

PALMERSTON NORTH CITY COUNCIL

Minutes of the Finance, Performance & Audit Committee Meeting Part I Public, held in the Council Chamber, First Floor, Civic Administration Building, 32 The Square, Palmerston North on 01 April 2026, commencing at 9.02am

- Members Present:** Councillors Vaughan Dennison (in the Chair), Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Debi Marshall-Lobb, Billy Meehan, William Wood and Kaydee Zabelin.
- Apologies:** Councillor Hayden Fitzgerald, Councillor Orphée Mickalad (late arrival), Councillor Debi Marshall-Lobb (early departure).

Karakia Timatanga

Councillor Debi Marshall-Lobb opened the meeting with karakia.

11-26 Apologies

Moved Vaughan Dennison, seconded Karen Naylor.

The COMMITTEE RESOLVED

1. That the Committee receive the apologies.

Clause 11-26 above was carried 12 votes to 0, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Debi Marshall-Lobb, Billy Meehan, William Wood and Kaydee Zabelin.

12-26 Public Comment

Chris Teo-Sherrell made public comment on Item 11 (Draft Speed Management Plan – deliberations on submissions and adoption). He supported speed limits being reduced and encouraged Council to do so to the greatest extent possible.

Brian Hearn made public comment on Item 16 (Traffic Situation and Calming Options for Ascot and Pahiatua Streets). He referenced the petition presented to Council last year and noted petitioners were of the opinion the report and recommendations did not address the issues they raised. He urged Councillors to consider whether the report recommendations were relevant and justifiable.

Nic Mason, Principal, Winchester School made public comment on Item 16 (Traffic Situation and Calming Options for Ascot and Pahiatua Streets). He felt strongly that measures to slow traffic on the corner by the school gate needed

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to be implemented, as it is a difficult bottleneck area for vehicles, pedestrians and cyclists. He recommended a raised area for a crossing or a wide speed bump to reduce speed in the area.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the public comments.

Clause 12-26 above was carried 12 votes to 0, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Debi Marshall-Lobb, Billy Meehan, William Wood and Kaydee Zabelin.

13-26

Confirmation of Minutes

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the minutes of the Finance, Performance & Audit Committee meeting of 4 March 2026 Part I Public be confirmed as a true and correct record.

Clause 13-26 above was carried 12 votes to 0, the voting being as follows:

For:

Councillors Vaughan Dennison, Karen Naylor, Mark Arnott, Brent Barrett, Lew Findlay, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Debi Marshall-Lobb, Billy Meehan, William Wood and Kaydee Zabelin.

14-26

Audit New Zealand 2025 Management Report

Memorandum, presented by Scott Mancer, Manager Finance and Debbie Perera, Audit Director, Audit New Zealand.

Councillor Orphée Mickalad entered the meeting at 9.25am.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the memorandum titled 'Audit New Zealand 2025 Management Report' presented to the Finance, Performance & Audit Committee on 1 April 2026.

Clause 14-26 above was carried 13 votes to 0, the voting being as follows:

For:

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

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- 15-26** **Audit New Zealand 2025/26 Financial Year Audit Plan**
Memorandum, presented by Scott Mancer, Manager Finance and Chris Webby, Audit Director, Audit New Zealand.

The Mayor (Grant Smith) entered the meeting at 9.42am.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the Audit Plan for the 2025/26 Financial Year from our appointed auditor – Audit New Zealand, presented to the Finance, Performance & Audit Committee on 1 April 2026.

Clause 15-26 above was carried 14 votes to 0, the voting being as follows:

For:

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

- 16-26** **Palmerston North Airport Limited - Interim report for six months ending 31 December 2025**

Memorandum, presented by Steve Paterson, Manager - Financial Strategy, Murray Georgel, Chair, Palmerston North Airport Board, David Lanham, Chief Executive, Palmerston North Airport and Jonathon Baker, Chief Financial Officer, Palmerston North Airport.

Representatives from Palmerston North Airport Limited presented their interim report; presentation is appended to these Minutes.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the Interim Report and Financial Statements of Palmerston North Airport Ltd for the period ended 31 December 2025, presented to the Finance, Performance & Audit Committee on 1 April 2026.

