



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

Napier Civic Building
231 Hastings Street
t +64 6 835 7579
e info@napier.govt.nz
www.napier.govt.nz

ORDINARY MEETING OF COUNCIL

Open Agenda

Meeting Date: Thursday 16 July 2020

Time: 10.00am

Venue: Large Exhibition Hall
Napier War Memorial Centre
Marine Parade
Napier

Zoom livestreamed to Council's Facebook page

Council Members Deputy Mayor Brosnan (In the Chair), Councillors Boag, Browne, Chrystal, Crown, Mawson, McGrath, Price, Simpson, Tapine, Taylor, Wright

Officer Responsible Interim Chief Executive

Administrator Governance Team

Next Council Meeting
Thursday 27 August 2020

ORDER OF BUSINESS

Apologies

Mayor Wise

Conflicts of interest

Public forum

Project Prima Volta

Announcements by the Mayor including notification of minor matters not on the agenda

Note: re minor matters only - refer LGOIMA s46A(7A) and Standing Orders s9.13

A meeting may discuss an item that is not on the agenda only if it is a minor matter relating to the general business of the meeting and the Chairperson explains at the beginning of the public part of the meeting that the item will be discussed. However, the meeting may not make a resolution, decision or recommendation about the item, except to refer it to a subsequent meeting for further discussion.

Announcements by the management

Confirmation of minutes

That the Draft Minutes of the Ordinary Meeting of Council held on Thursday, 4 June 2020 be confirmed as a true and accurate record of the meeting.221

That the Draft Minutes of the Extraordinary Meeting of Council held on Thursday, 11 June 2020 be confirmed as a true and accurate record of the meeting.242

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AGENDA ITEMS

1. PROCUREMENT STRATEGY FOR TRANSPORTATION PROJECTS

<i>Type of Report:</i>	Operational and Procedural
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	937168
<i>Reporting Officer/s & Unit:</i>	Sharon OToole, Procurement Lead Robin Malley, Team Leader Transportation

1.1 Purpose of Report

To approve the Napier City Council Procurement Strategy for transportation projects.

Officer's Recommendation

That Council:

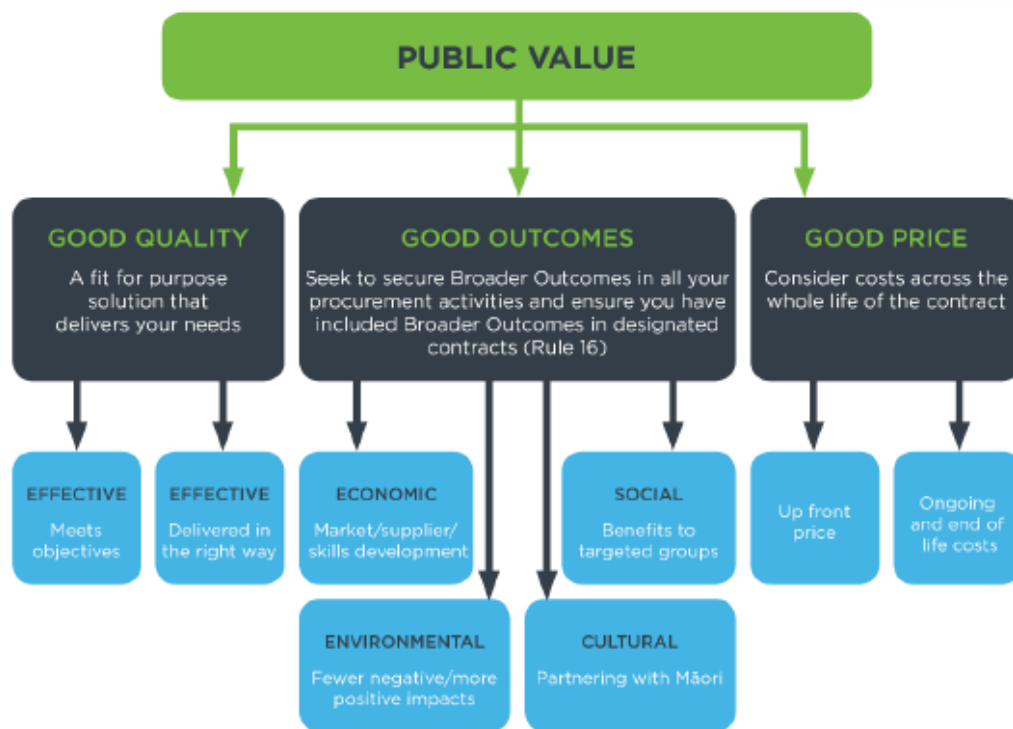
- a. Approves the Transportation Procurement Strategy
- b. Notes the development of the Napier City Council Procurement Strategy, of which the Transportation Procurement Strategy will be a component.

1.2 Background Summary

Waka Kotahi New Zealand Transport Agency (Waka Kotahi) requires all approved organisations (i.e. Napier City Council) to have a current procurement strategy that documents the long-term integrated approach to the procurement of transport sector activities funded under s20 of the LTMA. The previous Council Transportation Procurement Strategy was published in 2010, since then there has been significant change internally at Council and also within our supplier markets. The new strategy reflects these changes and supports the continuing improvement of NCCs procurement practices and capabilities.

This new Council Transportation Procurement Strategy covers the procurement of Transportation activities, including professional services, funded from the Long Term Plan and National Land Transport Fund. Council Transportation budgeted expenditure in the LTP for 2018-2028 is \$121.1 million including \$14.5 million for 2020-21. These funds are invested in achieving community outcomes to meet the current and future needs of the Napier City community for good quality local infrastructure, local public services, and performance of regulatory functions. The Transportation Procurement Strategy has been endorsed by Waka Kotahi.

A major focus of the Procurement Strategy is achieving 'public value', ensuring the optimum utilisation of Councils financial resources. This approach recognises that cost alone is not the only indicator of value (as illustrated below).



Public Value (Government Procurement Rules (4th Edition) 2019)

The Council Transportation Procurement Strategy has been developed to achieve the following strategic procurement objectives, in line with the strategic directives set out in the LTP:

1. **Optimise public value** – maximising the benefits and outcomes generated by Council's procurement activities, through ensuring broader outcomes are considered as part of the procurement evaluation.
2. **Support delivery of Council objectives through efficient and effective procurement** – ensure all procurement activities are conducted in line with Council's Procurement Principles, including the development and maintenance of competitive supply markets.
3. **Build procurement capacity and capability** – develop Council's procurement knowledge, systems, processes, and resources to support efficient and effective procurement to meet and exceed industry best practice.

Sustainability

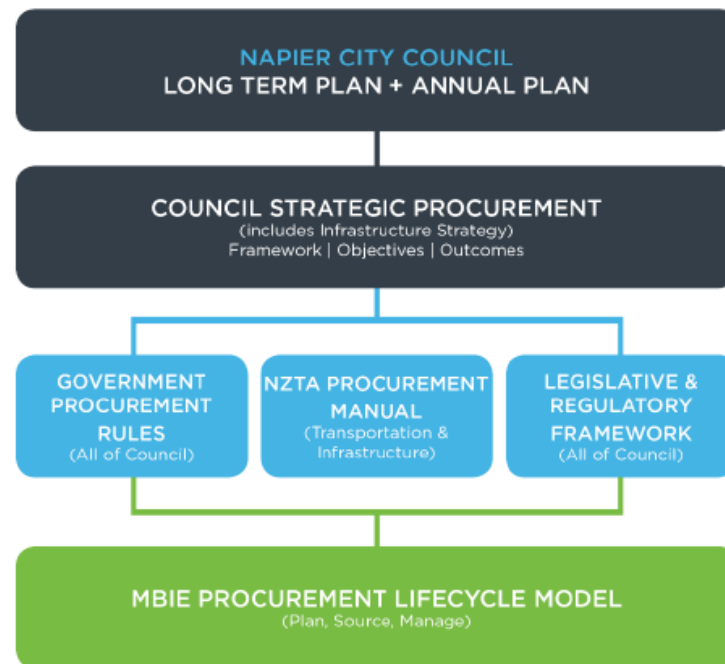
When procuring services Council will seek opportunities to have a positive impact on the social, environmental and economic aspects of sustainability for our City and the region. A value for money approach considers all costs that Council is likely to incur throughout the entire lifecycle of the goods or services being procured. It is important that Council's investments deliver the appropriate outcome which is fit for purpose and sufficient to meet the community's long term requirements. Sustainability has a wide range of impacts on the community, such as:

- The enhancement of the quality of life to our community
- Maximising the efficient use of natural resources
- Reducing Council's reliance of diminishing energy sources
- Stimulating growth in the district's economic output
- Improving local employment opportunities.

- The minimisation of waste, pollution, noise or traffic

Legislative and policy framework

In undertaking procurement activities, Council must operate within a policy framework which includes wider Council strategic objectives and outcomes, Ministry of Business, Innovation and Employment (MBIE) and Waka Kotahi procurement rules, and a legislative and regulatory framework. This section will provide an overview of these policy areas, as outlined in the framework below:



The Council Transportation Procurement Strategy addresses how the transportation activities and services that have been identified through the LTP and Annual Plan processes will be delivered. It addresses both the major capital projects that have been planned and also the operational ‘business as usual’ procurements which are required. In particular, this Strategy shows how Council intends to procure the work identified in the Long Term Plan and provides information on:

- the importance of procurement to achieving its overall goals and business strategy;
- delivering economic, social, cultural and environmental outcomes through procurement;
- the policy context within which this strategy exists;
- the types of procurement Council undertakes;
- the value and risk associated with procurement;
- the current Hawkes Bay procurement environment;
- Council’s approach to delivering the procurement programme; and
- the implementation of this Strategy.

1.3 Significance and Engagement

N/A

1.4 Implications

How Council procures services can have far reaching impacts for the Napier community. The quality of these services will influence the durability, reliability and long term life expectancy of infrastructure assets. Even marginal gains, such as extending asset lives by 1% can create net present value of several million dollars across the asset portfolio. The value for money achieved

through Council's procurement activities will affect the affordability of core council services and therefore have a significant impact on the level of rates revenue required. NCCs procurement practices can impact on employment and the local economy given that supply chain partners may also be members of the Hawkes Bay community.

Council wide procurement strategy

Council is currently developing a Council wide procurement strategy which will encompass a wider range of Council activities, including the consideration of securing broader outcomes for the community. The Transportation Procurement Strategy will form part of this wider strategy and will need to be reviewed to ensure alignment with the Council Wide Strategy once it is completed. If at that time the Transportation Procurement Strategy is revised, it will need to be resubmitted to Waka Kotahi for endorsement.

Financial

N/A

Social & Policy

The Transportation Procurement Strategy has been developed in the context of Government procurement policy embracing 'Broader Outcomes' with a view to considering Well Beings across all types of public investment. The application of these principles in Napier requires further exploration through the development of the Council Procurement Strategy. This will then influence the review of the Transportation Procurement Strategy.

Risk

The procurement environment within which Napier City Council operates presents a range of challenges and opportunities including:

- Provincial location and relatively small value contracts limiting interest from contractors from out of the region;
- Local contractor resource shortages;
- Close proximity to four other local government authorities with similar procurement demands and programmes;
- High demand for infrastructure and commercial construction services;
- Increasing skill shortages in asset management, procurement, project management and contract management (impacting on both capability and capacity);
- Responding to Governments expectations on how Napier City Council should conduct its procurement activities to achieve public value and broader outcomes;
- Responding to changes to Health and Safety legislation and Worksafe guidelines and rules; and
- Encouraging the local supply chain to increase participation with Council, while maintaining quality of work delivered.

The strategic approach to procurement will seek to consider and address these.

There are also risks associated with Napier City Council not having a current procurement strategy that has been endorsed by Waka Kotahi. An approved procurement strategy is an indicator that Council is a "safe pair of hands" to manage activities funded under section 25 of the Land Transport Management Act 2003. Council's approval of this report and the attached procurement strategy will address this risk.

Without an approved procurement strategy it is likely that any pre-approval of funding would be limited and instead Council would need to gain individual approval of funding requests on a project by project basis. This would add time and administrative costs to transportation projects. Activities procured in this manner would still need to satisfy all the provisions of the Waka Kotahi Procurement Manual. There is also a likelihood that the frequency of external audits completed by Waka Kotahi would increase. These currently occur three yearly. An increase in the frequency of audits would again place a greater administrative burden on Council staff with minimal internal benefits.

The very worst case scenario would be Waka Kotahi not co-funding any investment with Napier City Council. The current (2018/21) 3 year work programme includes over \$18m of approved funding assistance.

1.5 Options

The options available to Council are as follows:

- a. Endorse the Council Transportation Procurement Strategy
- b. Do not endorse the Council Transportation Procurement Strategy
- c. Endorse with amendments the Council Transportation Procurement Strategy

1.6 Development of Preferred Option

The Risk section of this report provides a summary of the consequences of not having a current Waka Kotahi approved NCC Transportation Procurement Strategy. The potential financial and process penalties for Council are considerable.

The regulatory framework for Waka Kotahi co-investment provides clear guidance to all investment partners of the expectations around the responsible allocation of public funds. This framework has undergone review over recent years to enable (and encourage) organisations to broaden the benefits sought from procurement of goods and services. The core responsibilities of organisations remain constant and it is these responsibilities which form the primary determinants of whether an organisation's procurement practices are approved by Waka Kotahi.

There is work underway to develop a Council wide Procurement Strategy, which will include a review of the Transportation Procurement Strategy, the recommendation is that minor amendments to the NCC Transportation Procurement Strategy be reserved for consideration in the development the organisational strategy.

The recommended option to endorse the Council Transportation Procurement Strategy ensures that Council can continue to benefit from Waka Kotahi co-investment for the next 3 years. Developing policies and processes to secure additional community value through realising broader outcomes can be introduced as Council confirms its wider direction in relation to community wellbeings.

1.7 Attachments

- A Napier City Council Transportation Procurement Strategy [↓](#)
- B Waka Kotahi Endorsement Letter [↓](#)



Transportation Procurement Strategy



Strategy Expert	Procurement Lead Team Leader Transportation
Strategy Owner	Director Infrastructure
Owner Department	Infrastructure
Approval Date	
Version	1.0 Final Submission for Waka Kotahi endorsement
Review Date	May 2021



Change History

Amendment (s)	Date	Updated by and authority
Minor amendments to draft text.	21 st May 2020	R.Malley



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1 Introduction

This Procurement Strategy provides direction to decision making relating to the procurement of Transportation related goods, services or works to deliver on the objectives of Napier City Council (NCC) in a manner that is consistent with legislation governing Local Authorities in order to maximise long term value for money.

Waka Kotahi New Zealand Transport Agency (Waka Kotahi) requires Council to adopt a procurement strategy that documents NCC's long term integrated approach to the procurement of transport sector activities funded under section 25 of the Land Transport Management Act 2003 and its amendments.

Council is currently developing a high level procurement strategy covering all Council activities, including consideration of securing broader outcomes for the community. The Transportation Procurement Strategy will be reviewed to align with and form part of this wider strategy. The revised Strategy will then be resubmitted to Waka Kotahi for endorsement.

This strategy covers the procurement of Transportation activities, including professional services, funded from the NLTP. The Long Term Plan 2018-2028 budgets Council Transportation expenditure at \$121.1 million including \$14.5 million for 2020-21. These funds are invested in achieving community outcomes to meet the current and future needs of the Napier City community for good quality local infrastructure, local public services, and performance of regulatory functions.

The purpose of this Strategy is to document how Council will:

- Support the delivery of Council's strategic priorities;
- Improve public value for money;
- Address the challenges and opportunities identified;
- Improve the efficiency and effectiveness of procurement procedures, including increasing capability;
- Develop effective relationships with suppliers;
- Manage procurement risk and reputation; and
- Improve project procurement planning

When procuring services Council will seek opportunities to have a positive impact on the social, environmental and economic aspects of sustainability for our City and the region. It is important to have a long term value for money vision by combining cost with quality and sustainability to meet our community's requirements, rather than basing procurement on lowest price. A value for money approach considers all costs that Council is likely to incur throughout the entire lifecycle of the goods or services being procured. It is important that investment delivers the appropriate outcome which is fit for purpose and sufficient to meet our community's long term requirements.

Sustainability has a wide range of impacts on the community with aspects such as:

- The enhancement of the quality of life to our community
- Maximising the efficient use of natural resources
- Reducing Council's reliance of diminishing energy sources
- Stimulating growth in the district's economic output
- Improving local employment opportunities.
- The minimisation of waste, pollution, noise or traffic



Professional services are primarily carried out using Council's in-house resources with individual engagements with external consultants backing up the Design and Projects team when required.

The in-house Design and Projects team current approved staffing levels have been modelled on delivery a \$40m/year capital works programme across council who are engaged to deliver services to the whole of Council. The team provides the design services for professional services for the design, project management and contract administration of transportation capital projects.

Network maintenance management functions are delivered by Council's transportation operations team in collaboration with Council's maintenance Contractor, Downer NZ, on a 5 + 2 + 2 term maintenance and renewals contract (2019-2024).

Generally asset management and capital project design and management are undertaken in house. Specialist services and work load beyond the base capabilities of the team are contracted out.

Waka Kotahi has approved the use of Council's in-house design team in accordance with Section 26 of the Land Transport Management Act 2003.

The procurement environment within which Napier City Council operates presents a range of challenges and opportunities including:

- Provincial location and relatively small value contracts limiting interest from contractors from out of the region;
- Local contractor resource shortages;
- Close proximity to four other local government authorities with similar procurement demands and programmes;
- High demand for infrastructure and commercial construction services;
- Increasing skill shortages in asset management, procurement, project management and contract management (impacting on both capability and capacity);
- Responding to Governments expectations on how Napier City Council should conduct its procurement activities to achieve public value and broader outcomes;
- Responding to changes to Health and Safety legislation and Worksafe guidelines and rules; and
- Encouraging the local supply chain to increase participation with Council, while maintaining quality of work delivered.

How Council procures services can have far reaching impacts for the Napier community. The quality of these services will influence the durability, reliability and long term life expectancy of infrastructure assets. Even marginal gains, such as extending asset lives by 1% can create net present value of several million dollars across the asset portfolio. The value for money achieved through Council's procurement activities will affect the affordability of core council services and therefore have a significant impact on the level of rates revenue required. NCCs procurement practices can impact on employment and the local economy given that supply chain partners are also be members of the Hawkes Bay community.

This Strategy complements the various strategies, plans and policies of Council to assist with the delivery of the Long Term Plan. In particular, this Strategy shows how Council intends to procure the work identified in the Long Term Plan and provides information on:

- the importance of procurement to achieving its overall goals and business strategy;
- delivering economic, social, cultural and environmental outcomes through procurement;

Transportation Procurement Strategy

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- the policy context within which this strategy exists;
- the types of procurement Council undertakes;
- the value and risk associated with procurement;
- the current Hawkes Bay procurement environment;
- Council's approach to delivering the procurement programme; and
- the implementation of this Strategy.

There are a number of key guiding documents which set the scene and direction of Council's procurement activities. These include:

- The Government Policy Statement (GPS) produced by Central Government the GPS sets out the Government's priorities, objectives and funding levels for land transport;
- The National Land Transport Programme (NLTP) produced by Central Government the NLTP contains all the land transport activities that the Transport Agency anticipates funding of the next three years;
- The Long Term Plan (LTP) produced by Napier City Council which identifies the projects and services the council will deliver for its rate payers and how they will be funded;
- The Regional Land Transport Plan (RLTP) produced by Regional Council, the RLTP is a 10 year plan that details the transport activities to be delivered in the next 3 years, in prioritised order. It also provides the basis for requests for Government Funding through Waka Kotahi;
- Napier City Council Long Term Community Plan;
- Napier City Council Annual Plan;
- Napier City Council Transportation Asset Management Plan 2018;
- Napier City Council Essential Services Development Plan 2000;
- Napier City Council Urban Growth Strategy 1999;
- Napier City Council Urban Growth Strategy Review 2008 ; and
- Heretaunga Plains Urban Growth Strategy

The previous Transportation Procurement Strategy was published in 2010 and since that time there has been significant change both within NCCs Infrastructure Teams and supplier markets. This strategy reflects these changes and supports the continuing improvement of NCCs procurement practices and capabilities.

The Strategy will be reviewed annually, or whenever a material change to Council's procurement programme, policies, or environment occurs or there are changes to legislative requirements set by Government.

Jon Kingsford

DIRECTOR INFRASTRUCTURE

Transportation Procurement Strategy

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**Approvals**

This Procurement Strategy was reviewed and approved by the Napier City Council [**Council, Mayor or CEO**]

Name	
Position	
Date	

Council recommends that Waka Kotahi endorse Napier City Council's Procurement Strategy

Name	Jon Kingsford
Position	Director Infrastructure
Date	



2 Policy Context

In undertaking procurement activities, Council must operate within a policy framework which includes wider Council strategic objectives and outcomes, Ministry of Business, Innovation and Employment (MBIE) and Waka Kotahi procurement rules, and a legislative and regulatory framework. This section will provide an overview of these policy areas, as outlined in the framework below.

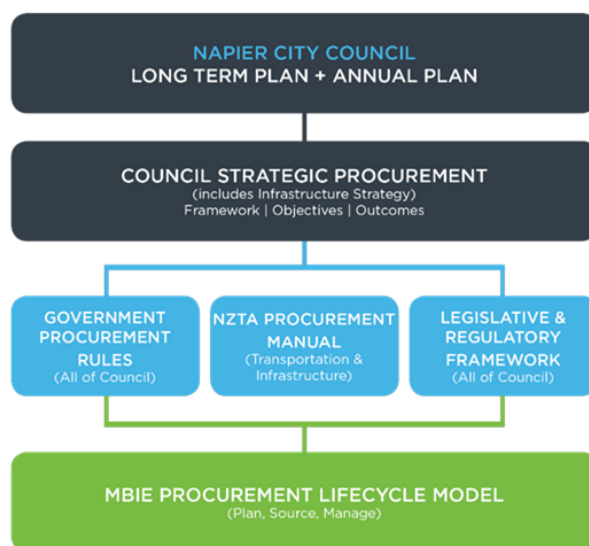


Figure 1 Procurement Policy Framework

2.1 Council Strategic Objectives and Outcomes

The Local Government Act 2002 requires Council to develop a Long Term Plan (LTP) every three years. The LTP sets out the activities and services Council intends to provide for a period covering a minimum of 10 years. This allows Council to take a long-term view of its responsibilities while enabling it to adjust for changing financial factors and keep its budgets up-to-date. The LTP is the basis for the Annual Plan for each financial year and is the basis upon which the Council sets rates.

The LTP also defines specific strategic objectives and priorities, many of which directly influence Council's procurement activities.

The Annual Plan is the Council's budget for each and every financial year. It explains how the Council intends to finance the activities and services it provides during that year as directed by its LTP. It focuses on the adjustments the Council needs to make in light of the previous year's financial performance, updated financial figures, cost increases and inflation.

This Procurement Strategy addresses how the activities and services that have been identified through the LTP and Annual Plan processes will be delivered. It addresses both the major capital projects that have been planned and also the operational 'business as usual' procurements which are required.



Council's City Vision has established six broad areas of focus, as outlined in the Long Term Plan 2018-2028 that define the priority areas for investment, as shown in Figure 2.



Figure 2 Council Vision - Long Term Plan 2018-2028

These themes are woven through the community outcomes Council aims to achieve as shown in Figure 3:

Outcome	Goals
1. A vibrant innovative city for everyone	1.1. Napier is a vibrant city through excellent strategy and planning 1.2. Social cohesion is achieved for all ages and ethnicities 1.3. Innovative services are provided using technology whilst protecting the environment 1.4. Technology connects Napier to the rest of New Zealand and the world 1.5. Napier is an appealing tourist destination 1.6. Business-friendly economic development is encouraged
2. Excellence in infrastructure and public services for now and in the future	2.1. Facilities and infrastructure will support community and visitor needs, focussing on excellent service and accessibility 2.2. Napier's transportation system is safe and affordable 2.3. All transport choices are catered for: cars, cycles, pedestrians and disabled users
3. A sustainable city	3.1. Our natural resources are renewed and enhanced. We act as steward for our environment for future generations 3.2. Napier values its character and history 3.3. Napier is an affordable city to live in
4. Council works with and for the community	4.1. Council guides the city with effective leadership 4.2. Council encourages community consultation and collaboration to assist in shaping the future direction of the city
5. A safe and healthy city that supports community well-being	5.1. Services and facilities support social and recreation opportunities 5.2. Community safety is supported and improved 5.3. Social services are supported

Figure 3 Napier City Council Community Outcomes - Long Term Plan 2018-2028

The Long Term Plan 2018-28 defined the priority areas for investment in Transportation as:

- Develop a strategy to guide future development of the transport network;
- Undertake an assessment of bridges and retaining structures;
- A review of road services looking at maintenance, stormwater runoff and new roading; and
- Promoting sustainable transport is also a key focus area for the strategy.

Transportation Procurement Strategy

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2.2 Infrastructure Strategy

In developing the Long Term Plan 2018-2028, Council identified key challenges that would need to be addressed through the development of the Council's Infrastructure Strategy. Infrastructure accounts for a significant proportion of the Council's operating and capital expenditure and encompasses roads, walking and cycle paths, drinking water, stormwater, wastewater, solid waste, marine facilities and community infrastructure such as parks, laneways and significant community buildings. This expenditure is essential to transport, safety and health and has a significant impact on the physical environment. The Infrastructure Strategy will help the Council and community to make informed decisions in the next three to ten years, that position the Council to deal with long-term decisions and investments that will occur in the next 10 to 30 years.

Transportation asset management is guided by Council's adopted Asset Management Plan. Council's Asset Management Policy requires that the management of assets be a systematic process to guide planning, acquisition, operation and maintenance, renewal and disposal of the required assets.

The provision and management by Council of the community's infrastructure assets is to support the delivery of Council's agreed strategic objectives, the service outcomes, and the regulated requirements.

2.3 Strategic Procurement Framework

In setting its procurement strategy, policies and procedures, Council applies 'The Five Principles of Government Procurement' and takes into consideration the Government Procurement Charter and rules, as set out in the Government Procurement Rules (4th Edition) 2019, published by MBIE. Council recognises this publication as providing a best practice framework to guide Council in the delivery of the best 'public value' through its procurement, and to drive innovation and performance. Council is also guided by the Government Procurement Rules for sustainable and inclusive procurement.



Figure 4 Linking NCC Strategic Objectives to the Strategic Procurement Framework

2.3.1 Procurement Principles

Council will reference the five overarching MBIE procurement principles in managing its approach to procurement:



Figure 5 MBIE Procurement Principles, adopted by NCC

2.4 Procurement Strategy

2.4.1 Objectives and Outcomes

The major focus for this Procurement Strategy is achieving 'public value', ensuring the optimum utilisation of Council's financial resources. This approach recognises that cost alone is not the only indicator of value.

This Procurement Strategy has been developed to achieve the following strategic procurement objectives, in line with the strategic directives set out in the Long Term Plan:

1. **Optimise public value** – maximising the benefits and outcomes generated by Council's procurement activities, through ensuring broader outcomes are considered as part of the procurement evaluation.
2. **Support delivery of Council objectives through efficient and effective procurement** – ensure all procurement activities are conducted in line with Council's Procurement Principles, including the development and maintenance of competitive supply markets.
3. **Build procurement capacity and capability** – develop Council's procurement knowledge, systems, processes, and resources to support efficient and effective procurement to meet and exceed industry best practice.

2.4.1.1 Public Value

When assessing procurement options, Council will use 'public value' as a means of determining the best outcome from funds to be spent. The principle of public value is not solely focused on price but is about getting the best possible result over the whole-of-life of the goods, services or works. This includes using resources effectively, economically, and without waste, and taking into account the total costs and benefits (total cost of ownership), and its contribution to the results Council is trying to achieve (such as social or environmental outcomes).

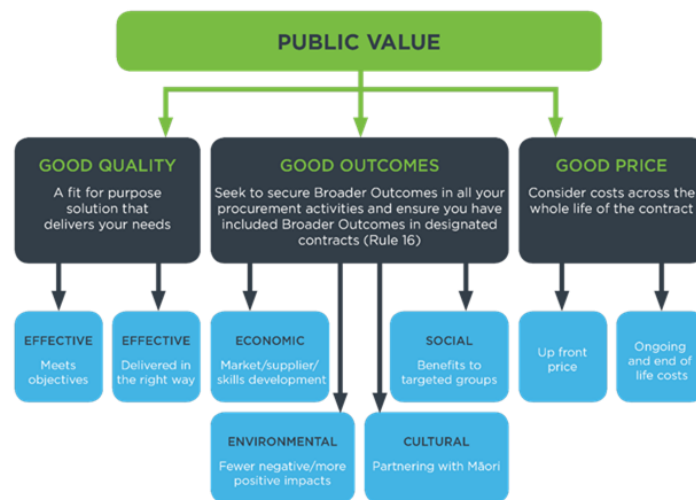


Figure 6 Public Value (Government Procurement Rules (4th Edition) 2019)

The concept of public value does not minimise the importance of achieving a good price (costs across the whole of life of the contract) but encourages employees to consider a broader range of benefits that can be achieved through the procurement of goods and services.

2.4.1.2 Procurement Lifecycle

To achieve the procurement outcomes, Council through this strategy will adopt the Government Procurement Lifecycle model. The Lifecycle includes three key phases for best practice (Plan, Source, Manage) with eight distinct but interrelated stages.



Figure 7 Procurement Lifecycle Model - (Recoloured from MBIE).



2.4.2 Strategic Procurement Approach

Council takes a strategic approach to procurement, recognising the importance of this function in achieving its broader outcomes, sourcing suppliers and managing relationships to successfully deliver against LTP and Annual Plan objectives and business needs, whilst delivering overall public value.

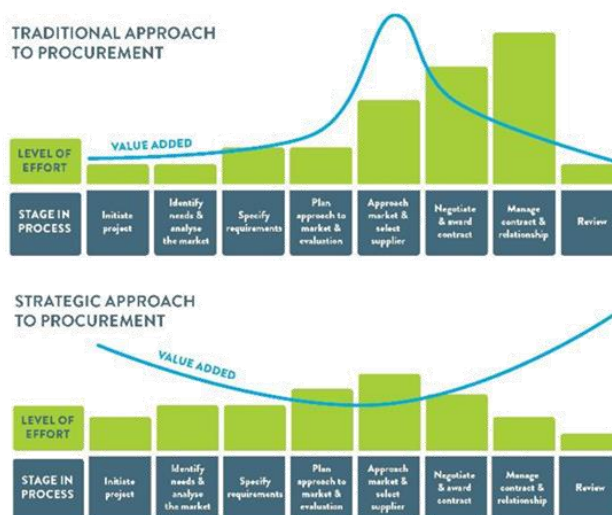


Figure 8 Approaches to Procurement (MBIE)

This approach ensures greater emphasis on the planning and review stages (see Figure 9). This can reduce the risk of issues (and associated costs) in the management of the contract and relationship stage. By placing a higher emphasis on the Review phase, this also provides benefits by providing both Council and the supplier the opportunity to share and benefit from feedback, risk analysis and lessons learned. This also supports a focus on continuous improvement, and ultimately, potential improvements in public value from future procurements.

Traditional approach to procurement - Little time is spent on planning. Effort is generally brought to bear when it comes to approaching the market. As a consequence of insufficient analysis in the planning stages increasing levels of effort are required through contract and relationship management. If the procurement is not reviewed there is little opportunity to benefit from lessons learned.

Strategic approach to procurement - Methodically work through each stage in the procurement process. The time taken to plan, research and analyse procurement choices add significant value to meeting the needs of the community. A focus on relationship development and management means that less time is spent resolving issues and more time applied to assessing quality in delivery and identifying opportunities for cost savings and benefit gains. A strategic approach delivers greater value.

2.4.3 Waka Kotahi Procurement Outcomes

As an approved organisation, Waka Kotahi pay funds from the National Land Transport Fund (NLTF) to Council for activities approved for funding in the National Land Transport Programme (NLTP). To maintain its status as an approved organisation, Council must meet requirements under s20 of the



[Land Transport Management Act 2003](#). The relationship between Waka Kotahi and Council is further explained under [Section 2.5 – Legislative and Regulatory Framework](#).

In addition to Council's objectives, this procurement strategy is required to achieve the procurement outcomes required by Waka Kotahi, as documented in the [NZTA Procurement Manual Amendment 5](#) (2019). By meeting the requirements of the Waka Kotahi Procurement Manual, Council will also meet the applicable requirements of the Government Procurement Rules (4th Edition).

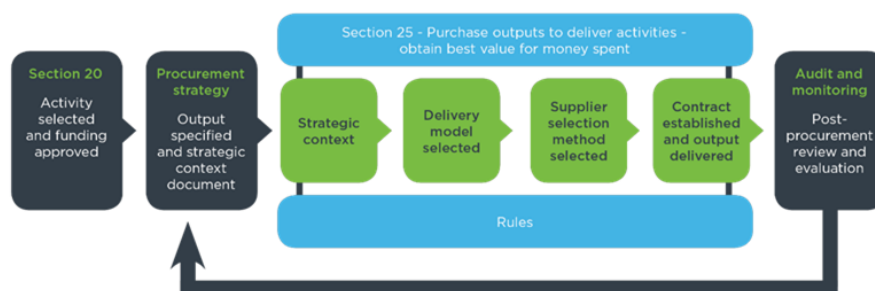


Figure 9: Overall procurement process – from activity selection to output delivery (Recoloured, from Waka Kotahi)

2.5 Legislative and Regulatory Framework

Council procurement is governed by a range of guidance and statutory requirements covering both subsidised and unsubsidised work. Those of most significance are outlined below.

2.5.1 Government Procurement Principles, Charter and Rules

The Government procurement policy framework, [NZ Government Procurement Rules \(4th Edition\) 2019](#), sets the Government's expectations for how government agencies should approach procurement activities. It includes procurement principles, charter, rules and best practice guidance.

The Government Procurement Rules (4th Edition) states that Council, as a public sector agency, should have policies in place that incorporate the Five Principles of Procurement and the Procurement Charter. Council is also encouraged to apply the rules as good practice. Council acknowledges this broad framework supports accountability for spending, sound business practice and better results. By aligning with the Government Procurement Policy Framework, Council strives to be more attractive to suppliers, engage with businesses in a more productive manner, encourage competitive and efficient markets, and build greater trust with the Napier City community that expenditure of rate payer funds is well planned, sourced and managed.

The Government Procurement Rules have two compliance levels when considering the Waka Kotahi Procurement Manual requirements:

1. Council must comply with the rules for Waka Kotahi-funded projects.
2. Council should comply with the rules for wider Council applications as good practice.

2.5.2 Office of the Auditor General (OAG)

Council's procurement policies should be consistent with the principles laid out in [Procurement Guidance for Public Entities](#), published by the OAG. This defines good practice such as legal implications, ethical standards and accounting for whole of life costs.



2.5.3 Local Government Act 2002 (LGA)

Under the [Local Government Act 2002](#), Council must ensure its procurement activities are carried out in an open, transparent and democratically accountable way. The decisions it makes should be robust and defensible, and ethical and legal considerations must always be taken into account.

2.5.4 Land Transport Management Act 2003 (LTMA)

The [Land Transport Management Act 2003](#) sets out the requirements for Waka Kotahi to approve activities for funding (s20) from the NLTF by approved organisations. All expenditure must be made with an approved procurement procedure (s25), unless exempt (by or under s26). Section 25 of the LTMA requires that these procedures are designed to obtain best value for money spent. Figure 9 above illustrates that procurement, through an approved procurement procedure under s25, delivers the activity approved for funding.

2.5.5 National Land Transport Programme (NLTP)

The 2018-2021 National Land Transport Programme is a three-year programme that sets out how Waka Kotahi, working with its partners, invests national land transport funding to create a safer, more accessible, better connected and more resilient transport system to keep New Zealand moving.

The NLTP sets out activities that can receive funding from the NLTF under the LTMA. The NLTP must give effect to the Government Policy Statement on Land Transport (GPS). Regional Land Transport Plans (RLTPs), developed by local government, must also align with the GPS.

Council is now entering the preparation phase for the 2021-2024 NLTP.

2.5.6 Te Tiriti o Waitangi/Treaty of Waitangi

In undertaking its procurement activities Council will comply with its responsibilities under the Te Tiriti o Waitangi/Treaty of Waitangi.

2.5.7 Other legislation

Other legislation that may apply to Council procurement activities includes, but is not limited to:

- Commerce Act 1986
- Construction Contracts Act 2002
- Contracts and Commercial Law Act 2017
- Health and safety at Work Act 2015
- Fair Trading Act 1986
- Local Authorities (Members' Interests) Act 1968
- Local Government Official Information & Meetings Act 1987
- Official Information Act 1982
- Public Audit Act 2001
- Public Bodies Contracts Act 1959
- Public Finance Act 1989
- Public Records Act 2005
- Trade (Anti-dumping and Countervailing Duties) Act 1988

2.6 Health and Safety

Council recognises its obligations under the Health and Safety at Work Act (HSWA) 2015 and as such requires all of its suppliers to take practical steps to ensure safe work practices are employed. Council requires all of its suppliers to comply with these requirements also recognising that in a contracting chain there are shared responsibilities under HSWA to consult, cooperate and coordinate activities with supplier and contractors.

Council requires all of its suppliers to actively explore ways to promote best practice health and safety throughout the procurement lifecycle, in particular ensuring the key principle of 'health and safety by design' is considered and met.

It is a requirement of Council that contractors undertaking work on behalf of Council are SiteWise Green accredited.

Council's Health and Safety team provide advice on procurement including the procurement planning stage, tender document preparation, contractor health and safety plan reviews, and audits as appropriate.

A comprehensive health and safety training programme is provided to staff by the Health and Safety team and external providers.

2.7 Risk Management Framework

Council is committed to managing risk to the organisation and community in an on-going and proactive manner. Effective risk management enhances the ability of Council to achieve intended objectives and meet statutory obligations.

Council applies an Enterprise Risk Management (ERM) approach as an integral part of its management philosophy. Within the Council our framework is aligned to AS/NZS ISO 31000 Risk Management Principles and Guidelines.

Risk is managed in order to:

- Improve decision making.
- Identify innovations.
- Clearly document risk exposure.
- Appropriately communicate and report on risks.
- Integrate risk management culture into our business.

Risk management should be embedded throughout the procurement process and contribute to creating a comprehensive understanding of significant threats and explore opportunities. This enables the minimisation of risk, maximising opportunities for innovation, and the fair and transparent allocation of risk.

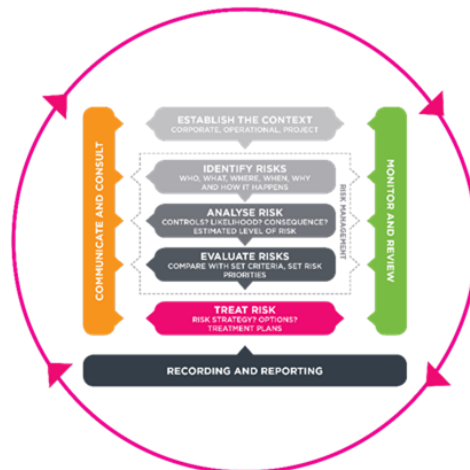
To be effective, risk management must begin at the procurement planning stage and continue throughout the process until delivery of goods or end of service contract – a full life cycle approach.

More information can be found in the Corporate Risk Management Framework and Risk Management Strategy

The application of risk management relating to construction procurement is in line with the New Zealand Government Procurement [Risk Management Construction Procurement Guidelines \(Oct 2019\) V2.0](#).

2.7.1 Risk Assurance Controls

Council uses an internal risk assurance role to undertake reviews of business practice. The reviews are performed to an internal audit standard, and also provide consultancy to business units to strengthen the internal control environment designed to provide reasonable assurance that risk is adequately managed.



2.8 Sustainability Considerations

Sustainability is of strategic and statutory importance to Council. The Local Government Act 2002 requires Council to take a sustainable approach by taking into account the social, economic, environmental, and cultural wellbeing of people and communities, the need to maintain and enhance the quality of the environment, and the needs of future generations. Sustainability must therefore be considered throughout the entire procurement process. This is in line with a shift in the Government Procurement Rules (4th Edition) 2019 to focus on the 'broader outcomes' of procurement as shown in Figure 13.



Figure 10 Examples of Broader Outcomes - NZ Govt. Procurement Rules (4th Ed) 2019 (recoloured).

Sustainable procurement means that when buying goods or services, Council will consider:

- strategies to avoid unnecessary consumption and manage demand,
- minimising environmental impacts of the goods/services over the whole-of-life of the goods or service,
- suppliers' socially responsible practices including compliance with legislative obligations to employees,
- value over the whole-of-life, rather than just the initial cost.

Issues that impact on sustainability include:

- | | |
|--|---|
| • climate change | • economic regeneration |
| • optimising use of natural resources | • building sustainable markets |
| • minimise use of hazardous substances | • legal compliance |
| • waste minimisation | • public image protection and enhancement |
| • job creation | • engagement with iwi and hapū organisations, Māori businesses and social enterprises |
| • health & safety compliance | |
| • equality | |
| • fair pay for suppliers' staff | |

2.9 Social Procurement

With an annual transportation capital programme of approximately \$12 million per year (exclusive of internal staff costs) plus Council's other activities, Council recognises that procurement of these works

may have a marked effect on the local economy and the wellbeing of its community. In undertaking procurement, Council has the ability to deliver additional benefits to the community and/or meet other strategic objectives through its supply chain. For example reducing unemployment rates, enhancing the skills of the local workforce, or enabling the growth of local markets or suppliers.

