



PALMERSTON NORTH CITY COUNCIL

AGENDA

FINANCE AND PERFORMANCE

COMMITTEE

9AM, MONDAY 17 JUNE 2019

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



MEMBERSHIP

Susan Baty (Chairperson)

Jim Jefferies (Deputy Chairperson)

Grant Smith (The Mayor)

Adrian Broad

Gabrielle Bundy-Cooke

Vaughan Dennison

Lew Findlay QSM

Leonie Hapeta

Lorna Johnson

Karen Naylor

Bruno Petrenas

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

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

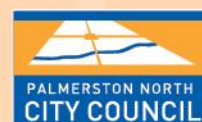
Heather Shotter

Chief Executive, Palmerston North City Council

Palmerston North City Council

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Private Bag 11034, 32 The Square, Palmerston North



FINANCE AND PERFORMANCE COMMITTEE MEETING

17 June 2019

ORDER OF BUSINESS

NOTE: The Finance and Performance Committee meeting coincides with the meeting of the Arts, Culture and Heritage Committee. The Committees will conduct business in the following order:

- Finance and Performance Committee
- Arts, Culture and Heritage Committee

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. Deputation - Traffic Management - Awapuni Page 7

6. Confirmation of Minutes Page 9

“That the minutes of the Finance and Performance Committee meeting of 15 April 2019 Part I Public be confirmed as a true and correct record.”

7. Update on College Street Transport Upgrade Page 17

Memorandum, dated 7 June 2019 presented by the Transport & Infrastructure Manager, Robert van Bentum.

8. BPO Quarterly Report Page 25

Report, dated 6 May 2019 presented by the Transport & Infrastructure Manager, Robert van Bentum.

9. Amendment to Fees and Charges Page 35

Memorandum, dated 30 April 2019 presented by the Strategy Manager Finance, Steve Paterson.

10. Palmerston North Airport Ltd - Final Statement of Intent for 2019/20 Page 39

Memorandum, dated 5 June 2019 presented by the Strategy Manager Finance, Steve Paterson.

11. Fees and Charges - Confirmation Following Public Consultation Page 67

Memorandum, dated 5 June 2019 presented by the Strategy Manager Finance, Steve Paterson.

12. Papaioea Place Redevelopment Quarterly Update Page 79

Memorandum, dated 8 May 2019 presented by the Property Manager, Bryce Hosking.

13. Camp Kilsby Scouting NZ: Application for Grant from Council to fund Development Contribution Fee Page 83

Memorandum, dated 31 May 2019 presented by the City Planning Manager, David Murphy.

14. Committee Work Schedule Page 93

15. 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
16.	Minutes of the Finance and Performance Committee meeting - Part II Confidential - 15 April 2019	For the reasons set out in the Finance and Performance Committee minutes of 15 April 2019, held in public present.	
17.	Pioneer City West Private District Plan Change Request	Negotiations	s7(2)(i)

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 (Heather Shotter), Chief Financial Officer (Grant Elliott), Chief Infrastructure Officer (Tom Williams), General Manager – Strategy and Planning (Sheryl Bryant), General Manager - Community (Debbie Duncan), Chief Customer and Operating Officer (Chris Dyhrberg), General Manager - Marketing and Communications (Sacha Haskell), Sandra King (Executive Officer) 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 Executive Leadership 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.

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

[Add Council Officers], 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], 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].

DEPUTATION

TO: Finance and Performance Committee

MEETING DATE: 17 June 2019

TITLE: Deputation - Traffic Management - Awapuni

RECOMMENDATION(S) TO FINANCE AND PERFORMANCE COMMITTEE

1. That the Finance and Performance Committee receive the deputation for information.
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SUMMARY

Annette Nixon will make a deputation outlining concerns regarding traffic management changes at the Awapuni Shopping Centre.

ATTACHMENTS

Nil

PALMERSTON NORTH CITY COUNCIL

Minutes of the Finance and Performance Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 15 April 2019, commencing at 9.01am

Members Present: Councillor Susan Baty (in the Chair), The Mayor (Grant Smith) and Councillors Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Karen Naylor and Bruno Petrenas.

Non Members: Councillors Brent Barrett, Rachel Bowen, Duncan McCann and Tangi Utikere.

Apologies: Councillor Leonie Hapeta (late arrival).

Councillor Duncan McCann was not present when the meeting resumed at 2.02pm. He was present for clause 21.

Councillor Leonie Hapeta was present when the meeting resumed at 2.02pm. She was not present for clause 21.

The Mayor (Grant Smith) left the meeting at 2.29pm during consideration of clause 25. He entered the meeting again at 2.48pm during further consideration of clause 25.

Councillor Tangi Utikere left the meeting at 2.52pm at the conclusion of clause 25. He entered the meeting again at 3.41pm during the consideration of clause 28. He was not present for clauses 26 to 27 inclusive.

Councillor Vaughan Dennison left the meeting at 2.54pm at the conclusion of clause 25. He was not present for clauses 26 to 30 inclusive.

Councillor Jim Jefferies left the meeting at 3.26pm at the conclusion of clause 26. He was not present for clauses 27 to 30 inclusive.

21-19 Apologies

Moved Susan Baty, seconded Rachel Bowen.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 21-19 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Jim Jefferies, Lorna Johnson, Duncan McCann, Karen Naylor, Bruno Petrenas and Tangi Utikere.

The meeting adjourned at 9.02am

The meeting resumed at 2.02pm

When the meeting resumed Councillor Duncan McCann was not present.

When the meeting resumed Councillor Leonie Hapeta was present.

22-19 Public Comment

Public Comment was received from Mr Robert Gibb regarding the action Council needed to take to transition to a low carbon economy.

Moved Tangi Utikere, seconded Leonie Hapeta.

The COMMITTEE RESOLVED

1. That the public comment be received for information.

Clause 22-19 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.

23-19 Confirmation of Minutes

Moved Susan Baty, seconded Jim Jefferies.

The COMMITTEE RESOLVED

1. That the minutes of the Finance and Performance Committee meeting of 18 March 2019 Part I Public be confirmed as a true and correct record.

Clause 23-19 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.

24-19 Huia Street Reserve

Memorandum, dated 29 March 2019 presented by the City Planning Manager, David Murphy and the Property Manager, Bryce Hosking.

Moved Susan Baty, seconded Jim Jefferies.

The COMMITTEE RECOMMENDS

1. That the Chief Executive be authorised to prepare a consultation document and undertake a consultation process under the Local Government Act 2002 prior to the Council making a decision about engaging with Parliament to initiate an amendment to the Palmerston North Reserves Act 1922 and / or the Palmerston North Reserve

Empowering Act 1966 to enable the disposal or development of Huia Street Reserve (Lots 3 4 Pt Lots 1 2 DP 545) for an alternative use.

2. That it be noted that should an amendment to the Palmerston North Reserves Act 1922 and / or the Palmerston North Reserve Empowering Act 1966 be enacted or made by Parliament that the disposal or development of Huia Street Reserve (Lots 3 4 Pt Lots 1 2 DP 545) may be subject to further consultation by the Council under the Local Government Act 2002 and / or Reserves Act 1977 and Resource Management Act 1991.
3. That the Council receive the residential development scenarios prepared for the Huia Street Reserve report dated 29 March 2019 that demonstrate one option (residential development) for how the Huia Street Reserve could be used in the future, noting that any final decision on the future use of the reserve is subject to an amendment to the Palmerston North Reserves Act 1922 and / or the Palmerston North Reserve Empowering Act 1966 and the results of public consultation under the Local Government Act 2002 and / or Reserves Act 1977 and Resource Management Act 1991.

Clause 24-19 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.

25-19

Fees and Charges Review

Report, dated 29 March 2019 presented by the Chief Financial Officer, Grant Elliott.

In regards to the Animal Control fees and charges, Elected Members believed the fee burden should be directed more towards non-compliant dog owners.

The Mayor (Grant Smith) left the meeting at 2.29pm

The Mayor (Grant Smith) entered the meeting at 2.48pm

Moved Leonie Hapeta, seconded Jim Jefferies.

The COMMITTEE RECOMMENDS

1. That the report titled 'Fees and Charges Review' dated 29 March 2019 be received and the current status of fees and charges be noted.

Trade waste

2. That the proposal to adopt updated fees and charges for Trade Waste services effective from 1 July 2019 as attached in Appendix 2 of the report titled 'Fees and Charges Review' dated 29 March 2019, 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.

Planning & Miscellaneous

3. 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 2019 as attached in Appendix 3 of the report titled 'Fees and Charges Review' dated 29 March 2019, 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

4. That the fees and charges for Building Services, as proposed in Appendix 4 of the report titled 'Fees and Charges Review' dated 29 March 2019 be adopted and following public notification take effect from 1 July 2019.

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 of the report titled 'Fees and Charges Review' dated 29 March 2019, be adopted and following public notification, take effect from 1 July 2019.

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 of the report titled 'Fees and Charges Review' dated 29 March 2019 be adopted, and once following public notification, take effect from 1 July 2019.

Burial & Cremation

7. That the fees and charges for Burial and Cremation, as proposed in Appendix 7 of the report titled 'Fees and Charges Review' dated 29 March 2019 be adopted and following public notification take effect from 1 July 2019.

Service Connections

8. That the fees and charges for Service Connections, as proposed in Appendix 8 of the report titled 'Fees and Charges Review' dated 29 March 2019 be adopted and take effect from 1 July 2019.

Recycling Charges

9. That the fees and charges for Recycling as proposed in Appendix 9 of the report titled 'Fees and Charges Review' dated 29 March 2019 be adopted and take effect from 1 May 2019.

Moved Lorna Johnson, seconded Tangi Utikere.

10. That a review of the charging structure for animal control fees be undertaken to explore a mechanism to shift the fee burden to non-

compliant dog owners and reported back to the Finance and Performance Committee.

Clause 25-19 above was carried 13 votes to 0, with 1 abstention, the voting being as follows:

For:

Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Vaughan Dennison, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.

Abstained:

The Mayor (Grant Smith).

Councillor Tangi Utikere left the meeting at 2.52pm

Councillor Vaughan Dennison left the meeting at 2.54pm

- 26-19 Quarterly Performance and Finance Report - Quarter Ending 31 March 2019**
Memorandum, dated 9 April 2019 presented by the Finance Manager, Stuart McKinnon and the Head of Community Planning, Andrew Boyle.

Moved Susan Baty, seconded Leonie Hapeta.

The **COMMITTEE RESOLVED**

1. That the Committee receives the March 2019 Quarterly Performance and Financial Report.

Clause 26-19 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Lew Findlay QSM, Leonie Hapeta, Jim Jefferies, Lorna Johnson, Karen Naylor and Bruno Petrenas.

Councillor Jim Jefferies left the meeting at 3.26pm

- 27-19 Treasury Report - 9 months ended 31 March 2019**
Memorandum, dated 3 April 2019 presented by the Chief Financial Officer, Grant Elliott.

Moved Susan Baty, seconded Leonie Hapeta.

The **COMMITTEE RESOLVED**

1. That the performance of the treasury activity for the 9 months ended 31 March 2019 be noted.

Clause 27-19 above was carried 11 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Brent Barrett, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Lew Findlay QSM, Leonie Hapeta, Lorna Johnson, Karen Naylor and Bruno Petrenas.

28-19 External Fundraising Update

Memorandum, dated 29 March 2019 presented by the Commercial Advisory Manager, Fiona Dredge.

Councillor Tangi Utikere entered the meeting at 3.41pm

Moved Karen Naylor, seconded Rachel Bowen.

The **COMMITTEE RESOLVED**

1. That the memorandum titled 'External Funding Update' dated 29 March 2019 be received for information.

Clause 28-19 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Lew Findlay QSM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.

29-19 Committee Work Schedule

Moved Leonie Hapeta, seconded Susan Baty.

The **COMMITTEE RESOLVED**

1. That the Finance and Performance Committee receive its Work Schedule dated April 2019.

Clause 29-19 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Lew Findlay QSM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.

EXCLUSION OF PUBLIC

30-19 Recommendation to Exclude Public

Moved Susan Baty, seconded Rachel Bowen.

The **COMMITTEE RESOLVED**

"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
13.	CET Arena Artificial Pitch Project Update	Commercial Activities	s7(2)(h)

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 (Heather Shotter), Chief Financial Officer (Grant Elliott), Chief Infrastructure Officer (Tom Williams), General Manager – Strategy and Planning (Sheryl Bryant), General Manager - Community (Debbie Duncan), Chief Customer and Operating Officer (Chris Dyhrberg), General Manager - Marketing and Communications (Sacha Haskell), Sandra King (Executive Officer) 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 Executive Leadership 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.

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

Property Manager (Bryce Hosking), because of his knowledge and ability to assist the meeting in speaking to his report and answering questions, noting that such officer will be present at the meeting only for the item that relates to his report.

Clause 30-19 above was carried 11 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Susan Baty, Rachel Bowen, Adrian Broad, Gabrielle Bundy-Cooke, Lew Findlay QSM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Bruno Petrenas and Tangi Utikere.

Against:

Councillor Brent Barrett.

The public part of the meeting finished at 3.49pm

Confirmed 20 May 2019

Chairperson

MEMORANDUM

TO: Finance and Performance Committee

MEETING DATE: 17 June 2019

TITLE: Update on College Street Transport Upgrade

DATE: 7 June 2019

PRESENTED BY: Robert van Bentum, Transport & Infrastructure Manager, Infrastructure

APPROVED BY: Tom Williams, Chief Infrastructure Officer

RECOMMENDATION(S) TO FINANCE AND PERFORMANCE COMMITTEE

1. That the memorandum titled 'Update on College Street Transport Upgrade' dated 7 June 2019 be received.

1. ISSUE

- 1.1 Council has approved works funded from several programmes to upgrade College Street to improve safety for all road users. The primary focus of the project is improving safety for bus passengers by installation of bus bays and for cyclists by providing buffered cycle lanes and removing conflicts with parked cars. The design process has also sought to balance the needs of vehicle traffic with minimising the impact of the project on the provision of on-street parking.
- 1.2 The project is being implemented in two stages:
 - Stage 1. Maxwell's Line to Botanical Road and Batt St to Albert St (underway)
 - Stage 2 Botanical Road to Batt Street (deferred to provide for a review of design options)
- 1.3 The decision to split the project was taken to enable a review of the design for Stage 2 to be undertaken to consider further the feedback received over the loss of on-street car parks. It was hoped to identify whether there were any alternative options to deliver the same safety outcomes for active transport users with reduced impacts on parking.

- 1.4 Work has been progressing with Stage 1. Although there is a more limited loss of on-street parking in these sections of College Street, some residents, community users and businesses have raised concerns about the impact of the loss of parking on specific user groups. This report provides detail on the consultation and engagement that has been undertaken, the mitigations considered and the assessed impact of the loss of parking. The report also provides an update on progress with physical work and project expenditure on Stage 1 and initial assessments for Stage 2.

2. BACKGROUND

- 2.1 The College Street Transport Upgrade project has been in planning for some two years. The final project cost is still uncertain as the final design and cost for Stage 2 has yet to be finalised. The current estimate for the project with no allowance for parking loss mitigation, is \$1,000,000. The project is being funded over two financial years 2018-19 and 2019-20 from two Council programmes. A summary of the budget allocations is provided in Table 1.

Table 1 College Street Transport Upgrade – Budget Provision

Programme	FY 2018/19	FY 2019/20	Totals
Programme 1216 – City Wide Additional Cycle Lanes	\$7,000*	\$104,000	\$111,000
Programme 279 – City Wide – Minor Road Safety Improvements	\$325,000	\$574,000	\$899,000
Totals	\$332,000	\$678,000	\$1,000,000

*Remainder of 2018/19 budget spent on line marking cycleways elsewhere in the city

- 2.2 The scope of works includes installation of indented bus bays, modifications to existing pedestrian refuges, signage and line-marking removal and installation. There is no provision for any work to alter the kerb line on either side of the road to provide for improved parking outcomes. The work receives subsidy from NZTA based on its contribution to improved safety for active transport users.

