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NORTH  
CITY

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# **PALMERSTON NORTH CITY COUNCIL**

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AGENDA

## **SUSTAINABILITY COMMITTEE**

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9:00 AM, WEDNESDAY 13 MARCH 2024

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

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# MEMBERS

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**Brent Barrett (Chair)**  
**Kaydee Zabelin (Deputy Chair)**  
**Grant Smith (The Mayor)**

<b>Roly Fitzgerald</b>	<b>Lorna Johnson</b>
<b>Patrick Handcock (ONZM)</b>	<b>Debi Marshall-Lobb</b>
<b>Leonie Hapeta</b>	<b>Karen Naylor</b>

AGENDA ITEMS, IF NOT ATTACHED, CAN BE VIEWED AT

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

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**Waid Crockett**

**Chief Executive | PALMERSTON NORTH CITY COUNCIL**

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Te Marae o Hine | 32 The Square  
Private Bag 11034 | Palmerston North 4442 | New Zealand  
[pncc.govt.nz](http://pncc.govt.nz)

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# SUSTAINABILITY COMMITTEE MEETING

13 March 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 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 7

"That the minutes of the Sustainability Committee meeting of 29 November 2023 Part I Public be confirmed as a true and correct record."

**7. Annual Sector Lead Report: Environment Network Manawatū** Page 11

Memorandum, presented by Amy Viles, Community Development Advisor.

**8. Wastewater Treatment Plant - Nature Calls: Quarterly Update** Page 37

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

**9. Draft Waste Management and Minimisation Plan - approval for consultation** Page 43

Memorandum, presented by Peter Ridge, Senior Policy Analyst and Natasha Hickmott, Activities Manager - Resource Recovery and Sustainability Infrastructure.

**10. Update on the Low Carbon Fund 2023/24** Page 85

Memorandum, presented by David Watson, Senior Climate Change Advisor.

**11. Palmerston North City Council Carbon Neutral Feasibility Study Update** Page 91

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

**12. Committee Work Schedule** Page 99

**13. Karakia Whakamutunga**

**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

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 Sustainability Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 29 November 2023, commencing at 9.06am**

**Members Present:** Councillor Brent Barrett (in the Chair), The Mayor (Grant Smith) and Councillors Kaydee Zabelin, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Debi Marshall-Lobb and Karen Naylor.

**Non Members:** Councillor Mark Arnott, Lew Findlay and Orphée Mickalad.

The Mayor (Grant Smith) left the meeting at 10.00am during consideration of clause 37. He entered the meeting again at 10.31am after consideration of clause 39. He was not present for clauses 37 to 39 inclusive.

#### **Karakia Timatanga**

Councillor Patrick Handcock opened the meeting with karakia.

#### **34-23 Presentation - Mercury Developments with Community Work**

Presentation, by Katy Scoullar, Community Engagement Manager, and Ryan Piddington, Strategic Consents Manager, and Todd Baldwin, Environmental Compliance and Monitoring Manager.

Katy, Ryan and Todd provided an update regarding Mercury's achievements (including the community liaison work) and the local/national impact in terms of environmental, cultural, social and economic well-being, as attached to these Minutes.

Moved Brent Barrett, seconded Patrick Handcock.

#### **The COMMITTEE RESOLVED**

1. That the Sustainability Committee receive the presentation for information.

Clause 34-23 above was carried 12 votes to 0, the voting being as follows:

#### **For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Kaydee Zabelin, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Debi Marshall-Lobb, Karen Naylor, Mark Arnott, Lew Findlay and Orphée Mickalad.

**35-23 Confirmation of Minutes**

Moved Brent Barrett, seconded Kaydee Zabelin.

The **COMMITTEE RESOLVED**

1. That the minutes of the Sustainability Committee meeting of 11 October 2023 Part I Public be confirmed as a true and correct record.

Clause 35-23 above was carried 10 votes to 0, with 2 abstentions, the voting being as follows:

**For:**

Councillors Brent Barrett, Kaydee Zabelin, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Debi Marshall-Lobb, Karen Naylor, Mark Arnott, Lew Findlay and Orphée Mickalad.

**Abstained:**

The Mayor (Grant Smith) and Councillor Leonie Hapeta.

**36-23 Progress Update - Resource Recovery Plan and Waste Management and Minimisation Plan 2024**

Memorandum, presented by Peter Ridge, Senior Policy Analyst.

Moved Grant Smith, seconded Brent Barrett.

The **COMMITTEE RESOLVED**

1. 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.

Clause 36-23 above was carried 12 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Kaydee Zabelin, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Debi Marshall-Lobb, Karen Naylor, Mark Arnott, Lew Findlay and Orphée Mickalad.

**37-23 Amendment to the Waste Management and Minimisation Bylaw Administration Manual (standardised recycling collections)**

Memorandum, presented by Peter Ridge, Senior Policy Analyst.

The Mayor (Grant Smith) left the meeting at 10.00am.

Moved Brent Barrett, seconded Kaydee Zabelin.

The **COMMITTEE RECOMMENDS**

1. That Council adopt the proposed changes to the Palmerston North Waste Management and Minimisation Bylaw 2016 Administration Manual as shown in Attachment 1.

Clause 37-23 above was carried 11 votes to 0, the voting being as follows:

**For:**



Councillors Brent Barrett, Kaydee Zabelin, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Debi Marshall-Lobb, Karen Naylor, Mark Arnott, Lew Findlay and Orphée Mickalad.

**38-23 Progress Update 2023 - Palmerston North City Council Low Carbon Roadmap**

Memorandum, presented by Adam Jarvis, Principal Advisor - Climate Change and David Watson, Senior Climate Change Advisor.

After discussion Elected Members noted Council's good progress on reducing its corporate emissions and monitoring citywide emissions, and requested an additional recommendation to prepare a plan to support community climate change action to help drive reductions to citywide emissions.

Moved Brent Barrett, seconded Kaydee Zabelin.

The **COMMITTEE RESOLVED**

1. That the Committee receive the memorandum titled 'Progress Update 2023 - Palmerston North City Council Low Carbon Roadmap' presented to the Sustainability Committee on 29 November 2023.
2. That the draft Climate Change & Sustainability Plan in the draft 2024/34 Long-Term Plan include a new action 'to co-develop a community-focused city-wide Climate Action Plan, including the articulation of local co-benefits and the identification of projects that may attract co-funding'.

Clause 38-23 above was carried 11 votes to 0, the voting being as follows:

**For:**

Councillors Brent Barrett, Kaydee Zabelin, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Debi Marshall-Lobb, Karen Naylor, Mark Arnott, Lew Findlay and Orphée Mickalad.

**39-23 Committee Work Schedule**

Moved Brent Barrett, seconded Kaydee Zabelin.

The **COMMITTEE RESOLVED**

1. That the Sustainability Committee receive its Work Schedule dated November 2023.

Clause 39-23 above was carried 11 votes to 0, the voting being as follows:

**For:**

Councillors Brent Barrett, Kaydee Zabelin, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Debi Marshall-Lobb, Karen Naylor, Mark Arnott, Lew Findlay and Orphée Mickalad.

The Mayor (Grant Smith) entered the meeting again at 10.31am.

### **Karakia Whakamutunga**

Councillor Patrick Handcock closed the meeting with karakia.

The meeting finished at 10.32am

Confirmed 13 March 2024

**Chair**

## MEMORANDUM

**TO:** Sustainability Committee

**MEETING DATE:** 13 March 2024

**TITLE:** Annual Sector Lead Report: Environment Network Manawatū

**PRESENTED BY:** Amy Viles, Community Development Advisor

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

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### RECOMMENDATION TO SUSTAINABILITY COMMITTEE

- 1. That the Committee receive the Annual Sector Lead Report: Environment Network Manawatū (January-December 2023) (Attachments 1, 2 and 3).**
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#### 1. ISSUE

- 1.1 Environment Network Manawatū (ENM) is delivering its second annual report (January–December 2023) as a Sector Lead organisation, which is appended to this memorandum in Attachments 1, 2 and 3.
- 1.2 Reporting to Council is required under the Sector Lead Partnership Agreement structure.
- 1.3 Analysis of the performance of ENM against agreed activities and outcomes is included in this memorandum.

#### 2. BACKGROUND

- 2.1 On 8 June 2022, Council resolved to engage Environment Network Manawatū (ENM) as a Sector Lead organisation.
- 2.2 The Sector Lead Partnership model was trialled from 1 July 2022 – 30 June 2023, and was approved to continue, as per Council's resolution of 18 December 2023:

*'That Council approve the continuation of the Sector Leads Partnership model in principle, as per the Support and Funding Policy 2022, and note that appropriate budget will be established for Sector Lead partners within the draft 2024-2034 Long-Term Plan.'*

- 2.3 A three-year Partnership Agreement commenced between ENM and Council in July 2022. The Agreement stipulates that activities funded contribute to the achievement of priorities 1-3 within the Council's Goal 4 Eco City strategic direction.

2.4 Reporting requirements within the Agreement include an annual report to Council covering the activities delivered and outcomes achieved in the preceding period.

**3. ANNUAL REPORT ANALYSIS**

3.1 ENM are the central environment member-led organisation in the Manawatū. They provide vital leadership, capability and capacity building opportunities for the Palmerston North environmental community and the public, with a particular focus on collective community action with environmental groups. ENM also provide advice, information, advocacy and human resources for the environmental sector within the wider Manawatū.

