



# AB

2020/21

MAHERE PŪTEA Ā-TAU  
ANNUAL BUDGET

P A P A I O E A  
PALMERSTON NORTH CITY

YEAR THREE

OF THE 10 YEAR PLAN  
2018 – 2028

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

[pncc.govt.nz](https://pncc.govt.nz)

Te Kaunihera o Papaioea  
Palmerston North City Council







# ONE VISION

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

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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 Budget was adopted by the Council on 24 June 2020 in accordance with the Local Government Act 2002.

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

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

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

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

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

<sup>2</sup> 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

This year's Annual Budget – year three of Council's 10 Year Plan focussed on city growth and vitality – was prepared for consultation before the seriousness of the Covid-19 pandemic crisis became evident. The last few months have presented unprecedented challenges for people and businesses. These difficulties continue with variable adverse impacts as our city and region implements its recovery plans and actions.

The Annual Budget outlines how we will support and pay for smart, sustainable growth and wellbeing, that ensures our infrastructure and facilities are in their best possible shape for now and future generations. Council has taken into account the extraordinary economic and social impacts of the pandemic in a reassessment of assumptions about costs, revenue and the availability of external resources to deliver services and programmes.

In striving to reduce immediate burdens and implement community recovery initiatives, while also safeguarding our city's future, we have determined that total rates will need to increase by 1.95%. This is considerably lower than

our pre-covid crisis proposal, which identified a need for total rates income to increase by 4.4% – which was also down from 5.2% projection in the 10 Year Plan. Any lower increase than 1.95% would threaten our ability to deliver city services residents now receive and derail our opportunity to flourish as a regional city.

The real economic outcomes of the pandemic remain unknown. We do know that, despite major impacts on city revenue and people's livelihoods, Palmerston North is in a stronger position than many of our peers. Our city had economic momentum ahead of the crisis (while national economic growth was weakening in 2019), and we have the resilience of a diverse economy that is strong in less-impacted sectors by the crisis, as well as uplift from a number of major infrastructure projects underway or in the pipeline. It's important that we now leverage significant funding opportunities being rolled out by the government, and that we are able to invest in and service major projects to stimulate economic recovery, employment and welfare, and build up our platform for smart city growth in the near future.

Our catalyst projects shaping our city to meet communities' core needs and lifestyle aspirations beyond the short term remain substantially on track, and we are now asking for your feedback on one of our biggest projects ever – the Nature Calls, city wastewater project.

I'm incredibly proud of how our community has rallied together to support each other through this difficult time. That is what great cities do. As we push through the headwinds, Palmerston North retains its small city benefits but also foundation for prosperity. We are in a position to meet our immediate challenges and take our opportunities to become the leading regional city in New Zealand.

Ngā mihi



**Grant Smith (Mayor)**

# A message from the Chief Executive

## Positioning for Recovery and Opportunity

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Our Annual Budget 2020/21 is an important bellwether on how well we are progressing our city vision of small city benefits, big city ambition – the foundation of Council's 10 Year Plan 2018-28.

This year's Annual Budget process was disrupted by the global covid crisis that has challenged us all. The pandemic has underlined the valuable roles that local councils play in ensuring continuity of essential services and also welfare assistance. It's notable that over 20,000 people were assisted in Palmerston North by our Emergency Operations Centre during Covid-19 activation.

Along with multiple individual and organisational-level impacts, the crisis has presented Council with a financial sustainability challenge at city level. The budget finalisation process, which reviewed delivery assumptions, has needed to take account of major projected reductions in non-rates revenue in areas such as venues and facilities, parking and dividends from Palmerston North airport.

The decision to more than halve the growth-targeted 4.4% increase in rates proposed, down to 1.95% reflects the critical hardships our community faces. In delivering significant savings, Council has worked hard through the budgeting process to maximise efficiencies, while trying hard not to diminish our service levels, capabilities and weaken our ability to meet community needs through this pressing time.

We also need to remain on the front foot and progress the city under our vision for growth, vitality and wellbeing over the longer term. While we have made some reductions in the immediate capital works programme and halted additional debt repayment in this budget, our pipeline of capital investment remains solid and it is core to the city's prospects as a great place to live, visit, learn, work and play.

The reality is that if we are not moving forward, we may fall behind competing regional centres and this will have adverse consequences down the road. There is work to be done in turning possibility to reality as we look to lever major

external funding opportunities – both central government and private investments – in the post-pandemic local / global recovery climate. This includes working in smarter and quicker ways, taking into account value propositions such as digital connectivity and service delivery.

Limitations on gatherings placed constraints on this year's consultation process on the Annual Budget, however Council values the public's positive engagement in making submissions in April.

Palmerston North has the strategic direction, financial settings and recovery plans in place to keep our city on a positive track. As a community, we are strengthening and growing stronger together.



**Heather Shotter (Chief Executive)**



# The Consultation Process

The Council decided it wished to consult on the Annual Budget that was prepared prior to COVID-19.

In the Consultation Document (CD) and the publicity material over the consultation period the message was given that the Council would be reviewing and reassessing its assumptions about costs, revenues and the availability of external resources to deliver services and programmes as part of the process of finalising the budget.

The consultation process was more restricted than initially planned due to the limitations placed on gatherings by the government as part of its response to the COVID-19 pandemic.

Copies of the Consultation Document and supporting information were made available on the Council's website. Radio advertising, newspaper articles and Facebook posts encouraged people to have their say. The public then had the option of making a submission and speaking to a Council Hearings Committee.

A total of 49 submissions were received representing 51 signatures. Social media as well as more traditional methods were used to raise awareness of the budget and promote the different ways for people to provide feedback (refer graph).

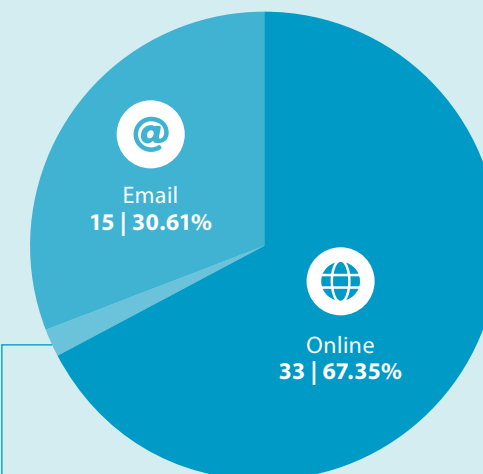
16 of the 49 Submitters presented to three hearing sessions online.

All submitters will receive a personalised letter responding to the issues they raised in their submission. A summary ("Responses to Submissions") has also been prepared, which details the Council's decisions about the issues raised in all of the submissions it received. This is available by contacting the Council - see details below.

"Responses to Submissions" available  
W [pncc.govt.nz](https://pncc.govt.nz) E [info@pncc.govt.nz](mailto:info@pncc.govt.nz) | P 356 8199



## THE VARIETY OF WAYS PUBLIC MADE SUBMISSIONS



Submission Form  
1 | 2.04%

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

### **Rates Cut / Reduce Rates Increase / Zero Rates Increase**

27 submitters commented. Majority (24) support the idea of either a rates cut, zero rates increase or at the very least a reduction in the proposed 4.4%. 3 submissions against the idea (would keep the proposed increase the same). The majority submitting that due to the pandemic this would be an unfair time to have an increase of any sort.

### **Allocation of \$500,000 to repay debt**

16 submitters commented. Half (8) the submitters were in favour. A quarter (4) were against for various reasons, including the need to make savings elsewhere in our budget to accommodate debt repayment. The remaining quarter (4) were neither supportive or opposed to the suggestion.

### **Other items for upcoming 10 Year Plan**

12 submitters commented. There were varied views but with a general consensus that the Council will need to have more focus on the environment, communities and cutting costs. This includes support for the work of community groups at a time when funding losses are apparent and discover learnings from covid-19 pandemic and aftermath. There was a view that our Small City Benefits Big City Ambition vision will need to be recalibrated post-Covid19, within local constraints and opportunities.

### **Nature Calls**

9 submitters commented. All submitting on what we should be taking into account with this project. Preferred option from within these submissions appears to be a discharge to land, with financial and environmental caveats around this.

### **Increase funding to improve organisation capability and delivery of services and programmes**

7 submitters commented. Of those that submitted 2 are in support, 3 oppose and 2 are neutral. Of the submitters who oppose this programme there was a view that PNCC should achieve this within current budgets. A few questioned this and would require further information.

### **Social Housing**

6 submitters commented. All in support of social housing, with a request for more and two submitters who were disappointed that we are deferring the construction of additional social housing units until the Papaioea Place project is complete.

### **Environmental sustainability and Climate change**

17 submissions were received on the environment and climate change in general. All are in support of an increase in Council's actions and involvement in this space, of the new committee set up to address these issues, as well as ideas to employ or co-opt a climate mitigation expert. General support for cycling was also expressed. It is clear that there will be a continued and increasing emphasis on what Council is doing in the environmental sustainability space as it was also largely canvassed in what we should be thinking about in the upcoming 10 Year Plan.



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

### Changes from year 3 of the 10 Year Plan (that were included in Consultation Document (CD))

The CD proposed a budget that would have seen a need for total rates income to increase by 4.4% (compared with 5.2% projected in the 10 Year Plan).

The CD proposal included the following components:

#### Lower interest rates:

Interest rates on debt being lower than previously assumed. There was also a lower debt level due to a change in timings for some of the capital projects. This led to lower interest costs and an ability to cope with other urgent work without such a significant increase in rates.

#### Continuing...

- To fund \$50k (first introduced in 2019) for the Arts Event Fund to support national and regional arts events hosted in Palmerston North. (subsequently changed)
- To fund \$60k (first introduced in 2019) for the administration of Hancock Community House.
- To increase the amount of funding for footpath renewal following an audit that showed a need for more upgrades than originally assumed.

#### Removed...

- Contributing to the construction of the proposed Sports House in Cuba St following the withdrawal of the project partner, Sport Manawatū.

#### Added...

- Funding to renew key equipment for water, wastewater and stormwater systems to lower the risk of system failure.
- Funding to maintain the successfully extended walkway networks (\$70k)
- Increased funding for sportsfield renovations programmes to improve their durability (\$250k). (subsequently changed to \$110k)
- Further funding for an increased level of service for our regional sportsfields such as Fitzherbert Ave, Colquhoun Park and Memorial Park due to their increased use. (\$143k).
- Increased funding to enable Central Energy Trust Wildbase to be open seven days a week. (\$360k – this is \$152k more than 2019/20).
- Increased funding to improve and build the capability of our organisation to improve the delivery of Council services and work programmes. This will contribute to ensuring we are an efficient organisation, committed to achieving our vision and goals. (\$500k)

- An increase to planned debt repayment of \$500k. This reflects the need to position the Council for the future to fund major urgent capital investments such as the upgraded wastewater treatment and disposal system. (subsequently deleted)

#### Undertaking...

- Stage 4 upgrade of James Line (this was deferred in 2019).
- Stage 2 of the Papaioea Place social housing complex (this was originally planned for 2021-2023).
- A revision of the timing of components for Central Energy Trust Arena Masterplan.

#### Deferring...

- Constructing additional social housing units until the Papaioea Place project is complete.
- Addressing Ashhurst's discoloured water issues to ensure the work is properly scoped and a business case prepared.
- Some transport and city centre streetscape programmes to better reflect the time it takes for public engagement, obtaining external funding, negotiating with landowners and meeting resource consent conditions.

**Bringing forward...**

- The replacement of Council's ageing financial system. It is now more urgent, and a wider range of the organisation's systems need to be addressed. This proposed budget includes provision for \$2.9 million for this in 2020/21. To reduce the impact on rates this cost will be funded from rates over the next five years. (addressed in changes on page 15)

**Increasing...**

- The amount provided for the renewal of recycling trucks that are currently leased.
- Funding for urgent works required in the Civic Administration building to meet health and safety standards.
- Funding to improve the stormwater network and to increase the resilience of the wastewater treatment plant.
- Funding to \$150k to reflect the expected cost of the highly successful programme (first introduced in 2019 as a trial with a budget of \$60k) to support the provision of free swimming for under 5's. (subsequently changed to \$147k)

**Changes that were made during the budget finalisation process**

COVID-19 has had a significant impact on the community and the Council itself. In the light of this budgets were reviewed in detail. Changes were made to address the following:

- A projected reduction in non-rates revenue expected to be received for a number of Council activities (especially for parking, community facilities and some regulatory activities) and from dividends from investment in Palmerston North Airport Ltd
- A revised assessment of likely increases in underlying operating costs especially salaries and wages
- A reassessment of the proposed capital expenditure programme taking into account delays in the 2019/20 programme during the lockdown period
- A political desire to reduce to the level of the rates increase to recognise the hardship likely to be faced by a number of ratepayers as a consequence of business interruption and job loss

*The final outcome of the changes was that the total rates income will need to increase by 1.95% (compared with the 4.4% increase consulted on).*

**Outline of latest changes**

All of the changes are incorporated in the financial statements and programmes scheduled in the activity pages of the budget document.

The latest changes are summarised below:

- Reductions in projected revenue - net (\$2.403m)  
Major components include:
  - Parking (\$700k)
  - Airport dividend (\$600k)
  - Venues and facilities (\$614k)
  - Regulatory (\$393k)
- Reduced provisions for inflation, salary & wage movements & other staff related costs (\$2.646m)
- Reducing provisions for funding a number of events & grants (\$245k)
- Reducing the provision for additional sportsfield maintenance from \$250k to \$110k
- Halving the provision for operating programmes for the Accelerate 25 transport roading assessments (\$500k) and for Te Apiti Gorge development (\$52k) to reflect the current planning for them

- Reducing renewal budgets for libraries (\$298k), information management (\$313k) and vehicle crossings (\$350k)
- Funding the cost of the new enterprise resource planning (ERP) systems from rates over seven years rather than five years
- Deleting the previously proposed additional debt repayment provision of \$500k
- Adjusting the provisions for interest and debt repayment to reflect a lower forecast opening debt balance

#### **Provisions for carry forwards from 2019/20**

Included in the 2020/21 budget is provision to carry forward the incomplete component of a number of capital programmes from 2019/20. These are shown in the individual activity section with “c/fwd” in the programme name. The sums involved have been forecast for the purposes of finalising the Annual Budget and will be revised for management and reporting purposes once the actual position at 30 June 2020 is known.

Carry forward provisions included amount to \$2.9m for capital renewal programmes and \$14.7m for capital new programmes.

#### **Reductions and deferral of capital new programmes**

Given the significant level of the forecast carry forwards from 2019/20 and that construction work is likely to take longer (complying with the various COVID-19 related health and safety rules) the proposed capital programme for 2020/21 has been further reviewed.

The review involved critically assessing whether budgets are realistic with 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.

The programme of capital works for 2020/21 (including carry forward provisions) was reduced by \$8m as a result of the review and the revised budgets are shown in the programme schedules for each activity.

# 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 2020/21 the fixed part (\$1,186) for residential properties is proposed to be made up of the following:

Charge type	Charge		What it pays for
	2019/20	2020/21	
Water	\$257	\$255	The cost of providing water
Wastewater	\$252	\$241	The cost of treating and disposing of wastewater
Kerbside Recycling	\$127	\$126	The cost of kerbside recycling
Rubbish & Public Recycling	\$72	\$64	General rubbish & recycling costs including transfer stations, cleaning up fly tipping, community education
General	\$500	\$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.

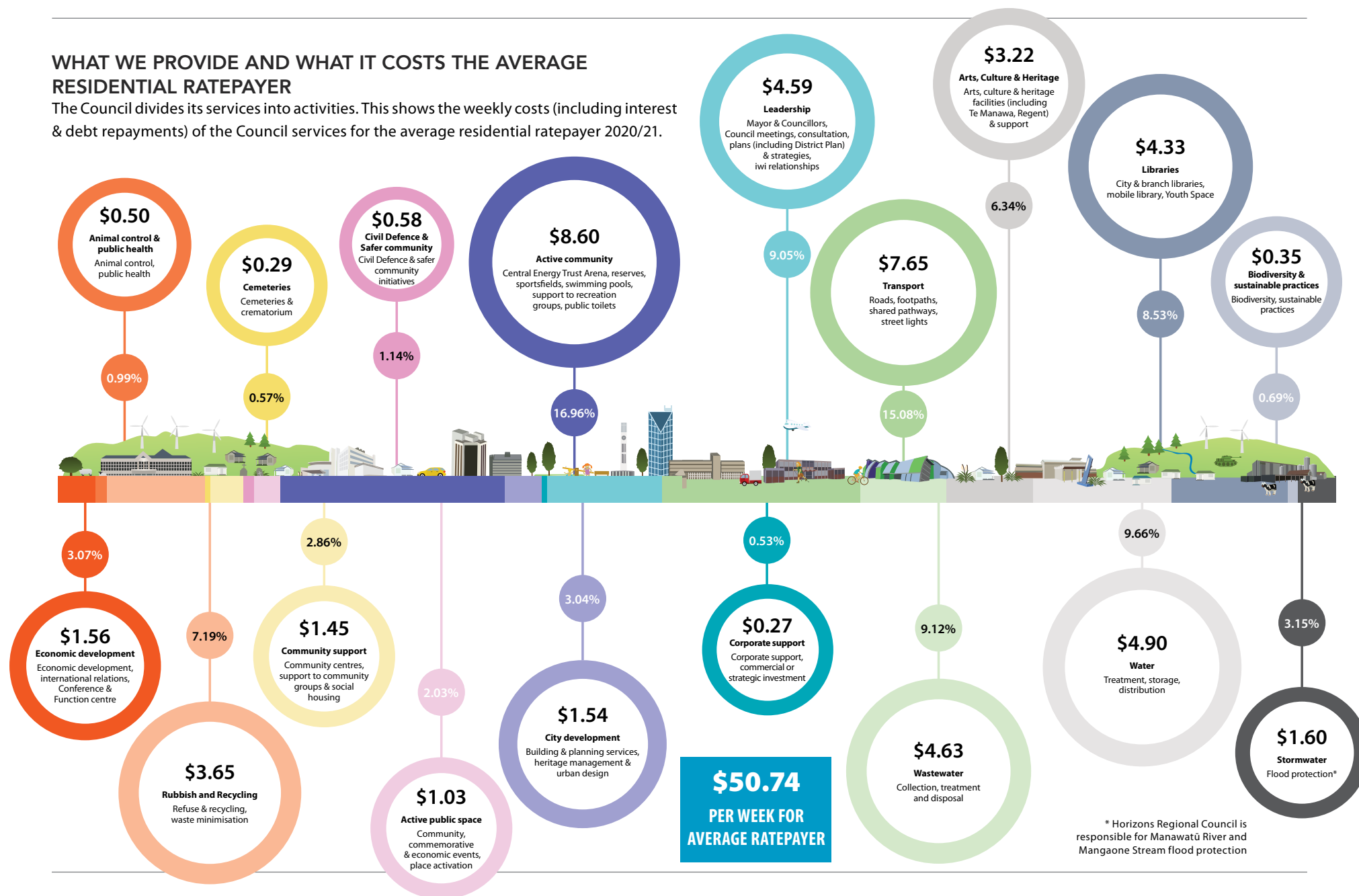
In 2018, new property valuations were issued for Palmerston North and these continue to be used as the base for the calculation of the land value based portion of the rates.

