



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

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PROSPEROUS NAPIER COMMITTEE

Open Attachments (Under separate cover 1)

Meeting Date: Thursday 6 June 2024

Time: Following Napier People and Places Committee

Venue: Large Exhibition Hall
War Memorial Centre
Marine Parade
Napier

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QUARTERLY REPORT

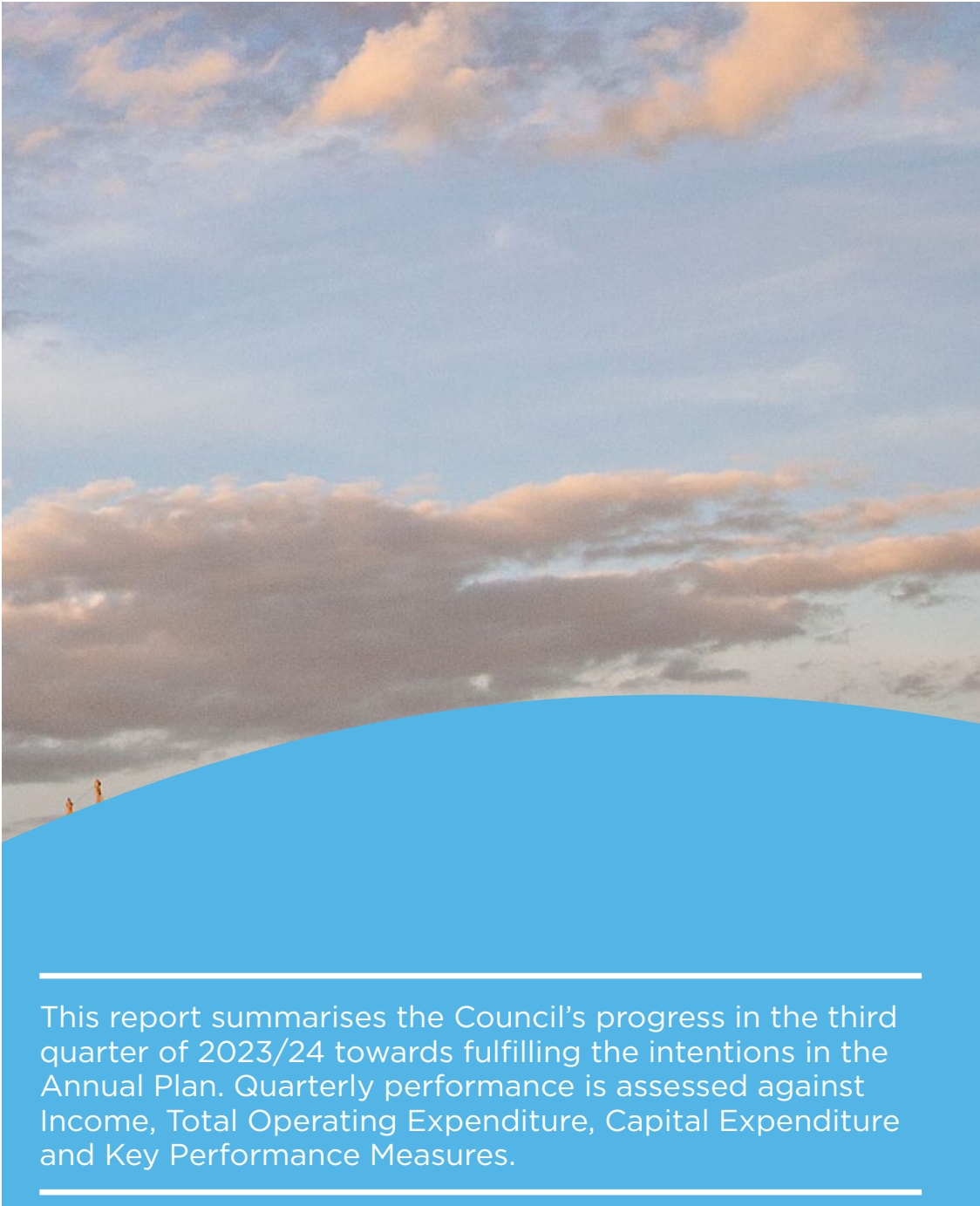
QUARTER 3, 2024

Year to date and quarterly result to 31 March 2024



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This report summarises the Council’s progress in the third quarter of 2023/24 towards fulfilling the intentions in the Annual Plan. Quarterly performance is assessed against Income, Total Operating Expenditure, Capital Expenditure and Key Performance Measures.

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FINANCIAL PERFORMANCE SNAPSHOT

The year-to-date net operating shortfall of \$9.9m is \$18.2m favourable to the budgeted deficit of \$28.1m. This favourable variance is attributable to a combination of factors as outlined below:

Revenue

- Subsidies and grants are \$2.1m above budget due to government grants related to cyclone recovery, DIA three waters funding, and Better Off Funding.
- Financial Contributions are \$1.8m above budget due to higher-than-expected development across the city.
- Other Revenue is \$4.9m above budget due to a legal settlement, an insurance receipt and sales in Parklands Residential Development being above the average budgeted sale price.

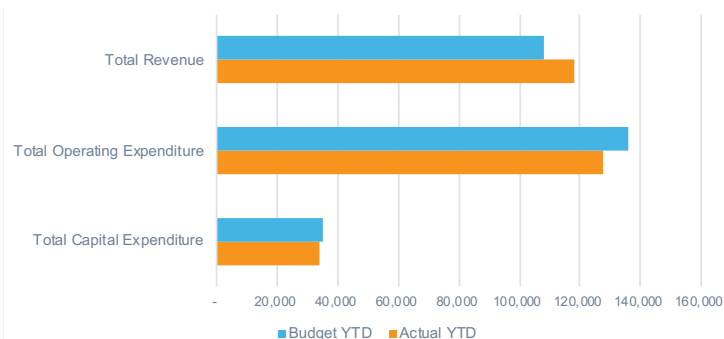
Expenditure

- Employee benefit expense is below the revised budget by \$3.6m due to vacancies across Council. However, this expense is above the Annual Plan budget due to additional resources which have been approved by management since the Annual Plan was adopted. For revenue generating business units, this will be offset by additional revenue.
- Depreciation expense is below budget by \$1.4m due to the reduced level of asset capitalisation from the previous year.
- Finance costs are \$1.1m less than budgeted, attributed to lower borrowing than anticipated, primarily stemming from the timing of capital expenditures.
- Offsetting these positive variances, other operating expenses are \$1.8m above budget. This is due to unbudgeted roading maintenance due to Cyclone Gabrielle and November 2020 flood recovery works, and other Cyclone Gabrielle recovery expenditure.

All Council	Year to Date to Mar 2024				Year to Date to Mar 2024			
	Actual	Revised Budget	Variance*	% Variance	Forecast	Revised Budget	Annual Plan	Variance - Revised Budget to Annual Plan
Revenue								
Rates Revenue	64,250	63,981	269	0%	85,760	85,308	85,308	(0)
Finance Revenue	976	-	976	>100%	797	(0)	-	(0)
Financial and Development Contributions	3,869	2,110	1,759	83%	8,582	7,478	7,478	(0)
Subsidies and Grants	10,959	8,817	2,142	24%	14,066	11,254	8,196	3,058
Other Revenue	37,887	32,995	4,892	15%	54,593	56,967	56,967	0
Other gains/losses	(0)	75	(75)	<(100)%	42	294	294	-
	117,940	107,978	9,962	9%	163,840	161,301	158,243	3,058
Expenditure								
Employee Benefit Expense	44,000	47,578	3,579	8%	56,676	57,838	52,494	(5,343)
Depreciation and Amortisation	30,502	31,903	1,401	4%	41,474	42,538	42,538	-
Finance Costs	414	1,536	1,121	73%	1,177	2,048	2,048	-
Other Operating Expenses	52,932	51,114	(1,818)	(4)%	81,562	84,642	76,192	(8,450)
Share of associate surplus/deficit	-	(179)	(179)	(100)%	(99)	(239)	(239)	-
Offsetting Expenditure	(0)	4,143	4,143	>100%	35	(654)	(655)	(0)
	127,848	136,095	8,246	6%	180,825	186,172	172,379	(13,794)
Net Operating Surplus / (Shortfall)	(9,908)	(28,116)	(18,209)	65%	(16,985)	(24,871)	(14,136)	10,736

Capital (\$,000)	Year to Date to Mar 2024				Year to Date to Mar 2024			
	Actual	Revised Budget	Variance*	% Variance	Forecast	Revised Budget	Annual Plan	Variance - Revised Budget to Annual Plan
Total Capital Expenditure	34,222	35,198	975	3%	53,113	99,699	75,934	(23,764)
Asset Sales	(227)	-	227			0	-	(0)

Performance V Budget (\$'000)



* Variance Key
Favourable / Underspent
Unfavourable / Overspent

SERVICE PERFORMANCE SNAPSHOT

February 2024

Council approved the preliminary designs for the new library, meaning the designs progressed to the resource consenting stage.

March 2024

Council held its second 'Future Focus' event. This new event series is to position NCC and Napier positively within various sectors, both locally and nationwide, to encourage businesses and families to establish themselves here or expand further. Our first event late last year was focused on the building and development sector to support development and investment in Napier. The second event this year was with the Awatoto businesses that were severely affected by Cyclone Gabrielle. The gathering was well-received and was an opportunity for Council to continue to build its relationship with this community.

Council hosted a drop-in session for coastal residents who may be impacted by future seawater flooding. The session gave the community the chance to learn more about the findings from the Clifton to Tangoio Coastal Inundation report and what this could mean for their property.

The Natural Hazards: Issues and Options consultation opened. This is part of the District Plan consultation, focusing on the Natural Hazards chapter. The consultation sought people's feedback on their level of risk tolerance to natural hazards such as coastal inundation, tsunami, other forms of flooding, and earthquakes.

The 2024-27 Three-Year Plan consultation document was adopted by Council on 14 March, along with related policies and supporting documents. Community consultation opened on 25 March.

Sale of sections in Stages 9 and 10 of Parklands opened.

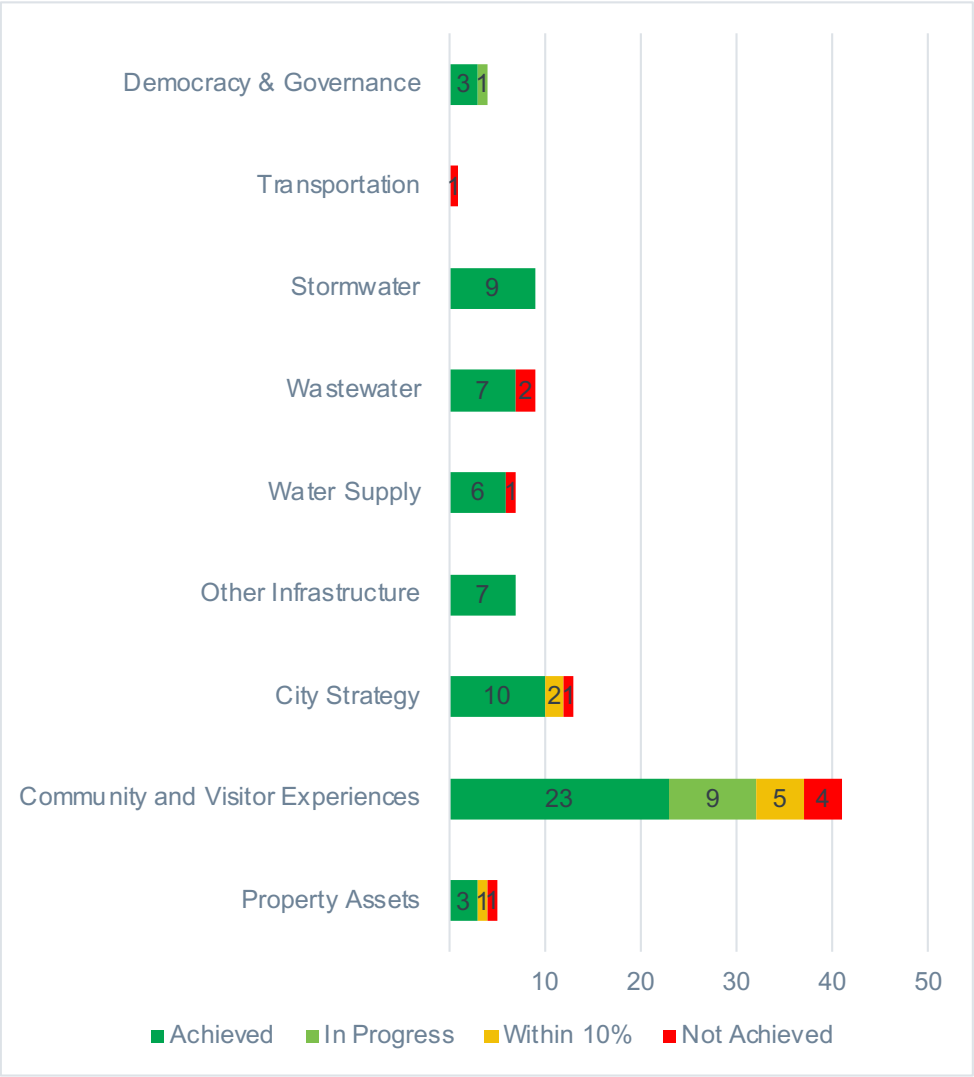
Bay Skate hosted the World Skate Oceania Continental Championships for Scootering. This event involved the best riders from Australia and New Zealand.



SERVICE PERFORMANCE SNAPSHOT

KEY PERFORMANCE MEASURES

This quarter 81% of key performance indicators (78 of 96) measured on a monthly or quarterly basis were achieved or are in process and on target to be achieved by year end. Any measures which were not achieved are explained in the activity section of this report, along with a full list of performance measures and results.



TREASURY MANAGEMENT SUMMARY

INVESTMENTS REPORT

INVESTMENT TYPES HELD AT QUARTER-END: 31 MARCH 2024

			Amount
Call Deposits			\$0
Term Deposits	S&P Credit Rating	Average 12-Month Int Rate	
Bank			
Westpac	AA-	n/a	\$0
ANZ	AA-	5.73%	\$4,000,000
ASB	AA-	5.85%	\$4,000,000
BNZ	AA-	n/a	\$0
Kiwibank	AA	n/a	\$0
			\$8,000,000
Total Investments as at 31 March 2024			\$8,000,000

RANGE OF INTEREST RATES NEGOTIATED DURING THE QUARTER

	Rate	Date
Call Deposits (lowest) *	n/a	All
Call Deposits (highest) *	n/a	All
Term Deposits (lowest)	5.55%	various
Term Deposits (highest)	5.85%	23/02/2024

WEIGHTED AVERAGE INTEREST RATE FOR ALL CURRENTLY HELD INVESTMENTS

	Amount	Average Rate
Call Deposits	\$0	0.00%
Term Deposits	\$8,000,000	5.78%
	\$8,000,000	
Weighted Average Interest Rate as at 31 March 2024		5.78%
Benchmark Average Interest Rate as at 31 March 2024		5.58%

(Benchmark = average 6-month 'BKBM' mid-rate of today and 6 months ago)

MATURITY PROFILE OF INVESTMENTS

Term	%'age	Lower Limit	Upper Limit	Within Limits	
0 - 6 months	100.0%	30%	80%	No	●
6 - 12 months	0.0%	20%	70%	No	●
1 - 3 years	0.0%	0%	50%	Yes	●
3 - 5 years	0.0%	0%	20%	Yes	●

EXTERNAL LOANS REPORT

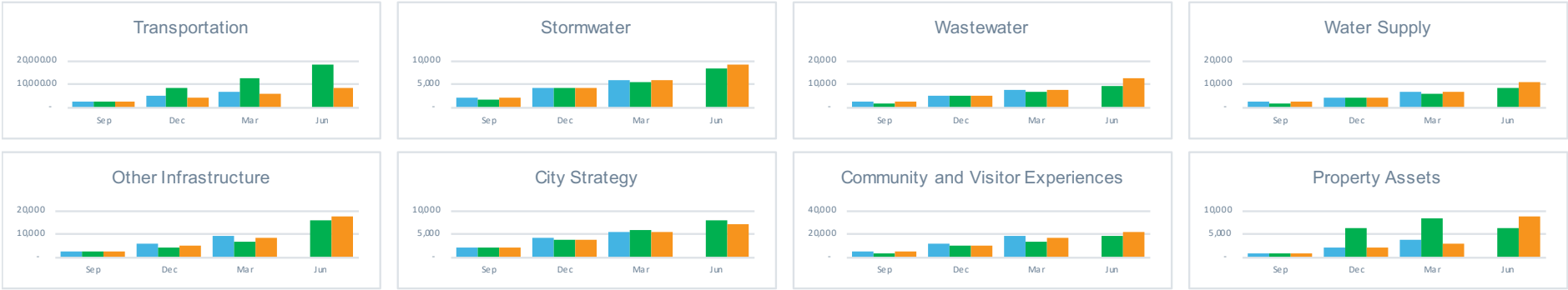
	\$'000
External loans as at 1 July 2023	\$10,000
New loans raised year to date	\$0
Total external loans as at 31 Mar 2024	\$10,000
Balance of loans forecast to be raised in current year	\$57,224
Total external loans forecast 30 June 2024 (Annual Plan)	\$67,224

CUMULATIVE QUARTERLY GRAPHS

Figures shown in thousands (\$,000)

Actual Budget Prior Year

Total Revenue



Total Expenditure



CUMULATIVE QUARTERLY GRAPHS

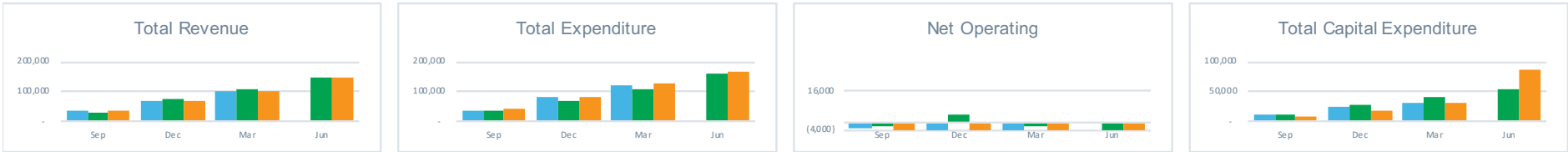
Figures shown in thousands (\$,000)

Actual Budget Prior Year

Capital Expenditure



Consolidated



ACTIVITY GROUP FINANCIAL SUMMARY

Figures are shown in thousands (\$,000)

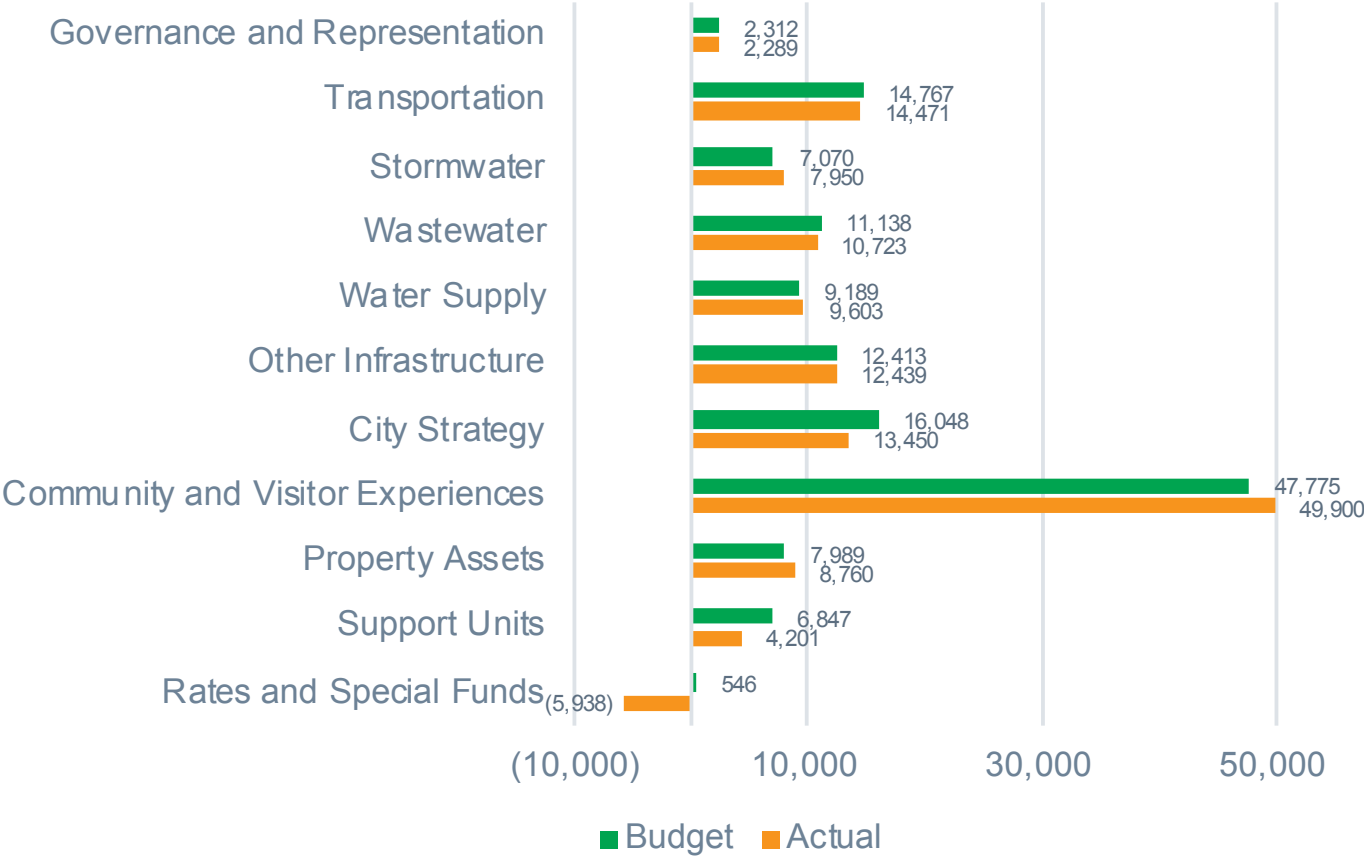
	Year to Date to Mar 2024				Year to Date to Mar 2024			
	Actual	Revised Budget	Variance *	% Variance	Forecast	Revised Budget	Annual Plan	Variance - Revised Budget to Annual Plan
Net Operating Expenditure								
Governance and Representation	2,289	2,312	23	1%	3,172	3,192	3,013	(179)
Transportation	7,303	8,370	1,067	13%	9,611	9,458	9,940	482
Stormwater	2,082	1,186	(896)	(76)%	636	494	1,330	835
Wastewater	3,076	3,290	214	7%	2,516	2,099	2,620	522
Water Supply	2,850	2,323	(527)	(23)%	2,289	1,770	1,502	(267)
Other Infrastructure	3,244	4,054	810	20%	984	2,537	2,481	(56)
City Strategy	1,718	8,200	6,482	79%	13,821	15,003	10,972	(4,030)
Community and Visitor Experiences	29,762	30,447	685	2%	39,642	41,953	38,622	(3,331)
Property Assets	253	(76)	(329)	<(100)%	(1,478)	(554)	(1,542)	(988)
Rates and Special Funds	(44,923)	(37,334)	7,590	20%	(56,808)	(55,300)	(56,269)	(969)
Support Units	2,255	5,344	3,089	58%	2,600	4,220	1,465	(2,755)
Net Operating Expenditure	9,908	28,116	18,209	65%	16,985	24,871	14,136	(10,736)

* Variance Key
Favourable / Underspent
Unfavourable / Overspent

Figures are shown in thousands (\$,000)

	Year to Date to Mar 2024				Year to Date to Mar 2024			
	Actual	Revised Budget	Variance *	% Variance	Forecast	Revised Budget	Annual Plan	Variance - Revised Budget to Annual Plan
Capital								
Transportation	6,262	6,927	665	10%	10,302	14,962	11,848	(3,115)
Stormwater	2,838	3,176	338	11%	3,780	15,717	14,452	(1,265)
Wastewater	5,819	5,123	(695)	(14)%	5,484	14,293	12,017	(2,275)
Water Supply	3,126	3,943	818	21%	6,266	17,359	16,474	(885)
Other Infrastructure	351	205	(146)	(71)%	2,867	3,266	3,150	(116)
City Strategy	500	696	197	28%	1,177	1,458	117	(1,341)
Community and Visitor Experiences	9,666	11,108	1,442	13%	17,762	22,437	15,557	(6,881)
Property Assets	1,301	1,214	(87)	(7)%	2,314	6,865	423	(6,442)
Support Units	4,360	2,805	(1,555)	(55)%	3,161	3,342	1,897	(1,445)
Total Capital Expenditure	34,222	35,198	975	3%	53,113	99,699	75,934	(23,764)
Asset Sales	(227)	0	227	>100%	-	0	-	(0)

SUMMARY NET OPERATING EXPENDITURE OF ACTIVITY GROUPS



Activity Group Detail

This section provides further detail on the key performance measures and the financial performance of each of the activities within Council.

The Council activities contribute to the Community Outcomes, as stated in the 2021-31 Long Term Plan. Council considers that meeting its service level targets constitutes a major role as a contributor to the progress of the Community Outcomes.



Governance and Representation

Democracy and Governance

Council's Democracy and Governance Activity provides a democratic and consultative system for governance and decision making. The activity encompasses the management of:

- the Council meeting and decision making process;
- local elections; and
- responses to official information requests.

Napier City Council elections are held every three years and currently comprises the election of:

- Mayor by the City as a whole;
- two councillors by the Ahuriri Ward;
- two councillors by the Onekawa-Tamatea Ward;
- four councillors by the Nelson Park Ward; and
- four councillors by the Taradale Ward.

The First Past the Post system was retained for the 2019 election, but Council have no Māori Wards or Community Boards for this election period.

Council's governance function is delivered through a structure of standing committees, joint committees, specialist and sub-committees and council controlled organisations. The Local Governance Statement (available on the website) provides information on this structure, the processes through which Napier City Council engages with the residents of Napier, how the Council makes decisions, and how citizens can participate. As the Local Governance Statement is a living document, it is updated periodically over the three-year term.

The overall aims are to:

- ensure the city develops in a sustainable manner;
- promote economic growth;
- promote tourism;
- foster a safe environment;
- be a guardian of the city's assets and infrastructure; and
- engender pride in Napier.

Fundamental roles of Council are to represent the community, to receive and understand their views, make good decisions for the benefit of the community, and if appropriate, explain Council reasoning behind a particular decision or policy, to those who might be interested. Ngā Mānukanuka o te Iwi (Māori Committee) provides Māori perspectives across all Council business, as well as raising matters of importance to Māori in Napier through to Council.

Democracy and Governance stakeholders are all residents of Napier City and the wider region. Consultation with stakeholders is carried out in accordance with the Significance and Engagement Policy.

Te Waka Rangapū

Established in 2021 Te Waka Rangapū fosters a culturally enriched environment at Napier City Council, nurturing meaningful partnerships with māori to honor Te Tiriti o Waitangi and deliver positive outcomes for Ahuriri.

Te Waka Rangapū has a specific focus on engagement and partnership with mana whenua our Post-Settlement Governance Entities, Mana Ahuriri Trust and Maungaharuru Tangitū Trust and Marae also Iwi Māori such as Te Taiwhenua o te Whanganui a Orotu, Ngāti Pārau Trust, Hapori (Community), Government Agencies that support the Community of Napier.

We strive to ensure that engagement with mana whenua happens early on for all projects, ensuring that partnerships are formed to enhance decision making and achieve equitable outcomes and strong partnerships. To help achieve this and align with our Strategy, Te Waka Rangapū are also building cultural capability within Council to continually improve Councils approach to partnership with mana whenua and tangata whenua.

GOVERNANCE & REPRESENTATION

PERFORMANCE SUMMARY

Democracy and Governance

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council holds regular Council and Council Committee meetings that are accessible and notified to the local community	Percentage of Council meetings for which meeting agenda is made publicly available two working days before the meeting date	100%	100%	100%	100%	●	
Council will comply with legislative requirements	Annual Reports and Long Term Plans receive 'unmodified' audit opinion	End of Year Measure	End of Year Measure	End of Year Measure	Achieved	N/A	
	Number of LGOIMA requests responded to within statutory time frames	93%	97%	100%	100%	●	

Te Waka Rangapū

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
We are strengthening our partnerships and recognise the special place of mana whenua and tangata whenua in Council decision making	Legislative compliance with ss 14(1)(d), 60A, 77(1)(c), 81 and 82(2) of the Local Government Act 2002	Compliant	Compliant	Compliant	Compliant	●	
	Development of a Māori Engagement framework	Framework in progress	Framework in progress	Framework in progress	Narrative Measure	●	

Performance Indicators: ● Achieved ● In progress and on target ● Within 10% ● Not achieved, greater than 10%

GOVERNANCE & REPRESENTATION

FINANCIAL SUMMARY AS AT MARCH 2024

Governance and Representation Activity Group Financial Summary as at March 2024

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date Mar 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Revenue	-	-	-		-	-	-		
Expenditure	2,289	2,312	23	1%	3,192	3,013	(179)		
Depreciation	-	-	-		-	-	-		
Net Operating Expenditure	2,289	2,312	23	1%	3,192	3,013	(179)		

Governance and Representation Financial Summary by Activity as at March 2024

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)		Year to Date Mar 2024							
Net Operating Expenditure	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance	Notes	Comments
Democracy and Governance									
Revenue	-	-	-		-	-	-		
Expenditure	1,867	1,867	(0)	(0)%	2,490	2,490	0		
Democracy and Governance Total	1,867	1,867	(0)	(0)%	2,490	2,490	0		
Te Waka Rangapu									
Revenue	-	-	-		-	-	-		
Expenditure	422	445	23	5%	702	523	(179)		
Te Waka Rangapu Total	422	445	23	5%	702	523	(179)		



City Strategy

City Development

City Development is the means by which we plan and deliver urban and economic growth strategically and sustainably. We assess and decide how our built and natural environment will be developed, and how that process will be managed. We take into consideration Napier's historic heritage and incorporate urban design, functionality, city vibrancy and aesthetics into all our city developments and projects. We guide our investment in infrastructure and urban renewal, so it is efficiently located and caters for the planned growth of the city.

The Policy team delivers planning and policy functions by meeting the statutory requirements under the Resource Management Act 1991 (RMA) and other relevant legislation. We provide professional, strategic, clear and frank advice to our elected members so that they can make informed decisions that will benefit our city and community now and in the future.

The City Design & Urban Renewal team aims to create a great urban environment, promoting heritage protection, ecological excellence, sustainable transport, and good urban design throughout the city, which will result in a well-connected, vibrant and liveable city.

Building Consents

The core functions of our Building Consents team comprise of processing building consent applications, inspecting building work on site, and issuing code compliance certificates at the completion of building work.

Additionally to the core functions, we also inspect swimming pool barriers, audit Building Warrants of Fitness, investigate complaints, carry out enforcement action when required, and provide advice and information to the public on building-related issues.

