



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

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ORDINARY MEETING OF COUNCIL

Open Attachments Under Separate Cover - Vol 1 of 2

Meeting Date: Thursday 31 March 2022

Time: 9.00am (Annual Plan Consultation Doc)

Venue: Via Zoom Audio Visual Link

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PROSPECTIVE FINANCIAL STATEMENTS

PROSPECTIVE STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSES

FORECAST FOR YEAR ENDING 30 JUNE 2023

	AP 2022/23 \$000	LTP 2022/23 \$000	LTP/AP 2021/22 \$000
Revenue			
Rates revenue	76,279	74,670	69,382
Finance revenue	-	-	-
Development and financial contributions	7,296	7,296	7,090
Subsidies and grants	7,204	7,204	5,249
Other revenue	55,590	65,347	59,099
Other gains/(losses)	2,668	2,151	2,094
Total revenue	149,037	156,668	142,914
Expenditure			
Employee Benefit Expense	50,004	44,565	43,309
Depreciation and Amortisation	35,796	38,150	35,247
Finance Costs	1,076	626	339
Other Operating Expenses	62,520	72,308	62,770
Total expenditure	149,396	155,649	141,665
Operating surplus/(deficit) before tax	(359)	1,019	1,249
Share of associate surplus/(deficit)	121	165	(69)
Surplus/(deficit) before tax	(238)	1,184	1,180
Income tax expense	-	-	-
Surplus/(deficit) after tax	(238)	1,184	1,180
Other comprehensive revenue			
Valuation gains/(losses) taken to equity	58,821	40,983	24,229
Fair value gains/(losses) through comprehensive revenue on investments	-	-	-
Total comprehensive revenue and expenses	58,583	42,167	25,409

PROSPECTIVE STATEMENT OF FINANCIAL POSITION

FORECAST FOR YEAR ENDING 30 JUNE 2023

	AP 2022/23 \$000	LTP 2022/23 \$000	LTP/AP 2021/22 \$000
Assets			
Current assets			
Cash and cash equivalents	5,760	5,584	5,220
Debtors and other receivables	22,400	21,379	19,834
Prepayments	1,596	851	821
Inventories	10,949	8,065	11,904
Biological assets	289	256	249
Other financial assets	-	-	-
Total current assets	40,994	36,135	38,028
Non-current assets			
Property, plant and equipment	2,032,009	1,973,497	1,897,051
Intangible assets	1,256	1,147	1,438
Inventories	14,873	12,675	17,147
Investment property	80,866	62,930	61,097
Investment in associates	8,906	9,045	8,880
Other financial assets	6,303	5,541	4,896
Total non-current assets	2,144,213	2,064,835	1,990,509
Total assets	2,185,207	2,100,970	2,028,537
Liabilities			
Current liabilities			
Trade payables and other accruals	20,376	18,704	17,444
Employee benefit liabilities	5,877	5,201	4,895
Total current liabilities	26,253	23,905	22,339
Non-current liabilities			
Employee benefit liabilities	899	852	797
Borrowings	80,695	103,755	74,960
Provisions	1,499	1,312	1,462
Total non-current liabilities	83,093	105,919	77,219
Total liabilities	109,346	129,824	99,558
Total net assets	2,075,861	1,971,146	1,928,979
Net assets / equity			
Accumulated revenue & expenses	831,131	813,703	812,013
Other reserves	1,244,730	1,157,443	1,116,966
Total net assets / equity	2,075,861	1,971,146	1,928,979

PROSPECTIVE STATEMENT OF CHANGES IN NET ASSETS / EQUITY

FORECAST FOR THE YEAR ENDING 30 JUNE 2023

	AP 2022/23 \$000	LTP 2022/23 \$000	LTP/AP 2021/22 \$000
Total net equity balance at 1 July	2,017,278	1,928,979	1,903,570
Total comprehensive revenue for the period	58,583	42,167	25,409
Total net equity balance at 30 June	2,075,861	1,971,146	1,928,979
Total comprehensive revenue and expenses attributable to: Napier City Council	58,583	42,167	25,409
Total comprehensive revenue and expenses	58,583	42,167	25,409



ANNUAL PLAN 2022/23

PROSPECTIVE STATEMENT OF CASH FLOWS

FORECAST FOR THE YEAR ENDING 30 JUNE 2023

	AP 2022/23 \$000	LTP 2022/23 \$000	LTP/AP 2021/22 \$000
Cash flows from operating activities			
Receipts from rates revenue	73,170	74,405	66,683
Interest received	-	-	-
Dividends received	-	-	-
Receipts from other revenue	71,017	77,355	60,599
Goods and services tax (net)	1,859	(19)	(1,406)
Payments to suppliers and employees	(109,505)	(107,543)	(114,029)
Interest paid	(1,076)	(626)	(339)
Net cash from operating activities	35,465	43,572	11,508
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	250	250	250
Proceeds from withdrawal of investments	89	-	-
Purchase of property, plant and equipment	(86,349)	(71,262)	(61,390)
Purchase of intangible assets	(530)	(530)	(515)
Acquisition of investments	(2,489)	(461)	(1,199)
Net cash from investing activities	(89,029)	(72,003)	(62,854)
Cash flows from financing activities			
Proceeds from borrowings	53,795	28,795	52,960
Net cash from financing activities	53,795	28,795	52,960
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	231	364	1,614
Cash, cash equivalents and bank overdrafts at 1 July	5,529	5,220	3,606
Cash, cash equivalents and bank overdrafts at 30 June	5,760	5,584	5,220



CAPITAL EXPENDITURE BY ACTIVITY GROUP



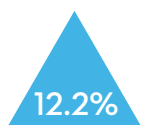

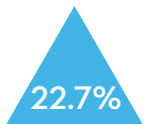
	AP 2022/23 \$000	LTP 2022/23 \$000	Variance
City Strategy	167	1,094	(927)
Community and Visitor Experiences	25,682	17,574	8,108
Other Infrastructure	2,777	2,778	(1)
Property Assets	5,747	3,379	2,368
Stormwater	11,908	9,212	2,696
Transportation	11,709	11,709	0
Wastewater	13,393	10,849	2,544
Water Supply	13,966	9,941	4,025
Support Units	4,552	6,720	(2,168)
Total	89,901	73,256	16,645

DEPRECIATION EXPENDITURE BY ACTIVITY GROUP

	AP 2022/23 \$000	LTP 2022/23 \$000	Variance
City Strategy	311	428	(117)
Community and Visitor Experiences	9,315	10,383	(1,068)
Other Infrastructure	1,183	1,121	62
Property Assets	689	811	(122)
Stormwater	4,297	4,307	(10)
Transportation	8,335	8,489	(154)
Wastewater	6,389	6,089	300
Water Supply	3,627	3,480	147
Support Units	1,650	3,043	(1,393)
Total	35,796	38,151	(2,355)

KEY CHANGES FROM THE 2022/23 YEAR OF THE LONG TERM PLAN

BY THE NUMBERS

 <p>2.3%</p> <p>RATES REVENUE to \$76.3m, up from \$74.6 ,or an increase to current ratepayers of 9.8%, up from 7.3% forecast</p>	<p>MAIN REASONS FOR CHANGE</p> <p>The rates increase is driven by increased inflation , insurance costs, phased rates funding of waste collection contract, additional funding approved for Napier Assist and Regional Economic Development</p>
 <p>15%</p> <p>OTHER REVENUE to \$55.6m, down from \$65.4m</p>	<p>MAIN REASONS FOR CHANGE</p> <p>A change in the expected timing of Parklands Residential Development section sales has resulted in \$8.7m being moved to future years.</p> <p>Reduced tourism and business activity due to Covid-19 is expected to further reduce revenue in our Community and Visitor Experiences group by \$1.5m compared to the LTP.</p>
 <p>12.2%</p> <p>EMPLOYEE BENEFIT EXPENSE to \$50.0m, up from \$44.6m</p>	<p>MAIN REASONS FOR CHANGE</p> <p>Pressures in the employment market together with an increased capital programme have driven increases across Council. This also includes the effect of taking on the operations of Ocean Spa which is offset by higher revenue.</p>
 <p>13.4%</p> <p>OTHER OPERATING EXPENSES to \$62.6m, down from \$72.3m</p>	<p>MAIN REASONS FOR CHANGE</p> <p>The change in timing of Parklands Residential Development sales is offset by the reduction in cost of sales which have also transferred to future years. Depreciation is reduced due to the capital plan from previous years not being capitalised and therefore not depreciated.</p>
 <p>22.7%</p> <p>CAPITAL EXPENDITURE to \$89.9m, up from \$73.3m</p>	<p>MAIN REASONS FOR CHANGE</p> <p>The capital works programme outlined in the LTP includes a substantial investment in a variety of projects. For the Annual Plan 2022/23, there have been several changes where projects have been re-phased - either to later years, or brought forward. There have also been new requirements that have been identified since the LTP and some projects which are no longer required.</p>

STATEMENT OF ACCOUNTING POLICIES

In accordance with the Local Government Act 2002 Section 95a, Napier City Council (the Council) will adopt the 2020/21 Annual Plan on 27 August 2020. As the authorising body, the Council is responsible for the Annual Plan presented along with the underlying assumptions and all other required disclosures.

The principal accounting policies adopted in the presentation of the Annual Plan's prospective financial statements are set out below. The prospective financial statements comprise the financial statements for the Council as an individual entity. The main purpose of the prospective financial statements outlined in the Annual Plan is to provide users with information about core services that the Council intends to provide ratepayers, the expected cost of those services and, as a consequence, how much the Council requires by way of rates to fund the intended levels of service.

REPORTING ENTITY

Napier City Council (the Council) is a New Zealand territorial local authority. It is governed by the Local Government Act 2002 (LGA) and is domiciled and operates in New Zealand. The relevant legislation governing the Council's operations includes the LGA and the Local Government (Rating) Act 2002.

The reporting entity consists of the Council only. The Council has investments in the following entities which are Council Controlled Organisations (CCO):

- Hawke's Bay Museum Trust classified as an investment;
- Hawke's Bay Airport Limited (26% share of voting rights) equity accounted;

The Council provides local infrastructure, local public services and amenities, and performs regulatory functions for the community for social benefit rather than making a financial return. Accordingly, the Council has designated itself as a Public Benefit Entity (PBE) for financial reporting purposes. The financial statements comply with PBE Standards and have been prepared in accordance with Tier 1 PBE Standards.

BASIS OF PREPARATION

The prospective financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the period.

STATEMENT OF COMPLIANCE

The prospective financial statements of the Council have been prepared in accordance with the requirements of the Local Government Act 2002: Part 6, Section 98 and Part 3 of Schedule 10, which include the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000).

CHANGES IN ACCOUNTING STANDARDS

The impact of the new and/or amended standards, PBE IPSAS 41 Financial Instruments, PBE IPSAS 2 Statement of Cash Flows, and PBE FRS 48 Service Performance Reporting, are detailed below. All other standards, interpretations and amendments approved but not yet effective in the current year are either not applicable to Council or are not expected to have a material impact on the financial statements of Council and, therefore, have not been disclosed.

PBE IPSAS 41 Financial Instruments

In January 2017, the XRB issued PBE IFRS 9 Financial Instruments which is an interim standard meant to replace PBE IPSAS 29 Financial Instruments: Recognition and Measurement. PBE IFRS 9 is effective for annual periods beginning on or after 1 January 2022, with early application permitted. In March 2019, NZASB issued PBE IPSAS 41 Financial Instruments which is mandatory for application in January 2022. The NZASB subsequently deferred the effective date of PBE IFRS 9 to 1 January 2022 so that PBE IFRS 9 did not become mandatorily effective before PBE IPSAS 41. When applied, PBE IPSAS 41 supersedes PBE IFRS 9.

The Council intends to apply PBE IPSAS 41 in the year of this plan, the financial year beginning 1 July 2022.

The initial consideration of the impacts the implementation of PBE IPSAS 41 is expected to have in the Council's financial statements are described below.

a) Classification and measurement

Previously, the Council classified its investment in listed and non-listed equity shares and listed debt instruments as available-for-sale (AFS) financial assets. For the equity shares currently classified as AFS, the Council expects to continue measuring them at fair value through other comprehensive revenue and expense. For the purposes of this annual plan we have not budgeted for any fair value gains or losses on these financial instruments.

Loans as well as receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Council has analysed the contractual cash flow characteristics of those instruments and concluded they meet the criteria for amortised cost measurement under PBE IPSAS 41. Therefore, reclassification for these instruments is not required.

b) Impairment

PBE IPSAS 41 requires the Council to record expected credit losses on all of its debt instruments classified at amortised cost or fair value through other comprehensive revenues and expenses. For all of such assets, except receivables, the Council expects to apply the simplified approach and record lifetime expected losses on all receivables. The Council does not expect the application of PBE IPSAS 41 to result in a significant impairment of its term deposits, or debt instruments.

PBE IPSAS 2 Statement of Cash Flows

An amendment to PBE IPSAS 2 Statement of Cash Flows requires entities to provide disclosures that enable users of the financial statements to evaluate

STATEMENT OF ACCOUNTING POLICIES CONTINUED

changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This amendment is effective for annual periods beginning on or after 1 January 2021, with early application permitted. The Council intends to apply the amendment in the year of this plan.

PBE FRS 48 Service Performance Reporting

PBE FRS 48 replaces the service performance reporting requirements of PBE IPSAS 1 and is effective for reporting periods beginning on or after 1 January 2022. The Council intends to apply the amendment in the year of this plan. The Council does not expect the application of PBE FRS 48 will affect its statement of service performance.

OTHER CHANGES IN ACCOUNTING POLICIES

There have been no other changes in accounting policies.

PROSPECTIVE FINANCIAL INFORMATION

These are prospective financial statements and have been prepared in accordance with the requirements of the Local Government Act 2002 and may not be appropriate for other purposes. The main purpose of the prospective financial statements in the Annual Plan is to provide users with information about Council's plans for the next 12 months and the rates that will be required to fund this plan.

As a forecast, the Annual Plan has been prepared on the basis of assumptions as to future events the Council reasonably expects to occur associated with the actions the Council reasonably expects to take, as at the date the information was prepared. The Significant Forecasting Assumptions are included in the Annual Plan and outline assessed potential risks that may impact future results. Actual results achieved for the Annual Plan period covered are likely to vary from the information presented and the variation may be material.

The Annual Plan is based on the forecast for the year ended 30 June 2023 included in the Long Term Plan 2021 – 2031. The prospective financial statements have been prepared by using the best information available at the time for the Annual Plan.

Council reserves the right to change the statements should circumstances change.

Principles of Consolidation

The prospective financial statements comprise of the Council and its equity accounted investments.

INVESTMENTS**INVESTMENT IN ASSOCIATES**

The Council's associate investment is accounted for in the financial statements using the equity method. An associate is an entity over which the Council has significant influence and that is neither a subsidiary nor an interest in a joint venture. The investment in an associate is initially recognised at cost and the carrying amount in the financial statements is increased or decreased to recognise the Council's share of the

surplus or deficit of the associate after the date of acquisition. Distributions received from an associate reduce the carrying amount of the investment.

If the share of deficits of an associate equals or exceeds its interest in the associate, the Council discontinues recognising its share of further deficits. After the Council's interest is reduced to zero, additional deficits are provided for, and a liability is recognised, only to the extent that the Council has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports surpluses, the Council will resume recognising its share of those surpluses only after its share of the surpluses equals the share of deficits not recognised.

Where the Council transacts with an associate, surplus or deficits are eliminated to the extent of the Council's interest in the associate.

Dilution gains or losses arising from investments in associates are recognised in the surplus or deficit.

SUBSIDIARIES

Subsidiaries are all entities over which the Council has control. The Council controls an entity if all three of the following elements are present: power over the entity, exposure to variable returns from the entity, and the ability of the Council to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The Council has no subsidiaries during the periods presented in the financial statements.

JOINT ARRANGEMENTS

The Council is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the Council and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

JOINT OPERATION

The Council has an interest in a joint arrangement that is jointly controlled asset. The Council recognises its share of the asset, classified as plant and equipment. In addition, the Council recognises its share of liabilities, expenses and income from the use and output of the jointly controlled asset.

FOREIGN CURRENCY TRANSLATION**TRANSACTIONS AND BALANCES**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in surplus or deficit of the Statement of Comprehensive Revenue and Expenses.

STATEMENT OF ACCOUNTING POLICIES CONTINUED

REVENUE RECOGNITION

Revenue is measured at the fair value of consideration received or receivable. The specific accounting policies for significant revenue items are explained below:

NON-EXCHANGE REVENUE**Rates Revenue**

The following policies for rates have been applied:

- General rates, targeted rates (excluding water-by-meter), and uniform annual general charges are recognised as revenue at the start of the financial year to which the rates resolution relates, and they are recognised at the amount due. The Council considers that the effect of payment of rates by instalments is not sufficient to require discounting of rates receivables and subsequent recognition of interest revenue.
- Rates arising from late payment penalties are recognised as revenue when rates become overdue.
- Revenue from water-by-meter rates is recognised on an accrual basis based on usage. Unbilled usage, as a result of unread meters at year end, is accrued on an average usage basis.
- Rate remissions are recognised as a reduction of rates revenue when the Council has received an application that satisfies its rates remission policy.

Grants and Subsidies

Grants and subsidies received are recognised as revenue when the Council obtains control of the transferred asset (cash, goods, other assets or services) and the transfer is free from conditions that require the Council refund or return the asset if the conditions relating to the asset are not fulfilled. When grants and subsidies include a condition, a liability is recognised until the Council has satisfied the conditions when revenue is recognised. The Council receives the majority of grants and subsidies revenue from New Zealand Transport Agency (NZTA), which subsidises part of the Council's costs in maintaining the local road infrastructure. The right to receive the funding from NZTA arises once the work is performed therefore revenue is recognised when receivable as there are no further conditions attached to the funding.

Donated, Subsidised or Vested Assets

Donated, subsidised or vested assets are recognised when the right to receive them is established. Revenue is recognised at this time unless there are conditions attached to the asset, which require the asset to be returned if conditions are not met. A liability is recognised until the conditions are met. Where a physical asset is acquired for nil or nominal consideration the fair value of the asset received is recognised as revenue.

The fair value of vested or donated assets is usually determined by reference to the cost of constructing the asset. For assets received from property developments, the fair value is based on construction price information provided by the property developer.

Parking and Traffic Infringement

Revenue is recognised when the ticket is issued as there are no conditions attached.

EXCHANGE REVENUE**Licences and Permits**

Revenue derived from licences and permits are recognised on receipt of appropriate application.

Residential Developments

Sales of sections in residential developments are recognised when contracts for sale are unconditional as control is deemed to have been transferred.

Development and Financial Contributions

Development and financial contributions are recognised as revenue when the Council provides, or is able to provide, the service for which the contribution was charged. Otherwise, development and financial contributions are recognised as liabilities until such time as the Council provides, or is able to provide, the service.

Sales of Goods (Retail)

Sales of goods are recognised when a product is sold to the customer. Retail sales are usually in cash or by credit card. The recorded revenue is the gross amount of sale, including credit card fees payable for the transaction. Such fees are included in distribution costs.

Sales of Services

Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed, on the basis of the actual service provided as a proportion of the total services to be provided.

Rental Revenue

Rental revenue is recognised on a straight line basis over the term of the lease.

Interest Revenue

Interest revenue is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Council reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest revenue. Interest revenue on impaired loans is recognised using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

Dividend Revenue

Dividend revenue is recognised when the right to receive payment is established.

Building and Resource Consent Revenue

Fees and charges for building and resource consent services are recognised on a percentage completion basis with reference to the recoverable costs incurred at balance date.

STATEMENT OF ACCOUNTING POLICIES CONTINUED

INCOME TAX

In general, local authorities are only subject to tax from income derived through council controlled organisations and as a port operator.

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting surplus or deficit or taxable surplus or deficit.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the controlling entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised in other comprehensive revenue and expense or directly in equity.

Goods and Services Tax (GST)

The Statement of Comprehensive Revenue and Expenses has been prepared so that all components are stated exclusive of GST. All items in the Statement of Financial Position are stated net of GST, with the exception of receivables and payables, which include GST invoiced.

Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part of receivables or payables in the Statement of Financial Position.

The net GST paid to, or received from, the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the Statement of Cash Flows.

Commitments and contingencies are disclosed exclusive of GST.

LEASES

THE COUNCIL IS THE LESSEE

Leases of Property, Plant and Equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other long term payables. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The interest element of the finance cost is charged to the surplus or deficit in the Statement of Comprehensive Revenue and Expenses over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases are depreciated over the shorter of the asset's useful life and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of Comprehensive Revenue and Expenses on a straight line basis over the period of the lease.

THE COUNCIL IS THE LESSOR

Assets leased to third parties under operating leases are included in property, plant and equipment in the Statement of Financial Position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental revenue (net of any incentives given to lessees) is recognised on a straight line basis over the lease term.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Bank overdrafts are shown within borrowings under current liabilities in the Statement of Financial Position.

TRADE RECEIVABLES

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less impairment for doubtful debts.

Trade receivables are due for settlement no more than 150 days from the date of recognition for land development and resale debtors, and no more than 30 days for other debtors.

STATEMENT OF ACCOUNTING POLICIES CONTINUED

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for impairment of receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the Statement of Comprehensive Revenue and Expenses.

When the receivable is uncollectible, it is written-off against the provision account. Overdue receivables that have been renegotiated are reclassified as current (that is, not past due).

INVENTORIES

Inventories are held for distribution or for use in the provision of goods and services. The measurement of inventories depends on whether the inventories are held for commercial or non-commercial (distribution at no charge or for a nominal charge) distribution or use. Inventories are measured as follows:

- Commercial: measured at the lower of cost and net realisable value.
- Non-commercial: measured at cost, adjusted for any loss of service potential.

Cost is allocated using the first in, first out (FIFO) method, which assumes the items of inventory that were purchased first are distributed or used first.

Inventories acquired through non-exchange transactions are measured at fair value at the date of acquisition.

Any write-down from cost to net realisable value or for the loss of service potential is recognised in surplus or deficit in the Statement of Comprehensive Revenue and Expenses in the period of the write-down.

Land held for development and future resale

When land held for development and future resale is transferred from investment property or property, plant, and equipment to inventory, the fair value of the land at the date of the transfer is its deemed cost.

Costs directly attributable to the developed land are capitalised to inventory, with the exception of infrastructural asset costs which are capitalised to property, plant, and equipment.

NON-CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less

costs to sell in the Council's operating expenses. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Statement of Financial Position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Statement of Financial Position.

OTHER FINANCIAL ASSETS EXCLUDING DERIVATIVES

Financial assets are initially recognised at fair value plus transaction costs unless they are carried at their value through surplus or deficit in which case the transaction costs are recognised in the surplus or deficit.

Purchases and sales of financial assets are recognised on trade date, the date on which the Council commits to purchase or sell the asset. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

Financial assets are classified into the categories below:

Loans and Receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Council provides money, goods or services directly to a debtor with no intention of selling the receivable. Those with maturities greater than 12 months after the balance date are classified as non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit.

Held to Maturity Investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. They are included in current assets, except for maturities greater than 12 months after the balance date, which are classified as non-current assets.

After initial recognition, they are measured at amortised cost, using the effective interest method, less impairment. Gains and losses when the asset is impaired or de-recognised are recognised in the surplus or deficit.

Fair Value through Other Comprehensive Revenue and Expenses (Available for sale)

Available for sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category at initial recognition, or not classified in any of the other categories above. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Statement of Financial Position date. These investments are measured at their fair value, with gains and losses recognised in other comprehensive revenue and expense, except for impairment losses, which are recognised in the surplus or deficit. On derecognition, the cumulative gain or loss previously recognised in other comprehensive revenue and expense is reclassified from equity to the surplus or deficit. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments are included in the surplus or deficit as gains and losses from investment securities.

FAIR VALUE CHANGES

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques. These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

IMPAIRMENT OF FINANCIAL ASSETS

The Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets not carried at fair value through profit or loss is impaired. Impairment losses are recognised in the surplus or deficit. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available for sale financial assets, the cumulative loss measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in surplus and deficit is removed from equity and recognised in surplus or deficit in the Statement of Comprehensive Revenue and Expenses. Impairment losses recognised on available for sale equity instruments are not reversed through surplus or deficit in the Statement of Comprehensive Revenue and Expenses. Instead, increases in the fair value of these assets after impairment are recognised in other comprehensive revenue and expenses in the Statement of Comprehensive Revenue and Expenses.

Refer to trade receivables for details of impairment testing of loans and receivables.

PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment consist of:

Operational assets - These include land, buildings, library books, plant and equipment and motor vehicles.

Restricted assets - Restricted assets are mainly parks and reserves owned by the Council that provide a

benefit or service to the community and cannot be disposed of because of legal or other restrictions.

Infrastructure assets - infrastructure assets are the fixed utility system owned by the Council and group. Each asset class includes all items that are required for the network to function. For example, sewer reticulation includes reticulation piping and sewer pump stations.

ADDITIONS

Items of Property, Plant and Equipment are initially recognised at cost, which includes purchase price plus directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The cost of an item of property, plant, and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to the Council and the cost of the item can be measured reliably.

Where a physical asset is acquired for nil or nominal consideration, it is recognised at its fair value at the date the asset was received with the fair value recognised as revenue. Work in progress is recognised at cost less impairment and is not depreciated.

DISPOSALS

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are reported net in the surplus or deficit. When revalued assets are sold, the amounts included in revaluation reserves in respect of those assets are transferred to the accumulated comprehensive revenue and expense within equity.

REVALUATIONS

Assets which are revalued are shown at fair value (which is based on periodic valuations by external independent valuers that are performed with sufficient regularity to ensure that the carrying value does not differ materially from fair value) less subsequent depreciation (except land which is not depreciated). The carrying values of revalued assets are assessed annually to ensure that they do not differ materially from the assets' fair values. If there is a material difference, then the off-cycle asset classes are revalued. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Roadway infrastructure assets and Library Collections are valued at depreciated replacement cost and revalued annually. Other infrastructural assets (except land under roads), Land and Buildings and Council Restricted Reserves are revalued on a three yearly valuation cycle.

Increases in the carrying amounts arising on a revalued class of assets are credited to a revaluation reserve in public equity. To the extent that the increase reverses a decrease previously recognised for the same class of assets in the surplus or deficit, the increase is first recognised in the surplus or deficit. Where the revaluation movement would result in a debit balance in the asset revaluation reserve, this balance is not recognised in other comprehensive revenue and expense but is recognised in the surplus or deficit.

Subsequent costs are included in the asset's

STATEMENT OF ACCOUNTING POLICIES CONTINUED

carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Revenue and Expenses during the financial period in which they are incurred.

DEPRECIATION

Depreciation of property, plant and equipment other than land is calculated on a straight line basis at rates that will write off the cost or valuation, less estimated residual value, over their expected useful economic lives. The following rates have been applied:

	Depreciation
Buildings & Structural Improvements	2 to 10%
Fixed Plant & Equipment	5 to 20%
Mobile Plant & Equipment	5 to 50%
Motor Vehicles	10 to 33.33%
Furniture & Fittings	4 to 20%
Office Equipment	8 to 66.67%
Library Book Stock	7 to 25%

Depreciation of infrastructural and restricted assets is calculated on a straight line basis at rates that will write off their cost or valuation over their expected useful economic lives.

The expected lives, in years, of major classes of infrastructural and restricted assets are as follows:

	Years
TRANSPORTATION	
Base Course	60-130
Surfacings	20-25
Concrete Pavers	80
Footpaths & Pathways/Walkways	15-80
Drainage	25-100
Bridges & Structures	20-100
Road Lighting	4-50
Traffic Services & Safety	10-25
WATER	
Reticulation	56-200
Reservoirs	100
Pump Stations	15-80
STORMWATER	
Reticulation	80-100
Pump Stations	15-80

WASTEWATER

Reticulation	80-100
Pump Stations	15-80
Milliscreen	10-80
Outfall	60

OTHERS

Grandstands, Community & Sports Halls	50
Sportsgrounds, Parks & Reserves Improvements	10-50
Buildings on Reserves	10-50
Pools	10-50
Inner Harbour	20-50

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

INVESTMENT PROPERTY

Investment property is held for long term rental yields and capital appreciation and is not occupied by the Council or held to meet service delivery objectives.

Properties leased to third parties under operating leases will generally be classified as investment property unless:

- the property is held to meet service delivery objectives, rather than to earn rentals or for capital appreciation;
- the occupants provide services that are integral to the operation of the owner's business and/or these services could not be provided efficiently and effectively by the lessee in another location;
- the property is being held for future delivery of services;
- the lessor uses services of the owner and those services are integral to the reasons for their occupancy of the property.

Investment property is carried at fair value, representing open market value determined annually by external valuers. Changes in fair values are recognised in the surplus or deficit of the Statement of Comprehensive Revenue and Expenses.

INTANGIBLE ASSETS**TRADEMARKS AND LICENCES**

Trademarks and licences have a finite useful life and are initially recognised at cost, and subsequently carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight line method to allocate the cost of trademarks and licences over their estimated useful lives, which vary from three to five years.

STATEMENT OF ACCOUNTING POLICIES CONTINUED

COMPUTER SOFTWARE

Acquired computer software and software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of three to five years.

Costs associated with developing or maintaining computer software are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Council, and that will generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads. Computer software development costs recognised as assets are amortised over their estimated useful lives not exceeding three years.

**IMPAIRMENT OF
NON-FINANCIAL ASSETS**

Assets that have an indefinite useful life and capital work in progress are not subject to amortisation and are tested annually for impairment. All other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Indicators of impairment will depend on whether the asset is deemed to be cash generating or non-cash generating. All cash generating assets are assets held with the primary objective of generating a commercial return, all other assets are non-cash generating.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For non-cash generating assets where the Council would, if deprived of the asset, replace its remaining future economic benefits, value in use is determined as the depreciated replacement cost of the asset. For cash generating assets, value in use is determined using a present value of future cash flows valuation methodology.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units) for assets that are cash generating. Once this assessment is made, this is adjusted through the revaluation reserve for revalued assets (where there is a positive reserve), or in the surplus or deficit in the Statement of Comprehensive Revenue and Expenses where revaluation does not occur or there is no positive revaluation reserve.

TRADE AND OTHER PAYABLES

These amounts are initially recorded at their fair value and subsequently recognised at amortised cost. They represent liabilities for goods and services provided to the Council prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

BORROWINGS

Borrowings are initially recognised at their fair value plus transaction costs. After initial recognition, all borrowings are measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date.

BORROWING COSTS

In line with PBE IPSAS 5 Borrowing Costs, all borrowing costs are recognised as an expense in the period in which they are incurred.

PROVISIONS

Provisions are recognised when the Council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. An increase in the provision due to the passage of time is recognised as an interest expense.

FINANCIAL GUARANTEE

A financial guarantee contract is a contract that requires the Council to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due. Financial guarantee contracts are initially recognised at fair value. If a financial guarantee contract was issued in a stand-alone arm's length transaction to an unrelated party, its fair value at inception is equal to the consideration received. When no consideration is received, the fair value of the liability is initially measured using a valuation technique, such as considering the credit enhancement arising from the guarantee or the probability that the Council will be required to reimburse a holder for a loss incurred discounted to present value. If the fair value of a guarantee cannot be reliably determined, a liability is only recognised when it is probable there will be an outflow under the guarantee.

Financial guarantees are subsequently measured at the higher of:

- The present value of the estimated amount to settle the guarantee obligation if it is probable there will be an outflow to settle the guarantee; and

STATEMENT OF ACCOUNTING POLICIES CONTINUED

- The amount initially recognised less, when appropriate, cumulative amortisation as revenue.

GRANT EXPENDITURE

Non-discretionary grants are those grants that are awarded if the grant application meets the specified criteria and are recognised as expenditure when an application that meets the specified criteria for the grant has been received. Any funds that are not spent for the approved purpose are returned to the Council by 30 June of the same financial year.

Discretionary grants are those grants where the Council has no obligation to award on receipt of the grant application and are recognised as expenditure when a successful applicant has been notified of the Council's decision.

EMPLOYEE BENEFITS

WAGES AND SALARIES, ANNUAL LEAVE AND SICK LEAVE

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in current employee benefit liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates paid or payable.

LONG SERVICE LEAVE AND GRATUITIES

The liability for long service leave and gratuities is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

RETIREMENT BENEFIT OBLIGATIONS

Current and former employees of the Council are entitled to benefits on retirement, disability or death from the Council's multi-employer benefit scheme. The scheme manager, National Provident Fund, has advised Council there is no consistent and reliable basis for allocating the obligation scheme assets and cost of the multi-employer defined benefit scheme to individual participating employers. As a result, the scheme is accounted for as a defined contribution plan and contributions are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset if a cash refund or a reduction in the future payments is available.

DEFINED CONTRIBUTION SCHEMES

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation schemes and are recognised as an expense in the surplus or deficit when incurred.

BONUS PLANS

The Council recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

BIOLOGICAL ASSETS

LIVESTOCK

Livestock are measured at their fair value less estimated point-of-sale costs. The fair value of livestock is determined based on market prices of livestock of similar age, breed and genetic merit. Changes in fair value are recognised in surplus or deficit in the Statement of Comprehensive Revenue and Expense.

NET ASSETS / EQUITY

Net Assets/Equity is the community's interest in the Council and is measured as the difference between total assets and total liabilities.

RESTRICTED AND COUNCIL CREATED RESERVES

Restricted reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves may be legally restricted or created by the Council.

Restricted reserves are those subject to specific requirements accepted as binding by the Council and which may not be revised by the Council without reference to the Courts or a third party. Transfers from these reserves may be made only for certain specified purposes or when certain specified conditions are met.

Also included in restricted reserves are reserves restricted by Council decision. The Council may alter them without references to any third party or the Courts. Transfers to and from these reserves are at the discretion of the Council.

BUDGET FIGURES

The Annual Plan and Long Term Plan comparatives in the prospective financial statements are those approved by the Council and adopted as a part of the Council's 2021 -2031 Long Term Plan or as revised and approved by Council prior to the commencement of the year in the Annual Plan. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Council for the preparation of the financial statements.

COST ALLOCATION

Direct costs are those costs directly attributable to a significant activity. Indirect costs are those costs, which cannot be identified in an economically feasible manner, with a significant activity.

Direct costs are charged directly to significant activities. Indirect costs are charged to significant activities using appropriate cost drivers such as actual usage, staff numbers and floor area.

STATEMENT OF ACCOUNTING POLICIES CONTINUED

CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

In preparing these prospective financial statements, the Council has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed as follows:

LANDFILL AFTERCARE PROVISION

The Omarunui Landfill is owned jointly by the Hastings District Council (63.68%) and Napier City Council (36.32%). The landfill is operated by the Hastings District Council on behalf of a joint committee (comprising elected representatives from the two councils). The joint Landfill Committee gained a resource consent in 1985 to operate the Omarunui Landfill. The Councils have responsibility under the resource consent to provide ongoing maintenance and monitoring of the landfill after the site is closed. There are closure and post-closure responsibilities such as the following:

Closure responsibilities:

- Final cover application and vegetation
- Incremental drainage control features
- Completing facilities for leachate collection and monitoring
- Completing facilities for monitoring and recovery of gas

Post-closure responsibilities:

- Treatment and monitoring of leachate
- Ground water and surface monitoring
- Gas monitoring and recovery
- Implementation of remedial measures such as needed for cover, and control systems
- Ongoing site maintenance for drainage systems, final cover and vegetation

The management of the landfill will influence the timing of recognition of some liabilities – for example, the current landfill will operate in four stages. A liability relating to stages three and four will only be created when the stage is commissioned and when refuse begins to accumulate in these stages.

Capacity of the Site:

The landfill is divided into four valleys as below:	Total Capacity (million)	Useful Life of Valley
Valley A - opened in December 1998, closed 2006	2.6m ³	17 years
Valley D - opened in December 2006 and currently in operation	2.1m ³	18 years
Valleys B & C - not yet in operation		

The cash outflows for landfill post-closure are expected to occur in 2025 for Valley D and began in 2007 for Valley A. The long term nature of the liability means that there are inherent uncertainties in estimating costs that will be incurred.

The provision has been estimated taking into account existing technology and is discounted using a discount rate of 2.3%.

The following major assumptions have been made in the calculation of the provision:

- Aftercare will be required for 30 years after the closure of each stage.
- The annual cost of aftercare for Valley A and D is \$201,500
- The provision reported is for the Napier City Council's share only (36.32%).

INFRASTRUCTURAL ASSETS

There are a number of assumptions and estimates used when performing depreciated replacement cost valuations over infrastructural assets. These include:

- The physical deterioration and condition of an asset, for example the Council could be carrying an asset at an amount that does not reflect its actual condition. This is particularly so for those assets which are underground such as stormwater, wastewater and water supply pipes. This risk is minimised by Council performing a combination of physical inspections and condition modelling assessments of underground assets;
- Estimating any obsolescence or surplus capacity of an asset; and
- Estimating the remaining useful lives over which the asset will be depreciated. These estimates can be impacted by the local conditions, for example weather patterns and traffic growth.

If useful lives do not reflect the actual consumption of the benefits of the asset, then the Council could be over or under in estimating the annual depreciation charge recognised as an expense in the Statement of Comprehensive Revenue and Expenses. To minimise this risk, the Council's infrastructural asset useful lives have been determined with reference to the NZ Infrastructural Asset Valuation and Depreciation Guidelines published by the National Asset Management Steering Group, and have been adjusted for local conditions based on past experience. Asset inspections and deterioration and condition modelling are also carried out regularly as part of the Council asset management planning activities, which gives the Council further assurance over its useful life estimates.

Experienced independent valuers perform the Council's infrastructural asset revaluations except for most above and below ground water, wastewater and stormwater assets where the independent valuer peer reviews Council's valuations. In some cases, e.g. Pumps are independently valued by independent valuer.

STATEMENT OF ACCOUNTING POLICIES CONTINUED

CRITICAL JUDGEMENTS IN APPLYING NAPIER CITY COUNCIL'S ACCOUNTING POLICIES

CLASSIFICATION OF PROPERTY

The Council owns a number of leasehold land and rental properties. The receipt of market-based rentals from these properties is incidental to the holding of these properties. In the case of residential leasehold properties, there are legal restrictions applying to how Council can manage these properties and in the case of rental properties, these are held as part of the Council's social housing policy or to secure the ability to undertake long term city development projects. As some of these properties are held for service delivery objectives, they have been accounted for as property, plant and equipment.



ANNUAL PLAN 2022/23

RESERVE FUNDS

Name of Reserve	Purpose of Reserve	Activity to which reserve relates	Opening 1 July 2022	Deposits	Expenditure	Closing Balance 30 June 2023
COUNCIL CREATED RESERVES						
Aquarium Expansion	Derived from grants and donations for the Aquarium Expansion Project	Aquarium	(23)	-	-	(23)
Bay View Targeted Rate Fund	Established to recover the cost of connection to the Bay View Sewerage Scheme for properties connecting where the lump sum payment option was not elected. Income is derived from the Bay View Connection rate, and is used to recover loan servicing costs.	Wastewater	(49)	23	(10)	(36)
Capital Reserve	Derived from rating surpluses. The reserve is available to provide funding for capital projects or debt repayment.	All Activities	2,158	439	(1,379)	1,218
CBD and Taradale Promotional Levy Funds	Funds from the targeted rates for CBD and Taradale Promotion. The funds collected are paid in full to Napier Inner City Marketing and Taradale Marketing Association.	City and Business Promotion	(7)	217	(216)	(6)
Cycleway / Walkway Fund	Derived from donations and contributions for the construction and improvements of Cycleways/ Walkways	Roading	-	4,172	(4,172)	-
Robson Collection Fund	This fund was set up by the Napier Pilot City Trust in memory of John Robson. Revenue is derived from community donations for the Robson Collection on restorative justice.	Libraries	12	-	(1)	11
Dog Control Fund	This fund is a requirement under the Dog Control Act 1996. All transactions related to the dog owner's share of the costs of Animal Control, both operating and capital, flow to this account. Amounts include dog related fees received and the operating and capital costs of the dog related activity of Animal Control.	Animal Control	-	832	(832)	-
Development Contributions	Collected from development contributions from developers on the subdivision of land and various land use activities. Used to fund capital works and services.	Roading, Stormwater, Water, Wastewater, Reserves, Sportsgrounds, Libraries	51	210	-	261
Financial Contributions	Collected from financial contributions from developers on the subdivision of land and various land use activities. Used to fund capital works and services. Note: Council is itself a developer (Parklands) and contributions are transferred as internal charges.	Roading, Stormwater, Water, Wastewater, Reserves, Sportsgrounds, Libraries	17,489	8,146	(9,296)	16,339

RESERVE FUNDS CONTINUED

Name of Reserve	Purpose of Reserve	Activity to which reserve relates	Opening 1 July 2020 \$000	Deposits \$000	Expenditure \$000	Closing Balance 30 June 2021 \$000
Infrastructural Asset Renewal and Upgrade Funds	Collected from the annual rate funded allocation as per the Capital Plan. Used for capital expenditure on infrastructural asset renewals and associated upgrades.	Water Supply, Stormwater, Wastewater, Solid Waste, Sportsgrounds, Reserves, Public Toilets, Cemeteries, Napier Aquatic Centre	49,462	56	(5,036)	44,482
Plant & Equipment Renewals	This fund is derived from the depreciation and interest on capital portions of plant hire charges and profit on plant sold. The fund is used for the purchase of new and replacement plant and vehicles.	All Activities	3,203	1,502	(1,966)	2,739
Mayor's Discretionary Fund	Interest on the fund is used for charitable purposes to assist the needy, including contributions to purposes such as the Christmas Cheer Appeal.	Community Planning	2	-	-	2
Pensioner Housing Upgrade Reserve	Established from a contribution from rates equivalent to the annual depreciation on pensioner flats and houses owned by Council. The reserve is available to provide capital upgrade of these facilities.	Retirement & Rental Housing	353	-	-	353
Parking Contributions Account	Funds derived for the provision of parking facilities.	Parking	3,113	207	(41)	3,279
Parking Account	Funds are derived from the surplus revenue from the Parking Business Unit and are used to provide for parking facilities generally.	Parking	6,374	-	-	6,374
Parking Equipment Reserve Account	To provide funds for replacement of parking equipment on a regular basis.	Parking	2,545	-	111	2,656
Taradale Parking Meters	Funds collected from Parking Meters in Taradale Town Centre to fund the 2010 upgrade of the Town Centre (including parking).	Parking	(11)	-	(124)	(135)
Parklands Residential Development Fund	Derived from proceeds of section sales of the Parklands Residential Development project less development expenditure.	Parklands Residential Development, Property Holdings, Sportsgrounds, Reserves, Napier Skate Park	14,356	13,119	(11,848)	15,627
Roading Property Reserve	Derived from the sale or lease of surplus roading property. The proceeds are available for Roothing property purchases and improvements.	Roothing	52	1	(1)	52

RESERVE FUNDS CONTINUED

Name of Reserve	Purpose of Reserve	Activity to which reserve relates	Opening 1 July 2020 \$000	Deposits \$000	Expenditure \$000	Closing Balance 30 June 2021 \$000
Property Reserve	Derived from the sale of miscellaneous property. The proceeds are available for the acquisition of other miscellaneous land and buildings. Its purpose in particular is for unscheduled property purchases related to district scheme designations and for private developments which occur from time to time.	Property Holdings	3,568	60	(515)	3,113
McLean Park Property Reserve Account	Derived from rental income from the McVay Street and Vigor Brown Street houses less current loan servicing costs. As per Council resolution dated 15 May 2002, the fund may be used to fund future McLean Park property purchases or loan servicing costs on future purchases.	Sportsgrounds	445	217	(122)	540
Hawke's Bay Harbour Board Endowment Land Sale Account	Derived from proceeds from freeholding HB Harbour Board Endowment Land. The Hawke's Bay Endowment Land Empowering Act 2002 provides an unrestricted use of proceeds from leasehold land freeholded after 30 March 2002.	Property Holdings, Parklands Residential Development, Marine Parade Pools, Reserves	21,224	-	1	21,225
Investment Property Portfolio Sale Account	Derived from proceeds from freeholding HB Harbour Board Endowment Land.	Property Holdings	4,299	77	1	4,377
Solid Waste Disposal Income Account	Amount is derived from returns from the Joint Regional Landfill Committee for the operation of the Omarunui Regional Landfill and is used to fund capital development of the landfill and the net operating costs including loan servicing, of the Transfer Station.	Solid Waste	3,298	5,792	(5,928)	3,162
Reserve Subdivision of Land	Derived from contributions on the subdivision of land towards the development of reserves and subject to Council approval as part of the annual budget process.	Reserves	27	1	1	29
Lagoon Farm Account	Derived from the Lagoon Farm activity	Lagoon Farm	184	629	(707)	106
Subdivision and Urban Growth Fund	To service all borrowing in relation to Council's share of subdivision and urban growth projects, and to meet any servicing costs on financing the developer's share of projects where expenditure requirements precede the receipt of financial contributions. A part of the surplus is also used to reduce the general rate requirement.	All Activities	6,422	-	(2,415)	4,007
Total Council Created Reserves			138,547	35,700	(44,495)	129,752

RESERVE FUNDS CONTINUED

Name of Reserve	Purpose of Reserve	Activity to which reserve relates	Opening 1 July 2020 \$000	Deposits \$000	Expenditure \$000	Closing Balance 30 June 2021 \$000
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RESTRICTED RESERVES

Endowment Land Account	Derived from the sale of BCP Faraday Street land and the transfer of the Criterion Account capital sum previously advanced to the Land Development Account. This account is now used for the sale and purchase of other endowment land.	Property Holdings	1,862	17	(1,854)	25
Hawke's Bay Harbour Board Endowment Land Income Account	Derived from proceeds from the sale of former Harbour Board leasehold properties up to 30 March 2002. To be used to fund maintenance and capital improvements of the Inner Harbour and any other future capital expenditure related to Napier Harbour as defined by the Act.	Inner Harbour, Reserves, Lagoon Farm, Property Holdings	5,103	-	(10)	5,093
Total Restricted Reserves			6,965	17	(1,864)	5,118

BEQUESTS AND TRUST FUNDS

Colenso Bequest	Bequest is invested and the income derived used to: i) Provide a fund for the assistance of poor families. (Capital \$2500) ii) Provide assistance for prisoners released from Napier jail. (Capital \$500) iii) Provide a fund for the assistance of distressed seamen and strangers. (Capital \$1000) iv) Provide prizes for senior scholars at Napier Boys, Napier Girls & Colenso High Schools. (Capital \$1000)	Community Planning	28	-	-	28
Estate Henry Hodge	For charitable purposes, with a wish that it be used for the erection of flats for the needy.	Retirement & Rental Housing	175	3	-	178
Eskdale Cemetery Trust	This Trust fund, comprising a number of bequests totalling \$1,400, was taken over from the former Hawke's Bay County Council, and is available for the maintenance and upkeep of the Eskdale Cemetery.	Cemeteries	26	-	-	26
Hawke's Bay Municipal Theatre	Funds held on behalf of Hawke's Bay Arts and Municipal Theatre Trust.	Napier Municipal Theatre	6	-	-	6

RESERVE FUNDS CONTINUED

Name of Reserve	Purpose of Reserve	Activity to which reserve relates	Opening 1 July 2020 \$000	Deposits \$000	Expenditure \$000	Closing Balance 30 June 2021 \$000
John Close Bequest	Bequest is invested and income used in two ways: i) Cemetery Trust - for upkeep and maintenance of the Close burial plot, with surplus income to provide ham and ale at Christmas to the poor, old and needy. ii) Coal Trust - provided wood and coal to the needy. A scheme for arrangement for the disposition of income in terms of the Charitable Trusts Act 1957 was to have been initiated in 1993.	Community Planning	48	1	-	49
Morecroft Bequest	To provide a Municipal gymnasium or gymnasium equipment, either as a separate building or as part of any memorial or centennial hall which Napier City Council may decide to erect.	Sportsgrounds	15	-	-	15
Napier Christmas Cheer	For community fundraising through the HB Today for the preparation of Christmas parcels to be distributed to disadvantaged individuals and families within the Napier District.	Community Planning	15	-	-	15
Total Bequests Trust Funds			315	5	(3)	317



ANNUAL PLAN 2022/23

BORROWING PROGRAMME

FORECAST FOR THE YEAR ENDING 30 JUNE 2023

	AP 2022/23 \$000	LTP 2022/23 \$000	LTP/AP 2021/22 \$000
New loans			
Rates funded	53,898	40,853	37,691
Total new loans	53,898	40,853	37,691
Less repayments (net)	(5,339)	(4,827)	(3,699)
Movement in debt	48,559	36,026	33,992
Opening public debt	120,895	114,246	80,255
Gross public debt	169,454	150,272	114,247
Internal funding	(88,759)	(46,517)	(39,287)
Net public debt	80,695	103,755	74,960

FUNDING SOURCES

	AP 2022/23 \$000	LTP 2022/23 \$000
Rates Funded Loans	52,145	39,133
Waka Kotahi Subsidy	4,172	4,172
Infrastructural Asset Renewal and Upgrade Funds	10,887	9,372
Other Reserve Funds	22,697	20,579
Total Capital Programme	89,901	73,256

FINANCIAL OVERVIEW: SUMMARY OF REVENUE AND FINANCING MECHANISMS

FUNDING IMPACT STATEMENT (WHOLE OF COUNCIL)

	AP 2022/23 \$000	LTP 2022/23 \$000	LTP/AP 2021/22 \$000
Sources of operating funding			
General rates, uniform annual general charges, rates penalties	50,240	44,822	42,995
Targeted rates	26,038	29,847	26,387
Subsidies and grants for operating purposes	2,646	2,646	2,608
Fees and charges	25,100	25,151	23,833
Interest and dividends from investments	-	-	-
Local authorities fuel tax, fines, infringement fees, and other receipts	29,268	38,973	34,078
Total operating funding (A)	133,292	141,439	129,901
Applications of operating funding			
Payments to staff and suppliers	112,511	116,859	106,066
Finance costs	1,076	626	339
Other operating funding applications	13	13	13
Total applications of operating funding (B)	113,600	117,498	106,418
Surplus/(deficit) of operating funding (A - B)	19,692	23,941	23,483
Sources of capital funding			
Subsidies and grants for capital expenditure	4,558	4,558	2,641
Development and financial contributions	7,296	7,296	7,090
Increase/(decrease) in debt	53,060	28,795	52,960
Gross proceeds from sale of assets	250	250	250
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
Total sources of capital funding (C)	65,164	40,899	62,941
Application of capital funding			
Capital expenditure			
- to meet additional demand	21,496	17,673	12,589
- to improve the level of service	26,583	21,348	20,535
- to replace existing assets	40,598	33,011	30,069
Increase (decrease) in reserves	(3,821)	(7,192)	23,231
Increase (decrease) of investments	-	-	-
Total application of capital funding (D)	84,856	64,840	86,424
Surplus/(deficit) of capital funding (C - D)	(19,692)	(23,941)	(23,483)
Funding balance ((A-B) + (C-D))	-	-	-

The Funding Impact Statement (FIS) is provided in accordance with Schedule 10 of the Local Government Act. The FIS is intended to make the sources and applications of Council funds more transparent manner than might be the case if only the usual GAAP financial statements were provided.

The FIS includes only transactions involving monetary funding and therefore excludes vested assets, revaluations and depreciation. It is therefore, by necessity, exempt from the GAAP requirements as it follows the prescribed format required under the Act.

The FIS links the Council's Revenue and Financing Policy, the annual setting of rates, fees, development contributions and annual borrowing requirements. The FIS sets out the revenue and financing mechanisms that will be used, along with an indicative level of rates, together with examples of the impact of rating proposals for 2020/21 over a range of different categories of property and a range of different values.

Funding Impact Statement - Rating System

The following describes in full the rating system to apply from 1 July 2022:

General Rate

General rates are used to fund both operating and capital expenditure. They fund the remaining costs of Council operations after all other sources of funding have been applied.

General rates are assessed through a combination of a Uniform Annual General Charge (UAGC) and a rate in the dollar based on land value.

The amount of the UAGC is set to ensure that the total (excluding water and wastewater rates) uniform (or fixed) rates will be between 20% to 25% of total rates that are to be collected.

The general rate is set differentially using matters as prescribed in Schedule 2 of the Local Government (Rating) Act 2002 (LGRA) and as listed in the Funding Impact Statement. The LGRA Schedule 2 allows councils to set a general rate based on each of these matters.

General rate differentials

Rating units assessed for the general rate are categorised into one of four differential categories:

- Residential/Other;
- Commercial & Industrial;
- Rural, and
- Rural Residential.

Residential/Other

Any property that is not defined as Commercial & Industrial, Rural Residential, or Rural.

Commercial & Industrial

Any property that is in a commercial or industrial zone under the District Plan or used for any business activities, except properties categorised as rural or consented for residential use, will be rated as commercial and industrial properties.

Commercial and industrial activities include but are not restricted solely to:

- Rural support and other similar activities such as transport, supplies, packhouses, and wineries servicing multiple clients;
- Professional offices, surgeries etc;
- All retail, wholesale merchandising activities;
- All forms of manufacturing and processing;
- Bars, restaurants, cafes and other service activities;
- Storage facilities;
- Hotels, motels, B & Bs, and other short-term accommodation providers;
- Tourism operations, and
- Care facilities operated for profit.

Rural Residential

Any rating unit that would otherwise be classified as Residential but is not connected or able to be connected to either the city water system or the city sewerage system.

Rural

Any rating unit with an area of 5 hectares or more that is used predominantly for land-based agricultural or farming activities.

Differentials

A review of the Revenue & Financing Policy was conducted with adoption occurring in February 2021. New differentials were introduced. Based on the review, the following are the differentials to be applied based on the land value of properties in each differential category.

Differential Category	Group / Code	Differential
Residential / Other	1	100%
Commercial & Industrial	2	260%
Rural	3	85%
Rural Residential	4	90%

Due to significant increases being experienced for certain property types, general rate differentials are being phased in over 3 years from the start of the 2021/22 ratings year. The calculation is based on the difference between the old differential (as defined in the 2020/21 Annual Plan) and the target differential, split into 3 equal stages. The schedule for phasing is as follows:

Old Differential Category	Old Code	Old Diff Rate	New Differential Category	New Code	Target Differential	Differential 2021/22	Differential 2022/23	Differential 2023/24
City Residential	1	100.00%	Residential / Other former Residential	11	100.00%	100.00%	100.00%	100.00%
	1		Commercial & Industrial former City Residential*	21		260.00%	260.00%	260.00%
	1		Rural Residential former City Residential	41		96.67%	93.33%	90.00%
	1							
Commercial & Industrial	2	268.09%	Residential / Other former Commercial & Industrial*	12	100.00%	100.00%	100.00%	100.00%
	2		Commercial & Industrial	22		265.39%	262.70%	260.00%
	2							
Miscellaneous	3	100.00%	Residential / Other former Misc.	13	100.00%	100.00%	100.00%	100.00%
	3		Commercial & Industrial former Misc.	23		153.33%	206.67%	260.00%
	3		Rural former Misc.	33		95.00%	90.00%	85.00%
	3		Rural Residential former Misc.	43		96.67%	93.33%	90.00%
Ex City Rural	4	63.47%	Residential / Other former Ex City Rural	14	100.00%	75.65%	87.82%	100.00%

Ex City Rural	4		Rural Residential former Ex City Rural	44		72.31%	81.16%	90.00%
		63.47%			90.00%			
Ex City Rural	4	63.47%	Rural former Ex City Rural	34	85.00%	70.65%	77.82%	85.00%
Other Rural	5	63.47%	Residential / Other former Other Rural	15	100.00%	75.65%	87.82%	100.00%
Other Rural	5	63.47%	Rural Residential former Other Rural	45	90.00%	72.31%	81.16%	90.00%
Other Rural	5	63.47%	Commercial & Industrial former Other Rural	25	260.00%	128.98%	194.49%	260.00%
Other Rural	5	63.47%	Rural former Other Rural	35	85.00%	70.65%	77.82%	85.00%
Bay View	6	72.80%	Residential / Other former Bay View	16	100.00%	81.87%	90.93%	100.00%
Bay View	6	72.80%	Commercial & Industrial former Bay View	26	260.00%	135.20%	197.60%	260.00%
Bay View	6	72.80%	Rural Residential former Bay View	46	90.00%	78.53%	84.27%	90.00%

** Recategorised due to land use change rather than policy change.*

The purpose of the differentials applied to the general rate is to ensure that the amount payable by groups of ratepayers reflects Council's assessment of the relative benefit received and share of costs those groups of ratepayers should bear based on the principles outlined in the Revenue and Financing Policy.

Notes on allocation of properties into differential categories

Rating units which have no apparent land use (or are vacant properties) will be placed in the category which best suits the zoning of the property under the district plan, except where the size or characteristic of the property suggest an alternative use.

To avoid doubt where a rating unit has more than one use, the relevant predominant use will be used to determine the category. The predominant use relates to the main productive activity rather than just to the land area. Where there is uncertainty, the land will be categorised into the highest rated category.

Subject to the right of objection as set out in Section 29 of the Local Government (Rating) Act 2002, it shall be at the sole discretion of the Council to determine the use or predominant use of all separately rateable properties in the district.

Uniform Annual General Charge

Council's Uniform Annual General Charge (UAGC) is set at a level that enables all rates that are set on a uniform basis as a fixed amount, excluding those related to water supply and sewage disposal, to recover between 20% and 25% of total rates. For 2022-23 Council has determined that the UAGC will be set at a level to recover 22% of total rates from fixed amounts.

The charge is applied to each separately used or inhabited part of a rating unit.

Targeted Rates

Targeted rates are charged to fund both operating and capital expenditure. They are charged where Council considers it desirable to separate out the funding of an activity. They are charged to rating units including those units that are separately inhabited which have access to or are deemed to benefit from the service provided. Targeted rates are a funding mechanism that may be charged for activities deemed to have either a high public or a high private good to identified properties, an area of the city or the city as a whole.

Some targeted rates are applied differentially using either land or capital values, however, most targeted rates are applied on a uniform basis (same amount or rate in the dollar).

Council will not be accepting lump sum contributions for any targeted rates.

Water

Fire Protection Rate

This rate recovers a portion of the net costs of the water supply systems before the deduction of water-by-meter income.

The Fire Protection targeted rate is based on the capital value of properties connected to or able to be connected to the Napier City Council water supply systems.

This rate is differentially applied, in recognition that the carrying capacity of water required in the reticulation system to protect commercial and industrial properties is greater than that required for residential properties. The rate is further differentiated where a property is not connected but is within 100 metres of a water supply system. 50% of the base rate for each differentiated category applies for each property not connected but located within 100 metres of the systems.

Differential Categories	Connected (%)	Not connected but within 100 m (%)
Central Business District and Fringe Area	400%	200%
Suburban Shopping Centres, Hotels and Motels, and Industrial rating units outside of the CBD	200%	100%
Other rating units connected to or able to be connected to the Council water supply systems	100%	50%

Water Rate

These rates recover the balance of the total net cost of the water supply systems after allowing for revenue collected from the Fire Protection targeted rate and the Water-by-Meter targeted rate.

The targeted rates are differentially applied and are a fixed amount set on a uniform basis, applied to each separately used or inhabited part of a rating unit connected to or able to be connected to the Council's water supply system.

The differential categories for the water rates are:

- Connected – any rating unit that is connected to a Council system, and
- Service available – any rating unit that is not connected to a Council system but is within 100 metres of such system (charged 50% of the targeted rate for connected properties).

Differentials	Connected (%)	Not connected but within 100 m (%)
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Rating units connected to or able to be connected to the Council water supply systems	100%	50%
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Stormwater Rate

The primary beneficiary of stormwater assets are those properties that have a hard surface. There is a strong relationship between capital value and the hard surface area of a property.

This rate recovers the cost of stormwater activity. The Stormwater rate is based on the capital value of Residential, Rural Residential, and Commercial & Industrial properties within the recognised serviced area as per the Stormwater Coverage map (i.e. non-rural property as defined under the District Plan).

Rural properties are exempted.

The differential categories for stormwater rates are:

Differential Category	Differential
Residential / Other	100%
Commercial & Industrial	260%
Rural Residential	100%

Sewerage Rate

This rate recovers the net cost of the wastewater activity.

The Sewerage targeted rate is applied differentially as a fixed amount and is set on a uniform basis. It is applied to each separately used or inhabited part of a rating unit connected to or able to be connected to the sewerage system.

A differential of 50% of the rate applies to each rating unit not connected but located within 30 metres of the system.

