



PAPAIOEA
PALMERSTON
NORTH
CITY

PALMERSTON NORTH CITY COUNCIL

AGENDA

COUNCIL

9:00 AM, WEDNESDAY 12 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

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

12 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 - Massey University Foundation	Page 7
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7.	Confirmation of Minutes	Page 9
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That the minutes of the ordinary Council meeting of 5 February 2025 Part I Public be confirmed as a true and correct record.

REPORTS

8.	Annual Budget (Plan) 2025/26 - Update including draft Consultation Document and Supporting Information	Page 19
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Memorandum, presented by Steve Paterson, Manager - Financial Strategy and Scott Mancer, Manager - Finance.

9.	Fees and Charges Review	Page 223
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Report, presented by Steve Paterson, Manager - Financial Strategy.

10.	Rating System for 2025/26	Page 293
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Memorandum, presented by Steve Paterson, Manager - Financial Strategy.

11.	Submission on the Local Government (Water Services) Bill	Page 317
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Memorandum, presented by Mike Monaghan, Group Manager - 3 Waters and Julie Keane, Transition Manager Three Waters.

12.	Submission on Treaty of Waitangi Principles Bill	Page 341
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Memorandum, presented by Todd Taiepa, Manager - Māori Advisory.

13.	Arena Masterplan Steering Group	Page 347
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Memorandum, presented by John Lynch, Manager Venues + Events.

14.	Order of Candidate Names on Voting Papers 2025	Page 355
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Report, presented by Hannah White, Manager - Governance.

15. Appointment to the Heritage Reference Group Page 361

Memorandum, presented by Hannah White, Manager - Governance.

16. Council Work Schedule Page 363

17. Karakia Whakamutunga

18. 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
19.	Confirmation of the minutes of the ordinary Council meeting of 5 February 2025 Part II Confidential	For the reasons set out in the Council of 5 February 2025, held in public present.	

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

PRESENTATION

TO: Council

MEETING DATE: 12 February 2025

TITLE: Presentation - Massey University Foundation

FROM:

RECOMMENDATION(S) TO COUNCIL

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

SUMMARY

Mitch Murdoch, Director of the Massey University Foundation, will update the Council on the Foundation's projects and plans.

ATTACHMENTS

NIL

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 05 February 2025, commencing at 9.00am

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

Apologies: Councillor Lorna Johnson (lateness)

Councillor Lorna Johnson entered the meeting at 9.23am during consideration of clause 3-25. She was not present for clauses 1-25 and 2-25.

Councillor Leonie Hapeta left the meeting at 12.25pm after consideration of clause 7-25. She was not present for clauses 8-25 to 14-25.

Karakia Timatanga

Councillor Debi Marshall-Lobb opened the meeting with karakia.

1-25 Apologies

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the apologies.

Clause 1-25 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, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

2-25 Public Comment

Shaun Kay spoke on the work of the Education is a right not a privilege Stationery bank.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

That the Public Comment be received.

Clause 2-25 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, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

3-25

Presentation - The Plaza, Kiwi Property

Presentation from Andrew Heaphy, Senior Centre Manager, The Plaza and Linda Trainer, General Manager – Assets, Kiwi Property.

The presenters discussed the detrimental effect of the change in the rating system on the Plaza. Whilst they agreed with the rationale to move towards capital value; they were concerned with the speed at which the change was happening.

They requested Council consider the following:

- Slow the transition (to Capital value) from the proposed 3 years to 5 years,
- Lower the differential factor for non-residential ratepayers
- Increase the uniform annual general charge

Councillor Lorna Johnson entered the meeting at 9.23am.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the Council receive the presentation for information.

Clause 3-25 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.

4-25 Confirmation of Minutes

Moved Grant Smith, seconded Brent Barrett.

RESOLVED

1. That the minutes of the extraordinary Council meeting of 5 December 2024 Part I Public be confirmed as a true and correct record.
2. That the minutes of the ordinary Council meeting of 11 December 2024 Part I Public be confirmed as a true and correct record.

Clause 4-25 above was carried 15 votes with 1 abstention, 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.

Abstained:

Councillor Debi Marshall-Lobb.

5-25 Tribute - New Year's Honours 2025

The Mayor read out the achievements of the New Year's Honours recipients from Palmerston North. He also acknowledged the achievements of the following former Palmerstonians:

- **Sam Whitelock.** (Now Hawkes Bay) Former resident and ex All Black Rugby captain. Awarded ONZM for services to Rugby and Community/Mental Health.
- **Noel Harris.** (now Mt Maunganui) Former resident and premier Horse Racing jockey. Awarded MNZM for services to Horse Racing.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

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

Clause 5-25 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.

6-25

Local Water Done Well- Approval for Consultation

Memorandum, presented by Julie Keane - Transition Manager Three Waters, Mike Monaghan - Group Manager Three Waters, Olivia Wix - Communications Manager.

Council requested several amendments be made to the consultation document to further clarify some of the issues and ensure continuity of how costs are presented throughout the document.

Moved Grant Smith, seconded Lorna Johnson.

RESOLVED

1. That the consultation document be edited and come back to Council on 12 February, with the following edits:

- show option of numbers plus inflation
- Option 2 – show which councils are possible for option 2 and effect of smaller group on costs; range of options – best vs worst matrix.
- explain changes to national standards and likely changes to costs due to them.
- whether Nature Calls costs are included or not - show consistently across all figures.

Clause 6-25 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 11.05am.

The meeting resumed at 11.20am.

7-25

Exemption of Council Controlled Organisations

Memorandum, presented by Sarah Claridge, Governance Advisor.

An amendment to recommendation 4 was moved, which requested that the Globe and Regent Theatres continue to present an annual Statement of Intent. An additional recommendation was also moved ensuring that Council produce a Statement of Expectation for the two theatre CCOs. Both resolutions were put to ensure some continuity of current practice whilst allowing for an annual audit and six-month report to no longer be required.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

3. That Council decline the request from Te Manawa Museums Trust to

become an exempted organisation.

Clause 7-25 above was carried 12 votes to 4, 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 and Orphée Mickalad.

Against:

Councillors Rachel Bowen, Karen Naylor, William Wood and Kaydee Zabelin.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

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.
4. That Council request the Globe Theatre Trust and Regent Theatre Trust present an annual Statement of Intent and Annual Report to the relevant committee.

Clause 7-25 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.

Moved Rachel Bowen, seconded Brent Barrett.

RESOLVED

5. That Council continue to provide a three - yearly Statement of Expectation to The Globe Theatre Trust and Regent Theatre Trust.

Clause 7-25 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.

Moved Rachel Bowen, seconded Brent Barrett.

On an amendment to recommendation 4: That Council request the Globe Theatre Trust and Regent Theatre Trust present **an annual Statement of Intent** and ~~their~~ Annual Report to the relevant committee. RB/BB

The amendment was carried 11 votes to 5, the voting being as followed

For:

Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Against:

The Mayor (Grant Smith) and Councillors Mark Arnott, Leonie Hapeta, Lorna Johnson and Billy Meehan.

The meeting adjourned at 12.25pm.

The meeting resumed at 1.30pm.

Councillor Leonie Hapeta was not present when the meeting resumed at 1:30pm.

8-25 Review of CEDA Appointment of Director Policy - Creation of Working Group and Terms of Reference

Memorandum, presented by Sarah Claridge, Governance Advisor.

Moved Lew Findlay, seconded Debi Marshall-Lobb.

RESOLVED

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).

Clause 8-25 above was carried 15 votes to 0, the voting being as follows:

For:

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

Moved Lew Findlay, seconded Debi Marshall-Lobb.

RESOLVED

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.

Clause 8-25 above was carried 12 votes to 1, with 2 abstentions, the voting being as follows:

For:

Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, William Wood and Kaydee Zabelin.

Against:

Councillor Karen Naylor.

Abstained:

The Mayor (Grant Smith) and Councillor Vaughan Dennison.

9-25

Civic Fund Establishment - Te Awa Community Foundation

Memorandum, presented by Richard Carr, Commercial Partnerships and Funding Manager.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

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

Clause 9-25 above was carried 15 votes to 0, the voting being as follows:

For:

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

10-25

Civic and Cultural Precinct: 6 Month Update

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

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

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

Clause 10-25 above was carried 15 votes to 0, the voting being as follows:

For:

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

11-25 Council Work Schedule

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

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

Clause 11-25 above was carried 15 votes to 0, the voting being as follows:

For:

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

EXCLUSION OF PUBLIC

12-25 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
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.

Clause 12-25 above was carried 15 votes to 0, the voting being as follows:

For:

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

Councillor Vaughan Dennison left the meeting at 2:06pm

The public part of the meeting finished at 2.06pm.

Confirmed 12 February 2025

Mayor

MEMORANDUM

TO: Council

MEETING DATE: 12 February 2025

TITLE: Annual Budget (Plan) 2025/26 - Update including draft Consultation Document and Supporting Information

PRESENTED BY: Steve Paterson, Manager - Financial Strategy and Scott Mancer, Manager - Finance

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATIONS TO COUNCIL

1. That the Chief Executive incorporate the following in the draft 2025/26 Annual Budget supporting information for adoption at the Council meeting of 5 March 2025:
 - a. Budgetary assumptions that are unchanged from those agreed to at the Council meeting on 11 December 2024, except for the addition of operating expenditure budget of \$400K to fund the proposed levy from the water services regulator.
 - b. Financial statements and other supporting information based on the drafts included as Attachment 2, noting that \$100,000 has been set aside in each of the financial years 2025/26 and 2026/27 to support the Centrepont Theatre rebuild, until further confirmation from Centrepont as to which allocation of support (in-kind, consent costs, grant) would be most appropriate.
 2. That Council note the Consultation Document will be presented for adoption at the Council meeting of 5 March 2025, based on the draft in Attachment 3.
-

1. ISSUE

1.1 At its meeting on 11 December 2024 Council resolved to:

"... 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 amended by confirming 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
- b. programmes as agreed at the Council meeting on 6 November 2024
- c. 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 (the grant subsidy is the remainder of the balance of Better Off Funding, reallocated by [resolution 214-24](#)).

- d. increase the resource recovery operating budget by \$65k to fund the delivery of Programme 2338 – Recycling Contamination Monitoring Development
- e. a budget of \$120,000 to support a Street Lighting survey
- f. approve Option 1 and agree an additional budget of \$50K for the development and implementation of the Palmerston North Age Friendly Implementation Plan
- g. support the Centrepont Theatre rebuild of up to \$200k over two years by:
 - i. In-kind support – officer time to support with fundraising, promotion, communications etc; and
 - ii. Resource consent and building consent costs – the application process for this is already underway; and
 - iii. Grant funding – the quantum to be determined at the 12 February 2025 Council meeting.
- h. 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."

- 1.2 This report provides the information required in response to the resolutions above and seeks endorsement of the content of the draft Consultation Document and Supporting Information.

2. BACKGROUND

GENERAL

- 2.1 Council has been following its agreed [timetable](#) towards the adoption of a 2025/26 draft budget for consultation in March. Materials presented today are based on direction received at Council meetings of [6 November](#) and [11 December 2024](#).
- 2.2 An initial draft of the **proposed Consultation Document is attached**. Once updated it will highlight what changes there are from Year 2 of the Long-term Plan, primarily due to changed circumstances and updated timelines for some programmes. It will also highlight proposed rates levels for (average) properties.
- 2.3 A strategy for public engagement has been developed. This will include provision of the final Consultation Document and Supporting Information on Council's website and at the Customer Service Centre and libraries. There will be opportunities for group meetings and for information to be provided through social media channels. It is intended that a brief document will be delivered to all households.

- 2.4 We plan to have proposed rates for each property available to be viewed on the Council's website.
- 2.5 The public will have the option of making a submission and being heard by Council.
- 2.6 Following the consultation period and hearings, the Council will be required to adopt its final Annual Budget (Plan) prior to 30 June 2025 (currently scheduled for 4 June following a deliberations meeting on 14 May 2025).
- 2.7 Attached are the following:

Attachment 1 – provides an overview to the resolutions that were passed at the 6 December 2024 meeting regarding professional services, providing a summary of the uses of the professional services budget.

Attachment 2 – drafts of the supporting information, including changes to capital and operating budgets as resolved at the 6 November and 11 December 2024 meetings:

- Financial overview and forecast financial statements
- Annual Budget (Plan) Disclosure Statement
- Groups of Activities information, including financial forecasts and programme schedules
- Significant forecasting assumptions
- Descriptions of the proposed rating system, rates and funding impact statements
- Levels of service and performance measures

Attachment 3 – draft of the proposed Consultation Document

BUDGET UPDATE

- 2.8 The budget is based on Year 2 of the Long-Term Plan updated to reflect subsequent decisions of Council. Key matters influencing the preparation of the annual budget were outlined in the reports to the meetings on 6 November and 11 December 2024. The current proposed increase for 2025/26 is lower than that included in Year 2 of the Long-Term Plan.
- 2.9 In addition to the matters resolved by the Council on 11 December 2024, an additional budgeted operating expenditure of \$400K has been included to reflect the cost of the new levy being proposed by the Government to fund the water regulator. As advised by the Department of Internal Affairs, the levy has been allocated between the water activities as follows: water supply (75%), wastewater (21%) and stormwater (4%).

2.10 Officers have also been made aware, since the meeting on 11 December, of another proposed levy for the Commerce Commission in relation to the economic regulation of ringfencing water services activities. This new levy is proposed to start from 1 July 2025 and initial calculations suggest that the levy for Palmerston North would be circa \$100K. If confirmed, officers will include this in the papers for deliberations on 14 May 2025, however we will look to absorb this within existing budgets, where possible.

2.11 Tables 1-3 below provide the latest summary of the draft budget compared to the Long-Term Plan.

Table 1: Funding of Operating expenses	Long-term Plan		Draft Annual budget	
	2024/25	2025/26	2025/26 Dec draft	2025/26 Feb draft
	\$M	\$M	\$M	\$M
Personnel	59.3	62.5	64.2	63.0
Depreciation	49.4	50.5	49.7	49.7
Finance (interest)	14.5	17.0	14.9	14.9
All Other Operating Expenses	77.9	79.1	79.3	81.5
Total operating expenses	201.1	209.1	208.1	209.1
Operating subsidies & grants	(6.4)	(6.5)	(5.5)	(6.1)
Finance revenue	(0.4)	(0.4)	(0.5)	(0.5)
Other revenue	(38.6)	(39.2)	(40.0)	(40.0)
Total operating revenue	(45.4)	(46.1)	(46.0)	(46.6)
Net operating expenses	155.7	163.0	162.1	162.5
Less:				
Depreciation	(49.4)	(50.5)	(49.7)	(49.7)
Operating expenses funded from debt	(5.8)	(3.9)	(4.2)	(5.1)
Plus:				
Renewals (3 year rolling average)	28.6	30.9	31.2	31.2
Debt repayment	7.8	9.6	9.6	9.6
Total rates requirement	136.9	149.1	149.0	148.5

Table 2: Funding of Capital Expenditure	Long-term Plan		Draft Annual budget	
	2024/25	2025/26	2025/26 Dec draft	2025/26 Feb draft
	\$M	\$M	\$M	\$M
Renewals	33.0	35.6	35.6	35.3
Capital for growth	15.0	12.7	12.7	12.3
Capital new	47.4	77.2	77.2	68.1
Total capital expenditure	95.4	125.5	125.5	115.7
Funding from external sources	(18.1)	(30.0)	(30.0)	(23.3)
Funding from rates (for renewals)	(28.6)	(30.9)	(30.9)	(31.2)
Funding from additional debt	(48.7)	(64.6)	(64.6)	(61.2)

Table 3: Components of increased rates requirement	Impact on Total Rates for Year 2	
	As per LTP	As per draft AB
Interest Costs on Debt	1.8%	0.3%
Debt Repayment	1.4%	1.3%
Rolling Average Renewal increase	1.7%	1.9%
Labour Costs	2.3%	2.7%
Utilities and Insurance	0.2%	0.4%
All Other (Contractors, Professional Services, Materials etc.)	2.1%	2.6%
Revenue (excluding Rates and Grants & Subsidies)	(0.5%)	(0.9%)
Revenue – Operating Grants & Subsidies	(0.1%)	0.2%
Increase in total rates requirement	8.9%	8.5%

2.12 The tables include the funding of the Transport Omissions, plus the additional funding of the Footpath Renewal Programme as resolved by Council on 6 November 2024. This equates to circa \$1.5M or 1.1% out of the 8.5% of the increase. The additional water levy mentioned in 2.9 above is a further 0.2% out of the 8.5% proposed increase.

- 2.13 Additionally, 3.5% out of the 8.5% proposed increase relates to the funding of the capital programme for the year (interest, debt repayment and rolling average renewal).

3. RATES ISSUES

- 3.1 The budget assumes total rates revenue will need to increase by 8.5%.
- 3.2 Noting that the impact on individual ratepayers will vary, options for the rates system to apply for 2025/26 are outlined in the report 'Rating System for 2025/26' also on this meeting agenda.




4. NEXT STEPS

- 4.1 Officers will make any changes resulting from the Council's decisions.
- 4.2 An updated final Consultation Document and supporting information will be presented to the Council for adoption at its meeting on 5 March 2025.

5. COMPLIANCE AND ADMINISTRATION

Does Council have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	Yes
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
<p>The recommendations contribute to the achievement of objective/objectives in:</p> <p>14. Mahere mana urungi, kirirarautanga hihiri</p> <p>14. Governance and Active Citizenship Plan</p> <p>The objective is: Base our decisions on sound information and advice</p>	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	<p>Adopting an annual budget/plan each year is a fundamental legislative requirement and without this in place the Council will not be able to set rates for the year and therefore fund any of its actions, plans or strategies.</p> <p>Palmerston North City Council consults on its annual budget to ensure public awareness of any proposed changes since the Long-Term Plan was agreed.</p>

ATTACHMENTS

1. Professional Services Information [↓](#) 
2. Draft Supporting Information - Annual Budget 2025/26 [↓](#) 
3. Initial draft of Consultation Document - Annual Budget 2025/26 [↓](#) 

Council has budgets for Professional Services for a variety of reasons. These key reasons can be grouped in the following broad types:

- specialist technical advice,
- additional capacity for seasonal peaks,
- regulatory and compliance monitoring,

At times there are placeholder budgets for programmes of work that the exact detail is not yet known. Examples include digital transformation, business cases and feasibility studies.

Predominately the use of consultants is due to knowledge and expertise that is not held by Council Officers and providing technical support for specific tasks, or where pieces of work require temporary capacity over and above existing resourcing.

Building capacity within internal resources takes some time to realise the benefits of having these skills available internally. There would need to be a significant lead time to enable this capacity to be built – likely over an 18 month to two-year period. Some skillsets are not possible to resource internally, due to a lack of volume and at times highly specialised nature of the type of work. There would be no advantage gained by employing a staff member whose workload would require technical expertise on two resource consent applications per year (for example).

Some examples of professional services usage by category are provided below;

Specialist technical advice:

This is advice of a specialist nature and provides for a wider pool of expertise for targeted pieces of work

- Tax Advice
- Asset and Insurance Valuations
- External Legal Advice
- Treasury Advice & S&P Credit Rating services
- Technical information to support organisational strategies (e.g. Stormwater)
- Specialised audits and support for ops compliance - HAZNO, Traffic management etc.
- Local Water Done Well investigations & modelling

Additional capacity for seasonal peaks:

This is for where there are seasonal and project demand peaks over and above internal resourcing. It is for shorter time periods where permanently staffing would not be appropriate. In some cases, this can be directly on-charged to users of services.

- Planning & Building Services (on-charged)
- Support for Asset Management Information Systems (over and above internal capability)
- Condition Assessments of Specialised Plant for profiling renewal forecasting
- Project management

Regulatory and Compliance Monitoring


This is for where we require additional expertise to meet regulatory requirements and compliance with consents or regulations that we are subject to. Some standards and regulations require us to use an independent person to verify our work.

- Annual Safety plans and assessments of critical infrastructure such as bore-heads
- Water quality device maintenance
- Development Contribution Policy support and advice
- Technical Advice to support processing of Private Plan Changes
- Consent compliance monitoring and condition assessment for cremator

Summary

There are some risks in using the professional services budget to develop the skills in-house which includes the retention of the skillset that is being developed.

If it is Councils intention to reduce the size of the consultancy budget over time, then an approach might be to simply reduce the budget now and if a skillset is required for a specific purpose then this is brought back to Council with any associated project.

A photograph of a man in a brown jacket and a grey LA baseball cap carrying a young child on his shoulders. The child is wearing a dark puffer jacket and a tan beanie, holding a bright blue balloon. They are at an outdoor event with palm trees and other people in the background. A large green curved shape is overlaid on the left side of the image, containing the title and URL.

Mahere Pūtea Ā-Tau Annual Budget 2025/26

pncc.govt.nz/annualbudget



*Text TBC in final document

This Annual Budget¹ was adopted by the Council on 4 June 2025 in accordance with the Local Government Act 2002.

The Annual Budget states the Council's intentions. It is based on the Council's best information and planning at the time it was developed. If circumstances change, the Council may have to change its intentions. This is especially the case in light of current uncertain economic conditions.

All the decisions in this document are reviewable, especially during future Long-Term Plans and Annual Budgets.

This is made clear in the Local Government Act 2002, Section 96:

1. The effect of a long-term plan and an annual plan adopted by a local authority is to provide a formal and public statement of the local authority's intentions in relation to the matters covered by the plan.
2. A resolution to adopt a long-term plan or an annual plan does not constitute a decision to act on any specific matter included within the plan.
3. Subject to section 80, and except as provided in section 97, a local authority may make decisions that are inconsistent with the contents of any long-term plan or annual plan.
4. No person is entitled to require a local authority to implement the provisions of a long-term plan or an annual plan.

¹ The Council uses the term "Annual Budget(s)" to represent the "Annual Plan(s)" required under the Local Government Act 2002

He iti rā,
he iti pounamu

Small city benefits,
big city ambition

Whāinga 1
Goal 1

He tāone auaha,
he tāone tiputipu

An innovative
and growing city

Whāinga 2
Goal 2

He tāone whakaihiihi,
tapatapahi ana

A creative and
exciting city

Whāinga 3
Goal 3

He hapori tūhonohono,
he hapori haumarū

A connected and safe
community

Whāinga 4
Goal 4

He tāone toitū, he
tāone manawaroa

A sustainable and
resilient city

Introduction



Contents

Introduction

Financial overview and statements	X
Annual budget disclosure statement	X

Section 1

Implementing the Long-Term Plan

This shows what we're planning to do, and how much it is expected to cost implement to 2025/26 (year two of the Long-Term Plan).

Groups of Activities and Goals - Introduction

Goal 1 – An Innovative and Growing City

Housing	X
Urban Design	X
Economic Development	X
Transport	X

Goal 2 – A Creative and Exciting City

Arts and Heritage	X
Recreation and Play	X

Goal 3 – A connected and Safe Community

Community Support	X
City Library	X
Community Safety and Health	X

Goal 4 – A sustainable and Resilient City

Climate Change and Sustainability	X
Biodiversity and the Manawatū River	X
Resource Recovery	X
Water – Wastewater – Stormwater	X

Section 2

Financial and Rating Information

Here you can see what assumptions have been made in preparing the financial information. You'll also see details about the rating system.

Significant Forecasting Assumptions	X
Rating System, Rates and Funding Impact Statements	X

Section 3

Additional Information

Levels of Service, Performance Measures and Targets	X
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Financial Overview and Statements

Overview

The Council's Annual Budget¹ covers the period 1 July 2025 to 30 June 2026. It incorporates operating and capital expenditure for the period for the core Council entity - consolidated statements have not been prepared to include subsidiaries. In this section financial information is provided at a summary level but more detailed information for each activity and group of activities is included throughout the document.

Financial Strategy

The key elements of the financial strategy underpinning this have been:

- To ensure to Council's long-term financial position is sustainable.
- To recognise inter-generational funding requirements.
- To manage debt within defined levels.
- To maintain the infrastructure provided for the City by previous generations, for the use by current and future generations.
- To ensure financial capacity for future generations so they are able to fund high-priority programmes.
- Timely provision of new infrastructure that builds capacity and enables the City to harness new development

opportunities while avoiding the financial risks associated with over provision. In developing this strategy, The Council has focused on:

- What needs to be done to ensure the City's infrastructure can continue to provide desired levels of service and meet any growth in demand.
- What level of rates is required to meet the infrastructure needs.
- How to create sufficient borrowing 'capacity' to cope with future high-priority programmes.

As a result, the approach has been to:

- Encourage staff to provide innovative and efficient delivery of services.
- Commit to funding capital renewals at the levels required to maintain assets.
- Challenge expenditure proposals to ensure they are aligned to key Council Strategies, that the proposed timing is realistic and that they are capable of being delivered.
- Peer-review capital expenditure budgets to ensure they are adequate in the current challenging contracting market.
- Make sure that the expenditure required for growth is committed soon enough to enable the City to harness development opportunities and comply with the requirement of the National Planning Standards, but not too far ahead of when the infrastructure will actually be required.

¹ The Council uses the term "Annual Budget" to represent the 'Annual Plan' required under the Local Government Act 2002

The table below shows the key financial parameters for the Annual Budget compared with those for 2025/26 in the Long-Term Plan.

Parameter	Long-Term Plan	Annual Budget	Limit
Increase in total rates	8.9%	8.5%	7% #
Net debt as a % of total assets	13.9%	14.8%	20%
Net debt as a % of total revenue	187.8%	178.5%	250%
Net interest as a % of total revenue	8.6%	7.5%	15%
Net interest as a % of annual rates income	11.3%	9.9%	20%

Note – this limit comprises the following elements - October 2024 BERL cost index for 2026 (3%) + growth in the rating base (0.4%) + provision to fund cost of higher standards & new services (2%) + increase in funding required for interest & debt repayment (1.6%). The LTP assumed this limit would be 7.9% but since then

then BERL cost index has increased but the budget provision for increased interest & debt repayment has reduced due to lower average interest rates.

Forecast Financial Statements

The financial information contained in the Annual Budget is a forecast for the purposes of Public Benefit Entity (PBE) Financial Reporting Standard (FRS) 42. This information may not be appropriate for purposes other than those described. It has been prepared on the basis of assumptions (refer to Significant Forecasting Assumptions in section 2) as to future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take, as at the date the forecast was prepared. The actual results are likely to vary from the information presented and may vary materially depending upon the circumstances that arise during the period. The Annual Budget has been prepared in accordance with generally accepted accounting practice and the Council's accounting policies are outlined in section 3 of the Long-Term Plan. The policies incorporate the latest PBE accounting standards and the changes have had no material effect.

The Funding Impact Statements in section 2 have been prepared in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. The regulations are not consistent with generally accepted accounting practice.

Rates revenue includes revenue from metered water and is included net of any remissions granted under the Council's Rates Remission Policy. Remissions of \$0.25 million pa have been assumed.

Legislation states that councils are required to operate a 'balanced budget' i.e. income must equal or exceed expenditure (and expenditure must include non-cash items such as depreciation). However, if a council determines that it is prudent not to have a 'balanced budget' (i.e. an operating surplus is not required), it must make a formal decision to that effect. The decision must be a prudent one and have included consideration of levels of service and useful lifespan of assets. There are grounds for not having a surplus every year to avoid building up unnecessary cash reserves. Council's asset management plans ensure the Council is appropriately planning for renewals and its financial strategy is to make adequate financial provision to fund renewals from rates revenue. Council is making provision to fund from revenue \$31.2m for capital renewals during 2025/26.

The Council's Prospective Statement of Comprehensive Revenue and Expense (next page) shows that including capital revenue of \$25.3 million there is a surplus of \$11.3 million for the year. The Council interprets this as meaning the balanced budget test is met.

These forecast financial statements were authorised for issue by Palmerston North City Council on 4 June 2025.

Palmerston North City Council is responsible for these forecast financial statements, including the appropriateness of the assumptions underlying the forecast financial statements and all other disclosures.

Because the figures are rounded to the nearest thousand dollars, it may appear that they do not add up, but the total represents the sum of the individual forecast amounts.

The following statements show the financial implications of providing all of the Council's services:

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Operating Revenue			
136,852	Rates revenue	149,054	148,511
6,370	Operating subsidies and grants	6,467	6,081
356	Finance revenue	359	506
38,699	Other revenue	39,309	40,008
-	Other gains	-	-
182,276	Total Operating Revenue	195,189	195,106
Capital Revenue			
16,093	Capital subsidies and grants	27,779	21,127
1,961	Development Contributions	2,211	2,211
2,000	Vested Assets	2,000	2,000
20,054	Total Capital Revenue	31,990	25,338
202,330	TOTAL REVENUE	227,179	220,444

Expenses			
59,292	Employee and elected representatives benefit expenses	62,484	62,991
49,417	Depreciation and amortisation	50,503	49,697
14,520	Finance costs	16,998	14,895
77,911	Other expenses	79,082	81,544
-	Other losses	-	-
201,140	Total Expenses	209,066	209,127
1,190	NET SURPLUS / (DEFICIT)	18,113	11,317

Other Comprehensive Revenue and Expense			
6,422	Gain on property revaluations	99,394	126,451
7,612	TOTAL COMPREHENSIVE REVENUE AND EXPENSE	117,507	137,768

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
ASSETS			
Current Assets			
1,319	Cash and cash equivalents	1,319	4,112
11,884	Trade and other receivables	11,884	25,032
22,650	Inventories	19,443	6,583
35,852	Total Current Assets	32,646	35,727
Non-Current Assets			
-	Inventories	-	749
-	Other financial assets	-	8,000
17,784	Investments in CCOs and industry companies	19,177	19,725
-	Derivative financial instruments	-	6,104
2,366,229	Property, plant and equipment	2,542,662	2,393,997
971	Intangible assets	971	1,010
14,249	Investment property	14,249	4,535
1,571	Forestry assets	1,571	2,072
-	Investment in Associate	-	1
2,400,804	Total Non-Current Assets	2,578,630	2,436,193
2,436,656	TOTAL ASSETS	2,611,276	2,471,920

LIABILITIES			
Current Liabilities			
28,143	Trade and other payables	28,143	31,975
-	Provisions	-	797
-	Employee benefit liabilities	-	7,720
28,143	Total Current Liabilities	28,143	40,492
Non-Current Liabilities			
1,217	Provisions	1,217	322
6,567	Employee benefit liabilities	6,567	1,064
309,386	Borrowings	366,498	366,435
317,170	Total Non-Current Liabilities	374,282	367,821
345,313	TOTAL LIABILITIES	402,425	408,313
2,091,343	NET ASSETS (ASSETS MINUS LIABILITIES)	2,208,850	2,063,607
EQUITY ATTRIBUTABLE TO PNCC			
1,155,121	Retained earnings	1,173,234	1,004,863
936,222	Other Reserves	1,035,617	1,058,744
2,091,343	TOTAL EQUITY	2,208,850	2,063,607

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
2,083,731	Balance at 1 July	2,091,343	1,925,839
7,612	Total comprehensive revenue and expense for the year	117,507	137,768
2,091,343	Balance at 30 June	2,208,850	2,063,607

PROSPECTIVE STATEMENT OF CASH FLOWS

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Cash flows from operating activities			
136,852	Receipts from rates revenues	149,054	148,511
35,255	Receipts from other revenue	35,796	36,496
6,370	Operating subsidies and grants	6,467	6,081
16,093	Capital subsidies and grants	27,779	21,127
1,961	Development contributions	2,211	2,211
200	Interest received	200	200
156	Dividends received	159	306
-	Receipts from tax losses	-	-
(142,449)	Payments to suppliers and employees	(138,359)	(141,329)
(14,520)	Interest paid	(16,998)	(14,895)
-	Goods and Services Tax (net)	-	-
39,917	Total Cash flows from operating activities	66,310	58,707
Cash flows from investing activities			
(1,300)	Repayment or acquisition of investments	(1,393)	(1,300)
3,443	Proceeds from sale of property, plant and equipment	3,512	3,512
()	Investment in property development	-	-
(95,357)	Purchase of property, plant and equipment	(125,541)	(115,742)
(93,213)	Total Cash flows from investing activities	(123,422)	(113,529)

Cash flows from financing activities			
53,296	Proceeds from borrowings	57,112	54,822
53,296	Total Cash flows from financing activities	57,112	54,822
-	Net (decrease)/increase in cash, cash equivalents and bank overdrafts	-	-
1,319	Cash, cash equivalents and bank overdrafts at the beginning of the year	1,319	4,112
1,319	Cash, cash equivalents and bank overdrafts at the end of the year	1,319	4,112

Annual Budget (Plan) Disclosure Statement

For the year ending 30 June 2026

What is the purpose of this statement?

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently

managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence)

Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark		Planned	Met
Rates affordability benchmark - increases	Total rates will increase by no more than the Local Government Cost Index (LGCI) plus the growth in the rating base plus 2% (to fund the cost of higher standards and new services) plus increase in funding required for interest and debt repayment.	8.5%	No
Debt affordability benchmark	Net external debt as a percentage of total assets will not exceed 20%	14.8%	Yes
Debt affordability benchmark	Net external debt as a percentage of total revenue will not exceed 250%	183.7%	Yes
Debt affordability benchmark	Net interest as a percentage of total revenue will not exceed 15%	7.5%	Yes
Debt affordability benchmark	Net interest as a percentage of annual rates income will not exceed 20%	9.9%	Yes
Debt affordability benchmark	Liquidity available will exceed 110% of existing external debt	113.5%	Yes
Balanced budget benchmark	100%	105.4%	Yes
Essential services benchmark	100%	253.1%	Yes
Debt servicing benchmark	10%	6.7%	Yes

Notes

1 Rates affordability benchmark

(1) For this benchmark:

1. The Council's planned rates income for the year is compared with a quantified limit on rates contained in the Financial Strategy included in the Council's Long-Term Plan
2. The Council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the Financial Strategy included in the Council's Long-Term Plan.

(2) The Council meets the rates affordability benchmark if:

3. Its planned rates income for the year equals or is less than each quantified limit on rates
4. Its planned rates increases for the year equal or are less than each quantified limit on rates increases.

2 Debt affordability benchmark

- (1) For this benchmark, the Council's planned borrowing is compared with quantified limits on borrowing contained in the Financial Strategy included in the Council's Long-Term Plan.
- (2) The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

5. For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).
6. The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses.

4 Essential services benchmark

- (1) For this benchmark, the Council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
- (2) The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

7. For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).
8. Because Statistics New Zealand projects that the Council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

Wāhanga 1
Section 1

Implementing the Long-Term Plan

1.



Wāhanga 1

Section 1

The shows what we're planning to do, and how much it is expected to cost to implement 2025/26 (Year two of the Annual Budget)

Groups of Activities and Goals - Introduction

Goal 1 An Innovative and Growing City

Housing	X
Urban Design	X
Economic Development	X
Transport	X

Goal 2 A Creative and Exciting City

Arts and Heritage	X
Recreation and Play	X

Goal 3 A connected and Safe Community

Community Support	X
City Library	X
Community Safety and Health	X

Goal 4 A sustainable and Resilient City

Climate Change and Sustainability	X
Biodiversity and the Manawatū River	X
Resource Recovery	X
Water - Wastewater - Stormwater	X

Groups of Activities

What we are planning to do during 2025/26 (year two of the Long-Term Plan) and why

Our vision for the city is:

He iti rā, he iti pounamu. Small city benefits, big city ambition

We know Palmerston North is a great place to be and we want people enjoy living, working, visiting and doing business here. To ensure that's the case, we have a vision that sets the direction for all the work we do.

At the heart of our vision is ensuring every resident is able to enjoy the benefits of living in a small city, with all the advantages of a big city. That means we're known for having a great quality of life while at the same time offering the lifestyle, education and business opportunities available in much larger cities.

To ensure this is achievable, we break it down into 4 goals. Our Oranga Papaioea City Strategy describes the vision and goals in more detail.

Sitting beneath the City Strategy we have 15 plans. Each plan is linked to an LTP activity. Activities are defined in the Local Government Act as goods and services provided by the Council. The Act requires similar Activities to be put together into Groups of Activities for budget purposes.

Vision:	He iti rā, he iti pounamu. Small city benefits, big city ambition.			
Goals:	An Innovative and Growing City	A Creative and Exciting City	A Connected and Safe Community	A Sustainable and Resilient City
LTP Activities:	Housing Economic Development Transport Urban Design	Arts and Heritage Recreation and Play	Community Support City Library Community Safety and Heath	Climate Change and Sustainability Biodiversity and the Manawatu River Resource Recovery Water, Wastewater, Stormwater

A guide to programmes in this section

Operating Programmes

Operating programmes are portions of the operating expenses that are separately scheduled to make them more visible in the budget document. This is usually because the project is to accomplish a specific outcome or is for a fixed term. The sum shown is the total cost and if there is any budgeted external funding this will be shown as part of the external funding total for the activity.

In the Summary Activity Financial Statements, the revenue and expenses from the programme are included in the relevant categories, along with all the other revenue and expenses to fund the Activity.

Capital Programmes

Since individual capital programmes result in the Council creating an asset (capital new or capital growth), or replacing an existing asset (capital renewal), the total cost is shown in the programme schedules. The total of all budgeted external funding for all capital programmes within an Activity is deducted from what is shown as the 'Total' to show what the Council plans to contribute (shown as 'Funded by Council [Rates and Borrowing]')

Information / main reason for change

Where there has been a significant change to a programme compared to the Long-Term Plan, a reason has been noted.

Rounding

Because the figures are rounded to the nearest thousand dollars, it sometimes appears that they do not add up, but the total represents the sum of the individual forecast amounts.

Abbreviations

The following abbreviations appear throughout this section:

LTP – Long-Term Plan

Draft AB – Draft Annual Budget

Key:

Below are the key symbols you will see alongside each programme within this section.

WHAT'S IN



No change to timing – any budget change indicated

WHAT'S OUT (DELETED)



Explanation indicated

WHAT'S BEING DONE LATER



New year and explanation indicated

WHAT'S BEING DONE EARLIER



New year and explanation indicated

WHAT'S NEW IN 2025/26



Explanation indicated

<u>Activity Financial Statements</u>			
<u>Whole of Council</u>			
Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
An innovative and growing city			
12,874	Housing	13,080	13,603
-	Urban Design	-	-
1,558	Economic Development	1,589	1,746
Transport			
1,029	Active and Public Transport	1,049	293
11,435	Roading	11,689	11,627
A creative and exciting city			
4,001	Recreation and play	4,081	4,108
276	Arts and Heritage	281	280
A connected and safe community			
1,525	Community safety and health	1,557	1,558
80	City Library	82	82
1,002	Community support	1,022	1,044
A sustainable and resilient city			
95	Biodiversity and the Manawatu River	97	95
4,970	Resource Recovery	5,194	5,037
-	Climate Change and Sustainability	-	-
Water			
44	Water	45	45
Wastewater			
1,573	Wastewater	1,203	1,825
Stormwater			
-	Stormwater	-	-
Supporting the Organisation			
399	Governance and Active Citizenship	510	447
4,565	Organisational performance	4,656	4,806
45,425	Total Revenue	46,135	46,595

Expenses			
An innovative and growing city			
19,722	Housing	19,756	21,351
1,036	Urban Design	1,092	1,068
8,433	Economic Development	8,412	8,478
Transport			
5,357	Active and Public Transport	5,931	4,333
29,625	Roading	30,624	33,077
A creative and exciting city			
26,761	Recreation and play	28,245	29,418
13,527	Arts and Heritage	13,758	13,883
A connected and safe community			
4,199	Community safety and health	4,254	4,408
11,355	City Library	11,403	12,751
10,831	Community support	11,281	9,851
A sustainable and resilient city			
2,163	Biodiversity and the Manawatu River	2,410	2,681
10,872	Resource Recovery	11,795	13,695
1,353	Climate Change and Sustainability	1,450	1,343
Water			
12,916	Water	13,588	14,541
Wastewater			
15,481	Wastewater	15,932	17,329
Stormwater			
6,842	Stormwater	7,254	7,663
Supporting the Organisation			
8,071	Governance and Active Citizenship	8,341	8,550
12,596	Organisational performance	13,540	4,705
201,140	Total Expenses	209,066	209,127
<hr/>			
155,715	NET OPERATING COSTS OF ACTIVITY	162,931	162,531

	Rating Requirement		
(49,417)	Less Depreciation	(50,503)	(49,697)
(5,840)	Less Transfers To/(From) Reserves	(3,961)	(5,094)
28,632	Plus Net Capital Renewal (3 Year Average)	30,941	31,225
7,761	Plus Debt Repayment	9,645	9,544
136,852	RATES REQUIREMENT	149,054	148,511
		8.9%	8.5%
	<u>Capital Expenditure</u>		
	Capital Renewals		
	An innovative and growing city		
400	Housing	408	408
-	Urban Design	-	-
823	Economic Development	998	1,228
	Transport		
2,050	Active and Public Transport	2,091	1,419
9,120	Roading	9,404	9,552
	A creative and exciting city		
3,561	Recreation and play	5,070	5,369
535	Arts and Heritage	546	546
	A connected and safe community		
102	Community safety and health	171	171
1,010	City Library	1,087	1,065
877	Community support	459	459
	A sustainable and resilient city		
129	Biodiversity and the Manawatu River	72	72
631	Resource Recovery	525	520
	Water		
5,010	Water	5,482	5,482
	Wastewater		
4,753	Wastewater	5,431	5,431
	Stormwater		
350	Stormwater	615	615
	Supporting the Organisation		
3,633	Organisational performance	3,238	2,955
32,984	Total Capital Renewals	35,598	35,292

<u>Capital New</u>			
An innovative and growing city			
500	Housing	511	511
9	Urban Design	9	9
23	Economic Development	-	-
Transport			
3,950	Active and Public Transport	7,140	510
10,592	Roading	11,455	9,707
A creative and exciting city			
2,693	Recreation and play	9,165	9,493
-	Arts and Heritage	2,042	2,042
A connected and safe community			
85	Community safety and health	174	174
25	City Library	15	15
2,266	Community support	4,346	4,346
A sustainable and resilient city			
835	Biodiversity and the Manawatu River	7,089	7,028
2,080	Resource Recovery	5,943	5,939
1,085	Climate Change and Sustainability	1,179	1,179
Water			
7,978	Water	8,804	7,766
Wastewater			
9,204	Wastewater	14,060	14,060
Stormwater			
4,812	Stormwater	4,368	4,368
Supporting the Organisation			
-	Governance and Active Citizenship	-	-
1,265	Organisational performance	961	961
47,401	Total Capital New	77,259	68,108

Capital Growth			
An innovative and growing city			
-	Housing	-	-
Transport			
-	Active and Public Transport	-	-
6,333	Roading	3,794	3,794
A creative and exciting city			
273	Recreation and play	526	184
A connected and safe community			
-	Community support	-	-
A sustainable and resilient city			
-	Biodiversity and the Manawatu River	-	-
-	Resource Recovery	-	-
Water			
4,019	Water	3,991	3,991
Wastewater			
104	Wastewater	461	461
Stormwater			
4,244	Stormwater	3,911	3,911
14,972	Total Capital Growth	12,684	12,342
95,357	Total Capital Expenditure	125,541	115,742
Funded By			
10,544	External Revenue New / Growth	21,474	15,751
5,549	External Revenue Renewal	6,306	5,376
1,961	Development Contributions	2,211	2,211
-	Rates	30,941	31,225
77,303	New Borrowing / (Repayment)	64,610	61,179
95,357	Total	125,541	115,742

An Innovative and Growing City
Housing - Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
3,261	Social Housing	3,326	3,326
4,837	Building Services	4,933	5,011
3,443	Housing and Future development	3,512	3,512
1,333	Planning Services - Private	1,309	1,753
12,874	Total Revenue	13,080	13,603
Expenses			
5,514	Social Housing	5,633	5,614
6,302	Building Services	6,305	7,141
5,934	Housing and Future development	5,872	4,908
1,193	Planning Services - Private	1,176	1,982
778	Planning Services - Public	770	1,706
19,722	Total Expenses	19,756	21,351
6,848	NET OPERATING COSTS OF ACTIVITY	6,676	7,748
Rating Requirement			
(1,349)	Less Depreciation	(1,349)	(1,336)
	Less Transfers To/(From) Reserves		
409	Plus Net Capital Renewal (3 Year Average)	417	419
294	Plus Debt Repayment	316	348
6,202	RATES REQUIREMENT	6,061	7,179

Capital Expenditure			
400	Renewal	408	408
500	New	511	511
-	Growth	-	-
900	Total Capital Expenditure	919	919
Funded By			
-	External Revenue New / Growth	-	-
-	External Revenue Renewal	-	-
	Development Contributions		
409	Rates	417	419
1,309	New Borrowing / (Repayment)	502	500
900	Total	919	919

Housing - Operational

Status	LTP		Draft AB		Information / Main reason for change
	2025/26	\$'000s	2025/26	\$'000s	
✓ 1613 - Kakatangiata District Plan Change		204		204	-
✓ 2433 - Aokautere District Plan Change		204		204	-
✓ 2434 - Te Utanganui Master Plan Implementation		255		255	-
TOTAL		663		663	
Funded Externally		-		-	
Funded by Council (Rates and Borrowing)		663		663	

Housing - Capital Renewal

Status	LTP		Draft AB		Information / Main reason for change
	2025/26	\$'000s	2025/26	\$'000s	
✓ 180 - Social Housing - Renewals		408		408	-
TOTAL		408		408	
Funded Externally		-		-	
Funded by Council (Rates and Borrowing)		408		408	

Housing - Capital New / Growth

Status	LTP		Growth	LOS	Draft AB		Information / Main reason for change
	2025/26	\$'000s			2025/26	\$'000s	
✓ 1459 - Social Housing - Additional Social Housing Units		511	0%	100%		511	-
TOTAL		511				511	
Funded Externally		-				-	
Funded by Council (Rates and Borrowing)		511				511	

Urban Design - Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
-	Total Revenue	-	-
Expenses			
677	City Centre	680	674
6	Place activation	6	6
36	Placemaking	36	40
317	Urban Design	369	348
1,036	Total Expenses	1,092	1,068
1,036	NET OPERATING COSTS OF ACTIVITY	1,092	1,068
Rating Requirement			
(25)	Less Depreciation	(26)	(13)
	Less Transfers To/(From) Reserves		
-	Plus Net Capital Renewal (3 Year Average)	-	-
82	Plus Debt Repayment	77	80
1,093	RATES REQUIREMENT	1,143	1,135
Capital Expenditure			
-	Renewal	-	-
9	New Growth	9	9
9	Total Capital Expenditure	9	9

Funded By		
- External Revenue New / Growth	-	-
- External Revenue Renewal Development Contributions	-	-
- Rates	-	-
9 New Borrowing / (Repayment)	9	9
9 Total	9	9

Urban Design - Operational

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	2054 - Funding Palmy BID group	255	250	-
✓	2521 - Supporting Certification of Green Buildings Standards	51	51	-
TOTAL		306	301	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		306	301	

Urban Design - Capital New / Growth

Status		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	1330 - City Centre - Placemaking Implementation	9	0%	100%	9	-
TOTAL		9			9	
Funded Externally		-			-	
Funded by Council (Rates and Borrowing)		9			9	

Economic Development - Activity Financial Statements

Budget		LTP	Draft AB
2024/25		2025/26	2025/26
\$'000s		\$'000s	\$'000s
Revenue			
252	Investment Property	257	257
150	Investments in Companies (including		
111	Airport)	153	300
131	City Marketing	113	113
131	Economic Development	134	144
880	Conference & Function Centre	898	898
34	International Relations	35	35
1,558	Total Revenue	1,589	1,746
Expenses			
702	Investment Property	711	514
370	Investments	222	220
425	Investments in Companies (including		
681	Airport)	425	374
3,079	City Marketing	673	779
1,928	Economic Development	3,168	3,159
694	Conference & Function Centre	1,938	2,179
554	Economic Events	706	748
	International Relations	567	505
8,433	Total Expenses	8,412	8,478
6,875	NET OPERATING COSTS OF ACTIVITY	6,823	6,732

Rating Requirement		
(790)	Less Depreciation	(790) (767)
(240)	Less Transfers To/(From) Reserves	(133) (133)
957	Plus Net Capital Renewal (3 Year Average)	1,004 1,085
34	Plus Debt Repayment	36 61
6,837	RATES REQUIREMENT	6,940 6,978
Capital Expenditure		
823	Renewal	998 1,228
23	New Growth	- -
845	Total Capital Expenditure	998 1,228
Funded By		
23	External Revenue New / Growth	- -
-	External Revenue Renewal Development Contributions	- -
957	Rates	1,004 1,085
1,780	New Borrowing / (Repayment)	(6) 142
845	Total	998 1,228

Economic Development - Operational

		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
Status				
✓	1344 - Major Events Fund	246	245	-
✓	1480 - Sponsorship Opportunities for Council with economic benefits	67	67	-
✓	2249 - Rural Games Support Funding	77	77	-
✓	2446 - Massey University Food Awards Sponsorship	41	40	-
✓	2448 - Manawatu Jet's Sponsorship	22	22	-
✓	2522 - Major Schools Sports Event Partnership Fund	301	295	-
✓	2525 - Central District Hind's Sponsorship	20	20	-
TOTAL		774	766	
Funded Externally		10	10	
Funded by Council (Rates and Borrowing)		764	756	

Economic Development - Capital Renewal

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	85 - Depot - Buildings and Structures Renewals	102	102	-
✓	251 - Conference & Function Centre - Replacement of Equipment	134	134	-
✓	270 - Holiday Park - Renewals	306	306	-
✓	272 - Staff Cafeteria - Replacement of Equipment	6	6	-
✓	664 - Conference & Function Centre - Renewals	133	330	Risk of roof failure assessment being undertaken to determine extent of work required.
✓	1166 - Conference & Function Centre - Equipment Purchases	76	76	-
✓	1730 - Information Centre - Building Renewals	20	20	-
✓	1753 - Investment Properties - Building Renewals	51	51	-
✓	1791 - Parks Depot - Building Renewals	31	31	-
✓	1933 - Brand and Marketing Critical Equipment	-	33	Change in activity from Organisational Performance to Economic Development
✓	1970 - Gordon Kear Forest Culvert Replacements	36	36	-
✓	2022 - Property - Hard Surfaces Renewals	102	102	-
TOTAL		998	1,228	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		998	1,228	

Transport**Active and Public Transport - Activity Financial Statements**

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
872	Active Transport	889	293
157	Footpaths	160	-
1,029	Total Revenue	1,049	293
Expenses			
1,455	Active Transport	1,610	1,112
3,604	Footpaths	3,699	3,080
298	Public Transport	622	142
5,357	Total Expenses	5,931	4,333
4,328	NET OPERATING COSTS OF ACTIVITY	4,881	4,040
Rating Requirement			
(2,692)	Less Depreciation	(2,773)	(2,694)
	Less Transfers To/(From) Reserves		
1,034	Plus Net Capital Renewal (3 Year Average)	1,066	1,097
327	Plus Debt Repayment	378	432
2,998	RATES REQUIREMENT	3,552	2,876
Capital Expenditure			
2,050	Renewal	2,091	1,419
3,950	New	7,140	510
-	Growth	-	-
6,000	Total Capital Expenditure	9,231	1,929

Funded By			
1,913	External Revenue New / Growth	3,537	-
1,046	External Revenue Renewal	1,066	163
	Development Contributions		
1,034	Rates	1,066	1,097
4,076	New Borrowing / (Repayment)	3,562	670
6,000	Total	9,231	1,929

Active and Public Transport - Operational

		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
Status				
×	2476 - Bus Hub Detailed Business Case	230	-	No longer funded by NZTA Waka Kotahi
TOTAL		230	-	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		230	-	

Active and Public Transport - Capital Renewal

		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
Status				
×	64 - City-wide - Footpath - Renewals	1,173	-	No longer funded by NZTA Waka Kotahi
✓	181 - City-wide - Public Transport Infrastructure Renewals	153	53	Funding reduced by NZTA Waka Kotahi - reduction in work able to be delivered
✱	2110 - City-wide - Footpath Renewals (No Subsidy)	-	1,100	NZTA Waka Kotahi Funding reduced - Key priority for Council - new programme with no co-funding
✓	2256 - Bunnythorpe - Transport - Footpath Renewals	51	18	Funding reduced by NZTA Waka Kotahi - reduction in work able to be delivered
✓	2371 - City-wide - Cycling Network - Renewals	306	106	Funding reduced by NZTA Waka Kotahi - reduction in work able to be delivered
✓	2372 - City-wide - Streetscape - Renewals	51	18	Funding reduced by NZTA Waka Kotahi - reduction in work able to be delivered
✓	2373 - City-wide - Shared Pathways - Renewals	306	106	Funding reduced by NZTA Waka Kotahi - reduction in work able to be delivered
✓	2383 - City-wide - Active Transport Supporting Infrastructure - Renewals	51	18	Funding reduced by NZTA Waka Kotahi - reduction in work able to be delivered
TOTAL		2,091	1,419	
Funded Externally		1,066	163	
Funded by Council (Rates and Borrowing)		1,025	1,256	

Active and Public Transport - Capital New / Growth

Status		LTP 2025/26	Growth	LOS	Draft AB 2025/26	Information / Main reason for change
		\$'000s			\$'000s	
x	1121 - Tennent Drive - Safety Improvements - Food HQ & Massey	1,020	0%	100%	-	No longer funded by NZTA Waka Kotahi
x	1559 - City-wide - Cycling Network Improvements	2,550	0%	100%	-	No longer funded by NZTA Waka Kotahi
x	1680 - City-wide - Public Transport - Network Improvements	510	0%	100%	-	No longer funded by NZTA Waka Kotahi
x	2057 - City-wide - Shared Pathways - New and Link Improvements	2,040	0%	100%	-	No longer funded by NZTA Waka Kotahi
✓	2231 - City-wide - Public Transport - Transport Choices - Additional Bus Shelters	204	0%	100%	204	-
x	2368 - City-wide - Footpaths - New	510	0%	100%	-	No longer funded by NZTA Waka Kotahi
x	2505 - City-wide - Shared Pathways - Slip Prevention	306	0%	100%	-	No longer funded by NZTA Waka Kotahi
✱	2548 - City-wide - Shared Pathways - Slip Prevention (no Cofunding)	-	0%	100%	306	Council priority despite no cofunding from NZTA Waka Kotahi
TOTAL		7,140			510	
Funded Externally		3,537			-	
Funded by Council (Rates and Borrowing)		3,603			510	

Roading - Activity Financial Statements

Budget		LTP	Draft AB
2024/25		2025/26	2025/26
\$'000s		\$'000s	\$'000s
Revenue			
4,160	Roads	4,243	4,103
6,657	Parking	6,815	7,039
184	Street Facilities	188	49
434	Street Lighting	443	436
11,435	Total Revenue	11,689	11,627
Expenses			
17,355	Roads	18,217	21,577
161	Traffic Services	164	306
3,586	Parking	3,561	3,986
6,043	Street Facilities	6,188	4,477
2,481	Street Lighting	2,493	2,732
29,625	Total Expenses	30,624	33,077
18,190	NET OPERATING COSTS OF ACTIVITY	18,935	21,449
Rating Requirement			
(12,233)	Less Depreciation	(12,398)	(12,265)
	Less Transfers To/(From) Reserves		
4,876	Plus Net Capital Renewal (3 Year Average)	5,145	5,400
1,334	Plus Debt Repayment	1,548	1,809
12,167	RATES REQUIREMENT	13,230	16,394

Capital Expenditure			
9,120	Renewal	9,404	9,552
10,592	New	11,455	9,707
6,333	Growth	3,794	3,794
<hr/>			
26,044	Total Capital Expenditure	24,653	23,053
<hr/>			
Funded By			
4,361	External Revenue New / Growth	6,008	4,704
4,503	External Revenue Renewal	4,645	4,619
414	Development Contributions	467	467
4,876	Rates	5,145	5,400
21,643	New Borrowing / (Repayment)	8,387	7,864
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26,044	Total	24,653	23,053

Roading - Operational

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	2477 - Regional Freight Ring Road Indicative Business Case	459	380	Reduced programme to reflect NZTA Waka Kotahi loss of funding
✖	2487 - Parking Management Plans	51	-	No longer required
✓	2533 - Future Development Strategy - Technical Support - Transport	61	61	-
✱	2549 - Street Lighting Infill Survey	-	120	To complete the survey to review network of street lighting
TOTAL		571	561	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		571	561	

Roading - Capital Renewal

		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
Status				
✓	74 - City-wide - Street Light Renewals	510	560	-
✓	82 - City-wide - Off-Street Parking - Renewals	153	153	-
✓	115 - City-wide - Sealed Roads - Pavement Rehabilitation	3,264	3,264	-
✓	122 - City-wide - Road Drainage Renewals	510	510	-
✓	139 - City-wide - Sealed Road Resurfacing	3,264	3,264	-
✓	162 - City-wide - Vehicle Crossing Renewals	143	343	Changes in NZTA Waka Kotahi Funding - ability to deliver more in this programme
✓	2357 - Bunnythorpe - Transport - Pavement Renewals	204	204	-
✗	2375 - City-wide - Unsealed Roads - Resurfacing	102	-	No longer funded by NZTA Waka Kotahi
✓	2376 - City-wide - Traffic Services - Renewals	612	612	-
✓	2377 - City-wide - Transport - Environmental Renewals	31	31	-
✓	2379 - City-wide - Transport - Structural Component Renewal	612	612	-
TOTAL		9,404	9,552	
Funded Externally		4,645	4,619	
Funded by Council (Rates and Borrowing)		4,759	4,934	

Roading - Capital New Growth

		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
Status						
✗	159 - Kelvin Grove Road - Safety Improvements	1,020	0%	100%	3,000	Priority Works for Council in light of altered NZTA Waka Kotahi funding realignments
✓	201 - Urban Growth - Transport - Development Contributions Top-up	224	100%	0%	224	-
✓	1003 - Whakarongo - Intersection - Safety Improvements	510	25%	75%	510	-
✓	1681 - Urban Growth - Kikiwhenua - Transport	3,060	75%	25%	3,060	-

✓	1804 - City-wide - Road Drainage - Additional Drainage Upgrades	122	0%	100%	122	-
✗	1944 - Villages - Transport - Road Upgrades to Urban Standard	1,224	0%	100%	-	No longer funded by NZTA Waka Kotahi
✓	2204 - City-wide - Street Racer Prevention	61	0%	100%	61	-
✓	2335 - Stoney Creek Road - Safety Improvements	3,264	0%	100%	2,000	Updated timing from LTP
✗	2362 - City-wide - Transport - Bridge Improvements	816	0%	100%	-	No longer funded by NZTA Waka Kotahi
✓	2380 - City-wide - Transport - Emergency Reinstatements	255	0%	100%	500	Increased funding due to more frequent weather events
✗	2390 - City-wide - Transport - Low Cost/ Low Risk and Road to Zero	4,080	0%	100%	-	No longer funded by NZTA Waka Kotahi
✓	2428 - City-wide - Street Trees - New and Replacements	612	0%	100%	300	No longer funded by NZTA Waka Kotahi - reduction in work able to be delivered
◀	2456 - Cliff Road Upgrade - Te Motu O Poutoa	-	0%	100%	3,723	Brought forward from 2027/28
TOTAL		15,249			13,501	
Funded Externally		6,008			4,704	
Funded by Council (Rates and Borrowing)		9,241			8,797	

