

Council's Priorities and how they Differ from the 10 Year Plan

Changes made following consultation on the Draft Plan

The Annual Plan contains a number of changes compared with the Draft Plan. The changes are in response to public feedback and updated information provided to the Council. They include:

Marketing

The City will continue to fund marketing activities of Vision Manawatu and Destination Manawatu, however the Council's Marketing budget of \$375,000 has been cut for 2008/09. Marketing activity by the Council will continue through the student city programme and, to a limited extent, regional branding. (See pages 36-38).

City Centre Marketing

City Centre Marketing provides support to the CBD for Christmas, Easter and graduation. The Council has decided to reduce this funding from \$50,000 to \$25,000.

Vision Manawatu Funding

The Council has removed the increased funding of \$75,000 it was going to give to Vision Manawatu. This means that funding they receive by the Council will remain at the contracted level.

Climate Change

Climate change is an important global issue and requires all sectors of society to take responsible action. Palmerston North City Council has undertaken a number of actions such as energy efficiencies of its vehicle fleet, landfill gas project, planting green corridors, creating walkways and cycleways, to name a few. The Council is in

the process of identifying the full range of activities it currently undertakes to address climate change and collating these into a Council Climate Change Strategy, which will be completed in 2008. Through this Annual Plan process the Council has agreed to join CCP-NZ (Communities for Climate Protection New Zealand), communicating with the community and preparing the emissions inventory during the 2008/09 financial year. (See page 21).

Councillors' Training Budget

Councillors have reduced their training budget from \$40,000 to \$33,000.

SPCA Funding

In the Draft Plan the Council proposed removing the funding it gives to the SPCA for desexing dogs rehoused from the SPCA. Because of the community's response during the consultation period, the Council has decided to keep funding this organisation. (See page 103).

Recycling

In the Draft Plan, the Council proposed moving to fortnightly kerbside recycling. Because of the overwhelming response from the community, it has been decided to retain recycling on a weekly basis. The Council is also keeping both the Ferguson Street Recycling Centre and the Ashhurst Transfer Station open.

The Council received 51 submissions regarding proposed improvements to the kerbside recycling collection service. There was strong support for replacing the current "shopping bag" system with "wheelie bins". Submissions did not indicate a

clear preference over the wheelie bin options presented, namely the common 240 litre bin versus the multi-compartment bin (Castle Bin). However submission comments are of value leading into the Council's review of its Waste Minimisation Plan to be undertaken in September 2008. That review will inform the review of the Council's 10 Year Plan (2009/19 LTCCP) and in particular the 2009/10 budget when it is proposed to introduce wheelie bins of one type or another.

Passenger Transport Improvements

The budget for this programme has been reduced from \$523,000 to \$110,000, to allow for a comprehensive review of passenger transport facilities to be carried out in conjunction with Horizons Regional Council. This review will determine in what form a central terminal should take, having regard to all modes of public transport at both local and regional level.

The reduced funding of \$110,000 in 2008/09 will focus on undertaking minor improvement works to existing bus shelters and bus stops, deferring the more substantive work on a central terminal until 2009/10 once the review is complete. (See pages 62-63).

CBD Streetscapes

Financial pressures being faced by the Council have resulted in the extent of CBD Streetscape work, envisaged to be undertaken in both the 2007/08 and 2008/09 years, being substantially reduced. As a consequence, work programmed in Cuba Street (George Street to Pitt Street) has been deferred along with two sections in The Square, namely Fitzherbert Avenue to the Square Edge building and Main Street West to Rangitikei Street. These works will be considered for funding in 2009/10.

The CBD Revitalisation programme for 2008/09 now only includes completion of work in The Square between Church Street and Main Street West. (See page 23).

Also deferred from the Annual Plan for 2008/09 is the CBD Median Parking programme, that was for installing median parking along Church Street, from The Square to Pitt Street. (See page 63).

Active Transport Implementation

The Active Transport Implementation programme concerns works to improve facilities for cyclists, pedestrians and those requiring mobility assistance. Such works include removing barriers for these transport users at intersection crossing points, widening of rural road shoulders for cyclists and providing facilities in the form of cycle stands, seating, lighting, etc.