A Transportation Strategy is currently being established and this includes consideration of broader outcomes in its development of a strategic direction for transport in Napier. Community gains achieved through implementation of the Transportation Strategy can be augmented through the application of appropriate procurement principles in programme delivery.

3 Procurement Programme

The city's transportation network provides accessibility for Napier residents and visitors through a safe, clean and aesthetic environment. The activities within this group include the installation and maintenance of the roads, footpaths, traffic and pedestrian bridges and structures, street lighting, drainage, traffic services and safety.

The total quantity of assets managed by the Transportation team is summarised in the following table

Asset Details
301km of urban roads and footpaths
56km of rural roads
45km of cycle paths
15,607 streetlights
3,400 amenity lights
8 vehicle bridges
10 pedestrian bridges
61 Culverts larger than 900mm in diameter
480km of kerb and channel
5,441 sumps and manholes
1,369 culverts less than 900mm in diameter
15,822m of traffic islands
6,374 safety barriers and railings
5,902 street trees
6,885 street signs
24 bus shelters

Table 1 Transportation Assets – LTP 2018-28

Council's 10 Year capital programme is defined within the 2018 to 2028 LTP. The Transport section of the LTP gives an overview of the major planned projects for this period and the budgeted spend for the next three years in order to provide some context to the procurement strategy.

As part of the Long Term Plan, the Infrastructure Strategy identified key challenges for the next 10-30 years, which are:

- Ageing transportation and three waters infrastructure.
- Modest levels of forecast population and economic growth.
- An aging population that may place different demands particularly on transport infrastructure and park space.
- Likely change in the transport sector via the advancement of non-petrol vehicle alternatives and self-drive technology.
- Predicted effects of climate change – particularly severity of rainfall events and impacts near our coastline.
- Increasing environmental standards, particularly in relation to stormwater quality and road runoff.

3.1 Planned Major Projects

For the period of 2018-2028, the LTP identified key areas of investment, with budgets set to 2028 breakdown of the key projects identified in the Long Term Plan are given in the table below:

Project	Reasons	Principal Alternatives	Assumptions	Cost (2018)	Year(s)
Stormwater Quality / Ahuriri Master Plan - Thames Severn Stormwater Management	To achieve Compliance with Stormwater discharge consents	Various design options and locations will be considered when determining how best to achieve outcomes	Effective solutions can be installed in existing road reserve.	\$500,000	2021 - 2024
Ahuriri Master Plan - Ahuriri Laneways	Delivery of projects to implement the vision defined in the Ahuriri Estuary Master Plan.	Projects are defined to outcome level. Alternative means of delivering these outcomes will be assessed during project development.	Dependent upon West Quay land purchase / Third party developments	\$980,000	2028 - 2031
Ahuriri Master Plan - Bridge Street Pedestrian facilities			NZTA and KiwiRail support the implementation of improvements within their corridors.	\$4,230,000	2025 - 2028
Ahuriri Master Plan - Meeanee Quay Upgrade			The transport function of this corridor can be reduced in favour of amenity without significant displacement of effects elsewhere on the network.	\$120,000	2022/23
Ahuriri Master Plan - Pandora Road Upgrade				\$1,200,000	2024/25
Ahuriri Master Plan - Pandora Bridge Gateway				\$1,200,000	2026/27
Ahuriri Master Plan - West Quay Upgrade				\$45,000	2019/20
Ahuriri Master Plan - West Quay Car Park	Provide safe public parking facilities for Ahuriri growth.		Land is released by OTS and is available for purchase.	\$750,000	2020/21
CBD Development	Rejuvenation of the CBD to remain competitive for business and visitors.	Retain and maintain existing streetscapes.		\$1,000,000 \$1,500,000	2020/21 2021/22
Puketitiri Road	To improve user safety and cater for growth in heavy and light traffic	Retain current LoS and continue reactive maintenance.		\$13,265,000	2019 - 2025
Walking & Cycling	Improve accessibility and modal choice			\$8,625,000	2019 - 2024
				\$8,590,000	All Years

Table 2 - Programme of Significant Transportation Investment

Note: This table is a summary of investment highlights and excludes business as usual and routine renewal. It includes projects not funded through the NLTF.

Council is also implementing a streetlight upgrade programme replacing existing lights with LED technology and intends to develop a programme for the renewal of aging street light columns with the potential to use composite materials which will significantly increase the lifespan of the street lights.

3.1.1 Indicative Annual Spend

The Long Term Plan 2018-28 indicated a Transportation capital spend for the period of 2020-23 as:

Year	2020-21	2021-22	2022-23
Value	\$10.90 M	\$10.03 M	\$13.82 M

The following shows projected annual capital expenditure associated with the roads and footpaths for the first 10 years followed by the average annual spend for each 5-year period from 2028 to 2048.

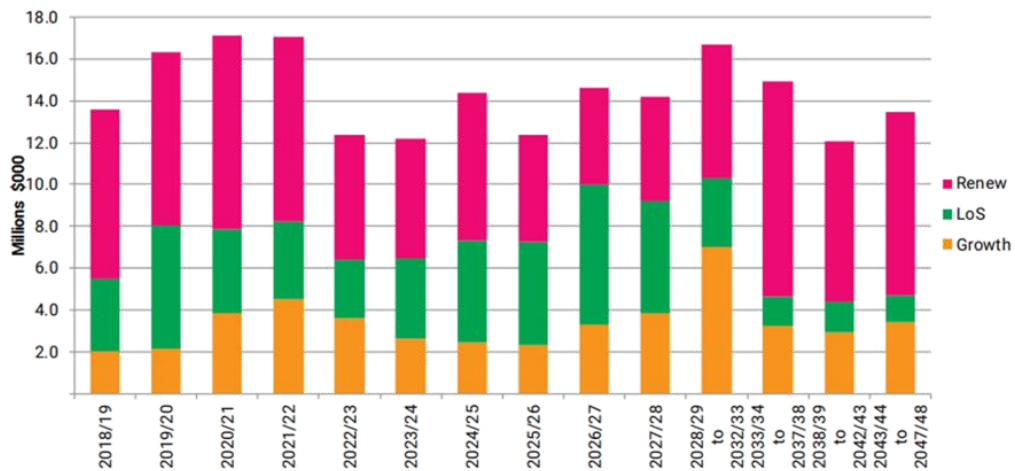


Figure 11 Asset Management Forecast Spend

PROJECT	MINOR PROJECTS			SUMMARY
	VALUE	CONTRACT DURATION	FINANCIAL YEAR	
Intersection safety improvements	\$0.2m	3 months	2019/20	Intersection splitter islands and pedestrian improvements
Pirimai LATM	\$0.2m	2 months	2019/20	Traffic calming
Douglas McLean Av LATM	\$0.2m	2 months	2019/20	Traffic calming
Bay View to Whirinaki link cycleway	\$0.25m	3 months	2019/20	Cycleway from Ferguson St to boundary
Marine Parade Traffic Calming	\$0.25m	1 month	2019/20	Raised crossings for pedestrian connectivity and lower vehicle speeds
Main St Retaining Wall	\$0.3m	4 months	2020/21	Retaining wall replacement and road widening
Meeanee Rd / Guppy Rd traffic signals upgrade	\$0.2	1 month	2020/21	Improvements to sightlines, phasing and pedestrian and cyclist provisions
Main St Retaining Wall	\$0.3m	4 months	2020/21	Retaining wall replacement and road widening
Thames Severn Stormwater Management	\$0.25m	3 months	2020/21	Improvements to the water runoff quality from industrial area.
Cross country Drain pathway	\$0.25m	2 months	2020/21	Off road pathway from Harold Holt Av to Te Awa Av
Gloucester Rd / Springfield Rd intersection improvements	\$0.5m	2 months	2021/22	

Tamatea LATM	\$0.2m	2 months	2022/23	Traffic calming
Marine Parade - Munroe St to Sale St traffic calming	\$0.5m	2 months	2022/23	Traffic calming
Marine Parade - Vautier to Sale St traffic calming	\$0.5m	2 months	2023/24	Traffic calming
In addition, various low-risk, minor works where formal project processes would not be cost effective may be undertaken by Council's Road Maintenance contractor, subject to an acceptable estimate. Such works will comprise individual traffic islands; kerb build-outs; signage/markings upgrades; minor traffic calming features and the like.				

Table 3 Minor projects breakdown

MAJOR PROJECTS				
PROJECT	VALUE	CONTRACT DURATION	FINANCIAL YEAR	SUMMARY
Kennedy Rd Cycleway	\$0.5m	4 months	2019/20	Off road cycle connection from Georges Drive to CBD
Kennedy Rd Safety Improvements – Marewa Shops	\$1.0m	4 months	2019/20	Improvements to cycling facilities including new elongated roundabout to control movements
Pandora Rd / Thames St Roundabout	\$1.0m	4 months	2020/21	New roundabout
Severn St Roundabout	\$1.5m	4 months	2020/21	New roundabout to service the new commercial developments
SH51 / Marine Parade Intersection Improvements	\$1.5m	4 months	2020/21	Priority improvements
Te Awa Av Upgrade	\$1.2m	4 months	2021/22	Road upgrade to improve pedestrian and cycle facilities with traffic calming
Puketitiri Rd upgrade	\$7.0m	3 years	2021-24	Road realignment with provision for vulnerable users
Te Awa Structure Plan Outcomes	\$1.4m	6 months	2020/21	Infrastructure upgrades to accommodate new developments in Te Awa
Western Gateway Improvements	\$2m	6 months	2021/22	Transformation of the western gateway to the CBD from a vehicle centric corridor to a vulnerable user friendly environment
CBD Upgrade (unsubsidised)	\$13m	3 years	2021-24	Upgrade of the CBD from Marine Parade to Clive Square
Ahuriri Masterplan - West Quay Car Park & Laneways	\$2.5m	6 months	2021/22	Activation of vacant area to accommodate businesses and improved access
Ahuriri Masterplan - Meeanee Quay Upgrade	\$2.4m	24 months	2024/25	Upgrade of Meeanee Quay to enhance recreational activities and improving road safety
Ahuriri Masterplan - Bridge Street Pedestrian facilities	\$4.2m	24 months	2025-28	Improving connectivity across SH51 for vulnerable users

Table 4 Major projects breakdown

TERM MAINTENANCE CONTRACTS		
CONTRACT	PA VALUE	CONTRACT RENEWAL DATE
Road Maintenance inc. Road Marking and Traffic Services	\$5m	October 2024
Street Lighting and Traffic Signal Maintenance	\$1m	September 2020

Table 5 Term Maintenance Contracts

INTERNAL EXPENDITURE					
PROJECT	2016-17	2017-18	2018-19	3yr Average	NOTES
Professional Services	\$999,627	\$743,188	\$1,107,041	\$949,000	In house resources are used with the approval of Waka Kotahi in accordance with Section 26 of the Land Transport Management Act 2003. Figure includes Transport Operations staff. SLA for Professional Services under development at time of issue (May 2020)
Physical Works (not funded through NLTF)	\$2,103,234	\$2,410,113	\$2,310,869	\$2,271,000	Works include maintenance of street trees; street beds and gardens; cleaning; minor works. SLA for Professional Services under development at time of issue (May 2020)

Table 6 Internal Expenditure

3.2 Procurement Programme Overview

3.2.1 Procurement Positioning

The supply positioning matrix (Figure 12; Table 7 - below) shows transportation investment to be high risk, high strategic value procurement. However, individual procurement activities will fall within each of the sectors and it is therefore necessary to consider the most appropriate procurement approach at a project level. Consistent value will only be achieved by following a right-sized procurement, based on project complexity, risk and scale in the context of the current supplier market. Procurement planning will utilise structured processes based on NZ Government Procurement templates to ensure consistency of approach. The supply positioning table, below, will guide the selection of Procurement Plan templates and the identification of procurement method.



Figure 12 Supply Positioning Matrix (Source: MBIE)

Type of Relationship	Agency priority	Description	Approach	Arrangement
Low value strategic	Security of service	Low cost services Strategically important Shortage of providers	Ensure supply	Long term contracts support security of supply Consider developing additional capacity in the supplier community. Maintain a closer relationship to manage problems proactively
High value strategic	Security of service at a good price	High cost services Limited number of suppliers, maybe a single supplier scenario	Manage providers	Med/long term contract to support security of supply Contingency planning Maintain a closer, more collaborative relationship
Low value non-strategic	Maximise efficiency in sourcing services	Low-value/low-risk services Many potential suppliers	Less attention	Standard outcome agreements of shorter term Standard measures, monitoring and reporting Closer monitoring of those suppliers falling below average standards, volumes or outcomes
High value non-strategic	Improving value through actively working with suppliers to seek efficiencies	High-cost/low-risk services Many potential suppliers	Ensure value	Shorter term contracts enable change to achieve better value On-going active sourcing for competitive price Less common for contracts for social services

Table 7 Explanation of the Supply Positioning Matrix (Source: MBIE)

3.3 Planned High Risk or Unusual Procurement Activities

The transportation capital and operational programmes comprise solely of activities typical for local government.

4 Procurement Environment

4.1 Analysis of Supplier Market

Total Council expenditure is heavily weighted towards the Infrastructure Group, which comprises Transportation, Three Waters, Solid Waste, and Public Spaces & Building Assets.

Trends in expenditure are influenced by individually significant projects or programmes such as long term maintenance contracts.

Core functions of the programme can be undertaken by the local supplier market with specialist expertise sourced nationally. For asset management, the suppliers are a mix of small to medium-size suppliers and larger multinationals who have a strong presence in Hawke's Bay. The larger companies can draw on their national expertise to undertake technically specialised projects with regards to both physical works and professional services.

Council has experienced an increasing programme of work and the capacity and capability of the market to deliver the programme is a concern. This increase is planned to continue and requires a greater emphasis on procurement planning.

The region continues to experience a vibrant market with a continued high level of residential, commercial and industrial development which is affecting the capacity of professional service providers and contractors.

The national skill shortage in the construction industry is evident in Hawke's Bay and Council is experiencing an increase in construction costs due to the combination of this shortage and current local market conditions.

There are four other Territorial Local Authorities (TLA) in the region (Hastings District Council, Central Hawke's Bay District Council, Wairoa District Council and Hawke's Bay Regional Council) and Waka Kotahi. All have similar procurement demands, which can limit the number of tenders/responses and increase costs. Further, major asset owners such as the Port of Napier and Hawke's Bay Airport place additional demand on contracting resource in civil, road and pavement construction.

The establishment of Hawke's Bay Local Authority Shared Services (HBLASS) has enabled Council to derive greater value through their procurement across some areas of the organisation such as IT services and fuel. While the Councils do attempt to coordinate procurement for asset management projects, the nature of the programmes of work can limit the opportunity for this to occur (e.g. complexity, flexibility restricted by seasonality/weather, funding constraints, the nature of the project and impact on the community).

The relative geographical isolation of Hawke's Bay limits the range of suppliers with the resources and expertise to handle large programmes of work. The region has not seen many variations in supplier numbers from year to year. The relatively small value physical works contracts limit the interest in contractors from outside of the region to either tender for work or to establish a base in Hawke's Bay.

It is through a combination of term and project-specific contracts that Council encourage a competitive environment. Project-specific contracts are procured either through invited or open tenders.

Council will continue to assess the impact of the procurement approach selected on the local market by thorough procurement planning and continuous engagement with suppliers, to ensure the best opportunity is made available for suppliers to tender.

4.2 Analysis of Current Procurement Spend and Profile

Over the previous three years, Council has spent an average of \$18 million on procuring goods and services externally, roughly a quarter of Council's total expenditure with suppliers.

TRANSPORTATION – TOP EXTERNAL SUPPLIERS (LAST 3 YEARS: Average >\$200,000)				
Contractor	2016-17	2017-18	2018-19	3-Year Average
Higgins	\$6,083,647	\$4,560,112	\$5,444,223	\$5,362,660
Nathan Pope Electrical	\$1,061,425	\$1,124,772	\$1,415,669	\$1,200,622
Waka Kotahi ¹	\$303,735	\$1,283,607	\$1,097,164	\$894,863
Fulton Hogan	\$173,530	\$2,382,366	\$59,520	\$871,805
Genesis Energy	\$686,948	\$764,604	\$692,108	\$714,553
Downer NZ	\$94,139	\$714,901	\$630,244	\$479,761
WSP	\$499,956	\$358,934	\$270,767	\$376,552
OrangeTek	-	-	\$1,015,440	\$338,480
Orsborn Roadmarkers	\$250,604	\$322,400	\$322,024	\$298,343
Combined Road & Traffic Services	\$255,406	\$295,710	\$269,719	\$273,612
Ian Dick Concrete	\$474,848	\$163,815	\$50,046	\$229,569
Stantec	\$217,758	\$331,986	\$80,897	\$210,214
Total - Transport Spend	\$17,227,919	\$20,525,989	\$17,484,435	\$18,429,448
Total - NCC Spend²	\$78,417,000	\$74,774,000	\$76,949,000	\$76,713,330
% of NCC Spend on Transportation	22%	27%	23%	24%

Table 8 Transportation – Top External Suppliers (Last 3 Years)

4.3 Analysis of Procurement Programme Impact on other Entities

Through HBLASS and senior executive level engagement within the four other TLA's and Waka Kotahi, the District Health Board and the Port of Napier, Council has an appreciation of the forward works programme of works of the respective organisations and the demand on the suppliers.

Hastings District Council Asset Management Group host an annual civil contractor meeting where all the TLA's and Waka Kotahi present to the contractors their upcoming annual programme and other significant issues they face. The contractors also present or raise issues. This process sees a high level of engagement from suppliers of all tiers.

As noted in section 4.1 there are constraints to integrating the programmes of regional agencies, and this will not always be possible. Council is committed to considering opportunities for coordinated procurement where sustainable benefits to the region, the supplier market or community can be achieved.

¹ Waka Kotahi expenditure relates to payments to multi agency Capital project.

² Total "Application of operating funding (less Staffing Costs)" and sum of "Capital Expenditure" as published in NCC Annual Reports

An example of efficiency gains realised, was the collaboration on the issuing of a joint Request for Tender for Refuse and Recycling services by Napier City Council and Hastings District Council to minimise tendering costs and increase the efficiency of the tendering process.

The five TLA's recognise the impact their combined procurement programmes have on the region, and have moved to create a role "to lead, develop and implement a strategic and sustainable procurement model to support the councils to meet their regional collective objectives and deliver a positive impact on economic, environmental, social and cultural wellbeing for our communities".

The HBLASS role (Director, Regional Strategic Procurement) has recently been appointed. This role is responsible for developing strong and effective cross-council strategic procurement leadership, business partner relationships with external service providers as well as key stakeholders, and integrate with business leaders to form on-going strategic partnerships. Council will work alongside the role to implement improvements including the action noted in the implementation plan (section 6.1) to work with suppliers, neighbouring TLAs and Waka Kotahi to better coordinate long-term work programmes.

5 Approach to Delivering the Work Programme

This section provides a high-level overview of how Council delivers its procurement programme.

5.1 Delivery Models

Council uses a range of models to deliver goods and services in the achievement of outcomes across the organisation. In selecting the appropriate service delivery model, Council will assess the activity against:

- Complexity
- Risk profile
- Innovation potential
- Timing and urgency
- Scale
- Size of supplier market
- Uncertainty
- Stakeholder requirements
- Level of Council involvement (including capability and capacity)
- Contract value

The range of delivery models that Council may use to procure goods and services are:

Delivery Model	Description
Staged (Most commonly used)	<p>Under a staged approach, activities are delivered through a staged series of separate contracts (e.g. Investigate, design or construct only, sequential staged where full design completed before construction commences, and accelerated staged where construction starts with design partially completed). This is a traditional approach and widely used.</p> <p>Best suited to: small to medium projects where Council wishes to maintain some form of involvement/control over the activity. Complexity, uncertainty and risk are low. Scope is well defined and the opportunity for innovation is low.</p>
Design and Construct	<p>A traditional design and construct (also known as Design-Build) model uses a single contract to complete the detailed design and construction phases. This may also incorporate an Early Contractor Involvement (ECI) approach, whereby the supplier engages the contractor after the initial investigations and seeks to maximise the value that can be achieved from a design and construct model. The design and construct model generally awards contracts as separable portions, conditional on the successful completion of the previous stage.</p> <p>Best suited to: medium to large projects where complexity, uncertainty and risk are correspondingly higher as well. More opportunity for supplier to innovate during delivery. Council wishes to transfer some of the risk to the supplier.</p>
Shared Risk	<p>A shared risk delivery model uses an integrated team comprising of the buyer, consultants and contractors and material suppliers. The team members are incentivised to work collaboratively and impartially to deliver what is best for the project and to achieve high performance standards. Risk is shared by all parties – no party can win at the expense of another. An alliance is an example of a shared risk delivery model. Council will require the necessary capabilities and resources to organise and manage a shared risk model.</p> <p>A shared risk delivery model is defined by Waka Kotahi as an advanced delivery model and as such can only be used with the Transport Agency's prior written approval under s25 of the LTMA.</p> <p>Best suited to: medium to large projects where complexity, uncertainty and risk are high.</p>

	A single supplier is unlikely to be able to undertake the contract alone. Innovation potential is high.
Supplier Panel	<p>A supplier panel delivery model appoints a group of suppliers that, as a panel, offer the best combination of skills and experience required to deliver a specified group of outputs. Suppliers are appointed to the panel in the first stage of this process, before the allocation of tasks to each appointed supplier in a second stage. This second stage may be by direct appointment or a competitive process with two or more of the panel members.</p> <p>A supplier panel delivery model is defined by Waka Kotahi as an advanced delivery model and as such can only be used with the Transport Agency's prior written approval under s25 of the LTMA.</p> <p>Best suited to: programmes with a succession of similar or related activities and/or the volume of work may be too large for one supplier* to undertake, or where supplier consistency and establishing a longer term relationship with suppliers provides value. This method is also valuable where specialist skills or equipment are required; there are a number of suppliers who can provide the required outputs; and/or there is an advantage in having a choice of suppliers to select from at reasonably short notice. *This can apply to consultants, contractors or suppliers.</p>
Collaborative	Under a collaborative delivery model, activities are delivered by leveraging agreements already put in place by other organisations, including MBIE. Common collaborative arrangements include All of Government (AoG) contracts, Common Capability Contracts and Syndicated Contracts, and are expected to provide direct savings as well as reduce demand on Council's procurement capacity.

Table 9 Council Delivery Models

The diagram below illustrates the main differences between the staged, design and construct, and shared risk delivery models. As the complexity of the delivery model increases, the number of contracts decreases, which in turn creates an opportunity to increase the speed of delivery of the project.

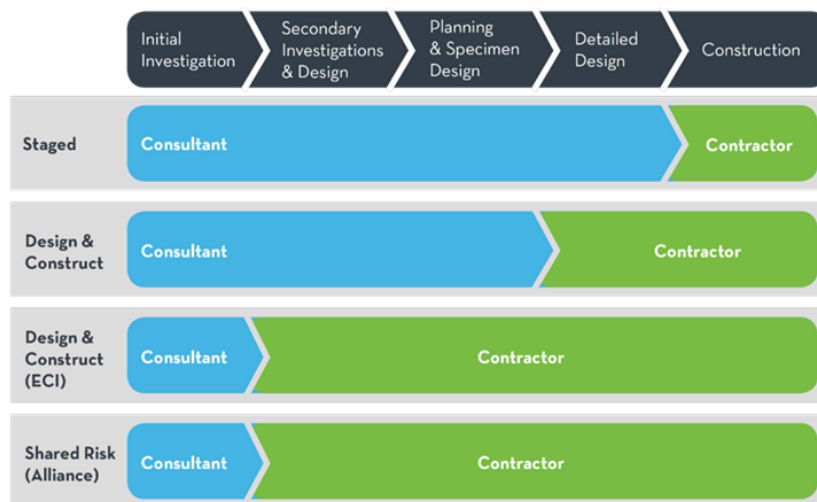


Figure 13 Service Delivery Model Comparison

5.2 Term Contracts

See Section 7 Appendix 1 for a list of current Transportation Long Term, Maintenance, Operations and Renewals Contracts.

5.2.1.1 Transportation Term Maintenance Contracts

The transportation team currently manages two term maintenance contracts; Road Maintenance and Renewals Contract and Street Lighting and Traffic Signals Maintenance. These contracts were competitively tendered through an open tender process and are for a fixed term with possible extensions through mutual agreement based on contractor performance and at the sole discretion of the Principal.

Contract "C1215 Road Maintenance and Renewals" has a term of 5 + 2 + 2 which was awarded in October 2019.

Contract "C1072 Street Lighting and Traffic Signals Maintenance" has a term of 3 + 1 + 1 which was awarded in September 2017.

The benefit of term contracts such as these is that a collaborative long-term working relationship can be established that provides Council with continuity of supply and the ability for the contractor to add value to problem solving through the option identification, design and delivery processes.

5.2.1.2 In-house Delivery Agreement

Council utilises their in-house design and projects team to provide engineering professional services related to the development and delivery of capital projects. This includes support for options development, estimating, design and project management. Procurement considerations are defined in each project's scope agreement.

It is a requirement to provide the necessary skills to deliver the provided scope of works including the use of specialist sub-consultants if in-house capability or capacity is unavailable.

The services cover transportation (Waka Kotahi-subsidised and unsubsidised), three waters, solid waste management and parks.

The benefit of the in-house delivery agreement is that a collaborative long-term working relationship is established that provides Council with technical skills to deliver the programme of works.

A Service Level Agreement covering professional services is currently being developed to formalise the relationship between the asset management/network operator functions and professional services/delivery function.

5.3 Approaching the Market

Council chooses its approach to market based on complexity and uncertainty, scale, timing and urgency, innovation potential, risk management and the supplier market.

Broadly there are two categories of methods – Competitive Approaches and Direct Approaches. The tables below provide an overview the methods used by Council within these two categories.

5.3.1 Competitive Approaches

	Used for	Methods
Open Invitation for all interested suppliers to tender.	Higher-value, higher risk goods and services.	<ul style="list-style-type: none"> Request for Tender (RFT) Request for Proposal (RFP) Request for Quote (RFQ)
Closed Invitation to suitable suppliers to tender.	Low- value, low-risk goods and services.	<ul style="list-style-type: none"> Verbal quote Written quote Request for Tender (RFT) Request for Proposal (RFP) Request for Quote (RFQ)

Multi-stage Open invitation for all interested suppliers to respond. Council then assess all responses and invites shortlisted suppliers to submit tenders.	Higher value, higher risk, complex or unique goods and services, seeking innovation.	<ul style="list-style-type: none"> Open call for registrations / expressions of interests (ROIs / EOIs) Closed request to shortlisted suppliers for proposals or tenders (RFT or RFP) e.g. the Prequalification system
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Table 10 Competitive Approaches to Market

5.3.1.1 Electronic Tendering

Council uses Tenderlink to advertise tenders and manage the tender process. The Tenderlink system is used for managing all supplier questions and answers relating to tender queries. The alternative to Tenderlink, the Government Electronic Tendering Services (GETS) may be used in future. There is no plan to move away from online, electronic tendering.

5.3.1.2 Minimum Time Periods for Tendering

The following minimum time periods are applied to the following types of procurement processes. Days are expressed in clear business days.

Process Type		Minimum Time Period
One Step Process	RFQ	12 days
	RFT/RFP	22 days
Multi-Step Process	Step 1 ROI/ITP	17 days
	Step 2 RFT/RFP	20 days

Table 11 Minimum Time Periods for Tendering

5.3.2 Direct Approaches

	Used for	Methods
Buy directly from any suitable supplier	Very low value, low risk purchases (typically goods). One-off purchases.	<ul style="list-style-type: none"> Three competitive quotes Electronic Purchase Order (EPO) Emergency situation
Buy directly from a pool of suppliers through a standing arrangement	High value, low risk goods or services.	<ul style="list-style-type: none"> Syndicated contract Panel contract Standing offer Collaborative or cluster arrangement
Buy selectively from a specific supplier	Higher value, higher risk procurements where there are special circumstances (typically specialised professional services such as planning, valuation, legal etc.).	<ul style="list-style-type: none"> Contract with individual supplier

Table 12 Direct Approaches to Market

5.3.2.1 Waka Kotahi-Funded Projects

For transportation projects funded by Waka Kotahi, direct appointment is permitted where the contract cost estimate is less than or equal to the limits set out in the table below as outlined in the Waka Kotahi Procurement Manual Amendment 5, Rule 10.9. However, Napier City Council will only employ direct appointment for specialist works where the supplier market is limited.

Contract for	Physical works	Professional services
Direct appointment	\$100,000	\$100,000
Closed contest	\$200,000	\$200,000

5.4 Supplier Selection

In determining the supplier selection method, Council considers the relative importance of price and quality. Quality outcomes may include broader outcomes (environmental, social, economic and cultural). Considerations are:

- Focus on price – all participants must meet quality requirements and the supplier is then chosen on the basis of price.
- Focus on both price and quality – the quality attributes of the suppliers are graded and the preferred supplier is selected by balancing price and quality.
- Focus on quality – the preferred supplier is selected on the basis of quality, with the price being negotiated afterwards.

Evaluation Methods

The following methods are used when selecting suppliers.

Evaluation Method	Considerations
Lowest Price Conforming The preferred supplier meets all the requirements set out in the RFT/RFP/RFQ and offers the lowest-priced proposal.	Physical Works Used for tenders falling within the low to low/medium risk. Professional Services Only be used in circumstances where the output can be very clearly specified, and where it can be shown to both deliver best public value and meets the requirements as set out in the RFT/RFP/RFQ.
Price/Quality method The quality attributes of suppliers whose proposals meet the RFP's requirements are graded, and the preferred supplier is selected by balancing price and quality through the use of a formula. Supplier quality premiums are influenced by: <ul style="list-style-type: none"> • The price estimate • Chosen non-price attributes • How the non-price attributes are graded (the spread of grades) • Weights given to the non-price attributes • Weight given to price. 	Physical Works Used for tenders where there are specialised levels of expertise required to manage the risks or complexity. Professional Services Used where the specified outputs can be priced by the supplier and where Council determines that best public value will be obtained by selecting the supplier that offers the best combination of price and quality requirements as defined in the RFT/RFP/RFQ.
Purchaser Nominated Price (Target Price) A supplier selection method where the Council fixes the price to be paid and proposals are evaluated on the basis of quality (non-price attributes) only.	Physical Works It is not recommended for physical works or routine professional services engagements. Professional Services This method is typically used for such activities as strategy studies, feasibility studies transportation studies and investigations.
Weighted Attributes A supplier selection model that seeks to balance the trade-off between price and quality. Under this model, the price and non-price attributes are weighted and graded to reflect their relative importance and the preferred supplier selected by balancing price and quality through the use of a weighting formula.	Physical Works This method is suitable for physical works but is not used when purchasing outputs for activities funded under section 20 of the LTMA. Professional Services This method is suitable for Professional Services, however this method is not used when purchasing outputs for activities funded under section 20 of the LTMA.
Direct Appointment A supplier selection method in which the purchaser selects a single supplier and negotiates the contract terms, including price.	Physical Works Direct appointment, and a closed contest involving at least three suppliers can only be used where: <ul style="list-style-type: none"> ▪ There are specific risks that limit available suppliers, and/or ▪ It can be demonstrated that an open tender would not add value for money. ▪ An emergency situation exists. ▪ There are not enough suppliers for a competitive process. Professional Services Direct Appointment of a supplier for Professional Services can be used where the value of the work is less than \$25,000. However this method should only be used in circumstances noted above.
Quality based (Brook's Law)	Physical Works

Where the scope of the outputs (works or services) cannot be fully described, and the best public value will be obtained by selecting the supplier on the basis of supplier quality alone. There is no competition on price.	<p>This method is not to be used for physical works.</p> <p>Professional Services</p> <p>This method is generally used for high value/high risk professional services contracts, and/or where Council has determined that best value can be obtained by selecting the best quality supplier and then negotiating the price with that supplier. Note, in this context, this method does not constitute an 'advanced' mechanism in Waka Kotahi terms.</p>
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Table 13 Evaluation Methods

5.4.1 Tender Pre-conditions

Pre-conditions (or prequalifying criteria) are prerequisite requirements that must be met to be considered for the contract opportunity. The purpose of pre-conditions is not to limit market competition, but to ensure suppliers have the minimum capability and capacity to deliver the contract.

Suppliers who meet all of the pre-conditions are then eligible to be assessed against the scored evaluation criteria.

Pre-conditions will always be clearly identified in the RFP/RFT/RFQ.

5.4.2 Non-price Attribute Evaluation

In evaluating a proposal or tender, Council uses the following non-price attributes:

Required	Relevant Experience	The supplier's previous experience in technical areas relevant to the outputs being purchased.
	Relevant Skills	The competence of the personnel the supplier proposes to use, with particular regard to their skills and experience in areas relevant to the outputs being purchased.
	Methodology	The procedures or processes the supplier proposes to use to achieve the specified end result.
	Health & Safety	The supplier's ability to maintain Health & Safety standards as required under the Health & Safety at Work 2015.
Optional	Track Record	The supplier's record of performance relating to delivering required outcomes on time, to budget and to quality standards.
	Resources	The equipment, facility or intellectual property the supplier proposes to use in delivering the outcome.
	Technical Requirements	The ability of the supplier to meet specific technical or functional outcomes required.
	Financial Viability	The supplier's ability to fund the delivery of the outputs being purchased.

5.4.3 Non-price Weighting

Non-price weightings are to be determined for each specific contract and, for Waka Kotahi subsidised transportation works, must also comply with Waka Kotahi rules. Weightings may be a combination of percentages or on a pass/fail basis. Weightings are agreed by the tender evaluation team and project owner according to the project risks and outcomes sought.

5.4.4 Alternative Responses

In some cases, Council may invite alternative responses to an RFP/RFT/RFQ. The RFP/RFT/RFQ must clearly state whether alternative tenders or proposals are permitted and if an alternative must be accompanied by a conforming tender or not. When submitting an alternative response, suppliers should clearly quantify the added value they believe the proposal offers.

5.4.5 Tender Evaluation Team (TET)

To assess tenders, Council will establish a team with a minimum of three evaluators which may include individuals with technical, cultural, financial or legal expertise, depending on the project requirements. The TET team may request additional expert advice from outside of the team during the evaluation process. All team members are required to complete a Conflict of Interest declaration and sign a Confidentiality Agreement.

For Waka Kotahi-funded projects over \$200,000 the TET will include a certified Waka Kotahi Tender Evaluator.

5.4.6 Negotiation with Suppliers

Where appropriate, Council will negotiate with the preferred supplier(s) prior to tender acceptance or contract award. Negotiation may be used to clarify aspects of the proposal or tender, test underlying assumptions, or to achieve an improvement in value.

5.4.7 Due Diligence

Council undertakes due diligence to independently verify the ability of the supplier to fully deliver the outcomes required over the duration of the contract.

Due diligence may include:

- Reference checks
- Analysis of ownership
- Qualification checks
- Analysis of Delivery
- Analysis of Finances
- Site visit (to supplier)
- Site visit (customer)
- Reputation research
- Security checks

If a serious issue arises during due diligence that cannot be resolved by the supplier, they will be removed from further consideration and the next ranked supplier promoted to preferred status.

5.4.8 Notification of Tender Results and Contract Awards

Council will notify all suppliers in writing of the tender outcome. All suppliers are offered the opportunity to received feedback on their response. This is recognised as an important step for improving the quality of submissions and supporting a competitive market.

5.5 Professional Services

Council procures professional services to support its full range of activities, however the most significant spend relates to professional services for asset management (Transportation, Three Waters, Solid Waste Management and Public Spaces & Building Assets).

Civil design, contract and project management services are provided through Council's in-house Design & Projects Team. More specialist professional services are typically procured from external consulting engineers, including strategy/policy development, master planning, business case development, structural design. Projects are assigned to external providers through a mix of direct appointment to those with current knowledge, capacity and capability, and through traditional tender procedures.

5.6 Approach to Contract Management

Council adopts the MBIE approach to Contract Management. This methodology bases the achievement of successful contract management outcomes on three 'pillars': relationship management, service delivery management and contract administration. The methods associated with each pillar vary based on the nature of the relationship with the supplier as per the procurement positioning matrix (refer Section 3.2.1 Figure 12 Supply Positioning Matrix (Source: MBIE)).



Figure 14 Approach to Contract Management – Sourced from MBIE

5.6.1 Relationship Management

Relationship management is a critical aspect of contract management, as it is important to develop and maintain effective working relationships with suppliers. The nature of the procurement helps define the level of relationship that is required, as described in the Relationship Matrix diagram below.



Figure 15 Relationship Matrix Diagram (MBIE)

5.6.2 Service Delivery Management

Council monitors service delivery through regular meetings with providers, site visits and observations and reporting, to manage the supplier's performance against the contracted requirements.

These activities are used to discuss the standard of delivery, identify actionable improvements, identification and management of risks, monitoring of health & safety management, analysis of performance against objectives, and to recognise excellence in delivery.

5.6.3 Contract Administration

Contract administration includes records management, change control, management reporting and asset management.

Records management

The Public Records Act 2005, requires that Council:

- Creates and maintains full and accurate records in accordance with normal, prudent business practice. These include records of activities carried out by contractors on Council's behalf. Records must also be accessible in the future.
- Disposes of records appropriately through destruction or transfer to archives.

All contracts for asset management are recorded in the Contract Register, with contract-related documentation and reports saved to Council's content management system.

Change control

Contracts should include change-control procedures that clearly identify the parties' roles and responsibilities, along with the procedures for raising, evaluating, costing and approving change requests.

Management reporting

Performance reports and management information should be defined before and during contract negotiations and recorded in the contract.

5.6.4 Risk Management

While Council drives a culture of risk management at all phases of procurement, there are significant risks relevant to the successful delivery of the procurement outcomes that need to be monitored during the contract management phase (relationship management, service delivery management and contract administration). The following table provides an example of how the Council Risk Management Framework can be used.

CATEGORY	RISK DESCRIPTION	CONSEQUENCES	MITIGATION
PEOPLE SAFETY	<ul style="list-style-type: none"> • Health and Safety requirements not followed 	<ul style="list-style-type: none"> • Serious injury • Prosecution and fines 	<ul style="list-style-type: none"> • Audit/monitor activity against Health and Safety plan • Monitor regular reporting from Contractor
FINANCIAL	<ul style="list-style-type: none"> • Unauthorised increase in scope of work 	<ul style="list-style-type: none"> • Unanticipated cost increases • Contract disputes 	<ul style="list-style-type: none"> • Ensure contract amendments are in writing • Record discussions and negotiations • Confirm instructions in writing.

SERVICE DELIVERY	<ul style="list-style-type: none"> Inadequately administering the contract 	<ul style="list-style-type: none"> Cost increases Failure of contract Full benefits not achieved Delivery of unsatisfactory product Contract/supply disputes 	<ul style="list-style-type: none"> Maintain up-to-date procedures and practices Ensure staff are trained & in contract planning and management
LEGAL COMPLIANCE	<ul style="list-style-type: none"> Commencement of work by the supplier before contract is exchanged or letter of intent is issued 	<ul style="list-style-type: none"> Potential liability to pay for unauthorised work Possibility of legal action for perceived breach of contract 	<ul style="list-style-type: none"> Confirm verbal acceptance of contract with written advice Accept all contracts in writing Ensure approvals are received before allowing work to start
REPUTATION	<ul style="list-style-type: none"> Key personnel not available 	<ul style="list-style-type: none"> Progress disrupted Less expertise 	<ul style="list-style-type: none"> Include requirement in specification and ensure compliance Accept risk and manage possible delay

Table 14 Examples of Risk Mitigation by Category

6 Implementing the Strategy

6.1 Capability and Capacity

Council recognises that a critical factor in achieving best public value is having the capability and capacity to successfully deliver the procurement programme.

Whilst procurement is devolved across Council, a Procurement Lead has been appointed to provide specialist support and guidance to staff members, and grow capacity and capability. The Procurement Lead is supported by specialist areas from across the organisation (for example, Risk Management, Finance, and Health and Safety) with contracted expertise as required.

6.1.1 Summary Analysis

Council is currently analysing the procurement capacity across Council to be able to understand the capability for each stage of the procurement lifecycle.

6.1.1.1 Organisational Capacity & Capability

Council have, until recently, had limited capability across all departments to undertake the procurement planning and management to a level that is necessary in providing a robust and transparent process.

Significant improvements have been achieved through the creation of the Procurement Lead who has initiated a roll-out of in-house training and support the various teams. Continuous training is planned across all Council Groups on the tools and processes.

6.1.1.2 Procurement planning

In order to enhance the procurement planning across the region stage Council is currently working with other TLA's, Waka Kotahi and suppliers to develop a coordinated asset management work programme. Suppliers would benefit from a longer-term view of upcoming work to allow them to scale their operations to meet demand.

At a project level, procurement planning will be undertaken at the programming stage, utilising structured plan templates.

6.1.1.3 Contract management

Council has recently moved all contract management, data management and contract record management to Sytle which provides transparent management of all contracts in a single platform.