A Creative and Exciting City
Recreation and Play - Activity Financial Statements

Budget		LTP	Draft AB
2024/25		2025/26	2025/26
\$'000s		\$'000s	\$'000s
Revenue			
2,562	Central Energy Trust Arena	2,613	2,613
1,203	City Reserves	1,227	1,228
69	Local Reserves	70	96
163	Sportsfields	166	166
5	Swimming Pools	5	5
4,001	Total Revenue	4,081	4,108
Expenses			
9,867	Central Energy Trust Arena	10,147	10,073
5,227	City Reserves	5,322	5,406
4,038	Local Reserves	4,049	4,823
4,024	Sportsfields	4,956	4,718
641	Support to recreation groups	654	1,301
2,964	Swimming Pools	3,118	3,097
26,761	Total Expenses	28,245	29,418
22,760	NET OPERATING COSTS OF ACTIVITY	24,164	25,310
Rating Requirement			
(7,848)	Less Depreciation	(7,910)	(7,841)
-	Less Transfers To/(From) Reserves	(867)	(434)
3,781	Plus Net Capital Renewal (3 Year Average)	4,968	4,995
1,215	Plus Debt Repayment	1,339	1,410
19,907	RATES REQUIREMENT	21,695	23,440

Capital Expenditure			
3,561	Renewal	5,070	5,369
2,693	New	9,165	9,493
273	Growth	526	184
<hr/>			
6,528	Total Capital Expenditure	14,761	15,045
<hr/>			
Funded By			
419	External Revenue New / Growth	4	262
-	External Revenue Renewal	594	594
285	Development Contributions	321	321
3,781	Rates	4,968	4,995
9,604	New Borrowing / (Repayment)	8,874	8,873
<hr/>			
6,528	Total	14,761	15,045
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Recreation and play - Operational

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	1424 - Active Community Access Fund - Low Income Opportunities	12	12	-
➤	2519 - Sportsfields - Artificial Football Field (subject to external funding)	867	434	Updated timing of programme across two years
✓	2524 - Feasibility study - 50 Metre Pool	102	102	-
TOTAL		981	547	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		981	547	

Recreation and play - Capital Renewal

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	819 - Central Energy Trust Arena - Replacement of Equipment	214	214	-
✓	1051 - CET Arena - Arena Renewals	511	511	-
➤	1127 - City Reserves - Victoria Esplanade Shade House (including Bonsai Display)	311	610	Proposed to complete work during FY26 (originally planned across 25/26 and 26/27). Balance of capex brought forward from year 3 to year 2.
✓	1242 - Central Energy Trust Arena - Replacement for Arena Big Screen	1,188	1,188	-
✓	1759 - CET Arena - Grounds Renewals	41	41	-
✓	1786 - Recreational Buildings - Sports Pavilion and Changing Room Renewals	357	357	-
✓	1827 - Local Reserves - Renewals	871	871	-
✓	1829 - Sportsfields and Artificial Turfs - Renewals	285	285	-

✓	1830 - City Reserves - Memorial Park - Renewals	47	47	-
✓	1831 - City Reserves - Te Marae o Hine - The Square - Renewals	34	34	-
✓	1832 - City Reserves - Ashhurst Domain - Renewals	102	102	-
✓	1834 - City Reserves - Walkways - Renewals	123	123	-
✓	1835 - City Reserves - Linklater Reserve - Renewals	15	15	-
✓	1837 - Swimming Pools - Pool Renewals	723	723	-
✓	1840 - City Reserves - Victoria Esplanade - Renewals	96	96	-
✓	2396 - Arena Masterkey System/ Access Control Improvements	153	153	-
<hr/>				
TOTAL		5,070	5,369	
Funded Externally		594	594	
Funded by Council (Rates and Borrowing)		4,476	4,775	

Recreation and play - Capital New / Growth

Status		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	111 - Local Reserves - Roslyn - Edwards Pit Park Development	26	0%	100%	26	-
✓	967 - City-wide - Edibles Planting	5	0%	100%	5	-
✓	1099 - Parks and Reserves - Shade Development	20	0%	100%	20	-
✓	1194 - CET Arena - Masterplan Redevelopment	8,168	0%	100%	8,168	-
✓	1838 - City Reserves - Victoria Esplanade - Exotic Aviaries	15	0%	100%	15	-
✓	1846 - City Reserves - Walkway Extensions - Capital New	189	0%	100%	189	-

✓	1847 - City Reserves - Victoria Esplanade - Capital New	61	0%	100%	61	-
✓	1848 - City Reserves - Linklater Reserve - Capital New	31	0%	100%	31	-
✓	1849 - City Reserves - Ashhurst Domain - Capital New	83	0%	100%	83	-
✓	1851 - Sportsfield Improvements - Capital New	263	0%	100%	143	Work being completed for Ongley Park Project was planned for Years 1 and 2 but now being completed within FY24 budgets so decreased budget needed in 25/26.
✓	1852 - Local Reserves - Improvements to existing reserves to close identified level of service gaps	233	0%	100%	233	-
✓	1853 - Local Reserves - Development of Existing Reserves - Capital New	85	0%	100%	85	-
✓	1854 - Swimming Pools - Splashhurst Pool Enhancements	57	0%	100%	57	-
➤	1856 - City Reserves - Manawatu River Park - Roxburgh Entrance Development	153	34%	66%	-	Moved out to 26/27 year 3 due to delays in associated plan change.
✓	1884 - Local Reserves - Accessibility and Safety Improvements	118	0%	100%	118	-
✓	2527 - Urban Growth - Aokautere - Reserves Development	184	100%	0%	184	-
✱	2545 - Whakarongo Oxbow development - developer agreement	-	0%	100%	259	Planned work for Napier Road Oxbow in line with developer agreement. Developer funding the work.
TOTAL		9,691			9,677	
Funded Externally		4			262	
Funded by Council (Rates and Borrowing)		9,687			9,414	

Arts and Heritage - Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
3	Community & Commemorative Events	3	3
240	Support to arts, culture & heritage groups	244	243
33	Te Manawa	34	34
276	Total Revenue	281	280
Expenses			
1,434	Community & Commemorative Events	1,451	1,070
250	Heritage Management	256	256
3,082	Other Cultural Facilities	3,146	3,200
3,203	Support to arts, culture & heritage groups	3,148	3,628
5,558	Te Manawa	5,756	5,729
13,527	Total Expenses	13,758	13,883
13,252	NET OPERATING COSTS OF ACTIVITY	13,477	13,604
Rating Requirement			
(3,019)	Less Depreciation	(3,019)	(2,948)
	Less Transfers To/(From) Reserves		
547	Plus Net Capital Renewal (3 Year Average)	590	593
211	Plus Debt Repayment	222	211
10,991	RATES REQUIREMENT	11,270	11,460

Capital Expenditure			
535	Renewal	546	546
-	New Growth	2,042	2,042
535	Total Capital Expenditure	2,588	2,588
Funded By			
-	External Revenue New / Growth	-	-
	External Revenue Renewal		
	Development Contributions		
547	Rates	590	593
1,082	New Borrowing / (Repayment)	1,998	1,995
535	Total	2,588	2,588

Arts and Heritage - Operational

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	1447 - Earthquake prone heritage building fund	78	78	-
✓	1573 - Arts Event Fund	54	54	-
✓	2498 - Natural and Cultural Heritage Incentive Fund	51	51	-
✱	2551 - Centrepont Theatre Rebuild Support	-	100	To support the rebuild through in-kind and grant funding
TOTAL		182	282	
Funded Externally		35	36	
Funded by Council (Rates and Borrowing)		147	246	

Arts and Heritage - Capital Renewal

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	213 - Cultural Facilities - Renewals	511	511	-
✓	1496 - Replacement of Street Flags	26	26	-
✓	2420 - Caccia Birch Signage Renewals	10	10	-
TOTAL		546	546	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		546	546	

Arts and Heritage - Capital Renewal

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	213 - Cultural Facilities - Renewals	511	511	-
✓	1496 - Replacement of Street Flags	26	26	-
✓	2420 - Caccia Birch Signage Renewals	10	10	-
TOTAL		546	546	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		546	546	

A Connected and Safe Community
Community Safety and Health - Activity Financial Statements

Budget		LTP	Draft AB
2024/25		2025/26	2025/26
\$'000s		\$'000s	\$'000s
Revenue			
475	Public Health	484	484
1,050	Animal Control	1,072	1,074
1,525	Total Revenue	1,557	1,558
Expenses			
1,090	Public Health	1,088	1,120
1,581	Animal Control	1,566	1,571
901	Civil Defence	901	1,139
627	Safer Community Initiatives	700	579
4,199	Total Expenses	4,254	4,408
2,675	NET OPERATING COSTS OF ACTIVITY	2,698	2,850
Rating Requirement			
(297)	Less Depreciation	(305)	(250)
	Less Transfers To/(From) Reserves		
159	Plus Net Capital Renewal (3 Year Average)	177	178
138	Plus Debt Repayment	160	168
2,675	RATES REQUIREMENT	2,730	2,945

Capital Expenditure			
102	Renewal	171	171
85	New Growth	174	174
187	Total Capital Expenditure	344	344
Funded By			
External Revenue New / Growth			
External Revenue Renewal			
Development Contributions			
159	Rates	177	178
346	New Borrowing / (Repayment)	167	166
187	Total	344	344

Community safety and health - Operational

Status		LTP	Draft AB	Information / Main reason for change
		2025/26	2025/26	
		\$'000s	\$'000s	
✓	1539 - City Ambassadors	75	75	-
TOTAL		75	75	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		75	75	

Community safety and health - Capital Renewal

Status		LTP	Draft AB	Information / Main reason for change
		2025/26	2025/26	
		\$'000s	\$'000s	
✓	1512 - CCTV Citywide - Rolling replacements	82	82	-
✓	1569 - Replacement of wearable cameras for parking and animal control officers	22	22	-
✓	2260 - Civil Defence Emergency Management - Radio and Communication equipment replacement	41	41	-
✓	2382 - Civil Defence Emergency Management - NZRT4 - Safety Equipment Replacement	10	10	-
✓	2539 - Civil Defence Emergency Operations Centre - Equipment replacement	15	15	-
TOTAL		171	171	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		171	171	

Community safety and health - Capital New / Growth

Status		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	2410 - CCTV Citywide - New Cameras	82	0%	100%	82	-
✓	2415 - CCTV Citywide - Monitoring and Safety centre	82	0%	100%	82	-
✓	2416 - Civil Defence Emergency Management - NZRT4 - New Safety Equipment	10	0%	100%	10	-
TOTAL		174			174	
Funded Externally		-			-	
Funded by Council (Rates and Borrowing)		174			174	

City Library - Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
80	Libraries	82	82
80	Total Revenue	82	82
Expenses			
11,355	Libraries	11,403	12,751
11,355	Total Expenses	11,403	12,751
11,275	NET OPERATING COSTS OF ACTIVITY	11,321	12,669
Rating Requirement			
(2,656)	Less Depreciation	(2,658)	(2,658)
	Less Transfers To/(From) Reserves		
1,183	Plus Net Capital Renewal (3 Year Average)	1,276	1,265
17	Plus Debt Repayment	20	25
9,818	RATES REQUIREMENT	9,958	11,301
Capital Expenditure			
1,010	Renewal	1,087	1,065
25	New Growth	15	15
1,035	Total Capital Expenditure	1,103	1,080

Funded By			
	External Revenue New / Growth		
	External Revenue Renewal		
	Development Contributions		
1,183	Rates	1,276	1,265
2,218	New Borrowing / (Repayment)	(173)	(185)
1,035	Total	1,103	1,080

City Library - Operational

Status		LTP	Draft AB	Information / Main reason for change
		2025/26	2025/26	
		\$'000s	\$'000s	
✓	2457 - City Library- Summer Reading Programme	26	25	-
TOTAL		26	25	
	Funded Externally	-	-	
	Funded by Council (Rates and Borrowing)	26	25	

City Library - Capital Renewal

Status		LTP	Draft AB	Information / Main reason for change
		2025/26	2025/26	
		\$'000s	\$'000s	
✓	178 - City Library (all sites) Replacement of Shelving, Furniture and Equipment	20	20	-
✓	188 - City Library (all sites) Replacement and Purchase of Library Materials	847	825	-
✓	202 - City Library - Central Library Interior Design Renewals	20	20	-
✓	203 - City Library - Community Libraries, Youth Space, Blueprint and Mobile Library Interior Design Renewals	26	26	-
✓	777 - City Library- Heritage Technology, Equipment and Markers for Public Discovery and Access to Archives and Local History	20	20	-
✓	1120 - Community Libraries - Renewals	31	31	-
✓	1138 - City Library (all sites) Digital Technology to Support 21st Century Citizens and Service (Renewal)	51	51	-
✓	1139 - City Library (all sites) Radio Frequency Identification (RFID) Materials Management	20	20	-
✓	1775 - Central Library - Renewals	51	51	-
TOTAL		1,087	1,065	
	Funded Externally	-	-	
	Funded by Council (Rates and Borrowing)	1,087	1,065	

City Library - Capital New / Growth

Status		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	2501 - City Library- Creative Interpretive Heritage Markers for Cuba Street Area	15	0%	100%	15	-
TOTAL		15			15	
Funded Externally		-			-	
Funded by Council (Rates and Borrowing)		15			15	

Community Support - Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
860	Cemeteries	877	899
142	Community Centres	145	145
1,002	Total Revenue	1,022	1,044
Expenses			
1,449	Cemeteries	1,493	1,803
1,607	Community Centres	1,808	1,623
2,197	Public toilets	2,264	2,138
5,578	Support to community groups	5,717	4,286
10,831	Total Expenses	11,281	9,851
9,829	NET OPERATING COSTS OF ACTIVITY	10,259	8,806
Rating Requirement			
(859)	Less Depreciation	(894)	(855)
	Less Transfers To/(From) Reserves		
631	Plus Net Capital Renewal (3 Year Average)	491	493
173	Plus Debt Repayment	227	238
9,774	RATES REQUIREMENT	10,083	8,683
Capital Expenditure			
877	Renewal	459	459
2,266	New	4,346	4,346
-	Growth	-	-
3,143	Total Capital Expenditure	4,805	4,805

Funded By			
-	External Revenue New / Growth	-	-
	External Revenue Renewal		
	Development Contributions		
631	Rates	491	493
3,774	New Borrowing / (Repayment)	4,314	4,312
3,143	Total	4,805	4,805

Community support - Operational

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	549 - Palmerston North Surf Lifesaving Club - One-off Grant	15	16	-
✓	1448 - Welcoming Communities	5	41	No increase - LTP had only partial budget showing against programme.
✓	1574 - Hancock community house management fund	72	72	
✓	2023 - Community Development Small Grants Fund	250	250	-
✓	2450 - Homelessness Response Pilot	235	235	-
✓	2531 - Community Led Initiatives Fund	184	184	-
✓	2534 - Support youth well-being outcomes	34	34	-
TOTAL		794	830	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		794	830	

Community support - Capital Renewal

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	186 - Public Toilets - Renewals	123	123	-
✓	265 - Community Centres - Renewals	123	123	-
✓	1769 - Community Agency Facilities - Renewals	51	51	-
✓	1796 - Cemeteries - Building Renewals	26	26	-
✓	1828 - Cemeteries - Non-Building Asset Renewals	137	137	-
TOTAL		459	459	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		459	459	

Community support - Capital New/Growth

Status		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	161 - Public Toilets - New City-wide Toilets	204	0%	100%	204	-
✓	1833 - City Growth - Cemeteries - Extensions to burial and ashes areas to meet demand	194	0%	100%	194	-
✓	1882 - City Growth - Cemeteries - Expansion of Kelvin Grove Cemetery Rooding network	61	0%	100%	61	-
➤	2343 - Citywide - New Community Hubs	-	0%	100%	400	Budget transferred from prog #2440
➤	2440 - Community Centres - Pasifika Centre Expansion	3,879	0%	100%	3,479	Budget transferred to prog #2343
✓	2452 - Community Gardens - Water Supply and Signage	8	0%	100%	8	-
TOTAL		4,346			4,346	
Funded Externally		-			-	
Funded by Council (Rates and Borrowing)		4,346			4,346	

A Sustainable and Resilient City
Biodiversity and the Manawatu River - Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
95	Central Energy Trust Wildbase	97	95
95	Total Revenue	97	95
Expenses			
1,135	Central Energy Trust Wildbase	1,138	1,243
556	Biodiversity	624	639
472	Manawatu River	648	800
2,163	Total Expenses	2,410	2,681
2,068	NET OPERATING COSTS OF ACTIVITY	2,313	2,586
Rating Requirement			
(12)	Less Depreciation	(44)	(32)
	Less Transfers To/(From) Reserves		
90	Plus Net Capital Renewal (3 Year Average)	89	89
36	Plus Debt Repayment	51	60
2,182	RATES REQUIREMENT	2,409	2,703
Capital Expenditure			
129	Renewal	72	72
835	New	7,089	7,028
-	Growth	-	-
964	Total Capital Expenditure	7,161	7,101

Funded By			
-	External Revenue New / Growth	1,793	1,582
-	External Revenue Renewal	-	-
-	Development Contributions	-	-
90	Rates	89	89
1,055	New Borrowing / (Repayment)	5,279	5,429
964	Total	7,161	7,101

Biodiversity and the Manawatu River - Operational

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	835 - Biodiversity Improvements as Part of Te Apiti Project	46	45	-
TOTAL		46	45	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		46	45	

Biodiversity and the Manawatu River – Capital Renewal

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	1136 - CET Wildbase Recovery Centre - Renewals	31	31	-
✓	1825 - City Reserves - Manawatu River Park - Renewals	42	42	-
TOTAL		72	72	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		72	72	

Biodiversity and the Manawatu River - Capital New / Growth

Status		LTP	Growth	LOS	Draft AB	Information / Main reason for change
		2025/26			2025/26	
		\$'000s			\$'000s	
✓	1077 - Citywide - Biodiversity Enhancement Through Native Planting	31	0%	100%	31	-
✓	1895 - City Reserves - Manawatu River Park - Te Motu o Poutoa Development Plan - Implementation	6,404	0%	100%	5,651	Decrease in this programme is offset with related programme 2239. Minor decrease for 25/26
✓	2239 - City Reserves - Te Motu o Poutoa - Design and Consenting	532	0%	100%	1,224	Increase related to programme 1895.
✓	2429 - Turitea Predator Control - Self Resetting Traps	123	0%	100%	123	-
TOTAL		7,089			7,028	
Funded Externally		1,793			1,582	
Funded by Council (Rates and Borrowing)		5,296			5,446	

Resource Recovery - Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
920	Landfill Management	951	951
2,181	Waste Minimisation	2,327	2,266
1,869	Waste Management	1,916	1,820
4,970	Total Revenue	5,194	5,037
Expenses			
1,754	Landfill Management	1,796	1,974
7,035	Waste Minimisation	7,787	9,004
2,083	Waste Management	2,212	2,718
10,872	Total Expenses	11,795	13,695
5,902	NET OPERATING COSTS OF ACTIVITY	6,601	8,658
Rating Requirement			
(1,060)	Less Depreciation	(1,183)	(1,125)
-	Less Transfers To/(From) Reserves	-	(689)
510	Plus Net Capital Renewal (3 Year Average)	531	532
247	Plus Debt Repayment	313	324
5,599	RATES REQUIREMENT	6,261	7,700
Capital Expenditure			
631	Renewal	525	520
2,080	New	5,943	5,939
-	Growth	-	-
2,711	Total Capital Expenditure	6,467	6,459

Funded By			
	- External Revenue New / Growth	-	-
	External Revenue Renewal		
	Development Contributions		
510	Rates	531	532
3,221	New Borrowing / (Repayment)	5,937	5,927
2,711	Total	6,467	6,459

Resource Recovery - Operational

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	1811 - City-Wide Bi Annual Hazardous Waste Day	56	56	-
✓	1909 - Waste Minimisation Levy - Contestable Fund	46	45	-
✓	2328 - Resilience of the Closed Landfills - Investigation	103	100	-
✓	2461 - Food Scraps - Detailed Analysis of Programme Delivery	26	26	-
TOTAL		231	227	
Funded Externally		45	47	
Funded by Council (Rates and Borrowing)		186	180	

Resource Recovery - Capital Renewal

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	185 - Closed Landfills and Transfer Stations - Site Renewals	183	180	-
✓	612 - Recycling - City-wide Wheelie Bin and Crate Renewals	102	102	-
✓	649 - Recycling - Materials Recovery Facility Renewals	10	10	-
✓	1368 - City-wide - Public Space Rubbish & Recycling Bins Renewals	102	100	-
✓	1374 - City-wide - Recycling Drop Off Facilities - Renewals	15	15	-
✓	1721 - Composting Activity Site Renewals	10	10	-
✓	1784 - Rubbish and Recycling Buildings - Renewals	102	102	-
TOTAL		525	520	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		525	520	

Resource Recovery - Capital New / Growth

Status		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	506 - City-wide - Public Space Rubbish & Recycling Bins Development	153	0%	100%	150	-
✓	657 - Urban Growth - Recycling - City-wide Wheelie Bins and Crates	92	0%	100%	92	-
✓	727 - Recycling - Materials Recovery Facility Development	5,309	0%	100%	5,309	-
✓	1371 - Closed Landfills and Transfer Stations - Safety, Security and Development	368	0%	100%	368	-
✓	1410 - Recycling - City-wide Recycling Services to Commercial/orgnisational Properties Development	20	0%	100%	20	-
TOTAL		5,943			5,939	
Funded Externally		-			-	
Funded by Council (Rates and Borrowing)		5,943			5,939	

Climate Change and Sustainability - Activity Financial Statements

Budget		LTP	Draft AB
2024/25		2025/26	2025/26
\$'000s		\$'000s	\$'000s
Revenue			
-	Total Revenue	-	-
Expenses			
358	Support to environmental groups	362	317
132	Sustainable Practices	132	108
863	Climate Change and Sustainability	956	917
1,353	Total Expenses	1,450	1,343
1,353	NET OPERATING COSTS OF ACTIVITY	1,450	1,343
Rating Requirement			
(11)	Less Depreciation	(47)	(36)
	Less Transfers To/(From) Reserves		
	Plus Net Capital Renewal (3 Year Average)		
11	Plus Debt Repayment	44	44
1,353	RATES REQUIREMENT	1,447	1,350
Capital Expenditure			
	Renewal		
1,085	New Growth	1,179	1,179
1,085	Total Capital Expenditure	1,179	1,179

Funded By

External Revenue New / Growth

External Revenue Renewal

Development Contributions

- Rates

1,085 New Borrowing / (Repayment)

-

1,179

-

1,179

1,085 Total

1,179

1,179

Climate Change and Sustainability - Capital New / Growth

Status		LTP	Growth	LOS	Draft AB	Information / Main reason for change
		2025/26			2025/26	
		\$'000s			\$'000s	
✓	1888 - Low Carbon Fund	1,026	0%	100%	1,026	-
✓	1924 - Improving remote monitoring capabilities	153	0%	100%	153	-
TOTAL		1,179			1,179	
Funded Externally		-			-	
Funded by Council (Rates and Borrowing)		1,179			1,179	

Water - Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
30	Water Collection	31	31
4	Water Distribution	4	4
10	Water Treatment	10	10
44	Total Revenue	45	45
Expenses			
4,500	Water Collection	4,652	3,978
7,828	Water Distribution	8,228	7,486
587	Water Treatment	708	3,078
12,916	Total Expenses	13,588	14,541
12,872	NET OPERATING COSTS OF ACTIVITY	13,544	14,497
Rating Requirement			
(4,421)	Less Depreciation	(4,547)	(4,518)
	Less Transfers To/(From) Reserves		
5,474	Plus Net Capital Renewal (3 Year Average)	6,210	6,212
669	Plus Debt Repayment	849	901
14,594	RATES REQUIREMENT	16,055	17,091
Capital Expenditure			
5,010	Renewal	5,482	5,482
7,978	New	8,804	7,766
4,019	Growth	3,991	3,991
17,006	Total Capital Expenditure	18,277	17,239

Funded By			
2,006	External Revenue New / Growth	1,300	371
-	External Revenue Renewal	-	-
394	Development Contributions	444	444
5,474	Rates	6,210	6,212
20,081	New Borrowing / (Repayment)	10,323	10,212
17,006	Total	18,277	17,239

Water - Operational

Status	LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓ 1905 - Turitea Dams - Turitea Forest Harvest	51	51	-
➤ 2504 - Turitea Catchment Reserve Management Plan	-	50	Updated timing of consultation to meet legal requirements of the reserves act
TOTAL	51	101	
Funded Externally	-	-	
Funded by Council (Rates and Borrowing)	51	101	

Water - Capital Renewal

Status	LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓ 88 - Turitea WTP - Falling Main from WTP to Reservoir	154	154	-
✓ 199 - City-wide - Water Supply Bore and Network Facility Renewals	204	204	-
✓ 207 - Turitea WTP - Equipment and Facility Renewals	205	205	-
✓ 214 - City-wide - Water Toby and Manifold Renewals	410	410	-
✓ 218 - City-wide - Water Main Renewals	3,075	3,075	-
✓ 1061 - City-wide - Water Supply Reservoir Renewals	154	154	-
✓ 1700 - City-wide - Water Meter Renewals	282	282	-
✓ 1701 - City-wide - Water Supply Valve & Hydrant Renewals	256	256	-
✓ 1797 - Water Treatment Plant - Building Renewals	51	51	-
✓ 1822 - Water Pump Stations - Building Renewals	46	46	-
✓ 2279 - Longburn - Water Asset Renewals	308	308	-
✓ 2280 - Bunnythorpe - Water Asset Renewals	205	205	-
✓ 2288 - Turitea WTP - Automation and PLC Renewals	51	51	-
✓ 2310 - Citywide - Water Critical Spare Replacements	82	82	-
TOTAL	5,482	5,482	
Funded Externally	-	-	
Funded by Council (Rates and Borrowing)	5,482	5,482	

Water - Capital New / Growth

Status		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	132 - City-wide - Water Supply Resilience - Trunk Mains	1,244	10%	90%	1,244	-
✓	246 - Urban Growth - Development Contributions - Water Supply	308	100%	0%	308	-
✓	1004 - Urban Growth - Whakarongo - Water Supply	718	90%	10%	718	-
✓	1054 - Ashhurst - Water Quality Improvements	1,538	0%	100%	500	Robust procurement process has reduced budget required
✓	1384 - City-wide - Water Supply Resilience - City Supply Reservoir	513	0%	100%	513	-
✓	1388 - Palmerston North - District Metering Areas for Water Supply	77	0%	100%	77	-
✓	1389 - City-wide - Water Supply Resilience - Security of Supply	31	0%	100%	31	-
✓	1607 - City-wide - Health & Safety - Water Treatment Chemical Handling	154	0%	100%	154	-
✓	1696 - City-wide - Drinking Water Standards Upgrades	615	0%	100%	615	-
✓	1697 - Turitea WTP - Water Supply Resilience - Upgrades	256	0%	100%	256	-
✓	1873 - City-wide - Water Main Upgrades - Firefighting	103	0%	100%	103	-
✓	1874 - Turitea Dams - Health & Safety Improvements	154	0%	100%	154	-
✓	1883 - 3 Waters - Small Plant and Equipment	103	0%	100%	103	-
✓	2042 - Turitea WTP - Raw Water Main Duplicate	1,179	0%	100%	1,179	-
✓	2048 - City-wide - Water Toby and Manifold enhancements	769	0%	100%	769	-
✓	2060 - City-wide - Commercial Water Meters	72	0%	100%	72	-
✓	2228 - City-wide - Water Main Improvement	1,025	0%	100%	1,025	-

✓	2283 - Turitea WTP - New Retaining Walls on Access Road	103	0%	100%	103	-
✓	2298 - Bunnythorpe - Water Quality Improvements	564	0%	100%	564	-
✓	2299 - Urban Growth - New Northern Water Supply Bore (Milson Line)	1,538	60%	40%	1,538	-
✓	2301 - Urban Growth - New Longburn Water Supply Bore	1,428	60%	40%	1,428	-
✓	2303 - Citywide - Bore Facility Improvements	308	0%	100%	308	-
TOTAL		12,794			11,757	
	Funded Externally	1,300			371	
	Funded by Council (Rates and Borrowing)	11,495			11,386	

Wastewater - Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
1,573	Wastewater Treatment and Disposal	1,203	1,825
1,573	Total Revenue	1,203	1,825
Expenses			
10,998	Wastewater Collection	11,526	11,132
4,484	Wastewater Treatment and Disposal	4,407	6,197
15,481	Total Expenses	15,932	17,329
13,908	NET OPERATING COSTS OF ACTIVITY	14,729	15,504
Rating Requirement			
(5,702)	Less Depreciation	(5,775)	(5,714)
-	Less Transfers To/(From) Reserves	-	(878)
5,112	Plus Net Capital Renewal (3 Year Average)	5,216	5,218
480	Plus Debt Repayment	631	675
13,798	RATES REQUIREMENT	14,802	14,806
Capital Expenditure			
4,753	Renewal	5,431	5,431
9,204	New	14,060	14,060
104	Growth	461	461
14,061	Total Capital Expenditure	19,952	19,952

Funded By			
772	External Revenue New / Growth	5,778	5,778
-	External Revenue Renewal	-	-
373	Development Contributions	421	421
5,112	Rates	5,216	5,218
18,029	New Borrowing / (Repayment)	8,537	8,535
<hr/>			
14,061	Total	19,952	19,952
<hr/>			

Wastewater - Operational

Status		LTP	Draft AB	Information / Main reason for change
		2025/26	2025/26	
		\$'000s	\$'000s	
✓	1401 - City-wide - Infiltration & Inflow Investigations	518	518	-
TOTAL		518	518	
	Funded Externally	-	-	
	Funded by Council (Rates and Borrowing)	518	518	

Wastewater - Capital Renewal

Status		LTP	Draft AB	Information / Main reason for change
		2025/26	2025/26	
		\$'000s	\$'000s	
✓	54 - City-wide - Wastewater Pipe Renewal	1,845	1,845	-
✓	65 - City-wide - Wastewater Pump Station Renewal	169	169	-
✓	179 - Totara Road Wastewater Treatment Plant - Minor Equipment Renewals	200	200	-
✓	601 - Citywide - Aeration Pond Wave Band Repairs	205	205	-
✓	1380 - Totara Rd WWTP - Biogas Generator Major Overhauls	127	127	-
✓	1714 - City-wide Wastewater Trunk Mains Renewal	1,025	1,025	-
✓	1799 - Wastewater Treatment Plant - Buildings Renewals	51	51	-
✓	1801 - Wastewater Pump Stations - Building Renewals	46	46	-
✓	1887 - 3 Waters Minor Equipment Renewals	21	21	-
✓	2323 - Citywide - Relining of Wastewater Pipes	615	615	-
✓	2411 - Renewal of Oxidation Ponds and Sludge Lagoons	718	718	-
✓	2530 - Bunnythorpe - Wastewater Reticulation Renewals	410	410	-
TOTAL		5,431	5,431	
	Funded Externally	-	-	
	Funded by Council (Rates and Borrowing)	5,431	5,431	

Wastewater - Capital New / Growth

Status		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	66 - Totara Road Wastewater Treatment Plant - Resilience Programme	256	0%	100%	256	-
✓	73 - Urban Growth - Development Contributions - Wastewater	154	100%	0%	154	-
✓	628 - Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade	4,230	0%	100%	4,230	-
✓	1074 - Totara Road Wastewater Treatment Plant - Earthquake Strengthening of Civil Structures	2,563	0%	100%	2,563	-
✓	1616 - City-wide - Wastewater Pump Station - Capacity Upgrade	2,255	0%	100%	2,255	-
✓	1617 - Totara Road Wastewater Treatment Plant - Biogas System Improvements	1,538	0%	100%	1,538	-
✓	1677 - Upsizing of Kairanga Bunnythorpe Road Sewer and Storage	51	0%	100%	51	-
✓	1712 - City-wide Wastewater reticulation wet weather overflow mitigation	513	0%	100%	513	-
✓	1821 - City-wide Wastewater Pipeline Realignment of critical at-risk mains	513	0%	100%	513	-
✓	2229 - City-wide - Wastewater Pipe Improvement	1,025	0%	100%	1,025	-
✓	2257 - Citywide - Discharge Smart Meters for Large Tradewaste Customers	41	0%	100%	41	-
✓	2322 - Bunnythorpe - Wastewater Network Upgrades	308	0%	100%	308	-
✓	2329 - Citywide - Wastewater Pump Station H&S Upgrades	51	0%	100%	51	-
✓	2330 - 3 Waters Telemetry Upgrades	154	0%	100%	154	-
✓	2331 - Citywide Wastewater Critical Spares	51	0%	100%	51	-
✓	2347 - Wastewater Trunk Main - Infill Upgrades	513	10%	90%	513	-
✓	2511 - Urban Growth - Kikiwhenua - Wastewater	308	100%	0%	308	-
TOTAL		14,521			14,521	
Funded Externally		5,778			5,778	
Funded by Council (Rates and Borrowing)		8,743			8,743	-

<u>Stormwater - Activity Financial Statements</u>			
Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
- Total Revenue		-	-
Expenses			
6,842	Stormwater Collection and Disposal	7,254	7,663
6,842	Total Expenses	7,254	7,663
6,842	NET OPERATING COSTS OF ACTIVITY	7,254	7,663
Rating Requirement			
(2,545)	Less Depreciation	(2,635)	(2,588)
	Less Transfers To/(From) Reserves		
515	Plus Net Capital Renewal (3 Year Average)	515	515
217	Plus Debt Repayment	309	374
5,029	RATES REQUIREMENT	5,443	5,965
Capital Expenditure			
350	Renewal	615	615
4,812	New	4,368	4,368
4,244	Growth	3,911	3,911
9,406	Total Capital Expenditure	8,895	8,895

Funded By			
1,052	External Revenue New / Growth	3,053	3,053
	External Revenue Renewal		
495	Development Contributions	558	558
515	Rates	515	515
8,374	New Borrowing / (Repayment)	4,768	4,768
9,406	Total	8,895	8,895

Stormwater - Operational

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	2316 - Third Party Stormwater Flood Problem Resolution	15	15	-
✓	2502 - Stormwater Network Resilience Study	51	51	-
✓	2532 - Future Development Strategy - Technical Support - Stormwater	92	92	-
✓	2536 - Future Development Strategy - Stormwater Strategy	45	45	-
TOTAL		204	204	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		204	204	

Stormwater - Capital Renewal

Status		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	20 - City-wide - Stormwater Pump Station Renewals	256	256	-
✓	1062 - City-wide - Stormwater Network Renewal Works	359	359	-
TOTAL		615	615	
Funded Externally		-	-	
Funded by Council (Rates and Borrowing)		615	615	

Stormwater - Capital New / Growth

Status		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	22 - Citywide - Restoring Flood Capacity of Stormwater Channels	154	0%	100%	154	-
✓	51 - Urban Growth - Development Contributions - Stormwater	308	100%	0%	308	-
✓	1060 - City-wide - Stormwater Network Improvement Works	2,519	0%	100%	2,519	-
✓	1372 - City-wide Stormwater Pump Stations Improvement	566	0%	100%	566	-
✓	1704 - Urban Growth - Aokautere - Stormwater	3,053	0%	100%	3,053	-
✓	1708 - City-wide - Stormwater Flood Mitigation	428	0%	100%	428	-
✓	2035 - Urban Growth - Napier Rd Extention - Stormwater	410	90%	10%	410	-
✓	2313 - Citywide - Installation of new Stormwater Assets	410	0%	100%	410	-
✓	2324 - Urban Growth - Stormwater Roxborough Crescent Infill	140	100%	0%	140	-
✓	2325 - Ashhurst - Stormwater Asset Improvement	87	0%	100%	87	-
✓	2542 - Longburn - Stormwater Asset Improvements	205	0%	100%	205	-
TOTAL		8,280			8,280	
Funded Externally		3,053			3,053	
Funded by Council (Rates and Borrowing)		5,226			5,226	

Supporting the Organisation

Governance and Active Citizenship – Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
107	Councillor Meetings and Administration	109	23
293	Direction Setting	299	299
-	Elections	102	125
399	Total Revenue	510	447
Expenses			
2,636	Councillor Meetings and Administration	2,625	2,628
5,034	Direction Setting	5,051	5,132
55	Elections	312	417
345	Mayoral Office	354	373
8,071	Total Expenses	8,341	8,550
7,671	NET OPERATING COSTS OF ACTIVITY	7,831	8,104
Rating Requirement			
(29)	Less Depreciation	(29)	(5)
	Less Transfers To/(From) Reserves		
-	Plus Net Capital Renewal (3 Year Average)	-	-
7	Plus Debt Repayment	8	20
7,650	RATES REQUIREMENT	7,810	8,118

Capital Expenditure		
Renewal		
- New	-	-
Growth		
<hr/>		
- Total Capital Expenditure	-	-
<hr/>		
Funded By		
External Revenue New / Growth		
External Revenue Renewal		
Development Contributions		
- Rates	-	-
- New Borrowing / (Repayment)	-	-
<hr/>		
- Total	-	-
<hr/>		

Governance and Active Citizenship - Operational

		LTP	Draft AB	
		2025/26	2025/26	
Status		\$'000s	\$'000s	Information / Main reason for change
* 1180 - Focus Group Research		-	24	Additional focus groups
✓ 1949 - Civic and Cultural Precinct		102	102	-
✓ 2241 - Rangitane Resource		146	146	-
✓ 2535 - Food security resilience policy implementation		31	31	-
TOTAL		279	303	
Funded Externally		146	150	
Funded by Council (Rates and Borrowing)		133	153	

Organisational Performance - Activity Financial Statements

Budget 2024/25 \$'000s		LTP 2025/26 \$'000s	Draft AB 2025/26 \$'000s
Revenue			
198	Civic Administration Building	202	202
1	Customer Services	1	1
331	Financial Services	334	334
4,034	External Contracts	4,119	4,269
4,565	Total Revenue	4,656	4,806
Expenses			
1,113	Civic Administration Building	1,089	971
1	Customer Services	1	1
2,578	Financial Services	2,867	2,875
2	Human Resources	3	-
9,326	Information Services	10,477	1,148
169	Marketing & Communications	153	208
219	Print Synergy	182	2
3,842	External Contracts	3,871	4,259
506	Plant and vehicle operations	636	996
12,596	Total Expenses	13,540	4,705
8,031	NET OPERATING COSTS OF ACTIVITY	8,884	101
Rating Requirement			
(3,870)	Less Depreciation	(4,123)	(4,052)
(5,600)	Less Transfers To/(From) Reserves	(2,961)	(2,961)
3,355	Plus Net Capital Renewal (3 Year Average)	3,246	3,133
2,269	Plus Debt Repayment	3,118	2,366
4,185	RATES REQUIREMENT	8,164	1,615

Capital Expenditure			
3,633	Renewal	3,238	2,955
1,265	New Growth	961	961
4,898	Total Capital Expenditure	4,199	3,916
Funded By			
-	External Revenue New / Growth	-	-
-	External Revenue Renewal Development Contributions	-	-
3,355	Rates	3,246	3,133
8,252	New Borrowing / (Repayment)	953	783
4,898	Total	4,199	3,916

Organisational performance - Operational

Status		LTP	Draft AB	Information / Main reason for change
		2025/26	2025/26	
		\$'000s	\$'000s	
✓	1520 - Digital Transformation	2,246	2,246	-
✓	2346 - Organisation wide - systems replacement or new systems initiatives	817	817	-
✓	2451 - Leadership Development	168	165	-
✓	2500 - Implementation of Waka Kotahi Asset Management Data Standards	41	41	-
TOTAL		3,272	3,269	
	Funded Externally	21	-	
	Funded by Council (Rates and Borrowing)	3,251	3,269	

Organisational performance - Capital Renewal

Status		LTP	Draft AB	Information / Main reason for change
		2025/26	2025/26	
		\$'000s	\$'000s	
✓	53 - User Hardware - rolling replacement	480	480	-
✓	58 - Network Additions and Upgrades	77	77	-
✓	68 - Aerial Photography	31	31	-
✓	80 - Council Small Mobile Plant and Equipment - Replacement	356	306	Rationalisation of replacements
✓	86 - Property - Furniture Replacements	31	31	-
✓	221 - Replacement of Print Synergy Machinery	20	20	-
✓	281 - CAB - Renewals	204	204	-
✓	784 - Replacement of Council's Photocopiers/Printers	15	15	-
✓	1879 - Council's Plant and Vehicle - Replacements	1,991	1,791	Rationalisation of replacements due to fleet utilisation
✓	1933 - Brand and Marketing Critical Equipment	33	-	Change in activity from Organisational Performance to Economic Development
TOTAL		3,238	2,955	
	Funded Externally	-	-	
	Funded by Council (Rates and Borrowing)	3,238	2,955	

Organisational performance - Capital New / Growth

Status		LTP 2025/26 \$'000s	Growth	LOS	Draft AB 2025/26 \$'000s	Information / Main reason for change
✓	60 - Information Management Strategic Plan Project	77	0%	100%	77	-
✓	99 - New Vehicles and Plant to enable the delivery of improved Council services	314	0%	100%	314	-
✓	1875 - Fleet - Upgrade to Electric Vehicles - Capital New	163	0%	100%	163	-
✓	2449 - Fleet - Upgrade R&R Fleet to Alternate Fuel - Capital new	357	0%	100%	357	-
✓	2499 - Smart Cities / Smart Palmy	51	0%	100%	51	-
TOTAL		961			961	
Funded Externally		-			-	
Funded by Council (Rates and Borrowing)		961			961	

A photograph of three people (two men and one woman) riding bicycles on a bridge. They are wearing helmets and casual clothing. The background shows a scenic view of mountains and trees under a clear sky. A large blue circular graphic with the number '2.' is overlaid on the left side of the image.

2.

Wāhanga 2
Section 2

Financial and rating information

Section 2

Here you can see what assumptions have been made in preparing the financial information. You'll also see details about the rating system.

Significant Forecasting
Assumptions

Rating System, Rates and
Funding Impact Statements

Significant Forecasting Assumptions

A forecasting assumption is defined as something the Council accepts as being true for the purposes of future decisions and actions.

Significant forecasting assumptions and risks underlying the financial estimates in the Annual Budget are identified in the Long-term Plan 2024-2034 (see page 313) and cover the following issues

Issue	Level of uncertainty of assumption	Significance of financial impact on overall position
1. Population & Household Growth	Medium	Medium
2. City Growth – Nature, Type & Location	Medium	High
3. Pandemics	Low	Low
4. Climate Change	Medium	Low
5. Natural Disasters & Adverse Weather Events	High	High
6. Services Provided by Council	High	High
7. Continuity of External Funding	High	Low
8. Sources of Funds for Future Replacement of Assets	Low	Low
9. NZTA Waka Kotahi Subsidy	High	High
10. Airport Shareholding, Dividends & Lines of Credit	Medium	Low

11. Revaluation of Property, Plant & Equipment Assets	Low	Low
12. Asset Lives	Low	Low
13. Depreciation	Low	Low
14. Inflation	Medium	Low
15. Interest Rates for Borrowings	Medium	Medium
16. Resource Consents (especially wastewater discharge)	High	High
17. Turitea Windfarm	Low	Low
18. Weathertight (Leaky) Homes Claims	Low	Low
19. Insurance	High	High
20. Earthquake-prone Buildings	High	High
21. Regional freight ring road including an Additional Road Crossing of Manawatu River	Medium	High
22. Residential Subdivision	Medium	Medium
23. Drinking Water Quality Assurance Rules	Low	Low
24. 3 Waters Reforms	High	High
25. Capital Expenditure Delivery	High	High
26. Infrastructure Funding & Financing (IFF) Levies	High	High
27. Alternative Funding Arrangements	High	High

Some assumptions have changed and impacted on the Annual Budget Those changes to assumptions and risks are detailed below:

Interest rates for borrowing – An average rate of 5% was assumed for the first three years of the Long-term Plan. In accordance with its interest rate risk management policy the Council has a mixture of fixed and floating rate debt. This meant the Council's average cost of servicing its debt was lower than the prevailing market rates. Over the last year interest rates have reduced and this allows the assumption for the average interest rate on Council's debt to be reduced from 5% to 4.4% for 2025/26.

This translates to a significant reduction in the budgeted interest costs.

NZTA Waka Kotahi Subsidy – In the Long-term Plan it was signalled there was a high risk of there being change to the level of subsidy available to the Council for transport. A relatively conservative view was taken as to which programmes would qualify for subsidy support. Central government has now set changed funding objectives for NZTA Waka Kotahi and as a consequence they will not be providing subsidy for many previously proposed transport programmes. Details of these changes can be seen in the Transport activity budget

pages. Despite this Council has decided to proceed with and fund the full cost of some priority programmes. These include footpath renewals and safety improvements for Kelvin Grove Road.

Three waters reform ('Local Water Done Well') – although the expectation remains that the Council will continue to be responsible for delivering the three waters activities over the next two years the government is progressing the changes to the legislative and regulatory framework quickly. This means the Council will be required to operate under a new expanded regulatory regime even before any transfer of responsibilities for water activity governance and management to a new water entity. There will be significant cost progressing the consideration of structural options and preparing the required accountability documents. There will also be new levies payable to fund the government's water quality and economic regulators.

Other uncertainties and risks for 2025/26 include:

Adverse weather events – these are become a more common feature worldwide. The budget provision for emergency re-instatements of the transport network has been increased to \$500k. This is a small sum relative to the most recent experience of damage following adverse weather events. A case can be made to NZTA Waka Kotahi for assistance but these are determined on a case by case basis.

The Council has insurance arrangements in place for its underground networks and for its above ground buildings though the cost and availability of appropriate insurance cover is becoming more problematic.

Rating System, Rates and Funding Impact Statements

1. Introduction

Rating incidence is governed by the Council's Revenue and Financing Policy and its Rating Policies. This section outlines details of the present rating system used by the Council. It also incorporates the Funding Impact Statements in the form prescribed by the Local Government (Financial Reporting and Prudence) Regulations 2014.

At various points within this section a level of rate or charge is outlined. These are indicative figures provided to give ratepayers an estimate of what their level of rates is likely to be in the forthcoming year. They are not necessarily the actual figures as these will not be known until the Council's rating information database is finalised. Rates figures in this section are GST-inclusive unless otherwise specified.

2. Rating Objectives

These are the Council's rating objectives:

- To encourage growth and confidence in the city by operating a stable, easily understood method of setting rates
- To set rates in a manner that is fair and equitable as between various ratepayers and classes of ratepayer, and consistent with Council's planning objectives.
- To ensure that all citizens contribute to the cost of providing city services by charging on a user-pays basis where practicable.
- To foster the sense of a single community by operating a common system throughout the city.

3. Components of the present rating system - a summary

The Council's rating system, designed to meet these objectives, is utilised to fund the net cost of operations and programmes outlined in the Long-Term Plan and Annual Budget (Plan). It comprises the following components:

- A common system applies throughout the city.
- Targeted rates, in the form of fixed amounts (as proxy user charges) are made to cover the costs of services that are identifiable by property (water supply, wastewater disposal, and rubbish and recycling). In addition, significant non-residential and some rural users of water are metered, and some non-residential wastewater users are charged on the basis of the number of pans. A targeted rate (comprising a fixed amount and a variable amount based on capital value) is made on non-residential properties within the central city Palmy BID area.
- A Uniform Annual General Charge (UAGC) is applied as a fixed amount to every rating unit within the city. It is used as a mechanism to ensure each rating unit contributes a minimum amount of the general rate and also to moderate rates on high land-value properties.
- A targeted rate, based on the capital value, is to be applied to each rating unit, with different rates (differentials) applying to each differential category. In 2025/26 it is intended this rate will cover the costs of delivering goal one (an innovative and growing city) and in particular transport, economic development, housing and urban design activities and a portion of the costs of the delivering goal two (a creative and exciting city) and in particular the recreation and play and arts and heritage activities.

The increases in this rate will be compensated for by reductions in the general rate.

- A General Rate, based on the land value, is applied to each rating unit, with different rates (differentials) applying to each property category.

The categories in the Council's differential rating scheme reflect differing property use and can be broadly grouped as follows:

- Single-unit residential
- Multi-unit residential
- Non-residential
- Rural and semi-serviced
- Miscellaneous.

Differential surcharges (that is, a higher rate in the dollar) are applied to multi-unit residential and non-residential properties, while lower rates are applied to single unit residential and rural/semi-serviced properties. No surcharge is applied to miscellaneous properties.

4. Examples of proposed rates for 2025/26

Examples of proposed rates for 2025/26 are shown in the following table:

	Land Value	Capital Value	Rates 2024/25	Rates 2025/26
Single unit residential				
Average	468,000	739,000	3,456	
Median	455,000	690,000	3,380	
Quartile 1	360,000	590,000	2,942	
Quartile 3	540,000	840,000	3,799	
Two unit residential				
Average	561,000	829,000	5,985	
Median	525,000	770,000	5,736	
Quartile 1	450,000	675,000	5,237	
Quartile 3	625,000	920,000	6,417	
Non-residential				
Average	1,022,000	2,402,000	19,783	
Median	620,000	1,030,000	11,687	
Quartile 1	385,000	610,000	7,456	
Quartile 3	1,110,000	2,295,000	21,020	

	Land Value	Capital Value	Rates 2024/25	Rates 2025/26
Rural & semi-serviced (5ha or more)				
Average	1,373,000	1,585,000	2,374	
Median	730,000	1,102,000	1,434	
Quartile 1	520,000	551,000	1,045	
Quartile 3	1,218,000	1,670,000	2,189	
Rural and semi-serviced (between 0.2 and 5ha)				
Average	549,000	1,202,000	2,222	
Median	520,000	1,180,000	2,131	
Quartile 1	435,000	950,000	1,812	
Quartile 3	590,000	1,390,000	2,401	
Miscellaneous				
Average	916,000	1,746,000	6,074	
Median	550,000	720,000	3,551	
Quartile 1	295,000	400,000	2,030	
Quartile 3	965,000	1,445,000	6,150	

If all of the properties in the category of property were listed from lowest to highest land value, then the 'median' is the value at the halfway point in the list, quartile 1 is the value at the first quarter point in the list, and quartile 3 is the value at the three-quarter point in the list.

For example, if there are 1,000 properties and they are sorted from the lowest to the highest land value then quartile 1 is the 250th property from the lowest.

The three-yearly revaluation of the city for rating purposes was undertaken in 2024 and those valuations are the base for valuation-based rates set in 2025/26.

The examples should be read with regard for the following assumptions:

- The Council's total rates revenue will increase by 8.5%.
- the Uniform Annual General Charge will be \$ per rating unit (\$200 in 2024/25).
- Targeted rates in the form of fixed amounts will be applied for water supply (\$); wastewater disposal (\$); kerbside recycling (\$); rubbish and public recycling (\$) (\$415, \$375, \$144 and \$51 respectively in 2024/25).
- A targeted rate for wastewater disposal will be set on non-residential properties on the basis of the number of pans, in excess of three, on the rating unit. The charge per pan will be \$ compared with \$375 per pan in 2024/25.
- A targeted rate will be set to cover the costs of the goal one activities (transport, economic development, urban design and housing) and part of the cost of the goal two activities (recreation and play and arts and heritage). This is to be based on the capital value. As a consequence, the general rate will be lower than in 2024/25.

The examples shown for non-residential, miscellaneous and rural/semi-serviced properties do not include the charges (either fixed or metered) for water, wastewater or kerbside recycling because these vary from property to property, but they do include the rubbish and public recycling rate. They do not include the proposed targeted rates to fund the Palmy BID as these will be applied to selected properties in the defined central city Palmy BID area.

5. Components of the Rating System – more detail

5.1 General Rate

The Council proposes to set a general rate based on the land value of each rating unit in the city.

The general rate will be set on a differential basis based on land use (see description in 5.4), with the differential factors as shown in the following table:

Differential Group		Differential Factor (expressed as % of Group Code MS)		Rate (cents in \$ of LV)
Code	Brief Description	Actual 2024/25	Proposed 2025/26	Proposed 2025/26
R1	Single-unit residential	Balance (approx. 79)	Balance (approx. xx)	
R2	Two unit residential	110	110	
R3	Three unit residential	120	120	
R4	Four unit residential	130	130	
R5	Five unit residential	140	140	
R6	Six unit residential	150	150	
R7	Seven unit residential	160	160	
R8	Eight or more unit residential	170	170	
MS	Miscellaneous	100	100	
CI	Non-residential (Commercial/Industrial)	300		
FL	Rural/Semi-serviced (5 ha. or more)	25		
FS	Rural/Semi-serviced (0.2 ha. or less)	75		
FM	Rural/Semi-serviced (between 0.2 & 5 ha.)	55		

5.2 Uniform annual general charge

The Council proposes to set a uniform annual general charge of \$ (200 for 2024/25) on each rating unit.

5.3 Capital Value targeted rate

The Council proposes to set a targeted rate based on the capital value of each rating unit in the city. This rate will be used to fund the costs of the goal one (innovate and growing city) activities including transport, economic development, housing and urban design and portion of the cost of the goal two (a creative and exciting city) and in particular the recreation and play and arts and heritage activities.

The rate will be set on a differential basis on land use (see description in section 5.4 ¹), with the differential factors as shown in the following table:

Differential Group		Differential Factor (expressed as % of Group Code MS)		Rate (cents in \$ of LV)
Code	Brief Description	Actual 2024/25	Proposed 2025/26	Proposed 2025/26
R1	Single-unit residential	Balance (approx. 78)	Balance (approx. xx)	
R2	Two unit residential	120	120	
R3	Three unit residential	120	120	
R4	Four unit residential	120	120	
R5	Five unit residential	120	120	
R6	Six unit residential	120	120	
R7	Seven unit residential	120	120	
R8	Eight or more unit residential	120	120	
MS	Miscellaneous	100	100	
CI	Non-residential (Commercial/Industrial)	220		
FL	Rural/Semi-serviced (5 ha. or more)	35		
FS	Rural/Semi-serviced (0.2 ha. or less)	75		
FM	Rural/Semi-serviced (between 0.2 & 5 ha.)	55		

¹ Note – for the purposes of this targeted rate vacant serviced property where non-residential use is a permitted activity under the city's District

Plan will be categorised as non-residential, whereas it is categorised as miscellaneous for the purposes of the general rate.

5.4 Targeted rates (other)

For the purposes of the targeted rates proposed below the term ‘residential’ is defined as “having a predominant or exclusive residential use and on which one or more residential units is erected.”

For the purposes of the targeted rates proposed below, a ‘separately used or inhabited part (SUIP) of a rating unit’ is defined as:

“Any part of the rating unit that is, or is able to be, separately used or inhabited by the ratepayer, or any other person who has the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner.

For the purposes of the definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as ‘used’.

For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one SUIP.

For a residential property a SUIP will have a separate entrance, kitchen facilities (including sink or cooking facilities), living facilities and toilet/bathroom facilities.

By way of example the following would be considered to have separately used or inhabited parts of a rating unit:

- A single dwelling with flat attached
- Two or more houses, flats or apartments on one certificate of title.”

The Council does not have a lump sum contribution policy and lump sum contributions will not be invited for any targeted rate.

5.4.1 Water supply

The Council proposes to set targeted rates for water supply. For residential rating units it shall be on the basis of a fixed amount per separately used or inhabited part, and for all other properties a fixed amount per rating unit. The charge will be set on a differential basis based on the availability of the service (either ‘connected’ or ‘serviceable’). Connected means the rating unit is connected to a Council-operated waterworks while serviceable means the rating unit is not connected to a Council-operated waterworks but is within 100m of such waterworks and Council would allow a connection. The serviceable rate will be 50% of the connected rate.

Rating units that are not connected to the scheme and are not serviceable will not be liable for this rate.

The estimated rates for the 2025/26 year are:

Connected:	\$xxx
Serviceable:	\$xxx

There are situations where the Council will require water to be supplied on a metered basis. Where this occurs, the Council proposes instead of the above to set metered water targeted rates that comprise a fixed amount (estimated at \$ per metered connection for connections of 25mm or less and \$ for connections greater than 25mm) and a variable amount (estimated at \$ per cubic metre) based on the volume of water supplied.

5.4.2 Wastewater disposal

The Council proposes to set a targeted rate for wastewater disposal. For residential rating units, it shall be set on the basis of a fixed charge per separately used or inhabited part, and for all other properties a fixed charge per rating unit. The charge will be set on a differential basis based on the availability of the service (either ‘connected’ or ‘serviceable’). Connected means the rating unit is connected to a public wastewater drain, while serviceable means the rating unit is not connected to a public wastewater drain but is within 30m of such a drain, and Council would allow a connection. The serviceable rate will be 50% of the connected rate.

Rating units that are not connected to the scheme, and which are not serviceable will not be liable for this rate.

The estimated rates for the 2025/26 year are:

Connected:	\$xxx
Serviceable:	\$xxx

In addition, for the 2025/26 year the Council proposes to set a targeted rate for connected non-residential rating units of \$xxx per pan (water closet or urinal) for each pan in excess of three.

5.4.3 Resource Recovery

5.4.3.1 Kerbside recycling

The Council proposes to set a targeted rate for kerbside recycling on the basis of:

- A fixed amount per separately used or inhabited part of a rating unit for residential properties receiving the Council’s kerbside collection service.
- A fixed amount per rating unit for non-residential and rural/semi-serviced properties receiving the Council’s kerbside collection service.

Where ratepayers elect, and the Council agrees, additional levels of service may be provided. These additional services could be providing more recycling bins or more frequent service. Each additional level of service will be charged at a rate of \$xxx. This may include charges to non-rateable rating units where the service is provided. Rating units for which the Council is not prepared to provide the service will not be liable for these rates.

The estimated rates for the 2025/26 year are:

Kerbside recycling	\$xxx
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5.4.3.2 Rubbish and public recycling

The Council proposes to set a targeted rate for rubbish and public recycling on the basis of a fixed amount per separately used or inhabited part of each residential rating unit and a fixed amount per rating unit for all other rating units. Rating units that are vacant land will not be liable for these rates.

The estimated rates for the 2025/26 year are:

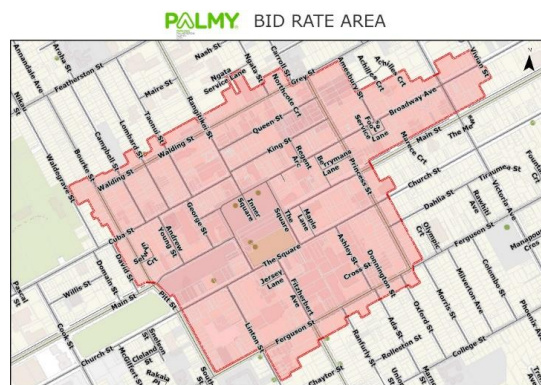
Rubbish and public recycling	\$xxx
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5.4.4 Palmy BID

The Council proposes to set targeted rates on those properties within the central city Palmy BID area as shown on the following map that are categorised as non-residential for the Council's general rate. The rate will fund a grant to the Palmy BID group.

The targeted rates will comprise:

- A fixed amount of \$343 per rating unit; and
- A variable amount of 0.0137 cents in the \$ of the capital value of the rating unit.



5.5 Differential Matters and Categories

5.5.1 Objectives of Differentials for General Rate

The Council believes that a uniform general rate based on land value would not produce a fair and equitable allocation of rates. For this reason, it operates a system of differentials based on land use. Descriptions of the land use categories are shown in 5.5.2.