Resource Consents

The Resource Consents team is responsible for the assessment and determination of proposed developments or activities, and monitoring compliance with relevant legislated requirements and/or Notices of Decision.

The work undertaken by resource consenting is legislated under the RMA and at times under the Local Government Act 2002 and the Hazardous Substances and New Organisms Act 1996.

Resource consenting provides pre-application advice to the public, undertakes the assessment of applications lodged under the RMA or the LGA, determines notification requirements (where applicable), and makes decisions on applications.

Additional tasks related to the consenting process include compliance monitoring, which takes place when a complaint is received for possible offences under the RMA.

Regulatory Solutions

Regulatory Solutions are responsible for licensing, monitoring and inspecting a range of services that are provided largely by local businesses and which have the potential to cause harm to the public. Our work is determined by legislation such as the LGA, Sale and Supply of Alcohol Act 2012, Health Act 1956, and the Food Act 2014, as well as related regulations and Council-set by-laws.

The sectors we regulate include food premises, camping grounds, hairdressers, funeral directors, offensive trades, and liquor licensing services.

In addition, Council is responsible for investigating notifiable diseases, investigating and monitoring nuisance to the community, providing a noise control service, and monitoring and enforcing freedom camping. Regulatory Solutions undertakes the regulatory functions of the Dog Control Act 1996 on behalf of Animal Control.

Regulatory Solutions provides advice, education, and assistance to individuals and businesses to help them comply. We also take enforcement action where required to ensure the safety and well-being of the public.

Animal Control

Animal Control is responsible for the implementation and enforcement of the Dog Control Act 1996 and Council by-laws relating to this Act. A large proportion of the work of the Animal Control team is responding to public safety issues and taking necessary action to keep people and dogs safe following an incident. To prevent these incidents from occurring, the Animal Control team proactively patrol reserves and beaches, parks, and playgrounds to ensure compliance with the Act and Napier City's Dog Control Policy.

Educating people is a big part of what the team do to promote a culture of responsible dog ownership in Napier. A dog pound is operated by Council and acts as a safe holding place for dogs.

Those dogs that are suitable to be rehomed are held at the pound until their new home can be found. Animal Control operates the animal shelter caring for any impounded dogs, and cares for an average of 500 dogs per year.

The team also maintain the Park Island and Taradale dog agility parks and the dog shower at Park Island, and keep the poo-bag dispensers around our city topped up.

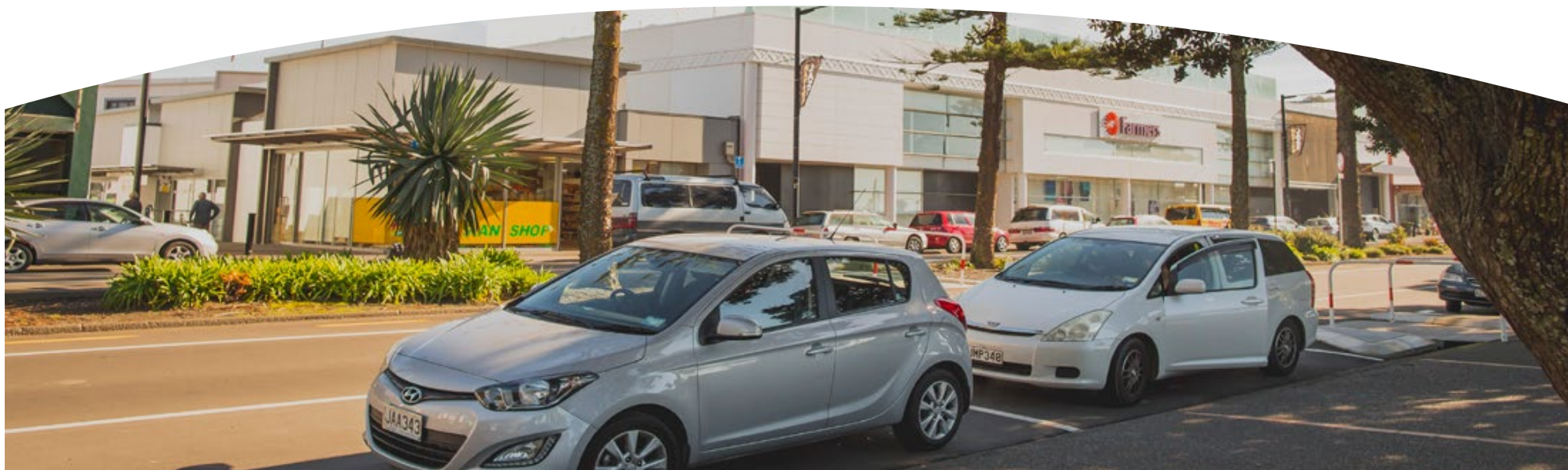
Parking

Parking has a major influence on the function, look, and feel of an inner city. We provide parking so that goods can be delivered and workers, customers, clients, and inner-city residents can readily access the CBD. There is always a balance between meeting the demand for parking convenience (the desire for lots of parks right next to the shops, businesses, and places of work that people want to get to) and the need to create a compact, intimate CBD that cultivates business, social, and cultural interaction.

Council achieves this balance by providing a range of parking options to suit the various ways people wish to engage with the CBD:

- On-street parking
- Off-street parking
- Leased parking
- Mobility parking, and
- Alternative transport parking, eg, motorcycle, bikes, and electric vehicles.

All Council-controlled parking areas are patrolled regularly to ensure people are complying with the parking rules set by the Napier City Council Parking Control Bylaw.



CITY STRATEGY

PERFORMANCE SUMMARY

City Development

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Provide the policy planning and strategic functions for Napier City	District Plan reviewed to align with Napier Spatial Plan document and the Infrastructure Strategy	End of Year Measure	End of Year Measure	End of Year Measure	90%	N/A	PDP notified and submission received. Summary of submissions to be notified in May 2024
	Review HPUDS strategy	End of Year Measure	End of Year Measure	End of Year Measure	100%	N/A	Multi Criteria Analysis completed. Three different growth scenarios have been developed for public consultation
Provide the strategic economic development function for Napier City	Publication of data to measure success of council objectives and inform future decision making	End of Year Measure	End of Year Measure	End of Year Measure	100%	N/A	Ongoing monitoring and reporting economic activity and pedestrian counts in Napier CBD

Building Consents

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council monitors and enforces legislative compliance to protect its citizens and their safety	Process building consent applications within the statutory time frame of 20 working days	83.98% (215 out of 256)	82.57% (180 out of 218)	80.92% (530 out of 655)	100%	●	High levels of absenteeism in the team for multiple reasons
	Process code compliance certificates within the statutory time frame of 20 working days	100% (210 out of 210)	100% (185 out of 185)	100% (559 out of 559)	100%	●	
	Audit buildings requiring building warrants of fitness annually	4.62% (42 out of 910)	4.04% (37 out of 915)	15.63% (143 out of 915)	20%	●	
	Percentage of residential swimming pools inspected annually to ensure that all pool barriers are inspected at least once every 3 years	17.06% (94 out of 551)	14.13% (78 out of 552)	41.30% (228 out of 552)	33%	●	
	Maintain Building Consent Authority (BCA) accreditation	Maintained	Maintained	Maintained	Maintain	●	

Resource Consents

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council monitors and enforces legislative compliance to protect its citizens and their safety	Process non-notified resource consents (excluding Controlled Activities) and all subdivision consents to approval stage within the statutory time frame of 20 working days	100% (58 out of 58)	99% (116 out of 117)	99% (168 out of 169)	100%	●	
	Process Controlled Activity Resource Consents (excluding subdivision) within 10 working days	100% (2 out of 2)	100% (6 out of 6)	100% (12 out of 12)	100%	●	
	Process notified Resource Consents within the statutory time frame of 130 working days	Nil	Nil	Nil	100%	●	
	Process limited notified Resource Consents within 100 working days	Nil	Nil	Nil	100%	●	
	Land Information Memorandums to be processed within the statutory limit of 10 working days	100% (94 out of 94)	100% (199 out of 199)	100% (309 out of 309)	100%	●	
	All formal complaints are investigated and responded to within 3 days of receipt by Council	100% (0 out of 0)	Nil	Nil	100%	●	

CITY STRATEGY

PERFORMANCE SUMMARY

Regulatory Solutions

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council monitors and enforces legislative compliance to protect its citizens and their safety	Percentage of residents satisfied with Council management and enforcement of Noise Control in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	80%	N/A	
	Percentage of Noise Control complaints referred to the contractor which have an Officer onsite and action commenced to resolve the complaint within 30 minutes of the call being received	92%	89%	90%	80%	●	
	Percentage of residents satisfied with Council management and enforcement of freedom camping in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	50%	N/A	
	Percentage of Food Act Verification audits completed in accordance with the scheduled times in the Food Act 2014	End of Year Measure	End of Year Measure	End of Year Measure	100%	N/A	
	Percentage of liquor licensed premises inspected annually for compliance with their licence conditions	End of Year Measure	End of Year Measure	End of Year Measure	50%	N/A	
	Percentage of very high and high risk liquor licensed premises inspected at least annually	End of Year Measure	End of Year Measure	End of Year Measure	100%	N/A	
Animal Control							
Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Implement and enforce the requirements of the Dog Control Act 1996	Percentage of residents satisfied with Council management and enforcement activity of Animal Control in the Residents' satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	75%	N/A	N/A
	All requests for services are investigated and responded to within 21 days	100%	100%	100%	100%	●	
Parking							
Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Provide and manage parking facilities for the city	Percentage of residents satisfied with Parking in the Inner City in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	60%	N/A	
	Percentage of residents satisfied with Parking in the Suburbs in the Resident's Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	65%	N/A	
	Percentage of CBD parking occupancy rate	End of Year Measure	End of Year Measure	End of Year Measure	50 - 85%	N/A	
	Percentage of Taradale parking occupancy rate	End of Year Measure	End of Year Measure	End of Year Measure	50 - 85%	N/A	

CITY STRATEGY

FINANCIAL SUMMARY AS AT MARCH 2024

Figures are shown in thousands (\$,000)

	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Net Operating Expenditure									
Revenue	(11,731)	(7,848)	3,883	49%	(9,591)	(7,148)	2,443	-1-	Unbudgeted legal revenue
Expenditure	13,145	15,643	2,498	16%	24,054	17,581	(6,473)	-2-	Timing issue of Cyclone Gabrielle property compensation.
Depreciation	305	405	100	25%	540	540	-	-3-	Depreciation lower than budgeted, capital projects yet to be completed.
Net Operating Expenditure	1,718	8,200	6,482	79%	15,003	10,972	(4,030)		

Figures are shown in thousands (\$,000)

	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Net Operating Expenditure									
City Ambassadors and CCTV									
Revenue	-	-	-		-	-	-		
Expenditure	780	882	102	12%	1,182	1,155	(27)	-4-	Underspend in this period is attributed to staff vacancy and some of the operating expenses
City Ambassadors and CCTV Total	780	882	102	12%	1,182	1,155	(27)		
Property Compensation									
Revenue	(2,476)	(2,443)	33	1%	(2,443)	-	2,443		
Expenditure	1,350	2,600	1,250	48%	5,619	-	(5,619)	-5-	Timing issue of receiving invoices for Cyclone Gabrielle property compensation.
Property Compensation Total	(1,126)	157	1,283	>100%	3,176	-	(3,176)		
City Strategy Admin									
Revenue	-	0	0	100%	0	-	(0)		
Expenditure	405	489	84	17%	652	573	(79)	-6-	Underspend in this period is attributed to staff vacancy and some of the operating expenses
City Strategy Admin Total	405	489	84	17%	652	573	(79)		
Regulatory Consents									
Revenue	(522)	(358)	164	46%	(477)	(477)	-	-7-	Subdivision Consents activity, Non Notified Resource Consents and LIMS higher than anticipated during this period
Expenditure	1,412	1,450	37	3%	1,933	1,891	(42)		
Regulatory Consents Total	890	1,092	201	18%	1,455	1,413	(42)		

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Revenue	(71)	-	71		-	-	-		
Expenditure	1,340	1,785	446	25%	3,550	3,012	(538)	-8-	Under-spend in this period is attributed to staff vacancy and timing of Growth Study and Recovery Support Programme expenditure.
Planning Policy Total	1,268	1,785	517	29%	3,550	3,012	(538)		
Environmental Health									
Revenue	(333)	(399)	(66)	(17)%	(533)	(533)	-	-9-	Revenue dropped due to staff -shortages
Expenditure	1,084	1,367	283	21%	1,823	1,822	(1)	-10-	The underspending in this period can be attributed to staff vacancies, which were partially addressed by hiring external consultants/contractors. However, all vacancies have now been filled. Required rigorous training to bring these individuals up to the standard level required for their roles
Environmental Health Total	751	968	217	22%	1,290	1,289	(1)		
Building Consents									
Revenue	(5,233)	(1,574)	3,659	>100%	(2,294)	(2,294)	-	-11-	Unbudgeted insurance claim due to a court order
Expenditure	2,989	2,833	(156)	(6)%	3,776	3,686	(91)	-12-	Unbudgeted legal expenses
Building Consents Total	(2,244)	1,259	3,503	>100%	1,482	1,392	(91)		
Animal Control									
Revenue	(865)	(811)	54	7%	(828)	(828)	-		
Expenditure	1,094	1,188	94	8%	1,584	1,526	(58)		
Animal Control Total	229	377	148	39%	756	698	(58)		
Parking									
Revenue	(1,959)	(1,987)	(29)	(1)%	(2,650)	(2,650)	-		
Expenditure	2,085	2,293	208	9%	3,098	3,079	(19)	-13-	Overall other operating expenses below the budget
Parking Total	126	305	179	59%	448	429	(19)		
City & Business Promotion									
Revenue	(272)	(275)	(3)	(1)%	(366)	(366)	-		
Expenditure	910	1,161	251	22%	1,378	1,378	(0)	-14-	Timing of costs to be incurred. Project-based budget allocations
City & Business Promotion Total	638	886	248	28%	1,012	1,012	(0)		
City Promotion Grants									
Revenue	-	-	-		-	-	-		
Expenditure	-	-	-		-	-	-		
City Promotion Grants Total	-	-	-		-	-	-		

CITY STRATEGY

FINANCIAL SUMMARY

City Strategy Capital as at March 2024

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)	Year to Date to March 2024				Revised Budget	Annual Plan	Notes	Comments
Capital	Actual	Revised Budget	Variance	% Variance				
City Ambassadors and CCTV								
Street Management (CCTVs)	464	397	(67)	(17)%	561	52	-1-	\$95k remaining budget for the current year, however there will be unbudgeted server purchases, plus Anderson Park CCTV project is to be continued.
Total City Ambassadors and CCTV	464	397	(67)	(17)%	561	52		
Animal Control								
Complex Shelter & Office	1	24	23	97%	32	32		
Stock Control Equipment	-	2	2	100%	2	2		
New Impounding Facility	4	26	21	81%	94	-		
Total Animal Control	5	51	46	90%	128	34		
Parking								
Additional CBD Parking	15	130	115	88%	500	-	-2-	Herschell Street tender process to go out shortly for retaining wall.
Herschell Street	2	-	(2)	(100)%	-	-		
Minor Capital Items	-	-	-		-	5		
Minor Capital Items S810	-	4	4	100%	5	-		
Parking Equipment Replacement	4	95	91	96%	237	26	-3-	Repairs to vandalised meters.
Parking Equipment Replacement S810	10	20	10	50%	26	-		
Total Parking	31	249	218	88%	769	32		
Total Capital Expenditure	500	696	197	28%	1,458	117		
Asset Sales	-	-	-		-	-		



Water Supply

Water Supply

Council provides a water supply system for the supply of safe, potable water as well as for firefighting purposes. A safe and cost-effective drinking water supply is a key factor in sustaining the physical health of a community.

Our system draws water directly from the Heretaunga Plains aquifer through seven Council-managed bores. The network utilises nine booster pump stations, and approximately 482 km of water mains to supply fresh water to over 93% of Napier's population. We utilise 11 large storage reservoirs at high points across the city to provide both backup water supply and adequate pressure to users.

The assets that form the water supply activity include:

- Water sources and bores
- Booster pump stations
- Treatment plants, and
- Reticulation mains and pressure valves.

The overarching vision is to maintain and improve public health for our community and visitors. We will do this with modern water infrastructure that can reliably supply safe water to customers, now and in the future. We plan, operate, and maintain the network to ensure public health and safety, provide reliable pressure and flow, minimise our impact on the environment, and respond quickly should things go wrong.



WATER SUPPLY

PERFORMANCE SUMMARY

Water Supply

Level of service

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Safeguard Public Health	Compliance with Part 4 criteria of the Drinking Water Standards (bacteria compliance criteria) (Mandatory measure 1)	Not applicable - standards superseded by Taumata Arowai legislation	Not applicable - standards superseded by Taumata Arowai legislation	Not applicable - standards superseded by Taumata Arowai legislation	Achieved	N/A	
	Compliance with Part 5 criteria of the Drinking Water Standards (protozoa compliance criteria) (Mandatory measure 1)	Not applicable - standards superseded by Taumata Arowai legislation	Not applicable - standards superseded by Taumata Arowai legislation	Not applicable - standards superseded by Taumata Arowai legislation	Achieved	N/A	
Management of Environmental Impacts	The percentage of real water losses from Council's networked reticulation system as determined through an annual water balance (Mandatory measure 2)	End of Year Measure	End of Year Measure	End of Year Measure	Decrease on previous year	N/A	
	Average annual consumption of drinking water per day per resident (Mandatory measure 5)	End of Year Measure	End of Year Measure	End of Year Measure	<450 L	N/A	
	Median response times from time notification received: attendance time for urgent call-outs (Mandatory)	0.3 hours	0.3 hours	0.25 hours	≤ 90 minutes	●	
	Median response times from time notification received: resolution time for urgent call-outs (Mandatory)	1.21 hours	1.16 hours	1.25 hours	≤ 6 hours	●	
	Median response times from time notification received: attendance for non-urgent call-outs (Mandatory)	17.62 hours	18.02 hours	26.4 hours	≤ 8 hours	●	We are consistently underperforming on this 8 hour target. Improvements to job categorisation and reporting are helping to build understanding of outlier results (very prolonged response times) which are lifting this median result. The Three-Year Plan 2024 gives us the opportunity to review if this target is overly optimistic (Hastings District Council target 3 days, Auckland City Council target 5 days)
	Median response times from time notification received: resolution time for non-urgent call-outs (Mandatory)	21.42 hours	22.75 hours	54 hours	≤ 72 hours	●	
Customer Satisfaction	Total number of complaints per 1,000 connections relating to drinking water clarity	0.45 complaints per 1000 connections	0.54 complaints per 1000 connections	0.58 complaints per 1000 connections	Downwards trend	●	
	Total number of complaints per 1,000 connections relating to drinking water taste, drinking water clarity, drinking water odour, drinking water pressure or flow, and continuity of supply (Mandatory measure 4)	0.78 complaints per 1000 connections	0.75 complaints per 1000 connections	0.76 complaints per 1000 connections	≤ 2	●	
	Percentage of residents satisfied with Water Supply in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	89%	N/A	
Investigation of options for chlorine free network	Complete the 'Chlorine Free Review' report by 2021 and consult with the community on the implementation of the findings	Achieved	Achieved	Achieved	Achieved	●	

Performance Indicators: ● Achieved ● In progress and on target ● Within 100% ● Not achieved greater than 100%

WATER SUPPLY

FINANCIAL SUMMARY

Water Supply Activity Group Financial Summary as at March 2024

Figures are shown in thousands (\$,000)

	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Net Operating Expenditure									
Revenue	(6,753)	(6,867)	(114)	(2)%	(10,700)	(10,700)	(0)		
Expenditure	5,928	5,700	(228)	(4)%	7,817	7,550	(267)		
Depreciation	3,675	3,490	(185)	(5)%	4,653	4,653	-		
Net Operating Expenditure	2,850	2,323	(527)	(23)%	1,770	1,502	(267)		

Water Supply Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Capital	Year to Date to March 2024				Revised Budget	Annual Plan	Notes	Comments
	Actual	Revised Budget	Variance	% Variance				
Water Supply								
IAR Pipes	370	401	30	7%	528	528		
IAR Pump Stations	219	255	36	14%	476	476	-1-	Project underway and the budget will be spent by next quarter
Water Bore Renewals	1	-	(1)	(100)%	314	264		
Water Reservoir Renewals	-	50	50	100%	106	528	-2-	Project on hold due to limited resources
Water Treatment Renewals	17	6	(11)	(100)%	185	185		
IAR Water Meters	2	5	3	57%	5	5		
New Taradale Bore Field	28	217	189	87%	898	898	-3-	Delays in Project Manager procurement, project is now underway. This budget will not be spent by year end and will be a carry forward.
Replacement of Enfield reservoir	511	292	(220)	(75)%	634	634	-4-	Project ahead of forecast, will be a negative carry forward to offset with budget sitting in next year.
Thompson Reservoir Upgrade	2	50	48	96%	528	528	-5-	Project on hold due to limited resources
Gifted/Vested Assets	-	-	-		234	234		
Upgrade Water Supply Ctrl Syst	-	-	-		-	-		
New Reservoir Taradale	-	-	-		-	-		
Te Awa Structure Plan	-	69	69	100%	69	69	-6-	Project on hold due to limited resources
District Modelling Projects	0	-	-		53	53		
District Monitoring Project	30	-	(30)	(100)%	-	-		
New bores in Awatoto	39	150	111	74%	737	737	-7-	Delays in Project Manager procurement, project is now underway. This budget will not be spent by year end and will be a carry forward.
New Reservoir Westen Hills	116	241	125	52%	1,110	1,110	-8-	Delays in Project Manager procurement, project is now underway. This budget will not be spent by year end and will be a carry forward.
New Water Treatment Plant	82	133	51	38%	528	528	-9-	Delays in Project Manager procurement, project is now underway. This budget will not be spent by year end and will be a carry forward.
Reservoir inlets and outlets improvements	3	-	(3)	(100)%	845	423		
Urban Growth Projects - Water Supply	-	-	-		-	-		
Awatoto Trunk main extention	118	225	107	48%	1,410	845	-10-	Delays in Project Manager procurement, project is now underway. This budget will not be spent by year end and will be a carry forward.
Borefield No.1 Rising Main	84	272	188	69%	2,381	2,381	-11-	Delays in Project Manager procurement, project is now underway. This budget will not be spent by year end and will be a carry forward.
Taradale Falling Trunk Main	194	-	(194)	(100)%	38	38	-12-	Delays in Project Manager procurement, project is now underway. Funding for overspend will be from current year projects that are no longer going ahead.
Hospital Hill Falling Trunk Main	-	-	-		-	-		
FW2 Fireflow Network Upgrades	15	-	(15)	(100)%	-	-		
Awatoto Industrial & Phillips Road Bore	117	1,195	1,078	90%	2,659	2,659	-13-	Delays in Project Manager procurement, project is now underway. This budget will not be spent by year end and will be a carry forward.
Water Network Improvements	347	73	(273)	(100)%	73	53	-14-	Ongoing project from last year - budget to be organised before year end from other underspends
Water Reservoir Improvements	31	145	114	79%	439	338	-15-	Project on hold due to limited resources
Water Treatment Improvements	56	15	(41)	(100)%	150	-	-16-	Project completed. Budget no longer required.
Water Growth Projects	27	-	(27)	(100)%	-	-		
Enable Growth- Water Extension Meanee	716	150	(566)	(100)%	2,959	2,959	-17-	Project under construction and has sufficient spent coming up in the next quarter.
Total Water Supply	3,126	3,943	818	21%	17,359	16,474		
Total Capital Expenditure	3,126	3,943	818	21%	17,359	16,474		
Asset Sales	-	-	-		-	-		



Wastewater

Council provides and maintains a safe, effective, and efficient domestic sewage collection, treatment, and disposal system to help maintain community health. In addition, we provide for a separate industrial sewage collection and disposal system for selected trade waste customers. Our wastewater network serves 24,800 properties: roughly 97% of the city.

The network consists of:

- 390 km of wastewater mains
- 49 wastewater pumping stations
- a treatment facility located at Awatoto (with a Biological Trickling Filter plant and a Milliscreen plant), and
- a 1.5 km long marine outfall.



WASTEWATER

PERFORMANCE SUMMARY

Wastewater Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Public Health and Sanitation: We operate, maintain, and size the network to minimise the occurrence of raw wastewater overflows into habitable areas	Number of wastewater overflows	0.59 per 1000 connections	0.51 per 1000 connections	0.22 per 1000 connections	<0.12 per 1000 connections	●	Symptom of an aging wastewater network. Renewal plan under development to take effect from 2025
Minimise Environmental Impacts: By treating wastewater to the legally required standard before discharging into the environment	Compliance with resource consents for discharge from the wastewater system as measured by the number of abatement notices received in relation to wastewater resource consents (Mandatory)	0	0	0	0%	●	
	Compliance with resource consents for discharge from the wastewater system as measured by the number of infringement notices received in relation to wastewater resource consents (Mandatory)	0	0	0	0%	●	
	Compliance with resource consents for discharge from the wastewater system as measured by the number of enforcement orders received in relation to wastewater resource consents (Mandatory)	0	0	0	0%	●	
	Compliance with resource consents for discharge from the wastewater system as measured by the number of convictions received in relation to wastewater resource consents (Mandatory)	0	0	0	0%	●	
Customer Responsiveness and Satisfaction:	Median response times to sewerage overflows: attendance time from notification to staff on site (Mandatory)	0.58 hours	0.36 hours	1.83 hours	≤2 hours	●	
We respond to and restore loss of service and address complaints AND will deliver a consistently high level of customer satisfaction	Median response times to sewerage overflows: resolution time from notification to resolution of the issue (Mandatory)	2.03 hours	1.78 hours	3.35 hours	≤8 hours	●	
	Customer satisfaction with wastewater in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	70%	N/A	
	Total number of complaints per 1,000 connections relating to sewage odour, sewerage system faults, sewerage system blockages, and response to issues with Napier's sewerage system (Mandatory)	2.10 per 1000 connections	2.35 per 1000 connections	1.62 per 1000 connections	≤36	●	
	Blockages resulting in overflows into the Ahuriri Estuary	19	14	0	0	●	This data requires review and confirmed data will be provided in the Annual Report.

Performance Indicators: ● Achieved ● In progress and on target ● Within 10% ● Not achieved, greater than 10%



WASTEWATER FINANCIAL SUMMARY

Wastewater Activity Group Financial Summary as at March 2024

Figures are shown in thousands (\$,000)

	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	%	Revised Budget	Annual Plan	Variance		
Net Operating Expenditure									
Revenue	(7,647)	(7,848)	(201)	(3)%	(12,928)	(12,928)	-		
Expenditure	4,802	5,246	445	8%	7,172	7,694	522		
Depreciation	5,921	5,891	(30)	(1)%	7,855	7,855	-		
Net Operating Expenditure	3,076	3,290	214	7%	2,099	2,620	522		

Wastewater Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Capital	Year to Date to March 2024				Revised Budget	Annual Plan	Notes	Comments
	Actual	Revised Budget	Variance	% Variance				
Wastewater								
Sewer Pipe Renewal	1,086	757	(329)	(43)%	857	1,057	-1-	Latham WW air valves unforeseen contract variations. Project has now been completed.
Sewer Pump Station Renewal	1,114	575	(538)	(93)%	1,033	990	-2-	Munroe WWPS and Greenmeadows WWPS unforeseen contract variations.
Treatment Plant Renewal	1,979	261	(1,718)	(100)%	423	423	-3-	WWTP repairs from Cyclone Garbielle insurance claim pending.
Wastewater Treatment Plant Upgrade	244	824	580	70%	2,479	1,580	-4-	Delays due to cyclone damage to WWTP and ongoing restoration.
Wastewater Outfall IAR	11	600	589	98%	1,189	1,189	-5-	Project in consenting stage and progressing with higher spend in the next quarter.
Flow meter replacements	-	53	53	100%	53	53	-6-	Project has started and one site has been completed.
SCADA Upgrade	-	-	-			-		
Wastewater Treatment Renewals	209	381	172	45%	1,056	871	-7-	Delays due to cyclone damage to WWTP and ongoing restoration.
Gifted/Vested Assets	-	-	-		424	424		
Wastewater Network Improvements	5	-	(5)	(100)%	-	-		
Wastewater Pump Station Improvements	639	766	127	17%	1,350	555	-8-	Stafford WWPS construction items procured and P&ID works for all pump stations started from March 2024
Wastewater Treatment Improvements	-	25	25	100%	159	476		
Tradewaste New Projects	5	127	122	96%	264	264	-9-	Project on hold due to limited resources
Wastewater Growth Projects	7	100	93	93%	2,282	1,965	-10-	Project is in initiation stage.
Flow metering	43	150	107	71%	851	298	-11-	Project has started and one site has been completed.
Guppy Rd pumping main installation	7	106	99	93%	265	265	-12-	Project on hold due to limited resources
Harold Holt wastewater upgrades	21	-	(21)	(100)%	-	-		
Installation of Generator Connections	-	75	75	100%	143	143	-13-	Project on hold, due to start next financial year.
Pandora Industrial Main	355	-	(355)	(100)%	-	-	-14-	Budget incorrectly reprioritised to future years, this current year spend will offset future budgets in the three year plan.
Taradale Wastewater Diversion	71	192	121	63%	275	275	-15-	Project is progressing, currently in detail design stage with higher spend in the next quarter.
Te Awa Structure Plan - Wastewater	6	131	125	95%	1,191	1,191	-16-	Project is in initiation stage with higher spend in the next quarter.
Wastewater Upgrades for growth	16	-	(16)	(100)%	-	-		
Total Wastewater	5,819	5,123	(694)	(14)%	14,293	12,017		
Total Capital Expenditure	5,819	5,123	(694)	(14)%	14,293	12,017		
Asset Sales	-	-	-		-	-		

Stormwater

The Stormwater activity is responsible for safely collecting, treating, and disposing of the city's stormwater. One of the core goals of the city's stormwater system is to minimise the effects of flooding, a service which has been at the forefront of our community's minds since the November 2020 flood event. Our stormwater system consists of open drains, large underground pipes, and pump stations which carry rainwater out into the ocean. About three quarters of the city is now reliant on pumped systems for stormwater drainage.

The stormwater network asset comprises 241 kms of pipe network, 10 pump stations, and two detention dams. Together, stormwater assets have a replacement value of \$341 million as at 30 June 2020.

We have a statutory responsibility to ensure stormwater is managed through ownership and management of our own drainage network. Our network minimises the health risk to the community through safe collection, treatment, and disposal of stormwater. Through controlled disposal and by enhancing the quality with various programmes and monitoring interventions we also minimise the pollution which drains into receiving environments.



