



PAPAIOEA
PALMERSTON
NORTH
CITY

PALMERSTON NORTH CITY COUNCIL

AGENDA

STRATEGY & FINANCE COMMITTEE

9:00 AM, WEDNESDAY 14 AUGUST 2024

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

MEMBERS

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

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

Lorna Johnson
Orphée Mickalad
William Wood
Kaydee Zabelin

AGENDA ITEMS, IF NOT ATTACHED, CAN BE VIEWED AT

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

Waid Crockett

Chief Executive | PALMERSTON NORTH CITY COUNCIL

Te Marae o Hine | 32 The Square
Private Bag 11034 | Palmerston North 4442 | New Zealand
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CITY

STRATEGY & FINANCE COMMITTEE MEETING

14 August 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 Strategy & Finance Committee meeting of 8 May 2024 Part I Public be confirmed as a true and correct record.

7. Quarterly Performance and Financial Report - period ending 30 June 2024

Page 15

Memorandum, presented by Scott Mancer, Manager - Finance and John Aitken, Manager - Project Management Office.

8. Treasury Report - year ending 30 June 2024

Page 85

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

9. City Planning Priorities and 3-Year Work Programme

Page 97

Memorandum, presented by Jono Ferguson-Pye, City Planning Manager.

10. Palmerston North City District Plan: Proposed Plan Change E: Roxburgh Residential Area

Page 111

Memorandum, presented by Jono Ferguson-Pye, Manager City Planning and Andrea Harris, Technical Principal - Planning, WSP.

11. Statutory review of the Signs and Use of Public Places Bylaw 2015 (s155 LGA determination report) and initiation of the review of the Policy for the Use of Public Space 2019

Page 119

Memorandum, presented by Ann-Marie Mori, Policy Analyst and Stacey Solomon, Policy Analyst.

12. **Approval to consult on the draft Dangerous, Affected, and Insanitary Buildings Policy 2024** Page 155
Report, presented by Lili Kato, Policy Analyst.

13. **Reserve Declarations and Classifications** Page 173
Report, presented by Aaron Phillips, Activities Manager Parks.

14. **Whakarongo Land Swap - Consultation Submissions Summary** Page 183
Memorandum, presented by Bryce Hosking, Manager Property and Resource Recovery and Perene Green, Property Officer.

15. **Public Notification of a Community Occupancy Lease to Manawātū Amateur Radio Society Branch 20 NZ Art Incorporated** Page 185
Report, presented by Bryce Hosking, Manager Property and Resource Recovery and Perene Green, Property Officer.

16. **Public Notification of a Community Occupancy Lease to Red Sox Sports Club Incorporated** Page 195
Report, presented by Bryce Hosking, Manager Property and Resource Recovery and Perene Green, Property Officer.

17. **Ongley Park - Proposal to grant a lease on Council land to Rose Gardens Croquet Club Incorporated** Page 207
Memorandum, presented by Bryce Hosking, Manager Property and Resource Recovery and Perene Green, Property Officer.

18. **Ongley Park - Proposal to grant a lease on Council land to Manawatu Cricket Incorporated** Page 211
Memorandum, presented by Bryce Hosking, Manager Property and Resource Recovery and Perene Green, Property Officer.

19. **Committee Work Schedule** Page 215

20. **Karakia Whakamutunga**

21. 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
22.	Confirmation of the minutes of the Strategy & Finance Committee meeting of 8 May 2024 Part II Confidential	For the reasons set out in the Strategy & Finance Committee of 8 May 2024, held in public present.	

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

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

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

PALMERSTON NORTH CITY COUNCIL

Minutes of the Strategy & Finance Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 08 May 2024, commencing at 9.00am

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

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

Apologies: The Mayor (Grant Smith) (early departure, on Council business), Councillors Billy Meehan and Orphée Mickalad (early departure).

The Mayor (Grant Smith) left the meeting at 10.02am during consideration of clause 25. He was not present for clauses 25 to 31 inclusive.

Councillor Billy Meehan left the meeting at 10.48am after consideration of clause 27. He entered the meeting again at 10.51am after consideration of clause 28. He was not present for clause 28.

Karakia Timatanga

Councillor Roly Fitzgerald opened the meeting with karakia.

20-24 Apologies

Moved Vaughan Dennison, seconded Karen Naylor.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 20-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

21-24

Confirmation of Minutes

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the minutes of the Strategy & Finance Committee meeting of 10 April 2024 Part I Public be confirmed as a true and correct record.

Clause 21-24 above was carried 13 votes to 0, with 2 abstentions, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Roly Fitzgerald and Billy Meehan.

Abstained:

The Mayor (Grant Smith) and Councillor Debi Marshall-Lobb.

22-24

Quarterly Performance and Financial Report - period ending 31 March 2024

Memorandum, presented by Scott Mancer, Finance Manager, John Aitken, Manager - Project Management Office and Andrew Boyle, Head of Community Planning.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the memorandum titled 'Quarterly Performance and Financial Report – period ending 31 March 2024', and related attachments, presented on 8 May 2024.

The **COMMITTEE RECOMMENDS**

2. That the Capital New revenue and expenditure budgets for 2207-Urban Cycle Infrastructure Network Improvement (Transport Choices) be reduced by \$4,092k to \$751k.

Clauses 22.1-24 and 22.2-24 above were carried 15 votes to 0, the voting being as follows:

For:

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

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

3. That the Chief Executive is given delegation for the 2023/24 financial year to move budgets in excess of the existing delegations between

Roading and Active and Public Transport, and between Stormwater, Water and Wastewater and that these budget movements will be reported with the June 2024 quarterly report.

Clause 22.3-24 above was carried 13 votes to 2, the voting being as follows:

For:

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

Against:

Councillors Brent Barrett and Lorna Johnson.

23-24

Treasury Report - quarter ending 31 March 2024

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

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee note the performance of Council's treasury activity for the quarter ending 31 March 2024.

Clause 23-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

24-24

Delegation Manual - Financial Delegations section update

Memorandum, presented by Hannah White, Democracy & Governance Manager and Scott Mancer, Finance Manager.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council adopt the revisions to the financial section and definitions section of the Delegations Manual (Attachments 1 and 2), effective from 1 July 2024.
2. That Council revoke previous sections 1.19-1.20 and 5.3-5.15 of the Delegations Manual, effective from 1 July 2024.
3. That Council note the Fees and Charges clauses of the financial delegations will be reviewed with the Revenue and Financing Policy and a report brought back to Council.

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

For:

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

Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb, Roly Fitzgerald and Billy Meehan.

25-24 Draft Palmerston North Animals and Bees Bylaw 2024 – Deliberations
Report, presented by Stacey Solomon, Policy Analyst.

The Mayor (Grant Smith) left the meeting at 10.02am.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council confirm:
 - a. the Palmerston North Animals and Bees Bylaw 2024 is the most appropriate means of addressing the perceived problem of regulating the specific requirements for the keeping of animals (other than dogs) and bees in Palmerston North, protecting the health and safety of the community; and
 - b. the form of the Bylaw is the most appropriate form of bylaw; and
 - c. the Bylaw does not give rise to any implications under the New Zealand Bill of Rights Act 1990.
2. That Council adopt the Palmerston North Animals and Bees Bylaw 2024 and the Palmerston North Animals and Bees Bylaw Administration Manual 2024 (Attachments 2 and 3).

Clause 25-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

26-24 Draft Palmerston North Dog Control Policy 2024 - Deliberations
Memorandum, presented by Kate Harridge, Policy Analyst and Stacey Solomon, Policy Analyst.

In response to concerns raised by submitters regarding experiences at Linklater Park, and recognising this is outside the scope of the initial consultation, Elected Members requested further work on this issue.

Moved Vaughan Dennison, seconded Lorna Johnson.

The **COMMITTEE RECOMMENDS**

1. That Council adopt the Palmerston North Dog Control Policy 2024, as presented in Attachment 2 of this memorandum.

Moved Lorna Johnson, seconded Vaughan Dennison.

2. That the Chief Executive engage with the community around the option of designating part of Linklater Park as dog-on-lead, and report back to the Strategy & Finance Committee.

Clause 26-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

27-24

Opie Reserve and Tui Park: Proposal to grant a lease on Council land to Te Kōhanga Reo O Ngāti Hineaute Ki Rangitaane O Manawatū Trust - Deliberations Report

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

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee grant leases of the land at both Opie Reserve and part of Tui Park, Palmerston North described as Lot 81 DP 24258 and Sec 1 SO 452061 respectively to Te Kōhanga Reo O Ngāti Hineaute Ki Rangitaane O Manawatū Trust, in accordance with Council's Support and Funding Policy and section 54 of the Reserves Act 1977.

Clause 27-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

Councillor Billy Meehan left the meeting at 10.48am.

28-24

21 Havelock Avenue (part of Bill Brown Park): Proposal to grant a licence on Council land to Papaioea Pasifika Community Trust - Deliberations Report

Memorandum, presented by Bryce Hosking, Group Manager - Property and Resource Recovery and Perene Green, Property Officer (Intermediate).

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee grant a licence of the land at 21 Havelock Avenue (part of Bill Brown Park), Palmerston North described as Lot DP 40097 to Papaioea Pasifika Community Trust, in accordance with Council's Support and Funding Policy and section 54 of the Reserves Act 1977.

Clause 28-24 above was carried 13 votes to 0, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew

Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood, Kaydee Zabelin, Debi Marshall-Lobb and Roly Fitzgerald.

Councillor Billy Meehan entered the meeting again at 10.51am.

29-24 Ongley Park - Proposal to continue supporting Rose Gardens Croquet Club Incorporated by notifying the public of the intention to grant community occupancy via a lease of Council land

Report, presented by Bryce Hosking, Group Manager - Property and Resource Recovery and Perene Green, Property Officer (intermediate).

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That Council continues to support Rose Gardens Croquet Club Incorporated by notifying the public of its intention to grant community occupancy of Council land at Ongley Park, Palmerston North in accordance with the Support and Funding Policy 2022.
2. That Council notes the land affected by the community occupancy of Rose Gardens Croquet Club Incorporated is described as Lot 2 DP 77988.

Clause 29-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

30-24 Committee Work Schedule

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Strategy & Finance Committee receive its Work Schedule dated May 2024.

Clause 30-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

EXCLUSION OF PUBLIC

31-24 Recommendation to Exclude Public

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

That the public be excluded from the following parts of the proceedings of this meeting listed in the table below.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
18.	Ashhurst Three Bridges Loop Track	NEGOTIATIONS: This information needs to be kept confidential to ensure that Council can negotiate effectively, especially in business dealings	s7(2)(i)

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

Clause 31-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

The public part of the meeting finished at 10.56am

Confirmed 14 August 2024

Chair

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Quarterly Performance and Financial Report - period ending 30 June 2024

PRESENTED BY: Scott Mancer, Manager - Finance and John Aitken, Manager - Project Management Office

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATION TO COMMITTEE

1. That the Committee receive the memorandum titled 'Quarterly Performance and Financial Report – period ending 30 June 2024', and related attachments, presented on 14 August 2024.
2. That the Committee note that \$1.2M of prior year capital expenditure relating to planning, design and tendering work for the CAB Strengthening Project was written off to expenses in FY2024 due to decisions made through the Long-Term Plan 2024-2034 process.

RECOMMENDATION TO COUNCIL

3. That Council approve the adjustments to carry forward values, including adjustments to Better off Funding, per the carry forward report (Attachment 6 to the 'Quarterly Performance and Financial Report – period ending 30 June 2024', presented to the Strategy & Finance Committee on 14 August 2024).
 4. That Council amend section 5.4.1 of the Delegation Manual to read:
 - 5.4.1 (d) applies except for the Low Carbon fund, where
 - (e) the Chief Executive may allocate up to 100% of the Low Carbon Fund programme budget in any financial year, either alone or in total: to any Activity, whether Capital New or Capital Renewal.
-

1. ISSUE

To provide an update on the performance and financial achievements of the Council for the period ending 30 June 2024.

2. BACKGROUND

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

In May 2024, delegation was provided to the Chief Executive to move budgets in excess of the existing delegations between Roothing and Active and Public Transport, and between Stormwater, Water and Wastewater, and that these budget movements would be reported with the June 2024 quarterly report. The table below outlines the end of year net results for these activities.

Net operating cost of activities	Actual (\$000s)	Revised Budget (\$000s)	Var. (\$000s)
Active and Public Transport	1,425	1,737	312
Roothing	6,026	5,221	(805)
Transport Total	7,451	6,958	(493)
Stormwater	2,098	2,624	525
Wastewater	5,874	5,113	(761)
Water	5,485	6,311	826
Total Waters	13,458	14,048	591

3. 1888 - LOW CARBON FUND

The 2024-34 Long Term Plan includes a Capital New programme, 1888 – Low Carbon Fund, to enable opportunities for Council to seek out low carbon alternatives where possible, leading to better outcomes in the long term from both an operating expense and an environmental perspective.

The purpose of this fund is not to spend against it, but to allocate the fund to other programmes. By exception, some small projects are managed within the programme. Allocation to other programmes occurs between new and renewal capital expenditure. As this is the most significant capital new programme within the Climate Change Mitigation and Adaption activity, the bulk of this allocation would fall outside of the current delegations provided to the Chief Executive.

Currently, section 5.4.1 (d) of the Delegation Manual reads:

5.4.1 The Chief Executive may at any time authorise an expense above the Relevant Activity Budget agreed by Council, provided that: ...

- d. any Relevant Activity Budget variation, in any financial year, does not exceed, either alone or in total: more than \$1M or 30% of the Relevant Activity budget (whichever is the lesser).

In its current form, this means that the Chief Executive is not able to allocate the full value of the Low Carbon Fund to other Activities, or from Capital New to Capital Renewal. In recent years a specific resolution has been required from Council to enable the Chief Executive to allocate the Low Carbon Fund to other Activities.

It is therefore requested that Council add section 5.4.1 (e) to the Delegation Manual to provide the Chief Executive with delegation moving forward. This would read:

5.4.1 (d) applies except for the Low Carbon fund, where

- (e) the Chief Executive may allocate up to 100% of the Low Carbon Fund programme budget in any financial year, either alone or in total: to any Activity, whether Capital New or Capital Renewal.

4. PERFORMANCE MEASURES

While compiling the June 2024 quarterly report, Officers have identified some errors in non-financial measurements from prior quarterly reports. A memo is attached with further detail in relation to the resource consenting measure in Appendix 10.

5. NEXT STEPS

The FY2024 results will be audited and the Annual Report will be provided to Council for adoption.







The Delegation Manual will be updated to reflect the practical application of the Low Carbon Fund.

6. COMPLIANCE AND ADMINISTRATION

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

<p>The recommendations contribute to the achievement of objectives in:</p> <p>(Not Applicable)</p> <p>(Not Applicable)</p> <p>The objective is: to enable Council to exercise governance by reviewing financial performance and operating performance and provide accountability for these to the public.</p>	
<p>Contribution to strategic direction and to social, economic, environmental and cultural well-being</p>	<p>As above.</p>

ATTACHMENTS

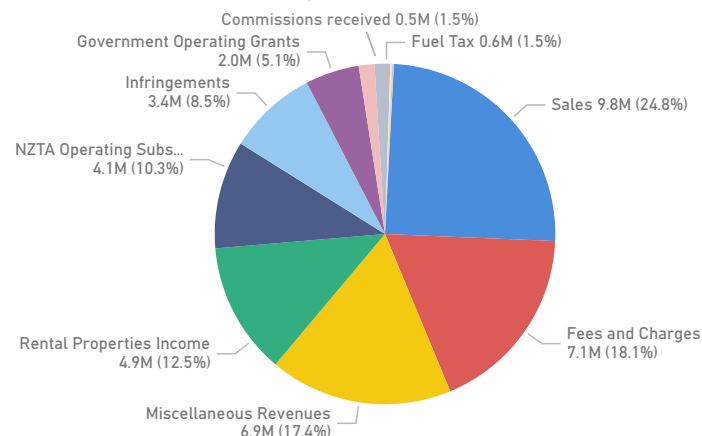
1. June 2024 Financial Dashboard [↓](#) 
2. Quarterly Performance and Financial Report June 2024 [↓](#) 
3. Appendix 1 to the Quarterly Performance and Financial Report June 2024 [↓](#) 
4. Appendices 2-9 to the Quarterly Performance and Financial Report June 2024 [↓](#) 
5. Appendix 10 to the Quarterly Performance and Financial Report June 2024 [↓](#) 
6. Carry forward adjustment report [↓](#) 

June Financial Dashboard - Profit and Loss

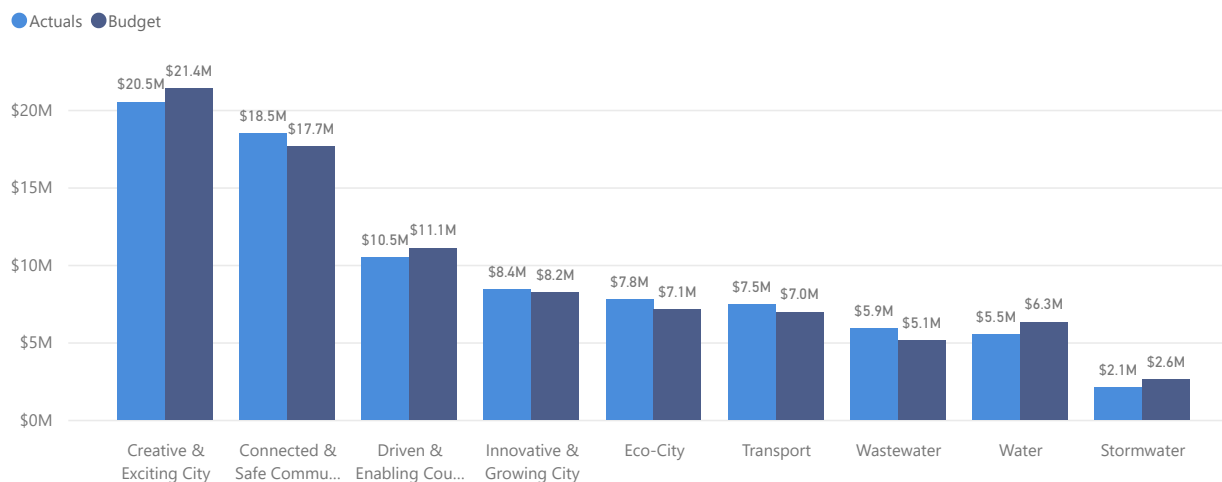
YTD operating position - Council

Category	Actual	Budget	Variance
Operating Revenue	(39.6M)	(41.3M)	(1.7M)
Fees and charges	(7.1M)	(8.0M)	(0.9M)
Grants and subsidies received	(6.1M)	(8.1M)	(2.0M)
Other revenues	(26.3M)	(25.1M)	1.1M
Operating Expenditure	126.2M	127.8M	1.6M
Contractors	25.7M	22.6M	(3.0M)
Grants and subsidies paid	10.2M	10.8M	0.6M
Materials	3.9M	4.7M	0.8M
Net Internal Expenses	(12.9M)	(10.3M)	2.6M
Other operating expenses	18.0M	19.1M	1.1M
Professional Services	15.5M	16.7M	1.2M
Remuneration	62.4M	61.2M	(1.2M)
Utilities	3.4M	3.0M	(0.4M)
Other operating	(114.8M)	(114.5M)	0.3M
Net Interest	9.9M	9.7M	(0.1M)
Rates Revenue	(124.7M)	(124.2M)	0.5M
Total	(28.3M)	(28.0M)	0.3M

Non-rates revenue YTD by resource



YTD operating position - by Group of Activity



Operating position:

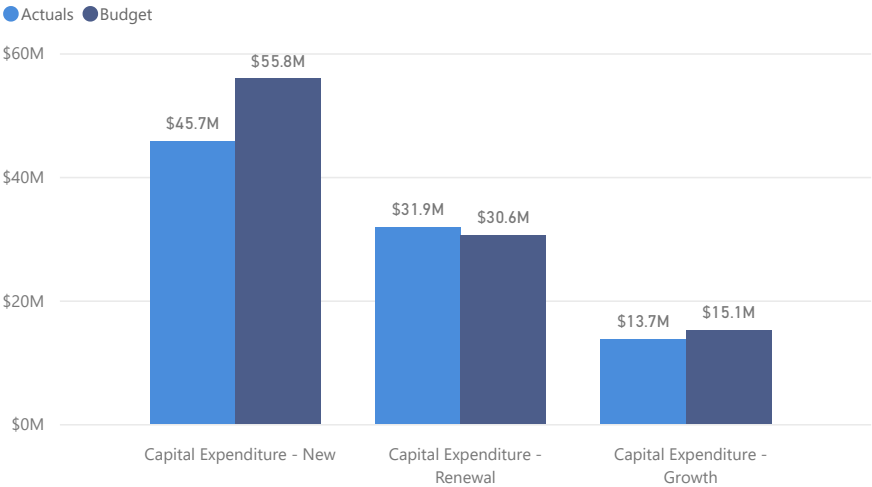
- The net controllable operating position at year-end is \$0.1M unfavourable against the revised budget.
- From a revenue perspective, key deviations from budget are:
 - Fees & charges are unfavourable by 0.9M related to Consents, partially offset by expense savings in the relevant budgets
 - Grants & Subsidies revenue is unfavourable by 2.0M related to Better-Off Funding, with offsets in favourable variances for professional services and grants paid in the relevant activities.
 - Other revenues are favourable by 1.1M largely relating to parking infringements due to increases in productivity

From an expenditure perspective, key deviations from budget are:

- Contractors are unfavourable by 3.0M predominantly related to additional work for Roading maintenance and landfill management
- Unfavourable variance for remuneration of 1.2M mostly related to accrued holiday pay. This is more than offset by the favourable result for net internal expenses (which includes capitalised labour) of 2.6M.
- Professional services are favourable by \$1.2M due to digital transformation and identified savings to assist with actively managing Council's expenditure.
- Other operating expenses are favourable by 1.1M related to miscellaneous costs
- Miscellaneous Revenue as shown in the pie chart largely consists of MDC Building Contract (1.4M), Windfarm Royalties (1.3M), Catering Cost Recoveries (1.5M) and Commercial Waste Minimisation (0.7M) [4.9M of 6.9M].
- Sales revenue includes parking meter revenue (2.5M), rubbish bags/recycling sales (2.0M), after hours contact centre (2.0M) revenue, and Venues hireage (1.1M) [7.6M of 9.8M].

June Financial Dashboard - Balance Sheet

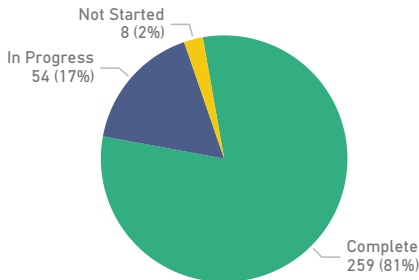
YTD capital spend



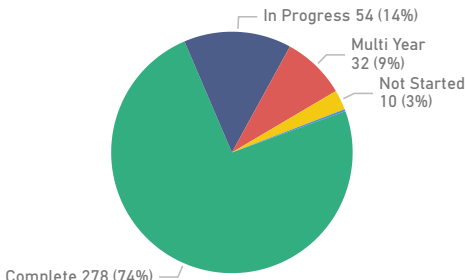
Capital programme:

- The full year capital programme spend was 91.3M, or 89.9% of the revised budget.
- During the LTP process, the C.A.B. Seismic Strengthening programme was deferred beyond year 10. This has resulted in the \$1.2M of planning, design and tendering work that was completed during 2022/23 needing to be expensed from Work in Progress (WIP) on the Balance Sheet to the P&L. This is a required accounting adjustment as the physical construction these costs relate to is not proceeding in the foreseeable timeframe.
- If this was not removed, the full year capital spend would be 92.5M, or 91.1%.
- The 2022/23 spend for the year was 75.9M, or 66.6% of the 2022/23 revised budget.
- Of the 'not started' category, 1 project was deferred, with the remainder dependent on external decisions. There is 1 on hold project (Bill Brown Additional Carparking).
- Net debt at 30 June 2024 was 261.0M against a revised budget of 254.1M.
- Throughout Q1-Q3 of FY2024, interest rates movements had resulted in a favourable interest revenue position more than offsetting the additional interest paid associated with carrying a higher debt balance between November and March. As anticipated, this favourable variance for net interest has reduced and tracked slightly unfavourable at year-end (0.1M).

Capital programme - FY24 (Council)



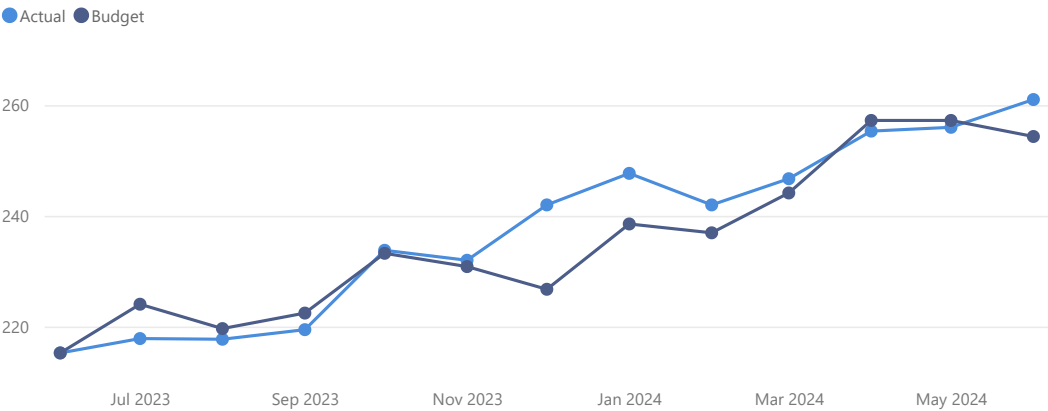
Full capital programme (Council)



YTD capital spend - all Council

Category	Actual	Budget	Variance	FY budget	Percentage spend
Capital Expenditure - Renewal	31.9M	30.6M	(1.3M)	30.6M	104.3%
Capital Expenditure - New	45.7M	55.8M	10.2M	55.8M	81.8%
Capital Expenditure - Growth	13.7M	15.1M	1.4M	15.1M	90.8%
Total	91.3M	101.5M	10.2M	101.5M	89.9%
Total excluding write-off	92.5M	101.5M	9.0M	101.5M	91.1%

Net debt by month



Performance and Financial Report to Council

June 2024

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Chief Executive's Summary

This report covers the final quarter of the 2023/24 financial year. At the end of June Council's net operating position was 0.3M favourable against the revised budget. It has been a tough year in trying to manage our finances, so from my perspective to complete the year slightly favourable is a good result. Forecasting throughout the year has helped and it highlighted some budget pressures which were actively managed, particularly in the last quarter, where we reduced activity spending in areas to offset overspends in other activities.

Key variances across operating revenue and expenditure and further information outlining operating variances is provided in the subsequent sections of this report and associated appendices.

The momentum in capital delivery continued in June with a period spend of 15.6M. This results in a quarter spend of 37.5M and a full year Capital spend of 91.3M.

During the LTP process, the C.A.B. Seismic Strengthening programme was deferred beyond year 10. This has resulted in the 1.2M of planning, design and tendering work that was completed during 2022/23 needing to be expensed from Work in Progress (WIP) on the Balance Sheet to the P&L. This is a required accounting adjustment as the physical construction these costs relate to is not proceeding in the foreseeable timeframe. If this was not removed, then the capital expenditure for 2023/24 would be 92.5M, or 91.1%.

This year's capital delivery has been a stepped increase from the previous year and I understand is the highest capital spend for this organisation and best project delivery. This is the result of implementing several improvements to processes over the recent years in regard to procurement, design & internal process simplifications. These changes continue to benefit the organisation, and the challenge for us is to continue this momentum through and into the 2024-34 Long Term Plan delivery period.

Operating Performance

Summary of Financial Performance For the period to 30 June 2024	2023/24 (\$M)			
	Year to Date			FY
	Actual	Budget	Variance	Budget
Fees and charges	7.1	8.0	(0.9)	8.0
Grants and subsidies received	6.1	8.1	(2.0)	8.1
Other revenues	26.3	25.1	1.1	25.1
Operating Revenue	39.6	41.3	(1.7)	41.3
Remuneration	62.4	61.2	(1.2)	61.2
Other operating expenses	18.0	19.1	1.1	19.1
Contractors	25.7	22.6	(3.0)	22.6
Grants and subsidies paid	10.2	10.8	0.6	10.8
Materials	3.9	4.7	0.8	4.7
Professional Services	15.5	16.7	1.2	16.7
Utilities	3.4	3.0	(0.4)	3.0
Net Internal Expenses	(12.9)	(10.3)	2.6	(10.3)
Operating expenses	126.2	127.8	1.6	127.8
Net Controllable Operating Surplus/(Deficit)	(86.6)	(86.5)	(0.1)	(86.5)
Rates Revenue	124.7	124.2	0.5	124.2
Net Interest	(9.9)	(9.7)	(0.1)	(9.7)
Net Operating Surplus/ (Deficit)	28.3	28.0	0.3	28.0
Depreciation and amortisation	(43.1)	(43.0)	(0.1)	(43.0)
Non-operating revenues	23.2	20.1	3.1	20.1
Non-operating expenses	(4.9)	0.0	(4.9)	0.0
Net Surplus/(Deficit)	3.5	5.0	(1.6)	5.0

*the sub totals for 'Net Controllable Operating Surplus/(Deficit)' & 'Net Operating Surplus/(Deficit)' have been switched in this report. This change is to ensure the terminology is more correctly used.

The net controllable operating position at the end of June was unfavourable to budget by 0.1M.

There were some key deviations from budget to highlight:

- Operating revenue
 - Fees and charges revenue are unfavourable YTD by 0.9M related to consents, driven by lower demand. This is partially offset by savings in professional services within the same activity.
 - Grants and Subsidies received are unfavourable YTD by 2.0M related to City Growth & Connected Communities. This is related to timing of Better-Off Funded programmes which are offset by savings in professional services and grants paid expenditure respectively.

- Operating expenditure
 - Contractors were unfavourable YTD by 3.0M, predominantly related to Roothing & Landfill management.
 - Grants and subsidies paid were favourable by 0.6M largely related to expenditure on Better-Off funded programmes. This variance was offset by unfavourable variances in grants revenue.
 - Utilities were unfavourable YTD by 0.4M. This related to the BioGas generator being offline for a period of time. Since its repair, the variance remained stable.
 - Remuneration is unfavourable by 1.2M YTD mostly related to revaluation of long service and annual leave provisions. This variance is more than offset by a favourable variance for net internal expenses (capitalised labour) of 2.6M.
- Non-operating
 - Non-operating revenues are favourable to budget due to higher vested assets revenues (2.0M) and net gains on Tamakuku Terrace property sales (2.0M), with a partial offset by lower amounts in capital revenues and development contributions.
 - Non-operating expenditure is unfavourable due to valuations of financial instrument valuations.
 - During the LTP process, the C.A.B. Seismic Strengthening programme was deferred beyond year 10. This led to 1.2M of planning, design and tendering work that was completed during 2022/23 being written off from WIP to the P&L against non-operating expenditure.

For further information on YTD performance see:

- Appendix 1 - Detailed Non-Financial Performance Measures
- Appendix 2 – Activities Net Operating Cost
- Appendix 3 – Operating Programme Reporting
- Appendix 7 – Financial Statements
- Appendix 8 – Approved variations to Annual Budget

Capital Delivery

The momentum in capital delivery continued in June with a period spend of 15.6M. This results in a quarter spend of 37.5M and a full year Capital spend of 91.3M.

During the LTP process, the C.A.B. Seismic Strengthening programme was deferred beyond year 10. This led to 1.2M of planning, design and tendering work that was completed during 2022/23 being expensed from WIP on the Balance Sheet to the P&L. If this was not removed, then the capital expenditure for 2023/24 would be 92.5M, or 91.1%.

In addition to this, there were decisions made by Council and Central Government that meant some projects were unable to proceed in the current year but budgets were not reduced:

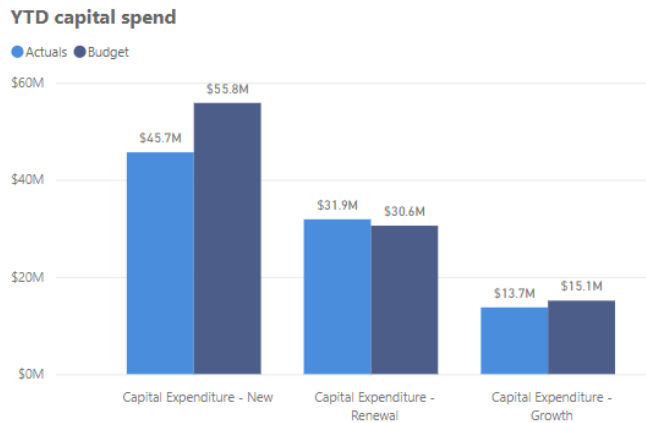
Examples of projects include:

- 2123-Urban Growth - Kakatangiata – Transport (Te Wanaka speed change) – (~0.2M)
- 684-Longburn Rongotea Road/No. 1 Line - Intersection Safety Upgrade (~0.1M)
- 2124-Urban Growth - Ashhurst - Transport (Wyndham Street project) - (~0.8M)
- Social Housing programmes (~1.4M)

These 4 projects total 2.5M (2.5% of the total capital budget)

This year's capital delivery has been a stepped increase from the previous year and is the highest capital spend for this organisation and best project delivery. This is the result of implementing several improvements to processes over the recent years in regard to procurement, design & internal process simplifications. These changes will continue to benefit the organisation, with the challenge to continue this momentum through and into the 2024-34 Long Term Plan delivery period.

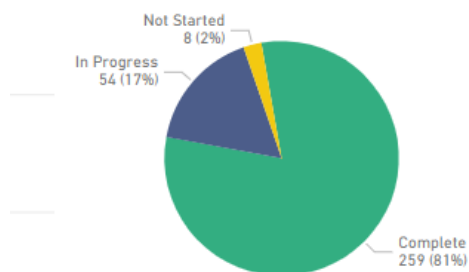
	FY2024 Actuals	FY2024 Revised Budget	Variance	% YTD spend to revised budget	FY2024 AP budget
Capital New	45.7	55.8	10.1	81.8%	52.4
Capital Growth	13.7	15.1	1.4	90.8%	13.0
Capital Renewal	31.9	30.6	(1.3)	104.3%	27.9
Total Capital	91.3	101.5	10.2	89.9%	93.3
add back write-off of C.A.B. prior year expenditure	1.2	-	(1.2)	-	-
Total Capital (excl. write-off)	92.5	101.5	9.0	91.1%	93.3



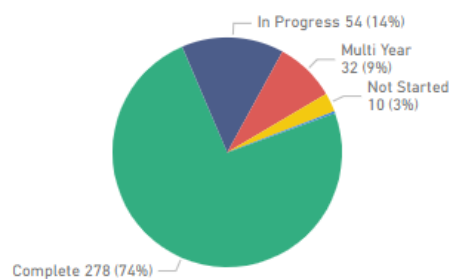
Council is looking to continuously improve metrics for reporting against overall delivery of the capital programme. Using Council's current metrics, the number of projects completed vs what was planned was 81% for 2023/24 (70% 2022/23). This number reflects projects that have been fully completed by 30 June, with a number either near completion or not completed due to factors outside of the influence of Council Officers. Of the remaining 19% (62 projects):

- 9 were substantially complete and will finished in the first quarter of 2024/25
- 7 relate to Central Government decisions
- 6 relate to external factors such as development contributions or other external funding
- 27 were not completed due factors such as delays or change in scope
- 6 were projects not proceeding due to reprioritisation
- The remaining 7 were projects in response to the reprioritisation and will be completed in the first quarter of 2024/25.

Capital programme - FY24 (Council)



Full capital programme (Council)

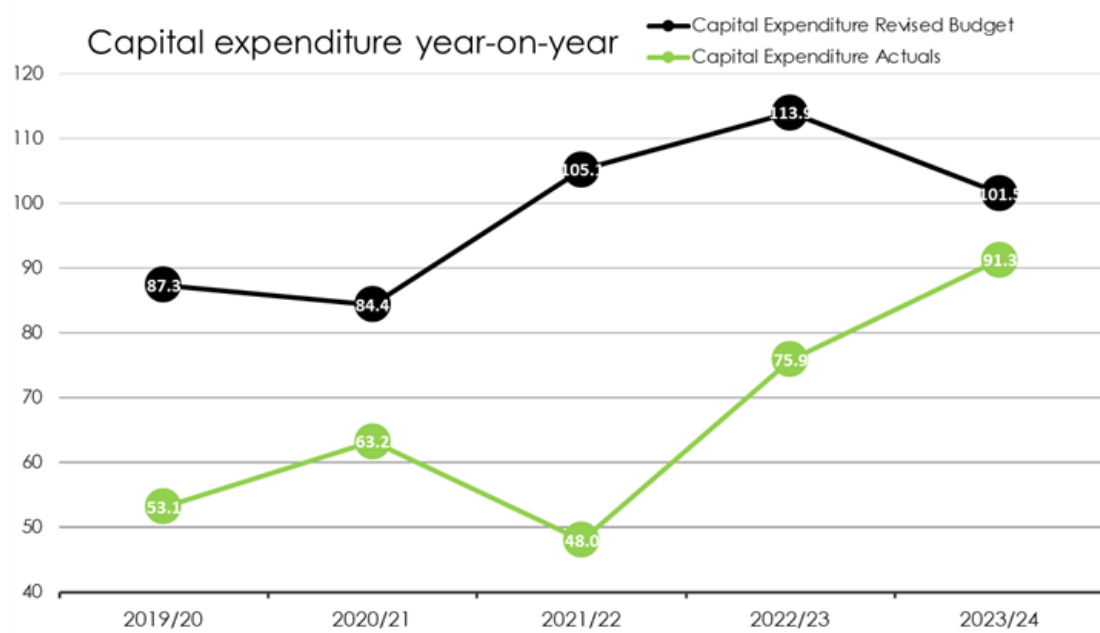


Not Started: No budget spend has been put against this project.

In Progress: Planning, Design or Construction is actioned.

Complete: Project is complete.

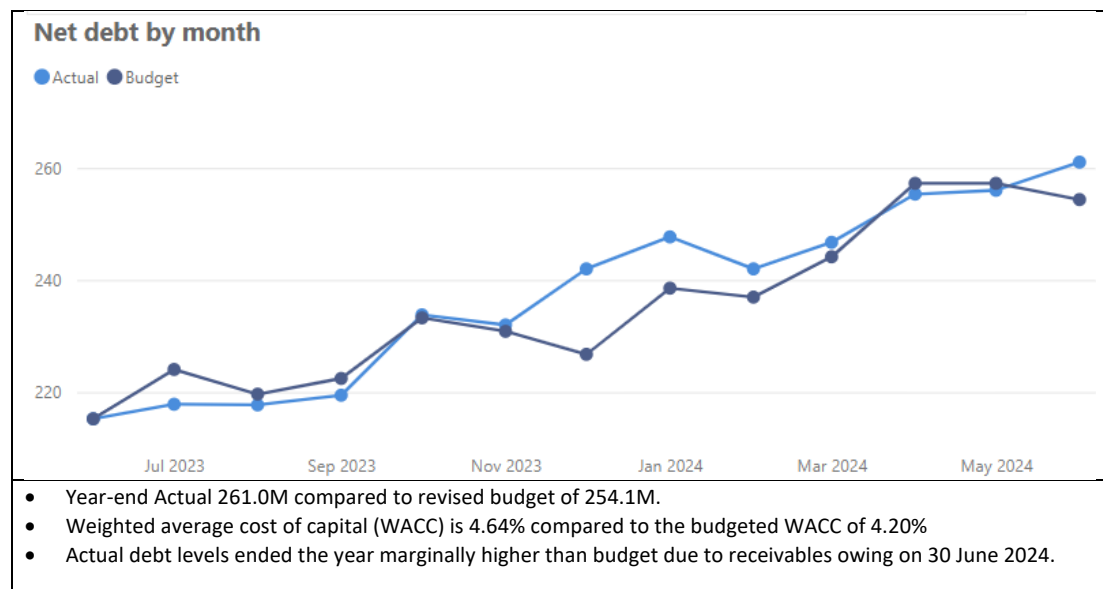
On Hold: Project unable to be progressed.



For additional information on capital delivery see:

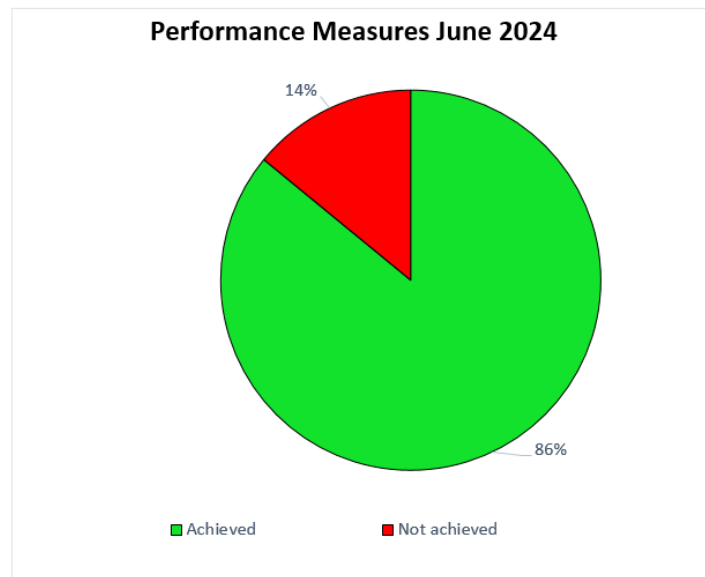
- Appendix 4 – Capital expenditure by Group of Activities
- Appendix 5 – Capital expenditure by Programme (over \$1,000,000)
- Appendix 6 – Capital expenditure by Programme (under \$1,000,000)
- Appendix 8 – Approved variations to Annual Budget

Net Debt



Performance Measures

At the end of the year, 55 (86%) of performance measures were achieved, and 9 (14%) were not achieved.