3.2 ENM have 68 member groups across two key lead initiatives: Manawatū Food Action Network and Manawatū River Source to Sea. Manawatū Food Action Network (MFAN) leads and supports community-led initiatives to address food resilience building in the Manawatū. Manawatū River Source to Sea (S2S) incorporates a network of initiatives focused on the biodiversity of the Manawatū River catchment community. Key initiatives include the Ruahine Kiwi Project, the Plastic Pollution Challenge and the Palmerston North Repair Café.

3.3 The organisation also administers the Environmental Initiatives Fund and delivers active transport and climate change initiatives. The Environmental Initiatives Fund is administered by ENM to support Palmerston North based community initiatives that improve environmental outcomes. Small grants (up to \$1,000) and large grants (between \$1,000 to \$12,000) are available for projects that align with Council's Eco-City Strategy.

3.4 Additional to Council funding, ENM receives multiple and diverse sources of funding across their initiatives, including funding from the Department of Internal Affairs (Lotteries), Ministry for the Environment, Environment Hubs Aotearoa, Eastern and Central Community Trust (ECCT) and income from the Ruahine Kiwi Project. ENM works towards meeting several different investment outcomes through its activities and, therefore, their report includes activities that are not solely funded by Council.

3.5 While the Sector Lead agreement specifically covers initiatives that focus on the city of Palmerston North, staff acknowledge that work completed by ENM initiatives have far broader impacts on the wider Manawatū Region. ENM provide sector leadership in both a citywide and regional capacity.

3.6 The amount of funding ENM receives through this Sector Lead Partnership Agreement is \$165,000 per annum (plus GST and adjusted for inflation in years two and three). Funding for the current financial year totals \$172,590.

**Assessment of agreed activities**

Strategic Alignment	Activity	Comment	Assessment  (Not met; developing; or met)
<b>Eco City Activities</b>			
Priorities 1, 2 & 3	Facilitate a membership network of environmental groups and deliver environment related education initiatives.	ENM are performing well in this area.  ENM have grown their membership base and their reach into the community. The MFAN membership base, in particular, has grown exponentially in response to their work in the food resilience space.	Met
Priorities 1, 2 & 3	Umbrella two collective action networks: Manawatu River Source to Sea and Manawātū Food Action Network.	ENM are performing well in this area. They have delivered a range of high-quality activities and programmes in this reporting period.  Staff consider there is further opportunity for ENM to expand both networks to pursue new collaborative initiatives and ideas generated from community, however securing and maintaining sufficient funding to ensure ENM can deliver on all outcomes is an ongoing challenge.	Met
Priorities 1, 2 & 3	Administer the Environment Initiatives Fund in support of community-led environment initiatives.	ENM are performing well in this area.  In the 2022-2023 year, 17 applications were received with \$49,000 awarded to 7 organisations.	Met
<b>Sector Leadership activities</b>			
Priority 1, 2 & 3	Provide capacity-building and support for other community organisations to develop and connect;	ENM are performing well in this area.  ENM work with other environmental organisations in Palmerston North, across neighbouring regions and nationally through the EHA (Environment Hubs Aotearoa) network and other national networks to support the development and promotion of environmental initiatives.  An example of the collaborative work	Met

		of ENM is in the delivery of seasonal quarterly MFAN hui as an opportunity for food organisations to gather and work collaboratively.	
Priorities 1, 2 & 3	Deliver the highest level of expertise and highest quality service;	ENM are performing well in this area. Contributor to the case study for an Inspiring Communities report to the Western Bay of Plenty District Council, the delivery of the Future Living Skills programme and De-escalation Training provided for food security services in Palmerston North.	Met
Priorities 1, 2 & 3	Think, work and advocate strategically;	ENM are performing well in this area. Key contributor to PN City Council piece of work on food resilience in 2023. Subject matter expert/technical advice provided to Council on a regular basis (i.e. Featherston Street cycleway).	Met
Priorities 1, 2 & 3	Have robust strategic and business plans in place.	ENM are performing well in this area. Development of a Strategic Framework in 2023, in collaboration with member groups, has formed the foundation of an Action Plan to guide the organisation now and in the future, with a focus on Sector Leadership, building capacity and capability and creating community. Financials have been provided and staff have no concerns regarding the financial viability of ENM. ENM as an organisation are financially sound, however, their ability to secure long-term funding for future projects has the potential to impact on future service delivery in some key areas.	Met

3.7 Alongside an annual report which provides information on the agreed activities, Sector Lead organisations are required to provide six-monthly performance measure data for a range of indicators related to their activities.

- 3.8 The measures are based on a Results Based Accountability approach, where impact of effort is demonstrated by measurement of who is 'better off' as a result of the activities or services, as well as 'how much' of the activity or service was delivered and 'how well' it was delivered. This performance measure data provides an evidence base to support the information in the annual report. Performance measure data for the period 1 January 2023 to 31 December 2023 is appended to this memorandum as Attachment 4.
- 3.9 Staff note that the number of respondents to the ENM surveys is insufficient to allow for adequate data analysis for many of the 'How well' and 'Better off' measures. This was a concern raised last year with ENM. Staff will work with ENM going forward to support improved data collection for the next reporting period.
- 3.10 The data does demonstrate, however, that the last reporting period has seen a significant positive rise in connections made in growing the sector in the community, event participation, social media presence, collaboration and engagement. Overall, ENM continue to go from strength to strength in the delivery of their Strategic Framework.
- 3.11 Concern for securing long-term funding for key initiatives, such as the funding of the core role of MFAN Co-ordinator and the Ruahine Kiwi Project, has been a challenge for ENM in the last year. There has been a significant increase in MFAN membership and the number of potential projects MFAN can deliver on will be impacted in the future by the ability of the organisation to find a long-term funding solution for this vital role. Additionally, as the funding from the Department of Conservation 'Jobs for Nature' initiative nears completion, there is uncertainty as to how this valuable programme will continue to be funded in the future. The uncertainty of future funding for these additional projects is likely to have a wider impact on the achievement of the environmental wellbeing goals Council has for the city in the proposed Long-Term Plan.

**4. CONCLUSION**

- 4.1 This memorandum has provided background to and comment on the annual report of Environment Network Manawatū (ENM) for 2023.
- 4.2 Staff have assessed that ENM are performing well against their agreed activities across the board. The organisation continues to demonstrate significant growth in response to community demand, provide strong advocacy on environmental issues, and has demonstrated that building collaboration across environmental initiatives is a core strength. A risk has been noted that ENM may be limited in their future service delivery if unable to secure ongoing funding for key roles and initiatives.

**5. NEXT STEPS**





- 5.1 Staff will continue to support ENM to deliver the wide-ranging activities and initiatives covered by the Sector Lead Partnership Agreement.

5.2 ENM will present its next Annual Report, covering year three of the agreement, in the first quarter of 2025. Further staff commentary on progress will also be provided at that time.

**6. COMPLIANCE AND ADMINISTRATION**

Does the Committee have delegated authority to decide?	<b>Yes</b>
Are the decisions significant?	<b>No</b>
If they are significant do they affect land or a body of water?	<b>No</b>
Can this decision only be made through a 10 Year Plan?	<b>No</b>
Does this decision require consultation through the Special Consultative procedure?	<b>No</b>
Is there funding in the current Annual Plan for these actions?	<b>Yes</b>
Are the recommendations inconsistent with any of Council's policies or plans?	<b>No</b>
The recommendations contribute to Goal 4: An Eco City	
The recommendations contribute to the achievement of action/actions in Environmental Sustainability	
The action is: Administer grants in line with the community funding policy; Monitor for-purpose organisations contracted or funded by Council against agreed outcomes.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Sector Lead Organisations contribute to the achievement of Council's strategic direction, particularly Goals 2, 3 and 4, which seeks to enhance the social, economic, environmental and cultural wellbeing of the community.

**ATTACHMENTS**

1. Annual Sector Lead Report ENM 2024 [↓](#) 
2. ENM Revised End of Year Forecast Profit and Loss 31 Dec 2023 [↓](#) 
3. ENM Balance Sheet 31 Dec 2023 [↓](#) 
4. ENM Performance Measure Data for period 1 January 2023 to Dec 2023 [↓](#) 















































## MEMORANDUM

**TO:** Sustainability Committee

**MEETING DATE:** 13 March 2024

**TITLE:** Wastewater Treatment Plant - Nature Calls: Quarterly Update

**PRESENTED BY:** Mike Monaghan, Group Manager Three Waters

**APPROVED BY:** Chris Dyhrberg, Chief Infrastructure Officer

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### RECOMMENDATION TO SUSTAINABILITY COMMITTEE

1. That the Committee receive the report titled 'Wastewater Treatment Plant – Nature Calls: Quarterly Update' presented to the Sustainability Committee on 13 March 2024.
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#### 1. ISSUE

- 1.1 The Nature Calls Project Team completed the concept design and development of the resource consent application to Horizons Regional Council (Horizons) in late 2022. This was the culmination of four years of work developing the Best Practicable Option (BPO) which comprises highly treated wastewater being discharged to the Manawatū river or to land.
- 1.2 Quarterly updates for the project were requested by Council. This report provides an update on the project for the period from October to December 2023.

