

AB 2019/20

MAHERE PŪTEA Ā-TAU
ANNUAL BUDGET

P A P A I O E A
PALMERSTON NORTH CITY

YEAR TWO

OF THE 10 YEAR PLAN
2018-28

He iti rā, he iti pounamu
Small city benefits, big city ambition

pncc.govt.nz

Te Kaunihera o Papaioea
Palmerston North City Council



ONE VISION

Palmerston North
**SMALL CITY BENEFITS
BIG CITY AMBITION**

Five Strategic Goals



**1. AN INNOVATIVE
AND GROWING CITY**



**2. A CREATIVE
AND EXCITING CITY**



**3. A CONNECTED AND
SAFE COMMUNITY**



4. AN ECO CITY



**5. A DRIVEN AND
ENABLING COUNCIL**



INTRODUCTION

MAHERE PŪTEA Ā-TAU
ANNUAL BUDGET

This Annual Budget¹ was adopted by the Council on 24 June 2019 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 Budgets².

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

² The Council uses the term "Annual Budgets" to represent the 'Annual Plans' required under the Local Government Act 2002

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

He Mihi

Introduction

Kei te mihi ake ki te pae maunga o Taranua 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 acknowledges the local iwi Rangitāne and their customary relationship to this area, and appreciates their manaakitanga of this City and all of the people who have made it their home.

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

A message from the Mayor

Kia ora everybody

In 2018 Council adopted a vision to inform the direction and growth of Palmerston North over the next 10 years.

‘Small city benefits, big city ambition’ was introduced because it reflects not only how we see ourselves now, but it also projects our expectations for the future. We may not be big in size, but ratepayers and residents have big ideas about the facilities and amenities, services and opportunities they want to enjoy.

The Annual Budget is how we fulfil that 10-year vision on a year-by-year basis, with this budget for the 2019/20 financial year outlining what we plan to do and where the cash comes from to pay for it. It makes sure we are on track, letting you know how that vision and its projects are progressing, and how they are going to impact on City rates and debt levels.

The good news is that proposed rates increases will be 4.6 per cent - down from the 10 Year Plan estimate of 5.5 per cent, however it is really about the value that rates give city residents. Details about how we are going to achieve that are in this Budget document.

Council has to plan for growth because while Palmerston North has a number of natural and established strengths and advantages, we can't rest on those laurels, as we are growing.

So, we have put a great deal of thought into how to make

the most of those existing strengths and sustain Palmerston North as a vibrant, attractive, progressive and creative centre for investment, industry, education, jobs and lifestyle. This is important because we need to ensure that our city is well-placed to accept the challenges that face us.

In the coming decade, Palmerston North is set to undergo what could turn out to be its biggest-ever growth spurt. Having an achievable 10 Year Plan in place with accompanying strategies and goals is to ensure that growth happens in a controlled and sustainable way.

There needs to be the right infrastructure in place – the pipes, the pumps, roading and paving, along with land for the expansion of housing and industry. As well as that sort of large-scale developmental planning, the other big part of Council's mandate is to provide social sustainability and community cohesion.

A growing city increases the need for sports, recreation and leisure facilities, requirements for well-designed and attractive public spaces, and the desire for accessible and crowd-drawing public events.

Examples of how we are focusing on those issues can be seen in the housing and infrastructure developments at Whakarongo, James Line and Pacific Drive and redevelopment of Council social housing at Papaioea Place.

We have Masterplans in place for Central Energy Trust Arena and the Victoria Esplanade, while investigating options for the future of our wastewater treatment, is well advanced.

Now that the Cuba St redevelopment is complete, work is proceeding in streetscaping work around The Square, which is already proving beneficial for business retailers and visitors.

The opening of the He Ara Kotahi bridge and surrounding shared pathways puts a focus fairly and squarely on the fantastic recreational asset we have along the banks of the Manawātū River. This attraction can only get better.

Year by year, these projects ensure Palmerston North remains an attractive environment for people to live, learn, work and play in.

It's why I'm proud to be part of a progressive, inclusive, culturally diverse and prosperous city - one that has a clear and focussed vision, a plan in place, a real sense of long-term purpose, and the ability to make it happen.

Ngā mihi,



Grant Smith (City Mayor)

A message from the Chief Executive

Settings for Sustainable City Growth

Our Annual Budget for the 2019/20 financial year provides an important projection of how we are tracking and plan to progress against the bold vision we laid out in our 10 Year Plan for 2018-2028.

The roadmap of goals, strategies and priorities contained in our 10 Year Plan responds to a decade of change ahead for Palmerston North. This is fundamentally a growth challenge and a major city opportunity, one that is framed by interlocking drivers. These macro factors include regional city competition, steady population growth, multi-million dollar investments by external parties (of late, KiwiRail and Mercury Energy), higher expectations of ratepayers and visitors, and rapid technological change.

Responding to the pressures of change requires that we develop our infrastructure, services, facilities and city experiences as efficiently and effectively as possible. We need to plan, resource and progress integrated infrastructure and city-shaping projects intelligently. We must play to our strengths as a city, be smart in how we fund

the future to ensure sustainable growth, and – importantly – raise Council's capability and performance so that we can deliver across our ambitious city goals.

Our annual budget is a yearly response to the focus we have placed around strategic investment and sustainable growth and resource management, while balancing affordability for ratepayers. The platform, direction and steps we are taking to propel and fund our strategic direction are within this budget.

We greatly appreciate the submissions, feedback and aspirations received during our consultation on this year's budget. Palmerston North is a city on the go, and Council looks forward to working closer with our residents and communities to deliver on our vision of small city benefits, big city ambition.



Heather Shotter (Chief Executive)

The Consultation Process

The Council decided to consult on the Annual Budget with the key issue being the proposed changes to the rating system, to help moderate the impacts on rates as a result of the 2018 city revaluation.

As part of the consultation process the Council decided it would seek feedback on two other issues: the concept of a new flag for the City and, whether free entry should be given for under five year olds to access Council pools.

Copies of the Consultation Document and supporting information were made available at the Civic Administration Building, at the City and Community Libraries and on the Council's website. Radio advertising, newspaper 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.

A total of 179 submissions were received representing 195 signatures. We used social media as well as more traditional

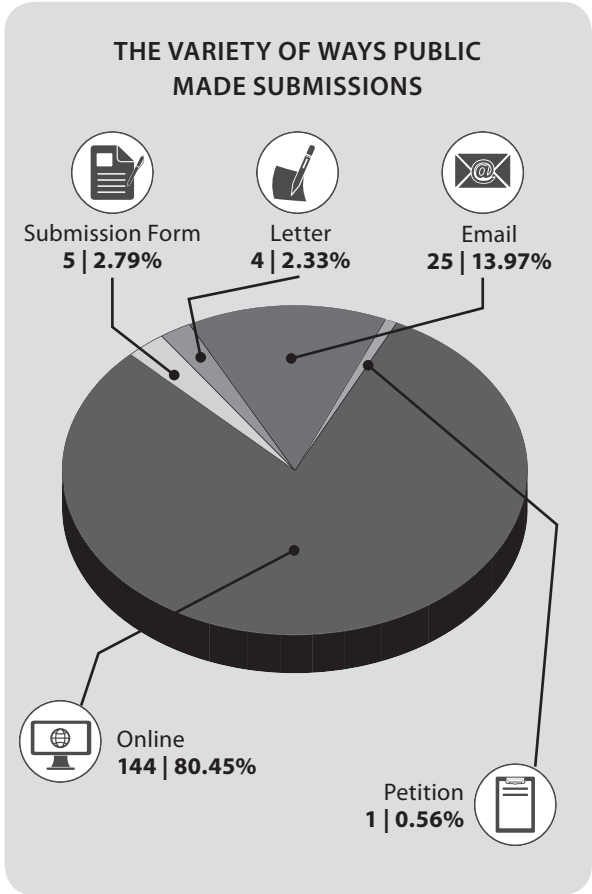
methods to raise awareness of the budget and promote the different ways for people to provide feedback. The 'Let's Talk' sessions were promoted on the Council's Facebook page, which has 14,016 followers.

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

34 of the 179 submissions were presented by people or organisations at the six 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 the submissions it received. This is available by contacting the Council - see details below.

"Responses to Submissions" available
W pncc.govt.nz E info@pncc.govt.nz | P 356 8199



THE FOLLOWING BRIEFLY OUTLINES SOME OF THE COMMON ISSUES RAISED IN SUBMISSIONS

What do you think about the idea of providing Under 5 Year olds with free entry to Council pools?

91 submitters commented. Majority of which (76) support the idea, three against and 12 neither for or against. This question did raise other proposals including free swimming lessons and other subsidised options.

What do you think about replacing the current City crest flag with a new flag for the city?

83 submitters commented. Most do not support the idea of replacing the flag, with 31 in favour and 44 against (8 commenting neither in support or opposed).

What do you think of the proposed change to how we calculate rates?

8 submitters commented. Majority (27) support the proposed change, 5 were against and 6 neither supported or opposed. Majority saw the change as a fairer method of calculation, while others saw it as unfair to rural and commercial properties.

Access and Use of Hokowhitu Lagoon

32 submitters commented, all submitting on the continued access and use of the Hokowhitu Lagoon for recreation purposes. This seemed to be an issue arising out of possible feedback from residents and restricting the use.

Social Housing – Papaioea Stage 2 (programme ID 1219, page 53)

19 submitters commented. Of those that submitted, all supported bringing forward the second stage of the Papaioea Place Social Housing project.

CHANGES THE COUNCIL MADE IN FINALISING THE ANNUAL BUDGET, AS A RESULT OF CONSULTATION OR THROUGH ITS FINAL DECISION-MAKING PROCESS:

RATING SYSTEM CHANGES

As the increase in land values through the 2018 city revaluation varied significantly throughout the City the Council proposed a change to the rating system that involved the following:

- Reducing the uniform annual general charge (UAGC) from \$690 to \$500 per property
- Decreasing the surcharge that applies to the general rate for multi-unit residential property
- Reducing the extent of the discount on the general rate given to rural and semi-serviced properties (to compensate for the reduced UAGC)
- Increasing the surcharge on the general rate for non-residential properties from 150% to 165%

After considering the submissions the Council has decided to implement this proposal for 2019/20 without any further change.

OTHER CHANGES FROM YEAR 2 OF THE 10 YEAR PLAN (THAT WERE INCLUDED IN CONSULTATION DOCUMENT)

The Consultation Document highlighted the following key changes to the budgets compared with those contained in the 2019/20 year of the 10 Year Plan:

- Seismic assessments demonstrated some concerns about the central library building and a sum of \$200k has been set aside to study how this will affect its use in the future
- The second stage of the construction of the Papaioea Place Housing development has been brought forward as it is more cost effective than waiting for the 2021/22 year
- An audit of footpaths in the City showed a need to increase the sum committed for path upgrades. The budget was increased from \$715k to \$1m (and assumed 51% of this would be funded by NZTA)
- A contestable fund of \$50k is to be established to support art initiatives or competitions in the City
- Council's core financial systems are no longer fit for purpose and need to be replaced sooner than originally planned. It has been assumed \$650k will be required in 2019/20 and \$1.35m in 2020/21 to replace it
- Sport Manawatū's plan to build a 'Sports House' at the Central Energy Trust Arena is not proceeding in the format originally envisaged. The Council had originally planned to contribute \$1.5m over two years as a grant. The sum of \$1.5m has been retained in the budget as capital expenditure in case the Council decides to partner and build a facility for Sport Manawatū and others within the Arena masterplan development
- \$60k has been provided to enable the Palmerston North Community Services Council to be funded to carry out the day-to-day management of Hancock Community House
- \$90k has been added to improve access to the lagoon edge from within the Caccia Birch property
- Sales revenue from recycling products has been reduced by \$230k reflecting lower demand for recycling products in international markets
- Provision to purchase rather than lease some replacement vehicles
- Additional provisions in operating budgets as follows:
 - \$208k to operate the Central Energy Trust Wildbase Recovery Centre to an appropriate standard

- \$80k for additional governance support
- \$50k annual marae grant to iwi for hosting visitors
- \$90k extra for accreditation under the Food Act 2014
- \$270k for culture change initiatives

- \$200k additional provision made for the operating costs for stormwater to enable a backlog of deferred maintenance for streams and drains to begin to be addressed.
- \$75k additional provision for a number of small operating budgets.

Bring forward provisions from later years for the following capital renewal programmes:

- Programme 663 – Ashhurst Bore to Reservoir Pipe Replacement \$1.5m
- Programme 649 – Recycling Materials Recovery Facility Renewals \$204k

SUBSEQUENT CHANGES:

Changes to operating budgets and programmes:

- An operational grant of \$30k to be provided to UCOL in 2019/20 for their King Street Plunket Rooms Project.
- Extending programme 1562 (New Zealand Rugby Museum cataloguing/conservation work, finished in 2018/19) for one additional year with an operational grant of \$20k to the NZ Rugby Museum in 2019/20 for curatorial work.
- Addition of a new programme of \$60k to cover the cost of free swimming for under 5 year olds at all Council swimming pools for the 2019/20 year.
- Approval of a grant of \$25k to support the operation of the Women's Centre for the 2019/20 year,
- \$20k from programme 1161 directed to support the publication of the book celebrating the history of Palmerston North in partnership with Massey University Press.

Increased funding provision of the amounts shown for the following capital renewal programmes to enable urgent works to be undertaken:

- Programme 179 – Totara Road WWTP – Minor Equipment Renewals \$200k
- Programme 199 – City-wide Water Bore Headworks and Station Renewals \$213k
- Programme 207 – Turitea WTP Equipment and Facility Renewals \$112k
- Programme 65 – City-wide Pump Station Renewal \$172k
- Programme 281 – Civic Administration Building Renewals \$500k
- Programme 1051 – CET Arena 2 Renewals \$1.45m
- Programme 234 – Sportsfield Changing Room Refurbishments \$388k
- Programme 1291 – Library Roof & HVAC Replacement (seismic bracing) \$400k

Deleting or deferring provisions for the following capital renewal programmes:

- Programme 828 – City-wide Parking Meter Replacement \$114k
- Programme 652 – Turitea Dams – Access Road Improvements \$205k
- Programme 1058 – City-wide Groundwater Bores Renewal \$103k
- Programme 1063 – Turitea Water Treatment Plant - Replacement of SCADA systems hardware and software \$60k
- Programme 742 – Campbell's Road Bridge Renewal \$150k

Increased funding provision of the amounts shown for the following capital new programmes:

- Programme 1440 – Cuba St Urban Landscape Improvements – Rangitikei to George St \$244k
- Programme 1578 – Monrad/Pencarrow St Roundabout \$650k (partially offset by a reduction of \$200k for programme 829 Undergrounding Power & Telecom Cables)

- Programme 1607 – Water Safety and Security Mitigation \$140k
- Programme 1579 – Wastewater Network Health & Safety Upgrades \$265k
- Programme 1043 – Totara Road Wastewater Treatment Plant – Inlet Main Duplication \$800k

Bring forward provisions from later years for the following capital new programmes:

- Programme 93 – Memorial Park Reserve Development Plan \$238k
- Programme 752 – Manawatū River Framework \$195k

Changes to CET Arena programmes:

Modifying the timing & composition of programmes 990, 1082 1083 and 1534 (being components of the Central Energy Trust Arena masterplan development) so that the expenditure budgeted for 2019/20 totals \$6.8m and assumes \$430k of this will be funded from external sources.

Provision for carry forwards from 2018/19:

The Council has included in the Annual Budget for 2019/20 provision to carry forward the incomplete component of a number of capital programmes from 2018/19. 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 2019 will be lower than assumed in the provisional budget. As a consequence the budget for interest payable during 2019/20 has been reduced.

Reduction and deferrals for capital new programmes:

Given the significant level of proposed carry forwards from 2018/19 the Council has reviewed the timing of its programme of capital works for 2019/20. 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 2019/20 by the amounts shown and reallocated to later years:

- Programme 1072 – Urban Growth – City West – Pioneer Highway/Te Wanaka Road Intersection \$307k
- Programme 1170 - Urban Growth City West – Installation of Water Supply Systems \$520k
- Programme 1003 – Urban Growth – Whakarongo – Intersection Upgrades \$435k
- Programme 1004 – Urban Growth – Whakarongo – Installation of Water Supply Systems \$539k
- Programme 167 – Urban Growth – Whakarongo – James Line Upgrade – stage 4 \$922k
- Programme 716 – Urban Growth – Whakarongo – Walkways Land Purchase \$286k
- Programme 228 - Upgraded Strategic Routes to HPMV Standard \$4.134m

- Programme 1121 - Massey and Research Institutes Development (Food HQ) \$2.091m
- Programme 244 - City Centre Streetscape Plan - Square East (Plaza to ANZ) \$800k

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 2019/20 the fixed part (\$1,208 for residential properties) is proposed to be made up of the following:

Charge type	Charge		What it pays for
	2018/19	2019/20	
Water	\$256	\$257	Pays for the cost of providing water
Wastewater	\$256	\$252	Pays for the cost of treating and disposing of wastewater
Kerbside Recycling	\$126	\$127	Pays for the cost of kerbside recycling
Rubbish & Public Recycling	\$69	\$72	Pays for general rubbish & recycling costs including transfer stations, cleaning up fly tipping, community education
General	\$690	\$500	Contributes to paying for all other Council service and acts as a way of ensuring that all properties contribute a more equal share of 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.

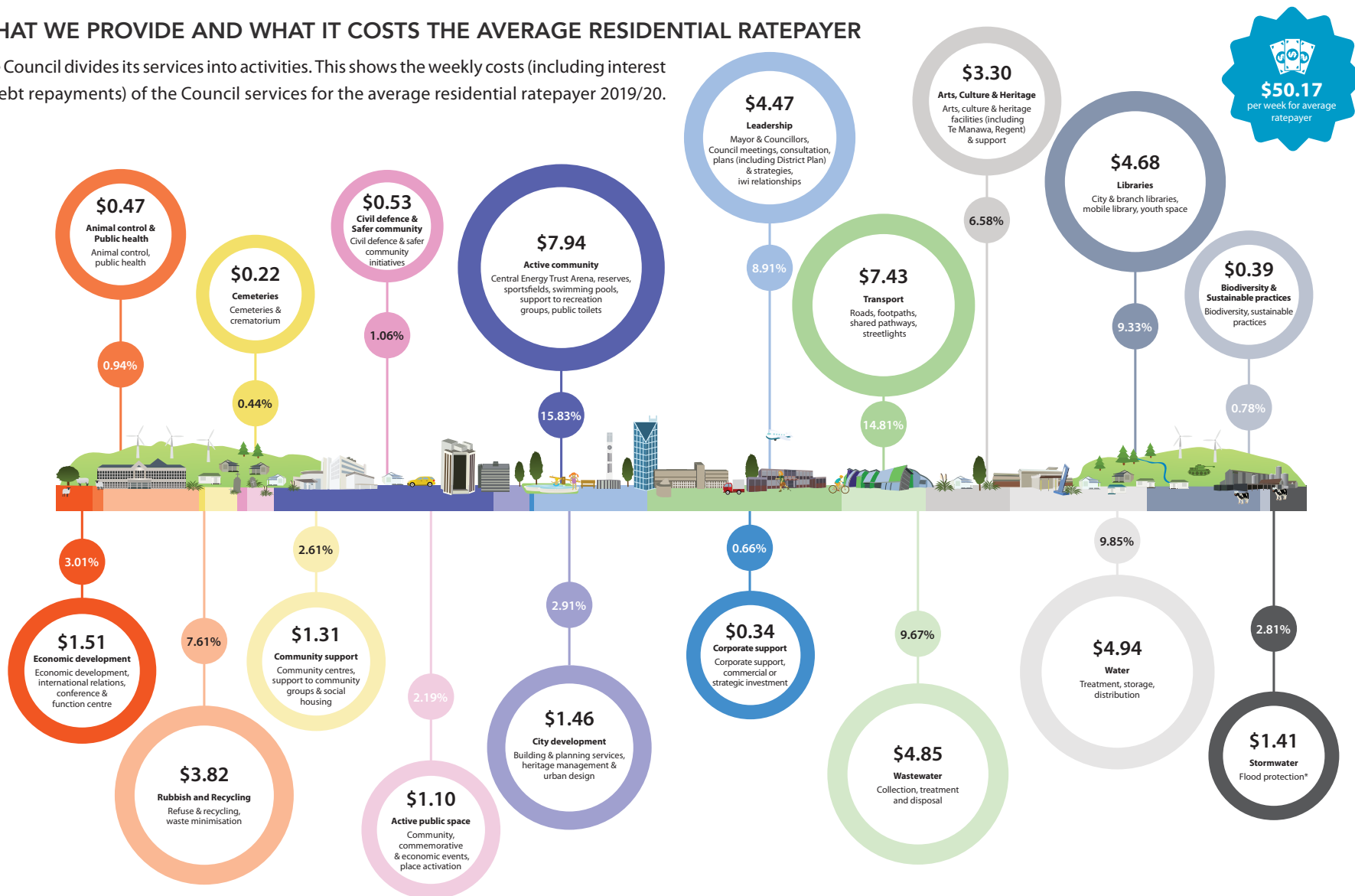
In 2018, new property valuations were issued for Palmerston North. On average, residential land valuations increased by 68% and there was a significant variation in the level of increase. For commercial properties there was an average 30% increase.

