



PAPAIOEA
PALMERSTON
NORTH
CITY

PALMERSTON NORTH CITY COUNCIL

AGENDA

COUNCIL

9:00 AM, WEDNESDAY 14 FEBRUARY 2024

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

MEMBERS

Grant Smith (Mayor)	
Debi Marshall-Lobb (Deputy Mayor)	
Mark Arnott	Leonie Hapeta
Brent Barrett	Lorna Johnson
Rachel Bowen	Billy Meehan
Vaughan Dennison	Orphée Mickalad
Lew Findlay (QSM)	Karen Naylor
Roly Fitzgerald	William Wood
Patrick Handcock (ONZM)	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

COUNCIL MEETING

14 February 2024

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 matters.

(NOTE: If the Council 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. **Presentation of the Part I Public Culture & Sport Committee Recommendations from its 7 February 2024 Meeting** Page 7
- 7. **Confirmation of Minutes** Page 9
 "That the minutes of the ordinary meeting of 7 February 2024 Part I Public be confirmed as a true and correct record."

REPORTS

- 8. **2024-34 Draft Long Term Plan Consultation Material Update** Page 19
 Memorandum, presented by David Murphy, Chief Planning Officer and Cameron Mckay, Chief Financial Officer.
- 9. **Long-Term Plan - Rating System** Page 25
 Memorandum, presented by Steve Paterson, Strategy Manager - Finance.
- 10. **Rates Remission and Postponement Policies** Page 61
 Memorandum, presented by Steve Paterson, Strategy Manager - Finance.
- 11. **Treasury Policy (Including Liability Management & Investment Policy)** Page 75
 Memorandum, presented by Steve Paterson, Strategy Manager - Finance.
- 12. **Summary of Waste Assessment 2023** Page 119
 Memorandum, presented by Peter Ridge - Senior Policy Analyst, and Natasha Hickmott - Activities Manager - Resource Recovery and Sustainability.

13. Approval for the Mayor to attend the 2024 Taipei Smart City Mayor's Summit

Memorandum, presented by Gabrielle Loga, International Relations Manager.

14. 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
15.	Purchase of 117-121 College Street (St. Marks Presbyterian Church)	THIRD PARTY COMMERCIAL: Disclosing the information could harm a company's commercial position	s7(2)(b)(ii)
16.	Purchase of 80 Waldegrave Street	THIRD PARTY COMMERCIAL: Disclosing the information could harm a company's commercial position	s7(2)(b)(ii)

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].

RECOMMENDATIONS FROM COMMITTEE

TO: Council

MEETING DATE: 14 February 2024

TITLE: Presentation of the Part I Public Culture & Sport Committee Recommendations from its 7 February 2024 Meeting

Set out below are the recommendations only from the Culture & Sport Committee meeting Part I Public held on 7 February 2024. The Council may resolve to adopt, amend, receive, note or not adopt any such recommendations. (SO 2.18.1)

4-24 Te Manawa Museums Trust: Draft Statement of Intent 2024-27

Memorandum, presented by Sarah Claridge, Democracy & Governance Advisor.

The **COMMITTEE RECOMMENDS**

1. That Council increase Te Manawa's operational grant funding in the draft Long-Term Plan 2024-34 to be:

2024/25	2025/26	2026/27
\$3,833,599	\$4,024,056	\$4,217,826

PALMERSTON NORTH CITY COUNCIL

Minutes of the Council Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 07 February 2024, commencing at 9.03am

Members Present: Grant Smith (The Mayor) (in the Chair) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, , Billy Meehan, Karen Naylor, William Wood and Kaydee Zabelin.

Apologies: Vaughan Dennison (early departure), Leonie Hapeta, Lorna Johnson (late arrival)

Councillor Lorna Johnson entered the meeting at 9.17am before consideration of clause 4-24. She was not present for clauses 1-24 to 3-24 inclusive.

Councillor Orphee Mickalad entered the meeting at 9.31am during consideration of clause 4-24. He was not present for clauses 1-24 to 3-24 inclusive.

Councillor Vaughan Dennison left the meeting at 11:24am. He was not present for clauses 5.1-24 to 9-24 inclusive.

Councillor Kaydee Zabelin left the meeting at 2.55pm. She was not present for clauses 5.3-24 to 9-24 inclusive.

Karakia Timatanga

Deputy Mayor Debi Marshall-Lobb opened the meeting with karakia.

1-24 Apologies

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the apologies from Leonie Hapeta, Vaughan Dennison (early departure), Lorna Johnson (late arrival).

Clause 1-24 above was carried 13 votes to 0, the voting being as follows:

For:

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

2-24

Presentation - New Year's Honours 2024

Presentation, by Grant Smith, The Mayor.

The Mayor honoured Ms Huhana Manu, Dr Johanna Wood, Mrs Pearl Naulder and Mr Patrick Bronte for the work they have done to better the community.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council note that congratulations have been conveyed on behalf of the Council to the local recipients of the New Year's Honours 2024.

Clause 2-24 above was carried 13 votes to 0, the voting being as follows:

For:

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

3-24

Confirmation of Minutes

The minutes of the 6 December were re-confirmed by Council as there was an error to the time the meeting went into confidential session.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the minutes of the ordinary meeting of 6 December 2023 Part I Public and Part II Confidential be confirmed as a true and correct record.
2. That the minutes of the extraordinary meeting of 13 December 2023 Part I Public be confirmed as a true and correct record.
3. That the minutes of the ordinary meeting of 18 December 2023 Part I Public and Part II Confidential be confirmed as a true and correct record.

Clause 3-24 above was carried 13 votes to 0, the voting being as follows:

For:

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

Councillor Lorna Johnson arrived at the meeting at 9:17am

REPORTS

4-24 **Endorsement of the Oranga Papaioea City Strategy and plans as the foundation for the proposed Long Term Plan 2024-2034**

Memorandum, presented by Julie Macdonald, Strategy and Policy Manager, and Catheryn Anderson, Senior Tenancy Officer.

Councillor Orphée Mickalad arrived at the meeting at 9:31am

Councillor Johnson moved an additional clause to the Social Housing Guidelines to improve the clarity of the eligibility criteria for social housing.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council endorse the draft *Oranga Papaioea City Strategy* as a foundation document of the proposed Long Term Plan 2024-2034 (Attachment 1).

2. That Council endorse the draft:
 - i. Mahere whare Housing plan
 - ii. Mahere hoahoa tāone Urban design plan
 - iii. Mahere whakawhanake ohaoha Economic development plan
 - iv. Mahere tūnuku Transport plan
 - v. Mahere toi me ngā taonga tuku iho Arts and heritage plan
 - vi. Mahere rēhia Recreation and play plan
 - vii. Mahere tautāwhi hapori Community support plan
 - viii. Mahere Whare Puna Mātauranga City Library Plan
 - ix. Mahere haumarū hapori, hauora hapori Community safety and health plan
 - x. Mahere āhuarangi hurihuri, toitūtanga, Climate change and sustainability plan
 - xi. Mahere mō te kanorau koiora me Te Awa o Manawatū Biodiversity and the Manawatū River plan
 - xii. Mahere taumanu para Resource recovery plan
 - xiii. Mahere wai Water plan
 - xiv. Mahere mana urungi, kirirarautanga hihiri Governance and active citizenship planas foundation documents of the proposed Long-Term Plan 2024-2034

(Attachment 2).

