20	5	8,000,000	0.5400%	1.5800%	15-Apr-2025		Floating Qtrly	19-Apr-22
LGFA 13 Jul 20	5	5,000,000	0.6700%	1.7100%	15-Apr-2025		Floating Qtrly	19-Apr-22
LGFA 22 Mar 18	8	5,000,000	0.7250%	1.7650%	15-Apr-2026		Floating Qtrly	19-Apr-22
LGFA 17 Jun 19	7	7,000,000	0.6525%	1.6925%	15-Apr-2026		Floating Qtrly	19-Apr-22
LGFA 11 May 20	6	5,000,000	0.6600%	1.7000%	15-Apr-2026		Floating Qtrly	19-Apr-22
LGFA 13 Jul 20	6	5,000,000	0.7225%	1.7625%	15-Apr-2026		Floating Qtrly	19-Apr-22
LGFA 16 Mar 15	12	5,000,000	0.4575%	1.4975%	15-Apr-2027		Floating Qtrly	19-Apr-22
LGFA 8 Jun 15	12	5,000,000	0.4525%	1.4925%	15-Apr-2027		Floating Qtrly	19-Apr-22
LGFA 11 Aug 20	7	10,000,000		1.1200%	15-Apr-2027		Fixed	
LGFA 9 Feb 21	6	5,000,000		1.3579%	15-Apr-2027		Fixed	
LGFA 17 Dec 18	10	5,000,000	0.7875%	1.8275%	18-Apr-2028		Floating Qtrly	19-Apr-22
LGFA 7 Oct 19	9	5,000,000	0.7100%	1.7500%	18-Apr-2028		Floating Qtrly	19-Apr-22
LGFA 11 Aug 20	8	10,000,000	0.8300%	1.8700%	18-Apr-2028		Floating Qtrly	19-Apr-22
LGFA 17 Dec 18	11	10,000,000	0.8225%	1.8625%	15-Apr-2029		Floating Qtrly	19-Apr-22
LGFA 12 Jul 21	8	10,000,000	0.3950%	1.4750%	20-Apr-2029		Floating Qtrly	20-Apr-22
LGFA 12 Jul 21	9	10,000,000	0.4350%	1.4750%	15-Apr-2030		Floating Qtrly	19-Apr-22
LGFA 18 Oct 21	9	5,000,000	0.4590%	1.4990%	15-Apr-2030		Floating Qtrly	19-Apr-22
LGFA 14 Mar 22	9	10,000,000	0.5700%	1.6544%	15-May-2031		Floating Qtrly	16-May-22
LGFA 14 Mar 22	9	10,000,000	0.5950%	1.8650%	15-Oct-2031		Floating Qtrly	19-Apr-22
		197,000,000						
<b>3. Bank facilities</b>								
ANZ (\$25m)		-			31-Mar-2025		Reset at any time	
Westpac (\$18m)	On call	-		* plus line fee of 0.22%	1.900%	31-Oct-2025	Reset at any time	
				* plus line fee of 0.3%				
<b>4. Short term facility from LGFA</b>								
		-						
<b>Total as at 31 March 2022</b>		<b>202,000,000</b>				<b>15,000,000</b>		



The Financial Strategy contains a series of ratios that the Council has determined to be prudent maxima. The chart below shows the actual results for since 2014/15 compared to those ratios.