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 2020/21.



# Financial Overview and Statements

The Council's Annual Budget<sup>1</sup> covers the period 1 July 2020 to 30 June 2021. 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 2021 of \$177.9m - \$44.7m less than assumed in the 10 Year Plan (based on a forecast balance at 1 July 2020 of \$142.6m)
- An increase in the total rates requirement for 2020/21 of 1.95% - compared with 5.2% 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.

<sup>1</sup> 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 2020/21 in the 10 Year Plan.

PARAMETER	10 YEAR PLAN	ANNUAL BUDGET	LIMIT
Increase in total rates	5.2%	1.95%	4.5% <sup>2</sup>
Net debt as a % of total assets	12.7%	10.0%	< 20%
Net debt as a % of total revenue	165%	134.1%	< 200%
Net interest as a % of total revenue	8.6%	4.2%	< 15%
Net interest as a % of annual rates income	11.1%	5.5%	< 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

<sup>2</sup> Based on September 2018 BERL local government cost indicator of 2.2% 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%.

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 \$20m for capital renewals during 2020/21.

The Council's prospective Statement of Comprehensive Revenue and Expense (next page) shows that after including capital revenue of \$11.2m there remains a deficit of \$3.6m. In addition the Disclosure Statement on page 22 shows the Council will not meet the balanced benchmark of 100% - with a projected outcome of 94.9%. Using both of these tests the Council would be deemed to not have a 'balanced budget' for the year. The main reason for this is the Council has decided the budgeted cost for the implementation of a new enterprise resource planning system will be funded from rates over a period of seven years rather than all in the 2020/21 year. The Council believes this is a prudent and reasonable approach.

These forecast financial statements were authorised for issue by Palmerston North City Council on 24 June 2020.

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

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

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

## PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>REVENUE</b>			
<b>OPERATING REVENUE</b>			
98,855	Rates	104,847	100,782
567	Interest & Dividends	617	17
3,322	Operating Subsidies & Grants	3,576	3,343
29,101	Other Operating Revenue	25,822	28,782
131,844		134,862	132,923
<b>CAPITAL REVENUE</b>			
7,822	Capital Subsidies & Grants	8,407	7,321
1,476	Development Contributions	1,891	1,891
2,000	Vested Assets	2,000	2,000
11,298		12,298	11,212
<b>143,142</b>	<b>TOTAL REVENUE</b>	<b>147,160</b>	<b>144,135</b>
<b>EXPENSES</b>			
98,471	Expenses	98,509	101,756
7,616	Interest	11,637	5,557
35,619	Depreciation	39,383	40,430
141,706	TOTAL EXPENSES	149,529	147,742
1,437	SURPLUS/(DEFICIT)	(2,369)	(3,607)
<b>OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>			
33,708	Gain on property revaluations	-	-
35,145	TOTAL COMPREHENSIVE REVENUE AND EXPENSE	(2,369)	(3,607)
<b>4.6%</b>	<b>RATES INCREASE</b>	<b>5.2%</b>	<b>1.9%</b>

## PROSPECTIVE STATEMENT OF CHANGES IN EQUITY

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s
1,470,815	Opening Balance	1,506,021	1,568,800
35,145	Total Comprehensive Revenue and Expense	(2,369)	(3,607)
1,505,960		1,503,652	1,565,192



## PROSPECTIVE STATEMENT OF FINANCIAL POSITION

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s
10,005	Current Assets	8,608	14,569
<b>NON-CURRENT ASSETS</b>			
12,941	Investments in CCOs and industry companies	13,052	13,052
5,982	Investment Property & Other Financial Assets	5,659	5,159
1,681,181	Property, Plant & Equipment	1,730,142	1,750,856
<b>1,710,110</b>	<b>TOTAL ASSETS</b>	<b>1,757,461</b>	<b>1,783,636</b>
33,793	Current Liabilities	27,568	37,150
<b>NON-CURRENT LIABILITIES</b>			
1,368	Employee Entitlements	1,369	1,131
166,833	Term Liabilities	222,628	178,240
2,156	Provisions	2,244	1,923
<b>EQUITY</b>			
1,050,400	Retained Earnings	1,046,037	1,046,511
455,560	Other Reserves	457,615	518,681
<b>1,710,110</b>	<b>TOTAL LIABILITIES/EQUITY</b>	<b>1,757,461</b>	<b>1,783,636</b>

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 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>OPERATING ACTIVITIES</b>			
	Cash Provided		
98,855	Rates	104,847	100,782
17	Interest	17	17
550	Dividends	600	-
3,322	Operating Subsidies & Grants	3,576	3,343
29,101	Other Operating Revenue	25,822	28,782
7,822	Capital Subsidies & Grants	8,407	7,321
1,476	Development Contributions	1,891	1,891
	Cash Disbursed		
(7,616)	Interest	(11,637)	(5,557)
(98,471)	Expenses	(98,509)	(101,756)
<b>35,056</b>		<b>35,014</b>	<b>34,822</b>
<b>INVESTING ACTIVITIES</b>			
	Cash Provided		
402	From Asset Sales	-	-
	Cash Disbursed		
(81,813)	Capital Expenditure	(74,700)	(70,466)
<b>(81,411)</b>		<b>(74,700)</b>	<b>(70,466)</b>
<b>FINANCING ACTIVITIES</b>			
	Cash Provided		
44,792	Borrowing	39,686	35,643
	Cash Disbursed		
-	Loan Repayment	-	-
<b>44,792</b>		<b>39,686</b>	<b>35,643</b>
1,564	Net Increase / (Decrease)	-	-
679	Cash at beginning	1,279	500
<b>2,243</b>	<b>CASH AT YEAR END</b>	<b>1,279</b>	<b>500</b>
<b>RATES REVENUE SHOWN ABOVE INCLUDES THE FOLLOWING AMOUNTS FOR METERED WATER REVENUE</b>			
<b>2,500</b>		<b>2,150</b>	<b>2,500</b>

# Annual Budget (Plan) Disclosure Statement

For the year ending 30 June 2021

## 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	1.95%	Yes
Debt affordability benchmark	Net external debt as a percentage of total assets will not exceed 20%	10.0%	Yes
Debt affordability benchmark	Net external debt as a percentage of total revenue will not exceed 200%	134.1%	Yes
Debt affordability benchmark	Net interest as a percentage of total revenue will not exceed 15%	4.2%	Yes
Debt affordability benchmark	Net interest as a percentage of annual rates income will not exceed 20%	5.5%	Yes
Debt affordability benchmark	Liquidity available will exceed 110% of existing external debt	117.0%	Yes
Balanced budget benchmark	100%	94.9%	No
Essential services benchmark	100%	142.1%	Yes
Debt servicing benchmark	10%	4.0%	Yes

## Notes

### 1 Rates affordability benchmark

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

### 2 Debt affordability benchmark

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

### 3 Balanced budget benchmark

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

### 4 Essential services benchmark

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

### 5 Debt servicing benchmark

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







# SECTION 1

**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 3 of the 10 Year Plan.*

## Goals, strategies and plans

### Goal 1 Innovative & Growing City

<b>City Development Activity</b>	<b>31</b>
(includes Housing and Future Development, Urban Design Heritage Management)	
<b>Strategic Transport (Roading) Activity</b>	<b>33</b>
<b>Economic Development Activity</b>	<b>37</b>

### Goal 2 Creative & Exciting City

<b>Active Public Space Activity</b>	<b>39</b>
(includes Placemaking, Events & Festivals, Palmy Unleashed)	
<b>Arts, Culture &amp; Heritage Activity</b>	<b>41</b>
(includes arts & cultural organisations/groups)	
<b>Active Community Activity</b>	<b>44</b>
(includes Sport and Recreation, Parks, Sportsfields and Reserves)	
<b>Active and Public Transport Activity</b>	<b>49</b>
(includes cycle/pedestrian paths, buses & bike stands)	

### Goal 3 Connected & Safe Community

<b>Connected Communities Activity</b>	<b>52</b>
(includes libraries, community centres, community groups and Social Housing)	
<b>Safe Communities Activity</b>	<b>56</b>
(includes animal control, civil defence, public health & safer community initiatives)	

### Goal 4 Eco-City

<b>Rubbish &amp; Recycling Activity</b>	<b>58</b>
<b>Biodiversity &amp; Sustainable Practices Activity</b>	<b>60</b>
<b>Stormwater Activity</b>	<b>62</b>
<b>Wastewater Activity</b>	<b>64</b>
<b>Water Supply Activity</b>	<b>67</b>

### Goal 5 Driven & Enabling Council

<b>Leadership</b>	<b>70</b>
<b>Corporate Support</b>	<b>72</b>
<b>Commercial or Strategic Investments</b>	<b>75</b>



# Groups of Activities - Introduction

## WHAT WE ARE PLANNING TO DO DURING 2020/21 (YEAR THREE 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: **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: <b>Small city benefits, big city ambition.</b>						
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 Manawātū 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](http://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



### WHAT'S NEW IN 2020/21

Explanation indicated



# Activity Financial Statements

## WHOLE OF COUNCIL

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>REVENUE</b>			
<b>Innovative &amp; Growing City</b>			
4,045	City Development	4,175	4,088
1,193	Economic Development	1,218	727
<b>Creative &amp; Exciting City</b>			
2,094	Active Community	2,073	1,384
46	Active Public Space	47	47
62	Arts, Culture & Heritage	65	98
<b>Connected &amp; Safe Community</b>			
3,945	Connected Communities	4,028	3,883
1,224	Safe Communities	1,270	1,292
<b>Eco-City</b>			
-	Biodiversity & Sustainable Practices	-	-
2,748	Rubbish and Recycling	3,044	2,697
<b>Transport</b>			
7,376	Roading	7,798	6,840
207	Active and Public Transport	174	204
36	<b>Water</b>	37	37
1,298	<b>Wastewater</b>	1,449	1,336
2	<b>Stormwater</b>	2	2
<b>Driven &amp; Enabling Council</b>			
3,900	Commercial or Strategic Investments	3,932	3,897
515	Corporate Support	526	427
303	Leadership	179	1,186
28,995	<b>TOTAL REVENUE</b>	30,015	28,146

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>EXPENSES</b>			
<b>Innovative &amp; Growing City</b>			
7,345	City Development	7,092	7,300
4,463	Economic Development	4,599	4,260
<b>Creative &amp; Exciting City</b>			
19,490	Active Community	22,019	22,290
2,260	Active Public Space	2,432	1,996
8,548	Arts, Culture & Heritage	8,505	8,287
<b>Connected &amp; Safe Community</b>			
18,789	Connected Communities	19,762	18,929
3,276	Safe Communities	3,357	3,408
<b>Eco-City</b>			
773	Biodiversity & Sustainable Practices	751	701
8,047	Rubbish and Recycling	8,244	7,801
<b>Transport</b>			
24,753	Roading	28,133	24,978
4,452	Active and Public Transport	4,925	5,179
8,423	<b>Water</b>	9,319	8,120
11,176	<b>Wastewater</b>	11,338	10,623
4,201	<b>Stormwater</b>	4,197	4,022
<b>Driven &amp; Enabling Council</b>			
6,261	Commercial or Strategic Investments	5,591	6,669
203	Corporate Support	36	2,616
9,652	Leadership	9,301	10,562
141,706	<b>TOTAL EXPENSES</b>	149,529	147,743
<b>112,711</b>	<b>NET OPERATING COST OF ACTIVITY GROUPS</b>	<b>119,514</b>	<b>119,596</b>

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>RATING REQUIREMENT</b>			
(35,619)	Less Depreciation	(39,383)	(40,430)
(2,607)	Less Transfers To/(From) Reserves	(1,251)	(4,087)
19,889	Plus Net Capital Renewal (3 Year Average)	20,412	19,955
4,481	Plus Debt Repayment	5,555	5,748
<b>98,855</b>	<b>RATES REQUIREMENT</b>	<b>104,847</b>	<b>100,782</b>
4.5%		5.2%	1.9%
<b>CAPITAL EXPENDITURE</b>			
<b>CAPITAL RENEWALS</b>			
<b>Innovative &amp; Growing City</b>			
-	City Development	-	-
262	Economic Development	270	300
<b>Creative &amp; Exciting City</b>			
7,119	Active Community	2,742	3,260
-	Active Public Space	-	-
311	Arts, Culture & Heritage	595	555
<b>Connected &amp; Safe Community</b>			
2,124	Connected Communities	1,916	2,239
81	Safe Communities	38	37
<b>Eco-City</b>			
	Biodiversity & Sustainable Practices		
498	Rubbish and Recycling	395	176
<b>Transport</b>			
4,705	Roading	6,595	4,579
1,046	Active and Public Transport	799	1,034
4,406	<b>Water</b>	3,314	3,277
3,079	<b>Wastewater</b>	2,524	3,642
677	<b>Stormwater</b>	610	860
<b>Driven &amp; Enabling Council</b>			
1,960	Commercial or Strategic Investments	1,364	1,743
2,030	Corporate Support	1,365	2,009
-	Leadership	-	-
<b>28,297</b>	<b>TOTAL CAPITAL RENEWALS</b>	<b>22,528</b>	<b>23,711</b>

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>CAPITAL NEW</b>			
<b>Innovative &amp; Growing City</b>			
-	City Development	-	-
54	Economic Development	-	-
<b>Creative &amp; Exciting City</b>			
12,875	Active Community	10,307	17,925
403	Active Public Space	36	71
591	Arts, Culture & Heritage	1,847	2,078
<b>Connected &amp; Safe Community</b>			
7,485	Connected Communities	4,410	6,151
843	Safe Communities	-	300
<b>Eco-City</b>			
142	Biodiversity & Sustainable Practices	84	82
457	Rubbish and Recycling	417	246
<b>Transport</b>			
12,769	Roading	18,366	5,870
4,394	Active and Public Transport	4,661	3,195
7,277	<b>Water</b>	9,644	5,906
4,159	<b>Wastewater</b>	1,033	2,813
1,371	<b>Stormwater</b>	955	1,761
<b>Driven &amp; Enabling Council</b>			
309	Commercial or Strategic Investments	301	185
311	Corporate Support	109	16
75	Leadership	-	155
53,516	<b>TOTAL CAPITAL NEW</b>	<b>52,172</b>	<b>46,754</b>
<b>81,813</b>	<b>TOTAL CAPITAL EXPENDITURE</b>	<b>74,700</b>	<b>70,466</b>
<b>FUNDED BY</b>			
2,614	External Revenue Renewal	3,288	2,705
5,208	External Revenue New	5,119	4,616
1,476	Development Contributions	1,891	1,891
19,889	Rates	20,412	19,955
52,224	New Borrowing / (Repayment)	43,990	41,299
<b>81,813</b>	<b>TOTAL</b>	<b>74,700</b>	<b>70,466</b>

# Goal 1 - Innovative & Growing City

## CITY DEVELOPMENT - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>				
3,261	Building Services	3,375	3,256	
784	Planning Services - Private	800	833	
4,045	<b>TOTAL REVENUE</b>	4,175	4,088	
<b>EXPENSES</b>				
5,184	Building Services	4,913	5,154	
674	Planning Services - Private	683	719	
918	Planning Services - Public	952	880	
345	Urban Design	342	353	
224	Heritage Management	200	195	
7,345	<b>TOTAL EXPENSES</b>	7,092	7,300	
<b>3,300</b>	<b>NET OPERATING COST OF ACTIVITY</b>	<b>2,917</b>	<b>3,212</b>	
	Rating Requirement			
-	- Less Depreciation	-	-	
<b>3,300</b>	<b>RATES REQUIREMENT</b>	<b>2,917</b>	<b>3,211</b>	



## CITY DEVELOPMENT - OPERATIONAL

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2020/21 \$'000s	2020/21 \$'000s	
✓	130-Earthquake Prone Buildings - Assessment of Compliance with the Building Act	146	143	
✓	762-City-wide - Urban Design - Delivering Change	51	50	
✓	1206-Additional Resources - Training Programme for Building Officer Cadets	61	62	
✓	1447-Earthquake prone heritage building fund	52	51	
✓	1479-Urban Design - Enhanced Delivering Change	83	82	
✓	1563-Operating grant to All Saints Church Building Fund	104	100	
<b>TOTAL</b>		<b>498</b>	<b>488</b>	

## STRATEGIC TRANSPORT (ROADING) - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>				
3,896	Parking	3,982	3,295	An assumption that carparking usage may take a period of time into 2020/21 to recover to normal levels due to COVID-19 pandemic.
2,272	Roads	2,576	2,317	
132	Street Facilities	135	135	
422	Street Lighting	437	421	
654	Traffic Services	668	671	
7,376	<b>TOTAL REVENUE</b>	7,798	6,840	
<b>EXPENSES</b>				
3,104	Parking	2,887	2,815	A delay in significant capital expenditure and a change in interest rates results in the difference to the 10YP.
14,338	Roads	17,437	14,907	
2,554	Street Facilities	2,759	2,513	
1,992	Street Lighting	2,309	2,021	
2,765	Traffic Services	2,741	2,721	
24,753	<b>TOTAL EXPENSES</b>	28,133	24,978	
<b>17,377</b>	<b>NET OPERATING COST OF ACTIVITY</b>	<b>20,336</b>	<b>18,138</b>	
<b>RATING REQUIREMENT</b>				
(8,717)	Less Depreciation	(9,999)	(10,142)	
2,906	Plus Net Capital Renewal (3 Year Average)	3,999	3,630	
920	Plus Debt Repayment	1,463	1,398	
<b>12,486</b>	<b>RATES REQUIREMENT</b>	<b>15,798</b>	<b>13,023</b>	
<b>CAPITAL EXPENDITURE</b>				
4,705	Renewal	6,595	4,579	
12,769	New	18,366	5,870	
17,474	<b>TOTAL CAPITAL EXPENDITURE</b>	24,960	10,449	
<b>FUNDED BY</b>				
2,087	External Revenue Renewal	2,909	2,183	
2,288	External Revenue New	3,328	2,036	
513	Development Contributions	657	657	
2,906	Rates	3,999	3,630	
9,680	New Borrowing / (Repayment)	14,068	1,944	
17,474	<b>TOTAL</b>	24,960	10,449	

**STRATEGIC TRANSPORT (ROADING) - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1472-Accelerate 25 Business Case work for strategic roads	512	245	Revised assessment of timing of this programme in Regional Land Transport Plan.
✓	1494-Additional Resources City Networks Sustainability, public transport and modal integration	251	251	
<b>TOTAL</b>		<b>762</b>	<b>496</b>	-