The Council has decided to increase the 2008/09 budget for this programme from the \$200,000 indicated in the Draft Annual Plan to a sum of \$400,000. Accordingly, this ongoing programme will see more improvements made during 2008/09. (See page 63).

Walkway Development

The Recreation Land Acquisition programme has been reinstated at a sum of \$245,000 to enable the purchase of land to link the walkway between the Schnell Wetland Reserve and James Line. Programmes CF Reserves Carpark Development and Sportsfield Drainage have been deferred for one year, and Arena Manawatu Renewals has been reduced to allow for this purchase of land. There is no effect on rates by changing these programmes. (See pages 54-55).

Playgrounds

So that the Council can maintain the City's existing playgrounds in a safe condition, it was decided to defer the Reserves Amenity Development - New Playgrounds programme and to reinstate the Playground Replacement - Capital Renewal programme. There is no effect on rates by changing these programmes. (See page 54).

Tiritea School

In response to a submission from Tiritea School, an additional minor works programme has been included in the 2008/09 Annual Plan to remove a pampas hedge and toe toes from the roadside by the school. These works will enhance the adjacent carparking facilities. (See page 63).

Ashhurst Domain Enhancements

The Council reduced the budget for enhancements to the Ashhurst Domain. Work during the 2008/09 will now extend the driveway improvements up towards the cemetery, but all other works have been deferred until next year. (See page 55).

King Street Carpark Extension

The carpark in King Street was due to be extended during 2008/09. The Council has now decided to defer this work.

Carried Forward Programmes

There are a number of programmes that did not get completed during the 2007/08 year. These have been carried forward to the 2008/09 year. The most significant of these is the provision of \$2 million in additional capital for Palmerston North International Airport Ltd.

All carried forward programmes are indicated with "CF" within the relevant activity pages of this plan.

Reprioritisation of some projects for 2008/09

Because of the financial constraints outlined earlier, a number of projects in the 10 Year Plan have been pushed back a year or two, and some cost savings have been made by doing things differently, however, we're still within the overall direction of the 10 Year Plan. Key changes are:

Roading Deferrals

In setting the prioritisation of programmes in preparation for the 10 Year Plan, some of the major roading programmes were planned to commence in the 2008/09 year. These include roads such as James Line, Kelvin Grove and the Pahiataua Track. As other pressures have come to light, the Council feels that, although these programmes are important for the City, they can be pushed back for a year. Furthermore, funding cases have had to be made to Land Transport New Zealand and, given that a lot of planning and investigatory effort has been spent with issues around the Airport, this has meant that some of the programmes are not ready to be implemented yet.

Victoria Esplanade Redevelopment

The Council consulted with the community in the latter half of 2007 regarding the Victoria Esplanade, and developed a draft masterplan based on the results of that consultation. This revised masterplan is on hold and expenditure has been deferred. A final decision will be made as part of next year's 10 Year Plan.

Recreation Lake at Aokautere

The Council is still working with the developer, Titan 1, about the technical feasibility of the recreation lake, and also about the planning processes, i.e. rezoning and hearings. This process has taken longer than anticipated. Hence the Council's contribution to the physical works has now been pushed out one year.

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The reduced funding of \$110,000 in 2008/09, will focus on undertaking minor improvement works to existing bus shelters and bus stops, deferring the more substantive work on a central terminal until 2009/10 once the review is complete.

Investment Fund

The Council has confirmed its decision of July 2007 that the Long Term Investment Fund will be progressively wound down and used to either repay term debt or in substitution for new term debt. This Annual Plan assumes that \$10 million will have been withdrawn from the fund by 30 June 2008 and that no further withdrawals will be made during 2008/09. However it is recognised that this is a planning assumption only and that withdrawals will be made from the fund when deemed appropriate by the Chief Executive.

Marketing

As mentioned on page 7 the City will continue to fund marketing activities of Vision Manawatu and Destination Manawatu, however the Council's Marketing budget of \$375,000 has been cut for 2008/09. Marketing activity by the Council will continue through student city programme and, to a limited extent, regional branding.

