

PALMERSTON NORTH CITY COUNCIL

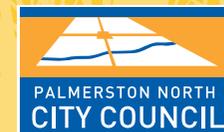
ANNUAL BUDGET 2017 | 18

YEAR THREE OF THE
10 YEAR PLAN 2015-25

A balanced future
for your City



vibrant | caring | innovative | sustainable | prosperous | pncc.govt.nz





vibrant | caring | innovative | sustainable | prosperous | pncc.govt.nz

PALMERSTON NORTH CITY COUNCIL

ANNUAL BUDGET

2017|18

YEAR THREE OF THE 10 YEAR PLAN 2015-25

2015 Vision and Goals:

Palmerston North is recognised as a vibrant, caring, innovative, sustainable and prosperous city.

City Goals:

- Palmerston North is a socially sustainable city where people want to live because of its safe and easy lifestyle and its many social, cultural and recreational opportunities.
- Palmerston North is a leading city in the quest to become environmentally sustainable.
- Palmerston North is an economically sustainable city which attracts, fosters and retains businesses and jobs.

Organisational Goals:

- Palmerston North City Council is financially responsible and residents are satisfied that they get value for money from their rates.
- Palmerston North City Council understands the diverse views of the City's people, makes prudent decisions, and ensures that people know what it is doing and why.

For more information see page 13 of the 10 Year Plan 2015-25.

The Vision and Goals are currently being reviewed for the next 10 Year Plan, which will be adopted in June 2018.

This Annual Budget¹ was adopted by the Council on 26 June 2017 in accordance with the Local Government Act 2002.

The Annual Budget states the Council's intentions. It is based on the Council's best information and planning at the time it was developed. If circumstances change, the Council may have to change its intentions. This is especially the case in light of current uncertain economic conditions.

All the decisions in this document are reviewable, especially during future 10 Year Plans and Annual Budgets.

This is made clear in the Local Government Act 2002, Section 96:

- (1) The effect of a long-term plan and an annual plan adopted by a local authority is to provide a formal and public statement of the local authority's intentions in relation to the matters covered by the plan.
- (2) A resolution to adopt a long-term plan or an annual plan does not constitute a decision to act on any specific matter included within the plan.
- (3) Subject to section 80, and except as provided in section 97, a local authority may make decisions that are inconsistent with the contents of any long-term plan or annual plan.
- (4) No person is entitled to require a local authority to implement the provisions of a long-term plan or an annual plan.

¹ The Council uses the term 'Annual Budget' to represent the 'Annual Plan' required under the Local Government Act 2002

Contents

Introduction			
He Mihi	4	Community Support	29
A Message from The Mayor	5	Cemeteries	29
The Consultation Process	6	Civil Defence	31
What we Provide and What it Costs the Average Residential Ratepayer	11	Housing	32
Financial Overview and Forecast Financial Statements	14	Work and City Promotion	34
Annual Budget (Plan) Disclosure Statement	18	Leisure	36
		Arts and Culture	36
		City Library and Community Development	38
		Parks, Sport and Recreation	41
Section 1 – Implementing the 10 Year Plan		Regulatory	46
This shows what we’re planning to do and how much it is expected to cost to implement in 2017/18 (year three of the 10 Year Plan). It also shows any changes from what we said in year three of the 10 year Plan.		Roading and Parking	48
Groups of Activities - Introduction	21	Rubbish and Recycling	54
Leadership	25	Stormwater	56
Councillor Leadership and Decision Making	25	Wastewater	58
Direction Setting	27	Water	61
		Support Services	64
		Commercial or Strategic Investments	64
		Corporate Support	67
		Section 2 – Financial and Rating Information	
		Here you can see what assumptions have been made in preparing the financial information. You’ll also see details about the rating system.	
		Significant Forecasting Assumptions	69
		Rating System, Rates and Funding Impact Statements	71
		Section 3 – Additional information	
		Levels of Service, Performance Measures and Targets	85
		Council Controlled Organisations	113
		Support to External Organisations	118
		The Role and Structure of the Council	119
		How to Contact the Council	123
		Glossary	124



Tūturu Pumau meeting house on the Te Hotu Manawa o Rangitāne o Manawatū Marae

He Mihi

Introduction

Kei te mihi atu ki a Tararua te pae maunga me tōna taumata Te Ahu ā Turanga.

Ko te awa e rere mai nei ko Manawatū. Ko Tānenuiarangi te tangata, ko Rangitāne te iwi, no reira ka tuku whakamihi ki te iwi o Rangitāne e pupuri nei i te mauri o tēnei whenua.

Tini whetu ki te rangi, Rangitāne ki te whenua.

Tihei Mauriora!

The Palmerston North City Council respectfully recognises the local iwi Rangitāne and their customary relationship to this area, and appreciates the ongoing support of the iwi in the development of this City and all of those people who have made it their home.

The Council remains committed to fostering and strengthening our relationship with Rangitāne.

A message from the Mayor

Kia ora everybody

This is our Annual Budget for 2017/18. It shows the services we will provide and the projects we will do during the year.

We spent a lot of time deciding what should be in the budget and what could be left out. These are never easy decisions and it will always be a balancing act.

We have a City to run – we keep the roads working, the water flowing, the sportsfields mowed, the libraries open. We provide animal control, civil defence and noise control to keep you safe. We support community groups and encourage jobs, visitor activity and business growth. We fund and promote various events to make the city exciting and vibrant. We keep our natural and built environment healthy and safe. We plan for the City and talk with residents through a wide range of mediums and meetings so we understand your views and aspirations.

And your views and aspirations have helped shape this budget. We received nearly 150 submissions on the provisional budget. We carefully considered all these and made changes where appropriate. For example, we have added in \$100,000 toward a shared pathway in Walkers Rd,

Longburn, as well as improving Cricket facilities at Fitzherbert Park in partnership with Manawatū Cricket. Safety was a key factor in the addition of \$500,000 to complete the sealing of Forest Hill Road after years of maintenance issues and many accidents. And we have included funding to help the Manawatū Mountain Bike Club maintain the Arapuke mountain bike trails.

This is on top of the major projects that were already in the provisional budget. These include the Library of the future to transform our Central Library for the next generation, supporting Massey University to develop a third hockey turf, building the Central Energy Trust Wildbase Recovery Centre, and building the He Ara Kotahi cycle and pedestrian bridge across the Manawatū River and associated pathways.

One unexpected item is the need to protect the Ashhurst Domain from further erosion. The Manawatū River has been eating away the bank for more than 18 months, taking away hundreds of metres of bush, tracks and other infrastructure. We are working with Horizons Regional Council and the NZ Transport Agency to stop this happening. We have made an interim provision of \$500,000 for our share of the work.

We will also be paying back an extra \$130,000 in debt this year, bringing the total debt repayment in the year to over \$5.5m. This will give us extra headroom to deal with major future projects, like the city's wastewater upgrade.

All this brings the total rates increase to 2.9%. It is down from the 3.1% in the provisional budget, and we believe it is value for money, being one of the lowest rate increases in recent times. However it still indicates that the Council is playing a key role in keeping Palmerston North as a great place to live and taking advantage of the opportunities for growth, prosperity and more jobs that are before us.



Grant Smith (Mayor)

The Consultation Process

The Council sought views from the community. Copies of the Consultation Document and supporting information were made available at the Civic Administration Building, at the Libraries and on the Council’s website.

The Consultation Document was distributed to all households with the Tribune. Radio advertising, Square Circular articles and “Let’s Talk with a Councillor” sessions also encouraged people to have their say and included information about the Annual Budget and how people could access the Consultation Document and supporting information and give their feedback. The public then had the option of making a submission and speaking to a Council Hearings Committee.

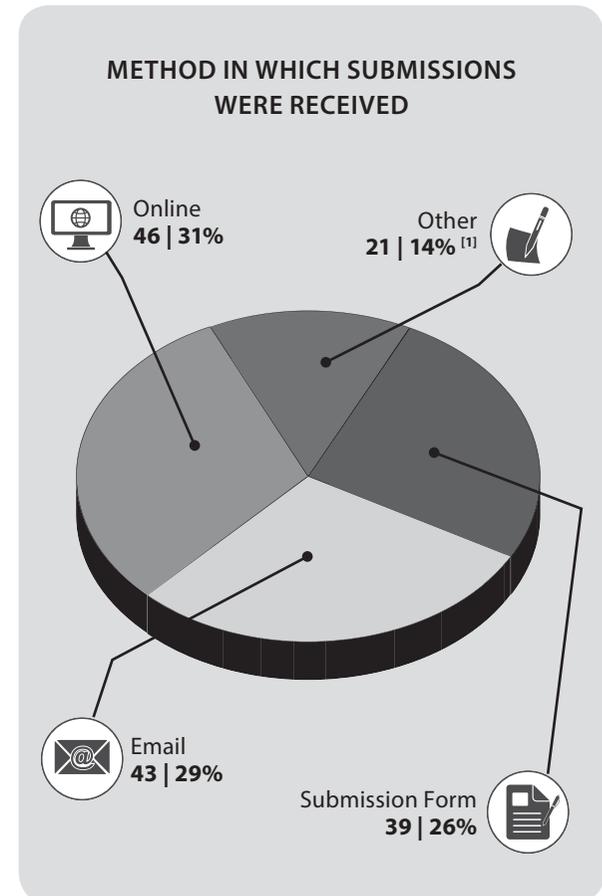
149 submissions were received representing 166 signatures. We used social media as well as more traditional methods to raise awareness of the budget and promote the different ways for people to tell us Are we on track? These included face-to-face sessions with councillors and council staff in libraries, schools, communities and markets, and an online survey. The Let’s Talk sessions were promoted

on the Council’s Facebook page which has almost 10,000 followers and achieved 3,372 hits. Syndicated promotion through EventFinda enabled us to advertise the Let’s Talk sessions to another 13,347 people.

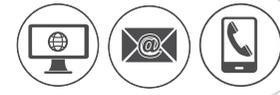
The public was given a variety of ways to make submissions – these are broken down in the graph shown.

59 of the 149 submissions were presented by people or organisations at the 7 hearing sessions.

Those that made a submission to the Council’s proposals will receive a personalised letter responding to the issues they raised in their submission. A summary of “Responses to Submissions” has also been prepared, which details the Council’s decisions about the issues raised in all of the submissions it received. This is available by contacting the Council - see details below.



“Responses to Submissions” available W pncc.govt.nz/annualbudget
 E info@pncc.govt.nz | P 356 8199



THE FOLLOWING BRIEFLY OUTLINES SOME OF THE COMMON ISSUES RAISED IN SUBMISSIONS, AND THE COUNCIL'S RESPONSE:

EVENTS AND FESTIVALS

A number of submitters support Council's initiatives for events and festivals because of the economic benefits it will bring and the number of people it will attract.

The Council will continue to contribute towards Community events, and decided to fund the Reel Earth Film Festival (ID 1308 page 37) and Fireworks over the River (ID 1309, page 39) using unallocated community events funding. Additional funding has been allocated for event administration.

The Council also provided an additional \$50,000 to support a major events fund with Manawatū District Council through the Central Economic Development Agency. (ID 1344, page 35)

WALKERS ROAD – NEW SHARED PATHWAY (ID 1327, pages 53)

23 submitters commented: most support the programme for safety of all users. Some question why the community has to fundraise or donate. The Council decided it would liaise with the local community to better understand their aspirations and then consider a report from staff on the scope of the project, likely cost and possible funding sources. A budget provision of \$100,000 has been made.

AOKAUTERE DRIVE – SAFETY IMPROVEMENTS TO VILLAGE BUS STOP

18 submitters commented about the safety of using this bus stop and requested some form of traffic calming.

The highway is the responsibility of the New Zealand Transport Agency but the Council's staff will work with the local community to help them advance consideration of their concerns.

ACTIVE TRANSPORT

A number of submitters support the Council's programmes and plans for cycling, walking, pathways and the like, with particular emphasis on cycling.

The following additional provisions have been made:

- Funding of \$6,000 allocated to Baines and Districts Community Development Trust for development of a feasibility and costing study for a pathway from the City to the sea (ID 1345, page 50)
- New programme of \$40,000 to support starting the work on school travel plans as envisioned in the Integrated Transport Strategy and a commitment to consider continuation of programme as part of the development of the 2018-28 10 Year Plan. (ID 1346, page 50)
- An allocation of \$50,000 to continue the Bikes in Schools programme for 2017/18 (ID 1214, page 50)

- A programme (ID1347, page 50) to investigate and report on relationship between Ministry of Education transport and the Council's footpath network, with recommendations as to how best to address any urgent issues arising.

RATING ISSUES

6 submitters commented on rates, including affordability, fairness, the rating system itself.



THE LIBRARY OF THE FUTURE

9 submitters commented, the majority of whom are in support of this programme. Council will keep the community informed of progress across a variety of communication channels.

ASHHURST DOMAIN RIVERBANK

Submitters expressed concern about the recent significant damage which has been done to the Ashhurst Domain through the high river flows in the Manawatū River. The Council has been working with the Horizons Regional Council and the New Zealand Transport Agency in an effort to find not only short term but also longer term solutions to the problem.

Temporary physical work has begun and the Council decided to allocate \$500,000 as its contribution to the more significant works which will be necessary. (ID 1348, page 42)

OTHER CHANGES MADE BY THE COUNCIL

The Council also made some other changes in finalising the Annual Budget, as a result of consultation or through its final decision making process:

- The Council is committed to its programme to change street lights to LEDs and the two programmes which fund this (ID 1086, page 52 and ID 74, page 51) will continue during 2017/18. The Council has become more aware that following the LED conversion there will still be some streets where the lighting is not up to standard. Staff will report further on how best to address this issue.
- Provision of a net sum of \$176,000 to fund improvements at Fitzherbert Park as sought by the Manawatū Cricket Association.(ID 1342 page 45)
- Adding \$6,000 to the programme (ID 587 page 44) Linklater Reserve Development to allow for construction of a barrier/fence at the front of the park.
- Transferring \$33,000 of the programme (ID 587 page 44) for Linklater Reserve Development to a new programme (ID 1100 page 44) for a dog park/ socialisation area at Waitoetoe Park. A further \$66,000 was also added to this programme, making a total of \$99,000.
- Increases in the sum allocated for the following programmes to reflect revised assessment of costs:
 - ID 1306 page 40 Library HVAC upgrade
 - ID 68 page 68 Aerial photography
 - ID 214 page 62 City-wide Water Toby and Meter Replacement
 - ID 621 page 59 Totara Road Wastewater Treatment Plant Digester Lids
- Reduction of \$140,000 in operating costs and \$50,000 in the revenue assumption for the Convention Centre with an understanding that there will be plans to increase revenue.
- An increase of \$100,000 in the budgeted cost of ground maintenance at Central Energy Trust Arena.
- An increase of \$57,000 in the net revenue assumed for external call centre and building control contracts.
- A reduction of \$21,000 in the operating costs for Civil Defence to reflect the transfer of Rural Fire services to Fire and Emergency NZ from 1 July 2017.
- An increase of \$100,000 to reflect the application of a revised inflation adjustor for grants to council-controlled organisations.
- Bringing forward (ID 1320, page 45) Supplementary Water Take from Manawatū River to Hokowhitu Lagoon \$220,000 to 2017/18 and deferring of Hokowhitu Lagoon – Canoe Polo Club Court Improvements (ID 1181, page 45) until after this work is complete and tested.
- A reduction of \$420,000 in the sum to be provided for programmed repayment of debt due to the debt level being lower than originally forecast. However Council also decided to provide an extra \$130,000 for additional debt repayment in the 2017/18 year.
- New funding of \$20,000 has been allocated to provide a feasibility study into a Military History Exhibition facility (ID 1343, page 37)
- Additional funding of \$50,000 for the 2017/18 year to support a major events fund with Manawatū District Council through the Central Economic Development Agency. (ID 1344, page 35)
- The Council will enter into discussions with the Central Economic Development Agency as to the future of the Manawatū Events Trust so that it can be a fundraising mechanism for all events.
- Provision of \$7,500 to be made for maintenance for Arapuke Mountain Bike trails as requested by Manawatū Mountain Bike Club (ID 1249, page 42).
- The Council will investigate costings to update Menzshed Manawatū toilets and modify internal walls and construct an outdoor shelter, to be considered as part of the 2018-28 10 Year Plan.
- The Council will endeavour to have the remaining unsealed portion of Forest Hill Road sealed over a one year period, subject to any land purchases and/ or resource consents. It has an estimated cost of \$500,000 (ID 25 page 52).

- Funding of an additional \$5,300 for Drinking Fountains at Recreational Facilities (ID 1172 page 44) to allow for construction of a drinking fountain and bottle filling station in Ashhurst.
- The Council will investigate the possibility of investment towards the Cornerstone School Hall and Meeting Room Development during the 10 Year Plan process, following completion of the Kelvin Grove Feasibility study.
- The Council committed to making firm decisions about the future provision of a Bunnythorpe Community Centre within the 2017/18 year.
- The Council will seek to bring forward the Artificial Football Turf request for information process into the 2017/18 year.
- When preparing the development plan for Memorial Park, Council staff will include options for allowing sound and lighting of the skate rink (on the assumption it will be funded from external sources).

Given the significant level of proposed carry forwards from 2016/17 the Council has reviewed the timing of its programme of capital works for 2017/18. The review involved critically assessing whether budgets are realistic with a particular focus on those programmes where there is a long lead time involving Council decisions yet to be made, resource consents, property negotiations or reaching external funding targets. As a result, budgeted expenditure for the following programmes was reduced for 2017/18 and reallocated to later years:

ID 57 – Manawatū River Downstream/Pedestrian Bridge Construction

ID 144 – Urban Growth – Whakarongo – Reserve Land Purchase

ID 1000 – Urban Growth – Whakarongo – Installation of Wastewater Systems

ID 1004 – Urban Growth – Whakarongo – Installation of Water supply Systems

ID 1007 – Urban Growth – Whakarongo – Internal Roads

ID 228 – Upgraded Strategic Routes to HPMV Standard

ID 244 – Square East Side Landscape Upgrade

ID 977 – Manawatū River (Fitzherbert Bridge – Linton) Cycle/Pedestrian Pathway

ID 1225 – Manawatū River (Ashhurst – Riverside Drive) Cycle/Pedestrian Pathway

ID 592 – Turitea Water Treatment Plant – Sludge Handling & Disposal Improvements

ID 741 – Kairanga Bunnythorpe Road (Jacks Creek) Bridge Renewal

The Council has included in the Annual Budget for 2017/18 provision to carry forward the uncompleted component of a number of capital programmes from 2016/17. These are shown in Section 1 with “C/fwd” in the programme name.

The carry forward of these programmes means the level of Council debt as at 30 June 2017 will be lower than assumed in the provisional budget. As a consequence the budget for interest payable during 2017/18 has also been reduced.

What we provide and what it costs the average residential ratepayer

Rates – How they are calculated

Rates are made up of two parts: a fixed part which is the same for each property and a variable part based on the land value.

For 2017/18 the fixed part (\$1,337 for residential properties) is proposed to be made up of the following:

Charge type	Fixed Charge		What it pays for
	2016/17	2017/18	
Water	\$268	\$273	Pays for the cost of providing water
Wastewater	\$246	\$246	Pays for the cost of treating and disposing of wastewater
Kerbside Recycling	\$137	\$128	Pays for the cost of kerbside recycling
Rubbish & Public Recycling	\$52	\$60	Pays for general rubbish & recycling costs including transfer stations, cleaning up fly tipping, community education
General	\$610	\$630	Contributes to paying for all other Council services and acts as a way of ensuring that all properties contribute a more equal share of the cost rather than it all being based on the land value

The portion which is based on the land value is charged a rate in the dollar which depends on how the property is used.

- Commercial property is charged a higher rate than residential property
- Residential property is charged a higher rate than rural property.

For 2016/17 the latest 2015 city valuations were used for the first time. As a result, there were significant increases in land values for some residential areas and some properties experienced significant rates increases.

In 2017/18 the same 2015 land values will be used as the rating base. This means that there will not be large variations in rates increases this year.

Examples of residential rates

The following table shows the rates for 2016/17 and for 2017/18 for ordinary residential properties with various land values:

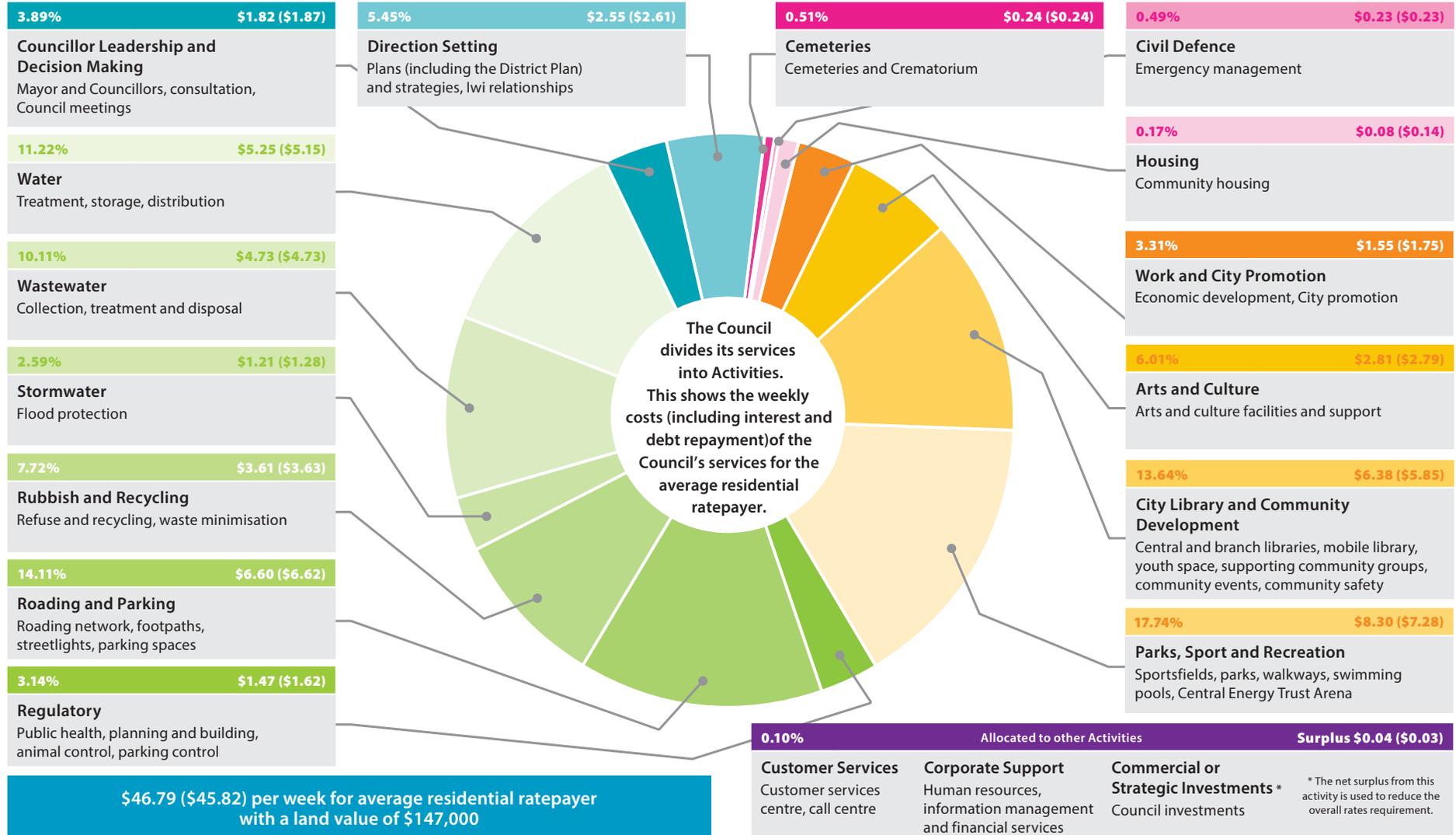
Examples of residential rates		
Land Value	Actual Rates 2016/17	Proposed Rates 2017/18
75,000	1,859	1,896
100,000	2,041	2,083
125,000	2,222	2,269
150,000	2,404	2,456
175,000	2,586	2,642
200,000	2,768	2,829
225,000	2,950	3,015
250,000	3,132	3,202
275,000	3,314	3,388
300,000	3,496	3,574
325,000	3,677	3,761
350,000	3,859	3,947
400,000	4,223	4,320
500,000	4,951	5,066

Council services and household costs

The weekly cost of Council's services shown on page 13 compares with these other household costs:

Cost per week	
Phone/internet	\$31.00
Electricity	\$38.00
Milk (4 x 2L/week)	\$15.00

RATES – HOW YOUR MONEY IS PLANNED TO BE SPENT 2017/18 (COMPARED WITH 2016/17)



Footnote for Stormwater: Horizons Regional Council is responsible for Manawatū River and Mangaone Stream flood protection.

Financial Overview and Statements

OVERVIEW

The Council's Annual Budget¹ covers the period 1 July 2017 to 30 June 2018. It incorporates operating and capital expenditure for the period for the core Council entity - consolidated statements have not been prepared to include subsidiaries. In this section financial information is provided at a summary level but more detailed information for each activity and group of activities is included throughout the document.

FINANCIAL STRATEGY

The 10 Year Plan includes the Council's overall Financial Strategy which comprises the following elements:

- Making sure the Council's long term financial position is sustainable.
- Recognising which generation will benefit when considering its approach to funding.
- Managing debt within defined levels.
- Looking after the City's infrastructure provided by previous generations for the use by current and future generations.