Clause 4-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

Moved Lorna Johnson, seconded William Wood.

RESOLVED

3. That Council endorse the draft Social Housing Guidelines as an adjunct to the draft Mahere whare Housing plan and as a foundation document of the proposed Long-Term Plan 2024-2034 (Attachment 3), including an additional clause as follows for eligibility

“or experiencing barriers to accessing housing in the private market and meeting income and asset thresholds”

Clause 4-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

4. That Council note the documents in Appendices 1, 2 and 3 of this memorandum will be shared with the community as part of the consultation materials for the proposed Long Term Plan 2024-2025.

Clause 4-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

5-24

2024 Long Term Plan Consultation Material

Memorandum, presented by David Murphy, Chief Planning Officer, Cameron McKay, Chief Financial Officer, Chris Dyhrberg, Chief Infrastructure Officer and Debbie Perera, Audit Director from Audit New Zealand.

The meeting adjourned at 11.02am
The meeting resumed at 11.24am

Councillor Vaughan Dennison was not present when the meeting resumed at 11:24am

Councillor Naylor moved two additional recommendations requesting more information on funding mechanisms for social housing and animal control services, before considering whether to adjust the policy ratios for these activities.

Moved Karen Naylor, seconded William Wood.

RESOLVED

5. That the Chief Executive provide options to deliver social housing within the current Policy limit, and until such time Council agrees to operate outside of the current policy limit.

Clause 5.1-24 above was carried 8 votes to 6, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Mark Arnott, Rachel Bowen, Roly Fitzgerald, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Against:

Councillors Debi Marshall-Lobb, Brent Barrett, Lew Findlay, Patrick Handcock, Lorna Johnson and Kaydee Zabelin.

Moved Karen Naylor, seconded William Wood.

RESOLVED

6. That the Chief Executive provide options to provide Animal control services within the current Policy limit.

Clause 5.2-24 above was carried 8 votes to 6, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Mark Arnott, Rachel Bowen, Roly Fitzgerald, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Against:

Councillors Debi Marshall-Lobb, Brent Barrett, Lew Findlay, Patrick Handcock, Lorna Johnson and Kaydee Zabelin.

The meeting adjourned at 12.18pm
The meeting resumed at 2.55pm

Councillor Kaydee Zabelin was not present when the meeting resumed at 2.55pm

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council proceed with an audit by Audit New Zealand of the draft Long Term Plan (which would include the underlying information used by Council to prepare the consultation document and supporting material listed in section 5.4, based on pending changes to the Local Government Act allowing for unaudited consultation documents outlined in a letter from the Minister of Local Government (contained in Attachment 1).
2. That Council consider the attached draft Long Term Plan consultation document (Attachment 2) and supporting material (Attachments 3-8) and provide feedback so the Chief Executive can make any changes and bring the material back to Council on 14 February 2024 for adoption for review (as determined under Recommendation 1).
3. That Council note the updated planning assumption regarding total operational increases for the 2024-34 Draft Long-Term Plan (contained in Table 3).

Clause 5.3-24 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Moved Grant Smith, seconded Karen Naylor.

RESOLVED

4. That Council approve the proposed Revenue and Financing Policy (Attachment 9), incorporating the changes subject to resolutions 5 and 6.

Clause 5.4-24 above was carried 9 votes to 4, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Roly Fitzgerald, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Against:

Councillors Mark Arnott, Lew Findlay, Patrick Handcock and Lorna Johnson.

6-24

Notice of Motion: Stop Using Class 4 Gambling Proceeds

Officers' advice presented by Fiona Dredge, Commercial Advisory Manager and Julie McDonald, Strategy and Policy Manager.

Councillor Barrett spoke to his Notice of Motion on Council using Class 4 Gambling Proceeds.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the memorandum titled "Officers' advice in response to Notice of Motion on Class 4 Gambling proceeds".

Clause 6-24 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Moved Brent Barrett, seconded Roly Fitzgerald.

Note:

On the Notice of Motion: 'That Council adopt a policy to not apply for or use Class 4 Gambling proceeds', the motion was lost 4 votes to 9, the voting being as follows:

For:

Councillors Debi Marshall-Lobb, Brent Barrett, Roly Fitzgerald and Patrick Handcock.

Against:

The Mayor (Grant Smith) and Councillors Mark Arnott, Rachel Bowen, Lew Findlay, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

7-24

Future Development Strategy Update and Next Steps

Memorandum, presented by Hannah White, Democracy and Governance Manager and Jonathan Ferguson-Pye, City Planning Manager.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council delegate authority to the Palmerston North Future Development Strategy Joint Steering Group to hear submissions on the draft Future Development Strategy, to deliberate and to recommend the final adoption of the Future Development Strategy to both Palmerston North City Council and Horizons Regional Council.
2. That the Joint Steering Group Terms of Reference Delegations be amended to include (1).
3. That Council note that both Palmerston North City Council and

Horizons Regional Council will need to adopt the Future Development Strategy prior to the adoption of their Long-Term Plans 2024/34.

4. That Council note that Palmerston North City Council will be the administering authority for the special consultative procedure.

Clause 7-24 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Director Vacancy - Central Economic Development Agency

Report deferred until March 2024.

8-24

Trustee Vacancies - Te Manawa Museums Trust

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

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the Chief Executive advertise the vacant trustees' position on the Te Manawa Museums Trust in February 2024.

Clause 8-24 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

9-24

Council Work Schedule

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive its Work Schedule dated 7 February 2024.

Clause 9-24 above was carried 13 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Karakia Whakamutunga

Deputy Mayor Debi Marshall-Lobb closed the meeting with karakia.

The meeting finished at 4.10pm

Confirmed 14 February 2024

Mayor

MEMORANDUM

TO: Council

MEETING DATE: 14 February 2024

TITLE: 2024-34 Draft Long Term Plan Consultation Material Update

PRESENTED BY: David Murphy, Chief Planning Officer and Cameron Mckay, Chief Financial Officer

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

RECOMMENDATIONS TO COUNCIL

1. That Council agree the Consultation Document for the Draft 2024-34 Long Term Plan (Attachment 1) be provided to Audit New Zealand.
 2. That Council agree the Supporting Material for the Draft 2024-34 Long Term Plan (presented in [Attachments 3-10](#) to the Council meeting on 7 February 2024 with minor amendments as directed at that meeting) to be provided to Audit New Zealand.
-

1. ISSUE

- 1.1 On 7 February 2024 Council considered the draft Consultation Document (CD) and Supporting Material for the 2024 Long Term Plan (LTP). Council made some changes to the CD and other informal feedback from Elected members suggested other changes. These have been incorporated in the attached CD (Attachment 1).
- 1.2 Straightforward and minor changes (at the meeting and in informal feedback from Elected Members) were made to the Supporting Material. Because these changes are minor, the Supporting Material has not been recirculated.
- 1.3 A separate memorandum titled "Long-term Plan – Rating System" has been presented to this meeting. The material covered by that memorandum will be part of the Supporting Material.

2. BACKGROUND

- 2.1 Council has to adopt its next LTP by 30 June 2024.