STORMWATER PERFORMANCE SUMMARY

Stormwater

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
The stormwater network adequately protects the health and safety of Napier residents and protects property by providing protection against flooding	Number of flooding events that occur per year (Mandatory)	0	0	0	≤1	●	
	For each flooding event, the number of habitable floors affected per 1,000 properties (Mandatory)	0	0	0	≤1	●	
	Median response time to attending a flood event (notification to personnel being on site) (Mandatory)	0	0	0	≤2 hours	●	
Stormwater is collected and disposed of in a manner that protects public and environmental health	Compliance with resource consents for discharge from the stormwater system as measured by the number of abatement notices (Mandatory)	0	0	0	0	●	
	Compliance with resource consents for discharge from the stormwater system as measured by the number of infringement notices (Mandatory)	0	0	0	0	●	
	Compliance with resource consents for discharge from the stormwater system as measured by the number of enforcement orders (Mandatory)	0	0	0	0	●	
	Compliance with resource consents for discharge from the stormwater system as measured by the number of convictions received in relation to stormwater resource consents (Mandatory)	0	0	0	0	●	
Residents are satisfied with Council's stormwater service	Number of complaints received about performance of stormwater system (per 1,000 properties connected) (Mandatory)	0.95 per 1000 connections	1.19 per 1000 connections	1.23 per 1000 connections	≤5	●	
	Percentage of residents satisfied with stormwater in Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	89%	N/A	
Stormwater is collected and disposed of in a manner that protects public and environmental health	Number of education programmes delivered to improve stormwater quality	1 - Hawke's Bay Home and Garden Show	0	1 - Ad in Starters & Strategies, the New Zealand Teacher's Magazine about the whys and the ways of Hawke's Bay Water Conservation	>1	●	

STORMWATER FINANCIAL SUMMARY

Stormwater Activity Group Financial Summary as at March 2024

Figures are shown in thousands (\$,000)

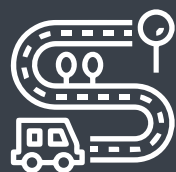
	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Net Operating Expenditure									
Revenue	(5,868)	(5,884)	(16)	(0)%	(9,259)	(9,259)	(0)		
Expenditure	3,927	2,988	(939)	(31)%	4,311	5,146	835	-1-	On-going, unbudgeted costs from Cyclone Gabrielle and additional asset condition assessments required for asset revaluation.
Depreciation	4,023	4,082	59	1%	5,443	5,443	-		
Net Operating Expenditure	2,082	1,186	(896)	(76)%	494	1,330	835		



Stormwater Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Capital	Year to Date March 2024							Comments
	Actual	Revised Budget	Variance	%	Revised Budget	Annual Plan	Variance	
Stormwater								
Upgrading Stormwater Catchments	2	-	(2)	(100)%	-	-		
Stormwater IAR	226	81	(145)	(100)%	290	90	-1-	Projects from last financial year unfunded for this year. Unplanned renewal works.
SW Pump Station Renewal	90	73	(17)	(23)%	490	550		
SCADA minor replacements	3	-	(3)	(100)%	26	26		
Stormwater pump replacements	116	90	(25)	(28)%	190	190		
Stormwater reticulation replacements	192	261	69	26%	317	317	-2-	Ongoing but limited staff resources available.
Thames/Tynes pipe and drain upgrades	2	24	21	88%	48	48		
Gifted Vested Assets	-	-	-		473	473		
Extend Outfalls Marine Parade	-	100	100	100%	211	211	-3-	Project is underway, limited staff resources.
Drain Improvements	12	10	(2)	(20)%	32	32		
Ahuriri Master Plan Project 3 - improve direct outfalls	1	96	95	99%	96	207	-4-	Project is underway, limited staff resources.
CBD Stormwater Upgrade	-	25	25	100%	161	161		
Construction of a hydraulic model and upgrades	134	-	(134)	(100)%	-	-	-5-	Ongoing project from last year to be funded from project underspends at year end.
SCADA upgrade project	13	-	(13)	(100)%	-	-		
Te Awa Structure Plan	296	296	-		296	-		
Tennyson St outfall improvements	30	151	121	80%	476	476	-6-	Ongoing but limited staff resources available.
Upgrade existing Onehunga pump station	57	-	(57)	(100)%	-	-	-7-	Ongoing project from last year, main upgrade complete minor works coming through.
Ahuriri Estuary Projects	43	130	87	67%	151	301	-8-	Project is now underway, however is behind schedule due to limited staff resources.
Flood Alleviation Projects	420	424	4	1%	2,569	2,128		
Open Waterway Improvements	133	313	180	58%	824	544	-9-	Project is now underway, however is behind schedule due to limited staff resources.
Stormwater Network Improvements	12	37	25	68%	143	143		
Stormwater Pump Station Improvements	523	108	(415)	(100)%	281	227	-10-	Ongoing project from last year, error with carry forward budget to be organised before year end from other underspends.
Stormwater Growth Projects	533	956	423	44%	8,643	8,327	-11-	Subject to developer programme will be carry forward.
Total Stormwater	2,838	3,176	337	11%	15,717	14,452		
Total Capital Expenditure	2,838	3,176	337	11%	15,717	14,452		
Asset Sales	-	-	-		-	-		



Transportation

Napier City's Transportation team are responsible for managing all land-based transportation activities funded in part or in full by NCC to meet community outcomes. Further to these community outcomes, there are four key strategic priorities being targeted nationally for the transportation network across the country through the Government Policy Statement. These are:

- Safety
- Better travel options
- Improving freight connections, and
- Climate change.

Napier City Council provides for freight and passenger transport with 366 kilometres of sealed roads, along with all associated structures, drainage, road furniture, street lighting, and traffic safety services. The majority of the network is urban with rural roads serving the foothills to the west and the primary production areas to the south. In both instances the rural network connects to the Hastings District Council network.

Council also provides for cycling and walking modes of transport through a well-integrated network of cycleways and footpaths.

Transportation is a significant and essential activity for Napier City contributing to the economic, social, cultural, and environmental well-being of the community. Transportation corridors are a key element of the local environment supporting the community and economy. It is essential that transportation continues to be delivered to an appropriate standard to achieve national, regional, and NCC's strategic objectives and desired outcomes.



TRANSPORTATION PERFORMANCE SUMMARY

Transportation

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Design and construct safety improvements to minimise the number of injury crashes	The change from the previous calendar year in the number of fatalities and serious injury crashes on the local road network, expressed as a number (DIA Performance Measure 1)	End of Year Measure	End of Year Measure	End of Year Measure	-1	N/A	
Provide well maintained roads	The average quality of ride on a sealed local road network, measured by smooth travel exposure (DIA Performance Measure 2)	End of Year Measure	End of Year Measure	End of Year Measure	85%	N/A	
	Average roughness	End of Year Measure	End of Year Measure	End of Year Measure	<100 surface irregularities above a defined magnitude (15.2 mm) per kilometre of road, measured by high speed surveying	N/A	
	Peak Roughness	End of Year Measure	End of Year Measure	End of Year Measure	>145 surface irregularities above the defined magnitude (15.2 mm) per kilometre of road on the roads in the 95 percentile (i.e. the roughest roads)	N/A	
	Number of instances where road access is lost	End of Year Measure	End of Year Measure	End of Year Measure	<2 (arterial), <8 (total)	N/A	
Provide well- maintained footpaths and cycleways (DIA Performance Measure 4)	Percentage of footpaths and cycleways rated 4 or 5 (rating 1 best to 5 worst) based on independent survey	End of Year Measure	End of Year Measure	End of Year Measure	1%	N/A	
	Percentage of residents being satisfied (very satisfied or fairly satisfied) with 'footpaths' in the Napier City Council Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	85%	N/A	
	Percentage of residents satisfied (very satisfied and fairly satisfied with 'roads' in the Napier City Council Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	85%	N/A	
Maintain a high level of customer service	Percentage of customer service requests responded to within 5 working days (DIA Mandatory Measure 5)	100%	100%	Unavailable	90%	●	Due to staff resource unavailability this measure was not reported.
Provide adequate renewal of road surfacing	Percentage of the sealed local road network that is resurfaced (DIA Mandatory Measure 3)	End of Year Measure	End of Year Measure	End of Year Measure	5%	N/A	

Performance Indicators: ● Achieved ● In progress and on target ● Within 10% ● Not achieved greater than 10%

TRANSPORTATION FINANCIAL SUMMARY

Transportation Activity Group Financial Summary as at March 2024

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Revenue	(7,169)	(6,397)	772	12%	(8,971)	(8,971)	-	-1-	Some Waka Kotahi maintenance subsidised works are ahead of schedule. Additional Financial Contributions received from Developments across the city. Unbudgeted Cyclone Gabrielle and 2020 flood recoveries. These favourable variances are offset by renewals and new capital works which are behind schedule with a number of projects being re-prioritised into the 2024-34 Long Term Plan.
Expenditure	9,209	8,372	(837)	(10)%	9,902	10,385	482	-2-	Emergency preparation and response expenditure unbudgeted, plus higher than budgeted spend in the Carriageway and Street Lighting activities.
Depreciation	5,262	6,395	1,133	18%	8,527	8,527	-	-3-	Capital works for the current financial year are usually capitalised at year-end which therefore creates a timing difference between budget and actuals.
Net Operating Expenditure	7,303	8,370	1,067	13%	9,458	9,940	482		

Transportation Financial Summary by Activity as at March 2024

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)	Year to Date March 2024								
Net Operating Expenditure	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance	Notes	Comments
Road Carriageways									
Revenue	(1,150)	(595)	556	93%	(793)	(793)	-	-4-	Excess expenditure has resulted in increased revenue; at increase funding assistance rates for recovery works.
Expenditure	1,883	1,166	(717)	(61)%	1,555	1,555	-	-5-	Expenditure includes unbudgeted spend on emergency event preparation and recovery. Pavement failures have required higher intervention levels than normal.
Road Carriageways Total	732	571	(161)	(28)%	762	762	-		
Road Paths									
Revenue	(186)	(158)	28	17%	(211)	(211)	-		
Expenditure	450	416	(33)	(8)%	555	555	-		
Road Paths Total	264	258	(6)	(2)%	344	344	-		
Road Drainage									
Revenue	(36)	(37)	(0)	(1)%	(49)	(49)	-		
Expenditure	71	72	1	1%	96	96	-		
Road Drainage Total	35	35	0	1%	47	47	-		

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Road Bridges + Structures									
Revenue	(23)	(30)	(6)	(22)%	(40)	(40)	-		
Expenditure	74	179	105	58%	238	238	(0)	-6-	Lower level of bridge repairs required against budget.
Road Bridges + Structures Total	51	149	98	66%	199	199	(0)		
Road Lighting									
Revenue	(428)	(349)	79	23%	(465)	(465)	-	-7-	NZTA revenue above budget in line with expenditure above budget; plus State Highway Recoveries (unbudgeted), however these recoveries are offset with unbudgeted expenditure in the line below.
Expenditure	944	814	(130)	(16)%	1,085	1,085	-	-8-	General lighting maintenance above budget due to contract rate escalations ahead of budget increases.
Road Lighting Total	516	465	(51)	(11)%	620	620	-		
Road Traffic Services + Safety									
Revenue	(223)	(278)	(55)	(20)%	(371)	(371)	-	-9-	Revenue below budget related to expenditure levels.
Expenditure	744	850	106	12%	1,134	1,134	-	-10-	Expenditure below budget due to tensioning of road marking expenditure.
Road Traffic Services + Safety Total	522	572	51	9%	763	763	-		
Road Sweeping + Cleaning									
Revenue	(85)	(69)	16	23%	(92)	(92)	-		
Expenditure	1,269	1,394	124	9%	1,858	1,858	-		
Road Sweeping + Cleaning Total	1,184	1,324	140	11%	1,766	1,766	-		
Road Amenity + Safety Mntce									
Revenue	(258)	(153)	105	69%	(204)	(204)	-	-11-	Revenue ahead of budget related to vegetation control expenditure.
Expenditure	1,224	1,211	(13)	(1)%	1,615	1,615	-		
Road Amenity + Safety Mntce Total	966	1,058	92	9%	1,411	1,411	-		
Road Capital									
Revenue	(4,091)	(4,019)	72	2%	(5,801)	(5,801)	-		
Expenditure	(431)	(431)	(0)	(0)%	(1,834)	(1,834)	-		
Road Capital Total	(4,522)	(4,450)	72	2%	(7,634)	(7,634)	-		
Road Asset Management									
Revenue	(688)	(709)	(21)	(3)%	(945)	(945)	-		
Expenditure	8,243	9,095	852	9%	12,126	12,608	482		
Road Asset Management Total	7,555	8,386	831	10%	11,181	11,663	482		



TRANSPORTATION FINANCIAL SUMMARY

Transportation Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Capital	Year to Date to March 2024				Revised Budget	Annual Plan	Notes	Comments
	Actual	Revised Budget	Variance	% Variance				
Road Capital								
Roading Renewals	2,494	3,359	865	26%	4,478	4,478	-1-	Additional NLTF budget approved by NZTA part way through the year for area wide pavement treatment, plus some delays in asphalt equipment being available in the region.
N/S Roading Renewals	397	380	(16)	(4)%	507	507		
Gifted/Vested Assets	-	-	-		1,242	1,242		
West Quay One Way	612	-	(612)	(100)%	75	-	-2-	Committed works from previous year. Earlier element of works installing Stormwater upgrades funded by Transportation, so budget to be transferred from Stormwater Activity to contribute towards current costs.
CBD Development	279	192	(87)	(45)%	1,990	-	-3-	Project works are ahead of schedule, however this project will cross over into the 24/25 financial year.
Te Awa Structure Plan	200	282	82	29%	870	370	-4-	Programming of works is dictated by private development. Currently unknown whether budget will be drawn down in current financial year.
Ahuriri Masterplan - Associated improvements	21	79	58	73%	106	106	-5-	Low demand on Associated Improvements funds in current year - some expenditure to accompany area wide pavement treatment (renewals) programme.
Ground stabilisation and retaining wall	74	124	50	40%	394	215	-6-	Works instructed for 98 Shakespeare Rd and tender being let for Clyde Road retaining wall which will utilise budget.
Major Intersection Improvement Projects	1	-	(1)	(100)%	-	-		
Intersection Improvement Projects	9	59	51	86%	230	79	-7-	Timing of project works are behind schedule. Likely that some of this unused budget will be transferred to Walking and Cycling to help cover that overspend.
Intersection Safety Improvement Projects	87	1,189	1,102	93%	1,585	1,585	-8-	Puketitiri Road project, with design mostly complete. Timing of construction to tie in with the developer of the Mission Hills development and commencement (and NZTA funding) dependent on agreed sale and purchase agreement for land. Project will cross over into the 24/25 financial year.
Local Area Traffic Management Projects	599	713	114	16%	951	951	-9-	Timing of project works are behind schedule. Likely that some expenditure under Urban Corridors will be transferred to this budget line.
Marine Parade Safety Improvements	1	-	(1)	(100)%	1,663	1,902		
New Cycle and Walking Tracks	314	240	(75)	(31)%	240	-	-10-	Full year budget has overspent. A review of all transactions will be undertaken in Q4 to check if any project costs have been misposted, and funding will be determined subject to the review.
Puketitiri Road Upgrade	511	-	(511)	(100)%	220	-	-11-	Expenditure to be offset with Intersection Safety Improvement Projects budget line above.
Urban Corridor Improvement Projects	388	111	(277)	(100)%	148	148	-12-	Transport Choices work - Programme repealed under new govt. Review in Q4 for project re-allocations and recovery from Waka Kotahi.
Ahuriri Masterplan - Thames Severn Stormwater Management	-	198	198	100%	264	264	-13-	Under investigation to assess optimal systems, however this budget is unlikely to be spent this financial year.
Streets for People	267	-	(267)	(100)%	-	-	-14-	Purchase of materials of which 90% is funded by Waka Kotahi.
Transport Choices	10	-	(10)	(100)%	-	-		
Total Road Capital	6,262	6,927	663	10%	14,962	11,848		
Total Capital Expenditure	6,262	6,927	663	10%	14,962	11,848		
Asset Sales	-	-	-		-	-		



Other Infrastructure

Waste Minimisation

Council provides a domestic refuse collection service for both residential and commercial properties within Napier. We effectively and efficiently remove waste from households in Napier and convey it for authorised and appropriate disposal.

We dispose of waste in a few different ways: either we pick it up from a kerbside wheelie bin or litter bin and take it straight to landfill or we take bulk waste dropped off at the Redclyffe Transfer Station to landfill.

Council also provides a domestic recycling collection service for residential properties within Napier. We effectively and efficiently remove recyclable products from households in Napier and convey them to reuse markets.

We collect recyclables in a few different ways: either we pick it up from a kerbside receptacle where it is sorted into different product streams at the kerb before being conveyed in bulk to reuse markets or we take bulk recycling dropped off at the Redclyffe Transfer Station and sort it to be repurposed.

The Local Government Act 2002 requires Council to provide “effective and efficient” waste management services. The Waste Minimisation Act 2008 requires us to reduce the environmental impact of waste in New Zealand by encouraging waste reduction. The continued provision of this service is essential to the health of Napier’s community and maintaining high environmental standards. Council delivers this “public good” service.

We also focus on advocating for, and educating about, ways to reduce the amount of waste our city produces. Reducing waste is close to the hearts and minds of the people in our community and solutions have to be relatively easy and widely acceptable. A reduction of waste being sent to landfill is not only good for the environment but would mean that Council doesn’t have to invest as much in expanding and maintaining landfills in the future.

Central government is making several significant changes to the way we manage waste across the country. Currently, a levy of \$10 is paid for every tonne of rubbish which goes to municipal landfills. The government is increasing this levy to \$60 per tonne and applying it to all types of landfills except for cleanfills and farm dumps. This is a great way to get our community thinking about other ways to reduce and reuse their rubbish, but it will mean that the cost of waste disposal will increase quite significantly. The government is also looking into options for standardising kerbside recycling across the country to avoid confusion and decrease contamination in recycling.

The most significant assets held by this activity are the Redclyffe Transfer Station (which is aging) and several closed landfills which remain in place within the city while slowly degrading.

Cemeteries

Cemeteries are important and special places in a community, they provide a functional purpose for burials and ash interments, and a place to remember loved ones who have passed, as well as provide historical and cultural connections to the

communities they serve. They also contribute to the amenity and open space function of Council’s wider parks and reserves network.

Napier City Council operates and maintains six cemeteries within the city, the oldest being ‘Old Napier Cemetery’ with its first burial in 1851 and the newest being Western Hills which opened in 1985. In total, the cemeteries comprise an area of approximately 35 hectares.

There are no crematorium facilities in Napier and there is no legislative requirement for a local authority to provide such facilities. However, Napier City Council is a governance partner in the Hawke’s Bay Crematorium which is provided and administered by Hastings District Council pursuant to the Hawke’s Bay Crematorium Act 1944. This Act sets out its governance structure including the responsibilities of the contributing local authorities.

Public Toilets

Napier City Council provides, maintains, and develops public toilet facilities to meet the needs and demands of the community and visitors to our city. Currently, the city has 48 operational public toilets.

Public toilets are provided in key areas generally related to tourism, recreation, and shopping activities. Facilities are cleaned and inspected at least daily with the emphasis on hygiene, safety, and discouragement and removal of graffiti.

OTHER INFRASTRUCTURE PERFORMANCE SUMMARY

Waste Minimisation

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
A weekly kerbside refuse collection service is provided to city residents	Weeks per year that the refuse service is available to the residents of Napier	100%	100%	100%	52 weeks	●	
	Percentage of residents satisfied with the refuse collection in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	90%	N/A	
	Weeks per year that the recycling service is available to the residents of Napier	100%	100%	100%	52 weeks	●	
Provision of recycling drop-off facility	Days per year where drop-off services are available to the public	100%	100%	100%	362	●	
Availability of the user-pays refuse transfer station and associated services	Days per year where transfer station services are available to the public	100%	100%	100%	362	●	
	Compliance with resource consents related to the transfer station and closed landfills	100%	100%	100%	100%	●	
Availability of and attendance at waste minimisation education	Students/customers attending education sessions for the Waste Aware Programme or other education in person	1,104	1,250	889	>750 attendees	●	
Litter control, graffiti, and vandalism	Percentage of residents satisfied with control of litter and graffiti in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	90%	N/A	
Council promotes waste minimisation activities	Waste to landfill per capita	End of Year Measure	End of Year Measure	End of Year Measure	280 kg per capita per annum	N/A	

Cemeteries

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Cemeteries' records are well maintained and accessible	An online cemeteries records system is available 90% of the time	95%	95%	95%	90%	●	
Cemeteries are well maintained and provide a quiet and aesthetically pleasing environment for users	Satisfaction with cemeteries as measured by the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	90%	N/A	

Public Toilets

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Public conveniences are clean hygienic, and safe	Percentage of customers who are satisfied with public toilets in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	88%	N/A	

Performance Indicators: ● Achieved ● In progress and on target ● Within 10% ● Not achieved, greater than 10%

OTHER INFRASTRUCTURE FINANCIAL SUMMARY

Other Infrastructure Activity Group Financial Summary as at March 2024

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Revenue	(9,195)	(8,359)	835	10%	(18,038)	(18,038)	-		
Expenditure	11,445	11,372	(72)	(1)%	19,187	19,131	(56)		
Depreciation	994	1,041	47	5%	1,388	1,388	-		
Net Operating Expenditure	3,244	4,054	810	20%	2,537	2,481	(56)		

Other Infrastructure Financial Summary by Activity as at March 2024

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)		Year to Date March 2024							Notes	Comments
		Actual	Revised Budget	Variance	% Variance					
Net Operating Expenditure										
Refuse										
Revenue	(6,715)	(5,953)	762	13%	(14,829)	(14,829)	-	-1-	U.A.C Refuse & Kerbside Recycling remissions posted incorrectly which is overstating revenue. This will be corrected in quarter 4. Waste Levy income higher than budget due to per tonnage increase allocated after budget was set.	
Expenditure	7,328	7,329	0	0%	13,504	13,466	(38)			
Refuse Total		614	1,376	762	55%	(1,325)	(1,364)	(38)		
Public Toilets										
Revenue	(107)	(11)	96	>100%	(15)	(15)	-	-2-	Unbudgeted contribution towards renewing the Riverside Park toilet which was re-located as part of the expansion of the Pettigrew Arena facility.	
Expenditure	1,216	1,502	286	19%	2,003	2,003	(0)	-3-	Reduced charges and less maintenance requirements has seen an underspend in costs for the first three quarters of the financial year.	
Public Toilets Total		1,109	1,491	382	26%	1,988	1,988	(0)		
Transfer Station										
Revenue	(2,121)	(2,140)	(19)	(1)%	(2,854)	(2,854)	-			
Expenditure	2,942	2,509	(433)	(17)%	3,345	3,345	(0)	-4-	Variances in the contract held by company running the T/S, costs for maintainence.	
Transfer Station Total		821	369	(452)	<(100)%	492	492	(0)		
Cemeteries										
Revenue	(252)	(255)	(3)	(1)%	(340)	(340)	-			
Expenditure	952	1,074	121	11%	1,723	1,705	(18)	-5-	Staff vacancy, less depreciation expense and less site seasonal maintenance works. Maintenance costs are expected to increase for the last quarter of the financial year.	
Cemeteries Total		701	818	118	14%	1,383	1,365	(18)		

Other Infrastructure Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)	Year to Date to March 2024							
	Actual	Revised Budget	Variance	% Variance				
Capital							Notes	Comments
Refuse								
Omarunui Dev Valley D	-	-	-		674	674		
Omarunui Development Plant	-	-	-		96	96		
Omarunui Dev Forestry	-	-	-		0	0		
Omarunui Dev Valleys B&C	-	-	-		1,669	1,669		
Total Refuse	-	-	-		2,439	2,439		
Total Refuse	-	-	-		2,439	2,439		
Public Toilets								
Infrastructure Asset Renewal	97	7	(90)	(100)%	476	476	-1-	Riverside Toilet Relocation costs are offset by the unbudgeted contribution received towards this project. This can be viewed in the Financial Summary section of this report under the Other Infrastructure activity group.
Total Public Toilets	97	7	(90)	(100)%	476	476		
Transfer Station								
Solid Waste Renewals	93	80	(13)	(16)%	114	98		
Redclyffe Transfer Station Cyclone Gabrielle Restoration	45	-	(45)	(100)%	-	-	-2-	Repairs from Cyclone Gabrielle, insurance claim pending.
Weighbridge	7	-	(7)	(100)%	-	-		
Total Transfer Station	144	80	(65)	(81)%	114	98		
Cemeteries								
Infrastructure Asset Renewal	57	27	(30)	(100)%	108	21		
Cemetery Planting	19	11	(7)	(63)%	26	26		
Napier Cemetery Development	-	11	11	100%	11	11		
Taradale cemetery Heritage work	-	16	16	100%	16	16		
Cemetery Concept Plan Implementation	33	54	20	37%	77	63		
Western Hill Extension - Stage 2	0	-	-		-	-		
Total Cemeteries	109	118	10	8%	238	137		
Total Capital Expenditure	351	205	(145)	(71)%	3,266	3,150		
Asset Sales	-	-	-		-	-		



Community and Visitor Experiences

Activities in the Community and Visitor Experiences Group include:

- Kennedy Park Resort
- Napier Conferences & Events
- Napier i-SITE Visitor Centre
- Par2 Mini Golf
- National Aquarium of New Zealand
- Napier Libraries
- Napier Municipal Theatre
- MTG Hawke's Bay
- The Faraday Museum of Technology
- McLean Park
- Reserves
- Sportsgrounds
- Napier Aquatic Centre
- Ocean Spa
- Bay Skate
- Retirement and Rental Housing
- Community Facilities (Halls)
- Community Strategies
- Engagement, and
- Events and Marketing.

Kennedy Park Resort

Kennedy Park is one of the busiest and most revisited holiday parks in New Zealand, providing over 28,000 room nights to visitors each year.

In total, it is possible for 1,400 people to be accommodated on site including those in tents and caravans.

Kennedy Park facilities are located in Storkey Street in Mārewa. Kennedy Park offers a wide range of affordable accommodation types and associated facilities catering to various markets. Services provided include booking and enquiry services, guest information and assistance, maintenance of grounds and buildings, and administration.

Napier Conferences & Events

Napier Conferences & Events provides high-quality, full-service conferences and events to domestic and international clients from a number of venues throughout Napier City.

The activity operates out of the Napier War Memorial Centre, which is located on the northern end of Napier's Marine Parade, with views from Mahia Peninsular to Cape Kidnappers. It is the only purpose-built conference facility in Hawke's Bay.

Conference facilities are offered as part of Council's strategy to encourage visitors to the city and generate economic activity which is put towards investing in more efficient and effective infrastructure and public services.

Napier i-SITE Visitor Centre

Napier i-SITE Visitor Centre is an information hub that connects locals and visitors to Napier to places to stay and eat, attractions, and things to do while in the city.

The i-SITE facility is located on Marine Parade, a short walking distance from the CBD and iconic Napier sites. It houses a space to meet and chat to specialist consultants, an area dedicated to information and brochures about local businesses and tourism operators, and a gift shop.

To provide efficiencies associated with scale, Napier City needs to provide visitors with reasons to stay longer, do more, spend more, tell their friends and family, and come again. These visits generate economic activity which can be invested in the city's infrastructure and public services.

Par2 MiniGolf

Par2 MiniGolf facilities are located centrally on Napier's Marine Parade in the heart of the tourist zone beside the Napier i-SITE. Mini golf activity has been occurring on site for more than 50 years and today Par2 MiniGolf boasts two 18-hole courses and a clubhouse.

Council provides tourism facilities as part of its strategy for the economic development of Napier. Par2 MiniGolf plays an important part in the overall marketing of the city and is a family-friendly activity which is an anchor attraction to the now redeveloped Marine Parade.

National Aquarium of New Zealand

National Aquarium of New Zealand aims to provide fun, engaging experiences with close proximity to wildlife, inspiring awe and wonder about the natural world in our visitors.

Situated on Marine Parade, the aquarium is home to a range of native and exotic wildlife and includes a range of exhibits, the largest being a 1.5 million-litre oceanarium.

The aquarium provides an all-weather, exciting, interesting tourism facility for a wide range of audiences including families, domestic, and international tourists alike. We link with local community members and a range of stakeholders to help them tell their stories through our exhibits and welcome feedback to ensure we continually strive for improvement.

Mātauranga Māori and Te Ao Māori are integral to the story of the taonga in our care and are essential to include in the information and experiences we share with our visitors both digitally as well as in our physical facility.

We engage in activities such as the Zoo Aquarium Association's captive breeding programme for North Island brown kiwi and rehabilitation work for little penguins. We also aim to inform and motivate visitors and our community to take action, acting as kaitiaki, for positive outcomes for nature.

By encouraging tourism to Napier and Hawke's Bay, the aquarium helps to generate additional spend in our community.



Napier Libraries

We provide easy access to informational, recreational, and educational materials, and a stimulating and pleasant library environment free of charge to the entire community.

Library services are provided to the community from two locations, Napier City and Taradale, with a variety of collections in multi-media formats and online services. The libraries support a total membership of approximately 23,000, of which some 4,500 members are resident in Hastings District (June 2019). Collection items held, as of 30 June 2019, total approximately 166,000.

Our libraries are all about empowering people to explore new ideas and build social connections within their communities. They are a place to learn and relax, and a place to feel safe and spend time without expectation of spending money.

Napier Municipal Theatre

The Napier Municipal Theatre is a leading theatre in Hawke's Bay for performances, shows, concerts, functions, and events.

Seating up to 988 patrons, the theatre has been operational on its current site in Tennyson Street since 1912. The building was destroyed in the 1931 earthquake and was rebuilt by 1938. The New Zealand Heritage List/Rārangi Kōrero declares the Municipal Theatre as a historic place. The Napier Art Deco Trust has also declared the building as a place of Art Deco significance.

The Municipal Theatre recognises and promotes an iconic building that celebrates Art Deco architecture while offering stage facilities for local, national, and international hire. This allows/provides our residents and visitors the opportunity to experience a range of theatrical, cultural, and artistic events.

MTG Hawke's Bay

MTG Hawke's Bay is the regional and premier arts and culture facility for the Hawke's Bay region. The MTG houses and cares for the region's collection under a management agreement with the Hawke's Bay Museums Trust. The museum presents and shares these collections through a series of exhibitions throughout the year including long-term galleries (1931 Earthquake display and Taonga Māori exhibition) alongside temporary exhibitions. The quality of MTG Hawke's Bay displays and activities are recognised through industry awards.

With three distinct eras of building, 1930s, 1977, and 2013, MTG Hawke's Bay is a complex building with multiple uses and activities. The Century Theatre provides the only medium-sized (330 seat) theatre in Napier, while a small retail shop and two foyer spaces generate additional revenue for the facility.

Museums and galleries help ground people in their history and provide places to learn and be inspired - showcasing culture to the community and visitors to the area. We also provide a place for people to interact and engage in a culturally safe environment as well as a tourism attraction for visitors to the city.

We care for one of the largest collections of Māori taonga in a regional facility and actively contribute to cultural understanding and connectedness through telling our stories in exhibitions developed in collaboration with Ngāti Kahungunu and the community.