The Council describes the relationship between the rates charged to each group in terms of a factor expressed as a percentage of the rate that would apply if there were no differential rating in place – that is, the group described as Miscellaneous (MS). Each year, the Council reviews the differential factors applied to each land use category. The factors proposed for 2025/26 are outlined in 5.1 and are unchanged from 2024/25 except for code FM which has been changed from 55% to xx% and code CI from 300% to xx%.

The factors have been developed to address the following matters:

- Rating units containing more than one residential unit will place an increasing demand on Council services as the number of units increase.
- The land value for non-residential property is often driven by different influences from the land value for residential or rural land and therefore is not directly comparable as a rating base.
- The Council's Revenue and Financing Policy identifies a number of activities where it believes non-residential users gain a greater benefit than other users and should bear a greater share of the cost.
- For large rural rating units a pure land value system would produce rates charges that would be unsustainable.
- Rural and semi-serviced rating units generally have limited or, in some cases, no access to some Council activities funded through the general rate.

5.5.2 Differentials based on land use

The Council proposes to differentiate the general rate primarily on the basis of land use. Properties with more than one use will be placed in a category that the Council considers reflects the primary use.

The Council will consider partitioning the property into parts and allocate each part to the most appropriate category in situations such as the following:

- Where there are discreet parts of the property used for different purposes such as a retail shop and a residence.
- For manager's residences associated with motel complexes.
- Where part of the property is used for not-for-profit or other community purposes and the remainder is used for other purposes.
- Where the property is not serviced and is used for commercial, industrial or business purposes but a significant part is used for farming or horticultural purposes.
- Where a property has a rural zoning but is serviced and has one or more residential units then the first 2ha will be classified as group code R1 and the balance as FM or FL depending on its size.
- Where a property that is greater than 5ha (and residential use is a permitted activity under the city's District Plan) becomes serviced the first 5ha (or the area of the actual sub-divisional development if larger than this) will be categorised in group code R1 and the remainder will continue to be treated as not serviced for rating purposes.
- Where a property that is less than 5ha becomes serviced and features of the land or District Plan requirements impede subdivision the part that reflects the extent of the impediment will continue to be treated as not serviced for rating purposes.

Note that, subject to the rights of objection to the rating information database set out in sections 29 and 39 of the Local Government (Rating) Act 2002, the Council is the sole determiner of the categories.

In the context of the general rate, 'serviced' means the property is either connected or serviceable for wastewater disposal. Connected means the rating unit is connected to a public wastewater drain, while serviceable means the rating unit is not connected to a public wastewater drain but is within 30m of such a drain, and Council would allow a connection.

The following differential categories will be used:

Single-unit residential (R1)

Every serviced rating unit not otherwise classified:

- Having a predominant or exclusive residential use (excluding home occupations) and on which is erected one residential unit; or
- Being vacant property where residential use is a permitted activity under the city's District Plan.

Multi-unit residential (R2 - R8)

Every serviced rating unit not otherwise classified on which is erected:

- two residential units (R2); or
- three residential units (R3); or
- four residential units (R4); or
- five residential units (R5); or
- six residential units (R6); or
- seven residential units (R7); or
- eight or more residential units (R8).

In determining what is a residential unit, the Council will apply the same criteria as defined for a SUIP, as shown in 5.3.

Miscellaneous (MS)

Every rating unit not otherwise classified of the following types:

- Property used primarily for not-for-profit or other community purposes, excluding retail shops.
- Property owned by the Council that is used by it for parking that is available for public use.
- Property where the ratepayer conducts or permits to be conducted a business (a Home Occupation, as defined in the city’s District Plan), which would otherwise qualify for inclusion in group code R1.
- Vacant serviced property where non-residential use is a permitted activity under the city’s District Plan.
- Property that is not serviced and would otherwise qualify for inclusion in group code FL, FS or FM but is used for predominantly commercial, industrial or business purposes (excluding farming and horticulture).
- Property not specifically categorised in any of the other group codes.

Non-residential (CI)

Every serviced rating unit, not otherwise classified, used for commercial, industrial or business purposes including licensed hotel, serviced apartments or residential institution including a guesthouse, rooming house, boarding house, private hotel, motel, residential club or hostel. Network utilities in the street are categorised as non-residential.

Rural and semi-serviced (FL, FS and FM)

FL – Every rating unit not otherwise classified that is not serviced and has either

- an area of 5ha or more; or

- an area less than 5ha but on which there is no residential dwelling or non-residential improvements.

When the rating unit becomes serviced, as defined above (and provided it is zoned to permit subdivision), the property will be reclassified to the higher rated differential category in the immediately following year.

FS – Every rating unit not otherwise classified that is not serviced and has an area of 0.2ha or less and on which there is a residential dwelling.

FM – Every rating unit not otherwise classified that is not serviced and has an area greater than 0.2ha and less than 5ha and on which there is either residential dwellings or non-residential improvements.

6. Early payment of rates

Sections 55 and 56 of the Local Government (Rating) Act 2002 empowers councils to accept early payment of rates.

The Council will accept any payment of rates for either the current or future years in advance of the due date.

7. Rates payable by instalment and due dates

The Council provides for rates to be paid in four equal instalments. For the 2025/26 year the due dates (that is, final dates for payment without incurring penalty charges) will be:

Instalment 1:	29 August 2025
Instalment 2:	28 November 2025

Instalment 3: 27 February 2026
Instalment 4: 29 May 2026

Ratepayers may elect to pay on a more regular basis if they choose. They may also elect to pay the full year's rates in one lump sum prior to the due date for instalment 2 without incurring penalty charges on instalment 1.

Rates may be paid using any one of a number of payment methods acceptable to the Council, including direct debit, cash or Eftpos at Council's office, direct credit and other bank transfer methods. Payment by credit card can be made using the Internet or at Council's office, subject to the payment of a fee to cover costs.

The due date for metered water targeted rates will be the 20th of the month following the invoice date as follows:

Monthly Invoicing	
Instalment	Due date
1	20 July 2025
2	20 August 2025
3	20 September 2025
4	20 October 2025
5	20 November 2025
6	20 December 2025
7	20 January 2026
8	20 February 2026
9	20 March 2026
10	20 April 2026
11	20 May 2026
12	20 June 2026

Two-monthly invoicing			
Linton, East & North Rounds		Ashhurst, South West, PNCC & Central Rounds	
Instal #	Due date	Instal #	Due date
1	20 July 2025	1	20 August 2025
2	20 September 2025	2	20 October 2025
3	20 November 2025	3	20 December 2025
4	20 January 2026	4	20 February 2026
5	20 March 2026	5	20 April 2026
6	20 May 2026	6	20 June 2026

8. Rates penalties

To provide an incentive for rates to be paid by the due date, penalties will be imposed when rates are not paid on time. A penalty of 10% will be added to any portion of an instalment remaining unpaid after the due date for payment, as outlined in clause 7 above.

A penalty charge of 10% will be added to any outstanding rates (including penalties) assessed in previous years and remaining outstanding at 4 July 2025 and again on 5 January 2026.

Penalty charges will not be applied to the metered water targeted rate.

9. Rating base information

The following are projected as at 30 June 2025:

Number of rating units:	35,100
Total capital value of all rating units:	\$31,000,000,000
Total land value of all rating units:	\$15,600,000,000

Approximately 670 of those projected at 30 June 2025 will be categorised as non-rateable under the Local Government Act meaning rates cannot be assessed on them except targeted rates for water and wastewater.

10. Rates Summary

	Basis of rates	LTP 2024/25 \$000	LTP 2025/26 \$000	Draft AB 2025/26 \$000
General rates				
General rates	rate in \$ of LV (differentiated by use)	80,492	70,085	
UAGC	fixed charge p rating unit	5,852	6,200	
Targeted rates				
Innovative & growing city (transport/economic development/urban design & housing)	rate in \$ of CV (differentiated by use)	16,271	30,671	
Creative & exciting city (recreation & play/arts & heritage)	rate in \$ of CV (differentiated by use)	0	4,724	
Water				
- connected	fixed charge p SUIP (residential) or p rating unit (non-residential)	11,219	12,346	
- serviceable	fixed charge p SUIP (residential) or p rating unit (non-residential)	123	134	
- metered	\$ p m3 plus fixed charge	3,250	3,575	
Wastewater				
- connected	fixed charge p SUIP (residential) or p rating unit (non-residential)	10,654	11,451	
- serviceable	fixed charge p SUIP (residential) or p rating unit (non-residential)	112	119	
- pans	fixed charge p pan	3,033	3,230	
Rubbish & recycling				
-kerbside recycling	fixed charge p SUIP	4,049	4,253	
-rubbish & public recycling	fixed charge p SUIP	1,547	2,008	
Palmy BID	Fixed charge p rating unit & rate in \$ of CV for commercially rated properties in Palmy BID area of central city	125 125	127 128	125 125
Total Rates Revenue (GST Exclusive)		\$136,852	\$149,054	\$148,511

11. Source and application of funds statements (Funding Impact Statements)

The Local Government (Financial Reporting and Prudence) Regulations 2014 prescribe the format for statements showing the sources and application of funds for the whole of Council and for each group of activities of the Council.

These statements are designed to show where operational and capital funding comes from, and how they are used.

This information is presented in two ways, firstly at the Whole of Council level, and in a slightly different form at the “Group of Activities” level. At the Group of Activities level, internal revenue and expenditure are shown as separate items, while at the Whole of Council level they are not displayed because the amounts balance each other out.

Capital Expenditure is grouped into three broad categories based on which one the programme most relates to. The three categories are:

- to meet additional demand
- to improve the level of service
- to replace existing assets.

The categories do not clearly represent the fact that some programmes will contribute to more than one purpose.

In addition to the statements mentioned, the Council is also providing Activity Financial Statements which show the revenue and expenses for the services provided, as well as how the rates are calculated (see section 1). The Funding Impact Statements differ from the Activity Statements in that they do not include depreciation as an expense, categorise capital revenue as part of operating revenue or include movements in the value of assets. For example, the forecast for 2025/26 assumes:

	\$000
Total comprehensive revenue (as shown on page xx in Prospective Statement of Comprehensive Revenue & Expense)	137,768
Less capital revenue	25,338
Non-cash items	
add depreciation	49,697
less gain on property revaluations	126,451
Less cost of goods sold	3,206
Surplus of operating funding (as shown in Whole of Council Funding Impact Statement on page xx)	38,882

<u>Funding Impact Statements</u>			
<u>Whole of Council</u>			
Budget 2024/25 \$'000s		LTP 2024 2025/26 \$'000s	Draft AB 2025/26 \$'000s
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of operating funding			
86,345	General rates, UAGC and rates penalties	76,288	108,664
50,506	Targeted rates	72,766	39,847
6,370	Subsidies and grants for operating purposes	6,467	6,081
7,773	Fees and charges	7,879	8,134
356	Interest and dividends from investments	359	506
30,926	Local authorities fuel tax, fines, infringement fees, and other receipts	31,429	31,874
182,276	Total Sources of operating funding	195,189	195,106
Applications of operating funding			
142,449	Payments to staff and suppliers	138,359	141,328
14,520	Finance costs	16,998	14,895
	Internal charges and overheads applied		
156,970	Total Applications of operating funding	155,357	156,224
25,307	Total (SURPLUS) / DEFICIT OF OPERATING FUNDING	39,832	38,882
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of capital funding			
16,093	Subsidies and grants for capital expenditure	27,779	21,127
1,961	Development and financial contributions	2,211	2,211
53,296	increase (decrease) in debt	57,112	54,822
-	Gross proceeds from sale of assets	-	-
71,350	Total Sources of capital funding	87,102	78,159
Applications of Capital Funding			
	Capital Expenditure:-		
14,972	- to meet additional demand	12,684	12,342
47,401	- to improve the level of service	77,259	68,108
32,984	- to replace existing assets	35,598	35,292
1,300	Increase (decrease) of investments	1,393	1,300
96,657	Total applications of capital funding	126,934	117,042
25,307	Total (SURPLUS) / DEFICIT OF CAPITAL FUNDING	39,832	38,882
-	Total Funding (Surplus) / Deficit	-	-

Funding Impact Statements
An innovative and growing city

Budget 2024/25 \$'000s		LTP 2024 2025/26 \$'000s	Draft AB 2025/26 \$'000s
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of operating funding			
6,036	General rates, UAGC and rates penalties	-	15,043
8,096	Targeted rates	14,144	250
-	Subsidies and grants for operating purposes	-	10
5,926	Fees and charges	5,994	6,260
2,156	Internal charges and overheads recovered	2,189	3,329
8,505	Local authorities fuel tax, fines, infringement fees, and other receipts	8,675	9,079
30,720	Total Sources of operating funding	31,003	33,970
Applications of operating funding			
24,978	Payments to staff and suppliers	17,187	17,358
2,429	Finance costs	2,224	1,213
7,023	Internal charges and overheads applied	6,668	10,331
34,430	Total Applications of operating funding	26,078	28,903
3,711	Total (SURPLUS) / DEFICIT OF OPERATING FUNDING	4,924	5,068
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of capital funding			
23	Subsidies and grants for capital expenditure	-	-
5,442	Increase (decrease) in debt	(2,999)	2,913
5,464	Total Sources of capital funding	(2,999)	2,913
Applications of Capital Funding			
Capital Expenditure:-			
-	- to meet additional demand	-	-
531	- to improve the level of service	519	519
1,223	- to replace existing assets	1,406	1,636
1,754	Total applications of capital funding	1,925	2,155
-3,711	Total (SURPLUS) / DEFICIT OF CAPITAL FUNDING	4,924	5,068
-	Total Funding (Surplus) /Deficit	-	-

<u>Funding Impact Statements</u>			
<u>Transport</u>			
Budget 2024/25 \$'000s		LTP 2024 2025/26 \$'000s	Draft AB 2025/26 \$'000s
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of operating funding			
6,746	General rates, UAGC and rates penalties	-	-
8,419	Targeted rates	16,782	19,269
4,927	Subsidies and grants for operating purposes	5,025	3,995
197	Fees and charges	201	201
7,919	Internal charges and overheads recovered	8,303	7,990
7,340	Local authorities fuel tax, fines, infringement fees, and other receipts	7,512	7,724
35,548	Total Sources of operating funding	37,823	39,180
Applications of operating funding			
17,705	Payments to staff and suppliers	19,042	18,761
3,108	Finance costs	3,676	3,281
7,162	Internal charges and overheads applied	6,968	8,399
27,976	Total Applications of operating funding	29,686	30,442
7,572	Total (SURPLUS) / DEFICIT OF OPERATING FUNDING	8,137	8,738
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of capital funding			
11,822	Subsidies and grants for capital expenditure	15,257	9,485
414	Development and financial contributions	467	467
12,237	Increase (decrease) in debt	10,023	6,292
24,473	Total Sources of capital funding	25,747	16,244
Applications of Capital Funding			
Capital Expenditure:-			
6,333	- to meet additional demand	3,794	3,794
14,542	- to improve the level of service	18,595	10,217
11,170	- to replace existing assets	11,495	10,971
32,044	Total applications of capital funding	33,884	24,982
7,572	Total (SURPLUS) / DEFICIT OF CAPITAL FUNDING	8,137	8,738
-	Total Funding (Surplus) / Deficit	-	-

Funding Impact Statements
A creative and exciting city

Budget 2024/25 \$'000s		LTP 2024 2025/26 \$'000s	Draft AB 2025/26 \$'000s
	(SURPLUS) / DEFICIT OF OPERATING FUNDING		
	Sources of operating funding		
30,976	General rates, UAGC and rates penalties	28,336	34,900
-	Targeted rates	4,722	
110	Subsidies and grants for operating purposes	112	132
-	Fees and charges	-	-
2,876	Internal charges and overheads recovered	2,935	2,907
4,166	Local authorities fuel tax, fines, infringement fees, and other receipts	4,250	4,256
38,129	Total Sources of operating funding	40,355	42,195
	Applications of operating funding		
25,773	Payments to staff and suppliers	27,466	27,815
2,823	Finance costs	3,098	2,695
3,779	Internal charges and overheads applied	3,539	4,910
32,376	Total Applications of operating funding	34,103	35,419
5,753	Total (SURPLUS) / DEFICIT OF OPERATING FUNDING	6,252	6,776
	(SURPLUS) / DEFICIT OF CAPITAL FUNDING		
	Sources of capital funding		
419	Subsidies and grants for capital expenditure	598	856
285	Development and financial contributions	321	321
606	Increase (decrease) in debt	10,179	9,680
1,310	Total Sources of capital funding	11,098	10,858
	Applications of Capital Funding		
	Capital Expenditure:-		
273	- to meet additional demand	526	184
2,693	- to improve the level of service	11,207	11,535
4,096	- to replace existing assets	5,616	5,915
7,063	Total applications of capital funding	17,349	17,634
5,753	Total (SURPLUS) / DEFICIT OF CAPITAL FUNDING	6,252	6,776
-	Total Funding (Surplus) / Deficit	-	-

Funding Impact Statements
A connected and safe community

Budget 2024/25 \$'000s		LTP 2024 2025/26 \$'000s	Draft AB 2025/26 \$'000s
	(SURPLUS) / DEFICIT OF OPERATING FUNDING		
	Sources of operating funding		
22,267	General rates, UAGC and rates penalties	22,730	22,929
-	Subsidies and grants for operating purposes	-	-
1,500	Fees and charges	1,532	1,520
360	Internal charges and overheads recovered	368	-
1,107	Local authorities fuel tax, fines, infringement fees, and other receipts	1,129	1,164
25,234	Total Sources of operating funding	25,759	25,613
	Applications of operating funding		
16,208	Payments to staff and suppliers	17,049	16,806
746	Finance costs	896	882
5,979	Internal charges and overheads applied	5,464	5,558
22,933	Total Applications of operating funding	23,449	23,247
2,301	Total (SURPLUS) / DEFICIT OF OPERATING FUNDING	2,350	2,367
	(SURPLUS) / DEFICIT OF CAPITAL FUNDING		
	Sources of capital funding		
-	Subsidies and grants for capital expenditure	-	-
2,064	Increase (decrease) in debt	3,901	3,862
2,064	Total Sources of capital funding	3,901	3,862
	Applications of Capital Funding		
	Capital Expenditure:-		
-	- to meet additional demand	-	-
2,376	- to improve the level of service	4,535	4,535
1,988	- to replace existing assets	1,717	1,694
4,364	Total applications of capital funding	6,251	6,229
2,301	Total (SURPLUS) / DEFICIT OF CAPITAL FUNDING	2,350	2,367
-	Total Funding (Surplus) / Deficit	-	-

Funding Impact Statements
A sustainable and resilient city

Budget 2024/25 \$'000s		LTP 2024 2025/26 \$'000s	Draft AB 2025/26 \$'000s
	(SURPLUS) / DEFICIT OF OPERATING FUNDING		
	Sources of operating funding		
3,535	General rates, uniform annual general charges, rates penalties	3,856	4,054
5,599	Targeted rates	6,261	7,700
1,190	Subsidies and grants for operating purposes	1,184	1,155
256	Internal charges and overheads recovered	242	169
3,875	Local authorities fuel tax, fines, infringement fees, and other receipts	4,108	3,977
14,454	Total Sources of operating funding	15,651	17,055
	Applications of operating funding		
10,088	Payments to staff and suppliers	10,807	10,788
571	Finance costs	970	923
2,901	Internal charges and overheads applied	2,847	4,984
13,560	Total Applications of operating funding	14,624	16,695
894	Total (SURPLUS) / DEFICIT OF OPERATING FUNDING	1,027	359
	(SURPLUS) / DEFICIT OF CAPITAL FUNDING		
	Sources of capital funding		
	- Subsidies and grants for capital expenditure	1,793	1,582
	- Development and financial contributions	-	-
3,866	increase (decrease) in debt	11,988	12,798
3,866	Total Sources of capital funding	13,781	14,380
	Applications of Capital Funding		
	Capital Expenditure:-		
	- to meet additional demand	-	-
4,000	- to improve the level of service	14,211	14,147
760	- to replace existing assets	597	592
4,760	Total applications of capital funding	14,808	14,739
894	Total (SURPLUS) / DEFICIT OF CAPITAL FUNDING	1,027	359
	- Total Funding (Surplus) / Deficit	-	-

Funding Impact Statements

Water

Budget 2024/25 \$'000s		LTP 2024 2025/26 \$'000s	Draft AB 2025/26 \$'000s
	(SURPLUS) / DEFICIT OF OPERATING FUNDING		
	Sources of operating funding		
	- General rates, UAGC and rates penalties	-	-
14,594	Targeted rates	16,055	17,091
	- Subsidies and grants for operating purposes	-	-
	- Fees and charges	-	-
3,428	Internal charges and overheads recovered	3,512	4,552
44	Local authorities fuel tax, fines, infringement fees, and other receipts	45	45
18,065	Total Sources of operating funding	19,612	21,687
	Applications of operating funding		
8,411	Payments to staff and suppliers	8,656	9,316
1,674	Finance costs	2,127	2,014
1,837	Internal charges and overheads applied	1,771	3,245
11,922	Total Applications of operating funding	12,553	14,575
6,143	Total (SURPLUS) / DEFICIT OF OPERATING FUNDING	7,058	7,112
	(SURPLUS) / DEFICIT OF CAPITAL FUNDING		
	Sources of capital funding		
2,006	Subsidies and grants for capital expenditure	1,300	371
394	Development and financial contributions	444	444
8,463	Increase (decrease) in debt	9,474	9,311
10,863	Total Sources of capital funding	11,218	10,127
	Applications of Capital Funding		
	Capital Expenditure:-		
4,019	- to meet additional demand	3,991	3,991
7,978	- to improve the level of service	8,804	7,766
5,010	- to replace existing assets	5,482	5,482
17,006	Total applications of capital funding	18,277	17,239
6,143	Total (SURPLUS) / DEFICIT OF CAPITAL FUNDING	7,058	7,112
-	Total Funding (Surplus) / Deficit	-	-

<u>Funding Impact Statements</u>			
<u>Wastewater</u>			
Budget 2024/25 \$'000s		LTP 2024 2025/26 \$'000s	Draft AB 2025/26 \$'000s
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of operating funding			
	- General rates, UAGC and rates penalties	-	-
13,798	Targeted rates	14,802	14,806
	- Subsidies and grants for operating purposes	-	622
	- Fees and charges	-	-
2,235	Internal charges and overheads recovered	2,242	1,254
1,573	Local authorities fuel tax, fines, infringement fees, and other receipts	1,203	1,203
17,607	Total Sources of operating funding	18,246	17,884
Applications of operating funding			
6,532	Payments to staff and suppliers	6,479	7,977
1,239	Finance costs	1,623	1,518
4,243	Internal charges and overheads applied	4,297	3,373
12,014	Total Applications of operating funding	12,399	12,868
5,592	Total (SURPLUS) / DEFICIT OF OPERATING FUNDING	5,847	5,016
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of capital funding			
772	Subsidies and grants for capital expenditure	5,778	5,778
373	Development and financial contributions	421	421
7,324	increase (decrease) in debt	7,907	8,738
8,469	Total Sources of capital funding	14,105	14,937
Applications of Capital Funding			
Capital Expenditure:-			
104	- to meet additional demand	461	461
9,204	- to improve the level of service	14,060	14,060
4,753	- to replace existing assets	5,431	5,431
14,061	Total applications of capital funding	19,952	19,952
5,592	Total (SURPLUS) / DEFICIT OF CAPITAL FUNDING	5,847	5,016
-	Total Funding (Surplus) / Deficit	-	-

<u>Funding Impact Statements</u>			
<u>Stormwater</u>			
Budget 2024/25 \$'000s		LTP 2024 2025/26 \$'000s	Draft AB 2025/26 \$'000s
(SURPLUS) / DEFICIT OF OPERATING FUNDING			
Sources of operating funding			
5,029	General rates, UAGC and rates penalties	5,443	5,965
-	Fees and charges	-	-
1,246	Internal charges and overheads recovered	1,277	155
-	Local authorities fuel tax, fines, infringement fees, and other receipts	-	-
6,274	Total Sources of operating funding	6,720	6,120
Applications of operating funding			
1,721	Payments to staff and suppliers	1,704	2,168
832	Finance costs	1,124	1,235
2,990	Internal charges and overheads applied	3,067	1,828
5,543	Total Applications of operating funding	5,895	5,231
731	Total (SURPLUS) / DEFICIT OF OPERATING FUNDING	824	889
(SURPLUS) / DEFICIT OF CAPITAL FUNDING			
Sources of capital funding			
1,052	Subsidies and grants for capital expenditure	3,053	3,053
495	Development and financial contributions	558	558
7,128	Increase (decrease) in debt	4,459	4,394
8,675	Total Sources of capital funding	8,070	8,006
Applications of Capital Funding			
Capital Expenditure:-			
4,244	- to meet additional demand	3,911	3,911
4,812	- to improve the level of service	4,368	4,368
350	- to replace existing assets	615	615
9,406	Total applications of capital funding	8,895	8,895
731	Total (SURPLUS) / DEFICIT OF CAPITAL FUNDING	824	889
-	Total Funding (Surplus) / Deficit	-	-

Funding Impact Statements
Supporting the Organisation

Budget 2024/25 \$'000s		LTP 2024 2025/26 \$'000s	Draft AB 2025/26 \$'000s
	(SURPLUS) / DEFICIT OF OPERATING FUNDING		
	Sources of operating funding		
11,757	General rates, UAGC and rates penalties	15,922	6,504
-	Targeted rates	-	-
143	Subsidies and grants for operating purposes	146	167
150	Fees and charges	153	153
51,007	Internal charges and overheads recovered	51,659	61,103
4,671	Local authorities fuel tax, fines, infringement fees, and other receipts	4,867	4,933
67,729	Total Sources of operating funding	72,747	72,860
	Applications of operating funding		
44,050	Payments to staff and suppliers	43,469	43,568
15,488	Finance costs	18,129	15,898
8,159	Internal charges and overheads applied	7,738	10,835
67,697	Total Applications of operating funding	69,336	70,302
31	Total (SURPLUS) / DEFICIT OF OPERATING FUNDING	3,411	2,558
	(SURPLUS) / DEFICIT OF CAPITAL FUNDING		
	Sources of capital funding		
-	Subsidies and grants for capital expenditure	-	-
6,167	increase (decrease) in debt	2,181	2,659
-	Gross proceeds from sale of assets	-	-
6,167	Total Sources of capital funding	2,181	2,659
	Applications of Capital Funding		
	Capital Expenditure:-		
-	- to meet additional demand		
1,265	- to improve the level of service	961	961
3,633	- to replace existing assets	3,238	2,955
1,300	Increase (decrease) of investments	1,393	1,300
4,898	Total applications of capital funding	5,592	5,216
31	Total (SURPLUS) / DEFICIT OF CAPITAL FUNDING	3,411	2,558
-	Total Funding (Surplus) /Deficit	-	-



Wāhanga 3
Section 3

**Additional
information**

Section 3

Levels of Service, Performance
Measures and Targets

Levels of Service and Performance Measures

This section contains an extract from the Long-Term Plan which shows the Council's planned levels of service for each of the activities and the measures we intend to use to report back on our performance.

More information about each of the Council's activities can be found in the full Long-Term Plan 2024-34 which you can view on the Council's website www.pncc.govt.nz and searching Long-Term Plan, or by phoning us on 06 356 8199 and asking for a copy.

The Council reports its performance in relation to levels of service in Annual Reports which can also be viewed on the Council 's Website, or by phoning us and asking for a copy.

All of our performance measures are measured annually, unless stated otherwise.

Whare Housing

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Rezone enough land and provide infrastructure to accommodate residential growth.	More than half of city housing development takes place within the existing urban footprint, through redevelopment and infill subdivision. Our city has a constant supply of new residential sections with the infrastructure they need to meet National Policy Statement on Urban Development requirements.	Narrative measure showing Council has enough infrastructure-ready sections to meet National Policy Statement on Urban Development requirements.	Narrative measure showing Council has enough infrastructure-ready sections to meet National Policy Statement on Urban Development requirements.	Narrative measure showing Council has enough infrastructure-ready sections to meet National Policy Statement on Urban Development requirements.	Narrative measure showing Council has enough infrastructure-ready sections to meet National Policy Statement on Urban Development requirements.
		Narrative measure outlining progress on zoning and providing infrastructure for residential needs, including the proportion within the existing urban footprint.	Narrative measure outlining progress on zoning and providing infrastructure for residential needs, including the proportion within the existing urban footprint.	Narrative measure outlining progress on zoning and providing infrastructure for residential needs, including the proportion within the existing urban footprint.	Narrative measure outlining progress on zoning and providing infrastructure for residential needs, including the proportion within the existing urban footprint.
		At least 80% of resource consent applications are processed within statutory timeframe.	At least 80% of resource consent applications are processed within statutory timeframe.	At least 80% of resource consent applications are processed within statutory timeframe.	At least 80% of resource consent applications are processed within statutory timeframe.

		The number of resource consents not processed within the statutory timeframe will be identified, along with the actual time taken, and the reasons for this.	The number of resource consents not processed within the statutory timeframe will be identified, along with the actual time taken, and the reasons for this.	The number of resource consents not processed within the statutory timeframe will be identified, along with the actual time taken, and the reasons for this.	The number of resource consents not processed within the statutory timeframe will be identified, along with the actual time taken, and the reasons for this.
Provide a regulatory framework that enables more housing choices (e.g. duplexes and terraced housing), inner city living, and less housing on productive soils or in flood-prone areas.	There is a greater variety of housing choices available for city communities. Our city is more intensively developed and productive soils remain available for food production.	Narrative measure outlining how Council's regulatory framework encourages a greater range of housing types and inner city living, while protecting productive soils and minimising development in flood-prone areas.	Narrative measure outlining how Council's regulatory framework encourages a greater range of housing types and inner city living, while protecting productive soils and minimising development in flood-prone areas.	Narrative measure outlining how Council's regulatory framework encourages a greater range of housing types and inner city living, while protecting productive soils and minimising development in flood-prone areas.	Narrative measure outlining how Council's regulatory framework encourages a greater range of housing types and inner city living, while protecting productive soils and minimising development in flood-prone areas.
		At least 95% of building consent applications are processed within statutory timeframe.	At least 95% of building consent applications are processed within statutory timeframe.	At least 95% of building consent applications are processed within statutory timeframe.	At least 95% of building consent applications are processed within statutory timeframe.

Provide social housing and support community-led housing initiatives.	<p>Council housing is available to older people, disabled people, and people on low incomes.</p> <p>Community-led housing initiatives receive support to address housing insecurity by building, providing, or improving city housing.</p>	<p>Narrative measure outlining Council's social housing actions (including the number of Council Units, any Council tenants' survey results, and Council's actions to support community housing providers.</p>	<p>Narrative measure outlining Council's social housing actions (including the number of Council Units, any Council tenants' survey results, and Council's actions to support community housing providers.</p>	<p>Narrative measure outlining Council's social housing actions (including the number of Council Units, any Council tenants' survey results, and Council's actions to support community housing providers.</p>	<p>Narrative measure outlining Council's social housing actions (including the number of Council Units, any Council tenants' survey results, and Council's actions to support community housing providers.</p>
Facilitate new housing development and provide incentives to encourage other housing providers.	There is more housing available to meet community needs.				

Hoahoa tāone Urban design

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Maintain and promote a connected and well-designed urban environment	Best-practice urban design advice and information is available to everyone involved in planning our city landscape. The advantages of a well-designed, people-centred, and connected city environment are well understood and guide all our city planning.	Narrative measure outlining how Council's urban design and city making initiatives promote a connected, sustainable, accessible, safe, and interesting urban environment.	Narrative measure outlining how Council's urban design and city making initiatives promote a connected, sustainable, accessible, safe, and interesting urban environment.	Narrative measure outlining how Council's urban design and city making initiatives promote a connected, sustainable, accessible, safe, and interesting urban environment.	Narrative measure outlining how Council's urban design and city making initiatives promote a connected, sustainable, accessible, safe, and interesting urban environment.
Provide and promote connected, sustainable, accessible, safe, interesting and playful public spaces	Communities have opportunities to contribute to city making. All council developments consider and promote safety, accessibility, sustainability and diversity.				

Whakawhanake ohaoaha**Economic Development**

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Provide opportunities and infrastructure to accommodate business growth.	The city has land and other opportunities to cater for housing and business development needs. The land is appropriately serviced and the roading network is efficient, safe and fit for purpose.	Narrative measure showing Council has enough infrastructure-ready sections to meet National Policy Statement on Urban Development requirements.	Narrative measure showing Council has enough infrastructure-ready sections to meet National Policy Statement on Urban Development requirements.	Narrative measure showing Council has enough infrastructure-ready sections to meet National Policy Statement on Urban Development requirements.	Narrative measure showing Council has enough infrastructure-ready sections to meet National Policy Statement on Urban Development requirements.
		Narrative measure outlining progress on zoning and providing infrastructure for residential and business needs.	Narrative measure outlining progress on zoning and providing infrastructure for residential and business needs.	Narrative measure outlining progress on zoning and providing infrastructure for residential and business needs.	Narrative measure outlining progress on zoning and providing infrastructure for residential and business needs.
Support sustainable business activity and labour market development.	The business sector has access to business support services through the Central Economic Development Agency (CEDA). Businesses have the skills and talent they need to	Narrative measure outlining the Council-supported initiatives provided by CEDA and their outcomes, with a focus on skills, talent and low carbon initiatives.	Narrative measure outlining the Council-supported initiatives provided by CEDA and their outcomes, with a focus on skills, talent and low carbon initiatives.	Narrative measure outlining the Council-supported initiatives provided by CEDA and their outcomes, with a focus on skills, talent and low carbon initiatives.	Narrative measure outlining the Council-supported initiatives provided by CEDA and their outcomes, with a focus on skills, talent and low carbon initiatives.

	thrive. They have access to information, tools, and opportunities to support them to transition to a sustainable (including profitable), low carbon future.				
Attract and support major events and activities.	Residents and visitors have opportunities to attend a range of major events in Palmerston North. Local communities and businesses benefit from the vibrancy and the economic activity that major events and activities bring to the city.	Narrative measure outlining the number and range of Council supported events, including attendance numbers and economic contribution.	Narrative measure outlining the number and range of Council supported events, including attendance numbers and economic contribution.	Narrative measure outlining the number and range of Council supported events, including attendance numbers and economic contribution.	Narrative measure outlining the number and range of Council supported events, including attendance numbers and economic contribution.
Manage council's strategic investments and attract external investment.	The community benefits from the sound management of Council's strategic investments. Advocacy by Council, CEDA, and regional partners attracts inward investment to the city.	Narrative measure outlining how Council's strategic investments and advocacy are attracting inwards investment.	Narrative measure outlining how Council's strategic investments and advocacy are attracting inwards investment.	Narrative measure outlining how Council's strategic investments and advocacy are attracting inwards investment.	Narrative measure outlining how Council's strategic investments and advocacy are attracting inwards investment.

Promote the city.	People are proud to call Palmerston North home. The city is known as a great place to visit, and for lifestyle and investment opportunities.	Narrative measure outlining the Council's marketing initiatives (including through the Manawatu Convention Bureau and isite Visitor Centre) and how they are promoting the City to residents and visitors.	Narrative measure outlining the Council's marketing initiatives (including through the Manawatu Convention Bureau and isite Visitor Centre) and how they are promoting the City to residents and visitors.	Narrative measure outlining the Council's marketing initiatives (including through the Manawatu Convention Bureau and isite Visitor Centre) and how they are promoting the City to residents and visitors.	Narrative measure outlining the Council's marketing initiatives (including through the Manawatu Convention Bureau and isite Visitor Centre) and how they are promoting the City to residents and visitors.
Provide services for visitors including the Conference and Function Centre, isite Visitor Centre, and holiday park.	Visitors, holiday makers, and delegates experience high quality visitor services and facilities in the city.	Narrative measure outlining the Conference and Function Centre initiatives and how they attract and meet the needs of visitors.	Narrative measure outlining the Conference and Function Centre initiatives and how they attract and meet the needs of visitors.	Narrative measure outlining the Conference and Function Centre initiatives and how they attract and meet the needs of visitors.	Narrative measure outlining the Conference and Function Centre initiatives and how they attract and meet the needs of visitors.
Support international education and promote Palmerston North's interests to global partners.	Palmerston North has enduring relationships with international partners. Businesses and organisations have greater opportunities to access international markets and to attract students and visitors. There are opportunities for the transfer of technology and knowledge sharing.	Narrative measure outlining the Council's international initiatives and how they are promoting the City's interests, especially for international markets, students and visitors.	Narrative measure outlining the Council's international initiatives and how they are promoting the City's interests, especially for international markets, students and visitors.	Narrative measure outlining the Council's international initiatives and how they are promoting the City's interests, especially for international markets, students and visitors.	Narrative measure outlining the Council's international initiatives and how they are promoting the City's interests, especially for international markets, students and visitors.

Tūnuku**Transport**

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Provide a safe, low-carbon, integrated, and multi-modal transport network.	Palmerston North has a well- planned transport network that supports the right transport mode for the right road. The transport network is integrated with land use planning and is safe for all users.	<p>Narrative measure outlining Council's actions within the transport network and their contribution to safe, low carbon, integrated multi-modal transport, including active and public transport needs.</p> <p>Resident satisfaction with Council's provision of roads throughout the city is at least 32%. (see Note for all Residents Survey measures)</p> <p>Resident satisfaction with Council's provision of footpaths throughout the city is at least 43%.</p>	<p>Narrative measure outlining Council's actions within the transport network and their contribution to safe, low carbon, integrated multi-modal transport, including active and public transport needs.</p> <p>Resident satisfaction with Council's provision of roads throughout the city is at least 34%. (see Note for all Residents Survey measures)</p> <p>Resident satisfaction with Council's provision of footpaths throughout the city is at least 45%.</p>	<p>Narrative measure outlining Council's actions within the transport network and their contribution to safe, low carbon, integrated multi-modal transport, including active and public transport needs.</p> <p>Resident satisfaction with Council's provision of roads throughout the city is at least 36%. (see Note for all Residents Survey measures)</p> <p>Resident satisfaction with Council's provision of footpaths throughout the city is at least 47%.</p>	<p>Narrative measure outlining Council's actions within the transport network and their contribution to safe, low carbon, integrated multi-modal transport, including active and public transport needs.</p> <p>Resident satisfaction with Council's provision of roads throughout the city is at least 38%. (see Note for all Residents Survey measures)</p> <p>Resident satisfaction with Council's provision of footpaths throughout the city is at least 49%.</p>

		<p>Resident satisfaction with Council's provision of cycling throughout the city is at least 44%.</p> <p>Resident satisfaction with Council's provision of availability of parking is at least 42%.</p> <p>The following are mandatory measures from the DIA:</p> <p>There is a reduction in the number of fatal and serious injury crashes from the previous year on the city's local road network.</p> <p>More than 3.5% of the sealed local road network is resurfaced.</p> <p>Greater than 93% of footpaths meet Council's standard (i.e., rated 3 or above).</p>	<p>Resident satisfaction with Council's provision of cycling throughout the city is at least 44%.</p> <p>Resident satisfaction with Council's provision of availability of parking is at least 42%.</p> <p>The following are mandatory measures from the DIA:</p> <p>There is a reduction in the number of fatal and serious injury crashes from the previous year on the city's local road network.</p> <p>More than 3.5% of the sealed local road network is resurfaced.</p> <p>Greater than 93% of footpaths meet Council's standard (i.e., rated 3 or above).</p>	<p>Resident satisfaction with Council's provision of cycling throughout the city is at least 44%.</p> <p>Resident satisfaction with Council's provision of availability of parking is at least 42%.</p> <p>The following are mandatory measures from the DIA:</p> <p>There is a reduction in the number of fatal and serious injury crashes from the previous year on the city's local road network.</p> <p>More than 3.5% of the sealed local road network is resurfaced.</p> <p>Greater than 93% of footpaths meet Council's standard (i.e., rated 3 or above).</p>	<p>Resident satisfaction with Council's provision of cycling throughout the city is at least 44%.</p> <p>Resident satisfaction with Council's provision of availability of parking is at least 42%.</p> <p>The following are mandatory measures from the DIA:</p> <p>There is a reduction in the number of fatal and serious injury crashes from the previous year on the city's local road network.</p> <p>More than 3.5% of the sealed local road network is resurfaced.</p> <p>Greater than 93% of footpaths meet Council's standard (i.e., rated 3 or above).</p>
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		<p>Greater than 95% of road and footpath safety and critical requests for service are responded to (with at least an initial response) within three working days.</p> <p>The average quality of ride on the sealed local road network, measured by smooth travel exposure, is greater than 80%.</p>	<p>Greater than 95% of road and footpath safety and critical requests for service are responded to (with at least an initial response) within three working days.</p> <p>The average quality of ride on the sealed local road network, measured by smooth travel exposure, is greater than 80%.</p>	<p>Greater than 95% of road and footpath safety and critical requests for service are responded to (with at least an initial response) within three working days.</p> <p>The average quality of ride on the sealed local road network, measured by smooth travel exposure, is greater than 80%.</p>	<p>Greater than 95% of road and footpath safety and critical requests for service are responded to (with at least an initial response) within three working days.</p> <p>The average quality of ride on the sealed local road network, measured by smooth travel exposure, is greater than 80%.</p>
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Toi me ngā taonga tuku iho
Arts and Heritage

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Support community arts initiatives and organisations.	The value of the arts is evident in our cityscape. There is support for local arts organisations and creative initiatives	Narrative measure outlining initiatives undertaken by Council-supported organisations to promote the arts in the City.	Narrative measure outlining initiatives undertaken by Council-supported organisations to promote the arts in the City.	Narrative measure outlining initiatives undertaken by Council-supported organisations to promote the arts in the City.	Narrative measure outlining initiatives undertaken by Council-supported organisations to promote the arts in the City.
Provide and support cultural facilities.	The Regent on Broadway and the Globe Theatre provide opportunities for our city communities to attend and take part in a wide variety of performances. Te Manawa is a central city museum, art gallery, and science centre for the wider region.	Narrative measure summarising the results from the Regent and Globe Theatres and Te Manawa 6 and 12 monthly reports.	Narrative measure summarising the results from the Regent and Globe Theatres and Te Manawa 6 and 12 monthly reports.	Narrative measure summarising the results from the Regent and Globe Theatres and Te Manawa 6 and 12 monthly reports.	Narrative measure summarising the results from the Regent and Globe Theatres and Te Manawa 6 and 12 monthly reports.

Promote, protect, celebrate, and share knowledge of local history.	City communities have opportunities to see and learn about the various threads of Palmerston North's history. This includes the history of Rangitāne o Manawatū, the development of the cityscape, military and railway heritage, and the stories of the many and diverse communities who live here.	Narrative measure outlining Council's actions supporting local history, including support for Rangitāne in its kaitiaki role, and their outcomes.	Narrative measure outlining Council's actions supporting local history, including support for Rangitāne in its kaitiaki role, and their outcomes.	Narrative measure outlining Council's actions supporting local history, including support for Rangitāne in its kaitiaki role, and their outcomes.	Narrative measure outlining Council's actions supporting local history, including support for Rangitāne in its kaitiaki role, and their outcomes.
Support Rangitāne o Manawatū in its role as kaitiaki of their historic heritage places.	Rangitāne o Manawatū identifies projects and initiatives of greatest priority. Council works with Rangitāne o Manawatū in support of shared and agreed outcomes to promote community wellbeing.				

Provide, fund, and support city and community events.	There is a variety of local city and community events and festivals throughout the year. Communities have opportunities to share and celebrate their cultural identity and interests. New and developing events attract and engage new audiences.	Narrative measure outlining the number and range of Council provided and supported events, including attendance numbers and satisfaction.	Narrative measure outlining the number and range of Council provided and supported events, including attendance numbers and satisfaction.	Narrative measure outlining the number and range of Council provided and supported events, including attendance numbers and satisfaction.	Narrative measure outlining the number and range of Council provided and supported events, including attendance numbers and satisfaction.
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Rēhia**Recreation and Play**

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Provide city, suburb, and local parks and reserves, sports fields and facilities, walkways and shared paths.	There is a variety of accessible, well-maintained and affordable places for communities to be active throughout the city. The nature and design of our recreation places reflect our communities' needs and aspirations. Sports fields are suitable for play and available for use when they are most needed. Communities have access to the support they need to be active.	<p>Narrative measure outlining Parks Check Annual Survey results on how well Council's parks are meeting community expectations.</p> <p>Parks Check satisfaction of at least 90% satisfied or very satisfied with overall quality of sports fields, parks and reserves.</p>	<p>Narrative measure outlining Parks Check Annual Survey results on how well Council's parks are meeting community expectations.</p> <p>Parks Check satisfaction of at least 90% satisfied or very satisfied with overall quality of sports fields, parks and reserves.</p>	<p>Narrative measure outlining Parks Check Annual Survey results on how well Council's parks are meeting community expectations.</p> <p>Parks Check satisfaction of at least 90% satisfied or very satisfied with overall quality of sports fields, parks and reserves.</p>	<p>Narrative measure outlining Parks Check Annual Survey results on how well Council's parks are meeting community expectations.</p> <p>Parks Check satisfaction of at least 90% satisfied or very satisfied with overall quality of sports fields, parks and reserves.</p>

Provide swimming pools and other water-based recreation facilities.	There is a variety of accessible places for communities to swim and take part in water sports and play. There is no cost to swim for children under five.	Usage numbers at Lido, Freyberg and Ashhurst Pools are maintained or increased. Resident satisfaction with Council's provision of public swimming pools is at least 65%.	Usage numbers at Lido, Freyberg and Ashhurst Pools are maintained or increased. Resident satisfaction with Council's provision of public swimming pools is at least 65%.	Usage numbers at Lido, Freyberg and Ashhurst Pools are maintained or increased. Resident satisfaction with Council's provision of public swimming pools is at least 65%.	Usage numbers at Lido, Freyberg and Ashhurst Pools are maintained or increased. Resident satisfaction with Council's provision of public swimming pools is at least 65%.
Provide community sport and sport-event facilities at Central Energy Trust Arena.	The Arena provides accessible and affordable opportunities for community sport and recreation. Opportunities for communities to take part in active sport and recreation are prioritised over other uses of Arena.	Narrative measure outlining number of community events and hours at the Arena in comparison to total number of events and hours. Resident satisfaction with Council's provision of Central Energy Trust Arena is at least 70%.	Narrative measure outlining number of community events and hours at the Arena in comparison to total number of events and hours. Resident satisfaction with Council's provision of Central Energy Trust Arena is at least 70%.	Narrative measure outlining number of community events and hours at the Arena in comparison to total number of events and hours. Resident satisfaction with Council's provision of Central Energy Trust Arena is at least 70%.	Narrative measure outlining number of community events and hours at the Arena in comparison to total number of events and hours. Resident satisfaction with Council's provision of Central Energy Trust Arena is at least 70%.

Support and fund for-purpose organisations and community partners.	Opportunities for sport and recreation are available throughout the city.	Narrative measure outlining initiatives undertaken by Council-supported organisations to provide sport and recreation opportunities.	Narrative measure outlining initiatives undertaken by Council-supported organisations to provide sport and recreation opportunities.	Narrative measure outlining initiatives undertaken by Council-supported organisations to provide sport and recreation opportunities.	Narrative measure outlining initiatives undertaken by Council-supported organisations to provide sport and recreation opportunities.
Provide and promote opportunities for play.	There are opportunities for play throughout the city for people of all ages, abilities and interests.	Narrative measure outlining Council's play initiatives and their outcomes (including target groups).	Narrative measure outlining Council's play initiatives and their outcomes (including target groups).	Narrative measure outlining Council's play initiatives and their outcomes (including target groups).	Narrative measure outlining Council's play initiatives and their outcomes (including target groups).

Tautāwhi hapori**Community Support**

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Support for-purpose organisations and communities of interest and deliver programmes to promote community wellbeing.	Local communities and communities of interest have the support they need to develop and deliver initiatives to meet their needs. For-purpose organisations have the resources they need to promote community wellbeing. Programmes supporting community wellbeing have Council support and involvement.	Narrative measure outlining initiatives undertaken by Council-supported organisations to promote community wellbeing.	Narrative measure outlining initiatives undertaken by Council-supported organisations to promote community wellbeing.	Narrative measure outlining initiatives undertaken by Council-supported organisations to promote community wellbeing.	Narrative measure outlining initiatives undertaken by Council-supported organisations to promote community wellbeing.
		Resident Survey satisfaction with Council's provision of funding and support for community groups is at least 43%.	Resident Survey satisfaction with Council's provision of funding and support for community groups is at least 43%.	Resident Survey satisfaction with Council's provision of funding and support for community groups is at least 43%.	Resident Survey satisfaction with Council's provision of funding and support for community groups is at least 43%.

Provide and support community centres and Hancock Community House.	There are suitable and accessible places for city communities to gather and take part in activities. Hancock Community House provides affordable accommodation and shared facilities for for-purpose organisations. A new multicultural hub is planned and developed with city communities.	<p>Narrative measure outlining use (type and range) of community centres and Hancock House.</p> <p>Narrative measure outlining progress on the community hub projects.</p> <p>Narrative measure outlining user and community feedback (including Annual Residents' Survey)</p>	<p>Narrative measure outlining use (type and range) of community centres and Hancock House.</p> <p>Narrative measure outlining progress on the community hub projects.</p> <p>Narrative measure outlining user and community feedback (including Annual Residents' Survey)</p>	<p>Narrative measure outlining use (type and range) of community centres and Hancock House.</p> <p>Narrative measure outlining progress on the community hub projects.</p> <p>Narrative measure outlining user and community feedback (including Annual Residents' Survey)</p>	<p>Narrative measure outlining use (type and range) of community centres and Hancock House.</p> <p>Narrative measure outlining progress on the community hub projects.</p> <p>Narrative measure outlining user and community feedback (including Annual Residents' Survey)</p>
Provide public toilets throughout the city.	There are clean, accessible and gender-neutral (where practicable) public toilets provided throughout the city within parks, reserves, the City Library, public buildings and sports pavilions. Some accessible toilets are available at all times of the day and night. There is one fully accessible accredited Changing Places bathroom in the central city.	Narrative measure outlining number, type, accessibility and location of toilets, plus annual satisfaction survey results.	Narrative measure outlining number, type, accessibility and location of toilets, plus annual satisfaction survey results.	Narrative measure outlining number, type, accessibility and location of toilets, plus annual satisfaction survey results.	Narrative measure outlining number, type, accessibility and location of toilets, plus annual satisfaction survey results.

Whare Puna Mātauranga**City Library**

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Provide collections, services and programmes through all City Library locations.	City Library collections, services and programmes are widely accessible and responsive to community needs. There are no fines charged for overdue City Library items.	Narrative measure outlining use of the Library's collections, services and programmes, and showing that they are accessible and responsive to community needs.	Narrative measure outlining use of the Library's collections, services and programmes, and showing that they are accessible and responsive to community needs.	Narrative measure outlining use of the Library's collections, services and programmes, and showing that they are accessible and responsive to community needs.	Narrative measure outlining use of the Library's collections, services and programmes, and showing that they are accessible and responsive to community needs.
		Resident Survey satisfaction with Council's provision of public libraries is at least 81%.	Resident Survey satisfaction with Council's provision of public libraries is at least 81%.	Resident Survey satisfaction with Council's provision of public libraries is at least 81%.	Resident Survey satisfaction with Council's provision of public libraries is at least 81%.
Collect and protect community stories through the city archives.	Manawatū Heritage and the Ian Matheson City Archives gather and protect materials that tell our city's stories. People have the resources they need to find and contribute to the historical record.	Narrative measure outlining how the archives collect and protect community stories.	Narrative measure outlining how the archives collect and protect community stories.	Narrative measure outlining how the archives collect and protect community stories.	Narrative measure outlining how the archives collect and protect community stories.

Haumaru hapori, hauora hapori**Community Safety and Health**

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Provide Civil Defence Emergency Management	The city is prepared and equipped for civil defence emergencies and has 24/7 Civil Defence Emergency Management. Communities have the information and support they need to prepare for, respond to, and recover from natural disasters and other emergencies.	Narrative measure outlining Council's civil defence initiatives and their contribution to the communities' and Council's readiness for emergencies.	Narrative measure outlining Council's civil defence initiatives and their contribution to the communities' and Council's readiness for emergencies.	Narrative measure outlining Council's civil defence initiatives and their contribution to the communities' and Council's readiness for emergencies.	Narrative measure outlining Council's civil defence initiatives and their contribution to the communities' and Council's readiness for emergencies.

Provide environmental health services	Communities have the information they need to be responsible animal owners. Council management of food safety, building safety, gambling, and animal management all support community wellbeing. Regulatory services comply with relevant legislation and Council policy.	<p>Narrative measure outlining Council's environmental health initiatives and their impacts.</p> <p>There are no successful legal challenges to Council's environmental health functions.</p>	<p>Narrative measure outlining Council's environmental health initiatives and their impacts.</p> <p>There are no successful legal challenges to Council's environmental health functions</p>	<p>Narrative measure outlining Council's environmental health initiatives and their impacts.</p> <p>There are no successful legal challenges to Council's environmental health functions</p>	<p>Narrative measure outlining Council's environmental health initiatives and their impacts.</p> <p>There are no successful legal challenges to Council's environmental health functions</p>
		<p>Resident satisfaction with Council's provision of control of roaming dogs is at least 61%.</p> <p>Resident satisfaction with Council's provision of noise control is at least 54%.</p>	<p>Resident satisfaction with Council's provision of control of roaming dogs is at least 61%.</p> <p>Resident satisfaction with Council's provision of noise control is at least 54%.</p>	<p>Resident satisfaction with Council's provision of control of roaming dogs is at least 61%.</p> <p>Resident satisfaction with Council's provision of noise control is at least 54%</p>	<p>Resident satisfaction with Council's provision of control of roaming dogs is at least 61%.</p> <p>Resident satisfaction with Council's provision of noise control is at least 54%.</p>

Promote community health	Community spaces and events are smokefree and sunsmart. Council venues, facilities and events provide for healthy food and beverage choices. Community health issues and solutions are well-understood, and communities have access to the information they need.	Narrative measure outlining how Council's venues, spaces, events and health initiatives promote community health.	Narrative measure outlining how Council's venues, spaces, events and health initiatives promote community health.	Narrative measure outlining how Council's venues, spaces, events and health initiatives promote community health.	Narrative measure outlining how Council's venues, spaces, events and health initiatives promote community health.
Co-ordinate and support community safety and harm reduction initiatives	Public spaces, facilities and events are safe for everyone. The Council works in partnership with Police and communities. Responses to emerging safety issues promote community wellbeing.	Narrative measure outlining how Council works alongside other organisations to promote and support community safety.	Narrative measure outlining how Council works alongside other organisations to promote and support community safety.	Narrative measure outlining how Council works alongside other organisations to promote and support community safety.	Narrative measure outlining how Council works alongside other organisations to promote and support community safety.

Āhuarangi hurihuri, toitūtanga**Climate Change and Sustainability**

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Reduce the production of greenhouse gases from Council activities (e.g. use of diesel, electricity and natural gas).	There is sound information about the greenhouse gas emissions from Council activities. This information is used to make decisions about where to act first.	Narrative measure outlining how the Council's actions and information help reduce community and Council GHG emissions.	Narrative measure outlining how the Council's actions and information help reduce community and Council GHG emissions.	Narrative measure outlining how the Council's actions and information help reduce community and Council GHG emissions.	Narrative measure outlining how the Council's actions and information help reduce community and Council GHG emissions.
Promote activities that support low-carbon city outcomes, including those that compensate for activities that produce greenhouse gases.	There is sound information about the greenhouse gas emissions from city activities. This information is used to make decisions about where to act first. The community have access to seed funding to support low-carbon city outcomes.	City and Council Emissions Inventories show declining trends in tCO ₂ e (measured annually).	City and Council Emissions Inventories show declining trends in tCO ₂ e (measured annually).	City and Council Emissions Inventories show declining trends in tCO ₂ e (measured annually).	City and Council Emissions Inventories show declining trends in tCO ₂ e (measured annually).

Encourage and promote sustainable best-practices in Council activities and the wider community.	Council shares sustainability expertise and experience with local and regional partners. Council activities support the climate goals of Rangitāne o Manawatū. Community groups delivering climate mitigation or adaptation projects are supported and celebrated.				
Strengthen our city's adaptive capacity to Palmerston North's climate-related risks.	City preparations for civil defence emergencies include assessment of likely changes to the weather as a result of climate change. Communities in current or predicted high risk areas have the information and support they need to prepare for, respond to, and recover from natural disasters and other emergencies.	Narrative measure outlining Council's climate-related stormwater and civil defence initiatives and their contribution to strengthening the City's adaptive capacity.	Narrative measure outlining Council's climate-related stormwater and civil defence initiatives and their contribution to strengthening the City's adaptive capacity.	Narrative measure outlining Council's climate-related stormwater and civil defence initiatives and their contribution to strengthening the City's adaptive capacity.	Narrative measure outlining Council's climate-related stormwater and civil defence initiatives and their contribution to strengthening the City's adaptive capacity.

Mō te kanorau koiora me Te Awa o Manawatū**Biodiversity and the Manawatū River**

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Encourage and enable the community's connection with the Manawatū River.	The Manawatū River is accessible for recreation and is a focus of community activities and events. Communities have information they need to understand the environmental, cultural and historic aspects of the River.	Narrative measure outlining how Council's initiatives and information encourages community use of the River and enhance its biodiversity.	Narrative measure outlining how Council's initiatives and information encourages community use of the River and enhance its biodiversity.	Narrative measure outlining how Council's initiatives and information encourages community use of the River and enhance its biodiversity.	Narrative measure outlining how Council's initiatives and information encourages community use of the River and enhance its biodiversity.
Protect, enhance and increase natural areas (e.g. bush remnants, gardens, stream banks, and berms).	The Manawatū River supports a healthy and diverse ecosystem. Natural areas thrive alongside more managed green spaces.				

Support and fund for-purpose organisations and local communities working to help achieve nature conservation outcomes.	Local communities and for-purpose organisations communities of interest have support to promote community wellbeing through conservation initiatives and information.	Narrative measure outlining how Council's support and funding help organisations and communities achieve good conservation outcomes.	Narrative measure outlining how Council's support and funding help organisations and communities achieve good conservation outcomes.	Narrative measure outlining how Council's support and funding help organisations and communities achieve good conservation outcomes.	Narrative measure outlining how Council's support and funding help organisations and communities achieve good conservation outcomes.
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Taumanu**Resource Recovery**

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Promote waste reduction.	People have easy access to clear information about how to reduce waste and the impact of change.	Narrative measure outlining how Council's waste and recycling collection services, initiatives and information promote waste reduction and divert waste from landfill.	Narrative measure outlining how Council's waste and recycling collection services, initiatives and information promote waste reduction and divert waste from landfill.	Narrative measure outlining how Council's waste and recycling collection services, initiatives and information promote waste reduction and divert waste from landfill.	Narrative measure outlining how Council's waste and recycling collection services, initiatives and information promote waste reduction and divert waste from landfill.
Divert waste from landfill.	Council has high-quality information about waste. Council implements the most effective waste diversion initiatives.	100% compliance with resource consents measured by having no: abatement notices infringement notices enforcement orders convictions.	100% compliance with resource consents measured by having no: abatement notices infringement notices enforcement orders convictions.	100% compliance with resource consents measured by having no: abatement notices infringement notices enforcement orders convictions.	100% compliance with resource consents measured by having no: abatement notices infringement notices enforcement orders convictions.
Provide support for-purpose organisations and local communities to recover, reuse, repurpose or regenerate products.	Community groups have access to funding to develop and implement initiatives that divert waste from landfill.	Resident satisfaction with Council's provision of kerbside rubbish and recycling collections is at least 79%.	Resident satisfaction with Council's provision of kerbside rubbish and recycling collections is at least 79%.	Resident satisfaction with Council's provision of kerbside rubbish and recycling collections is at least 79%.	Resident satisfaction with Council's provision of kerbside rubbish and recycling collections is at least 79%.

