

2009/19 10 Year Plan Submissions

Support Services

Activity: Commercial or Strategic Investments

General Issues, Policy and Planning Matters

Description	Decision	Submitter Comments
<p>Airport Development</p> <p><i>Thank you for your comments. The Council views investment in the Airport as being strategic for the benefit of the City and region. Benefits are therefore not just by way of financial return to the Council. The Airport Company believes fundamental case for international services still exists and continues to seek potential international carriers.</i></p> <p>28 - PN no longer has international airport and will never achieve status again. All development should cease.</p> <p>50 - Needs to be domestic only.</p> <p>172 - Is proposed runway extension just another form of wishful thinking that an airline will pick up international connection to PN.</p> <p>222 - Massive spending around airport. To what avail?</p> <p>314 - We dont need an international airport.</p> <p>387 - Crucial safety and economic reasons for extension of runway.</p> <p>440 - What is the yield on the investment capital and if this is low or not existing should we continue owning the Airport?</p> <p>452 - When will PN again have international flights? Issue of access roads to Feilding faded away. Runway extensions will eventually be impossible because of residential development.</p> <p>479 - Needs to gain former international status. Should a major disaster occur in Wellington, PN will need to be used as an international airport.</p> <p>496 - Shame about the loss of the international flights though. Can we get these back?</p> <p>535 - Oppose Airport remaining in present position and its ever-increasing detrimental effects upon the City and especially Kelvin Grove.</p>		
<p>Council Operational Costs</p> <p><i>Thank you for your comments. Council operating expenditure is based on agreed levels of service for each activity. Organisational performance is challenged through various review processes. Council's Financial Strategy makes reference to the use of robust frameworks for deciding what expenditure will be undertaken and that the Council has challenged staff to continue to search for innovative, more efficient ways of delivering services.</i></p> <p>99 - No fundamental rationale that links increasing Council expenditure to activity. No initiatives for growth, and nothing to indicate the Council is challenging either internal performance or setting any bold plans for city development.</p> <p>346 - I see nowhere in the plan that Council services and departments be reviewed to see if there are more efficient ways of delivering services.</p> <p>356 - Request schedule of direct costs, in detail, be shown against the previous years costs as a matter of policy.</p> <p>454 - Suggest ways of being financially responsible, eg Council should not compete with local business, and Council should benchmark against other councils and do rigorous cost benefit analysis.</p> <p>455 - Suggest ways of being financially responsible, eg Council should not compete with local business, and Council should benchmark against other councils and do rigorous cost benefit analysis.</p>		

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Description	Decision	Submitter Comments
Council Spending - Arts and Culture		
		<p><i>Thank you for your comments.</i></p> <p>108 - Excessive monies directed to arts and culture groups should be stand alone not burden on ratepayers.</p>
Council Spending - Infrastructure		
		<p><i>Thank you for your comments.</i></p> <p>24 - Keep spending up - sewerage, water, roads - we need them.</p>
Council Spending - Libraries		
		<p><i>Thank you for your comments. Council believes the provision of the library is a public good and should be funded by ratepayers at large. The Local Government Act prescribes that residents of a district are entitled to join a public library free of charge.</i></p> <p>18 - Cost of \$3.62 per week - should be on user pays basis. Nothing comes for free.</p> <p>24 - Increase spending on City Library.</p> <p>33 - Support funds for the libraries.</p> <p>108 - Council should examine items loaned free of charge.</p> <p>263 - Fantastic resource. Keep the money going into it.</p> <p>306 - A major asset and should be funded so that borrowing is mostly free to ratepayers.</p> <p>343 - Huge support for staff and services.</p> <p>389 - Congratulate staff for how the library is presented each day, the information that it has and the helpfulness of staff. Special presentations are done with finesse and professionalism.</p>
Council Spending - Recreational Facilities		
		<p><i>Thank you for your comments. These facilities are for the use of the community in general and Council data indicates they are widely used, not just for a few residents. Accordingly, the current funding (which includes an element of user pays) will continue.</i></p> <p>151 - Esplanade, Te Manawa, theatres, libraries, showgrounds, playing fields, parks, reserves are all useful but only used by a few residents. User pays should be used more to cover costs.</p>
Council Spending - Rubbish & Recycling		
		<p><i>Thank you for your comments. The Rubbish and Recycling Activity includes a number of community services such as the recycling centres and sorting facility for which the \$2.85 weekly cost covers. The rubbish bag collection service is user pays, in that the bag cost covers the collection costs. If you elect not to use this service and instead pay a private operator for a wheelie bin, you are not paying twice because you will not be purchasing Council plastic bags.</i></p> <p>18 - Cost of \$2.85 per week - I pay for wastecare bin and deposit recycling to recycling centre. Why should I have to pay twice?</p>

