



**NAPIER**  
CITY COUNCIL

*Te Kaunihera o Ahuriri*

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# EXTRAORDINARY COUNCIL

## Open Agenda

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Meeting Date: Thursday 4 May 2023

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Time: 11.00am

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Venue: Large Exhibition Hall  
War Memorial Centre  
Marine Parade  
Napier

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*Livestreamed via Council's Facebook site*

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Council Members **Chair:** Mayor Wise

**Members:** Deputy Mayor Brosnan, Councillors Boag, Browne, Chrystal, Crown, Greig, Mawson, McGrath, Price, Simpson, Tareha and Taylor

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Officer Responsible Chief Executive

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Administrator Governance Team

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**Next Extraordinary Council Meeting**

## 2022-2025 TERM OF REFERENCE - COUNCIL

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

### **Purpose**

The Council is responsible for:

1. Providing leadership to and advocacy on behalf of the people of Napier.
2. Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

### **Terms of Reference**

The Council is responsible for the following powers which cannot be delegated to committees, subcommittees, officers or any other subordinate decision-making body<sup>1</sup>:

1. The power to make a rate
2. The power to make a bylaw
3. The power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan
4. The power to adopt a long-term plan, annual plan, or annual report
5. The power to appoint a chief executive
6. The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement, including the 30-Year Infrastructure Strategy
7. The power to adopt a remuneration and employment policy.
8. The power to establish a joint committee with another local authority or other public body<sup>2</sup>.
9. The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991.
10. The power to make the final decision on a recommendation from the Parliamentary Ombudsman, where it is proposed that Council not accept the recommendation.
11. The power to make a final decision whether to adopt, amend, revoke, or replace a local Easter Sunday shop trading policy, or to continue a local Easter Sunday shop trading policy without amendment following a review.<sup>3</sup>

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1 Schedule 7, Clause 32. Local Government Act 2002.

2 Schedule 7, Clause 30A

3 Shop Trading Hours Act 1990, Section 5D.

### **Delegated Power to Act**

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

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

1. Direction and guidance in relation to all stages of the preparation of Long Term Plans and Annual Plans
2. Approval or amendment of the Council's Standing Orders<sup>4</sup>.
3. Approval or amendment the Code of Conduct for Elected Members<sup>5</sup>.
4. Appointment and discharging of committees, subcommittees, and any other subordinate decision-making bodies<sup>6</sup>.
5. Approval of any changes to the nature and delegations of any Committees.
6. Appointment and discharging of members of committees (as required and in line with legislation in relation to the role and powers of the Mayor) <sup>7</sup>.
7. Approval of governance level strategies, plans and policies which advance council's vision and strategic goals.
8. Resolutions required to be made by a local authority under the Local Electoral Act 2001, including the appointment of an electoral officer.
9. Reviewing of representation arrangements, at least six yearly<sup>8</sup>.
10. Approval of any changes to city boundaries under the Resource Management Act.
11. Appointment or removal of trustees, directors or office holders to Council's Council-Controlled Organisations (CCOs) and Council Organisations (COs) and to other external bodies.
12. Approval the Local Governance Statement as required under the Local Government Act 2002.
13. Approval of the Triennial Agreement as required under the Local Government Act 2002.
14. Allocation of the remuneration pool set by the Remuneration Authority for the remuneration of elected members.
15. To consider and decide tenders for the supply of goods and services, where tenders exceed the Chief Executive's delegated authority, or where projects are formally identified by Council to be of particular interest. In addition, in the case of the latter, milestone reporting to Council will commence prior to the procurement process.

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4 Schedule 7, Clause 27,

5 Schedule 7, Clause15,

6 Schedule 7, Clause30,

7 Schedule 7, Clause 30,

8 Local Electoral Act 2001, Section 19H.

# ORDER OF BUSINESS

**Karakia**

**Apologies**

Nil

**Conflicts of interest**

**Announcements by the Mayor**

**Announcements by the management**

**Agenda items**

1 Fees and Charges - Ocean Spa.....5

**Public Excluded**

Nil

# AGENDA ITEMS

## 1. FEES AND CHARGES - OCEAN SPA

<i>Type of Report:</i>	Operational and Procedural
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1652993
<i>Reporting Officer/s &amp; Unit:</i>	Glenn Lucas, Manager Sport & Recreation

### 1.1 Purpose of Report

The purpose of this report is to recommend the fees and charges for Ocean Spa to be implemented from 15 May 2023 when the facility reopens under council operation.

