



PALMERSTON NORTH CITY COUNCIL

AGENDA

STRATEGY & FINANCE COMMITTEE

9AM, WEDNESDAY 15 NOVEMBER 2023

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

MEMBERS

Vaughan Dennison (Chair)
Karen Naylor (Deputy Chair)
Grant Smith (The Mayor)

Mark Arnott
Brent Barrett
Lew Findlay (QSM)
Patrick Handcock
(ONZM)
Leonie Hapeta

Lorna Johnson
Orphée Mickalad
William Wood
Kaydee Zabelin

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

Waid Crockett

Chief Executive | PALMERSTON NORTH CITY COUNCIL

Te Marae o Hine | 32 The Square
Private Bag 11034 | Palmerston North 4442 | New Zealand
pncc.govt.nz

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PAPAIOEA
PALMERSTON
NORTH
CITY

STRATEGY & FINANCE COMMITTEE MEETING

15 November 2023

ORDER OF BUSINESS

1. Karakia Timatanga

2. Apologies

3. 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.

4. 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.

5. 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.)

6. Confirmation of Minutes

Page 9

"That the minutes of the Strategy & Finance Committee meeting of 20 September 2023 Part I Public be confirmed as a true and correct record."

7. Quarterly Performance and Financial Report - Period Ending 30 September 2023

Page 19

Memorandum, presented by Scott Mancer, Finance Manager and Andrew Boyle, Head of Community Planning.

8. Treasury Report - quarter ending 30 September 2023

Page 75

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

9. Waterloo Park - Land Exchange Proposal Decision

Page 87

Report, presented by Aaron Phillips, Activity Manager - Parks.

10. Panako Park - Decision on Reserve Classification and Future of the Girl Guiding New Zealand Hall

Page 109

Report, presented by Aaron Phillips, Activity Manager - Parks.

11. 2023 Housing and Business Development Capacity Assessment

Page 119

Memorandum, presented by Tara Lennard, Planner and Sam Dowse, Senior Planner.

12. Indicator framework for the Long Term Plan 2024-2034

Page 127

Memorandum, presented by Kian Lee, Policy Analyst and Julie Macdonald, Strategy & Policy Manager.

- 13. Procurement Policy** Page 137

Memorandum, presented by Paul Hollis, Procurement Manager.

- 14. Opie Reserve - Proposal to support Te Kōhanga Reo O Ngāti Hineaute Ki Rangitaane O Manawatū Trust by notifying the intention to grant community occupancy via a lease of Council land** Page 165

Report, presented by Bryce Hosking, Group Manager - Property and Resource Recovery.

- 15. 21 Havelock Avenue (part of Bill Brown Park) - Proposal to support Papaioea Pasifika Community Trust by notifying the intention to grant a Licence Agreement of Council land** Page 193

Report, presented by Bryce Hosking, Group Manager - Property and Resource Recovery.

- 16. 154 Centennial Drive - Proposal to continue supporting the Palmerston North Canoe Club Incorporated by notifying the intention to grant occupancy via a commercial lease of Council land and building** Page 221

Report, presented by Bryce Hosking, Group Manager - Property and Resource Recovery.

- 17. 119 Highbury Avenue (part of Tui Park) - Proposal to grant a lease on Council land to Te Whatu Raranga o Highbury Weavers** Page 233

Memorandum, presented by Bryce Hosking, Group Manager - Property and Resource Recovery.

- 18. 279 Albert Street (part of Hokowhitu Domain) - Proposal to grant a lease to Hokowhitu Bowling Club Incorporated** Page 237

Memorandum, presented by Bryce Hosking, Group Manager - Property and Resource Recovery.

- 19. 309 Main Street - Proposal to grant a lease on Council land to Senior Citizens Association Palmerston North Incorporated** Page 241

Memorandum, presented by Bryce Hosking, Group Manager - Property and Resource Recovery.

20. Vautier Park - Proposal to grant a lease on Council land to Netball Manawātū Centre Incorporated Page 245

Memorandum, presented by Bryce Hosking, Group Manager - Property and Resource Recovery.

21. Pioneer Reserve - Proposal to grant an easement on Council land to Powerco Limited Page 249

Memorandum, presented by Bryce Hosking, Group Manager - Property and Resource Recovery.

22. Deliberations on submissions - draft Interim Speed Management Plan (School Speed Limits) Page 253

Memorandum, presented by Peter Ridge, Senior Policy Analyst.

23. Committee Work Schedule Page 263

24. Karakia Whakamutunga

25. 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.	Attachment 2	COMMERCIAL ACTIVITIES: This information needs to be kept confidential to allow Council to engage in commercial activities without	S7(2)(h)

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

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

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

PALMERSTON NORTH CITY COUNCIL

Minutes of the Strategy & Finance Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 20 September 2023, commencing at 9.01am

Members Present: Councillors Vaughan Dennison (in the Chair), Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, William Wood and Kaydee Zabelin.

Non Members: Councillors Debi Marshall-Lobb and Billy Meehan.

Apologies: The Mayor (Grant Smith) (late arrival, on Council business) and Councillor Lorna Johnson.

The Mayor (Grant Smith) entered the meeting at 9.36am during consideration of clause 54. He was not present for clauses 48 to 53 inclusive.

Councillor Rachel Bowen entered the meeting at 10.19am during consideration of clause 56. She was not present for clauses 48 to 55 inclusive.

Councillor William Wood left the meeting at 11.16am during consideration of clause 59. He was not present for clauses 59 to 63 inclusive.

Karakia Timatanga

Councillor Debi Marshall-Lobb opened the meeting with karakia.

48-23 Apologies

Moved Vaughan Dennison, seconded Karen Naylor.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 48-23 above was carried 12 votes to 0, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb and Billy Meehan.

Declarations of Interest

Councillor Debi Marshall-Lobb declared an interest in item 6 (clause 49): Hearing of Submissions – Panako Park Reclassification Proposal, but stated she would consider the matter with an open mind.

Councillor Debi Marshall-Lobb declared a conflict of interest in item 19 (clause 62): 119 Highbury Avenue (part of Tui Park) - Proposal to continue supporting Te Whatu Raranga o Highbury Weavers by notifying the intention to grant community occupancy via a lease of Council land and building, and took no part in the discussion or debate.

49-23 Hearing of Submissions: Panako Park Reclassification Proposal

Moved Vaughan Dennison, seconded Karen Naylor.

The COMMITTEE RESOLVED

1. That the Strategy & Finance Committee hear submissions from presenters who indicated their wish to be heard in support of their submission.
2. That the Committee note the Procedure for Hearing of Submissions, as described in the procedure sheet.

Clause 49-23 above was carried 12 votes to 0, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb and Billy Meehan.

Note:

Councillor Debi Marshall-Lobb declared an interest but stated she would consider the matter with an open mind, and participated in the vote.

The Committee considered submissions on the Panako Park Reclassification Proposal with a supporting oral statement.

The following person appeared before the Committee and made oral statements in support of their submission.

River Stop Awapuni (Annette Nixon) (17)

Annette Nixon spoke to their submission and made the following additional comments:

- River Stop continues to operate on a very informal basis, with other people involved on occasion; for example one project under development is a story boardwalk at Ahimate Park, which involves a local author and illustrator as well as Council Officers.
- River Stop is planning for a Local History event early next year and a Boho Café birthday event (seven years) in November.
- This weekend St Matthews plant fair will be held, which has been held in the area since 1968.

- Awesome Awapuni, Presbyterian Church and River Stop have made repeated submissions to draft annual plans about having a community garden and orchard in the Panako Park area, as it offers great possibilities.
- Around 2010, Annette met with some community members and the Guides about people using the hall also using the St Mark's car park, and suggested the Guides might like to put in a path between the car park and their driveway. The church was happy for this to happen but no action was taken by the Guides to make that possible. There are opportunities like this that still exist.
- One of the considerations of the incoming committee who will meet for the first time in October is whether or not the management committee of the Awapuni Community Centre would also be able to manage the use of Panako Place hall. It is likely the new committee (with no Chair at present) will not be inclined to agree to this, so how the management of Panako Place hall is carried out is something Council will have to think about.
- Robert Cleaver, who in 1973 became the organist at St David's Presbyterian Church in Main Street on the corner of Rainforth Street, recalls attending Bible class with his sister for a visiting event in 1966, and the hall was located on the lawn area in Rainforth Street at the back of the church. It was used as a gym facility and storage area. Between 1966 and 1973 it was moved to Panako Place, so we now have a Presbyterian resource next door to a Presbyterian resource in Awapuni.
- River Stop Awapuni would like to see the Paper walkway between Panako Place and Awapuni Community opened up and turned into a community facilities hub and for both areas to have that immediate connection.

50-23

Summary of Submissions - Panako Park Reclassification Proposal

Memorandum, presented by Aaron Phillips, Activity Manager - Parks.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the memorandum titled 'Summary of Submissions – Panako Park Reclassification Proposal' presented to the Strategy & Finance Committee on 20 September 2023.

Clause 50-23 above was carried 12 votes to 0, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb and Billy Meehan.

51-23 Confirmation of Minutes

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the minutes of the Strategy & Finance Committee meeting of 10 May 2023 Part I Public be confirmed as a true and correct record.

Clause 51-23 above was carried 10 votes to 0, with 2 abstentions, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, Debi Marshall-Lobb and Billy Meehan.

Abstained:

Councillors William Wood and Kaydee Zabelin.

52-23 Confirmation of Minutes

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the minutes of the extraordinary Strategy & Finance Committee meeting of 7 June 2023 Part I Public be confirmed as a true and correct record.

Clause 52-23 above was carried 12 votes to 0, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb and Billy Meehan.

53-23 Confirmation of Minutes

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the minutes of the extraordinary Strategy & Finance Committee meeting of 1 August 2023 Part I Public be confirmed as a true and correct record.

Clause 53-23 above was carried 10 votes to 0, with 2 abstentions, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Patrick Handcock, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb and Billy Meehan.

Abstained:

Councillors Lew Findlay and Leonie Hapeta.

54-23

Drinking Water Compliance

Memorandum, presented by Mike Monaghan, Group Manager - Three Waters.

The Mayor (Grant Smith) entered the meeting at 9.36am.

The Officer highlighted a change to the detail in section 3.5. Since the paper was submitted, Officers have met with officials from Taumata Arowai to discuss the chlorine exemption application. The advice received is that, as Palmerston North City Council is already chlorinating all supplies, a chlorine exemption is not the appropriate vehicle. Instead Taumata Arowai recommend that Council apply for an Enforceable Undertaking under Part 3, Subpart 5, section 128 of the Water Services Bill. An enforceable undertaking is a written binding commitment to implement agreed actions to address the matters contravening the Act. In this case that would be committing to resolving the issue of contact time at the bore sites. Officers are currently working on the submission for the Enforceable Undertaking.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the memorandum on the bacteriological compliance status of the city bore supplies to provide clarification on the issues and strategies to address, presented to the Strategy & Finance Committee on 20 September 2023.

Clause 54-23 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb and Billy Meehan.

55-23

Draft Water Supply Bylaw - Deliberations on Submissions

Memorandum, presented by Peter Ridge, Senior Policy Analyst.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council adopt the Palmerston North Water Supply Bylaw 2024 and the Palmerston North Water Supply Bylaw Administration Manual 2024 (as shown in Attachments 2 and 3), which will come into effect on 1 February 2024.

Clause 55-23 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb and Billy

Meehan.

The meeting adjourned at 9.58am.
The meeting resumed at 10.14am.

56-23

Draft Speed Management Plan 2024-2027 - Approval for Consultation

Report, presented by Peter Ridge, Senior Policy Analyst, Charlotte French, Transport Engineer and Becky Young, Graduate Transport Engineer (Technical Advisors on contract from GHD).

Councillor Rachel Bowen entered the meeting at 10.19am.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the draft Speed Management Plan 2024 – 2027 (as shown in Attachment 1) be approved for public consultation.

Clause 56-23 above was carried 12 votes to 1, with 1 abstention, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb and Rachel Bowen.

Against:

Councillor Billy Meehan.

Abstained:

Councillor Leonie Hapeta.

57-23

Ashhurst and Te Apiti Campervan Dump Station Budget

Report, presented by Aaron Phillips, Activity Manager – Parks.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council approve an increase to the budget for Programme 1535 – City-wide: Campervan Dump Stations from \$113,595 to \$213,595.
2. That Council note that revenue will be increased by \$100,000 of secured external funding, subject to consultation on the proposed dump station, for Programme 1535 – City-wide: Campervan Dump Stations, which means there will be no rates impact from increasing the budget.
3. That Council note that, as per the condition of the Ministry of Business, Innovation and Employment funding, consultation on the proposed new campervan dump station will be carried out. The consultation results and any subsequent recommendations will be reported back to Council.

Clause 57-23 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb, Rachel Bowen and Billy Meehan.

58-23

Ashhurst Te Apiti Three Bridges Loop Track Investigations Budget & Waka Kotahi Fund Update

Report, presented by Aaron Phillips, Activity Manager – Parks.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council adds a new operating programme titled 'Ashhurst Te Apiti Three Bridges Loop Track Investigations'.
2. That Council approves an increase in operating revenue and expenditure budget of \$156,875 for the investigations and design phase of the Te Apiti Three Bridges Loop Track programme, this budget to be 100% funded by Waka Kotahi subsidies.
3. That Council instruct the Chief Executive to report back at the conclusion of the Te Apiti Three Bridges Loop Track investigations and design work with a view to applying to Te Ahu a Turanga Recreation Fund for implementation works.

Clause 58-23 above was carried 14 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb, Rachel Bowen and Billy Meehan.

59-23

Aokautere Urban Growth Area - Information relating to the description, timing and quantum of the development of infrastructure work programmes to enable growth in Aokautere

Memorandum, presented by Sam Dowse, Senior Planner and David Murphy, Chief Planning Officer.

Councillor William Wood left the meeting at 11.16am.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee note the infrastructure programmes identified in Attachment 1 of the Aokautere Urban Growth Area memorandum to support Proposed District Plan Change G, for prioritisation as part of the 2024 Long Term Plan process.

Clause 59-23 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta,

Orphée Mickalad, Kaydee Zabelin, Debi Marshall-Lobb, Rachel Bowen and Billy Meehan.

60-23 Pioneer Reserve - Proposal to Grant an Easement on Reserve Land to Powerco

Report, presented by Bryce Hosking, Group Manager – Property and Resource Recovery.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Strategy & Finance Committee approve notifying the public of the proposal to grant an easement at Pioneer Reserve, Palmerston North to convey electricity to Powerco, in accordance with Section 48 of the Reserves Act 1977.
2. That the Committee note that the land area affected by the easement for Powerco is described as Lot 2 DP 88159.

Clause 60-23 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, Kaydee Zabelin, Debi Marshall-Lobb, Rachel Bowen and Billy Meehan.

61-23 279 Albert Street (part of Hokowhitu Domain) - Proposal to continue supporting Hokowhitu Bowling Club Incorporated by notifying the public of the intention to grant community occupancy via a lease of Council land

Report, presented by Bryce Hosking, Group Manager – Property and Resource Recovery.

Elected Members approved an additional resolution with a lease term of no less than five years, due to uncertainty of the sport in the region and the possibility of a combined bowling facility in the future.

Moved Grant Smith, seconded Lew Findlay.

The **COMMITTEE RESOLVED**

1. That Council continues to support Hokowhitu Bowling Club Incorporated by notifying the public of its intention to grant community occupancy of Council land at 279 Albert Street (part of Hokowhitu Domain), Palmerston North in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.
2. That Council notes the land affected by the community occupancy of Hokowhitu Bowling Club Incorporated is described as Lot 18 DP 32630 and part of Lot 214, 215, 216 and 217 DP 791.

Clauses 61.1-23 and 61.2-23 above were carried 12 votes to 1, the voting being

as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Karen Naylor, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, Kaydee Zabelin, Debi Marshall-Lobb, Rachel Bowen and Billy Meehan.

Against:

Councillor Mark Arnott.

Moved Grant Smith, seconded Lew Findlay.

3. That the Committee note, if the lease is entered, that the lease term with Hokowhitu Bowling Club will be no less than five (5) years.

Clause 61.3-23 above was carried 10 votes to 3, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Mark Arnott, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, Kaydee Zabelin, Debi Marshall-Lobb and Billy Meehan.

Against:

Councillors Karen Naylor, Brent Barrett and Rachel Bowen.

62-23

119 Highbury Avenue (part of Tui Park) - Proposal to continue supporting Te Whatu Raranga o Highbury Weavers by notifying the intention to grant community occupancy via a lease of Council land and building
Report, presented by Bryce Hosking, Group Manager – Property and Resource Recovery.

The Officer highlighted a clarification: The report notes Highbury Weavers have occupied the site under formal lease since 2013. It should also have been noted that there was a month-by-month lease relationship prior to that time.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That Council continue to support Te Whatu Raranga o Highbury Weavers by notifying the public of its intention to grant community occupancy of Council land and building, via a lease at 119 Highbury Avenue (part of Tui Park), Palmerston North, in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.
2. That the Committee note the land affected by the community occupancy lease to Te Whatu Raranga o Highbury Weavers is described as part of Section 1 Survey Office Plan 452061.

Clause 62-23 above was carried 12 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, Kaydee Zabelin, Rachel Bowen and Billy Meehan.

Note:

Councillor Debi Marshall-Lobb declared a conflict of interest, withdrew from the discussion and left the room.

63-23 Committee Work Schedule

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Strategy & Finance Committee receive its Work Schedule dated September 2023.

Clause 63-23 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Karen Naylor, Mark Arnett, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Orphée Mickalad, Kaydee Zabelin, Debi Marshall-Lobb, Rachel Bowen and Billy Meehan.

Karakia Whakamutunga

Councillor Debi Marshall-Lobb closed the meeting with karakia.

The meeting finished at 11.57am.

Confirmed 15 November 2023

Chair

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Quarterly Performance and Financial Report - Period Ending 30 September 2023

PRESENTED BY: Scott Mancer, Finance Manager and Andrew Boyle, Head of Community Planning

APPROVED BY: Cameron McKay, Chief Financial Officer
David Murphy, Chief Planning Officer
Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION TO COMMITTEE

1. That the Committee receive the memorandum titled 'Quarterly Performance and Financial Report – Period Ending 30 September 2023', and related attachments, presented on 15 November 2023.

1. ISSUE

To provide an update on the performance and financial achievements of the Council for the period ending 30 September 2023.

2. BACKGROUND

Details of operating and financial performance are included in the attached report, with further information provided through the appendices to the report.

3. NEXT STEPS





The December 2023 quarterly report will be presented to Council after the completion of that quarter.

4. COMPLIANCE AND ADMINISTRATION

Does the Council 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	No

Consultative procedure?		
Is there funding in the current Annual Plan for these actions?		No
Are the recommendations inconsistent with any of Council's policies or plans?		No
The recommendations contribute to Goal 5: A Driven & Enabling Council		
The recommendations contribute to the achievement of action/actions in (Not Applicable)		
The action is: to enable Council to exercise governance by reviewing financial performance and operating performance and provide accountability for these to the public.		
Contribution to strategic direction and to social, economic, environmental and cultural well-being	As above.	

ATTACHMENTS

1. Q1 FY2024 September Performance and Financial Report [↓](#) 
2. Q1 FY2024 Appendix 1 - Performance Measures [↓](#) 
3. Q1 FY2024 Appendices 2-9 [↓](#) 
4. Q1 FY2024 Appendix 10 - Financial Dashboard [↓](#) 

Performance and Financial Report to Council

September 2023

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Chief Executive's Summary

This report covers the first quarter of the 2023/24 financial year outlining operating performance, capital delivery, and non-financial performance of Council.

At the end of September Council's controllable operating position was 0.1M unfavourable against the revised budget. This is a pleasing result, although there are some variances across operating revenue and expenditure. The largest variances in operating revenue are in fees and charges (unfavourable by 0.7M) and in other revenues (unfavourable by 0.7M across various activities, with offsetting lower expenditure). For operating expenditure, the largest variance is contractors (favourable by 1.0M). Further information outlining operating variances is provided in the subsequent sections of this report.

A key cost pressure to monitor this year is utilities, which ended FY2023 0.4M unfavourable against budget. At the end of September utilities are 0.4M unfavourable against budget, with the current unfavourable variance largely absorbed by other favourable operating variances YTD. The current variance is largely related to the Biogas generator being offline. Analysis and forecasting is being undertaken to understand the impact of this for the remainder of the year.

For the Capital Programme, delivery momentum has continued since the end of FY2023. Capital spend for the first quarter reached 16.7M, compared to a 9.0M spend for the equivalent period of FY2023. Of the 283 total capital projects, 120 projects are in progress with 8 projects complete.

New financial and regulatory systems transition

Over the first quarter, officers have been working hard to implement the new finance and regulatory system, as well as a new reporting system. As a result, for this quarterly report, high level budget phasing has been undertaken by Council officers for reporting of Council's current operating and capital positions. Some refinements may be made to this phasing during the next quarter, for accuracy.

Some of our processes in the new system are also being refined and built as we continue to increase our knowledge of the new systems. This has meant that more estimates have been made for the results, particularly relating to revenues, than normally would be made. Since the end of the quarter, further analysis has been ongoing to analyse the accuracy of these with early indications being that operating revenues may be approximately 0.3M understated.

Operating Performance

Summary of Financial Performance	2023/24 (\$M)			
	Year to Date			FY
For the period to 30 September 2023	Actual	Budget	Variance	Budget
Fees & Charges	2.0	2.7	(0.7)	8.0
Subsidies and grants	1.3	1.3	0.0	8.2
Other revenues	5.6	6.3	(0.7)	25.0
Operating Revenue	8.9	10.3	(1.4)	41.2
Administration	6.2	6.3	0.1	13.8
Contracted services	4.9	5.9	1.0	23.6
Grants	2.8	3.0	0.2	10.3
Materials	1.1	1.5	0.4	6.2
Professional services	5.3	5.3	0.0	19.5
Remuneration	15.2	15.4	0.2	61.0
Utilities	1.1	0.7	(0.4)	3.0
Capitalised labour and plant	(2.3)	(2.4)	(0.1)	(9.6)
Operating expenses	34.3	35.7	1.4	127.8
Net Operating Surplus/(Deficit)	(25.4)	(25.4)	0.0	(86.6)
Rates	31.3	31.2	0.1	124.2
Net Interest	(2.6)	(2.4)	(0.2)	(9.7)
Operating Controllable Surplus/ (Deficit)	3.3	3.4	(0.1)	27.9
Depreciation	(10.8)	(10.8)	0.0	(43.0)
Non-Operating Revenue	7.0	5.7	1.3	23.8
Non-Operating Expenses	0.0	0.0	0.0	0.0
Net result	(0.5)	(1.7)	1.2	8.7

The net operating position at the end of September breaks even, although there are some key deviations from budget to highlight:

- Operating revenue
 - Fees and charges revenue is unfavourable YTD by 0.7M, mainly related to building and resource consents, driven from both demand and processing in the new finance system.
 - Other revenues are unfavourable YTD by 0.7M. This mainly relates to income that has offsetting savings in expenditure.
- Operating expenditure
 - Contractors are favourable YTD by 1.0M related to Transport and 3 Waters.
 - Utilities are unfavourable YTD by 0.4M. Although the impact of this variance is not material on the operating position, it is important to identify early due to ongoing

utility cost pressures. Analysis and forecasting is being undertaken to understand the impact of this for the remainder of the year.

For further information on YTD performance see:

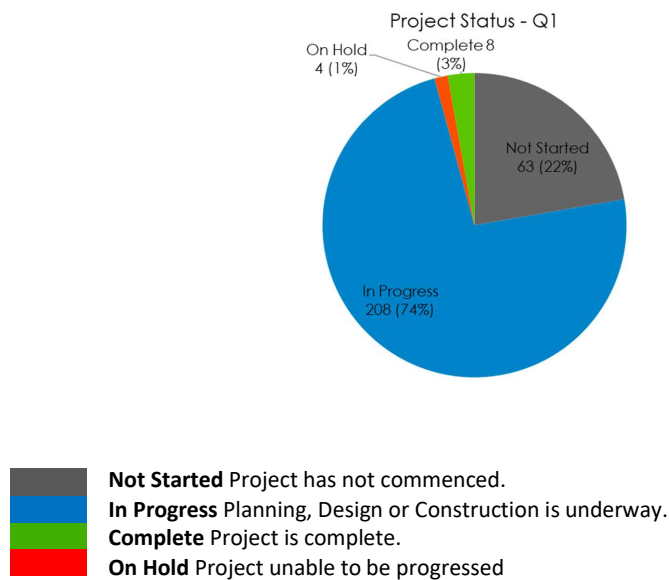
- Appendix 2 – Activities Operating Net Result
- Appendix 3 – Operating Programme Reporting
- Appendix 7 – Financial Statements
- Appendix 8 – Approved variations to Annual Budget

Capital Delivery Status

Current Delivery Status

The Quarter 1 spend of 16.7M reflects the delivery momentum that has continued from the second half of FY2023. For comparison, the Quarter 1 capital spend for FY2023 was 9.0M.

Of the 283 total capital projects, 208 projects are in progress with 8 projects complete. Programme deliverability confidence is high, the more integrated project delivery approach and the pending project management software will further support deliverability. Of the 208 projects in progress, 119 are expected to complete this financial year and 22 are renewal by nature where they are continuous or ongoing. The remaining 67 projects are multi-year or dependent on external growth.

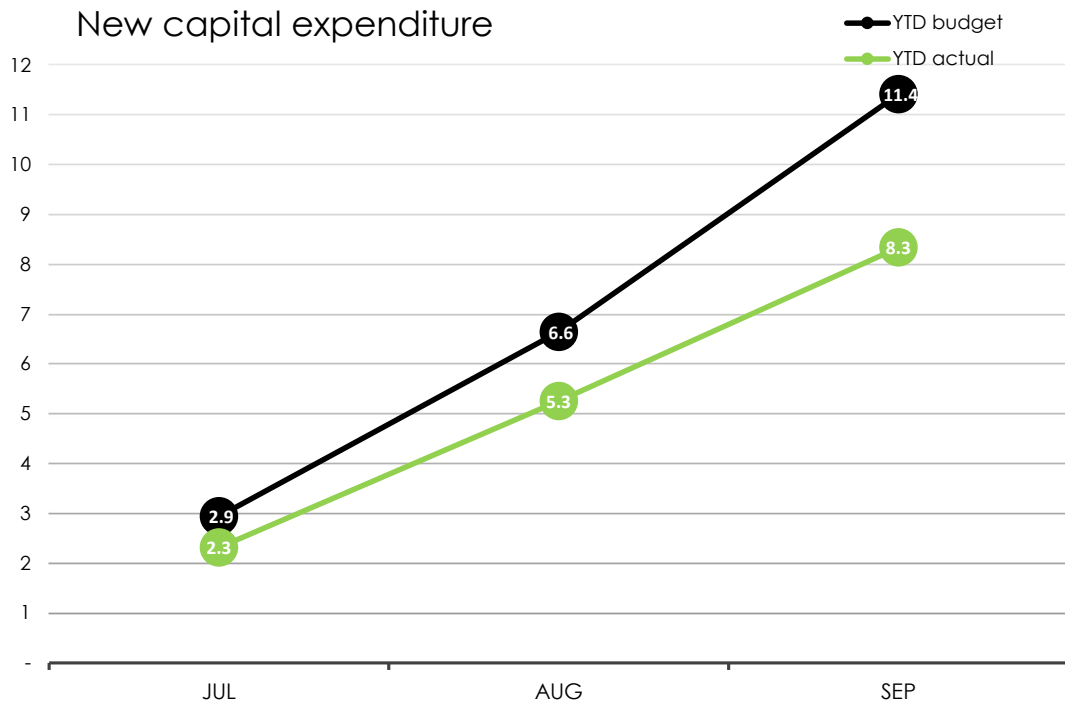


There has been excellent progress on several significant projects:

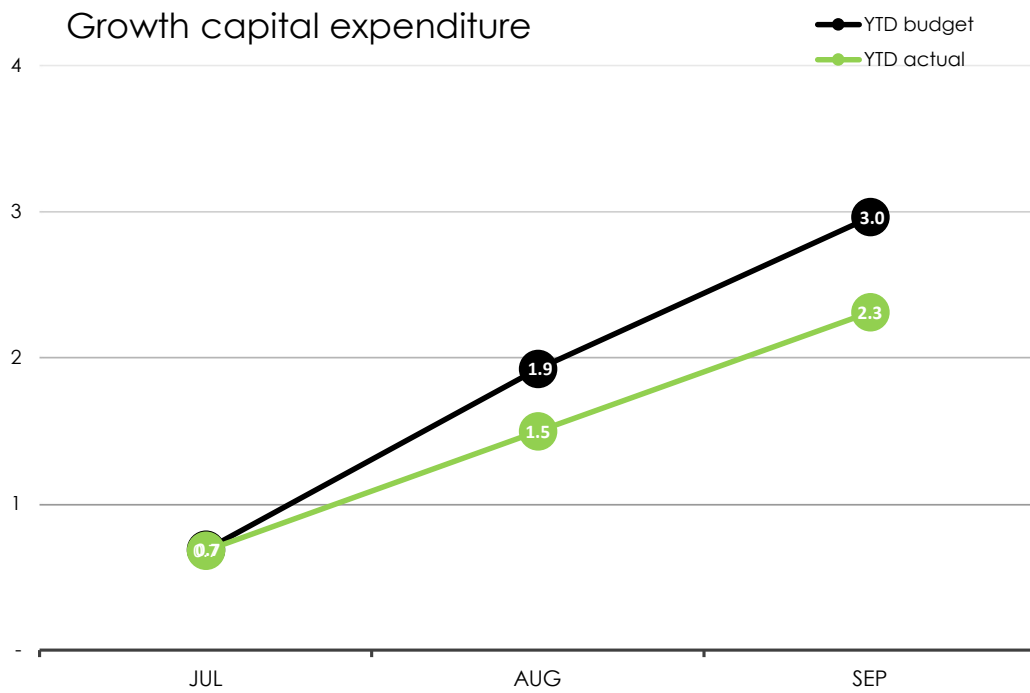
- The new Animal Shelter – ongoing construction
- Crematorium seismic strengthening – ongoing construction
- North-East Industrial Zone upgrade – ongoing construction
- Turitea Water Treatment Plant seismic strengthening – nearing completion
- Papaioea Place Stage 3 – nearing completion
- Upper James Line/Kelvin Grove Road Intersection Upgrades – complete
- Awapuni Recourse Recovery Centre Staff Facility Upgrade – complete/ahead of schedule
- Ferguson/Pitt Street upgrade - complete

At quarter-end, there has been a total Capital spend of 16.7M comprising 8.3M Capital New, 2.3M Capital Growth and 6.1M Capital Renewal.

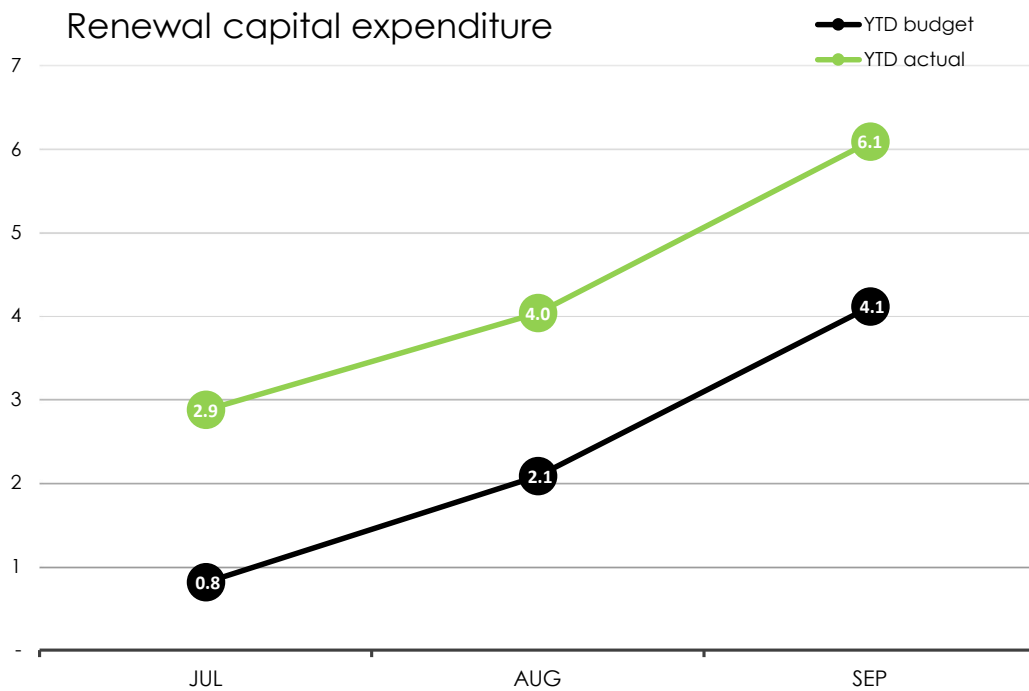
	Council wide actuals YTD	Council wide budget YTD	Variance	Council wide AP budget	Council wide revised budget
Capital New	8.3	11.4	3.1	52.4	54.5
Capital Growth	2.3	3.0	0.7	13.0	12.5
Capital Renewal	6.1	4.1	(2.0)	27.9	29.1
Total Capital	16.7	18.5	1.8	93.3	96.1



Two major factors contributed to the variance for Capital New. The timing of the new Animal Shelter delivery has been updated, with work initially expected to be completed in September now being completed throughout October. Work on Papaioea Place was impacted due to a consent delay which will not affect overall project delivery. In both cases, timelines and delivery of the projects are not affected.



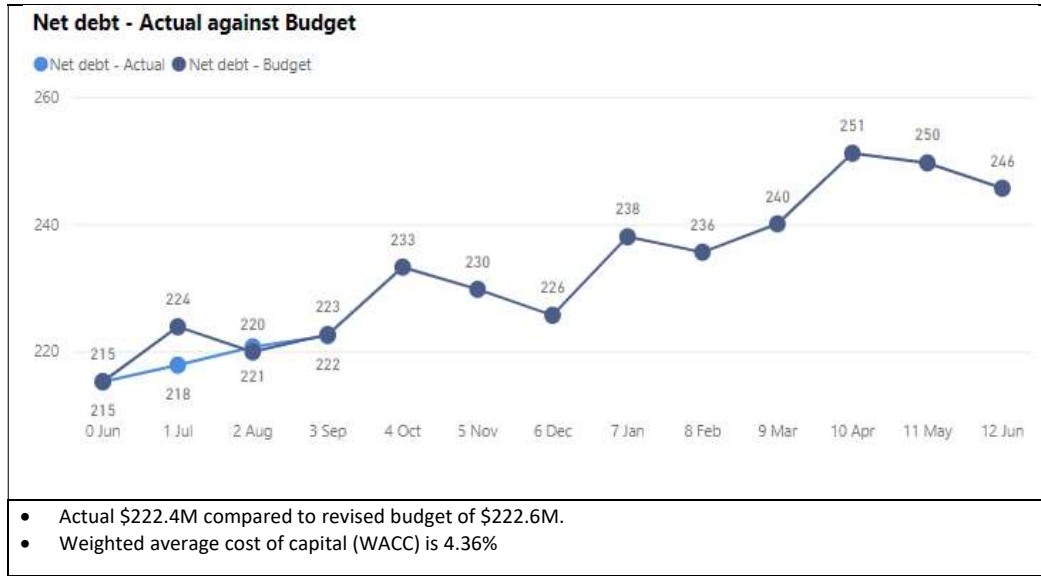
Work for Capital Growth is usually impacted by external factors which impacts the timing of work. An example is Wyndham Street Water Updates, where forecasted work for September was delayed and is now anticipated to be done in October.



Accelerated work in the Three Waters space – good weather and changes in operational processes have improved performance in capital renewal delivery.

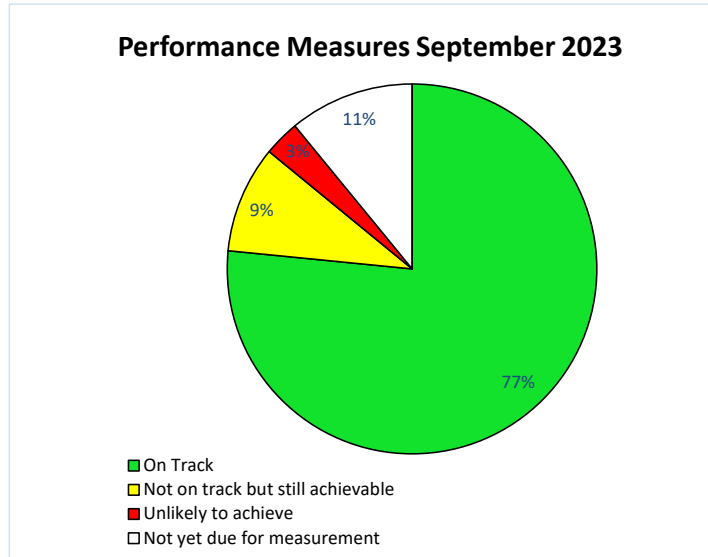
For additional information on capital delivery see:

- Appendix 4 – Capital expenditure by Group of Activities
- Appendix 5 – Capital expenditure by Programme (over \$1,000,000)
- Appendix 6 – Capital expenditure by Programme (under \$1,000,000)
- Appendix 8 – Approved variations to Annual Budget



Performance Measures

At the end of September 2023, 49 (77%) of performance measures were on track, 7 (11%) are not yet due for measurement, 6 (9%) were not on track but still achievable, and 2 (3%) are unlikely to be achieved.



For additional information on performance measures see:

- Appendix 1 – Detailed performance measures

Resourcing

A summary of PNCC Resourcing is included below for your information. The figures below include all approved positions in the structure.

Employment Status	Number of Staff	FTE	Budgeted FTE
Permanent Full-time	537	537	521
Permanent Part-Time	104	71.3	69.1
Vacancies	92	88	68.1
Temporary	18	15.4	
Total Number of Positions (excl. casuals)	751	711.7	658.2
Add Casual	36	19.3	
Less vacancies	(92)	(88)	
Total Positions	695	643	658.2

The column “Number of staff” refers to actual approved positions within the structure. The “FTE” column converts actual positions to 40 hours per week positions (e.g. the number of part-time roles reduces from 104 to 71.3). The final column “budget” converts the budget allocated into FTE positions. The difference between the current FTE levels and the budgeted FTEs relates to the vacancy factor in the remuneration budget – this is not aligned with specific roles.