The Council decided to propose changes to the rating system to moderate the effects of the revaluation on rates for 2019/20. Without these changes some ratepayers who have residential properties with lower land values would pay rates higher than what the Council believes is reasonable, and rates for some other ratepayers would be unreasonably low.

After consulting with the public, the Council decided to adopt these changes. The rating system is described in more detail in Section 2 of this budget document. Examples of residential rates are also shown in the same section.

WHAT WE PROVIDE AND WHAT IT COSTS THE AVERAGE RESIDENTIAL RATEPAYER

The Council divides its services into activities. This shows the weekly costs (including interest & debt repayments) of the Council services for the average residential ratepayer 2019/20.



* Horizons Regional Council is responsible for Manawātū River and Mangaone Stream flood protection.

Financial Overview and Statements

OVERVIEW

The Council's Annual Budget covers the period 1 July 2019 to 30 June 2020. 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 inter-generational funding requirements
- Managing debt within defined levels
- Maintaining the infrastructure provided for the City by previous generations, for the use by current and future generations
- Ensuring financial capacity for future generations so they are able to fund high-priority programmes

- Timely provision of new infrastructure that builds capacity and enables the City to harness new development opportunities while avoiding the risks associated with over provision
- 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 infrastructure so that it is not being run down

- Forecasts net debt at 30 June 2020 of \$166.8m - \$16.1m less than assumed in the 10 Year Plan (based on a forecast balance at 1 July 2019 of \$122m)
- An increase in the total rates requirement for 2019/20 of 4.6% - compared with 5.5% 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 2019/20 in the 10 Year Plan.

PARAMETER	10 YEAR PLAN	ANNUAL BUDGET	LIMIT
Increase in total rates	5.5%	4.6%	4.6% ²
Net debt as a % of total assets	10.6%	9.8%	< 20%
Net debt as a % of total revenue	138%	126.6%	< 200%
Net interest as a % of total revenue	7.1%	5.8%	< 15%
Net interest as a % of annual rates income	9.5%	7.7%	< 20%

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 \$19.9m for capital renewals during 2019/20.

Although the Council's Prospective Statement of Comprehensive Revenue and Expense (next page) shows that after including capital revenue of \$11.3m there will be a surplus of \$1.437m, the Disclosure Statement on page 20, (as required by the Local Government (Financial Reporting and Prudence) Regulations 2014), shows the Council will not meet the balanced budget benchmark of 100% - with a projected outcome of 98.6%. Using this test the Council would be deemed to not have a 'balanced budget' for the year. Despite this the Council believes its budget for the year is a prudent one.

These forecast financial statements were authorised for issue by Palmerston North City Council on 24 June 2019.

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.

² Based on September 2018 BERL local government cost indicator of 2.3% plus 2% and a rating base growth assumption of 0.3%. The 10YP assumed a limit of 4.5% based on a cost indicator of 2.2% plus 2% and a rating growth assumption of 0.3%.

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

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
REVENUE			
OPERATING REVENUE			
94,543	Rates	99,707	98,855
517	Interest & Dividends	567	567
3,207	Operating Subsidies & Grants	3,233	3,322
24,421	Other Operating Revenue	29,254	29,101
122,688		132,761	131,844
CAPITAL REVENUE			
13,373	Capital Subsidies & Grants	8,411	7,822
1,063	Development Contributions	1,476	1,476
2,000	Vested Assets	2,000	2,000
16,436		11,887	11,298
139,125	TOTAL REVENUE	144,648	143,116
EXPENSES			
94,468	Expenses	95,559	98,471
7,284	Interest	9,451	7,616
34,627	Depreciation	36,081	35,619
136,379	TOTAL EXPENSES	141,091	141,706
2,746	SURPLUS/(DEFICIT)	3,557	1,437
	Other Comprehensive Revenue and Expense		
10,347	Gain on property revaluations	35,206	33,784
13,093	TOTAL COMPREHENSIVE REVENUE AND EXPENSE	38,763	35,220
5.3%	RATES INCREASE	5.5%	4.6%
2,080	Rates revenue shown above includes the following amounts for metered water revenue	2,150	2,500

PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
1,454,165	Opening Balance	1,467,258	1,470,815
13,093	Total Comprehensive Revenue and Expense	38,763	35,220
1,467,258		1,506,021	1,506,035

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
8,240	Current Assets	8,422	10,005
	NON-CURRENT ASSETS		
12,941	Investments in CCOs and industry companies	13,052	13,052
5,770	Investment Property & Other Financial Assets	5,659	5,871
1,615,977	Property, Plant & Equipment	1,692,825	1,681,257
1,642,928	TOTAL ASSETS	1,719,958	1,710,185
27,258	Current Liabilities	27,411	33,793
	NON-CURRENT LIABILITIES		
1,311	Employee Entitlements	1,340	1,368
144,856	Term Liabilities	182,942	166,833
2,244	Provisions	2,244	2,156
	EQUITY		
1,044,849	Retained Earnings	1,048,406	1,050,400
422,409	Other Reserves	457,615	455,636
1,642,928	TOTAL LIABILITIES/EQUITY	1,719,958	1,710,185

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 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
	OPERATING ACTIVITIES		
	CASH PROVIDED		
94,543	Rates	99,707	98,855
17	Interest	17	17
500	Dividends	550	550
3,207	Operating Subsidies & Grants	3,233	3,322
24,421	Other Operating Revenue	29,254	29,101
13,373	Capital Subsidies & Grants	8,411	7,822
1,063	Development Contributions	1,476	1,476
	CASH DISBURSED		
(7,284)	Interest	(9,451)	(7,616)
(94,468)	Expenses	(95,559)	(98,471)
35,373		37,638	35,056
	INVESTING ACTIVITIES		
	CASH PROVIDED		
-	Investment Reductions	-	-
-	From Asset Sales	402	402
	CASH DISBURSED		
(74,076)	Capital Expenditure	(76,125)	(81,813)
-	Investments	-	-
(74,076)		(75,723)	(81,411)
	FINANCING ACTIVITIES		
	CASH PROVIDED		
38,703	Borrowing (net)	38,085	44,792
38,703		38,085	44,792
-	Net Increase / (Decrease)	-	1,564
679	Cash at beginning	1,279	1,279
679	CASH AT YEAR END	1,279	2,843

Annual Budget (Plan) Disclosure Statement

FOR THE YEAR ENDING 30 JUNE 2020

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	1.0%	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% plus an allowance for accelerated debt repayment	4.6%	Yes
Debt affordability benchmark	Net external debt as a percentage of total assets will not exceed 20%	9.8%	Yes
Debt affordability benchmark	Net external debt as a percentage of total revenue will not exceed 200%	126.6%	Yes
Debt affordability benchmark	Net interest as a percentage of total revenue will not exceed 15%	5.8%	Yes
Debt affordability benchmark	Net interest as a percentage of annual rates income will not exceed 20%	7.7%	Yes
Debt affordability benchmark	Liquidity available will exceed 110% of existing external debt	118.8%	Yes
Balanced budget benchmark	100%	98.6%	No
Essential services benchmark	100%	210.7%	Yes
Debt servicing benchmark	10%	5.5%	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
- (3) The table shows the Council's budget does not meet this benchmark for 2019/20. The Council's financial strategy is that rates be set at a level that is sufficient to fund operating services, average capital renewals and debt repayment over the expected life (with a maximum of 30 years) of assets being funded from debt. It is the Council's view that its financial strategy is prudent and if it set rates at a higher level to ensure the benchmark is met it would be building up unnecessary cash reserves.

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



This shows what we're planning to do, and how much it is expected to cost to implement Year 2 of the 10 Year Plan.

Section 1

Goals, strategies and plans

Goal 1 –

Innovative & Growing City 29

City Development Activity 29

(includes Housing and Future Development, Urban Design Heritage Management)

Strategic Transport (Roothing) Activity 31

Economic Development Activity 35

Goal 2 –

Creative & Exciting City 37

Active Public Space Activity 37

(includes Placemaking, Events & Festivals, Palmy Unleashed)

Arts, Culture & Heritage Activity 39 (includes arts & cultural organisations/groups)

Active Community Activity 42 (includes Sport and Recreation, Parks, Sportsfields and Reserves)

Active and Public Transport Activity 47 (includes cycle/pedestrian paths, buses & bike stands)

Goal 3 –

Connected & Safe Community 50

Connected Communities Activity 50

(includes libraries, community centres, community groups and Social Housing)

Safe Communities Activity 54

(includes animal control, civil defence, public health & safer community initiatives)

Goal 4 –

Eco-City 56

Rubbish & Recycling Activity 56

Biodiversity & Sustainable Practices Activity 58

Stormwater Activity 60

Wastewater Activity 62

Water Supply Activity 65

Goal 5 –

Driven & Enabling Council 68

Leadership 68

Corporate Support 70

Commercial or Strategic Investments 73

Section 2

Section 3

Groups of Activities - Introduction

WHAT WE ARE PLANNING TO DO DURING 2019/20 (YEAR TWO OF THE 10 YEAR PLAN) AND WHY

The Council wants Palmerston North to be recognised for the great quality of life that its residents enjoy, and at the same time, for them to have all the lifestyle, education and business opportunities that are available in much larger cities.

This is summed up by Council's Vision: **Palmerston North: Small city benefits, Big city ambition.**

The Council has five Goals that describe this Vision in more detail. Each Goal has one or two strategies. They show how Council will bring the Goals to life. Sitting below the Strategies are Plans that show specific actions for the next three years.

Vision: Small city benefits, Big city ambition.						
Goals:	An Innovative and Growing City		A Creative and Exciting City	A Connected and Safe Community	An Eco-City	A Driven and Enabling Council
Strategies:	City Development	Economic Development	Creative and Livable City	Connected Community	Eco-City	Driven and Enabling Council
Plans:	Housing and Future Development Strategic Partners Development Urban Design Growth Infrastructure Strategic Transport Heritage Management	Economic Development International Relations	City Centre Manawatū River Placemaking Arts Events and Festivals Palmy Unleashed Active Community Culture and Heritage Active and Public Transport	Community Services and Facilities Social Housing Healthy Community Community Support Active Citizenship Safe Community	Biodiversity Three Waters Waste Energy Sustainable Practices	Partnerships Leadership and Culture Digital Transformation Good Governance

The Council works on these Strategies and Plans through Activities. Activities are defined in the Local Government Act as goods and services provided by the Council. The Act requires similar Activities to be put together into Groups of Activities for budget purposes.

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]').

Programme Descriptions

For a more detailed description of the programmes, see our website pncc.govt.nz search Annual Budget 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

Beside 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'S NEW IN 2019/20

Explanation indicated



Activity Financial Statements

WHOLE OF COUNCIL

Budget 2018/19 \$'000s	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	Budget 2018/19 \$'000s	10YP 2019/20 \$'000s	AB 2019/20 \$'000s
REVENUE			EXPENSES		
Innovative & Growing City			Innovative & Growing City		
3,932	4,045	4,045	6,756	6,876	7,348
1,168	1,193	1,193	4,458	4,505	4,463
Creative & Exciting City			Creative & Exciting City		
1,990	2,030	2,094	18,897	20,693	19,490
45	46	46	2,506	2,385	2,260
62	63	62	8,601	8,275	8,546
Connected & Safe Community			Connected & Safe Community		
3,820	3,945	3,945	17,354	18,788	18,795
1,219	1,244	1,224	2,848	3,146	3,270
Eco-City			Eco-City		
-	-	-	756	836	773
2,955	2,978	2,748	7,809	8,016	8,050
Transport			Transport		
7,225	7,376	7,376	24,287	25,325	24,752
167	170	207	4,092	4,485	4,450
36	36	36	8,256	8,615	8,420
1,152	1,298	1,298	10,992	11,278	11,178
2	2	2	3,784	3,933	4,200
Driven & Enabling Council			Driven & Enabling Council		
3,696	3,813	3,900	6,531	4,594	6,261
505	515	515	188	18	203
172	303	303	8,640	9,324	9,652
28,145	29,058	28,995	136,379	141,091	141,706
TOTAL REVENUE			108,234	112,032	112,711
			NET OPERATING COST OF ACTIVITY GROUPS		

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
	RATING REQUIREMENT		
(34,627)	Less Depreciation	(36,081)	(35,619)
(2,800)	Less Transfers To/(From) Reserves	(434)	(2,607)
19,737	Plus Net Capital Renewal (3 Year Average)	19,673	19,889
3,999	Plus Debt Repayment	4,516	4,481
94,543	RATES REQUIREMENT	99,707	98,855
5.2%		5.5%	4.6%
	CAPITAL EXPENDITURE		
	CAPITAL RENEWALS		
	Innovative & Growing City		
-	City Development	-	-
330	Economic Development	262	262
	Creative & Exciting City		
4,187	Active Community	4,193	7,119
23	Active Public Space	-	-
320	Arts, Culture & Heritage	311	311
	Connected & Safe Community		
3,766	Connected Communities	1,670	2,124
36	Safe Communities	81	81
	Eco-City		
	Biodiversity & Sustainable Practices		
362	Rubbish and Recycling	325	498
	Transport		
5,473	Roading	4,969	4,705
868	Active and Public Transport	761	1,046
3,415	Water	3,013	4,406
4,112	Wastewater	2,578	3,079
635	Stormwater	677	677
	Driven & Enabling Council		
1,332	Commercial or Strategic Investments	1,320	1,960
1,327	Corporate Support	1,314	2,030
-	Leadership	-	-
26,186	TOTAL CAPITAL RENEWALS	21,475	28,297

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
	CAPITAL NEW		
	Innovative & Growing City		
-	City Development	-	-
7	Economic Development	54	54
	Creative & Exciting City		
10,404	Active Community	9,141	12,875
619	Active Public Space	403	403
219	Arts, Culture & Heritage	627	591
	Connected & Safe Community		
10,326	Connected Communities	8,439	7,485
80	Safe Communities	903	843
	Eco-City		
80	Biodiversity & Sustainable Practices	82	142
564	Rubbish and Recycling	399	457
	Transport		
9,582	Roading	19,375	12,769
10,007	Active and Public Transport	4,206	4,394
3,011	Water	6,601	7,277
1,183	Wastewater	2,813	4,159
1,013	Stormwater	1,191	1,371
	Driven & Enabling Council		
309	Commercial or Strategic Investments	310	309
411	Corporate Support	106	311
75	Leadership	-	75
47,890	TOTAL CAPITAL NEW	54,650	53,516
(75)		-	-
74,076	TOTAL CAPITAL EXPENDITURE	76,125	81,813
	FUNDED BY		
2,876	External Revenue Renewal	2,524	2,614
10,497	External Revenue New	5,887	5,208
1,063	Development Contributions	1,476	1,476
19,737	Rates	19,673	19,889
39,903	New Borrowing / (Repayment)	46,163	52,224
74,076	TOTAL	76,125	81,813

Goal 1 - Innovative & Growing City

CITY DEVELOPMENT - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
3,165	Building Services	3,261	3,261	
767	Planning Services - Private	784	784	
3,932	TOTAL REVENUE	4,045	4,045	
EXPENSES				
4,668	Building Services	4,749	5,184	
661	Planning Services - Private	674	677	
895	Planning Services - Public	921	918	
290	Urban Design	337	345	
242	Heritage Management	196	224	
6,756	TOTAL EXPENSES	6,876	7,348	
2,824	NET OPERATING COST OF ACTIVITY	2,832	3,304	
RATING REQUIREMENT				
(1)	Less Depreciation	(1)	(1)	
2,823	RATES REQUIREMENT	2,831	3,303	

CITY DEVELOPMENT - OPERATIONAL

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	130-Earthquake Prone Buildings - Assessment of Compliance with the Building Act	143	143	
✓	762-City-wide - Urban Design - Delivering Change	50	50	
✓	1206-Additional Resources - Training Programme for Building Officer Cadets	84	84	
✓	1447-Earthquake prone heritage building fund	51	51	
✓	1479-Urban Design - Enhanced Delivering Change	82	82	
✓	1563-Operating grant to All Saints Church Building Fund	102	100	
✓	1610-UCOL Former Plunket Building	-	30	As a result of finalising the Annual Budget 2019/20 and as a result of public submissions, Council decided to include a one off grant to support the Former Plunket Buildings owned by UCOL.
TOTAL		511	540	

STRATEGIC TRANSPORT (ROADING) - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
3,812	Parking	3,896	3,896	
2,236	Roads	2,272	2,272	
129	Street Facilities	132	132	
407	Street Lighting	422	422	
640	Traffic Services	654	654	
7,225	TOTAL REVENUE	7,376	7,376	
EXPENSES				
2,758	Parking	2,822	3,085	
14,253	Roads	15,021	14,352	
2,507	Street Facilities	2,569	2,563	
2,102	Street Lighting	2,214	1,989	
2,666	Traffic Services	2,699	2,762	
24,287	TOTAL EXPENSES	25,325	24,752	
17,062	NET OPERATING COST OF ACTIVITY	17,948	17,376	
RATING REQUIREMENT				
(8,707)	Less Depreciation	(8,912)	(8,717)	
3,145	Plus Net Capital Renewal (3 Year Average)	3,514	2,906	
761	Plus Debt Repayment	1,010	920	
12,261	RATES REQUIREMENT	13,559	12,485	
CAPITAL EXPENDITURE				
5,473	Renewal	4,969	4,705	
9,582	New	19,375	12,769	
15,055	TOTAL CAPITAL EXPENDITURE	24,344	17,474	
FUNDED BY				
2,464	External Revenue Renewal	2,163	2,087	
5,750	External Revenue New	3,036	2,288	
369	Development Contributions	513	513	
3,145	Rates	3,514	2,906	
3,326	New Borrowing / (Repayment)	15,118	9,680	
15,055	TOTAL	24,344	17,474	


STRATEGIC TRANSPORT (ROADING) - OPERATIONAL

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	1472-Accelerate 25 Business Case work for strategic roads	250	250	
✓	1494-Additional Resources City Networks Sustainability, public transport and modal integration	245	245	
	TOTAL	496	496	-

STRATEGIC TRANSPORT (ROADING) - CAPITAL RENEWAL

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	74-City-wide - Street Light Replacements	138	138	
✓	82-City-wide - Off Street Parking Resurfacing, Remarking and Signage Replacement	10	10	
✓	115-City-wide - Sealed Pavement Renewals	1,735	1,735	
✓	122-City-wide - Road Drainage Replacements	358	358	
✓	139-City-wide - Sealed Road Resurfacing	1,805	1,805	
✓	155-City-wide - Street Tree Replacements	61	61	
✓	162-City-wide - Vehicle Crossing Replacements	491	491	
➤	742-Campbells Road - Bridge Renewal	150	-	Deferred by one year.
✓	743-Railway Road - Culvert Renewal	55	55	
✗	828-City-wide - Parking Meter Replacement	114	-	Meters not requiring replacement.
✓	1443-City-wide - Road Drainage Replacements (Unsubsidised)	51	51	
	TOTAL	4,969	4,705	-

