



NAPIER
CITY COUNCIL

Te Kaunihera o Ahuriri

Napier Civic Building
231 Hastings Street
t +64 6 835 7579
e info@napier.govt.nz
www.napier.govt.nz

SUSTAINABLE NAPIER COMMITTEE

Open Agenda

Meeting Date: Thursday 20 June 2024

Time: 9.30am

Venue: Large Exhibition Hall
War Memorial Centre
Marine Parade
Napier

Livestreamed via Council's Facebook page

Committee Members **Chair:** Councillor Price
Members: Mayor Wise, Deputy Mayor Brosnan, Councillors Boag, Browne, Chrystal, Crown, Greig, Mawson (Deputy Chair), McGrath, Simpson, Tareha and Taylor
Ngā Mānukanuka o te Iwi representatives – Coralee Thompson and Tiwana Aranui

Officers Responsible Executive Director Infrastructure Services

Administration Governance Team

Next Sustainable Napier Committee Meeting
Thursday 1 August 2024

2022-2025 TERMS OF REFERENCE - SUSTAINABLE NAPIER COMMITTEE

<i>Chairperson</i>	<i>Councillor Price</i>
<i>Deputy Chairperson</i>	<i>Councillor Mawson</i>
<i>Membership</i>	<i>Mayor and Councillors (13)</i> <i>Ngā Mānukanuka o te Iwi (Māori Committee) (2)</i>
<i>Quorum</i>	<i>8</i>
<i>Meeting frequency</i>	<i>At least 6 weekly (or as required)</i>
<i>Officer Responsible</i>	<i>Executive Director Infrastructure Services</i>

Purpose

To provide governance oversight of the asset management and operation of Council's infrastructure by making decisions on strategy, policy and levels of service in respect to:

- a) Transportation assets
- b) Three Waters
- c) Waste management and minimisation
- d) Building asset management
- e) Parks, reserves and sportsgrounds
- f) Cemeteries
- g) The inner harbour

Delegated Powers to Act

To exercise and perform Council's functions, powers and duties within its area of responsibility, excluding those matters reserved to Council by law or by resolution of Council, specifically including the following:

1. To review and adjust relevant work programme priorities within agreed budgets, activity management plans and levels of service as per Council's Long Term Plan.
2. To consider matters related to the management of Council's physical assets, and service related projects and facilities.
3. To oversee the management of all Council's physical assets.
4. To adopt or amend policies or strategies related to the Committee's area of responsibility, provided the new or amended policy does not conflict with an existing policy or strategy.
5. To consider any reports from infrastructure related joint committees and business units.
6. To resolve any other matters which fall outside the area of responsibility of all Standing Committees, but where the Mayor in consultation with the Chief Executive considers it desirable that the matter is considered by a Standing Committee in the first instance.

Power to Recommend

The Committee may recommend to Council and/or any standing committee as it deems appropriate.

The Committee may make a recommendation to the Annual Plan or Long Term Plan relevant to the Committee's responsibilities.

The Committee must make a recommendation to Council or the Chief Executive if the decision considered appropriate is not consistent with, or is contrary to, any policy (including the Annual Plan or Long Term Plan) established by the Council.

ORDER OF BUSINESS

Karakia

Apologies

Councillor Boag

Conflicts of interest

Public forum

Nil

Announcements by the Mayor

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

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

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

Announcements by the management

Confirmation of minutes

That the Minutes of the Sustainable Napier Committee meeting held on Thursday, 16 May 2024 be taken as a true and accurate record of the meeting.26

Agenda items

- 1 Unison Easement - Taradale Clock Tower Reserve5
- 2 Meeanee Awatoto Watermain10
- 3 Bay View Water Main Pipeline Leak and Repair Update.....12
- 4 Amendment to 2024 Meeting Schedule of Standing Committee and Council Meetings..14
- 5 Local Water Done Well - Regional Recovery Agency Terms of Reference16

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

Recommendation to Exclude the Public.....25

AGENDA ITEMS

1. UNISON EASEMENT - TARADALE CLOCK TOWER RESERVE

<i>Type of Report:</i>	Legal and Operational
<i>Legal Reference:</i>	Reserves Act 1977
<i>Document ID:</i>	1766612
<i>Reporting Officer/s & Unit:</i>	Bryan Faulknor, Manager Property Tania Diack, Team Leader Open Spaces

1.1 Purpose of Report

To seek Council's approval to the granting of an easement in favour of Unison Networks Limited for electrical installations in the Taradale Clock Tower Reserve.