Differential Category	Differential
Rating units connected to or able to be connected to the sewerage system	100%
Rating units not connected but within 30m of the Sewerage System	50%

Bay View Sewerage Connection Rate

The Bay View Sewerage Scheme involves reticulation and pipeline connection to the city sewerage system. Prior to 1 November 2005, property owners could elect to connect either under a lump sum payment option or by way of a targeted rate payable over 20 years.

The Bay View Sewerage Connection targeted rate is a fixed amount set on a uniform basis. It is applied to each separately used or inhabited part of a rating unit connected to the Bay View Sewerage Scheme where the lump sum payment option was not elected.

The rate applies from 1 July following the date of connection for a period of 20 years, or until such time as a lump sum payment for the cost of connection is made.

The category of rateable land for setting the targeted rate is defined as the provision of a service to those properties that are connected to the sewerage system but have not paid the lump sum connection fee.

Refuse & Recycling

Refuse Collection and Disposal Rate

This rate recovers the cost of the kerbside refuse collection service including an allocation of the cost of Council support services.

The Refuse Collection and Disposal targeted rate of a fixed amount is set on a uniform basis. It is applied to each separately used or inhabited part of a rating unit for which a rubbish collection service is available and is multiplied by the number of times each week the service is provided. Rating units which Council officers determine are unable to practically receive the Council service and have an approved alternative service will be charged the waste service charge that excludes the approved alternative service.

Kerbside Recycling Rate

This rate recovers the net cost of the kerbside recycling collection service including an allocation of the cost of Council support services.

The Kerbside Recycling targeted rate of a fixed amount is set on a uniform basis. It is applied to each separately used or inhabited part of a rating unit for which the kerbside recycling collection service is available. Rating units which Council officers determine are unable to practically receive the Council service and have an approved alternative service will be charged the waste service charge that excludes the approved alternative service.

Off-Street Car Parking Rates

CBD Off-Street Car Parking Rate

This rate is used to provide additional off-street car parking in the Central Business District. Those commercial rating units in the mapped areas identified as the Central Business District Off-Street Car Parking 100% and 50% Parking Dispensation areas are charged the CBD Off-Street Parking targeted rate based on land value. This rate is set on a differential basis as follows:

Differential Category	Differential
Properties where Council provides additional parking due to the property receiving a 100% parking dispensation	100%
Properties where Council provides additional parking due to the property receiving a 50% parking dispensation.	50%

Refer Council maps:

- CBD Off-Street Car Parking – 100% Parking Dispensation Area
- CBD Off-Street Car Parking – 50% Parking Dispensation Area

Taradale Off-Street Car Parking Rate

This rate is used to provide additional off-street car parking in the Taradale Suburban Commercial area.

Those commercial rating units in the Taradale Suburban Commercial area only are charged the Taradale Off-Street Parking targeted rate based on land value and set on a uniform basis.

Suburban Off-Street Car Parking Rate

This rate is used to provide additional off-street car parking at each of these areas served by Council-supplied, off-street car parking and to maintain the existing off-street car parking areas.

Those commercial rating units in suburban shopping centres and those commercial properties located in residential areas which are served by Council-supplied, off-street car parking are charged the Suburban Shopping Centre Off-Street Parking targeted rate based on land value and set on a uniform basis.

Promotion Rates

CBD Promotion Rate

This rate recovers at least 70% of the cost of the promotional activities run by Napier City Business Inc. The remainder is met from general rates to reflect the wider community benefit of promoting the CBD to realise its full economic potential.

Each commercial and industrial rating unit situated within the area as defined on Council map 'CBD Promotion Rate Area' is charged the CBD Promotion targeted rate based on land value and set on a uniform basis.

Taradale Promotion Rate

This rate recovers the full cost of the Taradale Marketing Association's promotional activities. All rating units in the Taradale Suburban Commercial area are charged the Taradale Promotion targeted rate based on land value and set on a uniform basis.

Other Rates and Charges

Swimming Pool Safety Rate

This rate recovers the cost of pool inspections and related costs to ensure owners meet the legal requirements of the Building Act 2004 and Building (Pools) Amendment Act 2016. A targeted rate of a fixed amount set on a uniform basis applied to each rating unit where a residential pool or small heated pool (within the meaning of the Building (Pools) Amendment Act 2016) is subject to a 3-yearly pool inspection.

Water-By-Meter Charges

This rate applies to all with a water meter and is charged based on a scale of charges as shown on the schedule of indicative rates each year.

Where any rating unit is suspected to have above average water usage, Council officers may require that a water meter is installed, and excess usage is charged based on the water-by-meter targeted rate.

The rate charged on actual water use above 300 m³ per SUIP per annum applies to select metered properties.

Targeted Rates Note:

For the purposes of Schedule 10, clause 15(4)(e) or clause 20(4)(e) of the Local Government Act 2002, lump sum contributions will not be invited in respect of targeted rates unless this is provided within the description of a particular targeted rate.

Separately Used or Inhabited Parts of a Rating Unit Definition

Definition

For the purposes of the Uniform Annual General Charge and all uniform (or fixed value) targeted rates, a separately used or inhabited part of a rating unit is defined as: *Any part of a rating unit that*

is, or is able to be, separately used or inhabited by the owner or by any other person or body having the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement.

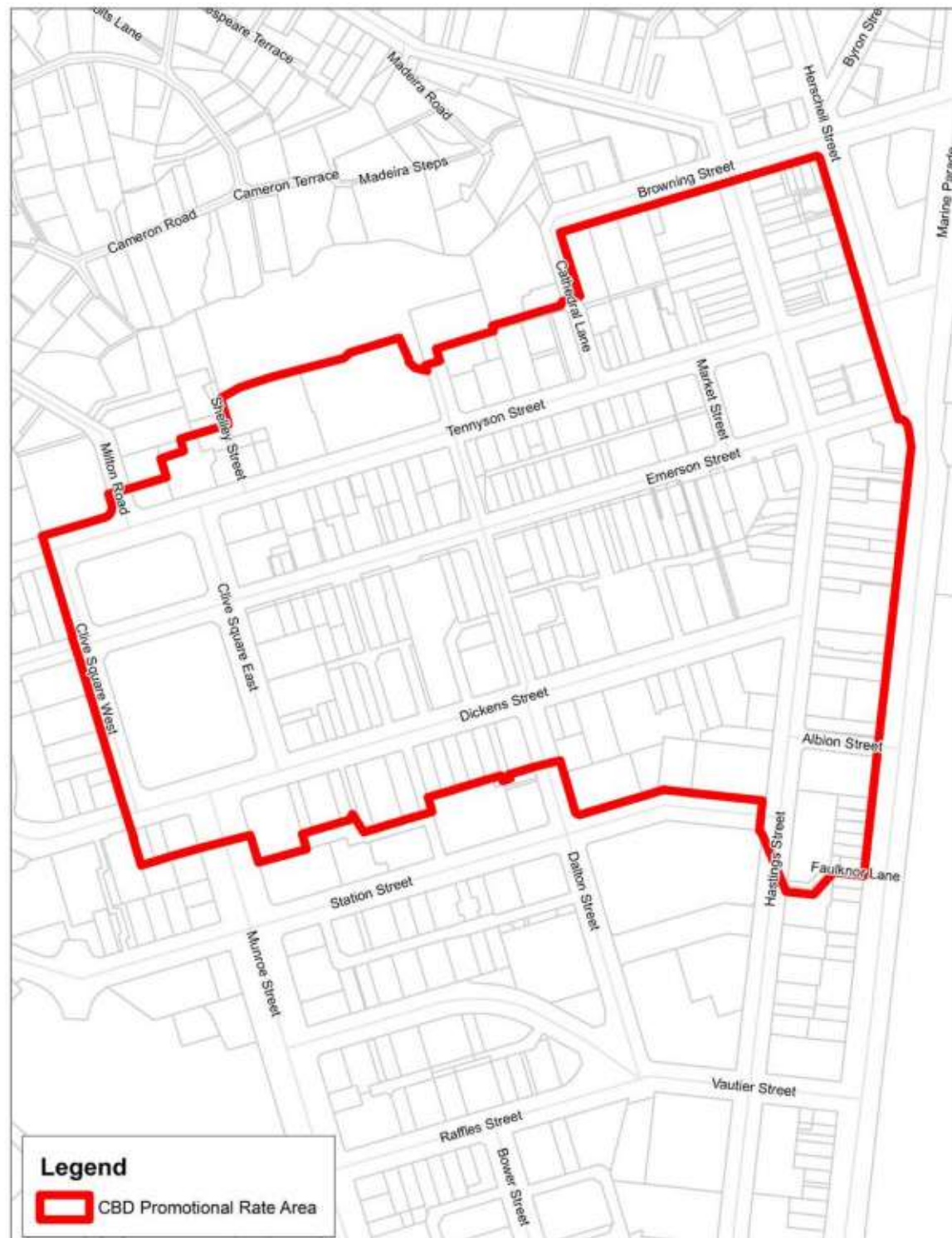
This definition includes separately used parts, whether or not actually occupied at any particular time, which are provided by the owner for rental (or other forms of occupation) on an occasional or long-term basis by someone other than the owner.

Examples of separately used or inhabited parts of a rating unit include:

- For residential rating units, each consented supplementary unit is considered a separately used or inhabited part. Each situation is assessed on its merits;
- Residential properties where a separate area that is available to be used as an area independent to the rest of the dwelling is used for the purpose of operating a business, such as a professional practice, dedicated shop\display area, or trade workshop. The business area is considered a separately used or inhabited part;
- For commercial or industrial properties, two or more different businesses operating from or making separate use of the different parts of the rating unit. Each separate business is considered a separately used or inhabited part. A degree of common area would not necessarily negate the separate parts, and
- Where a single business comprises multiple buildings or multiple floors of a single building, each building or floor of a multi-storey building is deemed to constitute a separate part (SUIP).

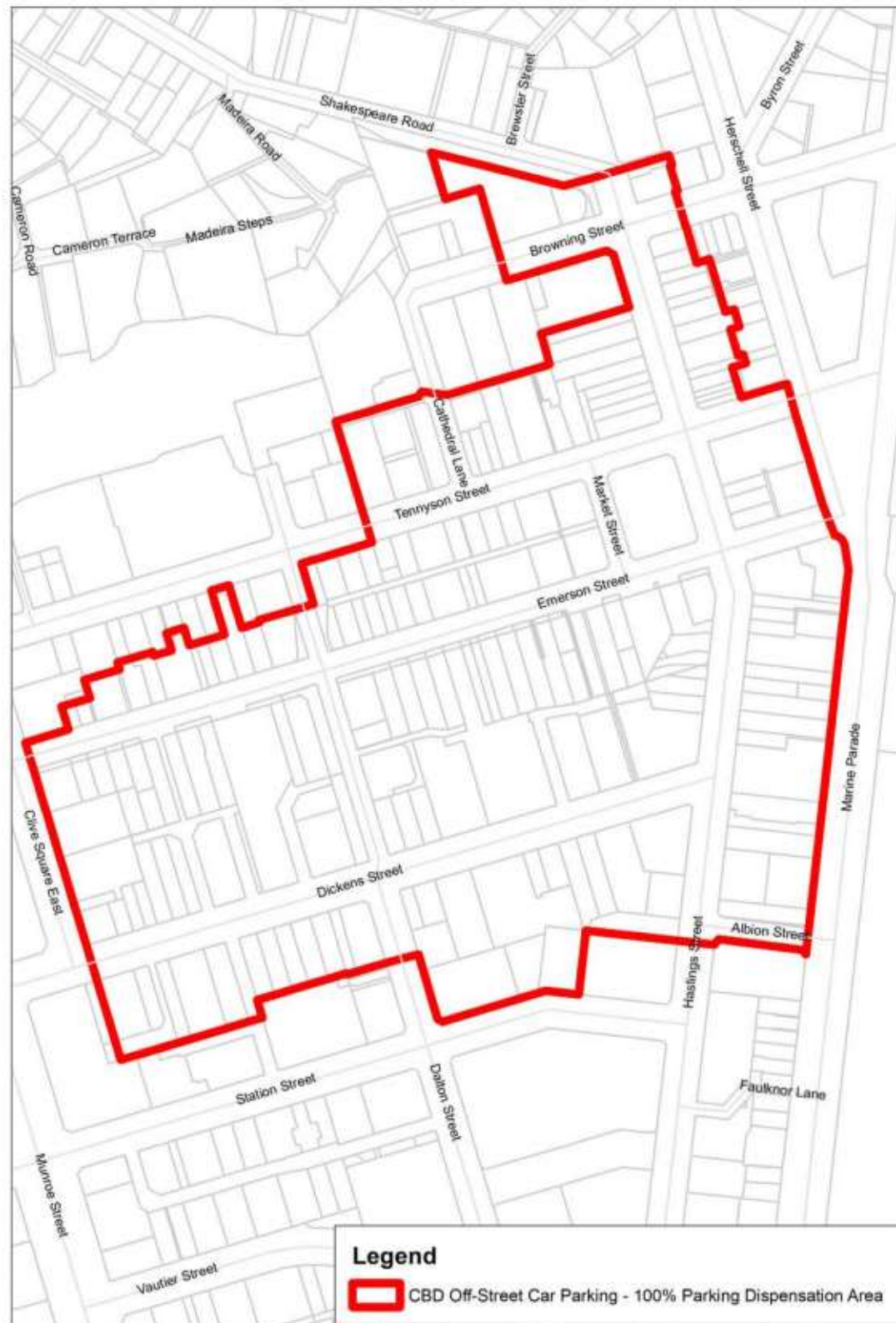
These examples are not inclusive of all situations.

CBD Promotion Rate Area



CBD Off Street Parking

100% Parking Dispensation Area



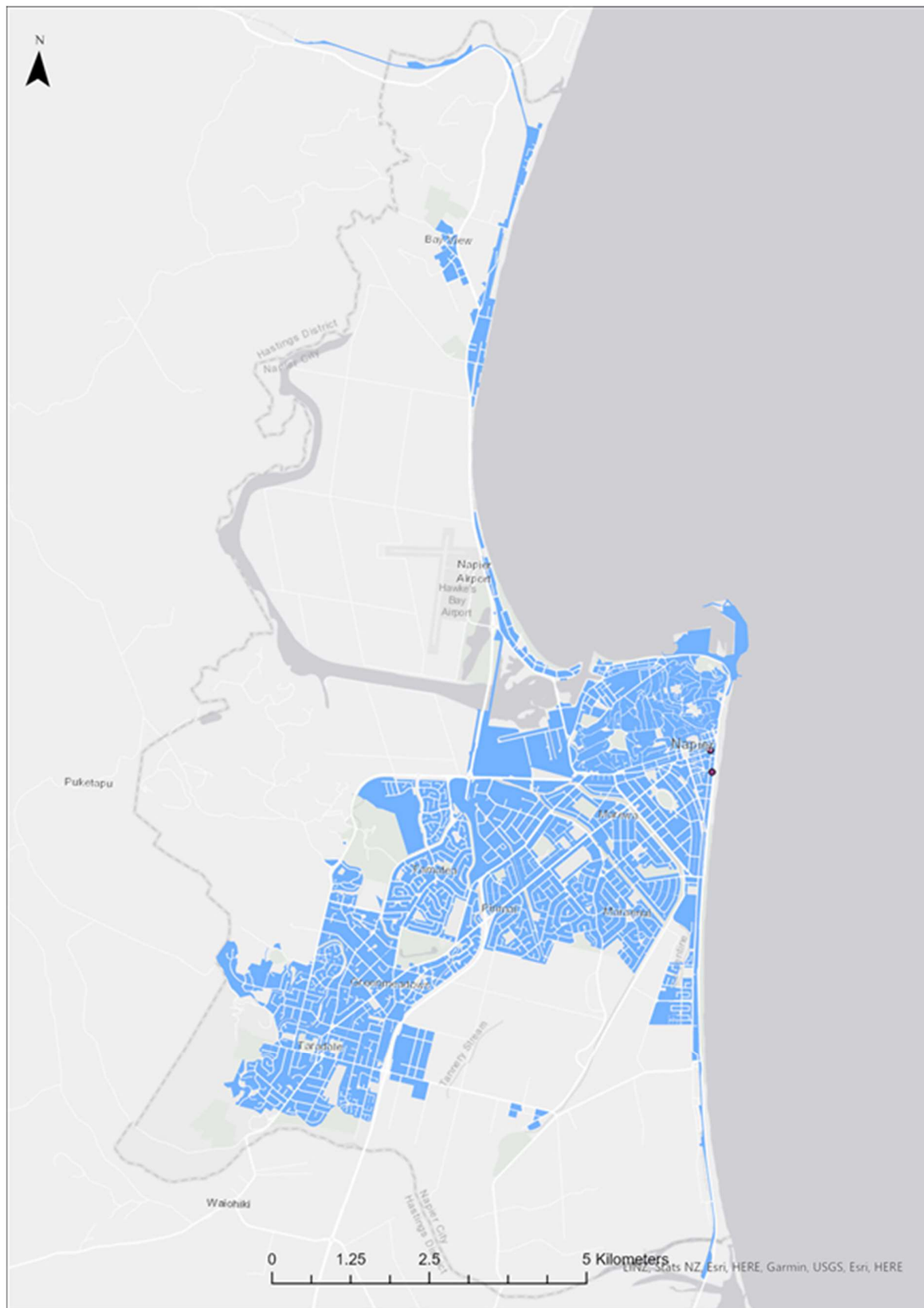
50% Parking Dispensation Area



CBD and CBD Fringe Rate Area



Stormwater Coverage



Other Rating Matters

Due Dates for Payment of Rates

Instalment Rating

Rates for 2022/23 are set and assessed effective from Instalment 1 and are due and payable in four equal instalments as follows:

- First Instalment due 17 August 2022;
- Second Instalment due 16 November 2022;
- Third Instalment due 15 February 2023, and
- Fourth Instalment due 17 May 2023.

Water-by-Meter Charges

- Targeted rates for metered water supply are separately invoiced either quarterly in September, December, March, and June for non-domestic supplies or annually in June for metered domestic supplies.
- The payment due date is the 20th of the month after the month of invoice.

Penalties

In accordance with sections 57 and 58 of the Local Government (Rating) Act 2002, a penalty of 10 per cent is added to each instalment or part thereof which is unpaid after the due date for payment. Previous years' rates which remain unpaid will have a further 10% added on 31 July and 31 January.

Fees and Charges

Council applies a range of fees and charges to fully or partially recover the costs of various activities.

The level of fees and charges are reviewed annually, and a schedule of Council Fees and Charges is prepared as a separate document.

The schedule is available upon request from the Council office.



OUR PRIORITY AREAS

Our Long Term Plan 2021-31 reconfirmed our long-term strategic vision for the city: A vibrant and sustainable city for all.

Our priorities for the 2022/23 year are:

WATER: water remains our number one priority. We're working to resolve colour and taste issues with our drinking water, ensure our stormwater network can manage severe weather events, lessen environmental effects of stormwater discharge into the Ahuriri Estuary, and address aging elements of our wastewater network.

SAFETY: we know that people are feeling less safe out and about than they used to and our focus is making sure everyone can confidently enjoy our public places.

CLIMATE CHANGE: we're exploring ways to enhance our resilience in the face of climate change.

ECONOMIC DEVELOPMENT: we're focussed on using our influence and resources to advocate for a strong Napier economy.

PLANNING FOR GROWTH: we're reviewing our District Plan to enable economic and residential growth, while protecting the things that make Napier special.

Below, we've identified specific initiatives we're going to deliver over the year within each of our activity groups.

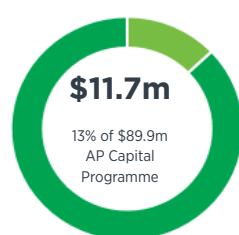
TRANSPORTATION



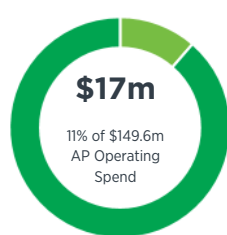
COMMUNITY OUTCOMES

Our services and infrastructure meet our community's needs.

CAPITAL SPEND



OPERATING SPEND



SIGNIFICANT INITIATIVES FOR 2022/23

Puketitiri Road Upgrade (Fryer Road to Poraiti Road)

- The road will be widened, with curve and crest easing to improve visibility, provide more space for cyclists, and enable safe integration with access to and from the Mission Hills development

Maintenance and Renewals Contract Alliance

- Commencement of a partnership between Council and Downer for asset management and maintenance and renewal of Napier's roads and footpaths.

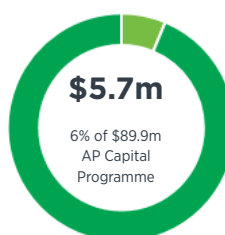
PROPERTY ASSETS



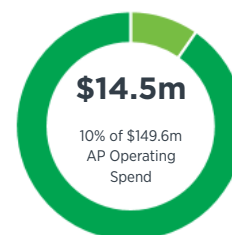
COMMUNITY OUTCOMES

Our services and infrastructure meet our community's needs

CAPITAL SPEND



OPERATING SPEND



SIGNIFICANT INITIATIVES FOR 2022/23

Selling of Stage Area 3 Stage 9 & 10 Parklands

- Parklands Area 3 Stage 9 (12 lots) and Stage 10 (17 lots) will be sold during 2022/2023.



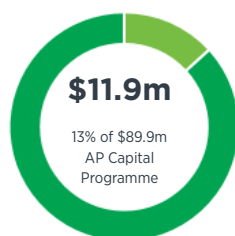
STORMWATER



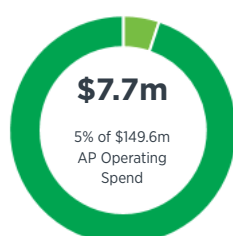
COMMUNITY OUTCOMES

Our water is clean and safe.

CAPITAL SPEND



OPERATING SPEND



SIGNIFICANT INITIATIVES FOR 2022/23

Stormwater Reticulation Replacements

- CCTV inspections following November 2020 flooding identified urgent renewals needed at various places across the city, which are now the focus for upgrades and replacements.

Shallow Groundwater Bore monitoring

- Napier City Council has 18 shallow groundwater bores around the city which allow the monitoring of levels and conductivity of shallow groundwater tables. GNS Science has an interest in understanding Napier City's shallow groundwater behaviour for liquefaction purposes. This project will see monitoring used to support liquefaction risk assessments, and to understand the connectivity of shallow groundwater to Napier's urban waterways.

CCTV stormwater inspections

- CCTV cameras will be used for condition assessments on stormwater pipes to inform a proactive renewal programme.

Tennyson St Outfall Improvements

- This outfall requires urgent improvement so it can be accessed for maintenance and inspection (necessary for resource consent condition reporting). Inspections required in the 20/21 year could not be completed due to difficulties in accessing the structure and health and safety concerns.

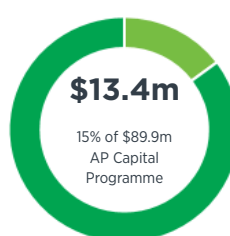
WASTEWATER



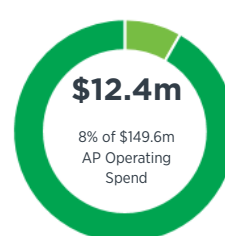
COMMUNITY OUTCOMES

Our water is clean and safe.

CAPITAL SPEND



OPERATING SPEND



SIGNIFICANT INITIATIVES FOR 2022/23

Wastewater pipe inspection

- CCTV inspection of key/high risk areas of the wastewater network to understand the pipe condition, identify any remedial works, and minimise the likelihood of pipe collapses such as those experiences on Kennedy Road and in Corunna Bay.

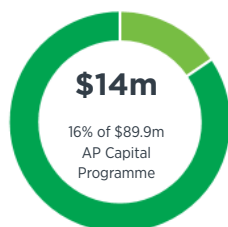
WATER SUPPLY



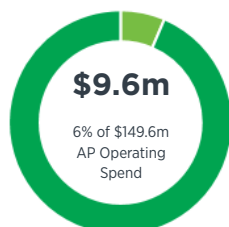
COMMUNITY OUTCOMES

Our water is clean and safe.

CAPITAL SPEND



OPERATING SPEND



SIGNIFICANT INITIATIVES FOR 2022/23

Reticulation Water Quality Monitoring

- We will begin monitoring our water quality online. This will improve our water sampling rate from manual sampling (once every two days) to continuous sampling and online data from our main drinking water storage structures. This will improve our knowledge to the drinking water quality we are providing to the community.

New Bore Fields with Treatment Plants

- With the new 'Drinking Water Standards' set to be adopted, we need to progress with identifying new bore field locations (with space for treatment plants) to meet compliance requirements.

Te Awa Watermain Extension - Philips-Awatoto Rd

- Extending the trunk watermain from Te Awa road through to Awatoto Road. This will allow for resilience in the area and provide future fire flow coverage.

Water booster pump station switchboard/controls upgrade

- Replacing electrical and control switchboards/control boards at multiple drinking water 'booster pump stations'.

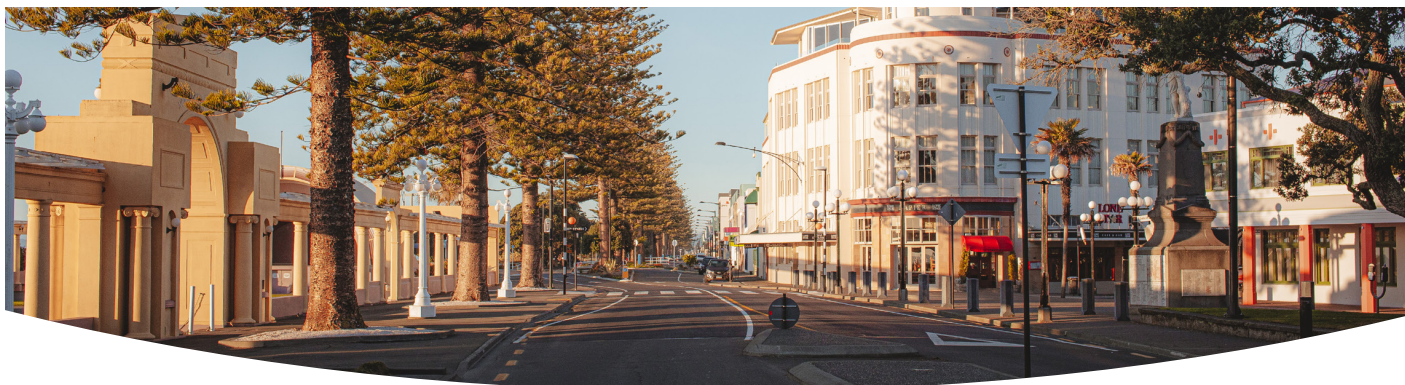
Mataruahou (Napier Hill) Reservoir

- The Enfield Reservoir needs to be replaced with a new reservoir with a capacity of at least 20 ML to cater for projected growth and to maintain the level of service to Napier City. The old Enfield Reservoir is not designed or configured to meet current standards or enable the appropriate management of water quality and safety as outlined in Council's Water Safety Plan.
- In 2022/23, we will select the site for the reservoir on the Mataruahou land, and design and begin construction on the above ground reservoir.

Reservoir Seismic Valves

- Replacing valves in our storage structures to minimise the risk of water loss from pipe breakages and/or pipe failure associated with earthquakes.





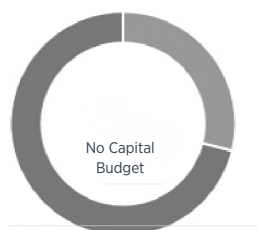
GOVERNANCE AND REPRESENTATION



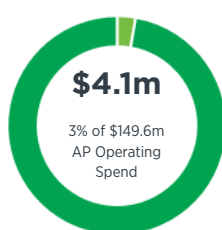
COMMUNITY OUTCOMES

Our community and Council are one.

CAPITAL SPEND



OPERATING SPEND



SIGNIFICANT INITIATIVES FOR 2022/23

Elections and new triennium:

- Officers will offer governance support role during elections and support the induction for Elected Members and establishment of governance structures for the new triennium.

Representation Review

- Commencing review of, and consultation on, representation arrangements in preparation for the 2025 Elections

Māori Engagement Policy

- Developing and adopting a policy to guide how Te Waka Rangapū and Napier City Council engage and support Iwi Māori in Ahuriri.

Te Reo Māori Policy

- Developing and adopting a Te Reo Māori policy for Council staff.

Te Waka Rangapū Strategy

- Developing a strategy for engagement with Iwi Māori in Ahuriri. This strategy will support the direction of the Māori Engagement Policy.

Ngā Manukanuka o Te Iwi

- Providing strong support to Ngā Manukanuka o Te Iwi Komiti to strengthen partnerships with Mana Whenua and Tangata Whenua

COMMUNITY AND VISITOR EXPERIENCES



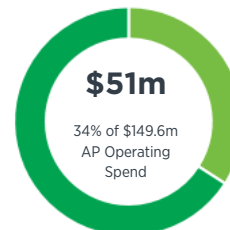
COMMUNITY OUTCOMES

Our community is connected, safe, health and resilient.

CAPITAL SPEND



OPERATING SPEND



SIGNIFICANT INITIATIVES FOR 2022/23

Preserving levels of service for the Napier Aquatic Centre

- Investing an additional \$4 million into the Napier Aquatic Centre in 2022/23 for remedial work so we can keep it operating while we work towards a new aquatic development.

Exploring options for the future of a Napier Aquatic Facility

- In mid-2022, we will consult with the community to determine the preferred location for the new aquatic facility redevelopment. In 2023, we will consult on a finalised design, the timing of the project and how it should be funded, with the view to formalising the project through an LTP amendment.

War Memorial restoration

- Construction to return the Perpetual Flame, Roll of Honour and remembrance/reflection space to the Napier War Memorial Centre

Understanding the extent of building infrastructural issues at the National Aquarium of New Zealand

- Focussing on understanding the current state of our Aquarium and infrastructure. Investigation is needed to identify issues, and scope the cost and timeframe for potential fixes.

Future direction National Aquarium of New Zealand

- Review for the future direction for the Aquarium including consideration of governance of the facility, future investment decision and funding sources.

Business case development to support Napier Visitor Information Centre and Par2 Mini Golf investment

- Pending Council direction (April 2022) the development of a business case will commence to inform development and investment of the Napier Visitor Information Centre and Par 2 Mini Golf.

McLean Park Strategy

- Development of a McLean Park Strategy will future proof this multi-use event venue for whole region to enjoy and prosper from.

Investigating expanding Kennedy Park Resort accommodation to increase resilience

- Commence a business case to investigate building more accommodation at Kennedy Park Resort to cater for growing demand but to also enable resilience in supporting Civil Defence events.

Library and CivicArea Plan master plan implementation

- Designing the building for the Napier library, community, cultural and civic functions.

Artefact and taonga collection storage for MTG Hawke's Bay

- Progressing the fit out of new storage facility for the Hawke's Bay regional museum collection in Hastings, in conjunction with Hastings District Council.

Implement decisions for Council's housing portfolio

- Implementation of any significant changes arising from Council's Strategic Housing Review.

Compliance with Healthy Homes requirements

- Installation of heat pumps, ventilation systems and further draught stopping in Council's portfolio of 377 homes will continue through 2022/23.

Te Pihinga development

- Developing a detailed design for the Te Pihinga project (a community centre in Maraenui) and completion of a social procurement plan.

Taradale Town Hall

- Completing an optimisation study and subsequent refurbishment project.

Taradale Plunket Rooms

- Completing structural strengthening, internal refurbishment and reopening.

Memorial Square Community Rooms refurbishment and seismic strengthening

- Completing a feasibility study to define appropriate community uses for this historically significant building, along with a suitable operating model.

Faraday Centre Business Case Implementation

- Resolve the Faraday Centre ownership and strengthen and upgrade the facility to meet health and safety and community needs.

Developing a Child and Youth Wellbeing Strategy

- Completion of pre-strategy engagement and development of a 'Child and Youth Wellbeing Strategy - Ahuriri'. This strategy will be based on the national strategy, and developed in liaison with the Department of Prime Minister and Cabinet, the Children's Commissioner, and Napier Pilot City Trust.

Community Plans

- Council established a Community Plan Framework in 2021/22. Community Plans capture the aspirations and priorities of a community, and give Council a clear point of reference when doing localised projects. In 2022/23, community plans will be developed and implemented for Westshore and Pirimai.

Regional Homeless Plan

- A 'discovery' report will be completed and a regional plan will be finalised and implemented in 2022/23.

Safer Napier Programme

- Implementation of the 2022/23 Action Plan for the Safer Napier Programme.

Regional Arts and Culture Strategy

- Development of regional strategy with regional partners including Ngā Toi Hawke's Bay.

Community Funding Review

- Review completed in 2021/22 with implementation planned (subject to any budget and consultation requirements) in 2022/23.





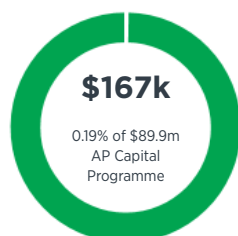
CITY STRATEGY



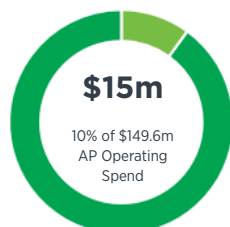
COMMUNITY OUTCOMES

We are a city that thrives with its community.
We treasure our culture, our heritage, our environment.

CAPITAL SPEND



OPERATING SPEND



SIGNIFICANT INITIATIVES FOR 2022/23

Regional Spatial Plan

- A regional initiative, which stems from the new legislation replacing the current RMA. The Regional Spatial Plan will identify the areas for future urban and commercial/industrial growth and the requirements to service these areas. It will influence future LTP in terms of infrastructure funding.

Implement Napier Assist / Āwhina Tāngata (previously known as City Ambassador & CCTV Project)

- Our new Napier Assist / Āwhina Tāngata team will focus on improving safety in Napier through active community engagement and CCTV monitoring. They will be a visible presence in our commercial centres, interacting with the public and businesses to de-escalate issues and reduce nuisance behaviour, provide information and advice, and act as our city's ambassadors. This programme will commence from 1 July 2022.

Implementation of Key Account Management (KAM) model

- Introducing a KAM team to provide clear, efficient and timely advice to external major developments (including housing). This includes a client support service for developers of major projects.

Climate Change

- A work program identifying what Napier can do to be more resilient to the effects of climate change. One key component of this work stream is working with the regional partners in the implementation of the Coastal Hazards Strategy and working with key stakeholders (including the port and airport) to share responsibilities when it comes to climate change.

Inner Harbour Plan implementation

- Recent assessments have indicated that revealed that varying levels of remediation and replacement work is required to walls and structures in the Inner Harbour (Ahuriri). This presents the perfect opportunity to improve the facilities for all users, and to increase access, amenity, and cultural and historical understanding. Once the Inner Harbour Plan is finalised, we'll begin implementing projects within the plan in 2022

Notification of the Proposed District Plan

- Notification and community consultation seeking submissions to the Napier City Proposed District Plan.

Development of the Regional Park Master Plan

- Planning stages for this key project which will contribute significantly to making Napier a more resilient city for the effects of hazards, especially to climate change and flooding.

City Vision review

- Our Napier City Vision is six years old and is due for review. We need to review the document, including identifying what has worked well, what hasn't, and where we can see new opportunities for the city.

Implementation of National Policy Statements

- Formulating a work program to implement the series of National Policy Statements recently announced by the government, such as the NPS on Urban Development, and the NPS on Freshwater Management. It includes participating in the consultation process and advocating for Napier's priorities

Resource Management Act replacement

- Participating in the feedback processes for the proposed replacement legislation and prepare for the transition and implementation

Reviews of key bylaws and policies

- Reviewing the following bylaws:**
 - Dog Control Bylaw
 - Freedom Camping Bylaw
 - Mobile Sign Bylaw
- Reviewing the following policies:**
 - Dangerous, Affected and Insanitary Buildings Policy
 - Dog Control Policy
 - Easter Sunday Trading Policy
 - Economic Development Grants Policy
 - Gambling Venues Policy
 - Local Alcohol Policy (joint with HDC)
 - Location of Approved Psychoactive Products Sales Points Policy
 - Seized Skateboards Policy
 - Signage Guidelines
 - Sister City Relationships Categories Policy
 - Street Stalls, Traders, Markets, Stall & Mobile Shop Signage Policy

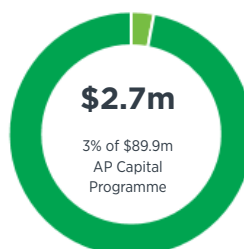
OTHER INFRASTRUCTURE



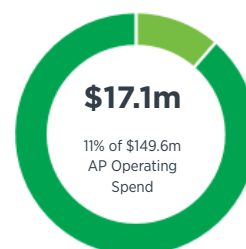
COMMUNITY OUTCOMES

Our services and infrastructure meet our community's needs

CAPITAL SPEND



OPERATING SPEND



SIGNIFICANT INITIATIVES FOR 2022/23

Waste minimisation:

- Review of Waste Management and Minimisation Plan, Solid Waste Bylaw, and Trade Waste Bylaw



SUMMARY OF CHANGES BETWEEN Y2 LTP AND 2022/23 ANNUAL PLAN

The capital works programme outlined in the LTP includes a substantial investment in a variety of projects. For the Annual Plan 2022/23, there have been several changes where projects have been re-phased. There have also been requirements that have been identified since the LTP and some projects which are no longer required. The tables below outline key changes made to 2022/23.

Variation between LTP Y2 and Annual Plan 2022/23 (Capital expenditure)

Activity Group	AP 2022/23 \$000	LTP 2022/23 \$000	Variance (\$000)
City Strategy	167	1,094	(927)
Community and Visitor Experiences	25,682	17,574	8,108
Other Infrastructure	2,777	2,778	(1)
Property Assets	5,747	3,379	2,368
Stormwater	11,908	9,212	2,696
Transportation	11,709	11,709	0
Wastewater	13,393	10,849	2,544
Water Supply	13,966	9,941	4,025
Support Units	4,552	6,720	(2,168)
Total	89,901	73,256	16,645

Changes over 500K to a project between LTP Y2 and 2022/23 Annual Plan

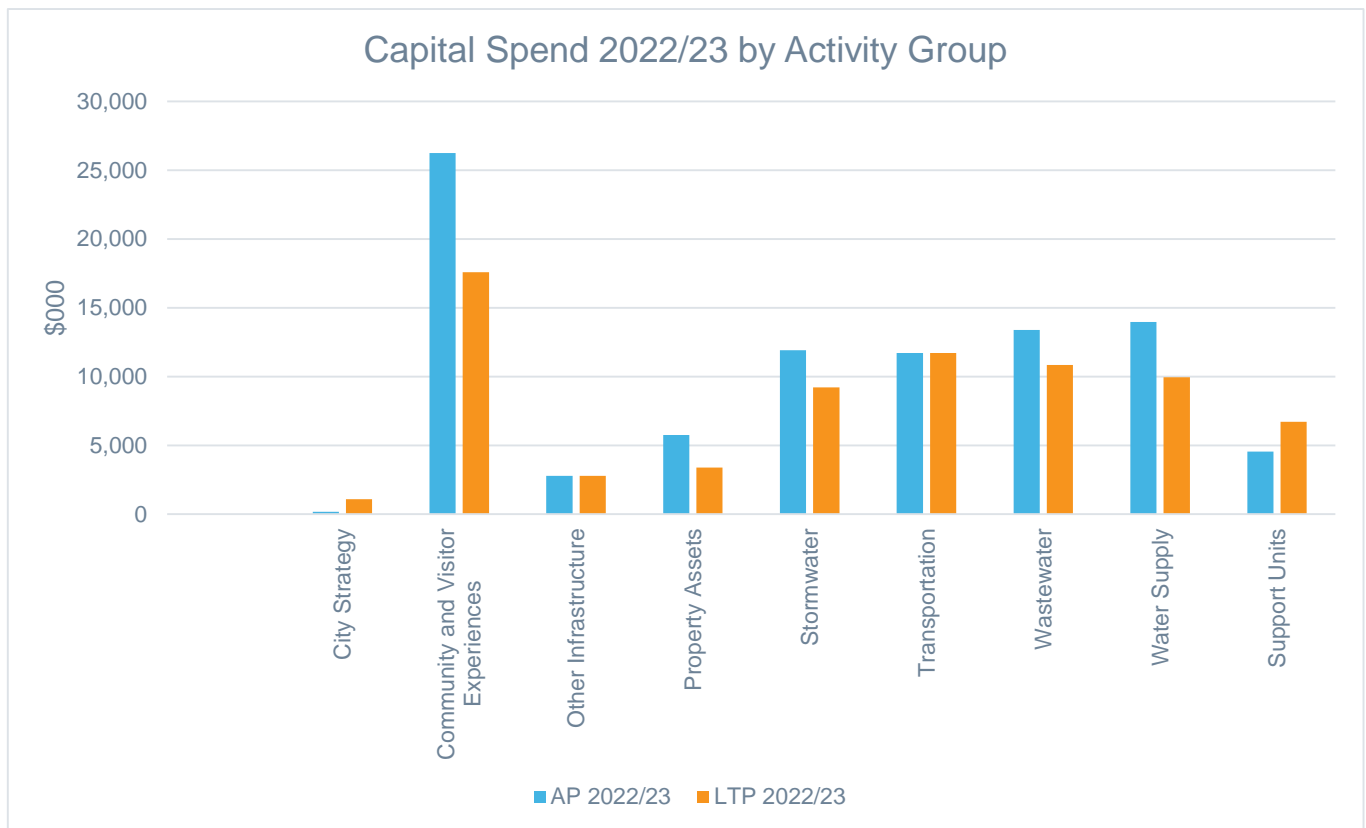
Activity Group	Details of changes over \$500,000 for 2022/23
Governance and Representation	NIL
City Strategy	Taken out of 22/23 budgets: <ul style="list-style-type: none"> \$500k taken out of 22/23 for parking technology upgrade as it was brought forward into 2021/22. The roll out of the upgrade this financial year meant that the budget needed to be consolidated into this year to pay the supplier.

Water Supply	<p>Added in to 22/23 budgets:</p> <ul style="list-style-type: none"> - \$500k brought into 22/23 from 21/22 for Water Treatment Plant 1 due to the timing of work related to the Water Reform Programme. This budget was not needed to be spent in previous year, but Council is continuing this project after central government funding ceases. - \$500k brought into 22/23 from 21/22 for Water Treatment Plant 2 due to the timing of work related to the Water Reform Programme. This budget was not needed to be spent in previous year, but Council is continuing this project after central government funding ceases. - \$4.59M for the Napier Hill Reservoir carried forward from 21/22 into: <ul style="list-style-type: none"> o \$2.45M in 22/23 o \$1.15M in 23/24, and o \$986k in 24/25 <p>This change is to enable Council to time the rising main installation to match the programme of the design and construction of the Mataruahou Reservoir.</p> <p>Taken out of 22/23 budgets:</p> <ul style="list-style-type: none"> - \$500k taken from 21/22, and \$500k taken from 22/23, brought together to make \$1M in 23/24 for development of Borefield 1 due to the timing of work related to the Water Reform Programme. This budget was not needed to be spent in previous year, but Council is continuing this project after central government funding ceases.
Wastewater	<p>Added in to 22/23 budgets:</p> <ul style="list-style-type: none"> - \$933k for repairs to the Pandora Industrial Main brought into 22/23 from 21/22. The timing of project has been adapted to match the spend projection of this work.
Stormwater	<p>Added in to 22/23 budgets:</p> <ul style="list-style-type: none"> - \$600k brought forward from 29/30 and 30/31 (\$300k respectively) and into 22/23 for CCTV inspections of stormwater pipes to proactively identify assets needing repairs or replacement - Of \$4M for a Te Awa land purchase from 21/22, \$646k brought into 22/23, and \$3.38M pushed into 23/24. The Timing of this project is governed by the development in this area. The current estimate of this work is in 22/23.
Transport	NIL
Other Infrastructure	NIL

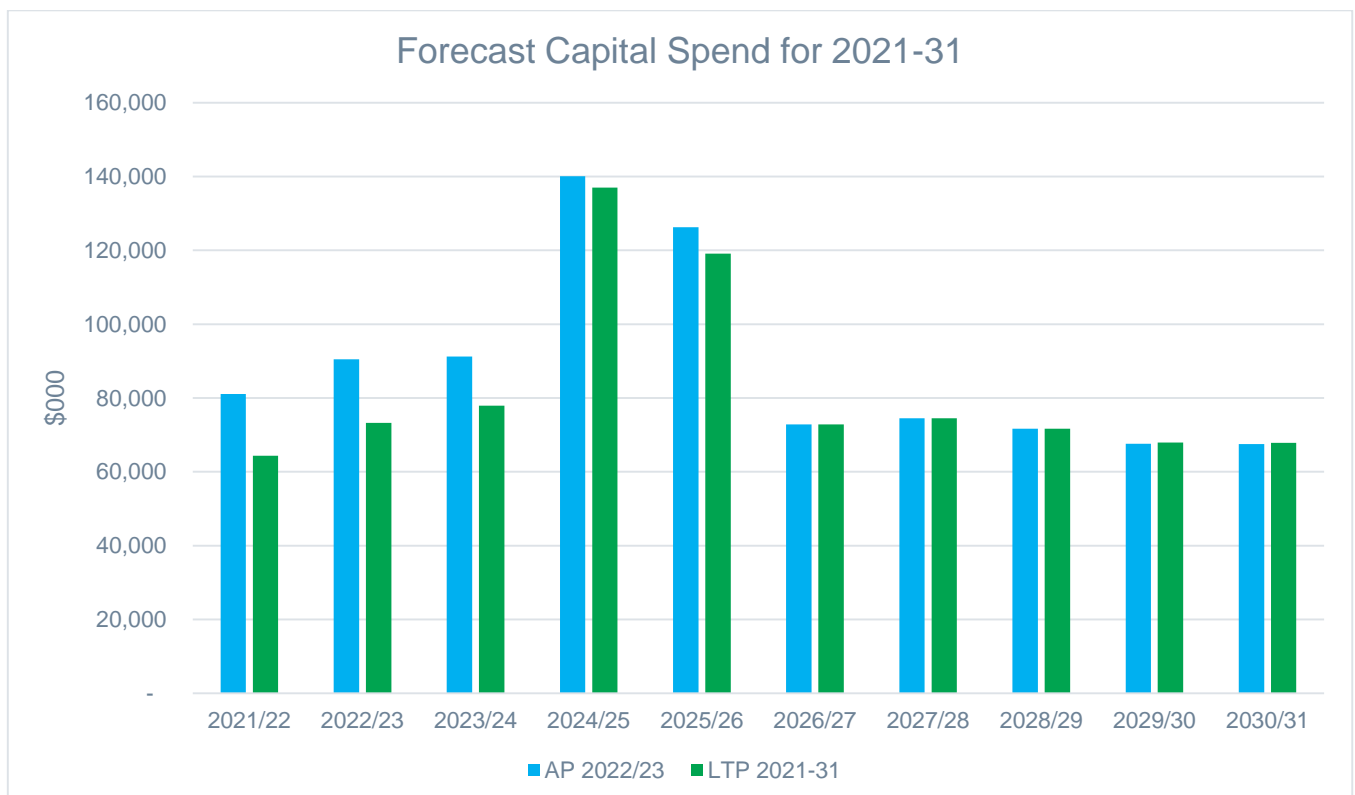
	<p>Added in to 22/23 budgets:</p> <ul style="list-style-type: none"> - \$4M additional CAPEX added to 22/23 budgets for the Napier Aquatic Centre. Investment in the Napier Aquatic Centre is required to ensure safety, compliance with national standards, and ongoing maintenance of level of service - \$500k brought into 22/23 from 21/22 to progress detailed design and consent processes for Te Pihinga - \$1.06M for the library rebuild brought into 22/23 from 21/22, as the business case and design concepts were the priorities for 21/22. - \$500k for Faraday Centre building upgrades brought into 22/23 from 21/22. Council decisions about building purchase and strengthening are still pending, so this money was not required in 21/22. - \$1.8M for the MTG storage property purchase brought into 22/23 from 21/22. <p>Taken out of 22/23 budgets:</p> <ul style="list-style-type: none"> - \$3.84M for the library rebuild pushed out from 22/23 to 23/24. The library redevelopment programme pushed out as the business case and design concept are the priorities for 22/23.
Property Holdings	NIL
Support Units	<p>Taken out of 22/23 budgets:</p> <ul style="list-style-type: none"> - \$600k, \$2.17M, and \$1.4M pushed out from 21/22, 22/23 and 23/24 respectively to place \$4.2M in the budget for 25/26 for replacement of the enterprise asset management system. This project has been delayed.

Overview of changes to Capital Programme

The following chart shows the planned capital spend by activity group in the 2022/23 annual plan, versus what was projected in the LTP:



The following chart shows the overall changes made to 2022/23 and how that impacts across the LTP programme:





Capital Programme

Funding			Waka Kotahi Subsidy %											Renewals %	Growth %	Level of Service %	
Loan Rates %	Reserve %	Activity		Project Name	FORECAST	AP	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST				
					2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000				2030/31 \$000
			City Strategy														
-	100	-	Animal Control	Agility Tracks	20	-	-	-	22	-	-	-	-	26	100	-	-
-	100	-		Complex Shelter & Office	30	21	32	22	56	23	35	24	37	64	100	-	-
100	-	-		New Impounding Facility	100	103	-	-	724	743	-	-	-	26	20	-	80
-	100	-		Stock Control Equipment	2	2	2	5	2	2	2	6	2	3	-	-	100
-	100	-	Parking	Additional CBD Parking	-	-	-	1,735	2,132	457	470	483	497	510	-	56	44
-	100	-		Alternate Transport Parking	39	10	11	11	11	11	12	12	12	13	-	40	60
-	100	-		Minor Capital Items	5	5	5	5	6	6	6	6	6	6	-	-	100
-	100	-		Parking Equipment Replacement	69	26	26	27	28	29	29	30	31	32	100	-	-
-	100	-		Parking Security Upgrade	1,000	-	-	-	-	-	-	-	-	-	50	-	50
Total City Strategy Capital Programme					1,265	167	76	1,805	2,981	1,271	554	561	585	680			
-	100	-	Water Supply	Awatoto Industrial & Phillips Road Bore	1,789	1,030	-	-	-	-	-	-	-	-	22	72	6
84	16	-		Borefield No.1 Rising Main	50	2,524	1,218	1,069	-	-	-	-	-	-	-	100	-
100	-	-		District Modelling Projects	-	52	53	54	-	40	-	-	43	-	-	-	100
100	-	-		District Monitoring Project	217	-	-	-	-	-	-	869	895	919	-	7	93
100	-	-		FW2 Fireflow Network Upgrades	-	-	-	1,084	1,114	-	-	-	-	-	-	-	100
82	18	-		Hospital Hill Falling Trunk Main	-	219	-	-	-	-	-	-	-	-	100	-	-
-	100	-		Mataruahou (Napier Hill) Reservoir	200	618	423	867	8,909	9,141	-	-	-	-	50	30	20
88	12	-		Matruahou (Napier Hill) Rising & Falling Trunk Mains	-	721	845	2,169	3,898	3,428	-	-	-	-	-	12	88
-	100	-		Network access points	96	-	-	-	-	-	-	-	-	-	100	-	-
42	58	-		New bores in Awatoto	841	1,030	1,057	-	-	-	117	1,811	1,864	-	45	13	42
-	100	-		New Reservoir Taradale	68	-	-	-	-	-	-	-	-	-	-	100	-
-	100	-		New Reservoir Westen Hills	228	773	793	759	668	1,714	5,286	-	-	-	0	100	0
80	20	-		New Taradale Bore Field	-	1,133	2,114	2,169	445	-	-	-	-	-	-	20	80

Capital Programme CONTINUED

Funding																	
Loan Rates %	Reserve %	Waka Kotahi Subsidy %	Activity	Project Name	FORECAST	AP	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	Renewals %	Growth %	Level of Service %	
					2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000				2030/31 \$000
88	12	-	Water Supply	New Water Treatment Plant	-	2,060	10,568	-	-	-	-	-	-	-	12	88	
-	100	-		Parklands Residential Development	111	112	117	123	123	125	130	135	139	142	-	100	-
3	97	-		Pipe Renewals	500	515	528	813	835	857	1,175	1,208	621	1,276	92	5	4
100	-	-		Pump Stations Renewals	425	412	423	504	1,258	606	159	163	168	191	92	-	8
70	30	-		Reservoir inlets and outlets improvements	648	-	-	-	-	-	-	-	249	1,276	-	-	100
88	12	-		Taradale Falling Trunk Main	-	149	-	-	516	686	3,524	4,226	2,485	1,914	1	12	87
81	19	-		Te Awa Structure Plan	1,416	134	69	557	286	294	-	-	-	-	19	77	5
100	-	-		Thompson Reservoir Upgrade	35	-	528	651	-	-	-	-	-	-	99	-	1
-	100	-		Upgrade Water Supply Control System	160	-	-	-	-	-	-	-	-	-	100	-	-
-	100	-		Urban Growth Projects - Water Supply	-	258	264	271	278	286	587	604	621	638	-	100	-
100	-	-		Water Bore Renewals	100	309	423	-	-	-	-	-	-	-	100	-	-
100	-	-		Water Meter Installation	-	-	-	-	-	-	-	-	249	255	-	-	100
-	100	-		Water Meters Renewals	5	5	5	5	6	6	6	6	6	6	100	-	-
99	1	-		Water Network Improvements	550	773	53	-	-	-	-	-	435	447	25	1	74
93	7	-		Water Reservoir Improvements	120	330	127	130	134	91	211	97	99	102	7	-	93
75	25	-		Water Reservoir Renewals	-	567	180	108	111	114	235	966	124	128	59	-	41
90	10	-		Water Treatment Improvements	2,650	-	4,227	4,337	4,454	-	-	-	-	-	-	10	90
-	100	-		Water Treatment Renewals	75	129	132	136	28	29	88	30	31	32	100	-	-
Total					10,284	13,853	24,147	15,806	23,063	17,417	11,518	10,115	8,029	7,326			
-	100	-	Gifted/Vested Assets		110	113	116	119	123	125	129	132	135	140	-	100	-
Total Capital Programme Water Supply					10,394	13,966	24,263	15,925	23,186	17,542	11,647	10,247	8,164	7,466			

Funding																			
Loan Rates %	Reserve %	Waka Kotahi Subsidy %													Renewals %	Growth %	Level of Service %		
			Activity	Project Name	FORECAST 2021/22 \$000	AP 2022/23 \$000	FORECAST 2023/24 \$000	FORECAST 2024/25 \$000	FORECAST 2025/26 \$000	FORECAST 2026/27 \$000	FORECAST 2027/28 \$000	FORECAST 2028/29 \$000	FORECAST 2029/30 \$000	FORECAST 2030/31 \$000					
0	100	0	Wastewater	Flow meter replacements	20	5	53	54	11	11	59	12	12	38	100	-	-		
88	12	0		Flow metering	369	258	370	-	-	-	-	-	-	-	12	-	88		
94	6	0		Guppy Rd pumping main installation	30	268	1,162	-	-	-	-	-	-	-	-	77	23		
25	75	0		Harold Holt wastewater upgrades	428	-	-	-	-	-	-	-	-	-	80	-	20		
100	0	0		Installation of Generator Connections	188	-	-	-	-	-	-	-	-	-	-	100	-		
0	100	0		Odour control at Petane pump station	39	-	-	-	-	-	-	-	-	-	-	-	100		
82	18	0		Pandora Industrial Main	500	1,362	-	-	-	-	-	-	-	-	59	-	41		
-	100	-		Parklands Residential Development	202	207	214	219	225	232	237	244	251	258	-	100	-		
100	0	0		SCADA Upgrade	343	-	-	-	-	-	-	-	-	-	100	-	-		
37	63	0		Sewer Pipe Renewal	1,149	855	1,057	976	1,114	1,143	2,056	5,675	10,686	16,652	51	28	21		
51	49	0		Sewer Pump Station Renewal	2,619	881	1,168	1,442	423	434	1,139	1,171	1,143	408	100	-	-		
58	42	0		Taradale Wastewater Diversion	50	346	-	-	-	-	-	-	-	-	-	20	80		
91	9	0		Te Awa Structure Plan - Wastewater	1,316	3,967	-	325	2,617	2,685	-	-	-	-	-	93	7		
100	0	0		Tradewaste New Projects	73	1,071	4,227	-	-	-	-	-	-	-	-	-	100		
98	2	0		Treatment Plant Renewal	248	412	423	434	111	114	117	121	124	128	100	-	-		
0	100	0		Wastewater Growth Projects	200	1,030	1,057	542	557	-	-	-	-	-	-	100	-		
100	0	0		Wastewater Network Improvements	50	52	-	-	-	-	-	-	-	-	-	-	100		
79	21	0		Wastewater Outfall IAR	488	515	1,585	31,716	9,744	-	-	-	-	-	79	21	-		
100	0	0		Wastewater Pump Station Improvements	585	680	269	-	-	-	-	-	-	-	6	-	94		
100	0	0		Wastewater Treatment Improvements	-	155	317	-	-	-	-	-	124	1,148	-	7	93		
51	49	0		Wastewater Treatment Plant Upgrade	4,107	-	-	-	-	-	-	-	-	-	-	20	80		
73	27	0		Wastewater Treatment Renewals	200	1,123	1,177	340	1,748	7,203	7,048	5,262	5,507	255	27	11	62		
Total					13,204	13,187	13,079	36,048	16,550	11,822	10,656	12,485	17,847	18,887					
-	100	-	Gifted/Vested Assets				199	206	211	216	221	227	234	241	248	254	-	100	-
Total Capital Programme Wastewater					13,403	13,393	13,290	36,264	16,771	12,049	10,890	12,726	18,095	19,141					

Capital Programme CONTINUED

Funding			Activity	Project Name	Forecast										Renewals %	Growth %	Level of Service %	
Loan Rates %	Reserve %	Waka Kotahi Subsidy %			2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000				
100	-	-	Stormwater	Ahuriri Estuary Projects	110	340	211	325	724	2,399	9,964	10,243	25	26	-	9	91	
95	5	-		Ahuriri Master Plan Project 1 - Stormwater Treatment Wetland	-	-	-	325	2,227	-	-	-	-	-	-	-	5	95
-	100	-		Ahuriri Master Plan Project 3 - improve direct outfalls	212	63	-	-	-	-	-	-	-	-	-	-	5	95
-	100	-		Ahuriri Master Plan stormwater study	145	-	-	-	-	-	-	-	-	-	-	-	5	95
-	100	-		AhuririMaster Plan Project 11 - Pandora catchment improvemen	100	159	-	-	-	-	-	-	-	-	-	-	20	80
100	-	-		CBD Stormwater Upgrade	-	-	161	-	-	-	-	-	-	-	-	45	5	50
45	55	-		Drain Improvements	77	31	32	33	33	34	35	36	37	38	49	1	50	
90	10	-		Extend Outfalls Marine Parade	74	-	211	-	-	229	-	-	249	-	-	-	-	100
77	23	-		Flood Alleviation Projects	250	2,318	1,849	3,627	8,792	3,765	9,274	-	-	-	42	8	50	
71	29	-		Open Waterway Improvements	356	680	380	184	1,247	1,965	82	85	87	89	27	9	64	
-	100	-		Parklands Residential Development	226	232	240	245	253	257	267	272	280	287	-	100	-	-
-	100	-		Pump station minor replacements (mechanical)	20	-	-	-	-	-	-	-	-	-	100	-	-	-
45	55	-		Pump Station Renewal	160	917	21	336	891	457	411	181	186	702	55	1	45	
100	-	-		SCADA minor replacements	25	26	26	27	28	29	29	30	31	32	100	-	-	-
100	-	-		SCADA upgrade project	115	-	-	-	-	-	-	-	-	-	100	-	-	-
43	57	-		Stormwater Growth Projects	1,194	5,492	6,104	5,937	7,142	891	-	-	1,883	1,934	-	100	-	-
62	38	-		Stormwater Network Improvements	-	-	143	38	39	40	41	42	43	45	-	38	62	
-	100	-		Stormwater pump replacements	255	185	190	195	200	206	211	217	224	230	80	20	-	-
-	100	-		Stormwater pump station electrical replacements	-	-	-	108	111	114	117	121	124	-	100	-	-	-
55	45	-		Stormwater Pump Station Improvements	1,700	-	74	33	-	-	-	604	621	1,659	26	3	71	
41	59	-		Stormwater Renewals	85	88	90	92	95	97	100	103	106	108	59	-	41	
-	100	-		Stormwater reticulation replacements	-	618	317	325	334	343	352	362	-	-	90	10	-	-
54	46	-		Te Awa Structure Plan	1,810	-	-	-	-	-	-	-	-	-	-	100	-	-
100	-	-		Tennyson St outfall improvements	72	309	317	-	-	-	-	-	-	-	-	-	-	100
50	50	-		Thames/Tynes pipe and drain upgrades	66	-	-	596	-	-	-	-	-	-	45	5	50	
90	10	-		Upgrade Dalton St pump station	79	222	-	-	-	-	-	-	-	-	15	5	80	
-	100	-		Upgrade existing Onehunga pump station	46	-	-	-	-	-	-	-	-	-	15	5	80	
Total					7,177	11,680	10,366	12,426	22,116	10,826	20,883	12,296	3,896	5,150				
-	100	-	Gifted/Vested Assets	222	228	235	242	247	255	261	269	277	284	-	100	-	-	
Total Capital Programme Stormwater					7,399	11,908	10,601	12,668	22,363	11,081	21,144	12,565	4,173	5,434				