**STRATEGIC TRANSPORT (ROADING) - CAPITAL RENEWAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	74-City-wide - Street Light Replacements	141	141	
✓	82-City-wide - Off Street Parking Resurfacing, Remarking and Signage Replacement	10	15	
✓	115-City-wide - Sealed Pavement Renewals	1,935	1,937	
✓	122-City-wide - Road Drainage Replacements	358	358	
✓	139-City-wide - Sealed Road Resurfacing	1,843	1,844	
✓	155-City-wide - Street Tree Replacements	63	61	
✓	162-City-wide - Vehicle Crossing Replacements	574	100	Reduced in response to COVID-19 pandemic cost pressure.
➤	742-Campbells Road - Bridge Renewal	1,375	-	Deferred by one year.
➤	744-Kairanga Bunnythorpe Road (Mangaone Stream) - Bridge Renewal	53	-	Deferred by one year.
✗	828-City-wide - Parking Meter Replacement	117	-	Meters replacement delayed.
✓	1443-City-wide - Road Drainage Replacements (Unsubsidised)	125	123	
<b>TOTAL</b>		<b>6,595</b>	<b>4,579</b>	-

## STRATEGIC TRANSPORT (ROADING) - CAPITAL NEW

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2020/21 \$'000s	2020/21 \$'000s	
✓	163-City-wide - New Street Tree Planting	92	90	
➤	167-Urban Growth - Whakarongo - James Line Upgrade - Stage 4	-	100	Deferred by one year to line up with actual growth and requirements in the area. 10YP assumed programme would be completed by now.
✓	201-City-wide - Roding Subdivision Contributions	173	170	
➤	228-Upgraded Strategic Routes to HPMV Standard	4,387	-	Deferred by one year whilst awaiting decisions from roading partner.
➤	243-City Centre Streetscape Plan - Main Street East (Bus Terminal & Canopies)	1,559	-	Deferred by one year whilst awaiting approval from roading partner.
➤	244-City Centre Streetscape Plan - Square East (Plaza to ANZ)	-	500	Delayed by two years from original plan from the 10YP.
✓	279-City-wide - Minor Road Projects	851	851	
✓	324-Park Road / Cook Street - Intersection Upgrade	643	630	
➤	829-City-wide - Undergrounding of Power and Telecom Cables	372	-	Deferred by one year as no further work planned with partners. This is in order to minimise disruption.
➤	910-Ferguson Street (Linton Street to Pitt Street) - Road Widening and Traffic Signal Installation	1,317	150	Needs to be completed as two pieces of work so some deferral.
➤	1003-Urban Growth - Whakarongo - Intersection Upgrades	1,297	100	Actual growth rate is different from 10YP assumptions. Partial deferral of one year.
➤	1007-Urban Growth - Whakarongo - Internal Roads	157	-	Actual growth rate is different from 10YP assumptions. Deferral of one year.
➤	1044-Urban Growth - City West - Internal Roads	468	-	Actual growth rate is different from 10YP assumptions. Deferral of one year.
➤	1072-Urban Growth - City West - Pioneer Highway/Te Wanaka Road Intersection - New Intersection	2,611	-	Deferred by one year to allow for better decision making on actual requirements.
➤	1121-Massey and Research Institutes Development (Food HQ) (subject to part external funding)	2,126	-	Deferred by one year whilst awaiting decisions from roading partner.
✗	1359-Hillary Crescent Ashhurst Safety Improvements	313	-	Programme not required as NZTA is funding the works.
✓	1367-Street Light Infill Improvements	884	865	
➤	1400-City Centre Streetscape Plan - Broadway	593	-	Design for the Broadway streetscape to be bundled up with the design package for all the Streets for People programme of works and this is to be funded from programme 244.

## STRATEGIC TRANSPORT (ROADING) - CAPITAL NEW

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1488-Seal extension Rural Unsealed Road	522	511	
➤	1595-C/fwd - Roberts/Railway Road North Intersection Safety Realignment	-	300	Carry forward balance of programme 1362-Roberts/Railway Road North Intersection Safety Realignment from 2019/20
⚡	1615-City Wide - Parking and Traffic Signs and Marking	-	40	Ongoing changes to parking and traffic management requiring investment in new signs and marking.
➤	1643-C/fwd - Cuba Street urban streetscape improvements - Rangitikei to George Street	-	605	Carry forward balance of programme 1440-Cuba Street urban streetscape improvements - Rangitikei to George Street from 2019/20.
➤	1644-C/fwd - College Street Upgrade Parking Mitigation	-	180	Carry forward balance of programme 1623-College Street Upgrade Parking Mitigation from 2019/20.
➤	1651-C/fwd - Urban Growth - Whakarongo - James Line Upgrade - Stage 4	-	43	Carry forward balance of programme 167-Urban Growth - Whakarongo - James Line Upgrade - Stage 4 from 2019/20.
➤	1655-C/fwd - Monrad Pencarrow Roundabout installation	-	600	Carry forward balance of programme 1578-Monrad Pencarrow Roundabout installation from 2019/20.
➤	1656-C/fwd - City-wide - Minor Road Projects	-	100	Carry forward balance of programme 279-City-wide - Minor Road Projects from 2019/20.
➤	1674-C/fwd - City Wide - Parking and Traffic Signs and Marking	-	35	Carry forward balance of programme 1615-City Wide - Parking and Traffic Signs and Marking from 2019/20.
<b>TOTAL</b>		<b>18,366</b>	<b>5,870</b>	-



## ECONOMIC DEVELOPMENT - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>				
999	Conference & Function Centre	1,019	563	Reduced revenue from COVID-19 impact of gatherings and lower business levels.
194	Economic Development	198	163	
1,193	<b>TOTAL REVENUE</b>	<b>1,218</b>	<b>727</b>	
<b>EXPENSES</b>				
1,778	Conference & Function Centre	1,806	1,483	Reduced expenses from COVID-19 impact of gatherings and lower business levels.
2,368	Economic Development	2,491	2,476	
318	International Relations	302	301	
4,463	<b>TOTAL EXPENSES</b>	<b>4,599</b>	<b>4,260</b>	
<b>3,271</b>	<b>NET OPERATING COST OF ACTIVITY</b>	<b>3,382</b>	<b>3,534</b>	
<b>RATING REQUIREMENT</b>				
(470)	Less Depreciation	(485)	(470)	
281	Plus Net Capital Renewal (3 Year Average)	295	325	
19	Plus Debt Repayment	14	14	
<b>3,102</b>	<b>RATES REQUIREMENT</b>	<b>3,205</b>	<b>3,403</b>	
<b>CAPITAL EXPENDITURE</b>				
262	Renewal	270	300	
54	New	-	-	
316	<b>TOTAL CAPITAL EXPENDITURE</b>	<b>270</b>	<b>300</b>	
<b>FUNDED BY</b>				
281	Rates	295	325	
35	New Borrowing / (Repayment)	(25)	(25)	
316	<b>TOTAL</b>	<b>270</b>	<b>300</b>	

**ECONOMIC DEVELOPMENT - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1268-International Relations	156	173	Due to additional sister cities there is additional operational costs.
✓	1480-Sponsorship Opportunities for Council with economic benefits	52	51	
<b>TOTAL</b>		<b>208</b>	<b>224</b>	<b>-</b>

**ECONOMIC DEVELOPMENT - CAPITAL RENEWAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	251-Conference & Function Centre - Replacement of Equipment	36	36	
✓	270-Investment Properties - Holiday Park - Renewals	147	180	Increase in costs of building replacement cabins.
✓	664-Conference & Function Centre - Renewals	13	13	
✓	1166-Conference & Function Centre - Equipment Purchases	73	71	
<b>TOTAL</b>		<b>270</b>	<b>300</b>	<b>-</b>

# Goal 2 - Creative & Exciting City

## ACTIVE PUBLIC SPACE - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>				
46	Community & Commemorative Events	47	47	
46	TOTAL REVENUE	47	47	
<b>EXPENSES</b>				
1,650	Community & Commemorative Events	1,707	1,420	An assumption that large gatherings will not be allowable for sometime yet.
204	Economic Events	208	206	
405	Place activation	517	370	
2,260	TOTAL EXPENSES	2,432	1,996	
<b>2,214</b>	<b>NET OPERATING COST OF ACTIVITY</b>	<b>2,385</b>	<b>1,949</b>	
<b>RATING REQUIREMENT</b>				
(5)	Less Depreciation	(67)	(5)	
22	Plus Debt Repayment	69	69	
<b>2,231</b>	<b>RATES REQUIREMENT</b>	<b>2,388</b>	<b>2,013</b>	
<b>CAPITAL EXPENDITURE</b>				
403	New	36	71	
403	TOTAL CAPITAL EXPENDITURE	36	71	
<b>FUNDED BY</b>				
102	External Revenue New	-	-	
301	New Borrowing / (Repayment)	36	71	
403	TOTAL	36	71	

## ACTIVE PUBLIC SPACE - OPERATIONAL

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	799-Events - Major School Sports Events funding (part of Sports Events Partnership Fund)	86	89	
✓	1157-Military Heritage Commemorations (Events)	47	28	\$8,000 transferred to new programme 1554-Military Heritage Commemorations in the Arts, Culture and Heritage Activity.
✓	1161-Te Papaioea History Celebration	78	75	
✓	1167-Placemaking Co-created Project	37	35	
✓	1262-Ashhurst Christmas Lights	2	2	
✓	1273-Palmy Unleashed	172	150	A reduction in budget due to COVID-19 and the potential for small gatherings rather than larger events.
✓	1344-Major events fund	208	206	
✓	1465-Contestable Community Events Fund	26	26	
✓	1506-Community Events	518	481	Reduced as a response to the COVID-19 pandemic.
<b>TOTAL</b>		<b>1,175</b>	<b>1,092</b>	<b>-</b>

## ACTIVE PUBLIC SPACE - CAPITAL NEW

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1330-Placemaking Co-created Project	16	15	
✓	1476-City Centre Laneways Programme	21	20	
➤	1654-C/fwd - Wayfinding signage CBD area for key public institutions	-	36	Carry forward balance of programme 1492-Wayfinding signage CBD area for key public institutions from 2019/20.
<b>TOTAL</b>		<b>36</b>	<b>71</b>	<b>-</b>

## ARTS, CULTURE & HERITAGE - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>			
- Other Cultural Facilities	-	-	
62 Support to arts, culture & heritage groups	65	64	
- Te Manawa	-	34	
62 TOTAL REVENUE	65	98	
<b>EXPENSES</b>			
2,127 Other Cultural Facilities	2,221	2,097	
1,833 Support to arts, culture & heritage groups	1,888	1,843	
4,588 Te Manawa	4,396	4,348	
8,548 TOTAL EXPENSES	8,505	8,287	
<b>8,486 NET OPERATING COST OF ACTIVITY</b>	<b>8,440</b>	<b>8,189</b>	
<b>RATING REQUIREMENT</b>			
(2,049) Less Depreciation	(2,076)	(2,049)	
(259) Less Transfers To/(From) Reserves	-	-	
418 Plus Net Capital Renewal (3 Year Average)	374	326	
97 Plus Debt Repayment	109	67	
<b>6,693 RATES REQUIREMENT</b>	<b>6,848</b>	<b>6,533</b>	
<b>CAPITAL EXPENDITURE</b>			
311 Renewal	595	555	
591 New	1,847	2,078	
903 TOTAL CAPITAL EXPENDITURE	2,443	2,633	
<b>FUNDED BY</b>			
418 Rates	374	326	
485 New Borrowing / (Repayment)	2,068	2,308	
903 TOTAL	2,443	2,633	







## ARTS, CULTURE &amp; HERITAGE - OPERATIONAL

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	778-Arts Initiatives	34	33	
✓	1201-Globe Theatre - Increased Operating Grant	31	31	
✓	1323-Libraries and Community Services: Digitisation Programme	52	50	
✗	1464-Massey Arts Funding	10	-	To be funded from the operational arts initiatives budget.
✓	1469-Local Heritage Programmes	16	15	
✓	1500-Curation of Public Artworks	18	17	
✓	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	
⚙️	1554-Military Heritage Commemorations	-	8	\$8,000 transferred from programme 1157-Military Heritage Commemorations (events) in the Active Public Space activity.
<b>TOTAL</b>		<b>179</b>	<b>172</b>	<b>-</b>

## ARTS, CULTURE &amp; HERITAGE - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	213-Cultural Facilities - Replacement of Structures, Internal Fit Out and Services	563	450	Reassessment of actual maintenance requirements results in reduced budget.
➤	777-Heritage Genealogy Equipment	22	-	Replacement and upgrade of genealogy equipment will be delayed.
➤	1144-Manawatu Heritage (Archives Digital Repository) Renewal	10	-	Manawatu heritage kiosk upgrade will be delayed.
➤	1645-C/fwd - Cultural Facilities - Replacement of Structures, Internal Fit Out and Services	-	105	Carry forward balance of programme 213-Cultural Facilities - Replacement of Structures, Internal Fit Out and Services from 2019/20.
<b>TOTAL</b>		<b>595</b>	<b>555</b>	<b>-</b>

**ARTS, CULTURE & HERITAGE - CAPITAL NEW**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	367-Public Sculptures/Art Funding	52	-	Replaced by programme #1501-Public Sculptures Trust Funding due to accounting treatment. Funding on prog #1501 has temporarily been removed for one year.
	902-Property - Seismic Strengthening of Council Owned Buildings	1,754	1,718	
	1016-C/fwd - Seismic Strengthening of Council Owned Buildings	-	361	Carry forward balance of programme 902-Property - Seismic Strengthening of Council Owned Buildings from 2019/20.
	1468-Heritage Archive Shelving	42	-	Plans not developed.
<b>TOTAL</b>		<b>1,847</b>	<b>2,078</b>	<b>-</b>

## ACTIVE COMMUNITY - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>			
1,780 Central Energy Trust Arena	1,817	1,018	Reduced revenue from COVID-19 impact of gatherings so lower activity of venue.
90 City-Wide Reserves	26	92	
113 Local Reserves	116	116	
111 Sportsfields	114	57	
Swimming Pools	-	100	Change in accounting treatment of recognising oncharging of utilities costs to third party provider.
2,094 TOTAL REVENUE	2,073	1,384	
<b>EXPENSES</b>			
6,086 Central Energy Trust Arena	6,722	6,289	Reduced expenses from COVID-19 impact of gatherings so lower activity of venue.
4,788 City-Wide Reserves	5,083	4,969	
3,159 Local Reserves	3,443	4,070	
2,298 Sportsfields	2,431	3,329	Additional depreciation costs recognising latest value of assets along with additional costs to maintain first class assets.
910 Support to recreation groups	2,084	979	Primarily the removal of programme #1430-Sport Manawatu Sports House Contribution.
2,250 Swimming Pools	2,256	2,655	Change in accounting treatment of recognising oncharging of utilities costs to third party provider.
19,490 TOTAL EXPENSES	22,019	2,290	
<b>17,396 NET OPERATING COST OF ACTIVITY</b>	<b>19,946</b>	<b>20,907</b>	
<b>RATING REQUIREMENT</b>			
(4,686) Less Depreciation	(5,373)	(6,889)	
(350) Less Transfers To/(From) Reserves	-	-	
3,544 Plus Net Capital Renewal (3 Year Average)	2,354	2,400	
623 Plus Debt Repayment	867	870	
<b>16,528 RATES REQUIREMENT</b>	<b>17,794</b>	<b>17,288</b>	
<b>CAPITAL EXPENDITURE</b>			
7,119 Renewal	2,742	3,260	
12,875 New	10,307	17,925	
19,994 TOTAL CAPITAL EXPENDITURE	13,050	21,185	
<b>FUNDED BY</b>			
811 External Revenue New	630	529	
230 Development Contributions	294	294	
3,544 Rates	2,354	2,400	
15,409 New Borrowing / (Repayment)	9,772	17,962	
19,994 TOTAL	13,050	21,185	

**ACTIVE COMMUNITY - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	355-Arapuke Forest Managment	63	60	
✓	1073-Citywide - Reserve Management Planning	65	64	
✓	1249-Arapuke Forest Park - Contribution to Manawatu Mountain Bike Club for Trail Development	52	50	
✓	1355-Walkways and Shared Paths- Hazardous Tree Removal at Springdale Grove and Te Motu o Poutoa	208	160	
✓	1415-Sportsfields and Outdoor Courts Manawatu Community Athletics Track - Increased Maintenance and Renewal Grant Massey University	10	10	
✓	1422-Regional Sports Facilities Plan - Investment Process Management (Sport Manawatu)	21	20	
✓	1424-Active Community Access Fund - Low Income Opportunities	10	10	
✗	1430-Sport Manawatu Sports House Contribution	782	-	Replaced by programme #1514-Central Energy Trust Arena Manawatu - Cuba Street Building. #1514 has subsequently been deferred out to the 10YP.
✓	1431-Walkways and Shared Paths - Art and Heritage Trails	6	6	
✓	1433-Walkways and Shared Path - Designations	62	60	
✓	1438-Asset Management Planning - Parks underground services investigations	26	20	
✓	1486-City Reserves - Te Apiti Manawatu Gorge Development	104	48	
✓	1489-Ashhurst School Pool Operating Costs	312	306	
✓	1527-Regional Sports Facility Funding	5	-	
⚙️	1611-Free Swimming for Under 5 Year Olds	-	147	When finalising the Annual Budget 2019/20 and as a 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 five and to continue the programme in 2020/21.
<b>TOTAL</b>		<b>1,728</b>	<b>962</b>	<b>-</b>

## ACTIVE COMMUNITY - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
⬅	98-Citywide Reserves - Renewals (Victoria Esplanade, Memorial Park, Ashhurst Domain and The Square)	250	450	Renewals for Memorial Park brought forward to link up with the new Splashpad development.
✓	173-Citywide - Playground Renewals	354	354	
✓	174-Citywide - Replacement of Furniture on Reserves	129	126	
✓	177-Citywide - Replacement of Gardens on Reserves	33	32	
✓	182-City Wide - Restoration of Waterways on Reserves	10	10	
✓	184-Walkways and Shared Paths - Refurbishments and Replacements	48	47	
✓	190-Citywide - Replacement of Trees on Reserves	14	13	
✓	195-Citywide - Renewal of Hardsurface Areas on Reserves	145	142	
✓	258-Citywide - Refurbishment and Replacement of Boundary Fences on Reserves	48	47	
✓	267-Sportsfields and Outdoor Courts - Fitzherbert/Manawaroa/Ongley Parks - Cricket Wicket Renovations	13	13	
✓	269-Sportsfields and Outdoor Courts - Vautier Park - Synthetic Court Refurbishments (Plexipave)	47	46	
✓	596-Aquatics - Lido Pool - Asset Renewals	469	469	
✓	598-Aquatics - Freyberg Community Pool - Asset Renewals	21	20	
✓	819-Central Energy Trust Arena - Replacement of Equipment	46	45	
✓	1051-Central Energy Trust Arena Manawatu - Combined Asset Refurbishment	1,065	1,065	
✓	1474-City-wide - Renewal of park buildings and structures	52	51	
➤	1531-C/fwd - Cultural/Heritage Reserve - Hokowhitu Lagoon - Bank Renewal	-	131	Carry forward balance of programme 1108-Cultural/Heritage Reserve - Hokowhitu Lagoon - Bank Renewal from 2019/20.
➤	1577-C/fwd - Sportsfields and Outdoor Courts - Changing Room Refurbishments	-	200	Carry forward balance of programme 234-Sportsfields and Outdoor Courts - Changing Room Refurbishments from 2019/20.
<b>TOTAL</b>		<b>2,742</b>	<b>3,260</b>	<b>-</b>

**ACTIVE COMMUNITY - CAPITAL NEW**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	93-City Reserves - Memorial Park Reserve Development Plan Implementation	26	26	
✓	94-Walkways and Shared Path - Purchase of Land to Extend Network	104	102	
✓	95-Walkways and Shared Path - Construction	74	72	
✓	111-Neighbourhood Reserves - Roslyn - Edwards Pit Park Development	31	31	
✓	140-Neighbourhood Reserves- Aokautere - Peace Tree Reserve Development	316	310	
✓	144-Urban Growth - Whakarongo - Reserves Land Purchases	673	659	
✓	158-Citywide - Safety Improvements to Reserves	36	35	
✓	160-Citywide - Improved Access to Reserves for Persons with Disabilities	39	38	
✓	165-Outdoor Adventure Reserves - Arapuke Forest Park/Kahuterawa Development	67	65	
✓	558-Neighbourhood Reserves - Takaro - Oriana Reserve Development	208	80	Original budget assumed subdivision would be completed, revised budget is for design work only.
➤	560-Cultural/Heritage Reserves - Te Motu o Poutoa / Anzac Park Reserve Development	424	-	Due to delays in establishing co-governance committee and reserve management planning.
✓	587-Neighbourhood Reserves - Kelvin Grove - Linklater Reserve Development	115	113	
➤	704-Urban Growth - City West - Reserves Development	77	-	Actual growth rate is different from 10YP assumptions. Deferral of one year.
✓	716-Urban Growth - Whakarongo - Walkways Land Purchases	292	150	Actual growth rate is different from 10YP assumptions. Partial deferral of one year.
➤	717-Urban Growth - Whakarongo - Walkways Land Development	32	-	Actual growth rate is different from 10YP assumptions. Deferral of one year.
◀	752-City Reserves - Manawatu River - Framework Implementation	1,300	1,078	Revised timing of components of this programme.
➤	761-C/fwd - Clearview Reserve Development	-	31	Carry forward balance of programme 697 - Clearview Reserve Development from 2019/20.
✓	967-Citywide - Edibles Planting	5	5	
➤	990-Central Energy Trust Arena - Southern Grandstand (subject to part external funding)	745	-	Deferred by one year.
✓	1081-City Reserves -Victoria Esplanade - Park Road Entrance and Parking Reconfiguration	761	746	
➤	1083-Central Energy Trust Arena Manawatu - Entrance Plaza	4,171	46	This programme has been combined along with prog #1082 into programme #1534 for ease of reporting going forward.

