



PALMERSTON NORTH CITY COUNCIL

AGENDA
COMMITTEE OF COUNCIL

9AM, MONDAY 20 FEBRUARY 2017

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



MEMBERSHIP

Grant Smith (Chairperson)

Tangi Utikere (Deputy Chairperson)

Brent Barrett

Susan Baty

Rachel Bowen

Adrian Broad

Gabrielle Bundy-Cooke

Vaughan Dennison

Lew Findlay QSM

Leonie Hapeta

Jim Jefferies

Lorna Johnson

Duncan McCann

Karen Naylor

Bruno Petrenas

Aleisha Rutherford

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

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

Paddy Clifford

Chief Executive, Palmerston North City Council

Palmerston North City Council

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Private Bag 11034, 32 The Square, Palmerston North



COMMITTEE OF COUNCIL MEETING

20 February 2017

ORDER OF BUSINESS

(NOTE: The commencement time for this meeting coincides with the commencement time for the Finance and Performance Committee, Audit and Risk Committee and Extraordinary Council meetings. The format for the meeting will be that the Audit and Risk Committee, Committee of Council and Extraordinary Council meetings will open, take apologies and adjourn immediately to allow the Finance and Performance Committee to consider its business. At the conclusion of the Finance and Performance Committee meeting the Audit and Risk Committee meeting will resume to consider its business followed by the Committee of Council and Extraordinary Council meetings.)

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. Annual Budget (Plan) 2017/18 (Year three of the 10 Year Plan 2015-25) - Adopting Supporting Information and the Consultation Document

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Memorandum, dated 14 February 2017 from the Chief Executive, Paddy Clifford.

4. 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.

Chief Executive (Paddy Clifford), Chief Financial Officer (Grant Elliott), General Manager, City Enterprises (Ray McIndoe), General Manager, City Future (Sheryl Bryant), General Manager, City Networks (Ray Swadel), General Manager, Customer Services (Peter Eathorne), General Manager, Libraries and Community Services (Debbie Duncan), Human Resources Manager (Wayne Wilson) and Strategic Communications Manager (Mark Torley) because of their knowledge and ability to provide the meeting with advice on matters both from an organisation-wide context (being members of the Council’s Management Team) and also from their specific role within the Council.

Legal Counsel (John Annabell), because of his knowledge and ability to provide the meeting with legal and procedural advice.

Governance and Support Team Leader (Kyle Whitfield) and Committee

Administrators (Penny Odell and Rachel Corser), because of their knowledge and ability to provide the meeting with procedural advice and record the proceedings of the meeting.

< add officers who are authors of reports or their substitutes > because of their knowledge and ability to assist the meeting in speaking to their report and answering questions, noting that such officer will be present at the meeting only for the item that relate to their respective report.

<add third parties, e.g. authors of third party reports being considered>, 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].

MEMORANDUM

TO: Committee of Council

MEETING DATE: 20 February 2017

TITLE: Annual Budget (Plan) 2017/18 (Year three of the 10 Year Plan 2015-25) - Adopting Supporting Information and the Consultation Document

DATE: 14 February 2017

AUTHOR/S: Paddy Clifford, Chief Executive, Headquarters

RECOMMENDATION(S) TO COUNCIL

1. That the Committee approve and recommend to the 6 March Council meeting:
 - a. The following be adopted as supporting information that has been relied upon to prepare the Consultation Document for the 2017/18 Annual Budget (Plan):
 - Financial overview and forecast financial statements
 - Annual Budget (Plan) Disclosure Statement
 - Groups of Activities information, including financial forecasts and programme schedules
 - Significant forecasting assumptions
 - Descriptions of the proposed rating system, rates and funding impact statements
 - Descriptions of proposed levels of service for Council activities and performance measures
 - b. The adoption of the Consultation Document for the 2017/18 Annual Budget (Plan).
 - c. That, under the Council's Significance and Engagement Policy, decisions in accordance with the recommendations are considered to be not significant.

ITEM 4**1. ISSUE**

To seek Committee approval for the Annual Budget¹ supporting information and Consultation Document. This is so that this information can be formally adopted by Council, and then go out for public consultation.

The approved Consultation Document, will be presented to Council on 6 March for adoption.

2. BACKGROUND

Under Local Government legislation, the Council is not required to consult on an annual plan unless there is significant change to levels or service, funding issues, strategic assets by comparison with the particular year of the 10 Year Plan. The Council must still adopt an annual plan prior to 30 June 2017.

There are no significant changes to year three (2017/18) of the 10 Year Plan, however the Council has chosen to consult. It therefore must produce a Consultation Document and supporting information.

The proposed Consultation Document (attached) highlights what changes there are from year three of the 10 Year Plan, and in particular the small adjustments made to keep a good balance between what people expect Council to do and what it costs.

Many of the proposed changes are a consequence of decisions made by the Council when adopting the 2016/17 Annual Plan and are about improving the way Council consults and communicates with residents; making Palmerston North a more exciting place to live and visit by having more events and festivals; and improving the way that people move around Palmerston North.

Others are as a result of updated assumptions (for inflation and interest rates) as well as reflecting updated timelines for many of the programmes.

Some of the more minor changes which impact on levels of service are specifically highlighted.

Legislation means that the Council no longer publishes a full draft of the Annual Plan. However, the information that would have been in the draft plan is still required to be

¹ 'Annual Budget' is the term chosen this year to represent the 'Annual Plan' required under the Local Government Act 2002

adopted as supporting information and made publicly available particularly through Council's website.

Direction has been received from Councillors at workshops held at the end of 2016, and early 2017 to discuss development of the 2017/18 budget.

There is a strategy for public consultation in place. This includes a consultation period of one calendar month, during which time "Let's Talk" sessions will be held. These suggested sessions are outlined in the proposed Consultation Document.

The final Consultation Document will be available at the Council and at City and Branch Libraries, and on Council's website, from 17 March. It will also be distributed to all households with the Tribune newspaper on 22 March. Supporting information for the Annual Budget (Plan) will be available on the Council's website, so people can see more specific details about the 2017/18 year. The public will then have the option of making a submission and speaking to a Council Hearings' Committee.

It is intended that the proposed rates for each property will be able to be viewed on the Council's website.

Following the consultation period and hearings, the Council will be required to adopt its final Annual Budget (Plan) prior to 30 June 2017.

Supporting Information

In the context of the legislation the following are being considered the supporting information to be adopted by the Council:

- Financial overview and forecast financial statements
- Annual Budget (Plan) Disclosure Statement
- Groups of Activities information, including financial forecasts and programme schedules
- Significant forecasting assumptions
- Descriptions of the proposed rating system, rates and funding impact statements
- Levels of service and performance measures

These are attached as Appendices.



3. NEXT STEPS

Officers will make any changes resulting from the Committee of Council's decisions.

An updated final Consultation Document will be presented to the Council for adoption at its meeting on 6 March 2017.

ITEM 4

ATTACHMENTS

1. Supporting Information (attached separately) 
2. Annual Budget Consultation Document (attached separately) 

Paddy Clifford
Chief Executive