Appendix 1 – Detailed Non-Financial Performance Measures

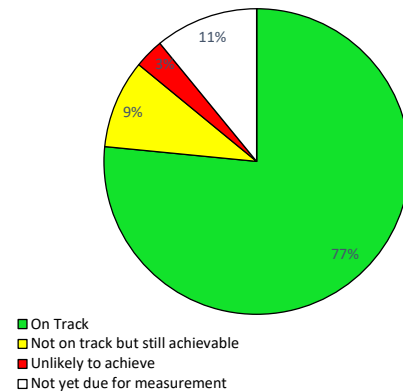
10-Year Plan KPIs

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

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

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

Performance Measures September 2023



Performance Measure Summary by Activity	G	Y	R	W	B	Total
Goal 1 - An Innovative & Growing City						
City Growth	3	1	1	-	-	5
Economic Development	1	-	-	1	-	2
Transport	2	3	-	-	-	5
Goal 2 - Creative & Exciting City						
Active Communities	1	2	-	2	-	5
Arts, Culture and Heritage	3	-	-	2	-	5
City Shaping	2	-	-	-	-	2
Goal 3 - Connected & Safe Community						
Connected Communities	8	-	-	1	-	9
Safe Communities	3	-	-	-	-	3
Goal 4 - Eco-City						
Climate Change	3	-	-	-	-	3
Environmental Sustainability	2	-	-	-	-	2
Manawatu River	1	-	-	-	-	1
Resource Recovery	2	-	-	-	-	2
Stormwater	5	-	-	-	-	5
Wastewater	5	-	-	-	-	5
Water Supply	8	-	1	-	-	9
Goal 5 - Driven & Enabling Council						
Good Governance and Active Citizenship	-	-	-	1	-	1
Total Measures	49	6	2	7	-	64
% of measures able to be measured	77%	9%	3%	11%	-	

Quarterly Performance and Financial Report - September

Performance Measures	Comments	Sep	Dec	March	June
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Goal 1: An Innovative and Growing City

City Growth (Page 32 of the 10 Year Plan)

01. Measure: Enough land is zoned, infrastructure enabled and feasible to develop, to meet growth demand. Target: At least three years of housing and business land with services is immediately available.	Kikiwhenua has not been delivered on time. Water and wastewater servicing is on track to be resolved for 2025/26. Speed limits and transport infrastructure are making progress, but Waka Kotahi approval is yet to be resolved. Aokautere is progressing through to hearings in late 2023. Business case and infrastructure programmes are proposed in the next LTP, with tentativeness from Waka Kotahi on enabling this growth area. Roxburgh Crescent is on track for notification in early 2024 with the final stormwater assessment completed. Ashhurst has received critical stormwater information and recommendations on mitigations or avoidance measures are currently being considered. Medium-density plan change has received a first cut of the stormwater constraints and is refining what mitigation options are available to determine the final proposed extent for the new zone before notifying in early 2024. Kāhātangiata is awaiting final transport. and three waters assessments are awaiting resourcing from these other plan changes to be freed up before being able to progress.	R			
02. Measure: Resource consent applications are processed within statutory frameworks. Target: At least 95%	78 resource consents have been determined in the 1st quarter of the 2023/24 FY with 71% (55) processed within statutory timeframes. When compared to the first quarter of the 2022/23 FY, where 102 consents were determined with 37% (38) on time, this is a good start to the year, carrying on the improvements we achieved through the last 3 quarters of that FY. While the overall output is lower it is noted that the complexity of many of the consents has been higher, potentially a product of a less buoyant development industry. The outlook for the remaining FY is expected to be one of steady improvement, noting that with consents lodged being lower than the boom period, there is greater scope to increase output and speed.	Y			

Performance Measures	Comments	Sep	Dec	March	June
03. Measure: Building consent applications are processed within statutory frameworks. Target: At least 95%	Of the 230 building consent applications processed for the quarter, 221 (96%) were processed within the statutory timeframe. This quarter has been affected by reduced building consent applications due to the downturn in the economy.	G			
04. Measure: City-wide urban design principles are reflected in planning advice and decision-making. Target: Narrative measure outlining how urban design principles are being implemented.	Urban design expertise is informing Council-led District Plan Changes under development including residential intensification to meet the National Policy Statement on Urban Development and other greenfield growth in Aokautere, Kakatangiata, and Roxburgh Cres. Matangi growth area which has been developed through similar principles is now operative. Urban design expertise continues to support and guide most medium-density housing proposals through a pre-application proposal to gain resource consent. The 'Delivering Change' fund still provides support to this process where needed as well as other strategic developments seeking consent such as 83 Victoria Ave, 34 Linton St, and The Former Post Office Building. There is a higher level of integrated transport and land use planning (movement and place) underway at different scales that will greatly improve urban structure, form, function, and safety for the city. At the macro level projects include Te Utanganui, the PN Strategic Networks Plan, and the PN Parking Framework. He Ara Kotahi and CET Arena continue to have a positive city image impact on users and the quality of the places and spaces they experience. At the micro level, public space upgrades such as Cuba St. and housing intensification continue to deliver positive urban design outcomes around increasing amenities, biodiversity, improving public/private edges, increasing transport mode share integration, and compact urban form. The physical expression of city heritage and vegetation still appears to be a gap and urban design opportunity and not well addressed in public space outcomes. The CET Arena review is near completion with identity and heritage being some key principles to deliver on.	G			

Performance Measures	Comments	Sep	Dec	March	June
05. Measure: There is an increase in range of building types being built in the city centre and local neighbourhoods (eg different densities, cohousing, CBD residential, green buildings). Target: Narrative measure outlining trends in the range of building types.	There continues to be low interest in city center commercial properties by developers. Some city center sites are seeking resource consent for development but retain traditional retail activities. The Former Post Office is an exception seeking to convert the majority of this heritage building into a hotel and accommodation. A new mixed-use development at 267 Main St is now complete and functioning as two retail/service businesses on the ground floor and a spacious 2-bed townhouse on the first floor. There is still room on the site for further mixed-use development to be added. This development signals a new opportunity for further mixed-use development throughout the central city business zones. Housing remains focused on infill and medium-density developments across the residential zone with a couple of medium-density housing developments being constructed within the Outer Business Zone - 34 Linton St and along Pitt St.	G			

Performance Measures	Comments	Sep	Dec	March	June
Economic Development Activity (Page 37 of the 10 Year Plan)					
01. Measure: Funding is distributed and the key objectives achieved. Target: Narrative measure outlining outcomes achieved by the funded organisations.	CEDA funding has been distributed and is being delivered in accordance with the Statement of Intent. Some key projects achieved through this are Our Ask's, Te Utanganui (the Central New Zealand Distribution Hub), Air New Zealand Mission Next Gen Aircraft opportunity, Food Strategy, Destination Management Plan, and the new and enhanced wayfinding signage.	G			
02. Measure: Achieve a positive city reputation. Target: 3x narrative measures: Increases in positive sentiment, increase in levels of engagement, and formal survey/research	The media monitoring contract which analysed media sentiment has now ended, so we will instead report on Council's media interactions. This data is only for media that comes via Council's communications team, and doesn't include the significant number of media interviews/columns that the mayor and elected members do. Over the three-month period, Council had just under 300 media queries, more than 80 interviews, and 23 media releases. There was a spike due to the 'boring' story and Spain's subsequent win. This made up about 1/3 of media queries and a portion of the interviews. There was a range of major public engagement/consultation periods including Featherston St and Summerhill Drive improvements and trial, the bus shelter/bus stop programme, Speed Management Plan for schools, Broadway Ave raised crossings, food waste trial, Palmy Play, Chippendale Playground upgrade, Ashhurst Dump Station installation and a number of smaller leases. There were a range of other major communications with the community over the quarter including significant external comms to those impacted by the move to Authority Altitude. Facebook, Instagram, and LinkedIn had 3.4 million content views. Our website had over 123,000 visits. The total page view number this quarter is 816,055. The most visited pages are Rubbish and Recycling Days (51,880 views), Property and Rates Search (37,002 views), Parking Tickets (21,378 views), Cemetery and Cremation Search (19,883 views), and Maps Online (12,285 views). In this quarter, over 6,400 visitors used our website as a gateway to the Altitude payment platform over 9,400 times. The top 3 activities are paying a parking ticket (70%), registering a dog (15%), and paying rates (11%).	W			

Performance Measures	Comments	Sep	Dec	March	June
Transport (Page 42 of the 10 Year Plan)					
01. Measure: The change in the number of fatal and serious injury crashes from the previous year on the city's local road network. Fewer than the previous year. Target: Narrative measure outlining long-term accident trends and causes.	In the 12-month period ending 30 August 2023, there were 2 fatal and 32 serious injury crashes in Palmerston North. 5 of these involved cyclists and 7 involved pedestrians. The 12 months prior there was 1 fatal crash, and 32 were serious injury crashes. 8 of those crashes involved pedestrians and 3 involving cyclists. NOTE: Some crash data may not have been uploaded to Waka Kotahi's Crash Analysis system at the time of review. Fatal crashes tend to occur in the rural parts of the network, typically on the fringes of the urban area.	Y			
02. Measure: The average quality of ride on the sealed local road network, measured by smooth travel exposure. Target: Greater than 80%.	The smooth travel exposure for the city is calculated at 84% for the 2022/23 financial year.	G			
03. Measure: The percentage of the sealed local road network that is resurfaced. Target: More than 3.5%	2.03% of the network was resealed. A combination of high requirements for the prerequisite pre-reseal repairs plus price escalations in materials and labour have resulted in less resurfacing being able to be delivered.	Y			
04. Measure: The percentage of footpaths that meet Council standard. Target: Greater than 93% rated 3 or above.	93% of the networks footpaths is rated 1-3 (Excellent - Average). We note that standard approaches such as grinding and tree root pruning to enable path replacement is becoming less effective as the street tree stock grows. Footpath renewals are becoming increasingly difficult and requires wider strategic consideration alongside our street trees.	G			
05. Measure: Percentage of requests for service relating to roads and footpaths responded to (with at least an initial response) within three working days. Target: Greater than 95% of safety and critical requests.	87% of requests have been responded to within 3 working days. Majority of the incidents where this measure was not met was due to either contractor or internal staff capacity. Internal recruitment is underway to fill key vacancies in the Transport area which, once hired, should lift the timeliness of the response rate.	Y			

Performance Measures	Comments	Sep	Dec	March	June
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Goal 2: Creative and Exciting City

Active Communities (Page 54 of the 10 Year Plan)

01. Measure: Increase in use of parks, sports fields and playgrounds. Target: Narrative measure outlining Parks Check Survey results.	The Park Check Survey is undertaken between December and March each year. The survey results will be reported at the end of the 3rd Quarter.	W			
02. Measure: Increase in use of aquatic facilities. Target: Usage numbers at Lido, Freyberg and Ashhurst Pools.	The number of users of the Lido from July 2023 – September was 84,967. This is 1.7% higher than the same period last year. The number of Under 5's was 2,378 which is a 18% decrease on last year. The number of users of the Freyberg pool was 55,159, a 6% increase in comparison to last year. The number of Under 5's was 24% higher than last year. The number of users of the Splashurst pool was 5,839 a 28% decrease on last year. There was a 6% decrease in the number of Under 5's users.	Y			
03. Measure: Increase in use of Central Energy Trust Arena for community sport and active recreation. Target: Narrative measure outlining number of community events and hours.	After a busy financial year, the current year has started very positively and the utilisation of Community Sports has been solid. After the 1st quarter, there have been 844 Community Sport bookings utilising 2,991 hours of use. This is compared with 860 bookings and 3,097 hours of use after the same period last year. Bookings for Community Sports are 97% and hours of use are 98% compared to last year. Statistics are in line with the past year.	Y			
04. Measure: Increase in satisfaction of Council's sport and recreation facilities. Target: Narrative measure outlining trends in user and resident feedback and surveys.	The Park Check Survey is undertaken between December and March each year. The survey results will be reported at the end of the 3rd Quarter.	W			
05. Measure: Council works in partnership with external organisations. Target: Narrative measure outlining partnership initiatives designed to increase participation and their outcomes.	The Council's funding agreement with Sport Manawatū is now in its second year. Reporting on achievements and delivery of agreed outcomes occurs regularly through the Culture and Sport Committee.	G			

Performance Measures	Comments	Sep	Dec	March	June
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Arts and Heritage (Page 63 of the 10 Year Plan)

01. Measure: Increase in patronage of Council-owned cultural facilities (Te Manawa, Globe Theatre, Regent Theatre, and Square Edge), as measured by reports provided by operators. Target: Annual patronage numbers for the CCOs increase.	This information will be reported to the Culture and Sport Committee as part of the CCO's six-month report in April 2024.	W			
02. Measure: Funding is distributed and the key objectives achieved. Target: Narrative measure outlining outcomes achieved by the CCOs.	This information will be reported to the Culture and Sport Committee as part of the CCO's six-month report in April 2024.	W			
03. Measure: Sites of significance to Rangitāne o Manawātū are identified, protected or acknowledged. Target: Narrative measure outlining the number and description of sites.	The new river entrance linking Hokowhitu Lagoon to the river through the Centennial Park subdivision is nearly complete. Completion of the Albert Street entrance is on hold once again as Horizons Regional Council commences the river protection rock work. Installation work at the new park (Ruahine Reserve) will begin at the start of October 2023. The Pataka Kai and Rangitane lighting sculptures are both complete and ready for installation.	G			
04. Measure: Increase in investment of earthquake-prone heritage buildings. Target: Narrative measure outlining investment in buildings and its outcomes.	The Former Post Office is currently seeking resource consent. The former Kilwinning Masonic Lodge and Former Union Baptist Church on Church St have been recently acquired by a new owner with new commercial tenants occupying these buildings. These owners are actively working with Council on future plans for renewals and investment. Last quarter we issued 103 earthquake prone building notices, 3 of which are heritage buildings. We have had no funding requests for strengthening works for heritage buildings in the last quarter.	G			
05. Measure: Heritage is part of the multidisciplinary approach to working on Council projects. Target: Narrative measure outlining the projects and their multi-disciplinary nature.	Programmes for incorporating heritage into capital projects are being drafted for the next LTP.	G			

Performance Measures	Comments	Sep	Dec	March	June
City Shaping (Page 63 of the 10 Year Plan)					
01. Measure: City Centre Streetscape Plan is successfully implemented. Target: Narrative measure outlining progress on implementing the Plan.	The City Centre Streetscape Plan is now incorporated into the wider City Centre Transformation programme of work. No further physical development of these streets has occurred. An Indicative Business Case (IBC) for the City Centre has just commenced which will identify the preferred option for an urban transit hub and co-funding from Waka Kotahi within this programme. This is due for completion in early 2024. We are working through the final details of the design and clarifications on 4 of the intersections to confirm the geometric design. Completion of design is expected mid-October. The terms of reference for the Project Steering Group have been approved by Council.	G			
02. Measure: A wide range of public space projects are implemented. Target: Narrative measure outlining the public space projects, their multi stakeholder / multidisciplinary nature, and their outcomes.	The Highbury Revitalisation Project co-designed with the community has now been completed. The Featherston St Cycleway has undertaken extensive community engagement with schools, businesses, and other partners including running co-design workshops and on-street trials to determine the best design cycleway options along this busy and contested street. Designs for sections of the cycleway from North St to Aroha St have now been approved to gain majority funding through Waka Kotahi 'Streets for People Fund'. This is now moving through to detailed design and implementation will fulfill a key step change in increasing the urban cycling network, as identified under the Urban Cycle Masterplan. Chippendale Reserve has been through the consultation phase. Kelvin Grove Park has had new shade structures and a new junior section, with a loop path and a potential planting project with the community to come. Two private murals have been created in the city centre (The Square and Queen St), with another one to be commissioned on the Pak n Save wall on Linton St.	G			

Performance Measures	Comments	Sep	Dec	March	June
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Goal 3: Connected & Safe Community

Connected Communities Activity (Page 74 of the 10 Year Plan)

01. Measure: Library users are satisfied with the services and programmes provided. More than 800,000 visits a year. Average use per item per year is at least 4 (physical items). Target: Narrative measure outlining the development and use of digital collections. Narrative measure outlining the results of user and residents' satisfaction surveys.	Metrics for the first quarter were negatively impacted by the temporary closures of both the Roslyn and Awapuni community libraries. Despite this, physical visitor numbers increased by 20% with 143,459 physical visits across eight City Library locations, compared to 118,744 for the same period last year. Te Pātikitiki had a 13% increase in visitor numbers (coupled with a 30% increase in physical item use); Central Library had a 21% increase in visitors and Youth Space had a 159% increase with almost 10,000 more visitors than the same period last year. The Mobile Library was invaluable in supporting the communities at Awapuni and Roslyn while their libraries were closed. The collection continues to work hard with the average use per item being 4.58 (compared to a national average of 2.62) and 'virtual' visits included the City Library website hosting 48,771 website sessions and Manawātū Heritage with 76,193 website views and 19,981 website sessions. Our libraries hosted 18,024 PC sessions across the first quarter and 25,790 Wi-Fi sessions for the two months to the end of August (September statistics for Wi-Fi sessions were not available at the time of reporting). There were 178 heritage inquiries; 656 digital help sessions; and 934 people were assisted with reference inquiries. Our eBook & eAudio collections had 37,070 items issued in the first three months of the year which is 14.9% of total issues. The number of permanent Home Service users increased to 111 customers at the end of September.	G			

Performance Measures	Comments	Sep	Dec	March	June
02. Measure: Library programmes reflect the changing needs of communities. Target: Narrative measure number and description of programmes and their outcomes.	Despite not having all City Library sites open this first quarter, programming has nearly returned to pre-Covid levels. For the first three months of the year, 684 programmes were delivered with 17,104 attendees. Compared to last year, programme attendance has increased by 20% while the number of programmes delivered has increased by 6.7%. Leading into the 2023 General Election, the Manawatū Standard Candidates Forum was attended by 80 people. Community celebrations included Welcoming Week; the Moon Festival; Pilipino Language Month; Chinese Language Week with the PN Chinese Language School and the Chinese Association; and the Language Expo (showcasing 18 languages). The July School Holiday programme with Andrew Wilson Magic shows had 571 attendees across five library locations and Pop-Up Play sessions with Sport Manawatū had 70 participants. This year 750 children are enrolled in the Winter Warmers/Book Buds reading programme. The team at Youth Space is working alongside the Police to recalibrate the culture of young people spending time in Te Marae o Hine and its surrounds. This has involved the sharing of relevant information to ensure consistent messaging and timely consequences for young people pushing boundaries while in the CBD. Together with Sport Manawatū and Youth Line Central, the team also helped coordinate the agenda for the second youth sector hui – both of which have been hosted at Youth Space. The number of unique resources on Manawatū Heritage now exceeds 41,000, and uploads this quarter include those for the Manawatū Performing Arts Society and Ashhurst School. Our Outreach Coordinator builds community connections and generates new partnership projects such as the "Reading in Mind" book club (together with the Marion Kennedy Centre) which provides social and cognitive stimulation for people with early dementia.	G			
03. Measure: Accessible and genderneutral toilets are provided throughout the city, and especially in places where there is the most community activity. Target: Narrative measure outlining number, type and location of toilets, plus annual satisfaction survey results	There are 56 public toilet blocks located throughout the city. The refurbishment of the toilets located at Guilford Street, Ashhurst will be completed by November 2023. The refurbishment works included ensuring that the toilet blocks were accessible and gender neutral as appropriate. Additional new public toilets are being installed at the river-end of Albert Street and along the He Ara Kotahi pathway by the Urban Eels platform. In the latest 2022 survey most of the respondents signaled that they were either neutral (34%) or satisfied (50%) with the public toilets in the city.	G			

Performance Measures	Comments	Sep	Dec	March	June
04. Measure: Community centres are well used. Target: Narrative measure outlining use of centres and range of use with them	Community centres continue to be well used by a range of casual and regular user groups. Palmerston North Community Leisure was supported to implement their first financial community support initiative with Terrace End School (basketball hoops). Awapuni Community Centre is now hosting the FLIP Youth Programme with Whakapoi Hauora, providing after-school activities and support. Bunnythorpe has been supported to restructure their community committees to better meet their needs.	G			
05. Measure: Visitors to cemeteries are satisfied with the services provided. Target: Narrative measure outlining user and residents survey trends.	Measures to collect trends are in the early stages of progress. We will report on the performance measures at the end of the financial year.	W			
06. Measure: Council's social housing tenants are satisfied with the social housing service they receive. Target: Narrative measure outlining survey results and tenant feedback.	The overall satisfaction rate in the 2023 survey was 97%. Of the 143 tenants who answered question 4 (overall, how satisfied are you living in a PNCC housing unit?) 139 gave a rating of 3 or 4 out of 5. The main comments we received were that the flats were warm, dry, and comfortable and that maintenance issues were sorted quickly.	G			

Performance Measures	Comments	Sep	Dec	March	June
07. Measure: Council's social housing is warm and safe, as shown by compliance with the Otago Medical School He Kainga Oranga Rental Housing Warrant of Fitness Standard. Target: Standards met.	Council has circa 430 units in its housing portfolio. As of 30 September 2023, all units have been upgraded to meet the Healthy Homes and the WOF standards.	G			
08. Measure: More community-led projects are supported by Council. Target: Narrative measure outlining description of activities funded and their outcomes.	A good range of community-led projects have been supported by Council this quarter. 9 projects were successfully funded through the Community-Led Initiatives Fund, representing an allocation of \$64,687, including several youth-focused projects, cultural celebrations and a range of Pride month events. A number of community-led activities have also been supported for Welcoming Week celebrations, language weeks and in the arts sector.	G			
09. Measure: There are increases in: participation in community and city centre events, satisfaction with the annual programme of events, the range and diversity of community-led events in the city. Target: Narrative measure outlining number and range of events, plus participation and satisfaction with events.	Resident satisfaction with the range and diversity of community events is 70%, an increase of 10%, as indicated by the annual Resident Satisfaction Survey. The Puanga Twilight festival proved to be a community highlight this quarter, with meaningful engagement to discover the local stories around this celebration as well as the entertainment and experiences on offer while experiencing the upgraded Arena Plaza and Pit Lane areas. Palmy BID's regular markets and public activations in the central city continue to develop an audience and following with residents and provide additional vibrancy to public spaces.	G			

Performance Measures	Comments	Sep	Dec	March	June
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Safe Communities Activity (Page 84 of the 10 Year Plan)

01. Measure: The SAB carries out a range of successful initiatives. Target: Narrative measure (outlining description of SAB initiatives and their outcomes).	This quarter, the Safety Advisory Board has been involved in collaborative responses to a number of emerging and ongoing issues. A rainbow safety plan has been developed together with NZ Police, in preparation for Pride celebrations, and a workshop was held with Youthline to better understand the needs of rainbow youth. Planning has commenced for White Ribbon Day, and work to better support people sleeping rough in the city centre is ongoing.	G			
02. Measure: Increasing preparedness for emergencies in Palmerston North. Target: Narrative measure outlining Manawatu Wanganui CDEM preparedness 2- yearly survey trends and description of initiatives.	The Council's Emergency Management team regularly interacts with community groups and at community events. Regular interactions with key stakeholders ensure relationships are well established before an emergency. Council Emergency Management teams' water tank project continues to be popular with the community with high regular sales. Council's Volunteer rescue team NZRT4 became re-accredited through the National Emergency Management Agency's new accreditation framework in July 2023. The Council will continue to interact with the community to be prepared for all emergencies and meet objectives from the Manawatu Whanganui CDEM group plan.	G			
03. Measure: Bylaws are reviewed on legal timeframe and enforced. Target: Narrative measure outlining description of programme to develop and review bylaws and their outcomes.	The Water Supply Bylaw was adopted in September. The bylaw review programme is on track. Of particular note is the significant change for speed management (no longer set through a bylaw but through a Speed Management Plan process).	G			

Performance Measures	Comments	Sep	Dec	March	June
Goal 4: Eco-City					
Climate Change (Page 89 of the 10 Year Plan)					
01. Measure: Increase in sustainable practices. Target: Narrative measure outlining projects and initiatives that foster sustainable practices / behaviours and their impacts.	The Low Carbon Fund continues to identify and fund opportunities to reduce organisational carbon emissions at low or negative net present cost. Progress this FY is continuing, with a number of promising options identified or underway. An interim report on the fund is to be presented to the March 2024 Sustainability Committee.	G			
02. Measure: Decrease in Council's total organisational emissions. Target: Narrative measure outlining greenhouse gas reduction initiatives and their impacts.	An externally audited organisational emissions inventory will be reported to the 11 October Sustainability Committee. Gross emissions through to the 2022/23 FY have decreased 31.5% since the 2015/16 baseline, well ahead of Council targets.	G			
03. Measure: Work with iwi and community groups to re-establish bush, particularly along waterways, and to control introduced predators. Target: Measured through Manawatū River level of service.	Council and Massey University have planted two hectares into native trees adjacent to the He Ara Kotahi walkway. Council continues to work with Rāngitane and private contractors to manage predators.	G			

Performance Measures	Comments	Sep	Dec	March	June
Environmental Sustainability (Page 93 of the 10 Year Plan)					
01. Measure: Increase in sustainable practices. Target: Narrative measure outlining projects and initiatives that foster sustainable practices / behaviours and their impacts.	Council provided support and funding for the Future Living Skills (Sustainable Living Programme). These were well attended with lots of fantastic engagement from those that attended. Staff continue to meet regularly with Plastic Pollution Challenge and Environment Network Manawatu.	G			
02. Measure: Work with iwi and community groups to re-establish bush, particularly along waterways, and to control introduced predators. Target: Measured through Manawatū River level of service.	Council and Massey University have planted two hectares into native trees adjacent to the He Ara Kotahi walkway. Council continues to work with Rāngitane and private contractors to manage predators.	G			
Manawatu River (Page 97 of the 10 Year Plan)					
01. Measure: Increase in the public use of the river environment. Increase in native planting and observed biodiversity improvements in suitable locations in the river environment. Greater connectivity of features within the Manawatū River Park. Target: Narrative measure outlining public use the river, biodiversity and native plantings, and connectivity of features.	Observations indicate an increase in public use with continuous use of the He Ara Kotahi walkway, the Fitzherbert / He Ara Kotahi bridge loop, and Ahimate Reserve. Completion of the Albert Street River entrance will improve accessibility to the river at this location. The Turitea Pa site continues to attract users to venture further into the park. A river user survey was completed last year providing Council with a baseline to compare to user numbers in future years. The survey collected basic demographic information which asked users how often they visited the River Park, why they visited, if they exercised at the river more often than before its redevelopment, and for an indication of other features they would like to see developed in the River Park in the future. The survey report is currently in progress.	G			

Performance Measures	Comments	Sep	Dec	March	June
Resource Recovery (Page 101 of the 10 Year Plan)					
01. Measure: Compliance with resource consents for the Resource Recovery Activity measured by the number of abatement notices, infringement notices, enforcement orders and convictions. Target: 100% compliance	100% Compliant. We continue to monitor operations to ensure compliance with our resource consent conditions, along with producing reporting as required to Horizons Regional Council	G			
02. Measure: Decrease in per capita volume of waste sent to landfill. Target: Narrative measure outlining Council initiatives to decrease waste sent to landfill.	The 2019 Waste Management and Minimisation Plan (WMMP) sets a target of increasing waste diversion from 38% to 48% by 2025. Reducing the amount of material sent to landfills is to be achieved via the 26 actions that were set out in the WMMP. Initiatives and actions currently being undertaken include but are not limited to: reinstating tours of the Materials Recovery Facility (MRF) to provide education, continued engagement with the community, administering the Resource Recovery Fund to support community waste reduction initiatives, and actively working with existing and new commercial customers to maximise the number of resources that are recovered.	G			

Performance Measures	Comments	Sep	Dec	March	June
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Stormwater Activity (Page 107 of the 10 Year Plan)

01. Measure: The number of flood event per year resulting in stormwater from the Council's stormwater system entering a habitable floor in an urban area. Target: Less than 5	There have been no flood events so far this year.	G			
02. Measure: The number of habitable floors per 1,000 properties within urban stormwater service areas affected by a flood event. Target: Less than 2	There have been no flood events so far this year.	G			
03. Measure: Median time to attend a flooding event. (note: a flooding event is one resulting in stormwater entering a habitable building) Target: Less than 2 hours	There have been no flood events so far this year.	G			
04. Measure: The number of complaints received about the performance of Council's stormwater system per 1,000 properties connected. Target: Less than 15	0.6	G			
05. Measure: Compliance with resource consents for discharge from Council's stormwater system as measured by the number of abatement notices, infringement notices, enforcement notices and convictions received by Council in relation to resource consents. Target: 100% Compliance	100%	G			

Performance Measures	Comments	Sep	Dec	March	June
Wastewater Activity (Pages 107 of the 10 Year Plan)					
01. Measure: Number of dry weather wastewater overflows from Council's wastewater system per 1,000 connections per year. Target: Less than 1	0.2	G			
02. Measure: Complaints per 1,000 connections about wastewater odour, system faults, system blockages and Council's response to issues with the wastewater system. Target: Less than 15	2.3	G			
03. Measure: Median time for attending to overflows resulting from blockages or other faults. Target: Less than 1.5 hours	0.45 hours	G			
04. Measure: Median time for resolution of overflows resulting from blockages or other faults. Target: Less than 8 hours	3.3 hours	G			
05. Measure: Compliance with resource consents for discharge from Council's wastewater system as measured by the number of abatement notices, infringement notices, enforcement notices and convictions received by Council in relation to resource consents. Target: 100% compliance	100%	G			

Performance Measures	Comments	Sep	Dec	March	June
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Water Activity (Pages 107 of the 10 Year Plan)

01. Measure: Compliance with Drinking Water Quality Assurance Rules 2022: T3 Bacteria Rules. Target: 100% compliance	New Drinking Water Quality Assurance Rules took effect from November 2022. The "compliance goalposts" have shifted and the requirements to achieve compliance have increased. Under the old rules we were 100% compliant; under the new rules we are 89% compliant. Significant capital upgrades are required to achieve 100% compliance. These are scheduled in the LTP over the next several years.	R			
02. Measure: Compliance with Drinking Water Quality Assurance Rules 2022: S3 Protozoa Rules. Target: 100% compliance	100%	G			
03. Measure: The number of complaints per 1,000 connections relating to clarity, taste, odour, continuity of supply, drinking water pressure or flow, and Council's response to any of these. Target: Less than 40	4	G			
04. Measure: Average consumption of drinking water per day per resident. Target: Met - Less than 360 litres	260	G			
05. Measure: Median response time for urgent call out attendance. Target: Less than 2 hours	0.5 hours	G			
06. Measure: Median response time for resolution of urgent call outs. Target: Less than 7 hours	4.6 hours	G			

Performance Measures	Comments	Sep	Dec	March	June
07. Measure: Median response time for non-urgent call out attendance. Target: Less than 10 hours	6.6 hours	G			
08. Measure: Median response time for resolution of non-urgent call outs. Target: Less than 75 hours	20.5 hours	G			
09. Measure: Percentage of real water loss from the water reticulation network. Target: Less than 20%	15%	G			

Performance Measures	Comments	Sep	Dec	March	June
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Goal 5: Driven & Enabling Council

Leadership Activity (Page 128 of the 10 Year Plan)					
Performance Measures (Page 128 of the 10 Year Plan)	Comments	Sep	Dec	March	June
01. Measure: More than two out of every three residents (in the Residents Survey) are 'satisfied' with both the 'opportunity to have a say' and the 'ease of having a say'. Target: Narrative measure outlining satisfaction trends.	Residents Survey results due next quarter.	W			

Appendix for September 2023 Report

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Appendix 2 – Activities Operating Net Result

Activities Net Result Statement	2023/24 \$'000s					Variance explanation (10% of YTD budget or 30% of specified sum)
	Year to Date Actual	Budget	Bud. Var. \$'000's	%	Full Year Revised Budget	
For the period to 30 September 2023						
Operating Result by Activities						
Connected & Safe Community	5,138	4,847	(290)	-6%	17,651	
Connected Communities	5,379	5,101	(278)	-5%	16,516	
Safe Communities	(241)	(253)	(12)	-5%	1,135	
Creative & Exciting City	5,522	6,212	690	11%	21,561	
Active Communities	3,367	3,894	526	14%	13,605	Timing of costs for contractors and materials. Other revenues is favourable YTD due to timing
Arts and Heritage	2,037	2,189	152	7%	7,440	
City Shaping	118	129	11	9%	516	
Driven & Enabling Council	5,388	4,460	(928)	-21%	11,110	
Governance and Active Citizenship	2,933	2,504	(429)	-17%	10,046	The variance for this activity predominantly relates to the City Shaping team in Strategic Planning. For Q1, professional services are unfavourable by c. \$350k to spend on the Aokautere Structure Plan within City Planning. The work on this plan is now three quarters complete so we anticipate the spend to slow down over the remainder of the financial year.
Organisational performance	1,895	2,044	149	7%	1,843	
Strategic Investments	560	(88)	(648)	-733%	(786)	This variance is related to Contract Services and Fleet & Supply. Contract services are unfavourable by \$130k related to temporary/casual staff. Fleet & Supply are unfavourable for internal revenues by 0.4M related to an allocation process that is being refined.
Eco-City	1,964	2,052	88	4%	7,143	
Environmental sustainability	151	204	52	26%	798	This activity is favourable YTD due to remuneration and labour charges for Development and Regulatory and Climate Change. We anticipate the variance will reduce over the remainder of the financial year.
Manawatu River	17	66	49	74%	263	Variance sits within Parks Operations and is related to labour charges and contractors
Resource Recovery	1,810	1,728	(82)	-5%	5,862	
Climate change mitigation and adaption	(14)	55	69	126%	220	This variance relates to an internal allocation process that is still being refined.
Innovative & Growing City	2,185	2,247	62	3%	8,220	
City Growth	1,277	1,224	(54)	-4%	4,432	This variance is related to User Charges revenue for Development and Regulatory Services
Economic Development	908	1,023	115	11%	3,788	The variance in this activity is partly due to timing of expenditure in Events including grants paid
Stormwater	347	728	381	52%	2,624	Favourable variance due to higher levels of capitalised labour in the first quarter than planned, resulting in lower operating spend
Wastewater	1,590	1,328	(262)	-20%	5,113	Unusually dry spell in first quarter saw the WWTTP treating for DRP Removal, in addition the biogas generator being offline has resulted in higher electricity usage for the first quarter
Water	1,378	1,732	353	20%	6,311	External contractors are favourable due to timing of operating work being delivered
Transport	1,879	1,805	(74)	-4%	6,798	
Active and Public Transport	388	436	47	11%	1,580	Favourable variance due to a lower level of contractor spend against operating for the quarter
Roading	1,491	1,370	(121)	-9%	5,218	
Activities Controllable Surplus/ (Deficit)	25,392	25,412	20	0%	86,530	

Appendix 3 – Operating Programme Reporting

Activities Net Result Statement	2021/22 \$000s						
	Activity	Year to Date Actual Budget		Bud. Var. \$000's %		FY Bud	Variance explanation
For the period to 30 September 2022							
1520-Digital Transformation	Organisational performance	766	1,080	314	29%	4,302	The digital transformation programme is progressing well, with 18% of the full year being spent to date. Although the programme is showing behind year to date budget this is related to timing and the programme is still on track to deliver within the full year budget.
1572-Enterprise Resource Planning (ERP) System Replacement	Organisational performance	1,145	1,296	151	12%	1,896	As the organisation continues to imbed Authority Altitude, work has been underway to plan Phase 2 implementations during this year, whilst ensuring all Phase 1 items are completed. Actual costs incurred have been slightly slower than expected so far.
1506-Community Events	Connected Communities	71	153	82	54%	629	Variance is related to timing of events. We anticipate the variance will reduce as the year progresses.
2139-Delivering Residential and Industrial Growth Planning	Governance and Active Citizenship	11	15	4	28%	491	Not material
1614-Stormwater - Open channels and drains - maintenance	Stormwater	60	75	15	20%	350	Not material

Appendix 4 – Capital expenditure by Group of Activities

Group of Activities - Capital Expenditure	2023/24 \$000's				
	Year to Date		Variance	% YTD	Full Year
For the period to 30 September 2023	Actual	Budget	\$000's	Budget Spent	Revised Budget
Capital New	8,340	11,419	3,079 	73%	59,382
Connected & Safe Community	2,188	3,071	882	71%	6,950
Creative & Exciting City	1,464	1,295	(169)	113%	7,178
Driven & Enabling Council	38	60	22	63%	500
Eco-City	610	676	66	90%	2,331
Innovative & Growing City	-	-	-	-	-
Stormwater	751	584	(167)	129%	5,547
Transport	2,247	4,167	1,920	54%	23,565
Wastewater	484	475	(9)	102%	6,651
Water	557	1,090	533	51%	6,661
Capital Renewal	6,090	4,114	(1,976) 	148%	26,566
Connected & Safe Community	390	462	72	84%	2,651
Creative & Exciting City	709	834	125	85%	4,804
Driven & Enabling Council	142	176	35	80%	3,478
Eco-City	94	130	36	72%	547
Innovative & Growing City	94	40	(55)	239%	617
Stormwater	93	5	(89)	2070%	230
Transport	1,900	487	(1,413)	390%	4,391
Wastewater	944	764	(180)	124%	4,468
Water	1,723	1,216	(507)	142%	5,380
Capital Growth	2,313	2,963	651 	78%	10,307
Connected & Safe Community	-	-	-	-	118
Creative & Exciting City	102	82	(20)	124%	890
Eco-City	289	230	(59)	125%	911
Innovative & Growing City	546	554	8	98%	955
Stormwater	25	217	192	11%	217
Transport	1,346	1,835	489	73%	6,187
Wastewater	6	46	40	12%	759
Water	(0)	-	0	-	271

Appendix 5 – Capital expenditure by Programme (programmes over \$1,000,000)

Activity-Programme Name	YTD Actuals(\$000)	YTD Budget(\$000)	Variance(\$000)	Total Budget(\$000)	Status
Capital NEW					
Transport					
2231-City-wide - Transport Choices - Public Transport	\$306	\$820	\$514	\$5,350	Shelter procurement and design has been approved with a prototype underway for any last minute refinement. Waka Kotahi has extended the time frame by a year but we are still on track to complete by the original June 2024 deadline.
2207-City-wide - Urban Cycle Infrastructure Network improvements	\$305	\$609	\$304	\$4,843	Designs almost completed. Working through procurement plan at present. Still on schedule to complete by end of FY.
2233-City-Wide - Urban Cycle Infrastructure Improvements - Streets for People	\$6	\$55	\$49	\$1,458	Designs almost completed. Working through procurement plan at present. Still on schedule to complete by end of FY.
2124-Urban Growth - Ashhurst - Transport	\$707	\$554	(\$153)	\$3,048	Custom street Stage 1 under construction, some clashes with services leading to potential delays. Stage 2 currently in design with construction to follow. Wyndham street in design. Unsure if construction can occur this FY due to budget concerns.
2058-Urban Growth - NEIZ - Transport	\$635	\$1,281	\$646	\$2,921	Richardson Line and Setters Line South completed. Next section of Setters Line commenced in September.
2119-Road to Zero - Transport Safety Improvements	\$77	\$83	\$6	\$2,261	Designs for the remaining two Cook Street roundabouts to commence shortly. Speed management plan currently in planning with other small projects to begin in the coming months.
2206-Storm Damage – August 2022 Roothing	\$103	\$181	\$77	\$2,176	Construction underway at one site, a second is currently out for tender and others in design.
Creative and Exciting City					
2209-Arena 3 Upgrade	\$635	\$495	(\$140)	\$1,970	Work on the roof upgrade is progressing well.
902-Property - Seismic Strengthening of Council Properties	\$772	\$774	\$2	\$3,384	Contract well underway. Foundation works approximately 90% complete and the current focus is concrete overlays on the external and internal walls on ground floor.
Eco-City					
1888-Low Carbon Fund	\$59	-	(\$59)	\$1,049	Programme is allocated as projects are identified to achieve reductions in carbon emissions.
Connected and Safe Community					

Activity-Programme Name	YTD Actuals(\$000)	YTD Budget(\$000)	Variance(\$000)	Total Budget(\$000)	Status
1743-Social Housing - Papaioea Place Redevelopment - Stage 3	\$314	\$584	\$270	\$1,211	Delays due to building consent amendment. Contractor redeployed resources but are back on site now and on track for November completion.
1459-Social Housing - Additional Social Housing Units	-	-	-	\$1,063	Programme planned to begin in the new calendar year.
1552-Animal Shelter - New Building	\$1,694	\$2,466	\$772	\$4,109	Cashflow from contractor not accurate. However, making good progress and on track to finish in February.
Stormwater					
1001-Urban Growth - Whakarongo - Stormwater	\$49	\$79	\$30	\$2,500	Delay with resource consent from Horizons. Out to tender now with construction still planned for January.
1060-City-wide - Stormwater Network Improvement Works	\$699	\$177	(\$522)	\$1,945	Costs for projects to date have come in higher than expected which may mean reduced scope of work for current FY. Otherwise programme progressing well.
Wastewater					
628-Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade	\$262	\$159	(\$103)	\$3,000	The consent application to Horizons has now been accepted. Section 92 questions have been received (205) and are being worked through with the Project Team and Technical Experts. Due to the number of questions, an extension of time was requested, with response on these expected to Horizons on 26 June 2024.
2229-City-wide - Wastewater Pipe Improvement	\$9	-	(\$9)	\$1,000	Design work underway with construction planned to start in the new calendar year.
Water					
1841-Urban Growth - Ashhurst - Water Supply	\$6	\$514	\$508	\$1,359	Custom Street in construction. Wyndham Street starting soon, expected to complete before Christmas.
2228-City-wide - Water Main Improvement	-	-	-	\$1,300	Designs in progress and construction is planned for the new calendar year.
Capital RENEWAL					
Creative and Exciting City					
1837-Swimming Pools - Pool Renewals	\$26	\$26	\$0	\$1,145	Design for the Lido changing rooms delayed due to need for seismic report. Almost complete now and ready for tendering. Other renewals on track.
Transport					
115-City-wide - Sealed Pavement Renewals (Waka Kotahi Subsidies)	\$1,006	\$984	(\$22)	\$2,473	Ferguson / Pitt completed and open. Other projects in planning.
139-City-wide - Sealed Road Resurfacing	\$62	-	(\$62)	\$2,440	Programme due to begin later in the year with the majority of work to occur from January.
Driven and Enabling Council					

Activity-Programme Name	YTD Actuals(\$000)	YTD Budget(\$000)	Variance(\$000)	Total Budget(\$000)	Status
1879-Council's Plant and Vehicle - Replacements	\$20	\$0	(\$20)	\$1,015	Purchase of waste management trucks actioned. Costs to be realised when vehicles delivered
Wastewater					
54-City-wide - Wastewater Pipe Renewal	\$667	\$566	(\$101)	\$2,918	Programme well underway with first major project (Guy Avenue) completed.
Water					
218-City-wide - Water Main Renewals	\$1,110	\$970	(\$139)	\$2,728	Programme underway with first major project almost completed.

Appendix 6 – Capital expenditure by Programme (programmes under \$1,000,000)

The following table highlights spend against budget of the programmes with budgets less than \$1,000,000.