#### 2. BACKGROUND

##### **Application not accepted by Horizons – 31 March 2023**

- 2.1 On 31 March 2023, Horizons informed Council that the consent application had been rejected under Section 88 of the RMA. Horizons cited in their correspondence to Council that the application did not include sufficient information.

##### **Objection by Council to Horizons' Section 88 decision**

- 2.2 Following discussions with the Project Team, Council Officers and external legal advisors - a decision was made to formally object to Horizons' Section 88 decision. The objection was made under the RMA on the basis that the applicant (Council) disagreed with the decision of the regulator (Horizons).

The objection was deemed necessary for Council to assert the position that the consent application was sufficient to be accepted under Section 88. The Project Team continued to work constructively with Horizons on the consent application despite the objection.

### **3. RESOURCE CONSENT APPLICATION**

#### **Application accepted by Horizons – 1 August 2023**

- 3.1 Following the rejection of the application on 31 March 2023, the Project Team continued to work to address the matters raised by Horizons. With the various discussions with technical personnel an agreement was established on the best way forward and it was agreed with Horizons that Council resubmit its response. Council resubmitted this to Horizons on 20 July 2023.
- 3.2 It was noted in the response to Horizons that Council remained of the opinion that the original application was sufficient to have been accepted by Horizons on 19 December 2022.
- 3.3 Horizons informed Council on 1 August 2023 that the application had been formally 'accepted' as complete. This was a significant milestone for Council and the Project Team.
- 3.4 Following the receipt of the acceptance notification from Horizons, Council formally withdrew its objection to Horizons' original decision. It was deemed that following the work undertaken by both parties there was no need to continue with the objection.

#### **Horizons request further Information (Section 92) – 17 August 2023**

- 3.5 On 17 August 2023, Council received Horizons' request for further information regarding the consent application (also known as a Section 92 request for further information of the RMA).
- 3.6 This request contained over 200 questions - additional information requests are not unusual to receive on consent applications, and extensive information requests are normal to receive on applications of this magnitude.
- 3.7 Due to the complexity and anticipated duration required to formulate answers to the Section 92 request the Project Team advised Horizons that Council anticipated being able to respond to the Section 92 request on 26 June 2024.
- 3.8 The Project Team have scoped the work required to respond to these questions and are now developing the technical work to support these responses.
- 3.9 Having informed Horizons of the length of time needed to respond to the further information request, the statutory processing time stops until these are responded to. Horizons will not start the statutory clock again until they are

confident that the additional information has been provided, or unless Council provide an alternative response to the outstanding questions.

- 3.10 Following receipt of the information requested by Horizons further questions may be raised and Council would need to either continue to answer these or provide an alternative response. Once all of the outstanding matters are closed out, or we have notified that we will not respond to the matters further, the processing clock restarts, and the application moves towards the notification process.

#### **4. NATURE CALLS STEERING GROUP**

- 4.1 The inaugural Nature Calls Steering Group met on 19 December 2023. The Terms of Reference (ToR) that were presented to Council on 1 November were pre-circulated to the group prior to the meeting for discussion at the initial meeting. Comments were requested and received from Steering Group members on the ToR and will be finalised and agreed upon at the next meeting.
- 4.2 The Steering Group meet on 27 February 2024. This meeting will be held at the Wastewater Treatment Plant on Totara Road, where as well as the ToR being finalised, a project update will be presented, and a tour of the current treatment plant will take place.
- 4.3 The finalised ToR for the Nature Calls Steering Group will be presented to Council on 1 May 2024 for adoption.

#### **5. SECTION 92 REQUEST FOR FURTHER INFORMATION WORKSTREAM**

- 5.1 The Project Team is working through the numerous additional information requests. Technical workstreams that are being finalised in this initial tranche include:
- Plant design and output
  - River discharge structure
  - Groundwater at WWTP
  - Groundwater Mounding
  - Draft Land Management Plan
  - Draft Groundwater Seepage Monitoring Plan
- 5.2 Further information on site work/sampling is provided below. Once this tranche of work is completed the next tranche will commence. Due to the interrelationships between the various technical streams work is programmed so that areas that are closely linked are developed in parallel.

### **River Monitoring - Summer flow monitoring and mixing study**

- 5.3 The Project Team have been trying to undertake a river mixing study on the Manawatū River since the pre-lodgement phase. This work is required to inform the technical assessments that were submitted with the application. The river discharge mixing was modelled by specialists to provide an indication of how the mixing occurs. The field study will provide additional support to the modelling. Horizons have also requested this study as part of the Section 92 additional information request.
- 5.4 The mixing study required the river levels to be low to allow the study to provide an indication of how mixing occurs in low flow conditions. This is when the river is the most sensitive to discharges as dilution rates are low. Due to the abnormally high unseasonal flows in the Manawatū River last summer this study was unable to be carried out.
- 5.5 The testing occurred in three locations downstream of the current discharge location over several days. This involved releasing red dye (Rhodamine WT commonly used around New Zealand for similar studies) into the river and observing the mixing rate. A drone was used to record the dye release and behaviour.
- 5.6 The results of this study are being collated by the Project Team and all results will be offered to iwi once finalised.

### **Stream Testing within the Area of Interest**

- 5.7 In February 2024 consultants carried out water testing and ecological testing on four streams within the Area of Interest (Aoi). This work is required to support the consent application submitted to Horizons and was also requested by Horizons as part of the Section 92 additional information request.
- 5.8 The testing occurred in streams that were identified as streams that could be impacted by land application and provides baseline information on their ecological health. These streams included Whiskey Creek, Bourkes Drain, Main Drain and Taonui Stream.
- 5.9 An invitation was extended to iwi and Rangitāne staff attended the sites visits with the Project Team.
- 5.10 The results of this work are being collated by the Project Team and all results will be offered to iwi once finalised.

### **Mangaone Stream Flow Monitoring**

- 5.11 A flow monitoring station has been established to monitor flow levels from the Mangaone Stream. This was required to inform the model that has been developed on the Manawatū River. The monitoring station will also collect water quality data to assist and inform the model and develop baseline information on the Mangaone Stream.



**Biosolids Strategy**

- 5.12 Previous work identified that the Awapuni Landfill has limited capacity for future disposal of biosolids from the WWTP. Additional work has commenced on the Biosolids Strategy to determine opportunities for the use of biosolids going forward, with the focus on matters identified in the Biosolids Strategy Development Report that relate to:
  - current biosolids disposal; and
  - progressing future short and medium-term disposal options for biosolids from the treatment plant.
- 5.13 In addition to the work outlined above, strategic conversations are ongoing with other local entities in the region on biosolids disposal as this is a regional challenge for other councils.
- 5.14 The Project Team are completing work to determine the capacity of the existing Awapuni Composting facility. This will be completed in March 2024. Initial discussions with Council are occurring regarding short term steps that can be undertaken.

**Property**

- 5.15 The Project Team continues to investigate property to receive the land discharge, as this is a fundamental part of the consent application. A specific property team has been identified and meet regularly to progress this workstream. Since the update in October 2023 the team continues to work on the following:
  - Continuing to look at suitability of land within the Aol.
  - Multi-Criteria Assessment (MCA) - is being drafted to support site selection within the Aol. This work will support the Property Strategy.
  - Initial discussions on detailed investigations that are required to address the further information received by Horizons.

**6. BUDGET**

- 6.1 The 2023/24 capital budget for the Nature Calls project is \$3,000,000. This will allow for the aforementioned work packages to continue throughout this financial year.
- 6.2 At the end of January 2024 \$886,275 has been spent, the bulk of which has been spent on Work Packages focusing on land application, Section 92 responses and monitoring and investigation works. Other areas of spend include the biosolids strategy and investigation work package and further work on adaptive management.
- 6.3 Work will continue at pace responding to Section 92 questions as we have a deadline for response by 26 June 2024.

6.4 Officers are currently reviewing the project estimates that have been submitted for the LTP consultation document. A number of workstreams have been identified to challenge and test current assumptions, and it is acknowledged that the current figure includes a high level of contingency, as detailed design cannot be costed at this stage.

**7. NEXT STEPS**

- 7.1 Work continues in parallel workstreams.
- 7.2 We continue to connect and reach out to iwi in relation to the project in anticipation of ongoing conversation and discussion relating to cultural impact.
- 7.3 The finalised ToR for the Nature Calls Steering Group will be presented to Council on 1 May 2024 for adoption.

**8. COMPLIANCE AND ADMINISTRATION**

Does the Committee have delegated authority to decide?	<b>Yes</b>
Are the decisions significant?	<b>No</b>
If they are significant do they affect land or a body of water?	<b>No</b>
Can this decision only be made through a 10 Year Plan?	<b>No</b>
Does this decision require consultation through the Special Consultative procedure?	<b>No</b>
Is there funding in the current Annual Plan for these actions?	<b>Yes</b>
Are the recommendations inconsistent with any of Council's policies or plans?	<b>No</b>
The recommendations contribute to Goal 4: An Eco City	
The recommendations contribute to the achievement of action/actions in Waters The action is: Lodge resource consent application for future discharge of Wastewater Treatment Plant	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Lodging for resource consent allows Council to continue to provide its wastewater services and allows for future-proofing of the city.

