



**PAPAIOEA**  
PALMERSTON  
NORTH  
CITY

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# **PALMERSTON NORTH CITY COUNCIL**

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AGENDA

## **EXTRAORDINARY COUNCIL**

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9:00 AM, MONDAY 10 JUNE 2024

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

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# MEMBERS

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

AGENDA ITEMS, IF NOT ATTACHED, CAN BE VIEWED AT

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

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**Waid Crockett**

**Chief Executive | PALMERSTON NORTH CITY COUNCIL**

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# EXTRAORDINARY COUNCIL MEETING

10 June 2024

## MEETING NOTICE

Council resolved on 5 June 2024

That Council call an extraordinary meeting on Monday 10 June 2024 at 9am, Council Chambers 32 Te Marae o Hine, The Square to consider the final draft Long-Term Plan 2024/34. (clause 95.45-24)

## ORDER OF BUSINESS

1. **Karakia Timatanga**
2. **Apologies**
3. **Notification of Additional Items**
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. Confirmation of Minutes**

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That the minutes of the ordinary Council meeting of 29 May 2024 Part I Public be confirmed as a true and correct record.

**7. Confirmation of Minutes**

Page 37

That the minutes of the ordinary Council meeting of 5 June 2024 Part I Public be confirmed as a true and correct record.

**8. Confirming the Proposed 2024 Long-term Plan for Audit**

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Memorandum, presented by David Murphy - Chief Planning Officer, Cameron Mackay - Chief Financial Officer and Chris Dyhrberg - Chief Infrastructure Officer.

**9. 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
10.	Confirmation of the minutes of the ordinary Council meeting of 5 June 2024 Part II Confidential	For the reasons setout in the Council of 5 June 2024, held in public present.	
11	Nature Calls- Lead Technical Consultant contract extension	NEGOTIATIONS: This information needs to be kept confidential to ensure that Council can negotiate effectively, especially in business dealings	s7(2)(i)

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

## 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 29 May 2024, commencing at 9.03am

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

**Apologies:** Councillor Debi Marshall Lobb (for lateness).

**Councillor Debi Marshall-Lobb** entered the meeting at 9.07am, Wednesday 29 May 2024 before clause 89-24. She left the meeting at 5.51pm, Thursday 30 May 2024. She was not present for clauses **88-24, 95.28-24 to 95.45-24**.

**Councillor Billy Meehan** left the meeting at 10.04am, Wednesday 29 May 2024 after consideration of clause 93-24 and returned to the meeting at 10.06am Wednesday after clause 94-24. He left the meeting at 2.50pm, Wednesday 29 May 2024 during 95.9-24 and returned at 2.57pm Wednesday during clause 95.10-24. He was not present for clauses **94-24** and **95.9-24**.

**Councillor Roly Fitzgerald** left the meeting after 95.12-24 and re-entered the meeting at 10.07am, Thursday 30 May 2024 after clause 95.13-24. He left the meeting at 2.53pm, Thursday, after clause 95.20-24, entering the meeting at 3.05pm, Thursday before 95.21-24. He left the meeting after clause 95.21-24, returning at 3.40pm, Thursday after clause 95.22-24. Councillor Roly Fitzgerald left the meeting at 10.56am, Friday 31 May 2024 after clause 95.28-24. He entered the meeting again at 11.25am after clause 95.35-24. He was not present for clauses **95.13-24, 95.22-24, 95.29-24 to 95.35-24** inclusive.

**Councillor Orphée Mickalad** left the meeting at 3.20pm, Thursday 30 May 2024 after clause 95.21-24, returning at 3.40pm, Thursday after clause 95.22-24. He was not present for clause **95.22-24**.

**Councillor William Wood** re-entered the meeting at 9.40am Friday 31 May 2024. He left the meeting at 11.05am Friday after clause 95.28-24, returning at 11.19am Friday after clause 95.33-24. He was not present for clauses **95.29-24 to 95.33-24**.

**Councillor Patrick Handcock** left the meeting at 11.30am, Friday 31 May 2024 after clause 95.36-24. He was not present for clauses **95.37-24 to 95.45-24**.

**Councillor Leonie Hapeta** left the meeting at 10.40am, Friday 31 May 2024 after clause 95.28-24. She was not present for clauses **95.29-24 to 95.45-24**.

**Councillor Lew Findlay** left the meeting at 11.41am, Friday 31 May 2024 after clause 95.37-24. He was not present for clauses **95.38-24 to 95.45-24**.

### **Karakia Timatanga**

Councillor Roly Fitzgerald opened the meeting with karakia.

### **88-24 Apologies**

Moved Grant Smith, seconded Patrick Handcock.

#### **RESOLVED**

1. That Council receive the apologies.

Clause 88-24 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, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

#### **Note:**

Councillor Vaughan Dennison did not vote.

Councillor Debi Marshall-Lobb entered the meeting at 9:07am.

### **89-24 Notification of Additional Item**

Moved Grant Smith, seconded Lorna Johnson.

#### **RESOLVED**

That Council receive the late item: Submission to Parliamentary Select Committee: Māori Wards, noting the following:

**Reason for Lateness:** Knowledge of the content of the proposed bill was only introduced to Parliament on Thursday 23 May 2024.

**Reason for Urgency:** Submissions to the bill close on Wednesday 29 May 2024.

Clause 89-24 above was carried 13 votes to 0, the voting being as follows:

#### **For:**

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

#### **Note:**

Councillors Billy Meehan, Rachel Bowen and Karen Naylor did not vote.

**90-24 Standing Orders - Option C**

Moved Grant Smith, seconded Debi Marshall-Lobb.

**RESOLVED**

That Council adopt Option C (SO 2.12.3) for the duration of this meeting.

Clause 90-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

**91-24 Confirmation of Minutes**

Moved Grant Smith, seconded Debi Marshall-Lobb.

**RESOLVED**

1. That the minutes of the ordinary meeting of 15 May 2024 Part I Public be confirmed as a true and correct record.

Clause 91-24 above was carried 15 votes to 0, with 1 abstention, the voting being as follows:

**For:**

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

**Abstained:**

Councillor Lew Findlay.

**92-24 Notice of Motion - Alteration of Fees and Charges for the Impounding of Animals**

Rebeka Adamson, Acting Environmental Protection Services Manager and Ross McDermott, Team Leader – Animal Management & Education presented the Officers' response.

Councillor William Wood presented the Notice of Motion. He adjusted the motion to charge a fee of \$311 which is the minimum amount recommended by Officers to cover the costs of providing the service.

Councillor Rachel Bowen moved an amendment to change the fee to \$425 which was the submitter's suggestion.

Moved Grant Smith, seconded Vaughan Dennison.

**RESOLVED**

1. That Council receive the Officer advice.

Clause 92-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

Moved William Wood, seconded Mark Arnott.

**RESOLVED**

2. To substitute the dog adoption fee from \$559 including de-sexing, registration, flea and worming and microchipping to instead a fee of \$425, noting the remainder of the fees set out in [Appendix 6- Attachment A](#) will remain unchanged.

Clause 92-24 above was carried 15 votes with 1 against, 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, William Wood and Kaydee Zabelin.

**Against**

Councillor Karen Naylor.

**Note:**

Moved Rachel Bowen, seconded Lorna Johnson.

On an amendment: To substitute the dog adoption fee from \$559 including de-sexing, registration, flea and worming and microchipping to instead a fee of **\$425**, noting the remainder of the fees set out in [Appendix 6- Attachment A](#) will remain unchanged.

The amendment was carried 12 votes to 4, the voting being as follows:

**For:**

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

**Against:**

Councillors Mark Arnott, Brent Barrett, Orphée Mickalad and William Wood.

**93-24**

**Deliberations on Submissions - Draft Waste Management and Minimisation Plan**

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

Moved Grant Smith, seconded Debi Marshall-Lobb.

**RESOLVED**



1. That Council receive the submissions on the draft Waste Management and Minimisation Plan 2024.
2. That Council amend action 3.6 of the draft Waste Management and Minimisation Plan 2024 to read:  
“Action 3.6 - Develop a city-wide kerbside food scraps and green waste collection service”
3. That Council amend action 3.7 of the draft Waste Management and Minimisation Plan 2024 to read:  
“Action 3.7 - Introduce residential food scraps and green waste collection and processing”
4. That Council instruct the Chief Executive to prepare a draft Waste Management and Minimisation Plan incorporating the changes above for presentation to the Council meeting on 26 June 2024 for adoption.

Clause 93-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

**94-24**

**Submission to Parliamentary Select Committee: Māori Wards**

Memorandum, presented by Hannah White, Democracy and Governance Manager.

Councillor Billy Meehan left the meeting at 10:04am.

Moved Grant Smith, seconded Debi Marshall-Lobb.

**RESOLVED**

1. That Council agree the submission as drafted (Attachment 1).

Clause 94-24 above was carried 14 votes to 0, with 1 abstention, 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, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

**Abstained:**

Councillor Leonie Hapeta.

Councillor Billy Meehan returned to the meeting at 10:06am.

**95-24**

**Deliberations on the 2024-34 Long-Term Plan and Associated Documents**

Memorandum, presented by David Murphy, Chief Planning Officer, Cameron McKay, Chief Financial Officer and Chris Dyhrberg, Chief

Infrastructure Officer.

The Chief Financial Officer highlighted the changes in assumptions since going to consultation.

- Insurance – more expensive than initially proposed
- Revenue assumption – collecting more than initially thought
- Interest rate assumption – believe peak of interest rates has been reached and interest rates will start to fall.

Officers corrected an error in the report: the years in Tables 2, 3 and 4 should read sequentially from 2024/25 through to 2033/34.

