

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 03 April 2024, commencing at 9.00am

Members Present: Mayor Grant Smith (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: Councillors Lorna Johnson and Debi Marshall-Lobb (early departure – Council business)

Councillor Debi Marshall-Lobb left the meeting at 12.15pm after the consideration of clause 39.3-24. She entered the meeting again at 2.55pm during consideration of clause 42-24. She was not present for clauses 39.4-24 to 41-24 inclusive.

35-24 Apologies

Moved Grant Smith, seconded Leonie Hapeta.

RESOLVED

1. That Council receive the apologies from Councillor Lorna Johnson and Debi Marshall-Lobb (early departure – Council business)

Clause 35-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

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36-24 Notification of Late Item

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council agree to receive the Late Item Appointment of Trustees to Te Manawa Museums Trust for the following reasons:

Reasons for lateness: The Appointment Panel were not able to meet on Tuesday 26 March.

Reasons for urgency: Te Manawa Board expectation is that appointments will be made at the 3 April meeting, as per the report of 7 February.

Clause 36-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

Declaration of Interest

Councillor Vaughan Dennison declared an interest in item 14 Mihara, Japan visit 2023 (clause 44) as he would be presenting the report.

37-24 Confirmation of Minutes – 6 March 2024 and Correction of Minutes 13 December 2023

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That the minutes of the ordinary meeting of 6 March 2024 Part I Public be confirmed as a true and correct record.
2. That Council confirm the correction of clause 214-23, of the minutes of the 13 December 2023 as a true and correct record.

Clause 37-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

REPORTS

- 38-24** **Draft 2024 Development Contributions Policy - Approval for Consultation**
Memorandum, presented by Jono Ferguson-Pye, City Planning Manager and David Murphy, Chief Planning Officer.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council agree the Draft 2024 Development Contributions Policy (Attachment 1) for public consultation concurrent with and linked to the Draft 2024-34 Long Term Plan.
2. That Council agree the Statement of Proposal for the review of the Draft 2024 Development Contributions Policy (Attachment 2) for public consultation concurrent with and linked to the Draft 2024-34 Long Term Plan.

Clause 38-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

- 39-24** **Adopting the 2024-34 Long-Term Plan Consultation Material**
Memorandum, presented by David Murphy - Chief Planning Officer, Cameron McKay - Chief Financial Officer, Chris Dyhrberg - Chief Infrastructure Officer, Debbie Perera, Audit Director.

The Chief Financial Officer and Audit Director explained that Audit NZ had audited Council's assumptions in the draft Long-Term Plan (LTP) and would give Council a qualified audit opinion due mainly to the uncertainty over the costs of the Nature Calls programme.

Whilst Audit have verified that the use of a Special Purpose Vehicle (SPV) through the IFF is appropriate as evidenced by other councils, namely Wellington City Council for its new Sludge Minimisation Facility. It noted that Council is not yet well advanced in its own application to Crown Infrastructure Partners (Government) and therefore there is uncertainty on what the levy would be. This could either result in an Emphasis of Matter or a qualification due to the level of uncertainty.

Audit was also concerned about the number of large capital projects in the Plan which Council is relying on external funding for (eg Te Manawa and Central Library). It is unclear what would happen if Council didn't

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receive funding given Council's constrained debt limits.

The Audit Director also noted that Council has historically under-delivered its capital programme, and this LTP, Council has increased its capital programme significantly. Audit questioned whether the proposed capital programme was achievable. The Chief Financial Officer outlined that in part the driver for the increase in capital programme is a number of large programmes, such as Nature Calls, seismic strengthening, and new community facilities.

The meeting was adjourned 11.01am

The meeting resumed 11.20am

An alternative recommendation 5 was moved to ensure greater visibility of the breakdown of operating expenses in the activity budgets.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council include Programme 1681 – Urban Growth – Kikiwhenua – Transport in the 2024-34 Long-term Plan Supporting Material (as in paragraph 6.6 of this report).
2. That Council note that minor changes have been made to wording, supporting information, budgets and disclosures as a result of the Audit review processes and decision of Council following the 7 February 2024 Council meeting.
4. That Council adopt for consultation the Statement of Proposal (Attachment 9) for the review of the [Rates Remission and Postponement Policies](#) (as agreed by Council 14 February 2024).

Clause 39.1-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

3. That Council adopt for consultation the Statement of Proposal (Attachment 8) for the review of the [Revenue and Financing Policy](#) (as agreed by Council 7 February 2024).