Provide recycling collection services, including kerbside recycling, drop-off centres and public space recycling bins.	There is a weekly kerbside recycling collection service for all households in the urban area, alternating between general recycling (wheelie bins) and glass (crates). There are public space recycling bins throughout the city and recycling drop-off centres in Ashhurst, Awapuni, and Terrace End.				
Provide waste collection services, including kerbside collection, the Ashhurst transfer station, and public space rubbish bins.	There is a weekly kerbside waste collection service for all households in the urban area. There are public space rubbish bins throughout the city.				
Monitor and manage the closed landfills.	The closed landfills are compliant with regulatory requirements. The adverse environmental effects of the two closed landfills are well-understood and effectively managed.				

Wai

Water - Wastewater – Stormwater

Water

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Provide safe and readily available water	Communities have access to a safe water supply. People have the information they need to conserve and reduce water use. Water infrastructure is well maintained and resilient.	<p>Narrative measure outlining how Council's water supply is safe and well-maintained and people are encouraged to conserve water.</p> <p>Resident satisfaction with Council's provision of water supply is at least 78%.</p>	<p>Narrative measure outlining how Council's water supply is safe and well-maintained and people are encouraged to conserve water.</p> <p>Resident satisfaction with Council's provision of water supply is at least 78%.</p>	<p>Narrative measure outlining how Council's water supply is safe and well-maintained and people are encouraged to conserve water.</p> <p>Resident satisfaction with Council's provision of water supply is at least 78%.</p>	<p>Narrative measure outlining how Council's water supply is safe and well-maintained and people are encouraged to conserve water.</p> <p>Resident satisfaction with Council's provision of water supply is at least 78%.</p>

		<p>The following are mandatory measures from the DIA:</p> <p>100% compliance with the bacterial and protozoal requirements of the Water Services (Drinking Water Services for New Zealand) Regulations 2022.</p>	<p>The following are mandatory measures from the DIA:</p> <p>100% compliance with the bacterial and protozoal requirements of the Water Services (Drinking Water Services for New Zealand) Regulations 2022.</p>	<p>The following are mandatory measures from the DIA:</p> <p>100% compliance with the bacterial and protozoal requirements of the Water Services (Drinking Water Services for New Zealand) Regulations 2022.</p>	<p>The following are mandatory measures from the DIA:</p> <p>100% compliance with the bacterial and protozoal requirements of the Water Services (Drinking Water Services for New Zealand) Regulations 2022.</p>
		<p>Less than 40 complaints per 1,000 connections relating to clarity, taste, odour, continuity of water supply, drinking water pressure or flow, and our response to any of these issues.</p>	<p>Less than 40 complaints per 1,000 connections relating to clarity, taste, odour, continuity of water supply, drinking water pressure or flow, and our response to any of these issues.</p>	<p>Less than 40 complaints per 1,000 connections relating to clarity, taste, odour, continuity of water supply, drinking water pressure or flow, and our response to any of these issues.</p>	<p>Less than 40 complaints per 1,000 connections relating to clarity, taste, odour, continuity of water supply, drinking water pressure or flow, and our response to any of these issues.</p>
		<p>Average consumption of less than 360 litres of drinking water per day per resident.</p>	<p>Average consumption of less than 360 litres of drinking water per day per resident.</p>	<p>Average consumption of less than 360 litres of drinking water per day per resident.</p>	<p>Average consumption of less than 360 litres of drinking water per day per resident.</p>
		<p>2 hours or less median response time for urgent callout attendance.</p>	<p>2 hours or less median response time for urgent callout attendance.</p>	<p>2 hours or less median response time for urgent callout attendance.</p>	<p>2 hours or less median response time for urgent callout attendance.</p>

		7 hours or less median response time for resolution of urgent callouts.	7 hours or less median response time for resolution of urgent callouts.	7 hours or less median response time for resolution of urgent callouts.	7 hours or less median response time for resolution of urgent callouts.
		10 hours or less median response time for non-urgent callout attendance.	10 hours or less median response time for non-urgent callout attendance.	10 hours or less median response time for non-urgent callout attendance.	10 hours or less median response time for non-urgent callout attendance.
		75 hours or less median response time for resolution of non-urgent callouts.	75 hours or less median response time for resolution of non-urgent callouts.	75 hours or less median response time for resolution of non-urgent callouts.	75 hours or less median response time for resolution of non-urgent callouts.
		Less than 20% of real water loss from the water reticulation network.	Less than 20% of real water loss from the water reticulation network.	Less than 20% of real water loss from the water reticulation network.	Less than 20% of real water loss from the water reticulation network.

Stormwater

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Protect buildings and communities from flooding	The risk of negative impacts on the community is minimised in flood events. The stormwater system is effective and responsive to the impacts of climate change.	Narrative measure outlining how Council's stormwater system is reducing flooding risks and responding to climate change.	Narrative measure outlining how Council's stormwater system is reducing flooding risks and responding to climate change.	Narrative measure outlining how Council's stormwater system is reducing flooding risks and responding to climate change.	Narrative measure outlining how Council's stormwater system is reducing flooding risks and responding to climate change.
		Resident satisfaction with Council's provision of stormwater is at least 62%.	Resident satisfaction with Council's provision of stormwater is at least 62%.	Resident satisfaction with Council's provision of stormwater is at least 62%.	Resident satisfaction with Council's provision of stormwater is at least 62%.
		The following are mandatory measures from the DIA: Less than 5 flooding events that result in stormwater from Council's stormwater system entering a habitable floor in an urban area.	The following are mandatory measures from the DIA: Less than 5 flooding events that result in stormwater from Council's stormwater system entering a habitable floor in an urban area.	The following are mandatory measures from the DIA: Less than 5 flooding events that result in stormwater from Council's stormwater system entering a habitable floor in an urban area.	The following are mandatory measures from the DIA: Less than 5 flooding events that result in stormwater from Council's stormwater system entering a habitable floor in an urban area.

		Less than 2 habitable floors per 1,000 properties within urban stormwater service areas affected by a flood event.	Less than 2 habitable floors per 1,000 properties within urban stormwater service areas affected by a flood event.	Less than 2 habitable floors per 1,000 properties within urban stormwater service areas affected by a flood event.	Less than 2 habitable floors per 1,000 properties within urban stormwater service areas affected by a flood event.
		Less than 2 hours median time to attend a flooding event.	Less than 2 hours median time to attend a flooding event.	Less than 2 hours median time to attend a flooding event.	Less than 2 hours median time to attend a flooding event.
		Less than 15 complaints received about the performance of the Council's urban stormwater system per 1,000 properties connected.	Less than 15 complaints received about the performance of the Council's urban stormwater system per 1,000 properties connected.	Less than 15 complaints received about the performance of the Council's urban stormwater system per 1,000 properties connected.	Less than 15 complaints received about the performance of the Council's urban stormwater system per 1,000 properties connected.
		100% compliance with resource consent conditions for discharge from our stormwater system measured by the number of Abatement notices, Infringement notices, Enforcement notices, or Order convictions.	100% compliance with resource consent conditions for discharge from our stormwater system measured by the number of Abatement notices, Infringement notices, Enforcement notices, or Order convictions.	100% compliance with resource consent conditions for discharge from our stormwater system measured by the number of Abatement notices, Infringement notices, Enforcement notices, or Order convictions.	100% compliance with resource consent conditions for discharge from our stormwater system measured by the number of Abatement notices, Infringement notices, Enforcement notices, or Order convictions.

Wastewater

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Manage city wastewater	City wastewater is effectively and efficiently collected, treated and disposed of. Wastewater infrastructure is well maintained and resilient.	Narrative measure outlining how Council's wastewater system is effective, well-maintained and resilient.	Narrative measure outlining how Council's wastewater system is effective, well-maintained and resilient.	Narrative measure outlining how Council's wastewater system is effective, well-maintained and resilient.	Narrative measure outlining how Council's wastewater system is effective, well-maintained and resilient.
		Narrative measure outlining progress on the Nature Calls project.	Narrative measure outlining progress on the Nature Calls project.	Narrative measure outlining progress on the Nature Calls project.	Narrative measure outlining progress on the Nature Calls project.
		Resident satisfaction with Council's provision of the sewerage system is at least 73%.	Resident satisfaction with Council's provision of the sewerage system is at least 73%.	Resident satisfaction with Council's provision of the sewerage system is at least 73%.	Resident satisfaction with Council's provision of the sewerage system is at least 73%.
		The following are mandatory measures from the DIA:	The following are mandatory measures from the DIA:	The following are mandatory measures from the DIA:	The following are mandatory measures from the DIA:
		Less than 1 dry weather wastewater overflows from Council's wastewater system per 1,000 connections.	Less than 1 dry weather wastewater overflows from Council's wastewater system per 1,000 connections.	Less than 1 dry weather wastewater overflows from Council's wastewater system per 1,000 connections.	Less than 1 dry weather wastewater overflows from Council's wastewater system per 1,000 connections.

		No more than 15 complaints per 1,000 connections about: <ul style="list-style-type: none"> ➤ Wastewater odor ➤ Wastewater system faults ➤ Wastewater system blockages ➤ Response to issues with the wastewater system. 	No more than 15 complaints per 1,000 connections about: <ul style="list-style-type: none"> ➤ Wastewater odor ➤ Wastewater system faults ➤ Wastewater system blockages ➤ Response to issues with the wastewater system. 	No more than 15 complaints per 1,000 connections about: <ul style="list-style-type: none"> ➤ Wastewater odor ➤ Wastewater system faults ➤ Wastewater system blockages ➤ Response to issues with the wastewater system. 	No more than 15 complaints per 1,000 connections about: <ul style="list-style-type: none"> ➤ Wastewater odor ➤ Wastewater system faults ➤ Wastewater system blockages ➤ Response to issues with the wastewater system.
		Median time for attending overflows resulting from blockages or other faults is less than 1.5 hours.	Median time for attending overflows resulting from blockages or other faults is less than 1.5 hours.	Median time for attending overflows resulting from blockages or other faults is less than 1.5 hours.	Median time for attending overflows resulting from blockages or other faults is less than 1.5 hours.
		Median time for resolution of overflows resulting from blockages or other faults is less than 8 hours.	Median time for resolution of overflows resulting from blockages or other faults is less than 8 hours.	Median time for resolution of overflows resulting from blockages or other faults is less than 8 hours.	Median time for resolution of overflows resulting from blockages or other faults is less than 8 hours.
		100% compliance with resource consents for discharge from our wastewater system as measured by the number of:	100% compliance with resource consents for discharge from our wastewater system as measured by the number of:	100% compliance with resource consents for discharge from our wastewater system as measured by the number of:	100% compliance with resource consents for discharge from our wastewater system as measured by the number of:

		<div>➤ Abatement notices</div> <div>➤ Infringement notices</div> <div>➤ Enforcement notices</div> <div>➤ Convictions received by us in relation to resource consents</div>	<div>➤ Abatement notices</div> <div>➤ Infringement notices</div> <div>➤ Enforcement notices</div> <div>➤ Convictions received by us in relation to resource consents</div>	<div>➤ Abatement notices</div> <div>➤ Infringement notices</div> <div>➤ Enforcement notices</div> <div>➤ Convictions received by us in relation to resource consents</div>	<div>➤ Abatement notices</div> <div>➤ Infringement notices</div> <div>➤ Enforcement notices</div> <div>➤ Convictions received by us in relation to resource consents</div>
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Good Governance and Active Citizenship

What We Will Do (Our levels of service)	What This Means	Year 1 Targets (2024-25)	Year 2 Targets (2025-26)	Year 3 Targets (2026-27)	Year 4-10 Targets
Base our decisions on sound information and advice.	Decision-makers will have evidence-based, impartial and timely advice based on our strategic goals and objectives.	Narrative measure on actions to improve advice decision makers, including elected member feedback, officer training on report writing and speaking in the Chamber, and report template updates to reflect sustainability and Council's direction. Biennial benchmarking of Local Government advice by NZIER.	Narrative measure on actions to improve advice decision makers, including elected member feedback, officer training on report writing and speaking in the Chamber, and report template updates to reflect sustainability and Council's direction. Biennial benchmarking of Local Government advice by NZIER.	Narrative measure on actions to improve advice decision makers, including elected member feedback, officer training on report writing and speaking in the Chamber, and report template updates to reflect sustainability and Council's direction. Biennial benchmarking of Local Government advice by NZIER.	Narrative measure on actions to improve advice decision makers, including elected member feedback, officer training on report writing and speaking in the Chamber, and report template updates to reflect sustainability and Council's direction. Biennial benchmarking of Local Government advice by NZIER (in year 5, 7 and 9).
Oversee Council operations and communicate outcomes and decisions to our communities.	The performance of Council and Council Controlled Organisations' is reviewed and reported on our website, along with all other Council decisions.	Council quarterly reports (financial and strategic performance monitoring) and annual report are considered in public committee and the annual report published on our website.	Council quarterly reports (financial and strategic performance monitoring) and annual report are considered in public committee and the annual report published on our website.	Council quarterly reports (financial and strategic performance monitoring) and annual report are considered in public committee and the annual report published on our website.	Council quarterly reports (financial and strategic performance monitoring) and annual report are considered in public committee and the annual report published on our website.

		CCO six-monthly and annual reports are considered by committee and annual reports published on our website.	CCO six-monthly and annual reports are considered by committee and annual reports published on our website.	CCO six-monthly and annual reports are considered by committee and annual reports published on our website.	CCO six-monthly and annual reports are considered by committee and annual reports published on our website.
Provide leadership and advocacy for Palmerston North.	Elected Members and staff represent the interests of Palmerston North in government, community and commercial processes and opportunities.	<p>Narrative measure outlining how Council's advocacy promotes the City's interests.</p> <p>Narrative measure outlining how Council's information and governance processes and systems encourage public participation.</p> <p>Narrative measure on community feedback about Council's engagement processes (including feedback from Reference Groups, Residents' Survey results and comparative digital engagement statistics.)</p>	<p>Narrative measure outlining how Council's advocacy promotes the City's interests.</p> <p>Narrative measure outlining how Council's information and governance processes and systems encourage public participation.</p> <p>Narrative measure on community feedback about Council's engagement processes (including feedback from Reference Groups, Residents' Survey results and comparative digital engagement statistics.)</p>	<p>Narrative measure outlining how Council's advocacy promotes the City's interests.</p> <p>Narrative measure outlining how Council's information and governance processes and systems encourage public participation.</p> <p>Narrative measure on community feedback about Council's engagement processes (including feedback from Reference Groups, Residents' Survey results and comparative digital engagement statistics.)</p>	<p>Narrative measure outlining how Council's advocacy promotes the City's interests.</p> <p>Narrative measure outlining how Council's information and governance processes and systems encourage public participation.</p> <p>Narrative measure on community feedback about Council's engagement processes (including feedback from Reference Groups, Residents' Survey results and comparative digital engagement statistics.)</p>

PALMYTM
PAPAIOEA
PALMERSTON
NORTH
CITY

Te Kaunihera o Papaioea
Palmerston North City Council
pncc.govt.nz / info@pncc.govt.nz / 06 356 8199



DRAFT



Have your say on our draft Annual Budget for 2025/26

pncc.govt.nz/annualbudget

PALMY™

PAPAIOEA
PALMERSTON
NORTH
CITY

Matawhānui Papaioea
Palmerston North vision



He iti rā,
he iti pounamu

Small city benefits,
big city ambition

Whāinga 1:
He tāone auaha,
he tāone tiputipu

Goal 1:
**An innovative
and growing city**

Whāinga 2:
He tāone
whakaihihi,
tapatapahi ana

Goal 2:
**A creative and
exciting city**

Whāinga 3:
He hāpori
tūhonohono, he
hāpori haumaru

Goal 3:
**A connected and
safe community**

Whāinga 4:
He tāone toitū, he
tāone manawaroa

Goal 4:
**A sustainable
and resilient city**

Kia ora koutou,

We know times are still tough for many, with rising costs affecting households and businesses alike.

While inflation is easing and the Council's interest rates have dropped, we're still managing significant cost increases in areas like electricity, infrastructure, roading, gas, insurance, new government levies, and reduced transport funding from NZTA. That's why we're focusing on the things you've asked us to keep doing – and sticking closely to what was planned in Year 2 of the Long-Term Plan.

We've worked hard to find savings and keep this year's total rate increase as low as possible. By carefully reviewing services and projects, we've been able to bring the rate increase down even further than what we originally proposed in the Long-Term Plan.

Some costs are unavoidable and are being passed down to local councils by the Government. The biggest of these is the new \$400,000 levy for Taumata Arowai, the national water regulator, and a further \$100,000 levy for (water) economic regulation.

This year, we're proposing a total rate increase of **X.X%**. However, this doesn't mean every rates bill will increase by this percentage. The changes will vary depending on factors like recent property revaluations by QV and the second year of shifting more of the rates calculation to be based on a property's capital value instead of land value.

We understand some people might expect lower rates if their property value has dropped. However, this isn't always the case. The updated property values, as of 1 September 2024, are only used to fairly distribute rates based on property worth. Lower property values don't change the total amount of money the Council needs to provide city services, which has increased by **X.X%**.

Despite these challenges, we're committed to delivering projects that support Palmerston North's future.

From maintaining community facilities to improving essential infrastructure, these investments ensure our city continues to grow in ways that benefit everyone.

This document outlines the key points of the Annual Budget for the year ahead, and we want to hear from you. What matters most to you? Your feedback will help shape our final decisions.

To make a submission, visit pncc.govt.nz/annualbudget.

You can also pick up a hard copy of the submission form at any of our libraries or the customer service centre at 32 The Square.

Grant Smith ^{JP}
Mayor



We've achieved a lot over the last year



Upgrading roads and pipes

We've made big strides in upgrading our roads and water systems. Railway Road, a key freight route, has been rebuilt to handle heavy vehicles for the next 30 years. We're nearing completion of the Amberley Avenue Bridge replacement, improving truck access and keeping traffic flowing. Around 80 bus shelters were upgraded for comfort, and new pedestrian-controlled traffic lights were installed on Pioneer Highway for safer shopping access.

Major water pipe upgrades were completed in a number of locations, including along Ruahine Street, Church Street, Victoria Avenue, and North Street, improving drinking water, wastewater, and stormwater systems.



New animal shelter

Te Whare Kouru, our new and purpose-built animal shelter, is officially open. It now meets all legal requirements and provides a safer, healthier space for animals in our care.



Play and fitness spaces

The Chippendale Reserve playground got a fun makeover with new equipment, while other parks received cosmetic upgrades. We also added an outdoor gym near He Ara Kotahi Bridge, encouraging fitness along our awa.



Housing progress

We've consulted on re-zoning land at Roxburgh Crescent and housing density options to meet growing demand. Stage 2 of Tamakuku Terrace is on track, with 35 new sections coming soon to Whakarongo/Kelvin Grove.



Upgraded facilities

Key facilities have been refreshed or newly built: Kelvin Grove Cemetery toilets, Guilford Street toilets in Ashhurst, He Ara Kotahi pathway toilets, and upgraded changing rooms at the Lido Aquatic Centre.



Making recycling easier

We've added polystyrene to the list of materials accepted at the Ferguson Street Recycling Centre. In just one month, 760kg of polystyrene was dropped off to be recycled into products like picture frames.



Supporting community groups

We've increased funding to community groups to help make Palmy an even better place to live, work, and play. From boosting the Creative Communities Scheme to enhancing Strategic Priority Grants, we've been empowering local groups to deliver projects and initiatives that make our city more creative, vibrant, and full of life.

We've got some big projects coming up



Recycling equipment upgrade

To keep up with our city's recycling efforts, we're upgrading some of our machinery. This will help us sort and process recyclables more efficiently, reducing waste and ensuring our recycling system is future-proof.

Stormwater improvements and flood protection

We're investing over \$2.5 million in city-wide stormwater upgrades and flood mitigation to protect our homes and businesses during heavy rainfall.



Safety upgrades to roads and bridges

We're making key safety improvements across the city, including along Stoney Creek Road, Mihaere Drive bridge, and putting a retaining wall along Kahuterawa Road to prevent washouts.



Cemetery work

We'll continue extending the Kelvin Grove Cemetery burial area and are planning for future expansion.



A new multi-use facility at the Central Energy Trust Arena

The Central Energy Trust Arena is set to get a new multi-use facility on the corner of Cuba and Pascal Streets. This will provide much-needed room for indoor sports and events, giving our community even more opportunities to stay active and connected.

A marae and cultural centre at Te Motu o Poutoa – Anzac Park

As part of our Long-Term Plan for Palmy, we're going to be restoring the mana and identity of Te Motu o Poutoa – Anzac Park, one of our city's most significant sites, while creating a space for everyone in the community to enjoy.

The planned facility will feature a public café, an urban marae, and spaces for private events. It will also have an educational focus, making it an ideal destination for school trips and a great place for locals to bring friends and whānau.

This coming year will be focussed on the design and sourcing external funding. Construction won't occur until we have this funding in place.

Infrastructure for future growth

In the Kikiwhenua area, we're committing \$4.3 million to roads, drainage, and a bridge to pave the way for new housing and future development in this growing part of the city. We're also installing a new water supply bore on Milson Line, and one in Longburn to support future growth and development.



Upgrades to some community facilities

Our Pasifika community is growing, and so are their needs. The expansion of the Pasifika Community Centre will take place this year and provide more space and resources to support cultural events, gatherings, and initiatives, strengthening this important part of our city's identity.

Key considerations for the year's budget

Interest rates

In the Long-Term Plan we assumed the average interest rate for Council's debt would be 5% for the coming year. Like most homeowners the Council has some of its debt at fixed interest rates and the rest at floating rates. This means the Council is now able to take advantage of lower market rates and reduce our assumed interest rate to an average of 4.4%. These lower interest rates mean paying less interest.

Less funding for transport projects

Central government has changed its priorities for transport spending and this has meant the Council will receive less from NZTA than we had been assuming. As a result, we have had to re-prioritise transport programmes and in particular, cut those relating to shared pathways and cycling network improvements.

Energy costs

Electricity and gas prices continue to rise at rates that significantly exceed the consumer price index (CPI) and the assumptions we made in the Long-Term Plan. We do have some renewable energy at our water and wastewater plants though, which helps to operate them and save costs.

Focus on reform of water activities

Council is working hard to complete all of the new legislative requirements of the Government's 'Local Water Done Well' programme for reform of the water industry. From a budget perspective this focus on the future is not diverting the Council from continuing to provide appropriate water, wastewater and stormwater services for 2025/26 including the capital investment programmes outlined in the Long-Term Plan.

Insurance

Insurance costs are continuing to rise significantly across the country. Having comprehensive insurance on the Council's valuable infrastructure is critical, as recent cyclone damage in other regions and cities has made clear.



What's changed since the Long-Term Plan was adopted

Operating revenue and expenses

The overall operating revenue and expenses proposed for 2025/26 is very similar to the LTP. However, some key elements of the operating expenses have changed, including:

- Lower interest rates have meant a \$2.1m reduction in budgeted interest costs.
- These have been offset by rises in a range of operating costs and making provision for additional government levies to pay the government's costs of undertaking water quality and economic regulation for the new management arrangements for water operators.



Capital expenditure

The proposed capital expenditure programme for new investment works at \$115.7m is \$9.8m less than proposed in the LTP for 2025/26. The largest part of this reduction is for the transport activity.

The government's change of focus for transport means that NZTA will not provide the subsidy Council had assumed would be provided to enable it to continue its programme of shared pathways and cycling network provision. In particular, the following programmes have been removed from the 2025/26 budget:

- Tennant Drive safety improvements (\$1.02m)
- Cycling network improvements (\$2.55m)
- Public transport network improvements (\$0.51m)
- New shared pathways & link improvements (\$2.04m)
- New footpaths (\$0.51m)
- Village roading upgrades to urban standard (\$1.224m)
- Bridge improvements (\$0.82m)
- Low cost/low risk and Road to Zero transport improvements (\$4.1m)

Despite the lack of subsidy, the Council has decided to prioritise the following:

- Footpath renewals (\$1.1m)
- Slip prevention of shared pathways (\$0.31m)
- Safety improvements on Kelvin Grove Road (\$3m)

In addition, it is proposed that \$3.7m be brought forward from 2027/28 to upgrade Cliff Road, in conjunction with the proposed development of Te Motu o Poutoa.

Have your say on our **draft Annual Budget for 2025/26** 9

Key points of the Annual Budget for 2025/26

Lower interest rates have allowed for a total rates increase of X.X% (less than the planned 8.9%), even though some costs have risen more than expected and transport subsidies from NZTA are much lower than planned.

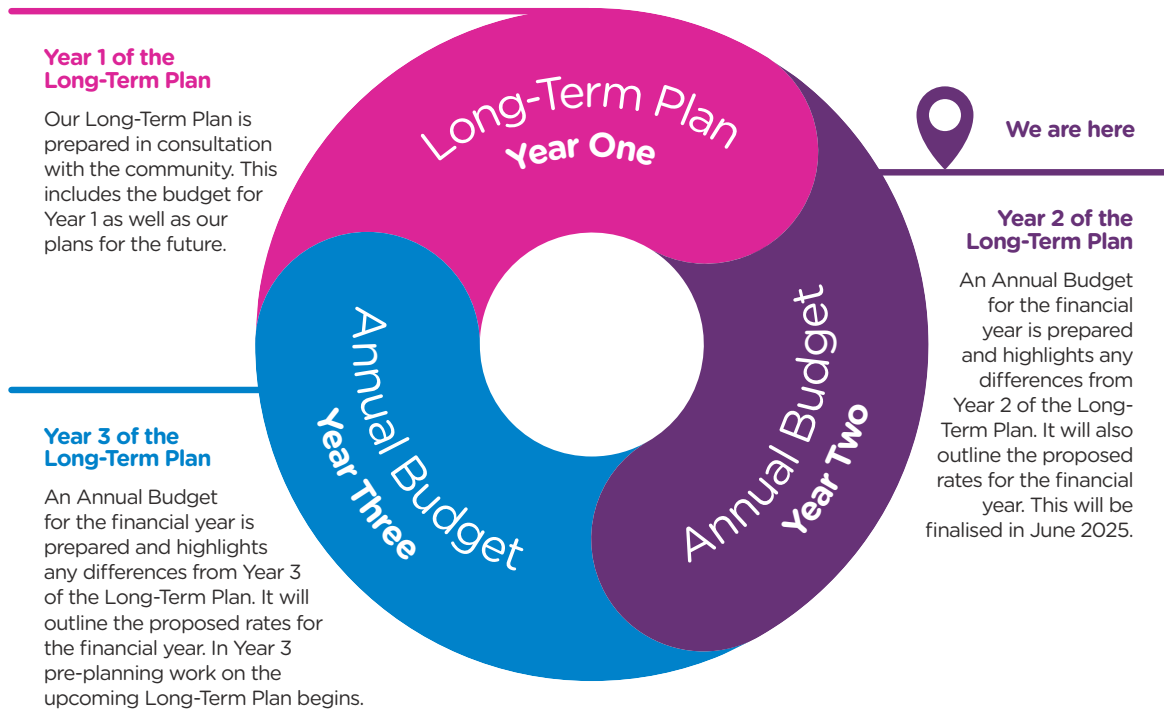
Overall revenue and expenses are budgeted to be at similar levels to what was planned for Year 2 of the Long-Term Plan adopted last year.

The Council's net debt by 30 June 2026 is now forecasted to be \$XXX million, which is \$XX million higher/lower than previously estimated.

Residents will continue to receive a similar service from Council, but due to reduced funding from NZTA, the Council has had to cut a number of previously proposed transport improvements.

The Council has reviewed its planned capital projects, with most remaining on track, except for some transport projects that were cut due to reduced external funding.

Our budgeting process



What is a Long-Term Plan?

The Long-Term Plan is designed to bring our vision and goals to life, and covers the services we provide, upkeep of the city's infrastructure, and new projects that'll make our city an even better place to live in.

We prepare a new Long-Term Plan in consultation with our community every three years.

What is an Annual Budget?

Every year we prepare an Annual Budget (Annual Plan) that sets out what we plan to do in the current financial year and how this will impact your rates and Council's debt. Our Annual Budgets are based on our Long-Term Plan which sets out what Council will do for residents over a ten-year period.

Last year we adopted our 2024-2034 Long-Term Plan, which is the basis for this year's Annual Budget (Year 2).

This year, we're proposing a total rates increase of **X.X** per cent.

However, this doesn't mean every rates bill would increase by exactly that amount. The changes will vary for each property.

We can't give a general estimate for individual rate changes because rates for 2025/26 will be affected by:

- New property valuations that were recently updated
- The second step of introducing a new targeted rate based on capital value
- The levels of fixed charges for water, wastewater and resource recovery

More detail about each of these elements is provided below.

Find out how much your rates could be at pncc.govt.nz/propertysearch

How your updated property valuations affect 2025/26 rates

Property owners received their updated property rating valuations in December 2024. These were carried out by independent valuers Quotable Value (QV) and for many properties, especially residential ones, they have reduced. This reflects the drop in the property market since the last revaluation in 2021.

These lower property values don't automatically mean lower rates. The Council still needs to collect enough income to continue to provide essential services for the city.

Because property values haven't changed evenly across the city, the Council has decided some adjustments need to be made to the rating system. These changes ensure rates are distributed fairly between different groups of ratepayers. Without these adjustments, businesses and commercial property owners would have ended up paying a much larger share of the total rates.

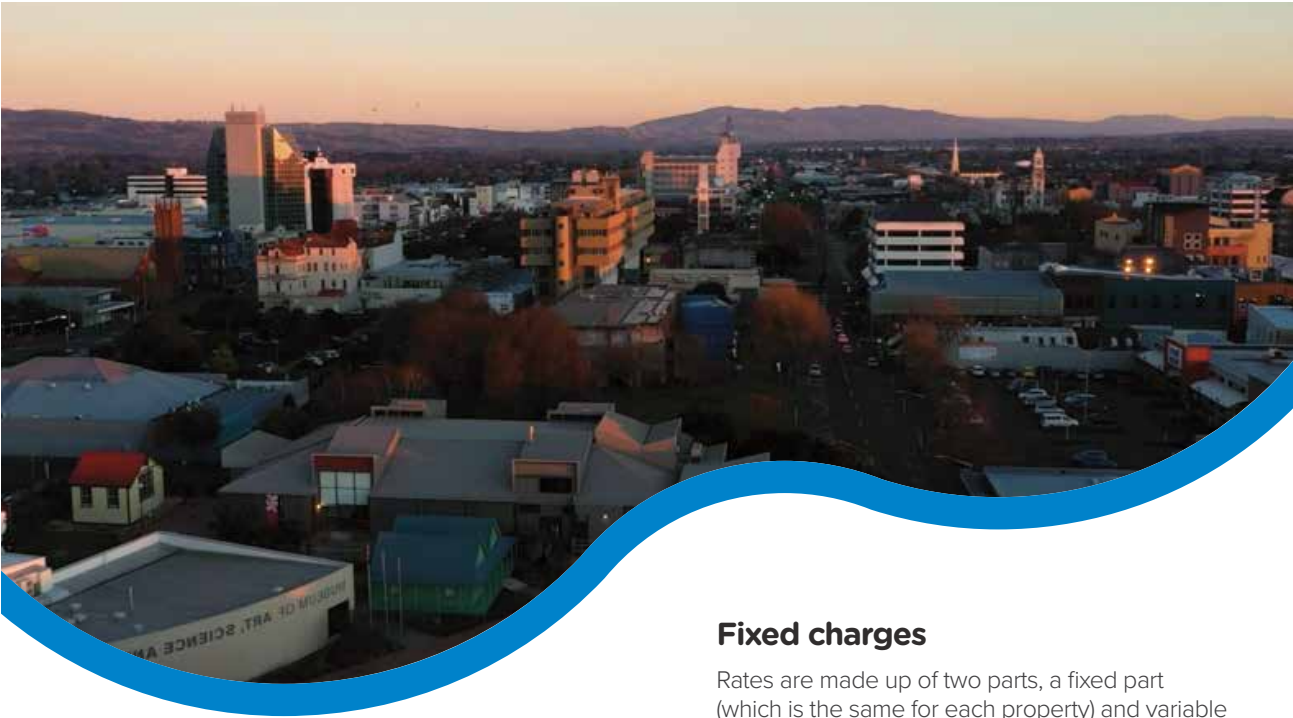
A greater share of your rates is based on your property's capital value

The Council is gradually changing how some rates are calculated, following public feedback last year. A new targeted rate for Transport and Economic Development is now based on a property's **capital value** (the value of land plus buildings), while the general rate remains based on **land value**.

We're in the second year of this three-year transition, which will be fully in place for the 2026/27 year.






For properties with high capital values compared to their land values, this change means rates will increase more than average again this year.

It also means that some properties (where the capital value is not much higher than the land value) will have a lower than average increase, and a small number will see a reduction in rates.



Fixed charges

Rates are made up of two parts, a fixed part (which is the same for each property) and variable parts, based on the land and capital values.

	Charge 2024/25	Proposed Charge 2025/26	
 Uniform Annual General Charge (UAGC)	\$200	\$	Pays for all other Council services and acts as a way of ensuring that all properties contribute a more equal share of cost rather than it all being based on the land or capital value
Water	\$415	\$	The cost of providing water 
 Wastewater	\$375	\$	The cost of treating and discharging of wastewater
Kerbside Recycling	\$144	\$	The cost of your kerbside mixed and glass recycling 
 Rubbish and Public Recycling	\$51	\$	General rubbish and recycling costs including recycling drop-off stations, cleaning up illegal dumping and community education

Here are some examples of rates you may pay for your home or business

	Single Unit Residential				Two Unit residential			
Land Value	\$360,000	\$455,000	\$468,000	\$540,000	\$450,000	\$525,000	\$561,000	\$625,000
Capital Value	\$590,000	\$690,000	\$739,000	\$840,000	\$675,000	\$770,000	\$829,000	\$920,000
	Quartile 1	Median	Average	Quartile 3	Quartile 1	Median	Average	Quartile 3
General Rates \$ <small>Incl. UAGC of \$200</small>								
Targeted Rates based on CV \$								
Targeted Rates for services \$								
Total Proposed Rates \$								
Increase \$ above 2024/25								
	Non-Residential (Commercial/Industrial)				Miscellaneous			
Land Value	\$385,000	\$620,000	\$1,022,000	\$1,110,000	\$295,000	\$550,000	\$916,000	\$965,000
Capital Value	\$610,000	\$1,030,000	\$2,402,000	\$2,295,000	\$400,000	\$720,000	\$1,746,000	\$1,445,000
	Quartile 1	Median	Average	Quartile 3	Quartile 1	Median	Average	Quartile 3
General Rates \$ <small>Incl. UAGC of \$200</small>								
Targeted Rates based on CV \$								
Targeted Rates for services \$								
Total Proposed Rates \$								
Increase \$ above 2024/25								
	Rural/Semi-serviced (between 0.2 + 5Ha)				Rural/Semi-serviced (5Ha or more)			
Land Value	\$435,000	\$520,000	\$549,000	\$590,000	\$520,000	\$730,000	\$1,373,000	\$1,218,000
Capital Value	\$950,000	\$1,180,000	\$1,202,000	\$1,390,000	\$551,000	\$1,102,000	\$1,585,000	\$1,670,000
	Quartile 1	Median	Average	Quartile 3	Quartile 1	Median	Average	Quartile 3
General Rates \$ <small>Incl. UAGC of \$200</small>								
Targeted Rates based on CV \$								
Targeted Rates for services \$								
Total Proposed Rates \$								
Increase \$ above 2024/25								

Non-residential examples do not include any rates for wastewater based on the number of toilet pans or water charged by meter. The proposed charge per pan is \$XXX. Metered water is charged on the basis of a fixed amount (depending on the size of the connection) and the balance by volume used. Increases are proposed for metered water. The examples do not include the rate for central city commercial properties to fund the Palmy BID.



What your rates cover each week

This is based on a residential property with a land value of \$352,000 and a capital value of \$630,000.





Have your say on our draft Annual Budget for 2025/26 17



Understanding the Annual Budget

Think of the Annual Budget as our city's to-do list for the year ahead. It outlines how your rates money will be used to keep Palmerston North running smoothly, ensuring we meet both current needs and plan for the future.

What does the Annual Budget do?

The Annual Budget is all about smart financial planning. It helps us determine how much money we need and where it should go. This means funding essential services like maintaining roads, parks, and community facilities, while also preparing for future growth. It shows how we'll pay for these priorities, whether through rates, fees, or other funding sources.

Connecting with our Long-Term goals

While the Long-Term Plan sets the big picture, the Annual Budget zooms in on the year ahead. It adjusts to address any new challenges or opportunities that have come up.

What the Annual Budget means for me

The Annual Budget makes sure we're investing in the things that matter most to our community – from improving transport and providing safe water to supporting local events and keeping Palmerston North vibrant and welcoming. It's how we stay on top of the essentials, make progress on big projects, and create a city we're proud to live in. Your input helps us get it right, so make sure you have your say.



There are different types of rates

Targeted rates

Targeted rates are paid by ratepayers who receive a specific service – for example:

- Drinking water for properties connected to the city supply
- Wastewater treatment and discharge for those connected to the city's network
- Kerbside and public rubbish and recycling
- Business improvement initiatives for commercial ratepayers within the central city district (known as BID).

In addition, the Council charges a targeted rate on all properties to fund economic development, transport, housing, urban design and part of the cost of recreation and play.

General rates

General rates are paid by all ratepayers to fund services provided by the Council that are not covered by a specific fee (e.g. for building or resource consents, dog registration or parking) or targeted rate. These services include things like:

- | | |
|--|-----------------------|
| ➤ Parks | ➤ Community services |
| ➤ Libraries | ➤ Cultural facilities |
| ➤ Pools | ➤ Street cleaning |
| ➤ Emergency management (Civil Defence) | ➤ Stormwater |

The Council also charges each property a Uniform Annual General Charge (UAGC) of \$200.

Have your say

**We've been working
through this process, now
we need to hear from you.**

Our submission form includes specific questions, but we're open to hearing any ideas or feedback you'd like to share.

If you prefer, you can also speak directly to elected members at a hearing. Once we've reviewed all submissions, we'll consider any final adjustments before approving the Annual Budget in June.

Contact us

-  **Online**
pncc.govt.nz/annualbudget
@f@PNCityCouncil
-  **Phone us**
06 356 8199
-  **Talk with a Councillor**
For contact details go to
pncc.govt.nz/council
-  **Visit us**
Come to a drop-in session
or attend a hearing

Key dates

- 17 March**
Submissions open
- 11 April**
Submissions close
- 30 April - 1st May**
Hearings
- 14 May**
Council considers submissions
and draft budget amendments
- 4 June**
Council adopts Annual Budget

Come to a drop-in session

- Friday 21 March, 11am - 12pm**
Customer service centre
- Sunday 30 March, 10:30am - 11:30am**
Central Library
- Monday 7 April, 11am - 12pm**
Customer service centre

Hearings

- Wednesday 30 April**
TIMES TBC
- Thursday 1 May**
TIMES TBC

Chat to one of the decision makers, aka **our Elected Members**

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Kahika Mayor

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Debi Marshall-Lobb

Kahika Mātārua Deputy Mayor

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Have your say on our draft Annual Budget for 2025/26 21



Annual Budget Submission Form



All submissions may be made publicly available on our website, customer service centre and some of our libraries. This means you may want to be more careful about what private information you share in your submissions about your circumstances. Your contact details (but not your name) are confidential and will not be published. Elected Members receive all submissions without contact details so they can consider the views and comments expressed.

We collect your contact information so we can keep you up to date.

For more information, see our [privacy statement on our website](#).

Your details

Name

Organisation you represent (if relevant)

Address

Phone

Email

Signature

All submissions will be acknowledged in writing and given to the Mayor and Councillors, who will consider the views and comments expressed when finalising the Annual Budget.

If you would like to make a personal presentation in support of your submission at one of our hearings to the Mayor and Councillors, please select your preferred date:

☐ Wednesday 30 April

☐ Thursday 1 May

You can get your submission to us in any of these ways

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What are your thoughts on our proposed Annual Budget 2025/26?

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What, if anything, would you like to see changed?

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Are there specific activities or services we should be considering more or less of, and why?

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Do you have any other feedback?

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Report

TO: Council

MEETING DATE: 12 February 2025

TITLE: Fees and Charges Review

PRESENTED BY: Steve Paterson, Manager Financial Strategy

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATIONS TO COUNCIL

1. That Council receive the report titled 'Fees and Charges Review', presented on 12 February 2025, and note the current status of fees and charges.

Trade Waste

2. That Council agree for consultation the proposal of updated fees and charges for Trade Waste services effective from 1 July 2025 as attached in Appendix 2 and authorise the Chief Executive to undertake the necessary consultative process under sections 82 and 150 of the Local Government Act 2002;

OR

That Council agree for consultation the proposal of updated fees and charges for Trade Waste services effective from 1 July 2025 as attached in Appendix 2 (and amended using either Option A or Option B from Table 1 in section 3.4 of this report) and authorise the Chief Executive to undertake the necessary consultative process under sections 82 and 150 of the Local Government Act 2002.

Planning & Miscellaneous

3. That Council agree for consultation the Statement of Proposal (and the associated summary) of updated fees and charges for Planning Services and Miscellaneous Services effective from 1 July 2025 as attached in Appendix 3, and authorise the Chief Executive to undertake the necessary consultative process under sections 83 and 150 of the Local Government Act 2002.

Building

4. That Council agree the fees and charges for Building Services, as proposed in Appendix 4 for public notification to take effect from 1 July 2025.

Environmental Health

5. That Council agree the fees and charges for Environmental Health Services (in terms of regulation 7 of the Health (Registration of Premises) Regulations 1966) as proposed in Appendix 5 for public notification to take effect from 1 July 2025.

Animal Management

6. That Council agree the fees and charges for the Impounding of Animals (in terms of section 14 of the Impounding Act 1955) and for Dog Registration and Dog

Impounding (in terms of sections 37 and 68 of the Dog Control Act 1996) as proposed in Appendix 6 for public notification to take effect from 1 July 2025.

Burial & Cremation

7. That Council agree the fees and charges for Burial and Cremation, as proposed in Appendix 7 for public notification to take effect from 1 July 2025.

Service Connections

8. That Council agree the fees and charges for Service Connections, as proposed in Appendix 8 to take effect from 1 July 2025.

Resource Recovery

9. That Council agree there be no changes to fees and charges for Resource Recovery, as proposed in Appendix 9.

Parks and Reserves

10. That Council agree the fees and charges for Parks and Reserves as proposed in Appendix 10 to take effect from 1 July 2025.

Backflow Prevention

11. That Council agree the fees and charges for Backflow Prevention testing and maintenance as proposed in Appendix 11 to take effect from 1 July 2025.

Corridor Access Request

12. That Council agree the fees and charges for Corridor Access Requests as proposed in Appendix 12 to take effect from 1 July 2025.

Parking

13. That Council agree there be no change to fees and charges for Parking, as proposed in Appendix 13.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	Fees and charges need to be reviewed annually to ensure they adequately meet the Revenue & Financing policy, budgetary and other objectives
OPTION 1:	Approve fee increases as proposed
Community Views	Each of the different types of fees requires a different process for community engagement. Where this is legislatively controlled it is identified in the report
Benefits	More likely to comply with funding proportions contained in Revenue & Financing Policy
Risks	<ul style="list-style-type: none"> Public criticism of increases Increased charges for some activities may discourage compliance or reduce volumes

Financial	Budgeted revenue targets more likely to be achieved
OPTION 2:	Approve fee amendments for some of those proposed at greater or lesser levels
Community Views	As above
Benefits	<ul style="list-style-type: none"> • Lower fees than recommended likely to mean policy targets will not be achieved • Higher fees than recommended in some instances will increase likelihood of policy user fee target being achieved
Risks	Higher fees than recommended may increase the risk of public criticism
Financial	If lower increases are approved for some fees likely that budgeted revenue will not be achievable
OPTION 3:	Do not approve any fee increases
Community Views	As above
Benefits	Lower fees than recommended likely to mean policy targets will not be achieved
Risks	<p>When increases eventually are made (to reduce the pressure on rates increases) the extent of the increase required will be publicly and politically unacceptable</p> <p>The budget assumptions for fees and charges in the Long-term Plan or Annual Budget would need to be revisited which would result in an increase in rates requirement</p>
Financial	If no increases are approved likely that budgeted revenue will not be achievable

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 The purpose of this report is to provide an overview of the current status of fees and charges made by the Council and to recommend the adoption of updated fees for some of them.
- 1.2 At its meeting on 11 December 2024 Council considered the first draft of the 2025/26 Annual Budget and endorsed the revenue assumptions outlined in the covering report.
- 1.3 It is important that fees and charges be regularly reviewed. There are a variety of reasons for this including:

- Compliance with legislative requirements – many fees and charges made by the Council are governed by specific legislation
- Consistency with Council's Revenue and Financing policy – for each activity the Council has adopted targets for the funding mix, i.e. the proportion of costs to be funded from fees and charges
- Transparency – in some instances it is important to be able to demonstrate that the charge being made represents a fair and reasonable recovery of the costs of providing a particular service
- Market comparability – for some services the Council operates in a contestable market and it is important that fees and charges are responsive to market changes.

1.4 However, as a review process is sometimes very time-consuming the depth of the review for each type of fee or charge may vary depending on the circumstances.

1.5 Attached as Appendix 1 is a schedule listing, in broad terms, the various types of fees and charges made by the Council. The schedule is ordered by activity (consistent with the 2024-34 Long-term Plan (LTP)) and within that by function (consistent with the Revenue & Financing Policy). Comments are made within the schedule outlining the reasons for there being no change recommended to a particular fee or charge. In cases where changes are recommended more detail is provided in the appendices.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

2.1 Council has previously indicated that as a matter of policy it wishes all fee and charge revisions to be encapsulated in a single report to the Council early each year.

2.2 Council's current Revenue & Financing Policy (Long-term Plan 2024-34 pages 276-311) describes how the Council goes about deciding who should pay for the provision of each activity and in what proportions. The policy should be the foundation for decisions about the levels of fees and charges.

2.3 For some activities (such as swimming pools) only a portion of the operating costs is borne by the Council and none of the revenue is received directly by the Council. The Council does have the right under the agreement with CLM to set the maximum fees charged for the services. The Revenue & Financing Policy addresses only that portion of the net operating costs funded by the Council and therefore makes no reference to user charges for swimming pools.

2.4 In some of the activities shown above it is not practical to charge users through a separate charge specifically related to use. An example of this is water where large consumers are metered but the majority of users are charged through the rating system by way of a fixed targeted rate as the best proxy for direct user charge.

- 2.5 In some activities a combination of charging mechanisms is used. Resource recovery is an example. Users are responsible for their own rubbish disposal. The Council does provide a collection and disposal service which is funded from the sale of rubbish bags. Recycling activity is funded from the sale of recyclables and the balance through the rating system by way of fixed targeted rates.

3. DESCRIPTION OF OPTIONS

- 3.1 With a few exceptions (being cemeteries, social housing, Conference and Function Centre), draft revenue budgets for 2025/26 have been set at levels which aim to meet the Revenue & Financing Policy proportion targets. Achieving these revenue levels is dependent not only on the level of fee or charge set but also the actual volumes of activity by comparison with budget assumptions.
- 3.2 The timing of this review is scheduled to fit into the annual planning timetable in a way which ensures appropriate revenue assumptions are made in the proposed Annual Budget and changes to fees and charges can be implemented as soon as practicable.
- 3.3 Much of this report is focused on providing an overview of Council's fees and charges. However, the report does include specific proposals for change for a number of fees and charges as explained in more detail in the following appendices:

Appendix	Activity	Proposed action
2	Trade Waste	Proposal for public consultation
3	Planning & Miscellaneous	Proposal for public consultation
4	Building	Proposed increases
5	Environmental Health	Proposed increases
6	Animal Management	Proposed increases
7	Burial & Cremation	Proposed increases
8	Service Connections	Proposed increases
9	Resource Recovery	No change
10	Parks and Reserves	Proposed increases
11	Backflow Prevention	Proposed increases
12	Corridor Access Requests	Proposed increases
13	Parking	No change

3.4 Whilst the background to, and rationale for, the recommendations is made in each of the appendices, attention is drawn to the following:

- Many of the charges are being proposed to be increased by 3.4-3.7% (rounded) to reflect the level of operational cost increase being experienced and thereby ensure an appropriate proportion of the increase is incurred by the user rather than the general ratepayer.
- Proposed increases in the volume-based charges for trade waste vary but will lead to increases in overall charges of approx. 25% for some tradewaste users. These charges are based on a long-standing formula associated with the Council's tradewaste bylaw. They reflect the increasing costs of tradewaste disposal over the last two years. It is recognised that such an increase is significant. An option is to increase the charges by a smaller percentage and review the position again next year. Table 1 below shows two options for charges that would apply if the increase was to be less than what is recommended:
 - Option A – represents rates with an increase at 50% of what has been recommended
 - Option B – represents rates with an increase at 60% of what has been recommended. This option recognises that costs of delivering the services will increase again in the following year and that unless charges are increased by more than 50% of what is recommended we will not reach the policy expectation that users should pay the full cost of processing their tradewaste and will face the same issue again next year when considering charge levels.

Based on assumed trade waste volumes and composition adopting these charges would reduce the tradewaste revenue expectation by approx. \$62k (GST excl.) for Option a and \$52k (GST excl.) for Option B.

Table 1: Optional increase for trade waste charges – refer Appendix 2 for recommended charges

		Actual Charge 2024/25 (incl.)	Option A Charge 2025/26 (incl.)	Option B Charge 2025/26 (incl.)
3.1	Volume Charge (\$/m ³)	\$0.694/m ³	\$0.78/m³	\$0.80/m³
3.3	Suspended Solids Charge (SS) (\$/kg)	\$0.744/kg SS	\$0.95/kg SS	\$1.00/kg SS
3.4	Organic Loading Charge (BOD) (\$/kg)	\$0.71/kg BOD	\$0.79/kg BOD	\$0.80/kg BOD
3.6	Phosphorous Charge (DRP) (\$/kg)	\$38.805 /kg DRP	\$46.45/kg DRP	\$48.00/kg DRP

- The possibility of increasing cremation charges more than is proposed is discussed in Appendix 7.
- As outlined in the report to the Council meeting on 11 December 2024 no change is proposed to fees and charges for resource recovery and parking – both were increased from 1 July 2024 see Appendices 9 & 13 of this report.

4. ANALYSIS OF PROPOSALS

- 4.1 Analysis of each of the fee types for individual activities is contained in the appendices.

5. SUMMARY OF CONSIDERATIONS

- 5.1 A broad review of fees and charges has been undertaken. Revenue from these is an important part of the funding mix. There are two elements to achieving revenue budgets. The first is the actual level of the fee or charge. The second is the volume of sales or use. A change to the level of fee or charge can influence demand. Achieving revenue targets is sometimes more about volumes than the level of the charge. There is a fine balance between the two. This report recommends increases in charges for a number of services and many of these are reflective of revenue assumptions made in the proposed Annual Budget for 2025/26.

6. NEXT ACTIONS

- 6.1 There is a series of procedural steps to be followed to enable some of the revised fees and charges to be implemented. In some cases (as specifically identified in the recommendations) this involves a period of public consultation and a report back to the Council for final confirmation (taking into account any public submissions).
- 6.2 Staff will action messaging appropriate to the rates and fee changes not otherwise formally notified.

7. OUTLINE OF COMMUNITY ENGAGEMENT PROCESS

- 7.1 The Revenue & Financing Policy incorporates the Council's current views on what portion of each activity should be directly funded from users. This policy forms part of the 2024-34 Long-term Plan which was the subject of public consultation in 2024.
- 7.2 There are varying types of public consultation required to enable changes to be made to fees and charges. For some the special consultative process or a process consistent with the principles of section 82 of the Local Government Act is to be used. More detail about each is provided in the detailed appendices.

COMPLIANCE AND ADMINISTRATION

Does the Council have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	Yes
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans? There are some activities as mentioned in this report that do not meet the Revenue and Financing Policy funding band targets for Fees and Charges. The Council has previously acknowledged these and for the time being proposes to operate outside the policy expectations.	Yes
The recommendations contribute to the achievement of objective/objectives in: 14. Mahere mana urungi, kirirautanga hihiri 14. Governance and Active Citizenship Plan The objective is: Base our decisions on sound information and advice	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The process for setting fees and charges depends on the nature of the activity and the particular requirements of the relevant bylaw, legislation or Council policy. The recommendations take account of Council's Revenue & Financing Policy that in turn reflects Council's strategic direction.

ATTACHMENTS

1. Appendices 1 to 13 [↓](#) 

Activity	Revenue & Financing Policy function	Fees / Charges	Last Implementation / Date of revised fee	Next Review Scheduled for	Assumption for draft 2025/26 Budget	Comments
Economic development	Conference & Function Centre	Venue rental Percentage of catering revenue			Increased revenue	Charges depend on market conditions. Revenue very volume dependent
Housing	Building Services	Building Services Fees	1 Jul 2024	1 Jul 2025	Increased fees & revenue	Increases recommended. Refer Appendix 4 & recommendations.
Housing	Planning Services - Private	Services Fees & Charges	1 Jul 2024	1 Jul 2025	Increased fees & revenue	Increases recommended. Refer Appendix 3 & recommendations.
Roading	Parking enforcement	<ul style="list-style-type: none"> Registration WOF Fines (Stationary vehicles) 	1 Oct 2024	Next Statutes/ Regulations Revision	No change	Charges are set and changed by legislation/regulation. A number of infringement fees were increased significantly from 1 October 2024.
Roading	Metered Parking	Metered Parking Fees – on street & off-street	1 Jul 2024	1 Jul 2025	Increased revenue but no change to charges	Increases implemented from 1 July 2024. No change processed this year as monitoring parking behaviour since significant increases in parking infringement fees from 1 October 2024.
Roading	Off-street parking – leased carparks	Long term lease	1 Jul 2021	1 Jul 2025	No change	No change proposed.
Roading	Road corridor access	Corridor access request	1 Jul 2024	1 Jul 2025	No change	Increase proposed. Refer Appendix 12 & recommendations.

Activity	Revenue & Financing Policy function	Fees / Charges	Last Implementation / Date of revised fee	Next Review Scheduled for	Assumption for draft 2025/26 Budget	Comments
Recreation & Play	Central Energy Trust Arena	Venue Rentals - Commercial - Community & Schools	1 Jan 2025 1 Jan 2025	1 Jan 2026 1 Jan 2026	Increased revenue & increased charges	Charges reviewed under delegated authority.
Recreation & Play	Sportsfields	Sportsfield Rental/Charges	1 Jul 2024	1 Jul 2025	Increase in revenue & charges	Increases recommended. Refer Appendix 10 & recommendations
Recreation & Play	Swimming Pools	Admission charges	1 Jul 2024		No change	The contract for pool operations provides for the Council to approve maxima for charges able to be made by the contractor. In June 2024 Council approved increased maxima for casual admission and concession charges effective from 1 July 2024.
Community Support	Cemeteries	<ul style="list-style-type: none"> Burial Cremation 	1 Jul 2024	1 Jul 2025	Increased revenue & increased charges	Increases recommended. Refer Appendix 7 & recommendations.
Community Support	Community Centres	Community halls & facilities	1 Jul 2024	1 Jul 2025	CPI increase	Rentals are adjusted annually by the CPI.
City Library	Libraries	<ul style="list-style-type: none"> Membership Subscription (non-residents) Interloan charges Lost material Blueprint materials 	1 July 1999 (non-residents)	1 Jul 2025	Minor increase in revenue	No changes proposed.

Activity	Revenue & Financing Policy function	Fees / Charges	Last Implementation / Date of revised fee	Next Review Scheduled for	Assumption for draft 2025/26 Budget	Comments
Housing	Social Housing	Rental	Jul 2024	Jul 2025	Minor Increase in revenue	<p>As per the Social Housing Guidelines, former 'public housing' rentals will be set at market rates.</p> <p>The remaining housing will be subsidised, with rent to be set at no more than 25% of superannuation, supported/living payment, job seeker support or other relevant benefit).</p> <p>Revenue will not meet Revenue & Financing Policy targets.</p>
Community Safety & Health	Animal Management	<ul style="list-style-type: none"> Registration Fees Impounding Fees 	1 Jul 2024 1 Jul 2024	1 Jul 2025 1 Jul 2025	Increased revenue & increased charges	<p>Dog Control Act 1996 Section 37 requires Council to give public notice of fees annually prior to 1 July.</p> <p>Refer to Appendix 6 & recommendations.</p>
Community Safety & Health	Public Health	Health Inspection, Verification & Monitoring Fees Liquor licensing fees	1 Jul 2024 18 Dec 2013	1 Jul 2025 1 Jul 2025	Minor increase in revenue & some fees No change	<p>With introduction of Food Act 2014 Council no longer issues health licences. Role is now inspection, verification, monitoring & registration for templated food control plans.</p> <p>Increase proposed - Refer to Appendix 5 & recommendations.</p> <p>Council has chosen to use the default liquor licensing fees set by regulation.</p>

Activity	Revenue & Financing Policy function	Fees / Charges	Last Implementation / Date of revised fee	Next Review Scheduled for	Assumption for draft 2025/26 Budget	Comments
Resource Recovery	Waste Management	Rubbish Bag Sales	1 Jul 2024	1 Jul 2025	No change	Policy is that full costs of collection are to be covered by bag sales. Significant increases in bag prices implemented from 1 Jul 24. No further change proposed. Refer to Appendix 9
Resource Recovery	Waste Minimisation	Resource Recovery Park – Green waste	1 Jul 2024	1 Jul 2025	No change	Landfill now closed. However still accept green waste. No change proposed.
		Resource Recovery Park – bulk compost	1 Jul 2023	1 Jul 2025	No change	No change proposed.
		Transfer Station – Ashhurst	1 Jul 2023	1 Jul 2025	No change	No change proposed.
		E-waste – Ferguson St	1 Jul 2018	1 Jul 2025	No change	No change proposed. Refer to Appendix 9 for discussion
		Event Recycling	1 Jul 2024	1 Jul 2025	No change	No change proposed.
		Recycling charge for tyres	1 Jul 2023			Product stewardship scheme introduced from 1 September 2024
Stormwater	Stormwater	Connection fees	1 Jul 2024	1 Jul 2025	Minor increase in revenue	Increase proposed. Refer to Appendix 8 & recommendations.