- Leaving financial capacity for future generations so they are capable of funding unanticipated high priority programmes.
- Taking account of ability to pay over the longer term.
- Having robust systems and processes.

The Financial Strategy has close links with the 30 Year Infrastructure Strategy which is also contained in the 10 Year Plan.

Consistent with the Financial Strategy and its associated funding and financial policies, the Annual Budget achieves the following:

- In general terms maintains the current level of service for each of the Council activities.
- An ability to maintain the condition of the City's assets though there is only minimum provision for unforeseen events.
- Forecasts net debt at 30 June 2018 of \$121m - \$30m less than assumed in the 10 Year Plan (based on a forecast balance at 1 July 2017 of \$102m).
- An increase in the total rates requirement for 2017/18 of 2.9% - compared with 4.5% forecast in the 10 Year Plan.

To provide a degree of certainty to ratepayers the Financial Strategy sets limits on rate increases throughout the term of the 10 Year Plan. In addition it sets limits on what the Council considers to be sustainable levels of debt.

¹ The Council uses the term "Annual Budget" to represent the 'Annual Plan' required under the Local Government Act 2002

The table below shows the key financial parameters for the Annual Budget compared with those for 2017/18 in the 10 Year Plan.

PARAMETER	10 YEAR PLAN	ANNUAL BUDGET	LIMIT
Increase in total rates	4.5%	2.9%	4.2% ²
Net debt as a % of total assets	9.6%	7.8%	< 20%
Net debt as a % of total revenue	128.2%	103.8%	< 175%
Net interest as a % of total revenue	8.0%	5.5%	< 15%
Net interest as a % of annual rates income	10.4%	7.2%	< 20%

² Based on September 2016 BERL local government cost indicator of 1.9% and a rating base growth assumption of 0.3%. The 10YP assumed a limit of 4.8% based on a cost indicator of 2.5% and a rating growth assumption of 0.3%.

FORECAST FINANCIAL STATEMENTS

The financial information contained in the Annual Budget is a forecast for the purposes of Public Benefit Entity (PBE) Financial Reporting Standard (FRS) 42. This information may not be appropriate for purposes other than those described. It has been prepared on the basis of assumptions (refer to Significant Forecasting Assumptions in section 2) as to future events that the Council reasonably expects to occur, associated with the actions it reasonably expects to take, as at the date the forecast was prepared. The actual results are likely to vary from the information presented and may vary materially depending upon the circumstances that arise during the period. The Annual Budget has been prepared in accordance with generally accepted accounting practice and the Council's accounting policies are outlined in section 3 of the 10 Year Plan. The policies incorporate the latest PBE accounting standards and the changes have had no material effect.

The Funding Impact Statements in section 2 have been prepared in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014. The regulations are not consistent with generally accepted accounting practice.

Rates revenue includes revenue from metered water and is included net of any remissions granted under the Council's Rates Remission Policy. Remissions of \$0.25 million pa have been assumed.

Legislation states that councils are required to operate a 'balanced budget' i.e. income must equal or exceed expenditure (and expenditure must include non-cash items such as depreciation). However if a council determines that it is prudent not to have a 'balanced budget' (i.e. an operating surplus is not required), it must make a formal decision to that effect. The decision must be a prudent one and have included consideration of levels of service and useful lifespan of assets. There are grounds for not having a surplus every year to avoid building up unnecessary cash reserves. Council's asset management plans ensure the Council is appropriately planning for renewals and its financial strategy is to make adequate financial provision to fund renewals from rates revenue. Council is making provision to fund from revenue \$18.9m for capital renewals during 2017/18.

The Council's prospective Statement of Comprehensive Revenue and Expense (next page) shows that after including capital revenue of \$19.17m there is a surplus of \$13.36m projected for the year. The Council is therefore deemed to have a 'balanced budget' for the year.

These forecast financial statements were authorised for issue by Palmerston North City Council on 26 June 2017.

Palmerston North City Council is responsible for these forecast financial statements, including the appropriateness of the assumptions underlying the forecast financial statements and all other disclosures.

Because the figures are rounded to the nearest thousand dollars, it may appear that they do not add up, but the total represents the sum of the individual forecast amounts.

The following tables show the financial implications of providing all of the Council's services:

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Budget 2016/17 \$'000s		10 YP 2017/18 \$'000s	AB 2017/18 \$'000s
REVENUE			
	Operating Revenue		
87,275	Rates	91,170	89,795
375	Interest & Dividends	240	340
3,074	Operating Subsidies & Grants	2,649	2,757
23,021	Other Operating Revenue	23,970	23,264
113,746		118,029	116,157
CAPITAL REVENUE			
8,541	Capital Subsidies & Grants	6,981	15,441
	Development Contributions	1,731	1,731
2,000	Vested Assets	2,000	2,000
11,888		10,712	19,172
125,634	TOTAL REVENUE	128,741	135,329
EXPENSES			
83,186	Expenses	83,349	85,184
6,288	Interest	9,485	6,462
27,845	Depreciation	28,708	30,321
117,319	TOTAL EXPENSES	121,542	121,967
8,315	SURPLUS/(DEFICIT)	7,199	13,362
	Other Comprehensive Revenue and Expense		
34,344	Gain on property revaluations	-	-
42,659	TOTAL COMPREHENSIVE REVENUE AND EXPENSE	7,199	13,362
3.9%	RATES INCREASE	4.5%	2.9%
1,840	Rates revenue shown above includes the following amounts for metered water revenue	1,950	1,980

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

Budget 2016/17 \$'000s		10 YP 2017/18 \$'000s	AB 2017/18 \$'000s
1,329,071	Opening Balance	1,390,582	1,371,480
42,659	Total Comprehensive Revenue and Expense	7,199	13,362
1,371,730		1,397,782	1,384,843

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

Budget 2016/17 \$'000s		10 YP 2017/18 \$'000s	AB 2017/18 \$'000s
7,089	Current Assets	6,313	7,860
NON-CURRENT ASSETS			
2,199	Investment Fund	-	-
12,433	Investments in CCOs and industry companies	14,424	12,941
17,487	Investment Property & Other Financial Assets	17,344	6,116
1,480,647	Property, Plant & Equipment	1,534,300	1,514,362
1,519,854	TOTAL ASSETS	1,572,380	1,541,279
30,071	Current Liabilities	20,432	32,393
NON-CURRENT LIABILITIES			
1,149	Employee Entitlements	1,066	1,338
115,046	Term Liabilities	151,330	120,582
1,858	Provisions	1,770	2,123
EQUITY			
1,023,056	Retained Earnings	1,034,326	1,037,434
348,674	Other Reserves	363,456	347,408
1,519,854	TOTAL LIABILITIES/EQUITY	1,572,380	1,541,279

Because the figures on this page are rounded to the nearest thousand dollars, it sometimes appears that they do not add up, but the total represents the sum of the individual forecast amounts.

PROSPECTIVE STATEMENT OF CASH FLOWS

Budget 2016/17 \$'000s		10 YP 2017/18 \$'000s	AB 2017/18 \$'000s
OPERATING ACTIVITIES			
	Cash Provided		
87,275	Rates	91,170	89,795
175	Interest	40	40
200	Dividends	200	300
3,074	Operating Subsidies & Grants	2,649	2,757
23,021	Other Operating Revenue	23,970	23,264
8,541	Capital Subsidies & Grants	6,981	15,441
1,347	Development Contributions	1,731	1,731
CASH DISBURSED			
(6,288)	Interest	(9,485)	(6,462)
(83,186)	Expenses	(83,349)	(85,184)
34,160		33,907	41,683
INVESTING ACTIVITIES			
	Cash Provided		
3,000	Investment Reductions	6,643	2,591
-	From Asset Sales	-	-
	Cash Disbursed		
(50,676)	Capital Expenditure	(52,343)	(63,268)
-	Investments	(2,000)	-
(47,676)		(47,700)	(60,677)
FINANCING ACTIVITIES			
	Cash Provided		
13,516	Borrowing	13,793	18,994
	Cash Disbursed		
-	Loan Repayment	-	-
13,516		13,793	18,994
-	Net Increase / (Decrease)	-	-
373	Cash at beginning	580	679
373	CASH AT YEAR END	580	679

Annual Budget (Plan) Disclosure Statement

FOR THE YEAR ENDING 30 JUNE 2018

What is the purpose of this statement?

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the Council is prudently managing its revenues, expenses, assets, liabilities, and general financial dealings.

The Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

BENCHMARK		PLANNED	MET
Rates affordability benchmark - income	Total rates will be no more than 2% of the City's rateable land value	1.4%	Yes
Rates affordability benchmark - increases	Total rates will increase by no more than the Local Government Cost Index plus the growth in the rating base plus 2%	2.9%	Yes
Debt affordability benchmark	Net external debt as a percentage of total assets will not exceed 20%	7.8%	Yes
Debt affordability benchmark	Net external debt as a percentage of total revenue will not exceed 175%	103.8%	Yes
Debt affordability benchmark	Net interest as a percentage of total revenue will not exceed 15%	5.5%	Yes
Debt affordability benchmark	Net interest as a percentage of annual rates income will not exceed 20%	7.2%	Yes
Debt affordability benchmark	Liquidity available will exceed 110% of existing external debt	132.6%	Yes
Balanced budget benchmark	100%	107.9%	Yes
Essential services benchmark	100%	200.5%	Yes
Debt servicing benchmark	10%	4.9%	Yes

Notes**1 Rates affordability benchmark**

- (1) For this benchmark:
- (a) The Council's planned rates income for the year is compared with a quantified limit on rates contained in the Financial Strategy included in the Council's 10 Year Plan
 - (b) The Council's planned rates increases for the year are compared with a quantified limit on rates increases for the year contained in the Financial Strategy included in the Council's 10 Year Plan.
- (2) The Council meets the rates affordability benchmark if:
- (a) Its planned rates income for the year equals or is less than each quantified limit on rates
 - (b) Its planned rates increases for the year equal or are less than each quantified limit on rates increases

2 Debt affordability benchmark

- (1) For this benchmark, the Council's planned borrowing is compared with quantified limits on borrowing contained in the Financial Strategy included in the Council's 10 Year Plan.
- (2) The Council meets the debt affordability benchmark if its planned borrowing is within each quantified limit on borrowing.

3 Balanced budget benchmark

- (1) For this benchmark, the Council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant, or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant, or equipment).
- (2) The Council meets the balanced budget benchmark if its revenue equals or is greater than its operating expenses

4 Essential services benchmark

- (1) For this benchmark, the Council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services.
- (2) The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services.

5 Debt servicing benchmark

- (1) For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments, and revaluations of property, plant, or equipment).
- (2) Because Statistics New Zealand projects that the Council's population will grow slower than the national population growth rate, it meets the debt servicing benchmark if its planned borrowing costs equal or are less than 10% of its planned revenue.

IMPLEMENTING THE 10 YEAR PLAN

Section 1



Groups of Activities - Introduction

WHAT WE ARE PLANNING TO DO DURING 2017/18 (YEAR THREE OF THE 10 YEAR PLAN) AND WHY

The Council provides a wide range of services and facilities for people living in Palmerston North. These services and facilities - called Activities - help to make Palmerston North a vibrant, caring, innovative, sustainable and prosperous city. They include things like roading and parking, civil defence, libraries, parks, sport and recreation, and customer services.

We have 18 Activities. This section explains what we plan to do in each Activity during year three of the 10 Year Plan (2017/18) and, on average, what it is expected to cost ratepayers. For comparative purposes it shows the annual budget for 2016/17 and the 10 Year Plan for 2017/18. These figures have been adjusted where necessary as indicated.

The four central pillars of this diagram show the main services that the Council provides directly to City residents and organisations. They are grouped here in four areas: social, economic, leisure and environmental. These reflect the sustainable development approach to community outcomes.

Tying these pillars together at the top is Council's leadership and direction setting. These make sure that the Council is doing the right things within the four main areas and has appropriate balance between them.



Supporting them at the bottom are Council's support services - things like human resources, financial systems, information systems and customer services.

The full 10 Year Plan explains why the Council has grouped the Activities together and how they contribute to the Council's Vision and Goals. It also contains information on what people expect from the Council and what the Council provides.

For a copy of the 10 Year Plan go to pncc.govt.nz/10yearplan, contact our Customer Services Centre on 06 356 8199 or email info@pncc.govt.nz

A GUIDE TO THE PROGRAMMES WITHIN THIS SECTION

Rounding

Because the figures are rounded to the nearest thousand dollars, it sometimes appears that they do not add up, but the total represents the sum of the individual forecast amounts.

Operating Programmes

Individual operating programmes occasionally generate additional revenue streams for the Council. For this reason, the figures shown in relation to the programme reflect the planned net amount that the Council will fund from rates.

In the Summary Activity Financial Statements the revenue and expenses from the programme are included in the relevant categories, along with all the other revenue and expenses to fund the Activity.

Capital Programmes

Since individual capital programmes result in the Council creating an asset (capital new), or replacing an existing asset (capital renewal), the total cost is shown in the programme schedules. The total of all budgeted external funding for all capital programmes within an Activity is deducted from what is shown as the 'Total' to show what the Council plans to contribute (shown as 'Funded by Council [Rates and Borrowing]'). The programme schedules also show the percentage split between how much is to fund growth (Growth) and how much is to fund current or new levels of service (LOS) for each.

Programme Descriptions

For a more detailed description of the programmes, see pncc.govt.nz/annualbudget or ask for a copy through the Customer Services Centre on 06 356 8199.

Information and Main Reason for Change

Where a programme has changed from the 10 Year Plan, a reason has been noted.

Abbreviations

The following abbreviations appear throughout this section:

10YP - 10 Year Plan

AB - Annual Budget

Key

Below is the key to the symbols you will see alongside each programme within this section.

WHAT'S IN

No change to timing - any budget change indicated



WHAT'S OUT (DELETED)

Explanation indicated



WHAT'S BEING DONE LATER

New year and explanation indicated



WHAT'S BEING DONE EARLIER

New year and explanation indicated



WHAT WAS NEW IN 2016/17

Explanation indicated



WHAT WAS NEW IN 2017/18

Explanation indicated



Activity Financial Statements

WHOLE OF COUNCIL

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s
REVENUE				EXPENSES			
Leadership				Leadership			
138	Councillor Leadership and Decision Making	11	13	3,918	Councillor Leadership and Decision Making	3,745	3,684
165	Direction Setting	171	198	5,395	Direction Setting	5,303	5,341
Community Support				Community Support			
598	Cemeteries	616	609	1,032	Cemeteries	1,102	1,137
-	Civil Defence	-	-	470	Civil Defence	464	468
2,500	Housing	2,559	2,521	2,743	Housing	3,066	2,607
1,057	Work and City Promotion	1,090	1,023	4,442	Work and City Promotion	4,514	4,333
Leisure				Leisure			
-	Arts and Culture	-	58	6,768	Arts and Culture	6,990	7,016
666	City Library and Community Development	687	565	13,267	City Library and Community Development	12,875	13,914
1,876	Parks, Sport and Recreation	2,048	1,925	16,328	Parks, Sport and Recreation	17,360	19,332
4,258	Regulatory	4,541	4,561	7,413	Regulatory	7,797	7,488
6,571	Roading and Parking	6,355	6,231	24,821	Roading and Parking	25,477	24,836
3,031	Rubbish and Recycling	3,124	2,971	7,233	Rubbish and Recycling	7,382	7,250
24	Water	25	24	7,786	Water	8,612	7,999
994	Wastewater	1,042	927	8,800	Wastewater	9,296	9,201
2	Stormwater	2	2	3,532	Stormwater	3,813	3,432
Support Services				Support Services			
3,418	Commercial or Strategic Investments	3,418	3,541	2,995	Commercial or Strategic Investments	3,189	3,361
1,174	Corporate Support	1,171	1,192	375	Corporate Support	556	567
-	Customer Services	-	-	-	Customer Services	-	-
26,471	TOTAL REVENUE	26,859	26,361	117,319	TOTAL EXPENSES	121,542	121,967
				90,848	NET OPERATING COST OF ACTIVITY GROUPS	94,683	95,605

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s
	RATING REQUIREMENT		
(27,845)	Less Depreciation	(28,708)	(30,321)
-	Less Transfers To/(From) Reserves	-	-
18,846	Plus Net Capital Renewal (3 Year Average)	19,742	18,937
5,426	Plus Debt Repayment	5,453	5,574
87,275	RATES REQUIREMENT	91,170	89,795
3.9%		4.5%	2.9%
	CAPITAL EXPENDITURE		
	CAPITAL RENEWALS		
	Leadership		
-	Councillor Leadership and Decision Making	-	-
-	Direction Setting	-	-
	Community Support		
67	Cemeteries	198	197
-	Civil Defence	-	-
633	Housing	745	739
449	Work and City Promotion	83	162
	Leisure		
148	Arts and Culture	157	134
1,699	City Library and Community Development	1,363	2,732
2,887	Parks, Sport and Recreation	3,835	3,162
44	Regulatory	-	6
5,876	Roading and Parking	5,337	5,479
278	Rubbish and Recycling	308	306
3,022	Water	3,236	3,109
2,709	Wastewater	3,399	3,513
825	Stormwater	278	266
	Support Services		
1,206	Commercial or Strategic Investments	1,300	1,368
1,931	Corporate Support	1,166	2,591
-	Customer Services	-	-
21,773	TOTAL CAPITAL RENEWALS	21,406	23,764

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s
	CAPITAL NEW		
	Leadership		
-	Councillor Leadership and Decision Making	-	-
-	Direction Setting	-	-
	Community Support		
160	Cemeteries	54	118
-	Civil Defence	-	-
250	Housing	1,687	1,527
-	Work and City Promotion	-	-
	Leisure		
561	Arts and Culture	105	398
1,217	City Library and Community Development	1,130	4,264
4,592	Parks, Sport and Recreation	6,966	8,936
12	Regulatory	-	-
12,785	Roading and Parking	13,535	18,012
651	Rubbish and Recycling	515	461
6,203	Water	1,035	3,219
1,030	Wastewater	4,218	1,269
1,116	Stormwater	1,459	970
	Support Services		
19	Commercial or Strategic Investments	23	23
308	Corporate Support	210	309
-	Customer Services	-	-
28,903	TOTAL CAPITAL NEW	30,937	39,505
50,676	TOTAL CAPITAL EXPENDITURE	52,343	63,268
	FUNDED BY		
2,409	External Revenue Renewal	2,261	2,199
6,131	External Revenue New	4,720	13,242
1,347	Development Contributions	1,731	1,731
-	Asset Sales	-	-
18,846	Rates	19,742	18,937
21,942	New Borrowing / (Repayment)	23,889	27,159
50,676	TOTAL	52,343	63,268

Leadership Group

COUNCILLOR LEADERSHIP AND DECISION MAKING

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
9	Councillor Meetings and Administration	10	10	
128	Elections	1	3	
138	TOTAL REVENUE	11	13	
EXPENSES				
2,449	Councillor Meetings and Administration	2,562	2,309	Change in cost allocation assumption.
304	Elections	61	61	
1,165	Mayoral and Chief Executive's Office	1,122	1,314	Additional administrative support for community engagement along with a change in cost allocation assumptions.
3,918	TOTAL EXPENSES	3,745	3,684	
3,781	NET OPERATING COST OF ACTIVITY	3,734	3,672	
RATING REQUIREMENT				
(2)	Less Depreciation	(2)	(2)	
3	Plus Debt Repayment	3	3	
3,781	RATES REQUIREMENT	3,735	3,672	

COUNCILLOR LEADERSHIP AND DECISION MAKING - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	377-Councillors' Training	33	33	
✓	1213-Elected Member Community Engagement	11	10	
	1266-Additional Administrative Support to Community Engagement	-	50	Increasing community engagement requires an increase in administrative resources for this area.
TOTAL		44	93	

DIRECTION SETTING ACTIVITY

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
165	Environment Policy and District Planning	171	198	
165	TOTAL REVENUE	171	198	
EXPENSES				
3,808	Environment Policy and District Planning	3,629	3,531	Reduction in external contractors.
1,587	Strategy Development and 10 Year Planning	1,674	1,810	Additional resourcing for bylaws reviews.
5,395	TOTAL EXPENSES	5,303	5,341	
5,230	NET OPERATING COST OF ACTIVITY	5,132	5,143	
RATING REQUIREMENT				
5,230	RATES REQUIREMENT	5,132	5,143	

DIRECTION SETTING - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	751-City-wide - Research into Sustainability Issues that Impact on the City and its Environment	27	26	
✓	762-City-wide - Urban Design and Placemaking - Delivering Change	50	49	
✓	764-City-wide - Sustainability Awareness Raising	97	25	\$70k transferred to Fee for Service grants funding pool within the Leisure group of activities.
✓	765-City-wide - Ridepro Carpooling Initiative	6	5	
✓	1145-Green Corridors Project - Continued Development	34	34	
➤	1180-Focus Group Research	26	-	Timing aligned with actual work schedule. Budget transferred from 2017/18 to 2018/19.
✓	1190-Smokefree Education	11	10	
✓	1264-Development Contributions Fees - Support for Community Groups	21	21	
	1281-Massey University Refectory	-	50	Contribution to Massey University's heritage upgrade of the Refectory building. This would make it more accessible for community use.
TOTAL		273	220	

Community Support Group

CEMETERIES ACTIVITY

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	REVENUE			
598	Cemeteries	616	609	
598	TOTAL REVENUE	616	609	
	EXPENSES			
1,032	Cemeteries	1,102	1,137	
1,032	TOTAL EXPENSES	1,102	1,137	
434	NET OPERATING COST OF ACTIVITY	486	528	
	RATING REQUIREMENT			
(122)	Less Depreciation	(131)	(169)	
114	Plus Net Capital Renewal (3 Year Average)	108	107	
25	Plus Debt Repayment	25	26	
451	RATES REQUIREMENT	489	492	
	CAPITAL EXPENDITURE			
67	Renewal	198	197	
160	New	54	118	
226	TOTAL CAPITAL EXPENDITURE	252	314	
	FUNDED BY			
114	Rates	108	107	
112	New Borrowing / (Repayment)	144	207	
226	TOTAL	252	314	

CEMETERIES - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	11168-Terrace End Cemetery - Maintenance Enhancement	10	10	
	TOTAL	10	10	

CEMETERIES - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	37-Terrace End Cemetery - Site Enhancements	9	9	
✓	278-Kelvin Grove Cemetery - Roading and Footpath Refurbishment	71	71	
✓	564-Crematorium - Replacement of Cremator Refractory Brick Lining	118	117	
	TOTAL	198	197	
	Funded by Council (Rates and Borrowing)	198	197	

CEMETERIES - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	107-Kelvin Grove Cemetery - Ash Plot Developments and Childrens Burial Area Extension	38	38	
➤	484-Natural Burial Cemetery	16	-	Deferred to 2018/19.
➤	1336-C/fwd - New Burial Berms - Kelvin Grove Main Lawn Area and Hillside, Ashhurst and Bunnythorpe Cemeteries	-	80	Carry forward balance of programme 147 from 2016/17.
	TOTAL	54	118	
	Funded by Council (Rates and Borrowing)	54	118	

CIVIL DEFENCE ACTIVITY

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	REVENUE			
-	Civil Defence	-	-	
-	TOTAL REVENUE	-	-	
	EXPENSES			
470	Civil Defence	464	468	
470	TOTAL EXPENSES	464	468	
470	NET OPERATING COST OF ACTIVITY	464	468	
	RATING REQUIREMENT			
(11)	Less Depreciation	(1)	(13)	
459	RATES REQUIREMENT	463	455	

HOUSING ACTIVITY

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
2,500	Social Housing	2,559	2,521	
2,500	TOTAL REVENUE	2,559	2,521	
EXPENSES				
2,743	Social Housing	3,066	2,607	Change in depreciation assumptions following the revaluation of assets along with a delay in the capital programmes.
2,743	TOTAL EXPENSES	3,066	2,607	
244	NET OPERATING COST OF ACTIVITY	507	86	
RATING REQUIREMENT				
(725)	Less Depreciation	(803)	(673)	
701	Plus Net Capital Renewal (3 Year Average)	736	722	
11	Plus Debt Repayment	43	15	
230	RATES REQUIREMENT	483	151	
CAPITAL EXPENDITURE				
633	Renewal	745	739	
250	New	1,687	1,527	
883	TOTAL CAPITAL EXPENDITURE	2,432	2,265	
FUNDED BY				
701	Rates	736	722	
182	New Borrowing / (Repayment)	1,696	1,543	
883	TOTAL	2,432	2,265	

HOUSING - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	180-City-wide - Community Housing Refurbishments	660	654	
✓	304-Public Rental Housing - Replacement of Structures, Internal Fitout and Services	85	84	
TOTAL		745	739	
	Funded by Council (Rates and Borrowing)	745	739	

HOUSING - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
➤	357-Papaioea Place Community Housing - Eco Friendly Unit Replacements	1,687	1,387	Timing of work adjusted from 10YP, total value across the five years unchanged.
➤	1277-C/fwd - Papaioea Place Community Housing - Eco Friendly Unit Replacements	-	140	Carry forward balance of programme 357 from 2016/17.
TOTAL		1,687	1,527	
	Funded by Council (Rates and Borrowing)	1,687	1,527	