2.2 Developing the LTP involves many steps. Previous steps were outlined in the Report to the 7 February 2024 Council meeting.

3. APPROVING THE CD AND SUPPORTING MATERIAL FOR AUDIT

3.1 At the meeting on 7 February, Council resolved to proceed with an audit of the LTP, including the underlying information used by Council to prepare the consultation document and supporting material. This is based on pending changes to the Local Government Act allowing for unaudited consultation documents.

3.2 The 7 February Council meeting also considered the draft CD and Supporting Material and made resolutions for changes to be made prior to the documents coming back to this meeting (14 February) for approval for audit. The documents have been updated accordingly.

3.3 Major changes to the CD include:

Page 10	Widen the list of Community Wins
Page 20	Clarify roading building costs
Page 23	Update to reflect Council decisions to investigate options for Social Housing and Animal Control (in light of Council's current Revenue and Financing Policy limits) Show that once Council has more clarity around the type of housing developments it will pursue, it will be able to develop better costs and revenue estimates
Page 27	Clarified rates as proportion of funds needed to run the City
Page 33 & 38	Show the costs for each community venues project
Pages 40-45	Show the costs for each seismic strengthening project. Clarified proportion of external funding for Library and Te Manawa
Page 50	Show impact of wastewater project levy alongside proposed rates increases
Pages 52 - 55	Include examples of proposed rates increases. Clarify that the costs shown are passed on Council's preferred hybrid rates model
Various pages	Update financial figures as appropriate, including year 1 proposed rates increase of 11.7%

3.4 The meeting also made the following resolutions regarding the Revenue and Financing Policy:

- That the Chief Executive provide options to deliver Social housing within the current Policy limit, and until such time Council agrees to operate outside of the current policy limit.
- That the Chief Executive provide options to provide Animal control services within the current Policy limit.

The options in these resolutions will require some time to develop, especially for Social Housing. Staff will provide an update on Animal Control Services in a Fees and Charges report to Council in early March.

3.5 On the 7 February 2024 the Culture and Sport Committee considered a report on the *Te Manawa Museums Trust: Draft Statement of Intent 2024-27*. As part of this Council resolved:

- That Council increase Te Manawa's operational grant funding in the draft Long-Term Plan 2024-34 to be:

2024/25	2025/26	2026/27
\$3,833,599	\$4,024,056	\$4,217,826

Adding this into the proposed 2024-34 LTP means that rates increases are now:

Draft LTP Annual Rate Increases									
Year 1 24/25	Year 2 25/26	Year 3 26/27	Year 4 27/28	Year 5 28/29	Year 6 29/30	Year 7 30/31	Year 8 31/32	Year 9 32/33	Year 10 33/34
11.7%	9.9%	9.8%	9.0%	7.8%	6.6%	5.9%	6.1%	4.2%	4.2%

- 3.6 Officers also received feedback from Elected Members on documents within the Supporting Material. These changes have been made.
- 3.7 The recommendations of this report will give Council's approval for officers to forward the updated CD and Supporting Material to Audit New Zealand. Audit NZ can then review the underlying information used by Council to prepare the CD and Supporting Material, as part of its audit of the final LTP.
- 3.8 Officers will make any necessary changes to the CD and Supporting Material as a result of the Audit NZ feedback and then present the CD and Supporting Material back to Council for approval for consultation in March / April.
- 3.9 Feedback was also received on the Strategy, plans and Asset Management Plan summaries. These changes will be made prior to commencing consultation on the draft LTP.

4. NEXT STEPS

- 4.1 Council will consult on the CD and Supporting Material from late March to late April.
- 4.2 Council will consider all submissions and adopt the final LTP by 30 June.
- 4.3 Officers will prepare the draft Development Contributions Policy, Future Development Strategy and Waste Management and Minimisation Plan for consultation alongside the CD and Supporting Material. Each of these will be brought to Council before adoption for consultation.

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
<p>Contribution to Council's strategic direction and to social, economic, environmental and cultural well-being:</p> <p>The recommendations contribute to the development of the Council's 2024-34 Long-Term Plan. Hence, they are about how Council could deliver its 2024 strategic direction and how it could contribute to social, economic, environmental and cultural wellbeing.</p>	

ATTACHMENTS

- 1. Draft Consultation Document (separately enclosed) [↓](#)

Placeholder for Attachment 1

ITEM 8/24 2024-34 Draft Long Term Plan
Consultation Material Update

Draft Consultation Document (separately
enclosed)

MEMORANDUM

TO: Council

MEETING DATE: 14 February 2024

TITLE: Long-Term Plan - Rating System

PRESENTED BY: Steve Paterson, Strategy Manager - Finance

APPROVED BY: Cameron McKay, Chief Financial Officer

RECOMMENDATION TO COUNCIL

1. That Council agree the rating information contained in the memorandum for inclusion in the supporting material for the Draft Long-Term Plan 2024-34; and that this be provided to Audit NZ.
-

1. ISSUE

An integral component of the Long-Term Plan (LTP) is the details of the proposed rating system and particularly rates incidence for 2024/25. The modelling for this was not complete in time for consideration at the Council meeting on 7 February 2024 and this report provides the information required. It will form part of the supporting information that is the subject of audit review prior to adoption for public consultation in March.

2. BACKGROUND

At its meeting on 18 December 2023 Council resolved as follows:

- "1. That, in the drafting of the Long-Term Plan 2024-34, Council agree:
 - (c) To propose for public consultation through the 2024-34 Long-term Plan process a change to the rating system that involves the use of a hybrid system whereby part of the rates is set using the land value as the base and the remainder the capital value as the base.
2. That, in the drafting of the Long-Term Plan 2023/24, Council agree: that the split of the general rate requirements between land and capital value base be (e) 70% land / 30% capital.
3. The Council agree that the rating system change will occur from 1 July 2024 in one step.
6. That Council note that as the legislation requires there can be only one basis for setting the general rate, then it will be necessary to introduce a targeted

rate to facilitate the change and Officers will prepare a proposal of which activities the targeted rate would be proposed to fund and will present this to Council on 7 February 2024.

7. That the Chief Executive assume for the preparation of the draft supporting material for the 2024-34 Long-term Plan:

7.1 The Uniform Annual General Charge for 2024/25 will be \$200;

7.2 There will be changes to the way some properties are categorised for differential rating purposes and in particular those rural and semi-serviced properties (between 0.2 and 5ha) on the fringe of the urban area of the City so they pay general rates at levels more like those in the urban serviced area;

7.3 That Council agree:

- utilities in the street will be categorised in the commercial/ industrial differential category, and
- vacant non-residentially zoned land will be categorised in the commercial/industrial category (just for the purposes of the assessing of the capital value based rate), and
- revised differential surcharges will be used

8. That Council agree that the community engagement material highlight the proposed rates using the status quo, a full capital value based system and a hybrid system.

9. That the Chief Executive provide further advice about the desirability and practicability of the adoption of a rates system transition remission policy.

10. That Council note officers will recommend the adoption of an updated set of rates remission and postponement policies with only minor amendments to recognise any legislative changes at the Council meeting on 14 February 2024.

That moving to full capital value rates system is also consulted on as Option B, alongside Council's preferred option."