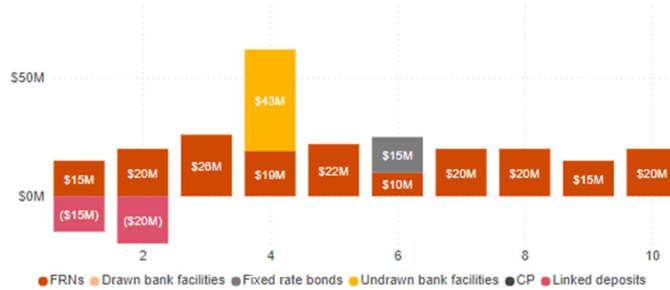
## Schedule 2 – Interest Rate Swaps

Palmerston North City Council									
<b>Interest Rate Swaps as at 31 March 2022</b>									
<b>Council pays fixed &amp; receives floating on a quarterly basis</b>							<b>Current</b>		<b>Value at</b>
<b>Bank</b>	<b>Trade Date</b>	<b>Deal No</b>	<b>Amount \$m</b>	<b>Start Date</b>	<b>Maturity</b>	<b>Fixed Interest rate</b>	<b>Floating rate</b>	<b>Reset date</b>	<b>31-Mar-22</b>
Westpac	8-May-14	3673014	5.0	9-Jun-14	7-Sep-21	6.060%		Matured 7 Sep 21	
Westpac	8-May-14	3672892	5.0	10-Jul-14	11-Apr-22	5.690%	0.970%	11-Apr-22	(58,288)
ANZ	20-Jun-14	9572093	5.0	15-Dec-14	15-Jun-23	4.840%		Cancelled from 15 Dec 21	
Westpac	18-Jul-14	3787822	6.0	29-Sep-15	29-Sep-23	4.850%		Cancelled from 29 Dec 21	
ANZ	28-Nov-14	10730910	5.0	15-Dec-17	15-Jun-24	4.500%	1.490%	15-Jun-22	(133,142)
ANZ	28-Nov-14	10730993	5.0	10-Apr-18	10-Oct-24	4.515%	0.970%	11-Apr-22	(180,439)
ANZ	3-May-17	15995740	6.0	22-Jul-19	21-Apr-22	3.350%	1.075%	21-Apr-22	(33,631)
BNZ	10-Jul-19	384538896	5.0	31-Jul-19	21-Jul-22	1.345%	1.075%	21-Apr-22	2,480
ANZ	29-Nov-18	18984011	5.0	6-Dec-19	6-Sep-23	2.555%	1.340%	7-Jun-22	27,195
ANZ	29-Nov-18	18984258	2.0	6-Mar-20	6-Mar-29	3.095%	1.340%	7-Jun-22	31,110
Westpac	28-Nov-14	4040489	7.0	8-Jun-20	8-Dec-22	4.5675%		Cancelled from 8 Dec 21	
Westpac	25-Feb-15	4218128	5.0	7-Sep-20	9-Sep-24	3.990%	1.340%	7-Jun-22	(84,502)
ANZ	25-Feb-15	11281075	3.0	16-Nov-20	15-Nov-24	3.990%	1.2200%	16-May-22	(58,369)
Westpac	18-Jan-16	4910927	5.0	9-Dec-20	9-Jun-25	3.970%	1.425%	9-Jun-22	(99,314)
Westpac	25-Feb-15	4218131	5.0	8-Jun-21	10-Jun-24	3.990%	1.350%	8-Jun-22	(79,626)
ANZ	20-Jun-14	25213652	5.0	15-Dec-21	15-Jun-29	3.425%	1.490%	15-Jun-22	4,520
Westpac	16-Nov-21	9251755	7.0	8-Dec-21	8-Dec-28	3.190%	1.350%	8-Jun-22	65,444
Westpac	16-Nov-21	9251762	6.0	29-Dec-21	28-Sep-29	3.410%	1.605%	29-Jun-22	(15,486)
Westpac	16-Nov-21	9251772	5.0	10-Jan-22	10-Jan-30	3.380%	0.970%	11-Apr-22	(30,306)
Active total at 31 Mar 22			74.0						(642,354)
Westpac	26-Feb-16	5013577	5.0	11-Apr-22	12-Jan-26	3.635%		11-Apr-22	(41,904)
ANZ	27-Nov-17	17029213	5.0	15-Jun-23	15-Jun-27	3.7675%		15-Jun-23	(41,758)
ANZ	27-Nov-17	17029223	6.0	29-Sep-23	29-Jun-27	3.7875%		29-Sep-23	(55,922)
ANZ	27-Mar-18	17670250	5.0	15-Jun-24	15-Jun-29	3.840%		15-Jun-24	(94,252)
ANZ	27-Mar-18	17670276	5.0	10-Oct-24	10-Jan-31	3.920%		10-Oct-24	(140,158)
ANZ	27-Mar-18	17670295	5.0	10-Jun-24	10-Jun-32	3.935%		10-Jun-24	(182,210)
BNZ	27-Feb-20	384575543	7.0	8-Dec-22	8-Dec-28	1.3375%		8-Dec-22	799,721
ANZ	13-Oct-20	22956802	10.0	15-Apr-22	15-Apr-28	0.4025%		15-Apr-22	1,617,430
Westpac	25-Jun-21	9002142	10.0	15-Jun-22	15-Jun-28	1.8200%		15-Jun-22	873,434
Westpac	25-Jun-21	9002154	10.0	15-Sep-22	15-Sep-28	1.9000%		15-Sep-22	845,399
Westpac	25-Jun-21	9002127	10.0	15-Mar-23	15-Mar-28	1.9400%		15-Mar-23	700,224
Westpac	25-Jun-21	9002104	10.0	15-Jun-23	15-Sep-27	1.9325%		15-Jun-23	603,257
Forward start total at 31 Mar 22			88.0						4,883,261
								Current	4,240,907
								Term	(423,360)
									4,664,267
									4,240,907