Funding			Activity	Project Name											Renewals %	Growth %	Level of Service %	
Loan Rates %	Reserve %	Waka Kotahi Subsidy %			FORECAST 2021/22 \$000	AP 2022/23 \$000	FORECAST 2023/24 \$000	FORECAST 2024/25 \$000	FORECAST 2025/26 \$000	FORECAST 2026/27 \$000	FORECAST 2027/28 \$000	FORECAST 2028/29 \$000	FORECAST 2029/30 \$000	FORECAST 2030/31 \$000				
100	-	-	Transportation	Ahuriri Masterplan - Pandora Road Upgrade	960	-	-	-	-	-	-	-	-	-	-	-	-	100
100	-	-		Ahuriri Masterplan - Thames Severn Stormwater Management	50	-	264	271	-	-	-	-	-	-	-	50	-	50
-	49	51		Associated Improvements	100	103	106	108	111	114	117	121	124	128	50	-	50	
100	-	-		CBD Development	300	-	-	-	-	-	-	-	-	-	30	-	70	
-	49	51		Ground stabilisation and retaining wall	183	82	898	-	-	-	-	-	-	-	30	-	70	
49	-	51		Intersection Improvement Projects	300	124	79	244	139	86	1,004	4,981	714	96	-	15	85	
49	0	51		Intersection Safety Improvement Projects	277	2,472	-	2,277	1,559	1,188	1,644	-	-	319	-	14	86	
-	49	51		KiwiRail - Level Crossing	90	-	-	-	-	-	-	-	-	-	-	-	100	
49	-	51		Local Area Traffic Management Projects	330	927	951	976	1,002	1,028	1,057	1,087	1,118	1,148	-	-	100	
-	49	51		Major Intersection Improvement Projects	403	-	-	-	-	-	-	-	-	-	-	100	-	
49	-	51		Marine Parade Safety Improvements	-	103	1,902	-	-	-	-	60	683	638	-	18	82	
47	2	51		New Cycle and Walking Tracks	464	103	-	-	-	-	-	121	249	-	-	5	95	
-	100	-		Parklands Residential Development	767	788	810	832	854	877	900	925	955	978	-	100	-	
-	100	-		Puketitiri Road Upgrade	150	-	-	-	-	-	-	-	-	-	-	70	30	
-	49	51		Renewals	3,529	3,767	4,056	4,206	4,395	3,251	3,136	3,562	3,665	3,764	100	-	-	
-	100	-		Renewals (Not Subsidised)	530	546	507	488	445	457	470	489	503	517	100	-	-	
49	-	51		School Zone Safety work	300	-	-	-	-	-	-	-	-	-	-	-	100	
-	100	-		Te Awa Structure Plan	2,289	1,648	370	759	-	-	-	-	-	-	-	100	-	
49	-	51		Urban Corridor Improvement Projects	420	500	148	526	1,025	2,085	1,198	3,037	1,267	574	-	17	83	
100	-	-		Urban Growth Northwest Dvlpmnt	100	124	-	54	111	857	646	362	93	1,786	-	100	-	
-	100	-		West Quay Car Park	-	-	-	-	-	-	-	1,449	1,615	-	-	-	100	
50	50	-		West Quay One Way	694	-	-	-	-	-	-	-	-	-	-	-	100	
Total					12,236	11,287	10,091	10,741	9,641	9,943	10,172	16,194	10,986	9,948				
-	100	-	Gifted/Vested Assets		408	422	432	443	456	467	481	494	507	522	-	100	-	
Total Capital Programme Transportation					12,644	11,709	10,523	11,184	10,097	10,410	10,653	16,688	11,493	10,470				

Capital Programme CONTINUED

Loan Rates %	Funding															Renewals %	Growth %	Level of Service %
	Reserve %	Waka Kotahi Subsidy %	Activity	Project Name	FORECAST	AP	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST				
					2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000				
				Other Infrastructure														
100	-	-		Cemeteries	Cemetery Concept Plan Implementation	75	82	63	87	45	46	23	24	25	26	-	10	90
100	-	-			Cemetery land purchase	-	-	-	-	-	-	2,349	604	-	638	-	100	-
4	96	-			Cemetery Planting	39	26	26	27	28	29	29	30	31	32	100	-	-
-	100	-			Cemetery Renewals	110	114	21	22	22	23	23	24	25	26	100	-	-
-	100	-			Napier Cemetery Development	100	36	11	11	11	11	12	12	12	13	100	-	-
-	100	-			Taradale cemetery Heritage work	-	-	16	-	-	17	-	-	19	-	100	-	-
100	-	-			Western Hill Extension - Stage 2	350	-	-	-	-	-	-	-	-	-	-	100	-
100	-	-			Wharerangi Building Refurbishment	10	10	-	-	-	-	-	-	-	-	100	-	-
28	72	-		Public Toilets	Infrastructure Asset Renewal	220	103	476	596	223	343	763	362	559	1,340	100	-	-
-	100	-		Waste Minimisation	Omarunui Dev Forestry	-	-	-	9	9	9	9	10	10	10	100	-	-
-	100	-			Omarunui Dev Valley D	667	657	674	613	435	446	288	296	305	313	100	-	-
-	100	-			Omarunui Dev Valleys B&C	1,216	1,626	1,669	1,712	1,354	1,389	1,428	591	608	624	100	-	-
-	100	-			Omarunui Development Plant	242	27	96	16	95	31	137	44	-	19	100	-	-
-	100	-			Recycling Crate Purchases	13	-	-	-	-	-	-	-	-	-	100	-	-
-	100	-			Solid Waste Renewals	162	96	98	101	104	106	109	103	106	108	100	-	-
-	100	-			Wheelie Bin Purchases	53	-	-	-	-	-	-	-	-	-	100	-	-
Total Other Infrastructure Capital Programme						3,257	2,777	3,150	3,194	2,326	2,450	5,170	2,100	1,700	3,149			

Funding														Renewals %	Growth %	Level of Service %	
Loan Rates %	Reserve %	Waka Kotahi Subsidy %	Activity	Project Name	FORECAST	AP	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST				FORECAST
					2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000				2030/31 \$000
			Community and Visitor Experiences														
100	-	-	Bay Skate	Bay Skate Renewals	19	23	26	54	30	34	84	39	43	38	100	-	-
65	35	-		Park Improvements	3	207	-	-	-	-	-	-	-	-	-	36	64
44	66	-		Skate Ramps	163	-	-	27	-	-	-	-	-	-	-	40	60
100	-	-	Community Facilities (Halls)	Halls Renewals	69	56	18	198	303	63	141	219	376	130	100	-	-
50	50	-		Memorial Square Community Rooms	-	773	793	-	-	-	-	-	-	-	100	-	-
100	-	-		Minor Capital Items	145	62	63	65	67	69	70	-	-	-	100	-	-
88	12	-		Taradale Town Hall internal refurbishment	85	206	264	542	557	-	-	-	-	-	100	-	-
100	-	-		Te Pihinga Community Centre	943	515	3,170	4,391	3,564	-	-	-	-	-	-	5	95
-	100	-	Faraday Centre	Faraday Centre Building Upgrade	20	536	21	22	22	23	23	24	25	26	31	-	69
94	6	-		Faraday Centre Minor Capital	17	10	11	11	11	11	12	12	12	13	6	-	94
100	-	-	Housing	Healthy Homes Heat pumps	1,940	-	-	-	-	-	-	-	-	-	100	-	-
100	-	-		Henry Charles Hall Internal Refurbishment	80	309	-	-	-	-	-	-	-	-	100	-	-
100	-	-		Minor Capital Projects	188	92	94	97	99	102	105	107	111	114	100	-	-
100	-	-		Retirement Housing Renewals	2,412	520	898	1,037	605	981	408	1,691	634	988	100	-	-
100	-	-		Minor Capital Projects	38	22	22	23	23	24	25	25	26	27	100	-	-
100	-	-		Rental Housing Renewals	260	10	11	210	197	371	63	1,063	91	245	100	-	-
100	-	-		Retirement Housing Renewals	357	-	-	-	-	-	-	-	-	-	100	-	-
100	-	-	Kennedy Park Resort	Deluxe Ensuite Units	160	-	-	-	-	-	-	-	-	-	-	-	100
100	-	-		Kennedy Park Building Renewals	336	95	536	92	289	644	152	1,009	528	1,122	100	-	-
-	100	-		Kennedy Park Renewals	94	49	109	49	111	35	108	37	56	121	100	-	-
100	-	-		Minor Capital Items	520	1,795	896	2,216	327	2,518	63	65	98	68	100	-	-
100	-	-		Upgrade TV Infrastructure	-	180	-	-	-	-	-	-	-	-	-	-	100
100	-	-	Libraries	Library Building Renewals	27	5	12	32	54	205	45	-	-	-	100	-	-
100	-	-		Library Renewals	160	10	11	11	11	11	18	-	-	-	90	-	10
95	5	-		Library Stock	465	453	465	477	490	503	517	-	-	-	-	-	100
90	10	-		Minor Capital Items	11	11	12	12	12	12	13	-	-	-	-	-	100

Capital Programme CONTINUED

Funding																
Loan Rates %	Reserve %	Waka Kotahi Subsidy %												Renewals %	Growth %	Level of Service %
			Activity	Project Name	FORECAST 2021/22 \$000	AP 2022/23 \$000	FORECAST 2023/24 \$000	FORECAST 2024/25 \$000	FORECAST 2025/26 \$000	FORECAST 2026/27 \$000	FORECAST 2027/28 \$000	FORECAST 2028/29 \$000	FORECAST 2029/30 \$000			
96	4	-		Napier Library Rebuild	673	1,097	4,054	10,841	11,136	-	-	-	-	-	-	100
100	-	-		Taradale Library Minor Work	212	196	-	-	-	-	-	-	-	-	-	58
100	-	-		Technology Services Upgrade	50	49	51	52	-	-	-	-	-	-	-	100
100	-	-	Marine Parade Pools	Marine Pde Pools Renewals	52	228	42	217	45	55	56	242	68	70	100	-
65	35	-		Ocean Spa Upgrade	602	670	-	-	-	-	-	-	-	-	-	100
-	100	-		Replacement Boiler	60	-	-	-	-	69	-	-	-	-	-	100
100	-	-	MTG Hawke's Bay	Security Cameras	2	-	-	-	-	-	-	-	-	-	-	100
100	-	-		Seismic Strengthening	75	223	-	-	-	-	-	-	-	-	-	100
-	100	-		Century Theatre Balustrade	-	10	42	-	-	-	-	-	-	-	-	100
-	100	-		Collection Storage Van	-	62	-	-	-	-	-	-	-	-	-	100
100	-	-		Earthquake Gallery	-	82	-	-	-	-	-	-	-	-	-	100
100	-	-		MTG Building Renewals	115	60	304	124	372	81	211	540	1,387	922	100	-
100	-	-		MTG Century Theatre Tech Investigation and Upgrade	-	309	264	-	-	-	-	-	-	-	-	100
6	94	-		MTG Minor Capital	77	52	53	87	56	57	59	-	-	-	-	100
100	-	-		MTG Renewals	126	62	63	65	67	69	70	-	-	-	-	100
100	-	-		Storage for MTG - property purchase	-	1,854	-	-	-	-	-	-	-	-	-	100
100	-	-	Napier Aquatic Centre	Asset Register Items	125	-	-	-	-	-	-	-	-	-	-	-
100	-	-		Napier Aquatic Centre expansion	64	556	264	-	-	-	-	-	-	-	-	50
65	35	-		Napier Aquatic Centre Renewals	407	4,509	242	116	600	488	381	648	525	444	100	-
-	100	-		Reception and Office Redevelopment	50	21	-	-	-	-	-	-	-	-	-	100
-	100	-		Roof Weather-Tightning Repair	70	-	-	-	-	-	-	-	-	-	-	100
100	-	-	Napier Conferences & Events	AV Equipment Upgrades	26	157	11	11	28	11	149	12	12	38	50	-
97	3	-		Conference Centre Building Renewals	279	7	26	70	258	1,257	211	267	348	364	100	-
4	96	-		Minor Capital Items	85	62	63	65	67	69	70	72	75	77	100	-
10	90	-		Napier Conferences & Events Renewals	188	536	127	76	45	46	47	78	50	51	100	-
100	-	-		War Memorial	1,435	-	-	-	-	-	-	-	-	-	-	100

Loan Rates %	Reserve %	Waka Kotahi Subsidy %													Renewals %	Growth %	Level of Service %
			Activity	Project Name	FORECAST 2021/22 \$000	AP 2022/23 \$000	FORECAST 2023/24 \$000	FORECAST 2024/25 \$000	FORECAST 2025/26 \$000	FORECAST 2026/27 \$000	FORECAST 2027/28 \$000	FORECAST 2028/29 \$000	FORECAST 2029/30 \$000	FORECAST 2030/31 \$000			
100	-	-	Napier i-SITE Visitor Centre	i-Site Alterations	-	258	-	-	-	-	-	-	-	-	-	-	100
72	28	-		i-SITE Renewals	59	38	9	67	33	180	93	27	22	63	100	-	-
-	100	-		Minor Capital Items	80	10	11	24	6	29	12	12	28	6	100	-	-
-	100	-	Napier Municipal Theatre	Minor Capital Items	64	57	63	76	67	69	70	72	75	77	100	-	-
-	100	-		Municipal Theatre Building Renewals	72	2	119	247	192	137	156	79	665	439	100	-	-
97	3	-		Municipal Theatre Renewals	202	494	477	765	857	520	65	85	118	77	100	-	-
100	-	-	National Aquarium of NZ	Aquarium Renewals	1,235	1,864	1,923	1,864	718	817	634	111	75	583	100	-	-
100	-	-		Building Renewals	157	557	313	565	304	103	378	898	1,353	54	100	-	-
-	100	-		Minor Capital Items	45	27	26	18	86	50	4	42	35	76	100	-	-
50	50	-	Par2 MiniGolf	Minor Capital Items	178	34	26	7	11	36	111	32	14	8	52	-	48
100	-	-	Reserves	Ahuriri Estuary Projects	1,300	103	-	-	-	-	-	121	621	638	-	-	100
-	100	-		Allen Berry Future Development	100	-	-	-	-	-	-	-	-	-	-	10	90
100	-	-		Capital plan unassociated exp	-	-	-	-	-	-	-	1,811	6,213	4,466	-	-	100
100	-	-		Coastal Erosion	595	-	-	-	-	-	-	-	-	-	100	-	-
-	100	-		Destination Playground Stage 2	100	824	-	-	-	-	-	-	-	-	-	-	100
-	100	-		Foreshore Planting	20	21	21	22	22	23	23	24	25	26	-	-	100
-	100	-		Freedom Camping	-	-	-	-	-	-	470	-	-	-	-	-	100
-	100	-		Gifted/Vested Assets	300	309	317	325	334	343	352	362	373	383	-	100	-
-	100	-		Hardinge Road Erosion	-	-	-	325	-	343	-	362	-	383	100	-	-
100	-	-		Maraenui Splash Pad and Park Developmment - Shopping Reserve	100	-	-	-	-	-	-	-	-	-	-	-	100
100	-	-		Marine Parade Renewals	788	247	137	22	22	23	23	121	124	128	100	-	-
-	100	-		Planting	70	72	74	76	78	80	82	85	87	89	-	-	100
100	-	-		Playground Renewals	686	206	211	217	223	229	235	242	249	255	100	-	-
-	100	-		Reserves Renewals	850	1,020	211	586	223	217	176	380	81	83	100	-	-
-	100	-		Riparian Planting	20	21	21	22	22	23	23	24	25	26	-	-	100
-	100	-		Urban Growth	400	309	423	325	445	343	470	362	497	383	-	100	-

Capital Programme CONTINUED

Loan Rates %	Reserve %	Waka Kotahi Subsidy %	Activity	Project Name	FORECAST	AP	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	Renewals %	Growth %	Level of Service %
					2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000			
100	-	-		Western Hill Pathway Development	97	-	127	-	-	-	-	-	-	-	20	80
-	100	-		Whakarire Ave Rock Revetment	2,165	-	-	-	-	-	-	-	-	-	-	100
-	100	-	Sportsgrounds	McLean Park Digital Screen	250	-	-	-	-	-	-	-	-	80	20	-
100	-	-		McLean Park Facility Renewals	670	361	211	867	-	-	235	543	435	80	20	-
100	-	-		McLean Park light tower upgrades	-	103	-	108	-	114	-	-	-	100	-	-
100	-	-		Minor Capital Items	-	1,056	-	-	-	-	-	-	-	94	-	6
100	-	-		Neighbourhood Parks Upgrades	-	258	-	271	-	-	822	-	-	40	5	55
100	-	-		New Pathways	40	-	42	-	45	-	47	-	-	80	10	10
92	8	-		New Shade Areas	42	21	21	22	22	23	23	24	25	-	-	100
100	-	-		Onekawa Park	-	-	-	759	-	-	-	-	-	100	-	-
100	-	-		Park Island Northern Redevelopment	299	-	-	-	-	-	-	-	-	-	20	80
100	-	-		Playground Development	300	309	-	325	-	-	352	-	-	50	10	40
-	100	-		Riparian Planting	10	10	-	11	-	11	-	-	12	-	-	100
100	-	-		Safety Projects/CPTED	15	-	11	-	11	-	12	-	12	50	50	-
-	100	-		Sportsgrounds Renewals	532	350	359	369	379	388	634	266	273	100	-	-
Total Community and Visitor Experiences Capital Programme *					25,126	25,682	18,191	29,575	23,546	11,909	8,603	12,235	15,902			

*The above total includes assets that have been vested to Council. This total differs from the Funding Impact Statement as that excludes transactions involving non-monetary funding.

Funding			Waka Kotahi Subsidy %												Renewals % Growth % Level of Service %			
Loan Rates %	Reserve %	Activity		Project Name	FORECAST	AP	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST	FORECAST				
					2021/22 \$000	2022/23 \$000	2023/24 \$000	2024/25 \$000	2025/26 \$000	2026/27 \$000	2027/28 \$000	2028/29 \$000	2029/30 \$000	2030/31 \$000				
Property Assets																		
-	100	-	Inner Harbour	Ahuriri Masterplan - Iron Pot Public Access	400	-	-	-	-	-	-	-	-	-	-	-	-	100
-	100	-		IH Facilities Renewals	372	-	-	-	-	-	-	-	-	-	-	-	100	-
100	-	-		Inner Harbour Project - Iron Pot Upgrade	-	52	423	3,795	1,765	-	-	-	-	-	-	-	38	-
100	-	-		Inner Harbour Project - Meeanee Quay Upgrade	-	-	-	-	-	-	-	109	2,050	1,212	-	-	7	-
100	-	-	Lagoon Farm	Asset Purchases	-	31	-	33	-	34	-	36	-	38	-	-	-	100
100	-	-	Property Holdings	Assessment & Compliance Projects	60	206	53	33	22	23	23	24	25	26	-	-	100	-
100	-	-		Assessment and compliance projects	-	206	106	542	557	571	587	604	621	-	-	-	100	-
-	100	-		Building Purchase	-	1,853	-	3,795	-	-	-	-	-	-	-	-	-	100
100	-	-		Civic Buildings Upgrade	1,500	3,090	2,114	10,843	11,136	-	-	-	-	-	-	-	50	-
100	-	-		Pandora Pond Buildings	250	309	-	-	-	-	-	-	-	-	-	-	100	-
100	-	-		Seismic Strengthening Council Buildings	122	-	-	-	-	-	-	-	-	-	-	-	100	-
Total Property Assets Capital Programme					2,704	5,747	2,696	19,041	13,480	628	610	773	2,696	1,276				
Support Units																		
100	-	-	Chief Executive	Minor Capital Items	70	72	74	76	78	80	82	-	-	-	-	-	-	100
-	100	-	Finance	Technology Equipment Minor Capital	2,705	2,338	5,335	8,179	9,065	2,931	2,682	1,268	1,864	1,608	-	-	100	-
100	-	-	Information Services	Corporate IT Network	13	13	14	14	14	15	15	16	16	17	-	-	-	100
-	100	-		Software Replacement & Upgrade	62	-	-	-	-	-	-	-	-	-	-	-	-	100
51	49	-		Software Replacements and Upgrades	1,367	819	1,538	1,079	1,108	1,137	1,169	1,201	1,236	1,270	-	-	-	100
100	-	-		Street Management (CCTV's)	500	129	-	-	-	-	-	-	-	-	-	-	-	100
-	100	-	Plant and Vehicles	Plant and Vehicle Renewal Purchases	900	1,082	1,110	976	1,058	1,085	1,175	1,208	1,243	1,276	-	-	100	-
-	100	-	Services Administration	Asset Register Items	13	13	13	14	14	14	15	15	16	16	-	-	100	-
100	-	-		Depot Building Renewals	54	55	15	39	119	240	61	66	362	1,307	-	-	100	-
-	100	-		Depot General Renewals	30	31	32	33	33	34	35	36	37	38	-	-	100	-
-	100	-		Lockable storage-more sheds	5	-	-	-	-	-	-	-	-	-	-	-	100	-
-	100	-		Network Connection to Smoko Building	-	-	-	-	11	-	-	-	-	-	-	-	100	-
Total Support Unit Capital Programme					5,719	4,552	8,131	10,410	11,500	5,536	5,234	3,810	4,774	5,532				
Total Capital Programme					81,911	89,901	90,921	140,066	126,250	72,876	74,505	71,705	67,582	67,500				

2021-31 Long Term Plan: Consultation items update

This document provides an update on the consultation topics from the 2021-31 Long Term Plan that have not already been subject to an update in the Annual Plan consultation document, or in a separate supporting document.

Key items:

1. Water supply projects
2. Chlorine free
3. Ahuriri Regional Park
4. Te Pihinga
5. The Faraday Centre
6. Āwhina Tāngata/Napier Assist
7. Local Area Traffic Safety Plans

Water supply projects

Council resolved to continue key water supply projects with priority given to work associated with resolving dirty water issues. Water supply projects that have been undertaken over the last year include the Controlled Water Area in Tamatea/Parklands, water quality monitoring stations, and the construction of low manganese drinking water bores and associated treatment plants. The Meeanee Awatoto Loop design is also underway. Water demand management projects that support the future growth of Napier include fire mains upgrades in Bayview. Water quality projects include reservoir mixing improvement design, design of seismic valves on reservoirs and the commissioning of a dedicated Thames Street water take station.

Chlorine free

Council resolved to move towards a safe network with chlorine, with a view to adding additional steps in the future to move towards a chlorine-free network. The Water Supply Master Plan will align to the objectives of aiming to achieve a chlorine-free network. The projects in the Long Term Plan are the preliminary works required to achieve a chlorine-free network.

Ahuriri Regional Park

Council resolved to budget \$12.5M for the development of the Regional Park on Lagoon Farm, and committed to working with key stakeholders, such as Hawke's Bay Regional Council and Mana Ahuriri when developing a collaborative vision and masterplan for the park. Council and its partners are working towards the establishment of a governance framework for this project, and the appointment of a project manager who will assist the project team in a plan that provides direction on the development of this site. In parallel, our three waters team is working to understand how the site could contribute to improved stormwater management for the city.

Te Pihinga

Council committed to completing a feasibility study for Te Pihinga and undertaking additional public consultation before developing detailed designs, the operational model, and social

procurement plan for the project. We are about to finalise the feasibility study, which also includes a cultural impact assessment. This assessment provides a foundation to incorporate cultural aspects into the building design. The purchase of the land is yet to be fully completed, but once the transaction is confirmed, the real work on the detailed design, operating model and tendering processes will start. In the meantime, we are supporting a mini activity hub that is engaging with local tamariki and rangatahi. This will be used as a base for further community engagement as the project progresses.

Faraday Centre

Council resolved to keep the Faraday Centre open and provide additional funding to better support its operations until the recommendations of the detailed business case could be considered. An updated Detailed Seismic Assessment has been completed and reviewed by an independent engineer to ensure completeness. An updated estimate of costs to bring the building up to an acceptable New Building Standard (NBS) reflective of the nature of the asset has been undertaken. The NBS is the percentage rating given to a building as a whole to indicate its ability to withstand an earthquake. Council strives to strengthen its public buildings to as close to 100% of the NBS as possible. Once we have the estimate, Council will need to make decisions around purchasing and strengthening the building, and progressing the business case for its future development and model of operations.

Āwhina Tāngata/Napier Assist

Council decided to go ahead with establishing a city ambassador programme for Napier, and asked for the opportunity to approve the operating model before implementation from 1 July 2022. A full service design was presented to Council and approved for implementation with an anticipated start date of July 2022 for CCTV operations, followed by a city ambassador service within six months. Full maturity of the service is to be programmed across five years.

Napier Assist/Āwhina Tāngata is the name given to the service, with Āwhina Tāngata meaning 'assisting people'. This name has synergy with 'City Assist' used in Hastings so will help our community to quickly understand the purpose of the service and with the use of 'Napier' in the name the service is inclusive of our whole community.

Current priorities and highlights:

- We are working towards the initial launch for CCTV services in July 2022, followed by patrol services within 6 months
- Continued engagement with key stakeholders as we work towards launch of the service
- Recruitment for key staff is underway
- Office space is being secured
- Transition of CCTV cameras from Napier Safety Trust is underway
- Development of the Napier Assist / Āwhina Tāngata brand.

Local Area Traffic Safety Plans

Council committed to increase the number of plans developed to three per year, and asked that a public workshop on the traffic safety planning process be held in 2021. Funding for the local area traffic safety plans has been allocated to year two of Long Term Plan.

SCHEDULE OF FEES AND CHARGES 2022/23



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

ANIMAL CONTROL

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Dog Registration			
Selected owner discount applies to owner's who undertake Council training on dog owner's obligations (one year dog ownership as qualifying period)			
For dogs registered for the first time after the commencement of the registration year a charge of one twelfth of the annual unlicensed owner fee per month, or part-month of the remaining year, is payable, provided the dog is no older than three months at time of first registration. Dogs older than three months at the time of first registration will be charged from the date that the dog attained the age of three months.			
The minimal charge for licenced dog ownership for seniors (65+) addresses the very low rate of issues from this sector.			
Charges for Dog Registration and Control are approved pursuant to Section 37 of the Dog Control Act 1996 and the Napier City Animal Control Bylaw.			
Registration Fees			
Full fee (paid by 1 August)	\$115.00	\$120.00	Yes
Full Fee (paid after 1 August)	\$171.00	\$178.00	Yes
Responsible Dog Owner fee (paid by 1 August)	\$77.00	\$80.00	Yes
Responsible Dog Owner fee (paid after 1 August)	\$115.00	\$120.00	Yes
Responsible Dog Owner application fee	\$26.00	\$27.00	Yes
Working Dog (paid by 1 August)	\$50.00	\$52.00	Yes
Working Dog (paid after 1 August)	\$75.00	\$78.00	Yes
Working Dog (Public Good) e.g. Guide Dog	No charge	No charge	Yes
Dangerous Dogs (paid by 1 August)	\$172.00	\$179.00	Yes
Dangerous Dog (paid after 1 August)	\$254.00	\$265.00	Yes
Impounding Charges			
First impounding registered dog	\$88.00	\$92.00	Yes
Second impounding registered dog	\$104.00	\$108.00	Yes
Third and subsequent impounding registered dog	\$155.00	\$162.00	Yes
Recovery of Costs			
Call out rate to open Shelter outside of hours	\$184.00	\$192.00	Yes
Animal Control Officer Hourly rate (including enforcement activity)	\$114.00	\$119.00	Yes
Daily care of dog	\$10.00	\$11.00	Yes
Permit Fee (3 or more dogs or breeding kennels) Annual Fee	\$53.00	\$55.00	Yes
Sale of Dog (including microchip implantation)	\$295.00	\$307.00	Yes
Replacement Registration Tag	\$5.00	\$5.00	Yes
Surrender of Dog to Animal Control	\$53.00	\$55.00	Yes
Surrender of Dog to Animal Control with community services card	\$11.00	\$11.00	Yes
Seizure of dog	\$90.00	\$94.00	Yes
Stock Control			
The cost of retrieving stock will be charged in actual costs in accordance with the hourly rates in this schedule			
Stock Impounding Charges (rate per night)	\$42.00	\$44.00	Yes
Microchipping of dog and registration on National Dog Database*	\$33.00	\$34.00	No
Microchipping of dog and registration on National Dog Database with community services card	\$6.00	\$7.00	Yes

ARTHUR RICHARDS HALL

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Meeting Room			
Group 1 - Profit-Making Organisations and Family Gatherings			
Hourly charge	\$24.50	\$25.00	Yes
Morning or Afternoon	\$67.50	\$70.00	Yes
Evening	\$100.00	\$104.00	Yes
Whole Day	\$140.00	\$146.00	Yes
Group 2 - Community, Hobby & Sports Groups			
Hourly charge	\$20.00	\$21.00	Yes
Morning or Afternoon	\$55.00	\$57.00	Yes
Evening	\$75.00	\$78.00	Yes
Whole Day	\$100.00	\$104.00	Yes

BAY SKATE

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Bay Skate			
Admission			
Bay Skate members and affiliated club members	\$4.20	\$4.50	Yes
Non-members	\$6.30	\$7.00	Yes
Senior Citizens / Community Services Card holders	\$4.20	\$5.00	Yes
Child (3 or under)	No Charge	No Charge	Yes
Spectators	No Charge	No Charge	Yes
Membership			
Bay Skate annual membership	\$25.90	\$27.00	Yes
Equipment Hire			
Scooter	\$10.40	\$11.00	Yes
Inline Skates	\$10.40	\$11.00	Yes
Skateboard	\$10.40	\$11.00	Yes
Roller skates	\$10.40	\$11.00	Yes
Aggressive skate	\$10.40	\$11.00	Yes
Beach path hire	\$10.00 per hour	\$10.00 per hour	Yes
Protective equipment	Free with equipment hire	Free with equipment hire	Yes
Helmet	Free with equipment hire	Free with equipment hire	Yes
Venue Hire			
Rink Only			
Rink only - Affiliated Club (per hour)	\$10.40	\$30.00	Yes
Events (Grandstand and Rink Use)			
Community Group (per hour)	\$51.80	\$60.00	Yes
Corporate (per hour)	\$208.00	\$250.00	Yes

BUILDING

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Building Consents			
Building Fees			
All building consent, building consent amendment, code compliance certificate, certificate of acceptance and certificate for public use fees are charged on an actual and reasonable cost recovery basis as per the below fees and charges. Fees are payable prior to the grant/issue of the applicable consent/certificate.			
Certificates of acceptance pursuant to section 96(1)(a) of the Building Act 2004 are subject to any fees, charges or levies that would have been payable had a consent been applied for before the work was carried out plus the current actual and reasonable costs associated with the application as per the below fees and charges.			
Project Information Memorandum (stand-alone only)	\$280.00	\$300.00	Yes
Compliance Schedule	\$305.00	\$320.00	Yes
Building Administration Fees			
Online Lodgement Fee	\$144.00	\$144.00	Yes
Building Accreditation Fee	\$20.00	\$20.00	Yes
Building Warrant of Fitness Fee			
Administration and Audit Fee	\$150.00	\$150.00	Yes
Hourly Rates			
Building Consents Officer	\$174.00	\$187.00	Yes
Building Administrator	\$87.00	\$90.00	Yes
Inspection Fee			
Inspection Fee	\$174.00	\$187.00	Yes
Liquor Licence Fee			
Certificate of Compliance Fee	\$100.00	\$100.00	Yes
Fees Payable for Specific Works (Set by Legislation)			
Building Research Levy per \$1,000 value above \$20,000*	\$1.00	\$1.00	GST EXEMPT
Building Levy per \$1,000 value \$20,444 and above	\$1.75	\$1.75	Yes
Roading Fees in Association with Building Consents			
Application Processing Fee	\$27.00	Replaced	Yes
Vehicle Crossing Inspection (covers 3 site visits. Any additional site visits are covered by the additional inspection fee)	Replacement	\$300.00	Yes
Inspection for Road Damage	\$69.00	\$120.00	Yes
Inspection for Vehicle Crossing	\$156.00	Replaced	Yes
Site Inspections (for inspections in addition to the minimum set with the application)	Replacement	\$120.00	Yes
Sundry Inspections			
Per Hour (minimum fee one hour)	\$174.00	\$187.00	Yes
Building Statistics			
Full Report	\$25.00	\$25.00	Yes
Single Report	\$15.00	\$15.00	Yes
Additional Sections	\$6.00	\$6.00	Yes
Miscellaneous Charges			
Property File Fee			
Property File Management Fee (charged per consent)	\$82.00	\$86.00	Yes
Certificate of Title	\$25.00	\$25.00	Yes

CEMENTERIES

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Cemeteries			
Interments - Burials			
Adults	\$741.00	\$772.00	Yes
Child (Over 29 days and under 14 years)	\$285.00	\$295.00	Yes
Stillborn child (within Neo-Natal area and up to 28 days after birth)	No Charge	No Charge	Yes
Stillborn child (not within Neo-Natal area and up to 28 days after birth)	\$100.50	\$105.00	Yes
Disinterments and Reburials			
Same Plot	\$2,700.00	\$2,815.00	Yes
Different Plot	\$2,700.00	\$2,815.00	Yes
Extra Depth			
Extra Depth (to allow for three burials)	\$140.00	\$145.00	Yes
Burial of Deceased Formerly Resident Outside City Boundary			
Burial of Deceased Formerly Resident Outside City Boundary	\$669.00	\$700.00	Yes
Sale of Burial Plots			
Includes Perpetual Maintenance			
Children under 14 years area (Western Hills and Park Island)	\$971.00	\$1,015.00	Yes
Wharerangi	\$2,373.00	\$2,475.00	Yes
Western Hills	\$2,373.00	\$2,475.00	Yes
Eskdale	\$2,373.00	\$2,475.00	Yes
Sale of Ash Plots			
Includes Perpetual Maintenance			
Wharerangi Inground Plaque	\$432.00	\$475.00	Yes
Wharerangi Middle Ridge Ash Beam	\$432.00	\$475.00	Yes
Western Hills Rose Garden Beds 1-14	\$316.00	\$350.00	Yes
Western Hills Rose Garden Beds 15 and onwards	\$432.00	\$475.00	Yes
Western Hills Upright Ash Interment Area	\$798.00	\$875.00	Yes
Interment - Ashes - Includes Registration			
Interment of Ashes	\$148.00	\$160.00	Yes
Scattering of Ashes	\$148.00	\$160.00	Yes
Disinterment of Ashes			
Disinterment of Ashes	\$148.00	\$155.00	Yes
Registration of Memorial only			
Registration of Memorial only	\$100.50	\$105.00	Yes
Book of Remembrance			
Record of name in Book of Remembrance	\$72.50	\$75.00	Yes
Monument Permit			
Permit to erect a monument	\$57.00	\$60.00	Yes
Change of Plot Ownership			
Transfer or relinquishment of ash or burial plot	\$79.80	\$83.00	Yes

CEMENTERIES CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Additional Fee			
In exceptional circumstances arrangements can be made for a burial outside normal working hours. Normal hours are 8.00am to 4.00pm Monday to Friday and 8.00am to 12noon Saturday. For Saturday after 12noon, Sunday and Public Holidays additional charges will apply based on an actual quoted basis. Requests for quotations must be made at least 24 hours in advance during normal working hours.			
Cost Per After Hours Call (for Saturday, Sunday and Public Holidays between 10am and 5pm)	\$70.40	\$73.00	Yes
Out-of-hours additional fee - Minimum charge	\$812.00	\$845.00	Yes
Sale of Niches			
Wharerangi	\$181.00	\$190.00	Yes
Eskdale	\$90.10	\$95.00	Yes
Services Fee			
Dressing of grave and use of equipment	\$92.20	\$150.00	Yes

CHAPMAN PAVILION

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Chapman Pavilion			
Times of Hire: Morning is 8.00am to 1.00pm, Afternoon is 1.00pm to 6.00pm, Evening is 6.00pm to 11.00pm and Full Day is 8.00am to 11.00pm. Weekdays are Monday to Thursday, Weekends are Friday to Sunday.			
Performance Bond: Payment of a performance bond is required to confirm a booking. This bond will be refunded after the hire date, less any unpaid hire fees and additional costs incurred by Napier City Council as a result of actions or negligence of the hirer. The performance bond will be refunded if the booking is cancelled at least 30 days before the first hire date.			
Public Holidays: Additional costs incurred by Napier City Council for bookings on public holidays will be on-charged to the hirer.			
Chapman Pavilion Pettigrew Lounge (Corporate Lounge 1)			
Performance Bond *	\$414.00	\$431.00	No
Weekday Morning or Afternoon	\$140.00	\$146.00	Yes
Weekday Evening	\$181.00	\$189.00	Yes
Weekday Full day	\$357.00	\$372.00	Yes
Weekends Morning or Afternoon	\$181.00	\$189.00	Yes
Weekends Evening	\$357.00	\$372.00	Yes
Weekends Full day	\$601.00	\$626.00	Yes
Chapman Pavilion Corporate Lounge 2			
Performance Bond *	\$414.00	\$431.00	No
Weekday Morning or Afternoon	\$124.00	\$129.00	Yes
Weekday Evening	\$161.00	\$168.00	Yes
Weekday Full Day	\$311.00	\$324.00	Yes
Weekends Morning or Afternoon	\$161.00	\$168.00	Yes
Weekends Evening	\$321.00	\$334.00	Yes
Weekends Full Day	\$549.00	\$572.00	Yes
Chapman Pavilion Both Lounges			
Performance Bond *	\$622.00	\$648.00	No
Weekday Morning or Afternoon	\$233.00	\$243.00	Yes
Weekday Evening	\$290.00	\$302.00	Yes
Weekday Full Day	\$570.00	\$594.00	Yes
Weekends Morning or Afternoon	\$290.00	\$302.00	Yes
Weekends Evening	\$622.00	\$648.00	Yes
Weekends Full Day	\$1,010.00	\$1,052.00	Yes
Napier City Council Wardens			
Senior Floor Attendant (per hour)	\$62.20	\$64.80	Yes

CORPORATE SERVICES

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Administrative, Property & Sundry			
Standing Order			
SANZ Sections 15.9, 15.12 & 15.14 (per page)	N/A	N/A	Yes
Spare copies of open agendas and relevant documents (per A4 page), minutes	No Charge	No Charge	Yes
Local Government Official Information & Meetings Act (Sec 13)			
First hour - no charge. Subsequent time charged per half hour			
Staff Time Fees per hour			
Other Costs: Charged at an amount which covers the actual costs involved			
Requests for readily accessible information (per hour)	\$76.00	\$76.00	Yes
Photocopying per page (per A4 sized page after the first 20 pages)	\$0.20	\$0.20	Yes
Valuation & Rating Information			
Rating Information Database - property valuation and rating information supplied in hard copy			
Charge per page (under 5 pages free)	\$0.31	\$0.35	Yes
Postponed Rates			
In addition to the annual fee, Council charge interest on the accumulating balance of rates postponed for approvals after 1st July 2009, and any other costs or one-off fees incurred in relation to registration of the postponement.			
Postponements approved prior to 1st July 2009 - Annual Fee	\$77.70	\$81.00	Yes
Postponements approved after 1st July 2009 - Annual Fee	\$44.50	\$46.50	Yes
Lease			
Preparation Fee	\$829.00	\$864.00	Yes
Licence to Occupy			
Preparation Fee (Standard)	\$207.00	\$216.00	Yes
Preparation Fee (Complex) (eg. where more than one class of land or set of regulations is involved)	\$280.00	\$292.00	Yes
Lessor's Consent			
Grant of Lessor's Consent Fee	\$77.70	\$81.00	Yes

ENVIRONMENTAL SOLUTIONS

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Trade Waste Charges			
Laboratory charges - Trade & Industrial sites - Type 1 *	\$243.00	Cost + 10%	Yes
Laboratory charges - Trade & Industrial sites - Type 2 *	\$195.00	Cost + 10%	Yes
Laboratory charges - Trade & Industrial sites - Type 3 *	\$100.90	Cost + 10%	Yes
Laboratory charges - Trade & Industrial sites - Type 4	Cost + 10%	Cost + 10%	Yes
Trade Waste Registration application fee	New	\$220.00	Yes
Controlled or Conditional applicant site assessment	New	\$118.00	Yes
Hourly charge - Environmental Administrator	New	\$350.00	Yes
Hourly charge - Environmental Compliance Officer	\$140.00	\$145.00	Yes
Labour charges (per hour)			
Manager Environmental Solutions	\$169.00	\$170.00	Yes
Environmental Lead	\$159.00	\$160.00	Yes
Environmental Projects Lead	\$132.00	\$160.00	Yes
Environmental Management Officer	\$140.00	\$145.00	Yes
Environmental Compliance Officer	\$140.00	\$145.00	Yes
Environmental Officer	\$140.00	\$145.00	Yes
Environmental Administrator	New	\$118.00	Yes
Environmental Intern	\$127.00	\$120.00	Yes
Waste Minimisation & Recycling			
Waste Minimisation Lead	\$159.00	\$160.00	Yes
Waste Minimisation & Sustainability Officer	\$140.00	\$145.00	Yes
Receptacles			
Recycling crates (each)	\$15.00	\$15.00	Yes
Wheelie Bin (each)	\$85.00	\$85.00	Yes
Pollution response			
Laboratory charges	at cost + 10%	at cost + 10%	Yes
Equipment and consumables	at cost + 10%	at cost + 10%	Yes
Contractor charges	at cost + 10%	at cost + 10%	Yes
Plus hourly labour charges rates (as above)	Standard Labour Charges	Standard Labour Charges	Yes
Types of Trade Waste sites			
Type 1 Trade & Industrial Premises: Tanneries			
Type 2 Trade & Industrial Premises: All industrial and trade premises not utilising metals in their processing that are not tanneries			
Type 3 Trade & Industrial Premises: Industries using metals in their processes that are not tanneries			
Type 4 Trade & Industrial Premises: Trade waste premises not specified in Type 1, 2, 3 categories			

FARADAY CENTRE

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Admission			
Adults	\$9.30	\$9.70	Yes
Children (under 15 years)	\$4.70	\$4.90	Yes
Senior Citizens (65 +) and Community Services Card holders single admission	\$7.80	\$8.10	Yes
Family Pass (2 Adults, 2 Children)	\$25.90	\$27.00	Yes
Annual Pass	\$129.50	\$135.00	Yes
Concession Card (10 trip Adults)	\$77.70	\$81.00	Yes
Concession Card (10 trip Children)	\$41.40	\$43.10	Yes
Group rate Adults	\$7.80	\$8.10	Yes
Group rate Children	\$4.10	\$4.30	Yes
Meeting Room			
Hourly rate	\$41.40	\$43.10	Yes
Morning or Afternoon	\$103.60	\$108.00	Yes
Faraday Centre Private Function (holds up to two hundred people)			

GRAEME LOWE STAND LOUNGES

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Graeme Lowe Stand Lounges			
Times of Hire: Morning is 8.00am to 1.00pm, Afternoon is 1.00pm to 6.00pm, Evening is 6.00pm to 11.00pm and Full Day is 8.00am to 11.00pm. Weekdays are Monday to Thursday, Weekends are Friday to Sunday.			
Performance Bond: Payment of a performance bond is required to confirm a booking. This bond will be refunded after the hire date, less any unpaid hire fees and additional costs incurred by Napier City Council as a result of actions or negligence of the hirer. The performance bond will be refunded if the booking is cancelled at least 30 days before the first hire date.			
Event Day: A day on which an entry charge event is held on the Mclean Park field of play.			
Public Holidays: Additional costs incurred by Napier City Council for bookings on public holidays will be on-charged to the hirer.			
Graeme Lowe Stand Lounge 1			
Performance Bond *	\$414.00	\$430.00	No
Weekday Morning or Afternoon	\$306.00	\$320.00	Yes
Weekday Evening	\$373.00	\$390.00	Yes
Weekday Full day	\$886.00	\$925.00	Yes
Weekends Morning or Afternoon	\$378.00	\$395.00	Yes
Weekends Evening	\$456.00	\$475.00	Yes
Weekends Full day	\$1,114.00	\$1,160.00	Yes
Event Day	\$1,114.00	\$1,160.00	Yes
Graeme Lowe Stand Lounge 2			
Performance Bond *	\$414.00	\$430.00	No
Weekday Morning or Afternoon	\$332.00	\$345.00	Yes
Weekday Evening	\$425.00	\$445.00	Yes
Weekday Full day	\$989.00	\$1,030.00	Yes
Weekends Morning or Afternoon	\$420.00	\$440.00	Yes
Weekends Evening	\$497.00	\$520.00	Yes
Weekends Full day	\$1,248.00	\$1,300.00	Yes
Additional Facilities			
Graeme Lowe Stand Kitchen			
Performance Bond *	\$207.00	\$215.00	No
Morning or Afternoon	\$88.10	\$95.00	Yes
Evening	\$176.00	\$185.00	Yes
Full Day	\$290.00	\$305.00	Yes
Event Day	\$290.00	\$305.00	Yes
Napier City Council Wardens			
Senior Floor Attendant (per hour)	\$62.20	\$65.00	Yes

GREENMEADOWS EAST COMMUNITY HALL

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Main Hall & Kitchen			
Group 1 - Profit-Making Organisations and Family Gatherings			
Hourly charge	\$43.00	\$44.00	Yes
Morning or Afternoon	\$116.00	\$121.00	Yes
Evening	\$177.00	\$184.00	Yes
Whole Day	\$258.00	\$269.00	Yes
Group 2 - Community, Hobby & Sports Groups			
Hourly charge	\$29.50	\$30.00	Yes
Morning or Afternoon	\$86.00	\$89.00	Yes
Evening	\$128.00	\$133.00	Yes
Whole Day	\$172.00	\$179.00	Yes
Meeting Room			
Group 1 - Profit-Making Organisations and Family Gatherings			
Hourly charge	\$19.20	\$20.00	Yes
Morning or Afternoon	\$52.80	\$55.00	Yes
Evening	\$76.70	\$79.00	Yes
Whole Day	\$108.00	\$113.00	Yes
Group 2 - Community, Hobby & Sports Groups			
Hourly charge	\$16.10	\$17.00	Yes
Morning or Afternoon	\$42.50	\$44.00	Yes
Evening	\$57.00	\$59.00	Yes
Whole Day	\$74.60	\$78.00	Yes

INNER HARBOUR

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Permanent Berthage			
Iron Pot			
A minimum length charge applies to these berths as follows: Jull Wharf (10 metres), Nelson Quay Berths 24-37 (7 metres), Nelson Quay Berths 11-23 (9 metres).			
Commercial (per metre per annum)	\$404.00	\$421.00	Yes
Recreational (per metre per annum)	\$353.00	\$355.00	Yes
Meeanee Quay Piers 1 & 2			
A minimum length charge applies to these berths as follows: Meeanee Quay Pier 1 (9 metres), Meeanee Quay Pier 2 Berths 62-72 (12 metres), Meeanee Quay Pier 2 Berths 73-80 (10 metres), Meeanee Quay Pier 2 Berths 81-85 (9 metres).			
Commercial (per metre per annum)	\$404.00	\$421.00	Yes
Recreational (per metre per annum)	\$353.00	\$368.00	Yes
Meeanee Quay Piers 1 & 2 Living on Board Charge			
Living on Board Charge (per week)	\$19.70	\$21.00	Yes
West Quay			
Commercial (per metre per annum)	\$394.00	\$411.00	Yes
Recreational (per metre per annum)	\$340.00	\$354.00	Yes
West Quay Extension (per metre per annum)	\$428.00	\$446.00	Yes
Temporary Berthage & Other Charges			
Visiting Vessels			
Commercial (per day)	\$104.00	\$110.00	Yes
Recreational (per day)	\$26.90	\$30.00	Yes
Rebates & Penalties			
Rebate for Payment of Annual Fees within Specified Time			
Commercial (per metre)	\$22.80	\$24.00	Yes
Recreational (per metre)	\$19.70	\$21.00	Yes
Penalty for Occupying Discharge Berth Outside Normal Discharge Time			
Per day or part thereof	\$596.00	\$620.00	Yes
Penalty for Non-Payment of Annual Fees by Due Date	10%	10%	Yes
Nelson Quay Boat Ramp			
Annual Fee			
Hawke's Bay Sports Fishing Club Members	\$114.00	\$120.00	Yes
Public who are not members of the Hawke's Bay Sports Fishing Club	\$155.00	\$165.00	Yes
Casual Users Fee			
Casual entry fee is \$11.00 per entry. This assumes that parking is not always available within the wharf car park and that a further entry may be required to retrieve the boat. This makes a cost of \$22 per boat launch which is as per the Council approved Fees and Charges Schedule.			
Casual Fee per boat launch	\$20.70	\$22.00	Yes

KENNEDY PARK

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Accommodation			
Peak rates apply in high season, Public Holidays, and other times of high demand. Minimum rates and minimum stays may also apply at these times.			
Group (minimum 20 people) discount prices are available upon application, excluding high season.			
Child 1-14 years. Infants under one year free.			
Park Motels (Rack Rate)			
Standard Rate single/double	\$134.00 - \$363.00	\$140.00 - \$378.00	Yes
Extra Adult	\$27.00 - \$31.00	\$28.00 - \$32.00	Yes
Extra Child	\$23.00 - \$26.00	\$24.00 - \$27.00	Yes
Holiday Units (Rack Rate)			
Standard Rate single/double	\$124.00 - \$311.00	\$129.00 - \$324.00	Yes
Extra Adult	\$27.00 - \$31.00	\$28.00 - \$32.00	Yes
Extra Child	\$23.00 - \$26.00	\$24.00 - \$27.00	Yes
En-Suite Units (Rack Rate)			
Standard Rate single/double	\$115.00 - \$259.00	\$120.00 - \$270.00	Yes
Extra Adult	\$27.00 - \$31.00	\$28.00 - \$32.00	Yes
Extra Child	\$23.00 - \$26.00	\$24.00 - \$27.00	Yes
Cabins (Rack Rate) (Guests use communal bathroom facilities)			
Standard Rate single/double	\$76.00 - \$186.00	\$89.00 - \$194.00	Yes
Extra Adult	\$27.00 - \$31.00	\$28.00 - \$32.00	Yes
Extra Child	\$23.00 - \$26.00	\$24.00 - \$27.00	Yes
Powered Sites / Non Powered Sites (Rack Rate)			
Standard Rate single/double Powered	\$52.00 - \$114.00	\$55.00 - \$119.00	Yes
Standard Rate single/double Unpowered	\$42.00 - \$82.00	\$45.00 - \$85.00	Yes
Extra Adult	\$27.00 - \$31.00	\$28.00 - \$32.00	Yes
Extra Child	\$23.00 - \$26.00	\$24.00 - \$27.00	Yes
Hireage Charges			
Portacot (per day)	\$6.00	\$10.00	Yes
High Chair (per day)	\$6.00	\$10.00	Yes
Portable Barbeque (per two hours)	\$27.00	\$30.00	Yes
Power Adaptor (per day)	\$6.00	\$8.00	Yes
Chiller Key (per day)	\$1.50	\$2.50	Yes
Pedal Car (per hour)	\$10.00	\$10.00	Yes
DVD Player (per day)	\$11.00	\$15.00	Yes
DVD Movie (per day)	\$4.00	\$5.00	Yes
Bicycle	Price on Application	Price on Application	Yes
Conference Venue/Facility Hire			
Conference Venue/Facility Hire	Price on Application	Price on Application	Yes

LIBRARY SERVICES

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Library Services Charges			
Rentals			
Book Rental	No Charge	No Charge	Yes
Book Rental - Best Seller Collection	\$6.20	\$6.50	Yes
DVD Rental - new title, per item 7 days	\$4.10	\$4.50	Yes
DVD Rental per item, including Children's, 7 days	\$2.10	\$2.50	Yes
DVD Rental - series, 14 days	\$6.20	\$6.50	Yes
Extended Loan Charges			
All materials except BestSeller books, BestSeller - per item per day	\$0.57	\$0.60	Yes
BestSeller Collection -s. Per item per day	\$1.60	\$1.70	Yes
Maximum charge per item	\$12.40	\$15.00	Yes
Interloan Charges			
Interloan reciprocal library	\$0.00	\$0.00	Yes
Postage Fee	\$7.30	\$7.60	Yes
Interloan (non reciprocal library admin fee)	\$22.80	\$15.00	Yes
City Loan			
Handling & Shipping Fee	\$7.30	\$5.00	Yes
Membership Cards			
Replacement of Membership Cards	\$5.70	\$6.00	Yes
Research Services			
Per hour with first 15 minutes free	\$51.80	\$54.00	Yes
Photocopying & Printing			
Per A4 sheet Black & White	\$0.31	\$0.40	Yes
Per A3 sheet Black & White	\$0.62	\$0.60	Yes
Per A4 sheet Colour	\$0.93	\$1.00	Yes
Per A3 sheet Colour	\$2.30	\$3.00	Yes
Charges Related to Damaged or Lost Items			
Books with a high replacement value are priced at the discretion of library management			
Item Charges			
Items are charged at individual purchase price as per catalogue record. If a purchase price is not recorded, a standard replacement cost is charged as per the following average item price table	Individual Purchase Price	Individual Purchase Price	Yes
Books			
Books standard replacement cost	\$50.00	\$55.00	Yes
DVD & Audiobooks			
Per Disk standard replacement cost	\$33.20	\$35.00	Yes
Childrens Puzzles			
Children's Puzzles	\$33.20	\$35.00	Yes

LICENCE FEES ENVIRONMENTAL HEALTH

All fees and charges are inclusive of GST (except as noted *).

All Environmental Health Licence fees are charged on an actual and reasonable cost recovery basis. The below fees are a fixed deposit and must be paid at time of submission of the appropriate application. Charges incurred over the deposit will be charged based on the rates below.