Work and City Promotion Group

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
-	Business Support	-	-	
66	City Marketing and Branding	68	67	
991	Convention Centre	1,022	957	Revised revenue assumptions based on historical actuals.
1,057	TOTAL REVENUE	1,090	1,023	
EXPENSES				
104	Business Support	107	106	
2,661	City Marketing and Branding	2,713	2,591	Additional festivals planned as per operational programmes on next page. Events funding moved to City Library and Community Development activity.
1,678	Convention Centre	1,694	1,636	
4,442	TOTAL EXPENSES	4,514	4,333	
3,386	NET OPERATING COST OF ACTIVITY	3,424	3,310	
RATING REQUIREMENT				
(311)	Less Depreciation	(300)	(327)	
243	Plus Net Capital Renewal (3 Year Average)	108	105	
27	Plus Debt Repayment	11	21	
3,345	RATES REQUIREMENT	3,243	3,109	
CAPITAL EXPENDITURE				
449	Renewal	83	162	
449	TOTAL CAPITAL EXPENDITURE	83	162	
FUNDED BY				
243	Rates	108	105	
207	New Borrowing / (Repayment)	(25)	57	
449	TOTAL	83	162	

WORK AND CITY PROMOTION - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1154-Sort It Employment Expo	16	16	
✓	1251-i-Site - Provision for Increased Opening Hours	36	35	
	1268-International Relations	-	153	To strengthen sister city relationships in order to boost inward business and education investment.
	1272-City of Palmerston North Gold Cup Festival	-	50	An annual, week-long festival for Palmerston North to be the home of racing including galloping, harness and greyhounds.
	1273-Palmy Unleashed	-	165	A strategic approach to placemaking.
	1290-Support for Priority Economic Sectors	-	42	Sponsorship for the New Zealand Rural Games and New Zealand Food Awards.
	1344-Major events fund	-	50	Result of finalising the 2017/18 Annual Budget, Council has provided funds for major events.
TOTAL		52	511	

WORK AND CITY PROMOTION - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	251-Convention Centre - Replacement of Equipment	35	35	
✓	1166-Convention Centre - Equipment Purchases	47	47	
➤	1339-C/fwd - Venues Manawatu - Replacement of Booking System	-	81	Carry forward balance of programme 989 from 2016/17.
TOTAL		83	162	
Funded by Council (Rates and Borrowing)		83	162	

Leisure Group

ARTS AND CULTURE ACTIVITY

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
-	Grants to Arts and Cultural Groups	-	58	Creative NZ grant transferred from City Library and Community Development activity.
-	TOTAL REVENUE	-	58	
EXPENSES				
1,130	Grants to Arts and Cultural Groups	1,185	1,250	
1,744	Other Cultural Facilities	1,820	1,833	
3,895	Te Manawa	3,985	3,933	
6,768	TOTAL EXPENSES	6,990	7,016	
6,768	NET OPERATING COST OF ACTIVITY	6,990	6,958	
RATING REQUIREMENT				
(1,521)	Less Depreciation	(1,532)	(1,575)	
92	Plus Net Capital Renewal (3 Year Average)	254	153	
140	Plus Debt Repayment	105	116	
5,479	RATES REQUIREMENT	5,816	5,652	
CAPITAL EXPENDITURE				
148	Renewal	157	134	
561	New	105	398	
709	TOTAL CAPITAL EXPENDITURE	262	531	
FUNDED BY				
72	External Revenue New	-	72	
92	Rates	254	153	
546	New Borrowing / (Repayment)	9	307	
709	TOTAL	262	531	

ARTS AND CULTURE - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	778-Arts Strategy Implementation	34	33	
✓	831-Regent Theatre Additional Funding	132	-	Budget transferred into core existing levels of service, no budget decrease.
✓	913-Christmas in The Square	53	52	
↖	1157-World War 1 Commemoration	42	82	Brought forward from 2018/19.
✓	1199-Regent Theatre - Increased Operating Grant to Allow for Better Front of House Hospitality	32	-	Budget transferred into core existing levels of service, no budget decrease.
✓	1200-Caccia Birch - Increased Operating Grant	28	28	
✓	1201-Globe Theatre - Increased Operating Grant	21	21	
NEW 16/17	1280-Winter festival/Arts Celebration for the City	-	50	A winter festival with indoor and outdoor events.
NEW 17/18	1308-Reel Earth Film Festival	-	30	Result of finalising the 2017/18 Annual Budget.
NEW 17/18	1343-Feasibility study into a Military History Exhibition facility	-	20	Result of finalising the 2017/18 Annual Budget, Council has provided funds for a feasibility study into a Military History Exhibition Facility.
TOTAL		342	316	

ARTS AND CULTURE - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	213-Cultural Facilities - Replacement of Structures, Internal Fitout and Services	157	134	Part of budget transferred to programme 1291- Library roof and HVAC replacement.
TOTAL		157	134	
	Funded by Council (Rates and Borrowing)	157	134	

ARTS AND CULTURE - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	902-Seismic Strengthening of Council Owned Buildings	105	104	
↗	1016-C/fwd - Seismic Strengthening of Council Owned Buildings	-	150	Carry forward programme 902 from 2016/17.
↗	1325-C/fwd - Globe Theatre - Mobility Access to Main Auditorium (subject to part external funding)	-	143	Carry forward programme 1176 from 2016/17. Assumes \$72k will be funded from rates, borrowing, and the balance from external sources.
TOTAL		105	398	
	Funded by Council (Rates and Borrowing)	105	326	

CITY LIBRARY AND COMMUNITY DEVELOPMENT ACTIVITY

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
354	Main Library - Living Room of the City	365	289	Budget revised to reflect actual revenue received.
31	Library Books and Content	32	47	
282	Grants/Community Centres/Branch Libraries	290	229	Creative NZ grant transferred to Arts and Culture activity.
666	TOTAL REVENUE	687	565	
EXPENSES				
4,268	Main Library - Living Room of the City	4,315	5,744	Revaluation of assets has resulted in higher depreciation. Also changes to the timing of programme 1101 has resulted in higher interest.
3,173	Library Books and Content	3,303	3,036	Changes in the way costs are allocated between Main Library and Content.
5,826	Grants/Community Centres/Branch Libraries	5,258	5,134	Community Events grant funding transferred from Work and City Promotion along with reallocation of expenditure across these sub activities.
13,267	TOTAL EXPENSES	12,875	13,914	
12,601	NET OPERATING COST OF ACTIVITY	12,189	13,349	
RATING REQUIREMENT				
(2,032)	Less Depreciation	(1,925)	(2,125)	
1,662	Plus Net Capital Renewal (3 Year Average)	1,360	1,585	
255	Plus Debt Repayment	273	270	
12,486	RATES REQUIREMENT	11,896	13,079	
CAPITAL EXPENDITURE				
1,699	Renewal	1,363	2,732	
1,217	New	1,130	4,264	
2,916	TOTAL CAPITAL EXPENDITURE	2,494	6,996	
FUNDED BY				
77	External Revenue New	-	-	
1,662	Rates	1,360	1,585	
1,177	New Borrowing / (Repayment)	1,134	5,410	
2,916	TOTAL	2,494	6,996	

CITY LIBRARY AND COMMUNITY DEVELOPMENT - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
➤	395-Welcome To New Residents	13	-	Deferred to 2018/19.
✓	803-Maori/Pasifika Community Development	64	62	
✓	811-Digital Resources and Content	63	62	
✓	812-Youth Council Grants and Scholarships	6	6	
✓	931-CBD - CCTV Monitoring	13	13	
✓	1148-City Library and Community Services - Website and Virtual Services Upgrade and Renewal	16	15	
✓	1149-Digital Citizenship Programme	21	20	
✗	1210-Social Support to Social Housing	52	-	Social support is better provided by external agencies and not facilitated by Council funding.
	1309-Lions Club of Kairanga - Fireworks Over the River Event	-	20	Result of finalising the 2017/18 Annual Budget.
	1323-Libraries and Community Services: Digitisation Programme	-	50	Digitisation of negatives in anticipation of 150 year celebrations.
TOTAL		248	249	

CITY LIBRARY AND COMMUNITY DEVELOPMENT - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
➤	178-Central Library Replacement of Furniture and Fittings	53	131	Result of finalising the 2016/17 Annual Plan - mostly deferred to 2017/18.
✓	188-Replacement and Purchase of New Library Materials (Books, ebooks and non-Book Purchases)	780	768	
➤	202-Central Library Interior Design Renewals	195	304	Result of finalising the 2016/17 Annual Plan - deferred to 2017/18.
✓	203-Interior Design of Community Libraries, Youth Space, and Mobile Library	52	52	
✓	265-City-wide - Community Centre Refurbishments	10	10	
➤	594-C/fwd - Library Roof and HVAC Replacement	-	580	Carry forward balance of programme 1291 from 2016/17.
✓	1138-Digital Technology to Support 21st Century Citizens and Service (Renewal)	105	104	
✓	1139-Radio Frequency Identification (RFID) Materials Management	105	104	
✓	1143-Pataka Ipurangi (Archives Digital Library)	63	63	
	1291-Library Roof and HVAC Replacement	-	546	Urgent work required to Central Library roof and heating and ventilation systems.
➤	1333-C/fwd - City-wide - Community Centre Refurbishments	-	25	Carry forward balance of programme 265 from 2016/17.
➤	1337-C/fwd - Central Library Replacement of Furniture and Fittings	-	45	Carry forward balance of programme 178 from 2016/17.
TOTAL		1,363	2,732	
Funded by Council (Rates and Borrowing)		1,363	2,732	

CITY LIBRARY AND COMMUNITY DEVELOPMENT - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
◀	336-City Archives - Additional Storage	-	471	A change in timing is required to better align with the timing of the outcome of community consultation on the future layout of the Library buildings.
▶	595-C/fwd - The Library of the Future	-	370	Carry forward balance of programme 1101 from 2016/17.
▶	603-C/fwd - Digital Technology to Support 21st Century Citizens and Services	-	77	Carry forward balance of programme 1137 from 2016/17.
◀	1101-The Library of the Future	894	2,935	A change in timing is required to better align with the timing of the outcome of community consultation on the future layout of the Library buildings.
✓	1137-Digital Technology to Support 21st Century Citizens and Services	26	26	
▶	1141-Community Learning and Transformation Space	105	183	Timing of works delayed from original 10YP. Plan to now be done all within 2017/18.
▶	1147-Open Libraries Project	52	-	Deferred to 2019/20.
✓	1150-City Libraries - Building Security System Replacement	53	52	
	1306-Library HVAC Upgrade	-	150	Urgent work required to Central Library roof and heating and ventilation systems.
TOTAL		1,130	4,264	
Funded by Council (Rates and Borrowing)		1,130	4,264	

PARKS, SPORT AND RECREATION ACTIVITY

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
1,658	Central Energy Trust Arena	1,823	1,688	Some grants and subsidies now relate to capital expenditure rather than operations.
8	City-Wide Reserves	8	23	
106	Local Reserves	109	108	
105	Sportsfields	108	106	
1,876	TOTAL REVENUE	2,048	1,925	
EXPENSES				
4,798	Central Energy Trust Arena	5,032	5,747	} Changes in the way costs are allocated across this group of activities has resulted in a slight change from the 10YP.
4,740	City-Wide Reserves	5,143	5,544	
3,071	Local Reserves	2,914	3,328	
1,897	Sportsfields	2,429	2,827	
1,822	Swimming Pools	1,842	1,886	
16,328	TOTAL EXPENSES	17,360	19,332	
14,452	NET OPERATING COST OF ACTIVITY	15,312	17,407	
RATING REQUIREMENT				
(3,482)	Less Depreciation	(3,570)	(4,805)	
2,800	Plus Net Capital Renewal (3 Year Average)	3,351	3,183	
861	Plus Debt Repayment	901	972	
14,630	RATES REQUIREMENT	15,994	16,758	
CAPITAL EXPENDITURE				
2,887	Renewal	3,835	3,162	
4,592	New	6,966	8,936	
7,479	TOTAL CAPITAL EXPENDITURE	10,801	12,098	
FUNDED BY				
1	External Revenue Renewal	146	10	
1,769	External Revenue New	1,336	4,322	
128	Development Contributions	165	165	
2,800	Rates	3,351	3,183	
2,782	New Borrowing / (Repayment)	5,804	4,418	
7,479	TOTAL	10,801	12,098	

PARKS, SPORT AND RECREATION - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	268-Arapuke Forest Park/Kahuterawa Pest Control and Biodiversity Protection and Enhancement	80	78	
✓	355-Arapuke Forest Harvest and Replanting	73	71	
✓	799-National Sports Events and Cycling Support	85	83	
✓	835-Ashhurst Domain - Biodiversity Improvements as Part of Manawatu Gorge Project	44	43	
➤	991-Shade and Shelter Development - Manawatu Community Athletics Track	75	-	Deferred to 2018/19.
✓	1073-Reserve Management Planning	64	62	
✓	1080-Biodiversity Strategy - Increased Funding for Plant and Animal Pest Control	19	19	
✓	1212-Hockey Turf - Grant for Share of Construction	500	500	
✓	1249-Arapuke Forest Park - Contribution to Manawatu Mountain Bike Club for Trail Development	20	28	Result of finalising the 2017/18 Annual Budget, Council has provided additional funds.
	1348-Contribution toward the Riverbank protection of the Ashhurst Domain	-	500	Result of finalising the 2017/18 Annual Budget, Provision for contribution towards the riverbank protection at the Ashhurst Domain.
TOTAL		960	1,384	

*Activity name changed to more accurately reflect the scope of the Activity.

PARKS, SPORT AND RECREATION - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	98-City-wide Reserves - Renewals (Victoria Esplanade, Memorial Park, Ashhurst Domain and The Square)	252	250	
✓	173-City-wide - Playground Renewals	262	261	
✓	174-City-wide - Replacement of Furniture on Reserves	61	60	
✓	177-City-wide - Replacement of Gardens on Reserves	31	31	
✓	184-City-wide - Walkway Renewals	46	46	
✗	186-City-wide - Public Toilet Refurbishments and Replacements	26	-	Combined with programme 234.
✓	190-City-wide - Replacement of Trees on Reserves	13	13	
✓	194-City-wide - Renewal of Bridges on Reserves	73	73	
✓	195-City-wide - Renewal of Hardsurface Areas on Reserves	67	67	
✓	234-Sportsfields Changing Room Refurbishments	700	42	Now includes programme 186. Changing rooms upgrade budget transferred to 2019/20.
✓	254-City-wide - Sportsfield Carpark and Hardsurface Area Resurfacing	194	193	
✓	257-Fitzherbert/Manawaroa/Ongley Parks - Cricket Block Replacements	47	47	
✓	258-City-wide - Refurbishment and Replacement of Boundary Fences on Reserves	46	46	
✓	266-Fitzherbert Park - Hockey Turf Refurbishment	541	537	
✓	271-Sportsfields Hardsurfaces - Takaro, Wallace and Awapuni Court Renewals	52	52	
✓	596-Lido Pool - Asset Renewals	215	214	
✓	598-Freyberg Community Pool - Renewal of Capital Plant and Equipment	64	63	
➤	759-C/fwd - Sportsfields Changing Room Refurbishments	-	52	Carry forward balance of programme 234 from 2016/17.
✓	819-Central Energy Trust Arena - Replacement of Equipment	44	44	
✓	1051-Central Energy Trust Arena - Combined Asset Refurbishment	890	863	
✓	1108-Hokowhitu Lagoon - Bank Renewal	210	208	
TOTAL		3,835	3,162	
Funded by Council (Rates and Borrowing)		3,690	3,152	

PARKS, SPORT AND RECREATION - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	93-Memorial Park - Capital Development Programme	52	52	
✓	94-City-wide - Purchase of Land to Extend Walkways Network	66	66	
✓	95-City-wide - Construction of Walkways	71	71	
✓	111-Edwards Pit Park	52	52	
➤	140-Peace Tree Reserve Development	210	-	Deferred to 2018/19.
➤	144-Urban Growth - Whakarongo - Reserves Land Purchases	687	-	Deferred to 2018/19.
✓	157-City-wide - Playground Development	168	167	
✓	158-City-wide - Safety Improvements to Reserves	35	34	
✓	160-City-wide - Improved Access to Reserves for Persons with Disabilities	38	38	
✓	161-City-wide - New Public Toilets	346	344	
✓	165-Arapuke Forest Park/Kahuterawa - Development	45	44	
➤	368-Central Energy Trust Wildbase Recovery Centre (subject to part external funding)	-	2,743	Assumes majority funding from external sources.
➤	560-Te Motu o Poutoa / Anzac Park Reserve Development	334	-	Deferred to 2019/20.
✓	587-Linklater Reserve Development	278	249	Dog park originally budgeted in this programme, portion of funding transferred to programme 1100. As a result of finalising the 2017/18 Annual Budget, Council has provided funds for the construction of a barrier/fence at the front of the carpark.
➤	607-C/fwd - Freyberg Pool - Modifications to Toddler Pool	-	240	Carry forward balance of programme 285 from 2016/17.
➤	708-Urban Growth - Reserves Land Purchase Aokautere Area	630	-	Deferred to 2018/19.
➤	716-Urban Growth - Whakarongo - Walkways Land Purchases	359	-	Deferred to 2018/19.
✓	752-Manawatu Riverside - Framework Implementation	278	276	
➤	760-C/fwd - Linklater Reserve Development	-	75	Carry forward balance of programme 587 from 2016/17.
➤	761-C/fwd - Clearview Reserve Development	-	30	Carry forward balance of programme 697 from 2016/17.
✓	967-Edibles Planting	5	5	
➤	990-Central Energy Trust Arena - Covered Embankment (subject to part external funding)	2,000	500	Covering rescoped and deferred to 2018/19.
➤	999-C/fwd - Central Energy Trust Wildbase Recovery Centre (subject to part external funding)	-	1,391	Carryforward balance of programme 368 from 2016/17. Assumes majority funding from external sources.
✓	1077-Biodiversity Enhancement Through Native Planting	21	20	
➤	1081-Victoria Esplanade - Park Road Entrance and Parking Reconfiguration	26	-	Deferred to 2018/19.
✓	1084-Central Energy Trust Arena - Masterplan Priority 1 Projects	787	1,300	Purchase of retractable seating at Arena 2 costs increased.
	1100-Waitoetoe Dog Socialisation Area	-	99	Result of finalising the 2017/18 Annual Budget, Council has provided funds for a dog park at Waitoetoe Park at the end of Maxwells Line.
✓	1171-City-wide - Increased Smokefree Signage	10	10	
✓	1172-Drinking Fountains at Recreational Facilities	31	37	As a result of finalising the 2017/18 Annual Budget, Council has provided funds for a drinking fountain and bottle filling station at Ashhurst.

PARKS, SPORT AND RECREATION - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1175-Parks and Reserves - Shade Trees	26	26	
➤	1181-Hokowhitu Lagoon - Canoe Polo Club Court Improvements	52	-	As a result of finalising the 2017/18 Annual Budget, Council has deferred this programme until prog 1320 has been completed.
✓	1182-Recreation Spaces - Improved Lighting	21	21	
✗	1202-Bike Manawatu Off-road Cycling Park (subject to full external funding)	336	-	Budget provision removed.
➤	1278-C/fwd - Junior Road Safety Park (New Community Project) (subject to part external funding)	-	400	Carry forward balance of programme 1076 from 2016/17. Assumes \$100,000 will be funded by rates and borrowing and the balance from external sources.
	1318-Central Energy Trust Arena - New Generator	-	120	Purchase generators to replace current hiring options.
	1320-Supplementary Water Take from Manawatu River to Hokowhitu Lagoon	-	220	As a result of finalising the 2017/18 Annual Budget, Council has provided funds to address issues at the Lagoon.
➤	1326-C/fwd - Panieri Park - Purchase of Adjacent Land	-	40	Carry forward balance of programme 1282 from 2016/17.
	1342-Fitzherbert Park - Cricket Ground Enhancements (subject to part external funding)	-	266	Result of finalising the 2017/18 Annual Budget, Council has provided funds for various upgrades to the Fitzherbert Park Cricket Ground.
TOTAL		6,966	8,936	
	Funded by Council (Rates and Borrowing)	5,630	4,614	

Regulatory Group

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
617	Animal Control	644	633	
2,239	Building Control	2,358	2,454	
340	Support Services	352	375	
630	Planning Services - Private	651	661	
431	Public Health	536	438	New Food Act results in a reduction in the number of inspections.
4,258	TOTAL REVENUE	4,541	4,561	
EXPENSES				
697	Animal Control	711	683	
3,768	Building Control	4,091	3,802	Council has now built up sufficient reserves for leaking buildings support and can now reduce the amount funded annually from rates.
395	Support Services	384	416	
612	Planning Services - Private	619	652	
693	Planning Services - Public	693	696	
1,249	Public Health	1,300	1,238	
7,413	TOTAL EXPENSES	7,797	7,488	
3,155	NET OPERATING COST OF ACTIVITY	3,256	2,926	
RATING REQUIREMENT				
(23)	Less Depreciation	(22)	(24)	
19	Plus Net Capital Renewal (3 Year Average)	16	21	
-	Plus Debt Repayment		2	
3,151	RATES REQUIREMENT	3,250	2,926	
CAPITAL EXPENDITURE				
44	Renewal	-	6	
12	New	-	-	
56	TOTAL CAPITAL EXPENDITURE	-	6	
FUNDED BY				
19	Rates	16	21	
37	New Borrowing / (Repayment)	(16)	(15)	
56	TOTAL	-	6	

REGULATORY - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	130-Earthquake Prone Buildings - Assessment of Compliance with the Building Act	130	127	
✓	1206-Additional Resources - Training Programme for Building Officer Cadets	60	59	
TOTAL		190	185	

REGULATORY - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	1269-Bylaw Signage - Replacement	-	6	To ensure that signs meets the bylaw requirements.
TOTAL		-	6	
	Funded by Council (Rates and Borrowing)	-	6	

Roading and Parking Group

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
-	Footpaths	-	-	
3,625	Parking	3,841	3,656	Increasing time limit and free Saturday morning parking up to 11am results in fewer infringements and less parking income.
1,688	Roads	1,376	1,399	
195	Street Facilities	198	205	
559	Street Lighting	424	454	
505	Traffic Services	516	518	
6,571	TOTAL REVENUE	6,355	6,231	
EXPENSES				
2,155	Footpaths	1,789	2,026	} Change in depreciation assumptions following the revaluation of assets along with updated interest rate assumptions across these sub activities.
3,248	Parking	2,991	2,638	
12,832	Roads	13,899	13,143	
2,599	Street Facilities	2,916	2,854	
1,858	Street Lighting	1,767	1,683	
2,128	Traffic Services	2,115	2,492	
24,821	TOTAL EXPENSES	25,477	24,836	
18,249	NET OPERATING COST OF ACTIVITY	19,122	18,605	
RATING REQUIREMENT				
(9,456)	Less Depreciation	(10,031)	(10,057)	
3,477	Plus Net Capital Renewal (3 Year Average)	3,568	3,527	
1,270	Plus Debt Repayment	1,230	1,233	
13,540	RATES REQUIREMENT	13,889	13,308	

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	CAPITAL EXPENDITURE			
5,876	Renewal	5,337	5,479	
12,785	New	13,535	18,012	
18,661	TOTAL CAPITAL EXPENDITURE	18,871	23,491	
	FUNDED BY			
2,409	External Revenue Renewal	2,115	2,188	
4,214	External Revenue New	3,384	8,848	
539	Development Contributions	692	692	
3,477	Rates	3,568	3,527	
8,022	New Borrowing / (Repayment)	9,111	8,235	
18,661	TOTAL	18,871	23,491	

ROADING AND PARKING - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	1115-Massey and Research Institutes Development (Food HQ) - Investigation	-	163	Programme originally planned to be completed in 2016/17, now extended for a further two years.
	1167-Placemaking Co-created Project	52	36	Change in accounting treatment: transfer of operational budget to programme 1330 (capital programme).
	1207-Additional Resources - City Networks	104	181	Result of finalising the 2016/17 Annual Plan. Offset by other savings elsewhere.
	1214-Bikes in Schools	-	50	Result of finalising the 2017/18 Annual Budget.
	1262-Ashhurst Christmas Lights	2	2	
	1313-City-wide - Cycle Awareness Markings at Roundabouts	-	5	Sharrows (cycle awareness markings) at the approaches to all roundabouts in the City.
	1345-Feasibility study to extend the shared pathway from Longburn to Himatangi Beach	-	6	Result of finalising the 2017/18 Annual Budget, Council has provided funds for a feasibility study into a City to Sea shared pathway.
	1346-Starting the work on school travel plans as envisioned in the Integrated Transport Strategy	-	40	Result of finalising the 2017/18 Annual Budget, Council has provided funds to start work on school travel plans.
	1347-Report into the relationship between Ministry of Education transport and our footpath network	-	10	Result of finalising the 2017/18 Annual Budget, Council has provided funds to report into the relationship between MoE and PNCC's footpath network.
TOTAL		158	493	

ROADING AND PARKING - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	64-City-wide - Footpath Renewals and Replacements	685	684	
✓	74-City-wide - Street Light Replacements	135	135	
✓	82-City-wide - Off Street Parking Resurfacing, Remarking and Signage Replacement	10	10	
✓	115-City-wide - Sealed Pavement Renewals	1,420	1,418	
✓	122-City-wide - Road Drainage Replacements	480	480	
✓	139-City-wide - Sealed Road Resurfacing	1,780	1,778	
✓	155-City-wide - Street Tree Replacements	62	62	
✓	162-City-wide - Vehicle Crossing Replacements	420	419	
✗	175-City-wide - Traffic Signals Renewals	249	-	Work completed earlier than expected. Only remaining area to upgrade is The Square which will be done as part of the streetscape upgrade.
✓	181-City-wide - Bus Shelter Upgrades and Replacements	34	34	
✓	648-City-wide - Replacement of Deteriorating Cycle Stands	11	11	
✓	742-Campbells Road - Bridge Renewal	52	52	
➤	1332-C/fwd - City-wide - Traffic Signals Renewals	-	396	Carry forward balance of programme 175 from 2016/17.
TOTAL		5,337	5,479	
Funded by Council (Rates and Borrowing)		3,221	3,290	