**1** Moved Grant Smith, seconded Debi Marshall-Lobb.

### **RESOLVED**

That Council receive submissions on the 2024-34 Long-Term Plan, noting submissions include comments on the Oranga Papaioea City Strategy and Plans, Financial and Infrastructure Strategies, Development Contributions Policy, Revenue and Financing Policy, the Rates Remission and Postponement Policies, rating system options, and the Significance and Engagement Policy.

Clause 95.1-24 above was carried 16 votes to 0, the voting being as follows:

#### **For:**

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

The meeting adjourned at 10.47am

The meeting resumed at 11.05am

### **RATES**

Council resolved to gradually change to a hybrid rating system of 50% land value and 50% capital value to improve fairness in the rating system.

**3A** Moved Brent Barrett, seconded Vaughan Dennison.

### **RESOLVED**

That Council assume the Hybrid Rate Option of 50% LV and 50% CV in three equal steps for the next 3 years.

Clause 95.2-24 above was carried 13 votes to 3, the voting being as follows:

#### **For:**

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 and Kaydee Zabelin.

**Against:**

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

**Note:**

Moved Brent Barrett, seconded Vaughan Dennison.

On an amendment: That Council assume the Hybrid Rate Option of **50% 70%** LV and **50% 30%** CV in three equal steps for the next 3 years. ~~To be reviewed at next LTP in Year 4, with a view to lifting the Capital %.~~

The amendment was carried 12 votes to 4, the voting being as follows:

**For:**

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

**Against:**

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

**Discounted-Differential Rural Rate**

**3B**

Moved Grant Smith, seconded Kaydee Zabelin.

**RESOLVED**

That Council change the Discounted-Differential Rural Rate from 37% over a two-year period by reducing to 30% in Year 1 and then to 25% in Year 2.

Clause 95.3-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

**2A + 2B**

Moved Grant Smith, seconded Debi Marshall-Lobb.

**RESOLVED**

That Council instruct the Chief Executive to prepare a draft of the final Long-Term Plan for consideration by the Council and that it incorporates the following:

- a. changes to assumptions and budgets as set out in sections 5.2 – 5.5
- b. carry forwards of incomplete capital programmes as set out in section 5.6 and Attachment 3.

Clause 95.4-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

The meeting adjourned at 12.13pm

The meeting resumed at 1.19pm

## 2D (1)

Moved Grant Smith, seconded Vaughan Dennison.

### RESOLVED

That Council instruct the Chief Executive to prepare a draft of the final Long-Term Plan for consideration by the Council and that it incorporates:

any additional Officer proposed budget changes, as follows:

- Local Water Done Well- funding sources changes (5.11)
- Freight ring road- business case forward to Year 1 (5.12)
- Kikiwhenua water planning- increase (5.13)
- Entrance programme- adjustments (5.15)
- Data refresh- decrease (5.16)
- Te Utanganui- deferral (5.17)
- Waters transition- revenue in/out (5.18)
- Growth planning technical assessments- increase (5.19)

Clause 95.5-24 above was carried 16 votes to 0, the voting being as follows:

#### For:

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

## 2E

Moved Grant Smith, seconded Leonie Hapeta.

### RESOLVED

That Council instruct the Chief Executive to prepare a draft of the final Long-Term Plan for consideration by the Council and that it incorporates an updated corporate emissions reduction target of a 2034 interim target of a 60% reduction compared to the 2015/16 baseline.

Clause 95.6-24 above was carried 16 votes to 0, the voting being as follows:

#### For:

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

#### Note:

Moved Brent Barrett, seconded Kaydee Zabelin.

On a motion: That Council set annual targets for organisational and for city-wide greenhouse gas emissions that are consistent with our multi-year goals for emissions reduction.

The motion was tied 8 votes to 8. The Mayor (as Chair) declared the motion lost, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Roly Fitzgerald, Patrick Handcock, Lorna Johnson and Kaydee Zabelin

**Against:**

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

**2F (3)**

Moved Grant Smith, seconded Leonie Hapeta.

**RESOLVED**

That Council instruct the Chief Executive to prepare a draft of the final Long-Term Plan for consideration by the Council and that it incorporates any other recommendations from Committee (as follows):

- That Palmerston North City Council develop a new city-wide stormwater strategy prior to the development of the 2027 Future Development Strategy according to the budget set out in 5.23.

Clause 95.7-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

**2F (1)**

Moved Patrick Handcock, seconded Lorna Johnson.

**RESOLVED**

That Council create a new programme for youth wellbeing of \$33.3k (excluding inflation) to support youth well-being for each of years 1,2 &3 of the Long-term Plan (2024 – 34), specifically to create a youth development reference group, fund an annual youth well-being forum, and provide a pilot quick response youth development fund.

Clause 95.8-24 above was carried 14 votes to 2, the voting being as follows:

**For:**

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

**Against:**

Councillors Leonie Hapeta and Karen Naylor.

## 2F (2)

Moved Kaydee Zabelin, seconded Lorna Johnson.

### RESOLVED

That Council increase the funding provided to Environment Network Manawatu through the Sector Lead Partnership Agreement for the Environmental Initiatives Fund by \$30k per annum to support food security projects and inform the development of a city-wide food security and resilience policy.

Councillor Billy Meehan left the meeting at 2.50pm.

Clause 95.9-24 above was carried 8 votes to 7, the voting being as follows:

#### For:

Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Orphée Mickalad and Kaydee Zabelin.

#### Against:

The Mayor (Grant Smith) and Councillors Mark Arnott, Vaughan Dennison, Lew Findlay, Leonie Hapeta, Karen Naylor and William Wood.

The meeting adjourned at 3.09pm

The meeting resumed at 3.28pm

## 2D (2)

Moved Kaydee Zabelin, seconded Karen Naylor.

Councillor Billy Meehan entered the meeting again at 2.57pm.

### RESOLVED

That Programmes 902 and 2518 are amended, deferring the proposed table set out in 5.14 by one year.

Clause 95.10-24 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, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

#### Against:

Councillor Lorna Johnson.

The meeting adjourned at 3.50pm; Council Chamber evacuated due to technical difficulties.

The meeting resumed at 4.09pm in the Missoula Room, 32 The Square, Palmerston North.

### LTP Nature Calls

**G1**

Moved Leonie Hapeta, seconded Rachel Bowen.

**RESOLVED**

That the Nature Calls budget should be no more than \$400M (including inflation) across the 2024-34 Long-Term Plan and;

That Council instruct the Chief Executive to revisit the Best Practicable Options shortlisted options and determine if any new industry developments or alternative options could be considered as the Best Practicable Option.

Clause 95.11-24 above was carried 9 votes to 7, the voting being as follows:

**For:**

Councillors Mark Arnott, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Leonie Hapeta, Billy Meehan, Karen Naylor and William Wood.

**Against:**

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Patrick Handcock, Lorna Johnson, Orphée Mickalad and Kaydee Zabelin.

**Note:**

Moved Leonie Hapeta, seconded Rachel Bowen.

On an amendment: That the Nature Calls budget should be no more than ~~\$480M~~ \$400M (excluding including inflation) across the 2024-34 Long-Term Plan and that Council instruct the Chief Executive to revisit the Best Practicable Options shortlisted options and determine if any new industry developments or alternative options could be considered as the Best Practicable Option.

The amendment was carried 9 votes to 7, the voting being as follows:

**For:**

Councillors Mark Arnott, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Leonie Hapeta, Billy Meehan, Karen Naylor and William Wood.

**Against:**

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Patrick Handcock, Lorna Johnson, Orphée Mickalad and Kaydee Zabelin.

**Capital Expenditure (Remove/ Decrease/ Defer)**

**G2**

Moved Rachel Bowen, seconded Grant Smith.

**RESOLVED**

That the Chief Executive advances a piece of work to locate the proposed Multicultural Centre within the CAB, reducing Programme 2350 from \$750k to \$450k and reducing the associated operational budget from \$200k pa to \$40k pa.

Clause 95.12-24 above was carried 14 votes to 2, the voting being as follows:

**For:**

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

Kaydee Zabelin.

**Against:**

Councillors Lorna Johnson and Orphée Mickalad.

**The meeting adjourned at 5.06pm, Wednesday 29 May 2024.**

**The meeting resumed at 9.05am, Thursday 30 May 2024 in the Council Chamber.**

Councillor Roly Fitzgerald was not present when the meeting resumed.

**G3 (2)**

Moved Grant Smith, seconded William Wood.

**RESOLVED**

That Council reduce Programme 2057 - City-wide - Shared Pathway to a maximum of \$6M (excluding inflation) total, completing Feilding to Palmerston North City at a cost of \$2M per year in Years 1 to 3, with the Ashhurst link to be re-evaluated in Year 4.

Clause 95.13-24 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, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor and William Wood.

**Against:**

Councillor Kaydee Zabelin.

**Note:**

Moved Brent Barrett, seconded Rachel Bowen.

On an amendment: That Council reduce Programme 2057 - City-wide - Shared Pathway to a maximum of \$6M (excluding inflation) total, completing Feilding to Palmerston North City at a cost of \$2M per year in Years 1 to 3., ~~with the Ashhurst link to be re-evaluated in Year 4.~~

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

**For:**

Councillors Brent Barrett, Rachel Bowen and Patrick Handcock.

**Against:**

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

**Note:**

Moved Brent Barrett, seconded Patrick Handcock.

On a motion: That Council reduce the Palmerston North to Feilding component of Programme 2057 (City-wide - Shared Pathways - New and Link Improvements) by \$9M, and adjust investment timing to enable delivery of the Palmerston North to Feilding Shared Path by 30 June 2026.



The motion was lost 6 votes to 9, the voting being as follows:

**For:**

Councillors Brent Barrett, Rachel Bowen, Patrick Handcock, Lorna Johnson, Orphée Mickalad and Kaydee Zabelin.