Officer's Recommendation

The Sustainable Napier Committee:

- a. **Approve**, as administering body, the granting of an easement, pursuant to Section 48 of The Reserves Act 1977, in favour of Unison Networks Limited for electrical installations and work in the Taradale Clock Tower Reserve.
- b. **Approve**, in exercise of the Ministerial consent (under delegation from the Minister of Conservation) the granting of the above easement.

1.2 Background Summary

Unison have requested Council's approval to install a new 11kV electrical cable under the Taradale Clock Tower Reserve along the northern boundary. Additionally, the opportunity is being taken to formalise an existing, LV cable and existing Hi-Ped and Switch in the new easement documentation.

The new work is required to increase the reliability of the network.

The Taradale Clock Tower Reserve is a Recreation Reserve vested in Council pursuant to the Reserves Act 1977. As such Council has to comply with the requirements of the Act.

S48 of the Act allows the granting of easements; however, this requires the consent of the Minister of Conservation. The Ministers power in this case is delegated to Council. This power is not delegated to Management but to the Governing body of Council.

Hence the requirement for the resolution of Council to approve the easement.

1.3 Issues

There is a requirement to give public notice, however this is not required where the Reserve is not likely to be materially altered or permanently damaged; and the rights of the public in respect of the reserve are not likely to be permanently affected.

As mentioned, there is an existing LV cable buried at 600mm, Unison will stay within the same cable alignment as the existing cables going through the reserve, but at a depth of 1000mm. The ducting will be installed using a directional drill. Excavation will only be required for entry and exit holes for the drill. Unison will reinstate the grounds back to existing conditions once the work is complete.

It is considered therefore that the electrical installations will not materially alter or permanently damage the reserve and the rights of the public are not likely to be permanently affected and therefore no public notification is required.

1.4 Significance and Engagement

As mentioned above public notification is deemed not required in this instance.

1.5 Implications

Financial

There will be no financial cost to Council. Unison will also meet the costs associated with the creation of the easement and Council's Solicitors costs.

Social & Policy

N/A

Risk

There is no risk to Council.

1.6 Options

The options available to Council are as follows:

- a. To approve the granting of the easement as outlined above.
- b. To decline the granting of the proposed easement.

1.7 Development of Preferred Option

Option a. is the preferred option.

As mentioned, the new work is required to increase the reliability of the network. The proposed cable route is the most sensible in terms of disruption to the surrounding area and follows an existing cable. In addition, it is prudent to formalise existing electrical installations at this time in the same easement documentation.

1.8 Attachments

- 1 Maps and Drawings showing Reserve and Easement Area (Doc Id 1767079) [↕](#)



Napier Maps

The information displayed is schematic only and serves as a guide. It has been compiled from Napier City Council records and is made available in good faith but its accuracy or completeness is not guaranteed. Cadastral Information has been Sourced from LINZ Data Service and licensed by LINZ for re-use under the Creative Commons Attribution 4.0 New Zealand license. CROWN COPYRIGHT RESERVED. © Copyright Napier City Council

