



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

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PROSPEROUS NAPIER COMMITTEE

Open Agenda

Meeting Date: Thursday 9 June 2022

Time: Following the Napier People and Places Committee

Venue: Small Exhibition Hall
War Memorial Centre
Marine Parade
Napier

Livestreamed via Council's Facebook site

Committee Members **Chair:** Councillor Taylor

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

Officer Responsible Director Corporate Services

Administration Governance Team

Next Prosperous Napier Committee Meeting
Thursday 21 July 2022

ORDER OF BUSINESS

Karakia

Apologies

Councillor Simpson

Conflicts of interest

Public forum

Nil

Announcements by the Mayor

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

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

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

Announcements by the management

Confirmation of minutes

That the Minutes of the Prosperous Napier Committee meeting held on Thursday, 28 April 2022 be taken as a true and accurate record of the meeting.45

Agenda items

1	Health and Safety Report - Q3	3
2	Loan Guarantee.....	28
3	Projects in Development.....	32
4	Long Term Plan Amendment	35
5	Investment and Debt Report	39
6	Proposed Amendment to 2022 Meeting Schedule	41

Minor matters not on the agenda – discussion (if any)

Public excluded43

AGENDA ITEMS

1. HEALTH AND SAFETY REPORT - Q3

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1465765
<i>Reporting Officer/s & Unit:</i>	Michelle Warren, Health and Safety Lead Adele Henderson, Director Corporate Services

1.1 Purpose of Report

The purpose of this paper is to provide the Audit & Risk Committee with an overview of Health & Safety activity for the period Quarter 3 FY22.

Officer's Recommendation

The Prosperous Napier Committee:

- a. **Receive** the Quarter 3 Health and Safety report.

1.2 Background Summary

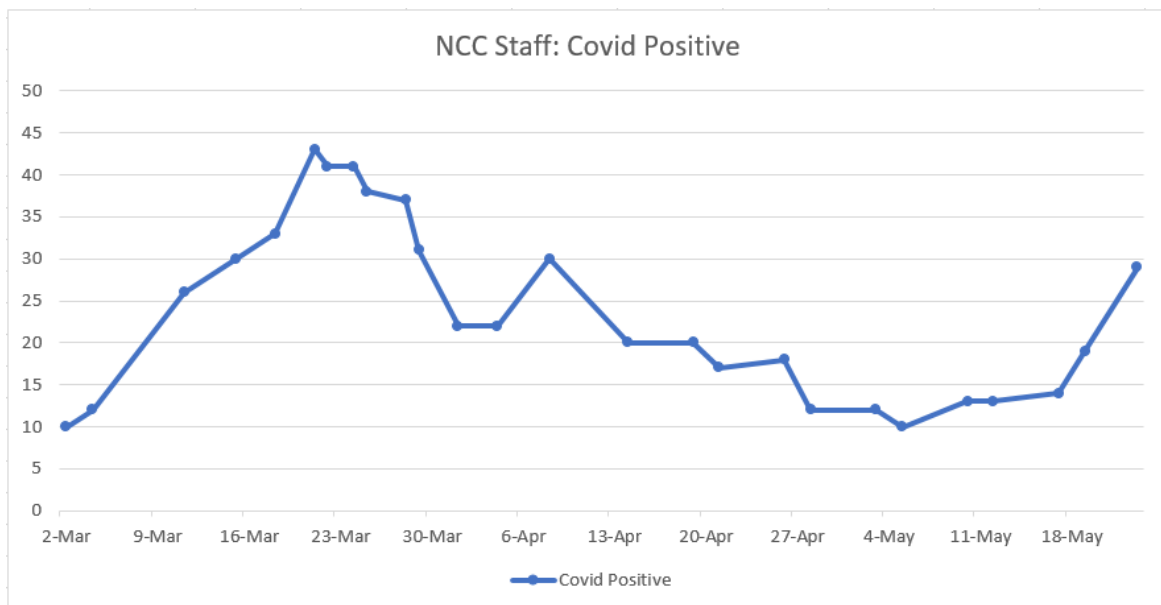
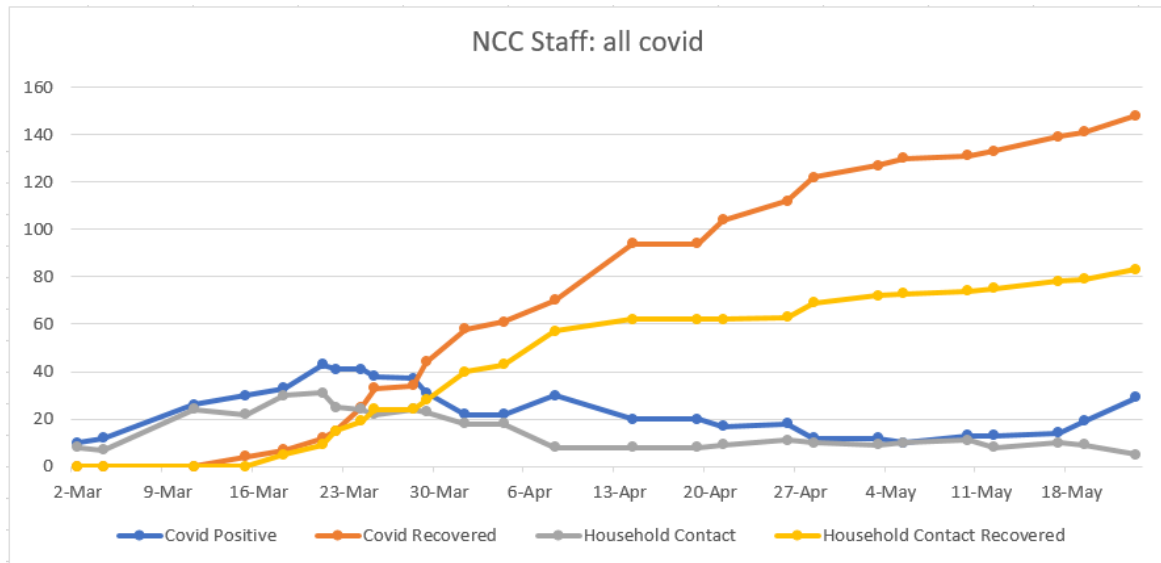
Health and Safety have developed a new report which now contains trend data and detailed analysis on a number of leading and lagging Health and Safety indicators. This report is attached.

Key points to note for the January – March quarter are:

- ACC costs are significantly down for the ACC financial year (April – March)
- One lost time injury
- Trend charts for injury management have been added to the report for 12 month periods and each Directorate
- Exposure and health monitoring in relation to the general risk and workplace management regulations
- 281 employees took up the free mole map offer from NCC. One skin cancer was found.

COVID-19

The following graphs show the current Covid-19 cases and situations for Council. There has been a noticeable upward trend in positive Covid-19 cases in the past week. All staff are receiving a second pack of RATs kits to enable early detection of the virus.



Status	Reporting (all NCC)
(active) Covid Positive	29
(closed) Covid Recovered	148
(active) Household Contact	5
(closed) Household Contact Recovered	83

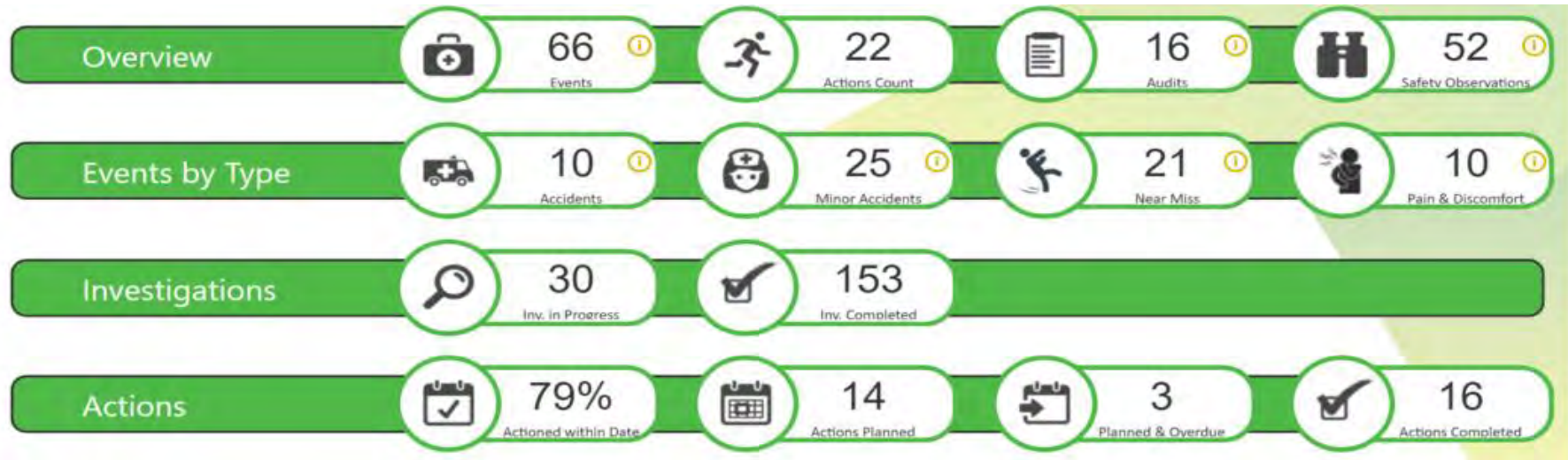
1.3 Attachments

- 1 Health and Safety Report - Quarter 3 (Doc Id 1468099) [↓](#)

Health and Safety Quarterly Report

Jan, Feb, Mar 2022

Health and Safety Dashboard



1 Lost Time Injury	66 Events in Total, with 22 related actions
16 Audits conducted by the HS Team	52 Safety Observations over NCC Business Units
10 Accidents, which includes the 1 LTI	25 Minor events
21 Near Misses	10 Pain and Discomfort
30 Events in progress, awaiting an action, timeframe or close off	153 Investigations were managed and completed in the Quarter
79% of Actions completed within the timeframe	14 Actions are in place and planned for the future
3 Actions overdue, and are being discussed with the Team Leader	16 Actions completed

Employees - Lagging Indicators

	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	Total
Lost Time Injuries	0	0	0	1	0	0	0	0	1	0	2
Medically Treated	4	0	4	2	3	2	4	3	2	0	24
First Aid	0	0	0	1	0	1	0	0	0	0	2
Near Miss	11	7	6	4	6	8	6	6	7	4	65
Property Damage	0	0	0	3	0	0	0	1	1	0	5

There was 1 lost time injury for March.

City Strategy: Aggressive member of the public causing stress to employee. Employee had 3 days off work as per medical certificate.

Public / Customers - Lagging Indicators

	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	Total
Medically Treated	2	0	0	0	0	0	0	0	1	0	3
First Aid	0	0	0	0	0	0	0	0	0	0	0
Significant Incidents	0	0	0	0	0	0	0	0	0	0	0
Insignificant	0	0	0	0	0	0	0	0	0	0	0
Near Miss	0	0	0	0	0	0	0	1	0	0	1
Property Damage	0	0	0	0	0	0	0	0	0	0	0

There was 1 medically treated injury to the public. A person fell through the platform at the transfer Station. The platform has now been removed / eliminated.

Contractors - Lagging Indicators

	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	Total
Significant Incidents	0	0	0	0	0	0	0	0	0	0	0
Property Damage	0	0	0	0	0	0	0	0	0	0	0

There were no recorded injuries contractors.

There has been no significant incidents or property damage from our contractors.

Employees - Leading Indicator Tables

	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	Total
Pain and Discomfort	5	2	4	4	7	6	3	4	5	2	42
New Hazards	1	0	0	2	7	1	3	3	9	1	27
Hazards Reviewed	0	0	0	0	2	0	0	0	1	0	3
Workstation Assess.	10	4	1	15	3	3	6	9	6	1	58
Inductions	13	6	6	13	9	11	6	16	7	1	88
Rehabilitation Req.	4	0	4	3	3	3	2	1	2	0	22
Competencies - Other	67	199	223	9	29	29	122	0	40	8	726

Audits

	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	Total
Audits - Contractor	5	3	4	2	6	1	3	1	1	0	26
Audits - Internal	15	4	12	3	7	0	6	1	0	0	48

Safety Observations

Observation_Type	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	Total
Safe Practice	0	0	0	3	2	0	0	1	5	0	11
Suggestion	2	0	2	0	2	0	0	5	7	0	18
Unsafe Conditions	11	6	3	7	13	5	5	9	11	0	70
Unsafe Practice	10	5	5	8	9	4	4	5	0	0	50

Fo12 Pain and Discomfort Q321 Workstation Assesmnt

- 29 HS Inductions
- 5 Return to Works
- 162 Compliance Trainings

- 5 Contractor Audits
- 7 Internal Audits (NCC)
- Actions from the audits are followed up

- 6 Safe Work Practices
- 12 Suggestions
- 25 Unsafe Conditions
- 9 Unsafe Work Practices

- All are followed up.