ROADING AND PARKING - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	25-Forest Hill Road - Seal Extension	-	500	Result of finalising the 2017/18 Annual Budget, Provision to seal remainder of Forest Hill Road.
	57-Manawatu River - Downstream Pedestrian/Cycle Bridge Construction (subject to part external funding)	3,157	5,200	Work was originally planned to be spanned across four years, will now be completed within two years.
	114-City-wide - New Cycle Stands and Shelters	18	18	
	148-City-wide - Bus Stop Improvements	36	36	
	163-City-wide - New Street Tree Planting	28	28	
	201-City-wide - Roading Subdivision Contributions	166	166	
	228-Upgraded Strategic Routes to HPMV Standard	1,349	-	Result of finalising the 2017/18 Annual Budget, Council has deferred this programme to 2018/19.
	244-The Square East Side - Streetscape Upgrade	1,895	-	Result of finalising the 2017/18 Annual Budget, Council has deferred this programme to 2018/19.
	279-City-wide - Minor Road Projects	725	725	
	506-City-wide - Split Rubbish/Recycling Bins	22	22	
	703-C/fwd - Church/Ruahine Streets - Roundabout Safety Improvements	-	208	Carry forward balance of programme 674 from 2016/17.
	713-C/fwd - City-wide - Undergrounding of Power and Telecom Cables	-	235	Carry forward balance of programme 829 from 2016/17.
	749-C/fwd - Broadway Avenue Upgrade	-	145	Carry forward balance of programme 1259 from 2016/17.
	829-City-wide - Undergrounding of Power and Telecom Cables	978	977	
	876-C/fwd - City Centre - Major Upgrade of Main Bus Terminal (Urban and Inter-regional Services)	-	95	Carry forward balance of programme 243 from 2016/17.
	910-Ferguson Street (Linton Street to Pitt Street) - Road Widening and Traffic Signal Installation	1,262	-	Deferred to 2018/19.
	977-Manawatu River (Fitzherbert Bridge to Linton) - Cycle/Pedestrian Pathway (subject to part external funding)	-	800	Budgeted expenditure reduced for 2017/18 and reallocated to later years.
	1003-Urban Growth - Whakarongo - Intersection Upgrades	143	143	
	1007-Urban Growth - Whakarongo - Internal Roads	119	-	Result of finalising the 2017/18 Annual Budget, Council has deferred this programme to 2018/19.
	1037-Mangaone Stream Shared Path - Underpass at Botanical Road	280	-	Work planned for 2017/18 now completed in 2016/17.
	1038-Mangaone Stream Shared Path - Underpass at Highbury Avenue	280	-	Work planned for 2017/18 now completed in 2016/17.
	1039-City East (Mangaone Stream to Manawatu River) - Shared Path Connection	389	-	Deferred to 2018/19.
	1086-City-wide - Street Lighting Upgrade to Current LEDs	-	2,561	Result of finalising the 2016/17 Annual Plan, budgeted expenditure reduced for 2016/17 and reallocated to later years.
	1090-Industrial Growth - NEIZ - Intersection Upgrades	684	-	Deferred to 2018/19.
	1095-Palmerston North to Bunnythorpe - Cycle/Pedestrian Pathway	168	-	Deferred to 2018/19.
	1134-City Entrance Corridors - Streetscape Improvements	363	-	Deferred to 2018/19.
	1155-City-wide - Street Seats	11	11	

ROADING AND PARKING - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
>	1179-C/fwd - Urban Growth - Whakarongo - Intersection Upgrades	-	24	Carry forward balance of programme 1003 from 2016/17.
>	1183-Stoney Creek Road (School) Safety Upgrade	1,347	-	Deferred to 2018/19.
✓	1216-City-wide - Additional Cycle Lanes	104	102	Result of finalising the 2016/17 Annual Plan. Some budget transferred out to new programme 1313 (operating programme).
>	1229-C/fwd - Manawatu River (Fitzherbert Bridge to Linton) - Cycle/Pedestrian Pathway (subject to part external funding)	-	1,021	Carry forward balance of programme 977 from 2016/17.
✓	1257-City-wide - Cycle Phases at Intersections	10	41	Result of finalising the 2016/17 Annual Plan, the Council increased this budget to \$40k to allow more intersections to have cycle phases installed each year.
>	1274-C/fwd - City Wide - Street Lighting Upgrade to Current LEDs	-	1,578	Carry forward balance of programme 1086 from 2016/17.
>	1275-C/fwd - Manawatu River - Downstream Pedestrian/Cycle Bridge Construction (subject to part external funding)	-	135	Carry forward balance of programme 57 from 2016/17.
>	1276-C/fwd - City Boundary Entrance Treatments	-	496	Carry forward balance of programme 1131 from 2016/17.
>	1287-C/fwd - Urban Growth - Whakarongo - James Line Upgrade - Stage 3	-	2,631	Carry forward balance of programme 167 from 2015/16.
>	1327-C/fwd - Walker's Road - New Shared Pathway	-	100	Carry forward balance of programme 1315 from 2016/17.
	1330-Placemaking Co-created Project	-	15	Change in accounting treatment: transfer of operational budget from programme 1167 to capital expenditure.
TOTAL		13,535	18,012	
Funded by Council (Rates and Borrowing)		10,150	9,164	

Rubbish and Recycling Group

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
1,434	Waste Minimisation	1,472	1,491	
1,280	Waste Management	1,326	1,233	
316	Landfill Management	326	246	Budget revised to reflect actual tenancies at the Awapuni site.
3,031	TOTAL REVENUE	3,124	2,971	
EXPENSES				
5,281	Waste Minimisation	5,375	5,540	} Changes in the way costs are allocated between these sub activities.
1,651	Waste Management	1,700	1,457	
301	Landfill Management	307	253	
7,233	TOTAL EXPENSES	7,382	7,250	
4,202	NET OPERATING COST OF ACTIVITY	4,258	4,279	
RATING REQUIREMENT				
(684)	Less Depreciation	(733)	(737)	
335	Plus Net Capital Renewal (3 Year Average)	398	250	
1,211	Plus Debt Repayment	1,224	1,295	
5,064	RATES REQUIREMENT	5,147	5,088	
CAPITAL EXPENDITURE				
278	Renewal	308	306	
651	New	515	461	
929	TOTAL CAPITAL EXPENDITURE	823	767	
FUNDED BY				
335	Rates	398	250	
594	New Borrowing / (Repayment)	425	517	
929	TOTAL	823	767	

RUBBISH & RECYCLING - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	374-Waste Minimisation - Funding to Assist Activities	179	174	
NEW 2017	1207-Additional Resources - City Networks	-	80	Result of finalising the 2016/17 Annual Plan. Offset by other savings elsewhere.
TOTAL		179	254	

RUBBISH & RECYCLING - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	185-Awapuni Resource Recovery Park and Rubbish Transfer Stations - Roading, Drainage and Infrastructure Replacements	53	125	A change in priorities has resulted in a change in the timing of works between programmes 185 and 649 from what was originally in the 10YP.
✓	612-Recycling - Wheelie Bin and Crate Replacements	223	50	Budget transferred to programmes 185 and 649 due to changing priorities.
✓	649-Recycling - Materials Recovery Facility Renewals	33	131	A change in priorities has resulted in a change in the timing of works between programmes 185 and 649 from what was originally in the 10YP.
TOTAL		308	306	
Funded by Council (Rates and Borrowing)		308	306	

RUBBISH & RECYCLING - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	657-Recycling - Wheelie Bins and Crates to Additional Properties	37	37	
✓	721-Awapuni Landfill - Cover and Landscape	84	84	
✗	994-Recycling - Installation of Eddy Current at the Materials Recovery Facility	168	-	Business requirement no longer exists.
✓	1106-Recycling - Install RFID Tags on Existing Recycling Wheelie Bins	226	300	Further analysis of this programme has resulted in a cost revision in order to deliver a successful project.
➤	1312-C/fwd - Waste Minimisation - Introduction of Recycling Wheelie Bins	-	40	Carry forward balance of programme 18 from 2016/17.
TOTAL		515	461	
Funded by Council (Rates and Borrowing)		515	461	

Stormwater Group

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
2	Stormwater Collection and Disposal	2	2	
2	TOTAL REVENUE	2	2	
EXPENSES				
3,532	Stormwater Collection and Disposal	3,813	3,432	Change to interest rate assumptions.
3,532	TOTAL EXPENSES	3,813	3,432	
3,530	NET OPERATING COST OF ACTIVITY	3,811	3,430	
RATING REQUIREMENT				
(1,615)	Less Depreciation	(1,681)	(1,631)	
396	Plus Net Capital Renewal (3 Year Average)	434	413	
213	Plus Debt Repayment	214	224	
2,523	RATES REQUIREMENT	2,779	2,436	
CAPITAL EXPENDITURE				
825	Renewal	278	266	
1,116	New	1,459	970	
1,941	TOTAL CAPITAL EXPENDITURE	1,737	1,236	
FUNDED BY				
137	Development Contributions	176	176	
396	Rates	434	413	
1,409	New Borrowing / (Repayment)	1,127	647	
1,941	TOTAL	1,737	1,236	

STORMWATER - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1247-Three Waters Public Education - Stormwater	12	11	
	TOTAL	12	11	

STORMWATER - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1062-City-wide - Stormwater Renewal Works	278	266	
	TOTAL	278	266	
	Funded by Council (Rates and Borrowing)	278	266	

STORMWATER - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	51-City-wide - Stormwater Subdivision Contributions	107	106	
➤	1001-Urban Growth - Whakarongo - Installation of Stormwater Systems	711	-	Deferred to 2018/19.
✓	060-City-wide - Stormwater Improvement Works	641	614	Revised cost assumptions.
➤	1284-C/fwd - Urban Growth - Whakarongo - Installation of Stormwater Systems	-	250	Carry forward balance of programme 1001 from 2016/17.
	TOTAL	1,459	970	
	Funded by Council (Rates and Borrowing)	1,459	970	

Wastewater Group

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
318	Treatment and Disposal	333	222	
676	Wastewater Collection	709	705	
994	TOTAL REVENUE	1,042	927	
EXPENSES				
4,272	Treatment and Disposal	4,620	4,766	Electricity cost increases.
4,528	Wastewater Collection	4,676	4,435	Change to interest rate assumptions.
8,800	TOTAL EXPENSES	9,296	9,201	
7,807	NET OPERATING COST OF ACTIVITY	8,253	8,274	
RATING REQUIREMENT				
(2,949)	Less Depreciation	(2,979)	(3,022)	
3,249	Plus Net Capital Renewal (3 Year Average)	3,005	2,887	
409	Plus Debt Repayment	443	450	
8,516	RATES REQUIREMENT	8,723	8,590	
CAPITAL EXPENDITURE				
2,709	Renewal	3,399	3,513	
1,030	New	4,218	1,269	
3,738	TOTAL CAPITAL EXPENDITURE	7,617	4,782	
FUNDED BY				
298	Development Contributions	383	383	
3,249	Rates	3,005	2,887	
191	New Borrowing / (Repayment)	4,229	1,512	
3,738	TOTAL	7,617	4,782	

WASTEWATER - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	725-Three Waters Public Education - Wastewater	12	11	
NEW 2018	1319-Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade Options Analysis	-	620	Transfer out of core operating budget into operating programme to enable greater transparency of expenditure.
TOTAL		12	631	

WASTEWATER - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	54-City-wide - Wastewater Pipe Renewal	1,480	1,443	Revised cost assumptions.
✓	65-City-wide - Wastewater Pump Station Renewal	48	48	
✓	179-Totara Road Wastewater Treatment Plant - Minor Equipment Renewals	64	64	
✓	621-Totara Road Wastewater Treatment Plant - Digester Lids Refurbishment	481	500	Revised costings based on replacement of first digester lid.
✓	1056-Totara Road Wastewater Treatment Plant - Replacement of Inlet Screens (Renewal)	1,604	1,290	Change in accounting treatment: transfer of renewal component of growth budget from programme 570.
✓	1059-Totara Road Wastewater Treatment Plant - Replacement of Grit Removal Systems	53	42	Change in accounting treatment: transfer of renewal component of growth budget from programme 572.
➤	1324-C/fwd - Totara Road Wastewater Treatment Plant - Replacement of PLCs and SCADA	-	30	Carry forward balance of programme 64 from 2016/17.
➤	1341-C/fwd - City-wide - Wastewater Pump Station Renewal	-	97	Carry forward balance of programme 65 from 2016/17.
TOTAL		3,730	3,513	
Funded by Council (Rates and Borrowing)		3,730	3,513	

WASTEWATER - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	73-City-wide - Wastewater Subdivision Contributions	107	106	
➤	210-Urban Growth - Installation of Wastewater Systems for New Industrial Areas - NEIZ Extension Area	2,138	200	Deferred to 2018/19.
NEW 17/18	570-Totara Road Wastewater Treatment Plant - Replacement of Inlet Screens (Growth)	-	314	Change in accounting treatment: transfer of growth component of renewals budget from programme 1056.
NEW 17/18	572-Totara Road Wastewater Treatment Plant - Replacement of Grit Removal Systems (Growth)	-	10	Change in accounting treatment: transfer of growth component of renewals budget from programme 1059.
✗	630-City-wide - Seismic Strengthening to Wastewater Structures	214	-	Analysis has found structures within safety margins. Work no longer required.
➤	638-Totara Road Wastewater Treatment Plant - Primary Treatment Duplication	214	-	Deferred to 2018/19.
➤	1000-Urban Growth - Whakarongo - Installation of Wastewater Systems	1,112	300	Budgeted expenditure reduced for 2017/18 and reallocated to later years.
✓	1048-Totara Road Wastewater Treatment Plant - Construction of New Food Waste Facilities	102	101	
➤	1233-C/fwd - Bunnythorpe Wastewater Connection to Palmerston North	-	28	Carry forward balance of programme 906 from 2016/17.
➤	1296-C/fwd - City-wide Pump Stations - Flow Capacity Improvements	-	25	Carry forward balance of programme 198 from 2016/17.
➤	1307-C/fwd - Urban Growth - Whakarongo - Installation of Wastewater Systems	-	185	Carry forward balance of programme 1000 from 2016/17.
TOTAL		3,886	1,269	
Funded by Council (Rates and Borrowing)		3,886	1,269	

Water Group

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
20	Water Collection	21	21	
3	Water Distribution	3	3	
24	TOTAL REVENUE	25	24	
EXPENSES				
2,374	Water Collection	5,906	2,785	} Re-categorisation of expenditure and revised interest rate assumptions.
3,742	Water Distribution	1,441	3,574	
1,671	Water Treatment	1,265	1,640	
7,786	TOTAL EXPENSES	8,612	7,999	
7,762	NET OPERATING COST OF ACTIVITY	8,587	7,975	
RATING REQUIREMENT				
(2,631)	Less Depreciation	(2,692)	(2,813)	
3,182	Plus Net Capital Renewal (3 Year Average)	3,751	3,390	
391	Plus Debt Repayment	447	464	
8,704	RATES REQUIREMENT	10,093	9,015	
CAPITAL EXPENDITURE				
3,022	Renewal	3,236	3,109	
6,203	New	1,035	3,219	
9,225	TOTAL CAPITAL EXPENDITURE	4,271	6,328	
FUNDED BY				
245	Development Contributions	315	315	
3,182	Rates	3,751	3,390	
5,798	New Borrowing / (Repayment)	204	2,623	
9,225	TOTAL	4,271	6,328	

WATER - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1052-Turitea Dams - Implementation of the Dam Safety Assurance Programme	67	31	Revised cost assumptions.
✓	1246-Three Waters Public Education - Water	12	11	
	TOTAL	79	42	

WATER - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	199-City-wide - Water Bores and Headworks Renewal	73	200	Original estimate now deemed insufficient to address identified equipment condition and replacement.
✓	207-Turitea Water Treatment Plant - Equipment and Facility Renewals	107	160	To fund priority renewals identified during the water security review.
✓	214-City-wide - Water Toby and Meter Replacements	136	160	To fund priority renewals identified during the water security review.
✓	218-City-wide - Water Pipe Replacements	2,129	2,076	
◀	640-Turitea Water Treatment Plant - Replacement of Sludge Pipeline to Wastewater Treatment Plant	363	-	Completed earlier than originally planned.
✓	1058-City-wide - Water Bores Renewals and Redevelopment	428	409	
➤	1305-C/fwd - City-wide - Water Bores Renewals and Redevelopment	-	103	Carry forward balance of programme 1058 from 2016/17.
	TOTAL	3,236	3,109	
	Funded by Council (Rates and Borrowing)	3,236	3,109	

WATER - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	91-Turitea Water Treatment Plant - Construction of Duplicate Water Pipeline from Lower Dam to Harts Road Reservoirs	-	200	Brought forward from 2018/19.
	246-City-wide - Water Subdivision Contributions	222	221	
	592-Turitea Water Treatment Plant - Sludge Handling and Disposal Improvements	-	200	Improvements to wastewater and sludge handling at the Water Treatment Plant.
	610-Turitea Valley Road/Pacific Drive - New Water Supply Link Pipe and Reservoir	107	104	
	651-City-wide - Seismic Strengthening of Water Structures	214	208	
	750-C/fwd - Water Safety and Security Mitigation	-	138	Carry forward balance of programme 593 from 2016/17.
	929-C/fwd - Turitea Valley Road/Pacific Drive - New Water Supply Link Pipe and Reservoir	-	401	Carry forward balance of programme 610 from 2016/17.
	1004-Urban Growth - Whakarongo - Installation of Water Supply Systems	492	-	Result of finalising the 2017/18 Annual Budget, Council has deferred this programme to 2018/19.
	1235-C/fwd - Kelvin Grove Water Supply Zone - New Bore	-	628	Carry forward balance of programme 985 from 2016/17.
	1285-C/fwd - Urban Growth - Whakarongo - Installation of Water Supply Systems	-	600	Carry forward balance of programme 1004 from 2016/17.
	1286-C/fwd - Urban Growth - Installation of Water Supply Systems to an Expanded North East Industrial Zone	-	150	Carry forward balance of programme 1005 from 2016/17.
	1289-C/fwd - City-wide - Seismic Strengthening of Water Structures	-	319	Carry forward balance of programme 651 from 2016/17.
	1331-Fluoridation for Bunnythorpe and Longburn water schemes	-	50	Including these communities to be the same as the rest of the city.
TOTAL		1,035	3,219	
Funded by Council (Rates and Borrowing)		1,035	3,219	

Support Services Group

COMMERCIAL OR STRATEGIC INVESTMENTS ACTIVITY

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
2,546	External Contracts	2,634	2,765	
453	Investment Property	498	392	Budget revised to reflect actual tenancies.
158	Investments (including Investment Fund)	23	23	
200	Investments in Companies (including Airport)	200	300	Airport dividend receivable assumption increased as per SOI.
60	Print Synergy	62	61	
3,418	TOTAL REVENUE	3,418	3,541	
EXPENSES				
1,672	External Contracts	1,812	2,032	Change in cost allocation assumption.
517	Investment Property	512	588	Change in depreciation assumptions following the revaluation of assets.
355	Investments (including Investment Fund)	361	337	
494	Investments in Companies (including Airport)	563	495	
(43)	Print Synergy	(58)	(92)	
2,995	TOTAL EXPENSES	3,189	3,361	
(423)	NET OPERATING COST OF ACTIVITY	(229)	(180)	
RATING REQUIREMENT				
(1,081)	Less Depreciation	(1,079)	(1,174)	
1,241	Plus Net Capital Renewal (3 Year Average)	1,420	1,296	
329	Plus Debt Repayment	160	127	
66	RATES REQUIREMENT	272	69	

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
CAPITAL EXPENDITURE				
1,206	Renewal	1,300	1,368	
19	New	23	23	
1,225	TOTAL CAPITAL EXPENDITURE	1,324	1,391	
FUNDED BY				
1,241	Rates	1,420	1,296	
(17)	New Borrowing / (Repayment)	(96)	95	
1,225	TOTAL	1,324	1,391	

COMMERCIAL OR STRATEGIC INVESTMENTS - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	63-Council's Plant and Vehicles - Replacements	1,020	1,003	
✓	80-Council's Plant and Equipment - Replacement	168	166	
✓	86-Council Wide - Furniture Replacements	26	10	Accounting policy change has resulted in minor capital purchases now being deemed an operating expense.
✓	270-Holiday Park - Renewal of Facilities	63	62	
✓	311-Gordon Kear Forest Replant	24	23	
➤	1338-C/fwd - Replacement of Council's Photocopiers/Printers	-	103	Carry forward balance of programme 784 from 2016/17.
TOTAL		1,300	1,368	
Funded by Council (Rates and Borrowing)		1,300	1,368	

COMMERCIAL OR STRATEGIC INVESTMENTS - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	245-Gordon Kear Forest - Development of Internal Rooding	23	23	
TOTAL		23	23	
Funded by Council (Rates and Borrowing)		23	23	

CORPORATE SUPPORT ACTIVITY

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
332	Civic Administration Building	342	337	
802	Financial Services	829	815	
40	Human Resources	-	40	Externally funded activity.
1,174	TOTAL REVENUE	1,171	1,192	
EXPENSES				
362	Civic Administration Building	755	404	Change in cost allocation assumption.
581	Communication	408	718	New programme 1271 on the next page.
335	Financial Services	403	325	
40	Human Resources		40	Externally funded activity not allocated across Council.
(19)	Information Services	(59)	1	
1,298	TOTAL EXPENSES	1,508	1,488	
125	NET OPERATING COST OF ACTIVITY	337	296	
RATING REQUIREMENT				
(1,199)	Less Depreciation	(1,227)	(1,174)	
(923)	Less Internal Rates Recovered	(951)	(921)	
1,337	Plus Net Capital Renewal (3 Year Average)	1,233	1,296	
282	Plus Debt Repayment	375	356	
(379)	RATES REQUIREMENT	(233)	(146)	
CAPITAL EXPENDITURE				
1,931	Renewal	1,166	2,591	
308	New	210	309	
2,239	TOTAL CAPITAL EXPENDITURE	1,377	2,900	
FUNDED BY				
1,337	Rates	1,233	1,296	
902	New Borrowing / (Repayment)	143	1,604	
2,239	TOTAL	1,377	2,900	

CORPORATE SUPPORT - OPERATIONAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	1271-Community Engagement and Communications	-	113	To support Council engagement in regard to media releases and articles.
	1321-Advanced Investigation Into New IT Capital Programmes	-	80	Change in accounting treatment: transfer of capital renewal budget programme 55.
	TOTAL	-	193	

CORPORATE SUPPORT - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	53-Computer Replacement - Rolling Replacements	471	463	
✗	55-Application Software Upgrade	80	-	Change in accounting treatment: transfer of capital renewal budget to operating programme 1321.
✓	58-Network Additions and Upgrades	41	41	
⏪	68-Aerial Photography	84	172	Light Imaging, Detection, and Ranging (LIDAR) costs brought forward from outer years.
✓	85-Council's Depot Buildings and Structures - Replacement of Components as Required	89	88	
✓	272-Staff Cafeteria - Replacement of Equipment	6	6	
⏩	281-Civic Administration Building - Refurbishments	315	1,103	Timing adjusted from the 10YP as a result of more certainty around the timing of and actual work required.
✓	318-Telecommunications Replacement - Council Buildings	81	80	
⏩	616-C/fwd - Aerial Photography	-	25	Carry forward balance of programme 643 from 2016/17.
⏩	953-C/fwd - Civic Administration Building - Refurbishments	-	613	Carry forward balance of programme 281 from 2016/17.
	TOTAL	1,166	2,591	
	Funded by Council (Rates and Borrowing)	1,166	2,591	

CORPORATE SUPPORT - CAPITAL NEW

STATUS	ID-NAME	10YP 2017/18 \$'000s	AB 2017/18 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	60-Information Management Strategic Plan Project - New Software Applications	105	104	
⏩	1187-PNCC Website Customisation	105	-	Deferred to 2018/19.
⏩	1335-C/fwd - Non-Financial Reporting System	-	205	Carry forward balance of programme 1185 from 2016/17.
	TOTAL	210	309	
	Funded by Council (Rates and Borrowing)	210	309	

Significant Forecasting Assumptions

Significant forecasting assumptions and risks underlying the financial estimates in the Annual Budget are identified in the 10 Year Plan 2015-25 (see page 185) and cover the following issues:

ISSUE	LEVEL OF UNCERTAINTY OF ASSUMPTION AT TIME OF ADOPTION OF 10 YEAR PLAN	ISSUE	LEVEL OF UNCERTAINTY OF ASSUMPTION AT TIME OF ADOPTION OF 10 YEAR PLAN
1. Population & Household Growth	Medium	14. Revaluation of Property, Plant & Equipment Assets	Low
2. Worldwide Economic Position	Low	15. Asset Lives	Low
3. Social Change	Low	16. Depreciation	Low
4. Climate Change	Low	17. Inflation	Medium
5. Energy Price Change	Medium	18. Interest Rates for Borrowings	Medium
6. Natural Disasters & Adverse Weather Events	Medium	19. Resource Consents	High
7. Services Provided by Council	Medium	20. Turitea Windfarm	Medium
8. Continuity of External Funding	Low	21. Weathertight (Leaky) Homes Claims	Medium
9. Sources of Funds for Future Replacement of Assets	Low	22. Insurance	Low
10. NZTA Subsidy	Low	23. Earthquake Prone Buildings	Medium
11. Investments & Return on Investments	Low	24. Additional Road Crossing of Manawatū River	Low
12. Airport Dividend	Medium	25. Legal Expenses	Low
13. Forestry	Low	26. Delivery of Services Reviews	Low

Some assumptions have changed and impacted on the Annual Budget. Those changes to assumptions and risks are detailed below:

Inflation – inflation rates are now projected to be lower than assumed in the 10 Year Plan – projected costs have been reduced as a result.