6.1.1.4 Staff Capability and Capacity

Council's Procurement Lead will be monitoring staff capability as part of the development of the Council wide Procurement Strategy, creating a matrix matching positions against procurement requirements, and tracking of staff who have attended training relative to their required knowledge level. The team will be working with the departmental managers to ensure that any staff member that undertakes procurement understands the rules set out in the strategy and have the relevant support to undertake the required their work. The procurement strategy will include a skills database linking the following proficiency levels to the skills required to carry out procurement on behalf of Council.

Level	Skill requirements
Novice	No formal training, basic familiarity with some knowledge of procurement practices
Basic	Developing skills, basic training, good knowledge of procurement practices
Intermediate	Competent skills, reasonably regular in role, able to work unassisted, very good experience and knowledge of procurement practices
Advanced	Highly skilled, regular in role, procurement specialist, provider of mentoring/support/training, excellent knowledge of procurement practices and procedures

Table 15 Proficiency Levels (including in house delivery team)

6.1.1.5 Enhancing Capability

To enhance long-term in-house capability, the Procurement Lead, with senior technical staff, is developing and delivering in-house training for staff relevant to their role and related procurement programme. Council schedules relevant training for staff who require specialist procurement capability as part of their role, including the Level 6 NZ Certificate in Infrastructure (Procurement Procedures) qualification, required for evaluating tenders for work programmes funded by Waka Kotahi.

Council also receives procurement and contract management expertise through its consulting engineers. This includes assessments and reviews of Council processes, systems and capability, as well as day-to-day support of procurement function.

6.2 Internal Procurement Processes

Council's procurement processes are currently under development, and it is expected that all procurement activities will align to the guidelines and procedures within this manual. Service Level Agreements are being developed to cover in-house professional services and in-house physical works.

6.3 Performance Measurement and Monitoring

6.3.1 Gathering and Analysing Data on Procurement Activities

Procurement forms a significant function of Council's activities, therefore it is important information on procurement is gathered and analysed in order to:

- Provide evidence of how well the procurement procedures are meeting the guidelines and requirements of the OAG, NZ Government Procurement Rules, and the Waka Kotahi Procurement Manual.
- Provide evidence of how well the procurement procedures are meeting section 25 of the Land Transport Management Act 2003, in particular:
 - enabling fair competition
 - encouraging competitive and efficient markets
- Monitor performance against Council procurement objectives (see Section 2.4).
- Improve decision making and facilitate continuous improvement in procurement practice and procurement policy.
- Determine how well procurement procedures are being followed.
- Gain an understanding of what contractual obligations Council has at any one time.

The primary objective of gathering and analysing this data is to help continuously improve Council's procurement strategy, policy and procedures.

An important source of data is feedback from the suppliers on issues that affect their ability to deliver effectively and efficiently. This is a key element of the procurement review process.

The Delivery Team maintains a database to track the status of contracts within this group, and there is a separate database for other Council term contracts.

Council's Performance Management System for Civil Construction is aligned to the Waka Kotahi Performance Assessment by Coordinated Evaluation (PACE) System.

6.3.2 Performance Measurement and Monitoring

Asset Management maintains a number of KPIs for physical works contracts some of which are required by Waka Kotahi. These include

- Number of contract tenderers
- Estimated/Actual price
- Expected/actual start and duration
- Contractor performance assessment

6.4 Communication Plan

The communication plan is an important phase in ensuring all stakeholders are aware of Council's procurement strategy and how it impacts them.

Council has identified the following stakeholders and is developing a plan to communicate the appropriate level of information and detail relevant to their role in the procurement environment.

STAKEHOLDER	KEY MESSAGE	CHANNELS/TOOLS
INTERNAL STAKEHOLDERS		
Lead Team	<ul style="list-style-type: none"> - Overview of strategy, key elements. - Drivers behind the update (MBIE, process improvements). - Relevance to Group activities (e.g. Waka Kotahi-funded work). - Communication and implementation plan. - Resources available. - Actions for implementation/monitoring within their teams. 	<ul style="list-style-type: none"> - Presentation. - Intranet.
Asset Strategy Team & targeted roles	<ul style="list-style-type: none"> - Drivers behind the update (MBIE, process improvements). - General overview plus refresher training on key elements (Procurement Programme, Planning, Environment and Delivery). 	<ul style="list-style-type: none"> - Presentation & Training. - Intranet
Council (Elected Members)	<ul style="list-style-type: none"> - Overview of strategy, key elements. - Drivers behind the update (MBIE, process improvements). 	<ul style="list-style-type: none"> - Information paper.
Council employees	<ul style="list-style-type: none"> - Overview of strategy, key elements. 	<ul style="list-style-type: none"> - CE regular staff updates. - All staff email. - Intranet.

	<ul style="list-style-type: none"> - Drivers behind the update (MBIE, process improvements). - Resources and support available. 	
EXTERNAL STAKEHOLDERS/ENTITIES		
CCOs	<ul style="list-style-type: none"> - Overview of strategy, key elements. 	<ul style="list-style-type: none"> - Email summary with link to document.
HBLASS	<ul style="list-style-type: none"> - Drivers behind the update (MBIE, process improvements). 	<ul style="list-style-type: none"> - Document published on Council website.
Waka Kotahi	<ul style="list-style-type: none"> - Relevance to Group activities (e.g. Waka Kotahi-funded work), - Resources and support available. 	<ul style="list-style-type: none"> - Submission of strategy to Waka Kotahi for endorsement.
SUPPLIER MARKET		
Strategic Suppliers including:	<ul style="list-style-type: none"> - Introduce document, purpose. - Drivers behind the update (MBIE, process improvements). - Why it is relevant to our procurement relationship. - Overview of Council's procurement strategy, outcomes and principles. - Explanation of Broader Outcomes and Public Value, and what this means for suppliers. - Information/resources available. - Receipt of supplier feedback. 	<ul style="list-style-type: none"> - Meeting with key stakeholders. - Email summary with link to document. - Document published on Council website. - Supplier feedback through contract review process.
Non-Strategic Suppliers	<ul style="list-style-type: none"> - Introduce document, purpose. - Drivers behind the update. - Information/resources available 	<ul style="list-style-type: none"> - Email summary with link to document - Document published on Council website

6.5 Implementation Plan

Napier City Council is developing a procurement and contract management framework to improve organisational capability.

The scope has been defined and will include policy, strategy, a toolkit and training. The implementation plan to support the changes is currently in development. The aim is to have this implementation plan approved in Quarter 3 2020.

6.6 Corporate Ownership and Endorsement

This procurement strategy was developed in 2020 to align with the release of the Government Procurement Rules (4th Edition) 2019, and the revised Waka Kotahi Procurement Manual which reflects the key themes of this document.

The projects sponsors for the re-development of the Procurement Strategy, Policy and Procedures are the Director Infrastructure, Director Corporate Services and the Chief Financial Officer. The Procurement Strategy has been approved by the Chief Executive before being submitted for endorsement to Waka Kotahi.

Council maintains regular communication with the Hawke's Bay branch of Civil Contractors New Zealand, consultants, neighbouring authorities and Waka Kotahi on all significant land transport, solid waste and water services procurement matters. By providing high quality information and early advice of pending work programmes, including information on Council's website, Council will assist local businesses (small and medium-sized enterprises in particular) to build their capacity to encourage them to compete for Council contracts.

7 Appendices

7.1 Asset Management Maintenance and Long Term Contracts

The following table provides details of the current maintenance and long-term contracts for asset management.

Table 16 NCC Maintenance & longer term contracts

	Contract Name (number)	Period	Contractor	Approx./ Indicative Annual Value	Conforming Tenders received	Supplier selection method	Price Range
1	Road Maintenance and Renewal Contract (C1215)	Oct 2019 - 5yrs (+2 + 2 option)	Downer	\$6,000,000	3	PQM	\$36m – \$40m
2	Street Lighting and Traffic Signal Maintenance 2017 - 2020 (C1072)	Sept 2017 – 3 yrs (+ 1 + 1 option)	Pope Electrical	\$700,000	2	PQM	\$2.1m - \$2.4m

Project Name	Project Spend Year1 2018/19	Project Spend Year2 2019/20	Project Spend Year3 2020/21	Project Spend Year4 2021/22	Project Spend Year5 2022/23	Project Spend Year6 2023/24	Project Spend Year7 2024/25	Project Spend Year8 2025/26	Project Spend Year9 2026/27	Project Spend Year10 2027/28	Total 10yr Spend
Roading Renewals (Subsidised)	3,876,988	2,077,518	1,608,674	2,253,968	2,282,619	2,692,756	2,484,120	2,651,906	2,100,675	1,974,458	24,003,682
Roading Renewals (Non-subsidised)	1,035,000	1,105,000	875,000	1,285,000	1,235,000	885,000	1,155,000	1,105,000	1,005,000	1,005,000	10,690,000
Roading Vested Assets	1,175,000	1,175,000	1,175,000	1,175,000	1,175,000	1,175,000	1,175,000	1,175,000	1,175,000	1,175,000	11,750,000
West Quay Upgrade	0	45,000	750,000	0	0	0	0	0	0	0	795,000
West Quay Car Park	0	0	1,000,000	1,500,000	0	0	0	0	0	0	2,500,000
CBD Development	150,000	2,500,000	4,000,000	4,595,000	1,100,000	120,000	800,000	0	0	0	13,265,000
Bridge Street Pedestrian facilities	0	0	0	0	0	0	0	130,000	2,300,000	1,800,000	4,230,000
Meeanee Quay Upgrade	0	0	0	0	120,000	0	1,200,000	0	1,200,000	0	2,520,000
Pandora Road Upgrade	0	0	0	0	0	0	0	0	60,000	900,000	960,000
Associated improvements	100,000	100,000	100,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	1,350,000
Awatoto to Expressway Link Improvements	0	0	0	0	0	0	0	0	0	500,000	500,000
Capacity Improvement Projects	0	0	0	0	0	0	0	0	0	100,000	100,000
Ground stabilisation and retaining wall	250,000	300,000	350,000	350,000	350,000	350,000	350,000	250,000	250,000	250,000	3,050,000

Intersection Improvement Projects	1,000,000	0	50,000	0	200,000	1,600,000	1,100,000	1,000,000	0	0	4,950,000
Intersection Improvement Projects	25,000	250,000	0	50,000	500,000	50,000	1,400,000	20,000	1,250,000	1,575,000	5,120,000
Intersection Safety Improvement Projects	1,055,000	630,000	230,000	202,000	402,000	1,802,000	2,102,000	1,252,000	602,000	252,000	8,529,000
KiwiRail - Level Crossing	180,000	180,000	180,000	150,000	100,000	50,000	20,000	20,000	20,000	20,000	920,000
LATM Projects	550,000	200,000	0	0	400,000	240,000	400,000	0	25,000	220,000	2,035,000
Marine Parade Safety Improvements	50,000	200,000	0	0	575,000	500,000	0	0	0	0	1,325,000
New Cycle and Walking Tracks	700,000	1,050,000	750,000	425,000	125,000	300,000	160,000	2,710,000	1,410,000	760,000	8,390,000
Public transport infrastructure	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	500,000
Puketitiri Road Upgrade	300,000	300,000	2,500,000	3,000,000	2,000,000	0	0	0	0	0	8,100,000
School Zone Safety work	50,000	300,000	0	0	0	0	0	0	0	0	350,000
Severn St roundabout	0	0	500,000	750,000	0	0	0	0	0	0	1,250,000
Urban Corridor Improvement Projects	210,000	370,000	135,000	110,000	610,000	710,000	35,000	10,000	535,000	760,000	3,485,000
Thames Severn Stormwater Management	0	0	250,000	0	0	250,000	0	0	0	0	500,000
TOTAL	10,756,988	10,832,518	14,503,674	16,045,968	11,374,619	10,924,756	12,581,120	10,523,906	12,132,675	11,491,458	121,167,682

7.2 Procurement Plan Templates (unmodified from NZ Government Procurement)

Procurement plan lite template

Between \$50,000 and \$100,000 and above

Agency instructions

- This template is intended for procurements valued between \$50,000 to \$100,000.
- Your agency may customise this template to reflect its practice and requirements – especially the approvals section.
- When customising, consider including user instructions like the example given below. Note that the yellow highlighted areas specify where to customise.

Example of user instructions

- A procurement plan describes the process used to approach the market, evaluate bids and identify the recommended supplier. This template is designed to be used for low-value low-risk procurements between \$50,000 to NZ\$100,000. For procurements valued between \$5,000 to \$50,000, use the *Procurement plan xtra-lite template*. Procurements valued less than \$5,000 do not need a procurement plan. However, you must ensure that you have written approval for the scope, delivery date and budget.
- This template covers the common elements usually included in procurement. However, you will need to tailor it to your needs. Keep it simple – the level of analysis and detail you include should be proportionate to the nature, scope, value, complexity and risk of the procurement.
- A procurement plan [choose: should / must] be completed and approved before initiating your tender process (e.g. advertising on GETS). You will need approvals from:
 - e.g. project sponsor gives authority to proceed to market
 - e.g. delegated financial authority holder gives authority to spend (if different from sponsor).
- If you would like assistance in preparing the agency's plan or a constructive peer review of the draft, please contact [enter contact details for the procurement team].

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[Insert agency logo]

[Name of agency]

Procurement plan lite

[Name of procurement project]

Approvals

Project sponsor	
Approval to:	Proceed to tender and identify the preferred supplier.
Name:	
Position / title:	
Date:	

Holder of delegated financial authority	
Total budget approved:	[insert: total cost over whole-of-life \$]
Budget type:	Opex / Capex
Budget code:	
Name:	
Position / title:	
Date:	

What this agency is buying and why

- This plan relates to the purchase of [insert]. A summary of our requirements is [insert]. The key objective of this procurement is [insert].
- An estimate of the total cost over the whole-of-life of the contract, exclusive of GST is [\$ insert]. We require the contract to commence by [insert date].

Tendering process

There is currently no All-of-Government, syndicated or other collaborative contract that can meet this requirement. The recommended approach to market is a [choose: one-step open competitive tender / two-step open competitive tender / one-step closed competitive tender / two-step closed competitive tender]. The tender team will comprise non-voting and voting members.

Tender team: non-voting members

Role	Name	Organisation
Chair of evaluation panel:		
Administrative support:		

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Tender team: voting members

Representative/s	Name	Organisation
Business group/owner:		
User group/beneficiary:		
Subject matter expert:		

Indicative timeline (single-stage tender)

Action	Indicative date
Pre-procurement	
Procurement plan approved	
Tender documents developed	
Tender documents approved	
Pre-procurement market engagement	
Advance notice published on GETS	
Tender	
Tender advertised on GETS	
Supplier briefing/s	
Last date for supplier questions	
Last date for agency to answer questions	
Tender closing date	
Evaluation	
Panel confidentiality & conflict of interest declarations signed	
Evaluation panel meets – short lists suppliers	
Panel minutes and recommendation	
Recommendation accepted / rejected	
Post-evaluation	
Advise bidders of outcome	
Debrief unsuccessful suppliers	
Due diligence & contract negotiation	
Contract Award Notice published on GETS	
Contract start date	

Evaluation methodology

The evaluation model that will be used is weighted attribute as per the table below. Price will not be a weighted criterion. Instead price will be taken into account in determining overall value for money over the whole-of-life of the contract. A two-envelope process will be used and suppliers' pricing will only be opened once the criterion scoring is completed.

Evaluation criteria

Criterion	Weighting
Technical merit (fit for purpose)	
E.g. Degree to which good/services meet or exceed requirements	30%
E.g. Quality of goods/services	10%
Capability of the supplier to deliver	
E.g. Supplier's size, structure and annual turnover	5%
E.g. Track record in delivering similar goods/services	15%
E.g. Understanding of the requirements	25%
E.g. Operational and financial systems to manage delivery	15%

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Total weightings	100%
------------------	------

Rating scale

The panel will use this rating scale to evaluate suppliers' bids against the criteria.

Description	Definition	Rating
Excellent	Exceeds the requirement. Exceptional demonstration by the supplier of the relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods/services. Response identifies factors that will offer potential added value, with supporting evidence.	9-10
Good	Satisfies the requirement with minor additional benefits. Above average demonstration by the supplier of the relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods/services. Response identifies factors that will offer potential added value, with supporting evidence.	7-8
Acceptable	Satisfies the requirement. Demonstration by the supplier of the relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods/services, with supporting evidence.	5-6
Minor reservations	Satisfies the requirement with minor reservations. Some minor reservations of the supplier's relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods/services, with little or no supporting evidence.	3-4
Serious reservations	Satisfies the requirement with major reservations. Considerable reservations of the supplier's relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods/services, with little or no supporting evidence.	1-2
Unacceptable	Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the supplier has the ability, understanding, experience, skills, resource and quality measures required to provide the goods/services, with little or no supporting evidence.	0

Contract

The short listed supplier will be offered a [choose: contract for services / supply agreement / contract for goods and services] based on the agency's standard terms and conditions. The proposed contract term is three years with options to extend [insert: i.e. 3+1+1]. The [choose: quality standards/key performance indicators] for measuring the supplier's performance are [insert]. The timeframes for delivery are [insert]. Specific reporting requirements are [insert]. Payment will be based on the supplier's successful completion of milestones as detailed in the contract. New intellectual property arising as a result of the contract will be the property of [insert].

Risk

Overall this procurement is deemed low-value, low-risk.

Key risks to be managed

Risk	Mitigation action	Responsible
1.		

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2.		
----	--	--

Probity

Probity in this procurement will be managed by:

- acting fairly, impartially and with integrity, acting lawfully, and being accountable and transparent
- ensuring compliance with the agency’s code of conduct is complied with
- ensuring that financial authority for the procurement is approved before proceeding to tender
- identifying and effectively managing all conflicts of interest
- protecting the supplier’s commercially sensitive and confidential information
- providing each supplier with a comprehensive debrief at the end of the tender process.

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Procurement plan template

\$100,000 and above

Agency instructions

- This template is intended for procurements valued from NZ\$100,000 upwards.
- Your agency may customise this template to reflect its practice and requirements – especially the approvals section.
- When customising, consider including user instructions like the example given below. Note that the yellow highlighted areas specify where to customise.

Example of user instructions

- This template is intended for any procurement valued from **NZ\$100,000** upwards.
- A procurement plan describes the process used to approach the market, evaluate bids and identify the recommended supplier. This template is designed to be used in conjunction with a business case. Where there is no prior business case you should consider using the combined business case / procurement plan template instead.
- This template is intended for any procurement valued from **NZ\$100,000** upwards. For procurement less than this, use the *Procurement plan lite template*.
- This template covers the common elements usually included in a procurement. However, you will need to tailor it to your needs. Keep it simple – the level of analysis and detail you include should be proportionate to the nature, scope, value, complexity and risk of the procurement.
- A procurement plan **[choose: should / must]** be completed and approved before initiating your tender process (e.g. advertising on GETS). You will need approvals from:
 - procurement manager confirming the plan meets your agency's requirements
 - project sponsor giving authority to proceed to market
 - delegated financial authority holder giving authority to spend.
- You may need approvals from:
 - subject-matter expert for the proposed evaluation criteria
 - legal advisor for the proposed contract.
- Parts of the document contain suggested solutions (e.g. estimated whole-of-life costs, indicative timeline and evaluation criteria). These are only examples. You should amend or substitute appropriate models to suit your procurement. Alternative models can be found in MBIE's *Mastering procurement guide*. For more information on procurement, visit www.procurement.govt.nz => For agencies.
- If you would like assistance in preparing your plan, or a constructive peer review of your draft, please contact **[enter contact details for the procurement team]**.

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[Insert agency logo]

[Name of agency] Procurement plan

[Name of procurement project]

Document development control	
Prepared by:	
Position / title:	
Business unit:	[Insert: business division or group]
Document version:	1.0
Date of last revision:	

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Document development control

Status: [Choose: draft / final for peer review / final for approvals / final as approved]

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Acronyms

The following acronyms are used in this document.

Acronym	Term
[Insert: e.g. ROI]	Registration of interest
[Insert: e.g. RFP]	Request for proposal

Approvals

Approval of the plan

Procurement manager / procurement team leader	
Process type:	[Choose: open competitive / closed competitive / direct source / single-step / multi-step / panel supplier / if other please state]
Name:	
Position/title:	
Signature:	Date:

Authority to proceed to tender

Project sponsor	
Approval to:	Go to market and identify the preferred supplier.
Tender start:	[Insert: date the tender process will be initiated]
Contract start:	[Insert: date the contract will start]
Name:	
Position/title:	
Signature:	Date:

Approval of the budget

Delegated financial authority holder			
Total cost:	[Insert: estimated \$ total costs over whole-of-life] GST excl		Cost code: [insert]
Financial year:	Financial year	Amount	Funding type
	2014/15	[\$amount] GST excl	Opex / Capex
	2015/16	[\$amount] GST excl	Opex / Capex
	2016/17	[\$amount] GST excl	Opex / Capex
Name:			
Position/title:			
Signature:			Date:

Approval of the evaluation criteria and methodology

Subject matter expert	
Name:	
Position/title:	

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Subject matter expert	
Signature:	Date:

Approval of the proposed terms and conditions of contract

Legal advisor	
Contract type:	[Choose: for services / goods & services / supply agreement]
Contract term:	[Insert: the term (anticipated duration) of the contract e.g. 3+1+1]
Name:	
Position/title:	
Signature:	Date:

Background

Business case

- This procurement plan builds upon the business case dated [insert] (document reference [insert]).
- The business case contains details of how the:
 - procurement aligns with agency business objectives
 - helps achieve long-term strategies and goals
 - fits with government policy objectives.

What we are buying and why

- This plan relates to the purchase of [insert].
- The key objective of this procurement is [insert].
- The procurement's proposed outcomes are [insert].
- Details of the current supply arrangement are contained in the business case. OR
- We do not currently provide these [choose: goods / services / goods and services / works].

Importance to the agency

- Based on our analysis of supply positioning this procurement is [choose: tactical acquisition / tactical profit / strategic security / strategic critical].
- This means [insert].
- Strategies to address this include [insert].

Market analysis

The supply market

- The key suppliers and their market shares (supply) are [insert – include international as well as domestic if appropriate].
- The key buyers and their influence on the market (demand) are [insert].
- Competition is primarily based on [choose or insert other factors: price / quality / level of support services / product types and range / delivery time / brand image].
- The degree of competition is [insert].
- Existing pricing methodologies are [insert]. Factors affecting pricing include [insert].
- The availability of alternative or substitute goods/services is [insert].
- The nature and quality of the supply chain is [insert].
- In summary, current market behaviours are [insert] and these impacts on buyers by [insert].
- Future market behaviours that would better support successful delivery are [insert].
- The gaps between current and future behaviours are [insert]. Strategies to close these gaps are [insert].
- The likely impacts that this procurement will have on the market are [insert].

The agency's value as a customer

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- The value of the agency's account and the attractiveness of the account have been assessed.
- The agency is seen as [choose: nuisance / exploitable / development / core]. This means [insert].
- Strategies to address this include [insert].

Power and dependency

- An assessment of the levels of power and dependency between the agency and suppliers has been undertaken. This shows that [choose: the buyer and supplier are independent / the supplier is dominant / the buyer is dominant / the buyer and supplier are interdependent].
- This means [insert].
- Strategies to address this include [insert].

Desired supplier relationship

- Given the proposed length of the contract, the level of desired trust and communication with the supplier and the approach to managing risk the agency will seek a [choose: strategic collaborative / tactical competitive relationship with the successful supplier].
- This means [insert].

Requirements and costs

Our requirements

- In summary we need to procure [insert].
- A detailed statement of our requirements is contained in *Appendix 1*.

Key dates

- We require the contract to commence by [insert date].
- We estimate that the sourcing of the supplier and contract negotiations will take [insert weeks / months].
- This means that the tender must be initiated by [insert date].

Estimated costs

An estimate of the total cost over the whole-of-life of the contract, exclusive of GST is [\$ insert.]

Please check if the estimate has increased since the business case – if so you may need to obtain an increased financial authority.

Estimated whole-of-life costs (include this level of detail if available)

Pre-acquisition	Start-up cost			
Design and specification	\$			
Expert advice	\$			
Legal services	\$			
Acquisition		Year 1		
Initial purchase price		\$		
Delivery		\$		
Installation		\$		
Training		\$		
Operating costs		Year 1	Year 2	Year 3
Consumables		\$	\$	\$

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Pre-acquisition	Start-up cost			
Parts		\$	\$	\$
Labour		\$	\$	\$
Maintenance		\$	\$	\$
Disposal				Year 3
Decommissioning				\$
Removal				\$
Disposal costs				\$
	Start-up	Year 1	Year 2	Year 3
Totals	\$	\$	\$	\$
			Sub-total	\$
			Less residual value on disposal	\$
			Estimated total cost over whole-of-life	\$

Key stakeholders

Internal stakeholders

The key internal stakeholders are [insert].

Internal stakeholders' roles and level of engagement

Role	Characteristics	Stakeholders
Responsible	The person or people responsible for undertaking the procurement.	
Accountable	The person or people that have authority to make decisions and are accountable for the outcomes.	
Supportive	The person or people that do the real work.	
Consulted	The person or people who needs to be consulted to add value or get 'buy-in'.	
Informed	The person, people or group, groups that need to be kept informed of key actions and results, but are not involved in decision-making or delivery.	

External stakeholders

The key external stakeholders are [insert].

External stakeholders' roles and level of engagement

Role	Characteristics	Stakeholders
Responsible	The person or people responsible for undertaking the procurement.	
Accountable	The person or people that have authority to make decisions and are accountable for the outcomes.	
Supportive	The person or people that do the real work.	

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Role	Characteristics	Stakeholders
Consulted	The person or people who needs to be consulted to add value or get 'buy-in.	
Informed	The person, people or group, groups that need to be kept informed of key actions and results, but are not involved in decision-making or delivery.	

Communications

- The agency will communicate with internal stakeholders by [insert method and timing of comms].
- The agency will communicate with external stakeholders by [insert method and timing of comms].

Tendering process

Type of tender

- There is currently no All-of-Government, syndicated or other collaborative contract which can meet this requirement. Other approaches to market, including collaboration, that were considered are [insert].
- The recommended approach to market is a [choose: one-step open competitive tender / two-step open competitive tender / one-step closed competitive tender / two-step closed competitive tender].
- The reason for this recommendation is [insert].
- This approach to market fits with the agency's procurement policies, the *Government rules of sourcing* and the New Zealand Government's procurement principles.

Market engagement

- This contract opportunity [choose: was / was not] published in the agency's annual procurement plan dated [insert].
- In developing the business case and analysing the market, the agency engaged with suppliers by [insert what engagement there was with suppliers e.g. supplier briefing / consultation with industry].
- The contract opportunity will be advertised on GETS. [insert: additional advertising will be done through]. Before advertising on GETS, the agency will engage with the market through [choose: publishing an early notice on GETS advising of the intention to go to market / supplier briefing sessions to be held ...where and when / industry briefing sessions to be held ...where and when / or other communications...where and when].

Evaluation team

A cross-functional team will be involved in the evaluation of bids and recommending the preferred supplier.

Non-voting members

Role	Name	Organisation
Chair of evaluation panel:		
Administrative support:		
Financial analyst:		
Legal advisor:		
Probity auditor:		

Voting members

Representative/s	Name	Organisation
Business group/owner:		
User group/beneficiary:		
Subject matter expert:		

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Proposed timeline

The proposed timeline for the procurement is as follows. Please note that this example is based on a one-step open tender.

Indicative timeline

Action	Indicative date
Pre-procurement	
Procurement plan approved	
Tender documents developed	
Tender documents approved	
Pre-procurement market engagement	
Advance notice published on GETS	
Tender	
Tender advertised on GETS	
Supplier briefing/s	
Last date for supplier questions	
Last date for agency to answer questions	
Tender closing date	
Evaluation	
Panel confidentiality and conflict of interest declarations signed	
Evaluation panel meets	
Interview short listed suppliers	
Supplier site visits/product testing	
Panel minutes and recommendation	
Recommendation accepted/denied	
Post-evaluation	
Advise bidders of outcome	
Debrief unsuccessful suppliers	
Due diligence and contract negotiation	
Contract award notice published on GETS	
Contract start date	

Evaluation methodology

Evaluation method

- The evaluation model that will be used is [choose: lowest price conforming / simple score / weighted attribute (weighted score) / target price / Brook's Law].
- Price will [choose:
 - be a weighted criterion. **OR**
 - not be a weighted criterion. Instead price will be taken into account in determining overall value for money over the whole-of-life of the contract. A two envelope process will be used and suppliers' pricing will only be opened once the criterion scoring is completed].

Evaluation criteria and weightings

Each supplier must meet the all of the following pre-conditions before its bid will be considered for evaluation on its merits.

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Preconditions

1. E.g. Supplier must hold a current practicing certificate from the New Zealand Law Society.
2. E.g. Supplier must hold current professional indemnity insurance valued at \$5m.

Having met all of the preconditions qualifying bids will be evaluated on their merits using the following evaluation criteria and weightings.

Evaluation criteria

[Please note that this model includes price as a weighted criterion.]

Criterion	Weighting
Technical merit (fit for purpose)	40%
E.g. degree to which good/services meet or exceed requirements	
E.g. quality of goods/services	
E.g. degree of innovation	
E.g. level of risk	
Capability of the supplier to deliver	30%
E.g. supplier's size, structure and annual turnover	
E.g. track record in delivering similar goods/services	
E.g. understanding of the requirements	
E.g. operational and financial systems to manage delivery	
Value for money (based on whole-of-life cost)	30%
E.g. total costs over whole-of-life	
E.g. other benefits	
Total weightings	100%

The panel will use the following rating scale to evaluate suppliers' bids against the criteria.

Rating scale

Description	Definition	Rating
Excellent	Exceeds the requirement. Exceptional demonstration by the supplier of the relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods / services. Response identifies factors that will offer potential added value, with supporting evidence.	9-10
Good	Satisfies the requirement with minor additional benefits. Above average demonstration by the supplier of the relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods / services. Response identifies factors that will offer potential added value, with supporting evidence.	7-8
Acceptable	Satisfies the requirement. Demonstration by the supplier of the relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods / services, with supporting evidence.	5-6
Minor reservations	Satisfies the requirement with minor reservations. Some minor reservations of the supplier's relevant ability, understanding, experience, skills, resource and quality measures required to provide the goods / services, with little or no supporting evidence.	3-4
Serious reservations	Satisfies the requirement with major reservations. Considerable reservations of the supplier's relevant ability, understanding, experience,	1-2

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Description	Definition	Rating
	skills, resource and quality measures required to provide the goods / services, with little or no supporting evidence.	
Unacceptable	Does not meet the requirement. Does not comply and/or insufficient information provided to demonstrate that the supplier has the ability, understanding, experience, skills, resource and quality measures required to provide the goods / services, with little or no supporting evidence.	0

Innovation

Suppliers may have new and innovative ways to deliver against the specifications. The agency will accept alternative proposals on this basis.

Due diligence

The following verification matrix will be used as part of the evaluation and due diligence process. The table shows how elements of the criteria will be verified by the panel.

Verification table

Evaluation and due diligence options	Criteria		
	Fit for purpose	Ability to deliver	Value for money
Written offer/tender documents	✓	✓	✓
Buyer clarifications of offer	✓	✓	✓
Reference checks	✓	✓	✓
Interview	✓	✓	
Presentation	✓	✓	
Site visit	✓	✓	✓
Product testing	✓		
Audited accounts		✓	
Credit check		✓	
Companies office check		✓	
Accepts proposed contract conditions		✓	
Police/security check		✓	

Additional process

Following the evaluation of merits each short listed supplier will be invited to attend an interview with the panel.

In addition, the panel may request site visits to short listed suppliers' premises.

Contract type

- The short listed supplier will be offered a [choose: contract for services / supply agreement / contract for goods and services] based on [choose: the agency's standard terms and conditions / based on a bespoke set of terms and conditions drafted for this procurement].
- The proposed contract term is three years with options to extend (i.e. 3+1+1).
- The quality standards / key performance indicators for measuring the supplier's performance are [insert].
- The timeframes for delivery are [insert].

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- Specific reporting requirements are [insert].
- Payment will be based on the supplier's successful completion of milestones as detailed in the contract.
- New intellectual property arising as a result of the contract will be the property of [insert].
- The proposed contract terms and conditions are attached at *Appendix 2*.
- In addition to the agency's standard terms and conditions, the following clause or clauses are required to manage the specific risk [insert].
- Variations to contract will be in writing and signed by both parties. Variations involving an increase in price must only be made within the limit of the financial authority.
- The strategy for exiting the contract at the end of its term is [insert].

Transitioning to new supplier

Add this section if applicable – modify to suit.

- In the event that this procurement results in the selection of a new supplier a transition plan will be developed to actively manage the changeover. Transition arrangements will also be addressed during the negotiations with the new supplier.
- The transition will have a [choose: minor / moderate / significant] impact on ongoing service delivery.
- Significant transition risks to be managed include:
 - e.g. strategy to provide a seamless transition without disruption to services
 - e.g. back-up plans in the event that services are affected].

Managing implementation

- The responsibility for managing delivery under the contract and supplier relationship management will pass to [insert: name, title and business unit] on the signing of the contract. This person will develop a contract and relationship management plan in consultation with the successful supplier.
- The supplier's performance will be reviewed [insert how often and when].

Risk management

- Overall this procurement is deemed to be [choose: high / medium / low value] with [choose: high / medium / low risk].
- Key risks have been assessed against the risk framework detailed at *Appendix 3*. They have been assessed on the basis of likelihood (L) and consequence (C).
- The key for the following risk tables is:
 - likelihood (L): R = rare U = unlikely P = possible L = likely A = almost certain
 - consequence (C): N = negligible L = low M = moderate H = high E = extreme.

Key risks in the procurement process

Risk	L	C	Rating	Mitigation action	Responsible
•	U	L	Low		
•	P	M	Medium		
•	L	H	High		
•	A	E	Extreme		

Key risks in delivering the contract

Risk	L	C	Rating	Mitigation action	Responsible
•	U	L	Low		
•	P	M	Medium		

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•	L	H	High	
•	A	E	Extreme	

Probity management

Please modify the following to suit your procurement.

It is essential that the agency demonstrates ethics and integrity in its procurements. This means:

- acting fairly, impartially, and with integrity
- being accountable and transparent
- being trustworthy and acting lawfully
- managing conflicts of interest
- protecting the supplier's commercially sensitive and confidential information.

Probity in this procurement will be managed by:

- ensuring compliance with the agency's code of conduct
- ensuring that financial authority for the procurement is approved before proceeding to tender
- ensuring everyone involved in the process signs a confidentiality agreement and declares any actual, potential or perceived conflict of interest
- identifying and effectively managing all conflicts of interest
- ensuring that all bids are opened at the same time and witnessed
- numbering copies of suppliers' tenders and returning them to the panel chair once the tender process ends
- retaining one copy of each supplier's tender and destroying the remaining copies once the tender process ends
- treating all suppliers equally and fairly
- providing each supplier with a comprehensive debrief at the end of the tender process.

Contract delivery

- The responsibility for managing delivery under the contract and supplier relationship management will pass to [insert: name, title and business unit] on the signing of the contract. This person will develop a contract and relationship management plan in consultation with the successful supplier.

Contract completion

End of term

Please delete if not applicable.

At the end of the original contract, there will be an option to extend the contract by [insert: e.g. 2+1 years], subject to good performance by the supplier and continued best value-for-money over the whole-of-life being delivered.

Exit strategy

Please delete if not applicable.

Our responsibility to deliver the [choose: goods / services / goods and services / works] is [choose:

- option 1: ends on the expiry of this contract OR
- option 2: will continue beyond the expiry of this contract].

Our strategy to exit from the contract is [choose the option used above:

- option 1 insert: consider what practical arrangements may be required to transition from the contract. How will you manage stakeholder expectations? What will happen to any assets or intellectual property purchased by the supplier – will ownership rest with the supplier or revert to your agency? What are the risks that will need to be managed? OR
- option 2 insert: what do you intend to happen at the end of the contract? Will you review the effectiveness of the delivery and go to market with an improved statement of requirements? How will you manage stakeholder's expectations? What are the risks that will need to be managed?]

Commercial in confidence

Appendix 1: Specification of requirements

Commercial in confidence

Appendix 2: Proposed contract terms and conditions

Commercial in confidence

Appendix 3: Risk register

Key risks have been assessed using this risk analysis framework.

You may use this standard framework or replace it with your agency's framework.

LIKELIHOOD of risk happening	Almost certain	amber	amber	red	red	red
	Likely	yellow	amber	amber	red	red
	Possible	yellow	yellow	amber	amber	red
	Unlikely	green	yellow	yellow	amber	amber
	Rare	green	green	yellow	yellow	amber
		Negligible	Low	Moderate	High	Extreme
CONSEQUENCE if the risk happens						

Diagram: Risk analysis framework



Level 2, Chews Lane
50 Victoria Street
Private Bag 6995, Marion Square
Wellington 6141
New Zealand
T 64 4 894 5400
F 64 4 894 6100
www.nzta.govt.nz

29 June 2020

Jon Kingsford
Director Infrastructure
Napier City Council
Private Bag 6020
Napier 4142

Dear Jon

Transport Activity Procurement Strategy Endorsement

Thank you for your request seeking endorsement from the Waka Kotahi NZ Transport Agency for the Procurement Strategy dated 25 May 2020.

I am pleased to confirm that Waka Kotahi has reviewed the *Transportation Procurement Strategy* dated May 2020. This document forms Napier City Council's Procurement Strategy, the requirements of which are outlined in the Waka Kotahi Procurement Manual.

We are satisfied that it meets the requirements of the Waka Kotahi Procurement Manual and formally endorse the Procurement Strategy effective 29 June 2020.

We would like to draw your attention to the following matters. Waka Kotahi:

1. approve the continued use of in-house professional services by Napier City Council, in accordance with s.26 of the Land Transport Management Act, with much the same scope and scale as it has in the past.
2. note that the Procurement Strategy contains references to a maximum contract term of nine years (5+2+2 years) for Napier City Council's road maintenance and renewal term service contract. The maximum term for a term service contract is stipulated as five years in the Waka Kotahi Procurement Manual.

Our endorsement of the Procurement Strategy is therefore subject to the following condition:

3. that Napier City Council seek approval from Waka Kotahi for a variation to the rules in the Procurement manual, section 10.21 *Maximum term of a term service contract for infrastructure or planning and advice* allowing the use a maximum term of nine years (5+2+2 years) for the road maintenance and renewal term service contract in Year 4 of the contract term, prior to exercising the right of renewal to extend the contract beyond Year 5.

The Waka Kotahi Procurement Manual requires approved organisations to review their Procurement Strategy at a minimum once every three years and ensure that they always remain fit for purpose. The Procurement Strategy's endorsement will expire on the 29 June 2023 and you are encouraged to seek endorsement of a new or revised Procurement Strategy in advance of this date.

If you would like to discuss this matter further, please do not hesitate to contact Philip Walker, Approved Organisations Senior Procurement Advisor, directly on 021 633986.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tara Macmillan', with a long, sweeping horizontal stroke extending to the right.

Tara Macmillan
Senior Manager Procurement

2. MĀORI COMMITTEE MEETING 'MECHANICS'

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	942710
<i>Reporting Officer/s & Unit:</i>	Devorah Nícuarta-Smith, Team Leader Governance

2.1 Purpose of Report

To present a proposal to re-integrate the Māori Committee into the six-weekly meeting cycle of Council.

Officer's Recommendation

That Council:

- a. Director Officers to re-integrate the Māori Committee into the six-weekly meeting cycle alongside the standing committees, including implementing the processes and system updates required to complete this change
- b. Note the following in relation to the update:
 - i. There will be changes in the timing of standing committees within the six weekly cycle to allow for the re-integration to take place
 - ii. Māori Committee members will be invited to all Council workshops
 - iii. Decisions of Council will no longer be taken at standing committees
 - iv. The Māori Committee will be able to lay items on the table, as are standing committees; a process is under development to clarify how any such items will be treated in the upcoming meeting cycle
 - v. The InfoCouncil functionality to allow for the flow of information through the standing and Māori committees to Council requires reactivation and there may be some time lag in the update due to the complexity of this process

2.2 Background Summary

On 3 June 2020, during a Māori Committee workshop session on the Committee Terms of Reference, Officers were requested to explore options for re-integrating the Committee into the six-week meeting cycle of Council, as this was viewed as one way to better facilitate the Committee fully stepping into its purpose and mandate.

Any proposal would need to ensure that:

- the Māori Committee's expectations were met regarding information accessibility and the opportunity to discuss and make any recommendations on Council reports
- the agenda production time frames set by the Mayor for this triennium were honoured
- the process integrated with Council's existing agenda production tool (InfoCouncil) and the functionality available
- there was no loss of workshop time

Shown at **Attachment A** is:

- a brief outline of the current six weekly cycle,
- a proposal that re-integrates the Māori Committee into the meeting cycle while achieving all the above requirements.

It should be noted that the Audit & Risk and Hearings Committees operate outside of the six-weekly structure, and this proposal does not currently include comment on how the Māori Committee would best be kept across information coming through these forums.

Due to their nature, matters coming to extraordinary meetings would need to be addressed on a case by case basis.