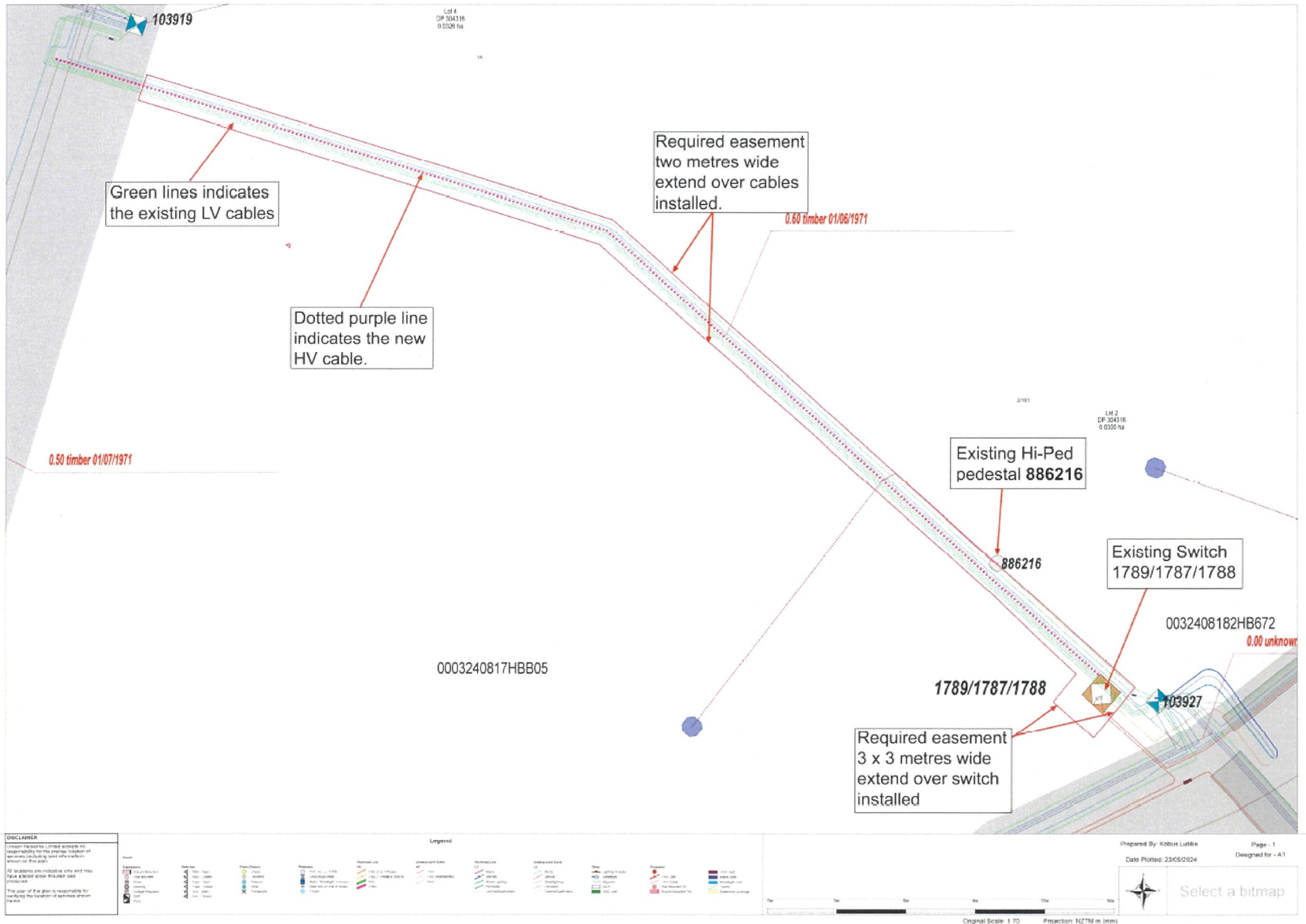
5/06/2024 2:19 PM
Original Sheet Size: A4
NZGD 2000 New Zealand
Scale: 1:564
0 5 10m



Project 204486
Drawing: 2

Page 3 of 7

23/05/2024



Project 204486

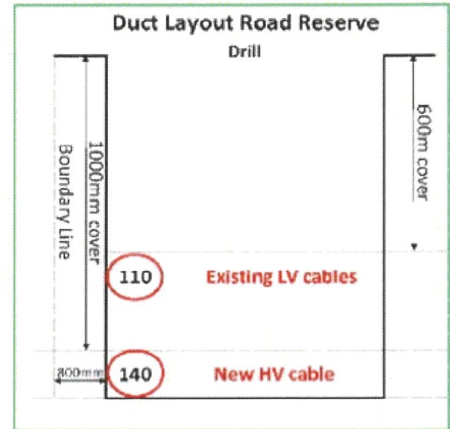
Drawing.3

Page 4 of 7

23/05/2024



The excavated exit hole for the drill will be on the other side of Avondale Road. Direction of drilling will be from Gloucester Street to Avondale Road.