STRATEGIC TRANSPORT (ROADING) - CAPITAL NEW

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	163-City-wide - New Street Tree Planting	90	90	
➤	167-Urban Growth - Whakarongo - James Line Upgrade - Stage 4	1,022	100	Deferred by one year.
✓	201-City-wide - Roading Subdivision Contributions	170	170	
➤	228-Upgraded Strategic Routes to HPMV Standard	4,134	-	Deferred by one year.
✓	243-City Centre Streetscape Plan - Main Street East (Bus Terminal & Canopies)	622	622	
✓	244-City Centre Streetscape Plan - Square East (Plaza to ANZ)	3,643	2,843	Portion deferred for one year.
✓	279-City-wide - Minor Road Projects	879	879	
✓	324-Park Road / Cook Street - Intersection Upgrade	41	41	
✓	684-Longburn Rongotea Road/No. 1 Line Intersection - Safety Upgrade	102	102	
➤	713-C/fwd - City-wide - Undergrounding of Power and Telecom Cables	-	81	Carry forward balance of programme 829-City-wide - Undergrounding of Power and Telecom Cables from 2018/19.
✓	829-City-wide - Undergrounding of Power and Telecom Cables	364	164	\$200,000 of this allocated to programme 1578 - Monrad Pencarrow Roundabout installation.
➤	900-C/fwd - The Square East Side - Streetscape Upgrade	-	1,295	Carry forward balance of programme 244 - City Centre Streetscape Plan - Square East (Plaza to ANZ) from 2018/19.
➤	1003-Urban Growth - Whakarongo - Intersection Upgrades	635	200	Deferred by one year.
✓	1007-Urban Growth - Whakarongo - Internal Roads	153	153	
➤	1072-Urban Growth - City West - Pioneer Highway/Te Wanaka Road Intersection - New Intersection	307	-	Deferred by one year.
✓	1089-Industrial Growth - NEIZ - Richardsons Line Upgrade	1,124	1,124	
✓	1090-Industrial Growth - NEIZ - Roberts/Richardsons Line Intersection Upgrades	423	423	
➤	1121-Massey and Research Institutes Development (Food HQ) (subject to part external funding)	2,591	-	Deferred by one year.
✓	1183-Stoney Creek Road (School) Safety Upgrade	1,294	1,294	
➤	1274-C/fwd - City Wide - Street Lighting Upgrade to Current LEDs	-	105	
✓	1367-Street Light Infill Improvements	865	865	
✓	1440-Cuba Street urban streetscape improvements - Rangitikei to George Street	406	650	Revised cost estimates based on existing work completed to date.
✓	1488-Seal extension Rural Unsealed Road	511	511	
	1578-Monrad Pencarrow Roundabout installation	-	650	As approved by Council - March 2019.
➤	1595-C/fwd - Roberts/Railway Road North Intersection Safety Realignment	-	100	Carry forward balance of programme 1362 -Roberts/Railway Road North Intersection Safety Realignment from 2018/19

STRATEGIC TRANSPORT (ROADING) - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
➤	1596-C/fwd - Massey and Research Institutes Development (Food HQ) (subject to part external funding)	-	200	Carry forward balance of programme 1121 -Massey and Research Institutes Development (Food HQ) (subject to part external funding) from 2018/19
➤	1603-C/fwd - Industrial Growth - NEIZ - Richardsons Line Upgrade	-	75	Carry forward balance of programme 1089 -Industrial Growth - NEIZ - Richardsons Line Upgrade from 2018/19.
➤	1604-C/fwd - Industrial Growth - NEIZ - Roberts/Richardsons Line Intersection Upgrades	-	33	Carry forward balance of programme 1090 - Industrial Growth - NEIZ - Roberts/Richardsons Line Intersection Upgrades from 2018/19.
TOTAL		19,375	12,769	-

ECONOMIC DEVELOPMENT - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
978	Conference & Function Centre	999	999	
190	Economic Development	194	194	
1,168	TOTAL REVENUE	1,193	1,193	
EXPENSES				
1,737	Conference & Function Centre	1,769	1,778	
2,428	Economic Development	2,438	2,368	
292	International Relations	298	318	
4,458	TOTAL EXPENSES	4,505	4,463	
3,290	NET OPERATING COST OF ACTIVITY	3,313	3,271	
RATING REQUIREMENT				
(471)	Less Depreciation	(475)	(470)	
287	Plus Net Capital Renewal (3 Year Average)	281	281	
11	Plus Debt Repayment	12	19	
3,117	RATES REQUIREMENT	3,130	3,102	
CAPITAL EXPENDITURE				
330	Renewal	262	262	
7	New	54	54	
337	TOTAL CAPITAL EXPENDITURE	316	316	
FUNDED BY				
287	Rates	281	281	
50	New Borrowing / (Repayment)	35	35	
337	TOTAL	316	316	

ECONOMIC DEVELOPMENT - OPERATIONAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1268-International Relations	153	153	
✓	1480-Sponsorship Opportunities for Council with economic benefits	51	51	
	TOTAL	204	204	-

ECONOMIC DEVELOPMENT - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	251-Conference & Function Centre - Replacement of Equipment	36	36	
✓	270-Investment Properties - Holiday Park - Renewals	144	144	
✓	664-Conference & Function Centre - Renewals	5	5	
✓	1166-Conference & Function Centre - Equipment Purchases	77	77	
	TOTAL	262	262	-

ECONOMIC DEVELOPMENT - CAPITAL NEW

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1535-City-Wide - Campervan Dump Stations	54	54	
	TOTAL	54	54	-

Goal 2 - Creative & Exciting City

ACTIVE PUBLIC SPACE - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
45	Community & Commemorative Events	46	46	
45	TOTAL REVENUE	46	46	
EXPENSES				
1,828	Community & Commemorative Events	1,723	1,650	
250	Economic Events	204	204	
428	Place activation	457	405	
2,506	TOTAL EXPENSES	2,385	2,260	
2,461	NET OPERATING COST OF ACTIVITY	2,339	2,214	
RATING REQUIREMENT				
(5)	Less Depreciation	(32)	(5)	
8	Plus Net Capital Renewal (3 Year Average)			
7	Plus Debt Repayment	34	22	
2,471	RATES REQUIREMENT	2,340	2,231	
CAPITAL EXPENDITURE				
23	Renewal	-	-	
619	New	403	403	
642	TOTAL CAPITAL EXPENDITURE	403	403	
FUNDED BY				
-	External Revenue New	102	102	
8	Rates	-	-	
634	New Borrowing / (Repayment)	301	301	
642	TOTAL	403	403	

ACTIVE PUBLIC SPACE - OPERATIONAL

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	799-Events - Major School Sports Events funding (part of Sports Events Partnership Fund)	85	88	
✓	1157-Military Heritage Commemorations (Events)	46	38	\$8,000 transferred to new programme 1554-Military Heritage Commemorations.
✓	1161-Te Papaioea History Celebration	77	77	
✓	1167-Placemaking Co-created Project	36	36	
✓	1262-Ashhurst Christmas Lights	2	2	
✓	1273-Palmy Unleashed	168	168	
✓	1344-Major events fund	204	204	
✓	1465-Contestable Community Events Fund	26	26	
✓	1506-Community Events	507	508	
TOTAL		1,150	1,147	-

ACTIVE PUBLIC SPACE - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	1330-Placemaking Co-created Project	15	15	
✓	1473-City Centre Lighting and Projection Demonstration Project	204	204	
✓	1476-City Centre Laneways Programme	184	184	
TOTAL		403	403	-

ARTS, CULTURE & HERITAGE - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
-	Other Cultural Facilities	-	-	
62	Support to arts, culture & heritage groups	63	62	
62	TOTAL REVENUE	63	62	
EXPENSES				
2,087	Other Cultural Facilities	2,130	2,125	
1,792	Support to arts, culture & heritage groups	1,819	1,833	
4,722	Te Manawa	4,326	4,588	
8,601	TOTAL EXPENSES	8,275	8,546	
8,539	NET OPERATING COST OF ACTIVITY	8,211	8,484	
RATING REQUIREMENT				
(2,049)	Less Depreciation	(2,056)	(2,049)	
-	Less Transfers To/(From) Reserves	-	(259)	
409	Plus Net Capital Renewal (3 Year Average)	418	418	
85	Plus Debt Repayment	93	97	
6,983	RATES REQUIREMENT	6,667	6,691	
CAPITAL EXPENDITURE				
320	Renewal	311	311	
219	New	627	591	
539	TOTAL CAPITAL EXPENDITURE	939	903	
FUNDED BY				
409	Rates	418	418	
130	New Borrowing / (Repayment)	521	485	
539	TOTAL	939	903	

ARTS, CULTURE & HERITAGE - OPERATIONAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	7778-Arts Initiatives	33	33	
✓	1201-Globe Theatre - Increased Operating Grant	31	31	
✓	1323-Libraries and Community Services: Digitisation Programme	51	51	
✓	1464-Massey Arts Funding	10	10	
✓	1469-Local Heritage Programmes	15	15	
✓	1500-Curation of Public Artworks	17	17	
NEW 19/20	1501-Public Sculptures Trust Funding	-	50	Replaces programme #367-Public Sculptures/Art Funding.
✓	1536-Regent Theatre - Trustee Meeting Fee Grant	6	6	
✓	1537-Caccia Birch - Trustee Meeting Fee Grant	6	6	
✓	1538-Globe Theatre - Trustee Meeting Fee Grant	5	5	
➤	1549-C/fwd - Te Manawa - Investigations and planning for option A and B	-	259	Carry forward balance of programme 1525-Te Manawa - Investigations and planning for option A and B from 2018/19.
NEW 19/20	1554-Military Heritage Commemorations	-	8	\$8,000 transferred from programme 1157-Military Heritage Commemorations (events)
NEW 19/20	1562-New Zealand Rugby Museum - Cataloguing/conservation work	-	20	As a result of finalising the 2019/20 Annual Budget, the Council continued this budget of \$20k for a further year.
NEW 19/20	1573-Arts Event Fund	-	50	A contestable fund to support national and regional art events hosted in Palmerston North.
TOTAL		176	562	-

ARTS, CULTURE & HERITAGE - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	213-Cultural Facilities - Replacement of Structures, Internal Fit Out and Services	301	301	
✓	1144-Manawatū Heritage (Archives Digital Repository) Renewal	10	10	
TOTAL		311	311	-

ARTS, CULTURE & HERITAGE - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✗	367-Public Sculptures/Art Funding	51	-	Replaced by programme #1501-Public Sculptures Trust Funding due to accounting treatment.
✓	902-Property - Seismic Strengthening of Council Owned Buildings	536	536	
➤	1016-C/fwd - Seismic Strengthening of Council Owned Buildings	-	56	Carry forward balance of programme 902 -Property - Seismic Strengthening of Council Owned Buildings from 2018/19.
✗	1468-Heritage Archive Shelving	41	-	Further feasibility studies are required before a decision can be made.
TOTAL		627	591	-

ACTIVE COMMUNITY - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
1,745	Central Energy Trust Arena	1,780	1,780	
25	City-Wide Reserves	25	90	
111	Local Reserves	113	113	
109	Sportsfields	111	111	
1,990	TOTAL REVENUE	2,030	2,094	
EXPENSES				
5,620	Central Energy Trust Arena	6,023	6,086	
4,468	City-Wide Reserves	4,769	4,788	
3,030	Local Reserves	3,236	3,159	
2,327	Sportsfields	2,377	2,298	
1,271	Support to recreation groups	2,067	910	Primarily the removal of programme #1430-Sport Manawātū Sports House Contribution.
2,181	Swimming Pools	2,221	2,250	
18,897	TOTAL EXPENSES	20,693	19,490	
16,907	NET OPERATING COST OF ACTIVITY	18,663	17,396	
RATING REQUIREMENT				
(4,664)	Less Depreciation	(4,879)	(4,686)	
-	Less Transfers To/(From) Reserves	-	(350)	
3,645	Plus Net Capital Renewal (3 Year Average)	2,951	3,544	
519	Plus Debt Repayment	689	623	
16,407	RATES REQUIREMENT	17,424	16,528	
CAPITAL EXPENDITURE				
4,187	Renewal	4,193	7,119	
10,404	New	9,141	12,875	
14,592	TOTAL CAPITAL EXPENDITURE	13,335	19,994	
FUNDED BY				
1,066	External Revenue New	909	811	
165	Development Contributions	230	230	
3,645	Rates	2,951	3,544	
9,716	New Borrowing / (Repayment)	9,245	15,409	
14,592	TOTAL	13,335	19,994	

ACTIVE COMMUNITY - OPERATIONAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	355-Arapuke Forest Managment	51	51	
✓	1073-Citywide - Reserve Management Planning	64	64	
✓	1249-Arapuke Forest Park - Contribution to Manawatū Mountain Bike Club for Trail Development	51	50	
✓	1355-Walkways and Shared Paths- Hazardous Tree Removal at Springdale Grove and Te Motu o Poutoa	204	204	
✓	1415-Sportsfields and Outdoor Courts Manawatū Community Athletics Track - Increased Maintenance and Renewal Grant Massey University	10	10	
✓	1422-Regional Sports Facilities Plan - Investment Process Management (Sport Manawatū)	20	20	
✓	1424-Active Community Access Fund - Low Income Opportunities	10	10	
✗	1430-Sport Manawatū Sports House Contribution	766	-	Replaced by programme #1514-Central Energy Trust Arena Manawatū - Cuba Street Building.
✓	1431-Walkways and Shared Paths - Art and Heritage Trails	4	4	
✓	1433-Walkways and Shared Path - Designations	61	61	
✓	1438-Asset Management Planning - Parks underground services investigations	26	26	
✓	1486-City Reserves - Te Apiti Manawatū Gorge Development	102	102	
✓	1489-Ashhurst School Pool Operating Costs	306	306	
✓	1527-Regional Sports Facility Funding	5	5	
➤	1550-C/fwd - Hockey Turf - Grant for Share of Construction	-	350	Carry forward balance of programme 1212 - Hockey Turf - Grant for share of construction 2017/18.
NEW 19/20	1611-Free Swimming for Under 5 Year Olds	-	60	As a result of finalising the Annual Budget 2019/20 and as result of public submissions, Council decided to include a trial for one year of free entry to Council owned swimming pools for children under the age of 5.
TOTAL		1,681	1,324	-


ACTIVE COMMUNITY - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	98-Citywide Reserves - Renewals (Victoria Esplanade, Memorial Park, Ashhurst Domain and The Square)	245	245	
✓	173-Citywide - Playground Renewals	347	347	
✓	174-Citywide - Replacement of Furniture on Reserves	126	126	
✓	177-Citywide - Replacement of Gardens on Reserves	32	32	
✓	184-Walkways and Shared Paths - Refurbishments and Replacements	47	47	
✓	190-Citywide - Replacement of Trees on Reserves	13	13	
✓	194-Citywide - Renewal of Bridges on Reserves	48	48	
✓	195-Citywide - Renewal of Hardsurface Areas on Reserves	142	142	
✓	234-Sportsfields and Outdoor Courts - Changing Room Refurbishments	510	900	Revised budget estimates for Colquhoun Park Pavilion
✓	254-City-wide - Sportsfield Carpark and Hardsurface Area Resurfacing	39	39	
✓	257-Sportsfields and Outdoor courts - Fitzherbert/Manawaroa/Ongley Parks - Cricket Block Replacements	48	48	
✓	258-Citywide - Refurbishment and Replacement of Boundary Fences on Reserves	47	47	
✓	264-Sportsfields and Outdoor Courts - Memorial Park - Sand Carpet Replacement	141	141	
✓	266-Sportsfields and Outdoor Courts - Fitzherbert Park - Hockey Turf Refurbishment	534	534	
✓	269-Sportsfields and Outdoor Courts - Vautier Park - Synthetic Court Refurbishments (Plexipave)	46	46	
✓	565-City Reserves -The Square - Events Quadrant Resurface and Drainage	16	16	
✓	596-Aquatics - Lido Pool - Asset Renewals	245	245	
✓	598-Aquatics - Freyberg Community Pool - Asset Renewals	20	20	
✓	819-Central Energy Trust Arena - Replacement of Equipment	45	45	
✓	1051-Central Energy Trust Arena Manawatū - Combined Asset Refurbishment	1,047	2,497	Urgent works required
✓	1108-Cultural/Heritage Reserve - Hokowhitu Lagoon - Bank Renewal	213	213	
✓	1406-City Reserves - The Square - Te Marae O Hine - Pouwhenua Replacement	190	190	
✗	1490-I-Site LED screen renewal	53	-	Brought forward to 2018/19.
➤	1531-C/fwd - Cultural/Heritage Reserve - Hokowhitu Lagoon - Bank Renewal	-	280	Carry forward balance of programme 1108 - Cultural/Heritage Reserve - Hokowhitu Lagoon - Bank Renewal from 2018/19.
➤	1577-C/fwd - Sportsfields and Outdoor Courts - Changing Room Refurbishments	-	858	Carry forward balance of programme 234 - Sportsfields and Outdoor Courts - Changing Room Refurbishments from 2018/19.
TOTAL		4,193	7,119	-

ACTIVE COMMUNITY - CAPITAL NEW

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	93-City Reserves - Memorial Park Reserve Development Plan Implementation	82	320	
✓	94-Walkways and Shared Path - Purchase of Land to Extend Network	255	255	
✓	95-Walkways and Shared Path - Construction	72	72	
✓	111-Neighbourhood Reserves - Roslyn - Edwards Pit Park Development	31	31	
✓	158-Citywide - Safety Improvements to Reserves	35	35	
✓	160-Citywide - Improved Access to Reserves for Persons with Disabilities	38	38	
✓	165-Outdoor Adventure Reserves - Arapuke Forest Park/Kahuterawa Development	39	39	
NEW 19/20	196-Caccia Birch - Lagoon Embankment Upgrade	-	90	To reinstate the pathway along the lagoon front of Caccia Birch House
✓	558-Neighbourhood Reserves - Takaro - Oriana Reserve Development	15	15	
✓	560-Cultural/Heritage Reserves - Te Motu o Poutoa / Anzac Park Reserve Development	332	332	
✓	587-Neighbourhood Reserves - Kelvin Grove - Linklater Reserve Development	281	281	
✓	708-Urban Growth - Aokautere - Reserves Land Purchase	294	294	
➤	716-Urban Growth - Whakarongo - Walkways Land Purchases	286	-	Deferred by one year.
➤	752-City Reserves - Manawatū River - Framework Implementation	215	410	Brought forward one year to purchase land and complete pathways.
➤	761-C/fwd - Clearview Reserve Development	-	31	Carry forward balance of programme 697 - Clearview Reserve Development from 2018/19.
✓	967-Citywide - Edibles Planting	5	5	
✓	1081-City Reserves - Victoria Esplanade - Park Road Entrance and Parking Reconfiguration	41	41	
➤	1082-Central Energy Trust Arena Manawatū - Speedway Relocation & Artificial Pitch	3,774	-	Deferred by one year.
➤	1083-Central Energy Trust Arena Manawatū - Entrance Plaza	454	2,263	Brought forward one year.
✓	1097-Sportsfields - Drainage to Increased Capacity	16	16	
✓	1127-City Reserves - Victoria Esplanade - Bonsai House	102	102	
✓	1133-Sportsfields - Artificial Football Field (subject to part external funding)	83	82	
✓	1175-Citywide - Shade Trees	10	10	
✓	1182-Citywide - Recreation spaces - Improved Lighting	21	21	
➤	1326-C/fwd - Panieri Park - Purchase of Adjacent Land	-	40	Carry forward balance of programme 1282-Panieri Park - Purchase of Adjacent Land from 2018/19.
✓	1357-Urban Growth - Ashhurst - Reserve Land Purchase	771	771	
✓	1408-City Reserves - CBD Reserves - Play Development	5	5	
✓	1411-Sportsfields - Skogland park Irrigation	61	61	

ACTIVE COMMUNITY - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	1439-Culture/Heritage - Urban Eels Project Contribution	151	151	
✓	1454-City Reserves - Victoria Esplanade Development Plan	71	71	
➤	1502-C/fwd - Central Energy Trust Arena Manawatū - Speedway Relocation & Artificial Pitch	-	2,876	Carry forward balance of programme 1082 -Central Energy Trust Arena Manawatū - Speedway Relocation & Artificial Pitch from 2018/19.
	1514-Central Energy Trust Arena Manawatū - Cuba Street Building	-	1,500	Change in ownership assumptions.
✓	1523-Ashhurst Pool Enhancements	85	85	
➤	1534-Central Energy Trust Arena Manawatū - Embankment Redevelopment	1,515	1,694	Design aspects of embankment with some construction starting brought forward one year.
➤	1583-C/fwd - City Reserves - Memorial Park Reserve Development Plan Implementation	-	500	Carry forward balance of programme 93 -City Reserves - Memorial Park Reserve Development Plan Implementation from 2018/19.
➤	1584-C/fwd - Walkways and Shared Path - Purchase of Land to Extend Network	-	125	Carry forward balance of programme 94 -Walkways and Shared Path - Purchase of Land to Extend Network from 2018/19.
➤	1598-C/fwd - Urban Growth - City West South of Pioneer Highway - Walkways Development	-	74	Carry forward balance of programme 1391 -Urban Growth - City West South of Pioneer Highway - Walkways Development from 2018/19.
➤	1609-C/fwd - Fitzherbert Park - Cricket Ground Enhancements (subject to part external funding)	-	136	Carry forward balance of programme 1609 -Fitzherbert Park - Cricket Ground Enhancements (subject to part external funding) from 2018/19.
TOTAL		9,141	12,875	-