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Clause 39.2-24 above was carried 14 votes to 1, the voting being as follows:

For:

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

Against:

Councillor Karen Naylor.

Moved Karen Naylor, seconded Vaughan Dennison.

RESOLVED

5. That Council adopt for consultation the 2024-34 Long-Term Plan supporting Material (as listed in Table 1), subject to the inclusion of operational programmes which are able to be identified and grant funding into the Activity budgets (Attachment 3) and that total amounts are included.

Clause 39.3-24 above was carried 15 votes to 0, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillor 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.

Councillor Debi Marshall-Lobb left the meeting at 12:15pm

Moved Grant Smith, seconded Orphée Mickalad.

RESOLVED

6. That Council adopt for consultation the 2024-34 Long-term Plan Consultation Document (Attachment 7).

Clause 39.4-24 above was carried 13 votes to 1, 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, Billy Meehan, Orphée Mickalad, William Wood and Kaydee Zabelin.

Against:

Councillor Karen Naylor.

The meeting adjourned at 12.27pm

The meeting resumed at 1.32pm

40-24 Featherston Street Safety Improvements - Additional NZ Transport Agency Waka Kotahi Streets for People External Funding

Memorandum, presented by Bryce Hosking, Acting Group Manager - Transport and Development.

Moved Grant Smith, seconded Rachel Bowen.

RESOLVED

1. That Council agree an additional \$500,000 of capital expenditure in FY2023/24 in Programme 2233 City-wide Urban Cycle Infrastructure Improvements – Streets for People to deliver further enhancements to the Streets for People project on Featherston Street. This additional capital expenditure to be funded as follows:
 - a. 90% (\$450,000) from NZ Transport Agency Waka Kotahi (capital revenue).
 - b. 10% (\$50,000) from Council, through a capital transfer from existing funds in Programme 1559 (City-wide – Urban Cycle Infrastructure Network Improvements).

Clause 40-24 above was carried 8 votes to 6, the voting being as follows:

For:

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

Against:

Councillors Mark Arnott, Lew Findlay, Leonie Hapeta, Billy Meehan, Karen Naylor and William Wood.

41-24 Alternative Use of Speed Management Funds

Memorandum, presented by Bryce Hosking, Acting Group Manager - Transport and Development.

An additional motion was moved for officers to investigate options to use the money to build the maximum number of pedestrian crossings at schools before 30 June 2024.

Moved Grant Smith, seconded Brent Barrett.

RESOLVED

1. That Council receive the memorandum titled 'Alternative Use of Speed Management Funds' presented on 3 April 2024.
2. That the Chief Executive investigate all other contractor options to deliver further crossings within the financial year 2023/24.

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Clause 41-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

42-24

Fast-Track Approval Bill - Palmerston North City Council Submission

Memorandum, presented by James Miguel, Senior Transport Planner and David Murphy, Chief Planning Officer.

Officers explained that Rangitāne had asked for some additions to the submission. Officers sought Council approval for the Mayor and Deputy Mayor to alter the submission before it is submitted.

Councillor Debi Marshall-Lobb returned to the meeting at 2:55pm

Moved Grant Smith, seconded Brent Barrett.

RESOLVED

1. That Council approve the Fast-Track Approval Bill submission (Attachment 1).
2. That Council authorise the Mayor and Deputy Mayor to make minor edits and additions to the submission to reflect the views of our partner Rangitāne o Manawatū.

Clause 42-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

Councillor Debi Marshall-Lobb did not vote.

43-24

External Funding & Commercial Revenue - Business Assurance Review

Memorandum, presented by Masooma Akhter, Business Assurance Manager and Fiona Dredge, Commercial Advisory Manager.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the memorandum titled 'External Funding & Commercial Revenue – Business Assurance Review' and its

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attachments, presented on 03 April 2024.

Clause 43-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

44-24

Mihara, Japan visit 2023

Memorandum, presented by Councillor Vaughan Dennison.

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive the memorandum titled 'Mihara, Japan visit 2023' presented on 3 April 2024.

Clause 44-24 above was carried 14 votes to 0, the voting being as follows:

For:

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

Note: Councillor Vaughan Dennison declared an interest, withdrew from the discussion and sat in the gallery.

45-24

Council Work Schedule

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

1. That Council receive its Work Schedule dated 3 April 2024.

Clause 45-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

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RECOMMENDATIONS FROM COMMITTEE MEETINGS

46-24 Risk & Assurance Committee Part I Public - 6 March 2024

Consideration was given to Risk & Assurance Committee's recommendations below.