The measures categorised as 'not achieved' were:

- City Growth Measure 2 – Resource consents: Complex consents (particularly related to multi-unit developments) have been affecting both output and processing speed.
- City Growth Measure 3 – Building consents: Impacted by resourcing capacity.
- Transport Measure 4 – Footpaths: Current methods of maintaining footpaths due to increasing street tree stock.
- Transport Measure 5 – Road safety and critical requests: Impacted by contractor or internal staff capacity
- Active Communities Measure 2 – Aquatic Facilities: Impacted by lower school bookings and a relining at Lido.
- Arts and Heritage Measure 1 – CCO patronage: Lower year-on-year patronage at The Regent and The Globe.
- City Shaping Measure 1 – Streetscape Plan Implemented: Programmes were deferred by 3 years through the LTP Process.
- Leadership Activity Measure 1 – Satisfaction trends
- Water Measure 1 – Compliance with Drinking Water QA Rules: Changes to drinking water rules in November 2022.

For additional information on performance measures see:

- Appendix 1 – Detailed performance measures

Resourcing

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

Employment Status	Number of Staff	FTE	Budgeted FTE
Permanent Full-time	541	541	521
Permanent Part-Time	109	73	69.1
Vacancies	82	81	68.1
Temporary	18	16	
Total Number of Positions (excl. casuals)	750	711	658.2
Add Casual	34	15	-
Less vacancies	(82)	(81)	-
Total Positions	702	645	658.2

This table is under constant review and although accurate to 30 June 2024, the changes from the recent organisation realignment need to be reflected in these numbers.

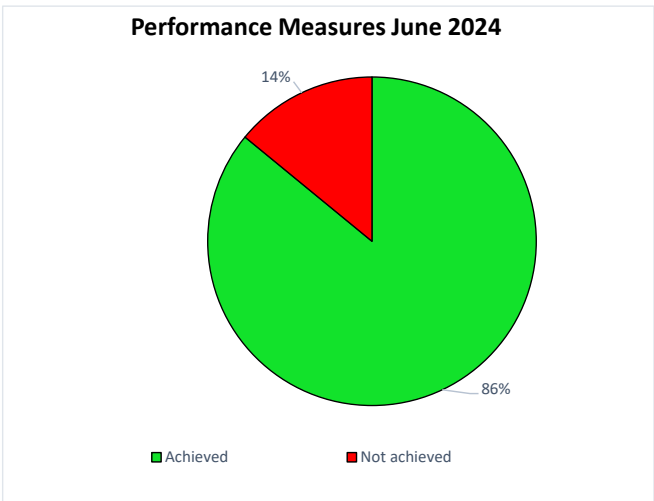
Appendix 1 – Detailed Non-Financial Performance Measures

10-Year Plan KPIs

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

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

Achieved		G
Not achieved	R	R



Performance Measure Summary by Activity	G	R	Total
Goal 1 - An Innovative & Growing City			
City Growth	3	2	5
Economic Development	2	-	2
Transport	3	2	5
Goal 2 - Creative & Exciting City			
Active Communities	4	1	5
Arts, Culture and Heritage	4	1	5
City Shaping	1	1	2
Goal 3 - Connected & Safe Community			
Connected Communities	9	-	9
Safe Communities	3	-	3
Goal 4 - Eco-City			
Climate Change	3	-	3
Environmental Sustainability	2	-	2
Manawatu River	1	-	1
Resource Recovery	2	-	2
Stormwater	5	-	5
Wastewater	5	-	5
Water Supply	8	1	9
Goal 5 - Driven & Enabling Council			
Good Governance and Active Citizenship	-	1	1
Total Measures	55	9	64
% of measures able to be measured	86%	14%	

Quarterly Performance and Financial Report - June

Performance Measures	Comments	Sep	Dec	Mar	Jun
Goal 1: An Innovative and Growing City					
City Growth (Page 32 of the 10 Year Plan)					
01. Measure: Enough land is zoned, infrastructure enabled and feasible to develop, to meet growth demand. Target: At least three years of housing and business land with services is immediately available.	Based on uptake analysis of building consents across the city and our most recent Housing and Business Development Capacity Assessment, we currently have available capacity for; - 1,408 dwellings in our current residential zone. This is an 867-dwelling surplus compared to our 3-year demand - 203 dwellings in our greenfield areas that have services available. This is a 190-dwelling shortage compared to our 3-year demand. - 117 dwellings in our rural zone for rural-residential dwellings. This is a 68-dwelling surplus compared to our 3-year demand. - 5 hectares of land available in our business zones. This is a 3.6-hectare surplus compared to our 3-year demand. - 164 hectares of land available in our industrial zones. This is a 164-hectare surplus compared to our 3-year demand.	R	G	G	G
02. Measure: Resource consent applications are processed within statutory frameworks. Target: At least 95%	During the 2023/24 Financial Year the Planning Services Division received 473 resource consents, granted 381 consents, and granted 51% (195 consents) within statutory timeframes. These figures are different to what has been previously reported through Quarterly Reporting due to human error associated with implementing the new Authority Altitude system. It is noted that several options are actively being pursued to improve output and consents on time performance. These include developing a competency framework for Planning Officers and exploring a digital workflow tool to manage resource consents, that eventually customers could log into to view progress on their consents.	R	R	R	R

Performance Measures	Comments	Sep	Dec	Mar	Jun
03. Measure: Building consent applications are processed within statutory frameworks. Target: At least 95%	Of 910 consents processed for the year, 846 (93%) were within the statutory timeframe. This quarter has been influenced by the continued downturn in consumer confidence in the economy, and the target was ultimately not achievable due mostly to temporary resource constraints.	G	G	Y	R
04. Measure: City-wide urban design principles are reflected in planning advice and decision-making. Target: Narrative measure outlining how urban design principles are being implemented.	Urban design expertise is informing Council-led District Plan changes under development including residential intensification to meet NPS-UD, and other greenfield growth areas. Urban design continues to support and guide most medium-density housing proposals through a pre-application proposal to gain resource consent. The 'Delivering Change' fund provides support to this process as well as other strategic developments seeking consent such as the commercial developments along Rangitikei St, a key city entrance. Many medium-density housing developments consented over the last 24 months are now being built and occupied around the city. A good proportion of these developments now being 2-3 storeys high, multi-unit duplexes, or terraced typologies (34 Linton St, 124 Roy St, 9 Wellesbourne St, 101 North St). All deliver positive street frontage, high-quality residential and streetscape amenities, landscaping, and private living spaces with good solar access. Current and future District Plan Changes will be reviewed and carefully considered for which design controls are used.	G	G	G	G
05. Measure: There is an increase in range of building types being built in the city centre and local neighbourhoods (eg different densities, cohousing, CBD residential, green buildings). Target: Narrative measure outlining trends in the range of building types.	Despite proposed redevelopments of the Former Post Office site and recent upgrades at 260 Church St and 73 Queen St, interest in city centre commercial property development remains relatively low. Housing across the residential zone continues to be a mix of both low density greenfield, and medium-density infill development. Medium-density housing developments consented over last two years are still in construction, with others now completed or occupied (34 Linton St, 101 North St, 57 West St). Private sales of multi-unit developments are slow in this current economic context, with feedback from the development community continuing to indicate that multi-unit developments are a less attractive option to many buyers compared to standard residential options. This has led to some developers to rent out completed projects and slow down on doing more, however many are still positive about the future of multi-unit housing in the future when development and market conditions improve.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
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Economic Development Activity (Page 37 of the 10 Year Plan)

01. Measure: Funding is distributed and the key objectives achieved. Target: Narrative measure outlining outcomes achieved by the funded organisations.	CEDA has delivered its Statement of Intent and 6-month report and will shortly be presenting its annual report.	G	G	G	G
02. Measure: Achieve a positive city reputation. Target: 3x narrative measures: Increases in positive sentiment, increase in levels of engagement, and formal survey/research	Over the three-month period Council had nearly 70 media queries, did 12 interviews and issued 22 media releases. Across Social platforms, 3M people saw our content. Nearly 190,000 people engaged through comments/likes/shares etc., and the total page view number for PNCC in this quarter is 542,387. The most visited pages are Property and rates search (28,304 views), Rubbish and recycling days (27,772 views), Long-Term Plan (10,675 views), Cemetery and cremation search (9,503 views) and Dog registration (9,492 views). In this quarter, more than 6,400 visitors used our website as the gateway to the Altitude payment platform 8,700 times. The top 3 activities are paying a parking ticket (60%), renewing dog registration (18%) and general payments (14%). Our Long-Term plan section recorded more than 40,000 views (not including the Property and rates search page). The most popular pages are Rates for 2024-25 (4,182 views), Rates review (4,144 views), The options for our rating system (2,446 views) and New and upgraded community facilities (1,350 views).	W	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
Transport (Page 42 of the 10 Year Plan)					
01. Measure: The change in the number of fatal and serious injury crashes from the previous year on the city's local road network. Fewer than the previous year. Target: Narrative measure outlining long-term accident trends and causes.	In the 12-month period ending June 2024, there were 5 fatal and 44 serious injury crashes in Palmerston North. None of these involved cyclists, and 6 involved pedestrians. The 12 months prior there were the same number of fatal crashes (5), and more serious injury crashes (49). 6 of those crashes involved cyclists and 8 involving pedestrians. NOTE: Some crash data may not have been uploaded to Waka Kotahi's Crash Analysis system at the time of review.	Y	Y	B	G
02. Measure: The average quality of ride on the sealed local road network, measured by smooth travel exposure. Target: Greater than 80%.	The smooth travel exposure for the city is calculated at 84% for the 2023/24 financial year. A survey has been completed in October 2023. These city-wide surveys are carried out approximately every two years by independent contractors.	G	G	G	G
03. Measure: The percentage of the sealed local road network that is resurfaced. Target: More than 3.5%	4.2% of the network was resurfaced.	Y	Y	G	G
04. Measure: The percentage of footpaths that meet Council standard. Target: Greater than 93% rated 3 or above.	83.5% of the networks footpaths is rated 1-3 (Excellent - Average), 13% is rated 4 (Poor) and 3.5% is rated 5 (Very Poor). We note that standard approaches such as grinding and tree root pruning to enable path replacement is becoming less effective as the street tree stock grows	G	G	G	R
05. Measure: Percentage of requests for service relating to roads and footpaths responded to (with at least an initial response) within three working days. Target: Greater than 95% of safety and critical requests.	For the year from 1 July 2023 – 30 June 2024 86.4% of service requests responses met the response time. There has been some recording and reporting issues with this measure. Improvements have been made to ensure this measure is recorded and reported accurately next time.	Y	Y	R	R

Performance Measures	Comments	Sep	Dec	Mar	Jun
Goal 2: Creative and Exciting City					
Active Communities (Page 54 of the 10 Year Plan)					
01. Measure: Increase in use of parks, sports fields and playgrounds. Target: Narrative measure outlining Parks Check Survey results.	On average across all park types, 58% of people visited at least once a week which is higher than in 2022/23 (44%). The survey shows that 7% of respondents visit parks every day, 26% several times a week and 21% once a week.	W	W	W	G
02. Measure: Increase in use of aquatic facilities. Target: Usage numbers at Lido, Freyberg and Ashhurst Pools.	The total number of users overall across all 3 Council pools was 597,005, 1.8% less than last year. The number of under five-year users was 17,724, 13% less than last year. User numbers overall remain higher than pre-COVID levels, with the main reason for the reduction in 2023/24 due to the closure of the indoor leisure pools at the Lido for relining. The number of users of the Lido Aquatic Centre was 384,399, 0.3% lower than in 2022/23. The number of users of the Freyberg Community Pool was 189,067, 1.2% lower than in 2022/23. The number of users of the Splashhurst Community Pool for the year was 23,539, 24.2% lower than last year. This was mainly due to a reduction in school bookings.	Y	Y	Y	R
03. Measure: Increase in use of Central Energy Trust Arena for community sport and active recreation. Target: Narrative measure outlining number of community events and hours.	At the end of the financial year, the number of Community Sport events at Central Energy Trust Arena was 2,854 compared to 2,787 last year. This is an increase of 2%. Hours of use was 9,798 compared to 10,459 last year, a decrease of 6%. 205,909 people have participated in Community Sport compared to 190,118 last year, an increase of 8%. Overall utilisation was very consistent compared to the previous year with the number of events and patronage slightly up, however actual hours of use slightly down. Between the hours of 3.30 pm and 10 pm Monday to Friday in School terms, community facility availability is essentially at capacity.	Y	G	G	G
04. Measure: Increase in satisfaction of Council's sport and recreation facilities. Target: Narrative measure outlining trends in user and resident feedback and surveys.	The overall satisfaction rating, across all park types surveyed in our Park Check survey is 97.5%, made up of respondents who were either "satisfied" or "very satisfied". This overall satisfaction result is above the median from the 17 Councils who use the survey. This result is slightly higher than 2022/23 which showed a 96.2% overall satisfaction rating.	W	W	W	G
05. Measure: Council works in partnership with external organisations. Target: Narrative measure outlining partnership initiatives designed to increase participation and their outcomes.	The Council's funding agreement with Sport Manawātū is for three years, and will be renegotiated in 2024/25. Reporting on achievements and delivery of agreed outcomes occurs regularly through the Culture and Sport Committee. A major focus of this quarter has been on the finalisation of He Rā Ki Tua, the Horizons' Region Spaces and Places Plan for Sport and Recreation. This Plan was recommended for endorsement to the Culture and Sport Committee in June.	G	G	G	G

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

01. Measure: Increase in patronage of Council-owned cultural facilities (Te Manawa, Globe Theatre, Regent Theatre, and Square Edge), as measured by reports provided by operators. Target: Annual patronage numbers for the CCOs increase.	2 out of the 3 individual targets were not met. The patronage numbers reported with previous year comparisons are Te Manawa: 137,172, this is up from 121,914 the previous year. The Globe: 16,123, this is down from 23,235 the previous year. The Regent: 99,483, this is down from 113,561 the previous year.	W	W	G	R
02. Measure: Funding is distributed and the key objectives achieved. Target: Narrative measure outlining outcomes achieved by the CCOs.	All budgeted funding has been distributed to the CCOs and the majority of objectives have been achieved.	W	W	G	G
03. Measure: Sites of significance to Rangitāne o Manawātū are identified, protected or acknowledged. Target: Narrative measure outlining the number and description of sites.	Council adopted the concept plans for the development of a civic marae and cultural centre at Te Motu o Poutoa, in partnership with Rangitane. Ruahine Reserve has been developed as a special character reserve. The reserve contains walls with the names of the Tupuna who signed the original deed for the land on which this small reserve sits. The site also contains a pataka kai (food storage house). Council staff have been working with Rangitane on the development of the draft Ashhurst Domain Reserve Management Plan, particularly the cultural and environmental sections. Staff continue to engage with Rangitane when considering requests for events and other activities in Te Marae o Hine.	G	G	G	G
04. Measure: Increase in investment of earthquake-prone heritage buildings. Target: Narrative measure outlining investment in buildings and its outcomes.	Funding for detailed seismic assessments for the Former Abbey Theatre, Former Masons Temple, and Hoffman Kiln office building has been allocated. Resource consent has been granted for the redevelopment of the former post office building to provide for a hotel.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
05. Measure: Heritage is part of the multidisciplinary approach to working on Council projects. Target: Narrative measure outlining the projects and their multi-disciplinary nature.	Featherston Street Safety Improvements: Use of play and public art to express heritage themes related to Palmerston North Boys High School. Aokautere Growth Area: Stormwater management, ecology, urban design, and recreation planning advice informed the decision by commissioners to protect the historic gully network in the new growth area. Ruahine Reserve: The new Ruahine Reserve has been established as part of the Centennial Park development. The park references the significant kainga that was established by Rangitāne o Manawatū adjacent to the Hokowhitu Lagoon. New Bus Shelter: The new bus shelter roll-out has incorporated glazing design references to Haunui-a-Nanaia and John Tiffin Stewart. Heritage Storytelling: Programmes have been included to incorporate heritage storytelling into Cuba Street, and will be guided through urban design, libraries, transport, and placemaking disciplines.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
City Shaping (Page 63 of the 10 Year Plan)					
01. Measure: City Centre Streetscape Plan is successfully implemented. Target: Narrative measure outlining progress on implementing the Plan.	The City Centre Streetscape Plan is now incorporated into the wider City Centre Transformation programme of work. No further physical development of these streets has occurred, and these programmes have been deferred by 3 years. An Indicative Business Case (IBC) for the City Centre is underway to identify the preferred option for an urban transit hub and secure co-funding from Waka Kotahi with the Project Steering Group is now participating in this process. This is due for completion late 2024.	G	G	G	R
02. Measure: A wide range of public space projects are implemented. Target: Narrative measure outlining the public space projects, their multi stakeholder / multidisciplinary nature, and their outcomes.	Ruahine Reserve is now open to the public, marking the completion of the final public reserve from the Centennial Park redevelopment at the former PN Teachers College site in Hokowhitu. Co-designed with Rangitane O Manawatū and representatives of PN Teachers College Memorial Grove, this significant river site honors the families and their descendants named on Hokowhitu Reserves land titles and preserves memorial trees dedicated to former Teachers College staff and students. This builds on the recently completed new access entry into the Manawatū River at the southern end of Hokowhitu Lagoon. The portion of Featherston St cycleway between Aroha St and North St is still under construction with the installation of separated barriers still to be complete. This project includes a series of play activities painted into the public footpath around Central Normal School and a mural of Fred Hollows on a public-facing wall at PNBHS.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
Goal 3: Connected & Safe Community					
Connected Communities Activity (Page 74 of the 10 Year Plan)					
01. Measure: Library users are satisfied with the services and programmes provided. More than 800,000 visits a year. Average use per item per year is at least 4 (physical items). Target: Narrative measure outlining the development and use of digital collections. Narrative measure outlining the results of user and residents' satisfaction surveys.	Physical visitor numbers increased by 12% compared to last year with 554,924 visits across the eight City Library locations (noting that not all library locations were open for the full twelve months). Of note Ashhurst Library had a 12% increase in visitor numbers (51,345 vs 45,739); Central Library had a 12% increase (325,050 vs 290,601); and Youth Space had a 52% increase (49,757 vs 32,551). This year Blueprint was used by 20,682 makers and continues to actively support a growing maker community across the city. Annual visits per capita sit at 6.13 compared to 5.47 last year – an increase of 12%. The collection continues to work hard with the average use per item being 4.41 (compared to a national average of 2.79) and eBook and eAudio collections had 153,745 items issued which is 15% of total issues. "Virtual" visits included Enterprise (online catalogue) with 871,641 page views; the City Library website with 397,632 page views; Manawatū Heritage with 312,107 page views and the Tour App hosted 270 sessions. This year our libraries hosted 69,902 PC sessions, 149,932 Wi-Fi sessions, and 65,139 Library App page views. The digital library continued to expand, and the breadth of digital content allowed people to stream 24,102 films through Beamafilm and Kanopy; read 6,734 titles through Press Reader, and use Ancestry 20,802 times. The number of permanent Home Service users had increased to 119 customers at the end of June.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
02. Measure: Library programmes reflect the changing needs of communities. Target: Narrative measure number and description of programmes and their outcomes.	Library programming has returned to pre-Covid levels even with the impact of the temporary closure of both the Awapuni and Roslyn community libraries. This year 2,727 programmes were delivered with 65,249 attendees (versus 2,412 programmes with 59,121 attendees last year). Highlights included a panel with local writers, chaired by Manawatū Peoples Radio. The inaugural Winter Writers and Readers Festival programme included panel discussions, book launches, writing workshops, Local Authors Day and the Writers Lunch. Children's reading programmes had 1,007 participants across six schools. Programming for the Rainbow community included rainbow-positive activities highlighting resources and LGBTQIA + authors/stories. Some other community programmes included Future Living Skills workshops with Environment Network Manawatū; the Philippines flag raising event for Independence Day; and First Voice in partnership with Palmerston North Intermediate Normal School and the Manawatū Multicultural Council. Highlights from the Youth Services team included delivering the Youth Wellbeing Forum; the April School Holiday programme with 892 attendees; Youth Week in partnership with Youthline CNI, Sport Manawatū, Highbury Whānau Centre, and START; Hauora Day in partnership with THINK Hauora, Whaioro Trust, Smokefree NZ and the Cancer Society. Library outreach included working with Autism Manawatū; supporting My Life, and My Voice disability workshops.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
03. Measure: Accessible and genderneutral toilets are provided throughout the city, and especially in places where there is the most community activity. Target: Narrative measure outlining number, type and location of toilets, plus annual satisfaction survey results	There are 56 public toilet blocks located throughout the city. The refurbishment works include ensuring that the toilet blocks are accessible and gender neutral and are focusing on the public toilets within the cemetery. Additional new public toilets were installed along the He Ara Kotahi pathway in December 2023. New toilets are also planned for the river-end of Albert Street in August 2024 along with refurbishment of toilets in Guilford Street in Ashhurst.	G	G	G	G
04. Measure: Community centres are well used. Target: Narrative measure outlining use of centres and range of use with them	Community centres continue to experience strong demand of their facilities with a number of the centres averaging 200+ hours of usage per month. Rangiora Community Centre installed a new keyless electronic entry system at the centre in this past quarter. The centre's management committee said the system is operating well and have proved to enhance greater efficiencies at the centre. Other centres in the city are now interested in installing that keyless system. The Pasifika Community Centre continues to be used on a regular basis by various Pasifika and other ethnic group communities. Papaioea Pasifika Community Trust (PPCT) continues to run a food bank at the Pasifika Community Centre on a needs-basis only, and also depending on the supplies they receive for distribution. PPCT is continuing to make great use of the Utilities Room as an extra storage space for non-perishable products and other goods. A review of Community Centres will be completed in Year 1 of the LTP.	G	G	G	G
05. Measure: Visitors to cemeteries are satisfied with the services provided. Target: Narrative measure outlining user and residents survey trends.	Cemetery visitors are not formally surveyed, due to the sensitive nature of their visit. Feedback received from visitors - (emails, Kbase - Customer Case Mangement), indicate a high level of satisfaction with services provided by council staff.	W	G	G	G
06. Measure: Council's social housing tenants are satisfied with the social housing service they receive. Target: Narrative measure outlining survey results and tenant feedback.	The overall satisfaction rate in the 2023 survey was 97%. Of the 143 tenants who answered question 4 (overall, how satisfied are you living in a PNCC housing unit?) 139 gave a rating of 3 or 4 out of 5. Feedback included comments such as 'warm, dry, comfortable flats, very happy with heat pumps', 'maintenance issues sorted quickly', 'grateful to have Council housing.' Next survey is scheduled to be completed in early 2025.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
07. Measure: Council's social housing is warm and safe, as shown by compliance with the Otago Medical School He Kainga Oranga Rental Housing Warrant of Fitness Standard. Target: Standards met.	Council has circa 430 units in its housing portfolio. All units have been upgraded to meet the Healthy Homes and the WOF standards.	G	G	G	G
08. Measure: More community-led projects are supported by Council. Target: Narrative measure outlining description of activities funded and their outcomes.	The Community-led Initiatives Fund was well utilised for a range of community projects this quarter. Some highlights include Philippine Central Organisation Inc., Mid-winter social gathering, Palmerston North Papua New Guinea Community Trust, Language Week Celebration, Best Care (Whakapai Hauora) Charitable Trust, Rongomai Project (focused on Rangatahi hauora), and Whatunga Tuao Volunteer Central support for the Volunteer Recognition Event. The Arts Initiative Fund was also well subscribed for a range of arts events including Chamber Music NZ, NZNO support for the National Youth Orchestra and funding for SECA to support the Puanga Matariki Exhibition. The Community Training Fund was primarily utilised to deliver community training by Te Pu Harakeke at Hancock Community House for a range of community training programmes aimed at supporting good governance practices and increasing the capability and capacity of community groups in Palmerston North.	G	G	G	G
09. Measure: There are increases in: participation in community and city centre events, satisfaction with the annual programme of events, the range and diversity of community-led events in the city. Target: Narrative measure outlining number and range of events, plus participation and satisfaction with events.	City centre events continue to be well received and attended. The return of a temporary ice rink in Te Marae o Hine - The Square for the April school holidays provided vibrancy and positive local visitation and usage of the space. Anzac Day services were well attended (approx 4,000 across the two services) and Puanga Festival in June continued a strong growth trend this year with 40 vendors and stall holders and approximately 10,000 attendees. Council continued to develop wraparound activations in the central city to leverage major sporting tournaments in the city which benefit both visitors and residents. Palmy BID's pop-up events continue to develop to benefit residents and retailers in the central city alongside council-led and community-led events.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
Safe Communities Activity (Page 84 of the 10 Year Plan)					
01. Measure: The SAB carries out a range of successful initiatives. Target: Narrative measure (outlining description of SAB initiatives and their outcomes).	Rainbow Safe Space Initiative was launched this quarter through MaLGRA. This program invites local businesses/ social services to register as safe spaces to provide spaces where members of the Rainbow community can be their authentic selves and gain support in case of incidents like violence, bullying, or hate speech. Ada Street Initiative aim is to reduce the amount of first responder call outs to Ada Street, reduce risk when fires are lit, and improve community/ public safety to build a more connected Street. A community BBQ was held, and 60 surveys filled out by residents. Trees lining the street have been pruned and a Alcohol Ban and Fly Tipping signage has been approved to be installed.	G	G	G	G
02. Measure: Increasing preparedness for emergencies in Palmerston North. Target: Narrative measure outlining Manawatu Wanganui CDEM preparedness 2- yearly survey trends and description of initiatives.	The Council's Emergency Management team regularly interacts with community groups and at community events. Regular interactions with key stakeholders at local and regional meetings ensure relationships are well established before an emergency. Council Emergency Management teams' water tank project continues to be popular with the community, and it has regular sales. Council's Civil Defence Centres Plans (Welfare Centres) have been refreshed following learnings from Cyclone Gabrielle in Auckland and Hawkes Bay. Council is implementing a community hub model similar to Wellington to create an environment for our community lead support during an emergency. The Council will continue to interact with the community through a range of channels to help the community be prepared for all emergencies and meet objectives from the Manawatu Whanganui CDEM group plan.	G	G	G	G
03. Measure: Bylaws are reviewed on legal timeframe and enforced. Target: Narrative measure outlining description of programme to develop and review bylaws and their outcomes.	The Dog Control Policy and Bylaw, and the Animals and Bees Bylaw, were both adopted this quarter. Work continues on the Signs and Use of Public Places Bylaw. Further work on speed limits will await the finalisation of the Land Transport Rule: Setting of Speed Limits (currently in draft).	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
Goal 4: Eco-City					
Climate Change (Page 89 of the 10 Year Plan)					
01. Measure: Increase in sustainable practices. Target: Narrative measure outlining projects and initiatives that foster sustainable practices / behaviours and their impacts.	The objectives of the Low Carbon Fund are narrowly defined in terms of delivering carbon reductions at low/negative net present costs, the fund continues to deliver low-carbon projects that offer a range of broader strategic outcomes, such as air/water quality improvements. The climate change team also continue to support the Green Corridors project, with 14,949 trees planted in the previous planting season (the current season is just beginning at the time of writing). The recent Aokautere rezoning has resulted in 170 hectares of gullies being reclassified as Conservation and Amenity zones. The responsibility is likely to fall partially on Green Corridors, so the resourcing requirements are still being considered.	G	G	G	G
02. Measure: Decrease in Council's total organisational emissions. Target: Narrative measure outlining greenhouse gas reduction initiatives and their impacts.	Continued monitoring of organisational emissions, with inventory for the 23/24 FY is expected to be delivered to the August Sustainability Committee. The Low Carbon Fund was fully allocated for the financial year, representing over 1,000 tonnes of expected carbon savings at a net-negative cost to Council. The annual report for the LCF is expected to be delivered to the same committee.	G	G	G	G
03. Measure: Work with iwi and community groups to re-establish bush, particularly along waterways, and to control introduced predators. Target: Measured through Manawatū River level of service.	A number of community working days have been held to control plant pests within Mc Crae's bush and the Ashhurst Domain. The animal pest control programme has continued within our reserves and walkway gullies. We continue to support the planting work of the Green Corridors group through funding and technical guidance.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
Environmental Sustainability (Page 93 of the 10 Year Plan)					
01. Measure: Increase in sustainable practices. Target: Narrative measure outlining projects and initiatives that foster sustainable practices / behaviours and their impacts.	Council continues to support and fund the Future Living Skills (Sustainable Living Programme), which are well attended. Staff meet with representatives of Environment Network Manawatu regularly.	G	G	G	G
02. Measure: Work with iwi and community groups to re-establish bush, particularly along waterways, and to control introduced predators. Target: Measured through Manawatū River level of service.	A number of community working days have been held to control plant pests within Mc Crae's bush and the Ashhurst Domain. The animal pest control programme has continued within our reserves and walkway gullies. We continue to support the planting work of the Green Corridors group through funding and technical guidance.	G	G	G	G
Manawatu River (Page 97 of the 10 Year Plan)					
01. Measure: Increase in the public use of the river environment. Increase in native planting and observed biodiversity improvements in suitable locations in the river environment. Greater connectivity of features within the Manawatū River Park. Target: Narrative measure outlining public use the river, biodiversity and native plantings, and connectivity of features.	The number of uses of the river park, estimated using survey data, is 1.6M. Developments along the river in 2023/24 have focused on the installation of rest areas and exercise platforms to support greater public use of the park. New plantings along the river have been limited in 2023/24, but existing plantings have been cared for and are now well established. We have continued our plant pest control programme in conjunction with Massey University, the replanting of 14 Ha of harvested pine forest adjacent to the park is being replanted in native trees.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
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Resource Recovery (Page 101 of the 10 Year Plan)

01. Measure: Compliance with resource consents for the Resource Recovery Activity measured by the number of abatement notices, infringement notices, enforcement orders and convictions. Target: 100% compliance	100% Compliant. we continue to monitor operations to ensure compliance with our resource consent conditions, along with producing reporting as required to Horizons Regional Council.	G	G	G	G
02. Measure: Decrease in per capita volume of waste sent to landfill. Target: Narrative measure outlining Council initiatives to decrease waste sent to landfill.	The 2019 Waste Management and Minimisation Plan (WMMP) sets a target of increasing waste diversion from 38% to 48% by 2025. Reducing the amount of material sent to landfills is to be achieved via the 26 actions that were set out in the WMMP. Initiatives and actions currently being undertaken include but are not limited to: tours of the Materials Recovery Facility (MRF) to provide education, continued engagement with the community, administering the Resource Recovery Fund to support community waste reduction initiatives, and actively working with existing and new commercial customers to maximise the number of resources that are recovered. We consulted Draft Waste Management and Minimisation Plan (WMMP) in early April 2024, and adopted the new WMMP in June 2024.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
Stormwater Activity (Page 107 of the 10 Year Plan)					
01. Measure: The number of flood event per year resulting in stormwater from the Council's stormwater system entering a habitable floor in an urban area. Target: Less than 5	There were zero flood events this year resulting in stormwater from the Council's stormwater system entering a habitable floor in an urban area.	G	G	G	G
02. Measure: The number of habitable floors per 1,000 properties within urban stormwater service areas affected by a flood event. Target: Less than 2	There were zero habitable floors within the urban stormwater service areas affected by a flood event.	G	G	G	G
03. Measure: Median time to attend a flooding event. (note: a flooding event is one resulting in stormwater entering a habitable building) Target: Less than 2 hours	There were zero habitable floors within the urban stormwater service areas affected by a flood event, hence no median time to report.	G	G	G	G
04. Measure: The number of complaints received about the performance of Council's stormwater system per 1,000 properties connected. Target: Less than 15	There were a total of 6.6 complaints received about the performance of Council's stormwater system per 1,000 properties connected for the year.	G	G	G	G
05. Measure: Compliance with resource consents for discharge from Council's stormwater system as measured by the number of abatement notices, infringement notices, enforcement notices and convictions received by Council in relation to resource consents. Target: 100% Compliance	Compliance with resource consents for discharge from Council's stormwater system as measured by the number of abatement notices, infringement notices, enforcement notices and convictions received by Council in relation to resource consents was 100%	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
Wastewater Activity (Pages 107 of the 10 Year Plan)					
01. Measure: Number of dry weather wastewater overflows from Council's wastewater system per 1,000 connections per year. Target: Less than 1	0.2 Wastewater overflows per 1,000 connections	G	G	G	G
02. Measure: Complaints per 1,000 connections about wastewater odour, system faults, system blockages and Council's response to issues with the wastewater system. Target: Less than 15	9.1 complaints per 1,000 connections about wastewater odour, system faults, system blockages and Council's response to issues with the wastewater system	G	G	G	G
03. Measure: Median time for attending to overflows resulting from blockages or other faults. Target: Less than 1.5 hours	Median time for attending to overflows resulting from blockages or other faults = 1.1 hours	G	G	G	G
04. Measure: Median time for resolution of overflows resulting from blockages or other faults. Target: Less than 8 hours	Median time for resolution of overflows resulting from blockages or other faults = 4.2 Hrs	G	G	G	G
05. Measure: Compliance with resource consents for discharge from Council's wastewater system as measured by the number of abatement notices, infringement notices, enforcement notices and convictions received by Council in relation to resource consents. Target: 100% compliance	100% compliance	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
Water Activity (Pages 107 of the 10 Year Plan)					
01. Measure: Compliance with Drinking Water Quality Assurance Rules 2022: T3 Bacteria Rules. Target: 100% compliance	Since the new Drinking Water Quality Assurance Rules took effect in November 2022, compliance requirements have increased. Under the old rules PNCC was 100% compliant; under the new rules we achieve approximately 90%. Significant Capital upgrades are required to achieve 100% compliance. These are scheduled in the LTP over the next several years.	R	R	B	R
02. Measure: Compliance with Drinking Water Quality Assurance Rules 2022: S3 Protozoa Rules. Target: 100% compliance	All monitoring data received for the period 1 Jul to 30 June 2024 indicates full compliance with protozoal compliance criteria included in the DWQAR 2022.	G	G	G	G
03. Measure: The number of complaints per 1,000 connections relating to clarity, taste, odour, continuity of supply, drinking water pressure or flow, and Council's response to any of these. Target: Less than 40	The number of complaints per 1,000 connections relating to clarity, taste, odour, continuity of supply, drinking water pressure or flow, and Council's response to any of these was 39.3	G	G	G	G
04. Measure: Average consumption of drinking water per day per resident. Target: Met - Less than 360 litres	The average consumption of drinking water per day per resident was 284 Litres.	G	G	G	G
05. Measure: Median response time for urgent call out attendance. Target: Less than 2 hours	Median response time for urgent call out attendance was 0.7 Hrs.	G	G	G	G
06. Measure: Median response time for resolution of urgent call outs. Target: Less than 7 hours	Median response time for resolution of urgent call outs was 2.7 Hrs	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
07. Measure: Median response time for non-urgent call out attendance. Target: Less than 10 hours	Median response time for non-urgent call out attendance was 9.0 Hrs.	G	G	G	G
08. Measure: Median response time for resolution of non-urgent call outs. Target: Less than 75 hours	Median response time for resolution of non-urgent call outs was 23.1 Hrs.	G	G	G	G
09. Measure: Percentage of real water loss from the water reticulation network. Target: Less than 20%	Real water loss from the water reticulation network is calculated at 15%, which is less than the targeted 20%.	G	G	G	G

Performance Measures	Comments	Sep	Dec	Mar	Jun
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Goal 5: Driven & Enabling Council

Leadership Activity (Page 128 of the 10 Year Plan)					
Performance Measures (Page 128 of the 10 Year Plan)	Comments	Sep	Dec	Dec	Jun
01. Measure: More than two out of every three residents (in the Residents Survey) are 'satisfied' with both the 'opportunity to have a say' and the 'ease of having a say'. Target: Narrative measure outlining satisfaction trends.	The 2023 Residents survey shows that 31% of residents are satisfied with "the ease of having a say in Council decision making". 42% are neutral and 27% are dissatisfied. For "Opportunities to have a say in Council decision-making", 38% are satisfied, 39% are neutral and 23% are dissatisfied. Council encourages people to have their say by offering a range of easy-to-use techniques. For example, for the LTP, engagement techniques included sending information to every household; drop-in meetings in community libraries; a Planning Palmy expo at the Conference and Function Centre; meetings with community, sporting, business and cultural groups; an LTP website, rates calculator and FaceBook Live sessions, and going to schools to talk with students about the LTP.	W	R	R	R

Appendix for June 2024 Report

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Appendix 2 – Activities Net Operating Cost

Activities Net Result Statement	2023/24 \$000s				
	Year to Date		Bud. Var.		(10% of YTD budget or 30% of specified sum)
For the period to 30 June 2024	Actual	Budget	\$000's	%	
Operating Result by Activities					
Connected & Safe Community	18,455	17,651	(805)	-5%	
Connected Communities	17,095	16,516	(579)	-4%	Contractors cost for Reactive Maintenance in Public Toilets and Community Facilities were also over budget mainly as a result of large amount of vandalism and damage.
Safe Communities	1,360	1,135	(226)	-20%	Variance due to increase in cost of after hours coverage by contractors and staff remuneration in Animal Control.
Creative & Exciting City	20,509	21,404	896	4%	
Active Communities	12,887	13,448	561	4%	Revenue favourable to budget, with the largest contributor being Windfarm Royalties
Arts and Heritage	7,128	7,440	312	4%	
City Shaping	494	516	22	4%	
Driven & Enabling Council	10,498	11,093	595	5%	
Governance and Active Citizenship	10,481	10,056	(425)	-4%	Variance driven by additional professional services within direction setting in relation to plan changes and industrial growth.
Organisational performance	786	1,823	1,037	57%	The main driver of this favourable variance is caused by the Digital Transformation Programme being underspent due to delays in some projects.
Strategic Investments	(769)	(786)	(18)	-2%	
Eco-City	7,790	7,143	(647)	-9%	
Environmental sustainability	694	798	104	13%	With cost pressures in other activities being experienced this year we have actively managed Consultant spend. This has resulted in a favourable variance for Sustainable Practices professional services and Biodiversity for Contractors.
Manawatu River	184	263	80	30%	Favourable variance related to contractors and materials for Manawatu River. The programmed maintenance for this is now likely to occur early in FY2025.

Resource Recovery	6,551	5,862	(689)	-12%	Increased wage rates has put pressure on budgets. This combined with more overtime with some vacancies putting pressure on allocation of work meaning remuneration costs are over budget for the year. Costs related to Resource Recovery fleet have also run over budget.
Climate change mitigation and adaption	361	220	(141)	-64%	Additional headcount to increase team capacity in this activity.
Innovative & Growing City	8,433	8,234	(199)	-2%	
City Growth	4,625	4,435	(190)	-4%	
Economic Development	3,807	3,798	(9)	0%	
Stormwater	2,098	2,624	525	20%	Favourable results for contractors and professional services related to efficiencies in the new Maintenance Contract. This favourable variance helps to offsets the overspend in Wastewater.
Wastewater	5,874	5,113	(761)	-15%	Trade waste sales revenue continues to be unfavourable to budget with sales budget assumptions not being realised. Electricity stayed unfavourable to budget due to increasing costs, and the Biogas Generator being offline early in the financial year. This has been offset by favourable variances in Stormwater and Water.
Water	5,486	6,311	826	13%	Remuneration pressures for the new Toby team more than offset by capitalised labour for these teams resulting in an overall favourable variance. This favourable variance offsets the overspend in Wastewater.
Transport	7,451	6,958	(493)	-7%	
Active and Public Transport	1,425	1,737	312	18%	Cost pressures in the roading activity has resulted in a focus on work in the Roding space with savings sought in Active Transport as agreed with Council. This has meant less spend in the Active and Public transport space to assist with offsetting that overspend. The key savings have been in contractors.
Roding	6,026	5,221	(805)	-15%	Cost pressures for Contractors (specifically the Fulton Hogan contract) have been partially offset by some favourable variances for capitalised labour. As noted above this is also partially offset by savings in Active and Public Transport. However overall we have an overspend for our Transport Group of Activities.
Activities Controllable Surplus/ (Deficit)	86,594	86,531	(64)	0%	

Appendix 3 – Operating Programme Reporting

Activities Net Result Statement	2023/24 \$000s					
	Activity	Full Year		Bud. Var.		Variance explanation
For the period to 30 June 2024		Actual	Budget	\$000's	%	
1520 - Digital Transformation	Organisational performance	3,826	4,302	476	11%	The Digital Transformation programme progressed well in FY2024, with 85% of the full year budget being spent. There have been slight delays in some projects within the programme, which are scheduled to progress early in the 2025 financial year. A carry forward request has been requested for this underspend.
1572 - Enterprise Resource Planning (ERP) System Replacement	Organisational performance	1,856	1,896	40	2%	This programme is complete with a small favourable variance
1506 - Community Events	Connected Communities	629	629	-	0%	The programme for FY2024 was completed on budget.
2139 - Delivering Residential and Industrial Growth Planning	Governance and Active Citizenship	-	491	488	99%	This programme was added as additional consultancy budget for the City Shaping team to increase the level of service for residential and industrial growth. The budget has been incorporated within the broader direction setting budget within City Shaping. Costs have not been identified separately in this programme.
1614 - Open Channels and Drainage clearing	Stormwater	222	350	128	37%	Savings were made in this programme to assist with actively managing expenditure across the 3 waters activities.