3. CONSULTATION AND ENGAGEMENT

- 3.1 Council Officers have undertaken wider community engagement and focussed consultation on the project since early 2018. A summary of the key consultation and engagement is provided as follows:
- 3.1.1 Initial consultation on the project began in early 2018 with a hand delivered letter drop. Officers delivering the letters discussed key aspects of the proposals with community members and business owners of the Churches and businesses at Awapuni (Pitma Shops) encountered during the letter delivery.

- 3.1.2 A public meeting was held in May 2018, in response to concerns from residents in the Batt to Botanical section of College Street about the loss of on street parking. The meeting was attended by residents and cycling advocates and a wide range of views were canvassed. Following the meeting Officers elected to defer the Botanical to Batt section of the project to provide an opportunity to consider design alternatives which might reduce the loss of on-street parking.
- 3.1.3 Ongoing consultation through site visits with residents and email/phone correspondence has continued for Stage 1 works. The feedback from this engagement was incorporated into a revised design for Stage 1 of the project which was released in September 2018. The revised design was shared with the “People on Bikes” Forum members.
- 3.1.4 Detail design of Stage 1 completed and the project tendered in early 2019.
- 3.1.5 The detailed designs were reviewed at the time of tender and the specific additional impacts on parking not highlighted during the first period of consultation were identified. A further round of letters was hand delivered to effected residents to make them aware of the changes.
- 3.1.6 At the same time, residents along the entire length of College Street (including Batt to Botanical) were provided with an update on the project. It is at this time that the Churches and shops in Awapuni became aware of the changes and additional parking impacts.
- 3.1.7 The design for stage 1 currently being implemented is as consulted on in September 2018, with the only difference being the removal of a further 2 carparks at the Awapuni shopping centre in front of the Chemist.
- 3.2 Since concerns were raised by the members of the affected churches and businesses, Officers have had meetings on site with all parties and communicated with the affected parties by phone and email to report on the outcomes of further investigations and assessments. All the concerns relate to the loss of parking (18 spaces comprising 8 marked spaces and 10 unmarked) in the immediately vicinity of the shopping centre and churches within College Street. Following the meetings Officers agreed to undertake some further work:
 - Complete specific parking surveys in the Awapuni shopping area to assess the current level and pattern of parking occupancy and the potential impact of the project
 - Consider changes to mitigate the loss of parking

4. PARKING SURVEYS

- 4.1 A survey of parking availability and occupancy was undertaken for the entire length of College Street in March 2018. This indicated low levels of occupancy with no more than 25% (54) of the estimated 215 parking spaces between Maxwell's Line and Botanical Road being occupied at any time during the day. It was this data that provided confidence to Officers that modest reductions in parking availability would not result in material impacts to residents and users for most of the time. It was always acknowledged that on one off occasions, the reduced parking availability would require users to park at some distance from residences and businesses.
- 4.2 More recently, in response to the concerns of Awapuni Churches and businesses, Officers completed two further parking surveys on 16 April 2019. The surveys recorded the level and duration of car-park use in the area.
- 4.3 Officers estimate there to be 194 car parks (114 public & 80 private) within approximately 200m of the shopping centre. The project will reduce that number by 15 to 179 spaces approximately which is a reduction of less than 8 %.
- 4.4 The key findings from the shopping centre parking surveys include:
- There are approximately 114 on-street car parking spaces within the surveyed area and more at distances greater than 200m. Of these 114 parking spaces, 18 are located on College Street in the immediate vicinity of the shopping centre.
 - Of the 18 parking spaces on College Street, between Panako and Miles, the upgrade will result in the loss of 15, with 3 remaining. The 15 parking spaces lost are all within 100m of the shops, garage and church.
 - A maximum of 39% of the car parks surveyed were occupied at any one time during the survey. During the survey peak period, 16 of the 18 spaces (89%) on College Street were utilised.
 - On-street parking in the immediate vicinity of the shopping centre is largely utilised by employees of the businesses in the area and these are generally occupied all day. The survey identified 11 of the 18 on-street College Street car parks were occupied all day, indicating that only 5 car parks were routinely used by customers.
 - The side roads of Miles, Nairn, Panako and Pitama Road have significant parking capacity and are currently underutilised. The furthest walking distance from these parks to the shops is 450m (approximately 6 minutes walking time).
 - During the survey peak parking demand period, at least 67 parking spaces were available within these streets. The parking demand during the survey peak demand period could all be accommodated in side streets within 200m walk from the businesses.

- 4.5 The parking survey confirms that much of the affected car parking on College Street is occupied by staff and employees of the businesses. If staff and employees were to park in the side streets at a distance from the shopping centre, then that there more than adequate parking to accommodate typical demand at any time.

5. MITIGATION MEASURES CONSIDERED

- 5.1 During the engagement with Awapuni Shopping centre business owners and users, several mitigation strategies to reduce the loss of parking were proposed including:
- Construction of traffic calming creating a shared space for cyclists and vehicles as has been recently implemented in Cuba Street
 - Construction of indented parking
 - Installation of time limited parking for all parking within 100m of the shopping centre
- 5.2 Officers have considered and assessed the feasibility, practicality and cost of these options as follows.
- 5.3 **Traffic Calming:** While there are traffic calming treatments installed elsewhere in the city, e.g. Square and Cuba Street, these areas are specifically designed to be shared spaces for cyclists and traffic. To be effective and safe shared spaces require the road operating speed and traffic volume to be low. These conditions do not exist in College Street as it is a collector road and carries significant volumes of traffic including heavy vehicles. Officers consider that transitioning the cycle lanes to a shared space outside the shopping precinct would provide both an uncomfortable and unsafe environment for cyclists and will result in a slowing of traffic movement.
- 5.4 **Indent Parking:** Officers have considered options for constructing indented car parking outside 105-107, 92-96 and 115 - 117 College Street. The assessment identified that:
- indented parking outside 105-107 could accommodate up to 4 parks, with the removal of a tree and at a cost of around \$40,000. However, the parking need on this side of College Street is low as existing parking here is utilised all day
 - reinstatement of 6 parks outside 92-96 College Street could be achieved with realignment of the kerb and removal of a tree, as well as by reducing footpath width to 2.4m, at an estimated cost of around \$50,000. These parks would be more appropriate as they can provide for customer parking.

- indented parking outside 115/117 could accommodate up to 4 parks, however it is not recommended as it would requiring a reduction in footpath width to 1.45m
- 5.5 The only option which is considered to have some merit is the provision of some indented parking at 92 to 96 College Street. It remains the Officer's view however that there is adequate existing parking in the side streets to accommodate current demand. It should also be noted that provision of parking is not a cost eligible for NZTA funding support. To give effect to this requirement will require approval of separate and additional funding.
- 5.6 **Time Limited Parking:** Implementation of time limited P30 or P60 parking restrictions would be relatively straightforward although there would be a cost for signage and an on-going cost for compliance, which will require additional operating budget.
- 5.7 Officers consider that given the parking surveys have indicated there is adequate parking in close proximity (within 200m) of the shopping centre, that implementation of time limited parking would ensure that nearby parking is available for short stay customers and users, rather than staff and employees of the businesses.
- 6. **PROJECT PROGRESS**
 - 6.1 Work is well advanced on construction of the 11 indented bus bays within stage 1 of the project. Construction of 4 bus bays have been completed and the remaining 7 are well on track to be completed by the end of the financial year. Removal of trees and relocation of signs and street lights has been required in some locations.
 - 6.2 The balance of the work comprises line marking. For the section of College Street from Fitzherbert to Victoria, the road was planned to be re-sealed this year however this cannot now occur given the cool and wet weather conditions. The re-sealing will now occur in October or November and line marking of this section will be undertaken at that time immediately following sealing.
 - 6.3 For the section of College Street from Maxwell's Line to Botanical, where the line marking needs to be altered, work to remove and then reinstate new line marking will be undertaken in the current financial year.
 - 6.4 The total estimated cost for Stage 1 of the project based on the current scope of work is \$582,000 with \$387,000 to be spent from the 2018/19 budgets and the balance of \$195,000 from the 2019-20 programme budgets. Around 95% of the 2018/19 budget will be spent by 30 June.

7. STAGE 2 OF COLLEGE STREET TRANSPORT UPGRADE

- 7.1 A review has been completed of the Botanical to Batt section of College Street. This has confirmed that the road width is such that buffered cycle lanes on both sides of the road can only be provided by elimination of all the existing parking on this section of College Street.
- 7.2 The current number of car parks in this section is approximately 124. If the car parks within 50m of a side street are ignored on the basis that on-street parking in the side street is adequate to compensate for the loss, the total current effective number of car-parks in this section is 108.
- 7.3 The original parking survey for College Street, indicated that typical occupancy and therefore demand is around 25% or 27 car parks. Officers have considered the road alignment and identified that if 27 on-street parks are to be provided by way of indented car parks, the most cost-effective option would comprise provision of alternating blocks of parking in locations with few obstructions e.g. trees and street lights and available berm width.
- 7.4 Approximately 7 locations have been initially identified which could yield up to 31 car parks in total. The rough order estimate for implementing all the additional parking is \$250,000. As already signalled, there is no budget within the existing programmes for this work, and as it would not attract NZTA subsidy, a dedicated Council programme would be required to fund this work.
- 7.5 Officers propose to develop a range of options for the Stage 2 works, consult on these with the affected residents and then report back to Council on the recommended option, for endorsement and additional funding approval prior to proceeding with implementation.

8. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 2: A Creative and Exciting City	

The recommendations contribute to the outcomes of the Creative and Liveable Strategy	
Contribution to strategic direction	<p>This programme contributes to delivery and utilisation of the Primary On-Road Cycling network by improving the level of service and safety for cyclists. This is achieved by delivering wider cycle lane width, reducing conflicts with stationary buses at bus stops and reducing conflicts between cyclists and parked cars.</p> <p>The ultimate objective in delivering an improved and safer cycling route is to encourage more commuters to shift from cars to cycling as their preferred commuter option.</p>

ATTACHMENTS

Nil

REPORT

TO: Finance and Performance Committee

MEETING DATE: 17 June 2019

TITLE: BPO Quarterly Report

DATE: 6 May 2019

PRESENTED BY: Robert van Bentum, Transport & Infrastructure Manager,
Infrastructure

APPROVED BY: Tom Williams, Chief Infrastructure Officer

RECOMMENDATION(S) TO FINANCE AND PERFORMANCE COMMITTEE

1. That the Committee receive the update for the Wastewater BPO Project as detailed in the report titled 'BPO Quarterly Report' dated 6 May 2019.

1. REPORT PURPOSE

- 1.1 To purpose of the report is to provide an update to the Finance and Performance Committee of Council on the achievements of the Wastewater BPO Project for the period ending 31 April 2019. This is the first update for the calendar year and is intended to be provided on a quarterly basis and supplements the monthly Project Steering Group (PSG) Meetings and project workshops undertaken with full Council at key milestone stages of the Project.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

2.1 Introduction

- 2.1.1 The Council is required to lodge an application for new resource consents for the Best Practicable Option (BPO) for the Totara Road Wastewater Treatment Plant, by 30 June 2022.
- 2.1.2 The BPO Project was initiated in 2017 and has progressed to date, in line with the Project Programme adopted by the Council (refer Attachment 1). To date, all the key tasks within the control of the Project Manager and the project Technical Team, have been achieved within this Programme.
- 2.1.3 The 2018/28 Long Term Plan confirmed an annual budget of \$1,244,000 for the 2018/19 Financial Year.

2.2 Identification of BPO Options

- 2.2.1 In August 2018, the PSG adopted the recommended methodology to develop the Best Practicable Option (BPO) (refer Attachment 2).
- 2.2.2 Between September and December 2018, the Projects Technical Team worked with stakeholders to develop the preliminary list of options (longlist) for the Wastewater BPO. A total of 34 options were developed across 6 categories. These categories included: Land, River, Groundwater, Ocean, Direct to Water Supply, Land and River combined. Sub-regional schemes and alternative treatment plant locations were options considered for all categories (refer Attachment 3).
- 2.2.3 This longlist was assessed by the technical team to determine options that had a 'Fatal Flaw'. The fatal flaw criteria included:
- Significant increase in public health risk
 - Significant increase in adverse environmental, cultural, social effects on the River
 - Unproven technology
 - Prevents growth and economic development in Palmerston North
 - Absolutely un-consentable under the RMA

- Whole-of-life costs are absolutely unaffordable

- 2.2.4 An assessment of the longlist options was undertaken by the project technical team and Rangitane resulting in the identification of 8 options which it was considered should be fatally flawed. A Council workshop was held on 11 November 2018 and in addition to a briefing on each of the options, the initial assessment of the technical team and Rangitane was also presented to councillors. Council confirmed in principle a longlist of 26 options and endorsed the proposed removal of the 8 fatally flawed options. The longlist options were subsequently further refined and adjusted following the workshop during December and presented to the Council for adoption in December 2018.
- 2.2.5 During the period January to April 2019, the Project Team has completed technical analysis to develop comparative assessments of each of eight criteria namely: Public Health, Natural Environment, Maori Cultural Health, Social and Community Considerations, Financial Implications, Technology and Infrastructure, Resilience and Economic Growth and Development. Monthly PSG meetings continued to occur during this time.
- 2.2.6 The Project is now in the final stages of preparing the background information and assessments for each of the longlist options. The Project Steering Group, Technical Team and key stakeholders, are scheduled to meet on 3 May 2019 to workshop the longlist options and develop an initial shortlist of options.
- 2.2.7 The workshop will use a traffic light approach to score a selection of eight (8) criteria previously agreed by the PSG and Council in February 2019. Comparative assessments have been completed and will be presented by technical experts, which cover the following criteria: Public Health, Natural Environment, Maori Cultural Health, Social and Community Considerations, Financial Implications, Technology and Infrastructure, Resilience and Economic Growth and Development.
- 2.2.8 Following this initial workshop assessment, the options will be subjected to the further stage BPO test and then reported to the PSG for their final approval. The next stage in the confirmation of a shortlist will be a Council workshop, scheduled for 17 June 2019, to consider the recommended short list options. Following this it is hoped a final shortlist can be submitted to Council for formal approval and adoption at their meeting on 24th June 2010.

2.3 Stakeholder Engagement

- 2.3.1 Consultation and engagement with key stakeholders commenced in August 2018 and has been ongoing. Introduction of the project to and establishment of initial relationships with key stakeholder groups, commenced in August 2018. Key stakeholders with whom the project has engaged include Horizons Regional Council, wider regional Iwi, Environment Network Manawatu, Manawatu River Leaders Accord members, neighbouring local councils, major trade waste businesses and

Massey University. A stakeholder engagement report was prepared by Stantec in December 2018 that summarised engagement completed in 2018. This information was used to inform the development of the longlist.

- 2.3.2 Following an initial project launch in February 2019, there has been an on-going programme of communication and engagement with the wider community. This has generally focussed on website and social media channels, but been supplemented by print, radio and a wastewater treatment plant open day. With each stage and key milestone in the project, the web and communication content has been refreshed and amended.
- 2.3.3 Engagement with neighbouring Iwi began in March 2019 and will be ongoing. An Iwi advisor has been appointed to support the Project and is assisting the Principal Iwi Advisor in Council in fronting this engagement process.
- 2.3.4 One-to-one engagement with Horizons Regional Council, neighbouring local councils, Massey University, Environment Network Manawatu, Chamber of Commerce have been carried out in April 2019 and will continue.
- 2.3.5 Focused engagement will be undertaken with the trade waste sector in June and July 2019. This follows on from the successful workshop undertaken in November 2018 with major trade waste businesses.
- 2.3.6 A stakeholder management plan will be required for the Project from July 2019 covering the engagement necessary to develop the confirmed shortlist options should these be formally adopted and confirmed by Council on 24 June 2019.