Activity	Revenue & Financing Policy function	Fees / Charges	Last Implementation / Date of revised fee	Next Review Scheduled for	Assumption for draft 2025/26 Budget	Comments
Wastewater	Wastewater	Trade waste charges	1 Jul 2024	1 Jul 2025	Fee based on cost-based formula. Increase in revenue	Formula for determining charges based on Council's Trade Waste By-Law. 2024/25 charges approved by Council in June 2024. Refer to Appendix 2 & recommendations
		Connection fees	1 Jul 2024	1 Jul 2025		Increase proposed. Refer to Appendix 8 & recommendations.
Water Supply	Water Supply	Water by meter tariff	1 Jul 2024	1 Jul 2025	Any change is related to change in level of targeted fixed rate- increased tariff assumed. Changes proposed	Water by meter tariffs are deemed to be targeted rates & are set as part of annual rates resolution.
		Tanker filling station fees	1 Jul 2024	1 Jul 2025	Minor increase in revenue	Set under terms of Water Supply Bylaw. Related in part to level of water by meter tariff.
		Connection fees	1 Jul 2024	1 Jul 2025	Minor increase in revenue	Refer to Appendix 8 & recommendations.
		Backflow preventer fees	1 Jul 2024	1 Jul 2025	Minor increase in revenue	Refer Appendix 11 & recommendations.
Governance & Active Citizenship	Direction Setting	District Plan changes	1 Jul 2008	1 Jul 2025	No change	Policy is to recover costs relating to private plan change applications from applicants. Present charges achieve this aim.
		District Plan documents & updates	1 Jul 2012	1 Jul 2025	No change	Changed from a specific charge to charge at cost from 1 Jul 2012.

Note - Amounts for Development contributions (for water, wastewater, stormwater, roading & reserves) are increased annually on 1 July in accordance with the movement in the Producers Price Index – Construction or through an amendment to the Development Contributions Policy.

Proposed changes to descriptions and specific fees and charges are highlighted in the appendices in red.

PROPOSED AMENDMENTS TO FEES AND CHARGES FOR TRADE WASTE

1. INTRODUCTION

It is Council's policy to review its fees and charges for trade waste each year in accordance with the Palmerston North Trade Waste Bylaw.

Changes to these fees and charges are required to be approved using the consultation principles of the Local Government Act.

2. BACKGROUND

2.1 Revenue & Financing Policy Requirements

As part of Council's financial framework it has in place a Revenue and Financing Policy that was adopted in 2024.

The policy defines how operating expenditure for each activity will be funded. In summary the funding sources are from either, user charges or targeted rates (private), rates (public), or based on the exacerbator principle whereby the cost of an activity can be attributed to an individual or a group of individuals.

Some of the discharges of trade waste into the sewerage system use up more of the sewerage systems capacity than normal domestic discharges.

Council's Revenue and Financing policy states "volumes of trade waste are capable of being measured so those who discharge trade waste should be charged based on the nature and volume of discharge". The setting of the charges is regulated under Council's Trade Waste Bylaw 2022 and a specific charging mechanism has been established to recover the extra costs imposed on the Council's system.

These costs are incurred in the following way;

- Compliance Monitoring – the inspection, sampling and analysis of trade waste discharges
- Trade Waste Application – the processing of new or renewal applications
- Consent Processing – when the cost of processing the consent exceeds the normal application fee
- Re-inspection – for re-inspection of premises when a notice served by the Council has not been complied with
- Annual Trade Waste Charges – for administration and monitoring of individual consent holders

- Trade Waste Charges – these are for the impact of consented discharges on Council's system.

The following factors impact on the fees and charges;

- Costs to administer and monitor consents
- Cost of operating the Palmerston North sewerage system
- Flows within the Palmerston North sewerage system
- Loading on the Palmerston North Wastewater Treatment Plant.

These costs, flows and loadings vary from year to year.

2.2 Statutory Requirements

The Council adopted the latest version of the Palmerston North **Trade Waste** Bylaw in 2022 under its statutory powers contained in the Local Government Act 2002 (LGA). Accordingly, in terms of section 150 of the LGA the trade waste charges are required to be set in a manner giving effect to the requirements of the Act. Schedule 1 of the Bylaw contains a list of types of charges that may be imposed. In June 2024 the Council adopted the current schedule of charges following appropriate consultation.

2.3 Factors Impacting on Setting Fees and Charges

A number of other considerations are factored into the proposed fees. They are:

Transparency It is important that fees and charges are structured in a manner that clearly identifies the specific service being provided and the true cost of providing such services.

Fair and reasonable That the charges are demonstrated to be fair and reasonable.

Market comparable Where appropriate.

2.4 Outline of Proposed Fees and Charges

The proposed fees and charges are shown in detail below:

Palmerston North City Council

Trade Waste Charges

Pursuant to the Palmerston North Trade Waste Bylaw 2022

Category		2024/2025 Charge (GST Incl.)	2025/2026 Charge (GST Incl.)	Description
Administrative Charges (Table 2 – Schedule 1)				
2.2	Compliance Monitoring - Conditional Consents	\$250 per sampling & analysis	\$270 per sampling & analysis	Fee to recover inspection and monitoring costs of trade premises
2.2	Compliance Monitoring – Grease Trap Sampling Fee	\$130 per inspection	\$140 per inspection	Fee to recover inspection and sampling costs of grease traps
2.4	Trade Waste Application Fee	\$1,700	\$1,820	Fee to recover cost of processing new or renewal applications
2.5	Consent Processing Fee	\$210 per hour	\$225 per hour	Fee to recover cost of processing extraordinary applications
2.6	Re-inspection Fee	\$210 per inspection	\$225 per inspection	Fee to recover cost of re-inspections of individual trade premises
2.9	Trade Waste Charge - Permitted Consents for Grease traps/Oil interceptors/Amalgam traps	\$130 per annum	\$140 per annum	Charge to recover administration and monitoring cost of grease traps/ oil interceptors & other treatment devices/ amalgam traps at dental surgeries
2.9	All other premises (conditional) plus trade waste charges	\$1,410 per annum	\$1,510 per annum	Charge to recover administration and monitoring cost of trade waste consents
2.9	Discharge administration fee	\$650 per annum	\$700 per annum	Charge to recover administration and monitoring costs of permitted customers with discharges exceeding 5m ³ /day
Trade Waste Charges (Table 3 – Schedule 1)				
3.1	Volume Charge (\$/m ³)	\$0.694/m ³	\$0.87 /m ³	Charge to recover sewerage collection costs
3.3	Suspended Solids Charge (SS) (\$/kg)	\$0.744/kg SS	\$1.16 /kg SS	Charge to recover suspended solids treatment costs
3.4	Organic Loading Charge (BOD) (\$/kg)	\$0.71/kg BOD	\$0.86 /kg BOD	Charge to recover organic loading treatment costs
3.6	Phosphorous Charge (DRP) (\$/kg)	\$38.805 /kg DRP	\$54.11 /kg DRP	Charge to recover phosphorous (DRP) removal costs
Tanker Waste Charges (Table 4 – Schedule 1)				

4.1	Tankerred Wastes Charge	\$45/1,000 litres	\$50/1,000 litres	Charge to recover administration, receiving and treatment costs of tankerred wastes
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The volume dependent charges are based on historic flows, strengths and costs. The proposed 2025/26 charges are based on flows over the two years to 31 December 2024 and costs for the year to 30 June 2024. The combination of these charges is anticipated to increase overall charges for tradewaste users by between 20% and 25%.

The fixed charges are set to recover direct costs of sampling, analysis and administration of tradewaste effluent charged from conditional consent holders under the provisions of the bylaw. Sampling is required to confirm compliance with the consent conditions and in conjunction with the measured flows used to determine the monthly charges. It is proposed that each of the administrative charges be increased by 7-8% to reflect increasing operating costs.

2.5 Level of Service

As part of the process of preparing the Long-term Plan 2024-34 the level of service for all areas was considered. This determined that the current levels are appropriate.

3. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis. This enables Council to be satisfied that they are transparent, fair and reasonable and market comparable. This does not necessarily mean that fees will be increased every year.

The options available include no change being made, proceeding with the recommendations or changing fees by a different amount. If no change is made or fees are increased by a lesser amount, the proposed budgeted revenue for 2025/26 cannot be met. This will result in the level of ratepayer funding having to be increased to make up the shortfall or the level of services being reduced.

The remaining option is to proceed with the recommended changes. This will ensure that the charges for providing the services are fair and reasonable. It will ensure that the revenue attained from fees and charges reflects the true cost to Council of providing such services.

4. FINANCIAL IMPLICATIONS

The proposed fees and charges will enable the budget targets for 2025/26 as defined in the proposed Long-term Plan 2024-34 to be met based on the volume assumed. In particular it will enable the generation of \$1.2 million of revenue from trade waste charges.

5. MAKING A SUBMISSION

Submissions on the proposal are invited and must be received by the Council during the submission period which opens on Monday 17 March 2025 and closes at 5.00 pm on Friday 11 April 2025. Enquiries may be directed to the Manager – Three Waters on telephone 356 8199.

Submissions must be in writing and may be delivered, posted or emailed to:

Manager Governance
Palmerston North City Council
Private Bag 11-034
Palmerston North 4442

Email submission@pncc.govt.nz

Submissions should include the name and address of the person making the submission, including a daytime telephone contact number, and also advise if they wish to speak about their submission to a meeting of Councillors.

Waid Crockett
Chief Executive

PROPOSED AMENDMENTS TO FEES AND CHARGES FOR PLANNING AND MISCELLANEOUS SERVICES

STATEMENT OF PROPOSAL

1. INTRODUCTION

It is Council's policy to review its fees and charges every year. As a result of the most recent review the proposed to change the fees and charges varies. Flat charges, indicative charges and charges based on hourly rates are proposed to be increased by approx. 3.7%.

The changes to fees and charges are designed to ensure there is sufficient revenue to match the increase in operational costs and satisfy the requirements of Council's Revenue & Financing Policy. Changes to these fees and charges are required to be approved using the special consultative procedure or a similar procedure.

2. BACKGROUND

2.1 Revenue & Financing Policy Requirements

As part of Council's financial framework it has in place a Revenue and Financing Policy that was adopted in 2024.

The policy defines how operating expenditure for each activity will be funded. In summary the funding sources are from either, user charges or targeted rates (private), rates (public), or based on the exacerbator principle whereby the cost of an activity can be attributed to an individual or a group of individuals.

For the fees and charges being considered funding is based on the following principles:

2.1.1 Planning Services

The entire community benefits from safe reliable infrastructure and resources and consistent transparent Council procedures. The entire community benefits from advice relating to potential resource consents or resource management as well as from resource consent monitoring and enforcement activities. Developers and property owners benefit from the resource consent advice, information and certainty provided by the Council.

The Revenue & Financing Policy outlines that the funding source for public services (namely planning advice, information, consent monitoring and enforcement) as compared to private services (being resource consent processing) should be clearly

separated to reflect those who benefit from the service, the period of benefit and those who create the need.

The Policy indicates that a “high” percentage of planning (public) services should be funded from rates with a “high” percentage of planning (private) services to be funded by fees and charges.

The proposed budget for 2025/26 compared to the proposed funding policy is as follows:

Activity	Target Policy	Budget 2025/26	Compliance with Policy?
Planning Services – Private	100% Fees and Charges	88% Fees and Charges	<i>Falls within policy band however aim is to achieve 100% recovery</i>
Planning Services – Public	100% Rates	100% Rates	<i>Meets the policy</i>

2.2 Statutory Requirements

The setting of the fees and charges for the fee group entitled **Planning Services** is empowered by Section 36 of the Resource Management Act 1991 (RMA) and requires the Council to follow the special consultative procedure as set out in section 83 of the Local Government Act 2002 (LGA). This requires the fees and charges proposed for planning to be initially referred to Council and then notified for public consultation before they can be approved by Council.

The Council is required to have regard for the criteria outlined in section 36AAA of RMA when establishing fees and charges. The key purpose of such charges is required to be to recover the reasonable costs incurred by the Council in relation to the activity for which the charge is being made.

Most of the charges for the fee group entitled **Miscellaneous** (except for those set under the Food Act 2014) are empowered under the LGA. This authorises the Council to recover the costs it incurs for approvals, authorities and inspections not covered by the primary legislation under which the Council operates, e.g., RMA. Accordingly, in terms of section 150 of the LGA they are required to be set in a manner which gives effect to the consultation principles in section 82 of the LGA. However, as they are being reviewed in conjunction with the charges for planning services it is practical to use the special consultative procedure.

Those set under section 205 of the Food Act 2014 to cover the Council’s activities relating to registration, verification and compliance and monitoring under the Act must be set using the special consultative procedure.

2.3 Factors Impacting on Setting Fees and Charges

A number of other considerations are factored into the proposed fees. They are:

Transparency

It is important that fees and charges are structured in a manner that clearly identifies the specific service being provided and the true cost of providing such services.

Fair and reasonable

That the charges are demonstrated to be fair and reasonable.

2.4 Outline of Proposed Fees and Charges

2.4.1 Planning Services

The proposed fees and charges are shown in detail in **Attachment A**.

Most of the charges are proposed to be increased by approximately 3.7% to reflect increased operating costs. In the case of the other consent/designation fees an indicative charge is shown, but in each instance the actual charge would be based on the time spent on the application. In the event of any objection to the final charge the Council is unlikely to discount below the indicative charge (pursuant to section 36AAB(2) of the Resource Management Act).

No change is proposed to the level of deposits in recognition of the present development market.

The fees for Planning Services have been compared against ten other Councils in New Zealand and are typically at, or near the top of the list. This is consistent with comparisons done in previous years. It may reflect the varying approaches to the funding policy expectations across the sample Councils and/or the way their costs are allocated to the various activities. Meaningful comparisons are very difficult to make. Although future efforts will be made to better understand some of the reasons for the differences the current focus is to continually improve the effectiveness and efficiency of the service delivered by Council.

2.4.2 Miscellaneous Services

The proposed fees and charges are shown in detail in **Attachment B**. Standard fees and those based on hourly rates are proposed to be increased by approximately 3.7% to reflect increased operating costs. No change is proposed for the LIM charge as work is being done to endeavour to streamline this process and reduce or hold the costs for Council. Food plan charges are proposed to be increased by 3.4%.

2.5 Level of Service

As part of the process of preparing the 2024-34 Long-term Plan the level of service for all areas was considered. This determined that the current levels are appropriate.

3. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis. This enables Council to be satisfied that they are transparent, fair and reasonable and market comparable. This does not necessarily mean that fees will be increased every year.

The options available include no change being made, proceeding with the recommendations or changing fees by a different amount. If no change is made or fees are increased by a lesser amount, the proposed budgeted revenue for 2025/26 cannot be met. This will result in the level of ratepayer funding having to be increased to make up the shortfall or the level of services being reduced.

The remaining option is to proceed with the recommended changes. This will ensure that the charges for providing the services are fair and reasonable. It will ensure that the revenue attained from fees and charges reflects the true cost to Council of providing such services.

4. FINANCIAL IMPLICATIONS

The proposed fees and charges will enable the budget target of \$1.75 million for 2025/26 as defined in the proposed Long-term Plan to be met based on the volume assumed.

5. MAKING A SUBMISSION

Submissions on the proposal are invited and must be received by the Council during the submission period which opens on Monday 17 March 2025 and closes at 5.00 pm on Friday 11 April 2025. Enquiries may be directed to the Manager Planning Service on telephone 356 8199.

Submissions must be in writing and may be delivered, posted or emailed to:

Manager Governance
Palmerston North City Council
Private Bag 11-034
Palmerston North 4442
Email submission@pncc.govt.nz

Submissions should include the name and address of the person making the submission, including a daytime telephone contact number, and also advise if they wish to speak about their submission to a meeting of Councillors.

Waid Crockett
Chief Executive

Planning Services fees and charges

All fees and charges include GST unless indicated. Effective from 1 July 2025

Planning services charges listed below are imposed under the Resource Management Act 1991 (RMA) to recover the cost to Council for processing applications, monitoring consents and for Notice of Requirements Designations and Private District Plan Changes.

The Council's normal approach will be to invoice charges progressively (month by month) but we reserve the right to require a deposit of up to the amounts shown below before any work begins.

Flat Fees

Activity Type	Charge from 1 July 2024	Charge from 1 July 2025
Small-scale resource consents	\$ 780	\$ 810
Boundary Activity	\$ 430	\$ 450
Temporary or Marginal Breaches	\$ 660	\$ 680
Certificates of Compliance	\$ 550	\$ 570
Town Planning Certificate (Alcohol)	\$ 430	\$ 450
Existing Use Certificates	\$ 1,250	\$ 1,300
Waiver for requirement for Outline Plan	\$ 550	\$ 570

Indicative charges

These charges are payable by applicants for resource consents, for the local authority to carry out its functions in relation to receiving, processing and granting resource consents, including certificates of compliance and existing use certificates (RMA Section 36(1)(b)).

These charges were previously known as fixed fees. The terminology has been changed to indicative charges to make it clearer.

Section 36 of the RMA enables the Council to charge additional fees to recover actual and reasonable costs when the "fixed fee" is inadequate. This means that applications that exceed standard processing times or which involve a hearing may incur additional charges. Consultants' and solicitors' fees associated with all work types are also included.

Part of the charge may be refunded if the work required to process the application is minimal.

Activity Type	Charge from 1 July 2024	Charge from 1 July 2025	Deposit
Non notified land use consents (minor)	\$ 2,200	\$ 2,300	\$ 1,500
Non notified land use consents (other than minor)	\$ 5,000	\$ 5,200	\$ 3,000
Limited notified land use consents	\$ 73,000	\$ 76,000	\$ 48,000
Notified land use consents (full notification)	\$ 97,000	\$ 100,000	\$ 64,000
Non notified subdivision consents (controlled activity)	\$ 3,400	\$ 3,500	\$ 1,900
Non notified subdivision consents (discretionary restricted)	\$ 3,600	\$ 3,700	\$ 2,400
Non notified subdivision consents (other)	\$ 6,800	\$ 7,100	\$ 4,500
Notified subdivision consents for up to and including 20 lots in total (full and limited notification)	\$ 28,000	\$ 29,000	\$ 18,000
Notified subdivision consents for more than 20 lots (full and limited notification)	\$ 48,000	\$ 50,000	\$ 31,000
Outline planning approval	\$ 1,400	\$ 1,500	\$ 900
Notified notice of requirements, heritage orders, designation alterations	\$ 20,000	\$ 21,000	\$ 13,000
Non notified notice of requirements, heritage orders, designation alterations	\$ 3,400	\$ 3,500	\$ 2,000
District Plan changes	\$ 32,000	\$ 33,000	\$ 20,000

The following charges are payable by resource consent holders for Council to carry out its functions relating to administering, monitoring and supervising resource consents, including certificates of compliance and existing use certificates, and for carrying out its resource management functions under Section 35 (Section 36(1)(c)).

Activity Type	Charge from 1 July 2024	Charge from 1 July 2025	Deposit
Monitoring of non notified resource consents	At cost of Officer's time per hour (minimum 2 hours)	At cost of Officer's time per hour (minimum 2 hours)	N/A
Monitoring of notified resource consents	At cost of Officer's time per hour (minimum 4 hours)	At cost of Officer's time per hour (minimum 4 hours)	N/A
Variations to conditions (section 127 and 221 - subdivision and land use)	\$ 2,175	\$ 2,255	\$ 1,400
Extensions of time (section 125)	\$ 1,375	\$ 1,425	\$ 900
Cancellation of building line restrictions (under Local Government Act 1974)	\$ 1,375	\$ 1,425	\$ 900
Adjustment of easements	\$ 1,375	\$ 1,425	\$ 900
Subdivision certificates (including section 223, 224)	\$ 485	\$ 505	\$ 300
Subdivision certificates (section 226)	\$ 1,715	\$ 1,780	\$ 1,100
Removal of designations	\$ 320	\$ 330	\$ 280
Purchase of District Plan & District Plan updates	At cost	At cost	N/A

The following charges are payable by resource consent holders, for Council to carry out its functions relating to reviewing consent conditions.

Activity Type	Charge from 1 July 2024	Charge from 1 July 2025
Review at the request of the consent holder	\$ 2,060	\$ 2,135
Review pursuant to section 128(1)(a)	\$ 2,060	\$ 2,135
Review pursuant to section 128(1)(c)	\$ 6,065	\$ 6,290

Document charges	Charge from 1 July 2024	Charge from 1 July 2025
Charges for supply of documents payable by the person requesting the document. (Section 36(1)(f))		
Replacement copies of certificates	\$ 130	\$ 135
Replacement copies of resource consents	At cost of officer's time per hour + disbursements	At cost of officer's time per hour + disbursements
Other documents	\$1 per page	\$1 per page
Additional copies of order papers	\$ 40	\$ 40

Other Charges

Advisory Service

There is no charge for an individual enquiry up to 30 minutes (whether in person at our Customer Service Centre, by phone or in writing). Where an individual enquiry is for a period longer than 30 minutes, it will be charged at cost, based on the relevant officer's hourly rate.

Pre-application advice

A \$1,000 fee will be charged for use of the pre-application service (standard proposals). This applies where staff provide professional advice before you lodge a resource consent application. For additional advice or special circumstances, time will be charged at the relevant officer's/**consultant's** hourly rate.

Consultant Charges

Consultants' and solicitors' fees associated with all work types will be charged at cost plus disbursements. This includes processing a consent or certificate (including specialist technical or legal advice where a consent involves creating legal instruments) and new notices of requirement, heritage orders, designation alterations, removal of designations and District Plan changes.

Charges for hearings

Hearings for all applications, designations, notice of requirements private District Plan changes, development contributions and remittance fees and associated work by relevant staff will be charged at the cost of officers' time per hour, as shown below.

Production of order papers will be at cost plus disbursements.

Council Officer's Hourly Rates	Charge from 1 July 2024	Charge from 1 July 2025
These charges are the rates per hour for Council officers and decision-makers for processing consents, hearings, designations etc that do not have an indicative charge or where the indicative charge is inadequate to cover the actual and reasonable costs of the Council.		
Planning Technician	\$ 209	\$ 215
Planning Officers	\$ 235	\$ 245
Monitoring and Enforcement Officer	\$ 209	\$ 215
Senior Planning Officer	\$ 251	\$ 260
Team Leader, Planning Services	\$ 262	\$ 270
Manager, Planning Services	\$ 273	\$ 285
City Planning Manager	\$ 273	\$ 285
General Manager	\$ 294	\$ 305
Team Leader, Business Support	\$ 219	\$ 227
Senior Business Support Officer	\$ 198	\$ 205
Administration/Committee Administration Staff	\$ 144	\$ 149
Technical and Professional Staff from all other Council units	\$ 268	\$ 245
Commissioner	At cost plus disbursements	At cost plus disbursements
Hearing Panel of Elected Members (Chair & members)	At cost (\$116 per hour and \$93 per hour for members) plus disbursements	At cost (\$116 per hour and \$93 per hour for members) plus disbursements

Guidance notes

The number of lots in a subdivision includes the balance lot.

The fixed charges do not include other charges that may be imposed under the RMA or other legislation such as:

- Additional charges (section 36(5));
- Bonds
- Monitoring and supervision charges expressly provided for in a resource consent
- Development contributions

Fees Methodology

Council now generally no longer takes deposits and instead charges fees on a monthly basis. However, provision still remains for the Council to require deposits in special circumstances. Land use and subdivision consent charges have been based on average costs of consents issued. Deposits have generally been set at rates consistent with the previous year. Indicative charges are set at an appropriate level based on historical data. Final charges will be based on staff hourly rates, technical officer or consultant time and any other relevant Council fees that apply.

Minor non notified land use consents usually applies to:

- applications for a dwelling, or a minor dwelling, dependent dwellings, accessory buildings, home occupations and access in the residential and rural zones
- applications for non-illuminated signs in the business and industrial zones.

Monitoring and inspection charges are based on staff hourly rates to complete the task. Dealing with compliance issues is based on the actual time spent by the officer, based on the hourly rate for the Monitoring and Enforcement Officer.

Miscellaneous fees and charges

Miscellaneous charges are for inspections, information and other services not specified in our other fees schedules. They include LIMs, swimming pool inspections, vehicle crossing applications and charges for Council staff, among other things.

All fees and charges include GST. Effective from 1 July 2025.

These miscellaneous charges are imposed under the Local Government Act 2002. They seek to recover the cost to Palmerston North City Council for approvals, authorities and inspections not covered by the primary legislation under which the Council operates. (These being the Resource Management Act 1991, Building Act 2004, Dog Control Act 1996, Impounding Act 1955, Food Act 2014 and Land Transport Act 1998).

LIMS, GIS inputting, Street number changes	Fixed Fee from 1 Jul 2024	Fixed Fee from 1 Jul 2025
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These are payable when a request is made to Council for a service or for information. No additional charges will be applied.

Land Information Memorandum	\$ 521	\$ 521
GIS Inputting, per consent	\$ 218	\$ 226
Request for street number changes	\$ 469	\$ 486

Noise	Fixed Fee from 1 Jul 2024	Fixed Fee from 1 Jul 2025
Return of seized sound equipment: First offence	\$ 215	\$ 223
Return of seized sound equipment: Second or subsequent offence	\$ 503	\$ 522
Disconnection of alarms under the Resource Management Act	Recovery of actual cost incurred by Council, including staff time and contractor costs	

Food control plan auditing	Fixed Fee from 1 Jul 2024	Fixed Fee from 1 Jul 2025
These fees are non-refundable. They are charged under the Food Act 2014 and include site visits, reporting and general administration.		
Processing an application for registration or renewal of a food control plan or a national programme	\$ 334	\$ 345
Verification, initial or follow-up site visits (including reporting) (hourly rate)	\$ 208	\$ 215

Domestic Food Business Levy		Fixed Fee from 1 Jul 2025
The Council is required to collect levies on behalf of the Ministry of Primary Industries to cover their costs associated with administering food safety legislation.		
Charge per annum for each food business for operators that are required to operate under a food control plan or a food business subject to a national programme. (note: this levy will increase to \$99.19 from 1 July 2026 and \$132.25 from 1 July 2027)		\$ 66.13
Council administration charge for acting as collection agent		\$ 11

Deposits	Charge from 1 Jul 2024	Charge from 1 Jul 2025
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Charges for all services are based on the actual costs incurred by the Council. Any deposits specified below are payable before the Council starts the service. The total charge for the service will be determined when the service is completed, based on the time spent on the work by the relevant officer at that officer's hourly rate.

Right of Way Approval- section 348	\$ 500	\$ 500
Certificate of Compliance Building Code - Alcohol	Billed at the actual cost of the officer's time per hour	Billed at the actual cost of the officer's time per hour
Gambling venue consent	\$472 plus officer's hours after 3 hours	\$472 plus officer's hours after 3 hours

Other Charges

These fees may be applicable to a consent or may be applied as a single charge.

Photocopying or copy of scanned documents	Charge from 1 Jul 2024	Charge from 1 Jul 2025
A0, A1, A2	\$10.00/page	\$10.00/page
A3	\$0.50/page	\$0.50/page
A4	\$0.40/page	\$0.40/page
Double sided A3	\$0.60/page	\$0.60/page
Double sided A4	\$0.50/page	\$0.50/page
Single sided (colour copies)	Additional charge of \$1.70/page	Additional charge of \$1.70/page
Double sided (colour copies)	Additional charge of \$3.80/sheet	Additional charge of \$3.80/sheet

Request for Property Information	Charge from 1 Jul 2024	Charge from 1 Jul 2025
Copy of Property Information	At cost of officer's time per hour plus disbursements	
Certificate of Title	\$ 33	\$ 34

Swimming Pools	Charge from 1 Jul 2024	Charge from 1 Jul 2025
Initial compliance inspection	\$ 242	\$ 251
Swimming Pool reinspections (second and subsequent inspections)	\$242.00 per inspection	\$251.00 per inspection

Vehicle crossings	Charge from 1 Jul 2024	Charge from 1 Jul 2025
T1 Inspect existing vehicle crossing	\$ 258	\$ 268
T2 New vehicle crossing	\$ 476	\$ 494
T3 Alter an existing vehicle crossing	\$ 258	\$ 268

Asset bonds	Charge from 1 Jul 2024	Charge from 1 Jul 2025
Council Asset Bond, payable for each building consent above the value of \$100,000	\$1,000 (no GST)	\$1,000 (no GST)
Administration & processing fee	\$ 227	\$ 235

Overgrown Trees/Shrubbery	Charge from 1 Jul 2024	Charge from 1 Jul 2025
Removal of overgrown trees or shrubbery	Recovery of actual cost incurred by Council, including staff time and contractor costs	

Charges for Council officers and decision-makers

	Charge from 1 Jul 2024	Charge from 1 Jul 2025
These charges are the rate per hour (or part thereof) for Council staff services, by work type, for approvals, authorities and inspections that are not listed on this page as a fixed fee.		
General Manager	\$ 294	\$ 305
City Planning Manager	\$ 273	\$ 285
Manager Planning Services	\$ 273	\$ 285
Team Leader, Planning Services	\$ 262	\$ 270
Senior Planning Officer	\$ 251	\$ 260
Planning Officers	\$ 235	\$ 245
Planning Technician	\$ 209	\$ 215
Monitoring and Enforcement Officer	\$ 209	\$ 215
Team Leader Building	\$ 251	\$ 260
Senior Plumbing and Drainage Officer and Advanced Building Officer	\$ 251	\$ 260
Building Officer	\$ 231	\$ 240
Manager Environmental Protection	\$ 275	\$ 284
Environmental Health Officer	\$ 223	\$ 231
Team Leader Business Support	\$ 219	\$ 227
Senior Business Support Officer	\$ 198	\$ 205
Administration staff	\$ 144	\$ 149
Technical and professional staff from other parts of Council	\$ 268	\$ 245
Commissioner	At cost plus disbursements	
Hearing Panel of elected members	At cost (\$116 per hour and \$93 per hour for members) plus disbursements	At cost (\$116 per hour and \$93 per hour for members) plus disbursements

PROPOSED AMENDMENTS TO FEES AND CHARGES FOR PLANNING AND MISCELLANEOUS SERVICES

Appendix 3b

SUMMARY OF INFORMATION

Pursuant to Sections 83 and 150 of the Local Government Act 2002, the Palmerston North City Council gives notice that it is commencing the Special Consultative Procedure to obtain community feedback on proposed updates to fees and charges for Planning and Miscellaneous Services. It is Council's policy to review the above fees and charges every year to ensure there is sufficient revenue to match the increase in operational costs and satisfy the requirements of Council's Revenue and Financing Policy.

As a result of the most recent review it is proposed to increase most fees and charges by approximately 3.7% to cover increasing costs.

A copy of the Statement of Proposal including the schedule of proposed fees and charges can be inspected and/or obtained as follows:

- Through the Council's website pncc.govt.nz
- At the Customer Services Centre, Civic Administration Building or the City Library (both in the Square)
- By telephoning 356 8199.

Enquiries may also be directed to the Manager Planning Services on telephone 356 8199.

Submissions on the proposal are invited and must be received by the Council during the submission period which opens on Monday 17 March 2025 and closes at 5.00 pm on Friday 11 April 2025. Submissions must be in writing and may be delivered, posted or emailed to:

Manager Governance
Palmerston North City Council
Private Bag 11-034
Palmerston North 4442
Email submission@pncc.govt.nz

All submissions received will be considered. Submissions should include the name and address of the person making the submission, including a daytime telephone contact number, and also advise if they wish to speak about their submission to a meeting of Councillors.

Waid Crockett
CHIEF EXECUTIVE

Building Services Fees and Charges

Appendix 4

1. INTRODUCTION

The Council's Revenue and Financing Policy (Long-term Plan 2024-34, page 287) outlines that as the main beneficiaries of the building activity are those who use the service (i.e. property developers and building owners), a significant portion of the cost should be borne by users. For the purposes of the Policy this portion is described as medium/high (i.e. 60-79% of the costs).

Broadly the Policy is based on the belief that consents processing and inspections should be user funded with information gathering and monitoring to be publicly funded.

Fees and charges were last increased from 1 July 2024.

2. BACKGROUND

2.1 Statutory Requirements

The setting of fees and charges for Building Services is empowered by Section 219 of the Building Act 2004. As such, they can be set by Council resolution and do not require any special consultative procedures. In accordance with the spirit of the LGA it is recommended that they be publicly notified.

2.2 Factors Impacting on Setting Fees and Charges

The following factors impact on the fees and charges;

- The legislative requirements as to the nature of the work required to be undertaken by the Council
- The volume of work undertaken as some costs are fixed and do not fluctuate depending on volume

3. PROPOSED FEES AND CHARGES

The proposed amended fees and charges are contained in the attached schedule (**Attachment A**).

Increases of approximately 3.7% are proposed to reflect the desire to cover sufficient of the estimated costs to meet Council's policy target.

4. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis. This enables the Council to be satisfied that the fees and charges are transparent, fair and reasonable. The options available are:

- no change being made to existing fees and charges; or,
- proceeding with the recommendations set out in this proposal

5. FINANCIAL IMPLICATIONS

The proposed amended fees and charges will assist budget targets for 2025/26 being met, based on the volume of work assumed. The actual fees and charges for 2023/24 represented 66% of costs incurred and the budget for 2024/25 is 77%. The proposed budget for 2025/26 includes a 70% fee recovery assumption.

Activity	Target Policy	Budget 2025/26	Compliance with Policy?
Building services – PNCC	60 – 79% Fees and Charges	70% Fees and Charges	Within policy target band

Building Services fees & charges

All fees and charges include GST unless indicated. Effective from 1 July 2025

Building Services charges listed below are imposed under the Building Act 2004 to recover the cost to Palmerston North City Council for processing applications, undertaking inspections, and related work.

Fixed building consent fees

The fixed fee contains all fees applicable, however a refundable asset bond may be taken, or Building and BRANZ levies may also apply (depending on the project value).

Minor Consents (minor building works)		from 1 July 2024	from 1 July 2025
Criteria for submitting applications under minor consents are part of the application process. Criteria include: Building works comply with the District Plan and are clear of any easements, all buildings on one legal allotment. External building works on land subject to natural hazards, or on land with a high risk of liquefaction are excluded. When the criteria are not met, the minor consent application will revert to a standard building consent application, at Council's discretion.			
K1	Residential: Demolition/Removal of existing residential building or outbuilding. A separate consent is required to replace.	\$ 881	\$ 914
K2	Commercial: Demolition/Removal of existing commercial building or outbuilding. A separate consent is required to replace.	\$ 993	\$ 1,030
K3	Conservatory (proprietary). Conventional construction placed on existing deck or platform only. No Foundations included.	\$ 836	\$ 867
K4	External wall insulation - from removing internal linings	\$ 1,349	\$ 1,399
K5	Install additional sanitary fixtures into dwelling with timber subfloor - single storey	\$ 1,349	\$ 1,399
K6	Install additional sanitary fixtures into dwelling with concrete floor	\$ 1,575	\$ 1,633
K7	Remove non-load bearing wall with bracing element	\$ 1,015	\$ 1,053
K8	Remove load bearing internal wall	\$ 1,642	\$ 1,703
K9	Level entry shower - timber subfloor	\$ 1,466	\$ 1,520
N1	Level entry shower - concrete floor	\$ 1,638	\$ 1,699
N2	Stormwater to Council services	\$ 1,061	\$ 1,100
N3	Erect unlined proprietary garage (excluding sanitary services and/or firewall)	\$ 1,503	\$ 1,559
N4	Freestanding wood burner - single storey residential only	\$ 734	\$ 761
N5	Inbuilt wood burner - residential only , within existing chimney	\$ 979	\$ 1,015
N6	Swimming pool & pool fence (barrier).	\$ 1,412	\$ 1,464

Fast-track minor consents		from 1 July 2024	from 1 July 2025
These are available to approved customers only. An "approved customer" must be pre-approved by Palmerston North City Council Building Services. Approved customers are those who submit applications within agreed construction parameters using a refined method, to Council's satisfaction.			
F1	Freestanding solid fuel heater	\$ 681	\$ 706
F2	Inbuilt solid fuel heater	\$ 926	\$ 960
F3	Proprietary garage	\$ 1,428	\$ 1,481

Project Information Memorandum		from 1 July 2024	from 1 July 2025
PIM Fixed Fee Work		\$ 153	\$ 159

Processing Fees

Private building consent authorities	from 1 July 2024	from 1 July 2025
BCA Filing Fee	\$ 131	\$ 136

Warrant of fitness and compliance schedules	from 1 July 2024	from 1 July 2025
Annual building warrant of fitness renewal	\$ 119	\$ 123
New compliance schedule	\$ 219	\$ 227
Alteration to existing compliance schedule	\$ 141	\$ 146
Building WoF site audit and reinspection	\$242 per inspection	\$251 per inspection
IQP Registration for new IQPs	\$ 454	\$ 471
IQP annual renewal	\$ 126	\$ 131

Engineering checking	
Structural Engineering Checking	Actual cost as charged by the consultant engineer

Advisory Service	
This applies when staff provide information in response to customer queries.	No cost for an individual enquiry up to 30 minutes whether in person or in writing. If the enquiry is for longer than 30 minutes, this will be charged based on the relevant officer's hourly rate (listed below)

Pre Lodgement Vetting	
This applies when staff vet information before an application is lodged.	Charged based on the relevant officer's hourly rate (listed below)

Other Fees

Code compliance certificate	from 1 July 2024	from 1 July 2025
Residential	\$ 189	\$ 196
Commercial	\$ 611	\$ 634

Building inspections	from 1 July 2024	from 1 July 2025
Standard Building Inspection	\$242 per inspection	\$251 per inspection
Late Cancellation Inspection Fee (inspections that are cancelled within 48 hours)	\$ 242	\$ 251
Additional paperwork in relation to a failed or extra building inspection.	Charged at relevant officer's hourly rate, plus any additional relevant fees and charges	
Third Party Report	\$ 688	\$ 713
Section 72 certificate condition	\$ 843	\$ 874
Section 75 certificate condition	\$ 930	\$ 964
Removal of Certificate Condition	\$ 767	\$ 795

Application fees	from 1 July 2024	from 1 July 2025
Extend timeframe for building consent or code compliance certificate	\$ 107	\$ 111
Building consent application, amendment to building consent, certificate of public use, exempt building work, waiver and modification applications	Charged based on the relevant officer's hourly rate, plus any additional relevant fees and charges. Officers' rates are listed below	

Licensed building practitioner registration	from 1 July 2024	from 1 July 2025
This an additional fee for all restricted building work projects	\$ 175	\$ 181

Certificate of acceptance	from 1 July 2024	from 1 July 2025
Lodgement fee (non-refundable)	\$ 750	\$ 750
Processing Fee	Charged based on the relevant officer's hourly rate, plus any inspections, planning, checks and other applicable fees and charges. Officers' rates are listed below.	

BCA accreditation fee	from 1 July 2024	from 1 July 2025
Per \$1,000 of project value	\$ 1.89	1.96

Scanning fee, digital storage and file management	from 1 July 2024	from 1 July 2025
This fee is for all building consent applications other than fixed fee applications. Online building consent applications or lodging additional information online in a format that meets Council requirements does not attract scanning, digital storage and file management charges.		
A0 - A2	\$3.75/page	\$3.75/page
A3 & A4	\$2.25/page	\$2.25/page

Online Consenting Service Charge and System Implementation Charge

This is a charge to use the online system, to recover the cost the Council has incurred in implementing the system. It is charged against all applications we process.

	from 1 July 2024	from 1 July 2025
Value of work less than \$125,000	\$ 86	\$ 92
Value of work more than \$125,000 up to \$2.5m	0.0748%	0.0863%
Value of work more than \$2.5m	\$ 1,868	\$ 2,157

Charges for Earthquake-prone building matters

These charges are to recover the cost Council has incurred in implementing the legislative requirements under the Building (Earthquake-prone Buildings) Amendment Act 2016.

	from 1 July 2024	from 1 July 2025
Extension of time	\$ 107	\$ 111
Determine earthquake rating (NBS)	\$ 1,407	\$ 1,459
Exemption	\$ 430	\$ 446
Alterations to EPB. This is added to building consent fees & charges	\$ 620	\$ 643

Charges for Council Staff

Charged for processing consents that don't have a set fee.

Council Officer's Hourly Rates	from 1 July 2024	from 1 July 2025
Team Leader Building	\$ 251	\$ 260
Senior Plumbing and Drainage Officer and Advanced Building Officer	\$ 251	\$ 260
Building Officer	\$ 231	\$ 240
Building Services Advisor	\$ 209	\$ 217
Senior Planning Officer	\$ 251	\$ 260
Team Leader, Planning Services	\$ 262	\$ 270
Planning Officers	\$ 235	\$ 245
Monitoring and Enforcement Officer	\$ 209	\$ 215
Manager Environmental Protection	\$ 275	\$ 284
Environmental Health Officer	\$ 223	\$ 231
Team Leader Business Support	\$ 219	\$ 227
Senior Business Support Officer	\$ 198	\$ 205
Manager Building Services	\$ 272	\$ 282
General Manager	\$ 294	\$ 305
Technical and professional staff from other parts of Council	\$ 268	\$ 245
Administration staff	\$ 144	\$ 149

Levies

Additional to Council charges are levies imposed by the Building Research Association of New Zealand (BRANZ) and the Ministry of Business, Innovation and Employment (MBIE) on all building consents that have a building work value of more than \$20,000 (BRANZ) or more than \$65,000 (MBIE). BRANZ levies contribute to the cost of testing and certifying building materials for use while MBIE levies contribute to the cost of building consent administration at the national level.

Current levies (subject to change)	from 1 July 2024	from 1 July 2025
Building (MBIE) levies per \$1,000 of project value, over the threshold of \$65,000 (GST inclusive)	\$ 1.75	\$ 1.75
BRANZ levies per \$1,000 of project value, over the threshold of \$20,000 (no GST)	\$ 1.00	\$ 1.00

Environmental Health Fees and Charges

Appendix 5

3. INTRODUCTION

It is the Council policy to review fees and charges each year. The Council's Revenue and Financing Policy (2024-34 Long-term Plan, page 298) outlines that as licensed business' are major beneficiaries of the environmental/public health activity they should bear a significant portion of the cost of the activity. For the purposes of the Policy this portion is described as medium/low (ie 20-39% of the costs).

This activity consists of Environmental Health, Alcohol Licensing and Bylaws. The Policy seeks to ensure that inspections and processing of applications is generally user funded from fees and charges. Also, that the provision of information and enforcement, particularly in terms of Bylaws, be generally funded by rates.

Fees and charges were last increased from 1 July 2024. The latest review proposes that an increase of approximately 3.7% to fees and charges is needed to enable Council's targeted recovery from users to be obtained.

2. BACKGROUND

2.1 Statutory Requirements

The charges for Environmental Health Services are empowered by Regulation 7 of the Health (Registration of Premises) Regulations 1966.

Alcohol licensing fees are set through the Sale and Supply of Alcohol (Fees) Regulations 2013. The Council does have the authority to make bylaws in relation to the fees payable to it (as authorised by the Sale and Supply of Alcohol (Fee-setting Bylaws) Order 2013) in respect of on-licences, off-licences and club licences. The Council has chosen to continue to use those set by regulation at this stage.

Fees set under section 205 of the Food Act 2014 to cover the Council's activities relating to registration, verification and compliance and monitoring under the Act must be set using the special consultative procedure.

2.2 Factors Impacting on Setting Fees and Charges

The following factors impact on the fees and charges;

- The legislative requirements as to the nature of the work required to be undertaken by the Council
- The volume of work undertaken as some costs are fixed and do not fluctuate depending on volume

For 2023/24 environmental health revenue represented 44% of operating expenses which was marginally higher than the target policy band. The budgets for 2024/25 and 2025/26 assume user charges of 43% and 43% respectively will be achieved.

3. PROPOSED FEES AND CHARGES

The proposed fees and charges are contained in attached schedule (**Attachment A**). Alcohol licensing fees are not included in the schedule as they are prescribed by regulation. Charges set under the Food Act 2014 (and associated Regulations) are likewise not included. Those set by the Council under the Food Act 2014 are contained in the separate schedule of Miscellaneous Services.

4. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis. This enables the Council to be satisfied that the fees and charges are transparent, fair and reasonable.

The options available are:

- no change being made to existing fees and charges,
- proceeding with the recommendations set out in this proposal: or
- changing fees by a different amount.

5. FINANCIAL IMPLICATIONS

The proposed fees and charges will enable the budget targets for 2025/26 as defined in the Long-term Plan to be met. This is projected to generate revenue of \$484k which at 43% is marginally above the Policy band.

Activity	Target Policy	Budget 2025/26	Compliance with Policy?
Public Health	20 – 39% Fees and Charges	43% Fees and Charges	No <i>(only marginally above policy band)</i>

Environmental Health Services fees and charges

All fees and charges include GST. Effective from 1 July 2025.

Environmental Health charges are imposed under Regulation 7 of the Health (Registration of Premises) Regulations 1966 to recover the cost to the Palmerston North City Council of providing environmental health services.

Fixed charges

These charges cover the standard cost to Council in carrying out the work listed. However, additional charges may apply depending on the circumstances, such as additional inspections, change of ownership or interpretation services that may be incurred by the Council during or after processing the application, or carrying out related inspections.

Work Type	Discounted fee if paid in July 2024	Discounted fee if paid in July 2025	Total fee (including penalty) if paid after 31 July 2025
Annual Health Licence of Hairdressers	\$ 202	\$ 209	313.50
Annual Inspection of Camping Grounds	\$ 511	\$ 530	795.00
Annual Inspection of Mortuaries	\$ 511	\$ 530	795.00
Annual Inspection for Offensive Trades	\$ 511	\$ 530	795.00
Activity fees	Fee per activity from 1 July 2024	Fee per activity from 1 July 2025	
Mobile trader food permit	\$ 241	\$ 250	
Mobile trader non-food permit	\$ 129	\$ 134	
Event or festival food inspections	At cost of Officer's time per hour	At cost of Officer's time per hour	
Amusement device inspection fee	\$11.50 (plus Officer's Time for inspection)	\$11.50 (plus Officer's Time for inspection)	
Change of ownership for health licence	\$ 257	\$ 267	
Change of ownership for hairdresser	\$ 128	\$ 133	

Other Fees

These fees may be applicable to an application or inspection, or may be applied as a single charge.

Work Type	Fee
Hairdressers - additional inspection	At cost of officer's time per hour
Setting up premises inspection(s)	At cost of officer's time per hour
Interpretation service	Actual cost plus 10% to cover Council administration costs
Inspections for tank removal or installation	At cost of officer's time per hour

Charges for Council Staff

Charges for Council staff (Rate per hour or part thereof)	Effective from 1 July 2024	Effective from 1 July 2025
Environmental Health Officer	\$ 223	\$ 231
Administration Staff	\$ 144	\$ 149
Team Leader Business Support	\$ 219	\$ 227
Manager Environmental Protection	\$ 275	\$ 284
General Manager	\$ 294	\$ 305

The Manager Environmental Protection is authorised to remit, reduce or refund any of these fees or part of a fee in any particular case where there are special grounds for doing so.

Animal Management Fees and Charges

Appendix 6

1. INTRODUCTION

It is the Council policy to review fees and charges each year. The Council's Revenue and Financing Policy (2024-34 Long-term Plan, page 298) outlines that the animal control activity is principally related to the actions or inactions of dog owners. These owners, and the public at large (through reduced nuisance), benefit from this. A significant portion of the costs should therefore be borne by dog owners. For the purposes of the Policy this portion is described as medium/high (ie 60-79% of the costs).

The Policy reflects the belief that services related to dog registration, enforcement work, housing and feeding animals be funded by user charges. Also, that the provision of education, and response to enquiries, complaints and patrolling is a public good to be covered by rates.

Registration fees and charges were last increased from 1 July 2024.

2. BACKGROUND

2.1 Statutory Requirements

Animal Control Services includes impounding fees and driving charges that are set under the Impounding Act 1955.

Animal Control Services also includes dog registration and dog control fees that are empowered by Section 37 (1) of the Dog Control Act 1996. It also includes fees for impounding dogs which are empowered under Section 68 of the Dog Control Act 1996. No consultative procedure is required to be followed to adopt the fees but they are required to be publicly notified during June.

3. PROPOSED FEES AND CHARGES

The proposed fees and charges are contained in attached schedule (**Attachment A**).

As there was a significant restructure of the fees in 2019/20 no further structural change is proposed for 2025/26.

The draft annual budget for animal management for 2025/26 assumes the following:

- An increase in fees and charges of 2-3% and total revenue of \$1.074m
- Total operating costs of \$1.57m

The proposed schedule of fees and charges includes an assumption that most fees would be increased by approximately 3.4%. There are a few exceptions to the proposed increase and these include:

Category	Explanation
Preferred owner	Council is encouraging good dog owner behaviour through the preferred owner scheme & to ensure preferred owners obtain financial benefits from participation no increase in fee is proposed
Pound fees incl. Adoption fee	Pound fees were increased in 2024/25 to reflect increasing operating costs to service debt & other costs associated with the new animal shelter. They are at the upper end of the scale nationally & no change is proposed. Adoption fees were reviewed in detail by the Council in 2024 and no further change is proposed as a consequence.

4. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis. This enables the Council to be satisfied that the fees and charges are transparent, fair and reasonable.

The options available are:

- no change being made to existing fees and charges,
- proceeding with the recommendations set out in this proposal: or
- changing fees by a different amount.

5. FINANCIAL IMPLICATIONS

The proposed fees and charges will help the budget targets for 2025/26 as defined in the proposed annual budget to be met.

Over recent years the actual portion of the costs of the activity funded from fees and charges has varied from 92% in 2018/19 to 77% in 2019/20, 89% in 2020/21, 90% in 2021/22, 88% for 2022/23 and 73% for 2023/24. The budget for 2024/25 is 66% whilst the draft budget for 2025/26 is 68%.

Activity	Target Policy	Budget 2025/26	Compliance with Policy?
Animal Control	60 – 79% Fees and Charges	68% Fees and Charges	Yes

Animal management fees and charges

All charges include GST, effective from 1 July 2025

Dog registration and dog impounding fees are imposed under the Dog Control Act 1996. Driving charges and impounding fees for animals other than dogs are imposed under the Impounding Act 1955. The fees and charges are necessary to recover the cost to Council of providing animal control services.

Fixed fees

These charges cover the standard cost to Council in carrying out the work listed. However, additional charges may be charged depending on the circumstances, such as additional inspection fees that may be incurred in doing the work noted below.

Dog registration	Standard fee from 1 July 2024	Standard fee from 1 July 2025	Total fee (including penalty) if paid after 1 August
General Registration	\$ 176	\$ 182	\$ 273.00
General Registration (desexed dog)	\$ 131	\$ 135	\$ 202.50
Preferred owner	\$ 99	\$ 99	\$ 148.50
Working dogs	\$ 61	\$ 63	\$ 94.50
Disability assist	no charge	no charge	no charge
Certified for use by specified agency	no charge	no charge	no charge
Preferred owner or multiple dog permit application	\$ 64	\$ 64	

Disability assist and specified agency are as defined in section 2 of the Dog Control Act 1996.

The registration fee for a dog that is declared a dangerous dog will be 150% of the level that would apply if it were not so classified (as required by section 32 (1)(e) of the Dog Control Act 1996).

Pound fees for dogs	Standard fee from 1 July 2024	Standard fee from 1 July 2025
When a dog is registered, microchipped, has no history with our animal management team within the past 12 months and can be returned home immediately, there is no cost.	nil	nil
When a dog is registered, microchipped, has no history with our animal management team within the past 12 months and needs to be held in the pound pending same-day collection, a holding fee will apply.	\$ 50	\$ 50
First impound	\$ 148	\$ 148
Second impound, within 12 months of first impound	\$ 222	\$ 222
Third or subsequent impound, within 12 months of previous impound	\$ 298	\$ 298
Daily charge per dog per day or part of a day	\$ 23	\$ 23
Surrender of a dog	\$ 98	\$ 98
Adoption fee (covers microchipping, vaccination, neutering and registration)	\$ 425	\$ 425

Pound fees for all animals other than dogs	Standard fee from 1 July 2024	Standard fee from 1 July 2025
First offence	\$ 124	\$ 128
Repeated offence	\$ 187	\$ 193
Sustenance and care	\$15 per day	\$16 per day

Other Fees

These fees may be added to the fixed fees list above or may be applied as a single charge.

Supplementary feed for stock

150% of sustenance charge.

Emergency release of animals from the pound outside normal hours

Normal hours are 8am to 5pm, Monday to Friday, excluding statutory and public holidays. Emergency release fees are in addition to the impound fees.

Emergency release of dogs	Standard fee from 1 July 2024	Standard fee from 1 July 2025
First emergency release	\$ 74	\$ 74
Second emergency release, within 12 months of first impound	\$ 111	\$ 111
Third and subsequent emergency releases, within 12 months of previous impound	\$ 149	\$ 149

Emergency release of other animals	Standard fee from 1 July 2024	Standard fee from 1 July 2025
First emergency release	\$ 70	\$ 70
Second emergency release, within 12 months of first impound	\$ 105	\$ 105

Driving charges	Standard fee from 1 July 2024	Standard fee from 1 July 2025
Hire transport	Actual cost incurred by Council	
Council vehicles	\$2.26 per kilometre	\$2.34 per kilometre

Microchipping	Standard fee from 1 July 2024	Standard fee from 1 July 2025
To carry out microchipping	\$30 per dog	\$30 per dog

Charges for Council Staff

Charges for Council staff (Rate per hour or part thereof)	Effective from 1 July 2024	Effective from 1 July 2025
Team Leader Animal Management & Education	\$ 223	\$ 231
Animal Control Officer	\$ 157	\$ 162
Administration Staff	\$ 144	\$ 149
Manager Environmental Protection	\$ 275	\$ 284
General Manager	\$ 294	\$ 305

Guidance note

The Manager Environmental Protection is authorised to remit, reduce or refund the dog control fee or part of the fee in any particular case or class of dog where there are special grounds for doing so.

Burial & Cremation Charges

Appendix 7

1. INTRODUCTION

It is the Council policy to review fees and charges each year. The Council's Revenue and Financing Policy 2024-34 outlines that as the main beneficiaries of the cemetery and crematorium activity are those who use the service, a significant portion of the cost should be borne by the users. For the purposes of the Policy this portion is described as medium/high (i.e. 60-79% of the costs). The remaining costs are funded from rates recognising there is a wider community benefit to providing cemetery and crematorium services.

Fees and charges were increased from 1 July 2024 by an average of 7%, following an increase of 5% in 2023.

2. BACKGROUND

2.1 Statutory Requirements

The Council adopted a revised Cemeteries and Crematorium Bylaw in 2018 under its statutory powers contained in the Burial and Cremation Act 1964. The Bylaw prescribes the Council may, by resolution publicly notified, set fees and charges for all services relating to the operation and maintenance of cemeteries and crematoria.

2.2 Factors Impacting on Setting Fees and Charges

The Council's Community Support Plan outlines the Council provides cemeteries and cemetery services that are culturally appropriate and responsive, with the community able to access cemeteries and easy to use services. Primary community needs are met through providing a final resting place for former residents of the city and surrounding area. Cemeteries are not just a place for burials, they hold significant social connections, historical character, along with amenity features and memorials for living residents. The other focus area for meeting community need is the burial and cremation services provided to families of the deceased.

The community has high expectations relating to the standards of presentation of cemeteries. As the cemetery expands, and the Council better meets community needs through enabling family decoration of graves in the lawn cemetery, the cost of management and maintenance of cemeteries increases.

The following factors impact on the fees and charges;

- Costs of managing and maintaining cemeteries and the crematorium
- The number of burials and cremations
- The level of charges set by other providers – i.e. private crematoria.

Cost of Service Provision: Table 1 summarises the budgets for cemeteries for 2022/23 through to 2025/26. Cemetery and crematorium revenue represented 57% of the operating costs in 2022/23, and 59% in 2023/24. The budget for 2024/25 assumes recovery of 59% will be achieved.

	Actual 2022/23	Actual 2023/24	Budget 2024/25	Draft Budget 2025/26
Expenses (\$k)	1,448	1,582	1,449	1,803
Revenue (\$k)	824	929	860	899
Revenue as % of Expenses	57%	59%	59%	50%

Table 1: Cemeteries Budget Summary

The draft 2025/26 budget is based on recovery through fees and charges of 50%, well below the policy setting. The budgeted operating costs in 2025/26 are \$310K higher than the \$1,493K budgeted in Year Two of the 2024-34 LTP. This increase is mainly due to the allocation of Council overheads. There is also a budgeted increase in energy costs as a result of increases in the price of gas.

The budget is based on revenue from fees and charges increasing by 4.5% compared to the 2024/25 budget.

Demand for services: Volumes of burials have remained reasonably static over recent years. By comparison cremations dipped in 2020 and have increased year on year ever since. Figure 1 summaries the burial and cremation trends.

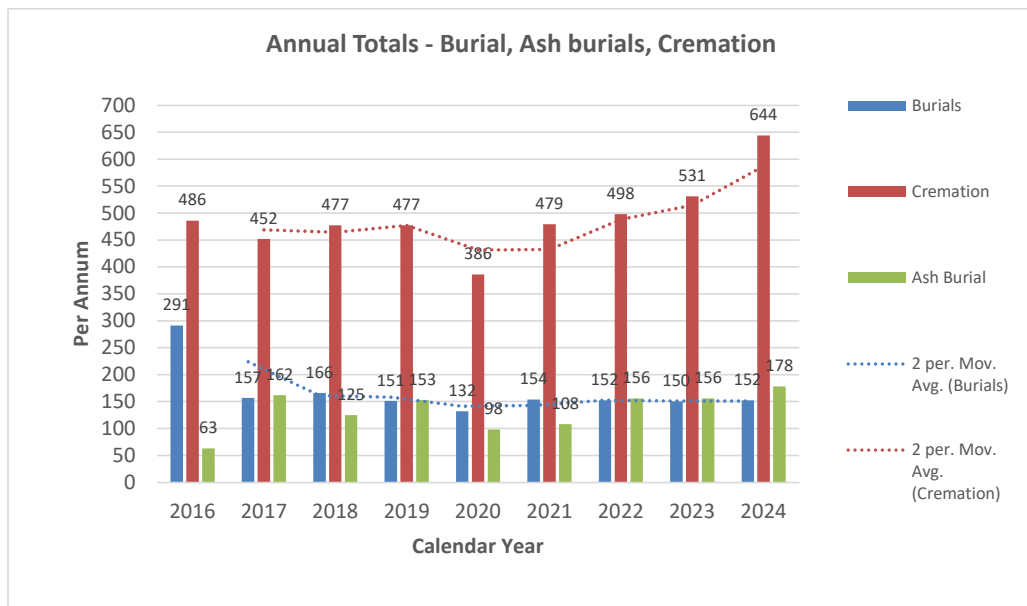


Figure 1 – Palmerston North City Council Burial and Cremation Trends

The high level of cremations in 2023 and 2024 was due to cremations undertaken on behalf of other parties when their cremators were out of service. We are forecasting the number of cremations will drop back in 2025/26. The budget assumption is 520 cremations and 150 burials per annum, providing fees and charges do not increase to an extent as to alter demand for services.

Level of Charges: Palmerston North City Council fees for burials, including plot purchase, are on par with Horowhenua and Manawatu District Councils and higher than Whanganui District Council. The Council fees for cremation are higher than Whanganui District Council but lower than private crematoria in the district and the Hastings District Council.

3. PROPOSED FEES AND CHARGES

It is recommended that Council increases fees and charges for cemetery services in 2025/26.

Cremation

The budgeted increase in the cost of gas in 2025/26 is \$43K. The cost of gas is directly attributable to operation of the cremator. To fully recover the increase in the price of gas, noting that the benefactor of cremation is the family of the deceased, rather than ratepayers, Council would need to increase the fee for cremation by \$95 (including GST). This would increase the fee from \$730 to \$825 (including GST). This would place the cost of cremation in Palmerston North at the same level as Hastings, but considerably higher than Whanganui. Whilst it is likely that other regional providers will increase cremation fees to offset increases in gas prices, a one-off increase of \$95, may impact demand for our services.