Prepared By: Kobus Lubbe Page - 1
 Date Plotted: 05/04/2024 Designed for: A1

Select a bitmap

2. MEEANEE AWATOTO WATERMAIN

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1766442
<i>Reporting Officer/s & Unit:</i>	Anoop Mathew, 3 Waters Technical Development Engineer

2.1 Purpose of Report

To provide a brief update on Meeanee Awatoto Watermain Project.

Officer's Recommendation

The Sustainable Napier Committee:

- a. **Receive** the report titled "Meeanee Awatoto Watermain" dated 20 June 2024

2.2 Background Summary

The Meeanee and Awatoto Watermain project is a combination of the following two projects:

Meeanee Extension

The Napier City Council (NCC) facilities in Meeanee - the Meeanee Community Hall, Meeanee Indoor Sports Facility and Meeanee School and Kindergarten are currently supplied with water from an existing groundwater bore. The small water supply currently does not comply with the New Zealand Drinking Water Standards (NZDWS). This water supply will be replaced with pipeline connection to existing NCC water reticulation. The Meeanee Extension is a Water Reform funded project.

Awatoto Loop

The Awatoto loop is an extension of the southeast end of the existing water supply network. This loop will supply a proposed industrial area near Awatoto Road and the existing properties along Te Awa Avenue and Phillips Street that are currently not connected to the reticulation network, linking around to connect into Eriksen Road water mains at Cross Country Drain. A bore at Phillips Street currently supplies water to the residential properties around Phillips Street. The small water supply currently does not comply with the New Zealand Drinking Water Standards (NZDWS). The Awatoto Loop is funded via Council's Annual Plan.

Sandy Road Extension

The Sandy Road extension aims to provide a water supply to the Meeanee Speedway. The current small water supply does not meet the New Zealand Drinking Water Standards (NZDWS). This will be rectified by replacing it with a pipeline connected to the existing NCC water reticulation system.

2.3 Issues

No Issues

2.4 Significance and Engagement

N/A

2.5 Implications

Financial

The project is within the budget. No financial implication anticipated.

Social & Policy

N/A

Risk

N/A

2.6 Options

N/A

2.7 Development of Preferred Option

N/A

2.8 Attachments

Nil

3. BAY VIEW WATER MAIN PIPELINE LEAK AND REPAIR UPDATE

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1766479
<i>Reporting Officer/s & Unit:</i>	Philip Kelsen, Manager Water Strategy

3.1 Purpose of Report

To provide an update on the repair of the Bay View water main leak.

Officer's Recommendation

The Sustainable Napier Committee:

- a. **Receive** the report titled "Bay View Water Main Pipeline Leak and Repair Update" dated 20 June 2024.

3.2 Background Summary

A leak was discovered on the Bayview water supply pipeline from Tannery booster pumpstation on 24 April 2024. The leak was confirmed in the middle of the pipe crossing beneath the Estuary Te Whanganui a Orotu.

CCTV inspection of the pipeline also confirmed the location of the leak and showed a crack in the top of the pipeline, approximately 3m long.

Quotes were obtained with various options for repairs, including, relining, drilling a new section of pipe under the estuary, and slip lining a smaller pipe inside the existing pipe. Slip lining was chosen as it was quicker to implement, and cheaper the other options.

The new welded section of pipe was pulled through the existing pipe on 31 May 2024 intending for pipeline pressure tested and disinfected the week following. Connection to the existing network, flushing, microbiological testing, and return to service planned for the week of 17 June 2024.

3.3 Issues

The location of the break in the pipeline limited the options for repair, increasing the complexity, and the cost.

3.4 Significance and Engagement

N/A

3.5 Implications

Financial

N/A

Social & Policy

N/A

Risk

An environmental impact assessment was conducted immediately when the leak was discovered and in the following weeks. Impacts were found to be minimal.

3.6 Options

The options available to Council are as follows:

Receive the report.