3. MODELLING OUTCOMES

The material considered by Council in December was based on the rates set for 2023/24. Modelling has now been undertaken using the draft budget figures for 2024/25 – assuming an increase in the total rates requirement of 11.5%.

As part of the modelling exercise it has been necessary to firm up the broad planning assumptions endorsed in December and to make a number of additional assumptions.

This report contains the following three options:

- **Option 1 (Land Value)** – assumes a land value based general rate with a change to the differentials applied to rural/semi-serviced land (0.2 to 5ha) so these mostly lifestyle type properties pay a general rate that is more like that payable by urban residential properties (in the particular scenario used the rate is 83% of the urban general rate).
- **Option 2 (Hybrid) – Council's preferred option** – continues to use a land value based general rate (with the same increase in the rates payable by lifestyle properties as for option 1) but with the introduction of a capital value based targeted rate (for all properties). The targeted rate would be used to fund the majority of the costs of delivering the activities associated with achieving Goal 1 (i.e. transport, economic development, urban design and housing).
- **Option 3 (Capital Value)** – in this option all of the general rate would be based on the capital value with revised differential surcharges. The surcharges assumed are the same as those for the capital value component in Option 2 except for the commercial/industrial category which has been reduced from 220% to 210%. Without this change the share paid by the commercial/industrial category would have been too high. These surcharges are an important component of the system as they drive the share of the total general rates borne by each differential category.

4. DIFFERENTIALS (FOR PREFERRED OPTION)

Attachment 1 contains a description of the Council's rating system including the definitions planned to be used to describe the various differential rating categories for both the general and proposed new capital valued based targeted rate.

Section 5 of the attachment includes the proposed differential factors to be used for each category. As endorsed by the Council in December the differential for the rural/semi-serviced category (0.2 to 5 ha) is increased from 50% to 65% of the miscellaneous rate.

The proposed differentials for the capital value based portion of the rates in Council's preferred option have been set at levels that will generate total rates from each category that are similar to the current share of the total. The exceptions are for the rural/semi-serviced (mostly lifestyle) properties where it is intended they pay an increased share with rates more like those paid in the serviced urban area. Also as endorsed by the Council in December vacant non-residentially zoned land will be categorised in the commercial/industrial category (just for the purposes of the assessing of the capital value based rate).

The report to the Council in December signalled further testing was required on the level of differential surcharge to be applied for rural/semi-serviced properties (> 5ha) as it was likely that with the introduction of a portion based on capital value rates for many in this category would be inadvertently

reduced. As a result of the further modelling this material assumes the differential for this category (for the portion of the rates based on the capital value) will be increased from 25% to 35% of the miscellaneous rate.

5. UAGC & TARGETED RATES

All options assume a Uniform Annual General Charge (UAGC) of \$200 per rating unit as endorsed by the Council in December.

To fund the draft budgets for each activity fixed targeted rates for services have been assumed as follows:

Charge type	Charge 2023/24	Option 1 LV 2024/25	Option 2 Hybrid 2024/25	Option 3 CV 2024/25
Water	\$407	\$419	\$430	\$452
Wastewater	\$306	\$373	\$386	\$409
Kerbside recycling	\$148	\$144	\$144	\$144
Rubbish & public recycling	\$103	\$64	\$64	\$64

The proposed fixed charges for water and wastewater vary between the options as the costs of the water and wastewater will rise if a portion of the rates is based on the capital value – the water and wastewater networks in the streets become rateable and the water and wastewater plant properties are capital intensive. To reflect the true cost of operating the Council has a policy of charging itself rates on its own properties.

The table above does show a reduction in the targeted rate for rubbish and public recycling. This is due to the revenue assumptions being made in the draft LTP budgets. They assume there will be increases to the charges for bulk acceptance of green waste (from commercial operators). In addition, they assume the costs of rubbish disposal will be covered from the sale of rubbish bags (in accordance with the Revenue & Financing Policy). The preliminary assumption is that the maximum retail price of rubbish bags may need to increase from \$2.90 to \$3.80 to achieve this. This will be addressed in the fees and charges report planned for early March.

As in the past three years a Palmy BID targeted rate will be assessed on properties within a defined area of the central city to fund the Palmy BID programme of \$250k plus GST.

6. METERED WATER CHARGES

Metered water charges are legislatively deemed to be rates and details of these are included in the rating system section of attachment 1. The metered water tariff comprises a fixed and a variable component.

The budget for 2023/24 assumes total revenue of \$3.1m plus GST will be obtained from metered water users.

The overall budgeted cost of water to be funded from rates for 2024/25 has increased by approximately 5% over 2023/24. To reflect this and maintain a fair comparison with the targeted rate for residential consumers it is necessary to increase metered water charges by a comparable amount, hence increasing the revenue assumption to \$3.25m plus GST.

	Annual charge 2023/24	Annual charge 2024/25
Up to 25mm connection	\$220.00	\$230.00
>25mm connection	\$470.00	\$490.00
	Charge 2023/24	Charge 2024/25
Rate per cubic metre	1.65313	1.78538

7. ATTACHMENTS

Attachments to this report include:

Attachment	What are they
1	A draft of the Rating System, Rates and Funding Impact Statements section of the supporting information for the LTP consultation document
2	Graph 1 showing proposed rates levels for single unit residential properties for 2024/25 (for the three scenarios) Graphs 2-13 showing the rates increases and decreases (compared with the actual for 2023/24) for each scenario and by differential category
3	Tables 1-6 showing the properties within each differential category that will receive the largest \$ rates increase for 2024/25 if rates are assessed as proposed using the hybrid

	scenario
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8. INTERPRETING THE POSITION

Although the proposed increase in the overall rates requirement is 11.5% it is important to note rates changes for individual ratepayers will vary significantly and be dependent on the following:

- The extent of exposure to changes in the level of fixed charges for services e.g. charges for wastewater will increase significantly so ratepayers with multiple pans or charges based on the number of separately used or inhabited portions will experience larger percentage increases.
- The ratio of the capital to land value of the property. If the ratio is higher than the average for that category of property then the rates will increase more than average and, if the ratio is less, the increase in rates will be less than average.
- Whether the property is categorised as rural/semi-serviced (0.2 – 5ha) in which case the differential has been changed so the sum of the general rate, UAGC and targeted rate based on the capital value that they pay is more like the rate payable by urban serviced property of the same value.
- Whether the property is non-residentially zoned vacant land in which case the differential for the capital value based portion of the rates has been increased.

As required by the Local Government (Rating) Act rates will actually be assessed based on the nature and use of the property as at 30 June 2024. The capital value of properties is reviewed whenever there is significant update or addition to it. It will be more important than in the past that we keep these changes to the valuation roll up to date especially as at 30 June.




9. NEXT STEPS

Once approved by the Council the rates material will be inserted in the relevant documents such as the Financial Strategy, Consultation Document and supporting information. Following the review by Audit NZ any corrections or updates required will be incorporated in material to be adopted by the Council for consultation in March.

10. 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?	No
Are the recommendations inconsistent with any of Council's policies or plans?	No
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The framework for the rating system and the distribution of the rates requirement amongst ratepayers is a key component of the supporting material for the development of the Long-term Plan and is one of the key matters that residents and ratepayers will take interest in during the public engagement process.