### Schedule 3 - Risk Exposure Position

#### Funding & Liquidity Risk Position – proportions of Debt within pre-set maturity bands

##### Funding and liquidity risk timeline



##### Funding summary

Bucket (years)	Maturing in period (\$)	Policy	Actual	
0 - 3	51,000,000	15% - 60%	24%	\$167,000,000
3 - 7	104,000,000	25% - 85%	50%	Gross external debt, less prefunding
7 - 15	55,000,000	0% - 60%	26%	\$43,000,000
				Undrawn and unlinked bank facilities
				\$0
				Liquid assets
				\$35,000,000
				Linked deposits

##### Liquidity Ratio

Policy:  $\geq 110\%$   
Actual at 31 Mar 2022 126%

Gross external debt at 31 Mar 2022:  
\$202,000,000

Undrawn bank facilities at 31 Mar 2022:  
\$43,000,000

#### Interest Rate Risk Position – proportions of forecast Debt subject to floating versus fixed interest rates within pre-set policy limits

##### As at 31 Mar 2022

Total fixed rate instruments  
\$89,000,000

Weighted average fixed rate of fixed rate instruments  
3.17%

Weighted average term of fixed rate instruments  
5.52 years

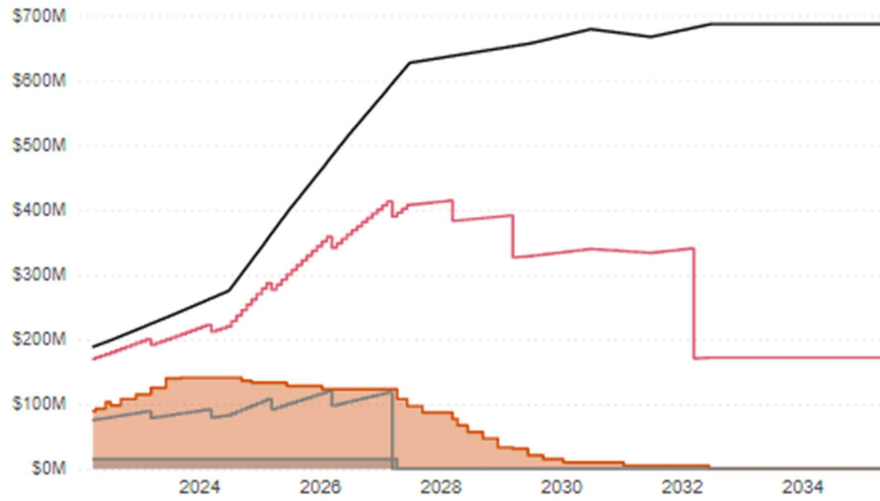
Fixed proportions each year compared with policy – based on 10YP debt forecast (with 30% haircut)