ACTIVE AND PUBLIC TRANSPORT - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
-15	Active Transport	-15	15	Correction to revenue assumptions
101	Footpaths	103	109	
81	Public Transport	83	83	
167	TOTAL REVENUE	170	207	
EXPENSES				
874	Active Transport	1,189	1,121	
3,028	Footpaths	3,083	3,136	
191	Public Transport	212	193	
4,092	TOTAL EXPENSES	4,485	4,450	
3,926	NET OPERATING COST OF ACTIVITY	4,314	4,244	
RATING REQUIREMENT				
(2,822)	Less Depreciation	(2,956)	(2,931)	
403	Plus Net Capital Renewal (3 Year Average)	422	524	
262	Plus Debt Repayment	329	416	
1,768	RATES REQUIREMENT	2,110	2,252	
CAPITAL EXPENDITURE				
868	Renewal	761	1,046	
10,007	New	4,206	4,394	
10,875	TOTAL CAPITAL EXPENDITURE	4,967	5,440	
FUNDED BY				
412	External Revenue Renewal	361	527	
3,529	External Revenue New	1,261	1,357	
403	Rates	422	524	
6,531	New Borrowing / (Repayment)	2,923	3,031	
10,875	TOTAL	4,967	5,440	

ACTIVE AND PUBLIC TRANSPORT - OPERATIONAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	91214-Bikes in Schools	51	51	
✓	1313-City-wide - Cycle Awareness Markings at Roundabouts	5	5	
✓	1442-Active Transport Behaviour Change Programme and Coordinator	20	20	
✓	1470-Additional cycle lane sweeping	82	82	
✓	1528-Free bus trial	31	31	
✓	1567-NZTA subsidisable footpath maintenance (cost less subsidy)*	111	105	Funding Assistance Rate assumption change. (*Gross operating expenditure of \$214k with \$109k funded from NZTA.)
TOTAL		300	294	-

ACTIVE AND PUBLIC TRANSPORT - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	64-City-wide - Footpath Renewals and Replacements	715	1,000	Results from recent audit requires greater rate of replacement
✓	181-City-wide - Bus Shelter Upgrades and Replacements	35	35	
✓	648-City-wide - Replacement of Deteriorating Cycle Stands	11	11	
TOTAL		761	1,046	-

ACTIVE AND PUBLIC TRANSPORT - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	114-City-wide - New Cycle Stands and Shelters	18	18	
✓	148-City-wide - Bus Stop Improvements	64	64	
✓	636-Aokautere Drive Pedestrian Cycle Improvements	307	307	
✓	732-Summerhill Drive - Pedestrian and Cycle Improvements	102	102	
✓	1039-Shared Path Connection - Riverside Drive to Railway Road	39	39	
✓	1155-City-wide - Street Seats	11	11	
✓	1216-City-wide - Additional Cycle Lanes	104	104	
✓	1225-C/fwd - Manawatū River (Ashhurst to Riverside Drive) - Cycle/Pedestrian Pathway	656	656	
✓	1257-City-wide - Cycle Phases at Intersections	42	42	
✓	1349-Dittmer Drive Shared Path Permanent Surface - New Bridge to Buick Crescent	736	736	
✓	1352-Napier Road - Roberts Line to BUPA - Footpath link	31	31	
✓	1354-Walkways and Shared Paths - City Loop Wayfinding	33	33	
✓	1358-Footpath extensions city wide	358	358	
✓	1361-Turitea Road - Pedestrian Path/Steps	51	51	
✓	1444-Shared path resilience improvements - Limestone to concrete	153	153	
✓	1492-Wayfinding signage CBD area for key public institutions	36	36	
✓	1559-Urban Cycle Network Development	1,465	1,465	
➤	1605-C/fwd - Footpath extensions city wide	-	188	Carry forward balance of programme 1358-Footpath extensions city wide from 2018/19.
TOTAL		4,206	4,394	-

Goal 3 - Connected and Safe Community

CONNECTED COMMUNITIES - ACTIVITY FINANCIAL STATEMENTS


Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
676	Cemeteries	690	690	
134	Community Centres	137	137	
350	Libraries	357	357	
2,610	Social Housing	2,762	2,762	
50	Support to community groups	-	-	
3,820	TOTAL REVENUE	3,945	3,945	
EXPENSES				
1,206	Cemeteries	1,244	1,206	
736	Community Centres	755	763	
9,775	Libraries	10,762	10,691	
396	Public toilets	451	416	
3,170	Social Housing	3,435	3,429	
2,069	Support to community groups	2,140	2,290	
17,354	TOTAL EXPENSES	18,788	18,795	
13,533	NET OPERATING COST OF ACTIVITY	14,842	14,850	
RATING REQUIREMENT				
(3,290)	Less Depreciation	(3,733)	(3,641)	
1,855	Plus Net Capital Renewal (3 Year Average)	1,778	1,812	
291	Plus Debt Repayment	341	237	
12,389	RATES REQUIREMENT	13,228	13,258	

CAPITAL EXPENDITURE			
3,766	Renewal	1,670	2,124
10,326	New	8,439	7,485
14,092	TOTAL CAPITAL EXPENDITURE	10,109	9,610
FUNDED BY			
152	External Revenue New	580	651
1,855	Rates	1,778	1,812
12,086	New Borrowing / (Repayment)	7,751	7,147
14,092	TOTAL	10,109	9,610

CONNECTED COMMUNITIES - OPERATIONAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	812-Youth Council Grants and Scholarships	7	7	
✓	1168-Terrace End Cemetery - Maintenance Enhancement	10	10	
✓	1405-Citywide Property - Asbestos Survey	48	48	
✓	1448-Welcoming Communities	74	72	
✓	1463-Play Palmy	5	5	
✓	1493-Highbury Community Hub	117	117	
✓	1497-Kelvin Grove Cemetery - Maintenance Enhancement	36	36	
✓	1504-Preliminary planning of Kelvin Grove Community Hub	102	102	
✓	1564-Additional funding for Fee for Service grants	51	51	
✓	1565-Increase to Community Development Small Grants funding	31	31	
NEW 19/20	1571-Investigation into Central Library options	-	200	To allow for the investigation and feasibility work to be carried out.
NEW 19/20	1574-Additional Hancock Community House Management Fund	-	60	To carry out the day-to-day management of Hancock Community House.
NEW 19/20	1612-Te Whare o Nga Wahine Women's Centre - operational grant	-	25	As a result of finalising the Annual Budget 2019/20 and as a result of public submissions, Council decided to include a one off grant to support the work that the Palmerston North Women's Centre does.
TOTAL		481	764	-

CONNECTED COMMUNITIES - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	37-Cemeteries - Terrace End - Site Enhancements	9	9	
✓	178-Central Library Replacement of Shelving, Furniture and equipment	160	160	
✓	180-Social Housing - Citywide - Community Housing Refurbishments	150	150	
✓	186-Public Toilets - Refurbishments and Replacements	80	80	
✓	188-City Library Replacement and Purchase of Library Materials	856	800	The decrease is a reflection of current resource and space constraints associated with the Central Library Building seismic strengthening work and maintains service levels in this area.
✓	202-Central Library Interior Design Renewals	141	141	
✓	203-Interior Design of Community Libraries, Youth Space, and Mobile Library	33	33	
✓	265-Citywide - Community Centre Refurbishments	53	53	
✓	278-Cemeteries - Kelvin Grove - Roading and Footpath Refurbishment	36	36	
➤	594-C/fwd - Seismically brace the HVAC piping	-	200	Carry forward balance of programme 1291-Library Roof and HVAC Replacement from 2018/19.
✓	1138-Digital Technology to Support 21st Century Citizens and Service (Renewal)	51	51	
✓	1139-Radio Frequency Identification (RFID) Materials Management	102	102	
	1575-Seismically brace the HVAC piping	-	200	Linked with programme 594.
➤	1591-C/fwd - Central Library Interior Design Renewals	-	60	Carry forward balance of programme 202-Central Library Interior Design Renewals from 2018/19.
➤	1592-C/fwd - City Libraries - Building Security System Renewal	-	50	Carry forward balance of programme 1151-City Libraries - Building Security System Renewal from 2018/19.
TOTAL		1,670	2,124	-




CONNECTED COMMUNITIES - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	107-Cemeteries - Kelvin Grove - Ash Plot developments and Childrens area extension	38	38	
✓	133-Cemeteries - Kelvin Grove - New Burial Sections Footpaths and Roothing Extension	46	46	
✓	147-Cemeteries - Kelvin Grove, Ashhurst and Bunnythorpe - New Burial Berms	23	23	
✓	161-Public Toilets - Citywide programme	202	202	
✓	357-Social Housing - Papaioea Place Redevelopment	3,386	3,386	
◀	1219-Social Housing - Papaioea Stage 2	-	2,553	Brought forward from 2021/22 to take advantage of current contractual arrangements for stage 1.
✓	1413-Bunnythorpe Community Facility	918	918	
➤	1503-Highbury Community Hub Fitout	255	-	Awaiting decisions from partners, deferred by one year.
✗	1518-Central Library Building Upgrade - Capital New	3,570	-	Further feasibility studies are required before a decision can be made.
➤	1581-C/fwd - Bunnythorpe Community Facility	-	112	Carry forward balance of programme 1581-Bunnythorpe Community Facility from 2018/19.
➤	1585-C/fwd - Public Toilets - Citywide programme	-	207	Carry forward balance of programme 161-Public Toilets - Citywide programme from 2018/19.
TOTAL		8,439	7,485	-




SAFE COMMUNITIES - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
675	Animal Control	689	689	
544	Public Health	555	535	
1,219	TOTAL REVENUE	1,244	1,224	
EXPENSES				
698	Animal Control	720	809	
483	Civil Defence	710	695	
1,309	Public Health	1,344	1,395	
358	Safer Community Initiatives	372	371	
2,848	TOTAL EXPENSES	3,146	3,270	
1,630	NET OPERATING COST OF ACTIVITY	1,902	2,046	
RATING REQUIREMENT				
(45)	Less Depreciation	(47)	(43)	
52	Plus Net Capital Renewal (3 Year Average)	60	60	
1	Plus Debt Repayment	5	5	
1,638	RATES REQUIREMENT	1,919	2,067	
CAPITAL EXPENDITURE				
36	Renewal	81	81	
80	New	903	843	
116	TOTAL CAPITAL EXPENDITURE	985	925	
FUNDED BY				
52	Rates	60	60	
64	New Borrowing / (Repayment)	925	865	
116	TOTAL	985	925	



SAFE COMMUNITIES - OPERATIONAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	1458-New MPI Code of Welfare compliance	-	57	Additional animal husbandry costs due to new Act
	1481-Relocate emergency operations centre (EOC) to a purpose built facility	190	190	
	1539-City Ambassadors	35	35	
	TOTAL	225	282	-

SAFE COMMUNITIES - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	40-Noise Measuring Equipment for Noise Complaints - Rolling Replacement	44	44	
	1269-Bylaw Signage - Replacement	6	6	
	1512-CCTV replacements	31	31	
	TOTAL	81	81	-

SAFE COMMUNITIES - CAPITAL RENEWAL


STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	1513-New emergency operations centre (EOC) Fit Out	903	703	\$200k brought forward to 2018/19.
	1580-C/fwd - New emergency operations centre (EOC) Fit Out	-	140	Carry forward balance of programme 1513 -New emergency operations centre (EOC) Fit Out from 2018/19.
	TOTAL	903	843	-

Goal 4 - Eco-City







RUBBISH AND RECYCLING - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
280	Landfill Management	241	241	
1,150	Waste Management	1,179	1,179	
1,525	Waste Minimisation	1,558	1,328	Reduction in revenue assumptions due to lack of buyers for recycling.
2,955	TOTAL REVENUE	2,978	2,748	
EXPENSES				
228	Landfill Management	241	244	
1,674	Waste Management	1,719	1,773	
5,907	Waste Minimisation	6,056	6,033	
7,809	TOTAL EXPENSES	8,016	8,050	
4,854	NET OPERATING COST OF ACTIVITY	5,038	5,302	
RATING REQUIREMENT				
(918)	Less Depreciation	(945)	(923)	
361	Plus Net Capital Renewal (3 Year Average)	365	290	
1,055	Plus Debt Repayment	811	848	
5,351	RATES REQUIREMENT	5,269	5,517	
CAPITAL EXPENDITURE				
362	Renewal	325	498	
564	New	399	457	
926	TOTAL CAPITAL EXPENDITURE	724	955	
FUNDED BY				
361	Rates	365	290	
565	New Borrowing / (Repayment)	359	665	
926	TOTAL	724	955	









RUBBISH AND RECYCLING - OPERATIONAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	1516-Waste Minimisation - Investigate the establishment of a construction and demolition waste processing service	-	5	To investigate alternatives for construction waste.
	TOTAL	-	5	-

RUBBISH AND RECYCLING - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	185-Closed Landfills and Transfer Stations - Site Infrastructure Renewals	76	76	
	612-Recycling - City Wide Wheelie Bin and Crate Renewals	99	50	RFID rollover now complete so less lost/stolen
	649-Recycling - Materials Recovery Facility Renewals	132	276	Brought forward to purchase critical equipment.
	1368-City Wide Public Space Rubbish & Recycling Bins Renewals	15	15	
	1374-City Wide Public Recycling Facilities Renewals	2	8	Slight change in replacement assumptions from Asset Management Plan.
	1576-C/fwd - Recycling - Materials Recovery Facility Renewals	-	73	Carry forward balance of programme 649- Recycling - Materials Recovery Facility Renewals from 2018/19.
	TOTAL	325	498	-

RUBBISH AND RECYCLING - CAPITAL NEW

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	506-City Wide Public Space Rubbish & Recycling Bins	71	40	Change in assumptions from Asset Management Plan
	657-Recycling - City Wide Wheelie Bins and Crates to Additional Properties	57	57	
	721-Awapuni Landfill - Landscaping	17	17	
	1371-Closed Landfills and Transfer Stations - Site Infrastructure	50	50	
	1373-City Wide Public Recycling Facilities	45	45	
	1410-Recycling - Recycling Bins and Crates to Non Residential Properties	158	158	
	1600-C/fwd - Closed Landfills and Transfer Stations - Site Infrastructure	-	40	Carry forward balance of programme 1371 - Closed Landfills and Transfer Stations - Site Infrastructure from 2018/19.
	1601-C/fwd - City Wide Public Recycling Facilities	-	49	Carry forward balance of programme 1373 - City Wide Public Recycling Facilities from 2018/19.
	TOTAL	403	403	-

BIODIVERSITY & SUSTAINABLE PRACTICES - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	REVENUE			
-	Biodiversity	-	-	
-	TOTAL REVENUE	-	-	
	EXPENSES			
311	Biodiversity	315	313	
168	Support to environmental groups	178	158	
278	Sustainable Practices	343	301	
756	TOTAL EXPENSES	836	773	
756	NET OPERATING COST OF ACTIVITY	836	773	
	RATING REQUIREMENT			
-	Less Depreciation	(6)	-	
-	Plus Debt Repayment	5	1	
756	RATES REQUIREMENT	835	774	
	CAPITAL EXPENDITURE			
80	New	82	142	
80	TOTAL CAPITAL EXPENDITURE	82	142	
	FUNDED BY			
80	New Borrowing / (Repayment)	82	142	
80	TOTAL	82	142	

BIODIVERSITY & SUSTAINABLE PRACTICES - OPERATIONAL

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	268-Arapuke Forest Park/Kahuterawa Pest Control and Biodiversity Protection and Enhancement	58	58	
✓	751-City-wide - Massey Living Lab Research into Sustainability Issues	27	27	
✓	764-City-wide - Council Facility Energy Use Monitoring	25	25	
✓	835-Ashhurst Domain - Biodiversity Improvements as Part of Manawatū Gorge Project	44	44	
✓	1080-Citywide -Biodiversity Increased Plant and Animal Pest Control	29	29	
✓	1145-Green Corridors Project - Continued Development	62	62	
✓	1450-Predator Free Palmerston North	41	41	
✓	1453-Freshwater Body Improvements	41	41	
✓	1526-Low Carbon Road Map Development	82	82	
TOTAL		409	409	-

BIODIVERSITY & SUSTAINABLE PRACTICES - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	1077-Citywide - Biodiversity Enhancement Through Native Planting	21	21	
✓	1451-Council Facilities LED Lighting Upgrades	61	61	
➤	1582-C/fwd - Council Facilities LED Lighting Upgrades	-	60	Carry forward balance of programme 1451 -Council Facilities LED Lighting Upgrades from 2018/19.
TOTAL		82	142	-

STORMWATER - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
2	Stormwater Collection and Disposal	2	2	
2	TOTAL REVENUE	2	2	
EXPENSES				
3,784	Stormwater Collection and Disposal	3,933	4,200	
3,784	TOTAL EXPENSES	3,933	4,200	
3,781	NET OPERATING COST OF ACTIVITY	3,930	4,198	
RATING REQUIREMENT				
(1,787)	Less Depreciation	(1,809)	(1,805)	
640	Plus Net Capital Renewal (3 Year Average)	625	625	
123	Plus Debt Repayment	143	159	
2,758	RATES REQUIREMENT	2,889	3,177	
CAPITAL EXPENDITURE				
635	Renewal	677	677	
1,013	New	1,191	1,371	
1,648	TOTAL CAPITAL EXPENDITURE	1,868	2,048	
FUNDED BY				
71	Development Contributions	98	98	
640	Rates	625	625	
936	New Borrowing / (Repayment)	1,145	1,324	
1,648	TOTAL	1,868	2,048	

STORMWATER - OPERATIONAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1247-Sustainable practices within the three waters	154	154	
✓	1369-City-wide Joint Water Quality/Cultural Monitoring Framework	154	154	
✓	1495-Third party stormwater flood problem resolution	21	21	
	TOTAL	328	328	-

STORMWATER - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	20-City-wide - Stormwater Pump Station Renewals	72	72	
✓	1062-City-wide - Stormwater Renewal Works	605	605	
	TOTAL	677	677	-

STORMWATER - CAPITAL NEW

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	51-City-wide - Stormwater Subdivision Contributions	51	51	
✓	197-Urban Growth - North East Industrial Park Stormwater	256	256	
✓	1001-Urban Growth - Whakarongo - Installation of Stormwater Systems	359	359	
✓	1060-City-wide - Stormwater Improvement Works	525	525	
➤	1284-C/fwd - Urban Growth - Whakarongo - Installation of Stormwater Systems	-	160	Carry forward balance of programme 1001 -Urban Growth - Whakarongo - Installation of Stormwater Systems from 2018/19.
➤	1602-C/fwd - Urban Growth - North East Industrial Park Stormwater	-	20	Carry forward balance of programme 197 -Urban Growth - North East Industrial Park Stormwater from 2018/19.
	TOTAL	1,191	1,371	-

WASTEWATER - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
905	Wastewater Collection	928	928	
247	Wastewater Treatment and Disposal	371	371	
1,152	TOTAL REVENUE	1,298	1,298	
EXPENSES				
5,251	Wastewater Collection	5,370	5,306	
5,741	Wastewater Treatment and Disposal	5,908	5,872	
10,992	TOTAL EXPENSES	11,278	11,178	
9,840	NET OPERATING COST OF ACTIVITY	9,980	9,880	
RATING REQUIREMENT				
(4,145)	Less Depreciation	(4,183)	(4,153)	
3,012	Plus Net Capital Renewal (3 Year Average)	2,835	2,695	
322	Plus Debt Repayment	358	501	
9,029	RATES REQUIREMENT	8,989	8,923	
CAPITAL EXPENDITURE				
4,112	Renewal	2,578	3,079	
1,183	New	2,813	4,159	
5,295	TOTAL CAPITAL EXPENDITURE	5,390	7,238	
FUNDED BY				
271	Development Contributions	376	376	
3,012	Rates	2,835	2,695	
2,012	New Borrowing / (Repayment)	2,180	4,167	
5,295	TOTAL	5,390	7,238	


WASTEWATER - OPERATIONAL

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	1319-Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade Options Analysis	1,129	1,121	
✓	1401-City Wide Infiltration & Inflow Investigations	205	205	
	TOTAL	1,334	1,326	-

WASTEWATER - CAPITAL RENEWAL

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	54-City-wide - Wastewater Pipe Renewal	1,845	1,845	
✓	65-City-wide - Wastewater Pump Station Renewal	128	300	Critical work required on telemetry equipment.
✓	179-Totara Road Wastewater Treatment Plant - Minor Equipment Renewals	62	262	Critical work required to repair Wavebands, install digester 2 heat exchanger, aerator maintenance, and other health and safety modifications
✓	1351-Eastern Trunk Main - Hokowhitu Campus Renewal	272	272	
✓	1379-Maxwell's Line 825 Wastewater Trunk Main Renewal	272	272	
➤	1586-C/fwd - Totara Rd WWTP - Biogas Generator Major Overhauls	-	15	Carry forward balance of programme 1380 -Totara Rd WWTP - Biogas Generator Major Overhauls from 2018/19.
➤	1587-C/fwd - Totara Road Wastewater Treatment Plant - Replacement of Security Fence and Gate	-	50	Carry forward balance of programme 1067 -Totara Road Wastewater Treatment Plant - Replacement of Security Fence and Gate from 2018/19.
➤	1589-C/fwd - Totara Road Wastewater Treatment Plant - Minor Equipment Renewals	-	63	Carry forward balance of programme 179 -Totara Road Wastewater Treatment Plant - Minor Equipment Renewals from 2018/19.
	TOTAL	2,578	3,079	-