The budgeted revenue of \$899K for 2025/26 for the whole cemeteries activity has been prepared based on an increase in the price of cremation of \$50, making the new fee for cremation \$780 (including GST). Increasing the fee by \$50 would result in 53% of the additional gas costs being recovered through fees. If the fee was increased to \$825 to fully recover the additional cost of gas, the revenue would rise by \$20K to \$919K.

Other Fees and Charges

It is recommended that Council increase the balance of fees and charges by 3%. This would increase the forecast revenue by \$16K to \$915K. The rationale for an increase is that the share of the costs borne by users is well outside the policy setting for Cemeteries and Crematorium. With costs forecast to continue to increase year on year in the LTP, it is prudent to continue to incrementally increase the fees, to avoid the need for larger fee increases in the future to offset cost increases.

Bond for use of Chapel

There has been an increase in enquiries from families wishing to arrange their own funerals. This includes booking the chapel.

Council has developed a booking form to ensure that families and celebrants can access the chapel, for one-off bookings.

Council renewed the Chapel in 2023/24 as part of the project to earthquake strengthen the Kelvin Grove Crematorium. The facility is now of a very high standard. It is appropriate that a bond be introduced for one-off bookings of the chapel to ensure that any damage or additional cleaning requirements arising from the booking can be recovered from the user.

It is proposed that Council introduce a bond of \$250, and a cleaning fee (for unreasonable cleaning of the chapel) of \$130. The new fees would cover costs and therefore not generate any additional revenue.

4. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis. This enables the Council to be satisfied that the fees and charges are transparent, fair and reasonable.

The options available are:

- no change being made to existing fees and charges,
- proceeding with the recommendations set out in this proposal: or
- changing fees by a different amount.

5. FINANCIAL IMPLICATIONS

The proposed fees and charges (increasing the cremation fees by \$50K (including GST), and all other fees by 3% on average would result in a revenue of \$915K and a forecast recovery rate of 51% (based on the volume assumptions).

This revenue is \$38K higher than the revenue budgeted in the 2024-34 LTP for 2025/26.

The budgeted revenue, at 51% of costs, is below the Council's targeted % recovery from users.

An option for Council is to increase the cost of cremation to \$825 to fully recover the increase in the cost of gas, in conjunction with an average increase in other fees and charges of 3%. If adopted, this option would result in a forecast revenue of \$935k and a recovery rate of 52%.

Palmerston North City Council

Burial and Cremation Charges**(Terrace End, Kelvin Grove, Ashhurst & Bunnythorpe Cemeteries)**

All fees and charges shown are GST inclusive

BURIAL FEES *See Note 1		From 1 July 2024	From 1 July 2025
Purchase of Plot			
	Kelvin Grove, Ashhurst & Bunnythorpe Cemeteries (Double beam plots)	\$ 2,389	\$ 2,461
	Kelvin Grove Cemetery (Single beam areas) Section V	\$ 3,530	\$ 3,636
	Children's Section at Kelvin Grove (up to 13 years old)	\$ 1,194	\$ 1,230
	Services Section (RSA) - Kelvin Grove & Ashhurst	\$ 598	\$ 616
NOTE: Each plot is able to be used for two burials providing that, at the first interment, an extra depth requirement is advised to the Cemetery Administration Officer			
Interment Fees (Standard hours Mon-Fri 9.00am - 4.00pm)			
	Adult (14 years or over, including Services Personnel)	\$ 1,160	\$ 1,195
	Child up to 13 years	\$ 400	\$ 400
	Child up to 12 months	\$ 238	\$ 238
	Extra depth surcharge	\$ 255	\$ 263
	"Fill-your-own" surcharge (Clean-up)	\$ 293	\$ 302
	Overtime surcharge per hour or part thereof - applied if funeral activities at the cemetery have not concluded by 4pm Monday - Friday	\$235/hour	\$242/hour
	Disinterment	\$ 2,397	\$ 2,469
Interment Fees (Saturdays) - Applies to Interment, Extra depth and "Fill-your-own" fees			
	Saturday morning	Standard fee x 1.5	Standard fee x 1.5
	Saturday afternoon (By arrangement with cemetery staff) *See Note 3	Standard fee x 2	Standard fee x 2
CREMATION AND ASH BURIAL FEES *See Note 1		From 1 July 2024	From 1 July 2025
(Standard hours: Monday-Friday 9am - 4pm)			
	Adult Cremation only	\$ 730	\$ 780
	Child (1-13 years) - cremation only	\$ 330	\$ 340
	Child (up to 12 months) - cremation only	\$ 80	\$ 80
	Medical Referee's Fee	\$ 68	\$ 70
USE OF CHAPEL - (Standard Hours: Monday-Friday 9am - 4pm)			
	Committal service (total 1 hour)	\$ 145	\$ 145
	Full service (total 2 hours)	\$ 196	\$ 200
	Bond (for non-regular users)	n/a	\$ 250
	Cleaning Fee (for unreasonable cleaning of the chapel)	n/a	\$ 130
CREMATION FEES (Saturdays)			

	Saturday morning cremation	Cremation & chapel fees x 1.5	Cremation & chapel fees x 1.5
	Saturday afternoon cremation (by arrangement with cemetery staff) *See note 3	Cremation & chapel fees x 2	Cremation & chapel fees x 2
PURCHASE OF ASHES PLOT FOR ASH INTERMENT			
	Lawn Cemetery - (Plaque) Section P/1A, (Headstone) Section T, P/2A, V/A, (Memorial Gardens) - Section T, Bunnythorpe and Ashhurst	\$ 766	\$ 789
	Remembrance Garden Kerb - Section GK 1, 2 & 3	\$ 766	\$ 789
	Niche Walls - Kelvin Grove and Ashhurst	\$ 856	\$ 882
	Services Section (RSA) - Kelvin Grove and Ashhurst	\$ 192	\$ 198
	Child - Section T/4A & Section O ash beams	\$ 625	\$ 625
PURCHASE OF MEMORIAL PLAQUE PLOT			
	Remembrance Garden Kerb - Section GK 4 - Plaques only	\$ 642	\$ 661
OTHER CREMATION FEES			
	Burial of Ashes - Weekdays *See Note 2	\$ 226	\$ 233
	Burial of ashes with no family present and no service	\$ 156	\$ 161
	Burial of Ashes - on Saturday morning *See Note 2	\$ 339	\$ 349
	Burial of Ashes - on Saturday afternoon *See Note 3	\$ 452	\$ 466
	Disinterment of Ashes	\$ 89	\$ 92
	Overtime surcharge (per hour or part thereof) will be applied if funeral activities at the crematorium have not concluded by 4pm Monday - Friday	\$100/hour	\$100/hour
OTHER CHARGES *See Note 1		From 1 July 2024	From 1 July 2025
	Memorial permit fee (for all headstones and plaques)	\$ 45	\$ 45
	Plot cancellation fee	\$ 100	\$ 100
	Entry in Book of Remembrance	\$ 100	\$ 100
	Out of District Surcharge *See note 1	Plus 30% on all services except Chapel and Cremation. Plus 10% on Chapel and Cremation charges.	

NOTES

Note 1: "Out of District" surcharge applies to persons normally resident outside of the Palmerston North City boundary. (These people do not pay rates to Palmerston North City Council). Exemptions apply to persons who can provide evidence of residence in the City for at least 20 years or who have operated a rate-paying business in the City for at least 20 years.

Note 2: For regular ash interment the site is prepared for a ceremony. The hole is cut and tidied, soil left alongside with a shovel, and a container of sand provided. Requests for Ash interment by cemetery staff with no friends or family present will incur the reduced fee.

Note 3: Burials or cremations may be provided by arrangement, subject to availability of staff, after 12.00 noon Saturday.

Service Connection Fees

Appendix 8

1. INTRODUCTION

Service connection fees are levied on those wishing to connect to one or more of the Council's water, wastewater, or stormwater systems. The actual physical connection is made at the applicant's cost, by an approved contractor. The charges levied by the Council cover the administration of processing the application, and the researching of plans, the inspection of the finished work to ensure it meets Council's standards and the production of as built plans of the connection(s). The data gathered in the as built process is then input to Council's asset management system.

2. BACKGROUND

2.1 Statutory Requirements

The setting of fees and charges for service connections is empowered by Section 12 of the Local Government Act 2002 i.e. the general power of competence to carry on any activity or business with associated rights, powers and privileges. As such, they can be set by Council resolution and do not require any special consultative procedures.

2.2 Factors Impacting on Setting Fees and Charges

The Council's Revenue and Financing Policy (2024-34 Long-term Plan, pages 276-311) outlines Council's views about the extent to which users should bear the cost of providing particular services. The policy outlines that "an activity should be funded on a user pays basis if an individual or group of individuals directly receives benefits of the activity exclusively, and the costs of the activity can easily be attributed to that individual or groups of individuals."

As service connections is a relatively small activity the policy does not specifically address what proportion of the costs should be covered by user fees.

Service connection fees were considered in detail in 2017 and as a consequence restructured and increased. The charges have increased by an inflationary factor each year since then. The resulting fee structure included a discount for applications for multiple connections at any single property. The discount was introduced on the assumption there was a cost saving to processing and administration, but this was reassessed in 2021 and the fee structure simplified.

The current fees and charges are as follows:

Service required	Current Fees (\$) GST Inclusive from 1 July 2024		
	Application Fee	Inspection Fee	Total Fee
One connection (water, wastewater or stormwater)	120.00	193.00	313.00

3. PROPOSED FEES AND CHARGES

The proposed fees and charges, incorporating an allowance for an increase of approx. 4% are as follows:

Service required	Proposed Fees (\$) GST Inclusive from 1 July 2025		
	Application Fee	Inspection Fee	Total Fee
One connection (water, wastewater or stormwater)	125.00	201.00	326.00

4. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis although a review of these particular fees and charges has been overlooked.

The options available are:

- no change being made to existing fees and charges,
- proceeding with the recommendations set out in this proposal; or
- changing fees by a different amount.

5. FINANCIAL IMPLICATIONS

It is the expectation that services such as connections to the infrastructure should be funded by users so it is important to adjust charges to reflect changing costs. The proposed charges reflect this.

Resource Recovery Fees & Charges

1. INTRODUCTION

Council's resource recovery activity comprises a number of elements including rubbish collection and disposal and recycling. There are a number of sub-activities with different funding arrangements and each of these has been reviewed for the 2025/26 year and no changes are proposed.

2. BACKGROUND

2.1 Statutory Requirements

The setting of fees and charges for resource recovery is empowered by Section 12 of the Local Government Act 2002 i.e. the general power of competence to carry on any activity or business with associated rights, powers and privileges. As such, they can be set by Council resolution and do not require any special consultative procedures.

Rates for kerbside recycling and rubbish and public recycling are set through the processes contained in the Local Government Rating Act 2002.

2.2 Factors Impacting on Setting Fees and Charges

The Council's Revenue and Financing Policy (2024-34 Long-term Plan, pages 276-311) outlines Council's views about the extent to which users should bear the cost of providing particular services. The policy outlines that "an activity should be funded on a user pays basis if an individual or group of individuals directly receives benefits of the activity exclusively, and the costs of the activity can easily be attributed to that individual or groups of individuals."

The policy outlines that kerbside rubbish collection should be funded by users of the service, that costs of rubbish collection from public spaces should be funded by way of a targeted rate assessed on all properties, that recycling costs should be funded from the sale of recyclables and the balance funded by users of the services (where practicable) and the net cost of the kerbside recycling service be funded by way of a targeted rate on properties on the recycling route.

In addition to the policy fees and charges for waste management activities are impacted by:

- Volumes of rubbish & recycling material
- Costs of waste disposal (including any government waste levies)
- Prices for the products sold from the recycling process
- Plant maintenance and operating costs

3. PROPOSED FEES AND CHARGES

3.1 Current Fees and Charges with no change recommended

The following table summarises the current range of fees and charges for resource recovery.

Item	Current Fee (GST incl)	Last Change	Comments
Car Seats	\$5	Jan 2018	See Below
E-Waste & Batteries	Varies depending on item		See Below
Tyres	Scooter/Bike Tyres \$4 (From Non-motorised items)	1 July 2023	Product Stewardship Scheme introduced 1 September 2024
Ashhurst Transfer Station <i>Green Waste and Rubbish</i>	Varies depending on item	1 July 2023	
Awapuni Resource Recovery Park <i>Green Waste, Compost (Bagged and Bulk) & Mulch</i>	Varies depending on item	Bulk Compost 1 July 2023 Bagged Compost 1 July 2024	
Events Recycling	Varies depending on item	1 July 2024	
Kerbside Rubbish Bags	60L \$3.80 40L \$2.80	1 July 2024	

3.2 Subsidy levels for some recyclable items

3.2.1 Car Seats (accepted at Ferguson St)

The current public charge of \$5 per car seat has remained the same since the introduction of this service in January 2018. The cost to recycle these through Council's service provider has increased during the last few years and is currently \$35 per car seat.

When this service was first introduced in January 2018, the fee from the provider was \$15 per seat. At 300 car seats per year, Council was subsidising this service at approximately \$2,600 (excl. GST) per year.

The number of car seats received has remained steady over the last few years at 250 – 300 car seats per year. Providing the number of seats collected per year continues to be consistent, the amount subsidised by the council for this service will be circa \$7,800 (excl. GST) per annum.

Resource recovery budgets have been prepared on the assumption this level of subsidisation continues and is acceptable to the Council.

3.2.2 E-Waste and Batteries (accepted at Ferguson Street)

There are various E-waste categories with pricing based on the item, with some items accepted with no charge. The amount of E-waste collected and recycled at Ferguson Street has slowly increased since 2018/19, with around 9,000 items being received and recycled in 2023/24.

A previous Council decision introduced a subsidy to promote and encourage E-Waste Recycling. The charges for E-Waste have remained unchanged since this decision (1 July 2018). At the time of this Council decision, officers estimated the subsidy required would be \$25,000 (excl. GST) per year. In 2023/24 this increased to approximately \$35,000 excl. GST.

While the amount subsidised has increased no change to fees is recommended for 2025/26. Council's service provider is currently trialling dismantling of select E-waste items locally, and if successful, they intend to expand dismantling operations of E-waste in Palmerston North prior to 1 July 2025. This will reduce Council's costs to provide the E-waste recycling service.

4. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis.

The options available are:

- no change being made to existing fees and charges (as recommended), or
- changing fees by an amount to be determined.

5. FINANCIAL IMPLICATIONS

The two largest components of the revenue for resource recovery are the sale of rubbish bags and the sale of recyclable materials.

The revenue assumption for rubbish collection is very dependent on volumes of rubbish bag sales. Likewise, revenue from the sale of recyclables is very dependent on fluctuating market conditions.

The other elements of the revenue stream are relatively small.

The net cost of the resource recovery activity is allocated to ratepayers through fixed targeted rates for rubbish & public recycling (to all ratepayers) and kerbside recycling (to ratepayers on the recycling collection route).

The draft budget will require the rubbish and public recycling rate to increase from \$51 to \$77 and the kerbside recycling rate to increase from \$144 to \$189.

Parks and Reserves

Fees and Charges

Appendix 9

1. INTRODUCTION

It is the Council policy to review fees and charges each year. Fees for sportsfields are covered by the Council's Revenue and Financing Policy, which outlines that users of sportsfields are expected to contribute through charges a low (i.e. 1-19%) proportion of the costs.

The policy also acknowledges that either it is not practical to identify and charge users (e.g. for city-wide or local reserves) or that in some instances charges would be prohibitively high if they were set at the level which would be necessary to cover the entire cost.

In April 2019 Council reviewed the funding policy for sportsfields, concluding it would continue with its funding model of charging sportsfield users a percentage of the costs of sportsfield provision, targeting a level of approximately 5% cost recovery. Council also resolved to continue its policy of not charging for sportsfields used exclusively by junior players.

Charges for sportsfields and reserves, were increased in 2024/25. Fees for the Ashhurst Camping Ground were last increased in 2023/24.

2. BACKGROUND

2.1 Statutory Requirements

Under its statutory powers contained in the Local Government Act 2002 (LGA) the Council has power to set fees and charges for the use of reserves.

2.2 Factors Impacting on Setting Fees and Charges

The following factors impact on the fees and charges for parks and reserves, including sportsfields:

- Cost of building, maintaining and administering sportsfields and playing surfaces, and associated facilities
- Cost of administering licences and events
- The practicability of charging for some types of use
- Council's policy on the extent to which users should contribute toward the cost
- The utilisation of the sportsfield network
- The standard of playing surface provided (level of service)
- The number of fields required by various sports codes – this varies depending on changing ground allocation practices and the number of teams playing/training each year.

The following factors impact on the fees for the Ashhurst campground:

- Cost of building, maintaining and operating the Ashhurst Campground facilities
- The practicality and cost associated with administering the campground, including the ability to collect and accurately account for revenue
- The utilisation of the camping ground (demand)
- The type and standard of facilities provided (level of service)
- The level of fees charged at campgrounds with similar facilities (the market)

3. PROPOSED FEES AND CHARGES

3.1 Sportsfields

Fees and charges would need to be increased significantly before revenue from sportsfields increased to any significant extent compared with operating costs.

Table 1 summarises the budget forecasts for Sportsfields for 2022 through to 2025/26.

	Actual 2022/23	Actual 2023/24	Budget 2024/25	Draft Budget 2025/26
Expenses (\$k)	3,306	3,670	4,024	4,718
Revenue (\$k)	113	139	163	166
Revenue as % of Expenses	3.4	3.8	4.1	3.5

Table 1: Sportsfield Budget Summary

The revenue received in 2023/24 was slightly higher than forecast, and costs were considerably higher than budgeted leading to a recovery of 3.8%. Revenue budgeted from 2024/25 onwards increased considerably due to revenue from land leases to sports clubs and Manawatu Cricket's share of the cost of the Fitzherbert practice nets and being recorded within the new financial system as income. The portion of the forecast income attributable to fees and charges in the 2024/25 budget is \$123K.

The budgeted revenue from fees and charges for 2025/26 is \$126K, \$3K higher than the budgeted for 2024/25. Sports codes determine how many fields they need to manage competition for the upcoming season and enter a Service Level Agreement (SLA) with Council. The revenue forecast for 2024/25 is based on last year's allocation of senior fields – including a reduction in the number of fields allocated to senior football in Winter 2024.

The budgeted expenses for 2025/26 are higher than 2024/25 due to overhead allocations and costs associated with sportsfield buildings. The forecast increase in revenue is lower than the forecast percentage increase in costs, and the recovery is forecast to decrease from 4.1 to 3.5%.

If user fees and charges are not increased again in 2025/26, the council will not achieve the budgeted increase in revenue from fees and charges of \$3K.

Priority 5 of Council Goal 2 is to be one of the most active communities in New Zealand. Success measures include an increase in use of parks, sportsfields and playgrounds and an increase in participation rates for all adults in sport and recreation. Whilst Council fees and charges are only a small portion of the overall cost for an adult participating in organised sport, a large increase in Council fees could potentially impact adversely on the attraction and retention of adult players.

Increasing sportsfields fees by 3% for the 2025/26 year will increase the budgeted income from sportsfields to \$130K and the overall income from fees and charges from \$166K to \$170K. This represents a recovery rate for sportsfields of 3.6%.

3.2 One- off use of Sportsfields

Council allocates fields to sports codes based on a 22-week season and charges for senior grounds and any other services requested by the codes based on the schedule of fees and charges. The SLA with the code covers use of the fields for regular play/practice.

The fees and charges schedule also includes one-off fees for field bookings for pre-season games and tournaments. The schedule was developed for pre-season games or tournaments organised by codes on fields they are allocated under the seasonal SLA.

There has been an increase in booking requests for fields for one-tournaments and games, from clubs or codes who do not have an SLA with the Council. The current schedule is not clear on the appropriate fees for casual one-off bookings. Minor adjustments to the schedule are proposed to make this clearer.

3.3 Ashhurst Campground

The Ashhurst campground fees were reviewed in 2023 as part of the annual review of Council fees and charges. To make it easier for campers and simplify cash handling, the ability to pay fees online was introduced. Many campers have taken up the option to pay online and this has reduced the volume of cash our staff handle.

The adult fee for an unpowered site is \$7, a powered site is \$10/adult and a child stay in the campground is \$5 per night.

Overall, the level of fees at the Ashhurst Campground appear to be market comparable for the level of service provided. Whilst the way in which fees are charged varies between

campgrounds, the overall per night fee for a family is on par with other camping grounds in our region offering similar facilities.

It is recommended that the fees be unchanged. Increasing patronage year on year is ensuring that revenue at the campground is keeping pace with increasing costs.

3.4 Recommended changes to fee schedule

Recommended changes shown in the **attached schedule** comprise the following elements:

- An increase of 3% on the current fees and charges
- Continuing to impose zero fees for fields used exclusively for junior sport (school age teams)
- Introduction of a per field per ½ day fee for casual bookings

4. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis. This enables the Council to be satisfied that the fees and charges are transparent, fair and reasonable.

The options available are:

- no change being made to existing fees and charges,
- proceeding with the recommendations set out in this proposal: or
- changing fees by a different amount.

5. FINANCIAL IMPLICATIONS

The proposed fees and charges will enable an increase in budgeted revenue for sportsfields of \$4K, and a lift in the budgeted percentage recovery, in the draft 2025/26 Annual Budget from 3.5 to 3.6%.

Palmerston North City Council

Parks and Reserves Fees and Charges

All fees and charges shown are GST inclusive

Sportsfield Season Charges		Current For summer 2024/25 and Winter 2025	Proposed For summer 2025/26 and Winter 2026
Winter			
Rugby Union	per field (8,280 m ²)	\$1,430	\$1,472
League	per field (8,280 m ²)	\$1,266	\$1,304
Football	per field (7,300 m ²)	\$1,338	\$1,378
Netball (Vautier Park)	per court (665 m ²)	\$635	\$654
Lacrosse	per field (5,500m ²)	\$963	\$992
Skating (Memorial Park)	per rink	\$337	\$347
Winter Training Grounds			
Football	1 @ Skoglund - 3,000 m ²	\$585	\$603
	1 @ Waterloo - 11,000 m ²	\$2,153	\$2,218
	1 @ Takaro - 8,400 m ²	\$1,642	\$1,691
	1 @ Hokowhitu - 2,500 m ²	\$490	\$505
	2 @ Monrad - 5,580 m ²	\$1,096	\$1,129
	2 @ Bill Brown - 6,000 m ²	\$1,294	\$1,333
	1 @ Ashhurst Domain - 8,400 m ²	\$1,642	\$1,691
	2 @ Ongley - 7,000 m ²	\$1,394	\$1,436
	1 @ Bill Brown - 7,000 m ²	\$1,394	\$1,436
	1 @ Lincoln - 6,050 m ²	\$1,182	\$1,217
Rugby	1 @ Colquhoun - 6,050 m ²	\$1,182	\$1,217
	1 @ Bunnythorpe – 4,000 m ²	\$780	\$803
	1 @ Coronation - 7,700 m ²	\$1,277	\$1,315
Summer			
Cricket	Per field (14,320 m ²)	\$3,094	\$3,187
	per grass wicket	\$293	\$302
	per artificial wicket	\$222	\$229
Softball	per grass diamond (playing/ training) (6,013 m ²)	\$950	\$979
	per skin diamond (6,013 m ²)	\$860	\$886
Touch	per field (3,500 m ²)	\$392	\$404
	Coronation Pavilion	\$2,334	\$2,404
Athletics	per grass track	\$1,256	\$1,294
Tennis (669sq m)	per court @ Vautier	\$531	\$547
	per court @ Colquhoun	\$181	\$186
	per court @ Awapuni per season	\$445	\$458
	per court @ Takaro and Wallace	\$337	\$347
Summer Football	per field	\$670	\$690
Rugby 7's	per field	\$715	\$736
Skating (Memorial Park)	per rink	\$337	\$347
Charge Grounds			
Fitzherbert Park	Summer	\$4,970	\$5,119
	Winter	\$4,828	\$4,973
Memorial Park	Summer	\$4,994	\$5,144
	Winter	\$4,994	\$5,144

Winter Season = 2nd week April to 3rd week September. (22 weeks)

Summer Season = 2nd week October to 3rd week March. (22 weeks)

One off Charges (Inc GST)				Current Summer 2024/25 and Winter 2025	Proposed Summer 2025/26 and Winter 2026
Sportsfields	Playing Field	Pre-Season	per game	\$104	\$107
	Playing Field	Casual	per game	\$133	\$137
	Playing Field	Casual	Per ½ day	N/A	\$250
	Touch field	Casual/Preseason	per game	\$47	\$48
	Ongley Park	Tournament	per day (excl change rooms)	\$792	\$816
			per day (excl change rooms)	\$792	\$816
	Ashhurst Domain	Tournament	1/2 day	\$233	\$240
	Fitzherbert Park	Casual	per day	\$447	\$460
	Fitzherbert Park	Casual	1/2 day	\$233	\$240
	Memorial Park	Casual	per day	\$447	\$460
	Cricket	Grass Wicket	per day	\$364	\$375
	Cricket	Artificial Wicket	per day	\$162	\$167
Manawaroa Pavilion	Pavilion Hire	Regular	1/2 day per week per season	\$612	\$630
	Pavilion Hire	Regular	1/2 day per week per year	\$1,225	\$1,262
	Pavilion Hire	Regular	1 day per week per season	\$1,045	\$1,076
	Pavilion Hire	Regular	1 day per week per year	\$2,087	\$2,150
Sports pavilions/ changing rooms	Changing Room	Casual	per day	\$104	\$107
	Hire		per hour	\$31	\$32
The Square	Pavilion Hire	Casual	per hour	\$64	\$66
	Serviced Rest rooms open after hours				
Railway Land	Commercial Occupancy		Small event per day	\$186	\$192
	Commercial Occupancy		Large event per day	\$375	\$386
Bonds	Large commercial event	Major Event	e.g. Food & Wine Festival	\$2,000	\$2,000
	Large tournament	Large Event	e.g. NZ Touch Nationals	\$1,000	\$1,000
	All other events	Medium Event	e.g. Marching	\$250	\$250
	Weekday booking of sportsfield by non- PN schools		Per booking	\$250	\$250
	Key Bond		Per Key	\$50	\$50
	Rental of storage space in pavilion	Non- Commercial	Per 6 months	\$150	\$150
Storage Rental Commercial					
Mobile vendor e.g. coffee cart, food truck (Note 1)	Up to 2 days – 6 months		Per site - licence to occupy	\$500	\$500
Mobile vendor	Each additional day - six months		Per site - licence to occupy	\$250	\$250
	Power		per site per six months	\$260	\$270
Mobile Vendor	One off		Per event	\$27	\$28
Tennis Coaching	Per season		Per court	\$569	\$586
	Per day		Per court	\$32	\$33

Note 1: In line with Council policy for the use of public spaces - applies to all Council land. Vendor trading on sportsfields requires support from the sports code allocated the grounds.

Ashhurst Campground Fees per night		Current	Proposed
Powered Site	Per Adult/night	\$10	\$10
	Per Child/night	\$5	\$5
Unpowered Site	Per Adult/night	\$7	\$7
	Per Child/night	\$5	\$5

Backflow Preventer Charges

Appendix 11

1 INTRODUCTION

Testable backflow preventers (BFPs) are required on all non-residential water connections. These prevent any contaminated water from within a property affecting the water supply and other consumers. There are in excess of 450 properties classified as requiring BFPs.

In an effort to reduce public health risks the Council, as from 1 July 2021, assumed full responsibility for repairs and renewals of all BFPs as well as for annual testing to confirm compliance. An annual charge was introduced for this work. The fixed annual fee avoids the need for large one-off fees to be recovered from property owners when major upgrade work is required for a specific BFP. It also ensures that issues are solved quickly to protect public health. The fee is only be payable on the property water connection at the boundary and not any internal connections which are dealt with under the Building Warrant of Fitness.

Costs associated with BFPs consist of:

- Regular testing
- Repairs
- Replacements
- Administration

While repairs and replacements are more expensive for larger BFPs, the uniform charge that applies to all premises spread costs, provides clarity to customers, and reduces administration cost and time for Council.

There are 455 BFPs on the Council's reticulation. These are tested annually, with the exception of 25 which are tested six-monthly. This equates to 480 total tests per year.

2. BACKGROUND

2.1 Statutory Requirements

The setting of fees and charges for wastewater is empowered by Section 12 of the Local Government Act 2002 i.e. the general power of competence to carry on any activity or business with associated rights, powers and privileges. As such, they can be set by Council resolution and do not require any special consultative procedures.

Rates for water services are set through the processes contained in the Local Government Rating Act 2002.

2.2 Factors Impacting on Setting Fees and Charges

The Council's Revenue and Financing Policy (2024-34 Long-term Plan, pages 276-311) outlines Council's views about the extent to which users should bear the cost of providing particular services. The policy outlines that "an activity should be funded on a user pays basis if an individual or group of individuals directly receives benefits of the activity exclusively, and the costs of the activity can easily be attributed to that individual or groups of individuals."

3. PROPOSED FEES AND CHARGES

It is proposed that the fees be increased by approx. 7% to cover increases in costs, as shown in the following table.

Proposed Fees and Charges for BFP testing and maintenance

Item	Current Charges (GST incl.)	Proposed Charges (GST incl.)	Unit
Annual BFP charge	\$289	\$301	Per BFP per year
Administration fee	\$30	\$31	Per BFP per year
Total charge	\$319	\$332	Per BFP per year

Note that properties with multiple BFPs pay separately for each. For example, a property with two BFPs would pay $\$332 \times 2 = \664 per year.

4. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis although a review of these particular fees and charges has been overlooked.

The options available are:

- no change being made to existing fees and charges,
- proceeding with the recommendations set out in this proposal; or
- changing fees by a different amount.

5. FINANCIAL IMPLICATIONS

The proposed 2025/26 annual budget includes provision of revenue of \$48k from these charges, thereby reducing the sum required to be collected from rates.

Corridor Access Request Fee

Appendix 12

1 INTRODUCTION

A Corridor Access Request (CAR) is an application to the Council for access to the road corridor in order to carry out works. It is required to ensure all work sites on roads are as safe as possible for workers, motorists, pedestrians, and cyclists. As from 1 July 2021 a fee for CARS was introduced. Prior to that the costs associated with administering and issuing CAR were funded by rates.

This user pays model is working satisfactorily and it is proposed to increase the charges to cover increasing costs.

2. BACKGROUND

2.1 Statutory Requirements

The setting of fees and charges for an activity such as corridor access is empowered by Section 12 of the Local Government Act 2002 i.e. the general power of competence to carry on any activity or business with associated rights, powers and privileges. As such, they can be set by Council resolution and do not require any special consultative procedures.

2.2 Factors Impacting on Setting Fees and Charges

The Council's Revenue and Financing Policy (2024-34 Long-term Plan, pages 276-311) outlines Council's views about the extent to which users should bear the cost of providing particular services. The policy outlines that "an activity should be funded on a user pays basis if an individual or group of individuals directly receives benefits of the activity exclusively, and the costs of the activity can easily be attributed to that individual or groups of individuals."

The policy makes no specific mention of corridor access fees.

3. PROPOSED FEES AND CHARGES

Reflecting the cost of issuing CARs there are two types of CAR charges:

- Standard CAR Charges
- Generic CAR Charges

3.1 Standard CAR Charges

The standard CAR is a one-off corridor access request. The following table contains the current charging schedule showing proposed increases to cover rising costs:

Item	Charges from 1 Jul 24 (GST incl.)	Charges from 1 Jul 25 (GST incl.)	Comment
Administration Fee	\$132	\$137	Per application
Reinstatement Inspection Fee – first 20m of trench opening	\$92	\$96	Provides for two reinstatement inspections to be made per CAR.
Standard CAR Charge	\$224	\$233	Assuming no more than two reinstatement inspections required
Additional Reinstatement Inspection fee – payable for every additional 100m of road opening >20m	\$47	\$49	An additional reinstatement fee would be payable for one additional inspection for each additional 100m of trench beyond the 20m standard fee.
Rebate for Overlap CAR and Vehicle Crossing Inspection	-\$92	-\$96	When CAR and Vehicle Crossing Inspections overlaps, a rebate payment of \$96 would apply

3.2 Generic CAR Charges

The generic CAR is a long-term permit that allow utility service contractors to work on road corridors without having to apply for a different CARs for each job. The following table contains the current charging schedule showing proposed increases to cover rising costs:

Item	Charges from 1 Jul 24 (GST incl.)	Charges from 1 Jul 25 (GST incl.)	Comment
Administration Fee	\$263	\$274	Per application
Reinstatement Inspection Fee	\$92	\$96	Provides for two reinstatement inspections
Generic CAR Charge	\$355	\$370	Assuming no more than two reinstatement inspections required
Additional Reinstatement Inspection fee	\$47	\$49	Additional reinstatement will incur an additional charge on a per visit basis.

4. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis although a review of these particular fees and charges has been overlooked.

The options available are:

- no change being made to existing fees and charges,
- proceeding with the recommendations set out in this proposal; or
- changing fees by a different amount.

5. FINANCIAL IMPLICATIONS

The proposed annual budget for 2025/26 includes provision for revenue of \$140k from these charges.

Parking Fees & Charges

Appendix 13

1 INTRODUCTION

The draft budget for 2025/26 assumes revenue from metered parking will increase by 2% compared with the budget for 2024/25.

In the report to the meeting on 11 December 2024 it was indicated that officers had assumed there would be no further increase to parking fees and charges for the 2025/26 year. Below is a brief outline of the rationale for this.

2. BACKGROUND

2.1 Statutory Requirements

The setting of fees and charges is empowered by Section 12 of the Local Government Act 2002 i.e. the general power of competence to carry on any activity or business with associated rights, powers and privileges. As such, they can be set by Council resolution and do not require any special consultative procedures.

The Palmerston North Traffic and Parking Bylaw 2018 provides that “the Council may prescribe the charges to be paid for the use of any parking place or transport station, as measured by parking meters or by a fee or permit to use the parking place or transport station, or by any other prescribed method of time measurement or payment”. Further it says, “the Council may charge a fee for receiving and processing an application and issuing a permit” and that “the Council must prescribe a fee for any permit issued under the Bylaw in accordance with the Local Government Act 2002.”

Parking Infringements are regulated by the Land Transport (Offences and Penalties) Regulations 1999 (as most recently amended with effect from 1 October 2024).

2.2 Factors Impacting on Setting Fees and Charges

The Council’s Revenue and Financing Policy (Long-term Plan 2024-34, pp 276-311) outlines Council’s views about the extent to which users should bear the cost of providing particular services. The policy outlines that “an activity should be funded on a user pays basis if an individual or group of individuals directly receives benefits of the activity exclusively, and the costs of the activity can easily be attributed to that individual or groups of individuals.”

The policy provides that “parking users should pay at levels that are appropriate to manage demand and provide a net return that can be applied to reduce the net cost to ratepayers of roading and transportation”.

3. CURRENT FEES AND CHARGES

The main parking related charge is for metered parking. This was reviewed last year and the on-street charge was increased from \$1.70 to \$2 per hour effective from 1 July 2024.

The primary reason for charging for on-street parking is to ensure there is a ready supply of parking within the central city.

On-street parking charges in other nearby regional centres are at similar levels to Palmerston North as shown below:

- Whanganui - \$2 per hour (except Victoria Ave which is \$3)
- Hastings - \$2.50 per hour
- Napier - \$2 per hour
- New Plymouth - \$3 per hour

From 1 October 2024 a range of parking infringement fees were increased significantly by the government. One of the anticipated outcomes from this was that parkers would be encouraged to pay for parking rather than risk incurring the much higher fees.

At this stage the outcomes of this are still be monitored and it is too early to be sure.

When the 2024-34 LTP was finalised the parking revenue budget was increased by \$450k to reflect the anticipated additional revenue from the increase in the on-street parking charge (on the assumption the increase would not impact demand). Metered parking revenue for the first six months of the year is below budget expectations and the contributors to this are being investigated.

In the meantime it is recommended there be no change to current parking fees and charges.

4. DESCRIPTION OF OPTIONS

It is Council policy to review fees and charges on a yearly basis although a review of these particular fees and charges has been overlooked.

The options available are:

- no change being made to existing fees and charges (as proposed), or
- changing fees by an amount to be determined.

5. FINANCIAL IMPLICATIONS

Actual metered parking revenue for 2023/24 amounted to \$2.52m and the budget for 2024/25 is \$3.17m with the actual for the half year to 31 December 2024 being \$1.33m. The draft budget for 2025/26 is \$3.233m.

MEMORANDUM

TO: Council

MEETING DATE: 12 February 2025

TITLE: Rating System for 2025/26

PRESENTED BY: Steve Paterson, Manager - Financial Strategy

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATIONS TO COUNCIL

1. That the Chief Executive incorporate the following rating system assumptions in the draft of the 2025/26 Annual Budget supporting information and consultation document to be presented for adoption at the Council meeting on 5 March 2025 (subject to any amendment):
 - i. continuing the second stage of the implementation of the capital value based targeted rate
 - ii. a uniform annual general charge of:
 - \$200; or
 - \$300; or
 - \$400
 - iii. differentials for the rural/semi-serviced (0.2ha to 5ha) differential category with a surcharge of -40% for the general rate and for the targeted capital value-based rate
 - iv. differentials for the non-residential differential category with a surcharge of 150% for the general rate and 100% for the targeted capital value-based rate.
-

1. ISSUE

- 1.1 The 2024 city rating revaluation with an effective date of 1 September 2024 has been implemented and will become the base for value-based rates from 1 July 2025. As outlined in a report to Council's meeting on 11 December 2024 using the new values will have a significant impact on the incidence of rates.

1.2 On 11 December Council resolved:

"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."

2. BACKGROUND

Recap of valuation outcomes & impact on rating incidence

2.1 The capital value of the City has decreased by 8.6% and the land value by 17.6%. The distribution of the values between the differential categories used by the Council for rating purposes has changed as shown in the following table.

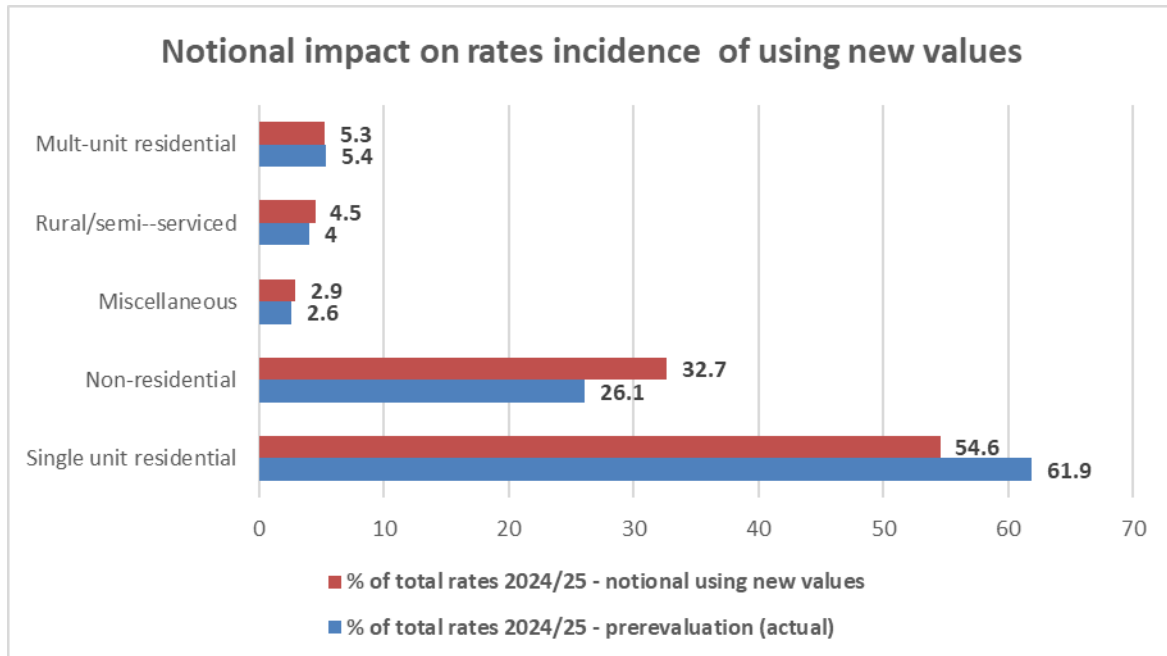
Table 1: Proportions of total land & capital value by differential category

	% of old CV	% of new CV	% of old LV	% of new LV
Single Unit Residential	66.5	62.1	72.1	66.6
Multi-Unit Residential	3.5	3.3	3.6	3.4
Miscellaneous	1.6	2.1	1.8	2.3
Non-Residential	16.9	20.4	10.7	13.8
Rural/Semi-Serviced	11.5	12.1	11.8	13.9

2.2 The non-residential category includes utilities in the road network. The rateable capital value for these rating units increased by 39% meaning they now represent 3.2% of the total city rateable capital value (previously 2.1%). The extent of this change (especially when considered on conjunction with the doubling of the portion of the rates based on the capital value) clouds the assessment of the total rates payable by the non-residential sector. This will be referred to again later in the report.

2.3 The new valuations do not generate additional rates revenue for the Council. They do, however, impact on the allocation of rates from 1 July 2025. The land value is the base for the general rate and for the first time in 2024/25 a targeted rate based on the capital value was introduced. A system of differential rating charges a different rate in the dollar to the each of the various differential rating categories. The portion of the total value in each category influences the general rates and targeted rates allocated to each category.

- 2.4 The following graph shows the proportion of the total rates assessed on each differential category – showing the actual rates share for 2024/25 and what it would have been for 2024/25 had the rates been set using the new values.



- 2.5 With the single unit residential property share of the total land value decreasing from 72.1% to 66.6% and capital value from 66.5% to 62.1%, using the new values would see approximately \$11m of rates transferred from the residential sector to the non-residential sector (\$10.2m) and rural sector (\$0.8m) if no further changes were made to the rating system.
- 2.6 Such a significant movement may not be an appropriate outcome and scenarios have been modelled to understand how this may be moderated. However, there are other factors that will influence the final rates incidence for 2025/26, and these are outlined in the following section.

Other factors impacting on rates incidence for 2025/26

- 2.7 In addition to the revised rating valuations, rates incidence for 2025/26 will be influenced by the following:
- The second stage of implementation of the targeted rate based on the capital value – in effect approximately doubling the rates to be based on the capital value
 - The proposed second stage of implementing the change to the differential surcharge for the rural/semi-serviced (lifestyle) properties
 - The extent of the increases required in the fixed charges to fund the proposed budgets for water, wastewater and resource recovery. Based on the draft of the annual budget to be presented for consideration by Council on 12 February the following fixed charges would be required:

	Actual for 2024/25 (\$ GST incl.)	Draft for 2025/26 (\$GST incl.)
Water	415	500
Wastewater	375	410
Kerbside recycling	144	189
Rubbish & public recycling	51	77

Metered water charges will also need to increase by approx. 10% - these are ultimately adopted as part of the rates setting resolution.

- Whether as a consequence of the revaluation or as a part of the progressive implementation of the capital value-based rate it is considered appropriate to change the differential surcharges for some of the differential categories
- The level of the uniform annual general charge (UAGC).

3. DISCUSSION

Why might an intervention to moderate the impact of the revaluation be appropriate?

- 3.1 An intervention may be appropriate if it is considered that the rates that would be assessed based on the updated valuations are unreasonable for a significant group of ratepayers. It may also be appropriate as a holding action or temporary measure if the extent of the change in rates is considered unreasonably high.
- 3.2 Such an intervention was made following the 2018 and 2021 revaluations as on both occasions there was a significant increase in residential land values especially for those at the lower end of the market. The response was to lower the uniform annual general charge and increase the differential surcharge for non-residential properties meaning the non-residential properties then paid a greater share of the total than before.
- 3.3 The circumstances are similar again this year although on this occasion there have been reductions in values with the greatest reduction (in percentage terms) occurring for residential properties at the lower end of property values.

What type of changes might be possible?

3.4 The following three main tools for change are considered in turn:

- A change to the level of the uniform annual general charge (UAGC)
- A change to the differential surcharges for some categories of property
- Changing the proportion of the rates based on the capital value.

Changing the level of the UAGC:

- 3.5 The UAGC is an integral part of the Council rating system. It serves to moderate the level of rates (especially for residential properties) by making sure those with low land values pay at least a minimum contribution to fund city services and facilities and those with very high land values do not pay an unreasonably high contribution.
- 3.6 The UAGC for 2024/25 is \$200 per rating unit. It was reduced to this level in 2022/23 from \$500 per rating unit in 2021/22. It was reduced to \$500 from \$690 in 2018/19.
- 3.7 For many years it was the practice to increase the UAGC annually to keep the fixed component of the rates at similar proportions from year to year at levels just below the statutory maxima of 30% (which by legislative definition excludes any fixed targeted rates for water and wastewater). For the 2024/25 year fixed charges, calculated in the same way as prescribed in the legislation, are approx. 8%.
- 3.8 Given the average rates assessed on commercial/industrial properties is much higher than for residential properties the UAGC forms a much smaller part of the individual rates assessed on them compared to residential properties.
- 3.9 Changing the level of the UAGC would impact not only the total rates contributed by each differential category but also the incidence of rates within each category.
- 3.10 One of the arguments to reduce the UAGC to \$200 following the 2021 revaluation was that the spread of residential land value had been reduced through the revaluation (lower land values increased by 100% or more whilst higher land values increased by a smaller percentage).
- 3.11 The reverse has occurred during the 2024 revaluation. The greater reductions in land value have been in the traditionally lower valued areas. These reductions have flowed through to the capital value.
- 3.12 An option is therefore to increase the UAGC. Scenarios have been tested with a UAGC of \$200, \$300 and \$400.

Changing the differential surcharges:

- 3.13 A fundamental component of the present rating system is that property is grouped by differential category (primarily based on the nature of use) and a general rate is assessed with different rates in the dollar of land value being assessed on each property group.
- 3.14 The targeted rate based on the capital value is also categorised in the same manner and surcharges are applied (although not at the same level as for the general rate). There are various reasons for this outlined in the funding impact statement in the Council's Long-term Plan.
- 3.15 The Council describes the relationship between the rates charged to each differential group in terms of a factor expressed as a percentage of the rate that would apply if there were no differential rating in place. Each year the Council reviews the differential factors applied to each group.
- 3.16 When adopting the Long-term Plan the Council signalled its intention that the discount provided through the differential system to semi-serviced/rural properties (lifestyle blocks) of between 0.2 ha and 5 ha would be reduced over two years, 2024/25 and 2025/26. Year 2 of this change has been taken into account when modelling scenarios for Council consideration.
- 3.17 If the intention is that the other differential groups should pay similar proportions of the total rates in 2025/26 as in 2024/25 then there will need to be significant changes to the differential surcharges. A number of scenarios have been tested.

The capital value based targeted rate:

- 3.18 When adopting the revisions to the rating system for 2024/25 Council signalled it intended that its desire was to progressively increase the portion of the value-based rates based on the capital value to 50% over three years. Rates for 2024/25 were calculated to achieve 16.5% being based on the capital value.
- 3.19 All testing of scenarios has included an assumption 33% of the value-based rates will be based on the capital value in 2025/26 as the second year of the transition to a 50% capital value based rating system.

Testing scenarios

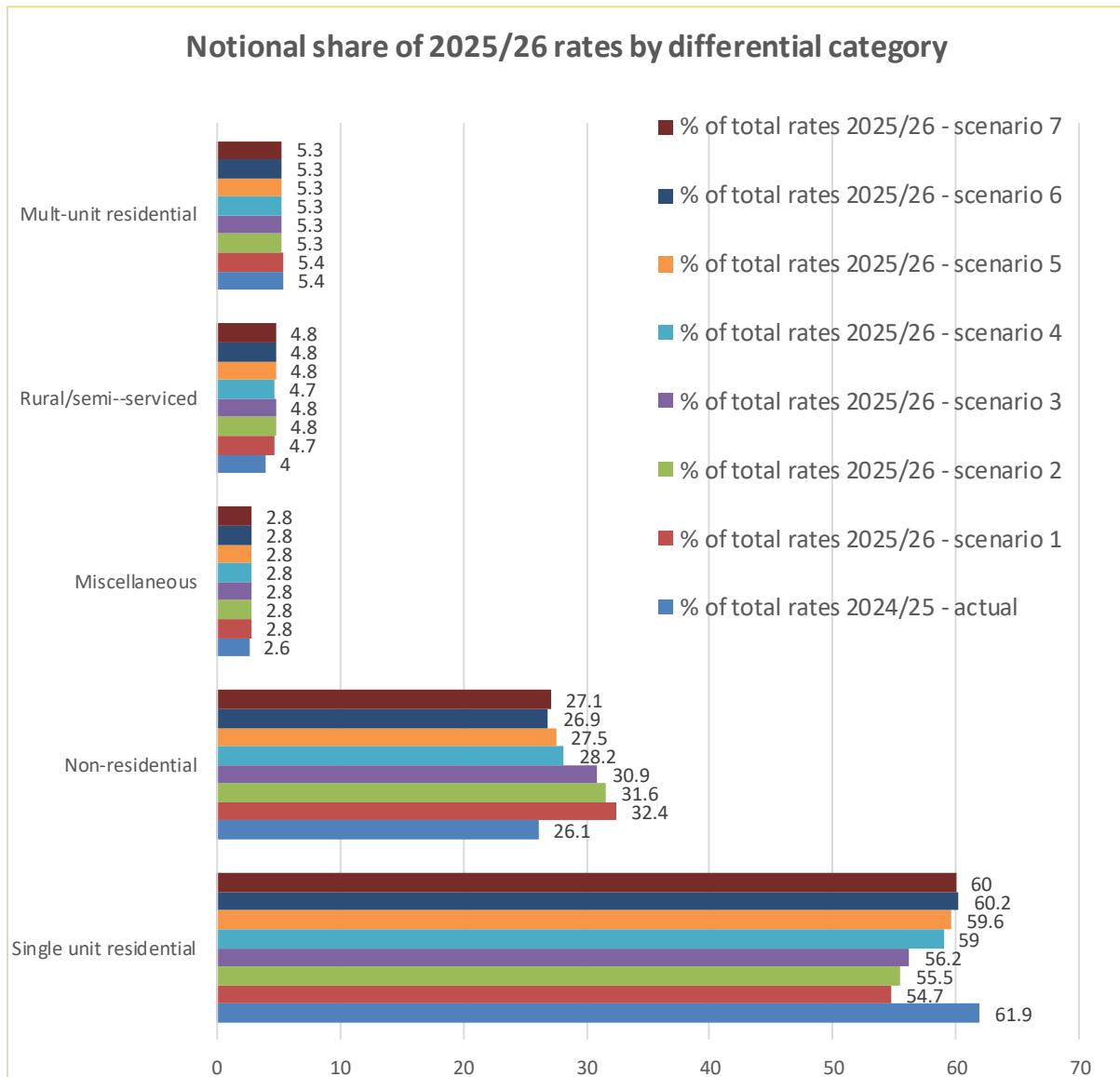
- 3.20 The approach taken for this report has been as follows:
 - All scenarios assume an increase in total rates required of 8.5% and fixed charges for services being as outlined in clause 2.7 above.
 - UAGC levels and differential surcharges as shown in the following table:

Scenario	Differentials	UAGC
1	FM (lifestyle) change discount from -45% to -40%	\$200
2	FM (lifestyle) change discount from -45% to -40%	\$300
3	FM (lifestyle) change discount from -45% to -40%	\$400
4	FM (lifestyle) change discount from -45% to -40% CI (non-residential) Reduce LV surcharge from 200% to 150% Reduce CV surcharge from 120% to 100%	\$200
5	FM (lifestyle) change discount from -45% to -40% CI (non-residential) Reduce LV surcharge from 200% to 150% Reduce CV surcharge from 120% to 100%	\$300
6	FM (lifestyle) change discount from -45% to -40% CI (non-residential) Reduce LV surcharge from 200% to 150% Reduce CV surcharge from 120% to 100%	\$400
7	FM (lifestyle) change discount from -45% to -40% CI (non-residential) Reduce LV surcharge from 200% to 135% Reduce CV surcharge from 120% to 100%	\$200

- 3.21 The first three scenarios were chosen to demonstrate what would happen to rates incidence if no change was made to differential surcharges (except for FM) but if instead changes were made to the level of the UAGC.
- 3.22 Scenario 7 was chosen as a means of determining how much reduction there would need to be in the differential surcharge for non-residential property in order to have the various differential property groupings bearing a similar proportion of the total rates as they have for 2024/25.
- 3.23 Scenarios 4 to 6 demonstrate how it is possible to moderate the impact on the non-residential sector by reducing the differential surcharge but not by as much as in scenario 7. Scenarios 5 and 6 have the same differential

surcharges as scenario 4 but the UAGC has been increased to \$300 and \$400 respectively. Officers have recommended the differentials that are used in these scenarios.

- 3.24 The following graph demonstrates the proportion of the total rates assessed that would be borne by each differential group for each scenario, compared with the actual for 2024/25.



- 3.25 Interpreting what the graph shows:

- Due to a significant increase in the capital value of the utilities in the streets (which form part of the non-residential category) along with stage 2 of the CV system change, approx. 1% of the total rates relates to the additional rates assessed on these previously non-rated assessments.

- Without changing the differential surcharges (as in scenarios 1 to 3) increasing the level of the UAGC does marginally reduce the total rates payable by the non-residential sector and transfer it to the residential sector – this is because there are many more rating units in the residential category.
 - There is a slight increase in the proportion of the rates payable by the rural/semi-serviced sector and this relates in part to the second stage of the implementation of the reduced discount for the FM ('lifestyle') properties as agreed by the Council when adopting the changes for 2024/25. Although the change in the discount has been assumed in the modelling, the outcome for each scenario is that the FM properties would still receive a significant discount when compared with single unit residential properties. For example, the rate-in-the dollar for FM for the general rate for scenarios 4-6 is 75% of the single unit residential rate and 79% of the capital-value based targeted rate. In each of the scenarios rates for most individual ratepayers in the FM category will increase by approx. 30%.
- 3.26 In addition to checking the rates incidence at the differential category level it is necessary to consider the changing incidence at the individual ratepayer level.
- 3.27 The graphs in **Attachment 1** show the number of properties within each band of movement in rates (in both %age and dollar terms). There are graphs for the single unit residential, non-residential and rural differential groups.
- 3.28 Some initial observations from the graphs include:
- Scenarios 1-3 show significant reductions in rates for many residential properties as the total sum to be collected from each differential category is significantly different from the current year. By comparison these scenarios show significant increases for non-residential properties and rural/semi-serviced.
 - Scenarios 4-7 produce an overall outcome by differential category that is more like the distribution for 2024/25. The majority of the rates increases for residential properties are less than 10%. Between 2,900 and 6,900 residential properties would have increases in the 10-25% band – principally those with high ratios of capital value to land value though the number in this band increases as the UAGC is increased.
 - In Scenarios 4-7 most of the residential rates increases are less than \$500. In Scenario 4 80% of single unit residential rates increases would be less than \$250.
 - Rates movements for non-residential properties vary widely in all scenarios. This is because of the wide variation in value movements in

different parts of the City and because of the range of different capital to land value ratios for the properties in this category.

- Scenario 4 moderates the increases for non-residential properties with very high ratios of capital to land value. Even in this scenario there are over 130 such properties with increases over \$10,000 with 3 having increases over \$100,000, 9 with increases of between \$50,000 and \$90,000, 8 with increases of between \$30,000 and \$50,000 and 20 with increases of between \$20,000 and \$30,000.

4. CONCLUSIONS

- 4.1 As outlined in the report to the 11 December meeting using the latest rateable values (in combination with the second stage of the move to a greater share of the rates based on the capital value) would transfer a significant sum from the residential to the non-residential (commercial/industrial) sector.
- 4.2 This report shows the extent of that potential transfer using UAGC at levels of \$200, \$300 and \$400.
- 4.3 The report also shows the changes to the differential surcharges that would be necessary to enable the proportion of total rates payable by the non-residential sector to be similar to that which applied for 2024/25.
- 4.4 The report also provides scenarios that would enable the impact of the change of incidence on the non-residential sector to be moderated through the use of a combination of reductions in the differential surcharges and various levels of UAGC.

5. NEXT STEPS

- 5.1 The supporting material and consultation document for the annual budget will be updated based on Council's decisions and then presented to the Council meeting on 5 March for adoption.