#	Bucket	Min	Max	Actual
1	0 - 12	40%	90%	50%
2	12 - 24	35%	85%	56%
3	24 - 36	30%	80%	46%
4	36 - 48	25%	75%	31%
5	48 - 60	20%	70%	23%
6	60 - 72	0%	65%	15%
7	72 - 84	0%	60%	8%
8	84 - 96	0%	50%	3%
9	96 - 108	0%	50%	1%
10	108 - 120	0%	50%	1%
11	120 - 132	0%	25%	0%
12	132 - 144	0%	25%	0%
13	144 - 156	0%	25%	0%
14	156 - 168	0%	25%	0%



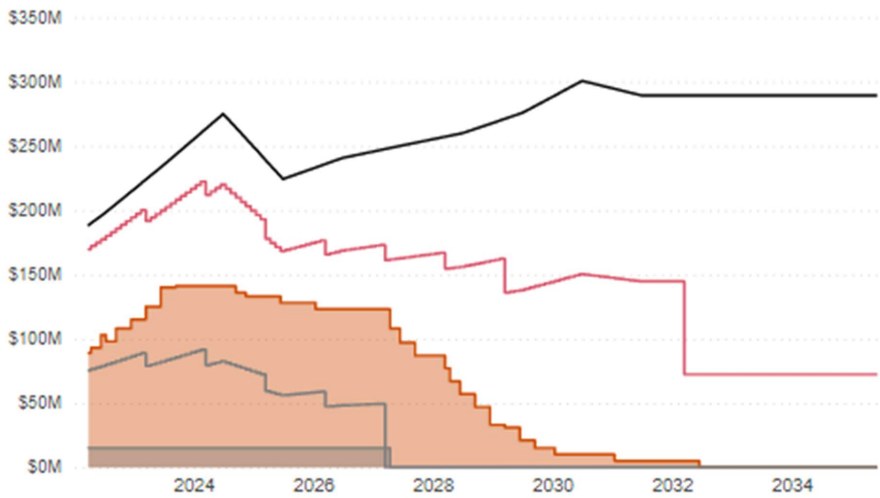
PALMERSTON NORTH CITY COUNCIL

### Interest rate risk timeline



The shaded portion reflects the fixed portion of the forecast debt based on 10YP with 30% haircut

### Interest rate risk timeline



The shaded portion reflects the fixed portion of the forecast debt (excluding three waters) based on 10YP with 30% haircut

#### Schedule 4 – Counterparty credit limits

##### Counterparty credit limits

Counterparty	Investment exposure	Investment limit	Derivatives exposure	Derivatives limit	Total exposure	Total limit	Compliance
ANZ	\$0	\$15,000,000	\$10,136,016	\$20,000,000	\$10,136,016	\$35,000,000	✓
BNZ	\$0	\$15,000,000	\$1,451,170	\$20,000,000	\$1,451,170	\$35,000,000	✓
Westpac	\$35,000,000	\$15,000,000	\$12,895,359	\$20,000,000	\$47,895,359	\$35,000,000	✗

✗ \$10m of the short term deposit investment in Westpac matures on 4 April 2022 and a further \$5m on 4 August 2022



## MEMORANDUM

**TO:** Finance & Audit Committee

**MEETING DATE:** 27 April 2022

**TITLE:** Options for Reallocation of Events Related Budgets

**PRESENTED BY:** Anton Carter, Group Manager Community Services

**APPROVED BY:** Kerry-Lee Probert, Acting Chief Customer Officer

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### RECOMMENDATION(S) TO COUNCIL

1. That Council approve Option 1 – reduction of events and events related budgets by \$100,000 to top up programme 1675 – Covid Relief Fund.
- 

#### 1. ISSUE

This memorandum is in response to the Notice of Motion;

*"That the CE quantify the likely underspend across PNCC 2021/22 events and events-related budgets and provide a report on options to reallocate that surplus to provide relief and support to the city's events sector."*

#### 2. BACKGROUND

##### 2.1 Identified unspent event related funds

Officers have identified \$235,000 of underspend relating to events and events-related budgets within the current financial year.