2.4 **Technical & Legal Review**

- 2.4.1 All key technical deliverables documents prepared by the Technical consultants (Stantec) to the Project, have been reviewed by Mott McDonald. The recommendations have been reviewed by the Project Team and presented to the PSG. These will be managed as the Project continues to progress.
- 2.4.2 Simpson Grierson have been appointed as legal advisors to the Project. Reports have been provided to Simpson Grierson Consultants for review, which includes: Critical Statutory Planning and Consent Decisions Report, Alternatives Assessment Methodology and Consultation and Communications Plans. Comments have been received, which confirmed the planning and alternatives assessment approach, are robust and well prepared. Comments have been received with respect to the consultation plans, which have been addressed.

2.5 **Financial Update**

- 2.5.1 When the budget was allocated in July 2018 across work packages necessary to proceed to the recommended shortlist by June 2019, the work packages and

resourcing for the project was based on the projects needs and best estimates. Budgets were developed with Stantec and every attempt was made with our lead consultants to reduce costs as much as reasonably possible, without compromising the Projects delivery. A large proportion of savings in the BPO Budget was made by prioritisation of tasks confirmed by the Project Manager and work undertaken by PNCC staff. This included:

- The Project Manager undertaking the technical planning work required for the comparative assessment (WP14)
- Trade Waste Officer and Project Manager undertaking the lead on investigating trade waste (flows and loads) (WP7.1)
- Stakeholder engagement is led by the Project Manager with minimal (but essential) support from Stantec's Project Manager

2.5.2 As the Project has evolved, resourcing and requirements of the Project has advanced, requiring additional work to be carried out in some areas. In addition to the savings made in the above-mentioned work packages, over-allocation has been identified in the 'Project Governance' and 'Shortlist Options' budgets. This is because tasks that would have been allocated in Project Governance have been moved to Project Management and the shortlist Options will occur in the next financial year. I can confirm that there will be no additional budget before the end of the Financial Year is required within the existing work packages.

2.5.3 Re-allocation of the surplus budget has been completed to ensure expenditure exceeds budget in only a few minor areas. The revised budget was presented to the Project Steering Group at the May PSG Meeting (Financial Status report). The following lists the additional work packages that were completed this Financial Year and were above the original budget scoped:

- Legal Advisors appointment (Simpson Grierson)
- Additional policy and plan change review (Horizons One Plan)
- Consultation Management Software set up (Darzin)
- Iwi Advisor
- Mott MacDonald Reviews of technical work prepared by Stantec

3. NEXT ACTIONS

3.1 Following the Traffic Light Workshop with the PSG, Technical experts and stakeholders, the Longlist Options will be checked against the BPO objectives (BPO Test) and then reported to the PSG for their approval and confirmation. The draft shortlist will then be considered in a full Council workshop scheduled for 17th June




following which it is hoped that Council will approve adoption of the short list of options at the 24th June Council meeting.

- 3.2 A Stakeholder Engagement Plan is required for the next stage of the Project from July onwards. This will be required to address sensitive matters, such as consultation with potentially affected land owners and Iwi, along with neighbouring Councils and wider interest groups in the Region.

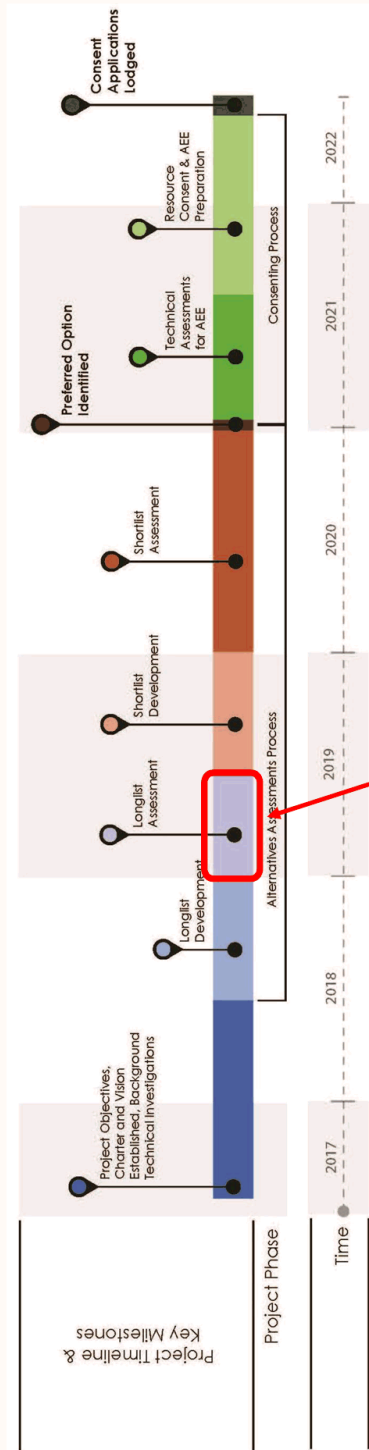
COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations give effect to the Wastewater BPO Project, which is required to obtain a new resource consent for the BPO by June 2022.	

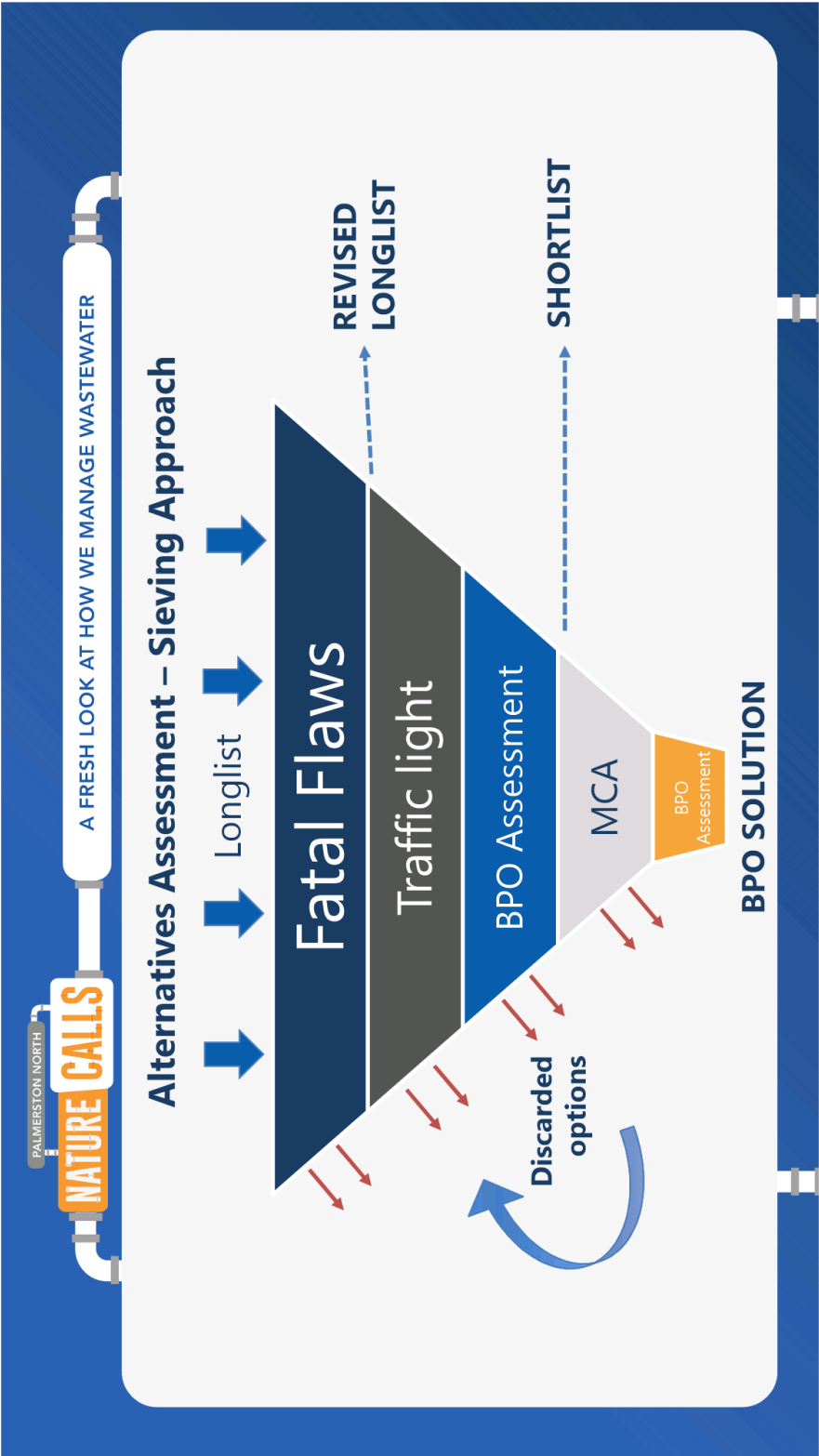
ATTACHMENTS

1. BPO Project Programme [↓](#) 
2. BPO Project Methodology for Options Development [↓](#) 
3. BPO Longlist Options Categories [↓](#) 

BPO Review Timelines



We are here, completing the longlist options process. A shortlist will be proposed to Council in July 2019



Draft Longlist options

- 6 Broad Categories
- 34 Options, plus sub-regional possibilities
- No fatal flaw assessment yet



PALMERSTON NORTH

NATURE CALLS

Kia whakamahi tika tātou wai

MEMORANDUM

TO: Finance and Performance Committee

MEETING DATE: 17 June 2019

TITLE: Amendment to Fees and Charges

DATE: 30 April 2019

PRESENTED BY: Steve Paterson, Strategy Manager Finance, Finance

APPROVED BY: Grant Elliott, Chief Financial Officer

RECOMMENDATION(S) TO COUNCIL

1. That it be noted that at the Finance and Performance Committee meeting on 15 April 2019 oral advice was given that the fees and charges for online service consenting (Building Services) as identified on page 79 of the Finance and Performance Committee agenda dated 15 April 2019 should be amended with the following:

Value of work less than \$125,000	\$86
Value of work more than \$125,000 up to \$2.5m	0.0748%
Value of work more than \$2.5m	\$1,868

2. That the fees and charges for Building Services effective from 1 July 2019 include the fees and charges for online consenting services at the levels outlined in recommendation 1.

1. ISSUE

At the meeting on 15 April 2019 the Committee considered a report titled “Fees and Charges Review” dated 29 March 2019 and recommended to the Council the adoption of the recommendations in the report. This recommendation was subsequently adopted by the Council on 29 April 2019.

It is not clear from the minutes of the meeting that the Chief Financial Officer, in introducing the report, orally identified some changes needing to be made to the fees scheduled in the report for Building services. This memo seeks to have the record made clear so that it is obvious from the paper trail that the fees and charges subsequently adopted by the Council include the changes identified at the meeting.

2. BACKGROUND

Page 79 of the agenda contained part of a schedule of proposed fees and charges for Building Services. In particular, it proposed the following fees and charges for online service consenting:

Value of work less than \$125,000	\$75
Value of work more than \$125,000 up to \$2.5m	0.065%
Value of work more than \$2.5m	\$1,625

The figures in this table are GST exclusive whereas the remainder of all the fees and charges in the schedule were GST inclusive. They should have been shown GST inclusive as follows:

Value of work less than \$125,000	\$86
Value of work more than \$125,000 up to \$2.5m	0.0748%
Value of work more than \$2.5m	\$1,868

3. NEXT STEPS

The updated fees and charges will be implemented effective from 1 July 2019 as adopted by the Council.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	No
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 5: A Driven and Enabling Council	
The recommendations contribute to the outcomes of the Driven and Enabling Council Strategy	
Contribution to strategic direction	Not applicable

ATTACHMENTS

Nil

ITEM 9

MEMORANDUM

TO: Finance and Performance Committee

MEETING DATE: 17 June 2019

TITLE: Palmerston North Airport Ltd - Final Statement of Intent for 2019/20

DATE: 5 June 2019

PRESENTED BY: Steve Paterson, Strategy Manager Finance, Finance

APPROVED BY: Grant Elliott, Chief Financial Officer

RECOMMENDATION(S) TO COUNCIL

1. That the Palmerston North Airport Ltd Statement of Intent for 2019/20 be endorsed.

1. ISSUE

Palmerston North Airport Ltd (PNAL) as a Council controlled trading organisation is required to prepare and adopt a Statement of Intent (SOI) each year before 30 June. The final SOI for 2019/20 is attached for Council endorsement.

2. BACKGROUND

PNAL's draft SOI for 2019/20 was considered by the Finance & Performance Committee on 18 March 2019. The draft was received and its assumptions endorsed.

PNAL's Board has reconsidered the draft and made a number of changes which are outlined in the introductory letter dated 5 June 2019 from the Chief Executive. The changes mainly reflect an updating of the timing and scale of the proposed capital expenditure programme but also incorporate updated performance targets. Total passenger movements have been revised downward by approximately 1.7% reflecting Air New Zealand's recently announced planned capacity reductions on Palmerston North routes.

The overall thrust of the SOI is unchanged.

3. NEXT STEPS





PNAL will make their final SOI publicly available as required by the Local Government Act.

It is intended that PNAL's annual report for the year to 30 June 2019 will be considered by the Finance & Performance Committee at its September meeting.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 1: An Innovative and Growing City	
The recommendations contribute to the outcomes of the City Development Strategy	
The recommendations contribute to the achievement of action/actions in the Strategic Transport Plan	
The action is: Work with the airport company to ensure the airport's strategic intent aligns with the City's aspirations	
Contribution to strategic direction	The airport is a key strategic gateway to the City

ATTACHMENTS

1. Cover letter from PNAL  
2. Final SOI for 2019-20  



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5th June 2019

The Shareholder,
Palmerston North Airport Limited
C/- Ms Heather Shotter
Chief Executive Officer
Palmerston North City Council
Private Bag 11034
PALMERSTON NORTH

Dear Heather

FINAL STATEMENT OF INTENT 2019/20

Please find enclosed Palmerston North Airport Limited's (PNAL) Final Statement of Intent (SOI) for 2019/20 through to 2021/22.

The Final SOI has been reviewed and approved by the PNAL Board of Directors.

The major factor impacting on the SOI revisions includes an advancement in PNAL's commercialisation plans and refinement of subdivision development costs associated with Ruapehu Business Park.

Other factors that have been considered include last week's announcement by Air New Zealand of a 2% reduction in seat capacity on routes to/from Palmerston North Airport, which has impacted on passenger volume projections across the three-year period. However, a surge in passenger demand is still anticipated in 2020/21 as regional infrastructure projects gain momentum. No material impact on aeronautical revenue projections is anticipated from Air New Zealand's announcement.

The following amendments have been made to the Draft 2019/20 Statement of Intent, presented to the Finance and Performance Committee on 18 March 2019:

- Planned capital expenditure during the three-year SOI period to 2021/22 increases by \$8.5 million to \$27.5 million (\$19.0 million). This includes a carry forward of \$1.5 million of capex from 2018/19 associated with the development of new rental car facilities and pavement related works, a further \$0.6 million for another new rental car facility, an additional \$3.2 million of capex associated with the proposed Terminal Development Plan, (to ultimately facilitate passenger and baggage screening and projected passenger growth in Year 3 of the SOI), and an additional \$2.2 million of capex associated with subdivision development costs within Ruapehu Business Park.
- Total revenue remains unchanged at \$11.22 million in 2019/20, notwithstanding the Air New Zealand capacity reductions discussed above.
- Operating expenditure has increased to \$5.67 million (\$5.35 million) driven by provisions for additional resourcing costs associated with Ruapehu Business Park commercialisation, and asset management plan related costs.
- A Net Operating Surplus of \$1.97 million (\$2.25 million) is now projected in 2019/20, \$2.55 million (\$2.89 million) in 2020/21, and \$3.23 million (\$3.595 million) in 2021/22.