The Faraday Museum of Technology

The Faraday Museum of Technology (formerly known as "The Faraday Centre") in Napier is Hawke's Bay's Museum of Technology. It cares for and displays a collection of historical technology enabling locals and visitors to discover the scientific, social, and cultural heritage that makes Napier and Hawke's Bay unique.

The Museum is housed in the historic Napier Powerhouse, built in 1911. A small team of staff and volunteers are responsible for the care of this historic building and over 20,000 objects in the collection owned by the Hawke's Bay Museums Trust.

The Museum attracts a diverse audience to share our technological heritage and ingenuity with, while providing a safe space for the community to meet and connect. As kaitiaki, Council are responsible for caring for the collection we have in our possession and sharing knowledge and the past with those who visit our museum.

McLean Park

Hosting international and national sports events, this facility provides outdoor sportsgrounds and stands, and an indoor court facility as well as administration and hospitality areas. The park also plays host to trade shows, expos, community events, and private functions.

Having a sporting venue with a capacity close to 20,000 means that Napier can compete with the likes of Auckland, Wellington, and Christchurch as a host for major sporting events. Attracting this kind of event to the city brings in revenue for local retailers, businesses, and tourism operators, which helps our city thrive.

Reserves

The Reserves Activity controls, manages, and maintains a range of parks, reserves, and public gardens of various sizes, designations, and purposes to cater to a wide range of community uses. We deliver well-maintained grounds and gardens ranging in location from coastal foreshore to formal botanical gardens. We also manage the day-to-day maintenance and operation of play equipment located throughout the city. The total land area of our reserves covers 405 hectares.

Our portfolio of reserves exists to enhance the quality of life of Napier's citizens by providing high quality passive and active recreational facilities throughout the city. As well as providing recreational areas for our community to meet and play, we support a large number of tourism events and local events which boost our local economy.

Sportsgrounds

The Sportsgrounds Activity is responsible for 213.4 hectares of sportsgrounds including a premier sportsground, Bluewater Stadium, and 14 general sportsgrounds. The even distribution of sportsgrounds around the city means that local communities have the opportunity to support and engage with local sport on their doorstep, with benefits including community spirit and pride.

We provide this activity to meet the recreational and sporting needs of our community. These services enhance the general health and wellbeing of the community where private enterprise may not be viable. In turn, we aim to provide safe and accessible recreational facilities to enhance the social and cultural wellbeing of our community.

Napier Aquatic Centre

The Napier Aquatic Centre provides the following opportunities for Napier's community:

Health and fitness – lane swimming, water-walking, aqua fitness, small group training, relaxation;

Sport development – club swimming, aquatic sports training and competition;

Leisure and play – family water play, hydroslide, outdoor splash pad, and Physical literacy – swimming lessons, holiday programmes.

Recognising the role that water can play to improve the health and wellbeing of our community, the purpose of the Napier Aquatic Centre is to develop skills, improve wellbeing, build confidence, and grow.

Ocean Spa

Council provides an outdoor complex with four heated outdoor pools and five spa pools. The facility also features a gym, small group fitness room, and café. The Napier City Council considers it important that it provides this service to bring about positive outcomes for the health and wellbeing of the community.

Bay Skate

Bay Skate is a multi-use, world-class roller sports park on Napier's Marine Parade. It caters for skateboarding, roller derby, BMX, scootering, inline hockey, roller skating, artistic skating and rollerblading.

Bay Skate is located on Marine Parade with the grandstand building comprising an entrance foyer, retail area, office, storage, and a leased area occupied by "Lick This" ice cream parlour. The outside rollersport facility comprises three zones: a rink, a wooden ramp area, and the all-new concrete bowl area, a world-class professionally designed and built series of concrete plaza-streetstyle configurations.

Retirement and Rental Housing

NCC has 377 units in 12 villages. The majority of our housing is for low-income older persons (60 years and over). There are 72 units available for low-income renters. We deliver asset and tenancy management services with in-house resources. Low-income tenants receive basic tenancy management services. The retirement villages have tenancy co-ordinators who carry out regular welfare checks on tenants as well as providing tenancy management services.

Community Facilities (Halls)

Council provides a range of community facilities that meet the recreational and social needs of the community. They are spaces where people connect, learn, socialise, and participate. There are four community halls, four community centres, and one sports centre. The halls are available for hire with discounted rates for community groups. Use of the community centres varies, but generally community groups lease the facilities and halls are either managed directly by Council or through a third party group or trust.

Community Strategies

The Community Strategies activity encompasses the following main activities:

- Community planning
- Community advice
- Community grants
- Community engagement
- Safer community (including Civil Defence).

Council works alongside our communities to support them to identify and implement solutions to the complex social issues present in our society. The team work both strategically and practically to ensure issues are identified, prioritised and addressed through a collaborative approach.

Engagement

NCC is responsible for making decisions about our city. Outcomes from these decisions affect our residents in different ways. It is important for people who are likely to be affected to know what could happen and to have an opportunity to tell us what they think. The Engagement Activity is the key link between Council and our community and responsible for initiating those conversations in lots of different ways, depending on the context.

Some examples of ways in which we engage the community include:

- Social media
- Newsletters, newspapers, posters, radio
- Forums, public meetings, roadshows, and
- Surveys, consultation documents, formal hearings.

Events and Marketing

Napier City Council's Events Manager works across new and existing events to assist them to grow, develop, and become sustainable. The Marketing Team provides the promotional support for a variety of events, supports all communications and consultations with the local community, and provides wider tourism support for our visitor experience facilities.

NCC plays an important role in encouraging social inclusiveness and accessibility for our diverse community. Supporting events in the local area allows us to display our unique heritage, entice visitors to stay in the area, and contribute to the local economy.

By maintaining a number of communications channels and ensuring that information about what NCC is doing (and why) is easily accessible to local people, we keep ourselves accountable and empower our community to input into our decision making.



COMMUNITY AND VISITOR EXPERIENCES

PERFORMANCE SUMMARY

Kennedy Park

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
To provide a range of high quality accommodation and related visitor experiences	Maintain Qualmark 5 star Gold Holiday Park rating	Maintain	Maintain	Maintain	Maintain	●	
	Maintain Qualmark 4+ star Gold Motel rating	Maintain	Maintain	Maintain	Maintain	●	
Services provided are value for money in the accommodation sector	Maintain high level of occupancy (visitor nights)	13,618	33,563	34,216	72,500 visitor nights booked per annum	●	
	Maintain high level of occupancy (room nights)	5,111	10,926	11,821	28,700 room nights booked per annum	●	
To provide a sustainable business	Average length of stay for visitors	2.72	2.38	2.21	2.0 nights in built accommodation	●	

Napier Conferences & Events

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council provides a quality conference and events facility which enables events and services to be hosted, contributing to the economic wellbeing of the city	Maintain Qualmark (4+ star Silver rating)	Maintain	Maintain	Maintain	Maintain	●	
	Number of local, national, and international hires	140	95	79	350	●	

Napier i-SITE Visitor Centre

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council provides an i-SITE facility for visitors and locals to Napier and Hawke's Bay to deliver tourism information and tour and accommodation services	Maintain Qualmark Silver rating	Maintain	Maintain	Maintain	Maintain	●	
	Visitor numbers per annum	9,403	19,901	70,274	≥150,000	●	Napier isite closed for refurbishment from 18 September, reopened 22 November

Par2 MiniGolf

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council provides a Mini Golf facility as a visitor attraction and for local community use, which provides high customer satisfaction and a sustainable business	Maintain Qualmark Silver rating **	Maintain	Maintain accreditation	Maintain	Maintain	●	
	Visitor numbers per annum	11,515	13,107	16,744	≥45,000	●	
	Return on assets	End of Year Measure	End of Year Measure	End of Year Measure	16%	N/A	

National Aquarium of New Zealand

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Provide an aquarium for visitors and local citizens for recreation and education	Number of admissions	21,496	30,969	48,363	≥145,000	●	
	Maintain Qualmark Gold endorsed rating	Maintain	Maintain	Maintain	Maintain	●	
	ZAA (Zoo Aquarium Association) Accreditation	Maintain accreditation	Maintain accreditation	Maintain	Maintain accreditation	●	

Performance Indicators: ● Achieved ● In progress and on target ● Within 10% ● Not achieved, greater than 10%

Libraries

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council provides library services, literacy support and other programmes for all ages to meet the communities' recreational, social, and educational needs	Percentage of library members who are active borrowers (in 24-month period - card use only)	39%	42%	46%	38%	●	
	Percentage of residents satisfied with library service in the Residents' Satisfaction Survey (excluding don't knows)	End of Year Measure	End of Year Measure	End of Year Measure	88%	N/A	
	Percentage of collection that is actively used	53%	65%	68%	75%	●	
	Number of internet sessions	70,294	57,996	69,254	195,000	●	
	Number of programme sessions delivered for all ages per year	171	150	176	475 sessions	●	

Napier Municipal Theatre

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council provides a quality performing arts venue experience for visitor and local use	Maintain Qualmark Silver rating	Maintain	Maintain	Maintain	Maintain	●	
	No. of shows/ performances	22	15	4	65	●	Venue held greater number of community events compared with ticketed shows/ performances in Q3. Progressing to target by year end with 23 shows/ performances expected for Q4.

MTG Hawke's Bay

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Napier City Council provides a quality museum, theatre, and art gallery experience for local and visitor use	Visitor numbers per year	57,164	56,491	74,203	250,000 per annum	●	
	Percentage of residents satisfied with MTG Hawke's Bay in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	65%	N/A	

Faraday Centre

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council provides a quality technology museum that is accessible to the community	Visitor numbers per annum	5,603	4,768	6,303	22,440	●	

McLean Park

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Provides a sport and recreation facility catering for a range of activities	Number of major events hosted	8	5	6	11	●	

Reserves

Level of service

	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Parks are maintained efficiently and sustainably to a standard that is appropriate to their primary use	Percentage of park users satisfied with parks and reserves in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	96%	N/A	
Playgrounds are safe, challenging, and enjoyable for both users and caregivers	All playgrounds are inspected fortnightly	100%	100%	100%	100%	●	
Parks are maintained efficiently and sustainably to a standard that is appropriate to their primary use	Reduction in the number of service requests for remedial action in parks and reserves	66	79	146	Downwards trend	●	

Performance Indicators: ● Achieved ● In progress and on target ● Within 10% ● Not achieved, greater than 10%

COMMUNITY AND VISITOR EXPERIENCES

PERFORMANCE SUMMARY CONTINUED

Sportsgrounds

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council provides a sufficient number and range of sports and recreation facilities to satisfy the needs of the community	Sport and recreation parks per 1,000 residents district wide (NZ Recreation Association guidelines require 3ha per 1,000 people)	End of Year Measure	End of Year Measure	End of Year Measure	>3ha per 1,000 people	N/A	
Sporting surfaces and facilities are well maintained and suitable for use	Percentage of those surveyed who are satisfied with sportsgrounds in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	89%	N/A	
Sports facilities support the event industry within the city	Events held on the sportsgrounds per annum	71	70	73	>50	●	

Napier Aquatic Centre

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Provide aquatic facilities that focus on accessibility and safety	Number of users using the centre each year	43,585	37,777	37,704	175,000	●	Previous data kept for Shared User Data at NAC was not accurate. It may be hard to gauge whether 175,000 is an appropriate target. Our tracking spreadsheet and processes were updated from December 2023 to ensure we have accurate data collection from this date.
	Water testing results are always within the safe parameters according to the New Zealand Standard for Pool Water Quality NZS 5826:2010	97%	97%	97%	100%	●	Tests that fall out of range are treated immediately. The target of 100% is almost impossible to achieve.
	Maintain Poolsafe accreditation standard	Maintained	Maintained	Maintained	Maintain accreditation	●	
	Maintain nationally accredited QSS (Quality Swim School) standard	Maintained	Maintained	Maintained	Maintain accreditation	●	









Marine Parade Pools

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
The Marine Parade Pools complex is a safe recreational facility for the community	Water testing results are always within the safe parameters according to the New Zealand Standard for Pool Water Quality NZS 5826:2010	100%	90%	90%	100%	●	Tests that fall out of range are treated immediately. The target of 100% is almost impossible to achieve and this measure will be reconsidered as part of the TYP process.

Bay Skate

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Provide a facility to cater for a range of roller sports activities	Visitor numbers per year (entry passes sold)	5,229	5,205	7,744	27,500	●	
	Deliver between 8-12 events per year	2	5	3	Between 8 and 12	●	

Performance Indicators: ● Achieved ● In progress and on target ● Within 10% ● Not achieved, greater than 10%

Housing							
Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Provide affordable and safe housing that meets the needs of tenants	Percentage of tenants satisfied with service	End of Year Measure	End of Year Measure	End of Year Measure	85%	N/A	
	Number of unit inspections (each unit inspected once per year)	95 inspections	91 inspections	37 inspections	304 retirement		
Maximise the occupancy and use of housing and village halls	Occupancy rate - retirement	96%	95%	93%	90%		
	Occupancy rate - rental	94%	95%	93%	90%		
Community Facilities (Halls)							
Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Provide affordable indoor facilities that meet the social, leisure, and cultural needs of the community	Percentage of community hireage for halls directly managed by Council	82%	81%	79%	85%		
	Percentage of customers satisfied with halls directly managed by Council	98%	Annual survey	Annual survey	95%	N/A	
Community Strategies							
Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Develop effective strategies, policies, and initiatives that support community wellbeing	Number of local community events per year	19	13	7	50		
Provide quality advice, information, and support to community groups and agencies, and help build a strong community and voluntary sector	Number of community training and network meetings facilitated each year	1	9	1	20		Quarter 3 is a quieter period as people are on holiday. 5 training sessions expected for Q4.
	Percentage of attendees satisfied with community training and network meetings	100%	100%	100%	96%		
Promote safety in response to issues and priorities in the community	Percentage of residents who perceive they are safe or very safe in Napier (source: Biannual Social Monitor Survey)	52%	Annual survey	Bi-annual survey	75%	N/A	
Events & Marketing							
Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council works with strategically targeted new and existing events to assist them to grow, develop, and become sustainable	Economic impact of events funded under the Council events strategy	\$3.5 Million	\$2.57 Million	\$7 Million	\$12 million		
We keep people informed, make it easy for people to interact, engage, and transact with Council. We listen and act on the needs of the people	Satisfaction with Council communication in the Annual Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	Above the 2023 set level in the NZ Benchmarking Survey	N/A	
Engagement							
Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Provide high quality information to the public to empower communities to participate in the decision-making process	The percentage of residents satisfied with the amount of public consultation undertaken in the Residents' Satisfaction Survey	End of Year Measure	End of Year Measure	End of Year Measure	75%	N/A	

Performance Indicators:  Achieved  In progress and on target  Within 10%  Not achieved, greater than 10%

COMMUNITY AND VISITOR EXPERIENCES

FINANCIAL SUMMARY

Community and Visitor Experiences Activity Group Financial Summary as at March 2024

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Revenue	(20,139)	(17,328)	2,811	16%	(23,023)	(22,408)	615	-1-	Unbudgeted cyclone recovery revenue. Marine Parade Pools is ahead of budget, however due to data unavailability when setting the budget, the budget was an estimate only. The National Aquarium of NZ is favourable to budget due to the school holidays and cruise ship season. Napier Conference & Events Centre is unfavourable to budget due to a slow business events quarter. Housing Retirement & Rental activities are favourable to budget, however these are offset by higher than budgeted maintenance expenditure.
Expenditure	42,749	40,313	(2,436)	(6)%	55,026	51,081	(3,946)		
Depreciation	7,152	7,462	311	4%	9,950	9,950	-		
Net Operating Expenditure	29,762	30,447	685	2%	41,953	38,622	(3,331)		

Community and Visitor Experiences Financial Summary by Activity as at March 2024

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)		Year to Date March 2024							
Net Operating Expenditure	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance	Notes	Comments
Sportsgrounds									
Revenue	(578)	(535)	44	8%	(604)	(604)	-		
Expenditure	4,583	4,943	360	7%	7,451	7,067	(384)		
Sportsgrounds Total	4,005	4,409	404	9%	6,846	6,463	(384)		
McLean Park									
Revenue	(470)	(534)	(64)	(12)%	(772)	(772)	(0)	-2-	Centennial Hall and Non-Sporting Events down on budget.
Expenditure	941	667	(274)	(41)%	890	831	(59)	-3-	Higher than budgeted costs due to sporting events.
McLean Park Total	471	133	(338)	<(100)%	117	59	(59)		
Reserves									
Revenue	(561)	(478)	83	17%	(803)	(743)	61	-4-	More financial contributions received than budgeted, donation for playground equipment and rents received which are both unbudgeted.
Expenditure	5,440	5,605	165	3%	8,029	8,432	403		
Reserves Total	4,880	5,127	248	5%	7,226	7,689	464		
Bay Skate									
Revenue	(235)	(201)	34	17%	(268)	(268)	-	-5-	Quarter 3 performance greater than expected due to unbudgeted Oceania Scooter competition. Favourable weather conditions have also had a positive impact which allowed the facility more operational days.
Expenditure	801	813	12	2%	1,084	944	(140)		
Bay Skate Total	566	613	46	8%	816	677	(140)		

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)	Year to Date March 2024								
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Net Operating Expenditure	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance	Notes	Comments
Grants									
Revenue	(129)	(62)	67	>100%	(65)	(65)	-	-6-	Additional grants from Creative NZ and Xmas Cheer Donations.
Expenditure	1,131	1,046	(85)	(8)%	1,196	1,652	456		
Grants Total	1,003	984	(19)	(2)%	1,130	1,587	456		
Community Facilities									
Revenue	(317)	(294)	22	8%	(816)	(461)	354		
Expenditure	529	543	14	2%	729	566	(163)		
Community Facilities Total	213	249	36	14%	(87)	104	192		
Community Advice									
Revenue	(55)	-	55		-	-	-		
Expenditure	1,215	1,301	86	7%	1,734	1,742	8		
Community Advice Total	1,160	1,301	141	11%	1,734	1,742	8		
Emergency Management									
Revenue	(2,484)	(1,125)	1,359	>100%	(1,500)	(1,500)	-	-7-	Unbudgeted cyclone recovery revenue.
Expenditure	2,563	1,546	(1,017)	(66)%	2,061	1,803	(258)	-8-	Unbudgeted cyclone recovery costs.
Emergency Management Total	79	421	342	81%	561	303	(258)		
Libraries									
Revenue	(104)	(105)	(1)	(1)%	(161)	(161)	-		
Expenditure	3,003	3,393	390	12%	4,513	4,167	(346)	-9-	Labour underspend due to staff vacancies.
Libraries Total	2,899	3,289	389	12%	4,353	4,006	(346)		
Napier Aquatic Centre									
Revenue	(727)	(690)	37	5%	(920)	(920)	0		
Expenditure	3,162	2,985	(177)	(6)%	3,707	3,351	(357)		
Napier Aquatic Centre Total	2,434	2,295	(140)	(6)%	2,787	2,430	(357)		
Marine Parade Pools									
Revenue	(2,178)	(1,513)	665	44%	(2,017)	(2,017)	(0)	-10-	Initial budgets set with no visibility of previous years visitation/data.
Expenditure	3,809	2,567	(1,241)	(48)%	3,420	1,968	(1,451)	-11-	Initial budgets set with no visibility of previous years visitation/data.
Marine Parade Pools Total	1,631	1,054	(577)	(55)%	1,403	(49)	(1,451)		
National Aquarium of NZ									
Revenue	(2,388)	(2,068)	319	15%	(2,699)	(2,699)	-	-12-	Higher than budgeted visitation numbers as a result of school holidays and the cruise ship season.
Expenditure	3,922	3,853	(70)	(2)%	5,152	4,873	(279)	-13-	Extra expenditure needed to support increased visitation (e.g. cafe, retail stock and casual staffing).
National Aquarium of NZ Total	1,535	1,784	250	14%	2,453	2,174	(279)		

COMMUNITY AND VISITOR EXPERIENCES

FINANCIAL SUMMARY CONTINUED

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)	Year to Date March 2024							NotesComments	
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Net Operating Expenditure									
Par 2 MiniGolf									
Revenue	(371)	(380)	(10)	(3)%	(484)	(484)	(0)	-14-	Reduced operational spend in Q3 with anticipated seasonal maintenance spend in Q4.
Expenditure	290	339	49	14%	475	371	(104)		
Par 2 MiniGolf Total	(80)	(41)	39	96%	(9)	(113)	(104)		
Napier Conferences & Events									
Revenue	(1,308)	(1,605)	(298)	(19)%	(2,234)	(2,234)	(0)	-15-	Business events slow in the March quarter against budget.
Expenditure	2,367	2,581	215	8%	3,441	2,859	(582)		
Napier Conferences & Events Total	1,059	976	(83)	(9)%	1,208	625	(582)		
Napier Municipal Theatre									
Revenue	(351)	(350)	1	0%	(488)	(488)	-	-16-	Underspend in this period is attributed to staff vacancy.
Expenditure	1,309	1,533	224	15%	2,042	1,967	(75)		
Napier Municipal Theatre Total	959	1,183	224	19%	1,554	1,479	(75)		
Napier i-SITE Visitor Centre									
Revenue	(502)	(589)	(86)	(15)%	(641)	(441)	200	-17-	Reduced visitation than anticipated with subsequent reduction in retail sales and bookings.
Expenditure	799	902	103	11%	1,201	1,153	(48)	-18-	Reduced operational expenditure in line with reduced revenue.
Napier i-SITE Visitor Centre Total	297	313	16	5%	560	712	152		
Kennedy Park									
Revenue	(3,359)	(3,560)	(201)	(6)%	(4,232)	(4,232)	(0)		
Expenditure	3,731	3,498	(233)	(7)%	4,661	4,327	(334)		
Kennedy Park Total	372	(62)	(434)	<(100)%	429	95	(334)		
Communications & Marketing									
Revenue	-	-	-		-	-	-	-19-	The under-spending in this period can be attributed to staff vacancies.
Expenditure	(37)	2	39	>100%	2	0	(2)		
Communications & Marketing Total	(37)	2	39	>100%	2	0	(2)		

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Events									
Revenue	(15)	-	15		-	-	-		
Expenditure	849	700	(149)	(21)%	899	771	(129)	-20-	Increased event delivery: Fiesta, Regional Sporting Events, Outfield/ Nestfest, World Cup Triathlon, Art Deco.
Events Total	835	700	(134)	(19)%	899	771	(129)		
Marketing									
Revenue	-	-	-		-	-	-		
Expenditure	151	224	73	33%	360	360	(0)	-21-	Strategic Initiative marketing costs yet to be incurred.
Marketing Total	151	224	73	33%	360	360	(0)		
Faraday Centre									
Revenue	(109)	(136)	(27)	(20)%	(181)	(181)	-	-22-	Sale of merchandise has not gained the expected traction which is the contributing factor to the revenue shortfall.
Expenditure	472	591	119	20%	787	643	(144)	-23-	The under-spending in this period can be attributed to staff vacancies.
Faraday Centre Total	363	455	91	20%	605	462	(144)		
MTG Hawke's Bay									
Revenue	(1,233)	(1,239)	(5)	(0)%	(1,651)	(1,651)	-		
Expenditure	4,565	4,570	5	0%	6,378	6,369	(9)		
MTG Hawke's Bay Total	3,332	3,331	(1)	(0)%	4,727	4,717	(9)		
Housing - Retirement									
Revenue	(2,119)	(1,465)	654	45%	(1,953)	(1,953)	-	-24-	Rent increases in October 2023 were not factored into budget at the beginning of the financial year.
Expenditure	3,329	2,798	(531)	(19)%	3,730	3,785	55	-25-	Building maintenance started ahead of schedule.
Housing - Retirement Total	1,211	1,333	122	9%	1,777	1,832	55		
Housing - Rental									
Revenue	(548)	(399)	149	37%	(532)	(532)	-	-26-	Rent increases in October 2023 were not factored into budget at the beginning of the financial year.
Expenditure	974	775	(199)	(26)%	1,033	1,029	(4)	-27-	Building maintenance started ahead of schedule.
Housing - Rental Total	426	376	(50)	(13)%	501	497	(4)		

COMMUNITY AND VISITOR EXPERIENCES

FINANCIAL SUMMARY CONTINUED

Community and Visitor Experiences Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)	Year to Date March 2024								
	Capital	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Notes	Comments
Sportsgrounds									
Sportsgrounds - Infra Renewal	207	431	224	52%	803	571	-1-	The Petane Domain Car Park Sealing project has been delayed due to finalising the design and drawings for tender as a result of staff resource shortages. It is likely this project will now be completed in the 24/25 financial year.	
McLean Park Facility Renewals	64	-	(64)	(100)%	222	402	-2-	Timing of some renewals works are ahead of schedule.	
McLean Park light tower upgrades	-	79	79	100%	79	79	-3-	It is unlikely this budget will be spent this financial year.	
McLean Park re-turf	0	-	-		-	-			
Safety Projects/CPTED	-	-	-		32	32			
Centennial Hall Flood Restoration	0	-	-		-	-			
McLean Park Digital Screen	2	-	(2)	(100)%	-	-			
Neighbourhood Parks Upgrades	-	-	-		-	232			
New Pathways	33	42	9	21%	42	42			
New Shade Areas	-	21	21	99%	21	21			
Park Island Central Revelopment	190	190	-		200	-			
Park Island Northern Revelopment	27	457	430	94%	1,057	1,057	-4-	This budget is for the Sportfield Construction and Changing Room Development associated with the Pirates Rugby Club Relocation as per the Park Island Master Plan. Bulk earthworks design complete for fields and clubroom platform, but delays in access to fill (silt). MOU pending for construction agreement and cost for new changing room construction (all consents granted). Works expected to begin in Q4 with remaining budget carried forward to 24/25 to complete project.	
Playground Development	372	347	(25)	(7)%	347	-			
Petane Domain Basketball Half Court	26	-	(26)	(100)%	-	-			
Total Sportsgrounds	921	1,568	646	41%	2,803	2,436			
McLean Park									
Minor Capital Items	-	-	-		-	53			
Minor Capital	26	67	41	62%	80	-	-5-	Minor capital costs incurred as identified which will continue into Q4.	
McLean Park - Changing Rooms Upgrade (FIFA Woman's World Cup)	69	-	(69)	(100)%	-	-	-6-	Project completed pre womens world cup.	
McLean Park - Centennial Hall Gutter	2	2	(1)	(63)%	300	-			
McLean Park - Chapman Stand Seats renewal	-	-	-		-	-			
McLean Park - Air Conditioning Units (Harris Stand) McLean P	-	-	-		36	-			
Total McLean Park	97	68	(29)	(43)%	416	53			

Community and Visitor Experiences Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Year to Date March 2024

Capital	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Notes	Comments
Reserves								
Infrastructure Asset Renewal	585	515	(70)	(14)%	515	454	-7-	Full year budget has overspent. A review of all transactions will be undertaken in Q4 to check if any project costs have been misposted, and funding will be determined subject to the review.
Coastal Erosion	-	-	-		629	629		
Foreshore Planting	8	10	2	21%	21	21		
Marine Parade renewals	269	517	248	48%	853	432	-8-	Project designed for the replacement of the Veronica Sun Bay roof and beams, however due to delays in the procurement process, physical works will not commence until June 2024 at the earliest and therefore this project will not be completed until the 24/25 financial year.
Planting	71	70	(1)	(1)%	74	74		
Riparian Planting	-	-	-		21	21		
Playground Renewals	583	203	(380)	(100)%	211	211	-9-	Budget yet to be transferred from the Urban Growth line below which was allowed for the funding of Playground Renewals.
BOF Disability Strategy S822	118	34	(84)	(100)%	86	-	-10-	Misposted expenditure to be corrected in April 2024.
Reserves Vested Assets	1	-	(1)	(100)%	317	317		
Passive Recreation Reserves	0	-	-		-	-		
BOF Dog Lead Hooks S822	-	-	-		10	-		
Whakarire Ave Rock Revetment	2,716	2,536	(179)	(7)%	2,536	1,268		
Sea Wall Viewing Window	1	-	(1)	(100)%	-	-		
Urban Growth	222	343	121	35%	634	634	-11-	Budget yet to be transferred from this line to the Playground Renewals line above which was allowed for the funding of Playground Renewals.
Western Hill Pathway development	308	280	(28)	(10)%	467	127		
Ahuriri Estuary Projects	80	311	231	74%	1,222	621	-12-	1) Design complete and due to tender in May for the Westshore Point Footpath & Car Park project per the Ahuriri Master Plan and is on target to be completed by the end of the financial year. 2) Landscape design and demolition work is complete on the Humber Reserve site. Implementation of the concept plan to begin in May. This project will cross over into the 24/25 financial year.
Anderson Park Upgrade Stage 2	54	-	(54)	(100)%	-	-	-13-	Misposted expenditure to be corrected in April 2024.
Destination Playground Stage 2	82	285	203	71%	958	285	-14-	A number of projects have started and/or tenders awarded. Some of these projects will not be completed until the 24/25 financial year.
Allen Berry Future Development	-	-	-		93	93		
Total Reserves	5,098	5,104	7	0%	8,647	5,188		

COMMUNITY AND VISITOR EXPERIENCES

FINANCIAL SUMMARY CONTINUED

Community and Visitor Experiences Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Capital	Year to Date March 2024						Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan		
Bay Skate								
Bay Skate Renewals	-	28	28	99%	39	26		
Park equipment	18	-	(18)	(100)%	-	-		
Skate ramps	-	-	-		15	-		
Sound System	1	-	(1)	(100)%	5	-		
Bay Skate Ramps	9	-	(9)	(100)%	-	-		
Plaza-style Skating Deck	-	-	-		100	100		
Increasing Shaded Areas	34	37	3	8%	37	-		
Total Bay Skate	63	65	3	5%	197	127		
Community Facilities								
Halls Renewals	-	47	47	100%	62	18	-15-	Delays with waiting on project estimates before work can start.
Taradale Town Hall internal refurbishment	38	141	103	73%	211	211	-16-	Project was delayed with waiting for estimate on roof repairs.
Memorial Square Building Development	3	-	(3)	(100)%	1,472	211		
Maraenui Community Space	-	-	-		96	-		
Minor Capital Items	-	48	48	100%	63	63	-17-	Minor capital costs incurred as identified with anticipated spend in Q4.
Total Community Facilities	41	235	195	83%	1,905	504		
Libraries								
Library Renewals	-	12	12	100%	16	11		
Library Building Renewals	-	10	10	100%	13	12		
Library Stock	166	258	92	36%	330	317	-18-	Collections Lead vacancy, library stock delays from overseas suppliers.
Robson Collection Donations	-	1	1	100%	1	1		
Napier Library Rebuild	0	-	-		-	634		
Taradale Library Minor Work	0	-	-		-	-		
Minor Capital Items	-	3	3	100%	21	11		
Technology Services Upgrade	-	38	38	100%	51	51	-19-	Upgrade has been delayed due to available staff resources.
Total Libraries	166	321	156	49%	433	1,036		