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)
Connected & Safe Community				
P-1120 - Community Libraries - Renewals	26	65	39	104
P-1136 - CET Wildbase Recovery Centre - Renewals	5	4	(1)	108
P-1138 - Technology to Support 21st Century Citizens (Renewal	-	-	-	25
P-1196 - Kelvin Grove - Renewal of staff facilities	14	9	(5)	144
P-1269 - Bylaw Signage - Replacement	-	-	-	7
P-1452 - Community Stage - repair	-	-	-	11
P-1561 - Kelvin Grove Community Centre Carpark	3	-	(3)	-
P-161 - Public Toilets - New City-wide Toilets	164	11	(153)	415
P-1769 - Community Agency Facilities - Renewals	0	1	1	22
P-1775 - Central Library - Renewals	1	2	1	164
P-178 - Replacement of Shelving, Furniture and Equipment	18	-	(18)	15
P-1796 - Cemeteries - Building Renewals	7	4	(3)	93
P-180 - Social Housing - Renewals	110	135	25	381
P-1828 - Cemeteries - Non-Building Asset Renewals	-	-	-	102
P-1833 - Extensions to burial and ashes area to meet demand	-	-	-	118
P-186 - Public Toilets - Renewals	9	11	2	275
P-188 - Replacement and Purchase of Library Materials	168	201	33	810
P-1948 - Events and Festival Equipment Purchase	-	-	-	9
P-1971 - CET Wildbase Recovery Signage	-	-	-	81
P-1972 - CET Wildbase Recovery Digital Capacity	-	-	-	81
P-203 - Community Libraries, Youth Space, Blueprint and Mo	23	-	(23)	34
P-265 - Community Centres - Renewals	1	2	1	86
P-40 - Noise Measuring Equipment for Noise Complaints - R	-	-	-	15
P-563 - Cemeteries - Kelvin Grove - Crematorium Office rec	-	0	0	265
P-567 - Cemeteries - Crematorium Chapel Interior Renewals	30	41	11	66
Creative & Exciting City				
P-1051 - CET Arena - Arena Renewals	126	157	31	400
P-1099 - Parks and Reserves - Shade Development	-	1	1	62
P-111 - Roslyn - Edwards Pit Park Development	4	1	(3)	38
P-1473 - Lighting and Projection Demonstration	-	-	-	86
P-1560 - Bill Brown Park - Additional Carparking	-	-	-	206
P-165 - Arapuke Forest Park/Kahuterawa Development	-	-	-	6
P-1759 - CET Arena - Grounds Renewals	1	-	(1)	49
P-1786 - Sports Pavilion and Changing Room Renewals	263	460	197	440

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)
P-1827 - Local Reserves - Renewals	78	56	(23)	539
P-1829 - Sportsfields and Artificial Turfs - Renewals	-	2	2	100
P-1830 - City Reserves - Memorial Park - Renewals	-	-	-	157
P-1831 - Te Marae o Hine - The Square - Renewals	0	15	15	95
P-1832 - City Reserves - Ashhurst Domain - Renewals	71	-	(71)	89
P-1834 - City Reserves - Walkways - Renewals	23	35	12	117
P-1835 - City Reserves - Linklater Reserve - Renewals	2	1	(2)	19
P-1838 - CG-City Reserves-Victoria Esplanade-Exotic Aviary	13	2	(11)	135
P-1840 - City Reserves - Victoria Esplanade- Renewals	2	0	(2)	75
P-1845 - City Growth - Te Marae o Hine - The Square	38	-	(38)	-
P-1846 - City Growth - Walkway Extensions - Capital New	28	30	2	213
P-1847 - City Growth - Victoria Esplanade - Capital New	18	8	(10)	308
P-1848 - City Growth - Linklater Reserve - Capital New	1	-	(1)	-
P-1850 - City Growth - Memorial Park - Capital New	-	-	-	8
P-1853 - Development of Existing Reserves	-	-	-	300
P-1856 - Urban Growth - Hokowhitu - Purchase and Development	3	-	(3)	-
P-1884 - Accessibility and Safety Improvements	16	1	(15)	107
P-1960 - CET Arena - Arena 1 Sound System	-	-	-	205
P-1962 - Arena Security Card System	-	-	-	59
P-1963 - CET Arena- Score clock Replacment Arena2	-	-	-	377
P-1964 - Arena Indoor Stadium Sound System Replacement	-	-	-	304
P-1965 - Arena Kitchen Equipment Replacement	38	39	1	39
P-2006 - City Centre Play - Fixed Play Development	-	42	42	151
P-2122 - CBD Streets for People	38	23	(15)	403
P-213 - Cultural Facilities - Renewals	76	35	(41)	538
P-2210 - Regent Roof Upgrade	-	1	1	400
P-2253 - CET Arena Lighting Truss Equipment	-	-	-	211
P-697 - Clearview Reserve Development	-	0	0	41
P-708 - UG - Aokautere - Reserves Land Purchase	-	-	-	34
P-819 - CET Arena - Replacement of Equipment	3	9	6	56
P-967 - City-wide - Edibles Planting	-	-	-	6
Driven & Enabling Council				
P-1512 - CCTV replacements	16	21	5	115
P-1676 - Improve participation in Council and Committee mee	-	33	33	230
P-1753 - Investment Properties - Building Renewals	6	3	(3)	77
P-1791 - Parks Depot - Building Renewals	17	21	5	296
P-1970 - Gordon Kear Forest Culvert Replacements	-	-	-	27
P-2022 - Property - Hard Surfaces Renewals	9	8	(1)	294
P-221 - Print Synergy - Replacement of Print Synergy Machi	-	-	-	36
P-281 - CAB - Renewals	11	5	(6)	620
P-318 - Telecommunications Replacement - Council Buildings	-	18	18	77
P-53 - Computer Replacement - Rolling Replacements	17	60	43	317

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)
P-58 - Network Additions and Upgrades	-	9	9	44
P-60 - IM Strategic Plan - New Software Applications	38	27	(11)	113
P-68 - Aerial Photography	-	9	9	69
P-784 - Replacement of Council's Photocopiers/Printers	1	12	11	53
P-80 - Council Small Mobile Plant and Equipment	-	0	0	239
P-85 - Depot - Buildings and Structures Renewals	37	6	(31)	106
P-99 - New Vehicles and Plant	-	0	0	157
Eco-City				
P-1077 - Biodiversity Enhance Native Planting	-	-	-	33
P-1133 - Sportsfields-Artificial Football Field (subject EF	-	-	-	199
P-1368 - Public Space Bins Renewals	9	5	(4)	49
P-1371 - Closed Landfills and Transfer Stations	11	27	16	86
P-1373 - Recycling Drop Off Facilities - Development	4	4	(0)	41
P-1374 - Recycling Drop Off Facilities - Renewals	7	3	(4)	11
P-1410 - City-wide Recycling Services to Commercial/org.	2	11	9	43
P-1451 - Property - LED Lighting Upgrades	2	1	(1)	80
P-1721 - Composting Activity Site Renewals	3	0	(2)	9
P-1783 - Staff Welfare and Health and Safety Improvements	313	272	(42)	300
P-1784 - Rubbish and Recycling Buildings - Renewals	58	8	(50)	76
P-1810 - CW-Diversion of Waste from Landfill-New Material	-	-	-	70
P-1825 - City Reserves - Manawatu River Park - Renewals	-	10	10	29
P-1844 - City Growth - Manawatu River Park - Capital New	62	25	(36)	200
P-185 - Closed Landfills and Transfer Stations	1	1	0	42
P-1892 - CG-City Rsrvt-MNWTU River Park-Hokowhitu Lagoon Dev	-	1	1	78
P-1894 - CG-CR- MNWTU River Park-Marae Tarata Development	4	90	86	108
P-1895 - City Growth - Te Motu o Poutoa Development Plan	24	-	(24)	-
P-1924 - Improving remote monitoring capabilities	9	-	(9)	43
P-2227 - Resource Recovery Centre Power and Data Resilience	187	349	162	500
P-2239 - BOF - Te Motu o Poutoa	190	98	(92)	250
P-506 - Public Space Rubbish & Recycling Bins Development	10	1	(10)	35
P-612 - City-wide Wheelie Bin and Crate Renewals	16	21	5	100
P-649 - Recycling - Materials Recovery Facility Renewals	0	82	82	232
P-657 - Urban Growth - City-wide Wheelie Bins and Crates	9	16	7	76
P-721 - Awapuni Closed Landfill - Landscaping Development	12	13	0	52
Innovative & Growing City				
P-1166 - Conference & Function Centre - Equipment Purchases	10	18	8	74
P-1730 - Information Centre - Building Renewals	1	1	(0)	16
P-1943 - Information Centre Refurbishment	-	-	-	45
P-2234 - BOF - Construction of Summerhays	546	554	8	955
P-251 - Conference - Replacement of Equipment	14	9	(5)	38
P-270 - Holiday Park - Renewals	55	6	(49)	300
P-272 - Staff Cafeteria - Replacement of Equipment	3	2	(2)	6

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)
P-664 - Conference & Function Centre - Renewals	12	4	(8)	138
Stormwater				
P-1062 - City-wide - Stormwater Network Renewal Works	43	-	(43)	51
P-1372 - City-wide Stormwater Pump Stations Improvement	6	23	17	300
P-1708 - City-wide - Stormwater Flood Mitigation	18	120	102	230
P-20 - City-wide - Stormwater Pump Station Renewals	50	5	(46)	179
P-2034 - Urban Growth - Ashhurst - Stormwater	4	185	181	572
P-51 - Urban Growth - DC - Stormwater	-	217	217	217
Transport				
P-1003 - Whakarongo - Intersection Upgrades	111	201	90	201
P-122 - City-wide - Road Drainage Renewals	156	88	(68)	408
P-1367 - City-wide - Street Light Infill	233	308	75	923
P-1559 - Urban Cycle Infrastructure Network improvements	117	44	(73)	400
P-1615 - City-wide - Parking and Traffic Signs and Marking	41	-	(41)	54
P-162 - City-wide - Vehicle Crossing Renewals	-	25	25	130
P-167 - James Line (Schnell Dr to Kelvin Grove Rd) - Imp.	188	152	(36)	152
P-1803 - Neighborhood Streetscape Improvements	164	106	(58)	106
P-1804 - Road drainage improvements	-	8	8	169
P-1805 - City-wide - Transport structure component renewal	5	24	20	163
P-1807 - City-wide - Car park infrastructure improvements	21	2	(19)	352
P-1808 - City-wide - Street amenity improvements	-	-	-	50
P-181 - City-wide - Public Transport Infrastructure Renewa	-	-	-	33
P-201 - Urban Growth - DC - Transport	4	-	(4)	217
P-2026 - Active Transport Measurement	7	-	(7)	-
P-2056 - Supporting Cycle Infrastructure Imp.	0	-	(0)	-
P-2057 - Regional Shared Path Network Improvements	43	95	52	604
P-2059 - Urban Transport Improvements - Enabling PNITI	251	184	(67)	368
P-2109 - City-wide - Sealed Pavement Renewals (No Subsidy)	10	-	(10)	27
P-2110 - City-wide - Footpath Renewals (No Subsidy)	-	300	300	344
P-2111 - Kelvin Grove Road - Safety Improvements	17	-	(17)	-
P-2120 - Off Road Shared Path Network Improvements	94	-	(94)	100
P-2123 - Urban Growth - Kakatangiata - Transport	-	-	-	151
P-2142 - Physical Deterrent (speed humps) at add Locations	-	-	-	25
P-2204 - Address Street Racer Issues	14	-	(14)	50
P-2254 - Safety Improv. at College Street/Botanical Road	-	-	-	120
P-279 - City-wide - Minor transport improvements	46	300	253	900
P-64 - Footpath Renewals (Waka Kotahi Subsidies)	741	50	(691)	705
P-648 - City-wide-Supporting Cycle Infrastructure Renewals	-	-	-	22
P-684 - Longburn Rongotea Road/No. 1 Line - Intersection	7	36	30	197
P-74 - City-wide - Street Light Renewals	16	-	(16)	119
P-82 - Off-street Parking Renewals	-	-	-	81
Wastewater				

Activity-Programme Name	YTD Actuals (\$000)	YTD Budget (\$000)	Variance (\$000)	Total Budget (\$000)
P-1068 - WWTP - Replacement of Inlet Pumps	7	22	15	100
P-1074 - WWTP - Earthquake Strengthening of Civil Structure	41	72	31	360
P-1380 - Totara Rd WWTP - Biogas Generator Major Overhauls	5	19	14	200
P-1535 - City-Wide - Campervan Dump Stations	-	7	7	214
P-1616 - Wastewater Pump Station - Capacity Upgrade	68	49	(19)	250
P-1617 - WWTP - Biogas System Improvements	16	108	92	927
P-1619 - WWTP - Inlet Screens	-	-	-	30
P-1711 - Industrial Growth - Longburn Industrial Park - WW	6	46	40	651
P-1714 - City-wide Wastewater Trunk Mains Renewal	71	33	(38)	193
P-179 - WWTP - Minor Equipment Renewals	4	25	21	469
P-1799 - Wastewater Treatment Plant - Buildings Renewals	53	49	(4)	91
P-1821 - Pipeline Realignment of at-risk mains	3	-	(3)	151
P-2128 - WWTP - Consent Application	2	-	(2)	-
P-65 - City-wide - Wastewater Pump Station Renewal	137	51	(86)	497
P-66 - WWTP - Resilience Programme	82	80	(2)	719
P-73 - Urban Growth-Development Contributions-Wastewater	-	-	-	108
Water				
P-1054 - Ashhurst - Water Quality Improvements	20	138	118	400
P-1170 - Urban Growth - Kakatangiata - Water Supply	-	-	-	100
P-124 - Turitea WTP - Drinking Water Standards Upgrades	27	-	(27)	300
P-1384 - Water Supply Resilience - Additional Reservoirs	18	8	(10)	669
P-1388 - District Metering Areas for Water Supply	1	-	(1)	-
P-1389 - Water Supply Resilience - Security of Supply	8	17	9	500
P-1697 - Turitea WTP - Water Supply Resilience - Upgrades	371	364	(8)	920
P-1700 - City-wide - Water Meter Renewals	47	25	(22)	349
P-1701 - City-wide - Water Supply Valve & Hydrant Renewals	-	-	-	217
P-1797 - Water Treatment Plant - Building Renewals	1	3	2	33
P-1822 - Water Pump Stations - Building Renewals	22	19	(4)	19
P-1864 - Longburn Extension - Water Supply	-	-	-	120
P-1883 - Water Operations -Small Plant & Equipment - New	0	-	(0)	59
P-199 - Water Supply Bore and Network Facility Rnw	451	53	(398)	910
P-2042 - Turitea WTP - Raw Water Main Renewal	-	-	-	71
P-2048 - City-wide - Water Toby and Manifold enhancements	100	44	(56)	500
P-2060 - City-wide - Commercial Water Meters	-	-	-	174
P-207 - Turitea WTP - Equipment and Facility Renewals	17	73	56	404
P-214 - City-wide - Water Toby and Manifold Renewals	63	45	(18)	542
P-2226 - Urban Growth - Terrace End Bore	3	6	6	200
P-246 - Urban Growth - Development Contributions - Water S	-	-	-	271
P-88 - Turitea WTP - Falling Main Rehabilitation	11	28	17	108
P-91 - DELETE - Turitea WTP - Falling Main Duplication	2	-	(2)	-
P-986 - Turitea Dams - Aeration Upgrade	-	-	-	60

Appendix 7 – Financial Statements

Palmerston North City Council
Summary of Financial Performance
For the period to 30 September 2023

	Year to Date			Full Year	
	Actual	Budget	Actual	Revised	Annual
	\$M	\$M	Prior Year \$M	Budget \$M	Budget \$M
OPERATING REVENUE					
Rates revenue	31.3	31.2	29.1	124.2	124.2
Fees & charges	2.0	2.7	2.4	8.0	8.0
Operating Subsidies and grants	1.3	1.3	1.6	8.2	8.0
Finance revenue	0.3	0.0	0.3	0.2	0.2
Other revenue	5.6	6.3	6.8	25.0	25.0
TOTAL OPERATING REVENUE	40.5	41.5	40.2	165.6	165.4
CAPITAL REVENUE					
Capital subsidies and grants	2.6	4.4	0.5	18.5	17.7
Development Contributions	0.5	0.8	0.9	3.2	3.2
Vested Assets	-	0.5	-	2.0	2.0
TOTAL CAPITAL REVENUE	3.1	5.7	1.3	23.8	23.0
TOTAL REVENUE	43.6	47.2	41.5	189.3	188.4
EXPENSES					
Employee Remuneration	14.9	15.1	13.7	59.9	59.9
Elected Members Remuneration	0.3	0.3	0.3	1.1	1.1
Depreciation expense	10.8	10.8	9.7	43.0	43.0
Finance costs	2.8	2.5	1.8	9.9	9.9
Other expenses	15.3	20.3	15.3	66.7	65.8
TOTAL EXPENSES	44.1	48.9	40.7	180.7	179.8
NET SURPLUS/(DEFICIT) BEFORE TAX	(0.5)	(1.7)	0.8	8.7	8.6

Palmerston North City Council
Statement of Financial Position
For the period to 30 September 2023

	2023/24			As at 30 June 2023
	As at 30 September 2023		Full Year	
	Actual \$M	Budget \$M	Rev Budget \$M	
Current Assets				
Cash & Short Term Deposits	2	2	2	2
Trade and other receivables	15	19	19	19
Inventory	4	4	4	4
Derivative financial instruments (CA)	4	4	4	4
Other financial assets	20	-	-	-
Total Current Assets	45	29	29	29
Non-Current Assets				
Property, plant and equipment	2,350	2,341	2,386	2,333
Inventory-Non-current	2	2	2	2
Intangible Assets	1	1	1	1
Forestry Assets	2	2	2	2
Investment Properties	5	5	5	5
Investments & Advances	25	21	21	21
Derivative financial instruments (NCA)	4	-	-	-
Total Non-Current Assets	2,388	2,372	2,417	2,364
Total Assets	2,433	2,401	2,446	2,393
Current Liabilities				
Bank overdraft	-	-	-	-
Trade and other payables	38	28	26	26
Provisions (CL)	1	1	1	1
Current Employee Entitlements	10	8	8	8
Current Portion - Term Liab	26	20	20	20
Derivative financial instruments (CL)	-	-	-	-
Total Current Liabilities	75	57	55	55
Non-Current Liabilities				
Provisions (NCL)	-	-	-	-
Term Employee Entitlements	1	1	1	1
Term Liabilities	221	207	230	200
Derivative financial instruments (NCL)	-	-	-	-
Total Non-Current Liabilities	222	208	231	201
Total Liabilities	297	266	286	256
Assets less Liabilities	2,137	2,135	2,160	2,137
Public Equity				
Retained earnings	1,099	1,097	1,116	1,099
Other reserves	1,038	1,038	1,043	1,038
Total Public Equity	2,137	2,135	2,160	2,137

Palmerston North City Council
Statement of Cash Flows
For the period to 30 September 2023

	Year to Date		Full Year
	Actual	Revised	Revised
	\$M	Budget	Budget
		\$M	\$M
Cash Flows From Operating Activities			
Receipts from rates revenues	31.8	31.2	124.2
Interest received	0.3	-	0.2
Dividends received	-	-	-
Operating subsidies and grants	1.3	1.3	8.2
Receipts from other revenue	7.5	9.4	33.2
Capital subsidies and grants	2.6	4.4	18.5
Development contributions	0.5	0.8	3.2
Interest paid	(2.8)	(2.5)	(9.9)
Payments to suppliers and employees	(29.0)	(33.0)	(127.7)
Goods and Services Tax (net)	0.8	-	-
Net Cash From Operating Activities	13.0	11.6	49.9
Cash Flows From Investing Activities			
Proceeds from sale of property	-	-	7.5
Proceeds from sale of biological assets	-	-	-
Investment in property development	-	-	-
Purchase of property, plant and equipment	(16.8)	(19.0)	(96.2)
Net other advances repayment received/(made)	-	-	-
Net increase in investments	(3.0)	-	-
Net Cash From Investing Activities	(19.8)	(19.0)	(88.7)
Cash Flows From Financing Activities			
Short term investments (4-12 months)	(19.5)	-	-
Net borrowing proceeds/(repaid)	26.7	7.4	38.8
Net Cash From Financing Activities	7.2	7.4	38.8
Net Increase/(decrease)	0.4	-	-
Cash at beginning of year	2.0	2.0	2.0
Cash at Month End	2.4	2.0	2.0

Appendix 8 – Approved variations to Annual Budget

After the Annual Budget 2023/24 was approved, the following changes were authorised by Council for the 2023/24 financial year. These also impacted the debt, or capital expenditure if it relates to capital revenue.

Variations to Annual Budget 2023/24 approved by Council

Profit and Loss	\$000	New in quarter
Annual Budget 2023/24 Net Surplus/(Deficit)	8,629	
Changes authorised by Council:		
Carry forward adjustments:		
1572-Enterprise Resource Planning (ERP) System Replacement (Carry Forward Adjustment)	(756)	Yes
1520-Digital Transformation	24	Yes
115-City-wide - Sealed Pavement Renewals (Waka Kotahi Capital Subsidies)	238	Yes
2059-Urban Transport Improvements - Enabling PNITI (Waka Kotahi Capital Subsidies)	187	Yes
2057-Regional Shared Path Network Improvements (Waka Kotahi Capital Subsidies)	153	Yes
2119-Road to Zero - Transport Safety Improvements (Waka Kotahi Capital Subsidies)	105	Yes
Other budget adjustments authorised by Council:		
1535-City-wide Campervan Dump Stations (Capital revenue)	100	Yes
Ashhurst Te Apiti Three Bridges Loop Track Investigations (Waka Kotahi Operating Subsidies)	157	Yes
Ashhurst Te Apiti Three Bridges Loop Track Investigations	(157)	Yes
Revised Budget 2023/24 Net Surplus/(Deficit) Before Tax	8,680	

Capital Expenditure	\$000	New in Quarter
Annual Budget 2023/24 Capital Expenditure	93,344	
Changes authorised by Council:		
Net carry forward adjustments	2,811	Yes
1535-City-wide Campervan Dump Stations (approved 4/10/23)	100	Yes
Revised Budget 2022/23 Capital Expenditure	96,255	

Variations to Annual Budget 2023/24 approved by Chief Executive

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

Below are the changes approved through the Chief Executive

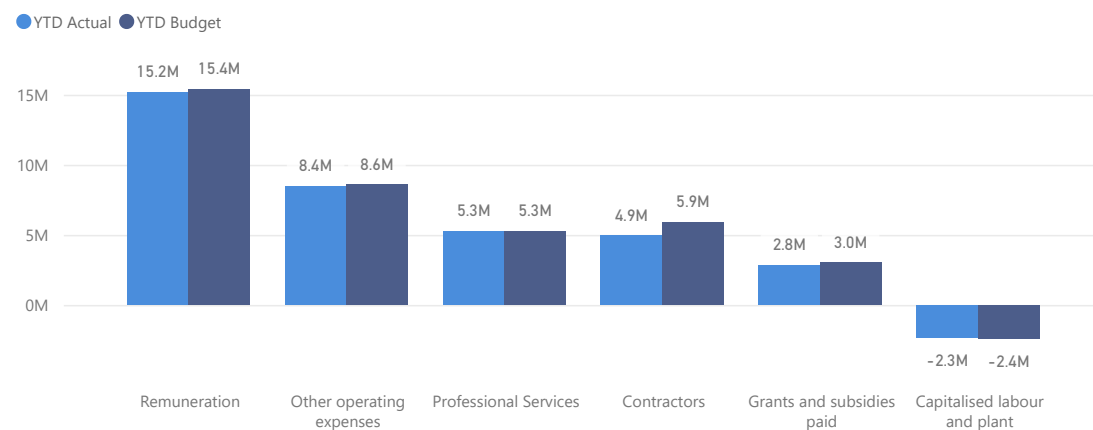
Activity	Programme	(\$000s)	New in Quarter
Operating			
Net movement		0	
Capital New			
Transport	2124-Urban Growth - Ashhurst - Transport	(650)	Yes
Transport	2058-Urban Growth - NEIZ - Transport	650	Yes
Net movement		0	
Activity	Programme	(\$000s)	New in Quarter
Capital Renewal			
Connected Communities	180-Social Housing - Renewals	(150)	Yes
Strategic Investments	1753-Investment Properties - Building Renewals	(50)	Yes
Strategic Investments	1791-Parks Depot - Building Renewals	200	Yes
Net movement		0	

Appendix 9 – Elected Member training

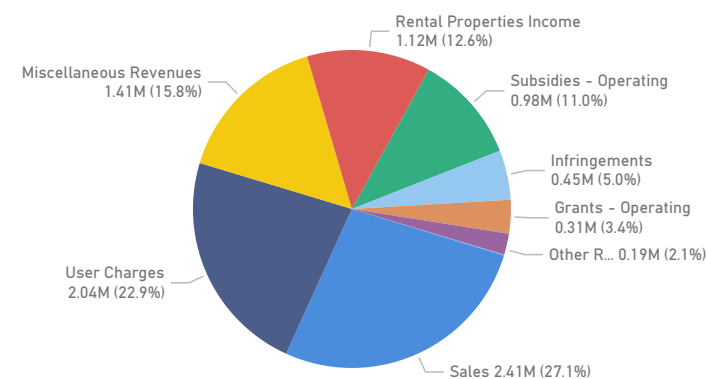
Name	Training	Cost	Details
Pat Handcock	LGNZ Annual Conference	\$109	Refund for food costs
Orphee Mickalad	Law paper	\$904.65	Tuition fees
Kaydee Zabelin	Making Good Decisions	\$449.13	Travel and accommodation costs (2 nights)

September financial dashboard

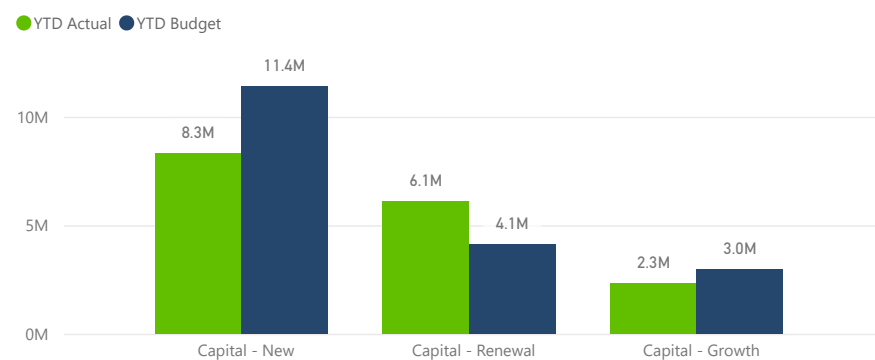
YTD Actual and YTD Budget by Expenditure Grouping



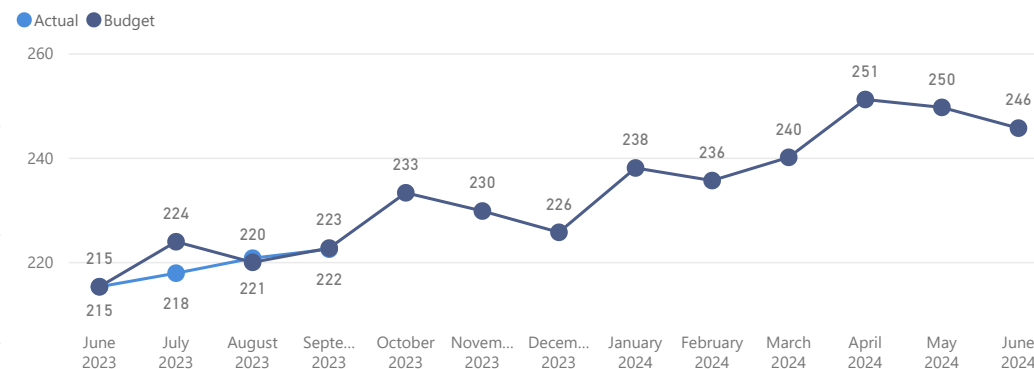
Non-rates revenue YTD



Capital spend YTD



Net debt - Actual against Budget



MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Treasury Report - quarter ending 30 September 2023

PRESENTED BY: Steve Paterson, Strategy Manager - Finance

APPROVED BY: Cameron McKay, Chief Financial Officer

RECOMMENDATION TO STRATEGY & FINANCE COMMITTEE

1. That the Committee note the performance of Council's treasury activity for the quarter ending 30 September 2023.

1. ISSUE

To provide an update on the Council's treasury activity for the quarter ending 30 September 2023.

2. BACKGROUND

The Council's Annual Budget 2023/24 forecast additional debt requirements of \$36.2m would need to be raised during the year to fund the \$65.4m of new capital expenditure programmes (including assumed carry forwards from 2022/23). In June 2023 the Council resolved to specifically authorise the raising of up to \$37m of additional debt.

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

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

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

3. PERFORMANCE

Following the annual review published on 4 May 2023 Council's S&P Global Rating's credit rating remained unchanged at AA / A-1+.

Schedule 1 attached shows the details of Council's debt as at 30 September 2023. Debt levels were within the policy parameters outlined in section 2 of this report.

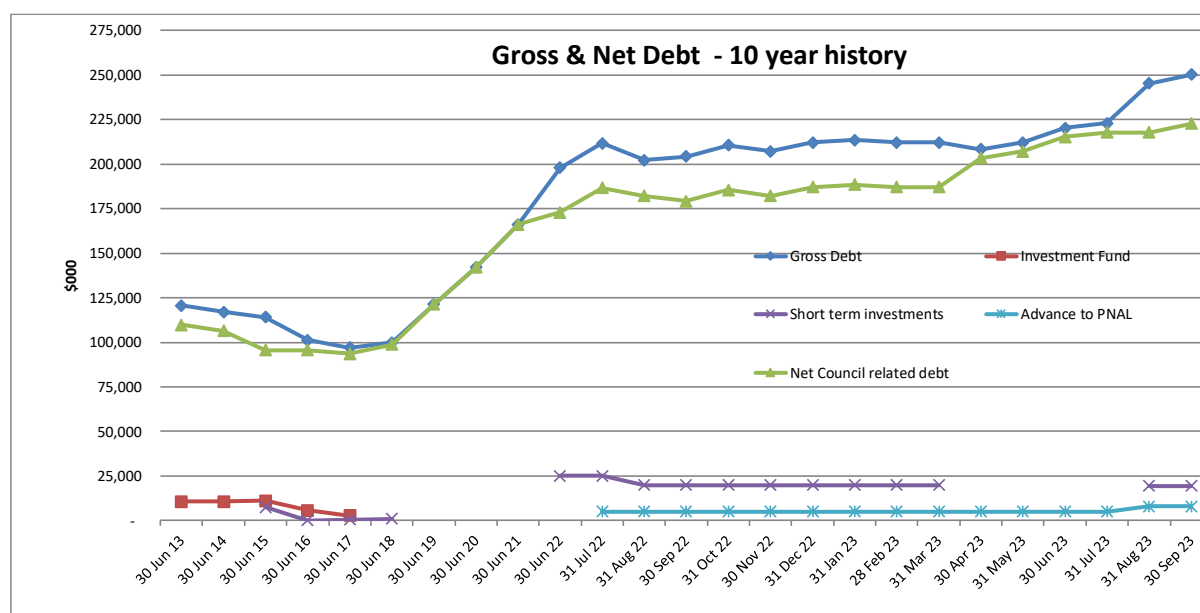
The summarised **term debt** movements are shown in the following table:

	Annual Budget for year (2023/24) \$000	Actual – 3 months (2023/24) \$000
Debt Balance at 1 July 2023	220,000	220,228
Plus New Debt #	36,193	29,877
Less Debt repayments #		0
Closing Gross Debt Balance	256,193	250,105
<u>Comprising:</u>		
Bank advance (on call)		4,900
LGFA stock		245,205
<u>Less:</u>		
Deposits held for debt repayment		(19,500)
Sum advanced to PN Airport Ltd	(5,000)	(8,000)
Net Council related term debt	\$251,193	\$222,605

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

Gross debt at 30 September 2023 was \$250.1m compared with \$220.2m at 1 July 2023. Additional debt of \$29.9m was raised during the quarter – \$3.1m of this on behalf of PNAL.

A 10-year history of the gross & net debt is shown in the following graph:



Actual finance costs incurred by the Council depend on the actual debt levels and the interest rate. During the quarter finance costs (including interest, line fees and the effects of payments relating to swaps) amounted to \$2.56m compared with the budget for the year of \$9.9m.

\$161k of this expense relates to \$20m raised on 14 August 2023 to prefund debt maturing on 17 April 2024. This was partially offset by unbudgeted interest income of \$167k received from short term investment of \$19.5m. A further \$75k of this expense relates to the \$8m of loans raised on behalf of Palmerston North Airport Limited (PNAL) and this was offset by \$80k received from PNAL for the advance.

The effective weighted average interest rate for the year to date was 4.36% compared with the budgetary assumption of 4.2%.

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

The value of these instruments is measured in terms of its 'mark-to-market', i.e. the difference between the value at which the interest rate was fixed and the current market value of the transaction. Each of these transactions was valued at the date they were fixed and again at the reporting date. Financial reporting standards require the movement in values to be recorded through the Council's Statement of Comprehensive Income (Profit & Loss Account). They have been revalued as at 30 September 2023. The latest valuation is an asset of \$15.6m compared with an asset of \$11.7m as at 30 June 2023.

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

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

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

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

- Council's liquid position complies with policy.
- Since 30 June 2023 \$30m of term debt has been raised and \$3.2m of bank debt has been repaid. In addition, \$3.1m was raised on behalf of PNAL and \$3m on-lent to them.

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

- There is significant uncertainty about forecast levels of future debt – this very much depends on a number of factors including future Council decisions on the proposed capital expenditure programme and Government decisions on the future structure of the provision of three waters. This means it has been prudent to consider various debt scenarios (including one that excludes waters related debt) when assessing interest rate risk exposure.
- Because the future debt levels are so uncertain our risk management strategy has been to use the forecast debt figures from 2021-31 Long Term Plan, as updated through the 2022/23 & 2023/24 Annual Budgets but reduce them by 30%. This reduction is a mechanism to ensure the Council's portfolio does not become over-hedged.
- Because of the upward movement in swap interest rates over recent months it has not been possible to purchase new swaps at interest rates that we believe are appropriate to lock in for long terms. Based on the current forecast debt levels the actual portion that is fixed was very marginally outside of the policy in the 48-60 month period (19% compared with a policy minimum of 20%). If opportunities arise to extend the swap cover at acceptable interest rates these will be considered in order to keep within the policy limits.

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

The position as at 30 September 2023 is shown in **Schedule 4** attached.

The schedule shows that the short term BNZ investment of \$19.5m (in place to fund maturing debt in April 2024) exceeds the policy sub-limit of \$15m. The investment was entered because of the favourable interest rate obtained. As the Council has only a small BNZ exposure for derivatives the total exposure to the bank does not exceed the total limit. It is proposed to remove the sub-limits when the policy is next reviewed as they are, on reflection, of no particular value.

Council's credit lines with the banks include a \$18m three-year credit facility with Westpac Bank (maturing 31 October 2025) and a revolving \$25m three-year facility with ANZ Bank (maturing 31 March 2026).

4. CONCLUSION AND NEXT STEPS

Gross finance costs for the quarter (including interest, line fees and the effect of swaps) was \$2.56m compared with budget for the year of \$9.9m. The net finance cost (after considering the interest income from term investments and the advance to Palmerston North Airport Ltd) is \$2.31m.

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

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

A further performance report will be provided after the December 2023 quarter.

5. COMPLIANCE AND ADMINISTRATION

Does the Council 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 5: A Driven & Enabling Council	
This report outlines the outcomes of a fundamental administrative activity of the	

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

ATTACHMENTS

1. Schedules 1 to 4 [↓](#) 

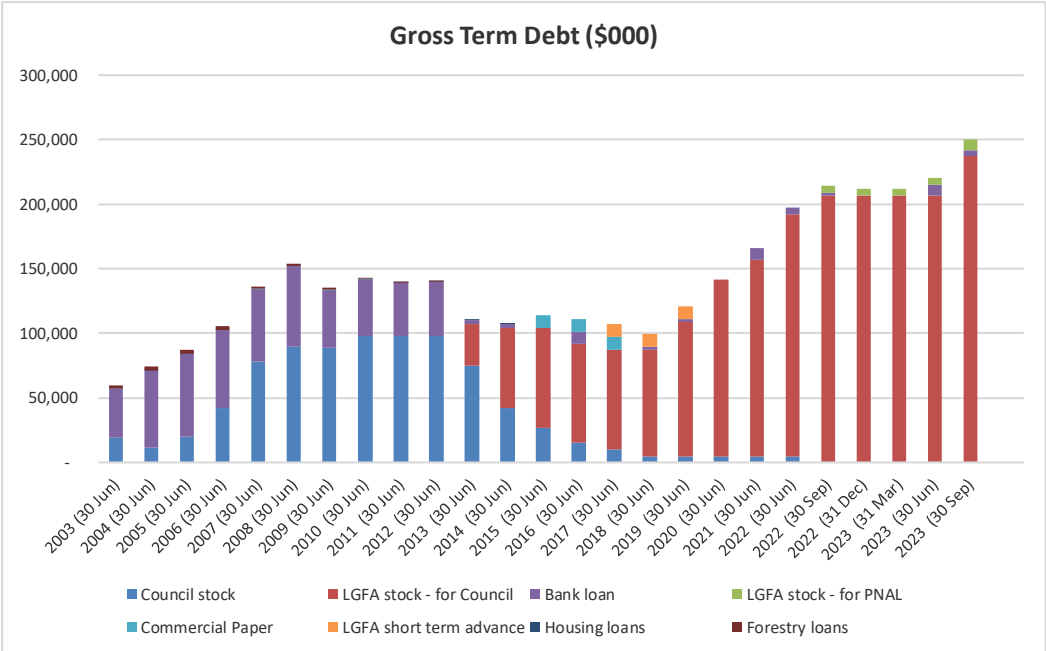
PALMERSTON NORTH CITY COUNCIL

Schedule 1 - Debt levels & Prudent Borrowing Ratios

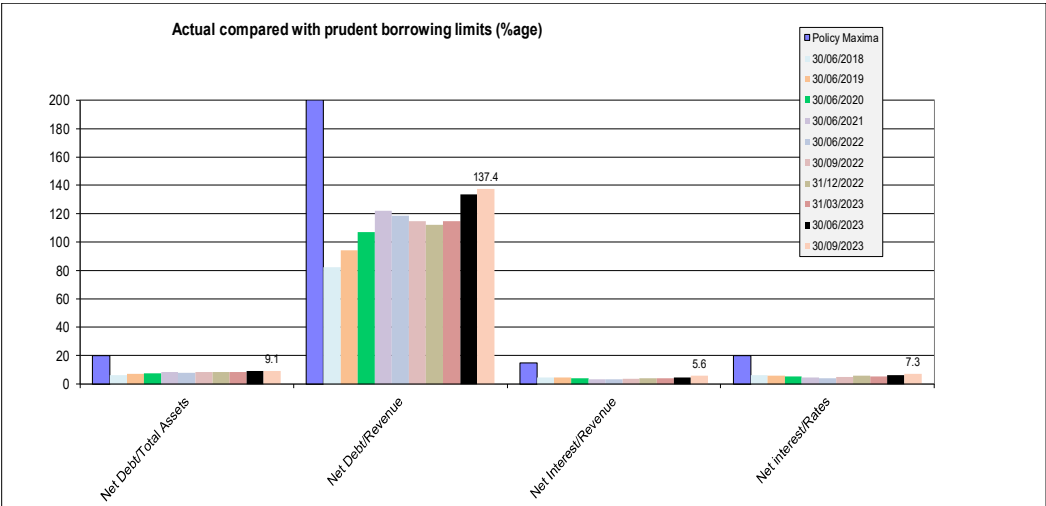
The following table shows the details of the tranches of debt on issue as at 30 September 2023:

Term Debt as at 30 September 2023									
Issue Date	Term	Principal	Margin over BKBM	Interest Rate	Maturity Date	Current as at 30/09/2023	Interest Rate	Reset Date	
1. Loan Stock on Issue - Borrowed from LGFA									
LGFA 23 Jul 18	6	15,000,000	0.5525%	6.2025%	15-Apr-2024	15,000,000	Floating Qtrly	16-Oct-23	
LGFA 15 Apr 20	4	5,000,000	0.7850%	6.4350%	15-Apr-2024	5,000,000	Floating Qtrly	16-Oct-23	
LGFA 6 Sep 17	7	6,000,000	0.6000%	6.2550%	15-Sep-2024	6,000,000	Floating Qtrly	15-Dec-23	
LGFA 6 Sep 17	8	6,000,000	0.6600%	6.3100%	15-Apr-2025		Floating Qtrly	16-Oct-23	
LGFA 28 Jan 20	5	8,000,000	0.5400%	6.1900%	15-Apr-2025		Floating Qtrly	16-Oct-23	
LGFA 13 Jul 20	5	5,000,000	0.6700%	6.3200%	15-Apr-2025		Floating Qtrly	16-Oct-23	
LGFA 22 Mar 18	8	5,000,000	0.7250%	6.3750%	15-Apr-2026		Floating Qtrly	16-Oct-23	
LGFA 17 Jun 19	7	7,000,000	0.6525%	6.3025%	15-Apr-2026		Floating Qtrly	16-Oct-23	
LGFA 11 May 20	6	5,000,000	0.6600%	6.3100%	15-Apr-2026		Floating Qtrly	16-Oct-23	
LGFA 13 Jul 20	6	5,000,000	0.7225%	6.3725%	15-Apr-2026		Floating Qtrly	16-Oct-23	
LGFA 27 Apr 23	3	10,000,000	0.5000%	6.1500%	15-Oct-2026		Floating Qtrly	16-Oct-23	
LGFA 16 Mar 15	12	5,000,000	0.4575%	6.1075%	15-Apr-2027		Floating Qtrly	16-Oct-23	
LGFA 8 Jun 15	12	5,000,000	0.4525%	6.1025%	15-Apr-2027		Floating Qtrly	16-Oct-23	
LGFA 11 Aug 20	7	10,000,000		1.1200%	15-Apr-2027		Fixed		
LGFA 9 Feb 21	6	5,000,000		1.3579%	15-Apr-2027		Fixed		
LGFA 14 Aug 23	4	10,000,000	0.4900%	6.1150%	15-Jul-2027		Floating Qtrly	16-Oct-23	
LGFA 28 Jul 22	5	5,000,000	0.5000%	6.1500%	15-Oct-2027		Floating Qtrly	16-Oct-23	
LGFA 30 May 23	4	10,000,000		5.2300%	15-Oct-2027		Fixed		
LGFA 17 Dec 18	10	5,000,000	0.7875%	6.4375%	18-Apr-2028		Floating Qtrly	16-Oct-23	
LGFA 7 Oct 19	9	5,000,000	0.7100%	6.3600%	18-Apr-2028		Floating Qtrly	16-Oct-23	
LGFA 11 Aug 20	8	10,000,000	0.8300%	6.4800%	18-Apr-2028		Floating Qtrly	16-Oct-23	
LGFA 10 Jul 23	5	10,000,000	0.6680%	6.3761%	15-Jul-2028		Floating Qtrly	16-Oct-23	
LGFA 14 Aug 23	5	10,000,000	0.6120%	6.2370%	15-Jul-2028		Floating Qtrly	16-Oct-23	
LGFA 28 Jul 22	6	5,000,000	0.5500%	6.2000%	15-Oct-2028		Floating Qtrly	16-Oct-23	
LGFA 14 Nov 22	6	5,000,000	0.6170%	6.2670%	15-Oct-2028		Floating Qtrly	16-Oct-23	
LGFA 17 Dec 18	11	10,000,000	0.8225%	6.4725%	15-Apr-2029		Floating Qtrly	16-Oct-23	
LGFA 12 Jul 21	8	10,000,000	0.3950%	6.0550%	20-Apr-2029		Floating Qtrly	20-Oct-23	
LGFA 19 Dec 22	7	5,000,000	0.6590%	6.3090%	15-Oct-2029		Floating Qtrly	16-Oct-23	
LGFA 12 Jul 21	9	10,000,000	0.4350%	6.0850%	15-Apr-2030		Floating Qtrly	16-Oct-23	
LGFA 18 Oct 21	9	5,000,000	0.4590%	6.1090%	15-Apr-2030		Floating Qtrly	16-Oct-23	
LGFA 14 Mar 22	9	10,000,000	0.5700%	6.2150%	15-May-2031		Floating Qtrly	15-Nov-23	
LGFA 14 Mar 22	9	10,000,000	0.5950%	6.2450%	15-Oct-2031		Floating Qtrly	16-Oct-23	
		237,000,000							
2. Loan Stock on Issue - Borrowed from LGFA to on-lend to PNAL									
LGFA 11 Jul 22	5	5,128,205		4.1100%	15-Apr-2027		Fixed		
LGFA 14 Aug 23	5	3,076,923		5.4467%	15-Jul-2028		Fixed		
		8,205,128							
3. Bank facilities									
ANZ (\$25m)		-			31-Mar-2026		Reset at any time		
				* plus line fee of 0.22%					
Westpac (\$18m)	On call	4,900,000		6.650%	31-Oct-2025		Reset at any time		
				* plus line fee of 0.3%					
4. Short term facility from LGFA									
		-							
Total as at 30 September 2023		250,105,128				26,000,000			

The following graph shows the changing nature of the structure of the debt portfolio over the last 20 years:



The Financial Strategy contains a series of ratios that the Council has determined to be prudent maxima. The chart below shows the actual results for since 2017/18 compared to those ratios.