- A dividend distribution of 40% of the net surplus results in projected dividend being declared of \$0.79 million (\$0.89 million) in 2019/20, \$1.02 million (\$1.15 million) in 2020/21, and \$1.29 million (\$1.44 million) in 2021/22.
- A revision to Performance Metric 10.1 with the re-statement of the ratio as "Surplus before interest/ tax/ revaluations and depreciation to total assets" ("Net surplus before interest/ tax/ and revaluations to total assets").
- A revision to Performance Metric 10.6 "Net Promoter Score", to targets of 50 (60) in 2019/20, 55 (65) in 2020/21, and 60 (70) in 2021/22. This is due to the recalibration of base data and 2018/19 actual performance. Note that internationally a score above 50 is considered Excellent and above 70 is World Class.
- A revision to Total Passenger Movement forecasts at Performance Metric 10.7 to 680,000 for 2019/20 (692,256), 702,000 for 2020/21 (714,818), and 762,000 (774,220) for 2021/22. This is due to the recently announced 2% capacity reduction by Air New Zealand on Palmerston North routes.

A revaluation of landside infrastructure and all airport landholdings is currently being undertaken. This will have an impact on the 2018/19 financial statements however this impact is unknown at the time of writing.

Yours sincerely



David Lanham
Chief Executive Officer



PALMERSTON NORTH AIRPORT LIMITED

STATEMENT OF INTENT

FOR THE YEAR ENDING 30 JUNE 2020

FINAL

06 June 2019

STATEMENT OF INTENT

2019-20

PALMERSTON NORTH AIRPORT LIMITED

1 INTRODUCTION

- 1.1 This Statement of Intent (SOI) is prepared by the Board of Directors of Palmerston North Airport Limited in accordance with s64 of the Local Government Act 2002. The SOI has been prepared under the new Public Benefit Entity (PBE) Standards based on International Public Sector Accounting (IPSAS) Standards.
- 1.2 Palmerston North Airport Limited ('The Company') falls within the definitions of both a Council-Controlled Organisation and a Council-Controlled Trading Organisation pursuant to s6 of the Local Government Act 2002 as a consequence of the Palmerston North City Council's shareholding.
- 1.3 This Statement declares publicly the activities and intentions of the Company, and provides an opportunity for shareholders to influence the direction of the Company. It also provides a basis for accountability of directors to Shareholders for the Company's performance. It is intended to comply with Schedule 8 of that Act, and be consistent with the Company's Constitution.
- 1.4 The SOI is reviewed annually. This SOI is in respect to the 2019/20 financial year ending 30 June 2020, and the following two financial years ending 30 June 2021 and 30 June 2022.
- 1.5 The Company owns and operates Palmerston North Airport, having purchased the airport business on 30 January 1990. The Company is trading as Palmerston North Airport Limited.
- 1.6 Contact details for both the Chairman and the Chief Executive are:

Address:	First Floor, Terminal Building Palmerston North Airport Airport Drive P O Box 4384 Palmerston North 4442
Phone:	+64 6 351 4415
Email:	info@pnairport.co.nz
Web:	www.pnairport.co.nz

2 GOVERNANCE

- 2.1 The Board's approach to governance of the Company is to preserve and enhance Shareholder value.
- 2.2 The Board is responsible for the proper direction and control of the Company's activities and is accountable to the shareholder within the framework of the vision, mission and objectives set out in this Statement of Intent, the Constitution, and the provisions of The Companies Act 1993.
- 2.3 The Board comprises five Directors appointed by the Shareholder in accordance with the Constitution.
- 2.4 Fees for the Board are reviewed annually. The Board recommends fee levels to the Shareholder based on commercial or near-commercial rates.

3 SHAREHOLDERS EQUITY

- 3.1 The Company's land, building, and infrastructure assets were revalued as at 30 June 2017, in line with the Company's three-yearly asset revaluation policy. Shareholder equity as shown in the Statement of Financial Position as at 30 June 2018 is \$60.7 million. The Directors consider that this represents a reasonable estimate of the commercial value of the Company.
- 3.2 The ratio of consolidated shareholder's equity to total assets will be maintained at no less than 40%. For the purposes of this ratio 'consolidated shareholder's equity' is total shareholder funds inclusive of retained earnings and revaluation surplus, and 'total assets' are current assets plus net book value of fixed assets plus future tax benefit (if any).

4 OUR VISION – WHAT WE ASPIRE TO BE

New Zealand's leading regional airport.

5 OUR MISSION – OUR AIMS AND VALUES**5.1 Commercial**

We will operate a sustainable business to ensure long-term success.

5.2 Compliance

We will maintain a safe and secure operation and ensure ongoing compliance with all standards and regulations.

5.3 Customer

We will treat all Airport users as our customers.

5.4 Community

We will be a leader for regional environmental guardianship and engagement with iwi and communities.

6 OUR STRATEGIC OBJECTIVES – WHAT WE WANT TO ACHIEVE

6.1 Commercial

- 6.1.1 Our People are the key to our success. We will develop skills, commitment and resourcefulness across our team recognising achievement.
- 6.1.2 We will maintain and develop core infrastructure that is business critical.
- 6.1.3 We will diversify and grow revenue streams through a focus on both aeronautical and non-aeronautical revenue sources.
- 6.1.4 We will operate a successful enterprise that enables us to distribute shareholder funds surplus to our on-going investment and operating requirements.

6.2 Compliance

- 6.2.1 The safety and security of all airport users is our critical concern. We have a Zero Harm approach to those who visit and work within our airport community.
- 6.2.2 We will continue to meet our regulatory and statutory obligations including Civil Aviation Rule Part 139, Resource Management Act, Palmerston North and Manawatu District Plans.

6.3 Customer

- 6.3.1 We will deliver a high quality and efficient regional airport experience.
- 6.3.2 We will promote Palmerston North Airport as the gateway and lower North Island commercial hub to our 90-minute drive market.
- 6.3.3 We will facilitate regional economic development by growing passenger and airfreight volumes.

6.4 Community

- 6.4.1 We will be a guardian for the environment by operating in a sustainable manner in all of our business activities.
- 6.4.2 We will be actively engaged with and supportive of the region's communities and iwi.

7 COMPLIANCE

Nature and scope of activities:

- 7.1 The Company's core business is to operate an airport located in Palmerston North for commercial aviation users providing both scheduled and chartered passenger services and airfreight services.
- 7.2 The Company will maintain certification pursuant to Civil Aviation Rule Part 139.
- 7.3 The Company will ensure that all operational and commercial aspects of Palmerston North Airport are undertaken safely in accordance with all statutory requirements and generally accepted best practice.
- 7.4 The Company maintains a detailed 'Exposition' setting out its responsibilities for the 'airside' of the airport operation and how they will be achieved.
- 7.5 The Company is committed to an environmentally responsible attitude to the operation of the business, including sustainable management of natural and physical resources, energy efficiency, managed storm water runoff, noise management, and border biosecurity.
- 7.6 The Company is committed to prudent cost management ensuring our operating budget meets the needs of the business to support development opportunities.
- 7.7 The Company will continue to meet its obligations under the Resource Management Act and the Palmerston North City and Manawatu District Plans.
- 7.8 The Company may undertake such activities as are necessary to protect the long-term interests of the airport business. In particular, the Company will pursue planning requirements that protect airport business activities from the reverse sensitivity effects of neighbouring development, and to enable expansion of the airport business opportunities.

8 COMMERCIAL

Nature and scope of activities:

- 8.1 The Company will seek to grow the scale and scope of the business consistent with the Company Objectives, including the following activities:
 - a) Pursuing increased utilisation of airside and non-airside land by encouraging commercial development including aviation maintenance and training, commercial, logistics, retail, accommodation or light industrial development;
 - b) Having an appropriate number of concessions within the terminal to meet traveller and visitor demand and to maximise financial return;
 - c) Promoting Palmerston North Airport as the gateway and central distribution commercial hub for our region which extends from Ruapehu in the North, through Whanganui and Rangitikei, Manawatu,

south to Horowhenua and across the ranges to Tararua and the Wairarapa;

- d) Working collaboratively with organisations whose strategic objectives support regional economic development;
- e) Seek viable opportunities to integrate air transport with other transport modes in support of the regional economy;
- f) Work collaboratively with airline operators to consider additional routes and increased frequency of air services while providing enhanced levels of services.

8.2 Infrastructure Development

This Statement of Intent assumes that the Airport will operate as a Tier 2 domestic regional airport in the three years to 30 June 2022. The planned three-year capital expenditure on both airside and landside infrastructure assets including pavement, Airport Drive, terminal and carpark upgrades is \$4.940 million, \$7.945 million, and \$2.970 million respectively. (Total \$15.855m).

A proposed terminal re-development, increasing the terminal's capacity to accommodate growing passenger volumes, is the major contributor to the three-year capital expenditure program.

8.3 Commercial Development

The SOI reflects the continued commercialisation of Ruapehu Business Park in line with PNAL's Property Masterplan. Stage 2 of the Massey University School of Aviation building is due for completion by 30th of June 2019. The focus shifts in the 2019/20 year to the construction of rental car facilities and working with other interested parties for developments in the Business Park, including a number of light industrial businesses, freight & logistics and an accommodation facility.

The planned three-year capital expenditure on commercial developments is \$6.705 million, \$3.965 million, and \$0.950 million, respectively. (Total \$11.620m).

Revenue from commercial projects with a high degree of certainty of proceeding have been incorporated into the financials.

Land within the core airport precinct (airside areas) will not be sold, however may be developed on a leasehold basis.

Land within the airport environs precinct (landside areas) may be developed on a leasehold basis or considered for sale as part of a bona-fide building development that complies with District Plan provisions for the "Airport Zone". While this land is considered strategic, it does not impact on airside operational performance and activities.

Any proceeds from such land sales will be used to reduce debt and/or fund other infrastructure or commercial development projects.

For the three years to 2021//2022, land and property sales of \$4.3 million have been assumed.

8.4 Funding

To fund commercial development opportunities and infrastructure development, the SOI also reflects the Company's requirement to increase funding requirements from \$11.8 million to a projected \$25.8 million during 2020/21. The Company is investigating alternative sources of capital to fund the proposed terminal development, including the Provincial Growth Fund.

8.5 Asset revaluation

The Company's policy is to undertake a valuation of land, building and infrastructure assets every three years with any changes in value recorded in the financial statements. An annual test is undertaken to establish whether there has been a material movement in asset values, if so, an asset revaluation is triggered. The last valuation was undertaken at 30 June 2017 with the next valuation due June 2020.

The company has determined that a valuation of some asset classes may be required at year-end due to material changes in market values. No allowance has been made in the forecast financial statements for any change in asset values that may result from a revaluation.

9 CUSTOMER

9.1 Market Development

The Company intends continuing to invest in market development over the next three years with the objective of ultimately assisting airlines to sustainably grow the number of travellers using Palmerston North Airport. Key activities to be undertaken include the ongoing collaboration with regional economic development agencies, Regional Tourism Organisations, and other stakeholders, and leveraging of our "Fly Palmy" consumer brand to stimulate both inbound and outbound air travel.

Passenger numbers are projected to decline in 2019/20 to 680,000 (695,000 2018/19 forecast) based on the recently announced capacity reductions by Air New Zealand. However, a further surge in passenger demand at Palmerston North Airport is expected over the next 2-5 years as major regional development projects commence including the Gorge replacement project, the regional freight ring road, and the recently announced regional rail freight hub. Growth initiatives within the wider region will add further passenger demand. Passenger volumes are anticipated to reach 762,000 by 2021/22.

We will work with regional economic development agencies and other stakeholders to expand viable freight and logistics activities undertaken at the airport.

10 COMMUNITY**Nature and scope of activities:**

A refreshed strategic focus which captures the Company's environmental and community aspirations.

10.1 Community

The Company will support regional communities by identifying opportunities to engage with local groups and Iwi. This will include the Company continuing to showcase our sense of place and cultural linkages to our wider region.

10.2 Environment

During the financial year 2019/20 the Company will implement the pathway developed during 2018/19 to achieve the long-term vision of carbon neutrality. From the second half of financial year 2018/19, PNAL in conjunction with major airport tenants, has commenced benchmarking existing consumption levels, the development of energy, water consumption and waste to landfill reduction targets, and in some cases already commenced programmes of work.

11 PERFORMANCE MEASURES

The Company has a variety of performance measures including financial, compliance, customer appreciation and compliance. Full details are included on Page 14.

12 COMPENSATION SOUGHT FROM THE SHAREHOLDER

12.1 The Company acknowledges that the Palmerston North City Council holds shares in the Company for strategic reasons and that the Company needs to lead in the development and promotion of both aeronautical and non-aeronautical business activities. As well as direct benefit to the Company this impacts through to the economic development of the city and region.

12.2 At the request of the shareholder, the Company may undertake activities that are not consistent with normal commercial objectives subject to the Shareholder providing a specific subsidy to meet the full commercial cost for providing such activities.

13 INFORMATION TO BE PROVIDED TO THE SHAREHOLDER

The Company will deliver to the shareholder:

13.1 Within two months of the end of the first half of the financial year the following unaudited statements:

- (a) A Statement of financial performance
- (b) A Statement of movements in equity

- (c) A Statement of financial position
- (d) A Statement of cash flows
- (e) A Statement of service performance.

13.2 Within three months of the end of the financial year:

- (a) The following audited statements:
 - (i) A Statement of financial performance
 - (ii) A Statement of movements in equity
 - (iii) A Statement of financial position
 - (iv) A Statement of cash flows
 - (v) A Statement of service performance.
- (b) A summary of how the Company has gone about achieving the strategic objectives set out in Section 6 of this Statement and specifically, how well it has performed against the performance targets set out on page 14 of this Statement.
- (c) A report on the Company's medium to long term plans.
- (d) It is recognised that the timeframes mentioned in 13.1 and 13.2 are legislative maxima and as the Company is a subsidiary of Palmerston North City Council, both the Company and Palmerston North City Council will need to work proactively together to meet the reporting and governance requirements of both parties.