6. COMPLIANCE AND ADMINISTRATION

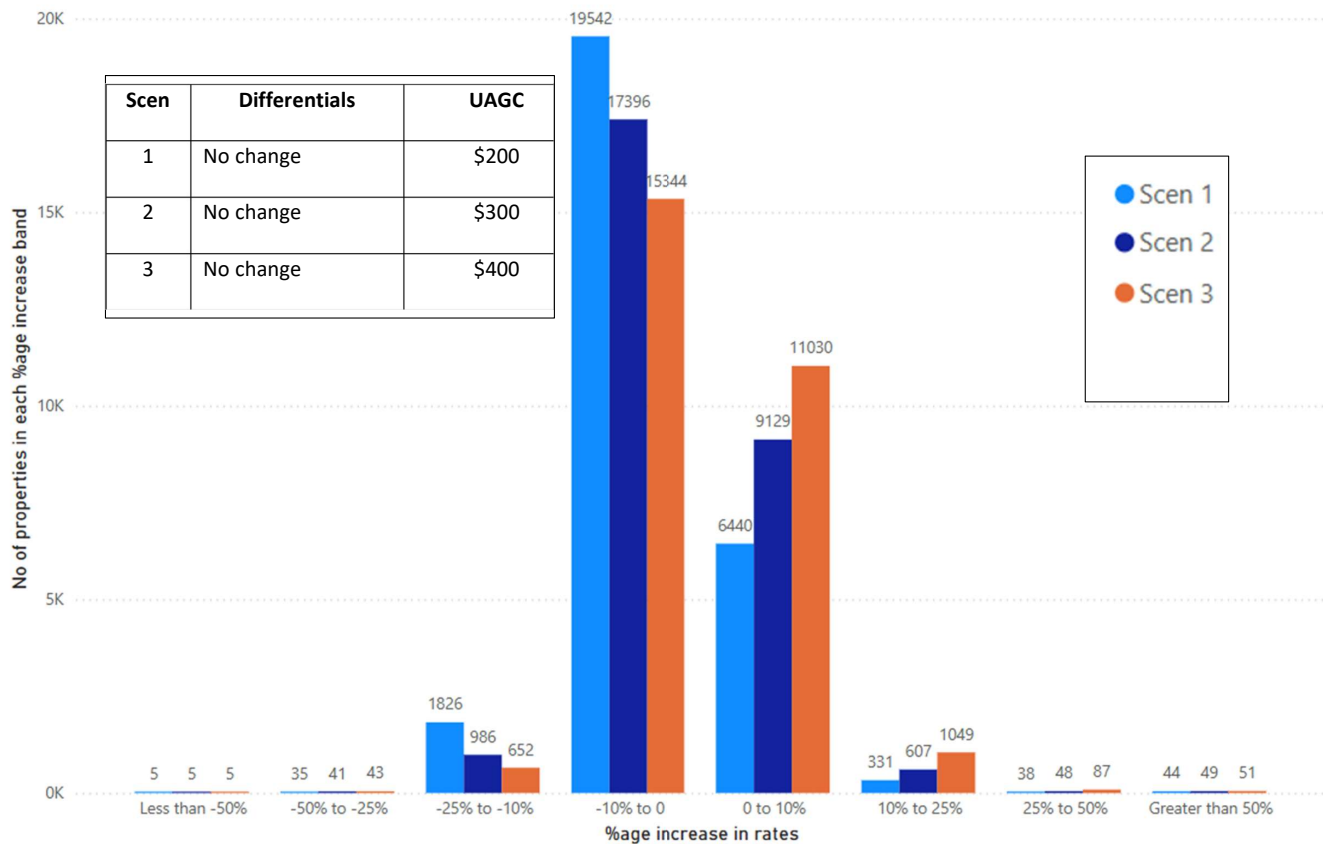
Does the Council have delegated authority to decide?	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No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

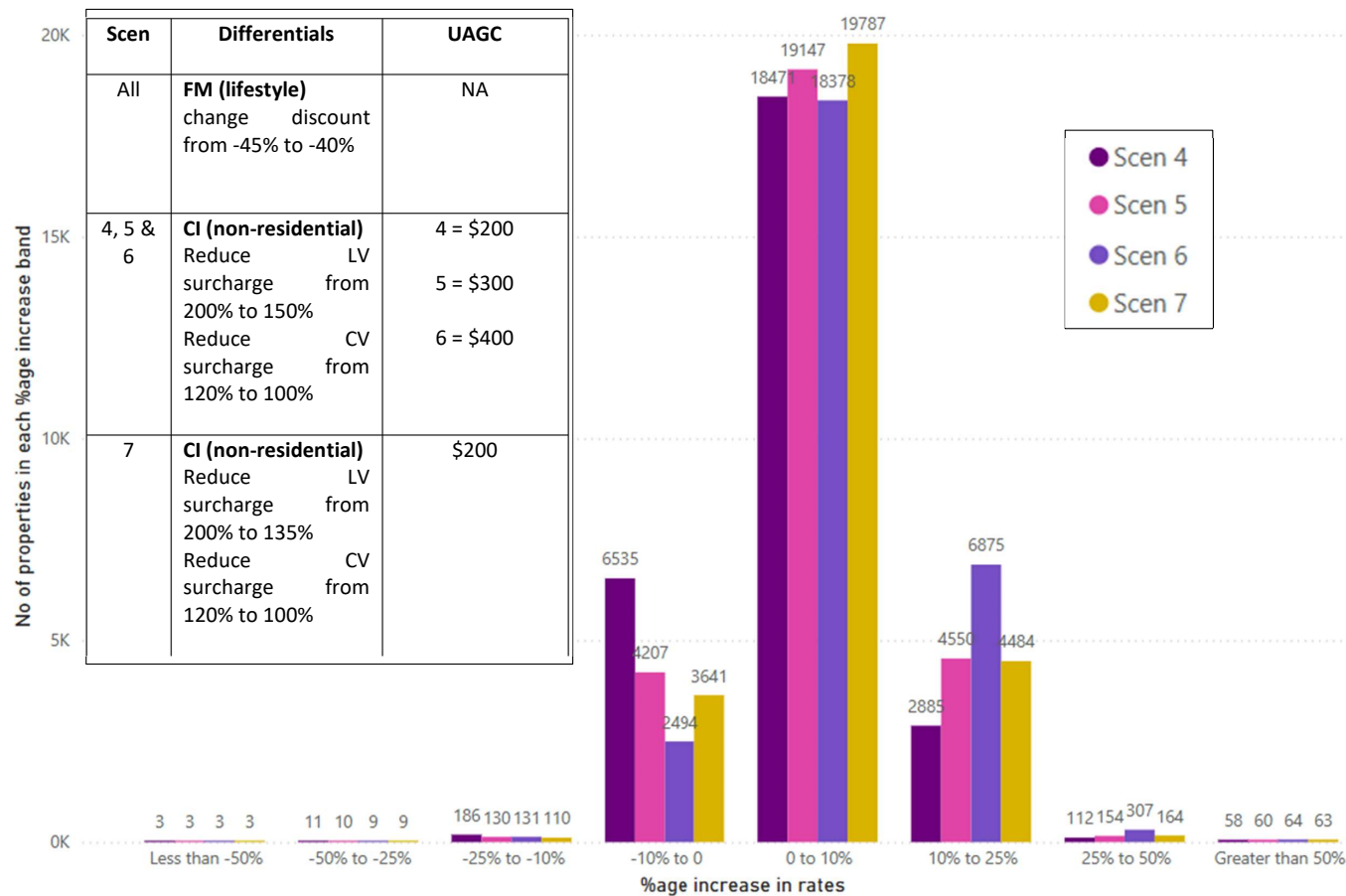
Are the recommendations inconsistent with any of Council's policies or plans?	No
<p>The recommendations contribute to the achievement of objective/objectives in:</p> <p>14. Mahere mana urungi, kirirarautanga hihiri</p> <p>14. Governance and Active Citizenship Plan</p> <p>The objective is: Base our decisions on sound information and advice</p>	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Determining rating valuations every three years is a legislative obligation that is required to enable the Council to set rates. The Council is required to prepare Funding Impact Statements that provide the detail of the proposed rating system as part of each year's Annual Plan.

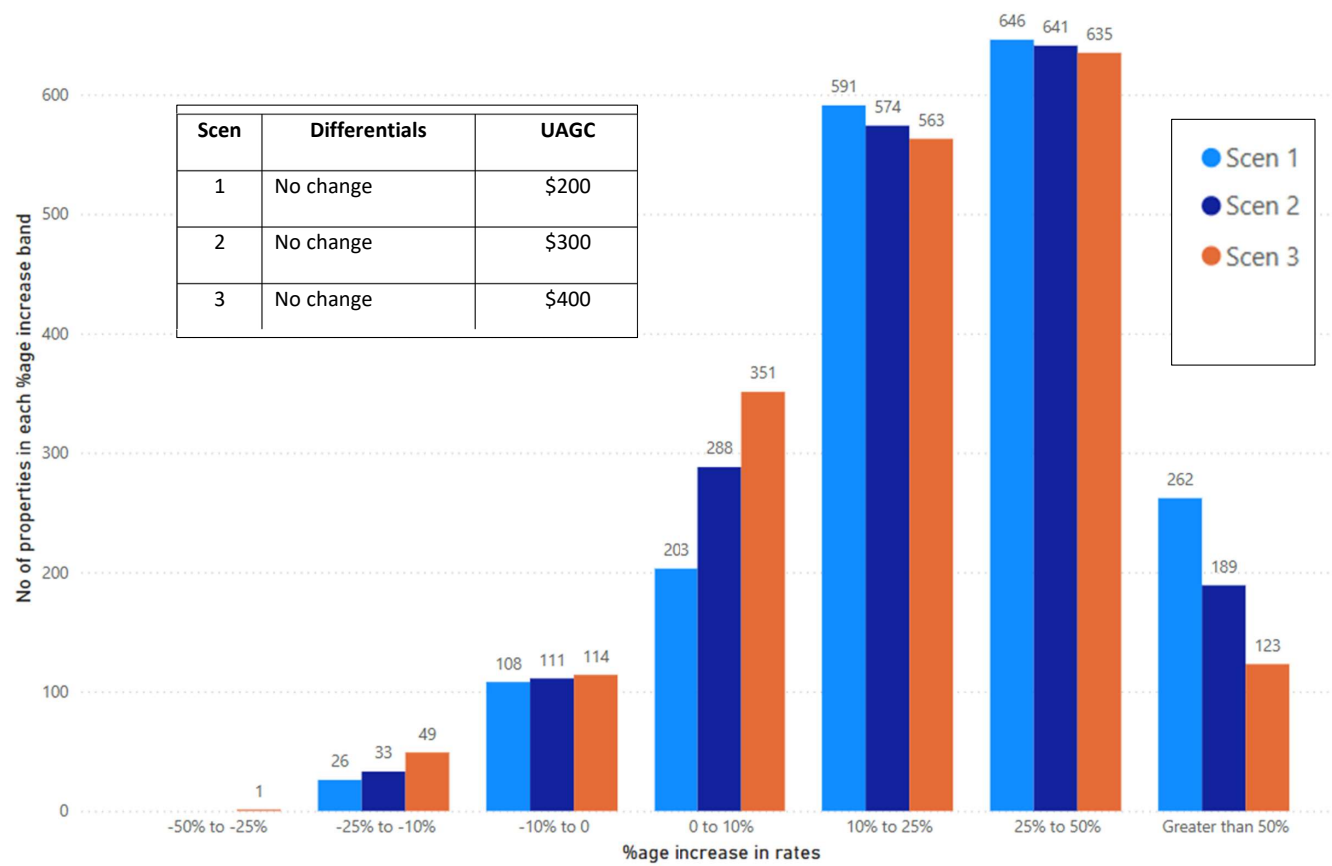
ATTACHMENTS

- Attachment 1 - Scenarios showing impact on rates incidence [↓](#) 

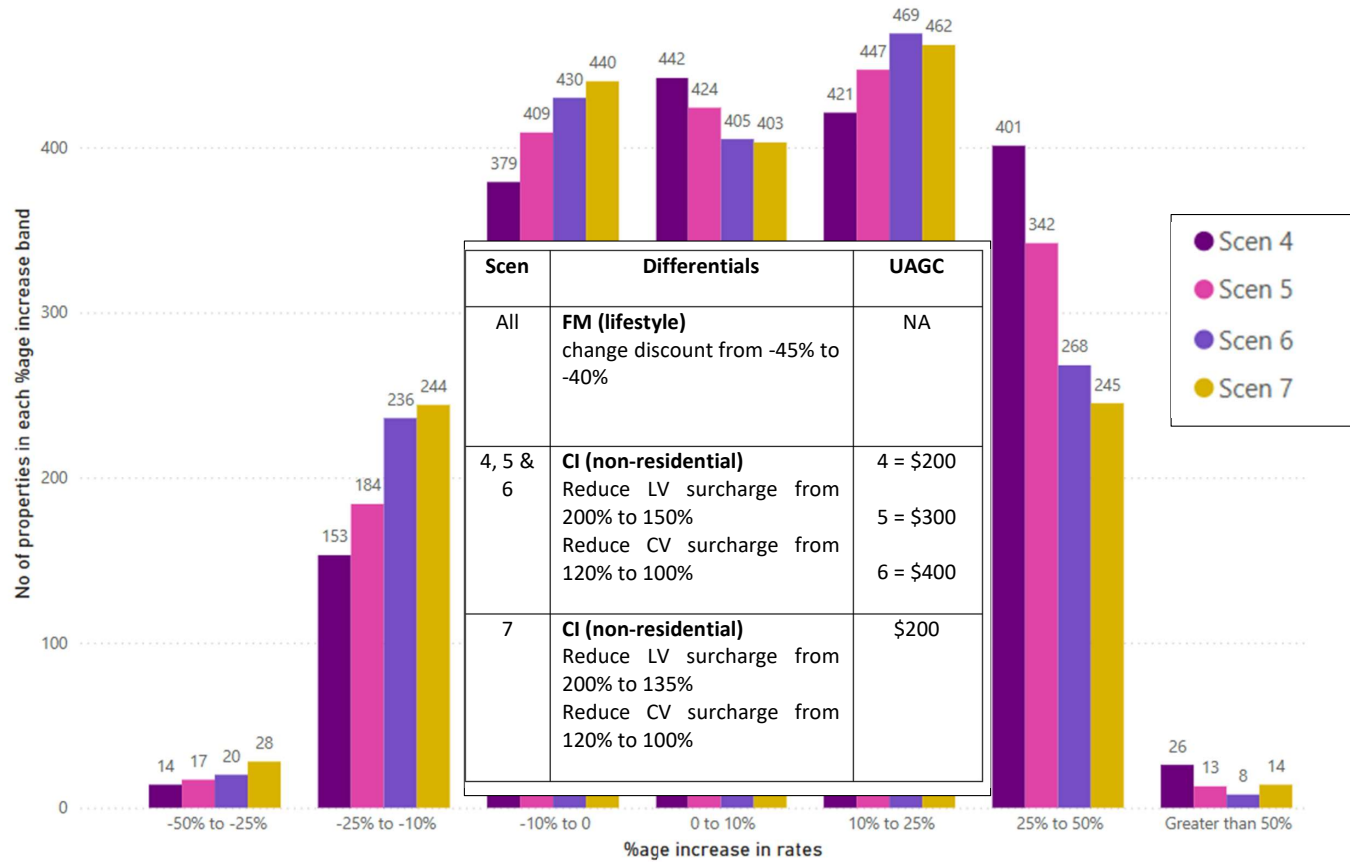
Single Unit Residential Properties – testing %age increase in rates for scenarios 1 – 3



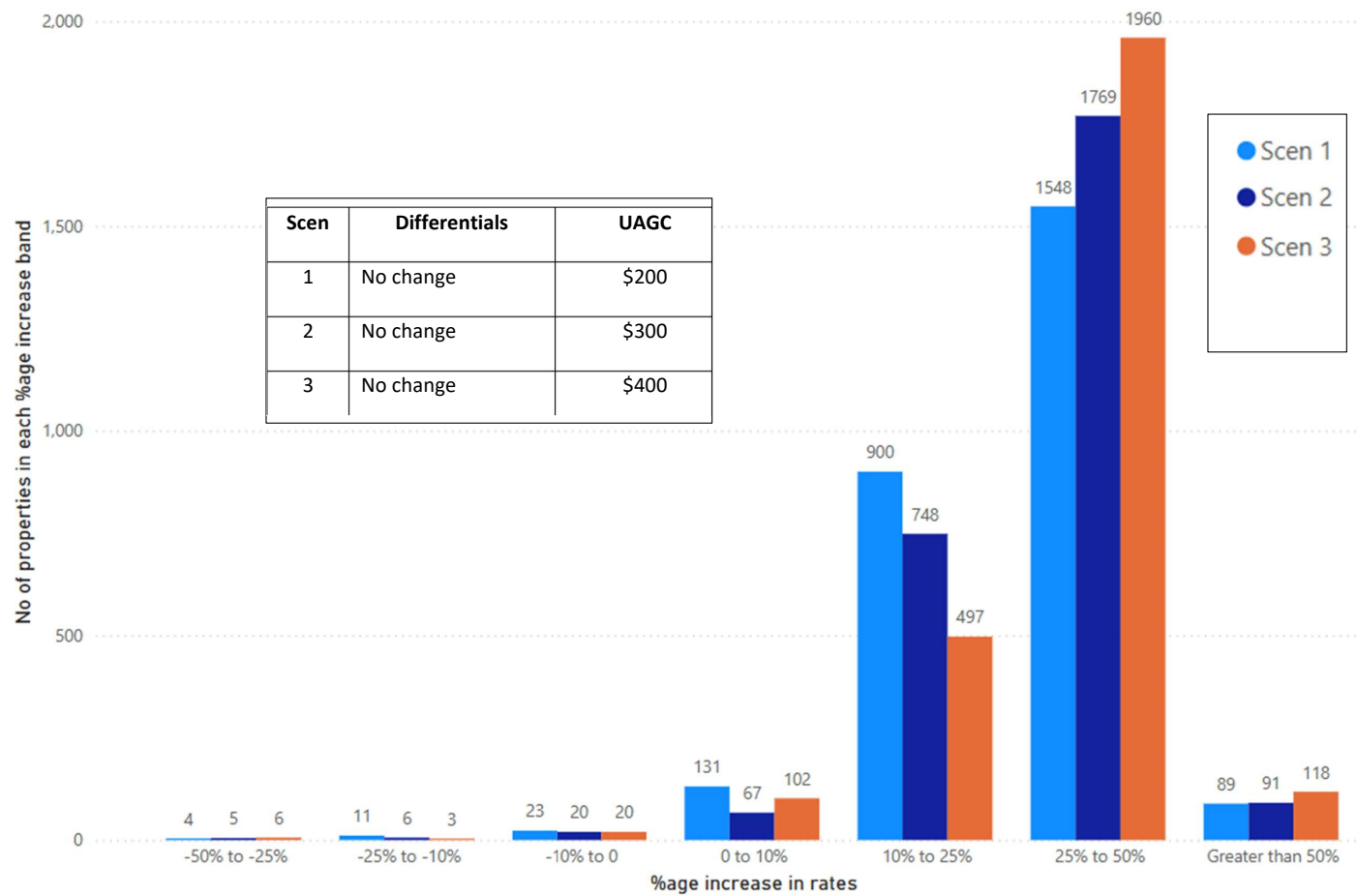




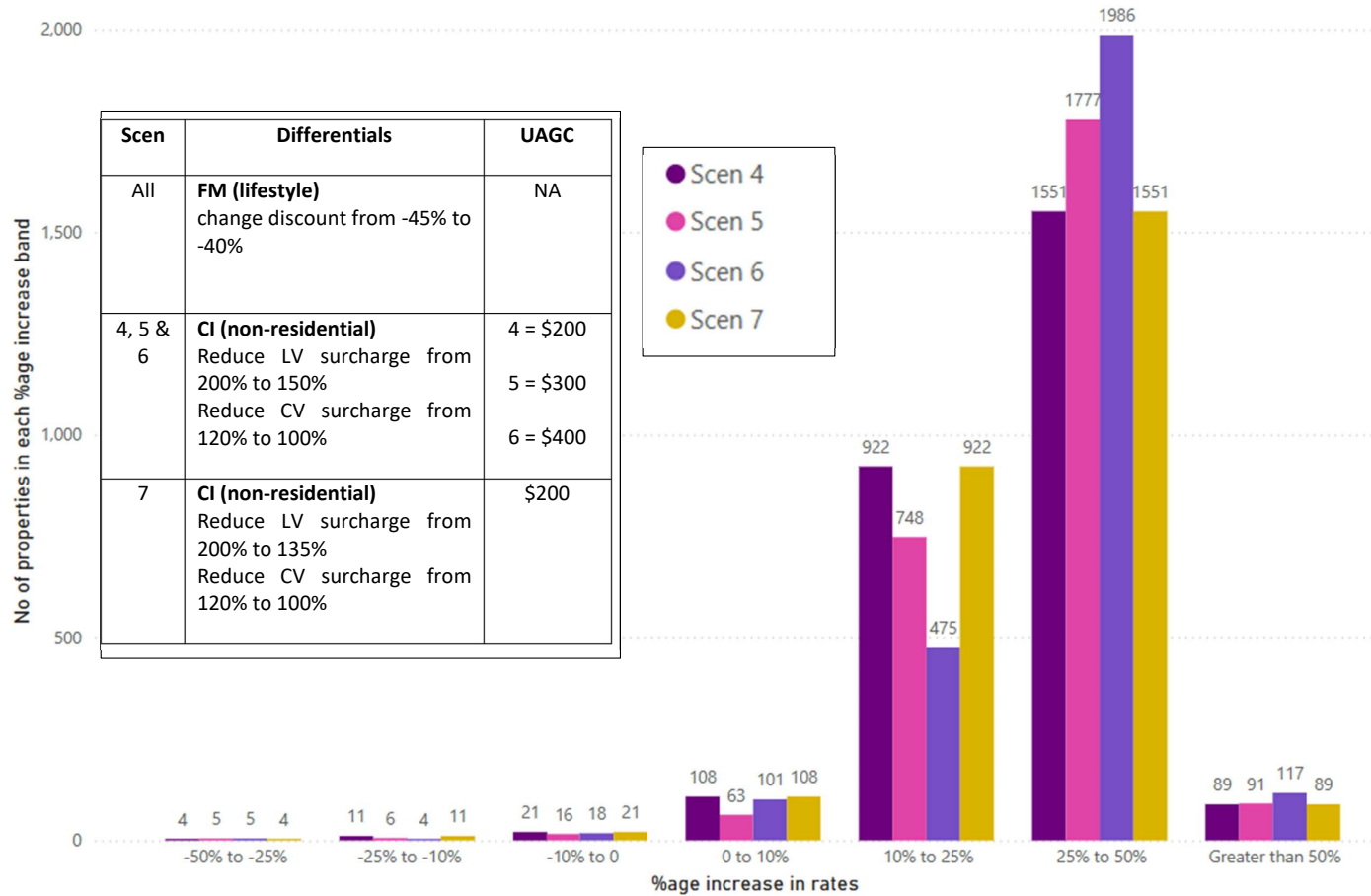
Non-Residential Properties (Commercial/Industrial) – testing
%age increase in rates for scenarios 1 - 3



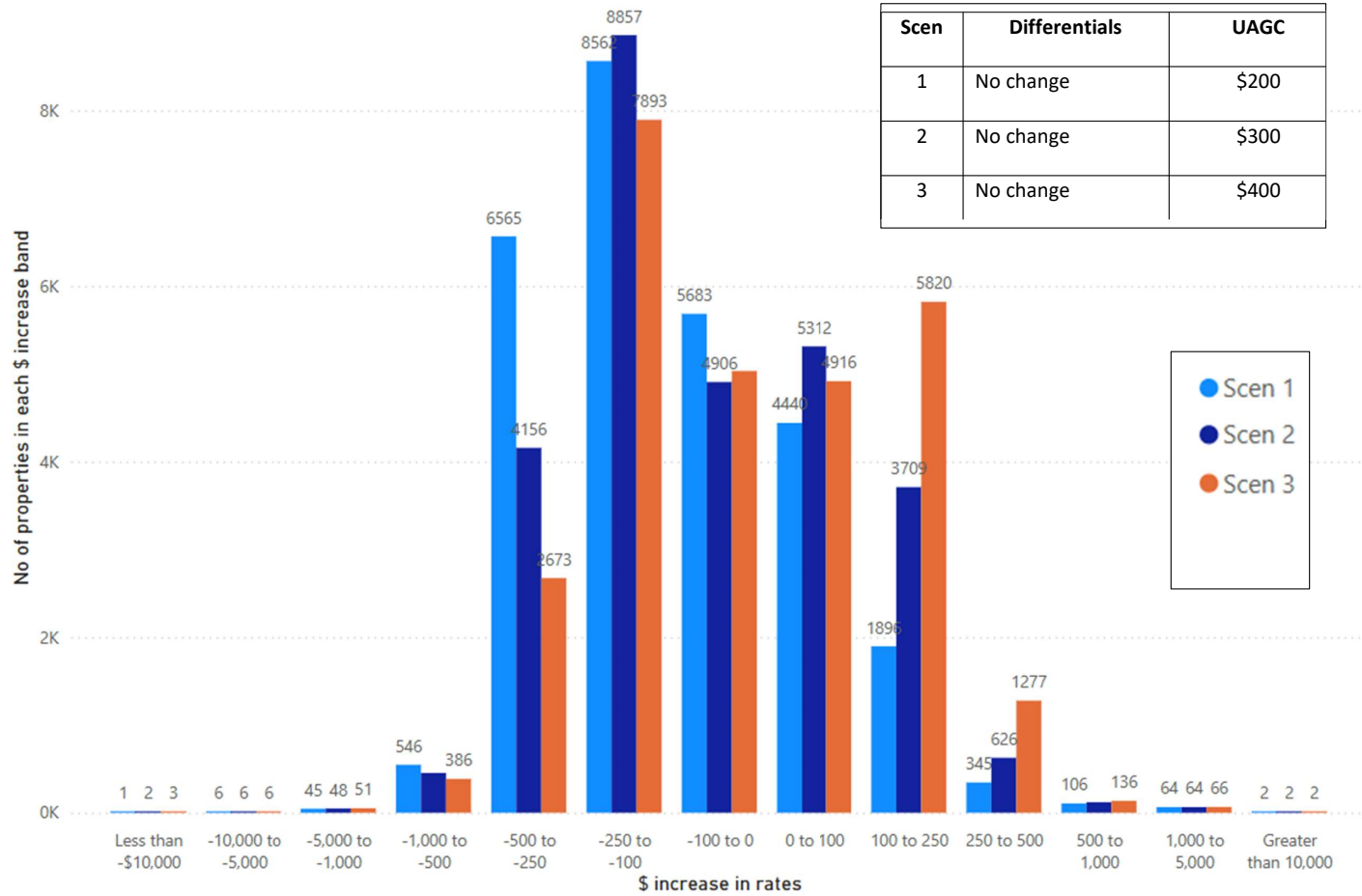
Non-Residential Properties (Commercial/Industrial) – testing
%age increase in rates for scenarios 4 - 7



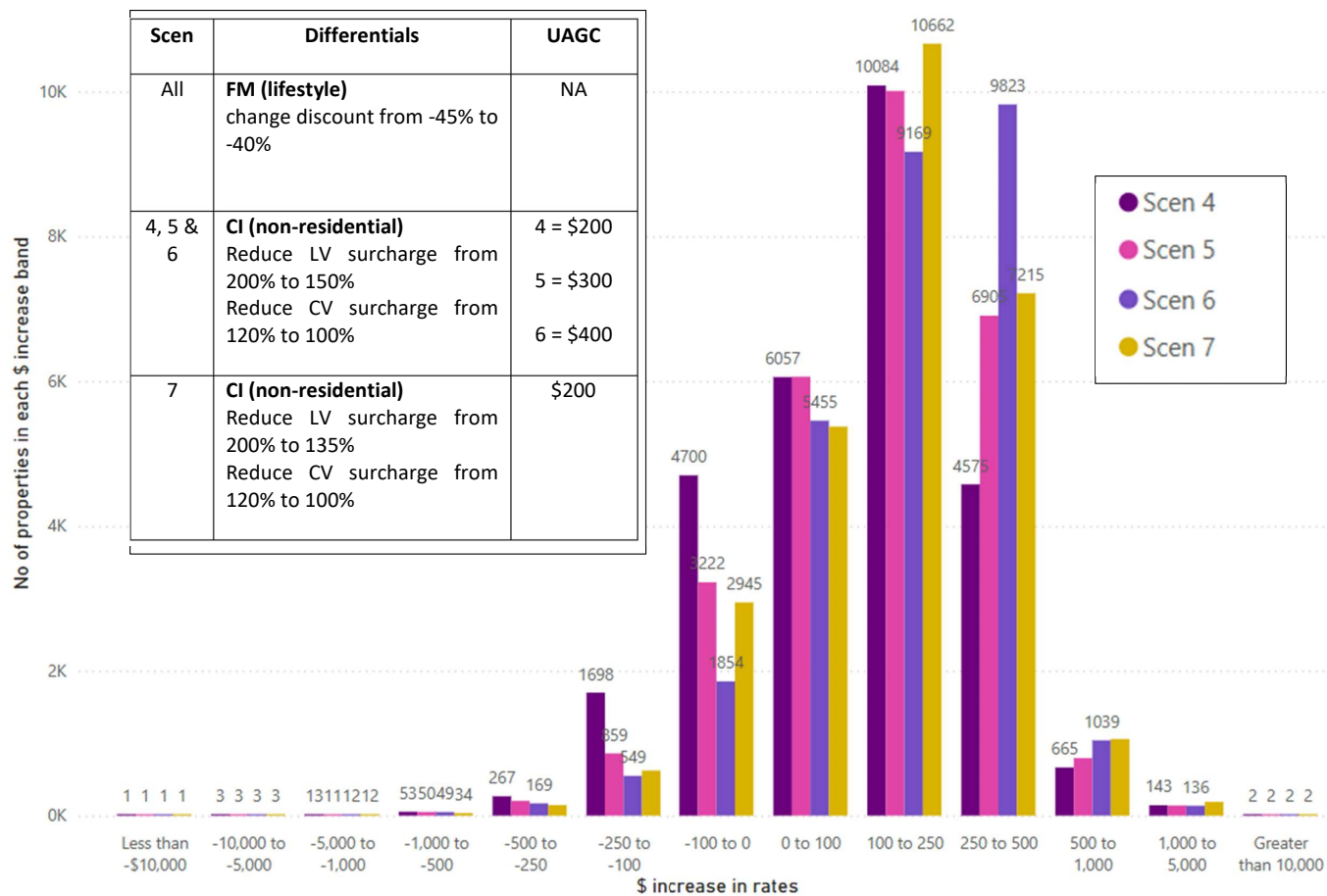
Rural/Semi-serviced Properties – testing %age increase in rates for scenarios 1 - 3



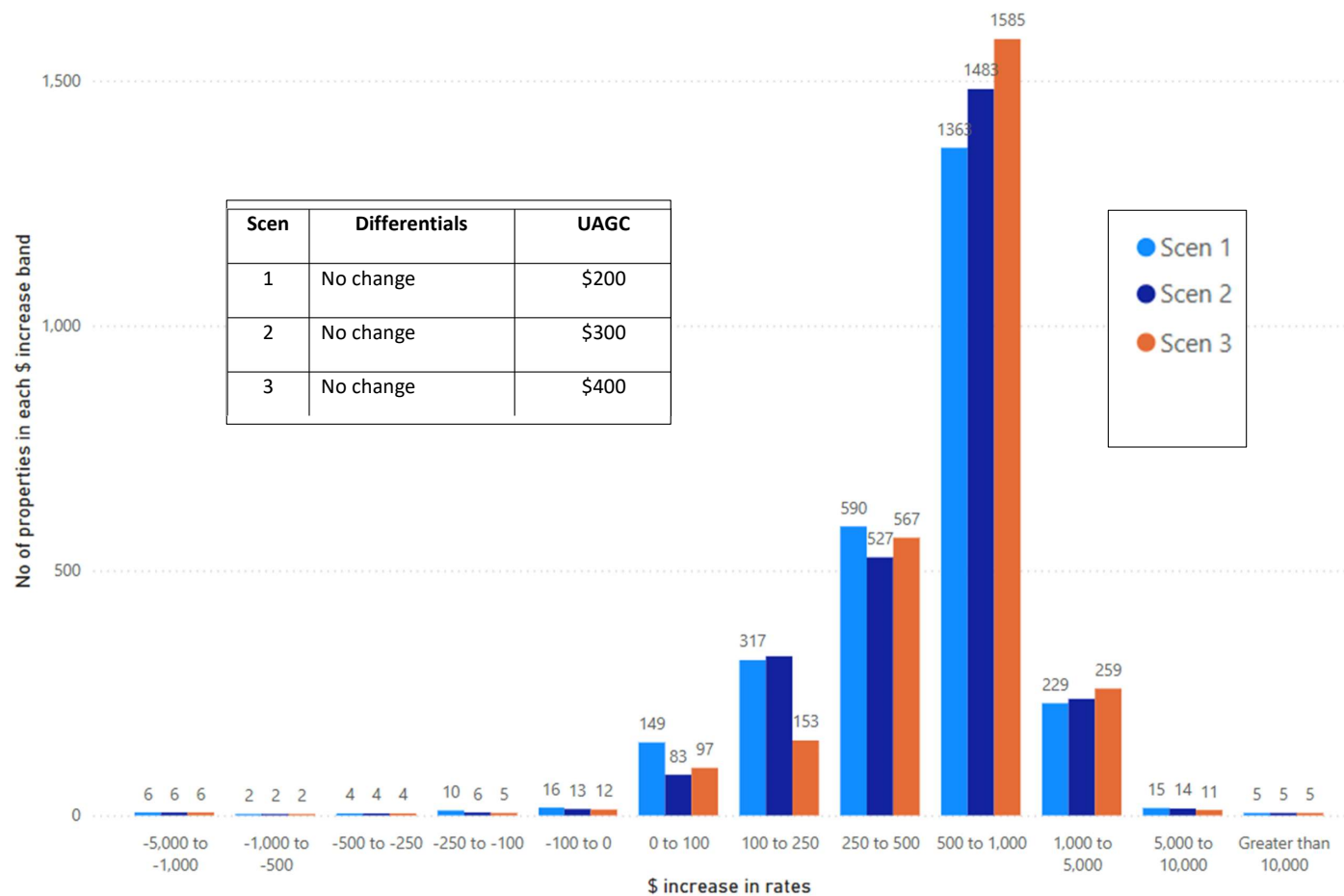
Rural/Semi-serviced Properties – testing %age increase in rates for scenarios 4 - 7

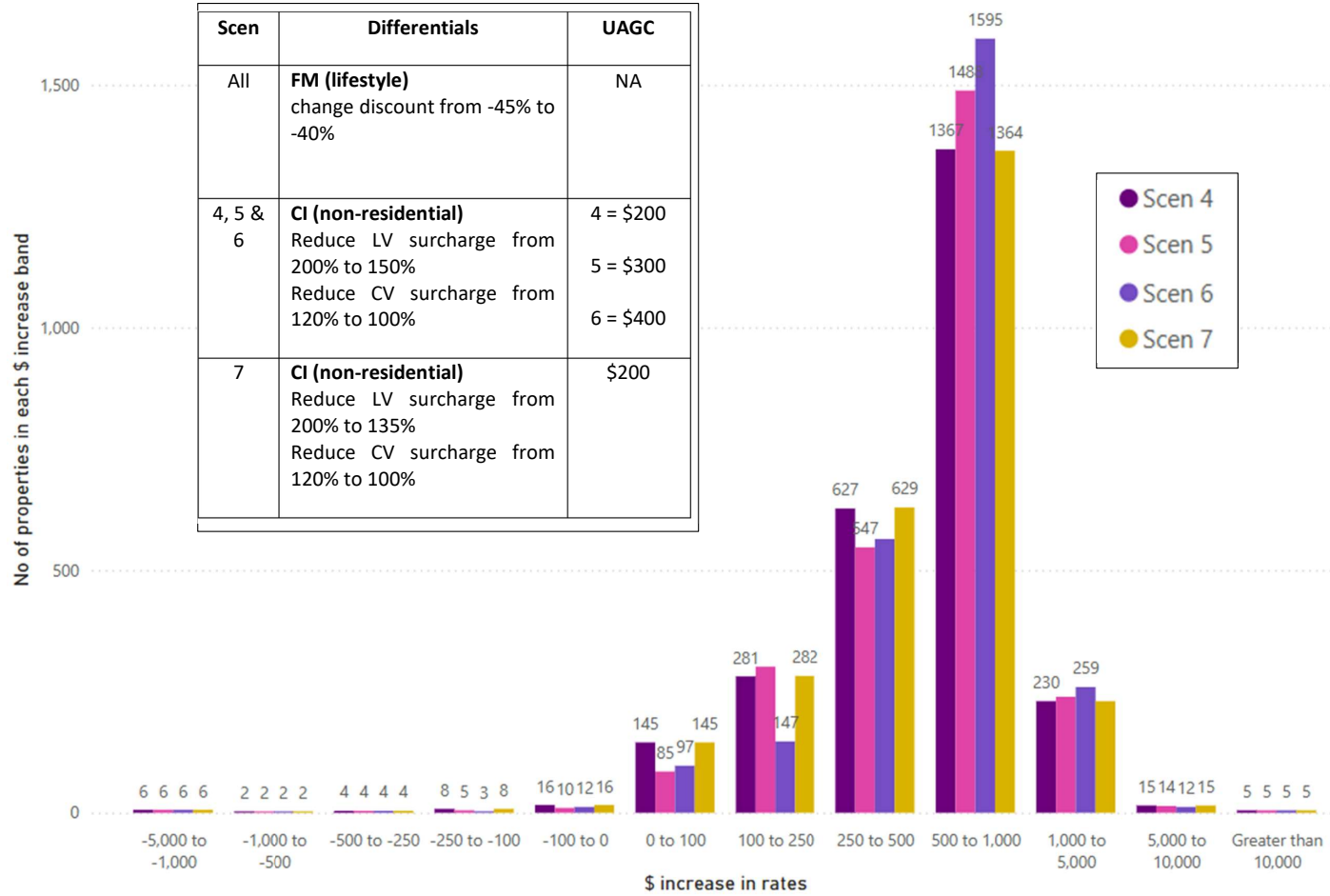


Single Unit Residential Properties – testing \$ increase in rates
for scenarios 1 – 3

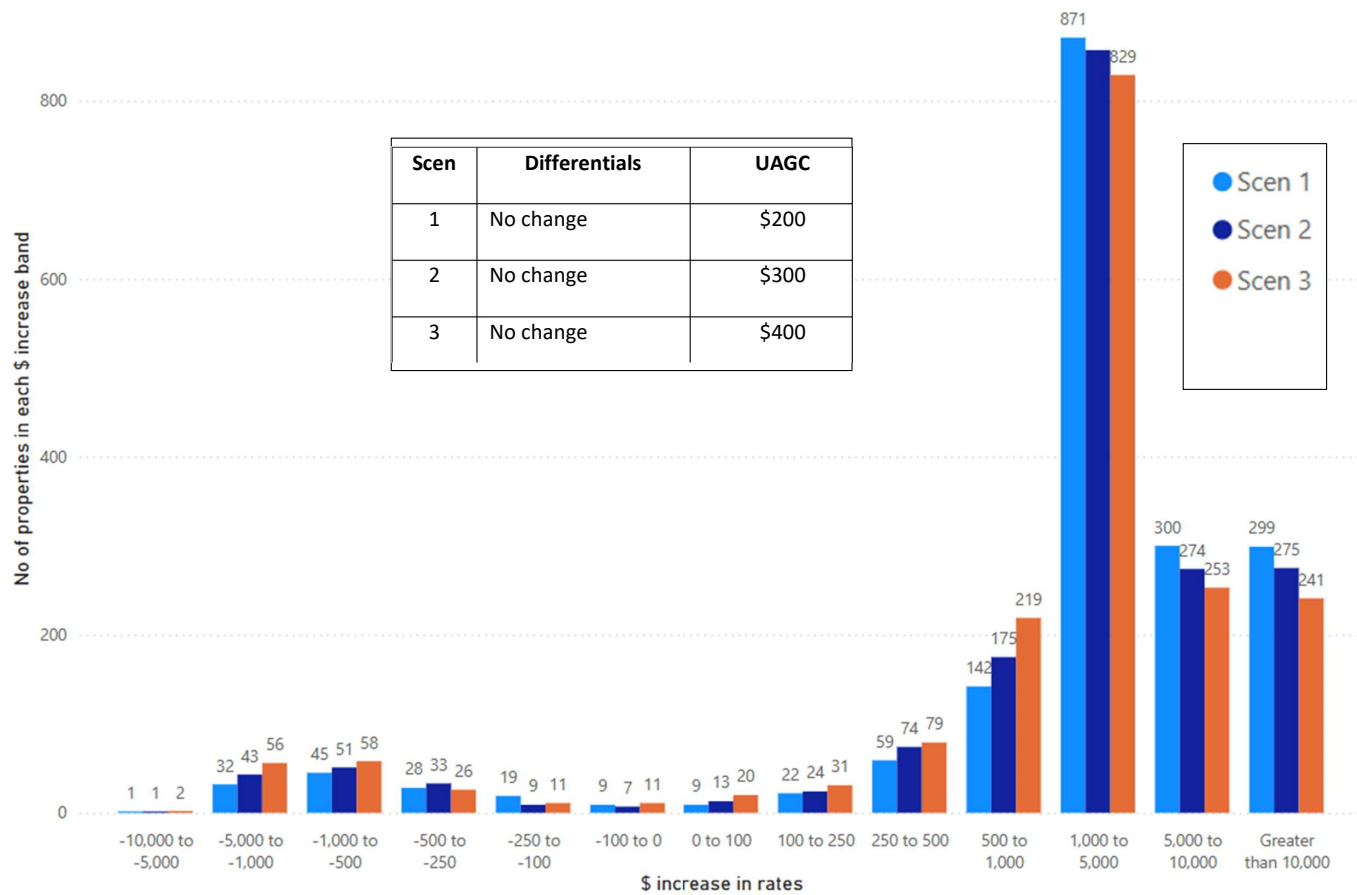


Single Unit Residential Properties – testing \$ increase in rates
for scenarios 4 – 7

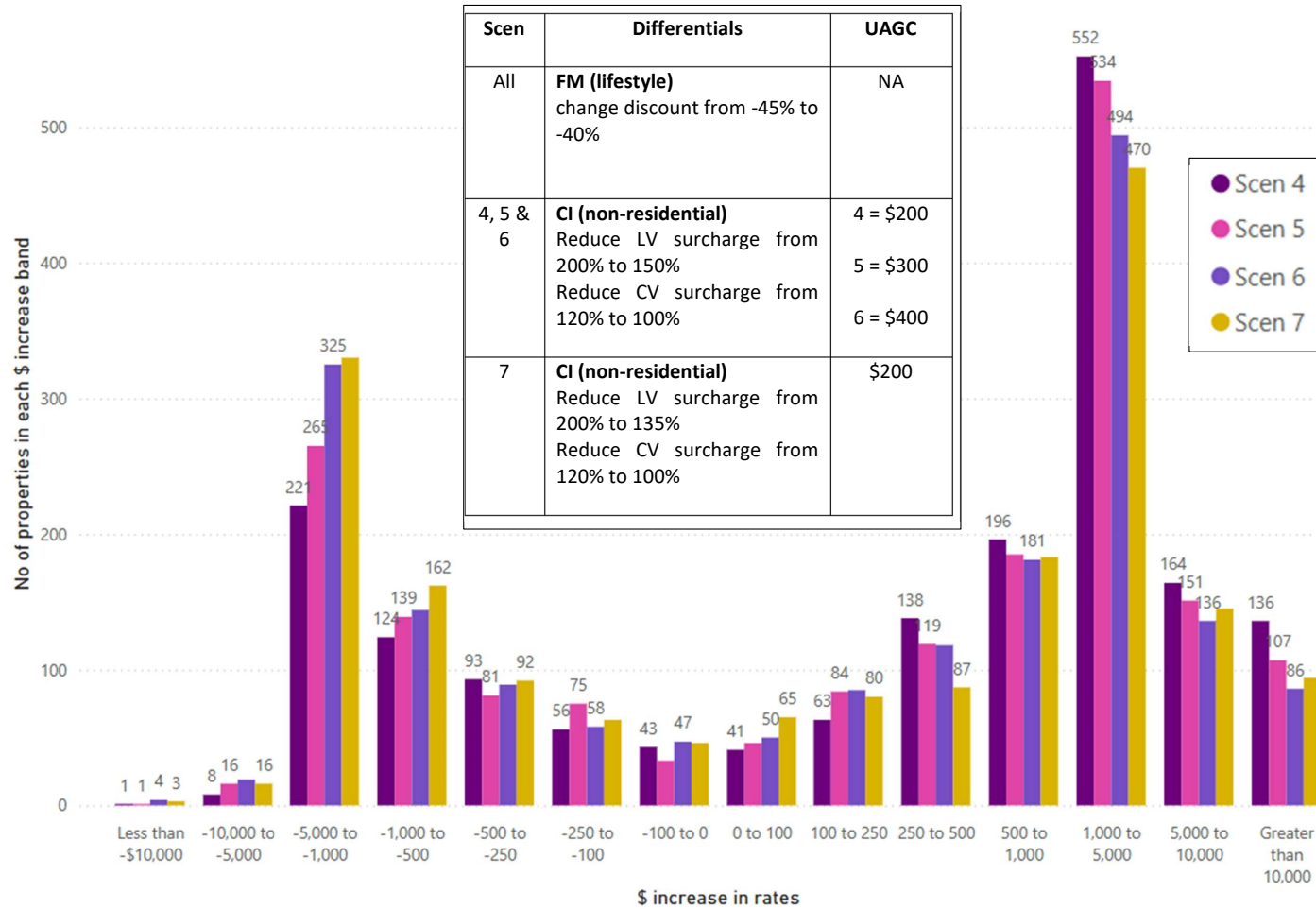




Rural/Semi-serviced Properties – testing \$ increase in rates for scenarios 4 - 7



Non-Residential Properties (Commercial/Industrial) – testing \$ increase in rates for scenarios 1 - 3



Non-Residential Properties (Commercial/Industrial) – testing \$ increase in rates for scenarios 4 - 7

MEMORANDUM

TO: Council

MEETING DATE: 12 February 2025

TITLE: Submission on the Local Government (Water Services) Bill

PRESENTED BY: Mike Monaghan, Group Manager- 3 Waters and Julie Keane, Transition Manager Three Waters

APPROVED BY: Chris Dyhrberg, General Manager Infrastructure

RECOMMENDATION TO COUNCIL

1. That Council agree the submission on the Local Government (Water Services) Bill (Attachment 1).
-

1. ISSUE

- 1.1 The purpose of this memorandum is to report to Council, for information, on Council's submission on the Local Government (Water Services) Bill (WSB).

2. BACKGROUND

- 2.1 On 10 December 2024, the WSB was introduced to the House of Representatives. It is the final bill (third) related to the water services reform that the Government intends to pass. This Bill aims to provide arrangements for:
 - Arrangements for the new water services delivery system;
 - a new economic regulation and consumer protection regime for water services;
 - and changes to the water quality regulatory framework and the water services regulator.
- 2.2 On 18 December 2024, Parliament's Finance and Expenditure Committee called for submissions on the WSB. The closing date for submissions was set by the Committee for 23 February 2025.
- 2.3 The Bill is very technical in nature, to respond to that Officers from across the organisation have provided their input.
- 2.4 At the time of writing this report, the WSB is at the Select Committee stage.
- 2.5 The key areas highlighted in the submission are:

- The requirement to strengthen Māori representation in the Bill by clarifying a water provider's obligations under te Tiriti o Waitangi, including iwi and hapū without settlements in Treaty obligations and ensuring directors have cultural knowledge of tikanga Māori and Te Tiriti.
- Improve governance with clear enforcement provisions for the Statement of Expectations, mandate essential skills for directors and ensure shareholder approval for subcontracting of significant contracts.
- Ensure alignment of financial principles and ringfencing provisions to ensure consistency between Water Services Council-Controlled Organisation options and the internal business unit option.
- Ensure any new water organisation aligns with the City's Future Development Strategy (FDS) to support long-term growth and ensure water organisations contribute to capital growth and development objectives.
- Avoid inefficiencies by aligning levy timelines and consolidating water plan requirements to reduce duplication and focus on improving services.

3. NEXT STEPS

- 3.1 Monitor outcomes of the final reading of the WSB, likely to be enacted mid-2025.

4. COMPLIANCE AND ADMINISTRATION

Does Council have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	Yes
Are the decisions significant?	No
If they are significant, do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these actions?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	Yes
The recommendations contribute to Whāinga 4: He tāone toitū, he tāone manawaroa Goal 4: A sustainable and resilient city	
The recommendations contribute to the achievement of objectives in 14. Mahere mana urungi, kirirarautanga hihiri 14. Governance and Active Citizenship Plan	

The objective is: Advocate to Government and other decision-makers on issues and opportunities.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The purpose of Local Government (Water Services) Bill (WSB) is to establish a framework for local government to provide water services in a flexible, cost-effective, financially sustainable, and accountable manner.

ATTACHMENTS

1. Draft submission Local Government (Water Services) Bill [↓](#) 

23/02/2025



Committee Secretariat

Finance and Expenditure
Parliament Buildings
Wellington 6140

Members of the Finance and Expenditure Select Committee

Submission on the Local Government (Water Services) Bill

Palmerston North City Council (PNCC) welcomes the opportunity to submit on the Local Government (Water Services Bill).

In drafting this submission, the Council has undertaken a thorough process, consulting with our subject matter experts who have contributed valuable insights based on their extensive knowledge and experience. Additionally, we have considered guidance from Local Government NZ (LGNZ), Taituarā, and Water New Zealand (WNZ) whose perspectives we have considered and support.

This submission outlines several key observations, concerns and recommendations to ensure the legislation achieves its intended outcomes of effective water services management while remaining practical, equitable and aligned with New Zealand's broader legislative framework.

We have made several comments in our submission however would like to bring your attention and consideration to the following key matters:

Relationships between water provider and iwi/hapū

The Bill's provisions regarding Māori involvement and Treaty obligations require strengthening to better nurture relationships with Māori and ensure meaningful representation and participation. Currently, Māori interests are narrowly defined, focusing only on those with Treaty settlements and excluding iwi and hapū without settlements. This limits the ability to foster evolving Treaty partnerships and does not fully address the responsibilities or obligations of water providers under Te Tiriti o Waitangi. There are also gaps in ensuring that directors of water organisations possess essential knowledge of tikanga Māori, te Ao Māori, and te Tiriti. To support stronger and more respectful relationships with Māori, we recommend expanding the definition of Treaty obligations to include iwi and hapū without settlements, making Māori participation binding, and ensuring directors are equipped with the appropriate cultural knowledge. These changes will better align water providers with the principles of te Tiriti and nurture deeper, more meaningful partnerships with tangata whenua.

Good governance arrangements

Effective governance is critical for the success of the water sector reforms and there are several key areas where the Bill could be strengthened to ensure better transparency, accountability and alignment with long term objectives. For example, the Statement of Expectation in the Bill lacks clear enforcement provisions, which could undermine its effectiveness. In terms of director requirements, while the Bill allows for competency-based appointments it would be expected that there be minimum skills required such as commercial acumen and knowledge of tikanga Māori, te Ao Māori, and te Tiriti. Additionally, water organisations' autonomy to subcontract and enter significant contracts without shareholder approval weakens governance and transparency. By improving these governance provisions, we can ensure water organisations are held to high standards of accountability and are better equipped to serve the public interest.

Financial principles for water services providers

The Bill's provisions regarding financial principles has raised a concern for our Council and requires further consideration. We believe the financial principles and ring-fencing provision create an uneven playing field between CCO options and inhouse business units. With ring-fencing as the desired outcome, the financial sustainability of water activities should stand on its own including ensuring that it has enough debt headroom without cross subsidisation from non-water activities. There is a risk that this headroom maybe needed elsewhere at a point in the future, compromising any inhouse delivery unit.

Alignment with the City's planned growth

Ensuring alignment between the proposed Bill and the City's planned development is crucial for our future. By maintaining control and influence over growth through our Future Development Strategy (FDS), we can ensure that development aligns with our long-term plans. Future planning must support the city's expansion to prevent growth from being held back. To protect the city's future, there are key components of the proposed legislation that need attention. We recommend that the Statement of Expectations for the new CCO formally adopt the territorial authority's FDS and commit to funding the capital growth programmes outlined in the development contributions policy. This will ensure the CCO supports long term growth objectives, aligning with the city's strategic development plans.

Effective utilisation of resources

The Local Government (Water Services) Bill risks creating unnecessary duplication and inefficiencies, particularly with overlapping requirements like the Taumata Arowai levy and various water plans. The levy's early implementation in 2025 conflicts with the structural changes set for 2026, meaning councils may waste resources setting up systems that will soon be outdated. Further to this, the Bill requires the preparation of additional water plans including the Drinking Water Catchment Plan despite existing requirements for Drinking Water Safety Plans, Source Water Management Plans, and Dam Safety Assurance Plans which already cover much of the same ground. To protect council resources and ensure efficiency, we should align levy timelines, delay ringfencing until

2027, and combine consultation requirements for water plans. This will reduce the burden on councils and help focus efforts on improving services, not duplicating tasks.

Our full commentary including observations and recommendations with regards to the Local Government (Water Services) Bill are attached as Appendix 1.

We believe these observations and recommendations will enhance the Bill's workability, support collaboration among stakeholders and promote effective governance and compliance across the water services sector.

Palmerston North City Council thank the Committee for the opportunity to provide comment on the Local Government (Water Services) Bill legislation.

We trust this submission is helpful to the Committee.

Yours sincerely

Grant Smith,
Mayor
Palmerston North City Council

Appendix One:

General comment

Water provider and Māori Relationships

The Bill's provisions for Māori involvement and Treaty obligations appear limited which undermines the support of nurturing relationships with Māori and allowing for meaningful Māori representation and participation. Māori interests are narrowly defined and mostly restricted to Treaty Settlements settled which excludes iwi and hapū who have not yet entered into Treaty settlements. The Bill also lacks clarity around water providers' obligations under te Tiriti o Waitangi, particularly regarding their relationships with Māori. Provisions such as clause 41 are vague and again exclude iwi and hapū without Treaty settlements. Additionally, there are significant gaps in ensuring directors of water organisations possess collective knowledge of tikanga Māori, te Ao Māori and te Tiriti.

Key Observations

1. The Bill's definitions of Māori involvement are limited to settled claims, excluding iwi and hapū without settlements and fail to address evolving Treaty partnerships.
2. Māori participation appears weak and unbinding due to reliance on State-owned Enterprises (SOEs) and vague legislative requirements.
3. Clause 41 restricts obligations to acting consistently with Treaty settlements but does not extend to broader te Tiriti principles.
4. The Bill does not adequately address relationships between water providers and Māori, especially regarding obligations under te Tiriti.
5. Clause 187(2) only provides optional provisions for shareholding councils to set expectations for how water organisations interact with Māori.
6. The skill set requirements for directors of water organisations omit essential knowledge of tikanga Māori, te Ao Māori and te Tiriti.

Recommendations

- *Expand the definition of Treaty settlement obligations in the Bill to include iwi and hapu who have not yet entered into Treaty settlements.*
- *Ensure binding commitments to Māori representation and involvement, moving beyond reliance on SOEs.*
- *Relocate clause 41 to a more appropriate part of the Bill, ensuring its applicability to all water providers or;*
- *Reframe clause 41 as a general requirement for water providers and organisations to act consistently with Treaty principles, or align it with provisions in section 4 of the Local Government Act 2002.*
- *Amend clause 40(2) to require that the collective skills of directors include knowledge of tikanga Māori, te Ao Māori, and te Tiriti.*
- *Amend clause 187(2) to require, rather than allow, shareholders of water organisations to set expectations for how these organisations conduct their relationships with Māori.*

Enforcement Mechanisms for the Statement of Expectations

The Local Government (Water Services) Bill 2024 introduces the requirement for a "Statement of Expectations" to be prepared under section 184. However, there is unclear enforcement provisions to support section 186 and ensure compliance with these expectations. This stands in contrast to the "Statement of Intent" required under section 64 of the Local Government Act 2002, which contains clear legislative obligations and enforcement provisions.

In contrast, while the Local Government (Water Services) Bill 2024 mandates the preparation of a Statement of Expectations, it does not specify clear enforcement mechanisms to ensure that water services entities adhere to these expectations.

Recommendations:

- *Establishing specific deadlines for the preparation, submission and review of the Statement of Expectations, similar to the structured process for the Statement of Intent in the Local Government Act 2002.*
- *Mandating regular reporting by water services entities on their adherence to the Statement of Expectations, providing transparency and allowing for timely interventions if necessary.*
- *Implementing clear consequences for entities that fail to meet the expectations outlined in the Statement of Expectations, ensuring that there are tangible repercussions for non-compliance.*

Implementation of the Water Services Authority – Taumata Arowai Levy

The current implementation date for the Water Services Authority – Taumata Arowai levy is for 1 July 2025. The Local Government (Water Services) Bill proposes that ringfencing of water services revenue and required reporting requirements of this new regime will not begin until 1 July 2026. This means that any administrative work to align systems for levy compliance may only be required for a short period before being restructured again. This creates an unnecessary duplication of effort and costs for councils.

Key Observations

1. The levy is set to be introduced on 1 July 2025, requiring councils and CCOs to update their systems to comply.
2. The Water Services Bill is expected to lead to structural changes in how water services are delivered, likely shifting responsibilities to new entities such as CCOs.
3. If new entities take over water service delivery, they will need to repeat the administrative work of setting up levy compliance systems making the initial investment in compliance effectively redundant after 12 months.
4. This misalignment of timing creates inefficiencies, adds unnecessary costs to councils and diverts resources from essential service improvements.

Recommendations

- *Align the Commerce Commission Levy implementation with the financial requirements (including ringfencing) set to begin on 1 July 2026, rather than introducing the levy prematurely on 1 July 2025.*
- *Delay the ringfencing requirement until 1 July 2027 to allow new water service delivery arrangements to be fully operational and prevent local authorities from investing in temporary compliance measures. This will avoid unnecessary administrative burden and costs associated*

with setting up systems that may become redundant once new entities take over water services.

Part 2 - Structural Arrangement for Water Services Provision

Subpart 1: Responsibility for providing water services

Section 8: Territorial authority responsible for providing water services

The term "responsible" is not clearly defined in the bill which could cause confusion on who is responsible for what and to whom. The absence of a clear definition of "responsible" in Section 8 and other related sections such as s9(4)(a) introduces ambiguity that could lead to misinterpretations and legal challenges.

Recommendation:

- *Clearly define the term "responsible" to avoid confusion in interpretation and implementation.*
- *Consider defining the specific obligations of each party (shareholders, ownership, etc.) to ensure clarity in responsibilities.*

Section 15: Objectives of water service providers

The Bill contains several provisions that may conflict with established legal frameworks. Key concerns include inconsistencies with the Resource Management Act (RMA), Local Government Official Information and Meetings Act (LGOIMA) and Local Government Act (LGA). Specifically, the environmental objectives and service quality requirements are overly subjective or unrealistic. The Bill requires revisions to better reflect existing legislative terminology and practical standards.

Key Observations:

1. The phrase noted in Section 15(1)(a)(ii) "do not have adverse effects on the environment" does not align with the technical language of the RMA creating potential confusion in interpretation. The provision fails to account for the reality that some level of environmental impact is unavoidable when providing water services, such as stormwater discharge or water abstraction.
2. In section 15(1)(a)(v), the objective of providing water services that "are of a quality that meets consumer expectations" is highly subjective and unqualified, which could lead to excessive costs or unrealistic standards. Consumer expectations alone cannot determine service levels, as regulatory standards, financial sustainability, and broader public policy considerations must also be factored in.
3. The Bill requires water service providers to be "good employers" but does not define this term. By comparison, the LGA provides a detailed definition which ensures fair and proper treatment of employees across all aspects of their employment.

Recommendations:

- *Replace Section 15(1)(a)(ii) "do not have adverse effects on the environment" with more realistic phrasing, such as "minimise adverse effects on the environment to the extent practicable".*
- *Remove Section 15(1)(a)(v), as it duplicates other performance standards in the Bill that already address reasonable service quality expectations. Alternatively, amend the provision to*

clarify that consumer expectations must be balanced with regulatory standards and financial sustainability.

- *Define "good employer" within the Bill, using the LGA definition as a model.*
- *It is recommended to review and align the terminology used in the bill with that of the RMA, LGOIMA, and LGA to ensure consistency across legislation and avoid potential conflicts.*

Section 16 – Financial Principles for water services

The Bill requires water service providers to act in accordance with several financial principles. Our view is that the financial principles in section 16 and ring-fencing provisions create an uneven playing field between CCO options and Inhouse Business Units. This is because for in an inhouse business unit delivery model, Councils who have relatively low levels of debt for non-waters activities currently are able to apportion greater debt headroom to the water activities than what debt covenants would otherwise allow if they were based purely off of the revenue generated from water charges. This means that the water services activities are not ring-fenced as would be the case in the CCO models and are effectively being subsidised by non-water activities.

Recommendations

- *That regardless of the delivery model, the costs and parameters such as debt raising capacity should be ring-fenced in a standalone manner for an Internal Business Unit as is the case for water services CCO's which safeguards the water activities from other Council decisions in the future that may otherwise compromise the debt headroom created from non-water related income.*
- *Amend Section 16(1)(b) to allow for ring-fencing the financing covenants of investment activities to be enabled by water service revenue.*

Section 21-23: Contracting for providing water services

The bill grants water service providers significant autonomy in subcontracting and merging decisions, including entering into long-term contracts, without requiring shareholder approval. While shareholders must be consulted there is no requirement to incorporate shareholder direction which undermines governance, accountability and transparency. Furthermore, the application of the "significance policy" is limited and does not extend to all relevant matters in the bill.