Interest rates for borrowing – an average rate of 6.5% was assumed for the 10 Year Plan. This has been reduced to 5.7% given market rates continue to be lower than assumed.

Weathertight (leaky) homes claims – given the level of claims and the current provisions made by the Council the annual provision has been reduced from \$0.3m in the 10 Year Plan to nil in 2017/18.

Resource consents – since the adoption of the 10 Year Plan Horizons has accepted Council's proposals to bring forward by six years the timing of the review of the consent for discharge of wastewater from the Council's main wastewater plant to the Manawatū River. Consequently the planned \$2.9m capital programme to upgrade the tertiary filtration process to reduce particulate phosphate discharged into the river will no longer proceed. The 10 Year Plan is based on an assumption the Council may have to spend between \$35m and \$140m (\$23m and \$100m in current dollars), depending on what treatment is required. Council's longer term planning will take this into account. The 2017/18 budget includes a \$620,000 provision for investigations relating to this project.

Insurance – the potential impact of the November 2016

Kaikoura earthquakes on the obtainability and cost of insurance is unknown. It has been assumed it will not be material. Changes to the structure of fire and rescue services from 1 July 2017 are proposed to be funded by restructured and increased fire service levies. Provision of \$0.3m has been made in 2017/18 to accommodate the anticipated additional cost.



FINANCIAL AND RATING INFORMATION

Section 2



Section 1

Here you can see what assumptions have been made in preparing the financial information. You'll also see details about the rating system.

Section 2

Significant Forecasting Assumptions

Rating System, Rates and Funding Impact Statements

Section 3

Rating System, Rates and Funding Impact Statements

1. Introduction

Rating incidence is governed by the Council's Revenue and Financing Policy and its Rating Policies. This section outlines details of the present rating system used by the Council. It also incorporates the Funding Impact Statements in the form prescribed by the Local Government (Financial Reporting and Prudence) Regulations 2014.

At various points within this section a level of rate or charge is outlined. These are indicative figures included to give ratepayers an estimate of what their level of rates is likely to be in the forthcoming year. They are not necessarily the actual figures as these will not be known until the Council's rating information database is finalised. Rates figures in this section are GST inclusive unless otherwise specified.

2. Rating objectives

For many years the Council has embraced the following as being its rating objectives:

- to encourage growth and confidence in the City by operating a stable, easily understood method of setting rates.

- to set rates in a manner which is fair and equitable as between various ratepayers and classes of ratepayer and which is consistent with Council 's planning objectives.
- to ensure that all citizens contribute to the cost of providing City services by charging for use on a user pays basis where practicable.
- to foster the sense of a single community by operating a common system throughout the City.

3. Components of the present rating system - a summary

The Council's rating system, designed to meet these objectives, is utilised to fund the net cost of operations and programmes outlined in the 10 Year Plan and Annual Budget (Plan). It comprises the following components:

- A common system applies throughout the City.
- Targeted rates, in the form of fixed charges (as proxy user charges) are made to cover the costs of those services which are identifiable by property (water supply, wastewater disposal, and rubbish and recycling). In addition significant non-residential

users of water are metered and some non-residential wastewater users are charged on the basis of the number of pans (water closets and urinals).

- A Uniform Annual General Charge (UAGC) is applied as a fixed amount to every rating unit within the City. It is used as a mechanism to ensure each rating unit contributes a minimum amount of the general rate and also to moderate rates on high land value properties.
- A General Rate, based on the land value, is applied to each rating unit, with different rates (differentials) applying to each property category.

The categories in the Council's differential rating scheme reflect differing property use and can be broadly grouped as follows:

- Single unit residential
- Multi-unit residential
- Non-residential
- Rural and semi-serviced.

Differential surcharges (i.e. a higher rate in the \$) are applied to multi-unit residential and non-residential properties whilst lower rates are applied to single unit

residential and rural/semi-serviced properties.

4. Examples of proposed rates for 2017/18

This table shows what the rates will be for various categories of property for 2017/18 compared with the current year. If all of the properties in the category of property were listed from lowest to highest land value, then the 'median' is the value at the half way point in the list, quartile 1 is the value at the first quarter point in the list, and quartile 3 is the value at the three quarter point in the list.

For example, if there are 1,000 properties and they are sorted from the lowest to the highest then quartile 1 is the 250th property from the lowest.

	LAND VALUE	RATES 2016/17	RATES 2017/18
Single unit residential			
Average	147,000	2,382	2,433
Median	128,000	2,244	2,292
Quartile 1	101,000	2,048	2,090
Quartile 3	175,000	2,586	2,642

	LAND VALUE	RATES 2016/17	RATES 2017/18
Two unit residential			
Average	160,000	3,789	3,867
Median	139,000	3,557	3,627
Quartile 1	113,000	3,268	3,331
Quartile 3	185,000	4,066	4,152
Non-residential			
Average	574,000	14,162	14,559
Median	315,000	8,181	8,412
Quartile 1	180,000	5,064	5,208
Quartile 3	640,000	15,686	16,125
Rural & semi-serviced (5ha or more)			
Average	643,000	1,553	1,606
Median	350,000	1,147	1,188
Quartile 1	235,000	987	1,025
Quartile 3	680,000	1,604	1,658
Rural & semi-serviced (between 0.2 & 5 ha)			
Average	224,000	1,407	1,455
Median	220,000	1,394	1,442
Quartile 1	180,000	1,261	1,305
Quartile 3	260,000	1,527	1,578
Miscellaneous			
Average	395,000	4,310	4,440
Median	235,000	2,832	2,921
Quartile 1	113,000	1,706	1,763
Quartile 3	475,000	5,049	5,199

The three-yearly revaluation of the City for rating purposes was undertaken in 2015 and those valuations are the base for general rates set in 2017/18.

The examples should be read having regard for the following assumptions:

- the Council's total rates revenue will increase by 2.9%
- the Uniform Annual General Charge will be \$630 per rating unit (\$610 in 2016/17)
- targeted rates in the form of fixed annual charges will be applied for water supply (\$273); wastewater disposal (\$246); kerbside recycling (\$128); rubbish and public recycling (\$60) (\$268, \$246, \$137 and \$52 respectively in 2016/17)
- a targeted rate for wastewater disposal will be set on non-residential properties on the basis of the number of pans on the rating unit. The charge per pan will be \$246 which is unchanged from 2016/17
- the examples shown for non-residential, miscellaneous and rural/semi-serviced properties do not include the charges (either fixed or metered) for water, wastewater or kerbside recycling as these vary from property to property but they do include the rubbish and public recycling rate.

5. Components of the rating system – more detail

5.1 General Rate

The Council proposes to set a general rate based on the land value of each rating unit in the City.

The general rate will be set on a differential basis based on land use (see description below), with the differential factors as shown in the following table:

DIFFERENTIAL GROUP CODE	BRIEF DESCRIPTION	DIFFERENTIAL FACTOR (EXPRESSED AS % OF GROUP CODE MS)	RATE (CENTS IN \$ OF LV)
R1	Single unit residential	Balance (approx 79)	0.7458
R2	Two unit residential	120	1.1392
R3	Three unit residential	130	1.2341
R4	Four unit residential	140	1.3290
R5	Five unit residential	150	1.4240
R6	Six unit residential	160	1.5189
R7	Seven unit residential	170	1.6138
R8	Eight or more unit residential	180	1.7087
MS	Miscellaneous	100	0.9493

DIFFERENTIAL GROUP CODE	BRIEF DESCRIPTION	DIFFERENTIAL FACTOR (EXPRESSED AS % OF GROUP CODE MS)	RATE (CENTS IN \$ OF LV)
CI*	Non-residential (Commercial/Industrial)	250	2.3733
CR	Commercial research	250	2.3733
CA	Commercial accommodation	250	2.3733
FL	Rural & semi-serviced (5ha or more)	15	0.1424
FS	Rural & semi-serviced (0.2ha or less)	51	0.4841
FM	Rural & semi-serviced (between 0.2 & 5ha)	36	0.3417

* In respect of multi-storey buildings in group code CI an additional surcharge shall be applied equivalent to 5% on the basic general rate. (i.e. group code MS - miscellaneous) for each storey four and over to a maximum of 25%..

5.2 Uniform Annual General Charge

The Council proposes to set a uniform annual general charge of \$630 (\$610 for 2016/17) on each rating unit.

5.3 Targeted Rates

For the purposes of the targeted rates proposed below, a 'separately used or inhabited part (SUIP) of a rating unit' is defined as:

"A separately used or inhabited part of a rating unit includes any portion used or inhabited by the owner or a person other than the owner, who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other form of occupation) on an occasional or long term basis by someone other than the owner.

For the purposes of the definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.

For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one SUIP.

For a residential property a SUIP will usually have a separate entrance, kitchen facilities, living facilities and toilet/bathroom facilities.

By way of example the following would be considered to have separately used or inhabited parts of a rating unit:

- A single dwelling with flat attached
- Two or more houses, flats or apartments on one certificate of title
- A farm with more than one dwelling
- Individually surveyed lots of vacant land on one certificate of title offered for sale separately or in groups."

5.3.1 Water Supply

The Council proposes to set a targeted rate for water supply. For residential rating units it shall be on the basis of a fixed amount per separately used or inhabited part and for all other properties a fixed charge per rating unit. The charge will be set on a differential basis based on the availability of the service (either “connected” or “serviceable”). Connected means the rating unit is connected to a Council operated waterworks whilst serviceable means the rating unit is not connected to a Council operated waterworks but is within 100 metres of such waterworks.

Rating units which are not connected to the scheme, and which are not serviceable will not be liable for this rate. The estimated rates for the 2017/18 year are:

Connected:	\$273
Serviceable:	\$136.50

There are situations where the Council will require water being supplied on a metered basis. Where this occurs the Council proposes instead of the above, to set a metered water targeted rate that is based on the volume of water supplied. All water consumed will be charged at an estimated rate of \$1.173 per cubic metre with additional charges based on the size of the meter connection as follows:

Meter Size

Meter Size	Annual Charge \$
Up to 15mm	41.40
19 to 20mm	42.55
25mm	54.05
32mm	78.20
40mm	144.90
50mm	144.90
75 to 80mm	286.35
100mm	365.70
150mm	512.90
200mm	610.65

5.3.2 Wastewater Disposal

The Council proposes to set a targeted rate for wastewater disposal. For residential rating units it shall be set on the basis of a fixed charge per separately used or inhabited part and for all other properties a fixed charge per rating unit. The charge will be set on a differential basis based on the availability of the service (either “connected” or “serviceable”). Connected means the rating unit is connected to a public wastewater drain whilst serviceable means the rating unit is not connected to a public wastewater drain but is within 30 metres of such a drain.

Rating units which are not connected to the scheme, and which are not serviceable will not be liable for this rate.

The estimated rates for the 2017/18 year are:

Connected:	\$246
Serviceable:	\$123

In addition for the 2017/18 year the Council proposes to set a targeted rate for non-residential rating units of \$246 per pan (water closet or urinal) for each pan in excess of three.

5.3.3 Rubbish and Recycling

5.3.3.1 Kerbside Recycling

The Council proposes to set a targeted rate for kerbside recycling on the basis of a fixed amount per separately used or inhabited part of a rating unit for which the Council is prepared to provide the collection service. Where ratepayers elect, and the Council agrees, additional levels of service may be provided. These additional services could be by way of provision of more recycling bins or more frequent service. Each additional level of service will be charged at a rate of \$128. This may include charges to non-rateable rating units where the service is provided. Rating units for which the Council is not prepared to provide the service will not be liable for these rates.

The estimated rates for the 2017/18 year are:

Kerbside Recycling	\$ 128
--------------------	--------

5.3.3.2 Rubbish and Public Recycling

The Council proposes to set a targeted rate for rubbish and public recycling on the basis of a fixed amount per separately used or inhabited part of each residential rating unit and a fixed amount per rating unit for all other rating units. Rating units which are vacant land will not be liable for these rates.

The estimated rates for the 2017/18 year are:

Rubbish and public recycling	\$60
------------------------------	------

5.3.4 Warm Palmerston North

The Council proposes to set a targeted rate on properties that have benefited from the installation of insulation through the Warm Up Palmy Home Insulation Scheme. The rate is calculated as a percentage of the service amount (the cost of the installation) until the service amount and the costs of servicing the service amount are recovered. For 2017/18 the rate is proposed to be 16%.

5.4 Differential Matters and Categories

5.4.1 Objectives of Differentials for General Rate

The Council believes that a uniform general rate based on land value would not produce a fair and equitable allocation of rates and so operates a system of differentials based on land use. Descriptions of the land use categories are shown in 5.4.2.

The Council describes the relationship between the rates charged to each group in terms of a factor expressed as a percentage of the rate which would apply were there no differential rating in place i.e. the group described as Miscellaneous (MS). Each year the Council reviews the differential factors applied to each land use category. The factors proposed for 2017/18 are outlined in 5.1 and remain unchanged from 2016/17. The factors have been developed to address the following matters:

- rating units containing more than one residential unit will place an increasing demand on Council services as the number of units increase.

- rating units containing more than one residential unit will place an increasing demand on Council services as the number of units increase.
- the land value for non-residential property is often driven by different influences than the land value for residential or rural land and therefore is not directly comparable as a rating base.
- the Council's Revenue and Financing Policy identifies a number of activities where it believes non-residential users gain a greater benefit than other users so should bear a greater share of the cost.
- for large rural rating units a pure land value system would produce rates charges, which were unsustainable.
- rural and semi-serviced rating units generally have limited or in some cases no access to some Council activities funded through the general rate.
- rating units containing multi-storey buildings gain more benefit from the provision of Council activities than is reflected by the application of a uniform rate in the dollar of land value.

5.4.2 Differentials based on Land Use

The Council proposes to differentiate the General Rate on the basis of land use. Properties which have more than one use (or where there is doubt as to the relevant primary use) will be placed in a category with the highest differential factor or if, in the Council's opinion it is fair and reasonable to do so, then the Council may partition the property into parts and allocate each part to the most appropriate category. Note that, subject to the rights of objection to

the rating information database set out in sections 29 and 39 of the Local Government (Rating) Act 2002 the Council is the sole determiner of the categories.

The following differential categories will be used:

Single Unit Residential (R1)

Every rating unit not otherwise classified:

- Two hectare or less in area having a predominant or exclusive residential use and on which is erected one residential unit; or
- Two hectare or less in area and having no predominant use, on which no building is erected but upon which the erection of residential units is a permitted activity under the City's District Plan.

Multi-unit residential (R2 - R8)

Every rating unit not otherwise classified on which is erected:

- two residential units (R2); or
- three residential units (R3); or
- four residential units (R4); or
- five residential units (R5); or
- six residential units (R6); or
- seven residential units (R7); or
- eight or more residential units (R8).

In determining what is a residential unit the Council will apply the same criteria as defined for a SUIP as shown in 5.3.

Miscellaneous (MS)

Every rating unit (or division thereof) of the following types:

- property which could be categorised in another group code but which is used for not-for-profit purposes or other community purposes, determined at the Council's discretion.
- property that is used for parking that is available for public use in accordance with criteria determined by the Council
- where the ratepayer conducts or permits to be conducted a business, being a Home Occupation as defined in the City's District Plan, and which would otherwise qualify for inclusion in group code R1.
- serviced property that is more than two hectare in area, having a predominant or exclusive residential use and on which is erected one residential unit.
- vacant, serviced property not classified in group codes R1 or FL or elsewhere as follows:
 - property where non-residential use is a permitted activity under the City's District Plan
 - property over two hectare in area where residential use is a permitted activity under the City's District Plan
- property which, due to its location, would otherwise qualify for inclusion in group code FL, FS or FM but which is not used for predominantly residential, farming, military or not-for-profit community purposes. The Council may determine that only a portion of the property shall be classified as MS and that the remainder is classified as FL, FS or FM, as appropriate.

Serviced in this context means the property is either serviceable or connected for wastewater disposal as defined for the targeted rate for wastewater disposal.

Non-Residential (CI, CR & CA)

CI – Every rating unit not otherwise classified which has not a predominant or exclusive residential use (except property used for parking and/or vacant serviced property as defined in group code MS). Multi-storey properties, four storeys and over will be levied an additional differential surcharge.

CR – Every rating unit not otherwise classified which is predominantly used for research purposes in accordance with criteria determined by the Council.

CA – Every rating unit on which is erected a licensed hotel or an apartment building or residential institution and including a guest house, rooming house, boarding house, private hotel, motel, residential club or hostel. (Taverns which have no residential accommodation shall be included in group code CI).

Rural & Semi-serviced (FL, FS & FM)

FL – Every rating unit not otherwise classified which does not have access to the City's sewage disposal system and has either (a) an area of five hectares or more or (b) an area less than five hectares but on which there is no residential dwelling unit or non-residential improvements.

In determining whether for rating purposes access is deemed to be available the Council will have regard to the following:

- whether the Council will allow the rating unit to be connected to the sewage disposal system.
- whether the rating unit is capable of subdivision and if so, the ratepayer's intentions regarding subdivision.
- the scope of any sub-divisional plan deposited with the District Land Registrar.

- the portion of the property with access to services, which in the opinion of the Council, would form a reasonable first stage of subdivision.
- the prevailing economic climate as it affects subdivision and the supply of serviced land within the City.

Based on its assessment of the matters outlined above the Council will determine one of the following rating approaches:

- reclassify the full property to the higher rated group in the year immediately succeeding access to the system becoming available.
- reclassify only a portion of the property to the higher rated group code with the circumstances being reviewed annually.
- retain the present classification and review it annually.

FS – Every rating unit which would otherwise qualify for inclusion in group code FL but which has an area of 0.2 hectares or less and on which there is either a residential dwelling or non-residential improvements.

FM – Every rating unit which would otherwise qualify for inclusion in group code FS but which has an area greater than 0.2 hectares and less than five hectares. The Council may consider reclassifying only a portion of the property into a higher rated group code once access is available to the City's sewage disposal system. In that event the same criteria as for group code FL will apply.

6. Early payment of rates

Sections 55 and 56 of the Local Government (Rating) Act 2002 empowers councils to accept early payment of rates.

The Council will accept any payment of rates for either the current or future years in advance of the due date.

7. Rates payable by instalment & due dates

The Council provides for rates to be paid in four equal instalments but it reserves the right to issue the first instalment as an interim one based on 25% of the rates payable in the previous rating year. For the 2017/18 year the due dates (i.e. final dates for payment without incurring penalty charges) will be:

Instalment One:	25 August 2017
Instalment Two:	24 November 2017
Instalment Three:	23 February 2018
Instalment Four:	25 May 2018

Ratepayers may elect to pay on a more regular basis if they choose. They may also elect to pay the full year's rates in one lump sum prior to the due date for Instalment Two without incurring penalty charges on Instalment One.

Rates may be paid using any one of a number of payment methods acceptable to the Council including direct debits, cheques by mail, cheques or cash or Eftpos at Council's main office, direct credits and other bank transfer methods. Payment by credit card can be made using the internet,

subject to the payment of a fee to cover costs.

Properties which have water provided through a metered supply will be invoiced either monthly or two monthly at the discretion of the Council.

The due date for metered water targeted rates will be the 20th of the month following invoice date as follows:

MONTHLY INVOICING	
Instalment	Due Date
1	20 July 2017
2	20 August 2017
3	20 September 2017
4	20 October 2017
5	20 November 2017
6	20 December 2017
7	20 January 2018
8	20 February 2018
9	20 March 2018
10	20 April 2018
11	20 May 2018
12	20 June 2018

TWO MONTHLY INVOICING			
Linton, East & North Rounds		Ashhurst, South West, PNCC & Central Rounds	
Instalment	Due Date	Instalment	Due Date
1	20 July 2017	1	20 August 2017
2	20 September 2017	2	20 October 2017
3	20 November 2017	3	20 December 2017
4	20 January 2018	4	20 February 2018
5	20 March 2018	5	20 April 2018
6	20 May 2018	6	20 June 2018

8. Rates penalties

To provide an incentive for rates to be paid by the due date, penalties will be imposed when rates are not paid on time. A penalty charge of 10 per cent will be added to any portion of an instalment remaining unpaid after the due date for payment as outlined in clause 7 above.

A second 10 percent penalty charge will be added to all rates (including penalties) remaining unpaid as at 1 July 2018 with further additional charges of up to 10 percent to be added at six monthly intervals thereafter to all such rates which continue to remain unpaid.

A penalty charge of 10% will be added to any outstanding rates (including penalties) assessed in previous years and remaining outstanding at 1 July 2017 and again on 1 January 2018.

Penalty charges will not be applied to the metered water targeted rate.

9. Rating base information

The following are projected for the City as at 30 June 2017:

Number of rating units:	33,000
Total capital value of all rating units:	\$14,900,000,000
Total land value of all rating units:	\$6,400,000,000

10. Rates summary

BASIS OF RATES		10YP 2016/17 \$000	AB 2016/17 \$000	10YP 2017/18 \$000	AB 2017/18 \$000
General rates					
General rates	rate in \$ of LV (differentiated by use)	46,820	48,240	49,425	49,703
UAGC	fixed charge p rating unit	16,925	16,751	17,782	17,401
Targeted rates					
Water					
- connected	fixed charge p SUIP (residential) or p rating unit (non-residential)	7,387	6,789	8,056	6,960
- serviceable	fixed charge p SUIP (residential) or p rating unit (non-residential)	80	74	86	75
- metered	\$ p m3 plus fixed charge	1,840	1,840	1,950	1,980
Wastewater					
- connected	fixed charge p SUIP (residential) or p rating unit (non-residential)	7,139	6,560	6,745	6,634
- serviceable	fixed charge p SUIP (residential) or p rating unit (non-residential)	73	68	69	68
- pans	fixed charge p pan	2,030	1,887	1,910	1,887
Rubbish & recycling					
- kerbside recycling	fixed charge p SUIP	3,650	3,600	4,000	3,390
- rubbish & public recycling	fixed charge p SUIP	1,332	1,464	1,147	1,697
Total Rates Revenue (GST Exclusive)		\$87,276	\$87,275	\$91,170	\$89,795

11. Source and application of funds statements (funding impact Statements)

The Local Government (Financial Reporting and Prudence) Regulations 2014 prescribe the format for statements showing the sources and application of funds for the whole

of Council and for each group of activities of the Council. These statements are designed to show where operational and capital funding comes from, and how they are used.

This information is presented in two ways, firstly at the "Whole of Council" level, and in a slightly different form at the "Group of Activities" level. At the Group of Activities level, internal revenue and expenditure are shown as separate items, while at the Whole of Council level they are not displayed as the amounts balance each other out.

Capital Expenditure is grouped into three broad categories based on which one the programme most relates to. The three categories are:

- to meet additional demand
- to improve the level of service
- to replace existing assets.

The three categories do not clearly represent the fact that some programmes will contribute to more than one purpose.

In addition to the statements mentioned the Council is also providing Activity Financial Statements which shows the revenue and expenses for the services provided, as well as how the rates are calculated (see section 1).

Please Note:

1. In the statements, the term "Other Operating Funding" is an abbreviation of "Local Authority fuel tax, fines, infringement fees and other receipts".
2. The totals appear different between the two statements due to the different way the figures have been categorised. The Funding Impact Statements include rates revenue, whereas the Activity Financial Statements separate rates out to clearly show how they've been calculated. In addition, the Activity Financial Statements include depreciation in the expenses to show the full cost of the activity, while this is not included in the Funding Impact Statements.