3.7 Development of Preferred Option

N/A

3.8 Attachments

Nil

4. AMENDMENT TO 2024 MEETING SCHEDULE OF STANDING COMMITTEE AND COUNCIL MEETINGS

Type of Report:	Procedural
Legal Reference:	Local Government Act 2002
Document ID:	1768056
Reporting Officer/s & Unit:	Anna Eady, Team Leader Governance

4.1 Purpose of Report

The purpose of this report is to consider an amendment to the 2024 schedule of Standing Committees and Council meetings, which was adopted on 12 October 2023.

Officer's Recommendation

The Sustainable Napier Committee:

- a. **Adopt** the following amendment to the 2024 meeting schedule:

Community Services Grants Subcommittee	Date change	Previously: 1 July 2024
		Proposed: 9.30am, 9 July 2024

4.2 Background Summary

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

- ...
- (4) *A local authority must hold meetings at the times and places that it appoints.*
- (5) ...
- (6) *If a local authority adopts a schedule of meetings -*
- a) *the schedule-*
 - i) *may cover any future period that the local authority considers appropriate,*
 - and*
 - ii) *may be amended; and*
 - b) *notification of the schedule or of any amendment to that schedule constitutes a notification of every meeting to the schedule or amendment.*

Council must hold the ordinary meetings as scheduled but may amend the meetings schedule to enable business to be managed in an effective way. Although staff attempt to meet Council's needs in planning the schedule, it is inevitable that Council will need to amend the schedule from time to time. If approved, the proposed amendment will be notified to elected members via the Councillor diary.

While the schedule serves to give elected members notice of the upcoming meetings, there is still a requirement under the Local Government Official Information and Meetings Act 1987 for the public to be advised on a regular basis of the meetings scheduled for the next month.

The schedule includes council meetings and the meetings of all committees, not only so that members can plan ahead, but also to ensure that meeting days are in fact available. If a scheduled meeting is not required, officers will advise members of the cancellation as early as possible.

It is proposed that the meeting schedule be amended as follows:

- Move the Community Services Grants Subcommittee meeting from 1 July 2024 to 9.30am, 9 July 2024 due to the late notification of the assessment round to allow additional time for the Committee members to assess the applications.

4.3 Issues

No issues have been identified with this report.

4.4 Significance and Engagement

The amendment to the meeting schedule does not trigger the Significance and Engagement Policy or any other consultative requirements.

4.5 Implications

Financial

There no additional costs for this rescheduled meeting.

Social & Policy

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

Risk

Changes to the meeting schedule can result in difficulty finding a suitable venue and increased costs.

4.6 Options

The options available to Council are as follows:

- a. To amend the 2024 meeting schedule as proposed.
- b. Not to amend the 2024 meeting schedule as proposed.

4.7 Development of Preferred Option

If the proposed changes to the meeting schedule are adopted as outlined in the recommendations of this report the Governance Team will make the appropriate changes to the meeting schedule and notify the members and staff of the change.

4.8 Attachments

Nil

5. LOCAL WATER DONE WELL - REGIONAL RECOVERY AGENCY TERMS OF REFERENCE

<i>Type of Report:</i>	Contractual
<i>Legal Reference:</i>	Enter Legal Reference
<i>Document ID:</i>	1766079
<i>Reporting Officer/s & Unit:</i>	Andrew Lebioda, Manager Water Reforms Transition

5.1 Purpose of Report

The purpose of this report is to recommend that Council adopts the “Terms of Reference for Hawke’s Bay Water” (the Terms of Reference). The Terms of Reference are set out in Attachment 1.

Officer’s Recommendation

The Sustainable Napier Committee:

- a. Adopt the Terms of Reference as set out in Attachment 1. With its adoption council will:
 - i. **Endorse** the hiring of a Project Manager within the Regional Recovery Agency (RRA).
 - ii. **Endorse** the use \$500,000 of Council Funds toward the deliverables outlined in the Terms of Reference. Of this, \$329,500 (plus GST) of Local Water Done Well Support Package Funding Agreement (previously Council Transition Support) will be used.
 - iii. **Support** the process through engagement with mana whenua and providing expertise from council officers to the process.
 - iv. **Note** that as legislation progresses, and further Government policy is released, the Terms of Reference may need to be altered to suit.