ATTACHMENTS

1. Rating System, Rates & Funding Impact Statements [↓](#) 
2. Graphs 1-13 [↓](#) 
3. Tables 1-6 [↓](#) 

MEMORANDUM

TO: Council

MEETING DATE: 14 February 2024

TITLE: Rates Remission and Postponement Policies

PRESENTED BY: Steve Paterson, Strategy Manager - Finance

APPROVED BY: Cameron McKay, Chief Financial Officer

RECOMMENDATION TO COUNCIL

1. That Council adopt for consultation the draft Rates Remission and Postponement Policies (Attachment 1).

1. ISSUE

- 1.1 Council's present Rates Remission and Postponement Policies were adopted on 25 June 2018. The Local Government Act 2002 (LGA) requires that such policies must be reviewed at least once every six years using a consultation process that gives effect to the requirements of section 82 of the LGA.

It is appropriate therefore to conduct the review in conjunction with the consultation on the Long-Term Plan (LTP).

2. BACKGROUND

- 2.1 The Local Government (Rating) Act provides that councils may remit or postpone rates but only if they have adopted appropriate rates remission and postponement policies as outlined in sections 109 and 110 of the LGA and the Council is satisfied the conditions and criteria of the policy are met.

- 2.2 Under the present policies the following remissions were granted in 2022/23:

	Remissions (\$000) GST exclusive
Community organisations	133
Arts, recreation & sporting organisations	15
Penalties	123
Wastewater charges for educational establishments	163

Wastewater charges for non-residential properties	14
Residential land in commercial or industrial areas	3
Total	\$451

- 2.3 These remissions were approved by officers acting under delegated authority. For remissions relating to community, arts, recreation and sporting organisations, remissions were made taking into account the recommendations of a panel comprising an elected member and officers from the Finance & Community divisions of the Council.
- 2.4 Attached is a proposed draft of an updated version of the Policies. From a practical perspective the present policy seems to be working as intended and there are no real drivers for change.
- 2.5 The proposed draft incorporates some minor changes to reflect legislative changes.
- 2.6 It also includes a new policy relating to remissions for hardship as a result of changes to the rating system.
- 2.7 The policy is targeted toward individuals rather than businesses and is focused on providing remissions in limited situations. It recognises incidence of rates change each year and particularly in the year following the City revaluation or when new services are made available or when a new residence is built. Remissions are not intended to be given in such situations.

3 NEXT STEPS

- 3.1 Once the draft is adopted, consultation will be undertaken in conjunction with the LTP.
- 3.2 After consideration of any submissions the final Policy will be adopted in June 2024.

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 Consultative procedure?	Yes
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No

<p>Contribution to strategic direction and to social, economic, environmental and cultural well-being</p>	<p>This proposed policy addresses situations where the Council wishes to provide relief to the rating burden places on ratepayers. It therefore contributes to community well-being.</p>
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ATTACHMENTS

1. Draft Remission & Postponement Policies [↓](#) 

MEMORANDUM

TO: Council

MEETING DATE: 14 February 2024

TITLE: Treasury Policy (Including Liability Management & Investment Policy)

PRESENTED BY: Steve Paterson, Strategy Manager - Finance

APPROVED BY: Cameron McKay, Chief Financial Officer

RECOMMENDATIONS TO COUNCIL

1. That Council adopt the updated Treasury Policy, incorporating the Liability Management and Investment Policy pursuant to section 102 of the Local Government Act 2002 (Attachment 1).
 2. That Council note it will review the specific borrowing limits contained in clause 3.6.1 of the Treasury Policy as part of the process of developing its Financial Strategy for the 2024-34 Long Term Plan, and that if the outcome of the review is that there are changes to these limits, the Treasury Policy will be updated to include these.
-

1. ISSUE

Council adopted its current Treasury Policy on 26 August 2020. One of the terms of the Policy is that it will be reviewed every three years. This report recommends the adoption of an updated policy (attached) containing a number of changes to reflect changed circumstances, although in practical terms they will not impact materially on the way the treasury activity is managed.

2. BACKGROUND

Council is required under section 102 of the Local Government Act 2002 to adopt a Liability Management Policy and an Investment Policy. Section 105 (5) of the Act states that consultation is not required for a liability management policy nor an investment policy.

Palmerston North City Council combines the two policies into one document called a Treasury Policy and the latest version of this Policy was adopted by Council on 26 August 2020.

The Policy itself states it will be reviewed three-yearly. A review has been undertaken in conjunction with Council's treasury advisors (PwC).

The present policy has been operating effectively. However minor changes are proposed to remove references to matters that are out of date and to reflect some changes in the way the debt portfolio is now being managed.

Key changes proposed include:

- increasing the \$ amount of daily transactions that may be undertaken – this reflects the increasing size of the Council's debt portfolio. (page 8)
- enabling the use of alternate debt forecasting scenarios as part of prudent interest rate risk management. (clause 3.2.3)
- clarifying the treatment (for various calculations) of debt raised for Council-Controlled Organisations (such as Palmerston North Airport Limited). (clause 3.2.3)
- clarifying the treatment of deposits held to pre-fund maturing debt. (clause 3.3.5)
- simplifying the assessment of counterparty credit risk so that it focuses on the total exposure to any particular bank rather than the individual components of the exposure. This has been the one area of the policy which has been difficult to comply with. The present policy breaks the exposure to an individual bank into components (such as swap agreements, deposits etc). It has meant that a term deposit may have exceeded the sub-limit but the overall exposure to the bank was less than the overall limit. Our advisors have indicated there is no good reason for retaining the sub-limits.

No change has been made to the specific borrowing limits (3.6.1) but a footnote indicates these are being reviewed as part of the development of the financial strategy for the 2024-34 Long-Term Plan and that if changes are approved through that process the Policy will be consequentially updated.

3. NEXT STEPS


Once the updated Policy is approved it will be made available to financial institutions, advisors and published on Council's website.

4. COMPLIANCE AND ADMINISTRATION

Does 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		
The recommendations contribute to the achievement of action/actions in Governance and Active Citizenship 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	As part of the legislative framework for Council financial management there is a legislative requirement to adopt borrowing management and investment policies. The borrowing limits contained in these policies flow from Council's Financial Strategy.	

ATTACHMENTS

1. Draft Treasury Policy for adoption - February 2024 [↓](#) 

MEMORANDUM

TO: Council

MEETING DATE: 14 February 2024

TITLE: Summary of Waste Assessment 2023

PRESENTED BY: Peter Ridge - Senior Policy Analyst, and Natasha Hickmott - Activities Manager - Resource Recovery and Sustainability

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

RECOMMENDATIONS TO COUNCIL

- 1. That Council receive the Palmerston North City Council Waste Assessment 2023 (Attachment 1).**
 - 2. That Council note the Palmerston North City Council Waste Assessment 2023 is now complete in accordance with section 51 of the Waste Minimisation Act 2008.**
 - 3. That Council confirm it has considered the Palmerston North Waste Management and Minimisation Plan 2019 in light of the draft Palmerston North City Council Waste Assessment 2023 and agree to develop a replacement Waste Management and Minimisation Plan.**
-

1. ISSUE

- 1.1** The Ministry for the Environment (MfE) requires Council to receive the Waste Assessment and make a specific resolution to review the Waste Management and Minimisation Plan (WMMP) considering the new Waste Assessment.
- 1.2** The purpose of this memorandum is to outline the key findings of the Waste Assessment and how these have informed the development of the draft Resource Recovery Plan (one of the 14 plans drafted for the Long-Term Plan. This will in turn form the central components of the revised WMMP.
- 1.3** The memorandum also recommends that the Council resolve to develop a replacement WMMP for public consultation alongside the consultation on the draft 2024-34 Long-Term Plan.