Clause 16-26 above was carried 14 votes to 0, the voting being as follows:

For:

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

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17-26 Palmerston North Airport Limited - Draft Statement of Intent for 2026/27 to 2028/29

Memorandum, presented by Steve Paterson, Manager - Financial Strategy, Murray Georgel, Chair, Palmerston North Airport Board, David Lanham, Chief Executive, Palmerston North Airport and Jonathon Baker, Chief Financial Officer, Palmerston North Airport.

Representatives from Palmerston North Airport Limited presented their draft Statement of Intent; presentation is appended to these Minutes.

Councillor Orphée Mickalad left the meeting at 10.27am.

Moved Vaughan Dennison, seconded Grant Smith.

The **COMMITTEE RESOLVED**

1. That the Committee receive the Palmerston North Airport Limited (PNAL) draft Statement of Intent for 2026/27 to 2028/29, presented to the Finance, Performance & Audit Committee on 1 April 2026.
2. That Palmerston North Airport Limited be advised:
 - (a) Council supports the proposed direction and implementation strategy;
 - (b) Council recognises the projected requirement for loans totalling \$73.4m by 30 June 2027 and that Palmerston North Airport Limited will be seeking to utilise the loan facility provided by the Council to fund a portion of this and the remainder through external bank facilities.

Clause 17-26 above was carried 12 votes to 1, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Mark Arnott, Brent Barrett, Lew Findlay, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Debi Marshall-Lobb, Billy Meehan, William Wood and Kaydee Zabelin.

Against:

Councillor Karen Naylor.

18-26 Draft Speed Management Plan - deliberations on submissions and adoption Report, presented by Peter Ridge, Manager Strategy and Policy and James Miguel, Senior Transport Planner.

Councillor Barrett moved a motion seeking a report on school zone infrastructure requests to capture community feedback and enable a consolidated view across schools in the city, and provide practical suggestions as to how these can be progressed.

Councillor Orphée Mickalad entered the meeting again at 11.00am.

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Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council adopt the Final Draft Palmerston North Speed Management Plan 2026 (Attachment 1).
2. That the Chief Executive is given delegated authority to approve the Final Draft Palmerston North Speed Management Plan 2026 (Attachment 1), to include the revised technical maps and text descriptions of the proposed speed limit changes, as described in the document in Attachment 1.
3. That Council endorse the analysis of issues raised in submissions (Attachment 2), to be used as the basis for providing responses to submitters.
4. That the Palmerston North Speed Limits Bylaw 2020 is revoked.

Moved Brent Barrett, seconded Lorna Johnson

The **COMMITTEE RESOLVED**

5. That the Chief Executive report their prioritisation of school zone infrastructure requests to the Finance, Performance & Audit Committee.

Clause 18-26 above was carried 14 votes to 0, the voting being as follows:

For:

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

The meeting adjourned at 11.13am.
The meeting resumed at 11.29am.

Councillor Debi-Marshall Lobb was not present when the meeting resumed.

19-26

Central Economic Development Agency (CEDA): 6 month report 1 July 2025 to 31 December 2025 and Draft Statement of Intent 2026/27

Memorandum, presented by Katie Brosnahan, CEDA Board Member, Jerry Shearman, Chief Executive, CEDA and Jacqui Middleton, Finance & Operations Manager, CEDA.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the Central Economic Development Agency (CEDA) 6 Month Report 1 July 2025 to 31 December 2025 (Attachment 1), presented to the Finance, Performance & Audit Committee on 1 April 2026.

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Clause 19-26 above was carried 13 votes to 0, the voting being as follows:

For:

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

Moved Brent Barrett, seconded Lorna Johnson.

2. That the Committee receive the Central Economic Development Agency (CEDA) draft Statement of Intent 2026/27 (Attachment 3), presented to the Finance, Performance & Audit Committee on 1 April 2026.
3. That the Committee approve the comments outlined in the Central Economic Development Agency (CEDA) draft Statement of Intent 2026/27 (Table 1), presented to the Finance, Performance & Audit Committee on 1 April 2026.

Clause 19-26 above was carried 13 votes to 0, the voting being as follows:

For:

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

Moved Vaughan Dennison, seconded Karen Naylor.

Note:

On a motion 'That the Committee agree the Central Economic Development Agency (CEDA) Statement of Intent 2026/27 (Attachment 3), presented to the Finance, Performance & Audit Committee on 1 April 2026', the motion was lost 5 votes to 8, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Mark Arnott, Leonie Hapeta, Orphée Mickalad and William Wood.

