



NAPIER
CITY COUNCIL

Te Kaunihera o Ahuriri

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PROSPEROUS NAPIER COMMITTEE

Open Minutes

Meeting Date: Thursday 4 May 2023

Time: 10.30am – 10.57am
11.12am – 11.17am

Venue Large Exhibition Hall
War Memorial Centre
Marine Parade
Napier

Livestreamed via Council's Facebook site

Present **Chair:** Councillor Crown
Members: Mayor Wise, Deputy Mayor Brosnan, Councillors Boag, Browne, Chrystal, Greig, Mawson, McGrath, Price, Simpson, Tareha and Taylor (Deputy Chair)

In Attendance Chief Executive (Louise Miller)
Deputy Chief Executive / Executive Director Corporate Services (Jessica Ellerm)
Executive Director City Services (Lance Titter)
Executive Director City Strategy (Rachael Bailey)
Executive Director Infrastructure Services (Russell Bond)
Executive Director Community Services (Thunes Cloete)
Manager Communications and Marketing (Julia Atkinson)
Pou Whakarae (Mōrehu Te Tomo)
Manager Information Services (Duncan Barr)
Long Term Plan Programme Manager (Stephanie Murphy)

Also in Attendance Tania Wright, Hawke's Bay Museum Trust

Administration Governance Advisors (Carolyn Hunt and Anna Eady)

Apologies

Nil

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

Nil

Announcements by the management

Nil

Confirmation of minutes

Councillors Chrystal / Mawson

That the Minutes of the meeting held on 23 March 2023 were taken as a true and accurate record of the meeting.

Carried

AGENDA ITEMS

1. HAWKE'S BAY MUSEUMS TRUST ANNUAL REPORT FOR YEAR ENDING 30 JUNE 2022

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	1645239
<i>Reporting Officer/s & Unit:</i>	Caroline Thomson, Chief Financial Officer Talía Foster, Accounting Manager

1.1 Purpose of Report

To provide Napier City Council with the Hawke's Bay Museums Trust Annual Report for the year ended 30 June 2022.

At the meeting

Ms Wright, on behalf of Dr Richard Grant, Chair of Hawke's Bay Museum Trust spoke to the Chairman's Report. The Annual Report was for the year ended June 2022 and a little bit out of date, due to the lateness of the auditor's report.

Ms Wright was pleased to announce that the Trust were to receive \$150,000 from the Eastern and Central Community Trust towards the refit of the new storage facility for the collection.

Matters were progressing on the future structure/governance of the Hawke's Bay Museum Trust and although she was no longer on the Joint Working Group understood that a business case would be completed prior to a report being received on the new governance structure. It was important to be aware of costs going forward for the new museum.

In response to questions it was clarified:

- A budget of approximately \$30,000 per annum was available for acquisition of items, however if it something of significance became available for purchase and it was an important part of the collection the budget would sometimes be exceeded. That would be a decision that the Trust makes on a case-by-case basis.
 - The Knowledge Bank acquisitions are generally taking in photographs and documents however, the Trust has a significant amount of documents and photographs as well. It depends where people choose to put the information.
 - It was noted that the Knowledge Bank do not keep items, they are scanned and returned to the owners and work with the museum as they have very high technical equipment and data storage.
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COMMITTEE Councillors Crown / Chrystal

RESOLUTION

The Prosperous Napier Committee:

- a. **Receive** the 30 June 2022 Annual Report of the Hawke's Bay Museums Trust (*Doc Id 1642287*).

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: 1645240

Reporting Officer/s & Unit: Caroline Thomson, Chief Financial Officer
Talia Foster, Accounting Manager

2.1 Purpose of Report

To receive the Hawke's Bay Museums Trust Financial Report for the six months ended 31 December 2022 and draft Statement of Intent 2024-2026.

At the meeting

Ms Wright remained for the second item relating to the Hawke's Bay Museum Trust and presented the Statement of Intent, which was a roll-over of the previous Statement of Intent pending key pieces of work being received in regard to the future of the Trust and museum.

COMMITTEE Mayor Wise / Councillor Mawson

RESOLUTION

The Prosperous Napier Committee:

- a. **Receive** the Hawke's Bay Museums Trust Financial Report (*Doc Id 1648283*) for the six months ended 31 December 2022.
- b. **Receive** the Hawke's Bay Museums Trust draft Statement of Intent 2024-2026 (*Doc Id 1648282*).

Carried

3. APPROACH TO 2024/34 LONG TERM PLAN

<i>Type of Report:</i>	Enter Significance of Report
<i>Legal Reference:</i>	Enter Legal Reference
<i>Document ID:</i>	1650171
<i>Reporting Officer/s & Unit:</i>	<p>Danica Rio, Corporate Planning Analyst</p> <p>Jessica Ellerm, Deputy Chief Executive / Executive Director Corporate Services</p> <p>Caroline Thomson, Chief Financial Officer</p>

3.1 Purpose of Report

To provide the Committee with high-level information related to the planned approach to date for the 2024/34 Long Term Plan (LTP). Once the new LTP Project Manager has put together a comprehensive project plan, and following feedback from the committee, it will be presented to the Committee for review.

At the meeting

Prior to commencing the report, the Deputy Chief Executive / Executive Director Corporate Services, Ms Ellerm introduced the newly appointed Long Term Manager, Stephanie Murphy,

Ms Ellerm spoke to the report signalling work had commenced around the 2023/2024 annual plan following Council's resolutions on 27 April 2023. Every Long Term Plan was a big piece of work however, the upcoming Long Term Plan posed significant challenges for Council to consider and respond to with the recovery from Cyclone Gabrielle, 3Waters and other local government reforms, macro-economic factors such as inflation and the cost of borrowing would have a significant effect on affordability and impact on rate payers.

Financial modelling will have some significant financial challenges with the need to explore and review all options around how activities could be delivered and funded.

There would be multiple planning and consultation phases before a final review was adopted with engagement with a range of stakeholders including iwi and hapu. Support was sought to commence two significant pieces of work being Section 17A review of the City Services Depot and services delivered and a commercial review of the Business and Tourism Portfolio. These should be prioritised due to the scale of the reviews and potential impact.

In response to questions the following was clarified:

- It is proposed that the section 17A reviews will be undertaken by external consultants, this is best practise, Council does not have the capacity to deliver them internally. It will provide a different perspective with an external consultant and not have internal bias.
- Budget is available for professional services and will need to have level of service reviews across the organisation and budget through the Long Term Plan.

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- The commercial review of Business and Tourism will also be undertaken by an external consultant.
 - As the project plan is developed for the Long Term Plan it may identify more reviews that need to be undertaken, but these two will be done initially.
 - A section 17A is effectively around efficiency and effectiveness and is set by legislation, whereas a commercial review Council has the ability to set the scope and can be quite specific on outcomes to be achieved.
 - Costs do need to be justified in terms of the size and scale of review. The Chief Executive has been given delegation to operate within the budget and if over budget a report would come back to Council.
 - Audit New Zealand have raised multiple times in their management reports that Council has issues in terms of its processes and systems in relation to the City services depot.
 - The recommendation requests approval to go ahead with section 17A review and a number of other reviews as part of the Long Term Plan following strategy and prioritisation. In terms of the cost a budget has been set and officers will deliver within the budget and therefore it would not come back to Council for budget and that is the role of the Chief Executive.
 - This is about preparing the organisation for the Long Term Plan process and being thorough. In terms of the 3Waters reform it has been signalled that something is going to happen and Council needs to prepare for that and work will be done to identify the stranded overheads, should the 3Waters go ahead in its current form.
 - Section 17A reviews look at different operating models in how levels of service are delivered and opportunities on how it can be delivered more efficiently.

COMMITTEE Councillor Taylor / Mayor Wise

RESOLUTION

The Prosperous Napier Committee:

- a) **Endorse** the scoping and commissioning of a full 17A review of the City Services Depot.
- b) **Endorse** the commercial review of the Business and Tourism Portfolio.
- c) **Note** the information presented in this report as the planned approach to date to the 2024/34 Long Term Plan (LTP).
- d) **Note** that officers will return to the Committee with a comprehensive Long Term Plan project plan for review that includes delivery and timing information.

Carried

The meeting adjourned at 10.57am and reconvened at 11.12am

4. LOCAL HYBRID DATA CENTRE

Type of Report:	Information
Legal Reference:	N/A
Document ID:	1650071
Reporting Officer/s & Unit:	Duncan Barr, Manager Information Services

4.1 Purpose of Report

The purpose of the report was for information to update Council on the local Hybrid Cloud hosting project that was being undertaken. No decision required.

At the meeting

The Manager Information Services, Mr Barr updated the Committee on the local Hybrid Cloud Server collaborative project, that has created a common IT infrastructure across three councils (Napier City, Hastings District and Central Hawke’s Bay Councils), and also up to five councils using similar resources.

The funding regime has been changed from Opex to Capex, which will create savings for the rate payer. Post Cyclone Gabrielle the change is relevant and builds resilience into Council’s IT resources. It is also investing in increasing staff skills.

It was noted that savings of \$1.5m over five years are expected.

COMMITTEE Councillors Browne / Mawson

RESOLUTION

The Prosperous Napier Committee:

- a) **Receive** the information report on the Local Hybrid Data Centre dated 4 May 2023.

Carried

The meeting closed at 11.17am

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

Chairperson

Date of approval