Community and Visitor Experiences Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Year to Date March 2024

Capital	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Notes	Comments
Napier Aquatic Centre								
Napier Aquatic Centre I.A.R.	148	1,142	993	87%	2,160	2,431	-20-	Timing of some renewals works are behind schedule, multi-year remediation project to be completed 2024/25 financial year.
General Renewals	106	101	(5)	(5)%	222	-		
Napier Aquatic Centre expansion	-	-	-		528	528		
Total Napier Aquatic Centre	254	1,243	988	79%	2,911	2,959		
Marine Parade Pools								
Marine Pde Pools Renewals	38	32	(7)	(22)%	42	42	-21-	Project works not all complete in previous financial year. Project to be funded by savings on other projects across Council this financial year.
Ocean Spa Upgrade	-	-	-		-	-		
Ocean Spa Minor Capital	-	-	-		-	-		
Total Marine Parade Pools	38	32	(7)	(22)%	42	42		
National Aquarium of NZ								
Aquarium Renewals	241	377	136	36%	523	523	-22-	Planning work continuing with delivery in Q4.
Building Renewals	(0)	-	-		-	-	-23-	Project continued from last year - budget overspend to be managed at year end.
Minor Capital Items	11	9	(2)	(23)%	11	11		
Total National Aquarium of NZ	251	386	134	35%	534	534		
Par 2 MiniGolf								
Par 2 MiniGolf Renewals	-	2	2	84%	10	3		
Par2 Building Renewals	-	24	24	100%	44	14		
Par2 Building Upgrade	30	2	(28)	(100)%	3	3		
Minor Capital Items	1	15	14	94%	28	6		
Total Par 2 MiniGolf	31	43	12	28%	85	27		
Napier Conferences & Events								
CC Renewals	5	-	(5)	(100)%	76	-		
CC Building Renewals	-	8	8	95%	84	34		
AV Equipment Upgrades	57	40	(17)	(43)%	101	53		
Gene Hoist	-	-	-		-	-		
War Memorial	691	-	(691)	(100)%	-	-	-24-	Project overspend to be funded by savings on other projects across Council this financial year.
Minor Capital Items	19	66	47	71%	106	63	-25-	Minor capital costs incurred as identified which will continue into Q4.
Total Napier Conferences & Events	773	114	(658)	(100)%	367	150		

COMMUNITY AND VISITOR EXPERIENCES

FINANCIAL SUMMARY CONTINUED

Community and Visitor Experiences Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Capital	Year to Date March 2024						Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan		
Napier Municipal Theatre								
NMT Renewals	163	202	38	19%	391	106	-26-	Project works progressing with continuation into Q4.
Minor Capital Items	-	43	43	99%	84	63	-27-	Project holdup due to supplier delays.
NMT Building Renewals	19	-	(19)	(100)%	-	-		
Total Napier Municipal Theatre	182	245	62	25%	475	169		
Napier i-SITE Visitor Centre								
i-SITE Renewals	-	-	-		64	-		
i-Site Alterations	551	454	(96)	(21)%	454	-	-28-	Project over run, have approached isite NZ for additional funding.
Minor Capital Items	4	52	48	92%	101	11	-29-	Delays but work continuing in Q4.
Office Equipment	1	-	(1)	(100)%	-	-		
Total Napier i-SITE Visitor Centre	555	506	(49)	(10)%	619	11		
Kennedy Park								
Kennedy Park Renewals	75	82	7	9%	109	109		
Upgrade TV Infrastructure	36	18	(18)	(100)%	18	-		
Main Ablution Block	-	-	-		42	-		
Minor Capital Items	132	453	320	71%	872	612	-30-	Minor capital costs incurred as identified which will continue into Q4.
Total Kennedy Park	243	552	309	56%	1,040	721		
Faraday Centre								
Faraday Centre Building Upgrade	5	3	(1)	(30)%	541	-		
Seismic Strengthening	-	-	-		271	271		
Minor Capital Items	8	11	3	27%	16	11		
Total Faraday Centre	13	14	2	14%	829	282		
MTG Hawke's Bay								
MTG Renewals	22	48	26	55%	63	63		
CC Building Renewals	7	14	8	56%	304	304		
Earthquake Gallery	-	15	15	100%	60	-		
Century Theatre Balustrade	-	32	32	100%	42	42	-31-	Project delays due to supplier challenges.
Minor Capital	-	18	18	100%	25	53		
Total MTG Hawke's Bay	28	126	99	78%	494	463		

Community and Visitor Experiences Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Year to Date March 2024

Capital	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Notes	Comments
Housing - Retirement								
Retirement Housing Renewals	271	396	125	32%	528	528	-32-	Expenditure posted to incorrect project - work required to ensure housing units are habitable.
Minor Capital Projects	475	71	(405)	(100)%	94	94	-33-	Expenditure posted to incorrect project - work required to ensure housing units are habitable.
HH Heat pumps	16	-	(16)	(100)%	-	-		
Total Housing - Retirement	762	467	(296)	(63)%	622	622		
Housing - Rental								
Rental Housing Renewals	10	-	(10)	(100)%	(5)	211		
Minor Capital Projects	134	17	(117)	(100)%	22	22	-34-	Expenditure posted to incorrect project - work required to ensure housing units are habitable.
Total Housing - Rental	144	17	(127)	(100)%	17	234		
Total Capital Expenditure	9,663	11,108	1,447	13%	22,437	15,557		
Asset Sales	(4)	-	-		-	-		



Property Assets

Parklands Residential Development

Parklands Residential Development is a multi-stage residential development delivered by Napier City Council.

The subdivision has been split into four areas and encompasses 120 hectares of former Lagoon Farm land. Area 3 (235 lots) is expected to be completed at the end of 2023, and Area 4 (the final area comprising approximately 203 sections) is expected to be completed in 2027.

Residential development in Napier has historically been delivered via private developers, but after a series of planned developments had not proceeded, the city faced a critical shortage of available building lots. NCC saw the opportunity to become actively involved in making land available via the Lagoon Farm land. The development of Parklands also creates an income stream for NCC to assist with projects that will benefit the community as a whole and reduces the reliance on ratepayer funding.

Lagoon Farm

The Lagoon Farm Activity is a low-impact commercial farm operated on the former Ahuriri lagoon bed landholding south of the current estuary channel. The farm currently operates as a sheep farm with some paddocks leased out for hay cropping on a seasonal basis. The land is to be retained by NCC for potential future residential, commercial, or recreational development.

The farm comprises 289 hectares total area with 40 hectares used for roads, fencing, and storage areas.

This activity covers the costs of land retention and, wherever possible, provides a supplementary revenue stream for NCC to fund coastal amenities and maintenance. It also provides a number of other ancillary amenities to the general public and community of Hawke's Bay, for example recreational

cycleway access into the estuary zone and a site for blokarting activities. Approximately one-quarter of the area of the farm adjacent to the lower Purimu Stream is low lying and provides ponding capacity for the Napier stormwater system during extreme weather events.

Inner Harbour

The Inner Harbour provides NCC-owned berthage facilities and the Nelson Quay Boat Ramp for both commercial fishing vessels and recreational vessels and craft including the Sailing Waka. The Inner Harbour also provides the location for the Napier Sailing Club and the Hawke's Bay Sports Fishing Club, both of which occupy Council-owned land on a lease basis.

The Inner Harbour provides a channel to the open sea, which the Council is required to dredge to ensure it remains navigable. The waters within the Inner Harbour are also used by a variety of other water-based users from the wider community, while some of the Council wharves and jetties are used by the public for recreational fishing.

Responsibility for managing the Inner Harbour transferred to the Napier City Council as an integral part of local government reorganisation in 1989.

Property and Investment Assets

This activity is responsible for the management of leases and licences that have been established for parks, reserves, sportsgrounds, roads, commercial, industrial, and residential properties. The majority of leases within the Leasehold Land Portfolio are perpetually renewable.

Buildings Asset Management

Napier City Council owns approximately 350 buildings used to provide services to residents, visitors, and staff. These buildings have a total replacement value of over \$230M. The Building Asset Management Activity provides:

- Buildings with Building Warrants of Fitness;
- Basic building maintenance programmes;
- Contract management of specialist providers to undertake Warrant of Fitness inspections and maintenance;
- Coordination of reactive maintenance;
- Building condition assessments to develop high level building renewal plans, and
- Professional building-related advice.

Council is required by several key pieces of legislation to ensure the buildings in its portfolio are safe and healthy. Not only that, buildings are important assets NCC can harness to support the health and wellbeing of the community. When looked after well, our buildings can minimise our impact on our environment and provide spaces for a wide range of community activities.

PROPERTY ASSETS

PERFORMANCE SUMMARY

Parklands Residential Development

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Residential lots are created to provide an expanding residential development to meet the demand for the sections	Number of sections sold and developed	0	11 Sold	1 Sold & 0 Developed	Developed: 46	●	1 sold and zero developed. The target for 2023/24 relates to Area 4, however due to Covid19 and Cyclone Gabrielle stages 9 to 12 have been delayed and therefore the 2023/24 target will not be achieved.

Lagoon Farm

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Lagoon Farm ensures stewardship of Council's 289 hectare land holding on the Ahuriri Lagoon Bed	Farm revenue will cover the cost of retaining the land as measured by the operating budget and Napier City Council annual internal financial statements for year ended 30 June each year	\$119,771 surplus	\$23,355 surplus	\$52,958 surplus	Revenue exceeds expenditure (prior to internal chargebacks)	●	Hay production is now complete. Lambs for fattening have been purchased and are expected to be sold before year end.

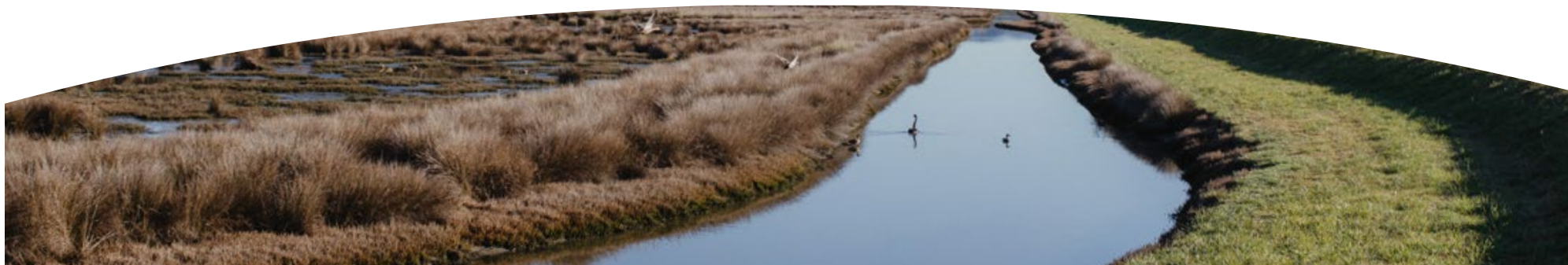
Inner Harbour

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
To provide and maintain Inner Harbour facilities to enable the safe berthing of commercial and recreational vessels	Dredging is carried out as required so the channel is maintained to a minimum depth of 2.4 m at lowest tide (source: depth sound checks)	Achieved	Achieved	Achieved	Achieved	●	
	No. of Permanent Berths	98	98	98	98	●	

Buildings Asset Management

Level of service	Performance measures	First Quarter	Second Quarter	Third Quarter	Target 2023/24	Indicator	Comment
Council maintains and renews all Council buildings to ensure buildings remain safe, in good condition, and fit for purpose	Buildings with compliance schedules under the Building Act 2004 which have current Building Warrants of Fitness	100%	100%	96%	100%	●	

Performance Indicators: ● Achieved ● In progress and on target ● Within 10% ● Not achieved, greater than 10%



PROPERTY ASSETS

FINANCIAL SUMMARY

Property Assets Activity Group Financial Summary as at March 2024

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Revenue	(8,508)	(8,065)	443	5%	(16,361)	(16,361)	0		
Expenditure	6,968	6,989	21	0%	14,474	13,486	(988)		
Depreciation	1,793	1,000	(793)	(79)%	1,333	1,333	-	-1-	Higher depreciation expense than budgeted as a result of the June 2023 asset revaluations which saw some asset values increase significantly.
Net Operating Expenditure	253	(76)	(329)	<(100)%	(554)	(1,542)	(988)		

Property Assets Financial Summary by Activity as at March 2024

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)	Year to Date March 2024							Notes		Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance			
Net Operating Expenditure										
Lagoon Farm										
Revenue	(381)	(644)	(263)	(41)%	(644)	(644)	-	-2-	Decision made earlier to retain 5yr stock until 2024/25 and not to sell and replace them - hence decreased revenue and expenditure	
Expenditure	404	593	189	32%	790	787	(4)	-3-	As above	
Lagoon Farm Total	23	(52)	(74)	<(100)%	146	142	(4)			
Parklands Area 3										
Revenue	(4,457)	(4,909)	(452)	(9)%	(12,112)	(12,112)	0			
Expenditure	2,974	4,486	1,512	34%	10,425	10,424	(0)	-4-	Due to Covid19 and Cyclone Gabrielle, stages 11 & 12 are behind schedule. These budgets have been reset as part of the 2024-34 LTP and therefore next financial year budgets & actuals will re-align more accurately for reporting purposes.	
Parklands Area 3 Total	(1,483)	(423)	1,061	>100%	(1,687)	(1,688)	(0)			
Parklands Area 4										
Revenue	-	-	-		0	-	(0)			
Expenditure	6	11	5	47%	15	15	(0)			
Parklands Area 4 Total	6	11	5	47%	15	15	(0)			

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Property Support									
Revenue	(1,000)	(1)	999	>100%	(1)	(1)	-	-5-	Wastewater Treatment Plant insurance proceeds.
Expenditure	492	(144)	(636)	<(100)%	(199)	(4)	196	-6-	Insurance premiums more than budgeted.
Property Support Total	(508)	(145)	363	>100%	(200)	(5)	196		
Property Holdings									
Revenue	(2,423)	(2,227)	196	9%	(3,225)	(3,225)	(0)		
Expenditure	2,808	1,546	(1,261)	(82)%	1,794	1,360	(433)	-7-	This relates to an asset sale from a prior year which was not completed - we have retained the asset but prior year revenue required write off.
Property Holdings Total	385	(680)	(1,065)	<(100)%	(1,431)	(1,864)	(433)		
Civic Building									
Revenue	-	-	-		-	-	-		
Expenditure	-	-	-		-	-	-		
Civic Building Total	-	-	-		-	-	-		
Library Building									
Revenue	-	-	-		-	-	-		
Expenditure	-	-	-		-	-	-		
Library Building Total	-	-	-		-	-	-		
Building Asset Management									
Revenue	-	-	-		-	-	-		
Expenditure	81	93	12	13%	306	306	(0)		
Building Asset Management Total	81	93	12	13%	306	306	(0)		
Inner Harbour									
Revenue	(247)	(284)	(37)	(13)%	(379)	(379)	-	-8-	Commercial, casual and recreational berthage revenue dropped due to berthages and boats using Napier as their home port.
Expenditure	1,996	1,404	(592)	(42)%	2,678	1,931	(746)	-9-	Higher depreciation expense than budgeted for as a result of the June 2023 asset revaluations which saw some asset values increase significantly.
Inner Harbour Total	1,749	1,119	(630)	(56)%	2,298	1,552	(746)		

PROPERTY ASSETS

FINANCIAL SUMMARY CONTINUED

Property Assets Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)	Year to Date to March 2024				Revised Budget	Annual Plan	Notes		Comments
	Actual	Revised Budget	Variance	% Variance					
Capital									
Lagoon Farm									
Asset Purchases	22	-	(22)	(100)%	-	-			
Total Lagoon Farm	22	-	(22)	(100)%	-	-			
Property Holdings									
Civic Buildings Upgrade	-	-	-		-	-			
Pandora Pond Buildings	168	79	(89)	(100)%	79	-	1	Error in split of contract for car park vs reserve costs in prior year affecting the budget carried forward. Has been corrected in WIP.	
Building Purchase	-	-	-		1,854	-			
Minor Capital Items	67	65	(2)	(3)%	65	-			
Total Property Holdings	234	144	(91)	(63)%	1,998	-			
Building Asset Management									
Assessment and compliance projects	-	-	-		206	-			
Total Building Asset Management	-	-	-		206	-			
Inner Harbour									
IH Facilities Renewals	(16)	-	16	100%	-	-			
Ahuriri Masterplan - Iron Pot Public Access	127	128	1	1%	2,200	-			
Inner Harbour Project - Iron Pot Upgrade	924	942	18	2%	2,461	423			
Total Inner Harbour	1,034	1,070	35	3%	4,661	423			
Total Capital Expenditure	1,300	1,214	(87)	(7)%	6,865	423			
Asset Sales	-	-	-		-	-			



Support Units

Council has a number of cost centres of a corporate or support nature. These cost centres provide the technical and support services necessary for the function of Council's activities. Costs of the support services are reallocated to activities either as overheads based on the support each activity receives, or recharged direct on a usage basis.

Support Services include the Services Depot, which provides support for the Utilities and Reserves divisions including a store and mechanical workshop. Design Services provides scientific and technical services to other Council departments ensuring the community receives engineering services of maximum quality and safety.



SUPPORT UNITS

FINANCIAL SUMMARY

Support Units Activity Group Financial Summary as at March 2024

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Revenue	(1,946)	(1,503)	443	29%	(1,922)	(1,922)	-	-1-	Unbudgeted Better off Funding and Three Waters Transition revenue. This is offset by unfavourable recoveries in the Utilities Operations business unit.
Expenditure	2,823	4,710	1,887	40%	3,293	538	(2,755)	-2-	Staff vacancies, timing of expenditure not yet incurred and depreciation expense lower than budgeted due to capital projects yet to be completed.
Depreciation	1,378	2,137	759	36%	2,850	2,850	-	-3-	Depreciation lower than budgeted due to capital projects yet to be completed.
Net Operating Expenditure	2,255	5,344	3,089	58%	4,220	1,465	(2,755)		

Support Units Financial Summary by Activity as at March 2024

Figures are shown in thousands (\$,000)

Figures are shown in thousands (\$,000)	Year to Date March 2024							Notes	Comments
Net Operating Expenditure	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Strategic Programmes									
Revenue	-	-	-		-	-	-		
Expenditure	564	492	(72)	(15)%	656	-	(656)	-4-	A newly established BU to excute programs, no budget allocation for a labor role and certain operating expenses.
Strategic Programmes Total	564	492	(72)	(15)%	656	-	(656)		
Environmental Solutions									
Revenue	(42)	(16)	27	>100%	(21)	(21)	-		
Expenditure	(196)	16	211	>100%	21	21	-	-5-	Timing of actual expenditure incurred against monthly cost re-allocations
Environmental Solutions Total	(238)	(0)	238	>100%	-	-	-		
Asset Administration									
Revenue	(167)	(116)	51	44%	(155)	(155)	-	-6-	More engineering approvals works completed than anticipated.
Expenditure	(161)	393	554	>100%	757	155	(602)	-7-	Under-spend in this period is attributed to staff vacancies.
Asset Administration Total	(328)	277	605	>100%	602	-	(602)		
Services Administration									
Revenue	-	-	-		-	-	-		
Expenditure	2	36	34	95%	47	0	(47)	-8-	Unfilled FTE position
Services Administration Total	2	36	34	95%	47	0	(47)		
Utilities Operations									
Revenue	(588)	(909)	(321)	(35)%	(1,211)	(1,211)	-	-9-	Overall lower level of activity affecting charging and costs
Expenditure	693	1,160	467	40%	1,543	1,211	(332)	-10-	Overall lower level of activity affecting charging and costs
Utilities Operations Total	106	252	146	58%	332	-	(332)		

SUPPORT UNITS

FINANCIAL SUMMARY CONTINUED

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Parks Operations									
Revenue	(133)	(63)	70	>100%	(84)	(84)	-	-11-	Slight improvement through summer months and events such as Art Deco
Expenditure	335	282	(53)	(19)%	373	84	(289)	-12-	Slight improvement through summer months and events such as Art Deco
Parks Operations Total	202	219	18	8%	289	0	(289)		
Mechanical Services									
Revenue	1	-	(1)		-	-	-		
Expenditure	150	7	(143)	<(100)%	9	0	(9)	-13-	Recent major plant repair costs
Mechanical Services Total	151	7	(144)	<(100)%	9	0	(9)		
Building Maintenance									
Revenue	15	(2)	(17)	<(100)%	(2)	(2)	-		
Expenditure	(26)	(3)	23	>100%	(4)	2	6		
Building Maintenance Total	(11)	(4)	6	>100%	(6)	-	6		
Stores									
Revenue	(3)	(11)	(8)	(72)%	(14)	(14)	-		
Expenditure	50	9	(41)	<(100)%	12	14	2	-14-	Reduced GP% through stores due to lower activity levels
Stores Total	47	(1)	(49)	<(100)%	(2)	-	2		
Plant and Vehicles									
Revenue	-	(75)	(75)	(100)%	(100)	(100)	-	-15-	Gains on disposals recognised at year end
Expenditure	(996)	(127)	869	>100%	(170)	(170)	(0)	-16-	Lower offsetting costs due to a modern fleet
Plant and Vehicles Total	(996)	(202)	794	>100%	(270)	(270)	(0)		
Project Management									
Revenue	(1)	-	1		-	-	-		
Expenditure	1,766	1,499	(267)	(18)%	1,998	1,922	(75)	-17-	Less chargeable hours to offset expenditure due to staff vacancies.
Project Management Total	1,765	1,499	(266)	(18)%	1,998	1,922	(75)		
Community Development Admin									
Revenue	-	-	-		-	-	-		
Expenditure	4	34	30	89%	102	0	(102)	-18-	Underspend attributed to staff vacancy.
Community Development Admin Total	4	34	30	89%	102	0	(102)		
Planning Support Services									
Revenue	(474)	(1)	473	>100%	(1)	(1)	-	-19-	Unbudgeted Better off Funding revenue.
Expenditure	(450)	(112)	338	>100%	(150)	1	151	-20-	Timing of actual expenditure incurred against monthly cost re-allocations.
Planning Support Services Total	(923)	(113)	810	>100%	(151)	(0)	151		

Figures are shown in thousands (\$,000)

Net Operating Expenditure	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Chief Executive									
Revenue	(22)	-	22		-	-	-		
Expenditure	2,199	2,381	183	8%	(539)	0	539		
Chief Executive Total	2,176	2,381	205	9%	(539)	0	539		
Council									
Revenue	(7)	(2)	5	>100%	(3)	(3)	-		
Expenditure	(316)	(252)	64	25%	40	3	(37)	-21-	LTP public consultation costs still to come through.
Council Total	(323)	(254)	69	27%	37	(0)	(37)		
Director Corporate Services									
Revenue	-	-	-		-	-	-		
Expenditure	106	(106)	(212)	<(100)%	(141)	0	141	-22-	Unbudgeted employee and contractor.
Director Corporate Services Total	106	(106)	(212)	<(100)%	(141)	0	141		
Strategy & Transformation									
Revenue	-	-	-		-	-	-		
Expenditure	(305)	64	369	>100%	26	0	(26)	-23-	Underspend attributed to staff vacancy.
Strategy & Transformation Total	(305)	64	369	>100%	26	0	(26)		
Human Resources									
Revenue	-	-	-		-	-	-		
Expenditure	(187)	(170)	17	10%	(24)	0	24	-24-	Underspend attributed to staff vacancy.
Human Resources Total	(187)	(170)	17	10%	(24)	0	24		
C.I.T.									
Revenue	(131)	(191)	(60)	(31)%	(193)	(193)	-	-25-	Web shared services billing complete for the year variance to budget.
Expenditure	(43)	40	83	>100%	432	193	(238)	-26-	Internal equipment lease costs change in allocation model.
C.I.T. Total	(174)	(151)	23	15%	238	0	(238)		
Finance Services									
Revenue	(101)	(119)	(18)	(15)%	(137)	(137)	-		
Expenditure	774	853	79	9%	1,343	137	(1,206)		
Finance Services Total	673	734	62	8%	1,206	0	(1,206)		
Finance Leases									
Revenue	-	-	-		-	-	-		
Expenditure	(56)	350	406	>100%	(188)	(188)	-	-27-	Depreciation lower than budgeted, capital projects yet to be completed.
Finance Leases Total	(56)	350	406	>100%	(188)	(188)	-		



Support Units Capital by Activity as at March 2024

Figures are shown in thousands (\$,000)

Year to Date to March 2024

Capital	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Notes	Comments
Strategic Programmes								
Napier Library Rebuild	1,653	756	(897)	(100)%	2,095	-	-1-	Timing only between actual expenditure incurred and phasing of budgets.
Total Strategic Programmes	1,653	756	(897)	(100)%	2,095	-		
Asset Administration								
Minor Capital Items	0	-	-		-	-		
Minor Capital Items MMTP	22	-	(22)	(100)%	-	-		
Total Asset Administration	23	-	(22)	(100)%	-	-		
Services Administration								
Depot General Renewals	1	24	23	97%	43	32		
Depot Building Renewals	30	35	5	14%	39	15		
Asset Register Items	-	10	10	100%	21	13		
Total Services Administration	31	69	38	55%	102	60		
Plant and Vehicles								
P & V Renewal Purchases	1,187	791	(396)	(50)%	1,029	951	-2-	Additional purchases funded from Plant and Vehicle disposals.
Total Plant and Vehicles	1,187	791	(396)	(50)%	1,029	951		
Planning Support Services								
Minor Capital S630	42	-	(42)	(100)%	-	-	-3-	Funding to be determined in quarter 4.
Total Planning Support Services	42	-	(42)	(100)%	-	-		
Chief Executive								
Minor Capital Items	-	-	-		9	74		
Total Chief Executive	-	-	-		9	74		
C.I.T.								
Software Replacements and Upgrades	-	-	-		-	85		
Software Replacements and Upgrades - S800	5	-	(5)	(100)%	-	-		
New business Improvement Modules - S800	32	63	32	50%	140	-	-4-	No further costs forecast to be spent here.
Innovation Tools - S800	29	20	(9)	(45)%	162	-		
Web CMS Silverstripe Upgrade	245	160	(85)	(53)%	300	-	-5-	Unbudgeted capitalised labour.
Corporate IT Network	-	10	10	97%	14	14		
Total C.I.T.	310	254	(57)	(22)%	615	98		
Finance Leases								
Technology Equipment Minor Capital	1,114	935	(179)	(19)%	1,586	713	-6-	Unbudgeted firewall replacements.
Total Finance Leases	1,114	935	(179)	(19)%	1,586	713		
Total Capital Expenditure	4,360	2,805	(1,555)	(55)%	3,342	1,897		
Asset Sales	(223)	-	-		0	-		

RATES AND SPECIAL FUNDS FINANCIAL SUMMARY

Rates and Special Funds Activity Group Financial Summary as at March 2024

Figures are shown in thousands (\$,000)

	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Net Operating Expenditure									
Revenue	(38,985)	(37,880)	1,105	3%	(50,507)	(50,507)	(0)	-1-	Prior year provision reversal and current years provision completed at year end. External interest lower than budgeted due to lower than budgeted borrowings.
Expenditure	(5,938)	546	6,484	>100%	(4,793)	(5,762)	(969)		
Depreciation	-	-	-		-	-	-		
Net Operating Expenditure	(44,923)	(37,334)	7,590	20%	(55,300)	(56,269)	(969)		

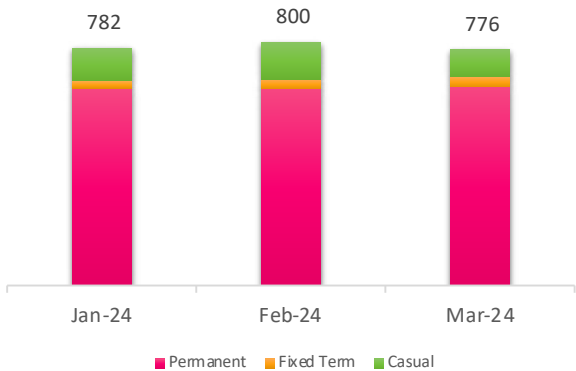
Rates and Special Funds Financial Summary by Activity as at March 2024

Figures are shown in thousands (\$,000)

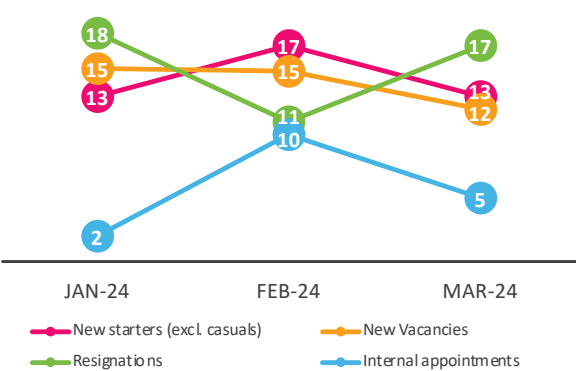
	Year to Date March 2024							Notes	Comments
	Actual	Revised Budget	Variance	% Variance	Revised Budget	Annual Plan	Variance		
Net Operating Expenditure									
Rates									
Revenue	(38,005)	(37,880)	125	0%	(50,507)	(50,507)	(0)	-2-	Prior year provision reversal current years provision completed at year end.
Expenditure	2	-	(2)		-	-	-		
Rates Total	(38,003)	(37,880)	123	0%	(50,507)	(50,507)	(0)		
Special Funds									
Revenue	(980)	-	980		-	-	-	-3-	" External interest lower than budgeted due to lower than budgeted borrowings."
Expenditure	(800)	548	1,348	>100%	(4,793)	(5,762)	(969)		
Special Funds Total	(1,780)	548	2,327	>100%	(4,793)	(5,762)	(969)		
Loans									
Revenue	-	-	-		0	-	(0)	-3-	" External interest lower than budgeted due to lower than budgeted borrowings."
Expenditure	(5,140)	(1)	5,139	>100%	0	0	-		
Loans Total	(5,140)	(1)	5,139	>100%	0	0	(0)		

PEOPLE AND CAPABILITY REPORT

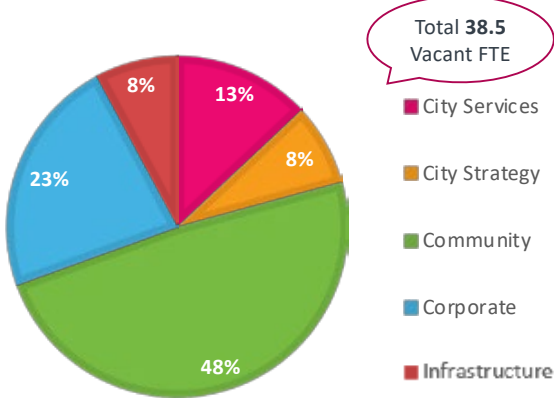
Employee Numbers Q3



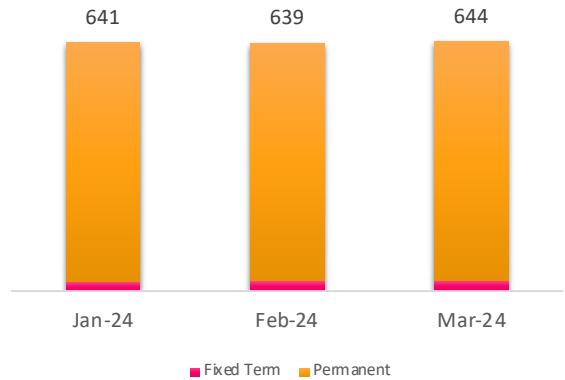
People Patterns



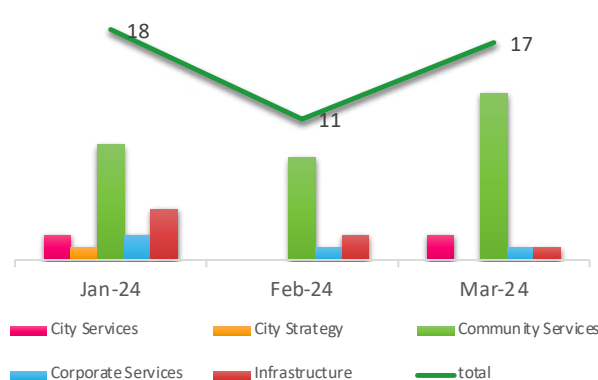
Vacant FTE As at MAR-24



FTEs Q3



Directorate Resignations





CITY STRATEGY REGULATORY ACTIVITY REPORT

Building Consents

181 Building consents were issued this quarter with an estimated value of \$40,067,050.00. There were 41 total new dwellings. This compares to 188 building consents and 100 total new dwellings in the same quarter of the previous financial year.

