



PAPAIOEA
PALMERSTON
NORTH
CITY

PALMERSTON NORTH CITY COUNCIL

AGENDA

COUNCIL

9.00 AM, WEDNESDAY 5 FEBRUARY 2025

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

MEMBERS

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

AGENDA ITEMS, IF NOT ATTACHED, CAN BE VIEWED AT

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

Waid Crockett

Chief Executive | PALMERSTON NORTH CITY COUNCIL

COUNCIL MEETING

5 February 2025

ORDER OF BUSINESS

1. Karakia Timatanga

2. Apologies

3. Notification of Additional Items

Pursuant to Sections 46A(7) and 46A(7A) of the Local Government Official Information and Meetings Act 1987, to receive the Chairperson's explanation that specified item(s), which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded, will be discussed.

Any additions in accordance with Section 46A(7) must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

Any additions in accordance with Section 46A(7A) may be received or referred to a subsequent meeting for further discussion. No resolution, decision or recommendation can be made in respect of a minor item.

4. Declarations of Interest (if any)

Members are reminded of their duty to give a general notice of any interest of items to be considered on this agenda and the need to declare these interests.

5. Public Comment

To receive comments from members of the public on matters specified on this Agenda or, if time permits, on other matters.

6. **Presentation - The Plaza, Kiwi Property** Page 7
7. **Confirmation of Minutes** Page 9
- That the minutes of the extraordinary Council meeting of 5 December 2024 Part I Public be confirmed as a true and correct record.
8. **Confirmation of Minutes** Page 13
- That the minutes of the ordinary Council meeting of 11 December 2024 Part I Public be confirmed as a true and correct record.
9. **Tribute - New Year's Honours 2025** Page 33
- Presentation, by Mayor Grant Smith.

REPORTS

10. **Local Water Done Well- Approval for Consultation** Page 39
- Memorandum, presented by Julie Keane- Transition Manager Three Waters, Mike Monaghan- Group Manager Three Waters, Olivia Wix- Communications Manager.
11. **Exemption of Council Controlled Organisations** Page 45
- Memorandum, presented by Sarah Claridge, Governance Advisor.
12. **Review of CEDA Appointment of Director Policy - Creation of Working Group and Terms of Reference** Page 59
- Memorandum, presented by Sarah Claridge, Governance Advisor.
13. **Civic Fund Establishment - Te Awa Community Foundation** Page 65
- Memorandum, presented by Richard Carr, Commercial Partnerships and Funding Manager.

14. Civic and Cultural Precinct: 6 Month Update

Page 73

Memorandum, presented by David Murphy, General Manager Strategic Planning and Richard Carr, Commercial Partnerships and Funding Manager.

15. Council Work Schedule

Page 77

16. Karakia Whakamutunga

17. 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
18	Confirmation of the minutes of the ordinary Council meeting of 11 December 2024 Part II Confidential	For the reasons set out in the Council of 11 December 2024, held in public present.	
19	Sale and Purchase of Property on Ruahine Street	COMMERCIAL ACTIVITIES: This information needs to be kept confidential to allow Council to engage in commercial activities without prejudice or disadvantage	s7(2)(h)

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

PRESENTATION

TO: Council

MEETING DATE: 5 February 2025

TITLE: Presentation - The Plaza, Kiwi Property

RECOMMENDATION TO COUNCIL

- 1. That the Council receive the presentation for information.**
-

SUMMARY

Andrew Heaphy, Senior Centre Manager, The Plaza and Linda Trainer, General Manager – Assets, Kiwi Property will discuss rates and leased carparks at the Plaza Shopping Centre.

ATTACHMENTS

Nil

PALMERSTON NORTH CITY COUNCIL

Minutes of the Extraordinary Council Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 05 December 2024, commencing at 9.00am.

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

Apologies: Councillors Debi Marshall-Lobb (on Council business), Orphée Mickalad (lateness)

Karakia Timatanga

Councillor Roly Fitzgerald opened the meeting with karakia.

203-24 Apologies

Moved Grant Smith, seconded Patrick Handcock.

RESOLVED

1. That Council receive the apologies.

Clause 203-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

Tributes to Lorna Black and Sir Robert Gillies

Mayor Grant Smith gave a tribute to Lorna Black, wife of former Mayor Desmond Black, and Sir Robert Gillies, former member of the 28th Māori Battalion.

204-24 Standing Orders - Option C

Moved Grant Smith, seconded Patrick Handcock.

RESOLVED

That Council adopt Option C (SO 2.12.3) for Item 7 Local Water Done Well - Assessment of Options and Consultation Process for this meeting.

Clause 204-24 above was carried 12 votes to 2, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Billy Meehan, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

Councillors Lew Findlay and Lorna Johnson.

205-24 Local Water Done Well - Assessment of Options and Consultation Process

Report, presented by Mike Monaghan Manager 3 Waters, Julie Keane, Transition Manager and Cameron McKay, Chief Financial Officer.

An additional motion was agreed that Council indicate to the public its preferred option in the Local Water Done Well consultation material.

The meeting adjourned at 11.11am

The meeting resumed at 11.31am

Moved Grant Smith, seconded Patrick Handcock.

RESOLVED

1. That Council note the Local Government (Water Services Preliminary Arrangements) Act 2024 requires councils to produce a Water Services Delivery Plan and accompanying implementation plan by 3 September 2025.
2. That Council note it is required by the Local Government (Water Services Preliminary Arrangements) Act 2024 to consider and consult with the community on at least two options for the future delivery model for water services, being the Internal business unit – Modified Status Quo, and a Water Services Council-Controlled Organisation or joint services arrangement.
3. That Council consult on:
 - a) Option 1 – Internal Business Unit – Modified Status Quo, as required by legislation

AND

- c) Option 3 - a Multi-Council-owned Water Organisation – sub-regional that includes Palmerston North City Council, Manawatū

District Council, Horowhenua District Council and Kāpiti Coast District Council.

AND

- d) Option 4 - a Multi-Council-owned Water Organisation of the Manawatū-Whanganui region or any other combination of councils.
4. That Council instruct the Chief Executive to include the options agreed above in a draft Statement of Proposal and consultation document to be brought back to Council on 5 February 2025.
5. That Council note the Chief Executive will prepare a submission to the Local Government Water Services Bill to be submitted under the Mayor's delegation and brought back to Council for information in the new year.

Clause 205-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

Moved William Wood, seconded Lorna Johnson.

RESOLVED

6. That Council agree the option: a Multi-Council-owned Water Organisation – sub-regional that includes Palmerston North City Council, Manawatū District Council, Horowhenua District Council and Kāpiti Coast District Council as the preferred option for consultation.

Clause 205-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

Note:

Moved Brent Barrett, seconded William Wood.

On an amendment that: Option 2 - a Single Council-owned Water Organisation – PNCC be included in the consultation options, the amendment was lost 6 votes to 8, the voting being as follows:

For:

Councillors Mark Arnott, Brent Barrett, Roly Fitzgerald, Billy Meehan, Karen Naylor and William Wood.

Against:

The Mayor (Grant Smith) and Councillors Rachel Bowen, Vaughan Dennison,

Lew Findlay, Patrick Handcock, Leonie Hapeta, Lorna Johnson and Kaydee Zabelin.

206-24 Rangitāne o Manawatū Committee Part I Public - 30 October 2024

Councillor Naylor presented the recommendations below:

Moved Karen Naylor, seconded Vaughan Dennison.

RESOLVED

1. That Council adopt the recommendations from the Rangitāne o Manawatū Committee of 30 October 2024:

Te Motu o Poutoa Development Programme – Update (clause 18-24)

Memorandum, presented by Kathy Dever-Tod, Manager Parks and Reserves.

The **COMMITTEE RECOMMENDS**

1. That Council agree the terms of reference of the Te Motu o Poutoa Steering Group (Attachment 1).
2. That Council investigate the use of a council-controlled organisation (CCO) or other subsidiary entity model as the start-up structure for the Te Motu o Poutoa Marae and Cultural Centre.
3. That Council endorse the Te Motu o Poutoa Programme Steering Group position that they do not wish to seek funding from Gaming Trusts for this project.

Clause 206-24 above was carried 11 votes to 0, with 3 abstentions, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Karen Naylor and Kaydee Zabelin.

Abstained:

Councillors Mark Arnott, Leonie Hapeta and William Wood.

Karakia Whakamutunga

Councillor Roly Fitzgerald closed the meeting with karakia.

The meeting finished at 11.43am

Confirmed 5 February 2025

Mayor

PALMERSTON NORTH CITY COUNCIL

Minutes of the Council Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 11 December 2024, commencing at 9.02am

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

Apologies: Councillor Rachel Bowen (late arrival), Councillor Debi Marshall-Lobb (early departure- Council business)

Councillor Rachel Bowen entered the meeting at 10.10am during consideration of clause 212-24. She was not present for clauses 207-24 to 211-24.

Councillor Debi Marshall Lobb was not present when the meeting resumed at 10.40am after consideration of clause 212-24. She entered the meeting again at 1.35pm after consideration of clause 219-24. She was not present for clauses 213-24 to 219-24.

Councillor Kaydee Zabelin was not present when the meeting resumed at 1.35pm after consideration of clause 219-24. She returned to the meeting at 2.18pm during consideration of clause 222-24 but left at 3.01pm. She was not present for voting on clauses 220-24 to 226-24.

Councillor Orphée Mickalad was not present when the meeting resumed at 1.35pm after consideration of clause 219-24. He returned to the meeting at 3.09pm during consideration of clause 222-24. He was not present for clauses 220-24 and 221-24.

Karakia Timatanga

Councillor Debi Marshall-Lobb opened the meeting with karakia.

207-24 Apologies

Moved Grant Smith, seconded Vaughan Dennison.

RESOLVED

1. That Council receive the apologies.

Clause 207-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

Declarations of Interest

Councillor Vaughan Dennison declared a conflict of interest in Item 20 Recommendations from the Community Committee – 4 December 2024 (clause 218-24), he took no further part in discussion or debate and sat in the gallery.

Mayor Grant Smith declared a conflict of interest in Item 12 Approval of International Travel for the Mayor in March 2025 (clause 220-24), he took no further part in discussion or debate and sat in the gallery.

208-24

Presentation - Aspiring Leaders Forum

Presentation, by Alex Murray and Liorah Jainarain

Alex and Liorah spoke about their experience at the Aspiring Leaders Forum in August 2024. They discussed what they had learnt about the attributes of being a good leader. They thanked Mayor Grant Smith for nominating them to attend.

The presentation is attached to the minutes.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the Council receive the presentation for information.

Clause 208-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

209-24 Standing Orders - Option C

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

That Council adopt Option C (SO 2.12.3) for Item 11 Annual Budget 2025/26 on this agenda.

Clause 209-24 above was carried 14 votes to 1, the voting being as follows:

For:

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

Against:

Councillor Lorna Johnson.

210-24 Confirmation of Minutes

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

That the minutes of the ordinary Council meeting of 6 November 2024 Part I Public and Part II Confidential be confirmed as a true and correct record.

Clause 210-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

REPORTS

211-24 FoodHQ Annual Update

Presentation by Dr Victoria Hatton Chief Executive, Food HQ and Chris Dyhrberg, General Manager - Infrastructure.

The presentation is included in the agenda.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council note the update on FoodHQ activities.
2. That Council appoint David Murphy, General Manager – Strategic Planning as Council's nominated alternate director for FoodHQ

Innovations Ltd, to be reviewed in March 2026, or earlier if necessary.

Clause 211-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

212-24 2024 Rating Valuations

Memorandum, presented by Steve Paterson, Manager – Financial Strategy and Jason Hockly, Property Consultant for QV.