2.3 Issues

Outline of proposal

The Māori Committee will have access to the open agendas for all four standing committees at the same time as Councillors, so members are able to read and consider two to three weeks in advance of the Committee hui which reports are of particular interest for discussion. However, while Committee members may indicate early interest in some matters, there would be opportunity to discuss all standing committee reports at the hui if this was desired.

It should be noted that reports taken directly to Council (and therefore not double debated) will bypass this process. There are typically two types of report that are taken straight to Council – those matters which by law cannot be delegated to a Committee, and minor matters such as information-only reports out of other joint committees or external bodies that Council administers (such as the Creative Communities Committee). It is anticipated that, in the case of the former, the Māori Committee members will have access to information under discussion through other routes (such as Council workshops and informal kōrero). In the case of the latter, generally Council itself is only receiving the information so there is no requirement for feedback from the Māori Committee.

On occasion funding applications may also need to go direct to Council due to timing within external monthly funding rounds.

It is acknowledged that in previous terms some matters have gone straight to Council when they could and should have been double-debated. This is already being addressed within this triennium, and the shift in setting for the Māori Committee will be a useful reiteration of the correct process.

As well as reports to the standing committees, new reports specific to the Māori Committee's mandate would also be brought through directly to the Committee as required.

Access to the standing committee meeting papers and new reports to the Māori Committee is currently via Council's website and email. However, a separate workstream has been initiated to provide Māori Committee members with iPads for use during their term as representative, and Council emails and access to Council's document sharing portal (LG Hub) to better support the provision of information. It should be noted that while it is an organisation that is appointed to the Committee, it is anticipated that the organisational representatives will remain relatively stable over a three-year term, as emails and Hub access will be set up for individuals.

The 'partner update' section of the Māori Committee agenda introduced this term would continue, and Committee members will also continue to be able to raise any queries for follow up under a General Business item to be added as standing agenda item (at the discretion of the Chair), so the multi-directional kōrero, which is a particular strength of the current hui, is not lost.

To ensure that the Māori Committee have the most comprehensive opportunity to review and provide input on matters for double debate, no Decisions of Council will be taken at standing committee level on the implementation of the new setting. In the occasional instance where a Council decision is required more promptly than the double debate process allows for, an extraordinary meeting of Council may be required where previously it was not. However, as most matters can be easily prepared for well in advance of a decision being required, it is anticipated that this will be rare.

All standing committees are able to require that an item be 'left on the table' if it is felt that further work is required prior to a recommendation to Council being appropriate. The Māori Committee will also have this ability alongside the standing committees. If the Committee feels that questions have not been addressed appropriately, or that more information is required in order to be able to make an appropriate recommendation to Council under their mandate, then the item will be laid on the table for further follow up by officers, which will then be brought back through the next Māori Committee round and so on to Council. Where an item is proposed to be laid on the table by the Committee, Officers will advise of any time constraints on the decision due to external pressures, and an extraordinary meeting of Council may be arranged if a decision is required prior to the next ordinary meeting. This option is a new inclusion to the 'mechanics' of the Māori Committee and viewed as an important contributor to embedding the mana of the Committee, it's mandate and recommendations it makes within Council's governance structures.

Further to the change to the timing of the Committee's hui, members will also be included in all Council workshop bookings moving forward. While it is recognised that Committee members have multiple demands on their time, and attendance will be at their discretion, extending the invitations provides greater visibility of upcoming matters being considered by Council, and further reiterates the full incorporation of the Māori Committee into the governance structure.

Māori Committee feedback on the proposal

Informal testing with members of the Māori Committee has received a very positive response. The Committee will formally discuss the matter at its hui on 10 July 2020. Due to the timing of the hui in relation to the required time frame for Council agenda production, feedback on the Committee kōrero will be provided verbally at the Council meeting.

Next Steps

Adoption of proposal

Council is required to formally adopt any changes to its governance structure and this report is intended to facilitate that process.

InfoCouncil

A piece of work would need to be undertaken to reactivate functionality of Council's meeting paper preparation tool (InfoCouncil), which allows all standing committee items to be pulled into the Māori Committee papers, and then allocates the Māori Committee discussion and recommendations against each standing committee item in the Council agenda.

It should be noted that this process will require the Council IT Team to work with InfoCouncil Support Team in Australia to complete the process of reactivating the functionality and link the new Māori Committee to the new standing committees and Council into the scripting; while it is possible, it will not be an overnight change.

Process and logistical updates

A piece of work is already underway to map out the implications across meeting cycles of laying an item on the table at a committee. This has implications for all standing committees as well as the Māori Committee, so it was felt it was appropriate to initiate the work prior to any decision in relation to the re-integration of the Māori Committee into the six weekly cycle.

The timing of standing committees will be updated as outlined in the attachment, and multiple internal process documents will be updated to ensure clarity on the new setting and its implications for report writing.

Council workshops

Invitations to all Council workshops will be extended to Māori Committee members.

Internal communications

Following the process and logistical updates, the Governance Team will prepare communications to all staff to ensure the new setting is well understood.

2.4 Significance and Engagement

This matter does not trigger Council's Significance and Engagement Policy or any other consultation requirements.

2.5 Implications**Financial**

There may be some cost to engaging InfoCouncil to reactivate the functionality that allows for meeting paper production where all committees are linked.

Social & Policy

N/A

Risk

N/A

2.6 Options

The options available to Council are as follows:

- a. To approve the proposal to re-integrate the Maori Committee into the six weekly double debated meeting cycle
- b. To maintain the current setting of monthly hui outside the six weekly double debate process

2.7 Development of Preferred Option

It is recommended that Council approve the proposal to reintegrate the Māori Committee into the six weekly double debated meeting cycle.

Multiple factors have been considered in the proposal and Officers will continue to identify and implement any further improvements as the implementation is undertaken to ensure the best outcomes possible for all participants in the process.

2.8 Attachments

- A Meeting integration proposal [↓](#)

1. Current Setting as at June 2020

	Sust. Napier/ Future Napier	People and Places/ Prosperous Napier	Māori Committee Monthly – Friday am	Council	Workshops
Week 1	Final Agenda due Wed, to be run first thing Thursday				COUNCIL WORKSHOPS - Thurs
Week 2	MEETINGS – Thurs am	Draft agenda due Wed			
Week 3		Final Agenda due Wed, to be run first thing Thursday			COUNCIL WORKSHOPS - Thurs
Week 4		MEETINGS – Thurs am			
Week 5				Final agenda due Wed, to be run first thing Thursday – requires minutes of standing committees to be pulled through	COUNCIL WORKSHOPS - Thurs
Week 6	Draft agenda due Wed			MEETING – Thurs am	

2. Proposed Change

	Sust. Napier/ Future Napier	People and Places/ Prosperous Napier	Māori Committee	Council	Workshops
Week 1	MEETINGS – Thurs am	Final Agenda due Wed, to be run first thing Thursday MC access at same time as Councillors			
Week 2		MEETINGS – Thurs am			
Week 3			New items due Tuesday Final agenda due Wed, to be run first thing Thursday – requires minutes of all standing committees so these can be pulled through via InfoCouncil (agendas already available)		COUNCIL WORKSHOPS – Thurs
Week 4			MEETING – Friday am		COUNCIL WORKSHOPS – Thurs
Week 5	Draft agenda due – Wed			New items due Monday Final Agenda due Wed, to be run first thing Thursday – needs standing committee AND MC minutes (agendas already ready to be integrated)	COUNCIL WORKSHOPS – Thurs

Week 6	Final Agenda due Wed, to be run first thing Thursday MC access at same time as Councillors	Draft agenda due Wed		MEETING – Thursday am	
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3. LOCAL GOVERNANCE STATEMENT UPDATES

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	942687
<i>Reporting Officer/s & Unit:</i>	Devorah Nicuarta-Smith, Team Leader Governance

3.1 Purpose of Report

To highlight updates made to the Local Governance Statement since 12 March 2020, including adjustments in the Governance Structure which require adoption by Council.

Officer's Recommendation

That Council:

- a. Endorse the mayor's proposed updates to the councillor portfolios
 - i. Cr Ronda Chrystal – Tourism/ Council Facilities
 - ii. Cr Richard McGrath – Child Friendly City, City Services
 - iii. Cr Sally Crown – Economic Development
- b. Endorse the appointment of Cr Ronda Chrystal as a further councillor representative on the Arts Advisory Panel
- c. Note the additional information to the Hearings Committee Terms of Reference regarding consideration of tenders
- d. Note the external appointment correction from Sports Hawke's Bay to Sports Council
- e. Note the overt recognition of the status of te Tiriti o Waitangi as requested by Council at its meeting on 12 March 2020
- f. Note the inclusion of information on Napier' Sister Cities as requested by Council at its meeting on 12 March 2020
- g. Endorse the increase in remuneration for the Māori Committee Chair to \$600 per attended meeting or workshop, with appropriate back payment to be made to the first meeting chaired
- h. Note that Māori Committee members are now paid for all meetings and workshops attended where previously remuneration was only for Māori Committee meetings
- i. Note that the Terms of Reference for the Māori Committee continues to be a work in progress with the members of that Committee, and a further update to the governance structure and Local Governance Statement will ensue

3.2 Background Summary

As agreed with Council at its meeting on 12 March 2020, larger updates to the Local Governance Statement will be brought to Council for visibility prior to web publication of the most up-to-date version of this living document.

Further, some updates to governance appointments and portfolios have been proposed by the mayor which require adoption by Council.

3.3 Issues

No issues

3.4 Significance and Engagement

This matter does not trigger Council's Significance and Engagement Policy or other consultation requirements.

3.5 Implications

Financial

N/A

Social & Policy

N/A

Risk

N/A

3.6 Options

The options available to Council are as follows:

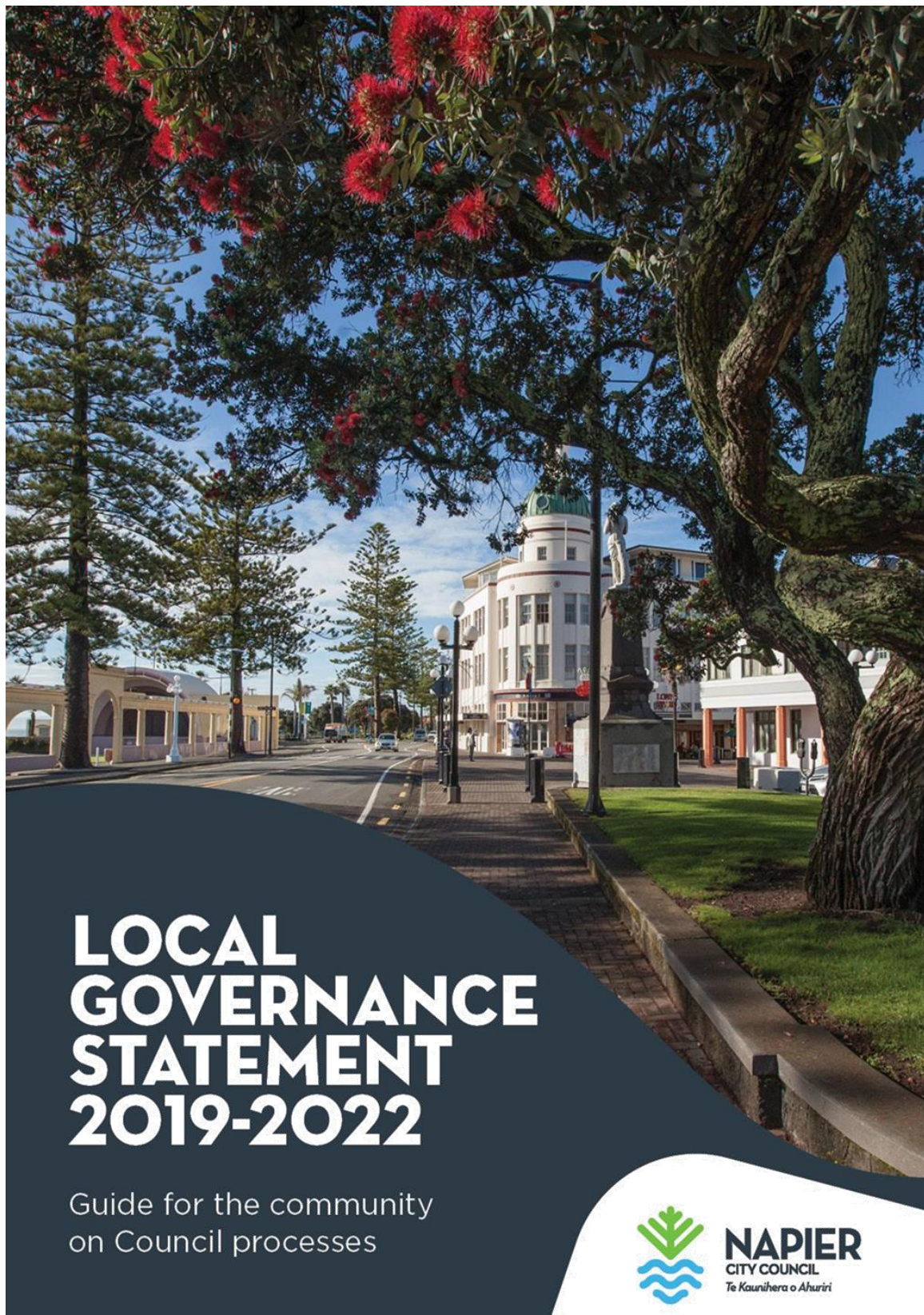
- a. To endorse the Mayor's proposed appointments and note other updated information in this living document
- b. To decline the Mayor's proposed appointments, proposing preferred candidate/s, and note other updated information in this document

3.7 Development of Preferred Option

Option a is preferred as all appointments and portfolio updates have been previously discussed with the elected members in question.

3.8 Attachments

A Local Governance Statement as at 30 June 2020 [↓](#)



LOCAL GOVERNANCE STATEMENT 2019-2022

Guide for the community
on Council processes



Vision and mission

To provide the facilities and services, the environment and leadership, plus encouragement for economic opportunities to make Napier the best city in New Zealand in which to work, raise a family and enjoy a safe and satisfying life.



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1. INTRODUCTION – WHAT IS A LOCAL GOVERNANCE STATEMENT?

This Local Governance Statement provides information about the processes through which Napier City Council engages with the residents of Napier, how the Council makes decisions, and how citizens can influence these processes.

Local Governance Statements are a requirement under section 40 of the Local Government Act 2002, and must be adopted by a new Council within six months of an election. It may be updated at any point during the next three years after that to ensure that it remains accurate and up-to-date.

2. WHAT THE COUNCIL DOES

The purpose of Napier City Council is to enable democratic local decision-making, and to promote the social, economic, environmental, and cultural well-being of the Napier community now and for the future.

Functions of Council – Key Legislation

The key legislation applying to Napier City Council, and the functions that the Council undertakes as a result of this legislation, include:

Local Government Act 2002

- Planning for community needs, with general power to undertake any activities to perform its role with particular regard to:
 - network infrastructure,
 - solid waste collection and disposal,
 - the avoidance or mitigation of natural hazards, and
 - libraries, museums, reserves, recreational facilities, and other community infrastructure.
- Making and enforcing bylaws.
- Facilitating and building Māori capacity to get involved in local government decision making.

Local Government Act 1974

- Providing local roads, footpaths, cycle tracks, pedestrian malls.
- Naming local roads.
- Providing land drainage.

Local Government Official Information and Meetings Act 1987

- Management of council meetings, including how information about the timing of meetings, the topics of discussion and decisions made, is provided to the public.
- Provision of official information held by council, including notes about when information may be withheld.

Resource Management Act 1991

- Managing natural and physical resources sustainably through setting objectives, policies and rules that manage environmental effects of activities and which are incorporated into District Plans.

Local Electoral Act 2001

- Managing local authority (council) triennial elections.

Functions of Council – Other Legislation

National Legislation

Local Authorities (councils) are affected by other legislation as well. While most legislation impacts on the activities of a council to some degree, some Acts are of direct relevance to how council undertakes its functions, responsibilities and activities.

A list of the national legislation of particular importance to Napier City Council can be found at [Appendix One](#).

Local Legislation

Napier City Council is also affected by some local legislation.

Local legislation comprises Acts of Parliament that have come about through a Bill promoted by a particular council, and which affects a particular locality only. Some of this legislation is now of limited relevance; however, all of these enactments remain in force and confer various powers and responsibilities on Napier City Council either directly or as successor to the former Napier Borough Council, the Hawke's Bay County Council or the Hawke's Harbour Board.

A list of the local legislation for Napier City Council can be found at [Appendix Two](#).

Activities

In order to perform its functions, Napier City Council undertakes many different activities. Information is provided about these activities in Council's plans and reports, such as the Long Term Plan, the Annual Plan and the Annual Report, which include associated financial information and key projects.

More detailed descriptions of these documents are outlined in Section 12 of this Local Governance Statement, along with the weblinks to the current documents.

The activities of Napier City Council are:

- Democracy and governance
- Transportation
- Stormwater, wastewater and water supply
- Other infrastructure
- City Strategy
- Community and visitor experiences
- Property assets

3. BYLAWS

What are Bylaws?

Bylaws are rules that a Local Authority (council) has the power to make. They apply:

- to local issues that existing Acts of Parliament and Regulations do not cover,
- within the boundaries of the Local Authority,

and there are a range of options available to the Local Authority to enforce them.

A council may make bylaws to protect the public from nuisance, to protect, promote and maintain public health and safety, and to minimise potential for offensive behaviour in public places. If a bylaw is broken, a fine or prosecution may be incurred.

Bylaws are available on Council's website <https://www.napier.govt.nz/our-council/policies-and-bylaws/bylaws/>

The Local Government Act 2002 requires bylaws to be reviewed within 5 years of the date on which they are first made, with all further reviews carried out within 10 years¹.

Napier City Council Bylaws

Bylaw	Adopted	Reviewed	Next Review
Introductory Bylaw 2014 Identifies and clearly interprets the terms and expressions that are used throughout Napier City Council Bylaws. Outlines the serving of orders and notices, powers of delegation and entry, suspension and revocation of licences, removal of works, fees and charges, offences and penalties for breach of bylaws.	2008	2014	2024
Animal Control Bylaw 2014 Controls the keeping of animals, poultry, bees and reptiles on private property and trapping activities in public and private places. Sets minimum necessary requirements on owners for maintaining the principles of animal welfare and for the protection of residents and the local community from potential nuisance, excess noise, and health hazard.	2008	2014	2024

¹ Local Government Act 2002, sections 158-159

Bylaw	Adopted	Reviewed	Next Review
Cemeteries Bylaw 2014 Controls activities within cemeteries to ensure acceptable standards of operation, and to ensure that convenience, safety, visual amenity and civic values are maintained for the wellbeing of residents, monumentalists, and funeral services.	2008	2014	2024
Dog Control Bylaw 2014 Enhances the safety of the public and children by minimising the distress, nuisance and intimidation caused by dogs to the community, avoiding the inherent danger of uncontrolled dogs in public places and to provide dogs and their owners with the ability to satisfy their recreational needs, as far as is practicable through legislative means.	2014		2024
Fire Control Bylaw 2014 Controls burning in the open air in the district and prevents smoke from fires in the open causing a nuisance. Control and prevent the spreading of fires in the district.	2008	2014	2024
Freedom Camping Bylaw 2017 The purpose of this Bylaw is to control freedom camping in the district in order to protect the area, protect the health and safety of people who may visit the area, and to protect access to the area.	2014	2017	2026
Mobile Sign Bylaw 2013 The purpose of this Bylaw is to ensure that vehicle and trailer advertising signs are erected, maintained, positioned and displayed in such a manner that they do not present a hazard or a danger to public safety. The Bylaw also seeks to maintain aesthetic standards.	2013		2018

Bylaw	Adopted	Reviewed	Next Review
Parking Control Bylaw 2014 Controls parking activities, and addresses parking issues which may have an adverse effect on other users of public places.	2008	2014	2024
Parks & Reserves Bylaw 2014 Controls a diverse range of activities, and addresses behaviour in public facilities such as parks, reserves and beaches.	2008	2014	2024
Public Places Bylaw 2014 Ensures that acceptable standards of convenience, safety, visual amenity, and civic values are maintained within the district. Addresses damage to public places such as roads, grass verges, garden areas and reserves and activities within public places and reserves which may have an adverse effect on other users of these facilities.	2008	2014	2024
Liquor Control Bylaw 2014 Enhance safety and the public enjoyment of public places in a responsible manner, particularly within the central city, by providing for liquor control in specified public areas in order to reduce the incidence of alcohol related offences, particularly those of a violent and/or destructive nature.	2004	2014	2024
Solid Waste Bylaw 2012 Regulates waste management, including the collection, transportation and disposal of waste. Aims to support waste minimisation and reduction, and assist in the implementation of Council's Solid Waste Management Plan and the New Zealand Waste Strategy, to ensure effective and efficient waste management and to impose performance standards for waste handling.	2008	2012	2022
Speed Limits Bylaw 2012 To set speed limits for roads in the urban traffic areas.	2005	2012	2022

Bylaw	Adopted	Reviewed	Next Review
Stormwater Bylaw 2020 Prevents the misuse of Council's public stormwater network by controlling the discharge of contaminants into the network, requiring the use of the network for the discharge of stormwater only and to protect the network from damage or alteration.	Dec 2019		2025
Tattooists and Skin Piercers Bylaw 2014 Prevents the transference of communicable diseases, and the development of wound infections, by skin piercing practices. Requires that premises at which skin piercing is practiced are registered, and provides constructional and operational standards to be complied with in accordance with the registration process.	2008	2014	2024
Trade Waste Bylaw 2014 Protects wastewater infrastructure and regulates disposal and treatment of trade waste. Aims to ensure effective and efficient trade waste management, and to meet requirements of discharge consents for treated waste to the marine environment by imposing performance standards and requirements for trade waste disposal.	2008	2015	2025
Trading in Public Places Bylaw 2014 Regulates the conduct of persons selling goods on streets, roads, footpaths and other public places, or using vehicles to sell goods and services to the general public. Prescribes fees where required.	2008	2014	2024
Wastewater Drainage 2014 Prevents the misuse of Council's wastewater drainage system. Ensures the protection of personnel and the general public. Protects the ability of Council to meet legislative requirements and protect investment in all existing and future infrastructure treatment plant and disposal facilities.	2008	2014	2024

Bylaw	Adopted	Reviewed	Next Review
Water Supply Bylaw 2012 Provides protection for Council's water supplies and infrastructure. Defines the water supply areas and sets out conditions of supply.	2008	2012	2022

4. ELECTORAL SYSTEMS AND OPPORTUNITY TO CHANGE THEM

When is the next election?

Local Government elections are run every three years on the second Saturday of October. The most recent election was 12 October 2019, and the next will be in October 2022.

What is an 'electoral system'?

An "electoral system" describes the system used for voting at Local Authority elections. The Local Electoral Act 2001 provides for two types of electoral systems, First Past the Post and Single Transferable Vote.

First past the Post (FPP)

Under this system, each voter may cast one vote for a vacant position. Those candidates with the most votes are elected.

Single Transferable Vote (STV)

Under this system, voters rank candidates in order of their preference.

All voters' first preferences are counted and any candidates whose votes exceed an amount (called the "quota") is elected.

If not all positions are filled, the surplus votes for successful candidates are redistributed among the other candidates according to voters' preferences.

If the positions are not filled by redistributing surplus votes, the candidate with the fewest votes is excluded and that candidate's votes are then distributed among the remaining candidates according to voters' preferences. This process of redistributing votes continues until all positions are filled.

More detailed information on STV system is available on the website
<http://www.stv.govt.nz/stv>

Changing the Electoral System

Napier City Council currently uses First Past the Post as its electoral system.

The option of STV was introduced in the early 2000's for potential use in the 2004 elections. In 2003, a valid demand from at least 5% of the voters in Napier City was made to consider which electoral system would be used in 2004 (STV or FPP) and a poll was undertaken later that year. The results of the poll was to retain FPP. Council has since resolved to continue with the FPP system each election.

Any changes to the electoral system must apply for two elections. On 30 August 2017 Council decided to retain the First Past the Post system for the 2019 and 2022 elections.

The electoral system to be used for future elections could be changed by the following methods:

- Council resolution
- Council holding a poll on whether there should be a change of electoral system (as long as this is decided on before 21 February in the year prior to an election year)
- Voters demanding a poll

At any time, the voting public of Napier City may demand a poll on whether or not there should be a change of electoral system, as long as 5% of the electors clearly indicate that they want this.

To take effect for the 2022 and 2025 election, a valid demand would need to be received before 21 February 2021 and the ensuing poll undertaken before 21 May 2021. For any demand received after 21 February 2021 the poll will be held after 21 May 2021, and the results applicable to the 2025 and 2028 elections.

If you want to find out more on how to demand a poll, please see the Local Electoral Act 2001, Part 2, Sections 29-30.

If you would like to find out more about the matters discussed above, please contact the Governance Team at governance@napier.govt.nz

5. REPRESENTATION ARRANGEMENTS

What are 'representation arrangements'?

Representation arrangements are the way representation of the public is configured for elections for a Local Authority such as Napier City Council, including:

- The number of members that are elected to the governing body of Napier City Council (the legal requirement is no less than six and no more than 30 members, including the Mayor),
- Whether the election of members other than the Mayor (also known as councillors) is by the entire electoral district (called 'at large'), or whether the district is divided into wards for electoral purposes, or whether there will be a mix of 'at large' and ward representation,
- The boundaries of wards, the names of the wards, and the number of members that will represent each ward, if wards are used,
- Whether to have Māori wards for electors on the Māori roll, and
- Whether to have community boards, and if so, how many, and what their boundaries and membership will look like.

Local Authorities must review their representation arrangements at least every six years. Napier City Council completed a representation review in 2018; more information on the review can be found below.

Current Napier City Council representation structure

Currently Napier City Council has one Mayor and twelve elected members (councillors).

Following Napier City Council's review of its representation in late 2017/ 2018, the final proposal of Council was confirmed by determination of the Local Government Commission in January 2019. In line with the Council's proposal, the election of councillors was restructured as ward-only for the 2019 elections.

The allocation of councillors as is follows:

Ahuriri Ward	2 councillors
Onekawa Ward	2 councillors
Nelson Park Ward	4 councillors
Taradale Ward	4 councillors

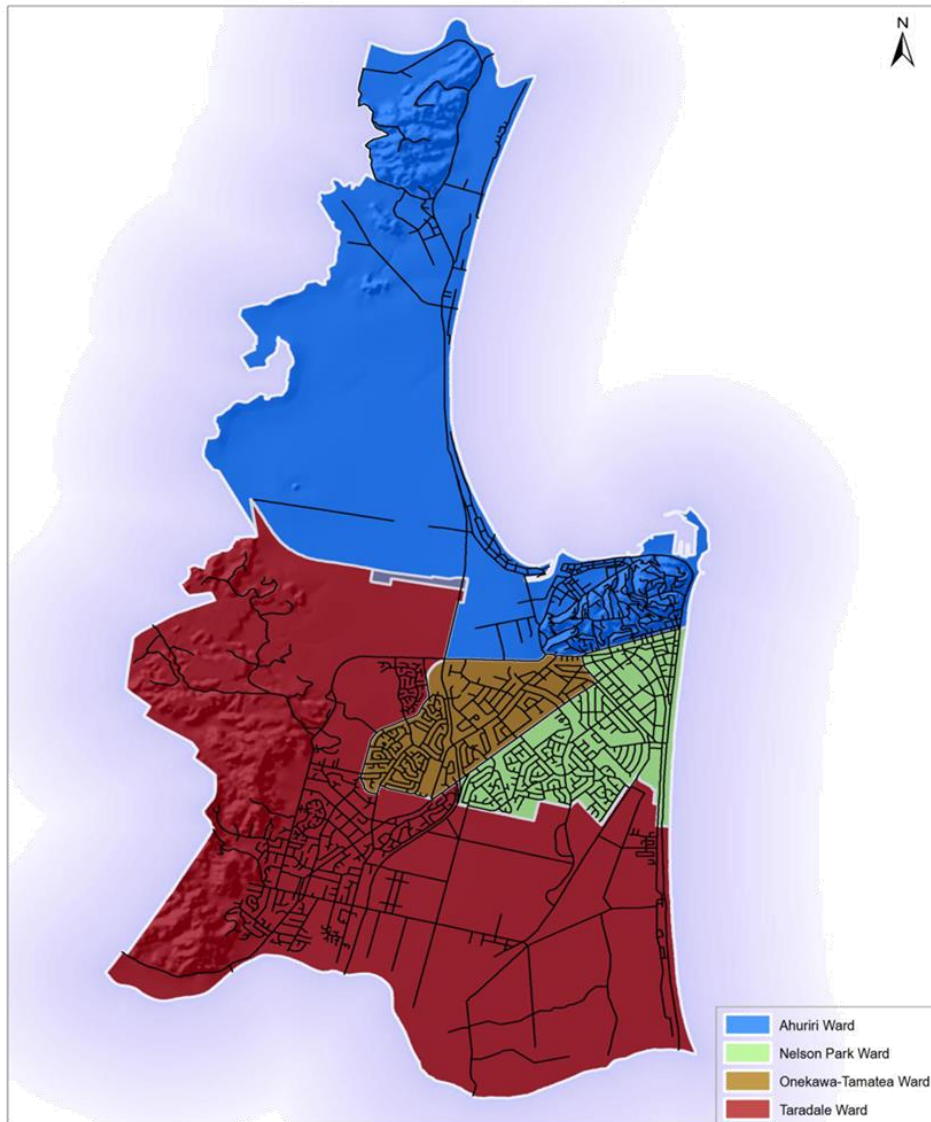
The Mayor will continue to be elected by the city as a whole.

Napier does not currently have Māori wards or community boards.

There was no change to the ward boundaries from previous elections.

Map of Napier City Council wards

Napier City's current ward boundaries are shown here:



Napier City Council Wards

Meet your Council



Mayor Kirsten Wise



**Deputy Mayor
Annette Brosnan**
Onekawa-Tamatea



Cr Richard McGrath
Onekawa-Tamatea



Cr Keith Price
Ahuriri



Cr Hayley Browne
Ahuriri



Cr Tania Wright
Taradale



Cr Graeme Taylor
Taradale



Cr Ronda Chrystal
Taradale



Cr Nigel Simpson
Taradale



Cr Greg Mawson
Nelson Park



Cr Sally Crown
Nelson Park



Cr Api Tapine
Nelson Park



Cr Maxine Boag
Nelson Park

You can find more information on the Mayor and Councillors and how to contact them on our website <https://www.napier.govt.nz/our-council/mayor-and-councillors/>

Review of representation arrangements

Recent History

Year	Actions
2006	<p>Napier City Council reviewed its representation arrangements at its meeting on 21 June 2006 and agreed that:</p> <ul style="list-style-type: none"> members would be elected by the district as a whole rather than wards, there be 10 members (excluding the Mayor), and there be no community boards. <p>Public submissions received on this decision mostly supported a ward system.</p> <p>Council met again on 6 September 2006 and decided that:</p> <ul style="list-style-type: none"> members would still be elected by the district as a whole rather than ward on the basis that: <ul style="list-style-type: none"> the 2005 National Research Bureau (NRB) survey indicated a 70% preference for 'at large' versus 28% for wards, it was believed that Napier had many of the characteristics of 'one community of interest', for which election at large is most suitable, and a ward system was not seen to provide fairer or more effective representation. there be 12 members (excluding the Mayor), on the basis that: <ul style="list-style-type: none"> the 2005 NRB survey indicated a 59% preference for 12 (status quo at the time), a 3% preference for more and only a 31% preference for less, public submissions received also mainly supported retaining the current level of representation, and 12 councillors provides a wider range of viewpoints than 10 would. <p>The final proposal made in September 2006 was appealed by members of the public to the Local Government Commission, which makes the final decision on representation arrangements.</p> <p>On 10 April 2007, the Commission decided that there will be 12 councillors and a Mayor. Of these, six councillors would be elected 'at large' and six would be elected from four wards – Ahuriri, Onekawa-Tamatea, Nelson Park, Taradale.</p>

Year	Actions
2012	<p>Napier City Council reviewed its representation arrangements. Council decided in June 2012 to retain the arrangements adopted in 2007. This was due partly to the postponement of the 2001 Census which meant that no updated census information was available. The Census was eventually held in 2013.</p> <p>These same representation arrangements were also used for the 2013 and 2016 triennial elections.</p>
2017-2018	<p>Napier City Council reviewed its representation arrangements in a process involving significant levels of engagement with the community, the most in-depth analysis of current and historic data to that point and consideration of a variety of options by the Council.</p> <p>Based on the analysis, it was advised that a ward-only system may be most effective for Napier for a number of reasons. Following Council debate and ensuing initial proposal to maintain the status quo (specifically to continue with the mixed at large/ ward Councillor arrangement), the highest number of submissions on a representation review were received with a strong majority in favour of moving to a ward-only structure.</p> <p>In late 2018, as per the review process, Council considered all submissions, and made the decision to alter its final proposal to a ward-only system. Two public objections were received to the final proposal, meaning the final proposal and all associated information was required to be considered by the Local Government Commission who adjudicates and makes a final determination in these instances.</p>
Jan 2019	<p>The Local Government Commission ratified Council's final proposal to move to election of councillors by ward only, for the 2019 local government election. This determination will also be in place for the 2022 election unless Council directs an earlier review than the required six years, or there are any changes to the city boundary.</p>

Resident Surveys

Year and Survey	Votes for 'at large'	Votes for wards	Votes for a mix	Councillor number
1995 Referendum	60%	35%		
2005 NRB Survey	70%	28%		Status quo (12 members) – 59% in support Reduction (7-10 members) – 31% in support
2006 Survey undertaken just prior to the Local Government Commission decision	70%	28%		
2009 NRB survey	28%	20%	44%	
August 2011 NRB survey	25%	21%	52%	Status quo (12 members) – 62% in support Reduction (7-10 members) – 31% in support
November 2017 Survey	12%	27%	41%	

Matters to take into account

Napier City Council must undertake a representation review at least every six years, following the procedure set out in the Local Electoral Act 2001 and guidelines published by the Local Government Commission.

In carrying out a representation review, a Local Authority should be guided by the principle of fair and effective representation for individuals and communities.

Fair representation relates to the number of persons represented per member.

The ratio of persons per member in each ward or constituency is required to be within +/- 10% of the ratio for the district or region as a whole. This is designed to ensure approximate equality in representation i.e. votes of equal value.

Effective representation relates to representation for identified communities of interest. This needs to take account of the nature and locality of those communities of interest and the size, nature and diversity of the district as a whole.

Māori Wards

The Local Government Act gives Council the ability to establish separate wards for Māori voters. The establishment of Māori wards can be achieved through:

- Council resolution,
- Council resolution to conduct a poll, or
- Community demand at any time to hold a poll.

If Māori ward(s) are to be implemented, the number of members to be elected would be determined according to the number of voters in the district who are registered on the Māori parliamentary roll in relation to the number of voters in the district who are registered on the General Parliamentary roll.

On 8 November 2017, Napier City Council resolved not to establish Māori wards.

Five percent of electors may demand that a poll be held with regards to the establishment of Māori wards.

As the close off date for implementation in the 2019 elections was 28 February 2018, the outcome of any such poll, should one be demanded, would apply to the 2022 elections.

2018 Review

Napier completed a representation review in 2018, following an 18 month comprehensive process of community engagement and analysis of historical data. The final proposal of Council was reached in late 2018:

- That the Council continue to comprise a Mayor and 12 Councillors
- That the election of Councillors move to a fully ward-only system
- That the existing ward boundaries be maintained
- That Māori wards and community boards not be established

As two public objections were received to the final proposal, the proposal and all supporting documentation were provided to the Local Government Commission on 8 August 2018. On 18 January 2019 the Commission ratified the final proposal of Council. Council received the determination by resolution on 5 March 2019 and the new representation arrangements applied to the 2019 election.

These representation arrangements will also stand for the 2022 election unless Council chooses to undertake its next representation review earlier than six years.

The timetable of key dates in the process followed were as follows:

Action	Dates
Obtain the most up to date population estimates and identify a range of possible representation models. Preliminary consultation with the public on options.	late 2017 – April 2018
Resolution setting out Council's initial proposal on the representation arrangements applicable for 2019 triennial elections. Initial proposal was to retain the status quo – a mixed ward system of 12 councillors and Mayor with no change to ward boundaries, no community boards, and no Māori wards.	<i>Finance Committee recommendation</i> 20 March 2018, Council resolution 9 April 2018
Notice of Council's initial proposal to the public (providing at least one month for submissions).	10 April 2018
Submissions considered, original proposal amended by resolution, and notify public of its final proposal. Council's final proposal was to move to a ward only system of 12 councillors and Mayor, to retain the same ward boundaries, no community boards and no Māori wards.	Hearing and deliberations at Council 26 June 2018
As there was a change between the initial and final proposals, appeals from those who submitted on the original proposal and any fresh objections to the amendment were sought for the four weeks following the 26 June 2018. Two objections were received.	Council received objections 7 August 2018
Appeals and objections are forwarded to Local Government Commission, accompanied by all documentation produced during the review process for consideration and determination.	8 August 2018
Determination of the Local Government Commission (due by 11 April 2019).	18 January 2019
Determination received by Council	<i>Strategy and Infrastructure Committee recommendation</i> 19 February 2019, Council resolution 5 March 2019

Reorganisation proposals

Local government reorganisation means changes to the structure of local authorities, including:

- changes to boundaries,
- the creation of a new Council,
- the union of Councils,
- the abolition of a Council, or
- the transfer of functions and duties from one Council to another.

Schedule 3 of the Local Government Act 2002 sets out procedures which must be followed for local government reorganisation proposals. The Local Government Commission has also published a useful guide to understanding the process of reorganisation proposals <http://www.lgc.govt.nz/the-reorganisation-process/>.

Process for affecting change

- Any individual or group may lodge a proposal for reorganisation with the Local Government Commission.
- The Commission decides whether there is demonstrable community support for the proposal before it decides whether or not to assess the application. If it decides to assess the proposal, it then advertises the proposal and provides an opportunity for alternative proposals to be lodged.
- After considering all the proposals which are received, the Commission forms an opinion as to its preferred arrangement, prepares a draft re-organisation scheme, publicises the scheme, and asks for submissions.
- After considering submissions and any other relevant matters, the Commission may issue a final scheme. At that stage, 10% of the voters of any of the local authorities affected by the scheme may petition for a poll to be taken on the proposal. The results of this poll will determine whether the reorganisation proceeds or goes no further.

Napier City Council's recent history

- On 15 September 2015, a poll was held to decide whether the Hawke's Bay Councils should amalgamate into one unitary Council for the region.
- A majority of 66.18% of voters rejected the amalgamation proposal (33.55% voted for the proposal).
- Within Napier City, 87.68% voted against amalgamation.

Scoping work for possible changes to the ward boundaries of Napier City Council was initiated in 2018 through an independent review. Early discussions with the relevant councils and mana whenua will be undertaken prior to any further analysis of options and community engagement.

6. ROLES AND CONDUCT OF ELECTED MEMBERS

Role of the governing body of Napier City Council

The elected members (Mayor and councillors) of Napier City Council have the following roles:

- setting the policy direction of Council
- monitoring the performance of Council
- representing the interests of Napier City as a whole (upon election all members must make a declaration that they will perform their duties faithfully and impartially, and according to their best skill and judgment in the best interests of the city)
- employing the Chief Executive (under the Local Government Act 2002, the Local Authority employs the Chief Executive, who in turn employs all other staff on its behalf).

Mayor of Napier City

The Mayor is elected by Napier as a whole ("at large"), and as one of the elected members shares the same general responsibilities as other members of the governing body of Council. A 2012 amendment to the Local Government Act 2002, which came into effect following the 2013 elections, clarified the role of the Mayor and gave the holder of that position certain specific powers.

Under this amendment, the role of the Mayor is to provide leadership to the other members of the governing body of Council, and the people in Napier. Further, it is the Mayor's role to lead the development of Napier City Council's plans, policies, and budgets for consideration by the members of the governing body. To be able to do these things, the Mayor now has the following powers:

- to appoint the Deputy Mayor
- to establish committees of the governing body of Council
- to appoint the Chair of the committees established, including appointing themselves to that position if they wish

The Mayor also has the following roles:

- to chair meetings of the governing body of Council. The Mayor is responsible for ensuring the orderly conduct of business in accordance with Napier City Council's standing orders (more about standing orders can be found in Section 8 below)
- to participate as a member of each committee established under the governing body
- to advocate on behalf of the community at local and national levels
- to represent Napier City Council at official functions
- to ensure that elected members properly perform their function and duties

Deputy Mayor

The Deputy Mayor may be appointed by the Mayor or is otherwise elected by the members of the governing body of Council at its first meeting following the triennial election (called the triennial meeting).

The Deputy Mayor exercises the same roles as other elected members.

In addition, if the Mayor is absent or incapacitated, or if the office of Mayor is vacant, then the Deputy Mayor must perform all of the Mayor's responsibilities and duties, and may exercise the powers of the Mayor.

Committee Chairs

A Committee Chair presides over all meetings of the committee, ensuring that the committee acts within the powers delegated by the governing body and as set out in Council's terms of reference for the committee (see [Appendix Three](#)). A Committee Chair may have to act as an official spokesperson on a particular issue relevant to that committee.