Building processing timeframes:

135 out of 181 consents were issued within the correct timeframe for this quarter.

Resource Consents:

This quarter saw 52 Resource Consents processed (13 subdivision and 39 land use) in comparison to 34 total Resource Consents (13 subdivision and 21 land use) in the 2022-23 Financial Year.

Resource Consent processing timeframes:

180 out of 181 consents were processed within the correct timeframe for this quarter.

Animal Control

Infringement Notices Issued:

24 infringements were issued this quarter compared to 26 in the 2022-23 financial year. Dog Registrations at the end of the quarter were 7,925 compared to 7,988 at the same period in the 2022-23 financial year.

Impounding Activity:

356 dogs have been impounded this financial year. Of these, 176 were returned to their owner, 32 were rehomed, and 105 dogs were euthanised. This compares to 121 dogs euthanised in the same period last year. Of the dogs that were euthanised, 25 failed their temperament assessment, 10 displayed aggressive behaviour, 29 displayed menacing breed behaviour, 2 were euthanised for humane reasons, and 39 were surrendered due to aggression, attacking/biting, poor health or behavioural issues. The remaining 43 dogs were returned to their owners after their first impounding.

Dog Attack:

Of the reports of dog attacks on humans, there was 1 serious attack and 7 minor attacks in this quarter. Each of these were investigated and appropriate action was taken.

Parking

Infringements Issued:

3,118 infringement notices were issued this quarter. Of these 927 (30%) have been paid and 253 (8%) have been cancelled.

Parkmate:

The total transactions for this quarter was 56,468 which is up from the same quarter in the 2022-23 Financial Year that saw a total of 44,704 transactions.

Environmental Health

Noise Complaints:

There were 474 noise complaints received this quarter compared to 600 complaints in the same quarter in the 2022-23 financial year. 5 infringement notices were issued compared to 7 in the previous year.

Liquor Licencing:

There were 125 applications issued this quarter compared to 111 in the same period of the previous financial year. These applications comprised of 69 Managers Certificates, 29 Special Licences and 27 premise licences.

Freedom Camping:

This quarter there have been 4,905 recorded freedom camping vehicles which is an increase compared to 3,084 in the same quarter of the 2022-23 financial year. There have been 96 infringement notices issued this quarter.

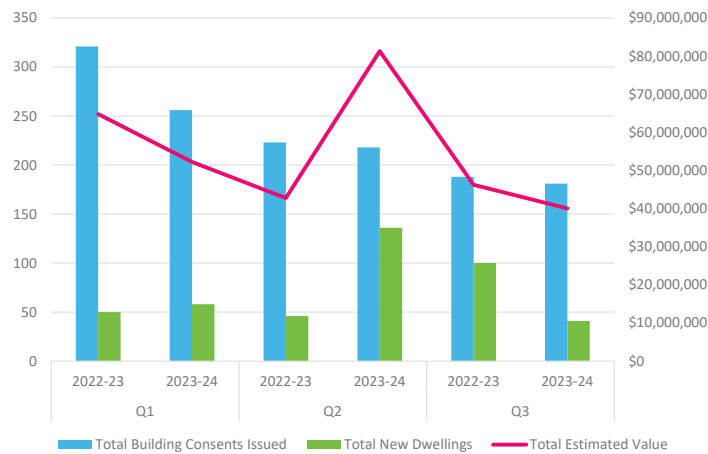
Napier Assist

The total number of Napier Assist interactions recorded this quarter was 628. The majority of interactions are for retailer and facility check-ins, however outside of these regular check-ins, the most interactions for the quarter were homeless (158), public assistance (42) and graffiti (61).

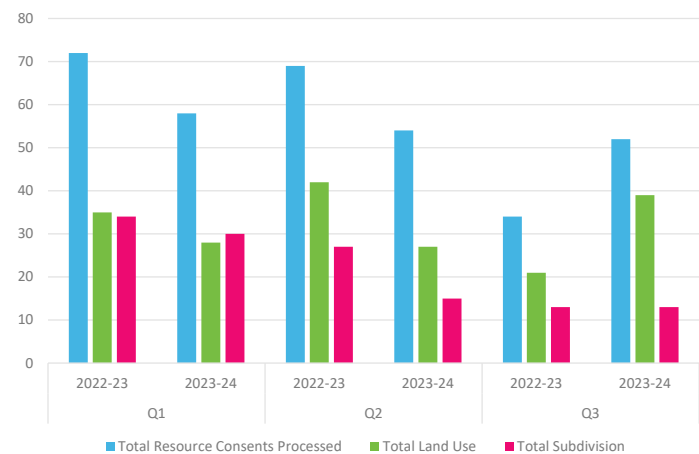
CITY STRATEGY REGULATORY ACTIVITY REPORT

BUILDING AND RESOURCE CONSENTS

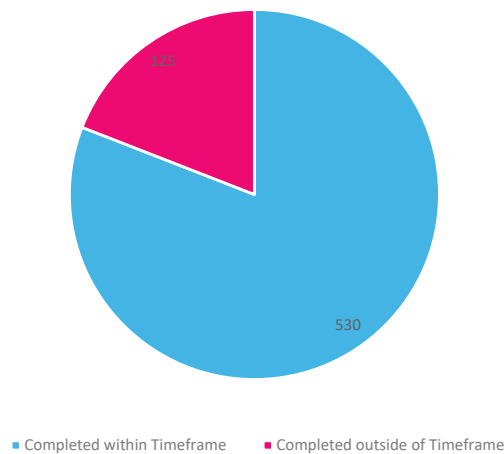
Building Consents Issued
2023-24



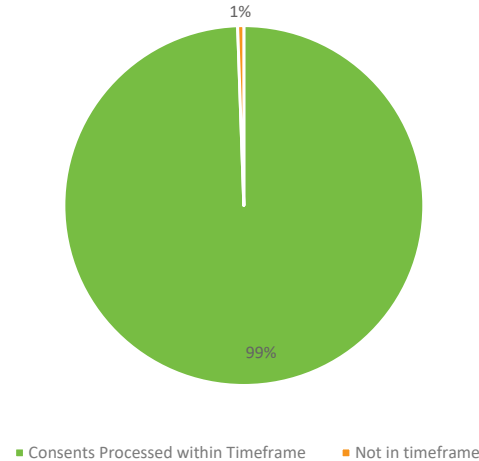
Resource Consents Activity
2023-24



Building Timeframes
2023-24



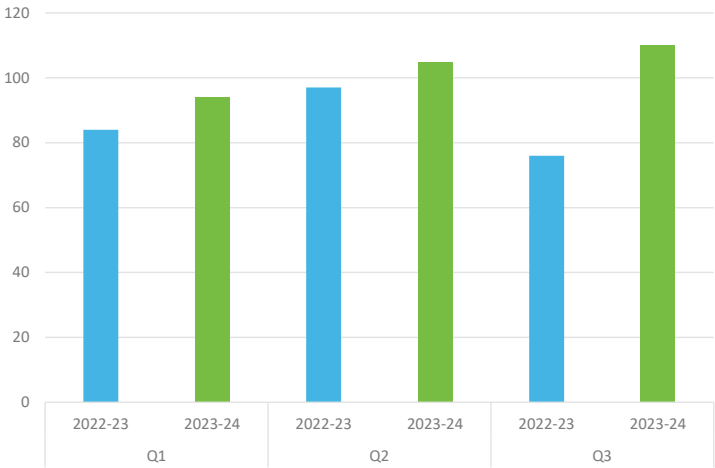
Resource Consent Timeframes
2023-24



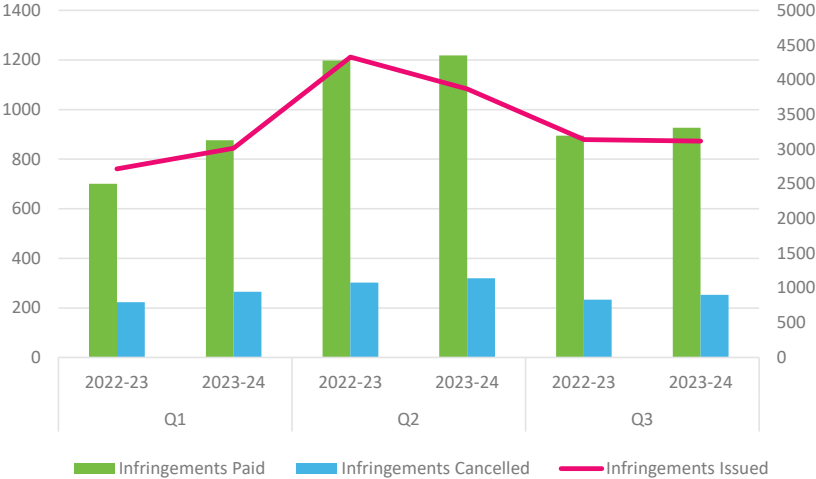
CITY STRATEGY REGULATORY ACTIVITY REPORT

LIMS, PROPERTY FILES AND PARKING

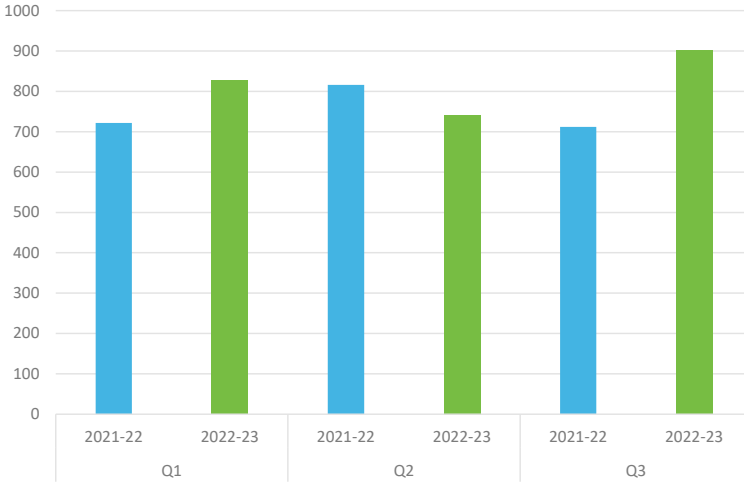
Total Number of LIMs Issued
2023-24



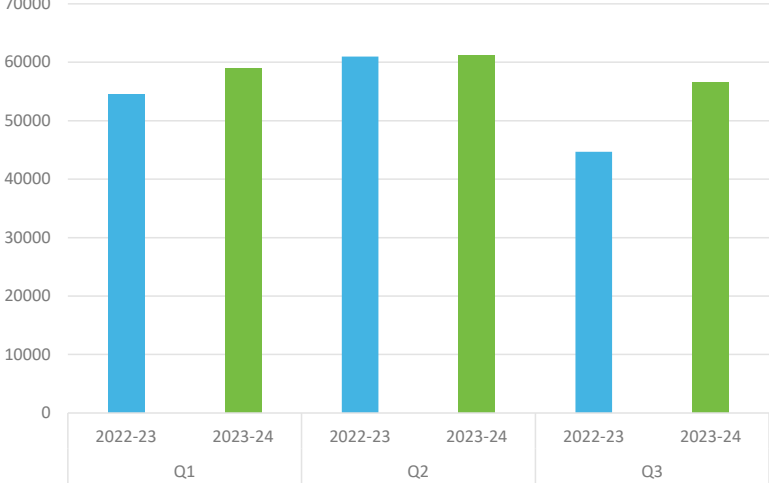
Parking Infringements
2023-24



Total Number of Property Files Requested
2023-24



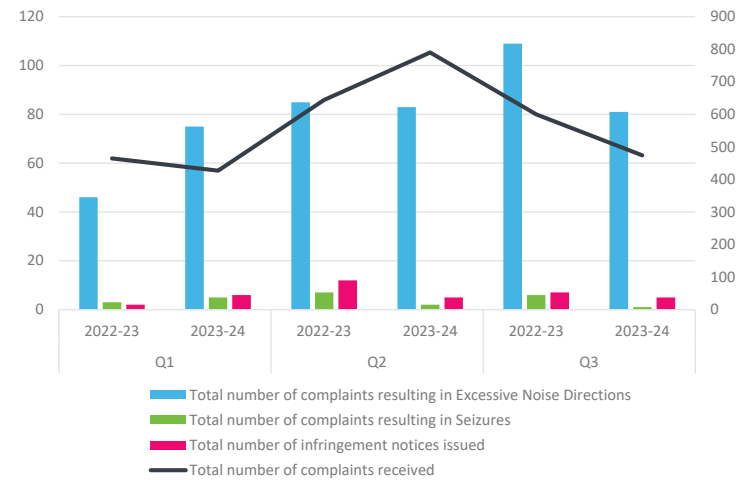
Parkmate Transactions
2023-24



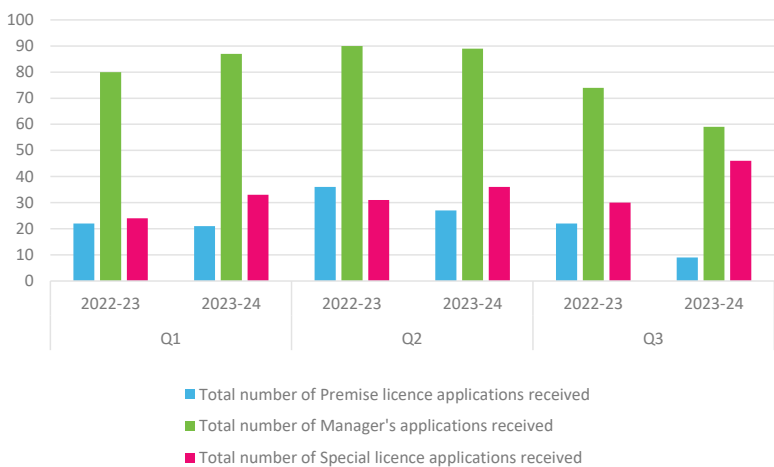
CITY STRATEGY REGULATORY ACTIVITY REPORT

ENVIRONMENTAL HEALTH

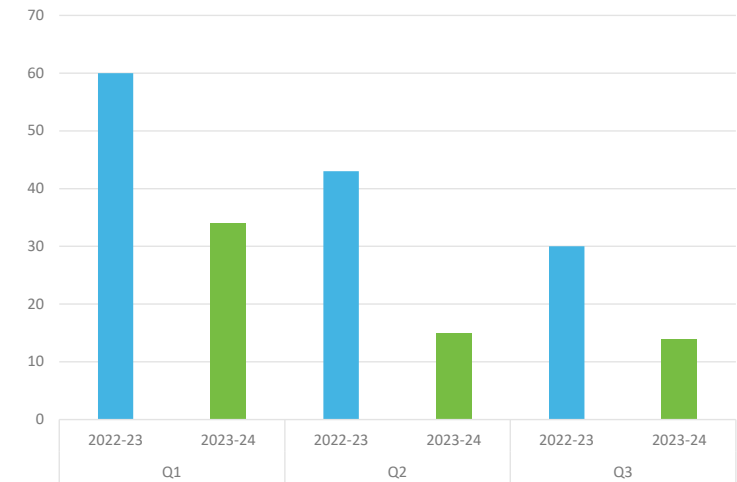
Noise Complaints and Outcomes
2023-24



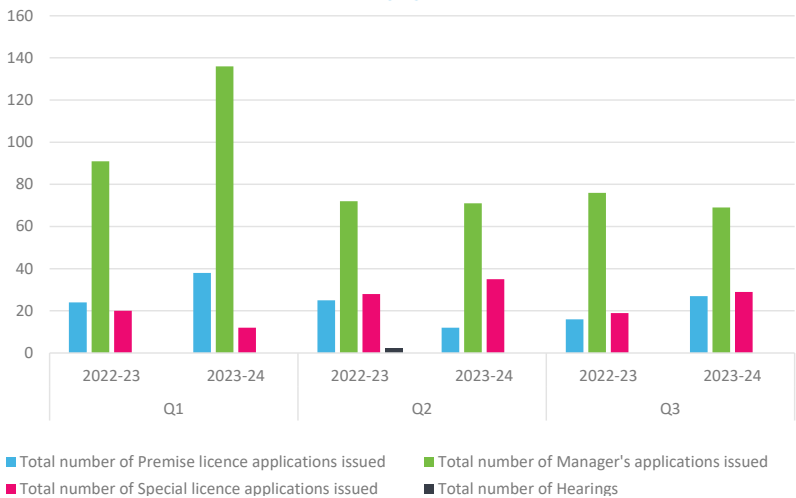
Liquor Licensing Applications Received
2023-24



Food Act 2014 Audits Completed
2023-24



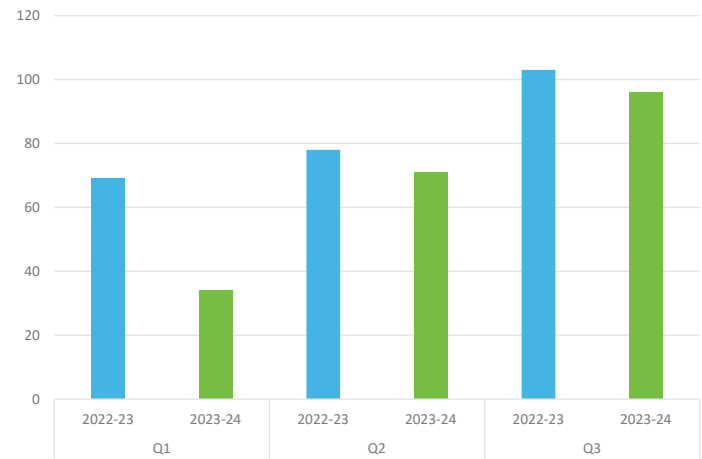
Liquor Licensing Applications Issued
2023-24



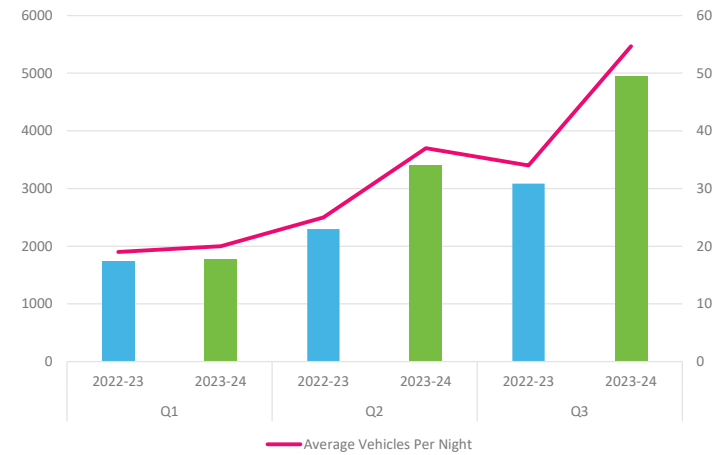
CITY STRATEGY REGULATORY ACTIVITY REPORT

ENVIRONMENTAL HEALTH CONTINUED

Freedom Camping Infringements Issued
2023-24



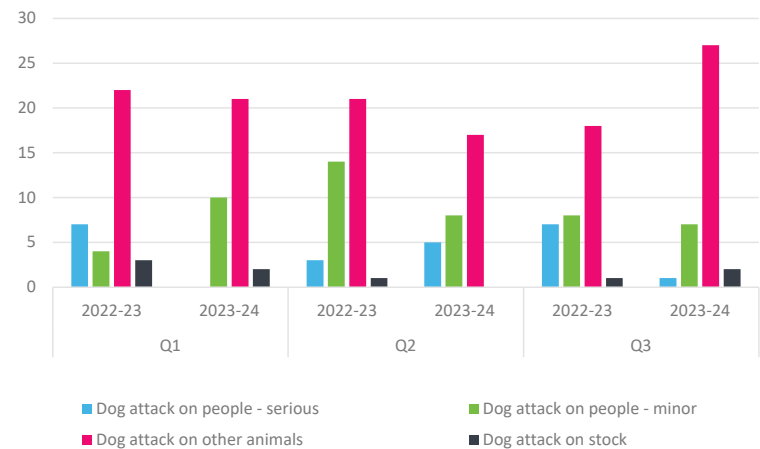
Freedom Camping Recorded Vehicles
2023-24



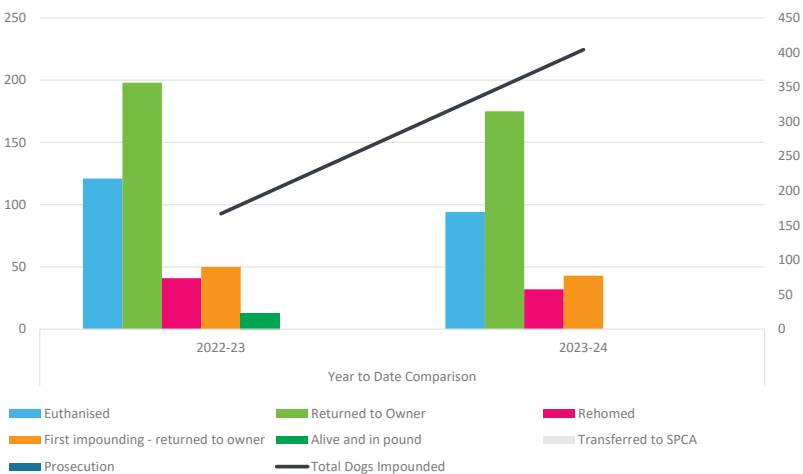
CITY STRATEGY REGULATORY ACTIVITY REPORT

ANIMAL CONTROL

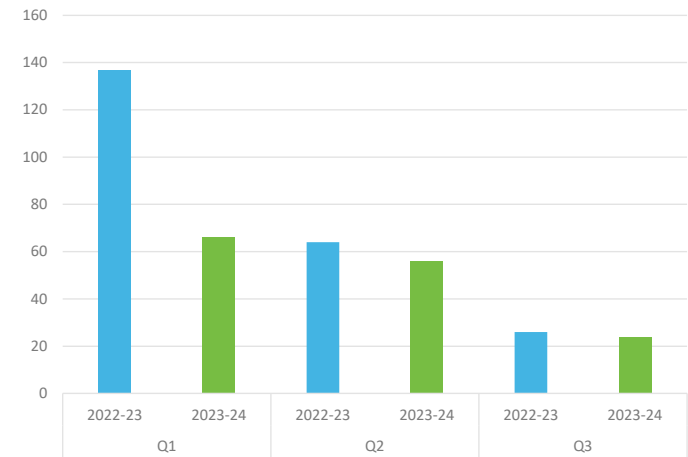
Dog Attack Report
2023-24



Animal Control Impounding Activity
2023-24



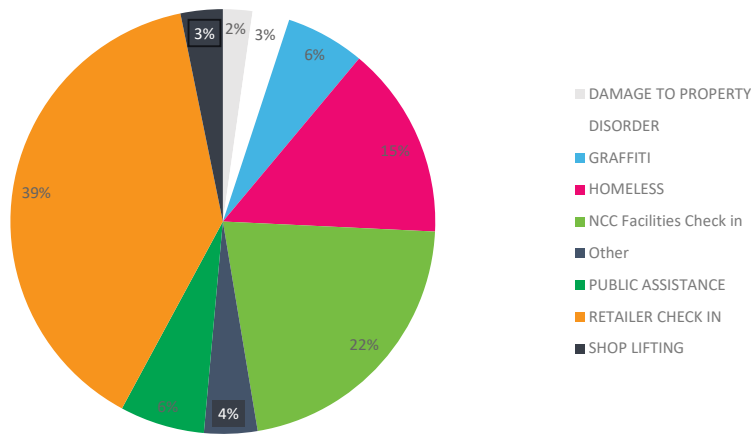
Dog Infringement Notices Issued
2023-24



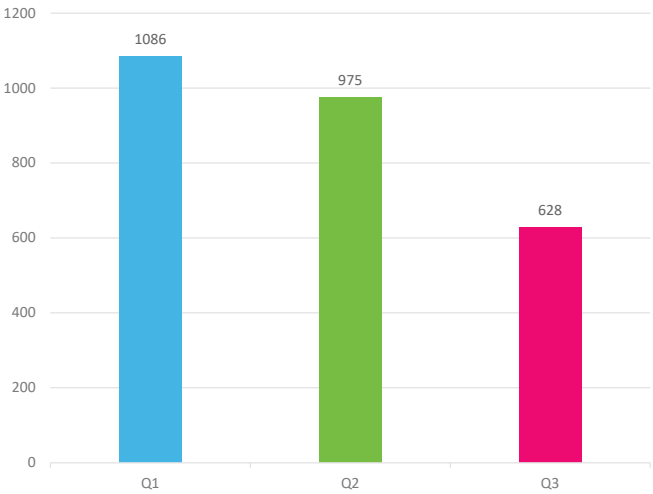
CITY STRATEGY REGULATORY ACTIVITY REPORT

NAPIER ASSIST

Napier Assist Interactions
2023-24 YTD



Napier Assist Total Interactions
2023-24 YTD



QUARTERLY SERVICE REQUEST REPORT

The following provides a high level overview of what our customers contact us about. Not all customer contacts are requests for service, but if a customer requires information or a service that cannot be immediately provided by Council staff, it is entered into the Service Request system and passed through to the person who is able to action that request. Service Requests cover a wide range of customer requests, including complaints and compliments about our services, request for advice or information, and maintenance enquiries.

Questions about the data are best answered by the responsible Directorate.