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Description	Decision	Submitter Comments
<p>Debt Repayment</p> <p><i>Thank you for your comments. The Investment Fund is being progressively wound down as investments mature and the sums withdrawn used either to retire debt or substitute for previously planned debt. At this stage it is planned to hold share investments until their values recover.</i></p> <p>28 - Living within budget and repaying debt must be priority.</p> <p>32 - Where possible reduce the overall Council debt.</p> <p>87 - Use money saved by not building a bridge to fund this.</p> <p>99 - No explanations is given as to what funds have been received to date from winding down of the fund, but it is to be assumed from the reduction in term borrowings in the 08-09 year that some repayment of debt has occurred. Has any adjustment been made for exposure to international credit markets?</p> <p>105 - Hopefully it will not affect rates too much. Any reduction in interest payments has to be a good thing.</p> <p>115 - Pay it off. As a ratepayer you do not have my permission to be \$140,000,000 in debt.</p> <p>151 - Laudable aim. Just do it without allowing rates to increase more than 3 percent.</p> <p>182 - Is it really feasible to be promoting PN for new businesses when current ones are under pressure? Marketing needs to be done at appropriate times. Local residents are not in a position to keep spending to help maintain business viability.</p> <p>183 - Welcome decision to resume paying back capital on loans.</p> <p>247 - The City must reduce its debt level and Council must refrain from spending our money on their pipe dreams.</p> <p>272 - A diet of debt is not sustainable.</p> <p>273 - In particular ensure projects funded by new debt are spread over life of the respective assets. Pleasing to see strengthening around financial planning into the future.</p> <p>278 - Very concerned over debt.</p> <p>280 - Pay back debt at the most cost effective time.</p> <p>298 - Would support this rather than spending money on new projects.</p> <p>306 - Debt should be reduced by selling assets where possible and cashing up the \$70M reserve.</p> <p>336 - A key area and express strong support.</p> <p>406 - Get rid of the investment fund it to repay debt. Limit debt and promote growth.</p> <p>446 - Endorsed, however it should be accompanied not by raising new debt but by strong steps to reduce overall debt.</p> <p>465 - Where possible should not be going further into debt. Agree that long term projects that impact future generations should be the sorts of things we borrow for.</p> <p>505 - Reduce debt but do the basics well.</p> <p>523 - Support repaying principal on our loans as well as interest. We have to live within our means.</p>		

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Description	Decision	Submitter Comments
<p>Differential Rating</p> <p><i>A further review of the rating system will be undertaken during 2009/10 and this will include an assessment of the rationale for differential rating.</i></p>		
<p style="text-align: right;">469 - Council should amend draft plan to eliminate differential rating of the business sector proposed and to apply the same general rate as residential ratepayers.</p> <p style="text-align: right;">473 - Rating differentials should be removed as it puts too much burden on commercial property owners.</p>		
<p>Investment Fund - Winding Down</p> <p><i>Thank you for your comments. The Council will continue with its plans to progressively wind down the Investment Fund over ten years, with the withdrawals used to either repay term debt or in substitution for new debt.</i></p>		
<p style="text-align: right;">222 - What has happened to the monies gained from the PowerCo sales?</p> <p style="text-align: right;">306 - Debt should be reduced by selling assets where possible and cashing up the \$70M reserve.</p> <p style="text-align: right;">406 - Get rid of it to repay debt. Limit debt and promote growth.</p> <p style="text-align: right;">454 - Retire the fund.</p> <p style="text-align: right;">455 - Retire the fund.</p> <p style="text-align: right;">469 - Sensible proposal and support Council undertaking necessary actions to put in place.</p> <p style="text-align: right;">535 - Oppose emptying the fund in favour of commercial profit.</p>		
<p>Palmerston North City Holdings Ltd</p> <p><i>Thank you for your comments. Forming such a shelf company provides flexibility to enable the Council to respond to opportunities if required. There are no known negative aspects.</i></p>		
<p style="text-align: right;">440 - Please explain the positive and/or negative aspects of forming the company.</p> <p style="text-align: right;">469 - Sensible proposal and support Council undertaking necessary actions to put in place.</p>		
<p>Rates Discount - Based on Length of Ownership</p> <p><i>The Council regrets to advise that the law does not provide for such a discount system.</i></p>		
<p style="text-align: right;">496 - Could there be a rebate or discount system based on how long a resident has been a ratepayer from a particular address?</p>		
<p>Rates Increases</p> <p><i>The Council worked hard to keep the rates increase for 2009/10 as low as possible, and proposed an increase in total rates of 4.8% in the Draft 10 Year Plan. Setting rates is a real balancing act between keeping rates down and funding the services that people want. Sometimes the Council also has to fund costs that are beyond its control. For example, an additional \$800,000 now has to be budgeted to meet costs associated with leaky buildings, because the Council's insurer recently advised that it would not provide insurance cover for leaky buildings beyond June 2009. This, together with the Council's decision to respond in part to submissions from council controlled organisations such as Te Manawa to provide an increase in their operational grants, has resulted in the rates increase for next year being 6.5%.</i></p>		