Deputy Committee Chairs

If the Chair is absent or incapacitated, or the office of Chair is vacant, then the Deputy Chair must perform all of the responsibilities and duties, and may exercise the powers of the Chair.

Role of the Chief Executive

The Chief Executive is appointed by the governing body of Council 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 budget constraints established by Council.

Under section 42 of the Local Government Act 2002, the responsibilities of the Chief Executive are:

- implementing the decisions of Council
- providing advice to Council and community boards (where community boards exist)
- ensuring that all responsibilities, duties and powers delegated to the Chief Executive or to any person employed by the Chief Executive, or imposed or conferred by any Act, regulation or bylaw are properly performed or exercised
- managing the activities of Council effectively and efficiently
- maintaining systems to enable effective planning and accurate reporting of the financial and service performance of Council
- employing staff (including negotiation of the terms of employment for the staff) in accordance with any remuneration and employment policy adopted by the governing body
- providing leadership for the staff of Council

The governing body of Council has a duty as the Chief Executive's employer to maintain its obligations under the Employment Act. It agrees objectives with the Chief Executive and monitors performance against these annually. A committee may be established for this purpose, reporting back to Council on recommended terms and conditions of employment.

Code of Conduct

Elected members must adopt a Code of Conduct, which they must all follow². The Code sets out Council's understanding and expectations of how the Mayor and councillors will relate to one another, to staff, to the media and to the general public. It also covers disclosure of information that is received by, or is in the possession of elected members.

All elected members are required to maintain a clear separation between personal interests and their duties. They are required to routinely declare any conflicts of interests whether real or perceived.

The Code contains details of the sanctions that Council may impose if an individual member breaches the requirements, as well as a clear process for the investigation of any complaints by an independent investigator.

Napier City Council adopted a new Code of Conduct on 30 January 2020, based on the Local Government New Zealand model standard.

Once adopted, a Code may only be amended by a majority vote of the governing body where at least 75% support the change.

The Code of Conduct can be found at <https://www.napier.govt.nz/assets/Document-Library/Policies/2019-2022-Code-of-Conduct-adopted-30-January-2020.pdf>

Legislation relevant to conduct

Elected Members have specific obligations as to their conduct in the following legislation:

Act	Rules
Local Government Act 2002	<p>The Act includes obligations to act as a good employer in respect of the Chief Executive and to abide by the current Code of Conduct and Standing Orders.</p> <p>Under Section 46(1), councillors can be held liable for losses resulting from negligence or unlawful action by Council (reported by the Auditor-General under section 44 of the Act).</p>

² Local Government Act 2002, Schedule 7, Clause 15

Under Schedule 7 clause 1, an elected member (the Mayor, a councillor, or a community board member (where community boards exist) will be disqualified if

- they cease to be an elector or
- become disqualified for registration as an elector under the Electoral Act 1993 or
- are convicted of an offence punishable by a term of imprisonment of two years or more.

Their position will also become vacant if they are absent without leave from Council or community board for four or more consecutive meetings³.

Local Authorities (Members' Interest Act) 1968	This Act regulates the conduct of elected members in situations where there is, or could be, a conflict of interest between their duties as an elected member and their financial interests (either direct or indirect).
Secret Commissions Act 1910	This Act prohibits elected members from accepting gifts or rewards that could be seen to sway them to perform their duties in a particular way.
Crimes Act 1961	This Act prohibits all acts related to bribery and use of official information for private profit.
Financial Markets Conduct Act 2014	This Act places elected members in the same position as company Directors whenever Council offers financial products (such as an issue of debt or equity securities).
	Elected members could be personally liable if documents that are registered under the Act (such as a product disclosure statement) contain false or misleading statements, and or requirements of the Act are not met in relation to offers of financial products.

³ Local Government Act 2002, schedule 7, clause 50

7. GOVERNANCE STRUCTURE, MEMBERSHIP AND DELEGATIONS

Council Committee Structure

Detailed information on Napier City Council's committees, sub-committees, advisory panels, joint committees and participation in external bodies can be found in our Governance Structure at [Appendix Three](#).

8. MEETING PROCESSES

Giving notice to members

Ordinary meetings

For ordinary meetings, at least 14 days' notice of the time and place of the meeting must be given to the members of the meeting, or given in accordance with an adopted meeting schedule. Notification of a schedule is notification of all meetings in the schedule.

Extraordinary meetings

Extraordinary meetings (meaning meetings for which notice as required for ordinary meetings cannot be given) can be called with three working days' notice, or a shorter period in exceptional circumstances, but no less than 24 hours' notice.

Giving notice to the public⁴

Ordinary meetings

Public notice of all scheduled meetings in a month must be given at least five days and not more than 14 days prior to the end of the preceding month.

Alternatively, if a meeting is to be held after the 21st of the month, it can be notified not more than 10 working days nor less than five working days prior to the meeting.

Extraordinary meetings

Extraordinary meetings must be publicly notified as soon as practicable before the meeting is held. If this cannot be done, such a meeting must be notified as is reasonable in the circumstances. The general nature of business to be conducted at the meeting must be included in the notice.

Where to view public notices

Napier City Council places public notices in the Napier Courier newspaper, and may also use the Hawke's Bay Today paper for extraordinary meetings where required. Information about the schedule of meetings is also placed on the Council's website.

If a meeting is notified and later cancelled, a cancellation notice will also be placed.

⁴ Local Government Official Information and Meetings Act (LGOIMA) s46

Agendas and minutes

Agendas

Issues that need to be brought to the attention of elected members are contained in reports from Napier City Council staff that are collated into agendas.

The Chair of a meeting may also bring an issue to the attention of a meeting by way of a report.

The requirements for public notice of meetings and public availability of agendas mean that a meeting cannot deal with a matter that is not on the published agenda unless the process in the Local Government Official Information and Meetings Act 1987 is followed. This involves the Chair explaining to the meeting during the public section why the matter was not on the published agenda and why it cannot be deferred to a subsequent meeting. The meeting must pass a resolution approving that the additional item be discussed. However, no resolution, decision or recommendation can be made on the matter itself except to refer it to a later meeting for further discussion.

Minutes

Minutes are a record of proceedings of a meeting and are required to be kept. They are evidence of the proceedings of a meeting once they are authenticated by being formally confirmed at a following meeting⁵.

The minutes of Napier City Council meetings record the members present and absent, members arrival and departure times (where required), apologies, declarations of conflicts of interest, movers and seconders of motions and amendments, resolutions passed, and names of presenters where relevant. They are not a verbatim record of discussion.

Napier City Council and Standing Committee meetings are livestreamed and can be viewed during the meeting time via Council's Facebook site. They can also be viewed after the meeting at <https://www.youtube.com/playlist?list=PL7kpAHictPi584UwZwOj0Z6NuPsf3Mgto>

Public access to agendas and minutes

Agendas⁶

Agendas for ordinary meetings are required by law to be publicly available at least two working days prior to a meeting.

An agenda for an extraordinary meeting will be made available to the public as soon as is reasonable in the circumstances.

Any member of the public may inspect any open agenda and associated reports circulated to elected members. Members of the public may take notes or request a copy of the agenda or report.

The Chief Executive may exclude reports or items from reports from the public section of any meeting, if there are relevant grounds to do so under the Local Government Official Information and Meetings Act 1987. The title of an item to be discussed with the public

⁵ Local Government Act 2002, schedule 7, clause 28

⁶ LGOIMA section 46A

excluded, and reasons for exclusion under the Act will be indicated on each agenda if relevant.

Minutes⁷

The public are entitled to view the final minutes of a meeting at the main Napier City Council offices. However members of the public are encouraged to use Council's website. The website is a comprehensive repository of all formal Council meetings
<http://napier.infocouncil.biz/>

A request for the minutes of a part of a meeting from which the public were excluded is treated as a request for official information.

Public attendance at meetings

Right to attend⁸

The Local Government Official Information and Meetings Act 1987 requires meetings to be open to the public. The underlying principle is that whenever the governing body of Council exercises the functions and powers given to it by Parliament under legislation, this should be transparent and open to the public to observe.

The public has a right to attend the meeting but does not have an automatic right to participate in the meeting. Public rights to speak at meetings are discussed below.

The Local Government Official Information and Meetings Act 1987 applies to any formal meeting of the governing body, or local board where they exist, or any committee which exercises a responsibility given through legislation.

A meeting at which no resolutions are passed is not considered under the Act to be a meeting that is subject to the requirement to be open to the public. This means that elected members are able to take part in workshops or briefing sessions and to have other informal types of meeting without being required to provide for public attendance, provided no resolutions (decisions) are made.

Ability to exclude the public⁹

The Local Government Official Information and Meetings Act 1987 gives Council the ability to exclude the public from parts of meetings when certain conditions apply. These conditions include:

- that it is likely that conducting the meeting in public would lead to disclosure of information where there is good reason to withhold that information, or
- that the information is protected by legislation, or a decision is subject to appeal.

⁷ LGOIMA section 51

⁸ LGOIMA section 47

⁹ LGOIMA section 48

A resolution to exclude the public must be passed, which includes the legal reasons for excluding the public.

If members of the public are in the room when a resolution to exclude the public is passed, the Chair will ask the public to leave the room for the duration of the item(s).

Maintaining order¹⁰

If a member of the public is disruptive at a meeting, and will not obey instructions from the Chair to leave the meeting, the Act allows Council to remove that person.

When the public may speak at a meeting

Public forums

Although legislation does not require Local Authorities to allow members of the public to address meetings, many councils including Napier City Council, make provision in their Standing Orders for this.

With the exception of the Hearings Committee¹¹, a period of up to 45 minutes in total at each meeting (or longer if the Chair determines it) may be set aside for public input at the commencement of meetings that are open to the public. The printed agenda indicates this as the "public forum".

Each speaker during the public forum section of a meeting may speak for up to ten minutes. This may be extended by resolution of the meeting if necessary.

The public forum is typically used to speak about:

- a matter that is on the meeting agenda,
- something that an organisation is doing in order to inform councillors,
- an issue that is a concern, or
- a petition.

The public forum cannot be used to speak about:

- decisions that have already made (it is not an appeal provision),
- matters for which there is a separate public hearing process (fairness dictates that all submitters use the same process),
- matters which are being dealt with through a quasi-judicial process (which requires a set process that is fair to all parties), or
- matters outside the responsibilities of the meeting or the Napier City Council.

¹⁰ LGOIMA section 50

¹¹ As a Hearings Committee already has specific expectations around hearing public submissions a public forum is not required

How to request to speak at the public forum of a meeting

If you wish to speak at the public forum section of a meeting, please contact the Governance Team in writing at least two days prior to the meeting. You will need to outline what you wish to talk about. The Governance Team will provide your application to the meeting Chair, who makes the decision as to whether your application to speak will be accepted or not. The Governance Team can be contacted at governance@napier.govt.nz

As a public record, the minutes of meetings will record the names of submitters and presenters, and may include a summary of what was said.

Other ways to be heard

A member of the public can participate in the democratic process by making a written submission when submissions are called and speaking to the submission at a Hearing.

Submissions are invited on consultation documents for

- the Annual Plan,
- the Long Term Plan,
- Bylaws,
- key policies and plans,
- reserve management plans, and
- applications for consent and proposals for plan changes under the Resource Management Act.

See Council's website for a comprehensive list of plans, policies and strategies.

Standing Orders

The members of a meeting must follow Standing Orders (a set of procedures for conducting meetings). The governing body adopts its own Standing Orders and can amend them by a vote of 75% of the members present. A meeting may suspend all or some of the Standing Orders for a section of a meeting by a vote of 75% of the members present.

Council adopted its current Standing Orders on 30 January 2020, based on the Local Government New Zealand model with some adjustments to reflect specific Napier processes; they can be found on our website:

<https://www.napier.govt.nz/assets/Documents/2019-2022-Standing-Orders-Adopted-30-January-2020.pdf>

Voting

The Local Government Act 2002 requires all voting at meetings to be open¹². The Standing Orders provide for three ways of determining a vote:

- on the voices – members say “aye” or “nay”,
- show of hands – by raising their hands,
- by division (each member’s name is called in turn and the member responds by voting for or against the motion).

For all forms of voting a dissenting vote or votes will be recorded. When voting is called by division the votes of **all** individual members will be recorded in the minutes.

The Standing Orders do not allow the meeting Chair to have a casting vote (an additional vote which is only used to break a tie). Where there is a tie in votes, the motion fails and status quo remains.

Revoking previous decisions

A previous decision can only be revoked:

- at the same meeting as a result of new information,
- at a subsequent meeting by way of a report from the Chief Executive or Chair,
- at a subsequent meeting by way of a notice of motion by a member, with the signatures of at least one third of the meeting.

¹² Local Government Act 2002, schedule 7, clause 24

9. CONSULTATION POLICIES

Legal requirements

The Local Government Act 2002 sets out consultation requirements and principles for Council to follow when making a decision as the guardian of local resources¹³.

For any decision, Council should:

- assess the problem or issue, identify reasonably practical options for how it could be addressed, and work through the costs, benefits, and impacts for each of those options,
- consider the views of the community at *all* stages of the decision-making process, particularly including persons likely to be affected by or interested in the matter, and the views of Māori (especially where land or water are affected),
- consult prior to making any decision or predetermining an option,
- make decisions taking account of the interests of the present and future community, and the impacts of the economic, social, cultural interests and the quality of the environment, and
- provide reasons for all decisions made, and identify and explain any inconsistencies with other council plans or policies.

Council must apply all these principles, but can do this in the ways that it thinks most appropriate.

Significance and engagement policy

A significance and engagement policy is a requirement of the Local Government Act 2002¹⁴. The purpose of the Policy is to:

- enable the Local Authority and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions and activities,
- outline how and when communities can expected to be engaged in decisions about different issues, assets, or other matters,
- outline the extent of any public engagement that is expected before a particular decision is made, as well as the type and form of engagement required. This information is used at the beginning of a decision-making process.

The Policy should outline:

- a general approach to determining the significance of proposal and decisions,

¹³ Local Government Act 2002, sections 75-90

¹⁴ Local Government Act 2002, section 76AA

- criteria or procedures for assessing the extent to which issues, proposals, assets, decisions, or activities are significant or may have significant consequences,
- how the Local Authority will respond to community preferences about engagement on decisions relating to specific issues, assets, or other matters, including the form of consultation that may be desirable,
- how the Local Authority will engage with community on other matters.

Council's Significance and Engagement Policy was reviewed in 2017 and the updated version adopted on 20 December 2017. It can be found at <https://www.napier.govt.nz/assets/Document-Library/Policies/significance-engagement-policy.pdf>

Special consultative procedure

The Local Government Act 2002 sets out the Special Consultative Procedure that Local Authorities must follow when making certain decisions.

The Council must follow the Special Consultative Procedure before it:

- adopts a Long-Term Plan (LTP) or Annual Plan
- amends an LTP
- adopts, revokes, reviews or amends a bylaw
- establishes a Council Controlled Organisation
- decides to sell, dispose of or construct a strategic asset

The Council may be required to use the Special Consultative Procedure under other legislation, and it may choose to use this procedure in other circumstances if it wishes to do so.

Council can (and does) consult outside of the Special Consultative Procedure. For example, Council may hold informal meetings with the public to ask about what matters most to the community and to identify issues of concern. The Special Consultative Procedure is outlined in more detail in the Significance and Engagement Policy.

10. RELATIONSHIPS WITH MĀORI

Te Kaunihera o Ahuriri Napier City Council recognises the importance of Te Tiriti o Waitangi, the founding document of Aotearoa/ New Zealand, respecting and seeking to uphold in all Council activities the Treaty and its principles.

Te Kaunihera o Ahuriri Napier City Council particularly acknowledges its obligations under Te Tiriti o Waitangi towards the mana whenua and wider Māori community of Ahuriri Napier. The important standing of Ahuriri Hapū as mana whenua of Napier is recognised, and Council acknowledges their kinship within the Iwi of Ngāti Kahungunu. Ngāti Kahungunu is represented in Napier City by Te Taiwhenua o Te Whanganui-a-Orutū, which has maintained a consistent relationship with Council over 30 years. Te Taiwhenua o Te Whanganui-a-Orutū enable Council to have direct lines of communication to mana whenua marae, whanau and mataawaka.

Settlement of Treaty of Waitangi grievances is being achieved across Ngāti Kahungunu, with some Hapū post settlement and some near settlement. Through the Treaty of Waitangi settlement process, new representative entities have emerged, resulting in growing relationships with Post-Settlement Government Entities: Maungaharuru-Tangitū Trust and Mana Ahuriri Trust. Partnerships also exist with Iwi and Hapū entities for economic growth through the Matariki Regional Economic Development Strategy.

The Local Government Act 2002 places specific expectations on councils in relation to Māori¹⁵:

- to recognise and respect the Crown's responsibility to take appropriate account of the principles of the Treaty of Waitangi
- establish, maintain and improve processes to provide opportunities for Māori to contribute to the decision-making processes of the local authority
- consider ways in which it may foster the development of Māori capacity to contribute to the decision-making processes of the local authority; and
- provide relevant information to Māori for the purposes of their contribution to decision making and fostering their capacity to contribute.

Te Kaunihera o Ahuriri acknowledge the time and effort required to transition relationships to partnerships, and is undertaking a review of its existing opportunities for Hapū to be formally involved in decision making, deliberately ensuring that engagement and participation are taking place in ways that are meaningful and long term.

Part of this process has included a significant review of the structure of Council's Māori Committee, with stronger recognition of the cultural landscape Council operates in, and tikanga Māori. A strong value is placed on early information, multi-directional conversations and a clear understanding of the role and mana of the Committee and its contribution to the activities of Council.

Council currently participates in the co-governance group, Te Komiti Muriwai o Te Whanga, via its appointed representative, and also providing administrative support to the group.

¹⁵ LGA 2002, ss 4, 81

Further co-management and or co-governance groups may be established by central government through the settlement process.

Council holds a special position for an appointed Kaumātua to ensure mana whenua integrity is maintained, and that cultural protocols and practices are advised appropriately to the Mayor, Councillors and the Chief Executive.

Council was also involved in the building of Napier's urban Marae, Pukemokimoki Marae, which sits on Council-owned reserve land. The Marae is run by a Trust on which an elected member is always one of the Trustees, and the Manager Community Strategies acts as an advisor to the Trust Board. Council also provides funding support to the Marae.

10A. INTERNATIONAL RELATIONSHIPS

Sister Cities NZ Vision

Sister Cities aims to foster cross-border communications – a mutual exchange of ideas, people, and materials in a range of cultural, educational, youth, sports, civic, professional, and technical projects.

The Sister Cities concept is unique:

- It is two-way; the give and take is shared by both sides, and provides for structured, continuous contact between the cities and citizens involved.
- It brings together the volunteer resources of each pair of sister cities.
- It offers a mechanism at the community level for any person or organisation to become involved in the field of international relations.
- The establishment of sister city friendships stimulates interaction between people of different cultures and countries on a people-to-people basis.

Our aim is to foster international understanding and friendship, in order to encourage an exchange of education and culture, and where possible, even tourism and trade as catalysts for mutual economic growth.

Current Sister Cities with Napier

The Council and the city foster longstanding formal Sister City relationships with Tomakomai in Hokkaido, northern Japan; and Lianyungang in Jiangsu Province, China, through regular interchanges on a number of different fronts.

Napier maintains a well-established 'friendly city' link with Victoria in British Columbia, Canada.

A similar link with Xuzhou in the Chinese province of Jiangsu is focused on the economy.

Napier also has a general servicing relationship with the Chatham Islands.

Napier and Hastings Councils also have a relationship with Mianyang in Sichuan province, China on sharing information on Earthquake matters.

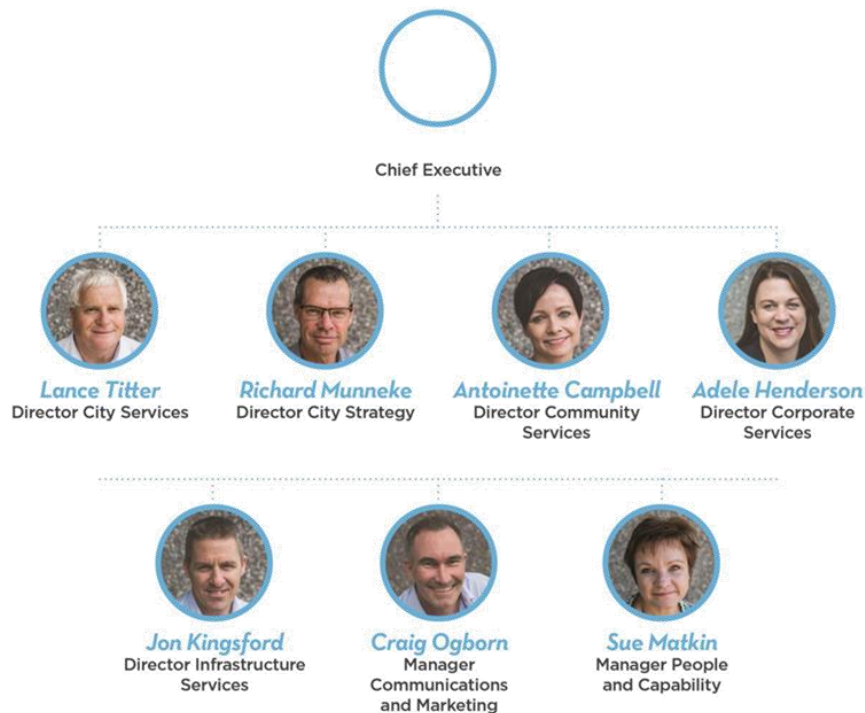
City of Napier Sister City Objective Statements

Focus areas of for the City of Napier's Sister Cities are Educational, Cultural, Social, Economic and Charitable. The objectives for establishing sister city relationships are:

- To engage the people of the City of Napier in cultivating strong and rewarding relationships with the people of similar cities of foreign nations; to understand one another as individuals, as members of their community, as citizens of their country, as indigenous peoples, and as a part of the family of nations.
- To foster continuing relationships of mutual concern between the people of the City of Napier and the people of established Sister Cities.
- To lead activities and programs that educate and equip the City of Napier and established Sister Cities with a mutual understanding of culture and economics.
- To assist the City of Napier in participating as an organisation in the promotion of a local program sponsoring international cooperation and goodwill.
- To act as a coordinating body among local organisations, cultural and social groups and schools desiring to engage in the planning, fundraising, and participation of international civic cooperation and exchange.
- To encourage and obtain volunteer support from business and individuals with the Napier community for Sister City relationships, activities and cultural exchanges.

11. MANAGEMENT STRUCTURE

Management Organisation Chart



Employment policies

Napier City Council is committed to recruiting people with the right skills, competencies, behaviours and experience necessary to carry out Council roles effectively to ensure the Council can meet key objectives, providing excellence in service to the community.

Council has a Recruitment & Selection Policy which is intended to assist Managers who are responsible for recruitment to make fair and objective selection decisions that supports the Council in achieving its vision and goals.

Council recognises that remuneration is an important factor in attracting, motivating and retaining talented and skilled people, and its Remuneration Policy provides overarching principles which will act as guidelines when a staff member is recruited to Council.

In brief, all positions will be compared to similar roles within the national public sector or appropriate business sector positions, depending on the nature and focus of the role, when setting the salary range for a position.

Individual remuneration will be based on a combination of job competency and performance delivery, with a strong emphasis on demonstrated competencies.

Equal opportunities policy

Napier City Council is committed to the principle of equal opportunities in the recruitment, employment, training and promotion of its employees and consistently aims to create a workplace that attracts, retains and values diverse employees in a welcoming and positive environment.

To this end, Napier City Council actively works to:

- maintain a workplace free of discrimination and harassment on the basis of race, colour, ethnic or national origin, gender, religion, marital status, family responsibilities, sexual orientation, disability or age,
- select the best person for the job on the basis of the job requirements/competencies and the ability of that person to perform the job,
- identify and provide appropriate training programmes and promotion opportunities,
- recognise the employment aims and aspirations of Māori, the employment requirements of Māori, and the need for greater involvement of Māori in local government, and
- recognise the particular employment requirements of women, workers with disabilities and workers of all ages and contribute towards their successful pursuit of careers with Council.

12. KEY PLANNING AND POLICY DOCUMENTS

There are a number of plans that make up Napier City Council's strategic framework. Some plans have a statutory basis, while others are developed to help achieve Council's vision. Each plan has a specific role and objective. Policies are documents which outline Council's approved statements of position, or bases for action.

Long Term Plan (LTP)

www.napier.govt.nz/assets/Document-Library/Plans/Annual-Plans-and-Ten-Year-Plans/NCC-LTP-2018-28-Final-adopted.pdf

Process	Purpose	Benefits
<p>Council develops a LTP every three years.</p> <p>Council's LTP for the period 2018-2020 was adopted on 29 June 2018.</p> <p>The LTP is a requirement under s93 Local Government Act 2002.</p>	<p>The LTP is Council's key strategic document that sets the long term direction for Council and Napier City. It describes the strategic objectives, programmes, projects, funding information, and performance measures covering a ten year period (30 years for infrastructure).</p>	<p>Community have direct input into this plan, and are consulted via the legislative requirement, in accordance with the Significance and Engagement Policy.</p>

Supporting documents to the LTP include:

- Infrastructure Strategy
- Financial Strategy
- Asset Management Strategy
- Asset Management Plans
- Financial and Development Contributions Policy
- Significance and Engagement Policy
- City Vision

The LTP contains the following financial policies:

- Revenue and Financing Policy
- Liability Management Policy
- Investment Policy
- Rates Remission Policy
- Rates Postponement Policy
- Policy on Rates Remissions and Rates Postponement on Māori Freehold Land

Annual Plan

www.napier.govt.nz/assets/Document-Library/Plans/Annual-Plans-and-Ten-Year-Plans/NCC-Annual-Plan-2019-20-Adopted-28.06.2019.pdf

Process	Purpose	Benefits
<p>Council has to prepare and adopt an Annual Plan every year, except in the years where a LTP is prepared.</p> <p>The Annual Plan is essentially a refresh of the information contained in the LTP for that year it relates to.</p> <p>The Annual Plan is a requirement under s95 Local Government Act 2002.</p>	<p>The purpose of an Annual Plan is to:</p> <ul style="list-style-type: none"> • contain the proposed annual budget and funding impact statement for the year to which the annual plan relates • identify any variation from the financial statements and funding impact statement from the LTP for the relevant year • support the LTP in providing integrated decision-making and co-ordination of the resources of the Local Authority, and • contribute to the accountability of the Local Authority to the community 	<p>The Annual Plan outlines what Council intends to invest in over the next financial year in order to meet its vision as outlined in the LTP.</p>

Annual Report

<https://www.napier.govt.nz/assets/Document-Library/Reports/Annual-Reports/Annual-Report-2018-19.pdf>

Process	Purpose	Benefits
The Annual Report is a legislative requirement under the Local Government Act 2002, and is to be presented to and accepted by the governing body of Council each year.	The purpose of the Annual Report is to outline Council's performance over a financial year from 1 July to 30 June including what was actually delivered versus what was committed to.	The Annual Report promotes accountability to the community that Council has actually delivered what they said they would.
The LTP is a requirement under s98 Local Government Act 2002.	It also contains audited accounts.	

Napier District Plan

www.napier.govt.nz/assets/Document-Library/District-Plan/Pre-Plan-Change-10/pre-pc10-district-plan.pdf

The Napier City District Plan is a legal document prepared under the Resource Management Act 1991 (RMA) which sets out Council's policies and strategies for managing the effects of the use, development and protection of the natural and physical resources of the district now and in the future.

The purpose of the RMA is to promote the sustainable management of natural and physical resources.

The Napier City District Plan became operative in November 2011 after several years of consultation with the public.

A significant project is currently underway to review the District Plan (which is undertaken every 10 years).

Key Joint Plans and Policies with Other Councils

Triennial Agreement

The Triennial Agreement is a joint agreement with all other councils in the Hawke's Bay region.

The purpose of the Agreement is to provide a framework for how the councils will engage and work together. It is intended to form a strong foundation to the many existing and potential cooperative and collaborative activities undertaken between the signatory councils.

The Agreement can be updated throughout the Triennium by agreement from all councils, and must be updated and the new agreement adopted by all partner Councils within three months of a local government election.

The current Agreement was adopted by Napier City Council on 30 January 2020 and must be adopted by all the partner Councils by March 2020. It will be available on the website following completion of this process.

Matariki Hawke's Bay Regional Economic Development Strategy

The strategy, adopted in July 2016, was developed collaboratively between local authorities, tangata whenua, business leaders and government agencies. As well as an economic focus, it now also includes the Hawke's Bay Social Inclusion Strategy of 2018 under a single banner.

Identification and implementation of opportunities and actions under the Strategy are led by the Matariki Governance Group (MGG) formed of the Mayors/ Chairs of the member organisations, and the Executive Steering Group (ESG) formed of the Chief Executives of each member organisation.

The MGG and ESG recognise that sustainable economic success across our region is made possible when we combine health, social, cultural, environmental and business initiatives.

The Strategy and the structure that supports its implementation acknowledge the importance of cross-sector partnerships and providing the leadership required to support economic outcomes for the region of Hawke's Bay.

Heretaunga Plains Urban Development Strategy (HPUDS)

This is a joint strategy with Hastings District Council and Hawke's Bay Regional Council.

The purpose of the Strategy is to plan for urban growth on the Plains for the period from 2015 to 2045, taking a long-term view of land-use and infrastructure.

Originally adopted in 2010, the Strategy was reviewed in 2016 and submissions were received. The updated Strategy was adopted by Council on 17 May 2017.

Local Alcohol Policy

The Sale and Supply of Alcohol Act 2012 allows local authorities (councils) to develop a local alcohol policy, which consists of a set of decisions made by a council, or councils jointly, in consultation with the Police, Medical Officers of Health and licensing inspectors as well as the community about the sale and supply of alcohol for the area the council/s are responsible for. Once the local alcohol policy is in place, the Council's District Licensing Committee (a requirement under the Sale and Supply of Alcohol Act 2013) and the Alcohol

Regulatory and Licensing Authority will have to consider the policy when they make decisions on licence applications.

Napier City Council and Hastings District Council have agreed a joint Local Alcohol Policy, the latest version of which was adopted in 2019.

Waste Management and Minimisation Plan

The Waste Management and Minimisation Plan (WMMP) is a requirement under the Waste Minimisation Act 2008; Napier City and Hastings District Councils have a joint Plan which was recently reviewed following a significant joint consultation process. The WMMP contains the agreed overarching vision and action plan to deliver waste minimisation and resource recovery across Napier City and Hastings District, working towards zero waste.

Clifton to Tangoio Coastal Hazards Strategy 2120

This Strategy provides a framework to guide and direct the assessment and implementation of preferred options for the long term management of the coast between Clifton and Tangoio to ensure that the coastal communities, businesses and critical infrastructure are resilient to the effect of coastal hazards.

The Strategy participants are Napier City Council, Hastings District Council, Hawke's Bay Regional Council, and groups representing mana/ tangata whenua are also participants through a joint committee.

13. REQUESTING OFFICIAL INFORMATION

What is Official Information?

The term "official information" refers to all existing information (with a few exceptions) held by a Local Authority. It does not include opinions and information does not have to be generated just to answer a query if it does not already exist. Requests for a person's own information is covered by the Privacy Act 1993.

Any person may request information from the council and any request for information is made under the Act. You do not have to say you are making a request under the Act. Requests will be processed according to the Act. Council must supply the information unless reason exists for withholding it.

Requests must be responded to as soon as practicable and no later than 20 working days (although there are certain circumstances where this time frame may be extended). A response means advising whether Council has determined to release the information requested based on the Act, and if any information is being withheld or the request is being declined in full the reasons under the Act must be provided for this. Information in relation to the request may be provided separately to the response, particularly in the case of larger requests. Council may charge for official information under guidelines set down by the Ministry of Justice.

Requesting Information

A request should include name, postal or email address and specific details of the information being requested.

Information can be requested in the following ways

Phone: 06 835 7579

Email: governance@napier.govt.nz

Online: <http://www.napier.govt.nz/our-council/about/information-requests/make-a-igoima-request/>

Post: Governance Team, C/- Napier City Council, Private Bag 6010, Napier 4142

In person: at Council's Customer Service Centre, 215 Hastings Street, Napier

In brief, sections 10, 11, 13 and 15 of the Local Government Official Information and Meetings Act 1987 provide as follows:

- requests should be made with "due particularity"; this means being as specific as possible about what information is being requested (rather than asking for all files about a general topic, which creates a large amount of work),
- it is the duty of Council to assist people making requests,
- Council must convey its decision on whether to grant the request and whether a charge will apply as soon as practicable and no later than 20 working days,

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- information in documents may be made available by providing an opportunity for reading it or by providing a copy of it or by providing a summary or excerpt. However, it should be made available in the way preferred by the person requesting it unless there are reasons for not doing so.

Refusal of a request for information

There are certain instances where Council may refuse to provide all or parts of an official information request. If any or all of a request is refused, Council must give its reasons and advise the person making the request that they have the right to have the decision reviewed by an Ombudsman.

Sections 6, 7, 8 and 17 of the Local Government Official Information and Meetings Act 1987 give the reasons that information may be withheld. Examples include where:

- making it available would be likely to prejudice the maintenance of the law, or endanger safety,
- withholding the information is necessary to:
 - protect privacy
 - protect a trade secret or the commercial position of the person who supplied, or who is the subject of, the information
 - avoid offence to tikanga Māori or avoid disclosure of wāhi tapu locations
 - protect an obligation of confidentiality
 - maintain free and frank discussion or protect elected members and officers from harassment
 - maintain legal professional privilege
 - enable the council to carry out commercial activities or negotiations appropriately

Charging for official information requests

The Act allows for charges to be set to cover costs of collating information. Council's charges are based on the guidelines of the Ministry of Justice. All of Council's fees and charges are listed in the schedule to the Long Term Plan, available on request from our Council offices.

The first hour for collating information is not charged, then a rate of \$38 per half hour may apply, and the first 20 pages of photocopying are not charged, then a rate of 20 cents per page is applied. Any other materials such as electronic storage devices may be charged at actual cost.

Not all requests will incur charges; each is assessed on a case by case basis. Typically charges may be incurred where a request is for a particularly large amount of information that takes a long time to prepare, or where the same person requests a lot of different things within a small time frame to the extent that the work load in responding is also large.

14. CUSTOMER ENQUIRIES

General contact information

Contact with the Council can be made in the following ways

Phone: 06 835 7579

Email: info@napier.govt.nz

Online: <http://www.napier.govt.nz/>

Post: Napier City Council, Private Bag 6010, Napier 4142

In person: at Council's Customer Service Centre, 215 Hastings Street, Napier

Service requests and complaints

Service requests and complaints can be made by calling the main customer line or email address, or via the council website:

<http://napier.govt.nz/our-council/about/contact-us/fault-repair/>

Council's complaint policy is located on the website on the following link:

<http://www.napier.govt.nz/assets/Document-Library/Policies/complaints-policy.pdf>

15. APPENDIX ONE

National legislation particularly affecting Napier City Council

The special status of Te Tiriti o Waitangi as a founding document of New Zealand, and its incorporation and consideration in all New Zealand law, is recognised

A

- Airport Authorities Act 1966
- Animal Identification Act 1993
- Animal Welfare Act 1999
- Animals Act 1967
- Animals Law Reform Act 1989

B

- Biosecurity Act 1993
- Building Act 2004
- Building Research Levy Act 1969
- Burial and Cremation Act 1964
- Bylaws Act 1910

C

- Citizenship Act 1977
- Civil Defence Emergency Management Act 2002
- Crimes Act 1961

D

- Dog Control Act 1996
- Dog Control Amendment Act 2003
- Dog Control and Hydatids Act 1982

E

- Electoral Act 1993

F

- Fencing of Swimming Pools Act 1987
- Financial Markets Conduct Act 2013
- Financial Reporting Act 1993
- Financial Transactions Reporting Act 1996
- Food Act 1981

G

- Gambling Act 2003

H

- Harbours Act 1950
- Hazardous Substances and New Organisms Act 1996
- Health and Safety at Work Act 2015

L

- Litter Act 1979
- Local Authorities (Members' Interests) Act 1968
- Local Electoral Act 2001
- Local Government (Rating) Act 2002
- Local Government Act 1974
- Local Government Act 2002
- Local Government Official Information and Meetings Act 1987
- Local Authorities (Members' Interests) Act 1968

P

- Public Records Act 2005
- Privacy Act 1993

R

- Rating Valuations Act 1998
- Receiverships Act 1993
- Reserves Act 1977
- Residential Tenancies Act 1986
- Resource Management Act 1991

S

- Sale and Supply of Alcohol Act 2012
- Secret Commissions Act 1910
- Securities Transfer Act 1991
- Smoke-free Environments Act 1990
- Soil Conservation and Rivers Control Act 1941

- Sovereign's Birthday Observance Act 1952
- Stamp and Cheque Duties Act 1971
- Standards Act 1988
- State-Owned Enterprises Act 1986
- Statistics Act 1975
- Statutes Amendment Acts 1936-51
- Statutory Land Charges Registration Act 1928
- Summary Offences Act 1981
- Summary Proceedings Act 1957
- Survey Act 1986

16. APPENDIX TWO

Local legislation

(not including that for specific non-Council bodies)

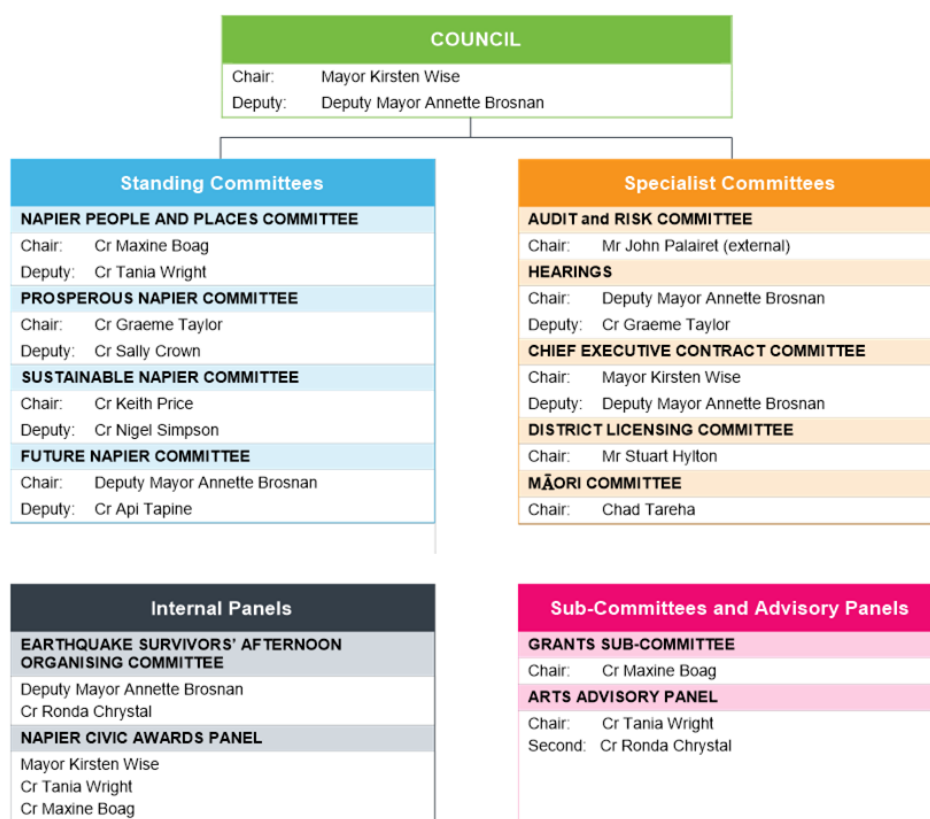
- Hawke's Bay Crematorium Act 1944
- Hawke's Bay Endowment Land Empowering Act 2002
- Napier Borough Endowments Act 1876
- Napier City Council (Land) Empowering Act 1989
- Napier City Council (Sale of Liquor) Empowering Act 1993
- Napier Foreshore Act 1927
- Napier Foreshore Extension Act 1935
- Napier Foreshore Extension Act 1966
- Napier Harbour Board Act 1878
- Napier Harbour Board Amendment and Endowment Improvement Act 1887
- Napier Harbour Board Amendment and Endowment Improvement Act 1899
- Napier Harbour Board Amendment and Endowment Improvement Act 1912
- Napier Harbour Board and Napier Borough Enabling Act 1926
- Napier Harbour Board and Napier Borough Enabling Act 1933

This version was replaced on 30 August 2016 to make a correction to section 6 under section 25(1)(j)(ii) of the Legislation Act 2012.