WHOLE OF COUNCIL

Budget 2016/17 \$'000s	10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING		
64,992	67,207	67,103
22,284	23,962	22,693
3,074	2,649	2,757
4,369	4,656	4,705
375	240	340
18,652	19,313	18,559
113,746	118,029	116,157
APPLICATIONS OF OPERATING FUNDING		
83,186	83,349	85,184
6,288	9,485	6,462
-	-	-
89,474	92,834	91,646
24,272	25,195	24,511
SOURCES OF CAPITAL FUNDING		
8,541	6,981	15,441
1,347	1,731	1,731
13,516	13,793	18,994
-	-	-
-	-	-
-	-	-
23,404	22,505	36,166
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
2,603	9,029	5,406
23,167	17,726	30,554
24,906	25,588	27,308
-	-	-
(3,000)	(4,643)	(2,591)
47,676	47,700	60,677
(24,272)	(25,195)	(24,511)
-	-	-

LEADERSHIP - GROUP OF ACTIVITIES

Budget 2016/17 \$'000s	10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING		
9,011	8,868	8,815
-	-	-
-	-	-
155	160	187
36	37	36
148	21	23
9,350	9,086	9,062
APPLICATIONS OF OPERATING FUNDING		
7,280	6,888	6,936
-	-	1
2,067	2,195	2,122
-	-	-
9,347	9,083	9,059
3	3	3
SOURCES OF CAPITAL FUNDING		
-	-	-
-	-	-
(3)	(3)	(3)
-	-	-
-	-	-
-	-	-
(3)	(3)	(3)
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
(3)	(3)	(3)
-	-	-

COMMUNITY SUPPORT - GROUP OF ACTIVITIES

Budget 2016/17 \$'000s	10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING		
1,140	1,435	1,098
-	-	-
6	6	6
-	-	-
-	-	-
3,092	3,169	3,124
4,238	4,610	4,228
APPLICATIONS OF OPERATING FUNDING		
1,626	1,642	1,480
78	303	121
1,684	1,753	1,756
-	-	-
3,388	3,698	3,357
850	912	871
SOURCES OF CAPITAL FUNDING		
-	-	-
-	-	-
259	1,772	1,709
-	-	-
-	-	-
-	-	-
259	1,772	1,709
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
-	-	-
-	16	-
1,109	2,668	2,580
-	-	-
-	-	-
1,109	2,684	2,580
(850)	(912)	(871)
-	-	-

WORK AND CITY PROMOTION - GROUP OF ACTIVITIES

Budget 2016/17 \$'000s	10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING		
3,345	3,243	3,109
-	-	-
-	-	-
-	-	-
28	28	23
1,057	1,090	1,023
4,429	4,361	4,156
APPLICATIONS OF OPERATING FUNDING		
3,973	4,047	3,764
-	-	1
187	195	265
-	-	-
4,159	4,242	4,030
270	119	126
SOURCES OF CAPITAL FUNDING		
-	-	-
-	-	-
179	(36)	36
-	-	-
-	-	-
-	-	-
179	(36)	36
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
-	-	-
-	-	-
449	83	162
-	-	-
-	-	-
449	83	162
(270)	(119)	(126)
-	-	-

LEISURE - GROUP OF ACTIVITIES

Budget 2016/17 \$'000s	10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING		
32,595	33,706	35,488
-	-	-
117	120	119
-	-	-
146	153	146
2,426	2,614	2,429
35,284	36,593	38,182
APPLICATIONS OF OPERATING FUNDING		
18,657	18,526	20,233
1,180	1,740	1,376
9,636	10,084	10,294
-	-	-
29,474	30,350	31,903
5,809	6,243	6,279
SOURCES OF CAPITAL FUNDING		
1,918	1,482	4,404
128	165	165
3,249	5,668	8,777
-	-	-
-	-	-
-	-	-
5,295	7,314	13,347
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
-	1,885	-
4,797	5,133	12,845
6,307	6,539	6,780
-	-	-
-	-	-
11,104	13,557	19,625
(5,809)	(6,243)	(6,279)
-	-	-

REGULATORY - GROUP OF ACTIVITIES

Budget 2016/17 \$'000s	10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING		
3,151	3,250	2,926
-	-	-
-	-	-
4,214	4,496	4,517
1,222	1,205	1,183
43	45	44
8,630	8,996	8,670
APPLICATIONS OF OPERATING FUNDING		
5,258	5,450	5,201
-	-	1
3,353	3,530	3,445
-	-	-
8,612	8,980	8,646
19	16	23
SOURCES OF CAPITAL FUNDING		
-	-	-
-	-	-
37	(16)	(17)
-	-	-
-	-	-
-	-	-
37	(16)	(17)
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
-	-	-
12	-	-
44	-	6
-	-	-
-	-	-
56	-	6
(19)	(16)	(23)
-	-	-

ROADING AND PARKING - GROUP OF ACTIVITIES

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING			
13,540	General Rates, UAGC & Rates Penalties	13,889	13,308
-	Targeted Rates	-	-
2,707	Subsidies & Grants for Operating Purposes	2,271	2,313
-	Fees and Charges	-	-
-	Internal Charges & Overheads Recovered	-	-
3,864	Other Operating Funding *	4,084	3,919
20,112	TOTAL OPERATING FUNDING	20,244	19,539
APPLICATIONS OF OPERATING FUNDING			
9,584	Payments to Staff and Suppliers	8,920	9,100
1,879	Finance Costs	2,578	1,845
3,902	Internal Charges & Overheads Applied	3,948	3,834
-	Other operating funding applications	-	-
15,365	TOTAL APPLICATIONS OF OPERATING FUNDING	15,446	14,779
4,747	SURPLUS/(DEFICIT) OF OPERATING FUNDING	4,798	4,760
SOURCES OF CAPITAL FUNDING			
6,623	Subsidies and Grants for Capital Expenditure	5,500	11,037
539	Development & Financial Contributions	692	692
6,752	Increase/(Decrease) in Debt	7,882	7,002
-	Gross proceeds from sale of assets	-	-
-	Lump sum contributions	-	-
-	Other dedicated capital funding	-	-
13,914	TOTAL SOURCES OF CAPITAL FUNDING	14,073	18,731
APPLICATIONS OF CAPITAL FUNDING			
Capital Expenditure:-			
889	- to meet additional demand	2,255	2,964
11,896	- to improve the level of service	11,280	15,048
5,876	- to replace existing assets	5,337	5,479
-	Increase/(Decrease) in Reserves	-	-
-	Increase/(Decrease) of Investments	-	-
18,661	TOTAL APPLICATIONS OF CAPITAL FUNDING	18,871	23,491
(4,747)	SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(4,798)	(4,760)
-	TOTAL FUNDING SURPLUS/(DEFICIT)	-	-

RUBBISH & RECYCLING - GROUP OF ACTIVITIES

Budget 2016/17 \$'000s		10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING			
-	General Rates, UAGC & Rates Penalties	-	-
5,064	Targeted Rates	5,147	5,088
245	Subsidies & Grants for Operating Purposes	252	320
-	Fees and Charges	-	-
688	Internal Charges & Overheads Recovered	621	15
2,786	Other Operating Funding *	2,872	2,651
8,783	TOTAL OPERATING FUNDING	8,892	8,074
APPLICATIONS OF OPERATING FUNDING			
(360)	Payments to Staff and Suppliers	(517)	(321)
511	Finance Costs	625	435
7,086	Internal Charges & Overheads Applied	7,161	6,414
-	Other operating funding applications	-	-
7,237	TOTAL APPLICATIONS OF OPERATING FUNDING	7,270	6,529
1,546	SURPLUS/(DEFICIT) OF OPERATING FUNDING	1,622	1,545
SOURCES OF CAPITAL FUNDING			
-	Subsidies and Grants for Capital Expenditure	-	-
-	Development & Financial Contributions	-	-
(617)	Increase/(Decrease) in Debt	(798)	(778)
-	Gross proceeds from sale of assets	-	-
-	Lump sum contributions	-	-
-	Other dedicated capital funding	-	-
(617)	TOTAL SOURCES OF CAPITAL FUNDING	(798)	(778)
APPLICATIONS OF CAPITAL FUNDING			
Capital Expenditure:-			
-	- to meet additional demand	-	-
472	- to improve the level of service	-	40
457	- to replace existing assets	823	727
-	Increase/(Decrease) in Reserves	-	-
-	Increase/(Decrease) of Investments	-	-
929	TOTAL APPLICATIONS OF CAPITAL FUNDING	823	767
(1,546)	SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(1,622)	(1,545)
-	TOTAL FUNDING SURPLUS/(DEFICIT)	-	-

STORMWATER - GROUP OF ACTIVITIES

Budget 2016/17 \$'000s	10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING		
2,523	2,779	2,436
-	-	-
-	-	-
-	-	-
-	-	17
2	2	2
2,525	2,781	2,456
APPLICATIONS OF OPERATING FUNDING		
965	921	961
338	568	342
614	643	516
-	-	-
1,916	2,132	1,818
609	648	637
SOURCES OF CAPITAL FUNDING		
-	-	-
137	176	176
1,195	913	423
-	-	-
-	-	-
-	-	-
1,332	1,089	599
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
454	818	356
662	641	614
825	278	266
-	-	-
-	-	-
1,941	1,737	1,236
(609)	(648)	(637)
-	-	-

WASTEWATER - GROUP OF ACTIVITIES

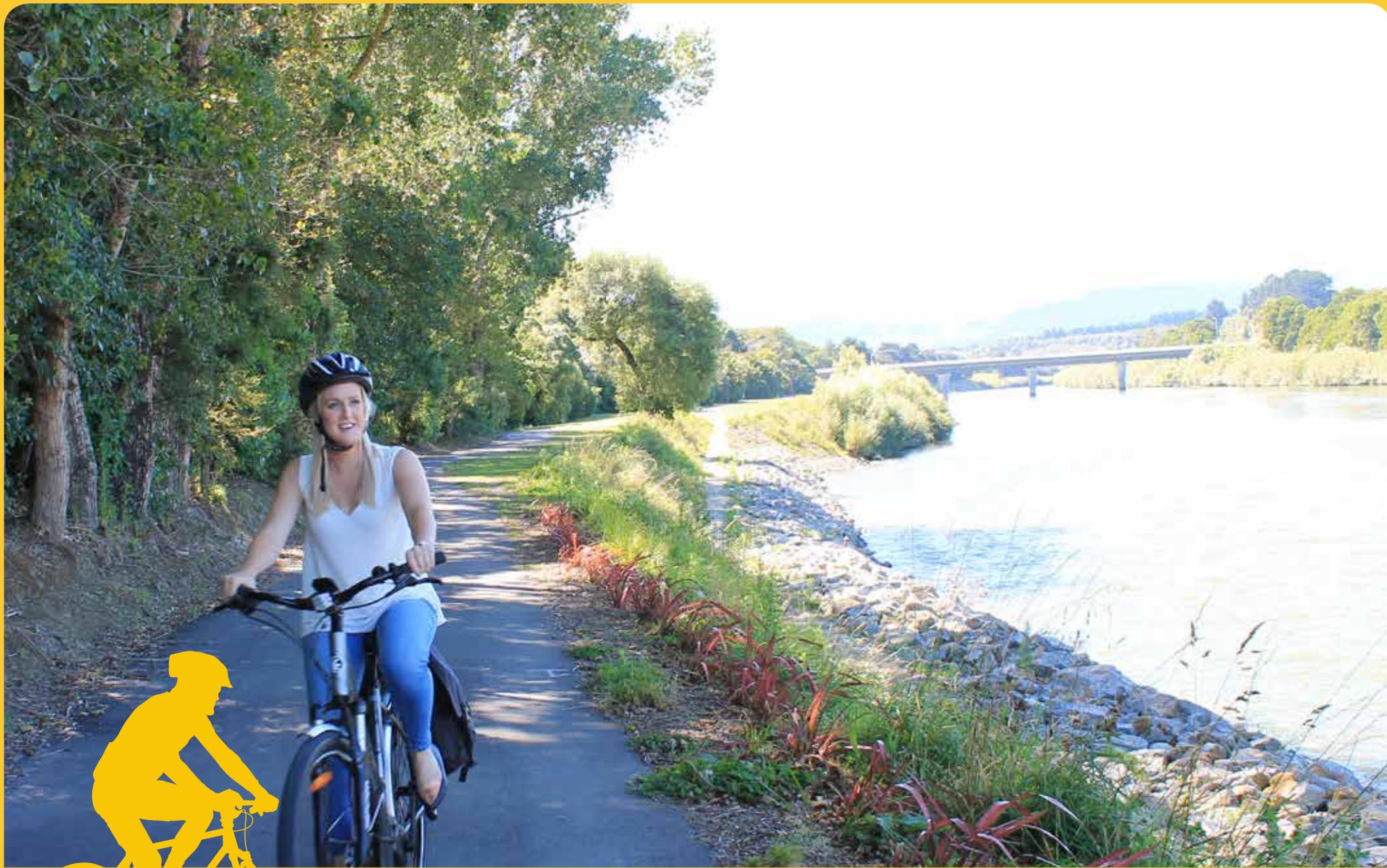
Budget 2016/17 \$'000s	10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING		
-	-	-
8,516	8,723	8,590
-	-	-
-	-	-
378	19	31
994	1,042	927
9,888	9,784	9,548
APPLICATIONS OF OPERATING FUNDING		
2,454	2,220	3,159
706	1,275	684
3,069	2,840	2,367
-	-	-
6,229	6,336	6,210
3,658	3,448	3,338
SOURCES OF CAPITAL FUNDING		
-	-	-
298	383	383
(218)	3,786	1,061
-	-	-
-	-	-
-	-	-
80	4,169	1,444
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
294	3,357	1,115
226	315	154
3,218	3,944	3,513
-	-	-
-	-	-
3,738	7,617	4,782
(3,658)	(3,448)	(3,338)
-	-	-

WATER - GROUP OF ACTIVITIES

Budget 2016/17 \$'000s	10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING		
-	-	-
8,704	10,093	9,015
-	-	-
-	-	-
254	222	184
24	25	24
8,981	10,341	9,223
APPLICATIONS OF OPERATING FUNDING		
1,820	1,779	1,739
799	1,379	881
2,789	2,985	2,750
-	-	-
5,409	6,143	5,370
3,572	4,198	3,853
SOURCES OF CAPITAL FUNDING		
-	-	-
245	315	315
5,407	(242)	2,160
-	-	-
-	-	-
-	-	-
5,652	73	2,475
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
966	714	971
4,776	107	1,521
3,483	3,450	3,836
-	-	-
-	-	-
9,225	4,271	6,328
(3,572)	(4,198)	(3,853)
-	-	-
TOTAL FUNDING SURPLUS/(DEFICIT)		

SUPPORT SERVICES - GROUP OF ACTIVITIES

Budget 2016/17 \$'000s	10YP 2017/18 \$'000s	AB 2017/18 \$'000s
SOURCES OF OPERATING FUNDING		
(314)	39	(77)
-	-	-
-	-	-
-	-	-
43,390	45,149	42,768
4,592	4,589	4,733
47,668	49,777	47,424
APPLICATIONS OF OPERATING FUNDING		
32,853	34,422	33,852
796	1,018	776
10,830	11,148	9,720
-	-	-
44,479	46,588	44,348
3,189	3,189	3,076
SOURCES OF CAPITAL FUNDING		
-	-	-
-	-	-
(2,726)	(5,131)	(1,376)
-	-	-
-	-	-
-	-	-
(2,726)	(5,131)	(1,376)
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
-	-	-
326	234	332
3,137	2,467	3,959
-	-	-
(3,000)	(4,643)	(2,591)
463	(1,943)	1,700
(3,189)	(3,189)	(3,076)
-	-	-
TOTAL FUNDING SURPLUS/(DEFICIT)		



ADDITIONAL INFORMATION

Section

3

Section 1

Section 2

Section 3

**Levels of Service,
Performance Measures and
Targets**

**Council Controlled
Organisations**

**Support to External
Organisations**

**The Role and Structure of the
Council**

How to Contact the Council

Glossary

Levels of service and performance measures

This section shows the Council's planned levels of service for each of the activities and the measures we'll use to report back on our performance.

All of our performance measures are measured annually, unless stated otherwise. The 'current results' column reflects the latest position. Any annual survey results that are known prior to the relevant Annual Budget or 10 Year Plan being adopted are included, e.g. Communitrak survey results.

Note that the Communitrak survey is carried out every three years.

The Council reports its performance in relation to levels of service in Annual Reports which can also be viewed on the Council's website or by phoning us and asking for a copy.

More information about each of the Council's activities can be found in the full 10 Year Plan which you can view on the Council's website pncc.govt.nz/10yearplan or by phoning us on 06 356 8199 and asking for a copy.

COUNCILLOR LEADERSHIP AND DECISION MAKING

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council encourages and provides opportunities for all people to get involved in its decision making in ways that are appropriate to their preferences and needs.	Council prepares an Annual Report on its Significance and Engagement Policy.	Report prepared and presented to Council.	Report prepared and key outcomes described.	Report prepared and key outcomes described.
	Council holds at least 20 "Let's Talk with a Councillor" meetings each year. ¹	Not met. 13 specific Let's Talk meetings were held. Residents had many other opportunities to engage with elected members.	At least 20 meetings held.	At least 20 meetings held.
	Resident satisfaction with the way Council involves them in decision making. (Communitrak Survey.)	81%.	At least 75%.	At least 75%.
The Council provides information to people on what it is doing in a way that is appropriate to their preferences and needs.	Resident satisfaction with the quality of information Council provides them. (Communitrak Survey. ²)	80%.	At least 85%.	At least 85%.
The Council manages its Councillor Leadership and Decision Making Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services were provided. However budget exceeded due to requirement to hold more hearings, higher Councillor meeting printing costs and higher Mayoral and Chief Executive Officer operating costs.	Services provided within budget.	Services provided within budget.

	SATISFACTION WITH DECISION MAKING	SATISFACTION WITH INFORMATION
very satisfied/satisfied	45%	58%
neither satisfied nor dissatisfied	34%	22%
dissatisfied/very dissatisfied	13%	11%
don't know	8%	9%

¹ Note: in March 2016 Councillors narrowed the criteria for what counts as a "Let's Talk" session. It now only covers meetings specifically organised as a Let's Talk with a Councillor meeting and the 10 Year Plan / Annual Plan community engagement meetings

² Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows" and "neither satisfied or dissatisfied".

DIRECTION SETTING

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council has plans and policies in place for the sustainable well-being of Palmerston North.	A 10 Year Plan that gives effect to Council's strategic direction is adopted every three years. In the other years an Annual Plan is adopted.	Completed.	Annual Plan adopted.	10 Year Plan adopted.
The Council works with stakeholders to take a collaborative approach to planning for a sustainable City.	The District Plan is reviewed in a way that gives effect to Council's strategic direction.	Residential Zone - Hearings completed.	Plan reviewed. Specific projects will be identified from the Annual Plan.	Plan reviewed. Specific projects will be identified from the Annual Plan.
	City strategies are reviewed and monitored in a way that gives effect to Council's strategic direction.	Rural Zone, Industrial Growth and Boundary Change - Hearings completed.	Strategies reviewed. Specific strategies will be identified from the Annual Plan.	Strategies reviewed. Specific strategies will be identified from the Annual Plan.
	An Annual Strategy Monitoring Report is prepared. ³	Recreation Zone - Notified and submission process in train.	Report prepared and key outcomes described.	Report prepared and key outcomes described.
	Council participates in Regional InterAgency Network Meetings.	Events and Festivals and Domestic Energy Strategies reviewed.	Meetings attended. Council will describe the Network's key achievements.	Meetings attended. Council will describe the Network's key achievements.
The Council applies Urban Design Principles through the District Plan, infrastructure and strategic projects.	Major projects include urban design principles and design review processes ⁴ .	Economic Development Strategy also reviewed and a new Heritage Strategy developed.	Specific projects will be identified from the Annual Plan.	Specific projects will be identified from the Annual Plan.

³ The Council also monitors its strategies through its online State of the City Monitoring tool - go to www.pncc.govt.nz and search for "our performance".

⁴ The Urban Design Principles are:

- Creating vibrant and distinctive places for people
- Providing choice in terms of lifestyle
- Easy access to amenities
- Celebrating what is unique about a place
- Embracing sustainability

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council advocates to central government on major issues affecting the City.	Council advocates on relevant issues.	The Council advocated on a range of issues, including the Productivity Commission's report on Using Land for Housing, the NZ Fire Service Review, earthquake prone buildings legislation, the licensing process for psychoactive substances, reducing harm from commercial sunbeds, the Horizons Regional Pest Management Plan.	Council will describe topics it has advocated on.	Council will describe topics it has advocated on.
The Council manages its Direction Setting Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided within budget.	Services provided within budget.	Services provided within budget.

CEMETERIES

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides cemeteries and a crematorium that are accessible, well maintained and take into account the cultural and religious needs of the community.	Resident satisfaction with the Council's cemeteries. (Communitrak Survey ⁵ .)	91%.	First survey to set baseline.	No measure.
	A 30 year asset management plan is in place for the cemeteries and major AMP projects approved in the 10 Year Plan are achieved.	Asset Management Plans were adopted by the Council in December 2014 and are due to be reviewed in 2017/18.	AMP in place and major projects (cemetery renewals, new burial berms) achieved.	AMP in place and major projects (cemetery renewals) achieved.
The Council manages its Cemeteries Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Service provided. However budget exceeded due to unplanned cremator maintenance required and higher costs of investigating natural burial options.	Services provided within budget.	Services provided within budget.

⁵ Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

CIVIL DEFENCE

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council is prepared for civil defence and rural fire emergencies by having emergency plans, an emergency operating centre, and trained volunteers.	The Council's Civil Defence Plan is consistent with the Manawatu- Wanganui Civil Defence and Emergency Management Group Plan. Key annual actions described.	Group Plan has fully adopted and signed off by Minister for Civil Defence.	Plans consistent. Priorities will be set once the Group Plan is reviewed.	Plans consistent. Priorities will be set once the Group Plan is reviewed.
	The Council has trained volunteers able to respond to emergencies. ⁶	Ongoing programme of training carried out and scheduled for forthcoming year, with particular focus on EMIS (Emergency Management Information System) and ITF (Integrated Training Framework). Approximately 70 volunteers currently trained - includes Rural Fire, Rescue and EOC.	At least 90 emergency operating centre, rural fire and REST volunteers.	At least 90 emergency operating centre, rural fire and REST volunteers.
	The Council's Rural Fire Plan passes audit by the National Rural Fire Authority every five years.	No measure.	No measure.	No measure.
The Council carries out public education to prepare people to look after themselves, their families and their neighbours in an emergency.	Council engages residents and organisations on civil defence preparedness through presentations, events and other information.	Continual community engagement met through community meetings and presentations to groups, schools and businesses.	Engagement techniques will be described.	Engagement techniques will be described.
The Council works collaboratively with other emergency service organisations.	Council participates in Coordinating Executive Group (CEG) and Emergency Management Committee (EMC) meetings attended.	EMC meetings held quarterly meetings and representation held at CEG.	Meetings attended. Council will describe the Group's key achievements.	Meetings attended. Council will describe the Group's key achievements.
The Council manages its Civil Defence Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided within budget.	Services provided within budget.	Services provided within budget.

⁶ The Council also works with groups such as Neighbourhood Support, marae and churches that have large numbers of volunteers that the Council will work with in an emergency. The Council also has a Safe City Strategy. Through this the Council monitors the proportion of people who are prepared for an emergency. REST means Rescue Emergency Support Team.

HOUSING

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides housing units for: <ul style="list-style-type: none"> • low-income older people and • low income people with long-term disabilities and • low-income people with other barriers to renting in the private market. 	Units are in demand and tenanted.	Council has 407 units, 397 of which are tenanted (98%).	At least 95% of available Units are tenanted.	At least 95% of available Units are tenanted.
	Tenants are satisfied with the Council's housing (two-yearly survey).	97%.	At least 90%.	No measure.
	Units meet University of Otago Medical School Supported Warrant of Fitness standards.	All housing complexes except Papaioea Place currently meet the WoF standards. Some maintenance work to be carried out on Papaioea Place exteriors which will address main issues.	All Units meet standards.	All Units meet standards.
The Council maintains and develops the housing units to meet tenants' needs in a cost-effective way.	A 30 year asset management plan is in place for community housing and major AMP projects approved in the 10 Year Plan are achieved.	Asset Management Plans were adopted by the Council in December 2014 and are due to be reviewed in 2017/18.	AMP in place and major projects (bedsit conversions to one-bedroom units and Papaioea Place upgrades as scheduled) achieved.	AMP in place and major projects (bedsit conversions to one-bedroom units and Papaioea Place upgrades as scheduled) achieved.
The Council manages its Housing Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided within budget.	Services provided within budget.	Services provided within budget.

The Council is reviewing the delivery mechanisms for its social housing – this may change some of these levels of service and KPIs.

WORK AND CITY PROMOTION

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council works in cooperation with people, organisations and community groups to support priority economic areas.	CEDA reports against the achievement of its Statement of Intent every six months. (The Statement of Intent focusses on supporting business growth, growing education and skills, and enhancing the reputation of the Region.)	CEDA Board established. KPIs for identified and contract finalised.	To be set through contract / statement of intent negotiations.	CEDA reports six-monthly.
The Council provides funding to external organisations to help it achieve its economic development objectives.	KPI and target to be set through negotiation with the new Economic Development CCO.	CEDA Board established. KPIs for identified and contract finalised.	To be set through contract / statement of intent negotiations.	CEDA reports six-monthly.
The Council manages its Work and City Promotion Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided within budget.	Services provided within budget.	Services provided within budget.

Council's economic priority areas are: health, logistics (warehousing and transport), research and development, agriculture and FoodHQ, retail and business services, education and defence.

ARTS AND CULTURE

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council empowers and supports the arts and culture sector to strengthen leadership and co-operation in the sector.	Major projects from the Arts Strategy are implemented. Networking opportunities are provided.	Ongoing projects undertaken as part of strategy but overall not as advanced as should be. Arts Strategy being reviewed in 2016/17.	Annual projects and networking opportunities and their outcomes will be described.	Annual projects and networking opportunities and their outcomes will be described.
The Council provides funding and facilities to external organisations to help it achieve its Arts Strategy ⁷ .	Arts and Culture Funding is distributed. The Council will report on the achievements of the funded organisations.	Funding provided.	Funding is distributed and the general outcomes achieved will be described.	Funding is distributed and the general outcomes achieved will be described.
	The Council provides a mix of studio, performance, rehearsal, exhibition, retail and office space for the arts (e.g. Square Edge and The Stomach).	Space available for groups across a wide range of the arts.	Facilities provided for a diverse range of arts groups and outcomes described.	Facilities provided for a diverse range of arts groups and outcomes described.
The Council provides appropriate facilities for the cultural CCOs (Te Manawa, the Regent on Broadway, the Globe Theatre, Caccia Birch).	30 year asset management plans are in place that cover Te Manawa, the Regent, Globe Theatre and Caccia Birch. Major AMP projects approved in the 10 Year Plan are achieved.	Asset Management Plans were adopted by the Council in December 2014 and are due to be reviewed in 2017/18.	AMP in place and major projects (building and asset renewals and scheduled seismic strengthening) achieved.	AMP in place and major projects (building and asset renewals and scheduled seismic strengthening) achieved.
The Council manages its Arts and Culture Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided within budget.	Services provided within budget.	Services provided within budget.