2. BACKGROUND

- 2.1** The Council is required by the Waste Minimisation Act 2008 to review its WMMP at least once every six years. The Council adopted the current WMMP in 2019, just before the development of the 2021-31 Long-Term Plan.

- 2.2 The timing of this work meant that Council was limited in the decisions it could make through the Long-Term Plan in the resource recovery activity, without also affecting the WMMP (and potentially requiring additional consultation).
- 2.3 As a result, elected members agreed to revisit the WMMP early, as part of the 2024-34 Long-Term Plan, so that the decisions and budgets could be better aligned.
- 2.4 On 29 November 2023, the Sustainability Committee resolved:

“That the Committee agree Option 2 - compile a draft Waste Management and Minimisation Plan (WMMP) for consultation concurrent with the consultation or as part of the consultation on the Resource Recovery Plan/Long Term Plan.”
- 2.5 Before undertaking a review of the WMMP, the Council must prepare a waste assessment in accordance with sections 50 and 51 of the Waste Minimisation Act 2008. We contracted Eunomia to conduct the waste assessment on our behalf. The period assessed was May – June 2022. The draft report was then used to inform the development of the draft Resource Recovery Plan.
- 2.6 The draft Waste Assessment must include comments from the Medical Officer of Health. We provided the draft Waste Assessment to the Medical Officer of Health in December 2023 and received their feedback in January 2024.

3. SUMMARY OF WASTE ASSESSMENT FINDINGS

- 3.1 The following is a summary of the key findings from the Waste Assessment. The full document is included as Attachment 1 to this memorandum.

Total waste to landfill has increased¹

- 3.2 The total amount of waste being sent to landfill has increased since the last assessment in 2017, from 794 tonnes per week to 894 tonnes per week in 2022.
- 3.3 This increase is partly attributed to changes in how waste is managed – for instance, road sweepings are now processed through the Matthews Ave RTS rather than being sent directly to Bonny Glenn landfill by a private contractor.
- 3.4 However, construction and demolition (C&D) waste and industrial/commercial/institutional (ICI) waste has also increased, while waste from residential sources and kerbside waste collections has decreased slightly.
- 3.5 The amount of waste per capita has also increased, from 544kgs in 2017 to 607kgs in 2022 (based on seasonally adjusted waste volumes).

¹ Refer to section 5.3 of the Waste Assessment.

	Tonnes per annum
Total seasonally adjusted waste to landfill	54,870
Population (2022, Council figure)	90,400
Total seasonally adjusted waste to landfill per capita	0.607 per capita

Table 1 - total waste sent from Palmerston North to class 1 landfills 2022

3.6 Our waste to landfill figure is slightly lower than the national average (630kgs) and lower than the average for similar sized cities (750kgs).

The proportion of waste that could potentially be diverted has decreased²

3.7 The total amount of waste that could be diverted from class 1 landfills³ has fallen since 2017. As of 2022, we could potentially divert 45.9% of the waste that is going to landfill. In 2017, this figure was 66%, which shows that we have made progress in diverting more of our waste from landfill.

Palmerston North general waste diversion potential 2022	Proportion total	of	Tonnes week	per	Tonnes annum	per
Recyclable and recoverable materials						
Paper - Recyclable	3.7%		33		1,706	
Paper – cardboard	3.3%		29		1,532	
Plastic – recyclable	1.2%		10		536	
Ferrous metals	2.8%		25		1,301	
Non-ferrous metals	1.1%		10		533	
Glass – recyclable	1.8%		16		857	
Textiles – clothing	1.7%		15		803	
Rubble – Cleanfill	1.6%		14		733	
Timber – Reusable	0.3%		3		151	
Subtotal	17.5%		156		8,151	

² Refer to section 5.4 of the Waste Assessment.

³ A class 1 landfill is a municipal disposal facility that accepts household waste, green waste, waste from institutional, commercial, or industrial sources, and waste that is not accepted at other landfills

Compostable materials			
Organics - food scraps	13.5%	121	6,307
Organics – compostable green waste	12.0%	107	5,598
New plasterboard	1.5%	14	709
Timber - Untreated/ Unpainted	1.4%	12	636
Subtotal	28.4%	254	13,250
TOTAL – Potentially divertible	45.9%	410	21,401

Table 2 - proportion of overall waste potentially divertible from landfill 2022

3.8 The biggest proportion of potentially divertible materials is organics – food scraps and compostable green waste – accounting for more than half of the potentially divertible material.

Kerbside waste collections account for over half of potential waste diversion⁴

3.9 The Waste Assessment looks at the different sources of waste to identify the proportion of divertible material in each source. During the period of the assessment, just over half of the divertible material found in waste was in kerbside collections. However, non-Council (i.e. private operator) kerbside collections alone accounted for over 40% of the total divertible material found in waste. Again, most of the divertible material in kerbside collection is organic material – food scraps and compostable green waste.

Matthews Ave RTS - Divertible materials by activity source - May/June 2022	C&D	ICI	Landscaping & earthworks	Residential	Council kerbside rubbish	Other kerbside rubbish
Paper Recyclable -	0.0	13.8	0.0	0.9	3.2	14.8
Paper Cardboard -	1.7	24.4	0.0	1.3	0.4	1.6

⁴ Refer to section 5.4.2 of the draft Waste Assessment.

Plastic Recyclable -	0.1	5.0	0.0	0.1	0.9	4.2
Food scraps	0.0	29.2	0.1	1.3	29.7	60.6
Compostable green waste	0.1	3.9	5.6	1.9	2.7	50.5
Ferrous metals	1.5	15.2	0.0	3.1	1.0	4.0
Non-ferrous metals	0.0	7.8	0.0	0.1	0.4	1.9
Glass Recyclable -	0.0	4.4	0.0	0.1	0.6	11.3
Textiles - Clothing	0.0	8.3	0.0	1.5	1.8	3.7
Rubble - Cleanfill	9.7	1.1	3.2	0.1	0.0	0.0
New plasterboard	13.4	0.2	0.0	0.1	0.0	0.0
Timber Reusable -	2.0	0.8	0.0	0.1	0.0	0.0
Timber Untreated/unpainted -	5.6	5.7	0.0	0.8	0.0	0.0
TOTAL	34.0	119.7	9.0	11.4	40.6	152.6

Table 3 - tonnes of waste per week potentially divertible from landfill, by type of material and by activity source May/June 2022

Larger bins have larger proportions of divertible material⁵

3.10 Across the three types of waste bins for kerbside collections (PNCC rubbish bag, 80L wheelie bin, and 240L wheelie bin), the larger wheelie bin contains comparatively more material that could be recycled (17.9% vs 9.6% in 60L PNCC rubbish bags). The smaller 80L wheelie bins contained just 7.9% potentially recyclable material. The larger bin also contains more compostable material (71.6%) compared to the PNCC rubbish bags (64%) and smaller wheelie bins (59.1%).