Appendix 4 – Capital expenditure by Group of Activities

Group of Activities - Capital Expenditure	2023/24 \$000's			
	Full Year		Variance	%
For the period to 30 June 2024	Actual	Budget	\$000's	Budget
				Spent
Capital New	45,660	55,828	10,168	82%
Connected & Safe Community	7,505	9,123	1,618	82%
Creative & Exciting City	6,343	8,585	2,242	74%
Driven & Enabling Council	482	537	55	90%
Eco-City	1,160	2,133	973	54%
Innovative & Growing City	311	1,354	1,042	23%
Stormwater	1,974	2,639	665	75%
Transport	20,259	20,406	147	99%
Wastewater	3,881	6,051	2,170	64%
Water	3,745	5,001	1,256	75%
Capital Renewal	31,870	30,556	(1,314)	104%
Connected & Safe Community	2,720	2,900	180	94%
Creative & Exciting City	4,540	5,226	686	87%
Driven & Enabling Council	4,351	3,710	(641)	117%
Eco-City	394	422	29	93%
Innovative & Growing City	549	630	81	87%
Stormwater	273	230	(43)	119%
Transport	9,292	7,651	(1,641)	121%
Wastewater	4,191	4,403	211	95%
Water	5,560	5,384	(175)	103%
Capital Growth	13,733	15,118	1,385	91%
Connected & Safe Community	116	-	(116)	-
Creative & Exciting City	1,563	1,356	(207)	115%
Driven & Enabling Council	-	-	-	-
Eco-City	626	-	(626)	-
Innovative & Growing City	595	-	(595)	-
Stormwater	3,554	3,425	(130)	104%
Transport	4,994	7,348	2,354	68%
Wastewater	621	1,059	439	59%
Water	1,665	1,930	266	86%

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

Activity-Programme Name	FY2024 Actuals (\$000)	FY2024 Budget (\$000)	Variance (\$000)	Status
Capital NEW				
Active and Public Transport				
2207-City-wide - Urban Cycle Infrastructure Network improvements	\$769	\$751	(\$18)	Project was cancelled as funding had been pulled by Government. Programme budget reduced.
2231-City-wide - Transport Choices - Public Transport	\$5,353	\$5,350	(\$3)	Transport Choices funded portion of work complete.
2233-City-Wide - Urban Cycle Infrastructure Improvements - Streets for People	\$2,222	\$2,136	(\$86)	Majority of work substantially complete.
Active Communities				
1763-CET Arena - Property Purchase	\$1,265	\$1,260	(\$5)	Purchase completed.
2209-Arena 3 Upgrade	\$2,029	\$2,210	\$181	Programme complete.
Arts and Heritage				
902-Property - Seismic Strengthening of Council Properties	\$2,841	\$3,384	\$544	Works at Crematorium completed.
902-Property - Seismic Strengthening of C.A.B.	(\$1,216)	-	\$1,216	Work written off through LTP decision.
Connected Communities				
1459-Social Housing - Additional Social Housing Units	\$1	\$1,063	\$1,062	Programme to be used to fund Council's contribution to the Summerhays development. Work to date has been funded from the Better off Funding Programme. Identified as carry forward through LTP process.
1743-Social Housing - Papaioea Place Redevelopment - Stage 3	\$923	\$1,211	\$288	All works complete.
2343-Citywide - New Community Hubs	\$2,040	\$2,055	\$15	Purchase completed.
Roading				
2058-Urban Growth - NEIZ - Transport	\$1,748	\$1,621	(\$126)	All works complete
2119-Road to Zero - Transport Safety Improvements	\$2,470	\$1,911	(\$559)	Speed management plan unable to proceed due to central government decision. A number of raised crossings constructed to utilise budget.
2124-Urban Growth - Ashhurst - Transport	\$2,563	\$4,348	\$1,785	Stage 1 of Custom Street was completed. Stage 2 delayed while waiting for resource consent and will now construct in Summer. Wyndham Street deferred by Council decision as carry forward into FY2025.

Activity-Programme Name	FY2024 Actuals (\$000)	FY2024 Budget (\$000)	Variance (\$000)	Status
2206-Storm Damage - August 2022 Roothing	\$2,930	\$2,976	\$47	Projects completed.
2526-Amberly Avenue Bridge Improvement	\$1,594	\$2,475	\$881	Design complete, lodgement of resource consent early July. Pre-fabrication of bridge beams underway. Identified as carry forward through LTP process.
Safe Communities				
1552-Animal Shelter - New Building	\$4,169	\$4,109	(\$59)	Project complete.
Stormwater				
1001-Urban Growth - Whakarongo - Stormwater	\$2,628	\$2,500	(\$128)	Planned works complete.
1060-City-wide - Stormwater Network Improvement Works	\$1,663	\$2,109	\$446	Programme of work completed.
Wastewater				
628-Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade	\$1,994	\$2,700	\$706	Section 92 responses completed. Work now commencing on BPO options assessment.
Water				
1841-Urban Growth - Ashurst - Water Supply	\$1,345	\$1,359	\$15	All works complete.
2228-City-wide - Water Main Improvement	\$1,636	\$1,850	\$214	Projects shuffled in response to shifting priorities. A number of construction and design projects completed.
Capital RENEWAL				
Active Communities				
1837-Swimming Pools - Pool Renewals	\$772	\$1,260	\$488	Construction of Lido changing rooms underway. Other renewal works completed. Identified as carry forward through LTP process.
Roothing				
115-City-wide - Sealed Pavement Renewals (Waka Kotahi Subsidies)	\$2,639	\$1,973	(\$666)	Ferguson / Pitt Intersection and stage 1 of Railway Road completed. Overspend to enable sectional work to be completed with additional strengthening and associated cost.
139-City-wide - Sealed Road Resurfacing	\$3,598	\$3,047	(\$551)	Programme of work completed. Overspend to enable waterproofing and pothole prevention.
Strategic Investments				
1879-Council's Plant and Vehicle - Replacements	\$1,905	\$1,340	(\$565)	Programme complete. Overspend offset by sales of plant and vehicles.
Wastewater				
54-City-wide - Wastewater Pipe Renewal	\$3,125	\$3,118	(\$7)	Programme of work completed.
Water				
199-City-wide - Water Supply Bore and Network Facility Renewals	\$1,205	\$1,010	(\$195)	Programme of work completed.
218-City-wide - Water Main Renewals	\$2,870	\$2,728	(\$142)	Programme of work completed.

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

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

Activity-Programme Name	FY2024 Actuals (\$000)	FY2024 Budget (\$000)	Variance (\$000)
Capital NEW			
Active and Public Transport			
1559-City-wide - Urban Cycle Infrastructure Network improvements	\$914	\$750	(\$164)
1803-Neighborhood Streetscape Improvements	\$167	\$166	(\$1)
2057-Regional Shared Path Network Improvements	\$296	\$204	(\$91)
2120-City-wide - Off Road Shared Path Network Improvements	\$108	\$100	(\$8)
Active Communities			
111-Local Reserves - Roslyn - Edwards Pit Park Development	\$34	\$38	\$4
165-Outdoor Adventure Reserves - Arapuke Forest Park/Kahuterawa Development	\$6	\$6	(\$1)
708-Urban Growth - Aokautere - Reserves Land Purchase	\$0	\$34	\$33
967-City-wide - Edibles Planting	\$3	\$6	\$2
1099-Parks and Reserves - Shade Development	\$57	\$62	\$5
1133-Sportsfields - Artificial Football Field (subject to part external funding)	-	\$100	\$100
1560-Sportsfields - Bill Brown Park - Additional Carparking	-	\$206	\$206
1838-City Growth - City Reserves - Victoria Esplanade - Exotic Aviaries	\$129	\$110	(\$19)
1845-City Growth - Te Marae o Hine - The Square	\$38	\$38	-
1846-City Growth - City Reserves - Walkway Extensions - Capital New	\$378	\$363	(\$14)
1847-City Growth - City Reserves - Victoria Esplanade - Capital New	\$433	\$425	(\$8)
1850-City Growth - City Reserves - Memorial Park - Capital New	(\$14)	\$8	\$22
1853-Local Reserves - Development of Existing Reserves - Capital New	\$354	\$310	(\$44)
1856-Urban Growth - Hokowhitu - Purchase and Development	\$22	\$15	(\$7)
1862-Urban Growth - Kakatangiata - Reserves Purchase and Development	\$434	\$514	\$80
1884-Local Reserves - Accessibility and Safety Improvements	\$184	\$152	(\$32)
2006-City Centre Play - Fixed Play Development	\$141	\$151	\$10
2253 - CET Arena Lighting Truss Equipment	\$210	\$211	\$1
Arts and Heritage			
2210-Regent Roof Upgrade	\$145	\$160	\$15
City Shaping			
2122-CBD Streets for People	\$399	\$403	\$4
1473-City Centre Lighting and Projection Demonstration Project	-	\$86	\$86
Climate change mitigation and adaption			
1888-Low Carbon Fund	\$40	\$40	-
1924 - Improving remote monitoring capabilities	\$41	\$43	\$2
Connected Communities			
161-Public Toilets - New City-wide Toilets	\$243	\$415	\$171
1196-Cemeteries - Kelvin Grove - Replacement & enhancement of staff facilities	\$123	\$144	\$21
1449 - Events and Festival Equipment Purchase	\$0	-	-
1833-City Growth - Cemeteries - Extensions to burial and ashes areas to meet demand	\$116	\$118	\$2
1948 - Events and Festival Equipment Purchase	\$4	\$9	\$5

Activity-Programme Name	FY2024 Actuals (\$000)	FY2024 Budget (\$000)	Variance (\$000)
2234-BOF - Construction of Summerhays	\$595	\$955	\$360
Environmental sustainability			
1077-Citywide - Biodiversity Enhancement Through Native Planting	\$33	\$33	-
1451-Property - LED Lighting Upgrades	\$75	\$80	\$5
2345 - Property - Solar Panel Installations	\$311	\$399	\$87
Governance and Active Citizenship			
1676 - Improve participation in Council and Committee meetings	\$226	\$230	\$4
Manawatu River			
1844-City Growth - City Reserves - Manawatu River Park - Capital New	\$220	\$200	(\$20)
1892-City Growth - City Reserves - Manawatu River Park - Hokowhitu Lagoon Development Plan	\$62	\$78	\$15
1894-City Growth - City Reserves - Manawatu River Park - Marae Tarata Development Plan - Implementation	\$13	\$108	\$95
1895-City Growth - City Reserves - Manawatu River Park - Te Motu o Poutoa Development Plan - Implementation	(\$16)	-	\$16
2239-BOF - Te Motu o Poutoa	\$282	\$250	(\$32)
Governance and Active Citizenship			
60 - IM Strategic Plan - New Software Applications	\$98	\$113	\$15
Resource Recovery			
506-City-wide - Public Space Rubbish & Recycling Bins Development	\$33	\$35	\$2
657-Urban Growth - Recycling - City-wide Wheelie Bins and Crates	\$64	\$76	\$12
721-Awapuni Closed Landfill - Landscaping Development	\$18	\$52	\$34
1371-Closed Landfills and Transfer Stations - Safety, Security and Development	\$33	\$86	\$53
1373-City-wide - Recycling Drop Off Facilities - Development	\$20	\$41	\$21
1410-Recycling - City-wide Recycling Services to Commercial/orgnisational Properties Development	\$6	\$43	\$37
1783-Rubbish and Recycling Buildings - Staff Welfare and Health and Safety Improvements	\$305	\$300	(\$5)
1810-City-wide - Diversion of Waste from Landfill - New Materials Development	\$99	\$70	(\$29)
2227-Resource Recovery Centre Power and Data Resilience	\$458	\$500	\$42
Roading			
167-James Line (Schnell Dr to Kelvin Grove Rd) - Improvements	\$307	\$303	(\$4)
201-Urban Growth - Development Contributions - Transport	\$9	\$217	\$208
279-City-wide - Minor transport improvements	\$405	\$630	\$225
684-Longburn Rongotea Road/No. 1 Line - Intersection Safety Upgrade	\$113	\$197	\$84
1003-Whakarongo - Intersection Upgrades	\$263	\$261	(\$3)
1367-City-wide - Street Light Infill	\$752	\$923	\$171
1615-City-wide - Parking and Traffic Signs and Marking	\$430	\$69	(\$361)
1804-Road drainage improvements	\$142	\$169	\$28
1807-City-wide - Car park infrastructure improvements	\$179	\$352	\$173
1808-City-wide - Street amenity improvements	\$11	\$50	\$39
2059-Urban Transport Improvements - Enabling PNITI	\$369	\$368	(\$1)
2123-Urban Growth - Kakatangiata - Transport	\$674	\$901	\$226
2142-Physical deterrent (installation of speed humps) at additional locations	\$27	\$25	(\$2)
2204-Address Street Racer Issues	\$50	\$50	-
2254-Safety Improvements at College Street/Botanical Road Intersection	\$395	\$450	\$55
Stormwater			
51-Urban Growth - Development Contributions - Stormwater	\$209	\$217	\$8
1372-City-wide Stormwater Pump Stations Improvement	\$167	\$300	\$133
1708-City-wide - Stormwater Flood Mitigation	\$144	\$230	\$86
2034-Urban Growth - Ashhurst - Stormwater	\$716	\$708	(\$9)

Activity-Programme Name	FY2024 Actuals (\$000)	FY2024 Budget (\$000)	Variance (\$000)
Strategic Investments			
99-New Vehicles and Plant to enable the delivery of improved Council services	\$159	\$194	\$35
Wastewater			
66-Totara Road Wastewater Treatment Plant - Resilience Programme	\$688	\$719	\$31
73-Urban Growth - Development Contributions - Wastewater	-	\$108	\$108
1074-Totara Road Wastewater Treatment Plant - Earthquake Strengthening of Civil Structures	\$160	\$360	\$200
1535-City-wide - Campervan Dump Stations	\$30	\$427	\$397
1616-City-wide - Wastewater Pump Station - Capacity Upgrade	\$114	\$250	\$136
1617-Totara Road Wastewater Treatment Plant - Biogas System Improvements	\$488	\$927	\$439
1619-Totara Road Wastewater Treatment Plant - Inlet Screens	(\$7)	\$30	\$37
1711-Industrial Growth - Longburn Industrial Park - Wastewater	\$641	\$951	\$310
1821-City-wide Wastewater Pipeline Realignment of at-risk mains	\$41	\$151	\$110
2229-City-wide - Wastewater Pipe Improvement	\$402	\$700	\$298
Water			
124-Turitea WTP - Drinking Water Standards Upgrades	\$224	\$300	\$76
246-Urban Growth - Development Contributions - Water Supply	\$62	\$271	\$210
986-Turitea Dams - Aeration Upgrade	\$120	\$210	\$90
1054-Ashhurst - Water Quality Improvements	\$135	\$250	\$115
1170-Urban Growth - Kakatangiata - Water Supply	\$74	\$100	\$26
1384-City-wide - Water Supply Resilience - Additional Reservoirs	\$112	\$119	\$8
1389-City-wide - Water Supply Resilience - Security of Supply	\$92	\$500	\$408
1697-Turitea WTP - Water Supply Resilience - Upgrades	\$711	\$920	\$209
1864-Longburn Extension - Water Supply	\$25	\$120	\$95
1883-Water Operations -Small Plant & Equipment - New	\$55	\$59	\$3
2048-City-wide - Water Toby and Manifold enhancements	\$586	\$500	(\$86)
2226-Urban Growth - Terrace End Bore	\$374	\$400	\$26
2060-City-wide - Commercial Water Meters	\$43	\$174	\$131
Capital RENEWAL			
Active and Public Transport			
64-City-wide - Footpath Renewals (Waka Kotahi Subsidies)	\$731	\$705	(\$26)
181-City-wide - Public Transport Infrastructure Renewals	\$32	\$33	-
648-City-wide - Supporting Cycle Infrastructure Renewals	\$39	\$35	(\$4)
2110-City-wide - Footpath Renewals (No Subsidy)	\$355	\$344	(\$11)
Active Communities			
819 - CET Arena - Replacement of Equipment	\$55	\$56	\$1
1051-CET Arena - Arena Renewals	\$319	\$400	\$81
1759-CET Arena - Grounds Renewals	\$67	\$49	(\$18)
1786-Recreational Buildings - Sports Pavilion and Changing Room Renewals	\$539	\$536	(\$3)
1827-Local Reserves - Renewals	\$593	\$539	(\$54)
1829-Sportsfields and Artificial Turfs - Renewals	\$110	\$100	(\$10)
1830-City Reserves - Memorial Park - Renewals	\$102	\$157	\$55
1831-City Reserves - Te Marae o Hine - The Square - Renewals	\$74	\$95	\$20
1832-City Reserves - Ashhurst Domain - Renewals	\$96	\$89	(\$8)
1834-City Reserves - Walkways - Renewals	\$118	\$117	(\$1)
1835-City Reserves - Linklater Reserve - Renewals	\$19	\$19	-
1840-City Reserves - Victoria Esplanade- Renewals	\$131	\$75	(\$56)
P-1960 - CET Arena - Arena 1 Sound System	\$189	\$205	\$16
P-1962 - Arena Security Card System	\$53	\$59	\$5
P-1963 - CET Arena- Score clock Replacement Arena2	\$328	\$377	\$50

Activity-Programme Name	FY2024 Actuals (\$000)	FY2024 Budget (\$000)	Variance (\$000)
P-1964 - Arena Indoor Stadium Sound System Replacement	\$320	\$304	(\$16)
P-1965 - Arena Kitchen Equipment Replacement	\$38	\$39	\$1
Arts and Heritage			
213-Cultural Facilities - Renewals	\$615	\$538	(\$78)
Connected Communities			
40 - Noise Measuring Equipment for Noise Complaints	-	\$15	\$15
178 - Replacement of Shelving, Furniture and Equipment	\$17	\$15	(\$2)
180-Social Housing - Renewals	\$443	\$421	(\$22)
186-Public Toilets - Renewals	\$270	\$275	\$5
188 - Replacement and Purchase of Library Materials	\$811	\$810	(\$1)
203 - Community Libraries, Youth Space, Blueprint and Mo	\$35	\$34	(\$1)
265-Community Centres - Renewals	\$138	\$125	(\$13)
563-Cemeteries - Kelvin Grove - Crematorium Office reconfiguration to address health and safety issues	\$267	\$265	(\$2)
567-Cemeteries - Crematorium Chapel Interior Renewals	\$69	\$66	(\$3)
1120-Community Libraries - Renewals	\$38	\$65	\$27
1136-CET Wildbase Recovery Centre - Renewals	\$113	\$108	(\$5)
1138 - Technology to Supprt 21st Century Citizns (Renewal	\$25	\$25	-
1269 - Bylaw Signage - Replacement	-	\$7	\$7
1452 - Community Stage - repair	-	\$11	\$11
1769-Community Agency Facilities - Renewals	\$19	\$22	\$2
1775-Central Library - Renewals	\$168	\$164	(\$3)
1796-Cemeteries - Building Renewals	\$82	\$186	\$105
1828-Cemeteries - Non-Building Asset Renewals	\$131	\$102	(\$28)
1971 - CET Wildbase Recovery Signage	-	\$81	\$81
1972 - CET Wildbase Recovery Digital Capacity	-	\$81	\$81
Economic Development			
251 - Conference - Replacement of Equipment	\$50	\$38	(\$12)
270-Holiday Park - Renewals	\$219	\$300	\$81
272 - Staff Cafeteria - Replacement of Equipment	\$7	\$6	(\$1)
664-Conference & Function Centre - Renewals	\$141	\$138	(\$3)
1166 - Conference & Function Centre - Equipment Purchases	\$53	\$74	\$21
1730-Information Centre - Building Renewals	\$30	\$29	(\$1)
1943 - Information Centre Refurbishment	\$48	\$45	(\$4)
Manawatu River			
1825-City Reserves - Manawatu River Park - Renewals	\$30	\$29	(\$1)
Organisational Performance			
53 - Computer Replacement - Rolling Replacements	\$183	\$317	\$134
58 - Network Additions and Upgrades	\$31	\$44	\$13
68 - Aerial Photography	\$28	\$69	\$40
221 - Print Synergy - Replacement of Print Synergy Machi	\$20	\$36	\$16
281-CAB - Renewals	\$255	\$253	(\$2)
318 - Telecommunications Replacement - Council Buildings	\$35	\$77	\$41
784 - Replacement of Council's Photocopiers/Printers	\$13	\$53	\$41
2496 - Data Centre Refresh	\$361	\$190	(\$171)
Resource Recovery			
185-Closed Landfills and Transfer Stations - Site Renewals	(\$14)	\$0	\$15
612-Recycling - City-wide Wheelie Bin and Crate Renewals	\$93	\$100	\$7
649-Recycling - Materials Recovery Facility Renewals	\$158	\$149	(\$9)
1368-City-wide - Public Space Rubbish & Recycling Bins Renewals	\$32	\$49	\$17

Activity-Programme Name	FY2024 Actuals (\$000)	FY2024 Budget (\$000)	Variance (\$000)
1374-City-wide - Recycling Drop Off Facilities - Renewals	\$11	\$11	-
1721-Composting Activity Site Renewals	\$5	\$9	\$3
1784-Rubbish and Recycling Buildings - Renewals	\$79	\$76	(\$3)
Roading			
74-City-wide - Street Light Renewals	\$786	\$469	(\$316)
82-Off-street Parking Renewals	\$18	\$31	\$13
122-City-wide - Road Drainage Renewals	\$455	\$415	(\$40)
162-City-wide - Vehicle Crossing Renewals	\$61	\$130	\$70
1805-City-wide - Transport structure component renewal	\$560	\$442	(\$118)
2109-City-wide - Sealed Pavement Renewals (No Subsidy)	\$19	\$27	\$7
Safe Communities			
1512 - CCTV replacements	\$134	\$115	(\$19)
Stormwater			
20-City-wide - Stormwater Pump Station Renewals	\$175	\$179	\$4
1062-City-wide - Stormwater Network Renewal Works	\$98	\$51	(\$47)
Strategic Investments			
80-Council Small Mobile Plant and Equipment - Replacement	\$340	\$294	(\$46)
85-Depot - Buildings and Structures Renewals	\$131	\$124	(\$6)
1753-Investment Properties - Building Renewals	\$82	\$81	(\$1)
1791-Parks Depot - Building Renewals	\$539	\$363	(\$176)
2022-Property - Hard Surfaces Renewals	\$856	\$889	\$33
Wastewater			
65-City-wide - Wastewater Pump Station Renewal	\$380	\$497	\$117
179-Totara Road Wastewater Treatment Plant - Minor Equipment Renewals	\$300	\$269	(\$31)
1068-Totara Road Wastewater Treatment Plant - Replacement of Inlet Pumps	\$61	\$100	\$39
1380-Totara Rd WWTP - Biogas Generator Major Overhauls	\$114	\$135	\$21
1714-City-wide Wastewater Trunk Mains Renewal	\$112	\$193	\$81
1799-Wastewater Treatment Plant - Buildings Renewals	\$99	\$91	(\$8)
Water			
88-Turitea WTP - Falling Main Rehabilitation	\$87	\$108	\$22
207-Turitea WTP - Equipment and Facility Renewals	\$365	\$404	\$39
214-City-wide - Water Toby and Manifold Renewals	\$535	\$542	\$7
1700-City-wide - Water Meter Renewals	\$361	\$349	(\$12)
1701-City-wide - Water Supply Valve & Hydrant Renewals	\$57	\$117	\$60
1797-Water Treatment Plant - Building Renewals	\$22	\$33	\$10
1822- Water Pump Stations - Building Renewals	\$23	\$23	-
2042-Turitea WTP - Raw Water Main Renewal	\$35	\$71	\$36

Appendix 7 – Financial Statements

Summary of Financial Performance For the period to 30 June 2024

	Full Year			
	Actual	Budget	Actual Prior Year	Annual Budget
	\$M	\$M	\$M	\$M
OPERATING REVENUE				
Rates revenue	124.7	124.2	116.0	124.2
Finance revenue	2.0	0.2	1.1	0.2
Other revenue	36.3	33.2	36.7	33.2
Operating subsidies and grants	6.1	8.1	7.3	7.9
TOTAL OPERATING REVENUE	169.2	165.7	161.1	165.5
CAPITAL REVENUE				
Capital subsidies and grants	14.5	14.9	5.7	17.7
Development contributions	2.4	3.2	6.7	3.2
Vested assets	4.0	2.0	7.2	2.0
TOTAL CAPITAL REVENUE	20.9	20.1	19.5	22.9
TOTAL REVENUE	190.1	185.8	180.7	188.4
EXPENSES				
Employee remuneration	62.2	60.9	56.3	59.9
Elected member remuneration	1.1	1.1	1.1	1.1
Depreciation and amortisation	43.1	43.0	42.2	43.0
Finance costs	11.8	9.9	5.0	9.9
Professional service costs	15.5	16.7	16.1	11.5
Other expenses	51.6	49.1	48.8	54.4
Other losses	1.2	0.0	0.5	0.0
TOTAL EXPENSES	186.7	180.7	169.9	179.8
NET SURPLUS/(DEFICIT) BEFORE TAX	3.5	5.0	10.7	8.6

Palmerston North City Council
Statement of Financial Position
For the period to 30 June 2024

Statement of Financial Position For the period to 30 June 2024	2023/24		As at 30 June 2023
	As at 30 June 2024		
	Actual \$M	Budget \$M	Actual \$M
Current Assets			
Cash & Short Term Deposits	2	2	2
Trade and other receivables	25	18	18
Inventories	5	5	5
Derivative financial instruments	3	4	4
Other financial assets	6	-	-
Total Current Assets	41	29	29
Non-Current Assets			
Property, plant and equipment	2,300	2,306	2,248
Inventories (non-current)	-	1	1
Intangible Assets	1	1	1
Forestry Assets	2	2	2
Investment Properties	5	5	5
Investments & Advances	18	16	16
Derivative financial instruments	4	8	8
Other Financial Assets	8	5	5
Total Non-Current Assets	2,338	2,344	2,286
Total Assets	2,379	2,373	2,315
Current Liabilities			
Trade and other payables	32	26	26
Provisions	1	1	1
Current Employee Entitlements	8	7	7
Current Portion - Term Liabilities	25	20	20
Total Current Liabilities	66	54	54
Non-Current Liabilities			
Provisions	-	1	1
Employee benefit liabilities	1	1	1
Term Liabilities	250	239	200
Derivative financial instruments	-	-	-
Total Non-Current Liabilities	251	241	202
Total Liabilities	317	295	256
Assets less Liabilities	2,062	2,078	2,059
Public Equity			
Retained earnings	1,101	1,103	1,098
Other reserves	961	975	961
Total Public Equity	2,062	2,078	2,059

Palmerston North City Council

Statement of Cash Flows

For the period to 30 June 2024

	Year to Date	
	Actual \$M	Revised Budget \$M
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from rates revenues	125.4	124.2
Interest received	1.7	0.2
Dividends received	0.0	-
Operating subsidies and grants	6.1	8.1
Receipts from other revenue	26.0	33.2
Capital subsidies and grants	14.5	14.9
Development contributions	2.4	3.2
Receipts from tax losses	0.1	-
Payments to suppliers and employees	(113.5)	(9.9)
Interest paid	(11.8)	(127.8)
Goods and Services Tax (net)	(2.8)	-
Net Cash From Operating Activities	48.2	46.1
Cash Flows From Investing Activities		
Proceeds from sale of property and equipment	0.7	7.5
Purchase of property, plant and equipment	(93.2)	(101.5)
Net increase in investments	(10.7)	-
Net Cash From Investing Activities	(103.1)	(94.0)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	78.1	-
Repayment of borrowings	(23.3)	47.9
Net Cash From Financing Activities	54.8	47.9
Net Increase/(decrease)	(0.1)	-
Cash at beginning of year	1.7	1.7
Cash at Month End	1.5	1.7

Appendix 8 – Approved variations to Annual Budget

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

Variations to Annual Budget 2023/24 approved by Council

Profit and Loss	\$000	New in quarter
Annual Budget 2023/24 Net Surplus/(Deficit)	8,629	
Changes authorised by Council:		
Carry forward adjustments:		
1572-Enterprise Resource Planning (ERP) System Replacement (Carry Forward Adjustment)	(756)	
1520-Digital Transformation	24	
115-City-wide - Sealed Pavement Renewals (Waka Kotahi Capital Subsidies)	238	
2059-Urban Transport Improvements - Enabling PNITI (Waka Kotahi Capital Subsidies)	187	
2057-Regional Shared Path Network Improvements (Waka Kotahi Capital Subsidies)	153	
2119-Road to Zero - Transport Safety Improvements (Waka Kotahi Capital Subsidies)	105	
Other budget adjustments authorised by Council:		
1535-City-wide Campervan Dump Stations (Capital revenue)	100	
Ashhurst Te Apiti Three Bridges Loop Track Investigations (Waka Kotahi Operating Subsidies)	157	
Ashhurst Te Apiti Three Bridges Loop Track Investigations	(157)	
Investigation and analysis of investment options for Palmerston North Airport Limited (\$50k offset from existing budgets)	0	
P-2207 - Urban Cycle Infrastructure Network improvements (approved May-24)	(4,092)	Yes
P-2233 - CW-Urban Cycle Infrs. Improv.-Streets for People (approved May-24)	500	Yes
Revised Budget 2023/24 Net Surplus/(Deficit) Before Tax	5,038	

Capital Expenditure	\$000	New in Quarter
Annual Budget 2023/24 Capital Expenditure	93,344	
Changes authorised by Council:		
Net carry forward adjustments (approved Sep-23)	2,811	
P-1535-City-wide Campervan Dump Stations (approved Oct-23)	100	
P-74-City-wide - Street Light Renewals (approved Nov-23)	350	
P-1846-City Growth - City Reserves - Walkway Extensions - Capital New (approved Dec-23)	150	
P-1862-Urban Growth - Kakatangiata - Reserves Purchase and Development (approved Dec-23)	470	
P-2123-Urban Growth - Kakatangiata – Transport (approved Dec-23)	750	
P-139-City-wide - Sealed Road Resurfacing (approved Dec-23)	356	
P-2233-City-Wide - Urban Cycle Infrastructure Improvements - Streets for People (approved Dec-23)	178	
P-2206-Storm Damage – August 2022 Roding (approved Dec-23)	800	
P-2526-Amberley Ave Culvert Replacement (approved Dec-23)	2,475	
P-1763-CET Arena Property Purchase (approved Feb-24)	1,260	
P-2343-New Community Hubs (approved Feb-24)	2,010	
P-2343-New Community Hubs (approved Nov-23)	45	Yes
P-2207 - Urban Cycle Infrastructure Network improvements (approved May-24)	(4,092)	Yes
P-2233 - CW-Urban Cycle Infrs. Improv.-Streets for People (approved May-24)	500	Yes
P-1559 - Urban Cycle Infrastructure Network improvements (approved May-24)	(50)	Yes
Changes authorised by Chief Executive:		
P-1862-Urban Growth - Kakatangiata - Reserves Purchase and Development (authorised Dec-23)	44	
Revised Budget 2023/24 Capital Expenditure	101,501	

Variations to Annual Budget 2023/24 approved by Chief Executive

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

Below are the changes approved through the Chief Executive

Activity	Programme	(\$000s)	New in Quarter
Capital New			
Active and Public Transport	P-1559 - Urban Cycle Infrastructure Network Improvements	400	
	P-1803 - Neighbourhood Streetscape Improvements	60	
Active Communities	P-2057 - Regional Shared Path Network Improvements	(400)	
	P-1838 - CG-City Reserves-Victoria Esplanade-Exotic Aviary	(25)	
	P-1845 - City Growth - Te Marae o Hine - The Square	38	
	P-1847 - City Growth - Victoria Esplanade - Capital New	117	
	P-1856 - Urban Growth - Hokowhitu - Purchase and Development	15	
	P-2209 - Arena 3 Upgrade	240	
	P-697 - Clearview Reserve Development	(41)	
Arts and Heritage	P-2210 - Regent Roof Upgrade	(240)	
Manawatu River	P-1133 - Sportsfields-Artificial Football Field	(99)	
Roothing	P-2124-Urban Growth - Ashhurst - Transport	650	
	2058-Urban Growth - NEIZ - Transport	(650)	
	P-1003 - Whakarongo - Intersection Upgrades	48	
	P-1615 - City-wide - Parking and Traffic Signs and Marking	15	
	P-167 - James Line (Schnell Dr to Kelvin Grove Rd) - Imp.	142	
	P-2119 - Road to Zero - Transport Safety Improvements	(330)	
	P-2254 - Safety Improv. at College Street/Botanical Road	330	
	P-279 - City-wide - Minor transport improvements	(270)	
	P-167 - James Line (Schnell Dr to Kelvin Grove Rd) - Imp.	9	New
	P-1003 - Whakarongo - Intersection Upgrades	12	New
Stormwater	P-2119 - Road to Zero - Transport Safety Improvements	(21)	New
	P-1060 - City-wide - Stormwater Network Improvement Works	164	New
Wastewater	P-2034 - Urban Growth - Ashhurst - Stormwater	136	New
	P-1711 - Industrial Growth - Longburn Industrial Park - WW	300	
	P-2229-Citywide Wastewater Pipe Improvement	(300)	
Water	P-628 - Totara Road WTP-Consent Renewal Upgrade	(300)	New
	P-1054 - Ashhurst - Water Quality Improvements	(150)	
	P-1384 - Water Supply Resilience - Additional Reservoirs	(550)	
	P-2228 - City-wide - Water Main Improvement	550	
	P-986 - Turitea Dams - Aeration Upgrade	150	
Net movement		0	

Activity	Programme	(\$000s)	New in Quarter
Capital Renewal			
Active and Public Transport	P-648 - City-wide-Supporting Cycle Infrastructure Renewals	14	New
Active Communities	P-1786 - Sports Pavilion and Changing Room Renewals	96	New
Connected Communities	P-180-Social Housing - Renewals	(150)	
	P-1120 - Community Libraries - Renewals	(38)	
	P-265 - Community Centres - Renewals	38	
	P-180 - Social Housing - Renewals	40	New
Economic Development	P-1730 - Information Centre - Building Renewals	13	New
Organisational performance	P-2496 - Data Centre Refresh	190	New
	P-281 - CAB - Renewals	(367)	New
Resource Recovery	P-649 - Recycling - Materials Recovery Facility Renewals	(83)	New
	P-185 - Closed Landfills and Transfer Stations	(42)	New
Roading	P-115 - Sealed Pavement Renewals (Waka Kotahi Subsidies)	(500)	
	P-139 - City-wide - Sealed Road Resurfacing	250	
	P-1805 - City-wide - Transport structure component renewal	250	
	P-122 - City-wide - Road Drainage Renewals	7	New
	P-1805 - City-wide - Transport structure component renewal	29	New
	P-82 - Off-street Parking Renewals	(50)	New
Strategic Investments	P-1753-Investment Properties - Building Renewals	(50)	
	P-1791-Parks Depot - Building Renewals	200	
	P-2022 - Property - Hard Surfaces Renewals	150	New
	P-85 - Depot - Buildings and Structures Renewals	18	New
	P-1791 - Parks Depot - Building Renewals	41	New
	P-1753 - Investment Properties - Building Renewals	4	New
Wastewater	P-179 - WWTP - Minor Equipment Renewals	(200)	
	P-54 - City-wide - Wastewater Pipe Renewal	200	
	P-1380 - Totara Rd WWTP - Biogas Generator Major Overhauls	(65)	New
Water	P-1701 - City-wide - Water Supply Valve & Hydrant Renewals	(100)	
	P-199 - Water Supply Bore and Network Facility Rnw	100	
	P-1822 - Water Pump Stations - Building Renewals	5	New
Net movement		0	

Activity	Programme	(\$000s)	New in Quarter
Operating			
Water	No programme - Remuneration	515	
Water	No programme – Net Internal Expenditure*	(515)	
Roading	No programme - Remuneration	220	
Roading	No programme – Net Internal Expenditure*	(220)	
Organisational Performance	Digital Transformation – Remuneration	250	
Organisational Performance	Digital Transformation – Professional Services	(250)	
Net movement		0	

* These movements increase the internal labour recovery budget to recognise the portion of the remuneration budget that is funded through capital budgets.

Low Carbon Fund

Council approval has been granted separately to enable the the Chief Executive to action movements of 100% of the Capital Programme 1888-Low Carbon Fund. A report will be presented to Council with further details as to how the fund is performing and delivering outcomes.

Below are the allocations from the Low Carbon Fund approved through the Chief Executive:

P-1888-Low Carbon Fund	\$000	New in quarter
Budget to Allocate	1,049	
Allocations authorised by Chief Executive:		
P-1879 - Council's Plant and Vehicle – Replacements (Electric Vehicles x2)	130	
P-99 - New Vehicles and Plant (electric ATV)	37	
P-1791 - Parks Depot - Building Renewals (boiler upgrade)	25	
P-1884 - Accessibility and Safety Improvements (conversion of car park lighting to LED in selected reserves)	46	
P-80 - Council Small Mobile Plant and Equipment (Electric Ride on mower)	54	
P-1879 - Council's Plant and Vehicle – Replacements (electric vehicles to replace pool vehicles)	195	
P-1853 - Development of Existing Reserves (electric power tools)	10	
P-1837 - Swimming Pools - Pool Renewals (replacement of pool covers)	114	New
P-2345 - Property - Solar Panel Installations (Purchase and installation of solar panels at the Awapuni Materials Recovery Facility)	398	New
Total allocations authorised by Chief Executive:	1,009	
Total spend directly on P-1888 – Low Carbon Fund	40	
Budget remaining to be allocated	0	

Appendix 9 – Elected Member training

The Elected Member training costs for the period 1 April – 30 June 2024 were:

Name	Training	Cost	Details
Grant Smith	WTCF Tourism Summit	\$470	Registration covered. Travel and accommodation to Wellington.
	Building Summit	\$1271.75	Registration, travel and accommodation
Rachel Bowen	LGNZ Infrastructure symposium	\$249	Accommodation

Appendix 10 – Resource Consents Non-Financial Reporting

Introduction

Data reported through the 2023/24 Financial Year has been reviewed by staff and found to have errors. This document explains how the issue came about and what has been enacted to prevent this occurring again. A comment is also included on the Planning Services Division's performance in general.

Briefly:

- 452 resource consents have previously been reported as lodged with Council whereas recent audit work to date indicates **473 were lodged**
- 301 resource consents were reported as granted during this period whereas the audit indicates the figure is **381 were granted**
- In terms of overall performance, previous reporting was that 70% (210 consents) met statutory timeframes, however the audit work to date indicates **51% (195 consents) were on time**

How the issue was identified

At the start of the 2023/24 Financial Year Council replaced the previous financial and regulatory system of 16 years with the CIVICA's product, Authority Altitude. Subsequently the Planning Services Division begun recording resource consent data and other applications in the Authority Altitude platform.

The complexities of the new system, plus the unavailability of 'Stop the Clock' functionality to calculate the number of days taken to process resource consents, has resulted in a manual work around being used to capture the performance data in the 2023/24 Financial Year.

The full extent of the problems was not fully understood until June 2024, at which point an administrative review of all 473 resource consents lodged in the 2023/24 Financial Year was undertaken. This review included a 'line by line' check of every consent over several key data categories

The review revealed that in the majority of consents, human error had been responsible for inputting the incorrect 'lodged date' due to inconsistent training and sub-standard processes. This point, coupled with the lack of a 'Stop the Clock' functionality, resulted in the overall working days being incorrectly calculated and reported on.

The first phase of the full dataset review has been completed at the time of preparing this document. However, a second phase is now underway to correct the entire dataset in all matters relating to 'stop the clock' functions. As such it is noted that data reported through this quarterly report may still change through the external financial audit and the Ministry of Environment annual reporting requirements later this calendar year, however this is not expected to be significant.

Preventative action going forward

Information derived from the review and officer feedback has been carefully considered and the following actions have been implemented to ensure the accuracy of data reported in the Planning Services Division is correct going forward:

- Process maps are being reviewed and updated and training implemented
- Rolling review of current and new resource consents is occurring, and we can advise that 52 of the last 54 Resource Consents were entered accurately (noting that this relates to July 2024).
- A dashboard has been updated to provide visibility and to assist in identifying any data inconsistencies
- The Manager – Planning Services has implemented a weekly data review
- CIVICA (Authority Altitude) continue to work on ensuring the ‘Stop the Clock’ functionality is working correctly.

Comment on performance

The 2023/24 Financial Year has proved challenging and consents on time performance in the order of 51% is well below the 95% KPI set for the team to achieve. In practice, this means that delays at the front end will be having flow-on effects for the development pipeline and thereby impacting our customers.

Key elements that have hindered the team’s performance include resourcing, as three experienced staff have left and while new staff have been recruited, there is some training required. In addition, complexities with implementing the District Plan and central government direction, cause delays and often require input from external specialists (such as in the geotechnical, acoustic and soils assessment areas).

Several options are actively being pursued to improve output and consents on time performance. These include developing a competency framework for Planning Officers and exploring a digital workflow tool to manage resource consents, that eventually customers could log into to view progress on their consents. If successful, it is anticipated that this would support a more efficient process and provide greater visibility to customers.

Summary

Inaccurate data reporting has occurred through the 2023/24 Financial Year due to difficulties associated with implementing a new system, such that the prior reporting highlighted better performance than was actually achieved. An ongoing review has identified the problem areas and actions have been undertaken to ensure that the risk of these issues occurring again are minimised.