Moved Karen Naylor, seconded Grant Smith.

RESOLVED

1. That Council approve the Risk & Assurance Committee's recommendations from 6 March 2024.

4-24 Setting Council's Risk Management Appetite and Tolerance Levels

1. That Council agree the recommended risk appetite and risk tolerance levels as noted in section 3.1 and 3.2 of the memorandum titled 'Setting Council's Risk Management Appetite and Tolerance Levels,' presented to the Risk and Assurance Committee on 6 March 2024.

Clause 46-24 above was carried 13 votes to 2, the voting being as follows:

For:

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

Against:

Councillors Brent Barrett and Kaydee Zabelin.

Moved Karen Naylor, seconded Grant Smith.

RESOLVED

2. That Council approve the Risk & Assurance Committee's recommendations from 6 March 2024.

5-24 Setting Council's Strategic Risks

1. That Council adds 'Loss of Public Trust in Council' to the Strategic Risk Statement.
2. That Council agree the strategic risk statements (Attachment 1), including recommendation 1, in the memorandum titled 'Setting Council's Strategic Risks' presented to the Risk & Assurance Committee on 6 March 2024.

Clause 46-24 above was carried 13 votes to 0, with 2 abstentions, the voting being as follows:

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For:

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

Abstained:

Councillors Leonie Hapeta and William Wood.

47-24

Sustainability Committee Part I Public - 13 March 2024

Consideration was given to Sustainability Committee's recommendations below.

Moved Brent Barrett, seconded Kaydee Zabelin.

RESOLVED

1. That Council approve the Sustainability Committee's recommendations from 13 March 2024.

7-24 Palmerston North City Council Carbon Neutral Feasibility Study Update

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

Clause 47-24 above was carried 12 votes to 0, with 3 abstentions, the voting being as follows:

For:

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

Abstained:

The Mayor (Grant Smith) and Councillors Leonie Hapeta and William Wood.

48-24

Community Committee Part I Public - 20 March 2024

Consideration was given to Community Committee recommendations below.

Moved Patrick Handcock, seconded Orphée Mickalad.

RESOLVED

1. That Council approve the Community Committee's recommendation from 20 March 2024.

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4-24 Annual Sector Lead Report: Housing Advice Centre

2. That Council refer the increase Housing Advice Centre's Sector Lead grant funding by \$21,131 to the Long-Term Plan 2024-2034 deliberations for the 2024/25 financial year and adjusted for inflation in future years.

Clause 48-24 above was carried 14 votes to 0, with 1 abstention, the voting being as follows:

For:

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

Abstained:

The Mayor (Grant Smith).

EXCLUSION OF PUBLIC

49-24 Recommendation to Exclude Public

Moved Grant Smith, seconded Debi Marshall-Lobb.

RESOLVED

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

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

General subject of each matter to be considered		Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for passing this resolution
21.	Minutes of the ordinary meeting - Part II Confidential - 6 March 2024	For the reasons set out in the ordinary minutes of 6 March 2024, held in public present.	
22.	Environmental Health Contract-Follow up	THIRD PARTY COMMERCIAL: Disclosing the information could harm a company's	s7(2)(b)(ii)

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		commercial position	
23.	Contact Centre Progress Review - Quality Assurance Report	COMMERCIAL ACTIVITIES: This information needs to be kept confidential to allow Council to engage in commercial activities without prejudice or disadvantage	s7(2)(h)
24.	Employee Life Cycle - Business Assurance Review	THIRD PARTY COMMERCIAL: Disclosing the information could harm a company's commercial position and NEGOTIATIONS: This information needs to be kept confidential to ensure that Council can negotiate effectively, especially in business dealings	s7(2)(b)(ii) and s7(2)(i)
25.	Tender Award - Wyndham Street, Ashhurst Upgrade	THIRD PARTY COMMERCIAL: Disclosing the information could harm a company's commercial position	s7(2)(b)(ii)
26.	Appointment of Trustees to Te Manawa Board	PRIVACY: This information needs to be kept private to protect personal information that is confidential or sensitive. This includes people who are no longer alive	s7(2)(a)
27.	Part IIB Review of Chief Executive Six Month Performance	PRIVACY: This information needs to be kept private to protect personal information that is confidential or sensitive. This includes people who are no longer alive	s7(2)(a)

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.

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Clause 49-24 above was carried 15 votes to 0, the voting being as follows:

For:

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

The public part of the meeting finished at 3.19pm

Confirmed 1 May 2024

Mayor