The presentation is attached to the minutes.

Councillor Rachel Bowen entered the meeting at 10:10am.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council note that the 2024 City rating revaluation has been completed and new values, with an effective date of 1 September 2024, have been authorised for implementation by the Valuer-General through the issue of an unqualified audit opinion on 29 November 2024.

Clause 212-24 above was carried 16 votes to 0, the voting being as follows:

For:

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

The meeting adjourned at 10.22am.

The meeting resumed at 10.40am.

Councillor Debi Marshall-Lobb was not present when the meeting resumed at 10:40am.

213-24 2024 Rating Valuations - Impact on Rating Incidence

Memorandum, presented by Steve Paterson, Manager – Financial Strategy

The presentation is attached to the minutes.

Moved Grant Smith, seconded Leonie Hapeta.

RESOLVED

1. That Council note:
 - a. the new rateable values will be used as the basis for calculating rates effective from 1 July 2025.
 - b. the valuation changes do not increase the total rates revenue for the Council. However, without further changes to the rating system the valuation significantly alters the incidence of rates both within and between the differential groups of property, and in particular transfer a greater share of the rates to the commercial/industrial sector.
2. That Council instruct the Chief Executive to bring options to the 12 February 2025 Council meeting in response to the change in rating incidence caused by the valuation changes. These options will include mechanisms such as altering the level of uniform annual general charge; or the differential surcharges applying to the general rate based on the land value or the targeted rate based on capital value; or a combination of all three.

Clause 213-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

Moved Brent Barrett, seconded Vaughan Dennison.

On an amendment: That Council instruct the Chief Executive to bring options to the 12 February 2025 Council meeting in response to the change in rating incidence caused by the valuation changes ~~and the planned stage 2 implementation of the greater share based on capital value~~. These options will include mechanisms such as altering the level of uniform annual general charge; or the differential surcharges applying to the general rate based on the land value or the targeted rate based on capital value; or a combination of all three.

The amendment was carried 11 votes to 4, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and Kaydee Zabelin.

Against:

Councillors Mark Arnott, Lew Findlay, Leonie Hapeta and William Wood.

RECOMMENDATIONS FROM COMMITTEE MEETINGS

214-24 Strategy & Finance Committee Part I Public - 13 November 2024

Councillor Dennison presented the recommendations below:

Moved Vaughan Dennison, seconded Karen Naylor.

1. That Council adopt the recommendations from the Strategy & Finance Committee of 13 November 2024

[Quarterly Performance and Financial Report - period ending 30 September 2024 \(clause 47-24\)](#)

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

The **COMMITTEE RECOMMENDS**

2. That Council approve the adjustments to activities due to an internal realignment per [Attachment 4](#) - Realignment Budget Variations.

[Local Water Done Well Funding Reallocation \(clause 50-24\)](#)

Report, presented by Scott Mancer, Manager - Finance and Julie Keane, Transition Manager.

The **COMMITTEE RECOMMENDS**

1. That Council approve the reallocation of \$928,503 Department of Internal Affairs funding for Better Off Funding from Programme 1054 – Ashhurst Water Quality Improvements to Local Water Done Well Transition Support in the Wastewater operating budget, subject to Department of Internal Affairs approval.
2. That Council note that the capital expenditure budget for programme 1054 was reduced at the Council meeting on 6 November 2024.
3. That Council increase the Wastewater operating budget for both revenue and expenditure by \$306,672 in the 2024/25 Financial Year for Transition Support.
4. That Council refer to the Annual Budget process a revenue and expenditure budget of \$621,831 for Transition Support for the 2025/26 Financial Year.
5. That Council agree that \$928,503 will be spent across the 2024/25 and 2025/26 Financial Years and that any unspent funding in 2024/25 will be adjusted via carry forwards at 30 June 2025.

[Deliberations - Draft Dangerous, Affected, and Insanitary Buildings Policy 2024 \(clause 53-24\)](#)

Report, presented by Lili Kato, Policy Analyst.

The **COMMITTEE RECOMMENDS**

2. That Council adopt the Dangerous, Affected, and Insanitary Buildings Policy 2024 ([Attachment 1](#)).
3. That Council rescind the Dangerous and Insanitary Buildings Policy 2006.

Clause 214-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

215-24 Economic Growth Committee Part I Public - 20 November 2024

Councillor Hapeta presented the recommendations below:

Moved Leonie Hapeta, seconded William Wood.

RESOLVED

1. That Council adopt the recommendations from the Economic Growth Committee of 20 November 2024:

[Palmerston North Airport Limited - Annual report for 12 months ended 30 June 2024 & Instructions relating to Annual Meeting \(clause 63-24\)](#)

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

The **COMMITTEE RECOMMENDS**

2. That the Council shareholder representative be instructed to support the proposed resolutions (section 2.9) to be considered at the Annual meeting of Palmerston North Airport Limited to be conducted by way of resolution in writing.

Clause 215-24 above was carried 14 votes to 0, with 1 abstention, the voting being as follows:

For:

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

Abstained:

The Mayor (Grant Smith).

216-24 Culture & Sport Committee Part I Public - 27 November 2024

Councillor Bowen presented the recommendations below:

Moved Rachel Bowen, seconded Billy Meehan.

RESOLVED

1. That Council adopt the recommendations from the Culture & Sport Committee of 27 November 2024:

[Funding Request from Stuff Events for Central District Field Days \(clause 47-24\)](#)

Memorandum, presented by Luke McIndoe, Head of Events.

The **COMMITTEE RECOMMENDS**

1. That Council decline request and maintain existing contestable funding from Major Event Fund.

Clause 216-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

Moved Rachel Bowen, seconded Billy Meehan.

[Funding Request from Stuff Events for Central District Field Days \(clause 47-24\)](#)

Memorandum, presented by Luke McIndoe, Head of Events.

RESOLVED

2. That Council refer a new programme of up to \$30k per year to support Central District Field Days Innovation Zone proposal to the Annual Budget 2025/26 process.

Clause 216-24 above was carried 11 votes to 4, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan and Orphée Mickalad.

Against:

Councillors Mark Arnott, Karen Naylor, William Wood and Kaydee Zabelin.

Moved Rachel Bowen, seconded Billy Meehan.

RESOLVED

[Heritage Reference Group - Terms of Reference](#) (clause 50-24)

Memorandum, presented by Keegan Aplin-Thane, Senior Planner and Greg Vossler, Heritage Planning Consultant.

The **COMMITTEE RECOMMENDS**

1. That Council approve the Terms of Reference and purpose for the Palmerston North Heritage Reference Group in [Attachment 1](#).
2. That Council appoint an Elected Member representative to the Heritage Reference Group to act as the Councillor liaison as detailed in the Terms of Reference.
3. That Council note members of the Palmerston North Heritage Reference Group will be appointed through an expressions of interest process, as detailed in Section 6.2 of the Terms of Reference (Attachment 1).

Clause 216-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

217-24

Sustainability Committee Part I Public - 4 December 2024

Councillor Zabelin presented the recommendations below:

Moved Kaydee Zabelin, seconded Patrick Handcock.

RESOLVED

1. That Council adopt the recommendations from the Sustainability Committee of 4 December 2024:

Community Gardens - simplified process (clause 47-24)

Memorandum presented by Aaron Phillips, Activities Manager Parks and Amy Viles, Manager Community Development.

The **COMMITTEE RECOMMENDS**

1. That Council approve the Palmy Community Garden Guide 2024 (Attachment 1).
2. That Council delegate authority to the Chief Executive to issue

permits to community gardens.

Clause 217-24 above was carried 14 votes to 0, with 1 abstention, the voting being as follows:

For:

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

Abstained:

Councillor Brent Barrett.

218-24 Community Committee Part I Public - 4 December 2024

Councillor Johnson presented the recommendations below:

Moved Lorna Johnson, seconded Patrick Handcock.

RESOLVED

1. That Council adopt the recommendations from the Community Committee of 4 December 2024:

Social housing and property review work programme (clause 39-24)

Memorandum, presented by Julie Macdonald, Manager Strategy and Policy.

The **COMMITTEE RECOMMENDS**

1. That Council endorse the proposed broad terms of reference for an investigation of social housing delivery models (Workstream A), as described in memorandum titled 'Social housing and property review work programme' presented to the Community Committee on 4 December 2024 and its Attachment 1
2. That Council endorse the proposed terms of reference for a property review to identify revenue generation opportunities (Workstream B), as described in this memorandum titled 'Social housing and property review work programme' presented to the Community Committee on 4 December 2024 and its Attachment 2, and any other bespoke leverage opportunity that Chief Executive identified.

Clause 218-24 above was carried 13 votes to 0, with 1 abstention, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Mark Arnott, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Abstained:

Councillor Brent Barrett.

Note

Councillor Vaughan Dennison declared a conflict of interest, withdrew from

the discussion and sat in the gallery.

Moved Lorna Johnson, seconded Patrick Handcock.

RESOLVED

Social housing and property review work programme (clause 39-24)

Memorandum, presented by Julie Macdonald, Manager Strategy and Policy.

The **COMMITTEE RECOMMENDS**

3. That Council confirm its intention to await the outcome of an investigation of social housing delivery models (Workstream A) prior to considering the reports dated 1 May 2024 'Summerhays Street Redevelopment – Partnership Models' and 'Summerhays Street Redevelopment – Expressions of Interest Feedback'

Clause 218-24 above was carried 9 votes to 5, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Mark Arnott, Brent Barrett, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson and Orphée Mickalad.

Against:

Councillors Leonie Hapeta, Billy Meehan, Karen Naylor, William Wood and Kaydee Zabelin.

Note

Councillor Vaughan Dennison declared a conflict of interest, withdrew from the discussion and sat in the gallery.

219-24

Palmerston North Quarterly Economic Update - December 2024

Memorandum, presented by Stacey Andrews, City Economist.

Moved Grant Smith, seconded Leonie Hapeta.

RESOLVED

1. That Council receive the Palmerston North Quarterly Economic Update – December 2024, including:
 - a. Palmerston North Economic Growth Indicators - December 2024 (Attachment 1), and
 - b. Palmerston North Quarterly Economic Card Spending Report – September 2024 (Attachment 2),presented to the Council meeting on 11 December 2024.

Clause 219-24 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Mark Arnott, Brent Barrett, Rachel

Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Ophée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

The meeting adjourned at 12.35pm.
The meeting resumed at 1.35pm.

Councillors Kaydee Zabelin and Ophée Mickalad were not present when the meeting resumed at 1:35pm.
Councillor Debi Marshall-Lobb returned to the meeting at 1.35pm.

The Mayor Grant Smith vacated the chair and sat in the gallery for Item 12 (clause 220-24)
The Deputy Mayor, Debi Marshall-Lobb took the Chair.

220-24 Approval of International Travel for the Mayor in March 2025

Memorandum, presented by Gabrielle Loga, Manager International Relations.

Moved Debi Marshall-Lobb, seconded Rachel Bowen.

RESOLVED

1. That Council grant approval for the Mayor to lead an information and communication technology (ICT) business and startup delegation to attend the 2025 Taipei Smart City Summit and Expo from 18 March until 22 March 2025.

Clause 220-24 above was carried 12 votes to 1, the voting being as follows:

For:

Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan and William Wood.

Against:

Councillor Karen Naylor.

Note:

Mayor Grant Smith declared a conflict of interest, withdrew from the discussion and sat in the gallery.

The Mayor Grant Smith took the chair.

221-24 Submission on the Principles of the Treaty of Waitangi Bill

Memorandum, presented by Todd Taiepa, Poutoko Aropei - Manager Māori Advisory.

Moved Debi Marshall-Lobb, seconded Grant Smith.