Key Observations

1. Sections 21 to 23 grant water service providers the authority to subcontract services or enter into significant long-term contracts (up to 50 years). Where the proposed contract is significant, a water organisation must consult its shareholders however they do not mandate that shareholder directions and expectations be binding, even though they must be incorporated into the significance policy. As currently drafted, these provisions allow water organisations to proceed with contracting decisions contrary to shareholder wishes, provided consultation has taken place.
2. The bill lacks clarity on whether a shareholder's statement of expectations (section 186) can prevent contracting out without shareholder consent.
3. Section 23 establishes a significance policy but limits its application to assessing whether a contract is "significant."

Recommendations

- *Amend Clause 22 to require shareholder approval before entering any significant contracts or transfers of responsibility to another body.*
- *Broaden Clause 23 to ensure the significance policy applies to all contexts where the term "significant" is used in the Act.*
- *Ensure water organisations are required to develop and apply a robust policy governing the assessment of significance across all relevant matters in the bill.*

Section 40: Board directors

Effective governance is critical for success of water sector reforms. While section 40 requires directors to be appointed based on their competency to perform the role the bill could be strengthened by further specifying required skill sets and ensuring ongoing professional development for board members.

Key observations

1. Clause 40 supports financial independence by requiring skills-based appointments and excluding local authority elected members and employees.
2. There is no explicit requirement ensuring directors possess commercial acumen or knowledge of tikanga Māori, te Ao Māori, and te Tiriti, despite their importance in governance.
3. Community trust models, which appoint directors through elections rather than skills-based selection may lead to skill gaps on boards.
4. The Bill does not include provisions for ongoing training and professional development for directors, which is critical for maintaining strong governance practices.

Recommendations

- *Clause 40(2) be amended to specifically mention commercial acumen and knowledge of tikanga Māori, te Ao Māori and te Tiriti without limiting other skill and knowledge sets*
- *Shareholders of water organisations be required to develop a policy for the capability of the directors of water organisations.*

Section 57: Exemption Order

Section 57 of the bill grants the Governor-General, on the recommendation of the Minister, the authority to exempt water organisations or trustees from specific requirements under section 55. However, there is concern that this provision does not explicitly require organisations to align with the objectives set out in the bill. This may create misalignment between the governance and purpose of water organisations and the public interest, potentially allowing the Minister undue influence to exempt organisations from adhering to their stated objectives.

Key Observations

1. Section 57 enables the Minister to recommend exemptions for water organisations without requiring them to comply with the objectives outlined in the bill, creating a risk of governance inconsistencies.
2. Allowing exemptions without reference to the organisations' stated objectives may weaken the alignment of water organisations' actions with the legislative intent.

3. The section does not provide criteria or safeguards to ensure that any exemptions granted align with the broader objectives of the bill.

Recommendations

- *Amend Section 57 to clearly state that any exemption granted must align with the objectives outlined in the bill and serve the broader public interest.*
- *Introduce explicit criteria or justification requirements to ensure exemptions are limited to circumstances that do not undermine the organisation's governance or purpose.*
- *Require that exemptions be reported publicly with a rationale explaining how they align with the organisation's objectives and the legislative intent.*
- *Ensure that Section 57 explicitly mandates that water organisations remain subject to their stated objectives, even if partial exemptions are granted. This should also include provisions for independent review or oversight of the exemption process.*

Part 3 - Provision of Water Services - Operational Matters

Subpart 1 - Charges for water services

Section 61(2)(a): Setting charges for stormwater services: additional requirements

Section 61(2)(a) does not provide a clear definition of the term "connected" in relation to stormwater networks. This could cause confusion especially since overland flows and kerb-and-channel infrastructure may not appear as traditional connections which may lead to potential disputes.

Recommendation:

- *Define "connected" within the context of stormwater networks and ensure it is clear for both service providers and the public.*

Subpart 2 - Development Contributions for Growth-Related Capital Costs

While the outlined provisions in section 92(6)(a)-(g) cover core administrative functions they miss some critical components such as the administration of development agreements and postponements. Additionally, strategic alignment with territorial authorities' Future Development Strategies (FDS) is essential to ensure the effective rollout of infrastructure and funding of growth-related capital projects.

Key Observations

1. Section 92(6)(a)-(g) lists administrative functions related to development contributions, such as assessing applications, invoicing, and managing objections. However, it does not include the administration of development agreements or postponements, which are key tools for managing financial agreements under development contributions policies.
2. The omission of development agreements and postponements creates a gap that may hinder the effective implementation of existing policies, such as the PNCC's Development Contributions Policy.
3. The Statement of Expectations for the new CCO should include a requirement to adopt the Council's Future Development Strategy (FDS) and commit to funding capital growth programmes in the development contributions policy. This alignment is necessary to support long-term development objectives which have been well planned and likely in progress.

Recommendations

- *Amend section 92(6) to include clauses addressing the administration of development agreements and postponements:*
 - *Add a new clause (h): Administering development agreements.*
 - *Add a new clause (i): Administering postponements.*
- *Include in the Statement of Expectations a requirement for the new CCO to:*
 - *Formally adopt the territorial authority's Future Development Strategy (FDS).*
 - *Commit to funding capital growth programmes outlined in the development contributions policy to ensure alignment with long-term city growth strategies.*

Subpart 3 - Water Services network: connections

Section 110(4) Compliance with National Engineering Design Standards

There is a conflict between requiring compliance with the National Engineering Design Standards (NEDS), which are still under development. Section 110(4) requires water service bylaws to comply with NEDS, but as the NEDS are not yet finalised this presents a challenge for immediate compliance.

Recommendation:

- ***Modify the wording to specify that compliance is required once the NEDS are officially adopted, allowing time for standards to be finalised.***

Section 113(b): Requirement for Activity Implementation

Section 113(b) focuses too much on the implementation of activities rather than ensuring compliance with water supply safety standards. The current phrasing in Section 113(b) emphasises the implementation of proposed activities, whereas the priority should be on safeguarding water supply networks from contamination and ensuring compliance with local and national standards.

Recommendation:

- ***Amend Section 113(b) to prioritise compliance with backflow prevention and engineering standards over activity implementation.***

Sections 110–113 – Water Service Connections

This section is overly prescriptive and may impose unnecessary burdens, especially on smaller territorial authorities that are required to comply. While it permits the approval of multiple steps simultaneously it introduces additional bureaucracy without clearly demonstrating its necessity.

The obligations outlined are specific to territorial authorities, rather than water service providers or water organisations. Although it is assumed these provisions apply to all water services (not just drinking water) this is not explicitly stated and should be clarified.

Recommendation:

- ***Amalgamate this section with Section 347 to provide a more cohesive and comprehensive overview of bylaw-making powers for water services.***

Subpart 5 - Drinking water catchment plans

Sections 143–148: Drinking Water Catchment Plans

The introduction of a requirement to prepare drinking water catchment plans (DWCPs) represents a new regulatory step. However, there are several issues with the drafting of these provisions that create some ambiguity and inefficiency:

1. Section 143 refers to a “water service provider” in the heading, but the subsections instead refer to a “territorial authority” or a “water organisation” (if delegated by the TA). This inconsistency leads to confusion about responsibilities.
2. It is unclear whether bylaws arising from a DWCP are intended to be standalone or integrated under section 347. If they are to be standalone, this unnecessarily complicates the process. If they

are intended to be included under section 347, they should be consolidated there for clarity and consistency.

3. The current wording suggests the DWCP is simply “issued,” which does not align with the consultation steps specified. A more logical phrasing would outline the stages of drafting, consultation and adoption.
4. Section 143 requires territorial authorities to issue a drinking water catchment plan. Currently councils are required to produce Drinking Water Safety Plans, Source Water Management Plans, and Dam Safety Assurance Plans. There is a significant amount of overlap in these documents with each containing similar requirements leading to duplication of effort and inefficiencies.
5. Section 144 requires public consultation for DWCPs, which could be expensive and administratively burdensome, especially for smaller councils.
6. Section 144 adapts sections 82–83 of the Local Government Act 2002 (LGA) but omits the obligation to allow for spoken interaction (hearings). This omission could undermine the consultation process unless it is clarified as intentional. The requirements also appear to pick certain elements from the LGA rather than referring directly to it, which adds unnecessary complexity.
7. Section 144(5) allows a water organisation to fulfil consultation requirements under section 82 LGA if delegated, but the rest of section 144 refers only to a territorial authority. This creates procedural gaps and confusion. If water organisations are to take on consultation roles, section 143(2) should explicitly extend the entirety of section 144 to apply to them.
8. There is inconsistency across sections regarding which entity (TA, water service provider, or water organisation) holds the responsibility for developing, reviewing and implementing the DWCP. For example, section 143 gives the TA responsibility for issuing the DWCP (or delegating its preparation), but section 148 gives the TA sole responsibility for reviewing the DWCP - this cannot be delegated.
9. Section 146 obligates a TA to make a bylaw if recommended by a water organisation, provided it is consistent with the Act. This undermines the TA's decision-making authority and reduces it to a “rubber stamp.”
10. Section 147 specifies content for bylaws related to controlled catchment areas, but this would be more logically located in section 347 alongside other bylaw-making provisions.

Recommendations

- ***Clearly define and consistently use terms such as “territorial authority,” “water service provider,” and “water organisation” throughout the Bill.***
- ***Streamline the regulatory framework by combining the requirements of overlapping plans into a single Source Water Catchment Management Plan. This approach would reduce costs, minimise workload for territorial authorities and improve efficiency nationwide.***
- ***Simplify and align the consultation process with the provisions of the Local Government Act 2002, ensuring the inclusion of spoken interaction (hearings) unless explicitly excluded.***
- ***Combine the consultation requirements for DWCPs with those of Drinking Water Safety Plans to streamline the process and reduce costs.***

- *Consolidate all bylaw-related provisions into section 347 for clarity and ease of compliance. Amend section 146 to ensure a territorial authority retains genuine decision-making powers and is not bound to enact bylaws recommended by a water service provider.*
- *Clearly assign responsibility for developing, reviewing, and implementing DWCPs to the entity that owns the assets (e.g., the territorial authority), regardless of who delivers the services.*
- *Adjust the wording to clearly outline the drafting, consultation and adoption stages for drinking water catchment plans.*

Subpart 6: Trade waste

Sections 149-163 – Trade waste

This is the first time trade waste is defined in legislation which can provide consistency across the sector and establish standardised terminology, such as the use of “trade waste permit” in place of other terms like consent or licence. This clarity will be beneficial however there are several areas that would benefit from refinement to improve clarity, consistency and practicality.

Key Observations:

1. Section 150 introduces a requirement for a trade waste plan (TWP). However, the responsibilities between territorial authorities (TAs) and water services organisations are unclear, as the TA can delegate preparation of the plan to a water organisation, but the water services provider is responsible for sending it to the Water Services Authority.
2. Section 151 references the consultation requirements for drinking water catchment plans but does so by incorporating them by reference. This creates confusion and does not establish clear or consistent consultation requirements.
3. Section 152 obligates a TA to make a bylaw if recommended by the water organisation and if consistent with the Act. This unduly binds the TA's decision-making powers. Additionally, content requirements for such bylaws are included here instead of being consolidated into general bylaw provisions in section 347.
4. Section 153 does not clearly define what constitutes "sufficient consultation" when a territorial authority considers making a trade waste bylaw. It is unclear whether this sufficiency is determined based on receiving customer submissions or adequately addressing issues raised during the trade waste plan consultation process.
5. Section 154 specifies that trade waste plans must be reviewed every 10 years, it does not clarify whether the associated trade waste bylaws must be reviewed on the same schedule or whether the bylaw review timeframe is directed by the plan itself. This lack of guidance creates uncertainty about the alignment of reviews for plans and bylaws.
6. Section 154(2) specifies a 10-year review period for trade waste plans; however, this timeframe is too lengthy as significant changes are likely to occur during this period, potentially affecting the plan's relevance and effectiveness.
7. Section 154 repeats issues noted in section 148, where TAs are required to review trade waste plans despite potentially delegating preparation to a water organisation.
8. Section 155 outlines details for trade waste bylaws and permits but is misplaced. These provisions belong in Part 6 with other bylaw-related matters. The listed matters are exhaustive, potentially

restricting the scope of bylaws and creating legal risks. Duplication with sections 401 and 402 regarding offences also occurs here.

9. Sections 156-163 prescribe a lengthy review and appeals process for decisions not to grant trade waste permits. This appears unnecessarily complex, resembling judicial review and opening the door for potentially excessive litigation, which could impact decision-making independence.

Recommendations:

- *Confirm and clarify the definitions and responsibilities associated with “territorial authority,” “water service provider,” and “water organisation” to eliminate ambiguity.*
- *Specify which agency is responsible for submitting the trade waste plan to the Water Services Authority when it is developed by a water organisation.*
- *Clearly state the consultation requirements for trade waste plans within the relevant sections, instead of relying on reference to other plan requirements.*
- *Define specific criteria for what constitutes “sufficient consultation,” including the required consultation period and scope of engagement for trade waste plan consultations.*
- *Amend section 154 to explicitly state whether trade waste bylaws must be reviewed concurrently with the trade waste plan or if the plan dictates a separate review schedule for the bylaws.*
- *Review period for trade waste plans to a shorter interval of 3-5 years to ensure timely updates and alignment with evolving circumstances.*
- *Consolidate bylaw-related provisions into section 347 for clarity and ensure consistency. Amend section 152 to remove the obligation for a TA to make a bylaw solely based on a recommendation from a water organisation.*
- *Simplify and streamline the process for reviewing and appealing trade waste permit decisions to reduce complexity and limit successive appeal opportunities.*
- *Address the duplication of offences in section 155(8) and sections 401 and 402 to ensure consistency and avoid redundancy.*

Subpart 7 - Management of Stormwater Networks

Sections 164–176:

Sections 164-176 of the Bill introduce the requirement for developing and adopting a stormwater network risk management plan. However, there are inconsistencies in terminology, contradictions in collaborative requirements and misalignments with similar provisions for drinking water catchment plans and trade waste plans. The lack of clarity in some provisions and the introduction of new concepts (e.g., “stormwater network manager”) create confusion. There are also concerns regarding the delegation of bylaw-making powers and the inconsistent consultation and review requirements for stormwater management compared to other water services.

Key Observations

1. The Bill assigns responsibility for preparing the stormwater network risk management plan to the water service provider, unlike drinking water and trade waste plans, which involve territorial authorities or water organisations. This discrepancy highlights the confused terminology throughout the Bill. Additionally, while multiple water service providers are expected to collaborate, Section 166 only allows for joint plans if all providers agree, which appears contradictory.

2. The contents of the stormwater network risk management plan, outlined in Section 167, are presented as exhaustive due to the lack of a "without limitation" preface. Section 168 requires the water service provider to provide a draft to the Water Services Authority for comment but does not mandate public consultation, unlike the comparable plans for drinking water and trade waste. Furthermore, the plan's review period of five years differs from the ten-year review cycle for other plans, adding to the inconsistency.
3. The introduction of the "stormwater network manager" role in Section 169 is problematic, as it is not mentioned elsewhere in the Bill. Moreover, Section 170 uniquely empowers water service providers to make bylaws for stormwater networks, unlike other water services where this authority is reserved for territorial authorities. This represents a significant shift in law-making powers. Section 171 also appears to limit a territorial authority's ability to regulate stormwater networks in transport corridors, even if the authority is also the road-controlling body.
4. Section 172 introduces a requirement for stormwater network bylaws to be sent to the Water Services Authority for comment, a provision not mirrored for drinking water or trade waste bylaws. Additionally, a mistaken reference to Section 148(2)–(4) creates confusion, as it pertains to trade waste bylaws and involves the Minister of Health, which does not align with the intent of stormwater network regulations.
5. Sections 174-175 appropriately address the responsibilities of private landowners for overland flow paths and watercourses. However, Section 176, which references service agreements between water service providers and other entities, is vague and lacks clarity regarding its purpose or value.

Recommendations

- ***Confirm and clarify the terminology regarding "territorial authority," "water service provider," and "water organisation" to ensure consistent understanding of responsibilities for preparing and adopting stormwater network risk management plans.***
- ***Clearly indicate whether the contents of the stormwater network risk management plan, as outlined in Section 167, are prescriptive or illustrative.***
- ***Consider adding public consultation requirements for stormwater network risk management plans, similar to those for drinking water catchment plans and trade waste plans, unless a specific reason justifies their exclusion.***
- ***Align the review requirements for stormwater network risk management plans with the ten-year cycle used for other comparable plans in the Bill.***
- ***Correct Section 169 to ensure consistency by replacing the term "stormwater network manager" with "water service provider."***
- ***Reassess the bylaw-making powers in Section 170. Determine whether the authority should remain with the water service provider or revert to territorial authorities, as with other water service bylaws.***
- ***Reconsider Section 171 to ensure territorial authorities that are also road-controlling authorities can regulate stormwater networks in transport corridors.***
- ***Align the requirement in Section 172 for stormwater network bylaws to be sent to the Water Services Authority with provisions for other water service bylaws, or clarify why this requirement applies exclusively to stormwater.***
- ***Correct Section 172 to remove the incorrect reference to Section 148(2)–(4) of the Local Government Act 2002, which pertains to trade waste bylaws.***
- ***Clarify the intent and purpose of Section 176, which references service agreements between water service providers and statutory entities, to ensure its value is evident.***

Section 164: Rural Drainage Responsibility

The bill's intention regarding stormwater management is unclear, particularly in terms of whether Regional Councils will be able to transfer responsibility for rural stormwater drainage schemes to territorial authorities (TAs) or Council-Controlled Organisations (CCOs). This raises concerns about consistency, especially if more than one CCO operates within a region.

Recommendation:

- *It is recommended to clarify the process for transferring stormwater responsibilities, including measures to ensure consistency across multiple CCOs in a region and guidance on how to manage rural drainage schemes effectively.*

Section 171: Inclusion of Transport in Stormwater Plans

The bill does not explicitly require the engagement of transport and roading teams, who play a key role in managing stormwater systems. Roading infrastructure, including sumps and kerb-and-channel systems, are critical to managing stormwater, but the bill does not mandate the inclusion of transport teams in stormwater risk management plans.

Recommendation:

- *Amend the bill to ensure that roading and transport teams are identified as key stakeholders in developing stormwater risk management plans.*

Part 4: Planning, Reporting and Financial Management**Subpart 1: Cycle of Planning, Performance and Reporting****Section 186: Water organisation may give effect to statement of expectations**

The term "give effect to" in Section 186 may cause uncertainty in its application, particularly regarding how water organisations align with the Statement of Expectations (SOE). This uncertainty could lead to inconsistent approaches or governance challenges.

Recommendation:

- *Clarify the term "give effect to" by providing specific guidelines on how it should be interpreted and implemented, ensuring it is actionable and measurable.*

Section 188(2): Additional requirements of statement of expectations

The wording in Section 188(2) may limit the rights and responsibilities of shareholders, potentially restricting their involvement in critical decisions. This could lead to tension between water organisations and their shareholders, as it may reduce transparency and accountability in decision-making processes.

Recommendation:

- *Revise Section 188(2) to ensure shareholders' rights and influence are preserved, clarifying their role in the decision-making process without limiting their involvement.*

Section 187(2): Requirements for Relationship with Iwi and Hapu

Section 187(2) does not make it compulsory to include requirements regarding the relationship with hapu and iwi, which is seen as a critical aspect of water service governance.

Recommendation:

- *Amend Section 187(2) to make the inclusion of iwi and hapu relationship requirements compulsory, and move these obligations to Section 187(1) to ensure they are fundamental to water service governance.*

Section 190: Water services strategy and Schedule 3

Section 190 refers to a 10-year horizon for the Water Services Strategy (WSS), while Schedule 3 requires contents for a 30-year period. This discrepancy could cause confusion about the required long-term planning, potentially leading to misalignment between strategic planning and financial projections.

Recommendation:

- *Review Section 190 and align it with the 30-year horizon requirements in Schedule 3 to create consistency and clarity in the WSS period and planning requirements.*

Subpart 3: Additional Planning, Reporting and Performance Requirements

Section 209(1)(b): Additional plans or reports: water organisation Prudent Asset Management

The requirement for an asset management plan to be prepared only when required by shareholders is a significant omission, as it does not compel water organisations to engage in the prudent management of assets. Section 290(1)(b) does not require water organisations to proactively manage assets in a manner, leaving this to shareholder discretion. This could lead to inadequate asset management practices, which may undermine long-term sustainability and increase the risk of asset failure.

Recommendation:

- *Amend the bill to make prudent asset management a requirement to be detailed in the Statement of Expectations (SOE), and make the preparation of an asset management plan compulsory for water organisations, ensuring they are managing assets in the best interest of the shareholders.*
- *We support the following recommendations made in the Taituara Submission:*

Recommendations: Asset management plans

That:

30. clause 209(1)(b) be deleted

31. a direct requirement be placed on all water providers to prepare an asset management plan for each of the water services they provide. This might be modelled on sections 151 to 153 of the now repealed Water Services Entities Act.

Part 6: Miscellaneous provisions

Section 344: Interpretations - ‘Infringement Offences’

This includes a definition of “infringement offence” which includes an offence identified in a bylaw made under this Act as being an infringement offence. This is in addition to offences which are specifically referenced elsewhere in the Bill. This would suggest that the territorial authority making the bylaw can create new infringement offences. This is notable because this power has not been granted to local government in the Local Government Act 2002, unless the infringement offences were already stipulated in the empowering legislation (e.g. infringement offences for alcohol control bylaws, or infringement offences under a dog control bylaw or parking bylaw).

Recommendations

- *Clarify the definition to ensure it does not unintentionally grant local government the power to create new infringement offences.*
- *Suggested rewording:*
“Infringement offence means—
(a) an offence identified in a bylaw made under this Act as being an infringement offence; and includes
(b) an offence against section 393, 398, 401, 402, 406, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, or 419.”

Subpart 1 - Water Services Bylaws

Sections 346–355 address water services bylaws, with section 347 being the principal section. While the Bill attempts to consolidate and streamline bylaw provisions, several sections are poorly drafted, duplicate existing requirements, and fail to align effectively with the Local Government Act 2002. This creates unnecessary complexity and confusion for water services providers and territorial authorities.

Key Observations

1. Section 347 serves as the principal provision for water services bylaws but does not incorporate related provisions from other sections, such as those for controlled catchment area activities, trade waste discharge permits, and stormwater network management, which would simplify compliance.
2. Section 348 consolidates provisions for water services providers to recommend bylaws to territorial authorities but includes vague and poorly drafted subsections. Subsection (2) relies on the uncertain requirements of territorial authorities, and subsection (4) lacks clarity on what constitutes a “good reason” for differing proposals.
3. Section 349 unnecessarily duplicates consultation requirements, creates confusion around the obligations of water services providers and territorial authorities, and fails to integrate with the Local Government Act 2002.
4. Section 351 introduces a new and unclear bylaw review process that overlaps with provisions for developing catchment plans, trade waste plans, and stormwater management plans, creating ambiguity over priorities and responsibilities.

5. Section 352 selectively adopts elements of the Local Government Act 2002's bylaw review requirements but omits key aspects, such as considerations under the New Zealand Bill of Rights Act 1990 and consultation requirements when continuing bylaws without amendment.
6. Section 353 duplicates earlier consultation requirements in the Bill, adding unnecessary redundancy.

Recommendations

- *Combine all provisions related to the making of water services bylaws from part 3, subparts 3, 5, 6, and 7 into a revised section 347 to establish a coherent and streamlined bylaw system.*
- *Delete provisions in part 3, subpart 3 that duplicate section 348 to avoid unnecessary overlap.*
- *Improve the drafting of section 348 to provide clear and specific consultation requirements and define what constitutes a “good reason” for differing proposals to territorial authorities.*
- *Revise section 349 to remove redundant consultation provisions and clarify the specific requirements territorial authorities must meet, ensuring alignment with the obligations already placed on water services providers.*
- *Reconsider the review requirements in section 351 to eliminate overlaps with other provisions and clarify the responsibility for initiating bylaw proposals.*
- *Align section 352 with the Local Government Act 2002's existing consultation and review requirements to prevent compliance confusion.*
- *Remove the duplication of earlier consultation provisions in section 353 to streamline the Bill.*

Subpart 2 - Compliance and enforcement

Sections 356–392 introduce provisions related to compliance and enforcement within the Bill. While some sections are welcomed, such as the ability for bylaws to specify infringement offences and fees, others require clarification or improvement to ensure practical and effective application. Key concerns include ambiguities in drafting, overlap between roles and inconsistencies in terminology that could create confusion for enforcement entities.

Key Observations

1. Section 356 enables bylaws to specify infringement offences and fees, which will aid compliance and enforcement for minor offences. However, it does not address ongoing offences, where specifying a daily infringement fee would be beneficial.
2. Section 361 outlines the information required in an infringement notice but redundantly allows the bylaw to prescribe the form of the notice, which is already covered in the Bill.
3. Section 362 prescribes methods for serving an infringement notice, raising questions about whether this detail is necessary in the Bill.
4. Section 366 is vague regarding the appointment of compliance officers by either a territorial authority or water service provider. It is unclear how this would work if the water service provider has delegated authority.
5. Section 368 allows for the suspension or termination of a compliance officer's appointment but also states their appointment ends when they are no longer eligible. This duplication is unnecessary and creates confusion.

6. Section 383 references a "water organisation" instead of a "water service provider," which is inconsistent with the rest of the subpart and unclear whether it is a mistake or intentional.
7. Section 387 specifies that a compliance order is not invalid due to defects unless it may cause a miscarriage of justice. However, it is unclear who determines what constitutes a miscarriage of justice.
8. Sections 388–390 outline powers for the chief executive to take remedial action but inconsistently apply this to the chief executive of a territorial authority or water organisation, omitting water service providers. The rationale for this distinction is unclear.

Recommendations

- *Amend section 356 to include the option for bylaws to specify that infringement fees can apply daily for ongoing offences.*
- *Remove the redundant provision in section 361 that allows a bylaw to prescribe the form of an infringement notice, as this is already addressed in the Bill.*
- *Reassess the necessity of section 362 regarding the methods of serving infringement notices.*
- *Provide greater clarity in section 366 on the respective roles of territorial authorities and water service providers in appointing compliance officers, especially when authority is delegated.*
- *Revise section 368 to remove redundant provisions regarding the end of a compliance officer's appointment.*
- *Confirm whether the reference to "water organisation" in section 383 is correct and, if so, clarify its application within the subpart.*
- *Specify in section 387 who determines whether a defect in a compliance order is likely to cause a miscarriage of justice.*
- *Clarify the reasoning behind limiting the remedial action powers in sections 388–390 to chief executives of territorial authorities and water organisations, and consider including water service providers.*

Subpart 3 - Offences

Sections 393–422 outline specific offences within the Bill. While the offences appear reasonably comprehensive, there are ambiguities in how they interact with the definition and application of infringement offences under sections 344 and 356. Additionally, provisions relating to offences involving "specified serious risk" require clarification and there is an apparent drafting error in section 413.

Key Observations

1. Sections 393–422 define specific offences, with some listed as infringement offences under section 344. However, section 356 states that a bylaw may specify offences under the Act as infringement offences, creating uncertainty about whether this is limited to offences listed in section 344 or applies to any offence in subpart 3.
2. The definition of "infringement offence" in section 344 differs from section 356, as it allows a bylaw to identify offences as infringement offences without explicitly restricting this to offences listed in the Act. This potential contradiction could grant bylaws the ability to create new offences and classify them as infringement offences, which would represent a significant departure from existing regulatory practice.

3. Many offences refer to a "specified serious risk," defined as a serious risk to public health, safety, infrastructure, or culturally significant sites. This creates a high threshold for proving such offences, particularly for those not classified as infringement offences.
4. Sections 412–415 include offences tied to "specified serious risks" that are eligible to be specified as infringement offences, which seems inconsistent with the higher threshold required for proving the offence. Clarification is needed on whether this is intentional.
5. Section 413 contains a presumed drafting error, referring to a "serious specified risk" instead of "specified serious risk," creating unnecessary confusion.

Recommendations

- *Provide clarity on whether bylaws can specify any offence in the Act as an infringement offence or if this is limited to those listed in section 344.*
- *Confirm whether bylaws can create offences and classify them as infringement offences under the Act.*
- *Clarify whether offences specified in sections 412 - 415, which involve "specified serious risks," are intended to be eligible as infringement offences, given the higher evidentiary threshold.*
- *Correct the drafting error in section 413 by amending "serious specified risk" to "specified serious risk."*

Subpart 4 - Review of water services system

Section 424: Minister to initiate review

While the review process in Section 424 is supported, there is concern about being charged for it. This could create financial burdens, especially for smaller water service organisations or councils, leading to potential resistance or delay in reviews.

Recommendation:

- *Ensure that reviews are carried out without additional financial charges, or provide an exemption for smaller councils or organisations to avoid financial strain.*

MEMORANDUM

TO: Council

MEETING DATE: 12 February 2025

TITLE: Submission on Treaty of Waitangi Principles Bill

PRESENTED BY: Todd Taiepa, Manager - Māori Advisory

APPROVED BY: David Murphy, General Manager Strategic Planning

RECOMMENDATION TO COUNCIL

1. That Council receive the memorandum titled Submission on Treaty of Waitangi Principles Bill.
-

1. ISSUE

- 1.1 A Bill has recently been proposed by Parliament that seeks to redefine the Te Tiriti o Waitangi / Treaty of Waitangi principles in legislation and require the redefined principles to be used when interpreting legislation.
- 1.2 The original submission period was 19 November 2024 until 7 January 2025. On 9 January 2025 the deadline was extended until 14 January 2025.
- 1.3 On 11 December 2024 the Council resolved to submit in opposition to the Bill and agreed that the submission will be authorised by the Mayor and Deputy Mayor, and that it will be reported back in February.
- 1.4 The submission approved by the Mayor and Deputy Mayor and lodged with Parliament is included as Attachment 1.

2. BACKGROUND

- 2.1 As outlined at the 11 December 2024 meeting, the Bill proposes that a simple, clear, and authoritative approach should be taken to the expression and application of the Treaty Principles by Parliament. It was proposed that this would achieve key outcomes such as reducing uncertainty and complexity in the delivery of government services, and improving fairness and equity in the delivery of those services by placing less emphasis on an indigenous Māori rights framing but rather an emphasis on needs based criteria.
- 2.2 The Treaty Principles Bill is part of the Government's coalition agreement with its ACT partner and is part of a wider consideration of how the Crown's Treaty obligations and responsibilities should appropriately shape the settings for

Māori participation and representation, the use of te reo and tikanga Māori, and the broader consideration of how indigenous rights are integrated into a modern liberal democracy.

- 2.3 While the scope of the Bill is in relation to Government's position on the Treaty principles, the Council submission emphasises the positive and critical role the principles have played to assist the Council to navigate relationships with its Iwi partner Rangitāne o Manawātū, and this is reflected by the inclusion of Treaty principles in our Partnership Agreement. The principles provide guidance, but also boundaries, and importantly checks and balances for all parties. The principles have also been of enormous value in building strong relationships with the wider Iwi Māori communities of Palmerston North.
- 2.4 While the coalition partners National and New Zealand First have indicated they will not support the Bill beyond its first reading, the Council submission does express concern at the potential negative impacts of initiating and framing wider public discourse on the Treaty, independently of the Tiriti partner.
- 2.5 Council's submission strongly rejects the Bill in its entirety and encourages the National and New Zealand First coalition partners to not support it passed the first reading, which they have committed to undertaking. Further, the Government is encouraged to undertake more authentic and genuine engagement with Māori to ensure that meaningful and constructive relationships with the Crown are restored and enhanced.

3. UPDATE

- 3.1 There were over 300,000 submissions on the Bill. The Justice Committee has begun hearing more than 80 hours of oral submissions which are to be completed by the end of February. Council was one of 15,000 submitters who requested to be heard and was not successful in being selected to appear before the Committee.
- 3.2 The report on the Bill will be due to Parliament's Justice Committee later in the year.

4. COMPLIANCE AND ADMINISTRATION

Does the Council have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these objectives?	Yes

Are the recommendations inconsistent with any of Council's policies or plans?		No
The recommendations contribute to: (Not Applicable) (Not Applicable)		
The recommendations contribute to the achievement of objective/objectives in: 14. Mahere mana urungi, kirirautanga hihiri 14. Governance and Active Citizenship Plan The objective is: Advocate to the Government and other decision makers on issues and opportunities.		
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Advocacy by local government to central government means that localised information contributes to the proposed legislation and can influence the impact on local communities.	

ATTACHMENTS

1. PNCC Submission on the Treaty of Waitangi Principles Bill [↓](#) 



20 December 2024

OFFICE OF THE MAYOR
Palmerston North City Council

Committee Secretariat
Justice Committee
Parliament Buildings
Wellington

justice.submissions@parliament.govt.nz

Members of the Justice Select Committee,

Re: The Principles of the Treaty of Waitangi Bill

E ngā mana e ngā reo e ngā karangatanga maha, tēnā koutou katoa.

E te tēpū whakatau i ngā whakakaupapa hou mō 'The Principles of the Treaty of Waitangi Bill.' Nei rā he mihi nui ki a koutou i āta titiro i tēnei Pire. Ko mātou tēnei o Te Kaunihera o Papaioea e mihi atu nei ki a koutou me te kaupapa e kawea nei e koutou. Ko ēnei tā mātou iti hei whāngai i te wānanga whānui e pā ana ki tēnei Pire. Ko te kaupapa matua, ko Te Tiriti o Waitangi, te kawenata i waenganui i te karauna me ngā karangaranga hapū, iwi, o Aotearoa whānui. Nō reira tēnā koutou, tēnā koutou, tēnā tātou katoa.

Thank you for the opportunity to submit to the Principles of the Treaty of Waitangi Bill. Palmerston North City Council (PNCC) encourages the Select Committee to genuinely consider the feedback provided through this process. PNCC do not want or need this change to occur. Our community, and certainly Rangitāne o Manawātū our Treaty partner, are not asking for a recasting of the Treaty compact or a redefinition of the decades of case law and institutional practice across Aotearoa.

No engagement or consultation with Māori was undertaken during the development of the Bill, which is a disregard of the role of the Crown as Treaty partner, and the existing principles of Te Tiriti o Waitangi.

The Bill seeks to redefine Te Tiriti o Waitangi / Treaty of Waitangi principles in legislation and further require the redefined principles to be used when interpreting legislation. Currently over 35 Acts include reference to the principles. The principles apply to central government policy and operational decisions and are used to interpret legislation. They are used by the Waitangi Tribunal to review proposed Crown action or inaction, policies, and legislation. They are also used informally to contextualise and guide local practices and settings for many people, communities, and institutions across Aotearoa New Zealand.

There are already established Te Tiriti principles developed over many years of jurisprudence, law-making and policy-making, which includes (in summary):

- Partnership - the Treaty / te Tiriti is a partnership between Māori and the Crown, which requires the partners to act toward each other reasonably, honourably and in good faith.

- Protection – active protection by the Crown of Māori interests, rights, taonga and rangatiratanga.
- Participation – the Crown will provide opportunities for Māori to engage with decision making processes at all levels.
- Redress – the Crown should provide redress for breaches of the Treaty/ te Tiriti.
- Kāwanatanga – the Crown has the right to govern.

PNCC, in giving effect to Crown legislation, has been required to address te Tiriti through legislative direction. The Treaty principles approach has helped to reconcile differences between the te reo Māori and English texts and allows PNCC to give effect to the spirit and intent of the Treaty when applied to contemporary issues. These foundational principles are often a valuable starting point in understanding and assessing how iwi Māori interests can be impacted, or aspirations achieved, in any given situation.

A primary statute for local government is the Local Government Act 2002. Sections 4 and 81, state that we must:

“... recognise and respect the Crown’s responsibility to take appropriate account of the principles of the Treaty of Waitangi and to maintain and improve opportunities for Māori to contribute to local government decision-making processes... to facilitate participation by Māori in local authority decision-making processes.”

Further we are required to “establish and maintain processes to provide opportunities for Māori to contribute to the decision-making processes of the local authority; and consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes of the local authority.”

There are also other statutory obligations, most notably the Resource Management Act 1991, which require us to recognise the culture and traditions of Māori as they relate to the natural environment. There are also obligations under the Treaty of Waitangi and the Human Rights Act. These obligations alone do not adequately reflect the foundational importance of the partnership between local government and Māori, and the critical value that relationships with tangata whenua bring to local governance. However, they do provide illustrations of how embedded treaty principles are in current governance practice.

PNCC has undertaken these obligations with genuine intent. Overall, PNCC’s experience has been that the Treaty principles have provided a valuable foundation for progressing constructive and meaningful relationships with mana whenua and the wider Māori community. There is a growing confidence in each other to act with integrity, consistency, and transparency. Importantly, this has led to both a greater degree of collaboration and achieving success together, as well as acknowledgement that Māori have their own aspirations for self-determination that need to be embraced and supported.

PNCC is particularly appreciative of the partnership it has developed with our partner Rangitāne o Manawatū. Our Partnership Agreement states that each party commits to The Principles of Te Tiriti o Waitangi / The Treaty of Waitangi, and that it will be the basis by which each party engages with the other. In particular the Agreement emphasises the principles of Partnership, Participation and Protection.

These principles are further clarified in the Partnership Agreement as requirements on the partners to:


- *Act reasonably, honourably and in good faith to ensure the strategic relationship has integrity and respect;*
- *Recognising that all parties can contribute for mutual benefit, in deciding the future of the city – the planning, development and delivery of services that are put in place to improve the city;*
- *Actively protecting the taonga of Rangitāne and safeguarding cultural concepts, values and practices to be celebrated and enjoyed by all the citizens of Palmerston North;*
- *Ensuring Council respects and, where appropriate acknowledges, the cultural origins of works produced by Rangitāne under this Agreement.*

Local government has many strategic commitments that support the development of Māori capacity to participate more fully and effectively in local decision-making processes. We engage directly with tangata whenua as a part of our statutory responsibilities and as a means of giving expression to the commitment to bicultural development and responsiveness. It is the Treaty principles that provide guidance as to the characteristics of engagement and decision-making that are most likely to lead to enduring intergenerational solutions.

We ask that the Treaty of Waitangi Principles Bill not proceed any further and that the Crown engage with its Tiriti partner in an authentic and mana-enhancing fashion that befits the significant achievements in recent decades. This will create pathways that fulfil the aspirations laid out in the Treaty for Tangata Whenua and Tangata Tiriti.

PNCC request to be heard and present this submission to the Justice Select Committee.

Ngā mihi nui



Grant Smith JP
MAYOR - KAHIKA
Palmerston North City Council



Debi Marshall-Lobb
DEPUTY MAYOR - KAHIKA TUARUA
Palmerston North City Council

MEMORANDUM

TO: Council

MEETING DATE: 12 February 2025

TITLE: Arena Masterplan Steering Group

PRESENTED BY: John Lynch, Manager Venues + Events

APPROVED BY: Danelle Whakatihi, General Manager Customer & Community

RECOMMENDATION TO COUNCIL

1. That Council reconvene the Arena Masterplan Steering Group and agree the attached Terms of Reference.
-

1. ISSUE

- 1.1 As Council officers progress with the new Arena 5 development planned within the current Long-Term Plan (LTP), the Arena Masterplan Steering Group (Steering Group), who have not met for 3 ½ years, need to be reconvened to oversee the project and keep Elected Members informed on design, tender or design and build processes, developments, and delivery.
- 1.2 This memorandum presents a reviewed Terms of Reference for Council's approval before the Steering Group is reconvened.

2. BACKGROUND

- 2.1 In 2014, Council undertook a high-level study of Arena Manawatū, now Central Energy Trust Arena (CET Arena) to produce a spatial framework for the site and immediate surrounding streets. Significant improvement of the facility's relationship and connection to adjoining streets was identified as a key issue. A range of projects aimed to deliver a high-quality site and sports destination with improved street presence, legibility and sporting visibility. This included a new open plaza entrance to Cuba Street and a potential Sports House.
- 2.2 In 2015, Updates to Section 15 Recreation of the Operative District Plan were made resulting in a specific Arena Zone (Section 15.2.5) and embedding the Arena spatial framework as a Planning Map (Map 15.2). Funding of priority streams of work was allocated into the 2015 - 2025 Long Term Plan including Council agreeing to provide a \$1.5M funding grant for a Sports House on the site.

- 2.3 In 2017, a more detailed Masterplan study was then prepared to further test and develop previous work undertaken. Key outcomes underpinning the Masterplan to create a higher quality sporting destination with improved street presence, legibility and sporting visibility remained. Further contextual analysis of the planning framework, site conditions, built form, open space patterns and general assessment of facilities were undertaken. Specific briefs for Arenas 1-6 were prepared and a range of concept options including a new Sports House tested to best address site-wide requirements. Options were costed and assessed, and a preferred Masterplan option emerged (Option 3). Funding for Option 3 priority projects were then allocated into the 2018-2028 Long Term Plan.
- 2.4 Land was acquired at the corner of Cuba and Waldegrave Street and the site made good in preparation for construction works for a new entrance plaza. From 2018, with oversight from the Arena Steering Group, detailed design of priority projects commenced with the first artificial turf at Arena 6 completed late 2019.
- 2.5 During this time the proposal for a Sports House to be located at Central Energy Trust Arena was withdrawn by Sport Manawātū. Attention then shifted to construction delivery with the Cuba Street entrance plaza and overbridge, reconfigured speedway pits and south stand base plinth and ablutions completed in April 2021.
- 2.6 This significant change has resulted in a more welcoming public entrance from Cuba Street, an enhanced visitor and fan experience for users of Arena 1 and improved operations management for larger events such as speedway, rugby, concerts and community events. These changes have drawn positive national design attention with Central Energy Trust Arena receiving a handful of prestigious Toitanga and public space design awards.
- 2.7 With this tranche of work now complete, updating the Masterplan to reflect progress made, understand any new or emerging needs and confirm all future projects are the next logical steps in continuing to provide long term vision and guidance for co-ordinated and integrated development of Central Energy Trust Arena.
- 2.8 Sport and recreation facility planning processes are occurring in parallel. Needs assessments guided by the Regional Sports Facilities Plan 2018 and the Palmerston North 'City Specific' sections updated in 2022 have informed the Masterplan review. Central Energy Trust Arena is recognised as having a unique role in the region for meeting demand for further sports facilities. Needs have been canvassed for additional indoor court and sports field facilities identified for the site. A regional GymSports feasibility study is underway and Central Energy Trust Arena is a potential location being considered.
- 2.9 The Arena site does not sit in isolation to its immediate surrounds. Other projects – the Cuba Street link and Featherston Street cycleway directly relate to the immediate street network that surrounds the Arena site and these have

been highlighted within the updated Masterplan. It is essential to ensure these projects are considered in relationship to the ongoing development of the Arena and that wider City Centre transformation and active transport outcomes to better connect and access the site are achieved.

- 2.10 Three significant projects have been completed since the original Masterplan was adopted at Arena.
 - In 2018 retractable seating was installed in Arena 2 providing 2,282 seats at a cost of \$1.5M
 - In 2019 an artificial turf was installed at the rear fields behind the grandstand at a cost of \$1.4M
 - In 2021 the new Entrance Plaza and Speedway Pits project was completed at a cost of \$17.4M
- 2.11 In 2023 the Arena Masterplan was again reviewed, updated and adopted by Council. The latest review was undertaken as:
 - it had been 5 years since the Arena Masterplan was last revised,
 - there has been a changing landscape in the markets which Arena operates in,
 - there is a more coordinated approach to the development of facilities regionally,
 - ensuring the facilities meet the current and future needs of the community.
- 2.12 The Arena Masterplan Steering Group last convened in mid-2021 at the completion of the Entrance Plaza, Speedway Pits and Ablution Block project which was delivered on time, and within budget. As there were no further projects planned in the Council's LTP, it was determined there was no further need for the Steering Group to meet. Strategic Planning and Infrastructure have been consulted in putting the report and draft terms of reference together.
- 2.13 The appointments from Council for the Steering Group have already been decided following the last election and hold until the next election. These are The Mayor, Cr Arnott, Cr Dennison, Cr Hapeta, and Cr Meehan.
- 2.14 In the current LTP the new Arena 5 development is included with \$.5M in Year 1, \$8M in Year 2, and \$8.5M in Year 3.
- 2.15 Council Officers within the Strategic Planning, Infrastructure, and Venues + Events divisions of Council have, through the first 6 months of the current financial year, brought together a working group of stakeholders relevant to the new Arena 5 development. Officers have gathered key requirements and considerations from this group to assist in the development of a design brief in

relation to the project and to take to market. Officers are now working through the appropriate options whether to undertake a standard tender process or whether a design and build process is the right path forward. Officers are working with the Procurement team to understand the benefits and risks associated with the various processes and the appropriate course to put forward for consideration.

3. NEXT STEPS

- 3.1 An initial design brief is expected to be completed in February which will detail the requirements of the new facility, spatial and environmental considerations, and allow for conceptual design and anticipated costings to be established.
- 3.2 The Arena Masterplan Steering Group is required to be reconvened to oversee aspects of Masterplan projects, current and anticipated in the future years of the LTP.

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: Whāinga 2: He tāone whakahihihi, tapatapahi and Goal 2: A creative and exciting city	
The recommendations contribute to this plan: 6. Mahere rēhia 6. Recreation and Play Plan The objective is: Provide community sport and sport-event facilities at Central Energy Trust Arena	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	The Arena provides accessible and affordable opportunities for community sport and recreation. Opportunities for communities to take part in active sport and recreation are prioritised over other uses of the Arena.

ATTACHMENTS

1. Draft Arena Masterplan Steering Group Terms of Reference [↓](#) 

Functions

As a Steering Group member, each participant will:

- Liaise with the organisation each is representative of (as applicable) and bring forward advice, issues or comment from their respective group or representative to the Steering Group;
- Ensure that any matters that may affect other groups or departments within the organisation they are representative of are brought to the attention of the appropriate party and those persons views are communicated to the Steering Group;
- Consider any matters, issues or information referred to them by the Steering Group relating to the Arena Master Plan and provide advice, endorsement or recommendations as required;
- Identify other stakeholders or user groups and seek their input and views to ensure that these are available for consideration by the Steering Group;
- Strive to operate in a consensus mode, where participants openly discuss views and opinions, and seek to develop common ground and narrow areas of disagreement to the best of their ability;
- Ensure that the results of Steering Group discussions are accurately recorded in the meeting records or additional reports that members determine may be needed; and
- Ensure that the advice, endorsements, recommendations and consensus positions from the Steering Group are fully considered in the development of the preferred solution for projects within the Arena Masterplan.

Accountability

The AMSG will report back to the Culture and Sport Committee every 6 months with updates on Masterplan projects and progress.

Membership

- PNCC Councillors (Mayor (Chair) plus 4 Elected Members)
- PNCC Customer & Community Group (General Manager)
- PNCC Infrastructure Group (General Manager)
- Sport Manawatū (1 Representative)
- Marist Sports Club (1 Representative)
- Rangitāne o Manawatū (1 Representative)
- Co-opted member(s) as required as necessary

The Steering Group will be supported by:

- PNCC Customer & Community Group (Manager Venues + Events)

Report

TO: Council

MEETING DATE: 12 February 2025

TITLE: Order of Candidate Names on Voting Papers 2025

PRESENTED BY: Hannah White, Manager Governance

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATION(S) TO COUNCIL

1. That Council agree the following order for arranging the names of candidates on voting documents for Palmerston North City Council, pursuant to Regulation 31 of the Local Electoral Regulations 2001:

EITHER

(a) alphabetical order of surname, OR

(b) pseudo-random order, OR

(c) random order.

SUMMARY OF OPTIONS ANALYSIS FOR

Problem or Opportunity	Council can decide which way candidates' names will be ordered on local election voting documents.
OPTION 1:	Alphabetical order of surname
Community Views	Community views have not been canvassed.
Benefits	Simple to locate candidates' names on voting documents. This is the order used in the candidate information leaflet included in the voting envelope. Parliamentary elections use alphabetical order, so voters are familiar with this method.
Risks	Potential for candidates with surnames starting with letters late in the alphabet to be disadvantaged.
Financial	No difference in cost for the options.
OPTION 2:	Pseudo-random order
Community Views	Community views have not been canvassed.

Benefits	Equal opportunity for candidates to be at the top of the voting paper.
Risks	Potential for those candidates with names that are drawn first to be advantaged. Not as user-friendly for voters if they are referring to the candidate profile booklet which lists candidates alphabetically.
Financial	There are some minor additional compliance costs including public notice and witness of the ballot.
OPTION 3:	Random order
Community Views	Community views have not been canvassed.
Benefits	This is the order residents and non-ratepayer electors are familiar with for Palmerston North elections. As the order of names varies from one voting document to another, this removes any positioning advantage for any candidate.
Risks	Not as user-friendly for inexperienced voters who may find it confusing if they are referring to the candidate profile booklet which lists candidates alphabetically and comparing this to locate preferred candidates on the voting paper. Any concerns over transparency can be verified by open inspection of the technology used to randomise.
Financial	No difference in cost for the options.

RATIONALE FOR THE RECOMMENDATIONS

1. OVERVIEW OF THE PROBLEM OR OPPORTUNITY

- 1.1 The Local Electoral Act 2001 (the Act) and the Local Electoral Regulations 2001 (the Regulations) allows Council to make certain local decisions regarding the election processes.
- 1.2 Candidates' names may be ordered in one of three ways on local election voting documents: alphabetical, pseudo-random or random.
- 1.3 Council may determine the order by resolution prior to the Electoral Officer giving public notice of the election on 6 August 2025. If Council does not make a decision under clause 31(3) of the Regulations candidate names will be, by default, listed in alphabetical order by surname.

2. BACKGROUND AND PREVIOUS COUNCIL DECISIONS

- 2.1 Up until the 2001 elections, candidates' names on voting documents were required to be listed in alphabetical order, by surname. Since 2004, the Local

Electoral Regulations allowed the Council to determine the manner of listing names.

- 2.2 For elections held from 2004 to 2013, Palmerston North City Council decided that names should continue to be listed in alphabetical order by surname. However, since the 2015 by-elections and for every election and by-election since Palmerston North City Council has decided that names of candidates were to be listed in random order.

3. DESCRIPTION OF OPTIONS

3.1 Option 1: Alphabetical

The order of names of candidates is the same for all voting documents and is determined by initial letters of candidates' surnames.

3.2 Option 2: Pseudo-random

The order of names of candidates on voting documents is the same for all documents but is determined by ballot rather than alphabet. Ballot is held under supervision of a Justice of the Peace.

3.3 Option 3: Random

The order of names of candidates varies from one voting document to another.

4. ANALYSIS OF OPTIONS

- 4.1 Councils across the country use all three methods of ordering. The most common is alphabetical, followed by random, with only a small handful using pseudo-random.

4.2 The strength of random order is that theoretically it is the fairest method for all candidates.

Research in 2021 analysed the impacts of candidate order on election outcomes in the last four Auckland Council elections. The overall analysis suggests that being listed first appears to increase a candidate's vote share by an average of 1.0 percentage point. Middle ballot positions deviate from the expected vote share in a random manner by approximately $\pm 0.5\%$. Candidates listed in later ballot positions appear to receive slightly lower vote share than expected. Further analysis did not show any observable effect of candidate order on actual election outcomes, that is, whether candidates were elected or not. This was in line with Australian findings across federal elections between 1984 and 2004.

It should be noted that the observed effect of primary bias does not occur to the same degree for all. Research from outside of New Zealand has suggested that where voters lack sufficient information to make informed

choice, they are more likely to be biased towards those names higher on a ballot paper.

Palmerston North's case of a combination of STV where voters rank candidates, may also increase the primary bias, in that people may start at top of page and work down.

4.3 The strength of alphabetical order is user experience.

There are several obstacles for voters. Local election turnout is frustrated by having to use an unfamiliar postal system. Opening, reading and understanding local government voting documents requires sustained attention, an ability to read and proficiency in the English language. Voters in Palmerston North use two different electoral systems¹ and are expected to be familiar with each.

With 13 seats in the Te Hirawanui General Ward, we have seen upwards of 40 candidates. Looking for a preferred candidate among a long list of candidates could be further off-putting for voters, where the order in the candidate booklet does not match that on the voting paper.

In the 2022 local government election both Horizons and Palmerston used random order. It should be noted that Horizons is yet to make their decision for 2025. There is a risk that there may be additional confusion if Palmerston North and Horizons ended up with different ways of ordering names on the same set of ballot papers.

5. CONCLUSION

- 5.1 Each ordering option has strengths and weaknesses. Elected members must decide which method best aligns with their priorities.

6. NEXT ACTIONS

- 6.1 Public notice of the order to be used on voting documents will be placed on 6 August 2025.
- 6.2 Voting papers will be prepared accordingly, following the closing of candidate nominations.

¹ Single Transferable Vote (STV) for Palmerston North City Council and First Past the Post (FPP) for Horizons Regional Council. This is exacerbated this year as FPP will also be used for the referendum for both Palmerston North and Horizons.

7. 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: Run local body elections and any polls, including a Representation Review	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	Opportunity for local decision toward the encouragement of participation in elections and a fair election process.

ATTACHMENTS

Nil

MEMORANDUM

TO: Council

MEETING DATE: 12 February 2025

TITLE: Appointment to the Heritage Reference Group

PRESENTED BY: Hannah White, Manager- Governance

APPROVED BY: Cameron McKay, General Manager Corporate Services

RECOMMENDATION TO COUNCIL

1. That Council appoint Councillor Rachel Bowen as Council's representative on the Heritage Reference Group until October 2025.
-

1. ISSUE

At its meeting of [11 December 2024](#), Council agreed a terms of reference for the Heritage Reference Group. The [terms of reference](#) states that the membership of the will include one elected member who will act as a liaison between Council and the Group.

This report recommends the appointment of Cr Rachel Bowen as the elected member representative on the Heritage Reference Group.

2. BACKGROUND

The purpose of the Reference Group is to,

"provide expert heritage advice on local projects. This group will act as a conduit between the Council and the heritage community, ensuring that heritage considerations are integrated into planning and development processes.

The Heritage Reference Group will:

- connect projects with knowledge holders and existing groups in the sector
- provide guidance on which stories to tell through local projects
- advocate to Council on strategies and plans that may have heritage implications"

Expressions of interest were sought from Elected Members willing to represent Council on the Reference Group. Cr Bowen was the sole nominee.

3. NEXT STEPS

Expressions of Interest for the community members have been advertised and close mid- February 2025. The first task of the appointed elected member will be to participate in the selection process for the community members.

Appoint the group and host the first meeting in March 2025.

All elected member appointments will be reviewed after the triennial election in October 2025.

4. COMPLIANCE AND ADMINISTRATION

Does the Council have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	Yes
Are the decisions significant?	No
If they are significant do they affect land or a body of water?	No
Can this decision only be made through a 10 Year Plan?	No
Does this decision require consultation through the Special Consultative procedure?	No
Is there funding in the current Annual Plan for these objectives?	Yes
Are the recommendations inconsistent with any of Council's policies or plans?	No
The recommendations contribute to: Whāinga 2: He tāone whakaihiihi, tapatapahi ana Goal 2: A creative and exciting city	
The recommendations contribute to the achievement of objective/objectives in: 11. Mahere mō te kanorau koiora me Te Awa o Manawatū 4. Heritage Plan The objective is: Establish a volunteer city heritage reference group to contribute to heritage planning.	
Contribution to strategic direction and to social, economic, environmental and cultural well-being	A heritage reference group will aid the Council in promoting the city's social, economic, environmental, and cultural identity. There will be spill-over benefits to social, economic, and cultural well-being through a more explicit recognition of the city's history in public projects and initiatives.

ATTACHMENTS

NIL

COMMITTEE WORK SCHEDULE

TO: Council

MEETING DATE: 12 February 2025

TITLE: Council Work Schedule

RECOMMENDATION TO COUNCIL

1. That Council receive its Work Schedule dated 12 February 2025

COUNCIL WORK SCHEDULE 12 FEBRUARY 2024

#	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction & Clause
1	early-mid 2025	Report back on Investment Options for PN Airport	GM Corporate Services		6 December 2023 Clause 197-23
2	12 Feb 2025	Agree LWDW Consultation Document	Chief Executive	Hearings Sustainability Committee 16 April	5 Feb 2025 Clause 6-25
	12 Feb 2025	Report back – Submission Treaty Bill.	GM Strategic Planning		11 Dec 2024 Clause 221–24
	12 Feb 2025	Review of Rating Incidences	GM Corporate Services		11 Dec 2024 Clause 213–24
	12 Feb 2025	Review of Fees and Charges 25/26	GM Corporate Services		Terms of Reference
	12 Feb 2025	Draft Annual Budget 2025/26	Chief Executive		Terms of Reference
3	5 March 2025	Draft Annual Budget 2025/26 for consultation	Chief Executive		Terms of Reference
4	5 March 2025	Remits from PNCC for consideration	GM Corporate Services	No remits received	Terms of Reference
5	5 March 2025	Alternative Options for BPO - Nature Calls	GM Infrastructure	Waiting on release of Taumata Arowai standards	Council 29 May 2024 Clause 95.11 - 25 (rec 2)
6	2 April 2025	Extension of Contract – Nature Calls	GM Infrastructure		11 Dec 2024 clause 224- 24

#	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction & Clause
7	2 April 2025	Review of CEDA Directors Policy	GM Corporate Services		2 Oct 2024 Clause 172
8	30 April / 1 May 2025	Hearings for the Annual Budget 2025/26	Chief Executive		Terms of Reference
9	7 May 2025	Deliberations for Local Water Done Well	GM Infrastructure	following Hearings at Sustainability Committee – 16 April	
10	7 May 2025	Review of PNCC Appointment of Directors Policy.	GM Corporate Services		2 Oct 2024 Clause 172
11	14 May 2025	Deliberations for the Annual Budget 25/26	Chief Executive		Terms of Reference
12	4 June 2025	Remits received from other Territorial Authorities	GM Corporate Services		Terms of Reference
13	4 June 2025	2024 Residents Survey – Action Plan	GM Strategic Planning		Terms of Reference
14	4 June 2025	Adopt Annual Budget 2025-26	Chief Executive		Terms of Reference
15	4 June 2025	Agree LWDW - Water Services Delivery Plan	Chief Executive		
16	25 June 2025	Set the Rates for 2025-26	GM Corporate Services		Terms of Reference
17	25 June 2025	Approve Borrowing for 2025-26	GM Corporate Services		Terms of Reference
18	25 June 2025	Agree revised BPO – Nature Calls	GM Infrastructure		
19	6 August 2025	Civic and Cultural Precinct Master Plan Steering Group – 6-monthly update	GM Strategic Planning		Terms of Reference
20	8 Oct 2025	Parking Contract Review Update – Frog Parking	GM Infrastructure		4 September 2024 Clause 156-24
21	8 Oct 2025	Adopt Annual Report 2024-25	Chief Executive		Terms of Reference
22	8 Oct 2025	Appointment of Trustees on Council Controlled	General Manager Corporate		Terms of Reference

#	Estimated Report Date	Subject	Officer Responsible	Current Position	Date of Instruction & Clause
		Organisations	Services		
23	TBC	Summerhays Reports – Partnership Models Expressions of Interest	GM Infrastructure	Lying on the Table	1 May 2024 Clause 66-24 and 74 -24
24	TBC	Effectiveness of Civics Education Initiatives – Annual progress report	GM Customer & Community		29 May 2024 Clause 95.29 - 24