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42 - Concerned with proposed rate increases over coming years. Not sustainable for citizens. Comes in a time of recession, job losses, no salary increases, but food costs continue to increase.

74 - Also consider keeping rates increases to same percentage as increases to superannuation.

179 - Raising from 4.8 to 5.8 would cost less than 5 cents per day, but would enable infrastructure improvements to be fast tracked. Similar rises for years 2011-13 should be considered. Extra revenue from increased business might not eventuate. Undue emphasis on wants of tourists has robbed long-term residents of needed good infrastructure.

182 - Rates rises must be in line with, or below inflation. Keep big ticket items off agenda until the City can pay without risking further indebtedness. As house prices and values fall, surely rates should also fall.

222 - We rely on superannuation. Council cannot keep adding to our debt by borrowing more. We cannot afford large rate increases. When we can afford nice to haves is the time for massive spending.

238 - Ratepayers are having to pay special rates for Maori funding which is not available to other ratepayers.

247 - Important to realise that people cannot keep paying increased rates, along with increases in food, petrol, gas, etc.

267 - Hopefully will be no more than annual inflation rate. Council needs to support people in need.

280 - Council needs to do a nil rate rise proposal. Last year we thought the large increase would enable nil increases in future. Focus on providing fundamental provisions. Things like a lake, art, Te Manawa should not be funded by Council.

288 - Please continue with improvements made by this Council in reducing unnecessary expenditure that ratepayers resent.

306 - Should not exceed rate of inflation.

312 - Spending should not increase at a rate greater than CPI. Ongoing increases result in decreases in residential income available on goods and services of ratepayers' own choosing.

329 - Should not be increased over single figures.

336 - Support emphasis on keeping rates affordable.

345 - Should be kept below 5 percent until we come out of recession.

346 - What BCP is in place if the Council rates decline because property values decline? Businesses can no longer absorb rates increases.

355 - Members believe the suggested rate increase is an acceptable, balanced position. Any amount less would have a negative effect on Council's ability to retain and attract high quality staff.

361 - Applaud Council's resolve to keep rates increases to a minimum.

368 - Proposed 4.8 percent is reasonable.

369 - We agreed to 12 percent for this year to get Council on its feet. Should be no more than cost of living in times of recession.

400 - Imperative that rates do not rise beyond rate of inflation for many years to come. If this means some things have to be cut, so be it.

411 - Very concerned that this 10 year plan is delivering more of the same - rates increases that are still above inflation and do not reflect what is actually going on in this world.

440 - Against increases which are larger than the cost of living. While Council seems to have made an effort to trim the budget the question remains is this true cut back. If funding from govt or other sources reduces, no borrowing will be possible because of risk involved for lender.

446 - Increase in rates above the rate of inflation is unjustifiable and to the ratepayer unsustainable.

452 - Nearly \$2k annually is difficult to pay. Cut back on ideas such as roundabouts.