RESOLVED

1. That Council submit in opposition to the Treaty of Waitangi Principles Bill and that Council request to speak to its submission.

2. That Council agree the submission will be authorised by the Mayor and Deputy Mayor and reported back to Council in February.

Clause 221-24 above was carried 10 votes to 3, with 1 abstention, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson and Karen Naylor.

Against:

Councillors Mark Arnott, Leonie Hapeta and William Wood.

Abstained:

Councillor Billy Meehan.

222-24

Annual Budget 2025/26

Memorandum, presented by Cameron McKay, Chief Financial Officer and Scott Mancer - Manager Finance.

The presentation is attached to the minutes.

Councillor Kaydee Zabelin returned to the meeting at 2:18pm.

Councillor Kaydee Zabelin left the meeting at 3:01pm.

Councillor Orphée Mickalad returned to the meeting at 3:09pm.

A (1a)

Moved Karen Naylor, seconded Billy Meehan.

RESOLVED

That Council confirm the proposed budget for remuneration as being \$63m, being the \$62.5m as outlined in the Long-Term Plan 2024/34 plus \$0.5m for positions which are offset with additional revenue.

Clause 222.1-24 above was carried 9 votes to 6, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Mark Arnott, Vaughan Dennison, Roly Fitzgerald, Leonie Hapeta, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Against:

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

1(a)

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council instruct the Chief Executive to prepare a draft of the Consultation Document and supporting information for the Annual Budget 2025/26 for consideration by the Council at its meeting on 12 February 2025 and that it contains:

- a. Key assumptions outlined in Section 4 including the agreed motion above.

Clause 222.2-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

A 1(b)

Note:

Moved Karen Naylor, seconded Brent Barrett.

On a motion: That Council defer the following programmes by one year to be considered as part of the 2026/27 budget:

- Programme 1194 - CET Arena Masterplan - \$8,168K.

The motion was lost 2 votes to 13, the voting being as follows:

For:

Councillors Brent Barrett and Karen Naylor.

Against:

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

B 1(b)

Note:

Moved Karen Naylor, seconded Vaughan Dennison.

On a motion: That Council defer the following programmes by one year to be considered as part of the 2026/27 budget:

- Programme 159 - Kelvin Grove Road \$3,000K.

The motion was lost 3 votes to 12, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor and William Wood.

Against:

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

1(b)

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council instruct the Chief Executive to prepare a draft of the Consultation Document and supporting information for the Annual Budget 2025/26 for consideration by the Council at its meeting on 12 February 2025 and that it contains:
 - b. Programmes as agreed at the Council meeting on 6 November 2024 and attached for information in Attachment 4.

Clause 222.3-24 above was carried 13 votes to 2, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent

Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan and William Wood.

Against:

Councillors Orphée Mickalad and Karen Naylor.

c. i.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

That Council agree a budget for Local Water Done Well Transition support in 2025/26 comprising expenditure of \$1.5M funded by way of a grant subsidy of \$621,831 and the balance of \$878,169 by way of loan.

Clause 222.4-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

c. ii.

Moved Grant Smith, seconded Brent Barrett.

RESOLVED

That Council increase the resource recovery operating budget by \$65k to fund the delivery of Programme 2338 – Recycling Contamination Monitoring Development

Clause 222.5-24 above was carried 12 votes to 3, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan and Orphée Mickalad.

Against:

Councillors Mark Arnott, Karen Naylor and William Wood.

c. iii.

Moved Grant Smith, seconded Rachel Bowen.

RESOLVED

That Council add the following to the draft Annual Budget 2025/26:

Street Lighting

That a budget of \$120,000 to support a Street Lighting survey be included in the Annual Budget 2025/26.

Clause 222.6-24 above was carried 11 votes to 4, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson and Orphée Mickalad.

Against:

Councillors Mark Arnott, Billy Meehan, Karen Naylor and William Wood.

Moved Grant Smith, seconded Rachel Bowen.

RESOLVED

That Council add the following to the draft Annual Budget 2025/26:

Street Lighting

That the Council refer a programme to begin upgrading the street lighting on the already identified streets (listed in the Roading Report to the Economic Growth Committee in June 2024) to the next practicable meeting.

Clause 222.7-24 above was carried 13 votes to 2, the voting being as follows:

For:

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

Against:

Councillors Brent Barrett and Lew Findlay.

Moved Grant Smith, seconded Rachel Bowen.

RESOLVED

That Council add the following to the draft Annual Budget 2025/26:

Palmerston North Age Friendly Action Plan

That Council approve Option 1 and agree an additional budget of \$50K for the development and implementation of the Palmerston North Age Friendly Implementation Plan in the 2025/26 Annual Budget.

Clause 222.8-24 above was carried 14 votes to 1, the voting being as follows:

For:

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

Against:

Councillor Karen Naylor.

Moved Grant Smith, seconded Rachel Bowen.

RESOLVED

That Council add the following to the draft Annual Budget 2025/26:

Centrepoint Theatre

That Council support the Centrepont Theatre rebuild of up to \$200k over two years by:

- a. In-kind support – officer time to support with fundraising, promotion, communications etc; and
- b. Resource consent and building consent costs – the application process for this is already underway; and
- c. Grant funding – the quantum to be determined at the 12 February 2025 Council meeting

Clause 222.9-24 above was carried 14 votes to 1, the voting being as follows:

For:

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

Against:

Councillor Karen Naylor.

A c(iv)

Note:

Moved Karen Naylor, seconded Brent Barrett.

On a motion: That Council reduce the proposed 2025/26 operating budget for International relations to \$300K.

The motion was lost 1 vote to 14, the voting being as follows:

For:

Councillor Karen Naylor.

Against:

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

B c(iv)

Note:

Moved Karen Naylor, seconded William Wood.

On a motion: That Council reduce the proposed 2025/26 operating budget for city marketing is reduced by \$200K.

The motion was lost 2 votes to 13, the voting being as follows:

For:

Councillors Karen Naylor and William Wood.

Against:

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

C c(iv)

Moved William Wood, seconded Grant Smith.

RESOLVED

That the Chief Executive look at reducing the professional services budgets in 2025/26 by \$1M and creating a new \$1M Internal Capacity Building Budget to be used for professional development, internal capacity support and staff remuneration; and report back to 12 February 2025.

Clause 222.10-24 above was carried 12 votes to 3, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

Against:

Councillors Debi Marshall-Lobb, Lew Findlay and Lorna Johnson.

1C

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

That Council instruct the Chief Executive to prepare a draft of the Consultation Document and supporting information for the Annual Budget 2025/26 for consideration by the Council at its meeting on 12 February 2025 and that it contains:

- c. Operating budgets as outlined in Attachments 1-3, , including the agreed motions above.

Clause 222.11-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

223-24

Council Work Schedule

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive its Work Schedule dated 11 December 2024.

Clause 223-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

EXCLUSION OF PUBLIC

224-24 Recommendation to Exclude Public

Moved Grant Smith, seconded Debi Marshall-Lobb.

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
23.	Confirmation of the minutes of the ordinary Council meeting of 6 November 2024 Part II Confidential	For the reasons set out in the Council of 6 November 2024, held in public present.	
24	Contract time extension- Nature Calls technical experts	NEGOTIATIONS: This information needs to be kept confidential to ensure that Council can negotiate effectively, especially in business dealings	s7(2)(i)
25.	Appointment of Directors to Central Economic Development Agency 2024	PRIVACY This information needs to be kept private to protect personal information that is confidential or sensitive. This includes people who are no longer alive	s7(2)(a)
26.	Development Agreements with Summerset Villages (Kelvin Grove) Ltd and The Colonial Motor Company Ltd	THIRD PARTY COMMERCIAL Disclosing the information could harm a company's commercial position	s7(2)(b)(ii)

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

Also that Nicholas Jessen, be permitted to remain in the public excluded part of the meeting, because of his knowledge and ability to assist the meeting in speaking to Item 26, Development Agreements with Summerset Villages (Kelvin Grove) Ltd and The Colonial Motor Company Ltd.

Nicholas Jessen will be present at the meeting for Item 26 only.

Clause 224-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

The public part of the meeting finished at 4.40pm

Confirmed 5 February 2024

Mayor

TRIBUTE

TO: Council

MEETING DATE: 5 February 2025

TITLE: Tribute - New Year's Honours 2025


RECOMMENDATION TO COUNCIL

- 1. That Council congratulate the local recipients of the New Year's Honours 2025.**
-

SUMMARY

Mayor Grant Smith will acknowledge the achievements of the local recipients of the New Year's Honours 2025.

ATTACHMENTS

1. New Year's Honours List [↓](#) 

NEW YEAR'S HONOURS LIST – 2025 - Palmerston North Recipients

Name	Type of Honour	Reason	Details
Dr Harjinder Singh	Companion of the New Zealand Order of Merit:	For services to food science	Dr Singh has investigated structure-function relationships in food colloids, providing new insights into molecular interactions in food systems and how they alter following food processing. His prolific publications have ranked him as the number one food scientist in Oceania, with more than 500 publications, including serving on 15 editorial journal boards. He has translated his scientific findings to commerce, to achieve industrial outcomes of significant economic and social importance. With his team he invented an encapsulation technology for omega-three fatty acids, which allows the incorporation of fish oil into foods at high levels, creating healthier foods, subsequently enabling several companies to create products using this technology. His FerriPro technology which brings affordable iron nutrition to the developing world, where iron deficiency is a debilitating problem, and has been commercialised by the Nestlé-Riddet institute partnership, earning significant royalties for Massey University and the Riddet Institute, of which he has served as Director since 2018. The FerriPro technology is one of the largest licensing deals in Massey University's history and has been recognised by several awards. Dr Singh contributed to development of functional milk protein products for Fonterra, which generate significant revenue annually.
Dr Peter John Cleave	Officer of the New Zealand Order of Merit	For services to Māori language education	Dr Peter Cleave has been involved with retention and development of Te Reo Māori since the 1970s, holding numerous teaching roles at all levels. Dr Cleave has written books and co-written dictionaries for teaching Te Reo Māori, including early work collaborating on Māori mathematics in the late 1970s. He was instrumental in driving approval of the first Masters in Māori programme at the University of Waikato in 1975. He taught Te Reo at secondary schools in the 1990s and led a team focused on pre-school education for Māori and Pacific children from 2000 to 2006. He has published

Name	Type of Honour	Reason	Details
			<p>academically since 1972 in sociolinguistics and other sociological topics. His professional and academic reputation has made him a leading choice of marker for doctorates and masters in social anthropology, Māori studies and areas such as ethnography and linguistics. He has been broadcasting bilingually or exclusively in Te Reo since 2000 for Kia Ora FM and hosts the solo weekly show 'Te Ao Whanui'. He wrote the book 'Iwi Station' about the development of Māori radio. Dr Cleave has contributed to Rangitāne o Manawatū iwi for more than 20 years in various capacities, from broadcasting to early childhood support, as iwi representative on the Manawatū Community Law Board and the Manawatū People's Radio Board of Trustees.</p>
<p>Professor Trisia Angela Farrelly</p>	<p>Officer of the New Zealand Order of Merit</p>	<p>For services to ecology</p>	<p>Professor Trisia Farrelly has developed a strong national and international reputation in the field of political and environmental ecology, particularly plastic pollution.</p> <p>Professor Farrelly has made a significant contribution towards exposing the social, economic and ecological costs of plastic pollution. She is a leading independent scientific voice in New Zealand amongst international agencies influencing international conventions, regulations and policies regarding the health, biodiversity, socio-economic and climate impacts of plastic pollution. In her multiple roles including as Coordinator of a 400-strong international body of independent plastics scientists and as member of the United Nations Scientific Advisory Committee for Plastics, she has had a leading role informing the future governance of the full life cycle plastics in New Zealand and internationally. Her research has informed Pacific Islands policy and the United Nations Environment global plastic treaty process. Professor Farrelly co-founded the Aotearoa Plastic Pollution Alliance and the New Zealand Product Stewardship Council.</p>