Jeff Baker
Manager – Planning Services
6 August 2024

2023/24 Financial Year – Carry Forwards

Every year Council carries forward sums that have been unable to be spent by the end of the financial year, but where there is a strong expectation that the sum will still be needed and expended. Through this report, we are requesting changes to the carry forwards that were adopted through the Long Term Plan.

As part of the adoption of the Long Term Plan, estimates for budgets to be carried forward from 2023/24 to 2024/25 were made. The total amount adopted to be carried forward to 2024/25 was \$6,608K, excluding Better Off Funding Programmes. These were based on the anticipated works that were unable to be completed by 30 June 2024 and were considered to still need to progress beyond year-end.

With the 2023/24 financial year now complete, a decrease in the carry forward budget of \$512K for capital, an increase to capital revenue of \$162K and an increase of \$476K operating expenditure is requested. The decrease to capital carry forwards is a result of a focus on delivery and a strong finish to the 2023/24 financial year.

The changes to carry forward requested have been broken down into four categories:

- Increase to existing carry forwards (table 1)
- Reduction or no change in carry forwards (table 2)
- Carry forwards not identified in the Long Term Plan (table 3)

For increases and carry forwards not identified, officers have made comments for any where the change is at least \$50k in the following tables.

Better Off Funding

To secure the remaining unspent Better Off Funding, Council resolved to reallocate the funding for four of the six Better Off Funded projects to water infrastructure programmes as part of the 2024-34 LTP.

The four programmes that have been reallocated, progressed further than anticipated in the original reallocation assumptions, meaning funding recognised in 2024FY is higher than expected. As the total package of Better Off Funding is fixed, a reduction in the external funding budget of \$193K for the 2025FY is requested. (table 4a).

The two programmes that have not been reallocated require carry forward adjustments to both expenditure and revenue budgets (table 4b).

Summary of changes requested (excluding Better Off Funding):

	\$000's		
Type	C/fwd in 2024/25 LTP	Requested C/fwd Amount	Change in C/fwd Requested
Capital Growth	1,913	1,785	(128)
Capital LOS	4,210	3,510	(701)
Capital Renewal	485	801	316
Operating	-	476	476
Grand Total	6,608	6,572	(36)

	000's		
	C/fwd in 2024/25 LTP	Requested C/fwd Amount	Change in C/fwd Requested
Increase to C/fwd	1,307	1,539	232
Capital LOS	822	999	176
Capital Renewal	485	540	56
Reduction to C/fwd	5,301	4,188	(1,113)
Capital Growth	1,913	1,785	(128)
Capital LOS	3,388	2,403	(985)
C/fwd not identified in LTP	-	845	845
Capital LOS	-	108	108
Capital Renewal	-	260	260
Operating	-	476	476
Grand Total	6,608	6,572	(36)

Table 1 – Increase to existing carry forwards - commentary provided for changes over \$50K

Programme	000's			Commentary
	C/fwd in 24/25 LTP	Requested C/fwd Amount	Change in C/fwd Requested	
Capital LOS				
P-1372 - City-wide Stormwater Pump Stations Improvement	69	133	63	Scope of project larger than anticipated, Will need to go to tender.
P-1389 - Water Supply Resilience - Security of Supply	363	408	45	
P-1535 - City-Wide - Campervan Dump Stations	198	198	0	
P-161 - Public Toilets - New City-wide Toilets	169	171	2	
P-2345 - Property - Solar Panel Installations	23	87	65	Solar Panel installation at Awapuni MRF underway due for completion in July 2024. Slight delay due to materials.
Capital LOS Total	822	999	176	
Capital Renewal				
P-1796 - Cemeteries - Building Renewals	25	52	27	
P-1837 - Swimming Pools - Pool Renewals	460	488	28	
Capital Renewal Total	485	540	56	
Grand Total	1,307	1,539	232	

Table 2. – No change or reduction to existing carry forwards

Programme	000's		
	C/fwd in 24/25 LTP	Requested C/fwd Amount	Change in C/fwd Requested
Capital Growth			
P-2124 - Urban Growth - Ashhurst - Transport	1,913	1,785	(128)
Capital Growth Total	1,913	1,785	(128)
Capital LOS			
P-1196 - Kelvin Grove - Renewal of staff facilities	34	21	(12)
P-1459 - Social Housing - Additional Social Housing Units	1,062	1,062	(0)
P-1617 - WWTP - Biogas System Improvements	460	439	(21)
P-2526 - Amberley Ave Culvert Replacement	1,437	881	(555)
P-66 - WWTP - Resilience Programme	307	0	(307)
P-986 - Turitea Dams - Aeration Upgrade	90	0	(90)
Capital LOS Total	3,388	2,403	(985)
Grand Total	5,301	4,188	(1,113)

Table 3. – Carry forwards not identified in the Long Term Plan

Programme	000's			Commentary
	C/fwd in 24/25 LTP	Requested C/fwd Amount	Change in C/fwd Requested	
Capital LOS				
P-1371 - Closed Landfills and Transfer Stations	-	53	53	Contractor engaged to undertake works. Contractor availability delayed works until July/ August 2024.
P-1948 - Events and Festival Equipment Purchase	-	5	5	Shipping delays halted progress on this project. Carry forward will cover final elements to commission and launch dishwashing trailer
P-902 - Seismic Strengthening of Council Properties	-	50	50	Required to address outstanding building consent fees associated with the Crematorium Strengthening Project, which was completed in 2023/24.
Capital LOS Total	-	108	108	
Capital Renewal				
P-1269 - Bylaw Signage - Replacement	-	7	7	Work is progressing and planned in Q1 of 2025 financial year, including signage for Ada Street. There have been delays in the programme due to increased engagement with stakeholders and due diligence
P-1452 - Community Stage - repair	-	11	11	Replacements and final engineering elements for stage repair. Delayed due to officer and contractor capacity.
P-1960 - CET Arena - Arena 1 Sound System	-	16	16	The budget for this is fully committed. Due to the complexity of the programme at tender and contracting, it has crossed over financial years.
P-1963 - CET Arena- Score clock Replacement Arena2	-	50	50	Majority of the budget is committed and balance required for cabling/ connectivity/ networking of the system to run the LED componentry and complete installation once the LED componentry arrives from overseas. Due to the complexity of the programme at tender and contracting, it has crossed over financial years.
P-1971 - CET Wildbase Recovery Signage	-	81	81	This programme is subject to external funding and this will be part of tasks associated with the strategic business plan for the period ahead
P-1972 - CET Wildbase Recovery Digital Capacity	-	81	81	This programme is subject to external funding and this will be part of tasks associated with the strategic business plan for the period ahead
P-221 - Print Synergy - Replacement of Print Synergy Machi	-	16	16	Machinery only now showing signs of breaking, this caused delays in replacing the machinery.

Capital Renewal Total	-	260	260	
Operating				
P-1520 - Digital Transformation	-	476	476	There have been some slight delays to this programme. This amount is required for strategic projects occurring early in the 2025FY, including; contact centre modernisation, long term plan reporting out of project management tool, increasing investment into cyber security. There is also increasing pressure within the digital transformation budget due to increasing cloud based disaster recovery storage costs.
Operating Total	-	476	476	
Grand Total	-	845	845	

Better Off Funding

Table 4a - Reduction in External Funding Required (Reallocated Programmes)

LTP Programme	Annual Budget 23/24 Programme	2023/24 Actuals	2023/24 Assumed Spend	Reduction in Revenue Requested
P-1054 - Ashhurst - Water Quality Improvements	P-2234 - Construction of Summerhays site	595	542	(53)
	P-2235 - Rezoning of Summerhays St & Huia St Reserve	65	30	(36)
P-1054 - Ashhurst - Water Quality Improvements Total		660	572	(88)
P-1074 - Totara Road Wastewater Treatment Plant - Earthquake Strengthening of Civil Structures	P-2236 - Detailed Design of Huia Street Reserve	137	62	(75)
	P-2237 - Investigate options for City Centre Housing	75	34	(41)
	P-2238 - Developed Design of City Centre Housing	0	0	0
P-1074 - Totara Road Wastewater Treatment Plant - Earthquake Strengthening of Civil Structures Total		212	96	(116)
P-1696 - City-wide - Drinking Water Standards Upgrades	P-2239 - Te Motu o Potua	282	195	(88)
	P-2240 - Multicultural Community Hub	50	150	100
P-1696 - City-wide - Drinking Water Standards Upgrades Total		333	345	12

Table 4b - Change in Carry Forward Requested

Programme	2023/24 Actuals	2023/24 Assumed Spend	Carry Forward Requested	Notes
P-2242 - Te Hotu Manawa o Rangitāne Marae wharenuī and wharepaku upgrade	36	500	464	
P-2241 -Rangitāne BOF Resource	71	12	(59)	Carry forward reduction in 2026/27
Grand Total	107	512	405	

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Treasury Report - year ending 30 June 2024

PRESENTED BY: Steve Paterson, Manager - Financial Strategy

APPROVED BY: Cameron McKay, Chief Financial Officer

RECOMMENDATION TO STRATEGY & FINANCE COMMITTEE

1. That the Committee note the performance of Council's treasury activity for the year ending 30 June 2024.

1. ISSUE

- 1.1 To provide an update on the Council's treasury activity for the year ending 30 June 2024.

2. BACKGROUND

- 2.1 The Council's Annual Budget 2023/24 forecast additional debt of \$36.2m would need to be raised during the year to fund the \$65.4m of new capital expenditure programmes (including assumed carry forwards from 2022/23). In June 2023 the Council resolved to specifically authorise the raising of up to \$37m of additional debt. On 6 March 2024 Council authorised this sum being increased to \$47m to enable debt to be raised to fund additional capital expenditure approved by Council.
- 2.2 Council's Financial Strategy (version adopted 7 July 2021) contains the following ratios which the Council has determined to be prudent maxima:
 - Net debt as a percentage of total assets not exceeding 20%
 - Net debt as a percentage of total revenue not exceeding 200% (increased to 250% for the next 10 years)
 - Net interest as a percentage of total revenue not exceeding 15%
 - Net interest as a percentage of annual rates income not exceeding 20%
- 2.3 The Treasury Policy (embracing the Liability Management and Investment Policy), an updated version of which was adopted by the Council on 14 February 2024, also contains a number of other criteria regarding debt management.

3. PERFORMANCE

3.1 Following the annual review published on 7 May 2024 Council's S&P Global Rating's credit rating remained unchanged at AA / A-1.

3.2 **Schedule 1** attached shows the details of Council's debt as at 30 June 2024. Debt levels were within the policy parameters outlined in section 2 of this report.

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

	Annual Budget for year (2023/24) \$000	Actual – 3 months (2023/24) \$000	Actual – 6 months (2023/24) \$000	Actual – 9 months (2023/24) \$000	Actual – 12 months (2023/24) \$000
Debt balance at 1 July 2023	220,000	220,228	220,228	220,228	220,228
Plus new debt #	36,193	33,077	58,077	68,077	78,077
Less debt repayments #		(3,200)	(8,100)	(8,100)	(23,300)
Closing gross debt balance	256,193	250,105	270,205	280,205	275,005
<u>Comprising:</u>					
Bank advance (on call)		4,900	0	0	4,800
LGFA stock		245,205	270,025	280,205	270,205
<u>Less:</u>					
Deposits held for debt repayment	(5,000)	(19,500)	(19,500)	(25,500)	(6,000)
Sum advanced to PN Airport Ltd		(8,000)	(8,000)	(8,000)	(8,000)
Net Council related term debt	\$251,193	\$222,605	\$242,705	\$246,705	\$261,005

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

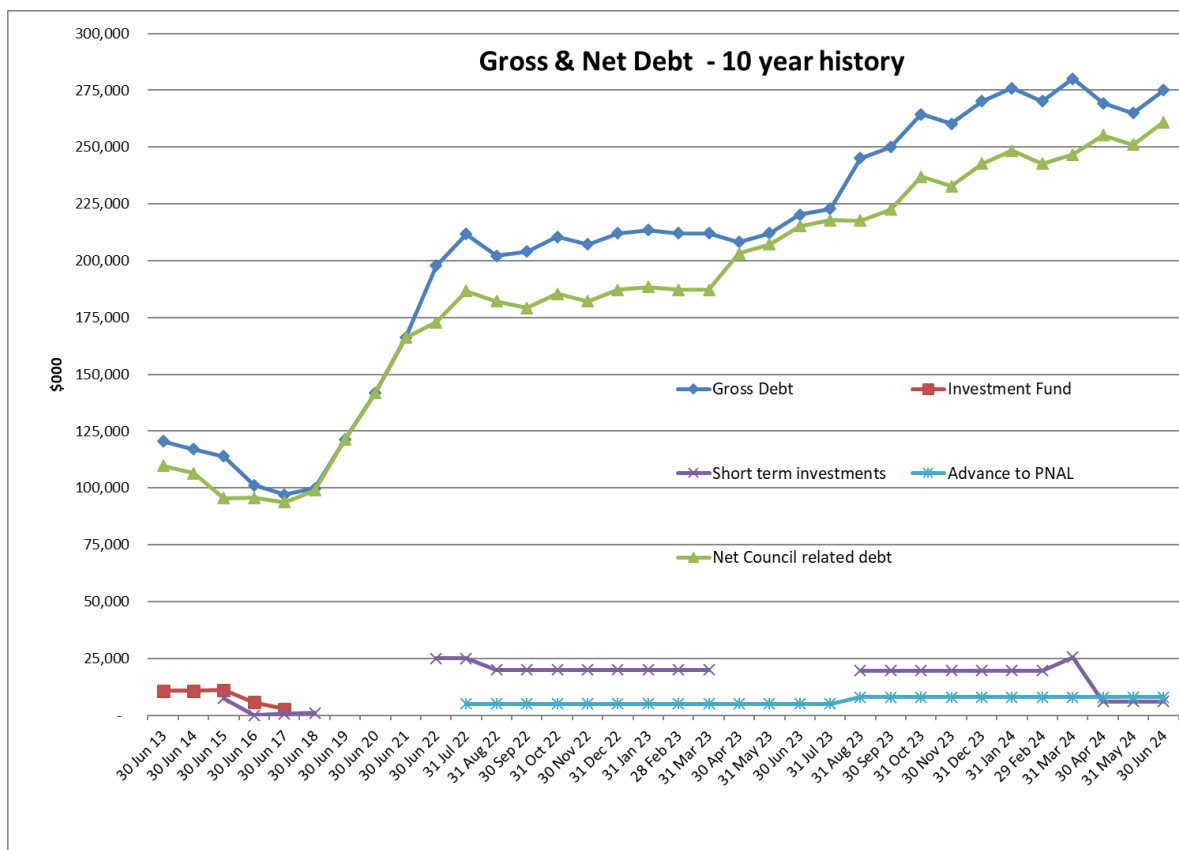
3.4 Gross debt at 30 June 2024 was \$275m compared with \$220.2m at 1 July 2023.

3.5 The debt raised in the 12 months to 30 June is explained further in the following table:

	Position as at 1 July 2023 \$m	Position as at 30 June 2024 \$m	Change YTD \$m
Gross debt	220.2	275.0	54.8
Less portion relating to PNAL	(5.0)	(8.0)	(3.0)
Gross debt relating to Council	215.2	267.0	51.8
Less term deposit held to repay maturing debt	0	(6.0)	(6.0)
Net Council related debt	215.2	261.0	45.8

This shows net additional term debt of \$45.8m was raised during the 12 months. This compares with the authorised total sum for the year of \$47m mentioned in clause 2.1. \$10m was raised on 11 March with \$6m of this being to fund debt maturing in September 2024. The \$6m has been placed on term deposit in the meantime.

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



- 3.7 Actual finance costs incurred by the Council depend on the actual debt levels and the interest rate. During the 12 months gross finance costs (including interest, line fees and the effects of payments relating to swaps) amounted to \$11.73m compared with the budget for the year of \$9.9m.
- 3.8 \$923k of this expense relates to \$20m raised on 14 August 2023 to prefund debt maturing on 15 April 2024 and \$6m raised on 11 March 2024 to fund debt maturing on 15 September 2024. This was offset by unbudgeted interest income of \$925k received from short term investment of \$25.5m. A further \$374k of this expense relates to the \$8m of loans raised on behalf of Palmerston North Airport Limited (PNAL) and this was offset by \$396k received from PNAL for the advance.
- 3.9 Deducting interest income from the gross interest expense of \$11.73m means a net interest expense year of \$9.76m compared with the annual budget of \$9.9m.
- 3.10 The effective weighted average interest rate for the year is 4.64% compared with the budgetary assumption of 4.2%.
- 3.11 The Council has entered financial instruments related to its debt portfolio utilising swap trading lines established with Westpac, ANZ and BNZ. The details of these are shown in **Schedule 2** attached.

The value of these instruments is measured in terms of its 'mark-to-market', i.e. the difference between the value at which the interest rate was fixed and the current market value of the transaction. Each of these transactions was valued at the date they were fixed and again at the reporting date. Financial reporting standards require the movement in values to be recorded through the Council's Statement of Comprehensive Income (Profit & Loss Account). They have been revalued as at 30 June 2024. The latest valuation is an asset of \$9.35m compared with an asset of \$11.7m as at 30 June 2023.

- 3.12 The Council's Treasury Policy contains guidelines regarding the measurement of treasury risk as follows:
 - Funding and liquidity risk is managed by the Council maintaining a pre-set portion of its debt in a range of maturity periods, e.g. < 3 years, 3 - 7 years, 7 years +.
 - Interest rate risk is managed by the Council maintaining the ratio of debt that is subject to floating versus fixed interest rates within pre-set limits.
- 3.13 The position compared to the policy is illustrated in the graphs in **Schedule 3** attached.
- 3.14 The funding and liquidity risk position can be summarised as follows:
 - Council's liquid position complies with policy.

- Since 1 July 2023 \$75m of term debt has been raised and \$3.3m of bank debt and \$20m of term debt has been repaid. In addition, \$3.1m was raised on behalf of PNAL and \$3m on-lent to them.
- 3.15 The interest rate risk position describes the portion of the overall forecast debt that is fixed versus floating and can be summarised as follows:
- There is significant uncertainty about forecast levels of future debt – this very much depends on a number of factors including future Council decisions on the proposed capital expenditure programme, the future structure for the provision of three waters and the extent of external funding able to be organised from other arrangements.
 - Throughout 2023/24 our risk management strategy was initially based on the forecast debt figures from the 2021-31 Long-Term Plan, as updated through the 2022/23 & 2023/24 Annual Budgets.
 - As the year progressed the debt forecasts for the draft of the Long-Term Plan were used and these were modified once the final Long-Term Plan was developed and adopted. Policy compliance at 30 June 2024 is therefore based on the debt forecasts in the adopted long-Term Plan.
- 3.16 The Treasury Policy also contains requirements in relation to counterparty credit risk – this relates to investments and financial risk management instruments. A new \$20m forward start swap agreement was entered on 11 March fixing interest rates for this sum at 3.99% from 2025 to 2029.

The position as at 30 June 2024 is shown in **Schedule 4** attached.

- 3.17 Council's credit lines with the banks include a \$18m three-year credit facility with Westpac Bank (maturing 31 October 2025) and a revolving \$25m three-year facility with ANZ Bank (maturing 31 March 2027).

4. CONCLUSION AND NEXT STEPS

- 4.1 Gross finance costs for the year to 30 June (including interest, line fees and the effect of swaps) was \$11.73m compared with budget for the year of \$9.9m. The net finance cost (after considering the interest income from term investments and the advance to Palmerston North Airport Ltd) is \$9.76m compared with the budget of \$9.9m.
- 4.2 In conjunction with Council's treasury advisors hedging instruments are regularly reviewed in an effort to ensure the instruments are being utilised to best advantage as market conditions change. The level of hedging cover is also reviewed as the forecasts of future debt levels are revised.
- 4.3 Council's borrowing strategy is continually reviewed, in conjunction with Council's treasury advisors, to ensure best advantage is taken of Council's quality credit rating.
- 4.4 A further performance report will be provided after the September 2024 quarter.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Managing the Council's treasury activity is a fundamental component of day to day administration of the Council.

ATTACHMENTS

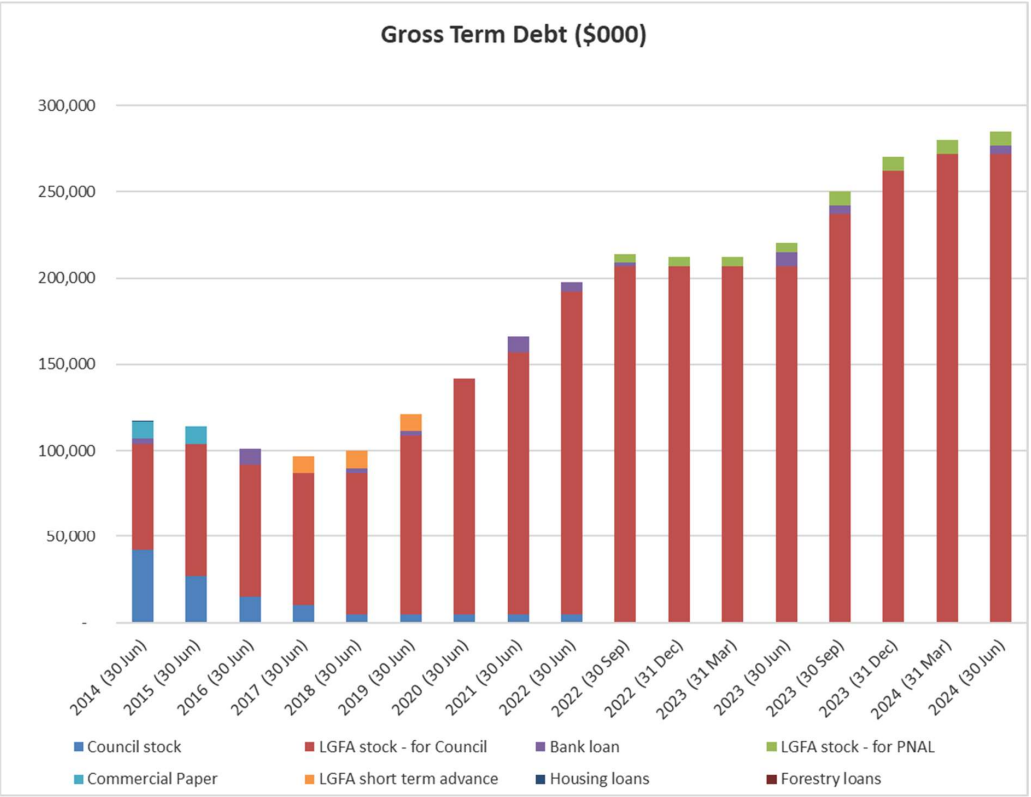
- Schedules 1 - 4 [↓](#) 

Schedule 1 - Debt levels & Prudent Borrowing Ratios

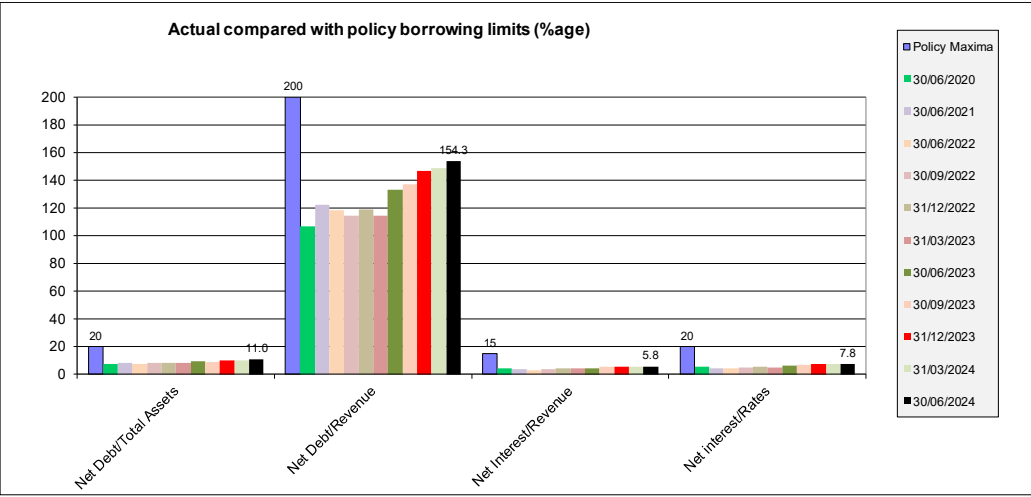
The following table shows the details of the tranches of debt on issue as at 30 June 2024:

Palmerston North City Council								
Term Debt as at 30 June 2024								
Issue Date	Term	Principal	Margin over BKBM	Interest Rate	Maturity Date	Current as at 30/06/2024	Interest Rate	Reset Date
1. Loan Stock on Issue - Borrowed from LGFA								
LGFA 6 Sep 17	7	6,000,000	0.6000%	6.2050%	15-Sep-2024	6,000,000	Floating Qtrly	15-Sep-24
LGFA 6 Sep 17	8	6,000,000	0.6600%	6.3100%	15-Apr-2025	6,000,000	Floating Qtrly	15-Jul-24
LGFA 28 Jan 20	5	8,000,000	0.5400%	6.1900%	15-Apr-2025	8,000,000	Floating Qtrly	15-Jul-24
LGFA 13 Jul 20	5	5,000,000	0.6700%	6.3200%	15-Apr-2025	5,000,000	Floating Qtrly	15-Jul-24
LGFA 22 Mar 18	8	5,000,000	0.7250%	6.3750%	15-Apr-2026		Floating Qtrly	15-Jul-24
LGFA 17 Jun 19	7	7,000,000	0.6525%	6.3025%	15-Apr-2026		Floating Qtrly	15-Jul-24
LGFA 11 May 20	6	5,000,000	0.6600%	6.3100%	15-Apr-2026		Floating Qtrly	15-Jul-24
LGFA 13 Jul 20	6	5,000,000	0.7225%	6.3725%	15-Apr-2026		Floating Qtrly	15-Jul-24
LGFA 27 Apr 23	3	10,000,000	0.5000%	6.1500%	15-Oct-2026		Floating Qtrly	15-Jul-24
LGFA 13 Nov 23	3	10,000,000	0.4600%	6.1100%	15-Oct-2026		Floating Qtrly	15-Jul-24
LGFA 16 Mar 15	12	5,000,000	0.4575%	6.1075%	15-Apr-2027		Floating Qtrly	15-Jul-24
LGFA 8 Jun 15	12	5,000,000	0.4525%	6.1025%	15-Apr-2027		Floating Qtrly	15-Jul-24
LGFA 11 Aug 20	7	10,000,000		1.1200%	15-Apr-2027		Fixed	
LGFA 9 Feb 21	6	5,000,000		1.3579%	15-Apr-2027		Fixed	
LGFA 14 Aug 23	4	10,000,000	0.4900%	6.1400%	15-Jul-2027		Floating Qtrly	15-Jul-24
LGFA 28 Jul 22	5	5,000,000	0.5000%	6.1500%	15-Oct-2027		Floating Qtrly	15-Jul-24
LGFA 30 May 23	4	10,000,000		5.2300%	15-Oct-2027		Fixed	
LGFA 13 Nov 23	4	5,000,000	0.5890%	6.2390%	15-Oct-2027		Floating Qtrly	15-Jul-24
LGFA 17 Dec 18	10	5,000,000	0.7875%	6.4375%	18-Apr-2028		Floating Qtrly	15-Jul-24
LGFA 7 Oct 19	9	5,000,000	0.7100%	6.3600%	18-Apr-2028		Floating Qtrly	15-Jul-24
LGFA 11 Aug 20	8	10,000,000	0.8300%	6.4800%	18-Apr-2028		Floating Qtrly	15-Jul-24
LGFA 10 Jul 23	5	10,000,000	0.6680%	6.3180%	15-Jul-2028		Floating Qtrly	15-Jul-24
LGFA 14 Aug 23	5	10,000,000	0.6120%	6.2620%	15-Jul-2028		Floating Qtrly	15-Jul-24
LGFA 28 Jul 22	6	5,000,000	0.5500%	6.2000%	15-Oct-2028		Floating Qtrly	15-Jul-24
LGFA 14 Nov 22	6	5,000,000	0.6170%	6.2670%	15-Oct-2028		Floating Qtrly	15-Jul-24
LGFA 11 Dec 23	5	10,000,000	0.6730%	6.3230%	15-Oct-2028		Floating Qtrly	15-Jul-24
LGFA 17 Dec 18	11	10,000,000	0.8225%	6.4725%	15-Apr-2029		Floating Qtrly	15-Jul-24
LGFA 12 Jul 21	8	10,000,000	0.3950%	6.0450%	20-Apr-2029		Floating Qtrly	22-Jul-24
LGFA 19 Dec 22	7	5,000,000	0.6590%	6.3090%	15-Oct-2029		Floating Qtrly	15-Jul-24
LGFA 11 Mar 24	5	10,000,000		5.2106%	15-Oct-2029		Fixed	15-Oct-29
LGFA 6 May 24	5	10,000,000	0.6620%	6.2806%	15-Oct-2029		Floating Qtrly	15-Jul-24
LGFA 12 Jul 21	9	10,000,000	0.4350%	6.0850%	15-Apr-2030		Floating Qtrly	15-Jul-24
LGFA 18 Oct 21	9	5,000,000	0.4590%	6.1090%	15-Apr-2030		Floating Qtrly	15-Jul-24
LGFA 14 Mar 22	9	10,000,000	0.5700%	6.2100%	15-May-2031		Floating Qtrly	15-Aug-24
LGFA 14 Mar 22	9	10,000,000	0.5950%	6.2450%	15-Oct-2031		Floating Qtrly	15-Jul-24
		262,000,000						
2. Loan Stock on Issue - Borrowed from LGFA to on-lend to PNAL								
LGFA 11 Jul 22	5	5,128,205		4.1100%	15-Apr-2027		Fixed	
LGFA 14 Aug 23	5	3,076,923		5.4467%	15-Jul-2028		Fixed	
		8,205,128						
3. Bank facilities								
ANZ (\$25m)				6.650%	31-Mar-2027		Reset at any time	
				* plus line fee of 0.22%				
Westpac (\$18m)	On call	4,800,000		6.650%	31-Oct-2025		Reset at any time	
				* plus line fee of 0.3%				
4. Short term facility from LGFA								
		-						
Total as at 30 June 2024		275,005,128				25,000,000		

The following graph shows the changing nature of the structure of the debt portfolio over the last 10 years:



The Financial Strategy contains a series of ratios that the Council has determined to be prudent maxima. The chart below shows the actual results since 2019/20 compared to those ratios.



Schedule 2 – Interest Rate Swaps

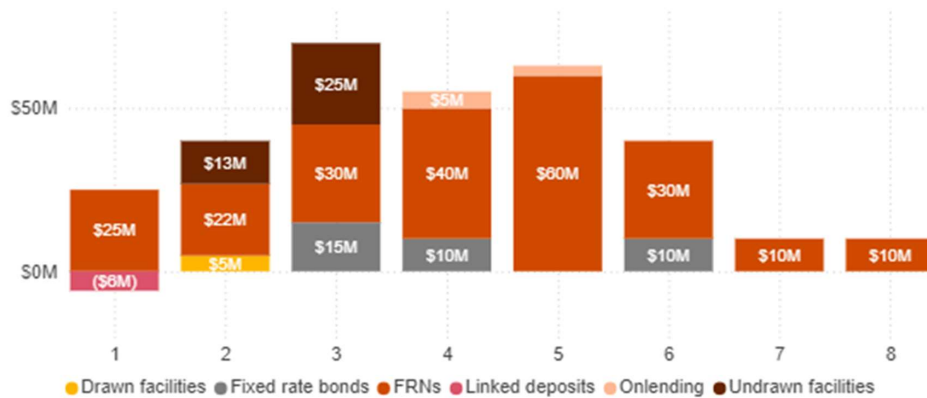
The following table schedules the swap financial instruments in place as at 30 June 2024:

Palmerston North City Council									
Interest Rate Swaps as at 30 June 2024									
<i>Council pays fixed & receives floating on a quarterly basis</i>									
Bank	Trade Date	Deal No	Amount \$m	Start Date	Maturity	Fixed Interest rate	Current Floating rate	Reset date	Value at 30-Jun-24
ANZ	28-Nov-14	10730910	5.0	15-Dec-17	15-Jun-24	4.500%		matured 15 Jun 24	
ANZ	28-Nov-14	10730993	5.0	10-Apr-18	10-Oct-24	4.515%	5.625%	10-Jul-24	27,308
ANZ	29-Nov-18	18984011	5.0	6-Dec-19	6-Sep-23	2.555%		matured 6 Sep 23	
ANZ	29-Nov-18	18984258	2.0	6-Mar-20	6-Mar-29	3.095%	5.625%	6-Sep-24	116,193
Westpac	25-Feb-15	4218128	5.0	7-Sep-20	9-Sep-24	3.990%	5.62%	9-Sep-24	20,073
ANZ	25-Feb-15	11281075	3.0	16-Nov-20	15-Nov-24	3.990%	5.64%	15-Aug-24	23,906
Westpac	18-Jan-16	4910927	5.0	9-Dec-20	9-Jun-25	3.970%	5.62%	9-Sep-24	68,190
Westpac	25-Feb-15	4218131	5.0	8-Jun-21	10-Jun-24	3.990%		matured 10 Jun 24	
ANZ	20-Jun-14	25213652	5.0	15-Dec-21	15-Jun-29	3.425%	5.605%	16-Sep-24	243,105
Westpac	16-Nov-21	9251755	7.0	8-Dec-21	8-Dec-28	3.190%	5.62%	9-Sep-24	363,280
Westpac	16-Nov-21	9251762	6.0	29-Dec-21	28-Sep-29	3.410%	5.630%	30-Sep-24	282,006
Westpac	16-Nov-21	9251772	5.0	10-Jan-22	10-Jan-30	3.380%	5.625%	10-Jul-24	276,583
Westpac	26-Feb-16	5013577	5.0	11-Apr-22	12-Jan-26	3.635%	5.635%	11-Jul-24	129,267
ANZ	13-Oct-20	22956802	10.0	15-Apr-22	15-Apr-28	0.4025%	5.65%	15-Jul-24	1,530,721
Westpac	25-Jun-21	9002142	10.0	15-Jun-22	15-Jun-28	1.8200%	5.605%	16-Sep-24	974,260
Westpac	25-Jun-21	9002154	10.0	15-Sep-22	15-Sep-28	1.9000%	5.605%	16-Sep-24	989,803
BNZ	27-Feb-20	384575543	7.0	8-Dec-22	8-Dec-28	1.3375%	5.62%	9-Sep-24	886,976
Westpac	25-Jun-21	9002127	10.0	15-Mar-23	15-Mar-28	1.9400%	5.605%	16-Sep-24	887,437
ANZ	27-Nov-17	17029213	5.0	15-Jun-23	15-Jun-27	3.7675%	5.605%	16-Sep-24	123,876
Westpac	25-Jun-21	9002104	10.0	15-Jun-23	15-Sep-27	1.9325%	5.605%	16-Sep-24	801,710
ANZ	27-Nov-17	17029223	6.0	29-Sep-23	29-Jun-27	3.7875%	5.630%	30-Sep-24	143,366
ANZ	27-Mar-18	17670295	5.0	10-Jun-24	10-Jun-32	3.935%	5.62%	10-Sep-24	168,208
ANZ	27-Mar-18	17670250	5.0	15-Jun-24	15-Jun-29	3.840%	5.605%	16-Sep-24	132,713
Active total at 30 Jun 24			126.0						8,188,981
ANZ	27-Mar-18	17670276	5.0	10-Oct-24	10-Jan-31	3.920%		10-Oct-24	115,215
Westpac	8-Jul-22	9735255	10.0	15-Apr-25	15-Apr-30	3.775%		15-Apr-25	193,108
Westpac	8-Jul-22	9735291	10.0	15-Jan-25	15-Sep-30	3.790%		15-Jan-25	237,468
ANZ	27-Apr-23	48752826	20.0	15-Apr-27	15-Apr-31	3.905%		15-Apr-27	182,266
ANZ	27-Apr-23	48752829	20.0	15-Jul-25	15-Jul-30	3.8025%		15-Jul-25	331,270
Westpac	11-Mar-24	11045178	20.0	15-Oct-25	15-Oct-29	3.990%		15-Oct-25	103,712
Forward start total at 30 Jun 24			85.0						1,163,039
								Total value	9,352,020

Schedule 3 - Risk Exposure Position

Funding & Liquidity Risk Position – proportions of debt within pre-set maturity bands

Funding and liquidity risk timeline



Funding summary

Bucket (years)	Policy	Actual
0 - 3	15% - 60%	42%
3 - 7	25% - 85%	55%
7 - 15	0% - 60%	3%
Total		100%

Liquidity Ratio

Policy: $\geq 110\%$

Actual at 30 June 2024 114%

Gross external debt at 30 June 2024:**\$275,005,128**

Net debt i.e. Gross debt less pre-funding

\$269,005,128**Net debt less PNAL related debt****\$261,005,128****Undrawn bank facilities at 30 June 2024:****\$38,200,000**

Interest Rate Risk Position – proportions of forecast debt subject to floating versus fixed interest rates within pre-set policy limits

As at 30 June 2024**Current fixed rate hedging**

61%

Total fixed rate instruments

\$161,000,000

Weighted average fixed rate of fixed rate instruments

2.89%

Weighted average term of fixed rate instruments

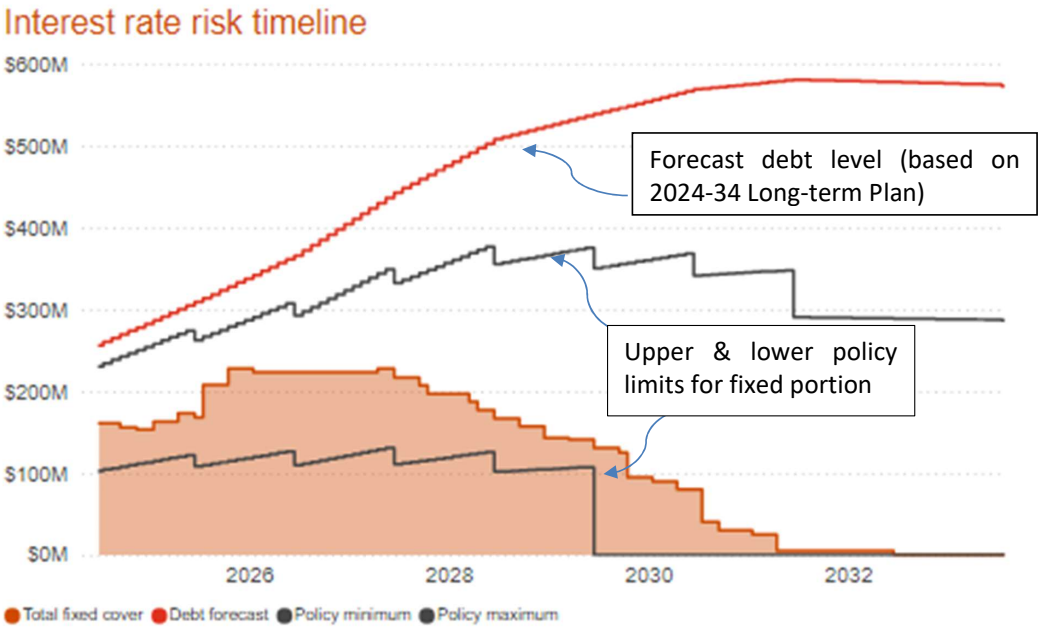
4.12 years

Fixed proportions each year compared with policy – based on 2024-34 Long-term Plan

Interest rate summary

#	Bucket	Min	Max	Actual	WA swap
1	0 - 12	40%	90%	58%	2.60%
2	12 - 24	35%	85%	64%	3.04%
3	24 - 36	30%	80%	56%	3.07%
4	36 - 48	25%	75%	42%	3.56%
5	48 - 60	20%	70%	29%	3.85%
6	60 - 72	0%	65%	19%	3.88%
7	72 - 84	0%	60%	5%	3.94%
8	84 - 96	0%	50%	1%	
9	96 - 108	0%	50%	0%	
10	108 - 120	0%	50%	0%	

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The shaded portion reflects the fixed portion of the forecast debt based on the 2024-34 Long-term Plan

Schedule 4 – Counterparty credit limits

Counterparty credit limits

Counterparty	Investments exposure	Investment limit	MtM	Derivatives exposure	Derivatives limit	Total exposure	Total limit	Compliant?
ANZ	\$6,000,000	\$35,000,000	(\$5,134,209)	\$13,833,511	\$35,000,000	\$19,833,511	\$35,000,000	✓
BNZ	\$0	\$35,000,000	(\$33,454)	\$932,567	\$35,000,000	\$932,567	\$35,000,000	✓
Westpac	\$0	\$35,000,000	(\$8,051,123)	\$18,032,033	\$35,000,000	\$18,032,033	\$35,000,000	✓

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: City Planning Priorities and 3-Year Work Programme

PRESENTED BY: Jono Ferguson-Pye, City Planning Manager

APPROVED BY: David Murphy, General Manager Strategic Planning

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee receive the memorandum titled 'City Planning Priorities and 3-Year Work Programme' presented to the Strategy & Finance Committee on 14 August 2024.
-

1. ISSUE

- 1.1 The city vision is – *big city ambition small city benefits*. The challenge facing the Council is how do we best plan, fund and deliver on big city ambition while retaining small city benefits – compact urban form, connectivity, accessibility, convenience, equity and affordability for our community.
- 1.2 In responding to the city vision, the Council faces challenges in balancing increasingly complex issues, national direction, meeting statutory obligations, working within budgets, and growing internal capability, whilst also making progress on rezoning proposals and maintaining District Plan responsiveness.
- 1.3 The purpose of this report is to:
 - Outline the 3 key priorities that have shaped the City Planning team 3-Year Work Programme (included as Attachment 1), being:
 - i. Planning for growth
 - ii. District Plan effectiveness
 - iii. Rebuilding planning practice and internal capability
 - Provide an overview of the key challenges and opportunities associated with delivering the City Planning team Work Programme over the next 3 years.