- Napier Harbour Board and Napier Borough Enabling Act 1936
- Napier Harbour Board and Napier Borough Enabling Act 1945
- Napier Harbour Board and Napier City (Inner Harbour) Subdivision Act 1966
- Napier Harbour Board Empowering Act 1932-33
- Napier Harbour Board Loan Act 1906
- Napier Public Baths Act 1908

17. APPENDIX THREE

NAPIER CITY COUNCIL GOVERNANCE STRUCTURE 2019-2022



Portfolios		
Portfolio	Appointee	Associated Body of Council
Māori / Iwi Partnerships	Mayor Kirsten Wise	Council
Three Waters	Cr Nigel Simpson	Sustainable Napier Committee
Housing	Cr Maxine Boag	Napier People and Places Committee
Sport and Recreation	Cr Graeme Taylor	Napier People and Places Committee
Community Resilience	Cr Hayley Browne	Napier People and Places Committee
Climate Change and Coastal Hazards	Deputy Mayor Annette Brosnan	Future Napier Committee
City Services	Cr Richard McGrath	Sustainable Napier Committee
Child Friendly City	Cr Richard McGrath	Napier People and Places Committee
Environment and Sustainability	Cr Api Tapine	Sustainable Napier Committee
Positive Ageing, Diversity and Accessibility	Cr Greg Mawson	Napier People and Places Committee
Arts, Culture and Heritage	Cr Tania Wright	Napier People and Places Committee
Economic Development	Cr Sally Crown	Future Napier Committee
Tourism/ Council Facilities	Cr Ronda Chrystal	Napier People and Places Committee
Transportation	Cr Keith Price	Sustainable Napier Committee

Napier City Council Members of Joint Committees		
CLIFTON TO TANGOIO COASTAL HAZARDS STRATEGY JOINT COMMITTEE	HAWKE'S BAY CIVIL DEFENCE EMERGENCY MANAGEMENT JOINT COMMITTEE	HAWKE'S BAY CREMATORIUM COMMITTEE
Deputy Mayor Annette Brosnan Cr Hayley Browne Cr Keith Price Cr Nigel Simpson (alternate)	Mayor Kirsten Wise Cr Nigel Simpson (alternate)	Cr Keith Price Cr Greg Mawson
HAWKE'S BAY DRINKING WATER JOINT COMMITTEE	HAWKE'S BAY REGIONAL TRANSPORT COMMITTEE	HERETAUNGA PLAINS URBAN DEVELOPMENT STRATEGY IMPLEMENTATION WORKING PARTY (HPUDS)
Cr Nigel Simpson Cr Ronda Chrystal Deputy Mayor Annette Brosnan (alternate)	Cr Keith Price Mayor Kirsten Wise (alternate)	Cr Sally Crown Cr Ronda Chrystal
JOINT ALCOHOL STRATEGY ADVISORY GROUP	JOINT WASTE FUTURES PROJECT STEERING COMMITTEE	OMARUNUI JOINT REFUSE LANDFILL COMMITTEE
Cr Sally Crown Cr Greg Mawson	Deputy Mayor Annette Brosnan Cr Api Tapine Cr Richard McGrath	Cr Richard McGrath Cr Api Tapine Deputy Mayor Annette Brosnan (alternate)
REGIONAL CYCLING GOVERNANCE GROUP	TE KOMITI MURIWAI O TE WHANGA	
Cr Graeme Taylor Cr Greg Mawson	Cr Api Tapine	

External Appointments		
AHURIRI BUSINESS ASSOCIATION INCORPORATED	ART DECO TRUST	CREATIVE ARTS NAPIER
Cr Hayley Browne	Cr Tania Wright	Cr Tania Wright
CREATIVE COMMUNITIES COMMITTEE	HAWKE'S BAY HOLT PLANETARIUM CHARITABLE TRUST	HAWKE'S BAY MEDICAL RESEARCH FOUNDATION INCORPORATED
Cr Tania Wright Cr Ronda Chrystal	Cr Greg Mawson	Helen Francis (external)
HISTORIC PLACES HAWKE'S BAY INCORPORATED	HOWARD ESTATE ADVISORY BOARD	MAYOR'S TASKFORCE FOR JOBS
Cr Hayley Browne	Michelle Monteith (external)	Mayor Kirsten Wise
NAPIER CITY BUSINESS INC.	NAPIER PILOT CITY TRUST	NAPIER DISABILITY ADVISORY GROUP
Cr Sally Crown	Cr Richard McGrath	Cr Greg Mawson
PORT NOISE LIAISON COMMITTEE	POSITIVE AGEING TRUST	PUKEMOKIMOKI MARAE TRUST
Cr Keith Price Cr Hayley Browne	Cr Greg Mawson	Cr Hayley Browne
ROTARY PATHWAY TRUST	SPORTS COUNCIL	TARADALE BUSINESS ASSOCIATION
Cr Graeme Taylor	Cr Keith Price	Cr Nigel Simpson
TE MATAU A MAUI TRUST		
Barbara Arnott (external)		

Council Controlled Organisations (CCOs)		
HAWKE'S BAY AIRPORT LTD	HAWKE'S BAY MUSEUMS TRUST	OMARUNUI LANDFILL
No appointees required	Cr Tania Wright	Cr Richard McGrath Cr Api Tapine Deputy Mayor Annette Brosnan (alternate)

PORTFOLIOS

Portfolio	Appointee	Associated body of Council
Māori partnerships	Mayor Kirsten Wise	Council
Three Waters	Councillor Nigel Simpson	Sustainable Napier Committee
Housing (including transitional housing, affordable housing, partnership with Housing NZ, homelessness)	Councillor Maxine Boag	Napier People and Places Committee
Sport and Recreation	Councillor Graeme Taylor	Napier People and Places Committee
Community Resilience	Councillor Hayley Browne	Napier People and Places Committee
Climate Change and Coastal Hazards	Deputy Mayor Annette Brosnan	Future Napier Committee
City Services	Councillor Richard McGrath	Sustainable Napier Committee
Child Friendly City	Councillor Richard McGrath	Napier People and Places Committee
Environment and Sustainability (waste minimisation, carbon neutrality, water conservation, zero emissions, urban ecology and biodiversity, open space and parks, cemeteries, Ahuriri Estuary)	Councillor Api Tapine	Sustainable Napier Committee
Positive Ageing, Diversity and Accessibility	Councillor Greg Mawson	Napier People and Places Committee
Arts, Culture and Heritage	Councillor Tania Wright	Napier People and Places Committee

Economic Development	Councillor Sally Crown	Future Napier Committee
Tourism/ Council Facilities	Councillor Ronda Chrystal	Napier People and Places Committee
Transportation (traffic mgmt, transport connection, cycling, Napier Port connection, road safety and community engagement relating to the above)	Councillor Keith Price	Sustainable Napier Committee

BODIES OF COUNCIL

COUNCIL

<i>Chairperson</i>	<i>Her Worship Mayor Kirsten Wise</i>
<i>Deputy Chairperson</i>	<i>Deputy Mayor Annette Brosnan</i>
<i>Membership</i>	<i>All elected members</i>
<i>Quorum</i>	<i>7</i>
<i>Meeting frequency</i>	<i>At least 6 weekly and as required</i>
<i>Executive</i>	<i>Chief Executive</i>

Role

The Council is responsible for the following powers which cannot be delegated to committees, subcommittees, officers or any other subordinate decision-making body¹⁶:

- The power to make a rate
- The power to make a bylaw
- The power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan
- The power to adopt a long-term plan, annual plan, or annual report
- The power to appoint a chief executive
- The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the Local Governance Statement, including the 30-Year Infrastructure Strategy.
- The power to adopt a remuneration and employment policy.
- The power to establish a joint committee with another local authority or other public body¹⁷.
- The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
- The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council not accept the recommendation.
- The power to make a final decision whether to adopt, amend, revoke, or replace a local Easter Sunday shop trading policy, or to continue a local Easter Sunday shop trading policy without amendment following a review.¹⁸

¹⁶ Numbers 1-7 refer to Schedule 7, Clause 32. Local Government Act 2002.

¹⁷ Schedule 7, Clause 30A.

¹⁸ Shop Trading Hours Act 1990, Section 5D.

Delegations

The Council retains all decision making authority, and will consider the recommendations of its committees prior to resolving a position.

Specific matters that will be considered directly by Council include without limitation unless by statute:

1. Direction and guidance in relation to all stages of the preparation of Long Term Plans and Annual Plans
2. Approval or amendment of the Council's Standing Orders¹⁹.
3. Approval or amendment the Code of Conduct for Elected Members²⁰.
4. Appointment and discharging of committees, subcommittees, and any other subordinate decision-making bodies²¹.
5. Approval of any changes to the nature and delegations of any Committees.
6. Appointment and discharging of members of committees (as required and in line with legislation in relation to the role and powers of the Mayor)²².
7. Approval of governance level strategies, plans and policies which advance council's vision and strategic goals.
8. Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer.
9. Reviewing of representation arrangements, at least six yearly²³.
10. Approval of any changes to city boundaries under the Resource Management Act.
11. Appointment or removal of trustees, directors or office holders to Council's Council-Controlled Organisations (CCOs) and Council Organisations (COs) and to other external bodies.
12. Approval the Local Governance Statement as required under the Local Government Act 2002.
13. Approval of the Triennial Agreement as required under the Local Government Act 2002.
14. Allocation of the remuneration pool set by the Remuneration Authority for the remuneration of elected members.

Aligned Portfolios

- Māori partnerships

¹⁹ Schedule 7, Clause 27,

²⁰ Schedule 7, Clause 15,

²¹ Schedule 7, Clause 30,

²² Schedule 7, Clause 30,

²³ Local Electoral Act 2001, Section 19H.

STANDING COMMITTEES

Napier People and Places Committee

<i>Reports To</i>	<i>Council</i>
<i>Chairperson</i>	<i>Councillor Maxine Boag</i>
<i>Deputy Chairperson</i>	<i>Councillor Tania Wright</i>
<i>Membership</i>	<i>All elected members</i>
<i>Quorum</i>	<i>7</i>
<i>Meeting frequency</i>	<i>At least 6 weekly and as required</i>
<i>Executive</i>	<i>Director Community Services</i>

Role

To provide governance for all community strategies, housing and community facilities, visitor experiences, matters relating to diversity and accessibility, and sport and recreation. The Committee also adopts a wide focus by considering policy implications that impact on the health, safety and well-being of the community.

Delegations

1. Review and make recommendations to Council on policy regarding community services and grants
2. Review and make recommendations to Council on key strategies including for positive ageing, youth, accessibility and community resilience
3. Consider and make recommendations to Council on matters related to community projects and facilities
4. Consider and make recommendations to Council on matters in relation to community housing and associated wellbeing
5. Consider and make recommendations to Council on community feedback surveys and reports, and identify potential impacts for the Council and communities in Napier
6. Provide governance and oversight for Council's contributions to Napier events and tourism including liaison with entities such as Hawke's Bay Tourism
7. Provide governance for visitor experiences, sport and recreation, and facility related operations
8. Receive and make recommendations to Council on general external-facing policy and strategy updates
9. Oversee compliance with conditions of Council grants made to outside organisations and all community funding initiatives including Creative New Zealand funding
10. Consider reports from the Arts Advisory Panel, Grants Sub Committee, Creative Communities NZ Assessment external committee, and any other arts, culture and heritage related organisations where Council is represented
11. Monitor and report on social and cultural needs of the community and its impact on Council and communities in Napier
12. Make a Decision of Council using the appropriate process, if required in the event that a matter cannot be double debated for reasons outside of the organisation's control

Aligned Portfolios

- Housing
- Sport and recreation

- Community resilience
- Child Friendly City
- Positive aging, diversity and accessibility
- Arts, culture and heritage
- Tourism/ Council facilities

Prosperous Napier Committee

<i>Reports To</i>	<i>Council</i>
<i>Chairperson</i>	<i>Councillor Graeme Taylor</i>
<i>Deputy Chairperson</i>	<i>Councillor Sally Crown</i>
<i>Membership</i>	<i>All elected members</i>
<i>Quorum</i>	<i>7</i>
<i>Meeting frequency</i>	<i>At least 6 weekly and as required</i>
<i>Officer in Charge</i>	<i>Director Corporate Services</i>

Role

To provide governance to the corporate business of the Council, monitor the Council's financial position and financial performance against the LTP and Annual Plan, and to guide and monitor Council's interests in any Council Controlled Organisations (CCOs), Council Organisations (COs) and subsidiaries.

Delegations

1. Govern Council's involvement with CCOs and COs, including to
 - undertake any reviews of CCO's including their governance arrangements, and make recommendations to Council
 - monitor the overall performance of CCO's, and make recommendations to Council
 - consider and make recommendations to Council on the Statements of Intent of Council's CCOs.
2. Provide policy and governance direction on funding and rating matters
3. Receive and make recommendations to Council in relation to the adoption of Annual Reports
4. Receive and make recommendations to Council on general external-facing policy and strategy updates
5. Provide governance to Council's property operations and consider related policy, making recommendations to Council.
6. Make a Decision of Council using the appropriate process, if required in the event that a matter cannot be double debated for reasons outside of the organisation's control.
7. Consider applications for the sale of properties within the Leasehold Land Portfolio and make recommendations to Council.

Sustainable Napier Committee

<i>Reports To</i>	<i>Council</i>
<i>Chairperson</i>	<i>Councillor Keith Price</i>
<i>Deputy Chairperson</i>	<i>Councillor Nigel Simpson</i>
<i>Membership</i>	<i>All elected members</i>
<i>Quorum</i>	<i>7</i>
<i>Meeting frequency</i>	<i>At least 6 weekly and as required</i>
<i>Executive</i>	<i>Director Infrastructure Services</i>

Role

To provide governance to city infrastructure including three waters, parks, and waste management, taking into consideration environmental, social, cultural and economic factors.

Delegations

1. Review and make recommendations to Council on policy regarding the provision of Council's infrastructural assets, facilities, and services, including but not limited to:
 - Three waters
 - Parks, reserves and sportsgrounds
 - Waste management and minimisation
 - Property
 - Transport and roading
 - Cemeteries
2. Consider and make recommendations to Council on matters related to infrastructure and service related projects and facilities
3. Consider and make recommendations to Council on matters related to asset management
4. To consider any reports from infrastructure related joint committees and business units, including Lagoon farm and Redclyffe transfer station
5. Receive and make recommendations to Council on general external-facing policy and strategy updates
6. Make a Decision of Council using the appropriate process, if required in the event that a matter cannot be double debated for reasons outside of the organisation's control

Aligned Portfolios

- Three waters
- City services
- Environment and sustainability
- Transportation

Future Napier Committee

<i>Reports To</i>	<i>Council</i>
<i>Chairperson</i>	<i>Deputy Mayor Annette Brosnan</i>
<i>Deputy Chairperson</i>	<i>Councillor Api Tapine</i>
<i>Membership</i>	<i>All elected members</i>
<i>Quorums</i>	<i>7</i>
<i>Meeting frequency</i>	<i>At least 6 weekly and as required</i>
<i>Executive</i>	<i>Director City Strategy</i>

Role

The purpose of this Committee is to provide governance to the town planning and regulatory functions of Council, including future planning and strategy.

Delegations

1. Provide governance for and make recommendations to Council on District and town planning and development matters
2. Provide governance for and make recommendations to Council on regulatory policy and functions of Council
3. Provide governance for and make recommendations to Council on planning related environmental policy and functions of Council
4. Provide governance for and make recommendations to Council on policy relating to sustainable economic development
5. To hear submissions and make recommendations to Council on:
 - Bylaws
 - Any regulatory policy in accordance with legislative requirements
 noting that most hearings are the delegated responsibility of the Hearings Committee and the Terms of reference of that Committee should be read in conjunction.
6. Provide policy and governance direction on the District Plan process, and make recommendations to council.
7. To initiate policy statements or plans, or any changes or reviews of policy statements or plans, as may required in line with the Resource Management Act.
8. Consider and make recommendations to Council on matters related to city development related projects and strategies
9. Consider and make recommendations to Council in relation to road stopping and approve the temporary closure of any road.
10. Consider and make recommendations to Council in relation to environmental protection and sustainable practices throughout Council
11. Ensure that Council meets all compliance requirements relating to its regulatory responsibilities.
12. Receive and make recommendations to Council on general external-facing policy and strategy updates
13. Make a Decision of Council using the appropriate process, if required in the event that a matter cannot be double debated for reasons outside of the organisation's control

Aligned Portfolios

- Climate Change and Coastal Hazard
- Economic Development

SPECIALIST COMMITTEES

MĀORI COMMITTEE

Chairperson	Chad Tareha
Membership	<p>Mayor of Napier</p> <p>Maungaharuru-Tangitū Trust representative: James Lyver</p> <p>Maraenui and Districts Māori Committee representative: Adrienne Taputoro</p> <p>Ngāti Pārau Hāpu Trust representative: Chad Tareha</p> <p>Pukemokimoki Marae Trust representative: vacant</p> <p>Note: Council's Hākoro and Hākui may attend meetings but are not voting members</p> <p>Piri Prentice has held the position of Hākoro since 2014. A Hākui has yet to be endorsed.</p>
Quorum	3
Meeting frequency	Monthly on the second Friday, and as required – note proposed re-integration to six week cycle
Officer responsible	Director Community Services, Senior Māori Advisor

Purpose – UNDER DEVELOPMENT AS AT 30 JUNE 2020

To advocate on behalf of Ahuriri Māori, providing cultural leadership, facilitating wānanga with Council and enabling wider relationships with Māori Authorities.

Pou – UNDER DEVELOPMENT AS AT 30 JUNE 2020

1. Ensure that every decision in relation to Council activities takes into consideration the relationship to Māori culture and traditions (refer Local Government Act 2002 and Resource Management Act 1991)
 - a. Works with Council and officers to ensure appropriate and timely opportunities to contribute are consistently provided to the Committee, including through review and recommendations on formal reports, informal discussions at wānanga or working with officers at a project level
 - b. Works with officers to ensure that clear appropriate processes are developed and implemented that facilitate the Committee being able to meet its mandate
2. Raise and make recommendations to Council on matters of importance to the Māori residents of Ahuriri
3. Provide feedback to Council on ways that relationship and capability to engage on Council-related matters can be built with and within the Māori communities of Napier.
 - a. Works with Council and officers in developing Māori capacity to contribute to Council activities

Notes

As well as specific hui and wānanga of this Committee, members may be requested to attend Council workshops and standing committee meetings.

Remuneration

The Committee Chair will be paid \$600 per meeting or workshop attended (whether of the Committee or other Council related hui)

Committee members (who are not elected members) are paid \$400 per meeting or workshop attended (whether of the Committee or other Council related hui)

Glossary

Hākui	<i>Female elder (Ngāti Kahungunu)</i>
Hākoro	<i>Male elder (Ngāti Kahungunu)</i>
Wānanga	<i>Seminar, conference, forum for discussion and deliberation</i>
Hui	<i>Gathering, meeting, assembly</i>

HEARINGS

<i>Chairperson</i>	<i>Deputy Mayor Annette Brosnan</i>
	<i>Note that an Independent Commissioner may be appointed by the Committee to Chair Hearings in relation to the District Plan</i>
<i>Deputy Chairperson</i>	<i>Councillor Graeme Taylor</i>
<i>Membership</i>	<i>Her Worship the Mayor Kirsten Wise</i>
	<i>Councillor Tania Wright</i>
	<i>Councillor Apiata Tapine</i>
<i>Quorum</i>	<i>3</i>
<i>Meeting frequency</i>	<i>As required</i>
<i>Officer in Charge</i>	<i>Director City Strategy and Director Infrastructure Services</i>

Role

To conduct fair and effective Hearings and make determinations on a range of the Council's quasi-judicial functions under legislation (and other matters as referred to the Committee). In practice, some matters are referred to Commissioners appointed under the Resource Management Act.

Delegations

The Hearings Committee is granted responsibility and full delegated authority of the Council to make final decisions of Council in line with its mandate and in accordance with legislative requirements. The Committee may decide to refer a matter to Council accompanied by recommendations where it deems the significance of the decision or its implications warrant it.

The Hearings Committee will hear and make determination on statutory and or regulatory matters under relevant legislation unless otherwise delegated by statute or Council, including (but without limitation):

- District Plan
 - Hear and make determination on submissions and objections to the Napier City District Plan Review and any changes or variations proposed to that Plan.
 - The Committee may decide to refer the matter to Council accompanied by recommendations, in a situation where:
 - the District Plan will be significantly altered as a result of submissions,
 - any decision on the District Plan will have a significant impact outside the District Plan on other Council policies, particularly rating levels or fees and charges, and
 - the Council will need to consider making a variation or change to the District Plan.

- Tenders
 - Consider and decide tenders for the supply of goods and services to the Council, where tenders exceed the Chief Executive's delegated authority.
- Resource consents
 - Hear and determine notified resource consents applications and any challenges to conditions of consents.
- Challenges to decisions made under delegated authority where legislation allows
- Objections under the Dog Control Act
- Matters regarding drainage and works on private land under the Local Government Act 2002.

Note. Work must be identified in a Long Term Plan [LTP] (or an Annual Plan [AP] update to the LTP) in order to be considered for progress at any given time.

Typically the Hearings Committee will consider tenders for works included in the LTP or an AP that are above the financial delegation to the Chief Executive.

However, there may be instances where a tender may be brought to the Committee for consideration even when the monetary value is within the existing CE delegation.

For example, this would take place where specifically requested by resolution of Council or where the work relates to a bespoke project of significant interest to Council.

AUDIT AND RISK

<i>Chairperson</i>	<i>External independent appointee</i> <i>(at time of 2019 adoption John Palaret)</i>
<i>Deputy Chairperson</i>	<i>N/A</i>
<i>Membership</i>	<i>Her Worship the Mayor Kirsten Wise</i> <i>Deputy Chair of Sustainable Napier Committee: Councillor Nigel Simpson</i> <i>Chair of Prosperous Napier Committee: Councillor Graeme Taylor</i> <i>External independent appointee – Local Govt expert: At time of adoption John Palaret</i> <i>External independent appointee – Finance expert: At time of adoption David Pearson</i>
	<i>Note: The Chief Executive and External Auditor are required to attend all meetings but are not members and have no voting rights.</i>
<i>Quorum</i>	<i>3</i> <i>One of which is an external appointee</i>
<i>Meeting frequency</i>	<i>At least quarterly and further as required</i>
<i>Officer in Charge</i>	<i>Director Corporate Services</i>

Role

The role and scope, as well as any delegations of the Audit and Risk Committee are defined in the Audit Charter (see version at time of adoption below).

Delegations

The role and scope, as well as any delegations of the Audit and Risk Committee are defined in the Audit Charter.

The Committee can make recommendations to Council or the Chief Executive as appropriate.

Audit and Risk Committee Charter			
Approved by	Council		
Department	Corporate Services		
Original Approved Date	18 September 2018	Review Approval Date	20 March 2020
Next Review Deadline	20 March 2021	Control Doc ID	325090
Relevant Legislation	Local Government Act 2002		
NCC Documents Referenced	Code of Ethics		

Objective

The objective of the Audit and Risk Committee (the Committee) is to provide independent, objective assurance and assistance to the Napier City Council (the Council) on the Council's governance, risk management, internal control and compliance frameworks, and its external accountability responsibilities.

Authority

The Napier City Council, at its meeting on 2 November 2016, re-established the Audit and Risk Committee for the 2016-19 triennial. The Council authorises the Committee, within the scope of its role and responsibilities, to:

- obtain any information it needs from any employee and/or external party (subject to their legal obligation to protect information);
- discuss any matters with the external auditor, or other external parties (subject to confidentiality considerations);
- request the attendance of any employee, including the Chief Executive, the Director of Corporate Services and the Chief Financial Officer at Committee meetings; and
- obtain external legal or other professional advice, as considered necessary to meet its responsibilities, at the Council's expense.

Composition and Tenure

The Committee will consist of five members appointed by the Council. These must include the Mayor, the Chair of the Prosperous Napier Committee and the Deputy Chair of the Prosperous Napier Committee (or other nominated person). The Council will also select two independent members.

The Napier City Council will appoint the chairperson of the Committee.

Members will be appointed for an initial period not exceeding three years after which they will be eligible for extension or re-appointment, after a formal review of their performance.

Council representatives on the Committee will carry out their duties as outlined in the Charter, recognizing the difference in role of the Committee compared to Councillor community advocate.

The Chief Executive, the Director of Corporate Services and the Chief Financial Officer will not be members of the Committee, but may attend meetings as observers as determined by

the Chairperson.

The members, taken collectively, will have a broad range of skills and experience relevant to the operations of the Council. At least one independent member of the Committee should have accounting or related financial management experience with an understanding of accounting and auditing standards in a public sector environment.

Role and Responsibilities

The Committee has no executive powers and will conduct itself in accordance with the values and ethics of the Council.

The Committee is directly responsible and accountable to the Council for the exercise of its responsibilities. In carrying out its responsibilities, the Committee must at all times recognise that primary responsibility for management of the Council rests with the Chief Executive.

The responsibilities of the Committee may be revised or expanded in consultation with, or as requested by, the Napier City Council from time to time.

Risk Management

The Committee's responsibilities are to:

- review whether management has in place a current and comprehensive risk management framework, and associated procedures for effective identification and management of Napier City Council's financial and business risks, including fraud;
- review whether a sound and effective approach has been followed in developing strategic risk management plans for major projects or undertakings;
- review the effect of the Council's risk management framework on its control environment and insurance arrangements;
- review whether a sound and effective approach has been followed in establishing the Council's business continuity planning arrangements, including whether disaster recovery plans have been tested periodically; and
- review the Council's internal controls in relation to preventing fraud and satisfy itself that the Council has appropriate processes and systems in place to capture and effectively investigate fraud-related information and to ensure appropriate action is taken against known perpetrators of fraud.

Health and Safety

The Committee's responsibilities are to:

- review key risks of the Council in the areas of safety, occupational health and environmental issues.
- review management's approach to maintaining and continual improvement to providing a safe working environment is sound and effective.
- review compliance of relevant laws, regulations and operational policies and standards.
- review the establishment and tracking of measurable workplace health, safety and environment key targets.

Control Framework

The Committee's responsibilities are to:

- review whether management's approach to maintaining an effective internal control framework, including over external parties such as contractors and advisers, is sound and effective;
- review whether management has in place relevant policies and procedures, and that these are periodically reviewed and updated;
- determine whether the appropriate processes are in place to assess, at least once a year, whether policies and procedures are complied with;
- review whether appropriate policies and procedures are in place for the management and exercise of delegations;
- consider how management identifies any required changes to the design or implementation of internal controls; and
- review whether management has taken steps to embed a culture which is committed to ethical and lawful behavior.

External Accountability

The Committee's responsibilities are to:

- review the financial statements and provide advice to the Council, including whether appropriate action has been taken in response to audit recommendations and adjustments;
- satisfy itself that the financial statements are supported by appropriate management sign-off on the statements and on the adequacy of the systems of internal controls;
- review the processes in place designed to ensure that financial information included in the Council's annual report is consistent with the signed financial statements;
- review the processes and risk assessment are in place for the development and adoption of the Council's Long Term Plan;
- satisfy itself that the Council has appropriate mechanisms in place to review and implement, where appropriate, relevant external audit reports and recommendations; and
- satisfy itself that the Council has a performance management framework that is linked to organisational objectives and outcomes.

Legislative Compliance

The Committee's responsibilities are to:

- determine whether management has appropriately considered legal and compliance risks as part of the Council's risk assessment and management arrangements; and
- review the effectiveness of the system for monitoring the Council's compliance with relevant laws, regulations, and associated government policies.

Internal Audit

The Committee's responsibilities are to:

- act as a forum for communication between the Chief Executive, senior management, and internal and external auditors;
- review the internal audit coverage and annual work plan, ensure that the plan is based on the Council's risk management plan, and recommend approval of the plan on behalf of the

Council;

- advise the Mayor and Chief Executive on the adequacy of resources to carry out the internal audit, including completion of the approved internal audit plan;
- oversee the co-ordination of audit programs conducted by the internal and external auditors and other review functions;
- review all audit reports and provide advice to the Council on significant issues identified in audit reports and action taken on issues raised, including identification and dissemination of good practice;
- monitor management's implementation of the internal auditor's recommendations;
- review the internal audit charter to ensure that appropriate organisational structures, authority, access, and reporting arrangements are in place;
- provide advice to the Council on the appointment of the Head of Internal Audit (in the case of an in-house internal audit function);
- recommend the appointment of the internal auditor;
- periodically review the performance and effectiveness of the internal auditor; and
- be satisfied that any dismissal of the Head of Internal Audit is based on proper and appropriate reasons, to safeguard the independence of the audit function.

External Audit

The Committee's responsibilities are to:

- act as a forum for communication between the Chief Executive, senior management, and internal and external auditors;
- provide input and feedback on the financial statements and the audit coverage proposed by the external auditor, and provide feedback on the audit services provided;
- review all external plans and reports for planned or completed audits and monitor management's implementation of audit recommendations;
- oversee the co-ordination of audit programs conducted by the internal and external auditors and other review functions; and
- provide advice to the Council and Chief executive on action taken on significant issues raised in relevant external audit reports and good practice guides.

Governance

Responsibilities of Committee Members

Members of the Committee are expected to:

- contribute the time needed to study and understand the papers provided;
- apply good analytical skills, objectivity, and good judgment; and
- express opinions frankly, ask questions that go to the core of the issue, and pursue independent lines of enquiry.

Reporting

The Committee will regularly, but at least once a year, report to the Council on its operation and activities during the year. The report should include:

- a summary of the work the Committee performed to fully discharge its responsibilities

during the preceding year;

- a summary of the Council's progress in addressing the findings and recommendations made in internal and external audit reports, and the Auditor-General's reports (if applicable);
- an overall assessment of the Council's risk, control, and compliance framework, including details of any significant emerging risks or legislative changes; and
- details of meetings, including the number of meetings held during the relevant period and the number of meetings each member attended.

The Committee may, at any time, report to the Chief Executive or the Council any other matter it deems of sufficient importance to do so. In addition, at any time an individual Committee member may request a meeting with the Chief Executive or the Council.

Administrative Arrangements

Meetings

The Committee will meet at least four times each year. A special meeting may be held to review the annual report.

The Chairperson is required to call a meeting if requested to do so by the Council, Chief Executive or another Committee member.

A meeting plan, including dates and agenda items, will be agreed by the Committee each year. The meeting plan will cover all of the Committee's responsibilities as detailed in this charter.

Attendance at Meetings and Quorums

A quorum will consist of a majority of Committee members including at least one independent member.

Meetings can be held in person, by telephone, or by video conference.

The Head of Internal Audit and external audit representatives will be invited to attend each meeting, unless requested not to do so by the Chairperson of the Committee.

The Chief Executive may be invited to attend Committee meetings to participate in specific discussions or provide strategic briefings to the Committee. The Committee may also ask other employees to attend Committee meetings or participate for certain agenda items.

The Committee will meet separately with both the internal and external auditors at least once a year.

Secretariat

The Chief Executive will appoint a person to provide secretariat support to the Committee. The Secretariat will ensure that the agenda for each meeting and supporting papers are circulated, after approval from the Chairperson, at least one week before the meeting, and ensure that the minutes of the meetings are prepared and maintained. Minutes must be approved by the Chairperson and circulated within two weeks of the meeting to each member and Committee observers, as appropriate.

Conflicts of Interest

Once a year, Committee members will provide written declarations to the Mayor, stating they do not have any conflicts of interest that would preclude them from being members of the Committee.

Committee members must declare any conflicts of interest at the start of each meeting or before discussion of the relevant agenda item or topic. Details of any conflicts of interest should be appropriately recorded in the minutes.

Where any member is deemed to have a real, or perceived, conflict of interest at a Committee meeting, it may be appropriate that they are excused from Committee deliberations on the issue where the conflict of interest exists.

Induction

New members will receive relevant information and briefings on their appointment to assist them to meet their Committee responsibilities.

Assessment Arrangements

The Chairperson of the Committee, in consultation with the Mayor, will initiate a review of the performance of the Committee at least once every two years. The review will be conducted on a self-assessment basis (unless otherwise determined by the Mayor) with appropriate input sought from the Chief Executive, the internal and external auditors, management, and any other relevant stakeholders, as determined by the Mayor in discussion with the chairperson of the Committee.

Review of Charter

At least once every 2 years, the Committee will review this charter. This review will include consultation with the Council. Any substantive changes to the charter will be recommended by the Committee and formally approved by the Council.

Policy Review

The review timeframe of this policy will be no longer than every two years.

CHIEF EXECUTIVE CONTRACT COMMITTEE

<i>Chairperson</i>	<i>Her Worship the Mayor Kirsten Wise</i>
<i>Deputy Chairperson</i>	<i>Deputy Mayor Annette Brosnan</i>
<i>Membership</i>	<i>Councillor Graeme Taylor</i>
	<i>Councillor Tania Wright</i>
	<i>Councillor Apiata Tapine</i>
	<i>Councillor Nigel Simpson</i>
	<i>This Committee has the power to co-opt members from the Council as the Chair determines necessary.</i>
<i>Quorum</i>	<i>3</i>
<i>Meeting frequency</i>	<i>As required</i>
<i>Officer responsible</i>	<i>Team Leader Governance</i>

Role

To review the performance of the Chief Executive and make recommendations to the Council about all matters relating to the employment of the Chief Executive and the Chief Executive's employment agreement.

Delegations

The Chief Executive Contract Committee has the responsibility and the authority to:

- 1) Establish a Success Agreement with the Chief Executive covering success factors for the year.
- 2) Agree annual performance objectives aligned to the Success Agreement with the Chief Executive.
- 3) Undertake a 6 monthly review of progress against the Success Agreement and associated annual performance objectives, provide feedback, and agree any modification to the annual performance objectives with the Chief Executive.
- 4) Conduct the performance review required in the employment agreement between the Council and the Chief Executive.
- 5) Conduct and complete a review of employment under Clause 35, Schedule 7, of the Local Government Act 2002, and make a recommendation to Council under Clause 34, Schedule 7.
- 6) Under the annual remuneration review and make decisions regarding remuneration.
- 7) Act as Council's agent in all matters pertaining to the employment contract of the Chief Executive including any issues which may arise in respect of the job description, agreement, performance objectives or other similar matters.
- 8) Oversee any recruitment and selection process for a Chief Executive (a decision on appointment must by law be made by the Council), initiate any improvements to the employment contract, and undertake negotiations on Council's behalf.
- 9) To consider and propose to Council, training of the Chief Executive as necessary.

DISTRICT LICENSING COMMITTEE

<i>Chairperson</i>	<i>External Commissioner appointed by recruitment</i> <i>Stuart Hylton – as of 27 Feb 2020</i>
<i>Membership</i>	<i>List members 2019-2022: - as of 27 Feb 2020</i> <i>David Fellows</i> <i>Ross Pinkham</i> <i>Faye White</i> <i>Councillor Keith Price</i> <i>Councillor Graeme Taylor</i>
<i>Quorum</i>	<i>3</i>
<i>Meeting frequency</i>	<i>As required</i>
<i>Office Responsible</i>	<i>Director City Strategy</i>

Role

To administer the Council's alcohol licensing framework as determined by the Sale and Supply of Alcohol Act 2012. The Act requires the Council to appoint one or more District Licensing Committees to deal with licensing matters.

Although the District Licensing Committee in Napier City is a committee of Council and receives Council administrative support, it primarily operates as a decision making body without the influence of Council.

An independent Commissioner chairs Napier City District Licensing Committee and the members are a mix of appointed councillors and suitably qualified lay-persons.

Delegations

The functions of the District Licensing Committee is specified by the Act²⁴ and include:

1. to consider and determine applications for licences and manager's certificates,
2. to consider and determine applications for renewal of licences and manager's certificates,
3. to consider and determine applications for temporary authority to carry on the sale and supply of alcohol in accordance with section 136,
4. to consider and determine applications for the variation, suspension, or cancellation of special licences,
5. to consider and determine applications for the variation of licences (other than special licences) unless the application is brought under section 280,
6. with the leave of the chairperson for the licensing authority, to refer applications to the licensing authority,

²⁴ Section 187, Sale and Supply of Alcohol Act 2012.

7. to conduct inquiries and to make reports as may be required of it by the licensing authority under section 175, and
8. any other functions conferred on licensing committees by or under this Act or any other enactment.

The committee may make recommendations to Council.

Chair's delegation

When no objection to an application has been received (for a licence, manager's certificate, or renewal of a license or manager's certificate), and no matters of opposition have been raised under section 103, 129 or 141, the Chair has the delegation to decide on the papers and issue decisions on such applications.

SUB-COMMITTEES and ADVISORY PANELS

GRANTS SUB-COMMITTEE

<i>Reports to</i>	<i>Napier People and Places Committee</i>
<i>Chairperson</i>	<i>Councillor Maxine Boag</i>
<i>Deputy Chairperson</i>	<i>N/A</i>
<i>Membership</i>	<i>2 Napier City Council representatives:</i> <i>Councillor Apiata Tapine</i> <i>Councillor Ronda Crystal</i> <i>External Membership</i> <i>4 Community Representatives</i> <i>G Hansen</i> <i>J Lamburn</i> <i>K Simons</i> <i>A Williams</i>
<i>Quorum</i>	3 <i>Half the members (including vacancies)</i>
<i>Meeting frequency</i>	<i>Meeting frequency set annually</i>
<i>Officer in Charge</i>	<i>Director Community Services</i>

Role

This committee reports to the Community Services Committee.

Delegations

1. To allocate grants in accordance with Council procedures.
2. To make recommendations to the Napier People and Places Committee to approve Grants.
3. To make recommendations to the Napier People and Places Committee on adding performance criteria and conditions on grants.

Remuneration:

Community representatives are paid \$400 per meeting.

ARTS ADVISORY PANEL

<i>Reports to</i>	<i>Napier People and Places Committee</i>
<i>Chairperson</i>	<i>Councillor Tania Wright</i>
<i>Deputy Chairperson</i>	<i>N/A</i>
<i>Membership</i>	<i>Councillor Ronda Chrystal</i>
	<i>External Membership</i>
	<i>1 representative from:</i>
	<i>Art Deco Trust</i>
	<i>Napier Arts Community Practitioner</i>
	<i>Creative Arts Napier Inc.</i>
	<i>MTG</i>
	<i>Māori/Iwi</i>
	<i>Secondment of Design Group Representative as required: a member of an existing Design Group should be seconded onto the Panel when the Panel has to consider one off art work in public places or part of the urban development relating to the Design Group's area of interest.</i>
<i>Quorum</i>	<i>3</i>
<i>Meeting frequency</i>	<i>As required</i>
<i>Officer in Charge</i>	<i>Director Community Services</i>

Role

1. To make recommendations to Council on the suitability of one-off art installations for a particular location giving considerations to the uniqueness of the community into which it is to be installed, and the heritage and cultural values of the site.
2. To assess and ensure that the potential art installation is aligned with the objectives and policies as set out in Napier City Council's Arts Policy.

Notes:

This panel will not replace or supersede the existing design groups across the city such as the West Quay/Ahuriri Design Group for the Ahuriri area and any group established under the CBD Design Guide or any other newly established Council design groups.

All potential art in public places being considered by an existing Design Group either as a one off artwork or part of the urban development in their location of interest must be referred to the Arts Advisory Panel for advice. The Arts Advisory Panel meet as required to coincide with the appropriate Council meeting to assess proposals and submit recommendations. Members are volunteers.

INTERNAL PANELS

Panel	Appointee(s)	Notes
Earthquake Survivors Afternoon Organising Committee	Required: Elected member x 2 Deputy Mayor Annette Brosnan Councillor Ronda Chrystal	Annual event Sunday closest to 3 February
Napier Civic Awards Panel	Required: Mayor (or nominee), Elected member x 2 Mayor Councillor Wright Councillor Boag	Annual event first Wednesday in September

JOINT COMMITTEES

Committee	Appointees	Notes
Clifton to Tangoio Coastal Hazards Strategy Joint Committee	Required: Elected member x 3 (alternate recommended) Deputy Mayor Annette Brosnan Councillor Hayley Browne Councillor Keith Price Councillor Nigel Simpson (alternate)	Hawke's Bay Regional Council is the administering body.
Hawke's Bay Civil Defence Emergency Management Joint Committee	Required: Mayor and alternate Mayor Kirsten Wise Councillor Nigel Simpson (alternate)	Required by statute under the Civil Defence Emergency Management Act 2002.
Hawke's Bay Crematorium Committee	Required: Elected member x 2 Councillor Keith Price Councillor Greg Mawson	Hastings District Council is the administering body.
Hawke's Bay Drinking Water Joint Committee	Required: Elected member x 2 (alternate recommended) Councillor Nigel Simpson Councillor Ronda Chrystal Deputy Mayor Annette Brosnan (alternate)	Hawke's Bay Regional Council is the administering body. (established August 2017)
Hawke's Bay Regional Transport Committee	Required: Elected member x 1 (alternate recommended) Councillor Keith Price Mayor Kirsten Wise (alternate)	Established in accordance with Section 105 of the Land Management Transport Act 2003 as soon as practicable after a triennial election. Hawke's Bay Regional Council is the administering body.
Heretaunga Plains Urban Development Strategy Implementation Working Party (HPUDS)	Required: Elected member x 2 Councillor Sally Crown Councillor Ronda Chrystal	

Joint Alcohol Strategy Advisory Group	Required: Elected member x 2 Councillor Sally Crown Councillor Greg Mawson	
Joint Waste Futures Project Steering Committee	Required: Elected member x 3 Deputy Mayor Annette Brosnan Councillor Api Tapine Councillor Richard McGrath	Hastings District Council is the administering body.
Omarunui Joint Refuse Landfill Committee	Required: Elected member x 2 (alternate recommended) Councillor Richard McGrath Councillor Api Tapine Deputy Mayor Annette Brosnan (alternate)	Hastings District Council is the administering body.
Regional Cycling Governance Group	Required: Elected member x 1 (alternate recommended) Councillor Graeme Taylor Councillor Greg Mawson (alternate)	Hawke's Bay Regional Council is the administering body.
Te Komiti Muriwai o Te Whanga	Required: Elected member x 1 Councillor Apiata Tapine	Napier City Council is the administering body. This is a co-governance entity established through the passing of the Ahuriri Hapū Claims Settlement Bill

COUNCIL CONTROLLED ORGANISATIONS (CCOs)

Part 5 of the Local Government Act 2002, outlines requirements for Local Authorities to follow in utilising council organisations, including establishing a council organisation, appointment of Directors, and monitoring and reporting requirements. Council-controlled organisations are subject to Parts 1-6 of the Local Government Official Information and Meetings Act 1987.