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1097-Sportsfields - Drainage to Increased Capacity	91	89	
✓	1099-Parks and Reserves - Shade Development	29	28	
➤	1174-Citywide - Outdoor Gyms (locations to be determined)	130	-	This programme has been deferred by one year due to the impacts of COVID-19.
✓	1175-Citywide - Shade Trees	10	10	
✓	1182-Citywide - Recreation spaces - Improved Lighting	22	21	
➤	1391-Urban Growth - City West South of Pioneer Highway - Walkways Development	64	-	Actual growth rate is different from 10YP assumptions. Deferral of one year.
✓	1407-Sports fields - Vacated Bowling Club Land Conversion to Other Uses	10	10	
➤	1408-City Reserves - CBD Reserves - Play Development	47	-	Suitable locations and options to be explored in 2020/21 with a view for implementation following.
➤	1483-Urban Growth - Flyers Line - Mangaone Stream connection land purchase and development	40	-	Actual growth rate is different from 10YP assumptions. Deferral of one year.
➤	1487-Walkways and Shared Paths - Mangaone Stream Shared Path enhancement - Harness Racing Club planting strip purchase and development	177	-	Deferred by one year to allow for further planning.
➤	1502-C/fwd - Central Energy Trust Arena Manawatu - Speedway Relocation & Artificial Pitch	-	2,000	Carry forward balance of programme 1082-Central Energy Trust Arena Manawatu - Speedway Relocation & Artificial Pitch from 2019/20.
✓	1523-Ashhurst Pool Enhancements	87	85	
➤	1534-Central Energy Trust Arena Manawatu - Embankment Redevelopment	-	8,434	Programmes #1082 & #1083 have been combined into this programme for ease of reporting going forward.
➤	1560-Bill Brown Park - Additional Carparking	104	-	Feasibility work will occur in 2020/21 with a view of car park design and construction being undertaken in the following year.
➤	1583-C/fwd - City Reserves - Memorial Park Reserve Development Plan Implementation	-	700	Carry forward balance of programme 93-City Reserves - Memorial Park Reserve Development Plan Implementation from 2019/20.
➤	1599-C/fwd - Central Energy Trust Arena Manawatu - Entrance Plaza & Western Concourse	-	1,300	Carry forward balance of programme 1083-Central Energy Trust Arena Manawatu - Entrance Plaza & Western Concourse from 2019/20.
⚡	1622-Central Energy Trust Arena Manawatu - New Truss	-	100	Currently hiring in lighting truss, ownership is better model due to high usage.
➤	1636-C/fwd - Urban Growth - Ashhurst - Reserve Land Purchase	-	396	Carry forward balance Ashhurst programme 1357-Urban Growth - Ashhurst - Reserve Land Purchase from 2019/20.
➤	1649-C/fwd - Caccia Birch - Lagoon Embankment Upgrade	-	90	Carry forward balance of programme 196-Caccia Birch - Lagoon Embankment Upgrade from 2019/20.
➤	1650-C/fwd - Central Energy Trust Arena Manawatu - Embankment Redevelopment	-	1,075	Carry forward balance of programme 1534-Central Energy Trust Arena Manawatu - Embankment Redevelopment from 2019/20.
<b>TOTAL</b>		<b>10,307</b>	<b>17,925</b>	<b>-</b>



## ACTIVE AND PUBLIC TRANSPORT - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>				
15	Active Transport	-16	15	Correction to revenue assumptions
109	Footpaths	105	104	
83	Public Transport	85	85	
207	<b>TOTAL REVENUE</b>	<b>174</b>	<b>204</b>	
<b>EXPENSES</b>				
1,119	Active Transport	1,576	1,680	
3,140	Footpaths	3,124	3,286	
193	Public Transport	224	213	
4,452	<b>TOTAL EXPENSES</b>	<b>4,925</b>	<b>5,179</b>	
<b>4,245</b>	<b>NET OPERATING COST OF ACTIVITY</b>	<b>4,751</b>	<b>4,975</b>	
<b>RATING REQUIREMENT</b>				
(2,931)	Less Depreciation	(3,139)	(3,335)	
524	Plus Net Capital Renewal (3 Year Average)	454	525	
416	Plus Debt Repayment	412	450	
<b>2,254</b>	<b>RATES REQUIREMENT</b>	<b>2,477</b>	<b>2,615</b>	
<b>CAPITAL EXPENDITURE</b>				
1,046	Renewal	799	1,034	
4,394	New	4,661	3,195	
5,440	<b>TOTAL CAPITAL EXPENDITURE</b>	<b>5,460</b>	<b>4,229</b>	
<b>FUNDED BY</b>				
527	External Revenue Renewal	379	522	
1,357	External Revenue New	1,161	1,470	
524	Rates	454	525	
3,031	New Borrowing / (Repayment)	3,467	1,713	
5,440	<b>TOTAL</b>	<b>5,460</b>	<b>4,229</b>	

## ACTIVE AND PUBLIC TRANSPORT - OPERATIONAL

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1214-Bikes in Schools	52	51	
✓	1313-City-wide - Cycle Awareness Markings at Roundabouts	5	5	
✓	1442-Active Transport Behaviour Change Programme and Coordinator	21	20	
✓	1470-Additional cycle lane sweeping	84	80	
✓	1528-Free bus trial	31	30	
✓	1567-NZTA subsidisable footpath maintenance (cost less subsidy)*	114	100	Funding Assistance Rate assumption change. (*Gross operating expenditure of \$214k with \$114k funded from NZTA.)
<b>TOTAL</b>		<b>307</b>	<b>287</b>	<b>-</b>

## ACTIVE AND PUBLIC TRANSPORT - CAPITAL RENEWAL

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	64-City-wide - Footpath Renewals and Replacements	752	1,023	Results from recent audit requires greater rate of replacement
✗	181-City-wide - Bus Shelter Upgrades and Replacements	36	-	All bus shelters are now upgraded. Replacement of glass is funded out of operational budgets.
✓	648-City-wide - Replacement of Deteriorating Cycle Stands	11	11	
<b>TOTAL</b>		<b>799</b>	<b>1,034</b>	<b>-</b>

## ACTIVE AND PUBLIC TRANSPORT - CAPITAL NEW

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	114-City-wide - New Cycle Stands and Shelters	19	18	
✓	148-City-wide - Bus Stop Improvements	66	64	
✓	636-Aokautere Drive Pedestrian Cycle Improvements	313	307	
➤	732-Summerhill Drive - Pedestrian and Cycle Improvements	961	-	Deferred by one year to allow for better consultation.
➤	1039-Shared Path Connection - Riverside Drive to Railway Road	758	-	Deferred by one year due to ongoing contract negotiations.
➤	1095-Palmerston North to Bunnythorpe - Cycle/Pedestrian Pathway	-	102	Brought forward to line up with Manawatu District Council plans to develop pathway from Feilding to Bunnythorpe.
✓	1125-Park Road (from Fitzherbert Avenue to Katene Street) - Cycle/Pedestrian Improvements	54	53	
✓	1155-City-wide - Street Seats	11	11	
✓	1216-City-wide - Additional Cycle Lanes	107	104	
✓	1257-City-wide - Cycle Phases at Intersections	43	42	
➤	1352-Napier Road - Roberts Line to BUPA - Footpath link	345	-	Deferred by one year due to awaiting final decisions from roading partners.
✓	1358-Footpath extensions city wide	366	358	
✓	1444-Shared path resilience improvements - Limestone to concrete	157	153	
✓	1559-Urban Cycle Network Development	1,462	715	Partial deferral of one year to allow for better consultation.
➤	1605-C/fwd - Footpath extensions city wide	-	85	Carry forward balance of programme 1358-Footpath extensions city wide from 2019/20.
➤	1631-C/fwd - Aokautere Drive Pedestrian Cycle Improvements	-	209	Carry forward balance of programme 636-Aokautere Drive Pedestrian Cycle Improvements from 2019/20.
➤	1633-C/fwd - Urban Cycle Network Development	-	500	Carry forward balance of programme 1559-Urban Cycle Network Development from 2019/20.
➤	1647-C/fwd - Turitea Road - Pedestrian Path/Steps	-	26	Carry forward balance of programme 1361-Turitea Road - Pedestrian Path/Steps from 2019/20.
➤	1648-C/fwd - Shared path resilience improvements - Limestone to concrete	-	50	Carry forward balance of programme 1444-Shared path resilience improvements - Limestone to concrete from 2019/20.
➤	1652-C/fwd - City-wide - Additional Cycle Lanes	-	104	Carry forward balance of programme 1216-City-wide - Additional Cycle Lanes from 2019/20.
➤	1653-C/fwd - City-wide - Cycle Phases at Intersections	-	42	Carry forward balance of programme 1257-City-wide - Cycle Phases at Intersections from 2019/20.
➤	1657-C/fwd - Summerhill Drive - Pedestrian and Cycle Improvements	-	250	Carry forward balance of programme 732-Summerhill Drive - Pedestrian and Cycle Improvements from 2019/20.
<b>TOTAL</b>		<b>4,661</b>	<b>3,195</b>	<b>-</b>

# Goal 3 - Connected and Safe Community

## CONNECTED COMMUNITIES - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>			
690 Cemeteries	704	706	
137 Community Centres	140	141	
357 Libraries	364	215	An assumption that changing behaviours and continued restrictions on usage will result in reduced charges.
2,762 Social Housing	2,820	2,822	
3,945 TOTAL REVENUE	4,028	3,883	
<b>EXPENSES</b>			
1,206 Cemeteries	1,273	1,159	
763 Community Centres	769	766	
10,691 Libraries	11,386	10,110	Internal change within the organisation has resulted in some changes in the way costs are allocated between activities.
416 Public toilets	500	435	
3,429 Social Housing	3,655	3,667	
2,284 Support to community groups	2,180	2,793	
18,789 TOTAL EXPENSES	19,762	18,929	
<b>14,844 NET OPERATING COST OF ACTIVITY</b>	<b>15,734</b>	<b>15,046</b>	
<b>RATING REQUIREMENT</b>			
(3,641) Less Depreciation	(4,113)	(3,960)	
1,812 Plus Net Capital Renewal (3 Year Average)	1,981	1,743	
237 Plus Debt Repayment	334	402	
<b>13,252 RATES REQUIREMENT</b>	<b>13,936</b>	<b>13,231</b>	

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>CAPITAL EXPENDITURE</b>				
2,124	Renewal	1,916	2,239	
7,485	New	4,410	6,151	
9,610	TOTAL CAPITAL EXPENDITURE	6,326	8,390	
<b>FUNDED BY</b>				
651	External Revenue New	-	582	
1,812	Rates	1,981	1,743	
7,147	New Borrowing / (Repayment)	4,345	6,065	
9,610	TOTAL	6,326	8,390	

**CONNECTED COMMUNITIES - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	812-Youth Council Grants and Scholarships	8	7	
✓	1168-Terrace End Cemetery - Maintenance Enhancement	11	10	
✓	1405-Citywide Property - Asbestos Survey	49	48	
✓	1448-Welcoming Communities	75	97	Extra budget in order to maintain accreditation
✓	1463-Play Palmy	5	5	
✓	1493-Highbury Community Hub	120	15	No progress to date with Te Aroha Noa.
✓	1497-Kelvin Grove Cemetery - Maintenance Enhancement	36	36	
✓	1564-Additional funding for Fee for Service grants	52	52	
✓	1565-Increase to Community Development Small Grants funding	31	31	
⚙️	1574-Additional Hancock Community House Management Fund	-	61	To carry out the day-to-day management of Hancock Community House.
⚡	1675-Support for community relief efforts post COVID-19	-	200	As a result of finalising the Annual Budget, Council has made provision for a relief fund for those communitiy groups affected by the COVID-19 pandemic.
<b>TOTAL</b>		<b>387</b>	<b>561</b>	<b>-</b>

**CONNECTED COMMUNITIES - CAPITAL RENEWAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	37-Cemeteries - Terrace End - Site Enhancements	10	9	
✓	178-Central Library Replacement of Shelving, Furniture and equipment	94	20	Reduced as a response to the COVID-19 pandemic.
✓	180-Social Housing - Citywide - Community Housing Refurbishments	152	148	
✓	186-Public Toilets - Refurbishments and Replacements	112	110	
✓	188-City Library Replacement and Purchase of Library Materials	885	725	Reduced for 2020/21 as a response to the COVID-19 pandemic.
✓	202-Central Library Interior Design Renewals	52	25	Reduction in scope of works and delay in completing interior layout changes at the Central Library for safety reasons as indicated by OPSEC report.
✓	203-Interior Design of Community Libraries, Youth Space, and Mobile Library	33	29	Reduction in scope of works and delay in completing interior layout changes for safety reasons as indicated by OPSEC report.
✓	265-Citywide - Community Centre Refurbishments	373	200	Reassessment of actual maintenance requirements results in reduced budget.
✓	278-Cemeteries - Kelvin Grove - Roading and Footpath Refurbishment	39	38	
✓	567-Crematorium - Chapel Interior Renewals	67	66	
✓	1138-Digital Technology to Support 21st Century Citizens and Service (Renewal)	73	15	Reduction in the ability to upgrade or replace digital technology for the public due to COVID-19 pandemic.
➤	1139-Radio Frequency Identification (RFID) Materials Management	26	-	Current technology working well. Waiting to see what improvements are made in this space.
⬅	1151-City Libraries - Building Security System Renewal	-	31	Brought forward from 2021/22.
➤	1591-C/fwd - Central Library Interior Design Renewals	-	232	Carry forward balance of programme 202-Central Library Interior Design Renewals from 2019/20.
➤	1667-C/fwd - Seismically brace the HVAC piping	-	164	Carry forward balance of programme 1575-Seismically brace the HVAC piping from 2019/20.
➤	1668-C/fwd - Ashhurst and Te Patikitiki Community Library Renewals	-	53	Carry forward balance of programme 1120-Ashhurst and Te Patikitiki Community Library Renewals from 2019/20.
➤	1669-C/fwd - Radio Frequency Identification (RFID) Materials Management	-	95	Carry forward balance of programme 1139-Radio Frequency Identification (RFID) Materials Management from 2019/20.
➤	1670-C/fwd - Interior Design of Community Libraries, Youth Space, and Mobile Library	-	33	Carry forward balance of programme 203-Interior Design of Community Libraries, Youth Space, and Mobile Library from 2019/20.
➤	1671-C/fwd - Central Library Replacement of Shelving, Furniture and equipment	-	246	Carry forward balance of programme 178-Central Library Replacement of Shelving, Furniture and equipment from 2019/20.
<b>TOTAL</b>		<b>1,916</b>	<b>2,239</b>	<b>-</b>

**CONNECTED COMMUNITIES - CAPITAL NEW**




STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	107-Cemeteries - Kelvin Grove - Ash Plot developments and Childrens area extension	39	38	
✓	147-Cemeteries - Kelvin Grove, Ashhurst and Bunnythorpe - New Burial Berms	128	125	
✓	161-Public Toilets - Citywide programme	206	202	
⚡	1196-Cemeteries - Kelvin Grove - New Staff Facility	-	5	Yr 1 of 2. First year is design only.
◀	1219-Social Housing - Papaioea Stage 2	-	3,384	Brought forward from 2021/22 to take advantage of current contractual arrangements for stage 1.
➤	1459-Social housing - Citywide - Additional Social Housing Units	600	-	Budget insufficient to provide a significant change. Will be reassessed next year.
✗	1518-Central Library Building Upgrade - Capital New	3,385	-	Further feasibility studies are required before a decision can be made.
➤	1561-Kelvin Grove Community Centre - Additional Carparking	52	-	Deferred by one year to allow additional planning.
➤	1581-C/fwd - Bunnythorpe Community Facility	-	921	Carry forward balance of programme 1581-Bunnythorpe Community Facility from 2019/20.
➤	1639-C/fwd - Social Housing - Papaioea Stage 2	-	1,474	Carry forward balance of programme 1219-Social Housing - Papaioea Stage 2 from 2019/20.
<b>TOTAL</b>		<b>4,410</b>	<b>6,151</b>	<b>-</b>