Name	Type of Honour	Reason	Details
Mr Peter Wallace Allen	Member of the New Zealand Order of Merit	For services to disabled people	<p>Mr Peter Allen (Ngāti Kahungunu ki Tamatea, Kāi Tahu ki te Waipounamu) has been advocating for the rights of disabled people since his sight deteriorated due to Retinitis Pigmentosa.</p> <p>After serving 20 years with the Royal New Zealand Air Force, Mr Allen was elected to serve on the social movement Enabling Good Lives (EGL) Regional Leadership Group in 2017. While serving on the Regional Group he was selected to chair the Governance Group, working with senior management of the government Disability Support Service delivery team in Midcentral. In 2021 he was nominated onto the National Enabling Good Lives Leadership Group, the Kaitiaki of the EGL vision and principles. He was a facilitator with My Life My Voice Trust which provides opportunities for the disabled community to attend workshops, focused on upskilling, informational and personal development. He has been involved in numerous organisations, boards and management committees including Retina New Zealand, Workbridge, Whaikaha Establishment, Partnership and Transformation Boards, and a Blind Low Vision volunteer. Mr Allen is a member of Kapo Māori and Blind Citizens, and has been a member of Te Ao Marama Aotearoa since 2023, a tangata whaikaha Māori forum, where through the skill development team 'Titoko' he has delivered Te Ao Māori experiences for disabled people and tangata whaikaha Māori.</p>
Dr Hilary Anne Smith	Member of the New Zealand Order of Merit:	For services to linguistics and the community	<p>Dr Hilary Smith has been involved with Volunteer Service Abroad Te Tuāo Tāwāhi (VSA) for more than 40 years.</p> <p>Dr Smith made contributions for more than seven years as a VSA teacher and teacher educator in Tonga, Papua New Guinea, and Laos. She served as the Chair of the VSA Council between 1998 and 2007, has been a member of the VSA Appointments Panel, and has chaired local interest groups in Te Whanganui-a-Tara Wellington and Te Papaiōea Palmerston North. She was President of Teachers of English to Speakers of Other Languages Aotearoa New Zealand between 2008 and 2015, currently Chairs Applied Linguistics in</p>

Name	Type of Honour	Reason	Details
			<p>Aotearoa New Zealand (ALANZ), and co-convenes the Languages Alliance Aotearoa New Zealand. Through her career in applied linguistics, she has supported numerous countries as a teacher and leader; these include Nepal, Indonesia, Timor-Leste and Fiji. Dr Smith has been working with the Gamilaraay Aboriginal community in New South Wales, Australia to support Gamilaraay language revival, resulting in the production of resources including multimedia materials and bilingual early reading books.</p>
<p>Dr Helen Julia Snell</p>	<p>Member of the New Zealand Order of Merit:</p>	<p>For services to nursing and diabetes care</p>	<p>Dr Helen Snell has been a trailblazer in improving the standards of diabetes clinical care and improving outcomes, as well as a driving force for Registered Nurses (RN) working in advanced practice roles.</p> <p>Dr Snell became involved with early diabetes nursing at the Diabetes Lifestyle Centre at Palmerston North Hospital in 1989. She is currently Nurse Practitioner and Nurse Lead of the Diabetes and Endocrinology Service at Te Whatu Ora MidCentral Health. She developed the National Diabetes Nursing Knowledge and Skills Framework for the MidCentral District Health Board and the Ministry of Health to ensure a consistent approach to diabetes care delivery. She was project lead for the development of online diabetes learning modules for health professionals and consumers, initially launched in 2012 and which has been updated for current use. She was lead for a successful pilot Diabetes Nurse Prescribing project in 2011, which led to her overseeing the roll out of Diabetes RN prescribing nationally in 2012/2013. She has helped advance the scope of practice for RN prescribing and has worked on implementing the RN prescribing authorisation and training pathway for RNs across New Zealand. Dr Snell was the first non-physician President of the New Zealand Society for the Study of Diabetes (NZSSD) from 2019 to 2022.</p>

Name	Type of Honour	Reason	Details
Squadron Leader Paul Leslie Stockley	The New Zealand Distinguished Service Decoration:	For services to the New Zealand Defence Force	<p>Squadron Leader Paul Stockley has devoted more than 32 years to the New Zealand Defence Force as a pilot and instructor.</p> <p>As a qualified flying instructor since 1996, Squadron Leader Stockley has flown for New Zealand, Australia and the United Kingdom. He has served with the Royal Air Force flying the Short Tucano T.1 which included a tour as Officer Commanding 207(R) Squadron. As the New Zealand Exchange Officer, he has flown with the Royal Australian Air Force. He has flown with the Red Checkers Aerobatic Team flying the CT4 Airtrainer and led the Royal New Zealand Air Force (RNZAF) Aerobatic Team – the Black Falcons. He was a qualified pilot with the Air Force Heritage Flight, with a North American Harvard and Grumman Avenger rating, and was assigned the only Grumman Avenger display pilot for the Air Force Heritage Flight. He has contributed to the T-6C Texan Introduction into Service, instructing and managing pilots on their first organic Flying Instructors Course on the aircraft, through the development of training and syllabus material. Throughout his career Squadron Leader Stockley has filled every key leadership position in the RNZAF flying training system including Commanding Officer Flying Training Wing (as a Wing Commander), Officer Commanding Central Flying School and Officer Commanding Pilot Training Squadron.</p>

MEMORANDUM

TO: Council

MEETING DATE: 5 February 2025

TITLE: Local Water Done Well- Approval for Consultation

PRESENTED BY: Julie Keane- Transition Manager Three Waters, Mike Monaghan- Group Manager Three Waters, Olivia Wix- Communications Manager

APPROVED BY: Chris Dyhrberg, General Manager Infrastructure
Danelle Whakatihi, General Manager Customer & Community

RECOMMENDATION TO COUNCIL

1. That Council adopt for consultation the Local Water Done Well Consultation Document (Attachment 1 – attached separately).
-

1. ISSUE

- 1.1 Under the Local Government (Water Services Preliminary Arrangements) Act, Council is required to consult on options for the future delivery of Water Services.
- 1.2 At its meeting on 5 December 2024 Council agreed three options to consult the community on, including identifying a preferred option.
- 1.3 Council will consult on options for future water service delivery between Thursday 20 February and Sunday 23 March 2025.
- 1.4 In the attachment to this report, is the draft consultation document to be approved to proceed with consultation.

2. BACKGROUND

- 2.1 On 5 December, Council considered options to take to public consultation for the future of Palmerston North's Water Services Delivery.
- 2.2 Council agreed to include three options for consultation, one of which (Status Quo) is legally required to be consulted on, despite for our Council, not meeting legislative requirements (Option 3).
- 2.3 The two other remaining options would see us collaborate with other councils to form a joint Council Controlled Organisation. Option 1 is a collaboration

with Kāpiti Coast, Horowhenua, Manawatū and Palmerston North councils. Option 2 is with one or more councils within the Horizons boundary area.

- 2.4 Council voted to endorse Option 1 as its preferred option for consultation.
- 2.5 The Draft consultation document was circulated to elected members for initial feedback on 24 January.
- 2.6 Since December, we have re-modelled the options to ensure elected members and our community have the most up-to-date potential costings.
- 2.7 Previously modelling between Option 1 and Option 2 were completed by different organisations. It is important that what we present to the public can confidently be compared. One of the main differences between the numbers you see today and those presented in December is that all options and analysis now include inflation.
- 2.8 It should be noted that modelling of Option 2 assumes all seven councils are included, whereas we know some councils have already signalled they are not considering this option. Removing some councils from the modelling will likely result in an increase in costs.
- 2.9 Some other councils have also looked again at their proposed spending over the next few decades to ensure it represents the true projected water investment needed over the coming decades. This is reflected in what is presented today.

3. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 3.1 A significant community engagement process will occur.
- 3.2 A pre-education campaign about the Local Water Done Well programme is already underway. This includes tours of the wastewater plant, website material, social media, radio and newspaper promotion and a display in our Customer Service Centre. A flyer is also included in the February rates instalment.
- 3.3 During consultation the full consultation document and supporting information will be on our website, available at all libraries and our Customer Service Centre. All properties will receive an information booklet encouraging them to read our consultation material in more depth, and to give feedback. There are tight deadlines to meet in relation to the printing and distribution of this document. Comments made today will be incorporated into both the Consultation Document and this booklet.
- 3.4 During this time period, there will be a wide range of radio, digital, newspaper and social media promotion. We will host tours at our wastewater plant, visit schools and have a presence at a number of events including Esplanade Day, Rural Games, Central District Field days and Festival of Cultures. We will

also host sector sessions with Environment, Community, and a joint session with business and our commercial water and trade waste customers. We will also host drop-in sessions at our libraries throughout the consultation period.

- 3.5 People will be able to fill out submission forms on our website and at our libraries and customer service centres. People will also be able to make submissions in formats they choose- eg: art, poems, drawings, video etc.
- 3.6 Councils within the options are continuing to communicate with each other and will share information and provide assistance if queries occur about other communities to ensure correct information is provided. We will also make council staff available for engagement sessions in other communities where they are included in some of our options.
- 3.7 We are the first council in the Horizons and Kāpiti area to begin consultation. The other councils will start mid-way through our consultation period. We have timed our consultation to ensure there is limited crossover with the Annual Budget consultation and to take advantage of the range of events to engage with our community.

4. UPDATE ON FINAL WATER SERVICES BILL

- 4.1 The Local Government (Water Services) Bill establishes the enduring settings for the new water services system.
- 4.2 The objectives of the Bill are to ensure water services are safe, reliable, environmentally resilient, customer responsive and delivered at the least cost to consumers and businesses.
- 4.3 The Bill was introduced to Parliament in December 2024. It reflects key policy decisions announced by the Government in August 2024.
- 4.4 The Bill sets out key details relating to the water services delivery system, the economic regulation and consumer protection regime for water services, and changes to the water quality regulatory framework.
- 4.5 It provides for:

Arrangements for the new water services delivery system, including:

- Structural arrangements such as establishment, ownership, and governance of water organisations
- Operational matters such as arrangements for charging bylaws and management of stormwater networks
- Planning, reporting and financial management

A new economic regulation and consumer protection regime based on the existing economic regulation regime in Part 4 of the Commerce Act which

currently applies to electricity lines services, gas pipeline services, and airport services.

Changes to the water quality regulatory framework and the water services regulator including:

- Changes to the Water Services Act 2021 to reduce the regulatory burden of the drinking water quality regime and improve proportionality in the application of regulatory powers
- A change to Te Mana o te Wai
- A new single standard for wastewater and stormwater environment performance.

4.6 The Bill contains standalone provisions and amendments to a number of other Acts including but not limited to the Civil Defence Emergency Management Act, Commerce Act, Income Tax Act, Local Government Act and the Water Services Act.

4.7 There are no changes to the information that was shared by the DIA in August but the Bill sets out detailed information about the new waters delivery system.

4.8 Officers are currently preparing a submission on the Bill, that will be brought to Council on 12 February. Responses to the Bill are required by 23 February and it is expected that the Bill will be enacted mid-2025.