Lost Time Injuries										
Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	Total
0	0	0	1	0	0	0	0	1	0	2

DisplayID	Event Type	Date	State	Severity of Injury	Days Medically Unfit	Brief_Description
14656	Accident	4/03/2022	Complete	Moderate	1	Injuries sustained to both palms and left knee
13174	Accident	6/10/2021	Complete	Major	7	Very deep cut in to the shin area and in to the muscle

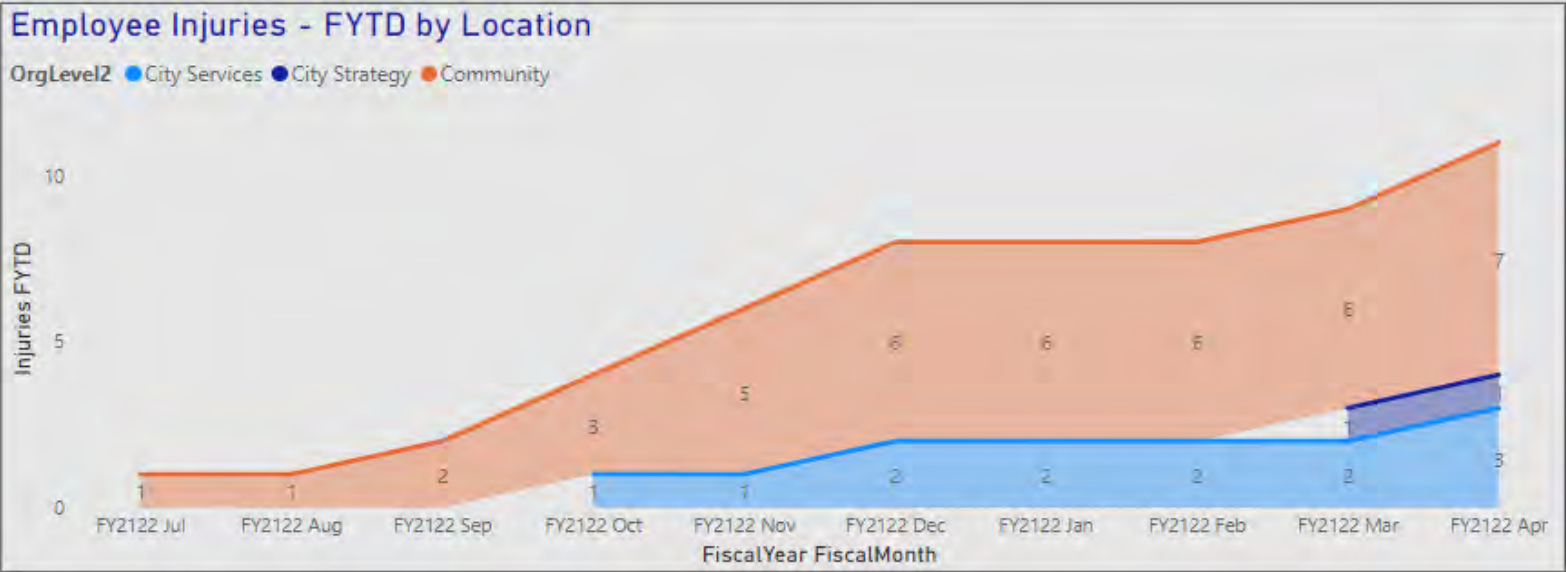
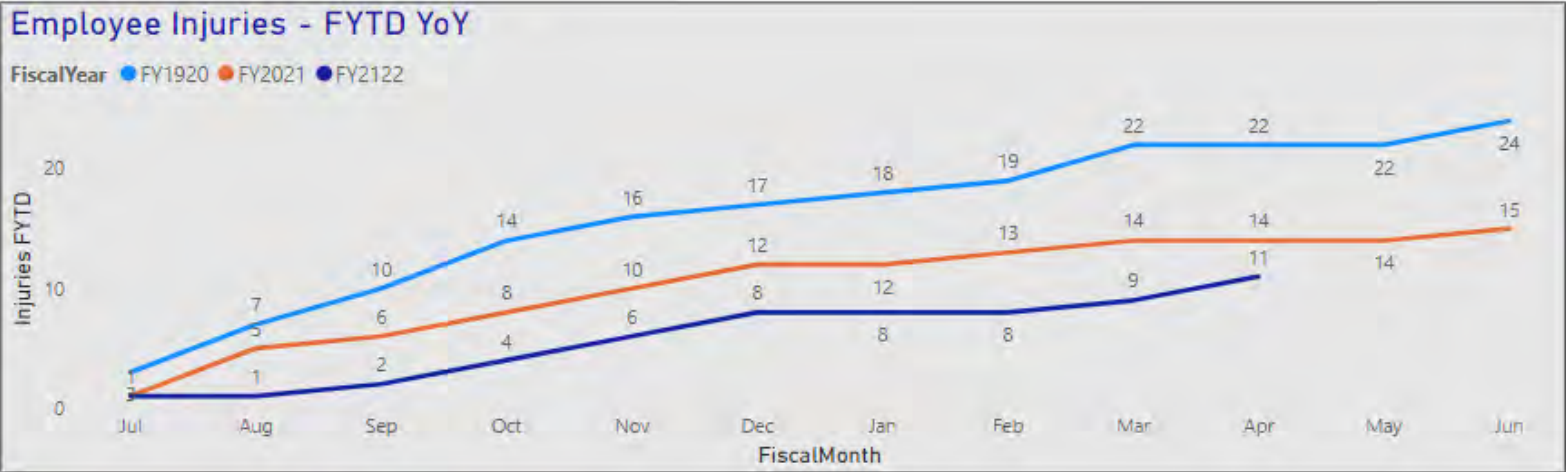
There was 1 lost time injury for Q3, in March.

City Strategy: Aggressive member of the public causing stress to employee. Employee retreated and fell over.

Assura Charts Trends

12 Months

The MySafety system (HS System) is monitored daily. If an injury or incident is of urgent or significance, the 'gatekeeper' will inform the HS Lead immediately. The event will be investigated and progressed to the appropriate person(s).



Fiscal Year Injury graph.

You can see that the injuries to employee's is decreasing.

Light blue line is 2020
Orange line is 2021
Dark blue line is 2022

Location Trend

11 Injuries
7 for Community Services
3 for City Services
1 for City Strategy

BodyPart	Foreign Body	Head Injury	Internal	Laceration/Cut	Open Wound	Other	Respiratory	Scratch/Abrasion	Strain/Sprain
Ankle									1
Arms								1	1
Elbows								1	
Face				1				1	
Finger				1				1	1
Hand				1	1				
Head		1				1			
Internal Organs			1				1		1
Knee				2	1			2	
Legs	1			1	1			1	
Shoulders									1
Total	1	1	1	3	2	1	1	3	4

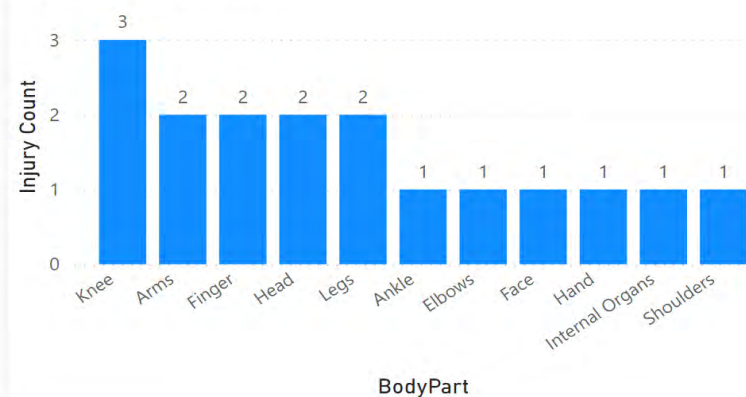
Body Part and Injury Type

The knees is slightly higher than other body parts

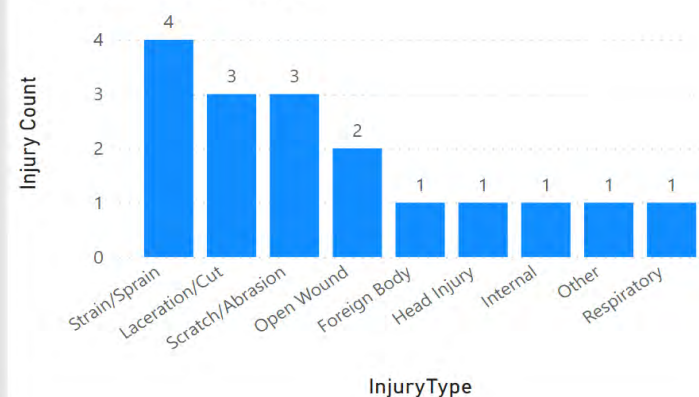
Sprains or Strains is slightly higher than Cuts, wounds.

Then trends for the past 3 years is we are not injuring our staff as much. Covid may have played a small part in the scenario.

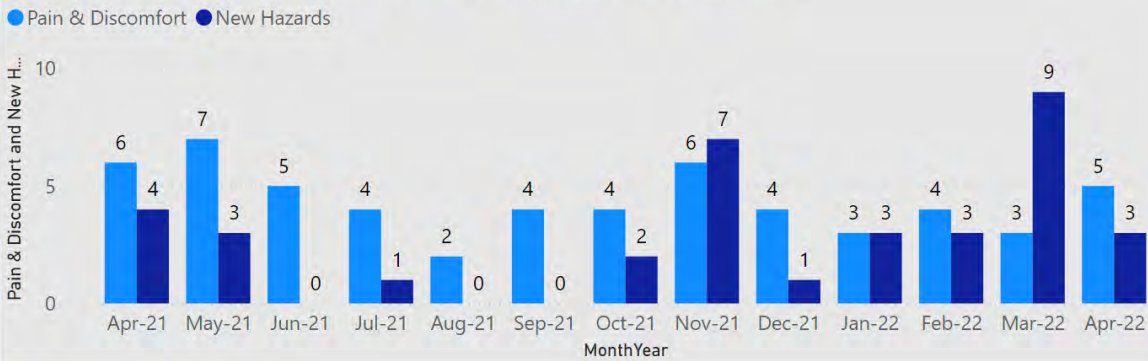
Injury Count by BodyPart



Injury Count by InjuryType



Employees - Pain & Discomfort Events & Hazards



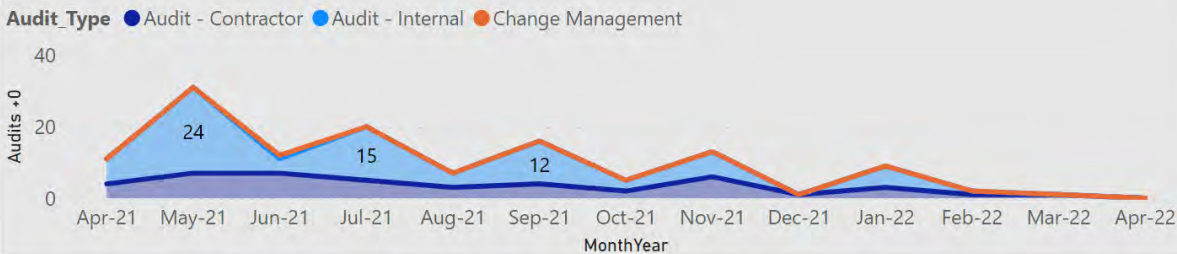
Employees - Pain & Discomfort Events

57

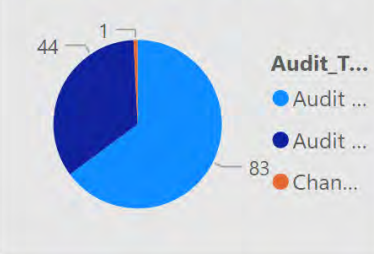
Employees - Hazards

36

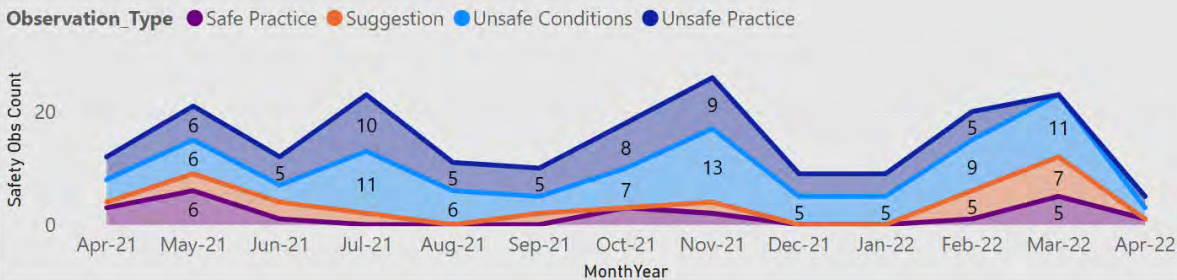
Audits - 12 Months



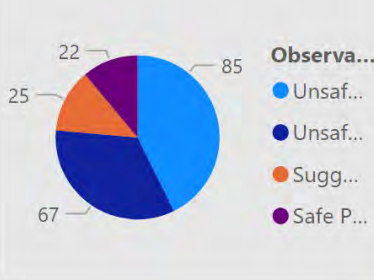
Audits - 12 Months



Safety Observations - 12 Months



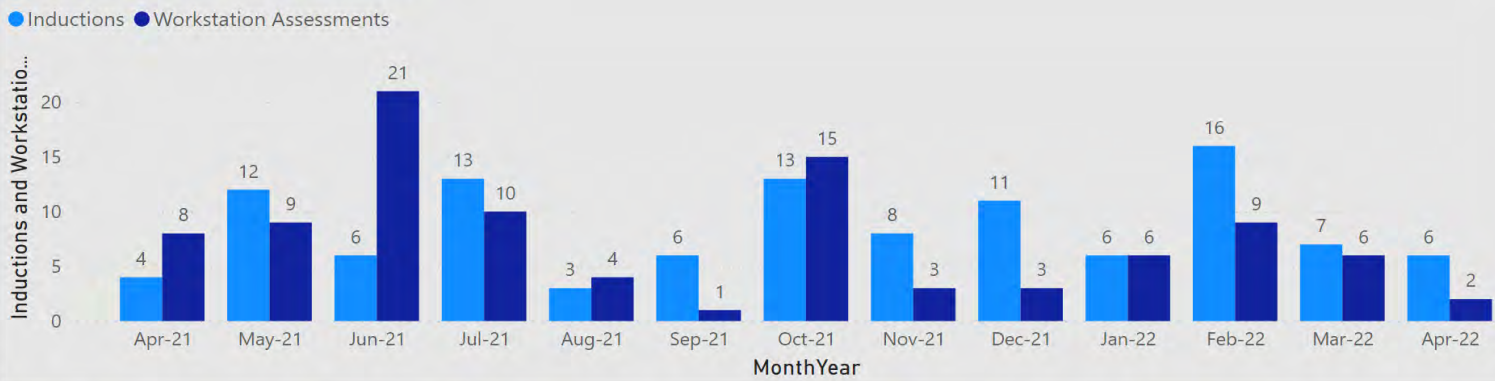
Safety Obs - 12 Months



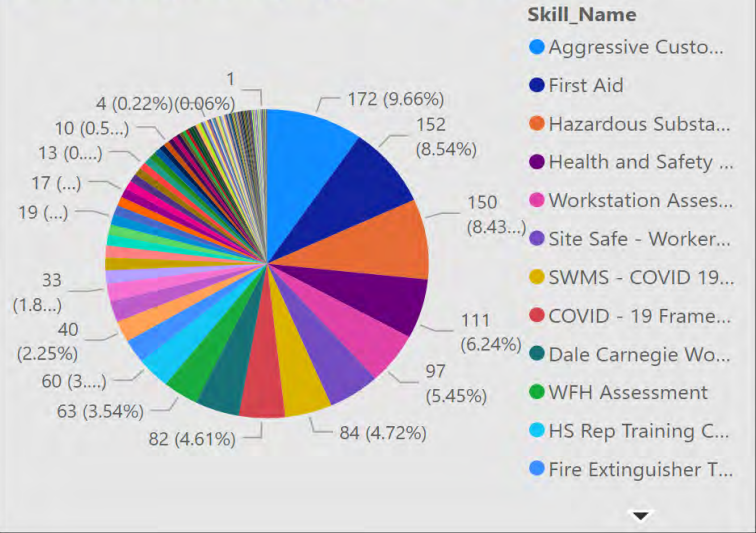
Location

- Home
- Home
- NCC
- CE & Mayor
- City Services
- City Strategy
- Communications
- Community
- Com Strategies
- Community
- Halls
- Sports & Rec
- Visitor
- Corporate
- Infrastructure
- NCC
- People & Capability
- Programme Deliv...
- Public Places

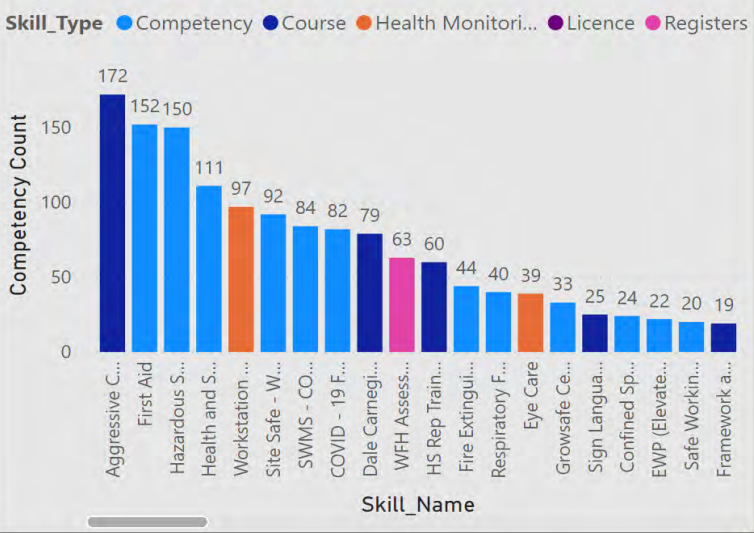
Competencies - 12 Months



Other Competency Types - 12 Months



Other Competencies - 12 Months



Compliance HS Trainings
Aggressive Customer training features highest on our list for trainings.

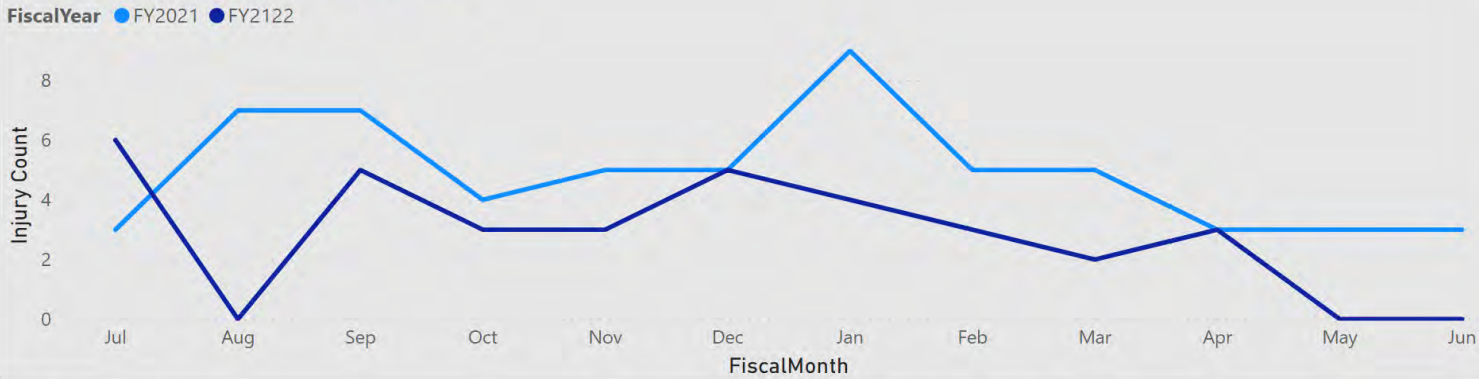
- Feedback from the course is always of a high standard for delivery from our supplier.
- First aid and Hazardous Substances trainings is high on our list.
- We must ensure hazardous substances training for staff if we use haz subs. This is completed by Loop Health and Safety professional. We are looking in the near future to complete the training in-house by the HS Team.

Assura Charts Trends

By Business Unit

If there are is not a report for a particular Business Unit, that means there are no injuries reported in that BU

Employee Injuries - 12 Months



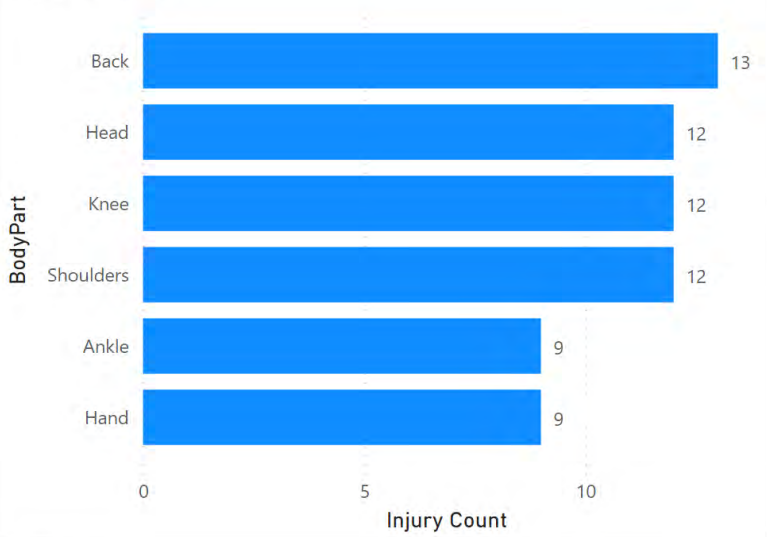
Injuries to Employees are tracking lower than the previous fiscal year.

Top 6 Injuries and Mechanism of Injury

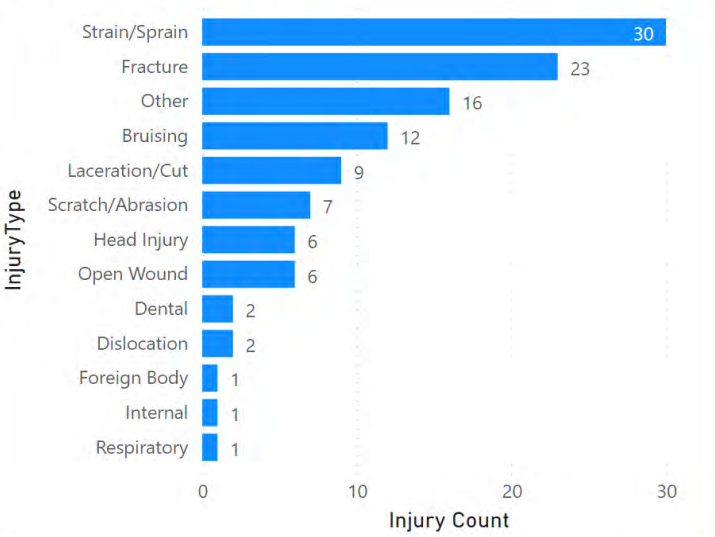
Programs to Improve on Injuries in past have been:

- Lifting for sprains and strains, back injuries – Precious McKenzie 3 times
- Lifting techniques for Library and MTG – ACC professional - specific to their needs
- Pain and Discomfort – ACC professional
- Sport HB – for exercises pre starting work, during work (found people where a little ‘shy’ but those who engaged really did enjoy it) giving the right tools for them to keep exercising before, during work
- Our HSW weeks always have an aspect of injury prevention, coaching and information based data
- Return to Work Processes

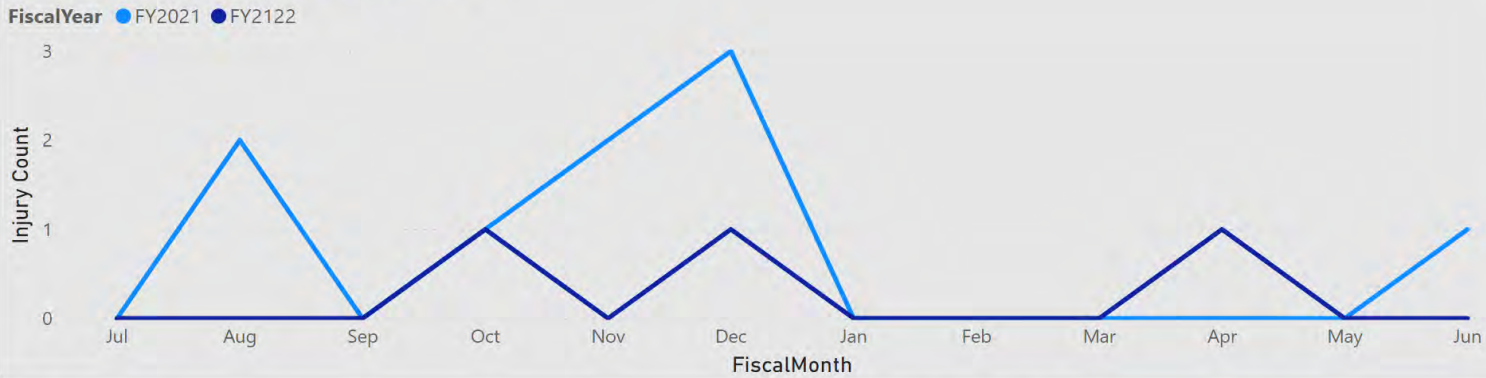
Top 6 Injuries



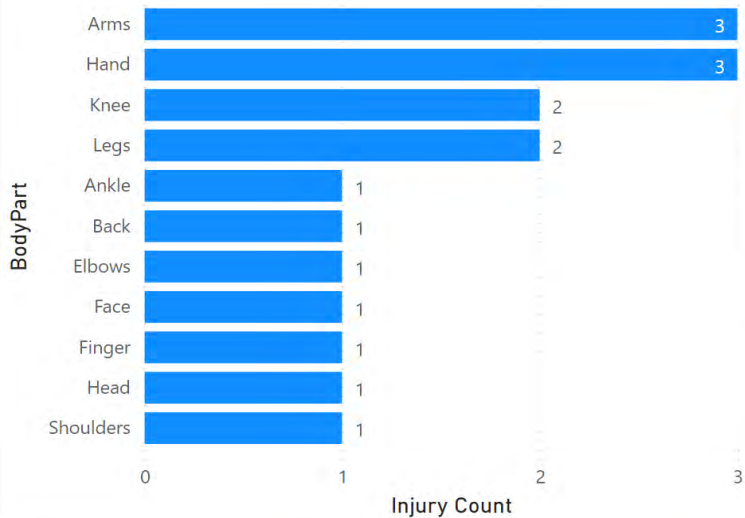
Injury Count by InjuryType



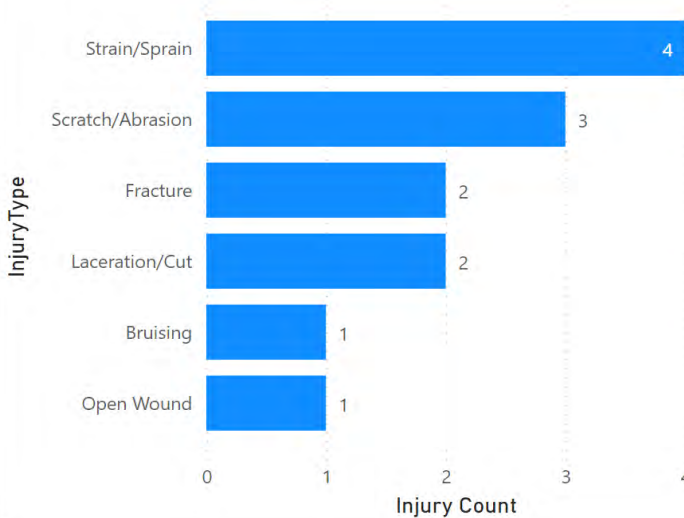
Employee Injuries - 12 Months



Top 6 Injuries



Injury Count by InjuryType



CITY SERVICES

Injuries to Employees are tracking lower than the previous fiscal year.

Top 6 Injuries by Body part and Mechanism

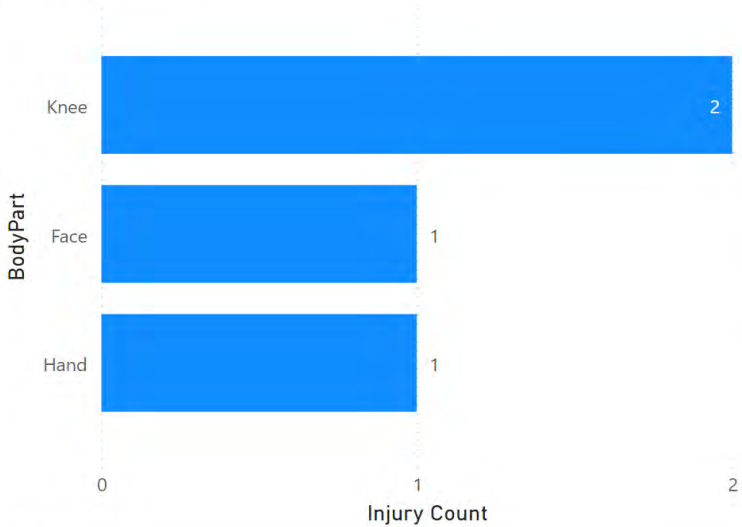
Employee Injuries - 12 Months



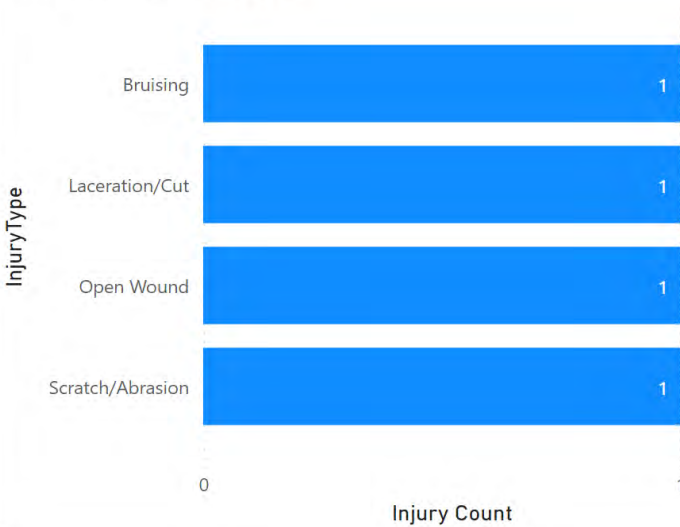
CITY STRATEGY

Very low level of injuries to this Business Unit.

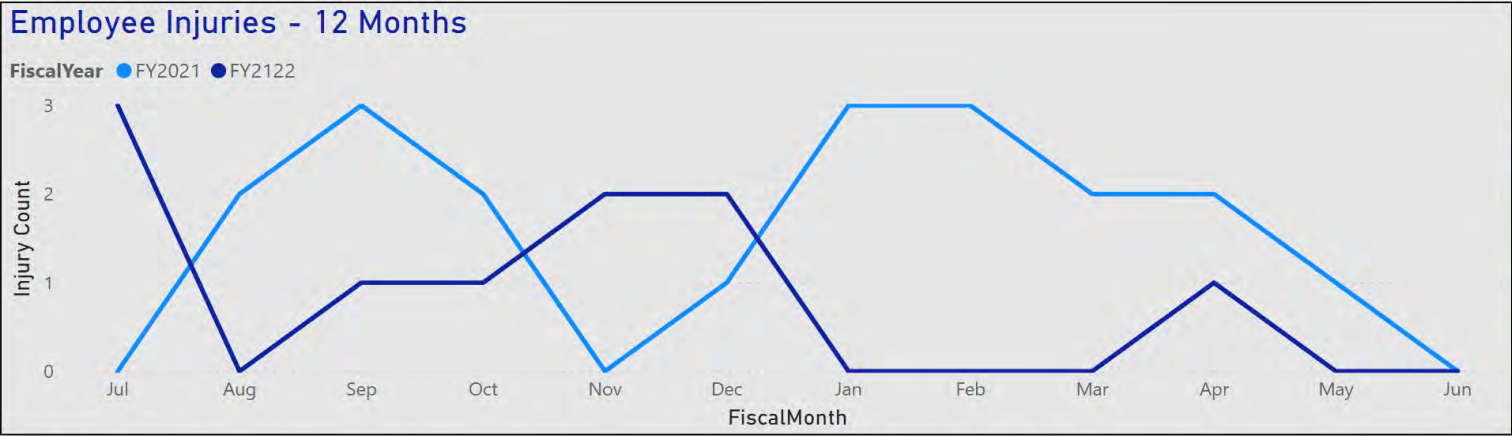
Top 6 Injuries



Injury Count by InjuryType

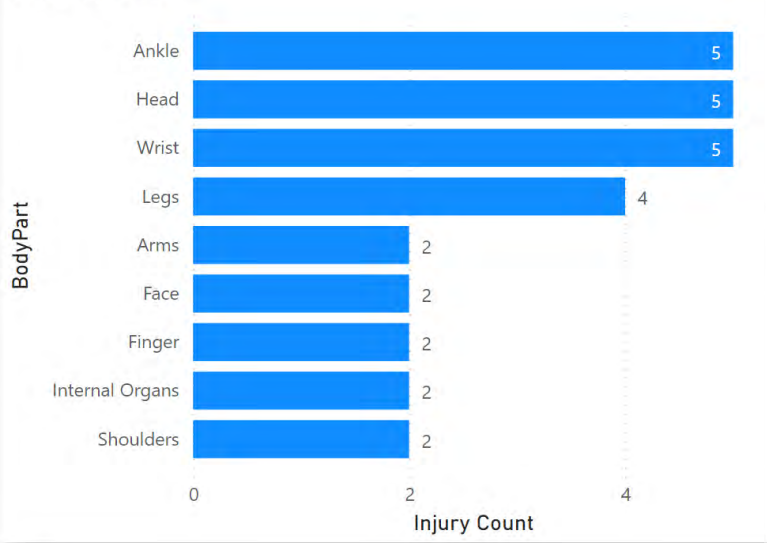


Top Injuries by Body part and Mechanism

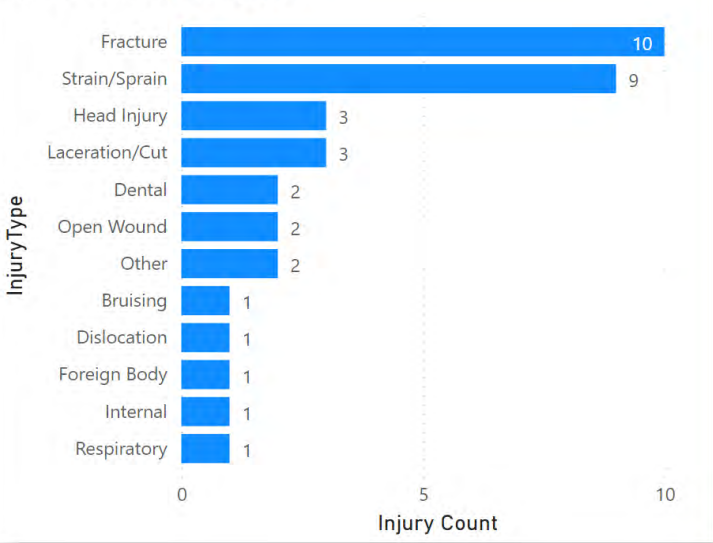


COMMUNITY SERVICES
Injuries to Employees are tracking lower than the previous fiscal year.

Top 6 Injuries

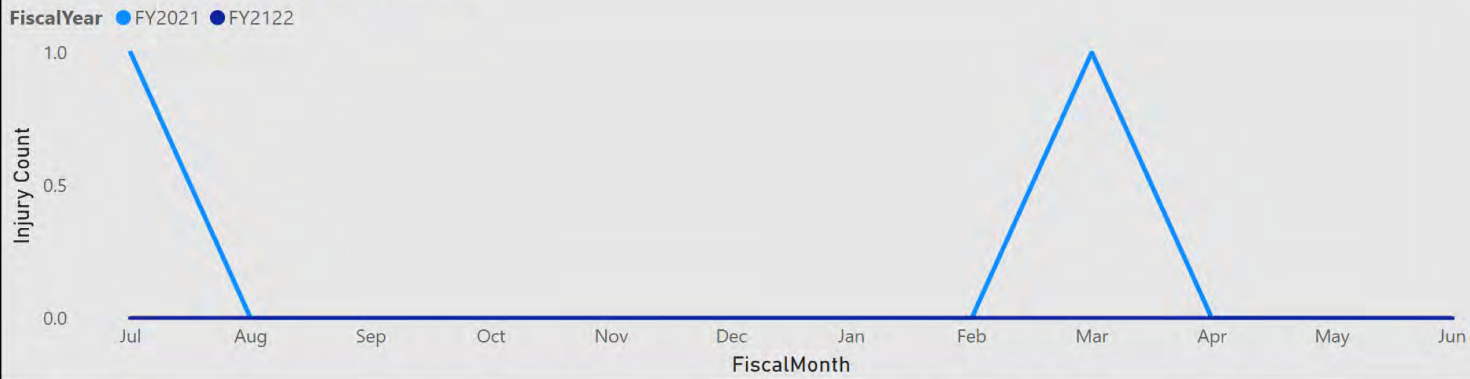


Injury Count by InjuryType

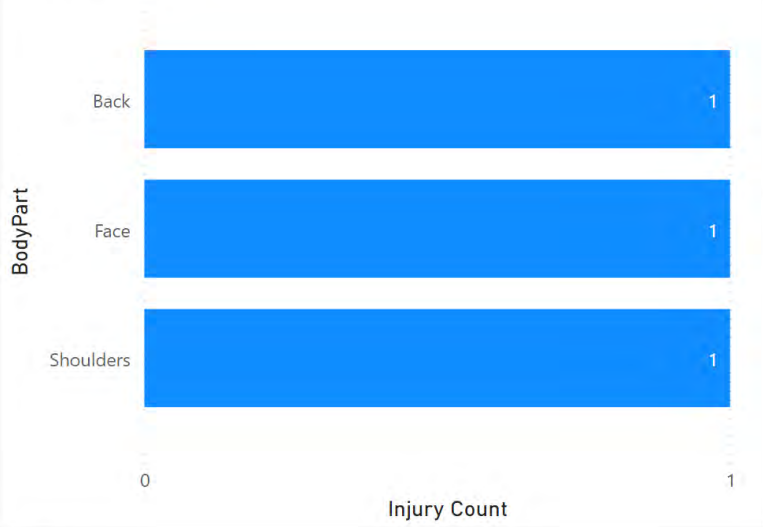


Top 6 Injuries by Body part and Mechanism

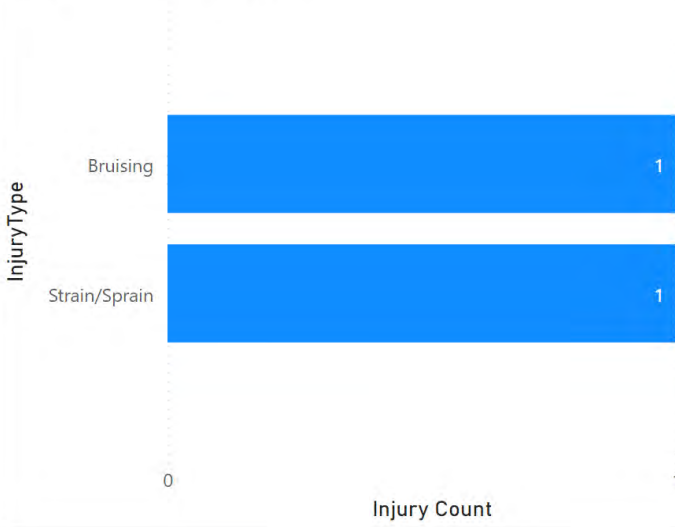
Employee Injuries - 12 Months



Top 6 Injuries



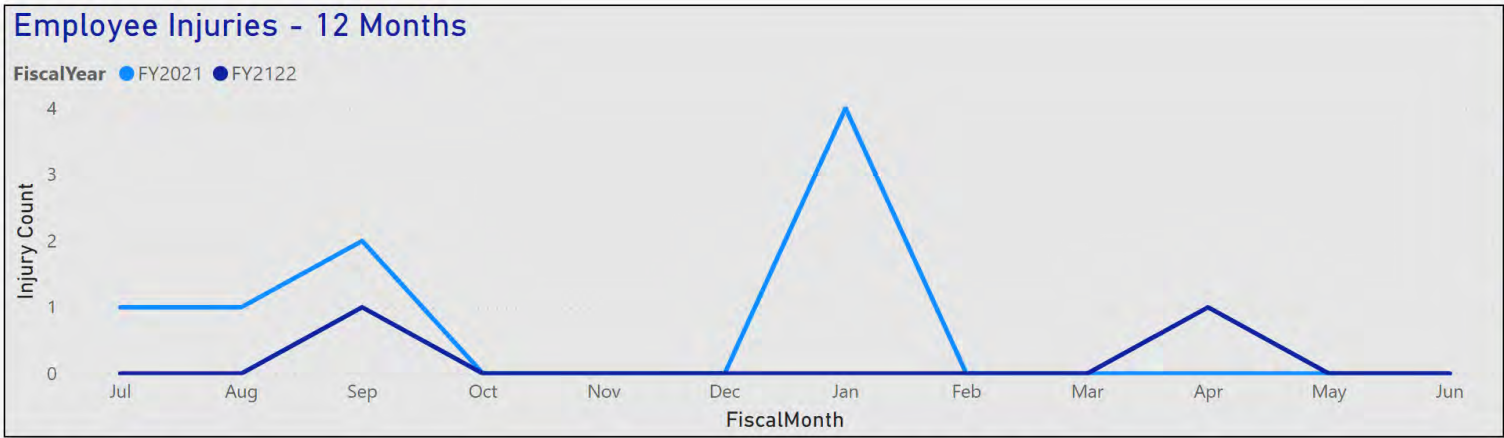
Injury Count by InjuryType



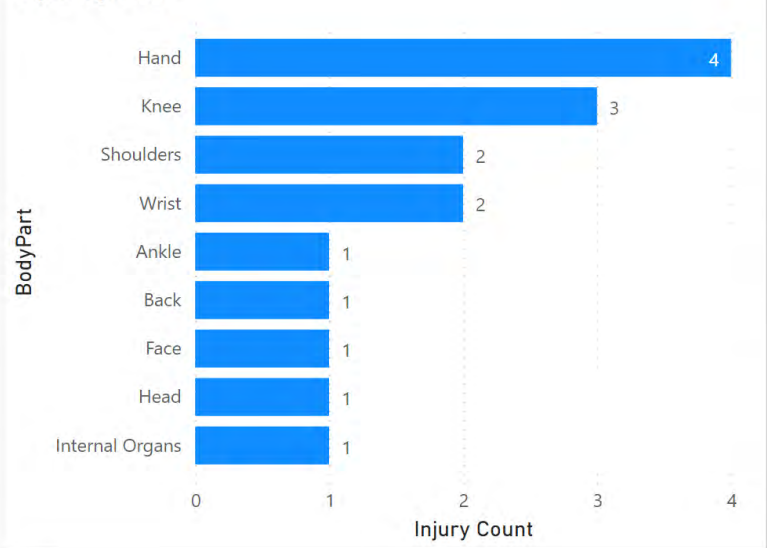
CORPORATE SERVICES

There are not many injuries for this Business Unit.

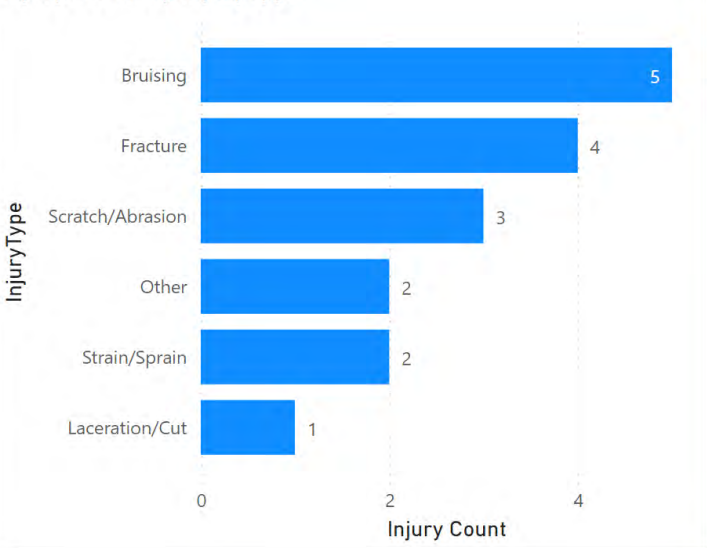
Injuries by Body part and Mechanism



Top 6 Injuries



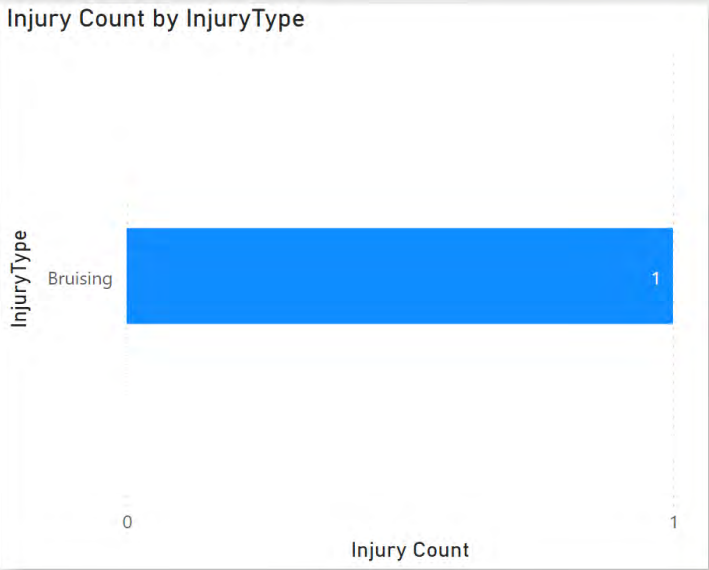
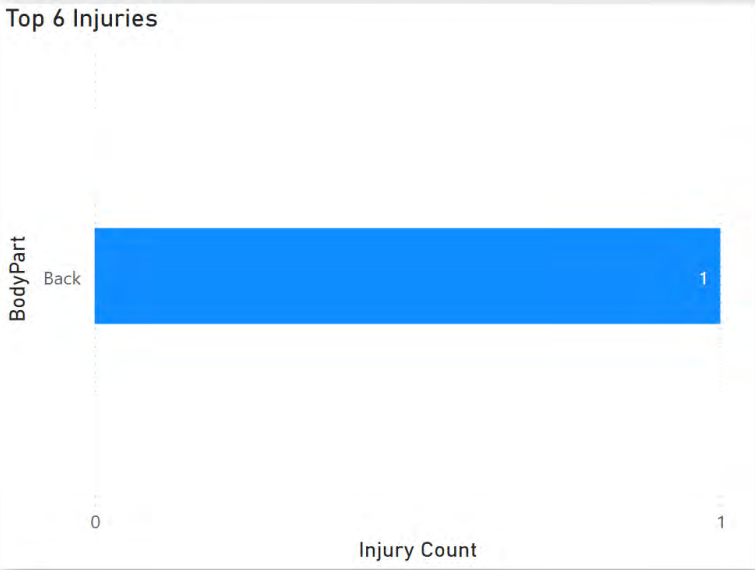
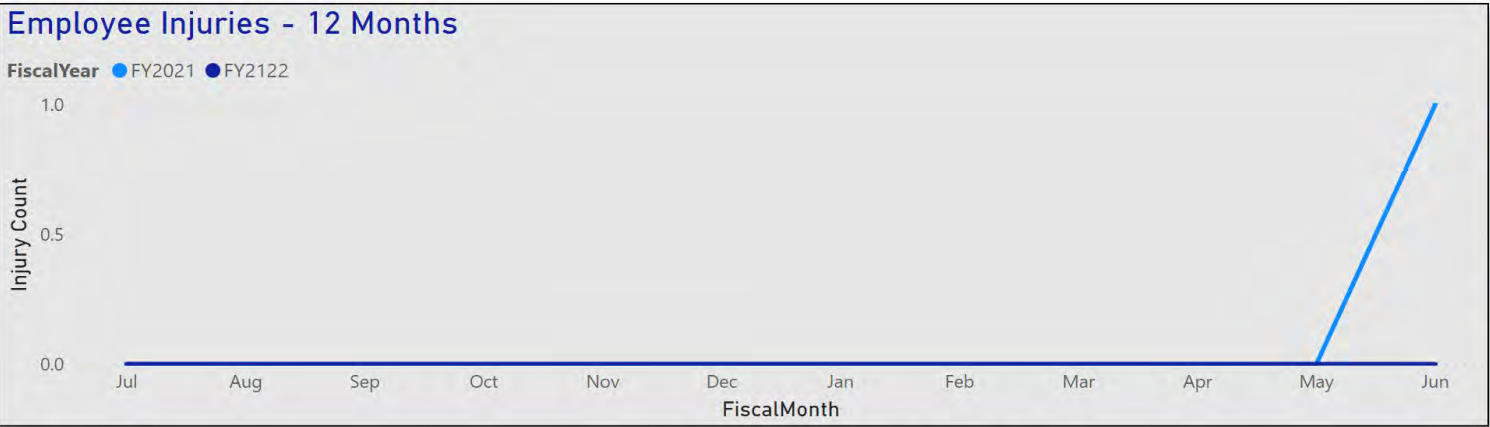
Injury Count by InjuryType



INFRASTRUCTURE SERVICES

Injuries to Employees are tracking similar to the previous fiscal year.

Top 6 Injuries by Body part and Mechanism



PROGRAM DELIVERY

There are not many injuries to this Business Unit.

Injury by Body part and Mechanism

Health, Safety and Wellbeing Initiatives

	<ul style="list-style-type: none"> 1 worker referred to the Audiologist, screening indicated hearing loss. 1 worker screened as mild hearing loss in 1 frequency, to be rescreened in 2022.
Respiratory screening questionnaire	<ul style="list-style-type: none"> 3 workers completed the questionnaire there were no referrals to GP
Hepatitis A & B vaccinations	<ul style="list-style-type: none"> 19 workers have hepatitis vaccinations due to the tasks they do. 15 of the above workers next vaccination is their last dose. The Occupational Health Nurse will arrange a blood test one month after this dose to confirm the worker has immunity. <p>There are an additional 14 workers waiting on a blood test to check they have immunity to Hepatitis A & B.</p>
Annual Whole blood lead level	<ul style="list-style-type: none"> The painters have had their blood lead studies completed for 2021. Reference range (less than 0.24 umol/L) 1 x worker was 0.24 umol/L (blood taken in October 2021). <p>Repeat bloods have been taken in November 2021, results were within acceptable level.</p>
Toxoplasma	<p>Annual blood screening for Animal Control Workers: screening for Animal to Human (zoonotic) transmission illness/diseases.</p> <ul style="list-style-type: none"> 4 workers lab result for Toxoplasma Antibodies have been above the reference range for Toxoplasma IgG. Workers have been to their GP. The Pathologist at Southern Community Laboratory has provided the following communication. <p>— Workers could be exposed periodically due to the job they do</p> <p>— Toxoplasma antibodies go up and down.</p> <p>— If the antibodies stay the same or decrease it appears that's fine.</p> <p>— If it increases, then it is considered an active infection.</p> <p>The 4 workers had bloods repeated in November 2021.</p> <ul style="list-style-type: none"> 2 x workers the Toxoplasma IgG has decreased 1 x worker the Toxoplasma IgG was the same 1 x worker the Toxoplasma IgG increased; this worker

The Health and Safety (General Risk and Workplace Management – GRWM) Regulations 2016 require NCC to monitor worker health.

In the Health and Safety Framework, Tier 2, is the Standard on Health Monitoring.

NCC has a primary duty to monitor worker exposure as far as is reasonably practicable if exposure to a particular health risk warrants it.

Exposure monitoring is:

- (a) Means the measurement and evaluation of exposure to a health hazard experienced by a person; and
 (b) Includes – (i) monitoring of the conditions at the workplace; and (ii) biological monitoring of people at the workplace (GRWM Regulations)

Examples

- Monitoring the level of noise a worker is exposed to
- Monitoring the air a worker breathes
- Testing workers' blood or urine for the presence of harmful substance or the by-products of a substance.

Responsible Persons

- Recruitment – ensuring baseline
- testing levels before person starts working at NCC
- Health and Safety Lead – engaging a professional to complete the monitoring (Loop H&S)
- The Occupational Professional – keeping records and ensuring results are monitored
- Manager / Team Leader – ensuring staff are made available for the testing

Post Critical Event

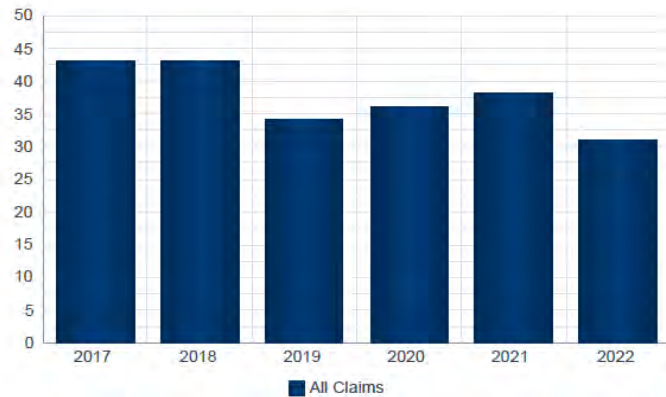
This process will be used when one of the existing reporting systems is inadequate to meet the needs of the NCC or an event. It will ensure the appropriate management after any critical event, gradual process or incident involving exposure to an actual or potential health risk, for example an adverse chemical exposure.

Process

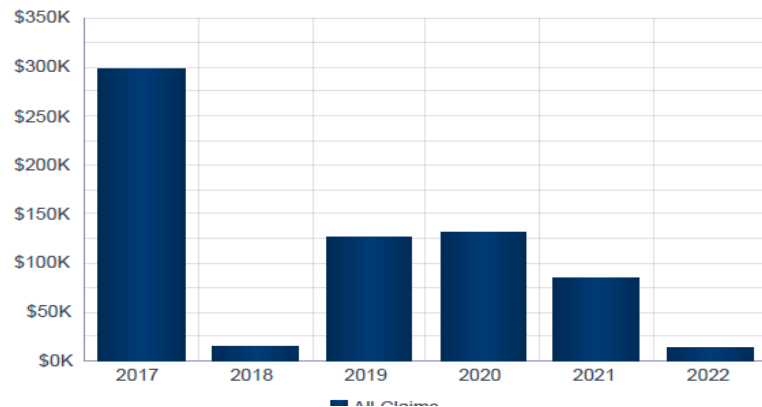
- Refer exposed employee for medical / rehabilitation assessment
- Conduct an investigation, seek specialist advice as appropriate
- Review the hazards and any risk associated with the incident e.g. hazard register, controls, health and environmental monitoring
- Review any sub-optimal results relating to the medical assessment. Give consideration to the medical and vocational needs of the injured employee and identify actions arising. Establish a plan for rehabilitation if relevant
- Update the hazard register and/or relevant documentation or processes
- Feedback findings to the Manager People and Capability, and ELT.

Claim Profile

	Claim Count	Levy Year						
		2017	2018	2019	2020	2021	2022	
Total								
All Claims	225	43	43	34	36	38	31	
Grand Total	225	43	43	34	36	38	31	



	Claim Count	Levy Year						
		2017	2018	2019	2020	2021	2022	
Total								
All Claims	\$665,327	\$296,682	\$14,902	\$125,592	\$131,712	\$83,079	\$13,360	
Grand Total	\$665,327	\$296,682	\$14,902	\$125,592	\$131,712	\$83,079	\$13,360	



ACC

ACC financial year is 1st April to 31st March.

The claim count is slightly down from previous years.

Claim Levy

The injuries sustained have been less severe e.g. not required an operation.

These claims are all workplace injuries.

The main cost was an injury to an employee who had a seizure (non work event) and fell and hid the ground. Because his head hit the ground he was off work for a long period of time. This happened in the previous year, but his costs had been ongoing. (He is fine now)

A Return to Work program has been in place for 14 years and works well with the employees.

A recent update through the ACC process, is that Occupational Therapists are now able to work with the Health and Safety Team directly when there is a RTW.

Primary Diagnosis	Claim Count	Levy Year					
		2017	2018	2019	2020	2021	2022
Dental Injury	\$554		\$207	\$207		\$146	
Foreign Body in Orifice/eye	\$314	\$71					\$244
Fracture/dislocation	\$1,08,681	\$60,003	\$4,235	\$43,467	\$436	\$331	\$208
Gradual Process- Local Inflamm.	\$102	\$102					\$0
1/non- Laceration, puncture, sting	\$60,155	\$3,826	\$788	\$477	\$1,730	\$52,784	\$550
Industrial Deafness	\$7,148			\$3,167	\$3,981		
None	\$210,204	\$188,937	\$325		\$0	\$20,838	\$1,03
Other	\$63		\$163				
Pain syndromes	\$1,017		\$892			\$126	
Soft Tissue Injury (contusion, sprain, laceration)	\$277,089	\$43,743	\$8,392	\$78,274	\$125,564	\$88,611	\$12,254
Grand Total	\$665,327	\$296,682	\$14,902	\$125,592	\$131,712	\$83,079	\$13,360

Primary Injury Site Group	Claim Count	Levy Year					
		2017	2018	2019	2020	2021	2022
Ankle	\$9,368	\$468		\$4,796	\$3,493	\$52	\$559
Arm	\$133,283	\$3,324	\$241	\$43,467	\$84,628	\$1,367	\$256
Back/spine	\$33,858	\$735	\$2,364	\$7,434	\$21,000	\$990	\$1,334
Hip/Leg	\$66,770	\$59,909	\$102	\$0	\$158	\$524	\$6,078
Hand	\$23,046	\$8,880	\$2,391	\$9,718	\$841	\$934	\$2,82
Neck	\$2,470	\$989	\$176	\$84	\$1,110	\$111	
Other	\$81,779	\$4,671	\$4,315	\$6,488	\$8,220	\$54,284	\$3,802
Shoulder	\$102,992	\$28,666	\$4,917	\$53,865	\$12,261	\$2,596	\$947
Unknown	\$211,761	\$189,039	\$396		\$0	\$22,223	\$103
Grand Total	\$665,327	\$296,682	\$14,902	\$125,592	\$131,712	\$83,079	\$13,360

Injury Cause	Claim Count	Levy Year					
		2017	2018	2019	2020	2021	2022
Comston/Knocked over By Obj	\$1,061:	\$90		\$239	\$453	\$71	\$208
Electrical Shock/Short Circuit	\$212	\$1184				\$27	
Folding/Coil:apse	\$85,247				\$84,6113	\$t95	\$439
Uffingll"CaIT)llng1/Strain	\$5,1,668	\$28,935	\$8,897	\$8,5 ¹ ,8	\$1,478	\$1,633	\$2,207
Loss Balance/Personal Cont1	\$37,,804	\$3,366	\$34	\$5,340	\$19,099	\$1,916	\$8,050
Loss of Consieiousne.s:s/Slee,p,	\$5,1,2,34					\$51,234	
Medilcal TreabTient	\$18						\$118
None	\$410		\$270			\$140	
Object COMing Loose/Shifting	\$194,,698	\$192,849	\$200			\$1,373	\$277
Punoture	\$4,,3-96			\$223	\$4,126	\$46	
Pushedi or Pulled	\$20,2,33	\$356	\$816	\$3,994	\$12,145	\$2,660	\$292
Slippng, Skidding on Foot	\$4,,223	\$468	\$231	\$1,3011	\$2,223		
Something Giving, la.'j Underfoot	\$342						\$342
Struck by Heldi Tool/Implement	\$21.2		\$94	\$32	\$0	\$53	\$33
Struck by Per.son/Allimali	\$4'97	\$0	\$270	\$131i		\$,95	
Tripping1 or Stumbling,	\$109,,338	\$56,9+24	\$32	\$4'9,569	\$1,903	\$524	\$387
Twisting Movement	\$27,340	\$11,868	\$2,391	\$9,530	\$1,,564	\$967	\$11,021
Wk Property or Oharakteristics	\$76,,3,95	\$1,642	\$1,'666	\$46,715	\$4,139	\$22,146	\$87
Grand Total	\$665,,327	\$296,6:82	\$14,902	\$,125,59:2	\$1311,712	\$83,0,79	\$13,,360

2. LOAN GUARANTEE

<i>Type of Report:</i>	Enter Significance of Report
<i>Legal Reference:</i>	Enter Legal Reference
<i>Document ID:</i>	1457973
<i>Reporting Officer/s & Unit:</i>	Adele Henderson, Director Corporate Services Caroline Thomson, Chief Financial Officer Garry Hrustinsky, Investment and Funding Manager Talia Foster, Accounting Manager

2.1 Purpose of Report

To seek Council approval to provide a loan guarantee to the Regional Indoor Sports and Events Centre Trust (RISEC Trust), who own and operate Pettigrew Green Arena (PGA).

Officer's Recommendation

The Prosperous Napier Committee:

- a. **Receive** the report titled 'Loan Guarantee'
- b. **Approve** providing a loan guarantee up to \$2,000,000 to the Regional Indoor Sports and Events Centre Trust (RISEC Trust) for a period of up to 10 years.

2.2 Background Summary

The Pettigrew Green Arena (PGA) is the premier all weather sports and events centre in Hawkes Bay. Multiple studies and reports have shown that the lack of indoor court space in Napier was fast approaching a crisis point.

The Regional Indoor Sports and Events Centre Trust (RISEC Trust) have undertaken thorough feasibility studies and raised significant funds towards their project which will see a new fit-for-purpose sporting complex at the rear of the current arena. The development will see 4 premier futsal courts, 9 basketball/netball courts, 12 volleyball courts and 24 badminton courts added to the Hawke's Bay court network.

Now nearing completion, the facility is expected to open in September 2022, with the \$2m loan required to complete the project.

The RISEC Trust have provided their feasibility study, prior financial statements, current management financials, and forecasts up to 2028.

2.3 Issues

During 2021 the RISEC Trust secured a \$2m shovel ready loan with the Bank of New Zealand (BNZ). BNZ have now advised RISEC that the funds can only be drawn down once BNZ has registered a security over the lease of the reserve land that the PGA is situated on. Given the land is reserve land RISEC are unable to provide the security BNZ requires. BNZ has further advised that a loan guarantee from Council would be sufficient security for them to release the funds to RISEC.

2.4 Significance and Engagement

The issues for discussion are not significant in terms of Council's Significance and Engagement Policy and no consultation is required.

2.5 Implications

Financial

The financial statements submitted by RISEC show a net deficit for 2019/20 of \$79,935 and a net surplus of \$8,189,689 for 2020/21. In 2020/21, the surplus includes \$8.2m of grants and donations received for funding the expansion project. In summary the income and expenditure is as follows:

	Actual 2019/20	Actual 2020/21	8 months to 28/02/22	
			Actual YTD	Budget YTD
Operating Income	\$1,061,365	\$1,109,487	\$710,750	\$652,650
Operating Expenditure before depreciation	\$821,230	\$824,999	\$586,853	\$657,104
Operating surplus/(deficit) before depreciation	\$240,135	\$284,488	\$123,897	(\$4,454)
Depreciation expense	\$361,261	\$354,285	\$225,232	\$224,173
Capital funding and gains/(losses) through income	\$41,191	\$8,259,486	0	0
Net surplus	(\$79,935)	\$8,189,689	(\$101,335)	(\$228,627)

The forecast provided for 2022-2028 indicates that RISEC can meet the cost of servicing the proposed borrowing.

	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25	Forecast 2025/26	Forecast 2026/27	Forecast 2027/28
Operating Income	\$1,748,408	\$1,772,234	\$1,796,418	\$1,820,964	\$1,845,878	\$1,711,167
Operating Expenditure before depreciation	\$1,179,154	\$1,196,840	\$1,214,792	\$1,233,014	\$1,251,509	\$1,270,282
Operating surplus before depreciation (deficit)	\$569,254	\$575,394	\$581,626	\$587,950	\$594,369	\$440,885

We have approached RISEC for confirmation on the forecast, and there is some uncertainty around:

- the impacts of Covid-19, in particular with the events revenue that may be slower to return than anticipated,
- increasing cost pressures for salaries and insurance,
- additional unexpected landscaping costs of up to \$150k, plus the ongoing cost of gardening.

However, on the upside:

- the venue has been fully booked prior to opening by regular users, who have agreed in principle to a five-year term,
- all leases and property contributions agreements are inflation-adjusted each year, relieving some uncertainty from high inflation,
- enquiries have already started for multi day sporting events, however the biggest issue facing Napier for such events is an accommodation shortage. Staff are

managing this by building up a list of alternative accommodation such as boarding schools,

- the recently appointed manager has introduced some new revenue streams such as court memberships and Les Mills THE TRIP classes.

As at 30 June 2021 total financial guarantees provided by Council represented 2.4% of non-targeted rates. With the proposed additional guarantee provided to RISEC in June 2022 total guarantees would rise to 7.0%. This level of financial guarantee provision is within Council's policy limit of 7.5% of non-targeted rates.

Social & Policy

Under NZ Generally Accepted Accounting Practice (NZ GAAP) and NZ Public Benefit Entity (PBE) Accounting Standards Council is required to recognise financial guarantees as provisions and contingent liabilities within its financial statements. On initial recognition, this would mean an expense is recognised in our Statement of Comprehensive Revenue and Expenses and would negatively impact our balanced budget prudence benchmark, and a liability would be recognised under provisions in our Statement of Financial Position.

The impact on our balanced budget prudence benchmark is expected to be insignificant given we did not budget to meet this benchmark for the 2022/23 year in our Long Term Plan.

As RISEC repay the loan in future years, the provision would be reduced with a benefit to our surplus/(deficit).

Council's Liability Management Policy allows for the provision of guarantees to community organisations provided that the organisation can demonstrate that it is capable of servicing the loan.

Risk

If RISEC fails to meet its obligations on loan servicing costs Council will be liable for repayment of the \$2m. If the guarantee was called, Council would fund the repayment through loan funding, which would impact on ratepayers in future years.

At the time of writing, BNZ had not provided a loan guarantee document to Council. However, in discussions with BNZ, Council has been assured that the guarantee document will not contain any requirements outside of the Master Agreement or Facility Document. There is still a small risk that verbal assurances provided is not accurate with regards to the content of the guarantee document.

Council's loan guarantee would be unsecured in nature. An unsecured guarantee will not jeopardise lending arrangements in place with the Local Government Funding Agency (LGFA).

2.6 Options

The options available to Council are as follows:

- a. Approve providing a loan guarantee up to \$2,000,000 to the RISEC Trust for a period of up to 10 years
- b. Do not approve providing a loan guarantee up to \$2,000,000 to the RISEC Trust for a period of up to 10 years

2.7 Development of Preferred Option

The financial statements of the RISEC Trust show that it can meet the servicing costs on the proposed term loan. RISEC has established a good record of financial management. Loan guarantee structure has been confirmed directly with BNZ. The proposed guarantee

has been reviewed by legal counsel and tested against Council's Liability Management Policy and LGFA membership.

The preferred option is for Council to approve providing a loan guarantee up to \$2m for a term of up to 10 years.

2.8 Attachments

Nil

3. PROJECTS IN DEVELOPMENT

<i>Type of Report:</i>	Legal and Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	1459309
<i>Reporting Officer/s & Unit:</i>	Adele Henderson, Deputy Chief Executive / Director Corporate Services

3.1 Purpose of Report

The purpose of this report is to provide visibility of major unfunded or partially funded projects so that financial risk and implications are noted in advance of future decisions.

Officer's Recommendation

The Prosperous Napier Committee:

- a. **Note** the following projects of Council are currently not fully funded in the Long Term Plan 2021-31 with pre-work and scoping currently underway:
 - i. New Aquatic Facility
 - ii. Civic Building – it is unlikely the current funding can service both a new library (including Council Chambers) as well as Civic accommodation for Council officers
 - iii. Significant upgrade/new National Aquarium – recommendation to further discussions with Central Government on funding
 - iv. Housing - long term plan amendment proposed for consultation to include rates funding gap, based on community feedback to continue with social housing
 - v. Inner Harbour – the Ahuriri Masterplan is currently not fully funded
 - vi. Three Waters Transition – there are a number of work streams that have been set up that require Councils input and contribution. There may be some potential funding from Central Government to support this initiative, but will require Council approval to access this.
 - vii. Resource Management Act Reform – there is transitional funding required to support this both internally, regionally and nationally. No funded has currently been provided
 - viii. Regional Spatial Plan – currently no funding for this national initiative
 - ix. HB Museum Storage – budgets yet to be finalised
 - x. Climate Change funding – noting the national requirements moving forward
 - xi. i-Site building requirements – noting that this may form part of the new Library location
 - xii. City Vision Initiatives – funding was removed from the 2021-31 Long Term Plan, with requests coming from developers to support changes within the CBD for their projects
 - xiii. Inflation above Long Term Plan projections provided by BERL for the assumption development
 - xiv. Long Term Plan Amendment funding – audit and engagement (\$150k)

3.2 Background Summary

The purpose of a Long Term Plan for Council is described under Section 93 (6) of the Local Government Act 2002 and includes:

- 1) the activities of the local authority,
- 2) to describe the community outcomes of the local authority, to provide integrated decision-making and coordination of resources
- 3) to provide a long term focus for the decisions and activities of the local authority and
- 4) to provide a basis for accountability of the local authority to the community

Council Officers have noted the major items that are currently unfunded in the current Long Term Plan 2021-31 to ensure that future decisions are not considered in isolation, and there is an ongoing consideration to provide integrated decision-making and coordination of resources.

3.3 Issues

The current unfunded or partially funded projects are currently deemed significant in their own right to trigger the Significance and Engagement Policy requirements should council required these to be funded funding. Should they be required in advance of the next Long Term Plan cycle of 2024-34 they would trigger Long Term Plan Amendments. Preparing amendments in isolation does not allow for the coordination of resources as set out under the Local Government Act requirements under Section 93 (6).

3.4 Significance and Engagement

Each item noted as unfunded would trigger the Significance and Engagement Policy requirements to undertake a Special Consultative procedure if required in advance of the Long Term Plan 2024-34.

3.5 Implications

Financial

Each unfunded item in its own right could be funded within existing debt caps. However, when considered collectively may result in an inability to operate within these. Council will need to be aware of potential financial constraints, priorities for Council spending, as well as affordability considerations for the community.

Social & Policy

The following policies could be triggered for review:

- Revenue and Finance Policy – noting that these contain financial benchmarks as set under legislation
- Financial Strategy in the Long Term Plan
- Infrastructure Strategy in the Long Term Plan
- Significance and Engagement Policy

Risk

As per above with further work to be undertaken, as necessary, to ensure that future decisions are not considered in isolation, and there is an ongoing consideration to provide integrated decision-making and coordination of resources.

3.6 Options

The options available to Council are as follows:

- a) Note the unfunded or partially funded projects

3.7 Development of Preferred Option

This paper is prepared as a noting paper for Council only.

3.8 Attachments

Nil

4. LONG TERM PLAN AMENDMENT

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	1459319
<i>Reporting Officer/s & Unit:</i>	Adele Henderson, Director Corporate Services

4.1 Purpose of Report

To provide Council with background information around the requirements for the preparation of a Long-Term Plan Amendment.

Officer's Recommendation

The Prosperous Napier Committee:

- a. **Note** the process that is required under the Local Government Act, Section 93D for the preparation for a Long-Term Plan Amendment.

4.2 Background Summary

Council currently have a number of significant unfunded projects that are not included in the existing Long-Term Plan 2021-31 that it is considering. These projects include:

- A future aquatic centre
- Potential upgrades to the National Aquarium
- Ongoing funding of the housing portfolio
- Climate Change
- Reform portfolios

Should Council wish to progress these in advance of the next Long Term Plan 2024-34, a Long Term Plan Amendment would be required due to the significance of the decision(s).

Preparing a Long Term Plan Amendment, provides an update to the last Long Term Plan. It does not bring through any changes that were made as part of any intervening Annual Plan. Council should be aware of all potential obligations before embarking on an amendment. As noted under Section 93 (6) (c), Council needs to ensure that it provides integrated decision-making and coordination of resources of the local authority.

The content of the consultation document required for an amendment of a long term plan is covered under Section 93D of the Local Government Act.

The following **sections** of the Local Government Act that are therefore relevant consideration for Council:

93(1) The content of the consultation document for the amendment of a long-term plan must be such as the local authority considers on reasonable grounds will achieve the purpose set out in section 93B.

92 (2) Without limiting subsection (1), the consultation document for an amendment to the long-term plan must include –

- a) A description of the proposed amendment

- b) The reasons for the proposed amendment
- c) The implications (including financial implications) of the proposed amendment
- d) Any alternatives to the proposed amendment that the local authority may wish to discuss with its communities

92 (3) The consultation document –

- (a) May have attached to it a copy of the proposed amendment to the long-term plan, if the local authority considers that the fully copy of the proposed amendment will assist people to understand the amendment
- (b) In any other case, must state where a copy of the proposed amendment to the long-term plan may be obtained

92 (4) The consultation document must contain a report from the Auditor-General on –

- (a) Whether the consultation document gives effect to the purpose set out in section 93B; and
- (b) The quality of the information and assumptions underlying the information provided in the consultation document

92 (5) The report under subsection (4) must not comment on the merits of any policy content of the consultation document.

In addition, and in line with the purpose of a long term plan as outlined in Section 93B, the Council must consider:

93B (a) providing a fair representation of the matters that are proposed for inclusion in the long-term plan, and presenting these in a way that –

- (a) Explains the overall objectives of the proposals, and how rates, debt, and levels of service might be affected; and
- (b) Can be readily understood by interested or affected people; and

93 (b) identifying and explain to the people of the district or region, significant and other important issues and choices facing the local authority and district or region, and the consequences of these choices; and

93 (c) informing discussions between the local authority and its communities about the matters in paragraphs (a) and (b).

4.3 Issues

Long-term plan amendments, although within the legislative act requirements, tend to be undertaken in isolation, potentially putting at risk any other future demands of council and its limited resources. As noted under Section 93 (6) (c), Council needs to ensure that it provides integrated decision-making and coordination of resources of the local authority.

A long-term plan amendment, does not take account of any changes that council have approved in its Annual Plans as they do not meet the requirements of significance. Depending on the timing of the amendment will then mean that up to two years of Annual Plans are not reflected as part of the total changes to the previous long-term plan.

4.4 Significance and Engagement

As noted, depending on the significance of the matter, Council will need to apply its Significance and Engagement Policy requirements.

4.5 Implications

Financial

As noted under Section 93 (6) (c), Council needs to ensure that it provides integrated decision-making and coordination of resources of the local authority. Council should turn its mind to any other unfunded activities before embarking on an amendment in isolation.

Council needs to consider a decision in relation to its Revenue and Finance Policy requirements, as well as the impact on the Financial and Infrastructure Strategies, and requirements to work within its financial benchmarks.

Additional budget for consultation, audit fee requirements and staff time would need to be considered, as well as the material and information required for the amendment requirements.

To undertake a Long Term Plan Amendment will have an unbudgeted financial cost. The cost of audit and the preparation and printing costs associated with the plan are estimated at \$150k. In addition, there are resource costs associated with staff including corporate planning, finance, and community engagement, and communications and marketing resources that would need to focus on this as a separate project. Preparation of a Long Term Plan Amendment creates a high demand on staff time and will result in other projects and initiatives being put on hold to accommodate a mid-plan amendment.

Social & Policy

Council will be required to consider all implications across its policies including its Procurement Policy when considering its future pathway.

Risk

The key risks associated with Long Term Plan Amendments are

- A LTP Amendment does not include any other changes to the previous Long Term Plan that may have been included in any subsequent Annual Plan. This makes it difficult to understand the overall changes in total
- Integrated decision making
 - o As noted in the financial implication section, under Section 93 (6) (c), Council needs to ensure that it provides integrated decision-making and coordination of resources of the local authority. When undertaking an amendment, this needs to be fully considered, and the risk associated with doing this outside the normal Long Term Plan process.
- Grouping of issues
 - o Council may like to consider whether it undertakes and an amendment based on one issue, or takes the opportunity to group multiple issues. This is linked with integrated decision making.
- Resourcing
 - o Preparing a long-term plan amendment is time consuming for staff and its limited resourcing. There would be implications for the delivery of the delivery of the

existing plan to accommodate an amendment. Additional budget for consultation, audit fee requirements and staff time would need to be considered.

- Timing of next Long Term Plan
 - o Our next LTP will be effective 1 June 2024 and is likely to include significant reform impacts. Given the time and resource involved in preparing an LTP amendment, Council should consider the costs and benefits of doing one. The main benefit is the “time advantage” an amendment gives us; the ability to start a project sooner that we otherwise could have. The closer you get to the adoption of the “in-cycle” LTP (June 2024), the more the costs of the process starts to outweigh the “benefit” unlocked. Officers would not recommend an amendment within 12 months of the next 3 yearly Long Term Plan.
- Audit Requirements
 - o There are obligations under the Act to complete an LTP Amendment. Failure to meet these requirements will result in an adverse audit opinion.

4.6 Options

The options available to Council are as follows:

- a. Note the process that is required under the Local Government Act, Section 93D for the preparation for a Long-Term Plan Amendment

4.7 Development of Preferred Option

Note the process that is required under the Local Government Act, Section 93D for the preparation for a Long-Term Plan Amendment

4.8 Attachments

Nil

5. INVESTMENT AND DEBT REPORT

Type of Report:	Enter Significance of Report
Legal Reference:	Enter Legal Reference
Document ID:	1467615
Reporting Officer/s & Unit:	Caroline Thomson, Chief Financial Officer

5.1 Purpose of Report

To consider the snapshot report on Napier City Council's Investment and Debt as at 30 April 2022.

Officer's Recommendation

The Prosperous Napier Committee:

- a. **Receive** the snapshot report on Napier City Council's Investment and Debt as at 30 April 2022.

5.2 Background Summary

The snapshot report on Napier City Council's Investment and Debt as at 30 April 2022 is shown at **Attachment 1**.

As at 30 April 2022, Council held \$51.2m on term deposit at an average interest rate of 1.81%. The weighted average interest rate has trended upwards from 0.9% in May 2021 due to housing demand driving up deposit demand by banks, expected inflation, OCR increases and global events such as the Ukraine war.

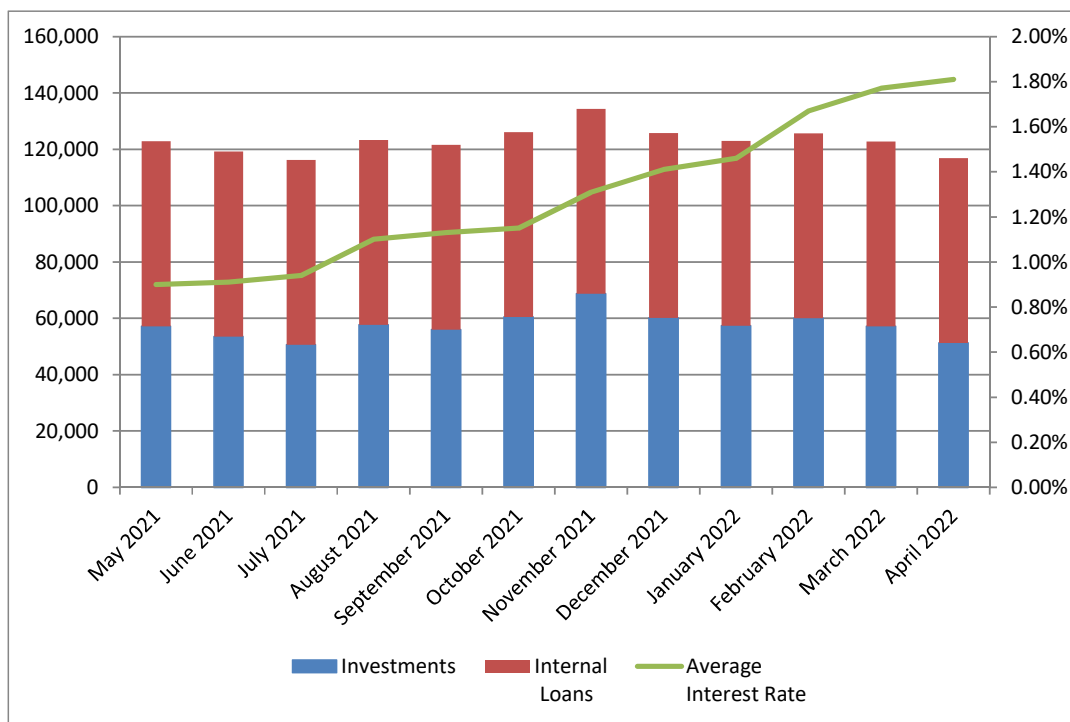
As at 30 April 2022, Council's internal debt balance is \$65.6m.

5.3 Attachments

- 1 Investment and Debt report as at 30 April 2022 [↓](#)

Treasury Graphs for 12-Month Period May 2021 to April 2022

Month-End	Investments	Internal Loans	Average Interest Rate
May 2021	57,190	65,642	0.90%
June 2021	53,549	65,642	0.91%
July 2021	50,602	65,642	0.94%
August 2021	57,720	65,642	1.10%
September 2021	55,937	65,642	1.13%
October 2021	60,440	65,642	1.15%
November 2021	68,695	65,642	1.31%
December 2021	60,160	65,642	1.41%
January 2022	57,326	65,642	1.46%
February 2022	60,075	65,642	1.67%
March 2022	57,170	65,642	1.77%
April 2022	51,270	65,642	1.81%
AVERAGE	57,511	65,642	1.30%



Note: For the reporting period, interest rates have progressively increased from an historic low. The weighted average interest rate has increased in 3 clear stages since March 2021 due, in stage order, to housing demand driving up deposit demand by banks, expected inflation, and OCR increases (in response to inflation) coupled with global events (e.g. wars) driving up rates. Rates will continue to increase over the next reporting period.

6. PROPOSED AMENDMENT TO 2022 MEETING SCHEDULE

Type of Report:	Procedural
Legal Reference:	Local Government Act 2002
Document ID:	1468788
Reporting Officer/s & Unit:	Helen Barbier, Team Leader Governance

6.1 Purpose of Report

The purpose of this report is to consider an amendment to the schedule of Council and Committee Meetings for the 2022 Meetings Calendar which was originally adopted by Council on 28 October 2021.

Officer's Recommendation

The Prosperous Napier Committee:

- a. **Make** a Decision of Council under delegated authority for the reason that the schedule change needs to be adopted prior to the next scheduled Council meeting.
- b. **Receive** the report titled "Proposed Amendment to the 2022 Meeting Schedule".
- c. **Adopt** the change to the schedule of meetings 2022 as follows:

Audit and Risk Committee	Rescheduled	From: 17 June 2022, 1.00pm To: Wednesday, 29 June 2022, 1.00pm
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6.2 Background Summary

In order to ensure a quorum can be achieved for the upcoming Audit and Risk Committee meeting, officers recommend that the meeting date be modified from 17 June 2022 to 29 June 2022, avoiding other conflicting obligations for several of the Committee members on the initially scheduled date.

The Local Government Act 2002, Schedule 7, Clause 19 states:

...

(4) *A local authority must hold meetings at the times and places that it appoints.*

(5) ...

(6) *If a local authority adopts a schedule of meetings -*

a) *The schedule-*

- i) *may cover any future period that the local authority considers appropriate, and*
- ii) *may be amended; and*

b) *notification of the schedule or of any amendment to that schedule constitutes a notification of every meeting to the schedule or amendment.*

6.3 Issues

No issues have been identified with this report.

6.4 Significance and Engagement

The amendments to the schedule of meetings does not trigger Council's Significance and Engagement Policy or any other consultation requirements.

6.5 Implications

Financial

There will be additional costs for venue hire.

Social & Policy

There are no social or policy implications in relation to this report.

Risk

Further changes to the schedule could result in difficulty finding a suitable venue and increased costs.

6.6 Options

The options available to Council are as follows:

- a) To adopt the amended 2022 meeting schedule as proposed
- b) To propose further amendments to the meeting schedule

6.7 Development of Preferred Option

It is recommended that the amended 2022 meeting schedule be adopted as proposed in the recommendations of the report.

6.8 Attachments

Nil

PUBLIC EXCLUDED ITEMS

That the public be excluded from the following parts of the proceedings of this meeting, namely:

AGENDA ITEMS

1. Request for Rates Remission for Special Circumstances (1)
2. Request for Rates Remission for Special Circumstances (2)
3. Hawke's Bay Airport Ltd Report to Shareholders to 31 March 2022
4. Appointment - Audit and Risk Committee

The general subject of each matter to be considered while the public was excluded, the reasons for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution were as follows:

General subject of each matter to be considered.	Reason for passing this resolution in relation to each matter.	Ground(s) under section 48(1) to the passing of this resolution.
1. Request for Rates Remission for Special Circumstances (1)	7(2)(a) Protect the privacy of natural persons, including that of a deceased person	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.
2. Request for Rates Remission for Special Circumstances (2)	7(2)(a) Protect the privacy of natural persons, including that of a deceased person	48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7

<p>3. Hawke's Bay Airport Ltd Report to Shareholders to 31 March 2022</p>	<p>7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities</p>	<p>(except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p> <p>48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:</p> <p>(i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p>
<p>4. Appointment - Audit and Risk Committee</p>	<p>7(2)(a) Protect the privacy of natural persons, including that of a deceased person</p>	<p>48(1)A That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist:</p> <p>(i) Where the local authority is named or specified in Schedule 1 of this Act, under Section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.</p>

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 RESOLUTION

Councillors Tapine / Chrystal

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:

-
- 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 Talía 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 RESOLUTION

Councillors Brosnan / Chrystal

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