	21/22 Fee	Proposed 22/23 Fee	incl GST
Licence Fees			
Food Premises / Food Control Plans Fees under the Food Act 2014			
New Template Food Control Plan Registration	\$242.00	\$252.00	Yes
Renewal of Template Food Control Plan Registration	\$106.00	\$110.00	Yes
Amendment of Food Control Plan Registration (per hour)	\$190.00	\$198.00	Yes
New National Programme Registration	\$242.00	\$252.00	Yes
Renewal of National Programme Registration	\$106.00	\$110.00	Yes
Amendment of National Programme Registration (per hour)	\$190.00	\$198.00	Yes
Verification of Food Control Plan based on template or MPI	\$474.00	\$494.00	Yes
Postponement of Verification of Food Control Plan	\$73.60	\$76.70	Yes
Verification follow up (per hour)	\$166.00	\$173.00	Yes
Compliance and Monitoring	\$166.00	\$173.00	Yes
Hairdressers			
Hairdressers	\$195.00	\$203.00	Yes
Skin Piercing Premises			
Skin Piercing Premises	\$195.00	\$203.00	Yes
Offensive Trades			
Tanneries	\$348.00	\$363.00	Yes
Refuse Collection	\$190.00	\$198.00	Yes
All Other Trades	\$248.00	\$258.00	Yes
Funeral Directors			
Funeral Directors	\$248.00	\$258.00	Yes
Camping Grounds			
Camping Grounds	\$348.00	\$363.00	Yes
Hawkers			
Hawkers	\$106.00	\$110.00	Yes
Mobile Shop			
Mobile Shop	\$190.00	\$198.00	Yes
Noise Control			
Stereo Seizure	\$264.00	\$275.00	Yes
Amusement Devices			
Fees are set by the Amusement Device Regulations 1978			
One device, first 7 days (or part thereof)	\$11.50	\$12.00	Yes
Each additional device, first 7 days (or part thereof)	\$2.30	\$2.40	Yes
Each device each further 7 days (or part thereof)	\$1.30	\$1.40	Yes
Miscellaneous Charges			
Miscellaneous Permits	\$106.00	\$110.00	Yes
Advice over and above 1hr - per hour	\$166.00	\$173.00	Yes
Hourly Rates			
Environmental Health Officer	\$166.00	\$173.00	Yes
Compliance Officer	\$166.00	\$173.00	Yes
Liquor Licence Inspector	\$166.00	\$173.00	Yes
Regulatory Administrator	\$88.10	\$92.00	Yes

LICENCE FEES ENVIRONMENTAL HEALTH CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Street Tables and Chairs			
Street Tables and Chairs	\$264.00	\$275.00	Yes
Street Tables and Chairs Amendment Fee	\$166.00	\$173.00	Yes
Inner City Temporary Commercial Promotion Activity			
Licence to Occupy	\$52.80	\$55.00	Yes
Litter Control			
Infringement fee (maximum)	\$414.00	\$431.00	Yes
Liquor Licence Application Fees			
Fees set by regulation under Sale and Supply of Alcohol Act 2012			
Application Fees			
Very low risk application	\$368.00	\$368.00	Yes
Low risk application	\$609.50	\$609.50	Yes
Medium risk application	\$816.50	\$816.50	Yes
High risk application	\$1,023.50	\$1,023.50	Yes
Very high risk application	\$1,207.50	\$1,207.50	Yes
Annual Fees			
Very low risk premises	\$161.00	\$161.00	Yes
Low risk premises	\$391.00	\$391.00	Yes
Medium risk premises	\$632.50	\$632.50	Yes
High risk premises	\$1,035.00	\$1,035.00	Yes
Very high risk premises	\$1,437.50	\$1,437.50	Yes
Special Licence Applications			
1 to 2 small size events	\$63.25	\$63.25	Yes
3 to 12 small, 1 to 3 medium size events	\$207.00	\$207.00	Yes
All other special licenses / large events	\$575.00	\$575.00	Yes
Other Applications			
Managers Certificate Applications	\$316.25	\$316.25	Yes
Temporary Authority	\$296.70	\$296.70	Yes
Temporary Licence	\$296.70	\$296.70	Yes
Appeal to ARLA	\$517.50	\$517.50	Yes
Permanent Club Charter annual fee	\$632.50	\$632.50	Yes
Extract of Register	\$57.50	\$57.50	Yes

MUSEUM THEATRE GALLERY (MTG)

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Museum, Theatre, Gallery			
Admission			
General Admission	No Charge	No Charge	Yes
Guided Tours (per person)	Price on Application	Price on Application	Yes
Theatre			
Film Admission			
Adults	film specific	film specific	Yes
Student (15 years plus with Student ID)	film specific	film specific	Yes
Senior Citizens (65 +) and Community Services Card holders, and Friends of the Museum	film specific	film specific	Yes
Children (under 15 years)	film specific	film specific	Yes
Venue Rental			
All catering, staffing, audio-visual equipment or services are additional charges - price on application.			
Terms and Conditions apply and are available on application.			
Cancellations made less than 7 days in advance of event may incur an additional fee.			
A minimum charge of 3 hours applies to hourly venue rentals.			
Venue Hire Deposits			
Venue Hire - Corporate and Profit Making Organisations	\$0.00	\$0.00	Yes
Venue Hire - Community and Non Profit Making Organisations	\$0.00	\$0.00	Yes
Theatre Group 1 - Corporate and Profit Making Organisations			
Cleaning fee (one off charge)	\$114.00	\$119.00	Yes
Daytime (8.30am to 12.30pm or 12.30pm to 5.30pm)	\$518.00	\$540.00	Yes
Daytime full day rate	\$881.00	\$899.00	Yes
Evening (5.30pm - 11pm)	\$725.00	\$755.00	Yes
Setup / Pack Out / Rehearsal per hour (including staff costs)	\$104.00	\$108.00	Yes
Theatre Group 2 - Community & Non Profit Making Organisations			
Cleaning fee (one off charge)	\$104.00	\$108.00	Yes
Daytime (8.30am to 12.30pm or 12.30pm to 5.30pm)	\$311.00	\$324.00	Yes
Evening (5.30pm - 11pm)	\$445.00	\$464.00	Yes
Setup / Pack Out / Rehearsal per hour (including staff costs)	\$93.20	\$97.00	Yes
Theatre - Gala Film Screening			
330 tiered seating. Available for fund raising gala screenings.			
Special screening fees for Admissions after 5pm and weekends			
Special Film Screening	Price on Application	Price on Application	Yes
Main Foyer			
Subject to availability.			
Standard fee (up to 4 hours, thereafter \$150.00/hour) - corporate rate	\$673.00	\$700.00	Yes
Standard fee (up to 4 hours, thereafter \$90.00/hour) - community rate	\$383.00	\$399.00	Yes
Century Theatre Foyer			
Subject to availability.			
Standard fee (up to 4 hours, thereafter \$125.00/hour) - corporate rate	\$549.00	\$572.00	Yes
Standard fee (up to 4 hours, thereafter \$75.00/hour) - community rate	\$332.00	\$346.00	Yes

MUSEUM THEATRE GALLERY (MTG) CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Education Suite Group 1 - Corporate & Profit Making Organisations			
35 seating theatre style.			
Subject to availability.			
Evening (5.30pm - 11pm)	\$311.00	\$324.00	Yes
Education Suite Group 2 - Community & Non Profit Making Organisations			
35 seating theatre style.			
Subject to availability.			
Evening (5.30pm - 11pm)	\$259.00	\$270.00	Yes
Equipment Hire			
Pianos			
Community and student rates available on request.			
Concert Piano - (Steinway) Per concert	\$326.00	\$340.00	Yes
Piano - (Bechstein) Per concert	\$88.10	\$92.00	Yes
Piano - (Bechstein) Per lunchtime concert	\$35.20	\$37.00	Yes
Piano Tuning (per tuning)	\$181.00	\$189.00	Yes
Education Programmes			
Per Student - Primary	\$2.50	\$2.50	Yes
Per Student - Secondary	\$4.50	\$4.50	Yes
Per Student - Tertiary	\$10.40	\$11.00	Yes
Per Student - Port Programme	\$0.00	\$0.00	Yes
Accompanying Adult / Teacher	No Charge	No Charge	Yes
Self Guided - School Groups	No Charge	No Charge	Yes
School Holiday Programmes	Price on Application	Price on Application	Yes
Special Programmes & Pre-Schools	Price on Application	Price on Application	Yes
Archive			
Image Delivery			
Postage	Price on Application	Price on Application	Yes
Photography			
Photography per hour (where NO suitable image is available)	\$67.30	\$70.00	Yes
Photography - Per scanned image	\$23.30	\$24.50	Yes
Photography - Disk	\$6.20	\$6.50	Yes
Photography - Reproduction fee per image	\$36.30	\$38.00	Yes
Reproduction			
Personal, non commercial & websites	No Charge	No Charge	Yes
Published, commercial interior image	\$38.40	\$40.00	Yes
Merchandise, book cover and advertising	\$230.00	\$240.00	Yes
Research			
Research - Hourly rate	\$67.30	\$70.00	Yes
Photocopying			
Photocopying - Standard (per page)	\$1.30	\$1.40	Yes
Photocopying - Manuscript (per page)	Price on Application	Price on Application	Yes

NAPIER AQUATIC CENTRE

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Napier Aquatic Centre			
Cash Admission			
Adults single admission	\$5.10	\$5.30	Yes
Children (5 years and over) single admission	\$3.90	\$4.10	Yes
Children (under 5 years, accompanied by adult in water) single admission	No Charge	No Charge	Yes
Senior Citizens (65 +) and Community Services Card holders single admission	\$3.90	\$4.10	Yes
General Spectators	\$1.70	\$1.80	Yes
Club Member	\$1.70	\$1.80	Yes
Waterslide (unlimited rides) - additional to entry fee per person	\$5.10	\$5.30	Yes
Concession Cards			
Child (10-Swim Cards)	\$35.20	\$36.70	Yes
Child (20-Swim Cards)	\$69.40	\$72.30	Yes
Child (50-Swim Cards)	\$168.00	\$175.00	Yes
Adult (10-Swim Cards)	\$45.60	\$47.50	Yes
Adult (20-Swim Cards)	\$90.10	\$93.90	Yes
Adult (50-Swim Cards)	\$223.00	\$232.00	Yes
Community Card Holder (10-Swim Cards)	\$35.20	\$36.70	Yes
Community Card Holder (20-Swim Cards)	\$69.40	\$72.30	Yes
Community Card Holder (50-Swim Cards)	\$168.00	\$175.00	Yes
Club Member (10-Swim Cards)	\$14.00	\$14.60	Yes
Club Member (20-Swim Cards)	\$27.80	\$29.00	Yes
Club Member (50-Swim Cards)	\$68.90	\$71.80	Yes
Aqua Aerobics (10-Swim Cards)	\$51.80	\$54.00	Yes
Aqua Aerobics (20-Swim Cards)	\$104.00	\$108.00	Yes
Aqua Aerobics (50-Swim Cards)	\$259.00	\$270.00	Yes
Pool Hire Charges			
All pool hire charges on a per-hour basis			
Schools			
Entry fee is exclusive for hire of the following facilities except for single lane hire.			
Single Lane (plus Club Member entry fee per pupil)	\$9.90	\$10.30	Yes
Slide Special	\$3.10	\$3.20	Yes
Old Pool	\$71.50	\$74.50	Yes
Ivan Wilson 25-metre Pool	\$83.90	\$87.40	Yes
Old Learners Pool	\$39.00	\$40.60	Yes
Regular Club Hires : Per Hour			
Entry fee is exclusive for hire of the following facilities except for single lane hire.			
Single Lane (plus club entry fee per pool user)	\$9.90	\$10.30	Yes
Old Pool	\$71.50	\$74.50	Yes
Ivan Wilson 25-metre Pool	\$83.90	\$87.40	Yes
Casual Hires : Per Hour			
Entry fee is exclusive for hire of the following facility			
Old Pool	\$96.30	\$100.30	Yes
Learn 2 Swim (Includes admission charge)			
Please contact the Swim School Co-ordinator for Learn 2 Swim Charges or visit our website at www.napieraquatic.co.nz			
Aquafitness			
Per Session	\$5.70	\$5.90	Yes

NAPIER WAR MEMORIAL CENTRE

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Venue Rental			
Rental covers air-conditioned facility and room set to client's specifications.			
All catering, audio-visual equipment and other equipment or services are additional charges - price on application.			
Terms and Conditions			
Terms and Conditions apply and are available on application.			
Ballroom			
Group 1 - Corporate Organisations			
Morning (8.00am - 12.30pm)	\$846.00	\$882.00	Yes
Afternoon (12.30pm - 5.00pm)	\$846.00	\$882.00	Yes
Full day rate (8.00am - 5.00pm)	\$1,410.00	\$1,469.00	Yes
Evening (5.00pm - Midnight)	\$1,095.00	\$1,141.00	Yes
Group 2 - Community Organisations			
Morning (8.00am - 12.30pm)	\$363.00	\$441.00	Yes
Afternoon (12.30pm - 5.00pm)	\$363.00	\$441.00	Yes
Evening (5.00pm - Midnight)	\$495.00	\$570.50	Yes
Group 3 - Weddings			
Afternoon (12.30pm - 5.00pm)	\$308.00	Replaced	Yes
Evening (5.00pm - Midnight)	\$776.00	Replaced	Yes
Evening (12.30pm - Midnight) *	Replacement	\$1,300.00	Yes
* Fee includes Gallery and Small Exhibition Hall			
Small Exhibition Hall			
Group 1 - Corporate Organisations			
Morning (8.00am - 12.30pm)	\$555.00	\$578.00	Yes
Afternoon (12.30pm - 5.00pm)	\$555.00	\$578.00	Yes
Full day rate (8.00am - 5.00pm)	\$925.00	\$964.00	Yes
Evening (5.00pm - Midnight)	\$720.00	\$750.00	Yes
Group 2 - Community Organisations			
Morning (8.00am - 12.30pm)	\$231.00	\$289.00	Yes
Afternoon (12.30pm - 5.00pm)	\$231.00	\$289.00	Yes
Evening (5.00pm - Midnight)	\$319.00	\$375.00	Yes
Group 3 - Weddings			
Afternoon (12.30pm - 5.00pm)	\$198.00	Replaced	Yes
Evening (5.00pm - Midnight)	\$497.00	Replaced	Yes
Evening (12.30pm - Midnight) *	Replacement	\$900.00	Yes
* Fee includes Gallery			
Gallery			
Group 1 - Corporate Organisations			
Morning (8.00am - 12.30pm)	\$363.00	\$378.00	Yes
Afternoon (12.30pm - 5.00pm)	\$363.00	\$378.00	Yes
Full day rate (8.00am - 5.00pm)	\$605.00	\$630.00	Yes
Evening (5.00pm - Midnight)	\$470.00	\$490.00	Yes
Group 2 - Community Organisations			
Morning (8.00am - 12.30pm)	\$165.00	\$189.00	Yes
Afternoon (12.30pm - 5.00pm)	\$165.00	\$189.00	Yes
Evening (5.00pm - Midnight)	\$220.00	\$245.00	Yes
Group 3 - Weddings			
Evening (5.00pm - Midnight)	\$344.00	Removed	Yes

NAPIER WAR MEMORIAL CENTRE CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Breakout Room One			
Group 1 - Corporate Organisations			
Morning (8.00am - 12.30pm)	\$294.00	\$306.00	Yes
Afternoon (12.30pm - 5.00pm)	\$294.00	\$306.00	Yes
Full day rate (8.00am - 5.00pm)	\$490.00	\$511.00	Yes
Evening (5.00pm - Midnight)	\$380.00	\$396.00	Yes
Group 2 - Community Organisations			
Morning (8.00am - 12.30pm)	\$121.00	\$153.00	Yes
Afternoon (12.30pm - 5.00pm)	\$121.00	\$153.00	Yes
Evening (5.00pm - Midnight)	\$165.00	\$198.00	Yes
Breakout Room Two			
Group 1 - Corporate Organisations			
Morning (8.00am - 12.30pm)	\$419.00	\$437.00	Yes
Afternoon (12.30pm - 5.00pm)	\$419.00	\$437.00	Yes
Full day rate (8.00am - 5.00pm)	\$698.00	\$727.00	Yes
Evening (5.00pm - Midnight)	\$540.00	\$563.00	Yes
Group 2 - Community Organisations			
Morning (8.00am - 12.30pm)	\$171.00	\$218.50	Yes
Afternoon (12.30pm - 5.00pm)	\$171.00	\$218.50	Yes
Evening (5.00pm - Midnight)	\$237.00	\$281.50	Yes
Boardroom			
All Users			
Morning (8.00am - 12.30pm)	\$210.00	\$219.00	Yes
Afternoon (12.30pm - 5.00pm)	\$210.00	\$219.00	Yes
Full day rate (8.00am - 5.00pm)	\$350.00	\$365.00	Yes
Evening (5.00pm - Midnight)	\$270.00	\$281.00	Yes
Large Exhibition Hall			
Group 1 - Corporate Organisations			
Morning (8.00am - 12.30pm)	\$606.00	\$631.00	Yes
Afternoon (12.30pm - 5.00pm)	\$606.00	\$631.00	Yes
Full day rate (8.00am - 5.00pm)	\$1,010.00	\$1,052.00	Yes
Evening (5.00pm - Midnight)	\$785.00	\$818.00	Yes
Group 2 - Community Organisations			
Morning (8.00am - 12.30pm)	\$259.00	\$315.50	Yes
Afternoon (12.30pm - 5.00pm)	\$259.00	\$315.50	Yes
Evening (5.00pm - Midnight)	\$396.00	\$409.00	Yes

NAPIER I-SITE VISITOR CENTRE

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Napier i-SITE Visitor Centre			
Paid Advertising Display (per annum)			
10% Hawke's Bay Operator Discount (Applies to Brochure Display Pocket rate only)			
Product Page Display	\$132.00	\$138.00	Yes
1 Pocket Display	\$451.00	\$460.00	Yes
Poster (A1) (Includes one pocket)	Rate Available on Request	Rate Available on Request	Yes
Other Advertising Features	Rate Available on Request	Rate Available on Request	Yes
Cruise - Stand & Advertising Options	Rate Available on Request	Rate Available on Request	Yes
i-SITE New Zealand Nationwide Standard Charges			
Standard travel industry commission charges of 10 to 20% on operator on bookings			
Charges for information requested and reservations made outside of Hawke's Bay as required			
Communication and Search Fee - standard	\$16.50	\$17.20	Yes
Communication and Search Fee - special event	\$22.00	\$22.90	Yes

NAPIER MUNICIPAL THEATRE

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Theatre Hire			
Professional (per day)			
Terms and conditions apply, available on application.			
Performance day hire includes the use of the stage, auditorium, foyers for entrance, dressing rooms, cleaning of public areas and use of the house sound and lighting as installed at the time of the hire. Also included is one Municipal Theatre technician for a maximum of eight hours. This technician is required to be on duty at all times whilst you are in the venue to oversee your hire and is not part of the set-up crew. All hours in excess of eight on performance days and including pack-in/out and rehearsal days are chargeable on the final invoice.			
Energy charges as per meter reading and additional staffing costs are chargeable on final invoice.			
Professional (per day)	\$3,416.00	\$3,559.00	Yes
Setup/pack-out	\$802.00	\$836.00	Yes
Rehearsal	\$1,304.00	\$1,359.00	Yes
Deposit required *	\$1,304.00	\$1,250.00	No
Community (per day)			
Terms and conditions apply, available on application.			
Performance day hire includes the use of the stage, auditorium, foyers for entrance, dressing rooms, cleaning of public areas and use of the house sound and lighting as installed at the time of the hire. Also included is one Municipal Theatre technician for a maximum of eight hours. This technician is required to be on duty at all times whilst you are in the venue to oversee your hire and is not part of the set-up crew. All hours in excess of eight on performance days and including pack-in/out and rehearsal days are chargeable on the final invoice.			
Energy charges as per meter reading and additional staffing costs are chargeable on final invoice.			
Community (per day)	\$2,031.00	\$2,116.00	Yes
Setup/pack-out	\$464.00	\$483.00	Yes
Rehearsal	\$802.00	\$836.00	Yes
Deposit required *	\$802.00	\$800.00	No
Public Meetings (per day)			
Terms and conditions apply, available on application.			
Includes the use of the fore-stage only, auditorium, Port of Napier foyer for entrance, house sound and lighting as installed at time of hire.			
Energy charges as per meter reading and additional staffing costs are chargeable on final invoice.			
Public Meetings (per day)	\$1,304.00	\$1,359.00	Yes
Setup/pack-out	\$464.00	\$483.00	Yes
Deposit required *	\$464.00	\$450.00	No
Individual Room Hire (per hour)			
Terms and conditions apply, available on application			
Minimum 3-hour hire of any area applies. In general bookings are accepted/confirmed only within a six-week period prior to the proposed date. All other costs (staffing, equipment, energy, catering and cleaning) are chargeable on final invoice.			
Pan Pac Foyer			
Pan Pac Foyer - Including Port of Napier Foyer	\$163.00	\$170.00	Yes
Napier Building Society Mezzanine			
Napier Building Society Mezzanine - only with other areas	\$75.20	\$78.40	Yes
Westpac Bank Function Room			
Westpac Bank Function Room	\$75.20	\$78.40	Yes
Rotary Room			
Rotary Room	\$50.10	\$52.20	Yes
Pianos			
Community and student rates are available on request			

NAPIER MUNICIPAL THEATRE CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Municipal Theatre Steinway			
Concert Hire (per performance)	\$376.00	\$392.00	Yes
Lunchtime concerts in foyer (per performance)	\$107.00	\$111.00	Yes
Non-performance hires in foyer (per hour)	\$43.90	\$45.70	Yes
Piano Tuning (per tuning)	Price On Application	Price On Application	Yes
Municipal Theatre Yamaha Upright or Challen Grand			
Piano hire (per performance)	\$107.00	\$111.00	Yes
Piano hire (non-performance)	\$43.90	\$45.70	Yes
Piano Tuning (per tuning)	Price On Application	Price On Application	Yes
Equipment Hire (per day)			
Other equipment can be sourced as required through local agencies			

NATIONAL AQUARIUM OF NEW ZEALAND

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Admissions			
General Admissions			
Adults	\$24.00	\$25.00	Yes
Child (from 3 up to 14 years)	\$12.00	\$12.50	Yes
Children (under 3 years)	No Charge	No Charge	Yes
Student	\$22.00	\$23.00	Yes
Family (2 adults & up to 2 children)	\$65.00	\$67.00	Yes
Senior Citizens (65 +) and Community Services Card holders	\$17.50	\$18.50	Yes
Extra Child	\$7.50	\$8.00	Yes
Close Encounters			
Penguins/Alligators (per person) (maximum of 4)	\$138.00	\$140.00	Yes
Friends of the Aquarium Membership			
Adult	\$69.00	\$70.00	Yes
One Adult/One Child	\$100.00	\$105.00	Yes
Family (2 adults and up to 2 children)	\$160.00	\$165.00	Yes
Extra Child	\$26.00	\$27.00	Yes
School Parties			
Pre-school and Special Schools	\$4.10	\$4.10	Yes
Primary	\$5.20	\$5.20	Yes
Secondary	\$7.30	\$7.30	Yes
Tertiary	\$11.90	\$11.90	Yes
Extra Adult	\$12.40	\$12.40	Yes
Group Discount (10 or more people)			
Adult	\$21.60	\$22.50	Yes
Child (from 3 up to 14 years)	\$10.80	\$11.50	Yes
Birthday Parties			
Conditions apply, and are available on request	Price on Application	Price on Application	Yes
Accessibility			
Accompanying Caregivers	No Charge	No Charge	Yes
Accessibility	\$12.50	\$14.00	Yes
Holiday Programme			
Per Person - Short Program	\$41.40	\$44.00	Yes
Per Person - Full Program	\$50.00	\$52.00	Yes
Extended pickup time fee	\$10.00	\$12.00	Yes
Technical Staff			
Per Hour	Price on Application	Price on Application	Yes

NATIONAL AQUARIUM OF NEW ZEALAND CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Functions			
Aquarium Exhibition Hall			
Catering, entertainment and other equipment or services are additional charges - prices on application			
Charge Per Hour (Daytime)	\$210.00	\$220.00	Yes
Evening (Including Diver charges)			
Corporate Rate	\$990.00	\$1,000.00	Yes
Charity Rate	\$750.00	\$800.00	Yes
East Coast LAB			
Charge Per Hour (Daytime)	\$125.00	\$130.00	Yes
1/2 Day			
Corporate Rate	\$450.00	\$475.00	Yes
Charity Rate	\$300.00	\$320.00	Yes
Full Day			
Corporate Rate	\$830.00	\$880.00	Yes
Charity Rate	\$620.00	\$620.00	Yes
Evening			
Corporate Rate	\$650.00	\$680.00	Yes
Charity Rate	\$460.00	\$480.00	Yes
Education Room (Half day and Full day only on weekend days)			
Charge Per Hour (Daytime)	\$80.00	\$85.00	Yes
1/2 Day			
Corporate Rate	\$265.00	\$275.00	Yes
Charity Rate	\$180.00	\$190.00	Yes
Full Day			
Corporate Rate	\$520.00	\$540.00	Yes
Charity Rate	\$360.00	\$375.00	Yes
Evening			
Corporate Rate	\$365.00	\$380.00	Yes
Charity Rate	\$285.00	\$295.00	Yes
Availability			
Half day period - 8:00am to 12:30pm and 12:30pm to 5:00pm			
Full day period - 7:30am to 5:00pm			
Evening period - 5:00pm to 9:00pm			

PAR 2 MINIGOLF

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Par2 MiniGolf			
All green fees are for one 18-hole game per person.			
Green Fees			
Child (2 years and under accompanied by a paying adult)	No Charge	No Charge	Yes
Child (3 to 14 years of age)	\$7.60	\$7.80	Yes
Adult	\$10.90	\$11.20	Yes
Family (2 Adults and 2 children)	\$29.50	\$30.00	Yes
Family (additional child)	\$4.90	\$5.00	Yes
Return Game - Adult	\$8.00	\$8.30	Yes
Return Game - Child	\$5.10	\$5.30	Yes
Return Game - Family	\$21.50	\$22.40	Yes
Return Game - Family (additional Child)	\$4.00	\$4.20	Yes
Spectators	No Charge	No Charge	Yes
Senior Citizens (65 +) and Community Services Card holders	\$7.90	\$8.20	Yes
Groups of 10 or More			
Group Rate - Children: 10 to 29 pax	\$6.20	\$6.50	Yes
Group Rate - Secondary (15 years and over): 10 to 29 pax	\$8.10	\$8.40	Yes
Group Rate - Adults: 10 to 29 pax	\$9.20	\$9.50	Yes
Group Rate - Children: 30+ pax	\$5.50	\$5.70	Yes
Group Rate - Secondary (15 years and over): 30+ pax	\$7.50	\$7.80	Yes
Group Rate - Adults: 30+ pax	\$8.50	\$8.70	Yes
After Hours Group Rates			
Par 2 MiniGolf is available after hours for group bookings - terms and conditions apply and are available on request.			

PARKING

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Parking Fees			
Time restrictions may apply			
Metered fees (per hour)	\$1.00	\$1.00	Yes
Pay and Display (per hour)	\$1.00	\$1.00	Yes
Discounted Daily rate at specified car parks	\$5.00	\$5.00	Yes
Specific Parking fees			
Dickens Street East car park per hour (max stay 2 hours)	\$2.00	\$2.00	Yes
Lee Road car park per hour (max stay 3 hours)	\$0.60	\$0.60	Yes
Symons Lane - All on lane parking per hour (max stay 3 hours)	\$0.60	\$0.60	Yes
Symons Lane car park per hour (max stay 4 hours)	\$0.60	\$0.60	Yes
Leased Parking fees			
Leased carparking (per week)	\$25.00	\$25.00	Yes
Dalton Street leased car parking (per week)	\$30.00	\$30.00	Yes
Edwardes Street Leased car parking (per week)	\$15.00	\$15.00	Yes
Secure Leased Parking	\$35.00	\$35.00	Yes
Riddell Street Leased car parking (per week)	\$10.00	\$10.00	Yes
Hastings Street leased car parking (per week)	\$30.00	\$30.00	Yes
Supplementary Services			
Parking Permit (per day)	\$15.00	\$16.00	Yes
Meter Shroud (per day)	\$20.00	\$20.00	Yes
Car Pound			
Storage of impounded vehicle first month	\$60.00	\$63.00	Yes
Storage of impounded vehicle per week after first month	\$35.00	\$37.00	Yes
Infringement Fees			
Any parking offence involving parking on a road in breach of a Local Authority bylaw, in excess of a period fixed by a meter or otherwise, where the excess time is one of the times stated below.			
The Land Transport (Road User) Rule 2004 specifies parking offences that incur a penalty, and the maximum fees councils can charge drivers.			
Parking Infringement Fees are not subject to GST.			
Infringement Fees			
Not more than 30 minutes (less a \$2.00 discount if paid within seven days of issue)	\$12.00	\$12.00	Yes
More than 30 minutes, but not more than one hour (less a \$2.00 discount if paid within seven days of issue)	\$15.00	\$15.00	Yes
More than one hour but not more than two hours (less a \$2.00 discount if paid within seven days of issue)	\$21.00	\$21.00	Yes
More than 2 hours but not more than 4 hours (less a \$3.00 discount if paid within seven days of issue)	\$30.00	\$30.00	Yes
More than 4 hours but not more than 6 hours (less a \$3.40 discount if paid within seven days of issue)	\$42.00	\$42.00	Yes
More than 6 hours (less a \$5.00 discount if paid within seven days of issue)	\$57.00	\$57.00	Yes
Street Occupation			
Licence for occupation at ground level or \$0.05/m	\$55.00	\$57.30	Yes
Charge against damage to Council property (whole frontage) per m	\$7.00	\$7.30	Yes
Removal or replacement of parking meters and signs each	\$35.00	\$36.50	Yes
Removal and reinstatement of roadmarking, per metre.	\$6.00	\$6.30	Yes
Vehicle Disposal (admin \$75 + disposal)	\$165.00	\$200.00	Yes
Locked in vehicles	New	Cost plus 10%	Yes

PARKS AND RESERVES

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Reserves			
Occupation and use of any public Park or Reserve by either a commercial operation, circus, Mardi Gras, Gypsy Fair or entertainment group, which intend to charge a public admission or sell products for financial gain			
Rental (per day)	\$432.00	\$450.00	Yes
Bond (refundable only if grounds and amenities are left in good order)*	\$1,243.00	\$1,200.00	No
Community Events which are free to the public			
Use of grounds & amenities	No Charge	No Charge	Yes
Bond (refundable only if grounds and amenities are left in good order)*	\$1,243.00	\$1,200.00	No
Perfume Point Reserve (HB Sport Fishing Club)			
Use of sealed public car park for marquee : (per day)	\$269.00	\$280.00	Yes
Use of grass reserve for vehicle and boat trailer parking : (per day)	\$512.00	\$534.00	Yes

PLANNING SUPPORT SERVICES

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Geographic Information Services (GIS)			
Map Requests			
A request that involves less than 15 minutes to produce			
A0 Paper Size	\$55.70	\$58.00	Yes
A1 Paper Size	\$33.50	\$35.00	Yes
A2 Paper Size	\$16.70	\$17.00	Yes
Special Map Request Charges			
Specialised maps are those which require new layers to be added, analysis work and/or specialised printing techniques. In addition to the printing charges outlined above (same as every-day map requests) there is a charge based on actual time taken plus any disbursements.			
Hourly Charge-Out Rate			
GIS Officers	\$117.00	\$122.00	Yes
Planning Administration			
Disbursements			
Plan Copying A0 (per sheet)	\$16.70	\$17.40	Yes
Plan Copying A1 (per sheet)	\$11.20	\$11.70	Yes
Plan Copying A2 (per sheet)	\$5.60	\$5.80	Yes
Photocopying A4/A3 Assisted	\$1.10	\$1.20	Yes
Full Digital property file	\$41.40	\$43.00	Yes
Digital building file only	\$31.10	\$32.00	Yes
Subsequent request following receipt of digital building file	\$15.50	\$16.50	Yes
Property Number Map Book	\$33.40	\$35.00	Yes
Certificate of Title	\$27.80	\$29.00	Yes
Hourly Rates			
Administration Staff	\$83.60	\$87.00	Yes

POLICY PLANNING

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Policy Planning			
Policy Charges			
Request to Change District Plan	\$21,072.00	\$22,000.00	Yes
Notice of Requirement (Sec 168)	\$21,072.00	\$22,000.00	Yes
Alteration of Designation (Sec 181) - Non Notified	\$1,580.00	\$1,650.00	Yes
Alteration of Designation (Sec 181) - Notified	\$10,536.00	\$11,000.00	Yes
Removal of Designation (Sec 182)	\$335.00	\$350.00	Yes
Officers' Hourly Rates - Planning (per hour)	\$190.00	\$200.00	Yes
Officers' Hourly Rates - Administration (per hour)	\$83.60	\$90.00	Yes

PUBLIC TOILETS AND SHOWERS

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Marine Parade Toilet (Soundshell)			
Toilets			
Adults & Children 5 years and over	No Charge	No Charge	Yes
Children under 5 years	No Charge	No Charge	Yes
Showers			
Shower charge	\$3.30	\$3.50	Yes
Hire of towel (includes soap)	\$2.30	\$2.50	Yes
Lockers			
Lockers will be opened after the end of the hire period and will be available for rehire			
Deposit *	\$12.60	\$12.50	No
Charge up to 4 hours	\$1.10	\$1.50	Yes
Charge over 4 hours (same day)	\$2.30	\$2.50	Yes
A daily charge for each additional day or part thereof will apply after the first day	\$2.30	\$2.50	Yes
Bike Store			
Deposit *	\$12.60	\$12.50	No
Charge up to 4 hours	\$1.10	\$1.50	Yes
Charge over 4 hours (same day)	\$2.30	\$2.50	Yes

REFUSE TRANSFER STATION

All fees and charges are inclusive of GST (except as noted *).

0.036

3.6%

	21/22 Fee	Proposed 22/23 Fee	incl GST
Refuse Transfer Station Charges			
Tonnages are obtained via calibrated weighbridge, minus the weight of the vehicle, in 20kg increments.			
No fixed charge for individual rubbish bags – minimum charges apply.			
Government waste levy and ETS (Emissions Trading Scheme) charges are incorporated in the rate for general refuse.			
Fridges, freezers and batteries will only be accepted after paying general waste charges. This is because of high costs to de-gas these appliances and high cost of recycling batteries.			
Discount for bulk waste account holders dumping a tonnage in excess of 500 tonnes per annum is disestablished.			
All Vehicles			
Green waste (per tonne)	\$124.00	\$125.00	Yes
General Refuse (per tonne)	\$300.00	\$320.00	Yes
Discount for separating Green waste	\$6.20	\$6.00	Yes
Waste oil, paint, fridges, freezers and batteries are weighed as part of your load and charged at general refuse rate to help cover disposal costs			
Minimum Charges			
General refuse (applies to loads under 50kg)	\$15.00	\$15.00	Yes
General refuse (applies to loads up to 100kg)	\$30.00	\$30.00	Yes
Green waste (applies to loads under 50kg)	\$10.40	\$10.00	Yes
Green waste (applies to loads up to 100kg)	\$14.50	\$15.00	Yes
Fixed Charges			
Polystyrene & Bulk packaging (per cubic metre)	\$72.50	\$75.50	Yes
Car tyres (each); Motorcycle or quad bike tyres (single or pair) Truck or Tractor tyres not accepted	\$8.30	\$8.00	Yes
Charge to re-issue lost inwards docket	\$12.50	\$0.00	Yes
Recycling			
Paper + cardboard, glass, cans + plastics (type 1,2) and scrap metal at the recycling station	No Charge	No Charge	Yes

RODNEY GREEN CENTENNIAL EVENT CENTRE

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Rodney Green Centennial Event Centre			
Times of Hire: Morning is 8.00am to 1.00pm, Afternoon is 1.00pm to 6.00pm, Evening is 6.00pm to 11.00pm and Full Day is 8.00am to midnight (unless specified otherwise).			
Performance Bond: Payment of a performance bond is required to confirm a booking. This bond will be refunded after the hire date, less any unpaid hire fees and additional costs incurred by Napier City Council as a result of actions or negligence of the hirer. The performance bond will be refunded if the booking is cancelled at least 30 days before the first hire date.			
Seasonal Hire: A booking for 20 or more sessions over one year (a session is a morning, afternoon, or evening).			
Public Holidays: Additional costs incurred by Napier City Council for bookings on public holidays will be on-charged to the hirer.			
Discount for Sports Tournaments. Only applies if the tournament's principal venue is the Rodney Green Centennial Event Centre. Discount may be negotiated at the time of booking with the Manager of Sport and Recreation, based on economic benefit the tournament brings to the city.			
Local Sports Bodies - Seasonal Hire			
Performance Bond *	\$622.00	\$648.00	No
Morning or Afternoon	\$114.00	\$119.00	Yes
Evening	\$186.00	\$194.00	Yes
Full Day	\$306.00	\$319.00	Yes
Sports Bodies, Not for Profit, and Local Community Benefit			
Performance Bond *	\$622.00	\$648.00	No
Morning or Afternoon	\$269.00	\$280.00	Yes
Evening	\$404.00	\$421.00	Yes
Full Day	\$715.00	\$745.00	Yes
Commercial			
Performance Bond *	\$622.00	\$648.00	No
Morning or Afternoon	POA	POA	Yes
Evening to Midnight	POA	POA	Yes
Full Day to Midnight	POA	POA	Yes
Per hour after midnight	POA	POA	Yes
Additional Facilities			
Kitchen			
Performance Bond *	\$207.00	\$216.00	No
Morning or Afternoon	\$72.50	\$75.50	Yes
Evening	\$88.10	\$91.80	Yes
Full Day	\$176.00	\$183.00	Yes
Dining Room			
Performance Bond *	\$207.00	\$216.00	No
Morning or Afternoon	\$62.20	\$64.80	Yes
Evening	\$72.50	\$75.50	Yes
Full Day	\$135.00	\$141.00	Yes
Combined Kitchen and Dining Room			
Performance Bond *	\$207.00	\$216.00	No
Morning or Afternoon	\$93.20	\$97.10	Yes
Evening	\$119.00	\$124.00	Yes
Full Day	\$228.00	\$238.00	Yes
Meeting Room			
Performance Bond *	\$207.00	\$216.00	No
Morning or Afternoon	\$62.20	\$64.80	Yes
Evening	\$72.50	\$75.50	Yes
Full Day	\$135.00	\$141.00	Yes

RODNEY GREEN CENTENNIAL EVENT CENTRE CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Changing Rooms			
Male and female per day	\$41.40	\$43.10	Yes
BasketBall Hoops			
Price estimates or quotations provided on application	Price on Application	Price on Application	Yes
Custodian			
Cleaning and other services during hire period (per hour)	\$46.60	\$48.60	Yes
Napier City Council Wardens			
Senior Floor Attendant (per hour)	\$62.20	\$64.80	Yes
Floor Protection Cover (Carpet Tiles)			
Price estimates or quotations provided on application	Price on Application	Price on Application	Yes

SOUNDSHELL

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Soundshell			
Shows			
Use of stage and backstage area for a free community event or for commercial events	No Charge	No Charge	Yes
Group 1 - Profit-Making Organisations and Family Gatherings			
Hourly charge	\$25.90	\$27.00	Yes
Morning or Afternoon	\$71.00	\$74.00	Yes
Evening	\$106.00	\$110.00	Yes
Whole Day	\$148.00	\$154.00	Yes
Group 2 - Community, Hobby & Sports Groups			
Hourly charge	\$21.20	\$22.10	Yes
Morning or Afternoon	\$58.00	\$60.40	Yes
Evening	\$78.70	\$82.00	Yes
Whole Day	\$106.00	\$110.00	Yes

SPORTSGROUNDS

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Sportsgrounds			
Performance Bond: A performance bond is required to confirm a booking for a one-off event or tournament. This bond will be refunded after the hire date, less any unpaid hire fees and additional costs incurred by Napier City Council as a result of actions or negligence of the hirer. The performance bond will be refunded if the booking is cancelled at least 30 days before the hire date.			
Seasonal Hire: A booking for up to 20 competition matches on any one sports ground over one season.			
Season Definition: Winter (April to August inclusive); Summer (October to March inclusive). Out of season games will be charged at the one-off rate.			
Admission Charge: Where the hirer charges an admission fee, the hire fee is as scheduled or 20% of the gate, whichever is greater.			
Cancellation: Cancellation charges will apply when Council has incurred preparatory costs and cancellation is not due to the weather. This includes junior sports.			
Junior (Local Competition): Maximum school year 8.			
Discount for Sports Tournaments: Only applies if the tournament's principal venue is Onekawa Park (Netball), Nelson Park (Cricket) or Park Island. Discount may be negotiated at the time of booking with the Sports Facilities Manager, based on economic benefit the tournament brings to the city.			
One-off Games: Includes, but is not limited to, out-of season, friendly and trial games.			
Practice: One team only and must be booked - more than one team will be treated as a trial or friendly game and will be charged at the one-off game rate.			
Charges for Unbooked Games: A penalty rate of 150% of the one-off game rate will be charged for any game played without an approved booking.			
Public Holidays: Additional costs incurred by Napier City Council for bookings on public holidays will be on-charged to the hirer.			
Sports Tournaments - Open Ground			
Performance Bond *	Price on Application	Price on Application	No
Tournament charge	As per charges for the code	As per charges for the code	Yes
Ground remarking	\$86.00	\$90.00	Yes
Cleaning changing rooms per visit (Park Island) Weekdays	\$153.00	\$160.00	Yes
Cleaning changing rooms per visit (Park Island) Weekends and after hours	\$264.00	\$275.00	Yes
Cleaning changing rooms per visit (Park Island) Statutory Holidays	\$754.00	\$785.00	Yes
Rubbish bins (additional to standard supply)	\$20.70	\$30.00	Yes
Electricity usage	Actual usage	Actual usage	Yes
Other services required	Price on application	Price on application	Yes
Non-Sporting Events: Community - Open Ground			
Performance Bond *	Price on Application	Price on Application	No
Event charge - per day, per winter playing field	\$106.00	\$110.00	Yes
Cleaning changing rooms per visit (Park Island) Weekdays	\$153.00	\$160.00	Yes
Cleaning changing rooms per visit (Park Island) Weekends and After Hours	\$264.00	\$275.00	Yes
Cleaning changing rooms per visit (Park Island) Statutory Holidays	\$754.00	\$785.00	Yes
Rubbish bins (additional to standard supply)	\$20.70	\$30.00	Yes
Electricity usage	Actual usage	Actual usage	Yes
Other services required	Price on application	Price on application	Yes
Events: Commercial and / or Admission - Open Ground			
Performance Bond *	Price on Application	Price on Application	No
Event charge - per day, per winter playing field	\$501.00	\$525.00	Yes
Cleaning changing rooms per visit (Park Island) Weekdays	\$153.00	\$160.00	Yes
Cleaning changing rooms per visit (Park Island) Weekends and After Hours	\$264.00	\$275.00	Yes
Cleaning changing rooms per visit (Park Island) Statutory Holidays	\$754.00	\$785.00	Yes
Rubbish bins (additional to standard supply)	\$20.70	\$30.00	Yes
Electricity usage	Actual usage	Actual usage	Yes
Other services required	Price on application	Price on application	Yes

SPORTSGROUNDS CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Rugby			
Rugby: Seasonal Sporting Competition - Open Ground			
Seasonal charge per ground (20 competition matches maximum)	\$1,039.00	\$1,085.00	Yes
One-off games	\$111.00	\$115.00	Yes
7-aside seasonal charge per ground (20 competition matches maximum)	\$517.00	\$540.00	Yes
7-aside one-off games	\$26.90	\$28.00	Yes
Junior (Local Competition)	No Charge	No Charge	Yes
Booked practice (one team only)	No Charge	No Charge	Yes
Rubbish bins (additional to standard supply)	\$20.70	\$30.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services required (including remarking of grounds)	Price on Application	Price on Application	Yes
Touch Rugby			
Touch Rugby: Seasonal Sporting Competition - Open Ground			
Seasonal charge per ground (20 competition matches maximum)	\$517.00	\$540.00	Yes
One-off games	\$26.90	\$28.00	Yes
Booked practice (one team only)	No Charge	No Charge	Yes
Rubbish bins (additional to standard supply)	\$20.70	\$30.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services required (including remarking of grounds)	Price on Application	Price on Application	Yes
Football (Soccer)			
Football: Seasonal Sporting Competition - Open Ground			
Seasonal charge per ground (20 competition matches maximum)	\$1,039.00	\$1,085.00	Yes
One-off games	\$111.00	\$115.00	Yes
7-aside seasonal charge per ground (20 competition matches)	\$527.00	\$540.00	Yes
7-aside one-off games	\$26.90	\$28.00	Yes
Junior (Local Competition)	No Charge	No Charge	Yes
Booked practice (one team only)	No Charge	No Charge	Yes
Rubbish bins (additional to standard supply)	\$20.70	\$30.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services required (including remarking of grounds)	Price on Application	Price on Application	Yes
Rugby League			
Rugby League: Seasonal Sporting Competition - Open Ground			
Seasonal charge per ground (20 competition matches maximum)	\$785.00	\$820.00	Yes
One-off games	\$80.80	\$85.00	Yes
7-aside or Tag Football seasonal charge per ground (20 competition matches)	\$391.00	\$405.00	Yes
7-aside or Tag Football one-off games	\$21.80	\$23.00	Yes
Junior (Local Competition)	No Charge	No Charge	Yes
Booked practice (one team only)	No Charge	No Charge	Yes
Rubbish bins (additional to standard supply)	\$20.70	\$30.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services required (including remarking of grounds)	Price on Application	Price on Application	Yes

SPORTSGROUNDS CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Softball			
Softball: Seasonal Sporting Competition - Open Ground			
Seasonal charge per ground (20 competition matches maximum)	\$591.00	\$615.00	Yes
One-off games	\$86.00	\$90.00	Yes
Junior (Local Competition)	No Charge	No Charge	Yes
Booked practice (one team only)	No Charge	No Charge	Yes
Rubbish bins (additional to standard supply)	\$20.70	\$30.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services required (including remarking of grounds)	Price on Application	Price on Application	Yes
Cricket: Seasonal Sporting Competition - Open Ground			
Charges include morning and evening preparation only (for example, use of covers during the day is the responsibility of the hirer).			
Grass Wickets (Nelson Park)			
Seasonal charge per wicket (20 club competition matches maximum; one match per day)	\$3,005.00	\$3,130.00	Yes
Club practice (20 weeks; 2 nights per week; 2 wickets)	\$3,005.00	\$3,130.00	Yes
Representative practice (per day; 1 wicket)	\$153.00	\$160.00	Yes
One off game (except as specified below)	\$295.00	\$305.00	Yes
One off game (twilight; outfield wicket)	\$153.00	\$160.00	Yes
One off game (50 over)	\$295.00	\$305.00	Yes
One off game (twenty/20)	\$121.00	\$125.00	Yes
Two day game (consecutive days; one pitch)	\$406.00	\$425.00	Yes
Three day game (consecutive days; one pitch)	\$611.00	\$640.00	Yes
Four day game (consecutive days; one pitch)	\$812.00	\$846.00	Yes
Five day game (consecutive days; one pitch)	\$1,012.00	\$1,055.00	Yes
Women's 40 over game	\$280.00	\$295.00	Yes
Junior representative (grass at representative practice rate)	\$153.00	\$160.00	Yes
Artificial Wickets			
Seasonal charge per wicket (20 club competition matches maximum)	\$1,145.00	\$1,195.00	Yes
One off game	\$59.10	\$62.00	Yes
Junior (Local Competition)	No Charge	No Charge	Yes
Additional Charges			
Rubbish bins (additional to standard supply)	\$20.70	\$30.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services required (including remarking of grounds)	Price on Application	Price on Application	Yes
Tennis			
Tennis Charges			
Petane Domain - 3 courts (annual charge)	\$1,656.00	\$1,725.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services required	Price on application	Price on application	Yes
Athletics			
Athletics Charges			
Napier - per season	\$1,804.00	\$1,880.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services required	Price on application	Price on application	Yes

SPORTSGROUNDS CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Netball			
Netball Charges			
Onekawa Park - 12 courts (full year charge)	\$6,191.00	\$6,450.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services required	Price on application	Price on application	Yes
McLean Park			
For events with two or more consecutive days of use, the minimum charge shall apply for the first day. Charges for additional days will be negotiated with the hirer.			
20% of gate clause in General Terms applies			
Rugby and Cricket - Charge Ground			
Per day minimum charge (excluding floodlights)	\$2,874.00	\$2,995.00	Yes
Floodlights hire (per hour of use)	\$1,434.00	\$1,495.00	Yes
Other services and facilities required	Price on Application	Price on Application	Yes
Other Hirers - Charge Ground			
Performance Bond *	Price on Application	Price on Application	No
Per day minimum charge	\$2,896.00	\$3,020.00	Yes
Floodlights hire (per hour of use)	\$1,425.00	\$1,485.00	Yes
Evacuation Controller and Senior Stand Attendants (per hour)	\$62.20	\$65.00	Yes
Electricians or Technicians on Standby - per hour	\$100.50	\$105.00	Yes
Video screen	\$1,621.00	\$1,690.00	Yes
Scoreboard	\$104.00	\$110.00	Yes
Video Screen Technician - per hour	\$104.00	\$110.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services and facilities required	Price on Application	Price on Application	Yes
Tremain Field (Park Island)			
20% of gate clause in General Terms applies.			
Rugby Union and Rugby League - Charge Ground			
Seasonal charge per ground (20 matches maximum)	\$1,097.00	\$1,145.00	Yes
One off game charge	\$116.00	\$120.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Other services required	Price on application	Price on application	Yes
Bluewater Stadium (Park Island)			
20% of gate clause in General Terms applies.			
Charge Ground			
Preparation outside normal work hours (per hour - labour, plant and materials)	Actual Cost	Actual Cost	Yes
Seasonal charge per ground (20 matches maximum)	New	\$1,145.00	Yes
One off game charge	New	\$120.00	Yes
Other services required	Price on application	Price on application	Yes
Non football use	Price on application	Price on application	Yes
McRae Field (Park Island)			
Rugby Union and Rugby League - Charge Ground			
Seasonal charge per ground (20 matches maximum)	New	\$1,145.00	Yes
One off game charge	New	\$120.00	Yes
Preparation outside normal work hours (per hour - labour, plant and materials)	New	Actual Cost	Yes
Other services required	New	Price on application	Yes

STORMWATER

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Stormwater Connections			
All minimum charges are per connection			
Steel Kerb Connection 90mm Equivalent			
Steel Connection to Kerb & Channel - Deposit	\$686.00	\$715.00	Yes
Double Connection to Kerb and Channel - Deposit	\$1,058.00	\$1,102.00	Yes
100mm Connection			
Utility Location (Corridor access request/Road crossing) -work in road reserve only - Fee	\$606.00	\$631.00	Yes
150mm Connection to Stormwater Pipe - Minimum deposit charge due on application	\$806.00	\$840.00	Yes
Plus a charge per metre of - Open ground pipelaying - Fee	\$268.00	\$279.00	Yes
Plus a charge per metre of - Sealed road/footpath pipelaying - Fee	\$450.00	\$469.00	Yes
Larger Than 150mm Connection			
For a diameter larger than 150mm all costs including street restoration to be to applicant. Quotations available on request.			
All minimum payments are non-refundable			
Minimum Charge for Commercial/Subdivision Pipe >150mm connections due on application - Deposit	\$716.00	\$746.00	Yes
Service Marking for Council Water, Stormwater and Sewers			
Provision of as built plans	No Charge	No Charge	Yes
Per Hour - Marking large diameter pumping and/or gravity mains	\$150.00	\$156.00	Yes
Per Hour - Marking of Stormwater, sewer and water mains	\$150.00	\$156.00	Yes
Additional items			
Connection Application Fee (charge per hour, non refundable)	\$83.90	\$87.40	Yes

SUBDIVISION AND LAND DEVELOPMENT

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Processing of Resource Consents (Subdivision)			
These set fees relate to the minimum charge only. Actual fee payable includes the cost of time taken to process each application, memorandum, consent, notice, certificate or schedule, the cost of disbursements, plus any inspections required.			
Planning			
Scheme Plan Approval (0-10 lots)	\$1,054.00	Replaced	Yes
Scheme Plan Approval (11-20 lots)	\$2,212.00	Replaced	Yes
Scheme Plan Approval (greater than 20 lots)	\$2,631.00	Replaced	Yes
Subdivision Controlled	Replacement	\$1,800.00	Yes
Subdivision Restricted Discretionary	Replacement	\$3,000.00	Yes
Subdivision Discretionary	Replacement	\$4,500.00	Yes
Subdivision Non Complying	Replacement	\$5,000.00	Yes
Amendments to Flats/Crosslease	\$632.00	\$659.00	Yes
Certification Fee (223 & 348)	\$212.00	\$500.00	Yes
Certificate of Compliance (224) Regulatory Engineering	\$477.00	\$600.00	Yes
Certificate of Compliance (224) Regulatory Engineering			
Rights of Way Approval	\$368.00	\$383.00	Yes
Document Sealing/Signing Fee	\$126.00	\$131.00	Yes
Site Visit Fee	\$157.00	\$164.00	Yes
Monitoring Inspection in relation to any consent, designation, or site inspection	\$326.00	\$340.00	Yes
Property File Management Fee (charged per consent)	\$77.70	\$81.00	Yes
Hourly Rates			
Regulatory Engineering	\$169.00	\$176.00	Yes
Team Leader Planning and Compliance	\$186.00	\$194.00	Yes
Senior/Principal Resource Consents Planner	\$176.00	\$183.00	Yes
Resource Consents Planner	\$166.00	\$173.00	Yes
Regulatory Administrator	\$88.10	\$92.00	Yes
Consultants' and solicitors' fees associated with all work types, including the processing of a consent or certificate (including specialist technical or legal advice or where a consent involves creating legal instruments)	Charged at cost plus disbursements	Charged at cost plus disbursements	
The following costs are for attendances by the City Solicitors on behalf of Council for the preparation and arrangement of legal documentation.			
Costs			
Bond (includes Caveat) *	\$641.00	\$668.00	No
Release of Bond (includes Caveat) *	\$506.00	\$527.00	No
Release of Bond and issue of replacement Bond (includes withdrawal of existing Caveat and creation of new Caveat) *	\$875.00	\$912.00	No
Easement (per document)	\$506.00	\$527.00	Yes
Covenant (per document)	\$506.00	\$527.00	Yes
Certificate under Building Act	\$408.00	\$425.00	Yes
Release of Certificate, Caveat	\$278.00	\$290.00	Yes
Consent	\$244.00	\$254.00	Yes
Release of Consent Notice, Fencing Covenant	\$342.00	\$356.00	Yes
Lease Renewal	\$580.00	\$604.00	Yes
Freeholding	\$580.00	\$604.00	Yes

SUBDIVISION AND LAND DEVELOPMENT CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Engineering Approval (Assets)			
Proposed works in terms of the code of practice			
The charges apply where the proposed works are in terms of D and E of the code.			
Where the proposed works are not in terms of D and E of the code but subject to specific design then the actual cost is charged.			
Minimum charge (for up to 3 lots)	\$212.00	\$221.00	Yes
Per lot for each additional over 3	\$32.30	\$33.70	Yes
Minimum charge (staff time hourly rate) (Where there is insufficient information or amendments are required, additional charges may be made)	\$169.00	\$176.00	Yes
Bond for Completion of - As Built - Plans			
Bond for - As Built - plans are required for stand-alone projects (not part of a subdivision) that include infrastructure that is to be taken over by Council.			
Bond calculated at 5% of estimated cost of project with a minimum of \$6,076 *	\$5,831.00	\$6,076.00	No
Construction - Acceptance of Pipe Assets	\$0.00	\$0.00	Yes
Wastewater - Sewerage			
Initial inspection, water-tightness test, CCTV inspection and final inspection.			
Minimum charge	\$223.00	\$232.00	Yes
Per lot for each additional over 3	\$56.90	\$59.30	Yes
Stormwater			
Initial inspection, water-tightness test, CCTV inspection and final inspection.			
Minimum charge	\$223.00	\$232.00	Yes
Per lot for each additional over 3	\$56.90	\$59.30	Yes
Water Supply			
Initial inspection, pressure test, disinfection, residual check and flushing and final inspection			
Minimum charge	\$425.00	\$443.00	Yes
Per lot for each additional over 3	\$70.20	\$73.10	Yes
Charging by Metre Length			
Where charging by number of lots is inappropriate the following charges per metre apply			
Sewerage - Minimum charge	\$223.00	\$232.00	Yes
Sewerage - Per meter	\$2.70	\$2.80	Yes
Stormwater - Minimum charge	\$223.00	\$232.00	Yes
Stormwater - Per meter	\$2.70	\$2.80	Yes
Water Supply - Minimum charge	\$424.00	\$442.00	Yes
Water Supply - Per meter	\$2.70	\$2.80	Yes
Roading and Reserves			
Roading - Fixed Charge (initial inspections for construction of new roads)	\$589.00	\$614.00	Yes
Roading - plus a Per Lot charge of	\$28.50	\$29.70	Yes
Reserves - Minimum Charge (initial inspections for development of new reserves)	\$669.00	\$697.00	Yes
Reserves - Additional Inspection Charge	\$128.00	\$133.00	Yes
Financial Contributions			
In the District Plan (refer to Rule 65.14) the formula for the increase in Financial Contributions is based on the movement in the Statistics NZ Producers Price Index (PPI) Inputs Table E Index.			
Infill			
Urban (per lot)	\$28,210.10	\$30,376.52	Yes
Urban - Multi-Story (per dwelling unit)	\$22,735.24	\$24,481.22	Yes
Urban - Multi-Story (plus per hectare - Stormwater)	\$65,699.80	\$70,745.28	Yes
Jervois town: Full urban (per lot) non local off site	\$24,856.94	\$26,765.85	Yes
Jervois town: Full urban (plus: per lot) local off site	\$97,746.18	\$105,252.70	Yes
Ahuriri (per lot)	\$28,210.10	\$30,376.52	Yes
Ahuriri - Multi-Story (per dwelling unit)	\$22,735.24	\$24,481.22	Yes
Ahuriri - Multi-Story (plus per hectare - Stormwater)	\$65,699.80	\$70,745.28	Yes

SUBDIVISION AND LAND DEVELOPMENT CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Greenfields			
King St / Guppy Rd (per dwelling unit)	\$23,704.34	\$25,524.74	Yes
King St / Guppy Rd (plus per hectare - Stormwater)	\$222,066.88	\$239,120.74	Yes
King St / Guppy Rd (plus per metre Guppy Road frontage - if applicable)	\$821.44	\$884.52	Yes
King St / Guppy Rd (less: per metre Guppy Road frontage roading structure plan credit - where applicable)	\$555.30	\$597.94	Yes
Lagoon Farm (per lot)	\$25,410.31	\$27,361.72	Yes
Mission Heights (per lot)	\$21,890.86	\$23,571.99	Yes
Park Island (per lot)	\$25,669.79	\$27,641.13	Yes
Te Awa (per lot)	\$23,533.74	\$25,341.04	Yes
Te Awa (plus: per hectare) local off site	\$562,868.76	\$606,094.85	Yes
Te Awa (plus: per meter of road frontage - where applicable)	\$3,652.78	\$3,933.30	Yes
Rural			
Poraiti (per lot)	\$19,194.28	\$20,668.32	Yes
Lifestyle Character (per lot)	\$23,704.34	\$25,524.74	Yes
Lifestyle Character: Plus for lots not connected to a stormwater system discharging above the flood detention dam in Kent Terrace	\$2,926.70	\$3,151.46	Yes
All other rural areas including subdistrict rural (per lot)	\$20,441.00	\$22,010.79	Yes
Jervois town (per lot) non local off site	\$20,109.00	\$21,653.29	Yes
Jervois town (plus: per lot - road) Applies to the area west of Jervois Road, North of Meeanee Road and South of Burness Road	\$8,445.00	\$9,093.54	Yes
Jervois town (plus: per lot - stormwater) Applies to those properties that drain to the Upper Purimu Drain	\$9,845.00	\$10,601.06	Yes
Jervois town (plus: per lot - stormwater) Applies to those properties that drain to the Jervois Drain	\$125,209.00	\$134,824.55	Yes
Capital Contributions			
Bay View Water Supply (per domestic connection)	\$3,213.20	\$3,459.96	Yes
Bay View Financial Contributions			
This schedule of charges for Financial Contributions is charged under Council's Development and Financial Contributions Policy. It is indexed on 1st July based on the movement in the Statistics NZ Producers Price Index (PPI) Inputs Table E Index.			
Bay View Water Supply (commercial)			
The Greater of:			
(1) 15mm connection, or	\$3,213.00	\$3,459.75	Yes
(2) the sum of:			
(2a) Non residential based:			
(i) Offices and Shops			
- Gross Floor area (\$ per m2)	\$12.80	\$13.78	Yes
- plus Pervious Land area (\$ per m2)	\$4.90	\$5.28	Yes
(ii) Warehouses			
- Gross Floor area (\$ per m2)	\$6.40	\$6.89	Yes
- plus Pervious Land area (\$ per m2)	\$4.90	\$5.28	Yes
(iii) Unsealed yards (\$ per m2)	\$4.90	\$5.28	Yes
(2b) Residential based			
(i) Residential Care, Travellers Accommodation and Retirement Complexes			
- Population per Head	\$467.00	\$502.86	Yes
- plus Pervious Land area (\$ per m2)	\$4.80	\$5.17	Yes
(ii) Day Care Centres and Educational Facilities			
- Population per Head	\$235.00	\$253.05	Yes
- plus Pervious Land area (\$ per m2)	\$4.80	\$5.17	Yes

SUBDIVISION AND LAND DEVELOPMENT CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Bay View Wastewater (Commercial)			
The Greater of:			
(1) Bay View wastewater connection charge, or	See sewer connection charges	See sewer connection charges	Yes
(2) the sum of:			
(2a) Non residential based:			
(i) Offices and Shops			
- Gross Floor area (\$ per m2)	\$8.70	\$9.37	Yes
(ii) Warehouses			
- Gross Floor area (\$ per m2)	\$4.20	\$4.52	Yes
(2b) Residential based			
(i) Residential Care, Travellers Accommodation and Retirement Complexes			
- Population per Head	\$326.00	\$351.04	Yes
(ii) Day Care Centres and Educational Facilities			
- Population per Head	\$163.00	\$175.52	Yes
Napier Financial Contributions			
Transportation			
Roads and Transportation	\$13,284.75	\$14,304.97	Yes
Water Supply Contribution (Non-Residential Based)			
Offices and Shops			
- Gross floor area (\$ per m2)	\$8.00	\$8.61	Yes
- Plus pervious land area (\$ per m2)	\$3.00	\$3.23	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Medical Clinics/Hospitals			
- Gross floor area (\$ per m2)	\$10.00	\$10.77	Yes
- Plus pervious land area (\$ per m2)	\$3.00	\$3.23	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Warehouses / Factories / Network Utility Operations			
- Gross floor area (\$ per m2)	\$4.00	\$4.31	Yes
- Plus pervious land area (\$ per m2)	\$3.00	\$3.23	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Unsealed Yards			
- Pervious land area (\$ per m2)	\$3.00	\$3.23	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Churches			
- Per Church	\$3,988.00	\$4,294.26	Yes
- Plus pervious land area (\$ per m2)	\$3.00	\$3.23	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Wastewater Contribution (Non-Residential Based)			
Offices and Shops			
- Gross floor area (\$ per m2)	\$5.60	\$6.03	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes

SUBDIVISION AND LAND DEVELOPMENT CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Wastewater Contribution (Non-Residential Based)			
Medical Clinics/Hospitals			
- Gross floor area (\$ per m2)	\$6.95	\$7.48	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Warehouses / Factories / Network Utility Operations			
- Gross floor area (\$ per m2)	\$2.80	\$3.02	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Churches			
- per Church	\$2,781.65	\$2,995.27	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Stormwater Contribution (Non-Residential Based)			
Offices and Shops - Land area (\$ per m2)	\$5.50	\$5.92	Yes
Medical Clinics/Hospitals - Land area (\$ per m2)	\$5.50	\$5.92	Yes
Warehouses / Factories / Network Utility Operations - Land area (\$ per m2)	\$5.50	\$5.92	Yes
Unsealed Yards - Land area (\$ per m2)	\$1.40	\$1.51	Yes
Churches - Land area (\$ per m2)	\$5.50	\$5.92	Yes
Water Supply Contribution (Residential Based)			
Residential Care Facilities			
- Population (\$ per head)	\$300.00	\$323.04	Yes
- Plus pervious land area (\$ per m2)	\$3.00	\$3.23	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Travellers Accommodation			
- Population (\$ per head)	\$300.00	\$323.04	Yes
- Plus pervious land area (\$ per m2)	\$3.00	\$3.23	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Day Care Centres			
- Population (\$ per head)	\$151.00	\$162.60	Yes
- Plus pervious land area (\$ per m2)	\$3.00	\$3.23	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Educational Facilities			
- Population (\$ per head)	\$151.00	\$162.60	Yes
- Plus pervious land area (\$ per m2)	\$3.00	\$3.23	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Retirement Complexes			
- Population (\$ per head)	\$297.00	\$319.81	Yes
- Plus pervious land area (\$ per m2)	\$3.00	\$3.23	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Wastewater Contribution (Residential Based)			
Residential Care Facilities			
- Population (\$ per head)	\$208.90	\$224.94	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Travellers Accommodation			

SUBDIVISION AND LAND DEVELOPMENT CONTINUED

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	cl GST
Wastewater Contribution (Residential Based)			
- Population (\$ per head)	\$208.90	\$224.94	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Day Care Centres			
- Population (\$ per head)	\$104.50	\$112.53	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Educational Facilities			
- Population (\$ per head)	\$104.50	\$112.53	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Retirement Complexes			
- Population (\$ per head)	\$208.90	\$224.94	Yes
- or equivalent wastewater connection, whichever is greater	See Equivalent Connections	See Equivalent Connections	Yes
Stormwater Contribution (Residential Based)			
Residential Care Facilities - Land area (\$ per m2)	\$5.50	\$5.92	Yes
Travellers Accommodation - Land area (\$ per m2)	\$5.50	\$5.92	Yes
Day Care Centres - Land area (\$ per m2)	\$5.50	\$5.92	Yes
Educational Facilities - Land area (\$ per m2)	\$5.50	\$5.92	Yes
Retirement Complexes - Land area (\$ per m2)	\$5.50	\$5.92	Yes
Equivalent Connections			
15mm Diameter - Water Connection	\$2,040.00	\$2,196.66	Yes
15mm Diameter - Wastewater Connection	\$1,425.00	\$1,534.43	Yes
20mm Diameter - Water Connection	\$3,632.00	\$3,910.92	Yes
20mm Diameter - Wastewater Connection	\$2,543.00	\$2,738.29	Yes
25mm Diameter - Water Connection	\$5,673.00	\$6,108.66	Yes
25mm Diameter - Wastewater Connection	\$3,972.00	\$4,277.03	Yes
32mm Diameter - Water Connection	\$9,293.00	\$10,006.67	Yes
32mm Diameter - Wastewater Connection	\$6,508.00	\$7,007.79	Yes
40mm Diameter - Water Connection	\$14,507.00	\$15,621.08	Yes
40mm Diameter - Wastewater Connection	\$10,156.00	\$10,935.94	Yes
50mm Diameter - Water Connection	\$22,667.00	\$24,407.74	Yes
50mm Diameter - Wastewater Connection	\$15,867.00	\$17,085.52	Yes
80mm Diameter - Water Connection	\$58,021.00	\$62,476.78	Yes
80mm Diameter - Wastewater Connection	\$40,616.00	\$43,735.15	Yes
100mm Diameter - Water Connection	\$90,663.00	\$97,625.56	Yes
100mm Diameter - Wastewater Connection	\$63,465.00	\$68,338.86	Yes

CO-LAB TARADALE

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Meeting Room			
Group 1 - Profit-Making Organisations and Family Gatherings			
Hourly charge	\$25.90	\$26.00	Yes
Morning or Afternoon	\$71.00	\$74.00	Yes
Evening	\$105.70	\$110.00	Yes
Whole Day	\$147.60	\$153.00	Yes
Group 2 - Community, Hobby & Sports Groups			
Hourly charge	\$21.20	\$22.00	Yes
Morning or Afternoon	\$58.00	\$60.00	Yes
Evening	\$78.70	\$82.00	Yes
Whole Day	\$105.70	\$110.00	Yes

TARADALE TOWN HALL

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Town Hall			
Group 1 - Profit-Making Organisations and Family Gatherings			
Hourly charge	\$51.80	\$54.00	Yes
Morning or Afternoon	\$149.00	\$155.00	Yes
Evening	\$285.00	\$297.00	Yes
Whole Day	\$414.00	\$431.00	Yes
Group 2 - Community, Hobby & Sports Groups			
Hourly charge	\$42.50	\$44.00	Yes
Morning or Afternoon	\$104.00	\$108.00	Yes
Evening	\$150.00	\$156.00	Yes
Whole Day	\$238.00	\$248.00	Yes
Rotary Lounge			
Group 1 - Profit-Making Organisations and Family Gatherings			
Hourly charge	\$42.50	\$44.00	Yes
Morning or Afternoon	\$114.00	\$119.00	Yes
Evening	\$174.00	\$181.00	Yes
Whole Day	\$254.00	\$265.00	Yes
Group 2 - Community, Hobby & Sports Groups			
Hourly charge	\$29.00	\$30.00	Yes
Morning or Afternoon	\$85.00	\$87.00	Yes
Evening	\$126.00	\$131.00	Yes
Whole Day	\$169.00	\$176.00	Yes

TOWN PLANNING RESOURCE CONSENTS

All fees and charges are inclusive of GST (except as noted *).