The underspend relates to programmes, activities and works that were budgeted to be carried out by the Central City Library, Major Events and Community Events, but cannot proceed in the current COVID-19 environment.

These budgets are operational in nature and must be spent by 30 June 2022, with remaining surplus' to be applied to debt repayment.

##### 2.2 Reallocation of unspent event related funds

Officers investigated various possible options for the reallocation of these identified funds, firstly by connecting with a small group of individuals with knowledge and connections with the City's events sector. These individuals included the Community Development team, PNCC Venues, Major Events team, Creative Sounds, The Regent, independent event producers and several community not-for-profit organisations.

Following these discussions a range of options was considered:

- Topping up the Covid Relief Fund;
- Reviving a previous Council event programme called 'Palmy Unleashed';
- Establishing a new 'Kick Starter' small events fund with the aim to stimulate activity;
- Commissioning several large community events;
- Providing extra financial support for existing events;
- Topping up existing PNCC event funds;
- Creating a partnership with an established organisation to administer a small events fund for the events sector to access.

After analysing the options the following barriers were identified:

- Ability to deliver initiatives by the end of the financial year;
- Officers' capacity to set up and administer a new small grants fund and allocate the funding by the end of this financial year;
- Capacity for an established organisation to administer a small events fund.

While many of the above options would achieve the aim of supporting the City's events sector by having a forward focussed approach, most were seen as not feasible for the reasons highlighted above and therefore not investigated further.

### 2.3 Covid-19 Relief Fund

The Covid-19 Relief Fund (CRF) was proposed to the Community Development Committee in August 2020 as part of the City Recovery Plan. It was to be a one-off \$200,000 relief fund to provide support to community organisations that have been impacted by COVID-19.

The aim of the fund was to be a rapid response fund, without undue hurdles, to provide financial relief to community organisations that need it. Council Officers were to work alongside applicants to ensure quick decisions and timely payments.

Since its inception in August 2020, the fund has received a total of 53 applications and supported a total of 37 applications. A total allocation of \$195,394.80 has been made as at 1 April 2022, with the average grant allocated being \$5,280.94.

The current balance of the CRF as at 1 April 2022 is \$4,605.20 and is likely to be fully spent by mid-April 2022.

A list of successful applicants and amounts are provided as Appendix 1.

During the draft Annual Budget 2022/23 process, Council adopted at its meeting on 16 March 2022 the following budget for the CRF.

*"That an additional budget of \$100,000 is allocated to continue the COVID-19 Relief Fund for 2022/23."*

### 3. OPTIONS

#### Option 1: \$100,000 – Top up to the existing Covid Relief Fund (CRF)

This option offers support to those impacted by Covid-19 and would be allocated within this financial year 2021/22. The \$100,000 is reallocated from the Central City Library Events budget, and the figure of \$100,000 was chosen as it provides sufficient funds to respond to potential applicants up until 30 June 2022. Any remaining amount can be returned to the overall surplus for this financial year.

The CRF is an existing funding mechanism set up to provide targeted support to those impacted by Covid-19. Utilising this current mechanism would be an effective way to respond to the needs of a broad cross-section of the community, including the events sector.

This funding approach has a retrospective focus and event organisers and local suppliers are able to apply to this fund if they meet the criteria.

The current CRF criteria states:

Individuals or businesses engaged in delivery of a community event are also eligible to apply if they meet all other criteria.

