



PROSPEROUS NAPIER COMMITTEE Open Minutes

Meeting Date: Thursday 28 April 2022

Time: 10.40am – 11.13am

Venue The Ocean Suite
East Pier Hotel
50 Nelson Quay
Napier

Livestreamed via Council's Facebook site

Present **Chair:** Councillor Taylor

Members: Mayor Wise, Deputy Mayor Brosnan, Councillors Boag, Browne, Chrystal, Crown, Mawson, McGrath, Price, Simpson and Tapine

In Attendance Chief Executive (Steph Rotarangi)
Director City Services (Lance Titter)
Director City Strategy (Richard Munneke)
Acting Director Community Services (Darran Gillies)
Manager Communications and Marketing (Julia Atkinson)
Director Corporate Services (Adele Henderson)
Director Programme Delivery (Jon Kingsford)
Director Infrastructure Services (Debra Stewart)
Acting Pou Whakarae (Hilary Prentice)
Manager Community Strategies (Natasha Mackie)

Via Zoom Link: Chief Financial Officer (Caroline Thomson)
Health, Safety and Wellbeing Manager (Michelle Warren)
Māori Partnership Manager - Te Kaiwhakahaere Hononga Māori
(Beverley Kemp)

Administration Governance Advisors (Carolyn Hunt and Anna Eady)

Karakia

Apologies

Councillors Mawson / Tapine

That the apology from Councillor Wright be accepted.

Carried

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

Nil

Announcements by the Chairperson

Nil

Announcements by the management

Regional Economic Development Agency – The Chief Executive, Dr Rotarangi advised that Council had committed to develop a Regional Economic Development Agency becoming operative on 1 July 2022, together with the other four Councils in Hawke's Bay and was progressing well.

The Matariki Governance Group has now approved the process for board appointments and the establishment of the inaugural Board and this will enable advertising to be undertaken for the future governance of the organisation. There was preparation of legal documents for the new entity to be undertaken and future Chief Executive reports would contain progress and milestones are achieved.

Procedural documents requiring final approval for the establishment of the Board will be brought back to the Prosperous Napier Committee meeting on 9 June 2022.

Confirmation of minutes

Councillors Price / Crown

That the Minutes of the meeting held on 17 March 2022 were taken as a true and accurate record of the meeting.

That the Public Excluded Minutes of the Prosperous Napier Committee meeting held on Thursday, 17 March 2022 (*previously circulated*) be taken as a true and accurate record of the meeting

Carried

AGENDA ITEMS

1. HEALTH AND SAFETY REPORT - QUARTER 2 YTD

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1457871
<i>Reporting Officer/s & Unit:</i>	Adele Henderson, Director Corporate Services Michelle Warren, Health and Safety Lead

1.1 Purpose of Report

The purpose of this paper is to provide Council with an overview of Health & Safety activity for the period Quarter 2 FY22.

At the meeting

The Director Corporate Services, Ms Henderson advised that the Health and Safety Report would now be a regular item on the Prosperous Napier Committee Agenda. The Health and Safety report had previously been presented to the Audit and Risk Committee as a risk area however, Council also had responsibilities in ensuring good health and safety plans were in place and that resources were available.

As at today's date 134 staff have had Covid, with 122 recovered and 12 current positive cases. During this period the Business Continuity Plans have accommodated for quite a significant impact to the organisation and predominately only the recycling services through suppliers had been impacted.

It was noted that Sitewise was a prequalification assessing other health and safety systems and not restricted to the construction area. However, this would be looked at to ensure it covered the market with respect to the organisation's objectives.

COMMITTEE Councillors Chrystal / Mawson

RESOLUTION

The Prosperous Napier Committee:

- a. **Receive** the Health and Safety report.

Carried

2. HAWKE'S BAY MUSEUMS TRUST DRAFT STATEMENT OF INTENT AND FINANCIAL REPORTING

Type of Report:	Operational
Legal Reference:	Local Government Act 2002
Document ID:	1442352
Reporting Officer/s & Unit:	Jaimie McIvor, Finance Accountant

2.1 Purpose of Report

To receive the Hawke's Bay Museums Trust Financial Report for the six months ended 31 December 2021 and draft Statement of Intent 2022/23.

At the meeting

The Chief Financial Officer, Ms Thomson advised that the Financial Report and Statement of Intent were legislative requirements under the Local Government Act 2002 and took the paper as read.

The Director Corporate Services, Ms Henderson noted the point of difference for this draft Statement of Intent was the inclusion of commentary on work undertaken for the storage and governance structure which is being peer reviewed and will come back to Council for any further recommendations.