**Against:**

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Vaughan Dennison, Lew Findlay, Leonie Hapeta, Billy Meehan, Karen Naylor and William Wood.

Councillor Roly Fitzgerald returned to the meeting at 10:07am

**G5**

Moved William Wood, seconded Karen Naylor.

**RESOLVED**

That Council defer Programme 2122 – City Centre – Streets for People Upgrade in its entirety by 3 years.

Clause 95.14-24 above was carried 12 votes to 4, 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, Lorna Johnson, Billy Meehan, Karen Naylor, William Wood and Kaydee Zabelin.

**Against:**

Councillors Brent Barrett, Patrick Handcock, Leonie Hapeta and Orphée Mickalad.

**G6**

Moved Vaughan Dennison, seconded William Wood.

**RESOLVED**

That Council reduce Programme 1559 – Cycling Network Improvements to \$2.5M (excluding inflation) in years 2, 4, 6, 8, and 10, and \$250K (excluding inflation) in years 1, 3, 5, 7, 9.

Clause 95.15-24 above was carried 14 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, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

**Against:**

Councillors Brent Barrett and Patrick Handcock.

**G7**

Moved William Wood, seconded Karen Naylor.

**RESOLVED**

That Council reduce Programme 2390 - City-wide - Transport - Low Cost/ Low Risk and Road to Zero to \$4M in Year one and adjust for inflation thereafter.

Clause 95.16-24 above was carried 12 votes to 4, the voting being as follows:

**For:**

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

**Against:**

Councillors Debi Marshall-Lobb, Brent Barrett, Lew Findlay and Kaydee Zabelin.

**G8**

Moved Grant Smith, seconded Leonie Hapeta.

**RESOLVED**

That Council amend Programme 1194 – CET Arena Masterplan redevelopment to retain Barber and Bell Halls with appropriate maintenance, at the same time developing and constructing a new Arena 5 Indoor facility, spread over Years 1-3, with outer Fields redevelopment and other Masterplan projects to be deferred until Year 4 onwards and revisited at that time.

Clause 95.17-24 above was carried 12 votes to 4, the voting being as follows:

**For:**

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

**Against:**

Councillors Brent Barrett, Rachel Bowen, Karen Naylor and Kaydee Zabelin.

**Note:**

Moved Rachel Bowen, seconded Karen Naylor.

On an amendment: That Council amend Programme 1194 – CET Arena Masterplan redevelopment to retain Barber and Bell Halls with appropriate maintenance, ~~at the same time developing and constructing a new Arena 5 Indoor facility, spread over Years 1-3,~~ with outer Fields redevelopment and other Masterplan projects to be deferred until Year 4 onwards and revisited at that time.

The amendment was tied 8 votes to 8. The Mayor (as Chair) declared the amendment lost, the voting being as follows:

**For:**

Councillors Brent Barrett, Rachel Bowen, Lew Findlay, Roly Fitzgerald, Lorna Johnson, Karen Naylor, William Wood and Kaydee Zabelin.

**Against:**

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Vaughan Dennison, Patrick Handcock, Leonie Hapeta, Billy Meehan and Orphée Mickalad.

**Note:**

Moved Karen Naylor, seconded Kaydee Zabelin.

On a motion: That Council defer Programme 1763 - CET Arena property

purchase to Year 5.

The motion was lost 5 votes to 11, the voting being as follows:

**For:**

Councillors Brent Barrett, Rachel Bowen, Lorna Johnson, Karen Naylor and Kaydee Zabelin.

**Against:**

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

**G10**

Moved Kaydee Zabelin, seconded Karen Naylor.

**RESOLVED**

That Council reduce Programme 243 - Transit Hub to \$6m (excluding inflation) per year.

Clause 95.18-24 above was carried 15 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, Karen Naylor, William Wood and Kaydee Zabelin.

**Against:**

Councillor Lorna Johnson.

**Note:**

Moved Brent Barrett, seconded Roly Fitzgerald.

On an amendment: That Council ~~defer reduce~~ Programme 243 - Transit Hub ~~from Years 3-4 to Years 4-5 and reduce~~ to \$6m (excluding inflation) per year.

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

**For:**

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

**Against:**

Councillors Mark Arnott, Vaughan Dennison, Billy Meehan, Karen Naylor and Kaydee Zabelin.

**G11**

Moved Karen Naylor, seconded Grant Smith.

**RESOLVED**

That Council defer Programme 1845 – Te Marae o Hine to Year 3 onwards.

Clause 95.19-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick

Handcock, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

**Note:**

Moved Karen Naylor, seconded Grant Smith.

On a motion: That Council reduce Programme 1846 - City Reserves - walking extensions to \$0 for Years 1 and 2.

The motion was tied 8 votes to 8. The Mayor (as Chair) declared the motion lost, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Mark Arnott, Lew Findlay, Leonie Hapeta, Billy Meehan, Karen Naylor, William Wood and Kaydee Zabelin.

**Against:**

Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Patrick Handcock, Lorna Johnson and Orphée Mickalad.

**Note:**

Moved Karen Naylor, seconded Mark Arnott.

On a motion: That Council reduce Programme 1853 - Local Reserve Development to \$0 for Years 1 and 2.

The motion was tied 8 votes to 8. The Mayor (as Chair) declared the motion lost, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Mark Arnott, Vaughan Dennison, Lew Findlay, Leonie Hapeta, Billy Meehan, Karen Naylor and William Wood.

**Against:**

Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Orphée Mickalad and Kaydee Zabelin.

**Note:**

Moved Vaughan Dennison, seconded Karen Naylor.

On a motion: That Council reduce Programme 1895 - Te Motu o Poutoa to \$10m with 50% council contribution (excluding inflation) and defer for one year.

The motion was lost 7 votes to 9, the voting being as follows:

**For:**

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

**Against:**

The Mayor (Grant Smith) and Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Orphée Mickalad and Kaydee Zabelin.

## RESOLVED

That Council reduce Programme 2343 - Citywide - New Community Libraries/Hubs - including Awapuni, Roslyn, Te Patikitiki-Highbury to \$13M (excluding inflation) total: \$1M Year 1, \$0 Years 2 & 3, and \$3M per annum in Years 4, 5, 6, and 7, allowing budgets for: Roslyn \$1.5M, Awapuni \$8M, Te Patikitiki-Highbury \$3.5M.

Clause 95.20-24 above was carried 13 votes to 3, 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, Karen Naylor, William Wood and Kaydee Zabelin.

### Against:

Councillors Brent Barrett, Lorna Johnson and Orphée Mickalad.

### Note:

Moved Lorna Johnson, seconded Debi Marshall-Lobb.

On an amendment: That Council reduce Programme 2343 - Citywide - New Community Libraries/Hubs - including Awapuni, Roslyn, Te Patikitiki-Highbury to \$17M (excluding inflation) total: \$1M Year 1, \$0 Years 2 & 3, and ~~\$3M per annum in Years 4 -5 (\$5.5M each year), Y6 (\$2M), and Y7 (\$3M)~~, allowing budgets for: Roslyn \$1.5M, Awapuni \$12M, Te Patikitiki-Highbury \$3.5M

The amendment was tied 8 votes to 8. The Mayor (as Chair) declared the amendment lost, the voting being as follows:

### For:

Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Orphée Mickalad and Kaydee Zabelin.

### Against:

The Mayor (Grant Smith) and Councillors Mark Arnott, Vaughan Dennison, Lew Findlay, Leonie Hapeta, Billy Meehan, Karen Naylor and William Wood.

### Note:

Moved Rachel Bowen, seconded Orphée Mickalad.

On an amendment: That Council reduce Programme 2343 - Citywide - New Community Libraries/Hubs - including Awapuni, Roslyn, Te Patikitiki-Highbury to \$15M (excluding inflation) total: \$1M Year 1, \$0 Years 2 & 3, and ~~\$3M per annum in Years 4 -5 (\$4.5M each year), Y6 (\$2M), and Y7 (\$3M)~~, allowing budgets for: Roslyn \$1.5M, Awapuni \$10M, Te Patikitiki-Highbury \$3.5M

The amendment was tied 8 votes to 8. The Mayor (as Chair) declared the amendment lost, the voting being as follows:

### For:

Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Roly Fitzgerald, Patrick Handcock, Lorna Johnson, Orphée Mickalad and Kaydee Zabelin.

### Against:

The Mayor (Grant Smith) and Councillors Mark Arnott, Vaughan Dennison, Lew

Findlay, Leonie Hapeta, Billy Meehan, Karen Naylor and William Wood.

### **Operational Expenditure - Remove/Decrease/Defer**

Councillor Roly Fitzgerald left the meeting at 2.53pm.

**Note:**

Moved Vaughan Dennison, seconded Karen Naylor.

On a motion: That Council reduce the funding allocation for staff remuneration to provide a 6% increase in Year 1 with a minimum of \$400K of this reduction to be applied to rates funded remuneration.

The motion was lost 4 votes to 11, the voting being as follows:

**For:**

Councillors Mark Arnott, Vaughan Dennison, Karen Naylor and William Wood.

**Against:**

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

**Note:**

Moved Karen Naylor, seconded Vaughan Dennison.

On a motion: That Council reduce Programme 2451 - Leadership Development to \$50K (excluding inflation) in Years 1, 2 and 3.

The motion was lost 4 votes to 11, the voting being as follows:

**For:**

Councillors Mark Arnott, Vaughan Dennison, Karen Naylor and Kaydee Zabelin.

**Against:**

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

Councillor Roly Fitzgerald entered the meeting at 3.05pm.

**G22**

Moved Grant Smith, seconded Karen Naylor.

### **RESOLVED**

That Council reduce the funding for Professional services by \$1m in Year 1 and 2.

Clause 95.21 -24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

**Note:**

Moved Vaughan Dennison, seconded Karen Naylor.