- *Experience an increase in demand for the applicant's services due to Covid-19*
- *A loss of anticipated income due to Covid-19*
- *Unexpected costs due to Covid-19.*

This provides opportunity for those in the events sector to apply to this fund if they can primarily show a loss of income due to the cancellation of events and activities due to the ongoing effects of Covid-19.

#### Option 2: Do not top up the Covid Relief Fund

This option does not provide relief and support to the city's events sector.

#### Description of options

Table A: Weighing up options

Options	Benefits	Risks
1 – Top-up Covid Relief Fund	<ul style="list-style-type: none"> <li>• Existing mechanisms set up to offer support and relief</li> <li>• Rapid response to applications</li> <li>• Minimal barriers for access</li> <li>• Broad criteria</li> </ul>	<ul style="list-style-type: none"> <li>• Broad criteria, not just specific to City's events sector</li> <li>• Retrospective approach, not forward focused</li> <li>• Doesn't provide a direct stimulus to the City's events sector</li> </ul>

	<ul style="list-style-type: none"> <li>Events sector can apply</li> <li>Provides support up until 30 June 2022</li> </ul>	
2 – Do not top up Covid Relief Fund	<ul style="list-style-type: none"> <li>Identified event related budgets contribute towards Council surplus to repay debt</li> <li>The remaining balance of identified unspent funds may be used for another purpose</li> </ul>	<ul style="list-style-type: none"> <li>Identified events related budgets are not reallocated to provide direct support and relief for the City's events sector</li> </ul>

#### **4. OTHER SUPPORT FOR THE CITY'S EVENTS SECTOR**

##### **4.1 PNCC community and major events**

For Council delivered events, local suppliers were secured where possible, with early confirmation and minimum deposits factored into cancellation policies, therefore ensuring that where events were cancelled, most contractors received 50% deposits.

Support has been provided to event organisers and contracted suppliers throughout the 2021/22 financial year where possible. For major event funding, all incurred and eligible production costs were considered by the Events team when considering appropriate levels of retained funding. Event planning and production incurs considerable cost prior to event delivery and to ensure the city's trusted event producers are able to continue delivering iconic events, continued funding has been provided to ensure the return of these events in the 22/23 financial year.

##### **4.2 Ongoing Council support**

Council offers a range of support to the events sector of which funding is one. Officers provide advice for developing events and funding support and when the traffic light system changes Officers will be contracting local suppliers regarding Council events.

Other Council funds that support the events sector and require an applicant to be a registered entity or umbrella-ed by a registered entity are;

- Arts Event Fund
- Community-Led Initiatives Fund
- Creative Communities Scheme
- Major Events Fund

### 4.3 Change to the Traffic Light system

The current 'Red' setting impacts on the number and range of events able to be held. The lifting of capacity limits for outdoor events on 25 March 2022 has had an immediate and positive impact, particularly on outdoor sporting events.

With the cancellation of so many events over the past 12 months, there is a backlog of people wanting to hold events. As was seen after the first lockdown in 2020, the 'bounceback' for hosting events and audience participation was strong.

A move to 'Orange' setting will have a major impact on the City's events sector. Officers are continually working with event organisers to support their planning in anticipation of this change.

### 4.4 Central Government funding support

Various central government agencies have offered a range of Covid-19 relief support funding for the cultural and events sector including;

- Ministry of Culture & Heritage (MCH)
- Creative New Zealand (CNZ)
- Inland Revenue Department (IRD)
- Ministry of Business, Innovation & Employment (MBIE)

While this support seems significant, it appears (based on the number of successful applicants listed on websites) very little of the funding has reached organisations or individuals in Palmerston North. This is mainly due to the specific nature of each of the funds criteria, the threshold required for eligibility and national competition.

Officers are encouraging suitable applicants to register and apply for national funding where appropriate.