Officers to provide confirmation for the Council meeting on 2 June 2022 whether the Te Rōpū Kaiawhina Taonga group still exists and if not who was currently providing oversight and guidance to the Hawke's Bay Museum Trust.

COMMITTEE Councillors Tapine / Chrystal

RESOLUTION

The Prosperous Napier Committee:

- a. **Receive** the Hawke's Bay Museums Trust Financial Report for the six months ended 31 December 2021.
- b. **Receive** the Hawke's Bay Museums Trust draft Statement of Intent 2022/23 and provide any feedback to the Trust prior to the Statement of Intent being brought back to Council for adoption.

Carried

3. FINANCIAL FORECAST TO 30 JUNE 2022

Type of Report:	Legal and Operational
Legal Reference:	Local Government Act 2002
Document ID:	1449843
Reporting Officer/s & Unit:	Caroline Thomson, Chief Financial Officer

1.1 Purpose of Report

To provide the Committee with Council's financial forecast to 30 June 2022.

At the meeting

The Chief Financial Officer, Ms Thomson spoke to the report highlighting the following points:

- The whole of Council year end forecast notes an overall operating surplus of \$2m versus the \$4.6m budgeted surplus and a capital expenditure forecast of \$54m versus \$89m budgeted.
- Ongoing impacts from Covid and also the rephasing of Parklands Stages 2 and 3 has resulted in a reduction of revenue.
- The overall rates forecast year end position differs from the operating position as any loans or reserve funded items are not included in the review.
- The rates forecast note a \$1.2m deficit with \$446,000 being attributed to parking.
- The capital forecast of \$54m versus \$89m budgeted has been impacted by a number of constraints around supply chain, labour market, sector to capacity and Covid.

In response to questions from Councillors, the following points were clarified:

- Traditionally the parking activity was ring fenced and went into the parking account. As part of the Long Term Plan it was moved away from this and put back into rates.
- It was noted that funding the parking deficit from the parking reserve was only recommended for this year.
- Noting key drivers of deficit with regard to Parklands the phasing is a timing issue with 10.8m of revenue being pushed out and \$7.6m of reduced development costs. A net impact of \$3.2m. Parklands is set up so that funds go into the Parklands Reserve.
- Rates funding is determined from the Revenue and Financing Policy and this is the first time a rates deficit has been forecast.
- There are other options if necessary with the use of reserves available if Council requires. However, currently under the Revenue and Financing Policy Council are required to effectively fund either through loans, rates or through fees and charges in the financial statements.

With other options available the consensus of the meeting was to remove wording "*with any deficit to be loan funded*" from Part (d) of the recommendation.

COMMITTEE Mayor Wise / Councillor Crown

RESOLUTION

That the Committee:

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- a. **Receive** the financial forecast to 30 June 2022.
 - b. **Approve** the 2021/22 financial forecast to 30 June 2022.
 - c. **Approve** funding the year end deficit for the Parking activity from the Parking reserve.
 - d. **Note** the forecast deficit rates position will be finalised at year end.
 - e. **Note** that the full list of timing impacted projects for 2021/22 will be brought back to Council in a separate report for inclusion in the 2022/23 final Annual Plan.

Carried

4. HAWKE'S BAY MUSEUMS TRUST ANNUAL REPORT FOR YEAR ENDING 30 JUNE 2021

Type of Report: Operational

Legal Reference: Local Government Act 2002

Document ID: 1421308

Reporting Officer/s & Unit: Caroline Thomson, Chief Financial Officer
Talia Foster, Management Accountant

4.1 Purpose of Report

To provide Napier City Council with the Hawke's Bay Museums Trust Annual Report for the year ended 30 June 2021.

At the meeting

The Chief Financial Officer, Ms Thomson advised that this report was later than normal due to Covid and Audit capacity. The Annual Report is recording an operating surplus of \$108,000 for the financial year, which is up \$38,000 on the previous year.

The non-current assets of \$28m versus \$86m for the previous year was due to the Taonga Māori collection of four pou being restored back to the Waiohiki Marae after several decades of being on loan.

It was noted that reports had to be adopted by 31 October of each year but last year a legislative change was made so they could be adopted by 31 December. However Audit New Zealand were still challenged in terms of their resourcing so prioritised the larger organisations and pushed the audits out for the smaller organisations.

COMMITTEE Councillors Brosnan / Chrystal

RESOLUTION

The Prosperous Napier Committee:

- a. **Receive** the 30 June 2021 Annual Report of the Hawke's Bay Museums Trust.

Carried

The meeting closed at 11.13am

Approved and adopted as a true and accurate record of the meeting.

Chairperson

Date of approval