⁵ Refer to section 5.5.4 of the Waste Assessment.

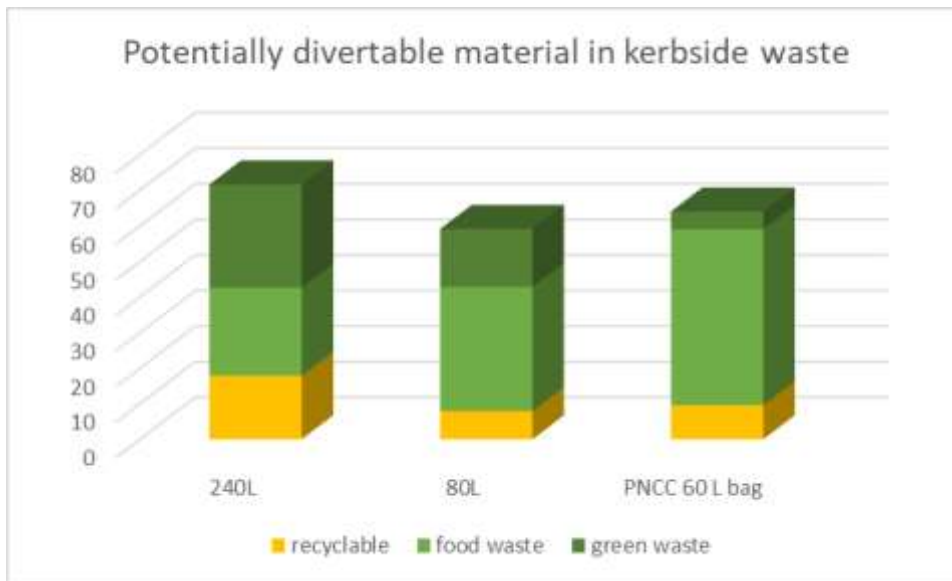


Figure 1 – percentages of potentially divertable material by material, and type of container 2022

Key issues and responses⁶

3.11 The Waste Assessment identified several key issues and set out some suggested actions for Council to consider. The table below summarises those issues and sets out how we have responded to those issues through the draft Resource Recovery Plan:

Issue	Response
<p>Compliance with government requirements for kerbside standardisation and performance standards requires that Council provides a household kerbside food scraps collection.</p> <p>Additionally, large amounts of organic waste (particularly food waste) is going to class 1 landfill.</p>	<p>The draft Resource Recovery Plan includes an action to develop a kerbside food scraps collection.</p>
<p>Low Council market share in the domestic kerbside refuse market, which will create risk for Council in monitoring progress towards government performance standards and is likely to result in lower participation in recycling and food</p>	<p>The draft Resource Recovery Plan includes an action to review the service delivery options for kerbside waste and recycling collections.</p>

⁶ Refer to section 7.3 of the Waste Assessment.

<p>scraps collection services.</p>	
<p>A significantly higher proportion of divertible material in refuse placed out for private wheeled bin collections, include the presence of green waste (which is very insignificant in the Council refuse bag collection).</p>	
<p>A general lack of data, particularly relating to private waste collections and waste going to class 2-5 landfills</p>	<p>The existing Waste Management and Minimisation Bylaw includes provisions for licensing commercial waste collectors. This licensing system could be used to collect more and better data about private waste collections. However, the complexity and costs of developing a new licensing system is a significant barrier.</p> <p>Changes to waste minimisation legislation are anticipated in the next 12-18 months, which may change the basis for waste licensing. Consequently, no actions are included in the draft Resource Recovery Plan for 2024-2027.</p>
<p>Provision for reuse is limited.</p>	<p>The draft Resource Recovery Plan includes a contestable fund which provides funding to groups for innovative recycling and reuse projects.</p>
<p>Proactive iwi liaison is limited</p>	<p>The draft Resource Recovery Plan does not include a specific action to address how we liaise with iwi. However, the Council has a partnership agreement with Rangitāne o Manawatū that sets out the expectations for how Council staff will work with representatives from Rangitāne. This includes Te Whiri Kōkō, which provides an opportunity to proactively discuss resource recovery issues.</p>
<p>Medical waste management will become an increasing issue with an</p>	<p>The draft Resource Recovery Plan does not include an action to</p>

ageing population.	address this issue. We have focussed on actions likely to have the greatest impact on minimising waste to landfill. Notwithstanding the conclusion of the Waste Assessment, the proportion of medical waste is not a significant contributor to waste disposal.
Disaster waste management	The draft Resource Recovery Plan does not include a specific action addressing the issue of waste arising during natural disasters.

4. MEDICAL OFFICER OF HEALTH COMMENTS

- 4.1 Section 51 of the Waste Minimisation Act 2008 sets out the requirements for conducting a waste assessment. It states that the Council, in making the assessment, must consult the Medical Officer of Health.
- 4.2 The Medical Officer of Health was provided with a draft copy of the Waste Assessment. Their response is included as an appendix to the Waste Assessment (Attachment 1).

Minimising waste to landfill also minimises impacts on public health

- 4.3 The Medical Officer of Health noted:

“We support reduction of waste being sent to landfill through the aligned waste minimisation hierarchy, prioritising reuse, recycling, and recovery of materials. This will decrease reliance on use of landfills and will minimise the impacts of waste on our environment and public health long term, including reducing emissions. The Waste Assessment identifies a number of key initiatives that, if successful, will provide a significant contribution to diversion of waste from landfill, most notably organic waste.”

There are opportunities for improvement in the future

- 4.4 The Waste Assessment included a gap analysis that identified areas where improvements could be made. The Medical Officer of Health noted:

“Management of hazardous waste, e-waste and medical waste are other areas noted within the Waste Assessment that provide opportunities for improvement in the future. Increasing community awareness of and accessibility to safe and cost-effective mechanisms for disposal of these waste streams, will reduce the risks to human and environmental health which result from utilisation of improper disposal methods for these materials.”

Partnership with community groups and mana whenua is key

- 4.5 The Medical Officer of Health observed that achieving waste minimisation goals requires collaboration across a range of stakeholder groups. The Medical Officer of Health noted:

“We support partnership with mana whenua and key stakeholders, such as community groups, to contribute to setting waste minimisation goals and objectives. This is important as some of these groups may not typically engage in formal submission processes. The likelihood of implementing successful solutions to challenges in waste minimisation and management will be greater with active and early community engagement. Furthermore, strong community engagement in decision making around waste minimisation actions will limit any unintended consequences to the health of our communities from the actions taken (or any lack of action).”

Support for vulnerable groups should be targeted

- 4.6 The Medical Officer of Health stressed the importance of targeted and innovative approaches to education to support vulnerable groups within the community. They noted:

“Creating an environment that promotes waste minimisation and behavioural change also requires a focus on supporting vulnerable groups within the community, such as rural residents, people living in low socioeconomic areas, and the elderly. Education strategies outlined in the Waste Assessment are a good starting point, however specific consideration of more targeted and innovative approaches to address barriers such as accessibility and cost for vulnerable groups are necessary to improve participation in safe and effective waste minimisation and management across communities.”