2. BACKGROUND

2.1 This memorandum and the attached 3-year Work Programme has been prepared to give effect to:

- The RMA 1991 and associated National Policy Statements;
- The 2024-34 Long Term Plan;
- The Future Development Strategy and Infrastructure Strategy; and
- The Oranga Papaioea City Strategy and relevant plans.

2.2 The 3-year Work Programme included in Attachment 1 is specific to the core RMA 1991 land-use planning function of the Council. The City Planning team also has broader functions regarding transport planning under the Land Transport Management Act 2003 and Local Government Act 2002, e.g. the Manawātū Regional Freight Ring Road Business Case and associated PNITI programme (approximately 70 projects).

3. CITY PLANNING PRIORITIES

Priority One: Planning for Growth

3.1 Post the completion of the Sectional District Plan Review (SDPR) in 2019, the focus of the City Planning Work Programme for the last 5 years has been on enabling urban growth. The following is a summary of key growth focused planning processes being managed over this period:

Plan Change E: Roxburgh Crescent	Plan Change G: Aokautere
Plan Change F: Ashhurst	Plan Change I: MDRZ & Multi-Unit
Plan Change H: Kākātangiata	Plan Change N: 1 st Stage Te Utanganui
Te Utanganui Master Plan	Plan Change: Matangi Residential Area
Plan Change C: Kikiwhenua	Housing & Business Needs Assessment
Plan Change 19: Hokowhitu Lagoon	Notice of Requirement for KiwiRail
Development Contributions Policy	Freight Hub
Developer Agreements	Future Development Strategy
PNITI	Private Plan Change: 160 Napier Road
	Notice of Requirement for Te Ahu a
	Turanga Tararua Manawātū Highway

3.2 Many of the growth plan changes referred to above, Plan Changes E, F, G, H, I and N, are ongoing and part of the City Planning Work Programme. Progressing this package of growth plan changes is critical to Council

meeting its statutory obligations under the National Policy Statement for Urban Development (NPS-UD).

- 3.3 **NPS-UD and Signals from Government** – signals from Government indicate our statutory obligations regarding land supply and enablement of development opportunities will increase over the coming 3 years. Changes signalled include:
- Establishment of growth targets for Tier 1 and 2 Councils.
 - A strengthening of intensification provisions in the NPS-UD.
 - The requirement to have 'live zone' development capacity to provide at least 30 years of housing demand at any one time.
- 3.4 These changes will likely have a flow on impact on the resources needed to meet ongoing NPS-UD data monitoring obligations, the review of the Housing and Business Needs Assessment and Future Development Strategy, and implementation within the District Plan via zone changes.
- 3.5 While much of the current NPS-UD requirements and signalled NPS-UD requirements require the Council to produce useful material which assists the overall planning process, we do operate in a resource constrained environment. The reality is the various NPS-UD requirements do not result in the actual rezoning of land and can, at times, act as a distraction to the processes that will make a difference on the ground.
- 3.6 **Growth Focused Plan Changes** – the City remains in a constrained space regarding infrastructure ready land supply, particularly with respect to greenfield land supply in the short term. The City also faces infrastructure capacity constraints in enabling growth within the existing urban footprint.
- 3.7 The process of rezoning land is complex, time-consuming, expensive and technically demanding. It is recognised that progress has been slow and is not meeting the expectations of Government, Council or the community. Where land has been rezoned, infrastructure upgrades have been slow to respond and / or are reliant on third parties such as NZTA Waka Kotahi.
- 3.8 **Meeting NPS-UD Obligations and Giving Effect to the Future Development Strategy** – with respect to growth, all easily developed land in the city has already been taken up. Consequently, the increase in required resource, evidence, budget and technical capability needed to progress Plan Changes to provide for future projected urban growth are largely contingent on, and influenced by, a range of complex, interrelated factors, including:
- Greenfield areas with challenging environmental constraints requiring a complex infrastructure response. Often having to address difficult legacy issues from past urban development.

- Strengthened emphasis on positive environmental outcomes resulting from regulatory obligations (One Plan, NPSs) and heightened community expectations.
- Planning practice that requires increasing certainty about risk and outcomes (natural hazards, infrastructure, biodiversity, cultural and economic / funding context), resulting in the need for a broader range and heightened level of supporting technical evidence.
- The growing burden associated with the evidentiary threshold expected of RMA decision-makers.
- Challenges associated with LTP funding assumptions moving away from development contributions as the primary funding mechanism for greenfield development to external funding mechanisms and / or developer agreements.

Appeal to Plan Change G – the Council has received one notice appealing the Plan Change G: Aokautere Residential Area decision to the Environment Court. Officers will proceed to mediation in an effort to settle the appeal later in the year. If agreement cannot be reached, Officers will proceed to an Environment Court hearing next year. Note, costs associated with resolving the appeal could place pressure on the City Planning budget in the second half of this financial year and the first half of the next.

3.9 **Reset of Plan Change H: Kākātangiata** – Officers are in the process of resetting some of the key assumptions sitting behind Plan Change H. This reset is looking at:

- The funding and financing options available to support growth at Kākātangiata in light of changes to LTP funding assumptions for greenfield growth.
- Understanding how available funding and financing options will shape the planning framework needed to enable development.
- Reviewing the extent of the proposed zone change.
- Reviewing the extent of the proposed zone that Council may want to rezone and what portion could be left to the market to advance private plan change applications.
- Reviewing the extent of control exerted through the District Plan via master planning and associated design controls.
- Assessing what procurement model is best placed to deliver the plan change in a timely manner given the size and scale of the zoning proposal.

3.10 **Planning for Growth and Delivering Value** – the City Planning team is currently reviewing how the existing consultancy resource is deployed to deliver improved value alongside a review of the broader approach to planning practice and our organisational risk appetite. The following actions have been put in place to derive increased value from our consultancy budget:

- Where capability exists, increased use of internal capacity to support the technical inputs required for plan changes.
- Review of existing consultancy support and a pivot towards lower cost providers where a professionally competent option is available.
- A review of planning practice and our appetite for risk. This includes narrowing down the scope of technical inputs to what is absolutely necessary to get through the first schedule processes. This will mean carrying more risk, possibly resulting in the need to backfill technical evidence post notification and / or increased risk of Environment Court appeals.
- Development of a project planning framework to better manage and drive efficiency of delivery of the plan change Work Programme.
- A review of planning practice in preparation for the next SDPR. This includes a review of plan drafting that focuses on increased clarity and conciseness of the objective and policy framework, and a narrowing down of matters of control to core resource management issues.

Priority Two: District Plan Effectiveness

3.11 It is now over 10 years since key parts of the District Plan were reviewed through the SDPR process. What is becoming increasingly evident is that parts of the District Plan are no longer responsive to the contemporary challenges facing the city (e.g. growth, infrastructure constraints, climate change, urban design implementation and changing market and community expectations).

3.12 The table below provides decision dates for each SDPR plan change and shows that many sections of the District Plan are due for review:

Sectional District Plan Review – Decision Dates		
Plan Change 1	Inner, Outer & Fringe Business Zones	22 November 2011
Plan Change 2	Cliff Protection Area	10 November 2011
Plan Change 3	General Introduction	18 August 2011
Plan Change 4	Zoning Anomalies	4 November 2011
Plan Change 5	Local Business Zone	27 May 2013
Plan Change 6	Whakarongo Residential Area	28 August 2014
Plan Change 7	Roading Hierarchy	25 March 2013
Plan Change 9	Industrial Zone	20 June 2013
Plan Change 10	Designations	12 September 2013
Plan Change 11	Institutional Zone	11 March 2014
Plan Change 13	Cultural & Natural Heritage	17 November 2014
Plan Change 15	Rural Zone, Rural Subdivision, North East Industrial Zone and Extension Area, Braeburn Industrial Area (Longburn), Utilities and Airport Zone	22 August 2016
Plan Change 17	Hazardous Substances	4 February 2015
Plan Change 19	Caccia Birch	28 May 2015
Plan Change 20	Residential Zone and Subdivision Section	22 December 2016
Plan Change 21	Reserves, Central Energy Trust Arena, Awapuni Racecourse and Associated Race Training Facilities	26 April 2017
Plan Change 22	Omnibus Introduction, Information Requirements, Monitoring, Signs, Noise, Subdivision, Land Transportation, Natural Hazards	14 December 2018

- 3.13 **District Plan Effectiveness and Response to Urban Design Challenges** – while not prominent in written submissions, an emerging theme in the LTP forums

was concern that parts of the District Plan are no longer fit for purpose in facilitating development in the City. A review of the District Plan is needed that provides better clarity of desired outcomes, updated Plan architecture and drafting practice.

- 3.14 Recent meetings with the development community regarding urban design and Residential Zone subdivision controls not being fit for purpose is indicative of broader concerns about the responsiveness of the District Plan to meet the needs of the City.
- 3.15 In the last decade we have seen positive change in the quality of urban development delivered in the City. However, at times this change has been a source of frustration for the development community and an appropriate balance is required.
- 3.16 A balanced response to resolving these issues needs to consider the following elements of the planning process:
 - The need for the District Plan to be reviewed so that it is responsive to the needs of development and the community;
 - The need to review District Plan administration so that interpretation of the Plan is consistent, clear and timely; and
 - The need to review the quality of applications made for land use consent under the District Plan so that they are fit for purpose.
- 3.17 **Resolving Urban Design Challenges** – the City Planning team's role in resolving these challenges relates to reviewing of the District Plan and examining how we can rebalance the urban design element of the District Plan in a way that provides increased clarity and certainty for development.
- 3.18 Separate from the review of the District Plan, resolving urban design challenges also relates to the way in which the District Plan is administered by the Resource Consent team. The City Planning and Resource Consents team are jointly reviewing current practices to develop an integrated response across both teams.
- 3.19 In terms of the City Planning team response to resolving urban design challenges, there are two key steps:

Step 1: Proposed Plan Change I (PPC: I)
- 3.20 Part of the purpose of PPC: I is to review and reset how urban design outcomes are enabled by the District Plan. PPC: I's primary purpose is to introduce a Medium Density Residential Zone (MDRZ) within the City's existing Residential Zone.

- 3.21 The draft development framework being developed for the MDRZ is looking to simplify the process for medium density development within the new Zone by enabling up to 3 units as a permitted activity and requiring land use consent when development exceeds this threshold. This approach would be consistent with Tier 1 cities across the country. Note, PPC: I development standards and thresholds for development are in draft form at this time and may be subject to change.
- 3.22 The secondary purpose of PPC: I is to adopt a consistent approach to intensification across the city by reviewing the existing Multi Unit Housing (MUH) provisions in Residential Zone of the District Plan. The review of MUH by PPC: I has also been driven by issues raised by the development community about the workability and clarity of the urban design elements of the MUH provisions.
- 3.23 It is noted that part of the development of PPC: I has involved discussions with key developer agents about both the workability of the development framework being created for the MDRZ and the review of MUH development provisions.

Step 2: Initiating the next Sectional District Plan Review

- 3.24 Part of the City Planning Work Programme is the initiation of the SDPR. As discussed, it is now over 10 years since key parts of the District Plan were reviewed and parts of the Plan are no longer fit for purpose. A key focus of the SDPR will be reviewing the way in which urban design is incorporated within the District Plan, building on the approach developed by PPC: I.
- 3.25 The City Planning Work Programme (see Attachment 1) identifies 5 SDPR plan changes being initiated over the 3 years of this LTP. The City Planning team has started SDPR Plan Change: 1, which is a review of the Designations section of the District Plan. Staff are currently working on what sections of the Plan should be prioritised for SDPR Plan Changes 2-5.
- 3.26 **Delivering on National Direction** – National Planning Standards (Planning Standards) were introduced in 2019. Given the proposed planning reform of the last Government, a decision was made to delay the implementation of the Planning Standards. There is now a pressing need to update the District Plan to meet these standards (including a required e-Plan) given the requisite compliance timeframe.
- 3.27 The District Plan and planning practice within the organisation is now generally out of step with other territorial authorities across the country, many of whom have implemented the Planning Standards in whole or are incrementally staging progress towards compliance.
- 3.28 While implementation of the Planning Standards is mandatory and therefore needs to be resourced accordingly, unfortunately they are somewhat of a distraction as they do not assist with addressing the key city planning issues facing the City such as providing additional capacity for housing and

industry. The Planning Standards require the Council to address administrative matters such as the colours and names of zones and the use of standard definitions.

- 3.29 The NPS-UD requires Council to plan for urban growth for both housing and business. The NPS-UD includes obligations to gather data, monitor, quarterly reporting, development of an HBA, preparation of an FDS and ensure our urban growth Work Programme is aligned to these NPS-UD related outputs.
- 3.30 There is now a heavy economic data capture and analysis component relating to NPS-UD reporting, with the work demands associated with delivering this now requiring significant staff resource.
- 3.31 Alongside this work it will be important the Council closely monitors the Government's intention for more widespread reform of the RMA 1991. It is unclear at this stage whether a complete replacement of the RMA 1991 is a likely outcome in the next 5-10 years. Much of the current reform is aimed at quick responses to current issues identified by the Government, e.g. changes to the NPS-UD, NPS Highly Productive Land and NPS – Freshwater. The process for making changes to NPS documents is also being expedited. This signals that the Government see changes to NPS documents as the most efficient way of driving change quickly.

Priority Three: Rebuilding Planning Practice

- 3.32 The SDPR (2009-2019) successfully delivered a second-generation Plan, while largely avoiding Environment Court appeals. The team over this period was settled and anchored by a group of experienced planners. Post the completion of the SDPR some senior staff left the organisation for other opportunities. Since this time the City Planning team has struggled to attract and retain senior staff, while the size and complexity of the Work Programme, including its associated evidential base and quality of outputs delivered, has increased. The consequence has been a gradual erosion of the capability of planning practice.
- 3.33 To address this the City Planning team are taking steps to rebuild planning practice in the following areas:
 - Developing a project planning framework to better manage and drive efficiency of delivery of the Work Programme.
 - Building professional practice capability by partnering experienced planning practitioners with less experienced staff to provide mentoring and a safe learning environment.
 - A project to rehouse the District Plan to meet statutory obligations required by National Planning Standards and a move towards up to date plan drafting practice.

- Procurement of an e-Plan to ensure compliance with Planning Standards and increased administrative efficiency.
- Working closely with the Resource Consent team to develop an integrated response to planning issues across District Plan development and District Plan administration and building a culture of planning excellence within the Council.

4. NEXT STEPS

- 4.1 Implement the City Planning priorities and 3-year Work Programme, working closely with Elected Members during the development of District Plan changes.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	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
The recommendations contribute to: Whāinga 1: He tāone auaha, he tāone tiputipu Goal 1: An innovative and growing city	
The recommendations contribute to the achievement of action/actions in: 15. Mahere whare 15. Housing Plan The action is meet legislated standards and requirements for land-use planning.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Focusing the City Planning team's Work Programme on planning for growth, District Plan effectiveness and rebuilding planning practice and internal capability will ensure Council meets its statutory obligations under the NPS-UD for housing and meet legislated standards in respect of land-use planning practice.

ATTACHMENTS

1. City Planning Team 3-Year Work Programme 2024-2027 [↓](#) 

	1 st Qtr Y1 (Jul-Sept)	2nd Qtr Y1 (Oct-Dec)	3rd Qtr Y1 (Jan-Mar)	4th Qtr Y1 (Aprl-June)	1 st Qtr Y2 (Jul-Sept)	2nd Qtr Y2 (Oct-Dec)	3rd Qtr Y2 (Jan-Mar)	4 th Qtr Y2 (Aprl-June)	1 st Qtr Y3 (Jul-Sept)	2nd Qtr Y3 (Oct-Dec)	3rd Qtr Y3 (Jan-Mar)	4 th Qtr Y3 (Aprl-June)
NPS Implementation												
NPS-UD Data												
HBA												
FDS												
Planning for Growth												
PC: E (Roxburgh Crescent)												
PC: F (Ashhurst)												
PC: G (Aokautere)												
PC: H (Kākātangiata)												
PC: I (MDRZ)												
PC: M (Air Noise Zone)												
PC: N (Stage 1 Te Utanganui)												
Stage 2 Te Utanganui												
NPS-Highly Productive Land												
160 Napier Rd (Private P/C)												
Sectional District Plan Review												
SDPR Plan Change 1 (PC: O)												
SDPR Plan Change 2												
SDPR Plan Change 3												
SDPR Plan Change 4												
SDPR Plan Change 5												
Project Work												
D/Contribution Policy Update												
Vegetation Framework												
Heritage Advisory Group												
Planning Practice												
E-Plan												
Planning Standards												
Project Planning Framework												
BAU												
Notable Trees	Ongoing											
Heritage Fund	Ongoing											
Non-Financial Reporting	Ongoing											
Annual Report	Ongoing											
National Monitoring System	Ongoing											
Consent Reviews	Ongoing											
Delivering Change	Ongoing											
Update of Liquefaction Risk	Ongoing											
Place Making	Ongoing											
BID	Ongoing											
Development Contributions	Ongoing											
Developer Agreements	Ongoing											
Central Govt Submissions	Ongoing											

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Palmerston North City District Plan: Proposed Plan Change E: Roxburgh Residential Area

PRESENTED BY: Jono Ferguson-Pye, City Planning Manager and Andrea Harris, Technical Principal - Planning, WSP

APPROVED BY: David Murphy, General Manager Strategic Planning

RECOMMENDATIONS TO STRATEGY & FINANCE COMMITTEE

1. That the Committee approve the Palmerston North City District Plan: Proposed Plan Change E – Roxburgh Residential Area (Attachment 1) for public notification under clause 5, schedule 1 of the Resource Management Act 1991.
 2. That the Chief Executive prepare a public consultation document for part of the Council owned land at 22 Roxburgh Crescent to be classified as Recreation Reserve, and the balance part to be classified as Local Purpose (Road) Reserve, pursuant to section 14 of the Reserves Act 1977, and for this consultation to be undertaken in parallel with the public notification of the Palmerston North City District Plan: Proposed Plan Change E – Roxburgh Residential Area.
-

1. ISSUE

- 1.1 The purpose of this memorandum is to seek approval for Palmerston North City District Plan: Proposed Plan Change E – Roxburgh Residential Area (Plan Change E) to proceed to public notification. Plan Change E seeks to rezone the area at Roxburgh Crescent from industrial, recreation and conservation and amenity to residential and recreation. Rezoning this area will provide up to an additional 105 homes. The rezoning also facilitates a wide River accessway with land gained from an exchange with Waterloo Reserve.
- 1.2 Plan Change E has been prepared to ensure it gives effect to the National Policy Statement for Urban Development (2020) and the 2023 Housing and Business Needs Assessment by providing options for different housing typologies through the District Plan.
- 1.3 The proposed zoning changes are shown below:

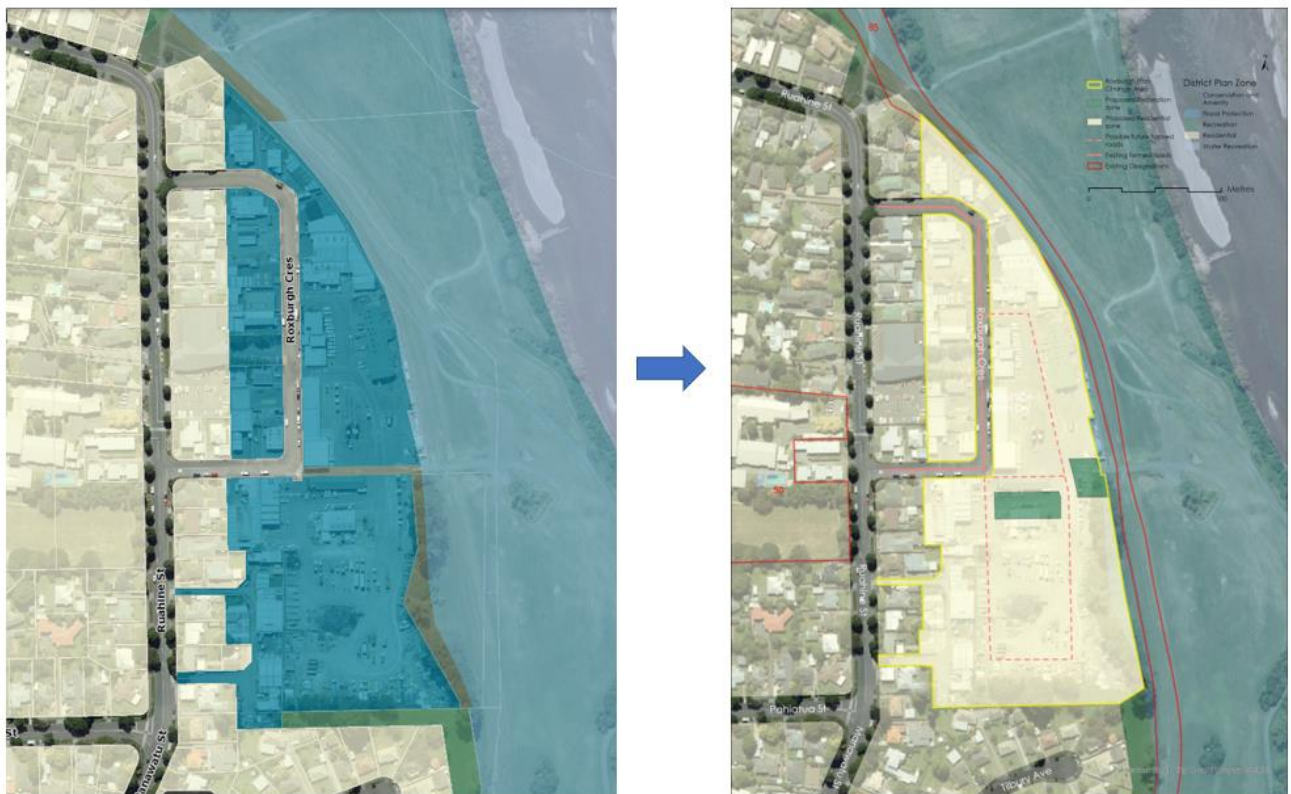


Figure 1: Proposed zone changes

- 1.4 Plan Change E also proposes to vest a piece of Council owned land at 22 Roxburgh Crescent. Vesting this piece of land for road and reserve purposes will provide for land to be used as an accessway and carpark in addition to land gained via a reserve exchange with Waterloo Park.
- 1.5 To vest the Council owned land for road and reserve purposes, a consultation process under the Reserves Act 1977 and a Council decision is required to enable the vesting. Council approval is required to prepare a consultation document and commence public consultation on this proposal.

2. BACKGROUND

- 2.1 In 2018 the main landowner at Roxburgh Crescent approached Council with the idea of rezoning the area to residential. The Roxburgh Crescent area was identified for growth in the 2018 Long Term Plan. Since 2018, the plan change has gone through the master planning and design process, production of a structure plan, a reserve exchange process and completion of all technical reports to inform the plan change.
- 2.2 The present Industrial Zone is anomalous. PN City Council has identified preferred locations for industrial activity to the north and west of the city. The pocket of industrial activity at Roxburgh Crescent detracts from the residential character of Hokowhitu and the amenity value of the river corridor.

- 2.3 The 2023 Housing Business Needs Assessment states we need 3,993 homes over the short – medium term (next 10 years) and this plan change is expected to help meet these targets. The assessment also shows that there is a strong demand for homes within the existing City boundary and need for opportunities within the District Plan to provide for housing choice and ability to build at different heights and densities.
- 2.4 The proposed changes contained in Plan Change E aim to provide smaller lot sizes with a minimum lot size of 250m² and ensure efficiency through a maximum lot size of 500m². The proposed plan change also creates the opportunity to build up to three stories along the stop bank as a permitted activity.
- 2.5 Plan Change E seeks to amend and add new provisions to section 4 (definitions), section 7 (Subdivision) and Section 10 (Residential) of the District Plan. The proposed development of the area will be guided by a structure plan (see **Figure 2** below). The attached Plan Change documentation and Section 32 report contains a more detailed description of Plan Change E and evidence supporting it.

3. DESCRIPTION OF THE PLAN CHANGE

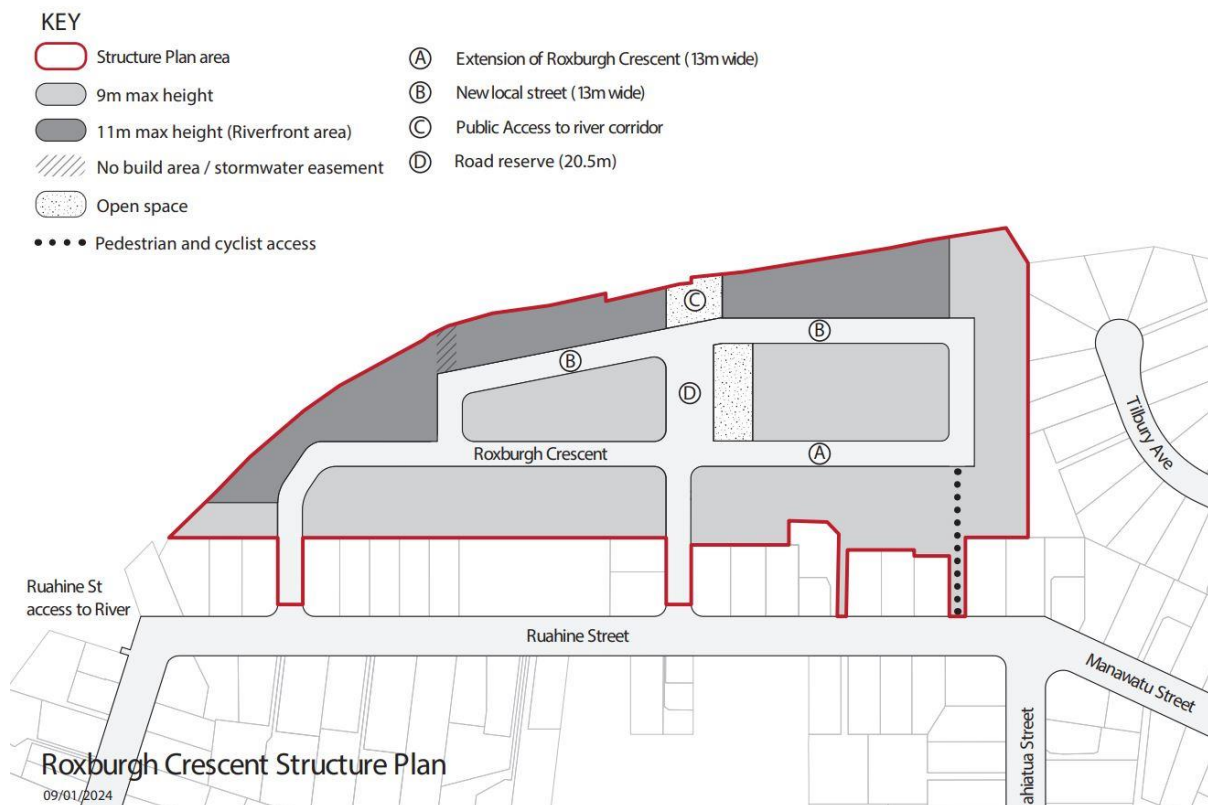


Figure 2: Proposed structure plan

- 3.1 **Consultation:** Plan Change E has gone through two rounds of pre-consultation in late 2022 and late 2023, including letters with information, opportunity to submit feedback and an invitation to a drop-in session. Information about Plan Change E has also been available on the website. Rangitāne o Manawatū have also been consulted throughout the process going back to 2019. This meets our consultation requirements under Clause 3 and 4A of the Resource Management Act 1991.
- 3.2 **Structure Plan:** The structure plan development for Plan Change E has been underway since 2020. A structure plan was consulted on with the community in 2022 and changes were made to height and density locations as a result of feedback and stormwater constraints. The final structure plan has been developed on community feedback and input from technical experts. The structure plan aims to guide future development of the Proposed Roxburgh Residential Area through the District Plan and supporting provisions.
- 3.3 A road corridor is proposed within the structure plan and supporting cross sections to be included in the District Plan. A narrower road corridor is proposed throughout the RRA plan change due to the existing street environment and requirement for biofiltration devices in the road corridor. The narrower road also allows the maximum housing yield to be achieved from the site. Details regarding final road design and width will be finalised at the time of subdivision.
- 3.4 While initial development can occur without the immediate upgrade of Roxburgh Crescent, a roading upgrade will be required to respond to later development stages. It is anticipated that a programme for this will need to be put forward to the 2027-37 LTP and be funded via development contributions or a targeted rate. If the upgrade is required before the next LTP, a programme could be considered as part of an Annual Budget. A developer agreement is an alternative funding option, but this could be difficult to achieve given the number of landowners within Roxburgh Crescent. If the roading upgrade is completed by the Council after the initial subdivision and development, a developer agreement may still be required to ensure a contribution is received from all landowners who benefit from the upgrade.
- 3.5 **Waterloo Reserve Exchange:** Reserve land gained from the Waterloo Reserve Exchange will facilitate the open space and wider River access shown as C on the structure plan. Following consultation, Council voted to ask the Minister of Conservation to approve the exchange in December 2023. An application was prepared by Council Officers in January 2024 and was lodged with the Department of Conservation (DoC). Confirmation that the reserve exchange was approved by DoC was received by Council on 16 July 2024. The approval was subject to the following conditions:
 - a. That the Council approve a district plan change which changes the zoning of the Exchange Land to residential; and

- b. That the Land Regulatory Delivery Manager, Department of Conservation, approve the survey plan defining the Exchange Land. Acknowledging that minor amendments may be required, the plan shall substantially reflect the layout shown in Appendix A, as provided with the application; and
- c. That the survey plan gets approved by Land Information New Zealand.

4. CLASSIFICATION OF COUNCIL OWNED LAND

- 4.1 Council own a strip of land at 22 Roxburgh Crescent. This land has been owned by Council since 1936 and was part of a larger area of land that was purchased by Council by way of a mortgagee sale. The land was not purchased for a particular purpose and has not been vested or classified as reserve.
- 4.2 Parts of the larger area of land have been sold since 1936, however this strip of land remains owned by Council. This strip of land currently runs through privately owned land. It is used by the private landowner to access their land and is used by Council and the community for events held within the recreation and walkway area along the river (e.g. Relay for Life). This piece of land is not accessible by the public except on a case-by-case booked event basis and is gated off at each end.
- 4.3 Currently, Council arranges with the owner of the land surrounding this area, who also owns the gates at either end of the strip of land, to open the gates when required for public or community events. The wider rezoning of Roxburgh Crescent means that this strip of land needs to be disposed of/sold or classified for a purpose. The preference is for the land to be classified for specific purposes, as part of the development of the wider area of land.
- 4.4 The intention would be to utilise part of the strip of land for a river area accessway (which would be classified as recreation reserve) and the balance of the strip of land to be utilised for road purposes (see Figure 3).
- 4.5 Part of the road reserve portion would be used as a carpark to cater for users of the new River entrance. To enable this, Council would enter an agreement with the developer to incorporate the intended outcomes into the new roading design in accordance with the proposed cross section for area D on the structure plan.
- 4.6 There is no developer agreement in place at present, but the landowner has agreed to this in principle and there are rules in the proposed plan change to ensure this outcome is achieved.

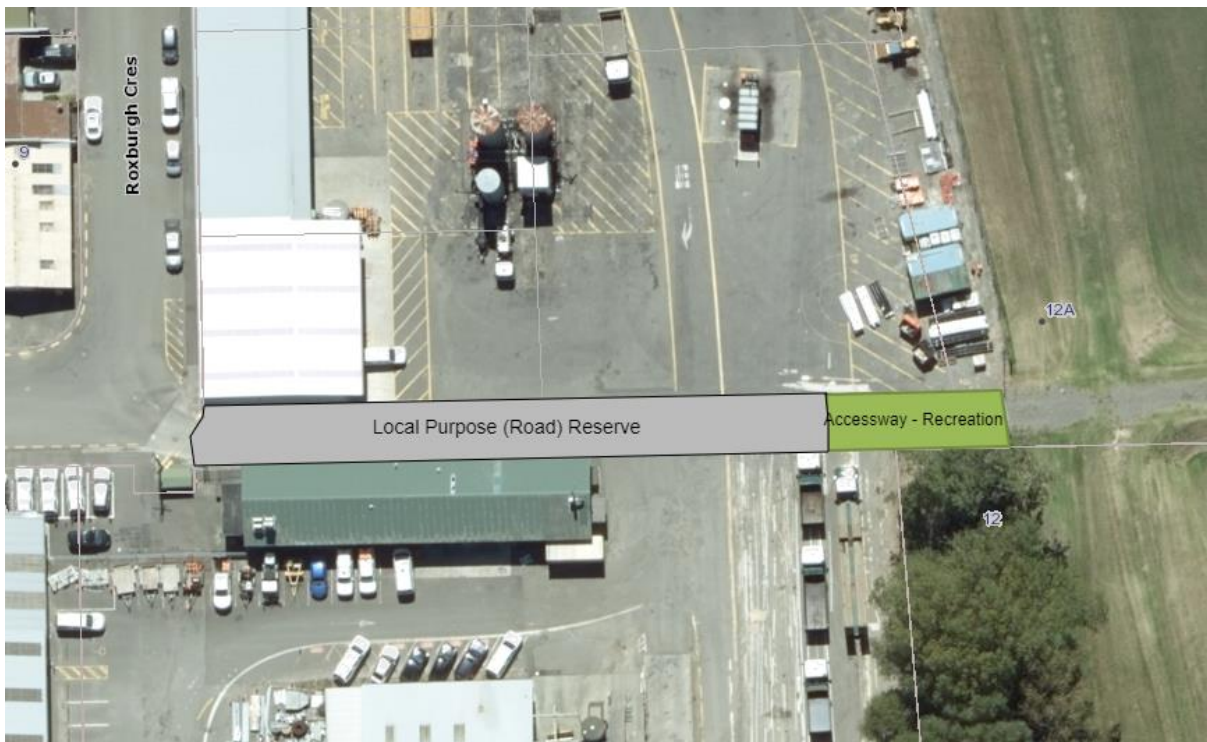


Figure 3: Portion of land at Roxburgh Crescent owned by PN City Council and proposed classification

4.7 To achieve this Council would need to classify parts of the Council Land for reserve and road purposes. This can be achieved by classifying part of the land as Local Purpose (Esplanade Reserve) (zoned recreation) and the remaining land as Local Purpose (Road) Reserve. The steps to achieve this are:

Step 1 – Classification of Council Land as Reserve

- Section 14 of the Reserves Act 1977 requires consultation to be completed to classify the land as reserve – part to be classified as Local Purpose (Esplanade Reserve), and part to be classified as Local Purpose (Road) Reserve. Provided that Council resolve the recommendation to proceed with public consultation, Council will consult on the classification proposal in parallel with Plan Change E.
- If Council wish to proceed with the classification proposal after consultation is completed, the classification can be achieved by way of resolution of Council, which can be registered by gazette notice.
- A surveyor would need to prepare a plan which separates the two areas of the strip of land proposed to be classified as different types of reserve. Discussions with Council's Survey Officer have indicated that the classification of one part of the land as Local Purpose (Esplanade Reserve) and the other part as Local Purpose (Road) Reserve, can be recorded in one survey office plan.

Step 2 – Dedicate the Local Purpose (Road) Reserve as road

- Once step 1 is completed, Council can consider dedicating the area classified as Local Purpose (Road) Reserve as road under section 111 of the Reserves Act. The timing of this would likely be completed at the same time as the surrounding roads located within the development are vested with Council.
- Section 111 of the Reserves Act process requires a resolution of Council to be passed confirming the dedication of the Local Purpose (Road) Reserve as road, which can then be lodged with Land Information New Zealand for registration.

4.9 Both the proposed road and recreation reserve land will remain in Council ownership.

5. NEXT STEPS

5.1 Notify Plan Change E for submissions under the Resource Management Act 1991.

5.2 Consult on the classification of the strip of land as recreation reserve and Local Purpose (Road) Reserve at 22 Roxburgh Crescent and run the Reserves Act consultation process parallel to the plan change.

6. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	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: Whāinga 1: He tāone auaha, he tāone tiputipu Goal 1: An innovative and growing city	
The recommendations contribute to the achievement of objectives in: 15. Mahere whare 15. Housing Plan	

The objectives are: <ul style="list-style-type: none"> • Implement the National Policy Statement on Urban Development Capacity • Rezone Roxburgh Crescent 	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Proposed Plan Change E will assist Council in meeting its obligations to ensure there is sufficient development capacity to meet projected demand, which will assist with improving housing affordability and being responsive to growth.

ATTACHMENTS

1. Proposed District Plan Change E: Roxburgh Residential Area and Section 32 Evaluation (attached separately) 

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Statutory review of the Signs and Use of Public Places Bylaw 2015 (s155 LGA determination report) and initiation of the review of the Policy for the Use of Public Space 2019

PRESENTED BY: Ann-Marie Mori, Policy Analyst and Stacey Solomon, Policy Analyst

APPROVED BY: David Murphy, General Manager Strategic Planning

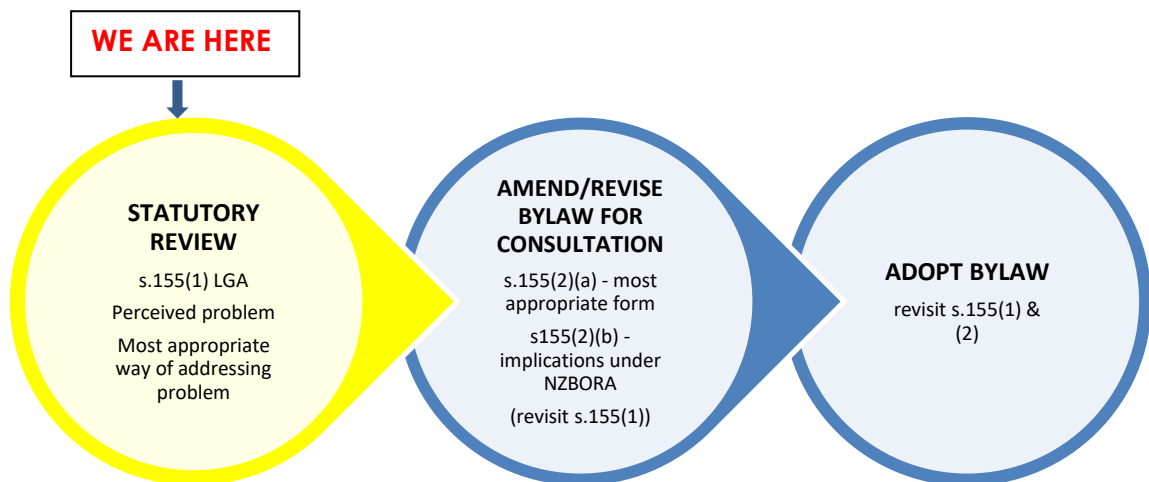
RECOMMENDATION(S) TO COMMITTEE

1. That the Strategy & Finance Committee receive the findings in the 'Palmerston North Signs and Use of Public Places Bylaw 2015 Review - Section 155 Determination Report' included as Attachment 1 to this report.
 2. For the purpose of meeting the requirements of s.155(1) of the Local Government Act 2002 (LGA), the Committee agree:
 - a) the perceived problem is that the shared use of Council-controlled public places in Palmerston North can create health, safety, nuisance, and accessibility issues;
 - b) a bylaw response is the most appropriate way to address the perceived problem; and
 - c) that the statutory review of the Palmerston North Signs and Use of Public Places Bylaw 2015 required by s.155(1) of the LGA is complete.
 3. That the Chief Executive prepare further advice for the Committee on amending the current Bylaw for consultation approval, including the determinations needed to meet the requirements of s.155(2) (a) and (b) of the LGA.
 4. That the Committee note the initial stages of the Policy for the Use of Public Space 2019 review will be done alongside the review of the Palmerston North Signs and Use of Public Places Bylaw 2015.
-

1. ISSUE

- 1.1 This report provides Palmerston North City Council ('Council') with the information it requires to make a determination under s.155(1) of the Local Government Act 2002 ('LGA'). The determination is that a bylaw is the most appropriate way to address the perceived problem.

- 1.2 The perceived problem is:
- The shared use of Council-controlled public places in Palmerston North can create health, safety, nuisance, and accessibility issues.
- 1.3 The LGA requires a statutory review of the Palmerston North Signs and Use of Public Places Bylaw 2015 within ten years of it last being reviewed (s.160(1)). The Bylaw was last reviewed in August 2014. The Bylaw will automatically be revoked on 25 August 2026 if the Council does not make a determination on the perceived problem.
- 1.4 Following the statutory review (highlighted in yellow) a summary of the next steps of the Bylaw process is:



- 1.5 This report should be read in conjunction with Attachment 1, 'Palmerston North Signs and Use of Public Places Bylaw - Section 155 LGA Determination Report', which provides further evidence to inform the recommendations.
- 1.6 The Policy for the Use of Public Space was [adopted by Council in 2019](#). Completing the initial stages of the Policy review alongside the Bylaw will enable a more joined-up approach to addressing the various issues identified.