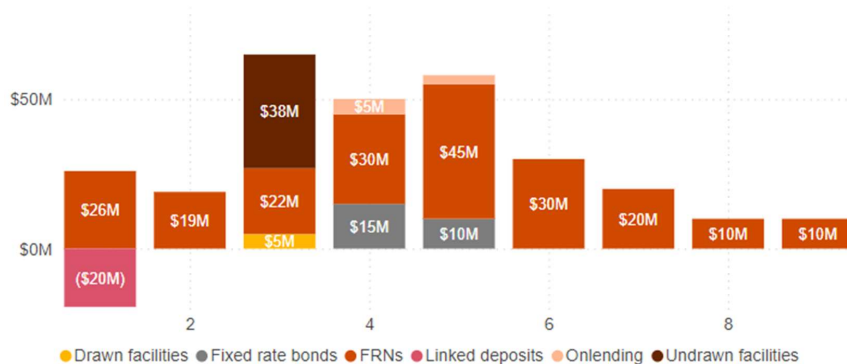


PALMERSTON NORTH CITY COUNCIL

Schedule 2 – Interest Rate Swaps

The following table schedules the swap financial instruments in place as at 30 September 2023:

Interest Rate Swaps as at 30 September 2023									
<i>Council pays fixed & receives floating on a quarterly basis</i>									
Bank	Trade Date	Deal No	Amount \$m	Start Date	Maturity	Fixed Interest rate	Current Floating rate	Reset date	Value at 30-Sep-23
ANZ	28-Nov-14	10730910	5.0	15-Dec-17	15-Jun-24	4.500%	5.655%	15-Dec-23	45,280
ANZ	28-Nov-14	10730993	5.0	10-Apr-18	10-Oct-24	4.515%	5.70%	10-Oct-23	78,029
ANZ	29-Nov-18	18984011	5.0	6-Dec-19	6-Sep-23	2.555%	5.69%	matured 6 Sep 23	
ANZ	29-Nov-18	18984258	2.0	6-Mar-20	6-Mar-29	3.095%	5.65%	6-Dec-23	197,340
Westpac	25-Feb-15	4218128	5.0	7-Sep-20	9-Sep-24	3.990%	5.655%	8-Dec-23	86,170
ANZ	25-Feb-15	11281075	3.0	16-Nov-20	15-Nov-24	3.990%	5.645%	15-Nov-23	65,267
Westpac	18-Jan-16	4910927	5.0	9-Dec-20	9-Jun-25	3.970%	5.66%	11-Dec-23	145,520
Westpac	25-Feb-15	4218131	5.0	8-Jun-21	10-Jun-24	3.990%	5.655%	8-Dec-23	63,439
ANZ	20-Jun-14	25213652	5.0	15-Dec-21	15-Jun-29	3.425%	5.655%	15-Dec-23	447,626
Westpac	16-Nov-21	9251755	7.0	8-Dec-21	8-Dec-28	3.190%	5.655%	8-Dec-23	636,471
Westpac	16-Nov-21	9251762	6.0	29-Dec-21	28-Sep-29	3.410%	5.74%	29-Dec-23	532,987
Westpac	16-Nov-21	9251772	5.0	10-Jan-22	10-Jan-30	3.380%	5.70%	10-Oct-23	495,030
Westpac	26-Feb-16	5013577	5.0	11-Apr-22	12-Jan-26	3.635%	5.675%	11-Oct-23	234,229
ANZ	13-Oct-20	22956802	10.0	15-Apr-22	15-Apr-28	0.4025%	5.65%	16-Oct-23	2,040,000
Westpac	25-Jun-21	9002142	10.0	15-Jun-22	15-Jun-28	1.8200%	5.655%	15-Dec-23	1,414,507
Westpac	25-Jun-21	9002154	10.0	15-Sep-22	15-Sep-28	1.9000%	5.655%	15-Dec-23	1,437,734
BNZ	27-Feb-20	384575543	7.0	8-Dec-22	8-Dec-28	1.3375%	5.655%	8-Dec-23	1,227,965
Westpac	25-Jun-21	9002127	10.0	15-Mar-23	15-Mar-28	1.9400%	5.655%	15-Dec-23	1,309,582
ANZ	27-Nov-17	17029213	5.0	15-Jun-23	15-Jun-27	3.7675%	5.655%	15-Dec-23	262,555
Westpac	25-Jun-21	9002104	10.0	15-Jun-23	15-Sep-27	1.9325%	5.655%	15-Dec-23	1,200,166
ANZ	27-Nov-17	17029223	6.0	29-Sep-23	29-Jun-27	3.7875%	5.74%	29-Dec-23	309,590
Active total at 30 Sep 23			126.0						12,229,487
ANZ	27-Mar-18	17670250	5.0	15-Jun-24	15-Jun-29	3.840%		15-Jun-24	255,390
ANZ	27-Mar-18	17670276	5.0	10-Oct-24	10-Jan-31	3.920%		10-Oct-24	271,911
ANZ	27-Mar-18	17670295	5.0	10-Jun-24	10-Jun-32	3.935%		10-Jun-24	357,284
Westpac	8-Jul-22	9735255	10.0	15-Apr-25	15-Apr-30	3.775%		15-Apr-25	457,625
Westpac	8-Jul-22	9735291	10.0	15-Jan-25	15-Sep-30	3.790%		15-Jan-25	528,959
ANZ	27-Apr-23	48752826	20.0	15-Apr-27	15-Apr-31	3.905%		15-Apr-27	598,921
ANZ	27-Apr-23	48752829	20.0	15-Jul-25	15-Jul-30	3.8025%		15-Jul-25	866,190
Forward start total at 30 Sep 23			75.0						3,336,280
Total value									15,565,767

Schedule 3 - Risk Exposure Position**Funding & Liquidity Risk Position – proportions of debt within pre-set maturity bands****Funding and liquidity risk timeline****Funding summary**

Bucket (years)	Policy	Actual
0 - 3	15% - 60%	34%
3 - 7	25% - 85%	59%
7 - 15	0% - 60%	7%
Total		100%

Liquidity Ratio

Policy: $\geq 110\%$
 Actual at 30 Sep 2023 117%

Gross external debt at 30 Sep 2023:	\$250,105,128
(Net debt i.e. Gross debt less pre-funding)	\$230,605,128)
(Net debt less PNAL related debt)	\$222,400,000)

Undrawn bank facilities at 30 Sep 2023: \$38,100,000

Interest Rate Risk Position – proportions of forecast debt subject to floating versus fixed interest rates within pre-set policy limits**As at 30 Sep 2023**

Current fixed rate hedging
68%

Total fixed rate instruments
\$151,000,000

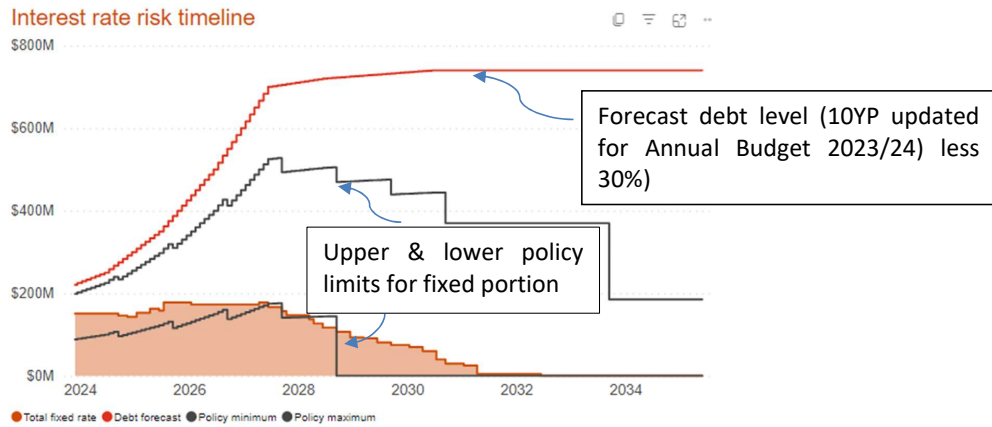
Weighted average fixed rate of fixed rate instruments
2.76%

Weighted average term of fixed rate instruments
4.55 years

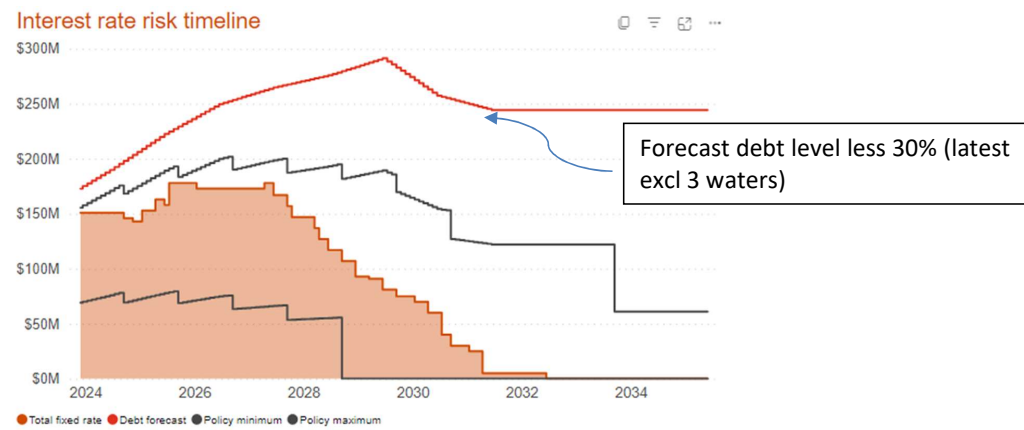
Fixed proportions each year compared with policy – based on 10YP debt forecast – updated via 2023/24 Annual Budget (with 30% haircut)

Interest rate summary

#	Bucket	Min	Max	Actual
1	0 - 12	40%	90%	64%
2	12 - 24	35%	85%	49%
3	24 - 36	30%	80%	39%
4	36 - 48	25%	75%	27%
5	48 - 60	20%	70%	19%
6	60 - 72	0%	65%	13%
7	72 - 84	0%	60%	9%
8	84 - 96	0%	50%	2%
9	96 - 108	0%	50%	1%
10	108 - 120	0%	50%	0%
11	120 - 132	0%	25%	0%
12	132 - 144	0%	25%	0%



The shaded portion reflects the fixed portion of the forecast debt based on the 10YP (updated as per Annual budget 2023/24) with 30% haircut



The shaded portion reflects the fixed portion of the forecast debt (excluding three waters) based on 10YP (updated as per Annual Budget 2023/24) with 30% haircut

Schedule 4 – Counterparty credit limits**Counterparty credit limits**

Counterparty	Investments exposure	Investment limit	MtM	Derivatives exposure	Derivatives limit	Total exposure	Total limit	Compliant?
▼								
Westpac	\$0	\$15,000,000	\$8,471,548	\$13,430,144	\$20,000,000	\$13,430,144	\$35,000,000	✓
BNZ	\$19,500,000	\$15,000,000	\$1,227,848	\$1,090,103	\$20,000,000	\$20,590,103	\$35,000,000	✗
ANZ	\$0	\$15,000,000	\$5,620,518	\$15,987,844	\$20,000,000	\$15,987,844	\$35,000,000	✓

Note: Although the counterparty credit limit for the BNZ is described as being non-compliant, it is only the investment sub-portion of the limit which is exceeded, rather than the total limit. It is intended at the next policy review to delete the sub-limits in the policy as they serve no useful purpose.

REPORT

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Waterloo Park - Land Exchange Proposal Decision

PRESENTED BY: Aaron Phillips, Activity Manager - Parks

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer
David Murphy, Chief Planning Officer

RECOMMENDATION(S) TO COUNCIL

1. That Council note, but sets aside, the objections to the exchange of part of Waterloo Park for the following reasons:
 - a. The matters of privacy, traffic, flooding and contamination will be dealt with through the plan change process.
 - b. The green space provision in the area is significant.
 - c. There is an alternative space for the establishment of a community orchard in Waterloo Park.
 - d. There is no loss of green space as the area of reserve received in the exchange will be equal in size to the existing reserve and carparking will not be established on the land received in the exchange.
 - e. The land received in the exchange would have a wider community benefit than retaining the existing strip of Waterloo Park.
2. That Council approve an application to the Minister of Conservation to exchange 1,300m² of Waterloo Park, being part of Part Lot 44 DP 22620 held in title WN8C/884, for new reserve land in the Roxburgh Crescent area.
3. That Council note that the exchange would only be given effect if the Minister's approval is received and the rezoning of the Roxburgh Crescent area is approved.
4. That Council note that regardless of the decision on the exchange, a budget for additional car parking and a path connecting the new river entrance to the existing Manawatū River Shared Path has been forwarded to the draft 2024/34 Ten Year Plan.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	<p>Council proposed a reserve exchange under the Reserves Act 1977, exchanging a strip of Waterloo Park for new reserve land in a proposed new residential area.</p> <p>Council has publicly advertised the proposed exchange, received and heard submissions and objections. Council now needs to consider the submissions and decide whether it sets aside or accepts the points raised, and whether it will proceed or decline the exchange.</p>
OPTION 1:	Proceed with the proposed land exchange
Community Views	<p>Community views are covered in the previous submissions and hearings reports.</p> <p>Of the 39 submissions received 8 supported the exchange proposal and 1 was neutral. 30 submitters were opposed to the land exchange.</p>
Benefits	Provides a wider community benefit through enhanced river access than retaining the existing strip as is.
Risks	The exchange was opposed by most submitters.
Financial	<p>Will add between \$25,000 and \$82,000 to the Council capital new programme.</p> <p>A small increase in maintenance costs to maintain the new reserve area.</p>
OPTION 2:	Decline the proposed land exchange – holding the strip of reserve land in its current form
Community Views	<p>Community views are covered in the previous submissions and hearings reports.</p> <p>Of the 39 submissions, 30 opposed the proposal and 1 was neutral.</p> <p>This report considers the points raised in opposition. The most frequent reasons for opposition were wanting a community orchard or similar, retention of green space, concerns about the loss of privacy for existing homes and the effect of carparking in the new area on green space.</p>
Benefits	Meets most points raised by submitters.
Risks	Low community use/value from the strip which is an unconnected dead end between houses.

Financial	Cost to remove existing trees that overhang the boundary or would become a risk/unstable if residential development occurs next door. This cost is assumed to be modest if the trees can be clear felled by a firewood contractor into the vacant yard space prior to development.
OPTION 3:	Decline the land exchange and develop the existing reserve as an accessway/community orchard
Community Views	Addresses most points raised by submitters.
Benefits	Community orchard established, additional path connection.
Risks	The path will have poor sight lines. It will add only a small amount of value for walking distances, for a limited set of properties.
Financial	\$161,000 if an accessible concrete path and associated 5m wide access entrance were purchased.
OPTION 4:	Do both - Decline the land exchange, develop the Waterloo Park strip connection, and purchase the minimum area of new reserve land needed for the river entrance within the plan change area
Community Views	Meets most of the submitters' points.
Benefits	Community orchard could be established. River entrance enhanced.
Risks	May be perceived by the wider community as lower value for money than other options.
Financial	Purchase of and development of new reserve land and the Waterloo strip - \$770,000. Small increase in maintenance costs on the additional 700m ² of park space and associated assets.

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 Council is in the process of proposing to rezone industrial land in the Roxburgh Crescent area to residential use. The proposed plan change will provide further opportunity for public engagement late 2023 and early 2024.

- 1.2 Part of Waterloo Park includes a strip of land 11m wide and 120m long that is situated between the existing industrial activities in Roxburgh Crescent and five residential properties in Tilbury Avenue.
- 1.3 Council proposed that this strip could be exchanged for an area of new reserve in the Roxburgh Plan change area to enhance a new river access.
- 1.4 Council has publicly advertised the proposed exchange, received and heard submissions and objections, and now needs to decide whether it supports the proposal to exchange the strip of Waterloo Park for land in the Roxburgh Plan change area or not.
- 1.5 Under the Reserves Act, Council is required to determine whether objections to the proposed reserve exchange of 1,300m² of Waterloo Park, will be accepted or not accepted, in whole or part, and the reasons for Council's decision.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

- 2.1 Elected Members received [a report](#) on a proposal to exchange the reserve strip for land within the Roxburgh Crescent rezoning area at the Strategy & Finance Committee meeting of 22 March 2023.
- 2.2 Council resolution 19-23 was:
 1. *That Council agree to consult the community, in accordance with Section 15 of the Reserves Act 1977, on the proposal to exchange 1,300m² of Waterloo Park, being part of Part Lot 44 DP 22620 held in title WN8C/884, for new reserve land in the Roxburgh Crescent area if the rezoning of that area is approved.*
 2. *That Council note that the land is Crown derived and such final approval of the exchange is subject to the approval of the Department of Conservation.*
- 2.3 The Committee heard [submissions](#) and received a Summary of Submissions [report](#) on 1 August 2023.

Relationship between this process and Proposed District Plan Change E: Roxburgh Crescent Residential Area

- 2.4 The Waterloo Park Land Exchange Proposal has been prepared in advance of notifying [District Plan Change E](#) to inform the design of the Roxburgh Crescent Structure Plan (*Figure 1* below).
- 2.5 Community views on the draft structure plan and plan change proposal were sought in November 2022. This feedback has informed some broader considerations before another round of engagement scheduled for November 2023, before formal consultation in early 2024.
- 2.6 In November 2022 information on the plan change, a feedback form and the drop-in session was shared on our Facebook page and website. Letters were

also sent to over 2,000 residents and landowners in the Hokowhitu area. During this feedback period there was a logistical error in the mail-out, with the letter containing information on the plan change and date for the drop-in arriving late for some residents. However, some received the letter on time, and there was a turnout of 50 people to the November 2022 drop-in session.

- 2.7 Subject to approval by the Strategy & Finance Committee, Proposed District Plan Change E will be publicly notified for submissions and hearings managed through the Resource Management Act Process for reviewing District Plans. The resulting decision on Plan Change E will be made by a panel of commissioners. This means that Officer responses to submissions in section 5 below cannot bind the future decision of Plan Change E. However, Council will have to be satisfied with Proposed Plan Change E to approve it for consultation and submitters to this process will be encouraged to submit on the plan change when proposed.

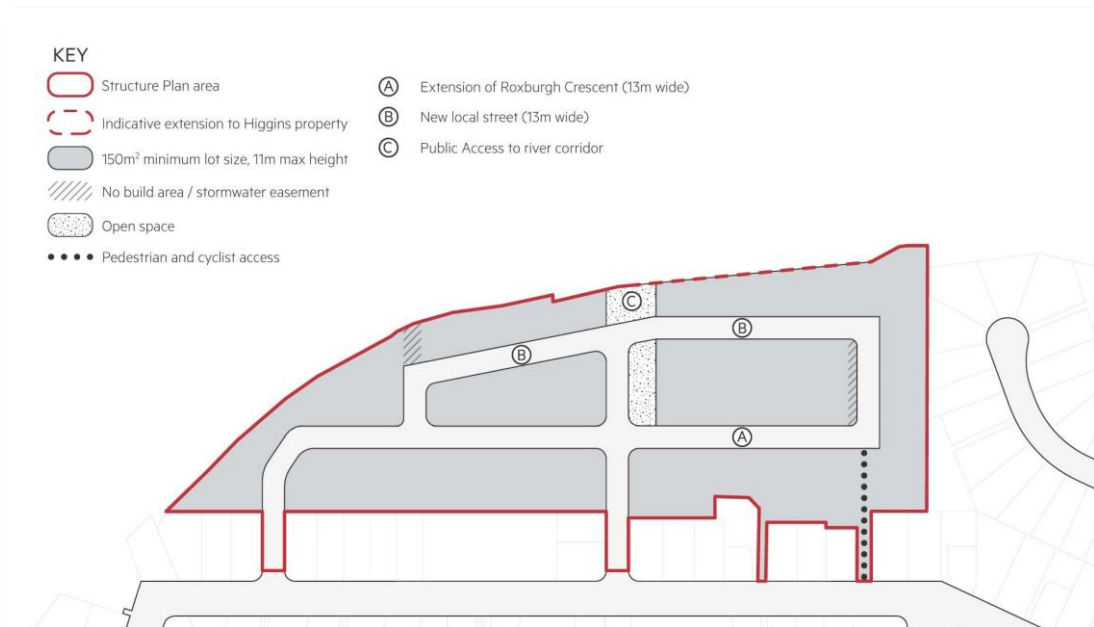


Figure 1: Draft Roxburgh Crescent Structure Plan

3. OPTION CONSULTED ON WITH COMMUNITY

- 3.1 Exchange of a portion of Waterloo Park for land in the Roxburgh Plan Change area.
- 3.1.1 The area is approximately 1,300m² as shown in Figures 2 and 3.



Figure 2: Strip of reserve proposed for exchange



Figure 3: Proposed exchange area - view from eastern/stopbank end

- 3.2 The land that would be received in the exchange would be 1,300m² positioned adjacent to a new road reserve and over the stopbank as shown as 'C' open space.

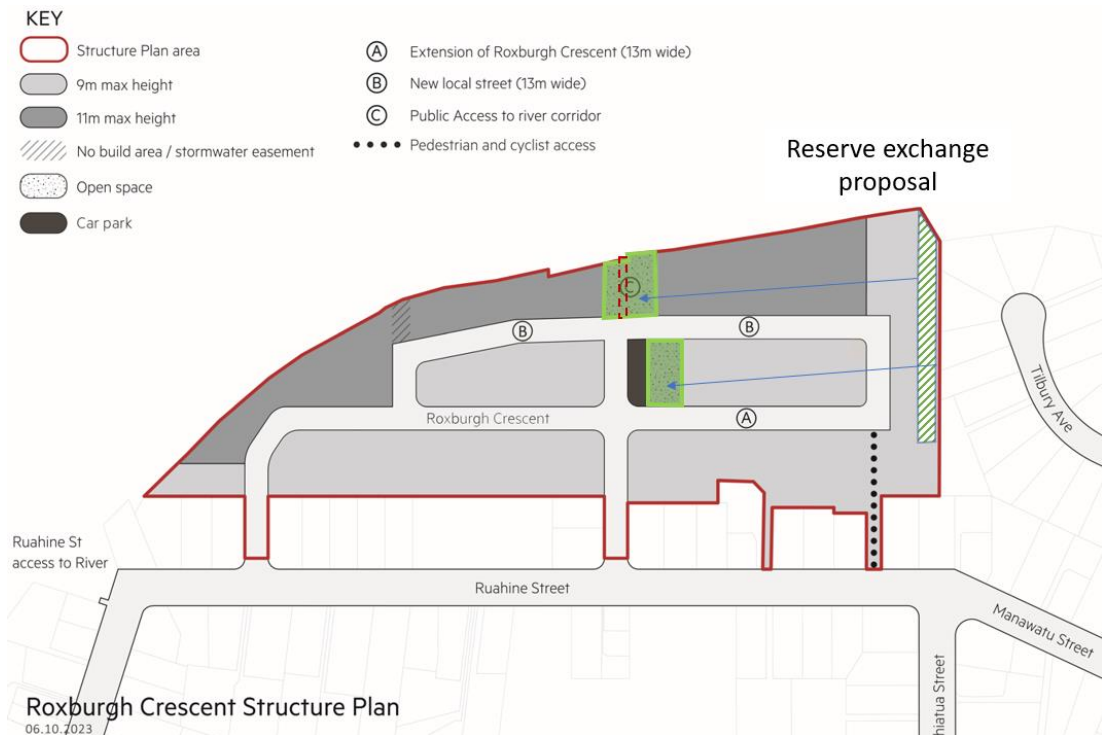



Figure 4: Proposed reserve received in exchange

4. RESPONSES TO SUBMISSIONS

4.1 Responses to matters raised in opposition:

Matters raised in opposition	# times	Officer response
a. Want community garden/park in the proposed exchange area	18	<p>A potential community orchard/garden could be established of around 670m². If it were an orchard, for example, it would have capacity for in the order of 30 feijoa sized trees interspersed with smaller or bush species while leaving a 4.8m width clear for a path and visibility (Area A in Figure 5).</p> <p>A similar sized area could be provided around the corner next to the stopbank (Area B in Figure 5), leaving the same space for path/access and the required 8m set back from the toe of the stopbank. There are several large trees along the length of Area B that might restrict some garden/orchard productivity if they were not removed. Council has already planted some fruit trees in Area B as part of its edibles planting programme, with the Scouts undertaking to do some basic tree care.</p>

		 <p>Figure 5: Community orchard capacity</p>
b. Privacy/3-storey buildings next to existing houses/housing buffer	11	<p>Options for height and density provisions will be considered for Draft Plan Change E and consulted on through a separate process.</p> <p>Under the National Policy Statement for Urban Development 2020, Council cannot consider reduced amenity values from proposed housing as an adverse effect. The non-amenity related effects of higher density next to existing residents will have to be assessed.</p>
c. Loss of reserve/green space	9	<p>The net green space provided through the proposed exchange would be neutral overall. Green space provision in this neighbourhood is very high. There is over 17 ha of Manawatū River Park and Waterloo Park¹ within a 500m walking distance of the River access beside the Scout Hall.</p>
d. Exchange area will be for car parking ²	7	<p>This opposition has been noted. Detailed layouts would be completed at the time of subdivision; a layout can be achieved that would not require any carparking to be on the exchange land. This principle is being pursued through the structure plan work and the developer has indicated support for it.</p> <p>Council would need to pay for any carpark construction it wanted that was over and above what would ordinarily be required on street in the subdivision, i.e. 90 degrees over</p>


¹ Excluding gravel beaches and inaccessible river margin

² Note an error in the Summary of Submissions Report had two separate lines for the same issue – the total were 7 submissions making this point, corrected for the responses.

		parallel parking.
e. Climate change mitigation	5	The net climate change contribution would be the same for the exchanged land as they are the same area with the same capacity for trees.
f. Create new path connection through ³	5	<p>A 280m long path would cost between \$37,000 and \$91,000 to construct depending on whether it was a crushed gravel surface or concrete⁴.</p> <p>The land purchase for an accessway connection would be in the order of \$70,000 to \$140,000 depending on the final width and length.</p> <p>Based on the above, the total cost would be in the order of \$107,000 to \$231,000.</p> <p>The path would have poor sight lines. It makes only a minor improvement in connectivity for a limited catchment of people, compared to the footpath network or through the Manawatū River Park. For example, it is 100m longer to walk via the proposed path through the strip to Roxburgh Crescent inside the proposed residential area from the corner of Ayr Place and Tilbury Ave than it would be to walk via a link between Waterloo Crescent and Manawatu Street.</p>
g. Loss of birdlife in existing trees	4	As per response to tree loss in h. below.
h. Loss of trees	4	<p>Most of the existing trees will have to be removed, whether the exchange takes place or not.</p> <p>Significant portions of the canopy already overhang the property boundary as per Figure 6. While the overhang has not affected the industrial uses it is likely new adjoining residential owners would have the trees trimmed to the boundary. For several trees this would mean their removal as they would become unbalanced and at risk of falling in high winds.</p>

³ Assuming the Scouts lease area reduced or amended.

⁴ Includes a pram crossing, removeable bollards at the entrance, signage, contingency and project management.

		 <p><i>Figure 6: Tree canopy over boundary</i></p> <p>Any new fence on the new residential boundary would likely have footings that would damage the tree root structures increasing the risk of the trees falling.</p>
i. Retain as stormwater soak protection for Tilbury Avenue areas	4	<p>The existing industrial area is currently impervious surfacing, being made up of concrete paving and buildings with no berms or street trees. Plan Change E proposes more permeable surfaces.</p> <p>Draft stormwater advice for Plan Change E indicates stormwater can be managed on site and in the road corridor. This assessment will become publicly available once the plan change is open for consultation.</p> <p>The Stormwater Team advises that Tilbury Avenue is not currently recorded as having any stormwater issues.</p>
j. Supports developer/new area	4	<p>The proposed land exchange was initiated by Council Officers.</p> <p>Officers have proposed that green space associated with the new river entrance is of more overall value to the wider community.</p> <p>The developer has agreed to land exchange of equal area with no valuation or compensation.</p>
k. Green space for small sections in new housing area	3	<p>No new neighbourhood reserve is required in the Roxburgh Plan Change area as it is close to the facilities on Waterloo Park as well as the Manawatū River Park.</p>

		The new residential area would benefit from this green space but it was not the driver for the exchange proposal – it was to support an overall better reserve outcome, particularly for the Manawatū River Park entrance, being better value than retaining the reserve strip where it is.
l. Flooding effects of more housing	1	<p>Draft stormwater advice recommends onsite permeability standards in the proposed Roxburgh Residential Area to ensure stormwater effects on properties in the wider catchment are not affected. See i. for stormwater comment.</p> <p>This assessment will become publicly available once the plan change is open for consultation.</p>
m. Housing traffic effects	1	<p>A matter for the Plan change, not reserve exchange, however draft transport advice for Plan Change E suggests that residential use would have less traffic generated than as industrial use.</p> <p>This assessment will become publicly available once the plan change is open for consultation. Conversion of historical industrial enclaves such as these is consistent with the Palmerston North Integrated Transport Initiative as it seeks to shift heavy vehicle movements away from residential neighbourhoods.</p>
n. Potential contamination	1	<p>A contaminated land assessment has been completed for Draft Plan Change E. This assessment will become publicly available once the Plan Change is open for consultation and remediation will be required in line with the relevant standards and National Policy Statements.</p> <p>The opportunity was taken to also test the portion of Waterloo Park proposed to be exchanged.</p> <p>The findings were:</p> <p><i>'Additional soil sampling completed on the buffer strip within Waterloo Park, extending to the Hokowhitu Scout Hall, shows the presence of low-level heavy metals and OCPs are below human health guidelines... based on the sample results, the Waterloo Park buffer is suitable for use as residential development or as a community garden.'</i></p>

		There was a surface sample around the corner from the strip, immediately adjacent to the Scout sheds, where demolished buildings formerly stood, which returned an elevated arsenic level. For community gardens in this area raised beds with imported clean soil or soil removal and replacement would be required.
o. Upgrade Ruahine entrance instead	1	The Ruahine Street Bend entrance is of modest quality compared to recent upgrades completed as part of the development of the Manawatū River Park. Upgrades are planned at Ashhurst and Raukawa Road in future years. Nothing is planned for Ruahine Street. A small improvement in accessibility was made in 2023, following a community suggestion, at the same time as carparking resurfacing was completed.

4.2 Questions raised relating to the proposed new reserve area within the rezoning

4.2.1 Will it be covered by the Reserves Act?

Yes – the new reserve area would be vested with reserve status and a purpose of 'Recreation', the same as the current area.

4.2.2 Would the new reserve area be used for parking?

No. The existing Council owned access strip and structure planning would allow the road corridor width to accommodate 90 degree parking, in a similar layout to the Albert Street River Entrance. The 1,300m² received in the proposed exchange would have no parking on it.

Refer Submission response Section 4.1 (d)

4.2.3 Will the river access carparking become a residents' carpark area if no carparks provided on residential sites?

The proposed road widths in the residential area are consistent with the current road widths in the industrial area, at 12.8m. A traditional road corridor is 20m wide. The 12.8m width allows for two-way traffic, footpaths and parallel on street parking on one side of the road, and no parking on the other side.

Alongside the smaller section sizes and medium density housing may create a risk the river access parking is used by residents and their

visitors. It may be less of an issue during the working week but could be an issue in weekends and in the evenings.

If it became an issue then parking management could be trialled, e.g. 2 hours limits, but they are unlikely to make a significant difference in resolving the issue and may be difficult to regulate and monitor.

4.2.4 What would it cost to develop the reserve received in the exchange?

The cost to link a path access across to the existing Manawatū River Shared Path will be incurred regardless of whether the exchange proceeds or not and is estimated at \$50,000.

A cost of \$50,000 is estimated to provide an additional 5 carparks for Manawatū River Park users over and above the on-street parking provision that will be required to be provided by the developer on the street.

The cost to develop the exchanged reserve is estimated at \$25,000 for a basic development and up to \$82,000 if bollards are required to prevent car parking on it.

4.2.5 Would the developer pay for decontamination?

Council would receive the exchanged land in a state the same as a residential section ready for sale to the public including any decontamination, top soiling and grassing.

4.2.6 What would access to river be like with or without the exchange?

- a. Without an exchange there would be a road berm and carparking area 19m wide⁵ and the access across the stopbank will be along the 6m wide area already owned by Council, as shown as C in Figure 7.

⁵ For the river entrance area, 13m wide road reserves in rest of Plan Change area.

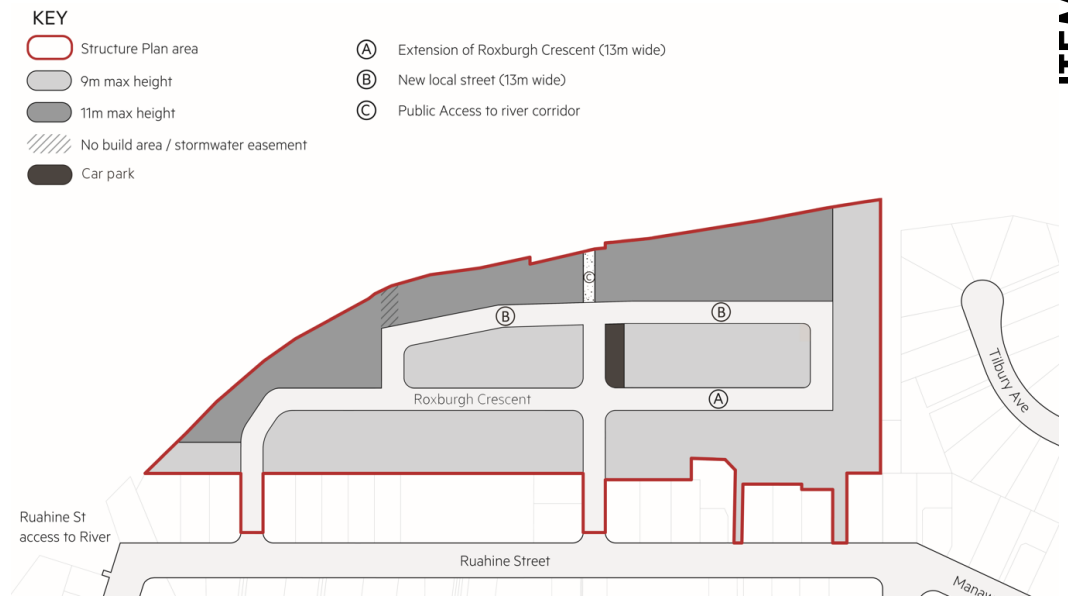


Figure 7: Structure plan with no reserve exchange

- b. By way of comparison the carparking area at the bottom of Albert Street is 20m wide (Figure 8), widening to 30m wide where it crosses the stop bank. The Ruamahanga Wilderness Reserve entrance is 10m wide (Figure 9).



Figure 8: Albert Street river entrance width

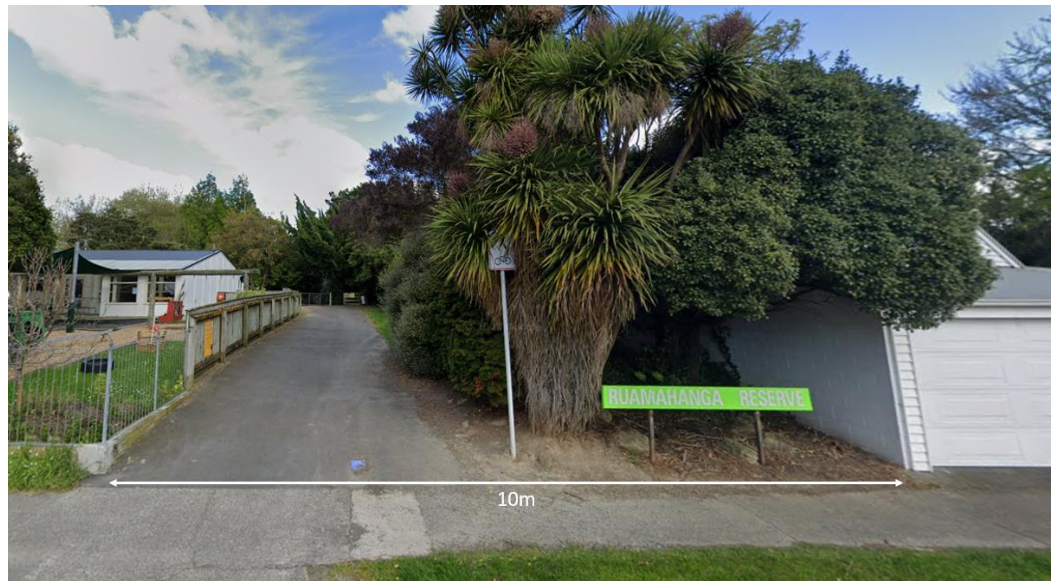


Figure 9: Ruamahanga Wilderness Area entrance width

- c. With an exchange: Figure 10 shows the approximate dimensions if the exchange is approved. The width of the road berm/carparking/reserve area will be approximately 40m wide with 21m of that in reserve. The entrance across the stopbank would be in the order of 30m wide, similar to Albert Street, as shown in Figure 10.

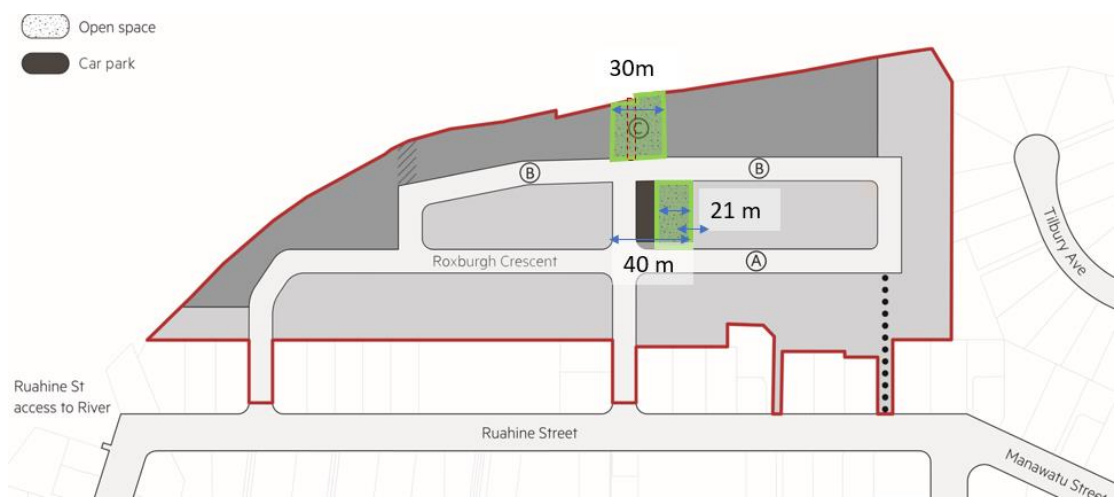


Figure 10: Layout if reserve exchanged

- d. For context, Figure 11 shows the reserve area proposed, overlaid on an aerial photograph of the existing Albert Street entrance.



Figure 11: 40m width equivalent at the Albert Street river entrance

4.3 Questions relating to the existing reserve area

4.3.1 Is it contaminated?

Testing was completed in the strip proposed to be exchanged and it was determined it was safe for residential or community orchard/garden use.

4.4 Other matters

4.4.1 How would the proposed exchange affect stormwater discharge for existing Tilbury Avenue properties?

Properties are required to discharge stormwater to approved location – should not be discharging any stormwater to the reserve strip other than natural overlaid flow from lawn areas.

4.4.2 Reserve purpose - local reserve vs. citywide and ability to exchange, as per submission 30?

The Reserves Act exchanges do not distinguish between citywide and neighbourhood use. The Reserves Act requires an exchange of equal

value and allows⁶ for payments to make up any difference to achieve that value and consideration of objections.

4.4.3 Why is no reserve required to be provided by developer?

Council's Engineering Standards for Land Development set out the criteria under which a new neighbourhood reserve would be required in new greenfield residential areas. A key criterion for purchasing and developing new reserves is the 400 and 500m walking distances to a reserve, depending on the density of the development.

There are 17 ha of open space within a 500m walking distance of proposed new residential area including a neighbourhood reserve with a playground at Waterloo Park 450-800m away and a Suburb Reserve at 1.5km away which is a standard catchment for that reserve type.

There is an existing river access point 6m wide at that location so no new river access is required; rather making the existing one publicly accessible is required. Council has no standard for these access points.

4.5 Where are community gardens currently located?

- Awapuni Park
- Moheke Avenue (road berm)
- Roslyn Commons (Hulme Reserve)
- Norton Park
- Ashhurst Branch Library (Recap)
- McCraes Bush Community Orchard (Recap)
- Te Patikitiki Library
- Te Aroha Noa (private land)
- Te Whare Koha (private land)

Officers are also aware there have been gardens at churches and other institutions.

Council has progressively established numerous small-scale edible plantings in various parks and reserves. These are typically not advertised at present as many are young and are still maturing. Ahimate Reserve is an example of where the local community can currently harvest fruit in season.

4.6 Could the strip have a smaller width?

While it would be possible to reduce the width, Officer advice is that either the full width of 11m should be retained or the land exchanged.

This provides a certain degree of visibility and space.

⁶ Section 15(3)

- 4.7 How about we retain the Waterloo strip and purchase a reserve in the new residential area?

The costs associated with purchasing, rather than exchanging, a 1,300m² reserve in the new residential subdivision, and developing a path along the Waterloo Park strip to link it to the new subdivision are summarised below.

<i>Land purchase (if full areas)⁷</i>	<i>\$1,160,000</i>
<i>Development⁸ of the new reserve</i>	<i>\$ 82,000⁹</i>
<i>Provision of additional car parks</i>	<i>\$ 50,000</i>
<i><u>Current strip (concrete path)</u></i>	<i><u>\$ 91,000</u></i>
	<i>\$1,332,000</i>

A variation on this option could be to reduce the area of land purchased to the minimum area needed to enhance the river entrance. Officers consider that the minimum area would be approximately 700m², including the accessway connection to the existing strip of land in Waterloo Park. Under that scenario the total cost could be in the order of \$770,000.

- 4.8 What will be spent regardless?

If the land exchange does not proceed Council will have some costs regardless.

These are estimated at \$50,000 to connect the existing river entrance to the existing Manawatū River shared path.

- 4.9 Which properties are directly affected?

As shown in Figure 12 the properties at 17, 19, 21 and 21A (held in one title), 23, 25 and 27 have boundaries with the proposed land exchange strip.

⁷ Assumes a rate of \$600 to \$800 per m² in residential area, 1,425 m² = \$870,000 to \$1,160,000. Includes purchasing 125m² for an accessway connection to the existing strip and legal fees.

⁸ \$25,000 to \$82,000 depending on level of development and whether a post and rail fence with mowing strip is required.

⁹ Includes \$13,600 in contingency.



Figure 12: Residential property boundaries

5. ANALYSIS OF OPTIONS

Option One: Proceed with the proposed land exchange

- 5.1 An exchange would provide a better located greenspace that would enhance a river connection.
- 5.2 Being wider and adjacent to a road reserve there would be options for larger tree species to be planted, if the strip of reserve were retained.
- 5.3 Adds costs of between \$25,000 for a basic development through to \$132,000 if additional river access carparking and post and rail fences.

Option Two: Decline the proposal for the land exchange – hold the existing land with no development

- 5.3.1 Retaining the land benefits the immediate neighbours by providing a buffer to the new residential development, but little wider community benefit.

Option Three: Decline the land exchange and develop the existing reserve as an accessway/community orchard

- 5.4 Retaining the reserve and developing it would cost up to \$150,000.
- 5.5 The access would be of poor quality being long and narrow and make only a minor difference to the walking distance to a limited number of destinations for a limited number of people.

- 5.6 While the aspirations of community orchards are admirable there is plenty of alternative space around the corner towards the Scout hall.

Option Four: Do both - Decline the land exchange, develop the Waterloo Park strip connection, and purchase new land for the river entrance within the plan change area

- 5.7 Council could decline exchange but seek to provide an enhanced river entrance by purchasing a smaller additional reserve area in the proposed plan change area.
- 5.8 The minimum amount of land needed to create a wider river entrance, like Albert Street and the Ruahine Street bend river entrance, is approximately 700m². If Council were to purchase this land area, rather than the 1,300m² proposed in the exchange, the cost of this option is estimated to be \$770,000 - land purchase and development.
- 5.9 This option meets most of the views of objectors. It does not deliver the same level of reserve amenity for the river entrance as an exchange of 1,300m² of land at Waterloo Park, and is the most expensive option.

6. CONCLUSION

- 6.1 Options to retain and develop the existing reserve strip, rather than exchanging it, deliver limited benefits for similar or higher costs than land exchange proposal.
- 6.2 Retaining the reserve strip and leaving it 'as is' will still require tree removals and clean-up costs and deliver very little benefit to anyone other than the 5 immediate neighbours.
- 6.3 Options to retain the reserve strip and develop an enhanced river entrance deliver a wider range of benefits to more people, but at a much higher cost.
- 6.4 The best outcome for overall reserve values and cost is to progress with the option consulted upon – Option 1: Exchange the land, and allow basic level budgets for its development and a small increase in river access carparking provision.

7. NEXT ACTIONS

- 7.1 If the Committee agrees the recommendations and these are confirmed by Council, then Officers will apply to the Department of Conservation to approve the reserve land exchange.
- 7.2 The exchange will be completed when appropriate in subdivision stages.

8. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 8.1 Consultation undertaken was described to the Committee in the Summary of Submissions [report](#) on 1 August 2023.

8.2 During the hearings some submitters commented that some residents they had spoken to did not receive the letter drop notifying them of the consultation and drop-in session.

8.3 Council's Communications Team advise:

- Letters were printed and available for collection by our mail provider on 5 April 2023 – 6 days (4 working days) in advance of the consultation being open and 12 days in advance of the drop-in session on the Monday 17 April 2023. Our provider has advised the letters were delivered no later than Monday 10 April 2023.
- The properties the letters were addressed to are the residents and owners of the properties shown in Figure 13.



Figure 13: Extent of letter drop undertaken

8.4 As noted in Section 3.3 there was a related but separate drop-in session for the Plan Change proposal in November 2022 where a mail-out error did occur. At this time Council Officers followed up with an offer to meet

individually with anyone who identified that they had missed out on the drop in session.

9. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	No
Are the decisions significant?	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?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 2 A Creative and Exciting City and Goal 1: An Innovative and Growing City	
The recommendations contribute to the achievement of action/actions in Active Communities and City Growth	
The action is: <ul style="list-style-type: none"> Administer the Reserves Act 1977 and; Update the District Plan to rezone identified growth areas for housing and business needs. 	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The land exchange makes a greater contribution to access and utilisation of reserves than the existing Waterloo Park strip location. It improves the amenity of Manawatū River access.