On a motion: That Council defer Programme 1949 - Civic and Cultural Precinct to start in Year 4.

The motion was lost 1 vote to 12, the voting being as follows:

**For:**

Councillor Karen Naylor.

**Against:**

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

Councillors Mark Arnott, Vaughan Dennison and Billy Meehan did not vote.

The meeting adjourned at 3.20pm.

The meeting resumed at 3.38pm.

Councillors Roly Fitzgerald and Orphée Mickalad were not present when the meeting resumed.

**Extension of Meeting**

Moved Grant Smith, seconded Debi Marshall-Lobb.

**RESOLVED**

That Council extend the meeting until 6.00pm.

Clause 95.22-24 above was carried 13 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, Patrick Handcock, Leonie Hapeta, Billy Meehan, Karen Naylor, William Wood and Kaydee Zabelin.

**Against:**

Councillor Lorna Johnson.

Councillors Roly Fitzgerald and Orphée Mickalad entered the meeting at 3.40pm.

**G25**

Moved Karen Naylor, seconded William Wood.

**RESOLVED**

That Council defer Programme 764 - Energy use monitoring from Years 3, 5 & 6 to Years 4, 6 & 7.

Clause 95.23-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

**Note:**

Moved Karen Naylor, seconded Grant Smith.

On a motion: That Council reduce Programme 2450 - Homelessness Response to \$130k (excluding inflation) in Years 1, 2 and 3 to fund Housing First and Flexi Fund initiatives.

The motion was lost 6 votes to 10, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Mark Arnott, Vaughan Dennison, Billy Meehan, Karen Naylor and William Wood.

**Against:**

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

**Note:**

Moved William Wood, seconded Kaydee Zabelin.

On an amendment: That Council reduce Programme 2450 - Homelessness Response to ~~\$50k~~ \$130k (excluding inflation) in Years 1, 2 and 3 to fund Housing First and Flexi Fund initiatives.

The amendment 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, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Leonie Hapeta, Billy Meehan, Karen Naylor, William Wood and Kaydee Zabelin.

**Against:**

Councillors Lew Findlay, Patrick Handcock, Lorna Johnson and Orphée Mickalad.

**G27**

Moved Karen Naylor, seconded Kaydee Zabelin.

**RESOLVED**

That Council reduce Programme 1447 - Earthquake Prone Heritage building fund to \$75K (excluding inflation) in Year 1, \$76K (excluding inflation) in Year 2 and \$78K (excluding inflation) in Year 3.

Clause 95.24-24 above was carried 15 votes to 1, the voting being as follows:

**For:**

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

**Against:**

The Mayor (Grant Smith).



**Note:**

Moved Kaydee Zabelin, seconded Karen Naylor.

On a motion: That Council remove Programme 2519 - Artificial Football field - Year 2 \$867K.

The motion was lost 6 votes to 10, the voting being as follows:

**For:**

Councillors Debi Marshall-Lobb, Brent Barrett, Rachel Bowen, Lorna Johnson, Karen Naylor and Kaydee Zabelin.

**Against:**

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

**G29**

Moved Kaydee Zabelin, seconded Karen Naylor.

**RESOLVED**

That Council remove Programme 2523 - Community Pool Grants \$100k in Years 1-3.

Clause 95.25-24 above was carried 15 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, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

**Against:**

Councillor Debi Marshall-Lobb.

**Note:**

Moved Karen Naylor, seconded Kaydee Zabelin.

On a motion: That Council remove Programme 2525 - Central District Hinds.

The motion was lost 4 votes to 12, the voting being as follows:

**For:**

Councillors Brent Barrett, Billy Meehan, Karen Naylor and Kaydee Zabelin.

**Against:**

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

**Note:**

Moved Vaughan Dennison, seconded Leonie Hapeta.

On a motion: That Council defer Programme 2417 - Caccia Birch Masterplan \$54K (excluding inflation) from Year 1 to Year 4.

The motion was lost 5 votes to 11, the voting being as follows:

**For:**

Councillors Debi Marshall-Lobb, Vaughan Dennison, Leonie Hapeta, Karen

Naylor and William Wood.

**Against:**

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

**G32**

Moved Vaughan Dennison, seconded Karen Naylor.

**RESOLVED**

That Council remove Programme 2488 - Business Sustainability Fund.

Clause 95.26-24 above was carried 13 votes to 3, the voting being as follows:

**For:**

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

**Against:**

The Mayor (Grant Smith) and Councillors Brent Barrett and Kaydee Zabelin.

**Note:**

Moved William Wood, seconded Billy Meehan.

On a motion: That the Climate Change Mitigation and Adaptation operational budget total be amended to \$726k in year one and adjusted for inflation in each year after.

The motion was lost 5 votes to 11, the voting being as follows:

**For:**

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

**Against:**

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

**Capital Expenditure - Add/Increase/Bring Forward**

**G35**

Moved Kaydee Zabelin, seconded Lorna Johnson.

**RESOLVED**

That Council bring forward \$300k from Programme 1786 - Recreational Buildings - Sports Pavilion and Changing Room Renewals from years 4 – 6 to years 1 – 3, for renewals for changing room and park facilities identified as being in 'poor condition.'

Clause 95.27-24 above was carried 13 votes to 3, the voting being as follows:

**For:**

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

**Against:**

The Mayor (Grant Smith) and Councillors Mark Arnott and Karen Naylor.

**The meeting adjourned Thursday, 30 May 2024 at 5.51pm.  
The meeting resumed Friday, 31 May 2024 at 9.03am.**

Councillors Debi Marshall-Lobb and William Wood were not present when the meeting resumed.

**Note:**

Moved Karen Naylor, seconded Mark Arnott.

On a motion: That Council amend Te Manawa operational grant funding to: Year 1 \$3,756,899, Year 2 \$3,855,537, Year 3 \$3,963,012.

The motion was lost 4 votes to 10, the voting being as follows:

**For:**

Councillors Vaughan Dennison, Leonie Hapeta, Billy Meehan and Karen Naylor.

**Against:**

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

**Operational Expenditure - Add/Increase/Bring forward**

Councillor William Wood entered the meeting at 9.40am.

Moved Lorna Johnson, seconded Patrick Handcock.

**RESOLVED**

That Council increase funding for Strategic Priority Grants by 10% each year in years 1 to 3. This figure to be used plus CPI adjustments from year 2.

Clause 95.28-24 above was carried 11 votes to 4, the voting being as follows:

**For:**

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

**Against:**

Councillors Mark Arnott, Leonie Hapeta, Karen Naylor and William Wood.

**Note:**

Moved Vaughan Dennison, seconded Karen Naylor.

On an amendment: That Council increase funding for Strategic Priority Grants by ~~30% (\$453k)~~ **10% (\$151K)** in year 1. This figure to be used plus CPI adjustments from year 2.

The amendment was lost 6 votes to 9, the voting being as follows:

**For:**

**G36**

Councillors Mark Arnott, Vaughan Dennison, Leonie Hapeta, Billy Meehan, Karen Naylor and William Wood.

**Against:**

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

**Note:**

Moved Grant Smith, seconded Rachel Bowen.

On an amendment: That Council increase funding for Strategic Priority Grants by ~~10% (+151k) in year 1~~ **each year in years 1 to 3**. This figure to be used plus CPI adjustments from year 2.

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

**For:**

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

**Against:**

Councillors Mark Arnott, Leonie Hapeta, Karen Naylor and William Wood.

**Note:**

Moved Karen Naylor, seconded William Wood.

On an amendment: That Council increase funding for Strategic Priority Grants by 10% each year in years 1 to 3 **including CPI**. ~~This figure to be used plus CPI adjustments from year 2.~~

The amendment was lost 6 votes to 9, the voting being as follows:

**For:**

Councillors Mark Arnott, Vaughan Dennison, Leonie Hapeta, Billy Meehan, Karen Naylor and William Wood.

**Against:**

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

**Note:**

Moved Leonie Hapeta, seconded William Wood.

On a motion: That Council support \$20k in year 1 only, for the Manawatū Business Chamber Business Voice and Response Strategic Project.

The motion was lost 4 votes to 11, the voting being as follows:

**For:**

Councillors Mark Arnott, Vaughan Dennison, Leonie Hapeta and William Wood.

**Against:**

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

The meeting adjourned at 10.20am.  
The meeting resumed at 10.40am.

Councillor Leonie Hapeta was not present when the meeting resumed.  
Councillor Roly Fitzgerald left the meeting at 10.56am.

**Note:**

Moved Orphée Mickalad, seconded Kaydee Zabelin.

On a motion: That Council create a new programme of \$50k annually for the provision of civics education initiatives in the community, noting that these education initiatives will target all groups, not just schools.

The motion was lost 2 votes to 11, the voting being as follows:

**For:**

Councillors Orphée Mickalad and Kaydee Zabelin.

**Against:**

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

Councillor William Wood left the meeting at 11.05am.

**G40**

Moved Orphée Mickalad, seconded Kaydee Zabelin.

**RESOLVED**

That the Chief Executive (a) develop key civics indicators to report against, and (b) provide a progress report annually to assess the effectiveness of the civics education initiatives.

Clause 95.29-24 above was carried 10 votes to 2, the voting being as follows:

**For:**

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

**Against:**

Councillors Mark Arnott and Karen Naylor.

**G41**

Moved Grant Smith, seconded Rachel Bowen.

**RESOLVED**

That Council contribute a grant towards the development and construction of a new Covered Bowling Green at Palmerston North Bowling Club of a total contribution of \$450,000 (excluding inflation) over two years: \$225,000 Year 3 and then \$225,000 Year 4.

Clause 95.30-24 above was carried 9 votes to 3, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Lorna Johnson and Billy Meehan.

**Against:**

Councillors Orphée Mickalad, Karen Naylor and Kaydee Zabelin.