WASTEWATER - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	73-City-wide - Wastewater Subdivision Contributions	103	103	
✓	210-Urban Growth - Installation of Wastewater Systems for New Industrial Areas - NEIZ Extension Area	231	231	
✓	1000-Urban Growth - Whakarongo - Installation of Wastewater Systems	371	371	
✓	1043-Totara Road Wastewater Treatment Plant - Inlet Main Duplication	461	1,300	Cost assumptions change
✓	1074-Totara Road Wastewater Treatment Plant - Earthquake Strengthening of Civil Structures	1,230	1,230	
✓	1382-Totara Rd WWTP - Emergency Bypass Upgrades	151	151	
✓	1412-Urban Growth - Ashhurst - Wastewater - North St Network Upgrade	267	267	
	1579-WWTP - Health and Safety Upgrades	-	265	In addition to programme 179.
➤	1597-C/fwd - Urban Growth - City West - Installation of Wastewater Systems	-	50	Carry forward balance of programme 1055 -Urban Growth - City West - Installation of Wastewater Systems from 2018/19.
➤	1606-C/fwd - Totara Rd WWTP - Biogas Generator Exhaust Heat Recovery	-	193	Carry forward balance of programme 1381 -Totara Rd WWTP - Biogas Generator Exhaust Heat Recovery from 2018/19.
TOTAL		2,813	4,159	-

WATER - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
28	Water Collection	28	28	
8	Water Distribution	8	8	
36	TOTAL REVENUE	36	36	
EXPENSES				
2,845	Water Collection	2,880	1,949	Internal change within the organisation has resulted in movement within activities of cost allocation.
3,643	Water Distribution	3,844	3,837	
1,768	Water Treatment	1,892	2,634	Internal change within the organisation has resulted in movement within activities of cost allocation.
8,256	TOTAL EXPENSES	8,615	8,420	
8,220	NET OPERATING COST OF ACTIVITY	8,579	8,384	
	Rating Requirement			
(3,094)	Less Depreciation	(3,113)	(3,100)	
3,248	Plus Net Capital Renewal (3 Year Average)	3,635	3,497	
356	Plus Debt Repayment	416	433	
8,730	RATES REQUIREMENT	9,518	9,214	
CAPITAL EXPENDITURE				
3,415	Renewal	3,013	4,406	
3,011	New	6,601	7,277	
6,427	TOTAL CAPITAL EXPENDITURE	9,614	11,682	
FUNDED BY				
187	Development Contributions	259	259	
-	Asset Sales	402	402	
3,248	Rates	3,635	3,497	
2,992	New Borrowing / (Repayment)	5,318	7,524	
6,427	TOTAL	9,614	11,682	

WATER - CAPITAL RENEWAL

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	199-City-wide - Water Bore Headworks and stations Renewal	147	360	Urgent works due to improved asset condition information and a number of premature failures
✓	207-Turitea Water Treatment Plant - Equipment and Facility Renewals	158	270	Increased to allow priority renewals to prevent unplanned outages.
✓	214-City-wide - Water Toby and Meter Replacements	175	175	
✓	218-City-wide - Water Pipe Replacements	2,065	2,065	
➤	652-Turitea Dams - Access Road Improvements	205	-	Deferred by one year.
➤	663-Ashhurst - Bore to Reservoir Pipe Replacement	-	1,435	B/fwd from 2021/22 to complete urgent works.
➤	1058-City-wide - Groundwater Bores Renewal	103	-	Deferred by one year.
✓	1063-Turitea Water Treatment Plant - Replacement of SCADA System Hardware and Software	161	101	Most of replacement now complete.
TOTAL		3,013	4,406	-

WATER - CAPITAL NEW

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	91-Turitea Water Treatment Plant - Construction of Duplicate Water Pipeline from Lower Dam to Harts Road Reservoirs	2,338	2,338	
✓	246-City-wide - Water Subdivision Contributions	205	205	
✓	651-City-wide - Seismic Strengthening of Water Structures	427	427	
➤	1004-Urban Growth - Whakarongo - Installation of Water Supply Systems	739	200	Deferred by one year.
✓	1005-Industrial Growth - Installation of Water Supply Systems to an Expanded North East Industrial Zone	411	411	
✓	1054-Ashhurst Water Treatment to Address the Discoloured Water Issues	103	103	
✓	1057-Turitea Dams - Installation of Dewatering Systems on the Turitea Upper and Lower Dams	46	46	
➤	1170-Urban Growth - City West - Installation of Water Supply Systems	620	100	Deferred by one year.
➤	1235-C/fwd - Kelvin Grove Water Supply Zone - New Bore	-	537	Carry forward balance of programme 985 -Kelvin Grove Water Supply Zone - New Bore from 2018/19.
➤	1285-C/fwd - Urban Growth - Whakarongo - Installation of Water Supply Systems	-	237	Carry forward balance of programme 1004 -Urban Growth - Whakarongo - Installation of Water Supply Systems from 2018/19.
➤	1289-C/fwd - City-wide - Seismic Strengthening of Water Structures	-	91	Carry forward balance of programme 651 -City-wide - Seismic Strengthening of Water Structures from 2018/19.
✓	1384-Citywide - New water supply reservoirs to replace an earthquake prone reservoir and enhance supply storage through out the city	513	513	
✓	1386-Ashhurst water supply upgrade to address fire fighting shortfalls and cater for growth	687	687	
✓	1388-Citywide Water Conservation Management - New pressure zone and District Meter Area Implementation	103	103	
✓	1389-City Wide - Second River Crossing and Emergency Supply	410	410	
➤	1517-C/fwd - City Wide - Second River Crossing and Emergency Supply	-	200	Carry forward balance of programme 1389 -City Wide - Second River Crossing and Emergency Supply from 2018/19.
➤	1544-C/fwd - Turitea Water Treatment Plant - Construction of Duplicate Water Pipeline from Lower Dam to Harts Road Reservoirs	-	287	Carry forward balance of programme 91 -Turitea Water Treatment Plant - Construction of Duplicate Water Pipeline from Lower Dam to Harts Road Reservoirs from 2018/19.
➤	1593-C/fwd - UV Treatment for Papaioea Park Bore 3	-	113	Carry forward balance of programme 1570-UV Treatment for Papaioea Park Bore 3 from 2018/19.
NEW 19/20	1607-Water Safety and Security Mitigation	-	140	To enable safer practices at bore sites.
➤	1608-C/fwd - Citywide - New water supply reservoirs to replace an earthquake prone reservoir and enhance supply storage through out the city	-	130	Carry forward balance of programme 1384 -Citywide - New water supply reservoirs to replace an earthquake prone reservoir and enhance supply storage through out the city from 2018/19.
TOTAL		6,601	7,277	-

Goal 5 - Driven & Enabling Council

LEADERSHIP - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
19	Councillor Meetings and Administration	19	19	
150	Direction Setting	153	153	
3	Elections	131	131	
172	TOTAL REVENUE	303	303	
EXPENSES				
2,427	Councillor Meetings and Administration	2,598	2,693	
4,789	Direction Setting	4,981	5,152	
67	Elections	350	365	
1,358	Mayoral and Chief Executive's Office	1,394	1,442	
8,640	TOTAL EXPENSES	9,324	9,652	
8,468	NET OPERATING COST OF ACTIVITY	9,021	9,349	
RATING REQUIREMENT				
(3)	Less Depreciation	(14)	(3)	
3	Plus Debt Repayment	12	-	
8,468	RATES REQUIREMENT	9,019	9,346	
CAPITAL EXPENDITURE				
75	New	-	75	
75	TOTAL CAPITAL EXPENDITURE	-	75	
FUNDED BY				
75	New Borrowing / (Repayment)	-	75	
75	TOTAL	-	75	

LEADERSHIP - OPERATIONAL

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	1190-Smokefree Education	5	5	
✓	1264-Development Contributions Fees - Support for Community Groups	22	22	
✓	1467-Online Engagement Hub	37	-	Transferred to the Corporate Support Activity.
✓	1478-Provision of Advocacy for City	102	102	
	TOTAL	166	129	-

LEADERSHIP - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
➤	1594-C/fwd - Land Use Monitoring	-	75	Carry forward balance of programme 1188-Land Use Monitoring from 2018/19.
	TOTAL	-	75	-

CORPORATE SUPPORT - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
345	Civic Administration Building	352	352	
97	Financial Services	99	99	
63	Print Synergy	64	64	
505	TOTAL REVENUE	515	515	
EXPENSES				
343	Civic Administration Building	527	224	
-	Customer Services	-	-	
378	Financial Services	399	432	
1	Human Resources	1	-	
-	Information Services	-	-	
(49)	Print Synergy	(30)	19	
83	Marketing & Communications	84	84	
755	TOTAL EXPENSES	981	760	
250	NET OPERATING COST OF ACTIVITY	466	245	
RATING REQUIREMENT				
(1,435)	Less Depreciation	(1,718)	(1,717)	
(943)	Less Internal Rates Recovered	(963)	(963)	
(500)	Less Transfers To/(From) Reserves	-	-	
1,336	Plus Net Capital Renewal (3 Year Average)	1,527	1,647	
159	Plus Debt Repayment	189	151	
(1,133)	RATES REQUIREMENT	(499)	(637)	
CAPITAL EXPENDITURE				
1,327	Renewal	1,314	2,030	
411	New	106	311	
1,738	TOTAL CAPITAL EXPENDITURE	1,420	2,341	
FUNDED BY				
1,336	Rates	1,527	1,647	
402	New Borrowing / (Repayment)	(107)	694	
1,738	TOTAL	1,420	2,341	

CORPORATE SUPPORT - OPERATIONAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1467-Online Engagement Hub	-	37	Transferred from the Leadership Activity
NEW 19/20	1515-Culture Transformation	-	270	To continue the transformation of the organisation to meet the demands of the future.
✓	1520-Digital Transformation	511	511	
✓	1521-Civic Administration Building Refurbishment (Workplace Transformation)	204	50	Correction to accounting treatment. Transferred out to programme 86 -Council Wide - Furniture Replacements.
➤	1549-C/fwd - Te Manawa - Investigations and planning for option A and B	-	7	Carry forward balance of programme 1525 -Te Manawa - Investigations and planning for option A and B from 2018/19.
➤	1550-C/fwd - Hockey Turf - Grant for Share of Construction	-	9	Carryforward balance from programme 1212-HockeyTurf-GrantforShareofConstruction from 2017/18
NEW 19/20	1572-Financial System Replacement	-	650	Brought forward from 2020/21-23 through programme #77 - Core Financial and Regulatory System - Replacement or Upgrade.
TOTAL		715	1,533	-

CORPORATE SUPPORT - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	53-Computer Replacement - Rolling Replacements	485	485	
✓	58-Network Additions and Upgrades	42	42	
✓	68-Aerial Photography	85	85	
✓	86-Council Wide - Furniture Replacements	-	160	Transferred from the Commercial or Strategic Investments Activity.
✓	221-Print Synergy - Replacement of Print Synergy Machinery	11	11	
✓	272-Staff Cafeteria - Replacement of Equipment	6	6	
✓	281-Operational Property -Civic Administration Building - Refurbishments	523	1,023	Urgent works required
✓	318-Telecommunications Replacement - Council Buildings	102	102	
✓	784-Replacement of Council's Photocopiers/Printers	61	61	
➤	1590-C/fwd - Replacement of Parking Enforcement Hand Helds and iPhones	-	55	Carry forward balance of programme 755 -Replacement of Parking Enforcement Hand Helds and iPhones from 2018/19.
TOTAL		1,314	2,030	-

CORPORATE SUPPORT - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2019/20 \$'000s	2019/20 \$'000s	
✓	60-Information Management Strategic Plan Project - New Software Applications	106	106	
➤	1335-C/fwd - Non-Financial Reporting System	-	205	Carry forward balance of programme 1185-Non-Financial Reporting System from 2018/19..
	TOTAL	106	311	-

COMMERCIAL OR STRATEGIC INVESTMENTS - ACTIVITY FINANCIAL STATEMENTS

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
REVENUE				
2,788	External Contracts	2,847	2,933	
281	Investment Property	287	287	
127	Investments (including Investment Fund)	130	130	
500	Investments in Companies (including Airport)	550	550	
3,696	TOTAL REVENUE	3,813	3,900	
EXPENSES				
2,663	External Contracts	2,766	3,059	
2,987	Investment Property	972	2,382	Change in accounting treatment for programme #1485-Whakarongo Council Subdivision Development - Layout 1
385	Investments (including Investment Fund)	358	364	
497	Investments in Companies (including Airport)	497	456	
6,531	TOTAL EXPENSES	4,594	6,261	
2,835	NET OPERATING COST OF ACTIVITY	780	2,361	
RATING REQUIREMENT				
(1,191)	Less Depreciation	(1,200)	(1,376)	
(2,300)	Less Transfers To/(From) Reserves	(434)	(1,998)	
1,339	Plus Net Capital Renewal (3 Year Average)	1,263	1,589	
44	Plus Debt Repayment	69	47	
727	RATES REQUIREMENT	479	623	
CAPITAL EXPENDITURE				
1,332	Renewal	1,320	1,960	
309	New	310	309	
1,640	TOTAL CAPITAL EXPENDITURE	1,630	2,269	
FUNDED BY				
1,339	Rates	1,263	1,589	
302	New Borrowing / (Repayment)	367	680	
1,640	TOTAL	1,630	2,269	

COMMERCIAL OR STRATEGIC INVESTMENTS - OPERATIONAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1485-Whakarongo Council Subdivision Development - Layout 1	(3,532)	(2,090)	Change in accounting assumptions.
	TOTAL	(3,532)	(2,090)	-

COMMERCIAL OR STRATEGIC INVESTMENTS - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	63-Council's Plant and Vehicles - Replacements	1,098	1,748	Plan to purchase rather than lease some new trucks.
✓	80-Council's Plant and Equipment - Replacement	170	170	
✓	85-Council's Depot Buildings and Structures	42	42	
✓	86-Council Wide - Furniture Replacements	10	-	Transferred to the Corporate Support Activity.
	TOTAL	1,320	1,960	-

COMMERCIAL OR STRATEGIC INVESTMENTS - CAPITAL NEW

STATUS	ID-NAME	10YP 2019/20 \$'000s	AB 2019/20 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	99-Council's Service Development - New Technology and Programmes	295	295	
✓	245-Gordon Kear Forest - Development of Internal Roding	14	14	.
	TOTAL	310	309	-



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 IMAGE
Papaioea Place | Social Housing

Section 3

Significant Forecasting Assumptions

Significant forecasting assumptions and risks underlying the financial estimates in the Annual Budget are identified in the 10 Year Plan 2018-28 (see page 237) and cover the following issues:

ISSUE			ISSUE		
		LEVEL OF UNCERTAINTY OF ASSUMPTION			LEVEL OF UNCERTAINTY OF ASSUMPTION
		SIGNIFICANCE OF FINANCIAL IMPACT ON OVERALL POSITION			SIGNIFICANCE OF FINANCIAL IMPACT ON OVERALL POSITION
1.	Population & Household Growth	Medium	15.	Depreciation	Low
2.	City Growth – Nature, Type & Location	Medium	16.	Inflation	Low
3.	Worldwide Economic Position	Low	17.	Interest Rates for Borrowings	Low
4.	Social Change	Low	18.	Resource Consents (especially wastewater discharge)	High
5.	Climate Change	Low/Medium	19.	Turitea Windfarm	Low
6.	Energy Price Change	Low	20.	Weathertight (Leaky) Homes Claims	Low
7.	Natural Disasters & Adverse Weather Events	High	21.	Insurance	Low
8.	Services Provided by Council	Medium	22.	Earthquake-prone Buildings	Medium
9.	Continuity of External Funding	Low	23.	Additional Road Crossing of Manawatū River	Medium
10.	Sources of Funds for Future Replacement of Assets	Low	24.	Legal Expenses	Low
11.	NZTA Subsidy	Low	25.	Delivery of Services Reviews	Low
12.	Airport Shareholding & Dividends	Low	26.	Residential Subdivision	High
13.	Revaluation of Property, Plant & Equipment Assets	Low	27.	Drinking Water Standards	Medium
14.	Asset Lives	Low	28.	Te Manawa Upgrade	High

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

Interest rates for borrowing – an average rate of 5.7% was assumed for the 10 Year Plan. This has been reduced to 5.2% given market rates continue to be lower than assumed. This reduction significantly reduces the overall rates requirement for interest.

Earthquake-prone buildings – since the preparation of the 10 Year Plan there has been further detailed assessment of some key Council buildings and the library building has now been assessed as earthquake-prone. As a consequence all of the previous programmes to upgrade the building have been removed from the budget and an operating programme of \$200,000 provided to investigate options for the future of the library. Early indications are that whatever option is chosen the Council could be facing a requirement to spend at least \$60m to produce an acceptable outcome. It has been assumed that there will be no capital expenditure incurred during 2019/20 but that the long term budgetary implications will be assessed again before the preparation of the annual budget for 2020/21.

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 Plan. It comprises the following components:

- A common system applies throughout the City.
- Targeted rates, in the form of fixed amounts (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 and some rural users of water are metered and some

non-residential wastewater users are charged on the basis of the number of pans.

- 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
- Miscellaneous.

Differential surcharges (that is, a higher rate in the dollar) are applied to multi-unit residential and non-residential properties whilst lower rates are applied to single unit residential and rural/semi-serviced properties. No surcharge is applied to miscellaneous properties.

4. Examples of proposed rates for 2019/20

This table shows what the rates are proposed to be for various categories of property for 2019/20 compared with the current year.

	OLD LAND VALUE	RATES 2018/19	NEW LAND VALUE	RATES 2019/20
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Single unit residential

Average	143,000	2,510	243,000	2,609
Median	125,000	2,370	230,000	2,534
Quartile 1	96,000	2,144	185,000	2,275
Quartile 3	170,000	2,720	280,000	2,822

Two unit residential

Average	157,000	3,973	273,000	4,230
Median	136,000	3,723	255,000	4,077
Quartile 1	112,000	3,437	220,000	3,781
Quartile 3	185,000	4,306	300,000	4,459

Non-residential

Average	533,000	14,232	708,000	14,652
Median	295,000	8,330	400,000	8,636
Quartile 1	160,000	4,983	230,000	5,316
Quartile 3	615,000	16,266	790,000	16,253

	OLD LAND VALUE	RATES 2018/19	NEW LAND VALUE	RATES 2019/20
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Rural & semi-serviced (5ha or more)

Average	649,000	1,725	829,000	1,794
Median	345,000	1,272	475,000	1,272
Quartile 1	230,000	1,101	320,000	1,044
Quartile 3	650,000	1,726	840,000	1,810

Rural & semi-serviced (between 0.2 & 5 ha)

Average	222,000	1,552	316,000	1,620
Median	220,000	1,545	315,000	1,617
Quartile 1	180,000	1,402	250,000	1,401
Quartile 3	260,000	1,687	365,000	1,783

Miscellaneous

Average	433,000	5,054	594,000	4,950
Median	225,000	2,991	315,000	2,894
Quartile 1	89,000	1,642	145,000	1,641
Quartile 3	465,000	5,371	630,000	5,215

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 land value then quartile 1 is the 250th property from the lowest.

The three-yearly revaluation of the City for rating purposes was undertaken in 2018 and those valuations are the base for general rates set in 2019/20.

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

- the Council's total rates revenue will increase by 4.6%
- the Uniform Annual General Charge will be \$500 per rating unit (\$690 in 2018/19)
- targeted rates in the form of fixed amounts will be applied for water supply (\$257); wastewater disposal (\$252); kerbside recycling (\$127); rubbish and public recycling (\$72) (\$256, \$256, \$126 and \$69 respectively in 2018/19)
- a targeted rate for wastewater disposal will be set on non-residential properties on the basis of the number of pans, in excess of three, on the rating unit. The charge per pan will be \$252 compared with \$256 per pan in 2018/19
- 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:

CODE	BRIEF DESCRIPTION	DIFFERENTIAL FACTOR (EXPRESSED AS % OF GROUP CODE MS)		RATE (CENTS IN \$ OF LV)
		2018/19	2019/20	
R1	Single-unit residential	Balance (approx. 78)	Balance (approx. 78)	0.5765
R2	Two unit residential	120	115	0.8476
R3	Three unit residential	130	125	0.9213
R4	Four unit residential	140	135	0.9950
R5	Five unit residential	150	145	1.0687
R6	Six unit residential	160	155	1.1424
R7	Seven unit residential	170	165	1.2161
R8	Eight or more unit residential	180	175	1.2898

CODE	BRIEF DESCRIPTION	DIFFERENTIAL FACTOR (EXPRESSED AS % OF GROUP CODE MS)		RATE (CENTS IN \$ OF LV)
		2018/19	2019/20	
MS	Miscellaneous	100	100	0.7370
CI	Non-residential (Commercial/Industrial)	250	265	1.9531
FL	Rural/Semi-serviced (5 hectares or more)	15	20	0.1474
FS	Rural/Semi-serviced (0.2 hectares or less)	51	60	0.4422
FM	Rural/Semi-serviced (between 0.2 & 5 hectares)	36	45	0.3317

5.2 Uniform Annual General Charge

The Council proposes to set a uniform annual general charge of \$500 (\$690 for 2018/19) on each rating unit.