PALMERSTON NORTH AIRPORT LIMITED
STATEMENT OF FINANCIAL PERFORMANCE
For the 12 Months to 30 June

	2017/18 Actual	2018/19 Budget	Forecast	2019/20 Budget	2020/21 Budget	2021/22 Budget
REVENUE	8,482,757	9,952,224	10,307,197	11,221,428	12,774,956	14,313,549
Less						
OPERATING EXPENDITURE	2,232,774	2,254,577	2,271,839	2,538,315	2,614,437	2,705,220
ADMINISTRATION & EMPLOYMENT COSTS	2,176,087	2,528,693	2,646,018	3,033,177	3,066,773	3,196,590
TOTAL OPERATING EXPENDITURE:	4,408,861	4,783,270	4,917,858	5,571,492	5,681,210	5,901,811
EXTRAORDINARY ITEMS (PFAS related)*	-	-	284,010	100,000	50,000	25,000
SURPLUS BEFORE INT, DEPN, & TAX	4,073,896	5,168,954	5,105,330	5,549,935	7,043,745	8,386,738
Less						
DEPRECIATION	1,582,752	1,832,625	1,919,620	2,141,657	2,461,879	2,710,466
FINANCE COSTS	279,238	682,794	537,176	669,130	1,033,688	1,188,834
LOSS ON SALE OF ASSET	922	-	-	-	-	-
	1,862,912	2,515,419	2,456,796	2,810,787	3,495,567	3,899,300
SURPLUS BEFORE TAXATION	2,210,984	2,653,535	2,648,534	2,739,148	3,548,178	4,487,438
INCOME TAX	601,965	742,990	741,324	766,962	993,490	1,256,483
NET OPERATING SURPLUS	1,609,019	1,910,545	1,907,210	1,972,187	2,554,688	3,230,956

* The Extraordinary Items are soil, sediment, surface and ground water sampling for PFAS at Palmerston North Airport and adjacent sites including the Mangaone Stream resulted in estimated costs of \$0.284 million being incurred during the 2018/19 year

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements

Palmerston North Airport Limited

**PALMERSTON NORTH AIRPORT LIMITED
STATEMENT OF FINANCIAL POSITION**

For the 12 months to 30 June

	2017/18	2018/19		2019/20	2020/21	2021/22
	Actual	Budget	Forecast	Budget	Budget	Budget
CURRENT ASSETS						
BANK & SHORT TERM DEPOSITS	196,233	109,973	62,030	38,406	40,726	93,098
TRADE DEBTORS	630,627	697,677	699,457	764,325	888,948	1,007,724
DOUBTFUL DEBT PROVISION	(14,816)	-	(14,827)	(14,827)	(14,827)	(14,827)
ACCRUED INCOME	(5,000)	-	-	-	-	-
PREPAID EXPENDITURE	171,949	1,858	7,364	3,082	1,290	540
ASSETS HELD FOR SALE	288,151	-	0	-	-	-
TOTAL CURRENT ASSETS	1,267,144	809,508	754,023	790,986	916,137	1,086,535
Less						
CURRENT LIABILITIES						
TRADE CREDITORS	1,009,224	500,000	850,000	850,000	850,000	850,000
INCOME RECEIVED IN ADVANCE	122,884	90,000	100,000	100,000	100,000	100,000
ACCRUED EXPENDITURE	435,835	250,000	400,000	400,000	400,000	400,000
TAXATION	335,564	22,501	134,755	131,717	265,207	341,689
OTHER PROVISIONS	183,338	135,000	135,000	135,000	135,000	135,000
SHORT TERM PORTION OF LOAN	1,158,876	-	-	-	-	-
TOTAL CURRENT LIABILITIES	3,245,721	997,501	1,619,755	1,616,717	1,750,207	1,826,689
WORKING CAPITAL	(1,978,577)	(187,993)	(865,732)	(825,731)	(834,069)	(740,154)
NON CURRENT ASSETS						
NET FIXED ASSETS						
LAND	27,731,545	25,317,626	28,019,696	26,460,024	25,080,424	23,730,424
BUILDINGS	14,700,557	21,440,720	18,274,667	21,679,378	29,833,487	31,887,373
INFRASTRUCTURAL - LAND	32,354,869	36,020,496	8,279,272	7,862,606	7,366,439	6,825,699
INFRASTRUCTURAL - AIR	-	-	27,021,990	32,055,426	33,903,853	34,157,085
PLANT & EQUIPMENT	1,031,566	1,365,263	969,022	2,502,383	2,498,521	1,985,905
FURNITURE & FITTINGS	156,827	215,187	145,118	128,266	90,154	52,042
COMPUTERS	58,820	52,826	29,444	6,248	1,425	1,425
MOTOR VEHICLES	516	587	149	149	149	149
INVESTMENT PROPERTY	575,000	575,000	575,000	575,000	575,000	575,000
INTANGIBLE ASSETS	17,304	11,363	12,645	6,825	1,005	520
TOTAL FIXED ASSETS	76,627,004	84,999,068	83,327,003	91,276,305	99,350,457	99,215,622
TOTAL NON CURRENT ASSETS	76,627,004	84,999,068	83,327,003	91,276,305	99,350,457	99,215,622
NON CURRENT LIABILITIES						
TERM LOAN	6,100,000	14,842,108	12,686,063	19,466,063	25,766,063	23,516,063
DEFERRED TAX	7,844,320	8,075,726	7,807,541	7,844,320	7,844,320	7,844,320
TOTAL NON CURRENT LIABILITIES	13,944,320	22,917,834	20,493,604	27,310,383	33,610,383	31,360,383
NET ASSETS	60,704,107	61,893,239	61,967,667	63,140,191	64,906,005	67,115,085
Represented by:						
SHAREHOLDERS' FUNDS						
PAID UP SHARE CAPITAL	9,380,400	9,380,400	9,380,400	9,380,400	9,380,400	9,380,400
ASSET REVALUATION RESERVE	31,935,156	31,935,156	31,935,156	31,935,156	31,935,156	31,935,156
RETAINED EARNINGS	17,779,532	19,258,654	19,388,551	20,615,332	21,824,635	23,590,449
SHAREHOLDERS DIVIDEND	-	(591,515)	(643,650)	(762,884)	(788,875)	(1,021,875)
CURRENT YEAR SURPLUS	1,609,019	1,910,545	1,907,210	1,972,187	2,554,688	3,230,956
	60,704,107	61,893,239	61,967,667	63,140,191	64,906,005	67,115,085

The accompanying accounting policies and notes form part of and
are to be read in conjunction with these financial statements

Palmerston North Airport Limited

PALMERSTON NORTH AIRPORT LIMITED
STATEMENT OF CHANGES IN EQUITY
For the 12 months to 30 June

	2017/18	2018/19		2019/20	2020/21	2021/22
	Actual	Budget	Forecast	Budget	Budget	Budget
EQUITY AT THE BEGINNING OF THE YEAR	59,614,737	60,574,209	60,704,107	61,967,667	63,176,970	64,942,783
ASSET REVALUATION RESERVE MOVEMENT	-	-	-	-	-	-
TOTAL COMPREHENSIVE (LOSS) INCOME	1,609,019	1,910,545	1,907,210	1,972,187	2,554,688	3,230,956
DIVIDENDS PAID	(519,649)	(591,515)	(643,650)	(762,884)	(788,875)	(1,021,875)
EQUITY AT THE END OF THE YEAR	60,704,107	61,893,239	61,967,667	63,176,970	64,942,783	67,151,863

The accompanying accounting policies and notes form part of and are to be read in conjunction with these financial statements

PALMERSTON NORTH AIRPORT LIMITED
STATEMENT OF CASHFLOWS
For the 12 Months to 30 June

	2018/19 Budget	2018/19 Forecast	2019/20 Budget	2020/21 Budget	2021/22 Budget
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>					
CASH WAS PROVIDED FROM					
RECEIPTS FROM CUSTOMERS	9,946,422	10,179,016	11,146,560	12,640,333	14,184,773
Tax Refund					
INTEREST RECEIVED	1,447	1,340	26	98	112
	9,947,869	10,180,356	11,146,586	12,640,431	14,184,885
CASH WAS DISBURSED TO					
PAYMENT TO SUPPLIERS	5,554,908	5,495,736	5,662,868	5,725,148	5,921,804
PAYMENT OF TAX	843,782	843,782	770,000	860,000	1,180,000
INTEREST PAYMENTS	554,947	566,547	669,130	1,033,688	1,188,834
	6,953,637	6,906,065	7,101,998	7,618,836	8,290,638
NET CASHFLOW FROM OPERATING ACTIVITIES	2,994,232	3,274,292	4,044,588	5,021,595	5,894,248
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>					
CASH WAS PROVIDED FROM					
	1,262,100	0	1,559,672	1,379,600	1,350,000
PROPERTY, PLANT & EQUIPMENT SALES	1,262,100	0	1,559,672	1,379,600	1,350,000
CASH WAS APPLIED TO					
Land and Developments	0	0	0	0	0
Buildings	5,288,585	3,670,309	3,775,000	8,620,000	2,645,000
Infrastructure - AIR	1,705,918	1,307,220	5,950,000	2,790,000	1,275,000
Infrastructure - LAND	3,999,055	2,723,885	0	0	0
Plant and Equipment	421,270	438,996	1,870,000	500,000	0
Furniture and Fittings	17,496	17,496	20,000	0	0
Computers	30,000	34,075	30,000	0	0
	11,462,324	8,191,981	11,645,000	11,910,000	3,920,000
PROPERTY, PLANT & EQUIPMENT PURCHASES	11,462,324	8,191,981	11,645,000	11,910,000	3,920,000
NET CASHFLOW FROM INVESTING ACTIVITIES	(10,200,224)	(8,191,981)	(10,085,328)	(10,530,400)	(2,570,000)
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>					
CASH WAS PROVIDED FROM					
LOAN DRAWDOWNS	10,576,455	8,237,960	7,200,000	6,500,000	1,550,000
CASH WAS APPLIED TO					
LOAN REPAYMENTS	2,658,488	2,810,824	420,000	200,000	3,800,000
Additional Loan Repayments					
PAYMENT OF DIVIDENDS	643,650	643,650	762,884	788,875	1,021,875
	3,302,138	3,454,474	1,182,884	988,875	4,821,875
NET CASHFLOW FROM FINANCING ACTIVITIES	7,274,317	4,783,486	6,017,116	5,511,125	(3,271,875)
NET INCREASE/(DECREASE) IN CASH HELD	68,325	(134,203)	(23,624)	2,320	52,372
ADD OPENING CASH BALANCE	191,360	196,257	62,030	38,403	40,725
CLOSING OPERATING CASH BALANCE	259,685	62,030	38,404	40,726	93,100

The accompanying accounting policies and notes form part of and
are to be read in conjunction with these financial statements

Palmerston North Airport Limited

PALMERSTON NORTH AIRPORT LIMITED
CAPITAL EXPENDITURE PROGRAMME
For the 12 months to 30 June

CAPITAL EXPENDITURE PROGRAMME

	2017/18	2018/19	2019/20	2020/21	2021/22
	Actual	Forecast	Budget	Budget	Budget
Land and Developments	6,467	-	-	-	-
Buildings	3,343,014	3,670,309	3,775,000	8,620,000	2,645,000
Airside Infrastructure	1,563,079	1,307,220	750,000	965,000	250,000
Landside Infrastructure	437,950	2,723,885	5,200,000	1,825,000	1,025,000
Plant and Equipment	414,902	438,996	1,870,000	500,000	-
Furniture and Fittings	15,445	17,496	20,000	-	-
Computers	25,195	34,075	30,000	-	-
Total Fixed Asset Purchases :	5,806,052	8,191,981	11,645,000	11,910,000	3,920,000
CAPITAL SALES PROGRAMME					
Total Sales of Zone A, B & C land	-	-	1,559,672	1,379,600	1,350,000

PALMERSTON NORTH AIRPORT LIMITED
PERFORMANCE METRICS TARGETS
For the 12 months to 30 June

PERFORMANCE METRICS		2018/19	2019/20	2020/21	2021/22
		Forecast	Forecast	Forecast	Forecast
10.1	A ratio of surplus before interest/tax/depreciation to total assets.	6.0%	6.0%	7.0%	8.4%
10.2	A ratio of net surplus after tax to consolidated shareholders' funds inclusive of revaluation reserve.	3.0%	3.1%	3.9%	4.8%
10.3	To maintain a ratio of consolidated shareholders funds to total assets of at least 40%	74%	69%	65%	67%
10.4	To maintain an interest coverage ratio of surplus before interest to interest, of at least 2.25 as per BNZ Loan Covenants	5.6	5.1	4.4	4.8
10.5	To maintain a tangible net worth (total tangible assets after revaluations less total liabilities) above \$50 million dollars.	\$61.9m	\$63.1m	\$64.9m	\$67.1m
10.6	To maintain a Net Promoter Score* of 50 or above. Measured on an annual basis.	45	50	55	60
10.7	Total passenger movements	692,000	680,000	702,000	762,000
10.8	CAA Part 139 certification	Achieve	Achieve	Achieve	Achieve
10.9	To achieve zero lost time injuries to those who work within our airport community	Zero	Zero	Zero	Zero
10.10	Complete roadmap to carbon neutrality	Complete	Implement	Implement	Implement
10.11	Achievement of emission reduction targets				
	Energy Consumption (KwH/Passengers)	5%	5%	5%	5%
	Waste to Landfill (Kg/1000 Passengers)	15%	10%	5%	5%
	Water Consumption (Litres/Passenger)	10%	10%	5%	5%

* The Net Promoter Score (NPS) is an indicator of a Company's health and customer loyalty as it focuses on how existing customers feel about your services. PNAL is intending to measure NPS on a monthly basis. An annual average NPS will be measured against the proposed NPS targets included within this SOI. An NPS may range from -100 to + 100. A score within the 0 to 50 range is considered good, 50 to 70 excellent, and above 70 world class.

13 ACCOUNTING POLICY STATEMENTS

13.1 REPORTING ENTITY

Palmerston North Airport Limited is a New Zealand Company registered under the Companies Act 1993.

The Company has designated itself and the group as a Public Benefit Entities (PBE) for financial reporting purposes.

13.1.1 BASIS OF PREPARATION

The financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period.

Statement of compliance

The financial statements of Palmerston North Airport Limited have been prepared in accordance with the requirements of the Airport Authorities Act 1966, Airport Authorities Amendment Act 2000, the Local Government Act 2002, Airport Authorities (Airport Companies Information Disclosure) Regulations 1999 the Companies Act 1993, and the Financial Reporting Act 2013. This includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The entity is eligible and has elected to report in accordance with Tier 2 Public Benefit Entity (PBE) Standards Reduced Disclosure Regime (RDR) on the basis that the entity has no public accountability and has Expenses >\$2m and ≤ \$30m.

Presentation Currency and Rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of Palmerston North Airport Limited is New Zealand dollars.

13.1.2 SIGNIFICANT ACCOUNTING POLICIES

Measurement Basis

The financial statements have been prepared on a historical cost basis, modified by the revaluation of land and buildings, and infrastructure assets.

(a) Revenue Measurement and Recognition

Revenue is measured at the fair value of consideration received or receivable.

Interest received is recognised as it accrues using the effective interest rate method.

Lease revenue from operating leases is recognised as revenue on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which benefits derived from the leased asset is diminished.

(b) Property Plant and Equipment

Property Plant and Equipment consists of:

Palmerston North Airport Limited

Operational Assets

These include land, buildings, furniture and fittings, computer equipment, motor vehicles and various plant and equipment.

Infrastructure Assets

These assets are composed of Airside Infrastructure (runways, aprons, taxiways, and underground reticulated systems) and Landside infrastructure. (pavements, car parking and roading outside the secure areas of the airport).

Measurement

Property plant and equipment are measured at cost less accumulated depreciation and impairment losses with the following exception:

- Land is measured at fair value
- Buildings and airside infrastructure are measured at fair value less accumulated depreciation.

Revaluations

Land, buildings and airside infrastructure are revalued with sufficient regularity to ensure that their carrying amount does not differ materially from fair value and are revalued at least every three years. The carrying values of revalued items are reviewed at each balance date to ensure that those values are not materially different to fair value. If there is a material difference, then the off-cycle asset classes are revalued.

Infrastructure assets

Infrastructure assets have been valued at fair value determined on a depreciated replacement cost basis by an independent registered valuer and will be carried out on a three-yearly cycle.

Accounting for Revaluations

Palmerston North Airport Limited accounts for revaluations on a class of assets basis.

The net revaluation results are credited or debited to other comprehensive revenue and expense and are accumulated to an asset revaluation reserve in equity for that class-of-asset. Where this would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit. Any subsequent increase on revaluation that reverses a previous decrease in value recognised in the surplus or deficit will be recognised first in the surplus or deficit up to the amount previously expensed, and then recognised in other comprehensive revenue and expense.

Work in progress is recognised at cost less impairment and is not depreciated.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefit or service potential associated with the item will flow to the Company and the cost can be measured reliably.

In most instances, an item of property, plant, and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction, it is recognised at its fair value as at the date of acquisition.