5. ANALYSIS

- 5.1 Upon completion of the Waste Assessment, Council is required to consider its WMMP considering that Waste Assessment.
- 5.2 The draft Waste Assessment provides the most recent view of the waste sector in Palmerston North. It identifies key issues facing the city, and challenges that Council faces both as a service provider and as a regulator.
- 5.3 While some issues were prominently addressed in the 2019 WMMP, such as the high proportion of food and organic waste, these remain significant issues in the most recent Waste Assessment. Furthermore, the changes to waste legislation outlined in the national Waste Strategy indicate we will need to revise our plans for waste minimisation.
- 5.4 Preparing a replacement WMMP is therefore an appropriate response to the findings of the 2023 Waste Assessment. It provides the Council with the opportunity to revise and improve the actions in the current WMMP and set out a course of action for the next six years to improve waste minimisation outcomes for our city.

5.5 The draft Resource Recovery Plan, which forms part of our strategic direction and informs the draft Long-Term Plan, will be the basis for any replacement WMMP.

6. NEXT STEPS

6.1 If Council agrees to review the WMMP considering the Waste Assessment, we will draft a replacement WMMP for approval for public consultation. This document will follow a similar format to the 2019 WMMP but will additionally include the actions outlined in the draft Resource Recovery Plan.

6.2 The draft WMMP will be presented to the Sustainability Committee on 13 March, for approval for public consultation. Consultation on the draft WMMP will be concurrent with the draft Long-Term Plan.

7. COMPLIANCE AND ADMINISTRATION

Does 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 4: An Eco City	
The recommendations contribute to the achievement of action/actions in Resource Recovery	
The action is: Review the Waste Management and Minimisation Plan	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	Receiving the Waste Assessment and agreeing to review the WMMP will enable the community to have input into the strategic direction for the resource recovery activity, and for our WMMP to be aligned to that strategic direction.

ATTACHMENTS

- Palmerston North Waste Assessment 2023 (attached separately)



MEMORANDUM

TO: Council

MEETING DATE: 14 February 2024

TITLE: Approval for the Mayor to attend the 2024 Taipei Smart City Mayor's Summit

PRESENTED BY: Gabrielle Loga, International Relations Manager

APPROVED BY: David Murphy, Chief Planning Officer

RECOMMENDATION TO COUNCIL

- 1. That Council grant approval for the Mayor to travel to Taipei from 18 March to 23 March 2024 to attend the 2024 Taipei Smart City Mayors' Summit.**
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1. ISSUE

- 1.1 This memorandum outlines an opportunity for the Mayor to travel to Taipei from 18 March to 23 March 2024 in order to attend the 2023 Taipei Smart City Mayors' Summit, organised by the Taipei Computer Association (TCA), and seeks approval for the Mayor to lead this international travel delegation as Council business, under the Elected Member Expenses and Allowances Policy.
- 1.2 The purpose of the trip would be to connect with leaders and decision-makers from government and business sectors from around the world to exchange ideas and explore opportunities in the collaboration of intelligent solutions for smart city planning and implementation.
- 1.3 A copy of the invitation, received on 15 January 2024, is included as Attachment 1.

2. BACKGROUND

- 2.1 Taipei Computer Association was established in 1974 and is a leading industrial organisation in Taiwan. Since 2014, it has been facilitating the Smart City Summit and Expo, acting as a bridge to government, academic, general public and international professional bodies.
- 2.2 Every year, the Smart City Mayors' Summit gathers city mayors and high-profile municipal delegates from across nations to share and exchange their insights on the latest governmental strategies and trends in smart cities. It is

the largest government-to-government network for promoting projects, connecting with futurists and potential partners across industries and gaining global influence at the marketplace in Asia-Pacific and beyond.

- 2.3 Palmerston North has participated in the Taipei Smart City Mayors' Summit for the last four years. The Mayor presented on behalf of the city on all four occasions (online in 2020 – 2022 and in-person in 2023).
- 2.4 The Mayor would be accompanied by the International Relations and Education Advisor. The Principal Advisor – Climate Change, who is already in Taiwan on a research fellowship that eventuated from attendance at the 2023 summit, will also attend.
- 2.5 This year, there is an opportunity to present on:
 - a) Progress on reducing Palmerston North City Council's corporate carbon emissions;
 - b) Progress on Palmerston North's target of 30% reduction in greenhouse gas emission by 2031; and
 - c) The progress on Palmerston North's experiment with big data and artificial intelligence in city management and public administration.
- 2.6 Items a) and b) above will be based on information reported to the Sustainability Committee during 2023. Item c) above is a piece of work that is under development following Palmerston North City Council's participation in the 2023 Taipei Smart City Summit and Expo.
- 2.7 The Mayor's leadership of the delegation would secure the financial support from the Taipei Computer Association via the complimentary government delegation VIP package, which includes:
 - a) One return flight ticket for Mayor
 - b) Four-nights' accommodation for all delegates
 - c) Transportation from the hotel to event venue
- 2.8 The complimentary government delegation VIP package will need to be recorded in the gifts register and would be subject to the Local Government (Pecuniary Interests Register) Amendment Act 2022. While the initial invitation expects a delegation of 5, it has been confirmed that the financial support would be provided for a smaller delegation.
- 2.9 Should Council approve the Mayor to travel, the cost would be minimal and unlikely to exceed \$500 as flights and accommodation for the Mayor would be covered by the Taipei Computer Association.

2.10 The dates of travel will have limited impact on formal Council business. The Mayor would be unable to attend the 20 March Community Committee, in-person at least.

3. NEXT STEPS

3.1 Should the recommendation be agreed, the International Relations Manager will liaise with the Taipei Computer Association to accept the financial support package for the delegation and proceed with travel bookings.

3.2 Following the visit, Council will receive a report on the 2024 Taipei Smart City Mayor's Summit and Expo.

3.3 Council passed the following resolution on 6 December 2023:

That the Chief Executive provide an annual plan for international relations activity to Council

The focus since this resolution was passed has been on the recent delegation to China and Japan. Work on the annual plan has commenced and will be reported to Council to guide the international relations activities during the 2024/25 financial year.

4. COMPLIANCE AND ADMINISTRATION

Does 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 as well as Goal 4: An Eco City	
The recommendations contribute to the achievement of action/actions in Economic Development The actions are:	
<ul style="list-style-type: none"> • Support initiatives that promote the city's international reputation and strengths • Promote Palmerston North's interests to global partners • Promote the environmental wellbeing of city's communities and sustainable development. 	

<p>Contribution to strategic direction and to social, economic, environmental and cultural well-being</p>	<p>The delegation outlined in this report helps to promote the city's international reputation in climate change actions and sustainable urban development and explore potential partners to enhance economic, educational and environmental cooperation. The Mayor's leadership of the delegation enables financial support for the delegation and would contribute to its success.</p>
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ATTACHMENTS

1. Formal invitation letter to 2024 Smart City Summit and Expo [↓](#) 
2. Complimentary government delegation VIP package [↓](#) 
3. 2024 Smart City Summit and Expo Kit [↓](#) 