**G42**

Moved Grant Smith, seconded Vaughan Dennison.

**RESOLVED**

That Council fund Palmerston North Surf Life Saving Club \$15,000 per annum Years 2 to 3.

Clause 95.31-24 above was carried 7 votes to 5, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Mark Arnott, Brent Barrett, Vaughan Dennison, Patrick Handcock, Billy Meehan and Orphée Mickalad.

**Against:**

Councillors Rachel Bowen, Lew Findlay, Lorna Johnson, Karen Naylor and Kaydee Zabelin.

**G43**

Moved Grant Smith, seconded Lorna Johnson.

**RESOLVED**

That Council give civic support to the New Zealand Rugby Museum International Australian exhibition to the value of \$10k in year 1.

Clause 95.32-24 above was carried 9 votes to 3, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Mark Arnott, Rachel Bowen, Vaughan Dennison, Lew Findlay, Patrick Handcock, Lorna Johnson, Billy Meehan and Orphée Mickalad.

**Against:**

Councillors Brent Barrett, Karen Naylor and Kaydee Zabelin.

**LTP Other**

**G44**

Moved Brent Barrett, seconded Lorna Johnson.

**RESOLVED**

That Council add "Community social service groups and facilities that are well supported and invested in" to Goal 3 outcomes; and "Natural environment-focused community groups and facilities that are well supported and invested in" to Goal 4 outcomes.

Clause 95.33-24 above was carried 10 votes to 1, the voting being as follows:

**For:**

The Mayor (Grant Smith) and Councillors Brent Barrett, Rachel Bowen, Vaughan Dennison, Lew Findlay, Pat Handcock, Lorna Johnson, Orphée Mickalad, Karen Naylor and Kaydee Zabelin.

**Against:**

Councillor Billy Meehan.

**Note:**

Councillor Mark Arnott did not vote.

Councillor William Wood entered the meeting at 11:19am.

**G45**

Moved Brent Barrett, seconded Patrick Handcock.

**RESOLVED**

That Council endorse the City to Sea shared path proposal, noting no financial support is committed.

Clause 95.34-24 above was carried 12 votes to 1, the voting being as follows:

**For:**

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

**Against:**

Councillor Lew Findlay.

**G46**

Moved Patrick Handcock, seconded Lorna Johnson.

**RESOLVED**

That the Chief Executive provide a youth well-being and youth development progress report annually.

Clause 95.35-24 above was carried 13 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, Patrick Handcock, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Councillor Roly Fitzgerald entered the meeting at 11.25am.

**G47**

Moved Patrick Handcock, seconded Lorna Johnson.

**RESOLVED**

That the Chief Executive provide a report to Council outlining property options in Roslyn, requested by ACROSS and Roslyn REACH, to support delivery of community services. The report should include a full review of existing and relevant reports to summarise the needs identified and to inform what the next steps would be, which might include a feasibility study and or engagement.

Clause 95.36-24 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, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood

and Kaydee Zabelin.

Councillor Patrick Handcock left the meeting at 11.30am.

## G48

Moved Kaydee Zabelin, seconded Lorna Johnson.

### RESOLVED

That the Chief Executive review the community garden guidelines and rules to be more permissive and encouraging for groups starting a community garden on public land.

Clause 95.37-24 above was carried 12 votes to 0, the voting being as follows:

#### For:

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

#### Note:

Councillor Rachel Bowen did not vote.

Councillor Lew Findlay left the meeting at 11.41am.

## G49

Moved Rachel Bowen, seconded Grant Smith.

### RESOLVED

That the Chief Executive ensures that, in projects where partner funding is required, Council undertakes no physical works until external funding is committed unless Council determines otherwise (excluding NZTA).

Clause 95.38-24 above was carried 12 votes to 0, the voting being as follows:

#### For:

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

## G50

Moved Grant Smith, seconded Rachel Bowen.

### RESOLVED

That the Chief Executive create a City Heritage Plan out of existing resources that can be built on in future years, as per Submissions 688 & 1037.

Clause 95.39-24 above was carried 12 votes to 0, the voting being as follows:

#### For:

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



**G51**

Moved Grant Smith, seconded Rachel Bowen.

**RESOLVED**

That the Chief Executive create a volunteer City Heritage Advisory or Reference Group that can be built on in future years, as per Submissions 688 & 1037.

Clause 95.40-24 above was carried 12 votes to 0, the voting being as follows:

**For:**

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

**G52**

Moved William Wood, seconded Grant Smith.

**RESOLVED**

That Council grant \$10,000, in Year 1 only, to engage with the Te Awa Community Foundation for a civic fund for the Palmerston North City area.

Clause 95.41-24 above was carried 11 votes to 0, the voting being as follows:

**For:**

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

**Note:**

The Mayor (Grant Smith) did not vote.

**2G**

Moved Grant Smith, seconded Rachel Bowen.

**RESOLVED**

That Council instruct the Chief Executive to prepare a final draft of the Long-Term Plan for consideration by the Council and that it incorporates **the above** motions as a result of public consultation as determined by this meeting of Council.

Clause 95.42-24 above was carried 12 votes to 0, the voting being as follows:

**For:**

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

**6**

Moved Grant Smith, seconded Rachel Bowen.

**RESOLVED**

That in preparing the draft of the final Long-Term Plan 2024/34, the Chief Executive revise the timing of the present provisions for accelerated debt repayment so that they continue to total approximately \$150m over ten years, but that they smooth the impact on rates in a more strategic manner.

Clause 95.43-24 above was carried 12 votes to 0, the voting being as follows:

**For:**

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

**Note:**

Moved Karen Naylor, seconded William Wood.

On an amendment: That in preparing the draft of the final Long-Term Plan 2024/34, the Chief Executive revise the timing of the present provisions for accelerated debt repayment ~~so that they continue~~ to total approximately \$75m over ten years, but that they smooth the impact on rates in a more strategic manner.

The amendment was lost 3 votes to 9, the voting being as follows:

**For:**

Councillors Billy Meehan, Karen Naylor and William Wood.

**Against:**

The Mayor (Grant Smith) and Councillors Mark Arnott, Brent Barrett, Rachel Bowen, Vaughan Dennison, Roly Fitzgerald, Lorna Johnson, Orphée Mickalad and Kaydee Zabelin.

**7**

Moved Karen Naylor, seconded Vaughan Dennison.

**RESOLVED**

That the Chief Executive provide a report to model and provide \$75M debt repayment over 10 Years to Council on 10 June 2024

Clause 95.44-24 above was carried 11 votes to 1, the voting being as follows:

**For:**

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

**Against:**

Councillor Lorna Johnson.

**4 + 5**

Moved Grant Smith, seconded Vaughan Dennison.

**RESOLVED**

4. That Council instruct the Chief Executive to prepare updated drafts of the Oranga Papanoia City Strategy and Plans, Financial and Infrastructure Strategies, Development Contributions Policy, Revenue and Financing Policy and Rates Remission and Postponement

Policies incorporating any changes consequential on the recommendations above for consideration by the Council.

5. That Council call an extraordinary meeting on Monday 10 June 2024 at 9am, Council Chambers 32 Te Marae o Hine, The Square to consider the final draft Long-Term Plan 2024/34.

Clause 95.45-24 above was carried 12 votes to 0, the voting being as follows:

**For:**

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

**Karakia Whakamutunga**

Councillor Roly Fitzgerald closed the meeting with karakia.

The meeting finished at 12.17pm, Friday 31 May 2024

Confirmed 10 June 2024

**Mayor**



## **PALMERSTON NORTH CITY COUNCIL**

### **Minutes of the Council Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 05 June 2024, commencing at 9.03am**

**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, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

Councillor Roly Fitzgerald was not present when the meeting resumed at 1.45pm during consideration of clause 100.2-24. He entered the meeting again at 1.54pm during the consideration of clause 101-24. He was not present for recommendation clause 100.2-24.

Councillor Karen Naylor left the meeting at 1.55pm during consideration of clause 101-24.

#### **Karakia Timatanga**

Councillor Debi Marshall-Lobb opened the meeting with karakia

#### **Declaration of Interest**

Councillor Leonie Hapeta declared a conflict of interest in Item 8 District Licensing Committee- Additional Commissioner (clause 107-24) and took no further part in discussion or debate.

#### **Tribute: Heather Allan**

The Mayor made a tribute to former Councillor Heather Allan who passed away in April 2024.

#### **Tribute: Roger Fox**

The Mayor made a tribute to Rodger Fox who passed away in May 2024.

**96-24 Public Comment**

Brian Holmes, Owner of Ebony Coffee spoke on the impact of the Featherston Street Safety Improvements.

Moved Grant Smith, seconded Debi Marshall-Lobb.

**RESOLVED**

1. That Council receive the public comment.

Clause 96-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

**97-24 Petition- Reverse changes to Featherston Street**

Petition presented by Brenton Beach.

Brenton presented a petition of over 3000 people requesting Council restore Featherston Street to its state prior to the safety improvements. He also tabled further information (PowerPoint), appended to these minutes.

Moved Grant Smith, seconded Rachel Bowen.

**RESOLVED**

1. That the Council receive the petition for information.

Clause 97-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

## REPORTS

**98-24 Featherston Street Safety Improvements Project - Bus Stops**

Report, presented by Glen O'Connor, Group Manager - Transport and Development, and Michael Bridge, Service Manager - Active Transport, Sam Kilmister, Communications Advisor and Susan Calkin, Contractor –

## Project Management

The mover and seconder adjusted the first motion to require additional report back on a wider scope than the option in the agenda.

Councillor Wood moved an additional motion, in response to the petition concerns for road users wider than bus stops, that alternative cycleway design concepts are reported back to Council for the remaining portion of this Featherston Street project.

Moved Grant Smith, seconded Orphée Mickalad.