465 - Not opposed to an increase but would like to see caution and commonsense used to determine how rates are spent.

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Support Services

469 - Council should review draft plan, to reduce the rating impact to a level which is no greater than the 2008-09 year, through comprehensive review of expenditure and income sources other than rates.

496 - Dont like rates that squeeze long term elderly residents on desirable suburbs out of the homes they have occupied and paid rates on for years.

504 - Believe proposed rate increase is reasonable, and believe the services the Council provides represent extremely good value for money.

539 - Increase no greater than that required to the increased interest bill is acceptable.

Rates Postponement Scheme

Your comments have been noted.

535 - Far too little has gone into making better use of this application. (See submission for detail).

Rating for Depreciation

Overall the level of asset renewal being funded from rates is significantly lower than the annual depreciation expense. The Council has tried hard to ensure there is an appropriate spread of the costs amongst the generations.

469 - Council should review quantum of rates being allocated to new and renewed asset construction with a view to minimising rates burden on current generations and applying principles of intergenerational equity to renewal of infrastructural assets which have long life expectancies.

Review of the Rating System

Thank you for your comments. A review of the rating system will be undertaken during 2009/10, which will include issues such as an assessment of the rationale for differential rating, amongst other things.

34 - Why have rates not gone down to reflect the 11% decrease in house prices.

44 - General rate, based on LV produces inequitable/unfair rates costs on households. CV represents closer approximation to ability to pay. Stats information on LV is far less reliable than that on CV.

151 - Would like to see a much greater swing to user pays revenue gathering.

176 - Any review to ensure rates are distributed as fairly as possible is supported.

222 - Land values should now be realised.

242 - Need to move some of rates charge based on CV. Implementation needs to be priority.

286 - Council should adopt a rating policy based on CV rather than LV. LV has no relevance to provision of Council services.

312 - Current split is inequable. Appreciate changes cannot be implemented immediately but change should be included within 10 Year Plan.

361 - Support that no change to the system is planned.

376 - Support review. Oppose that no change is planned for 2009-10. Rate base needs to change to CV.

473 - A fairer rating system should be developed and rating differentials should be removed as it puts too much burden on commercial property owners.

Targeted Serviceable Rate for Water and Wastewater

The current policy is to charge once the Council network is available. The Council will reconsider this as part of the planned review.

404 - Object to these being charged on properties which already have established tank water supply and septic tank system. What is current policy on this and will it be included in proposed review of the rating system.

2009/19 10 Year Plan Submissions

Support Services

General Issues, Policy and Planning Matters

Description	Decision	Submitter Comments
<p>Windfarms - Affect on Average Ratepayers</p> <p style="text-align: center;"><i>If resource consent is approved and windfarm development proceeds, the Council will not receive lease income for at least two years (ie once electricity is generated). Any income received will be applied in accordance with the Reserves Act. An assumption to this effect has been incorporated in the final 10 Year Plan.</i></p> <p style="text-align: right;">393 - Assuming a conservative \$2M per year into Council, then the affect on the average ratepayers bill would be a reduction of approximately 4 percent, or \$100 per year per household.</p>		