5.3 Targeted Rates

For the purposes of the targeted rates proposed below the term 'residential' is defined as "having a predominant or exclusive residential use and on which one or more residential units is erected."

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

"Any part of the rating unit that is, or is able to be, separately used or inhabited by the ratepayer, or any other person who has the right to use or inhabit that part 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 have a separate entrance, kitchen facilities (including sink or cooking 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."

The Council does not have a lump sum contribution policy and lump sum contributions will not be invited for any targeted rate.

5.3.1 Water Supply

The Council proposes to set targeted rates 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 amount 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, while serviceable means the rating unit is not connected to a Council-operated waterworks but is within 100m of such waterworks and Council would allow a connection. The serviceable rate will be 50% of the connected rate.

Rating units that are not connected to the scheme, and are not serviceable will not be liable for this rate. The estimated rates for the 2019/20 year are:

Connected:	\$257
Serviceable:	\$128.50

There are situations where the Council will require water to be supplied on a metered basis. Where this occurs, the Council proposes instead of the above to set metered water targeted rates that comprise a fixed amount (estimated at \$212.75 per metered connection) and a variable amount (estimated at \$1.2075 per cubic metre) based on the volume of water supplied.

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, while serviceable means the rating unit is not connected to a public wastewater drain but is within 30m of such a drain, and Council would allow a connection. The serviceable rate will be 50% of the connected rate.

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

The estimated rates for the 2019/20 year are:

Connected:	\$252
Serviceable:	\$126

In addition, for the 2019/20 year the Council proposes to set a targeted rate for connected non-residential rating units of \$252 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 residential properties receiving the Council's kerbside collection service

- a fixed amount per rating unit for non-residential and rural/semi-serviced properties receiving the Council's kerbside collection service

The estimated rates for the 2019/20 year are:

Kerbside Recycling	\$ 127
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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 that are vacant land will not be liable for these rates.

The estimated rates for the 2019/20 year are:

Rubbish and public recycling	\$72
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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 costs of servicing the service amount are recovered. For 2019/20 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. For this reason, it 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 that would apply if there were no differential rating in place – that is, the group described as Miscellaneous (MS). Each year, the Council reviews the differential factors applied to each land use category. The factors proposed for 2019/20 are outlined in 5.1 and include a number of changes compared with 2018/19. The Council believes these changes are an appropriate way of moderating the effect of the 2018 city revaluation on rating incidence.

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
- the land value for non-residential property is often driven by different influences from 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 and should bear a greater share of the cost
- for large rural rating units a pure land value system would produce rates charges that would be 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

5.4.2 Differentials based on Land Use

The Council proposes to differentiate the general rate primarily on the basis of land use. Properties with more than one use will be placed in a category that the Council considers reflects the primary use.

The Council will consider partitioning the property into parts and allocate each part to the most appropriate category in situations such as the following:

- where there are discreet parts of the property used for different purposes such as a retail shop and a residence
- for manager's residences associated with motel complexes
- where part of the property is used for not-for-profit or other community purposes and the remainder is used for other purposes
- where the property is not serviced and is used for commercial, industrial or business purposes but a significant part is used for farming or horticultural purposes

- where a property has a rural zoning but is serviced and has one or more residential units then the first 2ha will be classified as group code R1 and the balance as FM or FL depending on its size
- where a property that is greater than 5ha (and residential use is a permitted activity under the city's District Plan) becomes serviced the first 5ha (or the area of the actual sub-divisional development if larger than this) will be categorised in group code R1 and the remainder will continue to be treated as not serviced for rating purposes
- where a property that is less than 5ha becomes serviced and features of the land or District Plan requirements impede subdivision the part that reflects the extent of the impediment will continue to be treated as not serviced for rating purposes

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.

In the context of the general rate, 'serviced' means the property is either connected or serviceable for wastewater disposal. Connected means the rating unit is connected to a public wastewater drain, while serviceable means the rating unit is not connected to a public wastewater drain but is within 30m of such a drain, and Council would allow a connection.

The following differential categories will be used:

Single Unit Residential (R1)

Every serviced rating unit not otherwise classified:

- having a predominant or exclusive residential use (excluding home occupations) and on which is erected one residential unit; or
- being vacant property where residential use is a permitted activity under the city's District Plan.

Multi-unit residential (R2 - R8)

Every serviced 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 used primarily for not-for-profit or other community purposes, excluding retail shops
- property owned by the Council that is used by it for parking that is available for public use
- property where the ratepayer conducts or permits to be conducted a business (a Home Occupation, as defined in the city's District Plan), which would otherwise qualify for inclusion in group code R1
- vacant serviced property where non-residential use

- is a permitted activity under the city's District Plan property that is not serviced and would otherwise qualify for inclusion in group code FL, FS or FM but is used for predominantly commercial, industrial or business purposes (excluding farming and horticulture)
- Property not specifically categorised in any of the other group codes

Non-Residential (CI)

Every serviced rating unit, not otherwise classified, used for commercial, industrial or business purposes including licensed hotel, serviced apartments or residential institution including a guesthouse, rooming house, boarding house, private hotel, motel, residential club or hostel.

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

FL – Every rating unit not otherwise classified that is not serviced and has either

- an area of 5ha or more; or
- an area less than 5ha but on which there is no residential dwelling or non-residential improvements.

When the rating unit becomes serviced, as defined above (and provided it is zoned to permit subdivision), the property will be reclassified to the higher rated differential category in the immediately following year.

FS – Every rating unit not otherwise classified that is not serviced and has an area of 0.2ha or less and on which there is a residential dwelling.

FM – Every rating unit not otherwise classified that is not serviced and has an area greater than 0.2ha and less than 5ha and on which there is either residential dwellings or non-residential improvements.

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. For the 2019/20 year the due dates (that is, final dates for payment without incurring penalty charges) will be:

Instalment One:	30 August 2019
Instalment Two:	29 November 2019
Instalment Three:	28 February 2020
Instalment Four:	29 May 2020

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 2 without incurring penalty charges on instalment 1.

Rates may be paid using any one of a number of payment methods acceptable to the Council, including direct debit, cheque by mail, cheque or cash or Eftpos at Council's office, direct credit 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.

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

MONTHLY INVOICING	
Instalment	Due Date
1	20 July 2019
2	20 August 2019
3	20 September 2019
4	20 October 2019
5	20 November 2019
6	20 December 2019
7	20 January 2020
8	20 February 2020
9	20 March 2020
10	20 April 2020
11	20 May 2020
12	20 June 2020

TWO MONTHLY INVOICING			
Linton, East & North Rounds		Ashhurst, South West, PNCC & Central Rounds	
Instalment	Due Date	Instalment	Due Date
1	20 July 2019	1	20 August 2019
2	20 September 2019	2	20 October 2019
3	20 November 2019	3	20 December 2019
4	20 January 2020	4	20 February 2020
5	20 March 2020	5	20 April 2020
6	20 May 2020	6	20 June 2020

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 of 10% will be added to any portion of an instalment remaining unpaid after the due date for payment, as outlined in clause 7 above.

A penalty charge of 10% will be added to any outstanding rates (including penalties) assessed in previous years and remaining outstanding at 2 July 2019 and again on 3 January 2020.

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

9. Rating base information

The following are projected as at 30 June 2019:

Number of rating units:	33,300
Total capital value of all rating units:	\$19,605,000,000
Total land value of all rating units:	\$10,069,000,000

10. Rates summary

BASIS OF RATES		10YP 2018/19 \$000	10YP 2019/20 \$000	AB 2019/20 \$000
General rates				
General rates	rate in \$ of LV (differentiated by use)	52,220	55,476	61,151
UAGC	fixed charge p rating unit	19,206	20,454	14,050
Targeted rates				
Water				
- connected	fixed charge p SUIP (residential) or p rating unit (non-residential)	6,578	7,288	6,642
- serviceable	fixed charge p SUIP (residential) or p rating unit (non-residential)	72	79	72
- metered	\$ p m3 plus fixed charge	2,080	2,150	2,500
Wastewater				
- connected	fixed charge p SUIP (residential) or p rating unit (non-residential)	6,966	6,949	6,888
- serviceable	fixed charge p SUIP (residential) or p rating unit (non-residential)	71	79	72
- pans	fixed charge p pan	1,992	1,971	1,963
Rubbish & recycling				
- kerbside recycling	fixed charge p SUIP	3,370	3,185	3,423
- rubbish & public recycling	fixed charge p SUIP	1,982	2,084	2,094
Total Rates Revenue (GST Exclusive)		\$94,537	\$99,706	\$98,855

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, but this is not included in the Funding Impact Statements.

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 because 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 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 show the revenue and expenses for the services provided, as well as how the rates are calculated (see section 1).

WHOLE OF COUNCIL

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
SOURCES OF OPERATING FUNDING			
71,433	General Rates, UAGC & Rates Penalties	75,931	75,200
23,111	Targeted Rates	23,776	23,655
3,207	Subsidies & Grants for Operating Purposes	3,233	3,322
5,228	Fees and Charges	5,367	5,353
517	Interest and Dividends from investments	567	567
19,193	Other Operating Funding *	23,887	23,748
122,688	TOTAL OPERATING FUNDING	132,761	131,844
APPLICATIONS OF OPERATING FUNDING			
94,468	Payments to Staff and Suppliers	95,559	96,907
7,284	Finance Costs	9,451	7,616
-	Other operating funding applications	-	-
101,752	TOTAL APPLICATIONS OF OPERATING FUNDING	105,010	104,523
20,930	SURPLUS/(DEFICIT) OF OPERATING FUNDING	27,751	27,322
SOURCES OF CAPITAL FUNDING			
13,373	Subsidies and Grants for Capital Expenditure	8,411	7,822
1,063	Development & Financial Contributions	1,476	1,476
38,710	Increase/(Decrease) in Debt	38,085	44,792
-	Gross proceeds from sale of assets	402	402
-	Lump sum contributions	-	-
-	Other dedicated capital funding	-	-
53,146	TOTAL SOURCES OF CAPITAL FUNDING	48,375	54,492
APPLICATIONS OF CAPITAL FUNDING			
Capital Expenditure:-			
2,261	- to meet additional demand	8,377	5,369
43,651	- to improve the level of service	44,816	46,565
28,164	- to replace existing assets	22,932	29,880
-	Increase/(Decrease) in Reserves	-	-
-	Increase/(Decrease) of Investments	-	-
74,076	TOTAL APPLICATIONS OF CAPITAL FUNDING	76,125	81,813
(20,930)	SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(27,751)	(27,322)
-	TOTAL FUNDING SURPLUS/(DEFICIT)	-	-

INNOVATIVE & GROWING CITY - GROUP OF ACTIVITIES

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
SOURCES OF OPERATING FUNDING			
5,940	General Rates, UAGC & Rates Penalties	5,962	6,405
-	Targeted Rates	-	-
-	Subsidies & Grants for Operating Purposes	-	-
3,890	Fees and Charges	4,001	4,001
969	Internal Charges & Overheads Recovered	989	949
1,210	Other Operating Funding *	1,236	1,236
12,009	TOTAL OPERATING FUNDING	12,188	12,591
APPLICATIONS OF OPERATING FUNDING			
8,335	Payments to Staff and Suppliers	8,427	8,794
1	Finance Costs	3	14
3,374	Internal Charges & Overheads Applied	3,465	3,482
-	Other operating funding applications	-	-
11,711	TOTAL APPLICATIONS OF OPERATING FUNDING	11,895	12,290
298	SURPLUS/(DEFICIT) OF OPERATING FUNDING	293	300
SOURCES OF CAPITAL FUNDING			
-	Subsidies and Grants for Capital Expenditure	-	-
-	Development & Financial Contributions	-	-
39	Increase/(Decrease) in Debt	23	15
-	Gross proceeds from sale of assets	-	-
-	Lump sum contributions	-	-
-	Other dedicated capital funding	-	-
39	TOTAL SOURCES OF CAPITAL FUNDING	23	15
APPLICATIONS OF CAPITAL FUNDING			
Capital Expenditure:-			
-	- to meet additional demand	-	-
7	- to improve the level of service	54	54
330	- to replace existing assets	262	262
-	Increase/(Decrease) in Reserves	-	-
-	Increase/(Decrease) of Investments	-	-
337	TOTAL APPLICATIONS OF CAPITAL FUNDING	316	316
(298)	SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(293)	(300)
-	TOTAL FUNDING SURPLUS/(DEFICIT)	-	-

CREATIVE & EXCITING CITY - GROUP OF ACTIVITIES

Budget 2018/19 \$'000s	10YP 2019/20 \$'000s	AB 2019/20 \$'000s
SOURCES OF OPERATING FUNDING		
25,861	26,431	25,450
-	-	-
62	63	112
-	-	-
-	-	173
2,035	2,076	2,090
27,958	28,570	27,824
APPLICATIONS OF OPERATING FUNDING		
13,659	14,015	17,111
1,538	2,035	1,619
8,089	8,336	4,998
-	-	-
23,286	24,385	23,729
4,672	4,185	4,095
SOURCES OF CAPITAL FUNDING		
1,066	1,011	913
165	230	230
9,869	9,251	16,061
-	-	-
-	-	-
-	-	-
11,100	10,491	17,204
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
-	1,351	1,065
11,028	8,285	12,172
4,744	5,040	8,061
-	-	-
-	-	-
15,772	14,676	21,299
(4,672)	(4,185)	(4,095)
-	-	-

CONNECTED & SAFE COMMUNITY - GROUP OF ACTIVITIES

Budget 2018/19 \$'000s	10YP 2019/20 \$'000s	AB 2019/20 \$'000s
SOURCES OF OPERATING FUNDING		
14,027	15,147	15,325
-	-	-
56	6	6
1,188	1,213	1,193
516	526	516
3,795	3,970	3,970
19,581	20,862	21,010
APPLICATIONS OF OPERATING FUNDING		
11,398	11,947	13,500
519	1,042	908
5,466	5,690	4,488
-	-	-
17,383	18,679	18,896
2,198	2,183	2,114
SOURCES OF CAPITAL FUNDING		
152	580	651
-	-	-
11,858	8,331	7,770
-	-	-
-	-	-
-	-	-
12,010	8,910	8,421
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
-	-	-
8,989	8,439	7,485
5,219	2,655	3,049
-	-	-
-	-	-
14,208	11,094	10,534
(2,198)	(2,183)	(2,114)
-	-	-

ECO-CITY - GROUP OF ACTIVITIES

Budget 2018/19 \$'000s	10YP 2019/20 \$'000s	AB 2019/20 \$'000s
SOURCES OF OPERATING FUNDING		
756 General Rates, UAGC & Rates Penalties	835	774
5,351 Targeted Rates	5,269	5,517
330 Subsidies & Grants for Operating Purposes	338	338
- Fees and Charges	-	-
15 Internal Charges & Overheads Recovered	16	16
2,625 Other Operating Funding *	2,640	2,410
9,078 TOTAL OPERATING FUNDING	9,098	9,055
APPLICATIONS OF OPERATING FUNDING		
455 Payments to Staff and Suppliers	502	5,917
467 Finance Costs	486	330
6,740 Internal Charges & Overheads Applied	6,929	1,669
- Other operating funding applications	-	-
7,663 TOTAL APPLICATIONS OF OPERATING FUNDING	7,917	7,916
1,416 SURPLUS/(DEFICIT) OF OPERATING FUNDING	1,181	1,139
SOURCES OF CAPITAL FUNDING		
- Subsidies and Grants for Capital Expenditure	-	-
- Development & Financial Contributions	-	-
(409) Increase/(Decrease) in Debt	(375)	(42)
- Gross proceeds from sale of assets	-	-
- Lump sum contributions	-	-
- Other dedicated capital funding	-	-
(409) TOTAL SOURCES OF CAPITAL FUNDING	(375)	(42)
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
- to meet additional demand	-	-
628 to improve the level of service	463	582
379 to replace existing assets	343	516
- Increase/(Decrease) in Reserves	-	-
- Increase/(Decrease) of Investments	-	-
1,006 TOTAL APPLICATIONS OF CAPITAL FUNDING	806	1,098
(1,416) SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(1,181)	(1,139)
- TOTAL FUNDING SURPLUS/(DEFICIT)	-	-

TRANSPORT - GROUP OF ACTIVITIES

Budget 2018/19 \$'000s	10YP 2019/20 \$'000s	AB 2019/20 \$'000s
SOURCES OF OPERATING FUNDING		
14,029 General Rates, UAGC & Rates Penalties	15,669	14,737
- Targeted Rates	-	-
2,759 Subsidies & Grants for Operating Purposes	2,825	2,861
- Fees and Charges	-	-
- Internal Charges & Overheads Recovered	-	-
4,633 Other Operating Funding *	4,722	4,722
21,421 TOTAL OPERATING FUNDING	23,215	22,320
APPLICATIONS OF OPERATING FUNDING		
10,567 Payments to Staff and Suppliers	10,788	12,012
2,210 Finance Costs	2,963	2,345
4,073 Internal Charges & Overheads Applied	4,190	3,197
- Other operating funding applications	-	-
16,850 TOTAL APPLICATIONS OF OPERATING FUNDING	17,941	17,554
4,571 SURPLUS/(DEFICIT) OF OPERATING FUNDING	5,275	4,766
SOURCES OF CAPITAL FUNDING		
12,156 Subsidies and Grants for Capital Expenditure	6,820	6,259
369 Development & Financial Contributions	513	513
8,834 Increase/(Decrease) in Debt	16,703	11,376
- Gross proceeds from sale of assets	-	-
- Lump sum contributions	-	-
- Other dedicated capital funding	-	-
21,359 TOTAL SOURCES OF CAPITAL FUNDING	24,036	18,148
APPLICATIONS OF CAPITAL FUNDING		
Capital Expenditure:-		
652 to meet additional demand	3,680	2,017
18,936 to improve the level of service	19,900	15,146
6,341 to replace existing assets	5,730	5,751
- Increase/(Decrease) in Reserves	-	-
- Increase/(Decrease) of Investments	-	-
25,929 TOTAL APPLICATIONS OF CAPITAL FUNDING	29,311	22,913
(4,571) SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(5,275)	(4,766)
- TOTAL FUNDING SURPLUS/(DEFICIT)	-	-

WATER - GROUP OF ACTIVITIES

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
SOURCES OF OPERATING FUNDING			
-	General Rates, UAGC & Rates Penalties	-	-
8,730	Targeted Rates	9,518	9,214
-	Subsidies & Grants for Operating Purposes	-	-
-	Fees and Charges	-	-
98	Internal Charges & Overheads Recovered	100	173
36	Other Operating Funding *	36	36
8,863	TOTAL OPERATING FUNDING	9,654	9,423
APPLICATIONS OF OPERATING FUNDING			
1,514	Payments to Staff and Suppliers	1,507	4,329
855	Finance Costs	1,093	919
2,891	Internal Charges & Overheads Applied	3,003	244
-	Other operating funding applications	-	-
5,260	TOTAL APPLICATIONS OF OPERATING FUNDING	5,603	5,492
3,603	SURPLUS/(DEFICIT) OF OPERATING FUNDING	4,052	3,930
SOURCES OF CAPITAL FUNDING			
-	Subsidies and Grants for Capital Expenditure	-	-
187	Development & Financial Contributions	259	259
2,636	Increase/(Decrease) in Debt	4,901	7,091
-	Gross proceeds from sale of assets	402	402
-	Lump sum contributions	-	-
-	Other dedicated capital funding	-	-
2,823	TOTAL SOURCES OF CAPITAL FUNDING	5,563	7,752
APPLICATIONS OF CAPITAL FUNDING			
Capital Expenditure:-			
719	- to meet additional demand	1,975	916
2,089	- to improve the level of service	4,626	6,270
3,618	- to replace existing assets	3,013	4,497
-	Increase/(Decrease) in Reserves	-	-
-	Increase/(Decrease) of Investments	-	-
6,427	TOTAL APPLICATIONS OF CAPITAL FUNDING	9,614	11,682
(3,603)	SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(4,052)	(3,930)
-	TOTAL FUNDING SURPLUS/(DEFICIT)	-	-