⁷ Drivers in the Council's Arts Strategy are to strengthen leadership and bring people together in the art sector; to enhance the look and feel of the City; to increase participation and involvement in the arts, to celebrate diversity of culture and creativity; and to improve access to the arts.

CITY LIBRARY AND COMMUNITY DEVELOPMENT

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides access to information, ideas, and works of the imagination (books, audio-visual materials and digital content).	Library weekly opening hours. ⁸	Libraries were open for more than scheduled hours.	The Central Library is open at least 53 hours; community libraries at least 26 hours each; and the mobile library has at least 38 stops.	The Central Library is open at least 53 hours; community libraries at least 26 hours each; and the mobile library has at least 38 stops.
	Total issues or uses of physical materials and online materials (e.g. books, magazines, DVDs, CDs, e-books, and subscriptions). (Note: the use of physical materials is expected to decrease or plateau, while use of e-books and digital content databases is expected to increase.)	Total Issues: Physical items: 1,072,389 (2014/15 1,070,316) Ebooks: 20,532 (2014/15 16,930) EAudiobook: 4,183 (2014/15 2,643)	Total use of materials and resources matches or exceeds the previous year's figure.	Total use of materials and resources matches or exceeds the previous year's figure.
	Number of members and visitors to the library facilities and events in community spaces.	Total number of new members 4,928. Central Library visitor count 508,227. Total visitor count across Central, Branches and Mobile Library 711,070. Number visitors attending events 81,153. Number events 1,559	Membership and visitor numbers at least match the annual average of the previous 3 years.	Membership and visitor numbers at least match the annual average of the previous 3 years.
	Resident satisfaction with Council's libraries. (Communitrak Survey ⁹ .)	98%.	At least 95%.	No measure.

⁸ KPI excludes scheduled and well-advertised closures for library developments (e.g. adding RFID barcodes to books and other items).

⁹ Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

WHAT WE DO (LEVELS OF SERVICE)	RESIDENT SATISFACTION WITH COUNCIL'S LIBRARIES. (COMMUNITRAK SURVEY .)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides support for lifelong learning.	Number of participants in lifelong learning initiatives such as Summer Holiday Reading Programme, Local History Week, and Stepping Up Programmes.	81,153 participants at 1,559 events. Council worked with a significant number of organisations to bring literacy and learning programmes to the City. A number of learning programmes initiated, including 3D printing, writing workshops for all ages, researching history and heritage. Regular digital learning programmes.	The number of participants will at least match the previous year's number. The Council will also report on their expectations and the actual outcomes.	The number of participants will at least match the previous year's number. The Council will also report on their expectations and the actual outcomes.
	Number of digital and non-digital help sessions run.	One-on-one tutorials: 491 sessions delivered. Digital help sessions (on demand): 703 provided. Code classes: 62 classes.	The number and length of time spent on one-on-one engagements in all sites and in community spaces is more than in the previous year.	The number and length of time spent on one-on-one engagements in all sites and in community spaces is more than in the previous year.
The Council provides online access to the digital world.	Use of internet and Wi-Fi.	Wi-Fi sessions 109,560. Internet (PC sessions) 105,569. Number of digital resources increased. Number of digital content creation initiatives continued.	Total Wi-Fi and internet sessions, unique sessions and length of sessions increase. (Within this PC usage is expected to plateau.)	Total Wi-Fi and internet sessions, unique sessions and length of sessions increase. (Within this PC usage is expected to plateau.)
The Council provides empowering leadership, funding and support to the community sector to help achieve Council's Social Strategy.	The Council organises an annual Social Well-Being Forum that identifies outcomes and actions to achieve these.	Forum held.	Forum held. Outcomes and actions will be described.	Forum held. Outcomes and actions will be described.
	Funding is distributed to community groups.	All funding streams to specific groups allocated where agreed service outcomes could be achieved.	Funding distributed and the outcomes achieved will be described.	Funding distributed and the outcomes achieved will be described.
	Hancock Community House is available for community office space and is used by a wide range of community groups.	Achievement of outcomes reviewed and considered in awarding of future funding.	Community House space available and tenanted by a diverse range of groups.	Community House space available and tenanted by a diverse range of groups.

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council makes available community centres for community use.	Community centres are available and well used. (This KPI is to be reviewed as part of the Community Centre Review.)	Some centres fell under 1,000 hours per year. Council is working with community groups to enhance usage.	Each centre used for at least 1,000 hours a year.	Each centre used for at least 1,000 hours a year.
The Council provides funding for events that build city identity and celebrate its diverse communities.	Celebrating Communities funding is distributed to help achieve Council's Events Strategy.	Funding allocated. 29 events funded.	Funding distributed and the outcomes achieved will be described.	Funding distributed and the outcomes achieved will be described.
The Council provides a wide range of activities and support for youth.	Youth Space usage and number of events and activity sessions. Key outcomes will also be described.	Level of visitors increased significantly. Level of events and programmes increased	The number of visits, events and programmes at least matches the previous year. The outcomes of these will also be described.	The number of visits, events and programmes at least matches the previous year. The outcomes of these will also be described.
The Council manages its City Library and Community Development Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided. However budget exceeded due to higher depreciation on additions than budget provided.	Services provided within budget.	Services provided within budget.

PARKS, SPORT AND RECREATION

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides a well-maintained multi-purpose sports, leisure and cultural facility (Central Energy Trust Arena) that meets a wide range of people's leisure interests.	Key projects from the Arena Master Plan are implemented.	Upgrading of the rear field lighting completed.	Scheduled projects from the Arena Master Plan are achieved.	Scheduled projects from the Arena Master Plan are achieved.
The Council provides parks that are safe and maintained to a high standard appropriate to their range and level of uses.	Satisfaction with parks (ParksCheck ¹⁰ .)	82%.	At least 89%.	No measure.
The Council provides multi-use local reserves, playgrounds and City reserves that meet a diverse range of public leisure interests.	Resident satisfaction with the Council's parks. (Communitrak Survey ¹¹ .)	97%.	At least 95%.	No measure.
	A 30 year asset management plan is in place for the parks and reserves and major AMP projects approved in the 10 Year Plan are achieved.	AMP in place and major projects (reserves and playgrounds renewals, Te Motu o Poutoa / Anzac Park development, scheduled Linklater Reserve developments) achieved.	AMP in place and major projects (reserves and playgrounds renewals, skate park, junior road safety park10) achieved.	AMP in place and major projects (reserves and playgrounds renewals, scheduled Linklater Reserve developments) achieved.

¹⁰ ParksCheck Survey is currently every year. It is proposed to change this from yearly to every three years, for the development of the 10 Year Plan.

¹¹ Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
<p>The Council's sportsfields are available and widely used by a range of sports groups and codes.</p> <p>The Council's sportsfields are well maintained, accessible and safe to use.</p>	Sportsfields are available for weekend organised use.	Playing fields 97% availability. Training fields 98% availability.	At least 85%.	At least 85%.
	Satisfaction with sportsfields (ParksCheck ¹² .)	80%.	At least 86%.	At least 86%.
	Resident satisfaction with Council's sportsfields. (Communitrak Survey ¹³ .)	95%.	At least 90%.	At least 90%.
	A 30 year asset management plan is in place for the sportsfields and major AMP projects approved in the 10 Year Plan are achieved. Show major projects.	Asset Management Plans were adopted by the Council in December 2014 and are due to be reviewed in 2017/18.	AMP in place and major projects (sportsfields renewals) achieved.	AMP in place and major projects (sportsfields renewals, off-road cycling park) achieved.
<p>The Council provides aquatic facilities that are well-supervised, safe to use, value for money and cater for a range of uses.</p> <p>The Council maintains and develops the swimming pools to meet the current and future needs in a cost-effective way.</p>	Satisfaction with swimming pools (PoolCheck ¹⁴ .)	96%	At least 85%.	No measure.
	Resident satisfaction with Council's swimming pools. (Communitrak Survey ¹⁵ .)	93%.	At least 90%.	No measure.
	Lido and Freyberg pools comply with NZ recommended standards for pool supervision and water quality.	100% compliance.	100% compliance.	100% compliance.
	A 30 year asset management plan is in place for swimming pools and major AMP projects approved in the 10 Year Plan are achieved.	Asset Management Plans were adopted by the Council in December 2014 and are due to be reviewed in 2017/18.	AMP in place and major projects (modifications to Freyberg toddler pool, aquatics renewals) achieved.	AMP in place and major projects (aquatics renewals) achieved.

12 ParksCheck Survey is currently every year. It is proposed to change this from yearly to every three years, for the development of the 10 Year Plan.

13 Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

14 ParksCheck Survey is currently every year. It is proposed to change this from yearly to every three years, for the development of the 10 Year Plan.

15 Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides public toilets that are well-designed, clean and safe to use. The Council provides an adequate number of public toilets that are available where and when people gather.	Number of public toilet facilities (76 facilities in 2015/16 increasing by at least one per year ¹⁶).	77 facilities - new public toilet installed at Colquhoun Park near the playground.	There will be at least 77 facilities.	There will be at least 78 facilities.
	Resident satisfaction with Council's public toilets. (Communitrak Survey ¹⁷ .)	88%.	At least 80%.	No measure.
The Council manages its Parks, Sport and Recreation Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided. However budget exceeded due to Central Energy Trust Arena lower sponsorship revenue (now capital revenue) and higher operating costs and depreciation.	Services provided within budget.	Services provided within budget.

¹⁶ Actual number of new public toilets will depend upon the location and hence cost of the new toilets.

¹⁷ Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

REGULATORY

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides a 24/7 30 minute response service for dog attacks.	Complaints regarding dog attacks are responded to by an Animal Control Officer within 30 minutes of the call being received by Council.	100%. "Response" means Animal Control Officer arrived on site or contacted the complainant.	100%.	100%.
The Council ensures that building work is safe and in accordance with the Building Act by processing building applications, inspecting construction work, inspecting building warrants of fitness, and providing information and advice.	An increasing proportion of building consent applications are processed within statutory timeframes.	97%.	At least 96%.	At least 97%.
	The Council keeps its status as an accredited building consent authority.	BCA accreditation received 20 July 2015.	Accreditation retained.	Accreditation retained.
The Council ensures that resource consent applications are processed within the statutory timeframe.	Resource consent applications are processed within statutory timeframes.	97%.	At least 96%.	At least 96%.
The Council processes food licence applications and ensures food business are complying with food safety legislation.	Food businesses registered under the food hygiene regulations receive annual inspections.	100%.	100%.	100%.
	Food businesses registered with a Food Control Plan receive an annual audit.	Target met. Audits are carried out within the year following the anniversary of FCP being approved. This does not coincide with the financial year.	100%.	100%.
The Council provides a 24/7 one hour response service for noise complaints. ¹⁸	Complaints about noise are responded to within one hour (see note).	96%.	At least 95%.	At least 95%.

¹⁸ The Council responds directly to noise complaints within one hour after 10pm on Sunday-Thursday nights and after 11pm on Friday and Saturday nights. Prior to these times the Council asks the complainant to ring back within 30 minutes if the noise continues. In these cases the one-hour time starts at that point.

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides friendly, professional and knowledgeable service to its customers. This includes providing the information they are seeking and giving feedback on the results of their requests and complaints.	An increasing proportion of customers surveyed are satisfied with the friendliness, professionalism, and knowledge of the service they receive. (Surveys to be undertaken throughout the year.)	86% (new survey methodology used).	At least 55%.	At least 60%.
The Council manages its Regulatory Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provide within budget.	Services provided within budget.	Services provided within budget.

ROADING AND PARKING

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides a roading network that has easy and comfortable movement for motorists and cyclists throughout the City with a high level of safety and a low level of delays.	Mandatory: The average quality of ride on the sealed local road network, measured by smooth travel exposure. (At least >80 and <140 good rating. New measure.)	Urban 91 and Rural 84. (Result based on scale of 10-999, where 10 is perfect and 90 to 140 is a good rating.)		
	Mandatory: The change in the number of fatal and serious injury crashes from the previous financial year on the City's local roading network. ¹⁹	Fatal and serious injury crashes: 2013 - 26 (5 year average - 25) 2014 - 23 (5 year average - 22) 2015 - 25 (5 year average - 22.4) (Crashes recorded by calendar year.)	Fewer than the previous year.	Fewer than the previous year.
	Mandatory: Percentage of sealed roads that are resurfaced each year.	4.97% (246,810m ² of 4,962,064m ²)	Over 3.5%.	Over 3.5%.
	Resident satisfaction with the Council's roads. (Communitrak Survey ²⁰ .)	74%.	At least 80%.	No measure.
The Council provides footpaths that are smooth and free of hazards, and pram crossings that are safe and easy to negotiate for a wide range of users.	Mandatory: The percentage of footpaths receiving a grade 4 or 5 condition rating on a 1 (best) to 5 (worst) scale.	Independent survey of 4,180 footpath segments completed: Grade 4 condition rating - 35 (0.8%) Grade 5 condition rating - 0. Where grade 4 or 5 signify "priority maintenance".	Less than or equal to 1%.	Less than or equal to 1%.
	The number of complaints and requests for service about footpaths.	384 complaints/requests.	Reduction in number of complaints and requests for service.	Reduction in number of complaints and requests for service.
	Resident satisfaction with the Council's footpaths. (Communitrak Survey ²¹ .)	72%.	At least 80% [†] .	No measure.
The Council provides facilities which encourage more travel by cycling, walking or public transport.	Resident satisfaction with the Council's onroad cycle lanes. (Communitrak Survey ²² .)	81%.	At least 70%.	No measure.

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides car parking that is conveniently available throughout the City to meet the needs of retailers, shoppers, commuters and visitors.	Resident satisfaction with the Council's parking. (Communitrak Survey ²³ .)	77%.	At least 65%.	No measure.
The Council maintains and develops the roading, footpaths and cycleways to meet current and future needs in a cost-effective way.	A 30 year asset management plan is in place for Council's roading and major AMP projects approved in the 10 Year Plan are achieved.	Asset Management Plans were adopted by the Council in December 2014 and are due to be reviewed in 2017/18.	AMP in place and major projects (road and footpath renewals, Fitzherbert Bridge to Linton cycleway) achieved.	AMP in place and major projects (road and footpath renewals, The Square East Side (ANZ to Plaza) streetscape upgrade, Ferguson Street [Linton Street to Pitt Street] widening, Stoney Creek Road [school] safety upgrade) achieved.
	Mandatory: Percentage of requests for service relating to roads and footpaths responded to (with at least an initial formal response) within three working days.	Of the 5,825 requests for service received, 4,266 (73%) were responded to within three working days.	At least 95%.	At least 95%.
The Council manages its Roading and Parking Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided. However budget exceeded overall by slightly higher depreciation than budgeted. All maintenance and operational programmes completed, however number of capital programmes not achieved.	Services provided within budget.	Services provided within budget.

The Council adopted an Integrated Transport Strategy in 2015/16. It is now preparing a Transport Management Plan. This may lead to new KPIs.

Previously 70% (changed Annual Plan 2016/17).

* Measure inadvertently written as 80%, instead of 80 being the lower figure in a targeted range of 80 to 140.

19 It will be difficult to measure this for a financial year as the New Zealand Transport Authority Crash Analysis System data has a time lag of 3-4 months. The numbers of fatal and serious injuries can vary from year to year so the Council will also report on five-yearly rolling trends.

20 Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

21 Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

22 Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

23 Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

RUBBISH AND RECYCLING

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides a weekly reliable rubbish collection service to maintain hygiene standards in the City.	Rubbish and recycling placed in the Council's official receptacles is collected on the stated day.	100.0%.	At least 98%.	At least 98%.
The Council provides a reliable weekly recycling kerbside collection service to residential areas of the City.	Collection points are available and open for the stated hours. ²⁴	Available and open for stated hours.	Collections points open and available.	Collections points open and available.
The Council provides reliable rubbish and recycling collection points for customers outside of the kerbside collection service.	Resident satisfaction with the Council's rubbish and recycling collections. (Communitrak Survey ²⁵ .)	92%.	At least 85%.	No measure.
The Council provides green waste disposal facilities for the City.	Green waste facility is available and open for the stated hours.	Available and open for stated hours.	Facility open and available.	Facility open and available.
The Council manages waste in an efficient and sustainable way.	<ul style="list-style-type: none"> • No abatement notices received. • No infringement notices received. • No enforcement orders received. • No convictions received by the Council in relation to resource consents for the Rubbish and Recycling Activity. 	No non-compliance notices received.	No notices, orders, or convictions are received.	No notices, orders, or convictions are received.

²⁴ Ferguson St recycling Centre, Awapuni Resource Recovery Park, Ashhurst transfer station, and Bunnythorpe transfer station. For details on their location and hours go to www.pncc.govt.nz and search for "recycling facilities"

²⁵ Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council maintains and develops the rubbish and recycling system to meet the current and future needs in a cost-effective way.	A 30 year asset management plan is in place for rubbish and recycling and major AMP projects approved in the 10 Year Plan are achieved.	Asset Management Plans were adopted by the Council in December 2014 and are due to be reviewed in 2017/18.	AMP in place and major projects (renewals) achieved.	AMP in place and major projects (renewals) achieved.
The Council manages its Rubbish and Recycling Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided within budget.	Services provided within budget.	Services provided within budget.

STORMWATER

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides protection for habitable buildings in urban areas from flooding in major flood events.	Mandatory: The number of flood events per year resulting in stormwater from the Council's stormwater system entering a habitable floor in an urban area.	One event (5 May 2016).	No more than 2 flood events.	No more than 2 flood events.
	Mandatory: The number of habitable floors per 1,000 properties within urban stormwater service areas affected by a flood event.	0.12 floors per 1,000 properties.	No more than 0.2 habitable floors per 1,000 properties.	No more than 0.2 habitable floors per 1,000 properties.
The Council provides a reliable stormwater collection service. The Council responds to failures and request for service in a prompt and efficient way.	Mandatory: Median time to attend a flooding event.	Response times not measured because of the urgency in responding to a wide range of calls.	Less than or equal to 2 hours.	Less than or equal to 2 hours.
	Mandatory: The number of complaints received about the performance of the Council's stormwater system per 1,000 properties connected.	Notification of flooding of habitable floors to Council was after the event so response times irrelevant.	Less than or equal to 10 complaints per 1,000 properties connected.	Less than or equal to 10 complaints per 1,000 properties connected.
	Resident satisfaction with the Council's stormwater services. (Communitrak Survey ²⁶ .)	19 complaints per 1,000 connections (627 in total).	At least 80%.	No measure.

26 Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council complies with its resource consents for its discharge from its urban stormwater systems.	<p>Mandatory: Compliance with resource consents for discharge from Council's stormwater system measured by the number of:</p> <ul style="list-style-type: none"> • abatement notices • infringement notices • enforcement orders • convictions <p>in relation to stormwater resource consents.</p>	No current consent with Horizons Regional Council. No significant stormwater contamination issues during the year. Compliance assessed against general Horizons Regional Council One Plan requirements.	No notices, orders, or convictions are received.	No notices, orders, or convictions are received.
The Council maintains and develops the stormwater system to meet current and future needs in a cost-effective way.	A 30 year asset management plan is in place for stormwater and major AMP projects approved in the 10 Year Plan are achieved.	Asset Management Plans were adopted by the Council in December 2014 and are due to be reviewed in 2017/18.	AMP in place and major projects (renewals, stormwater improvement works) achieved.	AMP in place and major projects (renewals, stormwater improvement works, Whakarongo stormwater) achieved.
The Council manages its Stormwater Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget	Services provided within budget. However the modelling to develop future capital programme of work not complete.	Services provided within budget.	Services provided within budget.

With the KPIs for median times for attending a flood event the Council will also report the maximum times.

A flooding event means stormwater overflows the stormwater system and enters a habitable floor. (Department of Internal Affairs)

WASTEWATER

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides a safe (i.e. no risk to public health) and reliable wastewater collection service to residential and commercial areas of the City.	Mandatory: Number of dry weather wastewater overflows from the Council's wastewater system per 1,000 connections per year.	1.0 per 1,000 connections (32 in total).	No more than 1 per 1,000 connections.	No more than 1 per 1,000 connections.
	Mandatory: Complaints per 1,000 connections about: <ul style="list-style-type: none"> • Wastewater odour • Wastewater system faults • Wastewater system blockages • Council's response to issues with the wastewater system. 	Total 4.62 per 1,000 connections. Odour: 0.28 complaints per 1,000 connections (9 in total). System faults: 1.98 complaints per 1,000 connections (63 in total). System blockages: 2.36 complaints per 1,000 (75 in total).	No more than 1 per 1,000 connections for each category.	No more than 1 per 1,000 connections for each category.
	Resident satisfaction with the Council's wastewater services. (Communitrak Survey ²⁷ .)	98%.	At least 95%.	No measure.
The Council responds to requests for service in relation to sewerage overflows, blockages and faults in a prompt and efficient way.	Mandatory: Median time for attending to overflows resulting from blockages or other faults.	0.7 hours median attendance time. (Maximum time: 25 hours.)	No more than 1.5 hours.	No more than 1.5 hours.
	Mandatory: Median time for resolution of overflows resulting from blockages or other faults.	3 hours median resolution time. (Maximum time: 10 days.)	No more than 8.0 hours (total of 9.5 hours).	No more than 8.0 hours (total of 9.5 hours).

²⁷ Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council disposes of wastewater to environmentally acceptable standards.	<p>Mandatory: Compliance with resource consents for discharge from Council's wastewater system as measured by the number of:</p> <ul style="list-style-type: none"> • abatement notices • infringement notices • enforcement notices • convictions <p>received by Council in relation to resource consents.</p>	No non-compliance notices received.	Zero notices or convictions received.	Zero notices or convictions received.
The Council maintains and develops the wastewater system to meet current and future needs in a cost-effective way.	A 30 year asset management plan is in place for wastewater and major AMP projects approved in the 10 Year Plan are achieved.	Asset Management Plans were adopted by the Council in December 2014 and are due to be reviewed in 2017/18.	AMP in place and major projects (scheduled wastewater renewals) achieved.	AMP in place and major projects (scheduled wastewater renewals, urban growth projects) achieved.
The Council manages its Wastewater Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided. Budget exceeded due to write off of disk filter capital programme costs now expensed.	Services provided within budget.	Services provided within budget.

With the KPIs for median times for attending and resolving call outs the Council will also report the maximum times.

WATER

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides a good quality, safe and reliable water supply at a suitable pressure to residential and commercial areas of the City.	Mandatory: Average consumption of drinking water per day per resident. ²⁸	355 litres per day per resident.	Less than or equal to 360 litres per day per resident.	Less than or equal to 360 litres per day per resident.
	Mandatory: Compliance with Part 4 (bacteria compliance criteria) of the Public Health Act 1956 (as amended by the Health (Drinking Water) Amendment Act 2007).	100% compliance.	100% compliance.	100% compliance.
	Mandatory: Compliance with Part 5 (protozoal compliance criteria) of the Public Health Act 1956 (as amended by the Health (Drinking Water) Amendment Act 2007).	100% compliance.	100% compliance.	100% compliance.
	Mandatory: The number of complaints per 1,000 connections relating to: <ul style="list-style-type: none"> • Clarity of the drinking water • Taste of the drinking water • Odour of the drinking water • The continuity of Council's water supply • Drinking water pressure or flow • Council's response to any of these issues. 	13.4 per 1,000 property connection (412 complaints in total).	Less than or equal to 17 complaints per 1,000 properties connected.	Less than or equal to 17 complaints per 1,000 properties connected.
	Resident satisfaction with the Council's water services. (Communitrak Survey ²⁹ .)	94%.	At least 88%.	No measure.

²⁸ The Department of Internal Affairs includes water used by industry, irrigation, hotels, etc. in its definition of water consumption for this KPI. Thus it overstates the amount the average resident uses each day.

²⁹ Communitrak Survey is every three years. Satisfaction percentages exclude "don't knows".

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council responds to failures and request for service in a prompt and efficient way.	Mandatory: Median response time for urgent call out time attendance.	0.4 hours median response time.	Less than or equal to 2 hours.	Less than or equal to 2 hours.
	Mandatory: Median response time for resolution of urgent call outs.	(Maximum time: 2 hours.)	Less than or equal to 7 hours.	Less than or equal to 7 hours.
	Mandatory: Median response time for non-urgent call out time attendance.	0.8 hours median response time.	Less than or equal to 10 hours.	Less than or equal to 10 hours.
	Mandatory: Median response time for resolution of non-urgent call outs.	(Maximum time: 18 hours.)	Less than or equal to 75 hours.	Less than or equal to 75 hours.
The Council uses water resources in an efficient and sustainable way.	Mandatory: Percentage of real water loss from the water reticulation network.	Estimated real loss of 18%.	Less than or equal to 20%.	Less than or equal to 20%.
	Compliance with resource consent monitoring conditions that relate to environmental conditions.	No non-compliance notices received.	100%.	100%.
The Council maintains and develops the water system to meet current and future needs in a cost-effective way.	A 30 year asset management plan is in place for wastewater and major AMP projects approved in the 10 Year Plan are achieved.	Asset Management Plans were adopted by the Council in December 2014 and are due to be reviewed in 2017/18.	AMP in place and major projects (water renewals, Turitea Valley Road/Pacific Drive new water supply link pipe and reservoir) achieved.	AMP in place and major projects (water renewals, achieved).
The Council manages its Water Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services provided within budget.	Services provided within budget.	Services provided within budget.

With the KPIs for median times for attending and resolving urgent call outs the Council will also report the maximum times.