Disposals

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposal are included in the surplus and deficit account.

When revalued assets are sold, the amount included in revaluation reserve in respect of those assets is transferred to retained earnings.

Subsequent cost

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the company and the cost of the item can be measured reliably.

The costs of day to day servicing of property, plant and equipment are recognised in the surplus and deficit account as they are incurred.

Investment Property

Investment property is measured initially at its cost, including transaction costs. After initial recognition, all investment property is measured at fair value at 30 June.

Gains or losses arising from a change in the fair value of investment property are recognised in the surplus or deficit.

Depreciation

Depreciation is provided on a straight-line basis on all items of property, plant and equipment other than land at rates that will write off the cost (or valuation) of the assets to their estimated residual values over their useful lives.

The useful lives and associated depreciation rates of the major categories have been estimated as follows:

Land Improvements	99 years
Roading & Carparks (Landside Infrastructure)	2 - 99 years
Buildings & Building services	8 - 99 years
Runway, Taxiways, Aprons (Airside Infrastructure)	2 - 99 years
Plant and Equipment	2 - 50 years
Furniture & Fittings	3 - 99 years
Computer Equipment	3 - 6 years
Motor Vehicles	5 years

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

(c) Intangible Assets

Internally generated intangible assets

Cost associated with the development of the company's web-site are recognised as an intangible asset and are capitalised on the basis of the cost incurred to bring to use the intangible asset. The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in the surplus or deficit.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Website Development	4 years 25%
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(d) Trade and Other Receivables

Palmerston North Airport Limited

Accounts receivable are stated at face value less any provision for impairment.

(e) Impairment of property, plant, equipment and intangible assets

Property, plant, and equipment and intangible assets subsequently measured at cost that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

If an asset's carrying amount exceeds its recoverable amount the asset is impaired and the carrying amount is written down to the recoverable amount.

The total impairment loss is recognised in the surplus and deficit account.

Value in use for non-cash-generating assets

Non-cash-generating assets are those assets that are not held with the primary objective of generating a commercial return. For non-cash generating assets, value in use is determined using an approach based on either a depreciated replacement cost approach, restoration cost approach, or a service units approach. The most appropriate approach used to measure value in use depends on the nature of the impairment and availability of information.

Value in use for cash-generating assets

Cash-generating assets are those assets that are held with the primary objective of generating a commercial return.

The value in use for cash-generating assets and cash-generating units is the present value of expected future cash flows.

(f) Cash, Cash Equivalents and Bank Overdrafts

Cash, Cash Equivalents and Bank Overdrafts includes cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less and a bank overdraft.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

(g) Income Tax

Income tax expense includes components relating to both current tax and deferred tax.

Current tax is the amount of income tax payable based on the taxable profit for the current year, plus any adjustments to income tax payable in respect of prior years. Current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted by balance date.

Deferred tax is the amount of income tax payable or recoverable in future periods in respect of temporary differences and unused tax losses. Temporary differences are differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax is measured at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at balance date. The measurement of deferred tax

reflects the tax consequences that would follow from the manner in which the entity expects to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences or tax losses can be utilised.

Deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition of an asset and liability in a transaction that is not a business combination, and at the time of the transaction, affects neither accounting profit nor taxable profit.

(h) Goods and Services Tax

All items in the financial statements are stated exclusive of Goods and Services Tax (GST) with the exception of receivables and payables, which are stated, with GST included. Where GST is irrecoverable as an input tax then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are stated exclusive of GST.

(i) Employee Entitlements

Employee benefits that the Company expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

The Company recognises a liability for sick leave to the extent that compensated absences in the coming year is expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent the company anticipates it will be used by staff to cover those future absences.

The Company recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

The Company does not provide for long service or retirement leave entitlements.

Superannuation schemes

Obligations for contributions to KiwiSaver are accounted for as contributions to defined Superannuation schemes and are recognised as an expense in the surplus and deficit account when incurred.

(j) Leases

Operating Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items are classified as operating leases. Payments under these leases are charged as expenses. Lease incentives received are recognised in the surplus or deficit as a reduction of rental expense over the lease term.

(k) Other Financial Assets

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at fair value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade-date, the date on which the Company and group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company and group has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the following categories for the purpose of measurement:

- fair value through surplus or deficit;
- loans and receivables;
- held-to-maturity investments; and
- fair value through other comprehensive revenue and expense.

The classification of a financial asset depends on the purpose for which the instrument was acquired.

The company has the following relevant category:

Loans and receivable

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance date, which are included in non-current assets.

After initial recognition they are measured at amortised cost using the effective interest method less impairment. Gains and losses when the asset is impaired or derecognised are recognised in the surplus and deficit account.

(l) Impairment of financial assets

Financial assets are assessed for evidence of impairment at each balance date. Impairment losses are recognised in the surplus or deficit.

Loans and receivables

Impairment is established when there is evidence that the company and group will not be able to collect amounts due according to the original terms of the receivable.

Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, receivership, or liquidation and default in payments are indicators that the asset is impaired. The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the original effective interest rate. For debtors and other receivables, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the surplus or deficit. When the receivable is uncollectible, it is written-off against the allowance account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due). Impairment in term deposits are recognised directly against the instrument's carrying amount.

(m) Statement of Cash Flows

Cash and Cash Equivalents means cash balances on hand, held in bank accounts and demand deposits / investments in which the company invests as part of its day-to-day cash management, with a maturity of less than three months.

Operating activities include cash received from all revenue sources of the company and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of the company.

(n) Borrowings and borrowing costs

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Company/Council or group has an unconditional right to defer settlement of the liability for at least 12 months after balance date.

All borrowing costs are recognised as an expense in the period in which they are incurred.

(o) Critical accounting estimates and assumptions

In preparing these financial statements the Company has made estimates and assumptions concerning the future. These estimates and assumptions may differ from subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Property, plant and equipment useful lives and residual values

At each balance date the Company reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the company to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by the company, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact on the depreciable amount of an asset, therefore impacting on the depreciation expense recognised in the statement of comprehensive revenue and expense, and carrying amount of the asset in the statement of financial position. The company minimises the risk of this estimation uncertainty by:

- Physical inspection of assets;
- Asset replacement programs;
- Review of second hand market prices for similar assets; and
- Analysis of prior asset sales.

The Company has not made significant changes to past assumptions concerning useful lives and residual values.

(p) Provisions

Provisions for future expenditure, as a result of past event, and of uncertain amount or timing are only recognised when it is probable that the obligation will materialise and the extent of the obligation can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditure to be required to settle the obligation using a pre-tax discount that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in provision due to passage of time is recognised as a finance cost.

Short-term creditors and other payables are recorded at their face value.

(q) Equity

Equity is measured as the difference between total assets and total liabilities. Equity is disaggregated and classified into the following components.

- Retained Earnings;
- Paid in Capital;
- Asset revaluation reserve;

Asset revaluation reserve

This reserve relates to the revaluation of land, buildings and Airside Infrastructure to fair value.

13.2 In accordance with the Public Audit Act 2001 and the Local Government Act 2002, the Office of the Auditor General shall be responsible for the audit of the financial statements of the Company.

13.3 The level of dividend will be reviewed at the end of each financial year in consultation with the Shareholder. Any dividend will be subject to the Board being satisfied that the solvency requirements of the Companies Act 1993 will be met, and will take into account the Company's prevailing financial circumstances, and any covenants contracted to the Company's bankers as a condition of borrowing.

13.4 A budget summary report is included with this Statement of Intent. The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the Company.

The budget is a financial plan of the Company's intentions based on factors known at the date of preparation. While it will form the basis of the Statement of Intent, circumstances and the Company's responses will change during the year. All capital expenditure will be subject to consideration of impact on the Company's performance targets. Capital expenditure, other than for conservation of capacity or compliance, will generally be approved where the anticipated return meets or exceeds the Company's cost of capital, or a strategic investment is being made in the best long-term interests of both the Company and Shareholders.

MEMORANDUM

TO: Finance and Performance Committee

MEETING DATE: 17 June 2019

TITLE: Fees and Charges - Confirmation Following Public Consultation

DATE: 5 June 2019

PRESENTED BY: Steve Paterson, Strategy Manager Finance, Finance

APPROVED BY: Grant Elliott, Chief Financial Officer

RECOMMENDATION(S) TO COUNCIL

1. That the fees and charges for Planning & Miscellaneous Services, as scheduled in Attachments A and B of the memorandum titled 'Fees and Charges – Confirmation Following Public Consultation' dated 5 June 2019, be approved, effective from 1 July 2019.
2. That the fees and charges for Trade Waste Services, as scheduled in Attachment C of the memorandum titled 'Fees and Charges – Confirmation Following Public Consultation' dated 5 June 2019, be approved, effective from 1 July 2019.

1. ISSUE

At its meeting on 29 April 2019 the Council approved fees and charges for planning and miscellaneous services and for trade waste services, all subject to public consultation. This memo addresses submissions received and recommends confirmation of the fees and charges as attached.

2. BACKGROUND

2.1 Previous Council Decisions

On 29 April 2019 Council adopted recommendations from the 15 April 2019 meeting of the Finance and Performance Committee. These approved a schedule of fees and charges for planning and miscellaneous services and trade waste services subject to public consultation.

2.2 Public Consultation

Public consultation was carried out over the period from 1 May to 4 June 2019. It involved direct written communication with planning consultants as well as public notices in local media and on Council's website.

No submissions were received.

No changes are recommended to the fees provisionally adopted at the April meeting as a consequence of the public consultation process.


3. NEXT STEPS

Once approved the fees and charges will be published on Council's website and in all relevant fees and charges brochures and implemented from 1 July 2019.

4. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	No
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	Yes
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
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 Not Applicable	
Contribution to strategic direction	Setting fees and charges as proposed is consistent with the Council's Revenue & Financing Policy and therefore with the strategic direction of the Council.

ATTACHMENTS

1. Attachments A & B - Planning & Miscellaneous fees & charges
Attachment C - Trade Waste fees & charges [↓](#) 

Palmerston North City Council		Attachment A	
Planning Services		Fees & Charges	
Planning services charges listed below are imposed under the Resource Management Act 1991 to recover the cost to Palmerston North City Council for processing applications, monitoring consents and for Notice of Requirements Designations and Private District Plan Changes.			
Section 36 of the Resource Management Act enables the Council to charge additional fees to recover actual and reasonable costs when the fixed fee is inadequate. This means that applications that exceed standard processing times or which involve a hearing may incur additional charges. Consultants and solicitors fees associated with all work types are also included. We may also refund part of the fee if the work required to process the application is minimal.			
The deposits specified in the tables below are required up front and no action will be taken in accordance with section 36AAB(2) until paid. That does not mean that the Council is required to complete the activity upon payment of the deposit. The costs incurred will be monitored and additional amounts up to the total of the fixed charge may be required. Then additional charges may also be required before completion of the task if the fixed charges are inadequate to cover the Council's actual and reasonable costs.			
All fees and charges shown are GST inclusive unless indicated			
Fixed Charges			
Charges payable by applicants for resource consents, for the carrying out by the local authority of its functions in relation to the receiving, processing and granting of resource consents (including certificates of compliance [and existing use certificates] (section 36(1)(b))			
Activity Type	Fixed Charge from 1 Jul 2018	Fixed Charge from 1 Jul 2019	Deposit from 1 Jul 2019
Instant resource consents	\$ 215	\$ 215	\$ 215
Boundary Activity	\$ 270	\$ 270	\$ 270
Temporary or Marginal Breaches	\$ 270	\$ 270	\$ 270
Non notified land use consents (minor, see note (d) (b))	\$ 1,000	\$ 1,000	\$ 750
Non notified land use consents (other than minor)	\$ 2,550	\$ 2,550	\$ 1,900
Limited notified land use consents	\$ 11,150	\$ 11,150	\$ 8,350
Notified land use consents (full notification)	\$ 16,800	\$ 16,800	\$ 12,500
Non notified subdivision consents (Controlled Activity)	\$ 1,700	\$ 1,700	\$ 1,250
Non notified subdivision consents (Discretionary Restricted)	\$ 2,300	\$ 2,300	\$ 1,700
Non notified subdivision consents (other)	\$ 4,300	\$ 4,300	\$ 3,200
Notified subdivision consents for up to and including 20 lots in total (full and limited notification)	\$ 22,300	\$ 22,300	\$ 16,700
Notified subdivision consents for more than 20 lots (full and limited notification)	\$ 39,000	\$ 39,000	\$ 29,000
Certificates of compliance	\$ 460	\$ 460	\$ 345
Town Planning Certificate (Alcohol)	\$ 400	\$ 400	\$ 300
Existing use certificates	\$ 890	\$ 890	\$ 660
Outline Planning Approval	\$ 1,110	\$ 1,110	\$ 840
Waiver for requirement for Outline Plan	\$ 380	\$ 380	\$ 280
Notified notice of requirements, heritage orders, designation alterations.	\$ 16,800	\$ 16,800	\$ 12,500
Non notified notice of requirements, heritage order, designation alterations	\$ 2,550	\$ 2,550	\$ 1,900
District Plan changes	\$ 26,000	\$ 26,000	\$ 20,000

Charges payable by holders of resource consents, for the carrying out by the local authority of its functions in relation to the administration, monitoring and supervision of resource consents (including certificates of compliance [and existing use certificates], and for carrying out its resource management functions under section 35. (section 36(1)(c))

Activity Type	Fixed Charge from 1 Jul 2018	Fixed Charge from 1 Jul 2019	Deposit from 1 Jul 2019
Monitoring of non notified resource consents	\$320 per consent for inspections and monitoring (2 hours)	\$330 per consent for inspections and monitoring (2 hours)	
Monitoring of notified resource consents	\$640 per consent for inspections and monitoring (4 hours)	\$660 per consent for inspections and monitoring (4 hours)	
Variations to conditions (section 127 and 221 - subdivision and land use)	\$ 1,350	\$ 1,350	\$ 1,000
Extensions of time (section 125)	\$ 1,100	\$ 1,100	\$ 850
Cancellation of building line restrictions (under Local Government Act 1974)	\$ 1,100	\$ 1,100	\$ 850
Adjustment of easements	\$ 1,100	\$ 1,100	\$ 850
Subdivision certificates (including section 223, 224)	\$ 380	\$ 380	\$ 285
Subdivision certificates (section 226)	\$ 1,350	\$ 1,350	\$ 1,000
Subdivision inspections for up to and including 5 lots, or staged, in total	\$ 800	\$ 800	\$ 600
Subdivision inspections for between 6 lots and up to and including 10 lots, or staged, in total	\$ 1,600	\$ 1,600	\$ 1,200
Subdivision inspections for between 11 lots and up to and including 20 lots, or staged, in total	\$ 3,200	\$ 3,200	\$ 2,400
Subdivision inspections for more than 20 lots un-staged	\$ 4,800	\$ 4,800	\$ 3,600
Removal of designations	\$ 265	\$ 265	\$ 265
Purchase of District Plan & District Plan updates	At cost	At cost	At cost

Charges payable by holders of resource consents, for the carrying out by the local authority of its functions in relation to reviewing consent conditions if:

- 1 the review is carried out at the request of the consent holder;
- 2 the review is carried out under section 128(1)(a);
- 3 the review is carried out under section 128(1)(c)

Activity Type	Fixed Charge from 1 Jul 2018	Fixed Charge from 1 Jul 2019	Deposit from 1 Jul 2019
Review at the request of the consent holder	\$ 1,670	\$ 1,670	\$ 1,250
Review pursuant to section 128(1)(a)	\$ 1,670	\$ 1,670	\$ 1,250
Review pursuant to section 128(1)(c)	\$ 5,000	\$ 5,000	\$ 3,750

Charges for supply of documents payable by the person requesting the document. (Section 36(1)(f))			
Activity Type	Fixed Charge from 1 Jul 2018	Fixed Charge from 1 Jul 2019	Deposit from 1 Jul 2019
Replacement copies of certificates	\$ 110	\$ 110	
Replacement copies of resource consents	At cost of officer's time per hour + disbursements	At cost of officer's time per hour + disbursements	
Other documents	\$1 per page	\$1 per page	
Additional copies of order papers	\$ 40	\$ 40	
Notes:			
(a) The number of lots in a subdivision includes the balance lot			
(b) The fixed charges do not include other charges that may be imposed under the Resource Management Act or other legislation such as:			
(i) Additional charges (section 36(5));			
(ii) Bonds;			
(iii) Monitoring and supervision charges expressly provided for in a resource consent;			
(iv) Development contributions			
(c) If the fixed charges are not sufficient to meet the Council's actual and reasonable costs then additional charges may be payable- Note this may include but not be limited to charges for consultants, solicitors, independent Commissioners and Council officers' time.			
(d) Fees Methodology:			
(a) Land use and subdivision consents have been based on an average costs of consents issued. Deposits have generally been set at 75% of the average unless the difference between the deposit and the total of actual and reasonable costs is of such a minor nature it is not cost effective to recoup the difference from an applicant. In such a case the deposit is set at the same value as the Fixed Charge. In terms of the Fixed Charge they are set at 100% of the average fee. Final charges will be charged at staff hourly rates, technical officer or consultant time and any standard fees applicable.			
(b) Minor non notified land use consents usually applies to:			
(i) Applications for a dwelling or a minor dwelling, dependent dwellings, accessory buildings, home occupations and access in the residential and rural zones.			
(ii) Applications for signage in the business and industrial zones.			
(c) Monitoring and inspection charges are based on staff hourly rates to complete. For non notified resource consents the inspection fee of \$330 is for 2 hours of inspections by the Monitoring Officer. For notified consents the inspection fee of \$660 is for 4 hours of inspections by the Monitoring Officer. In terms of dealing with compliance issues this is based on the actual time spent by the Monitoring Officer based on the hourly rate for the Monitoring Officer.			