Here is a description of the Service Request categories:

- **Animal Control** – requests relating to animal and dog control
- **Building** – related to building consents
- **Cemeteries** – request related to cemetery operations
- **City Services** – Depot, requests regarding maintenance of our assets and infrastructure
- **Customer Services** – request for the Customer Service team
- **Environmental Health** – requests related to food and alcohol licences, bylaws, and general compliance
- **External Organisations** – request for service from contractors used by Council for services i.e. Waste Management
- **Housing** – requests related to Council's housing tenancies
- **Infrastructure Other** – requests related to environmental matters, 3 waters, parks and reserves
- **Infrastructure Services** – requests related to roading
- **Parking** – requests related to parking
- **Planning** – requests related to resource management planning
- **Plant** – requests about Council equipment
- **Property** – requests related to Council-owned properties
- **Rates** – requests related to rating

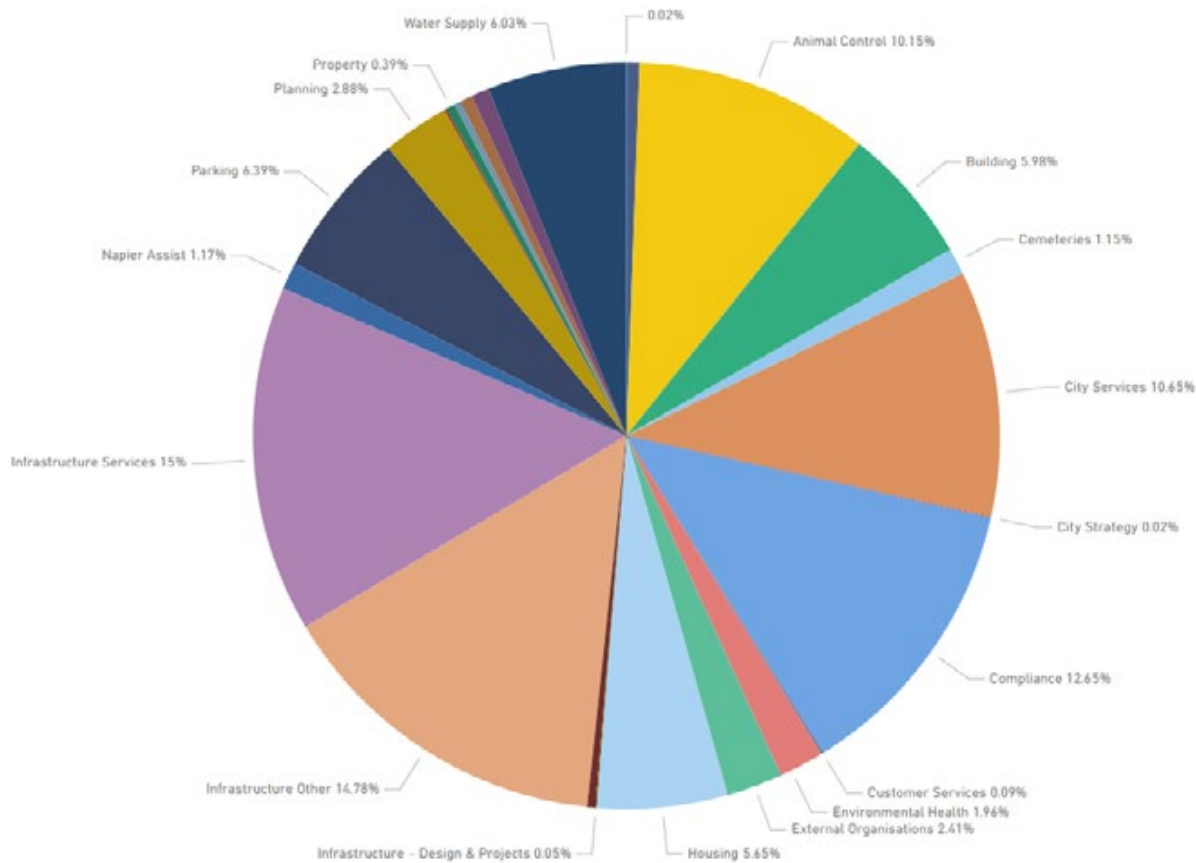
QUARTERLY SERVICE REQUEST REPORT

TOTAL NUMBER OF SERVICE REQUESTS

Total number of Service Requests
1 January – 31 March 2024

6,421

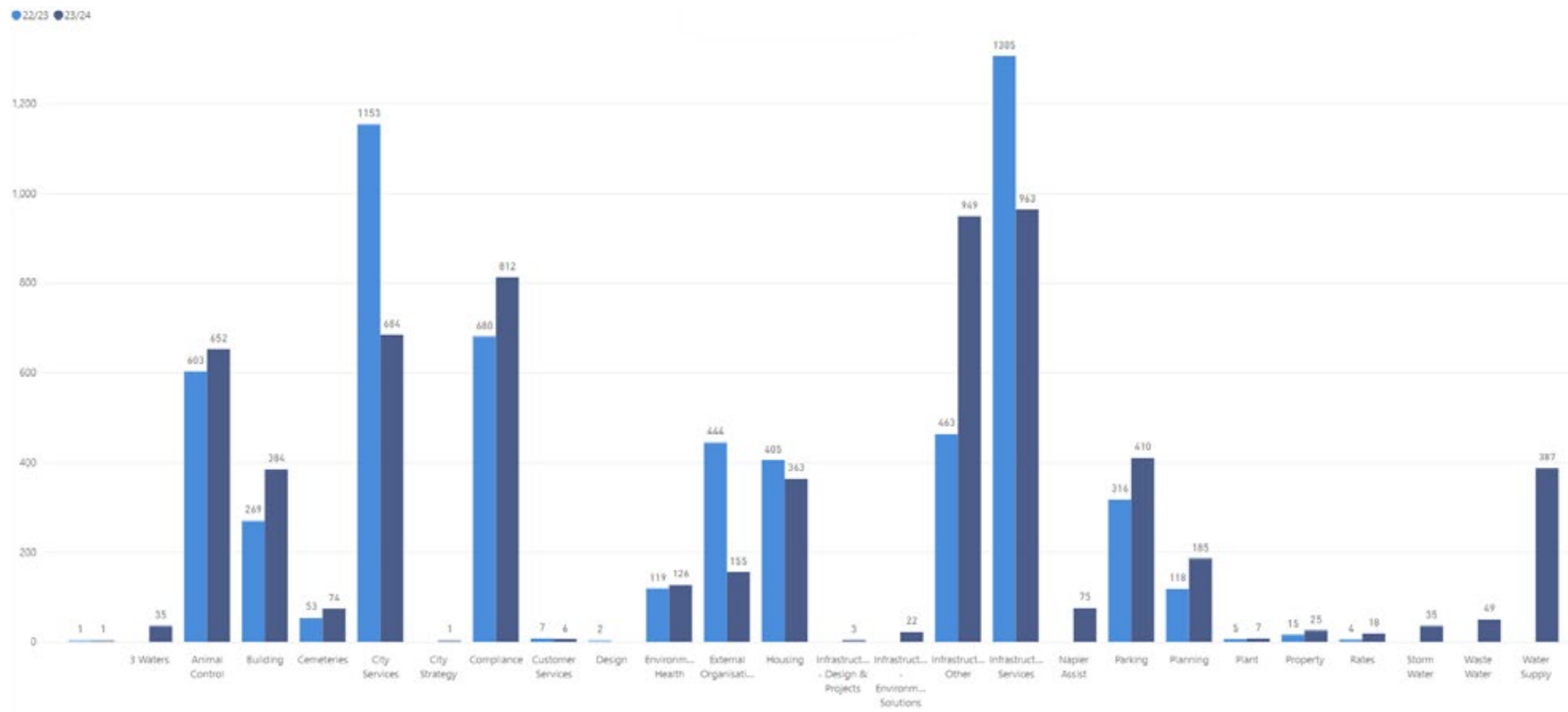
Percentage Split Across Departments



QUARTERLY SERVICE REQUEST REPORT

BUSINESS UNIT COMPARISON

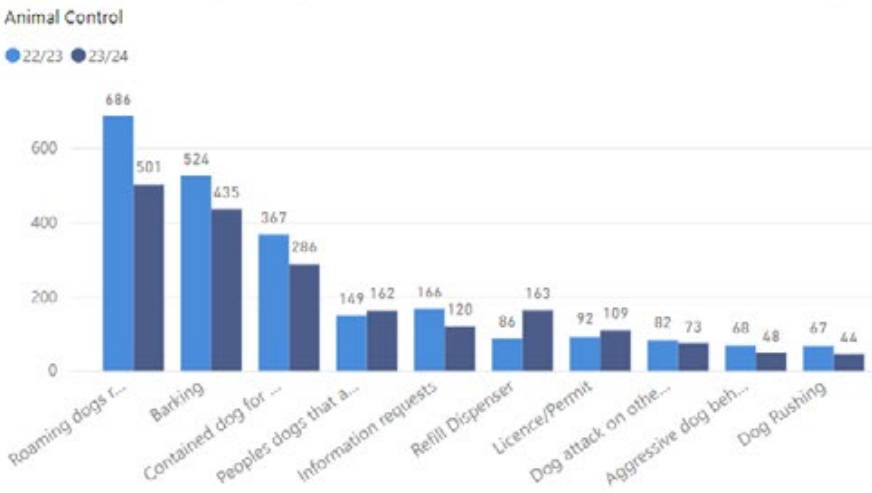
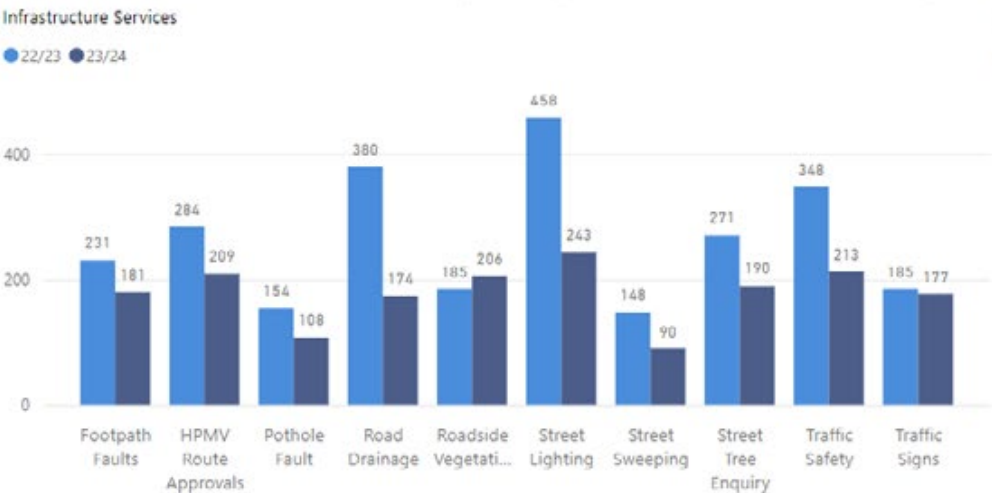
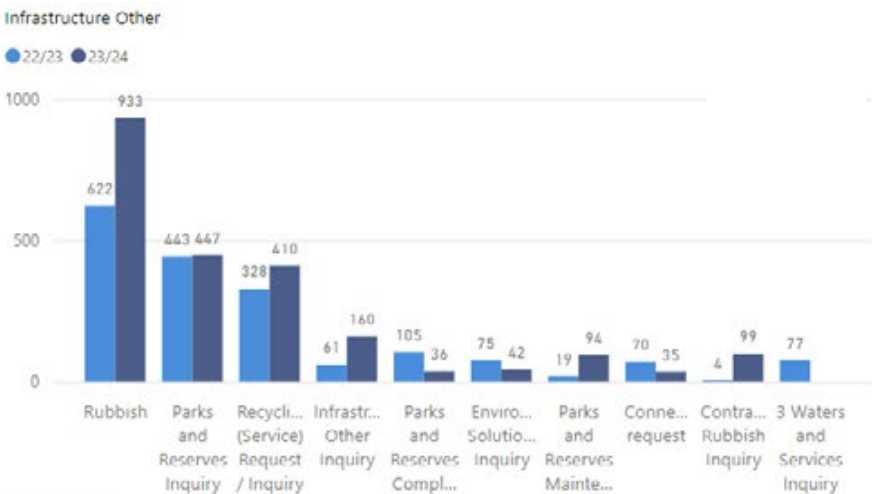
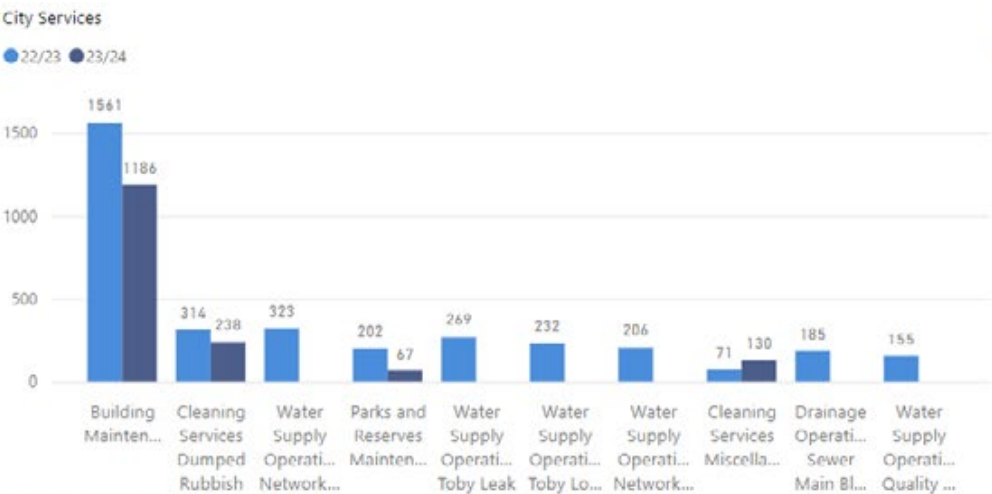
Business Unit Comparison
1 January – 31 March 2024



QUARTERLY SERVICE REQUEST REPORT

TOP 10 DEPARTMENTS BY TYPE OF REQUEST

1 January – 31 March 2024



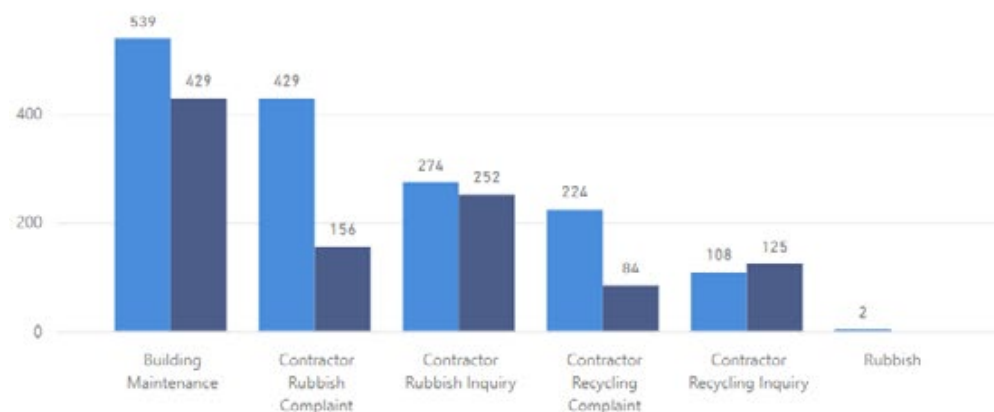
QUARTERLY SERVICE REQUEST REPORT

TOP 10 DEPARTMENTS BY TYPE OF REQUEST CONTINUED

1 January – 31 March 2024

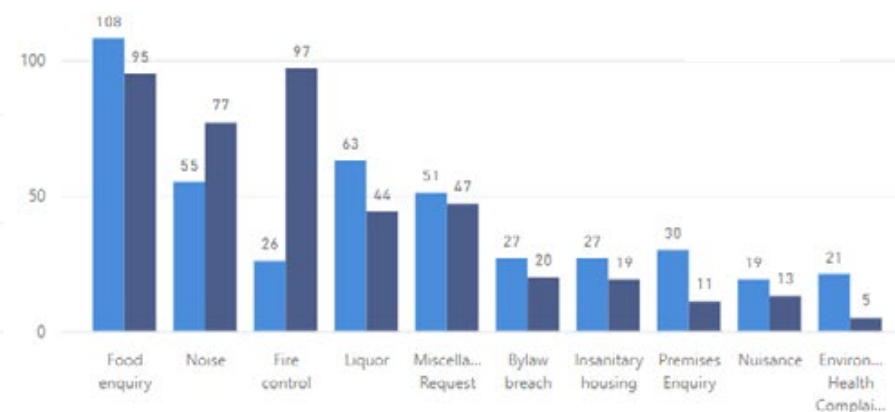
External Organisations

● 22/23 ● 23/24



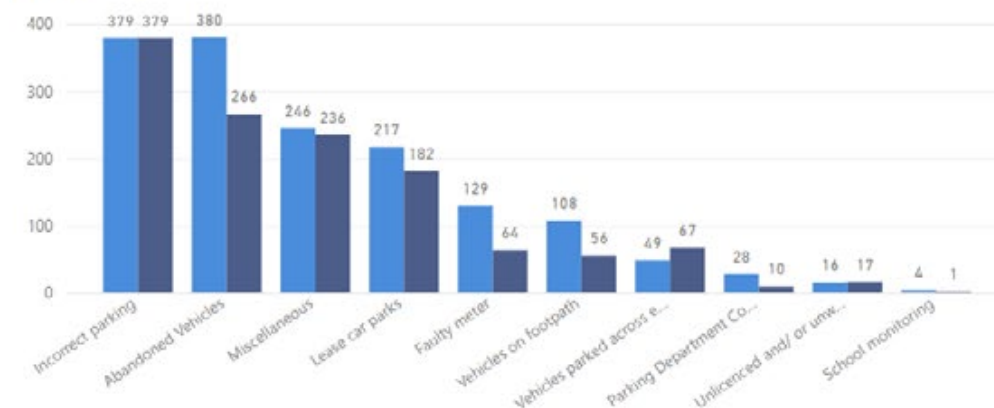
Environmental Health

● 22/23 ● 23/24



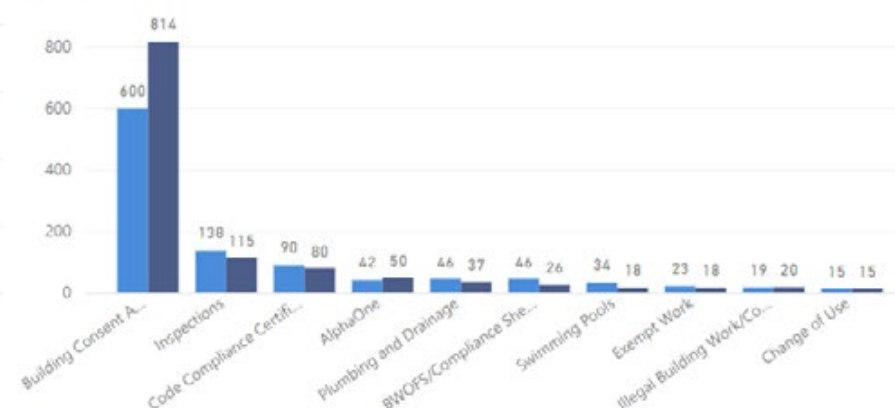
Parking

● 22/23 ● 23/24



Building

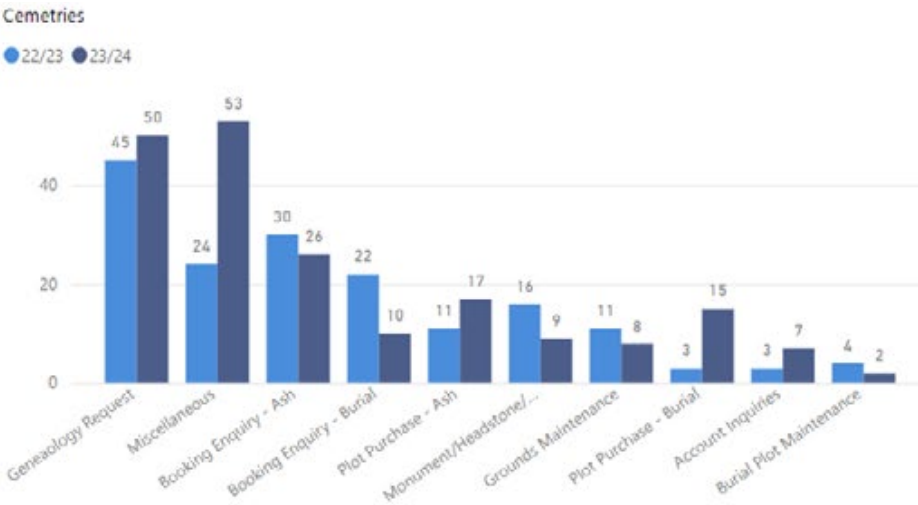
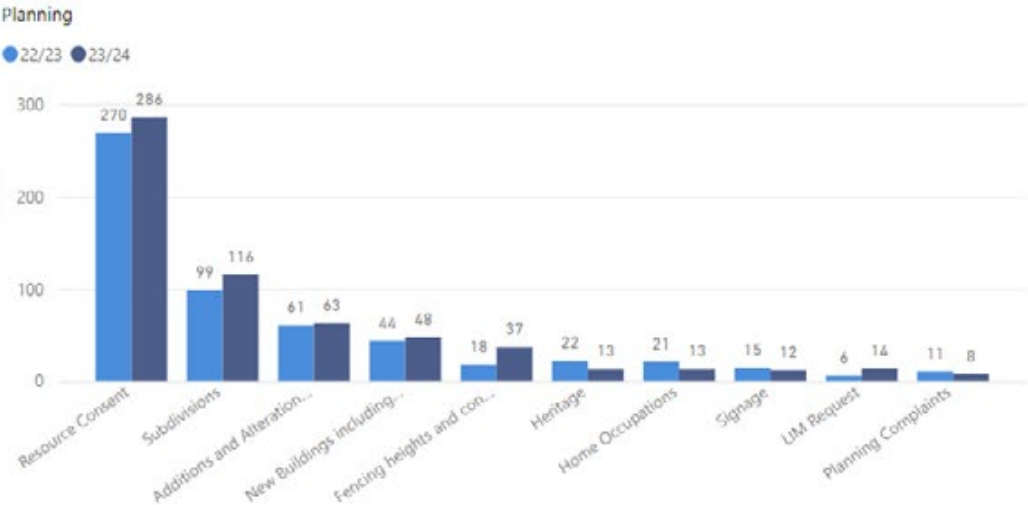
● 22/23 ● 23/24



QUARTERLY SERVICE REQUEST REPORT

TOP 10 DEPARTMENTS BY TYPE OF REQUEST CONTINUED

1 January – 31 March 2024



DOCUMENTS EXECUTED UNDER SEAL FOR THE PERIOD 1 JANUARY – 31 MARCH 2024

30.1.24	Warrants – Daniel Hicks; Mathew Cambers; Robert Tully	Jo Munialo
1.2.24	Warrants, Chengzhi Liu, Alannah Hedger	Jo Munialo
9.2.24	Warrants – Emily Frost	Emily Frost
9.2.24	Easement Instrument to Partially surrender Easement – right to drain discharge or convey sewage - Lot 4 DP24755 Easement Instrument to grant easement- right to drain sewage Lot 4 DP24755	Ellen Gowan
9.2.24	Warrants – Paul Wildash, Nick McCool	Luke Johnson
15.2.24	Easement Instrument	Ellen Gowan
20.2.24	Warrants – Sara Parlato / Jon Read	Jo Munialo
26.2.24	Easement Instrument – 71 Seddon Crescent	Ellen Gowan
6.3.24	Warrants – Maniti Legaoi	Debbie Heal
20.3.24	Land Covenant – Stages 9 & 10 Parklands	Katie Morris
25.3.24	Sewage Easement – 9 Church Road, Taradale	Ellen Gowan
27.3.24	Easement Instrument – 35 Tom Parker Avenue, Napier	Ellen Gowan
27.3.24	Easement – 261 Taradale Road, Napier	Ellen Gowan
27.3.24	Resource Management Act Covenant – 95 Ford Road, Napier	Ellen Gowan

LGOIMA REQUESTS

JANUARY TO MARCH 2024

In Q3 2023 there were 30/30 requests responded to within statutory timeframe: 100%.

*Table to provide Section 8. LGOIMA Information

	January 2024	Comment	February 2024	Comment	March 2024	Comment
Requests received year to date	91	75 up to Dec + 16	98	91 up to Jan + 7	109	98 up to Feb + 11
Requests received in last calendar month	16		7		11	
Responses completed in last calendar month	8		12		10	
Responses within statutory timeframe	8/8		12/12		10/10	
Extensions requested in last calendar month	0		0		2	23097 23100
Requests where charging was proposed	0		0		0	
Number of responses where:						
- Information released in full	7		5		5	
- Information partially released	1	23075: for one part s 17(f)	7		5	
- Request refused in full	0		0		0	
Active Ombudsman investigations regarding LGOIMA responses	1	592925	1	592925	3	592925 585126 005342
Ombudsman determinations received	0		0			
Themes	Rooding, property, expenditure, staffing, LGOIMA statistics		Property, Council businesses, fines, alcohol licensing, dogs		Freedom camping, staffing, consultants, land use, rates, property, CCOs.	



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri



STATEMENT OF INTENT

Hawke's Bay Airport Limited

FY24/25

30 June 2024

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STATEMENT OF INTENT 2024/25

Prepared by
Hawke's Bay Airport Limited

Address
111 Main North Road
Napier 4110

Postal Address
PO Box 721
Napier 4140

Phone
06 834 0742

Web
www.hawkesbay-airport.co.nz

Date
30 June 2024

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INTRODUCTION

He kupu whakataki

This Statement of Intent (“SOI”) is prepared by Management and the Board of Directors of Hawke’s Bay Airport Limited (“Hawke’s Bay Airport”) in accordance with Section 64(1) of the Local Government Act 2002.

Hawke’s Bay Airport is a council-controlled trading organisation (“CCTO”) for the purposes of the Local Government Act 2002. This SOI sets out the objectives, the nature and scope of the activities to be undertaken by Hawke’s Bay Airport, and the performance targets and other measures by which the performance of the company may be assessed in relation to its objectives.

Hawke’s Bay Airport’s achievements against the objectives outlined in last year’s SOI are referred to in this year’s annual report.

The SOI is a public and legally required document, reviewed and agreed annually with shareholders, and covers a three-year period. This SOI covers the period from 1 July 2024 to 30 June 2027.

OWNERSHIP AND GOVERNANCE

Rangatiratanga me te kāwanatanga

Hawke’s Bay Airport was incorporated in 2009. Governance sits with the Board of Directors, which is responsible for the strategic and overall direction of the business. Directors are appointed by the company’s shareholders: Napier City Council (26%), Hastings District Council (24%), and the Crown (50%).

Refer to Appendix A for board composition, an outline of the Hawke’s Bay Airport Board of Directors’ role and governance objectives.

NATURE AND SCOPE OF ACTIVITIES

Te Āhua me te Korahi o ngā kaupapa

Location

Hawke’s Bay Airport is situated approximately 10 minutes from Napier City’s central business district (CBD), 20 minutes from Hastings, and 30 minutes to Havelock North. The Hawke’s Bay region stretches from Wairoa in the north to Waipukurau in the south. With a growing population of 184,800 as at the last New Zealand Census (2023), Hawke’s Bay has 3.5% of New Zealand’s population.

Operations

Hawke’s Bay Airport is the third busiest airport in the North Island and plays an essential role in connecting the region’s people and produce with the wider national and

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international economies via scheduled passenger services. Hawke's Bay Airport's primary activity is the safe and efficient operation of the airport, facilitating direct flights to Auckland, Wellington, and Christchurch serviced by Air New Zealand, and other centres within New Zealand serviced by smaller second-tier airlines. This includes the provision of appropriate and sound aeronautical infrastructure and associated facilities. Hawke's Bay Airport is also required to ensure the operational resilience of the airport as a lifeline utility, under the Civil Defence Emergency Management Act 2002.

WHO WE ARE

Ko wai mātau

Hawke's Bay Airport is the gateway to Hawke's Bay, and we pride ourselves on supporting the community we serve. Our purpose is to connect people, businesses, and the region in meaningful ways. Through our public ownership and the role we play as a critical lifeline and transport asset, we are committed to ensuring the airport makes a positive impact for the region and its future growth.

We are aspirational, resilient, and operationally sound, positioning us well to achieve our growth objectives.

The commitment and determination of our team are key to achieving the goals set for Hawke's Bay Airport. By concentrating on establishing frameworks for performance and well-being, we aim to set our foundation in people, enabling our staff to excel and prosper no matter the environment.

WHAT WE DO

Ā mātau mahi

We are a safe, secure, and intuitive transport hub for everyone, with sustainability and resilience at the heart of everything we do.

Hawke's Bay Airport is home to two commercial airlines and numerous private aviators. Air New Zealand's direct flights to Auckland, Wellington and Christchurch offer great flexibility for those coming into and going out of the region. More recently, Sunair joined our airport community with daily flights to Wairoa, Gisborne and Tauranga. These flights have played an essential role in bridging connections across the East Coast in the aftermath of Cyclone Gabrielle, a contribution that will remain crucial as the region progresses through the ongoing recovery efforts in the years ahead.

Not so well-known are the general aviation community, who make a significant contribution to Hawke's Bay's economy and regional connectivity. They provide essential services such as helicopter operations, aircraft maintenance, private jet flights, and life-saving air ambulance missions across New Zealand and as far afield as the Pacific Islands.

The importance of resilient air transport infrastructure was never more obvious than

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during Cyclone Gabrielle in February 2023. Our capacity to continue operating in a natural disaster is central to our role as a regional asset and lifeline utility. As climate change impacts become more frequent, we are leveraging data and insights to enhance our operational capabilities which will be instrumental in defending our site.

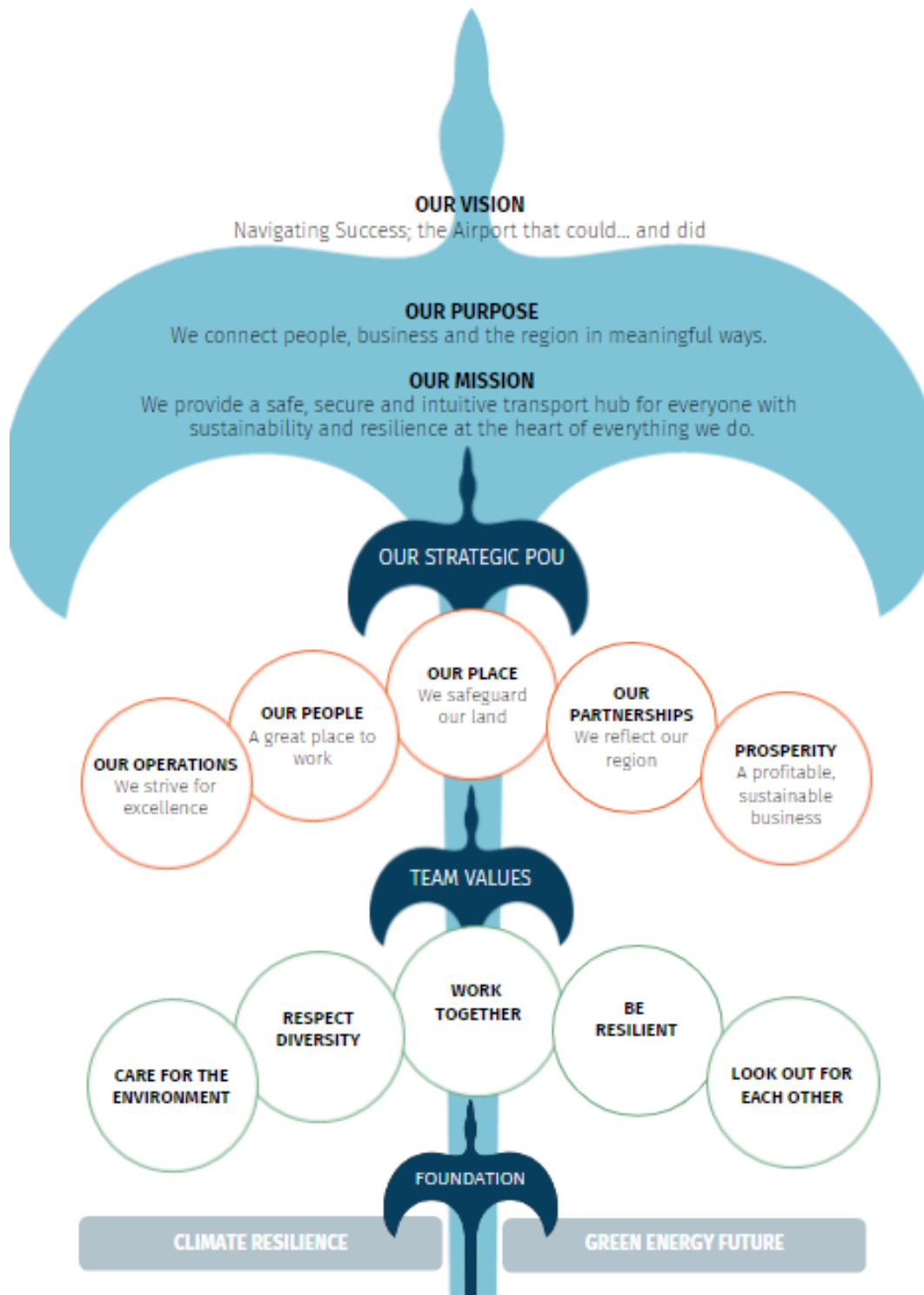
Having a positive impact for our community extends beyond aviation. Supporting Biodiversity Hawke's Bay, Big Brothers Big Sisters Hawke's Bay, and local events such as the Art Deco Festival Napier and the Hawke's Bay Marathon are our way to show the people of Hawke's Bay we are part of their community.

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OUR VALUES

Ō mātau uaratanga

Hawke's Bay Airport's values are the foundation for our success; the bedrock on which our strategic pillars, our mission, purpose, and vision are built.



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OUR CONNECTION TO THE LAND

Tō mātau hononga ki te whenua

Events past and present connect us to our whenua (land) and help to shape our future.

Hawke's Bay Airport is situated in an area of historical significance. The damage caused to Ahuriri in the 1931 Napier earthquake is etched in the history of Hawke's Bay. This earthquake raised the tidal lagoon known as Te Whanganui-ā-Orotū by 1.8m creating the land on which the airport now stands.

Sharing such stories, and the airport's history, is of special significance in 2024 as we mark 60 years since Hawke's Bay Airport was officially opened.