Other changes proposed in the Draft Annual Plan that are now confirmed

In the Draft Annual Plan the Council proposed several changes or deferrals to programmes planned for 2008/09. These include things like removing funding to the Pipe Band to attend an international event, deferral of development of the Eco Park and the Linklater Block, deferral of the Railway Road Cycleway and Ferguson Street Widening programmes. The Council has now agreed to most of these changes and they are reflected within the Activity pages of this final plan (pages 17 to 72).

Projects on the Go

There are lots of things that haven't really changed from last year, or been affected by the changes listed above, but the following are some key projects that are on the go.

Arena Manawatu

Planning is underway for a phased programme of building works at Arena Manawatu within the budget set by the 10 Year Plan (\$2m per annum). The works in 2008/09 will ensure that Arena Manawatu can respond to demand in a managed way and provide improved administrative and service areas, including changing rooms and kitchens, so that key clients such as speedway and rugby are catered for whilst also ensuring that other community users have sufficient space allocated for their activities. As a separate issue, the Council has approved the introduction to Parliament of the Palmerston North Showgrounds Bill which will, when passed, transfer the management and control of land from the Arena Manawatu Board to the Council, disestablish the Arena Manawatu Board, and repeal the Palmerston North Showgrounds Act 1974. In the meantime, the Council has agreed that Arena activities be administered by an Executive Committee, established by the Board in liaison with the Council.

Te Manawa

Plans for work at Te Manawa have refocused to relocating the New Zealand Rugby Museum into the Te Manawa premises. This will ensure that the Rugby Museum is housed appropriately to the international status of the collection. Long-term there will be further works to foster the creation of a cultural precinct. This project will also allow the Museums (and City) to be promoted and take advantage of interest in rugby due to the Rugby World Cup 2011.

Airport/Milson Line

The Council intends to close Milson Line. This is so that the Airport can comply with international safety standards and in the future extend the runway. Accordingly, the Council will upgrade alternative routes into the City, via Rangitikei Line and Railway Road, as part of a wider strategic roading package. This wider work also responds to urban and industrial growth in the northern and eastern sides of the City.

The Council is in the middle of the statutory proceedings to close Milson Line, which have the support of Manawatu District Council and Transit NZ who are affected roading authorities. The Council is also reviewing the mitigation measures associated with closing Milson Line in an endeavour to address the concerns of objectors. The Council has recently confirmed the site for a new bridge crossing over the Manawatu River at Te Matai Road/Staces Road, which also forms part of the wider strategic roading package.

The Annual Plan includes a budgetary provision for additional capital to be invested in Palmerston North Airport Ltd subject to the Council, as shareholder, being convinced of the business case in support of it.

Climate Change

As mentioned on page 7 climate change is an important global issue and requires all sectors of society to take responsible action. Palmerston North City Council has undertaken a number of actions such as energy efficiencies of its vehicle fleet, landfill gas project, planting green corridors, creating walkways and cycleways, to name a few. The Council is in the process of identifying the full range of activities it currently undertakes to address climate change and collating these into a Council Climate Change Strategy, which will be completed in 2008. Through this Annual Plan process the Council has agreed to join CCP-NZ (Communities for Climate Protection New Zealand), communicating with the community and preparing the emissions inventory during the 2008/09 financial year.

Links with Manawatu District Council

The Council also seeks to strengthen its relationship with Manawatu District and will work with Manawatu District Council to develop more shared services and joint projects across all activities. At some point in the future more formal amalgamations between the City and the District are possible. In the meantime, the two Councils will take every opportunity to share services where there are shown to be financial savings or other benefits. Any formal amalgamation would only be pursued if there were proven benefits of efficiency, effectiveness and local democracy.

Fixing the Discoloured Water

The Council has built a "swabbing station". Basically this allows us to run a big sponge through the main water supply pipes to clean them out on a regular basis. All of the sediment from this sponging will go out into the river. Because of the dry summer, we have had to wait until the river height comes up before we can get a consent to do this. In the meantime we have reduced the speed of water flow in the pipes – this stops a lot of the sediment being knocked off and coming out of people's taps before it can be swabbed out into the river.

In the past two years we have replaced 10 km of cast iron pipes with plastic ones. This year we have accelerated this replacement by putting an extra \$250,000 in the budget. Finally, we are also continuing the flushing programme. This is when we respond to complaints by running any local areas of discoloured water out into the street gutters and then into the stormwater system.