A council-controlled organisation (CCO) must deliver the following documents to the local authority:

- Half-yearly report (within 2 months after the end of the first half of each financial year),
- Annual report (within 3 months after the end of each financial year),
- Statement of Intent.

A Local Authority must have a policy for appointing a Director to a CCO including:

- Identification and consideration of the skills, knowledge, and experience required of directors of a council organisation,
- The appointment of directors to a council organisation,
- The remuneration of directors of a council organisation.

Council Controlled Organisation	Appointee(s)	Notes
Hawke's Bay Museums Trust	Required: Elected member x 1 Councillor Tania Wright	<p>The objectives of the Trust are to:</p> <ul style="list-style-type: none"> • Hold and protect the regional collection for the people of Hawke's Bay and to provide storage and protection for the collection, • Advance and promote the Arts in New Zealand and particularly in Hawke's Bay, • Promote a sense of history and an awareness of the importance of the nation's heritage in New Zealand and particularly in Hawke's Bay, • Provide an exhibition policy and to oversee the maintenance, risk management and quality of the regional collection through a contract for services with the Napier City Council, • Regulate and approve the disposal of collection items, and • Administer the bequests held by the Hawke's Bay Museums Trust. <p>The Trust is a Council-Controlled Organisation as three of the five-member board are Council nominees (1 from Napier City Council, and 1 from Hastings District Council, and both local authorities appoint the Chair).</p> <p>Napier City Council is the administering body.</p>

		Trust reporting is made to the Prosperous Napier Committee.
Omarunui Landfill	Please refer above for the Omarunui Landfill Joint Committee appointees	Hastings District Council is the administering body
Hawke's Bay Airport Ltd	No appointees required	<p>This is a company incorporated under the Companies Act and is owned by the Crown, Hastings District Council and Napier City Council.</p> <p>Napier City Council has a 26% shareholding.</p> <p>Board reporting is made to the Prosperous Napier Committee.</p>

Note: The Hawke's Bay Local Authority Shared Services (HBLASS) is a Limited Liability Company registered under the Companies Act. Central Hawke's Bay District Council, Hastings District Council, Hawke's Bay Regional Council, Napier City Council and Wairoa District Council jointly own the Company. HBLASS is currently inactive and has therefore not been included in the table above.

EXTERNAL APPOINTMENTS

Name of Organisation	Foundation Document	Appointee(s)	Process of Appointment	Contact Person	Notes
Ahuriri Business Association Incorporated	Rules 4(2)(b)	Required: Elected member x 1 Councillor Hayley Browne	Mayor's nominee considered at AGM held end of May	Maree Langford info@ahuriri.co.nz	
Art Deco Trust	Trust Rules 9.2	Required: Elected member x 1 Councillor Tania Wright	Board	Fundraising & Communication Co-ordinator Steph Kennard Membership@artdeconapier.com	
Creative Arts Napier	Rules 11c	Required: Councillor Tania Wright	Mayor's nominee considered at AGM held mid-October	Lisa Feyen manager@thecan.co.nz	
Creative Communities Committee	Terms of Reference	Required: Elected member x 2 Councillor Tania Wright Councillor Ronda Chrystal	Appointed by Mayor	Belinda McLeod belindam@napier.govt.nz	Funding provided by Creative NZ. NCC provides administrative support. Meetings are for a full day, and are scheduled in pairs one week apart

Hawke's Bay Holt Planetarium Charitable Trust	Trust Deed 16a, 17f	Required: Mayor or nominee x 1 Councillor Greg Mawson	Trustees; ex officio by Mayor	Finance Manager Michael Jones mjones@nbhs.school.nz	
Hawke's Bay Medical Research Foundation Incorporated	Foundation Rules 19c	Required: Mayor or nominee x 1 Helen Francis (external)	AGM	Lorraine Guillemot secretary@hbmrf.co.nz	
Historic Places Hawke's Bay Incorporated	Rules 3c, 8c and Minutes	Required: Elected member x 1 Councillor Hayley Browne	Mayor's nominee considered at AGM held end September	Philip Irwin philipirwin@xtra.co.nz	
Howard Estate Advisory Board	Howard Estate Act 1978 c19(1)	Required: Trustee x 1 (not required to be elected member) Michelle Monteith	Open advertisement and section process three yearly	Tony Shea Senior Trust Officer, Rural Properties Public Trust tony.shea@publictrust.co.nz	Joint nomination between Napier City Council, Hastings District Council and Chamber of Commerce
Mayor's Taskforce for Jobs		Required: Mayor		Noa Woolloff Taskforce Coordinator 117 Lambton Quay, Wgtn 6011 noa.wooloff@mtfj.co.nz	

Napier City Business Inc	Rules 12(a)(ii)	Required: Councillor Sally Crown	Appointment made by Council	Zoe Barnes zoe@napiercbd.co.nz	
Napier Pilot City Trust	Constitution Clause 8	Required: Councillor Richard McGrath	Nomination may be made by "eminent persons"	Joan Plowman	
Napier Disability Advisory Group	Terms of Reference 4(2)(b)	Required: Elected member x 1 Councillor Greg Mawson	Appointment by the Mayor	Jude Henderson, Chair jhenderson@blindfoundation.org.nz	
Port Noise Liaison Committee	Napier District Plan & Environ. Court order Appendix 33c	Required: Councillor Keith Price Councillor Hayley Browne	Appointment made by Council	Paul Rose paulr@napierport.co.nz	Meets six monthly
Positive Ageing Trust	Trust Deed 21.0	Required: Elected member x 1 Councillor Greg Mawson	Appointment made by Council	Eve Vernik admin@positiveageinghb.nz	
Pukemokimoki Marae Trust	Charitable Trust Deed 7.1.2	Required: Elected member x 1 Councillor Hayley Browne	Appointment made by Council	Maureen Mua maureen.mua@rait.co.nz	Appointee must regularly report back to Council

Rotary Pathway Trust	Memorandum of Understanding and Minutes of Meetings	Required: Elected member x 1 Councillor Graeme Taylor	Appointment made by Council	Secretary Bob Morrison rajmorrison@nowmail.co.nz	Staff representative also participates
Sports Council	Terms of Reference	Required: Elected member x 1 Councillor Keith Price	Appointed by Mayor	Mark Aspden marka@sporthb.net.nz	Note this is an informal information sharing group and more elected members may attend
Taradale Business Association	Certificate of Incorporation / Rules	Required: Elected member x 1 Councillor Nigel Simpson	Taradale Ward Councillor nominated, confirmed at AGM	Linda Walsh info@taradale.co.nz	The Council representative may vote
Te Matau A Maui Trust	Trust Deed c9.5	Required: 1 Trustee update 2020 Barbara Arnott	Four Trustees appointed by HBDHB in consultation with all of the territorial authorities of the HB region. Three year terms	Ken.foote@hbdhb.govt.nz	Trust meets three times a year: March August, October

4. NEW YEARS EVE FUNDING 2020-2021

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	939253
<i>Reporting Officer/s & Unit:</i>	Belinda McLeod, Community Funding Advisor

4.1 Purpose of Report

To seek approval to apply for external funding to support the 2020/21 New Year's Event.

Officer's Recommendation

That Council:

- a. Approve the applications to external funders for the 2020/21 New Year's Eve Event.

4.2 Background Summary

The New Years' Eve event was initiated in its current form in 2000 by the Millennium Committee. The event is held at the Sound Shell each New Years' Eve. Beth Elstone, of 'Little Stone' has been contracted to manage this event. This family event is well attended by a range of people in the community, drawing a crowd of around 18000 to 20,000 people each year. The event draws a multi-generational crowd and behavioural issues are minimum. This is an alcohol and smoke free event.

4.3 Issues

No Issues

4.4 Significance and Engagement

Funding applications do not require consultation as they are an operational procedure.

4.5 Implications

Financial

Council provides \$40,000 for the event and seeks external funding for the remainder (we usually receive around \$30,000). Over the past three years due to a decline of funding available from external sources, costs have had to be cut back to enable the event to go ahead. The total cost of the event is usually between \$70,000 and \$76,000 each year.

Table A

Funder	Apply for Funding up to:
Pub Charity	25,000
Eastern & Central Community Trust	15,000
One Foundation	5,000
Lion Foundation	32,000
Infinity Foundation	8,000
Total:	\$85,000

Social & Policy

N/A

Risk

The main risk is that sufficient external funding may not be secured for the event. If this situation occurred the event would be scaled back or withdrawn.

4.6 Options

a. N/A

4.7 Development of Preferred Option

N/A

4.8 Attachments

Nil

REPORTS / RECOMMENDATIONS FROM THE STANDING COMMITTEES

REPORTS FROM AUDIT AND RISK COMMITTEE HELD 12 JUNE 2020

1. WASTEWATER OUTFALL REPORT

<i>Type of Report:</i>	Legal and Operational
<i>Legal Reference:</i>	Resource Management Act 1991
<i>Document ID:</i>	933764
<i>Reporting Officer/s & Unit:</i>	Catherine Bayly, Manager Asset Strategy Cameron Burton, Manager Environmental Solutions

1.1 Purpose of Report

To provide the Audit and Risk Committee with an update on the Wastewater Outfall, noting a similar report has gone to Council to:

- inform Council of an update to the status of the Awatoto Submarine Wastewater Outfall which conveys treated wastewater to the Pacific Ocean, and to;
- enable decisions to be made to bring forward funding for an expedited repair, renewal or replacement of the outfall structure.

At the Meeting

The Manager Environmental Solutions spoke to the report and provided a brief overview, noting the following:

- At the last inspection of the wastewater outfall, two areas of leakage were identified. The most difficult of which is 700m offshore.
- Council has been monitoring the leakages for a period of time and staff had ascertained that they pose very low risk to the environment.
- Council had previously been encouraged by Hawke's Bay Regional Council (HBRC) to have work completed to fix the leak and HBRC have recently issued an Abatement Notice ordering Council to remedy the leak by 30 October 2020, and to have an emergency response plan in place by 30 July 2020.
- There is a high level of risk involved in attempting a repair of the leaks. Council is unable to replace the device like for like. A number of options have been considered in the Beca report, with the lowest risk being for specialist divers to

remove each of the fibreglass joint parts slowly and one at a time, and use a caulking material to repair the leaking gaskets. The risk is that once they start undoing the bolts, that this may cause a breakage or warping of those parts. If that occurred this could cause a catastrophic failure of the device and potentially discharge all of the city's wastewater at that point, 700 metres from the shore.

- There is a smaller leak slightly inshore which will be easier to fix.
- Both Council and the Māori Committee have been advised in relation to the current status of the outfall.
- Council will be holding risk workshops with specialist divers. Officers will then engage with HBRC to ensure they are aware of the risks and complications given the short timeframe afforded to remedy the leaks.
- \$2M has been brought forward from reserves to address this work given the timeframe required to complete this work.
- A secondary risk is that staff are now focussed on the two particular leak points in the pipeline rather than the overarching, future-focussed works relating to improved treatment systems, contingency storage and improvements of the wastewater network as a whole.

In response to questions from the committee, the following points were clarified:

- The Abatement Notice being issued since the report was taken to Council does not change anything in this report. It was noted that HBRC have requested other works outside of the Abatement Notice.
- If Council is unable to remedy the leak by 30 October 2020 then a variation to the consent must be obtained by this date. If neither of these are achieved by that date, Council could be prosecuted.
- There are a number of factors outside of Council's control including work being restricted to three hour windows only and subject to weather and oceanic conditions. Council is applying for a variation to the consent, however timing is dependent on HBRC's ability to process this in time.
- There is no guarantee that the repair will be successful.
- Council officers will be as inclusive and transparent as possible with HBRC around the risks and process being followed.

Committee's recommendation

Councillor Taylor / DW Pearson

That Council:

- a. Note the current status of the submarine wastewater outfall:
 - i. There remains some seepage of wastewater from sealing gaskets which form part of a bespoke fibreglass joint section of the subsurface outfall pipe structure;
 - ii. Despite efforts, staff have not been able to identify a way to quickly fix this seepage without putting the fibreglass joint at risk of rupturing;

- iii. That frequent testing of the coastal waters surrounding the area of seepage continues to show de minimus environmental effect of those waters, caused by this seepage;
 - iv. That Hawkes Bay Regional Council (HBRC) have recently indicated (on 25 March 2020) that Council must take the following actions:
 - 1) Undertake short-term repairs to mitigate the leak from the joint leak by 30 October 2020
 - 2) Provide long-term options for repairing the joint in the outfall pipe by the same date (30 October 2020)
 - v. That HBRC have informally notified Council of their intention to pursue enforcement action against Napier City Council to cease the discharge at the joint if the timeframes above are not met.
 - vi. That a further leak has been discovered within 100m of the fibreglass joint. Divers have been to the site with the aim to repair and have found that this is an old repair that has been damaged by an anchor, or other, and will need an additional repair.
 - vii. Tight timeframes to effect a repair increases the risk associated with delivering a short-term fix, rather than facilitating long-term solutions which will provide better outcomes.
- b. Officers are seeking approval by Council to:
- i. Seek a variation to the current resource consent to authorise the discharge of wastewater via seepage at a position other than that currently authorised (at the fibreglass joint location);
 - ii. Seek early provision of funding assigned for later financial years in the Long Term Plan (LTP) to enable the strategic and planned replacement of the wastewater outfall, including better treatment options to facilitate a more highly treated wastewater in the future.
- c. Note that funding to be released from Wastewater Reserves to attempt a fix of the two seepages and to start on investigation works for replacement of the outfall (\$2m has been put forward in the 20/21 Annual Plan).
- d. Note attempt the lowest risk repair option of the fibreglass joint to address Regional Council's repair timelines.
- e. Note the Beca Ltd Report entitled "Napier City Council – Wastewater Outfall – Issues and Options" dated 15 May 2020.
- f. Note the Audit and Risk Committee may request further information in relation to this issue that they may require in order to fully understand the risk to Council and the community if not already provided in the report. This committee has the ability to provide any feedback on the risk assessment based on the preferred options presented as part of this paper and/or may any recommendation to Council.

Carried

2. SUMMARY OF NAPIER WATER SAFETY PLAN'S RISKS

Type of Report:	Operational
Legal Reference:	N/A
Document ID:	933756
Reporting Officer/s & Unit:	Catherine Bayly, Manager Asset Strategy

2.1 Purpose of Report

Purpose of this report is to bring 'high' and 'very high' risks as identified in NCC's current version of Water Safety Plan (v4.3, updated August 2019) to Audit and Risk Committee attention and for Committee to acknowledge those risks.

At the Meeting

The Director Infrastructure Services provided a brief overview of the report noting that the intention of the report is to regularly bring the risks identified through the water safety plan to the committee's attention.

In response to questions from the committee, the following points were clarified:

- A new consent will be required before Council can move to two operational bore fields.
- Every change made to the water safety plan is put to the drinking water assessor for their approval. Council officers work in collaboration with the drinking water assessor.
- The current report addresses inherent risks, recognising what controls might already be in place and any further corrective measures required. Council officers were requested to provide further detail around timeframes for reducing risk levels.
- A number of actions are due for completion by the end of June and officers confirmed they are on track to meet those timeframes.

ACTION: Council officers are to include details around timeframes to address the risks highlighted in this report, moving forward.

Committee's recommendation

Councillor Simpson / DW Pearson

That Council:

- a. Endorse the report.
- b. Note the risks identified.

Carried

3. HEALTH AND SAFETY REPORT

Type of Report: Operational

Legal Reference: N/A

Document ID: 933568

Reporting Officer/s & Unit: Sue Matkin, Manager People & Capability

3.1 Purpose of Report

The purpose of the report is to provide the Audit and Risk Committee with an overview of the health and safety performance as at 30 April 2020.

At the Meeting

The Manager People and Capability spoke to the report and provided a brief update in relation to health and safety initiatives undertaken during lockdown in order to support staff during this period. It was noted that no further lost time injuries have been recorded since April.

Committee's recommendation

Councillors Simpson / Taylor

That Council:

- a. Receive the Health and Safety report as at 30 April 2020

Carried

4. DRAFT ANNUAL PLAN 2020/21

Type of Report: Legal

Legal Reference: Local Government Act 2002

Document ID: 933816

Reporting Officer/s & Unit: Caroline Thomson, Chief Financial Officer
Adele Henderson, Director Corporate Services
Jane McLoughlin, Corporate Planner

4.1 Purpose of Report

That the Committee review and provide feedback to Council on the Annual Plan 2020/21 underlying financial information prior to the final adoption of the reports.

At the Meeting

The Chief Financial Officer provided a brief overview of the report and tabled the updated consultation document (**attached**). The committee were thanked for their feedback prior to the Council meeting held on 11 June 2020. It was noted that Council adopted the consultation document and underlying information, including the proposed changes to the rates remission and rates postponement policies, and the Statement of Proposal to join the LGFA. The policies will be consulted separately but at the same time as the Draft Annual Plan.

As previously advised to the committee, the budget does not meet the balanced budget provision under section 100 of the Local Government Act 2002. As required under section 80 of the Local Government Act 2002, Council has carefully considered the unbalanced budget issue with the most financially prudent option being to reserve fund the shortfall due to the one-off nature. Council will not meet the deadline of 30 June to adopt the Annual Plan and both Audit New Zealand and the Department of Internal Affairs have been notified of this.

The Interim Chief Executive advised that following reforecasting completed between now and finalising the Annual Plan, further changes are expected due to the impacts of COVID-19.

AMENDED MOTION

Committee's recommendation

DW Pearson / Councillor Taylor

The Audit and Risk Committee note that they have reviewed and are comfortable with the approach taken by Council in the adoption of the Draft Annual Plan and commend and note that Council has made the following resolutions:

- a. Receive the underlying information as the basis for the Annual Plan 20/21:

- i. Financial information
- ii. 10 year revised capital plan
- iii. Rates remission policy
- iv. Rates postponement policy
- v. Statement of Proposal to join LGFA
- b. Provide feedback to Council by 9 June (via the Director of Corporate Services) to be tabled for consideration by Council at its meeting on 11 June 2020.
- c. Resolve that the use reserves to fund the one-off shortfall of \$6.74m anticipated in 20/21 is financially prudent and does not impact unfairly on ratepayers in the future.
- d. Note that the Annual Plan 20/21 does not meet the section 100 (i) balanced budget provision of the Local Government Act, and that Council will be working towards a balanced budget for the LTP.
- e. Note that Council has notified DIA and Audit NZ that it will not meet the statutory deadline of 30 June 2020 for adoption of the Annual Plan 20/21.

Carried

5. SENSITIVE EXPENDITURE - MAYOR AND CHIEF EXECUTIVE

Type of Report: Procedural

Legal Reference: N/A

Document ID: 933218

Reporting Officer/s & Unit: Caroline Thomson, Chief Financial Officer

5.1 Purpose of Report

To provide the information required for the Committee to review Sensitive Expenditure of the Mayor and Chief Executive for compliance with Council's Sensitive Expenditure Policy.

At the Meeting

The Chief Financial Officer briefly spoke to the report, noting that the Mayor's sensitive expenditure for the second quarter was also attached to the report as this had been inadvertently omitted from the previous meeting's agenda. There was no further discussion on this item.

Committee's recommendation

Councillors Simpson / Taylor

That Council:

- a. Receive the report of Sensitive Expenditure for the Mayor and Chief Executive and review for compliance with the Sensitive Expenditure Policy.

Carried

6. EXTERNAL ACCOUNTABILITY - INVESTMENT AND DEBT REPORT

Type of Report: Information

Legal Reference: N/A

Document ID: 933511

Reporting Officer/s & Unit: Caroline Thomson, Chief Financial Officer

6.1 Purpose of Report

To consider the snapshot report on Napier City Council's Investment and Debt as at 30 April 2020.

At the Meeting

The Chief Financial Officer provided a brief overview of the report. There was no further discussion on this item.

Committee's recommendation

DW Pearson / Mayor Wise

That Council:

- a. Receive the snapshot report on Napier City Council's Investment and Debt as at 30 April 2020.

Carried

7. RISK MANAGEMENT REPORT JUNE 2020

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	934363
<i>Reporting Officer/s & Unit:</i>	Adele Henderson, Director Corporate Services

7.1 Purpose of Report

To provide the Audit and Risk Committee with an update on progress with risk management work and to report on the highest paid risks.

At the Meeting

The Chief Financial Officer spoke to the report and announced that the Risk and Assurance Lead position had now been appointed, with the start date being 22 June 2020. One of the first priorities for this role will be to review the risk management framework which will be brought back to this committee.

There was no further discussion on this item.

Committee's recommendation

DW Pearson / Mayor Wise

That Council:

- Note the Risk Management Work being undertaken by Napier City Council staff and management.
- Note the current High risks.
- Receive the Risk Report dated 29th May 2020

Carried

REPORTS FROM FUTURE NAPIER COMMITTEE HELD 18 JUNE 2020

1. BUILDING ACT CHANGES

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	Building Act 2004
<i>Document ID:</i>	932415
<i>Reporting Officer/s & Unit:</i>	Malcolm Smith, Manager Building Consents

1.1 Purpose of Report

To advise the Future Napier Committee on the potential implications on Council from proposed changes to the Building Act exempt work provisions.

At the Meeting

The Manager Building Consents spoke to the report, noting that while the changes to the Building Act have not yet been implemented, a review has been undertaken to assess any potential impacts for Council. A small revenue loss is theoretically possible but unlikely to be realised. The intended changes to the Building Act were briefly reviewed.

In response to questions from Councillors it was clarified that:

- People still have the option to apply for building consents even for exempted work. Where the work is undertaken by licensed practitioners there is little increase in risk.
- Once any updates to a property have been made, documentation should be provided to Council so that these can be lodged on the property file.
- While there may be less consenting required under the Building Act, resource and or planning consent still may be required, so it will be important to ensure that all required consents are still sought.
- Any easements are listed on a title so the owner should be aware of their existence, but there may still be a small risk that these are built over with a consent- exempt structures.
- There is already a variety of work that is exempt and people do still tend to liaise with Council around these for surety.
- The changes to the Building Act were unexpected, although it is believed that COVID-19 may have brought forward the timing of an update to the Act that was already intended. There have been a number of initiatives at a national level as a response to the impacts of COVID-19 to help facilitate recovery.

- Council provide a large amount of information to people in relation to their building projects, but also link to the MBIE website to ensure that the most up-to-date information from the lawmakers is directly available to all.

The Manager Building Consents then spoke to the resource that the Building team provides to another AlphaOne Council (there are 16 other Councils that use this system across the Country).

In 2018 it was proposed to a forum of the AlphaOne-using Councils that Napier could provide resourcing to help support their building consent processing. In early 2020, Napier started providing support in this manner to Selwyn Council as a trial. Selwyn experienced a growth in the number of consents during lockdown and Napier was able to help manage the peak. The trial has been assessed as a success by both Councils and it is proposed to test expansion of the offering to other Councils.

To further the initiative the Napier building team must be in a position to be able to resource the offering with correctly accredited personnel. The revenue from the other Councils funds new positions in Napier, meaning that the offering is cost-neutral for NCC. It was noted that the building industry is an aging one and Napier is building a young and skilled team which places the Council in a strong position to manage Napier's consenting while also providing support to other Councils.

In response to questions from councillors it was clarified that:

- Most Councils struggle to recruit in this area, and the pool of recruits tends to be an aging one; often Councils choose to use contractors for peak periods at higher cost.
- Napier made a conscious decision a number of years ago to recruit and develop a younger team, and to date have been able to recruit to expand the team as required. Napier is therefore in a strong position as a young skilled team to provide processing support in a beneficial way to all Councils involved.
- Further extrapolations to how this support could be provided to other Councils and the risks and benefits will be considered by Council through the Long Term Plan process.

Committee's recommendation

Councillors Brosnan / Browne

That Council:

- a. Note that the proposed changes to the Building Act will have minimal implications for Council.
- b. Direct Officers to explore the possibility of growing the Building Team further to process applications for AlphaOne Councils.

Carried

2. RESOURCE CONSENT ACTIVITY

Type of Report:	Information
Legal Reference:	Resource Management Act 1991
Document ID:	936789
Reporting Officer/s & Unit:	Paul O'Shaughnessy, Principal Resource Consents Planner

2.1 Purpose of Report

This report provides an update on the status of major developments applying for resource consent in Napier.

At the Meeting

The Chair noted that, moving forward, this will be a standing item on the agenda of the Future Napier Committee.

The Principal Resource Consents Planner spoke to the report, noting that the intention is to provide Council with an update of activities where the information is in the public arena.

Some key consents were touched on briefly, including:

- A new 5-level hotel proposed for 161 Marine Parade. It was originally approved in 2018 but as is often the case with large developments, some changes to the design meant a new updated application was required; this was approved in June 2020.
- Developments in the Te Awa area, including a suburban commercial shopping centre and future residential development.
- A number of applications still being processed include a large site in Taradale which is intended to hold 16 commercial and 1 hospitality tenancy. Impact analysis on this proposal is currently underway.
- An application for a large development on Willowbank Road. There has been some discussion in relation to the design of this development (which is proposed to be gated) as there will be impacts on how much public asset (roading and other reticulation) can be vested in Council depending on the approach taken.

In response to questions from Councillors it was clarified that:

- The proposed licensed premises will be subject to the standard rules for liquor license applications but currently their focus is on the resource consent requirements.
- There are a number of lifestyle villages/ gated communities across the country; however the current application needs to be assessed against Napier's District Plan.

- Most retirement villages have an internal road which is private; however in these instances the property is owned by one holder, as opposed to a gated community where the properties will be owned by multiple people.
- A public road cannot be gated so public assets on a private road are complex and potentially unviable integrate.
- The Willowbank application has yet to be notified.
- When applications are received from Kainga Ora these could be reported on, but it was noted that not all applications from this agency include resource consents.
- The District Plan review process incorporates multiple conversations with elected members in relation to the rules and guidelines that help shape the city's growth, and will also include an extensive consultation process.
- The current District Plan sets the criteria that all applications are assessed against and drives all decisions on these. Assessing applications is a very 'cut and dried' process.

ACTION: Some criteria will be put in place as to the types of consents that will be brought through to Council in this report, for example where social housing is involved. It will continue to include publicly available information only.

Committee's recommendation

Councillors Wright / Crown

That Council:

- a. Receives the report.

Carried

REPORTS FROM NAPIER PEOPLE AND PLACES COMMITTEE HELD 2 JULY 2020

1. LIBRARY MEMBERSHIP POLICY

Type of Report: Operational

Legal Reference: N/A

Document ID: 934519

Reporting Officer/s & Unit: Darran Gillies, Libraries Manager

1.1 Purpose of Report

To define what library membership is, who is entitled to the membership and what the conditions of membership are. The policy should reflect the five objectives of the library strategy; Space for All, Enabling Access, Knowledge Advocacy, Community Collaborator and Sustainable futures.

At the Meeting

The Libraries Manager spoke to the report touching briefly on the updates that have been made to the Policy. The intention is to simplify the Policy to make it easier to understand and administer.

During the 'lockdown' a large number of online registrations took place which the library was very pleased to support.

In response to questions from Councillors it was clarified that:

- There is still an arrangement with Hastings District Council to transport books back to Napier when they are returned to a supermarket return bay.
- The cost of using the courier service for the transport process is minimal and it is an easier arrangement than dedicated council vehicles for this purpose would be.

Committee's recommendation

Councillors Mawson / Chrystal

That Council:

- a. Approve the Library Membership Policy

Carried

REPORTS FROM PROSPEROUS NAPIER COMMITTEE HELD 2 JULY 2020

1. LICENCE TO OCCUPY RECREATION RESERVE - SUNDAY MARKET

Type of Report: Operational

Legal Reference: Reserves Act 1977

Document ID: 938617

Reporting Officer/s & Unit: Bryan Faulknor, Manager Property

1.1 Purpose of Report

To confirm the granting of a Licence to Occupy to Margaret Habib for the carpark on Marine Parade immediately north of Ocean Spa and an alternative site at Anderson Park if the Marine Parade site is unavailable, for the operation of the Sunday Market for a term of three years.

At the Meeting

The Manager Property spoke to the report, noting that it is a largely procedural matter. Council had approved the licence in principle, the matter has been advertised with no submissions, and has been considered by the Māori Committee.

In response to questions from councillors it was clarified that:

- There is very little difference in the terms of the licence from previous iterations.
- Regarding section 7.3 *Notice for altered venue* where more than 24 hours' notice is possible it will be given. The alternate venue is booked at the same time as the notification is given.

Committee's recommendation

Councillors Boag / Simpson

That Council:

- a. Approve the granting of a Licence to Occupy to Margaret Habib for the carpark on Marine Parade immediately north of Ocean Spa and an alternative site at Anderson Park if the Marine Parade site is unavailable, for the operation of the Sunday Market for a term of three years.

Carried

2. HAWKE'S BAY DISASTER RELIEF TRUST - COUNCIL CONTROLLED ORGANISATION EXEMPTION

Type of Report:	Legal and Operational
Legal Reference:	Local Government Act 2002
Document ID:	936362
Reporting Officer/s & Unit:	Caroline Thomson, Chief Financial Officer

2.1 Purpose of Report

To obtain a decision from the Council to exempt the Hawke's Bay Disaster Relief Trust from the requirements imposed on Council Controlled Organisations (CCO) under the Local Government Act 2002 (LGA). The exemption will allow a reduced reporting requirement for the Trust under the LGA.

At the Meeting

The Chief Financial Officer spoke to the report noting that Council's approval is being sought to exempt the Trust from CCO status to help reduce reporting requirements. The requirements are disproportionate to the size of the Trust's functions. This report has sought approval from all five Councils; Napier is the last Council to consider the matter. All other Councils have approved the exemption.

In response to questions from councillors it was clarified that:

- Where the Trust is required, CCO status is able to be reapplied
- The Trust has not offered up any other model as to its status than CCO

ACTION The Trust will be asked to report annually through the CDEM annual report .

Committee's recommendation

Councillors Simpson / Tapine

That Council:

- a. Receive the report titled 'Hawke's Bay Disaster Relief Trust – Council Controlled Organisation Exemption'.
- b. Resolve that as provided for in sections 6 and 7 of the Local Government Act 2002, the Council grants the Hawke's Bay Disaster Relief Trust an exemption from being a Council Controlled Organisation, as defined by section 6 of the Local Government Act 2002 for a period of three years to 30 June 2023.

Carried

REPORTS UNDER DELEGATED AUTHORITY

1. DOCUMENTS EXECUTED UNDER SEAL

Type of Report:	Information
Legal Reference:	N/A
Document ID:	942161
Reporting Officer/s & Unit:	Debbie Beamish, Executive Assistant to the Chief Executive

1.1 Purpose of Report

To report on the Documents Executed under Seal for the period 22 February – 26 June 2020.

Officer's Recommendation

That Council:

- a. Receive the report for Documents Executed under Seal for the period 22 February – 26 June 2020.

Schedule of Documents Executed under Seal

For the period **22 February – 26 June 2020**

02.03.2020	Agreement to grant easement, Te Awa Estate Record of Title 546574 - Powerco
02.03.2020	Lease Agreement HB Airport Ltd and Air NZ Ltd
24.03.2020	Consent to transfer lessees interest held in lease 9986327.1
22.04.2020	Easement in gross 106 Latham Street, Napier
22.04.2020	Unison Easement 1-20 Oriel Place
22.04.2020	Easement in Gross 18 Wycliffe Street, Napier
22.04.2020	Sewer Easement 32 James Foley Ave
22.04.2020	Sewer Easement Niven & Edmundson Street, Applegate
22.04.2020	Sewer Easement 9 Lowther Place
24.04.2020	Sewer Easement 33 O'Dowd Road, Napier
14.05.2020	Consent to transfer leasees interest in 4 Cadbury Road, Onekawa
14.05.2020	Lease of Reserve – Scout Assn – Westshore Sea Scouts

22.05.2020	Easement 276 Kennedy Road, Napier
22.05.2020	Lease of Reserve – HB Volunteer Coastguard
28.05.2020	Assignment of Lease - 1 Douglas McLean Ave, Napier
08.06.2020	Easements – Silverhill Subdivision, Oak Road
17.06.2020	Assignment/Renewal of Lease Danish Delight HB Ltd
22.06.2020	Easement Instrument – 29 Leyland Street

1.2 Attachments

Nil

2. TENDERS LET

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	942166
<i>Reporting Officer/s & Unit:</i>	Debbie Beamish, Executive Assistant to the Chief Executive

2.1 Purpose of Report

To report the Tenders let under delegated authority for the period 22 February – 26 June 2020.

Officer's Recommendation

That Council:

- a. Receive the Tenders Let for the period 22 February – 26 June 2020.

Tenders Let for the period 22 February – 26 June 2020

CONTRACTS OVER \$100,000 LET UNDER CHIEF EXECUTIVE/DIRECTOR INFRASTRUCTURE DISCRETION

Contract 1251 Construction of Exploratory and Production Bore at Bore field One

Two companies were invited to tender and two tenders were received.

The Engineer's estimate was \$300,000.00.

It was recommended that the contract be awarded to Honnor Well Drilling in the sum of \$618,167.00.

This recommendation was approved.

Contract 1250 Motordrome Carpark Upgrade

Three tenders were received.

The Engineer's estimate was \$146,675.00.

It was recommended that the tender from Higgins Contractors be accepted in the sum of \$147,975.00.

This recommendation was approved.

Contract 1269 Municipal Theatre BMS Upgrade

Contract let under direct engagement.

It was recommended that the tender received from Refrigeration & Mechanical be accepted in the sum of \$218,769.00.

This recommendation was approved.

2.2 Attachments

Nil

3. RESOURCE CONSENTS

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	942357
<i>Reporting Officer/s & Unit:</i>	Debbie Beamish, Executive Assistant to the Chief Executive

3.1 Purpose of Report

To present the report on Resource Consents issued under delegated authority for the period 22 February – 26 June 2020.

Officer's Recommendation

That Council:

- a. Resolves to receive the report titled 'Resource Consents approved 22 February – 26 June 2020.

3.2 Attachments

- A Resource Consents 22 February - 26 June 2020 [↓](#)

Resource Consents (Subdivision & Land Use) Approved between 22 February – 26 June 2020

Consent Number	Site Location	Applicant	Proposal	Activity Status	Decision Date
RM200005	56 West Quay	Shed 2 On The Quay Ltd	Alterations and additions to a Group 1 Heritage building and associated multi-unit development and parking deficit within the West Quay Water Front zone	Discretionary	27 February 2020
RM190119A	24A Hastings St	Empara Properties Ltd	Variation to approved Resource Consent RM190119 to allow alterations/additions (new shop front) to a Group 1 heritage building (Parkers Chambers)	Discretionary	4 March 2020
RM200006	1 Storkey St	Bay Beauty Motel Ltd	Additions and alterations to an existing motel within the Main Residential zone entailing the establishment of one additional motel unit (total of seven units)	Discretionary	5 March 2020
RMS200007	5 Ashridge Rd	S Repko & M-L Paget	Main Residential zone subdivision to create one additional lot (two in total)	Controlled	5 March 2020
RMS200008	55 Jessep Rd	D Van Laar & A Booth	Main Rural zone boundary adjustment/subdivision which separates existing dwelling onto a 5471m ² lifestyle block and amalgamates the balance 3.51-hectares with an adjoining productive lot	Discretionary	9 March 2020
RM200010	48 Kennedy Rd	Nelson Park School Board of Trustees	Outline Plan to remove and demolish the existing classroom block and replace with a new Modular classroom	Outline Plan	9 March 2020
RM190110	48 Emerson St	Ectara Enterprises Ltd	Internal and external alterations to a Group 1 Heritage item	Discretionary	10 March 2020
RMS200010	227 Kennedy Rd	L McKenna	Main Residential zone subdivision creating one additional lot (two in total)	Controlled	13 March 2020

RMS200011	12 & 12B Burness Rd	Village Residential Ltd	Main Residential zone subdivision to create two additional lots (three in total)	Controlled	16 March 2020
RMS200014	13 Magdalen Cres	A & J Hamer	Main Residential zone subdivision to create one additional lot (two in total)	Controlled	16 March 2020
RMS200015	21 Holyrood St	Eastlodge Property 2019 Corporate Trustee Ltd	Main Residential zone subdivision to create one additional lot (two in total)	Controlled	16 March 2020
RMS200017	78 Meeanee Rd, 130 & 1/130 - 7/120 Charles St	Harrison Bentley Ltd	Northern Residential zone boundary adjustment (no new lots)	Controlled	17 March 2020
RM160125A	44 Austin St	Aristotle Holdings Ltd	Variation to approved resource consent RM160125 to increase unit numbers (14 to 15), amend site layout and minor increase in site coverage in the Main Industrial zone	Discretionary	17 March 2020
RM200015	125 Emerson St	Wallace Development Company Ltd	Internal alterations to a Group 1 Heritage building within the Art Deco Quarter zone	Discretionary	19 March 2020
RM200009	114 Burness rd	R & C Preece	Relocated building within the Main Rural zone to be used as an office, staffroom and living area	Non-complying	20 March 2020
RM200012	498 Main North Rd	L Hannah	Establish and operate a coffee cart within the Rural Settlement zone	Discretionary	20 March 2020
RM200014	8 Gee Pl	Advance Construction Ltd	Construct a dwelling with attached garage infringing the 5m front yard within the Main Residential zone	Restricted Discretionary	23 March 2020
RM190101A	1A Milton Tce	S & Y Winchester	Variation to approved resource consent RM190101 which results in infringements to the height recession plane rule	Restricted Discretionary	30 March 2020
RMS200016	1 – 11 Percy Spiller Ave	Kainga Ora	Main Residential zone multi-unit development involving the construction of 11 new dwellings, associated subdivision	Subdivision – Controlled	1 April 2020

			to create 11 residential lots and one access lot, infringements in relation to earthworks volumes, car parking, site coverage and height	Land Use – Discretionary	
RM200011	12 North Tce	G Clark	Enclose the rear patio which infringes the site coverage rule in the Northern Residential zone	Restricted Discretionary	1 April 2020
RM200017	124 Puketitiri Rd	SA Greer	Undertake earthworks (approx 500m ³ volume) that exceed the maximum volume threshold (100m ³) within the Rural Residential zone	Discretionary	2 April 2020
RM200020	1/31 Meeanee Quay	W Reid	Section 125 extension to expiry period of approved resource consent RM150017	Section 125 Extension	6 April 2020
RMS200003	21 Sanders Ave	J & T McGettigan	Marewa Art Deco Character zone subdivision creating one additional lot (two in total)	Non-complying	8 April 2020
RM190152	4 Munroe St	Catholic Parish of Napier	Construct a multi-purpose mission centre associated with the existing church within the Fringe Commercial zone with infringements in relation to earthworks and a deficit of on-site car parking	Restricted Discretionary	8 April 2020
RMS200019	64 & 66 Nuffield Ave	Urban dwellings Ltd	Main Residential zone subdivision creating three additional lots (four in total)	Restricted Discretionary	16 April 2020
RM200021	25 Ulyatt Rd	Bupa New Zealand	Erect two temporary billboards at separate locations on the site for marketing purposes (Bupa Retirement facility) in the Main Rural zone	Restricted Discretionary	20 April 2020
RMS200013	110, 112, 114, 116 & 123 Kelvin Pl	Kainga Ora	Main Residential zone multi-unit development entailing the construction of 13-dwellings, associated subdivision to	Subdivision – Controlled Land Use – Restricted Discretionary	17 April 2020

			create 13 separate lots with right of way and NES (soils)		
RMS200020	48 & 49 Le Quesne Rd	R Hill	Rural Settlement zone subdivision to create one additional lot (two in total) and fee simple titles around two existing dwellings	Non-complying	22 April 2020
RMS200021	25 Leyland St	N Meechan	Proposed right of way (Section 347 certificate) to formalise an existing shared accessway in the Main Residential zone	Right of Way	23 April 2020
RMS200022	2 Massey Cres	D Christiansen	Main Residential zone subdivision to create one additional lot (two in total)	Restricted Discretionary	23 April 2020
RMS200012	44 – 56 Bledisloe Rd	Kainga Ora	Main Residential zone multi-unit development entailing the construction of nine dwellings with associated subdivision to create nine lots with right of ways and assessment of NES (soil)	Subdivision – Controlled Land Use – Restricted Discretionary	23 April 2020
RM200023	64 Bledisloe Rd	N & C Timms	Two relocated dwellings within the Main Residential zone with height infringement at internal boundary	Restricted Discretionary	23 April 2020
RMS200023	37 James Foley Ave	Eastlodge Property 2019 Corporate Trustee Ltd	Main Residential zone subdivision to create one additional lot (two in total)	Restricted Discretionary	1 May 2020
RMS200024	3 Balance Pl	Eastlodge Property 2019 Corporate Trustee Ltd	Main Residential zone subdivision to create one additional lot (two in total). Site currently accommodates one primary and one secondary dwelling.	Controlled	6 May 2020
RM200024	17 Leyland St	Meechan Family Trust	Main Industrial zone multi-unit development entailing three additional industrial units (six units in total)	Restricted Discretionary	8 May 2020
RMS200025	33 Canterbury St	M Brigham	Main Residential zone subdivision to create one additional lot (two on total)	Restricted Discretionary	12 May 2020