## 5. NEXT STEPS

If Option 1 is supported:


- The CRF can be topped up immediately and be available for applicants to access until the end of this financial year 2021/22.
- Targeted promotion to the City's events sector will help raise awareness of this support available.

## 6. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	<b>No</b>
Are the decisions significant?	<b>No</b>
If they are significant do they affect land or a body of water?	<b>No</b>
Can this decision only be made through a 10 Year Plan?	<b>No</b>

Does this decision require consultation through the Special Consultative procedure?		<b>No</b>
Is there funding in the current Annual Plan for these actions?		<b>Yes</b>
Are the recommendations inconsistent with any of Council's policies or plans?		<b>No</b>
The recommendations contribute to Goal 2: A Creative and Exciting City		
The recommendations contribute to the achievement of action/actions in Arts and Heritage		
The action is: Provide artists and arts organisations with advice and support in governance, funding, marketing and communications, collaboration, and event and project management.		
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Contributes by offering financial support to the events sector who have been impacted by Covid-19, by providing relief and support so those involved in the events sector can continue to operate and provide valuable services needed for a flourishing events sector.	

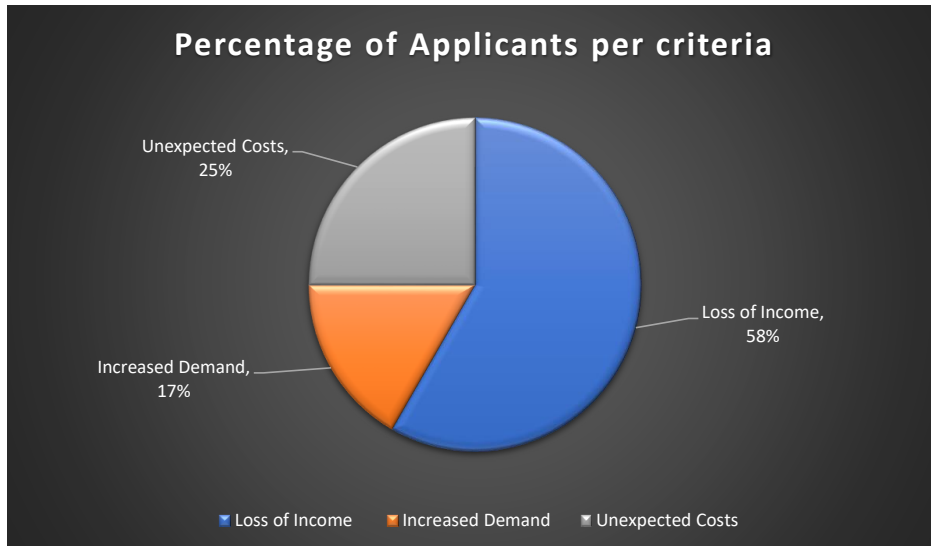
## ATTACHMENTS

1. Appendix 1: Covid Relief Fund successful applicants as at 1 April 2022 [↓](#) 

## Appendix 1 – Covid-19 Relief Fund applications supported as at 1 April 2022

Successful Applicants – Organisation or Individual	Amount
Act Three Productions	\$500.00
Manawatu Home Budgeting Service	\$10,000.00
Legacy Centre	\$2,721.00
Housing Advice Centre	\$10,000.00
Community Arts Palmerston North	\$1,500.00
Hokowhitu Village Community Centre Inc	\$5,819.00
Parentline Manawatu Inc.	\$10,000.00
Comedy Hub Palmerston North Incorporated	\$10,000.00
Citizens Advice Bureau Palmerston North	\$10,000.00
Manawatu Home Budgeting Service	\$10,000.00
Creative Sounds Society Inc. (The Stomach)	\$1,800.00
Square Edge Community Arts	\$1,500.00
Charles Olsen	\$5,100.00
Volunteer Central	\$2,704.10
Camellia House Trust	\$8,469.59
Kind Hearts Trust	\$3,000.00
Ian Harman	\$6,514.08
Palmerston North Theatre Trust	\$3,033.00
Palmerston North Operatic Society (t/a Act Three Productions)	\$2,180.00
Environment Network Manawatu	\$447.03
Arohanui Hospice Foundation	\$10,000.00
Age Concern New Zealand Palmerston North and Districts Branch Inc	\$6,534.00
Cole Hampton	\$10,000.00
Snails Artist Run Space	\$6,960.00
Massey University Football Club	\$10,000.00
Te Hā o Hine-ahu-one Palmerston North Women's Health Collective	\$5,000.00
Square Edge Community Arts	\$5,000.00
Manawatu Home Budgeting Service	\$2,890.00
Act Three Productions	\$3,900.00
Palmerston North Women's Centre /Te Whare o Ngā Wāhine	\$5,000.00