5. NEXT STEPS

5.1 Following Council's approval of the Consultation Document, consultation will commence from 20 February to 23 March.

5.2 Hearings will be heard by the Sustainability committee on 16 April.

5.3 Report back to Council 7 May on analysis of submissions including recommendations.

5.4 4 June presentation of Water Services Delivery Plan or alternative 25 June depending on other council decisions

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 objectives?		Yes
Are the recommendations inconsistent with any of Council's policies or plans?		No
The recommendations contribute to: Whāinga 4: He tāone toitū, he tāone manawaroa Goal 4: A sustainable and resilient city		
The recommendations contribute to this plan: 14. Mahere mana urungi, kirirarautanga hihiri 14. Governance and Active Citizenship Plan The objective is: To receive community feedback to enable us to advocate to Government and other decision-makers on issues and opportunities regarding water services.		
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The purpose of the Local Government (Water Services Preliminary Arrangements) Bill (WSPA) is to establish preliminary arrangements for the future delivery of water services.	

ATTACHMENTS

1. Local Water Done Well - Consultation Document (attached separately)
2. Local Water Done Well - Consultation Form (attached separately)

MEMORANDUM

TO: Council

MEETING DATE: 5 February 2025

TITLE: Exemption of Council Controlled Organisations

PRESENTED BY: Sarah Claridge, Governance Advisor

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATIONS TO COUNCIL

1. That Council approve the request to treat the Globe Theatre Trust as an exempted organisation for the purpose of compliance and external financial audit; for three years from 5 February 2025 to 5 February 2028, pursuant to Section 7 of the Local Government Act 2002.
 2. That Council approve the request to treat the Regent Theatre Trust as an exempted organisation for the purpose of compliance and external financial audit; for three years from 5 February 2025 to 5 February 2028, pursuant to Section 7 of the Local Government Act 2002.
 3. That Council decline the request from Te Manawa Museums Trust to become an exempted organisation.
 4. That Council request the Globe Theatre Trust and Regent Theatre Trust present their Annual Report to the relevant committee.
-

1. ISSUE

- 1.1 Council has three cultural CCOs: Te Manawa Museums Trust, Regent Theatre Trust and Globe Theatre Trust. Each CCO is run by a Trust Board who is responsible for independently managing the respective facility to meet the Council's objectives. The Local Government Act (LGA), requires CCO trusts to regularly report performance and provide audited financial statements to their shareholder (Council).
- 1.2 Council has received letters from the chairs of the three Cultural CCOs (Attachments 1-3) requesting that their Trust be exempted from the reporting and auditing requirements of the LGA. The main driver for these requests is the increasing cost of Audit New Zealand. The LGA requires CCO accounts to be audited by Audit New Zealand.
- 1.3 A Council resolution can exempt a small organisation that is not a council-controlled trading organisation from the requirements on a council-controlled organisation (see 2.3 below).

1.4 This report seeks Council's consideration of the requests from the CCO Board chairs.

2. BACKGROUND

Legal Requirements of being a CCO

2.1 The legal requirements of a CCO are outlined in Part 5 of the LGA. Reflecting that CCOs primarily rely on public funds, reporting requirements are extensive and financial statements must be audited annually by Audit New Zealand.

2.2 CCOs must provide three reports annually to Council, these are:

- **Statement of Intent** (future 3-year performance indicators/ targets, objectives and 3-year budgets)
- **Six-month report** (half year performance of the CCO in achieving its set targets and finances)
- **Annual Report** (audited report on the previous year's budget and performance)

Exemption Criteria

2.3 Local authorities may exempt a CCO for not more than 3 years (LGA, s7(6)). This effectively means the CCO would not be required to meet the monitoring and reporting requirements (set out in section 2.2 above) for the exemption period.

2.4 While an exemption can be up to 3 years, councils can review and revoke an exemption at any time. Therefore, should an exempted CCO's conduct be unsatisfactory, Council could remove the exemption and bring the CCO back into the reporting regime immediately.

2.5 When considering whether to exempt an organisation, Council must take into account two matters (LGA 2002, s7(5)), namely:

- (a) the nature and scope of the activities provided by the organisation; and
- (b) the costs and benefits, if an exemption is granted, to the local authority, the council-controlled organisation, and the community.

2.6 Irrespective of whether an exemption is granted or not, the following actions would continue:

- Council would provide an annual grant to each CCO
- Council would appoint trustees to the Trust Boards.
- Regular annual gatherings between elected members and the cultural CCOs would continue.
- Council officers would continue to maintain a relationship with the CCOs through regular catchups. This provides an opportunity for any issues to be raised with officers and brought to elected members attention (if required).

- Council can request a CCO to present to Council or Committee.

Trust Deeds

- 2.7 There is nothing in either the Regent or Globe's Trust Deeds preventing the CCOs becoming exempt, but Te Manawa's Trust Deed does contain an audit requirement.

Section 11.2 of the Te Manawa Trust deed reads:

The Board shall, as soon as practicable after the end of every financial year of the Board, cause the accounts of the Board for that financial year to be audited by the auditor for the time being who audits the accounts of the Council unless the Council shall approve of some other auditor."

- 2.8 If Council were to exempt Te Manawa, an additional resolution approving an alternative auditor would be required to satisfy the requirement of section 11.2 above.

Financial Breakdown of Cultural CCOs

- 2.9 The Globe and Regent Trust Boards are relatively small CCOs and are similar sized financially, whereas Te Manawa is much larger. See Table 1 below.

Table 1: Financial Breakdown of Cultural CCOs

2023-2024 Financial Year	Globe Theatre Trust	Regent Theatre Trust	Te Manawa Museums Trust
Council Grant	\$174,981	\$258,016	\$3,756,570 ¹
Total Assets	\$594,588	\$1,315,073	\$23,942,208
Total Expenses (excluding depreciation)	\$338,417	\$896,548	\$3,982,144
Annual Audit Cost	\$10,000	\$34,186	\$69,569

Charities Act 2005

- 2.10 All three CCOs are registered charities under the Charities Act 2005 (the Act).

The Act requires all charities with Total Expenses over \$1.1M to be audited. The Globe and Regent Theatres both have operating expenditure of less than \$1.1M so fall under the threshold that requires auditing. Te Manawa's total expenses, of nearly \$4M triggers the audit requirement. This means that even if exempted as a CCO, Te Manawa must still have their Annual Report audited. Te Manawa believe that becoming an exempt CCO would allow them to find a more affordable auditor than Audit New Zealand.

¹ Includes an additional \$250,000 to deliver specific projects

3. REQUEST FOR EXEMPTION FROM THE GLOBE AND REGENT THEATRE TRUSTS

Section 3 considers the Regent and Globe Theatre exemption requests together, as both are of similar size and nature.

Nature and scope of activities

- 3.1 Council established the Globe Theatre Trust Board as a CCO in 2002 to independently manage and promote the Globe as a community theatre and venue for hire. The Globe has two small sized theatres (>200 seats) and caters for community groups and emerging local and national acts looking to establish themselves. Similarly, the Regent Theatre has been a CCO since 2001. It is responsible for managing and promoting the Regent Theatre, which contains a 1400 seat auditorium catering for performers that attract a larger audience.
- 3.2 In recent years, both Trusts have been very successful at attracting a diverse range of local, national and international acts and have met the majority of their performance indicators. (see [Globe Annual Report 2023-24](#) and [Regent Annual Report 2023-24](#))

Table 2: Costs and Benefits of granting an exemption to the Globe and Regent Trusts.

OPTION 1:	Exempt the Globe Theatre Trust, and/or the Regent Theatre Trust
Community Views	Community Views not sought
Benefits	<p><u>For Council</u></p> <p>Council Staff time saved on monitoring and reporting on the Globe and Regent's performance.</p> <p><u>For the CCOs</u></p> <p>More Trust Board/ Management time available to run the theatre for the benefit of the community, instead of time taken to report results to Council and answering audit queries. The CCOs would still be required to answer any non-financial performance measures (as part of the quarterly performance reporting schedule presented to Council/committee).</p>
Risks (Costs)	<p><u>Council</u></p> <p>Less Governance direction – Council would no longer set expectations for the Trust Boards to report on through the Statement of Expectation or agreement of the Statement of Intent. Instead the Trusts would be expected to meet the purpose of their Trust deeds.</p> <p>Less Governance oversight – Council would no longer receive a statement of intent, or six-month report from the Trusts. Reporting to Council would reduce from three times a year to one (the Annual</p>

	<p>Report). Council could request presentations to committee more regularly.</p> <p>Alignment of accounts – Unaudited financial statement would be included in Council's audited accounts.</p> <p>The risk matrix below shows the risks of exempting the Theatres as CCOs. Residual risk increases across all risk categories (compared to the status quo – see Option 2 below) but remains within the Council's risk tolerance and is therefore acceptable. The change in risk is largely derived from the removal of independent audit as a control, but the change in risk is small due to relatively low financial commitments and nature of operations involved.</p> <table border="1" data-bbox="387 734 1401 887"> <thead> <tr> <th>Risk Category</th> <th>Residual Risk Rating</th> <th>Within Risk tolerance</th> </tr> </thead> <tbody> <tr> <td>Financial</td> <td>Medium</td> <td>Yes</td> </tr> <tr> <td>Service Delivery</td> <td>Medium</td> <td>Yes</td> </tr> <tr> <td>Reputational</td> <td>Medium</td> <td>Yes</td> </tr> </tbody> </table> <p><u>For the CCOs</u></p> <p>Foregone opportunity to gain insight and assurance of effectiveness or otherwise of internal controls gained from an independent auditor's perspective.</p>	Risk Category	Residual Risk Rating	Within Risk tolerance	Financial	Medium	Yes	Service Delivery	Medium	Yes	Reputational	Medium	Yes
Risk Category	Residual Risk Rating	Within Risk tolerance											
Financial	Medium	Yes											
Service Delivery	Medium	Yes											
Reputational	Medium	Yes											
Financial	<p><u>For Council</u></p> <p>Audit expenses: could be redistributed towards the operations of the CCO or could be reallocated to other council services (by a reduction in a CCO's grant).</p> <p><u>For the CCOs</u></p> <p>Audit expenses: The Trusts would no longer have their accounts audited by Audit NZ (nor would be required to have their accounts audited at all), which could enable more of their operating grant to be spent on managing the theatres (if Council does not reduce current grant levels).</p>												
OPTION 2:	Status Quo – retain CCO requirements for the Globe Theatre Trust, and/or the Regent Theatre Trust												
Community Views	Community Views not sought												
Benefits	<p><u>For Council</u></p> <p>Continues to have regular reporting and independently audited finances of the cultural CCOs, providing transparency that ratepayer money is being spent responsibly and ensuring Council oversight and</p>												

	<p>accountability of operations.</p> <p><u>For the CCOs</u></p> <p>Regular opportunities to present their work to Council and community through regular reports to committee.</p>												
Risks (Costs)	<p><u>For both Council and CCOs</u></p> <p>The risk matrix below shows the risk levels of not awarding an exemption. There is a low residual risk across all categories.</p> <table border="1"> <thead> <tr> <th>Risk Category</th> <th>Residual Risk Rating</th> <th>Within Risk tolerance</th> </tr> </thead> <tbody> <tr> <td>Financial</td> <td>Low</td> <td>Yes</td> </tr> <tr> <td>Service Delivery</td> <td>Low</td> <td>Yes</td> </tr> <tr> <td>Reputational</td> <td>Low</td> <td>Yes</td> </tr> </tbody> </table> <p><u>For the CCOs</u></p> <p>Staff spend more time meeting compliance requirements rather than operating their facilities and achieving Council objectives.</p>	Risk Category	Residual Risk Rating	Within Risk tolerance	Financial	Low	Yes	Service Delivery	Low	Yes	Reputational	Low	Yes
Risk Category	Residual Risk Rating	Within Risk tolerance											
Financial	Low	Yes											
Service Delivery	Low	Yes											
Reputational	Low	Yes											
Financial	<p>Audit New Zealand costs may continue to become more expensive, requiring a larger portion of Council's grant to be spent on compliance rather than operating the theatres.</p>												

Analysis of Benefits and Risks – Globe and Regent Theatres

- 3.3 Savings on Audit fees for both CCOs and the funds could be channelled back into operating the theatres, or Council could redistribute the proposed savings to other council services. Estimated audit fees are \$10,000 for the Globe and \$34,000 for the Regent.
- 3.4 If exempted, officers consider the risk of financial mismanagement low, as both CCOs are managing small budgets. It should however be noted that the small size of the operations by nature increases the risk of financial mismanagement where independent audit is absent. However, both CCOs have shown themselves to be fiscally responsible. Over the last few years, the cultural CCOs have often presented unaudited Annual Reports to Council due to delays in the auditing process. No issues have yet been found by Audit NZ that has required accounts to be re-submitted to Council.
- 3.5 Officers consider that for small CCOs, the cost of complying with the requirements of the LGA outweighs the benefits identified above. Officers do however recommend the Trusts continue to provide an unaudited Annual Report to the Council each year and could be asked to present regularly albeit informally should that be the wish of elected members. Coming in front of Council in this way would go some way to provide Council assurance that

a Trust is performing in line with their trust deeds and would allow for some oversight of their accounts and public accountability of grant funding.