RM200025	121 & 125 Emerson St	The Entertainment & Education Group (TEEG)	Internal and external alterations/additions to a Group 1 Heritage Building	Discretionary	14 May 2020
RMS200027	162 & 2/162 Kennedy Rd	CF & JS Hankins & RM Bentley	Main Residential zone subdivision to create one additional lot (two in total) to accommodate two existing dwellings	Controlled	18 May 2020
RM200028	13A Magdalen Cres	A Hamer	Main Residential zone multi-unit development entailing one additional relocated dwelling (two in total)	Controlled	19 May 2020
RMS200028	54 The Loop	A & H Hollywood	Main Rural zone subdivision to create one additional lot (two in total)	Non-complying	27 May 2020
RM200029	39 Barnard Ave	D Coley	Multi-unit development entailing one additional residential dwelling (two in total) within the Main Residential zone	Restricted Discretionary	27 May 2020
RM200032	19 May Avenue	A & K Ritchie	Section 125 extension to expiry period of approved resource consent RM150052 allowing the construction of one residential dwelling	Section 125 Extension	28 May 2020
RM200004	250 Westminster Ave	Napier City Council	Establish a sports field with associated earthworks exceeding thresholds on a HAIL site (NES soils) and erect and operate up to six flood lights exceeding height limit within the Sports Park zone	Discretionary	2 June 2020
RM200019	113 Fryer Rd	N & D Kirton	Construct a two-bedroom Travellers Accommodation unit that exceeds maximum floor area and is located more than 25m from the primary dwelling within the Rural Residential zone	Non-complying	2 June 2020
RMS200026	16 & 38 Willowbank Ave	Durham Properties Ltd	Three stage Main Residential zone subdivision to create 19 additional lots	Discretionary	2 June 2020

			(total of 20 residential lots) with a balance lot for future residential development		
RM180207A	161, 165, 167 & 169 Marine Pde	Nautilus Family Trust	Variation to approved resource consent RM180207 to carry out changes to the proposed hotel including conversion of three apartments to create nine additional hotel units and an increase in maximum height	Discretionary	4 June 2020
RMS200018	35 Kenny Rd	Te Awa Land Development Coy Ltd	Two stage Main Residential zone subdivision (stage one) to create one additional lot (two in total) and a stage two unit title subdivision of a consented commercial development	Discretionary	4 June 2020
RM200031	35 Wakefield St	TW Commercial Properties Ltd	Main Industrial zone multi-unit development encompassing one additional tenancy (two in total) within an existing building	Restricted Discretionary	4 June 2020
RMS200030	39 Murphy Rd	PJ Massee	Main Residential zone subdivision to create three additional lots (four in total)	Controlled	5 June 2020
RM200033	4A Seaview Tce	Valley Road Trust	Construct a deck within the 3m front yard in the Napier Hill Character zone	Restricted Discretionary	5 June 2020
RM190157	15 Devonshire Pl	Napier District Masonic Trust	Extension to an existing retirement complex (Masonic Village) encompassing five additional dwelling units	Discretionary	8 June 2020
RM190118A	76 Basil Rd	M & L Bull	Section 127 variation to approved resource consent RM190118 to construct a dwelling within an area of significance to Maori	Discretionary	9 June 2020
PB200003	69 King St	D McKennie	Addition to dwelling with height in relation to boundary infringement in the Main Residential zone	Deemed Permitted Boundary Activity	11 June 2020

RM200034	111 Main North Rd	RN Jennings	Construct two aircraft hangars exceeding the 10m height control within the Airport zone	Restricted Discretionary	11 June 2020
RM200042	272 Meeanee Rd	Witton Trust	Build a storage shed involving an NES assessment (contaminant in soil) in the Main Rural zone	Controlled	15 June 2020
RM200030	27 White St	Jade Residential	Establish and operate a Residential Care Facility in the Main Residential zone	Restricted Discretionary	17 June 2020
RM200036	2 Te Roera Dr	SS Homes	Earthworks associated with the construction of a dwelling that exceed the maximum volume allowed in the Rural Residential zone	Restricted Discretionary	22 June 2020
RMS200031	78 The Loop	BA Burgess	Main Rural zone subdivision to create two new lots (three in total)	Non-complying	23 June 2020
RMS200032	8 Petane Rd	T McDougal	Rural Settlement zone subdivision to create one additional lot (two in total)	Restricted Discretionary	25 June 2020
RM200038	76 Fryer Rd	Simply Architecture Ltd	Construct a supplementary dwelling which infringes the maximum gross floor area rule within the Rural Residential zone	Non-complying	24 June 2020
RM200037	35 Kenny Rd	Te Awa Land Development Company Ltd	Establish a licensed premise (café/restaurant) within the Main Residential zone	Discretionary	24 June 2020
RM190019A	35 Kenny Rd	Te Awa Land Development Company Ltd	Section 127 variation to approved resource consent RM190019 to alter access around childcare, increase and reduce area of tenancies, increase car parking and extend hours of operation of café	Discretionary	24 June 2020

RM200040	8 Seapoint Rd	T Ashworth	Construct a vehicle parking deck infringing the 5m front yard and height controls within the Napier Hill Character zone	Restricted Discretionary	26 June 2020
RM200041	5 Savage Cres	Vlad Investment Ltd	Construct a garage within the 5m front yard within the Main Residential zone	Restricted Discretionary	26 June 2020

PUBLIC EXCLUDED ITEMS

That the public be excluded from the following parts of the proceedings of this meeting, namely:

Agenda Items

1. Contract for services
2. Napier Creative Communities Funding June 2020
3. Land Purchase

Reports from Audit and Risk Committee held 12 June 2020

1. Insurance Update
2. Cybersecurity Strategy
3. Revera Lead Agency IaaS Close Out Report
4. Legal Update

Reports from Napier People and Places Committee held 2 July 2020

1. Council Projects Fund Application

Reports from Prosperous Napier Committee held 2 July 2020

1. Bad Debt Write Off
2. Loan Agreement

The general subject of each matter to be considered while the public was excluded, the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution were as follows:

General subject of each matter to be considered.	Reason for passing this resolution in relation to each matter.	Ground(s) under section 48(1) to the passing of this resolution.
	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:	48(1)(a) That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:

Agenda Items

1. Contract for services	7(2)(b)(ii) Protect information where the making available of the information would be likely unreasonably to prejudice the commercial	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the
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	position of the person who supplied or who is the subject of the information	disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.
2. Napier Creative Communities Funding June 2020	7(2)(c)(i) Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.
3. Land Purchase	7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities 7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.

Reports from Audit and Risk Committee held 12 June 2020

1. Insurance Update	7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting
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	commercial and industrial negotiations)	would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.
2. Cybersecurity Strategy	7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.
3. Revera Lead Agency IaaS Close Out Report	7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.
4. Legal Update	7(2)(b)(ii) Protect information where the making available of the information would be likely unreasonably to prejudice the commercial	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for

	<p>position of the person who supplied or who is the subject of the information</p> <p>7(2)(g) Maintain legal professional privilege</p> <p>7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>which good reason for withholding would exist:</p> <p>(i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p>
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Reports from Napier People and Places Committee held 2 July 2020

1. Council Projects Fund Application	<p>7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities</p> <p>7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:</p> <p>(i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p>
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Reports from Prosperous Napier Committee held 2 July 2020

1. Bad Debt Write Off	<p>7(2)(a) Protect the privacy of natural persons, including that of a deceased person</p>	<p>48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:</p> <p>(i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p>
2. Loan Agreement	<p>7(2)(b)(ii) Protect information where the making available</p>	<p>48(1)A That the public conduct of the whole or the relevant part of the</p>

	<p>of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities</p>	<p>proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:</p> <p>(i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p>
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ORDINARY MEETING OF COUNCIL

Open Minutes

Meeting Date: Thursday 4 June 2020

Time: 10am – 12.25pm

Venue Large Exhibition Hall
Napier War Memorial Centre
Marine Parade
Napier

Zoom livestreamed to Council's Facebook page

Present Mayor Wise, Deputy Mayor Brosnan, Councillors Boag, Browne, Chrystal, Crown, Mawson, McGrath, Price, Simpson, Tapine, Taylor, Wright

In Attendance Interim Chief Executive, Director Corporate Services, Director Infrastructure Services [to 11.22am], Director City Services, Director City Strategy, Manager Communications and Marketing, Chief Financial Officer, Manager Asset Strategy, Manager Environmental Solutions, Team Leader Parks, Reserves, Sportsgrounds, Team Leader Policy Planning, Finance Accountant

Administration Governance Team

Apologies

Nil

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

The date of the next ordinary Council meeting has been adjusted back to 16 July as the LGNZ AGM has been postponed.

Announcements by the management

Nil

Minor Matters for discussion

Rapid Response Fund

Confirmation of minutes

Council resolution

Councillors McGrath / Wright

That the Draft Minutes of the Ordinary meeting held on 23 April 2020 be confirmed as a true and accurate record of the meeting.

Carried

Council resolution

Councillors McGrath / Wright

That the Draft Minutes of the Extraordinary meeting held on 23 April 2020 be confirmed as a true and accurate record of the meeting.

Carried

Council resolution

Councillors McGrath / Wright

That the Draft Minutes of the Extraordinary meeting held on 30 April 2020 be confirmed as a true and accurate record of the meeting.

Carried

**Council
resolution**

Councillors McGrath / Wright

That the Draft Minutes of the Extraordinary meeting held on 5 May 2020 be confirmed as a true and accurate record of the meeting.

Carried

**Council
resolution**

Councillors McGrath / Wright

That the Draft Minutes of the Extraordinary meeting held on 7 May 2020 be confirmed as a true and accurate record of the meeting.

Carried

**Council
resolution**

Councillors McGrath / Wright

That the Draft Minutes of the Extraordinary meeting held on 14 May 2020 be confirmed as a true and accurate record of the meeting.

Carried

**Council
resolution**

Councillors McGrath / Wright

That the Draft Minutes of the Extraordinary meeting held on 20 May 2020 be confirmed as a true and accurate record of the meeting.

Carried

**Council
resolution**

Councillors McGrath / Wright

That the Draft Minutes of the Extraordinary meeting held on 21 May 2020 be confirmed as a true and accurate record of the meeting.

Carried

AGENDA ITEMS

1. WASTEWATER OUTFALL REPORT

<i>Type of Report:</i>	Legal and Operational
<i>Legal Reference:</i>	Resource Management Act 1991
<i>Document ID:</i>	931230
<i>Reporting Officer/s & Unit:</i>	Catherine Bayly, Manager Asset Strategy Cameron Burton, Manager Environmental Solutions

1.1 Purpose of Report

To both:

- inform Council of an update to the status of the Awatoto Submarine Wastewater Outfall which conveys treated wastewater to the Pacific Ocean, and to;
- enable decisions to be made to bring forward funding for an expedited repair, renewal or replacement of the outfall structure.

At the Meeting

The Manager Asset Strategy spoke to the report, noting that the outfall asset is coming to the end of its useful life a few years earlier than originally anticipated. The primary concern is the leak at the 700m point of the outfall, but another smaller leak has been identified through the investigations where another earlier repair appears to have been damaged.

Napier City Council has been liaising with Hawke's Bay Regional Council (HBRC) in relation to the outfall, and an independent consultant has assessed the asset and proposed several options as to how the leaks could be addressed.

The asset is live and currently only be able to be shut down for 3 hours at a time. Whichever repair option is selected has an inherent level of risk that will need to be weighed up and prepared for as far as possible.

As upgrade or replacement of an outfall being a more unusual project costings are quite varied at the moment and further investigations are required in order to provide more surety.

The Manager Environmental Solutions spoke further to the structure of the outfall, noting that it consists of nine sections.

Extensive monitoring by boat and drone was initiated when the 700m mark leak was identified, and it was a drone flight which first indicated the slightly closer leak. Underwater sampling takes place at different heights and distances from the leak, as well as long-shore sampling and mussel sampling. Most assessments have found that there is very little impact from the leak so far, but monitoring will continue for as long as necessary to further establish any pattern of discharge and flow.

In response to questions from Councillors it was clarified that:

- The variation to the existing consent (which ends in 2036) will only provide for the impact of the existing leak. Lodging the variation is not seen as a mitigation to the

overall issue but would operate alongside the other preparations for a repair and or replacement.

- A contingency/ emergency response plan is being developed currently, which will be included with the consent variation, to establish mitigation and management measures should there be a rupture through the repair. The tool required to contain a breach takes some time to create and officers are working with experts and liaising with HBRC as to the approach.
- Greater detail on costings for a replacement outfall should be possible by the end of the year following further investigations. This will then inform the LTP process.
- Every option for repair has a certain level of risk and a careful plan is being drafted as to the approach, and what actions may need to be taken should challenges arise during any repair.
- Clear public communication would take place promptly should any impact be identified on kai moana. Mussels close to the shore have come back from sampling showing very low levels of viruses. Town reef, the best known area of kai moana collection, has very low risk even taking into consideration the leak at the 700m point.
- \$2M has been included in the Annual Plan to allow for a 'storage' area that would allow for the wastewater plant and outfall to be shut down for longer periods of time. This storage would also help in other ways, such as managing stormwater overflows in heavy rain events, and preparing for future maintenance. The preferred capacity required for this storage will be considered as part of the masterplan.
- Full replacement will have a number of stages to progress through and is anticipated to take about 3-5 years in total.
- Although the asset is deteriorating, the larger issue is that the outfall is now not fit for purpose and forms a constraint to managing the wastewater network.
- Part of the work being undertaken through the master plan is on how wastewater could be managed in the future.

ACTION A formal "no fishing/ water vehicle" zone is to be established to protect the outfall and surrounding area.

**Council
resolution**

Dep. Mayor Brosnan / Councillor Price

That Council:

- a. Note the current status of the submarine wastewater outfall:
 - i. As previously reported, there remains some seepage of wastewater from sealing gaskets which form part of a bespoke fibreglass joint section of the subsurface outfall pipe structure;
 - ii. Despite efforts, staff have not been able to identify a way to quickly fix this seepage without putting the fibreglass joint at risk of rupturing;
 - iii. That frequent testing of the coastal waters surrounding the area of seepage continues to show de minimus environmental effect of those waters, caused by this seepage;
 - iv. That Hawkes Bay Regional Council (HBRC) have recently indicated (on 25 March 2020) that Council must take the following actions:

-
- 1) Undertake short-term repairs to mitigate the leak from the joint leak by 30 October 2020
 - 2) Provide long-term options for repairing the joint in the outfall pipe by the same date (30 October 2020)
- v. That HBRC have informally notified Council of their intention to pursue enforcement action against Napier City Council to cease the discharge at the joint if the timeframes above are not met.
 - vi. That a further leak has been discovered within 100m of the fibreglass joint. Divers have been to the site with the aim to repair and have found that this is an old repair that has been damaged by an anchor, or other, and will need an additional repair.
 - vii. Tight timeframes to effect a repair increases the risk associated with delivering a short-term fix, rather than facilitating long-term solutions which will provide better outcomes.
- b. Endorse staff to:
 - i. Seek a variation to the current resource consent to authorise the discharge of wastewater via seepage at a position other than that currently authorised (at the fibreglass joint location);
 - ii. Seek early provision of funding assigned for later financial years in the Long Term Plan (LTP) to enable the strategic and planned replacement of the wastewater outfall, including better treatment options to facilitate a more highly treated wastewater in the future.
 - c. Approve funding to be released from Wastewater Reserves to attempt a fix of the two seepages and to start on investigation works for replacement of the outfall (\$2m has been put forward in the 20/21 Annual Plan).
 - d. Approval to attempt the lowest risk repair option of the fibreglass joint to address Regional Council's repair timelines.
 - e. Receive the Beca Ltd Report entitled "Napier City Council – Wastewater Outfall – Issues and Options" dated 15 May 2020

Carried

2. NAPIER AQUATIC DEVELOPMENT UPDATE

<i>Type of Report:</i>	Operational and Procedural
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	933460
<i>Reporting Officer/s & Unit:</i>	Keith Marshall, Interim Chief Executive

2.1 Purpose of Report

To seek agreement in relation to the next steps in relation to the Napier Aquatic Development.

At the Meeting

The Interim Chief Executive spoke to the report noting that the intention is to provide the public with greater clarity as to where the conversation is currently at in relation to aquatic facilities, particularly as the Annual Plan and Long Term Plan processes progress.

In response to questions from councillors it was clarified that:

- The proposed transfer of funds is intended to allow for site investigations into the Onekawa site should Council wish to proceed with these.
- If Council approve today's recommendation a work programme would be able to be developed with regards to any site investigations.

ACTION Analyse current usage of aquatic facilities across Napier and how the offering could be expanded or improved while the future provision is being worked through.

Council resolution

Mayor Wise / Councillor Mawson

That Council:

- Note that Council, being conscious of the widespread community interest around progressing the previously proposed Napier Aquatic Centre Development, wishes to take some time to reconsider the various options.
- Resolve that Council will commence some further consultation on the Napier Aquatic Centre Development as part of its Long Term Plan 2021-31 with a view to ensuring that the whole community is involved in progressing any finally agreed project in due course even though that might not determine a final option until a future annual plan.
- Note that Council prefer not to continue with the tender for the Napier Aquatic Centre Development as issued on 21 May 20109 in favour of further considering the project as part of the Long Term Plan 2021-31.
- Note that Council had provided \$5m in the draft Annual Plan 2020/21 on the basis that it wasn't sure of the court outcome at the time, nor of the best way to progress matters, and therefore had left itself

some options to proceed while also noting the residual balance of the project sits in future years.

- e. Note that Council are consulting on its draft Annual Plan 2020/21 and can make the necessary changes to move the current budget to future years for the Napier Aquatic Centre Development as part of deliberations and community feedback.
- f. Resolve to transfer \$500k from the reserve funding currently allocated for the pool in 2020/21 to operating costs to allow for further site investigations and design requirements at Onekawa site or any other requirements for potential consultation and further consideration as part of the Long Term Plan 2021-31.

Carried

3. PARKS, RESERVES AND SPORTSGROUNDS WATER CONSERVATION STRATEGY

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	932324
<i>Reporting Officer/s & Unit:</i>	Debra Stewart, Team Leader Parks, Reserves, Sportsgrounds

3.1 Purpose of Report

To advise Council of the Parks, Reserves and Sportsgrounds Water Conservation Plan for endorsement prior to its presentation in a paper at the World Urban Parks International Congress Event, Green Pavlova in Rotorua, May 2020 (now postponed to May 2021 in light of Covid-19).

At the Meeting

The Team Leader Parks, Reserves, Sportsgrounds spoke to the report, which had been laid on the table at the most recent extraordinary meeting of Council. A suite of recommendations has been developed to improve water conservation across Council's parks and reserves activities, including the use of non-potable water for grounds, leak management, and re-considering the design of some recreational activities.

In response to questions from councillors it was clarified that:

- Using bore water rather than potable water would require a consent, but if this was achieved then the changeover of systems would be relatively simple.
- Whitmore and Maraenui Parks do not require a large amount of watering currently so have not been specified in the conservation strategy at this point.
- Park Island and Bledisloe parks have bores in the area. It is possible that using these for the parks may reduce pressure on the potable water network, but the overall usage would need to be considered before any change was actioned.
- Implementation of some actions is already underway, and the places where it expected that the largest savings may be found are being prepared for.
- Re-circulation of water could be a quick win and will be explored more thoroughly for areas where it can be used.
- The actions to date are able to be achieved within existing budgets.
- Catchment and storage of water has not been explored on larger sites as yet, but this could be investigated for the future.
- There may be opportunities to look at water systems in a more integrated way in future – for example the use of treated wastewater for grounds to save potable water.

Officer's Recommendation

That Council:

- a. Approve the Parks, Reserves and Sportsgrounds Water Conservation Plan for presentation at the World Urban Parks International Congress Event, Green Pavlova in Rotorua, May 2020 (now postponed to May 2021 in light of Covid-19).

Substitute Motion Councillors Boag / Chrystal

**Council
resolution**

That Council:

- a. Approve the Parks, Reserves and Sportsgrounds Water Conservation Plan for presentation at the World Urban Parks International Congress Event, Green Pavlova in Rotorua, May 2020 (now postponed to May 2021 in light of Covid-19).
- b. Direct officers to further advise Council on future possible implementation of recommendations in this plan and if any need to be included in the Long Term Plan.

Carried

The Director Infrastructure Services left the meeting at 11.22am

4. COASTAL HAZARDS STRATEGY - UPDATE FROM THE JOINT COMMITTEE MEETING (MAY)

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	929205
<i>Reporting Officer/s & Unit:</i>	Dean Moriarity, Team Leader Policy Planning

4.1 Purpose of Report

To update Councillors on progress of Stage 4 of the Coastal Hazards Strategy.

At the Meeting

The Team Leader Policy Planning spoke to the report, providing a update on the Coastal Hazards Strategy and associated actions, noting that recent conversations have included discussions on a funding split between the partner Councils.

Hauraki District Council have proposed a remit to Local Government New Zealand ('LGNZ') asking that central government develop a nation-wide coastal strategy including direction as to how any funding would be shared amongst local councils. The remit seeks to promote central coordination and direction for an issue that impacts across the country.

A regional workshop is being prepared for the discussion of Coastal Hazards, the timing of which is currently being considered for early September. A standing action is in place to ensure Napier City Council has the opportunity to establish its own position regarding funding prior to any regional discussions.

Council resolution

Dep. Mayor Brosnan / Councillor Price

That Council:

- a. Note the information contained in the meeting notes from the Clifton to Tangoio Coastal Hazards Strategy Joint Committee meeting held on 1 May 2020.
- b. Receive the unconfirmed minutes of the Clifton to Tangoio Coastal Hazards Strategy Joint Committee meeting held on 1 May 2020.

Carried

5. QUARTERLY REPORT FOR THE NINE MONTHS ENDED 31 MARCH 2020

Type of Report: Legal and Operational

Legal Reference: Local Government Act 2002

Document ID: 932115

Reporting Officer/s & Unit: Caroline Thomson, Chief Financial Officer

5.1 Purpose of Report

To consider the Quarter Report for the nine months ended 31 March 2020.

At the Meeting

The Chief Financial Officer spoke to the report, noting that only the first week of the COVID-19 lockdown is reflected in this quarter. The impacts of the lockdown will primarily be seen in the end of year report.

Any required carry overs are being worked through and will be brought back to Council for consideration.

In response to questions from Councillors it was clarified that:

- A report on the recent legislative update regarding buildings will be brought to Council shortly.
- The tourism activities could be presented differently for the end of the year report so that the impacts of COVID-19 can be outlined.
- A variety of financial indicators are being tracked so that clarity around the impacts of COVID-19 is gained and recovery can be planned for.

ACTION Check the commentary on water seen on page 28 of the attachment as this may be incorrect

Thanks were extended to staff for their work with social housing during lockdown.

Council resolution

Dep. Mayor Brosnan / Councillor Chrystal

That Council:

- a. Receive the Quarterly Report for the nine months ended 31 March 2020.

Carried

6. NAPIER CITY WORKER REDEPLOYMENT PACKAGE

<i>Type of Report:</i>	Legal and Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	932631
<i>Reporting Officer/s & Unit:</i>	Adele Henderson, Director Corporate Services

6.1 Purpose of Report

To formally acknowledge and include the Napier City Work Redeployment projects in the Annual Plan 2019/20, noting any unspent funding in the current year will be carried forward into 2020/21.

At the Meeting

The Director Corporate Services spoke to the report noting that Council has received approval for Crown funding as part of the government's redeployment package, and this will be able to be included in the upcoming Annual Plan process.

In response to questions from councillors it was clarified that:

- It was required that the jobs and work applied for had clear time frames and could be completed relatively promptly.
- The activities referred to here as "redeployment projects" have also been referred to as "shovel ready projects".
- The funding is expected to be received in installations over the life of the projects.

Council resolution

Mayor Wise / Councillor Crown

That Council:

- Note that Council has received approval for \$1,070,000 associated with Crown Worker Redeployment Package to be undertaken as soon as practicable.
- Approve the receipt of these funds and execution of the agreement requirements.
- Note that Council will have an obligation under the agreement to report to the Crown monthly on the progress of these projects
- Note that the Council will have an obligation to report to the Crown at the end of the project
- Note that Council will need to notify the Crown of any potential overspend associated with the proposed project
- Note that the proposed funding will contribute to 30 jobs for Napier as a result of the delivery of these projects
- Approve the Annual Plan to be updated to include the Crown funding and associated projects costs of \$1,070,000, noting that any

underspend on these projects as at 30 June 2020 will be carried forward into next financial year

Carried

7. AIRPORT DIRECTOR - REAPPOINTMENT

<i>Type of Report:</i>	Legal and Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	932604
<i>Reporting Officer/s & Unit:</i>	Adele Henderson, Director Corporate Services

7.1 Purpose of Report

The purpose of this report is to recommend the reappointment of Sarah Park as a Director of Hawkes Bay Airport Limited (HBAL) and to notify Council of the pending retirement of Chairman Tony Porter and the recruitment process to follow for his replacement.

At the Meeting

The Director Corporate Services spoke to the report noting that Hastings District Council is also considering the same matter at its upcoming meeting.

It was noted that Ms Park has demonstrated excellent skills and brings good experience to the board.

ACTION Council will formally acknowledge the significant contribution of Tony Porter to Hawke's Bay Airport Ltd since his first appointment in July 2009.

Council resolution

Councillors Taylor / Wright

That Council:

- a. Approve the reappointment of Sarah Park as a director of Hawkes Bay Airport Limited for the period of one year, subject to Hastings District Council doing the same.
- b. Note the retirement of Chairman Tony Porter from the Board of Hawkes Bay Airport Limited, noting that Mr. Porter will remain on the Board until the 2020 Annual General Meeting.

Carried

8. HAWKE'S BAY MUSEUMS TRUST STATEMENT OF INTENT 2020-2022

Type of Report: Legal and Operational

Legal Reference: Local Government Act 2002

Document ID: 932697

Reporting Officer/s & Unit: Chris Denby, Finance Accountant

8.1 Purpose of Report

To receive the final Statement of Intent 2020 – 2022 for the Hawke's Bay Museums Trust to Council required for reporting requirements for Council-Controlled Organisations.

At the Meeting

The Finance Accountant spoke briefly to the report, noting there have been no changes to the Statement of Intent following the earlier circulation of the draft document.

In response to questions from Councillors it was clarified that:

- The joint working group is currently focussing on a site for a new storage facility then will consider other relevant matters such as the governance model for the museum into the future.

Council resolution

Councillors Wright / Crown

That Council:

- a. Receive the final Hawke's Bay Museums Trust Statement of Intent 2020 - 2022

Carried

9. COMPLAINTS POLICY UPDATE

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	931887
<i>Reporting Officer/s & Unit:</i>	Devorah Nicuarta-Smith, Team Leader Governance

9.1 Purpose of Report

To present the updated Complaints Policy to Council for adoption.

At the Meeting

The Team Leader Governance spoke to the report noting that Council regularly reviews its policies and updates them as required. The primary update to this policy has been the inclusion of a section that provides greater clarity for the public if they wish to raise concerns that council may be operating outside of its guiding rules.

ACTION Regular reporting on complaints and compliments at governance level will be initiated by the Regulatory Team (within which is encompassed the Customer Services Team)

ACTION The following updates will be made to the Policy:

- The time frame for the initial response to a complaint will be specified in more detail.
- Where a complaint is in relation to a Chief Executive, matters of greater significance will be referred by the Mayor to the Chief Executive Contract Committee for investigation.
- Greater clarity will be provided in relation to internal and external confidentiality

Council resolution

Dep. Mayor Brosnan / Councillor Wright

That Council:

- Adopt the updated Complaints Policy

Carried

10. UNCONFIRMED MINUTES REGIONAL TRANSPORT COMMITTEE MEETING - 27 MARCH 2020

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	Local Government Official Information and Meetings Act 1987
<i>Document ID:</i>	932262
<i>Reporting Officer/s & Unit:</i>	Cheree Ball, Governance Advisor

10.1 Purpose of Report

To receive the unconfirmed minutes of the Regional Transport Committee meeting held on 27 March 2020.

At the Meeting

Cr Price spoke to the joint committee discussions, noting that conversations have centred around facilitating port transport, and considering options for improvements that could be made in the provision of buses.

It was noted that any development in Ahuriri is required to meet certain noise management requirements in the construction, such as double glazing. The Port does have responsibility to manage noise for discrete parts of the area closest to the facility. The Port Noise Committee does still exist but generally only considers noise directly from the port site not on roads. However there is a transport representative on the Committee who does monitor transport noise and advises on ways this can be managed.

NZTA are responsible for Bridge Street and have undertaken a capacity study for that road and the primary arterial transport routes. They are satisfied that appropriate capacity is available.

Council resolution

Councillors Price / Browne

That Council:

- a. Receive the unconfirmed minutes of the Regional Transport Committee meeting held on 27 March 2020.

Carried

MINOR MATTERS

Rapid Response Fund

Cr Boag gave a short update in relation to the Rapid Response Fund, which provided small grants to organisations that incurred extra costs through their provision of welfare during the COVID-19 national response. Thirteen different groups which had provided a wide variety of services received grants from the fund. While a significant portion of the \$50,000 fund was allocated through the process, the remaining amount will be transferred to other community support channels

PUBLIC EXCLUDED ITEMS

Council resolution

Councillors Crown / Chrystal

That the public be excluded from the following parts of the proceedings of this meeting.

Carried

Agenda Items

1. Hawkes Bay Airport Limited
2. Rental Relief
3. Chief Executive Key Performance Indicators – Limited Distribution

The general subject of each matter to be considered while the public was excluded, the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution were as follows:

General subject of each matter to be considered.	Reason for passing this resolution in relation to each matter.	Ground(s) under section 48(1) to the passing of this resolution.
	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:	48(1)(a) That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:

Agenda Items

1. Hawkes Bay Airport Limited	7(2)(f)(ii) Maintain the effective conduct of public affairs through the protection	48(1)A That the public conduct of the whole or the relevant part of the
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	<p>of such members, officers, employees and persons from improper pressure or harassment</p> <p>7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities</p> <p>7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:</p> <p>(i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p>
2. Rental Relief	<p>7(2)(f)(ii) Maintain the effective conduct of public affairs through the protection of such members, officers, employees and persons from improper pressure or harassment</p> <p>7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities</p> <p>7(2)(j) Prevent the disclosure or use of official information for improper gain or improper advantage</p>	<p>48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:</p> <p>(i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p>
3. Chief Executive Key Performance Indicators – Limited Distribution	<p>7(2)(a) Protect the privacy of natural persons, including that of a deceased person</p> <p>7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities</p> <p>7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	<p>48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:</p> <p>(i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p>

The meeting moved into Committee at 12.25pm

Approved and adopted as a true and accurate record of the meeting.

Chairperson

Date of approval

EXTRAORDINARY MEETING OF COUNCIL

Open Minutes

Meeting Date: Thursday 11 June 2020

Time: 10.00am – 10.44am

Venue Large Exhibition Hall
Napier War Memorial Centre
Marine Parade Napier

Zoom livestreamed to Council's Facebook page

Present Mayor Wise, Deputy Mayor Brosnan, Councillors Boag, Browne, Chrystal, Crown, Mawson, McGrath, Price, Simpson [from 10.04am], Tapine, Taylor, Wright

In Attendance Interim Chief Executive, Director Community Services, Director Infrastructure Services, Director City Services, Director City Strategy, Manager Communications and Marketing
Chief Financial Officer
Investment and Funding Manager
Manager Community Strategies
Manager Business Excellence & Transformation
Team Leader Corporate Planning
Corporate Planner
Corporate Planning Analyst

Administration Governance Team

Apologies

Nil

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

The mayor thanked all residents of Napier, for working together as a community throughout the challenges of the last few months. She noted that everyone will be responding differently as recent and upcoming experiences are processed, and noted that there is no right way to be at this time.

The community were encouraged to continue to look after themselves and others by maintaining excellent hygiene, and staying home when feeling unwell; it was noted that keeping a record of different places visited is still encouraged, should contact tracing be required.

Cr Simpson joined the meeting at 10.04am

Minor matters raised

Nil

Announcements by the management

Nil

AGENDA ITEMS

1. CONSULTATION - RATES POSTPONEMENT POLICY

Type of Report: Legal and Operational

Legal Reference: Local Government Act 2002

Document ID: 935149

Reporting Officer/s & Unit: Garry Hrustinsky, Investment and Funding Manager

1.1 Purpose of Report

To review and update the policy to include a clearer definition around financial hardship.
To introduce rates postponement resulting from Significant Extraordinary Circumstances.
Some minor clarification of Criteria wording.

At the meeting

The Investment and Funding Manager reviewed the background to the report, noting that updates have been made to the Policy following its first review by Council.

The Policy will be consulted on as part of the Annual Plan process, through which information will be circulated via a variety of channels.

Council resolution

Councillors Mawson / Boag

That Council:

- a. Approve the proposed amendments to the Rates Postponement Policy to include Significant Extraordinary Circumstances.
- b. Approve wording change from "Elderly" to "Older Persons"
- c. Approve other minor changes detailed in this report
- d. Approval to go to consultation on the revised Rates Postponement Policy to run parallel but separately to the Annual Plan 20/21.
- e. Approve the consultation plan for the Rates Postponement Policy

Carried

2. CONSULTATION - RATES REMISSION POLICY

Type of Report: Legal and Operational

Legal Reference: Local Government Act 2002

Document ID: 935164

Reporting Officer/s & Unit: Garry Hrustinsky, Investment and Funding Manager

2.1 Purpose of Report

To review and update the policy to include a clearer definition around financial hardship.
To introduce rates remission resulting from Significant Extraordinary Circumstances.
Some minor clarification of Criteria wording.

At the meeting

The Investment and Funding Manager spoke to the report, noting that further updates have been made to the Policy following its first review by Council. This Policy will also be consulted on through the Annual Plan process.

Council resolution

Councillors Crown / Boag

That Council:

- a. Approve the proposed amendments to the Rates Remission Policy to include Significant Extraordinary Circumstances.
- b. Approve other minor changes detailed in this report.
- c. Approval for consultation on the revised Rates Remission Policy to run parallel but separately to the Annual Plan 20/21.
- d. Approve the consultation plan for the Rates Remission policy

Carried

3. CONSULTATION DOCUMENT AND DRAFT ANNUAL PLAN 2020/21

<i>Type of Report:</i>	Legal
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	935370
<i>Reporting Officer/s & Unit:</i>	Adele Henderson, Director Corporate Services

3.1 Purpose of Report

To present the consultation document and supporting information for the Annual Plan 2020/21 for Council adoption.

At the meeting

The Chief Financial Officer spoke to the report, noting that this is the second iteration of the budget for the year 2020/21; a revision was required to reflect the impacts of the national response to COVID-19. Council has previously resolved to consult on allocating funding from reserves in order to be able to reduce the proposed rates increase from 16% to 4.8%. The requirements of section 80 of the Local Government Act 2002 have been carefully considered, and it was through this process that funding from reserves was assessed as being the most appropriate way to address the on-off unbalanced budget in this instance. A number of relief packages have also been prepared to help alleviate some of the impacts on COVID-19 on the community.

It was noted that between this point in time and finalising the Annual Plan, there may some further changes to costs which cannot be fully quantified at this time due to the particular circumstances of COVID-19; the current document captures the best information available at this time.

The Manager Community Strategies spoke to the Consultation Document, noting that the consultation period has been extended for a day following recent advice that the submission portal will be down for maintenance for 12 hours during the consultation period. The timing of this 12 hours will be circulated so that the public are aware of when they will not be able to access the system.

Some design work has been updated in the document based on feedback from councillors.

In response to questions from councillors it was clarified that:

- There are a number of aspects to coastal erosion that are included in the existing Long Term Plan, including dry land erosion management, the Whakarire revetment, and addressing the deficit created by erosion below the surf line. These are reflected as separate budget line items in the Annual Plan financials.
- "Marine Parade historic skating rink" refers to the unique concreting at the Sound Shell, which was originally a rink. Renewal of the surface is desirable, but there are a number of heritage aspects to the work which must be addressed.
- Information relating to the consultation can be found online or can be asked of officers via the customer service centre.
- Members of the public can access hard copies of the consultation document through the customer service centre and libraries. They can also call Council's customer service centre and request a hard copy to be sent to them. It is intended that a

number of other community centres will also hold copies; the locations are yet to be finalised.

- The live-chat sessions are a new innovation for the consultation that are looked forward to as a way to engage directly with members of the community.
- The community will have a wide variety of ways to provide feedback to Council and are strongly encouraged to have their say.

**Council
resolution**

Mayor Wise / Dep. Mayor Brosnan

That Council:

- a. Note that the Annual Plan 2020/21 does not meet the section 100 (i) balanced budget provision of the Local Government Act 2002, and Council will work towards a balanced budget for the Long Term Plan 2021-31.
- b. Adopt the following documents as supporting information for the Annual Plan 2020/21:
 - i. Draft Annual Plan financials for 2020/21
 - ii. FAQs – Water
 - iii. FAQs – Waste
 - iv. Capital Programme Changes
 - v. Remaining capital programme projection for Long Term Plan 2018-28
 - vi. Long Term Plan 2018-28 Major Projects Update
 - vii. Where your rates dollar goes
 - viii. Water Supply Network Master Plan, Council report and minutes
 - ix. Civic Precinct Report (Library) Council report and minutes
 - x. Whakarire Revetment – Funding Decision, Council report and minutes and Consultation Summary
 - xi. Project Shapeshifter business case
 - xii. Napier Aquatic Development Update, Council report and minutes
 - xiii. Napier Recovery Plan, Napier Recovery Budget, Council report and minutes
 - xiv. Schedule of Fees and Charges 2020/21
 - xv. Annual Plan proposed rate increase options.
- c. Adopt the Consultation Document to form the basis of Council's consultation with the community on the Annual Plan 2020/21.
- d. Note that separate consultation will occur on the proposed Rates Remissions Policy; Local Government Funding Agency; and Rates Postponement Policy.
- e. Delegate responsibility to the Chief Financial Officer to approve any final edits required to the Consultation Document, financial information and supporting information in order to finalise the documents for uploading online and physical distribution.
- f. Adopt the high level consultation plan and note that it includes options for engagement under different alert levels should Alert Levels for Covid-19 change during the consultation period.

Carried

4. STATEMENT OF PROPOSAL TO JOIN THE LOCAL GOVERNMENT FUNDING AGENCY

<i>Type of Report:</i>	Legal and Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	935511
<i>Reporting Officer/s & Unit:</i>	Garry Hrustinsky, Investment and Funding Manager

4.1 Purpose of Report

Council may need to borrow funds in the near future. The purpose of this report is to progress the process towards joining the Local Government Funding Agency (LGFA) through the introduction of a Statement of Proposal.

At the meeting

The Investment and Funding Manager spoke to the report noting that the LGFA allows for member councils to borrow funds (where required) at lower rates than are available elsewhere.

It is intended that the proposal to join the LGFA be consulted on as part of the Annual Plan process.

In response to questions from councillors it was clarified that:

- The borrowing rate for the LGFA when the report was prepared was 0.91% compared to 1.71% offered by other lenders. In the event of any borrowing being required, this would equate to significant savings for the ratepayer.
- There are no membership fees, but some legal fees that we would engage ourselves have been prepared for. The legal fees are related to the guarantees Council must make, and the normal due diligence processes applicable for any contract.
- The proposal is to join the LGFA so that in event that Council must borrow externally, it is able to access low rates and remain as prudent as possible in its borrowing options.
- The decision to draw down any debt would always be brought through to Council; this proposal is about increasing the repertoire of options available to Council.

Council resolution

Councillors Taylor / Chrystal

That Council:

- Adopt the Statement of Proposal to join the Local Government Funding Agency
- Adopt the Consultation Plan for joining the Local Government Funding Agency

Carried

PUBLIC EXCLUDED ITEMS

Council resolution

Councillor Price / Dep. Mayor Brosnan

That the public be excluded from the following parts of the proceedings of this meeting.

Carried

Agenda Items

1. Request to Write-off Rates Balance - Abandoned Land Sale

The general subject of each matter to be considered while the public was excluded, the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution were as follows:

General subject of each matter to be considered.	Reason for passing this resolution in relation to each matter.	Ground(s) under section 48(1) to the passing of this resolution.
	That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information where the withholding of the information is necessary to:	48(1)(a) That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:

Agenda Items

1. Request to Write-off Rates Balance - Abandoned Land Sale	<p>7(2)(a) Protect the privacy of natural persons, including that of a deceased person</p> <p>7(2)(b)(ii) Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p>	<p>48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:</p> <p>(i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p>
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The meeting moved into committee at 10.44am

Approved and adopted as a true and accurate record of the meeting.

Chairperson

Date of approval