ATTACHMENTS

Nil

REPORT

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Panako Park - Decision on Reserve Classification and Future of the Girl Guiding New Zealand Hall

PRESENTED BY: Aaron Phillips, Activity Manager - Parks

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer
Kerry-Lee Probert, Acting Chief Customer Officer

RECOMMENDATION(S) TO COUNCIL

1. That Council note, but set aside, the objections to the classification of Panako Park for the following reasons:
 - a. The matters of noise, safety, parking and alcohol consumption can be managed through lease provisions or physical road treatments.
 - b. There are overall community benefits from making the land available to a broader range of community uses.
2. That Council approve the classification of Panako Park, being Lots 1 and 2 DP 29836 contained in Certificate of Title WN9B/622, as Local Purpose (Community) Reserve, under delegation from the Minister of Conservation under Section 16(1) of the Reserves Act 1977.
3. That Council adopt Option 1A - 'Proceed with classifying Panako Park as Local Purpose (Community) Reserve and purchase the Girl Guiding hall' and approve unbudgeted capital expenditure of \$45,000 in 2023/24 to purchase the Panako Park hall from Girl Guiding New Zealand and undertake repairs and maintenance, including removal of the derelict shed.
4. That Council approve the lease of the hall and land to Girl Guiding New Zealand on a temporary, month to month basis until the Awapuni Library and Community Hub proposed developments are determined.
5. That Council note, if the proposed Awapuni Library and Community Hub development does not proceed and/or require use of Panako Park, the Chief Executive will pursue options to sell the Panako Park hall to a community group and report back to Council on the associated land lease under the provisions of the Reserves Act 1977.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	Council to determine whether it will classify Panako Park as a Local Purpose Reserve (Community) or not.
OPTION 1A:	Proceed with classifying Panako Park as Local Purpose (Community) Reserve and purchase the Girl Guiding hall.
Community Views	Community views are considered in this report.
Benefits	<p>Enables a broader community use of the park, including potential use as part of any possible future branch library/community hub development.</p> <p>Ensures council ownership of all assets on the land should the area be required for the Awapuni Library and Community Hub project currently being investigated.</p>
Risks	If the hall space is not required for the Awapuni Library and Community Hub Project – additional Council Officer time in managing a sale.
Financial	<p>Officer time and legal fees gazetting the classification and managing the purchase.</p> <p>\$45,000 to purchase and undertake immediate maintenance on the building.</p>
OPTION 1B:	Proceed with classifying Panako Park as Local Purpose (Community) Reserve but <u>do not</u> purchase the Girl Guiding hall.
Community Views	Community views are considered in this report.
Benefits	<p>Enables a broader community use of the park, including potential use as part of any possible future branch library/community hub development.</p> <p>A community organisation would own the hall, reducing ratepayer costs.</p>
Risks	<p>If Council requires the space for the Awapuni Library and Community Hub project then Council would need to end the lease and purchase the hall.</p> <p>Girl Guiding New Zealand are unable to sell the hall for another 12 months.</p>
Financial	Officer time and some small legal fees gazetting the classification.
OPTION 2A:	Decline classifying Panako Park as Local Purpose (Community) Reserve, retaining it as Recreation Reserve, and purchase the

	Girl Guiding hall.
Community Views	Community views are considered in this report.
Benefits	Meets the expectations of objectors.
Risks	If the hall space is not required for the Awapuni Library and Community Hub project – additional Council Officer time in managing a sale.
Financial	Officer time and some small legal fees gazetting the classification. \$45,000 to purchase and undertake immediate maintenance on the building.
OPTION 2B:	Decline classifying Panako Park as Local Purpose (Community) Reserve, retaining it as Recreation Reserve, and <u>do not</u> purchase the Girl Guiding hall.
Community Views	Community views are considered in this report.
Benefits	Meets the expectations of objectors. No cost of hall acquisition and maintenance for Council.
Risks	If the hall space is required for the Awapuni Library and Community Hub project, then Council would need to end the lease and purchase the hall. Girl Guiding New Zealand are unable to sell the hall.
Financial	Officer time and some small legal fees gazetting the classification.

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 The report titled [Determining the Future of Panako Park Hall](#) was presented to Council on 1 March 2023. Council resolved:

OPTION 1: Decide to retain Panako Park as a reserve for community use, and instruct the Chief Executive to consult the community on the proposal to classify Panako Park, contained in Lot 1 and Lot 2 DP 29836, as a Local Purpose (Community) Reserve, in accordance with Section 24 of the Reserves Act 1977.

- 1.2 Council received submissions and held hearings at the [Strategy & Finance Committee meeting](#) on 20 September 2023.

- 1.3 This report analyses these submissions and seeks a decision from Council as to whether to apply to the Minister of Conservation for approval to change the classification of the reserve to local purpose (community) to enable a broader range of community use or retain it as recreation only.
- 1.4 When considering reclassification of a reserve, the Council is required by law to determine whether objections to classification of a reserve will be accepted or not accepted, in whole or part, and the reasons for Council's decision; thus Recommendation 1 sets out Officer reasoning for proceeding with the new classification and rejecting the objections received.

2. BACKGROUND AND RELATED COUNCIL DECISIONS

- 2.1 Girl Guiding New Zealand (Girl Guides) wish to exit their land lease at Panako Park (2 and 2a Panako Place) and on-sell their building to another community group.
- 2.2 In these situations, Council's Support and Funding Policy provides a process to consider the land strategically, including its appropriate future use, before deciding on the request from Girl Guiding. This process was undertaken and presented to the Planning & Strategy Committee in August 2022 via the report titled [Strategic Options Review](#) where Council resolved to:

Investigate the level of community demand for recreation and community use with a view to retaining Panako Park and the Girl Guide hall for community use.

- 2.3 The investigation process was then undertaken through October and November 2022 to determine the demand for using the land. It found low levels of recreation demand, but some non-recreation community group demand.
- 2.4 Given the land is classified as a 'Recreation Reserve' under the Reserves Act 1977, only recreation uses are permitted on the land, and consequently within the building. The only way a non-recreational use could be undertaken on the reserve would be for the land to be reclassified to a 'Local Purpose (Community)' Reserve.
- 2.5 A report titled [Determining the Future of Panako Park Hall](#) was presented to Council on 1 March 2023, in which Council resolved to consult the community on the proposal to reclassify the reserve land, as set out in 1.1 above. Section 3 below sets out the details of submissions received.
- 2.6 Since the March 2023 report on Panako Park, Council has directed further work in the Awapuni area that may influence the decision on the reserve classification and any future steps. On 31 May 2023 Council resolved:

To include up to \$150,000 (maximum) to fund a feasibility (only) study to review the needs/use of Awapuni Library, Te Pātikitiki Library, a Pasifika Hub and more Community Space/Hub in Highbury.

- 2.7 Investigation during the feasibility study has included options for an Awapuni Library and Community Hub using Panako Park and the adjoining St Marks Church as a potential site.
- 2.8 The final recommendations and feasibility study report are due to be presented to Council on 6 December 2023.
- 3. CONSIDERATION OF SUBMISSIONS ON PROPOSAL TO CLASSIFY PANAKO PARK AS LOCAL PURPOSE (COMMUNITY) RESERVE**
- 3.1 17 submissions were received with 15 (88%) in support of the change and 2 opposed (12%).
- 3.2 The matters raised in support were varied but themes centred around getting additional community uses from the hall and land. The September 2023 [Summary of Submissions report](#) covered the points raised and the frequency they were raised, in sections 3.4 and 3.5.
- 3.3 Officer responses to matters raised in opposition are detailed in Table 1, below.

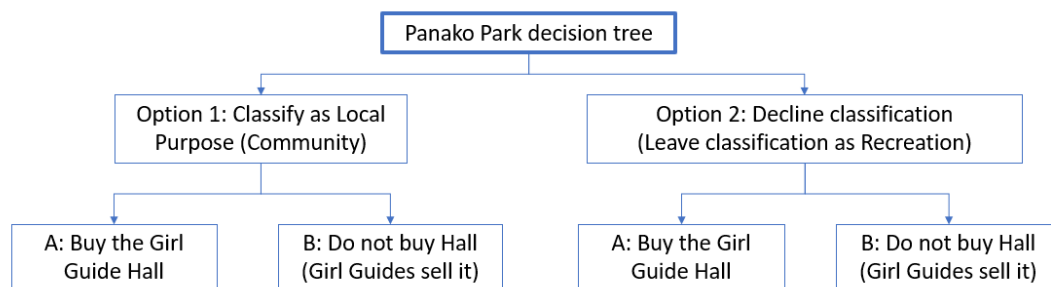
Table 1

Matters raised in opposition	Number of submissions	Officer comment
Safety of children in cul-de-sac	2	Council can restrict the types of uses of Panako Park to those with lower volumes of participants and require management of any traffic effects through specific clauses in the lease. During the request for expression of interest in determining demand for the facility, Officers ruled out several proposals on the basis that they wished to use the hall for celebrations and events that would have attracted high volumes of cars and had potentially negative effects.
Do not want alcohol consumed on site	2	Council can manage risks through specific clauses in the lease, which would be reported to Council and consulted on.
Noise in quiet street	2	Council can restrict the types of uses of Panako Park to those with lower volumes of participants and require management of any traffic effects through specific clauses in the lease.
Not enough carparking	1	Council can restrict the types of uses of Panako Park to those with lower volumes of participants and require management of any traffic effects through specific clauses in the lease.

Difficulty of emergency vehicle access when street full	1	If required Council can mark no parking lines to manage access.
Would reduce or remove ability to play on the park	1	This is a risk, as any potential tenant might wish to change the grassed area. Awapuni Park is 350m walking distance away. Council owns an unformed accessway at the end of Panako Place connecting directly to Awapuni Park. Council has declined proposed programmes it open it up or sell it to its neighbours in the past. It is being held as a potential future connection if demand warrants.

4. OPTION DESCRIPTION AND ANALYSIS:

The following decision tree has been set out to assist with visualising the options.



4.1 Option 1A: Approve the classification change and purchase the hall

4.1.1 Under this option Council would broaden the types of community use that can be made of the park by classifying the reserve Local Purpose (Community).

4.1.2 This option includes purchasing the hall from Girl Guiding New Zealand and carrying some immediate repairs.

4.1.3 Benefits:

- Retains flexibility for Council in determining the long-term future use of the land without the complication of a third-party building ownership.
- Gives Girl Guiding a faster process to sell the hall, noting that they initially approached Council about exiting the lease in mid-2021.

- Addresses complaints from neighbouring properties about the derelict shed.

4.1.4 Risks/costs:

- Purchase of the building would cost \$20,000 including legal fees.
- Approximately \$25,000 required in immediate maintenance (removing the derelict shed, some weather tightness repairs¹⁰) to hold the building in a workable state pending future decisions.
- If the Awapuni Library and Community Hub does not proceed, or does not require the Panako Park land, then Council would have further costs to either on-sell the building to a community group or for long-term maintenance and renewal of the building.

4.2 **Option 1B: Approve the classification change and do not purchase the hall**

4.2.1 Under this option Council would proceed with broadening the community uses that can be made for the reserve by classifying it Local Purpose (Community).

4.2.2 Girl Guiding New Zealand would proceed with a hall sale, which would be subject to a land lease.

4.2.3 Council would receive a further report and conduct the required consultation on the land lease.

4.2.4 Any group leasing the building might require a resource consent, depending on the nature and effects of their activities which are in a Recreation Zone.

4.2.5 *Benefits:*

- Increases community use.
- Community ownership and operation of the hall has lower costs to Council.

4.2.6 Risks/costs:

- Does not account for the recent direction of Council in investigating community hub developments. Risk that Council would need to end the lease and purchase or require removal of the building.

¹⁰ Building report completed August 2022.

4.3 **Option 2A: Decline the proposed classification change and purchase the Girl Guiding hall**

4.3.1 Council could decline the proposed reclassification if it accepted that the objections warranted retaining the use as recreation only.

4.3.2 Under this option Council would purchase the building.

4.3.3 Benefits:

- Retains a recreation focus for the park.
- Meets the concerns raised in some submissions in opposition.
- Retains flexibility for Council in determining the long-term future use of the land without the complication of a third-party building ownership if the Girl Guides hall were sold to a third party.

4.3.4 Risks/costs:

- May not result in as much community benefit given that the demand identified was for non-recreation community uses.
- Purchase of the building would cost \$20,000 including legal fees.
- Approximately \$25,000 required in immediate maintenance (removing the derelict shed, some weather tightness repairs¹¹) to hold the building in a workable state pending future decisions.
- If the Awapuni Library and Community Hub does not proceed, or does not require the Panako Park land, then Council would have further costs in either on-selling the building to a community group or long-term maintenance and renewal of the building.
- If the Awapuni Library and Community Hub does proceed, Council would need to complete another classification process.

4.4 **Option 2B: Decline the proposed classification change and do not purchase the hall**

4.4.1 Council could decline the proposed reclassification if it accepted that the objections warranted retaining the use as recreation only.

4.4.2 Girl Guiding New Zealand would proceed with a hall sale which would be subject to a land lease.

4.4.3 Council would receive a further report and conduct the required consultation on that proposed lease.

¹¹ Building report completed August 2022.

4.4.4 Benefits:

- Retains a recreation focus for the park, meeting the concerns raised in submissions in opposition.
- Community ownership and operation of the hall has lower costs to Council.

4.4.5 Risks/costs:

- May not result in as much community benefit given that the demand identified was for non-recreation community uses.
- Risk that Council would need to end the lease and purchase or require removal of the building.
- If the Awapuni Library and Community Hub does proceed, Council would need to complete another classification process.

5. CONCLUSION

- 5.1 Officers recommend Option 1A – 'Proceed with classifying Panako Park as Local Purpose (Community) Reserve and purchase the Girl Guiding hall'.
- 5.2 Concerns raised in objections to the classification as Local Purpose (Community) can be managed through lease arrangements.
- 5.3 A decision on a possible Awapuni Library and Community Hub will be made through the Long-Term Plan process.
- 5.4 Officers recommend that Council proceeds with the reserve classification and purchases the Girl Guides hall and undertake immediate basic maintenance, rather than wait until the Long-Term Plan, as time has already expired since Girl Guides' initial request to Council.
- 5.5 Council can operate the building as a short-term lease space until such time as decisions on the Awapuni Library and Community Hub are made.

6. NEXT ACTIONS

- 6.1 Gazette the classification of Panako Park reserve as Local Purpose Community.
- 6.2 Complete purchase of the Girl Guides hall.
- 6.3 Enter a month to month land and building lease with Girl Guides pending decisions on the Awapuni Library and Community Hub.

7. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 7.1 Council received information on the community engagement, submissions and held hearings at the [Strategy & Finance Committee meeting](#) on 20 September 2023.
- 7.2 Should the park be leased in the future, further engagement on the proposed lease will occur.

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?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to Goal 2: A Creative and Exciting City and Goal 2: A Creative and Exciting City	
The recommendations contribute to the achievement of action/actions in Connected Communities The action is: <ul style="list-style-type: none"> Plan and provide new community centres, libraries or hubs in accordance with city-wide needs assessment and planning; and Administer the Reserves Act 1977 	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The recommendations support greater community use of Panako Park by broadening the type of use to meet the demand. The recommendations support Council's investigations into a possible Awapuni Library and Community Hub.

ATTACHMENTS

Nil

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: 2023 Housing and Business Development Capacity Assessment

PRESENTED BY: Tara Lennard, Planner and Sam Dowse, Senior Planner

APPROVED BY: David Murphy, Chief Planning Officer

RECOMMENDATION(S) TO COUNCIL

1. That Council adopt the '2023 Palmerston North Housing and Business Development Capacity Assessment' presented to Council on 15 November 2023, included as Attachment 1 of this memorandum, and make it publicly available.
 2. That Council adopt the housing bottom lines in the 2023 Palmerston North Housing and Business Development Capacity Assessment, and insert these into Section 1 of the Palmerston North District Plan.
-

1. ISSUE

- 1.1 The Council must prepare a Housing and Business Development Capacity Assessment ('HBA') under the National Policy Statement on Urban Development (2020) ('the Policy Statement') every three years in time to inform our next Long Term Plan.
- 1.2 The purpose of the HBA is to:
 - provide information on the demand and supply of housing and business land over the next 30 years;
 - inform Resource Management Act 1991 planning documents (such as our District Plan), the Future Development Strategy, and the Long Term Plan; and
 - quantify the development capacity that is sufficient to meet the expected demand for housing and business land in the short, medium and long terms.
- 1.3 The Policy Statement requires the Council to insert housing bottom lines into the District Plan after the HBA is publicly available.
- 1.4 The bottom lines state how many homes are required to meet demand over the next 30 years, plus competitiveness margins, which the Policy Statement

requires us to apply. The purpose of competitiveness margins is to support choice and competitiveness in the City's housing market. The housing bottom lines are:

Short-medium term (within the next 10 years)	Long term (between 10 and 30 years)
3,993 includes a margin of 20%	5,891 includes a margin of 15%

2. BACKGROUND

- 2.1 The HBA has been prepared in accordance with the requirements of the Policy Statement.
- 2.2 Population projections over the next 30 years were used to assess housing and business land demand. The City's population is 90,400 and is projected to reach 117,280 by 2054. Population growth and change and economic development activities will drive demand for housing and business floor area and land.
- 2.3 To assess housing and business land supply, the HBA has looked at our already zoned land for housing and business and future growth areas (such as Aokautere, Kākātangiata, and Te Utanganui).
- 2.4 The HBA takes the demand figures for housing and business land, adds competitiveness margins, as required by the Policy Statement, and then assesses if sufficient development capacity exists.
- 2.5 As part of preparing the HBA, Officers have engaged with Rangitāne o Manawatū, the development community, and development infrastructure providers, including Horizons Regional Council, Powerco, Waka Kotahi, Chorus and Transpower.

3. HOUSING DEVELOPMENT CAPACITY ASSESSMENT

Demand Assessment

- 3.1 The HBA projects demand for housing based on the city's projected population and households over the next 30 years and estimates the need for an additional 9,884 homes. Over the short, medium and long term, this means the city will need:
 - 983 homes in the short term (within the next 3 years – 2024-2027)
 - 3,010 homes in the medium term (between 3 and 10 years – 2027-2034)
 - 5,891 homes in the long term (between 10 and 30 years – 2034-2054)

Note that this demand includes required competitiveness margins, which are 20% in the short and medium term and 15% in the long term.

- 3.2 In terms of demand for housing type and location, the HBA projects that demand for greenfield, infill, and rural/rural-residential and standalone and attached dwellings will be spread according to Table 1 below:

Table 1: Projected demand for housing location and type in the short, medium and long term

	Short term <i>within the next 3 years</i>	Medium term <i>between 3 – 10 years</i>	Long term <i>between 10 – 30 years</i>	30-year total
Housing location				
Greenfield	40% 393	50% 1,505	55% 3,240	5,138
Infill	55% 541	45% 1,354	40% 2,357	4,251
Rural/Rural-Residential	5% 49	5% 150	5% 295	494
Housing type				
Standalone dwelling	88% 865	86% 2,588	78% 4,595	8,048
Attached dwelling	12% 118	14% 421	22% 1,296	1,835

Housing Capacity Assessment

- 3.3 In the short term, 2,053 homes are plan-enabled, infrastructure-ready, commercially feasible and likely to be realised. These homes are in infill (1,408), greenfield (528) and rural/rural-residential (117) locations.
- 3.4 In the medium term, 5,757 homes are plan-enabled, infrastructure-ready, commercially feasible and likely to be realised. These homes are in infill (3,238), greenfield (2,246) and rural/rural-residential (273) locations.
- 3.5 In the long term, 10,883 homes are plan-enabled, infrastructure-ready, commercially feasible, and likely to be realised. These homes are in infill (3,238), greenfield (6,865) and rural/rural-residential (780) locations.

- 3.6 This capacity is a mixture of infill development potential, upcoming District Plan changes to rezone land for housing across the city, and infrastructure servicing and development of our recent greenfield and brownfield residential areas. The proposed Medium Density Residential Zone plan change aims to further enable housing intensification within the city. How many additional homes might be realised through this change will not be known until the stormwater assessment is finalised.

Sufficiency Assessment

- 3.7 Overall, the city has sufficient housing supply to meet demand based on comparing our demand projections with our housing land supply that is zoned, infrastructure-ready, commercially feasible and reasonably expected to be realised.
- 3.8 While recent quarterly reporting to Council has indicated the city does not have sufficient housing supply, preparation of the HBA has meant a closer examination of infill and rural/residential capacity and the requirements of the Policy Statement, whereas the quarterly reporting has focused on infrastructure-ready greenfield land.
- 3.9 Infrastructure servicing of greenfield and infill housing will be key to meeting demand for infill and greenfield housing. Funding development infrastructure at Aokautere and Kākātangiata should be a key consideration in 2024 Long Term Plan funding considerations.

4. BUSINESS DEVELOPMENT CAPACITY ASSESSMENT

Demand Assessment

- 4.1 The HBA projects demand for floor area from business sectors over the next 30 years based on projected population growth and current and future floorspace and land requirements.
- 4.2 The HBA projects demand for floor area and land from each business sector as set out in table 2 below:

Table 2: Projected demand in the short, medium and long term from business sectors

Business Sector	Short term		Medium term		Long term		30 Year Total	
	Floor area (m ²)	Land area (ha)	Floor area (m ²)	Land area (ha)	Floor area (m ²)	Land area (ha)	Floor area (m ²)	Land area (ha)
Small & medium industrial	34,264	9.1	95,527	24.5	216,481	50.8	346,271	84.4
Large floor plate industrial	59,688	13.9	177,430	40.7	515,959	114.7	753,077	169.3
Accommodation	-	0.0	4,566	0.4	15,984	1.2	20,550	1.5
Small & medium retail (pedestrian-oriented retail)	-	0.0	-	0.0	43,856	3.8	43,856	3.8
Large format retail (vehicle-oriented retail)	3,540	0.6	13,427	2.4	33,030	5.5	49,997	8.5
Commercial office	-	0.0	71	0.0	32,984	0.7	33,055	0.7
Commercial services	4,181	0.8	16,079	3.2	39,672	7.4	59,931	11.4
TOTAL	101,672	24.5	307,099	71.2	897,966	184.0	1,306,738	279.6

Business Capacity Assessment

4.3 The HBA looked at plan-enabled, infrastructure-ready business and industrial land and whether it is suitable for each business sector and identified that the city has:

- 631.1 hectares of business land in the short term
- 94.4 hectares of business land in the medium term
- 288 hectares of business land in the long term

Sufficiency Assessment

- 4.4 Based on comparing the estimated demand and business land supply over the short, medium and long term, the HBA found that the city has enough business land to meet demand over the next 30 years.
- 4.5 Meeting demand will rely on the development and redevelopment of business land at greater intensities than has occurred in the past and the implementation of the Te Utanganui master plan.

5. NEXT STEPS

- 5.1 Insert the updated housing bottom lines into the Palmerston North City District Plan. This is an administrative task that does not require a District Plan change.
- 5.2 Work will continue on residential District Plan changes to rezone land for housing to meet demand.
- 5.3 Work will continue to action the Te Utanganui master plan and monitor business land supply, particularly as pockets of industrial land are rezoned for residential use.
- 5.4 The 2023 HBA will inform District Plan changes, Future Development Strategy and 2024 Long Term Plan.
- 5.5 Continue to monitor housing and business indicators to ensure the city has sufficient development capacity to meet demand.

6. COMPLIANCE AND ADMINISTRATION

Does the Council 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 achievement of action/actions in the City Growth plan.	
The action is:	
<ul style="list-style-type: none"> Implement the National Policy Statement Development Capacity on Urban Development 	

<ul style="list-style-type: none"> • Carry out Housing and Business Needs Assessments every three years • Monitor supply and demand of urban development and infrastructural capacity 	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Housing and business land contribute to social and economic wellbeing. The HBA helps the Council understand the demand and supply of housing and informs the Council's planning and infrastructure decisions when providing housing and business land to market.

ATTACHMENTS

1. 2023 Palmerston North Housing and Business Development Capacity Assessment (attached separately) 
2. HBA Appendix 1 - Our Economic Overview (attached separately) 
3. HBA Appendix 2 - Palmerston North Commercial Land Assessment 2023 (attached separately) 
4. HBA Appendix 3 - Palmerston North Commercial Market Survey 2022 (attached separately) 

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Indicator framework for the Long Term Plan 2024-2034

PRESENTED BY: Kian Lee, Policy Analyst and Julie Macdonald, Strategy & Policy Manager

APPROVED BY: David Murphy, Chief Planning Officer

RECOMMENDATION TO COMMITTEE

1. That the Committee receive the Memorandum titled 'Indicator framework for the Long Term Plan 2024-2034'.

RECOMMENDATION TO COUNCIL

2. That Council endorse Option 1 OR Option 2 OR Option 3, as described in Attachment 1, to inform the preparation of the Long Term Plan 2024-2034.
-

1. ISSUE

In April 2024 Council endorsed a vision and four goals to form the foundation for the development of the Long Term Plan 2024-2034 (LTP). The purpose of this report is for Council to determine whether or not a series of targets will be included in the Draft Community Wellbeing Strategy for consultation through the LTP.

2. BACKGROUND

Council's LTP planning process begins with an environmental scan and a sound understanding of wellbeing in Palmerston North. Staff gather information about community wellbeing and report on a variety of indicators on the [City Dashboard](#).

In October 2023 there was a Council workshop discussion of indicators and potential targets for the 2024-2034 Long Term Plan.

Through the workshop discussion, staff and Elected Members noted that it would be helpful for there to be a public discussion of any potential targets to give effect to the already endorsed goals. There was also general agreement in earlier LTP workshops that the four targets endorsed through the 2021-31 LTP do not accurately reflect the strategic goals, particularly the Creative Cities Index target.

3. OPTIONS FOR AN INDICATOR FRAMEWORK

Attachment 1 describes three options for the indicator framework, along with a brief discussion of the advantages and disadvantages of each. Table 1 below provides a brief summary of the options.

Table 1: Three options for the indicator framework for the LTP 2024-2034

Option 1 – Monitor and report on the indicator framework without any targets
The Draft indicators are listed in Table 2 of Attachment 1.
Option 2 – Monitor and report on the indicator framework with a range of specified targets across the strategic goals
<p>The Draft indicators are listed in Table 2 of Attachment 1.</p> <p>Should Council wish to endorse a range of targets to further explain the strategic goals, staff have developed seven targets, listed below, for consideration. Details are provided in Table 4 of Attachment 1.</p> <ol style="list-style-type: none"> 1. By 2030, 30% of people travel to work and education using active transport, and 10% use public transport 2. By 2034, there is a 35% reduction in citywide greenhouse gas emissions from our 2016 baseline 3. By 2034, there is a 1.6% average annual increase in GDP per capita 4. By 2034, 93% of young people and 75% of adults are physically active 5. By 2034, 67% of people feel that Palmerston North is a welcoming and friendly city 6. By 2034, 50% of voters turnout for our local elections 7. By 2030, there is a 30% reduction in waste disposal per capita
Option 3 – Monitor and report on indicator framework with one target for each strategic goal (status quo, but with revised targets)
<p>The Draft indicators are listed in Table 2 of Attachment 1.</p> <p>Should Council wish to endorse one target per goal, staff have developed four targets, listed below, for consideration. Details are provided in Table 5 of Attachment 1.</p> <p>Goal 1: By 2034, there is a 1.6% average annual increase in GDP per capita</p> <p>Goal 2: By 2034, 93% of young people and 75% of adults are physically active</p> <p>Goal 3: By 2034, 67% of people feel that Palmerston North is a welcoming and friendly city</p> <p>Goal 4: By 2034, there is a 35% reduction in citywide greenhouse gas emissions from our 2016 baseline</p>

4. NEXT STEPS

Once Council has determined a preferred option, the Draft Community Wellbeing Strategy will be amended accordingly, and this material included in LTP consultation.

5. 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 & Enabling Council	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Council's LTP planning process begins with an environmental scan and a sound understanding of wellbeing in Palmerston North. Indicators and (potentially) targets will contribute to knowledge and understanding about city outcomes.

ATTACHMENTS

- Indicator framework options for the LTP 2024-2034 [↓](#) 

Topic: Wellbeing indicators and targets for the LTP 2024-2034

Issue: Whether or not to include targets in the framework for monitoring *Rautaki oranga hapori Community wellbeing strategy*.

The new structure for framing the City's proposed strategic direction will require a set of indicators for monitoring the community wellbeing outcomes. The main purpose of this framework is to help us understand how the city is doing in the four wellbeing goals (see Table 1 below). This information will inform Council decision-making.

Table 1: The 'four wellbeings' (in the Local Government Act) and the goals proposed for the LTP 2024-2034.

Oranga ohaoaha Economic wellbeing	Whāinga 1: He tāone auaha, he tāone tiputipu Goal 1: An innovative and growing city
Oranga Ahurea Cultural wellbeing	Whāinga 2: He tāone whakaihiihi, tapatapahi ana Goal 2: A creative and exciting city
Oranga pāpori Social wellbeing	Whāinga 3: He hapori tūhonohono, he hapori haumaruru Goal 3: A connected and safe community
Oranga taiao Environmental wellbeing	Whāinga 4: He tāone toitū, he tāone manawaroa Goal 4: A sustainable and resilient city

Alongside the set of indicators, Council could also choose to endorse and monitor a series of targets that relate to the strategic goals. This paper describes three options for elected members to consider.

Excluded from scope: Measuring council operational performance.

Indicators for monitoring wellbeing are not performance indicators of council services or activities. Nevertheless, it is widely acknowledged that the delivery of council services contributes to community wellbeing. Operational indicators are presented in reports to Council (through Committees).

Context: The framework was developed with consideration of the national Living Standards Framework, availability of data, and the relevance of data to our goals.

Wellbeing indicators are available at a national level, with some possible comparison by different population groups in our city (e.g. ethnicity, sex, and age) and with New Zealand as a whole. The Living Standards Framework (LSF) provides a comprehensive series of indicators across 12 domains to inform and advise on progress in living standards. Ngā Tūtohu Aotearoa – Indicators Aotearoa New Zealand provides a holistic view of wellbeing and sustainable development.

We have selected indicators for the framework to help us understand how the city is doing in the four wellbeing goals at a city level. Our proposed indicators below will continue to change and be refined throughout the LTP process.

Table 2: Draft indicators (as at November 2023)

Indicator	Reflects wellbeing category			
	Economic	Cultural	Social	Environmental
Access to green spaces			✓	✓
Active and public transport	✓		✓	✓
Crime victimisation			✓	
Greenhouse gas emissions	✓		✓	✓
Gross domestic product per capita	✓		✓	✓
Highest qualification	✓		✓	
Household crowding	✓		✓	
Housing affordability	✓		✓	
Median annual earning	✓		✓	
Native bird counts				✓
Number of jobs	✓		✓	
Participation in physical activity		✓	✓	
Participation in the arts		✓	✓	
Participation in volunteering work		✓	✓	
People who speak te reo Maori		✓		
Perception of Palmerston North a welcoming and friendly city		✓	✓	
Perception of safety	✓		✓	
Survival of new businesses	✓			
Voter turnout for local elections			✓	
Trust in PNCC*			✓	
Waste to landfill				✓
Waste diverted from landfill				✓
Water quality of the Manawātū River				✓
Youth (15–24 years) not in Employment, Education, or Training	✓		✓	

* While Trust in PNCC is included here in the proposed framework, we note that there are a range of further indicators that focus on the Council rather than the wider community. Staff are considering how these indicators could also be included in Dashboard reporting.

Options: Council could monitor indicators related to the wellbeing goals either with or without specified targets.

Table 3: Overview of options for monitoring community wellbeing

Option 1 – Monitor and report on the indicator framework without any targets.
The Draft indicators are listed in Table 2.
Option 2 – Monitor and report on the indicator framework with a range of specified targets across the strategic goals.
The Draft indicators are listed in Table 2. Should Council wish to endorse a range of targets to further explain the strategic goals, staff have developed seven targets, listed in Table 4 below, for consideration.
Option 3 – Monitor and report on the indicator framework with one target for each strategic goal (status quo, but with revised targets).
The Draft indicators are listed in Table 2. Should Council wish to endorse one target per goal, staff have developed four targets, listed in Table 5 below, for consideration.

Option 1: Monitor and report on the indicator framework without any targets

Description:

The City Dashboard and city wellbeing indicator framework is now well-established. Staff will continue to refine and develop this wellbeing reporting and bring information and analysis of city indicators to Council through a variety of mechanisms. The proposed indicator framework will be included in *Rautaki oranga hapori Community wellbeing strategy* for consultation through the LTP.

Advantages:

Option 1 provides a coherent process for monitoring our city's wellbeing. The four proposed goals provide a comprehensive description of aspirations for the city.

Disadvantages:

While the proposed goals include outcomes and objectives, there would be no quantified expression of these aspirations.

Option 2 – Monitor and report on the indicator framework alongside a range of specified targets across the strategic goals.

Description

As for Option 1, staff will continue to refine and develop wellbeing reporting and bring information and analysis of city indicators to Council through a variety of mechanisms. The proposed indicator framework will be included in *Rautaki oranga hapori Community wellbeing strategy* for consultation through the LTP.

In addition, several targets would be agreed at the city level that:

- Align with national and regional targets for committing council resources and seeking co-funding from national agencies and programmes. E.g. national greenhouse gas emissions budgets, national waste strategy targets, and regional land transport plan targets for active and public transport.

- b) Focus the attention of relevant internal and external stakeholders to achieve a common goal for the city. E.g. participation in physical activity, perception of Palmerston North as a welcoming and friendly city.

If elected members wish to set targets, staff propose they are based on the following S-M-A-R-T criteria:

- Specific – i.e. are outcomes that are relevant to community outcomes / wellbeing.
- Measurable – i.e. there is information available such as census and Annual Residents' Surveys.
- Achievable – i.e. target set is not over-ambitious or aspirational (i.e. stretch targets) and considers resources allocated to achieving them.
- Realistic and relevant – i.e. within reach and meaningful as community outcomes / wellbeing.
- Timely – i.e. defined over a period, such the electoral cycle, regional plan timeframes, or LTP term.

Table 4: Potential targets to reflect the proposed wellbeing goals of the 2024-2034 LTP

Targets	Reflects wellbeing category			
	Economic	Cultural	Social	Environmental
1. By 2030, 30% of people travel to work and education using active transport, and 10% use public transport* Explanation: The 2018 Census found that the share for active transport use was 15.2%, and public transport was 4.4%. The 2023 census data is not yet available.	✓		✓	✓
2. By 2034, there is a 35% reduction in citywide greenhouse gas emissions from our 2016 baseline Explanation: This proposed target is based on an overall citywide reduction of 36% of greenhouse gas emissions by 2035 in line with national emissions budgets (to meet the 2050 national target). As of the year ending 2022, our citywide emissions were 11.3% higher than our 2016 baseline.	✓		✓	✓
3. By 2034, there is a 1.6% average annual increase in GDP per capita Explanation: This proposed target is based on the 20-year average increase in GDP per capita for Palmerston North. The national 20-year average increase for New Zealand was 1.4%. For the year ending June 2023, annual GDP per capita grew by 0.9%.	✓		✓	✓
4. By 2034, 93% of young people and 75% of adults are physically active Explanation: This Active NZ Survey measure is defined as 'participation in play, active recreation or sport in the previous seven days. This proposed target is based on the previous New Zealand average over five years for young people, and New Zealand average (+ 2%) for adults. Palmerston North's rates in 2022 were 85% for young persons, and 73% for adults.		✓	✓	
5. By 2034, 67% of people feel that Palmerston North is a welcoming and friendly city Explanation: For year 2022/2023, 51% of respondents to the Residents' Survey agree with this statement.		✓	✓	
6. By 2034, 50% of voters turnout for our local elections Explanation: For the 2022 local body election in Palmerston North, voter turnout was 37%.			✓	

7. By 2030, there is a 30% reduction in waste disposal per capita* Explanation: The Aotearoa Waste Strategy has set this target for the whole country.				✓
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*Note: These targets are based on national and regional targets and so the timeframe proposed is within the timeframe of the LTP rather than 2034.

Advantages

A range of targets would provide a further, quantified, expression of the strategic goals proposed by elected members for the LTP. This option signals that there is not a single indicator for each goal, and that each aspect of wellbeing is complex – i.e. no one indicator captures the ‘essence’ of economic, cultural, community, or environmental wellbeing.

Disadvantages

Identification of targets could potentially provide an overly simplistic expression of elected members’ aspirations. The description of the goals include a range of outcomes and objectives, and details would not be captured by targets.

Option 3 – Monitor and report on the indicator framework alongside four targets, one for each strategic goal (status quo, but with revised targets).

This option is to select one target to represent each goal, as in the current LTP strategic framework.

Table 5: Potential targets to reflect the proposed wellbeing goals of the 2024-2034 LTP (one per goal)

Goal 1: By 2034, there is a 1.6% average annual increase in GDP per capita Explanation: This proposed target is based on the 20-year average increase in GDP per capita for Palmerston North. The national 20-year average increase for New Zealand was 1.4%. For year ending June 2023, annual GDP per capita grew by 0.9% for Palmerston North.
Goal 2: By 2030, 93% of young people and 75% of adults are physically active Explanation: This Active NZ Survey measure is defined as ‘participation in play, active recreation or sport in the previous seven days. This proposed target is based on the previous New Zealand average over five years for young people, and New Zealand average (+ 2%) for adults. Palmerston North’s rates in 2022 were 85% for young persons, and 73% for adults.
Goal 3: By 2034, 67% of people feel that Palmerston North is a welcoming and friendly city Explanation: For year 2022/2023, 51% of respondents to the Residents’ Survey agree with this statement.
Goal 4: By 2034, there is a 35% reduction in citywide greenhouse gas emissions from our 2016 baseline Explanation: This proposed target is based on an overall citywide reduction of 36% of greenhouse gas emissions by 2035 in line with national emissions budgets (to meet the 2050 national target). As of the year ending 2022, our citywide emissions were 11.3% higher than our 2016 baseline.

Note: these are a selection of the targets described in Option 2, but reordered by goal.

Advantages

A range of targets would provide a further, quantified, expression of the strategic goals proposed by elected members for the LTP.

Disadvantages

A one-target per goal framework would signal that each goal can be reduced in some way to a ‘headline’ target. The difficulties of this approach have been experienced and reflected on already by elected members in this LTP process. For example, while the current ‘jobs’ and ‘creative cities’

targets do capture some elements of goals one and two, respectively, they fail to reflect a broader understanding each aspects of wellbeing.

There is no recommendation.

Elected members have had opportunities to discuss goals, indicators and targets at two workshops. Whether or not to include targets as an additional expression of the strategic intent requires a political decision. Staff note that while there are three options described here, there are potentially many other variations that could be selected, including varying the numeric targets, varying the nature of targets themselves, or choosing a different number of targets (other than the no target/ seven targets/ four targets options described here).

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Procurement Policy

PRESENTED BY: Paul Hollis, Procurement Manager

APPROVED BY: Cameron McKay, Chief Financial Officer

RECOMMENDATION TO COUNCIL

1. That Council adopt the Procurement Policy (Attachment 1), noting that the Delegations Manual will need to be updated to reflect the new procurement principles.

1. ISSUE

- 1.1 This memorandum asks the Strategy & Finance Committee to recommend the proposed Procurement Policy to Council for adoption.

2. BACKGROUND

- 2.1 A Business Assurance review in 2022 recommended that all of Council's procurement expectations (Local Impact Policy, Delegations Manual and standalone resolutions), as well as the request from Council for a sustainable and environmental procurement policy, be amalgamated into one procurement policy.
- 2.2 Following workshops with Councillors in both November 2022 and September 2023, Officers have developed a combined procurement policy which is now being presented to Committee.
- 2.3 Council spends close to \$140 million annually on a wide range of works, goods and services that enable the delivery of community infrastructure, facilities and services for the citizens of Palmerston North.
- 2.4 The value of Council procurement not only has a budgetary impact, but also can have a significant impact on our local communities and on the quality of life we have in Palmerston North.
- 2.5 While there is a need to ensure that procurement delivers value for money for residents, Council should also look to use procurement as a force for good to advance the long-term wellbeing of our community.

- 2.6 The proposed Policy focuses on the key principles and values that will be achieved through procurement, with an emphasis on the balance between good outcomes (particularly those related to broader cultural, social, economic and environmental outcomes), good quality, good value and good management.
- 2.7 The attached policy provides details on what the principles are, how they will be addressed, and the metrics used to measure them. The strategic procurement principles are:
- Open and effective competition,
 - Enhanced environmental outcomes,
 - Fostering local business,
 - Upholding Te Tiriti o Waitangi,
 - Value for money, and
 - Advancing social equity.

3. NEXT STEPS

- 3.1 An implementation progress report will be brought to Committee in June 2024, with subsequent six-monthly reporting as laid out in the Procurement Policy coming into effect.

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?	Yes
<p>The recommendation to adopt the Procurement Policy is inconsistent with section 5.5 of the Delegations Manual.</p> <p>The Business Assurance Procurement review found that this section was outdated and did not align with governance direction and good practice. These sections endorse taking the lowest price, whereas the Procurement Policy promotes “value for money”. This financial delegations section of the Delegations Manual is currently under review, and will be brought for Council to consider in due course.</p> <p>The recommendation to adopt the Procurement Policy is inconsistent with the current</p>	

Local Impact Procurement Policy.

This policy requires suppliers to prepare a plan to maximise their contribution to the local economy and community of Palmerston North for procurement over 15% of the specified sum. As it currently stands, this policy is ineffective at achieving the desired outcome and therefore it is proposed that it is replaced by the *Fostering Local Business* principle, found within the proposed Procurement Policy.

The recommendations contribute to Goal 5: A Driven & Enabling Council

The action is:

Ongoing review of governance systems and structures to support Council's effectiveness and reputation.

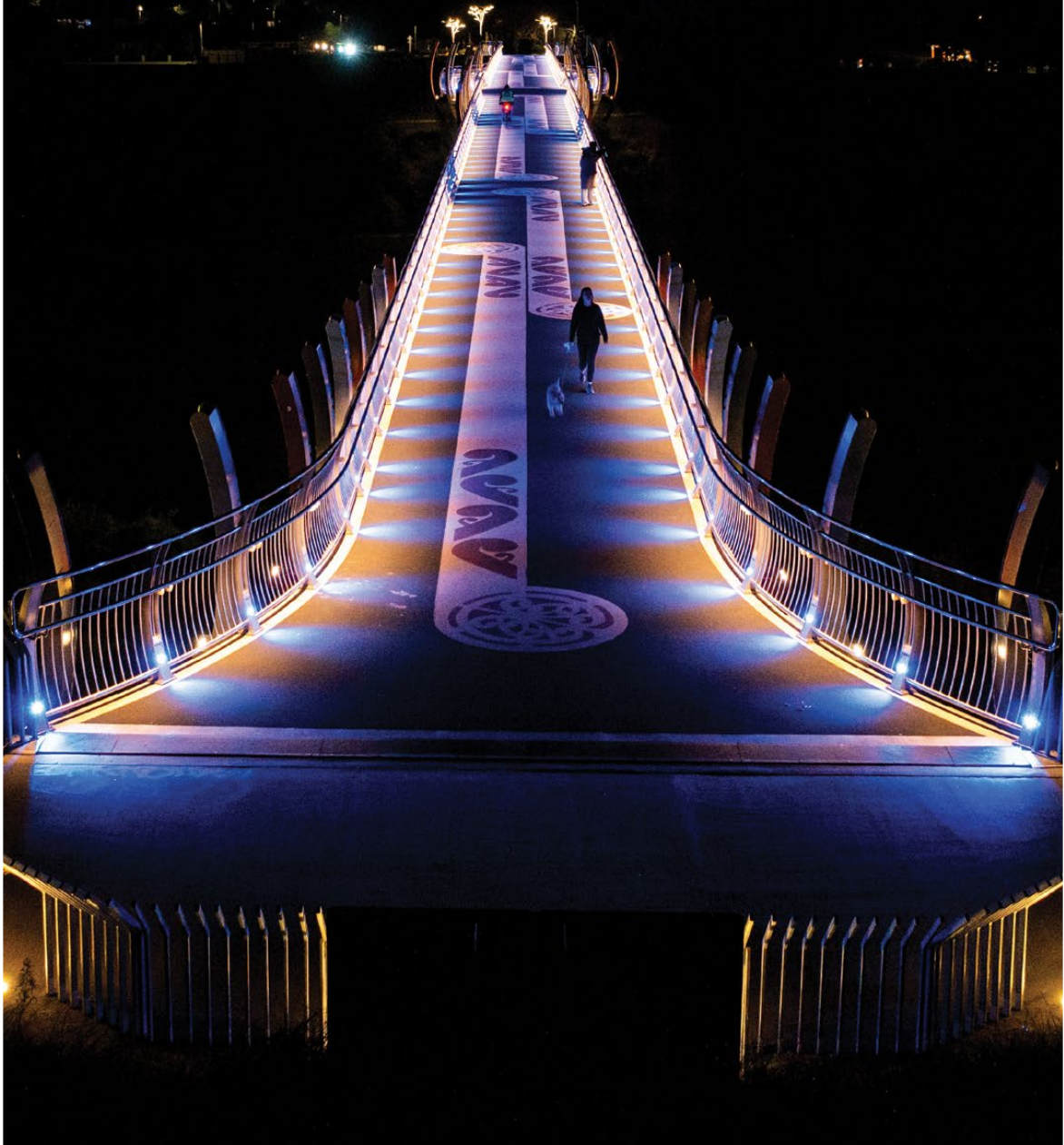
Contribution to strategic direction and to social, economic, environmental and cultural well-being	This policy sets out the core values and strategic principles that Palmerston North City Council will apply to its procurement, aligning procurement to our City goals, strategies and plans and giving effect to the four well-beings.
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ATTACHMENTS

1. Procurement Policy [↓](#) 

PROCUREMENT POLICY

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1. Introduction

This policy sets out the core and strategic principles that Palmerston North City Council will apply to its procurement.