**ATTACHMENTS**

Nil

## MEMORANDUM

**TO:** Sustainability Committee

**MEETING DATE:** 13 March 2024

**TITLE:** Draft Waste Management and Minimisation Plan - approval for consultation

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

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

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### RECOMMENDATION TO SUSTAINABILITY COMMITTEE

- 1. That the Committee approve the Statement of Proposal - Draft Waste Management and Minimisation Plan 2024 (Attachment 1) for public consultation concurrent with and linked to the draft 2024-34 Long-Term Plan consultation.**
- 

#### 1. ISSUE

- 1.1 In February 2024, the Council resolved to develop a replacement Waste Management and Minimisation Plan (WMMP). This report presents the draft WMMP Statement of Proposal for approval (Attachment 1) for public consultation.

#### 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 Eonomia 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 On 14 February 2024, Council received the Palmerston North Waste Assessment 2023 and made the following resolution:

*"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."*

### **3. DEVELOPMENT OF THE WMMP**

3.1 As noted in section 2, following the development of the 2021 Long-Term Plan, the Council decided to review the WMMP early. This was intended to ensure greater alignment between the strategic direction and budgets set by the Council and the actions contained in the WMMP.

3.2 To achieve this alignment, we contracted Eonomia to undertake a waste assessment in 2022, beginning with a SWAP<sup>1</sup> assessment. The results from the SWAP formed the basis of the draft Waste Assessment, which we received in 2023. The Waste Assessment considers waste collected by the Council and by the private sector.<sup>2</sup>

3.3 The development of Council's strategic direction began in early 2023. This included the development of the draft Resource Recovery Plan. The early drafts of this plan were informed by the findings of the draft Waste Assessment. Through a series of Council workshops, Elected Members refined the strategic direction, including the Resource Recovery Plan.

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<sup>1</sup> Solid Waste Analysis Protocol (SWAP) – this is a protocol developed by the Ministry for the Environment for use by local authorities when measuring and analysing the volume and composition of waste.

<sup>2</sup> Many private providers treat their waste collection services as commercially sensitive. As Council also operates a waste collection service some private providers are reluctant to share their data directly with the Council. The SWAP assessment utilizes a contractor to collect samples of waste from across the waste stream, to provide the best possible picture of the waste sector in Palmerston North. However, some aspects may not be captured – for example, where waste is disposed to a private landfill, composted at home, or burned on private property.



Figure 1: Timeline summary of the development of the Resource Recovery Plan and WMMP.

- 3.4 The draft Resource Recovery Plan includes 23 actions arranged under six objectives, contributing to the purpose of minimising all waste and its impact on the environment. The draft Resource Recovery Plan (as at March 2024) is included for reference as attachment two.
- 3.5 The draft WMMP is based around the Resource Recovery Plan. It incorporates the purpose statement as the WMMP's vision, and the actions are included in full in the WMMP's action plan. It also:
- Sets out the context and background to our waste situation and provides information about the waste stream and the composition of the waste going to landfill.
  - Describes our objectives (proposed in the draft Resource Recovery Plan) and includes as targets the performance standards for waste diversion that the Ministry for the Environment has identified and will be applying to all local authorities from 2024.
  - Sets out how we will fund the activities set out in the WMMP.
- 3.6 The draft WMMP therefore achieves a high degree of alignment with the Resource Recovery Plan, while also meeting the requirements of the Waste Minimisation Act 2008.
- 3.7 Figure 2 shows the relationship of the draft WMMP to the Resource Recovery Plan.

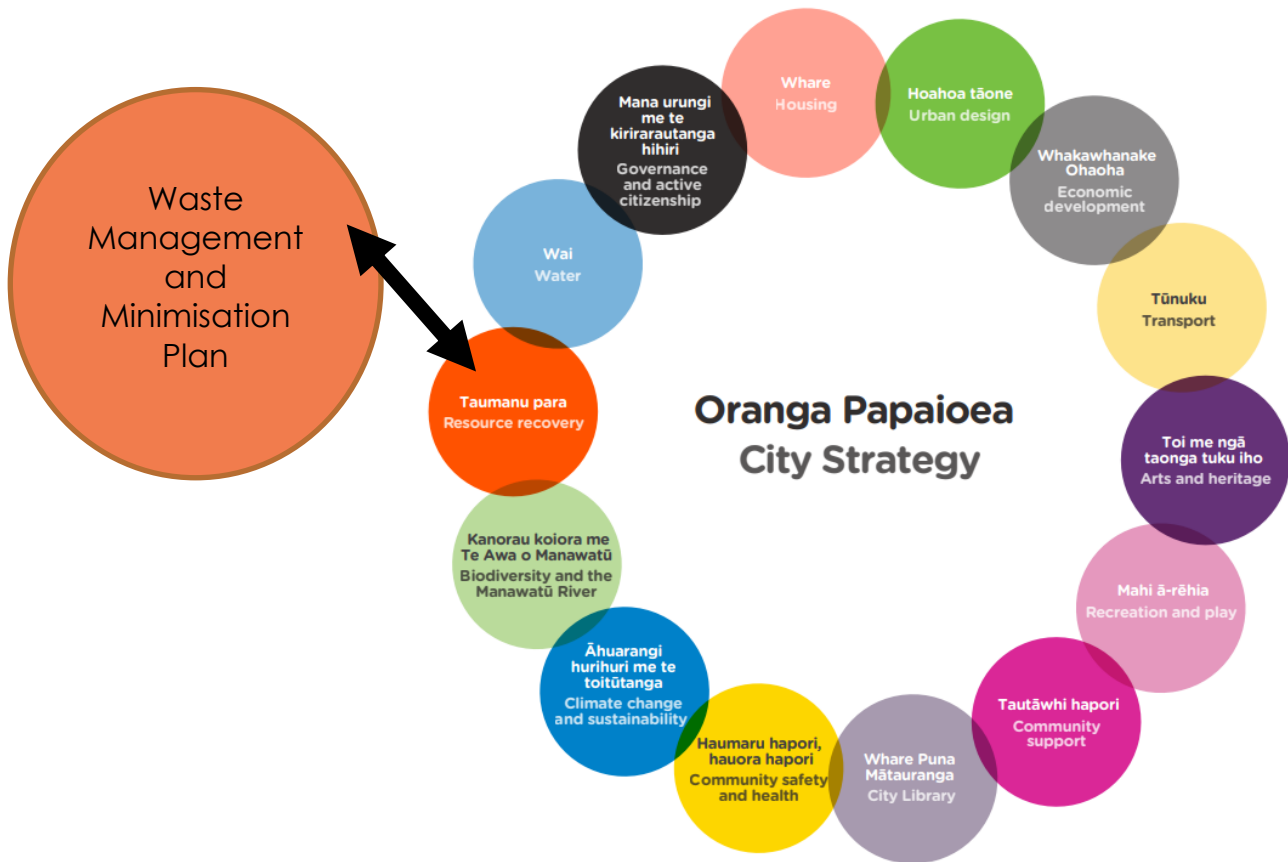


Figure 2: The Waste Management and Minimisation Plan reflects the Resource Recovery Plan within the Oranga Papaioea City Strategy and plans.

**4. IDENTIFICATION OF OPTIONS**

4.1 There are two options for the Committee to consider:

- Option 1 – approve the draft WMMP for public consultation
- Option 2 – do not approve the draft WMMP for public consultation

Option 1 – approve the draft WMMP for public consultation

4.2 If the Committee approves the draft WMMP for public consultation, then we will consult with the community and key stakeholders on the proposals within the draft WMMP. This consultation process will be aligned to the consultation on the draft Long-Term Plan. The community will be able to make submissions on both the Resource Recovery Plan and the WMMP.

4.3 Decisions that the Council makes will apply equally to both the Resource Recovery Plan and the draft WMMP. For instance, if the Council decides to make a change to the draft WMMP as a result of consultation, the Council will also need to make a resolution to change the draft Resource Recovery Plan, and importantly, amend any budgets in the draft Long-Term Plan that may be affected.

Option 2 – do not approve the draft WMMP for public consultation

- 4.4 If the Committee does not approve the draft WMMP for public consultation, then we will not begin consultation. The Committee may choose to undertake consultation later.

**5. ANALYSIS OF OPTIONS**

Option 1 – approve the draft WMMP for public consultation (recommended)

- 5.1 If the Committee approves the draft WMMP for public consultation, then it gives the community and key stakeholders an opportunity to provide feedback to the Council and have input into the proposals.
- 5.2 Undertaking consultation at this time ensures ongoing alignment between the draft Resource Recovery Plan (which is being consulted on as part of the draft Long-Term Plan) and the draft WMMP.

Option 2 – do not approve the draft WMMP for public consultation

- 5.3 If the Committee does not approve the draft WMMP for public consultation, then no further work would be undertaken on the draft WMMP. The draft Resource Recovery Plan, however, will still be consulted on through the Long-Term Plan as part of Council's strategic direction.
- 5.4 The current WMMP would remain valid as it is not required to be reviewed until 2025. However, any actions in the Resource Recovery Plan or programmes in the Long-Term Plan, which rely on waste levy funding that are not in the WMMP, will not be able to use the waste levy funding.<sup>3</sup> For example, the Resource Recovery Plan includes an action to provide funding to for-purpose groups to undertake innovative recycling and reuse programmes. We are proposing to use funding from the Waste Levy for this action, however our current WMMP does not include this action. If the draft WMMP were not approved for consultation, and we continued to rely on the current WMMP, then this action could not utilise waste levy funding. Budgets in the Long-Term Plan would also need to be amended.