WASTEWATER - GROUP OF ACTIVITIES

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
SOURCES OF OPERATING FUNDING			
-	General Rates, UAGC & Rates Penalties	-	-
9,029	Targeted Rates	8,989	8,923
-	Subsidies & Grants for Operating Purposes	-	-
-	Fees and Charges	-	5
40	Internal Charges & Overheads Recovered	41	41
1,152	Other Operating Funding *	1,298	1,293
10,221	TOTAL OPERATING FUNDING	10,328	10,263
APPLICATIONS OF OPERATING FUNDING			
3,465	Payments to Staff and Suppliers	3,442	6,165
635	Finance Costs	714	687
2,787	Internal Charges & Overheads Applied	2,979	215
-	Other operating funding applications	-	-
6,887	TOTAL APPLICATIONS OF OPERATING FUNDING	7,135	7,066
3,334	SURPLUS/(DEFICIT) OF OPERATING FUNDING	3,193	3,196
SOURCES OF CAPITAL FUNDING			
-	Subsidies and Grants for Capital Expenditure	-	-
271	Development & Financial Contributions	376	376
1,690	Increase/(Decrease) in Debt	1,822	3,666
-	Gross proceeds from sale of assets	-	-
-	Lump sum contributions	-	-
-	Other dedicated capital funding	-	-
1,961	TOTAL SOURCES OF CAPITAL FUNDING	2,198	4,042
APPLICATIONS OF CAPITAL FUNDING			
Capital Expenditure:-			
440	- to meet additional demand	704	704
616	- to improve the level of service	2,108	3,455
4,239	- to replace existing assets	2,578	3,079
-	Increase/(Decrease) in Reserves	-	-
-	Increase/(Decrease) of Investments	-	-
5,295	TOTAL APPLICATIONS OF CAPITAL FUNDING	5,390	7,238
(3,334)	SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(3,193)	(3,196)
-	TOTAL FUNDING SURPLUS/(DEFICIT)	-	-

STORMWATER - GROUP OF ACTIVITIES

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
SOURCES OF OPERATING FUNDING			
2,758	General Rates, UAGC & Rates Penalties	2,889	3,177
-	Targeted Rates	-	-
-	Subsidies & Grants for Operating Purposes	-	-
-	Fees and Charges	-	-
18	Internal Charges & Overheads Recovered	18	18
2	Other Operating Funding *	2	2
2,778	TOTAL OPERATING FUNDING	2,910	3,197
APPLICATIONS OF OPERATING FUNDING			
1,246	Payments to Staff and Suppliers	1,307	2,038
248	Finance Costs	299	276
521	Internal Charges & Overheads Applied	536	100
-	Other operating funding applications	-	-
2,015	TOTAL APPLICATIONS OF OPERATING FUNDING	2,142	2,413
763	SURPLUS/(DEFICIT) OF OPERATING FUNDING	768	784
SOURCES OF CAPITAL FUNDING			
-	Subsidies and Grants for Capital Expenditure	-	-
71	Development & Financial Contributions	98	98
813	Increase/(Decrease) in Debt	1,002	1,165
-	Gross proceeds from sale of assets	-	-
-	Lump sum contributions	-	-
-	Other dedicated capital funding	-	-
884	TOTAL SOURCES OF CAPITAL FUNDING	1,100	1,263
APPLICATIONS OF CAPITAL FUNDING			
Capital Expenditure:-			
450	- to meet additional demand	666	666
563	- to improve the level of service	525	705
635	- to replace existing assets	677	677
-	Increase/(Decrease) in Reserves	-	-
-	Increase/(Decrease) of Investments	-	-
1,648	TOTAL APPLICATIONS OF CAPITAL FUNDING	1,868	2,048
(763)	SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(768)	(784)
-	TOTAL FUNDING SURPLUS/(DEFICIT)		

DRIVEN & ENABLING COUNCIL - GROUP OF ACTIVITIES

Budget 2018/19 \$'000s		10YP 2019/20 \$'000s	AB 2019/20 \$'000s
SOURCES OF OPERATING FUNDING			
8,061	General Rates, UAGC & Rates Penalties	8,999	9,332
-	Targeted Rates	-	-
-	Subsidies & Grants for Operating Purposes	-	4
150	Fees and Charges	153	153
34,868	Internal Charges & Overheads Recovered	36,156	26,911
4,223	Other Operating Funding *	8,474	8,557
47,303	TOTAL OPERATING FUNDING	53,782	44,957
APPLICATIONS OF OPERATING FUNDING			
33,401	Payments to Staff and Suppliers	32,964	28,058
811	Finance Costs	817	517
13,010	Internal Charges & Overheads Applied	13,379	9,386
-	Other operating funding applications	-	-
47,222	TOTAL APPLICATIONS OF OPERATING FUNDING	47,160	37,961
81	SURPLUS/(DEFICIT) OF OPERATING FUNDING	6,622	6,996
SOURCES OF CAPITAL FUNDING			
-	Subsidies and Grants for Capital Expenditure	-	-
-	Development & Financial Contributions	-	-
3,373	Increase/(Decrease) in Debt	(3,572)	(2,311)
-	Gross proceeds from sale of assets	-	-
-	Lump sum contributions	-	-
-	Other dedicated capital funding	-	-
3,373	TOTAL SOURCES OF CAPITAL FUNDING	(3,572)	(2,311)
APPLICATIONS OF CAPITAL FUNDING			
Capital Expenditure:-			
-	- to meet additional demand	-	-
795	- to improve the level of service	416	696
2,659	- to replace existing assets	2,635	3,990
-	Increase/(Decrease) in Reserves	-	-
-	Increase/(Decrease) of Investments	-	-
3,453	TOTAL APPLICATIONS OF CAPITAL FUNDING	3,050	4,685
(81)	SURPLUS/(DEFICIT) OF CAPITAL FUNDING	(6,622)	(6,996)
-	TOTAL FUNDING SURPLUS/(DEFICIT)	-	-



ADDITIONAL INFORMATION

Section

3

Section 1

Section 2

Section 3

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

**The Role and Structure
of the Council**

How to Contact the Council

Glossary

Levels of service and performance measures

This section contains an extract from the 10 Year Plan which shows the Council's planned levels of service for each of the activities and the measures we intend to use to report back on our performance.

More information about each of the Council's activities can be found in the full 10 Year Plan 2018-2028 which you can view on the Council's website www.pncc.govt.nz and searching 10 Year Plan or by phoning us on 06 356 8199 and asking for a copy.

As the 10 Year Plan was adopted in June 2018 the '2017/18' in brackets reflects the position as at that time.

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.

All of our performance measures will be measured annually, unless stated otherwise.

CITY DEVELOPMENT ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council rezones land and reviews the District Plan provisions to ensure land supply continues to exceed demand. [Housing and Future Development Plan]	There is a continual supply of land for greenfield residential sections. (new) Ratio of lower quartile home price to median household income. ¹ (new)	At least 1,900 Ratio met	At least 1,900 Ratio met	At least 1,900 Ratio met	At least 1,900 Ratio met
Council processes planning and building consents to support growth. [Housing and Future Development Plan]	Resource consent applications are processed within statutory timeframes. ² (93%) Building consent applications are processed within statutory timeframes. ³ (92%) Council keeps its status as an accredited building consent authority. (kept)	At least 95% At least 95% Status retained	At least 95% At least 95% Status retained	At least 95% At least 95% Status retained	At least 95% At least 95% Status retained
Council provides water, transport and waste infrastructure to support growth. [Growth Infrastructure Plan]	At least three years of housing and business land with services is immediately available. (new)	At least three years	At least three years	At least three years	At least three years
Council uses and promotes the principles of good urban design to have high-quality public and private developments. [Urban Design Plan]	Council development projects reflect principles of good urban design. (met)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council manages its City Development Activity in a financially sustainable way.	Major services and projects are provided within budget. (new)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

¹ This measures whether a household that is renting can afford to buy a home. It is part of the MBIE set of indicators and will allow comparisons with other councils. It is a new measure, so Council has no target set yet.

²⁻³ In setting these targets the Council acknowledges that a small number of applications will not be processed within statutory deadlines. This is because some complex consent issues cannot be resolved within statutory timeframes. Also consent applications comes in peaks and troughs and, although Council continually monitors resourcing needs and works with other Councils to help manage peak demands, it is not always possible to meet these peaks without over-resourcing for more normal demand.

STRATEGIC TRANSPORT (ROADING) ACTIVITY

For Local Government Act purposes, this is part of the Transport (Roading and Footpaths) Group of Activities. The Transport Group of Activities is made up of the Strategic Transport (Roading) Activity and the Active and Public Transport Activity (see page 47-49).

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council provides an interconnected transport system to safely, reliably and efficiently get freight, services, and people where they need to be. [Strategic Transport Plan]	Percentage of requests for service relating to roads and footpaths responded to (with at least an initial formal response) within three working days. (77%)	Greater than 95%	Greater than 95%	Greater than 95%	Greater than 95%
Council provides an adequate supply of parking for economic growth and to encourage a strong culture of walking, cycling and public transport use. [Strategic Transport Plan]	The average quality of ride on the sealed local road network, measured by smooth travel exposure. (85%)	STE greater than 80%	STE greater than 80%	STE greater than 80%	STE greater than 80%
Council provides a safe, reliable and interconnected transport system that provide priority for active and public transport users. [Active Transport Plan]	The change in the number of fatal and serious injury crashes from the previous financial year on the city's local roading network. (target not met)	Decline	Decline	Decline	Decline
Council provides transport infrastructure to support growth [Growth Infrastructure Plan]	Five year rolling average number of fatal and serious injury accidents. (new)	Decline	Decline	Decline	Decline
	Percentage of sealed roads that are resurfaced each year. (2.5%)	Greater than 3.5%	Greater than 3.5%	Greater than 3.5%	Greater than 3.5%
	The percentage of footpaths that meet Council standard. See Note (new)	Baseline to be determined	Baseline to be determined	Baseline to be determined	Baseline to be determined
	A 30-year Asset Management Plan is in place and major AMP projects approved in the 10 Year Plan are achieved. ⁴ (not met)	Projects achieved	Projects achieved	Projects achieved	Projects achieved
Council manages its Strategic Transport (Roading) and Active and Public Transport Activities in a financially sustainable way.	Major services and projects are provided within budget. (budget exceeded)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

Note: Council is developing an improved system for monitoring footpath standards. It is based on IPWEA (Institute of Public Works Engineering Australasia) Footpath Condition Rating Standard, and will be a much more robust way of measuring and prioritizing footpath maintenance and renewals. The results in the first year of its use will be used to set new targets for subsequent years.

⁴ Renewals as a group: Manawātū River Downstream Pedestrian Cycle bridge and Cycle / Pedestrian Pathway (programmes 57,977, 1229 and 1275), City Centre Streetscape Plan (programme 244), Street lighting upgrade (programme 1274)

ECONOMIC DEVELOPMENT ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council funds external organisations to create and enable opportunities for employment and growth in line with Council's strategies. [Economic Development Plan]	Funding is distributed and the contract deliverables achieved with the funding will be described. (met)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council manages its Economic Development Activity in a financially sustainable way.	Major services and projects are provided within budget. (new)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

ACTIVE PUBLIC SPACE ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council implements the City Centre Streetscape Plan to increase city centre vibrancy and improve the perception of the city [City Centre Plan]	Projects from the City Centre Streetscape Plan are implemented on time and budget. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council implements the Manawātū River Framework to increase the use of the river environment for active and passive recreation [Manawātū River Plan]	Projects from the Manawātū River Framework are implemented on time and budget. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council provides seed funding and support for people wanting to lead public space projects to develop accessible, active, comfortable and social public places [Placemaking and Palmy Unleashed Plans]	Description of the range of public space projects and their outcomes. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council co-ordinates the delivery of the city's community and commemorative events and initiatives so Palmerston North has a full events calendar that caters well for different sectors of the city's population [Events and Festivals Plan]	Description of the range of community events and initiatives. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council funds external organisations to facilitate economic events that will create and enable opportunities for employment and growth in line with Council's strategies. [Events and Festivals Plan]	Funding for economic events is distributed and the contract deliverables achieved with the funding are described. (Narrative measure) (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council manages its Active Public Space Activity in a financially sustainable way.	Major services and projects are provided within budget. (new)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

ARTS, CULTURE AND HERITAGE ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council funds and enhances the cultural Council Controlled Organisations (and other external organisations), to help make Palmerston North a creative and exciting city and an arts powerhouse. [Arts Plan]	Funding is distributed and the key objectives achieved with the funding are described. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council protects and enhances places of Māori heritage to incorporate Rangitāne history and aspirations in modern-day Palmerston North. [Culture and Heritage Plan and Heritage Management Plan]	Sites of significance to Rangitāne are identified, protected or acknowledged. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council takes a whole-of-council approach to proactively work with owners of heritage buildings and features to preserve the city's heritage. [Heritage Management Plan]	Increase in the number of scheduled heritage features contained in the District Plan. (Current numbers are 7 Sites of Significance to Tangata Whenua, 89 Buildings & Objects, 2 Heritage Areas, 117 Notable Trees and Groups of Trees, and 15 Habitats of Local Significance). (new)	Increase in current numbers	Increase in current numbers	Increase in current numbers	Increase in current numbers
	Increase in investment in earthquake-prone heritage buildings. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council manages its Arts, Culture and Heritage Activity in a financially sustainable way.	Major services and projects are provided within budget. (new)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

ACTIVE COMMUNITY ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
<p>Council provides a wide range of accessible and well-maintained sports facilities to increase levels of participation in sport and active recreation. [Active Community Plan]</p> <p>(Note: These facilities are city-wide reserves, amenity reserves and playgrounds, reserves, sports fields, the Central Energy Trust Arena, walkways and shared paths, and swimming pools.)</p>	<p>A 30-year Asset Management Plan is in place and major AMP projects approved in the 10 Year Plan are achieved. (met)</p> <p>Sports fields are available for weekend organised use. (98%)</p> <p><u>Swimming pool annual usage:</u></p> <ul style="list-style-type: none"> • Lido (new) • Freyberg (new) 	<p>Specific projects will be listed in the Plan.</p> <p>At least 85%</p> <p>More than 330,000 people</p> <p>More than 110,000 people.</p>	<p>Specific projects will be listed in the Plan.</p> <p>At least 85%</p> <p>More than 330,000 people</p> <p>More than 110,000 people.</p>	<p>Specific projects will be listed in the Plan.</p> <p>At least 85%</p> <p>More than 330,000 people</p> <p>More than 110,000 people.</p>	<p>Specific projects will be listed in the Plan.</p> <p>At least 85%</p> <p>More than 330,000 people</p> <p>More than 110,000 people.</p>
Council funds and works in partnership with external recreation organisations to help increase levels of participation in sport and active recreation. [Active Community Plan]	Funding is distributed and the key objectives achieved with the funding are described. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council manages its Active Community Activity in a financially sustainable way.	Major services and projects are provided within budget. ⁵ (new)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

⁵ Renewals as a group and Central Energy Trust Arena projects

Active and Public Transport Activity

For Local Government Act and budget purposes, this is part of the Transport Group of Activities. The Transport Group of Activities is made up of the Active and Public Transport Activity and the Strategic Transport (Roding) Activity.

What We Do and How and We Show We Are Doing A Great Job

The levels of service and performance measures for this Activity are included with the Strategic Transport (Roding) levels of service page 97.

CONNECTED COMMUNITIES ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council provides library services, including physical and digital content and the facilitation of programmes to support digital inclusion, access to information, literacy, lifelong learning, cultural and creative expression and social inclusion. [Community Services and Facilities Plan]	Library visitor numbers. (new)	More than 800,000 connections a year ⁶	More than 800,000 connections a year ⁷	More than 800,000 connections a year ⁸	More than 800,000 connections a year ⁹
	Use of physical collections. (new)	Average use per item per year is at least 4	Average use per item per year is at least 4	Average use per item per year is at least 4	Average use per item per year is at least 4
	Use of digital collections. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
	Description of the range of programmes and events. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council provides public toilets throughout the city, in parks and reserves, community centres and hubs, libraries and civic areas to meet people's needs. [Community Services and Facilities Plan]	Public toilets are accessible, appropriately located and gender neutral. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council provides community centres and hubs to cater to the diverse needs of local communities. [Community Services and Facilities Plan]	A 30-year Asset Management Plan is in place and major AMP projects approved in the 10 Year Plan are achieved. (new)	Projects achieved	Projects achieved	Projects achieved	Projects achieved
	Levels of community centre use. (new)	Narrative measure, including use of at least 1400 hours per centre per year	Narrative measure, including use of at least 1400 hours per centre per year	Narrative measure, including use of at least 1400 hours per centre per year	Narrative measure, including use of at least 1400 hours per centre per year

6-7 Includes physical facility visits, virtual visits, social media engagements, outreach, membership, participation in programme, internet and Wi-Fi use.

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council provides cemeteries and a crematorium to meet community needs. [Community Services and Facilities Plan]	<p>A 30-year Asset Management Plan is in place and major AMP projects approved in the 10 Year Plan are achieved. (met)</p> <p>Cemetery provision meets legislative requirements. (new)</p>	<p>Projects achieved</p> <p>Legislative requirements met</p>	<p>Projects achieved</p> <p>Legislative requirements met</p>	<p>Projects achieved</p> <p>Legislative requirements met</p>	<p>Projects achieved</p> <p>Legislative requirements met</p>
Council provides warm and safe housing units for people in line with Council's priorities. [Council Housing and Support Plan]	<p>Council housing is tenanted. (97%)</p> <p>Council tenants are satisfied with the standard of housing (two-yearly survey).</p> <p>Units meet the Otago Medical School He Kainga Oranga Rental Warrant of Fitness Standard. (not met – Papaioea Place)</p> <p>A 30-year Asset Management Plan is in place and major AMP projects approved in the 10 Year Plan are achieved. ¹⁰.(met)</p>	<p>At least 95%, excluding units not available due to renovations</p> <p>At least 90%</p> <p>Standard met</p> <p>Projects achieved</p>	<p>At least 95%, excluding units not available due to renovations</p> <p>At least 90%</p> <p>Standard met</p> <p>Projects achieved</p>	<p>At least 95%, excluding units not available due to renovations</p> <p>At least 90%</p> <p>Standard met</p> <p>Projects achieved</p>	<p>At least 95%, excluding units not available due to renovations</p> <p>At least 90%</p> <p>Standard met</p> <p>Projects achieved</p>
Council supports and funds community groups to build community, neighbourhood and organisational resilience, capacity and capability. [Community Support Plan]	Funding is distributed according to Council's Community Funding Policy and the key objectives achieved with the funding are described. (met)	Narrative measure	Narrative measure	Narrative measure	Narrative measure

¹⁰ Renewals as a group: Papaioea Place (programmes 377 and 1277), Library of the Future / Upgrade (programmes 595 and 1518)

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council engages on a wide range of decisions and projects so that people and organisations from all sectors actively are involved in Council decision making. [Active Citizenship Plan] Note: The budget for this Plan is in the Leadership Activity (see page 68-69)	Positive feedback from residents on Council's community engagement. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
	Description of the range of engagement techniques used by Council. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council manages its Connected Communities Activity in a financially sustainable way.	Major services and projects are provided within budget. (new)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

11 Renewals as a group Papaioea Place (programmes 377 and 1277), Library of the Future / Upgrade (programmes 595 and 1518)

SAFE COMMUNITIES ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council co-ordinates and facilitates the work of the Safety Advisory Board to prevent crime and injury. [Safe Communities Plan]	The range of SAB initiatives and the outcomes they achieve. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council works with the Manawatū–Whanganui Civil Defence Emergency Management Group to build resilience and disaster preparedness for civil defence and emergency situations. [Safe Communities Plan]	Palmerston North retains its accreditation as a Safe City. (new) Council works with local communities to get people prepared for emergencies. (new)	Accreditation retained. Narrative measure	Accreditation retained. Narrative measure	Accreditation retained. Narrative measure	Accreditation retained. Narrative measure
Council enforces bylaws and legislation to ensure dog owners and residents are aware of safety, protection and etiquette around dogs, and to ensure that food premises comply with the Food Act. [Safe Communities Plan]	Three dog education campaigns and / or community events attended. (new) Council is an accredited Food Act verifier. (new)	At least three attended 99% of verifications are conducted within statutory timeframes.	At least three attended 99% of verifications are conducted within statutory timeframes.	At least three attended 99% of verifications are conducted within statutory timeframes.	At least three attended 99% of verifications are conducted within statutory timeframes.
Council implements policies and bylaws to promote healthy lifestyles. [Healthy Community Plan]	Description of healthy lifestyle initiatives. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council manages its Safe Communities Activity in a financially sustainable way.	Major services and projects are provided within budget. (new)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

Note: Council's actions and targets in other Activities make big contributions to health and safety, especially water, wastewater, rubbish and recycling, transport, city development, housing and active communities.