Procurement is the process that we use to acquire and manage the goods and services we require to run the organisations and deliver outcomes and services to our community. The process:

- Starts with identifying needs, and then planning the best way to meet them.
- Continues through sourcing the goods/services/ works and managing the contract.
- Ends with the end of either the contract or the asset's useful life.



2. Strategic Context

The Local Government Act 2002 requires Councils to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future

In progressing these wellbeings, the Council recognises our obligations to work alongside our Te Tiriti partner Rangitāne o Manawātū in achieving common aspirations.

Procurement should enable our strategic Council goals for Palmerston North, as set by the Elected Members. It is carried out to deliver our Long-Term Plan and Annual Budget.

Our Procurement Framework consists of our strategic principles, the management policy and procurement guidance (found in our procurement portal) and is to be applied to the planning, sourcing and managing of our procurement.

3. Palmerston North City Council Scope

This policy applies to all procurement activity undertaken by Palmerston North City Council, except for:

- Acquisition of art and similar unique items of interest.
- Employment.
- Grants and sponsorship.
- Land acquisition.
- Leasing of Council-owned property and the leasing of property to Council.
- Payments to government and regulatory bodies.
- Procurement by Council-controlled organisations that is not on behalf of Council.
- Tax.
- Treasury and financial instruments.

All staff, consultants or contractors performing procurement activities on behalf of Council are required to comply with this policy.

Procurements involving Waka Kotahi (NZ Transport Agency) funding are exempt from this policy as the agency sets out specific procurement guidelines for land transport works that it funds.

4. Our Core Procurement Values

In making procurement decisions, Palmerston North City Council will follow the values detailed by the Controller and Auditor-General's Procurement Guidance. This guidance covers:



More information about this is available through the Office of the Auditor-General.

5. Our Strategic Procurement Principles

In addition to the procurement values mentioned above, Palmerston North City Council has its own strategic procurement principles that align with our goals, strategies and plans. Our strategic procurement principles are described here. More information about what each principle looks like in action, how we can achieve this, and how we can measure achievement, is included in **Appendix 1 - Our Strategic Procurement Principles**.

Open and effective competition

Open and effective competition maximises the prospect of Palmerston North City Council getting the best procurement outcome. We will ensure that suppliers who want to do business with us are given a reasonable opportunity to do so and that the procurement and relationship management processes used ensure that suppliers look to continue to do business with us.

Enhanced environmental outcomes

Palmerston North City Council's procurement will be proactive in the ways that it produces better outcomes for the environment. We are committed to long-term sustainability through procurement that conserves resources, minimises waste, protects human health and enhances environmental quality and safety. In a procurement sense, this includes a focus on improving material and water efficiency, reducing, re-purposing and recycling waste wherever we can; minimising greenhouse gas emissions and enhancing the quality of the natural environment.

Fostering local business

Palmerston North City Council's procurement activity should contribute to having an efficient and cost-effective local supply base that supports a dynamic and innovative city economy. We will ensure that the advantages of local procurement are recognised and considered in procurement decisions. We'll also ensure that local businesses are encouraged to explore unique and innovative initiatives, that social procurement initiatives are progressed to provide economic and employment opportunities, and that tenders are free from requirements that could limit opportunities for local suppliers (where practicable).

Upholding Te Tiriti o Waitangi

We recognise Te Tiriti o Waitangi and its principles of partnership, protection, participation and potential, acknowledging the importance of partnering with the tangata whenua Rangitāne o Manawātū. We are also committed to engaging in appropriate procurement opportunities with the Te Ao Māori including other iwi interests in the wider region and with Māori businesses in our district.

Through partnerships, we aim to work together with Rangitāne o Manawātū, other iwi near our boundaries and Māori businesses for agreed outcomes that benefit the entire region. We will ensure protection is a priority focus by incorporating matauranga Māori, te reo and tikanga across our projects and programmes, and through continued development of our cultural awareness of Te Ao Māori, as well as knowledge and understanding of the Principles of Te Tiriti.

Value for money

Effective procurement helps to deliver better public services and realise value for money. The Council is using ratepayers' money (and sometimes funding from other agencies or central government) to provide appropriate services to the community. Therefore, there is an obligation to spend that money wisely and get the best value for money.

Best value is about getting the best possible outcome over the whole of life of the asset, services or works, by striking the right balance of good outcome, good quality, good price and good management.

Advancing social equity

Palmerston North City Council is committed to promoting diversity, acceptance, fairness, compassion, inclusiveness and access for people of all abilities. A focus is placed on citizens who are under-represented and people with less opportunity. Social equity contributes to building stronger and more resilient communities. Depending on the nature of the procurement, we will explore opportunities to engage social enterprises to provide works, goods and services.

6. Emergency Procurement

In an emergency, Palmerston North City Council will need to react quickly and effectively, meaning it might not be possible to satisfy all the requirements of this policy when carrying out emergency procurement. Emergencies means an event:

- a. that is unforeseen and causes major damage to Council or other property; and
- b. for which there is a need for remedial action to be taken without delay; and
- c. it is impracticable to convene a meeting of Council or Strategy & Finance Committee to approve the proposed expenditure but which is not a declared state of local or national emergency under the Civil Defence Emergency Management Act 2002.

Poor planning does not constitute an emergency. We will ensure we act lawfully and within delegated authority when making procurement decisions in emergencies, acknowledging that in emergency situations there can be a greater risk of fraud, bribery and corruption that should be safeguarded against.

7. Definitions

Unless otherwise stated, the following definitions shall apply to this policy.

TERM	DEFINITION
Local supplier or local business	A supplier of goods, works or services operating or based in Palmerston North, and employing and developing local people.
Māori business	A Māori business is owned by a person or people who have Māori whakapapa, and a representative of that business self-identifies the business as Māori.
Iwi Māori Entities (IME)	Iwi Māori Entities (IME) are characterised by ownership or leadership that reflects collective and holistic aspirations from a Te Ao Māori perspective, including commercial ambitions.



8. Monitoring and Reporting

Procurement activity will be monitored to ensure we achieve the objectives of the procurement principles across the various stages of the procurement lifecycle (planning, sourcing, and managing).

The procurement principles will be reviewed every three years to ensure they continue to align with Council's goals, strategies and plans, as they evolve and are updated. The Council will monitor the ongoing operation of this policy to ensure the principles are being followed. To facilitate this, the Procurement team will provide 6 monthly reporting based on the agreed metrics.

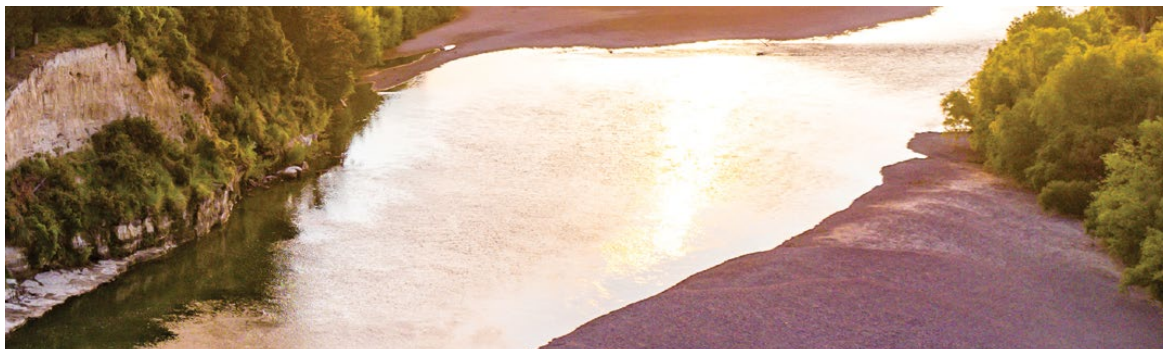
9. Applicable Council Resolutions

The following resolutions of Council relate directly to the Procurement Policy and should be applied when undertaking relevant procurement processes:

- **Authority to enter into contractual arrangements** - If any officer of the Council, with authority to enter into contractual or similar arrangements (except employment contracts) which are binding on the Council, intends to enter into such arrangements which: a. has or could (including any rights of renewal) have a term in excess of three (3) years; or b. would have a term exceeding three (3) years pursuant to a proposed variation, the officer must, before authorising and entering into the proposed arrangement or variation, obtain the written approval of the Chief Executive in the case of a Unit Manager, and the Unit Manager to whom the officer reports in the case of all other staff (and in the case of the Chief Executive, the Strategy & Finance Committee.
- **Living Wage** - That Council commits to the principle of the Living Wage for staff and contractors and that this is phased in over 3 years, starting by paying a Living Wage to staff from 1 Jan 2022.

10. Applicable Legislation

- Local Government Act (2002)



Appendix 1 - Our Strategic Procurement Principles

Value for money	What does it look like
	<p>➤ We will select the most appropriate procurement process that is proportionate to the value, risk and complexity of the procurement to help achieve value for money over the whole of life of the asset, services or works, with a focus on striking the right balance of good outcome, good quality, good price and good management.</p>

How can we achieve this	Metrics to measure it
<p>We will develop and apply business acumen and commercial awareness in what we do.</p> <p>Business acumen will be delivered by:</p> <ul style="list-style-type: none"> ➤ ensuring procurement strategies and desired outcomes are clearly aligned with Council's goals and objectives, and based on tangible benefits ➤ ensuring decisions are positioned to achieve desired outcomes ➤ growing understanding of and leveraging the different parts of the organisation and how they work together ➤ enabling results that bring commercial benefits on a whole of life or total cost of ownership approach where the Council optimises the use of goods and assets. <p>Commercial awareness will focus on:</p> <ul style="list-style-type: none"> • using sound financial logic to influence business direction • optimising commercial outcomes through sourcing and strategic negotiation skills • keeping up to date with commercial developments within the industry. 	<ul style="list-style-type: none"> ➤ Reporting on metrics associated to all Principles

Open and effective competition

What does it look like

- We need to engage our suppliers through robust, easy-to-understand processes.
- We want to be consistent in the way we procure our goods, services and works. We also want to help our suppliers to understand what we need and what our expectations are in all our procurement.
- We need to plan ahead in our procurements.
- We need to allow enough time to engage stakeholders to determine their needs and, where appropriate, allow the market to give their views and offer alternatives.
- We want to be known in the market as an organisation that treats everybody fairly and selects suppliers based on the information we provide to everyone.
- We want to develop our supplier market and let them know why they have been successful and why they have been unsuccessful.

How can we achieve this	Metrics to measure it
<ul style="list-style-type: none"> ➤ Communicate the same message to all suppliers. ➤ Be clear in our requirements, scopes and specifications. ➤ Ensure the outputs we want from procurement activity are clearly stated. ➤ Set out performance measurements and expectations. ➤ Use standard documentation when approaching the market (RFx and Contract). ➤ Be accountable for results by documenting our decisions. Create open-market opportunities whenever possible and document them where we don't. ➤ Debrief both unsuccessful and successful suppliers to promote continuous improvement. ➤ Planning for the best procurement outcomes. ➤ Consult the market and current suppliers to learn the art of the possible. ➤ Ensure our market documents contain information to allow suppliers to make best-value offerings. ➤ Include criteria to evaluate both price and non-price factors, including quality, fit for purpose for the proposal, and relevant experience. ➤ Include sustainable outcomes as outputs of the procurement activity. ➤ Consider whole-of-life costs of the goods/service. 	<ul style="list-style-type: none"> ➤ Spend on contract vs off contract. ➤ Number of tenders via open competitive process vs closed process (include price). ➤ Number of new vendors.

Fostering local business

What does it look like

- We want our procurements to make a positive economic contribution to our city. But given the size and needs of Palmerston North City Council, all of our suppliers can't be locally based. For this reason, we are also encouraging suppliers who create local job opportunities or use local businesses or social enterprises in their supply chain.

How can we achieve this	Metrics to measure it
<p>Include the following supplier-focussed questions with every procurement:</p> <ul style="list-style-type: none"> ➤ How do you consciously seek to engage subcontractors from Palmerston North as part of your proposals? Can you provide the estimated subcontractor workforce (excluding apprentices and trainees) employed in delivering this contract? ➤ How do you provide employment opportunities, apprenticeships or skills development in Palmerston North? Can you provide the estimated number of apprentices or trainees directly employed in delivering this contract? ➤ Will you engage suppliers based in Palmerston North to supply goods or services in relation to this contract? If yes, please list these suppliers. ➤ Do you have details about the number of proposed personnel living within Palmerston North directly linked to delivering this contract? 	<ul style="list-style-type: none"> ➤ Number of personnel living within Palmerston North directly linked to delivering contracts. ➤ Number of apprentices or trainees living within Palmerston North directly linked to delivering contracts. ➤ % of spend with businesses within Palmerston North.

Enhanced environmental outcomes

What does it look like

- To seek suppliers who value and demonstrate Kaitiakitanga (guardianship) of New Zealand's natural environment and resources. Commitment will be demonstrated through the measurement and reporting of environmental outcomes, efficiency measures and supporting innovations that aim to enhance and protect the environment.

How can we achieve this	Metrics to measure it
<p>Consider including the following supplier-focussed questions with every procurement:</p> <p>➤ In the context of this project provide details of how you intend to ...</p> <ul style="list-style-type: none"> • take account of, and reduce where possible, whole-of-life impacts (separated into before, during and after project delivery). • minimise material use during project delivery. • minimise the use of potable water during project delivery. • manage waste; including in material choice, handling and disposal during project delivery. • design out adverse effects on the local environment (e.g. land, water and air pollution) and minimise any residual risks during project delivery. • measure and publicly report your greenhouse gas emissions during project delivery. • minimise and compensate for greenhouse gas emissions during project delivery. • support wildlife, fauna and flora during project delivery. 	<p>We may require the supplier to provide evidence of the following during the project/contract, as part of an annual report or upon completion:</p> <ul style="list-style-type: none"> ➤ Provide a update on decisions affecting whole-of-life cost and risk profile for the project (including before, during and after project delivery). ➤ Materials and supplier choices and their impact on the environment, including greenhouse gas emissions (i.e. location of supplier, volume of material used to complete a project stage, innovations and techniques to used reduce material use). ➤ Volume of water used to complete a project stage, innovations and techniques used to reduce water use, water sources used. ➤ Volume and type of waste generated at each project stage. ➤ Innovations and techniques used to reduce waste. ➤ Destination of generated waste (e.g. re-used on site, transferred to reclamation facility for repurposing, transferred to recycling facility, landfilled) ➤ Measures put in place to design out or minimise the risk of local pollution events

➤ Continued on page 14

How can we achieve this	Metrics to measure it
<p>Or for professional services</p> <ul style="list-style-type: none"> ➤ In the context of this project provide details of how you intend to ... <ul style="list-style-type: none"> • Include consideration through the process of project delivery of the effect of the project process on waste generation and local environmental impacts. • Measures included in design and delivery of services through the process of project delivery to exclude or minimise the risk of environmental impacts, either directly or through project delivery. • Include consideration through the process of project delivery of the effect of the project process on climate change. 	<ul style="list-style-type: none"> ➤ Methods used to ensure the overall state of the local environment meets or exceeds best practice (as identified at the project design stage) ➤ Methods used to enhance the local environment and examples of nature-based solutions implemented (where appropriate) ➤ Volume of greenhouse gas emissions directly resulting from the project to date (Schedule 1 & 2 emissions) ➤ Volume of greenhouse gas emissions resulting from materials used in the project to date (Schedule 3 & 4 emissions) ➤ Methods used / decision made to minimise greenhouse gas emissions since last reporting period ➤ Methods used / decision made to compensate for greenhouse gas emissions since last reporting period ➤ Methods used / decision made to minimise impact on local wildlife, flora and fauna since last reporting period



Advancing social equity

What does it look like

- We want to engage with like-minded suppliers that build resilience in their workforce. Where we can, we want our procurement to play a part in contributing to our local communities and social wellbeing in Palmerston North.
- We want every supplier that provides regular and ongoing service to Council to pay at least the living wage to its staff.
- We support a diverse workforce and want to see that there are opportunities through apprenticeships and training in the delivery of our contracted goods, services and works.

How can we achieve this	Metrics to measure it
<p>Consider including the following supplier-focussed questions with every procurement:</p> <ul style="list-style-type: none"> ➤ How does your organisation support and deliver diversity or equal employment opportunities? ➤ How does your organisation consciously seek to support or provide meaningful benefit (for example, to socially disadvantaged groups) within Palmerston North and/or its communities as a normal part of its day-to-day business? ➤ Will your organisation pay the “living wage” as defined and set out by the New Zealand Family Centre social policy unit, to all employees that are working on contracts awarded by PNCC? 	<ul style="list-style-type: none"> ➤ Number of suppliers paying the living wage / versus approved target.

Upholding Te Tiriti o Waitangi

What does it look like

- We want to support a resilient and regenerative tangata whenua and Māori economy by supporting economic opportunities for tangata whenua namely Rangitāne o Manawatū and Māori businesses and iwi organisations in the region.
- We want to work with suppliers to create quality employment opportunities through our contracts for tangata whenua and the wider Māori community.
- We want to engage with likeminded suppliers who consciously seek to support partnership opportunities with tangata whenua and Māori-owned businesses.

How can we achieve this	Metrics to measure it
<p>Include the following supplier-focussed questions with every procurement:</p> <ul style="list-style-type: none"> ➤ Is your organisation connected with tangata whenua? ➤ Is your organisation considered a Iwi Māori Entities (IME) and/or Māori business? ➤ How do you consciously seek to support or provide meaningful benefits to tangata whenua and Māori within Palmerston North as a normal part of your day-to-day business? ➤ How does your organisation consciously seek to partner with tangata whenua and Iwi Māori Entities (IME) and/or Māori business? ➤ How do you consciously seek to create quality employment, apprenticeships or skills development opportunities for tangata whenua and Māori? Can you provide the estimated number of Māori directly employed in delivering this contract? 	<ul style="list-style-type: none"> ➤ Number of Iwi Māori Entities (IME) and Māori businesses ➤ Spend with Iwi Māori Entities (IME) and Māori business (\$ and %). ➤ Number of tangata whenua or Māori directly employed in delivering contracts.



Te Kaunihera o Papaioea
Palmerston North City Council

pncc.govt.nz / info@pncc.govt.nz / 06 356 8199

REPORT

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Opie Reserve - Proposal to support Te Kōhanga Reo O Ngāti Hineaute Ki Rangitaane O Manawatū Trust by notifying the intention to grant community occupancy via a lease of Council land

PRESENTED BY: Bryce Hosking, Group Manager - Property and Resource Recovery

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee support Te Kōhanga Reo O Ngāti Hineaute Ki Rangitaane O Manawatū Trust by notifying the intention to grant community occupancy via a lease at Opie Reserve and part of Tui Park, Palmerston North, in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.
2. That the Committee note the land affected by the community occupancy lease to Te Kōhanga Reo O Ngāti Hineaute Ki Rangitaane O Manawatū Trust is described as Lot 81 DP 24258 and Sec 1 SO 452061.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	<p>Ngāti Hineaute (The Trust) have requested support from Council by granting community occupancy of two locations, being Opie Reserve and part of Tui Park.</p> <p>The Trust propose to continue to operate at Tui Park until such time as the Trust can relocate to the new site at Opie Reserve.</p> <p>This report seeks Council's approval to commence the public notification process in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977 for both support proposals.</p>
OPTION 1:	Notify the public of Council's intention to continue supporting the Trust by granting occupancy via a new lease at Opie Reserve in conjunction with a secondary lease for the existing site, being part of Tui Park.
Community Views	<ul style="list-style-type: none"> Community views will be sought during the public notification period. The previous public consultation regarding the reclassification of Opie Reserve from a Recreation Reserve to Local Purpose (Community) Reserve showed a strong positive response from the community.
Benefits	<ul style="list-style-type: none"> The community views, along with any objections received, will be considered to inform the decision to enter a lease. Council can continue supporting and developing the relationship with the Trust by supporting the new positive community initiative. This enables the Trust to expand its activities to a new site and present the community with further opportunities. The area located at Tui Park will become available once the short-term lease has expired. Council will explore options for the continued use of the site prior to potentially seeking alternative community occupancy options. This process is a requirement under the Support and Funding Policy and gives the opportunity to investigate alternative use when a leasing arrangement ends.
Risks	<ul style="list-style-type: none"> There are no risks associated with the Tui Park site, as the Trust have been occupying the site since 2013. The new lease proposal will alter the current visual appearance of Opie Reserve and see new buildings and cultural structures erected, which may not be viewed positively by residents who wish the area to remain as a

	<p>green space. If this risk is realised, it will be reflected in the consultation feedback.</p> <ul style="list-style-type: none"> The Trust have provided a high-level conceptual plan for the proposal at Opie Reserve which may require reconfiguration or changes and may not reflect the final build product. This risk could be managed through the consenting process.
Financial	<ul style="list-style-type: none"> The cost of public notification will be minor. Provided the Council enter the new leases, Council will receive the annual rent of \$200 plus GST: <ul style="list-style-type: none"> \$50 plus GST for the site at Tui Park; and \$150 plus GST for the site at Opie Reserve. Council will see a reduction in operational expenses at Opie Reserve as it will no longer need to be maintained as a park by Council.
OPTION 2:	Do not notify the public of the intention to support through a lease, effectively ending the existing lease arrangement at Tui Park and preventing the future development of Opie Reserve proposed by the Trust.
Community Views	<ul style="list-style-type: none"> Community views to inform the Council's decision on the Trust's proposed occupancy will not be sought.
Benefits	<ul style="list-style-type: none"> Should the lease not be entered, Council will explore options for the continued use of both sites prior to potentially seeking alternative community occupancy options. This process is a requirement under the Support and Funding Policy and gives the opportunity to investigate alternative use when a leasing arrangement ends. Opie Reserve will remain the same as no additional buildings or alterations will be placed on the site. The Trust will be required to vacate the area located at Tui Park and remove existing improvements.
Risks	<ul style="list-style-type: none"> Council may be criticised for not supporting the intentions of the Trust. The Trust have advised they have an extensive waiting list for tamariki who require early childhood services. This information shows a need for a larger Kōhanga Reo in the Highbury Community. This option will not meet the demand in the community.
Financial	<ul style="list-style-type: none"> Council will no longer receive the annual rental figure of

	\$50 for the site at Tui Park.
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RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 The Trust have been receiving support from Council by occupying 80m² of Council land at Tui Park since 2013. The lease expired on 31 October 2023.
- 1.2 The Trust currently occupy a privately owned site located at 117 Highbury Avenue. This site neighbours Tui Park, a small section of which is utilised by the Trust for an outdoor area for their tamariki. An outdoor space is a requirement at a registered early childhood facility.
- 1.3 The Trust have outgrown their current lease area and due to the location do not have the ability to expand at the current site.
- 1.4 The Trust propose to expand their services to the community by building a new urban marae/place of gathering for the people of Hineaute and the wider community at Opie Reserve.
- 1.5 The Trust propose to continue to operate at Tui Park until such time the Trust can relocate to the new site at Opie Reserve.
- 1.6 Under the Council's Support and Funding Policy, if a for-purpose organisation requests a new lease for the occupancy of Council land the proposal is to be publicly advertised to seek feedback from the public.
- 1.7 This report seeks Council's approval to commence the public notification process for the preferred option in accordance with the Support and Funding Policy 2022 and section 54 of the Reserves Act 1977, noting that the final decision to lease to the Trust will be brought to the Strategy & Finance Committee in a subsequent report.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

- 2.1 The Trust currently occupy 117 Highbury Avenue which is privately owned. Council granted occupancy for part of Tui Park to provide an outdoor area since 2013. The lease expired on 31 October 2023. The Trust have outgrown the space and require a larger facility as well as a space to support the local community.
- 2.2 The Trust believe there is a lack of Kōhanga Reo and early childhood facilities in Highbury. The Trust also believe due to the growth in Palmerston North it is likely the demand will increase.
- 2.3 The Trust wishes to expand their services by developing the site at Opie Reserve. A high-level concept plan is shown in Figure 1 below. This development is intended to be carried out in two phases, the first phase intending to be the development of the Kōhanga Reo, including building

facilities, carparking and infrastructure. Phase Two will be the development of the Urban Marae.



Figure 1: Indicative conceptual layout

- 2.4 During the development of Opie Reserve the Trust wish to continue to occupy Tui Park to ensure their current operation can continue.

Reclassification of Opie Reserve

- 2.5 On 7 June 2023, the Strategy & Finance Committee approved the following recommendation:
1. That Council, as the Administering Body of Opie Reserve, applies to the Minister of Conservation to have Opie Reserve (Lot 81 DP 24258) reclassified from its current status as Recreation Reserve to Local Purpose: Community, as per Section 24 (b) of the Reserves Act 1977.
 2. That the Council, acting under delegated authority (2013) from the Minister of Conservation, ensures that Section 119 and 120 of the Reserves Act 1977 were followed during the proposed reclassification of Opie Reserve.
- 2.6 Council Officers have been advised that the Minister of Conservation, upon assessing Council's application to reclassify Opie Reserve, has given approval for this reclassification to proceed.

- 2.7 Given this, Council Officers are now in the process of registering the Gazette for the land reclassification with LINZ to give effect to this.

3. THE PROPOSAL

Opie Reserve Proposal

- 3.1 The proposed area for the lease at Opie Reserve is approximately 4,238m² and situated at Opie Reserve as outlined in Figure 2 below.
- 3.2 If the lease is granted, the proposed annual rent is \$150 plus GST. This is consistent with the rental framework in Council's Support and Funding Policy.
- 3.3 The proposed term would be five (5) years, with three rights of renewal for a further five (5) years.



Figure 2: Proposed lease area at Opie Reserve

Tui Park Proposal

- 3.4 The proposed area for the lease at Tui Park is approximately 80m² as outlined in Figure 3 below.
- 3.5 If the lease is granted, the proposed annual rent is \$50.00 plus GST. This is consistent with the rental framework in Council's Support and Funding Policy.
- 3.6 The proposed term would be five (5) years with no right of renewal. The lease agreement will include provisions for an early termination if the site at Opie Reserve is constructed prior to the termination date.



Figure 3: Proposed leased area at Tui Park

4. ASSESSMENT OF PROPOSAL UNDER THE SUPPORT AND FUNDING POLICY

- 4.1 The Support and Funding Policy provides a framework for how Council will deliver support and funding to groups, organisations, and individuals to achieve the vision of the city. One form of support within the policy is to enable for-purpose groups to occupy Council-owned property at community rental rates.
- 4.2 All for-purpose groups expressing an interest in occupying Council-owned property, either for a new occupancy or renewal of an existing occupancy, must make an application. The application is then assessed by Council Officers to ensure that they first meet the policy's eligibility criteria before proceeding any further.
- 4.3 The application from The Trust is attached to the report as Appendix 1.
- 4.4 Further assessment considerations are outlined in the policy. In broad terms, the assessment covers three main areas:
 - a. The Policy for the Use of Public Space – guidelines relevant to the application.
 - b. Reserves Act 1977 – including consideration of the values and purpose of the reserve and the impacts on the public use of the reserve.
 - c. Impact on the locality and park operations.
- 4.5 In summary, following the assessment against the Policy, Council Officers conclude that the Trust is providing community good; however, because of the expansion, there is some impact on the locality and park operations in the area.

5. LEASING POWERS UNDER RESERVES ACT

5.1 In addition to the Support and Funding Policy requirements, as the land is a reserve held under the Reserves Act 1977, the leasing provisions also apply.

5.2 'Sections 61 of the Reserves Act 1977 allows for an administering body to:

(2A) In addition to the powers of leasing conferred by subsection (2), the administering body, in the case of a local purpose reserve that is vested in the administering body, may lease all or any part of the reserve to any person, body, voluntary organisation, or society (whether incorporated or not) for any of the following purposes:

(a) community building, playcentre, kindergarten, Plunket room, or other like purposes.

5.3 The lease proposal is consistent with the purposes of the Act.

6. LAND STATUS

6.1 A summary of the land status information is:

Title	Reserve Status	Officer Comment
Sec 1 SO 452061	Local Purpose (Community) Reserve	Tui Park
Lot 81 DP 24258	In the process of being registered as a Local Purpose (Community) Reserve	Opie Reserve

7. GIVING EFFECT TO THE PRINCIPLES OF THE TREATY OF WAITANGI

7.1 The Reserves Act 1977 is subject to Section 4 of the Conservation Act and requires that administering bodies under the Reserves Act 1977 give effect to the principles of the Treaty of Waitangi.

7.2 Rangitāne o Manawatū representatives have considered the proposal. Rangitāne are comfortable with this proposal and happy for it to proceed.

8. DESCRIPTION OF OPTIONS

Notify the public of Council's intention to continue supporting the Trust by granting occupancy via a new lease at Opie Reserve in conjunction with a secondary lease for the existing site, being part of Tui Park.

8.1 This is the preferred option.

- 8.2 Council seek feedback on continuing to support the Trust through the process outlined in the Support and Funding Policy.
- 8.3 Council must give people the opportunity to submit on the proposal and be heard before deciding to grant a lease as per sections 119 and 120 of the Reserves Act 1977.
- 8.4 After considering feedback, Council can then decide to enter a formal lease with the Trust.
- 8.5 The Trust contribute to the community and show strong alignment with Council's strategic direction. The Trust add to Council's priority to ensure the use of community reserves is optimised.

Do not notify the public of the intention to support through a lease, effectively ending the future development of Opie Reserve facilitated by the Trust.

- 8.6 The impact of this option would mean that the opportunity to seek community feedback on the Trust's occupancy of the site would not occur.
- 8.7 In turn, this would mean that the proposal to lease would cease, and Council would follow the process outlined in the Support and Funding Policy to determine the future use of the land (refer 5.5.1(b)). The first step in the process is to carry out a strategic options review.
- 8.8 The implication of this option on the Trust would mean that they will be required to cease all operations at both Opie Reserve and Tui Park.
- 8.9 This option poses the risk that Council will be perceived as not supporting the activities of the Trust, and not recognising the current limitations on services in the Highbury community.

9. CONCLUSION

- 9.1 The proposal is consistent with the requirements of the Support and Funding Policy. The proposed occupancy will allow the Trust to expand their activities provided to the community.
- 9.2 Public notification on the proposal will provide opportunities for submissions and objections to be made before a decision is made, fulfilling the requirements of the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.
- 9.3 It is recommended the Committee proceed with Option 1. The Trust activities contribute to outcomes to achieve Goal 2 of Council's strategic direction.

10. NEXT ACTION

- 10.1 Public notification of the intention to grant the lease seeking submissions and objections.

- 10.2 Provide the opportunity for any submitters that wish to be heard to speak to Council.
- 10.3 Consider the objections and submissions and provide advice to Council on whether to accept, modify or decline the lease proposal.

11. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS




- 11.1 The proposed consultation process meets the public notification requirements of the Support and Funding Policy 2022 and the Reserves Act 1977.
- 11.2 The public consultation will consist of:
- Public notice in the Manawatu Standard and Dominion Post
 - Online advertisement on the Council website
 - A social media post on the Palmerston North Council Website and other social media channels
 - Letter drop to neighbours in the nearby vicinity
 - A billboard onsite
 - All individuals who submitted on the reclassification of Opie Reserve will be contacted directly.

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 achievement of action/actions in Connected Communities	
The actions are:	
<ul style="list-style-type: none"> • Build and maintain relationships with local communities of identify, interest and place to understand and support their strengths and aspirations. • Lease Council land and facilities to 'for-purpose' organisations in line with the 	

Support and Funding Policy	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	The recommendation is in line with Council's Support and Funding Policy which supports community groups to deliver benefits contributing to the cultural, economic, environmental, and social wellbeing of the city.

ATTACHMENTS

1. Application for occupancy of Council land [↓](#) 
2. Assessment of lease at Tui Park [↓](#) 
3. Assessment of Opie Reserve [↓](#) 

Request for Occupancy/lease of Council Land/Building 22/23

Application form

Application No. 0010 From Chris Whaiapu
Form Submitted 10 Oct 2023, 12:57PM NZDT

About Your Group

* indicates a required field

Organisation registration details

Organisation Name

Te Kohanga Reo o Ngati Hineaute Trust

NZ Charity Registration Number (CRN)

CC56685

New Zealand Charities Register Information

Reg Number	CC56685
Legal Name	Te Kohanga Reo O Ngati Hineaute Ki Rangitaane O Manawatu Trust
Other Names	
Reg Status	Registered
Charity's Street Address	117 Highbury Avenue Highbury Palmerston North 4412
Charity's Postal Address	PO Box 7161 Pioneer Highway Takaro Palmerston North 4443
Telephone	
Fax	
Email	
Website	
Reg Date	12:00am on 23 May 2019

Information retrieved at 9:09am today

Must be formatted correctly.

Current Address

117 Highbury Ave
Highbury Palmerston North 4412 New Zealand

Primary Phone Number

7(2)(a) Privacy

land phone number.

Primary Website

Must be a URL.

Contact Details

Primary Contact

Chris Whaiapu

Primary Contact Email

7(2)(a) Privacy

Request for Occupancy/lease of Council Land/Building 22/23 Application form

Application No. 0010 From Chris Whaiapu

Form Submitted 10 Oct 2023, 12:57PM NZDT

Primary Contact Phone Number

7(2)(a) Privacy

land phone number.

Secondary Contact Name

Mr Chris Whaiapu

Secondary Contact Phone Number

Must be a New Zealand phone number.

Secondary Contact Email

Must be an email address.

Secondary Contact Phone Number

Must be a New Zealand phone number.

Applying for: Please tick which relates to your application

- ☒ Occupying/leasing a (previously unoccupied) council-owned property
- ☒ Constructing a new community building on council-owned land
- ☐ Renewing an occupancy/lease

What is the vision of the organisation, what are you wanting to achieve?

The vision is to;

Build a new Kohanga Reo to meet the growing demands of Kohanga Reo services in the Highbury area and wider community. To grow Te Reo Maori me ona Tikanga for the next generation of Ngati Hineaute descendants.

Ngati Hineaute have been without a Marae for nearly 100 years, and the vision is to build a new purpose built Marae to reconnect whanau to their tuakiritanga (identity) and restore the mana of Ngati Hineaute.

How are the major decisions in your organisation taken? (e.g. Trust Board, Management Committee) *

Through a Trust Board.

Who are the current memebbers of the major decision-making group? *

There are 5 current Trustees of the Te Kohanga Reo o Ngati Hlineaute Trust

Christopher Whaiapu

Liza Whaiapu

Marama Lobb

Mikaere Pene

Oho Whaiapu

Are staff employed or is all work carried out voluntarily? *

We have both employed and voluntary staff.

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Application form

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If staff are employed, what is the source(s) of funding used to pay them? *

Main Source of funding for the Kohanga Reo is:

- Ministry of Education

What are the key positions in the organisation (paid and/or voluntary) ?

Key Positions:

Chairman

Secretary

Treasurer

Centre Manager

Pouako Matua

Teacher

Teacher Aide

Whanau

What in general terms are the roles of these positions?

To provide oversight and management of the Kohanga Reo and it's operation

Who currently holds these positions? Please give names and brief resumes.

Chair - Chris Whaiapu

Treasurer - Marama Lobb

Secretary - Oho Whaiapu

Centre Manager - Liza Whaiapu

Pouako Matua - Mikaere Pene

Teacher - Toni-Jane Treanor

Teacher Aide - Anahere Irene Maaka

Please provide a summary of your organisation's achievements since its establishment?

Have provided early childhood services to the Highbury community for nearly 9 years now. That in itself is a huge achievement.

Additional information

No files have been uploaded

Please upload any additional information to support your application

Intended Use

What is the intended use of the property?

- ☐ Sport and recreation
- ☐ Community or social service
- ☐ Education
- ☒ Other: Education and Cultural

What service is to be provided from the property? Please give a full description

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The trust will provide a wide range of resources, opportunities, to assist whanau/hapu/iwi with their reconnection to their tuakiritanga, and overall hauora/health and wellbeing.

The kohanga reo will support the education of young learners through the medium of Te Reo Maori. And the Urban Marae will act as a central hub for Ngati Hineaute, designed to provide a space that enables young and old Maori/mana whenua and community to connect, belong, and grow.

The available premises will allow the trust to collaborate with more community organisations, and it is committed to working in tandem with local community groups.

What are the objectives of the service or activity?

The objectives are -

- Build a Kohanga Reo
- Grow Te Reo Maori
- Improve social outcomes for Ngati Hineaute
- Build a new Urban Marae/place of gathering for the people of Hineaute and wider community

Who is expected to benefit from the service/project? (i.e. who will be the end users or client group)?

Ngati Hineaute, Maori, and community.

What geographic catchment will the project serve?

The geographic catchment will serve the wider Palmerston North area.

What is the demographic profile of those who are expected to benefit from the service/project?

The main demographic profile will be those living in the lower economic socio areas of Palmerston North.

How many people are expected to use the service/project on an annual basis?

Anywhere between 5,000 - 10,000 pax, annually.

How was this need identified?

This number was identified at approximately x 2 hui per week, at an average of 50pax per hui in total. This would include an approx 5 - 10 Mana Whenua (home people) and a visiting group of 25 - 40pax.

Which organisations in the City are providing services for a similar target group? (i.e. similar geographic location, demographic profile)

One other - Te Hotu Manawa Marae, situated at 158 Maxwells Line.

In what way does your service/activity differ from that supplied by these other organisations?

It is very different. This Marae will be the home base of Ngati Hineaute.

What evidence do you have that the service/activity will meet the need identified?

The only evidence I have is a high level probability that the land size and location is perfect for this type of Kaupapa.

Request for Occupancy/lease of Council Land/Building 22/23 Application form

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Has the service/project been pilot tested for effectiveness? If so, please give details of pilot test and results.

We have a very long wait list of Tamariki who require ECE services in the Highbury area, and the state of my Hineaute people (socially, culturally, economically, spiritually) are all at point where we are now desperate.

Has the service/project previously been operated in Palmerston North or anywhere else in New Zealand? If yes, please give details.

Yes; Too many to name, however:

Wehiwehi Marae - Manukau

Kereru Marae - Koputaroa

Parewahawaha Marae - Bulls

How will you measure the level of success of this service/project?

- A long term measure will be when all of Ngati Hineaute are able to speak Te Reo Maori once again, and when the intergenerational trauma of disconnection is no longer felt.

Readiness

What are the costs involved in establishing this activity/service? Please give the main categories of cost and as close an estimate as you can manage for each category.

Main Categories:

For the Kohanga Reo - as phase 1

Buildings - \$1,100,000.00

Carparking/infrastructure - \$300,000.00

For the Urban Marae - as phase 2 and a few years away (2030)

?

How do you anticipate funding these costs? (e.g. funds in hand, grants, fund raising) Please specify which funds have already been secured and which are subject to further work/decisions.

We anticipate the following scenario;

- Funds in hand (secured)
- Funds donated (secured)
- Funds raised (subject to lease approval)
- Funds granted (subject to lease approval)

What are the estimated costs of operating the service/project on each year?

For the Kohanga Reo, the operating costs will around \$250,000.00 PA

How do you anticipate funding these costs?

Main source of funding:

Ministry of Education. Approx \$300,000.00pa

Request for Occupancy/lease of Council Land/Building 22/23 Application form

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Have you prepared a business plan for the service/project? If yes, please supply a copy.

No. This is based on need, not to make profit.

Upload Business Plan

No files have been uploaded

Please supply a copy of your most recent audited accounts.

No files have been uploaded

If you are leasing a property, what is the timeline for making the service/project operational?

From signing, the timeframe would see the project begin within the next 2 years, to be completed within 5years.

Please specify plans for resourcing (equipment, services, people, tools etc.)

Cash in Bank: \$100,000.00

Cash donations: \$100,000.00

Fundraising: \$500,000.00

Grants: \$500,000.00

Have you prepared any conceptual and technical plans? Please Upload

Filename: Scoping diagram.pdf

File size: 2.4 MB

Fit with Council Direction

Policy on Use of Public Spaces 2019

Support and Funding Policy - Occupancy of council-owned Property by For-Purpose groups

Purpose: The purpose of this support is to provide to allow for-purpose groups to occupy and operate out of Council owned property for sporting, recreational, community/social services and educational purposes at community rental rates.

Support Priorities: For-purpose groups that contribute to outcomes to achieve goals 2, 3, and/or 4 of Council's strategic direction. For- purpose organisations who are jointly seeking a shared space within a Council-owned building; and their presence fits with the identified space and will maintain or enhance the uniqueness of the space.

Policy on Use of Public Spaces 2019^[1]

In considering an application to use public space, and particularly where there are competing applications for the use of public space or high demand for a public space, the Council will consider whether the activity:

Request for Occupancy/lease of Council Land/Building 22/23 Application form

Application No. 0010 From Chris Whaiapu

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- supports the achievement of the Council's goals
- adds to the variety of events or activities available in Palmerston North
- enhances any precinct identities (e.g. Broadway as a hospitality precinct)
- provides an experience (rather than a simple commercial exchange)
- does not significantly limit the availability of space for general community use.

Council may also consider:

- whether the event or activity is inclusive of and accessible to the wider community
- iwi feedback on the proposed event or activity
- the opportunity to enhance or celebrate the heritage values of the public space
- the opportunity to enhance or celebrate the natural environment of the public space
- the opportunity to contribute to preparedness for emergency response, disaster response, or national security concerns
- potential impact on existing city businesses. Council may require applications to be subject to public consultation where an application is likely to be controversial, or where it is unclear if the proposal is consistent with the overall intent of the policy.

Note that none of the criteria or considerations provided for in this policy outweigh the freedoms guaranteed under the Bill of Rights Act.

[1] <https://www.pncc.govt.nz/council-city/official-documents/policies/policy-for-the-use-of-public-space/>

Palmerston North Strategic Direction

Goal 1: An Innovative and growing city

Goal 2: A creative and exciting city

Goal 3: A connected and safe community

Goal 4: An eco-city

[Strategic direction | Palmerston North City Council \(pncc.govt.nz\)](https://www.pncc.govt.nz/council-city/official-documents/policies/policy-for-the-use-of-public-space/)

Please explain how your proposed lease will contribute to one or more goals of Council (it is not necessary to contribute to more than one goal):

There are many strands that this proposal connects to, but the most obvious is Goal 3: A connected and safe community.

Council will work in partnership with Rangitāne o Manawatū and:

- support community development activities
- encourage increasing responsiveness of the wider community sector to Māori
- engage early with Rangitāne o Manawatū in all planning and development for new and changing community facilities

Is the need which this project/service aims to address identified in any other City Council plans or research? If so please indicate the report and relevant sections.

Rangitane o Manawatu Committee (of council). Kawenata Agreement, 2018.

Type of Property (new requests only)

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35. Does your group require a building or land only?

Land only. We will build something purpose built.

36. Please describe the type of property you require? Size, type, what attributes must it have etc.

Bare land, within the urban area of Palmerston North. Preferably flat, preferably 8000m2 in size.

37. Does the property need to be located in a particular area of the City? If so, where?

It can be anywhere in the city proper or wider Palmerston North area, however and ideally within Highbury, Takaro, Westbrook and Cloverlea areas would be perfect.

38. Is this location essential or desirable? Please bear in mind that if you mark essential and the Council does not have suitable property in that location then no property at all may be offered.

☐ Desirable

☒ Essential

39. Do you have a location or Council property in mind? If so where?

Ngati Hineaute are landless, and I would not be pursuing this option if we had our own land.

Opie Place Reserve, whilst not the most desirable piece of dirt in the city, is 4200m2 of bare land, and we are desperate.

Opie Reserve:

40. Approximately how long do you anticipate requiring Council property for?

Perpetually - or for as long as the law allows.