2. BACKGROUND

Signs and Use of Public Places Bylaw

- 2.1 Council is empowered to make bylaws to mitigate nuisance and to protect, promote, and maintain public health and safety (s.145(a), (b) LGA) and to regulate trade (s.146(1)(a)(vi) and (1)(b)(vi) LGA). The Council has chosen to regulate (in part) the placement of specific types of signs, and a range of other uses of public places.

- 2.2 The Bylaw forms part of a wider approach to regulating and managing the use of public places. The other main method of regulating the use of public places are the provisions in the District Plan.
- 2.3 In addition to the provisions in the Local Government Act 2002, the current Bylaw is made under the Prostitution Reform Act 2003 (for signs advertising commercial sex services), the Land Transport Act 1998 (for stock grazing on road reserves), and the Health Act 1956 (for the protection of public health and abating nuisance).
- 2.4 The current Bylaw has multiple purposes, and seeks to:
 - a) Protect the public from nuisance and maintain the amenity of Palmerston North City¹
 - b) Protect, promote, and maintain public health and safety²
 - c) Regulate trading in public places³
 - d) Regulate, control, or prohibit signs in public places and signs advertising commercial sexual services⁴
- 2.5 [The Signs and Use of Public Places Bylaw and Administration Manual 2015](#) are available on the Council website.
- 2.6 The Oranga Papaioea City Strategy, recently adopted as part of the Long-Term Plan 2024-34, provides the strategic direction for this Bylaw.

Our community wellbeing goals and outcomes

Whāinga 2: He tāone whakaihiihi, tapatapahi ana
Goal 2: A creative and exciting city; and

We want our communities to have:

- a vibrant city that connects people, and where creativity is built into our cityscape

Whāinga 3: He hapori tūhonohono, he hapori haumarū
Goal 3: A connected and safe community

We want our communities to have:

- access to safe and accessible community places

- 2.7 The purpose statements in the following Plans are most relevant to the Bylaw review:

¹ s.145, Local Government Act 2002

² s. 22AB Land Transport Act 1998, and s.145 of the Local Government Act 2002

³ s.146 Local Government Act 2002

⁴ s.12 Prostitution Reform Act 2003, and s.145 of the Local Government Act 2002

Urban design plan	Community safety and health plan
<p>To achieve our purpose we will:</p> <ol style="list-style-type: none"> 1. Maintain and promote a connected and well-designed urban environment 2. Provide and promote connected, sustainable, accessible, safe, interesting, and playful public spaces 	<p>To achieve our purpose we will:</p> <ol style="list-style-type: none"> 1. Provide environmental health services 2. Promote community health 3. Co-ordinate and support community safety and harm reduction initiatives

Policy for the Use of Public Space

- 2.8 The purpose of the [Policy](#) is to provide high-level guidance and guidelines for how the Council will consider and manage applications for the use of our city's public space.
- 2.9 The Policy is used regularly by various teams throughout the organisation, informing how booking requests for public spaces are assessed, how we consider and support community-led events, and how we manage, support, and enable community projects.
- 2.10 The Policy, as with the Bylaw, contributes to achieving the Goals of the Council, specifically Goals 2 and 3 of the [strategic direction](#).
- 2.11 The Policy further states that activities which take place in public spaces should be consistent with other documents, bylaw controls and rules, including the District Plan, the Resource Management Act 1991, the Reserves Act 1977, and rules contained in the Land Transport Act 1998.

3. CONCURRENT REVIEWS OF THE BYLAW & THE POLICY FOR THE USE OF PUBLIC SPACE 2019

- 3.1 The Bylaw and Policy for the Use of Public Space 2019 falls within a wider system of tools (regulatory and non-regulatory) that the Council uses to manage its public places and spaces fairly and safely. *Figure 1* (below) demonstrates this system of tools used by the Council for public places and spaces management.

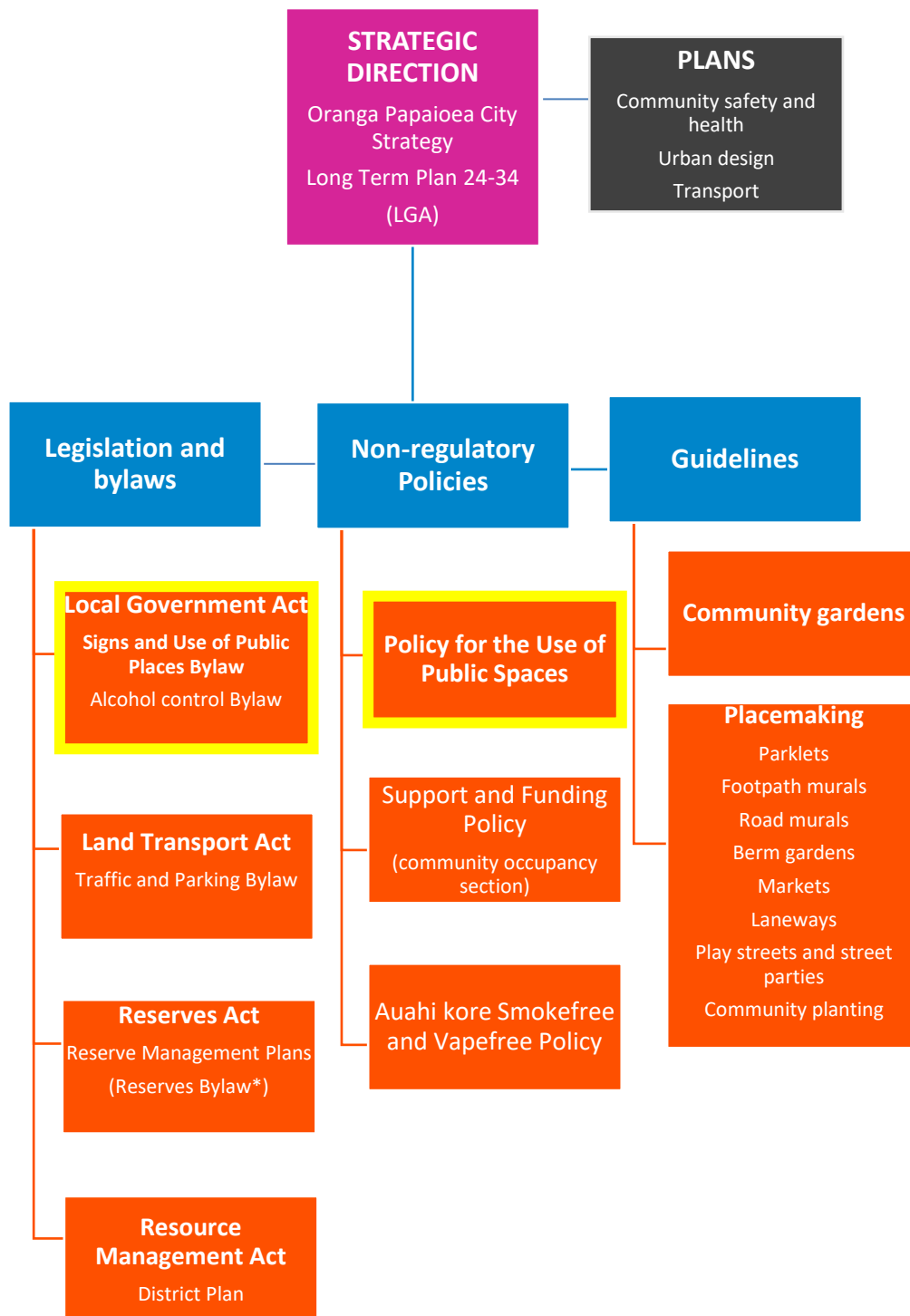


Figure 1: Relevant parts of PNCC's strategic and regulatory framework that relate to public places and public space management. Note: The Bylaw and the Policy are highlighted in yellow. *Council does not currently have a Reserves Bylaw made under the Reserves Act.

Relationship of the Policy to the Bylaw

- 3.2 While the purpose of the Policy is to enable and encourage a diverse range of events and activities in public space, and the Bylaw has a primarily regulatory function, they are intended to be complementary documents.
- 3.3 Together they provide Council's main response to a range of matters concerning the use of public space in Palmerston North. This is achieved with the Policy guiding the types of activities the Council supports in its shared public spaces, and the Bylaw offering a mechanism that ensures public places can be used safely by the community, free from the risk of injury, nuisance, or harm.
- 3.4 There are advantages in reviewing the Policy at the same time as the Bylaw. A concurrent review will ensure that the two documents are strategically aligned, and not operating independently or in contradiction of each other.

4. BYLAW REVIEW - THE PERCEIVED PROBLEM

- 4.1 Through the s.155 determination review, the overall problem statement for managing the use of public places is:

The shared use of Council-controlled public places in Palmerston North can create health, safety, nuisance, and accessibility issues.

- 4.2 For the purposes of this determination, the perceived problem is broken down into the four topics in the Bylaw:

Bylaw topic	Aspects of the problem
Signs	Signs can impact the amenity of public places, cause nuisance, or pose a risk to the health and safety of the community. <i>There have been 48 signs and flag signs complaints from 1 January 2020.</i>
Use of footpaths and public places	Placement of objects on public places can impact on amenity, accessibility, and usability. <i>There are 95 permit holders for tables and chairs in the City and 5 permits for other objects.</i>
Stock on road reserves	Livestock straying or wandering on to the road can damage the road and impact on road users. <i>There have been six complaints related to stock on roads recorded over the period 2020-24.</i>
Trading in public places	Mobile trading can cause damage to property or the environment, or tension between public and private interests, and users of public places. <i>There are six active mobile trading agreements for parks and reserves.</i>

5. OPTIONS ASSESSMENT FOR ADDRESSING THE PERCEIVED PROBLEM – A SUMMARY

5.1 A detailed options assessment for each aspect of the perceived problems (see section 3 and Appendix 1 of the s155 report – Attachment 1) is summarised below:

Aspects of the problem	Option 1 – Bylaw approach	Option 2 – No bylaw approach		
		a) Reliance on existing legislation and other regulatory instruments	b) Non-regulatory policies and guidelines	c) Public education and advice
Part 1 – Signs				
Part 2 – Use of footpaths and public places				
Part 3 – Stock on road reserves				
Part 4 – Trading in public places				

Key:

	Not the most appropriate way of addressing the perceived problem but this option contributes or supports a bylaw approach
	Complementary way of addressing the perceived problem
	Most appropriate way of addressing the perceived problem

5.2 The options assessment has concluded that a bylaw approach is the most appropriate method for managing the perceived problem.

5.3 The assessment has also shown that there are opportunities for the other options described that contribute to addressing the perceived problem (such

as the Policy for the Use of Public Space, and the District Plan) to be updated to support the Bylaw and the overall regulatory system.

6. DESCRIPTION OF OPTIONS

6.1 OPTION 1: Continue with a bylaw

6.2 Option 1 is a determination by the Committee that a bylaw is the most appropriate way of addressing the perceived problem, i.e. the shared use of Council-controlled public places in Palmerston North can create health, safety, nuisance, and accessibility issues.

6.3 A bylaw approach may mean that more than one bylaw is created or that parts of the current Bylaw are moved to a more appropriate bylaw.

6.4 If the Committee determines that a bylaw approach is the best way to address the perceived problem, the Policy will be reviewed concurrently to the Bylaw.

6.5 OPTION 2: Do not continue with a bylaw approach

If Council decides not to make the Option 1 determination, then there will be a further decision to make. Council could:

i. let the Bylaw lapse

This means that the Council does nothing, and the Bylaw expires on 25 August 2026.

ii. actively revoke the Bylaw

If the Council wants to revoke the Bylaw before the date on which it automatically expires, it must consult on this decision using a s.83 (special consultative procedure) process.

7. ANALYSIS OF OPTIONS

Option 1: Continue with a bylaw approach by:

a) Determining that a bylaw is the most appropriate way of addressing the perceived problem, and

b) Initiate a review for the Policy for the Use of Public Space alongside the Bylaw

7.1 If the Committee determines that a bylaw is the most appropriate way of addressing the perceived problem, then the Council should proceed to amend the Bylaw.

7.2 Changes and improvements to the current Bylaw have been identified for possible amendment, and include:

- Ensuring the bylaw continues to be closely aligned to the vision and strategic goals of Council as well as the enabling (primary) legislation.
- Clarifying the relationship between the Policy for the Use of Public Space, other policies or guidelines, and the Bylaw.
- Ensuring that there is more clarity between the Bylaw and the District Plan and their respective applications to public places and private property.
- Responding to ongoing issues relevant to the specific controls of the bylaw (e.g. sign dimensions and where you can locate them).
- Wording and structure changes to improve readability of the Bylaw.

7.3 This work will include consideration of other known (and unknown at this time) problems and issues which may be suitable for inclusion in this Bylaw but have not yet been fully assessed. These include any problems related to street fundraising, street performing, art installations, and vehicles being driven on reserves.

7.4 The review of the Policy for the Use of Public Space will begin alongside work on the Bylaw and will follow the Policy Framework process (Attachment 2). The initial stages of the Policy review will include an opportunity for Elected Members to decide whether to proceed with the Policy.

Option 1 is recommended.

7.5 **Option 2: Do not continue with a bylaw approach by:**

a) Not making the determination that a bylaw is the most appropriate way of addressing the perceived problem;

b) Initiating the review of the Policy for the Use of Public Space.

7.6 If the Committee determines that a bylaw is not the most appropriate way of addressing the perceived problem, then it should not make one. Unless a different decision is made by the Committee or Council later, no further work will be completed on this Bylaw and on 25 August 2026 (12 years after it was last reviewed) it will lapse.

7.7 Should the Committee wish for the Bylaw to be revoked earlier than the date it will expire, a consultation process with the community will have to occur (s.156 LGA).

7.8 The regulation of activities in public places in Palmerston North will still need to be controlled or managed in some way. Non-bylaw solutions will need to be further explored, such as reliance on the District Plan, or complete reliance on the Policy.

Option 2 is not recommended.

8. RISK ASSESSMENT

- 8.1 There are risks associated with each of the decisions on the options described above.

Community views

- 8.2 Option 1: Community views are not yet known. Community views will need to be sought if the Council determines to continue with a bylaw approach. Seeking community views means that the Bylaw and the Policy processes can be shaped by feedback.
- 8.3 Option 2: If the Council chooses to let the Bylaw lapse, community views will not be sought on the Bylaw. If the Council chooses to continue with the development of the Policy, views will need to be sought. If the Council chooses to actively revoke the Bylaw, community views must be sought through a special consultative procedure.

Reputational

- 8.4 Option 1: The Council is responsible for ensuring that the public can use public spaces safely, free from nuisance and harm. Having a bylaw that enables the Council to provide a clear and consistent approach to regulatory enforcement is one of the ways that Council does this. Option 1 allows the Council to manage the expectations of the community and what they can expect from the Council when it regulates public places.
- 8.5 Option 2: It is uncommon for metropolitan authorities not to have a bylaw approach to managing public places. Without any policy to reflect the Council's vision for the use of its public spaces, staff would be unable to assess applications for the use of public space in a fair and consistent way.

Environmental

- 8.6 Option 1: Public places are an important way the Council provides areas for recreation, exercise, and socialisation. Having a bylaw and a policy ensures that the Council has some control over activities in the public place which may have adverse environmental effects; for example, the cumulative effect of objects cluttering footpaths can impact the amenity of the urban environment.
- 8.7 Option 2: Means that the Council will need to manage impacts on the environment from the use of its public places and spaces with other regulatory and policy tools available to it – such as the District Plan. It is less efficient for staff to apply the rules and guidelines this way. It is also more complex for the community.

Strategic

- 8.8 Option 1: A bylaw enables the Council to act under enabling legislation to provide a safe, accessible, and nuisance free environment. The Policy

contributes to Goals 2 and 3, by clearly stating the intention of the Council to allow trade, events, and other activities to occur in Public Spaces.

- 8.9 Option 2: There may be a risk that the Council does not achieve its strategic vision, with particular reference to Goal 3, and the safety and health of the community. Not reviewing the Policy means there is a lost opportunity to reflect the new strategic direction of the Council, or for the Council to respond through the Policy to new emerging trends or issues.

Financial

- 8.10 Bylaw and policy reviews are within existing budgets. There are no financial risks associated with either option.

Summary of risk

- 8.11 There is less risk associated with Option 1: continuing a bylaw approach.

9. CONCLUSION

- 9.1 Staff recommend the Committee determine a bylaw is the most appropriate way of addressing the perceived problem, and that work to revise and amend the current Bylaw starts. Staff note that this determination does not commit Council to continuing with the current form or content in the Signs and Use of Public Places Bylaw.
- 9.2 If the Committee makes the recommended resolution an amended Bylaw will be presented to the Committee for consideration in 2025.

10. NEXT STEPS

- 10.1 If the Committee endorses the recommended option and determines that a bylaw is the most appropriate way to address the perceived problem, the statutory review is complete. Work to revise and amend the Bylaw will proceed.
- 10.2 The Committee will need to make further determinations at a later date if it decides to revise and amend the current Bylaw. These determinations will be put to the Council when a proposed bylaw is presented for consultation approval. Those determinations will be:
- That the proposed bylaw is the most appropriate form of bylaw (s.155(2)(a) LGA); and
 - That the proposed bylaw does not give rise to any implications under the New Zealand Bill of Rights Act 1990 ('NZBORA') (s.155(3) LGA).
- 10.3 Further direction from Elected Members will be sought (through workshops or surveys) as part of this process, especially to understand issues that might influence the scope or scale of revision or change which is expected.

- 10.4 While staff report that the Policy is working well, opportunities for improvement in the Policy have been identified. Further work will be completed to determine the potential extent of the changes, and how the Policy can more closely align with the goals and vision of the Council, and wider system of guidelines, controls, and regulation the Council has for the use of public space.

11. OUTLINE OF PRE-CONSULTATION ENGAGEMENT PROCESS

- 11.1 Pre-consultation engagement will occur with Council's partners, identified stakeholders, interested parties, and the community, to capture views and note any issues with the current Bylaw and Policy. The list below are the groups, stakeholders, and partners who will be engaged (the list is not exhaustive, and is in addition to internal engagement with other staff):

- Rangitāne o Manawatū, through Te Whiri KōKō
- Palmy BID (Business Improvement District)
- Manawatū Business Chamber
- CEDA
- Council-Controlled Organisations
- Council's reference groups
- Youth Council
- Safety Advisory Board
- New Zealand Police
- Living Streets Aotearoa
- Real estate companies
- Sex industry representatives
- Mobile traders
- Permit holders
- Business owners
- Electoral Commission
- Political parties
- Federated Farmers
- Signage companies
- Placemaking Aotearoa
- Event organisers and hosts
- The wider community



- 11.2 Feedback received during early engagement will be used to develop an options report as the next stage of the review.

12. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No

Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
<p>The recommendations contribute to:</p> <p>Whāinga 3: He hapori tūhonohono, he hapori haumarū</p> <p>Goal 3: A connected and safe community</p>	
<p>The recommendations contribute to the achievement of objectives in:</p> <p>9. Mahere haumarū hapori, hauora hapori</p> <p>9. Community Safety and Health Plan</p> <p>The objective is: The Bylaw and the Policy are scheduled for review, which has prompted this work.</p>	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	<p>Public places are used for a wide range of activities by a range of different people. If these spaces are not managed well, then conflicts can arise between the users and the activities occurring in the spaces. These conflicts can result in risks to health and safety, public nuisance or could cause damage to land or property.</p> <p>The bylaw supports the efforts of the Council to achieve its strategic goals, particularly those related to achieving safer communities, and connected communities.</p>

ATTACHMENTS

1. Palmerston North Signs and Use of Public Places Bylaw - Section 155 LGA Determination Report [↓](#) 
2. Policy Framework diagram [↓](#) 



Palmerston North Signs and Use of Public Places Bylaw

Section 155 LGA Determination Report

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Executive Summary

- The Signs and Use of Public Places Bylaw 2015 is due for a statutory review as required by s. 160 and 155(1) LGA.
- This determination report assesses whether a bylaw is the most appropriate way of addressing the perceived problem.
- The current Bylaw is about:
 - Protecting the public from nuisance and maintaining the amenity of the City
 - Protecting, promoting, and maintaining public health and safety
 - Regulating trading in public places
 - Regulating, controlling, or prohibiting signs in public places and signs advertising commercial sexual services
- The perceived problem is that the shared use of Council-controlled public places in Palmerston North can create health, safety, nuisance, and accessibility issues.
- We are aware that there are additional uses of public places that may be causing other problems that could be addressed through a bylaw approach. These problems need to be supported by evidence.
- We have explored some options to respond to different aspects of the problem:
 - 1 Continuing with a bylaw approach
 - 2(a) Relying on existing legislation and other regulatory instruments
 - 2(b) Relying on (non-regulatory) Council policies and guidelines
 - 2(c) Public education and advice
- We have concluded that, on balance, a bylaw approach is the most appropriate method for managing the perceived problem.
- We also recommend that the Policy for the Use of Public Space is reviewed alongside the Bylaw to enable a more joined-up approach to addressing the various problems identified.
- The next steps include an Elected Member workshop, and community and stakeholder engagement to inform amendments to the Bylaw.
- An options report, which will detail the potential scope and scale of these revisions to the Bylaw, will be presented to the Committee before a proposed Bylaw is brought for consultation approval.

1. Background to the Bylaw review

This report assesses whether a bylaw is the most appropriate way of addressing problems in public places (s. 155(1) LGA)

This report provides Elected Members with information and advice to inform the desired level of regulation for activities and uses of public places in Palmerston North under the statutory review requirements of s. 160 the Local Government Act (LGA).

The main consideration for the Council at this point is:

- whether a bylaw is the most appropriate way of addressing the perceived problem (s. 155(1)).

As part of satisfying this determination, an assessment of the perceived problem needs to be made, followed by an options assessment of whether a bylaw is the most appropriate way of addressing the problem.

The Bylaw was originally made in 2004, replacing 54 obsolete bylaws. This is its third review.

The current Signs and Use of Public Places Bylaw addresses a number of topics

The current Bylaw is enabled under the LGA, the Health Act, the Land Transport Act and the Prostitution Reform Act to regulate problems in public places. The Bylaw has a strong association with the District Plan, Council's other main way of regulating activities and use of land in the City. The current Bylaw has multiple purposes:

- a) Protect the public from nuisance and maintain the amenity of Palmerston North City
- b) Protect, promote, and maintain public health and safety
- c) Regulate trading in public places
- d) Regulate, control, or prohibit signs in public places and signs advertising commercial sexual services

The Bylaw is arranged into these topics:

Part 1 - Signs (including mobile signs, signs and flags on footpaths, signs advertising commercial sexual services, real estate signs and flags, sign parks, election signs)

Part 2 - Use of Footpaths and Public Places (objects on footpaths, drawing on footpaths, security fencing)

Part 3 - Stock on Road Reserves (roadside grazing)

Part 4 - Trading in Public Places (mobile trading)

Part 5 - Administration

An Administration Manual for the Bylaw governs its implementation and operation. It provides information to the public about applying for permits under the Bylaw and identifies the standard conditions that apply to the different activities.

The statutory review of the Bylaw has prompted a concurrent review of the Policy for the Use of Public Space

The Policy for the Use of Public Space was adopted by Council in 2019. As the subject matter is the same, i.e. how Council manages use and activities in our public places and spaces, a concurrent review of the Policy and the Bylaw is recommended.

The Bylaw review creates an opportunity for the Council to consider how best to manage a problem across the range of statutory and regulatory options it has available. For example, working out what problems caused by activities and uses are best dealt with through a bylaw approach or what can be addressed through the Policy or, are more appropriately managed other ways.

2. Perceived problems in public places

What are the perceived problems?

The Council's current Signs and Use of Public Places Bylaw seeks to address some of the people-focussed problems (rather than environmental problems) occurring in places that are under the control of the Council.

Public places are used for a wide range of activities and by a range of different people. If these spaces are not managed well, then conflicts can arise between the users and the activities occurring in the spaces. These conflicts can result in risks to health and safety, public nuisance, or could cause damage to land or property.

Most problems occurring managed through the bylaw have common characteristics in that they relate to things that are portable, and temporary in nature. The problems associated with people's use of public places therefore 'come and go' rather than remain static.

This table provides perceived problem statements for each of aspect of the current Bylaw:

Bylaw aspect	Aspects of the problem
Signs	Signs can impact the amenity of public places, cause nuisance, or pose a risk to the health and safety of the community. <i>There have been 48 signs and flag signs complaints from 1 January 2020.</i>
Use of footpaths and public places	Placement of objects on public places can impact on amenity, accessibility, and usability. <i>There are 95 permit holders for tables and chairs in the City and 5 permits for other objects.</i>
Stock on road reserves	Livestock straying or wandering on to the road can damage the road and impact on road users. <i>There have been six complaints related to stock on roads recorded over the period 2020-24.</i>

Bylaw aspect	Aspects of the problem
Trading in public places	Mobile trading can cause damage to property or the environment, or tension between public and private interests, and users of public places. <i>There are six active mobile trading agreements for parks and reserves.¹</i>
Other uses of public places (not in current Bylaw)	Other uses, particularly in parks and reserves, can impact on the safe enjoyment of public places. <i>Requires collection and analysis to confirm the problem.</i>

Overall problem statement for managing the use of public places

The shared use of Council-controlled public places in Palmerston North can create health, safety, nuisance, and accessibility issues.

Other uses of public places

In addition to the identified problems, based on the research carried out so far, there are additional uses of public places that may be causing problems in the community that could be appropriately included in a bylaw. These include problems occurring in 'green' public places such as parks and reserves (e.g. scattering ashes in public places, driving dirt bikes and other vehicles on reserves). The Reserves Act provides a mechanism to address these types of issues through reserve management planning or creating a bylaw under this legislation (or both).

Given the likelihood of other problems raised in the next phase of work shaping the form and content of an amended bylaw, further assessment of the best management or regulatory approach, including further determinations under s155(1) of the LGA, may be required. This will involve the Council making further decisions on the desired level of control required to address the problem and the best option to achieve this. These decisions should be based on evidence of the problem and its seriousness in terms of frequency and impacts on health and safety, and level of nuisance caused by the use or activity.

3. Analysis of options to address the problems

S.155 of the LGA requires the Council to determine whether a bylaw is the most appropriate way of addressing the perceived problem. To make this determination, Council considers all the reasonably practicable options that are available to it.

What are the practicable options?

The reasonably practicable options available to address the problem described above are:

- Option 1: Continue with a bylaw approach
- Option 2: Not continue with a bylaw:
 - a) Rely on existing legislation and other regulatory instruments

¹ Note that food businesses registered with PNCC are not required by the environmental health team to have a trading permit. Council does not issue licences to trade on an ongoing basis on Council reserves as this has not been provided for in Reserve Management Plans.

- b) Rely on (non-regulatory) Council policies and guidelines
- c) Public education and advice

The option for the Council to 'do nothing' has been considered but discounted. A 'do nothing' approach would mean the Council not having a bylaw, or any other mechanisms, to address the problem outlined.

Option 1: Continue with a bylaw approach

Because the Council already has a bylaw that addresses problems in public spaces, continuing a bylaw approach could involve:

- Continuing the current Bylaw without revision or amendment
- Revising and amending the current Bylaw
- Revoking and replacing the current Bylaw (could be with one or more bylaws)

Some of the problems raised through this review relate to "green" public spaces e.g. driving motorbikes on walkways causing noise disruption to neighbours. There is the potential for some of these problems to be addressed by making a bylaw under the Reserves Act if it was determined a bylaw was the best way to manage the perceived problem.

Main advantages of a bylaw approach:

- Bylaws are specific to our local context and the specific problem being experienced (they are local laws).
- Council already has a suite of bylaws so there is a familiarity with the type of controls that apply to manage problems in the City.
- There are several Acts that provide the Council with bylaw-making powers to manage different activities that occur in public places e.g. for nuisance, for traffic safety, and reserve management purposes.
- Bylaws provide a clear regulatory framework for decision-making in relation to the problems in the community that require the most control.
- Bylaws provide the Council with the legal ability (as an enforcement tool) to act for any serious consequences of uses that cause nuisance, and health and safety impacts.
- Bylaws can be effectively enabled through an implementation approach where roles and responsibilities are assigned across the organisation and to develop good processes and procedures.
- If further problems arise then the Bylaw can be amended (as Council has done previously over the Bylaw's history).

Main disadvantages of a bylaw approach:

- Bylaws require a high level of voluntary compliance from the community (understanding, awareness, and agreement to follow the controls) to achieve the desired outcome. Low levels of voluntary compliance would be difficult for the Council to manage within the resources it has available to it (e.g. staff, budget), and the bylaw would not be successful.

- Bylaws are designed to address highly specific problems and can be ineffective if they are the first or only tool available to the Council. The success of a bylaw is therefore reliant on it being a part of a wider system of tools.
- The process to amend a bylaw is rigorous and time-consuming. In the time it takes to amend a bylaw, there could be a period of time where the Council is not compliant with legislative requirements, where the bylaw is contradictory with other policies or regulatory rules of the Council, or there is dissatisfaction from the community on the perceived speed of the Council's response to the problem.

Option 2(a): Rely on existing legislation and other regulatory instruments

Council has the option to rely on existing legislation and other regulatory instruments to address the perceived problem. This option would mean that the Council may not continue to have a bylaw covering all the topics. Instead, a combination of various legislative instruments, as well as other planning and regulatory documents, would be identified and implemented as required. The main benefit of this option is not duplicating regulation already available by creating a bylaw. The most applicable of these alternative regulatory instruments are described below.

District Plan (Resource Management Act 1991)

The District Plan is the primary document that manages land use and development within Palmerston North. It has a significant influence on the way that the community operates day-to-day – including over activities that occur in our public places. The District Plan helps to manage activities and the outcomes or effects of those activities on the environment.

The current Bylaw has an overlap between its provisions and the District Plan's rules that are reflected in the Bylaw's purpose statement.

The signage rules in Section 6.1 of the District Plan outlines similar resource management problems and objectives to those in the Bylaw. The signage section also recognises the multi-pronged approach to controlling the effects of signage: the District Plan rules, the current Bylaw, design guidelines for signs, public education and advice and the New Zealand Transport Agency Requirements for signs on State Highways.

Under the District Plan, all roads, including footpaths and the road reserve, are designated (rather than zoned) for roading purposes. That means that activities that are not for roading purposes within the roading designation (e.g. placement of temporary advertising signs on footpaths) need to be assessed for compliance under the adjoining zone.

Reserve Management Plans (Reserves Act 1977)

Reserve management plans (RMPs) set out how Council intends to provide for and ensure the use, enjoyment, maintenance, protection, and preservation of reserves. General management policies in RMPs establish the statutory approach to use of parks and reserves. RMP policies often reference bylaws as the way certain uses are legally established e.g. that mobile traders located on reserves require a permit under a bylaw.

Advertising Standards Code

Part of the Bylaw includes controls for controversial and objectionable advertising signs. The purpose of the Advertising Standards Code, managed by the Advertising Standards Authority, is to ensure that advertisements, including signs, are responsible: they must be legal, decent, honest and truthful and respect the principles of fair competition, so that the public can have confidence in advertising.

Option 2(b): Rely on Council (non-regulatory) policies and guidelines

Policy for the Use of Public Space 2019

This Policy guides how we manage applications for the use of public space (except casual and informal use, such as a picnic in the park). Under this policy, public space is any outdoor area under Council control, including the Square, Railway Land, reserves, parks, riverbanks, and verges. This is a much more descriptive definition of public places than in the Bylaw.

The policy was developed because of a desire for public spaces to “host to unique activities, increasing opportunities for social interaction and visible public life”. It also strives to “protect our public spaces for everyone to access and enjoy.”

The Policy states that activities in public spaces must be managed in accordance with the Council’s bylaws and policies, and with other governing legislation (including, but not limited to, traffic legislation, Resource Management Act 1991, and the Reserves Act 1977). The Policy does not manage compliance matters.

This Policy also guides the community in terms of the level of control the Council wishes to apply to a range of use and activities in public places and spaces, as illustrated below:



The Policy operates at the ‘allow and manage’ level of intervention as opposed to the ‘regulate’ on this continuum (which is where bylaw controls and District Plan rules fit).

Support and Funding Policy – community occupancy

This policy provides a framework for how Council funds, supports and partners with community and voluntary organisations to achieve social and cultural wellbeing outcomes in the city. It sets out the specific requirements for community occupancy (leasing) Council property that can include public places such as parks and reserves. Applications for community occupancy must consider the relevant assessment criteria in the guidelines in the Policy for the Use of Public Space. This section of the Policy also connects strongly to the Reserves Act.

Auahi kore Smokefree and Vapefree Policy

These are guidelines to encourage people to refrain from smoking and vaping in our public places. Because the role of local government on smoking is limited, the policy focuses on positive actions to promote the policy outcomes, such as education and signage.

Guidelines in support of policies

The Council has developed guidelines to support the Bylaw's provisions on the placement of tables and chairs footpaths for outdoor dining. Outdoor dining permit holders must display smokefree and vapefree signage in line with the Auahi Kore Smokefree and Vapefree Policy.

Placemaking Guidelines support the community's placemaking efforts. Council has provided information and guidelines on its website on these public place uses: footpath and road murals, berm gardens, markets, laneways, play streets and street parties, parklets and community planting.

Community Gardens Guidelines provide a resource for communities seeking to use public places and spaces for these purposes. These guidelines should support Council's broader direction and are planned for review.

Option 2(c): Public education and advice


















Behaviour change programmes and promotion of best practice approaches are examples of educative approaches that could be carried out alongside other options. These are soft forms of influence that are usually done in conjunction with Council's formal legislative powers rather than standalone things. Educative resources for public place management could be:

- Guidelines
- Campaigns and promotions
- Media content e.g. social media or stories
- Workshops and direct engagement with stakeholders




Assessment of ways to manage the perceived problem - the recommended option

The analysis of the options described above concludes that a bylaw approach (Option 1) is the most appropriate way of addressing the perceived problem. Bylaws are part of a wider regulatory and strategic framework. Bylaws are only the most appropriate way to address specific problems when we recognise that there are other ways or options to solve problems.

This table summarises a detailed assessment of aspects of the problem (based on the current Bylaw topics):

Aspects of the problem	Option 1 – Bylaw approach	Option 2 - No bylaw approach		
		a) Reliance on existing legislation and other regulatory instruments	b) Non-regulatory policies and guidelines	c) Public education and advice
Part 1 – Signs				
Part 2 – Use of footpaths and public places		 		
Part 3 – Stock on road reserves				
Part 4 – Trading in public places				

Key:

	Not the most appropriate way of addressing the perceived problem but this option contributes or supports a bylaw approach
	Complementary way of addressing the perceived problem
	Most appropriate way of addressing the perceived problem

See Appendix 1 for a detailed options assessment of the aspects of the problem.

Other options can support a bylaw approach

The assessment shows that the Policy for the Use of Public Places should be reviewed alongside the Bylaw to recognise the relationship between the two. Areas identified in the Bylaw that benefit from the Policy's guidance are:

- Part 1 – Use of Footpaths and Public Places
- Part 4 – Trading in Public Places

4. Further LGA determinations




The form (content) of the Bylaw and NZ Bill of Rights Act implications will be addressed later

Following this determination report, two more determinations need to be made under Section 155(2) of the LGA: the form of the Bylaw and an assessment under NZBORA. These matters can be addressed once a proposed bylaw has been drafted for consultation.


APPENDIX 1: Detailed options assessment of the aspects of the problem

The tables that follow provide a detailed assessment of the aspects of the problem that are covered in the current Bylaw.



Key:

	Not the most appropriate way of addressing the perceived problem but this option contributes or supports a bylaw approach
	Complementary way of addressing the perceived problem
	Most appropriate way of addressing the perceived problem



Part 1 – Signs (general controls, mobile signs, signs and flags on footpaths, signs advertising commercial sexual services, real estate signs and flags, sign parks, election signs)




Aspect of perceived problem: Signs can impact the amenity of public places, cause nuisance, or pose a risk to the health and safety of the community.			
Option	Advantages	Disadvantages	Conclusion
1 Bylaw approach	<ul style="list-style-type: none"> The perceived problem relates to health, safety and nuisance matters rather than the resource management issues, such as managing environmental effects on amenity, that is outlined in the Signage section of the District Plan. The types of signage covered in the Bylaw share some common characteristics such as being portable and temporary (e.g. for the 	<ul style="list-style-type: none"> The similarity between the rules for signs in the Bylaw, and the rules for signs in the District Plan, has the potential to cause confusion. The Bylaw provides an additional layer of regulation that is easier to understand and apply than the District Plan, but could be unnecessary (if there is a discrepancy between the two, the District Plan will always prevail). 	 A Bylaw approach is the most appropriate way of addressing the perceived problem for these types of signs as it provides a simpler regulatory scheme than the District Plan.

Aspect of perceived problem: Signs can impact the amenity of public places, cause nuisance, or pose a risk to the health and safety of the community.			
Option	Advantages	Disadvantages	Conclusion
	<p>duration of an election or property sale) rather than fixed advertising signs.</p> <ul style="list-style-type: none"> • A bylaw is an effective and efficient way of regulating temporary activities that occur within the roading designation (that includes footpaths and the road reserve) compared to assessing activities under District Plan zone rules. • Controls for signage are managed through a permitting system, which are enabled through a bylaw. 		
2(a) Rely on existing legislation and other regulatory instruments	<ul style="list-style-type: none"> • Putting all signage controls in the District Plan would avoid duplication of regulation, and potential for any confusion, between the District Plan and bylaw controls. • Some types of signage, mainly fixed advertising signage, are more appropriately covered by District Plan rules due to controlling amenity effects rather than health, safety and nuisance concerns. • Problems related to offensive, objectionable or indecent signs can be managed through the processes in the Advertising Standards Code (ASC). • Reserve-related signage problems can be managed by Reserve Management Plans and the District Plan. 	<ul style="list-style-type: none"> • The District Plan manages environmental effects, not the effects of signs on people's health and safety. • The District Plan's signage section would need to be changed via a Plan Change. This work is not scheduled until 2027-29. 	<p>✓ Together the Bylaw's signage controls and the District Plan signage rules provide a comprehensive approach to managing all of the effects of signage on the environment including public places and the people that use these spaces.</p> <p>✓ Problems related to controversial and objectionable signs can be managed by the Advertising Standards Authority.</p>





Aspect of perceived problem: Signs can impact the amenity of public places, cause nuisance, or pose a risk to the health and safety of the community.			
Option	Advantages	Disadvantages	Conclusion
2(b) Rely on Council (non-regulatory) policies and guidelines	<ul style="list-style-type: none"> A signage policy or framework would reflect the strategic direction and outline the ways of achieving a range of outcomes through a combination of regulatory and non-regulatory mechanisms. Council could seek the feedback of the community to develop these policies and guidelines. 	<ul style="list-style-type: none"> Policies and standalone guidelines don't include any regulatory powers such as permitting processes or enforcement to manage impacts of signage. 	 Policies support Council's broader objectives and outcomes for public place management but are not regulatory tools.
2(c) Public education and advice	<ul style="list-style-type: none"> Signage guidelines would be less complex for the community to interpret than a bylaw, enabling better compliance. Education and advice can be a targeted response by working with businesses and the community to achieve good outcomes. 	<ul style="list-style-type: none"> Public education is unable to be implemented as a standalone solution for signage problems occurring in public places. Education methods are a proactive way of informing the community about signage requirements but may not result in the outcomes sought. Reliance on voluntary compliance. This approach can be more resource intensive for staff to develop and keep material up-to-date as well as keep in touch with key stakeholders. 	 Public education supports the broader objectives and outcomes for public place management but would not be done in isolation of regulatory approaches.