Hokowhitu Village Centre Incorporated	\$4,000.00
Rose City Ballroom Championships	\$4,000.00
Te Aroha Noa Community Services Trust	\$2,111.00
LUCK Venue	\$1,712.00
Just Zilch	\$3,000.00
Community Arts Palmerston North	\$5,000.00
Malcolm McKinnon	\$5,000.00
	<b>\$195,394.80</b>

The pie chart below shows the percentage of applications per the three criteria for the CRF. The main area of support has been to support applicants for loss of income.





## COMMITTEE WORK SCHEDULE

**TO:** Finance & Audit Committee

**MEETING DATE:** 27 April 2022

**TITLE:** Committee Work Schedule

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### RECOMMENDATION(S) TO FINANCE & AUDIT COMMITTEE

1. That the Finance & Audit Committee receive its Work Schedule dated April 2022.

### ATTACHMENTS

1. Committee Work Schedule\_April 2022 [↓](#) 



## FINANCE & AUDIT COMMITTEE

### COMMITTEE WORK SCHEDULE – APRIL 2022

Item No.	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction/ Point of Origin
<del>1.</del>	<del>April 2022</del>	<del>Report quantifying the likely underspend across PN City Council 2021/2022 events and events related budgets and outlining options to reallocate funds to provide relief and support to the city's events sector</del>	<del>Chief Customer Officer</del>		<del>23 February 2022 Clause 4.2.22</del>
<del>2.</del>	<del>April 2022</del>	<del>Quarterly Performance &amp; Financial Report (quarter ending 31 March 2022)</del>	<del>Chief Financial Officer</del>		
3.	May 2022 September 2022	Health and Safety quarterly update	Safety & Health Manager		
4.	May 2022	Procurement review	Business Assurance Manager		15 December 2021 Clause 95
5.	May 2022	Financial delegation of Authority Policy Review	Business Assurance Manager		15 December 2021 Clause 95
6.	August 2022	Business Assurance six-monthly accountability report	Business Assurance Manager		16 December 2020 Clause 68.2
7.	August 2022	Quarterly Performance & Financial Report (quarter ending 30 June 2022)	Chief Financial Officer		
8.	August 2022	Asset Management Review	Business Assurance Manager		15 December 2021 Clause 95
9.	August 2022	Sustainable Practices Review	Business Assurance Manager		15 December 2021 Clause 95

Oasis # 13972985

Item No.	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction/ Point of Origin
10.	August 2022	Review of Rating System	Chief Financial Officer		15 December 2021
11.	<del>October</del> <del>December</del> September 2022	Annual Report	Chief Financial Officer		
12.	November 2022	Review of Project Planning and Budgeting	Business Assurance Manager		15 December 2021 Clause 95
13.	November 2022	Enterprise Risk Management Framework review	Business Assurance Manager		15 December 2021 Clause 95
14.	February 2023	Benefits Realisation Framework and Strategic Prioritisation Review	Business Assurance Manager		15 December 2021 Clause 95

### CONFIDENTIAL DECISIONS RELEASED

Meeting date	Title	Released	Not Released

More information on the decisions released can be found on [released decisions](#)