Other Charges			
	Advisory Service - Applies where staff provide information in response to customer queries	For queries received by Front of House staff - no cost for an individual enquiry up to 30min (whether in person or in writing), where an individual enquiry is for a period longer than 30min, charged at cost based on the relevant officer's hourly rate For any queries received by staff not based at Front of House - to be charged at cost based on relevant officer's hourly rate	
	Pre lodgement meetings; Applies where staff vet information prior to the lodgement of an application	Charged at the relevant officer's hourly rate	
	Objections considered by a Hearings Commissioner (section 36(1)(af))	At cost plus disbursements of the Hearings Commissioner	
	Consultant Charges		
	Work Type	Rate per hour from 1 Jul 2018	Rate per hour from 1 Jul 2019
	Consultants and Solicitors fees associated with all work types, including the processing of a consent or certificate (including specialist technical or legal advice where a consent involves creating legal instruments) and new notice of requirements, heritage orders, designation alterations, removal of designations and District Plan changes.	At cost plus disbursements	
	Charges for hearings	Rate per hour from 1 Jul 2018	Rate per hour from 1 Jul 2019
	Hearings for all applications, designations, notice of requirements private District Plan changes, development contributions and remittance fees and associated work by relevant staff.	At cost of officers time per hour as per rates listed below	
	Production of Order Papers	At cost plus disbursements	
The following hourly rates for Council Officers and Decision Makers will be charged for the processing of consents, hearings, designations etc that do not have a fixed charge or where the fixed charge is inadequate to cover the actual and reasonable costs of the Council.			
	Council Officer's Hourly Rates	Rate per hour from 1 Jul 2018	Rate per hour from 1 Jul 2019
	Planning Officers/Graduate Planning Officer	\$ 178	\$ 184
	Monitoring and Enforcement Officer	\$ 160	\$ 165
	Senior Planner	\$ 191	\$ 197
	Head of Planning Services	\$ 209	\$ 215
	City Planning Manager	\$ 209	\$ 215
	Senior Business Support officer	\$ 155	\$ 160
	Administration/Committee Administration Staff	\$ 111	\$ 114
	Technical and Professional Staff from all other Council units	\$ 178	\$ 184
	General Manager	\$ 227	\$ 234
	Commissioner	At cost plus disbursements	
	Hearing Committee Chair and Members	At cost (\$100 per hour for Chair & \$80 per hour for members) plus disbursements	

Palmerston North City Council	Attachment B	
Miscellaneous Services	Fees & Charges	
The miscellaneous charges detailed below are imposed under the Local Government Act 2002. They seek to recover the cost to Palmerston North City Council for approvals, authorities and inspections not covered by the primary legislation under which the Council operates. (<i>These being the Resource Management Act 1991, Building Act 2004, Dog Control Act 1996, Impounding Act 1955, Food Act 2014 and Land Transport Act 1998</i>).		
All fees and charges shown are GST inclusive		
Fixed Fees		
Payable when request for service/information is submitted to Council. No additional charges will be applied.		
Work Type	Fixed Fee from 1 Jul 2018	Fixed Fee from 1 Jul 2019
LIMS		
Land Information Memorandum	\$ 455	\$ 455
GIS		
GIS Inputting (per consent)	\$ 175	\$ 180
Street Numbering		
Request for street number changes	\$ 364	\$ 375
Noise		
Return of seized sound equipment:		
- for first offence	\$ 168	\$ 173
- for second or third offence	\$ 278	\$ 286
- for fourth or subsequent offence	\$ 389	\$ 400
Disconnection of alarms under the Resource Management Act		Recovery of actual cost incurred by Council, including staff time and contractor costs
Food Act 2014 Food Control Plan Auditing (including site visit, reporting and general administration)		
Processing an application under the Food Act 2014 for registration of a Food Control Plan or a National Programme	\$ 260	\$ 268
Processing an application under the Food Act 2014 for renewal of registration of a Food Control Plan or a National Programme	\$ 260	\$ 268
Verification -Initial site visit (including reporting)(hourly rate)	\$ 161	\$ 166
Verification - Follow-up visits (including reporting) (hourly rate)	\$ 161	\$ 166

Deposits		
Charges for all services are based on the actual costs incurred by the Council. Any deposit specified in the table below are payable before the Council commences the service. The total charge for the service will be determined upon completion of the service, on the basis of the time spent by the relevant officer undertaking the work specified at that officer's hourly rate.		
Work Type	Deposit from 1 Jul 2018	Deposit from 1 Jul 2019
Right of Way Approval		
Right of Way Approval- section 348	\$ 500	\$ 500
Certificates		
Certificate of Compliance Building Code - Alcohol	\$103 Deposit, then billed at actual cost of officer's time per hour	\$103 Deposit, then billed at actual cost of officer's time per hour
Gambling		
Gambling venue consent	\$445 plus officer's hours after 3 hours	\$445 plus officer's hours after 3 hours

Other Charges		
These fees may be applicable to a consent or may be applied as a single charge. Note that photocopying and scanning charges includes both material and labour costs associated with such work.		
Work Type	Charge from 1 Jul 2018	Charge from 1 Jul 2019
Photocopying / Copy of scanned documents		
A0, A1, A2	\$10/page	\$10/page
A3	\$0.45/page	\$0.45/page
A4	\$0.35/page	\$0.35/page
Double sided A3	\$0.55/sheet	\$0.55/sheet
Double sided A4	\$0.45/sheet	\$0.45/sheet
For colour copies		
Single sided	Additional charge of \$1.70/page	Additional charge of \$1.70/page
Double sided	Additional charge of \$3.80/sheet	Additional charge of \$3.80/sheet
Request for Property Information		
Copy of Property Information	At cost of officer's time per hour plus disbursements	At cost of officer's time per hour plus disbursements
Page of property File, supplied in PDF format on CD	At cost of officer's time per hour and CD or USB cost	At cost of officer's time per hour and CD or USB cost
Certificate of Title	\$ 25	\$ 26
Swimming Pools		
Swimming Pool initial compliance inspection	\$ 187	\$ 193
Swimming Pool reinspections (second and subsequent inspections)	\$187 per inspection	\$193 per inspection
Vehicle Crossings (cost per inspection)		
T1; Inspect existing vehicle crossing	\$ 204	\$ 210
T2; New vehicle crossing	\$ 377	\$ 388
T3; Alter an existing vehicle crossing	\$ 204	\$ 210
Asset Bonds		
Council Asset Bond (payable for each building consent above the value of \$100,000)	\$1,000 (no GST)	\$1,000 (no GST)
Overgrown Trees/Shrubbery		
Removal of Overgrown Trees/Shrubbery	Recovery of actual cost incurred by Council, including staff time and contractor costs	Recovery of actual cost incurred by Council, including staff time and contractor costs

Charges for Council Officers and Decision Makers		
The following hourly rates will be charged for those approvals, authorities and inspections listed in this schedule that are not listed as a fixed fee		
Council Officer's Hourly Rates (per hour)	Charge from 1 Jul 2018	Charge from 1 Jul 2019
General Manager	\$ 227	\$ 234
Division Head	\$ 209	\$ 215
Senior Planner	\$ 191	\$ 197
Planning Officers/Graduate Planning Officers	\$ 178	\$ 183
Monitoring and Enforcement Officer	\$ 160	\$ 165
Team Leader - Building	\$ 196	\$ 202
Senior Plumbing and Drainage Officer and Advanced Building Officer	\$ 196	\$ 202
Building Officer	\$ 178	\$ 183
Principal Environmental Health Officer	\$ 193	\$ 199
Environmental Health Officer	\$ 173	\$ 178
Environmental Health Officer Cadet	\$ 156	\$ 161
Senior Business Support Officer	\$ 155	\$ 160
Administration/ Committee Administration Staff	\$ 111	\$ 114
Technical and Professional Staff from all other Council Units	\$ 178	\$ 183
Commissioner	At cost plus disbursements	At cost plus disbursements
Hearings Committee Chair and Members	At cost (\$100 per hour for Chair & \$80 per hour for members) plus disbursements	At cost (\$100 per hour for Chair & \$80 per hour for members) plus disbursements
Notes:		
1 The hourly rates for Council Officers noted above will be charged for the work type listed above which do not have a fixed fee		
2 The hourly rates for the services which are listed in the above tables are for those staff listed in the table headed "Charges for Council Staff"		
3 Where it states above the fee per hour, please note this should be read in full as "fee per hour or part thereof".		

Attachment C

Trade Waste Fees and Charges for 2019/20

Category	2018/2019 Charge GST Incl.	2019/2020 Charge GST Incl.	Description
Administrative Charges (Table 2 – Schedule 1)			
Compliance Monitoring (2.2)	\$360 per annum	\$360 per annum	Fee to recover inspection and monitoring costs of trade premises
Compliance Monitoring – Grease Trap Sampling Fee (2.2)	\$98 per inspection	\$115 per inspection	Fee to recover inspection and sampling costs of grease traps
Trade Waste Application Fee (2.4)	\$860	\$1,600	Fee to recover cost of processing new or renewal applications
Consent Processing Fee (2.5)	\$155 per hr	\$195 per hr	Fee to recover cost of processing extraordinary applications
Re-inspection Fee (2.6)	\$115 per inspection	\$115 per inspection	Fee to recover cost of re-inspections of individual trade premises
Grease Traps (2.9)	\$88 per annum	\$115 per annum	Charge to recover administration and monitoring cost of grease traps
Oil Interceptors (or similar devices) (2.9)	\$88 per annum	\$115 per annum	Charge to recover administration and monitoring cost of oil interceptors and other treatment devices
Amalgam Traps (2.9)	\$88 per annum	\$115 per annum	Charge to recover administration and monitoring cost of amalgam traps at dental surgeries
All other premises (2.9)	\$745 per annum	\$800 per annum	Charge to recover administration and monitoring cost of trade waste consents
Trade Waste Charges (Table 3 – Schedule 1)			
Volume Charge (\$/m ³) (3.1)	\$0.3812/m ³	\$0.4122/m ³	Charge to recover sewerage collection costs
Suspended Solids Charge (SS) (\$/kg) (3.3)	\$0.6042/kg SS	\$0.7113/kg SS	Charge to recover suspended solids treatment costs
Organic Loading Charge (BOD) (\$/kg) (5.4)	\$0.4641/kg BOD	\$0.5737/kg BOD	Charge to recover organic loading treatment costs
Phosphorous Charge (DRP) (\$/kg) (3.6)	\$31.2085/kg DRP	\$38.625/kg DRP	Charge to recover phosphorous (DRP) removal costs
Tankered Waste Charges (Table 4 – Schedule 1)			
Tankered Wastes (4.1) Charge	\$40/1,000 litres	\$40/1,000 litres	Charge to recover administration, receiving and treatment costs of tankered wastes.

MEMORANDUM

TO: Finance and Performance Committee

MEETING DATE: 17 June 2019

TITLE: Papaioea Place Redevelopment Quarterly Update

DATE: 8 May 2019

PRESENTED BY: Bryce Hosking, Property Manager, Infrastructure

APPROVED BY: Tom Williams, Chief Infrastructure Officer

RECOMMENDATION(S) TO FINANCE AND PERFORMANCE COMMITTEE

1. That the memorandum dated 8 May 2019 and titled 'Papaioea Place Redevelopment Quarterly Update' be received for information.
-

1. ISSUE

- 1.1 Stage 1 of the Papaioea Place housing project is funded through Programmes 357 and 1277 – C/fwd of the 2018 10-Year Plan.
- 1.2 The Finance and Performance Committee Chairperson has requested a quarterly update to be brought back to the Finance and Performance meeting for the duration of the construction period.
- 1.3 The Construction Programme was received from Latitude Homes in June and presented to Finance and Performance at the 18 June 2018 meeting for information.

2. BACKGROUND

- 2.1 The Papaioea Place project form of contract is a design and build contract between Palmerston North City Council (Principal) and Latitude Homes (Contractor) of New Plymouth.
- 2.2 The overall project management is being provided by WT Partnership Advisory. The day-to-day project management is being carried out by Council Officers.

- 2.3 Site meetings and Project Control Group meetings are held on the last Thursday of each month. This report is a summary from 7 May 2019.

3. SUMMARY – PROJECT CONTROL GROUP REPORT 11: 7 MAY 2019

Health and Safety

- 3.1 There have been no health and safety incidents reported since the last update to Council dated 28 February 2019.

Programme

- 3.2 Blocks 1 and 2 of Stage 1 (30 units) were completed by 28 February 2019 as planned.
- 3.3 Works are underway for Blocks 3 and 4 of Stage 1 (20 units). Blocks 3 and 4 are due for completion in December 2019.
- 3.4 Asbestos removal in the old units is complete.
- 3.5 Excavation of the site is complete.
- 3.6 Currently 10 days behind schedule due to additional asbestos removal and with unavailable sub-contractors over the Easter/ Anzac week. Contractors are confident of picking up these delays.

Regulatory

- 3.7 Code of Compliance Certificates have been issued for Blocks 1 and 2.

Design

- 3.8 Concept design for Stage 2 is currently progressing. Concept is to be completed and priced in May 2019.
- 3.9 Providing funding for Stage 2 is brought forward into the 2019/20 year as proposed in the draft annual plan, Stage 2 can begin in January/ February 2020 upon the conclusion of Stage 1.