**6. RECOMMENDATION**

- 6.1 We recommend that the draft WMMP is approved for public consultation. It has been drafted to align with the Resource Recovery Plan developed by staff and Elected Members and informed by the most recent Waste Assessment. Consultation alongside the Long-Term Plan will allow the community to consider our proposals as part of the larger strategic picture. It will also show how our WMMP sits within the plans for the city over the next 10 years.

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<sup>3</sup> The waste levy funding can only be used for waste minimisation activities in the Council's WMMP.

## 7. COMMUNITY ENGAGEMENT

- 7.1 The timing of consultation on the WMMP is intentional to align with the public consultation planned for the Long-Term Plan. We will work closely with the team leading the consultation on the Long-Term Plan to make the draft WMMP available at all consultation opportunities, and, wherever possible, have staff available to answer questions about the draft WMMP.
- 7.2 In addition to aligning with the Long-Term Plan consultation, we will schedule specific opportunities for the community to engage on the draft WMMP, including the Awapuni Resource Recovery Centre Open Day on Saturday 13 April 2024.
- 7.3 A community drop-in session will also be scheduled where members of the community can attend and learn more about the draft WMMP and ask questions of staff.
- 7.4 Officers will directly contact our partner Rangitāne o Manawatū and identified key stakeholders, provide them with the draft WMMP and encourage them to make a submission. We will also invite them to meet with staff and discuss the draft WMMP. The identified stakeholders include:
- Environment Network Manawatū.
  - Waste collectors including Low Cost Bins, EnviroNZ, Waste Management, Lucy's Bins, JJ Richards, and Smart Environmental.
  - Midwest Disposal (operator of the Bonny Glen landfill).
  - Recyclers including Fight Plastic, Aotearoa NZ Made, OJI Fibre Solutions, Hawk Packaging, Macaulays Metals, E-Cycle, Phoenix Metal Man, 3R, Visy, SaveBoard, 5R.
  - Large industrial, institutional, or commercial users.
  - Neighbouring local authorities.
  - Horizons Regional Council; and
  - Community groups, such as Ora Konnect and Just Zilch.

## 8. NEXT STEPS



- 8.1 If the Committee approves the draft WMMP Statement of Proposal document in Attachment one, we will design the document for publication.
- 8.2 We will carry out our consultation plan as outlined in section 7 above.
- 8.3 The hearings for submissions will occur as part of the Long-Term Plan submission hearings. Deliberations on those submissions will be held as part of the Long-Term Plan deliberations, enabling the Council to adopt the draft WMMP by the end of June 2024.



**9. COMPLIANCE AND ADMINISTRATION**

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual 4.5	<b>Yes</b>
Are the decisions significant?	<b>No</b>
If they are significant do, they affect land or a body of water?	<b>No</b>
Can this decision only be made through a 10 Year Plan?	<b>No</b>
Does this decision require consultation through the Special Consultative procedure?	<b>Yes</b>
Is there funding in the current Annual Plan for these actions?	<b>Yes</b>
Are the recommendations inconsistent with any of Council's policies or plans?	<b>No</b>
The recommendations contribute to Goal 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	Approving the draft WMMP will enable the community to have input on the proposals for waste minimisation activities across the city.

**ATTACHMENTS**

1. Statement of Proposal - Draft Waste Management and Minimisation Plan 2024 [↓](#) 
2. Draft PNCC Resource Recovery Plan (March 2024) [↓](#) 















































































## MEMORANDUM

**TO:** Sustainability Committee

**MEETING DATE:** 13 March 2024

**TITLE:** Update on the Low Carbon Fund 2023/24

**PRESENTED BY:** David Watson, Senior Climate Change Advisor

**APPROVED BY:** David Murphy, Chief Planning Officer

### RECOMMENDATION TO SUSTAINABILITY COMMITTEE

1. That the Committee receive the memorandum titled 'Update on the Low Carbon Fund 2023/24' presented to the Sustainability Committee on 13 March 2024.

#### 1. ISSUE

- 1.1 The Low Carbon Fund was established through the 2021 Long Term Plan (LTP) and provides up to \$1,000,000 of capital funding per year to enable investments in organisational greenhouse gas emission reductions. The fund prioritises for allocation to internal projects based upon their capital cost, operational savings, emission savings, and wider strategic benefit.
- 1.2 On 16 August 2023, the Sustainability Committee resolved: *"That the Chief Executive report progress on Financial Year 2023/24 Low Carbon Fund utilisation to the Sustainability Committee in Quarter 3 of Financial Year 2023/24"*.
- 1.3 This memorandum provides information on the activities of the Low Carbon Fund between July 2023 and March 2024. A further report on the Low Carbon Fund between March and July 2024 will be presented to a future committee meeting.

#### 2. BACKGROUND

##### Strategic Context

- 2.1 The Eco City Strategy 2021 sets a net 30% reduction target for citywide greenhouse gas emissions (compared to the 2018 baseline). Council recognises that a key aspect of achieving this goal must be reducing its own operational emissions. Progress has been steady, with a 31.5% reduction in organisational emissions since 2015/16, as reported in the 2022/23 Annual Organisational Emissions Inventory. However, there is still a long way to go to meet, for example, the requirement of the Climate Change Response (Zero

Carbon) Act 2019 for net-zero emissions by 2050. In light of this, infrastructure decisions will often 'lock-in' emissions through the lifetime of the asset, in some cases making Council's task more difficult (and more costly) than it needs to be in the absence of up-front investment (e.g. through expensive retrofitting).

- 2.2 Even in the absence of this strategic driver, a substantial incentive exists to modernise Council assets and reduce costs through improved energy efficiency. Thus, the purpose of the Low Carbon Fund is to provide flexibility, enabling Council to take advantage of unforeseen and unbudgeted opportunities, such as sources of external funding, synergies with other programmes or early renewal of energy-inefficient assets, in order to reduce organisational emissions and, where possible, costs. The Low Carbon Fund also has a secondary purpose or benefit in that it assists with growing organisational awareness and capability regarding low or zero carbon investment.

**Scope and Methodology**

- 2.3 The purpose of the fund is to flexibly provide capital to enable operational emission reductions. The scope for funding is therefore the same as that in Council's annual organisational emissions inventory. These are emissions that occur across the lifetime of an asset or activity and sit within our operational control. Conversely, 'embodied emissions' of construction materials, or emissions otherwise controlled by another organisation, are out of scope for funding through the Fund.
- 2.4 Council Officers have identified several eligible and operationally deliverable projects which were assessed by the Senior Climate Change Advisor with assistance from the Finance Unit. Each project is analysed in terms of its 'Net Present Value' (specifically, looking at their projected operational savings discounted by the Council's cost of capital subtracted by the capital cost of the project), the projected carbon savings, and a 30% weighting to wider strategic benefit, if any. Applications are then prioritised by which projects deliver the greatest benefit per dollar. Consequently, leaving aside deliverability concerns, the fund is generally ambivalent to the scale of the project, and a \$30,000 application is at no inherent disadvantage compared to a \$300,000 application. If the former provides greater value for money, then it will receive priority. The current cut off benchmark for funding is the spot price of carbon through the New Zealand Emissions Trading Scheme (ETS) (this price has varied from \$75.50 per tonne on 05.12.2023 to \$68.70 per tonne on 22.12.2023. Forward projection figures indicate an increase to approximately \$95 by 2028<sup>4</sup>) – only projects that deliver emission reductions at a lower cost per tonne of carbon equivalent than the cost Council could pay through the ETS are eligible.
- 2.5 Following this analysis, a series of recommendations are made to the Chief Executive to approve the re-allocation of funds from the Low Carbon Fund into the respective programmes associated with each project that meets the

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<sup>4</sup> Figures provided by Commtrade.co.nz on behalf of Jarden Securities Ltd.

above criteria. These are then delivered by the respective activity teams as with any other programme.

### 3. FUNDING ALLOCATION – 2023/24

3.1 A total of \$496,640 was allocated between July 2023 and March 2024 to the following capital programmes:

Project Description	Capital Cost	Net Present Savings	Carbon Savings (tonnes)	Project Status
Marginal cost for Electric Vehicle for Executive Officers	\$129,960	-\$12,884	279.44 [-\$46.11/t]	Complete
Electric ATV for the Resource Recovery Team	\$36,740	-\$4,288.02	24.5 [-\$174.99/t]	Complete
Electric Ride-on Mower Renewal	\$54,610	-\$2,131.93	22.00 [-\$96.88/t]	Complete
LED lighting upgrade at reserves car parks	\$45,645	-\$30,942.95	12.12 [-\$2,552.07/t]	Complete
Trial of electric power tools for parks teams	\$9,895	-\$9,018.24	67.33 [-\$133.89/t]	Complete
Enabling works for installation of a wood pellet boiler at the depot nursery	\$25,000	N/A	804.13 [N/A]	In Progress: Installation completed Testing scheduled February 2024
Electric pool vehicles	\$194,790	-\$4,577.44	419.07 [-\$10.92/t]	Complete

Table 1: List of 2023/24 Low Carbon Fund Allocations to date

3.2 Over the lifetime of these assets, the projects are estimated to save ~\$55,747.58 (above capital and interest costs, in 2023 dollars). The projects are estimated to save 810.73 tCO<sub>2</sub>e that would otherwise have been emitted.