#### Officer's Recommendation

That Council:

- a. **Approve** the fees and charges for Ocean Spa as recommended in this report

### 1.2 Background Summary

Since the opening of Ocean Spa in 2003 the facility has been operated by a third party provider under a 20 year management agreement. With this agreement ending in January of this year, council has taken over the operations of this facility. With this new operating model, there is a need to develop and approve the fees and charges for Ocean Spa.

The following table details the recommended fees and charges for Ocean Spa from the opening date of 15 May 2023. These fees and charges have been developed based on a number of considerations, including the fees charged under the previous management agreement, the recommended fees and charges increase to keep pace with inflation, competitive and industry pricing, and consideration of the potential impact of increases on demand.

Given that the facility is new to council and due to the lack of financial and performance information from the prior management company, this next 13.5 months will be an opportunity to establish a baseline of performance data, learn about demand and the drivers of demand, and understand our existing customer base and target markets. Therefore the fees and charges as recommended in this paper are relatively consistent with those under the previous management company.

The recommended fees and charges are as follows:

Description	Prior charge	Proposed charge
<b>Cash Admission</b>		
Adults 15+	10.70	11.50
Children 2-14 years	8.00	8.50
Toddler (under 2)	2.50	3.00
Senior Citizens (65 +) and Community Services Card holders single admission	5.70	8.00
Student (NZ ID required)	9.50	10.50
Spectator	2.00	3.00
Family (2+2)	30.00	35.00
<b>Concession Cards</b>		
Child (10-Swim Cards)	61.00	76.50
Child (30-Swim Cards)	175.00	229.50
Adult (10-Swim Cards)	79.00	103.50
Adult (30-Swim Cards)	225.00	310.50
<b>Gym</b>		
Casual Gym	10.00	16.00
6 month contract - paid weekly	25.00	25.00
12 month contract - paid weekly	22.50	22.50
3 months paid in full	350.00	350.00
6 months paid in full	550.00	550.00
12 months paid in full	999.00	999.00

Largely the changes from the fees and charges charged under previous management are linked to inflation, with some changes to make the adjusted figures to rounder numbers. The one charge that has a significant increase applied is the casual gym rate, which is recommended to increase from \$10 to \$16. This recommended increase is due to:

- The health and safety and induction implications of one-off gym use.
- The desire to implement a better system for prospective gym members wanting to try the gym before joining.
- To bring the casual rate in line with industry benchmarks.

With the upgrade work that will be completed prior to the reopening, the quality of the offering across the pools, the changing rooms and the entrance foyer and reception will be significantly improved. With the gym however, while there has been some tidy up work performed, some pieces of new equipment and some improvements to the environment

and condition, the significant improvement to equipment, layout and décor will be performed once we have conducted research and gathered data to inform these plans. For this reason the gym fees are to remain as they were under the previous management company to enable time to make the required improvements and understand capacity, demand, our unique selling proposition and competitive position.

### **1.3 Issues**

No issues

### **1.4 Significance and Engagement**

N/A

### **1.5 Implications**

#### **Financial**

Pricing levels have an impact on revenue, but further information is required to be gathered during 2023/24 to inform a more detailed analysis of pricing and revenue.

#### **Social & Policy**

N/A

#### **Risk**

The number of fees that are being increased and the small magnitude of these increases will mitigate the public perception that council will be increasing prices.

### **1.6 Options**

The options available to Council are as follows:

- a. Approve the fees and charges for Ocean Spa as recommended in this report
- b. Do not approve

### **1.7 Development of Preferred Option**

Once Ocean Spa fees and charges are approved, these will be confirmed on the website and entered into point of sale for implementation from 15 May 2023.

### **1.8 Attachments**

Nil