5.2 Background Summary

Central Government has introduced the second of three Bills that implement Local Water Done Well (LWDW). Prior to this second bill, the first Bill, passed in February 2024, repealed the previous Government’s water services legislation and restored continued council ownership and control of water services. The final legislation is expected to be introduced in December 2024. However, policy decisions relating to this final bill are expected to be announced early in the second half of this year.

This second Bill (the Local Government (Water Services Preliminary Arrangements) Bill) establishes the framework for local government to manage and deliver water services. This is currently with select committee and is anticipated to be passed in August 2024. Key areas of the Bill include:

- Requiring councils (either individually or collectively) to develop Water Services Delivery Plans (WSDP) by mid-2025.
- Providing baseline information about water services operations, assets, revenue, expenditure, pricing, and projected capital expenditure.

- Providing specific consultation and decision-making processes that Territorial Authorities (TAs) may use to establish, join, or amend Council Controlled Organisations (CCOs) that will deliver water services.

Under the LWDW legislative requirements, Hawke's Bay Councils will need to go through the process of determining whether there is appetite, supported by a feasible business case, for establishing a regional water services entity in a way that best services Hawke's Bay's communities. Delivering a joint WSDP is likely to be contributory work to a decision on a joint water services entity.

Recognising that the existing cross-council coordination function the Regional Recovery Agency (RRA) serves it has been agreed by Wairoa District Council, Napier City Council, Hastings District Council, and Central Hawke's Bay District Council that the RRA take on the role of coordinating the region's approach to LWDW.

The Terms of Reference set out the detail of this proposed arrangement. This covers the objectives and scope, approach the RRA will take, information on the team, oversight and reporting, deliverables, timeline, and budget.

It is intended that the work will be funded by the councils using remaining Three Waters Transition Funding and, in some cases, Better Off Funding previously allocated or set aside for Council use. At this stage funding of \$1.33m (spread across the four councils) has been identified for the project work.

The focus of this work will be to enable a decision on whether to pursue a joint water services entity for Hawke's Bay.

Adopting the Terms of Reference does not lock the Council into proceeding with a joint Water Services Entity for Hawke's Bay. The work to be completed under the Terms of Reference will enable councils to make properly informed decisions about a joint Water Services Entity and, as importantly, how to address requirements on councils under the LWDW framework.

5.3 Issues

Council Officers have limited capacity to take on the level of effort required to complete the WSDP by the targeted date of mid-2025. External capacity is being investigated to support Council Officers, however, without funding assistance from Central Government there is limited budget to enable this.

Coordinating all four councils adds another layer of complexity and could pose issues to completing the WSDP.

5.4 Significance and Engagement

As per the Significance and Engagement Policy the outcome of this activity is of high significance and would need to involve community as a minimum. This consultation process will be ongoing as the business case and Water Services Delivery Plan are being established. It should be noted that the Terms of Reference outline that a public engagement strategy is a key deliverable.

5.5 Implications

Financial

By adopting the Terms of Reference council is committing to directing \$500,000 of funding to the RRA. Of this, \$329,500 (plus GST) will be covered by the LWDW Support Package.

Further expenditure may arise outlined in the risk section below.

Social & Policy

The potential establishment of a regional water services entity would have a significant impact on much of the water services policies that currently exist with Council. These changes will be addressed and discussed further in the subsequent business case/joint WSDP to be delivered.

Risk

There is a risk that the funding outlined in section 8 of the Terms of Reference is insufficient to cover the entire scope of the proposed arrangement. Certain aspects, such as public communication/consultation, may be on individual councils to fund.

5.6 Options

The options available to Council are as follows:

- a. Adopt the Terms of Reference as set out in Attachment 1
- b. Refuse to adopt the Terms of Reference

5.7 Development of Preferred Option

Development of the preferred option is reliant on the resolution of all four council's adoption of the Terms of Reference. If all councils adopt the Terms of Reference, the next steps will be the

- 1) Publicly announce the agreement of the four Councils to undertake this initial programme of work
- 2) Recruit a Project Manager to undertake the programme of work set out in the Terms of Reference

If one or more councils determine not to adopt the Terms of Reference, councils will need to determine how best to proceed to meet emerging requirements on them under the LWDW framework.