3.6 Presenting an Annual Report also aligns the reporting requirements of an (exempted) CCO with Council's Sector Leads, some of whom receive similar sized grants.²

4. REQUEST FOR EXEMPTION FROM TE MANAWA MUESUMS TRUST

Nature and Scope of Activities

4.1 Te Manawa Museums Trust (Te Manawa) has been a CCO since 1999. It is responsible for managing the Te Manawa museum, a regional museum with a strong art, science and heritage focus.

4.2 Te Manawa has met several of its performance indicators over the last few years, and continues to provide a variety of science, art and heritage exhibitions, and educational programmes to the community. For example, in 2023-24, Te Manawa increased its external revenue funding and visitor numbers (refer [Annual Report 2023-24](#)).

4.3 Te Manawa does rely significantly on Council's grant and has sought and secured an increase in the grant over the next two years (see below).

Increase in Te Manawa Grant over next 2 years

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

4.4 Officers analysis of the costs and benefits of an exemption to Te Manawa is set out in Table 3 below.

Table 3: Costs and Benefits of granting an exemption to Te Manawa Museums Trusts

OPTION 1:	Exempt Te Manawa Museums Trust Board
Community Views	Community Views not sought General public expectation that regular monitoring should occur of organisations that receive public funds. Te Manawa maintains \$24M in council assets and receives nearly \$4M annually in council funds. As such, public trust in Council may decline if governance oversight is reduced.

² The largest sector lead is Environmental Network Manawatū who receives \$172,590 a year, a comparable grant size to the Globe Theatre.

Benefits	<p><u>For Council</u></p> <p>Council Staff time saved on preparing Statement of Expectations and agreeing Statement of Intents along with the subsequent monitoring and reporting on Te Manawa's performance against these measures six monthly.</p> <p>Audited Accounts are presented to Council annually, ensuring fiscal responsibility over ratepayer funded activity.</p> <p><u>For Te Manawa</u></p> <p>Some Trust Board/ Management time saved not having to report a Statement of Intent or six-month report to Council. Audit queries and the answering of any non-financial performance measures (as part of the quarterly performance reporting schedule presented to Council/committee would remain as an Annual Audit will still be required as per its Trust Deed and the Charities Act requirements.</p>												
Risks (Costs)	<p><u>Council</u></p> <p>Less Governance direction– Council would no longer set expectations for the Trust Boards to report on through the Statement of Expectation or agreement of the Statement of Intent. Instead the Trust would be expected to meet the purpose of its Trust deed.</p> <p>Less Governance oversight – Council would no longer receive a statement of intent, or six-month report from Te Manawa. Officers recommend that the audited Annual Report continue to be presented. Council could request presentations to committee more regularly.</p> <p>Alignment of audits may be compromised if Te Manawa's annual audit was conducted by a different auditor to Council's own auditor. This could lead to delays in preparation of Council's Group Financial Statements and the subsequent audit by Audit NZ. Additional coordination between audit providers by officers would be necessary to understand the progress of Te Manawa's audit and any impact that it might have on Audit NZ's work programme for Council.</p> <p>The risk matrix below shows the risks of exempting Te Manawa as a CCO. Reputational risk is assessed as being above the Council's risk tolerance due to the expectation of public unease over a \$4M Council grant being given with significantly reduced governance oversight.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Risk Category</th> <th style="text-align: left;">Residual Risk Rating</th> <th style="text-align: left;">Within Risk tolerance</th> </tr> </thead> <tbody> <tr> <td>Financial</td> <td>Low</td> <td>Yes</td> </tr> <tr> <td>Service Delivery</td> <td>Medium</td> <td>Yes</td> </tr> <tr> <td>Reputational</td> <td>High</td> <td>No</td> </tr> </tbody> </table>	Risk Category	Residual Risk Rating	Within Risk tolerance	Financial	Low	Yes	Service Delivery	Medium	Yes	Reputational	High	No
Risk Category	Residual Risk Rating	Within Risk tolerance											
Financial	Low	Yes											
Service Delivery	Medium	Yes											
Reputational	High	No											

	<p><u>For Te Manawa</u></p> <p>Connectedness with Governance Te Manawa would need to make sure it connected regularly with elected members through fora other than committee meetings.</p>
Financial	<p>No significant financial savings, as Te Manawa's accounts will still be required to be audited (as set out in their Trust deed and by the Charities Act 2005).</p> <p>There may be potential for some savings by shifting audit provider for Te Manawa.</p>
OPTION 2:	<p>Status Quo – Retain status quo CCO requirements for Te Manawa Museums Trust</p>
	<p>(same benefits and costs outlined in Table 2, Option 2)</p>

Analysis of Benefits and Risks – Te Manawa Museums Trust

- 4.5 There is no material financial savings achieved by exempting Te Manawa from the reporting requirements of the LGA, as Te Manawa's financial size still requires it to provide audited accounts to Charities Services (as does its trust deed).
- 4.6 If exempted, there is a high reputation risk to Council due to the loss of governance oversight. Council's ability to set expectations and oversee the proposed actions of Te Manawa through the Statement of Intent process provides transparency and ensures that ratepayers' money is spent progressing Council's strategic direction.
- 4.7 Te Manawa's letter does offer to continue to regularly report to Council, which would mitigate the reputational risk of 'loss of oversight' that an exemption could cause. If such mitigation measures were agreed, officers' question what an exemption would achieve as most identified benefits would be removed in doing so. (See Option 1, Table 3 above.)
- 4.8 If Council were to make Te Manawa an exempt CCO, officers recommend that the Trust continues to present their audited Annual Report to Council. This would provide a level of transparency and an audit gives assurance that Council's grant is being spent appropriately.
- 4.9 Officers do not recommend Te Manawa becomes an exempted CCO. The benefit to Te Manawa of potentially having a cheaper auditor and reducing its reporting requirements do not outweigh the loss of council oversight and public transparency for a strategic asset of its size.

5. NEXT STEPS

- 5.1 Decisions of Council will be communicated to Trustees and other relevant bodies.
- 5.2 If exempted, CCOs will present to the Culture and Sport Committee their six month report July – December 2024 in March 2025 and will continue to present an Annual Report each year.
- 5.3 If not exempted, CCOs will present their six-month report 2024-25 and their draft Statement of Intent to the Culture and Sport Committee on 26 March 2025.

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 objectives?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to: (Not Applicable)	
The recommendations contribute to the achievement of objective/objectives in: 14. Mahere mana urungi, kirirarautanga hihiri 14. Governance and Active Citizenship Plan The objective is: <ul style="list-style-type: none"> • Review governance systems and structures • Oversee Council operations and communicate outcomes and decisions to our communities 	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Exempting the trust boards from the CCO reporting requirements of the LGA may release the Trusts to focus on their core matters ie. contributing to the cultural and social fabric of Palmerston North.

ATTACHMENTS

- 1. Exemption Request Letter - Globe Theatre Trust Board [!\[\]\(d328bb1c8b293dce97ce8ae48fe06a23_img.jpg\)](#) 
- 2. Exemption Request Letter - Regent Theatre Trust Board [!\[\]\(6c3f3105811ec6ad9c7c82c1ac88875f_img.jpg\)](#) 
- 3. Exemption Request Letter - Te Manawa Museums Trust Board [!\[\]\(a018cbc70ca4f8300f04774122af480d_img.jpg\)](#) 



address: PO Box 132,
(cnr Main and Pitt Streets) Palmerston North
website: www.globetheatre.co.nz
email: info@globetheatre.co.nz
phone: 06 351 4409

21 October 2024

Councillor Rachel Bowen, Chairperson, Culture and Sport Committee

Councillor Billy Meehan, Deputy Chairperson, Culture and Sport Committee

Application to Become an Exempted Organisation

Good morning

I write on behalf of the Globe Theatre Trust to become an “Exempted organisation” under Section 7 of the Local Government Act 2002

The main reason for applying is to remove the need to have an annual audit of accounts.

The Board accepts the need to be accountable for the Council Funding we receive and are willing to meet any requirements the Council may have.

The grounds for the application are primarily:

- The cost of an audit – around \$10,000 paid by Council – this money could be spent on more useful things
- The cost to the Trust in terms of staff/management time – the theatre operates with a minimal staff and recent audits have imposed an unreasonable time imposition on the Theatre Manager. We would rather that time be spent in more productive ways
- We are a small CCO, with a relatively low level of funding and financial activity – over the last 5 years:

Average Total Revenue \$360,864.80

Average PNCC Grant \$129,356.80

- The Trust employs a chartered accountant and uses the expertise they have to offer
- The Trust has an established track-record of responsible and prudent financial management over a considerable period of time
- Under our Trust deed the Council appoints the majority of our Trustees
- We believe that we are a low risk option for the Council, and ratepayers

We are quite willing to discuss this further with Council.

Many thanks for your consideration

John Adams

Chairperson, Globe Theatre Trust

chairperson@globetheatre.co.nz



53 Broadway Avenue
Palmerston North
New Zealand
Phone 06-3502100

www.regent.co.nz
manager@regent.co.nz

6 November 2024

The Chair and Deputy Chair of the Culture and Sport Committee
Palmerston North City Council
Private Bag 11034
PALMERSTON NORTH

Dear Sir/Madam

The Regent on Broadway agrees with investigating the possibility of a different Audit process for the Regent and wishes to be included in any discussions occurring on the possibility of being exempt from the current Audit requirements for CCO's. We have discussed the issue with our Board and believe the cost savings made with such an exemption, along with the considerable time and effort saved, would far outweigh any benefits that are currently evident.

We believe that discussion with our current Auditors/Accountants, Council and our Board could determine a reporting regime that would satisfy both ourselves and Council that the Regent is performing (excuse the pun) at a level acceptable to all parties and that provides sufficient protection and confidence to Council that their asset is safe.

We look forward to working with Council in developing such a regime.

Yours faithfully

A handwritten signature in black ink that reads 'David Lea'.

David Lea
Chairman
Regent Theatre Trust Board.



Mayor Grant Smith,
CEO Waid Crockett,
Palmerston North City Council

12 December 2024

Tēnā kōrua Grant and Waid,

Request for Exemption as a CCO for Te Manawa

I am writing on behalf of the Board of Trustees for Te Manawa Museums Trust to request exemption under section 7 of The Local Government Act 2002, specifically clauses 3 to 7.