CUSTOMER SERVICES

WHAT WE DO (LEVELS OF SERVICE)	HOW WE SHOW WE ARE DOING A GOOD JOB (PERFORMANCE MEASURES)	OUR CURRENT RESULTS (2015/16)	OUR TARGETS (2018/19 ON TO BE REVIEWED IN 10 YEAR PLAN)	
			2016/17	2017/18
The Council provides a Customer Service Centre from 8am to 5pm Monday to Friday. The Council provides a prompt 24 hours a day, seven days a week contact centre (telephone, email, fix-it app, and chat service).	At least 95% of phone calls to the Contact Centre are answered before the customer hangs up.	98.2%.	At least 95%.	At least 95%.
	At least 80% of phone calls to the Contact Centre are answered within 20 seconds.	84.9%.	At least 80%.	At least 80%.
	Percentage of info@pncc, fix-it app and web chat requests responded to within 30 minutes. ³⁰	98.3%.	At least 80%.	At least 80%.
The Council provides friendly, professional and knowledgeable service to its customers. This includes providing the information they are seeking and giving feedback on the results of their requests and complaints.	Customers are satisfied with the friendliness, professionalism, and knowledge of the service they receive.	99%.	At least 90%.	At least 90%.
	Customers who lodge fault and service complaints have their complaints responded to a satisfactory standard.	87.8%.	At least 80%.	At least 80%.
The Council manages its Customer Services Activity in a financially sustainable way.	10 Year Plan levels of service and programmes are achieved within budget.	Services were provided within budget.	Services provided within budget.	Services provided within budget.

³⁰ Response time is the time for the initiator of the request to receive acknowledgement from a Customer Services Advisor that the request has been received and sent to the appropriate Unit in Council for action.

Council Controlled Organisations

The Council does some of its work through Council Controlled Organisations (CCOs).

A CCO is any organisation in which the Council owns or controls at least 50 percent of the voting rights or has the right to appoint at least 50 percent of the directors or trustees. CCOs are mostly set up to independently manage Council facilities, or deliver specific services and developments on behalf of local residents.

The Council has four CCOs:

- Caccia Birch Trust Board
- Globe Theatre Trust Board
- The Regent Theatre Trust Board
- Te Manawa Museums Trust
- CEDA (Central Economic Development Agency) – jointly owned with Manawatu District Council

A Council Controlled Trading Organisation (CCTO) is a CCO that is set up to make a profit for the Council and hence for the ratepayers.

The Council has one CCTO:

- Palmerston North Airport Limited (PNAL).

CCOs and CCTOs operate at arm's length from the Council.

They are run by their Boards, not by the Council. Each year the Council and the Board agree on what services the Board will provide. This agreement is called the Statement of Intent. The Council then provides funding so that the Board can implement the Statement of Intent. We do not envisage this will lead to major changes to what CCOs are currently doing.

The Council works through CCOs and CCTOs because they bring business and community expertise that the Council may not be able to easily access otherwise.

They can also attract funding from sources other than ratepayers.

All the CCOs (other than PNAL and CEDA) contribute to the Council's goal of making Palmerston North a socially sustainable city where people want to live because of its safe and easy lifestyle and its many social, cultural and recreational opportunities. They do this by providing a range of recreational opportunities for both performers and audiences. They also do this by making the City more attractive by preserving and promoting its heritage. By attracting visitors to Palmerston North they also contribute

to economic activity in the City. Te Manawa, also adds to the City's science, education and research base.

They contribute particularly to the fulfilment of the Arts Strategy by:

- strengthening leadership and bringing people together
- increasing participation and involvement in the arts
- celebrating diversity of culture and creativity
- improving access to the arts.

They also contribute to:

- building a sense of place and attracting visitors
- supporting a strong community sector
- optimising use of event resources.

PNAL and CEDA contribute to the Council's goal of being an economically sustainable city which attracts, fosters and retains businesses and jobs. PNAL also contributes to the Council's Economic Well-Being Strategy, in particular by:

- maximising connectivity
- stimulating investment
- supporting priority sectors.

The Council can exempt small CCOs from the planning and reporting requirements of the Local Government Act. These are called exempted organisations and the Council has two of them: the Palmerston North Performing Arts Trust and the Manawatū-Wanganui Regional Disaster Relief Fund Trust. Freightgate Ltd, a non-trading subsidiary of the airport company was wound up in 2015.

Every year the Council negotiates a Statement of Intent with the CCOs. We do not envisage this will lead to major changes to what CCOs are currently doing.

Caccia Birch Trust Board

Actions

The Board will maintain the cycle of internal and external improvements and refurbishment and the programme of asset management as outlined in the Council’s asset management plan.

- The Trust Board will:
- Continue to develop the conference and function venue.
- Develop community use to maximise the heritage value of the facility and community access.

WHAT THE TRUST DOES	HOW WE SHOW WE ARE DOING A GOOD JOB
Preserves and enhances the historic nature of Caccia Birch.	Ensuring and maintaining a heritage preservation focus in the Trust’s activities.
Operates and maintains a successful business to provide continued community use and access.	Ensuring the business operation underpins the historic and heritage aspects of the property.
Promotes the awareness of Caccia Birch in the community.	Implement the Marketing and Promotion Strategy, and hold 10 open afternoons.
Seeks and develops other funding sources.	Seek and develop other funding sources to assist with preservation and development.

Globe Theatre Trust Board

Actions

The Trust Board will control, develop, promote, enhance and maintain the Globe Theatre so that it may be used and enjoyed by the inhabitants of the Manawatu area including:

- Securing the future of the Globe Theatre.
- Preparing, in consultation with the Council, a Strategic Plan and an Annual Plan for attaining these objectives.
- Acknowledging the Globe Theatre as the home of the Manawatu Theatre Society Inc. Ensuring the Globe Theatre remains accessible to the community (both physically and financially).
- Fostering a sense of community by encouraging youth, assisting amateurs, and promoting participation.

WHAT THE TRUST DOES	HOW WE SHOW WE ARE DOING A GOOD JOB
Achieves growth in facility usage through ongoing promotion.	165 performance nights and 250 usage nights.
Fosters a sense of community by encouraging youth, assisting amateurs and promoting participation, delivering outstanding customer service.	At least 60% community usage.
Delivers all services to the agreed budget.	Services delivered within +10% variance.

The Regent Theatre Trust

Actions

To promote and operate the Regent the Trust will:

- Communicate and liaise on a regular basis, with all national/international, commercial/professional event providers who have the potential to bring events to the Regent Theatre.
- Maintain and operate an entrepreneurial fund to enable financial assistance to be provided where considered appropriate to support major musical/theatrical productions at the Regent.
- Operate and promote a street-front event ticketing facility for events at the Regent and elsewhere.
- Encourage continuing appreciation of the heritage aspects of the Regent and oversee the maintenance and preservation of such aspects to prevent degradation.
- Invest in promotional campaigns as required to promote the value of the Regent as a functions venue.

WHAT THE TRUST DOES	HOW WE SHOW WE ARE DOING A GOOD JOB
To communicate and liaise on a regular basis, with all national/international, commercial/professional event providers who have the potential to bring events to the Regent Theatre.	Not less than 55% annual auditorium hireage revenue is generated from commercial (non-community) use.
	At least 40 live nights for the year in respect of the theatre's main auditorium at the theatre's full commercial hireage rate.
Invests in skilled staff and quality resources so as to operate an efficient, well managed functions and performing arts venue as evidenced by customer satisfaction.	Communitrak Survey will confirm community satisfaction ratings over 90%.
Liaise with marketing and key entrepreneurial personnel to identify and source product for the Regent.	Total attendance numbers for events are at least 100,000 for the year.
	At least 160 live nights for the year in respect of the theatre's main auditorium.
Regularly communicates to all local/regional Māori, Polynesian, Asian and other cultures the benefits of hosting their festivals, ceremonies and concerts at the Regent.	At least four days' use of the theatre's auditorium this year for cultural festivals, ceremonies and concerts.
Regularly communicates to all local/regional education providers, performing arts groups the benefits of hosting their ceremonies and concerts at the Regent to achieve required usage.	At least 10 days' use of the theatre's auditorium per year for tertiary graduation ceremonies.
	At least eight days' use of the theatre's auditorium per year for school prize-givings.
Invest in promotional campaigns as required to promote the value of the Regent as a functions venue and to support the City's reputation as a conferencing destination.	At least 35 functions per year held in the Regency Room and/or Mezzanine area.
	At least 100 days' use for the year in respect of the rehearsal room.

Te Manawa Museums Trust

Actions

To enable and improve the ongoing visitor experience the Trust will:

- Maintain, clarify, expand and diversify partnerships and relationships.
- Clarify, develop and promote the Te Manawa organisational model and the Te Manawa point of difference.
- Clarify and develop the Te Manawa programme offer and approach in response to better understanding the communities.
- Professionally manage and maintain all Te Manawa assets.
- Maintain, grow and diversity the revenue sources.

WHAT THE TRUST DOES	HOW WE SHOW WE ARE DOING A GOOD JOB
Ensures partnerships and relationships are prioritised, and are developed and progressed.	One new prioritised partnership developed. 95% of external partners recognise benefit from their relationship with Te Manawa.
Maintains and expands the value of Te Manawa to educational agencies and vice versa.	Deliver one new educational project partnership to expand Te Manawa's learning outcomes.
Ensures the Te Manawa story/brand is strategic and clear, and is effectively communicated and promoted.	The 'Te Manawa story' is featured on three front-page stories in the local print media, two national print media stories, and one primetime TV story. One innovative online 'Te Manawa story' initiative is liked and/or followed by 3,000 people.
Understands the communities by maximising the demonstrable value of the new Te Manawa model for individuals and groups on the community with a range of experience products.	Te Manawa visitor surveys target 96% satisfaction. Implement digital strategy. A minimum of 20,000 visitors participate in onsite activities and participate in two events attracting at least 3,500 visitors. Visits to Te Manawa 170,000, exhibitions at other venues 100,000, and unique visits to online engagement 158,000.
Ensures appropriate collection management standards are maintained.	Quality of care and preservation of collections is demonstrated by no irreparable losses or damages caused as a result of handling by staff.
Increases access to the collections both physically and virtually.	A minimum of two temporary exhibitions from the Te Manawa collection are held to reflect the distinctive characteristics of our community and its collections.
Maintains, grows and diversifies revenue sources and sponsorship for exhibitions, events, public programmes to fund Te Manawa exhibitions and related activities.	Grow and diversify revenue sources with target for third party revenue to exceed \$546,000.

Palmerston North Airport Ltd

Actions

The Airport Company will operate the Airport for both commercial and non-commercial aviation users. It is responsible for all operational and commercial aspects of the Airport.

The company will meet Civil Aviation and other statutory runway and safety requirements by providing physical facilities that preserve or achieve current and planned requirements.

A programme of development will be continued to pursue opportunities to increase the value of aeronautical and other commercial business revenue and other growth consistent with the Company's objectives

WHAT THE COMPANY DOES	HOW WE SHOW WE ARE DOING A GOOD JOB
Achieves suitable operating returns on assets utilised.	A ratio of net surplus before interest/tax/ revaluations to total assets of 3.0% for 2017/18.
	A ratio of net surplus after tax to consolidated shareholders' funds inclusive of revaluation reserve of 2.1% for 2017/18.
Maintains a level of debt capable of being serviced by the Company.	To maintain an interest coverage ratio of net surplus before interest, tax and depreciation to interest at or above 2.5 times.
Maintains and increases the value of the Company.	To maintain a tangible net worth (total tangible assets after revaluations less total liabilities) above \$35 million.
Invests in skilled staff and quality resources so as to operate an efficient, well managed airport as evidenced by customer satisfaction.	To maintain a level of satisfaction of 90% and periodically measure this by customer survey.
Increases the usage of the airport as measured by passenger numbers.	Total passenger throughput of 639,000 during the 2017/18 year.

Support to external organisations

Palmerston North City Council recognises the expertise, commitment and relationships that exist in the community.

The Council seeks to build on those existing and potential areas of excellence in Palmerston North that make it a more sustainable city. Supporting external organisations is one way to make this happen.

The Council funds organisations to help deliver some of the actions and communications identified in its strategies and plans.

The relationships with the external organisations vary:

- some of them (Te Manawa, Regent, Globe Theatre and Caccia Birch) are Council Controlled Organisations and in these cases the Council owns the land and buildings. There are lease agreements which determine who is responsible for operations, maintenance and renewals. Each year the organisations prepare formal Statements of Intent which provide information about their activities and financial position. These are made publicly available. The total cost to the Council for these activities (including any sums paid to them as operating grants) is included in the Arts and Culture activity.

- some have a contractual arrangement either to contribute to particular Council outcomes or to provide a coordination role for the arts (Palmerston North Community Arts Council), sports (Sport Manawatu), social (Palmerston North Community Services Council) and environmental (Environment Network Manawatu) sectors.
- some are supported through rates and rental assistance.

The Council adopted a new Community Funding Policy in June 2012. This policy guides the way the Council funds external organisations in the arts, sports, social and environmental sectors. The total amount of funding available for these sectors is established through the 10 Year Plan process.

The role and structure of the Council

The purpose of the Council is to enable democratic local decision-making and to provide cost-effective and good quality local infrastructure, local public services and regulatory functions.

Council representation

The Council is composed of 16 elected members – a Mayor and 15 Councillors. The Chief Executive is appointed by the Council to be in charge of Council operations, and certain powers of management are delegated to that position in accordance with Section 42 and clauses 33 and 34 of Schedule 7 of the Local Government Act 2002. The Chief Executive implements and manages Council's policies and objectives within the budgetary constraints established by Council.

Elections

Triennial Council elections take place every three years, with the most recent one being held in October 2016. The current Council comprises 15 Councillors, elected on a City-wide basis, and the Mayor. There are no Community Boards.

Council and Committee structure

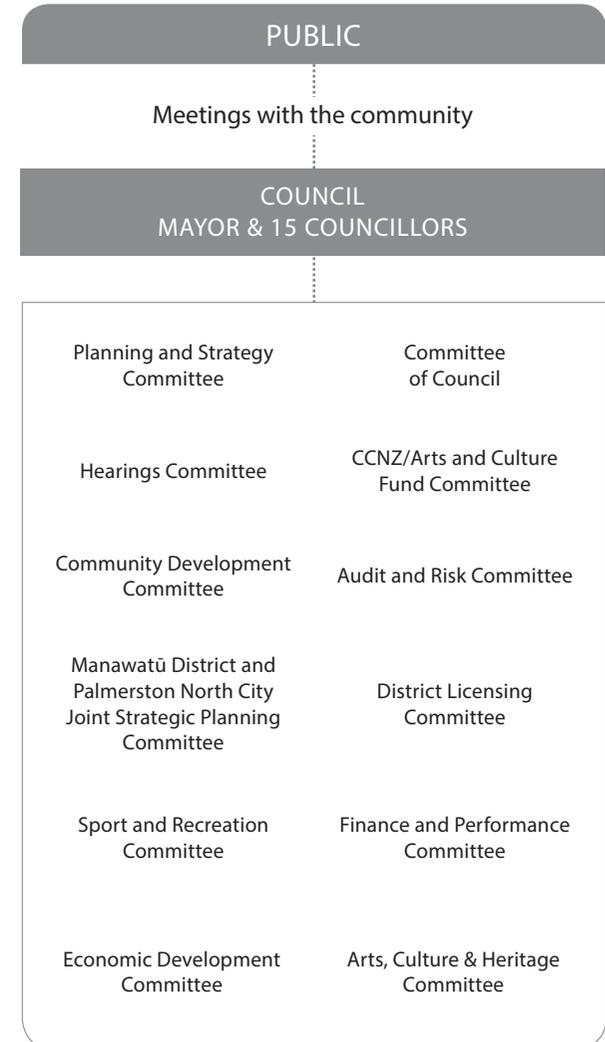
The Council reviews its committee structure after each election. The committee structure for the 2016-2019 term of Council changed from that of the previous term of office, namely with the addition of the Economic Development and Arts, Culture and Heritage Committees. The three primary standing committees, being the Economic Development, Finance and Performance, and Planning and Strategy Committees, remained the same. These committees meet monthly, with the full Council meeting on the last Monday of each month. There are four Committees which have four scheduled meetings, and these are: Audit and Risk, Community Development, Arts, Culture and Heritage and Sport and Recreation. Other committee meetings may occur on an as-required basis.

The purpose of the meetings is to ensure that Council affairs are being conducted in accordance with Council objectives and legislative requirements. The Council also has a monitoring role in relation to the

performance of Council Controlled Organisations.



Back Row: Bruno Petrenas, Susan Baty, Duncan McCann, Vaughan Dennison, Lew Findlay OSM
 Middle Row: Rachel Bowen, Leonie Hapeta JP, Aleisha Rutherford JP, Lorna Johnson, Jim Jefferies OSM, Gabrielle Bundy-Cooke
 Front Row: Adrian Broad, Karen Naylor, Grant Smith (Mayor), Tangi Utikere JP (Deputy Mayor), Brent Barrett



The Mayor and Councillors

Governance documents

The Council has adopted a Local Governance Statement, as required by the Local Government Act 2002, setting the governance role of the Council. The statement ensures that the community has information on the processes the Council follows when making decisions and taking action and how the community can influence these processes. This includes requirements for Conflicts of Interest.

Other governance documents include the Code of Conduct, Policy on the Appointment of Directors to Council Organisations, and the Council's Standing Orders.

The Council believes that it is essential, in the interests of good management and effective administration, to encourage the delegation of decision-making. The full list of delegations can be viewed in the Council's Delegations Manual, which is available on the Council's website, www.pncc.govt.nz. However, the overall responsibility for maintaining effective systems of internal control ultimately rests with the Council. Internal controls include the policies, systems and procedures established to provide measurable assurance that

specific objectives will be achieved.

Council direction

The Council's focus is on making:

- Palmerston North a socially sustainable city where people want to live because of its safe and easy lifestyle and its many social, cultural and recreational opportunities.
- Palmerston North a leading city in the quest to become environmentally sustainable.
- Palmerston North an economically sustainable city which attracts, fosters and retains businesses and jobs.
- In doing this the Council will ensure that:
- Palmerston North City Council is financially responsible and residents are satisfied that they get value-for-money from their rates.
- Palmerston North City Council understands the diverse views of the City's people, makes prudent decisions, and ensures that people know what it is doing and why.

Legislative compliance

Being a regulatory body, the Council administers various regulations and laws. It is imperative that Council also complies with all relevant legislation. External law firms with local government expertise are contracted to assist the Council to comply with applicable legislation.

Role of management and employees

The Council organisation is divided into six units, the managers of which report to the Chief Executive. The Chief Executive is responsible for day-to-day operation of the Council's activities acting within statutory authority and delegated authority from the Council, as detailed in the Council's Delegation Manual.

The Chief Executive is employed by the Council with all other employees employed by the Chief Executive. When employing any individual equal employment opportunity protocols are followed.

The Council is committed to ensuring that all staff have the capability to deliver the annual plan, and Long Term Plan as agreed with the community. This involves training staff and also providing an environment in which staff can work to their full potential. Across the organisation there are training frameworks that are linked to New Zealand Qualifications to enable career development for staff.

Palmerston North City Council organisational chart



The Council organisation is divided into six units, the managers of which report to the Chief Executive.
 * NOTE: Due to commence September 2017 (In the interim David Wright is the Acting Chief Executive).

How to contact the Council

Postal Address

Private Bag 11034
Manawatū Mail Centre
Palmerston North 4442

Customer Services Centre

32 The Square
Palmerston North

Open hours:

Monday to Friday 8am-5pm

The Customer Services Centre has been developed to be the first point of contact within the Council for all of our business and is user friendly.

Our friendly customer-focused team will assist you in person at the Customer Services Centre.

The Council also operates a 24 hour, seven day a week, 365 day a year Customer Services Call Centre which acts as a gateway and hub for the Council.

The Customer Services staff are always there to talk to you about any issues you may be having within the City. It also provides a translation service for those who need it.

For all enquiries, service requests, or to contact anyone who works for the Palmerston North City Council

Website: www.pncc.govt.nz
Email: info@pncc.govt.nz
Phone: 06 356 8199
Fax: 06 351 4471

City Library

Central Library

4 The Square, PO Box 1948, Palmerston North

Website: www.citylibrary.pncc.govt.nz
Email: pncl@pncc.govt.nz
Phone: 06 351 4100
Fax: 06 351 4102
Renewals Phone: 06 351 4101

Open hours:

Monday, Tuesday & Friday 9.30am-6.00pm
Wednesday 10.00am-6.00pm
Thursday 9.30am-8.00pm
Saturday 10.00am-4.00pm
Sunday 1.00pm-4.00pm

Closed on public holidays.

Ashhurst Community Library

Cnr Cambridge and Bamfield Streets, Ashhurst
Phone/Fax: 06 326 8646

Awapuni Community Library

Cnr College Street and Pitama Road
Phone/Fax: 06 356 7634

Te Pātikitiki (Highbury) Community Library

157 Highbury Avenue
Phone: 06 357 2108

Roslyn Community Library

8 Kipling Street
Phone/Fax: 06 357 9287

Mobile Library

Has regular stops throughout the City.

Council meetings

The Council encourages public participation in its activities. Meetings of the Council and its Committees are generally open to the public and are held in the Council Chamber. For information on meeting agendas and dates, ring Customer Services on 06 356 8199, or look in the public notices section of the Manawatu Standard, The Tribune or The Guardian newspapers; or look at our website pncc.govt.nz

Glossary

This section explains the key terms in the Annual Budget.

10 Year Plan (LTP or Long Term Plan)

A 10 Year Plan developed by the Council and describing what the Council plans to do to contribute to the community outcomes. It shows why the Council does these things, how much they are expected to cost and how success will be judged. A 10 Year Plan is prepared every three years.

Activity

The goods or services that the Council provides to the community. The Council has 18 Activities, e.g. Cemeteries, Water, or Parks, Sport and Recreation.

Annual Budget

This is a budget document that shows how the Council will fund a particular year of the 10 Year Plan. This is to give more consistency of direction to what the Council does for the community. It is produced in years two and three of the 10 Year Plan.

Asset Management Plans (AMPs)

These ensure that the Council's major infrastructural assets are maintained to ensure high environmental standards and can meet the future needs of the City, at the lowest possible cost over the long term. The Council has AMPs for roading and parking, stormwater, waste management, wastewater, water, and property and recreation facilities.

Capital New

That expenditure which will increase the value of or create new Council assets (land, infrastructure, plant and equipment). A household analogy would be expenditure to build a new bedroom.

Capital Renewal

Asset renewals or replacements e.g. renewing a footpath, or replacing library books.

Community Outcomes

The outcomes that a local authority aims to achieve in order to promote the social, economic, environmental, and cultural well-being of its district or region, in the present and for the future. They are the Council's Vision and Goals.

Consultation Document

This replaces the previous draft Plan and Summary as the document that Council consults on.

Council Controlled Organisation (CCO)

An organisation which the Council owns or controls at least 50% of the voting rights or has the right to appoint at least 50% of the directors or trustees. CCOs are mostly set up to independently manage Council facilities or deliver specific services on behalf of residents.

Council Controlled Trading Organisation (CCTO)

As above for CCO but trading with the main purpose/intention being to make a profit.

Depreciation

Spreading the costs of assets over their useful life.

Development Contributions

Development Contributions provide Council with a method to obtain contributions to fund infrastructure requirements due to growth. A Development Contributions Policy is required as a component of the Funding and Financial Policies in the 10 Year Plan under section 102(2)(d) of the Local Government Act 2002.

Financial Year

The Council's financial year runs from 1 July to 30 June. The 2017/18 financial year therefore covers the period 1 July 2017 to 30 June 2018.

Funding Impact Statement

A summary of the financial information within a Group of Activities and the whole of Council, under the Local Government Act.

Group of Activities

Groups of Activities show how the Council will work towards the community outcomes. The Council has 11 Groups of Activities. Activities that provide similar services have been grouped together. Changes to the Local Government Act mean that infrastructural Activities are also Groups of Activities.

Inflation

A rise in the general level of prices of goods and services over a period of time.

Level of service

A measurable description of what the Council does (or is planning to do) for residents.

LTP (Long Term Plan or 10 Year Plan)

A 10 Year Plan developed by the Council and describing what the Council plans to do to contribute to the community outcomes. It shows why the Council does these things, how much they are expected to cost and how success will be judged. A 10 Year Plan is prepared every three years.

Maintenance Costs

Expenditure in relation to repairs and maintenance of Council's assets.

Operating Expenditure

Expenditure that is necessary for the normal activities of Council. Using a household analogy, this would be paying for the electricity or food.

Performance Measures

Performance measures show how people can judge the success of the Council. The measures in the current 10 Year Plan are part of the Council's performance framework. The Council has other more technical performance measures in documents like Asset Management Plans.

Programmes

Programmes are the detailed financial actions which include capital and non-capital works within a particular financial year to achieve particular outcomes of the Council.

Public Benefit Standards (PBE)

Public Benefit Standards as adopted by the External Reporting Board.

Sub-Activity

The services provided within the Activity, e.g. the Work and City Promotion Activity contains the Sub-Activities of Business and Job Promotion, City Marketing and Branding, and Convention Centre.

Supporting Information

This is the material that previously would have been in a draft Plan. Under the new Local Government Act councils have to make this information publicly available, but are not to publish it as a separate draft document.

Uniform Annual General Charge (UAGC)

A component of the general rate that is levied as a uniform amount on every property.



vibrant | caring | innovative | sustainable | prosperous | pncc.govt.nz



Palmerston North City Council

W pncc.govt.nz | E info@pncc.govt.nz | P 356 8199 | Private Bag 11034, The Square, Palmerston North, 4442