Against:

Councillors Vaughan Dennison, Karen Naylor, Brent Barrett, Lew Findlay, Lorna Johnson, Bonnie Kuru, Billy Meehan and Kaydee Zabelin.

20-26

Palmerston North Quarterly Economic Update - April 2026

Memorandum, presented by Stacey Andrews, City Economist.

The City Economist presented the PN Quarterly Economic Update; presentation is appended to these Minutes.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the Palmerston North Quarterly Economic Update – April 2026, including:

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- a. Palmerston North Economic Growth Indicators – April 2026 (Attachment 1), and
- b. Palmerston North Quarterly Economic Card Spending Report – December 2025 (Attachment 2),

presented to the Finance, Performance & Audit Committee on 1 April 2026.

Clause 20-26 above was carried 13 votes to 0, the voting being as follows:

For:

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

Councillor Leonie Hapeta left the meeting at 12.45pm.

21-26

Manderson Private District Plan Change acceptance and notification approval

Memorandum, presented by Simon Mori, Principal Planner and Jono Ferguson-Pye, City Planning Manager.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That Council accept the Manderson Bush Private Plan Change request in accordance with 25(2)(b) of Schedule 1 of the Resource Management Act 1991.
2. That Council approve the request for public notification under clause 5, Schedule 1 of the Resource Management Act 1991.

Clause 21-26 above was carried 11 votes to 1, the voting being as follows:

For:

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

Against:

Councillor Bonnie Kuru.

The meeting adjourned at 1.02pm.

The meeting resumed at 2.04pm.

Councillor Leonie Hapeta was present when the meeting resumed.

22-26

Plan Change Tahi - Review of Designation to Public Notification

Memorandum, presented by Haechang Kwon, Planner and Jono Ferguson-Pye, Manager City Planning.

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Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee approve for public notification Palmerston North City District Plan: Proposed Plan Change Tahī – Designations Review under clause 5, Schedule 1 of the Resource Management Act 1991.

Clause 22-26 above was carried 13 votes to 0, the voting being as follows:

For:

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

23-26

Traffic situation and calming options for Ascot and Pahiatua Streets

Report, presented by Glen O'Connor, Acting General Manager Infrastructure.

Councillor Johnson moved a motion recommending option 2 of the report to provide an adequate response to the group of citizens who presented a petition last year.

Moved Lorna Johnson, seconded Mark Arnott.

The **COMMITTEE RESOLVED**

1. That the Committee receive the report on the investigation into traffic impacts at Ascot Street and Pahiatua Street.

Clause 23-26 above was carried 13 votes to 0, the voting being as follows:

For:

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

Moved Lorna Johnson, seconded Mark Arnott.

The **COMMITTEE RECOMMENDS**

2. That Council install a mid-block pedestrian refuge island on Ascot Street near the intersection with Pahiatua Street (option 2).

Clause 23-26 above was carried 11 votes to 2, the voting being as follows:

For:

The Mayor (Grant Smith) and Councillors Vaughan Dennison, Mark Arnott, Brent Barrett, Lew Findlay, Leonie Hapeta, Lorna Johnson, Bonnie Kuru, Orphée Mickalad, William Wood and Kaydee Zabelin.

Against:

Councillors Karen Naylor and Billy Meehan.

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24-26 Committee Work Schedule

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Finance, Performance & Audit Committee receive its Work Schedule dated April 2026.

Clause 24-26 above was carried 13 votes to 0, the voting being as follows:

For:

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

25-26 Strategic Risk Management Reporting October to December 2025 (Quarter 2) Memorandum, presented by Stephen Minton, Risk Management Advisor and Desiree Viggars, Manager Legal, Risk & Assurance / Legal Counsel.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RESOLVED**

1. That the Committee receive the following strategic risk assessments:
 - Strategic Risk 3: Failure to Manage and Protect Council Information; and
 - Strategic Risk 8: Failure to Meet Legal Obligations.

Clause 25-26 above was carried 13 votes to 0, the voting being as follows:

For:

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

Karakia Whakamutunga

Councillor Kaydee Zabelin closed the meeting with karakia.

The meeting finished at 3.03pm.

Confirmed 13 May 2026

Chair