5.8 Attachments

- 1 Terms of Reference - Hawke's Bay Water (Doc Id 1767972) [↓](#)

Docx Id 1767972

Draft Terms of Reference – Hawke’s Bay Water

1. Background

There are significant challenges ahead for the delivery of water services. Ageing infrastructure, demands from growth, resilience challenges, the face of climate change and natural disasters, and increasing environmental standards signal increasing investment requirements. Alongside this, Hawke’s Bay councils are committed to working together with mana whenua to ensure that te mana o te wai is at the centre of decision-making on water. The region wants to address these challenges and aspirations in the most cost-effective manner for residents.

The Government has released the first set of policies on the delivery of local water infrastructure and services. These policies and legislative changes establish the Local Water Done Well (LWDW) framework and the transitional arrangements for a new water services system for New Zealand.

Under the LWDW legislation, councils (either individually or collectively) will be required to develop Water Services Plans by mid-2025, as well as take decisions around a future model of water service delivery for their communities. Further information on the policy detail, and the policy areas expected to be included in future legislation is available on the [DIA website](#).

Hawke’s Bay Councils will need to go through the process of determining whether there is appetite, and a feasible business case, for establishing some form of regional water service entity – with a focus on implementing LWDW in a way that best serves Hawke’s Bay communities. Work on a joint Water Services Plan is likely to be contributory work to a decision on a joint water services entity.

In recognition of the existing cross-council coordination function of the Regional Recovery Agency (RRA), it has been agreed between Wairoa District Council, Napier City Council, Hastings District Council and Central Hawke’s Bay District Council that the RRA will take on the role of coordinating the region’s approach to LWDW with a focus on enabling a decision by councils on whether to pursue a joint water services entity.

This Terms of Reference sets out the detail of this arrangement, covering the objectives and scope of the work, the approach the RRA will take, oversight and reporting, as well as information on the team, their deliverables, timetable and budget.

2. Objectives and scope

The objectives of this work are to:

- Provide central coordination across the four councils of the work on future water services delivery in the Hawke’s Bay region in the context of the LWDW policy and legislative framework
- Support engagement with mana whenua, agencies and other stakeholders.

Docx Id 1767972

- Provide a primary point of contact with central government, representing local connections and context
- Facilitate the work on LWDW to a critical decision-making point for the Hawke's Bay region – specifically, to enable the four Councils to take a decision on whether to pursue a regional model for water services delivery

Decision-making, specifically on how to implement LWDW, is not in scope of this work. By law, decision-making responsibility sits with the Councils, who will consider decisions following engagement with mana whenua, and subject to the usual legislative requirements around process, engagement and decision making.

3. Approach

The RRA will act as an independent programme manager, facilitator and central point of connection between the Councils and partners, supporting the decision-making process around whether to pursue some form of regional water services entity.

This will involve implementing key tasks:

- Developing the work programme for evaluation and assessment of options and material to inform decision-making, including the development of a business case
- Delivering programme management the work programme, including development of effective plans, processes, budgeting, reporting and monitoring of risks and issues
- Identifying and supervising workstreams, key milestones and immediate gateways to decision-making
- Ensuring the decision-making process meets the requirements of all stakeholders involved and draws extensively on expertise from council officers and mana whenua
- Facilitating engagement with councils, mana whenua, government agencies and other stakeholders to foster collaboration and consensus
- Supporting the Councils (particularly Mayors) as appropriate to engage with mana whenua partners on development of the work.
- Serving as the key point of contact and regional advocate with central government regarding LWDW policy development and implementation, including ensuring alignment of regional initiatives with evolving policy frameworks
- Managing and administering the budget allocated for this work, including engaging consultants as required

4. Team

A Project Manager will be appointed, with the agreement of the four councils, to provide programme management, planning and advice to the senior leadership of the RRA and across the Chief Executives and nominated senior executives of the four collaborating councils. The Project Manager will report to the Chief Executive of the RRA.