## SAFE COMMUNITIES - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>			
689 Animal Control	704	781	
535 Public Health	567	511	
1,224 TOTAL REVENUE	1,270	1,292	
<b>EXPENSES</b>			
809 Animal Control	775	908	
695 Civil Defence	748	818	
1,395 Public Health	1,449	1,294	
377 Safer Community Initiatives	385	388	
3,276 TOTAL EXPENSES	3,357	3,408	
<b>2,052 NET OPERATING COST OF ACTIVITY</b>	<b>2,087</b>	<b>2,116</b>	
<b>RATING REQUIREMENT</b>			
(43) Less Depreciation	(70)	(43)	
60 Plus Net Capital Renewal (3 Year Average)	65	64	
5 Plus Debt Repayment	75	83	
<b>2,073 RATES REQUIREMENT</b>	<b>2,157</b>	<b>2,219</b>	
<b>CAPITAL EXPENDITURE</b>			
81 Renewal	38	37	
843 New	-	300	
925 TOTAL CAPITAL EXPENDITURE	38	337	
<b>FUNDED BY</b>			
60 Rates	65	64	
865 New Borrowing / (Repayment)	(27)	273	
925 TOTAL	38	337	


**SAFE COMMUNITIES - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	1458-New MPI Code of Welfare compliance	36	57	Additional animal welfare costs due to new Act
	1481-Relocate emergency operations centre (EOC) to a purpose built facility	194	190	
	1539-City Ambassadors	35	35	
<b>TOTAL</b>		<b>266</b>	<b>282</b>	<b>-</b>

**SAFE COMMUNITIES - CAPITAL RENEWAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	1269-Bylaw Signage - Replacement	6	6	
	1512-CCTV replacements	31	31	
<b>TOTAL</b>		<b>38</b>	<b>37</b>	<b>-</b>

**SAFE COMMUNITIES - CAPITAL NEW**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
	1552-Council Pound Development	-	300	To meet new animal welfare requirements. Year 1 of 2.
<b>TOTAL</b>		<b>-</b>	<b>300</b>	<b>-</b>

# Goal 4 - Eco-City

## RUBBISH AND RECYCLING - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>			
241 Landfill Management	246	247	
1,179 Waste Management	1,206	1,213	
1,328 Waste Minimisation	1,591	1,237	Reduction in revenue assumptions due to lack of buyers for recycling material.
2,748 TOTAL REVENUE	3,044	2,697	
<b>EXPENSES</b>			
244 Landfill Management	254	233	
1,773 Waste Management	1,757	1,781	
6,030 Waste Minimisation	6,232	5,788	
8,047 TOTAL EXPENSES	8,244	7,801	
<b>5,299 NET OPERATING COST OF ACTIVITY</b>	<b>5,200</b>	<b>5,104</b>	
<b>RATING REQUIREMENT</b>			
(923) Less Depreciation	(992)	(923)	
290 Plus Net Capital Renewal (3 Year Average)	420	305	
848 Plus Debt Repayment	776	811	
<b>5,515 RATES REQUIREMENT</b>	<b>5,405</b>	<b>5,297</b>	
<b>CAPITAL EXPENDITURE</b>			
498 Renewal	395	176	
457 New	417	246	
955 TOTAL CAPITAL EXPENDITURE	812	422	
<b>FUNDED BY</b>			
290 Rates	420	305	
665 New Borrowing / (Repayment)	392	117	
955 TOTAL	812	422	

**RUBBISH AND RECYCLING - CAPITAL RENEWAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	185-Closed Landfills and Transfer Stations - Site Infrastructure Renewals	94	92	
✓	612-Recycling - City Wide Wheelie Bin and Crate Renewals	139	60	RFID rollover now complete so less lost/stolen
✓	649-Recycling - Materials Recovery Facility Renewals	144	-	Budget was brought forward from 2020/21 to 2019/20 in order to purchase critical equipment.
✓	1368-City Wide Public Space Rubbish & Recycling Bins Renewals	16	15	
✓	1374-City Wide Public Recycling Facilities Renewals	2	8	Slight change in replacement assumptions from asset management plan.
<b>TOTAL</b>		<b>395</b>	<b>176</b>	<b>-</b>

**RUBBISH AND RECYCLING - CAPITAL NEW**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	506-City Wide Public Space Rubbish & Recycling Bins	73	40	Change in assumptions from asset management plan.
✓	657-Recycling - City Wide Wheelie Bins and Crates to Additional Properties	59	57	
✓	721-Awapuni Landfill - Landscaping	18	17	
✓	1371-Closed Landfills and Transfer Stations - Site Infrastructure	58	56	
✓	1373-City Wide Public Recycling Facilities	44	43	
✓	1410-Recycling - Recycling Bins and Crates to Non Residential Properties	166	32	Demand for recycling services from non residential customers is far slower than anticipated.
<b>TOTAL</b>		<b>417</b>	<b>246</b>	<b>-</b>

## BIODIVERSITY & SUSTAINABLE PRACTICES - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>			
- Biodiversity	-	-	
- TOTAL REVENUE	-	-	
<b>EXPENSES</b>			
313 Biodiversity	324	314	
158 Support to environmental groups	182	160	
301 Sustainable Practices	245	227	
773 TOTAL EXPENSES	751	701	
<b>773 NET OPERATING COST OF ACTIVITY</b>	<b>751</b>	<b>701</b>	
<b>RATING REQUIREMENT</b>			
- Less Depreciation	(13)	-	
1 Plus Debt Repayment	10	13	
<b>774 RATES REQUIREMENT</b>	<b>748</b>	<b>714</b>	
<b>CAPITAL EXPENDITURE</b>			
142 New	84	82	
142 TOTAL CAPITAL EXPENDITURE	84	82	
<b>FUNDED BY</b>			
142 New Borrowing / (Repayment)	84	82	
142 TOTAL	84	82	

**BIODIVERSITY & SUSTAINABLE PRACTICES - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	268-Arapuke Forest Park/Kahuterawa Pest Control and Biodiversity Protection and Enhancement	59	58	
✓	751-City-wide - Massey Living Lab Research into Sustainability Issues	28	27	
✓	764-City-wide - Council Facility Energy Use Monitoring	26	57	Scope and cost of monitoring work higher than originally assumed.
✓	835-Ashurst Domain - Biodiversity Improvements as Part of Manawatu Gorge Project	45	44	
✓	1080-Citywide -Biodiversity Increased Plant and Animal Pest Control	30	29	
✓	1145-Green Corridors Project - Continued Development	63	60	
✓	1450-Predator Free Palmerston North	42	40	
✓	1453-Freshwater Body Improvements	42	41	
<b>TOTAL</b>		<b>335</b>	<b>357</b>	<b>-</b>

**BIODIVERSITY & SUSTAINABLE PRACTICES - CAPITAL NEW**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1077-Citywide - Biodiversity Enhancement Through Native Planting	21	21	
✓	1451-Council Facilities LED Lighting Upgrades	63	61	
<b>TOTAL</b>		<b>84</b>	<b>82</b>	<b>-</b>

## STORMWATER - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>			
2 Stormwater Collection and Disposal	2	2	
2 TOTAL REVENUE	2	2	
<b>EXPENSES</b>			
4,201 Stormwater Collection and Disposal	4,197	4,022	
4,201 TOTAL EXPENSES	4,197	4,022	
<b>4,199 NET OPERATING COST OF ACTIVITY</b>	<b>4,195</b>	<b>4,020</b>	
<b>RATING REQUIREMENT</b>			
(1,805) Less Depreciation	(2,063)	(1,909)	
625 Plus Net Capital Renewal (3 Year Average)	601	861	
159 Plus Debt Repayment	167	206	
<b>3,178 RATES REQUIREMENT</b>	<b>2,900</b>	<b>3,179</b>	
<b>CAPITAL EXPENDITURE</b>			
677 Renewal	610	860	
1,371 New	955	1,761	
2,048 TOTAL CAPITAL EXPENDITURE	1,566	2,621	
<b>FUNDED BY</b>			
98 Development Contributions	126	126	
625 Rates	601	861	
1,324 New Borrowing / (Repayment)	838	1,634	
2,048 TOTAL	1,566	2,621	



**STORMWATER - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1247-Sustainable practices within the three waters	157	150	
✓	1369-City-wide Joint Water Quality/Cultural Monitoring Framework	105	100	
✓	1495-Third party stormwater flood problem resolution	21	21	
⚙️	1614-Stormwater - Open channels and drains - maintenance	-	350	Critical maintenance is required to ensure continued flood protection.
		<b>283</b>	<b>621</b>	<b>-</b>

**STORMWATER - CAPITAL RENEWAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	20-City-wide - Stormwater Pump Station Renewals	73	230	Urgent critical renewals now identified since the 10YP.
✓	1062-City-wide - Stormwater Renewal Works	537	630	Urgent critical renewals now identified since the 10YP.
		<b>610</b>	<b>860</b>	<b>-</b>

**STORMWATER - CAPITAL NEW**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	51-City-wide - Stormwater Subdivision Contributions	52	51	
✓	1001-Urban Growth - Whakarongo - Installation of Stormwater Systems	315	100	Construction on stage 1 detention pond possible.
✓	1060-City-wide - Stormwater Improvement Works	483	1,300	Backlog of works now identified resulting in increased budget.
✓	1372-City-Wide SW Pump Stations	105	310	Significant upgrades required at a number of pump stations.
		<b>955</b>	<b>1,761</b>	<b>-</b>

## WASTEWATER - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>				
928	Wastewater Collection	949	955	
371	Wastewater Treatment and Disposal	500	381	
1,298	<b>TOTAL REVENUE</b>	<b>1,449</b>	<b>1,336</b>	
<b>EXPENSES</b>				
5,307	Wastewater Collection	5,520	4,827	
5,869	Wastewater Treatment and Disposal	5,818	5,796	
11,176	<b>TOTAL EXPENSES</b>	<b>11,338</b>	<b>10,623</b>	
<b>9,877</b>	<b>NET OPERATING COST OF ACTIVITY</b>	<b>9,889</b>	<b>9,286</b>	
<b>RATING REQUIREMENT</b>				
(4,153)	Less Depreciation	(4,335)	(4,251)	
2,695	Plus Net Capital Renewal (3 Year Average)	2,748	3,028	
501	Plus Debt Repayment	416	466	
<b>8,921</b>	<b>RATES REQUIREMENT</b>	<b>8,718</b>	<b>8,529</b>	
<b>CAPITAL EXPENDITURE</b>				
3,079	Renewal	2,524	3,642	
4,159	New	1,033	2,813	
7,238	<b>TOTAL CAPITAL EXPENDITURE</b>	<b>3,557</b>	<b>6,454</b>	
<b>FUNDED BY</b>				
376	Development Contributions	482	482	
2,695	Rates	2,748	3,028	
4,167	New Borrowing / (Repayment)	327	2,944	
7,238	<b>TOTAL</b>	<b>3,557</b>	<b>6,454</b>	

**WASTEWATER - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1319-Totara Road Wastewater Treatment Plant - Consent Renewal Upgrade Options Analysis	891	1,200	Nature and scope of proposed consultation revised.
✓	1401-City Wide Infiltration & Inflow Investigations	210	200	
	<b>TOTAL</b>	<b>1,101</b>	<b>1,400</b>	<b>-</b>

**WASTEWATER - CAPITAL RENEWAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	54-City-wide - Wastewater Pipe Renewal	2,097	2,101	
✓	65-City-wide - Wastewater Pump Station Renewal	144	255	Critical work required on telemetry equipment.
✓	179-Totara Road Wastewater Treatment Plant - Minor Equipment Renewals	105	260	Critical work required to repair Wavebands, install digester 2 heat exchanger, aerator maintenance, and other health and safety modifications
➤	1378-Bennett Street 525 Trunkmain Renewal	178	-	Reprioritisation of work.
➤	1586-C/fwd - Totara Rd WWTP - Biogas Generator Major Overhauls	-	26	Carry forward balance of programme 1380-Totara Rd WWTP - Biogas Generator Major Overhauls from 2019/20.
⚡	1620-Totara Road Wastewater Treatment Plant - High Voltage Power renewals	-	300	Required to support current equipment that is putting load on the current circuits. Linked with programme 1618-Totara Road Wastewater Treatment Plant - High Voltage Power resilience upgrades.
➤	1630-C/fwd - Totara Road Wastewater Treatment Plant - Replacement of Grit Removal Systems	-	268	Carry forward balance of programme 1059-Totara Road Wastewater Treatment Plant - Replacement of Grit Removal Systems from 2019/20.
➤	1665-C/fwd - Totara Road Wastewater Treatment Plant - Replacement of Inlet Pumps	-	432	Carry forward balance of programme 1068-Totara Road Wastewater Treatment Plant - Replacement of Inlet Pumps from 2019/20.
	<b>TOTAL</b>	<b>2,524</b>	<b>3,642</b>	<b>-</b>

**WASTEWATER - CAPITAL NEW**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	73-City-wide - Wastewater Subdivision Contributions	105	103	
➤	1000-Urban Growth - Whakarongo - Installation of Wastewater Systems	336	-	Actual growth rate is different from 10YP assumptions. Deferral of one year.
➤	1055-Urban Growth - City West - Installation of Wastewater Systems	330	-	Trunk services for Kikwhenua subdivision timing dependant on rate of development.
✗	1383-Totara Rd WWTP - Emergency Overflow Structure Totara Rd	262	-	Provision for emergency management waste water treatment plant operation will now be addressed through upgrades to critical items of plant and equipment at the Wastewater Treatment Plant and ongoing work to identify a Best Practicable Option.
⚙️	1579-WWTP - Health and Safety Upgrades	-	200	As identified in 2019/20, upgrades are now required to continue safe operations for staff and contractors.
⚡	1616-City Wide Wastewater Pump Station - Capacity Upgrade	-	100	Capacity upgrades for Critical pump stations - College Street.
⚡	1617-Totara Road Wastewater Treatment Plant - Biogas System Improvements	-	150	Equipment to support improved processes.
⚡	1618-Totara Road Wastewater Treatment Plant - High Voltage Power resilience upgrades	-	400	Required to support future equipment. Linked with programme 1620-Totara Road Wastewater Treatment Plant - High Voltage Power renewals.
⚡	1619-Totara Road Wastewater Treatment Plant - Inlet Screens	-	500	Additional works to enable optimisation.
⚡	1621-Totara Road Wastewater Treatment Plant - New Storage Shed for critical equipment.	-	150	To enable safe storage of critical equipment.
➤	1624-C/fwd - Totara Road Wastewater Treatment Plant - Inlet Main Duplication	-	500	Carry forward balance of programme 1043-Totara Road Wastewater Treatment Plant - Inlet Main Duplication from 2019/20.
➤	1626-C/fwd - Totara Road Wastewater Treatment Plant - Earthquake Strengthening of Civil Structures	-	600	Carry forward balance of programme 1074-Totara Road Wastewater Treatment Plant - Earthquake Strengthening of Civil Structures from 2019/20.
➤	1660-C/fwd - Totara Road Wastewater Treatment Plant - Construction of New Food Waste Facilities	-	110	Carry forward balance of programme 1048-Totara Road Wastewater Treatment Plant - Construction of New Food Waste Facilities from 2019/20.
<b>TOTAL</b>		<b>1,033</b>	<b>2,813</b>	<b>-</b>

## WATER - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>				
28	Water Collection	29	29	
8	Water Distribution	8	8	
36	<b>TOTAL REVENUE</b>	37	37	
<b>EXPENSES</b>				
1,957	Water Collection	3,092	2,001	Internal change within the organisation has resulted in some changes in the way costs are allocated between activities.
3,820	Water Distribution	4,008	3,900	
2,645	Water Treatment	2,219	2,219	
8,423	<b>TOTAL EXPENSES</b>	9,319	8,120	
<b>8,386</b>	<b>NET OPERATING COST OF ACTIVITY</b>	<b>9,282</b>	<b>8,083</b>	
<b>RATING REQUIREMENT</b>				
(3,100)	Less Depreciation	(3,323)	(3,271)	
3,497	Plus Net Capital Renewal (3 Year Average)	4,146	3,807	
433	Plus Debt Repayment	528	601	
<b>9,217</b>	<b>RATES REQUIREMENT</b>	<b>10,632</b>	<b>9,221</b>	
<b>CAPITAL EXPENDITURE</b>				
4,406	Renewal	3,314	3,277	
7,277	New	9,644	5,906	
11,682	<b>TOTAL CAPITAL EXPENDITURE</b>	12,959	9,183	
<b>FUNDED BY</b>				
259	Development Contributions	332	332	
402	Asset Sales	-	-	
3,497	Rates	4,146	3,807	
7,524	New Borrowing / (Repayment)	8,481	5,044	
11,682	<b>TOTAL</b>	12,959	9,183	

**WATER - CAPITAL RENEWAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	199-City-wide - Water Bore Headworks and stations Renewal	137	153	Urgent works due to improved asset condition information and a number of premature failures
✓	207-Turitea Water Treatment Plant - Equipment and Facility Renewals	204	257	Increased to allow priority renewals to prevent unplanned outages.
✓	214-City-wide - Water Toby and Meter Replacements	179	350	10YP budget inadequate to fund the rate of pro-active renewal work required.
✓	218-City-wide - Water Pipe Replacements	2,113	2,117	
➤	1058-City-wide - Groundwater Bores Renewal	682	60	Deferred by one year.
➤	1646-C/fwd - Turitea Water Treatment Plant - Equipment and Facility Renewals	-	40	Carry forward balance of programme 207-Turitea Water Treatment Plant - Equipment and Facility Renewals from 2019/20.
➤	1664-C/fwd - Ashhurst - Bore to Reservoir Pipe Replacement	-	300	Carry forward balance of programme 663-Ashhurst - Bore to Reservoir Pipe Replacement from 2019/20.
<b>TOTAL</b>		<b>3,314</b>	<b>3,277</b>	<b>-</b>