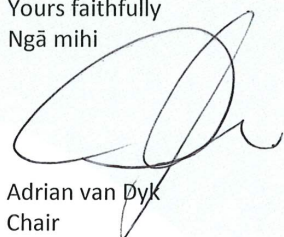
The main driver for our request is to reduce the cost of the completion of the annual audit by Audit New Zealand on behalf of the Auditor General, as prescribed under section 70 of the Act.

The Trustees would appoint a local independent auditor to complete an annual audit of the financial reports, which will be at a much lower cost. The current years Audit cost in excess of \$75,000 and continues to increase each year. In addition to being a CCO as a registered charity, our financial statements are required to be audited by a qualified auditor.

We believe that through providing Te Manawa with an exemption significant savings in both time and resources would also be achieved.

The Trustees would continue to provide reporting to council in line with the existing Statement of Intent.

Yours faithfully
Ngā mihi



Adrian van Dyk
Chair



Susanna Shadbolt
Chief Executive

MEMORANDUM

TO: Council

MEETING DATE: 5 February 2025

TITLE: Review of CEDA Appointment of Director Policy - Creation of Working Group and Terms of Reference

PRESENTED BY: Sarah Claridge, Governance Advisor

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATIONS TO COUNCIL

1. That Council establish a joint working group with Manawatū District Council to review the CEDA Appointment of Directors Policy.
 2. That Council approve the Terms of Reference of the CEDA Appointment of Directors Policy Working Group (Attachment 1).
 3. That Council agree the Mayors' recommendation to appoint Mayor Grant Smith, Councillor Vaughan Dennison and Councillor Leonie Hapeta (as members of the Electoral College) to the Working Group.
-

1. ISSUE

- 1.1 At its 2 October meeting, Council resolved to review the [CEDA Appointment of Directors Policy](#) (the Policy), and the Appointment of Directors Policy (PNCC) with particular regard to the scope of definitions.
- 1.2 Central Economic Development Agency (CEDA) is a joint CCO between Palmerston North City Council and Manawatū District Council (the councils). Both councils are 50% shareholders of CEDA, as such, agreement from both councils is required to appoint its directors and agree any changes to the Appointment Policy.
- 1.3 Officers recommend a working group be established to review the Policy. The Mayors of the councils recommend members of the Electoral College³ form this working group. Mayor Grant Smith and Councillors Vaughan Dennison and Leonie Hapeta are Council's representatives on the Electoral College.

³ The Electoral College consists of six members, three from each council. It is responsible for recommending appointments of CEDA directors to the councils.

2. BACKGROUND

- 2.1 The Appointment Policy outlines the process for how Palmerston North City and Manawatū District Councils will appoint directors to CEDA. It explains the expected skills or knowledge required and how the Board's remuneration will be set; in accordance with s57 (1) of the Local Government Act 2002 (LGA).
- 2.2 In March 2023, officers made a light touch desk-top review of the Policy which was agreed by both councils; changes included:
- Removing references to the now redundant Joint Committee
 - reducing the total Board of Directors to between 4 and 6 directors.
 - Adding 'Understanding of tikanga Māori and Māori business to the General Skills section in line with the Local Government Act
 - Adding an introduction and definition section.
- 2.3 In 2024, the process of appointing directors to CEDA highlighted differing views between the shareholding councils specifically, clarity on the re-appointment process (s3.8) set out in the Policy, definition of the term "exceptional circumstances" (s3.8) and interpretation of exceptions to the Policy (s1.4). Council requested a review of the Policy.
- 2.4 Officers propose a joint working group to review the Policy. Proposed Terms of Reference are attached (Attachment 1) outlining a scope of work and time commitment. Whilst a full review of the Policy is envisaged, particular focus will be on the areas specified above. Officers expect the review to be completed by April 2025.
- 2.5 The current Policy sets out that the Electoral College's role is to make recommendations to the shareholding councils on the appointment of directors, and that the Electoral College may also take the role of conduit between the shareholders and company to formulate a coordinated approach for matters affecting CEDA.

3. NEXT STEPS

- 3.1 A programme of work will be agreed among members.
- 3.2 The Working Group will report their recommendations to the councils in April 2025.
- 3.3 Any changes to the re-appointment process in the CEDA Appointment of Directors Policy will be mirrored in the Palmerston North City Council Appointment of Trustees and Directors Policy; which will be reviewed in turn.

4. COMPLIANCE AND ADMINISTRATION

Does the Council have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these objectives?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to: (Not Applicable)	
The recommendations contribute to the achievement of objective/objectives in: 14. Mahere mana urungi, kirirarautanga hihiri 14. Governance and Active Citizenship Plan The objective is: <ul style="list-style-type: none"> Review and monitor the performance of Council operations and Council Controlled Organisations Review governance systems and structures 	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The CEDA Appointment of Directors Policy sets out the process for appointments to the CEDA Board, as required by the Local Government Act. It ensures effective decision-makers are recruited to govern CEDA.

ATTACHMENTS

1. CEDA Appointment Policy Working Group - Terms of Reference [↓](#)





CEDA Appointment Policy Working Group- Terms of Reference

Purpose

The purpose of this working group is to review the CEDA Director Appointment Policy 2023 to ensure it aligns with current best practices, and meets the needs of the Manawātū District Council and Palmerston North City Council (the councils).

Scope

The working group will:

- Conduct a comprehensive review of the current CEDA Director Appointment Policy 2023, comparing the Policy with other councils' Appointment Policies to determine whether to amend, delete or retain each section.
- Evaluate the policy's compliance with the Local Government Act 2002.
- Review the Appointment Policy as a whole to:
 - Make it clear and easy to understand
 - Allow for easy to follow formatting
- Upon completion of the review, present a report to the councils on its findings and make recommendations for Policy amendments.

Accountability

The working group will present a draft Policy for the councils to approve.

Membership

Members of the Electoral College

Members to be supported by the PNCC Governance Advisor

Roles and Responsibilities

The Mayor of Palmerston North City Council will Chair

The Mayor of Manawātū District Council will be Deputy Chair

- **Chair:** To lead the working group, facilitate meetings, and ensure the group adheres to its terms of reference.
- **Deputy Chair:** To lead the working group in the Chair's absence
- **Members:** To actively participate in meetings, contribute to discussions, and review documents.

- **Governance Advisor:** To organise meetings, prepare paperwork, and write report.

Meeting Frequency

- The working group will meet twice.
- Additional meetings may be scheduled as required.
- Meetings will be held in person or virtually, as agreed by members.

Delegations

None.

Term of Working Group

The CEDA Appointment Policy Working Group will commence in February 2025 and be discharged upon the adoption of a new CEDA Appointment Policy.



MEMORANDUM

TO: Council

MEETING DATE: 5 February 2025

TITLE: Civic Fund Establishment - Te Awa Community Foundation

PRESENTED BY: Richard Carr, Commerical Partnerships and Funding Manager

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATION(S) TO COUNCIL

- 1. That Council note progress towards establishing a civic fund in conjunction with the Te Awa Community Foundation.**
-

1. ISSUE

On the 29 May 2024, Council agreed to grant \$10,000, in Year 1 only, to engage with the Te Awa Community Foundation for a civic fund for the Palmerston North City area. This was confirmed in the Long-Term Plan 2024-34 (Operating Programme 2538).

This memorandum updates Council on progress to date.

2. BACKGROUND

Te Awa Community Foundation (TACF) is a local charity, building the opportunity for sustainable community funding. They focus on gifts held in perpetuity, invested collectively to generate returns supporting the local community. TACF is a member of the Community Foundations of Aotearoa and provides a proven structure, management and processes.

The strength of community foundations is that all donations and bequests are invested and held as permanent endowments. An endowment is a fund, with money in it, set up to provide long-term support for a particular non-profit organisation or cause. Each year, the income earned by endowments is available for grants to charities and organisations in the local community. PNCC will be able to apply for grants from this fund in the future as the endowment fund grows, and the income generated by the fund becomes meaningful.

The Te Awa Community Foundation encompasses the Horizon's region incorporating the districts of Ruapehu, Rangitikei, Whanganui, Manawatū, Horowhenua, Tararua and Palmerston North City.

Tararua District Council has seed-funded seven local funds with TACF across their district. These are:

- Tararua District as a whole
- Norsewood and Ormondville
- Dannevirke
- Woodville
- Pahiatua
- Eketāhuna
- Pongoroa & the Coast

Council's seed funding of \$10,000 will be used to create a local Te Awa fund for the Palmerston North City area. It should be noted that TACF will administer the fund and it will be outside of Council's Support and Funding Policy.

There are a range of benefits associated with management of the fund by TACF, including charitable status which allows tax deductions for donors. The reason for establishing the fund in conjunction with Council, is to ensure that the purpose of the fund, as set out below, is aligned to key community outcomes.

Other than Council's overarching support for the fund, there is no ongoing financial commitment for additional funding nor funding for related operational expenses.

3. PROGRESS

Officers have engaged with TACF in a comprehensive discussion about the role and purpose of a community fund within Palmerston North and in drafting the Civic Fund Establishment Guidelines to ensure alignment with Council's priorities. The final draft of the establishment guidelines is attached to this memo. The majority of the drafting is consistent with the template provided by TACF based on similar funds of a similar nature. Two key points were discussed at length, including the name and purpose of the fund.

Name of the Fund: The Palmerston North – Te Papaioea Fund

Purpose of the Fund: To support the social, economic, cultural, and environmental wellbeing advancement of Palmerston North.

4. NEXT STEPS

Officers will update TACF following the Council meeting. TACF will then establish the Fund and send an invoice to Council for the agreed seed amount of \$10,000.

Council will be updated once the fund is established and the seed amount has been paid. This is expected to occur before 30 June 2025, ensuring alignment with the annual budget approved for this purpose.

5. COMPLIANCE AND ADMINISTRATION

Does the Council have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these objectives?	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 Goal 1: An innovative and growing city</p> <p>Whāinga 2: He tāone whakaihiihi, tapatapahi ana Goal 2: A creative and exciting city</p> <p>Whāinga 3: He hapori tūhonohono, he hapori haumaruru Goal 3: A connected and safe community</p> <p>Whāinga 4: He tāone toitū, he tāone manawaroa Goal 4: A sustainable and resilient city</p>	
The recommendations contribute to this plan: (Not Applicable)	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The progression of the Civic Fund will support the council's strategic direction by enabling an additional pool of external funds to be raised and applied for future projects and priorities of the Council.

ATTACHMENTS

1. Civic Fund Establishment Guidelines [↓](#) 



The Palmerston North – Te Papaioea Fund

The Palmerston North City Council (PNCC), (“The Donor”), wishes to open a fund to be managed by the Te Awa Community Foundation (TACF), Registered Charity Number CC56373 (“the Foundation”). The Foundation agrees to assign this commencement/transfer of funds to The Fund on the terms and conditions outlined below.

1. 1.1 The Donor:

Name of Organisation gifting its financial assets/commencing the Fund	Palmerston North City Council
Full names of Officers (“the Donors”):	
Address Line 1:	32 The Square
Address Line 2:	Palmerston North Central
Address Line 3:	Manawatū, 4410
Landline phone:	06 356 8199
Mobile:	
Email:	
Additional Contact Persons:	
Preferred Liaison for Communications and Admin:	

2. The Name of Fund to receive the transfer



2.1 The Committee as the Donor wish to dedicate the funds to:

The Palmerston North – Te Papaioea Fund

3. Background

3.1 The Palmerston North City Council have chosen to seed fund a new Palmerston North fund with Te Awa Community Foundation. This decision came out of the long-term submission process where the community foundation model was presented to PNCC as a potential source of long-term sustainable funding.