Operating and Capital Programmes

Description	Decision	Submitter Comments
<p>(CR) Gordon Kear Forest Replant</p> <p style="text-align: center;"><i>The Council has carefully assessed the forestry programme and it will be cheaper to re-plant than to pay the penalties for not planting that it would otherwise incur under the current Emissions Trading Scheme.</i></p> <p style="text-align: right;">50 - Not all ratepayers want to pay for this. Money better spent on the bridge.</p>		
<p>(CR) Public Rental Housing - Replacement of Structures, Internal Fitout and Services</p> <p style="text-align: center;"><i>The housing was provided by central government grants and loans. The Council has a responsibility for the social and economic wellbeing of its residents. The Council has a tenancy management programme - rental is set at 25 percent for a bedsit or a single unit and 30 percent for a double unit. Bonds are collected. Expenses and revenue shown in the plan are the day-to-day operations of public rental housing, and programme 304 is a capital renewal programme. It should be noted this programme is incorrectly shown as part of the Corporate Support Activity, and should be part of the Commercial or Strategic Investments Activity - this has now been rectified.</i></p> <p style="text-align: right;">31 - This is a job for Housing NZ and our taxpayer dollars go toward that via central government.</p> <p style="text-align: right;">50 - Govt provides low cost housing and ratepayers also pay tax for this as well as rates for housing - double taxing.</p> <p style="text-align: right;">56 - Sell or lease Council stock of rental properties. Get Housing Corp to do this job.</p> <p style="text-align: right;">108 - Greater effort to recover costs from tenants, not ratepayers. Choice of tenants that use Council housing essential.</p> <p style="text-align: right;">176 - Appreciate continued provision of public and social housing, and fantastic progress with upgrading these services.</p> <p style="text-align: right;">440 - Why is there a difference between Public Rental Housing expenses and revenue on page 183 and this programme.</p> <p style="text-align: right;">454 - Social housing is not a job for Council.</p> <p style="text-align: right;">455 - Social housing is not a job for Council.</p> <p style="text-align: right;">487 - Good to see commitment to housing stock. Less than 1 percent of all rental housing in NZ is provided by LAs. Most were built by loans with 3 percent and most loans have been paid off. Many LAs let their housing stock be run down due to total lack of maintenance.</p> <p style="text-align: right;">493 - Recommend that housing is adequately insulated and well heated.</p>		
<p>(CN) Gordon Kear Forest - Development of Internal Roding</p> <p style="text-align: center;"><i>The roading for the Gordon Kear Forest is required to ensure trucks and heavy equipment can be transported safely. The harvest is being undertaken because the Council needs to generate income from the forest to repay loans taken out when the forest was planted.</i></p> <p style="text-align: right;">50 - Not all ratepayers want to pay for this. Money better spent on the bridge.</p>		

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Support Services

Activity: Corporate Support

General Issues, Policy and Planning Matters

Description	Decision	Submitter Comments
Cancer Society Objectives - Human Resources		<p><i>The Council provides sunscreen and appropriate clothing for outdoor work. This is covered by Health & Safety practices and does not need a specific, separate policy.</i></p> <p>394 - See submission for requests from the Cancer Society of NZ Inc relating to: reducing the number of people developing skin cancer due to ultraviolet radiation exposure; and reducing occupational related cancer.</p>
Human Resource Development and Strategic Engagement with PSA		<p><i>Human Resource development and engagement with the PSA are covered by the Council's existing management policies and practice.</i></p> <p>355 - A statement about how Council intends these will build the workforce necessary to continue the delivery of high-performing services would be a useful addition to the plan.</p>

Operating and Capital Programmes

Description	Decision	Submitter Comments
(CR) Civic Administration Building - Balcony and Various Floor Refurbishments		<p><i>The building was completed in 1974 and its structure has a long service life. However services within the building (eg heating and ventilation systems) have shorter lives, around 30 years, and now need attention during the 10 Year Plan time frame. This involves all floors of the building. Furthermore, there are fit-out needs which require attention on the ground floor, given the service needs of staff on this floor, plus acknowledgement of the age of the current fittings. There are no design faults being addressed under this programme.</i></p> <p>389 - What is expectation of a term of economic life for ground floor space before it has to be redesigned and refurbished? Is this work needed because of basic faults in the original design?</p> <p>440 - Why spend so many millions for so few people.</p>
(CR) Computer Replacement - Rolling Replacements		<p><i>Your comments have been noted.</i></p> <p>440 - Should Council use all this latest equipment in all areas of Council. Not resource and environmentally friendly.</p>
(UF) Computer Additions - New Computers for New Council Staff in Previously Unallocated Positions		<p><i>The Council has noted your comments.</i></p> <p>440 - Should Council use all this latest equipment in all areas of Council. Not resource and environmentally friendly.</p>

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Support Services

Activity: Customer Services

General Issues, Policy and Planning Matters

Description	Decision	Submitter Comments
Efficient Customer Services		<p><i>Thank you for providing feedback on the performance of the Council's customer service area. The matter you raise is an important one, in that if a customer takes the time to raise an issue with the Council, it is only appropriate that the customer be advised of the outcome. A customer service improvement initiative is soon to be launched across the organisation. One of its goals will be to consider how best to address issues as you have raised.</i></p> <p>496 - Would like straight answers when rings to report something. Staff are nice on the phone, but cannot tell you when the contractor will come to fix. Wants reliable 24/7 method of obtaining help.</p>