- 3.3 While solar systems generally offer considerable cost and carbon savings, specific issues at potential sites can make them ineligible for support from the low carbon fund. Eight sites have been investigated for solar systems this year that were not subsequently funded. In one instance this decision was due to structural issues with the roof and site-specific concerns. Five of the sites were not suitable financially due to a low return on investment. The remaining two buildings were suitable candidates for solar but could not be allocated LCF funding as the electricity bill is directly passed on to tenants occupying the building so no financial savings could be realised.
- 3.4 Several sites with substantial energy use, notably the Arena, Library and Lido, were investigated and their capacity for solar will be assessed in future years alongside scheduled roof repairs or other planned maintenance works to minimise any conflicts and maximise cost savings during installation.
- 3.5 In addition to the allocations in Table 1 several projects have been scoped and assessed for funding but are awaiting further information before they progress any further.

Project Description	Capital Cost	Net Present Savings	Carbon Savings (tonnes)	Project Status
Installation of solar panels at the Awapuni Resource Recovery Centre	~\$343,250	~-\$52,313	~413.67	Negotiating with supplier
Swimming pool covers	~\$143,450	~-\$5,935	Awaiting confirmation	Testing effect of covers on energy use
LED lighting upgrade Freyberg Swimming Pool	Awaiting confirmation of installation costs		~19.24	Negotiating with supplier

Table 2: List of 2023/24 Low Carbon Fund proposals in progress

- 3.6 Over the lifetime of these assets, these scoped projects are estimated to save approximately ~\$58,250 (above capital and interest costs, in 2023 dollars). The projects are estimated to save an additional ~1275 tCO<sub>2</sub>e that would otherwise have been emitted. These figures will be confirmed once the projects are finalised.
- 3.7 The total allocation to date is \$496,640, this leaves \$503,360 remaining in the fund. When projects that are awaiting final approval are included, we expect the entire 23/24 fund to be allocated by the end of the financial year.



**4. NEXT STEPS**

- 4.1 Officers will continue to look for opportunities through the remainder of the financial year, particularly to provide marginal additional funding to projects to enable improvements in efficiency or sustainability.
- 4.2 With the continuing decline in the cost of installing solar, we expect many solar projects not currently eligible to receive funding will become so in the future.
- 4.3 The approach taken in apportioning this fund is widely applicable to Council investment and budget setting decisions. A mechanism for determining the whole life cost of an asset and identifying projects where additional up-front Capex expenditure can result in whole life savings, both financial and in emissions, would be highly desirable. More information on carbon calculation and assessment will be provided to staff making investment and purchasing decisions in the future.

**5. COMPLIANCE AND ADMINISTRATION**

Does the Committee have delegated authority to decide?	<b>Yes</b>
Are the decisions significant?	<b>No</b>
If they are significant do they affect land or a body of water?	<b>No</b>
Can this decision only be made through a 10 Year Plan?	<b>No</b>
Does this decision require consultation through the Special Consultative procedure?	<b>No</b>
Is there funding in the current Annual Plan for these actions?	<b>Yes</b>
Are the recommendations inconsistent with any of Council's policies or plans?	<b>No</b>
The recommendations contribute to Goal 4: An Eco City	
The recommendations contribute to the achievement of action/actions in Climate Change	
The action is: Create a 'low carbon fund' to allow Council the flexibility to respond to opportunities to reduce organisational emissions and, where possible, costs.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	This memorandum details the progress in delivering the identified action.

**ATTACHMENTS**

Nil



## MEMORANDUM

**TO:** Sustainability Committee

**MEETING DATE:** 13 March 2024

**TITLE:** Palmerston North City Council Carbon Neutral Feasibility Study Update

**PRESENTED BY:** Adam Jarvis, Principal Climate Change Advisor

**APPROVED BY:** David Murphy, Chief Planning Officer

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### RECOMMENDATION(S) TO COUNCIL

1. That as part of the process of finalising the 2024-34 Long-Term Plan, Council either reaffirm the existing corporate emissions reduction target or replace the existing corporate emissions reduction target with a different one.
  2. That Council note that further officer advice on the corporate emissions reduction target will be provided alongside deliberations on the 2024-34 Long-Term Plan.
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### 1. ISSUE

In October 2011 Council published a Corporate Climate Change Action Plan (the 2011 action plan). This document includes actions and corporate goals to address climate change with the first being:

1. Strive to be a zero carbon organisation by 2050

The 2021-31 Palmerston North City Council (PNCC) Long-Term Plan (LTP) included an action to: Complete a feasibility study to determine process, actions and time required for PNCC to be carbon neutral.

Four scenarios to achieve the goal of creating a carbon<sup>5</sup> neutral Council were presented to the Environmental Sustainability Committee on 21 September 2022.

**Scenario 1** – Provided a baseline case assuming population growth in line with predictions and enactment of the National Emissions Reduction Plan. Other local or regional policy changes were excluded. This scenario is not intended as a likely position for Council to take but acts as a baseline or ‘do nothing’ scenario to judge other scenarios against.

**Scenario 2** – This scenario included the changes in scenario 1 and considers projects that can be reasonably expected to be cost negative or neutral.

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<sup>5</sup> For ease of reading ‘carbon’ will be used throughout this report to represent all greenhouse gases including those that do not contain carbon molecules such as ammonia and some refrigerants.

**Scenario 3** – This scenario built on scenario 2 by adding an internal cost per tonne of carbon set at \$85 per tonne. This allows for projects that incur an overall cost but remain more cost-effective than purchasing carbon credits.

**Scenario 4** – This scenario included all currently available technology regardless of cost. This scenario is not intended as a likely position for Council to take but rather demonstrates the limit of what is theoretically achievable.

Including landfill emissions the following results were predicted:

**Scenario 2** resulted in a 49% carbon saving by 2035 and a 71% reduction by 2050. This would require the planting of 21Ha of new trees every year, starting in 2024, to offset the remaining emissions and achieve net 0%.

**Scenario 3** resulted in a 53% carbon saving by 2035 and a 77% reduction by 2050. This would require the planting of 16Ha of new trees every year, starting in 2023, to offset the remaining emissions and achieve net 0%.

The 21 September 2022 Environmental Sustainability Committee resolved that:

- 1. The Council receive the memorandum titled 'PNCC Zero Carbon Feasibility Study' and the attachment titled 'List of considered projects by scenario' for information.*
- 2. The Council use the information provided in the memorandum titled 'PNCC Zero Carbon Feasibility Study' to inform future direction setting, including but not limited to, the formal adoption of a carbon neutrality target, the selection of a preferred emissions scenario, and resourcing to achieve that trajectory through the 2024-34 Long-Term Plan.*
- 3. The Chief Executive conduct an options analysis for the emissions reduction scenarios, including accelerated versions of Scenarios 2 and 3, in time for Council to identify a preferred scenario to consult on during the 2024-34 Long-Term Plan process.*

During the presentation of the September 2022 feasibility study, elected members indicated they would prefer a trajectory between scenarios 2 and 3. This informed the preparation of the Oranga Papaioea City Strategy, the Climate Change and Sustainability Plan, and the programmes developed for the 2024-34 LTP as referenced in resolution 2. However, given the model's descriptive rather than prescriptive nature, there was no basis for the development of a new accelerated study until draft budgets were agreed. That is, until substantive decisions were made about future direction, the model would be essentially unchanged.

This memorandum provides an analysis of the changes to the feasibility model resulting from the draft 2024-34 LTP actions and budgets as referenced in resolution 2 and the options analysis requested in resolution 3 from September 2022.

As outlined in the recommendation, as part of finalising the 2024-34 LTP, the Council can consider whether to reaffirm the existing 2011 target or adopt a different corporate emissions reduction target for the organisation.

Should the Council wish to adopt a different corporate target, specific Officer advice can be provided. At present there is an inconsistency in the language between the Council's 2011 target and the Government's emissions reduction target set through the Climate Change Response (Zero Carbon) Amendment Act 2019.

Separately the Council has adopted the following citywide target alongside the draft 2024-34 Long-Term Plan supporting documentation:

- *By 2034, there is at least a 44% reduction in citywide greenhouse gas emissions per capita (from our 2016/17 baseline)*

## 2. BACKGROUND

### Strategic Context

As noted above, in October 2011 Council published a Corporate Climate Change Action Plan (the 2011 action plan). This document includes actions and corporate goals to address climate change with the first being:

1. Strive to be a zero carbon<sup>6</sup> organisation by 2050

The 2011 action plan included a number of proposals to reduce emissions that have been used in developing the model scenarios. It is notable that the general tone of these actions has not changed significantly over the intervening period with an emphasis on energy efficiency and new technology, the creation of budgets specifically directed at key areas and the inclusion of operational cost savings in business cases and investment decisions.

Better data and dedicated staff resource has allowed for the delivery of some of the 2011 action plan proposals through mechanisms such as the low carbon fund, although many of the structural and behaviour change related elements are still to be fully implemented.

Nationally government has set an emissions reduction target, through the Climate Change Response (Zero Carbon) Amendment Act 2019, of carbon neutrality<sup>7</sup> by 2050.

The recently published Our Atmosphere and Climate 2023 Report (published in October by the Ministry for the Environment & Stats NZ) indicates that on the current

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<sup>6</sup> Defined as less than 5% of the 2006 baseline carbon emission inventory.