41. Please attach any other information you wish to supply as part of your application

No files have been uploaded

Declaration

You must agree to the below statements before submitting your application:

New Question

☒ I confirm that all information given or written is true, complete and accurate.

☒ I give authority for Council to use the information provided publicly, such as in a report to the Council, to assess our proposal.

Assessment of Lease Proposal – Support and Funding Policy

In considering an application of a for purpose organisation to use public space, and particularly where there are competing applications for the use of public space or high demand for a public space, the Council will assess the applications against the criteria set out in both policies.

Date: 17 October 2023

Group Name: Te Kohanga Reo o Ngati Hineaute Ki Rangitaane o Manawatu Trust

Proposed Lease Location: Tui Park, Palmerston North

Use of Public Space Policy

Criteria	Assessment
Supports the achievement of the Council's goals	Activities of the Trust are consistent with goals two and three of Council's strategic direction.
Is accessible to the wider community	The Trusts activities seek and support the Palmerston North community.
Adds to the variety of events or activities available in Palmerston North	The Trust provides opportunities to promote confidence and create connections within the community.
Enhances any precinct identities (e.g. Broadway as a hospitality precinct)	The Trust supports and enhances the range of activities at Tui Park.
Provides an experience (rather than a simple commercial exchange)	The Trust is focused on personal development and community engagement.
Does not significantly limit the availability of space for general community use	The lease does not affect the availability of the space for general community use.
Rangitāne o Manawatu feedback on the proposed activity	Rangitāne o Manawatu representatives have considered the proposal and have no comment.
Potential impact of the occupancy and proposed activities	The Trust have been occupying the site since 2013. The lease has no negative impact on the public's benefit and enjoyment of the land/reserve. The lease will not affect the availability of space for the general community use or other for-purpose groups, as it is an existing use.

Reserves Act 1977 Considerations

Criteria	Assessment
Meets the defined purpose of Local purpose Reserves in Section 23(1) of the Reserves Act 1977.	The Trust is providing an early childhood organisation to the local community. It contributes to the community. This activity is consistent with the purpose of local purpose (community) reserve.
The public shall have freedom of entry and access to the reserve, except for the ability to lease areas under Section 54.	The area is proposed to be leased under Section 54 and therefore public access is not required.
Where scenic, historic, archaeological, biological, geological, or other scientific features or indigenous flora or fauna or wildlife are present on the reserve, those features or that flora or fauna or wildlife shall be managed and protected to the extent compatible with the principal or primary purpose of the reserve.	No trees or vegetation are required to be removed by the proposal.
Those qualities of the reserve which contribute to the pleasantness, harmony, and cohesion of the natural environment and the better use and enjoyment of the reserve shall be conserved.	The Trust is an existing occupier will not negatively impact the existing pleasantness and enjoyment of the reserve.
To the extent compatible with the principal or primary purpose of the reserve, its value as a soil, water, and forest conservation area shall be maintained.	The proposed lease will not impact on soil, water and forest conservation.
Does not significantly limit the availability of space for general community use	The lease does not affect the availability of the space for general community use.

Impact on the locality and Park operations

Criteria	Assessment
Aesthetics	The Trust currently occupies the site. There are no additional impacts from the continuing occupation of the site
Security	The Trust will be responsible for security of their buildings and assets
Cleaning and Offensive litter	The Trust is responsible for managing litter within its leased area
Vegetation	No trees or shrubs would be required to be removed
Carparking	Existing car parking is available. No new effects are created in approving a new lease
Affected Parties	Parties identified include: <ul style="list-style-type: none"> - Neighbouring residents and tenants - Tui Park Users - Local Community - Rangitane o Manawatu

Assessment of Lease Proposal – Support and Funding Policy

In considering an application of a for purpose organisation to use public space, and particularly where there are competing applications for the use of public space or high demand for a public space, the Council will assess the applications against the criteria set out in both policies.

Date: 17 October 2023

Group Name: Te Kohanga Reo o Ngati Hineaute Ki Rangitaane o Manawatu Trust

Proposed Lease Location: Opie Reserve, Palmerston North

Use of Public Space Policy

Criteria	Assessment
Supports the achievement of the Council's goals	Activities of the Trust are consistent with goals two and three of Council's strategic direction.
Is accessible to the wider community	The Trust activities seek and support the Palmerston North community.
Adds to the variety of events or activities available in Palmerston North	The Trust intends to provide opportunities to promote and create connections within the community.
Enhances any precinct identities (e.g. Broadway as a hospitality precinct)	The Trust supports and enhances the activities at Opie Reserve.
Provides an experience (rather than a simple commercial exchange)	The Trust are focused on supporting community initiative and providing a service for the community.
Does not significantly limit the availability of space for general community use	The lease would reduce the availability of the space for general community use. This is not expected to be a significant impact due to alternative greenspace in the proximity however, this would be tested through the consultation on the proposed lease.
Rangitāne o Manawatu feedback on the proposed activity	Rangitāne o Manawatu representatives have considered the proposal and have no comment.
Potential impact of the occupancy and proposed activities	The proposed lease will have impact on the amount of greenspace however previous investigations shows Opie Reserve is underutilised.

Reserves Act 1977 Considerations

Criteria	Assessment
Meets the defined purpose of Local purpose Reserves in Section 23(1) of the Reserves Act 1977.	The Trust is providing an early childhood organisation to the local community. This activity is consistent with the purpose of Local Purpose (Community) Reserve.
The public shall have freedom of entry and access to the reserve, except for the ability to lease areas under Section 54.	The area is proposed to be leased under Section 54 and therefore public access is not required.
Where scenic, historic, archaeological, biological, geological, or other scientific features or indigenous flora or fauna or wildlife are present on the reserve, those features or that flora or fauna or wildlife shall be managed and protected to the extent compatible with the principal or primary purpose of the reserve.	No trees or vegetation are required to be removed by the current proposal. The construction of new buildings can be offset to some degree by requiring some landscaping as part of the facility development.
Those qualities of the reserve which contribute to the pleasantness, harmony, and cohesion of the natural environment and the better use and enjoyment of the reserve shall be conserved.	The Trust will impact the existing pleasantness and enjoyment of the reserve due to the development however, the Trust is providing community good.
To the extent compatible with the principal or primary purpose of the reserve, its value as a soil, water, and forest conservation area shall be maintained.	The proposed lease will not impact on soil, water and forest conservation.

Impact on the locality and Park operations

Criteria	Assessment
Aesthetics	The area has limited amenity to be a grassed space. Landscaping requirements can help offset loss of amenity.
Security	The Trust will be responsible for security of their buildings and assets.
Cleaning and Offensive litter	The Lease holder would be made responsible for cleaning litter from the area of their lease.
Vegetation	<p>No trees or shrubs would be required to be removed with the current plans provided by the Trust.</p> <p>There would be a reduction in grassed area. This can be offset to some degree by requiring some landscaping as part of the facility development. This is intended by the Trust.</p>
Carparking	The Trust have proposed to include a carparking area to minimise impact to neighboring residents.
Affected Parties	<p>Parties identified include:</p> <ul style="list-style-type: none"> - Neighbouring residents and tenants - Members of the Trust - Opie Reserve Users - Local Community - Rangitane o Manawatu - Local Community.

REPORT

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: 21 Havelock Avenue (part of Bill Brown Park) - Proposal to support Papaioea Pasifika Community Trust by notifying the intention to grant a Licence Agreement of Council land

PRESENTED BY: Bryce Hosking, Group Manager - Property and Resource Recovery

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee notify the public of its intention to support a proposed community garden activity to be coordinated by Papaioea Pasifika Community Trust in addition to their existing activities at 21 Havelock Avenue (part of Bill Brown Park), Palmerston North. This will be in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.
2. That the Committee note the land affected by the Licence Agreement to Papaioea Pasifika Community Trust is described as Lot 1 DP 40097.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	<p>Papaioea Pasifika Community Trust ('the Trust') has been occupying the Pasifika Centre through a community lease, to which the current iteration commenced in 2019.</p> <p>The Trust would like to expand their services to also include a community garden at 21 Havelock Avenue (part of Bill Brown Park). As such, they have requested additional support from Council through granting a licence to occupy the extra land where the garden will sit.</p> <p>This report seeks Council's approval to commence the public notification process for the licence in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.</p>
OPTION 1: (Preferred Option)	Notify the public of Council's intention to continue supporting the Trust by granting a licence for the purpose of a community garden at 21 Havelock Avenue (part of Bill Brown Park).
Community Views	<ul style="list-style-type: none"> Community views will be sought during the public notification period. As part of the Trust's application for the proposal, the Trust have included their own self-driven community engagement for the project. The community engagement provided a positive response to the project.
Benefits	<ul style="list-style-type: none"> The community views and any objections received will be considered to inform the decision to enter a licence. Council can continue supporting and developing the relationship with the Trust by supporting the new positive community initiative. This enables the Trust to expand its activities at 21 Havelock Avenue (part of Bill Brown Park). This proposal is supported by the Vegetation Framework and Placemaking Plan. The community garden initiative enhances individual food growing skills. If the gardens proceed, all costs of both implementation and ongoing operations will be at the cost of the Trust.
Risks	<ul style="list-style-type: none"> The new licence agreement will alter the current visual appearance of Bill Brown Park. If the garden is not maintained to a suitable standard or the Trust wishes to discontinue the venture in the future, it may be difficult to 'make good' the site again.
Financial	<ul style="list-style-type: none"> The Cost of the public notification will be minor. Provided the Council enter a licence, Council will receive

	an annual fee of \$50 plus GST, noting that this will be in addition to the existing lease on the Pasifika Centre building which is \$1,800 + GST per annum.
OPTION 2:	Do not notify the public of the intention to support the Trust through a licence, effectively ending the proposal of a community garden at Bill Brown Park.
Community Views	<ul style="list-style-type: none"> Community views to inform the Council's decision on the Trust's proposed licence will not be sought.
Benefits	<ul style="list-style-type: none"> Bill Brown Park will remain the same; no improvements will be placed on the site.
Risks	<ul style="list-style-type: none"> Council may be criticised for not supporting the intentions of the Trust or supporting a new community gardens initiative. This option does not align with Council's Eco City Goal 4. This option does not promote Council's intention to reduce food waste and foster sustainable practices. The relationship between the Trust and Council may be negatively impacted moving forward.
Financial	<ul style="list-style-type: none"> Council will not receive the additional annual fee of \$50 plus GST for the proposed licence.

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 The Trust has been occupying the Pasifika Community Centre which provides community services, a community space, and also provides a focus on working with families to develop their goals and aspirations by providing a food hub and foodbank project. To further expand its services and support to the community, the Trust has proposed an education community garden Maala Kai within Bill Brown Park.
- 1.2 Under the Council's Support and Funding Policy, if a for-purpose organisation requests to occupy Council land the proposal is to be publicly advertised to seek feedback from the public.
- 1.3 This report seeks Council's approval to commence the public notification process for the preferred option in accordance with the Support and Funding Policy 2022 and section 54 of the Reserves Act 1977.
- 1.4 The final decision to lease to the Trust will be brought to the Strategy & Finance Committee in a subsequent report.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

- 2.1 The Trust have been receiving support from Council by occupying the Pasifika Community Centre via a lease agreement at 21 Havelock Avenue, which in its current iteration commenced in 2019.
- 2.2 During the Covid-19 response the Trust provided support to the community through a foodbank initiative. This initiative has continued to operate since. To further expand their services and support to the community, the Trust has proposed a community garden within Bill Brown Park.
- 2.3 The Trust has been working with others who have led similar projects in the community, which has provided guidance on how the Trust can implement a similar benefit.
- 2.4 The community garden will be used as an educational tool for members of the Pasifika Community and wider Palmerston North. The education programme is intended to provide workshops and improve knowledge to develop the capacity and capability of families to grow and manage their own fruits and vegetables in a sustainable manner.
- 2.5 Council Officers developed The Community Garden Guide in 2021 to provide information to groups who wish to develop a community garden. This Guide is not a Council policy, however Council Officers within the Community Development Team have assessed the proposal against the guide and conclude that the proposal is feasible.

The assessment against the Palmy Community Garden Guide is attached to the report as Appendix 1.

- 2.6 The Trust has requested to enter a Deed of Licence with Council to enable the Trust to proceed with the site development.

3. THE PROPOSAL

- 3.1 The proposed licence area is approximately 27m² and is situated at 21 Havelock Avenue (part of Bill Brown Park) as outlined in Figure 1 below.
- 3.2 If the licence is granted, the proposed annual fee is \$50 plus GST. This is consistent with the framework in Council's Support and Funding Policy, noting that this will be in addition to the existing lease on the Pasifika Centre building which is \$1,800 + GST per annum.
- 3.3 The proposed term would be for two (2) years, with one right of renewal for a further two (2) years.
- 3.4 If the licence is commenced, the site will not be significantly impacted due to the size of the project. A licence agreement only grants permission to occupy the property, whereas a lease grants a tenant exclusive possession. Figure 2 below provides a concept of how the project may impact the street view.



Figure 1: Proposed licence area at Bill Brown Park



Figure 2: Street view of proposed licence area

4. ASSESSMENT OF PROPOSAL UNDER THE SUPPORT AND FUNDING POLICY

- 4.1 The Support and Funding Policy provides a framework for how Council will deliver support and funding to groups, organisations, and individuals to achieve the vision of the city. One form of support within the policy is to enable for-purpose groups to occupy Council-owned property at community rental rates.

- 4.2 All for-purpose groups expressing an interest in occupying Council-owned property, either for a new occupancy or renewal of an existing occupancy, must make an application. The application is then assessed by Council Officers to ensure that they first meet the policy's eligibility criteria before proceeding any further.
- 4.3 The application from the Trust is attached to the report as Appendix 2.
- 4.4 Further assessment considerations are outlined in the policy. In broad terms, the assessment covers three main areas:
 - a. The Policy for the Use of Public Space – guidelines relevant to the application.
 - b. Reserves Act 1977 – including consideration of the values and purpose of the reserve and the impacts on the public use of the reserve.
 - c. Impact on the locality and park operations.
- 4.5 In summary, following the assessment against the Policy, Council Officers conclude that the Trust is providing community good, however, because of the licence agreement, there is some minor impact on the locality and park operations in the area.

5. LEASING POWERS UNDER RESERVES ACT

- 5.1 In addition to the Support and Funding Policy requirements, as the land is a reserve held under the Reserves Act 1977, the leasing provisions also apply.
- 5.2 'Section 54(1)(b) of the Reserves Act 1977 allows for an administering body to:

'lease to any voluntary organisation part of the reserve for the erection of stands, pavilions, gymnasiums, and, subject to sections 44 and 45, other buildings and structures associated with and necessary for the use of the reserve for outdoor sports, games, or other recreational activities, ... which lease shall be subject to the further provisions set out in Schedule 1 relating to leases of recreation reserves issued pursuant to this paragraph:

provided that a lease granted by the administering body may, with the prior consent of the Minister given on the ground that he or she considers it to be in the public interest, permit the erection of buildings and structures for sports, games, or public recreation not directly associated with outdoor recreation.'
- 5.3 'Necessary' is not interpreted as requiring that all or even most visitors or users of the reserve need/want to use the service or activity provided under the lease. Reserves often have activities on them that only some of the visitors to the reserve use. The balance of the reserve, Tui Park, is available for general use by the community.

- 5.4 The proposal would see the reserve utilised by the Trust. The licence will provide a new experience and positive change to the reserve.

6. LAND STATUS

- 6.1 A summary of the land status information is;

Title	Reserve Status	Officer Comment
Lot 1 DP 40097	Recreational Reserve	Subject to the Reserves Act 1977

7. GIVING EFFECT TO THE PRINCIPLES OF THE TREATY OF WAITANGI

- 7.1 The Reserves Act 1977 is subject to Section 4 of the Conservation Act and requires that administering bodies under the Reserves Act 1977 give effect to the principles of the Treaty of Waitangi.
- 7.2 Rangitāne o Manawatū representatives will be consulted during the consultation process.

8. DESCRIPTION OF OPTIONS

Notify the public of Council's intention to continue supporting the Trust by granting a Licence Agreement for the purpose of a community garden at 21 Havelock Avenue (part of Bill Brown Park).

- 8.1 This is the preferred option.
- 8.2 Council will seek feedback on continuing to support the Trust through the process outlined in the Support and Funding Policy.
- 8.3 Council must give people the opportunity to submit to the proposal and be heard before deciding to grant a lease as per sections 119 and 120 of the Reserves Act 1977.
- 8.4 After considering feedback, Council can then decide to enter a formal licence with the Trust.
- 8.5 The Trust contributes to the community and shows strong alignment with Council's strategic direction. The Trust adds to Council's priority to ensure the use of all community recreation facilities is optimised.

Do not notify the public of the intention to support the Trust through a licence, effectively ending the proposal of a community garden at Bill Brown Park.

- 8.6 The impact of this option would mean that the opportunity to seek community feedback on the Trust's proposed occupancy of the site would not occur.

- 8.7 The implication of this option on the Trust would mean that they would not be able to proceed with the proposed community garden initiative.
- 8.8 This option poses the risk that Council will be perceived as not supporting the activities of the Trust.

9. CONCLUSION

- 9.1 The proposal is consistent with the requirements of the Support and Funding Policy. The proposed licence agreement will allow the Trust to provide additional services to the community.
- 9.2 Public notification on the continuing support will provide opportunities for submissions and objections to be made before a decision is made, fulfilling the requirements of the Support and Funding Policy 2022 and section 54 of the Reserves Act 1977.
- 9.3 It is recommended that the Committee proceed with Option 1. The Trust activities contribute to outcomes to achieve Goal 3 of Council's strategic direction.

10. NEXT ACTIONS

- 10.1 Public notification of the intention to grant a licence, seeking submissions and objections.
- 10.2 Provide the opportunity for any submitters that wish to be heard to speak to Council.
- 10.3 Consider the objections and submissions and provide advice to Council on whether to accept, modify or decline the licence proposal.

11. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 11.1 The proposed consultation process meets the public notification requirements of the Support and Funding Policy 2022 and the Reserves Act 1977. The consultation requires a minimum of one-month period advertised in the Manawātū Standard, Dominion Post and on the Council website.

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 achievement of action/actions in Connected Communities		
The action is: Lease Council land and facilities to for-purpose organisations in line with the Community Funding Policy.		
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	The recommendation is in line with Council's Support and Funding Policy which supports community groups to deliver benefits contributing to the cultural, economic environmental, and social wellbeing of the city.	

ATTACHMENTS

1. Palmy Community Garden Guide - Assessment [↓](#) 
2. Application to request occupancy of Council land [↓](#) 
3. Support and Funding Policy - Assessment [↓](#) 



Pasifika Community Garden Project Maala Kai – Community Development Proposal Assessment

1. Proposal

Papaioea Pasifika Community Trust (PPCT) is applying for a licence to occupy a portion of Bill Brown Park for the purpose developing an education community garden project. The purpose of the Pasifika Community Garden Maala Kai is to develop the capacity and capability of Pasifika families and community to grow and have timely and equitable access to healthy food, and to enhance food resilience and security.

2. Location

Bill Brown Park, Havelock Ave, Westbrook, Palmerston North). The proposed location is in front of the Pasifika Centre (between the Centre and the existing playground).



3. Reason for choosing location

The location has been chosen due to the proximity of the Pasifika Centre. With ease of access by both the management committee and volunteers for the garden. Storage of required tools can be stored at the centre if required, although the group would prefer the co-location of a garden shed. Due to the proximity to the park, there is good access to water, with an external tap on the Centre and PPCT have also purchased two 50 metre hoses for the purpose of watering the existing orchard and the proposed garden. There are also existing toilet facilities for volunteers.

Council owned Community Centres, which border reserves, are assessed as the most suitable locations to establish community gardens in community neighbourhoods.

4. Strategic direction and alignment

Goal 3 - A connected and safe community

- Support and fund communities and organisations
- Neighbourhoods in PN are home to well-connected communities with a sense of place identity.
- Council takes the lead from communities in understanding how it can support projects and services that are of value to them and where possible provides communities with the resources to deliver their own initiatives.
- Provide support to community groups to increase freely available food crops in the city.

Goal 4 – An eco-city

- Foster sustainable practices and behaviours
- Maximise the proportion of waste diverted from landfill (for example, through recycling and composting)

5. Organisation structure and financials

The lease holder with Council for the proposed garden will be the Papaioea Pasifika Community Trust (PPCT). The Papaioea Pasifika Community Trust are the Charitable Trust that hold the Management Agreement with Council for the Pasifika Centre at Bill Brown Park.

The Pasifika Community Garden will be managed by a working committee comprising of members from Te Fatu O Te Pasifika and The Matua Ola Program, under the Papaioea Pasifika Community Trust (PPCT). The committee is established for the sole purpose of planning and managing the community garden. It shall be accountable to the PPCT board.

Technical support for the project will be sourced from organisations that have already successfully implemented community gardens (including the Manawatū Food Action Network). The overall success of this program will be achieved through partnership and collaborations between the working Committee, PPCT and with families, church, community groups and other providers.

6. Risks/Mitigations

Reputational risk

There is a reputational risk to Council of not supporting this initiative to be established, as the group have developed wide support through the Pasifika Community and the Ora Kōnnect network (through the Kai Security Squad as one of the proposed projects for implementation through the 4412 Kai Resilience Strategy). Council has the opportunity to be a partner in this space, to collaborate with community to achieve their food resilience aspirations.

Impeding access to the sports ground

Careful layout design needs to be negotiated with the Trust to ensure there is adequate ease of access through the site to the wider sports ground at Bill Brown Park.

Future development of a Bill Brown Park and a Pasifika Fale/Community Hub.

At the 31 May 2023 Council meeting, a resolution was passed to fund a feasibility study to investigate the needs and use of some of our community facilities including a Pasifika Hub. The final report to Council with recommendations will be presented before the end of this calendar year. PPCT and the wider Pasifika Community are participating in this study and are aware that if a community garden were to be approved, it may need to be moved in the future to accommodate future planning for the site.

7. Community Development Advisor Assessment

- The Pasifika Community Garden Project Maala Kai aims to address a growing interest and developing need for kai resilience initiatives in the city with a particular focus on supporting Pasifika families to develop skills in growing food (including the passing on of knowledge for growing culturally specific food in New Zealand climate conditions).
- Future plans include expanding the project to support the installation of vegetable gardens in the properties of Pasifika families. Kaiangā Ora are also in support of this approach in state owned houses.
- The group have demonstrated a clear vision and purpose that is assessed by staff to align strongly with Councils goals and priorities.
- The Pasifika Community Garden Project Maala Kai has the support of a strong management group with an existing relationship with Council, sound governance and the ability to seek funding to support the community garden.
- Issues identified in other community garden proposals are not evident in this proposal.
- The benefit to the community is well documented in their proposal and the group also have the full support of the Manawātū Food Action Network, Ora Konnect and the local Palmerston North Community Gardens community.
- An important part of this project is the educational component which aims to develop the capacity and capability of learners from the Te Fatu O Te Pasifika community including parents and grandparents to be able to grow and manage their own home garden projects.
- Advise that any proposed lease agreement considers the current Community Hubs Feasibility study. Within the scope of the study is to investigate the need and community aspiration for a Pasifika Fale (possibly to be located at Bill Brown Park). Any proposed lease agreement should include the potentially temporary location of the garden, with prioritisation to be made for a Pasifika Fale in future development plans for the park.
- Community Development Advisors recommend that the proposal be approved to present to the Strategy and Finance Committee for consideration for public consultation and that Council staff continue to provide support to resolve the issues of the site.

Request for Occupancy/lease of Council Land/Building 22/23

Application form

Application No. 0009 From Sunlou Liuvaie
Form Submitted 17 Sep 2023, 8:08PM NZST

About Your Group

* indicates a required field

Organisation registration details

Organisation Name

Papaioea Pasifika Community Trust

NZ Charity Registration Number (CRN)

CC58652

New Zealand Charities Register Information

Reg Number	CC58652
Legal Name	Papaiōea Pasifika Community Trust
Other Names	
Reg Status	Registered
Charity's Street Address	21 Havelock Avenue Westbrook Palmerston North 4412
Charity's Postal Address	21 Havelock Avenue Westbrook Palmerston
Telephone	7(2)(a) Privacy
Fax	
Email	7(2)(a) Privacy
Website	
Reg Date	12:00am on 19 Dec 2020

Information retrieved at 3:00pm today

Must be formatted correctly.

Current Address

21 Havelock Ave
Westbrook Palmerston North 4412 New Zealand

Primary Phone Number

7(2)(a) Privacy

Zealand phone number.

Primary Website

Must be a URL.

Contact Details

Primary Contact

Mr sunlou Liuvaie

Primary Contact Email

7(2)(a) Privacy

Request for Occupancy/lease of Council Land/Building 22/23 Application form

Application No. 0009 From Sunlou Liuvaie

Form Submitted 17 Sep 2023, 8:08PM NZST

Primary Contact Phone Number

7(2)(a) Privacy

Must be a New Zealand phone number.

Secondary Contact Name

Annie Scoon

Secondary Contact Phone Number

7(2)(a) Privacy

Must be a New Zealand phone number.

Secondary Contact Email

7(2)(a) Privacy

Must be an email address.

Secondary Contact Phone Number

Must be a New Zealand phone number.

Applying for: Please tick which relates to your application

- ☒ Occupying/leasing a (previously unoccupied) council-owned property
- ☐ Constructing a new community building on council-owned land
- ☐ Renewing an occupancy/lease

What is the vision of the organisation, what are you wanting to achieve?

The vision of PPCT is to achieve: An Empowered, Resilient, and Thriving Pasifika Community. We intend to achieve our vision through the delivery in the following Strategic focus areas: Language and culture; Health and Wellbeing; Education and Training; Economic and Enterprise; and Engagement and Governance. As a Social Service provider, we offer support programs on the above and also collaborate with other providers in program we do not have available.

How are the major decisions in your organisation taken? (e.g. Trust Board, Management Committee) *

Decision making is vested in the Board of Trustees.

At the operational level decisions are made by the Operations Manager who works in consultation with the Board when required.

Who are the current memebers of the major decision-making group? *

PPCT Board comprises of the following.

Sonny Liuvaie- Chairperson

Saane Ma'u- Vice Chairperson

Annie Scoon- Interim Operations Manager

Willie Kwong- Finacial Officer

Fana Richardson Rongokea: Board member (Cook Islands)

Seinia Fruean- Board member (Samoa)

Joseph Toeaso- Board member (Samoa)

Rotoiti Skinner- Board member (Tokelau)

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Soane Vaipulu- Board member (Tonga)

Tausala Iosefa- Board member (Tuvalu)

Paul Titus - Board member (PNG)

Are staff employed or is all work carried out voluntarily? *

PPCT has 4 staff members and also volunteers that form part of its workforce.

If staff are employed, what is the source(s) of funding used to pay them? *

2 staff are employed from funding received from the Pasifika Futures Limited

2 staff are funded from a number of projects: MSD, MPP, MOE and also PPCT funds

What are the key positions in the organisation (paid and/or voluntary) ?

Chairperson- Voluntary

Vice Chairperson- voluntary

Finacial Officer: Voluntary

Operations Manager- Paid

2x Whanau Ora Navigators- Paid

1 x X Community Connector- Paid

Tutors at the Te Fatu Learning Hub- Paid a koha

Other Board members who work as volunteers- voluntary

What in general terms are the roles of these positions?

PPCT is a social service provider, We have teh following roles:

Navigators: The deliver the Whanau Ora program, work with families to develop their goals and aspirations; provide direct support- food support, payment of utilities, health services, school fees etc, connect families with service providers.

Community Connector: Support vulnerable families that are not in the Whanau Ora Program, coordinate the Matua Ola program, coordinate the Community Learning hub; Food Hub and Foodbank project; plan and facilitate the provision of Information Literacy training and support under the PPCT Digital Connect project.

Manager: Provide leadership and overall supervision for staff, and keep the Board informed of developments at operations level. manages communication with key stakeholders, assist with funding applications, and reporting.

Who currently holds these positions? Please give names and brief resumes.

Navigators: May Kwong

Tolu Patelesio

Teresa Jessop (Community Connector)

Annie Scoon (Operations Manager)

Please provide a summary of your organisation's achievements since its establishment?

LANGUAGE AND CULTURE:

Organize language week and Language celebrations in collaboration with Pasifika Island groups; provide cultural programs for the community, host a number of government consultation events and advocate for Pasifika voice

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EDUCATION AND TRAINING

Run the Te Fatu O Te Pasifika Learning Hub for the past 4 years; Pasifika Digital Hub project- access to Devices and internet, training in information Literacy skills and knowledge; organizes career talanoa evening for the Pasifika Community

HEALTH AND WELLBEING

Deliver Matua Ola program for 7 years: Facilitate access to health services and other , follow up support with food needs and other priority needs- utility, transport etc

Provide overall leadership for Pasifika response during Covid 19: \$300,000 omicron response- food, access to device, family costs and utility costs; MSD Food Hub and food bank support; connector services; Pasifika Whanau Ora provider for the Region; partner with Think Hauora for the delivery of the Pasifika Vaccination program for Pasifika

OTHERS: Run funding application sessions and support Pasifika groups to access funds; provided sponsorships to Pasifika groups. Run community events at the Pasifika Centre- Workshops, Open days, etc

Additional information

Filename: PAPAIOEA PASIFIKA COMMUNITY TRUST PRESENTATION 2023 FEASIBILITY STUDY I NFO.pptx

File size: 13.3 MB

Filename: PPCT ORG CHART 2023.pptx

File size: 45.7 kB

Please upload any additional information to support your application

Intended Use

What is the intended use of the property?

- ☐ Sport and recreation
- ☒ Community or social service
- ☐ Education
- ☐ Other:

What service is to be provided from the property? Please give a full description

Community Garden- The aims of the project are as follow:

1. Promote food sovereignty and security amongst Pasifika families and community.
2. To develop the capacity and capability of families to grow and manage own fruits and vegetables in a sustainable manner.
3. To develop the requisite knowledge on how to prepare healthy meals

The project will include the following:

- Planter boxes being located at the Pasifika community Centre
- Establishment of a working group to manage and also lead the project
- The plots will be used for education purposes: workshops will be held at different stages of vegetable production to develop families' knowledge in aspects of production, management
- Families are expected to grown own plots in their homes
- Teh project will assist with the costs of planter boxes and also seedlings

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What are the objectives of the service or activity?

As above

Promote food sovereignty and security amongst Pasifika families and community.

2. To develop the capacity and capability of families to grow and manage own fruits and vegetables in a sustainable manner.

3. To develop the requisite knowledge on how to prepare healthy meals

Who is expected to benefit from the service/project? (i.e. who will be the end users or client group)?

Pasifika families who will be able to learn how to plant/produce own vegetables.

Those managing the project will also benefit through the skills they learn: Project planning, implementation, monitoring and reporting.

What geographic catchment will the project serve?

The whole of Palmerston North- some families from the Midcentral region- outside Palmy. Ashhurst, Rangitikei, Horowhenua.

What is the demographic profile of those who are expected to benefit from the service/project?

Whanau Ora families and the most vulnerable in our community- families from the Pasifika Tē Fatu Learning Hub project and also Matua Ola program- The elderly

How many people are expected to use the service/project on an annual basis?

40 families with an average of 5 members- 200+

How was this need identified?

In the course of our work as a social service provider in supporting the food need of our families also during the Covid 19 period where the food need of families was highlighted.

Which organisations in the City are providing services for a similar target group? (i.e. similar geographic location, demographic profile)

Maori Social Service providers: TANCs, Whakapai Hauora etc. The project also targets high needs families or those from low socio-economic groups.

In what way does your service/activity differ from that supplied by these other organisations?

PPCT is the only Pasifika provider involved in this space.

What evidence do you have that the service/activity will meet the need identified?

Similar projects in the community have helped to enhance access to health food by high risk and priority needs families.

Has the service/project been pilot tested for effectiveness? If so, please give details of pilot test and results.

This project has not been pilot tested but I have been working closely with staff that have been leading similar project: Dave Mollard, and Morrie get some guidance from them; both have had extensive knowledge and expertise with community gardens. Their experience will be useful in enabling PPCT to be successful in our Community Garden project.

Request for Occupancy/lease of Council Land/Building 22/23 Application form

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Has the service/project previously been operated in Palmerston North or anywhere else in New Zealand? If yes, please give details.

Whakapai Hauora Community Garden

Awapuni community garden

How will you measure the level of success of this service/project?

The number of people that will be enrolled in the project from beginning to the end.

Participation in workshops and activities

Evaluation at each stage and documenting the goals achieved at different stages of the project

Families are able to gain the requisite knowledge and skills and are able to apply these; grow own vegetable and also impart the knowledge and skills to others

Families achieve food sovereignty- are able to grow own health and nutritious food

Readiness

What are the costs involved in establishing this activity/service? Please give the main categories of cost and as close an estimate as you can manage for each category.

Planter Boxes and cost of installation \$3,000

Top Soil, Compost \$500

Seedlings \$2,000

Equipment/tools \$1500

Cost for utility: Storage and water \$500

Managing the project: Admin \$1500

Workshop costs \$2000

Pest and weed management \$500

Fertilizer \$150

Management costs: Koha for Working Group \$2000

How do you anticipate funding these costs? (e.g. funds in hand, grants, fund raising) Please specify which funds have already been secured and which are subject to further work/decisions.

MSD Food security Project (Secured).

Seek further funding to co fund this project

Fund raising

What are the estimated costs of operating the service/project on each year?

After the first year and not taking into account the initial establishment cost it would cost \$7-10,000 to run the project.

How do you anticipate funding these costs?

Fundraising or seek funding from partners.

Request for Occupancy/lease of Council Land/Building 22/23 Application form

Application No. 0009 From Sunlou Liuvaie

Form Submitted 17 Sep 2023, 8:08PM NZST

Have you prepared a business plan for the service/project? If yes, please supply a copy.

Project document has been presented to PNCC- A detail business plan has not been developed.

Upload Business Plan

No files have been uploaded

Please supply a copy of your most recent audited accounts.

Filename: Trustees in the Papaioea Pasifika Community Trust Annual Report 2022 (002).pdf
File size: 195.8 kB

If you are leasing a property, what is the timeline for making the service/project operational?

Two months after approval of the project is received from PNCC.

Please specify plans for resourcing (equipment, services, people, tools etc.)

To be completed and uploaded

Have you prepared any conceptual and technical plans? Please Upload

No files have been uploaded

Fit with Council Direction

Policy on Use of Public Spaces 2019

Support and Funding Policy - Occupancy of council-owned Property by For-Purpose groups

Purpose: The purpose of this support is to provide to allow for-purpose groups to occupy and operate out of Council owned property for sporting, recreational, community/social services and educational purposes at community rental rates.

Support Priorities: For-purpose groups that contribute to outcomes to achieve goals 2, 3, and/or 4 of Council's strategic direction. For- purpose organisations who are jointly seeking a shared space within a Council-owned building; and their presence fits with the identified space and will maintain or enhance the uniqueness of the space.

Policy on Use of Public Spaces 2019^[1]

In considering an application to use public space, and particularly where there are competing applications for the use of public space or high demand for a public space, the Council will consider whether the activity:

- supports the achievement of the Council's goals
- adds to the variety of events or activities available in Palmerston North
- enhances any precinct identities (e.g. Broadway as a hospitality precinct)

Request for Occupancy/lease of Council Land/Building 22/23 Application form

Application No. 0009 From Sunlou Liuvaie

Form Submitted 17 Sep 2023, 8:08PM NZST

- provides an experience (rather than a simple commercial exchange)
- does not significantly limit the availability of space for general community use.

Council may also consider:

- whether the event or activity is inclusive of and accessible to the wider community
- iwi feedback on the proposed event or activity
- the opportunity to enhance or celebrate the heritage values of the public space
- the opportunity to enhance or celebrate the natural environment of the public space
- the opportunity to contribute to preparedness for emergency response, disaster response, or national security concerns
- potential impact on existing city businesses. Council may require applications to be subject to public consultation where an application is likely to be controversial, or where it is unclear if the proposal is consistent with the overall intent of the policy.

Note that none of the criteria or considerations provided for in this policy outweigh the freedoms guaranteed under the Bill of Rights Act.

[1] <https://www.pncc.govt.nz/council-city/official-documents/policies/policy-for-the-use-of-public-space/>

Palmerston North Strategic Direction

Goal 1: An Innovative and growing city

Goal 2: A creative and exciting city

Goal 3: A connected and safe community

Goal 4: An eco-city

[Strategic direction | Palmerston North City Council \(pncc.govt.nz\)](https://www.pncc.govt.nz/council-city/official-documents/policies/policy-for-the-use-of-public-space/)

Please explain how your proposed lease will contribute to one or more goals of Council (it is not necessary to contribute to more than one goal):

Goal 3: A connected and safe community- This project will enhance the social connections of the families that will be part of it; it will also enhance connections with organizations that will provide technical support for the project.

Goal 4: An eco city: This project will ensure in its implementation that sustainable practices are built into project design, implementation and management.

Is the need which this project/service aims to address identified in any other City Council plans or research? If so please indicate the report and relevant sections.
NO

Type of Property (new requests only)

35. Does your group require a building or land only?

Land Only

36. Please describe the type of property you require? Size, type, what attributes must it have etc.

The land required for the project has already been identified in conjunction with the PNCC

Request for Occupancy/lease of Council Land/Building 22/23 Application form

Application No. 0009 From Sunlou Liuvaie

Form Submitted 17 Sep 2023, 8:08PM NZST

team. Criteria are as follow: Must have exposure to direct sunlight; access to water and also utilities- transport etc.

37. Does the property need to be located in a particular area of the City? If so, where?

YES- At the Pasifika Community Centre- In close proximity to where we have programs so ease of access to those managing the project and also the recipients.

38. Is this location essential or desirable? Please bear in mind that if you mark essential and the Council does not have suitable property in that location then no property at all may be offered.

☐ Desirable

☒ Essential

39. Do you have a location or Council property in mind? If so where?

At the Pasifika Community Centre- Next to the Playground along the fence line.

40. Approximately how long do you anticipate requiring Council property for?

3- 5 years

41. Please attach any other information you wish to supply as part of your application

No files have been uploaded

Declaration

You must agree to the below statements before submitting your application:

New Question

☒ I confirm that all information given or written is true, complete and accurate.

☒ I give authority for Council to use the information provided publicly, such as in a report to the Council, to assess our proposal.

Assessment of Lease Proposal – Support and Funding Policy

In considering an application of a for-purpose organisation to use public space, and particularly where there are competing applications for the use of public space or high demand for a public space, the Council will assess the applications against the criteria set out in both policies.

Date: 24 October 2023

Group Name: Papaiōea Pasifika Community Trust

Proposed Lease Location: 21 Havelock Avenue (part of Bill Brown Park), Palmerston North

Use of Public Space Policy

Criteria	Assessment
Supports the achievement of the Council's goals	Activities of the Trust are consistent with goals two and three of Council's strategic direction.
Is accessible to the wider community	The Trust activities seek and support the Palmerston North community.
Adds to the variety of events or activities available in Palmerston North	The Trust intends to provide opportunities to promote and create connections within the community.
Enhances any precinct identities (e.g. Broadway as a hospitality precinct)	The Trust supports and enhances the activities at 21 Havelock Avenue.
Provides an experience (rather than a simple commercial exchange)	The Trust is focused on supporting community initiatives and providing a service for the community.
Does not significantly limit the availability of space for general community use	The Licence would reduce the availability of the space for general community use. This is not expected to be a significant impact due to the size of the proposal.
Rangitāne o Manawatu feedback on the proposed activity	Rangitāne o Manawatu representatives will be consulted during the public notification period.
Potential impact of the occupancy and proposed activities	The proposed licence will have a minor impact on the amount of greenspace however, the location of the proposal is of least disruption to other park users.

Reserves Act 1977 Considerations

Criteria	Assessment
Meets the defined purpose of Local purpose Reserves in Section 23(1) of the Reserves Act 1977.	The Trust is providing an educational community garden to the local community. This activity is consistent with the purpose of Recreational Reserves
The public shall have freedom of entry and access to the reserve, except for the ability to lease areas under Section 54.	The area proposed is a licence agreement therefore public access is not impacted.
Where scenic, historic, archaeological, biological, geological, or other scientific features or indigenous flora or fauna or wildlife are present on the reserve, those features or that flora or fauna or wildlife shall be managed and protected to the extent compatible with the principal or primary purpose of the reserve.	No trees or vegetation are required to be removed by the current proposal.
Those qualities of the reserve which contribute to the pleasantness, harmony, and cohesion of the natural environment and the better use and enjoyment of the reserve shall be conserved.	The Trust will have minimal impact on the existing pleasantness and enjoyment of the reserve. The proposal will provide further opportunities to the community.
To the extent compatible with the principal or primary purpose of the reserve, its value as a soil, water, and forest conservation area shall be maintained.	The proposed licence will not impact soil, water and forest conservation.

Impact on the locality and Park operations

Criteria	Assessment
Aesthetics	The proposal has little impact on the site aesthetics.
Security	The Trust will be responsible for security, including any vandalism or graffiti.
Cleaning and Offensive litter	The Licence holder will be made responsible for cleaning litter from the vicinity produced by the project.
Vegetation	No trees or shrubs would be required to be removed with the current plans provided by the Trust.
Car parking	Existing car parking is available.
Affected Parties	Parties identified include: <ul style="list-style-type: none"> - Neighbouring residents and tenants - Members of the Trust - Bill Brown Park Users - Local Community - Rangitane o Manawatu

REPORT

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: 154 Centennial Drive - Proposal to continue supporting the Palmerston North Canoe Club Incorporated by notifying the intention to grant occupancy via a commercial lease of Council land and building

PRESENTED BY: Bryce Hosking, Group Manager - Property and Resource Recovery

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee propose to continue to support Palmerston North Canoe Club Incorporated by notifying the public of its intention to grant occupancy of Council land and building at 154 Centennial Drive, Palmerston North, in accordance with Section 54 of the Reserves Act 1977.
2. That the Committee note that the land affected by the occupancy of Palmerston North Canoe Club Incorporated is described as Part Lot 3 DP 1332.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	<p>The Canoe Club has held a commercial lease for the land and part of the building at 154 Centennial Drive, commonly known as 'The Chalet', since 1968. The building is part owned by both the Canoe Club and Palmerston North City Council.</p> <p>The Canoe Club has a commercial sublease of the top floor of the building to a commercial catering and event company.</p> <p>As the site is on reserve land, any new lease is subject to the requirements of the Reserves Act 1977. This includes public notification of Council's intention to grant a new lease on the Reserve.</p> <p>This report requests approval to commence the public notification process in accordance with Section 54 of the Reserves Act 1977.</p> <p>Due to the commercial nature of the lease, the current rental figures will be included in a confidential attachment to this report.</p>
OPTION 1:	Notify the public of Council's intention to approve the proposal to grant a lease to the existing tenant at 154 Centennial Drive in accordance with Section 54 of the Reserves Act 1977.
Community Views	<ul style="list-style-type: none"> Community views will be sought during the public notification period. Council is not aware of any complaints or issues regarding the Canoe Club or the sublease's activities.
Benefits	<ul style="list-style-type: none"> Entering a new lease will allow the Canoe Club to continue to provide sporting and recreational opportunities for the Palmerston North community as well as continuity of the commercial event venue sublease. The community views will be understood to inform the decision and any objections considered as required under the Reserves Act 1977.
Risks	<ul style="list-style-type: none"> Whilst not a direct risk related to whether to grant a new lease, there is a risk identified in association to the condition of the building. The joint ownership of the building, whilst positive from a partnership perspective, does create funding restrictions when addressing works to be undertaken to the building as works are to be co-funded by both parties. Several renewal works have been identified and the building has also been identified as being earthquake prone. If not addressed, these works may start to impact on the building's performance.