All Town Planning Resource Consents fees are charged on an actual and reasonable cost recovery basis. The below fees are a fixed deposit and will be invoiced to you at the time the application is determined to be accepted. Charges incurred over the deposit will be charged based on the rates below.

	21/22 Fee	Proposed 22/23 Fee	incl GST
Development Charges			
Development Charges (Section 36 Resource Management Act)			
Land Use Controlled Non Notified Resource Consent	\$948.00	Replaced	Yes
Land Use Restricted Discretionary Non Notified Resource Consent (multi-unit)	\$1,054.00	Replaced	Yes
Land Use Controlled	Replacement	\$1,300.00	Yes
Land Use Restricted Discretionary	Replacement	\$2,000.00	Yes
Land Use Discretionary	Replacement	\$2,500.00	Yes
Land Use Non Complying	Replacement	\$3,500.00	Yes
Notified Resource Consent	\$10,536.00	\$10,979.00	Yes
Limited Notification Resource Consent	\$8,429.00	\$8,783.00	Yes
Variation of Conditions - Non Notified	\$632.00	Replaced	Yes
Change/Cancel Condition (Variation) Land Use	Replacement	\$1,200.00	Yes
Change/Cancel Condition (Variation) Subdivision	Replacement	\$1,200.00	Yes
Variation of Conditions - Notified	\$3,818.00	\$4,000.00	Yes
Boundary Activity	\$316.00	\$329.00	Yes
Temporary/Marginal Activity	\$316.00	\$329.00	Yes
Pre-Application Advice (over and above 1 hour)	Hourly rate	Hourly rate	Yes
Resource Consent Monitoring	\$166.00	\$173.00	Yes
Set Fees			
These set fees relate to the minimum charge only. Actual fee payable includes the cost of time taken to process each application, memorandum, consent, notice, certificate or schedule, the costs of disbursements, plus any inspections required.			
Certificate of Compliance (Sec 139)	\$632.00	\$659.00	Yes
Existing Use Certificate	\$632.00	\$659.00	Yes
Extension of Resource Consent Expiry Fee (Sec 125)	\$632.00	Replaced	Yes
Extension of Resource Consent Expiry Fee (Sec 125) Land Use	Replacement	\$1,000.00	Yes
Extension of Resource Consent Expiry Fee (Sec 125) Subdivision	Replacement	\$800.00	Yes
Outline Plan Lodgement (Sec 176A)	\$948.00	\$1,200.00	Yes
Review of Decisions (Sec 357)	\$1,844.00	\$1,921.00	Yes
Overseas Investment Certificate	\$632.00	\$659.00	Yes
Resource Management Certificate for Sale and Supply of Alcohol 2012	\$104.00	\$108.00	Yes
Property File Management Fee (charged per consent)	\$77.70	\$81.00	Yes
Moveable Signs Within CBD			
CBD Sandwich Boards Signage Fee	\$155.00	\$162.00	Yes
Hourly Rates			
Consultants' and solicitors' fees associated with all work types, including the processing of a consent or certificate (including specialist technical or legal advice or where a consent involves creating legal instruments)	Charged at cost plus disbursements	Charged at cost plus disbursements	
Regulatory Engineering	\$169.00	\$176.00	Yes
Team Leader Planning and Compliance	\$186.00	\$194.00	Yes
Senior/Principal Resource Consents Planner	\$176.00	\$183.00	Yes
Resource Consents Planner	\$166.00	\$173.00	Yes
Regulatory Administrator	\$88.10	\$91.80	Yes
Land Information Memorandum			
LIM			
Residential and Rural	\$316.00	\$329.00	Yes
Commercial and Industrial	\$471.00	\$491.00	Yes

TRANSPORTATION

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Roading			
Street Banners			
Erect and take down (one fee includes both)	\$158.00	\$165.00	Yes
Corridor and Traffic Management			
Corridor Access Requests	\$374.00	Replaced	Yes
Traffic Management Plans	\$251.00	Replaced	Yes
Additional Inspections (per additional inspection)	\$118.00	Replaced	Yes
Up to 10 Days			
Excavation	Replacement	\$650.00	Yes
Non-Excavation	Replacement	\$260.00	Yes
11 days to 6 months			
Excavation	Replacement	\$1,300.00	Yes
Non-Excavation	Replacement	\$520.00	Yes
6 months to 12 months			
Excavation	Replacement	\$2,600.00	Yes
Non-Excavation	Replacement	\$1,040.00	Yes
Additional Inspections	Replacement	\$150.00	Yes
Service Marking for Council Water, Stormwater and Sewers			
Provision of as built plans	No Charge	No Charge	Yes
Marking large diameter sewer pumping mains	No Charge	No Charge	Yes
Marking large diameter trunk mains	No Charge	No Charge	Yes
Per Hour - Marking of Stormwater, sewer and water mains (applies to service authorities that charge for their services to be marked)	\$115.00	\$120.00	Yes

SEWERAGE

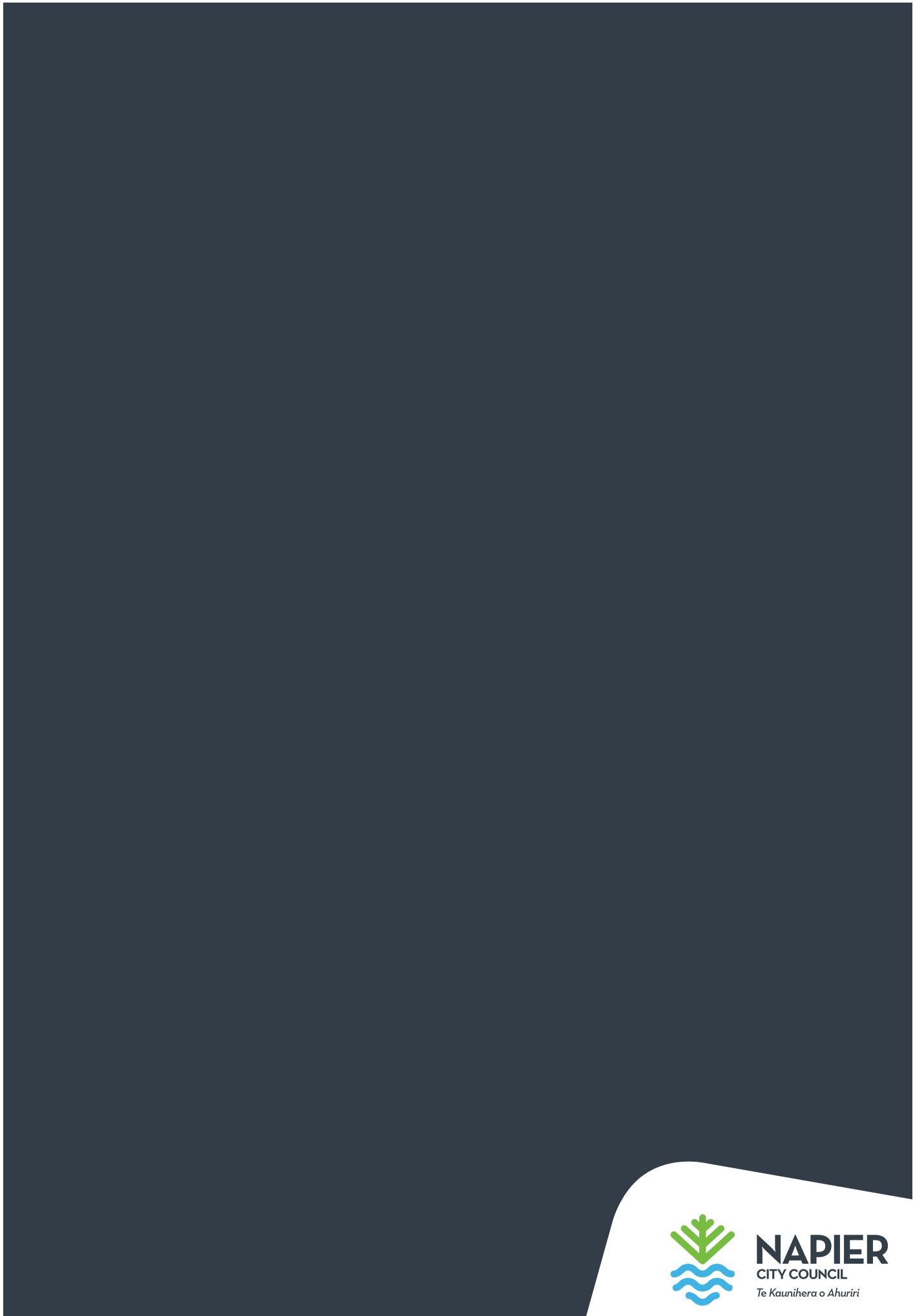
All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Sewer Connections			
Minimum Charges are per connection and non refundable			
100mm Diameter Connection			
Utility Location (Corridor access request/Road crossing) -work in road reserve only - Fee	\$606.00	\$631.00	Yes
100mm diameter connection - Deposit (minimum charge)	\$1,690.00	\$1,761.00	Yes
Plus a charge per metre of - Open ground pipelaying - Fee	\$320.00	\$333.00	Yes
Plus a charge per metre of - Sealed road/footpath pipelaying - Fee	\$501.00	\$522.00	Yes
Larger Than 100mm Diameter Connection (industrial, Commercial, Subdivision)			
All costs including street restoration to be charged to applicant. Quotations available on request.			
Minimum Charge	\$1,690.00	\$1,761.00	Yes
Disconnection/Reuse			
Disconnection/Reuse - Fee	\$499.00	\$520.00	Yes
Video Inspection			
Video Inspection Charge (per hour) - minimum one hour	\$205.00	\$214.00	Yes
Bay View Connections (Stage 1 Village)			
All Connections to Stage 1 - Fixed fee to connect plus actual costs of connection	\$16,740.00	\$17,443.00	Yes
Service Marking for Council Water, Stormwater and Sewers			
Provision of as built plans	No Charge	No Charge	Yes
Per Hour - Marking large diameter trunk mains	\$150.00	\$156.00	Yes
Per Hour - Marking of Stormwater, sewer and water mains	\$150.00	\$156.00	Yes
Trade Waste Charges			
City Charge			
Existing Trade Waste Customers - Charge Per cubic metre	\$0.84	\$0.88	Yes
Industry to be phased into Trade waste charging system - Charge Per cubic metre	\$0.84	\$0.88	Yes
Awatoto and Pandora Charge			
Awatoto Charge Per cubic metre	\$0.29	\$0.30	Yes
Pandora Charge Per cubic metre	\$0.56	\$0.58	Yes
Tanker Discharge			
Per Load at Milliscreen Plant			
Monday to Friday 7.00am to 4.00pm & Saturday 6.30am to 10.00am (Non Statutory Days)			
Tankers (\$ per cubic metre)	\$10.80	\$11.30	Yes
After Hours - A minimum additional charge. (Additional Charges to recover overtime, days in lieu etc may apply)	\$207.00	\$216.00	Yes
Additional items			
Connection Application Fee (charge per hour, non refundable)	\$83.90	\$87.40	Yes
Pollution Response Section of Environmental Solutions			
Contractor charges: Cost + 10%	Price per incident	Price per incident	Yes

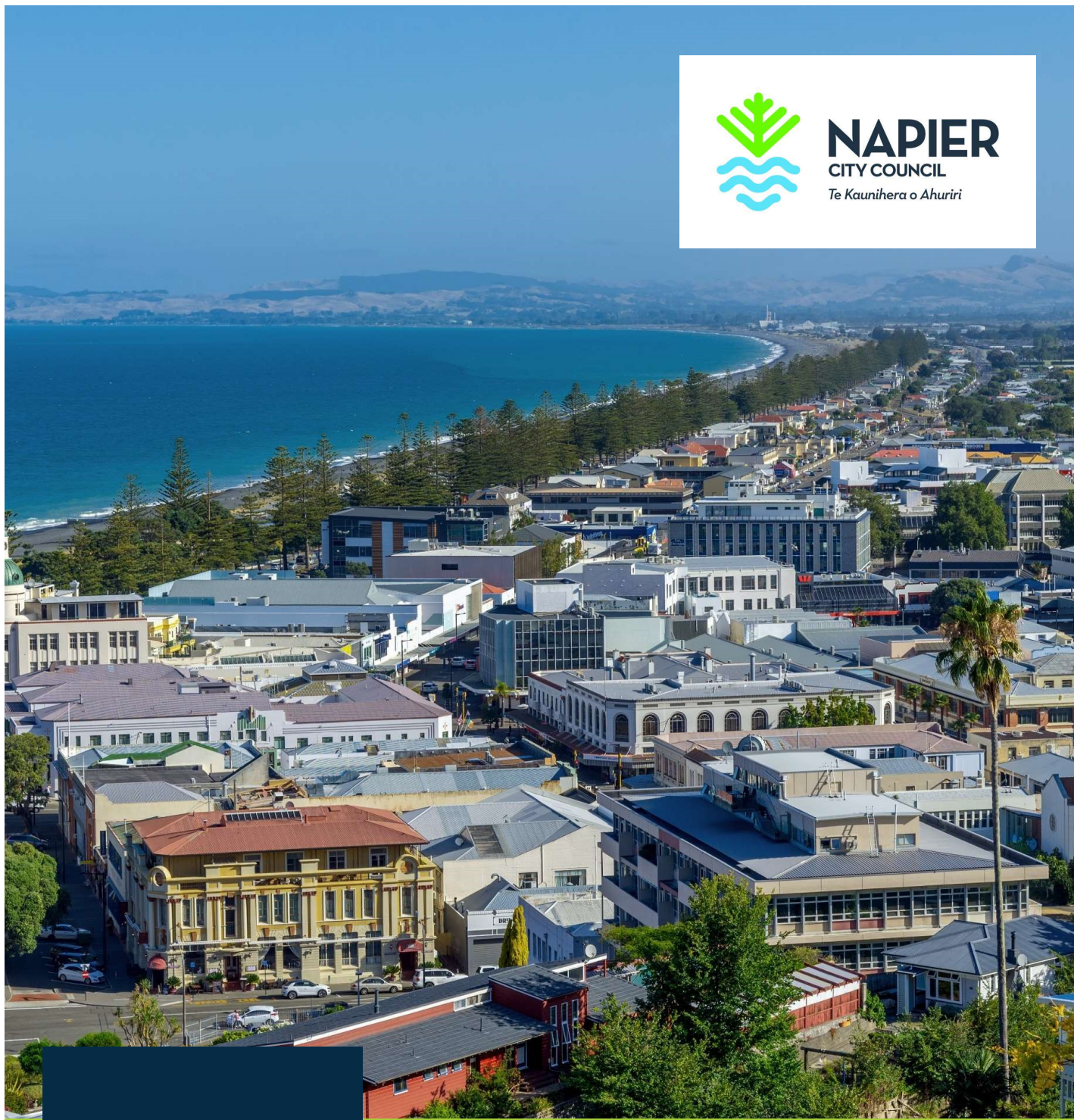
WATER SUPPLY

All fees and charges are inclusive of GST (except as noted *).

	21/22 Fee	Proposed 22/23 Fee	incl GST
Water Connections			
All ordinary supplies outside the Napier Water Supply Area are metered. Backflow preventers to be fitted in accordance with the hazard category.			
All extraordinary supplies are metered, but fire sprinkler systems that conform with the requirements of NZS4541 are not metered. Backflow preventers to be fitted in accordance with the hazard category.			
All minimum charges are per connection and are non refundable.			
Ordinary Supply (Domestic) Napier			
Connection (15mm diameter). All work located within the kerb to boundary area only - Fee	\$2,208.00	\$2,301.00	Yes
Ordinary Supply (Domestic) Bay View Urban Area			
Connection (15mm diameter). All work located within the kerb to boundary area only - Fee	\$2,208.00	\$2,301.00	Yes
Meter(s) and meter box(es) - Fee	\$718.00	\$748.00	Yes
Backflow Preventer - Fee	\$907.00	\$945.00	Yes
Additional connection costs for road crossing			
Utility Location (Corridor access request/Road crossing) -work in road reserve only - Fee	\$606.00	\$631.00	Yes
Charge per metre of road crossing (charges to be confirmed)	Actual cost	Actual cost	Yes
Extraordinary Supply (Non-Domestic) 15mm Diameter			
Connection - Fee	\$2,208.00	\$2,301.00	Yes
Meter and Meter box - Fee	\$718.00	\$748.00	Yes
Backflow Preventer - Fee	\$907.00	\$945.00	Yes
Meter and Meter Box to existing 15mm diameter connection - Fee	\$839.00	\$874.00	Yes
Additional connection costs for road crossing			
Utility Location (Corridor access request/Road crossing) -work in road reserve only - Fee	\$606.00	\$631.00	Yes
Charge per metre of road crossing (charges to be confirmed)	Actual cost	Actual cost	Yes
Extraordinary Supply (Domestic and Non-Domestic) Over 15mm Diameter			
Connection - actual cost - Minimum deposit charge due on application	\$2,208.00	\$2,301.00	Yes
Meter and Meter Box - actual cost - Minimum deposit charge due on application	\$718.00	\$748.00	Yes
Backflow Preventer - actual cost. Minimum deposit charge due on application (quotation if required)	\$907.00	\$945.00	Yes
Disconnection(s)/Reuse			
Water Disconnections (up to 50mm) - Fee	\$542.00	\$565.00	Yes
Water Disconnections (over 50mm) actual cost - Minimum deposit charge due on application	\$542.00	\$565.00	Yes
Well Sealing			
Well Sealing Fee	\$163.00	\$170.00	Yes
Testing of Meters			
25mm or less (no certificate)	\$153.00	\$159.00	Yes
Private sub meter reading (per meter, per reading cycle)	\$8.30	\$8.60	Yes
Testing of Backflow Preventer			
Charge for inspection only- Remedial work charged at actual	\$181.00	\$189.00	Yes
Pot Holing in Road for Services			
Actual Costs with a minimum fee due on application.	\$481.00	\$501.00	Yes
Service Marking for Council Water, Stormwater and Sewers			
Provision of as built plans	No Charge	No Charge	
Per Hour - Marking large diameter trunk mains	\$150.00	\$156.00	Yes
Per Hour - Marking of Stormwater, sewer and water mains	\$150.00	\$156.00	Yes
Water take facility annual application fee (additional \$50 charged per swipe card)	\$106.00	\$110.00	Yes
Additional items			
Connection Application Fee (charge per hour, non refundable)	\$83.90	\$87.40	Yes



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri



Napier City Council

Construction sector constraints

December 2021

**Document status**

Job #	Version	Approving Director	Date
2675	1.1	Dan Bonifant	21 December 21

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Executive Summary

In June, Napier City Council (NCC) adopted its 2021 Long Term Plan, which included an increased capital programme with over half associated with three waters services and a significant proportion of the remaining on transport and building and structure related renewals. Council noted that the volume of demand for physical works within its boundaries is risky in a constrained industry with lots of competition. Council modelling and delivery of capital plans over the last four years suggests that these combined pressures outstrip NCC's immediate capability to respond. With the long-running impact of COVID-19, three waters reform, climate change and natural hazards, legislation change and other pressures on funding and capability, these pressures are only intensifying.

To mitigate the economic impacts to New Zealand of the Covid 19 outbreak, after April 2020, Crown Infrastructure Partners facilitated the development of a national programme of infrastructure works. This was over and above the normal investment cycle and was funded directly from the Crown. Currently, there is a total of \$2.43B funding towards a total of \$4.03B Covid stimulus projects funded across 225 projects. An underlying factor in accepting projects for this funding was that they had to be "shovel ready" as the objective as to accelerate programmes of work to stimulate the economy and get people back to, or into, work.

The NZ Upgrade Programme was announced in January 2020 and comprised a \$12B programme of infrastructure works. While this predated Covid, it was also intended to boost the economy, with \$6.8B alone allocated to transport.

Both programmes created a significant, surplus demand on finite resources (and indeed created overseas interest due to the scale) and delivery of the programme was already generating difficulties prior to Covid. Although there are very low unemployment figures now in New Zealand, there is no sign that any of the work in these programmes will now be deferred.

NCC's ability to deliver infrastructure projects and programmes is subject to forces acting on the construction sector that have a range of origins:

- Locally
- Nationally
- Globally

This occurs at a time of unprecedented infrastructure investment by NCC. Council is also facing real constraints in terms of:

- Labour market (construction and professional services)
- Materials; and
- The capacity of the construction sector to scale up and meet the demand.

These pressures are also impacting prices for services, materials and labour, which will put further pressure on Council's ability to address its needs in a timely and cost-effective manner. This paper outlines the unprecedented scale of the planned investment at various levels (including at NCC level) and, while it compares well nationally, given that NCC has delivered 57% of its planned capital works over the past four years, strongly suggests that delivering a larger programme in competition with the rest of New Zealand and also Australia, is potentially unlikely.

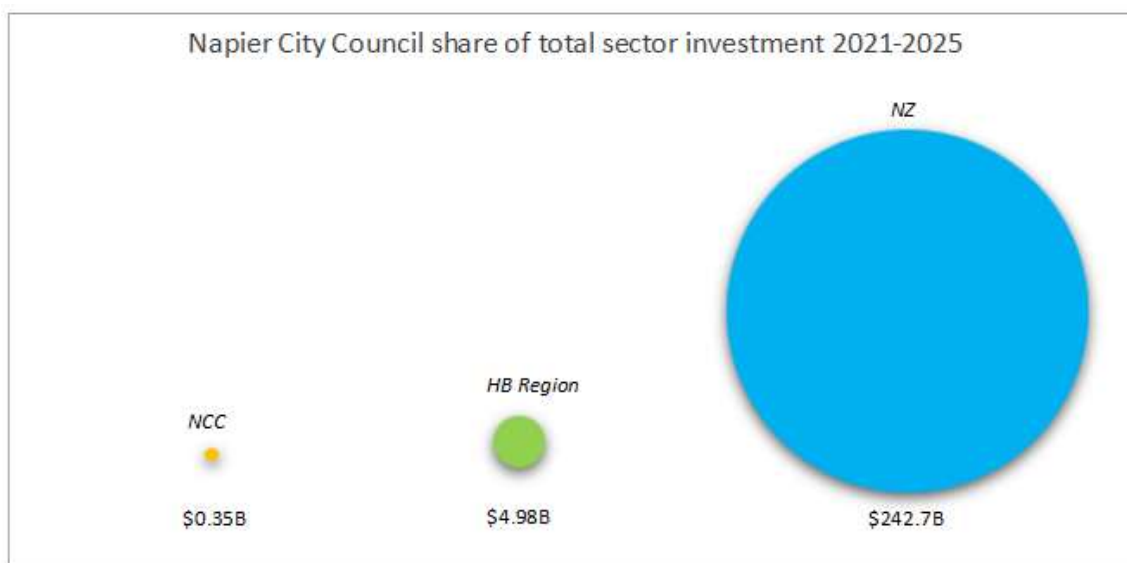


While some may be short term and caused or exacerbated by COVID-19 (e.g. NZ's closed borders or disrupted supply chains, skilled visa shortage), others are deeper and longer term.

The issue for Napier, and the issue for NCC is that the same factors – a constrained construction sector and a significantly increased infrastructure investment programme are occurring across New Zealand. Napier City is required to compete with the rest of NZ for finite resources.

Napier City is a small player in the overall New Zealand infrastructure story, and its share of the infrastructure pipeline across New Zealand is relatively static, and potentially in decline as other regions (for example Tauranga and other higher growth urban areas) are pressing ahead with ambitious infrastructure plans.

Figure 1 NCC capital works programme share of total sector investment across 2021 - 2025



This report highlights some of the practices and processes observed around New Zealand to deal with the constraints also identified in the report.



Introduction and Background

Background

It is recognised globally that there are significant constraints and barriers to trade and supply of materials. This is prevalent in global building and construction markets. The current infrastructure development environment in New Zealand is similarly affected.

The New Zealand Government has an ambitious approach to infrastructure development (housing, roading, three waters, etc). Under normal circumstances this would create pressure on the industry's capacity and risk the construction sector overheating, leading to price escalation and the risk of delays.

Due to international conditions, and governments around the world engaged in quantitative easing, the cost of debt is at almost unprecedented low levels, which has stimulated the construction sector, and encouraged public and private sector investors to bring projects forward.

Thirdly, the Government's response to the Covid pandemic has removed our ability to bring in skilled people and organisations; and building materials and equipment. This has exacerbated the challenges all infrastructure projects face.

This report provides an objective and evidence-led assessment of external factors which are likely to impact the delivery of infrastructure project programmes, and in particular, those of NCC. The report will examine the context at:

- Global
- Australasian
- National; and
- Local (i.e. Hawke's Bay region) scales.

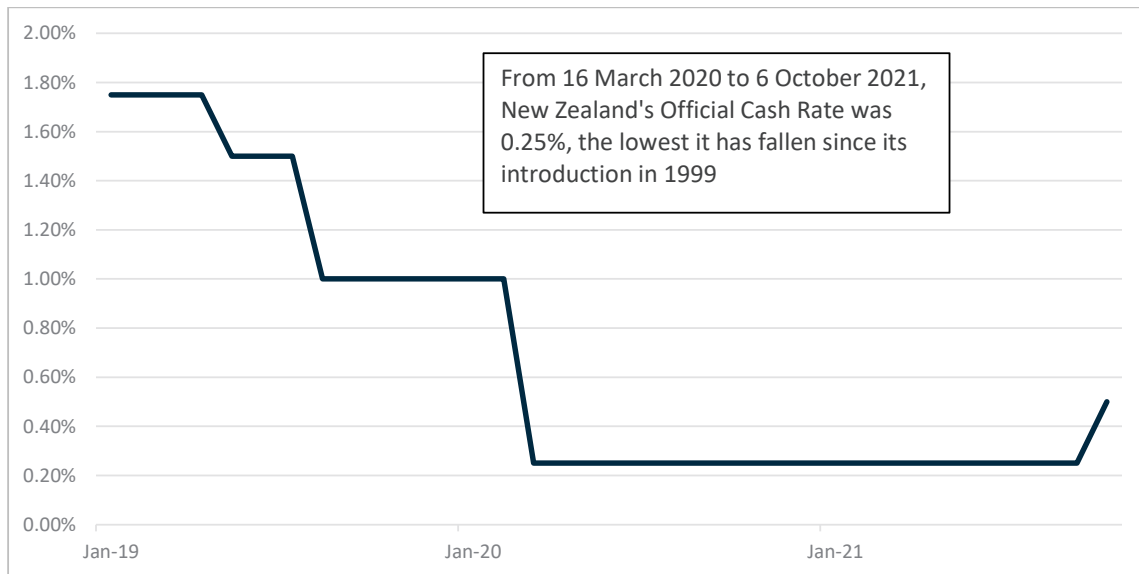
This report will demonstrate the cascade effect that issues at each of the above scales and ultimately presents to the delivery of the infrastructure works programme detailed in the NCC 2021 Long Term Plan (LTP). The constraints that they cause are affecting delivery of existing work in New Zealand and making it more challenging to plan timing and cost of upcoming works.

Money has never been so cheap...

New Zealand's official cash rate, which is effectively the wholesale borrowing rate in New Zealand, was recently as low as 0.24% - the lowest it has been since its introduction in 1999.



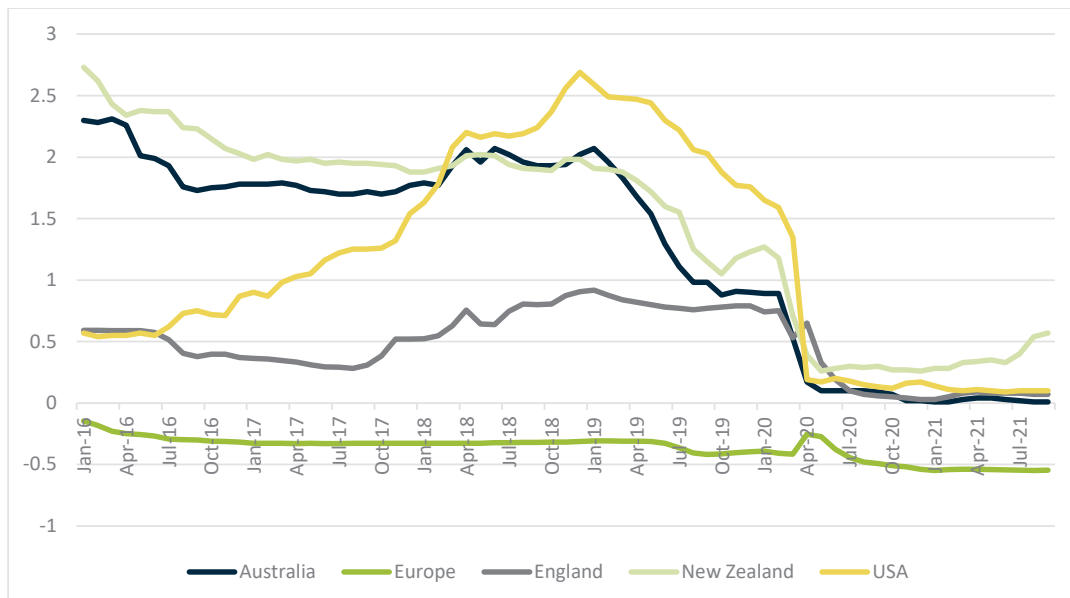
Figure 2 New Zealand official cash rate



When the official cash rate is low, banks pay less interest on savings, and charge less interest on borrowings. This encourages spending and investment.

This is a global phenomenon. All countries have experienced quantitative easing, and this has accelerated as most of the countries we compare ourselves against have borrowed to fund COVID mitigation measures. New Zealand is not alone in setting low interest rates. The Bank of England's base rate is currently as low as 0.1% (the lowest it has been since records begin in 1694).

Figure 3 Global short term interest rates





Nor has it been so abundant...

Central banks across the world are typically tasked with controlling inflation within a pre-defined band (typically around 2 – 3% per annum). When economic activity reduces, so too does inflation.

While traditionally, the main tool for banks to control inflation has been the official cash rate or base lending rate, more recently central banks have also used quantitative easing to control inflation. This tool is particularly likely to be used when lending rates are already at, or approaching, zero.

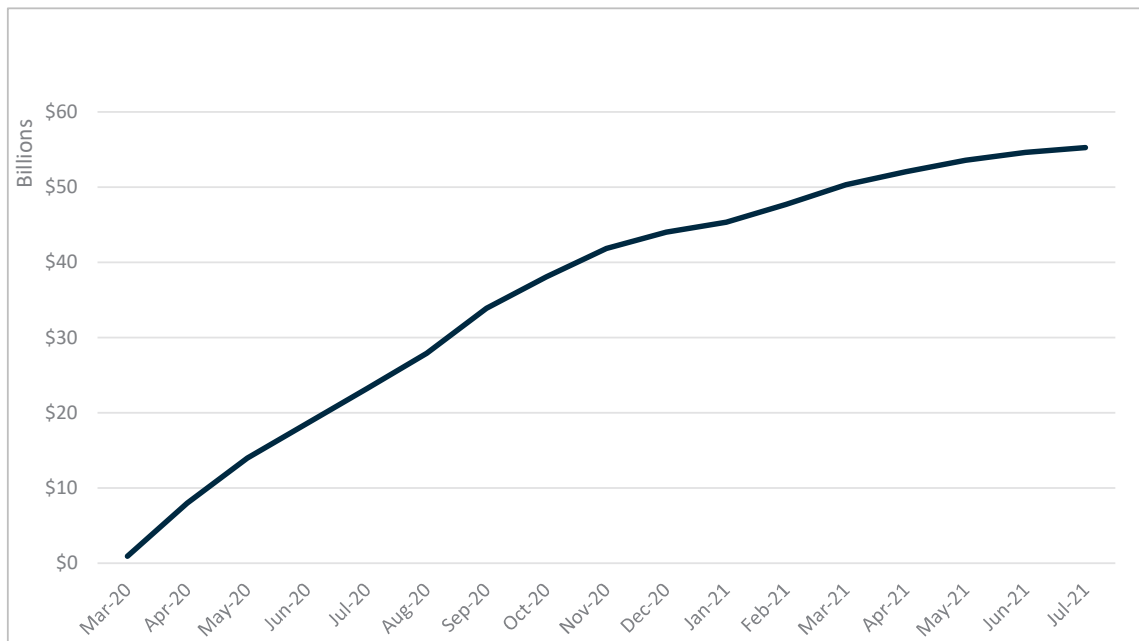
In short, quantitative easing involves central banks buying back government bonds, and sometimes private bonds, from the market. This increases the balance sheets of the central banks. It also:

- Reduces the effective interest rate on government bonds because it drives up price.
- Frees up money from lenders, who now have cash to invest in shares or other securities which offer a higher potential yield.
- Overall increases the supply of money available for spending and investment.

In March 2020, in response to the COVID-19 pandemic, the Reserve Bank embarked on a large-scale asset purchase programme, whereby it bought back a total of \$55 billion of central government and local government bonds.

In addition to quantitative easing, governments around the world have sought to borrow to fund COVID relief programmes. New Zealand has provisioned approximately \$95 billion for this purpose. The impact of available cash, and historically low interest rates has led to price inflation in key asset classes (in particular property) and a consumption boom.

Figure 4 Cumulative large scale asset purchases by RBNZ since March 2020



Taken together, these steps have created the appearance of GDP growth (spending borrowed money on



goods and services will show up as positive spending when GDP is calculated, as it is a mechanism that sums economic activity in a market). The challenge for governments is how to withdraw from this cycle of quantitative easing without triggering adverse shocks to the economy.

The RBNZ has started to signal a slow move to increase the Official Cash Rate to start to return the economy to a more normal footing.

Similarly, the Bank of England increased its total quantitative easing from £445 billion to £895 billion since March 2020 – effectively injecting £450bn into the global investment market.¹

In the New Zealand context, this therefore means that the Government has been able to borrow significant amounts of cheap money to inject funding into large public infrastructure programmes. It also fuels competition in the market by making it easier and more attractive for private developers to borrow money. The increased demand is within the context of resource and delivery constraints and competition also discussed further in this document.

¹ <https://www.bankofengland.co.uk/monetary-policy/quantitative-easing>



Unprecedented infrastructure investment

Australia

In order to understand the landscape in New Zealand, it is important to understand the trans-Tasman implications. Australia is also facing the same issues as New Zealand which means that there will be significant influence and competition (for all forms of resource) from across the Tasman. This also validates the perception that the issues facing New Zealand are real and enduring.

An October 2021 report by Infrastructure Australia² shows that investment and constraints at scale are also prevalent in Australia.

- Known annual investment will peak at \$52 billion in 2023.
- Demand for labour, plant and materials expected to be two-thirds higher than compared to the previous five years.
- Demand peak for skills is 48% higher than supply (noting that part of this supply often comes from New Zealand).
- 34 of 50 public infrastructure occupations are potentially in shortage.
- Growth in demand for materials, plant and equipment is expected to range between 120 and 140% over the next three years.
- Covid-related border closures have compounded these challenges.

New Zealand

This section sets out the current landscape in New Zealand with respect to infrastructure delivery. It is not exhaustive but seeks to demonstrate the scale of works currently programmed across New Zealand. This is important to understand as it points to the level of resource (human and materials) that will be required to deliver them.

The level of infrastructure investment is significant and in part is funded by Government stimulus programmes and the availability of cheap borrowing.

National Infrastructure Programme

New Zealand has sought to understand national infrastructure needs, and the scale of the pipeline of projects. This led to the creation of the National Infrastructure Unit under the previous government. That led to the first robust national stocktakes of infrastructure, and more recently to the Creation of The Infrastructure Commission, Te Waihangā. The latest Te Waihangā quarterly report³ notes the total pipeline currently comprises 2588 projects across 159 organisations and is valued at \$64 billion.

² Infrastructure Australia – Infrastructure Market Capacity, dated October 2021

³ <https://www.tewaihangā.govt.nz/assets/Quarterly-Reports/210102-INFR-Te-Waihangā-2nd-Quarterly.pdf>



This includes:

- Energy: \$3.4 billion
- Housing: \$5.6 billion
- Water: \$10.4 billion
- Community facilities: \$4.3 billion

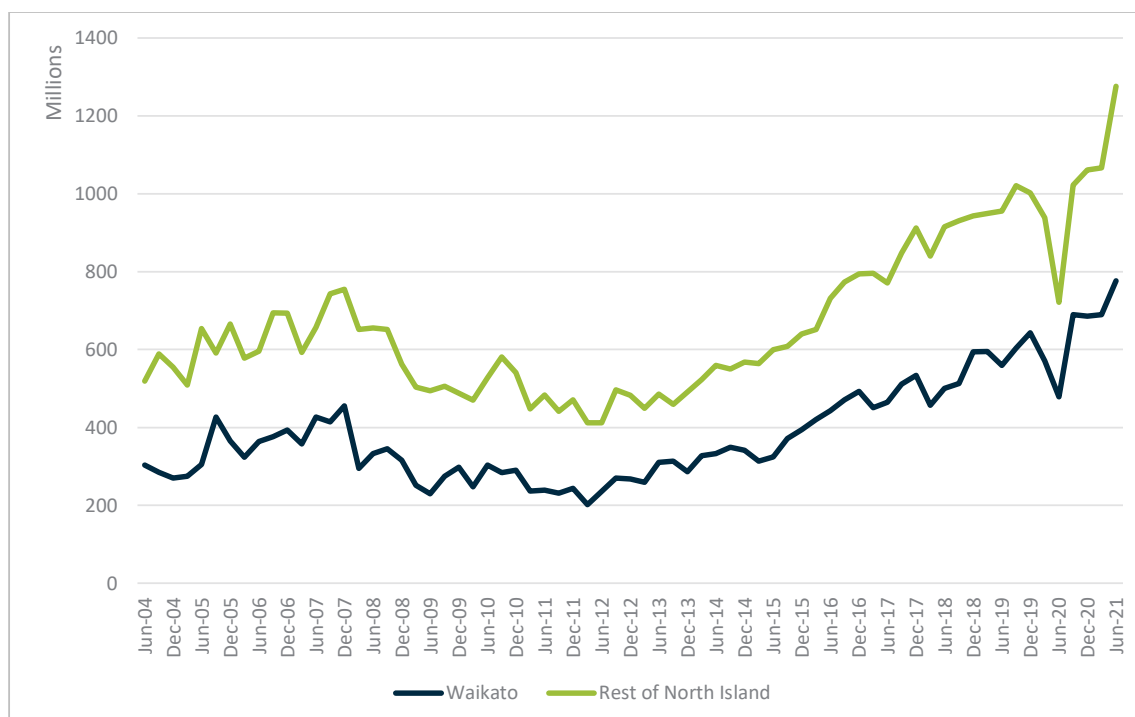
Together with the above, there are \$24 billion of projects under construction and \$29 billion of projects in planning stage. Transport and water comprise the bulk of the projects, as they do for the spend in the NCC LTP.

It has not been possible to produce a direct comparison to previous years at the time of preparing this report as the pipeline and data collated by Te Waihangā has not been produced previously (and indeed is part of the reason for the creation of Te Waihangā).

These are numbers from government departments and government agencies and it should be noted they will be augmented by private activity. On top of commercial infrastructure investment (businesses, commercial buildings, rest homes, airports etc), the biggest source of infrastructure activity is private housing.

Figure 5 below shows the drop due to the initial Covid lockdown and the rate of the subsequent increase (graph extends to June 2021) and also shows the difference in scale to the current pipeline. This graph illustrates the likely trends for Hawke's Bay (for which there is no data) comparing instead the Waikato with the rest of the North Island.

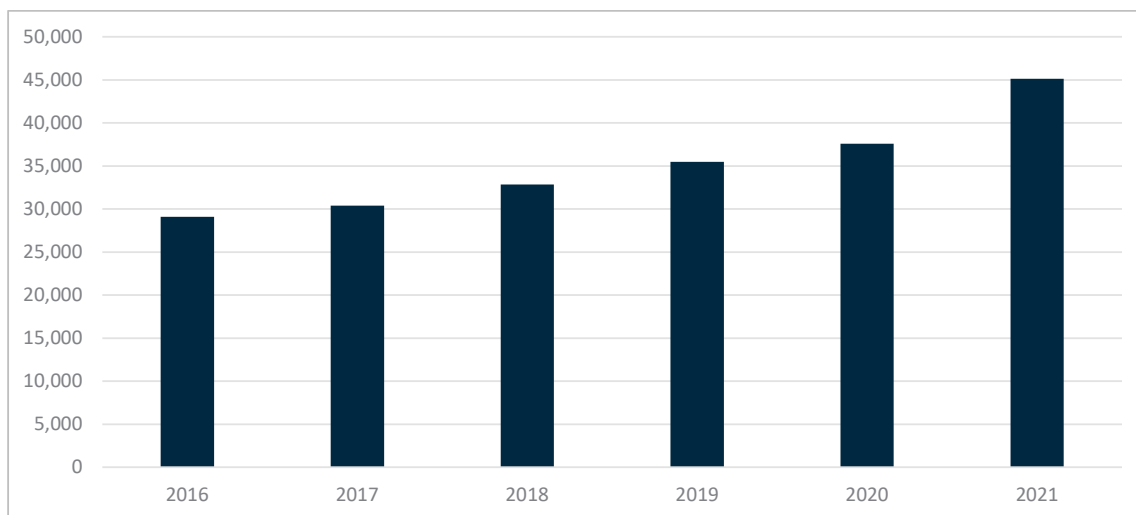
Figure 5 Stats NZ graph of building work to June 2021





The following chart from Stats NZ shows that there has been a 20% increase in building consents issued over the last year. While consents issued is not a direct proxy for houses constructed, and some of these dwellings will be government developments, overall, the increase in private housing activity taken together is sufficiently material to impact on the supply of skills and materials across the infrastructure sector.

Figure 6 New buildings consents in New Zealand



source: Stats NZ



Looking at what this means for Napier and Hawke's Bay

Covid stimulus programme

The June update⁴ from the Industry Reference Group stated a total of \$2.49 billion government funding towards a total of \$4.18 billion Covid stimulus "shovel ready" projects funded across 230 projects.

756 FTE were projected for regional projects but as at September 2021, only about 246 are currently working on the projects. There is a significant shortfall to deliver the 11 funded projects in the Hawke's Bay region. Of these nine have commenced and two have been completed, so there is a high latent demand for resources.

NZ Upgrade (Transport)

The NZ Upgrade programme being delivered by Waka Kotahi comprises around \$14.2 million of \$300 million regional budgeted funding in the Hawke's Bay region, across two projects. This work is being done in competition with other packages nationally. Significantly, the Auckland package is valued at \$4.3 billion and Wellington package at \$1.87 billion so intra-regional competition for resources in the North Island alone will be fierce. The projects delivered as the Hawke's Bay package are:

- College Road to Silverstream Station (SH2)
- Tahaenui Bridge (SH2)

The bridge project has been completed and the 1.7km of SH2 upgrade is nearing completion. This may free up some resources in the area.

Waka Kotahi NLTP

The overall value of work in the 2021 - 24 NLTP for New Zealand is \$24.3 billion. Of this, \$376 million has been allocated to the Hawke's Bay region, broken down as follows:

- Maintenance and operations: \$214 million
- Public transport investment: \$17 million
- Walking and cycling: \$18 million
- Provincial Growth Fund: \$33 million
- Road to Zero: \$53 million

The above includes contributions to a reliable and resilient road and rail connections particularly to the Napier Port (the largest in the North Island) and to the neighbouring region of Palmerston North. Also improving road safety in urban areas and high-risk rural roads.

⁴ <https://www.crowninfrastructure.govt.nz/wp-content/uploads/CIP-IRG-Quarterly-Sep-2021-FINAL.pdf>



These will be delivered by a mix of Waka Kotahi, NCC and other city council projects.

Other scoping work is currently being undertaken on possible realignment of the Waikara Gorge and avenues to support tourism with possible improvements to SH38 through to Lake Waikaremoana.

Napier Infrastructure Programme

The LTP identifies that Council is intending to spend \$827 million in capex over the next 10 years. This comprises \$111.5 million for transport and \$404.5 million on three waters assets with major projects included below

- Water supply \$133.8M, including
 - the replacement of Enfield Reservoir
 - installation of two new borefields
- Wastewater \$154.8M including
 - replacing the and upgrading the Awatoto marine outfall
- Stormwater \$115.9M
- Transportation \$111.4M
- Civic Precinct building development \$54M
- Napier Library rebuild \$26.39M
- Regional Park development \$12.49M
- Te Pihinga community facility \$11.5M
- Inner Harbour Iron Pot Upgrade \$6.02M
- Additional CBD parking \$4.53M
- Cemetery land purchase \$3.59M
- Faraday Centre building development \$2.3M

In addition, NCC is loan funding the \$1.8 million deficit in the housing portfolio for the 2021/22 financial year until a strategic review can be completed of this provision of affordable housing.

Non- Council infrastructure projects

NCC is only one of the players in the regional market. Other large investors are likely to include:

- Commercial building owners and developers - earthquake prone buildings upgrades and new builds and fit-outs.
- Residential developers and property owners. While not many of the individual developers are large, collectively they represent significant activity.

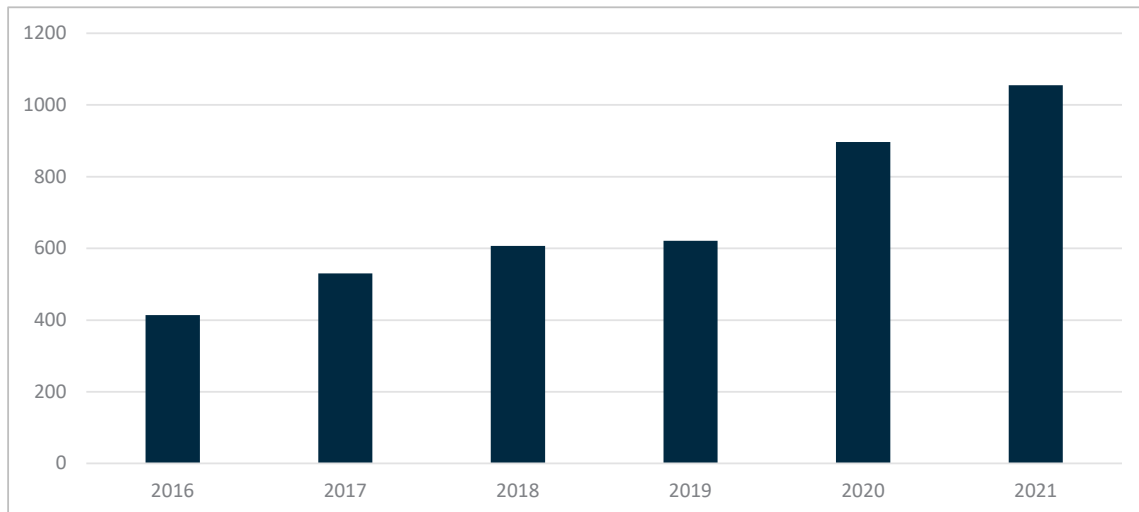


Napier is a medium growth city with a requirement to enable and provide affordable development under a National Policy Statement – Urban Development and NCC is looking at how to encourage intensification through the District Plan Review. Napier needs 3,500 new homes in the next ten years.

Hastings District Council is in a similar situation where the increased population has outpaced supply of homes. A design guide for housing was recently released to address the medium intensification strategy. By 2045, 60% intensification is projected.

Figure 7 shows that new dwelling consents are on the rise. The number granted in 2021 representing a 154% increase from 2016. While Hawke's Bay region's consents for new dwellings may be small compared to other parts of the country, as illustrated in Figure 8, the impact for Hawke's Bay is significant when put in context (Figure 9) and this will put pressure on the already stretched local industry to deliver the demand. Hawke's Bay tops the chart in Figure 10 for the region with the greatest number of dwellings consented across New Zealand in 2021.

Figure 7 Hawke's Bay region new dwellings consented



source: Stats NZ

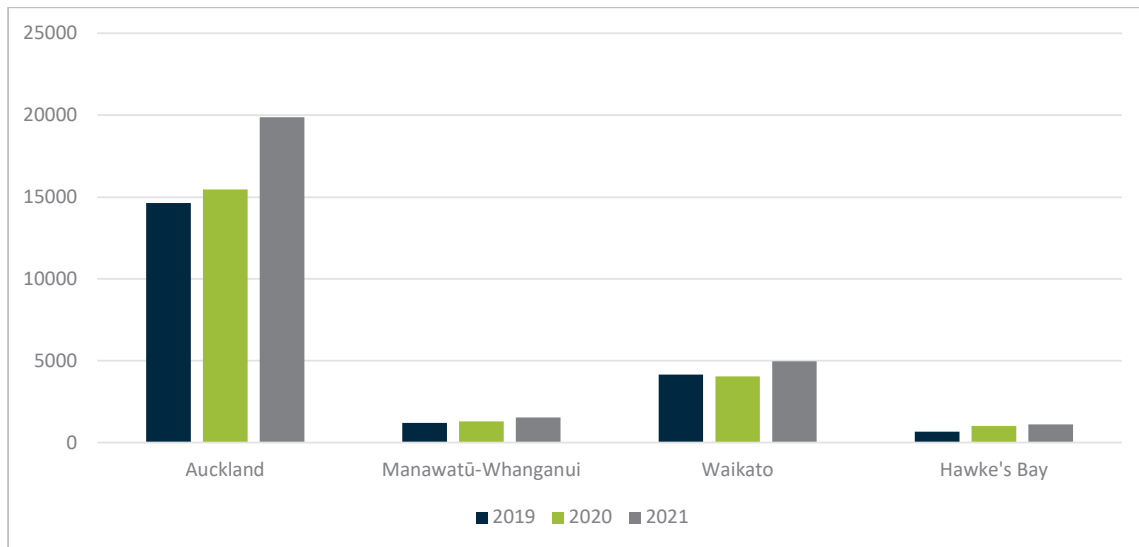
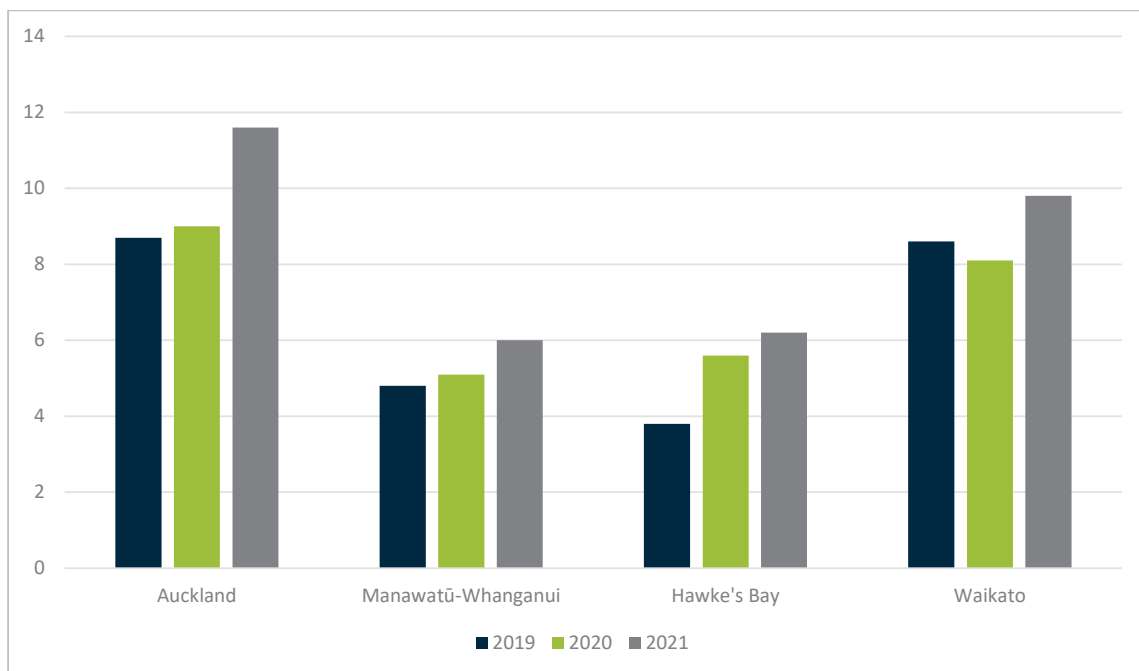
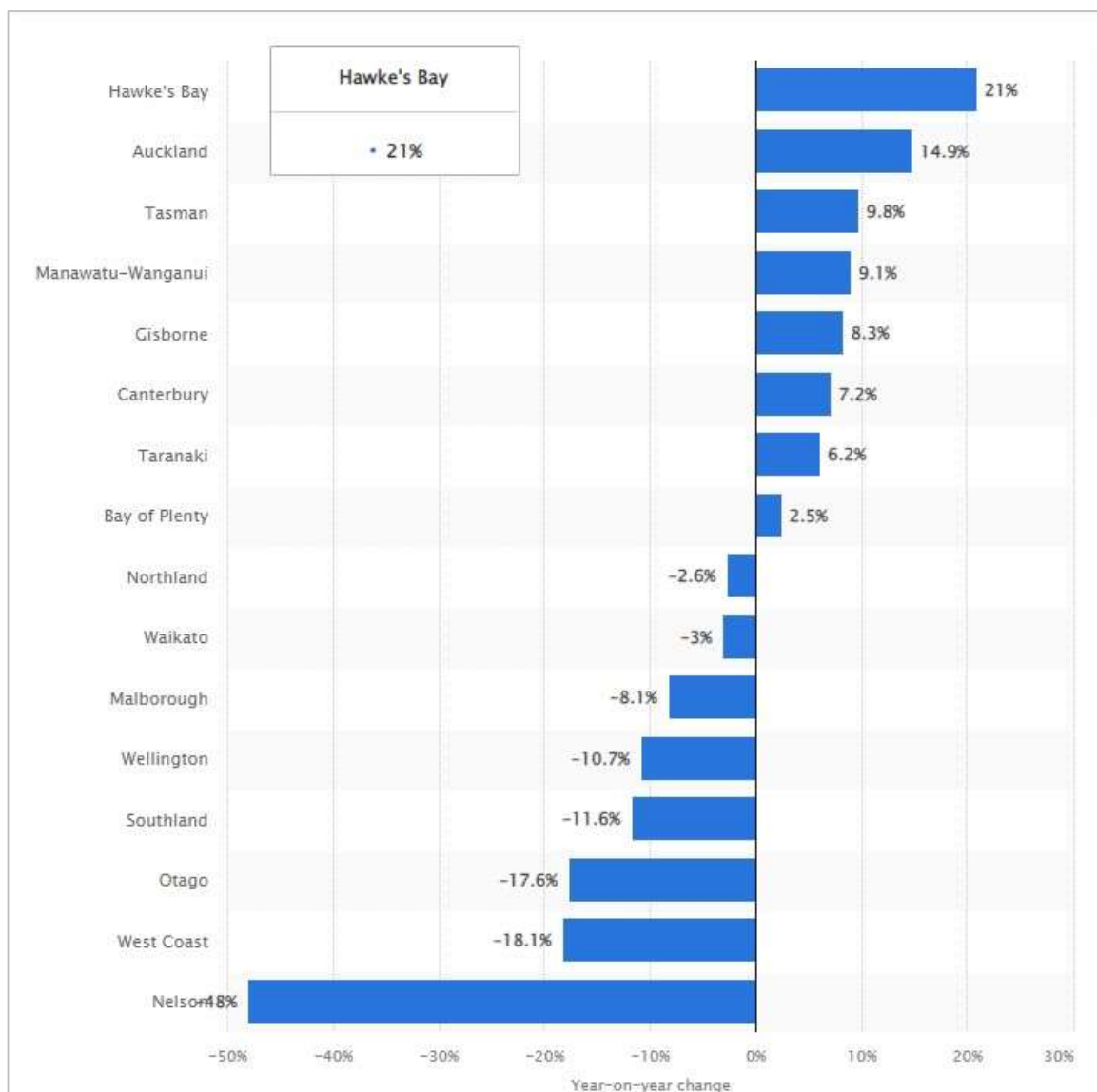
**Figure 8 New dwellings consented by region****Figure 9 New dwellings consented per 1,000 residents by region**



Figure 8 New Zealand year-on-year change in the number of dwellings consented in New Zealand in 2021, by region



Source: Statista



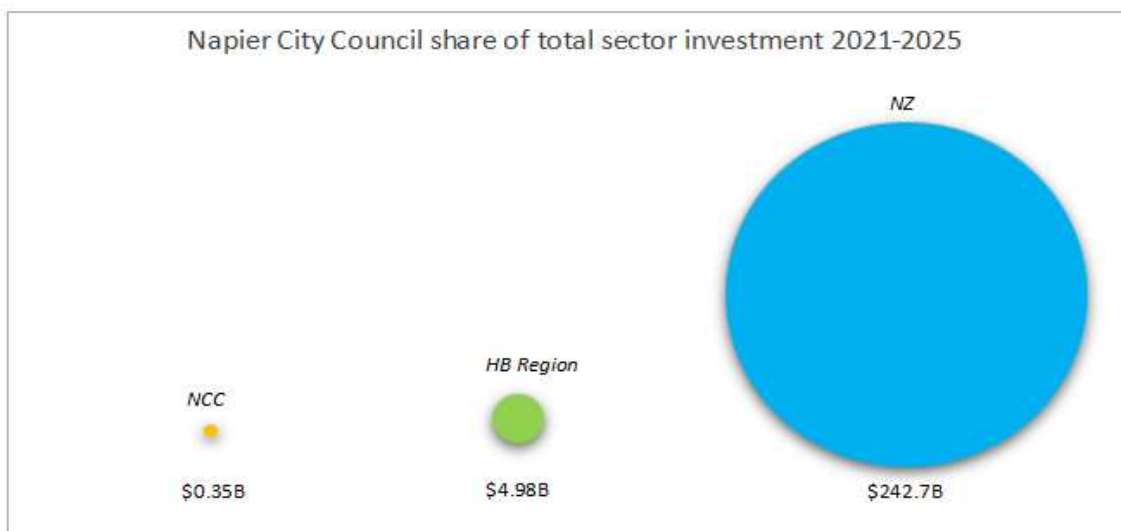
Construction Activity Competition Context

Excerpts from NCC LTP have been presented in more detail already in this document but what is important in the context of that programme, is competition for resources. Napier is facing significant and growing competition from the rest of the country for skills and all forms of resources. For example, a brief comparison with Tauranga shows:

- Tauranga has itself committed to a \$6.4billion capital programme, allocated to a very similar format of projects to those in NCC's LTP.
- Te Waihangā also reports⁵ that there is up to \$1.25billion of major projects also in the pipeline for the wider Bay of Plenty (either ongoing or planned).