### **RESOLVED**

1. That Council retain the four in-lane bus stops in their current positions on Featherston Street between Aroha Street and North Street, while Officers monitor and evaluate the functionality of the road and report back to Council by November 2024 and April 2025, noting this will come at no additional cost to Council.

Clause 98-24 above was carried 8 votes to 7, with 1 abstention, the voting being as follows:

#### **For:**

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

#### **Against:**

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

#### **Abstained:**

Councillor Kaydee Zabelin.

The meeting adjourned at 11.15am

The meeting resumed at 11.35am

Moved Grant Smith, seconded Debi Marshall-Lobb.

### **RESOLVED**

2. That Council note the remaining elements of the Featherston Street Safety Improvement Project will continue to be implemented as planned, to be delivered by 30 June 2024, including side street improvements, placemaking, and cycleway separators, noting that these elements are all 90% co-funded from NZTA – Waka Kotahi. Additionally, noting that resealing of this section of the road on Featherston Street will also be undertaken through Council's reseat programme which is 51% co-funded from NZTA – Waka Kotahi.

Clause 98-24 above was carried 12 votes to 4, the voting being as follows:

#### **For:**

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

**Against:**

Councillors Mark Arnott, Leonie Hapeta, Billy Meehan and William Wood.

Moved William Wood, seconded Billy Meehan.

**RESOLVED**

3. That the Chief Executive report back to Council in November 2024, on the concept design options of (1) a shared walking/cycling pathway and (2) a non-separated cycleway (3) any other appropriate options on Featherston Street from Botanical Road to Ruahine Street.

Clause 98-24 above was carried 15 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, Leonie Hapeta, Lorna Johnson, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

**Against:**

Councillor Patrick Handcock.

**99-24**

**2023 Residents' Survey Action Plan**

Memorandum, presented by Andrew Boyle, Head of Community Planning

Moved Grant Smith, seconded Debi Marshall-Lobb.

**RESOLVED**

1. That Council note the actions being undertaken in response to the 2023 Residents' Survey results.

Clause 99-24 above was carried 16 votes to 0, the voting being as follows:

**For:**

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

**100-24**

**Fees and Charges - a further update**

Memorandum, presented by Steve Paterson, Strategy Manager – Finance and Kathy Dever-Tod, Group Manager, Parks and Logistics



An amendment was put to ensure ability to pay was a factor in the distribution of the swimming pool admission fee rise.

Moved Grant Smith, seconded Rachel Bowen.

**RESOLVED**

1. That Council approve the fees and charges for Planning & Miscellaneous Services, as scheduled in Attachments B and C, effective from 1 July 2024.
2. That Council approve the fees and charges for Trade Waste Services, as scheduled in Attachment D, effective from 1 July 2024.

Clause 100-24 above was carried 11 votes to 5, the voting being as follows:

**For:**

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

**Against:**

Councillors Mark Arnott, Vaughan Dennison, Roly Fitzgerald, Leonie Hapeta and Billy Meehan.

The meeting adjourned at 12.43pm.  
The meeting resumed at 1.45pm.

Councillor Roly Fitzgerald was not present when the meeting resumed.

**RESOLVED**

3. That Council approve the updated caps for swimming pool admission fees as below, effective from 1 July 2024.

**Table 1**

Adult pool entry	\$7.00
Child Pool entry	\$5.50
Senior / community service card holder	\$5.50
Family pass	\$20.00

**Table 2**

Adult pool entry – 10 trips	\$56
Adult pool entry – 20 trips	\$103
Child/ Senior/ community service card holder - 10 trip	\$39
Child/ Senior / community service card holder - 20 trip	\$73

Clause 100-24 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, Patrick Handcock, Leonie Hapeta, Billy Meehan, Orphée Mickalad, Karen Naylor, William Wood and Kaydee Zabelin.

**Against:**

Councillor Lorna Johnson.

**Note**

Moved Brent Barrett, seconded Patrick Handcock.

An amendment: That Council approve the updated caps for swimming pool admission fees as ~~scheduled in tables 1 and 2 of Attachment E~~ **below**, effective from 1 July 2024.

**Table 1**

Adult pool entry	<b>\$7.00</b>
Child Pool entry	<b>\$5.50</b>
Senior / community service card holder	<b>\$5.50</b>
Family pass	<b>\$20.00</b>

**Table 2**

Adult pool entry – 10 trips	<b>\$56</b>
Adult pool entry – 20 trips	<b>\$103</b>
Child/ Senior/ community service card holder - 10 trip	<b>\$39</b>
Child/ Senior / community service card holder - 20 trip	<b>\$73</b>

The amendment was passed 15 votes to 0.

**For:**

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

**101-24**

**Ashhurst Campervan Dump Station - Custom Street proposal**  
Report, presented by Aaron Phillips - Activity Manager Parks.

Councillor Roly Fitzgerald entered the meeting at 1.54pm  
Councillor Karen Naylor left the meeting at 1:55pm

Moved Grant Smith, seconded Debi Marshall-Lobb.

**RESOLVED**

1. That Council proceed with construction of a campervan dump station on the northern side of Custom Street in Ashurst as shown in Option One.

Clause 101-24 above was carried 15 votes to 0, the voting being as follows:

**For:**

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

**102-24**

**International Relations and Education Annual Plan 2024-2025**

Memorandum, presented by Gabrielle Loga - International Relations Manager.

Councillor Bowen moved a motion to include quantitative measures in next year's Annual Plan, to include quantitative evidence of the benefit of the International Relations work to the city.

Moved Rachel Bowen, seconded William Wood.

**RESOLVED**

1. That Council receive the International Relations and Education Annual Plan 2024-2025 presented on 5 June 2024.
2. That the Chief Executive develop quantitative success measures in addition to the qualitative measures proposed in the International Relations and Education Annual Plan 2024/25.

Clause 102-24 above was carried 15 votes to 0, the voting being as follows:

**For:**

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

**103-24**

**Council Work Schedule**

Moved Grant Smith, seconded Debi Marshall-Lobb.

**RESOLVED**

1. That Council receive its Work Schedule dated 5 June 2024.

Clause 103-24 above was carried 15 votes to 0, the voting being as follows:

**For:**

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

## **RECOMMENDATIONS FROM COMMITTEE MEETING**

### **104-24 Strategy & Finance Committee Part I Public - 8 May 2024**

Councillor Vaughan Dennison presented the recommendations below:

Moved Vaughan Dennison, seconded Brent Barrett.

#### **RESOLVED**

1. That Council adopt the recommendations from the Strategy & Finance Committee of 8 May 2024:

#### **Quarterly Performance and Financial Report - period ending 31 March 2024 (Clause 22-24)**

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

#### The **COMMITTEE RECOMMENDS**

2. That the Capital New revenue and expenditure budgets for 2207-Urban Cycle Infrastructure Network Improvement (Transport Choices) be reduced by \$4,092k to \$751k.
3. That the Chief Executive is given delegation for the 2023/24 financial year to move budgets in excess of the existing delegations between Roading and Active and Public Transport, and between Stormwater, Water and Wastewater and that these budget movements will be reported with the June 2024 quarterly report.

#### **Delegation Manual - Financial Delegations section update (clause 24-24)**

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

#### The **COMMITTEE RECOMMENDS**

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

and a report brought back to Council.

**Draft Palmerston North Animals and Bees Bylaw 2024 – Deliberations (clause 25-24)**

Report, presented by Stacey Solomon, Policy Analyst.

The **COMMITTEE RECOMMENDS**

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

**Draft Palmerston North Dog Control Policy 2024 – Deliberations (clause 26-24)**

Memorandum, presented by Kate Harridge, Policy Analyst and Stacey Solomon, Policy Analyst.

The **COMMITTEE RECOMMENDS**

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

Clause 104-24 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, Lorna Johnson, Billy Meehan, Orphée Mickalad, William Wood and Kaydee Zabelin.

**Abstained:**

The Mayor (Grant Smith).

Councillor Billy Meehan left the meeting at 2.33pm.

## EXCLUSION OF PUBLIC

### 105-24 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
7.	Nature Calls- Lead Technical Consultant contract extension	NEGOTIATIONS: This information needs to be kept confidential to ensure that Council can negotiate effectively, especially in business dealings	s7(2)(i)
8.	District Licensing Committee- Additional Commissioner	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)
9.	Presentation of the Part II Confidential Strategy & Finance Committee Recommendations from its 8 May 2024 Meeting	NEGOTIATIONS: This information needs to be kept confidential to ensure that Council can negotiate effectively, especially in business dealings	s7(2)(i)

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

Clause 105-24 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, Vaughan Dennison, Lew Findlay, Roly Fitzgerald, Patrick Handcock, Leonie Hapeta, Lorna Johnson, Orphée Mickalad, William Wood

and Kaydee Zabelin.

The public part of the meeting finished at 2.35pm

Confirmed 10 June 2024

**Mayor**





## MEMORANDUM

**TO:** Council

**MEETING DATE:** 10 June 2024

**TITLE:** Confirming the Proposed 2024 Long-term Plan for Audit

**PRESENTED BY:** David Murphy - Chief Planning Officer, Cameron Mackay - Chief Financial Officer and Chris Dyhrberg - Chief Infrastructure Officer

**APPROVED BY:** Waid Crockett, Chief Executive

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### RECOMMENDATIONS TO COUNCIL

1. That Council:
    - a. rescind LTP Nature Calls (Clause 95.11-24) from Council 29 May 2024 and
    - b. replace it with: *That the Nature Calls budget should be no more than \$480M (excluding inflation) across the 2024-34 Long-Term Plan.*
  2. That Council instruct the Chief Executive to work with Horizons Regional Council:
    - a. to pause the current consent application under the Resource Management Act 1991; and
    - b. re-phase the timing of the Nature Calls programme to allow for the review of the Best Practicable Option.
  3. That Council agree the Long-term Plan and associated Strategies and Policies (attached separately) for audit and presentation for adoption on 26 June 2024; subject to the changes above and any consequential changes in strategies, policies, significant forecasting assumptions and financial statements,
- 

### 1. ISSUE

- 1.1 On 29 May Council held a deliberations meeting on submissions received in response to its proposed Long-Term Plan (LTP). This current report highlights the key changes to the proposed LTP through these deliberations and outlines their implications for Council to confirm. Audit New Zealand can then complete its review of the proposed LTP.
- 1.2 This will allow officers to prepare the final Long-Term Plan for Council to adopt, with the Audit Report, on 26 June 2024.