Financial

3.10 Variations to date:

Description	Amount (\$)
Excavation of soft spots/ Asbestos removal	\$37,854
Provision for Sky TV connections	\$4,760
Additional light switches	\$5,040
Renewal extension of contractor's professional indemnity insurance (1yr given need to extend contract period)	\$9,311
Bond in lieu of retentions	\$3,500
Curtains	\$67,500
Chorus Connections	\$60,000
Landscaping	\$36,000
Concept Design for Stage 2	\$38,950
Additional Authority Fees for Concept Design – Stage 2	\$1,626
Total	\$264,541

3.11 These variations have been accommodated within the project contingency.

3.12 An overview of the Project Budget Status is in the table below:

Description	Project Budget	Budget Variance	Final Forecast
Construction	\$6,646,031	\$223,965	\$6,869,996
Professional Fees	\$265,400	\$38,950	\$304,350
Authorities Fees	\$55,000	\$1,626	\$56,626
Construction Contingency	\$332,561	\$223,965	\$108,596
Project Contingency	\$333,000	\$40,576	\$292,424
Total	\$7,631,992	\$0	\$7,631,992

4. NEXT STEPS

4.1 Continue the construction programme to complete Stage 1 as per the budget and timeline.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 3: A Connected and Safe Community	
The recommendations contribute to the outcomes of the Connected Community Strategy	
The recommendations contribute to the achievement of action/actions in the Social Housing Plan	
The action is: Upgrade the Papaioea housing complex (by end of 2018/2019).	
Contribution to strategic direction	Programme 357 is stage 1 of the Papaioea Place Redevelopment project – to demolish 32 existing units and create 50 new units in their place which will be suitable for tenants to age in place.

ATTACHMENTS

Nil

MEMORANDUM

TO: Finance and Performance Committee

MEETING DATE: 17 June 2019

TITLE: Camp Kilsby Scouting NZ: Application for Grant from Council to fund Development Contribution Fee

DATE: 31 May 2019

PRESENTED BY: David Murphy, City Planning Manager, Strategy & Planning

APPROVED BY: Sheryl Bryant, General Manager - Strategy & Planning

RECOMMENDATION(S) TO COUNCIL

1. That the Council approve the application by the Camp Kilsby - Scouting NZ for a grant to fund Development Contribution fees, to the value of \$4,136.25 (GST inclusive), associated with the establishment of a community and leisure facility scouting hall at 315 Hewitts Road, Palmerston North

1. ISSUE

Manawatu Scouting has relocated the former Linton Scout Hall to Camp Kilsby. The hall had to be removed from its former site at the request of the Ministry of Education. The relocation triggered the need for resource and building consents. The building consent triggered a Development Contribution fee of \$4,136.25 (GST Inclusive) for transport, which must be paid before Council issues a Code of Compliance Certificate. On 30 May 2019 Camp Kilsby Scouting NZ requested that the Finance and Performance Committee consider an application for a grant to cover the Development Contribution fees. The request is attached to this memo.

2. BACKGROUND

In 2017, Manawatu Scouts moved a building previously used as the Linton Scout Hall to Camp Kilsby at 315 Hewitts Road, Palmerston North. The hall has been unused while reinstatement fundraising has been undertaken and building and resource consents sought.

On the 18th of January 2019 Council granted building consent.

On the 22nd of January 2019 Council issued a tax invoice for a Development Contribution charge of \$4,136.25 (inclusive of GST). This charge is the subject of the request by Camp Kilsby Scouts NZ.

On the 9th of April 2019 Council approved a resource consent for the establishment of a community and leisure facility (the scout hall) at 315 Hewitts Road, Palmerston North.

3. COMMUNITY FUNDING POLICY 2018

The Community Funding Policy 2018 provides a framework for considering grants for Development Contribution fees. Camp Kilsby Scouts NZ meets the eligibility criteria for requesting a grant because they are a 'community organisation', as defined in the policy. Community organisations seeking assistance must be using the building or facility that is the subject of the development contribution in a way that contributes to Council's strategic direction. The request aligns with Council's Connected Community Strategy (to achieve Goal 3: A connected and safe community), which seeks to develop facilities that create connected, welcoming and inclusive community (Priority 1).

A Development Contribution Fees Grant is a 'one-off' grant that is credited towards the development contribution fee on behalf of a successful applicant. The grant is not paid directly to the recipient organisation. Applications must be referred to the Finance Committee who will assess applications and award the grant accordingly. Applications can be accepted all year round until the fund has been fully allocated each financial year. A \$25,000 grant fund exists in the 2018-19 financial year specifically for Development Contribution Fees. No applications have been received or approved in 2018-19. The June 2019 Finance and Performance Committee meeting is the last opportunity to allocate grant funding for the 2018-19 financial year.

4. NEXT STEPS


That the Council approve the application by the Camp Kilsby - Scouting NZ for a grant to fund Development Contribution fees, to the value of \$4,136.25 (GST inclusive), associated with the establishment of a community and leisure facility scouting hall at 315 Hewitts Road, Palmerston North.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	No
If Yes quote relevant clause(s) from Delegations Manual	
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative	No

procedure?		
Is there funding in the current Annual Plan for these actions?		Yes
Are the recommendations inconsistent with any of Council's policies or plans?		No
The recommendations contribute to Goal 3: A Connected and Safe Community		
The recommendations contribute to Goal 3: A Connected and Safe Community		
The recommendations contribute to the outcomes of the Connected Community Strategy		
The recommendations contribute to the achievement of action/actions in the Community Support Plan		
The action is: Implement the community funding policy		
Contribution to strategic direction	Grant funding will assist Camp Kilsby Scouts NZ to be able to adapt and take advantage of opportunities and respond to challenges, which is an identified position of where Council "wants to be" in the Community Support Plan.	

ATTACHMENTS

1. DC Grant Application - Camp Kilsby Scouting NZ [↓](#) 



Community Group Request for Council to Pay Development Contribution Fees

APPLICATION FORM

Applicant Community Group Name:

Camp Kilsby - Scouting NZ

Resource Consent Number (if applicable):

4939

Building Consent Number (if applicable):

BC 180796

Before completing this form please read the 2015 Development Contributions Policy Guide.

Contact for assistance:

Name: Jonathan Ferguson-Pye

Palmerston North City Council

Phone: 06 356 8199

Email: jonathan.ferguson-pye@pncc.govt.nz



DEVELOPMENT CONTRIBUTION ACCOUNT

TAX INVOICE: GST REGISTRATION NO. 11-213-081

CAMP KILSBY SCOUTING NZ C/O M A PARKER 64 PAHIATUA STREET HOKOWHITU PALMERSTON NORTH 4410	Application No: 180796 Invoice No: 922022 Legal Description: LOT 1 DP 30697 Site Location: 315 HEWITTS ROAD, PALMERSTON Owners Name: CAMP KILSBY SCOUTING NZ Date: 22 JAN 2019 Contact Name: BUDVIETAS, PAUL SIMEON
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519120422/54

WORK DESCRIPTION: STRUCTURAL PILING OF A SCOUT HALL MOVED ONTO CAMP

DESCRIPTION	CHARGE	GST AMOUNT	TOTAL FEE
DC - ROADING	3,596.74	539.51	4,136.25

TOTAL FEES

3,596.74	539.51	\$4,136.25
	NOW DUE	\$4,136.25

If this account includes costs for inspections, these are based on the estimated number of inspections for your project.
 If fewer inspections are carried out, the difference will be refunded when the Code Compliance Certificate is issued.
 If additional inspections are carried out, the fee for those is payable prior to the issue of the Code Compliance Certificate.

EFT: (Internet) Payments only to:

PNCC Bank Account: 030726-0330770-00

Application # and Invoice # are essential for allocation purposes

Remittance by email: remittance@pncc.govt.nz or fax to: 06 351 4311

REMITTANCE ADVICE: Please detach and return with your payment

Palmerston North City Council

Private Bag 11 034

Palmerston North

CUSTOMER:
 CAMP KILSBY SCOUTING NZ
 C/O M A PARKER
 64 PAHIATUA STREET
 HOKOWHITU
 PALMERSTON NORTH 4410

INVOICE NO 922022

APPLICATION NO 180796

PAYMENT MADE

\$

Please answer each question in the space provided. Additional information can be attached.

CONTACT DETAILS

Title:	<input type="checkbox"/> Mr <input type="checkbox"/> Mrs <input type="checkbox"/> Miss <input checked="" type="checkbox"/> Ms Other: _____	
Full Name:	Gwyn Fraser	Treasurer Malcolm Parker
Address:	436A Tremaine Ave	64 Pakietia St
	Palmerston North	Palmerston North
Postal Address: If different from above		
Phone:	06-358 3172	Mobile: 027 684 5350
Email:	gwyn.fraser40@gmail.com.	

PLEASE ANSWER EACH OF THE FOLLOWING QUESTIONS

1. Please state the amount of the Development Contribution fee you are requesting the Council to pay: \$ 4136.25

2. Please state what facility/building the Development Contribution fee applies to:

Hall moved onto Camp Kilsby site to be used mostly as a training hall that will enhance the credibility of the venue, & allow us to be more self sufficient financially as well as in house use

3. What community service or activity does your community group provide?

Scouting for young people throughout the wider Manawatu. This is now our only Scout owned campsite but is also available for a wide range of outside groups

4. Is your community group legally constituted (i.e. not-for-profit, an incorporated society, or charitable trust)?

☐ Yes

☐ No

Scouts NZ - EC 10586
GST no - 10-149-134

5. Does your community group:

a) Have a proven track record of service delivery to the community:

☒ Yes

☐ No

Within Scouting and youth community service
within the wider community

b) Have a high level of community support such as voluntary labour, donated materials or funds raised from the community?

☒ Yes

☐ No

Have raised funds through grants, volunteer
labour & expertise & will continue to do so

c) Have a record of sound financial management?

☒ Yes

☐ No

Accounts available if required. Have Scouts NZ No
approval. Project continues only as funds available

d) Receive any other forms of financial assistance from the Council (i.e. rental, land, subsidies or professional assistance)?

☐ Yes

☐ No

Rate's rebates on some of our Scout halls
or ground leases

e) Receive financial assistance from any other organisations?

☒ Yes

☐ No

Grant applications if successful

6. Is the proposed facility physically and financially accessible to the wider community?

☒ Yes

☐ No

On booking. Scouting takes priority but many groups do hire throughout the week, and available weekends.

7. In the event of your community group ceasing to operate, what arrangements are in place to disperse your assets?

All property is officially owned by Scouts NZ, our National entity, and this would be under their jurisdiction

See attached background to project

Please attach any other information you would like Councillors to be made aware of when assessing the application.

Camp Kilsby Hall Project – Manawatu Horizons Zone, Scouts NZ

In 2017 Manawatu Scouts moved a building previously used as the Linton Scout Hall at short notice to Camp Kilsby. The Ministry of Education required its removal from their land due to their changing needs. The cost to relocate was less than demolition costs, so a decision was made to relocate it. Then started the hard work of fundraising and grant applications and the consent processes. We already have the Resource and Building consents approved and have recently engaged a former Scout Leader to Project Manage the completion of this endeavour.

The quick nature of the project has incurred unexpected pressure on our volunteer committee and finances

- the need to borrow from other Scout funds to move the building as grant applications couldn't be managed in a timely fashion;
- full asbestos check;
- amount of time the right volunteers had available to push the project forward.

Scouting in the Manawatu has been a constant presence since 1908 (1 year after it began in the UK) and has continued to grow, currently having around

- 550 youth members
- 120 warranted leaders
- plus committees and parent support.

The Zone covers a wide area from Whanganui, through the Rangitikei, South to Foxton and East through Tokomaru and Linton (who meet at the campsite now) to Palmerston North and through to Ashhurst, Pahiatua, Dannevirke and Te Uri. Scouting has a strong moral code supporting youth to grow in the outdoors and within the community. We hold charity status as a national body. All property is held in the name of Scouts New Zealand, and required their permission to proceed, and any future need to dispose of the property would be according to Scouts NZ property policy – we sincerely hope not!

Our Zone campsite is a continuing project as funds allow and this is our biggest project since the first hall in the late 70's. Interestingly this hall and the relocated one were donated by the Army at the same time so is fitting they will sit side by side again. The Army may also be helping with the piling project (TBC). Volunteer labour is a constant at the campsite with maintenance and ongoing projects – currently around

- drainage,
- a new mudslide,
- rodent proofing,
- ground work etc.

Future projects being sorted are

- complete the hall (rewiring, painting etc)
- comply with the consents with carparking and disabled access
- a confidence type course
- More self sustaining with rain water collection, septic tank, and composting on site.

Scouting also contributes volunteer labour to the wider community, most recently

- Tree planting on the stream edges at the campsite with Regional Council support
- Pitt Park working bees
- River clean ups
- Bark at the new Wildlife Base at the Esplanade
- Red Cross Book Fair
- Rodent trapping throughout the region
- Food bank drives

And will continue to do so

The existing (and when refurbished) halls and grounds are regularly used by Scouting and also

- The New Zealand Army SME and other divisions for training
- Ben James runs a regular training session in leadership
- PANZ – Pagan festival
- Boy's Brigade
- Girl Guides
- Air Force Cadets
- Pac Soft (Airsoft club)
- Central Districts Caravan Club
- Massey Kid's Club
- Various Church, Family Groups and schools (Adventist College)
- Massey University Students

Fees are kept low but enable us to cover our costs at the site. They vary with non- local Scouting groups and public groups paying slightly more. The 2nd hall will make us more self-sufficient and allow a wider range of use to utilize the site.

Hall Hire :

- Outside Group :\$100 per day
- Scouting Group Out of Zone : \$75.00
- In Zone: Donation (suggested \$40)

Grounds

- Outside Group: \$40.00
- Scouting Group Outside Zone: \$30.00
- In Zone: Free

Overnight Stay (this is in addition to the hire)

- Outside Group : \$7.00 per night per person
- Scouting Group Outside Zone: \$5.00
- In Zone Group: Free

Thank you for your consideration with the Development Contribution Fees

Gwyn Fraser

On behalf of the Kilsby Camp Committee

COMMITTEE WORK SCHEDULE

TO: Finance and Performance Committee

MEETING DATE: 17 June 2019

TITLE: Committee Work Schedule

RECOMMENDATION(S) TO FINANCE AND PERFORMANCE COMMITTEE

1. That the Finance and Performance Committee receive its Work Schedule dated June 2019.

ATTACHMENTS

1. Committee Work Schedule  

FINANCE AND PERFORMANCE COMMITTEE

PART I

COMMITTEE WORK SCHEDULE – JUNE 2019

Item No.	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction/ Point of Origin
1	TBA April 2019	Property Portfolio (Hulia Street Reserve)	Chief Infrastructure Officer	Workshop scheduled for 11 February 2019	21 February 2011 Clause 10-11
2	April 2019	Quarterly Performance and Finance Report	Chief Financial Officer		
3	April 2019	Report back on current status of external fundraising	Chief Financial Officer	On track	18 February 2019 (No formal resolution made)
4	May August 2019	Investigate a buy local policy	Chief Financial Officer		18 February 2019 clause 9.2 (Part II, subsequently transferred to Part I)
5	June 2019	Aquatic Facilities – free admission of under five year-olds	Chief Infrastructure Officer	Moved to Committee of Council on 10 June 2019	18 March 2019 clause 19-2 Committee of Council 20 May 2019 clause 8.12
6	August 2019	Update on infill lighting required to achieve compliance in P and V categories	Chief Infrastructure Officer	On track	19 November 2018
7	August 2019	E-Waste recycling reduced fees update	Chief Infrastructure Officer		18 February 2019 (No formal resolution made)
8	August 2019	Quarterly Performance and Finance Report	Chief Financial Officer		
9	TBA September 2019	Whakarongo Residential Development update	Chief Infrastructure Officer		18 March 2019 (No formal resolution made)

Oasis #10652368

- 2 -

Item No.	Estimated Date	Report	Subject	Officer Responsible	Current Position	Date of Instruction/ Point of Origin
10	TBA		Review of charging structure for animal control fees	Chief Financial Officer		15 April 2019 clause 25.10