NCC's share of total investment is relatively small.⁶ Between 2021 and 2025 NCC plans to invest \$353 million, compared to \$4.958 billion across all sectors in the region, and \$242.7.3 billion across all sectors in New Zealand.⁷ In a competitive market, suppliers can pick and choose and if the majority of the projects are outside the Hawke's Bay region, then Napier and NCC face significant challenges.

Figure 9 NCC share of total sector investment



Hawke's Bay Regional Skills Leadership Group reported that the region will be unable to deliver the \$2.7B of known work of the next three years, let alone work that it is yet to be announced.⁸ Current demand could not be met due to:

- Demand far exceeding the current rate of supply of skilled/semi-skilled labour.

2.7 B
Work unable to be delivered in Hawke's Bay over next 3 years

⁵ <https://www.tewaihanga.govt.nz/projects/pipeline/>

⁶ <https://wip.org.nz/project-pipeline>

⁷ <https://wip.org.nz/project-pipeline>

⁸ <https://www.mbie.govt.nz/dmsdocument/13946-local-insights-report-hawkes-bay-interim-rslg-march-2021>



- Twice the number of qualified Licensed Building Practitioners needed to cope with current demand. However, the demand for projects in the Hawke's Bay is up for the next three years compared to the previous three. 271% for civil, 466% commercial and 158% for residential.

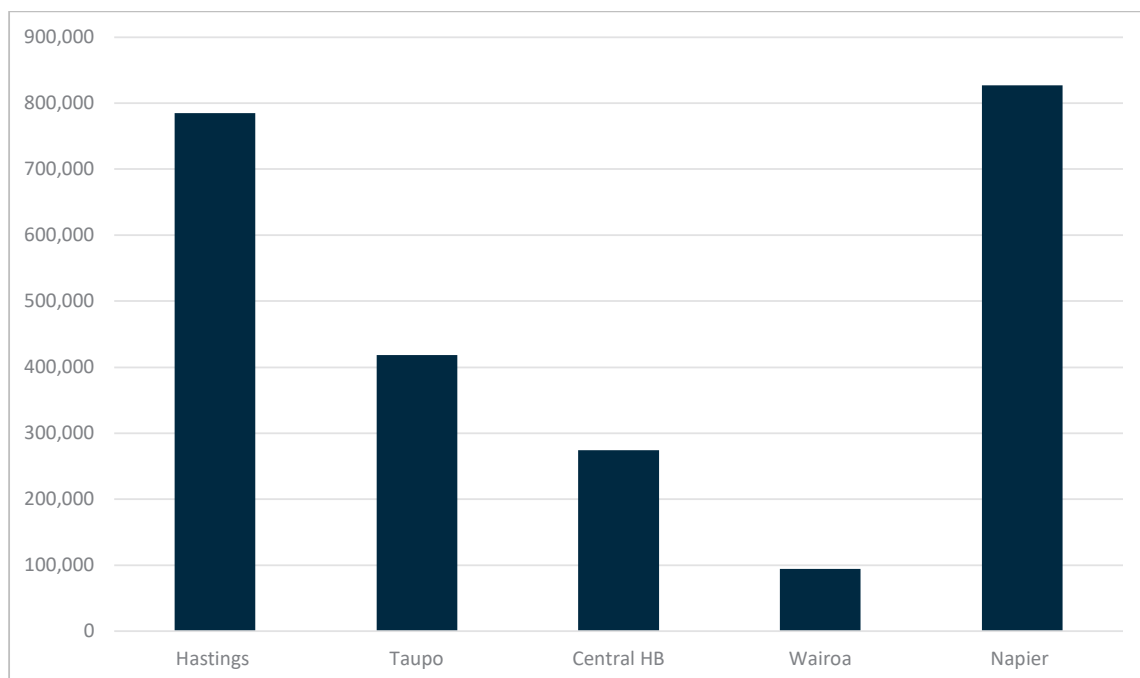
NCC has increased its capital investment in its 2021 LTP and NCC's share of regional investment is increasing.

Project demand has increased significantly

While total investment through the LTPs of the six territorial authorities in the region has risen from \$1.77 to \$2.62B, Napier City Council's share of that investment is projected to increase from 26.3% to 31.2%. This is important as the investment made by NCC is the market seen by suppliers.

Opportunities exist to work today with other councils in the region to bundle work together to increase market share, however this will not solve the limited supply of labour identified above.

Figure 10 Comparison from neighbouring councils 10-year capex investments (\$000)

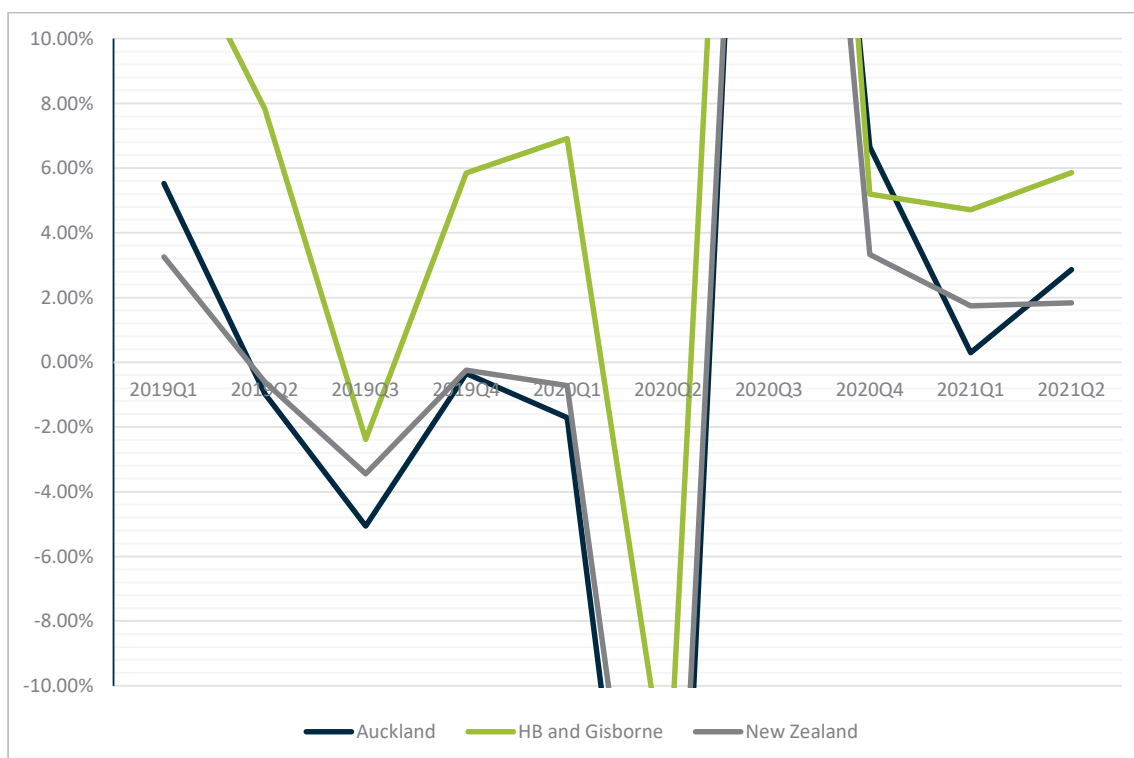




Indicators of activity

Some indicators of construction activity are presented in the following graphs. As shown in Figure 11 below, Ready Mix concrete production in Napier has not dropped as low as Auckland and the rest of New Zealand. Demand is still high and growing. This is likely to be unsustainable in the long term.

Figure 11 Ready mix concrete volumes, quarterly growth (seasonally adjusted)

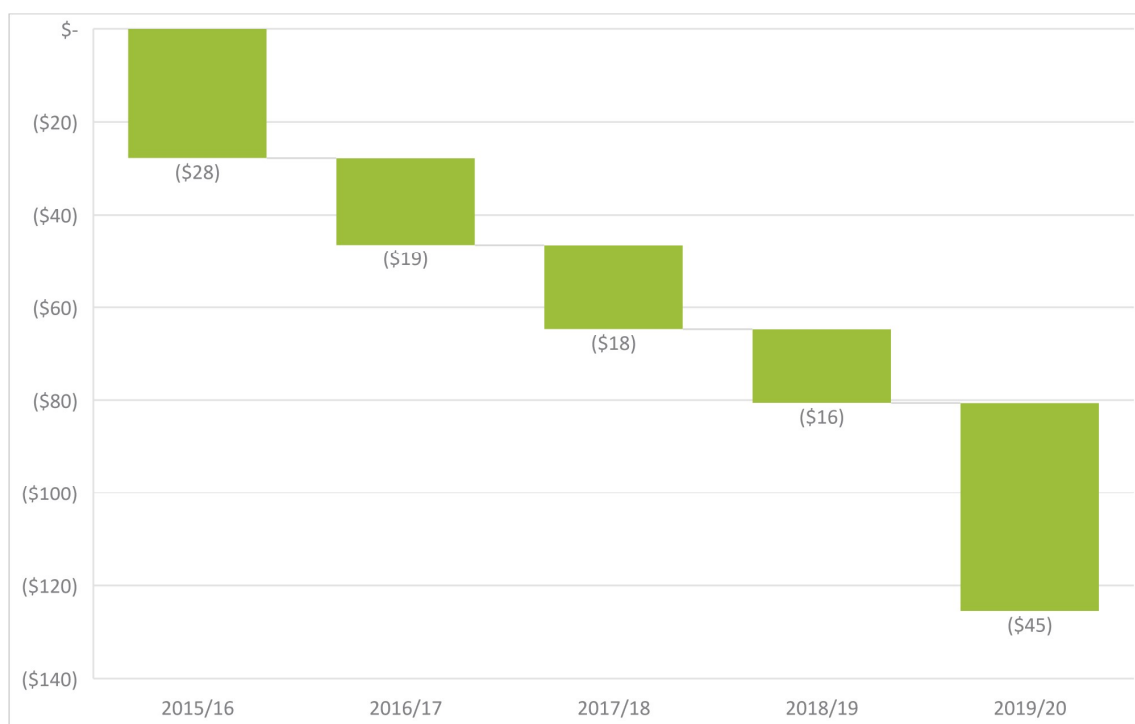




Delivery

Over the last four years, NCC delivered an average of 57%⁹ of the planned capital works from its Long Term Plan. Within the local government sector, this is below average. Therefore, the cumulative effect is significant – almost \$125.5 million of undelivered capital works. As noted in the LTP consultation document, NCC has been able to deliver between \$20 - \$50 million worth of capital project annually despite planning to deliver almost double that. Partly due to the under-delivery of capital works, the current programme includes a 50% increase compared to the last ten year plan. The risk of falling short on delivery has been identified as possible but NCC believes this can be mitigated through staffing and contractors supplementing resources, and an inhouse civil works capability. Given the increase in spend in this LTP together with the constraints covered later in this report, this indicates a high level of risk of non-delivery which requires proactive mitigation and planning.

Figure 12 Annual and cumulative NCC capital works under-delivery



The reasons for under-delivery are outside the scope of this report. However, all works programmes have risks and the combination of level of previous success, significant increases in planned investment in this LTP and the various and enduring constraints discussed below, indicates that there is a high degree of risk of under-delivery.

⁹ Based on annual reporting



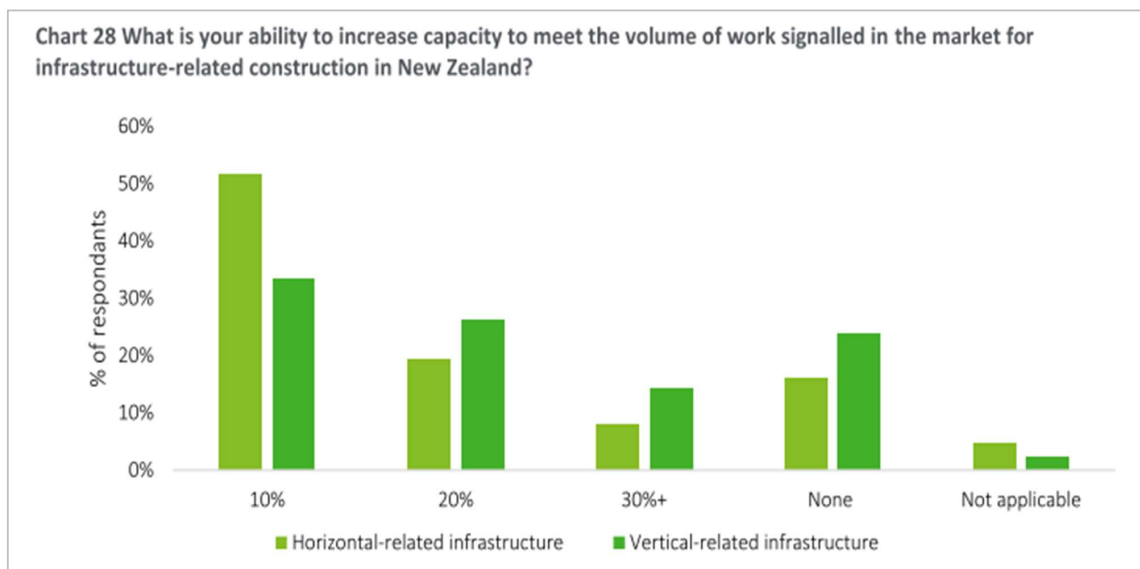
Constraints

The entire infrastructure industry in New Zealand is under pressure resulting from forward works programmes, maintenance backlogs and external constraints. The external constraints are examined below.

Construction capacity

A survey of construction companies¹⁰ in New Zealand for Te Waihangā (The Infrastructure Commission) showed that 70% of current suppliers in the horizontal infrastructure market are only able to increase their capacity to deliver by less than 20%. The proportion is even less in the vertical infrastructure market. This points to significant constraints in the market's ability to deliver. Meeting demand will require dedicated and careful pipeline management to enable the sector to sustainably grow and scale operations to ensure delivery.

Figure 13 Ability to increase capacity



Resource Constraints

There has been significant growth in the number of filled jobs within the construction sector in New Zealand, with a 21% increase in filled jobs during the year ended 30 June 2021.

¹⁰ Source: Deloitte: "A better way forward. Building the road to recovery together: Construction sector COVID-19 recovery study" January 2021.

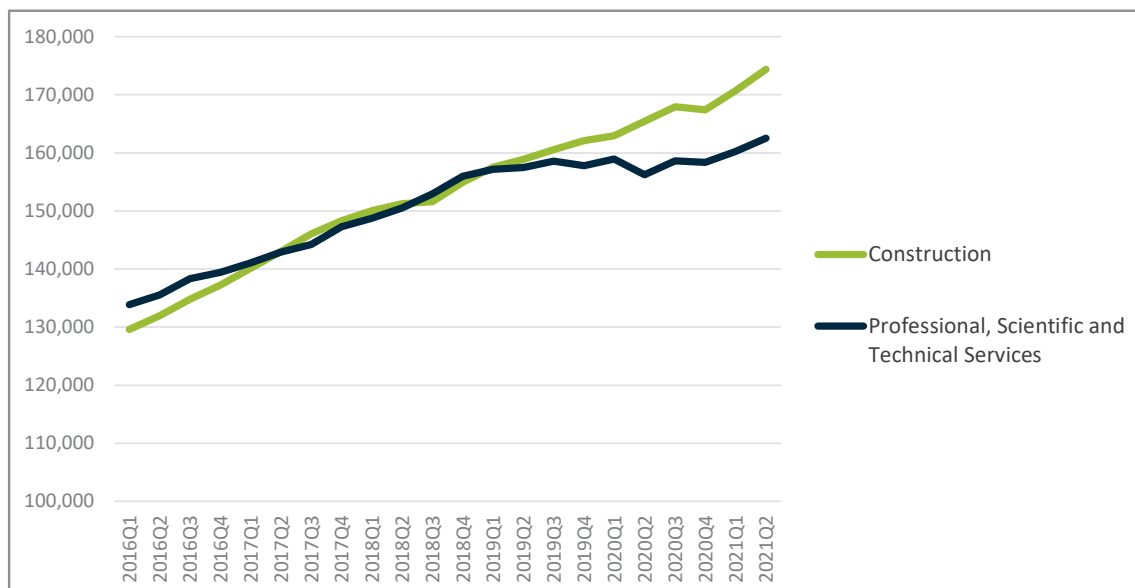


However, while traditionally growth in the number of filled jobs in the “Professional, Scientific, and Technical Services” category has kept pace with those in the construction industry, this has not been the case in the last 24 months.

Labour has never been harder to find. Construction labour shortages are at their highest since 1975 (as reported by NZIER, QSBO)¹¹ and Te Waihangā reports in their Infrastructure Strategy that the share of construction firms reporting labour shortages is now at its highest ever level which is exacerbated by the competition for talent in other countries (especially Australia where wages are significantly higher than New Zealand). Forecasts are referenced that show New Zealand will have a 118,500 shortfall of construction workers by 2024.

**Shortage of 118,500
construction
workers by 2024**

Figure 14 Total filled jobs in construction sector, seasonally adjusted



This also has an impact on labour costs. Salaries in the professional services sector continue to rise. The median base engineering salary rose from \$90,700 p.a. in 2019 to \$100,000 in 2020. This trend is likely to continue due to the labour shortage which will in turn cause rates to rise annually. However, the current lack of availability of international travel is showing signs of improving in 2022 and Australia will return to being an attractive work option for many New Zealanders in both trades and professions, particularly given their borders have commenced opening which opens a path for overseas workers, particularly from New Zealand.

**Median base
engineering salaries
increased by \$10k
p.a. from 2019 to
2020**

¹¹ <https://wip.org.nz/supply-and-demand/>



A further consequence of this is the ongoing disparity of salaries between local government and other sectors. Given the reduced numbers of candidates in the market, NCC may continue to struggle to fill roles and risk internal delivery capability if prospective employees are more attractive to consultancies, or even central government.

LTP staff recruitment has been highlighted as an area of concern. Resources are stretched and external assistance will be needed for example in the areas of technical expertise or project management assistance. This is a significant hurdle to jump through to ensure the Council can deliver the planned capital programme.

Figure 15 Mean quarterly earnings in construction and professional services sectors



While growth in the construction workforce has been sustained, and constant, this is unlikely to be able to continue within the current environment. Unemployment in New Zealand is now lower than 3.4% (to quarter ended 30 September 2021). This means New Zealand is nearing “full employment” and further reductions in unemployment rates may give rise to further labour cost inflation^{12,13}

¹² Per RBNZ the natural rate of unemployment in New Zealand is between 4 and 5.5%. Reserve Bank of New Zealand Analytical Notes: Estimating the NAIRI and the Natural Rate of Unemployment for New Zealand, March 2018 (<https://www.rbnz.govt.nz/-/media/reservebank/files/publications/analytical%20notes/2018/an2018-04.pdf>)

¹³ The EPMU suggests that unemployment below 4% is not ideal for employers and is likely to lead to labour cost increases. <https://www.newsroom.co.nz/too-many-people-have-jobs-say-employers>



Figure 16 Unemployment in New Zealand



Impact of Covid-19 Border Restrictions

An ACE NZ Report¹⁴ as at August 2021 (including Civil Contractors NZ, NZ Institute of Architects, Registered Master Builders Association) found there were 3229 total advertised vacancies currently in New Zealand. These vacancies are across all types of skilled resource, from engineers, architects, planners, project managers, site managers, plant operators, tradespeople – essentially across the whole project lifecycle. Note these were vacancies current at the time, not a forecast of resource required.

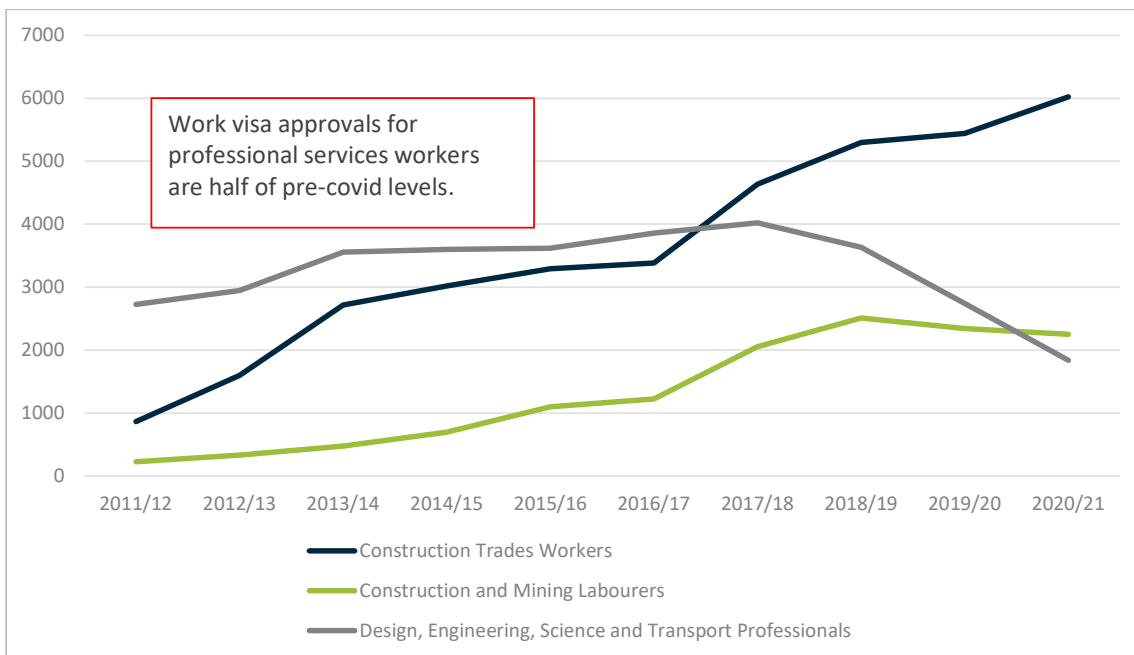
The report also found that 90% of firms were having difficulty recruiting in New Zealand with 66% also getting no domestic applicants. 28% were attempting to recruit from overseas where this figure would normally be 81%. A majority of the firms trying to recruit from overseas found the process too complex and those not trying stated that they weren't because the process was too hard.

While construction trade workers are still seeing an increase in approved work visas, there has been a reduction in approved work visas for "Design, Engineering, Science, and Transport Professionals" since 2017/18.

¹⁴ 2021_4_August_Industry_Partners_MIQ_survey_Report_V6_FINAL.pdf

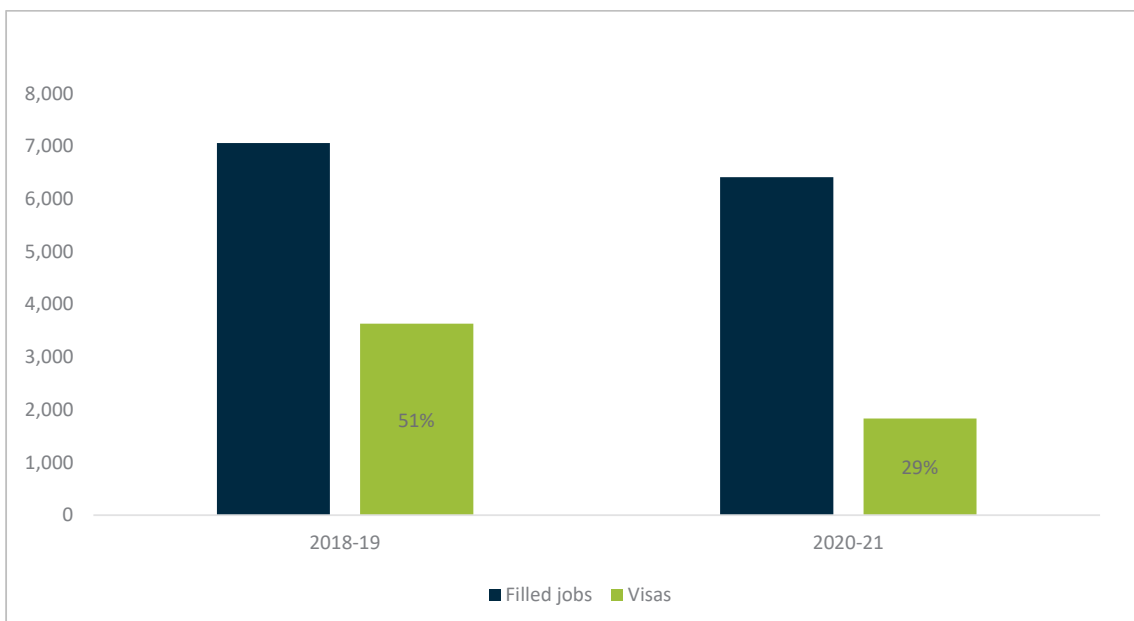


Figure 17 Approved work visas by occupation subgroup



In 2018/19 approved work visas in this category equated to 51% of filled jobs in the “Professional, Scientific, and Technical Services” category. In 2020/21 approved work visas only equalled 29% of filled jobs in the same category.

Figure 18 Professional services filled jobs versus approved work visas





Work visa approvals are indicative of the demand for immigrants in New Zealand. However, Covid restrictions mean that only a small percentage of those that have been granted a work visa have actually entered the country. That is despite a significant decrease in the number of visas being approved.

Figure 19 Percentage of work visas versus approved

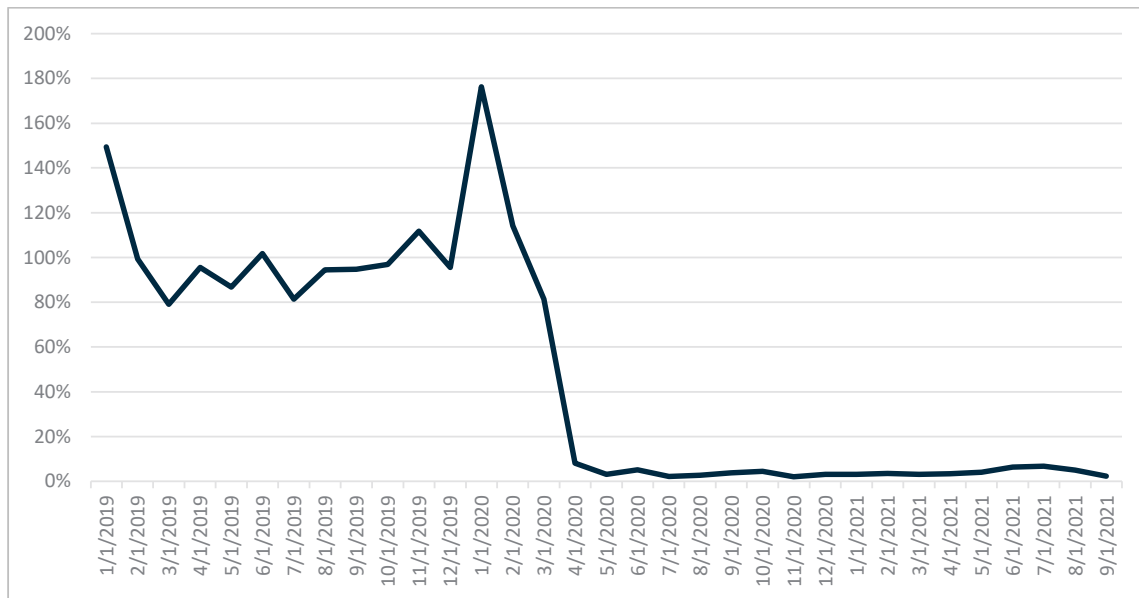
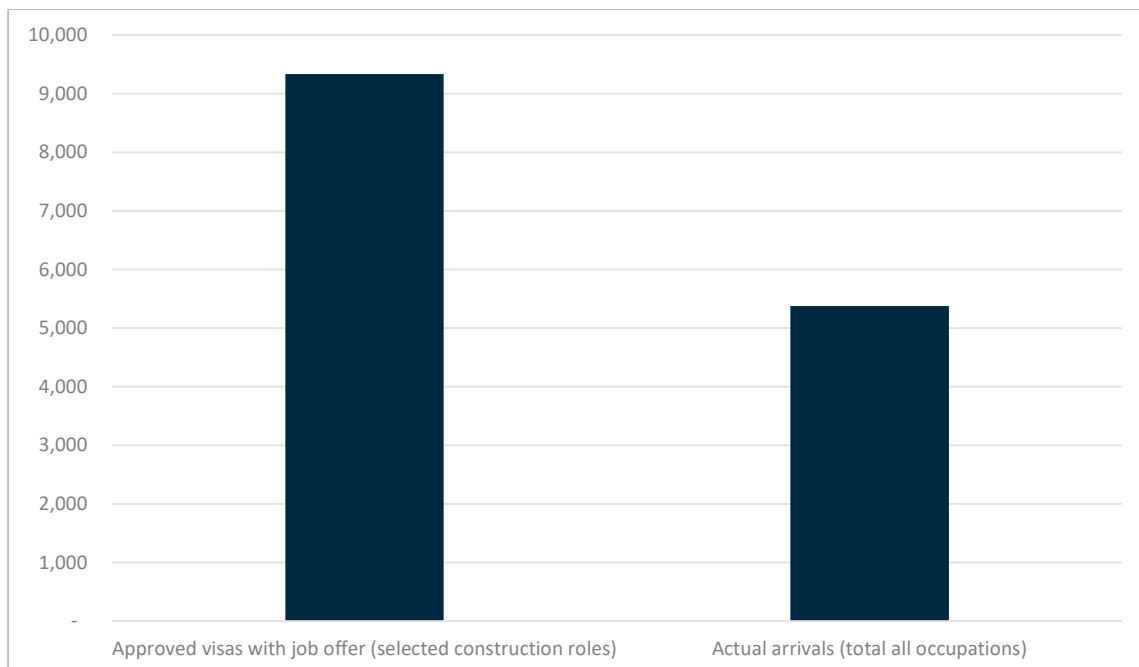


Figure 20 Visa applicants in selected construction roles versus actual arrivals 2020/21





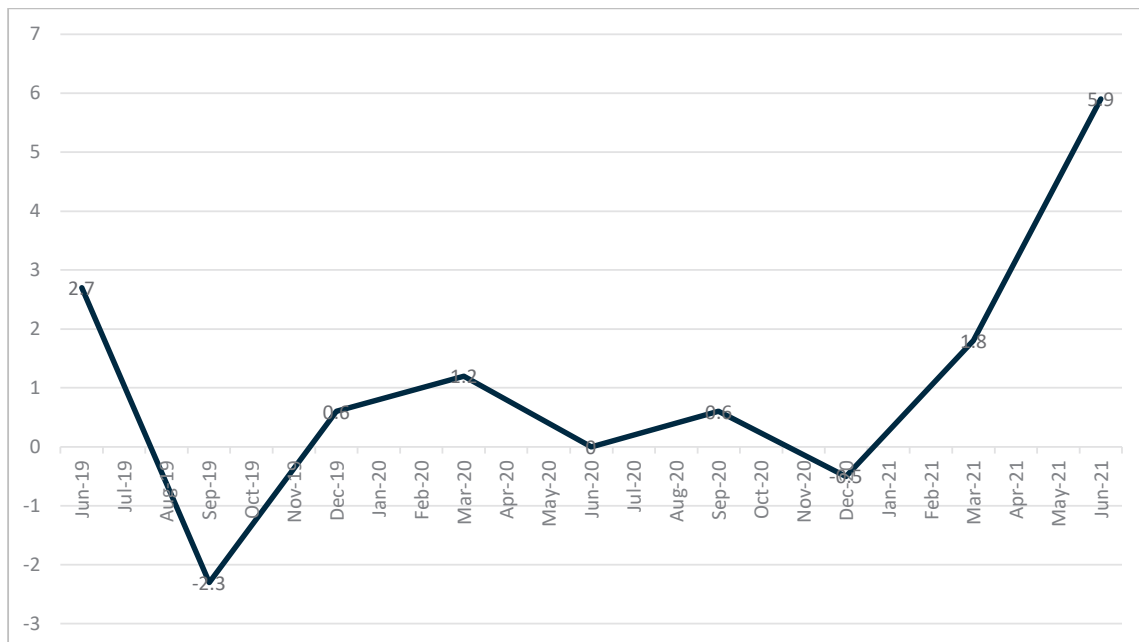
Inflation and the cost of materials

We are hearing that New Zealand is currently facing constraints in the supply of building materials, dressed timber, concrete, fastenings, Gibraltar board, electrical equipment and other materials. Part of this supply squeeze is due to the lockdown of Auckland, and hopefully may alleviate during 2022, but other factors reflect the global slow-down in supply chains, with the cost of shipping a container having increased by up to 400% in some places.

The other consequence of fiscal stimulus as noted above, is that the Consumer Price Index is running at 4.9% for the year to September 2021. This is unheard of in recent times.

The Producer Price Index is perhaps more material to the construction sector and the following chart shows percentage changes in the PPI year on year:

Figure 21 Percentage change in PPI on previous year



source: Stats NZ

A significant portion of the current increase is due to energy price changes, but these will directly affect the construction sector in prices for asphalt, and transport fuels.

Cost increases impacting the construction sector are discussed in more detail below.



Supply Chain

Materials

Raw resource extraction and processing has been hit globally by resource and logistic issues brought about by Covid-19.

There is a global shortage of semi-conductors, which is affecting the vehicle construction sector, leading to increased waitlists for new trucks.

“China is still focussing on a Covid-19 elimination strategy so will shut ports down as soon as any covid appears which then has a knock-on effect to the world.”

Fighting over timber – the shortages hitting construction, RNZ The Detail

All this has a direct impact on new homes particularly because of the materials needed but also on most vertical infrastructure projects.

Materials

60% of house builds in Auckland were hit by material or equipment availability problems as of Dec 2020

Logistics

Shipping

Cost of a 40' shipping container from Asia has increased from \$750 to \$4,000

Transport problems and blockages / shortages are a global issue.

Border restrictions have slowed imports, which are lower than expected levels since early 2020. This has equated to a 1.6 month trade backlog (i.e. it would take 1.6 months of normal volumes to recover).

Some global shipping companies are no longer serving New Zealand ports. The impact of all of this on imports can be seen in Figure 22¹⁵ below.

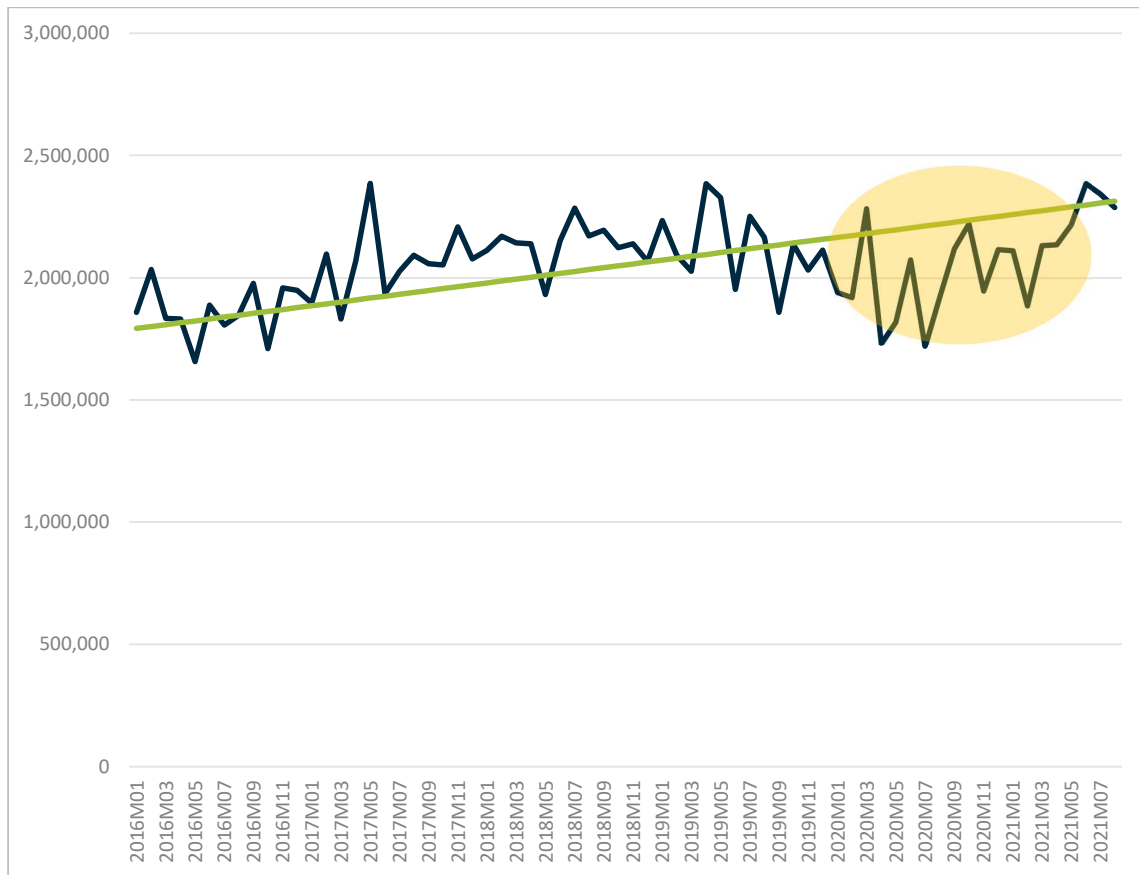
Supply chain issues

- Ordering of 50 trucks with delivery date now not until July 2023
- Materials for a weighbridge not available until Feb 22

¹⁵ www.buildmagazine.org.nz/assets/PDF/Build-184-68-Feature-Supply-Chain-In-Short-Supply.pdf



Figure 22 Total import volumes, seasonally adjusted





Feeling the impacts of the constraints

General

Concerns about the impact of these constraints is not new. They have been present in the market for some time and Council has been aware of the potential impacts and been taking steps to address them. It was specifically referenced in the audit of the LTP.

Uncertainty over the delivery of the capital programme

Volume 1 page 4 and Volume 2 page 42 outline that the Council is proposing to spend \$811 million on capital projects over the next 10 years. Although the Council is taking steps to deliver its capital programme, there is uncertainty over the delivery of the programme due to a number of factors, including the significant constraints in the construction market. If the Council is unable to deliver on a planned project, it could impact on levels of service.

The impact of these factors is forecast to be cost increases and higher inflation. These are seen in the projections of NZIER in both the capital goods and non-residential building indices, as well as the increase in general inflation and reserve bank rates.

Cost escalation issues

- Weigh Right Programme for Waka Kotahi had construction estimated at \$49.6M in 2017 for 12 sites. By 2020 prices were coming back from contractors at around \$11M per site. Business Case had to be re-evaluated.
- In late September Placemakers wrote to suppliers outlining price increases across a range of materials in October, November and December and highlighting quotes for materials only being held for 7 days due to ongoing increases

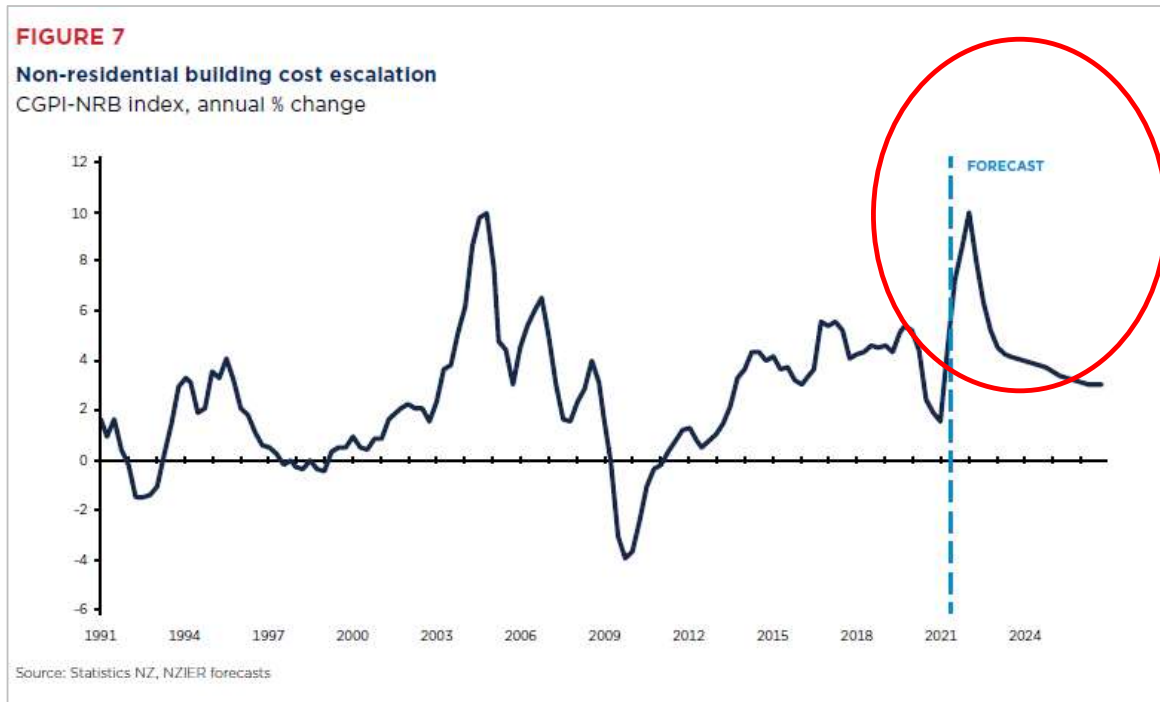
It is also impacting:

- Valuation of existing assets, driving up depreciation and costs of renewal programmes (particularly in three waters).
- Individual projects and contracts.

NZIER expect non-residential construction cost inflation to be strong over the coming year, reflecting the perfect storm of strong demand and acute supply constraints.



Figure 23 RLB Forecast report 99 (Third Quarter 21), Pg. 17





What can be done?

Our work with public sector clients means we have observed and have been involved in many different approaches to responding to these challenges. Some of these 'real-world' examples are highlighted in the boxes in this section.

Figure 24 Typical responses from public sector



Risk

Risk sharing is becoming a feature of contracts. The more traditional approach of passing risk to contractor is no longer the standard. Suppliers are limiting their risk and passing this back to the principle. This may be because:

- Better understanding of what risks are, where risk lies and as a result, the allocation of that is evolving.
- Suppliers have been 'caught out' on existing contracts, so more careful on future ones.
- Volume of work allows for this.

One example of assessing risk and allocating it is one council that has decided to take on the constructions works insurance



Some characteristics of good responses

- Realistic timeframes for procurement and delivery which allow project commencement and phasing to be accurate.
- Early contractor involvement.
- Alliancing, partnering, or risk sharing contracts where scale and complexity is appropriate.
- Major projects on individual contracts but bundle /segments others into.
- Sensible packages or panels that provide certainty to contractors and consultants allowing them to resource up and invest.
- Analysis of the specific local market constraints and mechanisms to address those.
- Staggering procurement opportunities to maintain a pipeline of 'shovel ready work' so that lead times on projects are minimised.
- Developing detailed forward works programmes that are shared with the market.
- Separating out the base or standard projects from the 'specials'.
- Evaluate the models to be used:
 - Traditional approach
 - ECI
 - Design/build
 - Cost re-imbursement (modify traditional though)
 - Alliances
- Recognising that building internal capability to plan, procure and project manage is as critical to delivery as the market capacity.
- Clients that take a medium to long term view of relationships (e.g. understand the challenges of contractors/consultants and mobilising workforces).

There are examples where suppliers are requiring advanced payment for materials on construction contracts, and 'free issue' contracts where the client is responsible for providing the materials

Some examples of practices to avoid

- Traditional procurement approaches that require a lot of time to tender and respond.
- Complicated special conditions of contract.
- Panel agreements that then require full tender processes for each package or project.
- Complicated approaches to cost fluctuations.

Traditional process of pricing design work is becoming problematic – either difficulties in getting projects priced, or the price becomes set but then changes by time of construction



Case Study - Ministry of Education

Ministry of Education – innovative, multi-year partnering contracts

MoE's \$160M national programme to upgrade the learning environments in small or remote schools across the country has taken a completely different approach to their usual manner of delivery. MoE changed from their traditional school by school delivery method where, once a project is agreed, funding is supplied to the school and the school engages individual Project Managers to procure and deliver the works with the burden of time, effort and risk lying with individual schools.

Instead, in this coordinated programme MoE undertook early contractor involvement to design and procure multi-year, linked national & regional contracts that bring together freight & logistics, product supply, project management & installation services into a nationally consistent & coordinated partnership style of delivery. Now underway, this change has allowed MoE to:

- leverage the skills and capability of industry
- provide a multi-year pipeline of work to the contractors
- maintain quality of works & minimise disruption to the schools
- allocate risk between all parties
- provide confidence in the cost of delivery to MoE; and
- incentivise its partners to invest in their businesses and to deliver ahead of schedule.
- avoid a focus on lowest price in the procurement phase and use value narrative which balanced methodology, quality, risk allocation and price.

A key mechanism that reaffirms the collaborative nature of the programme is a monthly Programme Control Group meeting that involves all 8 parties involved in delivery. This occurs after the individual project control group meetings. Using the insights from each party's progress, issues and innovations, the meetings focus almost exclusively on what can be done to speed up the roll out or deliver further benefits.



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri



HASTINGS
DISTRICT COUNCIL

Coastal Hazards

MEMORANDUM OF TRANSITION

Between

HASTINGS DISTRICT COUNCIL

NAPIER CITY COUNCIL

HAWKE'S BAY REGIONAL COUNCIL

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1. PARTIES

1.1 Hastings District Council ("**HDC**")

1.2 Napier City Council ("**NCC**")

1.3 Hawke's Bay Regional Council ("**HBRC**")

(each a "**Party**" and together the "**Parties**")

2. BACKGROUND

2.1 The Clifton to Tangoio Coastal Hazards Strategy 2120 ("**Strategy**") has been in development since late 2014. It has been advanced as a collaborative project between the Parties, the Maungaharuru-Tangitu Trust, Mana Ahuriri Incorporated and the Heretaunga Tamatea Settlement Trust. To date, Strategy development has been jointly and equally funded by the Parties.

2.2 Work under the Strategy has developed recommended projects to adapt to coastal hazards risks within the project area. In the short to medium term the recommended projects generally involve beach renourishment to offset erosion losses and to build-up the beach crest to mitigate risks of overtopping and inundation, and the construction of coastal structures to reduce erosion losses. In the longer term, managed retreat has been recommended in some areas. Significant capital and operational expenditure is required to implement the proposed works.

2.3 The Parties commissioned Raynor Asher QC to prepare a report ("**Report**") delivering non-binding recommendations on the issue of which of the Parties should lead and fund these projects. Following the recommendations in the Report, the Parties have agreed in principle that HBRC takes charge of all aspects of adapting to coastal hazards risks on the Clifton to Tangoio coast. This involves HBRC undertaking a significant new activity, and necessitates HBRC amending its long-term plan in accordance with the special consultative procedure, as required by section 16 LGA.

2.4 The Triennial Agreement provides for expanded consultation requirements in addition to the section 16 LGA process. HBRC has complied with these requirements, including having informed Central Hawke's Bay District Council and Wairoa District Council of the Proposal, provided them with an opportunity to respond, and fully considered their submissions and representations.

2.5 This Memorandum provides an agreement in principle between the Parties to facilitate the transition of functions and transfer of asset with respect to coastal hazards adaptation in the Clifton to Tangoio Coastal area. The Parties enter into this Memorandum to:

- (a) clarify and agree the roles and responsibilities of the Parties for adapting to the impacts of coastal hazards affecting Napier City and the Hastings District, and implementing the Clifton to Tangoio Coastal Hazards Strategy;

- (b) identify the assets proposed to be transferred between the Parties, and the process for transferring those assets, to give effect to the agreed roles and responsibilities;
- (c) satisfy the requirements of the Triennial Agreement; and
- (d) Support HBRC in its long-term plan amendment to give effect to the Proposal without the matter being submitted to mediation or determination by the Minister under section 16 LGA.

3. DEFINITIONS AND INTERPRETATION

3.1 **Definitions:** In this Memorandum, unless the context indicates otherwise:

Business Day means any day excluding Saturdays, Sundays and statutory public holidays in Wellington and excluding any day in the period beginning on 25 December in any year and ending on 5 January in the following year.

Clifton to Tangoio Coastal Area means the coastal area from Clifton to Tangoio, encompassing the Bay View and Haumoana Littoral Cells and associated coastal settlements.

Clifton to Tangoio Coastal Hazards Strategy or Strategy means the Clifton to Tangoio Coastal Hazards Strategy 2120, as modified novated, supplemented, varied or replaced.

Coastal Hazards Assets means all existing coastal hazard mitigation and adaptation assets and renourishment programmes (including any associated resource consents) held or managed by NCC and HDC and as particularised in clauses 7.3 and 7.4.

LGA means the Local Government Act 2002.

Minister means the Minister of Local Government.

Proposal is as defined in clause 4.1.

Significance and Engagement Policy means each of the Parties' significance and engagement policies adopted under section 76AA LGA.

Triennial Agreement means the Hawke's Bay Region's Triennial Agreement for the Triennium October 2019 – 2022.

3.2 **Interpretation:** In this agreement, unless the context indicates otherwise:

- (a) clause and other headings are for ease of reference only and will not affect this agreement's interpretation;
- (b) references to the singular include the plural and vice versa; and

- (c) the term includes or including (or any similar expression) is deemed to be followed by the words without limitation.

4. PROPOSAL

- 4.1 Subject to HBRC's adoption of an amendment to its long-term plan in accordance with section 16 LGA, the Parties record their agreement that:
- (a) HBRC will take charge of adapting to coastal hazards risks on the Clifton to Tangoio coast, including adopting and implementing the Clifton to Tangoio Coastal Hazards Strategy, as outlined in clause 6.
 - (b) HDC and NCC will transfer their assets relevant to mitigating and adapting to the impacts of coastal hazards affecting Napier City and the Hastings District to HBRC, as outlined in clause 7.
 - (c) An advisory committee formed by elected representatives of the Parties and Tangata Whenua will be established, as outlined in clause 9.
- 4.2 The Parties further agree to:
- (a) Use best endeavours to resolve objections in accordance with clause 10.
 - (b) Jointly and equally fund the continued development and implementation of the Strategy until 1 July 2024, when funding has been implemented for physical works under the Strategy in HBRC's long-term plan.

5. REASONS FOR THE PROPOSAL

- 5.1 The framework under the LGA allows each of the Parties to conduct natural hazard adaptation activities. The Parties have a general obligation to collaborate and cooperate, and the legislation leaves it open to local authorities, both territorial and regional, to cooperate and allow one council to have the controlling role in an area of common jurisdiction.
- 5.2 There is a recognition by the Hawke's Bay public of a need for coastal hazards adaptation action on an integrated basis. An integrated approach to the whole Clifton to Tangoio coastline is needed rather than an approach focussed on territorial authority boundaries.
- 5.3 HBRC has experience in managing river flooding hazards in the Hawke's Bay region, and is best suited to respond to coastal hazards and the setting of rates for these activities. This is best undertaken by an authority with pan-jurisdictional reach and a regional frame of reference.
- 5.4 The establishment of the Advisory Committee with representatives from each of the Parties and including Iwi representation would strengthen HBRC's performance of the coastal

hazard adaptation activities, through HDC and NCC's understanding of the ratepayers on their coastlines, their history of dealing with their coastal areas, and their knowledge of the infrastructure.

6. SCOPE OF HBRC COASTAL HAZARDS ADAPTATION ACTIVITIES

- 6.1 HBRC will, in accordance with section 16 LGA, propose an amendment to its long-term plan to take charge of all aspects of the adapting to coastal hazards in the Clifton to Tangoio Coastal Area, including:
- (a) the adoption of the Clifton to Tangoio Coastal Hazards Strategy and the implementation of the Strategy once adopted;
 - (b) in accordance with the Clifton to Tangoio Coastal Hazards Strategy, deciding on projects and works to be undertaken and maintained to build resilience to the effects of coastal hazards;
 - (c) making all decisions about rating for these works and collecting those rates, including deciding which ratepayers should pay and in what amounts and proportions; and
 - (d) the control of all maintenance of Coastal Hazards Assets.
- 6.2 For the avoidance of doubt:
- (a) The Proposal does not change the consenting, planning and related responsibilities of the Parties under the Resource Management Act 1991.
 - (b) The Proposal does not alter responsibilities or encompass works or activities under the Civil Defence and Emergency Management Act 2002.

7. ASSET TRANSFER

- 7.1 The Parties agree in principle that the Coastal Hazard Assets shall be transferred to HBRC, to facilitate the integrated and coordinated management of coastal hazards risks.
- 7.2 This transfer shall occur subject to and in accordance with a subsequent agreement between the Parties ("**Coastal Hazard Asset Transfer Agreement**"). The date of transfer will align with HBRC's adoption of its 2024 - 2034 long-term plan ("**Transfer Date**").
- 7.3 The following NCC Coastal Hazard Assets shall be included in the transfer to HBRC under the Coastal Hazard Asset Transfer Agreement:

Asset	Current Funding Mechanism	Capital Cost	Operational Cost	Outstanding Debt	Notes
Westshore beach erosion	HB land endowment reserve	Nil	\$275,000	0	Annual opex cost
Westshore nearshore restoration	HB land endowment reserve	Nil	\$275,000	0	Tri-annual opex cost
Hardinge Road erosion	HB land endowment reserve	\$325,290		0	Bi-annual capital cost
Hardinge Road structure	HB land endowment reserve	\$498,053		0	Existing asset
Whakarire revetment	97.5% reserves / 2.5% targeted rate	\$2,200,000		0	Project about to commence, latest cost estimate indicate cost increase to \$3.4m

- 7.4 The following HDC Coastal Hazard Assets shall be included in the transfer to HBRC under the Coastal Hazard Transfer Agreement:

Asset	Rate	Capital Cost	Outstanding Debt	Annual Interest and Debt Repayment	Total Budgeted Opex
Clifton Revetment	General rate	\$1,408,987	\$1,116,000	\$70,200	\$50,000
Cape View Corner	General rate	\$644,067	\$600,000	\$37,800	
Waimārama Sea Wall	Targeted Rate (90%)	\$197,262	\$175,481	\$25,000	

- 7.5 NCC and HDC agree that, up until the transfer of the Coastal Hazard Assets, they will consult with HBRC before making any commitments to new coastal hazard mitigation assets or renourishment programmes which are not included in clauses 7.3 and 7.4 above. The purpose of this consultation shall be to determine whether, and on what conditions, HBRC will support the new coastal hazard mitigation asset or renourishment programme being transferred in accordance with clause 7.6.
- 7.6 Any coastal hazard mitigation assets and renourishment programmes, including any associated resource consents, that are owned by HDC and NCC before the Transfer Date and which are not included in clauses 7.3 and 7.4 above, may also be transferred to HBRC in accordance with the terms in clause 7.8 below and as agreed by the Parties.

- 7.7 The Parties agree that, to the extent possible, the terms of the Coastal Hazard Transfer Agreement will ensure rate neutrality: The Parties will endeavour to ensure that there will be no additional cost to any ratepayer arising solely from the transfer of the Coastal Hazard Assets.
- 7.8 The Coastal Hazard Transfer Agreement shall provide:
- (a) that the transfer shall be at no cost to HBRC, but will include any outstanding debt on the assets as at the Transfer Date;
 - (b) for the assumption by HBRC of responsibility for funding arrangements for the Coastal Hazard Assets necessary to meet the objective of rate neutrality, as agreed between the Parties; and
 - (c) that the assets and liabilities to be transferred must include all amounts and items that properly ought to be treated as being of the same character, irrespective of how they may be described in the accounts or records of NCC and HDC.
- 7.9 NCC and HDC agree to maintain the Coastal Hazard Assets and pay any annual interest and debt repayments up to the Transfer Date in full accordance with the operational budgets and asset management plans confirmed and in effect as of the date of this Memorandum.
- 7.10 The Coastal Hazard Transfer Agreement may provide such warranties as to the Coastal Hazard Assets, including any liability arising in connection with those assets, as is agreed between the Parties.

8. SIGNIFICANCE AND ENGAGEMENT POLICIES

- 8.1 **HBRC:** The Proposal involves HBRC undertaking a “significant new activity” as that term is defined in section 16 of the LGA. In accordance with the requirements of its Significance and Engagement Policy and the LGA, HBRC will use the special consultative procedure to propose an amendment to its long-term plan.
- 8.2 **HDC:** The transfer of HDC’s current coastal hazard assets, associated debt and operating costs have been considered against its Significance and Engagement Policy and are considered to be of low significance and no engagement with the community is required. HDC has confirmed that a special consultative process will not be required to enable the transfer of these assets. The maintenance and financing costs of the Waimarama Sea Wall are collected by way of a targeted rate (90%) and consultation with that community will be required in conjunction with the HBRC consultative process.
- 8.3 **NCC:** As NCC’s coastal hazard assets are not specifically identified as a ‘Strategic Asset’ within its Significance and Engagement Policy, NCC has confirmed that a Special Consultative Procedure is not required to enable the transfer of these assets to HBRC. The transfer of the assets, associated debt and operating costs are considered as a matter of moderate interest to a portion of the community and of general interest to the wider community. NCC intends

to inform the wider community of the matter through its Annual Plan 2022/23 process. Affected parties, including Whakarire Ave Residents will be consulted with in conjunction with the HBRC consultative process. The maintenance costs of the Whakarire revetment will be collected by way of a targeted rate (2.5%) and consultation with that community will be required in conjunction with the HBRC consultative process.

9. ESTABLISHMENT OF ADVISORY COMMITTEE

- 9.1 The Parties agree to establish a Coastal Hazards Advisory Committee ("**Advisory Committee**"), formed by elected representatives of the Parties and Tangata Whenua.
- 9.2 The primary function of the Advisory Committee is to provide advice to and support for HBRC in undertaking its coastal hazards adaptation functions.
- 9.3 The Terms of Reference for the Advisory Committee is provided in **Schedule One** to this Memorandum. Any amendments to the Terms of Reference may be agreed between the Parties up until the establishment of the Advisory Committee.

10. PROCESS FOR RESOLVING OBJECTIONS

- 10.1 The Parties have agreed in principle to the Proposal, but acknowledge that disagreements may arise regarding aspects of the Proposal.
- 10.2 **Best Endeavours:** Parties agree to use best endeavours to achieve agreement on the Proposal without it being submitted to mediation or Minister determination under section 16 LGA.
- 10.3 **Spirit of Co-operation:** The Parties must at all times act in a spirit of co-operation and collaborative working. Each Party will use its best endeavours to act under the principle of no surprises with each other in relation to their respective interests and the matters covered by this memorandum.
- 10.4 **First Dispute Resolution Meeting:** A Party may, at any time when there is a disagreement relating to the Proposal, give written notice to the other Parties specifying the subject matter of the disagreement and requiring that the Parties meet within 10 Business Days after delivery of the written notice, to attempt to resolve the disagreement.
- 10.5 **Second Dispute Resolution Meeting:** If a disagreement is not resolved in the First Dispute Resolution Meeting, the Parties must agree to meet within 10 Business Days of the First Dispute Resolution Meeting, to continue to resolve the matters in dispute.
- 10.6 **Mediation:** If the parties to the Dispute fail to resolve the Dispute in accordance with clause 10.4 or 10.5, or if a party to the Dispute fails or refuses to attend the Dispute Resolution Meeting or Second Dispute Resolution Meeting, any Party may submit the matter to Mediation in accordance with section 16(4) LGA. In the event of any submission to Mediation:
 - (a) **Status:** the mediator will not be acting as an expert or as an arbitrator;

- (b) **Procedure:** the mediator will determine the procedure and timetable for the Mediation; and
 - (c) **Costs:** the parties involved in the Dispute will share equally the cost of the Mediation.
- 10.7 If the Mediation is unsuccessful, any of the Parties may ask the Minister to make a binding decision on the proposal in accordance with section 16(6) of the LGA.

11. REVIEW

- 11.1 This Memorandum may be altered with the written consent of the Parties.
- 11.2 The Parties agree to review this document at the conclusion of HBRC's consultation process, with the intention that any agreement reached between the Parties at the conclusion of the section 16 LGA process is recorded in an updated agreement executed by the Parties.