## **2. BACKGROUND**

- 2.1 Council started to develop the 2024 LTP shortly after the 2022 Local Government elections. It adopted the consultation material on 3 April 2024 and consulted the community between 8 April to 9 May. Council received 1441 submissions on the proposed LTP. It considered all these submissions at a deliberations meeting on 29-31 May.
- 2.2 A full description of Council's LTP process to date was presented in the LTP report that was considered by the Council on [3 April 2024](#).

## **3. CHANGES MADE TO PROPOSED LONG TERM PLAN AS A RESULT OF DELIBERATIONS**

- 3.1 This section outlines the key changes Council made to the proposed LTP as a result of submissions (and updated assumptions) and sets out their implications.
- 3.2 Updated budget assumptions and officer recommendations as outlined in the agenda of Council for its meeting on 29-31 May 2024 are summarised below:
- Lowered the interest rate for Years' 1-3 from 5.2% to 5.0%.
  - Carried circa \$7M of capital programmes forward into Year 1 after delays in the current financial year will result in programmes of work not yet being finished. The programmes carried forward are, except for Summerhays Social Housing Development, all procured, and contracts awarded. Due to this, there is no expected impact on the deliverability of the Capital Programme for Year 1. In the case of Summerhays, Council has requested some additional information before proceeding. Officers have reset the proposed construction timeframe considering this decision, which is reflected in the carry forward.
  - Increase parking infringement revenue assumptions based on current year trends.
  - Provided for additional insurance expenditure budget given more updated information.
  - Opening debt balance has been updated to account for the current year cash movements.
  - Swap funding of the previously known Better Off Funded projects to Water projects considering a letter received from the Minister for Local Government. Council funding was swapped in place of this.
  - Correct several timing issues with some programmes relating to business cases, growth programmes, as well as removing budgets that were no longer required.
  - Additional programmes were created following submissions to the Future Development Strategy for Stormwater Technical input to growth. Stormwater and transport technical support was also added to support growth planning in the first part of the LTP.

- 3.3 Council then proceeded to make a series of decisions relating to the proposed capital programme. Several reductions and deferrals were made to the following capital programmes:
- Council's Seismic Strengthening Programme, including Council's additional programme for rebuilding the Central Library & Te Manawa facilities.
  - New Community Hubs, including Awapuni, Te Patikitiki and Roslyn.
  - Multicultural Centre.
  - Shared Pathways – specifically Palmerston North to Feilding.
  - Streets for People Upgrade.
  - Cycle Network improvements.
  - Low Cost/Low Risk Transport Improvements.
  - Amend the timing of projects proposed under the Central Energy Trust Arena Masterplan Development programme.
  - Transit Hub.
  - Te Marae o Hine improvements.
- 3.4 Council made additional reductions in the operational budgets as outlined below:
- Reduced the Professional Services budget by \$1M in Year 1 & 2.
  - Deferred the Energy Use Monitoring programme to Year 4, 6 & 7.
  - Reduced the Earthquake Prone Heritage Building Fund in Year 1, 2 & 3.
  - Removed the Community Pool Grants programme from Years 1-3.
  - Removed the Business Sustainability Fund.
- 3.5 Council also provided for additional money for sports pavilion and changing room renewals. This money was brought forward from Years 4-6 into Years 1-3.
- 3.6 Council made several additions to the operating budget, summarised below;
- The creation of a programme to support Youth Wellbeing Initiatives.
  - Funding for support regarding Food Security and Resilience, delivered via Environmental Network Manawatu's (ENM) Environmental Initiatives Fund.
  - Increased funding for the Strategic Priority Grant funding pool.
  - Contribution to a new Covered Bowling Green in Years 3 and 4, which Council will loan fund.
  - Funding the Surf Life Saving club in Year 2 & 3.
  - A one-off grant to the New Zealand Rugby Museum in Year 1.
- 3.7 The resolutions set out in sections 3.2 to 3.6 have altered the capital programme for the duration of the Long-term Plan, as well as the proposed rates increases across the 10 years. The updated capital programme totals, as well as the proposed rates increases, by year, are included in the tables below.

**Table 1: 10 Year Capital Total Breakdown \$000**

	AB 23/24	Year 1 24/25	Year 2 25/26	Year 3 26/27	Year 4 27/28	Year 5 28/29	Year 6 29/30	Year 7 30/31	Year 8 31/32	Year 9 32/33	Year 10 33/34
Renewals	28,141	32,984	35,598	36,166	40,420	40,076	45,072	49,758	53,683	53,977	54,194
New Capex	52,186	47,401	76,104	95,973	136,819	109,348	144,323	167,617	117,446	137,359	126,038
Growth	13,018	14,972	12,684	25,014	19,485	29,346	48,010	52,041	45,335	24,989	27,891
<b>Total</b>	<b>93,344</b>	<b>95,357</b>	<b>124,386</b>	<b>157,154</b>	<b>196,725</b>	<b>178,770</b>	<b>237,405</b>	<b>269,417</b>	<b>216,463</b>	<b>216,324</b>	<b>208,123</b>

**Table 2: Indicative Increases in Total Rates, 2024-34**

	Year 1 24/25	Year 2 25/26	Year 3 26/27	Year 4 27/28	Year 5 28/29	Year 6 29/30	Year 7 30/31	Year 8 31/32	Year 9 32/33	Year 10 33/34
Indicative Rate Increase	10.1%	8.9%	8.4%	7.4%	6.6%	6.6%	7.1%	6.8%	7.1%	7.4%

**Table 3: Breakdown of indicative rate increases, Year 1-3**

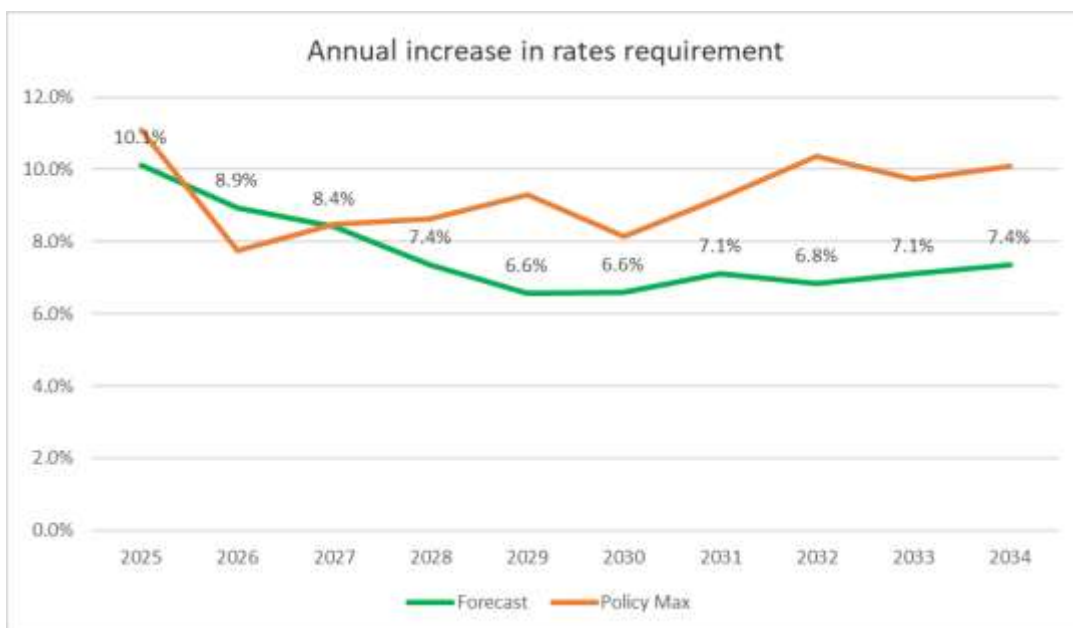
<b>Operating Cost</b>	<b>Impact on Total Rates for 2024/25 (Year 1)</b>	<b>Impact on Total Rates for 2025/26 (Year 2)</b>	<b>Impact on Total Rates for 2026/27 (Year 3)</b>
Interest Costs on Debt	3.7%	1.8%	2.3%
Debt Repayment	2.1%	1.4%	1.4%
Rolling Average Renewal increase	0.7%	1.7%	0.9%
Labour Costs – Market Movement	3.6%	2.3%	1.6%
Utilities and Insurance	1.1%	0.2%	0.2%
Software Licences	0.6%	0.1%	0.1%
All Other (Contractors, Professional Services, Materials, etc.)	1.7%	2.0%	2.6%
Revenue [excluding rates]	(3.4%)	(0.6%)	(0.7%)
<b>Indicative Increase in total rates for Year 1</b>	<b>10.1%</b>	<b>8.9%</b>	<b>8.4%</b>

3.8 The Financial Strategy contains the Council's policy limit for annual increases in total rates. This indicates Council will aim to keep annual increases below the level obtained by applying the following formula

Total rates will increase by no more than the Local Government Cost Index (LGCI):

- plus additional rates obtained from growth in the rating base
- plus 2% (to fund costs of higher standards and new services)
- plus increase in funding required for interest and debt repayment

The graph below shows the proposed increases against the policy limits, it shows that in all but year 2 the increases are within the limit. No specific change is required given the policy is a long term aim.