Docx Id 1767972

The Project Manager will be supported by a small team appropriate to the extent of the work programme. These staff/contractors will be in addition to existing RRA staff, so as not to detract from the core work of the recovery. There will also be external support on specific tasks, such as modelling, which will be managed through appropriate procurement processes.

The team will also engage, along with appropriate Council personnel, with key interested/supporting parties such as Standard and Poor's (S&P) and the Local Government Funding Agency (LGFA).

5. Oversight and Reporting

There will be frequent and open lines of communication between the RRA and Wairoa District Council, Napier City Council, Hastings District Council and Central Hawke's Bay District Council.

The Councils will receive fortnightly written reports on the work, covering progress, matters for discussion/decision, and upcoming milestones.

At key moments in the work, the Council Chief Executives and Mayors will be presented with a series of smaller decision-making gateways to ensure the work does not pursue pathways not endorsed at a council governance level.

The RRA Board will also provide a level of governance oversight of the RRA's work as a part of the Board's broader governance role over the organisation, noting that the councils are the clients and decision makers in respect of the work.

The Project Manager will be responsible for managing the budget allocated to this work and will include regular updates on expenditure as part of this reporting. This work will be overseen by the Chief Executive and Deputy Chief Executive of the HB Regional Recovery Agency.

6. Deliverables

The deliverables for this work include:

- Engagement of project management capability
- Engagement of S&P to conduct a Rating Evaluation Service, and other technical/expert consultants where required (possibly in conjunction with Government)
- Design and coordination of immediate gateways in decision making, in collaboration with council officers and mana whenua
- Regular reporting for the four councils and the RRA Board
- Council-by-council workshops
- A public engagement strategy
- Development of a Business Case to support Council's ultimate decision making and consultation
- Work to support the development of Water Service Delivery Plan(s).

Docx Id 1767972

Note that each council will be responsible for undertaking their own post-Business Case evaluation.

7. Timeline

Under LWDW, councils will be required to develop Water Service Delivery Plans by mid-2025 (12 month following assent of the Local Government (Water Services Preliminary Arrangements) Bill (the Bill)). In order to meet that deadline, the four Councils will need to take early decisions on whether a joint approach will be taken to developing the Plan.

Further specific detail and timeframes of the Government's policy will be released in the coming weeks and months as DIA provides further guidance on the water service delivery plan requirements following the Bill's enactment, and the policy decisions for the enduring settings for the new system are announced. The councils' work programme will respond to this emerging detail.

In the context of what is currently known about LWDW, the following is a high-level programme of work:

Stage 1: June-August 2024

- Formalise staffing arrangements, including recruitment of a project manager
- Confirm funding support from DIA for this work
- Initial design of work programme, with a focus on gateways to decision-making (to be finalised on the enactment of Transitional Provisions legislation and announcement of further policy decisions by central government in mid-2024)
- Develop a stakeholder engagement plan, with an immediate focus on council-by-council workshops, and mayoral engagement with PSGEs
- Develop an initial communications plan to bring the public on the journey on the need for water reform
- Engage with central government on the Transitional Provisions legislation, including through the select committee process (expected to be enacted by August 2024)
- Engage with central government on the detail of Water Services Delivery Plans (guidance expected in August 2024)
- Commence work on drafting a joint Water Services Delivery Plan, including working with the four Councils to consolidate all of the information required from each on their water services (as set out in Section 11 of the Bill).
- Engage credit rating agency S&P to conduct a Ratings Evaluation Service analysing how various options for governance, shareholding and operational decision-making of a regional entity will be viewed by S&P. This will have particular regard to the question of whether and how a regional water entity would gain balance sheet separation from the Councils, the impact on existing Council's credit ratings, and the impact this might have on Council balance sheets (as well as the entity's ability to source financing). This will include analysis of how transitional and draft legislation might contribute to balance sheet separation, for example the roles and requirements of a new water services regulator.

Docx Id 1767972

- Engage with LGFA on its views around the financing of water services entities and the effect the creation of an entity would have on the Councils' ability to borrow if an entity were established.

Stage 2: September-December 2024

- