



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

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ORDINARY MEETING OF COUNCIL

Open Agenda

Meeting Date: Thursday 27 June 2024

Time: 9.30am (Adopt LTP)

Venue: Large Exhibition Hall
War Memorial Centre
Marine Parade
Napier

Livestreamed via Council's Facebook page

Council Members **Chair:** Mayor Wise

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

Officer Responsible Chief Executive

Administrator Governance Team

Next Council Meeting
Thursday 15 August 2024

2022-2025 TERM OF REFERENCE - COUNCIL

<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 body¹:

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 body².
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.³

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 Orders⁴.
3. Approval or amendment the Code of Conduct for Elected Members⁵.
4. Appointment and discharging of committees, subcommittees, and any other subordinate decision-making bodies⁶.
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) ⁷.
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 yearly⁸.
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.

4 Schedule 7, clause 27,

5 Schedule 7, clause 15,

6 Schedule 7, clause 30,

7 Schedule 7, clause 30,

8 Local Electoral Act 2001, section 19H.

ORDER OF BUSINESS

Karakia

Apologies

Nil

Conflicts of interest

Public forum

Announcements by the Mayor 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 Draft Minutes of the Ordinary Meeting of Council held on Monday, 27 May 2024 be confirmed as a true and accurate record of the meeting.187

That the Draft Minutes of the Ordinary Meeting of Council held on Thursday, 27 May 2024 be confirmed as a true and accurate record of the meeting.228

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AGENDA ITEMS

1. ANALYSIS OF OPTIONS TO ALLEVIATE SIGNIFICANT RATES INCREASES FOR IMPACTED PROPERTIES

Type of Report:	Information
Legal Reference:	Local Government Act 2002
Document ID:	1767124
Reporting Officer/s & Unit:	Garry Hrustinsky, Corporate Finance Manager

1.1 Purpose of Report

The purpose of this report is to analyse and model options for properties impacted by significant rates increases.

Officer's Recommendation

That Council:

- a. **Receive** the report titled "Analysis of Options to Alleviate Significant Rates Increases for Impacted Properties" dated 27 May 2024.

1.2 Background Summary

During deliberations for the Three Year Plan 2024-27 Council directed officers to "...undertake further analysis and modelling for the significantly impacted properties to see if there are any levers or policy changes that could be initiated to alleviate the financial impact in Year 1." [sic]

Council is legally required to revalue properties every 3 years. From the most recent revaluation in 2024, pockets of properties in Esk Hills and the surrounds have experienced significant increases (over 100% in some cases) in their valuations. This land is recognised as highly desirable by the market, and recent valuations are reflective of that demand. As rates are a form of property tax, rates increases have been reflective of the significant gains experienced by property owners.

A number of submissions were received by Council from the residents of Esk Hills and the surrounds in response to significant rates rises (some were over 100%) experienced in the area. In addition to being opposed to the rates increase, a number of submissions provided suggestions for rates relief for consideration by Council.

As part of earlier work, no viable option was identified to provide material rates relief for properties that have been significantly impacted by rates increases.

Some properties may be eligible for a reduced charge for rubbish collection under the Remission of Refuse Collection and/or Kerbside Recycling Targeted Rates where they participate in the Less Waste Incentive.

Older persons on a fixed income may be eligible for a Postponement for Older Persons.

A rates rebate (Government initiative) may be available for people on a low income.

This report is a response to direction by Council.

1.3 Issues

Legal Requirements

Even minor changes to remission or postponement policies related to rates require public consultation prior to adoption.

Fundamental changes to rating policy (e.g. amendments to differentials) require a comprehensive review and consultation process. There would be no benefit for impacted properties in Year 1. This may, in fact, require several years of work (as was the case in the last review completed for the 2021-31 Long Term Plan).

Rates phasing has also been considered. However, rates phasing as a form of relief via the Rates Remission Policy is only available where there has been a change in policy. No policy changes have been made that would impact on rates.

Available Policies

Of available provisions within remission and postponement policies, and Government schemes, the following may be available to select properties:

- **Remission of Refuse Collection and/or Kerbside Recycling Targeted Rates:** under this provision, property owners can apply for a reduced charge as part of the Less Waste Incentive where they have demonstrated a history of waste collection of 26 weeks (or less) per year.
- **Postponement for Older Persons:** the objective of this policy is to assist ratepayers who are Older Persons with a fixed level of income and experiencing hardship to meet rates particularly, but not exclusively, resulting from increasing levels of rates. Older Persons need to be old enough to qualify for NZ Superannuation and make the application on their own home.
- **Rates Rebate Scheme:** this is a Government programme managed by local councils around NZ. The scheme is available for people on a low income who own their own home.

Data Modelling

Changes made to rating policy requires data modelling to make sure that it works and doesn't raise any unintended consequences. Some observations from submission and options considered include:

- **Capping rates increases:** conceptually this looks reasonable. However, when looking at the overall rating system and the reason for significant rates increases (above planned Council increases), capping rates further rewards property owners that have already experienced significant wealth gains by pushing additional rates burden on to those not so fortunate. It creates a perverse outcome. An issue also arises for rates increases that may be close to the threshold – in this situation they may be pushed above the cap, with surplus rates being pushed onto those below. Cascading may occur, penalising those that have had the lowest property value increases.
- **Capping rates increases due significant property value increases:** this option triggers a rates cap where property values experience a significant increase. This trigger is completely divorced from the actual rates being charged, and does not consider what the average rates increase for the year might be. Even if a set threshold (e.g. 30% increase) was set, it would potentially trigger even if a 0% rates increase was set. A cap based on property value would likely trigger a legal challenge to the rating system.

- Phasing rates:** this is a viable option where Council changes policy, but not where economic forces are at play. When Council changes policy, the impact is longer term and predictable. It is reasonable to recognise the impact and smooth movements accordingly. However, with economic forces, it is unlikely that properties that have experienced a significant increase in value will experience a similar increase in the next valuation. Valuation history shows this to be the case. For example, in the 2020 revaluation, Maraenui experienced a 102% increase in Land Value versus 42% for Bay View Rural Residential property – the average for Napier was 44%. Phasing based on valuation changes would result in new hotspots having to be addressed every 3 years. The example used in the table below had a 41% increase in Land Value and a 27% increase in Capital Value in 2020 – a below average increase in value and a lower than average increase for the rates that followed.
- Reducing Rural Residential differential:** the current rate is discounted to 90% of the Residential rate. Although Rural Residential properties don't pay for water services they don't receive, Council previously directed officers to create a differential to discount General Rates in recognition of reduced service. As this differential covers a diverse range of properties, there has been a mix of properties that have had a significant increase in property values, and those that have had a significant decline (due to flood damage). Further reductions to this differential would result in a wide variation in rates movements in this differential alone, with some properties potentially experiencing a decrease in rates compared to the 2023/24 rating year.
- Increasing the Uniform Annual General Charge (UAGC):** this is a fixed charge applied to all rateable property units. Provided that application is not excessive, this is the only option available to Council without further consultation. Post-deliberation, the UAGC currently sits at \$546 per property. Council is legally required to have no more than 30% of fixed targeted rates set on a uniform basis (excluding water). Council agreed to maintaining a level of 22% since setting the 2021-31 Long Term Plan. This is the impact that an increase in UAGC would have on select property groups:

Sample Property/Group	Current Proposed	Increase in Rates %	
		UAGC at \$665 (25% Fixed Limit)	UAGC at \$864 (30% Fixed Limit)
Esk Hills 100% LV and 66% CV Increase (no water)	81.1%	76.9%	70.0%
Low Value Residential	22.3%	25.3%	30.3%
Avg Land Value	16.7%	17.6%	19.1%
Bay View Average	2.5%	3.9%	6.1%
Rural Residential w/ Stormwater	4.2%	4.9%	6.1%
Rural Residential no Stormwater	7.2%	8.0%	9.3%

The Esk Hills property was selected as it represents the impact that revaluation increases have had on properties in the area. As illustrated in this example, property owners with the most expensive properties (including Esk Hills) benefit from an increase in UAGC at the cost of residential property owners with the lowest values. Large areas of Maraenui and the surrounds would be the most negatively impacted.

1.4 Significance and Engagement

Prior to presenting at the Three Year Plan deliberations, officers were engaged in reviewing and responding to submissions by the public. Any potentially viable ideas were investigated as part of council response to submissions.

1.5 Implications

Financial

Any changes made to rates are effectively neutral as a discount in one area of rates is funded by a premium in another – the same total amount of proposed rates will still be collected.

Changes made to remissions and/or postponements will have an impact on the amount of rates collected. A provision is made each year to allow for expected remissions and postponements, and this is offset by an increase in rates for the city. Unexpected increases in remissions and/or postponements will need to be met from unbudgeted funding.

Social & Policy

Any changes made may impact:

- Three Year Plan / Long Term Plan / Annual Plan
- Rates Remission Policy
- Rates Postponement Policy
- Revenue & Financing Policy.

Amendments to the documents above would require public consultation.

Risk

Prior to implementing any changes, consultation and analysis is conducted to minimise risk where possible.

1.6 Options

The options available to Council are as follows:

- a. Accept the report.
- b. Reject the report.

1.7 Development of Preferred Option

This report is for information only. Options presented have been sourced internally (by council officers) and from public submissions. Some modelling has been conducted to further illustrate points, and the legal framework for property rates and amending policy reviewed for procedural clarity.

1.8 Attachments

Nil

2. RATING POLICY REVIEW

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	Local Government (Rating) Act 2002
<i>Document ID:</i>	1766605
<i>Reporting Officer/s & Unit:</i>	Garry Hrustinsky, Corporate Finance Manager

2.1 Purpose of Report

The purpose of this report is to review the Rating Policy.

Officer's Recommendation

That Council:

- a. **Approve** the updated Rating Policy

2.2 Background Summary

Rating information is legally required to be contained within the Funding Impact Statement of Annual Plans and Long Term Plans. The Rating Policy was created as an explanatory document to highlight and clarify information being consulted on for the Revenue & Financing Policy review in 2021.

The Rating Policy needs to be reviewed at least once every 3 years.

2.3 Issues

The current policy is not fully reflective of rating changes that have occurred in the past year. The three key changes are:

- Terminology for off-street parking has been amended from "Off Street Car Parking Rate" to "Vehicle Levy" in response to changes in legislation.
- As rates phasing has been completed the General Rates table has been updated (simplified).
- The Rangatira Revetment Rate and Resilience Rate have been included in the policy.

2.4 Significance and Engagement

Changes to rating information within the Funding Impact Statement must always be consulted on. The Rating Policy reflects the Funding Impact Statement and does not require consultation.

2.5 Implications

Financial

N/A

Social & Policy

The policy needs to be updated every 3 years.

Risk

N/A

2.6 Options

The options available to Council are as follows:

- a. Approve the amended Rating Policy
- b. Reject the amended Rating Policy

2.7 Development of Preferred Option

The 2024/25 Funding Impact Statement was reviewed to ensure that all changes have been captured in the Rating Policy.

2.8 Attachments

- 1 Rating Policy (draft) (Doc Id 1769879) [↓](#)



Rating Policy			
Approved by	Council		
Department	Finance		
Original Approval Date	11 February 2021	Review Approval Date	01 June 2021
Next Review Deadline	01 June 2024	Document ID	TBA
Relevant Legislation	Local Government Act 2002, Local Government (Rating) Act 2002		
NCC Documents Referenced	Revenue & Financing Policy Funding Impact Statement Rates Remission Policy Rates Postponement Policy Reviewed and amended in preparation for the Three Year Plan 2024-2027.		

Purpose

To assist Council in setting rates as specified within the requirements of the Local Government Act 2002 (LGA) and the Local Government (Rating) Act 2002 (LGRA).

This Policy is to be read in conjunction with the Revenue and Financing Policy, Rates Remission and Postponement Policy and Funding Impact Statement.

The Council must complete the following to set a lawful rate.

- Analysis as per s.101(3) of the Local Government Act 2002
- Adopt a Revenue and Financing Policy
- Adopt a Funding Impact Statement
- Adopt an Annual or Long Term Plan
- Adopt a rates resolution consistent with the actions described above.

Note: to maintain rating consistency, unless otherwise stated, adopted amendments made during any rating year to this policy will only become effective with the adoption of the following Annual Plan or Long Term Plan.

Policy

1. General Rates

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

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

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

The General Rate is set differentially using matters as prescribed in Schedule 2 of the LGRA, and as listed in the Funding Impact Statement. The LGRA Schedule 2 allows councils to set a General Rate based on each of these matters.

General rate differentials

Rating Units assessed for the General Rate are categorised into one of four differential categories:

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

Residential/Other

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

Commercial & Industrial

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

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

- Professional offices, surgeries etc;
- All retail, wholesale merchandising activities;
- All forms of manufacturing and processing;
- Bars, restaurants, cafes and other service activities;
- Storage facilities; and
- Hotels, motels, B & B's and other short-term accommodation providers

Rural Residential

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

Rural

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

Differentials

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

Differentials	Group / Code	Differential Rate
Residential / Other	1	100%
Commercial & Industrial	2	260%
Rural		

	3	85%
Rural Residential	4	90%

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

Notes on allocation of properties into differential categories

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

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

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

Uniform Annual General Charge (UAGC)

Council's Uniform Annual General Charge is set at a level that enables all Targeted Rates that are set on a uniform basis as a fixed amount, excluding those related to Water Supply and Sewage Disposal, to recover between 20% and 25% of total rates.

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

2. Targeted Rates

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

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

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

Water

Fire Protection Rate

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

The Fire protection targeted rate is based on the Capital Value of properties connected to, or able to be connected to, the Napier City Council water supply systems.

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

Differentials	Connected (%)	Not connected but within 100m (%)
Central Business District and Fringe Commercial & Industrial	400%	200%
Other Commercial & Industrial	200%	100%
Residential / Other	100%	50%

Water Rate

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

The targeted rates are differentially applied and are a fixed amount set on a uniform basis, applied to each Separately Used or Inhabited Part of a Rating Unit connected to or able to be connected to, the Council's water supply system.

The differential categories for the water rates are:

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

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

Stormwater Rate

The primary beneficiary of storm water assets are those properties that have a hard surface. There is a strong relationship between Capital Value and the hard surface area of a property.

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

Rural properties are exempted.

The differential categories for Stormwater Rates are:

Differentials	Differential Rate within urban limits
Residential / Other	100%
Commercial & Industrial	260%
Rural Residential	100%

Sewerage Rate

This rate recovers the net cost of the waste water activity.

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

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

Differentials	Connected (%)	Not connected but within 30m (%)
Rating units connected to or able to be connected to the City Sewerage Systems	100%	50%

Bay View Sewerage Connection Rate

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

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

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

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

Refuse & Recycling

Refuse Collection and Disposal Rate

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

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

Kerbside Recycling Rate

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

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

Vehicle Levy

Inner City Vehicle Levy

This levy is used to support additional off-street car parking in the Central Business District. Those commercial rating units in the mapped areas identified as the Inner City Vehicle Levy 100% Levy Area and 50% Area are charged the Inner City Vehicle Levy based on land value. This rate is set on a differential basis as follows:

Differentials	%
Properties where Council provides additional parking due to the property receiving a 100% levy.	100%
Properties where Council provides additional parking due to the property receiving a 50% levy.	50%

Refer Council maps:

- Inner City Vehicle Levy – 100%
- Inner City Vehicle Levy – 50%

Taradale Vehicle Levy

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

Those commercial rating units in the Taradale Suburban Commercial area only are charged the Taradale Vehicle Levy based on land value and set on a uniform basis.

Suburban Vehicle Levy

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

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

Promotion Rates

CBD Promotion Rate

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

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

Taradale Promotion Rate

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

Other Rates and Charges

Swimming Pool Safety Rate

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

Rangatira Revetment Rate

Revetment construction commenced in 2023 to provide protection from ongoing coastal erosion. The Rangatira Revetment targeted rate is a fixed amount set on a uniform basis. It is applied to each separately used or inhabited part of a rating unit on the north side of Whakarire Avenue. This rate recovers the private funding component of the cost over a period of 25 years.

Resilience Rate

This rate partially funds activities related to emergency preparedness including, but not limited to, infrastructure projects, civil defence planning, emergency equipment, and other disaster-related planning. These costs would otherwise not be budgeted for, or included, in the Long Term Plan. The targeted rate is a fixed amount set on a uniform basis, applied to each separately used or inhabited part of a rating unit. This rate has been introduced according to the procedure set out in Section 23 of the Local Government (Rating) Act 2002.

Water By Meter Charges

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

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

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

Targeted Rates Note:

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

3. Separately Used or Inhabited Parts of a Rating Unit Definition

Definition

For the purposes of the Uniform Annual General Charge and all uniform (or fixed value) Targeted Rates, a separately used or inhabited part of a rating unit is defined as: *Any part of a rating unit that is, or is able to be, separately used or inhabited by the owner or by any other person or body having the right to use or inhabit that part by virtue of a tenancy, lease, licence or other agreement.*

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

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

- For residential rating units, each consented supplementary unit is considered a separately used or inhabited part. Each situation is assessed on its merits.
- Residential properties, where a separate area that is available to be used as an area independent to the rest of the dwelling is used for the purpose of operating a business, such as a professional

practice, dedicated shop\display area or trade workshop. The business area is considered a separately used or inhabited part.

- For commercial or industrial properties, two or more different businesses operating from or making separate use of the different parts of the rating unit. Each separate business is considered a separately used or inhabited part. A degree of common area would not necessarily negate the separate parts.
- Where a single business comprises multiple buildings, or multiple floors of a single building, each building or floor of a multi-story building is deemed to constitute a separate part (SUIP).

These examples are not inclusive of all situations.

CBD Promotion Rate Area



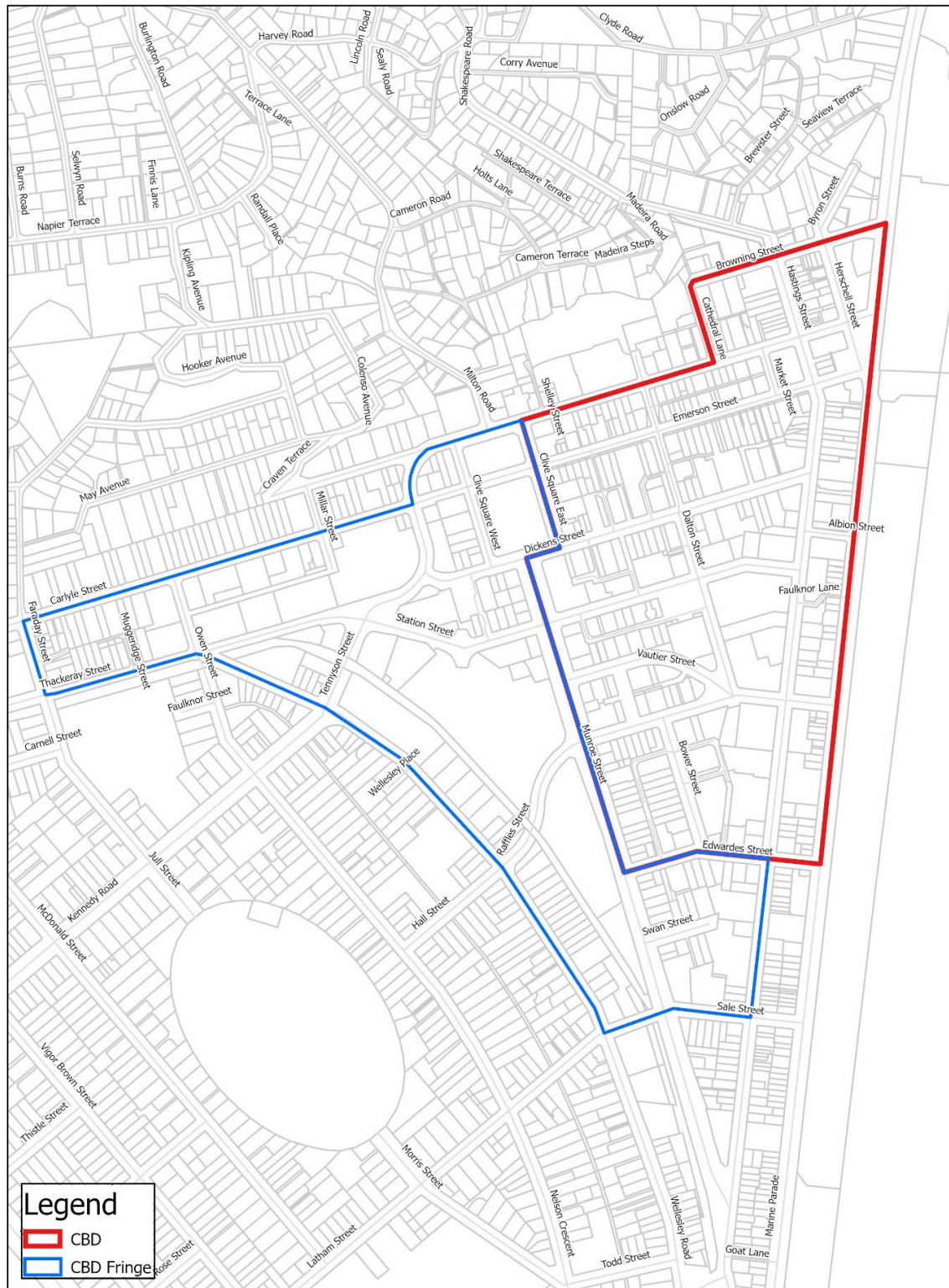
100% Levy Area



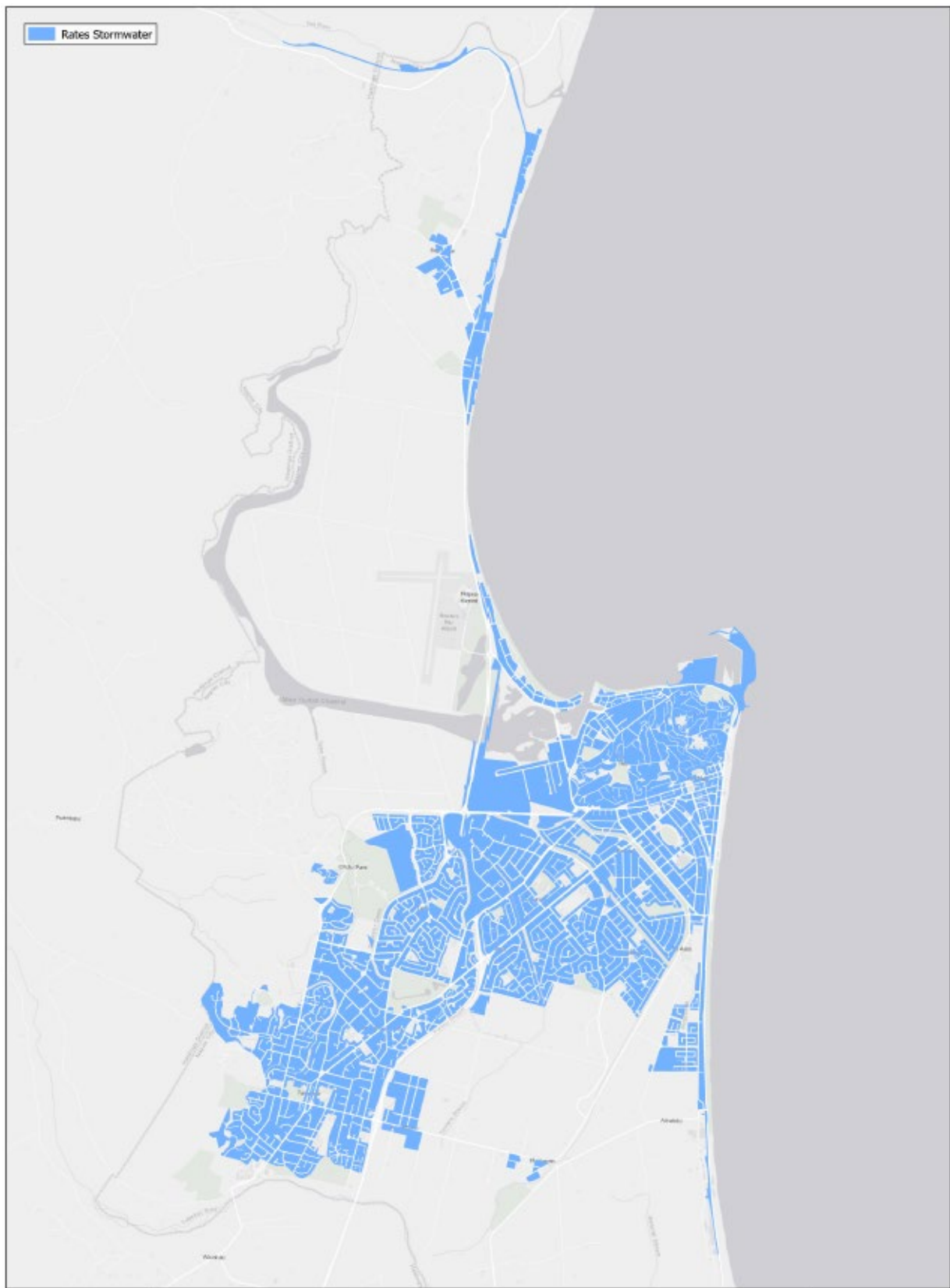
50% Parking Dispensation Area

CBD Fire Protection Area

CBD and CBD Fringe Rate Area



Stormwater Coverage



Policy Review

This policy will be reviewed at least once every three years.

3. REVENUE AND FINANCING POLICY

<i>Type of Report:</i>	Legal
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	1757408
<i>Reporting Officer/s & Unit:</i>	Alister Edie, Business Improvement Manager Caroline Thomson, Chief Financial Officer

3.1 Purpose of Report

This report shows the analysis of the submissions received on the draft Revenue and Financing Policy which was consulted on from 25 March to 26 April.

Officer's Recommendation

That Council:

- a. **Adopt** the inclusion of loan funding for the commercial business and tourism activities.
- b. **Adopt** the draft Revenue and Financing Policy as shown in attachment 2 (Doc Id 1768971).

3.2 Background Summary

In parallel with the consultation on the 3-year Plan, officers consulted on proposed amendments to the Revenue & Financing Policy. Consultation was conducted between the 25 March and 26 April 2024.

Individual submissions are provided in the attachments to this report.

3.3 Issues

Summary of Revenue & Financing Policy – Community Feedback

Council received 21 total submissions. Submitters were asked specifically: do you agree with the proposed amendment to the Revenue and Financing Policy to allow changes to how some of our services and activities are funded? Some of these changes include funding the commercial business and tourism activities through debt.

- **52% agreed** with proposed amendment to the policy (7 comments were submitted)
- **48%** - disagreed with proposed changes to the policy (8 comments were submitted).

Three submitters agreed with the proposed amendment and commented that ratepayers shouldn't subsidise user pays activities and user fees and charges should be increased to cover costs, with further comment to sell businesses that aren't self-sufficient. Two submitters provided this same comment – but did not agree with the proposed policy amendment.

One further respondent agreed with the proposed policy amendment, commenting that the rates increase was unfair on rural properties. A further two respondents disagreed with the

proposed policy amendment – with the same comment that the rates increase was unfair on rural properties.

Other comments in support of the proposed policy amendment were that Council should stick to its knitting and that debt borrowing for capital expenditure required for activities should be spread over the long term so current rate payers don't foot the whole bill.

In disagreement with the proposed policy amendment, two submitters commented that the general rates increase was unaffordable.

Two further respondents disagreed with the policy amendment, being concerned that Ocean Spa fees are too high. One of these respondents proposed a discount for senior citizens and community service card holders. One of these respondents also believed that increasing parking fees and charges would reduce visitor numbers to Napier City.

Management information and comment

Supported by Responder?	Submission Themes	Response Count	Management Response
Yes	Ratepayers shouldn't subsidise user pays activities - user charges should be increased to cover costs. Council should sell businesses that aren't self sufficient or are underperforming.	3	Thank you for your response. The proposed policy amendments are intended to improve cost recovery for private activities, by increasing the user charges for those activities. This supports less ratepayer subsidisation of private activities.
Yes	Debt borrowing for capital should be spread over long term so current ratepayers don't foot bill for future ratepayers.	1	Thank you for your response. Capital costs for activities are generally funded through 25 year debt loans, spreading this cost to future ratepayers as well.
Yes	Council should stick to its knitting.	1	Thank you for your response. The proposed policy amendments are intended to improve cost recovery for private activities, by increasing the user charges for those activities. This supports less ratepayer subsidisation of private activities.
Yes	Separate focus on the rates increase being unfair for rural properties.	1	Thank you for your response. The proposed policy amendments are intended to improve cost recovery for private activities, by increasing the user charges for those activities. This supports less ratepayer subsidisation of private activities.
Yes	How will council deal with reduced petrol tax transportation funding due to changes to the Draft Regional Land Transport Fund?	1	Thank you for your response. The specific funding for Transportation activities will be understood further with regards to the planned service delivery program.
No	Separate focus on the rates increase being unfair for rural properties.	2	Thank you for your response. The proposed policy amendments are intended to improve cost recovery for private activities, by increasing the user charges for those activities. This supports less ratepayer subsidisation of private activities.
No	Separate focus on the general rates increase being unaffordable.	2	Thank you for your response. The proposed policy amendments are intended to improve cost recovery for private activities, by increasing the user charges for those activities. This supports less ratepayer subsidisation of private activities.
No	Ocean Spa discount for senior citizens and community card holders required.	1	Thank you for your response. As part of the commercialisation process, we are looking into all pricing options including the feasibility of implementing discounts for senior citizens or community services card holders.
No	Ratepayers shouldn't subsidise user pays activities - user charges should be increased to cover costs. Council should sell businesses that aren't self sufficient or are underperforming.	2	Thank you for your response. The proposed policy amendments are intended to improve cost recovery for private activities, by increasing the user charges for those activities. This supports less ratepayer subsidisation of private activities.
No	Ocean spa fees are too high, parking fees shouldn't increase.	1	Thank you for your response. The proposed policy amendments are intended to improve cost recovery for private activities, by increasing the user charges for those activities. This supports less ratepayer subsidisation of private activities. For these activities mentioned, we have determined the private/public good split and set fees and charges in line with this to achieve cost recovery fairly.

Officer recommendation

That Council adopt the proposed amendments to the Revenue and Financing Policy.

Fees & Charges

As part of the ongoing 3-year plan process, it was discovered that the fees and charges for some activities required correction.

A correction has been made to the charge for general waste at the Transfer Station. The proposed general waste charge shown in the draft Fees and Charges Schedule of \$366

(incl GST) per tonne has been amended to \$396 (incl GST) per tonne. This amendment is to reflect the increase in waste disposal costs at the Omarunui Landfill.

A correction has also been made to some cemetery charges, as the percentage increase was based on incorrect 2024 values. Compared to the draft Fees and Charges Schedule, the burial plot charge for adults has increased by \$186 (incl GST) and the burial plot charge for children has increased by \$78 (incl GST) – being the 2024 charges increased by inflation.

Supporting the submissions received for this policy amendment, officers are also proposing the implementation of a Supergold membership at Ocean Spa, providing a 15% to 20% discount depending on the term chosen. We are also investigating the feasibility of further fees and charges changes as part of the commercial analysis we are undertaking.

For commercial activities that do not receive ratepayer contribution, we will further investigate alternative governance structures that allow greater flexibility to act commercially. For example, giving the Chief Executive Officer the delegation to approve changes to fees and charges without requiring sign off from elected members.

3.4 Significance and Engagement

Under section 76AA of the LGA 2002, when adopting or amending this policy the local authority must consult in accordance with section 82 of the LGA 2002 unless it considers on reasonable grounds that it has sufficient information about community interests and preferences to enable the purpose of the policy to be achieved.

The draft policy was consulted on as part of our Three-Year Plan consultation from 25 March to 26 April.

3.5 Implications

Financial

Adoption of the Revenue & Financing Policy will impact the amount of revenue collected and will allow Council to fund the commercial activities from borrowings.

Social & Policy

This is a key policy for Council as it determines the way Council funds the delivery of core services and activities. As required by section 101 of the Local Government Act 2002, a robust process was undertaken to determine the funding splits for Council activities while also taking into consideration community needs and the distribution of benefits across community. The private/public aspect of each activity has been determined, resulting in target funding splits for different activities e.g. split between general rates, fees & charges and other funding sources.

Risk

Risks, where possible, have been mitigated/minimised through following the process required for a Consultative Procedure. Legal review of the consultation process was also conducted. Council's requirement under the Local Govt Act 2002 in regard to determining the public/private split for activities has also been followed.

3.6 Options

The options available to Council are as follows:

- a. Adopt the draft Revenue and Financing policy (preferred option).
- b. Adopt the draft Revenue and Financing Policy, subject to change specified by Council.
- c. Continue with the existing policy.

3.7 Development of Preferred Option

Option A - the preferred option has been based on modelling of data and feedback from the public.

3.8 Attachments

- 1 NCC Three Year Plan - Revenue and Financing Policy Submissions (Doc Id 1768972) [↓](#)
- 2 Draft Revenue & Financing Policy (Doc Id 1768971) [↓](#)
- 3 Ocean Spa Review Fees and Charges (Doc Id 1768979) [↓](#)
- 4 2024-25 Fees and Charges (Doc Id 1770046) (Under separate cover 1)

NCC 3-year Plan Consultation_Revenue and Financing Policy Amendment

#	Agreement?	Comments	Management Response
1	Yes	Stop making rate payers pay, it prices of services go up and no one uses council should sell them! Everything should be balanced cashbook, neutral just like private businesses,	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for those activites. This supports less ratepayer subsidisation of private activities.
2	No		Thank you for your submission. We have considered your response in the determination of our Revenue and Financing Policy to support our 3-year plan.
3	No	Our rural 4ha property that is mainly used for agricultural purposes and only has a small house section of approximately 1000m3 is going to be carrying a high rates burden considering the majority of the land use and city services that are relevant and easily accessible it. Our area that was also devastated from the 2023 cyclone and many in our community are still getting back on their feet. I think proportionally this rates increase is unfair and does not reflect the rural nature of these properties. Napier City Council made no allowances in the flood for helping rural people deal with problems such as dead stock and then when it comes to collecting added rates you have no problem charging us at the same percentage or nearly without applying for a rebate (which should be automatic or at least a decent number of years) as urban properties. Napier needs to care for its rural rate payers, because we are here and we are hurting.	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for thos activites. This supports less ratepayer subsidisation of private activities.
4	No	Start charging the water bottling companies (owned and run by overseas companies) per litre! I can't believe we just give it away- if it were oil would we give it for free?? The charges would easily cover the upgrade needed for water pipes and reservoirs, roads and even a new hospital!! Start charging the companies making huge profits and stop charging your ratepayers over \$100 per week for rates-we can't afford any more increases	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for those activites. This supports less ratepayer subsidisation of private activities.
5	Yes		Thank you for your submission. We have considered your response in the determination of our Revenue and Financing Policy to support our 3-year plan.
6	No	In 2021-2022 Council increased the rates at our property 0978006132 Valuation number by \$723 or about 29% for 2022-2023. No more services as rural residential. Thinking already that was unjust you can imagine how we are feeling now at seeing rates of \$3635 increasing to \$7784 an increase of \$4149 or about 115%. The imposition of a new storm water charge of \$797 is ridiculous as Esk Hills estate has its own storm water scheme and never drawn on council. This would be an unprecedented, unjust and abuse of power to bring in such an increase as salaried workers struggling to get a 4% increase your new revenue gathering grab is nothing short of well out of order. Even at 25% it is clearly wrong as we are subsidising areas with services when we have none and provide our own like, water, and sewage. I'd like a simple response as to how anyone can justify such an increase and why as a collective with my neighbours we shouldn't just refuse to pay such an exorbitant increase.	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for thos activites. This supports less ratepayer subsidisation of private activities.
7	No	What provision is to be made for Senior Citizens/ and or Community Card holders for Ocean Spa 10 visit and 30 visit cards? NO provision that I can see in your proposed charges.	Thank youfor your response. As part of the commercialisation process, we are looking into all pricing options including the feasibility of implementing discounts for senior citizens or community servicves card holders.
8	No	All these operations need to be self sufficient and as a rates payer I'm am over funding business models that cannot carry themselves. If they can't, sell them or change the way they run to cover costs.	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for those activites. This supports less ratepayer subsidisation of private activities.
9	No	Rates are high enough as it is	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for those activites. This supports less ratepayer subsidisation of private activities.
10	No	Rates should not subsidise underperforming operations	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for those activites. This supports less ratepayer subsidisation of private activities.
11	Yes		Thank you for your submission. We have considered your response in the determination of our Revenue and Financing Policy to support our 3-year plan.
12	Yes	To me it sounds like a fantastic Idea to keep ratepayers cost down while seemingly making up the difference by charging more in fees and charges for activities and services that tourists mainly use. If I have made the wrong assumption please contact on the number or email above.	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for those activites. This supports less ratepayer subsidisation of private activities.

13	Yes	I think that increasing the cost of tourist based costs will benefit our community by helping people be able to get back on their feet after the damage that the cyclone cause. I do hope that this means that the rate payers charges do not increase as well, which is certainly how it's read. You do need to inform us if this is not the case!!! The people of flood affected areas cannot take much more.	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for those activites. This supports less ratepayer subsidisation of private activities.
14	Yes	In the appendix A, Schedule of Activity Funding Needs Analysis, there is frequent reference to "Intergenerational" issues. My concern relates to the term for which capital expenditure relates to, and whether repayment of loans is spread over the life of the asset, or use of the asset. Council comment is not clear whether the debt is repaid over the life of the asset. In the event a shorter time frame applies, the ratepayers over a shorter timeframe could be unfairly paying for an investment which should be met by the ratepayers enjoying the long term advantage and benefit.	Thank you for your response. Capital costs for activities are generally funded through 25year debt loans, spreading this cost to future ratepayers as well.
15	No	1/ I think increasing parking charges is short sighted: I recently shifted from Wellington , having lived there most of my life and I had my own business in the city centre. I saw how increasing parking prices in the city centre just pushed people from shopping in wellington, to shopping in petone and porirua where parking was free. The same will happen here...people will just drive to Hastings and shop in the big box stores. Also, Napier , unlike wellington, doesn't even have a strong public transport sytem, so people need to drive into Napier to shop. What I saw over time in wellington, was the degrading of central city shops as high parking forced shoppers elsewhere. Napier is a great place to shop at the moment. High parking fees effect the shops the most. 2/ introduce a bed tax on airbnb and hotel/motels. The govt just added 15% tax to airbnd and Napier council get none of that and that money just leaves the area. 3/Ocean spa price increases are too high 4/ Litter control fine should be very high....at least \$1000 PS..the Napier council is so much better than wellington council!!	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for those activites. This supports less ratepayer subsidisation of private activities. For these activiteies mentioned, we have determined the private/public good split and set fees and charges in line with this to achieve cost recovery fairly.
16	Yes		Thank you for your submission. We have considered your response in the determination of our Revenue and Financing Policy to support our 3-year plan.
17	Yes	I, also believe that the NCC should be very conscious of "sticking to its knitting". Like the cost savings in central government ministries & departments exercises that the present government is engaged in carrying out - perhaps our local government should duplicate.	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for thos activites. This supports less ratepayer subsidisation of private activities.
18	Yes		Thank you for your submission. We have considered your response in the determination of our Revenue and Financing Policy to support our 3-year plan.
19	No		Thank you for your submission. We have considered your response in the determination of our Revenue and Financing Policy to support our 3-year plan.
20	Yes	The differential rates policy for Bay View/Eskdale needs to be changed to remove the dramatic increase of 100% - 150% to bring it down to, the less than 24%, increase the rest of Napier is paying. This is unfair and not sustainable especially for those who have lost their income to COVID and then the cyclone. The hardest hit areas with the cyclone are being hardest hit with the rate increase. The stormwater rate needs to be removed as we don't use NCC stormwater. Council needs to speak with QV regarding land value increases in Eskdale. I've been lead to believe from a councillor that NCC pays for the QV service so they must have some influence. Is it purely coincidence that this dramatic hike in value has happened right before rates increases? It was even said by a councillor at a meeting that their belief (and I'm sure unofficially the belief of many at the council) that as we have worked harder and invested wisely that we can afford it as we live in a nice development. This indicates that this dramatic increase is a wealth tax not just a rates increase. Our household has had been down to one income since 2020 due to circumstances out of our control. We have also had lots of damage to our property from cyclone that we have to pay to fix ourselves as insurance companies and EQC are not covering. It' amazing how different service providers employed by central and local government can have such different opinions about land value. When it comes to increasing rates QV say land is worth millions of dollars. When it comes to EQC paying out for damage they say the land has very little value as they don't want to pay for repairs or value of land. We also need more money invested in infrastructure in the Bay View area (especially on the hills). We have no street lights, no mowing, no footpaths, no NCC water access, we don't use stormwater, yet we are expected to pay higher rates. There should at least be footpaths so the kids can safely walk to school. Living rurally we also have higher costs running our own septic, water pumps, body corp fees etc. We should be rezoned rural to reduce the rates as a result. The mayor and councillors state that they are hamstrung by central government legislation. There needs to be a conversation between the council and central government about having this legislation changed and not just put the responsibility on rate payers to do so. At the bare minimum there should be a rates increase cap. There should be equality. Just because a property is zoned in a certain area doesn't mean those households have higher incomes. For the Bay View area and the hills in particular, we are less of a burden on the NCC infrastructure and services yet we are expected to pay 5 - 6 times more to live in the area.	Thank you for your response. The proposed policy amendmendments are intended to improve cost recovery for private activites, by increrasing the user charges for thos activites. This supports less ratepayer subsidisation of private activities.
21	Yes	Query - will Council will be getting less share for Transportation for Petrol Tax because as part of the proposed Draft Regional Land Transport Plan (RLTP) 2024-2034 Response from Hawkes Bay Regional Council, the policy supports moving people away from using cars? Is funding available for other modes of transport? If not, how does Council propose to deal with the shortfall? This may need to be explored further within the Policy. Please also refer feedback on Reviewing our fees and charges and Updating our Financial Contributions Policy.	Thank you for your response. The specific funding for Transportation activities will be understood further with regards to the planned service delivery program.



Revenue and Financing Policy			
Approved by	Council		
Department	Finance		
Original Approval Date	29 June 2018	Review Approval Date	14 September 2023
Next Review Deadline	14 September 2026	Document ID	TBA
Relevant Legislation	Local Government Act 2002		
NCC Documents Referenced	N/A		

Purpose

The Revenue and Financing policy is adopted under Sections 102(1) & 103(1) of the Local Government Act 2002 and must contain Napier City Council's general policies on the funding of operating and capital expenditure and show how the local authority has, in relation to the sources of funding identified in the policy, complied with Section 101(3) which has two parts.

Policy Background

Napier City Council (Council) has reviewed the proposed sources of funding for operating and capital expenditure and has reviewed the funding for each activity to determine the funding policy for each. In accordance with the Local Government Act 2002 (LGA) Council has considered each activity with regard to the following:

- Community outcomes to which an activity contributes; and
- the distribution of the benefits between the community as a whole, identifiable parts of the community and individuals; and
- the period in or over which those benefits are expected to occur; and
- the extent to which actions or inactions of individuals or groups contribute to the activity; and
- costs and benefits of funding the activity distinctly from other activities.

Council has considered each activity to determine what it considers an appropriate funding source for both operating and capital expenditure (refer to the schedule in the appendix).

Then it has considered the overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental, and cultural wellbeing of the community. It considered the following in determining the final funding source:

- The nature of Napier City as a whole including as a visitor and tourist destination; and
- the different costs of providing services and facilities and the associated benefits that the commercial (including accommodation providers) and industrial properties receive from those services; and
- the impact of rates on residential properties, and in particular on the affordability of rates for low, average and fixed income households; and
- the complexity of the rating system and the desirability of improving administrative simplicity; and

- The appropriate use of the General Rate.

Council has concluded that the General Rate and storm water targeted rate on commercial and industrial should have an appropriate differential recognising the issues considered above.

Council has also considered the impact of fees and charges. Council uses the market rate (where permissible) as the upper limit used for determining fees or charges. Where Council believes the imposition of fees or charges at a rate above the market rate will reduce usage of the activity or facility and lead to the imposition of a greater cost on ratepayers it will modify the amount chargeable to the market rate. In selecting the market rate, the Council has made a judgement that the community values the existence of the facility and would rather fund it from rates than for the facility to close.

Following consideration of the above the Council is proposing the use of the following funding tools.

Council's policies on funding operating expenses and capital expenditure

General Rates

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

The General Rate has a significant component of public good or activities when the community benefits as a whole, and as the General Rate is a general taxing mechanism shifting the "differential factor" for each sector's share of the city's overall land value is the principal means that the Council has used to of achieving the desired overall rates impact on the wider community. It cannot achieve precise equity or allocation of costs to each type of property.

In determining differentials for General Rates, the intensity of development (i.e. building and surfaces) is considered a significant factor. With reference to observed property size and as the most common differential, Residential/Other was set as the base property type. Other differentials are set in reference against Residential/Other.

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

Council has set the following land value differential categories:

- Residential/Other
- Commercial & Industrial
- Rural Residential
- Rural

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

Differential rating category definitions

Residential/Other properties

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

Commercial and Industrial

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

Commercial and industrial activities include, but are not restricted solely to;

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

Rural Residential

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

Rural

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

Targeted Rates for specific areas and/or activities

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

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

Lump sum contributions

Council does not normally use any lump sum contributions.

Fees and charges:

Fees and charges are used to fund both operating and capital expenditure.

They are applied where there is a benefit to an individual from the delivery of goods and or services and this can be charged in a cost-efficient manner. If it is possible to efficiently impose a charge, then the Council does so, on the basis of either recovering the full cost of the service, the marginal cost added by users, or at a level that the market will pay. Fees & charges includes retail sales, ticketing, & corporate sponsorship

The following specific types of revenue are included in fees and charges:

- Licence Fees

Licence fees are charged where applicable and may be set by Council or by regulation.

- Enforcement Fees including fines and infringement fees

Enforcement fees are charged where applicable. Their purpose is to promote compliance rather than to raise revenue; consequently, revenue collected may be insufficient to meet the full costs of the enforcement activity. The level of enforcement fee may also be restricted by statute or the courts. Use of enforcement fee revenue collected may also be directed to a specific purpose by statute.

- Rental and Lease Income

Rental and lease income are attributed to the activity with primary responsibility for the asset generating the rental or lease income. This revenue generally offsets costs of maintaining the asset and costs generally within the activity area receiving the revenue. However, in the case of leasehold land subject to the Hawke's Bay Endowment Land Empowering Act 2002, ground rental revenue is credited to a special fund within equity being the HB Endowment Income Account. In accordance with the Act this income is used to fund the net cost of the Napier Inner Harbour and certain foreshore reserves and other permitted activities. The land subject to the Act was vested in Council in 1989 from the Hawke's Bay Harbour Board at the same time that Council assumed liability for the Napier Inner Harbour and former Harbour Board foreshore reserves.

- Waste Levy Income

This is the Council share of waste levy fees collected by the Ministry for the Environment. Income is received from the Waste Levy Fund and must be applied to waste minimisation activities.

Interest and dividends from investments

Interest and dividends from investments are used to fund operating and capital expenditure.

Council receives interest from its investments. Interest generated from defined funds held or collected, where Council has determined that interest will be added, are credited to the fund at year end and applied to the purposes of the fund. Any remaining interest income is used to reduce the requirement for General Rates.

Council also receives a minor amount of dividend revenue from time to time. Where applicable, this is applied to offset the cost of the activity related to the dividend income. Where dividend income relates to Council operations in general, this is applied to the same purposes as general rates.

Borrowing

Borrowing is primarily used as a tool to smooth cash requirements for capital acquisitions and replacements, and can be used to smooth cash requirements for large one-off operating expenditure. In certain circumstances, in accordance with Council's financial strategy, borrowing may be used to fund operating expenditure.

Proceeds from Asset Sales

Proceeds from asset sales are used to fund operating and capital expenditure.

Council's preference is that proceeds from asset sales are used to fund capital projects, repay debt to external parties or repay internal debt, thus replenishing reserves. The main planned asset sales programme of Council is the ongoing freeholding of HB Endowment Land Residential Leases and the sale of land associated with the development and sale of sections in the Parklands residential subdivision. Council also intends to review assets for potential sale to reduce debt or replace with higher yielding investments.

Development and Financial Contributions

Proceeds from development and financial contributions are used to fund operating and capital expenditure. They are primarily to fund capital expenditure associated with growth however some operating costs such as finance costs may be funded from this source.

The existing Development Contribution policy has had limited application and as the Council has an operative Financial Contributions policy under the Resource Management Act 1991, it was decided that this was currently the preferred method of recovery of the costs relating to development. The Financial Contributions Policy will be updated as part of the review of the District Plan.

Grants, subsidies and donations

Revenue from these sources is actively sought to offset both operating and capital costs.

Petrol Tax

This is the local government share of the petrol tax levied by central government. It is used to contribute to the costs of road maintenance.

Other funding sources

Council continues to actively explore all possible sources of funding to assist with the funding of both operating and capital expenditure. Any other funds derived will be used to either fund capital expenditure or to reduce the amount Council collects from rates.

Council policies in relation to various funding sources to fund operating and capital expenditure (section 103 Local Government Act 2002)

The table sets out for each activity funding sources that are to be used for both operating and capital expenditure. The rationale is explained in schedule in the appendix.

Activity	Funding sources	
	Operational ¹	Capital
Animal control	Primary source <ul style="list-style-type: none"> Fees & charges (including infringement fees) 50% to 60% Other sources <ul style="list-style-type: none"> General Rates 40% to 50% 	<ul style="list-style-type: none"> Accumulated surpluses General Rates Fees & charges Loans Reserves
Bay Skate	Primary source <ul style="list-style-type: none"> General Rates 60% - 70% Other sources <ul style="list-style-type: none"> Fees and charges (including Leases, retail sales, & sponsorship) 	<ul style="list-style-type: none"> Accumulated surpluses General Rates Fees & charges Loans Reserves
Building consents	Primary source <ul style="list-style-type: none"> Fees and charges 80% Other sources <ul style="list-style-type: none"> General Rates Targeted Rates Reserves Loans 	Nil
Cemeteries	Primary source	<ul style="list-style-type: none"> Accumulated surpluses

¹ The stated percentages indicate the target set by Council. The actual percentages will vary from year to year as explained in the footnote at the bottom of the table in the appendix. Also subsidies, grants and donations can be considered as a possible source of funding for all activities as Council will actively seek other sources of external funding where available for both operating and capital expenditure.

Activity	Funding sources	
	Operational ¹	Capital
This includes the contribution that NCC makes towards HB Crematorium in Hastings	<ul style="list-style-type: none"> General Rates 70% to 80% <p>Other sources</p> <ul style="list-style-type: none"> User fees & charges 	<ul style="list-style-type: none"> General Rates Fees & charges Loans Reserves
City development	<p>Primary source</p> <ul style="list-style-type: none"> General Rates 100% <p>Other sources</p> <ul style="list-style-type: none"> Reserves Loans Fees and charges (where appropriate) 	No significant capital expenditure but minor capital expenditure is funded from General Rates, Reserves and Loans
Community facilities	<p>Primary source</p> <ul style="list-style-type: none"> General Rates 80% – 90% <p>Other sources</p> <ul style="list-style-type: none"> Fees & charges, including lease income, one off grants, naming rights 	<ul style="list-style-type: none"> Accumulated surpluses General Rates Fees & charges, Loans Reserves Grants & donations
Community strategies	<p>Primary source</p> <ul style="list-style-type: none"> General Rates 100% <p>Other sources</p> <ul style="list-style-type: none"> Fees & charges, including bequest and external funding Reserves 	<ul style="list-style-type: none"> Accumulated surpluses General Rates Fees & charges Loans Reserves
Democracy & Governance	<p>Primary source</p> <ul style="list-style-type: none"> General Rates, 100% <p>Other sources</p> <ul style="list-style-type: none"> Fees & charges, including for LGOIMAs Reserves 	Nil
Events and marketing	<p>Primary source</p> <ul style="list-style-type: none"> General Rates 90% – 95% <p>Other sources</p> <ul style="list-style-type: none"> Grants Fees & charges, including ticketing, corporate sponsorship, vendors 	<p>Accumulated surpluses</p> <ul style="list-style-type: none"> Loans
Housing	<p>Primary source</p> <ul style="list-style-type: none"> Fees & charges 100% (rentals) Other sources General Rates Loans 	<ul style="list-style-type: none"> Accumulated surpluses Fees & charges (rentals) Loans Grants Reserves General Rates
Inner harbour	<p>Primary source</p> <ul style="list-style-type: none"> Reserves, surplus revenue from inner harbour land holding <p>Other sources</p> <ul style="list-style-type: none"> Fees and charges 	<ul style="list-style-type: none"> Accumulated surpluses Fees and charges General Rates Reserves Loans Financial and/or Development Contributions.
Kennedy Park Resort	<p>Primary source</p> <ul style="list-style-type: none"> Fees and charges 100% <p>Other sources</p> <ul style="list-style-type: none"> Loans 	<ul style="list-style-type: none"> Accumulated surpluses Fees and charges Loans Reserves
Lagoon farm	Primary source	<ul style="list-style-type: none"> Accumulated surpluses

Activity	Funding sources	
	Operational ¹	Capital
	<ul style="list-style-type: none"> Fees and charges 90% - 100% Other sources <ul style="list-style-type: none"> Reserves 	<ul style="list-style-type: none"> Fees and charges Reserves Loans
Libraries	Primary source <ul style="list-style-type: none"> General Rates 90% - 95% - Other sources <ul style="list-style-type: none"> Fees & charges (fines) Grants & bequests 	<ul style="list-style-type: none"> Accumulated surpluses Fees & charges, fines General Rates Grants & bequests Loans Reserves Financial and/or Development Contributions
McLean Park	Primary source <ul style="list-style-type: none"> Fees and charges, 100% tickets, sponsorship, corporate box revenue, naming rights General Rates 	<ul style="list-style-type: none"> Accumulated surpluses Fees and charges General and targeted rates Ticket sales Loans Reserves, Grants & bequests Sponsorship, & corporate box revenue, naming rights
MTG Hawkes Bay	Primary source <ul style="list-style-type: none"> General Rates 65% - 75% Other sources <ul style="list-style-type: none"> Fees and charges Contribution from other local authorities Bequests Grants, donations & retail sales 	<ul style="list-style-type: none"> Accumulated surpluses General Rates Fees and charges Contribution from other local authorities Bequests Grants Donations Loans Reserves Sponsorship, & naming rights
Napier Aquatic Centre	Primary source <ul style="list-style-type: none"> General Rates 65% - 75% Other sources <ul style="list-style-type: none"> Fees & charges 	<ul style="list-style-type: none"> Accumulated surpluses General Rates Fees & charges Loans Reserves
Napier i-SITE	Primary source <ul style="list-style-type: none"> General Rates 55% to 65% Other Sources <ul style="list-style-type: none"> Fees and charges 35% to 45% 	<ul style="list-style-type: none"> Accumulated surpluses General Rates Fees and charges Targeted rates Loans Reserves
Napier Municipal Theatre	Primary source <ul style="list-style-type: none"> Fees and charges 35-40% Other sources <ul style="list-style-type: none"> General Rates Bequests Grants, donations & sponsorship 	<ul style="list-style-type: none"> Accumulated surpluses General Rates Fees and charges Bequests Grants, donations & sponsorship Loans Reserves Naming rights
Napier Conferences and Events	Primary source <ul style="list-style-type: none"> Fees and charges 90% to 95% Other sources <ul style="list-style-type: none"> General Rates Loans 	<ul style="list-style-type: none"> Accumulated surpluses Fees and charges General Rates Targeted rates Loans Reserves
National Aquarium of NZ	Primary source <ul style="list-style-type: none"> Fees and charges 65% - 70% 	<ul style="list-style-type: none"> Accumulated surpluses Fees and charges General Rates

Activity	Funding sources	
	Operational ¹	Capital
	Other sources <ul style="list-style-type: none"> • Grants • Sponsorships, bequests & philanthropic • General Rates 	<ul style="list-style-type: none"> • Targeted rates • Grants • Sponsorships, bequests & philanthropic • Sponsorship • Loans • Reserves • Naming rights
Ocean Spa (Marine Parade Pools)	Primary source <ul style="list-style-type: none"> • Fees & charges 100% Other sources <ul style="list-style-type: none"> • Loans 	<ul style="list-style-type: none"> • Accumulated surpluses • General Rates • Fees & charges • Loans • Reserves • Financial and/or Development Contributions
Par2 Mini golf	Primary source <ul style="list-style-type: none"> • Fees and charges 100% • Retail sales 	<ul style="list-style-type: none"> • Accumulated surpluses • Fees and charges • Reserves • Loans
Parking	Primary source <ul style="list-style-type: none"> • Fees and charges 80% to 90% Other sources <ul style="list-style-type: none"> • Targeted rates • Reserves 	<ul style="list-style-type: none"> • Accumulated surpluses • Targeted rates • General Rates • Loans • Reserves • Financial and/or Development Contributions
Parklands residential development	Primary source <ul style="list-style-type: none"> • Fees and charges 100% Other sources <ul style="list-style-type: none"> • Reserves 	<ul style="list-style-type: none"> • Loans • Reserves
Property holdings	Primary source <ul style="list-style-type: none"> • Fees and charges 100% Other sources <ul style="list-style-type: none"> • Fees and charges (lease income) • Reserves 	<ul style="list-style-type: none"> • Accumulated surpluses • Fees and charges (lease income) • Loans • Reserves
Property rights purchase	Primary source <ul style="list-style-type: none"> • General Rates 0% - 100 Other sources <ul style="list-style-type: none"> • Government funding • Reserves • Loans 	Primary source <ul style="list-style-type: none"> • General Rates 0% - 100 Other sources <ul style="list-style-type: none"> • Government funding • Reserves • Loans
Public toilets	Primary source <ul style="list-style-type: none"> • General Rates 95% - 100 Other sources <ul style="list-style-type: none"> • Fees and charges • Reserves 	<ul style="list-style-type: none"> • Loans • Reserves • General Rates
Regulatory solutions	Primary source <ul style="list-style-type: none"> • General Rates 55% - 65% Other sources <ul style="list-style-type: none"> • Fees and charges, • Reserves 	<ul style="list-style-type: none"> • Accumulated surpluses • Loans • Reserves
Reserves	Primary source <ul style="list-style-type: none"> • General Rates 85% - 90% Other sources	<ul style="list-style-type: none"> • Accumulated surpluses • General Rates • Fees and charges • Targeted rates • Loans

Activity	Funding sources	
	Operational ¹	Capital
	<ul style="list-style-type: none"> Fees and charges (rentals and leases) 	<ul style="list-style-type: none"> Bequests Reserves Financial and/or Development Contributions Grants and subsidies Naming rights & sponsorship
Resource consents	Primary source <ul style="list-style-type: none"> General rates 60% 40% fees and charges Other sources <ul style="list-style-type: none"> Reserves 	Nil
Sportsgrounds	Primary source <ul style="list-style-type: none"> General Rates 90% - 95% Other sources <ul style="list-style-type: none"> Fees and charges (rentals and leases) 	<ul style="list-style-type: none"> Accumulated surpluses General Rates Fees and charges Targeted Rates Naming rights Sponsorship Loans Bequests Reserves Financial and/or Development Contributions
Stormwater	Primary source <ul style="list-style-type: none"> Targeted Rates 95% - 100% Other sources <ul style="list-style-type: none"> General Rates Reserves Fees and charges (connection fees) 	<ul style="list-style-type: none"> Accumulated surpluses General and Targeted Rates Fees and charges Financial and/or Development Contributions Loans Reserves
Transportation	Primary source <ul style="list-style-type: none"> NZTA subsidy 50% – 60% (for subsidised work programme only), 15.3% for CBD sweeping, 85% for LED replacement programme Other sources <ul style="list-style-type: none"> General Rates Fees and charges Petrol tax 	<ul style="list-style-type: none"> Accumulated surpluses from Targeted Rates, General Rate, fees and charges Petrol tax NZTA subsidy 50% – 60% (for subsidised work programme only), 15.3% for CBD sweeping, 85% for LED replacement programme Financial and/or Development Contributions Loans Reserves Grants and donations (e.g. cycle ways)
Waste minimisation	Primary source 80% - 90% <ul style="list-style-type: none"> Fees and charges Targeted Rates Waste minimisation levy Other sources <ul style="list-style-type: none"> General Rates Reserves 	<ul style="list-style-type: none"> Accumulated surpluses Fees and charges General and Targeted Rates Waste minimisation levy Reserves Loans Financial Contributions
Wastewater	Primary source 100% <ul style="list-style-type: none"> Targeted Differential Rates Fees and charges (including trade waste bylaw charges) 	<ul style="list-style-type: none"> Accumulated surpluses Targeted Differential Rates General Rates Fees and charges Loans Reserves

Activity	Funding sources	
	Operational ¹	Capital
		<ul style="list-style-type: none"> Development and/or Financial Contributions
Water supply	Primary source 100% <ul style="list-style-type: none"> Targeted Differential Rates Water rates Fees and charges (not including water by meter rate) 	<ul style="list-style-type: none"> Accumulated surpluses Targeted Differential Rates Water rates General Rates Fees and charges Loans Reserves Financial and/or Development Contributions

The schedule in the appendix records how the Council has applied the five considerations in the table below that it must consider when undertaking its funding needs analysis.

Local Government Act 2002 section	Areas of consideration	Description of the matter Council might consider
s.101(3)(a)(i)	Community outcome	The Council determined which of its community outcomes each activity primarily contributes to. There may not be strong link between community outcomes and funding requirements for an activity
s.101(3)(a)(ii)	Who benefits?	What the distribution of benefits is between the whole community, identifiable parts of the community and individuals. Often referred to as the public/private good split.
s.101(3)(a)(iii)	Period of benefit	For most operational expenses, the benefit is received in the year the expense is incurred. Some operational expenses (provisions) may have a benefit over multiple years and so the Council may choose to fund the activity over that period. Expenditure which results in an asset either being replaced (renewals) or new assets provide benefit over multiple years.
s.101(3)(a)(iv)	Whose acts create a need	Council used the principle that those who cause additional cost either by action or inaction are considered in this section. These may be different groups from those who have been identified within the “who benefits” consideration above. Often referred to as the exacerbator pays principle
s.101(3)(a)(v)	Separate funding	Council considered the costs and benefits of funding an activity separately, including in relation to transparency and accountability. It also considered matters such as the financial scale of the activity, administrative cost, and legal requirements.

Policy Review

The review timeframe of this policy will be no longer than every three years.

Appendix A

Schedule of Activity Funding Needs Analysis Section 101(3)(a) LGA

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
Animal control	A safe and healthy city that supports community well-being	Community as a whole Animal owners	Intergenerational	All animal owners create the need however irresponsible owners create a greater cost. Legislative (Dog Control Act)	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities. The private benefit is predominantly funded from annual dog licence fees.	Animal control is primarily a health & safety service for the community & therefore benefits everyone. There are costs that the Council can directly attribute to individual owners.	40% - 50%	<ul style="list-style-type: none"> General rates Fees & charges (including infringement fees) 	<ul style="list-style-type: none"> Accumulated surpluses from General rates, fees & charges, Loans Reserves
Bay Skate	A vibrant innovative city for everyone	Direct users, local businesses, parents, tourists and visitors Community as a whole as the facility provides a safe location for users to	Intergenerational	Nil	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately	Everyone has the ability to use the facility and Council can identify the users	60% - 70%	<ul style="list-style-type: none"> General rates Fees and charges (including Leases, retail sales, & sponsorship) 	<ul style="list-style-type: none"> Accumulated surpluses from General rates, fees & charges, Loans Reserves

² The percentages stated are the indicative target set by Council. The actual percentage may vary from year to year based on activity levels. As an example, an activity that says 100% public good may receive some revenue from fees and charges where charging is warranted to ensure the community are not inadvertently required to pay for something that only provides a benefit to an identifiable individual. Another example where the actual percentage may vary is when Council is able to obtain external grants or subsidies for a specific programme of work.

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
		undertake their sport			from other activities				
Building consents	A safe and healthy city that supports community well-being	The property owner and inhabitant. There is a wider benefit from buildings being built to code	Intergenerational because of the life of the structures for which consents are issued.	People constructing non consented buildings, construction industry parties not complying with the Building Act	<p>Council funds the cost of inspecting and maintaining a database on swimming pools through a target rate to properties that have a swimming pool.</p> <p>No reason identified to fund the net cost of this activity (after the swimming pool targeted rate and other non-rate revenue sources) separately from other activities</p> <p>Most activity costs are funded by fees from applicants.</p>	This benefits the property owner and inhabitant. There is a wider benefit from buildings being built to code.	20%	<ul style="list-style-type: none"> • Fees and charges • General rates • Targeted rates • Reserves • Loans 	Nil

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
Cemeteries This includes the contribution that NCC makes towards HB Crematorium in Hastings	Excellence in infrastructure and public services for now and in the future	The community as a whole, any identifiable part of the community, and individuals	Intergenerational – history & physical infrastructure	No significant exacerbators	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	Wider public benefit for open space & recognition & place of remembrance. Private benefit – place where people can be interred, cost of the plot & interment	75%	<ul style="list-style-type: none"> General rates User fees & charges 	<ul style="list-style-type: none"> Accumulated surpluses from General rates, fees & charges, Loans Reserves
City development	A vibrant innovative city for everyone	The community as a whole benefit from this activity except where there is a private plan change that has specific benefits to the applicant	The outcomes of this activity result in ongoing benefits and some of these benefits can last a significant period of time	Applicants for private plan changes	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	City Development is an ongoing activity to help citizens and elected officials design and deliver the Vision for Napier City. This predominantly results in benefits for the whole community. Debt or loan funding can be used where there is large non-recurring expenditure	100%	<ul style="list-style-type: none"> General rates Reserves Loans Fees and charges (where appropriate) 	No significant capital expenditure but minor capital expenditure is funded from general rates and reserves.
Community facilities	A safe & healthy city that supports	The community as a whole	Intergenerational because of the	Users of the facilities who put greater	No reason identified to	Community as a whole benefit from having	85%	<ul style="list-style-type: none"> General rates Fees & charges, 	<ul style="list-style-type: none"> Accumulated surpluses from

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
	community well-being	including users of the facilities	life of the facilities	demands on the facilities	fund the net cost of this activity (after non rate revenue sources) separately from other activities	these facilities available but there is the ability to identify & charge users.		including lease income, one off grants, naming rights	General rates, fees & charges, <ul style="list-style-type: none"> Loans Reserves Grants & donations
Community strategies	Council works with & for the community	The community as a whole	The outcomes of this activity result in ongoing benefits	Antisocial behaviour by individuals and groups Legislation	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	This is a core Council activity which changes the response to the needs of the community for which everyone benefits	100%	<ul style="list-style-type: none"> General rates Fees & charges, Including bequest and external funding Reserves 	<ul style="list-style-type: none"> Accumulated surpluses from General rates, fees & charges Loans Reserves
Democracy & Governance	Council works with and for the community	The community as a whole	Short term	LGOIMA requests (vexatious & legitimate)	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	All residents and rate payers have equal opportunity to benefit All have the ability to contribute to this activity therefore no differential, general rates	100%	<ul style="list-style-type: none"> General rates, Fees & charges, Including for LGOIMAs Reserves 	Nil
Events and marketing	A vibrant innovative	The community as a whole receives social,	Short term	No significant exacerbators	No reason identified to fund the net	Events are a key part of the Napier City's	95%	<ul style="list-style-type: none"> General rates Grants 	Nil

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
	city for everyone	cultural and economic benefit Participants and/or users			cost of this activity (after non rate revenue sources) separately from other activities	social, economic and cultural fabric, therefore the benefits that are received are both general and specific.		<ul style="list-style-type: none"> Fees & charges, including ticketing, corporate sponsorship, vendors 	
Housing	A safe and healthy city that supports community well-being	Users of the facilities and the wider community	Intergenerational	Inability of other entities to provide adequate social housing to meet local demand	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	Responding to an identified need in our community. The users of the facilities are the primary beneficiaries of this activity.	0%	<ul style="list-style-type: none"> Fees & charges (rentals) General rates Loans 	<ul style="list-style-type: none"> Accumulated surpluses from Fees & charges (rentals) Loans Government grants Reserves General rates
Inner harbour	A vibrant innovative city for everyone	The users of the facilities and the wider community in terms of the amenity value.	Intergenerational	Individual undertaking Illegal activities	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	The users of the facilities receive a significant benefit but the wider community receives benefit through the amenity value.	0%	<ul style="list-style-type: none"> Fees and charges General rates Reserves, surplus revenue from inner harbour land holding 	<ul style="list-style-type: none"> Accumulated surpluses from Fees and charges, general rates, reserves, Loans Financial and/or Development contributions.
Kennedy Park Resort	A vibrant innovative city for everyone	Direct users and ratepayers by the surplus	Intergenerational	None identified	No reason identified to fund the net cost of this	Provides a range of affordable visitor	0%	<ul style="list-style-type: none"> Fees and charges Loans 	<ul style="list-style-type: none"> Accumulated surpluses from Fees and charges,

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
		generated. Local retail, hospitality			activity (after non rate revenue sources) separately from other activities	amenities that generates a surplus for Council to use as it sees fit.			<ul style="list-style-type: none"> Loans, Reserves
Lagoon farm	A sustainable city	The community as a whole (has the ability to subsidise rates).	Intergenerational	Nil	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	This activity currently breaks even and does not require any significant additional funding.	0% - 10%	<ul style="list-style-type: none"> Fees and charges Reserves 	<ul style="list-style-type: none"> Accumulated surpluses from Fees and charges Reserves, Loans
Libraries	A safe & healthy city that supports community well-being	The community as a whole however it is possible to identify users	Both long and short term benefits.	Researchers, people who demand excessive staff time for professional and commercial purposes	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	Everyone has the ability to use the library and we can identify certain users for specific services	90% - 95%	<ul style="list-style-type: none"> Fees & charges (fines) General rates Grants & bequests 	<ul style="list-style-type: none"> Accumulated surpluses from Fees & charges, fines General rates Grants & bequests Loans Reserves Financial and/or Development contributions
McLean Park	A vibrant innovative	The regional community as a whole	Intergenerational	None identified	No reason identified to fund the net	The region benefits by having this	0%	<ul style="list-style-type: none"> Fees and charges, tickets, 	<ul style="list-style-type: none"> Accumulated surpluses from fees and

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
	city for everyone	Users, spectators, events, national, regional and local organisations, businesses			cost of this activity (after non rate revenue sources) separately from other activities	facility and those who attend or participate in events		sponsorship, corporate box revenue, naming rights <ul style="list-style-type: none"> Loans Reserves, Grants & bequests Sponsorship & corporate box revenue, naming rights 	
MTG Hawkes Bay	A vibrant innovative city for everyone	The whole region, users and visitors	Intergenerational	None identified	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	The provision of this activity enhances the social and cultural fabric and preserves our heritage and celebrates artistic innovation for future generations. Therefore, the whole region benefits	65% - 75%	<ul style="list-style-type: none"> General rates Fees and charges Contribution from other local authorities Bequests Ministry of Education, grants, donations & retail sales 	<ul style="list-style-type: none"> Accumulated surpluses from General rates, fees and charges Contribution from other local authorities Bequests Ministry of Education grants Donations, Loans, Reserves Sponsorship & naming rights
Napier Aquatic Centre	A safe & healthy city that supports community well-being	The community as a whole including users of the facility	Intergenerational	None identified	No reason identified to fund the net cost of this activity (after non rate	Everyone has the ability to use the facility and Council can identify the users	65% - 75%	<ul style="list-style-type: none"> Fees & charges General rates 	<ul style="list-style-type: none"> Loans, Accumulated surpluses from general rates, fees & charges

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
					revenue sources) separately from other activities				<ul style="list-style-type: none"> Reserves
Napier i-SITE	A vibrant innovative city for everyone	Visitors, regional tour operators and accommodation providers, hospitality, local businesses	Short term expenditure with ongoing benefits Building – intergenerational equity	Cruise ships passengers and operators	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	Visitors, regional tour operators and accommodation providers, hospitality, local businesses therefore creating economic benefit for the city	55% - 65%	<ul style="list-style-type: none"> General rates Fees and charges 	<ul style="list-style-type: none"> Accumulated surpluses from General rates Fees and charges Targeted rates Loans Reserves
Napier Municipal Theatre	A vibrant innovative city for everyone	The community as a whole including users of the facility	Intergenerational	None identified	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	The provision of this activity enhances the social and cultural fabric and celebrates artistic innovation for future generations. Therefore, the whole City benefits	60% - 65%	<ul style="list-style-type: none"> General rates Fees and charges Bequests Grants, donations & sponsorship 	<ul style="list-style-type: none"> Accumulated surpluses from general rates Fees and charges Bequests Grants, donations & sponsorship Loans Reserves Naming rights
Napier War Memorial Conference Centre	A vibrant innovative city for everyone	The immediate users. Local businesses receive a benefit from out of town users. Locals	Intergenerational 20-30 years	None identified	No reason identified to fund the net cost of this activity (after non rate	The Napier War Memorial Conference Centre is suitable for a wide range of	5% - 10%	<ul style="list-style-type: none"> Fees and charges General rates 	<ul style="list-style-type: none"> Accumulated surpluses from Fees and charges General rates Targeted rates

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
		benefit from general hireage of the facility.			revenue sources) separately from other activities Building = War Memorial Centre Activity = Conference Centre	events and attracts local, national and international conferences and events and provides a facility for the community which generates economic wellbeing.			<ul style="list-style-type: none"> Loans Reserves
National Aquarium of NZ	A vibrant innovative city for everyone	Local, domestic and international visitors Businesses and local economy Historical and heritage, customary practices – especially Maori and Pacifica	Intergenerational	Polluters, sanctuary requirements	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	It attracts locals and visitors to the city which provides enhances economic activity	20% - 25%	<ul style="list-style-type: none"> Fees and charges Grants Sponsorships, bequests & philanthropic General rates 	<ul style="list-style-type: none"> Accumulated surpluses from Fees and charges General rates Targeted rates Grants Loans Reserves Naming rights
Ocean Spa (Marine Parade Pools)	A safe & healthy city that supports community well-being	The community as a whole including users of the facility	Intergenerational	None identified	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	Everyone has the ability to use the facility and Council can identify the users	0%	<ul style="list-style-type: none"> Fees & charges General rates 	<ul style="list-style-type: none"> Accumulated surpluses from general rates Fees & charges Loans Reserves Financial and/or Development contributions

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
Par2 mini golf	A vibrant innovative city for everyone	Users, visitors and families	Intergenerational	None identified	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	It attracts locals and visitors and is a fun family friendly activity for all ages from which the Council fully recovers its cost	0%	<ul style="list-style-type: none"> Fees and charges, retail sales 	<ul style="list-style-type: none"> Accumulated surpluses from Fees and charges Reserves Loans
Parking	A vibrant innovative city for everyone	Retailers, visitors and the community as a whole and those with a parking exemption	There are assets within this activity that have an intergenerational life	Vehicle drivers, non-compliant vehicle operators and property owners within parking exemption areas.	<p>Council separately charges CBD and outer commercial properties a targeted rate for the provision of additional offstreet parking.</p> <p>Apart for these targeted rates no further reason has been identified to fund this activity separately</p>	Parking ensures that safe parking facilities are available to the residents and visitors to Napier City to enable optimal vehicle circulation	0%	<ul style="list-style-type: none"> Fees and charges Targeted rates Reserves 	<ul style="list-style-type: none"> Accumulated surpluses from Fees and charges Targeted rates General rates Loans Reserves Financial and/or Development contributions

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
					from other activities				
Parklands residential development	A sustainable city	The community as a whole	Intergenerational	Nil	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	This activity currently provides significant income that subsidises rates	0%	<ul style="list-style-type: none"> Fees and charges Reserves 	<ul style="list-style-type: none"> Accumulated surpluses from Fees and charges Loans Reserves
Property holdings	A sustainable city	The community as a whole (has the ability to subsidise rates).	Intergenerational	Non-compliant lease holders	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	This activity generates cash surpluses which enables the subsidy of rates	0%	<ul style="list-style-type: none"> Fees and charges (lease income) Reserves Loans 	<ul style="list-style-type: none"> Accumulated surpluses from Fees and charges (lease income) Loans Reserves
Property rights purchase	A safe & healthy city that supports community well-being	The community as a whole and people living within identified areas of risk	The outcomes of this activity result in ongoing benefits	Residents who live within identified areas of risk	No reason identified to fund the net cost of this activity (after non rate revenue sources separately from other activities)	Community as a whole benefit from this activity due to the reduced risk of loss of life, reduced loss of residential property and emergency	100%	<ul style="list-style-type: none"> Government funding General rates Reserves Loans 	<ul style="list-style-type: none"> Government funding General rates Reserves Loans

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
						response requirement			
Public toilets	Excellence in infrastructure and public services for now and in the future	The community and visitors	Intergenerational (up to 20 years)	Visitors have created an additional cost. Vandalism Cruise ships Freedom campers Major inner-city events	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	Providing public amenities however, there is a requirement to provide these facilities for areas that have high visitor numbers	95% - 100%	<ul style="list-style-type: none"> Fees and charges General rates Reserves 	<ul style="list-style-type: none"> Loans, Reserves General Rates
Regulatory solutions	A safe and healthy city that supports community well-being.	The users of the services and the community, however the effective provision of this activity results in public health and the avoidance of nuisance	Limited to the period of the operation.	Non-compliant businesses and individuals	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	The effective provision of this activity results in public health and the avoidance of nuisance	55% - 65%	<ul style="list-style-type: none"> Fees and charges, General rates Reserves 	Nil
Reserves	A safe and healthy city that supports community well-being	Occupiers, leases and hirers of the reserves Contributes to the City's green space, biodiversity and environmental outcomes Everyone benefits but the	Intergenerational - ongoing with assets having a life of greater than 10 years	Vandalism, events, theft, freedom campers	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	Everyone benefits but the occupiers receive a higher benefit and therefore a range of funding sources are used.	85% - 90%	<ul style="list-style-type: none"> General rates Fees and charges (rentals and leases) 	<ul style="list-style-type: none"> Accumulated surpluses from General rates, fees and charges Targeted rates, Loans, Bequests, Reserves

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
		occupiers receive a higher benefit							<ul style="list-style-type: none"> Financial and/or Development Contributions, Grants and subsidies Naming rights & sponsorship
Resource consents	A sustainable city	The relevant community (through the consent process), free planning advice, public counter, responding to complaints, compliant & safe buildings in the community. Notified and non-notified consents have different levels of benefit	Intergenerational due to the nature of the activities for which the consents are issued.	Resource consent holders who do not comply with the resource consent conditions. Unconsented activities. Vexatious and frivolous objectors	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately from other activities	The relevant community (through the consent process), notified and non-notified consents have different levels of benefit.	60% of the activity's costs are recovered from general rates Resource consents fees and charges are set to recover 100% of costs for services provided	<ul style="list-style-type: none"> Fees and charges General rates Reserves 	Nil
Sportsgrounds	Safe and healthy city that supports community well-being	People who actively participate in the sportsground Direct participants and indirect participants (spectators)	Intergenerational - ongoing with assets having a life of greater than 10 years	Sports people, park users, vandalism, parents, events	No reason identified to fund the net cost of this activity (after non rate revenue sources) separately	Everyone benefits but the active participants and local businesses have a higher benefit and therefore a range of	90% - 95%	<ul style="list-style-type: none"> General rates Fees and charges (rentals and leases) 	<ul style="list-style-type: none"> Accumulated surpluses from General rates, fees and charges targeted rates Naming rights Sponsorship

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
		Contributes to the City's green space Everyone benefits but the active participants and local businesses have a higher benefit			from other activities	funding sources are used			<ul style="list-style-type: none"> Loans, Bequests Reserves Financial and/or Development Contributions
Stormwater	A vibrant innovative city for everyone Excellence in infrastructure and public services for now and in the future	The community as a whole There can be identifiable parts of the community that receive higher levels of service	Intergenerational (up to 100 years)	Commercial density creates additional cost and need for the activity	Funding this activity separately through a targeted rate provides greater transparency so ratepayers understand the cost of stormwater services	The whole community benefits from the provision of storm water, however some properties based on location receive a different level of service	95% - 100%	<ul style="list-style-type: none"> General rates Targeted rates Reserves Fees and charges (connection fees) 	<ul style="list-style-type: none"> Accumulated surpluses from general and targeted rates, fees and charges Financial and/or Development contributions Loans Reserves
Transportation	Excellence in infrastructure and public services for now and in the future	Users both public and private. There is a range of between 60% to 80% for private good.	Intergenerational	Heavy vehicles, irresponsible road users, high density properties creating high traffic impacts	Currently not practical and no benefit in funding this activity separately	The transportation activity provides economic, private and community benefit and is essential for the safe functionality and connectivity of the City.	40% - 60%	<ul style="list-style-type: none"> NZTA subsidy General rates Fees and charges Petrol tax 	<ul style="list-style-type: none"> Accumulated surpluses from targeted rates, general rate, fees and charges Petrol tax NZTA subsidy Financial and/or

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
									Development contributions <ul style="list-style-type: none"> Loans Reserves Grants and donations (e.g. cycle ways)
Waste minimisation	A sustainable city	The individual and the community as a whole	Intergenerational	Illegal dumping creates an additional cost for Council, inappropriate disposal of hazardous waste	Separate Targeted rates are charged to fund the cost of kerbside refuse collections and the kerbside recycling service. This makes the cost of these services transparent to ratepayers. No reason has been identified to fund the net cost of the remainder this activity that relates to litter bins, illegal	Effective and efficient systems for the collection and disposal of refuse and collection of recyclable materials benefit both the individual (enabling disposal) and the community by reducing the adverse environmental impacts.	20%	<ul style="list-style-type: none"> Fees and charges Targeted rates General rates Waste minimisation levy Reserves 	<ul style="list-style-type: none"> Accumulated surpluses from Fees and charges, targeted rates, general rates, Waste minimisation levy, Reserves, Loans Financial contributions

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
					dumping & hazardous waste disposal (after non rate revenue sources) separately from other activities				
Wastewater	Excellence in infrastructure and public services for now and in the future	Private benefit for people to dispose of their waste. Public benefit for the community to have an appropriate environmental solution	Intergenerational (up to 100 years)	Industries with high waste volumes and loadings, unconsented activity, low volume high impact waste	Funding this activity separately through a targeted rate provides greater transparency so ratepayers understand the cost of wastewater services.	Provides human and environmental benefits to both the community and the wider region	0%	<ul style="list-style-type: none"> Targeted differential rates Fees and charges (including trade waste bylaw charges) 	<ul style="list-style-type: none"> Accumulated surpluses from Targeted differential rates, General rates, fees and charges Loans Reserves Development and/or Financial contributions
Water supply	A safe and healthy city that supports community well-being	The users of the water supply are the primary beneficiaries however there is a wider benefit of having a potable water supply (90 private/10 public)	Intergenerational	Central Government legislation, illegal connections, high use users	Funding this activity separately through a targeted rate provides greater transparency so ratepayers understand the cost of	The provision of potable water supply is of benefit to individuals and the wider community	0%	<ul style="list-style-type: none"> Targeted differential rates Water rates Fees and charges (not including water by meter rate) 	<ul style="list-style-type: none"> Accumulated surpluses from Targeted differential rates, water rates, general rates, fees and charge Loans, Reserves,

Activity	Community outcome	Who benefits?	Period of benefit	Whose acts create a need	Separate funding	Rationale	To be recovered from Public Good tools ²	Funding sources	
								Operational	Capital
					water supply services.				<ul style="list-style-type: none">Financial and/or Development contributions

FEES AND CHARGES - OCEAN SPA

In response to the council resolution directing officers to review and implement different price models the following actions have been taken.

- 1) The **Off-Peak membership** rate proposed in the fees and charges paper presented to council has been built and implemented in the Ocean Spa POS system, and will be ready for purchase from 1 July. This membership reduces access member access to low demand hours – 10am to 2pm and seeks to build audience usage at these times for a reduced price.

	Off-Peak Membership (Paid upfront)	Premium
Off peak 3 month	\$380 (10% discount)	\$420
Off peak 6 months	\$690 (\$28.80 p/w) (15% discount)	\$810 (\$32 p/w)
Off peak 12 months	\$1,200 (\$26.10 p/w) (14% discount)	\$1,400 (\$29 p/w)

- 2) A **Super gold membership** has been developed, providing between a 15% and 20% discount depending on the period contracted in to by the customer. This price point brings the membership price close to the base price set by Ocean Spa prior to coming under council management but provides flexible access throughout all hours of the

day and all classes in line with the full membership offer. Prices are rounded to the nearest whole number.

	Super Gold Membership (Paid upfront)	Premium
Super gold card 3 months	\$363 (14% discount)	\$420
Super gold card 6 months	\$672 (\$26 p/w) (17% discount)	\$810 (\$32 p/w)
Super gold card 12 months	\$1,120 (\$23 p/w) (20% discount)	\$1,400 (\$29 p/w)

- 3) Research is being undertaken to investigate the best methodology and budgetary impacts of:
- a) General swim admission applied with Super Gold discount.
 - b) Implementation of a **Locals rate** for General Admission. Locals currently have access to reduced pricing through the concession card similar to that provided for at the Napier Aquatic Centre and other comparable facilities.
 - c) Implementation of **Gym only, and Swim only memberships**. Due to the gym having a finite number of places available to access the gym per week (1200 places) management will review the benefit of giving a % of places to gym only users whereby the gym gets more financial benefit if they sell the gym spots as part of a package. If it makes financial sense to have gym only spaces, then we will review the configuration of the building and current location of change facilities that may require a capex investment to implement.

Reduced pricing for swim only access is currently provided for through the concession card as with local reduced pricing. Investigation in providing a swim only membership will be done as part of the fees and charges structure review within the next 6 months.

4. FINANCIAL CONTRIBUTIONS

Type of Report:	Legal and Operational
Legal Reference:	N/A
Document ID:	1761355
Reporting Officer/s & Unit:	Paulina Wilhelm, Manager City Development

4.1 Purpose of Report

This report seeks to provide a summary of the submissions received on the Financial Contributions Policy and to recommend adopting the new Financial Contribution Policy. After assessing the public feedback received the officer's recommendation is to make minor changes to the policy as publicly notified.

Officer's Recommendation

That Council:

- Note** the summary of feedback received on the financial contribution policy.
- Endorse** the Financial Contribution Policy in its current state but note that minor edits or corrections are suggested by officers.
- Note** that the final policy will be brought back to them for adoption on the 27 June 2024, in line with the timeframes for the adoption of the Three Year Plan 2024-2027.

4.2 Background Summary

Section 102 of the Local Government Act, requires Council to adopt funding and financial policies including a policy on development or financial contributions. Council officers reviewed the financial contribution policy early this year, which the Council approved for public consultation, as part of the LTP consultation period, at the Council meeting 14 March 2024. The policy was open for submissions for over a month from 25 March to 26 April 2024.

Summary of Submissions

Council received 13 submissions (2 of which have been diverted to the LTP as they relate to rates) two submissions were lodged as a submission to the Three Year Plan and were later diverted to the financial contributions policy. Five submissions supported the update of the financial contributions policy albeit with some requesting minor amendments.

Five submissions opposed the policy although 2 of these only related to concerns about the proposed rate increases. One submission opposed the proposal to intensify development around the Onekawa commercial centre. One submitter queried specific aspects of the financial contributions for rural subdivisions. One submitter requested Council consider moving from financial contributions to development contributions, use a metric of measurement for retirement villages based on a percentage of a dwelling unit equivalent and to defer timing of payment of financial contributions for large staged

developments until the issuing of code compliance certificates for building consent rather than as a condition of a subdivision consent.

Most submitters did not provide specific reasons for their objection. Individual written submissions are provided as attachments to this report.

The consultation document included the following two options:

Options
<p>1. Update the Financial Contributions Policy</p> <p>Under this option, the proposed changes would be reflected in the policy. This would clarify the applicability of discounts, as well as the timing and payment of financial contributions. It would also ensure the wording used in the policy is consistent with the language used in the proposed District Plan.</p>
<p>2. Status quo: no change</p> <p>Under this option, the policy would remain as it is.</p>

Below is a summary of the main issues raised by the submitters who provided a written submission and the officer's considerations and recommendations.

Issues	Considerations	Recommendation
Council should not be subsidising businesses to make large profits using ratepayer money	Council intention is to require the subdivider or developer to meet the proportionate cost of upgrading infrastructure, or for the provision of new infrastructure, where the development/subdivision will necessitate such upgrading or new services rather than being subsidised by the ratepayer.	No change required as support for policy.
Concern about rate increases	<p>Council undertakes a wide range of works and services to benefit the city including safety initiatives, avoidance of the effects from natural disasters, provision of infrastructure to support people and communities etc. The full list of capital and operational projects are itemised in the Three Year Plan.</p> <p>The FC policy is a mechanism to enable the city to grow and develop while recovering costs associated with the provision of infrastructure to support the development. It is designed to enable cost recovery from the beneficiaries of new urban growth and therefore reduce the impacts on rates for existing residents.</p>	No change requested to policy

<p>There should be changes made to make investors or government departments that intensify urban sections to upgrade services.</p>	<p>Residential development places additional demand on infrastructure capacity and if not managed appropriately can contribute towards the further degradation of the environment. Council has a programme of work to upgrade infrastructure provision in residential areas throughout the city, However, due to cost and practical constraints it is not possible to improve network capacity and servicing in all areas and new development will be expected to reduce peak demand on what is already a constrained network. The assessment criteria for multi-unit residential developments require consideration of whether the development can be sufficiently serviced by water, wastewater and stormwater infrastructure, including through the use of low impact stormwater design, where appropriate. Meeting this criteria will require early engagement with Council's development engineers to understand the current network capacity to service a development site. This assessment and decision making criteria falls within the District plan rather than within the FC policy itself. Submissions on the District plan will test and refine Councils thinking on this approach and should there be any substantive changes potential alignment with the FC policy may be necessary at the time of the next review.</p>	<p>No change to policy recommended</p>
<p>Agrees with the exemption applied to main suburban commercial areas to encourage higher density infill subdivision development. However, the map in figure 4 is too vague, and does not clearly delineate the exact boundaries of the applicable areas. It needs to be very clear as to what properties are affected.</p>	<p>The map in Fig 4 is intentionally generic as no site-specific assessment has yet been done on the infrastructure capacity and/or constraints on every site within and around the local commercial centres of the city. The map indicates areas where financial contributions exemptions will be favourably considered as they are deemed generally appropriate and will be applied if feasible and practicable. Early consultation with Councils engineers will be required to understand the exact nature and limitations of every site, sequencing issues that may exhaust capacity over time and what bespoke solutions may be required in advance of Council providing integrated network solutions.</p>	<p>Add a statement to the policy requiring consultation with Council staff to determine capacity and specific solutions along with how that will be assessed via resource consent, including potential conditions of consent regarding timing of development. The resource consent will determine whether development can proceed immediately (in which case the exemption will apply) or whether development may be delayed through trigger actions imposed as conditions of consent or in the</p>

		absence of practicable options refused due to infrastructure constraints and therefore no discount can apply until integrated solutions are provided.
The indexing of financial contributions are based on an infrastructure report produced in 2000 and simply rolling over the initial figure may result in skewed data. Have the financial assumptions been tested in recent years? Is this methodology still valid? This needs to be rigorously tested.	The financial assumptions have been tested in recent years by an independent company specialising in infrastructure costings where Council considered options associated with adopting a FC's policy versus a development contributions policy. The analysis at this time determined the figures remained relevant and proportionate with Council determined to retain a financial contributions policy administered through the District Plan that reflected its existing urban growth strategy. Council is currently exploring a future development strategy for urban growth and once this strategy has been finalised and adopted new infrastructure reports and associated financial contributions will be developed.	No change recommended
How can the FC for a rural block of \$26 000 be justified?	The rural site figure is derived from the original infrastructure report from 2000 that supports Councils current urban growth strategy and new urban development areas provided for in the District Plan. While the report is relatively dated the original figures have been indexed in line with the producers price index every year and therefore remain proportionate to the impact of a new sites development potential (a new dwelling is generally a permitted activity on each site) on existing Councils infrastructure and services that benefit the whole of society rather than individual services provided to the site itself (e.g. the roading network, libraries, reserves, sports facilities etc).	No change recommended
Some rural subdivisions involve reorganising assets for landowners, and do not involve additional dwellings, and yet still attract a rural FC. In cases like these the FC should be deferred until the time of building	The choice to reorganise assets is completely a landowners decision and not Councils. The reorganisation of assets via subdivision is seen as a logical point for Council to review the potential of the land holdings development potential and its potential impacts on Council services such as rates, financial contributions, community facilities, etc. Subdivision requires resource consent which in turn enables conditions of consent to be imposed. Completion of the subdivision consent ensures that all conditions of consent are completed prior to the new title being issued and is a pragmatic time for Council to collect	No change recommended

consent, when the actual demand on Council services (library/reserves/roads etc.) is made. The policy should consider the case of a subdivision that creates no immediate demand on Council services and exempt from FC at the time of subdivision.	<p>financial contributions and begin planning for new and increased development and the infrastructure to support it ahead of development occurring. Waiting until building consents are issued before collecting FCs would mean that Council would always be in deficit in the provision of network infrastructure. An obvious example is in a greenfield urban development area where Council has to provide the off-site network infrastructure way ahead of building consents being issued. A consistent time to levy FC's (i.e. at time of subdivision) is an equitable approach which does not disadvantage existing ratepayers.</p> <p>It should be noted that 1.7.4 of the FC policy already states that "Where a development does not connect to Council's water supply, wastewater, and/or stormwater network, the development shall be exempt from these components of the financial contributions."</p>	
<p>3b Financial contributions do not apply where the subdivision is solely for the purpose of creating a title for an existing and lawfully established business unit.</p> <p>If land is being used for a new business, how will this be managed?</p>	<p>Existing land is considered to have already paid a financial contribution and new FC's only apply to each additional lot created by subdivision or second and each subsequent unit (building) of development. In general, rural land is considered to already be used for rural purposes and does not need to pay FC's for change of uses for similar rural uses although new commercial and industrial uses do.</p> <p>However, Councils FC policy enables a resource consent for what would otherwise be a permitted activity where there is an identifiable impact on council infrastructure in response to new demand for new development (e.g. unsealed yards in Table 2, Non-residential FC's for water supply, stormwater and roads irrespective of whether a building is proposed or not). New intensive uses compared to low intensity uses may also be subject to this requirement where identifiable impacts on infrastructure can be ascertained.</p>	No change recommended
1.7 'ampeped' - is this meant to be mapped?	Typo identified	Amend policy to state mapped
Opposes financial exemptions and intensification in and around Onekawa commercial area	This is a policy option open to Council and it is currently part of Councils strategy to encourage intensification around defined local centres which provide a range of benefits as opposed to urban sprawl.	No change recommended
3.2 Oppose - the Urban Infill Charge should be the same or more per lot unit as housing will still need	This is a policy option open to Council and it is currently part of Councils strategy to encourage intensification around defined local centres which provide a range of benefits as opposed to urban sprawl. The costs associated with intensification are generally considered to be less than	No change recommended

access to all utilities and have the same, if not more pressures from proposed intensification.	greenfield growth along with additional overall benefits (greater use of public transport, less reliance on vehicles, more economic provision of infrastructure etc). Lower urban infill charges recognises these benefits along with reduced impacts and costs on Council infrastructure and helps encourage sustainable forms of urban development.	
<p>Figure 1: District Plan Map of development areas Industrial and large format retail zones on Appendix 31 map on both sides of Taradale Road suggests this has been confirmed for Taradale Road.</p> <p>Oppose this type of building on side of Taradale Road closest to residential development e.g. Trinity Crescent.</p>	Industrial zone is on the north side of Taradale Road only and matches the long established zoning pattern in the District Plan. The map simply identifies the different FC areas, while the District Plan rightly establishes the appropriate zoning pattern.	No change recommended
<p>Figure 2: Financial Contributions Zone Appendix 16 Local Centre Exemption suggests this has been confirmed for Onekawa. Oppose medium density housing in Onekawa and specifically Alamein Crescent and surrounds. Oppose financial exemptions for Onekawa.</p>	<p>This is a policy option open to Council and it is currently part of Councils strategy to encourage intensification around defined local centres which provide a range of benefits as opposed to urban sprawl.</p> <p>The figure identifies where Council has decided exemptions should apply as part of the FC policy. The map could be clarified by changing the title of Figure 2/Appendix 16 to Financial Contribution Exemption Areas as this is what they are and show.</p>	Recommend changing the title of Figure 2/Appendix 16 to Financial Contribution Exemption Areas as this is what they are and show
<p>The policy references several items and plans from the Proposed District Plan (PDP)</p> <p>As per the principles mentioned in the Significance and Engagement Policy, people should also be</p>	<p>Council is required to follow the prescribed process and timeframes for review of all its strategic documents and policies. The strategic documents and policies should align with one another and provide a consistent policy position.</p> <p>In this instance the LTP and its associated FC policy needs to be reviewed prior to finalisation of the District Plan review. Should submissions on the District Plan change zoning patterns or strategic Council policy directions around urban growth and FC's future amendments to the FC policy may be required. However, the District Plan and</p>	No change recommended

encouraged to provide feedback and feel like they will be heard. If Council asks for feedback but policies Council are currently consulting on have plans in them pre-empting an outcome - Council are at a risk of being seen to be not being open and transparent.	FC policy currently align and recognise Councils preferred approach to urban growth.	
Supports inclusion of separate rates for residential care and retirement villages but states there is no clarity how sector specific rates compare to other residential developments. Rather than having a housing or development unit equivalent (HUE or DUE) Napier's FC policy uses non local off site, local off site and on site costs for each development area	<p>Napier's financial contributions are based on the actual costs of providing the network infrastructure necessary to support each development area rather than working out an average cost across all development areas and charging on a development unit equivalent.</p> <p>The justification for the costs are transparently presented in the Essential Services infrastructure development report, albeit noting that the policy is relatively dated and therefore relies on annual indexing to account for inflationary effects over time.</p>	No change recommended
Summerset considers that Napier should shift towards the use of development contributions under the Local Government Act 2002 rather than continue to rely on financial contributions and has provided a table detailing what they believe is a proportionate unit of demand for infrastructure services for retirement units	The financial assumptions underpinning Napier's financial contributions policy have been tested in recent years by an independent company specialising in infrastructure costings where Council considered options associated with adopting a FC's policy versus a development contributions policy. The analysis at this time determined the figures remained relevant and proportionate with Council determined to retain a financial contributions policy administered through the District Plan that reflected its existing urban growth strategy. Council is currently exploring a future development strategy for urban growth and once this strategy has been finalised and adopted new infrastructure reports and associated financial contributions or development contributions will be developed to charge fair and reasonable costs to offset the costs of providing network and community infrastructure. The actual details	No change recommended.

based on a Tauranga example that Napier should consider.	of the FC policy or a DC policy will be worked through at this time.	
Summerset believes that Council should reconsider the timing of payment for large staged developments so that contributions are payable on issue of code compliance certificates for building consent when the actual demand on Council services (library/reserves/roads etc.) is made.	Subdivision requires resource consent which in turn enables conditions of consent to be imposed. Completion of the subdivision consent ensures that all conditions of consent are completed prior to the new title being issued and is a pragmatic time for Council to collect financial contributions and begin planning for new and increased development and the infrastructure to support it ahead of development occurring. Waiting until building consents are issued before collecting FCs would mean that Council would always be in deficit in the provision of network infrastructure. An obvious example is in a greenfield urban development area where Council has to provide the off-site network infrastructure way ahead of building consents being issued. A consistent time to levy FC's (i.e. at time of subdivision) is an equitable approach which does not disadvantage existing ratepayers.	No change is recommended.

4.3 Issues

No further issues raised.

4.4 Significance and Engagement

Section 102 of the LGA requires Council to develop either a financial contributions policy or a developer's contributions policy. Consultation on this policy occurred parallel to the Three Year Plan and it was open for submissions for over a month, 25 March to 26 April.

4.5 Implications

Financial

The purpose of the contributions is to fund the growth/capacity capital cost of infrastructure for future development. No major changes have been made to the financial contribution fees other than indexing the figures to consider inflation.

The exemptions that have been identified as part of this policy, are consistent with the previous FC policy. The assumption that any new residential development in commercial areas will not require any further network upgrades beyond those planned in the Three Year Plan to accommodate this growth is still valid. Developer led solutions will be required prior to network solutions.

Social & Policy

Council is currently working on a Future Development Strategy which will be completed in the last quarter of 2024. This Strategy will review the growth assumptions which will be used at the next review of the financial contribution policy to be review in three years' time.

Officers are proposing to continue to charge financial contributions under the existing Financial Contributions section of the District plan.

Risk

- The exemptions will reduce the financial contribution revenue that Council receive, however this is off-set by the benefits from in-fill and intensification development. Typically, existing infrastructure has been provisioned to accommodate more growth in the city centres, or the change in land use does not create a significant increase in demand of services.
- Any possible future legislative changes that impact on the ability to charge for financial or development contributions.

4.6 Options

The options available to Council are as follows:

- a. Adopt the status quo approach to the financial contributions policy.
- b. Adopt the amended and notified policy to clarify the applicability of discounts, as well as the timing and payment of financial contributions along with minor amendments for improving readability. It would also ensure the wording used in the policy is consistent with the language used in the proposed District Plan.

4.7 Development of Preferred Option

The preferred option is b. Adopt the financial contribution policy as publicly notified (along with additional minor amendments).

Council wishes to encourage residential growth in certain areas in order to revitalise the city centres. These are considered to be a simple and equitable means of achieving Council's strategic objectives related to providing capacity for housing development, and balancing the needs of funding for infrastructure.

4.8 Attachments

- 1 Draft Financial Contributions Policy (Doc Id 1769072) [↓](#)
- 2 Submissions Financial Contributions policy (Doc Id 1769417) (Under separate cover 1)



Financial Contributions Policy

Approved by	Council		
Department	City Strategy		
Original Approval Date		Review Approval Date	
Next Review Deadline		Document ID	
Relevant Legislation	The Local Government Act 2002, Resource Management Act 1991		
NCC Documents Referenced	Not Applicable		

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Overview

Purpose of the Policy

Population and business growth create the need for new subdivisions and developments, and these place increasing demands on the assets and services provided by Council. As a result, significant investment in new or upgraded assets and services is required to mitigate the environmental effects and meet the demands of growth. In this policy, this investment is termed the cost of growth.

Under Section 106 of the *Local Government Act*, Napier City Council can require development or financial contributions from developers to help fund the cost of new or expanded infrastructure and services that are required to meet the additional demand created by growth, and/or to avoid, remedy, or mitigate any adverse effects resulting from land development and subdivision.

Council intends to achieve this in the short term by using Financial Contributions under the *Resource Management Act 1991* (RMA91). This approach covers all types of development (residential and non-residential) and is a city-wide approach for development anywhere in Napier City.

Navigating this document

Part 1: Policy operation - provides information needed to understand if, when, and how financial contributions will apply to developments. It also explains peoples' rights and the steps required to properly operate the Policy. The key sections are:

- The contributions – how much will be levied.
- When financial contributions are levied and paid
- Other operational matters

Part 2: Policy Details – requirements of the policy.

Part 3: Supporting Information - Policy maps, District Plan references and definitions.

Changes to the policy

This policy retains the use of financial contributions for residential and non-residential development used in the previous policy. Minor changes are proposed to the 2021 policy to clarify the timing of payment for residential developments; the application of exemption/discounts for identified areas; and to align with the Three Year Plan.

1. Policy Operation

Council's functions under the RMA include establishing and implementing methods to achieve integrated management of the effects of the use, the development or the protection of land, and the control of subdivision. The charging of financial contributions is an important mechanism in carrying out those functions and ensuring there are positive effects on the environment that avoid, remedy, or mitigate any adverse effects resulting from land development and subdivision. Council considers the existing financial contributions the simplest and most effective means of funding growth costs as they are in place for the main development areas that are partially developed, or about to be developed.

Financial Contributions are a component of the City of Napier District Plan (Nov 2011). Copies of the City of Napier District Plan can be viewed at the Napier and Taradale Public Libraries and on Napier City Council's website www.napier.govt.nz. This is termed the operative District Plan in this policy.

1.1. Assessment criteria

Chapter 65 of the operative District Plan specifies in detail the issues, objectives, policies, and rules relating to financial contributions. The provisions of the operative District Plan on financial contributions relate to the following matters:

1. Residential Subdivision

- a. On every subdivision the financial contribution per lot must be paid to the Council for each additional lot or certificate of title created by the subdivision.
- b. Financial contributions do not apply where the subdivision is solely for the purpose of creating a title for an existing dwelling unit.

2. Residential Multi-Unit Development

- a. On every multi-unit development for residential purposes, the financial contribution must be paid to the Council for the second and each subsequent unit of the development.

3. Industrial and Commercial Land Development

- a. On every land development for industrial and/or commercial purposes, the financial contribution must be paid to the Council for:
 - i. Each additional lot or certificate of title created by the subdivision.
 - ii. The second and each subsequent unit of development.
- b. Financial contributions do not apply where the subdivision is solely for the purpose of creating a title for an existing and lawfully established business unit.

For non-residential developments where a resource consent would not normally be required (complying or permitted activity), Council may require a resource consent for the purpose of levying a financial contribution - see Section 1.6.

Financial contributions are established in the following three categories:

1. Non local (off site) 2. Local (off site)	Off Site Services means local services serving a particular locality provided at the time of land development (including subdivision) e.g. extended reticulation and sewer trunk mains and/or non-local services provided at district level in response to demand from new development e.g. increased sewage treatment capacity. Costs for off site services may be shared between various developers and the Council on behalf of existing sites.
3. On site	On Site Services means services within a land development (including a subdivision) paid for wholly by the developer and vested in the Council, e.g. on site sewer reticulation.

1.2. Summary of Financial Contributions

All financial contributions are summarised in the tables below for both residential and non-residential development. These have been indexed as permitted by the District Plan. The original financial contributions as per the operative District Plan, and the inflation indexes can be found in Part 3 of this policy.

Table 1 : Infill, Residential and Rural Financial Contributions

Development Area	Non local Off Site Contributions		Local Off Site Contributions		On Site Contributions	
	1 July 2024 (inc GST)	paid per	1 July 2024 (inc GST)	paid per	1 July 2024 (inc GST)	paid per
Infill						
Urban Infill	\$32,144.57	per lot/unit	\$3,240.35	per lot/unit		
Multi-storey	\$28,517.61	per lot/unit	\$82,409.58	per Ha		
Jervois town: Full Urban	\$31,178.94	per lot/unit	\$122,606.48	per Ha		
Residential						
Citrus Grove	\$31,101.62	per lot/unit	\$1,001.60	per lot/unit	\$161.83	per lot/unit
King/Guppy	\$29,733.19	per lot/unit	\$276,037.65	per Ha		
			\$1,030.36	per m road frontage		
Lagoon Farm	\$30,871.45	per lot/unit	\$1,001.60	per lot/unit		
Mission Special Character Zone	\$26,106.23	per lot/unit	\$1,352.25	per lot/unit		
Park Island	\$31,196.92	per lot/unit	\$1,001.60	per lot/unit		
Te Awa	\$29,519.20	per lot/unit	\$706,026.13	per Ha		
			\$4,581.81	per m road frontage		
Rural						
Poraiti	\$21,599.94	per lot/unit	\$2,476.12	per lot/unit		

Lifestyle Chara.	\$26,106.23	per lot/unit	\$3,626.96	per lot/unit	
Jervoistown: Rural Infill	\$25,223.31	per lot/unit	\$10,593.17	per lot/unit	
			\$12,360.81	per lot/unit	
			\$157,054.54	per lot/unit	
All Other Rural Areas	\$21,599.94	per lot/unit	\$4,040.55	per lot/unit	

See Section 3.4 Definitions for the definition of lot and unit (dwelling unit).

Table 2 : Non-residential Financial Contributions

Development Type	Water Supply Contribution		Wastewater Contribution	Stormwater Contribution	Roads & Transportation Contribution
	1 July 2024 (inc GST)	1 July 2024 (inc GST)	1 July 2024 (inc GST)	1 July 2024 (inc GST)	1 July 2024 (inc GST)
Non-Residential based	Gross floor area (\$ per m2)	Pervious land area (\$ per m2)	Gross floor area (\$ per m2)	Land area (\$ per m2)*	Per every new lot/unit ^ (\$)
Office & shops	\$10.00	\$3.75	\$6.97	\$6.82	\$16,663.53
Medical Clinics / Hospitals	\$12.49	\$3.75	\$8.72	\$6.82	\$16,663.53
Warehouses / Factories / Network Utility Operations	\$5.02	\$3.75	\$3.49	\$6.82	\$16,663.53
Unsealed Yards	\$0.00	\$3.75	\$0.00	\$1.74	\$16,663.53
Non-Residential based	Per church	Pervious land area (\$ per m2)	Per church	Land area (\$ per m2)*	Per every new lot/unit (\$)
Churches	\$5,002.45	\$3.75	\$3,489.12	\$6.82	\$16,663.53
Residential based	Population (\$ per head)	Pervious land area (\$ per m2)	Population (\$ per head)	Land area (\$ per m2)*	Per every new lot/unit (\$)
Residential Care Facilities	\$375.31	\$3.75	\$261.50	\$6.82	\$16,663.53
Travellers' Accommodation	\$375.31	\$3.75	\$261.50	\$6.82	\$16,663.53
Day Care Centres	\$188.87	\$3.75	\$130.75	\$6.82	\$16,663.53
Educational Facilities	\$188.87	\$3.75	\$130.75	\$6.82	\$16,663.53
Retirement Complexes	\$372.89	\$3.75	\$261.50	\$6.82	\$16,663.53
	OR equivalent water connection (whichever is greater)		OR equivalent wastewater connection (whichever is greater)	* based on 60% sealed area max. Sealed areas greater than 60% pro rata.	^ A unit is 8 vehicle

Connection Diameter (mm)	Water Supply Contribution per connection	Wastewater Contribution per connection	
15	\$2,501.22	\$1,745.77	movements per day as defined in Chapter 65 of the District Plan (Table 2), being the average number of vehicle movements generated by a typical household
20	\$4,452.80	\$3,118.67	
25	\$6,954.03	\$4,869.28	
40	\$17,784.59	\$12,450.43	
50	\$27,789.50	\$19,452.88	
80	\$71,131.13	\$49,792.03	
100	\$111,148.29	\$77,804.28	

1.3. Capital contributions

In addition to the above financial contributions, the subdivider or developer is required to meet the cost of providing all infrastructure within land being developed or subdivided where the benefits accrue directly to the land being subdivided or developed.

Where existing infrastructure and services outside the land being subdivided or developed are inadequate for the existing development, the cost of upgrading or the provision of new facilities shall be shared fairly between the subdivider or developer and the Council if there is capital works of benefit to another area.

The subdivider or developer is required to meet the proportionate cost of upgrading infrastructure, or for the provision of new infrastructure, where the development/subdivision will necessitate such upgrading or new offsite services.

However, Council will still have the authority to require works or services, or seek cash or land contributions on new developments to avoid, remedy and mitigate the environmental effects of proposed developments through resource consent conditions or in accordance with any relevant rule in the District Plan or any transitional provision under the RMA.

Consultation with Council staff is required to determine the capacity and specific solutions needed to service the new development along with how that will be assessed via resource consent, including potential conditions of consent regarding timing of development. The resource consent will determine whether the development can proceed immediately (in which case the exemption will apply) or whether the development may be delayed through trigger actions imposed as conditions of consent. In the absence of practicable solutions, the consent will be refused due to infrastructure constraints and therefore no discount can apply until integrated solutions are provided.

1.4. Financial Contributions – Reserves

There is a long history of requiring subdivision of land to provide land or money for the purpose of providing public open space as reserves. Reserves are generally required as part of the subdivisions process since they provide the open space and recreation facilities and opportunities necessary to cater for additional demand generated and to protect or enhance amenity values.

As communities grow, there is a need to provide recreation and open space to meet their needs and requirements. The guiding principle in the determination of reserves requirements relating to city growth is the preservation of the current ratio of recreational reserves per residential lot.

This ratio for Napier has been calculated at 75 m² per residential property and is considered both satisfactory by current users and appropriate for the future.

1.5. Land, works or assets provided in lieu of financial contributions

Where the developer provides assets that council would typically provide, in lieu of financial contributions, the amount of the works shall be off-set against the total financial contribution applicable. The mechanism of how the total contributions is calculated (per lot, per metre road frontage, per hectare) will not be considered as part of the off-set calculation.

1.6. Timing of assessment, invoicing and payment

All financial contributions shall be levied as a condition of resource consent. The process for both residential and non-residential development is shown below.

Residential

The financial contribution shall be notified as a condition of resource consent (typically subdivision) when the consent is granted.

For subdivisions, the invoice shall be generated at the time the Section 224 Certificate is requested.

Once the payment of the financial contribution is received and all other conditions are met, the Section 224 Certificate shall be issued.

For residential developments subject to a land use consent, or established as a permitted activity, an invoice will be generated before the building consent is uplifted. The development will only be a permitted activity if the applicant has paid financial contributions. If the applicant has not paid financial contributions at the building consent stage, we can issue a certificate in terms of Section 37 of the Building Act 2004, requiring the applicant to apply for resource consent.

Non-Residential

The financial contribution for non-residential development will be assessed at the building consent stage. However, the financial contributions shall be levied as a condition of resource consent. A resource consent will be required for:

- A permitted activity - the development will only be a permitted activity if the applicant has paid financial contributions. If the applicant has not paid financial contributions at the building consent stage, we can issue a certificate in terms of Section 37 of the Building Act 2004, requiring the applicant to apply for resource consent.
- Not a permitted activity – a resource consent will be required as per standard practice for the development.

The invoice shall be generated before the building consent is uplifted.

Once the payment of the financial contribution is received and all other conditions are met, the

building consent may be uplifted.

Any land use not identified as a controlled activity, a restricted discretionary activity, a discretionary activity or a prohibited activity elsewhere in this plan and that complies with all the relevant conditions is a permitted activity.

Non-Payment

On time payment is important because, until the financial contributions have been paid in full, Council may:

- withhold Section 224 Certificate being issued.
- prevent a building consent being uplifted or issued, or prevent the commencement of the building. Council may also retain the right to pursue all normal debt collection processes should payment be withheld.

1.7. Exemptions / Discounts

Council wishes to encourage residential growth and a range of dwelling typologies in certain areas in order to revitalise the city, town and local centres. Accordingly, the exemptions/discounts to financial contributions below shall apply for the following developments. Note: the extent of the exemption/discount areas referred to in Sections 1.7.1 – 1.7.3 below are mapped on Council's Intramaps, available online at napier.govt.nz.

1.7.1 City Centre

A new residential unit within the Art Deco Quarter and Inner City Commercial Zone within an existing gross floor area shall be exempt 80% of the financial contribution. Any new residential unit in addition to the existing floor area will be exempt by 50%. This reflects the fact that where a conversion development occurs within the existing built city environment, there is not always an established link between residential activity and an increased demand on services like 3-waters and transportation. However, there is an increase in demand for community infrastructure and parks/reserves, and from the new floor area that did not previously exist.

1.7.2 Fringe City and Taradale Centre

Any multi-unit residential development within Fringe Commercial Zone and Taradale Suburban Commercial Zone shall be exempt 50% of the financial contribution.

1.7.3 Proximity to Local Centre

Any multi-unit residential development in close proximity to the main commercial centers in Marewa, Napier South, Onekawa, Greenmeadows, Maraenui, Taradale and Tamatea (as defined in the map in Figure 4) shall be assessed based on the number of bedrooms in each apartment/unit. This is considered a fair way to reflect the lower demand typically created by smaller apartments compared to a residential dwelling, and is intended to encourage intensification and a range of dwelling typologies close to local centres. The exemptions shall be:

- | | |
|------------------------------|---------------|
| ○ One bedroom unit | 50% exemption |
| ○ Two bedroom unit | 33% exemption |
| ○ Three or more bedroom unit | 0% exemption |

The greater of the above exemptions shall be applied, however, a single development may only be granted one exemption. The approval of an exemption should be agreed prior to resource consent being granted so the exemption is made clear in the conditions of consent.

1.7.4 Non-connection

Where a development does not connect to Council's water supply, wastewater, and/or stormwater network, the development shall be exempt from these components of the financial contributions.

1.8. Extraordinary Circumstances

Council reserves the discretion to enter into specific arrangements with a developer for the provision of particular infrastructure to meet the special needs of a development, for example where a development requires a special level of service or is of a type or scale that is not readily assessed in terms of units of demand, or is developed through a legislative consent process outside of the RMA.

1.9. Refunds and Postponements

For the purposes of this Policy, refunds and/or postponements on payment of Financial Contributions will not be applied.

1.10. Tax - GST

Financial contributions required will incur a Goods and Services Tax at the appropriate rate. All figures in the above tables in this section are as on 1st July 2021 and are shown inclusive of GST of 15%.

1.11. Future indexing

Financial contributions for subsequent years (taking into account indexation) will be shown in Council's Schedule of Fees and Charges, available from 1st July each year. These will be adjusted based on the latest Producer Price Index (EE Construction SQNEE0000).

1.12. Example calculations

The following tables provides a range of examples for calculations of subdivision and developments in Napier city.

Variable	Inputs/Calculations	Unit
Location	Mission Special Character Zone	
Development type	Subdivision	
Lots	50	lots
Non-local Off-Site Contributions	\$26,106	inc GST
Local Off-Site Contributions	\$1,352	inc GST
On-Site Contributions	\$0	inc GST
Sub-Total (\$/lot)	\$27,459	per lot
TOTAL Financial Contribution	\$1,372,933	inc GST

Variable	Inputs/Calculations	Unit
Location	Urban Infill - within exemption zone	
Development type	Subdivision	
Lots	4	lots
Non-local Off-Site Contributions	\$32,145	inc GST

Local Off-Site Contributions	\$3,240	inc GST
On-Site Contributions	\$0	inc GST
Sub-Total (\$/lot)	\$35,385	per lot
Exemption @ 50%	\$17,692	per lot
Revised Sub-Total (\$/lot)	\$17,692	per lot
TOTAL Financial Contribution	\$70,770	inc GST

Variable	Inputs/Calculations	Unit
Location	Urban Infill	
Development type	Development - high density apartments	
Lots	1	lot
Apartments - 1 bedroom	10	units
Apartments - 2 bedroom	10	units
Non-local Off-Site Contributions	\$32,145	inc GST
Local Off-Site Contributions	\$3,240	inc GST
On-Site Contributions	\$0	inc GST
Sub-Total (\$/unit)	\$35,385	per lot
Exemption @ 50% for 1 bedroom	\$17,692	inc GST
Exemption @ 33% for 2 bedroom	\$11,677	inc GST
Revised Sub-Total (\$/unit) - 1 bedroom	\$17,692	per lot
Revised Sub-Total (\$/unit) - 2 bedroom	\$23,708	per lot
TOTAL Financial Contribution	\$414,002	inc GST

Variable	Inputs/Calculations	Unit
Location	Te Awa	
Development type	Subdivision	
Lots	30	lots
Land area	2	Ha
Road frontage	175	m
Non-local Off-Site Contributions	\$29,519.53	inc GST
Local Off-Site Contributions (per Ha)	\$706,026.43	inc GST
Local Off-Site Contributions (per m road frontage)	\$4,582.09	inc GST
On-Site Contributions	\$0.00	inc GST
Sub-total Non-local Off-Site Contributions	\$885,586	inc GST
Sub-total Local Off-Site Contributions (Land area)	\$1,412,053	inc GST
Sub-total Local Off-Site Contributions (Road frontage)	\$801,865	inc GST
TOTAL Financial Contribution	\$3,099,504	inc GST

Variable	Inputs/Calculations	Unit
Location	Napier City	
Development type	shop Commercial Development - Retail	
Gross floor area	1,000	m ²
Pervious land area	1,250	m ²
Land area	2,000	m ²
Lots	1	lot
Vehicle movements - traffic impact assessment	200	vpd
Water supply - Gross floor area (\$/m ²)	\$10.00	inc GST
Water supply - Pervious land area (\$/m ²)	\$3.75	inc GST
Wastewater - Gross Floor Area (\$/m ²)	\$6.97	inc GST
Stormwater - Land Area (\$/m ²)	\$6.82	inc GST
Road & Transportation - unit (\$/unit)	\$16,664	inc GST
Sub-total Water supply - Gross floor area	\$9,997	inc GST
Sub-total Water supply - Pervious land area	\$4,688	inc GST
Sub-total Wastewater - Gross Floor Area	\$6,974	inc GST
Sub-total Stormwater - Land Area	\$13,647	inc GST
Sub-total Road & Transportation - unit	\$416,596	inc GST
TOTAL Financial Contribution	\$451,903	inc GST

2. Policy Details

2.1. Requirement to have a policy

Council is required to have a policy on development contributions and financial contributions as a component of its funding and financial policies in its Long Term Plan under section 102(2)(d) of the LGA02. This Financial Contributions Policy meets that requirement.

2.2. Funding summary

Over the next 10 years, Council plans to spend nearly \$143M on infrastructure partially or wholly needed to meet the increased demand for community facilities resulting from growth/development. Of this cost, 13% percent will be funded from financial contributions. A summary by asset grouping is shown below.

Table 3: NCC 2024-34 Three Year Plan Capital Programme - Growth Capital

Activity Group	Total Capital Programme 2024-34 (\$000)	Growth Related Capital 2024-34 (\$000)	Portion funded by FCs %	Other
City Strategy	3,165	342	11%	89%
Community and Visitor Experiences	267,172	20,403	8%	92%
Other Infrastructure	33,684	4,791	14%	86%
Property Assets	117,716	116	0%	100%
Stormwater	120,645	14,602	12%	88%
Support Units	58,312	4,525	8%	92%
Transportation	248,818	22,959	9%	91%
Wastewater	189,103	49,250	26%	74%
Water Supply	98,671	25,993	26%	74%
Totals	1,137,286	142,981	13%	87%

2.3. General purposes for which financial contributions may be used

Council has decided to fund these growth related costs from financial contributions under the *Resource Management Act 1991* for the following activities:

- Water Supply
- Wastewater Disposal
- Waste Disposal
- Sports and Reserves
- Roads and Transportation
- Recreation Facilities
- Stormwater Disposal
- Library Facilities

2.4. Considerations for funding growth costs

In forming this view, Council has considered the matters set out in section 101(3) of the LGA02 within its Revenue and Financing Policy, and within this Policy.

Council is required under Section 106(2)(c) of the LGA02 to explain within this Policy why it has decided to use financial contributions to fund capital expenditure relating to the cost of growth. This assessment is below.

Council generally outlines its community outcomes in the Long Term Plan. For the 2024-2027 period, Council has outlined strategic priorities for its Three Year Plan. The funding of capital expenditure for growth for water supply, wastewater, stormwater, road, reserves, and community infrastructure will contribute to, and align with, the strategic priorities in this three year term. The strategic priorities are listed below.

Priority	Summary
Nurturing authentic relationships with our community and partners	Council fosters meaningful relationships, demonstrating our commitment to listen to our community's needs, concerns, and aspirations. Developing strong partnerships with mana whenua and tanaga whenua ensures we uphold our obligations under Te Tiriti o Waitangi.
Financially sustainable Council	Council has an operating model and financial strategy which is affordable for rate payers and enables us to achieve our objectives.
A Great Visitor Destination	Napier is a destination aspiring to provide 'world class' facilities and attract visitors to our city. We make it easy for people to invest in our city and create experiences that attract widespread participation.
Spaces and places for all	Napier has spaces and places that everyone has access to and wants to use. We have a focus on accessibility, affordability, safety, and city vibrancy.
A resilient city – the ability to thrive and withstand impacts, knocks, and shocks	Council makes good future planning and investment decisions to prepare for a changing climate future and enables our community to build self-reliance. Our people, economy and infrastructure are resilient.

Council has also considered the funding of growth-related costs specific to the other matters required by s101 (3) of the LGA. A summary of this assessment is below.

Who Benefits / whose act creates the need	<p>A significant portion of Council's work programme over the next 30 years is driven by development or has been scoped to ensure it provides for new developments. The extent to which growth is serviced by, and benefits from, an asset or programme as well as how much it serves and benefits existing ratepayers is determined for each asset or programme.</p> <p>Council believes the growth costs identified through this process should be recovered from development as this is what creates the need for the expenditure and /or benefit principally from new assets and additional network capacity. Where and to the extent that works benefit existing residents and businesses, those costs are recovered through rates.</p> <p>The geographical areas are defined by the maps in the District Plan and summarised in Part 1 of this policy.</p>
Period of benefit	<p>The assets constructed for development provide benefits and capacity for developments now and developments in the future. In many cases, the 'capacity life' of such assets spans decades.</p> <p>Financial contributions are used to recover the capital costs to service an entire development area, over the capacity life of assets. Developments that benefit from the assets will contribute to its cost, regardless of whether they happen now or in the future.</p>
Funding sources & REASONING for separate funding	<p>The cost of supporting development in Napier City is significant. Financial contributions send clear signals to the development community about the cost of growth and the capital costs of providing infrastructure to support that growth.</p> <p>The benefits to the community are significantly greater than the cost of policy making, calculations, collection, accounting, and distribution of funding for financial contributions.</p>
Overall impact of liability on the community	<p>Council has also considered the impact of the overall allocation of liability on the community. In this case, the liability for revenue falls directly with the development community. Council considers that the level of financial contributions is affordable and does not consider it likely that there will be an undue or unreasonable impact on the social, economic, and cultural wellbeing of this section of the community.</p> <p>Moreover, shifting development costs onto ratepayers is likely to be perceived as unfair to existing residents as it would significantly impact the rates revenue required. Existing residents do not cause the need, or benefit directly from the growth infrastructure, needed to service new developments.</p> <p>Overall, Council considers it fair and reasonable to use financial contributions to fund the costs of growth-related capital expenditure for community facilities, and that the social, economic, and cultural interests of Napier's communities are best advanced this way.</p>

2.5. Implementation and review

It is anticipated that this Policy will be updated on a three-yearly basis or at shorter intervals if Council deems it necessary. Any review of the Policy will take account of the following:

- Any changes to significant assumptions underlying the Financial Contributions Policy.
- Any changes in the capital development works programme for growth.
- Any changes in the pattern and distribution of development in the District.
- Any changes that reflect new or significant modelling of the networks.
- The regular reviews of the Revenue and Financial Policies, and the Long Term Plan.
- Any other matters Council considers relevant.
- Any review of the Urban Growth Study and Essential Services Development Plans.
- Any changes in legislation.

2.6. Significant Assumptions of the Financial Contributions Policy

Council has taken an approach to ensure that the cumulative effect of development is considered with a system-wide view. This Policy considers the specific infrastructure demands created by individual developments in the context of Council's wider community responsibilities as an infrastructure service provider.

The capital expenditure budgets, and projected estimates of future asset works are based on the best available knowledge at the time of preparation. The Policy will be updated, as practical, to reflect better information as it becomes available.

Council continues to work with its neighboring and regional councils to provide for and manage the demand for both residential and non-residential growth.

The key risks that Council will continue to monitor and mitigate are as follows:

- That the costs required to service the development areas is higher than forecast resulting in a funding gap of the growth costs.
- That the growth predicted does not eventuate, resulting in a change to the assumed rate of development and impacting council's revenue.
- Development may occur in areas not considered in the operative District Plan, and therefore may not have appropriate funding mechanisms in place to recover the costs.
- Decisions on the zoning pattern in the proposed District Plan may affect the location and uptake of development.
- The potential changes to existing legislation, e.g. RMA reform, 3-Waters reform, fast tracked development areas.

To guard against the above, Council will continue to monitor the rate of growth, the timing of the delivery of assets/capacity and the funding policies in place, as required.

3. Supporting information

3.1. Inflation indexes

As permitted in the operative District Plan, the financial contributions in Part 1 of this policy have been adjusted based on the Producer Price Index (EE Construction SQNEE0000). The indexes are based on the following clauses in the operative District Plan:

- Residential (notes below Table 1 (Chapter 65) Residential and Rural Financial Contributions);

All figures in the table are as at 1 July 2010 - 30 June 2011 (based on December 2009 indices)

- Non-Residential (Chapter 65; 65.13 Indexing of Financial Contributions)

The financial contributions stated elsewhere in this Chapter are as at 1 July 2005 - 30 June 2006 (based on December 2004 PPI values) for Commercial and Industrial financial contributions.

The index and the adjustment for the residential and non-residential financial contributions are shown in the table below.

PPI Quarter	Policy start date	Index	Residential % adjustment	Non-Residential % adjustment
Dec-04	1-Jul-05	721	n/a	100%
Dec-05	1-Jul-06	773	n/a	107%
Dec-06	1-Jul-07	858	n/a	119%
Dec-07	1-Jul-08	902	n/a	125%
Dec-08	1-Jul-09	960	n/a	133%
Dec-09	1-Jul-10	971	100%	135%
Dec-10	1-Jul-11	1,000	103%	139%
Dec-11	1-Jul-12	1,031	106%	143%
Dec-12	1-Jul-13	1,046	108%	145%
Dec-13	1-Jul-14	1,057	109%	147%
Dec-14	1-Jul-15	1,067	110%	148%
Dec-15	1-Jul-16	1,076	111%	149%
Dec-16	1-Jul-17	1,094	113%	152%
Dec-17	1-Jul-18	1,129	116%	156%
Dec-18	1-Jul-19	1,176	121%	163%
Dec-19	1-Jul-20	1,199	123%	166%
Dec-20	1-Jul-21	1,211	125%	168%
Dec-21	1-Jul-22	1,304	134%	181%
Dec-22	1-Jul-23	1,467	151%	203%
Dec-23	1-Jul-24	1,519	156%	211%

3.2. Original and indexed financial contributions

Table 4 : Infill, Residential and Rural Financial Contributions

Development Area	Non local Off Site Contributions				Local Off Site Contributions				On Site Contributions			
	Original - District Plan (exc GST)	1-Jul-24 (exc GST)	1-Jul-2021 (inc GST)	Units	Original - District Plan (exc GST)	1-Jul-24 (exc GST)	1-Jul-2021 (inc GST)	Units	Original - District Plan (exc GST)	1-Jul-24 (exc GST)	1-Jul-2021 (inc GST)	Units
Infill												
Urban Infill	\$22,422	\$27,952	\$32,145	per lot/unit	\$2,260	\$2,817	\$3,240	per lot/unit	\$0	\$0	\$0	
Multi-storey	\$19,893	\$24,798	\$28,517	per lot/unit	\$57,485	\$71,660	\$82,410	per Ha	\$0	\$0	\$0	
Jervoisstown: Full Urban	\$21,749	\$27,112	\$31,179	per lot/unit	\$85,524	\$106,615	\$122,606	per Ha	\$0	\$0	\$0	
Residential												
Citrus Grove	\$21,695	\$27,045	\$31,101	per lot/unit	\$699	\$871	\$1,002	per lot/unit	\$113	\$140	\$162	per lot/unit
King/Guppy	\$20,740	\$25,854	\$29,733	per lot/unit	\$192,550	\$240,033	\$276,038	per Ha	\$0	\$0	\$0	
					\$719	\$896	\$1,030	per m road frontage	0	0	0	
Lagoon Farm	\$21,534	\$26,845	\$30,872	per lot/unit	\$699	\$871	\$1,002	per lot/unit	\$0	\$0	\$0	
Mission Special Character Zone	\$18,210	\$22,701	\$26,106	per lot/unit	\$943	\$1,175	\$1,352	per lot/unit	\$0	\$0	\$0	
Park Island	\$21,761	\$27,128	\$31,197	per lot/unit	\$699	\$871	\$1,002	per lot/unit	\$0	\$0	\$0	
Te Awa	\$20,591	\$25,669	\$29,520	per lot/unit	\$492,490	\$613,936	\$706,026	per Ha	\$0	\$0	\$0	
					\$3,196	\$3,984	\$4,582	per m road frontage				

Rural											
Poraiti	\$15,067	\$18,782	\$21,600	per lot/unit	\$1,727	\$2,154	\$2,476	per lot/unit	\$0	\$0	\$0
Lifestyle Chara.	\$18,210	\$22,701	\$26,106	per lot/unit	\$2,530	\$3,153	\$3,628	per lot/unit	\$0	\$0	\$0
Jervoisstown: Rural Infill	\$17,595	\$21,933	\$25,223	per lot/unit	\$7,389	\$9,212	\$10,593	per lot/unit	\$0	\$0	\$0
					\$8,622	\$10,748	\$12,360	per lot/unit			
					\$109,554	\$136,570	\$157,054	per lot/unit			
All Other Rural Areas	\$15,067	\$18,782	\$21,600	per lot/unit	\$2,818	\$3,513	\$4,040	per lot/unit	\$0	\$0	\$0

Table 5 : Non-residential financial contributions

	Original - District Plan (exc GST)	1/07/2024	2021 (inc GST)	Original - District Plan (exc GST)	1-Jul	Original - District Plan (exc GST)	1-Jul	Original - District Plan (exc GST)	1-Jul	Original - District Plan (exc GST)	1-Jul	Original - District Plan (exc GST)	1-Jul	Original - District Plan (exc GST)	1-Jul
	(exc GST)	(exc GST)	(inc GST)	(exc GST)	(inc GST)	(exc GST)	(inc GST)	(exc GST)	(inc GST)	(exc GST)	(inc GST)	(exc GST)	(inc GST)	(exc GST)	(inc GST)
Non-Residential based	Gross floor area (\$ per m ²)			Pervious land area (\$ per m ²)			Gross floor area (\$ per m ²)			Land area (\$ per m ²)			Per every new lot/unit (\$)		
Office & shops	\$5.18	\$8.69	\$10.00	\$1.94	\$3.26	\$3.75	\$3.61	\$6.06	\$6.97	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Medical Clinics/Hospitals	\$6.47	\$10.86	\$12.49	\$1.94	\$3.26	\$3.75	\$4.52	\$7.58	\$8.72	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Warehouses/Factories/Network Utility Operations	\$2.60	\$4.35	\$5.02	\$1.94	\$3.26	\$3.75	\$1.81	\$3.04	\$3.49	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Unsealed Yards	\$0.00	\$0.00	\$0.00	\$1.94	\$3.26	\$3.75	\$0.00	\$0.00	\$0.00	\$0.90	\$1.52	\$1.74	\$8,632.34	\$14,490.02	\$16,663.53
Non-Residential based	Per church			Pervious land area (\$ per m ²)			Per church			Land area (\$ per m ²)			Per every new lot/unit (\$)		
Churches	\$2,591.46	\$4,349.96	\$5,002.45	\$1.94	\$3.26	\$3.75	\$1,807.50	\$3,034.02	\$3,489.12	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53

Residential based	Population (\$ per head)			Pervious land area (\$ per m ²)			Population (\$ per head)			Land area (\$ per m ²)			Per every new lot/unit (\$)		
Residential Care Facilities	\$194.42	\$326.35	\$375.31	\$1.94	\$3.26	\$3.75	\$135.47	\$227.40	\$261.50	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Travellers' Accommodation	\$194.42	\$326.35	\$375.31	\$1.94	\$3.26	\$3.75	\$135.47	\$227.40	\$261.50	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Day Care Centres	\$97.84	\$164.23	\$188.87	\$1.94	\$3.26	\$3.75	\$67.73	\$113.69	\$130.75	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Educational Facilities	\$97.84	\$164.23	\$188.87	\$1.94	\$3.26	\$3.75	\$67.73	\$113.69	\$130.75	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
Retirement Complexes	\$193.17	\$324.25	\$372.89	\$1.94	\$3.26	\$3.75	\$135.47	\$227.40	\$261.50	\$3.54	\$5.93	\$6.82	\$8,632.34	\$14,490.02	\$16,663.53
	OR equivalent water connection (whichever is greater)						OR equivalent wastewater connection (whichever is greater)								
Connection Diameter (mm)	Water Supply Contribution per connection						Wastewater Contribution per connection								
15	\$1,296	\$2,175	\$2,501				\$904	\$1,518	\$1,746						
20	\$2,307	\$3,872	\$4,453				\$1,616	\$2,712	\$3,118						
25	\$3,602	\$6,047	\$6,954				\$2,522	\$4,235	\$4,869						
40	\$9,213	\$15,465	\$17,785				\$6,450	\$10,826	\$12,451						
50	\$14,396	\$24,165	\$27,790				\$10,077	\$16,916	\$19,453						
80	\$36,849	\$61,854	\$71,131				\$25,794	\$43,297	\$49,792						
100	\$57,579	\$96,650	\$111,148				\$40,306	\$67,656	\$77,804						

3.3. Maps

Note: Maps are also available on Council's GIS available online at napier.govt.nz

Figure 1 : District Plan Map of development areas

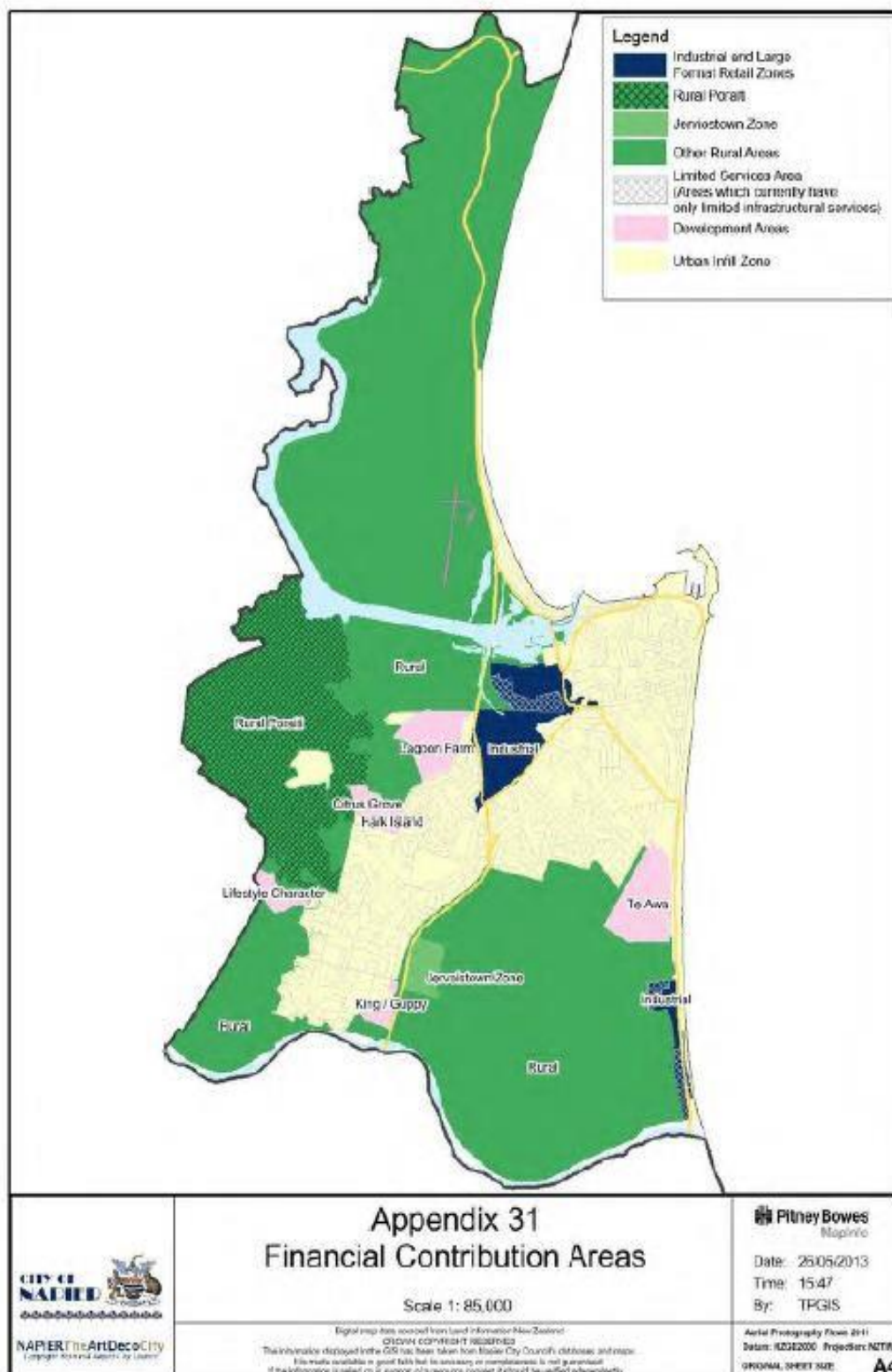
CITY OF NAPIER DISTRICT PLAN**Appendix 31 – Financial Contribution Areas**

Figure 2 : Financial contributions exemption areas

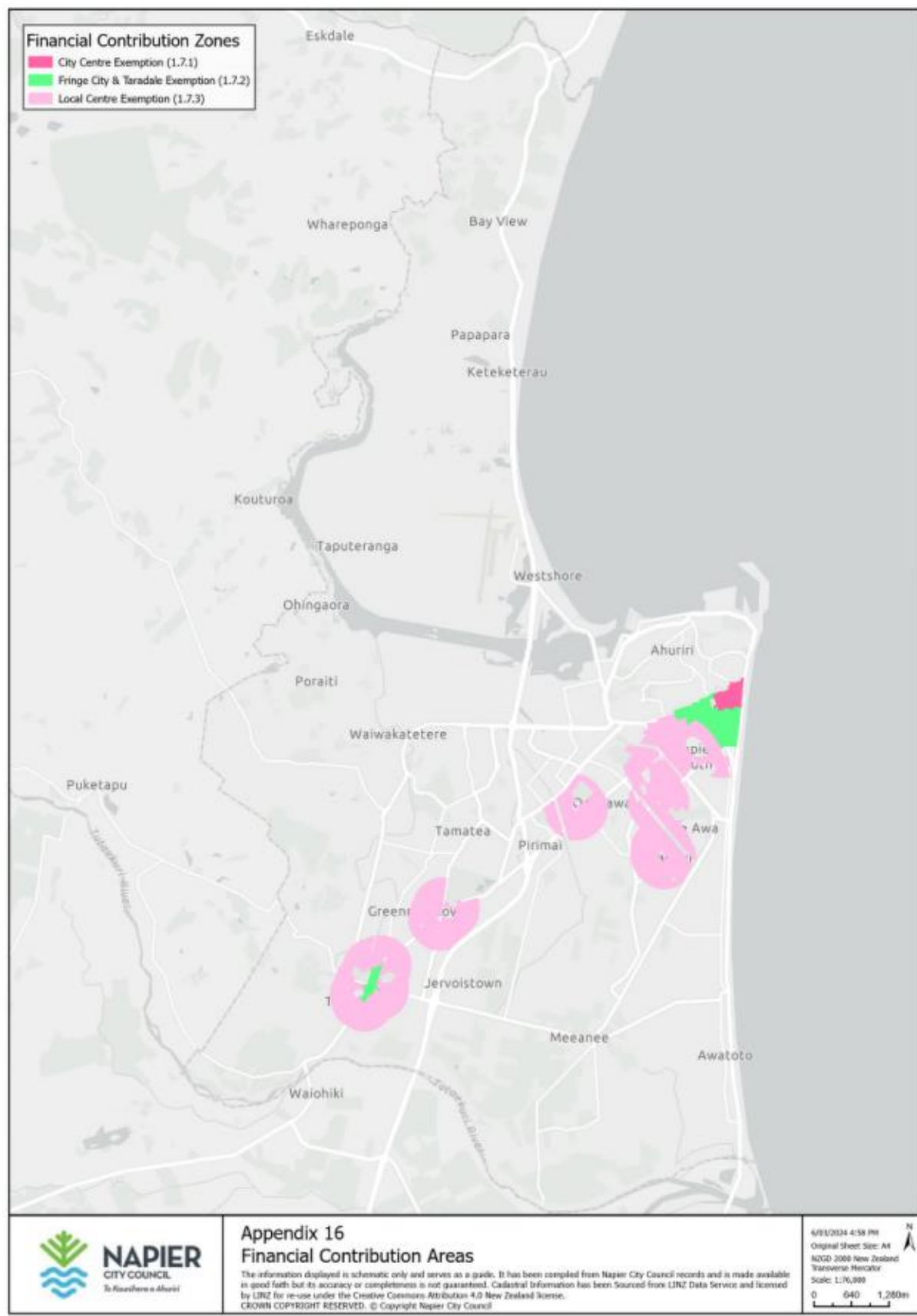


Figure 3 : Taradale Centre Exemption area applicable to Taradale Town Centre zone and Southern Fringe

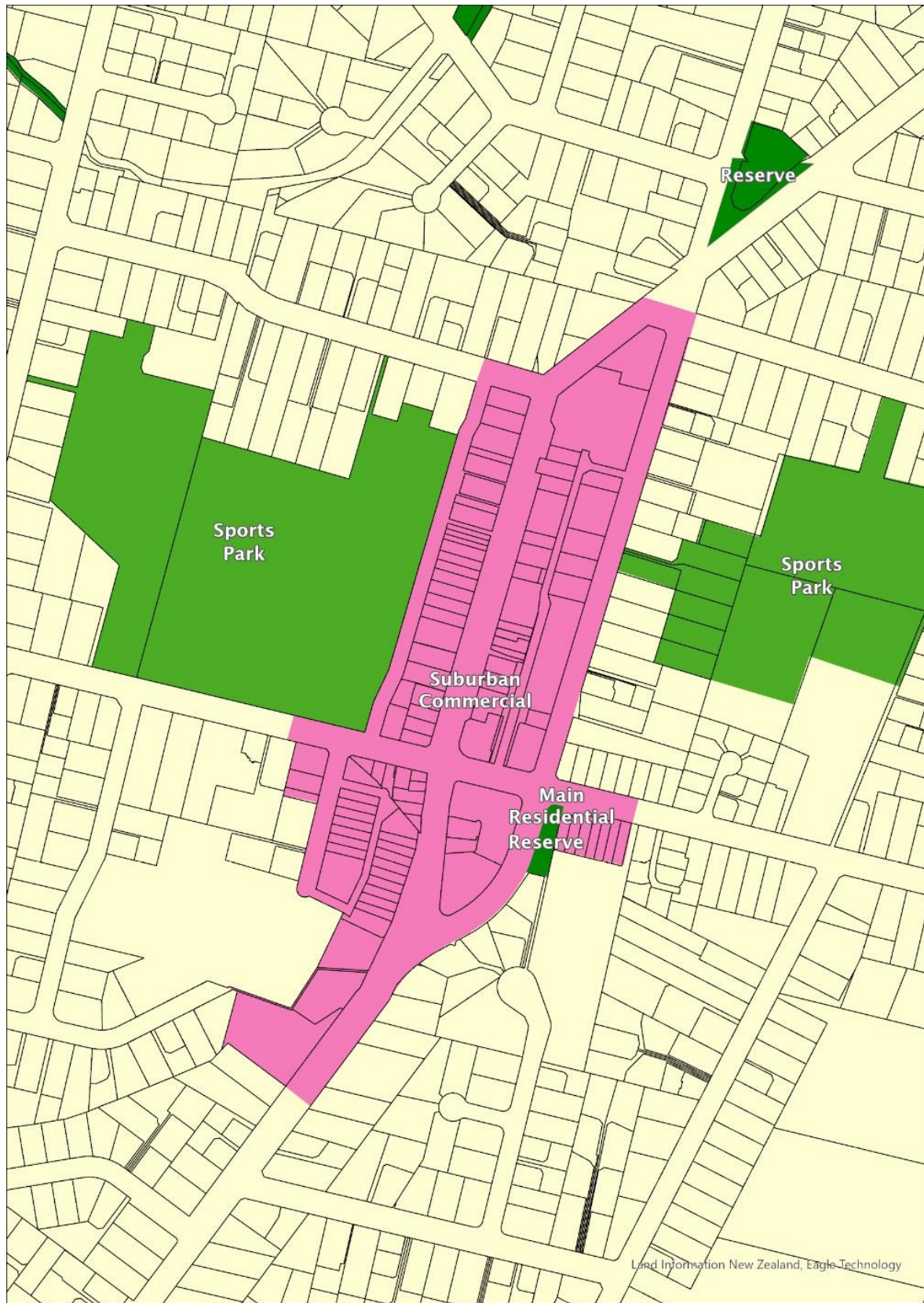
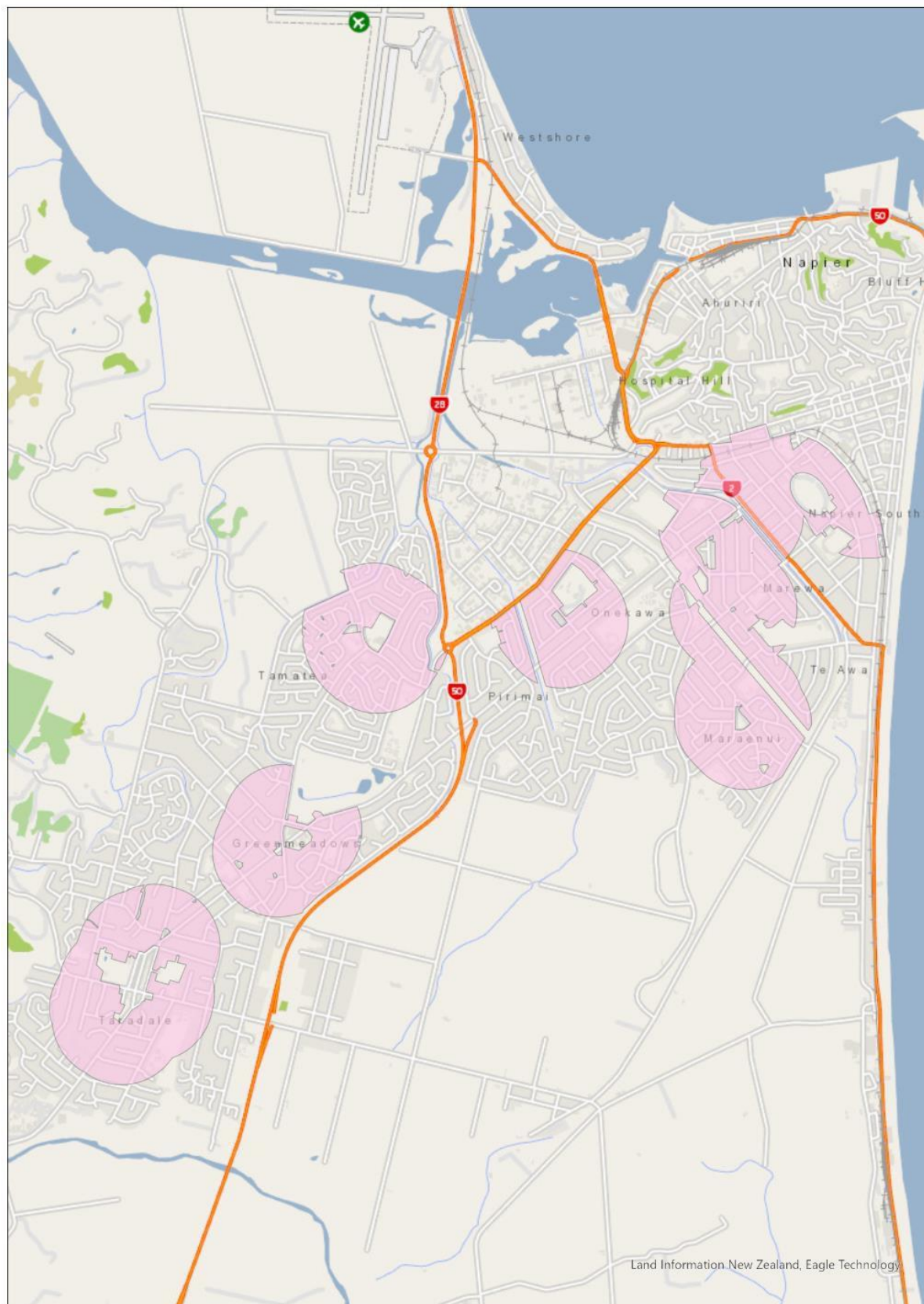


Figure 4 : Financial contribution where exemptions as per Section 1.7 of this policy apply

The exemption applies to main commercial centers in Marewa, Napier South, Onekawa, Greenmeadows, Maraenui, Taradale and Tamatea as per map below.



CITY OF NAPIER DISTRICT PLAN

Appendix 26B-1

[illegible]

Legend

- Prop.:m1dSmerP1J11D Sl:E:tKins
- PropCJseciSmerPU11Dil t.111in
- Pr(pt1se,:fW'ster Mains 120Drrm eta)
- Prop.:i99d N lgrbctJrtooo R89E1Ni:1S
- PJDposeci W<llkrll R.sefNe,; [-:(lm v1/tj,j]
- PropQijililQ RQad,.
- Nices Boundary

Appendix 27
Lagoon Farm, Citrus Grove
& Park Island Structure Plan

POLICY PLANNING

0 375 750m Scale 1:15000

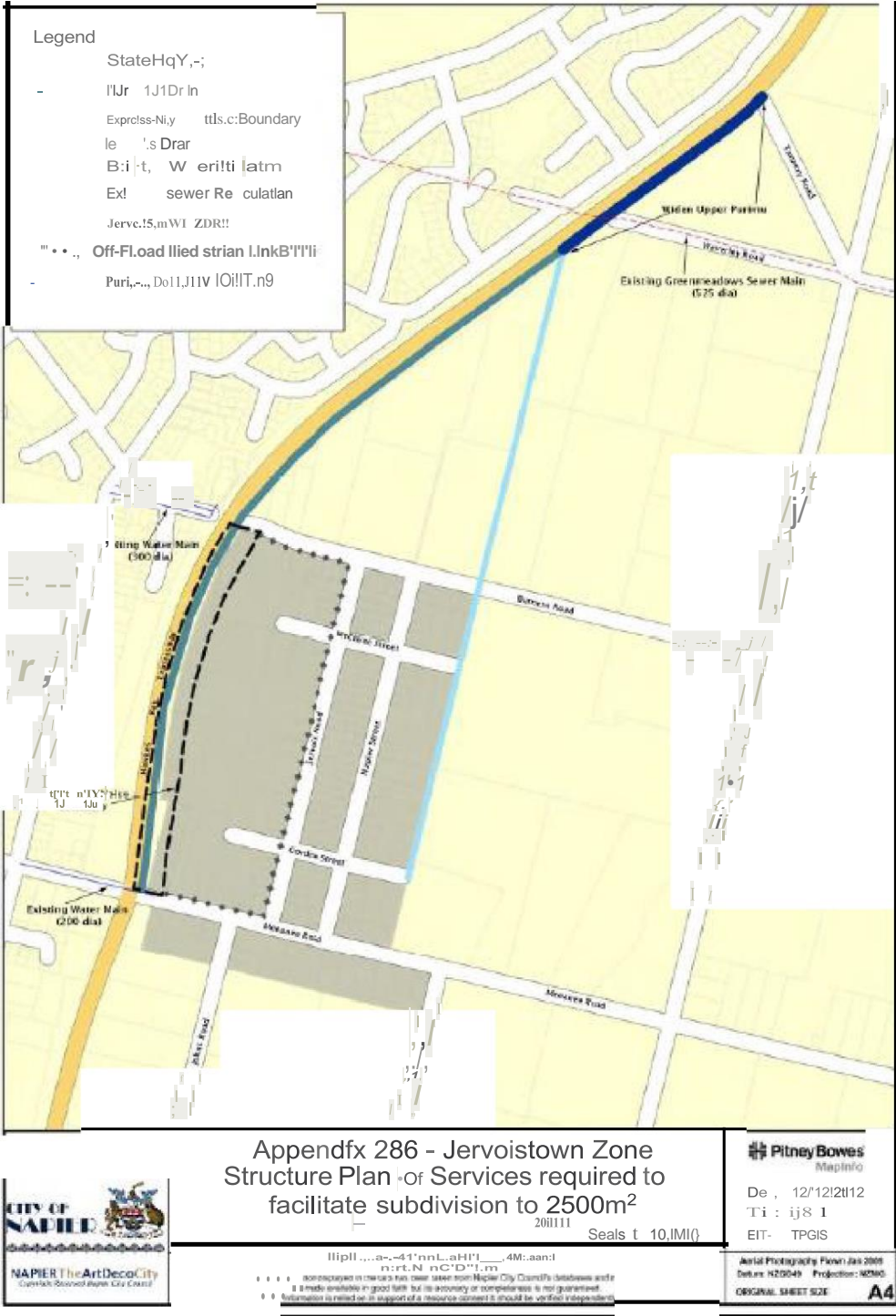
Figure 7 : Jervistown Zone Structure Plan

CITY OF NAPIER DISTRICT PLAN

Apendix 288

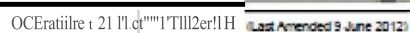
Appendix 288 - Jervistown Zone Structure Plan

(Services required for limited subdivision to 2500m² minimum lot size)



CJTY OF NAPIER DISTRICT PLAN

Te Awa Structure Plan Map



3.4. Definitions

Allotment/lot has the same meaning as set out in Section 218 of the ACT.

Bedroom: a room of minimum 6m² in area, which could be used for sleeping in, usually containing a bed.

Commercial Activity means the USE of LAND and BUILDINGS for the display, offering, provision, sale or hire of goods, equipment or service and includes retailing, TRAVELLERS' ACCOMMODATION, DAY CARE CENTRE and off-licence premises and wholesale liquor outlets, but does not include EDUCATION FACILITIES or any BUSINESS OF PROSTITUTION.

Council means the Napier City Council or any committee or elected member of Council or any officer authorised to exercise the functions, duties or powers of the Council.

Dwelling Unit means a BUILDING or part of a BUILDING designed for residential purposes and occupied or intended to be occupied exclusively as the home or residence of not more than one HOUSEHOLD and includes an apartment, a flat including kaumatua flats and a RESIDENTIAL CARE FACILITY, but does not include a SUPPLEMENTARY UNIT. Second kitchen facilities in conjunction with service facilities constitutes a second dwelling unit.

Financial Contribution means a contribution as set out in section 108(9) of the ACT.

Greenfield Development means an area zoned for the purpose of allowing intensive 'Land Development'. Existing Greenfield sites are identified in Appendix 31 of this Plan as 'Development Areas'. For all new Greenfield areas, Council will consider:

- i) the need for a Structure Plan that indicates the services to be provided by the developer, and
- ii) the financial contributions that will be required to avoid, remedy or mitigate any environmental effects associated with land development

New Greenfield areas will be introduced to the Plan by way of a variation or Plan Change or at the time of a Plan review.

Gross Building Area means the sum of the area of all BUILDINGS on a SITE as viewed vertically from above and includes all eaves and overhangs.

Gross Floor Area means the sum of the area of all floors of all BUILDINGS on a SITE measured from the outside walls on every floor and includes enclosed conservatories and enclosed decks but does not include open and covered decks.

Industrial Activity means the USE of LAND and/or BUILDINGS for the primary purpose of manufacturing, assembling, testing, fabricating, processing, packing or associated storage of goods and the servicing and repair of goods and vehicles and includes SERVICE STATIONS and TRANSPORT DEPOTS, and STORAGE OF TYRES.

Infill Development means the further subdivision and/or development of an existing site, but excluding the development areas identified in Appendix 31. (For the purposes of this Plan all sites are deemed to be existing, except those specifically identified as Greenfield or development areas).

Infrastructure means those built STRUCTURES necessary for operating and supplying NETWORK UTILITY OPERATIONS and services to the community including, but not limited to, RADIOCOMMUNICATIONS, TELECOMMUNICATIONS, natural or manufactured fuel, electricity, water, drainage, sewerage, ROADS, railway lines and airports.

Land Development and Development means any land use:

- Involving SUBDIVISION; (including all associated network utility operations required to service the subdivision); or

- Involving MULTI-UNIT DEVELOPMENT; (including all associated network utility operations required to service the multi unit development); or
- Requiring EARTHWORKS design pursuant to Chapter 52A; or
- Requiring an extension to one or more of the COUNCIL'S existing NETWORK UTILITY OPERATIONS.

LGA means the Local Government Act 2002.

Multi-Unit Residential Development in respect means any BUILDING or group or groups of BUILDINGS on the same SITE which contains, whether attached or detached, two or more HOUSEHOLDS and subject to the exceptions hereinafter listed includes all apartment buildings and flats, but shall not include any of the following:

- (a) TRAVELLERS' ACCOMMODATION.
- (b) staff accommodation at HEALTH CARE CENTRES or EDUCATION FACILITIES.

RMA or the Act, means the Resource Management Act 1991 and its amendments

Resource Consent has the same meaning as set out in Section 2 of the ACT.

Residential Activity means the USE of LAND and BUILDINGS (including ACCESSORY BUILDINGS such as garages, carports and storage sheds) by a HOUSEHOLD (whether any person is subject to care, supervision or not), and includes RESIDENTIAL CARE FACILITIES but does not include HOME OCCUPATIONS, or TRAVELLERS' ACCOMMODATION.

Rural Environment means any area of LAND identified in this PLAN as being included in the Main Rural, Rural Residential, Rural Commercial, Rural Conservation, Rural Settlement Jervois town or Lifestyle Character zones.

Supplementary Unit means a single bedroomed BUILDING located on the same SITE as a DWELLING UNIT, used or intended to be used solely for residential purposes and occupied or intended to be occupied as a home or residence.

5. ADOPTION OF THE THREE-YEAR PLAN 2024-27

Type of Report:	Legal and Operational
Legal Reference:	Local Government Act 2002
Document ID:	1767715
Reporting Officer/s & Unit:	Danica Rio, Senior Advisor Corporate Planning

5.1 Purpose of Report

This report presents the final Three-Year Plan 2024-27 for adoption by Council. As per section 93(3) of the Local Government Act 2002 (LGA 2002), Council is required to adopt the plan prior to 1 July 2024.

Officer's Recommendation

That Council:

- a) **Note** the following funding and financial policies (in accordance with section 102 of the Local Government Act 2002) form part of the wider Long Term Plan framework:
 - i. Investment Policy (*adopted 8 February 2024*)
 - ii. Rates Postponement Policy (*adopted 14 March 2024*)
 - iii. Liability Management Policy (*adopted 14 March 2024*)
 - iv. Policy on rates remission and postponement on Māori freehold land (*adopted 14 March 2024*)
 - v. Rates Remission Policy (*adopted 14 March 2024*)
 - vi. Rating Policy (*to be adopted 27 June 2024*)
 - vii. Revenue and Finance Policy (*to be adopted 27 June 2024*)
 - viii. Financial Contributions Policy (*to be adopted 27 June 2024*)
- b) **Note** that for years one, three, and five of the Three-Year Plan 2024-27, Council will have an unbalanced budget as it is financially prudent to do so.
- c) **Note** that due to the Severe Weather Emergency Recovery Legislation Act 2023, there is no requirement to include an audit report in the Three-Year Plan 2024-27.
- d) **Adopt** the Three-Year Plan 2024-27 in accordance with section 93(3) of the Local Government Act 2002, including:
 - i. Strategic priorities/community outcomes
 - ii. Significant forecasting assumptions
 - iii. Statements of service provision, including performance measures
 - iv. Statements about Council Controlled Organisations
 - v. Forecast financial statements
 - vi. Financial prudence benchmarks
 - vii. Funding Impact Statement
 - viii. Statement concerning the balancing of the budget

- ix. Programme budgets
 - x. Combined Finance and Infrastructure Strategy
 - xi. Significance and Engagement Policy
- e) **Note** that following adoption of the Three-Year Plan 2024-27, rates for the year commencing 1 July 2024 will need to be set by Council in accordance with section 23 of the Local Government (Rating) Act 2002. This is outlined by the '2024/25 Rates Resolution' agenda item.
- f) **Delegate**, to the Chief Executive and Mayor, the authority to make any editorial changes that may arise as part of the Three-Year Plan publication process.

5.2 Three-Year Plan process to date

Council has undertaken the following as part of the development process for the Three-Year Plan 2024-27:

- A series of councillor workshops to develop strategic direction, identify priority areas, significant projects, and consider budgets,
- Pre-consultation engagement that took place from 2 October to 25 October 2023,
- A special consultative procedure in March/April 2024, including adoption of a consultation document setting out six key consultation topics,
- Consideration of all 837 public submissions on Council's consultation document,
- Hearings over 27 and 28 May 2024, where 64 submitters/groups of submitters came to speak, and
- Deliberations on 29 May 2024 to discuss and confirm final resolutions for inclusion in the plan.

Reports that document the development process include but are not limited to:

- Approach to 2024/34 Long Term Plan (*Prosperous Napier Committee 4 May 2023*)
- Long Term Plan Update (*Council Meeting 31 August 2023*)
- Long Term Plan FY24-27 Update (*Prosperous Napier Committee 7 September 2023*)
- Three-Year Plan 2024-27 Pre-Consultation Engagement Report (*Council Meeting 14 December 2023*)
- Direction for the Preparation of the Three-Year Plan 2024-27 (*Prosperous Napier Committee 8 February 2024*)
- Adoption of the Three-Year Plan 2024-27 Consultation Document (Council Meeting 14 March 2024)
- Submissions on the Three-Year Plan 2024-27 Consultation Document (Council Meeting 27 May 2024)

5.3 Direction following consultation

Key consultation topics

Following consultation and the hearings process that took place, as part of deliberations Council made the following decisions regarding its six key consultation topics:

1. **The future of council housing:** As proposed, Council agreed to shift its focus to delivering retirement housing only and fund this through selling some social housing villages, noting that no tenants will lose their home.
2. **Building up our community resilience:** Council decided to lower the proposed Resilience Rate from 2.45% to 0.45% for 2024/25, 1% for 2024/26 and 1.5% for 2026/27. For 2024/25, the rate will be ringfenced for emergency management activities and the Joint Coastal Hazards Strategy. The criteria for the rate's use in future years will be decided on during the annual planning process each year.
3. **A new approach to managing Council's investments:** Council agreed to establishing a council-controlled trading organisation to manage a commercially focused investment portfolio.
4. **Reviewing our fees and charges:** Council agreed to increase some fees and charges beyond the consumer price index increase of 5.6%. Alongside this, officers were directed to review Ocean Spa's fees and charges, with a view to introducing a discount for residents and Supergold card holders in time for 2024/25. This is covered by a separate Council report.
5. **A change to how we fund some tourist facilities:** Council agreed to loan-fund the deficits of Ocean Spa, Kennedy Park Resort, and Napier Conferences and Events for a maximum term of three years as they transition to being financially self-sufficient.
6. **Napier City Council office accommodation:** Council agreed to commence work to strengthen and redevelop the Library Tower for its staff, noting that officers intend to use the same project team that is working on Te Aka to gain efficiencies between these two projects.

Additional changes

In addition to the decisions made on the consultation topics, Council also made the following decisions and changes:

Reduced rates increase for 2024/25: The increase for 2024/25 was reduced from 23.7% to 19.95%. The lower rates increase was achieved by reducing labour costs by 1.75% of rates with a 760 FTE cap, alongside the reduction to the Resilience Rate (as covered above).

Stormwater Rate for Rural Residential properties: Through the consultation process, many submitters spoke about the proposed addition of the targeted Stormwater Rate to their Rural Residential properties. Council agreed to continue with the original Stormwater map. Officers will undertake further analysis before coming back to Council with any future recommended changes to the map.

Emerson Street project: Council acknowledged that there are essential infrastructure upgrades programmed into the Emerson Street project. Given that work is being undertaken on the street, there is an opportunity to achieve improved outcomes for the accessibility, user-friendliness, and security of Emerson Street at the same time. Council agreed that external funding opportunities for this project should be investigated.

Reimagining of facilities: Council re-confirmed the agreement to review and undertake business cases to explore options for the future of some facilities, which will be developed in the 2024/25 year. The volunteers at these facilities and the wider community will be actively engaged with prior to any final decisions being made.

Waka Hub: Council agreed that the \$3.3m in funding would be subject to the outcome of a conversation with Ātea a Rangi Educational Trust in relation to lease ownership. Discussions have occurred with the Trust, and it has been agreed in principle that the assets of the Waka Hub will be owned by Council and leased to the Trust. The approval of the lease and general conditions will be brought back to Council at the appropriate time for a resolution pursuant to the Reserves Act 1977. The Trust has indicated that it will attempt to raise external funds to contribute to the project.

Disability Strategy implementation: Council agreed to bring \$300,000 that was sitting in year two of the plan, to year one for the implementation of the Disability Strategy. The budget will be used for continued upgrades and additions to mobility car parking, addressing universal design in the CBD, pedestrian improvements, and footpath renewals, as well as other accessibility improvements.

Napier Youth Council: Council approved an additional one-off grant of \$5,000 from the Council Projects Fund to Napier Youth Council for the creation of a Youth-Led Events Fund alongside the Youth Grants.

Sport Hawke's Bay: Council supports the two regional priority planning projects (Regional Spaces and Places Plan and the Regional Aquatics Plan) with funding of \$35,000 from within existing budgets.

Pirimai Residents Association: Council approved a funding contribution of \$30,000 from the Council Project Fund for the construction of an access bridge across the Te Awa drain (Cross country drain) between Ulyatt Road and McNaughton Place, subject to the Pirimai Residents Association fundraising the balance to complete the project.

Creative Arts Napier: Council approved a one-off grant of \$15,000 for Creative Arts Napier from the Council Projects Fund for one year.

Hawke's Bay Netball: Council approved a one-off grant of \$15,000 to Hawke's Bay Netball from the Council Project Fund.

A full list of the resolutions carried by Council can be found in the meeting minutes for 27 May 2024 ([Minutes of Ordinary Meeting of Council - Monday, 27 May 2024 \(infocouncil.biz\)](#)).

All changes made by Council as part of deliberations have been included in the final Three-Year Plan, which is **attached** to this report for consideration and adoption.

5.3 Significance and Engagement

Preparation of the final Three-Year Plan 2024-27 involved pre-engagement with the community, as well as community consultation using the special consultative procedure. Council has the opportunity to make any required changes through subsequent annual plan processes, and any changes will also involve community consultation if required.

5.4 Implications

Financial

All financial impacts of the plan have been included within the final document, including impacts on rates, debt, and levels of service.

Councils are required by section 100 of the LGA 2002 to submit a balanced budget in their plans, unless they believe it is financially prudent not to. A balanced budget is achieved when Council's projected revenue meets projected operating expenses for any given year.

Council acknowledges that it will not achieve a balanced budget for years one, three and five of this plan. Council has resolved that this is financially prudent as setting rate levels to achieve a balanced budget in year one would put too much financial pressure on ratepayers. The unbalanced budgets in years three and five are affected by short-term changes to our financials outside of our core business, such as:

- loan-funding the deficits of Ocean Spa, Kennedy Park Resort, and Napier Conferences and Events as they transition to being financially self-sufficient, and
- the depletion of our Parklands Development revenue stream.

Because these are not sustained affects, it is financially prudent to allow the balanced budget benchmark to drop below 100% in the unbalanced years.

Social & Policy

As per the Local Government (Community Well-being) Amendment Act 2019, Council has a statutory responsibility for improving the social, economic, environmental, and cultural wellbeing of Napier people. Officers have taken care to highlight the links between the rationale for service delivery of various Council activities and expected contributions to community well-being throughout the final plan.

Risk

Significant forecasting assumptions and risks are explained within the plan.

While the plan has been prepared based on the best information available to officers at this time, there is a risk that assumptions underpinning the plan are quickly outdated and an amendment to the plan is required.

Council is proposing a \$1,134 million capital programme over the next 10 years, which is an approximate increase of 37.4% compared to the last 10 year plan. While Council has taken steps to support the delivery of the capital programme, there is an inherent level of uncertainty and risk that Council may not be able to deliver all initiatives and projects within its capital programme. If Council is not able to deliver all the capital programme, it will be reorganised to ensure basic needs are met.

5.5 Options

The options available to Council are as follows:

- a. Adopt the Three-Year Plan 2024-27, noting that if any changes are required to the plan at any stage, they may be subject to consultation with the community and enacted through an amendment to the plan pursuant to the provisions of the Local Government Act 2002, or
- b. Not adopt the Three-Year Plan 2024-27, noting that this impacts the ability to strike rates, and that Council would be in breach of the statutory timeframes set out in section 93(3) of the Local Government Act 2002.

5.6 Development of Preferred Option

Option a – adopt the Three-Year Plan 2024-27.

5.7 Attachments

- 1 Three-Year Plan 2024-27 (Doc Id 1770805) (Under separate cover 2)

6. 2024/25 RATES RESOLUTION

Type of Report:	Legal
Legal Reference:	Local Government (Rating) Act 2002
Document ID:	1767612
Reporting Officer/s & Unit:	Garry Hrustinsky, Corporate Finance Manager

6.1 Purpose of Report

To set rates for 2024/25 in accordance with the Local Government (Rating) Act 2002 and with the Funding Impact Statement.

Officer's Recommendation

That Council:

- a. **Resolve** that the Napier City Council set the following rates under the Local Government (Rating) Act 2002, on rating units in the city for the financial year commencing on 1 July 2024 and ending on 30 June 2025, and that all such rates shall be inclusive of Goods and Services Tax (GST).

(A) GENERAL RATE

A general rate set under Section 13 of the Local Government (Rating) Act 2002 made on every rating unit, assessed on a differential basis on the rateable land value to apply to the Differential Groups as follows:

Differentials	Group / Code	Differential Rate	General rate - cents in the dollar on Land Value
Residential / Other	1	100%	0.43724
Commercial & Industrial	2	260%	1.13683
Rural	3	85%	0.37165
Rural Residential	4	90%	0.39352

(B) UNIFORM ANNUAL GENERAL CHARGE

A Uniform Annual General Charge of \$551.50 per separately used or inhabited part of a rating unit for all rateable land set under Section 15 of the Local Government (Rating) Act 2002.

(C) WATER RATES

1. Fire Protection Rate

A targeted rate for fire protection, set under Section 16 of the Local Government (Rating) Act 2002 on a differential basis and on the rateable capital value on every rating unit connected to, or able to be connected, and within 100 metres of either the City Water Supply System, or the Bay View Water Supply System. This rate will apply to the Differential Groups and Categories as follows:

Fire Protection Rate Differential Description (cents per dollar of Capital Value)	Connected to water Supply System	Not connected but within 100m of water Supply System
Central Business District and Fringe Area	0.01935	0.00968
Suburban Shopping Centres, Hotels and Motels and Industrial rating units outside of the CBD	0.00968	0.00484
Other rating units connected to or able to be connected to the water supply systems	0.00484	0.00242

2. Water Rate

A targeted rate for Water Supply, set on a differential basis under Section 16 & 17 of the Local Government (Rating) Act 2002 as a fixed amount on a uniform basis, applied to each separately used or inhabited part of a rating unit connected to or able to be connected to and within 100 metres of the City water supply system. This such rate will apply as follows:

Description	Amount
Rating units connected to the City Water Supply System	\$285.00
Rating units not connected but able to be connected to and within 100m of the City Water Supply System	\$142.50

3. Water by Meter Rate

A targeted rate for water supply, set under Section 19 of the Local Government (Rating) Act 2002, on a differential basis per cubic metre of water consumed after the first 300m³ per annum, to all metered rating units as follows:

	Water Meter Rate per cubic metre
Extra-ordinary Supplies (\$/m ³)	\$0.75281

4. Stormwater Rate

This rate recovers the net cost of the stormwater activity. A targeted rate for stormwater is set on a differential basis under Sections 16 & 17 of the Local Government (Rating) Act 2002 on a differential basis on the rateable capital value on every rating unit within the defined service area.

Rural properties are exempted.

The differential categories for Stormwater Rates are:

Differentials	Cents per dollar of Capital Value
Residential / Other	0.02817
Commercial & Industrial	0.07325
Rural Residential	0.02817

5. Sewerage Rate

This rate recovers the net cost of the waste water activity. A targeted rate for sewerage treatment and disposal, is set on a differential basis under Section 16 of the Local Government (Rating) Act 2002 as a fixed amount on a uniform basis.

The rate is applied to each separately used or inhabited part of a rating unit connected or able to be connected and within 30 metres of the City Sewerage system. This rate will apply as follows:

Differentials	Connected	Not connected but within 30m
Rating units connected to or able to be connected to the Sewerage System	\$398.80	\$199.40

6. Bay View Connection Rate

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

A targeted rate for Bay View Sewerage Connection, set under Section 16 of the Local Government (Rating) Act 2002 as a fixed amount on a uniform basis, applied to each separately used or inhabited part of a rating unit connected to the Bay View Sewerage Scheme, where the lump sum payment option was not elected.

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

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

The rate to apply for 2024/25 is \$941.35

(D) REFUSE & RECYCLING**1. Refuse Collection and Disposal Rate**

A targeted rate for refuse collection and disposal, set under Section 16 of the Local Government (Rating) Act 2002 as a fixed amount on a uniform basis, applied to each separately used or inhabited part of a rating unit, for which a weekly rubbish collection service is available, with the rate being 2 or 3 times the base rate for those units where 2 or 3 collections per week respectively is available. This rate will apply as follows:

RATE		
1	2	3
COLLECTION PER WEEK	COLLECTIONS PER WEEK	COLLECTIONS PER WEEK
\$226.80	\$456.60	\$680.40

Rating units which Council officers determine are unable to practically receive the Council service and have an approved alternative service will be charged the Refuse Collection and Disposal Rate, but will be remitted the full balance for the rating year.

2. Kerbside Recycling Rate

A targeted rate for Kerbside Recycling, set under Section 16 of the Local Government (Rating) Act 2002, as a fixed amount on a uniform basis, applied to each separately used or inhabited part of a rating unit for which the Kerbside recycling collection service is available. This rate will apply as follows:

Charge per separately used or inhabited part of a rating unit	\$116.10
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Rating Units which Council officers determine are unable to practically receive the Council service and have an approved alternative service will be charged the Kerbside Recycling Rate, but will be remitted the full balance for the rating year.

(E) VEHICLE LEVY**1. Inner City Vehicle Levy**

A targeted rate that provides funding for additional off street car parking in the Central Business District set under Sections 16 & 17 of the Local Government (Rating) Act 2002 on a differential basis on the rateable land value, to apply to rating units in the Central Business District. The rate to apply to the Differential Groups is as follows:

Description	Cents in the dollar on Land Value
Properties where council provides additional parking due to the property receiving a 100% levy.	0.04881
Properties where council provides additional parking due to the property receiving a 50% levy.	0.02440

2. Taradale Vehicle Levy

A targeted rate, previously known as the Taradale Off Street Parking Rate, provides funding for additional off street car parking in the Taradale Shopping and commercial area and to maintain existing off street parking areas in Taradale, set under Section 16 of the Local Government (Rating) Act 2002 as a rate in the dollar on Land Value on rating units in the Taradale Commercial and Shopping Area as follows:

Description	Cents in the dollar on Land Value
Taradale Vehicle Levy	0.05305

3) Suburban Vehicle Levy

A targeted rate, previously known as the Suburban Off Street Parking Rate, provides funding for additional off street car parking in Suburban Shopping and commercial areas and to maintain existing off street parking areas in suburban shopping and commercial areas, set under Section 16 of the Local Government (Rating) Act 2002 as a rate in the dollar on Land Value on all rating units in Suburban Shopping and Commercial Areas as follows:

Description	Cents in the dollar on Land Value
Suburban Vehicle Levy	0.05305

(F) PROMOTION RATES

1. NCBI CBD Promotion Levy

A targeted rate to fund at least 70% of the cost of the promotional activities run by the Napier City Business Inc, set under Section 16 of the Local Government (Rating) Act 2002, and applied uniformly on the rateable land value of all rating units in the area defined as the Central Business District, such rate to apply to applicable properties within the Differential Groups and Differential Codes as follows:

Description	Cents in the dollar on Land Value
Properties in the CBD Promotion Rate area	0.19109

2. Taradale Promotion Rate

A targeted rate to fund the cost of the Taradale Marketing Association's promotional activities, set under Section 16 of the Local Government (Rating) Act 2002 and applied uniformly on the rateable land value of all rating units in the Taradale Suburban Commercial area, such rate to apply to the Differential Groups and Differential Codes as follows:

Description	Cents in the dollar on Land Value
Properties in the Taradale Promotion Rate area	0.17184

(G) OTHER RATES AND CHARGES

1. Swimming Pool Safety Rate

A targeted rate to fund the cost of pool inspections and related costs, set under Section 16 of the Local Government (Rating) Act 2002, as a fixed amount on every rating unit where a swimming pool or small heated pool (within the meaning of the Building (Pools) Amendment Act 2016) is located, of \$72 per rating unit.

2. Rangatira Revetment Rate

Revetment construction commenced in 2023 to provide protection from ongoing coastal erosion. The Rangatira Revetment targeted rate is a fixed amount of \$348.86, set on a uniform basis under Section 16 of the Local Government (Rating) Act 2002. It is applied to each separately used or inhabited part of a rating unit on the north side of Whakarire Avenue. This rate recovers the private funding component of the cost over a period of 25 years.

3. Resilience Rate

This rate partially funds activities related to emergency preparedness including, but not limited to, infrastructure projects, civil defence planning, emergency equipment, and other disaster-related planning. These costs would otherwise not be budgeted for, or included, in the Long Term Plan. The targeted rate is a fixed amount of \$14.60 set on a uniform basis, applied to each separately used or inhabited part of a rating unit. This rate has been introduced according to the procedure set out in Section 23 of the Local Government (Rating) Act 2002.

4. Due Dates for Payment and Penalty Dates (For Rates other than Water by Meter Rates)

That rates other than water by meter charges are due and payable in four equal instalments. A 10% penalty will be added to any portion of rates (except for Water by Meter) assessed for the 2024/25 rating year that remains unpaid after the relevant instalment date. The respective penalty dates are shown in the following table as provided for in section 57 and 58(1)(a) of the Local Government (Rating) act 2002

Instalment	Due date	Penalty Date
1	21 August 2024	21 August 2024
2	20 November 2024	20 November 2024
3	19 February 2025	19 February 2025
4	21 May 2025	21 May 2025

Any portion of rates assessed in previous years (including previously applied penalties) which remains unpaid on 30 July 2024 will have a further 10% added, firstly on 31 July 2024, and if still unpaid, again on 31 January 2025.

5. Water Rates

Targeted rates for metered water supply will be separately invoiced from other rates invoices. Metered water supply for commercial properties is invoiced quarterly and metered water for domestic (residential) water supply is invoiced annually. A 10% penalty will be added to any part of the water rates that remain unpaid by the due date as shown in the table below as provided for in section 57 and 58(1)(a) of the Local Government (Rating) Act 2002.

Metered Water Supply rates are due for payment as follows:

Instalment	3 monthly invoicing Due Date	Penalty date
1	20 July 2024	26 July 2024
2	20 October 2024	26 October 2024
3	20 January 2025	26 January 2025
4	20 April 2025	26 April 2025
Period Ending	Annual invoicing Due Date	Penalty date
30 June 2024	20 July 2024	26 July 2024
30 June 2025	20 July 2025	26 July 2025

A penalty of 10% will be added to any portion of water supplied by meter, assessed in the current year, which remains unpaid by the relevant instalment due date, on the respective penalty date above.

Any portion of water rates assessed in previous years (including previously applied penalties) which are unpaid by 30 July 2024 will have a further 10% added, firstly on 31 July 2024, and if still unpaid, again on 31 January 2025.

Any water payments made will be allocated to the oldest debt.

6.2 Background Summary

Once the Annual Plan for the year has been adopted Council needs to pass a resolution to set the rates for the year to enable the required rates revenue to be collected to fund Council's budgeted activities for the year.

The resolution is drafted to comply with the requirements of the Local Government (Rating) Act 2002.

6.3 Issues

These resolutions are procedural in nature in that they follow the legal process to collect the revenue as proposed in the Three Year Plan.

The proposed rates are as set out in the Funding Impact Statement which is included in the Three Year Plan document. The rates vary slightly from those published in the draft Three Year Plan however the overall effect remains at an average increase of 19.95% for existing ratepayers. Examples of the impact for different categories are provided in the Three Year Plan.

6.4 Significance and Engagement

This report implements decisions of Council made after consultation on the 2024-27 Three Year Plan.

6.5 Implications

Financial

The recommendations in this report enable Council to collect rates revenues of \$102.48 million (excluding GST) as outlined in the 2024/25 Three Year Plan.

Social & Policy

There are no social or policy implications.

Risk

If council does not pass the proposed resolutions, the required revenue to fund Council's activities for 2024/25 would not be able to be collected.

6.6 Options

The options available to Council are as follows:

- a. Adopt the resolutions as proposed
- b. Adopt an amended resolution
- c. Do not adopt the resolution

6.7 Development of Preferred Option

These resolutions are procedural in nature in that they implement a decision that is made by Council when the 2024-27 Three Year Plan is adopted. The preferred option is to adopt the resolutions as proposed without any alteration.

6.8 Attachments

Nil

7. REPRESENTATION REVIEW - INITIAL PROPOSAL

Type of Report:	Legal and Operational
Legal Reference:	Local Electoral Act 2001
Document ID:	1724838
Reporting Officer/s & Unit:	Anna Eady, Team Leader Governance Jane McLoughlin, Corporate Planning Lead

7.1 Purpose of Report

To consider Napier City Council's (NCC) initial proposal for representation arrangements for the 2025 and 2028 elections.

Officer's Recommendation

That Council:

- a. **Receive** the Representation Review – Initial Proposal report; and
- b. **Consider** how its representation arrangements can best provide for the fair and effective representation of identified communities of interest; and
- c. **Adopt**, in accordance with sections 19H and 19J of the Local Electoral Act 2001, one initial proposal option for representation arrangements outlined in the report to apply for the 2025 and 2028 elections; and
- d. **Direct** that as required by section 19M of the Local Electoral Act 2001, public notice of the selected initial proposal be given within 14 days of this resolution, and that the proposal be distributed for public consultation.

7.2 Background Summary

What are representation arrangements?

The representation review (review) process takes place within the framework provided by the Local Electoral Act 2001 (the Act 2001) and the decision-making requirements of the Local Government Act 2002. The Local Government Commission has developed Guidelines to aid local authorities in the conduct of representation reviews.

The Act 2001 section 19H(2)(b) requires councils and other local authorities to review their representation arrangements at least every six years. NCC last reviewed its arrangements in 2018. The aim of the review is to investigate whether the current arrangements are still providing fair and effective representation for a community.

A review of representation arrangements is a review of the following options:

- The basis of election; that is, whether the election of members (also known as councillors, other than the Mayor) is by:
 - the entire electoral district (called 'at large'), noting NCC voted in 2021 in favour of establishing Māori wards from the 2025 local government election. Under the Act 2001 this means an 'at large' basis of election is not possible.
 - the division of the district into wards for electoral purposes, or
 - a mix of 'at large' and ward representation.

- If wards are used, the names and boundaries of each ward, and the number of members that will represent each ward.
- The total number of members that are elected to the governing body of the Council (the legal requirement is no less than 6 and no more than 30 members, including the Mayor), and
- Whether to have community boards, and if so, how many boards, and what their boundaries and membership would look like.

In its review, NCC must provide for effective representation of communities of interest and fair representation of electors, this is where the membership of wards provides approximately the same population equality per member, that is, all votes are of approximately equal value (referred to as the +/- 10% rule) unless there are good reasons to depart from this requirement.

It is noted that the decision as to whether or not to have Māori electoral wards is not part of this review. That decision has already been determined by Council and is out of scope.

Similarly, the choice of electoral system is not part of this review. Council has already determined to retain the "First-Past-the Post" electoral system.

What is the process officers have undertaken to inform this representation review?

Local authorities undertaking reviews are strongly encouraged to carry out preliminary consultation prior to publicly notifying their initial proposal to the community.

For this review, Officers undertook education and pre-consultation with Napier residents in November and December 2023 (561 responses were analysed), and in May 2024 (702 responses were analysed). The pre-consultation engagement summary (Attachment 6) and survey analysis reports (Attachments 7 & 8) are attached.

The process undertaken reflects the Local Government Commission's (LGC) best practice guidelines that state that councils should undertake pre-consultation with the public and undertake analysis (Attachment 10) on fair and effective representation. This is because the decision on representation arrangements must not be limited to reflecting community views but must seek to achieve fair and effective representation for all individuals and communities.

As part of the pre-consultation there were several community events designed to inform residents about what a review is, encourage participation in the online surveys and to answer questions and capture feedback from the community. These are detailed in Attachment 6. Officers also held two workshops with the elected members and presented formal reports to Mana Ahuriri, Council and Ngā Mānukanuka o te Iwi Komiti. All these pre-consultation processes have been used to inform this report.

The General Ward Options

The full details of the options consulted on this year are contained in Attachment 5.

Officers present no preferred option as each option is valid. At this stage of the review, it is at the discretion of elected members to use their judgement to identify the appropriate initial proposal.

For whichever option it resolves to adopt, Council must satisfy itself that it accurately reflects the distinct and unique communities of interest which are present in Napier and provides for fair and effective representation of these communities.

In consultation with elected members and using the survey results from November 2023, five options for the general wards and the representation structure were put to the community in the May pre-consultation survey for feedback. The results of that survey showed no single option was preferred by a clear majority of respondents. Option 4 (three wards) was the most selected, receiving 34% of the votes. Options 1 (status quo) and 2 (two wards) were nearly tied, with 21% and 22% support respectively. 15% of respondents either disagreed with all five presented options or with some aspect of them. The results of the survey were discussed by elected members in a workshop on 30 May 2024 and the feedback was that options 1 and 4 were felt to provide for the most fair and effective representation.

Options 1, 2 and 4 retain a full ward system. A mixed system does have the advantage of giving all voters more choice in who gets elected to Council and can avoid parochial decision making. A full ward system gives a guaranteed voice to each ward area, and it is clear who the elected members are accountable to and where their particular area of focus should be.

Statistics New Zealand have provided the demographic information which the options are based on, and the population data is the most up-to-date available information.

Option 1 (closest option to status quo) (see Attachment 1)

The considerations for option 1 are outlined in Attachments 5 and 10.

This option sees a Council made up of the Mayor elected at large and 13 Councillors, elected from the existing four general electoral wards and a single Māori electoral city-wide ward.

The size of the Council, at 14 in total including the Mayor, is one member larger than the current Council. It is not a radical departure from the current Council size, which is generally regarded as effective in providing good governance for the city. Because of the addition of Māori wards at the 2025 election, minor ward boundary changes are required, and the current Nelson Park Ward would have one less ward councillor due to having over half of the Māori electoral population living in this general ward area.

The May pre-consultation survey responses indicate support for this option as it closely resembles the current arrangements and provides distinct ward representation.

Council requested a boundary change to include the Bupa retirement village within the Light Green ward as when the communities of interest test is applied to this village the feedback has indicated that the residents have a functional relationship with the Pirimai suburb and Pirimai Residents Association.

The scenario provides for approximate population equality per member.

Wards	Electoral population estimate	Number of councillors	Population per councillor		Within +/- 10%
Blue ward	10,250	2	5,125	-148	-2.80
Dark Green ward	9,550	2	4,775	-498	-9.44
Light Green ward	17,100	3	5,700	427	8.10
Pink ward	21,100	4	5,275	2	0.04

Sub total - general wards	58,000	11	5,273		
Māori ward	9,480	2	4,740		N/A
Total	67,480	13	5,191		N/A

Option 2 (2 wards) (see Attachment 2)

The considerations for option 2 are outlined in Attachments 5 and 10.

This option sees a Council made up of the Mayor elected at large and 11 Councillors, elected from two general electoral wards and a single Māori electoral city-wide ward.

The reasons for the proposed change in the number of wards and ward boundaries are that this combines the city's communities of interest with similar socio-demographic characteristics and who would use similar shared services and facilities in a simpler structure. It is also the closest option to an 'at large' / city-wide general ward structure, which was an electoral system which had 23% support from respondents in the 2023 pre-consultation.

This option received support in the pre-consultation as it has fewer elected members overall. Advocates for it in the pre-engagement indicated it provided a more balanced Council that better represents the diversity of the city by bringing together the current ward structure into two wards which broadly share similar socio-demographic characteristics and needs.

The option provides for approximate population equality per member.

Wards	Electoral population estimate	Number of councillors	Population per councillor		Within +/- 10%
Pink ward	32,700	5	6,540	96	1.48
Green ward	25,300	4	6,325	-119	-1.85
Sub total - General wards	58,000	9	6,444		
Māori ward	9,480	2	4,740		N/A
Total	67,480	11	6,137		N/A

Option 4 (3 wards) (see Attachment 3)

The considerations for option 4 are outlined in Attachments 5 and 10.

This option sees a Council made up of the Mayor elected at large and 11 Councillors, elected from three general electoral wards and a single Māori electoral city-wide ward.

The reasons for the proposed change in the number of wards and ward boundaries are that this combines the city's communities of interest in a simpler structure which allocates an almost even split of councillors across all wards.

The May pre-consultation survey responses indicate this option was most preferred across the current four wards as it provided fewer elected members overall, the over-riding concern across all responses. This option was also seen as providing the fairest representation of wards and councillors as it has the same number of councillors in each ward.

Council requested further modelling of this option to include Jervoistown suburb and Meeanee suburb up to Willowbank Road within the Pink ward; also they requested Bupa retirement village to be included in the Green ward. Due to adding additional population into the Green ward, Onekawa West was split into two (as per the current ward structure).

The option provides for approximate population equality per member.

Wards	Electoral population estimate	Number of councillors	Population per councillor		Within +/- 10%
Blue ward	19,050	3	6,350	-94	-1.47
Green ward	20,400	3	6,800	356	5.52
Pink ward	18,550	3	6,183	-261	-4.05
Sub total - General wards	58,000	9	6,444		
Māori ward	9,480	2	4,740		N/A
Total	67,480	11	6,136		N/A

Ward Names

When resolving to establish an electoral area of any type a local authority must also determine a name for that area.

The LGC gives guidance that names of electoral areas should generally:

- Use the most common or predominant place or feature name (whether official or recorded (recorded names are unofficial names that have been used in at least two documents that are considered to be authoritative, eg: maps or charts)) within the electoral area concerned.
- Avoid duplication and confusion with names of electoral areas with those in other local authority areas. For example, if 'North Ward' was selected it could be distinguished from other local authority areas by adding the city name to it 'Napier North Ward'.

There are, however, a number of instances around the country where the names of wards do not reflect official or recorded names, such as Napier's current Nelson Park Ward, and Central Otago District's Vincent Ward. If a council is considering general ward names that do not reflect official or recorded place names in the area, it should consider whether the names are unique (across all local authority wards in New Zealand), and reflective of significant features of that ward.

Appeals and/or objections may be lodged with the LGC against the names of community boards or wards.

Given 70% of respondents to the 2023 pre-engagement survey could name their ward correctly, officers consider it is appropriate to keep the general electoral ward names as

close to status quo as possible at this stage, especially for option 1, unless there is significant public interest to change.

The names of the current wards are:

- **Taradale ward**
 - o This reflects the residents own identity with the area, and the centre of gravity of the ward being in Taradale (as opposed to in Napier central).
- **Ahuriri ward**
 - o This provides a useful geographical mid-way point between the suburbs represented.
- **Onekawa-Tamatea ward**
 - o This name is a bit misleading as the ward is made up of suburbs in Tamatea predominately, half of Pirimai, half of Marewa, and then some of Onekawa-West (very low population area), and Onekawa Central which has just over 1,600 residents, (whereas Nelson Park ward contains Onekawa South which has over 3,500 residents in it).
- **Nelson Park ward**
 - o It is unclear what the rationale was to select this name, other than that it provides a geographical reference to one of its suburbs. This ward generally encompasses suburbs referred to as 'Napier South' by residents in Napier.

A list of the ward names suggested by the Project Team and elected members for each option are in Attachment 9.

Of interest, in the 2023 pre-consultation officers asked for suggestions of Māori ward names. The name Ōtatara for the Taradale area was put forward by some respondents (Attachment 7, page 18), and this has also been suggested as general ward name by elected members.

The Māori Ward Options

The introduction of Māori ward(s) from 2025 will improve the effective representation of the Māori electoral population.

The number of Councillors to be elected from a Māori ward or wards is determined by a formula specified in the Local Electoral Act 2001 (clause 2, Schedule 1A). The formula calculates the number of Māori ward members by dividing the Māori electoral population by the total electoral population (i.e., Māori electoral population plus general electoral population), and multiplying that number by the total number of Councillors to be elected from wards. For more information see Attachment 5.

Discussions with those who have an interest in Māori representation have led to the initial proposal options incorporating a single Māori city-wide ward with two elected members.

Reasons for this officer recommended option are:

- The rohe or takiwā (community of interest) of mana whenua is Ahuriri/Napier City,
- The two councillors can work collaboratively with collective responsibility,
- It will be an easier selection process for voters, and it also avoids issues of single member wards – that someone is elected unopposed, or no one stands in a ward.

9.5% of respondents in the May pre-consultation disagreed with having any Māori wards in Napier. As previously noted however, the decision as to whether or not to have Māori electoral wards is out of scope of this review.

Māori Ward Name

For Māori ward names, the same LGC guidance applies as for general electoral wards. The LGC has typically endeavoured to ensure Māori ward names reflect any preferences expressed by mana whenua, recognising that mana whenua are best placed to identify names that are meaningful to the electoral population those wards represent.

The ward name proposed is Te Whanga. This name means 'the great harbour' and was suggested to Council by the Mana Ahuriri Trust Board.

Community Boards

Some local authorities have community boards representing specific communities, which have functions and powers delegated to them by their councils. They act in the interests of their community and liaise with organisations and special interest groups in their community on council matters. The cost of community boards is funded through rates.

Currently Napier does not have any community boards, but in the 2019 LGC Representation Review Determination it was recommended NCC consider a community board for Maraenui as it was identified as a unique community which may require extra representation due to the low engagement in local democracy and as having the highest deprivation levels, which can be a barrier to engagement.

In the November pre-consultation survey there was positive feedback from communities based in and near Maraenui for establishing a community board.

Feedback from the May pre-consultation survey on a community board in the Maraenui area did not reach a consensus. The results were split 45% against and 41% in favour, and 14% unsure or neutral.

Supporters of a board suggested Maraenui residents need a stronger voice in civic matters, that a board would help progress outcomes in the area, and that there is a lack of diversity in the Council which electing board members may address (for example someone living in Maraenui or who has strong relationships in Maraenui).

Opponents of a board in the Maraenui area cited it was an additional cost to the rate payer and that it was inequitable for one area to receive special representation. 46% of responses also said there is already means for this area to be represented with the general ward councillors and also the new Māori ward councillors, who despite representing the whole city have a large portion of their voting base in this area. They suggested if the existing means are not working well improvements should be considered.

What are the issues that need addressing in Maraenui?

It has been identified:

- Maraenui has the lowest voter turnout at local elections in the city, the lowest ward awareness and the lowest satisfaction with democracy and governance measures.

- Maraenui has the biggest challenges when comparing statistical data (income levels, heating in houses, education etc...) and deprivation ratings of the suburbs in Napier.
- NCC does not have the relationships they once had with the residents due to staff turnover and the deferment of the Te Pihinga project.
- Although officers engage with communities of interest through council strategies, there is no specific mandate for officers to engage or deliver services in a focused way to Maraenui.

Advantages of a Community Board

Community boards:

- Give an area representation at the 'grassroots' level,
- Can be seen as more accessible to the public because they are more informal,
- Provide a link between residents, council staff and elected members,
- Are elected by the population they represent,
- Are a mouthpiece to advocate for things the community say they need, and can help socialise Council initiated projects with their communities,
- Are able to provide insight to Council in advance of NCC initiated consultation.

Disadvantages of a Community Board

- Additional cost of election process, paying the board members, training, and operating the board,
- They require officer support, which is not available currently without reprioritisation or deferral of existing priorities. This would be challenging given an already ambitious work programme which the Governance and Engagement Teams support,
- They require a candidacy campaign and support to encourage people to stand.

Potential Community Board Model

If the Council decide to establish a community board a suggestion for its structure is:

	Area of community	Number of members elected	Number of members appointed	Population of the area	Delegation
Maraenui Community Board	SA2 area of Maraenui Suburb*	4 (<i>this is the minimum required under the Act 2001, section 19F</i>)	2 (<i>one from the relevant general ward and one from a Māori ward</i>)^	3950 (MEP: 1,710, GEP: 2,240)	Advisory \$5,000 funding to allocate to local projects.

*See Attachment 1, page 8 - Statistical Area 2 map of the Maraenui suburb.

^ The Council is able to make appointments to community boards such that it appoints less than half of the membership of the board. Appointees must be members of the Council and must represent a ward in which the community (or part thereof) is situated.

Suggested Alternative Representation Improvements (Council Officer Recommendation)

If the Council decide not to establish a community board, there is already some targeted work in place:

- Maraenui wellbeing improvement is a priority in the Community Development Fund; and
- A Maraenui Resilience Plan is being worked on – this is something which will aid community connection and connection to NCC.

This work could be complemented with other initiatives which may address the issues identified above, for example:

1. A ward awareness campaign, to improve resident's awareness and interaction with NCC and their ward councillors.
2. Considering the introduction of consistent standards for ward meetings and attendance at Resident Association meetings and/or neighbourhood support meetings.
3. A targeted voting campaign for the 2025 local elections to improve voter turnout.
4. Māori and general ward candidate supportive wānanga to encourage potential candidates to stand and build their confidence. These would build understanding of what it means to be a councillor, the election process and what happens once elected.
5. A dedicated Community Connector, an officer who is the point of contact for people from this area. Or a Maraenui Champions Group of council officers spread across NCC, to ensure projects and service requests are proactively addressed. This would be an opportunity for council staff to build enduring relationships in this area.
6. A dedicated Councillor Portfolio role for Maraenui (this will be at the discretion of the Mayor and Council of the day).

The suggestions would require project scoping and planning work to ensure they can be resourced appropriately. If, for example, it was decided a Community Connector would be more effective and less costly than a community board at addressing Maraenui's unique needs then reprioritisation of work programmes would need to be carried out as there is not currently any budget set aside for this.

If a community board is not established through the review process a community can request one be established. The criteria for this can be found in the Local Government Act 2002, Schedule 6.

What are the next steps in the process?

This report presents the analysis of the review to inform Council's decision on the initial proposal; this will then be publicly notified, and submissions invited.

Once Council makes a decision on the initial proposal, the statutory process commences.

Napier residents will have an opportunity to provide their thoughts on the proposal via submissions once the initial proposal is notified. If submissions are received and residents

wish to speak to their submissions a hearing will be held where Council can consider feedback from Napier residents and decide whether to modify their initial proposal or not.

The final proposal will be publicly notified, and Napier residents will have the opportunity to make an appeal or objection on the final proposal to the LGC. At this point, if appeals or objections are received, it is the LGC which makes a final determination on Napier's representation arrangements, and Council has no further role in the decision making. Similarly, if any part of the proposal adopted by Council does not comply with the +/- 10% requirements for fair representation, the proposal will be referred to the LGC for determination.

Indicative timeframes for the statutory process include:

- Council decision 27 June 2024 and public notice of initial proposal (July)
- Submission period and consideration (8 July – 8 August)
- Public notice of final proposal (3 October last day)
- Appeals and objections to Local Government Commission (October-November)
- *If no appeals or objections* – Public notice of arrangements (December)
- *If appeals or objections* - Local Government Commission considers appeals and objections and determines the representation arrangements (January - April 2025)
- Implementation of Determination (April-June 2025).

7.3 Issues

The Coalition Government have introduced a Bill into Parliament which will restore the pre-2021 binding poll provisions for the establishment of Māori wards if it is enacted into legislation, which is expected to be at the end of July 2024. As NCC made the decision to establish Māori wards post 2021 it is going to be required either to rescind its decision to establish Māori wards, or to hold a binding poll at the 2025 election. If the result of the binding poll is that the community vote to remove Māori wards for the 2028 election another representation review will be required next triennium.

If, as part of the current review, Council resolves to adopt a general ward structure that is significantly different from the status quo, with new ward names, it will take some time for the community to adjust to the new arrangements, especially in areas where ward awareness is low.

If another review is required in three years, which has another significant ward structure and name change, community ward awareness could be even lower.

Another issue is if Council do not adopt an initial proposal today the subsequent timeline will need to be pushed out as there is not enough time between this meeting and consultation opening to accommodate further modelling of ward boundaries.

Under the Act 2001 an initial proposal must be adopted by 31 July 2024.

7.4 Significance and Engagement

Representation arrangements affect all Napier residents and have a high degree of significance. Quality democratic processes are important and foster a richer form of citizenship and civic engagement. Electoral arrangements need to be representative and fair so that communities feel that they have influence and can effect change.

Council's Significance Policy states, "*On every issue requiring a decision, Council will consider the degree of significance and the most appropriate level of engagement.*"

Extensive consultation is required to ensure Council's representation arrangements accurately reflect our city and the communities of interest within it.

Further, if no submissions are received, the initial proposal will automatically become the basis of representation for the 2025 elections.

7.5 Implications

Financial

The cost of elected member salaries is not directly affected by amending the total number of councillors, as these are funded by a fixed pool set by the Remuneration Authority (an independent body from NCC). The Remuneration Authority sets these with regard to three factors:

1. The size of the governance role of each council,
2. The average time required by a local government member on a council of a particular size,
3. A general comparison with parliamentary salaries.

The remuneration for community board members is set by the Remuneration Authority, separately from the Mayor and councillors, and is linked to the number of residents each board member represents per capita. The Remuneration Authority has given an indicative annual remuneration for the four elected members of the above proposed Maraenui Community Board as follows:

- Chair: \$10,548
- Member (x3): \$5,274

The above rates are provisional and may change following the 2025 local elections.

If Council were to delegate significant additional responsibilities to the Board, a proportion of board costs would be met from the elected member remuneration pool.

Staff resource would be required to support a board, likely 0.5 FTE to 1FTE required spread across the Governance, Community Strategies and Communications Teams. Additional cost to establish the Board, run the election process, train board members, operate it, and allocate project or grants funding for the Board to distribute is estimated at between \$40,000 to \$100,000 per annum on top of the \$26,370 for salaries. This can be funded from a targeted rate levied on the community represented or from general rates.

If Council chose not to establish a community board but gave direction for work in Maraenui to be a priority, as there is no budget allocated for this work officers would only be able to focus on building relationships until budget was allocated.

The cost of communicating any changes of representative arrangements to residents will be related to the size and scale of the changes.

Social & Policy

There are no Social & Policy factors to consider in this report.

Risk

There is a risk that the Council's representation decision could be overturned by an appeal. Under section 190 of the Act 2001, anyone who has made a submission on the review resolutions can lodge an appeal against Council's decision. The appeals are forwarded to the LGC which makes the final determination.

There is also a reputational risk for Council if the review process and final decisions are perceived as unfair or incomplete by the community.

There is a risk that the signalled changes to the Local Electoral Act 2001 to restore pre-2021 legislated poll provisions on the establishment of Māori wards may create confusion in the community around the inclusion of Māori wards in the initial and final proposals. Officers will continue to signal to the community that until the Bill is passed into legislation NCC will continue to operate under the current legislation, which means Māori wards will be part of Napier's representation arrangements next triennium.

7.6 Options

The options available to Council are as follows:

- a. To adopt an initial proposal for Napier City Council's representation arrangements from the options put forward in this paper, to put to the community for consultation; or
- b. To adopt an initial proposal for Napier City Council's representation arrangements from options not discussed in the paper, to put to the community for consultation; or
- c. Not adopt an initial proposal and seek alternative options prior to the legislated final date of 31 July 2024 for an initial proposal to be adopted.

7.7 Development of Preferred Option – Consultation on the initial proposal

Once an initial proposal is adopted it will be publicly notified, as required under the Act 2001. Then NCC is required to consult with the public on the initial proposal for at least one month, this is proposed from 8 July 2024 – 8 August 2024.

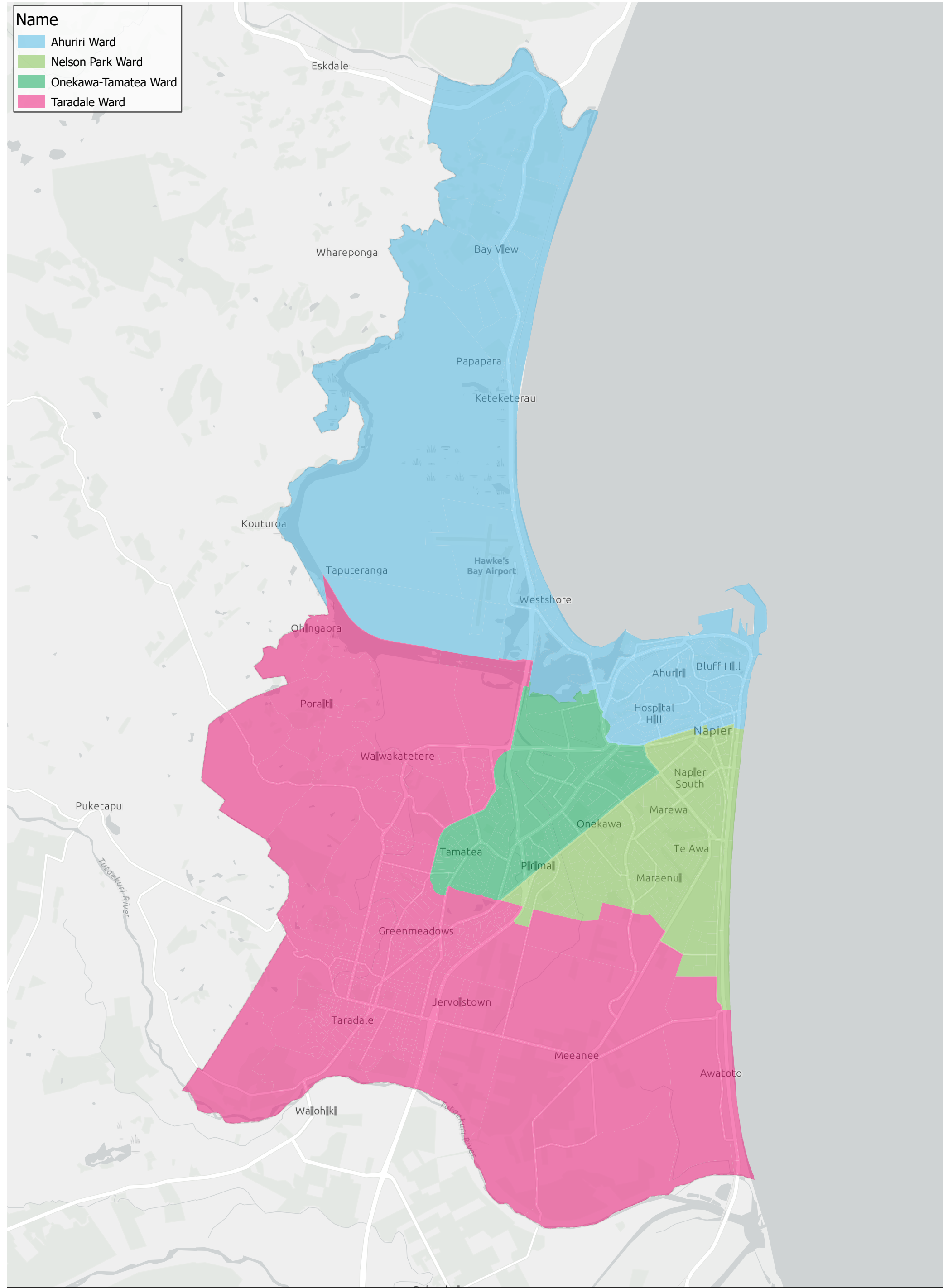
SIL Research has been engaged to help with this consultation, and it will be promoted through the usual NCC social media channels, the NCC website, and through a public notification in The Courier and Hawke's Bay Today newspapers. Information will also be available at Customer Services and the libraries.

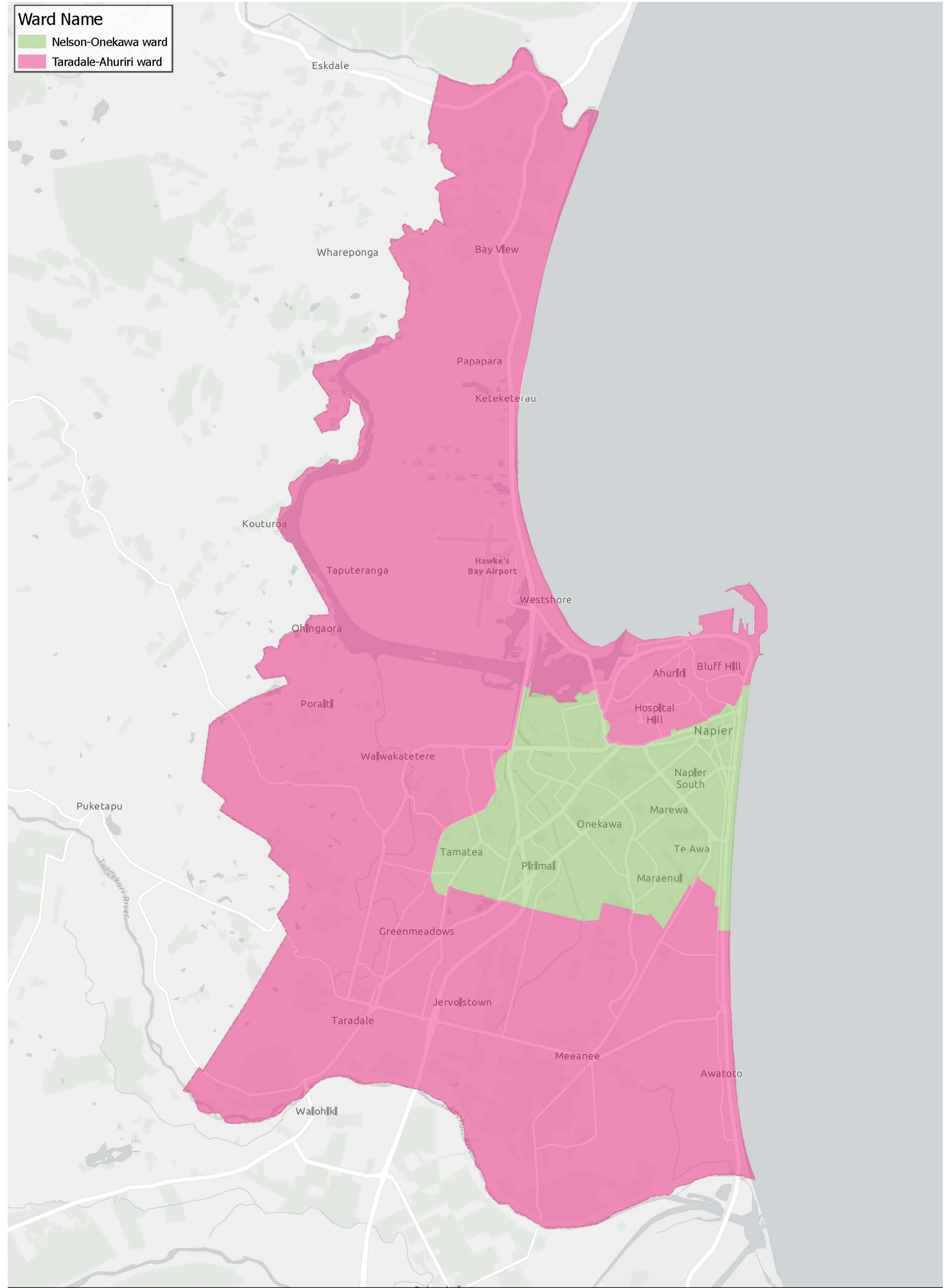
Any submissions received on the initial proposal will assist Council to either confirm its chosen representation arrangements or inform its amendment. Hearings for submitters wishing to speak to their submission, and deliberations, are proposed for 9 September 2024.

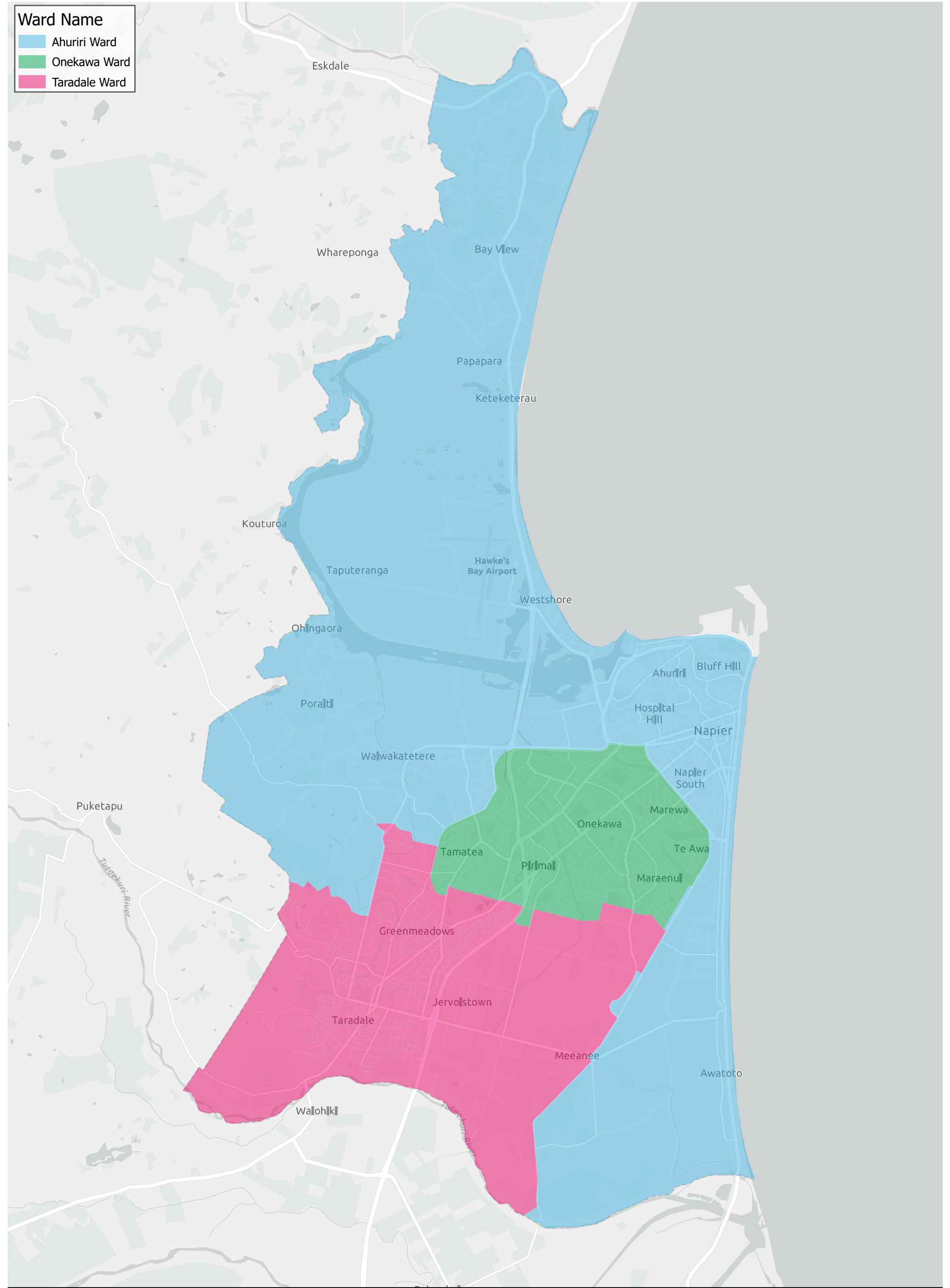
Local authorities are required under the Act 2001 to communicate their initial proposal to their applicable regional authority, the LGC, the Surveyor-General, the Government Statistician, the Secretary for Local Government and the Remuneration Authority. This is to help these organisations anticipate and plan the work required of them as a result of representation reviews.

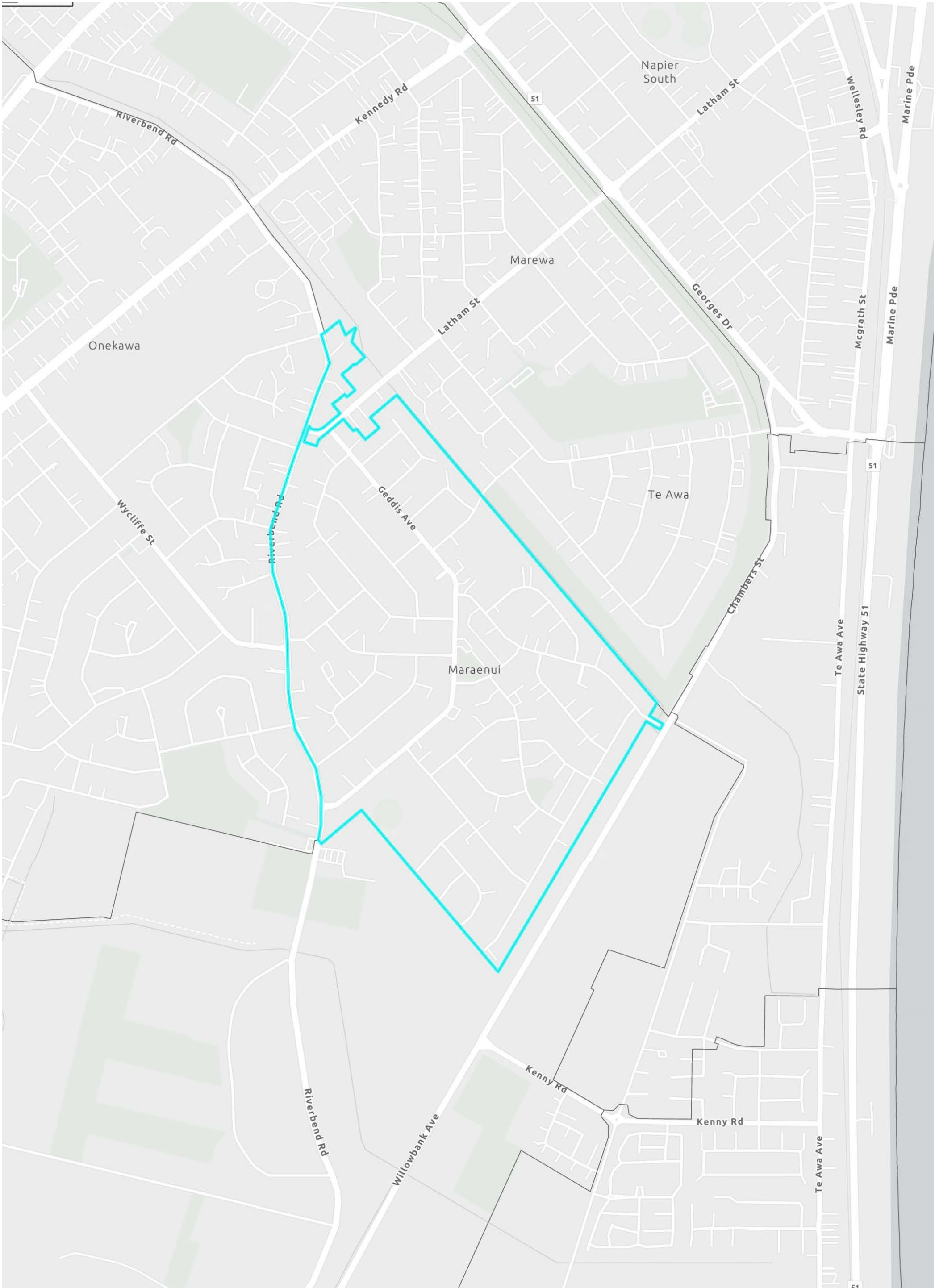
7.8 Attachments

- 1 2024 Option 1 - Four General Ward - Boundaries map (Status Quo).pdf [↓](#)
- 2 2024 Option 2 - Two General Wards - Boundaries map (Doc Id 1769255) [↓](#)
- 3 2024 Option 4 - Three General Wards - Boundaries map [↓](#)
- 4 2024 Maraenui Suburb map (Doc Id 1769272) [↓](#)
- 5 2024-05 Pre-engagement content. (Doc Id 1767654) (Under separate cover 1)
- 6 2024-06 Representaton Review pre-consultation record of engagement (Doc Id 1768674) (Under separate cover 1)
- 7 2023 Pre-engagement Representation Review Report (Doc Id 1767657) (Under separate cover 1)
- 8 2024-05 Pre-engagement Representation Review Report. (Doc Id 1767656) (Under separate cover 1)
- 9 2024-06 Suggested Ward Names (Doc Id 1768851) (Under separate cover 1)
- 10 Analysis Report - will be circulated prior to the meeting (Under separate cover 1)









8. CCTV POLICY UPDATES

Type of Report:	Operational
Legal Reference:	N/A
Document ID:	1763419
Reporting Officer/s & Unit:	Duncan Barr, Chief Information Officer

8.1 Purpose of Report

To present the revised Information Services CCTV Policy to Council to be approved.

Officer's Recommendation

That Council:

- a. **Approve** the updates made to the CCTV Policy for finalisation and publication on the Council website.

8.2 Background Summary

Council operates Closed Circuit Television (CCTV) and has a CCTV Policy.

Council undertakes regular reviews of its policies to ensure that they are still relevant, clear and accurate to reflect any shifts in best practice.

The camera's NCC operate are located at our facilities and in public spaces, as part of the Napier Assist program, for the safety of staff and public.

The policy has been updated to allow for the provision of some cameras having the ability to read vehicle number plates. Access to CCTV footage has been broadened from just the Police to Legal Enforcement Agencies, for example, Ministry of Primary Industries. There has also been an inclusion of more roles that can internally see footage and updates to various positions titles.

8.3 Issues

No issues

8.4 Significance and Engagement

Policy reviews are an internal operational process and do not require consultation.

8.5 Implications

Financial

N/A

Social & Policy

N/A

Risk

N/A

8.6 Options

To approve the updates/ actions recommended by Officers.

- a. The options available to Council are as follows:
- b. To amend the updates recommended by Officers.

8.7 Development of Preferred Option

N/A

8.8 Attachments

- 1 Information Services CCTV Policy (Doc 1761675) [↓](#)

PUBLIC POLICY



Information Services CCTV Policy			
Adopted By	Council		
Department	Corporate Services Information Services		
Original Adoption Date	24 February 2016	Review Adoption Date	05 August 2021
Next Review Deadline	05 August 2023	Document ID.	350260
Relevant Legislation	The Privacy Act 2020 The Local Government Official Information and Meetings Act 1987		
NCC Docs Referenced	Employee Handbook	1312616	
NCC Docs Referenced	Privacy Policy	352627	

Purpose

Napier City Council endeavours to provide a safe and secure environment to protect its staff, customers and the interests of our ratepayers. Closed Circuit Television (CCTV) cameras are installed and operated for one or more of the following purposes:

- Facilitate staff and public safety
- Improve security and deter anti-social behaviour in public places (including Council premises and recreational facilities)
- Record receipt and banking transactions for playback if an error has occurred, for the benefit of the customer and the staff involved
- Identify good and bad cash handling techniques for cashier training purposes
- Manage traffic movements in particular areas
- Monitor trespass on Council facilities
- Monitor compliance with Council bylaws and related legislation
- Capture information that could be used to improve safety in city and health and safety situations, and/or staff incidents
- Monitor behaviour around Council objects and animals. For example, museum artefacts and aquarium species.

This policy has been created to ensure that NCC, its employees and contractors comply with good practice, transparency and accountability and in respect of the requirements of the Privacy Act 1993 when operating Council CCTV cameras. It also outlines the process for managing all access to CCTV data, the delegated authorities of Council staff and Council obligations in regard CCTV data storage, security and signage.

Scope

This policy applies to all employees of Napier City Council, Councillors, contractors and the general public who may enter the areas covered by NCC cameras.

For Body Worn Cameras may be used by Council officers and Animal Control Officers, this footage is considered to be covered by this policy.

Some of the camera fleet may have LPR (License Plate Reader) or ANPR (Automatic Number Plate Reader) capability. CCTV footage will only be viewed by authorised staff and representatives from public law enforcement agencies (e.g. the NZ Police or Ministry of Agriculture and Fisheries) with the purpose of monitoring passenger and traffic movements, securing Council facilities, monitoring public places in order to help reduce crime, anti-social behaviour, and to promote community safety.

Cameras used for inspection of NCC assets, such as inspecting the inside of pipes, and any camera video footage recorded by an NCC employee or contractor, are not considered to be CCTV footage for the purposes of this policy.

Policy

1. Camera Locations

- 1.1. CCTV cameras are situated in locations which are clearly linked with the camera's specific purpose. All new camera systems and/or replacement systems are to be approved by a CCTV Administrator and recorded in NCC's register of CCTV cameras. (Doc ID: 711068)
- 1.2. Covert systems may only be used for Council's internal purposes in exceptional circumstances and with the prior approval of the Chief Executive. Exceptional circumstances may include where there is a strong suspicion of criminal activity or misconduct which breaches Council bylaws or may give rise to a health and safety risk to any person or damage to the environment, and which cannot be detected by other means.
- 1.3. Mobile cameras may be used to monitor compliance on construction sites (or similar) and recording progress of project work.
- 1.4. The camera locations can be viewed on the council website <https://www.napier.govt.nz/assets/Document-Library/Publications/Maps/napier-cctv-location-map-dec22update.pdf>

2. Monitoring

- 2.1. The recording devices/servers for CCTV cameras are to be installed in secure location/s as agreed upon with the CCTV Administrator. Only persons trained and authorised as CCTV Operators are allowed access to recorded CCTV footage stored in these locations.
- 2.2. All footage is kept for the duration of the intended purpose and then the data is overwritten as part of the recording process, unless it is exported for evidential purposes.
- 2.3. Live streaming camera monitoring is restricted to locations where it is necessary, depending on the purpose of the camera. Examples include in the Napier Assist the CCTV Monitoring room and when the purpose of the camera is to monitor public activity around museum objects and aquarium species, the camera live feed may be viewed by designated NCC employees, law enforcement agencies and contractors.
- 2.4. Council reserves the right to have remote access to all footage created by Council owned CCTV cameras.
- 2.5. Where cameras are monitored via a mobile device (such as a smartphone, tablet or similar device) a CCTV Operator shall ensure that no unauthorised person has the ability to view the device.

3. Control and operation of cameras

- 3.1. All NCC facilities, premises and areas may at some point in time be monitored by NCC's CCTV camera, the exceptions being listed below:
- 3.1.1. CCTV coverage will not include private areas within public spaces and facilities (e.g. changing rooms).
 - 3.1.2. CCTV coverage will not be directed at private property except unavoidably as part of a wide-angle or long shot while panning past.

4. User access

CCTV Administrators	Full System Access to all CCTV camera features and programming	NCC Chief Information Officer NCC Napier Assist Team Leader
CCTV High Level User	Full System Access to all CCTV camera features and programming for maintenance purposes	Designated IT staff Contracted Maintenance Suppliers
CCTV Operator	Majority system access for all CCTV cameras on their site including some programming ability, live view, playback and export.	Delegated NCC Facility Managers and Supervisory Staff, NCC Privacy Officers, Napier Assist Team Leader, Senior Napier Assist Officer, Napier Assist Officers
CCTV View Only	Live View, Playback (no export)	Law enforcement agencies by request, Delegated NCC Staff

4.1. The CCTV Administrator is responsible for:

- 4.1.1. Understanding their responsibilities under the Privacy Act 2020 and with respect to the Privacy Principles (see appendix 1 of the CCTV Operating Guidelines) which determines they operate with efficiency, impartiality and integrity
- 4.1.2. Ensuring the installation and maintenance of equipment is sufficient
- 4.1.3. Undertaking an annual review of the use of all NCC CCTV cameras
- 4.1.4. Organising the training and authorising of CCTV Operators
- 4.1.5. Ensuring all new installations are GIS mapped
- 4.1.6. Referring all public requests for footage (other than that from Police as per clause 6 to a NCC Privacy Officer)
- 4.1.7. Responsible for the establishment and oversight of NCC's CCTV Access Log (Doc ID:217243)

- 4.1.8. Responsible for saving all requests for CCTV access in the correct eDRMS folder - <https://MagiQeDRMS.edrms/docs/~F585070>
- 4.1.9. Responsibility for the on-going maintenance and accuracy of the NCC CCTV camera inventory and related service provider agreements.
- 4.1.10 Maintain confidentiality in regard to duties and observations.

4.2. CCTV High-Level Users are responsible for:

- 4.2.1. Understanding their responsibilities under the Privacy Act 2020 and with respect to the Privacy Principles (see appendix 1 of the CCTV Operating Guidelines) which determines they operate with efficiency, impartiality and integrity
- 4.2.2. Implementing all maintenance to the CCTV system, as required. This includes security level access for designated NCC staff.
- 4.2.3. Referring all requests for footage (other than from a Police officer) to a NCC Privacy Officer
- 4.2.4. Maintaining a record of all released or viewed footage in NCC's CCTV Access Log (doc id: 217243)
- 4.2.5. Responsible for saving requests for CCTV access in the correct eDRMS folder - <https://MagiQeDRMS.edrms/docs/~F585070>
- 4.2.6. Maintain confidentiality in regard to duties and observations.

4.3. CCTV Operators are responsible for:

- 4.3.1. Understanding their responsibilities under the Privacy Act 2020 and with respect to the Privacy Principles (see appendix 1 of the CCTV Operating Guidelines) which determines they operate with efficiency, impartiality and integrity
- 4.3.2. Ensuring all requests for footage are in writing. In this context 'in writing' includes submissions in electronic forms
- 4.3.3. Retrieving footage requested for viewing by the Police within 24 hours of the receipt of the request and recording footage released in the CCTV Access Log (doc id: 217243)
- 4.3.4. Responsible for saving requests for CCTV access in the correct eDRMS folder - <https://MagiQeDRMS.edrms/docs/~F585070>
- 4.3.5. Referring all requests for footage (other than from a Police Officer) to a NCC Privacy Officer
- 4.3.6. Maintain security of the monitors and footage (tapes, drives, disks etc)
- 4.3.7. Ensuring signage is in place and in accordance with this policy
- 4.3.8. Maintain confidentiality in regard to duties and observations.

5. Use of information collected

- 5.1. As per the Privacy Act 2020 Privacy Principles, and with regard to the listed exceptions in the Principles, information collected by the cameras can only be used for the purpose for which it was collected.
- 5.2 Meets the Privacy Act principles and observation guidelines.

6. CCTV information access and the Law Enforcement Agencies (LEA)

- 6.1. A LEA may access footage on short notice from those cameras that have been set up for purposes linked with crime detection and prevention. A LEA is required to complete a request form (see Form One) prior to the release of the footage. This request requires the LEA to enter details such as the event they are interested in, the specific offence and the name and contact details of the Officer making the request.
- 6.2. All requested footage released to a LEA or when criminal activity is suspected, will be recorded in the CCTV Access Log.
- 6.3. Footage or live streaming of events can be supplied to a LEA locally, nationally or an international sporting bodies for detection of illegal sports betting (anti-corruption), illegal behaviour at any event e.g. Cricket at McLean Park and live stream footage for the Police and ICC.
- 6.4. The completed and signed release request form should be provided to a Privacy Officer for storage in the Privacy Act eDRMS folder - <https://MagiQeDRMS.edrms/docs/~F585070>

7. CCTV information access by individuals

- 7.1. Recorded footage is confidential to NCC. All requests to view footage relating to individuals will be referred to a NCC Privacy Officer for consideration.
- 7.2. The Chief Executive (CE) and NCC's Privacy Officers, or other officers delegated that responsibility by them or by the CE, may approve persons or entities that data may be disclosed to. A list of approved persons or entities will be maintained by NCC in the CCTV Access Log.
- 7.3. A request by the public to view footage that contains information relating to other individuals must be in writing and will be dealt with as either:
 - 7.3.1. a matter to be referred to the a LEA or
 - 7.3.2. a LGOIMA request under the Local Government Official Information and Meetings Act 1987 or
 - 7.3.3. where the footage requested for viewing only shows the individual who has made the request, the request will be dealt with in accordance with the Privacy Act 2020.
- 7.4. Any request to view footage will be limited by the need to protect other persons' privacy. If a request to view the footage is unable to be granted without unreasonably breaching others' privacy, a written description may be provided by the CCTV Operator of what they are doing in the footage. Any such requests will be responded to within 20 working days and are subject to review by a NCC Privacy Officer and the CE as per Council's LGOIMA Policy and procedure.

8. CCTV and Council staff

- 8.1. The Council will investigate any suspected breach of the use of Council CCTV by a Council officer.
- 8.2. Any staff incidents or misconduct detected by CCTV will be handled in accordance with Council employment contracts, NCC Employment Handbook and Code of Conduct.

9. CCTV Signage

- 9.1. Individual cameras and/or camera areas will be clearly signposted to notify the public.

- 9.2. Signs will clearly display the message “Surveillance Cameras in Operation” or a similar message and be of a size and style that makes them readily visible to people entering the area. Where it is impractical to include all the information, the sign will direct the public to the NCC website where this policy can be viewed.

Policy Review

The review timeframe of this policy will be annually.

Document History

Version	Reviewer	Change Detail	Date
2.0	Duncan Barr / Devorah Nicuarta-Smith	full review of document	May 2019
2.1	Duncan Barr / Devorah Nicuarta-Smith	Minor changes	December 2019
3	Duncan Barr	Update and align to non-financials delegations register	March 2021
4	Duncan Barr	Update to include Napier Assist Service provisions	August 2022
5.	Duncan Barr	Update for ANPR and sharing, plus new Operators	December 2022
6.	Duncan Barr	Update job titles and positions for Ocean Spa, change police to legal enforcement agencies (LEAs)	November 2023
6.1	Duncan Barr	Minor grammatical edits	June 2024

Request for a Copy of Recorded Materials

(Napier City Council CCTV Camera System)

I request a copy of images recorded by Napier City Council's camera surveillance system at:

Name:		Rank:	
ID No.:		Station:	
Camera Location:			
The images relate to the following:			
Time:		Date:	

Location:		Incident Log No.:	
I require a copy of the images for the purpose of:			
I acknowledge that I will not make a copy of these images or disclose the images to any other persons unless lawfully required to do so.			
Signed:			
Date:		Time:	

NB: Must be completed by all persons requesting recorded information and then scanned and emailed to:

Email address: helpdesk@napier.govt.nz

Admin Use:

Information supplied? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date:
Signed:	

Appendix 1

Internal Version Only

The following people perform the roles specified in this policy:

PRIVACY OFFICERS
Chief Information Officer Chief People OfficerManager Governance Team Leader Napier Assist Āwhina Tāngata (CCTV)
CCTV ADMINISTRATOR
Chief Information Officer Team Leader Napier Assist
CCTV HIGH-LEVEL USER (Delegated IT Staff)
Senior Digital Engineers (Network and Systems)
IT System Support Engineer and Technicians
CCTV OPERATORS
Executive Director City Services
Team Leader Drainage
Team Leader Transportation
Transportation Team Administrator
Transportation Operations Coordinator
Job Costing (City Services)
Management Accountant City Services
Team Leader Animal Control
Animal Control Administration Assistant
Libraries Manager
Library Technology Specialist
Library Operations Coordinator
Napier & Taradale Librarian Service Coordinators
Kennedy Park Manager
Front Office & Service Coordinator, Kennedy Park
General Manager, National Aquarium of NZ
Operations Manager, National Aquarium of NZ
Kiwi House, National Aquarium of NZ
Napier Aquatic Centre Manager
Customer Services Coordinator, Aquatic Centre

Manager Property
Team Leader Parking
Waste Minimisation Lead
i –SITE/Par 2 Manager
Senior Duty Coordinators, i-SITE
MTG Director
Exhibition Construction and Facilities, MTG
Exhibition & Facilities Coordinator, MTG
AV & Facilities Technician, MTG
Collections Coordinator, MTG
Collections Management, MTG
Bay Skate Manager
Bay Skate Lead
McLean Park Manager
Conference and Events Manager - War Memorial Centre
Venues Resources Coordinator, Napier Conference Centre
Manager Environmental Solutions
Liquor Licensing Inspector
Napier Assist Officer
Senior Napier Assist Officer
Team Leader 3 Waters Operations Planning
3 Waters SCADA Engineer
Senior Operations Engineer
Network Control Systems Lead
Operations Manager 3 Waters
Marine Parade Pools Manager
Network Team Leader - Customer Engagement

9. LGNZ FOUR-MONTHLY REPORT

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1766965
<i>Reporting Officer/s & Unit:</i>	Anna Eady, Team Leader Governance

9.1 Purpose of Report

The purpose of this report is to provide for information the report “LGNZ four-monthly report for member Councils” (Doc ID: 1766962) for the period March to June 2024.

Officer's Recommendation

That Council:

- a. **Receive** the report titled “LGNZ Four-Monthly Report for Member Councils” for the period March to June 2024.

9.2 Background Summary

The four-monthly report summarises Local Government New Zealand's (LGNZ) work on behalf of member councils. It is designed to be put on a council agenda for discussion and feedback. LGNZ will produce three four-monthly reports each year. This report covers the period March to June 2024.

The four-monthly report complements the LGNZ regular communication channels (including the fortnightly e-newsletter ‘Keeping it Local’), providing a more in-depth look at what LGNZ does.

9.3 Options

The options available to Council are as follows:

- a. To receive the report titled “LGNZ Four-Monthly Report for Member Councils” for the period March to June 2024

9.4 Attachments

- 1 LGNZ four monthly report for members June 2024.pdf (Under separate cover 1)

10. INFORMATION - MINUTES OF JOINT COMMITTEES

<i>Type of Report:</i>	Enter Significance of Report
<i>Legal Reference:</i>	Enter Legal Reference
<i>Document ID:</i>	1761678
<i>Reporting Officer/s & Unit:</i>	Anna Eady, Team Leader Governance

10.1 Purpose of Report

The purpose of this report is to receive unconfirmed minutes from various Joint Committee meetings.

To view the full agendas relating to these minutes please refer to the Hawke's Bay District Council website at <https://www.hbrc.govt.nz/our-council/meetings> or the Hastings District Council website at <https://hastings.infocouncil.biz>

Officer's Recommendation

That Council:

- a. **Receive** for information the minutes of the following Joint Committees:
 - Hawke's Bay Crematorium Committee meeting held 5 March 2025.
 - Napier-Hastings Future Development Strategy Committee meeting 27 April 2024.
 - Clifton to Tangoio Coastal Hazards Strategy Committee meeting 17 May 2024.

10.2 Background Summary

The Joint Committees met as follows:

- 5 March 2024 Hawke's Bay Crematorium Committee
- 27 April 2024 Napier-Hastings Future Development Strategy Committee
- 17 May 2024 Clifton to Tangoio Coastal Hazards Strategy Committee

Also included with the Hawke's Bay Crematorium minutes are:

- Discussion Points at the meeting (Doc Id 1761698)
- Action points and responses from the Committee (Doc Id 1761697)
- Yearly budget circulated with cremator expense figures. (Doc Id 1761699)

10.3 Issues

N/A

10.4 Significance and Engagement

N/A

10.5 Implications

Financial

N/A

Social & Policy

N/A

Risk

N/A

10.6 Options

The options available to Council are as follows:

- a) To receive the unconfirmed minutes of the Joint Committees.
- b) Not to receive the unconfirmed minutes of the Joint Committees and request amendments from the relevant administering council.

10.7 Development of Preferred Option

N/A

10.8 Attachments

- 1 Hawke's Bay Crematorium Minutes of 5 March 2024 (Doc Id 1761696) [↓](#)
- 2 HB Crematorium Discussion Points 5 March 2024 (Doc Id 1761698) [↓](#)
- 3 Action Points and responses from HB Crematorium Committee - 5 March 2024 (Doc Id 1761697) [↓](#)
- 4 Napier-Hastings Future Development Strategy Minutes (Doc Id 1674663) [↓](#)
- 5 Clifton to Tangoio Coast Hazards minutes - 17 May 2024 (Doc Id 1767689) [↓](#)

Tuesday, 5 March 2024



Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Administered by Hastings District Council: HB Crematorium Committee Meeting

Ngā Minitī

Minutes

Te Rā Hui:
Meeting date: **Tuesday, 5 March 2024**

Te Wāhi:
Venue: **Landmarks Room
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings**

Time start – end: **10.15am – 11.10am**

Go to
www.hastingsdc.govt.nz
to see all documents

HASTINGS DISTRICT COUNCIL
207 Lyndon Road East, Hastings 4122 | Private Bag 9002, Hastings 4156
Phone **06 871 5000** | www.hastingsdc.govt.nz
TE KAUNIHERA Ā-ROHE O HERETAUNGA

Tuesday, 5 March 2024



Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council: HB Crematorium Committee Meeting

Ngā Minitī

Minutes

Te Rārangi Upoko

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Tuesday, 5 March 2024

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: HB Crematorium Committee Meeting

Ngā Minitī

Minutes

	Chair: Councillor Malcom Dixon (HDC)
	Deputy Chair: Councillor Nigel Simpson (NCC)
<i>Kua Tae ā-tinana:</i>	
Present:	Councillor Simon Nixon (HDC)
	Councillor Juliet Greig (NCC)
	Councillor Gerard Minehan (CHBDC)

<i>Kua Tatū:</i>	Group Manager: Asset Management – Craig Thew
In attendance:	Cemetery Manager – Isak Bester
	Cemetery and Crematorium Assistant Manager – Sonia Sussmilch
	Building Assets Manager - John Jiang
	Democracy & Governance Advisor - Christine Hilton

1. APOLOGIES – *NGĀ WHAKAPĀHATANGA*

There were no apologies.

2. CONFLICTS OF INTEREST - *HE NGĀKAU KŌNATUNATU*

There were no declarations of conflicts of interest.

3. CONFIRMATION OF MINUTES - *TE WHAKAMANA I NGĀ MINITI*

There were no previous minutes to be confirmed as this was the first meeting of the triennium.

4. ELECTION OF CHAIR AND DEPUTY CHAIR

(Document 24/51)

The meeting was opened with the Group Manager: Asset Management, Mr C Thew, in the Chair.

This was the first meeting of the HB Crematorium Committee for this triennium and those present introduced themselves.



Mr Thew called for nominations for the role of Chair.

Election of Chair

Councillor Dixon (HDC) was nominated as Chair by Councillor Simpson (NCC) and seconded by Councillor Greig (NCC).

As there were no other nominations, Councillor Dixon (HDC) was duly elected unopposed as Chair.

At this point Councillor Dixon assumed the Chair and called for nominations for Deputy Chair.

Election of Deputy Chair

Councillor Simpson (NCC) was nominated as Deputy Chair by Councillor Minehan (CHBDC) and seconded by Councillor Greig (NCC).

As there were no other nominations, Councillor Price (NCC) was duly elected unopposed as Deputy Chair.

Councillor Nixon/Councillor Minehan

- A) That the HB Crematorium Committee Meeting receive the report titled Election of Chair and Deputy Chair dated 5 March 2024.
- B) That Councillor Malcolm Dixon (HDC) be appointed as Chair of the HB Crematorium Committee for the 2022-2025 triennium.
- C) That Councillor Nigel Simpson (NCC) be appointed as Deputy Chair of the HB Crematorium Committee for the 2022-2025 triennium.

CARRIED

5. REPORT TO HB CREMATORIUM COMMITTEE

(Document 24/53)

Assistant Manager, Crematorium, Sonia Sussmilch spoke to the agenda report, highlighting the main points in the report. She and the other officers present responded to questions from the committee.

A copy of "Yearly Budget – Cremator Expenses" (CG-17-19-00006) was circulated at the meeting and discussed with the committee.

Councillor Nixon/Councillor Simpson

That the Hawke's Bay Crematorium Committee receive the report titled Report to HB Crematorium Committee dated 5 March 2024.

CARRIED

6. MINOR ITEMS - NGĀ TAKE ITI

There were no additional business items.



7. URGENT ITEMS - *NGĀ TAKE WHAKAHIHIRI*

There were no extraordinary business items.

The meeting closed at 11.10am

Confirmed:

Chair:

Date:

Discussion points with the Crematorium Committee on 5 March 2024

1) Sunday and Public Holiday services:

Offering services on these days is not recommended to be provided in the future as the cost for a staff member to come into the Crematorium for a cremation and the heating up and running of the Cremator, makes this a costly expense.

Palmerston North Council only allow services on Sundays and Public holidays based on the availability of staff and at double the normal fee charged.

Napier Council do not allow services on these days and have had only one burial on a Sunday in more than 40 years, due to additional fees they charge.

2) Saturday services:

Reducing the operating hours on a Saturday between 9am and 12pm for services and deliveries. This would provide a more productive use of staff time and help reduce overtime payments.

Weekend bookings have become quite inconsistent, often there is a cremation booked for the morning and the next one for late afternoon, this forces the on-call staff member to go home and then come back into work again. It also requires the shutting down and restarting of the cremator during the day. This practice causes more maintenance due to the heating up and cooling down of the cremator hearth as well as using a lot more gas.

3) Chapel Services running overtime:

The Hawkes Bay Crematorium is experiencing more and more services that do not keep to the time allocated within the booking slot. This is creating issues for staff trying to get the chapel cleaned and ready for the next service.

It is also very disappointing and unfair for the next users of the chapel that cannot get in on time as booked. A penalty fee is recommended to discourage this from happening.

4) Chapel booked for SERVICE ONLY – Not using our cremation or burial service afterwards.

A recent booking at the Crematorium chapel occurred where the deceased was taken to Wellington for cremation, but the Crematorium chapel was used for the service.

The booking fee currently charged for the use of the Crematorium chapel is low compared to other facilities around Hastings and Napier, it could become an issue if the use of it just for a service becomes more popular. A specific fee for a service only in the chapel is recommended.

From: [Christine A. Hilton](#)
To: [Christine A. Hilton](#)
Subject: Action points from the HB Crematorium Committee meeting on 5/3/24
Date: Wednesday, 15 May 2024 3:25:21 PM
Attachments: [image001.png](#)

Below are the action points from the HB Crematorium Committee meeting on 5/3/24.

Item 5 – Report to Hawke’s Bay Crematorium Committee – (Sonia/Isak/Craig)

- That if the roof of the cremator deteriorates further more quickly than anticipated, this will need to be addressed earlier. Officers to keep the committee informed.
- Once fees had been assessed and if they varied by more than 5% of the figures that had been forecast, officers to let committee know.
- Officers to make it clear to all funeral directors that Saturday services would be charged at 1 and a half times the standard booking fee and that services on Sundays would be charged at double the standard booking fee.
- The “Proposed Code of Practice for the Cemetery and Crematorium” was to be circulated to the committee.

Below are the officer responses to those action points.

- The roof of the Cremator will be replaced in July 2024.
- The proposed increase of fees is still be assessed.
- The change in fees for Saturday cremations is to be charged at 1 and a half times from 8 - 12pm and double time on Saturday from 12pm – 4pm. Sundays and public holidays we are closed.
 We cannot inform the Funeral directors of this change until it has been approved by council.
- The Proposed Code of Practice for the Cemetery and Crematorium is being looked at by Craig, as soon as he is done it will be circulated.

Christine A. Hilton

Democracy & Governance Services Advisor



Wāea/Phone (06) 871 5110 ext 5633

Īmēra/Email chrisah@hdc.govt.nz | Pae Tukutuku/Web www.hastingsdc.govt.nz

Te Kaunihera ā-Rohe o Heretaunga | Hastings District Council

Private Bag 9002, Hastings 4156, New Zealand



Thursday, 27 April 2023

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: Napier-Hastings Future Development Strategy Joint Committee Meeting

Ngā Minitī

Minutes

Te Rā Hui:
Meeting date: **Thursday, 27 April 2023**

Venue **Council Chamber
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings**

Time start - end **2.00pm – 4.35pm**

Go to
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TE KAUNIHERA Ā-ROHE O HERETAUNGA

Thursday, 27 April 2023



Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: Napier-Hastings Future Development Strategy Joint Committee Meeting

Ngā Minitī

Minutes

Te Rārangi Upoko

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HASTINGS
DISTRICT COUNCIL
Te Kaunihera ā-Rohe o Heretaunga

Thursday, 27 April 2023

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: Napier-Hastings Future Development Strategy Joint Committee Meeting

Ngā Minitī

Minutes

Kua Tae ā-tinana:

Present:

Koromatua

Chair: To be elected

Deputy Chair: To be elected

Members:

Hawke's Bay Regional Council

Cr Jock Mackintosh (HBRC)

Cr Sophie Siers (HBRC)

Napier City Council

Mayor Kirsten Wise (NCC)

Cr Ronda Chrystal (NCC)

Cr Maxine Boag (NCC Alternate)

Hastings District Council

Mayor Sandra Hazlehurst (HDC)

Cr Tania Kerr (HDC)

Cr Alwyn Corban (HDC Alternate)

Heretaunga Tamatea Settlement Trust

Dr Darryn Russell (Heretaunga Tamatea Settlement Trust)

Second representative - to be appointed (Heretaunga Tamatea Settlement Trust)

Alternate – to be appointed (Heretaunga Tamatea Settlement Trust)

Mana Ahuriri Trust

Chad Tareha (Mana Ahuriri Trust)

Tania Eden (Mana Ahuriri Trust)

Evelyn Ratima (Mana Ahuriri Trust Alternate)

Maungaharuru Tangitū Trust

Two representatives - to be appointed (Maungaharuru Tangitū Trust)

Alternate – to be appointed (Maungaharuru Tangitū Trust)

Kua Tatū:
In attendance: Chief Executive - Nigel Bickle
 Director: Future Growth Unit – Ross McLeod
 Pou Ahurea Matua: Principal Advisor: Relationships, Responsiveness & Heritage – Dr James Graham
 Programme Coordinator: Strategy, Growth and Development – Catherine Burgess
 Principal Advisor: District Development – Mark Clews
 Environmental Policy Manager – Rowan Wallis
 Senior Environmental Planner – Craig Scott
 Manager, Democracy & Governance Services – Louise Stettner
 Democracy & Governance Advisor – Caitlyn Dine

Kei Konei:
Also present: Rachel Morgan (Director, Barkers)
 Rachel Bailey (Napier City Council)
 Fleur Lincoln (Napier City Council)
 Gavin Ide (Hawke's Bay Regional Council)
 Ceri Edmonds (Hawke's Bay Regional Council)
 Parris Greening (Mana Ahuriri Trust)

Director: Future Growth Unit, Ross McLeod, assumed the Chair until the Joint Committee voted in the Chair and Deputy Chair.

Pou Ahurea Matua: Principal Advisor: Relationships, Responsiveness & Heritage, Dr James Graham, opened the meeting with a karakia.

1. **APOLOGIES – NGĀ WHAKAPĀHATANGA**

Councillor Kerr/Councillor Siers

That the apology from Councillor Martin Williams (HBRC) be accepted.

CARRIED

2. **CONFLICTS OF INTEREST - HE NGĀKAU KŌNATUNATU**

There were no declarations of conflicts of interest.

3. **CONFIRMATION OF MINUTES - TE WHAKAMANA I NGĀ MINITI**

As this was the first meeting of the Napier-Hastings Future Development Strategy Joint Committee, there were no previous minutes to confirm.

4. **VOTING SYSTEMS FOR CERTAIN APPOINTMENTS**

(Document ref 23/131)

With the agreement of the Joint Committee item 4 was not addressed.

Recommendations - Ngā Tūtohunga

A) That the Napier-Hastings Future Development Strategy Joint Committee receive the report

titled Voting Systems for Certain Appointments dated 27 April 2023.

- B) That for the election of the Chair and Deputy Chair of the Napier-Hastings Future Development Strategy Joint Committee, the Committee use; EITHER
- the system in this report called System A as provided for by the Local Government Act 2022.
- OR
- the system in this report called System B, as provided for by the Local Government Act 2022.

5. ELECTION OF CHAIR AND DEPUTY CHAIR

(Document ref 23/121)

Director: Future Growth Unit, Ross McLeod, called for nominations of the Chair.

Councillor Siers/Mayor Wise

- B) That Mayor Sandra Hazlehurst be appointed as Chair of the Napier-Hastings Future Development Strategy Joint Committee for the 2022-2025 triennium.

CARRIED

Chad Tareha/Mayor Wise

- C) That Tania Eden of Mana Ahuriri Trust be appointed as Deputy Chair of Napier-Hastings Future Development Strategy Joint Committee for the 2022-2025 triennium.

CARRIED

Substantive Resolution

- A) That the Napier-Hastings Future Development Strategy Joint Committee receive the report titled Election of Chair and Deputy Chair dated 27 April 2023.
- B) That Mayor Sandra Hazlehurst be appointed as Chair of the Napier-Hastings Future Development Strategy Joint Committee for the 2022-2025 triennium.
- C) That Tania Eden of Mana Ahuriri Trust be appointed as Deputy Chair of Napier-Hastings Future Development Strategy Joint Committee for the 2022-2025 triennium.

Mayor Sandra Hazlehurst assumed the Chair.

6. NAPIER-HASTINGS FUTURE DEVELOPMENT STRATEGY JOINT COMMITTEE TERMS OF REFERENCE

(Document ref 22/122)

Director: Future Growth Unit, Ross McLeod, spoke to the report and responded to questions from the committee.

Councillor Kerr/Darryn Russell

That the Napier-Hastings Future Development Strategy Joint Committee receive the report titled Napier-Hastings Future Development Strategy Joint Committee Terms of Reference dated 27 April



HASTINGS
DISTRICT COUNCIL
Te Kaunihera ā-Rohe o Heretaunga

2023.

CARRIED

Councillor Corban left the meeting at 2.25pm and rejoined the meeting at 2.26pm.

7. FUTURE DEVELOPMENT STRATEGY INTRODUCTION AND OVERVIEW

(Document ref 23/123)

Director: Future Growth Unit, Ross McLeod, introduced Rachel Morgan who presented a PowerPoint presentation (CG-17-27-00006) and responded to questions from the meeting.

The committee agreed to the below further outcomes:

- That there should be an opportunity for the committee to come back with suggested amendments.
- Agreed on the need for an additional meeting ahead of the first round of public engagement to consider the Issues and Options and process for engagement.

Darryn Russell/Councillor Kerr

- A) That the Napier-Hastings Future Development Strategy Joint Committee receive the report titled Future Development Strategy Introduction and Overview dated 27 April 2023.
- B) That the Committee provide feedback on the draft Future Development Strategy objectives.
- C) That the Committee:
 - i. Notes the impact of Cyclone Gabrielle on the communities of the Napier-Hastings area and their ability to engage with preparation of the Future Development Strategy.
 - ii. Approves a modified programme for the Future Development Strategy which will see the Final Strategy adopted by end October 2024, noting that sufficient work will have been completed by end June 2024 to influence Council Long-Term Plans as required under the National Policy Statement on Urban Development.
 - iii. Requests the Chief Executive of the Administering Authority to write to the appropriate Government Minister(s) advising of the impacts of Cyclone Gabrielle and the proposed programme and timeframes.

CARRIED

The Joint Committee adjourned for an afternoon tea break at 3.34pm and resumed the meeting at 3.44pm

Tania Eden (Mana Ahuriri Trust) left the meeting at 4.15pm.

Councillor Corban left the meeting at 4.21pm and rejoined the meeting at 4.22pm.

Chad Tareha and Evelyn Ratima (Mana Ahuriri Trust) left the meeting at 4.28pm.

8. MINOR ITEMS - NGĀ TAKE ITI

There were no additional business items.

9. URGENT ITEMS - NGĀ TAKE WHAKAHIHIRI

There were no extraordinary business items.

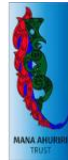
Pou Ahurea Matua: Principal Advisor: Relationships, Responsiveness & Heritage, Dr James Graham, closed the meeting with a karakia.

The meeting closed at 4.35pm

Confirmed:

Chairman:

Date:



Unconfirmed

Minutes of a meeting of the Clifton to Tangoio Coastal Hazards Strategy Joint Committee

Date:	17 May 2024
Time:	10.00am
Venue:	Council Chamber Hawke's Bay Regional Council 159 Dalton Street NAPIER
Present:	Cr J van Beek (HBRC) Chair Cr H Browne (NCC) Cr A Corban (HDC) Cr M Dixon (HDC) N Hanley (Tamatea Pōkai Whenua) Cr X Harding (HBRC) Cr C Lambert (HBRC) Cr K Price (NCC) Cr N Simpson (NCC)
In Attendance:	C Dolley – HBRC Group Manager Asset Management S Bendall – Traverse Environmental, Project Manager M Clews – HDC A Doak – HBRC Governance Advisor D Smith (Tamatea Pōkai Whenua) D Kissick – Traverse Environmental, Principal Planner (<i>online</i>)

1. Welcome/Karakia /Apologies

The Chair welcomed everyone to the meeting and Di Smith opened with a karakia.

Resolution

CLI57/24 That the apologies for absence from Evelyn Ratima be accepted.

**Van Beek/Price
CARRIED**

2. Conflict of interest declarations

There were no conflicts of interest declared.

3. Confirmation of Minutes of the Clifton to Tangoio Coastal Hazards Strategy Joint Committee held on 15 March 2024

CLI58/24 **Resolution**

Minutes of the Clifton to Tangoio Coastal Hazards Strategy Joint Committee held on Friday, 15 March 2024, a copy having been circulated prior to the meeting, were taken as read and confirmed as a true and correct record.

**Corban/Price
CARRIED**

4. Saving the Cape Coast: A legacy of frustration and hope presentation by Keith Newman

The chair welcomed Mr Newman, commending him on his work to compile the publication that had been provided to all Joint Committee members. Mr Newman presented to the Joint Committee highlighting:

- The community began eager engagement with this work going back to the 1960s.
- The subtitle of 'A legacy of frustration and hope' speaks to the hard work of passionate people over many decades against proposals that were viewed as a recipe for the destruction of a local community.
- Costs to put in infrastructure for adaptation have continued to increase over the years, however, the cost of doing nothing is higher than the cost of the infrastructure.
- The conversation around large sums of money to invest in protection was incomprehensible to the community. It was important to have a more direct conversation about the cost and benefit of the components of infrastructure to individual people and properties.
- Mr Newman received a letter from Peter Bevan, former HBRC councillor and chair of the Joint Committee, who said his greatest regret was not having pushed the councils harder to implement the strategy sooner.
- Attempts to work with the Regional Council previously had been frustrating. Specifically in relation to a project to build a sea wall – rejected by a staff member and ending with a letter from then CE James Palmer backing that initial position.
- Concerns expressed about a lack of vision, the lack of clarity around the consent-ability of projects and a lack of confidence in the availability of creative thinking to address challenges.

Questions and discussions traversed:

- The book was a collaborative effort pulled together over 14 years from reports to Hastings District and Hawke's Bay Regional councils.
- Concern that the community may no longer agree with the adaptation pathway for the Cape Coast and the importance of one-to-one conversations.
- A need for funding to be split between the Cape Coast community and the wider Hawke's Bay community.
- Frustration in the community that a new community group was established by Hastings District Council post-cyclone but had not been engaged with.
- In general increased communications are required to build passion in the community and

assuage concerns about what will happen after the strategy is adopted.

5. Project Manager's May 2024 update

Simon Bendall introduced the item, noting that there had been no changes to the dashboard since the last meeting. Discussions covered:

- developed by the community in the wake of concerns about the significant implications of a breach into the lagoon. This came very close to happening shortly following Cyclone Gabrielle. This is a live discussion and the community is working with Hastings District Council.. A key issue is that the option being advanced by the community is different to the proposal developed by the community panels and now forming the strategy; it would not be helpful for HBRC to consult on an option through the Strategy in September that is fundamentally different to what the community are developing. Simon noted that the Te Awanga community wanted the Joint Committee to be engaged in this discussion and would look to attend a future meeting to make a presentation. Joint Committee members highlighted the importance of resolving any disconnect between community aspirations and the Strategy. Discussion highlights a need to create balance between adaptability and creating assurance and confidence for the community. The Joint Committee requested TAG to undertake analysis when more information is available to determine how the Strategy and the community proposal can fit together.
- A submission on the government inquiry into climate adaptation was made on behalf of the Joint Committee. This inquiry was rebooted under the finance and expenditure committee with a focus on funding and how different parties contribute. Select Committee is expected to report back in September and if legislation is required this will begin being developed in 2025.

CL159/24

Resolution

That the Clifton to Tangoio Coastal Hazards Strategy Joint Committee receives and notes the *Project Manager's May 2024 update*.

Corban/Browne
CARRIED

6. Mātauranga Māori workstream update

Simon Bendall introduced the item and apologised on behalf of Aramanu Ropiha who couldn't attend. Highlights of discussions included:

- A range of conversations have been had with Post Settlement Governance Entities (PSGEs) and other organisations. The general theme of conversations was a lot of interest in the work but no capacity to engage.
- A desktop analysis was started using information already in the public domain such as what was supplied for consents and plans already to develop cultural frameworks. PSGEs will be asked to review and ratify the information gathered.
- Moving forward to the consenting phase without Mātauranga Māori input will potentially result in a litigious process around consenting; this is an outcome that should be avoided through early and effective engagement.
- PSGEs are assessing large volumes of consents, dealing with significant workloads and priorities and mana whenua are suffering from hui fatigue, however work is important and it is important to understand the history of mana whenua engagement in the development of the strategy.
- The work under the Mātauranga Māori workstream will continue and the Strategy will continue through to consultation regardless as there has been no feedback from PSGEs indicating a wish to stop the process.
- HBRC has a large complimentary piece of work around Mātauranga Māori across council.
- The Ngāti Parau coastal management plan is a key resource that has been taken into

consideration already as part of the desktop work

CLI60/24

Resolution

That the Clifton to Tangoio Coastal Hazards Strategy Joint Committee receives and notes the *Mātauranga Māori workstream update* staff report.

**Smith/Corban
CARRIED**

7. Regulatory Workstream update

Simon Bendall introduced the item, explaining that the regulatory component is essential.

Deborah Kissick delivered her presentation to the Joint Committee and discussions highlighted:

- Recommendations from the Strategy to the local regulatory framework are intended to influence plan writers and are not instructions.
- If HBRC adopts the Strategy it will need to be considered in the development of the Regional Policy Statement and Regional Plan, the former of which sets the direction for development of district plans.
- Further work might be required to assess if planning provisions are able to compensate for maladaptation and so a submission may be required to ensure appropriate weight is given during the Regional Policy Statement process.
- That officers on the Technical Advisory Group (TAG) were involved in the development of other plans, policies and strategies across the region and have ongoing conversations during the development of all of these about compatibility.
- This work may lower the bar for consenting and decrease costs but could take ten years to fully implement and so it may be important to consider a consenting strategy to prioritise these at a high level – all works should be consentable under the current regime.

CLI61/24

Resolution

That the Clifton to Tangoio Coastal Hazards Strategy Joint Committee receives and notes the *Regulatory Workstream Background Paper* staff report.

**van Beek/Dixon
CARRIED**

8. Communications and engagement update

Simon Bendall introduced the item, which was taken as read. Discussion highlighted:

- A desire to include town hall style meetings with the communities including at coastal marae in the engagement strategy for consultation.
- There's a need to provide the means for people to understand how much they will be asked to pay toward implementing the strategy.
- It's important to keep the conversations simple and tied to principles and context while being up front about the full gamut of interventions, costs and concerns.
- It's also important to engage with Hastings and Napier ratepayers who are not in one of the 9 priority areas.

CLI62/24

Resolution

That the Clifton to Tangoio Coastal Hazards Strategy Joint Committee receives and notes the *Communications and engagement update* staff report.

**Browne/Dixon
CARRIED**

9. Current coastal projects update

Simon Bendall introduced the item, which was taken as read.

CLI63/24

Resolution

That the Clifton to Tangoio Coastal Hazards Strategy Joint Committee receives the *Current coastal projects update*.

Browne/Dixon
CARRIED

10. Update on follow-ups from previous meetings

Simon Bendall noted that all follow-ups have been completed.

CLI64/24

Resolution

That the Clifton to Tangoio Coastal Hazards Strategy Joint Committee receives and notes the *Update on follow-ups from previous meetings*.

Browne/Dixon
CARRIED

Councillor Charles Lambert offered a closing Karakia.

Closure:

There being no further business the Chair declared the meeting closed at 12.07pm on Friday, 17 May 2024.

Signed as a true and correct record.

Date:

Chair:

11. ACTION POINTS REGISTER AS AT 17 JUNE 2024

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1769993
<i>Reporting Officer/s & Unit:</i>	Anna Eady, Team Leader Governance

11.1 Purpose of Report

The Action Points Register (Register) records the actions requested of Council officials in Council and Committee meetings. This report provides an extract from the Register as at 17 June 2024, for Council to note. It does not include action points that were requested in public excluded Council or Committee meetings.

Officer's Recommendation

That Council:

- a. **Note** the extract from the Action Points Register as at 17 June 2024

11.2 Background Summary

Officers have prepared the Action Points Register (Register) to keep track of action points raised at Council and Committee meetings in this triennium.

11.3 Issues

The Register includes action points from all Council and Committee meetings, including public excluded sessions of those meetings. The attached extract from the Register includes all action points of this triennium, other than those that were requested in a public excluded Council or Committee meeting. Action points from public excluded meetings are provided to Council for noting in the public excluded session.

The Register does not include actions that flow from Council and Committee meetings if those actions are part of Council's 'business as usual'. For example, if Council agrees to increase an application fee, it does not include the action that Council staff would need to implement that increase. However, if staff, for example, agree to arrange a further meeting or make additional information publicly available after a meeting, those actions would be included in the Register.

Once an action point has been completed, it will only be included in the Register for Council's consideration once. Once Council has noted that an action point has been completed, it will be removed from the Register. Action points that have not been completed will continue to be provided to Council until they have been completed.

11.4 Significance and Engagement

N/A

11.5 Implications

Financial

N/A

Social & Policy

N/A

Risk

N/A

11.6 Options

N/A

11.7 Attachments

- 1 2024-06-27 Open Action Points Register.pdf [↓](#)

Open Action Points Register – 2022/2025 triennium – as at 17 June 2024

Ref. number	Meeting raised		Topic	Who is responsible?		Action points	Progress/Completed
	Name	Date		ED	Officer		
16	Council	02/02/23	Council and Committees of Council Terms of Reference & Delegations	Jess Ellerm		Council's procurement strategy, which is currently in development, to contain a section on tendering and the governance process.	29 May 2024: To be presented at the July Prosperous Committee meeting.
61	Council	20/07/23	Changes to Hawke's Bay Civil Defence Emergency Group Joint Committee – Terms of Reference	Thunes Cloete		Hawke's Bay Civil Defence Emergency Group officers be requested to present to Council the risks that most affect Napier and current controls for those risks and how it is recommended that those controls be managed.	1 June 2024 Currently sitting with HBCDEM. Their risk and actions report is expected Sept/Oct. Once received a workshop will be scheduled to discuss NCC's risks and actions which fall out of that report.
85	Ngā Mānukanuka o te Iwi	15/09/23	Notification of Proposed District Plan	Rachael Bailey	Paulina Wilhelm	1 Once the public consultation has closed, community feedback to be shared with Ngā Mānukanuka o te Iwi.	29 May 2024: to be completed and a summary of submissions to go to NMotl meeting 18 October.

Ref. number	Meeting raised		Topic	Who is responsible?		Action points	Progress/Completed
	Name	Date		ED	Officer		
						2 Council officers to bring the chapter on Sites of Significance to Māori (when it is ready) to the Committee, to discuss the best method of engagement with the key stakeholders and the wider community.	29 May 2024: Council is working with MAT and MTT on this. Likely to be presented to NMoti meeting 18 October.
109	Council	14/12/2023	Minor Matter – War Memorial	Thunes Cloete		Officers to present a report to Council detailing the minor defects at the War Memorial outstanding as at the Council meeting 14/12/2023, including an estimated completion date.	29 May 2024: Email update given. Report to be completed for People and Places Committee meeting once work finalised and PMG set up. 18 July People and Places Committee.
116	Audit & Risk	4/04/2024	Matters arising from the minutes - Asset Management Roadmap	Russell Bond / Jamie Goodsir	Kate Ivicheva	Progress of the Asset Management Roadmap and implementation to be reported on. Re-requested at 14 June Audit and Risk Meeting.	14 June 2024 6 September 2024 Audit and Risk Committee meeting.

Ref. number	Meeting raised		Topic	Who is responsible?		Action points	Progress/Completed
	Name	Date		ED	Officer		
117	Audit & Risk	4/04/2024	Risk Management Report	Jess Ellerm	Dave J / Alister Edie	A&R Committee to meet with Crowe	17 June 2024 Committee have met Crowe. Waiting on Crowe to finalise risk framework and then it will be reported back to the Committee 6 September 2024.
118	Future Napier	11/04/2024	Regional Economic Development Agency Update	Rachael Bailey	Bill Roberts	Establish a formal reporting framework to Council in relation to the Letter of Expectations enabling input and accountability to Council to be measured and tracked.	17 June 2024 Completed
119	Sustainable Napier	11/04/2024	Pressure Sewer Systems Policy	Russell Bond	Andrew Torrens	Officers to provide information on when a house is sold how is the new property owner made aware of the maintenance provision for the Pressure Sewer System.	14 June 2024 Completed
120	Ngā Mānukanuka o te Iwi	10/05/2024	Agenda Items for NMoTI Komiti	Mōrehu Te Tomo		A workshop to be held to identify key priority areas for papers for the Committee's 2024 work programme.	14 May 2024 workshop scheduled 20 June.

Ref. number	Meeting raised		Topic	Who is responsible?		Action points	Progress/Completed
	Name	Date		ED	Officer		
121	Ngā Mānukanuka o te Iwi	10/05/2024	Draft Housing Strategy	Thunes Cloete	Anne Bradbury	Officer to liaise with Ngā Mānukanuka o te Iwi representative (Shayann Raihania) on other parties to be consulted on the Draft Housing Strategy	29 May 2024 Completed
122	Sustainable Napier	16/05/2024	Capital Programme Delivery	Jess Ellerm (with support from Russell Bond)		Officers to prepare a high level report for a future Sustainable Napier Committee meeting showing projects that have not been delivered.	17 May 2024 Will be presented at 1 August meeting to incorporate end of year financials.
123	Sustainable Napier	16/05/2024	Capital Programme Delivery	Russell Bond	Jamie Goodsir	Officers to organise a Council Workshop to discuss combined issues of the Clyde Road Viewing Platform, Faraday and Onslow Road steps.	29 May 2024 Workshop arranged for 4 July.
124	Council (LTP)	27/05/2024	Officer Accommodation	Thunes Cloete	Darran Gillies	Direct officers to provide further clarification to the public on the Te Aka and Office Accommodation projects.	27 May 2024
125	Council (LTP)	27/05/2024	Regional Indoor Sports and Events Centre	Jess Ellerm		Direct officers to discuss with the lessee insurance requirements for PGA.	27 May 2024

Ref. number	Meeting raised		Topic	Who is responsible?		Action points	Progress/Completed
	Name	Date		ED	Officer		
126	Audit & Risk	14/06/2024	Internal Audit: Contract Management Report	Jess Ellerm	Sharon O'Toole	1. A Procurement and Management Improvement Plan report to be brought to the Committee at the September meeting.	17 June 2024
						2. Risk Management Audit being undertaken to be reported back at the next meeting in September 2024	

REPORTS / RECOMMENDATIONS FROM COMMITTEES

REPORTS FROM AUDIT AND RISK COMMITTEE HELD 14 JUNE 2024

1. INTERNAL AUDIT RECOMMENDATIONS PROGRESS REPORT

Type of Report:	Information
Legal Reference:	N/A
Document ID:	1756765
Reporting Officer/s & Unit:	Raewyn Fowler, Internal Audit Lead

1.1 Purpose of Report

The purpose of this report is to provide the Committee with a summary of the internal audit recommendations progress to date.

At the meeting

The Financial Controller, Ms Foster took the report as read advising that good progress was being made on the agreed management actions.

Prioritisation of the work programme was undertaken by the Manager based on risk, with high risk prioritised first, however some lower/quicker actions will be undertaken sooner as these are often quick wins which require less resource to deliver.

The four key internal audit matters that have outstanding actions (Building and Resource Consents; Sensitive Expenditure; Records Management and PAYE & WHT) were prioritised with the PAYE action rated with the highest priority and good progress on completing has occurred. Corporate compliance risks are considered high and need to be addressed quickly.

Follow up with contractors who have been given access to Council records and information to ensure it has been returned.

COMMITTEE RESOLUTION

Councillors Crown / Mawson

The Audit and Risk Committee:

- a) **Receive** the Internal Audit Recommendations Progress Report.

Carried

2. SENSITIVE EXPENDITURE - MAYOR AND CHIEF EXECUTIVE

Type of Report:	Procedural
Legal Reference:	N/A
Document ID:	1756766
Reporting Officer/s & Unit:	Raewyn Fowler, Internal Audit Lead Talía Foster, Financial Controller

2.1 Purpose of Report

To provide the information required for the Committee to review Sensitive Expenditure of the Mayor and Chief Executive for compliance with Council's Sensitive Expenditure Policy.

At the meeting

The Financial Controller, Ms Foster took the report as read confirming that all items identified in the report for this quarter complied with Council's policy.

COMMITTEE RESOLUTION

Bruce Robertson / Councillor Mawson

The Audit and Risk Committee:

- a. **Receive** the 31 March 2024 quarterly report of Sensitive Expenditure for the Mayor and Chief Executive and review for compliance with the Sensitive Expenditure Policy.

Carried

3. INTERNAL AUDIT: CONTRACT MANAGEMENT REPORT

Type of Report:	Operational
Legal Reference:	Local Government Act 2002
Document ID:	1760996
Reporting Officer/s & Unit:	Raewyn Fowler, Internal Audit Lead Sharon O'Toole, Procurement Manager

3.1 Purpose of Report

To table to the Committee the internal audit on Contract Management undertaken by Council's internal auditors, Crowe.

At the meeting

The Procurement Manager, Ms O'Toole spoke to the report providing an overview of the internal audit undertaken and the eleven risks identified. A Procurement and Management Improvement Plan has been drafted and will be presented to ELT for approval on 18 June 2024 to ensure priorities, funding and resourcing are available. It is intended to report back to the Committee at the September meeting.

The Committee had a positive response to the report and the recommendation of the development of an improvement plan.

Mr Cervantes joined the meeting at 11.30am via zoom.

Mr Cervantes highlighted the following:

- The key risks identified in particular were: contract management strategy to be developed, framework document needs to be up-to-date in accordance with the audit and enforcement of financial delegations.
- Management agree to have an overarching contract management strategy, as well as to get the policies and procedures up-to-date and enforced.
- Management responses overall have met the satisfaction of the internal auditor.
- The Risk Management Audit being undertaken to be reported back at the next meeting in September 2024.

COMMITTEE RESOLUTION	Bruce Robertson / David Pearson
	The Audit and Risk Committee:
	a. Receive the report from Crowe titled 'Internal Audit – Contract Management'.
	b. Endorse actions of management to prepare and consider a Procurement and Management Improvement Plan.
	Carried

4. POLICY REVIEW PROCESS UPDATE

Type of Report:	Operational
Legal Reference:	N/A
Document ID:	1756764
Reporting Officer/s & Unit:	Talia Foster, Financial Controller Caroline Thomson, Chief Financial Officer

4.1 Purpose of Report

To update the committee on the progress made to date with the policy review project.

At the meeting

The Financial Controller, Ms Foster spoke to the report advising that since the last meeting four policies had been approved (Gifts and Gratuities; Travel; Koha and 2024 Elected Members Expenses).

It was noted that a further five policies (Credit Card; Sensitive Expenditure; Payment Policy; Complaints and Pressure Sewer) would be presented to the Executive Leadership Team (ELT) later in June 2024 and would be reported back to the Committee at the next meeting.

COMMITTEE RESOLUTION

Bruce Robertson / David Pearson

The Audit and Risk Committee:

- a. **Receive** the report titled "Policy Review Process Update" dated 14 June 2024.

Carried

5. EXTERNAL AUDIT ACTIONS STATUS UPDATE

Type of Report: Information

Legal Reference: N/A

Document ID: 1762046

Reporting Officer/s & Unit: Talia Foster, Financial Controller

5.1 Purpose of Report

The purpose of this paper is to summarise the actions taken by management from recommendations made via our external audit process to provide assurance to the Audit and Risk Committee that these have been addressed.

At the meeting

The Financial Controller, Ms Foster took the report as read advising that good progress was being made.

Ms Young advised that she would be reviewing the Audit Plan list in the near future and would provide an update at the next meeting.

COMMITTEE RESOLUTION

Councillor Mawson / David Pearson

The Audit and Risk Committee:

- a. **Receive** this report titled "External Audit Actions Status Update" dated 14 June 2024.

Carried

6. HEALTH AND SAFETY REPORT

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1762676
<i>Reporting Officer/s & Unit:</i>	Adam McDonald, Health, Safety and Wellbeing Lead

6.1 Purpose of Report

To inform the Audit & Risk Committee (ARC) of Health Safety & Wellbeing (HSW) strategic progress, performance and activities covering the period March 2024 to May 2024. The report enables the ARC to provide assurance to Council for the capability and functioning of Council's health, safety and wellbeing hazard and risk management system and associated programme.

At the meeting

The Senior Health and Safety Advisor, Mr Wallace spoke to the report providing a brief summary and overview of Health and Safety activity risks, progress of initiatives underway to improve health, safety, and wellbeing, as well as current key performance indicators covering the period March 2024 to May 2024.

In response to questions the following was clarified:

- In regard to the incident with the contractor they did have a Site Specific Safety Plan for the job which had been reviewed by officers before commencement. The project was being project managed on behalf of Council by Beca and advice at a pre-site meeting had been they would only have licensed operators on site. However this was not the case.
- Prior to the incident, Officers have been working with Council's 3 Waters Team and Projects Team on how better control over contractors on high risk projects could be achieved. In the Mysafety Assurance system there are hints that they can provide to contractors to ensure they understand what is expected of them.
- WorkSafe is locally based with four officers in Napier.
- Mr McDonald is developing a Strategic Wellbeing Strategy to identify critical risk in the Health and Safety area. Good progress is being made on the implementation of the Improvement Plan.
- It is proposed that the overall Wellbeing Strategy will be completed this month and will be delivered to ELT by Mr McDonald by the end of June 2024. There is funding in Year 1 of the 3 Year Plan for its implementation. Completion of the plan is expected over the next six to twelve months.
- A system is being implemented that will improve reporting and data collection that will reflect accurately what is happening in the organisation.

COMMITTEE RESOLUTION

Bruce Robertson / Councillor Crown

The Audit and Risk Committee:

- a. **Receive** the Health and Safety Report for the period March 2024 to May 2024.

Carried

7. RISK MANAGEMENT REPORT

Type of Report:	Operational
Legal Reference:	N/A
Document ID:	1756767
Reporting Officer/s & Unit:	Dave Jordison, Risk and Assurance Lead Alister Edie, Business Improvement Manager

7.1 Purpose of Report

To update the Committee on risk management workstreams and inform on the status of Council's strategic and operational risk profile and any emerging risks.

At the meeting

The Business Improvement Manager, Mr Edie spoke to the report providing a brief summary of the current risk management framework, some developments and workstreams underway. Tabled at the meeting and attached to the minutes (Doc Id 1769201) was a dashboard review of Council's Strategic Risks for approval by the Committee.

The uplift programme has been drafted to improve the management of the risk framework and sought the Committee's support on the categories.

The meeting acknowledged the efforts of the ELT and officers on the improvement in the risk reporting.

The following points were highlighted:

- Most of the strategic risks align to the current risks, with a couple of new ones included being security and privacy information and the Council Reputational risk which will cover metrics such as the CouncilMark report and satisfaction surveys.
- The Committee noted Strategic Risk 6 - Failing to meet Te Tiriti o Waitangi commitments and obligations from a legislative perspective should sit with the Chief Executive and not the Pou Whakarae.
- The leadership coming through is to be commended and this will encourage good progress to be made.
- The strategic risks will be presented to all of Council as it is important they review and

approve them.

- The Uplift Programme needs to include the role of governors and where they fit in the risk framework. A discussion is required regarding risk appetite and what needs to be managed and affirmed by Council.
- The Committee were happy with the Uplift Programme and risk categorisation, acknowledging there could be a tweak once the Crowe risk maturity report is received.
- Training has been developed for the Audit and Risk Committee, ELT and managers to provide understanding of their responsibility and risk management, which is a key piece of the Uplift Programme.
- It was agreed that Strategic Risk 5 “Funding and financial management” be changed to “Sustainable Financial Strategy”.
- The Uplift Programme is primarily focused on below the governance level.
- The strategic risks need to be addressed with what has been adopted in the 3 Year Plan objectives, as they are the most critical items that need to be achieved with the strategic risks aligned.
- A meeting with Council to discuss Council Reputation and risk appetite focusing on why the strategic risks are the ones governors and the Audit & Risk Committee should be addressing.
- The Committee agreed to add a standing agenda item for future meetings, to understand how management is embedded and to support ELT in their deep dives.

COMMITTEE RESOLUTION Bruce Robertson / Councillor Crown

The Audit and Risk Committee:

- Receive** the report titled “Risk Management Report” dated 16 June 2024.
- Approve** Council’s updated list of strategic risks as below:

New Strategic Risk	Risk Owner	Strategic Priority Link
1. People & Capability	All of ELT = Louise Miller - Chief Executive	A resilient City, financially sustainable Council, General
2. Not enabling our communities to become resilient	Thunes Cloete - Executive Director Community Services	A resilient city
3. Failure to plan for, develop and maintain sound infrastructure	Russell Bond - Executive Director Infrastructure Services	A resilient City, financially sustainable Council
4. Work Health & Safety - failure to maintain a safe and healthy workplace and safe systems of work	Louise Miller - Chief Executive	General

5. Sustainable Financial Strategy	Jessica Ellerm - Deputy Chief Executive / Executive Director Corporate Services	Financially sustainable Council
6. Failing to meet Te Tiriti o Waitangi commitments and obligations	Morehu Te Tomo - Pou Whakarae	Nurturing authentic relationships, Places and spaces for all
7. Effectiveness of Emergency Management	Thunes Cloete - Executive Director Community Services	A resilient City, financially sustainable Council
8. Climate Change	Rachael Bailey - Executive Director City Strategy	A resilient City, financially sustainable Council
9. Impact of external change and reform	Rachael Bailey - Executive Director City Strategy	General, A resilient city
10. Security and Privacy of Data and Information	Jessica Ellerm - Deputy Chief Executive / Executive Director Corporate Services	General
11. Delivery of programmes and change	Rachael Bailey - Executive Director City Strategy	General
12. Council Reputation	Louise Miller - Chief Executive	General

- c. **Support** the draft risk management uplift programme.
- d. **Acknowledge** and thank the Executive Leadership Team and officers for the work undertaken on risk management and the development of the uplift programme.

Carried

REPORTS UNDER DELEGATED AUTHORITY

1. TENDERS LET

Type of Report:	Information
Legal Reference:	N/A
Document ID:	1766157
Reporting Officer/s & Unit:	Debbie Beamish, Executive Assistant to the Chief Executive

1.1 Purpose of Report

To report the Tenders Let under delegated authority for the period 13 May to 19 June 2024.

Officer’s Recommendation

That Council:

- a) **Receive** the Tenders Let for the period 13 May 2024 to 21 June 2024 as below:
- **Contract 2714** Centennial Hall and Graham Lowe Stand Gutter upgrade be awarded to BR Turfrey Limited in the sum of \$240,960.00

CONTRACTS OVER \$100,000 LET UNDER CHIEF EXECUTIVE/DIRECTOR INFRASTRUCUTRE DISCRETION

Contract 2714 Centennial Hall and Graham Lowe Stand Gutter upgrade - \$240,960.00

- Two tenders have been received.
- It has been recommended that the contract be awarded to BR Turfrey Limited for 240,960.00
- This recommendation has been approved.

1.2 Attachments

Nil

RECOMMENDATION TO EXCLUDE THE PUBLIC

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

Agenda Items

1. Civic Awards 2024
2. Mission Hills Water Supply Cost Share Agreement
3. Action Points Register (Public Excluded) as at 17 June 2024

Reports from Audit and Risk Committee held 14 June 2024

1. Verbal Update Chief Executive
2. Severance Pay Recommendations Update

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.
Agenda Items		
1. Civic Awards 2024	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. Mission Hills Water Supply Cost Share Agreement	7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including	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

	commercial and industrial negotiations)	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.
3. Action Points Register (Public Excluded) as at 17 June 2024	<p>7(2)(a) Protect the privacy of natural persons, including that of a deceased person</p> <p>7(2)(c)(i) Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied</p> <p>7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</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: (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.

Reports from Audit and Risk Committee held 14 June 2024

1. Verbal Update Chief Executive	7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities	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
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		section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.
2. Severance Pay Recommendations Update	7(2)(c)(i) Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same source and it is in the public interest that such information should continue to be supplied	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.

ORDINARY MEETING OF COUNCIL

Open Minutes

Meeting Date: Commencing Monday, 27 May 2024; and
Reconvened on:
Tuesday, 28 May 2024; and
Wednesday, 29 May 2024

Time: 10.0am - 6.16pm
9.00am - 4.30pm
9.00am – 5.30pm

Venue Small Exhibition Hall (27 and 29 May 2024)
Breakout Room 2 (30 May 2024)
War Memorial Centre
Marine Parade
Napier

Livestreamed via Council's Facebook page

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

In Attendance Chief Executive (Louise Miller)
Deputy Chief Executive/ Executive Director Corporate Services
(Jessica Ellerm)
Executive Director City Services (Lance Titter)
Executive Director City Strategies (Rachael Bailey)
Executive Director Infrastructure Services (Russell Bond)
Executive Director Community Services (Thunes Cloete)
Manager Communications and Marketing (Julia Stevens)
Pou Whakarae (Mōrehu Te Tomo)
Chief Financial Officer (Caroline Thomson)
Manager Strategy and Transformation (Stephanie Murphy)
Senior Advisor Corporate Planning (Danica Rio)

Sign Language Interpreters: (Sarah Billing and Cathie Siebert)

Submitters speaking: Liz Church; Mervyn Kite; Jo Huata; Ron & Ngaire Swenson; Ryan Hambleton, Sue Smith and Tina Haslett (Sport Hawke’s Bay); Paul Eady; Dan Scott; John Sutherland; Glenn Marshall; Andrew Pearce and Joe McAllese (Kaiangaroa Residents Association); Phil Ryan; Sir Graeme Avery (Hawke’s Bay Community Fitness Centre Trust); Anna Pierard (Prima Volta Charitable Trust); Richard Catley (Pirimai Residents’ Association); Gordon Hart and Phillip Ellenberg; Ian McPherson; John Porter; Pene Johnstone; Andrew Watts; Georgie Robertson; Mark Brown-Thomas; Andrew Torrens and Jacklyn Hankin; Karl Goodchild; John McGifford and Darran Mason / Andy Walker (Central Football / Westshore Resident and Development Assn Inc); Sue Macdonald and Sarah Appley (Ahuriri Estuary Protection Society); Fred Koenders; Dennis Hall; Dawn Bedingfield (Napier Housing Coalition); Michael Hayes and Mark Cleary (Napier Pilot City Trust)

Administration Governance Advisors (Carolyn Hunt and Jemma McDade)

ORDINARY MEETING OF COUNCIL – Open Minutes

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ORDER OF BUSINESS

Karakia

The meeting opened with the Council karakia.

Apologies

Nil

Conflicts of interest

The following Councillors declared conflicts of interest in the following submissions and should not be considered as voting on these matters:

Councillor Taylor:

- Sports Hawke's Bay (#358)
- Hawke's Bay Community Fitness Centre Trust (#551)

Councillor Boag:

- Greypower (#820)

Councillors Chrystal and Tareha

- Ahuriri Rockpools Development Trust (#543)

Public forum

Nil

Announcements by the Mayor

The Mayor opened the proceedings and welcomed attendees, noting that the meeting was being both recorded and livestreamed.

Announcements by the management

Nil

Confirmation of minutes

Nil

Standing Order 4.2 – Meeting duration

A meeting cannot continue more than six hours from when it starts (including any adjournments) or after 10.30pm, unless the meeting resolves to continue. If there is not such resolution any business on the agenda that has not been dealt with must be adjourned, transferred to the next meeting or transferred to an extraordinary meeting.

No meeting can sit for more than two hours continuously without a break of at least ten minutes unless the meeting resolves to extend the time before a break".

COUNCIL RESOLUTION

Mayor Wise / Deputy May Brosnan

The Council:

Pursuant to Standing Order 4.2 an extension of time until 7.30pm on 27 May 2024 be granted.

Carried

AGENDA ITEMS

1. SUBMISSIONS ON THE THREE-YEAR PLAN 2024-27 CONSULTATION DOCUMENT

<i>Type of Report:</i>	Legal and Operational
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	1759918
<i>Reporting Officer/s & Unit:</i>	Danica Rio, Senior Advisor Corporate Planning Caroline Thomson, Chief Financial Officer Jessica Ellerm, Deputy Chief Executive / Executive Director Corporate Services

1.1 Purpose of Report

This report summarises submissions received on the Three-Year Plan 2024-27 Consultation Document and seeks final decisions for incorporation into Napier City Council's Three-Year Plan, due to be adopted at the Council meeting on 27 June 2024.

All submissions are provided in full as attachments to this report (multiple volumes due to the number of submissions and accompanying attachments), along with comments from officers where relevant for consideration by Elected Members.

PRESENTATION OF ORAL SUBMISSIONS

The following submitters spoke to their submissions.

Liz Church (#211) spoke to her submission supporting the retention of Council retirement housing and rather than retrofit, which is expensive, have new housing built to universal design standards for the older population. Improve and refurbish, have universal design in planning and pre-planning. Focus on retirement housing as cannot do both well.

Mervyn Kite (#327) spoke to his submission in regard to the Rural Residential Zone development which includes Poraiti, Tironui Drive area, Kaimata Heights, Esk Hills area and northern Hill Road. In Kaimata Heights and Esk Hills a stormwater rate has been applied. However this has not been applied to Poraiti, northern Hill Road, Eskdale Lane and Esk View Road, despite many of these properties being smaller than the "threshold".

Jo Huata (#322) spoke to her submission which did not support building a new Civic Centre and Library or redesign of Emerson Street only a year since Cyclone Gabrielle. Sad to know looking to spend \$58m when there are houses needing to be built. She also did not support the increase in gym fees for Ocean Spa.

Ron and Ngaire Swenson (#460) – spoke to their submission in opposition of the proposed 140% rate increase to their 1.7 hectare property. Rates to increase from \$2750 to \$8994. The charge for stormwater is a new charge. They are on a private road maintained by residents, with their own septic tank.

The submitters were advised a significant portion of 140% increase relates to the change in the land value. Council does not set land value and cannot prevent changes to land value. The Quotable Value process is independent of council.

Ryan Hambleton CE (Sue Smith – General Manager, Tina Haslett Places and Spaces Lead #358) spoke on behalf of the Sport Hawke's Bay submission requesting financial support of two priority regional planning projects – the Regional Spaces and Places Plan and the Regional Aquatics Plan.

Paul Eady #494 spoke to his submission highlighting the following:

- Opposed both housing options and suggested a Housing Trust model with trustees appointed by Council.
- The best spending should be done through good district planning, community strategies and engagement, and development of vertical infrastructure and networks.
- CCTO's should include all Council owned buildings and facilities to ensure maximum return and investment.
- Fees and charges should be based on user pay with minimum top up from general rates.
- Tourism facilities become CCTOs.
- Co-locate the library with Council offices in the Library Tower.
- Opposed to spending money on a new library, street upgrade or new Council offices.
- In the current economic environment, all capital expenditure should be limited to getting core infrastructure and services to minimum agreed level of service and generating good data from which to develop the 2027 LTP, which should be one that uses reality as the basis for its aspirations.

*The meeting adjourned for Morning Tea at 11.00am
and reconvened at 11.15am*

Dan Scott (#168) via zoom link spoke to his submission in opposition to selling off Council housing, he would rather Council continue to invest in council housing for those on low incomes and with special housing needs.

Mr Scott supported:

- building resilience and suggested that measures to reduce emissions be added.
- The CCTO option, but only if there is a guarantee that the investment will be ethical and meeting social obligations (e.g. not investing in initiatives that would increase emissions, fund conflict, etc.).
- Increasing fees and charges beyond CPI as long as it is done equitably.

John Sutherland (#214) spoke to his submission in regard to the 50% increase in Ocean Spa fees, with a fee reduction for seniors, as there are in many other Council facilities. Mr Sutherland suggested a 25% reduction for seniors for full use or a 50% reduction for seniors with reduced hours i.e. 10.00am to 3.00pm Monday to Friday during the quiet times. Offer casual 25% reduction for swim.

Glenn Marshall (#459) spoke to his submission and highlighted the following:

- The preferred housing option is discriminatory based on age.
- Sell all social housing - should not be Council's responsibility.
- Aquarium should be closed down as it is a loss making luxury item.
- Office premises – intergenerational loans instead of prioritising and keeping debt under control

- Opposed the proposed rate increase.

Andrew Pearce and Joe McAleese (#716) spoke on behalf of the Kaiangaroa Residents Association to a very comprehensive submission, also displaying a PowerPoint presentation (Doc Id 1763442) in regard to proposed rate increases to properties in Kaingaroa Place and proposed remedies.

Phil Ryan (#560) spoke to his submission opposing the sale of Council housing, the proposed rate increase and the resilience rate. He supported the sale of non-performing assets and felt that the land on Marine Parade should be made available for small scale commercial development.

Sir Graeme Avery (#551) spoke on behalf of the Hawke's Bay Community Fitness Centre Trust displaying a PowerPoint presentation (Doc Id 1763821) requesting funding of \$1m and an annual grant of \$150,000 towards the cost of developing and delivering well-being programmes to Napier citizens.

Anna Pierard (#601) spoke on behalf of the Prima Volta Trust displaying a PowerPoint presentation (Doc Id 1763820) in support of the consultation topics.

Mark Brown-Thomas (#823) spoke to his submission that there was a need to prioritise projects which could be deferred, delayed or discarded. Opposed the sale of Council housing. Strategic review came out last week and four strategic recommendations accepted by government. Change of direction for social investment in housing, looking at upgrading commercial housing providers, commercial / community housing authority. Councils and government will merge social housing and jointly have a commercial housing provider.

*The meeting adjourned for lunch at 12.30pm
and reconvened at 2.00pm*

Richard Catley (#547) – spoke on behalf of the Pirimai Residents Association submission requesting funding and construction of an access bridge across the Te Awa drain or (Cross country drain) between Ulyatt Road and McNaughton place, to extend the scope of walking and cycling activities for the dozens of daily users. Bupa is to contribute \$30,000 to a community project.

Gordon Hart and Phillip Ellenberg (#643) spoke on behalf of the volunteers working at the Faraday Museum of Technology displaying a PowerPoint presentation (Doc Id 1769207). Their submission requested a preference that in finalising the 2024-27 Three-Year Plan, Council commits to ensuring that no short-term expedencies would be enacted that would affect the long-term preservation of culture or heritage assets, or adversely affect the financial and economic plans necessary to support these longer-term plans.

Other volunteers spoke in support of the Faraday Centre's submission.

Mayor Wise thanked the volunteers for their work at the Faraday Centre and advised that the option of purchasing and upgrading the building will be considered and volunteers will be involved in the business plan.

Ian McPherson (#619) spoke to his submission as a volunteer of the Faraday Museum of Technology and his concern that the operation was under review. Mr McPherson supported the submission of Gordon Hart and did not support the moving of the Museum to another location.

John Porter (#733) spoke to his submission objecting to the proposed rate increase of 23.7% and the \$9.76m for staff wages without deciding where it is going.

Pene Johnstone (#762) spoke to her submission in support of Retirement Only for the Housing Strategy and selling Nelson Place, Wellesley Place and Carlyle Place with the sale proceeds used for building more retirement housing. Ms Johnstone objected to the proposed rates increase and did not support the Resilience rate, Council Control Trading Organisations or the new library building. She supported an increase in some fees and charges. Library Tower be strengthened and redeveloped to house the new library, council chambers and staff. Napier ratepayers cannot afford the increase in rates.

Andrew Watts (#720) spoke to his submission objecting to the proposed rate increase for properties in the Rural / Lifestyle / Residential properties of Esk Hills or Kaimata Road. Mr Watts supported the submission of Andrew Pearce (#716). He requested a cap of 30% on rate increases be explored.

Mayor Wise advised:

That the stormwater map will be discussed in deliberations on Wednesday, 30 May 2024.

That the QV valuations was an independent process which Council has no input into or ability to change the valuations and suggested that residents submit an objection to QV on their land valuation.

Georgie Robertson (#781) via zoom link spoke to her submission objecting to the proposed rate increase in the Rural and Rural Lifestyle/Residential areas including Esk Hills, Kaimata Heights and Kaimanawa Heights. Ms Robertson supported the submission of Andrew Pearce (#716).

Steve Liddle (#791) spoke to his submission addressing the consultation topics and acknowledging it was good to be consulted. Mr Liddle supported Council keeping social housing for emergency or retired people or for people on limited incomes. He suggested that Council not allow tourist dollars to override social concerns – even the “untidiness” of rough sleepers who have no options because of previous underplanning, outsourcing. Idea that private business does it better has been disproven.

It was noted that Mr Liddle’s reference to other councils accessing rental subsidies was not something NCC was able to do. Christchurch had a separate Community Housing Trust that allows them to access to this fund. Although Council has advocated having access there has been no support from Central Government.

*The meeting adjourned for afternoon tea at 3.15pm
and reconvened at 3.45pm*

Andrew Torrens (#711) and Jaclyn Hankin (#714) spoke to their submissions highlighting:

- Review of fees and charges to minimise general rate increases.
- Library Tower be strengthened and developed at the lowest cost option.
- Support the zoning for targeted stormwater rates be revisited.
- Consider a maximum rate increase rather than the current inequitable increases.
- Significant rate increases proposed over the next two years.
- Did not support the \$58m budgeted for Te Aka.
- Proposed Three Year Plan is contrary to strategy and does not align with published policy statements.
- Consider capping rate increases.

Karl Goodchild (#734) spoke to his submission highlighting the following points:

- Objected to the proposed rate increase and that the library \$58m project be put on hold.
- Land where new library is proposed could be leased.
- Opposed the 11.57% of the proposed 23.7% rate increase for labour costs.
- Tourist facilities must make a profit.

Darren Mason and John McGifford (#633) spoke on behalf of Central Football submission that Council has currently approved budget in the 2021/22 year of \$500,000 as a contribution to the Artificial Foot Turf as identified and adopted in the Park Island Masterplan.

No funding is identified in Council's Draft Three Year Plan for the Southern Sports Hub development including additional carparking and changing rooms. However, it was never intended that Central Football fund the additional carparking and changing rooms.

Four years has passed and there is an expected 50% increase taking the total to \$2.7m. A 50% increase from Council has been factored in and requested that Council's funding contribution increase from \$500,000 to \$750,000.

John McGifford Secretary/Treasurer and Andy Walker President (#797) spoke on behalf of the Westshore Residents and Development Association Incorporated also displaying a powerpoint presentation (Doc Id 1763561). The submission sought support from Council to complete the following projects:

- Traffic calming measures to be introduced along The Esplanade and Charles Street
- Closing laneway exit which runs parallel with Ferguson Avenue and The Esplanade.
- Commence a footpath renewal programme.
- Demolish and replace the toilet block on The Esplanade.
- Commence a targeted planting/landscaping programme on the beach reserve and The Esplanade.
- Removal of debris lying around the suburb, particularly the beach area.
- Commence work on a 9 year project plan for Westshore over the next three year cycles of Council's Long Term Plan.

Sue Macdonald and Sarah Appley (#646) spoke on behalf of the Ahuriri Estuary Protection Society submission for the continual improvement of water quality for the Estuary. Disappointed that the funding for the Ahuriri Regional Park which is part of flooding resilience and water quality improvement intentions has been deferred. The Society supports the Regional Park concept.

Michael Hayes (#719) spoke to his submission highlighting the following:

- Opposed the proposed rate increase and did not support the consultation topics.
- Money not spent on infrastructure is huge.
- Did not support the new library for next generation to pay for.

*The meeting adjourned for dinner break at 5.00pm
and reconvened at 5.35pm*

Fred Koenders (#303) spoke to his comprehensive submission in regard to the Ocean Spa and submitted that Council continue to fund some tourist facilities with deficits of rates. The majority of people who use Ocean Spa were local and the fee increase too high. In his submission he outlined an alternative strategy on how to minimise the deficit. He did not

consider a CCTO the way forward for Ocean Spa however, relocating a commercial operator could be.

Dennis Hall (#686) spoke to his submission highlighting the following:

- Objected to the proposed rate increase in the Esk Hills subdivision
- His current rates were \$4088 and were rising to \$7767 per annum an increase of 90% in one year.
- Rates in 21/22 were \$2025
- Opposing the redevelopment of Emerson Street and the new library building.
- Fund a cap of 25% increase for all rate payers through general rate or UAGC.
- Valuation of properties ratio of land to capital value was too high.

Dawn Beddingford (#535) spoke on behalf of the Napier Housing Coalition submission highlighting:

- Opposing the sale of either pensioner or social housing. Rents and profits have helped to fund other projects rather than maintenance work on the properties.
- Opposed to the proposed rate increase.
- Defer the library project.
- Many vulnerable people in the social housing are struggling with new rents.
- Employ the right people to manage the housing properly.

Mark Cleary (#718) spoke on behalf of the Napier Pilot City Trust submission on Homeless and Houseless people in Napier and requested that Council take a more proactive role in helping this vulnerable group with a dedicated outreach centre which is needed to provide food, shelter and support.

*The meeting adjourned at 6.15pm and would reconvene
on Tuesday, 28 May 2024 at 9.00am*

Minutes of a Reconvened Council Meeting (Day 2) Held In the Small Exhibition Hall, War Memorial Centre, Marine Parade, Napier held on Tuesday, 28 May 2024 at 9.00am

Present	Chair: Mayor Wise Members: Deputy Mayor Brosnan, Councillors Boag, Browne, Chrystal, Crown, Greig, Mawson, McGrath, Price, Simpson, Tareha and Taylor
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In Attendance	Chief Executive (Louise Miller) Deputy Chief Executive/ Executive Director Corporate Services (Jessica Ellerm) Executive Director City Services (Lance Titter) Executive Director City Strategies (Rachael Bailey) Executive Director Infrastructure Services (Russell Bond) Executive Director Community Services (Thunes Cloete)
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Manager Communications and Marketing (Julia Stevens)
 Pou Whakarae (Mōrehu Te Tomo)
 Chief Financial Officer (Caroline Thomson)
 Manager Strategy and Transformation (Stephanie Murphy)
 Senior Advisor Corporate Planning (Danica Rio)

Sign Language Interpreters (Sarah Billing and Cathie Siebert)

Submitters Speaking: Ani Tylee; Peter Goss; Chris Francis; Chris Hay (Locales and Heritage Services); Lynne Anderson (Save the Dotterells Hawke's Bay / Napier Branch of Forest and Bird); Kathryn Stonehouse and Tina Haslett (Hawke's Bay Netball); Guy Panckhurst; Craig Waterhouse and Janene Dixon-Smith (Regional Indoor Sports and Events Centre Trust); Stephen Daysh and Graham Duncan (Ahuriri Rock Pools Development Trust); Pip Thompson (Napier City Business Incorporated); Emily Otto (Taradale Residents Association); Bruce Carnegie (Grey Power Napier); Peter Grant (Positive Ageing Strategy Action Group); Trevor Adsett; Piripi Smith and Te Kaha Hiwaikirangi (Ātea a Rangi Educational Trust); Simon Baker (Te Whata Ora) [via zoom;] Vanessa Moon; Susan Jacobs and Tania Wright (Creative Arts Napier); Sally Davenport; Susan Myles [via zoom]; John Cockrem; Paul Jarvis; Nick Aitken; Jonathan Wallace (Soho Group and Wallace Development); Phil Ross (Whatever It Takes Trust Incorporated); David Dyde; Ben Kingsford and Jorja Miles (Napier Youth Council); Bruce Peterson; Selwyn Hawthorne; Lucy Miller and Mark Bayliss (Abbeyfield Hawke's Bay)

Administration Governance Advisors (Carolyn Hunt and Jemma McDade)

The Mayor welcomed everyone to the second day of the hearings for the Three Year Plan Submissions.

1. SUBMISSIONS ON THE THREE YEAR PLAN 2024-27 CONSULTATION DOCUMENT (cont)

Presentation of Oral Submissions (Cont.)

The following submitters spoke to their submissions.

Ani Tylee (#739) spoke to her submission to build resilience. Fees and charges should be kept as low as possible. She also sought support from Council to look at introducing rewilding in urban space in the city. Rewilding has benefits of reduced costs including less mowing, less fuel and wages creating increased biodiversity. Communication to the community to understand rewilding and not seen as neglect.

COUNCIL RESOLUTION

Mayor Wise / Deputy May Brosnan

That Council:

Pursuant to Standing Order 4.2 an extension of time to 5.00pm on 28 May 2024 be granted.

Carried

Peter Goss (#707) spoke to his submission opposing the proposed rate increase for Esk Hills in excess of 100%. He requested that Council consider:

- Revisiting the approach to setting the targeted rates to ensure the assessed rates comply with the Council's Rates Policy, by fully recovering the annualised cost of capital expenditure.
- Adjust the rating differential for residents who do not receive one or more of the targeted services to fully offset the amount currently recovered through the general rate.

Chris Francis (#816) accompanied by Mark Cleary spoke to his submission highlighting the following points:

- Homeless in Napier seeking support in keeping the Outreach Centre open as a safe place for homeless to go to.
- Homeless felt they were being judged as outcasts of society and often are homeless through trauma or addiction.
- Requested more toilets open 24/7, showers and food. WHIT only provide food 3 days a week.
- Reintegration of homeless into society and provide positive things to do during the day.
- If homeless have a safe place to go the positive is it keeps them out of the eyes of the public and can assist them to get off drugs and alcohol.
- Council can lead this - Hastings have a shelter.

Chris Hay (#795) spoke on behalf of the Locales and Heritage Services submission and also displayed a powerpoint presentation (Doc Id 1763621) of a proposed new tourism experience for Napier through a map based digital story telling. Requested a financial contribution of 20%-30% towards establishing digital story telling project.

Lynne Anderson (#626) spoke on behalf of the Save the Dotterels Hawke's Bay submission also displaying a powerpoint presentation (Doc Id 1763823). The submission sought consideration for inclusion of Cat Management within the review of the Animal Control Bylaw.

It was noted that without overarching legislation from Government, Council could not issue fines making compliance difficult. It would need to be voluntary guidelines on Cat Management rather than a bylaw.

Lynne Anderson (#627) spoke on behalf of the Napier Branch of Forest and Bird submission regarding conservation advocacy and animal control. She also urged Council to move towards requiring (and exemplifying through existing housing) things like water sensitive design, provision of solar panels, on-site water tanks to store rainwater, and planting of shrubs and flax instead of grass for lawns. The submitter requested:

- Continuation of Significant Natural Areas to designate some of Napier's coastline
- Include reference in the Fire Control Bylaw regarding restriction of fires on beaches.
- A bylaw to ban vehicles on the beach
- Look at communication for the public on the website as there is conflicting information regarding fires on beaches.

It was noted that beaches are covered by the Parks and Reserves and that having a specific Beach Bylaw could be a good idea.

Kathryn Stonehouse (Operations Manager) and Tina Haslett (Chair, Board) (#782) spoke on behalf of the Hawke's Bay Netball submission also displaying a powerpoint presentation (Doc Id 1763619) providing an overview of the facility. The following points were highlighted:

- Remedial work on the Sports Pavilion be undertaken as cannot insure the building until the work has been done.
- Remedial work will cost \$15,000
- HB Netball signed the lease in 2015 however, Council never signed.
- Undertake a seismic strengthening report prior to the work being done.
- Request Council offer HB Netball a new lease for an interim period until a decision on the future of the Aquatic Centre is made.

Guy Panckhurst (#667) spoke to his submission on the consultation topics, also displaying a powerpoint presentation (Doc Id 1764588). The following points were highlighted:

- Web pages good but complicated, difficult to find how to make a submission.
- Selling housing short term solution and suggested Council consider independent delivery and a Community Housing Trust.
- CCTO greater focus on better return on investment and having independent board does not always work.
- Fees and Charges to increase fees to cover actual Council costs incurred e.g. Resource Consent change to minimum charge with hourly rate charge above to recover actual cost.
- Supported loan funding tourist facilities.
- Support redeveloping Library building and retaining ownership of building.
- Financial Contributions Policy set figures back in 2004 and rolled over a reduced price index each year.
- Did not submit on the Financial Contributions Policy and did not know it was separate to the Three Year Plan.

Councillor McGrath withdrew from the meeting at 10.18am and rejoined the meeting at 10.23am

Craig Waterhouse and Janene Dixon-Smith (#285) spoke to the Regional Indoor Sports and Events Centre Trust's submission, also displaying a powerpoint presentation (Doc Id 1763557). The submitter requested the following:

- An increase in the operational expenses currently provided from \$100,000 to \$300,000 per annum, plus GST.
- Proposed new operational and renewal support figures be inflation adjusted annually.
- Increase operational support by \$150,000 per annum.
- Insure the buildings
- Buildings owned by the Trust on Council land.

Stephen Daysh and Graham Duncan (#543) spoke on behalf of the Ahuriri Rock Pools Development Trust submission also displaying a powerpoint presentation (Doc Id 1763559) on the future aquatic project set down for four years' time with a vision that Napier is a tourism destination and mecca. The following points were highlighted:

- \$70,000 has been spent on the pre-feasibility study.

- Liaising with New Brighton Hot Pools, Christchurch and full costs will be completed in the next stage.
- Entire design concept worked around Spriggs Park.
- There will be shade provision but not intended to cover the pool in.

*The meeting adjourned for morning tea at 10.37am
and reconvened at 10.55am.*

Pip Thompson (#777) spoke on behalf of the Napier City Business Incorporated submission in support of the revitalisation of Emerson Street highlighting the following:

- Vehicle access remains in Emerson Street during trading hours
- Improved retail area amenities
- Establishing inner city identity
- Prioritise pedestrians without sacrificing vehicle access
- More inner city living opportunities
- Integration of more planting and green to connect with the beach.
- Additional seating and one way traffic flow
- Improved lighting and night time appeal
- Installation of retractable bollards
- Collaborate approach with Council

Emily Otto (#804) spoke on behalf of the Taradale Residents Association submission in support of retention/reimagining the Aquarium and Faraday Centre in a cost effective way. The submitter also requested Council install secure suitable fencing to the dog exercise park at Riverside Park and Napier Park Island. The 2012 Masterplan at Park Island focussed on sport and residential housing.

Bruce Carnegie (#820) spoke on behalf of the Grey Power Napier submission opposing the proposed rate increase and asked how members would be able to afford to pay their rates. He suggested it would be helpful if Council could offer payment options to residents on how to pay their rates.

Grey Power Napier supported selling the social housing, resilience rate and the creation of CCTOs. Consideration be given to offering superannuants and community service holders discounts on dog registrations and parking within the CBD.

Peter Grant #447 spoke to his submission that Napier is a great place to live. He submitted that the Plan needs to be modified and presented in a better way providing background and lead people into what the rate increase is going to be. The rate increase should be at the end of the Plan not at the beginning. Reprioritise expenditure and works.

Peter Grant and Alexia Puna (#561) spoke on behalf of the Positive Ageing Strategy Action Group and their submission highlighting:

- Opposing the proposed rate increase
- Investigate a CCTO for community housing
- PSAG be included in any consultation for a prospective CCTO
- Napier recognised as an Age Friendly City
- Napier City Council's commitment to being an Age Friendly City be clearly articulated in Council documents and translated into action in Council's Three-Year Plan for the city to achieve positive outcomes for all older people living in our City.

Trevor Adsett (#661) spoke to his submission, also displaying a powerpoint presentation (Doc Id 1763616) supporting selling all Council housing, building resilience, increasing some fees and charges and a change to how tourist facilities were funded. However, he did not support any increase in labour costs and additional staff increase. He suggested the following:

Proposal 1

- Freeze employing new/more staff
- Review current roles and performance
- Rate individuals' outcomes vs KPI's of their role
- Pay increases for more responsibility and better outcomes?
- Do we need 600+ employees for 67,000 population

Include labour costs to Ocean Spa, Kennedy Park and Napier Events Centre into the loans to support these facilities over next three years.

Proposal 2

- Include the labour costs for Ocean Spa, Kennedy Park and Napier Events Centre into the loans to support these facilities over next 3 years
- Est 100 FTE over 3 facilities @ \$90k = **\$9m savings**

Mr Adsett concluded increasing inflation affordability and live within our means. A rates increase of 23.7% is not living within our means.

Piripi Smith and Te Kaha Hiwaikirangi (#737) spoke on behalf of the Ātea a Rangi Educational Trust submission, also displaying a powerpoint presentation (Doc Id 1763417) in support of the new waka hub development in Ahuriri. The Trust agreed that they could fundraise for any shortfall.

*The meeting adjourned for lunch at 12.06pm
and reconvened at 1.00pm*

Susan Jacobs and Tania Wright (#841) spoke on behalf of the Creative Arts Napier submission requesting that Council waives the annual rent of \$16,740 it charges Creative Arts Napier as it is intended that NCC rolls over its service agreement funding of Creative Arts Napier for 2024-2025. Ms Jacobs also displayed a powerpoint presentation (Doc Id 1764168) of projects and programmes that they had been involved with.

Simon Baker #776 via zoom link spoke on behalf of Health New Zealand's (Te Whatu Ora) submission highlighting the following points:

- Did not support Council selling social housing.
- Urged Council to prioritise the retention of initiatives that enhance Māori wellbeing and reduce inequities.
- Supported Napier becoming a more resilient city.
- Previously supported and continues to support the investment in restoring the Ahuriri Regional Park to improve water quality and

It was noted that the healthy home standards will be met for all Council housing by the end of June 2024.

Nick Aitken (#746) read his submission objecting to the proposed rate increase in the Esk Hills area and stormwater charges. He submitted that Council return to the differentials in place up to 2021. He also submitted that Napier City Council develop and implement a programme to:

- Repair the historic lighthouses between the Hawkes Bay Airport and Bay View.

- Repair the WW2 era pillboxes along and to the south of Marine Parade and between Westshore and Bay View.
- Set up social infrastructure based resilience projects centred on local communities and facilities (schools, community halls, marae) and protect community halls recognising their resilience value.
- Give streetlights a repaint and the cobbles/pavement and footpaths some maintenance and cleaning.

Sally Davenport (#135) spoke to her submission highlighting the following points:

- Opposed the sale of Council housing
- Supported a new approach to managing Council investments
- Review of fees and charges she suggested that non-regulatory fees could be increased as not essential.
- Live in a flood plain and climate change is happening.
- The office accommodation at \$58m could be scaled back without the “nice to have” component.
- Emerson Street redevelopment does it really need to happen?. She reiterated that Council needed to “cut its cloth accordingly”.

Vanessa Moon (#796) read her oral submission (Doc Id 1765156) in support of the preferred housing option, creating a resilient city, inter-generational investment, change to tourism facility funding, but would prefer discounted entry prices. In regard to office accommodation she preferred refurbishing rather than demolishing and rebuilding.

John Cockrem (#72) spoke to his submission, also displaying a powerpoint presentation (Doc Id 1763558) on the community and conservation value of the Aquarium and the importance of retaining this asset. The Aquarium would benefit from improvements and would be very worthwhile.

Paul Jarvis #824 spoke to his submission opposing the new library building and the revitalisation of Emerson Street. He did not support relocating the Faraday Museum from its historic building, which was 130 years old.

Mayor Wise thanked and acknowledged the work Mr Jarvis did as a volunteer work at the Faraday Centre.

She also advised that there will be a business case to look at various options on how the museum will go forward whether it is in the existing building or relocated and volunteers will be an integral part of the discussion.

David Dyde (#216) spoke to his submission opposing the proposed rate increase and suggested a cap be put on the rating

*The meeting adjourned for afternoon tea at 2.35pm
and reconvened at 3.00pm*

Jonathan Wallace (#603) spoke on behalf of the Soho Group, also displaying a powerpoint presentation (Doc Id 1763620) on public and affordable housing as an alternative to Council housing. Soho partners with Commercial Entities, Community Housing Providers, Iwi Groups, District Councils, and other key stakeholders across New Zealand to manage their tenant-lead Build to Rent properties for optimum tenant outcomes.

Jonathan Wallace (#753) spoke on behalf of the Wallace Development Company Limited (WDC), also displaying a powerpoint presentation (Doc Id 1763822) of developments that have been completed. The submitter highlighted the following:

- WDC specialises in strengthening and refurbishment and could have a building ready to occupy by 2027.
- Suggested best outcome for Council and ratepayer is sale and leaseback.
- WDC could deliver a sale and leaseback arrangement resulting in lower short term and long term costs.
- WDC could accept all development risk.
- Lease terms could be structured to deliver long term certainty of rents.
- WDC could work with council to design a building that meets Council's needs.
- Council would have right to purchase the premises back after a period of time.

Phil Ross (#558) spoke on behalf of the Whatever it Takes Trust Incorporated (WHIT) submission requesting consideration be given to the following:

- Funding an in-depth study of the services available within Napier to the homeless.
- Additional Community Services staff resource
- Commitment from Council to remain involved with regional and national initiatives to support the homeless and provide pathways out of homelessness.
- Support and enhance NCC's frontline staff's understanding of homelessness, providing advice on engagement with people experiencing homelessness
- Provide a link into support services to people experiencing homelessness and/or people with multiple and complex needs
- Council has bylaws and overarching Local Government legislation that sets out how public spaces can and should be used but this can discriminate against those who need to use these spaces in a way that is different to those who have a home to go to.
- To recognise the homeless as members of the community,
- Funding for a night shelter with essential amenities for safe living: a warm, dry bed; a safe space, privacy; lockers; hygiene facilities; access to nutritious food; safety measures.

Mayor Wise advised that Council was committed to working alongside all agencies who are working with these key partners for a solution. Trying to find a location to set up a more fully serviced Outreach Centre. Understand the need and how important it is to find solutions for the homeless people.

Selwyn Hawthorne (#814) spoke to his submission on the following:

- He is vehemently opposed to the revitalisation of Emerson Street as there other projects of high priority
- Obligation should be to retain social housing as there were expert Retirement Housing operators available to cater for older persons.
- Opposed the proposed rate increase.

Ben Kingsford and Jorja Miles (#513) spoke on behalf of the Napier Youth Council submission on the following:

- Supported selling the social housing villages and focussing on retirement housing.
- A rate to build resilience is important in protecting the community against extreme weather events.
- Establishing Council Controlled Trading Organisations could ensure rates increases in 24/25 are still reasonable and also benefit from long term investment.
- Supported the increase in car parking fees.

- Existing building for office accommodation should be refurbished taking into consideration being environmentally sustainable. Including solar, recycling material rooftop rainwater, LED light bulbs.
- Support the Te Aka project. Advocated for youth space in the library and will continue to do so.
- Supportive of Ocean Spa being commercial model the recreational facilities are slowly dwindling. Cater for young people with off peak entry and discount for students so have recreational activities for young people.
- Requested an additional \$7000 to create a Youth Led Events Fund alongside the Youth Grants. A competitive fund open to only Napier youth to create events.
- Support shortfalls with loans for now. Once financially sustainable should repay the debt from profits they are making.

Lucy Miller and Mark Bayliss (#720) spoke on behalf of Abbeyfield Hawke's Bay submission, also displayed a powerpoint presentation (Doc Id 1763618) on the benefits of establishing an Abbeyfield House in Hawke's Bay for older people. The following points were highlighted:

- Everyone that moves into an Abbeyfield Home is one less in social housing.
- Lease land on peppercorn rent reduces the cost that is needed to be raised. Have very good system for programme maintenance and does maintenance on the buildings as required.
- Any existing pensioner housing site use would be retained and preserved, the Council interest would be protected via covenant or other instrument
- Abbeyfield Home would be complementary to existing pensioner housing provisions
- Medium density development, high quality housing delivered
- Abbeyfield is the not-for-profit developer, building owner and manager – national expertise plus local knowledge
- The Abbeyfield model is a unique and proven supplier of elder housing, registered Community Housing Provider meeting high performance standards
- Abbeyfield can access central government funding – Income Related Rent Subsidy (IRRS) / Operating Supplement from Housing and Urban Development or Affordable Housing Fund (depending on availability)
- Land required 2000m² can make work houses work with 2 storey building anything from 1200m².

This concluded the hearing of submissions where submitters had chosen to speak to Council.

The meeting adjourned at 4.30pm and would reconvene to commence deliberations on Wednesday, 29 May 2024 at 9.00am in Breakout Room 2, War Memorial Centre

**Minutes of a Reconvened Council Meeting Held In the
Breakout Room 2, War Memorial Centre, Marine Parade, Napier held on
Wednesday, 29 May 2024 at 9.00am**

Present	Chair: Mayor Wise Members: Deputy Mayor Brosnan, Councillors Boag, Browne, Chrystal, Crown, Greig, Mawson, McGrath, Price, Simpson, Tareha and Taylor
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In Attendance	Chief Executive (Louise Miller) Deputy Chief Executive/ Executive Director Corporate Services (Jessica Ellerm) Executive Director City Services (Lance Titter) Executive Director City Strategies (Rachael Bailey) Executive Director Infrastructure Services (Russell Bond) Executive Director Community Services (Thunes Cloete) Manager Communications and Marketing (Julia Stevens) Pou Whakarae (Mōrehu Te Tomo) Chief Financial Officer (Caroline Thomson) Manager Strategy and Transformation (Stephanie Murphy) Senior Advisor Corporate Planning (Danica Rio) Financial Controller (Talia Foster) Financial Analyst (Dirk Steyn) Manager Community Strategies (Anne Bradbury) Corporate Finance Manager (Garry Hrustinsky) Manager Property (Bryan Faulknor) Business Improvement Manager (Alister Edie) Team Leader Transportation (Robin Malley) Team Leader Open Spaces (Tania Diack) Team Leader City Design and Urban Renewal (Georgina King) Strategic Programmes Manager (Darran Gillies) Manager Business and Tourism (Steve Gregory) Manager Arts, Culture and Heritage (Elizabeth Caldwell) Sign Language Interpreters: (Sarah Billing and Cathie Siebert)
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Also in Attendance:	Dr Troy Virgil and Nataylia Rik – Consultants, SIL Research Mike Wakefield (Simpson and Grierson) [via zoom link]
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Administration	Governance Advisors (Carolyn Hunt and Jemma McDade)
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1. SUBMISSIONS ON THE THREE YEAR PLAN 2024-27 CONSULTATION DOCUMENT (cont)

The Mayor welcomed everyone back to Day 3 and deliberations on the Three Year Plan and advised that the meeting was being livestreamed and recorded.

The Mayor reminded the meeting of the following Standing Orders and that as the meeting would be longer than six hours under the Standing Order of 4.2 an extension of time would be requested.

- **21.2 Time limits on speakers** – *The following time limits apply to members speaking at meetings:*
 - a) *Movers of motions when speaking to the motion – not more than 5 minutes;*
 - b) *Movers of motions when exercising their right of reply – not more than 5 minutes;*
and
 - c) *Other members – not more than 5 minutes.**Time limits can be extended if a motion to that effect is moved, seconded and supported by a majority of members present.*
- **21.6 Limits on number of speakers** –*If three speakers have spoken consecutively in support of, or in opposition to, a motion, the Chairperson may call for a speaker to the contrary. If there is no speaker to the contrary, the Chairperson must put the motion after the mover's right of reply.*
Members speaking must, if requested by the chairperson, announce whether they are speaking in support of, or opposition to, a motion.

COUNCIL RESOLUTION

Extension of Meeting Time

Mayor Wise / Deputy May Brosnan

That Council:

Pursuant to Standing Order 4.2 an extension of time until 5.00pm on 29 May 2024 be granted.

Carried

INTRODUCTION

The Deputy Chief Executive / Executive Director Corporate Services, Ms Ellerm advised that the agenda for the meeting would be:

- Introduction of paper prepared by Council staff summarising submissions received on the Three Year Plan.
- Dr Virgil Troy and Nataylia Rik, SIL Research presentation analysis of submissions.
- Overview of the consultation
- Analysis of the paper and comments provided by officers
- Officers will present subject by subject and respond to any questions
- Deliberation on Three Year Plan

Dr Virgil Troy and Nataylia Rik, SIL Research had prepared the analysis of submissions and displayed a brief powerpoint presentation (Doc Id 1765186) outlining the methodology used for analysing the submissions.

The Senior Advisor Corporate Planning, Ms Rio displayed a powerpoint presentation (Doc Id 1765185) providing a brief overview of the report. The key consultation topics were:

1. The future of Council housing
2. Building up our community resilience
3. A new approach to managing Council's investments
4. Reviewing Fees and Charges
5. A change to how some Tourist Facilities are funded
6. Napier City Council office accommodation

Other topics raised by submitters in addition to the consultation topics included:

- Concern about rates increase and Council spending
- Labour costs and preservation of cultural assets such as Faraday Centre and Aquarium

Other recommended changes included:

- Funding of the Coastal Hazards Strategy
- Minor operational amendments recommended changes to the financial information underlying the 3 year plan.
- Roll back of the stormwater map

DELIBERATION OF THE THREE YEAR PLAN 2024-2027 CONSULTATION ITEMS

The meeting commenced consideration of the consultation items in the Three Year Plan in conjunction with the management comments and decisions would be made as Council progressed through the items. The order would be:

- Consultation Topics
- Council led changes through submissions, not part of the consultation topics
- Officer led changes for deliberation
- Funding requests

*Prior to commencing discussion on the consultation topics the Mayor addressed **Recommendation 1.***

COUNCIL RESOLUTION

Deputy May Brosnan / Councillor Tareha

That Council:

1. **Receive**, thank and acknowledge all community members that made submissions on the Three-Year Plan 2024-27 Consultation Document.

Carried

The Future of Council Housing

It was noted that Chris Ryan Wakefield representative from Simpson and Grierson joined the meeting online assist with deliberations for this topic.

The Manager Community Strategies, Ms Bradbury advised that officers had listened to the submissions presented on 27 and 28 May 2024 and had read all the submissions noting that some submitters did not want to sell any Council assets however, there was general support for the preferred option *shift Council's focus to delivering retirement housing only and divest some Council-owned housing (mixed delivery approach)*. Based on the submissions Council officers did not wish to change their recommendation.

Officer's Recommendation 2a)

The future of Council housing: shift Council's focus to delivering retirement housing only and divest some Council-owned housing (mixed delivery approach), as per Council's preferred option.

- i. Direct officers to develop an implementation plan for shifting Council's focus towards delivering retirement housing only, under a mixed delivery approach, and
- ii. Direct officers to execute the divestment of NCC's three social housing villages (Nelson Place, Wellesley Place, and Carlyle Place), and
- iii. Direct officers to engage with affected tenants, community members and interest parties as appropriate.

Officer's comments

Over the last few years costs to provide council housing for our community have increased and the current way we provide housing is not financially sustainable. This is due to increases in maintenance, insurance, rent subsidies, renovating units and debt servicing.

As noted in the Three Year Plan Consultation Document, Council wants to be able to provide housing that is affordable for our tenants and our ratepayers. Council is committed to ensuring that all current tenants have a house and are looking to maintain or increase our retirement housing.

Further engagement with tenants and the community will be undertaken once plans are more formally developed.

Community feedback for question one reflects Council's desire to focus on retirement housing only to help us continue to meet the needs of the community, while also ensuring we are financially well positioned for the future.

Community feedback on question two shows a strong support for Council's preferred option of taking a mixed delivery approach.

Points highlighted:

- Divesting the three social housing properties, taking into account the five priorities of Council. No one will lose their home when divest but Council has not been any more prescriptive in the Three Year Plan about how divestment will occur.
- Through the mixed delivery approach Council could look at transferring some of the units to a community housing provider. Mixed delivery also looked at redeveloping some of the villages.
- There is more opportunity under the mixed delivery approach. The independent approach means that the service will be provided by other housing providers on Council's behalf. Mixed delivery provides slightly more flexibility on who the other partner is. Through the independent approach there could be redevelopment of some of the villages.
- The decision today is what to include in the Three Year Plan and how go out for a procurement approach to deliver.
- Currently the officer's recommendation is a mixed delivery model, submissions presented on an independent delivery and do not want to preclude Council from further investigations.

Mr Ryan advised that if Council included in the resolution that when Council goes to market and looks at delivering housing priorities under mixed or independent delivery model approach to explore those options, it was important to note that this increases the chance of having to consult again, once there is a particular proposal. If there is going to be transfer of a strategic asset, which includes Council's housing stock that proposal needs to be

provided for in the Long Term Plan. The greater likelihood of any particular proposal Council settles on later will not be provided for.

- If the resolution was clear that the potential divestment was only for the three social housing villages as the only strategic assets through any proposal that would remove the requirement to re-consult.

Councillor Simpson withdrew from meeting 9.47am rejoining at 9.51am

- *Mr Ryan advised the risk would, depend on the commercial arrangement that was put in place for the remainder of the villages. That may cost the transfer of control to which Section 97 also applies. The more that is included in the resolution the better.*
- Need to be as prescriptive and clear as possible around the control and transfer of any strategic asset as there is always the possibility of having to consult with the community, dependant on market negotiations.
- *Mr Ryan added that it was important that the resolution does not go beyond the scope of what was consulted on. In the consultation document the public were not consulted on the criteria with which independent or mixed delivery model might be delivered. Ensure resolution provides for the ability for the community to have further input as necessary.*

Council previously agreed to the mixed model to enable flexibility in going out to the market. Mixed delivery vs independent delivery it is not around selling the asset, it is allowing an independent party to provide the services to the tenants.

Include key principles of housing as part of resolution

Next steps following the decision will be looked at by the Strategy and Transformation Team and will be set up as a project.

Tenants are the number one priority. They are waiting to hear the decision and will be kept informed.

Develop procurement approach to go out to market and how the preferred provider would be identified and reported back to Council.

Councils are not eligible for government funding for housing.

Meeting agreed to divest the three villages.

Develop criteria and have a workshop.

COUNCIL RESOLUTION

Councillors Greig / Boag

That Council:

2. **Adopt** the following recommendations based on feedback received during the consultation process for the Three Year Plan, and the analysis provided in the body of the report.

- 2a) **The Future of Council Housing:** shift Council's focus to delivering retirement housing only and divest some Council-owned housing (mixed delivery approach), as per Council's preferred option.

- i. **Adopt** the following 5 strategic priorities for the future of Councils Housing Portfolio
 - All current tenants will have a home.
 - It is financially sustainable for council and the tenants.
 - Over time, move away from providing social housing.

-
- Portfolio maintains, and increases over time, the retirement housing unit numbers.
 - Enable Investment in the condition of the housing portfolio including ensuring all are warm and dry.
- ii. **Agree**, to the divestment of NCC's three social housing villages (Nelson Place, Wellesley Place, and Carlyle Place). Noting that these are Council strategic assets.
 - iii. **Note** the funds from the sale of any social housing villages is ringfenced for investment into the retirement housing portfolio.
 - iv. **Deliver** Council's strategic housing priorities, under a mixed or independent delivery model approach.
 - v. **Note** a mixed or independent delivery model may include transferring control of the retirement housing assets to an external body.
 - vi. **Direct** officers to develop a procurement and divestment approach including a timeline, to be approved by Council, that includes a call for proposals, and preferred provider.
 - vii. **Direct** officers to develop, for approval by council, key criteria for delivery of the model based on the 5 strategic priorities for the future of Councils Housing Portfolio.
 - viii. **Direct** officers to engage with tenants, community members and interested parties to communicate councils' decisions as appropriate.
 - ix. **Note** Council maintains delegation on the criteria and final decisions on divestment and contracting a delivery model.

Carried

Building up our community resilience

The Financial Controller, Ms Foster introduced the community resilience topic advising it is currently 2.45% and that there was not general support in the submissions, but was quite close.

Officer Recommendation 2b)

Building up our community resilience: continue with a rate to build resilience, as per Council's preferred option.

Direct officers to include the Resilience Rate as a Uniform Annual General Charge of \$85.90 per rating unit, on all rating units in Napier.

Officer Comments

Community feedback acknowledges the importance of proactively preparing for future disasters by investing in the resilience of the city.

Officers can confirm that Resilience Rate funds will be ring fenced in a reserve, with the opening balance, income, expenditure, and closing balance reported in our Annual Report every year.

The rate would be used for activities related to emergency preparedness such as civil defence planning, working with other organisations to get the community prepared for emergencies,

improving our stormwater network so businesses can continue to operate and residents are safe from flooding, etc.

Points highlighted:

- Further development of the Coastal Hazard Strategy aligns to building resilience and agreed to the additional \$110,000 contribution for the Strategy being used from this fund.
- Concerns raised regarding the establishment of a resilience fund without set principles and criteria.
- Clarify the appropriate use for the fund so it is not used for operational matters.
- Suggest reducing the amount collecting in Year 1 of the Three Year Plan to provide time for the development of criteria.
- Identified by Greypower and PSAG that emergency preparedness for the elderly and those with disability has not been funded. This is estimated between \$15,000-\$20,000 for audio and sign language. Relay to officers in overarching emergency management planning so it is included in their considerations.
- Transparent and open communication about the resilience fund should be evident through the COMS Team.
- Significantly extending what is currently undertaken in terms of emergency management operations identified through the review by Council post Cyclone Gabrielle.

**COUNCIL
RESOLUTION**

Councillors Simpson / Taylor

That Council:

- 2b) **Building up our Community Resilience:** continue with a rate to build resilience, as per Council's preferred option.
- i. **Resolve** not to include the full proposed Resilience Rate.
 - ii. **Resolve** to include .45% rates impact in year 1, (2% saving from proposed rates) as a Uniform Annual General Charge.
 - iii. **Phase** in the resilience rate, of 1% in year 2, and 1.5% year 3.
 - iv. **Ringfence** the resilience rate to fund the emergency management operations, and the coastal hazards strategy joint committee contributions in year 1.
 - v. **Note** the annual plan for years 2 and 3 to detail the ringfencing funding criteria for the resilience rate in years 2 and 3.
 - vi. **Establish** principles and criteria for the use of the Resilience Fund.

Carried

*The meeting adjourned for morning tea at 10.43am
and reconvened at 11.00am*

A New Approach to Managing Council's Investment

The Corporate Finance Manager, Mr Hrustinsky advised that creation of a Council Controlled Trading Organisation would need consideration to be given to the development of the framework, Statement of Intent, policy, capability within the Team and CCTO and any skill gaps noted. The development of a CCTO entity would be a specialist unit with a focus on trying to make money for Council to reduce the burden on the ratepayer.

He emphasised that any assets managed or transferred to a CCTO are owned by Council and are answerable to Council. Guidelines on how it operates will include socially responsible investing and would be set by Council.

Officer Recommendation 2c)

A new approach to managing Council's investments: create a Council Controlled Trading Organisation to establish a commercially focused investment portfolio, as per Council's preferred option.

- i. Direct officers to begin the process of creating a Council Controlled Trading Organisation (CCTO) by commencing work on the Statement of Expectations.

Officer Comment

Overall, community feedback generally favours Council's preferred option.

The intention of the Council Controlled Trading Organisation (CCTO) is to improve overall returns and grow Council investment assets well above where they are now. The net effect is to put Council and the community in a better position.

A simple way to look at it is if Council currently earns one dollar, the CCTO may cost 50 cents, but provides Council the opportunity to make two dollars – there is a cost, but the net benefit is greater.

It is important to note that the gain is not immediate, but it will provide intergenerational benefits, with increasing community benefits as the years go on.

Management and investment decisions on the investment portfolio would be done by dedicated experts, according to the wishes of Council. Council would set these expectations through a formal document called a Letter of Expectations.

The CCTO would be accountable to the community and to Council on the investment portfolio's performance through a statement of corporate intent that is approved by Council. Details such as reporting terms would be included as part of this.

Points Highlighted

- Council has seen a draft statement of investment policies and objectives for a managed portfolio and within that document was information on the requirements for ethical and socially responsible investing.
- Values of Council need to reflect the values of the community in which it operates and these would be part of the consideration for setting up any CCTO.
- The process would be to establish the legal entity for the CCTO, then recruit for the Board appointments and the Board would recruit for their staff ie Chief Executive and any other staff for the CCTO.
- Selection and construct of the Board appointments would be Council decision. Council could decide to appoint a subcommittee or the whole Council could decide whether the Board is made up from all independent directors or a combination of Councillors and independent directors.
- CCTO will manage financial investment and focus on its portfolio. It will regularly report to Council.
- An example of a successful CCTO was Keyside Holdings. There were also numerous examples of CCTOs that have failed that provide key learnings.
- Investment framework be included in resolution.
- Guidance of having Council representation and social ethical responsibility.

**COUNCIL
RESOLUTION**

Councillors Simpson / Crown

- 2c) **A new approach to managing Council's investments:** create a Council Controlled Trading Organisation to establish a commercially focused investment portfolio, as per Council's preferred option.

That Council:

- i. **Direct** officers to begin the process of creating a Council Controlled Trading Organisation (CCTO) by commencing work on the Statement of Expectations for adoption by Council.
- ii. **Note** the criteria in the development of the investment framework to include:
 - Governance structure; and
 - Social and ethical responsibilities

Carried

Councillor Boag and McGrath voted AGAINST the Motion

Reviewing our Fees and Charges

The Business Improvement Manager, Mr Edie advised that the proposed increase in fees and charges was to support the ratepayer by maximising cost recovery for Council services and not subsidising something they are not using. The targets that have been set for the private versus public aspect of different activities are governed by the Revenue and Finance Policy.

Officer Recommendation 2d)

Reviewing our fees and charges: increase some fees and charges beyond the CPI increase of 5.6%, as per Council's preferred option.

- i. Adopt the attached schedule of proposed Fees & Charges 2024/25, noting:
- ii. It is the same schedule that was consulted on as part of Three-Year Plan consultation, but
- iii. The Animal Control fees and charges schedule has been excluded as they have been increased through a separate process in accordance with the Dog Control Act 1996 (adopted at 18 April 2024 Council meeting, with updated fees and charges for Animal Control effective 1 July 2024).

Officer Comment

The analysis shows that many respondents commented on their concern around rates increases and the high cost of living. The analysis also notes that submitters believed that increasing some fees and charges by more than the CPI increase of 5.6% would exacerbate existing financial pressures on households.

The financial information provided below shows that Council's preferred option of increasing some fees and charges by more than CPI results in \$8.7million more fees and charges revenue in 2025 compared to the 2024 annual plan. It also shows that if we were to only increase fees and charges by 5.6% CPI, this would only increase fees and charges revenue by \$4.5m in 2025.

FEES & CHARGES	2024 AP	2025 3-Year Plan	\$ Increase	% Change
Preferred	\$34.5m	\$43.2m	\$8.7m	25.3%
5.6% CPI Increase	\$34.5m	\$39.0m	\$4.5m	13.2%
Rates Increase vs. Preferred	-	-	\$4.2m	4.7%

Only increasing fees & charges by 5.6% effectively costs the rate payer \$4.2million or \$140 extra per household, which is equivalent to a 4.7% rates increase in addition to the 23.7% increase proposed as part of Three-Year Plan consultation.

Council and Retirement Housing fees and charges revenue would increase materially in both scenarios reflecting the setting of new rent agreements, and Animal Control fees and charges have increased through a separate process in accordance with the Dog Control Act 1996 (adopted 18 April 2024 Council meeting).

As shown by the above information, Council's preferred option reduces the overall rates burden on households when compared to the community's preferred option.

As noted by those submitters in support of Council's preferred option, user pays should be the guiding principle for setting fees and charges. Increasing some fees and charges by more than CPI is in line with this principle and helps ensure the cost burden of services sits with the user, rather than being distributed across households that may not use a particular service.

Due to this, officers are still recommending Council adopt their preferred option, even though it was not heavily supported by the community.

The Business Improvement Manager, Mr Edie spoke to the review and charges. The officer recommendation was to proceed with the preferred option.

Points highlighted

- Mr Edie confirmed that where it was proposed to increase the fees and charges beyond the CPI was where it had been demonstrated that costs incurred were exceeding the CPI.
- Council does not charge any fees and charges to generate profit.
- Local Government cost index is probably more relevant than CPI and highlights the reason why not focussing on that as Council costs have increased above that. Going forward Council could look at Local Government index has a better measure than CPI.
- From submissions people do prefer user pays.

It was noted that Ocean Spa fees would be raised as a separate issue later in the meeting to direct officers to do further work, then potentially adopt different fees later.

COUNCIL RESOLUTION

Councillors Mawson / Taylor

- 2d) **Reviewing our fees and charges:** increase some fees and charges beyond the CPI increase of 5.6%, as per Council's preferred option.

That Council:

- i. **Adopt** the schedule of proposed Fees and Charges 2024/25 (Doc Id 1762296), noting:

- 1) It is the same schedule that was consulted on as part of Three-Year Plan consultation;
- 2) The Animal Control fees and charges schedule has been excluded as they have been increased through a separate process in accordance with the Dog Control Act 1996 (adopted at 18 April 2024 Council meeting, with updated fees and charges for Animal Control effective 1 July 2024).

Carried

A Change to how we Fund Some Tourist Facilities

The Manager Business and Tourism, Mr Gregory advised that in 2023 all the tourism facilities were engaged in a business review and their commercial viability assessed. The Napier Conferences and Events, Ocean Spa and Kennedy Park Resort were identified as three facilities that had the greatest opportunities to generate a net profit.

Officer Recommendation 2e)

A change to how we fund some tourist facilities: loan-fund the deficits (losses) of the three-facilities that will become financially self-sufficient commercial businesses, as per Council's preferred option.

- i. Direct officers to loan-fund the deficits (losses) of the Napier Conferences & Events, Ocean Spa, and Kennedy Park Resort for a maximum term of three years while they move towards being financially self-sufficient.

Officer Comment

Council's preferred option was largely supported by the community.

Some responses signalled community doubt around Ocean Spa as a tourism facility and suggestions were made that it should be a community facility. Since our Community Aquatic Strategy is largely being delivered and achieved through the Napier Aquatics Centre in Onekawa, Ocean Spa can be used to pursue commercial benefits for the community.

When Ocean Spa, along with the other two facilities do achieve breakeven and generate net profits, this will have positive impacts on the community as these profits could be used to fund other community projects and help to reduce overall rates funding Council requires.

Points highlighted

- Officers will report back regularly to Council if other options are identified prior to the next Long Term Plan.
- Internal reports on how well these facilities are doing in this current financial year and operating as a commercial business.
- Monthly meetings to scrutinising expenditure and report to the Executive Leadership Team and Elected Members.
- Since Council has taken over Ocean Spa there has been a steady growth and consistent performance.

**COUNCIL
RESOLUTION**

Councillors Price / McGrath

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- 2e) **A change to how we fund some tourist facilities:** loan-fund the deficits (losses) of the three-facilities that will become financially self-sufficient commercial businesses, as per Council's preferred option.

Councillor Price/ Councillor McGrath

That Council:

- i. **Direct** officers to loan-fund the deficits (losses) of the Napier Conferences and Events, Ocean Spa, and Kennedy Park Resort for a maximum term of three years while they move towards being financially self-sufficient.

Carried

Napier City Council Office Accommodation

The Strategic Programmes Manager, Mr Gillies advised that this is year 7 of a very long term project. This is the next step in delivering back the accommodation and library to the original precinct. The land is an opportunity to develop and return offices to one accommodation block.

Officer Recommendation 2f)

Napier City Council office accommodation: Council strengthens and redevelops the Library Tower for its staff, as per Council's preferred option.

- i. Direct officers to commence work to strengthen and redevelop the Library Tower for its staff, noting that officers intend to use the same project team that is working on Te Aka to gain efficiencies between these two projects.

Officer Comment

Council's preferred option of strengthening and redeveloping the Library Tower for staff is a budget-conscious approach that minimises the financial burden on ratepayers.

Under this option, the same team of architects and consultants that are currently working on Te Aka (the new library project) would be used. We believe this is the best option because developing the two projects under one construction contract would save time and money.

Having most Council staff work in the same building would improve operational efficiency, and maintaining ownership of the building provides certainty in the long term.

The meeting agreed with the officer's comments

Points highlighted

- A number of submissions suggested to sell to a developer
- There were additional complexities with the land if Council were to sell the property to a developer. One of the things to consider was whether Council wanted to be renter or a landlord of its own accommodation.
- A subdivision of the land would be required for a leaseback option and usage of the land would require some planning procedures. Even though if it is still a strategic asset because it is of significance, any change of use of that land would require it to be publicly notified.
- \$45m is the cost of the project included in the supplementary paper year plan and includes all the professional fees, construction costs and fit out of the building.
- Rebuilding would cost approximately \$53m.
- The rating impact in Year 1 is 0.8% (\$23.21pa) and Year 2 is 3.9% (\$93.81pa).

**COUNCIL
RESOLUTION**

Deputy May Brosnan / Councillor Chrystal

- 2f) **Napier City Council office accommodation:** Council strengthens and redevelops the Library Tower for its staff, as per Council's preferred option.

That Council:

- i. **Direct** officers to commence work to strengthen and redevelop the Library Tower for its staff, noting that officers intend to use the same project team that is working on Te Aka to gain efficiencies between these two projects.

ACTION: *Direct officers to provide further clarification to the public on the Te Aka and Office Accommodation projects.*

Carried

Councillor Boag and McGrath voted AGAINST the Motion
The meeting adjourned for lunch at 12.05pm and
reconvened at 12.45pm

OFFICER-LED CHANGES FOR DELIBERATIONS

Mayor Wise advised that Recommendation 3 and 4 would be addressed as one item.

The Corporate Finance Manager, Mr Hrustinsky displayed a powerpoint presentation (Doc ID 1765885) providing a brief overview of themes observed during the submission i.e. property revaluations, stormwater, UAGC, changes to rating of Rural Residential differential.

Mr Hrustinsky advised that the current stormwater map does not reflect the development that has occurred in the last few years in coverage of the Esk Hills and surrounding areas.

Officers are recommending the stormwater catchment area map used to determine the targeted rate for stormwater is rolled back to the original map area (see attachment 14).

This would not change the total targeted rates collected for stormwater but would re-distribute the rates collected by Council back across the properties within the original map area. This results in an increase for an average residential property of \$54 per annum compared to the Three Year Plan consultation document due to the cost being spread across a lesser number of properties. In the Three Year Plan consultation document the stormwater targeted rate for an average residential property was \$222. This would now increase to \$276 per annum.

Officer Recommendation 3)

Consider and accept recommendations for officer-lead amendments to the financial information underlying the Three-Year Plan 2024-27.

Officer Recommendation 4)

Consider and accept the recommendation for the rollback of the Stormwater map from the updated area map (Doc Id 1762291, Attachment 15) to the original area map (Doc Id 1762292, Attachment 14).

Points Highlighted

- Letter sent to residents from QV regarding the extension of time was confusing and had the incorrect extension date.

- Where applicants for review of valuations was declined, QV did speak to the applicants directly, prior to the letter being issued.
- The current rating policy on the website is dated 2017 and has not been updated to reflect the changes in the Financial Impact Statement. Within the Policy it says if the funding impact statement has been updated refer to the current Funding Impact Statement .
- Stormwater map roll back will remove the new properties and enable officers to undertake a more detailed analysis to determine stormwater catchment areas.
- Through submissions a number of ratepayers have been concerned around the significant increase to their rates, which has been predominantly driven by the increase in their property value.
- All suggestions brought forward through submissions sit outside the Three Year Plan and sit within the Revenue and Financing Policy. The recommendation should include in the a review of that policy.
- Acknowledge there will still be significant increases to some parts of the community.
- Prior to adoption of the Three Year Plan officers undertake further analysis to determine if there are potentially some levers or slight changes to policy to relieve the burden for year 1 of the Three Year Plan.

COUNCIL RESOLUTION

Mayor Wise / Councillor Price

That Council:

- 3) **Accept** recommendations for officer-lead amendments to the financial information underlying the Three-Year Plan 2024-27.
- 4) **Accept** the recommendation for the rollback of the Stormwater map from the updated area map (Doc Id 1762291 - Attachment 15) to the original area map (Doc Id 1762292 - Attachment 14).
 - a) **Direct** officers to undertake a Revenue and Financing Review Rates policy review in the 2025/26 financial year with focus on the rating differentials in the Rural Residential units.
 - b) **Direct** officers to undertake further analysis and modelling for the significantly impacted properties to see if there are any levers or policy changes that could be initiated to alleviate the financial impact in Year 1

.Carried

Councillor Browne voted AGAINST the Motion

COUNCIL LED CHANGES FOR DELIBERATION

Consider and make the following resolutions on other items, based on submissions and feedback received during the consultation process

- Staff Costs/Efficiency
- Homelessness
- Ocean Spa
- Beach Bylaw / Fire communication
- Emerson Street
- Faraday Centre/ Aquarium/ Facilities
- Waka Hub
- Strategic Planning

- Capital Plan Programme

The meeting discussed each of the above topics.

**COUNCIL
RESOLUTION**

Mayor Wise / Councillor Crown

Staff Costs / Efficiency

That Council:

- 1) **Note** it is signalling a clear shift in focus in this Three Year Plan, better commercial return from assets for rate payers, funding core infrastructure, and being enabling as per our strategic objectives, acknowledge that were not able to deliver all outcomes for all priorities whilst maintaining affordability.
- 2) **Direct** the Chief Executive to review the efficiency of the organisation, to deliver the 3 year plan.
- 3) **Direct** the Chief Executive to find 1.75% rates reduction across the business labour costs in Year 1.
- 4) **Cap** current Year 1 staff levels for the remainder of the 3 year plan with a direction to reduce further where possible by utilising vacancy loading and sinking lid policies.
- 5) **Direct** the Chief Executive to proactively seek out shared services opportunities.
- 6) **Finalise** and implement the operational reviews which have been undertaken during the last twelve months to realise additional efficiencies.
- 7) **Initiate** procurement across capital programme to drive efficiencies

.Carried

Councillor Taylor voted AGAINST the Motion

**COUNCIL
RESOLUTION**

Councillors Boag / Chrystal

Homelessness

That Council:

- a) **Acknowledge** the homelessness issue is multifaceted, and that Council (as a ratepayer funded body's) role is to enable, co-ordinate and advocate to the mandated central government agencies.
 - b) **Direct** officers to continue working with the whanau pounamu, strategic partners and government providers to enable solutions for whanau pounamu, and report back to Council six monthly on progression on homelessness.
-

	<p>c) Note the support of the Regional Recovery Agency as the lead agency leading a regional response to housing and associate homelessness issues.</p> <p>Carried</p>
COUNCIL RESOLUTION	<p>Councillors Taylor / Mawson</p> <p><u>Ocean Spa</u></p> <p>That Council:</p> <p>a) Recognise the majority of Ocean Spa customers are local.</p> <p>b) Review the fees and charges for the 2024/25 year, to investigate rates for supergold card holders, residents discounts, off peak time access and compartmentalised facility access i.e. gym/pool only, combined.</p> <p>c) Direct officers to review the Ocean Spa pricing structure, product design and number of staffing resources, to work towards councils' direction of a commercially viable business in year 3.</p> <p>.Carried</p>
COUNCIL RESOLUTION	<p>Deputy May Brosnan / Councillor Tareha</p> <p><u>Beach Bylaw / Fire communication</u></p> <p>That Council:</p> <p>a) Direct officers to review the Forest and Bird "driving out our coastal wildlife" report, along with successful other Council bylaw examples, and make recommendations to the Future Napier Committee on existing bylaws/changes to better protect coastal species into the future.</p> <p>b) Direct officers to review the online communications for fires in Council reserves, including beaches, with the aim to simplify and provide clear advice.</p> <p>.Carried</p>
COUNCIL RESOLUTION	<p>Councillors Browne / Crown</p> <p><u>Emerson Street</u></p> <p>Councillor Browne/Councillor Crowne</p> <p>That Council:</p> <p>Note the 0.05% rates impact of the proposed project in Year 1 and commit to the project proceeding as outlined in the 3 year plan.</p> <p>a) Support the wastewater and stormwater infrastructure replacement works for Emerson Street.</p> <p>b) Support "above ground" works to Emerson Street that enable the accessibility, safety, security, resilience, CBD attraction and economic stimulation.</p>

-
- c) **Direct** staff to identify and apply for external funding for aspects of the project, as appropriate.

Carried

Councillor Boag voted AGAINST the Motion

*The meeting adjourned for afternoon tea at 2.47pm
and reconvened at 3.05pm*

**COUNCIL
RESOLUTION**

Mayor Wise / Councillor Mawson

Faraday Centre/ Aquarium/ Facilities

That Council:

- a) **Acknowledges** the passion and contribution of the volunteer and wider communities that support Council facilities.
- b) **Acknowledge** the re-imagining process is challenging for those connected with the effected facilities.
- c) **Re-confirm** council's decision to review and undertake a business case to explore options for the future of the facilities, which will be developed in the 2024/25 year.
- d) **Commits** that the volunteers and the wider community are to be actively engaged with prior to any decision of council.

Carried

**COUNCIL
RESOLUTION**

Councillors Boag / Tareha

Waka hub

Councillor Boag/Councillor Tareha

That Council:

- a) **Note** formal support for the concept, preferred location and delivery of the waka hub by the Ātea a Rangi Educational Trust.
- b) **Provide** funding of \$2.2m from Council's "better off funding", for the design/concept of the waka hub at the preferred site.
- c) **Direct** Council officers to have a conversation with Ātea a Rangi Educational Trust regarding asset ownership, lease agreement and their ability to raise external funds to contribute to the project.
- d) **Note** the \$3.3m funding currently in the 3 year plan remains, subject to the outcome of lease ownership conversation and funding is conditional on a model that these assets on the reserve are owned by Napier City Council and market lease is charged.
- e) **Support** the Trust's funding efforts to external sources for the balance of funds required for the delivery of the waka hub.

Carried

**COUNCIL
RESOLUTION**

Councillors Browne / Simpson

Strategic Planning

Councillor Browne/Councillor Simpson

That Council:

- a) **Reconfirm** the Council's strategic priorities as adopted 31 August 2023.
- b) **Direct** the Chief Executive to produce enhanced performance reporting to the standing committees, providing Key Performance Indicator monitoring against their assigned strategic priority, first draft by end of Quarter 3 (30 September 2024).
- c) **Signal** Council's intention in 2024 to develop a Levels of Service matrix for our significant assets and key activities to guide the development of the 2025 Annual Plan.
- d) **Refer** to the Audit and Risk Committee to develop recommendations on the development of a key risk assessment report for Napier.

Carried

COUNCIL RESOLUTION

Councillors Mawson / McGrath

Capital Plan Programme

That Council:

- a) **Amend** the capital plan programme as follows:
 - i) **Approve** that \$300,000 be brought forward for the Disability Strategy implementation from Year 2 to Year 1 of the capital plan – including continued upgrades and additions to mobility car parking, address universal design in the CBD, pedestrian improvements and footpath renewals, focussed on accessibility

.Carried

Councillor McGrath raised the issue of removing the Library Project from the Plan.

Point of order raised by Deputy Mayor Brosnan advised that this was a project of significance and a Notice of Motion must be lodged in accordance with Council's Standing Orders.

Point of Order Upheld – Mayor Wise referred to the Point of Order advising no Notice of Motion had been received for the removal of the Library Project from the Long Term Plan, so discussion could not continue.

FUNDING REQUESTS THROUGH THE 3 YEAR PLAN

COUNCIL RESOLUTION

Mayor Wise / Councillor Greig

That Council:

- a) **Approve** funding of an additional one off grant of \$5000 from the Council Projects Fund to the **Napier Youth Council** for the creation of a Youth Led Events Fund alongside the Youth Grants.
- b) Request a report be prepared by the Napier Youth Council on the implementation of the events funding programme
- c) Suggest that the Napier Youth Council seek external funding opportunities

.Carried

COUNCIL RESOLUTION	<p>Deputy Mayor Brosnan / Councillor Boag</p> <p>Hawke's Bay Community Fitness Centre Trust (#551)</p> <p>That Council:</p> <ul style="list-style-type: none"> a) Decline the funding request for \$1m capex for the Hawke's Bay Community Fitness Centre Trust. b) Decline the funding request of \$150,000 per annum for programme delivery and development. <p>Carried</p> <p style="text-align: right;"><i>Councillor Taylor having previously declared a conflict did not participate in decision making</i></p>
COUNCIL RESOLUTION	<p>Councillors Chrystal / Price</p> <p>Chris Tremain #759</p> <p>That Council</p> <ul style="list-style-type: none"> a) Support the submission of Chris Tremain (#750) for four Pohutakawa trees and yoga decks project to be managed within existing budgets. b) Direct Parks and Reserves Team work with the submitter (Chris Tremain) to deliver the project and that recommends that the submitter (Chris Tremain) seek external funding to support the project. c) Advise submitter (Chris Tremain) to liaise with the Westshore Residents Association <p>.Carried</p>
COUNCIL RESOLUTION	<p>Deputy May Brosnan / Councillor Mawson</p> <p>Sport Hawke's Bay (#358)</p> <p>That Council:</p> <ul style="list-style-type: none"> a) Support the two regional priority planning projects (Regional Spaces and Places Plan and the Regional Aquatics Plan) with funding of \$35,000 from within existing budgets. <p>Carried</p> <p style="text-align: right;"><i>Councillor Taylor having previously declared a conflict did not participate in decision making</i></p>
COUNCIL RESOLUTION	<p>Councillor Crown / Mayor Wise</p> <p>Pirimai Residents' Assn Access Bridge (#547)</p> <p>That Council:</p> <ul style="list-style-type: none"> a) Approve a funding contribution of \$30,000 from the Council's Project Fund for the construction of an access bridge across the Te Awa drain or (Cross country drain) between Ulyatt Road and McNaughton Place subject to the Pirimai Residents' Association fundraising the balance to complete the project.

-
- b) **Note** that the Pirimai Residents Association work with the Council Parks and Reserves Team and Infrastructure Team on the project.

Carried

Central Football (#633)

The Manager Property, Mr Faulknor advised Central Football were requesting the funding, but also a decision on the location on the site. The proposed site on the Shrimpton site is totally different to what is included in the Park Island Masterplan, which was the site behind the Napier City Rovers Bluewater Stadium field.

Unison overhead powerlines would require undergrounding for the original site to be used. Recent indication from Unison is that the cost of undergrounding would be approximately \$5m. \$1.25m has been spread over two years on the basis the undergrounding would cost \$2.5m, with 50% contribution from NCC and Unison, which would require approval from the directors. The \$5m would underground the length of the park.

COUNCIL RESOLUTION

Councillors Price / McGrath

Central Football (#633)

That Council:

- a) **Decline** the funding request from Central Football for an additional \$250,000 for the artificial football turf.

Direct officers to prepare a report for a future Sustainable Napier Committee meeting for a decision on the location for the artificial football turf at Park Island

.Carried

Councillor Simpson withdrew from the meeting at 4.48pm

COUNCIL RESOLUTION

Mayor Wise / Councillor Greig

Regional Indoor Sports and Events Centre (#285)

That Council:

- a) **Decline** the funding request to increase the operational expenses from \$100,000 to \$300,000 for the Regional Indoor Sports and Events Centre.

ACTION: *Direct officers to discuss with the lessee the insurance requirements.*

Carried

HB Netball Remedial Work & Court Upgrade (#782)

Council's legal advice is that the Netball Hawke's Bay owns and is responsible for the Pavilion Building irrespective of the parties that have been involved in the lease as Hawke's Bay Netball have occupied the building all that time. The 10 netball courts are owned by Napier City Council and Hawke's Bay Netball book those through Council's Sportsgrounds Booking system and pay an annual fee. There is no title to the building only the underlying land.

Councillor Simpson rejoined the meeting at 4.52pm.

Council built the building and the extension. The remedial work has been identified through site investigations by the Club and the structural connection between the two buildings is a construction issue from when it was first built. Hawke's Bay Netball have advised without the remedial work being undertaken they would be unable to secure insurance for the building.

COUNCIL RESOLUTION	Councillor Chrystal / Deputy Mayor Brosnan
	HB Netball Remedial Work & Court Upgrade (#782) That Council: a) Approve a one off grant of \$15,000 to Hawke's Bay Netball from the Council's Project Fund. Carried
COUNCIL RESOLUTION	Councillors Simpson / Chrystal
	Creative Arts Napier (#841) That Council: a) Approve a one off grant of \$15,000 for Creative Arts Napier from the Council projects fund for one year. b) Direct offers to complete the Service Level Agreement review of all the Service Level Agreements by the end of 2024 calendar year. Carried

It was noted that a total of \$65,000 had already been committed from the Council projects fund from a total of \$200,000.

Locales Cultural Mapping (#795)

Due to the current financial hardship Council should not be supporting at this time. Direct them to talk to other partners i.e. Mana Whenua.

COUNCIL RESOLUTION	Councillors Greig / Simpson
	Locales Cultural Mapping (#795) That Council: a) Note support for the Napier Hill Story Telling project concept. b) Decline a funding contribution, including any staff resource to Locales Cultural Mapping (#795) for the Napier Hill Story Telling project. Carried
COUNCIL RESOLUTION	Councillors Boag / McGrath
	Biodiversity Hawke's Bay (#764) That Council:

-
- a) **Recommend** to Biodiversity Hawke's Bay that a funding application be made to the Keep Napier Beautiful Fund through the Napier City Council website.
 - b) **Support** and acknowledge the work undertaken by Biodiversity Hawke's Bay in Napier.
- .Carried
-

TOPICS RAISED BY SUBMITTERS THAT WERE NOT FORMAL CONSULTATION ITEMS

COUNCIL RESOLUTION

Mayor Wise / Deputy Mayor Brosnan

That Council:

Re-wilding public parks

Support the concept, request staff identify an appropriate trial area (not roadside/ roadway) and implement a re-wilding trial.

Cat Management

Acknowledge this is an issue, and that national legislation is needed to enable any meaningful action by Council.

Dog Agility Parks / Fencing

Decline expanding the fencing at the Riverside Dog Agility Park and Park Island due to constraints in budgets.

Westshore Residents' Association

Support the Westshore Residents' Association Enhancement Plan and direct staff to continue working with the Westshore Residents Association to achieve the objectives in the plan

Prima Volta Charitable Trust - Festival Opera

Support the kaupapa and ongoing relationship, encourage an application to the Council Projects Fund and/or Creative Communities Funds as projects and opportunities arise.

Ahuriri Rockpools Development

- a) **Council** continues to support the project, endorse the Ahuriri Rockpools Development Trust continuing feasibility work and endorse the projects community led status.
- b) **Note** the project will be raised for consideration as part of the Regional Aquatic Strategy Development.

Abbeyfield Hawke's Bay

Direct officers to investigate the suitability of Essex Street Recreational Reserve and Tait Drive (adjacent to the Greenmeadows East Retirement Village) for an Abbeyfield housing development.

Carried

COUNCIL RESOLUTION	Mayor Wise / Councillor Price
	<p>That Council:</p> <ol style="list-style-type: none"> 1) Direct officers to prepare the final Three-Year Plan 2024-2027 in anticipation of adoption at the 27 June 2024 Council meeting. 2) Note that the final content of the Three-Year Plan 2024-27 is subject to minor corrections. <p>Carried</p>
	<p>Attachments</p> <ol style="list-style-type: none"> 1 Ryan Hambleton, Sport Hawke's Bay #358 (Doc Id 1763617) 2 Andrew Pearce, Kainga Ora Residents Association #716 (Doc Id 1763442) 3 Sir Graeme Avery, HB Community Fitness Centre Trust #551 (Doc Id 1763821) 4 Anna Pierard, Prima Volta Charitable Trust #601 (Doc Id 1763820) 5 Gordon Hart, Faraday Centre Volunteers #643 (Doc Id 1762907) 6 John McGifford, Westshore Residents' Association #797 (Doc Id 1763561) 7 Chris Hay, Locales #795 (Doc Id 1763621) 8 Lynne Anderson #626 and #627 (Doc Id 2763823) 9 Tina Haslett, HB Netball (Doc Id 1763619) 10 Guy Panckhurst #667 (Doc Id 1764588) 11 Trevor Adsett #661 (Doc Id 1763616) 12 Craig Waterhouse, Regional Indoor Sports and Events Trust (Doc Id 1763557) 13 Ahuriri Rockpool Development Trust #543 (Doc Id 1763559) 14 Piripi Smith, Ātea a Rangi Education Trust #737 (Doc Id 1763417) 15 Susan Jacobs, Creative Arts Napier #841 (Doc Id 1764168) 16 John Cockrem #72 (Doc Id 1763558) 17 Jonathan Wallace, Soho Group #603 (Doc Id 1763620) 18 Jonathan Wallace, Wallace Development #753 (Doc Id 1763822) 19 Vanessa Moon #796 - oral presentation (Doc Id 1765156) 20 Sue Myles #652 (Doc Id 1763560) 21 Mark Bayliss and Lucy Miller, Abbeyfield Hawke's Bay #720 (Doc Id 1763618) 22 SIL research methodology (Doc Id 1765186) 23 3 year plan deliberation presentation (Dco Id 1765185) 24 Rating Deliberations presentation (Doc Id 1765885)

The Chief Executive noted the following:

A letter will be issued to Council tenants of the direction decided by Council today.

A press release will be made on Council decisions made.

A notice to the staff will be issued on the Council decisions made.

Minor matters

There were no minor matters to discuss.

The meeting closed with a karakia at 5.30pm

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

Chairperson

Date of approval

ORDINARY MEETING OF COUNCIL

Open Minutes

Meeting Date: Thursday 23 May 2024

Time: 9.30am – 10.58am (*Open*)
11.05am – 11.08am (*Public Excluded*)

Venue Large Exhibition Hall
War Memorial Centre
Marine Parade
Napier

Livestreamed via Council's Facebook page

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

In Attendance Acting Chief Executive (Jessica Ellerm)
Executive Director City Services (Lance Titter)
Executive Director City Strategies (Rachael Bailey)
Executive Director Infrastructure Services (Russell Bond)
Executive Director Community Services (Thunes Cloete)
Pou Whakarae (Mōrehu Te Tomo)
Manager Community Strategies (Anne Bradbury)
Senior Advisor Policy (Rebecca Peterson)
Financial Controller (Talia Foster)
Manager Strategy and Transformation (Stephanie Murphy)
Chief Financial Officer (Caroline Thomson) [via zoom]
Team Leader Governance (Anna Eady)

Also in Attendance John Wise – Submitter 12 – Significance and Engagement Policy

Administration Governance Advisors (Carolyn Hunt and Jemma McDade)

ORDINARY MEETING OF COUNCIL – Open Minutes

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ORDER OF BUSINESS

Karakia

The meeting opened with the Council karakia.

Apologies

COUNCIL RESOLUTION	Councillor Crown / Deputy Mayor Brosnan
	That the apologies for absence from Councillor Taylor and Councillor Mawson be accepted.
	Carried

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

Mayor Wise advised that Item 4 – CCTV Policy Updates would be withdrawn and not addressed at this meeting due to the staff being unavailable.

Announcements by the management

Nil

Confirmation of minutes

COUNCIL RESOLUTION	Councillor Price / Deputy Mayor Brosnan
	That the Draft Minutes of the Ordinary meeting held on 18 April 2024 be confirmed as a true and accurate record of the meeting.
	Carried

AGENDA ITEMS

1. SIGNIFIANCE AND ENGAGEMENT POLICY

Type of Report:	Enter Significance of Report
Legal Reference:	Enter Legal Reference
Document ID:	1756239
Reporting Officer/s & Unit:	Anne Bradbury, Manager Community Strategies

1.1 Purpose of Report

On 14 March 2024, Council resolved to adopt the amended Significance and Engagement Policy as a draft for community consultation. This report outlines the submissions we received on the draft Significance and Engagement Policy which we consulted on from 25 March to 26 April. Officers recommend the draft Significance and Engagement Policy is adopted by Council.

At the meeting

Submitter #12 – John Wise spoke to his submission to add a new community engagement process to Schedule 4: Engagement Spectrum, in the draft Significance and Engagement Policy. The addition would be a Citizens' Assembly, being a representative group of people who have come together to learn about an issue, to discuss it and reach a conclusion about what should happen.

In response to questions the following was clarified:

- The Peoples Panel currently included in Schedule 4 is an informal panel and the Citizens' Assembly would be a formal process.
- A Citizens' Assembly would be a group of approximately 50-60 people, paid at the minimum hourly rate for active days of deliberation, including food and refreshments.
- New members to the Citizens' Assembly would be selected after the completion of each topic.
- The Assembly would make recommendations to Council with the final decision being made by Council.

At the conclusion of Mr Wise's presentation the Manager Community Strategies, Ms Bradbury, spoke to her report providing a brief summary of the process and submissions received. The draft Significance and Engagement Policy was clearer and more transparent than the previous Policy.

It was noted that officers planned to develop an Engagement Policy for implementation and adoption by Council before the end of the year which will include guidelines on the use of engagement tools.

COUNCIL RESOLUTION	Mayor Wise / Councillor Crown
	That Council:
	a) Receive the written and verbal submission on the Significance and Engagement Policy.

- b) **Amend** the Significance and Engagement Policy to include:
 - i. Citizens' Assembly in the tools available under the collaborate and formal subsection.
 - ii. Correct the name to Napier War Memorial Centre in the Strategic Assets List.
 - iii. Civic Building in Strategic Assets List to include the address.
- c) **Direct** Council officers to include guidelines for engagement tools, where appropriate, in the development of the Engagement Policy.
- d) **Adopt** the Significance and Engagement Policy (Doc Id 1759404) subject to the amendments contained in (b) above.

Carried

2. NAPIER HASTINGS JOINT ALCOHOL STRATEGY REVIEW - JOINT ADVISORY GROUP ESTABLISHMENT

Type of Report:	Procedural
Legal Reference:	N/A
Document ID:	1758701
Reporting Officer/s & Unit:	Rebecca Peterson, Senior Advisor Policy

2.1 Purpose of Report

The purpose of the report is to seek Council's approval to appoint two elected members to a Joint Alcohol Strategy Advisory Group in order to proceed with the review of the Joint Alcohol Strategy.

At the meeting

The Senior Advisor Policy, Ms Peterson spoke to the report, providing background and a brief summary of the Joint Alcohol Strategy review in relation to the establishment of the Advisory Group.

COUNCIL RESOLUTION

Councillors Price / Boag

That Council:

- a. **Approve** Councillor Taylor, Deputy Chair of Prosperous Napier Committee and portfolio lead for Sport and Recreation, Councillor Greig portfolio lead for a Child Friendly City, as Napier City Council's representatives on the Joint Alcohol Strategy Advisory Group with Hastings District Council.
- b. **Note** the draft Terms of Reference for the Joint Alcohol Strategy Advisory Group (Doc Id 1759378)

ACTION: Officers to email a copy of the 2017 Joint Alcohol Strategy under review to elected members.

Carried

3. MAYORAL RELIEF FUND - DISTRIBUTIONS

Type of Report:	Operational
Legal Reference:	N/A
Document ID:	1757166
Reporting Officer/s & Unit:	Talia Foster, Financial Controller

3.1 Purpose of Report

To report back to Council on the expenditure so far from the Napier City Council Mayoral Relief Fund and provide an update on the available balance.

At the meeting

The Financial Controller, Ms Foster spoke to the report and also advised that the fund would be wound up when all the funding had been distributed. The remaining balance of the fund is currently \$44,500.

COUNCIL RESOLUTION

Councillors Greig / McGrath

That Council:

- a) **Receive** this report regarding donations and distributions from The Napier City Council Cyclone Gabrielle Event – February 2023 Mayoral Fund.

Carried

4. ITEM WITHDRAWN - CCTV POLICY UPDATES

Type of Report:	Operational
Legal Reference:	Enter Legal Reference
Document ID:	1760946
Reporting Officer/s & Unit:	Duncan Barr, Chief Information Officer

4.1 Purpose of Report

To present the revised Information Services CCTV Policy to Council to be approved.

At the meeting

This Item was not addressed at the meeting and would be deferred to the 27 June 2024 Council meeting when the relevant staff are available.

5. AMENDMENT TO THE 2024 MEETING SCHEDULE

Type of Report:	Procedural
Legal Reference:	Local Government Act 2002
Document ID:	1755578
Reporting Officer/s & Unit:	Anna Eady, Team Leader Governance

5.1 Purpose of Report

The purpose of this report is to consider an amendment to the 2024 meeting schedule, which was adopted on 12 October 2023.

It is proposed that the meeting schedule be amended as outlined in the recommendation of this report.

At the meeting

The Team Leader Governance, Mrs Eady took the report as read.

COUNCIL RESOLUTION

Councillors Price / Chrystal

That Council:

a. **Adopt** the following amendment to the 2024 meeting schedule:

- Ahuriri Regional Park Joint Committee 2 new dates 24 June and 19 August 2024 – 9.30am
- Council (Freedom Camping Bylaw Review hearings) New date 3 October 2024 – 9.30am

Carried

6. ACTION POINTS REGISTER AS AT 6 MAY 2024

Type of Report:	Operational
Legal Reference:	N/A
Document ID:	1757040
Reporting Officer/s & Unit:	Anna Eady, Team Leader Governance

6.1 Purpose of Report

The Action Points Register (Register) records the actions requested of Council officials in Council and Committee meetings. This report provides an extract from the Register as at 6 May 2024, for Council to note. It does not include action points that were requested in public excluded Council or Committee meetings.

At the meeting

The Team Leader Governance, Mrs Eady took the report as read. In response to questions from the Council it was clarified:

- Action 61 – The Executive Director Community Services advised that the Hawke’s Bay Civil Defence Emergency Management risks and actions report is yet to be received. Once received a workshop will be held with the elected members in June 2024.
- Action 113 – The Acting Chief Executive advised that a report on the feedback provided to the Hawke’s Bay Airport on the Statement of Intent would be presented at the Prosperous Napier Committee meeting to be held on 6 June 2024.

COUNCIL RESOLUTION

Councillors Simpson / Chrystal

That Council:

- Note** the extract from the Action Points Register as at 6 May 2024 (Doc Id 1758898).

Carried

REPORTS / RECOMMENDATIONS FROM THE SPECIALIST COMMITTEES

REPORTS FROM AHURIRI REGIONAL PARK JOINT COMMITTEE HELD 1 MAY 2024

1. AHURIRI REGIONAL PARK

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1752562
<i>Reporting Officer/s & Unit:</i>	Fleur Lincoln, Strategic Planning Lead Connie Mills, Strategic Planning Lead

1.1 Purpose of Report

1. This report seeks endorsement of the Engagement Plan and function and membership of the Technical Advisory Group.
2. Further, it seeks appointment of a new Deputy Chair of the Ahuriri Regional Park Joint Committee.

At the meeting

There were no discussion on this item at the meeting.

COUNCIL RESOLUTION

Deputy Mayor Brosnan / Councillor Crown

That Council **receive** the following recommendations of the Ahuriri Regional Park Joint Committee:

- a) **Approve** Joe Reti (Mana Ahuriri Trust) be appointed as Deputy Chair of the Ahuriri Regional Park Joint Committee from 2 May 2024.
- b) **Endorse** the Engagement Plan with minor amendments as below:
 - Messaging of the project to be focused on climate resilience and stormwater management, based on the history of the site.
 - Co-opting stormwater representative into TAG group
 - Sequencing public facing media posts
 - Look at LTP communication plan to ensure timing does not infringe on that consultation.
 - Move the Open day to the end of the timeline
 - Add Bayview Residents Association to the Community and Public Engagement Group
 - Social media timing with relation to LTP hearings and decisions making timelines of both the HBRC and NCC with regard to 3 year LTP plans.
 - Noting amendments given slight change of messaging – engagement plan looks to identify risk and identify the community sentiment of rate increases.

ACTION: *All agendas, minutes and workshop summaries are to be circulated to the Governance/Administration teams of each partner organisation and uploaded to relevant electronic document sharing platforms (Hub/Stellar)*

- a) **Endorse** the function and membership of the Technical Advisory Group as outlined in the agenda report.

Carried

REPORTS FROM NGĀ MĀNUKANUKA O TE IWI (MĀORI COMMITTEE) HELD 10 MAY 2024

1. TE AKA MAHI TOI UPDATE

Type of Report:	Information
Legal Reference:	N/A
Document ID:	1749207
Reporting Officer/s & Unit:	Darran Gillies, Strategic Programmes Manager Hilary Prentice, Māori Partnership Manager - Te Kaiwhakahaere Hononga Māori Alix Burke, Strategic Programme Coordinator

1.1 Purpose of Report

To update Ngā Mānukanuka o te iwi committee on the development of the mahi toi for the Te Aka project.

At the meeting

There was no discussion on this item at the meeting.

COUNCIL RESOLUTION

Deputy Mayor Brosnan / Councillor Crown

That Council **receive** the following recommendations of the Ngā Mānukanuka o te Iwi :

- a) **Receive** the report updating the development of the Mahi Toi for the Te Aka project.
- b) **Endorse** the direction of the cultural narrative for Te Aka.
- c) **Support**, in principle, the procurement of Ahuriri hapu/Ngāti Kahungunu artists for the delivery of the Mahi Toi in Te Aka.

Carried

2. DRAFT HOUSING STRATEGY

Type of Report:	Operational
Legal Reference:	N/A
Document ID:	1752317
Reporting Officer/s & Unit:	Anne Bradbury, Manager Community Strategies

2.1 Purpose of Report

This report discusses the Draft Housing Strategy and next steps to finalise the strategy.

At the meeting

There was no discussion on this item at the meeting.

COUNCIL RESOLUTION

Deputy May Brosnan / Councillor Crown

That Council **receive** the following recommendations of the Ngā Mānukanuka o te Iwi :

- a) **Note** the Draft Housing Strategy (Doc Id 1742977) and recommend Officers continue to work with key partners and stakeholders to finalise the strategy.
- b) **Direct** Officers to report back on the Housing Strategy to Ngā Mānukanuka o te Iwi at the 26 July 2024 meeting to recommend the strategy to go to Council for adoption in October 2024.

ACTION: Officer to liaise with Ngā Mānukanuka o te Iwi representative (Shyann Raihania) on other parties to be consulted on the Draft Housing Strategy

Carried

3. UPDATE ON THE WAKA HUB PROJECT

Type of Report:	Information
Legal Reference:	N/A
Document ID:	1753340
Reporting Officer/s & Unit:	Georgina King, Team Leader City Design and Urban Renewal

3.1 Purpose of Report

The purpose of this report is to provide an update of the Waka Hub project and to seek endorsement from Nga Mānukanuka o te Iwi on the location for the new Waka Hub.

At the meeting

There was no discussion on this item at the meeting.

COUNCIL RESOLUTION

Deputy May Brosnan / Councillor Crown

That Council **receive** the following recommendations of the Ngā Mānukanuka o te Iwi :

- a) **Endorse** the 'Preferred Site' adjacent to the Napier Sailing Club for the new Waka Hub and permanent mooring for Te Matau-a-Māui waka.

- b) **Endorse** the development of a Concept Design for the Waka Hub and mooring(s) for waka hourua.
- c) **Recommend** to council that the funding shortfall for this project be budgeted for or confirmed in the three year plan.

Carried

4. PROPOSED LEGISLATION - REINSTATEMENT OF THE PRE-2021 BINDING POLL PROVISIONS FOR MĀORI WARDS

Type of Report:	Information
Legal Reference:	Local Electoral Act 2001
Document ID:	1752917
Reporting Officer/s & Unit:	Anna Eady, Team Leader Governance

4.1 Purpose of Report

To inform the Committee of the proposed legislation to reinstate the pre-2021 binding poll provision for the establishment of Māori wards, and what the options are for Napier City Council (NCC) once the legislation is enacted at the end of July 2024.

At the meeting

There was no discussion on this item at the meeting.

COUNCIL RESOLUTION

Deputy May Brosnan / Councillor Crown

That Council **receive** the following recommendations of the Ngā Mānukanuka o te Iwi :

- a) **Receive** the report for information: Proposed legislation – Reinstatement of the pre-2021 binding poll provisions for Māori Wards.
- b) **Note** Ngā Mānukanuka o te Iwi supports the Council decision on the establishment of Māori Wards made in 2021.
- c) **Endorse** the Mayor making a submission on the proposed legislation for the Reinstatement of the Pre-2021 Binding Poll provisions for Māori Wards.

Carried

5. REPRESENTATION REVIEW UPDATE

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	Local Electoral Act 2001
<i>Document ID:</i>	1754658
<i>Reporting Officer/s & Unit:</i>	Anna Eady, Team Leader Governance

5.1 Purpose of Report

To give the Komiti an update on the Representation Review project, highlight upcoming engagement opportunities with the community, and to receive feedback from the Komiti on the proposed options, which will be put to the Council for consideration.

At the meeting

There was no discussion on this item at the meeting.

COUNCIL RESOLUTION

Deputy Mayor Brosnan / Councillor Crown

That Council **receive** the following recommendation of the Ngā Mānukanuka o te Iwi :hat Council:

- a) **Receive** the report titled “Representation Review Update” dated 10 May 2024.

Carried

6. TE WAKA RANGAPŪ STRATEGY 2024

<i>Type of Report:</i>	Operational and Procedural
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1752840
<i>Reporting Officer/s & Unit:</i>	Mōrehu Te Tomo, Pou Whakarae

6.1 Purpose of Report

This purpose of this report is to advise on Te Waka Rangapū Strategy (the Strategy).

At the meeting

There was no discussion on this item at the meeting.

COUNCIL RESOLUTION

Deputy May Brosnan / Councillor Crown

That Council **receive** the following recommendation of the Ngā Mānukanuka o te Iwi :

- a) **Endorse** the “Te Waka Rangapū Strategy 2024.”

Carried

7. AGENDA ITEMS FOR NGĀ MĀNUKANUKA O TE IWI KOMITI

Type of Report:	Operational
Legal Reference:	Local Government Act 2002
Document ID:	1753242
Reporting Officer/s & Unit:	Mōrehu Te Tomo, Pou Whakarae

7.1 Purpose of Report

The purpose of this report is to establish the key topics and Napier City Council (NCC) projects Ngā Mānukanuka o te Iwi Komiti members would like brought to Komiti Huis for discussion.

At the meeting

There was no discussion on this item at the meeting.

COUNCIL RESOLUTION

Deputy Mayor Brosnan / Councillor Crown

That Council **receive** the following recommendations of the Ngā Mānukanuka o te Iwi :

- a) **Request** reports on the following subjects be included in the agendas for Ngā Mānukanuka o te Iwi Komiti as relevant:
 - i. Housing
 - ii. Health
 - iii. Te Aka Mahi Toi & Te Aka Operational Model
 - iv. Internal Cultural progress (Ka Awatea)
 - v. Water Issues (Local Water Done Well)
 - vi. Long Term Plan (3 Year Plan)
 - vii. Annual Plan
 - viii. District Plan
 - ix. Future Development Strategy
 - x. Representation Review
 - xi. Māori Wards
 - xii. Te Mana o te Wai
 - xiii. Environmental concerns
 - xiv. Tourism
- b) **Endorse** a workshop to be held to identify key priority areas for papers for the Committee's 2024 work programme.

Carried

Ngā Mānukanuka o te Iwi Resignations - The meeting acknowledged the two recent resignations of Ngā Mānukanuka o te Iwi members Tipene Cottrell (Wharerangi Marae) and Joe Tareha (Waiohiki Marae) and thanked them for their contribution during their term on the Komiti.

Reports under Delegated Authority

1. TENDERS LET

Type of Report:	Information
Legal Reference:	N/A
Document ID:	1761659
Reporting Officer/s & Unit:	Debbie Beamish, Executive Assistant to the Chief Executive

1.1 Purpose of Report

To report the Tenders let under delegated authority for the period 8 April – 10 May 2024.

At the meeting

There was no discussion on this item at the meeting.

COUNCIL RESOLUTION

Councillors McGrath / Price

That Council:

- a) **Receive** the Tenders Let for the period 8 April – 10 May 2024 as below:
- Contract 2684 24 Clyde Road Slip Remediation be awarded to Drainways Contracting Limited in the sum of \$504,555.26.
 - Contract 2678 Inner Harbour Maintenance Dredge 2024 be awarded to Dutch Dredging Limited in the sum of \$554,158.00.

Carried

Minor matters

There were no minor matters to discuss.

RESOLUTION TO EXCLUDE THE PUBLIC

Deputy Mayor Brosnan / Councillor Tareha

COUNCIL RESOLUTION	That the public be excluded from the following parts of the proceedings of this meeting.
	Carried

Agenda Items

1. Action Points Register (Public Excluded) as at 6 May 2024

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.
	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 where the withholding of the information is necessary to:	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:

Agenda Items

1. Action Points Register (Public Excluded) as at 6 May 2024	7(2)(a) Protect the privacy of natural persons, including that of a deceased person 7(2)(c)(i) Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely to prejudice the supply of similar information or information from the same	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
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	<p>source and it is in the public interest that such information should continue to be supplied</p> <p>7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	Information and Meetings Act 1987.
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The meeting moved into Public Excluded session at 10.58am

The meeting closed with a karakia at 11.08am

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

Chairperson

Date of approval