EXECUTED AS AN AGREEMENT

SIGNED for and on behalf of **Hawke's Bay Regional Council** under delegated authority by:

Signature

Name

Title

SIGNED for and on behalf of **Hastings District Council** under delegated authority by:

Signature

Name

Title

SIGNED for and on behalf of **Napier City Council** under delegated authority by:

Signature

Name

Title

SCHEDULE ONE: ADVISORY COMMITTEE TERMS OF REFERENCE

Terms of Reference for the Coastal Hazards Advisory Committee

1. Definitions

For the purpose of these Terms of Reference:

“Act” means the Local Government Act 2002.

“Administering Authority” means Hawke’s Bay Regional Council.

“Coastal Hazards Strategy” means the Coastal Hazards Strategy for the Hawke Bay coast between Clifton and Tangoio. For the avoidance of doubt the Strategy is in development as of the date of this Terms of Reference.

“Council Member” means a representative appointed by a Partner Council.

“Hazards” means natural hazards with the potential to affect the coast, coastal communities and infrastructure over the next 100 years, including, but not limited to, coastal erosion, storm surge, flooding or inundation of land from the sea, and tsunamis; and includes any change in these hazards as a result of sea level rise.

“Advisory Committee” means the group known as the Coastal Hazards Advisory Committee set up to support the Hawke’s Bay Regional Council to undertake its agreed functions with respect to coastal hazards avoidance and adaptation.

“Member” in relation to the Advisory Committee means each Council Member and each Tangata Whenua Member.

“Partner Council” means one of the following local authorities: Hastings District Council, Napier City Council and Hawke’s Bay Regional Council.

“Tangata Whenua Appointer” means:

The trustees of the Maungaharuru-Tangitū Trust, on behalf of the Maungaharuru-Tangitū Hapū;

Mana Ahuriri Incorporated, on behalf of Mana Ahuriri Hapū;

Heretaunga Tamatea Settlement Trust, on behalf of the hapū of Heretaunga and Tamatea.

“Tangata Whenua Member” means a member of the Advisory Committee appointed by a Tangata Whenua Appointer

2. Name and status of Committee

- 2.1 The Advisory Committee shall be known as the Coastal Hazards Advisory Committee.
- 2.2 The Advisory Committee is a joint committee under clause 30(1)(b) of Schedule 7 of the Act.

3. Partner Council Members

- 3.1 Each Partner Council shall appoint two Council Members and one alternate to the Advisory Committee.
- 3.2 Each Partner Council must appoint at least 1 elected member to the Advisory Committee.
- 3.3 Each Partner Council must make any appointment and notify all Tangata Whenua Appointers and Partner Councils in writing of the appointment.

4. Tangata Whenua Members

- 4.1 Each Tangata Whenua Appointer may appoint up to two members to the Advisory Committee.
- 4.2 Each Tangata Whenua Appointer must make any appointment and notify all Tangata Whenua Appointers and Partner Councils in writing of the appointment.

5. Purpose of Terms of Reference

- 5.1 The purpose of these Terms of Reference is to:
 - i. Define the role and functions of the Advisory Committee; and
 - ii. Provide for the administrative arrangements of the Advisory Committee as detailed in Appendix 1.

6. Functions

- 6.1 The Advisory Committee shall support the Hawke's Bay Regional Council to undertake its agreed functions with respect to coastal hazards avoidance and adaptation by fulfilling the following functions:
 - i. Providing a forum for constructive dialogue between Tangata Whenua and the Partner Councils on coastal hazards avoidance and adaptation.
 - ii. Responding to requests from the Hawkes Bay Regional Council for advice and commentary on specific topics relevant to coastal hazards avoidance and adaptation, which may include:
 - a. Effective engagement with Tangata Whenua;
 - b. Effective engagement with ratepayers and communities;
 - c. Funding arrangements;
 - d. Rate payer equity and affordability;
 - e. Socio-economic considerations;

- f. Environmental considerations;
 - g. Central Government interaction; and
 - h. Engaging in the development of and interpreting any relevant policies, plans and legislation.
- 6.2 For the avoidance of doubt the Advisory Committee has no delegated authority to make decisions for or on behalf of any other entity.

7. Remuneration

- 7.1 Each Partner Council shall be responsible for remunerating its representatives on the Advisory Committee and for the cost of those persons' participation in the Advisory Committee.
- 7.2 The Administering Authority shall be responsible for remunerating the Tangata Whenua Members.

8. Meetings

- 8.1 The Hawke's Bay Regional Council standing orders will be used to conduct meetings as if the Advisory Committee were a local authority and the principal administrative officer of the Hawke's Bay Regional Council or his or her nominated representative were its principal administrative officer.
- 8.2 The Advisory Committee shall hold all meetings at such frequency, times and place(s) as agreed for the effective performance of its functions.
- 8.3 Notice of meetings will be given well in advance in writing to all Advisory Committee Members, and not later than one month prior to the meeting.
- 8.4 The quorum shall be 6 Members, provided that at least one Partner Council Member is present from each Partner Council.

9. Voting

- 9.1 Where voting is required to confirm a position or advice of the Advisory Committee, all Members of the Advisory Committee have full speaking rights.
- 9.2 Each Member has one vote.
- 9.3 Best endeavours will be made to achieve decisions on a consensus basis.
- 9.4 The Chairperson at any meeting does not have a deliberative vote and, in the case of equality of votes, has no casting vote.
- 9.5 Where consensus is not reached on a position or advice of the Advisory Committee, the outcome of voting and the reasons for the lack of consensus shall be reported to the Hawke's Bay Regional Council.

10. Election of Chairperson and Deputy Chairperson

- 10.1 On the formation of the Advisory Committee the members shall elect an Advisory Committee Chairperson and may elect up to two Deputy Chairpersons. The Chairperson is to be selected from the group of Council Members.
- 10.2 The mandate of the appointed Chairperson or Deputy Chairperson ends if that person through resignation or otherwise ceases to be a member of the Advisory Committee.

11. Independent Facilitation

- 11.1 Any matter or matters being considered by the Advisory Committee may be referred by the Chair for independent facilitation.
- 11.2 Where a matter is referred for independent facilitation:
 - i. A sub-committee of the Advisory Committee shall be established, with at least one Tangata Whenua Member and at least one member from each Partner Council.
 - ii. The subcommittee shall identify and assess candidates to undertake the facilitation and develop recommendations to the Advisory Committee to appoint a preferred candidate.
 - iii. The Advisory Committee shall receive and consider the subcommittee's recommendation and confirm an appointment.
 - iv. The appointment may be made for a set duration (e.g. for 12 months) or on a task specific basis.
- 11.3 The role of independent facilitator is to assist the Advisory Committee to consider, debate and reach resolution on specified matters.
- 11.4 The independent facilitator shall act in every respect as an independent and neutral third party and shall have no voting or decision-making functions.

12. Reporting

- 12.1 All reports to the Committee shall be presented via the Technical Advisory Group¹ or from the Committee Chairperson.
- 12.2 Following each meeting of the Advisory Committee, the Project Manager appointed by the Administering Authority shall prepare a brief summary report of the business of the meeting and circulate that report, for information to each Member following each meeting. Such reports will be in addition to any formal minutes prepared by the Administering Authority which will be circulated to Advisory Committee representatives.
- 12.3 The Technical Advisory Group shall ensure that the summary report required by 13.2 is also provided to each Partner Council for inclusion in the agenda for the next available Council meeting. A Technical Advisory Group Member shall attend the relevant Council meeting to speak to the summary report if requested and respond to any questions.

¹ A description of the Technical Advisory Group and its role is included as Appendix 1 to these Terms of Reference.

13. Good faith

- 13.1 In the event of any circumstances arising that were unforeseen by the Partner Councils, the Tangata Whenua Appointers, or their respective representatives at the time of adopting this Terms of Reference, the Partner Councils and the Tangata Whenua Appointers and their respective representatives hereby record their intention that they will negotiate in good faith to add to or vary this Terms of Reference so to resolve the impact of those circumstances in the best interests of the Partner Councils and the Tangata Whenua Appointers collectively.

14. Variations to these Terms of Reference

- 14.1 Any Member may propose a variation, deletion, or addition to the Terms of Reference by putting the wording of the proposed variation, deletion or addition to a meeting of the Advisory Committee.
- 14.2 Amendments to the Terms of Reference may only be made with the approval of all Members.

15. Recommended for Adoption by

- 15.1 The Coastal Hazards Strategy Advisory Committee made up of the following members recommends this Terms of Reference for adoption to the three Partner Councils:

Napier City Council represented by:

Appointed by NCC resolution [date]

Hastings District Council represented by:

Appointed by HDC resolution [date]

Hawke's Bay Regional Council represented by:

Appointed by HBRC resolution [date]

Maungaharuru-Tangitū Trust represented by:

Mana Ahuriri Trust represented by:

Heretaunga Tamatea Settlement Trust represented by:

Appendix 1 - Administering Authority and Servicing

The administering authority for the Advisory Committee is Hawke's Bay Regional Council.

Until otherwise agreed, Hawke's Bay Regional Council will cover the full administrative costs of servicing the Advisory Committee.

A technical advisory group ("**TAG**") will service the Advisory Committee.

The TAG will provide for the management of the project mainly through a Project Manager. TAG will be chaired by the Project Manager and will comprise senior staff representatives from each of the participating councils and other parties as TAG deems appropriate from time to time. TAG will rely significantly on input from coastal consultants and experts.

The Project Manager and appropriate members of the TAG shall work with stakeholders. Stakeholders may also present to or discuss issues directly with the Advisory Committee.

Functions of the TAG include:

- Contributing technical expertise
- Providing technical oversight.
- Coordinating agency inputs particularly in the context of the forward work programmes of the respective councils.
- Ensuring council inputs are integrated.

SCHEDULE TWO: INDICATIVE TIMELINE

- 11.1 The Parties agree the following indicative timeline for implementing the matters set out in this Memorandum:
- (a) Upon signing this Memorandum, the Minister of Local Government will be advised of the Proposal and the reasons for it in accordance with section 16(2) LGA.
 - (b) HDC will undertake targeted consultation in relation to the proposed transfer of responsibilities for the Waimarama Sea Wall to HBRC. The outcome of consultation shall be reported back to the Parties by **31 March 2022**.
 - (c) NCC will undertake targeted consultation in relation to the proposed transfer of responsibilities for the proposed Whakarire Revetment to HBRC. The outcome of consultation shall be reported back to the Parties by **31 March 2022**.
 - (d) HBRC will use the special consultative procedure to propose an amendment to its Long Term Plan to give effect to the Proposal in accordance with sections 16 and 93B to 93G of the LGA and the requirements of HBRC's Significance and Engagement Policy. HBRC shall seek to conclude the special consultative procedure by **31 July 2022**.
 - (e) The Clifton to Tangoio Coastal Hazards Strategy Joint Committee shall recommend a final proposed Clifton to Tangoio Coastal Hazards Strategy to HBRC by **31 July 2022**.
 - (f) Subject to HBRC adopting amendments to its Long Term Plan to give effect to the Proposal:
 - (i) HBRC shall consult on the proposed Clifton to Tangoio Coastal Hazards Strategy as a non-statutory policy document and shall seek to adopt a final Strategy by **31 March 2023**.
 - (ii) The Parties shall prepare and execute the Asset Transfer Agreement by **1 July 2023**.
 - (iii) The Clifton to Tangoio Coastal Hazards Strategy Joint Committee shall be disestablished on **30 June 2024**.
 - (iv) the Advisory Committee shall be established from **1 July 2024**.
 - (v) The transfer of assets in accordance with the Asset Transfer Agreement shall occur by **1 July 2024**.
 - (vi) HBRC shall confirm funding arrangement for implementing physical works under the Strategy in its 2024 – 2034 Long Term Plan.

REVIEW AND RECOMMENDATIONS FOR THE CLIFTON TO TANGOIO COASTAL HAZARDS STRATEGY JOINT COMMITTEE

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The Issue to be considered

1. I have been engaged to review and deliver non-binding recommendations on the issue of which Hawke's Bay Local Authority should lead and fund the implementation of coastal hazard mitigation projects for the coast from Clifton to Tangoio. This extends to considering:
 - (a) Who should collect the rates that will fund the projects?
 - (b) Who should decide which rate payers should pay and in what amounts and proportions?
 - (c) Who should decide and control the projects to which the funds are applied?
 - (d) Who should be in charge of the implementation of the projects?

Summary of my recommendations

2. For the reasons I now set out below, I recommend that the Hawke's Bay Regional Council takes charge of all aspects of the prevention and mitigation of coastal hazards on the Clifton to Tangoio coast including deciding on preventative, mitigating or remedial works, making all decisions about rating for these works and collecting those rates, the implementation of all decisions including supervising works, and the control of all maintenance.
3. I recommend that there be an advisory committee including members of the Napier City Council, Hastings District Council and the Hawke's Bay Regional Council that has notice of, considers, and can comment on all significant proposals, but that it has no decision making powers, and no ability to delay the implementation of those proposals.
4. Therefore, the answer to each of the four questions listed above is that the Hawke's Bay Regional Council should carry out all the stated functions.
5. I now turn to my reasons for these recommendations.

The relevant local authorities

6. There are three local authorities in the Hawke's Bay area which are directly concerned with this issue of coastal hazards mitigation on the Clifton to Tangoio Coast. The first is the Hawke's Bay Regional Council (HBRC). The second and third are territorial authorities (TAs), being the Hastings District Council (HDC) and the Napier City Council (NCC). The HBRC is the only authority with jurisdiction over the whole stretch of coast between Clifton and Tangoio. The HDC and the NCC have responsibility for their individual territories, but do not have jurisdiction over the territories of each other.
7. The Resource Management Act 1991 sets out the functions of regional councils and territorial authorities. Under s 30, regional councils must achieve integrated management of natural and physical resources of the region. This relates to the natural environment including air, land, freshwater and the coastal marine area. Through policy statements and plans, regional councils must set objectives, policies and methods for controlling the use of land to avoid or mitigate natural hazards. Under s 31, territorial authorities must achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district. Through district plans, territorial authorities must control the effects of land use to avoid or mitigate natural hazards, as well as create rules for land use and subdivision.

The model choices

8. There are two broad choices for the implementation of coastal hazard mitigation projects for the coast from Clifton to Tangoio. First, a hybrid model involving all the relevant local authorities, each having responsibility for some of the tasks or sharing the tasks between them. The alternative is a single agency model, involving a single authority which would have to be the HBRC.
9. These two broad models can be broken down into six possible sub-models:

(a) MODEL ONE: The present TA and HBRC set up continues

No change to the present

(b) MODEL TWO: HBRC Only

HBRC acts as sole agency and the TA's have no further role in prevention of coastal hazards

(c) MODEL THREE: HBRC + Advisory Forum

HBRC leads and controls all Strategy implementation functions, supported by an advisory forum involving the TAs

(d) MODEL FOUR: Council Controlled Organisation (CCO)

HBRC establishes a new CCO whose composition could match the existing Coastal Hazards Committee, tasked with implementing and monitoring Strategy

(e) MODEL FIVE: HBRC + Decision-making Forum

HBRC rates for Strategy implementation, and funding decisions are delegated to a decision-making forum involving TAs

(f) MODEL SIX: HBRC + TA

Hybrid model / shared responsibility, where HBRC rates for the public good component of works, and the TAs rate for private good component.

10. The last three models can be seen as variations of a hybrid approach, involving some re-organisation and a greater role for the HBRC, while maintaining significant TA control. Before analysing these choices and which is best, it is necessary to place those options in their historical context to understand the present situation and the need for a report such as this.

The development of Regional Councils and Territorial Authorities in New Zealand

11. The history of the development of local government in New Zealand can offer some lessons which assist in determining the best way forward.

Early days

12. Māori, the indigenous people of New Zealand, did not have central or local governance in the European sense. Iwi and Hapū controlled their traditional lands, and the concept of absolute ownership was unknown.
13. Europeans brought with them a different concept of governance and land ownership, whereby the Crown held in fee simple all privately "owned" land following the Treaty

of Waitangi.¹ There were endeavours to apply the English local government structure consisting of provinces, towns/boroughs (municipal corporations), and counties (county councils).

14. In 1876 the central government created a new system of local government to be administered from the centre, due to the prevailing system that “hindered New Zealand’s social and economic development”.² Two new Acts were introduced, the Counties Act 1876 and the Municipal Corporations Act 1876, which provided the foundation for future local management.³ These Acts outlined the functions of these local bodies; to set rates and establish and maintain basic services, including streets, water drainage, street lighting and transport.⁴
15. At the same time, special-purpose boards, or “*ad hoc* bodies”, were introduced to efficiently administer singular functions within a geographic region, such as the control of rabbits, rivers, harbours, fire, electric powers, hospitals and schools.⁵
16. Justification for the use of such *ad hoc* bodies at this time was that existing territorial authorities were often inappropriate, and “cooperative action could be politically difficult”.⁶ In addition, the special expertise acquired by the special-purpose boards was considered “advantageous and efficient”.⁷ The result was a “myriad of general-purpose and special-purpose local authorities”.⁸
17. By the 1890’s, a proliferation of local authorities was evident and there was need for reform. There was a worry that New Zealand was becoming “over-governed”, with

¹ Hinde, McMorland & Sim *Principles of Land Law in New Zealand* (3rd edition, LexisNexis, Wellington, 2020) at [3.007].

² *Te Ara – The Encyclopedia of New Zealand* “Local and Regional Government” (online ed) <<https://teara.govt.nz>>.

³ Jean Drage *A Balancing Act: Decision-Making and Representation in New Zealand’s Local Government* (Institute of Policy Studies Wellington, 2008) at 58; and Kenneth Palmer *Local Authorities Law* (Thomson Reuters, Wellington, 2012) at [23.1.1].

⁴ Municipal Corporations Act 1876; Counties Act 1876.

⁵ Drage, above n 3, at 59.

⁶ Palmer, above n 3, at [23.1.1].

⁷ *Ibid.*

⁸ Drage, above n 3, at 59.

almost 2,135 territorial authorities in existence with a New Zealand population of only 630,000.⁹

First attempts at Regional Bodies

18. A Local Government Board was established by the early twentieth century to supervise a re-organisation of the system. The intention was to “reduce the number of local authorities and abolish *ad hoc* boards”,¹⁰ which were considered to be a waste of ability and money.¹¹ A further attempt at restructuring the system occurred in 1946.

19. In 1960, the Labour government began a major parliamentary inquiry into the structure and fragmentation of local government, in order to “examine whether it was capable of meeting the increasing demands of a rapidly developing population and economy.”¹²

20. A principal finding of the inquiry was that the “basic structure of local government was sound, but the tendency towards forming *ad hoc* boards was undesirable.”¹³ One solution to the failure of the current local authorities to coordinate management was to introduce a regional tier of local government, which would “assume strategic functions such as water services, sewage disposal and regional roading, and acquire other functions held by special purpose authorities”.¹⁴

The first Regional Council

21. In 1963, the concept of regionalism culminated in the formation of the Auckland Regional Authority. Its establishment came from the “inadequacy of the mess of territorial bodies to cope with rampant urbanisation.”¹⁵ Services such as drainage and waste collection had become uncoordinated, and a need for better urban and regional

⁹ At 59.

¹⁰ At 61.

¹¹ At 61, referencing GW Russell, the Minister for Internal Affairs.

¹² Drage, above n 3, at 63.

¹³ Graham Bush *Local Government and Politics in New Zealand* (Auckland University Press, Auckland, 1995) at 38.

¹⁴ Palmer, above n 3, at [23.1.2].

¹⁵ Bush, above n 13, at 39.

planning was required.¹⁶ As such, regional boundaries were delineated, and Auckland *ad hoc* boards abolished.¹⁷ This new regional body was given functions such as bulk water supply, sewerage, public transport, airport management, regional roads, civil defence and regional planning.¹⁸ Territorial bodies in Auckland were slowly discontinued, as any new function was required to be administered by the new regional authority.¹⁹

Local Government Act 1974 and the Local Government Amendment Act (No 2) 1989

22. The *Local Government Act 1974* directed New Zealand to be divided into regions within 5 years, with each region having a directly elected regional council.²⁰ Under this Act, urban and rural territorial bodies were consolidated and many of the historic *ad hoc* functions of local government were taken over by these new regional bodies.²¹

23. The most extensive reform in local government occurred under the *Local Government Amendment Act (No 2) 1989*. It abolished all territorial authorities and many of the *ad hoc* boards (including catchment boards, harbour boards, electric power and health boards).²² Approximately 850 bodies were consolidated into 86 multi-purpose local authorities, including regional councils with broad environmental responsibilities.²³

24. Regional councils continued to have responsibility for the duties of many of the previous *ad hoc* boards as well as regional planning and environmental management. The new district and city councils were to carry out the functions of the previous general-purpose authorities.²⁴

25. Under this Act, the purpose of local authorities was focused on the amalgamations of regions and districts, “to ensure recognition of different communities of interest, but

¹⁶ *Te Ara*, above n 2.

¹⁷ Bush, above n 13, at 40.

¹⁸ *Ibid.*

¹⁹ *Ibid.*

²⁰ Palmer, above n 3, at [23.1.3].

²¹ Drage, above n 3, at 64.

²² Drage, above n 3 at 64–65.

²³ *Te Ara*, above n 2.

²⁴ Drage, above n 3, at 65.

also to ensure the efficient and effective exercise of powers and functions”.²⁵ These purposes were appropriate in reducing the number of local authorities throughout the country to achieve efficiencies and to minimise duplication of resources and costs.

26. A review of the Local Government Act 1974 occurred in 2001. This led to the Local Government Act 2002, where broader purposes and powers were conferred equally on regional council and territorial authorities. This is the relevant Act today.

The Local Government Act 2002

27. Local authorities as they exist today, being regional councils or territorial authorities,²⁶ are created by the Local Government Act 2002 (LGA). Councils can create council-controlled organisations (CCOs), which are companies controlled by a local authority or authorities.²⁷ The role of local authorities is to give effect to the purpose of local government as stated in s 10 of the LGA. The purpose is to enable democratic local decision making by and on behalf of local communities. The “core services” to be considered in performing the role, (therefore both territorial and regional), include “*the avoidance or mitigation of natural hazards*”.²⁸

28. Section 14 of the LGA sets out principles relating to local authorities. A local authority should have regard to the views of all its communities,²⁹ and when making a decision should consider the interests of future as well as current communities.³⁰ In taking a sustainable development approach, a local authority should take into account the need to maintain and enhance the quality of the environment,³¹ and the reasonably foreseeable needs of future generations.³²

29. Importantly for the purposes of this report, a local authority should actively seek to *collaborate and co-operate* with other local authorities and bodies to improve the effectiveness and efficiency with which it achieves its priorities and outcomes.³³

²⁵ Palmer, above n 3, at [23.2.4]; and Local Government Amendment Act (No 2) 1989, s 37K.

²⁶ As defined under s 5 of the LGA.

²⁷ As defined under s 6 of the LGA.

²⁸ LGA, s 11A(d).

²⁹ Section 14(1)(b).

³⁰ Section 14(1)(c)(ii).

³¹ Section 14(1)(h)(ii).

³² Section 14(1)(h)(iii).

³³ Section 14(1)(e).

30. Part 2, sub-part 3 of the LGA is headed “Co-ordination of responsibilities of local authorities”. This part does not seek to delineate the responsibilities of *regional* and *territorial authorities*. If a *regional council* wishes to undertake the same significant new activity and 1 or more territorial authorities in the region of the regional council have already undertaken a significant new activity or notified their intention to do so in their long-term plans or annual plans, the *regional council* must advise all the *territorial authorities* within its region and the Minister of the proposal and the reasons for it.³⁴ It must adopt the consultative procedure set out in s 93A, and if agreement is not reached with affected territorial authorities there must be a mediation process.³⁵ If the mediation is unsuccessful, the territorial authorities may ask the Minister to make a binding decision on the proposal, who will do so in consultation with the Local Government Commission.

The Resource Management Act 1991

31. Like the LGA, the Resource Management Act 1991 (RMA) also makes no precise effort to delineate responsibilities between regional and territorial authorities. The RMA’s purpose is to promote the sustainable management of natural and physical resources, to manage the use and protection of natural and physical resources to sustain their potential to meet the reasonably foreseeable needs of future generations, and to safeguard and mitigate adverse effects on the environment.³⁶

32. Section 30 of the RMA is titled, “Functions of regional councils under this Act”. Under this section, regional councils are given the function of integrated management of regional natural and physical resources,³⁷ for matters of regional significance, in particular for water and coastal resource management.³⁸ , and “the avoidance or mitigation of natural hazards”.³⁹ These functions are translated from a regional policy

³⁴ Section 16(2).

³⁵ Section 16(4).

³⁶ RMA, section 5.

³⁷ Section 30(a).

³⁸ Peter Salmon and David Grinlinton *Environmental Law in New Zealand* (2nd edition, Thomson Reuters, Wellington, 2018) at [9.6.2].

³⁹ Section 30(1)(c)(iv).

statement into regional plans.⁴⁰ Regional Councils also have the function, in conjunction with the Minister of Conservation, for the control of land and associated natural and physical resources,⁴¹ the occupation of space in the coastal marine area and *the avoidance of natural hazards*.⁴² The coastal marine area in s 3 is defined as including the foreshore, which is in turn defined as meaning land covered and uncovered by the flow and ebb of the tide at mean spring tides, (the mean high water mark).

33. Section 31 of the RMA is titled “Functions of territorial authorities under this Act”. Territorial authorities have the function of establishing policies and plans concerning land use, storage of hazardous substances, control of subdivision of land, control of the emission of noise, and control of activities on the surface of water in rivers and lakes. These functions are the basis of the district plan and district rules.⁴³
34. In contrast to regional council functions, territorial authorities have the function of controlling any *actual or potential effects on the use development or protection of land*, including for the purpose of the avoidance or mitigation of natural hazards.⁴⁴
35. Under s 33 of the RMA, the planning function of local authorities may be transferred to another local authority on the grounds of community interest, efficiency, or technical or special capability. The intention of s 33 is to facilitate coordination of functions between regional councils and territorial authorities and to allow for combined plans and administrative arrangements.⁴⁵ This enables cooperation between councils as to which should exercise a common function.
36. Under s 34(1) of the RMA local authorities can delegate to any Committee established in accordance with the LGA. This is relevant to the later discussion of CCOs.

⁴⁰ Palmer, above n 3, at [17.4.3], and RMA s 30.

⁴¹ Section 30(1)(d)(i).

⁴² Sections 30(1)(d)(ii) and 30(1)(d)(v).

⁴³ RMA s 31, and Palmer, above n 3, at [17.4.4].

⁴⁴ Section 31(1)(b)(i).

⁴⁵ Palmer, above n 3, at [17.4.5].

Overlap between the functions of regional councils and territorial authorities

37. The provisions of the RMA and the LGA mean that there are functional interactions between territorial and regional authorities. This has been described as “a paradigm of complementarity rather than hierarchy”.⁴⁶ The 11 regional councils have hallmarks of autonomy identical to territorial authorities (election, corporate status, powers to set rates etc.), but there is no statement of regional superiority. In sharing government locality, the two levels are said to be on equal footing.⁴⁷
38. As such, there is considerable scope for overlap and conflict between the roles of regional councils and territorial authorities. This is confirmed in the recent *Report of the Resource Management Review Panel (RM Review Report)*,⁴⁸ where it was said that this lack of clarification of roles and responsibilities in the legislation can lead to “unhelpful overlap”,⁴⁹ resulting in tensions between local authorities in resolving issues and achieving outcomes (including conflicting regional and district policies).⁵⁰ Generally, the RMA places territorial authorities “in a subsidiary role” to regional councils, as district plans are required to implement the policies set out at the regional level.⁵¹ The RM Review Report makes specific reference to the Clifton to Tangoio coastline as a case study,⁵² but expressed no view on which Council or Councils should take responsibility and set and collect rates for hazard mitigation purposes.
39. On a natural reading of ss 30 and 31 of the RMA, a regional council’s role is to have charge of policies to avoid or mitigate natural hazards in a region. Territorial authorities with regional councils have the function of controlling the actual or potential effects of the use development and protection of the land. It is my reading of sections 30 and 31 that it is regional councils who should develop the policy to avoid or mitigate coastal hazards, with the territorial authorities having a role with the regional council in controlling what is done in those areas. However, the legislation provides no

⁴⁶ Bush, above n 13, at 117-118.

⁴⁷ Ibid.

⁴⁸ *Report of the Resource Management Review Panel*, “New Directions for Resource Management in New Zealand” (June 2020) [RMA Report].

⁴⁹ Chapter 8, “Policy Planning and Framework”, at [2].

⁵⁰ Ibid, at [47].

⁵¹ RMA s 75(3)(c), and any district plan must not be inconsistent with any regional plan under s 75(4)(b); and Salmon, above n 38, at [9.6.2].

⁵² RMA Report, above n 48, Chapter 6, at [43].

clarification on who should implement such policies, including the construction of new infrastructure to reduce hazard risks.

40. The obligations on local authorities are not just imposed directly by the RMA. Under the New Zealand Coastal Policy Statement 2010, local authorities must consider and plan for coastal hazards risks. Under Policy 24(1), local authorities are required to:

Identify areas in the coastal environment that are potentially affected by coastal hazards (including tsunami) giving priority to the identification of areas at high risk of being affected. Hazard risks, over at least 100 years, are to be assessed.

Summary of functions of local authorities

41. In summary, the Local Government Act framework gives all three relevant authorities in Hawke's Bay a role in avoiding or mitigating natural hazards. There is nothing to indicate conclusively that one has primacy over the other, and they have a duty to collaborate and co-operate.

42. As was noted in the RM Review Report in relation to climate change adaption, there is a lack of clarity under the RMA in regard to the roles and responsibilities of local authorities, and confusion as to where primary responsibilities lie.⁵³ The RM Review Panel in its careful and lengthy report considered limiting the primary responsibility of natural hazards response to regional councils only, as matters of regional significance. However, it preferred an approach where responsibility for reducing the risks of natural hazards is assigned to both regional councils and territorial authorities, given the broad implications of the issues for both levels of local government.⁵⁴

43. However, under the RMA some distinction can be seen in ss 30 and 31 between the power to be in charge of an integrated management of the natural and physical resources of a region, and the control of the use of land and avoidance of natural hazards. The former task is given to the regional councils, and the power to manage the effects of use and developments, which is given to the territorial councils.

⁵³ Above n 48, at Chapter 6, "Climate Change" at [32].

⁵⁴ Above n 48, at Chapter 8, "Policy and Planning Framework" at [45].

44. Legislation leaves it open to councils, both territorial and regional, to cooperate and allow one council to have the controlling role in an area of common jurisdiction.

Case law on the relationship of regional councils and territorial authorities relevant to coastal hazards

45. The element of hierarchy was noted by the Court of Appeal in *Canterbury Regional Council v Banks Peninsula District Council*.⁵⁵ It was observed that regional councils have the task of preparing policy as to any effects of the use of land which are of regional significance.⁵⁶ Territorial authorities have the function of establishing and implementing policies to achieve the integrated management of the effects of land and resources in their district and the control of the actual or potential effects of use including the avoidance or mitigation of adverse effects.⁵⁷

46. The Court of Appeal held that the RMA provides a:

“...hierarchy of instruments to the extent that...district plans must not be inconsistent with...a regional policy statement or regional plan [s 75(2)]. It does not follow, however, that there can be no overlap between the functions of regional authorities and territorial authorities...to the extent that matters have been dealt with by an instrument of higher authority, the territorial authority’s plan must not be inconsistent with the instrument.”

47. It was also stated that:⁵⁸

“A function of the regional council is to achieve integrated management of the resources of the region. It would be inconsistent with that function for...the decision as to the appropriate control to be carried out...on a regional basis, rather than by individual territorial authorities.”

48. The Court of Appeal concluded:

“It follows that the control of the use of the land for the avoidance of mitigation of natural hazards is within the powers of both regional councils and territorial authorities. There will no doubt be occasions where such matters need to be

⁵⁵ [1995] 3 NZLR 189 (CA).

⁵⁶ At 191.

⁵⁷ Ibid.

⁵⁸ At 196.

dealt with on a regional basis, and occasions where this is not necessary, or where interim or additional steps need to be taken by the territorial authority. Any controls imposed can be tested by appeal to the Planning Tribunal, and inconsistencies are precluded by s 75(2).”

[emphasis added]

49. It is stated in a leading text, *Brookers Resource Management*⁵⁹ that a territorial authority cannot control the use of land for purposes that are within the jurisdiction of the regional council. However, a territorial authority may exercise control for the purposes set out in s 31(1)(b), even if an incidental result falls within the function of the regional council.⁶⁰ That approach was applied to allow a city council to include controls on cell phone sites in its plan irrespective of whether the regional council had the power to control radio emissions, on the basis they were contaminants.⁶¹
50. There is one respect, however, in which the regional council has a power of importance in relation to coastal hazards that a district council does not have. It has the power to alter or terminate existing use rights in relation to land. This comment was made by the Chief Judge of the Environment Court in *Awatarariki Residents Incorporated v Bay of Plenty Regional Council*:⁶²

[10] *The District Council requested this change to the Regional Plan because it does not have any power to alter existing use rights arising under s 10 of the RMA. The Regional Council, under s 30(1)(c)(iv) of the RMA, has the function of controlling the use of land for the purpose of avoiding or mitigating natural hazards.* Under s 63(1) of the RMA, the purpose of a regional plan is to assist a regional council to carry out any of its functions in order to achieve the purpose of the RMA. A regional council may make rules under s 68(1) for carrying out its functions under s 30(1)(c). Under s 10(4) of the RMA, s 10 does not apply to any use of land that is controlled under s 30(1)(c). It is by that combination of functions and powers that the Regional Council may terminate existing use rights.

[emphasis added]

51. This statement is relevant to the issue to be determined of who should have charge of the task of managing coastal hazards to the Clifton to Tangoio coast, and the rating for it. It is only the HBRC that has the power, through the removal of existing use rights,

⁵⁹ (online loose-leaf ed, Thomson Reuters).

⁶⁰ At [A30.05(2)].

⁶¹ *Telecom NZ Ltd v Christchurch CC* EnvC C036/03.

⁶² [2020] NZEnvC 215 at [10] and [11].

to direct property owners to engage in a managed retreat. This cannot be done by the territorial authorities. It is some indication from the legal framework that the general defence of the coast, which can presage a managed retreat response in the long term in some parts of Hawke's Bay, is more naturally the responsibility of the HBRC.

Regional Plans

52. The Hawke's Bay Regional Resource Management Plan appears to recognise the primacy of the HBRC's role in RMA functions relevant to natural hazards. It records:

8.4.4.1 *Section 62 (1) (b) (h) of the RMA enables regional policy statements to set out the respective responsibilities of the regional council, and territorial authorities within the region concerned, for developing objectives, policies, and rules relating to the control of the use of land for:*

(a) *the avoidance or mitigation of natural hazards, and*

(b) *the prevention or mitigation of any adverse effects of the storage, use, disposal, or transportation of hazardous substances.*

8.4.4.2 *If no responsibilities are identified in accordance with this provision of the Act, the regional council retains primary responsibility for natural hazards and hazardous substances.*

8.4.4.3 This section describes the respective functions of the HBRC, and of territorial authorities within Hawke's Bay, in relation to natural hazards and hazardous substances. This section is written in accordance with section 62 (1) (ha) of the RMA (and in keeping with the fact that this Regional Plan incorporates the role and provisions of a regional policy statement).

8.4.4.4 It is important that the HBRC and territorial authorities work together in the management of natural hazards and hazardous substances. To this end, the HBRC and territorial authorities have, through discussions and refinement of earlier arrangements set out in the former Hawke's Bay Regional Policy Statement (HBRC, 1995), reached the following agreements on their respective responsibilities.

NATURAL HAZARDS

8.4.4.5.1 *Both the HBRC and the territorial authorities within the Hawke's Bay region will be responsible for developing objectives and policies for managing the use of land for the purpose of avoiding and mitigating natural hazards. Territorial authorities will be responsible for developing methods controlling the use of land for the purposes of avoiding or mitigating natural hazards, except in relation to coastal hazards. In relation to coastal hazards, both the HBRC and territorial authorities may be responsible for developing methods controlling the use of land for the purpose of the avoidance or mitigation of coastal hazards.*

8.4.4.5.2 To support the territorial authorities in developing and implementing their plan provisions in relation to natural hazards, *the HBRC will be the key information provider.* The HBRC will provide relevant, up to date and accurate data in an appropriate form for the territorial authorities to use. The HBRC will also use this information itself for natural hazard management and

planning purposes, and for Civil Defence management in accordance with the Civil Defence Act 1983.

[emphasis added]

53. The district councils or city councils so far have tended to be the proponents of physical coastal protection works and associated resource consent applications. That is because it is usually a residential settlement within their city or district which is threatened by the coastal hazard or some infrastructure (such as a road) for which that territorial authority has responsibility. There can be a need to get consents from both the territorial and the regional authorities when works situated in both jurisdictions are required.
54. The combined Regional Coastal Environment Plan (RCEP), created in the mid 2000's, was one of the first coastal plans in New Zealand to include regional rules controlling land use activities for the purposes of tackling coastal hazard risks. Previously, land use controls were only included in district plans. The HBRC had a leading role in identifying regionally significant coastal natural hazards, in particular in funding an extensive assessment of inundation and coastal erosion carried out by Tonkin & Taylor Ltd in 2004 which highlighted coastal hazard zones along the entire Hawke's Bay regional coastline.
55. However, support from territorial authorities is recognised in the RCEP. For example, a pragmatic approach was taken concerning the Westshore/Bayview coast in Napier. To avoid multiple coastal hazard zones and multiple rules, the RCEP omitted this hazard zone, and the Napier District Plan continued to govern hazard management in this area of the Napier coast. On the other hand, in reviewing its own district plan, the HDC made a policy decision to omit land use controls in relation to its own coastal hazard zones, save for subdivision, to avoid duplicity of rules. This was because the RCEP featured appropriate land use controls in relation to coastal hazard zones within the Hastings territory.

Practicalities

56. Practical issues are discussed below under the following headings:
- (a) Public recognition of a need for urgent action on an integrated basis;

- (b) Protection can only work through an integrated approach to all of the Clifton to Tangoio coast;
- (c) The need for an integrated approach has been recognised already by the three local authorities;
- (d) Election by geographic area;
- (e) The HBRC has helpful experience in managing flood hazards in the Hawke's Bay;
- (f) Which authority has greater expert personnel?
- (g) Comparison to Civil Defence Management Groups;
- (h) Which body is best suited to work out fair rates and in particular targeted rates?;
- (i) Any indications as to the preference of ratepayers?;
- (j) The need for co-operation from the territorial councils; and
- (k) The future need for similar strategies for other parts of the coastline in the Hawke's Bay region.

Public recognition of a need for urgent action on an integrated basis

57. That there is a need for action held by the people of the Hawke's Bay is, to an extent, supported by the 'Climate Crisis Survey' which can be found on the Hawke's Bay Regional Council website. It noted:⁶³

- **41% of people associated the Regional Council as the main organisation responsible for actions on climate change in Hawke's Bay**
- 25% of residents believe climate change is one of the challenges facing New Zealand
- Drinking water was of the highest concern, followed by economic struggles then climate change
- **90% of people believe that climate change is already occurring**
- **62% of people are concerned about the impact of climate change in Hawke's Bay**
- Drought is seen as the main negative outcome of climate change
- **55% of residents were prepared to pay more in rates to minimise the impact of climate change**
- The most supported initiative that people were prepared to pay for was a reduction of carbon and erosion through tree planting (69%)
- Concern for future generations was the main driving force for taking part in environmental actions
- **80% of people said they have been moderately or greatly involved in environmental activities**

⁶³ <https://www.hbrc.govt.nz/environment/climate-actionhb/climate-crisis-survey/>.

- Lack of alternatives or resources and cost were the two main cited barriers to engaging in environment related activities
- The top four activities were recycling, reusable product purchases, energy saving household products, and composting
- Two-thirds of residents do not think the Council is doing enough to prevent and reduce the impact of climate change.

58. This is some indication that the people of Hawke's Bay are aware of, and concerned with, the impacts of climate change on the region. They are prepared to contribute more rates to prevent the adverse impacts of climate change. To some extent, it shows a public consensus on the need to prevent the impact of climate change on the region. If that is so, it follows that the body with jurisdiction over the whole coast is the logical leader. That body is the HBRC.

Protection can only work on an integrated approach to all of the Clifton to Tangoio coast

59. Until now, the steps taken by local authorities to protect the Clifton to Tangoio coast have been reactive responses of territorial authorities to specific damage arising from coastal hazards. Among the measures, there have been steps taken by the HDC to prevent coastal hazards at Waimarama Beach and Clifton through sea walls, and steps taken by the NCC to prevent coastal hazards at Westshore Beach (in conjunction with HBRC), and Whakarire Avenue. These have involved the territorial authority making applications for resource consents to the regional council for works on the coastal strip, and to themselves for land use or subdivision consent. This does not pose a conflict problem, as independent hearing commissioners may hear and determine the resource consent application.⁶⁴

60. However, it is accepted by all three Councils that an integrated approach to the whole coastline is needed, rather than a piecemeal approach turning on territorial authority boundaries. What can be done in one part of the coast to prevent coastal hazards can affect, possibly adversely, another part of the coast.

⁶⁴ RMA, s 100A, whereby an applicant may request in writing that a local authority delegate its functions and powers, under s 34A(1), to an independent hearing commissioner to hear and decide their application.

61. This scientific reality was confirmed in the report of Emeritus Professor Paul D Komar and Professor Erica Harris.⁶⁵ They note that the Clifton to Tangoio coast contains two littoral cells, being stretches of beaches not separated by rocky shores and headlands.⁶⁶ These do not correspond to territorial council areas but are both within the HBRC area. In the coast North of the Napier Port up to Tangoio, gravel moves northwards.⁶⁷ Again, it can be noted that this movement crosses the territorial council border line.
62. The same is true South of the Port, where sediment has a predominant northward mitigation along the coast in response to the prevailing wave direction. Natural coastal processes have no relationship to territorial authority boundaries. However, the actions of authorities to respond to coastal hazards by intervening in coastal processes can have a direct consequence for a neighbouring jurisdiction. HBRC is the only authority with jurisdictional boundaries that can accommodate these entire littoral cells, including the coastal marine area.
63. When they commented on the effects of the 1931 earthquake in relation to the whole coast, the authors stated:⁶⁸

“Prior to the uplift this coast in 1931, produced by the Hawke’s Bay earthquake, most of its beaches and backshore areas experienced chronic erosion and over wash flooding occurrences during storms, making it essentially impossible to develop. Even the downtown area of Napier was frequently inundated during the high water levels of storms. The character of this coast abruptly changed when the earthquake raised most of its shores by 1.5 to 2 metres, extending from Tangoio in the north to about the present-day communities of Awatoto and East Clive in the south. Elevated by that amount, those shores then exceeded the elevations of the tides plus the surge and wave runup of even major storms, their acquired stability permitting the development of homes and infrastructure found there today. Only the southernmost portion of this shore, extending along the present-day Haumoana, Te Awanga and Clifton, experienced subsided during the earthquake, increasing its hazards and in part accounting for its persistent problems with erosion and flooding. It is evident that any increase in the future levels of the sea and in the intensities storms, both being projected by climatologists to occur during the next 100 years, would result significantly enhanced threats to properties along the Hawke’s Bay coast.”

64. Earlier they had noted:⁶⁹

⁶⁵ *Hawkes Bay, New Zealand: Global Climate Change and Barrier-Beach Responses* (March 2014).

⁶⁶ At [1.1].

⁶⁷ At [1.2].

⁶⁸ At [1.5].

⁶⁹ At [1.3].

This pattern of shoreline erosion in the south versus accretion to the north is produced by there being a net northward longshore transport of the beach sediments, caused by the dominant waves arriving from the southeast, the gravel and sand supplied by the Tukituki River and erosion of Cape Kidnappers being rapidly carried to the north within this littoral cell.

65. This physical reality requiring an integrated approach to the whole coastline is a reason for the local body that has jurisdiction over that coastline to be the body that takes responsibility for controlling and managing coastal hazards.

The need for an integrated approach has been recognised already by the three local authorities

66. None of the three local authorities have determined which authority or authorities should take charge of implementing works to reduce coastal hazards risks along the Clifton to Tangoio coast. However, the need for an integrated approach can be seen in the creation in 2014 of a Clifton to Tangoio Coastal Hazards Strategy Joint Committee (the Joint Committee). This is a true joint committee established under the Local Government Act consisting of members of the three local authorities and local Iwi. The Joint Committee identified the extent of coastal erosion and coastal inundation hazards across the whole of the Clifton to Tangoio coast, adopted a bespoke decision-making process, created two assessment panels, and are in the process of developing an implementation plan for responding to coastal hazards.⁷⁰ Strategy monitoring and reviews would be ongoing for at least the next 100 years.

67. This report of the Northern and Southern Cell Assessment Panels is impressive in that it makes detailed findings of the hazards on the coast and provides precise recommendations on pathways for protection. The area is divided into a northern and southern cell, and within the cells into coastal units. The units are based on "...a combination of ward boundaries, land area units and topography".⁷¹ The coastal units are numerous and do not correspond to the territorial authority boundaries.

⁷⁰ Report of the Northern and Southern Cell Assessment Panels (14 February 2018) at [3.2].

⁷¹ At [7].

68. The work of the Northern and Southern Cell Assessment Panels as recorded in that report, reflects the need for this integrated approach. Their final report of 14 February 2018 dealt with the Clifton to Tangoio coast as a whole, without territorial demarcation. The strategy covered the whole area and included the goal, “to take into account the impact of coastal hazards responses on natural coastal processes, and any resulting impacts on other parts of the coast”.⁷²
69. This goal has been recognised by the Hawke’s Bay community and is a feature of the lead up to this report. The fact that the local authorities have themselves shown an admirable consensus through the use of a single body, the Joint Committee, to create an integrated response to coastal hazards, is itself a strong testimonial in favour of a single body being in charge of the actual rating and work.

Election by geographic area

70. It is significant that elected members of both territorial authorities and regional councils are elected by geographic districts with the authority area. Under the Local Electoral Act 2001 the members of territorial authorities are elected by ward,⁷³ and members of regional councils are elected by constituencies of the region.⁷⁴ This means that there is a specific member of each local authority with a particular interest in a particular part of the Clifton to Tangoio Coast.
71. This means that, while the NCC and the HDC will have particular geographic ties, so will the individual elected members of the HBRC. Within the HBRC, there is a member representing the northern part of the coast, a member representing the city of Napier, and a member representing the southern part of the coast. Therefore, the three relevant geographic areas in total encompass the relevant coastal area.
72. This means that, just as territorial councillors representing different wards will have a particular knowledge of and sensitivity of their particular ward area, so will the HBRC councillors to their particular constituencies.

⁷² At [3.1].

⁷³ Section 19C.

⁷⁴ Section 19E.

The HBRC has helpful experience in managing flood hazards in the Hawke's Bay region

73. It is useful to compare the management of flood hazards in the Hawke's Bay. The measures to prevent or control floods and provide protection in the Hawke's Bay are run by the HBRC. The HBRC decide what is necessary, rate for the cost, and manage the implementation of remedial measures. This has been the case as far as I can understand, since the creation of the HBRC. This is an indication that there has been a natural inclination to put the management of regional hazards in the hands of the HBRC.
74. What this means is that the HBRC has expertise in managing water encroachment. It has had to grapple with the need to calculate the movements and effects of water, the effects of extreme weather, the need to obtain permanent access to land to be used to prevent the damaging effects of water, and the creation and maintenance of structures on that land. It has had to deal with the issue that such expensive remedial measures will benefit some ratepayers far more than others, and on occasions to impose targeted rates that reflect this.
75. The territorial authorities have expertise in managing drainage and stormwater, but not in the creation of significant works to prevent water encroachment in specific vulnerable parts of their districts.

Which local authority has greater expert personnel?

76. Each territorial authority currently owns and maintains coastal structures. This means each territorial authority has a base level of capability. I understand that the NCC and the HDC have engineering and asset management teams dedicated to three waters (potable water supply, wastewater and urban stormwater), and many of these skills may be transferrable. They have large, dedicated project delivery teams to deliver a large and wide-ranging capital works programs. These capital works programs are in the \$50-\$100m per annum range, and include roads, bridges, Three Waters projects, and major buildings including museums, and those on reserves and parks.

77. HBRC has a smaller engineering and asset management team dedicated to flood control, drainage, and supporting coastal projects. HBRC employs a specialist dedicated to coastal modelling and analysis. HBRC currently actively monitors the extent of the coastline. HBRC holds expertise in modelling of drainage and rivers with two dedicated staff. They have additional flex and capability and frequently provide advice to the territorial authorities and Civil Defence.
78. HBRC has a small, dedicated project delivery team dedicated to delivering flood control and drainage projects, with a budget of around \$7m per annum.
79. I understand that the pending Three Waters reforms is likely to remove significant Three Waters engineering, asset management and project delivery resources from the territorial authorities, and amalgamate these into a single Three Waters entity, although no decisions have been made. This is a significant point as most of the transferable skills to coastal management will likely exit the territorial authorities over the next couple of years.
80. In considering the governance, rating, construction and maintenance of coastal strategy, the scale of the specialist resource required is a consideration. This is where there may well be a difficulty in putting control of the process in a Council Controlled Organisation (CCO). It would not have resources of its own and would have to use the resources of local authorities. It is difficult to see this as efficient, or economic. It would be difficult to develop a depth of expertise in managing coastal hazards over three local authorities, none of which controlled the works, the control being with a third body such as a CCO. It is difficult to see how such disparate expertise could be amalgamated into an efficient working unit. A model where all the expertise is in one organisation that collects the rates to pay for that expertise, and administers that expertise, seems preferable.
81. If there were one local authority in charge, then the right resources to deal with coastal hazards are likely to develop further, both as a group of staff members develops within the organisation, and through the use of independent consulting engineers and other expert professionals, who it would be expected would develop more expertise and a good working relationship with the local authority in charge. Members of that local

authority would develop knowledge of the best contractors and develop skills in dealing with them.

Comparison to Civil Defence Emergency Management Groups

82. During the course of my investigations, the analogy of the Hawke's Bay Civil Defence Emergency Management Group, which is a group created for the whole Hawke's Bay region, has been raised as an alternative to control by a single local authority or authorities. This group is created under the Civil Defence Emergency Management Act 2002 (CDEMA). Its members are the HBRC and all those territorial authorities that lie wholly within the boundaries of the Hawke's Bay region. There is a group controller and a group plan, under which effective civil defence management is carried out on a region-wide basis. Could a similar model be used for the creation of a CCO, which would take charge of managing coastal hazards?

83. Such civil defence groups *must* be created by local authorities under s 12 of the CDEMA. Such groups are designed to ensure civil defence co-ordination over a whole large area, and involve a number of concerned bodies and organisations in addition to local authorities, such as the Hawke's Bay District Commander of NZ Police, the Area Commander Hawke's Bay Fire and Emergency NZ, the Chief Executive Hawke's Bay District Health Board, the Hawke's Bay Medical Officer of Health the Group Welfare Manager the Group Recovery Manager, the Heretaunga Territory Manager, St John, the Chief Executive Officer of each Local Authority of the Group, the Chairperson of the Hawke's Bay Lifelines Group, and any other persons that may be co-opted by the Group.

84. Such groups are one-off, involving multiple administrative bodies in order to deal with the broad spectrum challenge of civil defence, and in particular emergency response. Inevitably, a group different from a local authority or authorities was required. The same statutory and practical imperatives do not arise with regard to coastal hazards which are typically slow moving and evolving over years and decades.

85. In summary, I do not think that the Hawke's Bay Civil Defence Emergency Management Group provides an appropriate template for a similar structure regarding

coastal hazard management. Therefore, I do not consider that the Civil Defence model should be applied to controlling coastal hazards.

Which body is best suited to work out fair rates and in particular targeted rates?

86. It is arguable that all people in the Hawke's Bay get some benefit from the protection of its coast, but it is also true that some will get far more benefit than others. The difficult question will arise of finding a fair way to rate for hazard protection measures that will greatly benefit those properties immediately on the threatened shore, with the benefits lessening the greater the distance of the rated property from that shore.
87. This was done in relation to the Waimarama revetment and to an extent with the Whakarire Avenue revetment. However, this was not done with the Clifton revetment, (which had no residences that were immediately affected). Different policies can be adopted therefore, from significant targeting of rates to none at all.
88. Who is best to decide? A territorial authority may well have the better knowledge of its local people, and the history and their concerns about a local hazard. On the other hand, they may not have the same understanding of how the coast benefits the Hawke's Bay as a whole, in terms of being an amenity for recreation, attracting tourists, and as a barrier to protect infrastructure such as roads cables and pipes. There may also be complexities where some benefits of a particular work (or adverse impacts) accrue outside of the rating jurisdiction of a given territorial authority from resulting 'downstream' coastal change. This could occur from, for example, a major beach nourishment programme in Westshore and Bay View (within the jurisdiction of NCC) potentially benefiting residents in Whirinaki (within the jurisdiction of HDC) as the nourishment material naturally migrates northwards.
89. It is also the case that the territorial authorities face the reality that infrastructure owned by them is threatened by coastal erosion, in particular coastal roads, cables and pipes under their control. Accepting that the territorial authorities could not be rated for any works, there is an advantage in having a body independent of the owners of that infrastructure, deciding on what should be done to protect it. If, say, a managed retreat and the destruction of a piece of territorial authority infrastructure was an option, the

HBRC as an independent organisation with no financial interest could be better suited to the tasks of decision-making, rating, implementation and maintenance, than the territorial authority itself.

90. For these reasons, I suggest that a regional council, the HBRC, is best suited for the task of responding to coastal hazards and setting rates. The task is best undertaken by an authority with pan-jurisdictional reach and a regional (rather than specific local) frame of reference.

Any indications as to the preference of ratepayers?

91. The ratepayers of Hawke's Bay voted against the creation of a single new body for all of Hawke's Bay, with local boards, in a poll conducted in 2015. In that poll, 34% of ratepayers were in support of such a body, and 66% against it. I see this as a poll requiring a multiplicity of considerations, and not an indication of any preference from the local population as to how to deal with the coastal hazards problem. I am not aware of any indications from ratepayers as to which Council they might wish to take charge of responding to coastal hazards to the Clifton to Tangoio coastline.
92. Thus, when this result is seen in conjunction with the results from the Climate Crisis Survey referred to earlier, the ratepayers can be seen as generally agnostic as to who does the work, but it is clear that they want it done and they want it done efficiently and effectively.

The need for co-operation from the territorial councils

93. Some of the work that will have to be done will fall within the coastal marine area which is the HBRC's bailiwick. Other works, on the landward side of the mean high water mark, fall within the territorial authority jurisdiction. The fact that regional councils have to deal with land which falls within their own jurisdiction but also within the jurisdiction of a territorial council is common, if not unusual. Regional councils have experience in designations, and in acquiring land under the Public Works Act 1981. For instance, some of the flood prevention works that have been carried out by

the HBRC have been on land which is not under HBRC control, and included private land and land owned by territorial authorities.

The future need for similar strategies for other parts of the coastline in the Hawke's Bay region.

94. Coastal hazards issues are of course not unique to the coastline between Clifton and Tangoio. Indeed, I understand that one of the objectives of the Clifton to Tangoio Coastal Strategy is to develop an approach and model to apply in future to other parts of the Hawke's Bay coastline. This introduces the prospect of involving additional territorial authorities in this work, namely the Wairoa District Council and Central Hawke's Bay District Council.

95. The Wairoa District Council and Central Hawke's Bay District Council have not been approached for comment, and it is not part of my specific brief to consider their position. However I comment that consistent with my analysis above, additional agencies can add complexity and inefficiency for little practical benefit. A single agency-model enables a regional roll out of strategic planning in ways that a multi-agency model cannot. This is a strong argument in favour of a single agency model for all of Hawkes Bay. However, I make this observation with diffidence, as I have no knowledge of the history and coastal erosion issues in those Council areas.

Summary of factors in favour of continuing the status quo, with each council dealing with coastal hazards (Model One)

96. The creation of the Joint Committee appears to me to constitute a recognition by all the local authorities that an integrated approach is required through all the local authorities working together.

97. Through discussions held as part of developing this review, some support was expressed for retaining the existing status quo (Model One) based on the concept that there should be a direct connection between the money being taken from ratepayers and those who could be held to account. The works and the ratepayers should be as closely joined as possible. It was suggested that the HBRC has no role to play in relation to

coastal hazards that are essentially community issues, and the HBRC's involvement should be limited to providing only an environmental point of view. It was observed that territorial authorities have the responsibility for the built environment. It was said that given the concern that a regional council should have for the environment, it was thought that a regional council was more suited to managing retreat, rather than hard engineering on the coast.

98. While these arguments have merit, they are not persuasive of a piecemeal approach corresponding to territorial boundaries, with the HBRC having a limited role. As I have set out, the problem of coastal hazards along the Clifton to Tangoio coast is physically problem of the whole coast, in particular the southern and northern sections, and does not correspond physically to the territorial authority boundaries. If responses are carried out from the point of view of just parts of that coast, the response may have adverse effects on other parts of that coast. In my assessment, coastal hazards are to be approached as a whole of coast issue, requiring a whole of coast response.

99. The various legislation and regional plans mentioned above give the regional and territorial authorities overlapping responsibility and powers in dealing with coastal hazards. However, it is clear from the interpretation of those instruments that a regional body, the HBRC, is higher in the hierarchy and therefore can be seen to have primacy.

100. As I have set out, the HBRC is better able to assess rates with a whole of region approach. The HBRC already has some of the skills and knowledge in dealing with the prevention of coastal hazards, having been in charge of managing and rating for flood prevention across the Hawke's Bay for many decades. This is not going to change, and the skill sets involved for both areas of flood prevention and coastal management overlap.

101. These issues were already in part at least recognised by the formation of the Joint Committee, which was set up by all the local authorities to proceed on a region-wide basis. This move to a whole of region approach can be said to have arisen in part as an organic response to the issues.

Summary of factors in favour of a single agency model (Model Two)

102. It should first be observed that the analysis earlier of the LGA and RMA, the relevant authorities interpreting those Acts, and the relevant plans, indicates primacy of the Regional Council in relation to policy on coastal hazards, and equality in relation to implementation. Only the Regional Council can in relation to coastal hazards direct managed retreat.
103. The Clifton to Tangoio Coast is not congruent with the boundaries of the territorial authorities. Neither the NCC nor the HDC has jurisdiction over the coast of the other. In contrast, the coast all falls within the boundaries of the HBRC. This is the most powerful reason for the HBRC to rate and manage coastal hazards. As mentioned, what happens on one part of the Clifton to Tangoio coast may adversely affect other parts. There is no other existing single suitable body with the power to plan for, rate for manage and implement measures to control coastal hazards other than the HBRC, (other than through the creation of CCO, which is discussed below). Thus, geographic logic supports a single agency implementing measures to respond to coastal hazards along this coast, and the reality of the boundaries of the territories of the councils supports that council being the HBRC.
104. This geographic logic, at least as a matter of fact if not law, is increasingly recognised by local body politicians and employees in all three local authorities. It is reflected in the work of the Joint Committee. In my discussions with the councillors of all three local authorities, there appeared to be a recognition by most that a single agency was the most practical option in terms of efficiency and cost.
105. Even with a single agency approach, local interests can be recognised and promoted by members of the HBRC, given that they are elected on a constituency basis.
106. There is a considerable body of experience in the area of coastal hazards in the HBRC, and the work has a connection with flood control. The HBRC has successfully carried out flood control throughout the region in recent years.
107. Further, the HBRC is well able to carry out the task of considering whether there should be targeted rating, and if so in what proportions, and the collection of those

rates. It already administers targeted rating in the area of flood control. The HBRC is experienced in identifying water hazards, coming up with a remedial concept, working out how to acquire or control required properties and implementing the acquisition of necessary land, and doing the construction.

108. It is true that if the HBRC carries out the rate collection exercise, this will result in a greater percentage increase in the HBRC rates than would be the case if the NCC and HDC did the rating, as the overall rates on household of the territorial authorities are much higher. An extra rate to pay for protection from coastal hazards may be less noticed by rate payers if it is made by the territorial authorities. However, this is not a valid reason for the task of collection of such rates to be left to the NCC and HDC. The same ratepayers more or less will end up paying for the cost of the works, they will simply be paying directly to the HBRC rather than to the NCC or HDC. Any cosmetic reason should be treated as irrelevant.

109. The only reasons why the single collection model may not be the best are that:

- (a) The territorial authorities know their ratepayers, and the history of their district and perhaps have a closer connection to their ratepayers than the HBRC. The HBRC covers a much wider area, and must take into account the interests of many more groupings of ratepayers;
- (b) The territorial authorities have the power to do these works under the LGA and the RMA (although, so does the HBRC);
- (c) The NCC and HDC will have a good institutional knowledge of the coastal hazards in their territories; and
- (d) In particular, both the NCC and HDC have had hands-on experience in taking successful measures to prevent coastal hazards, in particular at Waimarama, Clifton and Westshore and have skills in that area in their existing staff.