Part 2 – Use of Footpaths and Public Places (objects on footpaths, drawing on footpaths, security fencing)




Aspect of perceived problem: Placement of objects on public places can impact on amenity, accessibility, and usability.			
Option	Advantages	Disadvantages	Conclusion
1 Bylaw approach	<ul style="list-style-type: none"> The perceived problem relates to health and safety and nuisance matters rather than the resource management issues outlined in the District Plan. The Bylaw is permissive as it includes a general authorisation provision that enables the placement of objects (excluding tables, chairs or other seating arrangement) on footpaths within the CBD and Local Business Zone. A bylaw is an effective and efficient way of regulating temporary activities that occur within the roading designation (that includes footpaths and the road reserve) compared to assessing individual activities under District Plan zone rules. Provides the Council with the legal ability to act on any serious consequences activities on footpaths that cause nuisance, and health and safety impacts (including causing distraction to road users). 	<ul style="list-style-type: none"> The Bylaw provides an additional layer of regulation to the District Plan rules that could be confusing for people wanting to put items on footpaths. 	 A bylaw approach is the most appropriate way of addressing the perceived problem with the placement of objects on public places.
2(a) Reliance on existing legislation and other regulatory instruments	<ul style="list-style-type: none"> The District Plan includes rules on the types of fencing adjoining public open space and road reserve boundaries in the (Residential Zone) and rules for security fencing 	<ul style="list-style-type: none"> The District Plan manages environmental effects, whereas the Bylaw is focused on social effects such as health and safety 	 The District Plan is a complex regulatory tool that is not as responsive to


Aspect of perceived problem: Placement of objects on public places can impact on amenity, accessibility, and usability.			
Option	Advantages	Disadvantages	Conclusion
	adjoining public places in the Industrial and Airport Zones (to protect amenity values) so similar provisions in the Bylaw relating to security fencing could transfer to the District Plan.	<p>arising due to objects being placed on footpaths and other public places.</p> <ul style="list-style-type: none"> The District Plan's provisions would need to be reviewed to cover these types of temporary activities. 	<p>temporary uses on footpaths nor the types of effects these activities generate.</p> <p> Security fencing provisions could be transferred to the District Plan.</p>
2(b) Rely on Council (non-regulatory) policies and guidelines	<ul style="list-style-type: none"> The Policy for the Use of Public Space provides a framework to guide decision-making on the types of uses the Council wants to enable, such as placemaking activities, with activities on footpaths falling within this category. Guidelines, like the current Placemaking Guidelines, provide resources for the community for a wide range of public place uses including many activities on footpaths or in the road reserve. They set clear expectations and communication channels with the Council to gain any necessary approvals. 	<ul style="list-style-type: none"> Policies and guidelines don't have any regulatory powers such as permitting processes and enforcement ability. 	<p> Policies and guidelines and support Council's broader objectives and outcomes for public place management but are not regulatory tools.</p>
2(c)Public education and advice	<ul style="list-style-type: none"> As above 	<ul style="list-style-type: none"> As above 	<p> Public education supports the broader objectives and outcomes for public place management.</p>

Part 3 – Stock on Road Reserves (roadside grazing)

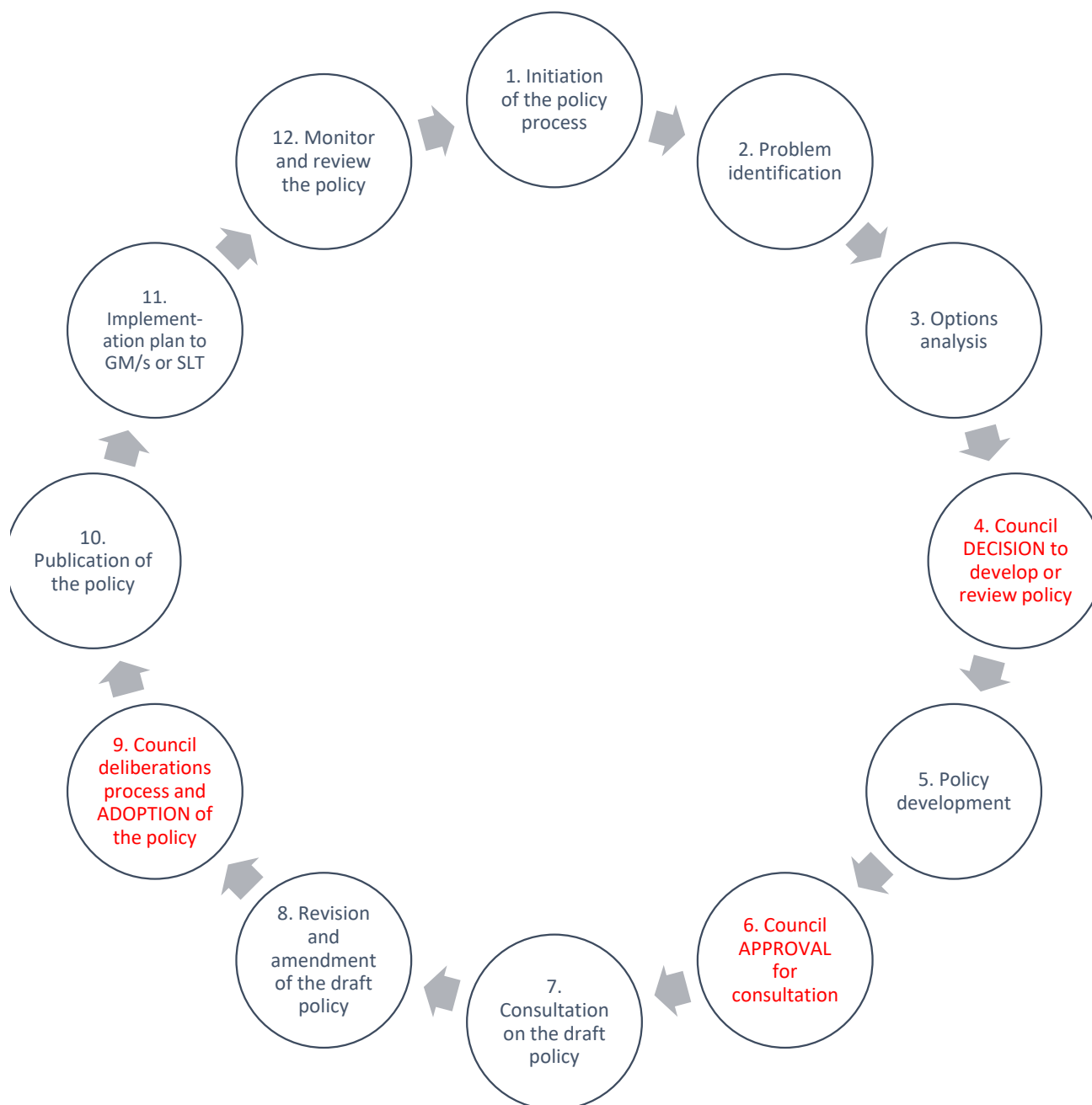
Aspect of perceived problem: Livestock straying or wandering on to the road can damage the road and impact on road users.			
Option	Advantages	Disadvantages	Conclusion
1 Bylaw approach	<ul style="list-style-type: none"> A bylaw is an effective and efficient way of managing activities that occur on the roading network. Provides the Council with an enforcement tool to act for any serious consequences of escaped livestock causing road safety problems. 	<ul style="list-style-type: none"> There is a disadvantage to have this control in the current Bylaw as it limits Council's enforcement approach and therefore would be better placed in a road safety related bylaw e.g. the Traffic and Parking Bylaw. 	 A bylaw approach is the most appropriate way of addressing the perceived problem relating to stock grazing on road reserves.
2(a) Rely on existing legislation and other regulatory instruments	<ul style="list-style-type: none"> Section 33 of the Impounding Act 1955 enables warranted officers to seize stock found straying or wandering on any road. 	<ul style="list-style-type: none"> The Impounding Act 1955 doesn't regulate fencing for livestock on the road reserve, it only enables Council to impound stock once they are on the road. 	 The Act relates more to the process for impoundment rather than the use of the road reserve (a public place).
2(b) Rely on Council (non-regulatory) policies and guidelines	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Guidelines and policies don't have any regulatory powers such as permitting processes and enforcement ability. 	 Guidelines and policies support Council's broader objectives and outcomes for public place management but are not regulatory tools.
3(c) Public education and advice	<ul style="list-style-type: none"> As above 	<ul style="list-style-type: none"> As above 	 Public education supports the broader objectives and outcomes for public place management.

Part 4 – Trading in Public Places (mobile trading)

Aspect of perceived problem: Mobile trading can cause damage to property or the environment, or tension between public and private interests, and users of public places.			
Option	Advantages	Disadvantages	Conclusion
1 Bylaw approach	<ul style="list-style-type: none"> Sets expectations through a permitting process for sale of goods and services in public places, such as not impeding pedestrians or causing damage to Council property. 	<ul style="list-style-type: none"> Doesn't specify locations for where mobile trading is permitted or not permitted. 	 A Bylaw approach is the most appropriate way of addressing the perceived problem related to trading in public places.
2(a) Rely on existing legislation and other regulatory instruments	<ul style="list-style-type: none"> The District Plan seeks to achieve that a wide range of business and economic activities are provided for across the City through its provisions. Trading in parks and reserves can be managed through the RMP process by specifying policies or identifying areas suitable for mobile trading. 	<ul style="list-style-type: none"> Under the District Plan establishing trading activities within the roading designation or recreation zones could mean a resource consent is required adding to time and costs for the applicant. Council's RMPs are currently being developed so there is no policy settings for trading on reserves. 	 Together with the bylaw's mobile trading controls, District Plan rules and the future development of RMPs provide a comprehensive approach to managing the effects mobile trading.
2(b) Rely on Council (non-regulatory) policies and guidelines	<ul style="list-style-type: none"> The Policy for the Use of Public Space provides a framework to guide decision-making on the types of uses the Council wants to enable, including mobile trading. Placemaking guidelines include information on markets that could be extended to a broader range of trading activities. 	<ul style="list-style-type: none"> As there are several options for managing mobile trading, it creates a layered approach that may be confusing for mobile trading businesses. 	 In addition to the Bylaw, Council's policies provide processes to manage applications for mobile trading in public places and reserve areas on a case-by-case basis.

Aspect of perceived problem: Mobile trading can cause damage to property or the environment, or tension between public and private interests, and users of public places.			
Option	Advantages	Disadvantages	Conclusion
2(c) Public education and advice	<ul style="list-style-type: none"> As above 	<ul style="list-style-type: none"> As above 	 Public education supports the broader objectives and outcomes for public place management.

Policy process



REPORT

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Approval to consult on the draft Dangerous, Affected, and Insanitary Buildings Policy 2024

PRESENTED BY: Lili Kato, Policy Analyst

APPROVED BY: David Murphy, General Manager Strategic Planning

RECOMMENDATION(S) TO COUNCIL

1. That Council approve the draft Dangerous, Affected, and Insanitary Buildings Policy for consultation (included in Attachment 1: Statement of Proposal – Draft Dangerous, Affected, and Insanitary Buildings Policy 2024).

SUMMARY OF OPTIONS ANALYSIS FOR THE DRAFT DANGEROUS, AFFECTED, AND INSANITARY BUILDINGS POLICY 2024

Problem or Opportunity	The Dangerous and Insanitary Buildings Policy is overdue for review. The Policy enables a local response to discharging Council's legislative function to identify and remedy buildings that fit the Building Act 2004 (the Act) definition of dangerous, affected, and/or insanitary. The Policy is required by the Building Act 2004, and it contributes to the Act's objective to ensure that buildings do not endanger the health, safety and wellbeing of the people who use them.
OPTION 1:	Approve the draft Dangerous, Affected, and Insanitary Buildings Policy for consultation (recommended)
Community Views	Wider community views are yet to be sought, but engagement with stakeholders including Fire and Emergency New Zealand (FENZ) and 'Independent Qualified Persons' is reflected in the proposal.
Benefits	Another step towards completing a policy review required by legislation. Improvements to the Policy are proposed and the community will have the opportunity to provide feedback on these.
Risks	None identified.
Financial	None identified.
OPTION 2:	Do not approve the draft Dangerous, Affected, and Insanitary Buildings Policy for consultation
Community Views	Wider community views are yet to be sought, but engagement with stakeholders including FENZ and 'Independent Qualified Persons' has identified potential improvements.
Benefits	None identified.
Risks	Lost opportunity to improve the current Policy which was adopted in 2006 and has yet to be reviewed. There will be a risk the Council will not have a viable means in future to identify and rectify buildings that are potentially dangerous, affected, and/or insanitary. The opportunity to respond to suggested improvements will be lost.
Financial	None identified.

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

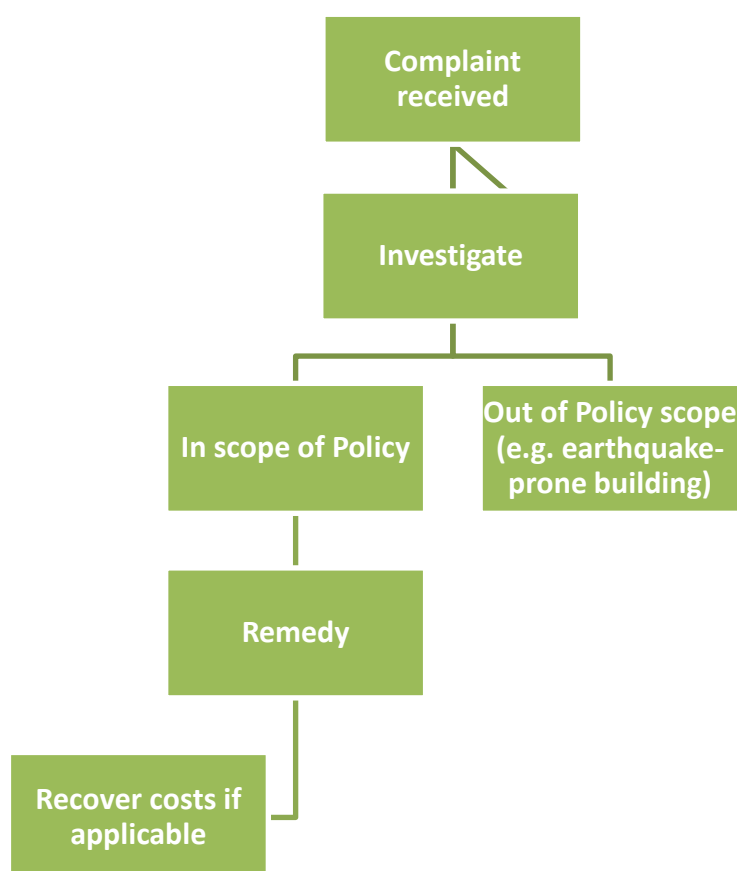
- 1.1 The Building Act 2004 requires local authorities to adopt a Policy that outlines how they will go about identifying and remedying buildings within their boundaries that fit the legislative definition of '[dangerous](#)' and/or '[insanitary](#)'. The purpose of this Policy is to ensure that buildings do not endanger the health, safety, and wellbeing of the people who use them.
- 1.2 The Act enables a local response to take into account the circumstances of individual territorial authorities, recognising that economic and social factors may have an impact on the implementation of the dangerous, affected, and insanitary provisions of the Act. For example, in some circumstances demolition may be the most appropriate way to remove danger from an occupied building, yet if there is no alternative accommodation for its occupants, Council may need to consider other forms of action consistent with the Act.
- 1.3 Council fulfilled the statutory requirement in 2006 when it adopted the current Dangerous and Insanitary Buildings Policy. The Policy confirmed a reactive approach to identifying buildings that are dangerous or insanitary in the city. Council relies on notice and complaints from members of the public, and government agencies who are mandated to inspect buildings, to identify buildings of concern.
- 1.4 The Policy was due for review no later than 2011, however this was not completed. Despite the lag in the review time the current Policy remains enforceable as stipulated by the Act.
- 1.5 In fulfilment of legislative requirements and best practice the Policy has been reviewed and we have identified potential improvements for consultation with the community.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

- 2.1 In 2006 Council adopted the Dangerous and Insanitary Buildings Policy. The Building Act 2004 [s. 132 \(4\)](#) requires Council to review the policy within five years of its adoption. However, failure to review within this timeframe does not render it ineffective as stipulated in [s. 132 \(5\)](#) of the Act. The current Policy was adopted alongside an Earthquake-prone Buildings Policy, and since then the legislation concerning earthquake-prone buildings has evolved and continues to evolve. Earthquake-prone buildings is outside the scope of this review.
- 2.2 This is the first review of the Policy since its adoption. The operations staff who implement the Policy welcomed the review. They reported that the Policy is outdated, and in particular later updates to the Act have yet to be included in the Policy, such as consideration of 'affected buildings'.

2.3 Staff rely on complaints from the public and emergency services to identify buildings of concern. The operations team reported that very few complaints per year are received. Of these complaints even fewer are deemed as meeting the Act's definition of 'dangerous and/or insanitary building'. The operations team investigate every complaint they receive, and at present most complaints are received from Fire and Emergency New Zealand (FENZ). The operations team report that on average they deal with one identified dangerous and/or insanitary building per year.

2.4 Below is a high-level outline of the typical process that Council follows when implementing the Policy:



2.5 Staff also engaged with FENZ on the review of the Policy. FENZ report a good rapport with the implementing staff in Council and the system that is in place to notify Council of potential dangerous and insanitary buildings is working well.

2.6 Staff also sought input from Council's registered 'Independent Qualified Persons' (IQP), because their work involves carrying out inspections or routine maintenance of buildings in Palmerston North and is likely to come across buildings of concern. Little input was received from the 138 registered IQP to the initial request for feedback.

2.7 As there was no opportunity for a workshop with Elected Members, views were sought through an informal written process. No additional issues were

raised by Elected Members. This report is the first report to Committee for this review in accordance with the policy framework process.

- 2.8 [Section 132 \(2\)](#) of the Building Act requires Council to amend or replace the Policy according to the special consultative procedure in [section 83](#) of the Local Government Act 2002.

3. DESCRIPTION OF OPTIONS

- 3.1 The primary purpose of this report is to present the Committee with a draft Dangerous, Affected, and Insanitary Buildings Policy and to seek approval to publicly consult on this draft. The options are to approve the draft Policy for public consultation, or to not approve the draft Policy for public consultation.

4. ANALYSIS OF OPTIONS

Option 1: Approve the draft Dangerous, Affected, and Insanitary Buildings Policy for consultation (recommended)

- 4.1 Option 1 is the next step towards completing the policy review process and in line with legislative requirements to publicly consult when amending or replacing existing policy. The intent of the Policy remains the same, but improvements have been proposed to:

- take account of legislative requirements;
- improve transparency and consistency; and
- update the structure and strategic direction.

The following is a summary of the proposed changes:

Statutory requirements

- 4.2 The draft Policy satisfies several statutory requirements under the Building Act 2004 which Council has yet to action since the Policy was first adopted in 2006. These include:

- Review of the Policy under [s. 132 \(4\)](#). The Act requires local authorities to review its Policy within 5 years after the Policy is adopted. The first review should have been completed before 2011. Whilst the review is overdue, it does not affect the legal enforceability of the current Policy. This option will bring Council closer to completing the review and fulfilling an important part of the review process, which is to seek the views of the public on potential improvements.
- Taking account of 'affected' buildings in the Policy. [Section 132A](#) of the Act requires Council to amend any existing policies to take account of affected buildings. This means that for any building that is in close proximity to a building that is determined as 'dangerous' or to a

'dangerous dam', Council has the ability to determine whether it fits the definition of 'affected' and to seek to mitigate any risk if it is. The draft Policy includes provisions on 'affected' buildings and the name of the draft Policy has been changed to include 'affected' buildings.

Consistency and transparency

- 4.3 The draft Policy will increase consistency and transparency in Council's implementation of the Act's provisions relating to dangerous, affected, and/or insanitary buildings. The draft Policy offers further guidance in terms of the assessments and the factors that are considered as part of assessments. The draft Policy states explicitly Council's intention to keep records of the status of buildings that have been identified as dangerous, affected and/or insanitary. It also states that Council may decide to place the status information on the Land Information Memorandum and the Property Information Memorandum until the matter has been rectified.
- 4.4 Specifically, the guidelines under section six (application) of the draft Policy include the following:
- Definitions
 - Identifying dangerous, affected, or insanitary buildings
 - Assessment criteria
 - Taking action under the Building Act 2004
 - Buildings of cultural heritage value
 - Recording the status of dangerous, affected, or insanitary buildings

Structure and strategic direction

- 4.5 The draft Policy aligns with Council's policy framework requirements. The draft Policy includes shorter, more succinct drafting to reflect the legislative mandate of the Policy and the strategic links to Council's Long-Term Plan. The main sections of the draft Policy are:
- Introduction
 - Strategic context
 - Policy purpose
 - Policy objectives
 - Policy principles
 - Guidelines

- Monitoring and review

Option 2: Do not approve the draft Dangerous, Affected, and Insanitary Buildings Policy for consultation

- 4.6 There are no identified benefits with this option. Choosing this option would set Council back in terms of fulfilling the legislative requirements under the Building Act 2004 for this Policy. Council will be unable to discharge its responsibility to identify and remedy 'affected' buildings as these are not included in the current Policy.

5. CONCLUSION

- 5.1 Approving the draft Dangerous, Affected, and Insanitary Buildings Policy for public consultation (Option 1) is recommended. This will allow the process of reviewing the Policy to proceed and be adopted by December 2024. Formal consultation will provide the opportunity to receive submissions on the proposal.

6. NEXT ACTIONS

- 6.1 If Council approves the draft Policy for public consultation, then the Statement of Proposal will be finalised for publication and the consultation process will begin.
- 6.2 A consultation plan will be developed and implemented providing opportunities for feedback on the proposal.
- 6.3 The proposed consultation period will run for a month over September 2024. The hearing of submissions is planned for October 2024. A final report, with staff advice on the issues raised by submitters and recommendations on proposed changes to the draft Policy, will be presented to Council in December 2024 or through the Strategy & Finance Committee in February 2025.

7. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 7.1 The special consultative procedure will be used for consultation on the draft Dangerous, Affected, and Insanitary Buildings Policy in accordance with section 132 (2) of the Building Act.
- 7.2 The consultation document in Attachment 1 includes the Statement of Proposal and the reasons for the proposal.
- 7.3 The consultation will recognise the specific stakeholder groups who may be most interested in providing feedback.

COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	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>The recommendations contribute to:</p> <p>Whāinga 3: He hāpori tūhonohono, he hāpori haumarū</p> <p>Goal 3: A connected and safe community</p>	
<p>The recommendations contribute to the achievement of objectives in:</p> <p>9. Mahere haumarū hāpori, hauora hāpori</p> <p>9. Community Safety and Health Plan</p> <p>The objective is: Assess and manage risks arising from dangerous and insanitary city buildings.</p>	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	<p>The recommendation will give the community the ability to provide feedback on the way that Council proposes to assess and manage risks arising from dangerous, affected, and insanitary city buildings.</p>

ATTACHMENTS

1. Statement of Proposal - Dangerous, Affected, and Insanitary Buildings Policy 2024 [↓](#) 



Palmerston North City Council

Draft Dangerous, Affected, and Insanitary
Buildings Policy 2024

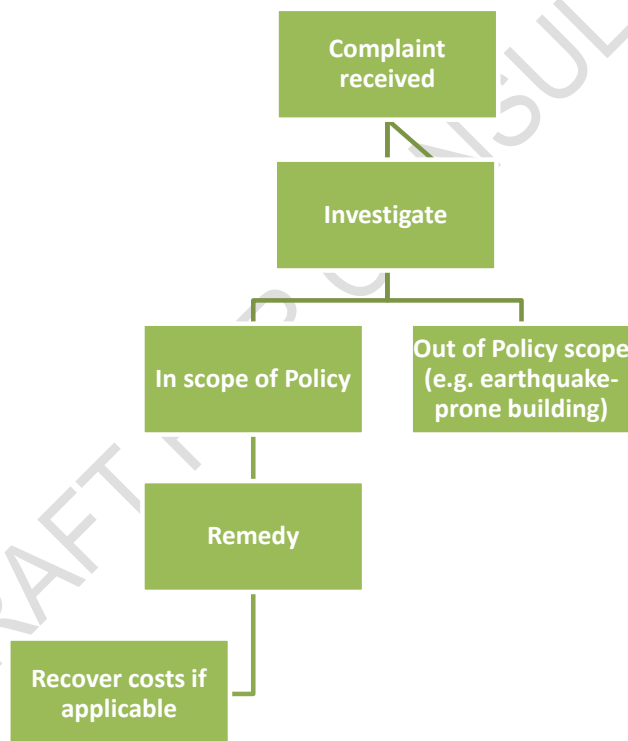
Statement of Proposal

Introduction

This proposal is to adopt a Dangerous, Affected, and Insanitary Buildings Policy to replace the current Policy. A policy is required by the Building Act 2004 (the Act) and the current one was adopted in 2006.

The purpose of the Policy is to enable a local response to identify and remedy buildings that fit the Act's definition of dangerous, affected, and insanitary. This will contribute to the Act's objectives to ensure that buildings do not endanger the health, safety and wellbeing of the people who use them.

Council relies on complaints from the public and emergency services to identify buildings of concern. Below is a high-level outline of the typical process that Council follows when implementing the Policy:



The intent of the proposed Policy remains the same, but we are proposing some improvements:

- To take account of legislative requirements.
- Improve transparency and consistency.

- Update the policy structure and strategic direction.

The Proposal

The proposed Policy includes a number of changes. Many of these proposed changes are minor, but a few are more significant, and these are detailed below:

Policy reference	Explanation
Section 2 - Strategic context	This section has been amended to align with Council's Long-Term Plan 2024-2034.
Section 3 - Policy purpose	This new section explicitly states the purpose the Policy will fulfil.
Section 4 - Policy objectives	These explicitly states the outcomes the Policy seeks to achieve.
Section 5 - Principles	The principles in the current Policy were general policy principles approved by elected members at that time (2006). We propose that the Policy reflects the Act's requirements to develop the Policy with consideration of the principles and purposes of the Act.
Section 6 – Guidelines Inclusion of “affected buildings” in the Policy.	Section 132A of the Act requires Council to amend any existing policies to take account of affected buildings. This means that for any building that is in close proximity to a building that is determined as ‘dangerous’ or to a ‘dangerous dam’, Council has the ability to determine whether it fits the definition of ‘affected’ and to seek to mitigate any risk if it is. The draft Policy includes provisions on ‘affected’ buildings and the name of the draft Policy has been changed to include ‘affected’ buildings.
Section 6 – Guidelines Subheading – <i>Assessment criteria</i>	This section is to increase transparency about the factors that Council may consider when deciding whether an identified building fits the definition

	within the Act of 'dangerous, affected and/or insanitary'.
Section 6 – Guidelines Subheading - <i>Taking action under the Building Act 2004</i>	This section of the Policy has been amended to be more transparent about the process that Council will undertake when deciding on the action it will take to prevent a building from remaining dangerous, affected and/or insanitary.
Section 6 – Guidelines Subheading – <i>Recording the status of dangerous, affected, or insanitary buildings.</i>	This section sets out Council's intention to keep a register of the status of dangerous, affected, and/or insanitary buildings in the City. It will also give Council the ability to consider whether to list the information on the Land Information Memorandum and/or Property Information Memorandum until the matter has been rectified.

Reason for the proposal

The main reason for the proposal is that, in line with legislative requirements, the first review of the current Policy has been conducted and improvements are proposed.

The proposed Policy will continue to enable a local response in meeting Council's obligations under the Act to identify and remedy dangerous, affected and insanitary buildings. The proposed Policy will contribute to Council achieving the objective of the Act to ensure that buildings do not endanger the health, safety and wellbeing of the people who use them.

Consultation process

Anyone can make a submission about the proposals described in this document. We encourage anyone with an interest in the issues raised to make a submission.

This Statement of Proposal, and the submission form can be found at:

- Palmerston North City Council website
<http://www.pncc.govt.nz/yourcouncil/consultations-initiatives-and-projects/consultations/>
- Customer Service Centre, Palmerston North City Council, The Square, Palmerston North; and

- City Library, The Square, Palmerston North, and the libraries at Ashhurst, Awapuni, Roslyn, Linton and Te Pātikitiki/Highbury.

You are welcome to appear before the Council and speak to your submission. Please indicate on your submission form whether you wish to do this. The Council intends to hear submissions on this proposal at a Committee meeting likely to be held in November 2024. The date and time for hearings will be confirmed in the letter acknowledging your submission, and will also be advertised in the Manawatu Standard and Guardian newspapers.

To get your submission to us, either:

Mail to: Draft Dangerous, Affected and Insanitary Buildings Policy 2024, Democracy and Governance Team, Palmerston North City Council, Private Bag 11034, Palmerston North 4442

Deliver to: Palmerston North City Council Customer Service Centre, 32 The Square, Palmerston North

Email to: submission@pncc.govt.nz (subject "Draft Dangerous, Affected and Insanitary Buildings Policy 2024")

Phone: 06 356 8199

Fax to: 06 355 4115

**The submission period runs from
02 September 2024 to 4pm Monday 02 October 2024.**

Please note that all written submissions, including the contact details on the submission, will be made available to the public and media and on the Council's website, unless you request that your contact details are kept private. For further information on this consultation please phone the Council on 06 356 8199 or email us at info@pncc.govt.nz.

Dangerous, Affected, and Insanitary Buildings Policy 2024

1. Introduction

The Building Act 2004 (the Act) permits territorial authorities to take a local approach in identifying and remedying buildings within its boundaries that fit the definition of dangerous, affected, and insanitary.

Palmerston North City Council (the Council) must adopt a policy to give effect to its legislative function to identify and remedy dangerous, affected, or insanitary buildings under the Act. This is in line with the aims of the Act to regulate building work and standards to ensure that buildings do not endanger the health, safety and wellbeing of the people who use them.

2. Strategic Context

The vision for the city is: [He iti rā, he iti pounamu. Small city benefits, big city ambition](#). Council seeks to fulfill this vision through four goals in the city's Long-Term Plan:

Whāinga 1: He tāone auaha, he tāone tiputipu - Goal 1: An innovative and growing city
 Whāinga 2: He tāone whakaihihi, tapatapahi ana - Goal 2: A creative and exciting city
 Whāinga 3: He hāpori tūhonohono, he hāpori haumarū - Goal 3: A connected and safe community
 Whāinga 4: He tāone toitū, he tāone manawaroa - Goal 4: A sustainable and resilient city

The Policy contributes to *Whāinga 3: He hāpori tūhonohono, he hāpori haumarū - Goal 3: A connected and safe community*, and specifically to the following outcomes, where we want our communities to have:

- the support they want to live healthy lives;
- access to healthy and affordable housing;
- access to safe and accessible community places.

The Policy contributes to fulfilling the *Mahere haumarū hāpori, hauora hāpori - Community safety and health plan* to make Palmerston North a healthy city, where our community is safe and feels safe.

The Policy acknowledges the Tiriti partnership the Palmerston North City Council has with Rangitāne o Manawātū. Council staff meet regularly with iwi leaders and aim to ensure that Rangitāne values and perspectives have significant weight in decision-making.

3. Policy Purpose

The purpose of this policy is to:

- Reduce the potential risk posed to residents in the district by dangerous, affected, and insanitary buildings; and
- Provide a clear framework for how Council will manage dangerous, affected, and insanitary buildings, that fits the local context.

4. Policy Objectives

In implementing this policy, Council aims to achieve the following objectives:

- The public are aware that complaints about potential dangerous, affected, and insanitary buildings in the city can be made to the Council.
- Complaints about potential dangerous, affected, and insanitary buildings are responded to promptly by the Council.
- The risk to people from dangerous, affected, and insanitary buildings is mitigated.

5. Principles

This policy has been developed considering the purpose and principles of the Act which seek to ensure that:

- People who use buildings can do so safely without endangering their health
- People who use a building can escape from the building if it is on fire.

6. Guidelines

Definitions

The definitions for the following words are taken from the Building Act 2004 and any subsequent amendments.

Affected:

121A Meaning of affected building

A building is an affected building for the purposes of this Act if it is adjacent to, adjoining, or nearby—

- a dangerous building as defined in [section 121](#); or
- a dangerous dam within the meaning of [section 153](#).

Dangerous:

121 Meaning of dangerous building

- (1) A building is dangerous for the purposes of this Act if,—

- in the ordinary course of events (excluding the occurrence of an earthquake), the building is likely to cause—
 - injury or death (whether by collapse or otherwise) to any persons in it or to persons on other property; or
 - damage to other property; or
- in the event of fire, injury or death to any persons in the building or to persons on other property is likely.

- (2) For the purpose of determining whether a building is dangerous in terms of subsection (1)(b), a territorial authority—

- may seek advice from employees, volunteers, and contractors of Fire and Emergency New Zealand who have been notified to the territorial authority by the board of Fire and Emergency New Zealand as being competent to give advice; and
- if the advice is sought, must have due regard to the advice.

Insanitary:

123 Meaning of insanitary building

A building is insanitary for the purposes of this Act if the building—

- (a) is offensive or likely to be injurious to health because—
 - (i) of how it is situated or constructed; or
 - (ii) it is in a state of disrepair; or
- (b) has insufficient or defective provisions against moisture penetration so as to cause dampness in the building or in any adjoining building; or
- (c) does not have a supply of potable water that is adequate for its intended use; or
- (d) does not have sanitary facilities that are adequate for its intended use.

Identifying dangerous, affected, or insanitary buildings

- (a) On receiving a complaint or information about a building that is potentially dangerous, affected and/ or insanitary, the Council will respond promptly by:
 - o informing the owner(s) of the building
 - o inspecting the building and site and
 - o seeking the advice of Fire and Emergency New Zealand (FENZ) where deemed relevant.

Assessment criteria

- (b) Assessment will be made in accordance with sections 121, 121A or 123 of the Act and the New Zealand Building Code. Assessment may include consideration of:
 - o Whether the building is occupied
 - o The building use
 - o Whether the building is likely to cause injury or death to people
 - o Whether conditions present a danger to the health of occupants
 - o Potential for damage to other property
 - o Whether a fire hazard exists
 - o Whether the building is affected by a dangerous building or dangerous dam

Where a building is occupied an assessment of insanitary conditions may include a review of:

- o The adequacy of sanitary facilities
 - o The adequacy of potable water
 - o Evidence or likelihood of moisture penetration
 - o If the building is offensive or likely to be injurious to health because of how it is situated or constructed or whether or not it is in a state of disrepair.
- (c) Following the inspection and assessment, and consider, any advice or recommendations received from FENZ, Council will:
 - o determine whether section 121 (dangerous building), 121A (affected building) and/or 123 (insanitary building) of the Act are satisfied.

- determine whether section 123A (in relation to only parts of a building being deemed dangerous or insanitary) of the Act applies.
- determine whether section 123B (in relation to buildings affected by emergency) of the Act applies.

Taking action under the Building Act 2004

- (d) In forming its view as to the extent of the action that is required to be carried out on the building to prevent it from remaining dangerous, affected and/or insanitary, Council may take the following matters into account:
 - (i) The size of the building.
 - (ii) The complexity of the building.
 - (iii) The location of the building in relation to other buildings, public places, and natural hazards.
 - (iv) How many people spend time in or in the vicinity of the building.
 - (v) The current or likely future use of the building, including any special traditional and cultural aspects of the current or likely future use.
 - (vi) The expected useful life of the building and any extension of that life.
 - (vii) The reasonable practicality of any work concerned.
 - (viii) Any other matters that Council considers may be relevant, taking into account the particular set of circumstances.
- (e) Council will determine the necessary action in line with the Act which may include requiring building work and/or restricting access to the building, or in extreme cases demolition of the building. Council will also:
 - (i) Notify the building owner(s) of the assessment findings;
 - (ii) Where relevant attach the necessary notices to the buildings according to the Act;
 - (iii) Provide copies of notices to the building owner(s) and every person who has an interest in the land, including Heritage New Zealand if the building has Heritage status;
 - (iv) Contact the owner once a reasonable time has lapsed since the notice was issued so that access to the building can be gained to assess compliance with the notice; and
 - (v) Determine if enforcement action should be pursued under the Act if the requirements of the notice are not met.
- (f) Where immediate action is required, according to section 129 of the Act, Council will:
 - (i) Take action to recover all cost from the building owner(s).
 - (ii) Inform the building owner(s) that the amount recoverable by the Council will become a charge on the land on which the building is situated.
- (g) All building owners have a right of appeal as defined in the Building Act, which can include applying for a determination from the Ministry of Business Innovation and Employment. That decision can be subject to appeal to the District Court.

Buildings of cultural heritage value

- (h) Buildings that are defined as having cultural heritage value are identified in section 17 of the Palmerston North City Council District Plan, and the definition provided in the Act.
- (i) Council will seek to ensure that any work carried out on a building of cultural heritage value that is determined to be dangerous, affected, or insanitary will not diminish the cultural heritage value of the building, as far as is reasonably practicable.

- (j) Property owners must take all reasonable steps to ensure that the above provision in (i) is achieved.

Recording the status of dangerous, affected, or insanitary buildings

- (k) Any building identified as dangerous, affected or insanitary will have a note placed on Council's property file until the conditions have been remedied.
- (l) In addition, the following information may be placed on any Land Information Memorandum (LIM) and Property Information Memorandum (PIM):
 - (i) A copy of any notices issued;
 - (ii) Copies of any letters sent to the owner, occupier and/or any other person where a building is deemed dangerous or insanitary, and
 - (iii) Any report on how the matter is to be rectified.

7. Monitoring and review

The policy will be monitored through an implementation plan that will be developed following the adoption of the policy and will be approved by the senior leadership team as set out in Council's policy framework. Review will take place every five years, or earlier if requested by Council

REPORT

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Reserve Declarations and Classifications

PRESENTED BY: Aaron Phillips, Activities Manager Parks

APPROVED BY: Chris Dyhrberg, General Manager Infrastructure

RECOMMENDATION(S) TO COUNCIL

1. That Council propose to declare all land parcels contained in Appendix 1: *Reserves for Declaration and Classifications* and identified in Column 5, under Section 14 of the Reserves Act 1977, to be reserves.
2. That Council propose to classify all reserves and land parcels identified in Column 5 of the table contained in Appendix 1: *Reserves for Declaration and Classifications*, under Section 14 of the Reserves Act 1977, to be classified as per the classifications contained in Column 3.
3. That Council propose to classify all reserves and land parcels identified in Column 6 of the table contained in Appendix 1: *Reserves for Declaration and Classifications*, under Section 16 of the Reserves Act 1977, to be classified as per the classifications contained in Column 3.
4. That Council propose to re-classify the three land parcels of Pari Reserve identified in Column 7 of the table contained in Appendix 1: *Reserves for Declaration and Classifications*, under Section 24 of the Reserves Act 1977, from Recreation to Local Purpose: Stormwater.

RECOMMENDATION(S) TO COMMITTEE

5. That the Committee note that the proposals contained within recommendations 1-4 above are subject to a Section 119 and Section 120 Reserves Act 1977 consultation process with the community; and all submitters will be offered the opportunity to speak to their submissions as per Section 120.
6. That the Chief Executive report back on the results of the Section 119 and Section 120 consultation with recommendations.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	<p>Under the Reserves Act 1977 (The Act) Council is required to declare all land acquired for the purpose of a park or reserve, as a reserve under the Act.</p> <p>Council, when declaring the land as a reserve, is also required to establish what type of reserve the land is being acquired for. This process is called classification under the Act.</p> <p>Currently, Council has 124 reserves, or parcels of reserve, that are not classified, some of which have also not yet been declared to be a reserve.</p> <p>These reserves must be declared and classified prior to commencing the generic reserve management planning process, otherwise these existing Council reserves may be excluded from the plan when it is adopted.</p>
OPTION 1:	Declare and classify the reserves prior to the commencement of the reserve management planning process
Community Views	Community views will be sought on the proposal to declare and classify the reserves as part of the Reserves Act process.
Benefits	<p>It gives certainty to residents on the intended future use of open spaces in their neighbourhood.</p> <p>It enables Council to include all the parks and reserves it administers within a reserve management plan.</p>
Risks	If the classification of the reserve is too restrictive, it can limit the range of activities that can occur on the reserve in the future. This risk is low as the classifications proposed by Officers align with the current or potential future use of the reserve.
Financial	Minor costs for public advertisement and engagement. Officer time for hearing and reporting.
OPTION 2:	Do not classify or declare any further reserves
Community Views	Community views would not be sought and tested under this option.
Benefits	<p>Council could proceed with the generic reserve management planning process sooner.</p> <p>The use of the unclassified reserves would only be limited by Local Government Act (LGA) and Resource Management Act provisions, not their Reserves Act classification.</p>
Risks	Council is not complying with the Reserves Act 1977.

	The benefits of adopting the Generic Reserve Management Plan – e.g. simpler and quicker lease renewal process in the future, would not be extended to these 124 reserves.
Financial	Nil.
OPTION 3:	Amend the list of the classifications proposed within Appendix 1, prior to consulting with the community on the proposal to declare and classify the reserves
Community Views	Community views will be sought on the proposal to declare and classify the reserves as part of the Reserves Act process.
Benefits	If the Council does not support one or more of the classifications proposed by Officers, making a change prior to community consultation is appropriate, so that the proposal is representative of the intentions of the Council.
Risks	Council is yet to seek the community views on the proposed classifications. The community may consider that Council is pre-empting the views of the community if changes are made without further supporting evidence.
Financial	Minor costs for public advertisement and engagement. Officer time for hearing and reporting.

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 Under the Reserves Act 1977, Council is required to declare all land acquired for the purpose of a park or reserve, as a reserve, under Sections 14 or 16 of the Act.
- 1.2 Council, when declaring the land as a reserve under the above sections, is also required to establish what type of reserve it is. This process is called classification under the Act.
- 1.3 Currently Council has 124 reserves, or parcels of reserve, that are not classified, some of which have also not yet been declared to be a reserve. There are 3 land parcels within Pari Reserve where a change to the classification is proposed to align with the purpose of the reserve. The list of these reserves is contained in Appendix 1.
- 1.4 Council is commencing the process of developing reserve management plans. The reserves listed in Appendix 1 must be declared and/or classified prior to commencing the generic reserve management planning process, or otherwise these existing Council reserves may be excluded from the plan when it is adopted.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

- 2.1 Officers reported to the Culture & Sport Committee on 8 November 2023 on progress in the development of reserve management plans for reserves administered by Council.
- 2.2 It was noted in the report that council only has an adopted Reserve Management Plan (RMP) for Ashhurst Domain, and as such Council is not complying with provision 41 of the Act, which requires that management plans be prepared for reserves under the control, management or administration of Council.
- 2.3 The Committee noted progress on reserve management and reserve development planning and resolved to publicly notify its intention to review the Ashhurst Domain Development and Management Plan under the provisions of the Reserves Act 1977.
- 2.4 Contained within the report was the proposed work programme for the development of reserve management plans, including the intention to prepare a generic reserve management plan for all reserves that would not be covered by an individual reserve management plan in the future.
- 2.5 The planned timeline for the development of the generic reserve management plan is 2025-27. The first stage is the classification of reserves administered by Council that are not currently classified.