SAFE COMMUNITIES ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council’s services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council provides: <ul style="list-style-type: none">• a kerbside solid waste collection service• a kerbside recycling collection service• recycling drop-off points• a greenwaste drop-off service to manage waste in an environmentally responsible manner and maximise the amount of waste diverted from landfill. [Waste Plan]	Rubbish and recycling placed in Council’s official bags or bins are collected on the stated day. (99.96%) Compliance with resource consents for the Rubbish and Recycling Activity measured by the number of: <ul style="list-style-type: none">• abatement notices• infringement notices• enforcement orders• convictions. (met) A 30-year Asset Management Plan is in place and major AMP projects approved in the 10 Year Plan are achieved. ¹² (met)	At least 98% None None None None	At least 98% None None None None	At least 98% None None None None	At least 98% None None None None
Council manages its Rubbish and Recycling Activity in a financially sustainable way.	Major services and projects are provided within budget. (met)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

12 Renewals as a group

BIODIVERSITY AND SUSTAINABLE PRACTICES ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council works with iwi and community groups to re-establish bush, particularly along waterways, and to control introduced predators. [Biodiversity Plan]	15,000 green corridors trees planted per year. (Note: This is an average over three years, because as the number of trees increases so does the work required to look after the total number of planted trees.) (new)	At least 15,000 on average over three years	At least 15,000 on average over three years	At least 15,000 on average over three years	At least 15,000 on average over three years
Council fosters sustainable practices and behaviours so that city residents and organisations become more sustainable. [Sustainable Practices Plan and Energy Plan]	Number and description of sustainable practices campaigns. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
	Number and description of Eco Design home consultations. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council manages its Biodiversity and Sustainable Practices Activity in a financially sustainable way.	Major services and projects are provided within budget. (new)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

STORMWATER ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council provides stormwater services to protect buildings from inundation from flooding in major events. [Three Waters Plan]	The number of flood events per year resulting in stormwater from Council's stormwater system entering a habitable floor in an urban area. (target met, 1 flood event)	No more than 5	No more than 5	No more than 5	No more than 5
Council provides stormwater infrastructure to support growth. [Growth Infrastructure Plan]	The number of habitable floors per 1,000 properties within urban stormwater service areas affected by a flood event. (Target met (0.1 habitable floors per 1000 properties)	No more than 2	No more than 2	No more than 2	No more than 2
	Median time to attend a flooding event. (Note: A flooding event is one resulting in stormwater entering a habitable building.) (not measured)	Less than 2 hours	Less than 2 hours	Less than 2 hours	Less than 2 hours
	The number of complaints received about the performance of Council's stormwater system per 1,000 properties connected. (Target not met, 19.9 complaints per 1000 connections)	No more than 15	No more than 15	No more than 15	No more than 15
	Compliance with resource consents ¹³ for discharge from Council's stormwater system measured by the number of:				
	• abatement notices	Zero	Zero	Zero	Zero
	• infringement notices	Zero	Zero	Zero	Zero
	• enforcement orders	Zero	Zero	Zero	Zero
	• convictions	Zero	Zero	Zero	Zero
	in relation to stormwater resource consents. (Target met, 100% compliance with resource consent)	Projects achieved	Projects achieved	Projects achieved	Projects achieved
	A 30-year Asset Management Plan is in place and major AMP projects approved in the 10 Year Plan are achieved. (met)				
Council manages its Stormwater Activity in a financially sustainable way.	Major services and projects are provided within budget. (Target not met)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

¹³ Council holds only consents associated with construction and maintenance of stormwater facilities. There are no specific Stormwater discharge consents.

WASTEWATER ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council provides wastewater services for the safe collection, treatment and disposal of the city's wastewater. [Three Waters Plan] Council provides wastewater infrastructure to support growth. [Growth Infrastructure Plan]	Number of dry weather wastewater overflows from Council's wastewater system per 1,000 connections per year. (0.8, Target met)	No more than 1	No more than 1	No more than 1	No more than 1
	Complaints per 1,000 connections about: (12.3)	No more than 15	No more than 15	No more than 15	No more than 15
	• wastewater odour				
	• wastewater system faults				
	• wastewater system blockages				
	• Council's response to issues with the wastewater system.				
	Median time for attending to overflows resulting from blockages or other faults. (0.42 hours Target met)	Less than 1.5 hours	Less than 1.5 hours	Less than 1.5 hours	Less than 1.5 hours
	Median time for resolution of overflows resulting from blockages or other faults. (3.27 hours)	Less than 8 hours (i.e. attendance and resolution is less than 9.5 in total)	Less than 8 hours (i.e. attendance and resolution is less than 9.5 in total)	Less than 8 hours (i.e. attendance and resolution is less than 9.5 in total)	Less than 8 hours (i.e. attendance and resolution is less than 9.5 in total)
	Compliance with resource consents for discharge from Council's wastewater system as measured by the number of:				
	• abatement notices	Zero	Zero	Zero	Zero
	• infringement notices	Zero	Zero	Zero	Zero
	• enforcement notices	Zero	Zero	Zero	Zero
	• convictions received by Council in relation to resource consents (all zero, Target met)	Zero	Zero	Zero	Zero
	A 30-year Asset Management Plan is in place and major AMP projects approved in the 10 Year Plan are achieved. ¹⁵ (met)	Projects achieved	Projects achieved	Projects achieved	Projects achieved

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council manages its Wastewater Activity in a financially sustainable way.	Major services and projects are provided within budget. (Target not met)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

WATER SUPPLY ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
<p>Council provides wastewater services for the safe collection, treatment and disposal of the city's wastewater. [Three Waters Plan]</p> <p>Council provides wastewater infrastructure to support growth. [Growth Infrastructure Plan]</p>	Compliance with Part 4 (bacteria compliance criteria) of the Public Health Act 1956 (as amended by the Health (Drinking Water) Amendment Act 2007). (Target met)	100%	100%	100%	100%
	Compliance with Part 5 (protozoal compliance criteria) of the Public Health Act 1956 (as amended by the Health (Drinking Water) Amendment Act 2007). (Target met)	100%	100%	100%	100%
	The number of complaints per 1,000 connections relating to clarity, taste odour, continuity of water supply, drinking water pressure or flow, and Council's response to any of these issues (49.4, Target not met)	No more than 40	No more than 40	No more than 40	No more than 40
	Average consumption of drinking water per day per resident. (209.5 litres, Target met)	No more than 360 litres per person per day	No more than 360 litres per person per day	No more than 360 litres per person per day	No more than 360 litres per person per day
	Median response time for urgent call-out attendance. (0.28 hours, Target met)	2 hours or less	2 hours or less	2 hours or less	2 hours or less
	Median response time for resolution of urgent call outs. (1.1 hours, Target met)	7 hours or less	7 hours or less	7 hours or less	7 hours or less
	Median response time for non-urgent call-out attendance. (1.45 hours, Target met)	10 hours or less	10 hours or less	10 hours or less	10 hours or less
	Median response time for resolution of non-urgent call-outs. (3.45 hours, Target met)	75 hours or less	75 hours or less	75 hours or less	75 hours or less
	Percentage of real water loss from the water reticulation network. (14.8%, Target met)	Less than 20%	Less than 20%	Less than 20%	Less than 20%
	A 30-year Asset Management Plan is in place and major AMP projects approved in the 10 Year Plan are achieved. ¹⁶ (Target met)	Projects achieved	Projects achieved	Projects achieved	Projects achieved

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council manages its Wastewater Activity in a financially sustainable way.	Major services and projects are provided within budget. (Target not met)	Services and projects within budget	Services and projects within budget	Services and projects within budget	Services and projects within budget

LEADERSHIP ACTIVITY

What We Do	How We Show We Are Doing A Great Job				
Council's services	Performance Measures (with 2017/18 results)	Targets 2018/19	Targets 2019/20	Targets 2020/21	Targets 2021/22 – 27/28
Council engages on a wide range of decisions and projects so that people and organisations from all sectors are actively involved in Council decision making. This level of service is also part of the Connected Communities Activity (see pages 50-53).	Positive feedback from residents on Council's community engagement. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
	Description of the range of engagement techniques used by Council. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure
Council has Plans, Strategies and Policies in place to deliver on the Vision. Council works on the Plans, Strategies and Policies with city stakeholders to lead the city and deliver on the Vision in a collaborative way.	Strategies, Plans and Policies are in place, monitored and reviewed. (new)	Narrative measure	Narrative measure	Narrative measure	Narrative measure

CORPORATE SUPPORT ACTIVITY

Corporate Support consists of civic administration building, customer services, financial services, human resources, information services and marketing and communications. These support the other Activities of Council.

This area does not have external levels of service.

COMMERCIAL OR STRATEGIC INVESTMENTS

Commercial or Strategic Investments covers the assets Council owns for commercial or strategic reasons. These include Palmerston North Airport Ltd and the Gordon Kear Forest. The Council also has contracts to provide other councils and organisations with an after-hours call centre and building services. These provide a positive return to Council and reduce the amount needed in rates.

This area does not have external levels of service.

The role and structure of the Council

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

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 next one scheduled for October 2019. The current Council comprises 15 Councillors, elected on a City-wide basis, and the Mayor. There are no Community Boards.

Council and Committee structure

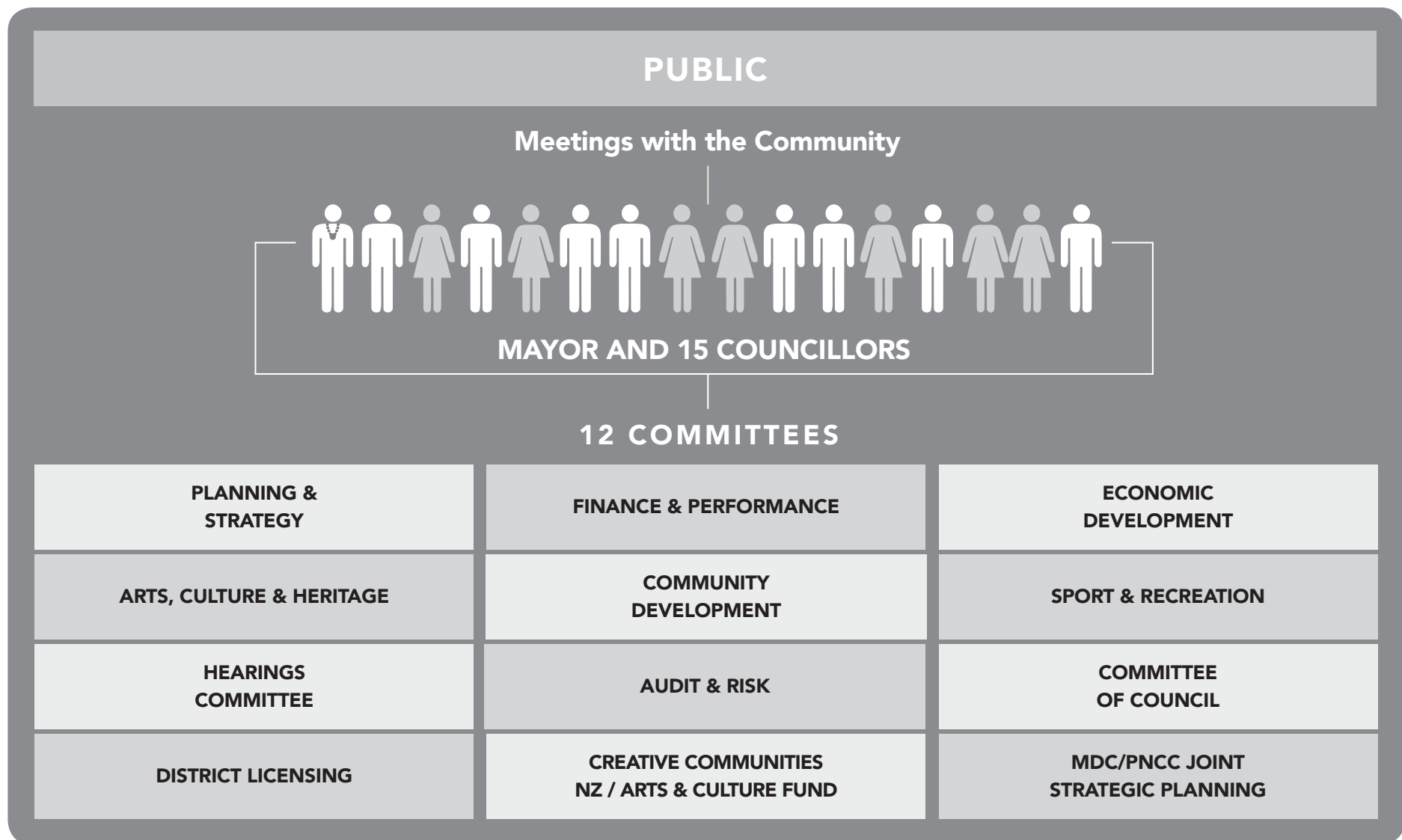
The Council reviews its committee structure after each election. The committee structure for the 2016-2019 term of Council changed from that of the previous term of office, namely with the addition of the Economic Development and Arts, Culture and Heritage Committees. The three primary standing committees, 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.

The Mayor and Councillors



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



COUNCILLORS AND THEIR PORTFOLIOS

Tangi Utikere JP

PORTFOLIO

- Education, Science & Innovation
- Multicultural
- Youth & Students

Brent Barrett

PORTFOLIO

- Education, Science & Innovation
- Employment
- Environment & Sustainability
- Transport – Public & Active

Susan Baty

PORTFOLIO

- Community Services
- Housing

Rachel Bowen

PORTFOLIO

- Children & Families
- Cultural
- Neighbourhood Engagement

Adrian Broad

PORTFOLIO

- Disability
- Employment

Gabrielle Bundy-Cooke

PORTFOLIO

- CBD & Retail
- Rural & Villages

Vaughan Dennison

PORTFOLIO

- Safe City & Civil Defence

Lew Findlay QSM

PORTFOLIO

- Multicultural
- Seniors & Aged Care

Leonie Hapeta JP

PORTFOLIO

- CBD & Retail
- Education, Science & Innovation
- Employment
- Transport – Public & Active

Jim Jefferies QSM

PORTFOLIO

- Cultural
- Health & Wellbeing

Lorna Johnson

PORTFOLIO

- Community Services
- Housing

Duncan McCann

PORTFOLIO

- Children & Families
- Digital/Tech
- Environment & Sustainability

Karen Naylor

PORTFOLIO

- Disability
- Health & Wellbeing
- Neighbourhood Engagement

Bruno Petrenas

PORTFOLIO

- CBD & Retail
- Rural & Villages
- Safe City & Civil Defence
- Seniors & Aged Care

Aleisha Rutherford JP

PORTFOLIO

- Digital/Tech
- Rural & Villages
- Youth & Students

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.

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.

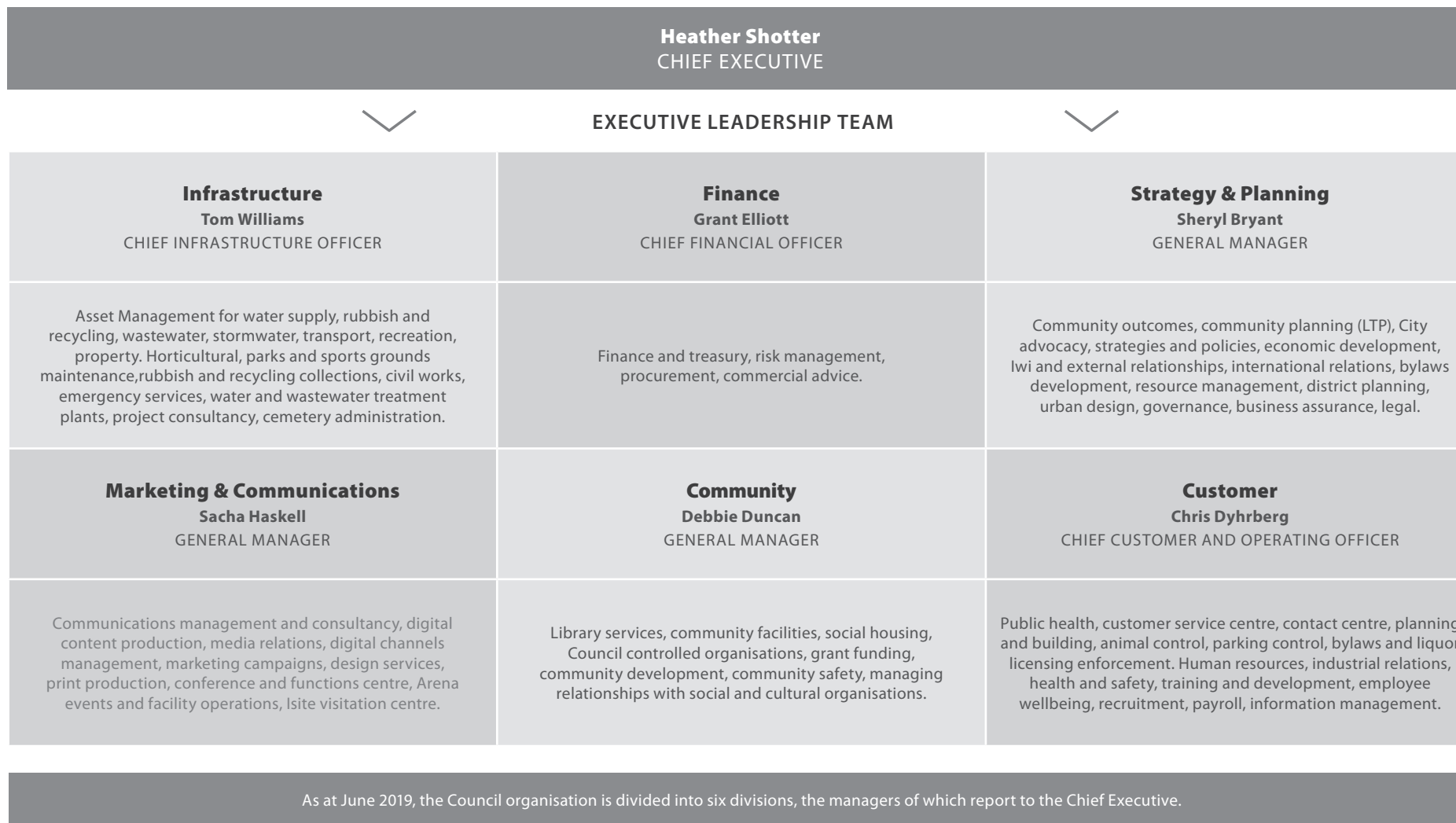
Role of Management and Employees

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



How to contact the Council



Postal Address

Private Bag 11034
Manawatū Mail Centre
Palmerston North 4442



Customer Service Centre

32 The Square
Palmerston North

Open hours:

Monday to Friday, 8am-5pm

The Customer Services Centre is the first point of contact within the Council for all of our business. Our friendly, customer-focused team will personally assist you.

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.

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



pncc.govt.nz



info@pncc.govt.nz



06 356 8199



06 351 4471



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 about meeting agendas and dates, phone Customer Services on 06 356 8199, look in the Public Notices section of the *Manawatū Standard* or *The Guardian* newspapers, or look at our website:

pncc.govt.nz



City Libraries

Central Library

4 The Square, PO Box 1948, Palmerston North



citylibrary.pncc.govt.nz



06 351 4100



Renewals: 06 351 4101



06 351 4102



webmanager@library.pncc.govt.nz

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



06 326 8646

Awapuni Community Library

Cnr College Street and Pitama Road



06 356 7634

Te Pātikitiki (Highbury) Community Library

157 Highbury Avenue



06 357 2108

Roslyn Community Library

8 Kipling Street



06 357 9287

Mobile Library

Has regular stops throughout the City.

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 17 Activities, e.g. Safe Communities, Water Supply and Active Public Space

Annual Budget (Previously Annual Plan)

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, rubbish & recycling, wastewater, water, and property and recreation facilities.

Capital New

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

Maintaining and keeping existing infrastructure and facilities up to standard.

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 and its Strategies.

Consultation Document

This replaces the previous draft 10 Year Plan or draft Annual Budget 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 2019/20 financial year therefore covers the period 1 July 2019 to 30 June 2020.

Funding Impact Statement

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

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 performance measures in its Plans (Active Community Plan, Economic Development Plan, Biodiversity Plan, etc) and 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 Entity Reporting Standards (PBE)

Accounting standards for reporting for public sector entities like the Council as adopted by the External Reporting Board.

Supporting Information

This is the material that previously would have been in a draft Plan. Under the latest 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.



Te Kaunihera o Papaioea | Palmerston North City Council

pncc.govt.nz | info@pncc.govt.nz | 06 356 8199

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