To celebrate this milestone with airport visitors two installations have been introduced in the terminal:

- A timeline of our aviation history from the 1931 earthquake to today, telling the incredible stories of an airport that rose from the post-earthquake darkness, to becoming Hawke's Bay's thriving regional airport today.
- A map of Te Whanganui-ā-Orotū depicting the area prior to the earthquake. In collaboration with Mana Ahuriri, this map is the first of its kind on public display, illustrating the significance of the whenua on which the airport now resides.

COMPANY VALUATION

Te uaratanga o te kamupene

The airport's assets and investment property have been revalued to fair value as at 30 June 2023. This resulted in an increase in Shareholders' Equity of \$1.1M. Board and Management believe this provides more relevant and reliable information to Shareholders about the business's financial position and performance.

As of 30 June 2023, Hawke's Bay Airport's land, land improvements, buildings and assets were valued at \$82.1M.

Hawke's Bay Airport's total land holding is 230ha and is comprised of leasehold land (in perpetuity from Napier City Council and Hastings District Council) and freehold land.

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FY2025 OUTLOOK

Te anganga o FY2025

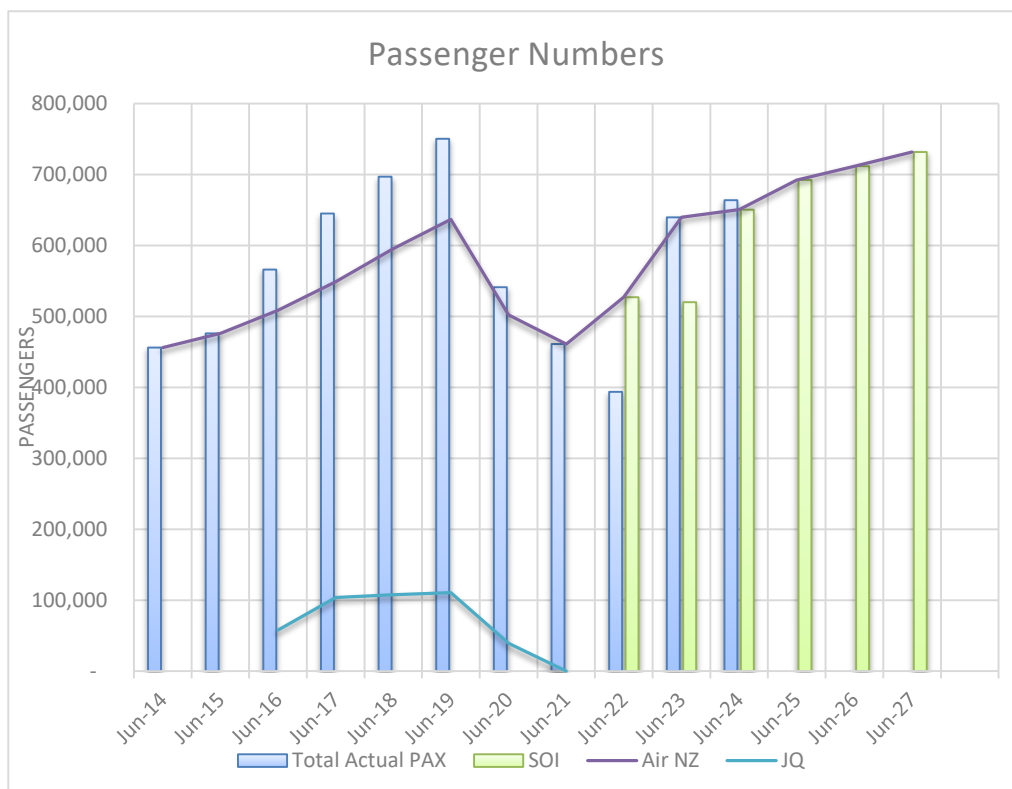
Hawke's Bay Airport's strategic importance extends beyond its role in air transport; it serves as an economic catalyst, stimulating growth, creating employment opportunities, fostering business activities, and is a key connection to markets beyond the region.

Future developments at Hawke's Bay Airport are intended to ensure we continue to be resilient, vital, and fit for purpose in the years ahead.

This SOI sets out how we will deliver sustainable value to our community and shareholders.

Our financial forecasts are dependent on a wide range of factors, the most important of which is the community's propensity to travel. This is because most of our revenue streams correlate directly with passenger numbers.

The graph below provides the forecast for passenger movements for the three-year period covered by this SOI. It assumes strong demand for travel to and from Hawke's Bay Airport will continue.



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OUR STRATEGIC PRIORITIES

Ngā Whakaarotau ā Rautaki

The global landscape for aviation is re-shaping the world we live in. We expect significant change in the years ahead driven by the electrification of aviation, modal shifts, technological advancements to improve customer experience and support operational efficiencies, as well as the imperative for resilience to climate change. With our eyes firmly on the future, we have taken the opportunity to reshape our strategic priorities to position our business to reflect these developments.



Progressive and resilient infrastructure

In the face of evolving aviation demands and environmental challenges, we are committed to ensuring our assets enable growth and are resilient. This means investing in innovative infrastructure that not only accommodates increases in passenger numbers, but also stands resilient against climate-related events.

Projects that support these priorities include storm water planning, climate change monitoring and modelling, and delivering a purpose-built Fire Station. We will continue to engage with Hawke’s Bay’s regional freight and transport strategies to advance development of multiple road access points to the airport further strengthening our resilience.

Great infrastructure means a great experience for airport visitors. Landside assets such as car parking and public facilities will be enhanced using innovative technologies and intuitive design. Considering the needs of customers of all abilities will deliver an

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exceptional experience for everyone.

Airport Land Development

As a strategic asset of the region, Hawke's Bay Airport enables regional growth. Unlocking opportunities for the diversification of revenue streams will build commercial resilience which is an important objective in the years to come. We will achieve this by getting the best out of our existing assets and identifying areas of growth landside. Creating an enhanced car parking experience and preparing for future modal change are some of the projects that will achieve this.

We are giving priority to the development of airport land which will support a business park and other complementary facilities in a way that is sympathetic to the natural environment and our community.

Air Service Development

Developing air services is core to our business and key to strengthening and expanding our network. Creating new connections is achieved through active engagement with airlines, regional tourism operators and other airports.

We continue to focus on strengthening our existing links, while developing new and unserved routes. Our sights are also set on further expansion of immigration services for private jet operations at the Airport knowing these services attract high value tourism to the region.

Our goal is to be a pivotal link that not only connects our region to major cities across New Zealand and beyond but contributes to the economic vitality of our region.

Renewable energy and resource efficiency

Our track record in sustainability has been awarded here in New Zealand and internationally. But there is more to do, and we are steadfast in our commitment to further environmental sustainability improvements, which is why focusing on renewable energy and resource efficiency remain key strategic priorities.

The proposed development of a 45-megawatt solar farm in partnership with Manawa Energy means we will be able to not just support developments in sustainable aviation but also improve our own energy efficiency and that of our wider business and residential communities.

While at this stage there is no allowance in this plan for Hawke's Bay Airport to invest in the Solar Farm, and no royalties or rental incomes have been recognised, this will be reviewed as the project progresses.

In tandem with this initiative, we will continue to focus on improving resource efficiency by adopting smart technologies to give us real time data on air quality, power usage, environmental conditions, and waste. Alongside ensuring we measure our own

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sustainability performance we know these measures will also mean we are partner of choice for likeminded businesses and initiatives.

Digital Transformation

To improve performance and deliver on our ambitions, it is critical that Hawke's Bay Airport is future-ready and can adapt to the evolving technological landscape ahead. The delivery of a digital transformation strategy will create a whole-of-airport digital ecosystem enabling the Airport to adapt to changing revenue streams in the future.

At the same time, we continue to harness technology to improve efficiencies across the airport. The continued development of real-time reporting across the business is supporting our operational excellence and customer experience goals.

We will work closely with our business partners – from airport tenants to air service providers and key regional partners – to support our shared business objectives through intelligent data strategy.

LOOKING AHEAD

Te Anga Whakamua

Hawke's Bay Airport is a thriving business enjoying growth in route services, with Air New Zealand flights into and out of Hawke's Bay Airport now at pre-pandemic levels and Sun Air providing welcome connectivity to the northern-most reaches of Te-Mataua-a-Māui/Hawke's Bay and Tairāwhiti/Gisborne. We are also the home of an aviation community that is at the heart of Hawke's Bay's unique regional character and economic prosperity.

However, we remain equally focused on growing non-aeronautical revenue to support our long-term business sustainability and continue to support and grow Hawke's Bay's prosperity.

It goes without saying, our success relies on the capability and commitment of our people. We are committed to ensuring we retain and attract the very best talent with the right capabilities and experience to deliver our ambitions, while providing them with a safe and inclusive place to work and supporting them to be the best they can be.

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KEY OBJECTIVES FY24/25

Ngā whāinga matua – FY24/25

The following outlines our key objectives for FY24/25 and beyond.

OUR OPERATIONS	
Ā mātau mahi	
We ensure a safe, secure, and intuitive customer journey for all. <i>We strive for excellence</i>	
Objectives	Key Performance Measures
Maintain legislative and regulatory compliance	No significant legislative or regulatory breaches. No significant adverse audit findings by MPI, CAA or HBRC.
Provide collaborative and productive health, safety and wellbeing support to our team and HBAL tenants, business partners and visitors, including easy to use data and tools, and timely reporting	Continuous improvement of the company’s H&S management framework delivering improving KPI trends.
Develop progressive and resilient infrastructure that safeguards our future	Fire Station design completed, consented and construction ready. Robust Asset Management Plan processes are implemented, encompassing infrastructure planning, asset renewal and proactive maintenance schedules. Customer Experience enhanced through the implementation of an agreed Landside Strategy. This will include landside opportunities and offerings, and associated performance measures.

Best practice looks like: an airport operation that runs smoothly and efficiently with site-wide safety, and where every person working for Hawke’s Bay Airport actively contributes to safety and security. Hawke’s Bay Airport maintains its essential operating credentials, while strengthening the resilience and sustainability of our infrastructure and operations. We have an airport that reflects our region and a passenger experience that is easy, and inclusive.

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OUR PEOPLE Ā mātau tāngata	
We treat our people with respect, empower them with knowledge and allow them to flourish. <i>A great place to work</i>	
Objectives	Key Performance Measures
Nurture a culture of continuous improvement and value-driven work performance	<p>A competency framework is developed, outlining role expectations and required capabilities and skills.</p> <p>A learning and development matrix is established that aligns with the competency framework to support our team to develop the capabilities and skills they need to succeed.</p> <p>Our team is upskilled on how to provide and receive feedback by establishing a structured process for feedback and recognition programme.</p> <p>Staff satisfaction rating shows a positive trend.</p>

Best practice looks like: a positive, dynamic culture that enables our people to thrive. Our people know how their efforts and performance contribute to Hawke's Bay Airport's vision and believe we are a great place to work.

OUR PLACE Tō mātau wāhi	
We ensure our airport's future through strategic sustainability and resilience practices <i>We safeguard our land</i>	
Objectives	Key Performance Measures
Understand the impacts of climate change and have plans to manage and mitigate its effects.	<p>Develop a roadmap that supports our decisions to defend our site from the effects of climate change. The roadmap will also ensure environmental compliance requirements are met.</p> <p>Maintain ACA Level 4+ Transition while investigating broader ESG frameworks and supporting standards. e.g. BCorp and alternatives.</p>
Ready and capable for a sustainable aviation future	Collaborate with airlines and others in the aviation sector to understand and prepare for future aviation requirements

Best practice looks like: An airport known and trusted for respecting and protecting the natural environment in which it operates. We have decarbonised our business and are continuously adapting to the effects of climate change. We are ready and capable for sustainable aviation needs of the future. We are recognised as a leader in sustainability.

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OUR PARTNERSHIPS Ngā rangapū mahitahi	
We foster positive and enduring relationships with our customers, partners, and community. <i>We reflect our region</i>	
Objectives	Key Performance Measures
Continuously improve our relationships with airport partners, customers and stakeholders	A Stakeholder Engagement Plan is developed and implemented Stakeholder engagement feedback trends positively.

Best practice looks like: An airport connected to our community and taking a leadership role in regional economic development. Hawke's Bay Airport's people have strong, authentic, and productive relationships with everyone important to our success, including shareholders, mana whenua, tenants, customers, local and central government, regional economic development partners and the community.

Hawke's Bay Airport is actively engaged in regional planning and development processes.

PROSPERITY Te houkuratanga	
We maximise commercial returns, to provide value for our stakeholders and our region. We create new connections for the region. <i>A profitable, sustainable business</i>	
Objectives	Key Performance Measures
Optimise Shareholder returns	Return on Equity greater than or equal to 5%. Net Profit After Tax greater than or equal to \$2.9M pre revaluation adjustments.
Pursue commercial opportunities	Develop new revenue streams that include: <ul style="list-style-type: none"> • Growth of core business • Land asset developments.
Use technology to optimise operational and business performance.	A digital transformation roadmap is developed, and implementation is underway.

Best practice looks like: Our airport remains prosperous through maximising revenue streams and is future-proofed through technology that transforms efficiency and drives value.

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Summary

We are committed to the continued resilience and growth of our airport. Diversification of aeronautical and commercial opportunities are the key drivers of our future prosperity. Hawke's Bay Airport's sights are set firmly on being the most forward thinking, future-proofed, digitally savvy, and commercially successful regional airport in New Zealand.

We are excited to live our vision of being **the airport that could...and did!**

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FINANCIAL FORECASTS

Ngā matapaenga ā-ahumoni

The updated forecast to 30 June 2024 and the three outlying years have been based on passenger numbers delivered to 31 December 2023 and the passenger forecasts provided by Air New Zealand. There has been a strengthening in aircraft movements across all main routes during FY2024, with additional services being provided by Air New Zealand on Auckland and Christchurch routes. Load factors remain consistently high (average 85% FY2024) and these continue through the life of this SOI.

The per passenger charging mechanism adopted in October 2020 will increase in FY2025, but decline in future years, partly due to increased passenger numbers. This initial lift is the consequence of increased capital spending in FY24 and higher operating costs as cost ownership transitions from Airways to the airport for airfield lighting and power. There has also been significant spending on apron developments during FY24. In addition, the cost of capital continues to be high during FY25, despite evidence of a small decline in both interest rates and inflation.

Hawke's Bay Airport Limited

Statement of Intent - Headlines and Financial Metrics

July 2024 - June 2027

	Jul 23 - Jun 24 Actual/Proj	Jul 24 - Jun 25	Jul 25 - Jun 26	Jul 26 - Jun 27
Passenger Numbers	663,775	692,309	711,733	731,713
Forecast Revenue	13,035,021	15,505,620	15,571,445	16,436,688
EBITDA	7,936,359	9,484,683	9,390,393	10,091,238
EBITDA Margin	60.9%	61.2%	60.3%	61.4%
NPAT	2,783,359	2,965,729	2,661,140	2,783,594
Net Profit after Taxation Margin	21.4%	19.1%	17.1%	16.9%
Total Assets	89,661,547	96,904,890	103,780,793	110,139,932
Total Debt	24,065,456	28,246,386	32,487,661	36,078,229
Return on Equity %	4.9%	5.0%	4.3%	4.3%
Gearing Ratio D/(D+E)	30%	32%	34%	36%
Cash Flow Available for Debt Servicing (CFADS) ¹	7,294,225	7,942,995	8,357,351	8,811,192
CFADS: Interest	5.7x	4.9x	4.4x	4.1x
Debt Service Coverage Ratio (DSCR) ²	5.7x	4.9x	4.4x	4.1x
EBITDA:Debt	33%	34%	29%	28%

Notes:

1. CFADS is defined as Net profit After Tax, plus depreciation and amortisation, less cash taxes, less/plus extraordinary items such as revaluations. It is broadly equivalent to Free Funds from Operations.
2. DSCR is CFADS divided by Total Debt Servicing. Debt servicing is interest plus principal and is calculated after a "Cash Sweep" where all cash in excess of \$500,000 is used to repay debt.

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Hawke's Bay Airport Limited

Prospective Summary Statement of Comprehensive Income

July 2023 - June 2026

	Jul 23 - Jun 24 Actual/Proj	Jul 24 - Jun 25	Jul 25 - Jun 26	Jul 26 - Jun 27
<i>Passenger Numbers</i>	663,775	692,309	711,733	731,713
Revenue				
Aeronautical	8,374,331	10,510,457	10,282,516	10,841,894
Non-Aeronautical	4,660,690	4,995,163	5,288,929	5,594,794
Total Revenues	13,035,021	15,505,620	15,571,445	16,436,688
Operating Expenditure	5,098,662	6,020,937	6,181,052	6,345,451
EBITDA	7,936,359	9,484,683	9,390,393	10,091,238
Depreciation	3,252,906	3,758,428	4,035,462	4,244,572
EBIT	4,683,454	5,726,255	5,354,930	5,846,665
Fair value gain on Investment Property	575,334	355,766	332,650	354,826
Interest Expense	1,270,767	1,626,898	1,888,829	2,132,399
Profit before Income Tax	3,988,021	4,455,123	3,798,751	4,069,092
Income Tax Expense	1,204,662	1,489,393	1,137,611	1,285,498
Net Profit after Tax	2,783,359	2,965,729	2,661,140	2,783,594

Hawke's Bay Airport acknowledges that the world and domestic economies are impacted by continued high interest rates and inflation, coupled with other worldwide events (wars and extreme climate related events). While we remain confident in being able to deliver our targets, we expect customer propensity to spend disposable income on air travel will continue to have an impact into FY2025.

We will ensure our shareholders are provided with regular updates of actual and projected results as they come to hand.

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Hawke's Bay Airport Limited

Prospective Summary Statement of Financial Position

July 2023 - June 2027

	Jul 23 - Jun 24 Actual/Proj	Jul 24 - Jun 25	Jul 25 - Jun 26	Jul 26 - Jun 27
Current Assets				
Cash and cash equivalents	500,000	500,000	500,000	500,000
Trade Receivables	1,499,920	1,784,208	1,791,783	1,891,345
Derivatives	45,064	15,761	3,069	299
Total Current Assets	2,044,984	2,299,969	2,294,851	2,391,644
Non Current Assets				
Plant and equipment	71,315,392	77,940,204	84,369,172	90,022,970
Investment property	16,150,839	16,612,139	17,106,533	17,724,322
Other Non-Current Assets	150,331	52,577	10,237	997
Total Non Current Assets	87,616,562	94,604,921	101,485,942	107,748,288
TOTAL ASSETS	89,661,547	96,904,890	103,780,793	110,139,932
Current Liabilities				
	1,578,301	1,722,293	1,766,859	1,812,583
Non Current Liabilities				
Total Debt	24,065,456	28,246,386	32,487,661	36,078,229
Other Non Current Liabilities	7,089,052	7,147,751	7,202,638	7,259,158
Total Non Current Liabilities	31,154,508	35,394,137	39,690,298	43,337,387
TOTAL LIABILITIES	32,732,810	37,116,430	41,457,157	45,149,970
	1,578,301			
NET ASSETS	56,928,737	59,788,460	62,323,636	64,989,962
Capital and Reserves				
Share Capital	13,789,155	13,789,155	13,789,155	13,789,155
Reserves	18,409,574	19,603,568	20,777,604	22,060,336
Retained Earnings	24,730,008	26,395,737	27,756,877	29,140,471
TOTAL EQUITY	56,928,736	59,788,459	62,323,635	64,989,961

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Hawke's Bay Airport Limited

Prospective Summary Statement of Cashflows

July 2023 - June 2027

	Jul 23 - Jun 24 Actual/Proj	Jul 24 - Jun 25	Jul 25 - Jun 26	Jul 26 - Jun 27
Cash flows from operating activities				
Cash was provided from:				
Revenues	13,369,520	15,221,332	15,563,871	16,337,126
	13,369,520	15,221,332	15,563,871	16,337,126
Cash was disbursed to:				
Suppliers and employees	(5,217,598)	(5,876,945)	(6,136,487)	(6,299,726)
Interest Paid	(761,715)	(1,499,842)	(1,833,796)	(2,120,389)
Income Tax Paid	(2,161,690)	(1,430,695)	(1,082,725)	(1,228,978)
	(8,141,003)	(8,807,481)	(9,053,008)	(9,649,093)
Net Cash Flows from Operating Activities	5,228,517	6,413,851	6,510,863	6,688,033
	-	-	-	-
Cash flows from investing activities				
Cash was provided from:				
Sales of fixed assets	-	-	-	-
	-	-	-	-
Cash was disbursed to:				
Capital Works	(6,524,532)	(9,294,781)	(9,452,138)	(8,878,601)
Investments	-	-	-	-
	(6,524,532)	(9,294,781)	(9,452,138)	(8,878,601)
Net Cash Flows from Investing Activities	(6,524,532)	(9,294,781)	(9,452,138)	(8,878,601)
	-	-	-	-
Cash flows from financing activities				
Cash was provided from:				
Borrowings received	1,065,456	4,180,930	4,241,275	3,590,568
	1,065,456	4,180,930	4,241,275	3,590,568
Cash was disbursed to:				
Borrowings repaid	-	-	-	-
Dividends	-	(1,300,000)	(1,300,000)	(1,400,000)
	-	(1,300,000)	(1,300,000)	(1,400,000)
Net Cash Flows from financing Activities	1,065,456	2,880,930	2,941,275	2,190,568
Opening Cash	730,559	500,000	500,000	500,000
Net Increase in Cash and Cash Equivalent	(230,559)	-	-	-
Closing cash and cash equivalents	500,000	500,000	500,000	500,000

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CAPITAL EXPENDITURE

Whakapaunga pūrawa

Hawke's Bay Airport continues to invest in its infrastructure in line with passenger numbers, asset management condition assessments, Civil Aviation Authority security requirements and the Ministry of Transport. While we continue to identify opportunities to further diversify our non-aeronautical revenue streams, the key capital focus remains on positioning the airport to be fit for the future. This means undertaking workstreams that support resilience and climate change, but also embracing opportunities to transform our site through technology enhancements. Capital expenditure is based on what we know now and could be subject to change.

Capital expenditure programmes will be presented to the Board when supported by a robust business case and funding capability.

Budgeted capital expenditure is summarised in the table below. Long-term capital expenditure associated with the aeronautical infrastructure is provided for as per the long-term maintenance plan, prepared and updated annually by Aecom Limited.

Hawke's Bay Airport Limited

Prospective Summary of Capital Expenditure

July 2023 - June 2027 (Nominal \$)

	Jul 23 - Jun 24 Actual/Proj	Jul 24 - Jun 25	Jul 25 - Jun 26	Jul 26 - Jun 27
Aviation	3,910,862	3,549,741	2,248,609	4,995,578
Commercial	829,756	1,310,778	1,339,047	2,135,354
Property	25,925	105,981	162,152	275,658
Business Park	934,641	805,459	1,108,036	1,361,749
Other	1,510,657	3,544,018	4,648,344	330,789
Total Capital Expenditure	7,211,842	9,315,977	9,506,188	9,099,127

Prospective Capital Expenditure By Classification

	Jul 23 - Jun 24 Actual/Proj	Jul 24 - Jun 25	Jul 25 - Jun 26	Jul 26 - Jun 27
Growth	495,639	874,347	1,205,326	3,462,260
Digital Transformation	68,276	185,467	189,177	137,829
Safety & Compliance	5,183,145	6,320,095	6,140,246	1,654,607
Resilience	1,267,752	1,671,115	1,452,554	2,603,972
Reliability	20,740	105,981	432,404	1,240,459
Green Energy	176,290	158,972	86,481	-
Total Capital Expenditure	7,211,842	9,315,977	9,506,188	9,099,127

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ACCOUNTING POLICIES

Ngā kaupapahere mahi kaute

The accounting policies adopted by Hawke's Bay Airport are consistent with New Zealand's International Financial Reporting Standards and generally accepted New Zealand accounting practices. The policies are included within Hawke's Bay Airport's annual report, which is available on the company's website: www.hawkesbay-airport.co.nz/about/company/annual-report.

DISTRIBUTIONS

Ngā tohanga

The Directors will, in consultation with shareholders, set and review the dividend policy periodically and, where fiscally prudent, recommend dividend payments that are cognisant of Hawke's Bay Airport's earnings, capital expenditure and future investment requirements.

Currently, it is proposed to resume dividends in the 2025 financial year, subject to trading conditions at the time. In the intervening period, the company will reinvest capital in core assets, and re-gear the balance sheet to support upcoming investments in airport infrastructure and resilience.

At present, the dividend policy assumes a circa 40% payment of NPAT as a dividend, but as previously noted this should remain subject to discussion with shareholders as to the suitability of this approach.

Hawke's Bay Airport places a strong focus on strategies of revenue diversification and resilience which underpin a sound foundation for revenue recovery and balance sheet growth. In addition, a key focus on digital transformation opportunities will position the airport for the future. These strategies will create enhanced financial returns and maximise value to shareholders through an appropriate balance of reinvestment and dividend.

A strong net profit after tax result is forecast for the upcoming 2023/24 financial year and subsequent periods. These forecasts are included in this SOI and are conditional on New Zealand maintaining the status quo and not being materially affected by external economic shock factors.

INFORMATION TO BE PROVIDED TO SHAREHOLDERS

Ngā kōrero ka tukuna ki ngā kaiwhaipānga

Shareholders will receive:

- An annual report including audited financial statements within three months of balance date.
- A six-monthly report including non-audited financial statements within two months of balance date.
- A quarterly report within two months of the end of each quarter.

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- A Statement of Intent submitted for shareholders' consideration in accordance with the Local Government Act 2002.
- Other interim financial reports as agreed with the shareholders.
- Reports on matters of material interest to shareholders. Shareholders will continue to be kept informed of key developments, consistent with the Crown's 'no surprises' policy.
- Hawke's Bay Airport Limited is also required to comply with the disclosure requirements of a specified airport company pursuant to the Airport Authorities (Airport Companies Information Disclosure) Regulations.

ACQUISITION PROCEDURES

Ngā tukanga hopu

The acquisition of any interest in a company or organisation will be considered to ensure it is consistent with the long-term commercial objectives of the company. Any material acquisition will be the subject of consultation with shareholders.

Major transactions as defined by the Companies Act 1993 will require shareholder approval.

COMPENSATION SOUGHT FROM LOCAL BODY SHAREHOLDERS

Kua tonoa he utu paremata i ngā kaiwhaipānga o te rohe

At the request of the shareholders, Hawke's Bay Airport may undertake activities that are not consistent with normal commercial objectives. In these circumstances, Hawke's Bay Airport may seek a specific subsidy to meet the full commercial cost of providing such activities. None are contemplated in the planning period.

ESTIMATE OF COMMERCIAL VALUE

Te matapaetanga o te wāriu arumoni

The value of shareholders' investment in Hawke's Bay Airport as at 31 December 2023 was \$53.1M.

The property, plant, equipment, and investment property (non-current assets) owned by Hawke's Bay Airport were revalued at 30 June 2023 to their current market value of \$82.1M.

Hawke's Bay Airport will continue to undertake a revaluation approach to its assets on a yearly cycle or when there has been a significant change in the market, to consider the gap between current book values of the assets and liabilities versus the commercial value of the business.

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APPENDIX A: BOARD OF DIRECTORS ROLE AND GOVERNANCE OBJECTIVES

Āpitihanga A: Te wāhi ki te Poari Ringatohu me ngā whāinga kāwanatanga

The Board has four directors, two of whom are appointed by Napier City Council and Hastings District Council and two of whom are appointed by the Crown. The Board meets regularly with Hawke's Bay Airport leadership to review the company's performance and provides quarterly, half-yearly and annual business performance reports to shareholders.

Role of the Board of Directors and governance objectives

In carrying out its principal function, the Board's specific responsibilities and objectives include:

- a) Ensuring that the company has adequate management resources to achieve its objective, to support the CEO, and has a satisfactory plan for management succession in place.
- b) Reviewing and approving the strategic, business, and financial plans prepared by management and developing a depth of knowledge of the company's business to understand and question the assumptions upon which such plans are based and to reach an independent judgement on the probability that such plans can be achieved.
- c) Reviewing and approving material transactions not in the ordinary course of the company's business.
- d) Reviewing operating information to always understand the state of health of the company.
- e) Considering management recommendations on key issues, including acquisitions and divestments, restructuring, funding, and significant capital expenditure.
- f) Approving policies and overseeing the management of strategic business risks, safety, sustainability, occupational health, and environmental issues with the following aims:
 - i. To manage risk throughout the company's operation in order to protect its shareholders, employees, assets, earnings, and reputation.
 - ii. To comply with all relevant legislation.
 - iii. To encourage employees to actively participate in the management of environmental and occupational health and safety issues.
 - iv. To employ consultants where required to raise standards or improve existing conditions.
 - v. To use energy and other resources efficiently; and
 - vi. To encourage the adoption of similar standards by the company's principal suppliers, contractors, and vendors.
- g) Approving and fostering a corporate culture which requires management and every employee to operate to the highest level of ethical and professional behaviour.
- h) Setting and monitoring adherence to major policies, including capital investment, treasury, accounting and financial, executive remuneration, and delegated authority limits.
- i) Approving the appointments by, or at the request of, the company (including its affiliates) to the boards of subsidiary and associate companies.
- j) Monitoring the company's performance against its approved strategic,

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- business, and financial plans and overseeing the company's operating results on a regular basis to evaluate whether the business is being properly managed.
- k) Ensuring ethical behaviour by the company, the Board and management, including compliance with the company's constitution, the relevant laws, and the relevant auditing and accounting principles.
 - l) Reporting to shareholders on its stewardship. Information is to be communicated to shareholders through:
 - i. The annual report, which is distributed to all shareholders. The Board is to ensure that the annual report includes relevant information about the operations of the consolidated entity during the year, changes in the state of affairs of the consolidated entity and details of future developments, in addition to other disclosures required by the Companies Act and financial reporting requirements.
 - ii. Result announcements regarding the annual, quarterly, and half-yearly results.
 - iii. Annual statement of intent.
 - iv. Media releases.
 - v. The annual meeting, and other shareholder meetings called to obtain approval for Board actions as appropriate. The company will provide notification of shareholder meetings at least 20 working days prior to the meeting and not later than 15 months after the previous meeting; and
 - vi. The company's website.
 - m) Ensuring that shareholders can easily communicate with the company, including providing shareholders with the option to receive communications electronically.
 - n) Ensuring that the company's shareholder reporting meets the requirements of the Owner's Expectation Manual which can be found on the Treasury's website
<https://treasury.govt.nz/publications/guide/owners-expectations>, including:
 - i. Ensuring that financial reporting is balanced, clear and objective. The Board should explain to shareholders how operational and financial targets are measured.
 - ii. Ensuring that the company provides non-financial disclosures to shareholders at least annually. These should consider environmental, economic, and social sustainability factors and practices.
 - iii. Ensuring that the company reports to shareholders on material risks facing the business and how these are being managed. Reporting should disclose how the company manages its health and safety risks and the performance and management of those

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risks.

- iv. Ensuring that the company discloses any internal audit functions.
- o) Select and (if necessary) replace the CEO.
- p) Assess, from time to time, its own effectiveness in carrying out these functions and the other responsibilities of the Board.