3. RESERVE CLASSIFICATION

- 3.1 The Act requires all reserves to be declared as reserves, and to be classified according to their principal or primary purpose.
- 3.2 The reserve classifications contained within the Act are:
 - Recreation
 - Historic
 - Scenic
 - Nature
 - Scientific
 - Government purpose
 - Local purpose (esplanade/stormwater/community, etc.)
- 3.3 Recreation and Local Purpose are the broadest, most permissive classifications and Scenic and Nature are the most restrictive.
- 3.4 The bulk of Palmerston North City Council's existing classified reserves are either Local Purpose or Recreation. It is proposed that most of the unclassified reserves be classified under one of these two classifications. Council

generally classifies Local Purpose by types such as Stormwater⁵, Accessway or Esplanade Reserve.

- 3.5 The stormwater reserve type has a primary purpose of stormwater treatment, retention or movement. Recreation, and in some cases ecological restoration or management, are secondary purposes.
- 3.6 Some reserves, for example the land under the Rangiora Community Centre and Opie Reserve, are classified 'Local Purpose: Community' to accommodate community activities.
- 3.7 There are several reserves around the Manawatū River that were taken as Esplanade Strips/Reserves, used for river access and recreation.

4. DESCRIPTION OF OPTIONS

- 4.1 **Option 1: Declare and classify the reserves prior to the commencement of the reserve management planning process**
- 4.2 Appendix 1 contains a list of reserves (or reserve parcels) that have not been declared and classified, and reserves that have not been classified for purpose. It also contains three land parcels of Pari Reserve where a change of classification is proposed.
- 4.3 Many of the reserves we administer are made up of more than one land parcel. Some single parcels within a reserve have not been classified, but need to be to enable the whole reserve to be incorporated into the generic reserve management plan.
- 4.4 Appendix 1 has been set out as a table with the following information:
 - Column 1: Name of reserve
 - Column 2: The type of PN City Council reserve it is – why it was taken by Council and for what purpose
 - Column 3: The proposed classification – describes the primary purpose of the reserve
 - Column 4: Classification status – classified yes or no
 - Column 5: Land requires declaration as a reserve to be declared and classified under Section 14 of the Reserves Act
 - Column 6: Declaration is not required BUT does require classification to be classified under Section 16 of the Reserves Act
 - Column 7: Existing classification is proposed to be changed. Reclassification is proposed under Section 24 of the Reserves Act

⁵ The term 'drainage' was typically used in the past

- Column 8: The legal description of the land parcel to be declared, and/or classified, or reclassified
 - Column 9: A photo and brief description of location of Council parks and reserves listed that may be more unfamiliar to the reader.
- 4.5 If Council adopts the recommendations in this report, the proposed declarations, classifications and reclassifications will be publicly advertised in accordance with the requirements of Sections 119 and 120 of the Act.
- 4.6 Once the consultation period is complete, Council is required to hear submitters that wish to be heard, if there are any. Officers will then produce a report based on the consultation results and make recommendations.
- 4.7 Once all reserves are declared, classified and reclassified, Officers will then embark on the next stage of the Reserve Management planning process.
- 4.8 **Option 2: Do not classify or declare any further reserves**
- 4.9 This option is a status quo option whereby Council chooses to remain non-compliant with the Act.
- 4.10 124 reserves or reserve parcels will remain unclassified and will not be incorporated into the generic reserve management planning process. Council would not accrue the benefits of adopting reserve management plans for these reserves.
- 4.11 **Option 3: Amend the list of the classifications proposed within Appendix 1, prior to consulting with the community on the proposal to declare and classify the reserves**
- 4.12 Under this option, amendments would be made to list of reserves in Appendix 1, mostly Column 3, the proposed classification, before adopting the recommendations.

5. ANALYSIS OF OPTIONS

5.1 **Option 1: Declare and classify the reserves prior to the commencement of the reserve management planning process**

5.2 This option enables Council to be compliant with the provisions of the Act, i.e. Council is required to classify the reserves it administers.

5.3 Classifying reserves before the generic reserve management planning process commences enables all reserves Council administers to be included within the reserve management planning process. This includes reserves that were crown derived and have a requirement for Ministerial approval of the reserve management plan.

5.4 Classifying reserves gives certainty to residents on the intended future use of open spaces in their neighbourhood. Enabling the 124 reserves to be included in a reserve management plan will result in a reduction in the time and cost involved with activities in the reserves, which are consistent with strategies, plans and policies of Council and the District Plan, e.g. leases and licences.

5.5 **Option 2: Do not classify or declare any further reserves**

5.6 This option would result in Council continuing to be non-compliant with sections 14 and 16 of the Act. It would also result in Council not being able to include 124 of the reserves it administers within the reserve management planning process.

5.7 Under this option, the benefits of reserve management planning described in Option 1 will not be realised for the unclassified reserves.

5.8 There may be a perception that retaining land outside of the Reserves Act status and classification framework may be an advantage if Council wanted to sell or dispose of that land in the future. This is not the case as the LGA has provision for the disposal of land defined as parks that are not held under the Reserves Act 1977.

5.9 Section 138 of the LGA requires Council to consult on any proposal to lease park land or dispose of it in any other manner. The consultation requirements are essentially the same as a Reserves Act process. Not classifying a reserve, therefore, does not make it any easier to dispose of.

5.10 Palmerston North City Council went through a significant Property Review in 2012. Council identified any parks and reserves that could be proposed to be disposed of or identified for other uses. This process identified some reserves for other options, such as the old bowling club land on the corner of Park Road and Fitzherbert Avenue change to housing use.

5.11 Outside the Property Review in 2012, in the last year Council has made decisions on the future of other reserve land including:

- a. Opie Reserve - reclassified to Local Purpose: Community and now under negotiation for lease with the Highbury-based Ngati Hineaute Hapu Authority for a Kohanga Reo and an Urban Marae.
 - b. Adderstone Reserve – decision during the Aokautere Plan Change process to retain.
 - c. Summerhays Street - former Terrace End Bowling Club occupied land shifted to housing use.
- 5.12 Given the requirement to consult on the disposal of a park land under the LGA and understanding that Council has not identified any unclassified reserve land for disposal, it is not considered beneficial to avoid the classification of reserves.
- 5.13 **Option 3: Amend the list of the classifications proposed within Appendix 1, prior to consulting with the community on the proposal to declare and classify the reserves**
- 5.14 If the Council does not support one or more of the classifications proposed by Officers, making a change prior to community consultation is appropriate, so that the proposal is representative of the intentions of the Council.
- 5.15 Officers have determined the list of proposed classifications based on knowledge of the reserves and their current use and the provisions of the Act.
- 5.16 The community may consider that Council is pre-empting the views of the community if changes are made without further supporting evidence.

6. CONCLUSION

- 6.1 Council is moving towards developing a suite of Reserve Management Plans to cover the reserves it administers.
- 6.2 Reserve declaration and classification is required for the Reserve Management Plan to have legal effect under the Reserves Act 1977.
- 6.3 There are no practical benefits to why Council might not make these declarations, classifications and reclassify the three Pari Reserve land parcels identified.
- 6.4 Having full and transparent Reserve Management Plans will be beneficial to the community to manage parks and reserves in a consistent, effective and legally compliant manner.

7. NEXT ACTIONS

- 7.1 Consult with the community on the proposed declarations, classifications and reclassifications under Sections 119 and 120 of the Reserves Act.
- 7.2 Hold hearings for those submitters that wish to be heard.

- 7.3 Consider assumptions and report back on recommended reserve declarations and classifications.

8. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 8.1 Community engagement will occur in accordance with the requirements of Sections 119 and 120 of the Reserves Act. This will include public notification, contact information for Council Officers to discuss any specific reserves, information on Council website and a submission form in hard copy and electronic format.

COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	No
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
<p>The recommendations contribute to:</p> <p>Whāinga 2: He tāone whakaihiihi, tapatapahi ana</p> <p>Goal 2: A creative and exciting city</p>	
<p>The recommendations contribute to the achievement of objectives in:</p> <p>6. Mahere rēhia</p> <p>6. Recreation and Play Plan</p> <p>The objective is: Provide city, suburb and local parks and reserves, including sports fields, courts, tracks, changing rooms and facilities, and walkways.</p>	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Classification of reserves allows Council to begin reserve management planning, which will ensure the city has well-managed provision of open space.

ATTACHMENTS

1. Appendix 1: Reserve Classifications (attached separately)

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Whakarongo Land Swap - Consultation Submissions Summary

PRESENTED BY: Bryce Hosking, Manager Property and Resource Recovery and
Perene Green, Property Officer

APPROVED BY: Chris Dyhrberg, General Manager Infrastructure

RECOMMENDATION(S) TO COUNCIL

1. That Council proceed with the land swap with Summerset Villages (Kelvin Grove) Limited within the Whakarongo Growth Area as agreed by Council 1 May 2024, noting no submissions were received from consultation under the Reserve Act 1977.
-

1. ISSUE

- 1.1 A proposed land swap between Council and Summerset Villages (Kelvin Grove) was reported to Council on 1 May 2024. As the land is classified as a cemetery reserve, Council is required to publicly consult under the Reserves Act 1977.
- 1.2 The land is not Crown-derived and final approval of the exchange is not subject to the approval of the Department of Conservation.
- 1.3 Council officers have publicly advertised the proposed exchange and received no submissions. Council now needs to decide whether it will proceed with the exchange.

2. BACKGROUND

- 2.1 The proposed land swap will provide a future entrance from Stoney Creek Road into the Kelvin Grove Cemetery and allow Summerset Villages to further expand their planned development next to Tamakuku Terrace by building additional dwellings.

3. CONCLUSION

- 3.1 The proposed land swap will ensure the highest value and best use of both parcels once exchanged. Officers consider the benefits for proceeding with the swap outweigh the risks, not to mention the land swap will help future-

proof the cemetery through a new entrance in the future from Stoney Creek Road.

- 3.2 As Council did not receive any submissions, Officer advice is to proceed with the recommendation to approve the land swap with Summerset Villages.

4. NEXT STEPS

- 4.1 If the recommendations are agreed, Officers will proceed with executing the land exchange under section 15 of the Reserves Act 1977.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	No
Are the decisions significant?	No
If they are significant do, they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
<p>The recommendations contribute to:</p> <p>Whāinga 1: He tāone auaha, he tāone tiputipu</p> <p>Goal 1: An innovative and growing city</p>	
<p>The recommendations contribute to the achievement of objectives in:</p> <p>15. Mahere whare</p> <p>15. Housing Plan</p> <p>The objective is: Collaborate with the development community and Kāinga Ora on delivery of new housing developments and diverse forms of housing, such as duplexes, terrace housing, apartments, and other multi-unit options.</p>	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	By facilitating the land swap, Council is promoting the delivery of new housing through the retirement village which will enable opportunities for senior citizens to relocate into the village, freeing up other housing in the marketplace.

ATTACHMENTS

Nil

REPORT

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Public Notification of a Community Occupancy Lease to Manawatū Amateur Radio Society Branch 20 NZ Art Incorporated

PRESENTED BY: Bryce Hosking, Manager Property and Resource Recovery and Perene Green, Property Officer

APPROVED BY: Chris Dyhrberg, General Manager Infrastructure

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee continue to support Manawatū Amateur Radio Society Branch 20 NZ Art Incorporated by notifying the public of its intention to grant community occupancy of Council land at 65 Totara Road, Palmerston North in accordance with the Support and Funding Policy 2022.
2. That the Committee note the land affected by the community occupancy of Manawatū Amateur Radio Society Branch 20 NZ Art Incorporated is described as Lot DP 26198.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	<p>The Amateur Radio Society has requested support from Council by granting community occupancy through a new lease agreement.</p> <p>This report seeks Council's approval to commence the public notification process for the preferred option (Option 1) in accordance with the Support and Funding Policy 2022.</p>
OPTION 1:	Notify the public of Council's intention to continue supporting the Amateur Radio Society by granting occupancy via a lease under the Support and Funding Policy of the site being 65 Totara Road
Community Views	<ul style="list-style-type: none"> Community views will be sought during the public notification period.
Benefits	<ul style="list-style-type: none"> The community views, along with any objections received, will be considered to inform the decision. Council can continue supporting and developing the relationship with the Society and enable them to continue their activities.
Risks	<ul style="list-style-type: none"> There is a reputational risk where other community organisations may feel aggrieved that they have not been given the opportunity to lease the land. This risk can be mitigated through the transparent submission process.
Financial	<ul style="list-style-type: none"> The costs of public notification will be minor. Council will receive the annual rent of \$150.00 plus GST.
OPTION 2:	Do not notify the public of the preferred option (intention to support through a lease) which would effectively end the Amateur Radio Society's occupancy of Council land
Community Views	<ul style="list-style-type: none"> Community views to inform the Council's decision on the Society's proposed occupancy will not be sought.
Benefits	<ul style="list-style-type: none"> Should the lease end, and the Society be requested to vacate the premises, the Support and Funding Policy provides a process for Council to explore alternative use options of the land prior to potentially seeking an alternative occupant. This allows for a strategic view of land use when an arrangement ends. Under the current lease, at the expiration of the lease, Council has the option to purchase the Society's buildings and improvements within three months of the date of

	expiration at a price agreement between both parties.
Risks	<ul style="list-style-type: none"> • There is a reputational risk that Council may be criticised for not supporting the activities of the Society, especially given they are established on the site. This risk cannot be mitigated. • There is a further reputational risk where Council may be criticised for placing a financial burden on the Society after asking them to vacate. If Council wishes to proceed with this option, the Society will be required to vacate the land and, unless agreed otherwise, remove all assets, and return the land to its original state at their cost. Whilst this is set out in the lease conditions, that will not mitigate the reputational risk caused from perception.
Financial	<ul style="list-style-type: none"> • Council would no longer receive the existing annual rent of \$150.00 plus GST. • Council staff time would be required to assist in the process of the removal of improvements.

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 The Amateur Radio Society has been occupying Council land at 65 Totara Road since 1983. Their previous lease expired in 2019 and the Society requests a new lease so it can continue to occupy the site. Since the Society has occupied Council land the Society has provided knowledge and skill in radio communications for amateurs and newcomers alike. The Society works in partnership with Civil Defence, Amateur Radio Emergency Communications, and Search and Rescue services.
- 1.2 Council only leases the land to the Society. The Society owns all improvements within the lease area.
- 1.3 Under the Council's Support and Funding Policy, if a for-purpose organisation requests a new lease for the occupancy of Council land at the end of their agreed term, the proposal is to be publicly advertised to seek feedback from the public.
- 1.4 The report seeks Council's approval to commence the public notification process in accordance with the Support and Funding Policy, noting that this is the first step in the process, and only seeks approval for consultation.
- 1.5 The final decision to lease to the Radio Society will be brought to the Strategy & Finance Committee in a subsequent report which will discuss any feedback received.

2. THE PROPOSAL

- 2.1 The proposed lease area is approximately 623m². The proposed lease area is outlined in Figure 1.
- 2.2 If the land lease is granted the proposed annual rental is \$150.00 plus GST. This is consistent with the framework in Council's Support and Funding Policy.
- 2.3 The proposed term would be for five (5) years, with one right of renewal for a further five (5) years.
- 2.4 If a new lease is commenced, the use of the site will remain the same.



Figure 1: Proposed leased area

3. ASSESSMENT OF PROPOSAL UNDER THE SUPPORT AND FUNDING POLICY

- 3.1 The Support and Funding Policy provides a framework for how Council will deliver support and funding to groups, organisations, and individuals to achieve the vision of the city. One form of support within the policy is to enable for-purpose groups to occupy Council-owned property at community rental rates.
- 3.2 All for-purpose groups expressing an interest in occupying Council-owned property, either for a new occupancy or renewal of an existing occupancy, must make an application. The application is then assessed by Council Officers to ensure that firstly they meet the policy's eligibility criteria before proceeding any further.
- 3.3 Further assessment considerations are outlined in the policy. In broad terms, the assessment covers three main areas:
- The Policy for the Use of Public Space – guidelines relevant to the application.
 - Reserves Act 1977 – this lease is not subject to the Reserves Act 1977.
 - Impact on the locality and park operations.

A copy of the assessment is attached as Attachment 1.

- 3.4 In summary, following the assessment against the policy, Council Officers conclude that the Society meets all criteria required.

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

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

5. DESCRIPTION AND ANALYSIS OF OPTIONS

Option 1: Notify the public of Council's intention to continue supporting the Amateur Radio Society by granting occupancy via a lease under the Support and Funding Policy of the site at 65 Totara Road

- 5.1 This is the preferred option.
- 5.2 Council will seek feedback on continuing to support the Society through the process outlined in the Support and Funding Policy.
- 5.3 After considering feedback, Council can then decide to enter a formal lease with the Society.
- 5.4 The Society contributes to the community and shows strong alignment with Council's strategic direction. The Society adds to Council's priority to lease Council land and facilities to for-purpose organisations in line with the Community Funding Policy.

Option 2: Do not notify the public of the preferred option (intention to support through a lease) which would effectively end the Amateur Radio Society's occupancy of Council land

- 5.5 The impact of this option would mean that the opportunity to seek community feedback on the Society's continued occupancy of the site would not occur.
- 5.6 In turn, this would mean that the lease would cease, and Council would follow the process outlined in the Support and Funding Policy to determine the future use of the land (refer 5.5.1(b)). The first step in this process is to carry out a strategic options review.
- 5.7 The implication of this option on the Society would mean that they would not be able to continue leasing the site. Under the lease provisions, a decision would then need to be made regarding the improvements owned by the Society.
- 5.8 This option poses the risk that Council will be perceived as not supporting the activities of the Society that has occupied the site since 1983.

6. CONCLUSION

- 6.1 The proposal is consistent with the requirements of the Support and Funding Policy. Continued occupancy will allow the Society to offer its activities to radio enthusiasts and the community.
- 6.2 Public notification on the continuing support will provide opportunities for submissions and objections to be made before a decision is made, fulfilling the requirements of the Support and Funding Policy 2022.
- 6.3 It is recommended the Committee proceed with Option 1. The Society's activities contribute to outcomes to achieve Goal 2 of Council's strategic direction.

7. NEXT ACTIONS

- 7.1 Public notification of the intention to grant the lease, seeking submissions and objections.
- 7.2 Provide the opportunity for any submitters that wish to be heard to speak to Council.
- 7.3 Consider the objections and submissions and provide to Council on whether to accept, modify or decline the lease proposal.

8. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 8.1 The proposed consultation process meets the public notification requirements of the Support and Funding Policy 2022 which includes a minimum of one-

month period advertised in the Manawatu Standard, Dominion Post and on the Council website.

COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do, they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
<p>The recommendations contribute to:</p> <p>Whāinga 3: He hapori tūhonohono, he hapori haumarū</p> <p>Goal 3: A connected and safe community</p>	
<p>The recommendations contribute to the achievement of objectives in:</p> <p>7. Mahere tautāwhi hapori</p> <p>7. Community Support Plan</p> <p>The objective is: Lease Council land and facilities to for-purpose organisations in line with the Community Funding Policy.</p>	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	The recommendation is in line with Council's Support and Funding Policy which supports community groups to deliver benefits contributing to the cultural, economic, environmental, and social well-being of the city,

ATTACHMENTS

1. Assessment of Lease Proposal [↓](#) 

Assessment of Lease Proposal – Support and Funding Policy

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

Date: 7 July 2024

Group Name: Manawatu Amateur Radio Society Branch 20 NZ Art Incorporated

Proposed Lease Location: 65 Totara Road, Palmerston North

Use of Public Space Policy

Criteria	Assessment
Supports the achievement of the Council's goals	Activities of the Club are consistent with goals two and three of Council's strategic direction.
Is accessible to the wider community	The Club's activities seek and support the Palmerston North community.
Adds to the variety of events or activities available in Palmerston North	The Club provides opportunities to promote confidence and create connections within the community
Enhances any precinct identities (e.g. Broadway as a hospitality precinct)	The Club supports and enhances the range of activities at Totara Road.
Provides an experience (rather than a simple commercial exchange)	The Club is focused on personal development and community engagement.
Does not significantly limit the availability of space for general community use	The lease does not affect the availability of the space for general community use.
Rangitāne o Manawatu feedback on the proposed activity	Rangitāne o Manawatu representatives have considered the proposal and have no comment.
Potential impact of the occupancy and proposed activities	The Club has been occupying the site since 1983. The lease has no negative impact on the public's benefit and enjoyment of the land. The lease will not affect the availability of space for the general community use or other for-purpose groups, as it is an existing use.

Impact on the locality and Park operations

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

REPORT

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Public Notification of a Community Occupancy Lease to Red Sox Sports Club Incorporated

PRESENTED BY: Bryce Hosking, Manager Property and Resource Recovery and Perene Green, Property Officer

APPROVED BY: Chris Dyhrberg, General Manager Infrastructure

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee continue to support Red Sox Sports Club Incorporated by notifying the public of its intention to grant community occupancy of Council land at 916 Tremaine Avenue (part of Vautier Park), Palmerston North in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.
2. That the Committee note the land affected by the community occupancy of Red Sox Sports Club is described as Part Section 249 TN of Palmerston North.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	<p>The Red Sox Sports Club has requested support from Council by granting community occupancy through a new lease agreement.</p> <p>This report seeks Council's approval to commence the public notification process in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.</p>
OPTION 1:	Notify the public of Council's intention to continue supporting the Red Sox Sports Club by granting occupancy via a lease of the existing site at 916 Tremaine Avenue (part of Vautier Park)
Community Views	<ul style="list-style-type: none"> Community views will be sought during the public notification period.
Benefits	<ul style="list-style-type: none"> The community views, along with any objections received, will be considered to inform the decision. Council can continue supporting and developing the relationship with the Club and enable them to continue their activities.
Risks	<ul style="list-style-type: none"> There is a reputational risk where other community organisations may feel aggrieved that they have not been given the opportunity to lease the land. This risk can be mitigated through the transparent submission process.
Financial	<ul style="list-style-type: none"> The costs of public notification will be minor. Council will receive the annual rent of \$150.00 plus GST.
OPTION 2:	Do not notify the public of the preferred option (intention to support through a lease) which would effectively end the Red Sox Sports Club's occupancy of Council land
Community Views	<ul style="list-style-type: none"> Community views to inform the Council's decision on the Club's proposed occupancy will not be sought.
Benefits	<ul style="list-style-type: none"> Should the lease end, and the Club be requested to vacate the premises, the Support and Funding Policy provides a process for Council to explore alternative use options of the land prior to potentially seeking an alternative occupant. This allows for a strategic view of land use when an arrangement ends. Under the current lease, at the expiration of the lease, Council has the option to purchase the Club's buildings and improvements within three months of the date of expiration at a price agreed between both parties.

Risks	<ul style="list-style-type: none"> • There is a reputational risk that Council may be criticised for not supporting the activities of the Club, especially given they are established on the site. This risk cannot be mitigated. • There is a further reputational risk where Council may be criticised for placing a financial burden on the Club after asking them to vacate. If Council wishes to proceed with this option, the Club will be required to vacate the land and, unless agreed otherwise, remove all assets, and return the land to its original state at their cost. Whilst this is set out in the lease conditions, that will not mitigate the reputational risk caused from perception.
Financial	<ul style="list-style-type: none"> • Council would no longer receive the existing annual rent of \$150.00 plus GST. • Council staff time would be required to assist in the process of the removal of improvements.

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 The Red Sox Sports Club has been occupying Council land at 916 Tremaine Avenue since 1999. Their previous lease expired in 2019 and the Club requests a new lease so it can continue to occupy the site. Since the Club has occupied Council land, the Club have developed the site to provide opportunities for participation in sports and social activities for the community.
- 1.2 Council only leases the land to the Club. The Club owns all improvements within the lease area.
- 1.3 Under the Council's Support and Funding Policy, if a for-purpose organisation requests a new lease for the occupancy of Council land at the end of their agreed term, the proposal is to be publicly advertised to seek feedback from the public.
- 1.4 In addition, as the leased land is reserve land, any new lease is also subject to the requirements of the Reserves Act 1977, which also requires public notification of Council's intention to grant a new lease.
- 1.5 This report seeks Council's approval to commence the public notification process in accordance with the Reserves Act 1977 and the Support and Funding Policy, noting that this is the first step in the process, and only seeks approval for consultation.
- 1.6 The final decision to lease to the Club will be brought to the Strategy & Finance Committee in a subsequent report which will discuss any feedback received.

2. THE PROPOSAL

- 2.1 The proposed lease area is approximately 1,868m². The proposed lease area is outlined in Figure 1.
- 2.2 If the land lease is granted the proposed annual rental is \$150.00 plus GST. This is consistent with the framework in Council's Support and Funding Policy.
- 2.3 The proposed term would be for five (5) years, with one right of renewal for a further five (5) years.
- 2.4 If a new lease is commenced, the use of the site will remain the same.



Figure 1: Proposed leased area

- 2.5 The proposed 10-year term structure, made up of two 5-year terms, is consistent with the standard lease terms entered on Council land. This tenure has been discussed with, and agreed to, by the proposed tenant. If Council wishes to grant a longer term, then direction will need to be given to do so.

3. ASSESSMENT OF PROPOSAL UNDER THE SUPPORT AND FUNDING POLICY

- 3.1 The Support and Funding Policy provides a framework for how Council will deliver support and funding to groups, organisations, and individuals to

achieve the vision of the city. One form of support within the policy is to enable for-purpose groups to occupy Council-owned property at community rental rates.

- 3.2 All for-purpose groups expressing an interest in occupying Council-owned property, either for a new occupancy or renewal of an existing occupancy, must make an application. The application is then assessed by Council Officers to ensure that firstly they meet the policy's eligibility criteria before proceeding any further.
- 3.3 Further assessment considerations are outlined in the policy. In broad terms, the assessment covers three main areas:
 - The Policy for the Use of Public Space – guidelines relevant to the application.
 - Reserves Act 1977 – including consideration of the values and purpose of the reserve and the impacts on the public use of the reserve.
 - Impact on the locality and park operations.

A copy of the assessment is attached as Attachment 1.

- 3.4 In summary, following the assessment against the policy, Council Officers conclude that the Club meets all criteria required.

4. LEASING POWERS UNDER THE RESERVES ACT

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

- 4.2 Section 54(1)(b) of the Reserves Act 1977 allows for an administering body to:

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

provided that a lease granted by the administering body may, with the prior consent of the Minister given on the ground that he or she considers it to be in the public interest, permit the erection of buildings and structures for sports, games, or public recreation not directly associated with outdoor recreation.'

- 4.3 'Necessary' is not interpreted as requiring that all or even most visitors or users of the reserve need/want to use the service or activity provided under the lease. Reserves often have activities on them that only some of the visitors to the reserve use. The balance of the reserve, Vautier Park, is available for general use by the community.

- 4.4 The proposal would see the continued use of part of the reserve by the Club. The lease does not alter the current user experience or change the existing capacity for other activities.

5. LAND STATUS

- 5.1 A summary of the land status information is:

Title	Reserve Status	Officer Comment
Part Section 249 TN of Palmerston North	Recreation Reserve	Subject to the Reserves Act 1977

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

- 6.1 The Reserves Act 1977 is subject to Section 4 of the Conservation Act and requires that administering bodies under the Reserves Act 1977 give effect to the principles of the Treaty of Waitangi.
- 6.2 Rangitāne o Manawatū representatives have considered the proposal, Rangitāne are comfortable with this proposal and happy for it to proceed.

7. DESCRIPTION OF OPTIONS

Option 1: Notify the public of Council's intention to continue supporting the Club by granting occupancy via a lease of the existing site at 916 Tremaine Avenue (part of Vautier Park)

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

Option 2: Do not notify the public of the preferred option (intention to support through a lease) which would effectively end the Club's occupancy of Council land

- 7.6 The impact of this option would mean that the opportunity to seek community feedback on the Club's continued occupancy of the site would not occur.
- 7.7 In turn, this would mean that the lease would cease, and Council would follow the process outlined in the Support and Funding Policy to determine the future use of the land (refer 5.5.1(b)). The first step in this process is to carry out a strategic options review.
- 7.8 The implication of this option on the Club would mean that they would not be able to continue leasing the site. Under the lease provisions, a decision would then need to be made regarding the improvements owned by the Club.
- 7.9 This option poses the risk that Council will be perceived as not supporting the activities of the Club that has occupied the site since 1999.

8. CONCLUSION

- 8.1 The proposal is consistent with the requirements of the Support and Funding Policy. Continued occupancy will allow the Club to offer its activities to the community.
- 8.2 Public notification on the continuing support will provide opportunities for submissions and objections to be made before a decision is made, fulfilling the requirements of the Support and Funding Policy 2022 and section 54 of the Reserves Act 1977.
- 8.3 It is recommended the Committee proceed with Option 1. The Club's activities contribute to outcomes to achieve Goal 3 of Council's strategic direction.

9. NEXT ACTIONS

- 9.1 Public notification of the intention to grant the lease, seeking submissions and objections.
- 9.2 Provide the opportunity for any submitters that wish to be heard to speak to Council.
- 9.3 Consider the objections and submissions and provide to Council on whether to accept, modify or decline the lease proposal.

10. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 10.1 The proposed consultation process meets the public notification requirements of the Support and Funding Policy 2022 and the Reserves Act 1977 that

requires a minimum of one-month period advertised in the Manawatu Standard, Dominion Post and on the Council website.

COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do, they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
<p>The recommendations contribute to:</p> <p>Whāinga 3: He hāpori tūhonohono, he hāpori haumarū</p> <p>Goal 3: A connected and safe community</p>	
<p>The recommendations contribute to the achievement of objectives in:</p> <p>6. Mahere rēhia</p> <p>6. Recreation and Play Plan</p> <p>The objective is: Administer the Reserves Act 1977.</p>	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	The recommendation is in line with Council's Support and Funding Policy which supports community groups to deliver benefits contributing to the cultural, economic, environmental, and social wellbeing of the city.

ATTACHMENTS

1. Assessment of Lease Proposal [↓](#) 

Assessment of Lease Proposal – Support and Funding Policy

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

Date: 11 July 2024

Group Name: Red Sox Sports Club Incorporated

Proposed Lease Location: 916 Tremaine Avenue (part of Vautier Park) Palmerston North

Use of Public Space Policy

Criteria	Assessment
Supports the achievement of the Council's goals	Activities of the Club are consistent with goals two and three of Council's strategic direction.
Is accessible to the wider community	The Club activities seek and support the Palmerston North community.
Adds to the variety of events or activities available in Palmerston North	The Club provides opportunities to promote confidence and create connections within the community
Enhances any precinct identities (e.g. Broadway as a hospitality precinct)	The Club supports and enhances the range of recreational activities at Vautier Park.
Provides an experience (rather than a simple commercial exchange)	The Club are focused on personal development and community engagement.
Does not significantly limit the availability of space for general community use	The lease does not affect the availability of the space for general community use.
Rangitāne o Manawatu feedback on the proposed activity	Rangitāne o Manawatu representatives have considered the proposal and have no comment.
Potential impact of the occupancy and proposed activities	The Club has been occupying the site since 1999. The lease has no negative impact on the public's benefit and enjoyment of the land/reserve. The lease will not affect the availability of space for the general community use or other for-purpose groups, as it is an existing use.

Reserves Act 1977 Considerations

Criteria	Assessment
Meets the defined purpose of recreation reserve in Section 17(1) of the Reserves Act 1977.	The Club is providing a sports club organisation to the local community. It is undertaken in people's leisure time and contributes to the community. This activity is consistent with the purpose of recreation reserves.
The public shall have freedom of entry and access to the reserve, except for the ability to lease areas under Section 54.	The area is proposed to be leased under Section 54 and therefore public access is not required.
Where scenic, historic, archaeological, biological, geological, or other scientific features or indigenous flora or fauna or wildlife are present on the reserve, those features or that flora or fauna or wildlife shall be managed and protected to the extent compatible with the principal or primary purpose of the reserve.	No trees or vegetation are required to be removed by the proposal.
Those qualities of the reserve which contribute to the pleasantness, harmony, and cohesion of the natural environment and the better use and enjoyment of the reserve shall be conserved.	The Club, as an existing occupier will not negatively impact the existing pleasantness and enjoyment of the reserve.
To the extent compatible with the principal or primary purpose of the reserve, its value as a soil, water, and forest conservation area shall be maintained.	The proposed lease will not impact on soil, water and forest conservation.
Does not significantly limit the availability of space for general community use	The lease does not affect the availability of the space for general community use.

Impact on the locality and Park operations

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

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Ongley Park - Proposal to grant a lease on Council land to Rose Gardens Croquet Club Incorporated

PRESENTED BY: Bryce Hosking, Manager Property and Resource Recovery and Perene Green, Property Officer

APPROVED BY: Chris Dyhrberg, General Manager Infrastructure

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee grant a lease of the land at Ongley Park, Palmerston North as part of Lot 2 DP 77988 to Rose Gardens Croquet Club Incorporated in accordance with the Support and Funding Policy 2022.

1. ISSUE

- 1.1 The Club has operated at Ongley Park since 1983. The formal land lease expired in September 2023 and has been on a month-to-month lease since.
- 1.2 The Club requests a new lease to continue operating. The lease is subject to the requirements of the Support and Funding Policy 2022, which includes public notification of Council's intention to grant a new lease on the reserve.
- 1.3 The public notification process is now complete with no submissions received.
- 1.4 This report seeks approval to grant a new lease to Rose Gardens Croquet Club Incorporated in accordance with Council's Support and Funding Policy.

2. BACKGROUND

- 2.1 A report to the Strategy & Finance Committee on 8 May 2024 assessed the proposal and as a result Council resolved:
 1. That Council continues to support Rose Gardens Croquet Club Incorporated by notifying the public of its intention to grant community occupancy of Council land at Ongley Park, Palmerston North in accordance with the Support and Funding Policy 2022.
 2. That Council notes the land affected by the community occupancy of Rose Gardens Croquet Club Incorporated is described as Lot 2 DP 77988.

- 2.2 Consultation was completed in June 2024. No submissions were received.
- 2.3 The proposed lease will commence on 1 September 2024 and will be for a term of five (5) years with one right of renewal of a further five (5) years.
- 2.4 The proposed 10-year term structure, made up of two 5-year terms, is consistent with the standard lease terms entered on Council land. This tenure has been discussed with, and agreed to, by the proposed tenant. If Council wishes to grant a longer term, then direction will need to be given to do so.
- 2.5 The proposed annual rent is \$250.00 plus GST. This is consistent with the rental framework in Council's Support and Funding Policy 2022.

3. CONCLUSION

- 3.1 Council has supported Rose Gardens Croquet Club Incorporated through leasing land since 1983.
- 3.2 Given there were no objections to the new lease proposal, and the requirements of the Support and Funding Policy have been met, it is recommended that Council continue to support them and proceed with granting a new lease to Rose Gardens Croquet Club Incorporated.

4. NEXT STEPS

- 4.1 A new lease between Palmerston North City Council and Rose Gardens Croquet Club Incorporated will be entered.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do, they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to: Whāinga 3: He hāpori tūhonohono, he hāpori haumarū Goal 3: A connected and safe community	
The recommendations contribute to the achievement of objectives in: 7. Mahere tautāwhi hāpori	

7. Community Support Plan	
The objective is: Grant a lease of Council land and facilities to for-purpose organisations in line with the Community Funding Policy.	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	The lease aligns with Council's Support and Funding Policy which supports community groups to deliver benefits contributing to the cultural and economic, environmental, and social wellbeing in the city.

ATTACHMENTS

Nil

MEMORANDUM

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Ongley Park - Proposal to grant a lease on Council land to Manawatu Cricket Incorporated

PRESENTED BY: Bryce Hosking, Manager Property and Resource Recovery and Perene Green, Property Officer

APPROVED BY: Chris Dyhrberg, General Manager Infrastructure

RECOMMENDATION(S) TO STRATEGY & FINANCE COMMITTEE

1. That the Committee grant a lease of the land and part building at Ongley Park, Palmerston North as part of Section 248 Town of Palmerston North, WN16B/1168 to Manawātū Cricket Incorporated, in accordance with Council's Support and Funding Policy and Section 54 of the Reserves Act 1977.

1. ISSUE

- 1.1 Manawātū Cricket Incorporated has operated at Ongley Park, Palmerston North since 2013.
- 1.2 The formal land and building lease with Manawātū Cricket expired on 30 June 2022 and has been on a month-to-month lease since then.
- 1.3 Manawātū Cricket Incorporated requested a new lease to continue operating. The lease is over reserve land and is subject to the requirements of the Reserves Act 1977 in addition to Council's Support and Funding Policy 2022. These requirements include public notification of Council's intention to grant a new lease on the reserve.
- 1.4 The public notification process is now complete with no submissions having been received.
- 1.5 This report seeks approval to grant a new lease to Manawātū Cricket Incorporated in accordance with Section 54 of the Reserves Act 1977 and Council's Support and Funding Policy

2. BACKGROUND

- 2.1 A report to the Strategy & Finance Committee on 8 May 2024 assessed the proposal and as a result Council resolved:

1. *That Council continues to support Manawatū Cricket Incorporated by notifying the public of its intention to grant community occupancy of Council land at Ongley Park, Palmerston North in accordance with the Support and Funding Policy 2022 and Section 54 of the Reserves Act 1977.*
2. *That Council notes the land affected by the community occupancy of Manawatū Cricket Incorporated is described as Part Section 248 Town of Palmerston North WN16B/1168.*
- 2.2 Consultation was completed in July 2024. No submissions were received.
- 2.3 If entered the proposed lease will commence on 1 July 2024 and will be for a term of five (5) years with one right of renewal of a further five (5) years.
- 2.4 The proposed 10-year term structure, made up of two 5-year terms, is consistent with the standard lease terms entered on Council land. This tenure has been discussed with, and agreed to, by the proposed tenant. If Council wishes to grant a longer term, then direction will need to be given to do so.
- 2.5 The proposed annual rent is to be \$1,000 plus GST. This is consistent with the rental framework in Council's Support and Funding Policy 2022.
- 3. CONCLUSION**
- 3.1 Council has supported Manawatū Cricket Incorporated through leasing land and buildings since 2013.
- 3.2 Given there were no objections to the new lease proposal, and the requirements of the Support and Funding Policy have been met, it is recommended that Council continue to support them and proceed with granting a new lease to Manawatū Cricket Incorporated.
- 4. NEXT STEPS**
- 4.1 A new lease between Palmerston North City Council and Manawatū Cricket Incorporated is executed.

5. COMPLIANCE AND ADMINISTRATION

Does the Committee have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do, they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes

Are the recommendations inconsistent with any of Council's policies or plans?	No
<p>The recommendations contribute to:</p> <p>Whāinga 3: He hapori tūhonohono, he hapori haumaru</p> <p>Goal 3: A connected and safe community</p>	
<p>The recommendations contribute to the achievement of objectives in:</p> <p>7. Mahere tautāwhi hapori</p> <p>7. Community Support Plan</p> <p>The objective is: Grant a lease of Council land and facilities to for-purpose organisations in line with the Community Funding Policy.</p>	
Contribution to strategic direction and to social, economic, environmental, and cultural well-being	The recommendation is in line with Council's Support and Funding Policy which supports community groups to deliver benefits contributing to the cultural economic, environmental, and social wellbeing of the city.

ATTACHMENTS

Nil

COMMITTEE WORK SCHEDULE

TO: Strategy & Finance Committee

MEETING DATE: 14 August 2024

TITLE: Committee Work Schedule

FROM:

RECOMMENDATION TO STRATEGY & FINANCE COMMITTEE

1. That the Strategy & Finance Committee receive its Work Schedule dated August 2024.

COMMITTEE WORK SCHEDULE – AUGUST 2024					
Item No.	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction/ Clause number
1.	August 2024	Quarterly Performance & Financial Report (quarter 4 ending 30 June 2024)	General Manager Corporate Services / CFO		Terms of Reference
2.	August 2024	Treasury Report (Quarter 4)	General Manager Corporate Services / CFO		Treasury Policy
3.	August November 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	General Manager Strategic Planning General Manager Infrastructure Services	Initial assessment complete; further financial analysis required	Council 29 November 2023 Clause 193.3-23

		Financial Year 2027 onwards			
4.	August November 2024	Draft Waste Management and Minimisation Bylaw – Approval for Consultation	General Manager Strategic Planning	In progress; further work to do on key areas where changes will be recommended	11 August 2021 Clause 21
5.	November 2024	Quarterly Performance & Financial Report (quarter 1 ending 30 September 2024)	General Manager Corporate Services / CFO		Terms of Reference
6.	November 2024	Treasury Report (Quarter 1)	General Manager Corporate Services / CFO		Treasury Policy
7.	November 2024	Vegetation Framework to include a Tree Policy focused on Council administered streets and public spaces	General Manager Strategic Planning		Committee of Council 9 June 2021 Clause 31.8
8.	November 2024	Te Apiti Ashhurst Loop Track - negotiations and Recreation Fund application	General Manager Infrastructure		8 May 2024 Clause 32
9.	May/June 2025	Engage with the community around the option of designating part of Linklater Park as dog-on-lead, and report back	General Manager Strategic Planning		8 May 2024 Clause 26
10.	TBC	Nature Calls - Prospective funding and finance options	General Manager Corporate Services/ CFO		Council 10 June 2024 Clause 111-

					24
11.	TBC	Delegation Manual – Fees & Charges review	General Manager Corporate Services / CFO		8 May 2024 Clause 24
12.	TBC	Revenue & Finance Policy review	TBC		8 May 2024 Clause 24
13.	TBC	Contact Centre – Breakdown of expenses	General Manager Corporate Services		Council 3 April 2024 Clause 52-24
14.	TBC	Draft Interim Speed Management Plan	General Manager Strategic Planning	Waiting on government direction	Council 5 April 2023 Clause 46-23

ATTACHMENTS

NIL