3.9 Updated activity financial information has been included in the separately attached document. The above changes have been updated in the financial model, ensuring that the accuracy of updates provided verbally at the deliberation meeting (29 May 2024) have been reflected and no unforeseen issues have arisen.

3.10 The change to the professional services budget has resulted in most overhead budgets being reduced, which in turn has impacted the level of overheads that are spread to activity budgets. Due to this, all activity statements will have a level of change, since the versions adopted by Council for consultation.

**4. DEBT TO REVENUE RATIO UPDATE, INCLUDING ADDITIONAL MODELLING**

4.1 As part of the draft Financial Strategy, Council embraced the principle of ensuring the budget contained sufficient revenue through the 10 years of the Long-term Plan to enable a certain level of debt to be borrowed and an appropriate level of borrowing headroom be maintained. Council also

agreed the policy limit for the debt/revenue ratio be increased from 200% to 250% for this LTP.

- 4.2 Given the number of external funding assumptions that Council has made on certain capital programmes, combined with some uncertainties around securing all these funding sources, it is considered prudent to ensure that Council continues to make additional repayments towards Council's debt. Currently, there is an additional \$150M of debt repayment included in Years 5-10. This has created some capacity regarding Council's debt headroom. A summary of rate increases, additional debt repayments, debt to revenue ratio and available debt by year is included in the table below.

**Table 4: Key Financial Highlight Summary, by Year – \$150M model**

	Year 1 24/25	Year 2 25/26	Year 3 26/27	Year 4 27/28	Year 5 28/29	Year 6 29/30	Year 7 30/31	Year 8 31/32	Year 9 32/33	Year 10 33/34
Indicative Rate Increase	10.1%	8.9%	8.4%	7.4%	6.6%	6.6%	7.1%	6.8%	7.1%	7.4%
Additional Debt Repayment					4,000	8,000	16,000	28,000	40,000	54,000
Debt to Revenue Ratio	169.1%	186.4%	210.3%	226.7%	226.5%	226.5%	217.5%	205.3%	194.4%	175.8%
Available Debt Headroom	147,682	124,350	83,006	51,506	55,094	58,272	85,639	124,274	162,347	230,514

- 4.3 Council requested that we show the impact of additional debt repayment totalling \$75M. The table below shows the changes to indicative rate rises, as well as the change to available debt and the debt to revenue ratio.

**Table 5: Key Financial Highlight Summary, by Year - \$75M model**

	Year 1 24/25	Year 2 25/26	Year 3 26/27	Year 4 27/28	Year 5 28/29	Year 6 29/30	Year 7 30/31	Year 8 31/32	Year 9 32/33	Year 10 33/34
Indicative Rate Increase	10.1%	8.9%	8.4%	7.4%	5.5%	5.7%	5.4%	4.5%	5.2%	5.4%
Additional Debt Repayment					2,000	4,000	8,000	14,000	20,000	27,000

	Year 1 24/25	Year 2 25/26	Year 3 26/27	Year 4 27/28	Year 5 28/29	Year 6 29/30	Year 7 30/31	Year 8 31/32	Year 9 32/33	Year 10 33/34
Debt to Revenue Ratio	169.1%	186.4%	210.3%	226.7%	229.2%	232.4%	229.1%	225.5%	224.3%	216.0%
Available Debt Headroom	147,682	124,350	83,006	51,506	48,354	43,052	53,459	64,914	70,587	97,764

4.4 The Local Government Act requires Council to prepare budgets that meet what is termed the 'balanced budget' test. This test is to ensure revenue is being set at a level that is sufficiently high to cover operating costs. The financial statements demonstrate this test has been passed.

**5. POLICY AND OTHER UPDATES**

5.1 The Revenue and Financing Policy has been updated to reflect the decision that the capital value based targeted rate would be progressively implemented over three years and that it would not only fund the activities primarily focused on the delivery of Goal 1 (an Innovative and Growing City) i.e. transport, economic development, urban design and housing but also those activities primarily focused on delivering Goal 2 (a Creative and Exciting City) i.e. recreation and play and arts and heritage.

5.2 No changes are proposed to the Rates Remission and Postponement Policies – as a consequence the policies are not attached.

5.3 The Significance and Engagement Policy has been updated to explicitly include Arapuke Forest Park as a strategic asset (in light of an earlier Elected Member workshop).

5.4 Staff are not recommending any changes to the Development Contributions Policy in light of submissions. The final figures in the Policy will be updated to reflect changes to programmes in the LTP. This will result in very minor amendments to fees compared to what was consulted on.

5.5 Changes have also been made to the LTP Key Performance Indicators (KPIs) following discussions with Audit NZ. Quantitative KPIs have been added using Residents' Survey satisfaction results for public swimming pools, Central Energy Trust Arena, kerbside rubbish and recycling collections, stormwater, sewerage system, water supply, roads, footpaths, cycling, availability of parking, noise control, control of roaming dogs, and public libraries. As Council's intent in most areas is to continue current levels of service the KPIs are to maintain satisfaction levels. The exception to this is Roading, where Council is putting more emphasis on road maintenance, so here the KPI is for increasing satisfaction levels.

## 6. RATING SYSTEM

6.1 The material in the rates section of the LTP has been updated to incorporate the following in relation to the rates for 2024/25:

- Reductions to the proposed fixed charges for water, wastewater and rubbish and public recycling as a consequence of approved budget changes.
- Approximately 50% of what was originally being proposed, being set as a rate based on the capital value to fund the transport, economic development, urban design and housing activities and the remainder continuing to be based on the land value.
- Adjusting the differential for rural/semi-serviced property (0.2 to 5ha) so they pay 55% of the miscellaneous rate, compared with 50% for 2023/24. This new level is approximately equivalent to a 30% discount on the rate for single unit residential property.

6.2 As would be expected the outcome is that the level of movement in rates for properties at either end of the capital value/land value ratio spectrum is less pronounced than the preferred option that was the subject of public consultation.

## 7. NATURE CALLS UPDATE

7.1 At the deliberations meeting on 29 May Council resolved:

1. *That the Nature Calls budget should be no more than \$400M (including inflation) across the 2024-34 Long-Term Plan and;*
2. *That Council instruct the Chief Executive to revisit the Best Practicable Options shortlisted options and determine if any new industry developments or alternative options could be considered as the Best Practicable Option. (clause 95.11-24)*

7.2 Resolution 2 asks officers to revisit the shortlisted options and to consider if any new options are available or is there an opportunity to modify existing ones, and then report back to Council a full range of options and their relative costs.

7.3 Resolution 1 puts a \$400M cap on total Nature Calls spending, including inflation. While officers understand Council's desire to limit costs as much as possible, a \$400M cap would restrict Council to looking at potentially only one option for the wastewater plant. Therefore Resolution 1 inadvertently restricts Council's ability to implement Resolution 2 - that Council revisits the BPO shortlisted options and considers new or alternative options.

7.4 Council received a report in August 2021 titled 'Wastewater Best Practicable Option: Final Assessment and BPO Selection'. Appendix B to this paper was a Comparative Cost Assessment for the project and included was a Summary



of Comparative Indicative Costs – June 2021 Basis. This can be found on page 85 of this report [council-report-25-aug-2021-plus-appendices.pdf \(pncc.govt.nz\)](https://www.pncc.govt.nz/council-report-25-aug-2021-plus-appendices.pdf). It should be noted that the figures presented in this table are in 2021-dollar value. To determine the total value of the project, the middle column (P95 contingency) and the far-right hand column (Land Purchase) need to be added together. A P95 contingency cost is where there is a 5% chance that the total cost of the project will be greater than the sum allowed for. In comparison, the P50 contingency, there is a 50% chance that the cost allowed for will be exceeded on a project.

- 7.5 To make Resolution 1 fit with Resolution 2 officers suggest that the total spending for Nature Calls be limited to \$480m excluding inflation.
- 7.6 Given Resolution 2 (revisiting the options), officers also recommend that once Council has provided Horizons Regional Council with answers to current questions, officers work with Horizons to pause the current consent under the Resource Management Act 1991.

**8. NEXT STEPS**

- 8.1 Audit will continue its review of the LTP and present its report to the Council meeting on 26 June 2024.
- 8.2 Council to adopt the LTP on 26 June 2024.
- 8.3 Council to also adopt the following on 26 June 2024:
  - Oranga Papaioea City Strategy and Plans
  - Financial and Infrastructure Strategies
  - Development Contributions Policy
  - Revenue and Financing Policy
  - Rates Remission and Postponement Policies
  - Significance and Engagement Policy
  - the Waste Management and Minimisation Plan
- 8.4 Council to set the rates for 2024/25 on 26 June 2024.
- 8.5 Council to then implement the LTP.

**9. COMPLIANCE AND ADMINISTRATION**

Does the Council have delegated authority to decide? If Yes quote relevant clause(s) from Delegations Manual	<b>Yes</b>
Are the decisions significant?	<b>No</b>
If they are significant do they affect land or a body of water?	<b>No</b>
Can this decision only be made through a 10 Year Plan?	<b>No</b>
Does this decision require consultation through the Special Consultative procedure?	<b>No</b>
Is there funding in the current Annual Plan for these actions?	<b>Yes</b>
Are the recommendations inconsistent with any of Council's policies or plans?	<b>No</b>
<p>Contribution to Council's strategic direction and to social, economic, environmental and cultural well-being:</p> <p>The recommendations contribute to the development of the Council's 2024-34 Long-term Plan. Hence, they are about how Council could deliver its 2024 strategic direction and how it could contribute to social, economic, environmental and cultural wellbeing.</p>	

**ATTACHMENTS**

Draft Long Term Plan and associated Strategies and Policies (attached separately)