**WATER - CAPITAL NEW**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	91-Turitea Water Treatment Plant - Construction of Duplicate Water Pipeline from Lower Dam to Harts Road Reservoirs	2,962	2,895	
✓	124-Turitea Water Treatment Plant - Upgrade to Respond to Review of Drinking Water Standards	839	50	Programme originally provided to respond to regulatory and drinking water standards changes. DIA still establishing standards. Deferred by one year.
✓	246-City-wide - Water Subdivision Contributions	210	205	
➤	611-Albert Street (Te Awe Awe Street to Featherston Street) - Construction of New Water Supply Pipeline	115	-	Need to reconfirm requirements and adequacy of the budget.
✓	651-City-wide - Seismic Strengthening of Water Structures	315	308	
➤	1004-Urban Growth - Whakarongo - Installation of Water Supply Systems	836	100	Actual growth rate is different from 10YP assumptions. Partial deferral of one year.
➤	1054-Ashhurst Water Treatment to Address the Discoloured Water Issues	881	-	Programme delayed for one year to provide more time to re-confirm the business case and scope.
➤	1057-Turitea Dams - Installation of Dewatering Systems on the Turitea Upper and Lower Dams	109	-	No clear technical solution identified.
➤	1170-Urban Growth - City West - Installation of Water Supply Systems	453	-	Actual growth rate is slightly different from 10YP assumptions. Change in timing from 10YP assumptions.
➤	1235-C/fwd - Kelvin Grove Water Supply Zone - New Bore	-	283	Carry forward balance of programme 985-Kelvin Grove Water Supply Zone - New Bore from 2019/20.
➤	1289-C/fwd - City-wide - Seismic Strengthening of Water Structures	-	447	Carry forward balance of programme 651-City-wide - Seismic Strengthening of Water Structures from 2019/20.
✓	1384-Citywide - New water supply reservoirs to replace an earthquake prone reservoir and enhance supply storage through out the city	1,783	300	Portion of budget was brought forward into September 2018 to allow for critical work to occur at that time.
➤	1386-Ashhurst water supply upgrade to address fire fighting shortfalls and cater for growth	357	-	Actual growth rate is slightly different from 10YP assumptions. Deferred by one year.
✓	1388-Citywide Water Conservation Management - New pressure zone and District Meter Area Implementation	131	128	
➤	1389-City Wide - Second River Crossing and Emergency Supply	445	-	Deferred by one year to allow better decision making both from PNCC and partners.
➤	1404-Turitea Water Treatment Plant - New Retaining walls on Access Road	210	-	Further evidence based investigations required to support actual work. Budget deferred by one year.
➤	1544-C/fwd - Turitea Water Treatment Plant - Construction of Duplicate Water Pipeline from Lower Dam to Harts Road Reservoirs	-	1,000	Carry forward balance of programme 91-Turitea Water Treatment Plant - Construction of Duplicate Water Pipeline from Lower Dam to Harts Road Reservoirs from 2019/20.
➤	1662-C/fwd - Water Telemetry Disaster Resilience Additional Microwave Link	-	131	Carry forward balance of programme 1385-Water Telemetry Disaster Resilience Additional Microwave Link from 2019/20.
➤	1663-C/fwd - Citywide Water Conservation Management - New pressure zone and District Meter Area Implementation	-	60	Carry forward balance of programme 1388-Citywide Water Conservation Management - New pressure zone and District Meter Area Implementation from 2019/20.
<b>TOTAL</b>		<b>9,644</b>	<b>5,906</b>	<b>-</b>

# Goal 5 - Driven & Enabling Council

## LEADERSHIP - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>			
19 Councillor Meetings and Administration	20	20	
153 Direction Setting	156	1,160	Private plan change fees & charges.
131 Elections	3	6	
303 TOTAL REVENUE	179	1,186	
<b>EXPENSES</b>			
2,693 Councillor Meetings and Administration	2,530	2,618	
5,152 Direction Setting	5,292	6,399	Private plan changes.
365 Elections	46	43	
1,442 Mayoral and Chief Executive's Office	1,433	1,502	
9,652 TOTAL EXPENSES	9,301	10,562	
<b>9,349 NET OPERATING COST OF ACTIVITY</b>	<b>9,122</b>	<b>9,376</b>	
<b>RATING REQUIREMENT</b>			
(3) Less Depreciation	(14)	(3)	
Plus Debt Repayment	13	10	
<b>9,346 RATES REQUIREMENT</b>	<b>9,121</b>	<b>9,383</b>	
<b>CAPITAL EXPENDITURE</b>			
75 New	-	155	
75 TOTAL CAPITAL EXPENDITURE	-	155	
<b>FUNDED BY</b>			
75 New Borrowing / (Repayment)	-	155	
75 TOTAL	-	155	

**LEADERSHIP - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1190-Smokefree Education	5	5	
✓	1264-Development Contributions Fees – Support for Community Groups	22	22	
✓	1467-Online Engagement Hub	38	-	Transferred to Corporate Support Activity.
✓	1478-Provision of Advocacy for City	104	102	
⚡	1613-Kakatangiata District Plan Change	-	125	To enable a Council led District Plan Change for the Kakatangiata Residential Area.
<b>TOTAL</b>		<b>169</b>	<b>254</b>	<b>-</b>

**LEADERSHIP - CAPITAL NEW**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
➤	1594-C/fwd – Land Use Monitoring	-	75	Carry forward balance of programme 1188-Land Use Monitoring from 2019/20.
⚡	1676-Improve participation in Council and Committee meetings	-	80	As a result of finalising the Annual Budget, Council will improve participation in Council & Committee meetings.
<b>TOTAL</b>		<b>-</b>	<b>155</b>	<b>-</b>

## CORPORATE SUPPORT - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>			
352 Civic Administration Building	360	260	
99 Financial Services	100	101	
64 Print Synergy	66	66	
515 TOTAL REVENUE	526	427	
<b>EXPENSES</b>			
224 Civic Administration Building	522	235	
432 Financial Services	407	693	
( ) Human Resources	1	18	
( ) Information Services		2,604	New Enterprise Resource Planning system purchase and implementation.
19 Print Synergy	(68)	(78)	
84 Marketing & Communications	86	113	
760 TOTAL EXPENSES	948	3,585	
<b>245 NET OPERATING COST OF ACTIVITY</b>	<b>422</b>	<b>3,158</b>	
<b>RATING REQUIREMENT</b>			
(1,717) Less Depreciation	(1,988)	(1,620)	
(963) Less Internal Rates Recovered	(984)	(969)	
- Less Transfers To/(From) Reserves	-	(2,090)	
1,647 Plus Net Capital Renewal (3 Year Average)	1,746	1,593	
151 Plus Debt Repayment	205	190	
<b>(637) RATES REQUIREMENT</b>	<b>(598)</b>	<b>261</b>	
<b>CAPITAL EXPENDITURE</b>			
2,030 Renewal	1,365	2,009	
311 New	109	16	
2,341 TOTAL CAPITAL EXPENDITURE	1,474	2,025	
<b>FUNDED BY</b>			
1,647 Rates	1,746	1,593	
694 New Borrowing / (Repayment)	(273)	433	
2,341 TOTAL	1,474	2,025	

**CORPORATE SUPPORT - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	225-PNCC Website Upgrade	230	220	
✓	1467-Online Engagement Hub	-	37	Transferred from the Leadership Activity
✓	1520-Digital Transformation	521	500	
✓	1521-Civic Administration Building Refurbishment (Workplace Transformation)	208	100	Correction to accounting treatment. Transferred out to programme 86-Council Wide - Furniture Replacements.
⚙️	1572-Enterprise Resource Planning (ERP) System Replacement	-	2,900	Brought forward from 2020/21-23 through programme #77 - Core Financial and Regulatory System - Replacement or Upgrade.
<b>TOTAL</b>		<b>960</b>	<b>3,757</b>	<b>-</b>

**CORPORATE SUPPORT - CAPITAL RENEWAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
⏪	53-Computer Replacement - Rolling Replacements	495	273	Significant hardware upgrades brought forward to 2019/20 due to the COVID-19 pandemic meaning lower requirement for 2020/21.
✓	58-Network Additions and Upgrades	42	42	
✓	68-Aerial Photography	29	28	
✓	77-Core Financial and Regulatory System - Replacement or Upgrade	52	-	Budget transferred to programme 1572 due to change in accounting assumptions.
✓	86-Council Wide - Furniture Replacements	-	138	To enable an inviting and enjoyable workplace. This programme was previously shown in the Commercial or Strategic Investments Activity.
✓	272-Staff Cafeteria - Replacement of Equipment	6	6	
✓	281-Operational Property -Civic Administration Building - Refurbishments	519	719	Urgent works required
✓	318-Telecommunications Replacement - Council Buildings	159	156	
✓	784-Replacement of Council's Photocopiers/Printers	63	61	
➤	1672-C/fwd - Replacement of Council's Photocopiers/Printers	-	61	Carry forward balance of programme 784-Replacement of Council's Photocopiers/Printers from 2019/20.
➤	1673-C/fwd - Operational Property -Civic Administration Building - Refurbishments	-	524	Carry forward balance of programme 281-Operational Property -Civic Administration Building - Refurbishments from 2019/20.
<b>TOTAL</b>		<b>1,365</b>	<b>2,009</b>	<b>-</b>

**CORPORATE SUPPORT - CAPITAL NEW**

STATUS	ID-NAME	10YP	AB	INFORMATION / MAIN REASON FOR CHANGE
		2020/21 \$'000s	2020/21 \$'000s	
	60-Information Management Strategic Plan Project - New Software Applications	109	16	Some costs brought forward
	<b>TOTAL</b>	<b>109</b>	<b>16</b>	<b>-</b>

## COMMERCIAL OR STRATEGIC INVESTMENTS - ACTIVITY FINANCIAL STATEMENTS

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
<b>REVENUE</b>				
2,933	External Contracts	2,907	3,483	
287	Investment Property	293	294	
550	Investments in Companies (including Airport)	600	-	
130	Investments	132	120	
3,900	<b>TOTAL REVENUE</b>	3,932	3,897	
<b>EXPENSES</b>				
3,059	External Contracts	2,914	3,490	
2,382	Investment Property	1,731	2,432	Change in accounting treatment for programme #1485-Whakarongo Council Subdivision Development - Layout 1
456	Investments in Companies (including Airport)	497	301	
364	Investments	449	447	
6,261	<b>TOTAL EXPENSES</b>	5,591	6,669	
<b>2,361</b>	<b>NET OPERATING COST OF ACTIVITY</b>	<b>1,660</b>	<b>27,772</b>	
<b>RATING REQUIREMENT</b>				
(1,376)	Less Depreciation	(1,333)	(1,561)	
(1,998)	Less Transfers To/(From) Reserves	(1,251)	-	
1,589	Plus Net Capital Renewal (3 Year Average)	1,230	1,349	
47	Plus Debt Repayment	96	99	
<b>623</b>	<b>RATES REQUIREMENT</b>	<b>401</b>	<b>2,659</b>	
<b>CAPITAL EXPENDITURE</b>				
1,960	Renewal	1,364	1,743	
309	New	301	185	
2,269	<b>TOTAL CAPITAL EXPENDITURE</b>	1,666	1,928	
<b>FUNDED BY</b>				
1,589	Rates	1,230	1,349	
680	New Borrowing / (Repayment)	436	579	
2,269	<b>TOTAL</b>	1,666	1,928	

**COMMERCIAL OR STRATEGIC INVESTMENTS - OPERATIONAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	1485-Whakarongo Council Subdivision Development - Layout 1	1,215	(2,058)	Change in accounting assumptions.
	<b>TOTAL</b>	<b>1,215</b>	<b>(2,058)</b>	<b>-</b>

**COMMERCIAL OR STRATEGIC INVESTMENTS - CAPITAL RENEWAL**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	63-Council's Plant and Vehicles - Replacements	1,121	1,479	Plan to purchase rather than lease some new trucks.
✓	80-Council's Plant and Equipment - Replacement	173	174	
✓	85-Council's Depot Buildings and Structures	60	90	Additional works not previously identified.
✓	86-Council Wide - Furniture Replacements	11	-	Transferred to the Corporate Support Activity.
	<b>TOTAL</b>	<b>1,364</b>	<b>1,743</b>	<b>-</b>

**COMMERCIAL OR STRATEGIC INVESTMENTS - CAPITAL NEW**

STATUS	ID-NAME	10YP 2020/21 \$'000s	AB 2020/21 \$'000s	INFORMATION / MAIN REASON FOR CHANGE
✓	99-Council's Service Development - New Technology and Programmes	301	185	
	<b>TOTAL</b>	<b>301</b>	<b>185</b>	<b>-</b>



## SECTION 2

# FINANCIAL AND RATING INFORMATION





# SECTION 2

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

Significant Forecasting Assumptions

Rating System, Rates and Funding Impact Statements

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

**Note 1** – Impact of COVID-19 pandemic on budget assumptions

**At the time of the preparation of the supporting information used to consult on the proposed annual budget a number of assumptions were changed and 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 3.4% 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 and the focus is now on investigating 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 2020/21 but that the long term budgetary implications will be assessed again during the preparation of the 10 Year Plan 2021-31.

**Note 1** – Impact of COVID-19 pandemic on budget assumptions

**Just prior to the adoption of the Consultation Document and supporting information it became obvious the worldwide COVID-19 pandemic had reached New Zealand and that it was likely to have significant impacts on a number of assumptions made in the original proposed budget.**

**Key amongst these are:**

**Worldwide economic position & social change** – the pandemic has caused massive disruption to the worldwide economy with significant loss of life, most countries locking down their borders for a period and imposing strict measures on communities about what travel was allowed, what businesses could continue to operate and how they would operate. Financial markets have become volatile and central governments, including New Zealand, have committed to massive welfare and business support programmes. Large portions of the workforce were forced to work from home. This change to social norms may become a long term feature of the way we live and impact on the choices Council makes in the future about infrastructure and community investment.

**Continuity of external funding** – Because of the disruption to business activity there has been a significant impact on council revenue during 2019/20 especially in relation to parking, consents, venues and events. In finalising the Annual Budget an assessment has had to be made about the likely extent of this reduction during 2020/21. There is a high risk these

assessments will not reflect the final outcome as it is believed that unless there is a reoccurrence of the COVID-19 pandemic the sums involved will not materially impact on the overall financial position of the Council.

**Dividend from airport company** – For a period during 2019/20 air travel was negligible and this impacted severely on the financial results of Palmerston North Airport Ltd. Although some recovery of air travel is expected it is currently forecast that passenger numbers will reach only 50% of previous levels by June 2021. The company will not be in a position to pay the dividend of \$600k originally assumed in the provisional draft of the budget. It is expected the company's capacity to pay dividends will be limited for some years.

**Inflation** – The provisional budget incorporated a budgeted cost level adjustor of approximately 2.2% (based on forecasts prepared for local government by BERL). It has now been assumed that there will be no inflationary adjustment to salaries and wages and that prices for goods and services will increase on average by 1.2%. It is possible that increased costs will be incurred (to meet health and safety guidelines) and due to a shortage of contractors for some activities due to the demands from large central government infrastructure projects. These increased costs could be higher than then budgetary assumption.

**Rates income** – Although there is a risk some ratepayers will have difficulty paying their rates commitments (due to the impact of COVID-19 on their business or personal income) it has been assumed that all rates income will be received.

# 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 2020/21

This table shows what the rates are proposed to be for various categories of property for 2020/21 compared with the current year.

	LAND VALUE	RATES 2019/20	RATES 2020/21
<b>Single unit residential</b>			
Average	243,000	<b>2,609</b>	2,639
Median	230,000	<b>2,534</b>	2,561
Quartile 1	185,000	<b>2,275</b>	2,292
Quartile 3	280,000	<b>2,822</b>	2,860
<b>Two unit residential</b>			
Average	273,000	<b>4,230</b>	4,265
Median	255,000	<b>4,077</b>	4,107
Quartile 1	220,000	<b>3,781</b>	3,801
Quartile 3	300,000	<b>4,459</b>	4,502
<b>Non-residential</b>			
Average	708,000	<b>14,652</b>	15,107
Median	400,000	<b>8,636</b>	8,885
Quartile 1	230,000	<b>5,316</b>	5,451
Quartile 3	790,000	<b>16,253</b>	16,764

	LAND VALUE	RATES 2019/20	RATES 2020/21
<b>Rural &amp; semi-serviced (5ha or more)</b>			
Average	829,000	<b>1,794</b>	1,828
Median	475,000	<b>1,272</b>	1,288
Quartile 1	320,000	<b>1,044</b>	1,052
Quartile 3	840,000	<b>1,810</b>	1,845
<b>Rural &amp; semi-serviced (between 0.2 &amp; 5 ha)</b>			
Average	316,000	<b>1,620</b>	1,648
Median	315,000	<b>1,617</b>	1,644
Quartile 1	250,000	<b>1,401</b>	1,422
Quartile 3	365,000	<b>1,783</b>	1,816
<b>Miscellaneous</b>			
Average	594,000	<b>4,950</b>	5,092
Median	315,000	<b>2,894</b>	2,965
Quartile 1	145,000	<b>1,641</b>	1,669
Quartile 3	630,000	<b>5,215</b>	5,366

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 2020/21.

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

- the Council's total rates revenue will increase by 1.95%
- the Uniform Annual General Charge will remain at \$500 per rating unit.
- targeted rates in the form of fixed amounts will be applied for water supply (\$255); wastewater disposal (\$241); kerbside recycling (\$126); rubbish and public recycling (\$64) (\$257, \$252, \$127 and \$72 respectively in 2019/20)
- 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 \$241 compared with \$252 per pan in 2019/20
- the examples shown for non-residential, miscellaneous and rural/semi-serviced properties do not include the charges (either fixed or metered) for water, wastewater or kerbside recycling as these vary from property to property but they do include the rubbish and public recycling rate.

## 5. Components of the rating system – more detail

### 5.1 General Rate

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

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

DIFFERENTIAL GROUP		DIFFERENTIAL FACTOR (EXPRESSED AS % OF GROUP CODE MS)	RATE (CENTS IN \$ OF LV)
CODE	BRIEF DESCRIPTION		
R1	Single-unit residential	Balance (approx. 78)	0.5978
R2	Two unit residential	115	0.8766
R3	Three unit residential	125	0.9529
R4	Four unit residential	135	1.0291
R5	Five unit residential	145	1.1053
R6	Six unit residential	155	1.1816
R7	Seven unit residential	165	1.2578
R8	Eight or more unit residential	175	1.3340

DIFFERENTIAL GROUP		DIFFERENTIAL FACTOR (EXPRESSED AS % OF GROUP CODE MS)	RATE (CENTS IN \$ OF LV)
CODE	BRIEF DESCRIPTION		
MS	Miscellaneous	100	0.7623
CI	Non-residential (Commercial/Industrial)	265	2.0201
FL	Rural/Semi-serviced (5 hectares or more)	20	0.1525
FS	Rural/Semi-serviced (0.2 hectares or less)	60	0.4574
FM	Rural/Semi-serviced (between 0.2 & 5 hectares)	45	0.3430

### 5.2 Uniform Annual General Charge

The Council proposes to set a uniform annual general charge of \$500 (\$500 for 2019/20) 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 2020/21 year are:

Connected:	\$255
Serviceable:	\$127.50

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 \$172.50 per metered connection for connections of 25mm or less and \$375 for connections greater than 25mm) and a variable amount (estimated at \$1.265 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 2020/21 year are:

Connected:	\$241.00
Serviceable:	\$120.50

In addition, for the 2020/21 year the Council proposes to set a targeted rate for connected non-residential rating units of \$241 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

Where ratepayers elect, and the Council agrees, additional levels of service may be provided. These additional services could be providing more recycling bins or more frequent service. Each additional level of service will be charged at a rate of \$126. This may include charges to non-rateable rating units where the service is provided. Rating units for which the Council is not prepared to provide the service will not be liable for these rates.

The estimated rates for the 2020/21 year are:

Kerbside recycling	\$126
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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 2020/21 year are:

Rubbish and public recycling	\$64
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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 2020/21 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 2020/21 are outlined in 5.1 and are unchanged from 2019/20.

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 2020/21 year the due dates (that is, final dates for payment without incurring penalty charges) will be:

Instalment One:	28 August 2020
Instalment Two:	27 November 2020
Instalment Three:	26 February 2021
Instalment Four:	29 May 2021

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 2020
2	20 August 2020
3	20 September 2020
4	20 October 2020
5	20 November 2020
6	20 December 2020
7	20 January 2021
8	20 February 2021
9	20 March 2021
10	20 April 2021
11	20 May 2021
12	20 June 2021

TWO MONTHLY INVOICING			
Linton, East & North Rounds		Ashhurst, South West, PNCC & Central Rounds	
Instalment	Due Date	Instalment	Due Date
1	20 July 2020	1	20 August 2020
2	20 September 2020	2	20 October 2020
3	20 November 2020	3	20 December 2020
4	20 January 2021	4	20 February 2021
5	20 March 2021	5	20 April 2021
6	20 May 2021	6	20 June 2021

## 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 2020 and again on 4 January 2021.

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

## 9. Rating base information

The following are projected as at 30 June 2020:

Number of rating units:	33,550
Total capital value of all rating units:	\$20,190,000,000
Total land value of all rating units:	\$10,300,000,000

## 10. Rates summary

	BASIS OF RATES	AB 2019/20 \$000	10YP 2020/21 \$000	AB 2020/21 \$000
<b>General rates</b>				
<b>General rates</b>	rate in \$ of LV (differentiated by use)	61,151	58,369	63,588
<b>UAGC</b>	fixed charge p rating unit	14,050	21,721	14,148
<b>Targeted rates</b>				
<b>Water</b>				
- connected	fixed charge p SUIP (residential) or p rating unit (non-residential)	6,642	8,374	6,643
- serviceable	fixed charge p SUIP (residential) or p rating unit (non-residential)	72	89	78
- metered	\$ p m3 plus fixed charge	2,500	2,170	2,500
<b>Wastewater</b>				
- connected	fixed charge p SUIP (residential) or p rating unit (non-residential)	6,888	6,747	6,563
- serviceable	fixed charge p SUIP (residential) or p rating unit (non-residential)	72	67	77
- pans	fixed charge p pan	1,963	1,903	1,888
<b>Rubbish &amp; recycling</b>				
- kerbside recycling	fixed charge p SUIP	3,423	3,214	3,434
- rubbish & public recycling	fixed charge p SUIP	2,094	2,190	1,863
<b>Total Rates Revenue (GST Exclusive)</b>		<b>\$98,855</b>	<b>\$104,845</b>	<b>\$100,782</b>

### 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 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>SOURCES OF OPERATING FUNDING</b>			
75,203	General Rates, UAGC & Rates Penalties	80,093	77,735
23,652	Targeted Rates	24,755	23,047
3,322	Subsidies & Grants for Operating Purposes	3,576	3,343
5,353	Fees and Charges	5,525	6,479
567	Interest and Dividends from investments	617	17
23,748	Other Operating Funding *	20,296	22,303
131,844	<b>TOTAL OPERATING FUNDING</b>	134,862	132,923
<b>APPLICATIONS OF OPERATING FUNDING</b>			
96,907	Payments to Staff and Suppliers	98,509	101,756
7,616	Finance Costs	11,637	5,557
-	- Other operating funding applications	-	-
104,523	<b>TOTAL APPLICATIONS OF OPERATING FUNDING</b>	110,146	107,313
<b>27,322</b>	<b>SURPLUS/(DEFICIT) OF OPERATING FUNDING</b>	<b>24,716</b>	<b>25,611</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
7,822	Subsidies and Grants for Capital Expenditure	8,407	6,989
1,476	Development & Financial Contributions	1,891	1,891
44,792	Increase/(Decrease) in Debt	39,686	35,643
402	Gross proceeds from sale of assets	-	-
-	- Lump sum contributions	-	-
-	- Other dedicated capital funding	-	-
54,492	<b>TOTAL SOURCES OF CAPITAL FUNDING</b>	49,984	44,855
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital Expenditure:-			
5,369	- to meet additional demand	9,935	2,241
46,565	- to improve the level of service	40,310	41,470
29,880	- to replace existing assets	24,456	26,754
-	- Increase/(Decrease) in Reserves	-	-
-	- Increase/(Decrease) of Investments	-	-
81,813	<b>Total Applications of Capital Funding</b>	74,700	70,466
<b>(27,322)</b>	<b>Surplus/(Deficit) of Capital Funding</b>	<b>(24,716)</b>	<b>(25,611)</b>
<b>-</b>	<b>Total Funding Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>

**INNOVATIVE & GROWING CITY - GROUP OF ACTIVITIES**

Budget 2019/20 \$'000s		10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>SOURCES OF OPERATING FUNDING</b>			
6,401	General Rates, UAGC & Rates Penalties	6,122	6,614
-	- Targeted Rates	-	-
-	- Subsidies & Grants for Operating Purposes	-	-
4,001	Fees and Charges	4,131	4,051
949	Internal Charges & Overheads Recovered	1,010	883
1,236	Other Operating Funding *	1,262	763
12,587	<b>TOTAL OPERATING FUNDING</b>	12,524	12,312
<b>APPLICATIONS OF OPERATING FUNDING</b>			
8,790	Payments to Staff and Suppliers	8,648	9,002
14	Finance Costs	4	2
3,482	Internal Charges & Overheads Applied	3,563	2,969
-	- Other operating funding applications	-	-
12,287	<b>TOTAL APPLICATIONS OF OPERATING FUNDING</b>	12,215	11,973
<b>300</b>	<b>SURPLUS/(DEFICIT) OF OPERATING FUNDING</b>	<b>309</b>	<b>339</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
-	- Subsidies and Grants for Capital Expenditure	-	-
-	- Development & Financial Contributions	-	-
15	Increase/(Decrease) in Debt	(39)	(39)
-	- Gross proceeds from sale of assets	-	-
-	- Lump sum contributions	-	-
-	- Other dedicated capital funding	-	-
15	<b>TOTAL SOURCES OF CAPITAL FUNDING</b>	(39)	(39)
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital Expenditure:-			
-	- to meet additional demand	-	-
54	- to improve the level of service	-	-
262	- to replace existing assets	270	300
-	- Increase/(Decrease) in Reserves	-	-
-	- Increase/(Decrease) of Investments	-	-
316	<b>Total Applications of Capital Funding</b>	270	300
<b>(300)</b>	<b>Surplus/(Deficit) of Capital Funding</b>	<b>(309)</b>	<b>(339)</b>
<b>-</b>	<b>Total Funding Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>

**CREATIVE & EXCITING CITY - GROUP OF ACTIVITIES**

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>SOURCES OF OPERATING FUNDING</b>		
25,452 General Rates, UAGC & Rates Penalties	27,031	25,834
- Targeted Rates	-	-
112 Subsidies & Grants for Operating Purposes	65	64
- Fees and Charges	-	-
173 Internal Charges & Overheads Recovered	-	924
2,090 Other Operating Funding *	2,119	1,465
27,826 TOTAL OPERATING FUNDING	29,215	28,287
<b>APPLICATIONS OF OPERATING FUNDING</b>		
17,113 Payments to Staff and Suppliers	14,328	18,144
1,619 Finance Costs	2,529	1,398
4,998 Internal Charges & Overheads Applied	8,584	5,013
- Other operating funding applications	-	-
23,731 TOTAL APPLICATIONS OF OPERATING FUNDING	25,440	24,556
<b>4,095 SURPLUS/(DEFICIT) OF OPERATING FUNDING</b>	<b>3,774</b>	<b>3,732</b>
<b>SOURCES OF CAPITAL FUNDING</b>		
913 Subsidies and Grants for Capital Expenditure	630	529
230 Development & Financial Contributions	294	294
16,061 Increase/(Decrease) in Debt	10,831	19,336
- Gross proceeds from sale of assets	-	-
- Lump sum contributions	-	-
- Other dedicated capital funding	-	-
17,204 TOTAL SOURCES OF CAPITAL FUNDING	11,755	20,159
<b>APPLICATIONS OF CAPITAL FUNDING</b>		
Capital Expenditure:-		
1,065 - to meet additional demand	1,431	1,119
12,172 - to improve the level of service	8,903	16,877
8,061 - to replace existing assets	5,196	5,894
- Increase/(Decrease) in Reserves	-	-
- Increase/(Decrease) of Investments	-	-
21,299 Total Applications of Capital Funding	15,529	23,890
<b>(4,095) Surplus/(Deficit) of Capital Funding</b>	<b>(3,774)</b>	<b>(3,732)</b>
<b>- Total Funding Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>

**CONNECTED & SAFE COMMUNITY - GROUP OF ACTIVITIES**

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>SOURCES OF OPERATING FUNDING</b>		
15,325 General Rates, UAGC & Rates Penalties	16,093	15,450
- Targeted Rates	-	-
6 Subsidies & Grants for Operating Purposes	6	6
1,193 Fees and Charges	1,238	1,262
516 Internal Charges & Overheads Recovered	537	478
3,970 Other Operating Funding *	4,053	3,907
21,010 TOTAL OPERATING FUNDING	21,929	21,104
<b>APPLICATIONS OF OPERATING FUNDING</b>		
13,500 Payments to Staff and Suppliers	12,193	12,816
908 Finance Costs	1,386	594
4,488 Internal Charges & Overheads Applied	5,894	5,403
- Other operating funding applications	-	-
18,896 TOTAL APPLICATIONS OF OPERATING FUNDING	19,474	18,813
<b>2,114 SURPLUS/(DEFICIT) OF OPERATING FUNDING</b>	<b>2,455</b>	<b>2,291</b>
<b>SOURCES OF CAPITAL FUNDING</b>		
651 Subsidies and Grants for Capital Expenditure	-	582
- Development & Financial Contributions	-	-
7,770 Increase/(Decrease) in Debt	3,909	5,854
- Gross proceeds from sale of assets	-	-
- Lump sum contributions	-	-
- Other dedicated capital funding	-	-
8,421 TOTAL SOURCES OF CAPITAL FUNDING	3,909	6,436
<b>APPLICATIONS OF CAPITAL FUNDING</b>		
Capital Expenditure:-		
- - to meet additional demand	-	-
7,485 - to improve the level of service	4,358	6,451
3,049 - to replace existing assets	2,006	2,276
- Increase/(Decrease) in Reserves	-	-
- Increase/(Decrease) of Investments	-	-
10,534 Total Applications of Capital Funding	6,364	8,727
<b>(2,114) Surplus/(Deficit) of Capital Funding</b>	<b>(2,455)</b>	<b>(2,291)</b>
<b>- Total Funding Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>

**ECO-CITY - GROUP OF ACTIVITIES**

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>SOURCES OF OPERATING FUNDING</b>		
774 General Rates, UAGC & Rates Penalties	748	714
5,515 Targeted Rates	5,405	5,297
338 Subsidies & Grants for Operating Purposes	346	350
- Fees and Charges	-	-
16 Internal Charges & Overheads Recovered	16	42
2,410 Other Operating Funding *	2,698	2,347
9,053 TOTAL OPERATING FUNDING	9,212	8,749
<b>APPLICATIONS OF OPERATING FUNDING</b>		
5,914 Payments to Staff and Suppliers	403	5,628
330 Finance Costs	489	207
1,669 Internal Charges & Overheads Applied	7,114	1,786
- Other operating funding applications	-	-
7,913 TOTAL APPLICATIONS OF OPERATING FUNDING	8,006	7,621
<b>1,139 SURPLUS/(DEFICIT) OF OPERATING FUNDING</b>	<b>1,206</b>	<b>1,128</b>
<b>SOURCES OF CAPITAL FUNDING</b>		
- Subsidies and Grants for Capital Expenditure	-	-
- Development & Financial Contributions	-	-
(42) Increase/(Decrease) in Debt	(310)	(624)
- Gross proceeds from sale of assets	-	-
- Lump sum contributions	-	-
- Other dedicated capital funding	-	-
(42) TOTAL SOURCES OF CAPITAL FUNDING	(310)	(624)
<b>APPLICATIONS OF CAPITAL FUNDING</b>		
Capital Expenditure:-		
- to meet additional demand	-	-
582 to improve the level of service	483	311
516 to replace existing assets	413	193
- Increase/(Decrease) in Reserves	-	-
- Increase/(Decrease) of Investments	-	-
1,098 Total Applications of Capital Funding	896	504
<b>(1,139) Surplus/(Deficit) of Capital Funding</b>	<b>(1,206)</b>	<b>(1,128)</b>
<b>- Total Funding Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>

**TRANSPORT - GROUP OF ACTIVITIES**

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>SOURCES OF OPERATING FUNDING</b>		
14,740 General Rates, UAGC & Rates Penalties	18,275	15,639
- Targeted Rates	-	-
2,861 Subsidies & Grants for Operating Purposes	3,159	2,918
- Fees and Charges	-	-
- Internal Charges & Overheads Recovered	-	-
4,722 Other Operating Funding *	4,813	4,127
22,323 TOTAL OPERATING FUNDING	26,247	22,683
<b>APPLICATIONS OF OPERATING FUNDING</b>		
12,015 Payments to Staff and Suppliers	11,640	10,615
2,345 Finance Costs	3,867	1,566
3,197 Internal Charges & Overheads Applied	4,414	4,501
- Other operating funding applications	-	-
17,557 TOTAL APPLICATIONS OF OPERATING FUNDING	19,920	16,681
<b>4,766 SURPLUS/(DEFICIT) OF OPERATING FUNDING</b>	<b>6,327</b>	<b>6,002</b>
<b>SOURCES OF CAPITAL FUNDING</b>		
6,259 Subsidies and Grants for Capital Expenditure	7,777	6,210
513 Development & Financial Contributions	657	657
11,376 Increase/(Decrease) in Debt	15,660	1,809
- Gross proceeds from sale of assets	-	-
- Lump sum contributions	-	-
- Other dedicated capital funding	-	-
18,148 TOTAL SOURCES OF CAPITAL FUNDING	24,094	8,676
<b>APPLICATIONS OF CAPITAL FUNDING</b>		
Capital Expenditure:-		
2,017 to meet additional demand	5,867	563
15,146 to improve the level of service	17,160	8,501
5,751 to replace existing assets	7,394	5,613
- Increase/(Decrease) in Reserves	-	-
- Increase/(Decrease) of Investments	-	-
22,913 Total Applications of Capital Funding	30,421	14,678
<b>(4,766) Surplus/(Deficit) of Capital Funding</b>	<b>(6,327)</b>	<b>(6,002)</b>
<b>- Total Funding Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>

**WATER - GROUP OF ACTIVITIES**

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>SOURCES OF OPERATING FUNDING</b>		
- General Rates, UAGC & Rates Penalties	-	-
9,217 Targeted Rates	10,632	9,221
- Subsidies & Grants for Operating Purposes	-	-
- Fees and Charges	-	-
173 Internal Charges & Overheads Recovered	102	189
36 Other Operating Funding *	37	37
9,426 TOTAL OPERATING FUNDING	10,771	9,447
<b>APPLICATIONS OF OPERATING FUNDING</b>		
4,332 Payments to Staff and Suppliers	1,476	4,174
919 Finance Costs	1,493	715
244 Internal Charges & Overheads Applied	3,128	149
- Other operating funding applications	-	-
5,495 TOTAL APPLICATIONS OF OPERATING FUNDING	6,097	5,038
<b>3,930 SURPLUS/(DEFICIT) OF OPERATING FUNDING</b>	<b>4,674</b>	<b>4,409</b>
<b>SOURCES OF CAPITAL FUNDING</b>		
- Subsidies and Grants for Capital Expenditure	-	-
259 Development & Financial Contributions	332	332
7,091 Increase/(Decrease) in Debt	7,953	4,442
402 Gross proceeds from sale of assets	-	-
- Lump sum contributions	-	-
- Other dedicated capital funding	-	-
7,752 TOTAL SOURCES OF CAPITAL FUNDING	8,285	4,774
<b>APPLICATIONS OF CAPITAL FUNDING</b>		
Capital Expenditure:-		
916 - to meet additional demand	1,499	305
6,270 - to improve the level of service	8,145	5,154
4,497 - to replace existing assets	3,314	3,724
- Increase/(Decrease) in Reserves	-	-
- Increase/(Decrease) of Investments	-	-
11,682 Total Applications of Capital Funding	12,959	9,183
<b>(3,930) Surplus/(Deficit) of Capital Funding</b>	<b>(4,674)</b>	<b>(4,409)</b>
<b>- Total Funding Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>

**WASTEWATER - GROUP OF ACTIVITIES**

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>SOURCES OF OPERATING FUNDING</b>		
- General Rates, UAGC & Rates Penalties	-	-
8,921 Targeted Rates	8,718	8,529
- Subsidies & Grants for Operating Purposes	-	-
5 Fees and Charges	-	5
41 Internal Charges & Overheads Recovered	42	42
1,293 Other Operating Funding *	1,449	1,331
10,260 TOTAL OPERATING FUNDING	10,208	9,907
<b>APPLICATIONS OF OPERATING FUNDING</b>		
6,162 Payments to Staff and Suppliers	3,288	5,831
687 Finance Costs	765	455
215 Internal Charges & Overheads Applied	2,992	127
- Other operating funding applications	-	-
7,063 TOTAL APPLICATIONS OF OPERATING FUNDING	7,045	6,413
<b>3,196 SURPLUS/(DEFICIT) OF OPERATING FUNDING</b>	<b>3,163</b>	<b>3,494</b>
<b>SOURCES OF CAPITAL FUNDING</b>		
- Subsidies and Grants for Capital Expenditure	-	-
376 Development & Financial Contributions	482	482
3,666 Increase/(Decrease) in Debt	(88)	2,478
- Gross proceeds from sale of assets	-	-
- Lump sum contributions	-	-
- Other dedicated capital funding	-	-
4,042 TOTAL SOURCES OF CAPITAL FUNDING	394	2,960
<b>APPLICATIONS OF CAPITAL FUNDING</b>		
Capital Expenditure:-		
704 - to meet additional demand	771	103
3,455 - to improve the level of service	262	2,210
3,079 - to replace existing assets	2,524	4,142
- Increase/(Decrease) in Reserves	-	-
- Increase/(Decrease) of Investments	-	-
7,238 Total Applications of Capital Funding	3,557	6,454
<b>(3,196) Surplus/(Deficit) of Capital Funding</b>	<b>(3,163)</b>	<b>(3,494)</b>
<b>- Total Funding Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>



**STORMWATER - GROUP OF ACTIVITIES**

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>SOURCES OF OPERATING FUNDING</b>		
3,178 General Rates, UAGC & Rates Penalties	2,900	3,179
- Targeted Rates	-	-
- Subsidies & Grants for Operating Purposes	-	-
- Fees and Charges	-	-
18 Internal Charges & Overheads Recovered	19	19
2 Other Operating Funding *	2	2
3,199 TOTAL OPERATING FUNDING	2,921	3,200
<b>APPLICATIONS OF OPERATING FUNDING</b>		
2,039 Payments to Staff and Suppliers	1,259	1,901
276 Finance Costs	341	174
100 Internal Charges & Overheads Applied	553	57
- Other operating funding applications	-	-
2,415 TOTAL APPLICATIONS OF OPERATING FUNDING	2,153	2,132
<b>784 SURPLUS/(DEFICIT) OF OPERATING FUNDING</b>	<b>768</b>	<b>1,067</b>
<b>SOURCES OF CAPITAL FUNDING</b>		
- Subsidies and Grants for Capital Expenditure	-	-
98 Development & Financial Contributions	126	126
1,165 Increase/(Decrease) in Debt	671	1,428
- Gross proceeds from sale of assets	-	-
- Lump sum contributions	-	-
- Other dedicated capital funding	-	-
1,263 TOTAL SOURCES OF CAPITAL FUNDING	797	1,554
<b>APPLICATIONS OF CAPITAL FUNDING</b>		
Capital Expenditure:-		
666 - to meet additional demand	367	151
705 - to improve the level of service	588	1,610
677 - to replace existing assets	610	860
- Increase/(Decrease) in Reserves	-	-
- Increase/(Decrease) of Investments	-	-
2,048 Total Applications of Capital Funding	1,566	2,621
<b>(784) Surplus/(Deficit) of Capital Funding</b>	<b>(768)</b>	<b>(1,067)</b>
<b>- Total Funding Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>

**DRIVEN & ENABLING COUNCIL - GROUP OF ACTIVITIES**

Budget 2019/20 \$'000s	10YP 2020/21 \$'000s	AB 2020/21 \$'000s
<b>SOURCES OF OPERATING FUNDING</b>		
9,332 General Rates, UAGC & Rates Penalties	8,924	10,305
- Targeted Rates	-	-
4 Subsidies & Grants for Operating Purposes	-	4
153 Fees and Charges	156	1,160
26,911 Internal Charges & Overheads Recovered	37,424	28,428
8,557 Other Operating Funding *	4,480	8,340
44,958 TOTAL OPERATING FUNDING	50,984	48,238
<b>APPLICATIONS OF OPERATING FUNDING</b>		
28,058 Payments to Staff and Suppliers	34,362	34,748
517 Finance Costs	762	445
9,386 Internal Charges & Overheads Applied	13,822	9,897
- Other operating funding applications	-	-
37,961 TOTAL APPLICATIONS OF OPERATING FUNDING	48,945	45,090
<b>6,996 SURPLUS/(DEFICIT) OF OPERATING FUNDING</b>	<b>2,039</b>	<b>3,148</b>
<b>SOURCES OF CAPITAL FUNDING</b>		
- Subsidies and Grants for Capital Expenditure	-	-
- Development & Financial Contributions	-	-
(2,311) Increase/(Decrease) in Debt	1,100	960
- Gross proceeds from sale of assets	-	-
- Lump sum contributions	-	-
- Other dedicated capital funding	-	-
(2,311) TOTAL SOURCES OF CAPITAL FUNDING	1,100	(2,693)
<b>APPLICATIONS OF CAPITAL FUNDING</b>		
Capital Expenditure:-		
- - to meet additional demand	-	-
696 - to improve the level of service	410	356
3,990 - to replace existing assets	2,730	3,752
- Increase/(Decrease) in Reserves	-	-
- Increase/(Decrease) of Investments	-	-
4,685 Total Applications of Capital Funding	3,139	4,108
<b>(6,996) Surplus/(Deficit) of Capital Funding</b>	<b>(2,039)</b>	<b>(3,148)</b>
<b>- Total Funding Surplus/(Deficit)</b>	<b>()</b>	<b>()</b>

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# SECTION 3

ADDITIONAL  
INFORMATION





# 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.

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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](http://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. <sup>1</sup> (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. <sup>2</sup> (93%)  Building consent applications are processed within statutory timeframes. <sup>3</sup> (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

<sup>1</sup> 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.

<sup>2-3</sup> 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 49-51).

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. <sup>4</sup> (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.

<sup>4</sup> 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>Specific projects will be listed in the Plan.</p>	<p>Specific projects will be listed in the Plan.</p>	<p>Specific projects will be listed in the Plan.</p>	<p>Specific projects will be listed in the Plan.</p>
	<p>Sports fields are available for weekend organised use. (98%)</p>	<p>At least 85%</p>	<p>At least 85%</p>	<p>At least 85%</p>	<p>At least 85%</p>
	<p><u>Swimming pool annual usage:</u></p> <ul style="list-style-type: none"> <li>• Lido (new)</li> </ul>	<p>More than 330,000 people</p>	<p>More than 330,000 people</p>	<p>More than 330,000 people</p>	<p>More than 330,000 people</p>
	<ul style="list-style-type: none"> <li>• Freyberg (new)</li> </ul>	<p>More than 110,000 people.</p>	<p>More than 110,000 people.</p>	<p>More than 110,000 people.</p>	<p>More than 110,000 people.</p>
<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]</p>	<p>Funding is distributed and the key objectives achieved with the funding are described. (new)</p>	<p>Narrative measure</p>	<p>Narrative measure</p>	<p>Narrative measure</p>	<p>Narrative measure</p>
<p>Council manages its Active Community Activity in a financially sustainable way.</p>	<p>Major services and projects are provided within budget. <sup>5</sup> (new)</p>	<p>Services and projects within budget</p>	<p>Services and projects within budget</p>	<p>Services and projects within budget</p>	<p>Services and projects within budget</p>

<sup>5</sup> Renewals as a group and Central Energy Trust Arena projects

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## Active and Public Transport Activity

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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 99.

## 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 <sup>6</sup>	More than 800,000 connections a year <sup>7</sup>	More than 800,000 connections a year <sup>8</sup>	More than 800,000 connections a year <sup>9</sup>
	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. <sup>10</sup>.(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

<sup>10</sup> 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 70)	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)	Accreditation retained.	Accreditation retained.	Accreditation retained.	Accreditation retained.
	Council works with local communities to get people prepared for emergencies. (new)	Narrative measure	Narrative measure	Narrative measure	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)	At least three attended	At least three attended	At least three attended	At least three attended
	Council is an accredited Food Act verifier. (new)	99% of verifications are conducted within statutory timeframes.	99% of verifications are conducted within statutory timeframes.	99% of verifications are conducted within statutory timeframes.	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"> <li>a kerbside solid waste collection service</li> <li>a kerbside recycling collection service</li> <li>recycling drop-off points</li> <li>a greenwaste drop-off service</li> </ul> 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%)	At least 98%	At least 98%	At least 98%	At least 98%
	Compliance with resource consents for the Rubbish and Recycling Activity measured by the number of:				
	• abatement notices	None	None	None	None
	• infringement notices	None	None	None	None
	• enforcement orders	None	None	None	None
	• convictions.	None	None	None	None
	(met)				
	A 30-year Asset Management Plan is in place and major AMP projects approved in the 10 Year Plan are achieved. <sup>12</sup> (met)	Projects achieved	Projects achieved	Projects achieved	Projects achieved
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 <sup>13</sup> 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

<sup>13</sup> 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]	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
Council provides wastewater infrastructure to support growth. [Growth Infrastructure Plan]	Complaints per 1,000 connections about: (12.3) <ul style="list-style-type: none"> <li>wastewater odour</li> <li>wastewater system faults</li> <li>wastewater system blockages</li> <li>Council's response to issues with the wastewater system.</li> </ul>	No more than 15	No more than 15	No more than 15	No more than 15
	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: <ul style="list-style-type: none"> <li>abatement notices</li> <li>infringement notices</li> <li>enforcement notices</li> <li>convictions received by Council in relation to resource consents (all zero, Target met)</li> </ul>	Zero	Zero	Zero	Zero
		Zero	Zero	Zero	Zero
		Zero	Zero	Zero	Zero
		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. <sup>15</sup> (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. <sup>16</sup> (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 page 105).	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

## Council Representation

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

## Elections

Triennial Council elections take place every three years, with the most recent one being held in October 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 Mayor and 15 Councillors work through committees to make decisions about what Council will do and how work will be funded.

The committee structure is reviewed every three years after each election.

Our committees cover the strategic foci and legislative roles of Palmerston North City Council.

For the 2019-2022 term of Council the following committees have been established.

Most committees meet on Wednesdays at 9am in Council Chambers, unless otherwise advertised.

### Monthly:

Council

Finance & Audit

Infrastructure

Planning & Strategy

### Quarterly:

Arts, Culture & Heritage

Community Development

Economic Development

Environmental Sustainability

Manawatu District/ Palmerston North City Joint Strategic Planning

Play, Sport & Recreation

### As needed:

Committee of Council

Hearings

Rangitāne o Manawātū

Meetings are usually held in public and Council advertises the issues it will be considering. Agendas are available on the Meetings page of the PNCC website.

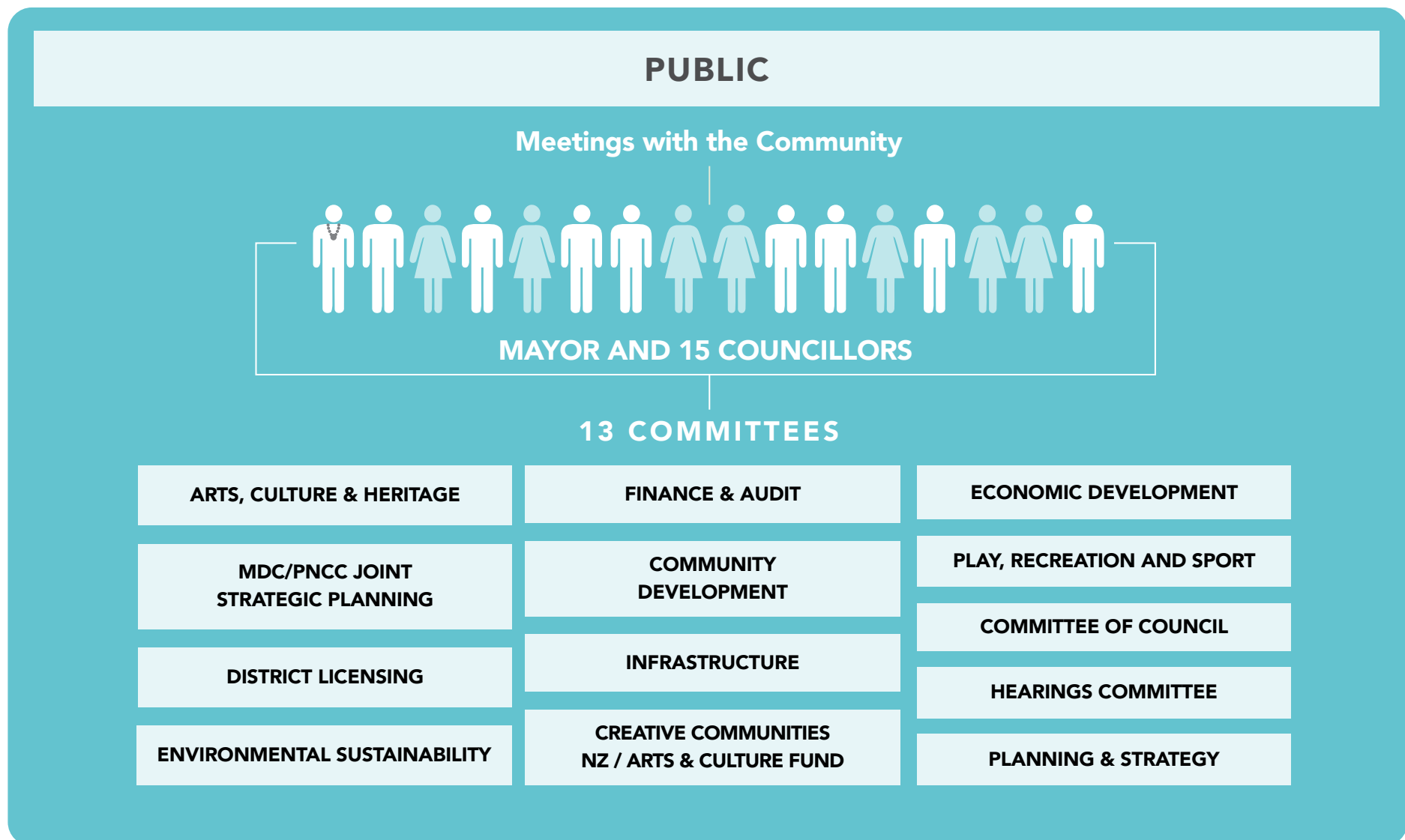
Interested residents are welcome to attend and observe. Most meetings also have a section for public comment. If you wish to speak to an item on the agenda please make yourself known to an administrator upon arrival. There may also be an opportunity to make a presentation to the relevant committee. Please contact Democracy and Governance ahead of time, should you wish to make a presentation.

If Council is talking about something confidential the public may be excluded from that part of the meeting. As confidential decisions are made available, these can be accessed on our website.

## The Mayor and Councillors



















*Back:* Brent Barrett, Leonie Hapeta, Lew Findlay, Zulfiqar Butt, Vaughan Dennison, Bruno Petrenas, Renee Dingwall, Susan Baty, Pat Handcock  
*Forefront:* Aleisha Rutherford, Lorna Johnson, Karen Naylor, Tangi Utikere <sup>JP</sup> (Deputy Mayor), Grant Smith (Mayor), Billy Meehan, Rachel Bowen



## COUNCILLORS AND THEIR PORTFOLIOS

GO TO [PNCC.GOV.T.NZ/COUNCIL](https://pncc.govt.nz/council) FOR CONTACT INFO

 <p><b>Grant Smith JP</b> Mayor</p>	 <p><b>Karen Naylor</b> Support Portfolio Health &amp; Wellbeing Transportation</p>	 <p><b>Tangi Utikere JP</b> Deputy Mayor</p>	 <p><b>Renee Dingwall</b> Support Portfolio People &amp; Community Climate Change Housing</p>	 <p><b>Leonie Hapeta JP</b> Portfolio Inner City/CBD Support Portfolio Health &amp; Wellbeing Science, Technology &amp; Innovation Transportation Education &amp; Students</p>	 <p><b>Patrick Handcock ONZM</b> Portfolio Safe City Support Portfolio Health &amp; Wellbeing Inner City/CBD Housing Defence People &amp; Community Neighbourhoods, Villages &amp; Rural</p>
 <p><b>Lew Findlay QSM</b> Portfolio Defence Support Portfolio People &amp; Community</p>	 <p><b>Billy Meehan</b> Portfolio Health &amp; Wellbeing Support Portfolio People &amp; Community Neighbourhoods, Villages &amp; Rural</p>	 <p><b>Lorna Johnson</b> Portfolio People &amp; Community Support Portfolio Climate Change Housing</p>	 <p><b>Vaughan Dennison</b> Support Portfolio Neighbourhoods, Villages &amp; Rural Safe City</p>	 <p><b>Rachel Bowen</b> Portfolio Education &amp; Students Support Portfolio People &amp; Community Defence Science, Technology &amp; Innovation Health &amp; Wellbeing Inner City/CBD</p>	 <p><b>Bruno Petrenas</b> Portfolio Neighbourhoods, Villages &amp; Rural Support Portfolio Health &amp; Wellbeing Inner City/CBD Transportation</p>
 <p><b>Brent Barrett</b> Portfolio Science, Technology &amp; Innovation Transportation Support Portfolio Safe City Climate Change</p>	 <p><b>Susan Baty</b> Portfolio Housing</p>	 <p><b>Zulfiqar Butt JP</b> Portfolio Climate Change Support Portfolio Inner City/CBD Education &amp; Students People &amp; Community</p>	 <p><b>Aleisha Rutherford JP</b> Support Portfolio Transportation People &amp; Community Neighbourhoods, Villages &amp; Rural</p>		



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## **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](http://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.

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## **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.

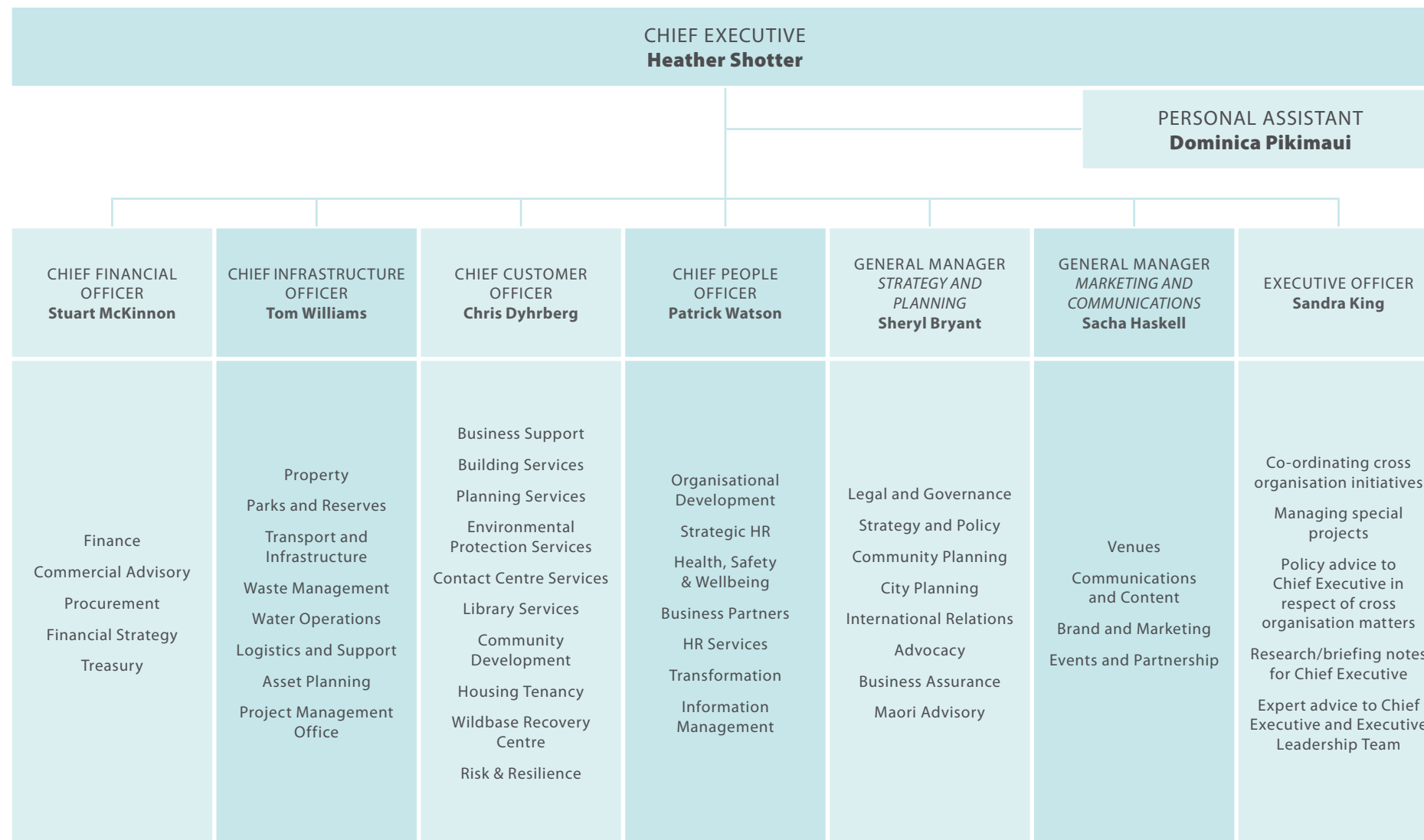
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## **Role of Management and Employees**

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 (budget), 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 Executive Leadership Team** (as at 24 June 2020)

# 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](http://pncc.govt.nz)



[info@pncc.govt.nz](mailto: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](http://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 2020/21 financial year therefore covers the period 1 July 2020 to 30 June 2021.

## 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**

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