<sup>7</sup> Defined as a reduction in net emissions of all greenhouse gases (except biogenic methane) to zero by 2050 and a reduction in emissions of biogenic methane to 24–47 per cent below 2017 levels by 2050, including to 10 per cent below 2017 levels by 2030.

trajectory Aotearoa New Zealand's gross emissions are projected to steadily decrease by 27.6 percent between 2020 and 2050 (MfE, 2022).

Council's existing policies, along with those of Horizons and national government, provide a foundation for climate progress; as reflected in Scenario 2. Council can continue to support transition away from fossil fuel use and encourage further reductions through additional actions (modelled in Scenario 3) to modernise the way Council as an organisation uses energy, prioritises investments and delivers capital projects and renewals.

### **Scope and Methodology**

The 2022 model and the updated scenarios start from the 2022 PNCC Organisational Emissions Inventory data and then extrapolate historic trends to determine the future direction. The main factors in this are the predicted growth of the city's population, national government proposals around reducing emissions from electricity generation and local changes to technology (in particular vehicles and heating) and infrastructure. These local changes include an assumption about the potential minimum emissions from any one source and whether the change from one technology to another eliminates or merely reduces overall emissions (for example hot water could be produced by more efficient gas technology, reducing current emissions, or replaced with electric, changing the emissions source, or converted to solar hot water eliminating emissions during the day).

The model developed in 2022 to project emissions to 2050 included an assessment of predicted energy use based on national trend data. The updated model includes a more detailed breakdown of the individual components of each category to include step changes based on decarbonisation efforts proposed in the 2024-34 Long-Term Plan. This takes account of the fact that not all reductions will be gradual and linear but could occur over a very short timeframe, such as when replacing large heating systems.

Some elements of the inventory data were not considered as variables and were not altered over time or between scenarios. The largest of these is methane emissions from the closed Awapuni landfill, which are assumed to be following a standard maturation process as the remaining biological material in the landfill decays. These emissions will not change with population or national policy and were considered to follow a standard downward trend. This change accounts for the 57% reduction in emission by 2050 seen in Scenario 1 (do nothing).

Some technological upgrades and large infrastructure projects such as those planned for urban growth contain the potential for both emissions reduction and emissions increase depending on the specific design and delivery of these projects. In the absence of further evidence it has been assumed that these will cancel each other out in the aggregate.

It is considered likely that operational savings and efficiencies can be achieved under Scenario 2 that would result in a net financial saving, however quantifying this is complex and outside the current scope of the model.

**3. RESULTS**

The following results were produced by the two models.

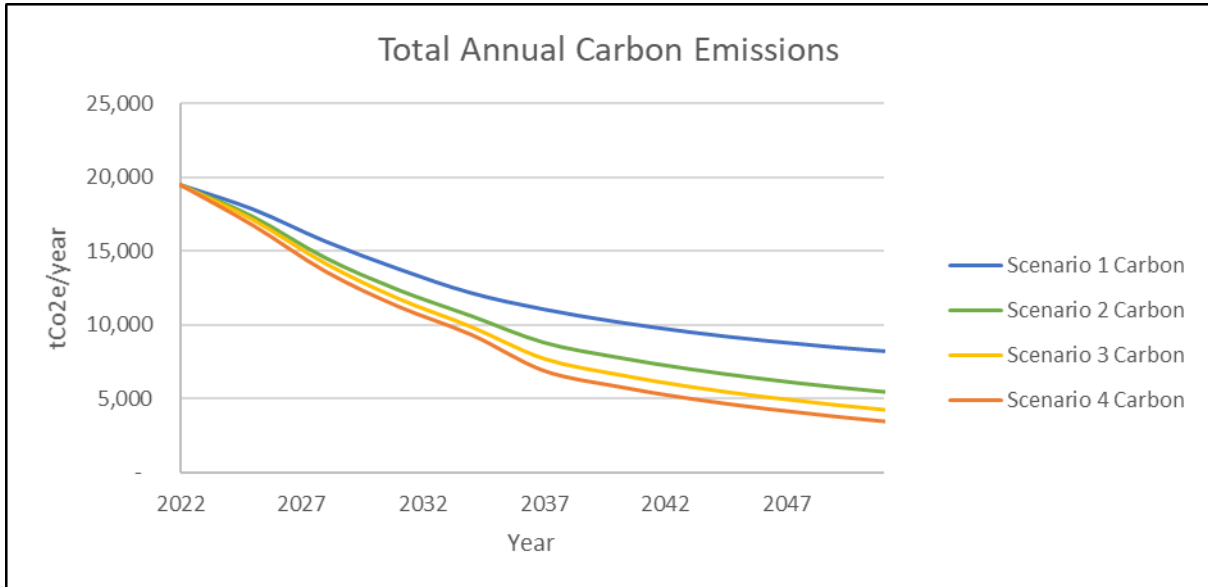


Figure 1: 2022 Emissions Scenarios Model

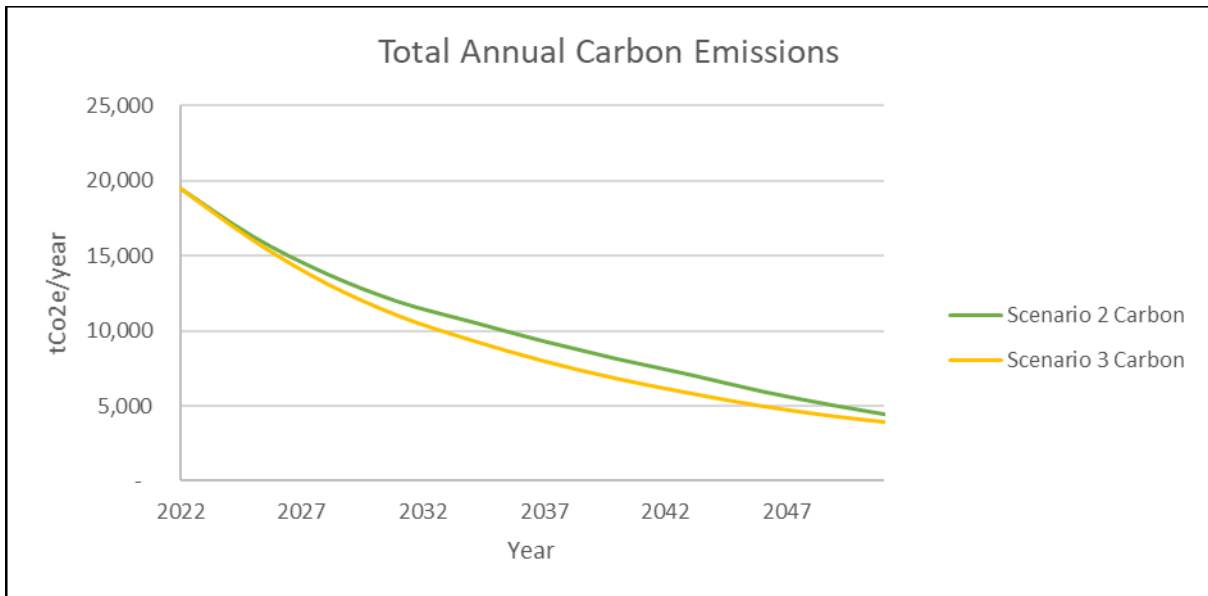


Figure 2: 2024 Updated Emissions Scenarios Model

Date	2022	2025	2028	2031	2034	2037	2040	2043	2046	2049	2052
Scenario 2	19,461	16,348	13,968	12,166	10,335	9,064	7,908	6,863	5,747	4,786	3,939
Scenario 3	19,461	16,345	13,468	11,352	9,421	8,044	6,878	5,904	5,025	4,324	3,758

Table 1: 2024 Updated Carbon Emissions Scenarios Model Data (tonnes)