110. However, these are not persuasive in comparison to the reasons favouring a single agency model. Indeed, a single agency model can be constructed to still benefit from

the knowledge, experience and capability of territorial authorities through the formation of an advisory forum, which I discuss below. There are therefore powerful reasons why the single model approach should be adopted. I will traverse some other considerations to the contrary below.

Summary of factors in favour of HBRC and an advisory committee (Model Three).

111. This model involves the HBRC being the decision-maker and implementer of all functions including rating (model 2) but supported by an advisory committee, (it could be called a forum or group), involving the territorial authorities. This approach was favoured by a number of politicians in two of the Councils.
112. For the reasons I have set out, I recommend that the HBRC takes charge of all aspects of the prevention and mitigation of coastal hazards on the Clifton to Tangoio coast. I believe that the HBRC's ability to carry out this role would be strengthened by an advisory panel or committee. While, for reasons that I will set out, I do not favour a CCO or any option that compromises the HBRC as the decision-maker and rating body in relation to all aspects of the prevention and mitigation of coastal hazards on the Clifton to Tangoio coast, a committee that had only an advisory role could be a real benefit.
113. As I have set out, the territorial authorities have a close connection with the ratepayers on their coastlines. They will know the socio-economic circumstances of the ratepayers of particular areas. They have a history of dealing with their own coastal areas that the HBRC has not had. They will know their infrastructure, and how it may be affected by a coastal hazard. They will be aware of the cost and implications of not stopping damage to that infrastructure.
114. The territorial authorities have had to manage coast related issues for many years. Obvious examples are the works at Westshore and Whakarire Avenue. The NCC has a good knowledge of what has been done, and what its ratepayers think about it. The HDC has had the experience of Clifton, and the long running issues at Haumoana.

115. In relation to specific proposals and issues relating to their coasts, the territorial authorities through an advisory body can let the HBRC know of the wishes of ratepayers and the history of parts of the coast. The individual territorial authorities through an advisory body can have an exact knowledge of what is happening in relation to coastal hazards in their area and how they are being dealt with, so that not only can they comment, but they can report back and have a sense of participation. The territorial authorities will be in a position to provide advice or assistance to the HBRC on proposals for works and strategies. They will also be able to come up with their own suggestions as to what could be done.
116. I would recommend that this advisory committee be modelled in composition at least in part on the existing Joint Committee, so that there would be an equal number, (perhaps two), of representatives from each of the three local authorities, plus continued Iwi representation. The local authority representatives should be elected politicians, who can be seen as responsible to, and representative of, their district's ratepayers. It will also be important to have inputs from key personnel in the three councils, in the same way as the existing Joint Committee has had the benefit of the TAG Group. I recommend that the advisory committee have an associated group of experts who work with them, like the TAG group.
117. I think it important that the HBRC has its own elected members on this advisory committee, and that they have a role in the HBRC in the area of coastal hazards. This will allow them to inform the other members of the advisory committee of what is intended and what is happening, and debate and learn. The HBRC members and Iwi representatives can also be a counter-balance against any particular sectional pressures and conflicts that might arise between the NCC and HDC.
118. I would envisage that the advisory forum or committee is given advance notice by HBRC of significant new works or maintenance works, and of rating proposals, so that they could be debated and commented on by the advisory committee. The finalisation of such proposals should allow the advisory committee reasonable time to understand, debate and comment. However, the time frame for such debate and comment would have to be such that there was no significant delay. Moreover, the view

of the advisory forum or committee, even if opposed to a proposed measure, could not delay the implementation of that measure by the HBRC.

119. The effect would be, then, that the advisory committee could come up with its own proposals or respond to those of HBRC. It would have to be given prompt advice of HBRC proposals, and then meet on relatively short notice to discuss and give such advice if considered appropriate. There would need to be a time frame for this, and it would need to be measure in weeks more than months. Significant delay would defeat one of the key benefits of having a single deciding body.

Summary of factors in favour of a Council Controlled Organisation (CCO) (Model Four)

120. The fourth proposed model is that HBRC establishes new council-controlled organisation (CCO) whose composition could match the existing Joint Committee, tasked with implementing and monitoring strategy. The HBRC would collect the relevant coastal hazard rates, but the CCO would decide on allocation of rate contributions, targeting, the projects to be undertaken, how those projects are to be carried out, and who should carry out those projects.
121. This model is supported by a number of councillors in one of the local authorities. I understand that it was envisaged that there would be an equal number of representatives from each local authority in this CCO.
122. This model is effectively a single entity in charge, not the HBRC, but rather a hybrid body of the local authorities. This would have some of the advantages of Model 2, with a single body making all the decisions, and which would develop skills and expertise in managing coastal hazards.
123. The power to delegate to CCOs is set out at part 5 of the LGA, and the power is wide. I will assume that it includes the power to decide on works and who will own them to prevent or mitigate coastal hazards, and to rate or get the regional council to rate for them, and to have staff and carry out those works.

124. The key disadvantage of such a model is that there would be the opportunity for conflict and stalemate, as councillors from particular authorities sought to maximise the position of the ratepayers that they represent, rather than the good of the Clifton to Tangoio coast as a whole. The great advantage of the HBRC being in charge, is that its councillors from all constituencies have a duty to advance the interests of the whole region, rather than one part of it. They are better able to manage a coast which demands a whole of coast approach, rather than one dictated by the boundaries of territorial authorities.

125. Also, there would be overlap in the CCO's functions particular in the area of flood control, with the HBRC. Such a move would be against the overall trend in local government, which is to try to check proliferation of authorities, and thus duplication of costs and a more piecemeal approach. The general move in local government is to conflate rather than expand the multiplicity of local government organisations. This would be a step in the opposite direction. A CCO would mean the creation of another *ad hoc* local body, a coastal hazards board, a move similar to the move to multiple boards in the late nineteenth century, where there were boards for rabbits, rivers and harbours.⁷⁵ Such a proliferation proved costly and inefficient and was firmly reversed in the next century.

126. The HBRC has representatives of all the ratepayers that are represented by the territorial authorities. The HBRC has representatives for the ratepayers in the constituencies that are on the Clifton to Tangoio coast. Those ratepayers do not therefore need a say in decision making through a CCO, as they already have a say through their votes for HBRC members. The territorial authorities, therefore, do not have to have a direct say in what happens through a CCO, because the ratepayers that they represent are already represented on the HBRC.

127. Further, if a CCO was to take charge, it would not have any staff. It would have to use NCC, HDC or HBRC staff. As a result, there would be more of a possibility of conflict and duplication.

⁷⁵ Drage, above n 3, at 59.

128. The particular contributions that the NCC and HDC can make can be accommodated in an advisory committee as discussed in the preceding section. There is no need for the creation of a CCO, as the ratepayers affected by any coastal hazard works can have their democratic right to a say met through their votes for HBRC members. There is a significant downside in delegating all the coastal hazard functions to a CCO, in cost and delay and an unhealthy proliferation of the local government function. I do not recommend this model.

HBRC + Decision-making forum (Model Five)

129. Under this model, the HBRC would rate for strategy implementation, and funding decisions would be delegated to a decision-making forum involving the territorial authorities.
130. I do not support this concept for the reasons I have already set out. I favour the HBRC having all the decision making and rating functions, assisted by an advisory board which includes representatives of the NCC and HDC. If the HBRC's role was limited to rating and possibly implementation as well, this would involve its powers and functions being divided, which is undesirable for the reasons I have already set out. A decision making forum involving the NCC and HDC would be much like the CCO option, and could lead to division and stalemate, and the attendant delays and costs.

HBRC + TA (Model Six)

131. This proposal is for a hybrid model with shared responsibility between the HBRC, NCC and HDC. Under this model, the HBRC would rate for the public good component of works, and the NCC and HDC would rate for private good component.
132. Again, I do not support this for the reasons I have set out, where I favour the HBRC having all the decision making and rating functions, assisted by an advisory forum or committee which includes representatives of both territorial authorities. To split the rate collection function in relation to coastal hazards would lead to wrangles as to how the division should be made, and confusion among voters about to whom they are paying and for what. The advantages derived from the single authority option, which I have already set out, would be lost.

133. I have not sensed any particular enthusiasm for this option from any person or group.

Transition

134. The recommended single agency model represents a change to the status quo. This necessitates a comment on the successful transition to a new operational model.

135. If the Councils do accept my recommendation, they should record this in a joint memorandum or similar document as a first step. This would ensure that all parties are clear and agreed on the changes and their respective roles moving forward. I envision that this memorandum would include agreed positions on key matters, such as the ongoing role of the advisory committee and its membership, any financial contributions to operational costs from advisory committee members, and the future ownership and maintenance of existing coastal hazard assets.

136. On the issue of existing assets, I would envisage that all existing coastal hazard assets owned by the two territorial authorities (the NCC and the HDC), such as revetments (and including the resource consents held for structures that have not yet been built), be transferred to the HBRC. They are unlikely to have any open market value. This will allow for a fully integrated approach to managing coastal hazards risks at present and into the future; to do otherwise risks perpetuating the issues I have identified with the multi-authority options discussed above.

137. The next step will be for the HBRC, I suggest in conjunction with the Joint Committee, to prepare a Transition Plan to set out the timing and orderly process of transitioning to a single agency model in accordance with the terms set out in the agreement.

138. The Transition Plan should be prepared in consultation with the territorial authorities and set out procedures for the transfer of assets. A full transition plan would then be finalised and implemented.

Recommendation

139. For the reasons I have set out, I recommend that the HBRC takes charge of all aspects of the prevention and mitigation of coastal hazards on the Clifton to Tangoio coast including deciding on preventative, mitigating or remedial works, making all decisions about rating for these works and collecting those rates, the implementation of all decisions including supervising works, and the control of all maintenance. I recommend that there be an advisory committee which includes members of both the NCC and HDC, but that this advisory committee has no decision-making powers, and no ability to delay the implementation of proposals.

140. My recommendation is that the HBRC should take charge of:

- (a) The collection of the rates that will fund the projects;
- (b) Deciding which rate payers should pay and in what amounts and proportions;
- (c) Deciding and controlling the projects to which the funds are applied; and
- (d) Implementation of the projects.

Dated this 23rd day of April 2021



Raynor Asher

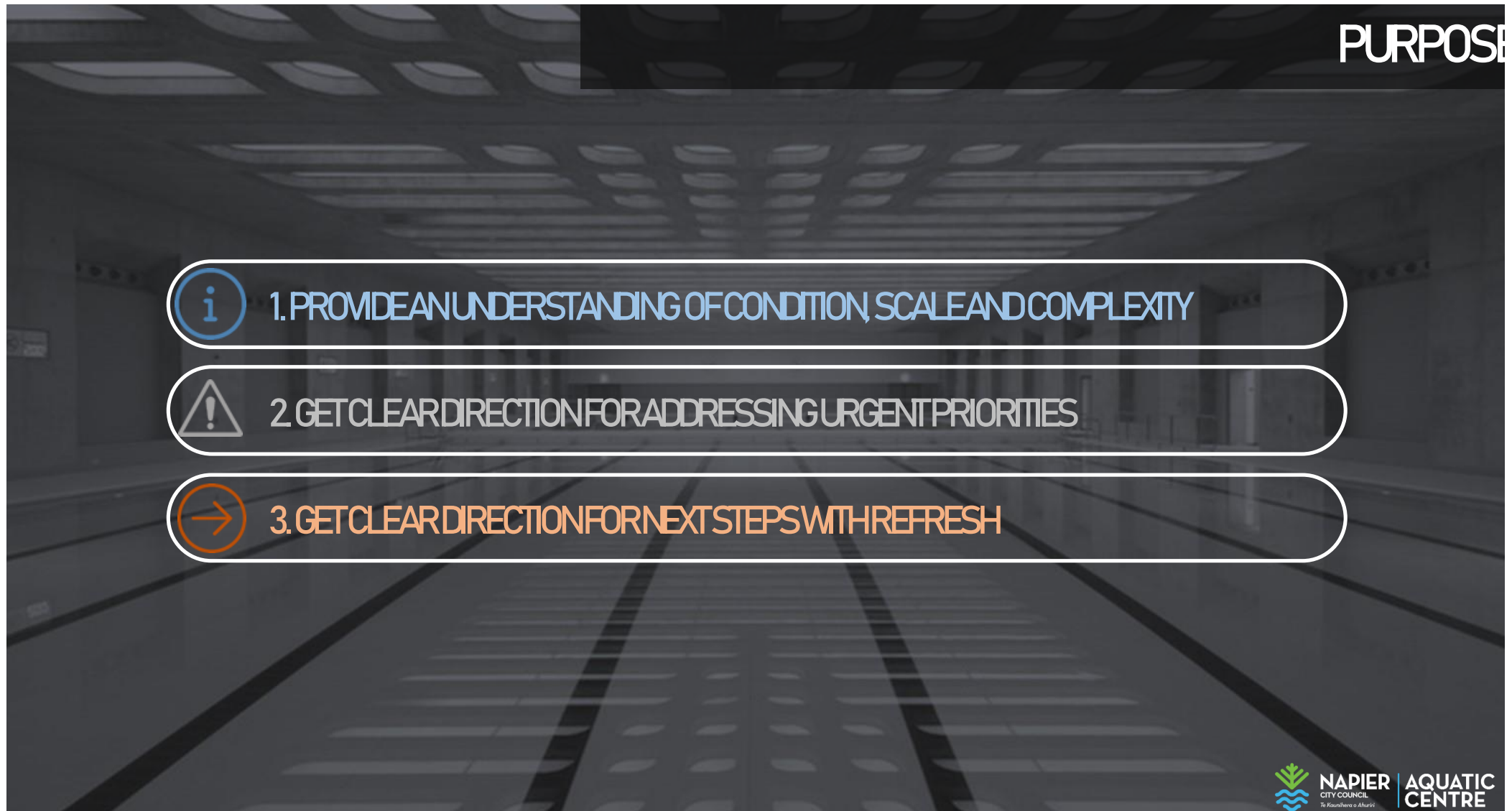


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**AQUATIC
CENTRE**


CAPITAL PROGRAMME

PRELIMINARY REVIEW FINDINGS



PURPOSE

-  1. PROVIDE AN UNDERSTANDING OF CONDITION, SCALE AND COMPLEXITY
-  2. GET CLEAR DIRECTION FOR ADDRESSING URGENT PRIORITIES
-  3. GET CLEAR DIRECTION FOR NEXT STEPS WITH REFRESH



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AQUATIC CENTRE

AGENDA

1

VIRTUAL TOUR



2

WHY DO WE PROVIDE AQUATIC FACILITIES?



3

WHERE ARE WE AT?



4

OUR FINDINGS TO DATE



5

ESTIMATED COSTS OF REMEDIATION



6

WHERE TO FROM HERE?





WHY DO WE PROVIDE AQUATIC FACILITIES



Critical piece of Napier's community aquatic network

Provides everyday health and wellbeing, sporting, learning and leisure and play benefits

Support customer's journey towards health and wellbeing

Role in community wellbeing H&W (mental and physical), quality time (alone or with family), developing skills for life, sport development

WHY DO WE PROVIDE AQUATIC FACILITIES



All strategies and reports completed, demand studies, national benchmarks point to significant unmet demand

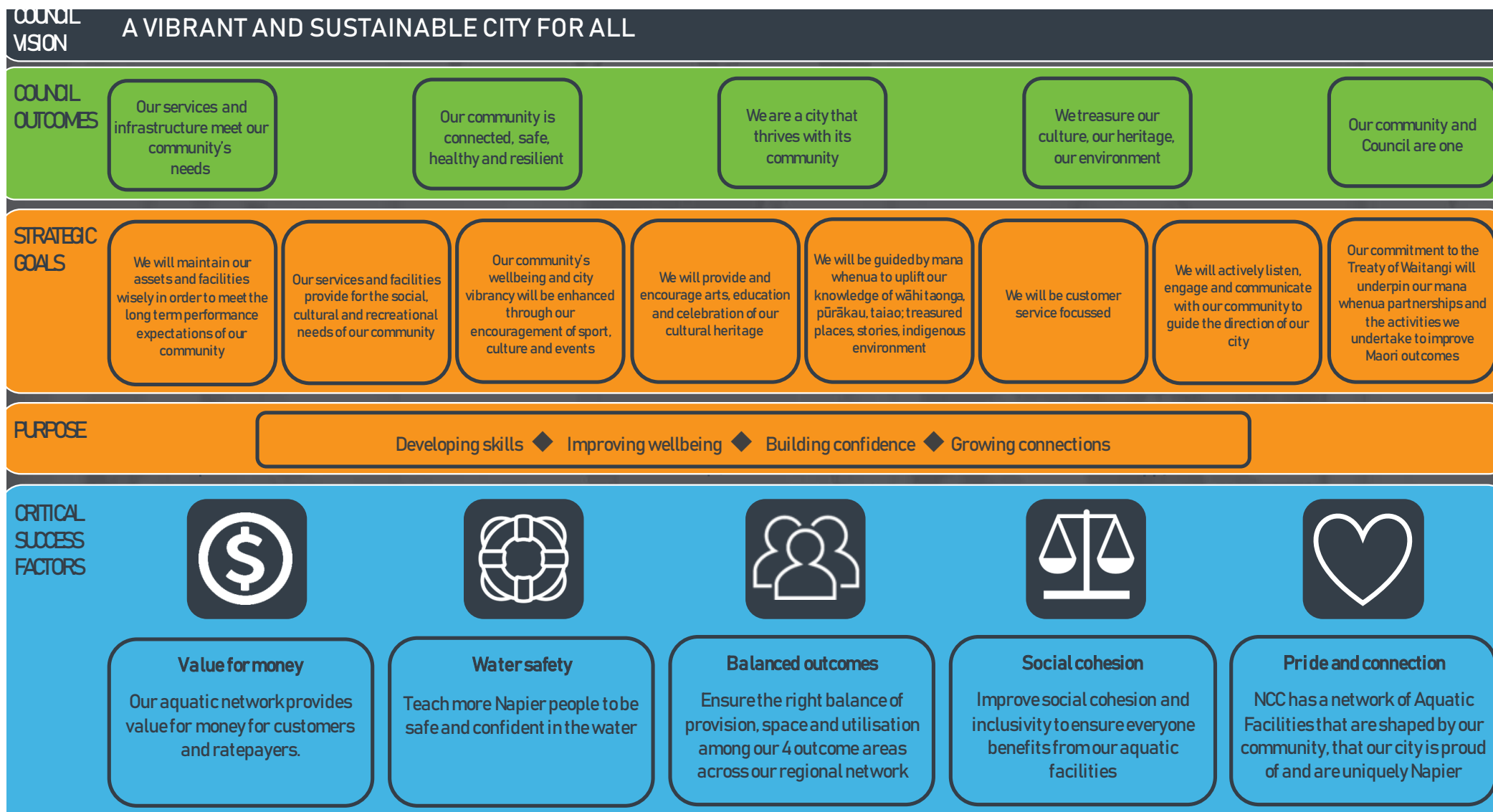
No ability to provide general public access at times when they want to use it

Important benefits to our community cannot be delivered due to lack of suitable facility

Over-crowded during weekends

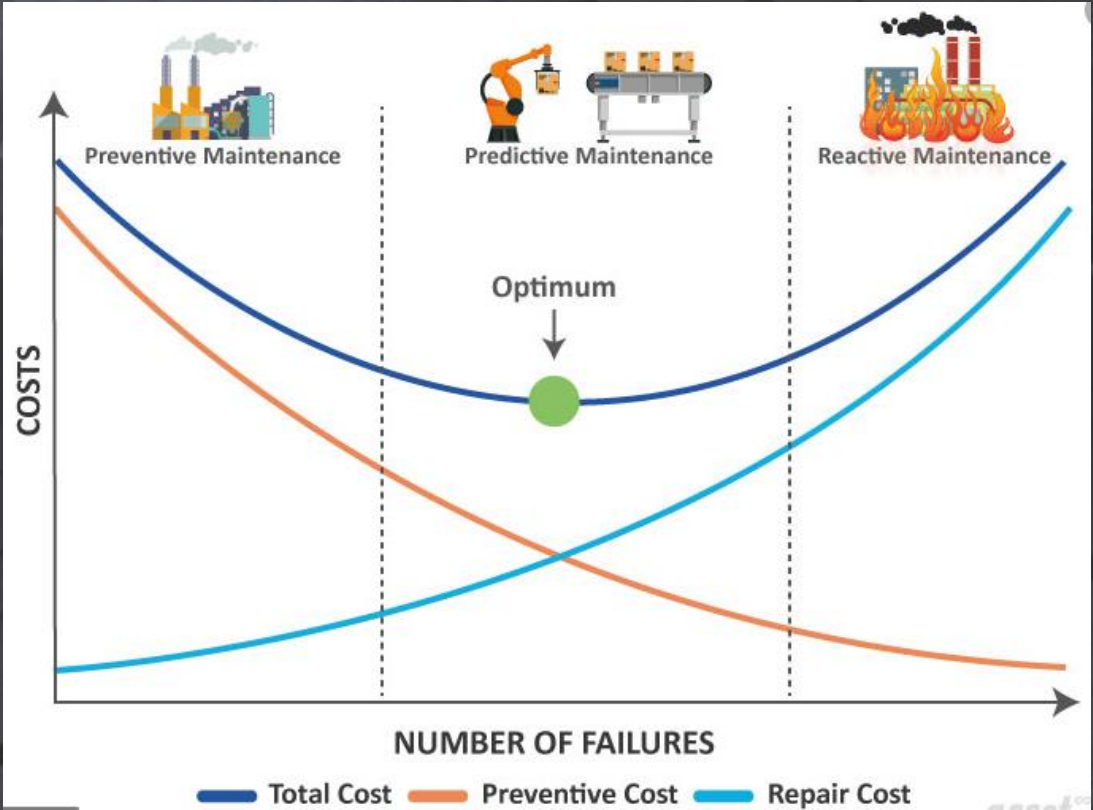
Very limited leisure and play features







WHERE ARE WE AT?



OUR FINDINGS TO DATE

WHY WAS IT COMMENCED

Budget for a new aquatic facility removed from LTP

Renewals and improvement projects had been delayed to impending decommissioning

Adopt a 10+ year horizon with reliable and continuous service

At an 'acceptable' level of service – to be defined

Get 'under the hood' to develop picture of what is required

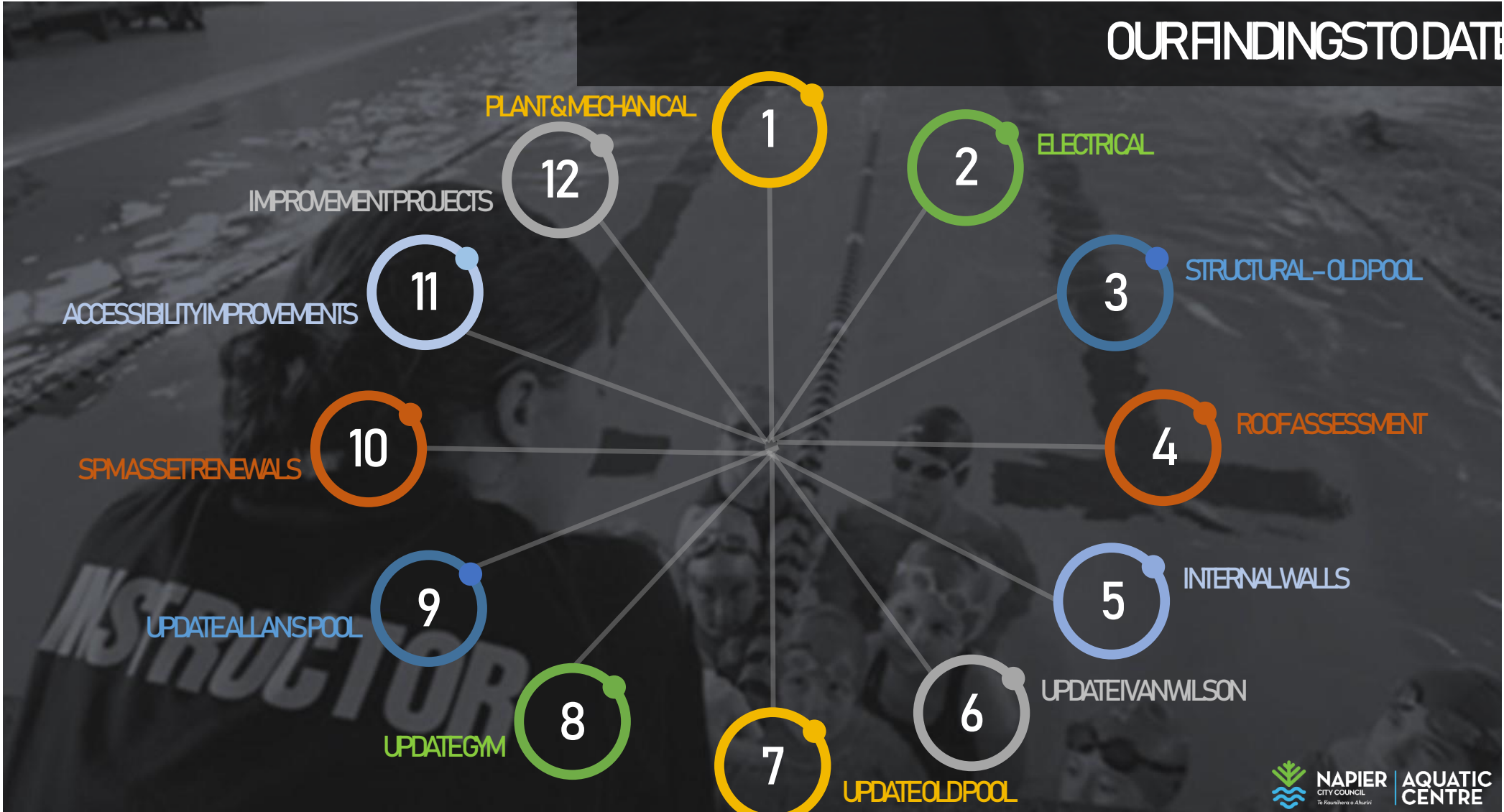
Provide expert recommendations and costings

Provide information for effective decision-making

OUR FINDINGS TO DATE

CAVEATS & LIMITATIONS

- 1 Age and condition will result in further 'discoveries' when actual work is undertaken
- 2 Best estimates at the level of detail we are at
- 3 Hidden 'surprises' the more rocks we turn over
- 4 Haven't covered everything – but due to age and condition it is likely to be a consistent story
- 5 Subject to market forces – cost escalation, availability of product, constrained construction market



PLANT & MECHANICAL

1



Ensuring reliable, efficient and sustainable operation of all plant and mechanical components
23k of repair this year

Urgent recommendations:

- Replace Building Management System
- Remediate critical failure risk of the main Heat Pump plant


Immediate recommendations (0-18 months)

- Complete (minor) remedial works to air handling systems
- Remediate immediate risk of electrocution from the electric immersion elements (underway)
- Conduct water quality test to determine extent, if any, of internal corrosion in tank and pipework
- Carry out inspection of brackets and ductwork above the 25m pool to understand risk of collapse
- Remediate non-compliance with NZBC G4 in respect of outdoor air ventilation
- Implement automatic dosing control for all bodies of water
- Compile accurate and detailed as-built & O&M
- Develop an enhanced Planned Preventative Maintenance programme

PLANT & MECHANICAL

1



		From	To
	1. Heat pump remediation	245,600	345,600
	2. BMS replacement	85,500	115,500
	3. Complete (minor) remedial work to air handling systems	25,000	50,000
	4. Remediate risk of electrocution from the electric immersion elements (completed)	1,000	2,000
	5. Water quality analysis and assessment	6,000	6,000
	6. Inspect brackets and ductwork above the 25m pool	2,000	4,000
	7. Remediate outdoor air ventilation non-compliance	3,000	6,000
	8. Implement automatic dosing control	10,000	20,000
	9. Install hold-down bolts to splash-park tanks	500	1,500
	10. Seismic review - all plant	3,000	6,000
	11. Develop PPM programme	3,500	3,500
	12. Compile as-built & O&M	3,500	3,500
	13. Minor items including stock to be held of spares	10,000	50,000

PLANT & MECHANICAL

1



- Critical failures of facility causing prolonged service outages
- Health and safety risks to staff and customers
- Insufficient budget to perform required maintenance
- Reactive maintenance – conducting repairs when things break, inability to budget, and incurring ongoing service outages



- Napier Aquatic Centre Mechanical HVAC, Pool Heating and Filtration & Treatment Condition Survey: Jackson's Engineering (May 2021)
- Heat pump options report – Jackson's Engineering (May 2021)
- Napier Aquatic Centre – HVAC, Pool Water heating and F&T Plant – Dilapidation Risk Matrix (May 2021)

2

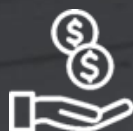
ELECTRICAL

?

Ensuring that the facility is safe, and reducing risk of unplanned electrical outages



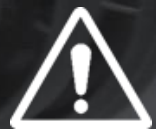
- Safety review, and recommendations
- Switchboard and earthing review and recommendations
- Urgent repairs as identified during inspections
- Issues found related to age of facility and corrosion caused by aquatic environment



	From	To
1. Safety recommendations – Urgent and Priority A	25,000	50,000
2. Safety recommendations – Priority Band C	TBC	
3. Switchboard and earthing recommendations – Urgent and Priority A	31,110	31,110
4. Switchboard and earthing recommendations – Priority Band C	20,340	20,340
TOTAL	76,450	101,450



ELECTRICAL



- Electrocution
- Fire
- Unplanned outages



Direct Earth reports:

- | | |
|---|---|
| ▪ Napier Aquatic Centre Earth Condition Report Aug 2021 | ▪ Electrical Safety Survey Report for Napier Aquatic Centre |
| ▪ Napier Aquatic Centre Switchboard Report Aug 2021 | ▪ Gym building |
| ▪ Safety Assessment Sheet Napier Aquatic Centre | ▪ Ivan Wilson Plant Room |
| ▪ Allan's Pool #4 Sub Board | ▪ Main Board |
| ▪ Allan's Pool Main Switchboard | ▪ Main Switchboard Ivan Wilson |
| ▪ Boiler board | ▪ MS3 |
| ▪ DB2+Heating | ▪ Pavilion |
| ▪ DB2 | ▪ Slides |
| | ▪ Spa Plant Room |
| | ▪ Switchboard and Sub Distribution Board matrix |

3


STRUCTURAL – OLD POOL

?

Ensuring Old Pool is structurally compliant and safe

- Pool cladding, structure and pool water services condition report 2014
- Recommended 1.3 million of remedial works
- A number of deficiencies relating to the lack of an adequate vapour barrier and insulation, double glazed windows and effective acoustics
- Completed updated Detailed Seismic Assessment – 40% (Moderate risk) – is this sufficient for 10+ more years of use?

	From	To
1. Remedial work on Old Pool (adjusted 2014 estimates)	1,913,545	1,919,979



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STRUCTURAL-OLDPOOL



11. CONCLUSION & RECOMMENDATIONS

This report reaches much of the same conclusions as the 2011 report. Specifically, the Napier Aquatic Centre has a number of deficiencies relating to the lack of an adequate vapour barrier and insulation, double glazed windows and effective acoustics. However, we did not identify deficiencies that would require the building to be demolished in the short term.

Condensation was not apparent during our inspection, however we expect this to occur during colder winter months. It is clear from the presence of stained timber, rusting wire mesh and fixings that condensation and degradation is continuing to occur, albeit at a slower rate than would normally be expected in this situation. ***Degradation will continue to occur until a vapour barrier and insulation is installed.***

3

STRUCTURAL-OLDPOOL



The proposed remedial work to the Napier Aquatic Centre has been estimated at current rates and prices as set out below.

No	Item	Rough Order of Cost Estimate
Option One		
1	Remedial works to roofing	\$138,669.00
2	*New high level ripplesound ceiling including alterations to central duct to enable new ceiling installation– 150mm Fibreglass insulation option	\$640,619.00
3	New Sto Degadur floor to Pool concourse	\$149,070.00
4	Replacement of existing single glazed windows to external wall with new double glazed units	\$142,157.00
5	Remedial works to Portal frame baseplates to Swimming Pool concourse	\$210,468.00
Option One Total		\$1,280,983.00*
Option Two		
1	Remedial works to roofing	\$80,278.00
2	New high level ripplesound ceiling including alterations to central duct to enable construction works – XPS50mm and Autex 50mm in lieu of 150mm Fibreglass insulation and different ceiling/wall junction detailing	\$693,863.00
3	New Sto Degadur floor to Pool concourse	\$149,070.00
4	Replacement of existing single glazed windows to external wall with new double glazed units	\$142,157.00
5	Remedial works to Portal frame baseplates to Swimming Pool concourse	\$210,468.00
Option Two Total		\$1,275,836.00*

Allowance for Professional fees and Development Costs

\$255,000.00



STRUCTURAL – OLD POOL



- Steel degradation due to condensation and lack of insulation



- Napier Aquatic Centre: Review of Detailed Seismic Assessment (DSA) – Old Lap Pool Building – BECA (Aug 2021)
- Napier Aquatic Centre: Pool cladding, structure & Pool Water Services – Outline Condition Report – BECA (FEB 2014)
- Napier Aquatic Centre: Pool cladding, structure & Pool Water Services – Outline Condition Report – BECA (FEB 2011)

4

ROOFASSESSMENT



Getting the 'top layer' weathertight to protect and prevent further damage to facility



- Inspection found numerous issues from failed membranes, missing or incorrect flashings, incorrect or failed fastenings, poor standards of workmanship with original install or subsequent repairs, undersized gutters, areas of corrosion, gutter failures and issues with debris in gutters and catchments
- Scope of repairs
 - Scaffolding and shrinkwrap of building
 - Remove asbestos soffits and fascia
 - Remove existing roofing
 - Carpentry to re-pitch roof
 - Install new Coorsteel roofing



4

ROOFASSESSMENT

1.

Remediating roof

From

To

648,025

648,025

Continuing to have water ingress into facility at numerous points, damaging framing, cladding and equipment

▪ Napier Aquatic Centre: Visual Inspection of Roof - TURFREY (2 September 2021)

▪ NCC NAC Refurbishment Options Elemental Cost Estimate – DEAN & QUANE (27 September 2021)

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AQUATIC CENTRE



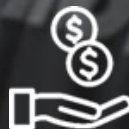
INTERNAL WALLS



Internal cladding and framing is seriously degraded due to 20 years of water ingress during cleaning



- Site Prep/Demolition/Protection of Services etc
- Concrete Nibs
- Construction of New Walls/Linings
- External Aluminium Joinery
- Internal Doors
- Strip Drain to Exterior Wall facing Splash Pad – 300mm wide



1. Remediation of internal walls

3,417,742

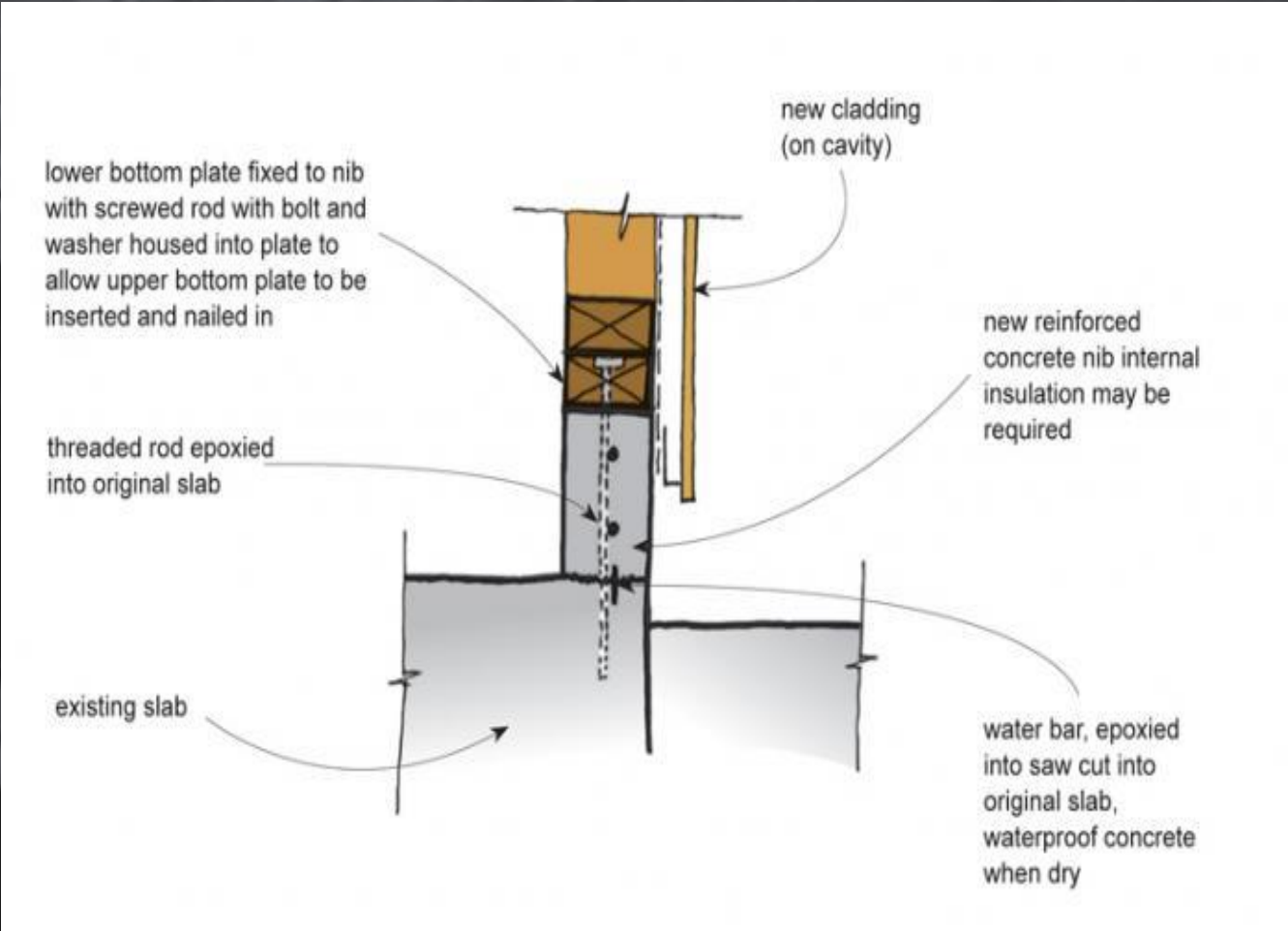
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INTERNAL WALLS



5

INTERNAL WALLS





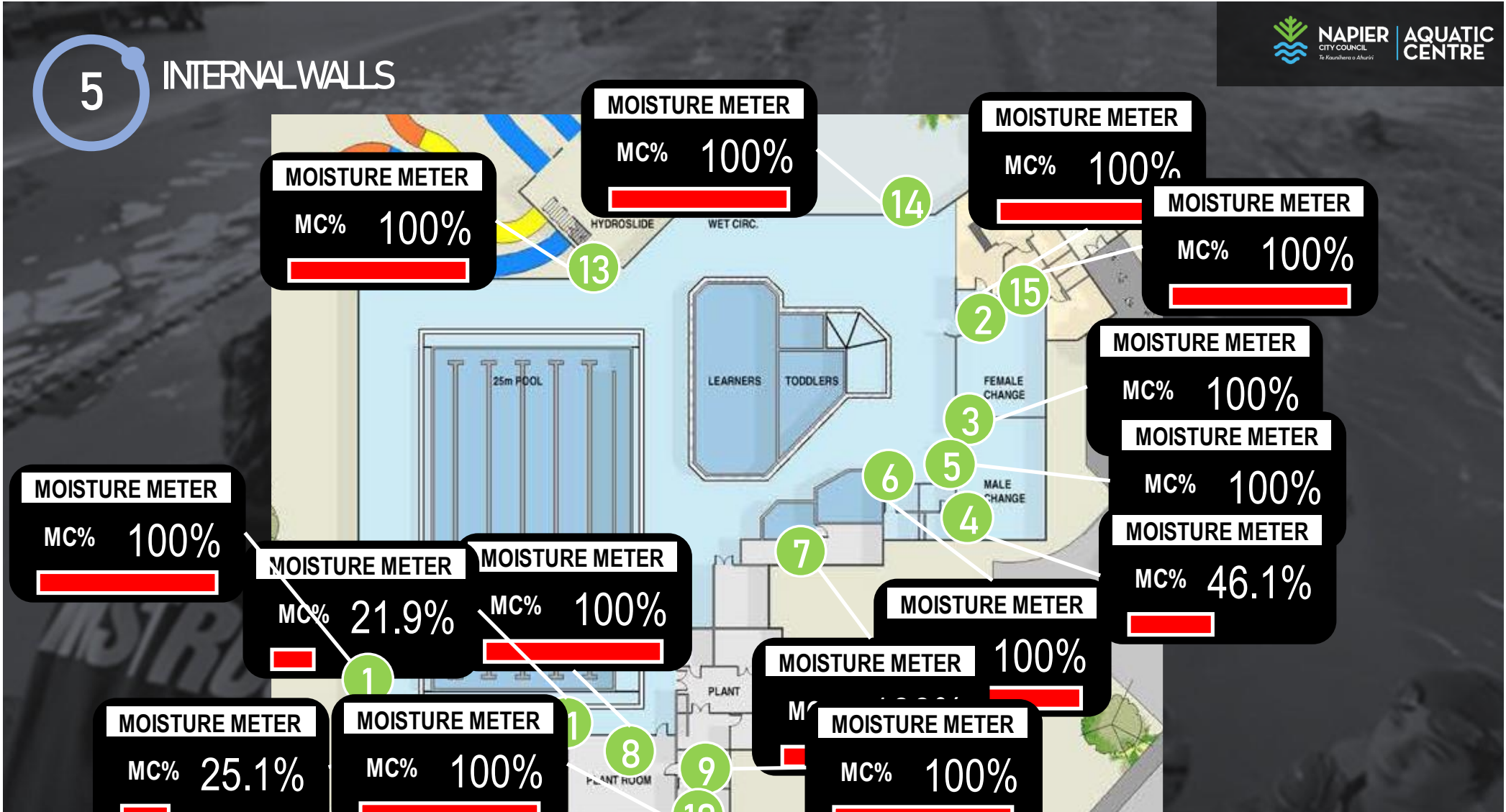
INTERNAL WALLS



- Moisture in the bottom plates has eroded fixings in places, resulting in compromised structural integrity



NCC – NAC Internal Wall Condition Assessment – Dean & Quane (June 2021)
NCC – NAC Concrete Nib Walls Scope of Works and Costings (June 2021)



MOISTURE METER

MC% 100%

2

MOISTURE METER

MC% 100%

3

MOISTURE METER

MC% 100%

5

MOISTURE METER

MC% 46.1%

4

MOISTURE METER

MC% 100%

7

MOISTURE METER

MC% 100%

6

MOISTURE METER

MC% 21.9%

1

MOISTURE METER

MC% 100%

8

MOISTURE METER

MC% 25.1%

9

MOISTURE METER

MC% 100%

10

6

UPDATE VAN WILSON

?

- 23 year old facility in need of decent upgrade
- Design issues impacting operations and asset condition



- Refurbishment of male, female and family changing rooms – including flooring
- Incorporation of accessibility improvements from Barrier Free assessment
- Interior painting
- Acoustic ceiling panel replacement

6

UPDATE VAN WILSON



1. Refurbishment of male, female and family changing rooms
2. Interior painting
3. Acoustic ceiling panel replacement

From

To

236,515

196,041

217,211

TOTAL

649,767



- Ceiling panels failing (again)
- Condition of changing rooms and cladding continuing to impact customer satisfaction and lose customers



NCC NAC Refurbishment Options: Elemental Cost Estimate – Dean & Quane (Aug 2021)





UPDATE OLD POOL



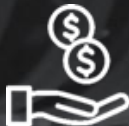
- Pool at end of life and in very poor condition
- Safety concerns with asbestos cladding
- Terrible acoustics making teaching environment difficult and impacting



- Refurbishment of male and female changing rooms
- Asbestos ceiling replacement
- Interior painting
- Flooring replacement – pool concourse
- Acoustic improvements



UPDATE OLDPOOL



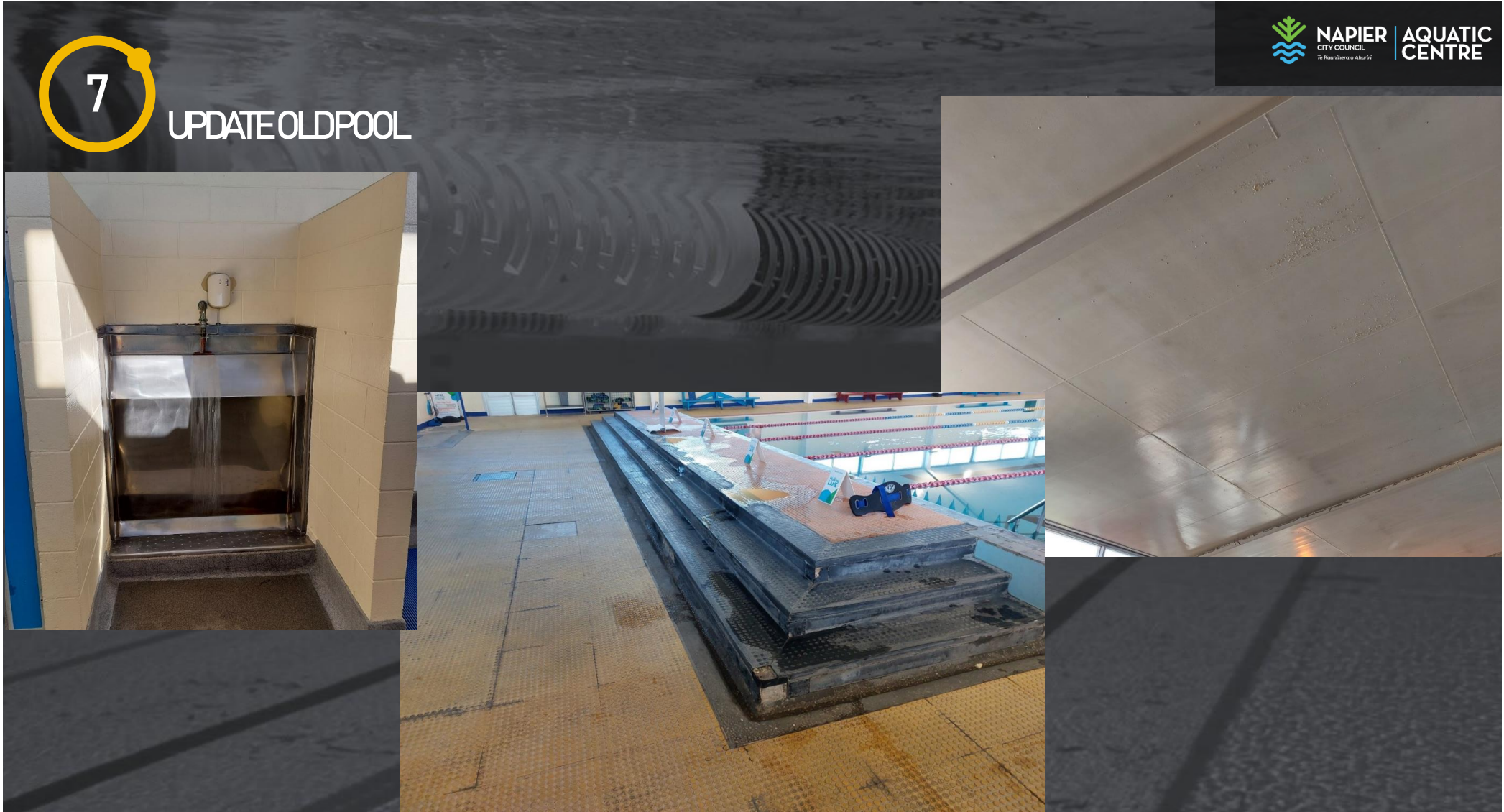
	From	To
1. Refurbishment of male and female changing rooms		149,976
2. Asbestos ceiling replacement		311,983
3. Interior painting		50,371
4. Flooring replacement		85,503
TOTAL		597,833



- Asbestos condition deteriorating causing risk to customers and team
- Poor condition of facility continuing to impact customer experience and visitation



NCC NAC Refurbishment Options: Elemental Cost Estimate – Dean & Quane (Aug 2021)





UPDATE GYM

8



- Utilisation of available space
- Improving level of service for partners and customers
- Increasing potential for additional users
- One of a few options for growth in visitation and revenue



- Upgrade male, female and accessible changing rooms



1. Refurbishment of male, female and family changing rooms

From

To

175,153

UPDATE GYM


8




- Facility and product offering let down by tired and out of date changing rooms
- Poor universal access – particularly with accessible bathroom
- Changing rooms a barrier for potential new customers and community groups



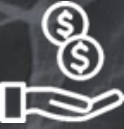
NCC NAC Refurbishment Options: Elemental Cost Estimate – Dean & Quane (Aug 2021)



- Key facility for learn to swim for smaller kids
- Condition a barrier for potential customers
- Enable revenue growth




- Ceiling and wall lining replacement
- Male, female and staff changing room refurbishment



		From	To
1.	Refurbishment of male, female and staff changing rooms		99,337
2.	Ceiling and wall lining replacement		122,956
	TOTAL		222,293

UPDATE ALLANS POOL

9

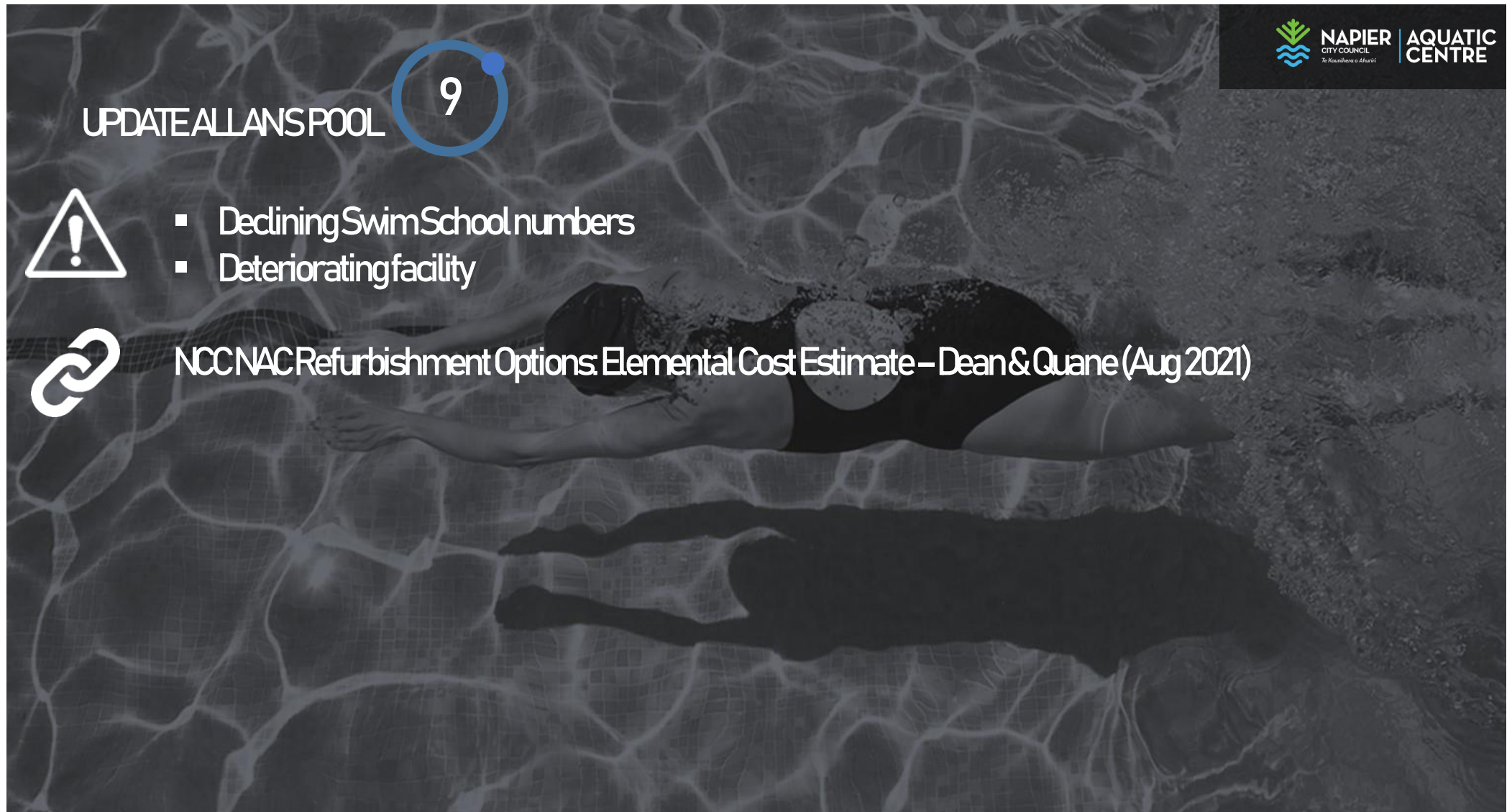


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UPDATE ALLANS POOL **9**



- Declining Swim School numbers
- Deteriorating facility



NCC NAC Refurbishment Options: Elemental Cost Estimate – Dean & Quane (Aug 2021)



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SPMASSETRENEWALS

10

?

Planning for renewal of components based on condition

Evidence-based approach to budgeting for renewals

Visual assessment only

Inform asset renewals budgets

An indication of the condition of almost everything in the facility

Some overlap between other items in list

1. Very poor

2. Poor

TOTAL

From

To

170,879

622,447

793,326

SPMASSETRENEWALS

10



- No planned asset maintenance and renewals
- Insufficient budget to address components as they reach poor condition or end of life



Summary Asset Management Plan: 400 – Onekawa Pool Complex – SPM (Aug 2020)

11

ACCESSIBILITY IMPROVEMENTS



Addressing existing barriers to use so that everyone can benefit from our facility



- Report focused on practically improving the accessibility and usage of the existing centre
- Will not lead to a universally accessible complex

Recommendations

- Implement the Flander's Road entrance to Allan's Pool as an accessible entry point
- Install new signage at reception and throughout facility
- Use colour contrasts and textured pathways for entry and navigation
- Install a lowered area at reception in compliance with NZS4121:11
- Install suitable hoists for access to pools and spa, and ensure proper training for staff
- Door upgrades including width of frame, effort required to open, accessible door hardware and glazing panes and kick plates
- Amend existing and construct new accessible changing and toilet facilities

11

ACCESSIBILITY IMPROVEMENTS



		From	To
1.	Implement the Flander's Road entrance to Allan's Pool as an accessible entry point	TBC	TBC
2.	Install new signage at reception and throughout facility	TBC	TBC
3.	Use colour contrasts and textured pathways for entry and navigation	TBC	TBC
4.	Install a lowered area at reception in compliance with NZS4121:11	incl	incl
5.	Install suitable hoists for access to pools and spa, and ensure proper training for staff	TBC	TBC
6.	Door upgrades including width of frame, effort required to open, accessible door hardware and glazing panes and kick plates	TBC	TBC
7.	Amend existing and construct new accessible changing and toilet facilities	incl	incl
	TOTAL (ballpark)	10,000	150,000

ACCESSIBILITY IMPROVEMENTS

11



Continuing to have people within our community that cannot benefit from our facility



Report on the Approachability, Accessibility and Usability of Aquatic Centre Maadi Road for Napier City Council: Nigel Mead Consulting (March 2021)

ACCESSIBILITY IMPROVEMENTS

11

“As an incomplete tetraplegic there are no hoist facilities in the old pool I use for walking rehab, there is a total lack of proper disabled changing facilities, family changing rooms are not adequate, we need a complete new complex”

“Spa more accessible e.g. ramp or lift seat that works. Instructions on how to operate lift seat and who can do this i.e. member of the public, support staff?”

“We need a facility that has modern amenities for disabled people (like AC Baths in Taupo has)”

IMPROVEMENT PROJECTS


12



Undertaking projects to improve customer experience and address specific customer and team input



- Outdoor area refresh including shade, BBQs and playground
- Construct covered, all-weather outdoor eating area
- Redesign of reception and office space to:
 - improve customer flow
 - improve security
 - provide separation from aquatic environment,
 - Increase retail
 - increase and improve back office space




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12


IMPROVEMENT PROJECTS



	From	To
1. Reception and office redevelopment	70,000	120,000
2. Construct covered, all-weather outdoor eating area (provisional sum)	80,000	120,000
3. Outdoor area refresh including shade, BBQs and playground	200,000	300,000
TOTAL	350,000	540,000



- Increasing community dissatisfaction with Napier Aquatic Centre
- Ongoing over-crowding issues at weekends



- Napier City Council SIL Research 2021 Aquatics Survey (Mar 2021)
- Napier Aquatic Centre Activity Management Plan 2021-31

IMPROVEMENT PROJECTS

12

Customers who were dissatisfied with this facility cited 'Old, rundown, needs upgrading' and 'Too small, overcrowded, more, larger pools needed' as the main reasons for their ratings. (SIL Research)

Great facility but too dominated by swimming clubs. Should have outdoor pool reinstated. Outside play area is a waste of space.

Outdoor is not a very inviting environment. Very 'dated'

You should reserve tables for the birthday parties and have more shade over them

Feeling safe with no gangs allowed

More indoor seating

Wouldn't choose this facility for fitness needs or birthday parties

Outside needs more shade

SUMMARY OF COSTS TO DATE

#	Item	Priority	From	To
1.	Plant and mechanical - urgent	Urgent	331,100	461,100
2.	Plant and mechanical - the rest	High	67,500	152,500
3.	Electrical - urgent & priority A	Urgent	56,110	81,110
4.	Electrical - other (not including safety review costs)	Medium	20,340	20,340
5.	Structural - Old Pool	High	2,066,629	2,073,577
6.	Roof Assessment	High	648,025	648,025
7.	Internal walls	High	3,417,742	3,417,742
8.	Update Ivan Wilson	High	649,767	649,767
9.	Update Old Pool	High	597,833	597,833
10.	Update gym	Medium	175,152	175,152
11.	Update Allan's Pool	High	222,293	222,293
12.	SPM Asset Renewals	High		793,326
13.	Accessibility improvements (provisional estimate)	High	10,000	150,000
14.	Improvement projects	High	350,000	540,000
15.	Contingency (20%)	High - required	1,722,498	1,996,552
			<u>10,334,988</u>	<u>11,979,318</u>



SUMMARY OF COSTS TO DATE

Provider	Service	Value (GST Exclusive)
BECA	Revised DSA Report	5,800
Direct Earth	Electrical Condition Assessment and urgent repair work	7,673
	Switchboard and Earth System Inspection	6,412
	Input into presentation	600
	TOTAL	14,685
Deane & Quane	Internal/External Wall Condition Assessment and QS Services	4,313
	QS Services - high level estimate for wall remediation works	2,224
	Further Investigation	4,499
		11,037
Turfrey	Roofing Condition Assessment	586
Jacksons Engineering	HVAC Condition Assessment	8,820
		\$40,928

EXISTING CAPITAL BUDGETS

CAPEX

AC Capital	Y01	Y02	Y03	Y04	Y05	Y06	Y07	Y08	Y09	Y10	TOTAL LTP
Minor Capital	125,000	0	0	0	0	0	0	0	0	0	125,000
Napier Aquatic Centre Renewals	194,417	327,521	242,363	116,459	599,635	488,314	380,868	647,931	525,431	444,003	3,966,943
Reception and Office Redevelopment	50,000	20,600	0	0	0	0	0	0	0	0	70,600
Roof Weather-Tightening Repair	70,000	0	0	0	0	0	0	0	0	0	70,000
200 - Napier Aquatic Centre	439,417	348,121	242,363	116,459	599,635	488,314	380,868	647,931	525,431	444,003	4,754,243
Redevelopment project											
Napier Aquatic Centre expansion (V2)	0	257,500	264,200	0	0	0	0	0	0	0	521,700
Carry forward from 20/21	565,670										

SUMMARY

Condition of facility not great

A large price tag already – with a lot more to discover

Urgent risks to service continuity

Large and complex project requiring master planning, project management

Enhanced maintenance required to manage asset to new horizon

Investment to upgrade will not address unmet community need or provide additional community benefit

SUMMARY

-  1. PROVIDE AN UNDERSTANDING OF CONDITION, SCALE AND COMPLEXITY
-  2. GET CLEAR DIRECTION FOR ADDRESSING URGENT PRIORITIES
-  3. GET CLEAR DIRECTION FOR NEXT STEPS WITH REFRESH