3.2 Palmerston North City Council and Te Awa Community Foundation will grow local funds that ensure people in our communities can give and invest for the benefit of the place where they live or where they want to leave a legacy.

3.3 The initial seed fund, any further donations, trust transfers or endowments into the fund will be grown in perpetuity for a sustainable source of funds. Interest gained over time will be distributed as per the charitable purpose below.

4. Summary of Charitable Purpose

4.1 When distributions are being considered, the Foundation will have regard to the Donors' wishes, as below, acknowledging at the same time that decisions as to distributions will be made by the Foundation. There is an ongoing partnership with TACF and PNCC to ensure the charitable purposes and needs of the community are met.

a)	To support the social, economic, cultural, and environmental wellbeing advancement of Palmerston North.
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5. Distributions

5.1 Where reference is made to distributions, this refers to the proportion of income and/or capital which the Foundation decides to distribute for that year in compliance with the Foundation's distribution policy, which is intended to ensure that the value of the endowment is maintained in real terms in perpetuity.



- 5.2 Where the Donors have specified a particular purpose, if in the judgement of the Foundation, that purpose ceases to meet the legal tests of being a charitable purpose with tax-exempt status, the Donors ask that the Foundation distribute what would have gone to that purpose to another charitable purpose which has purposes and objectives similar to those specified in clause 4.
- 5.3 If in the judgement of the Trustees of the Foundation, circumstances have so changed since the establishment of the Fund that strict compliance with this memorandum is undesirable, impractical or impossible, the Donor agrees that the Foundation may direct the distributions from the Fund to such charitable purpose they think best, taking into account the Donor's wishes given the changed circumstances.

6. Investment Management & Expenses

- 6.1 All monies received into the Fund will be invested in accordance with the Foundation's investment policy, which is intended to ensure that the value of the endowment is maintained in real terms in perpetuity.
- 6.2 The Donor recognises that this Fund is not a separate trust or sub-trust and, although the Foundation will keep a separate accounting record of the amount in the Fund, Endowment Funds administered by the Foundation may be pooled and invested accordingly and the income and the changes in capital value shared proportionately.
- 6.3 The Donor acknowledges that the Foundation will apply an amount each year toward the Foundation's administration expenses. The amount will be debited to the capital of the Fund. At this time the annual amount is set at 1% of the capital in the Fund (including external investment management charges), but the Donor acknowledges that this may be varied from time to time by the Foundation.

7. Authorisation for Name Disclosure

- 7.1 The Foundation appreciates being able to list its donors on our website, emails, newsletters and other social platforms, to encourage support among the community. The Foundation will only identify donors where authority has been given to do so (mark with "X").



X	The Committee give permission for Te Awa Community Foundation to include the name of the Donor in publications OR
	The Committee wish the name of the Donor to be anonymous

8. Ongoing liaison and communications

8.1 For so long as the Donor requires, the Foundation will provide to the Donor an annual summary of all donations received, investment income earned, and distributions made. Please ensure you update any changes to the preferred liaison/communications contact to support@teawafoundation.org.nz

9. Establishment Donation

9.1 Donors have decided to set up a seed fund of \$10,000 (minimum is \$5,000). The minimum allows an offset for Te Awa Community Foundation’s costs in establishing the Fund; the operating expenses of the Foundation, allowing the Foundation to administer their Fund; continued building of the profile of the Foundation and towards the encouragement of other donors to contribute to the fund.

9.2 Te Awa Community Foundation will issue a tax receipt to any donor who donates to ‘The Palmerston North – Te Papaioea Fund’

9.3 The bank account for all payments to Te Awa Community Foundation is: 06-0613-00428173-002. Please reference: *PNCCF*

Signing and Approval of the Establishment Form:

Signed for Te Awa Community Foundation:

For Te Awa Community Foundation	Signature
Date:	



Signed for Palmerston North City Council:

for Palmerston North City Council	Signature
Date:	

Signed for Palmerston North City Council:

For Palmerston North City Council	Signature
Date:	

DRAFT

MEMORANDUM

TO: Council

MEETING DATE: 5 February 2025

TITLE: Civic and Cultural Precinct: 6 Month Update

PRESENTED BY: David Murphy, General Manager Strategic Planning and Richard Carr, Commercial Partnerships and Funding Manager

APPROVED BY: Waid Crockett, Chief Executive

RECOMMENDATION(S) TO COUNCIL

1. That Council receive the report titled **Civic and Cultural Precinct: 6 Month Update**, presented on 5 February 2025.
-

1. ISSUE

The terms of reference for the Civic and Cultural Precinct Steering Group requires a 6-monthly update.

2. BACKGROUND

Council received the [last 6-month update](#) on 7 August 2024.

The 7 August 2024 6-month update provided further background on the project, including the decisions made as part of the 2024-34 Long Term Plan (LTP).

The LTP contains \$100,000 in year 1, \$102,000 in year 2 and \$104,000 in year 3. The LTP consultation document outlined that we propose to use this budget 'on investigating partnerships and funding opportunities and scoping out the potential for these facilities. There are additional costs involved in the design and construction of these projects'.

The approach discussed to date, as detailed in the 7 August 2024 6-month update, is:

- Year 1: Agree scope / brief.
- Year 2: Expressions of interest / request for proposal process (to include a requirement for partners to be involved in the planning process).
- Year 3: Confirm preferred development partner(s).

Since the 7 August 2024 update the Steering Group has met once, on 20 September 2024. The meeting scheduled for December 2024 was cancelled.

The Steering Group received a brief memo on 20 September 2024, which addressed:

- The Chief Executive proceeding to seek specialist advice on how to structure the project going forward.
- Initial views on the scope / brief of the project – to be informed by specialist advice and confirmed by Council prior to any expression of interest process.

At the time of writing this memorandum (late 2024), a procurement process was underway to seek specialist advice on how to structure the project, i.e. how does the Council best position itself to engage with the private sector regarding partnerships. A verbal update on the procurement process can be provided at the 5 February 2025 meeting.

Regarding the scope / brief of the project, the Steering Group was of the view that this should remain wide to ensure the private sector is not limited in how it might like to partner with Council.

The final scope / brief and process for engaging with the private sector will be confirmed by Council following the specialist advice currently being procured on how best to structure the project.

3. NEXT STEPS

Continue with the procurement of specialist advice on how to structure the project going forward.

4. COMPLIANCE AND ADMINISTRATION

Does the Council have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these objectives?	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 Goal 1: An innovative and growing city</p> <p>Whāinga 2: He tāone whakaihiihi, tapatapahi ana</p>	

<p>Goal 2: A creative and exciting city</p> <p>Whāinga 3: He hapori tūhonohono, he hapori haumaruru Goal 3: A connected and safe community</p> <p>Whāinga 4: He tāone toitū, he tāone manawaroa Goal 4: A sustainable and resilient city</p>	
<p>The recommendations contribute to this plan:</p> <p>5. Mahere toi</p> <p>5. Arts Plan</p> <p>The objective is: We want to celebrate the arts and the city's history and cultural diversity. We want there to be lots for people to do in our creative and exciting city.</p> <p>The arts bring the city to life, challenge ideas, and generate excitement. Palmerston North has a strong arts sector and thriving art scene. It is home to notable local artists, exhibitions, cultural facilities, and events.</p> <p>We want our city arts and cultural facilities to be strong and resilient. We will support and care for our city's cultural facilities and develop a civic and cultural precinct. We will support the arts sector to reflect the bicultural foundations of our city</p>	
<p>Contribution to strategic direction and to social, economic, environmental and cultural well-being</p>	<p>The memorandum provides an update on work being undertaken to progress the Civic and Cultural Precinct work, as outlined in the 2024-34 Long Term Plan.</p>

ATTACHMENTS

Nil

COMMITTEE WORK SCHEDULE

TO: Council

MEETING DATE: 5 February 2025

TITLE: Council Work Schedule

RECOMMENDATION TO COUNCIL

1. That Council receive its Work Schedule dated 5 February 2025

COUNCIL WORK SCHEDULE 5 FEBRUARY 2024

#	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction & Clause
	mid 2025	Delivery Model options for Property – CCO/ Trust to include Summerhays Street.	GM Corporate Services	moved to Community Committee work schedule	1 May 2024 Clause 66.1
1	early 2025	Report back on Investment Options for PN Airport	GM Corporate Services		6 December 2023 Clause 197-23
2	5 Feb 2025	Agree LWDW Consultation Document	Chief Executive	Hearings Sustainability Committee 16 April	5 Dec 2024 Clause 202-24
3	5 Feb 2025	Civic and Cultural Precinct Master Plan Steering Group – 6-monthly update	GM Strategic Planning		Terms of Reference
4	5 Feb 2025	Review of CEDA and PNCC Appointment of Directors Policies	GM Corporate Services	Establish working party / agree Terms of Reference	2 Oct 2024 Clause 172
5	12 Feb 2025	Report back – Submission Treaty Bill	GM Strategic Planning		11 Dec 2024 Clause 221 -24
6	12 Feb 2025	Review of Rating Incidences	GM Corporate Services		11 Dec 2024 Clause 213 - 24
7	12 Feb 2025	Review of Fees and Charges 25/26	GM Corporate Services		Terms of Reference
8	12 Feb 2025	Draft Annual Budget 2025/26	Chief Executive		Terms of Reference

#	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction & Clause
9	5 March 2025	Draft Annual Budget 2025/26 for consultation	Chief Executive		Terms of Reference
10	5 March 2025	Remits from PNCC for consideration	GM Corporate Services		Terms of Reference
11	5 March 2025	Alternative Options for BPO - Nature Calls	GM Infrastructure	Waiting release of Taumata Arowai standards	Council 29 May 2024 Clause 95.11 - 25 (rec 2)
12	2 April 2025	Extension of Contract – Nature Calls	GM Infrastructure		11 Dec 2024 clause 224- 24
13	30 April / 1 May 2025	Hearings for the Annual Budget 2025/26	Chief Executive		Terms of Reference
14	7 May 2025	Deliberations and Decision for Local Water Done Well	GM Infrastructure	following Hearings at Sustainability Committee – 16 April	
15	14 May 2025	Deliberations for the Annual Budget 25/26	Chief Executive		Terms of Reference
16	4 June 2025	Remits received from other Territorial Authorities	GM Corporate Services		Terms of Reference
17	4 June 2025	2024 Residents Survey – Action Plan	GM Strategic Planning		Terms of Reference
18	4 June 2025	Adopt Annual Budget 2025-26	Chief Executive		Terms of Reference
19	4 June 2025	Agree LWDW - Water Services Delivery Plan	Chief Executive		
20	4 June 2025	Set the Rates for 2025-26	GM Corporate Services		Terms of Reference
21	4 June 2025	Approve Borrowing for 2025-26	GM Corporate Services		Terms of Reference
22	25 June 2025	Agree revised BPO – Nature Calls	GM Infrastructure		
23	8 October 2025	Parking Contract Review Update – Frog Parking	GM Infrastructure		4 September 2024 Clause 156-24
24	8 Oct 2025	Adopt Annual Report 2024-25	Chief Executive		Terms of Reference

#	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction & Clause
25	8 Oct 2025	Appointment of Trustees on Council Controlled Organisations	General Manager Corporate Services		Terms of Reference
26	TBC	Summerhays Reports – Partnership Models Expressions of Interest	GM Infrastructure	Lying on the Table	1 May 2024 Clause 66-24 and 74 -24
27	TBC	Effectiveness of Civics Education Initiatives – Annual progress report	GM Customer & Community		29 May 2024 Clause 95.29 - 24