Financial	<ul style="list-style-type: none"> Costs of public notification will be minor. If a new lease were entered, Council would continue to receive 44.6% of the annual market rent, as noted in the confidential attachment.
OPTION 2:	Do not notify the public of the intention to grant a lease – effectively causing the discontinuation of the Canoe Club’s occupancy of Council’s land and the jointly owned building.
Community Views	<ul style="list-style-type: none"> Community views will not be sought.
Benefits	<ul style="list-style-type: none"> The current lease provides provision for what would occur should the lease discontinue, which will allow for a ‘clean’ ending to the situation. For context, the lease directs that upon the lease coming to an end, the Canoe Club’s ownership share of the building, together with all improvements thereon, will transfer to Council’s ownership in full without compensation payable to the Tenant. Should the lease end and the Canoe Club be requested to vacate the premises, Council will have the opportunity to explore options for the continued use of the land prior to potentially seeking alternative community occupancy options. This process is a requirement under the Support and Funding Policy and gives the opportunity to investigate alternative use of the reserve land when a leasing arrangement ends. This would provide Council with the opportunity to address the renewal works required without needing to seek co-funding.
Risks	<ul style="list-style-type: none"> The Canoe Club currently has a sublease for a portion of the building to a private caterer. If the lease is to end, in turn, the sublease would expire, and there may not be an opportunity to re-sign them, meaning the building would be vacant and these services would cease also. Council may be perceived as not supporting the sport and recreation activities of the Canoe Club. Given that the Canoe Club’s ownership share in the building assets will simply transfer to Council without compensation, this may have a considerable impact on the Canoe Club’s financial situation.
Financial	<ul style="list-style-type: none"> Council would no longer receive 44.6% annual market rent. All building works and ownership costs would now be

	borne by Council in full.
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RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 The Canoe Club has been occupying part of Council's building and land at 154 Centennial Drive (Chalet), Palmerston North since 1968. The Canoe Club's lease is due to expire on 28 February 2024 and the Club now requests a new lease so they can continue to operate from the site.
- 1.2 As the leased land is reserve land, any new lease is subject to the requirements of the Reserves Act 1977 which requires public notification of Council's intention to grant a new lease.
- 1.3 This report seeks Council's approval to commence the public notification process in accordance with Section 54 of the Reserves Act 1977.
- 1.4 Due to the commercial nature of the lease, the subsequent report seeking to grant the lease will include a confidential attachment with the new agreed market rent. This report only seeks to publicly notify the intention to grant a new lease.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

- 2.1 The Canoe Club provides water sports activities for the wider Manawatu community. There are multiple tournaments held each year that bring in teams from around New Zealand to Palmerston North.
- 2.2 The Chalet is jointly owned by Council (44.6%) and the Canoe Club (55.4%). This ownership does not include the public toilets on the ground floor, these are 100% owned by Council. The Canoe Club leases the land and the portion of the building owned by Council.
- 2.3 The Chalet was originally built by Council. The Canoe Club leases the building as a clubroom, storage facility, and a base on the lagoon for public boating activities.
- 2.4 In the late 1960s the Canoe Club was gifted property around Palmerston North from their founder, Davey Dilks. The Club sold the properties and used the profits to extend the existing Chalet building. The extension doubled the size of the building; hence the unusual situation developed where a building was owned jointly by Council and the Canoe Club.
- 2.5 The Canoe Club sublease the upstairs function room to a catering and event company. The current sublessee is Boatshed Catering. Council receives a 44.6% share of the sublessee's rent on an annual basis.

- 2.6 The joint ownership of the building, whilst positive from a partnership perspective, does create funding restrictions when addressing works to be undertaken to the building, as works are to be co-funded by both parties. Several renewal works have been identified and the building has also been identified as being earthquake prone. If not addressed, these works may start to impact on the building's performance.
- 2.7 The Chalet building is proposed to be strengthened in the later end of Council's strengthening programme, sitting 10th on the order of strengthening.
- 2.8 The Canoe Club has requested a new Deed of Lease so it can continue to operate from the site before investing significant funds into intended works.

3. THE PROPOSAL

- 3.1 The proposed lease area sought by the Club is approximately 1,056m² and is situated at 154 Continental Drive, Palmerston North, outlined in red as shown in Figure 1.
- 3.2 If the lease is granted, the proposed rental figure will be disclosed in a confidential attachment due to commercial sensitivity. The proposed annual rent will be determined by a market valuation prepared by an external registered valuer.
- 3.3 The proposed term would be five (5) years, with two rights of renewal for a further five (5) years.
- 3.4 If a new lease is commenced, the use of the site will remain the same.



Figure 1: Proposed lease area

4. LEASING POWERS UNDER THE RESERVES ACT

4.1 In addition to the Support and Funding policy requirements, as the land is a reserve held under the Reserves Act 1977, the leasing provisions also apply.

4.2 Section 54(1)(b) of the Reserves Act 1977 allows for an administering body to:

'lease to any voluntary organisation part of the reserve for the erection of stands, pavilions, gymnasiums, and, subject to sections 44 and 45, other buildings and structures associated with and necessary for the use of the reserve for outdoor sports, games, or other recreational activities, ... which lease shall be subject to the further provisions set out in Schedule 1 relating to leases of recreation reserves issued pursuant to this paragraph:

provided that a lease granted by the administering body may, with the prior consent of the Minister given on the ground that he or she considers it to be in the public interest, permit the erection of buildings and structures for sports, games, or public recreation not directly associated with outdoor recreation.'

4.3 'Necessary' is not interpreted as requiring that all or even most visitors or users of the reserve need/want to use the service or activity provided under the lease. Reserves often have activities on them that only some of the visitors to the reserve use. The balance of the reserve is available for general use by the community.

4.4 The proposal would see the continued use of part of the reserve by the Canoe Club. The lease does not alter the current user experience or change the existing capacity for other activities

5. ASSESSMENT OF PROPOSAL UNDER THE RESERVES ACT 1977 CONSIDERATIONS

5.1 The request from the Canoe Club to occupy Council's land and building has been assessed by Council Officers in relation to considerations under the Reserves Act 1977 including consideration of the values and purpose of the reserve and the impacts on the public use of the reserve.

5.2 Further assessment considerations include the impacts on the locality and park operations.

5.3 A copy of the assessment is attached as Appendix 1.

5.4 In summary, following the assessment of the Reserves Act and its impacts on the locality and park operations, Council Officers conclude that the Canoe Club meets all criteria required.

6. LAND STATUS

6.1 The legal description and status of the land is:

Title	Reserve Status	Comment
DP 1332 Lot 3	Recreation Reserve	

7. GIVING EFFECT TO THE PRINCIPLES OF THE TREATY OF WAITANGI

- 7.1 The Reserves Act 1977 is subject to Section 4 of the Conservation Act and requires that administering bodies under the Reserves Act 1977 give effect to the principles of the Treaty of Waitangi.
- 7.2 Council recognises that the Hokowhitu Lagoon is a significant area for Rangitāne o Manawatū. Rangitāne o Manawatū representatives have considered the proposal. They are comfortable with this proposal and happy for it to proceed. Rangitāne have expressed their interest in strengthening their relationship with the Canoe Club.

8. DESCRIPTION AND ANALYSIS OF OPTIONS

Notify the public of Council's intention to approve the proposal to grant a lease to the existing tenant at 154 Centennial Drive in accordance with Section 54 of the Reserves Act 1977.

- 8.1 Council will seek feedback on the proposal to grant a lease to the Canoe Club.
- 8.2 Council must give people the opportunity to object to the proposal, and be heard, before deciding to grant a lease as per sections 119 and 120 of the Reserves Act 1977.
- 8.3 After considering feedback, Council can then decide to enter a formal lease with the Canoe Club.
- 8.4 The Canoe Club contributes to the community and shows strong alignment with Council's strategic direction. The Canoe Club aligns with Goal 2 by providing a facility that is multi-purpose and supports active communities in new residential growth areas.

Do not notify the public of the intention to lease that would effectively cause the discontinuation of the Canoe Club's occupancy of Council land and building.

- 8.5 The impact of this option would mean that the opportunity to seek community feedback on the Canoe Club's continued occupancy of the site would not occur.
- 8.6 In turn, this would mean that the lease would cease, and Council would then need to follow the process outlined in the Support and Funding Policy to determine the future use of the land/recreation reserve (refer 5.5.1 b). The first step in this process is to carry out a strategic options review.

8.7 The implication of this option on the Club would mean that they would not be able to continue leasing the site; in turn, the sublease would terminate. Under the Deed of Lease's provisions on termination of the lease any provision providing for the termination of the lease whether by effluxion of time, surrender, breach of conditions, or otherwise the premises, together with all improvements thereon, will revert to the Landlord without compensation payable to the Tenant or otherwise.

8.8 This option poses the risk that Council will be negatively perceived by not supporting the activities of the Canoe Club and sublessee, which have occupied the site for over 50 years.

9. CONCLUSION

9.1 The proposal is consistent with the purpose of recreation reserves as the Canoe Club is a facility supporting public recreation and enjoyment of 154 Centennial Drive (The Chalet), Palmerston North by providing a range of sporting and recreation activities to the community.

9.2 Public notification on the proposed lease will provide opportunities for submissions and objections to be made before a decision is made fulfilling the requirements of the Reserves Act 1977.

9.3 It is recommended that Council proceed with Option 1 as the preferred option. The Canoe Club's activities contribute to outcomes to achieve Goal 2 of Council's strategic direction.

10. NEXT ACTIONS

10.1 Public notification of the intention to grant the lease, seeking submissions and objections.

10.2 Provide the opportunity for any submitters that wish to be heard to speak to Council.

10.3 Consider the objections and submissions and provide advice to Council on whether to accept, modify, or decline the lease proposal.

11. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

11.1 The proposed consultation process meets the public notification requirements of the Reserves Act that requires a minimum of one-month period advertised in the Manawatu Standard and on the Council website.

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 achievement of action/actions in Active Communities	
The action is: Administer the Reserves Act 1977	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	The recommendation on the proposal to seek public consultation is in line with the requirements of the Reserves Act 1977.

ATTACHMENTS

1. Assessment of Lease - Reserves Act and Park Operations [↓](#) 
2. Canoe Club Rental Figures 2023 - **Confidential**

Assessment of Lease Proposal

In considering an application of a for purpose organisation to use public space, and particularly where there are competing applications for the use of public space or high demand for a public space, the Council will assess the applications against the criteria set out in both policies.

Date: 24 October 2023
Group Name: Palmerston North Canoe Club
Proposed Lease Location: 154 Centennial Drive, Palmerston North

Reserves Act 1977 Considerations

Criteria	Assessment
Meets the defined purpose of Local purpose Reserves in Section 23(1) of the Reserves Act 1977.	The Club is providing recreational activities to the local community. It contributes to the community. This activity is consistent with the purpose of Recreational Reserve.
The public shall have freedom of entry and access to the reserve, except for the ability to lease areas under Section 54.	The area is proposed to be leased under Section 54 and therefore public access is not required.
Where scenic, historic, archaeological, biological, geological, or other scientific features or indigenous flora or fauna or wildlife are present on the reserve, those features or that flora or fauna or wildlife shall be managed and protected to the extent compatible with the principal or primary purpose of the reserve.	No trees or vegetation are required to be removed by the proposal.
Those qualities of the reserve which contribute to the pleasantness, harmony, and cohesion of the natural environment and the better use and enjoyment of the reserve shall be conserved.	The Club is an existing occupier and will not negatively impact the existing pleasantness and enjoyment of the reserve.
To the extent compatible with the principal or primary purpose of the reserve, its value as a soil, water, and	The proposed lease will not impact soil, water and forest conservation.

forest conservation area shall be maintained.	
Does not significantly limit the availability of space for general community use	The lease does not affect the availability of the space for general community use.

Impact on the locality and Park operations

Criteria	Assessment
Aesthetics	The Trust currently occupies the site. There are no additional impacts from the continuing occupation of the site
Security	The Trust will be responsible for the security of their buildings and assets
Cleaning and Offensive litter	The Trust is responsible for managing litter within its leased area
Vegetation	No trees or shrubs would be required to be removed
Carparking	Existing car parking is available. No new effects are created in approving a new lease
Affected Parties	Parties identified include: <ul style="list-style-type: none"> - Neighbouring residents and tenants - Park Users - Local Community - Rangitane o Manawatu

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: 119 Highbury Avenue (part of Tui Park) - Proposal to grant a lease on Council land to Te Whatu Raranga o Highbury Weavers

PRESENTED BY: Bryce Hosking, Group Manager - Property and Resource Recovery

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION TO STRATEGY & FINANCE COMMITTEE

1. That the Committee grant a lease of the land and part building at 119 Highbury Avenue (part of Tui Park), Palmerston North described as Sec 1 SO 452061 to Te Whatu Raranga o Highbury Weavers, in accordance with Council's Support and Funding Policy and Section 54 of the Reserves Act 1997.
-

1. ISSUE

- 1.1 Te Whatu Raranga o Highbury Weavers ('Highbury Weavers') has been operating at Tui Park, Palmerston North since 2008 through a formal lease, however, has occupied the site for much longer.
- 1.2 The formal land and building lease with Highbury Weavers expired on 31 August 2023 and they have been operating on a month-by-month lease since.
- 1.3 The Highbury Weavers requested a new lease to continue operation. As the land leased is reserve land, the lease request is subject to the requirements of the Reserves Act 1977 in addition to Council's Support and Funding Policy. These requirements include public notification of Council's intention to grant a new lease on the reserve.
- 1.4 The public notification process is now complete with no submissions received.
- 1.5 This report seeks approval to grant a new lease to the Highbury Weavers in accordance with Section 54 of the Reserves Act 1977 and Council's Support and Funding Policy.

2. BACKGROUND

2.1 A report to the Strategy & Finance Committee on 20 September 2023 assessed the proposal and as a result the Committee resolved:

1. *That Council continue to support Te Whatu Raranga o Highbury Weavers by notifying the public of its intention to grant community occupancy of Council land and building, via a lease at 119 Highbury Avenue (part of Tui Park), Palmerston North, in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.*

2. *That the Committee note the land affected by the community occupancy lease to Te Whatu Raranga o Highbury Weavers is described as part of Sec 1 SO 452061.*

2.2 Consultation was completed in October 2023. No submissions were received.

2.3 If entered the proposed lease will commence on 1 September 2023 and will be for a term of five (5) years with one right of renewal of a further five (5) years.

2.4 The proposed annual rent is to be \$350 plus GST. This is consistent with the rental framework in Council's Support and Funding Policy.

3. CONCLUSION

3.1 Council have been supporting the Highbury Weavers through granting occupancy of Council Land and building since 2018.

3.2 Given there were no objections to the new lease proposal, and the requirements of the Reserves Act 1977 and the Support and Funding Policy have been met, it is recommended that Council continue to support the group and proceed with granting a new lease to Te Whatu Raranga o Highbury Weavers.

4. NEXT STEPS

4.1 A new lease is executed between Palmerston North City Council and Te Whatu Raranga o Highbury Weavers.

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	No

Consultative 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 the achievement of action/actions in Connected Communities		
The action is: Lease Council land facilities to for-purpose organisations in line with the Community Funding Policy.		
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	The recommendation is in line with Council's Support and Funding Policy which supports community groups to deliver benefits contributing to the cultural, economic, environmental, and social wellbeing of the city.	

ATTACHMENTS

Nil

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: 279 Albert Street (part of Hokowhitu Domain) - Proposal to grant a lease to Hokowhitu Bowling Club Incorporated

PRESENTED BY: Bryce Hosking, Group Manager - Property and Resource Recovery

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee grant a lease of the land at 279 Albert Street (part of Hokowhitu Domain), Palmerston North described as Lot 18 DP 32630, and part of Lots 214, 215, 216, and 217 DP 791 to Hokowhitu Bowling Club Incorporated, in accordance with Council's Support and Funding Policy and Section 54 of the Reserves Act 1977.
 2. That the new lease to Hokowhitu Bowling Club Incorporated have either:
 - a. An initial term of five (5) years with a right of renewal for a further five (5) years
 - or
 - b. An initial term of three (3) years with a right of renewal for a further three (3) years.
-

1. ISSUE

- 1.1 The Hokowhitu Bowling Club has been operating at the Hokowhitu Domain, Palmerston North since 1937.
- 1.2 The formal land lease with the Bowling Club expired in 2019 and the Club has been operating on a month-by-month lease since.
- 1.3 The Bowling Club requested a new lease to continue operating. As the land leased is reserve land, the lease request is subject to the requirements of the Reserves Act 1977 in addition to Council's Support and Funding Policy. These requirements include public notification of Council's intention to grant a new lease on the reserve.
- 1.4 The public notification process is now complete with no submissions received.

- 1.5 The report seeks approval to grant a new lease to the Bowling Club in accordance with Section 54 of the Reserves Act 1977 and Council's Support and Funding Policy.

2. BACKGROUND

- 2.1 A report to the Strategy & Finance Committee on 20 September 2023 assessed the proposal and as a result the Committee resolved:
 1. *That Council continues to support Hokowhitu Bowling Club Incorporated by notifying the public of its intention to grant community occupancy of Council land at 279 Albert Street (part of Hokowhitu Domain), Palmerston North in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.*
 2. *That Council notes the land affected by the community occupancy of Hokowhitu Bowling Club Incorporated is described as Lot 18 DP 32630 and part of Lot 214, 215, 216, and 217 DP 791.*
 3. *That the Committee note, if the lease is entered, that the lease term with Hokowhitu Bowling Club will be no less than five (5) years.*
- 2.2 Given the third resolution above was an additional recommendation that was passed, Council Officers have had further discussions with the Bowling Club. The Bowling Club Committee has raised concerns around the uncertainty of entering a shorter-term lease in comparison to the previous lease term and feel they have created a strong community within the space and have seen an increase in members recently.
- 2.3 In addition, the Bowling Club Committee made it clear they have no intention of reconsidering a merger with another local bowling club and that they continue to maintain and improve the building assets, which most recently has included a \$50,000 roof replacement for the clubrooms. They were concerned if a shorter term were entered this would make it harder to justify the continued investment.
- 2.4 Given the above, the Club has requested the consideration of the proposed lease to commence on 1 April 2023, for a term of five (5) years with a right of renewal for a further five (5) years.
- 2.5 For clarity, should the Strategy & Finance Committee not wish to grant a longer term, the lease will instead be three (3) years with a right of renewal for a further three (3) years, noting that either a lease with a 5+5 or a 3+3-year lease term structure will still be consistent with the wording of recommendation 3 as detailed above in 2.1 of this report.
- 2.6 Regardless of the term, the annual rent is to be \$500.00 plus GST. This is consistent with the rental framework in Council's Support and Funding Policy.

3. CONCLUSION

- 3.1 Council has been supporting the Club by granting occupancy of Council land since 1937.
- 3.2 Given there were no objections to the new lease proposal, and the requirements of the Reserves Act 1977 and the Support and Funding Policy have been met, it is recommended that Council continue to support them and proceed with granting a new lease to the Club.
- 3.3 Whilst the setting of a lease term is within the delegated authority of the Group Manager – Property and Resource Recovery, given the third resolution passed in the September report Officers also seek direction from the Strategy & Finance Committee on lease term structure for the new lease.

4. NEXT STEPS

- 4.1 A new lease is executed between Palmerston North City Council and the Hokowhitu Bowling Club Incorporated.

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 achievement of action/actions in Connected Communities	
The action is: Administer the Reserves Act 1977	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	The recommendation is in line with Council's Support and Funding Policy which supports community groups to deliver benefits contributing to the cultural, economic, environmental, and social wellbeing of the city.

ATTACHMENTS

Nil

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: 309 Main Street - Proposal to grant a lease on Council land to Senior Citizens Association Palmerston North Incorporated

PRESENTED BY: Bryce Hosking, Group Manager - Property and Resource Recovery

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee grant a lease of the land at 309 Main Street, Palmerston North described as Lot 2 DP 40465 to Senior Citizens Association Palmerston North Incorporated, in accordance with Support and Funding Policy 2022.

1. ISSUE

- 1.1 Senior Citizens Association has been operating at 309 Main Street, Palmerston North since 2004.
- 1.2 The formal land lease with Senior Citizens Association expired on 30 September 2023 and the group has been operating on a month-by-month lease since. The Senior Citizens Association own their building and all improvements; Council only lease the land to them.
- 1.3 The Senior Citizens Association requested a new lease to continue operating. This lease request is subject to Council's Support and Funding Policy 2022. These requirements included public notification of Council's intention to grant a new lease on Council land.
- 1.4 The public notification process is now complete with no submissions received.
- 1.5 This report seeks approval to grant a new lease to the Senior Citizens Association in accordance with Council's Support and Funding Policy.

2. BACKGROUND

- 2.1 A report to Council on 1 August 2023 assessed the proposal and as a result Council resolved:
 1. That Council continue to support Senior Citizens Association Palmerston North Incorporated by notifying the public of its intention to grant

community occupancy of Council land, via a lease at 309 Main Street, Palmerston North, in accordance with the Support and Funding Policy 2022.

2. That the Committee note the land affected by the community occupancy lease to Senior Citizens Association Palmerston North Incorporated is described as Lot 2 DP 40465

2.2 Consultation was completed in September 2023. No submissions were received.

2.3 If entered the proposed land lease upon which the building stands will commence on 1 October 2023 and will be for a term of five (5) years with one right of renewal of a further five (5) years.

2.4 The proposed annual rent is \$150.00 plus GST. This is consistent with the rental framework in Council's Support and Funding Policy 2022.

3. CONCLUSION

3.1 Council have been supporting the Senior Citizens Association through leasing land to the club since 2004.

3.2 Given there were no objections to the new lease proposal, and the requirements of the Support and Funding Policy have been met, it is recommended that Council continue to support them and proceed with granting a new lease to the Senior Citizens Association.

4. NEXT STEPS

4.1 A new lease is executed between Palmerston North City Council and the Senior Citizens Association Palmerston North Incorporated.

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 2: A Creative and Exciting City	
The recommendations contribute to the achievement of action/actions in Active	

<p>Communities</p> <p>The action is: Council supports a variety of clubs and organisations through consistent and transparent lease arrangements at parks and reserves and community centres.</p>	
<p>Contribution to strategic direction and to social, economic, environmental, and cultural well-being</p>	<p>The recommendation is in line with Council's Support and Funding Policy, which seeks to support community groups to deliver benefits contributing to the cultural, economic, environmental, and social wellbeing of the city.</p>

ATTACHMENTS

Nil

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Vautier Park - Proposal to grant a lease on Council land to Netball Manawatū Centre Incorporated

PRESENTED BY: Bryce Hosking, Group Manager - Property and Resource Recovery

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee grant a lease of the land and part building at Vautier Park, Palmerston North described as Part Section 248 TN of Palmerston North WN 16B/1168 to Netball Manawatū Centre Incorporated, in accordance with Council's Support and Funding Policy and Section 54 of the Reserves Act 1977.
-

1. ISSUE

- 1.1 Netball Manawatu has been operating at Vautier Park, Palmerston North since 2013.
- 1.2 The formal land and building lease with Netball Manawatu expired on 30 June 2023 and they have been operating on a month-by-month lease since. Netball Manawatu owns the upper level of the building, Council only lease air space (i.e. where the upper level of the building is), part of the lower level, and the land to Netball Manawatu.
- 1.3 Netball Manawatu requested a new lease to continue operating. As the land leased is reserve land, the lease request is subject to the requirements of the Reserves Act 1977 in addition to Council's Support and Funding Policy 2022. These requirements include public notification of Council's intention to grant a new lease on the reserve.
- 1.4 The public notification process is now complete with no submissions received.
- 1.5 This report seeks approval to grant a new lease to Netball Manawatū in accordance with Section 54 of the Reserves Act 1977 and Council's Support and Funding Policy.

2. BACKGROUND

2.1 A report to the Strategy & Finance Committee on 1 August 2023 assessed the proposal and as a result Council resolved:

1. *That Council continues to support Netball Manawatū Centre Incorporated by notifying the public of its intention to grant community occupancy of Council land at Vautier Park, Palmerston North in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.*

2. *That Council notes the land affected by the community occupancy of Netball Manawatū Centre Incorporated is described as Part Section 248 TN of Palmerston North WN16B/1168.*

2.2 Consultation was completed in September 2023. No submissions were received.

2.3 If entered the proposed lease will commence on 1 July 2023 and will be for a term of five (5) years with one right of renewal of a further five (5) years.

2.4 The proposed annual rent is to be \$600.00 plus GST. This is consistent with the rental framework in Council's Support and Funding Policy 2022.

3. CONCLUSION

3.1 Council has supported Netball Manawatū through leasing and seasonal Service Level Agreements (SLAs) since 2013.

3.2 Given there were no objections to the new lease proposal, and the requirements of the Support and Funding Policy have been met, it is recommended that Council continue to support them and proceed with granting a new lease to Netball Manawatū Centre Incorporated.

4. NEXT STEPS

4.1 A new lease between Palmerston North City Council and Netball Manawatū Centre Incorporated is executed.

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 2: A Creative and Exciting City		
The recommendations contribute to the achievement of action/actions in Active Communities		
The action is: Administer the Reserves Act 1977.		
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	The recommendation is in line with Council's Support and Funding Policy which supports community groups to deliver benefits contributing to the cultural, economic, environmental, and social wellbeing of the city.	

ATTACHMENTS

Nil

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Pioneer Reserve - Proposal to grant an easement on Council land to Powerco Limited

PRESENTED BY: Bryce Hosking, Group Manager - Property and Resource Recovery

APPROVED BY: Chris Dyhrberg, Chief Infrastructure Officer

RECOMMENDATION(S) TO COUNCIL

1. That Council grant an easement to convey electricity to Powerco.
2. That Council note that the requirements of Sections 119 and 120 of the Reserves Act 1977 have been satisfied in relation to public notification prior to the resolution to grant an easement to convey electricity over Pioneer Reserve.

1. ISSUE

- 1.1 Powerco recently became aware that they have placed new ground-mounted transformers and switchgear inside the boundary of Pioneer Reserve being Council-owned land as opposed to just being within the road reserve.
- 1.2 The Reserves Act 1977 requires any form of utility for services on reserve land to be covered by an easement, however, there is currently no easement within Pioneer Reserve.
- 1.3 Powerco has proactively identified this matter and has requested an easement to be created to ensure the legal status of these utilities aligns with the Reserves Act. The alternative would be for them to relocate the transformer which would be a costly exercise and potentially disruptive for residents.
- 1.4 The public notification process has been completed in accordance with Section 48 of the Reserves Act 1977. There were no submissions received.
- 1.5 This report seeks approval from Council to grant the formal easement for this matter.

2. BACKGROUND

2.1 A report to the Strategy and Finance Committee on 20 September 2023 assessed the proposal and as a result the Committee resolved:

1. *That the Strategy & Finance Committee approves notifying the public of the proposal to grant an easement at Pioneer Reserve, Palmerston North to convey electricity to Powerco, in accordance with Section 48 of the Reserves Act 1977.*

2. *That the Committee notes that the land area affected by the easement for Powerco is described as Lot 2 DP 88159.*

2.2 Consultation was completed in October 2023. No submissions were received.

2.3 Rangitāne o Manawatū are in support of the easement being granted.

2.4 If the easement is granted the easement instrument will be entered between Council and Powerco and added to the relevant property title.

3. CONCLUSION

3.1 Granting of the easement will ensure the activity is compliant with the requirements of the Reserves Act 1977.

3.2 Given there were no objections to the proposed easement and the requirements of the Reserves Act 1977 have been met, it is recommended that Council grant an easement to Powerco.

4. NEXT STEPS

4.1 The easement instrument will be entered between Council and Powerco and added to the relevant property title.

5. 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 3: A Connected and Safe Community	
The recommendations contribute to the achievement of action/actions in	

Economic Development	
The action is: Carry out recreation and reserves planning functions under the Reserves Act 1977 and LGA including the preparation of Reserves Management and Development Plans and Master Plans.	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	This action ensures Council meets its legal obligation under the Reserves Act 1977 with regards to reserves planning and legislative requirements for utilities sites in reserves.

ATTACHMENTS

Nil

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Deliberations on submissions - draft Interim Speed Management Plan (School Speed Limits)

PRESENTED BY: Peter Ridge, Senior Policy Analyst

APPROVED BY: David Murphy, Chief Planning Officer

RECOMMENDATION TO COUNCIL

1. That Council confirm the speed limits for roads around the following schools, as set out in Attachment 1 to the memorandum:

a.	Aokautere School	Option 1A	p. 10
b.	Kairanga School	Option 12A	p. 91
c.	Longburn Adventist College	Option 13A	p. 95
d.	Longburn School	Option 14A	p. 98
e.	Turitea School	Option 22A	p. 136

2. That Council confirm the speed limits for roads around the following schools, as set out in Attachment 1 to the memorandum:

a.	Ashhurst School	Option 2A	p. 14
b.	Awapuni School, Riverdale School, West End School, Awatapu College and Manawatū Community High School	Option 3A	p. 21
c.	Bunnythorpe School	Option 4C	p. 30
d.	Carncot Independent School and Mana Tamariki	Option 5A	p. 36
e.	Central Normal School, Queen Elizabeth College and	Option 6C	p. 41

	Palmerston North Boys' High School		
f.	Cloverlea School	Option 7A	p. 51
g.	College Street Normal School, Palmerston North Adventist Christian School, Palmerston North Intermediate Normal School, and Palmerston North Girls' High School	Option 8A	p. 58
h.	Cornerstone Christian School and Te Kura Kaupapa Māori o Manawatū	Option 9A	p. 67
i.	Freyberg High School, St Mary's School, Whakatipuria Teen Parent Unit, Ross Intermediate School and Roslyn School	Option 10A	p. 74
j.	Hokowhitu School, St James School, and Winchester School	Option 11C	p. 82
k.	Milson School and St Peters College	Option 15A	p. 102
l.	Monrad Intermediate School, Takaro School and Our Lady of Lourdes School	Option 16A	p. 110
m.	Parkland School	Option 18A	p. 119
n.	Russell Street School	Option 19A	p. 122
o.	Te Kura o Wairau	Option 20A	p. 126
p.	Terrace End School	Option 21A	p. 130
q.	Whakarongo School	Option 23A	p.139

3. That Council designate OneSchool Global as a category 2 school for the purposes of the Land Transport Rule: Setting of Speed Limits 2022.
4. That Council adopt the draft Interim Speed Management Plan (School Speed Limits) as shown in Attachment 2 (with any amendments to reflect

recommendations of this Committee) and submit it to Waka Kotahi for certification in accordance with the Land Transport Rule: Setting of Speed Limits 2022.

1. ISSUE

- 1.1 The community has had an opportunity to respond to Council's proposed Interim Speed Management Plan (ISMP) for school speed limits. This ISMP sets out the proposed changes to speed limits around schools, as required by the Setting of Speed Limits Rule 2022. There are two requirements for school speed limits. The first is to lower speed limits for 40% of schools by 30 June 2024. The second requirement is to lower speed limits for 100% of schools by December 2027. The maximum speed limit for roads around category 1 schools is 30km/h, and 60km/h for category 2 schools.
- 1.2 The Council received 378 submissions on the draft Interim SMP and heard five oral submissions.
- 1.3 This memorandum:
 - Provides analysis of the issues raised by submitters;
 - Identifies the reasonably practical options for each school area;
 - Makes a recommendation for each school considered in the proposal.

2. BACKGROUND

- 2.1 The Council is a road controlling authority with responsibility for setting speed limits on roads under its control. The process for setting speed limits was changed in 2022 when the Minister of Land Transport signed the Land Transport Rule: Setting of Speed Limits. This replaced the requirement for speed limits to be set via a bylaw. Speed limits are now set via a Speed Management Plan, adopted every three years.
- 2.2 On 5 April 2023 the Council approved the draft Interim Speed Management Plan (ISMP) for public consultation. The written submission period was open from 1 May until 2 June. The Strategy & Finance Committee heard oral submissions on 1 August 2023 and received a summary of written submissions.
- 2.3 On receiving the submissions, the Committee passed the following additional resolution:

39-23.2 *'That the report in September include the costed option of variable speed limits across the entire 43 school areas in the proposed network, including prioritisation options.'*

3. ANALYSIS

- 3.1 We have provided a detailed analysis of the community feedback in Attachment 1 to this memorandum. This analysis addresses the general points raised by submitters and through social media, and the specific issues related to each school area. For each area the practical options are described, with an indicative cost to implement each option.
- 3.2 The options vary for each school area, but in each case the options include the possibility of using variable speed limits exclusively. There are some limited exceptions where the Speed Limits Rule 2022 would not permit the use of a variable speed limit or where it would be impractical due to the length or geometry of the road.

Additional matters suggested by submitters

- 3.3 Many submitters suggested additional changes which do not directly address speed limits. These suggestions most commonly took the form of infrastructural changes (e.g. speed humps) or painting 'no parking' lines. While these suggestions are often associated with speed limits, they are out of scope for the project and so they have not been considered in the recommended options. Extensive changes to the road infrastructure would require additional consultation and require a significant increase in budget to achieve across all school areas.
- 3.4 The suggestions for infrastructural change have been referred to the Roding Team for consideration under the Low Cost/Low Risk programme for road treatment.

4. RECOMMENDED CHANGES

- 4.1 Based on the analysis of the issues raised through the consultation process, we have developed a revised set of proposed speed limit changes for the 43 schools included in the original proposal. These are shown as the recommended option for each school (highlighted in green) in Attachment 1.
- 4.2 Of the 43 schools included in the original proposals for consultation, we recommend changes to the proposed speed limits for 27 schools across ten areas. Six of these areas include minor changes, where submitters have suggested some additional roads be included or some extensions to the length of road affected by the proposed 30km/h speed limit. These six areas where minor changes are recommended include a total of 14 schools.
- 4.3 More substantial changes are proposed in a further four areas, affecting a total of 13 schools. These changes include adding several roads to the proposed permanent 30km/h speed limit zones or adding or extending variable speed limit zones.

	No changes	Minor changes	Substantial Changes
School areas	13	6	4
Number of schools	16	14	13

Table 1: Number of changed proposals by school area and number of schools

- 4.4 One of the schools where we propose a major change is OneSchool Global. We recommend that this school is designated category 2 because the nature of the school means that students are transported directly onto the school grounds. The category 2 designation means that the maximum speed limit is 60km/h. The current speed limit on Johnstone Drive is 50km/h; if the category designation is confirmed, then no speed limit change is required for this school to be compliant with the Speed Limits Rule.
- 4.5 We recommend that the changes proposed in the consultation document for the remaining 13 school areas (a total of 16 schools) are adopted with no further changes.
- 4.6 The recommended changes to speed limits on roads around schools are compiled into the draft Interim Speed Management Plan, shown as Attachment 2. This is the proposed final document which will be sent to Waka Kotahi for certification following adoption by Council.

Budget

- 4.7 The Council has a total available budget of \$833K for implementation of the ISMP in the 2023/24 financial year. This includes 51% funding by Waka Kotahi. Any portion of Waka Kotahi's funding which is not spent in this financial year is forfeit.
- 4.8 The projected installation cost for all 43 schools is approximately \$1.2M. This does not include internal project management costs.
- 4.9 To address the difference in project costs and available budget, we recommend that the prioritised speed limit changes (as discussed in paragraphs 4.10 to 4.13 and highlighted green in Table 3) are implemented in the 2023/24 financial year. The remainder of the changes (highlighted in orange in Table 3) will be implemented in the 2024/25 financial year. This approach is reflected in the draft ISMP contained in Attachment 2. The implementation approach is discussed in section 5 of this memorandum.

Prioritisation

- 4.10 We used weighted criteria to assess the relative priority of each school area. There were three categories of criteria – safety, implementation factors, and engagement. Table 2 shows for each of these three categories the relative

weighting given for those categories, and the criteria included in each category.

Category	Safety	Implementation factors	Engagement
Criteria	Crash history, personal crash risk, density of vulnerable road users, and SaAS/operating speeds	Baseline infrastructure works per KM, number of schools, and ease of installation	Stakeholder engagement/consultation response, school feedback, and alignment with Waka Kotahi speed limits
Weighting	33%	50%	17%

Table 2: Summary of criteria and weighting used for prioritisation of speed limit changes

- 4.11 This weighting of criteria produced a priority list for implementation. Staff have reviewed this list for potential efficiencies (for example, with upcoming capital or renewal projects and available budget and alignment with related speed limit changes proposed by Waka Kotahi) to produce a revised priority list. This revised priority list is shown below:

Priority	School/Cluster (with page number reference for Attachment 1)	Number of schools	Cost (\$)	Cumulative cost (\$)
For implementation in the 2023/2024 year				
1	Milson School & St Peters College (p.102)	2	\$15,300	\$15,300
2	Cloverlea School (p.51)	1	\$51,100	\$66,400
3	Hokowhitu School, St James School, Winchester School (p. 82)	3	\$85,500	\$151,900
4	Freyberg High School, Whakatipuria Teen Parent Unit, Ross Intermediate, Roslyn School, St Mary's School (p. 74)	5	\$161,400	\$313,300
5	Monrad Intermediate, Takaro School, Our Lady of Lourdes School (p. 110)	3	\$84,000	\$397,300
6	Te Kura o Wairau (p. 126)	1	\$46,100	\$443,400
7	Parkland School (p. 119)	1	\$7,100	\$450,500
8	Cornerstone Christian School & Te Kura Kaupapa Māori o Manawatū (p. 67)	2	\$29,500	\$480,000
9	Russell Street School (p. 122)	1	\$15,700	\$495,700
10	Whakarongo School (p. 139)	1	\$3,800	\$499,500

Priority	School/Cluster (with page number reference for Attachment 1)	Number of schools	Cost (\$)	Cumulative cost (\$)
11	Kairanga School (p. 91)	1	\$7,500	\$507,000
12	Terrace End School (p. 130)	1	\$23,800	\$530,800
13	Longburn Adventist College (p. 95)	1	\$1,900	\$532,700
14	Bunnythorpe School (p. 30)	1	\$46,800	\$579,500
15	Longburn School (p. 98)	1	\$2,400	\$581,900
16	Awapuni School, Riverdale School, West End School, Awatapu College, Manawatū Community High School (p. 21)	5	\$130,800	\$712,700
17	OneSchool Global (p. 116)	1	\$0	\$712,700
For implementation in the 2024/2025 year				
18	Ashhurst School (p. 14)	1	\$59,100	\$771,800
19	Carncot Independent School & Mana Tamariki (p. 36)	2	\$48,100	\$819,900
20	College Street Normal School, Palmerston North Adventist Christian School, Palmerston North Intermediate Normal School, Palmerston North Girls' High School (p. 58)	4	\$233,000	\$1,052,900
21	Central Normal School, Queen Elizabeth College, Palmerston North Boys' High School (p. 41)	3	\$124,500	\$1,177,400
22	Aokautere School (p. 10)	1	\$3,200	\$1,180,600
23	Turitea School (p. 136)	1	\$0	\$1,180,600

Table 3: Revised priority list for implementation. Schools shown in green will be implemented in 2023/24 financial year. Schools shown in orange will be implemented in 2024/2025 financial year

- 4.12 The schools highlighted in green can be implemented within the 2023/24 financial year within the available budget (including the contribution from Waka Kotahi). The schools highlighted in orange will be scheduled for implementation in the 2024/25 financial year, subject to the approval of budgets through the Long Term Plan.
- 4.13 While the Committee may make changes to the recommended speed limits for some schools and choose a different option to that which we have recommended, there will be flow-on effects for such changes. The implementation schedule may need to be revised so as to maximise the utilisation of the budget in this financial year. Any additional work may delay

the process for certification by Waka Kotahi and consequently reduce the available time for implementing the speed limit changes.

- 4.14 If the new speed limits cannot be implemented before 30 June 2024, then the funding which has been pledged by Waka Kotahi may be forfeit. Furthermore, if the number of schools covered by a lower speed limit does not meet the 40% target by 30 June 2024, then the Council will be in breach of the Speed Limits Rule.

5. IMPLEMENTATION

- 5.1 The draft Interim Speed Management Plan shown in Attachment 2 includes the proposed year for implementation for each of the identified school areas. Implementation is divided into two stages:

- 2023/2024 financial year – this is funded from programme 2110 which includes 51% FAR funding from Waka Kotahi for a total budget of \$833K. This funding, if not utilised in the current financial year, will be forfeit.
- 2024/25 financial year – the funding for the second stage of implementation will be included in a programme in the draft LTP 2024-2034.

- 5.2 Implementation will begin following adoption of the draft Interim Speed Management Plan, and pending certification of the ISMP by Waka Kotahi. The estimated timeframe for certification by Waka Kotahi is 6-8 weeks.

6. CONCLUSION

- 6.1 We recommend that the Council adopt the draft Interim Speed Management Plan as shown in Attachment 2. This incorporates the specific recommendations for each school area, as shown in Attachment 1.

- 6.2 If the Committee wishes to amend the specific changes to speed limits for any school area, then we may need to do further work to revise the draft Interim Speed Management Plan before it can be presented to the Committee for adoption. This will delay the final adoption by Council and certification by Waka Kotahi, which will reduce the time available for implementation. It may mean that the available budget is not fully utilised before the expiry of the Waka Kotahi funding at the end of the financial year.

7. NEXT STEPS

- 7.1 If the Council adopts the draft ISMP, we will submit the ISMP to Waka Kotahi for certification.
- 7.2 We will write to submitters and identified key stakeholders to notify them of the decisions made by Council, and the next steps for implementing those decisions. We will also publish the adopted ISMP to our website and include

information on the website about the decisions that Council has made and the next steps.

8. 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 1: An Innovative and Growing City	
The recommendations contribute to the achievement of action/actions in Transport	
The action is: progressively review speed limits throughout the City on a staged basis.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The reduction of speed limits around schools contributes to the improvement of safety on our transport network. Speed is a significant factor in the survivability of both drivers and pedestrians in the event of a collision. Slower speeds around schools therefore contributes to improved safety outcomes for our community.

ATTACHMENTS

1. Analysis of Submissions and Recommendations for Change to the draft ISMP (attached separately) 
2. Certification Document - Palmerston North Interim Speed Management Plan 2023 (attached separately) 

COMMITTEE WORK SCHEDULE

TO: Strategy & Finance Committee

MEETING DATE: 15 November 2023

TITLE: Committee Work Schedule

RECOMMENDATION TO STRATEGY & FINANCE COMMITTEE

1. That the Strategy & Finance Committee receive its Work Schedule dated November 2023.

COMMITTEE WORK SCHEDULE – NOVEMBER 2023					
Item No.	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction/ Clause number
1.	November 2023	Draft Interim Speed Management Plan – deliberations report	Chief Planning Officer		Council 5 April 2023 Clause 46
2.	November 2023	Part Waterloo Park – Proposal to exchange land – deliberations report	Chief Infrastructure Officer		Terms of Reference
3.	November 2023	Quarterly Performance & Financial Report (quarter 1 ending 30 September 2023)	Chief Financial Officer		Terms of Reference
4.	November 2023	Treasury Report (Quarter 1)	Chief Financial		Treasury Policy

			Officer		
5.		Amendment of Palmerston North Animals and Bees Bylaw 2018	Chief Planning Officer	To 6 December Council meeting to allow more time for community engagement	22 March 2023 Clause 9
6.	November 2023 February 2024	Treasury Policy Review	Chief Financial Officer	Delayed due to consideration of changes to debt limit being understood alongside LTP work programme	Treasury Policy
7.	November 2023 February 2024	Rates review	Chief Financial Officer	Workshop 2 on 22 November	Terms of Reference
8.	November 2023 Mid 2024	Vegetation Framework to include a Tree Policy focused on Council administered streets and public spaces	Chief Planning Officer	Delayed due to competing priorities	Committee of Council 9 June 2021 Clause 31.8
9.	August 2024	Draft Waste Management and Minimisation Bylaw – Approval for Consultation	Chief Planning Officer		11 August 2021 Clause 21
10.	TBA	Report back at the conclusion of the Te Apiti Three Bridges Loop Track investigations and design work with a view to	Chief Infrastructure Officer		20 September 2023 Clause 58.3

		applying to Te Ahu a Turanga Recreation Fund for implementation works			
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ATTACHMENTS

NIL