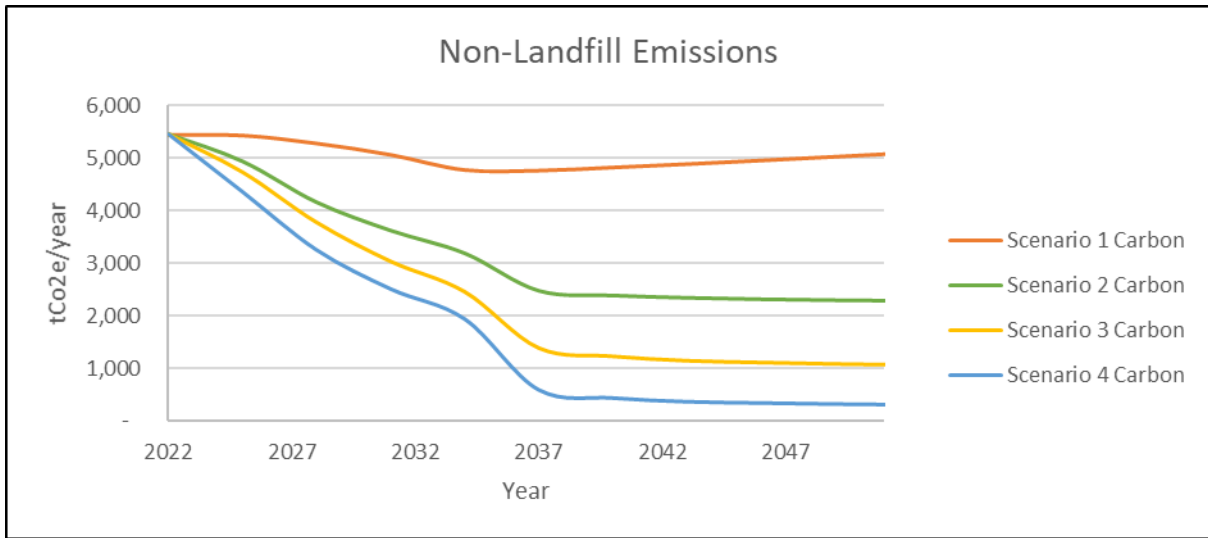


Figure 3: 2022 Emissions Scenarios Model

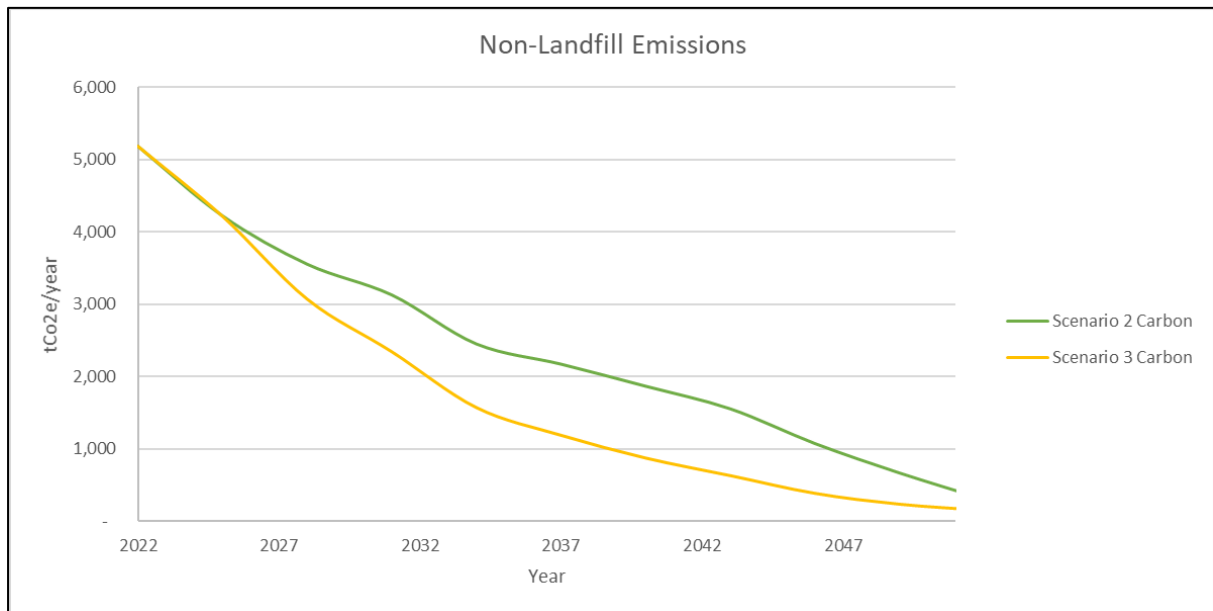


Figure 4: 2024 Updated Emissions Scenarios Model

Date	2022	2025	2028	2031	2034	2037	2040	2043	2046	2049	2052
Scenario 2	5,188	4,223	3,554	3,127	2,449	2,169	1,863	1,549	1,068	660	296
Scenario 3	5,188	4,219	3,075	2,347	1,575	1,192	878	635	389	239	153

Table 2: 2024 Updated Non-landfill Carbon Emissions Scenarios Model Data (tonnes).

Both updated scenarios result in a similar minimum emission value at 2050 (between 3% and 6% of the 2022 baseline) however the trajectory of scenario 3 is significantly steeper resulting in an overall emissions saving of ~6256 tonnes over 30 years.



**4. OFFSET PLANTING**

In order to reach net zero, native tree planting should aim to gradually increase with the aim of achieving 15Ha per year by 2034 and continue for several decades. This is in part due to the volume of trees required to offset emissions that are not amenable to reduction (such as landfill emissions) and the fact that trees absorb carbon at different rates through their life, making 10 to 30 year old trees the most useful in terms of carbon absorption.

In addition to carbon offsetting vegetation provides several co-benefits to the city. These include shading, food, biodiversity enhancement and amenity.

The current review of the Vegetation Framework provides an opportunity for the Council to further consider the role of vegetation in addressing our climate change obligations and commitments, e.g. identifying opportunities for afforestation projects. A Council workshop on the Vegetation Framework is scheduled for 13 March 2024, the same day this memorandum is considered by the Committee.

**5. NEXT STEPS**

As has been discussed during the Long-Term Plan deliberations it will be Council's responsibility to determine how achieving net zero carbon is prioritised against other elements of the LTP. The results of these decisions will be reflected in the future carbon reductions achieved across Council.

Given the age of the active target set in the 2011 Climate Action Plan Council may wish to consider re-affirming the organisational net zero emissions target or adopting a different one. This target could be adopted alongside the completion of the 2024-34 Long-Term Plan process.

The results of ongoing reforms to Council processes including those highlighted in the Oranga Papaioea City Strategy will continue to be presented to Council through the quarterly reports and as part of future emissions inventory, tree planting and low carbon fund expenditure reports.

**6. COMPLIANCE AND ADMINISTRATION**

Does the Committee have delegated authority to decide?	<b>No</b>
Are the decisions significant?	<b>No</b>
If they are significant do they affect land or a body of water?	<b>No</b>
Can this decision only be made through a 10 Year Plan?	<b>No</b>
Does this decision require consultation through the Special Consultative procedure?	<b>No</b>
Is there funding in the current Annual Plan for these actions?	<b>Yes</b>
Are the recommendations inconsistent with any of Council's policies or plans?	<b>No</b>
The recommendations contribute to Goal 4: An Eco City	

The recommendations contribute to the achievement of action/actions in the Climate Change Plan

The action is: Complete a feasibility study to determine process, actions and time required for PNCC to be carbon neutral.

Contribution to strategic direction and to social, economic, environmental and cultural well-being

This memorandum helps to define the scope of future carbon reduction projects and programmes.

**ATTACHMENTS**

Nil

## COMMITTEE WORK SCHEDULE

**TO:** Sustainability Committee

**MEETING DATE:** 13 March 2024

**TITLE:** Committee Work Schedule

### RECOMMENDATION TO SUSTAINABILITY COMMITTEE

1. That the Sustainability Committee receive its Work Schedule dated March 2024.

### SUSTAINABILITY COMMITTEE WORK SCHEDULE – MARCH 2024

Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction & Clause number
<del>13 March 2024</del>	<del>PNCC Zero Carbon Feasibility Study – options emissions reductions scenarios</del>	<del>Chief Planning Officer</del>	<del>Aligned with LTP process</del>	<del>Environmental Sustainability Committee 21 September 2022 Clause 22-22</del>
<del>13 March 2024</del>	<del>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</del>	<del>Chief Planning Officer</del>		<del>29 November 2023 Clause 36-23</del>
<del>13 March 2024</del>	<del>Annual Sector Lead Report: Environment Network Manawatū</del>	<del>Chief Customer Officer</del>		<del>Terms of Reference</del>
<del>13 March 2024</del>	<del>6 monthly update on the Low Carbon Fund FY2023/24</del>	<del>Chief Planning Officer</del>		<del>16 August 2023 Clause 23-23</del>

13 March 2024	Wastewater Discharge Consent Project – Quarterly Update	Chief Infrastructure Officer		<a href="#">11 May 2022</a> <a href="#">Clause 26-22</a>
22 May 2024	Options to transition out of small vehicle fleet ownership and long-term lease, with a view to utilisation of a carshare or similar services Financial Year 2027 onwards	Chief Planning Officer & Chief Infrastructure Officer		Council <a href="#">29 Nov 2023</a> <a href="#">Clause 193.3-23</a>
22 May 2024	Environmental Sustainability Report 2023	CE Unit Manager		<a href="#">Terms of Reference of the Committee</a> Last report presented May 2022
22 May 2024	Opportunities for native species re-introductions in the Turitea Reserve area - Update (incl projected funding requirements)	Chief Planning Officer		<a href="#">17 November 2021</a> <a href="#">Clause 38.21</a> <a href="#">7 June 2022</a> <a href="#">Clause 16-23</a> Last update presented Jun 2023
21 August 2024	Manawatū-Whanganui Climate Joint Action Committee Update	Chief Planning Officer		<a href="#">Climate change plan ongoing</a> Last report presented Aug 2023
16 October 2024	Citywide Emissions Inventory 2023 Annual Report	Chief Planning Officer		<a href="#">Climate change plan ongoing action #3</a> Last report presented Oct 23
16 October 2024	Low Carbon Roadmap - options to achieve the city-wide goal of 30%	Chief Planning Officer		<a href="#">30 March 2022</a> <a href="#">Clause 6-22,</a> <a href="#">Climate change plan</a>

	reduction in emissions by 2031			<a href="#">ongoing action #5</a>
16 October 2024	PNCC Organisational Emissions Inventory 2023/24 Annual Report	Chief Planning Officer		<a href="#">Climate change plan ongoing action #1</a> Last report presented Oct 23
16 October 2024	Waste management and minimisation plan 2019 - annual progress update for 2023/24 FY	Chief Infrastructure Officer		<a href="#">9 Sept 2020 Clause 17-20</a> Last report presented Oct 23
16 October 2024	6 monthly update on the Low Carbon Fund FY2023/24	Chief Planning Officer		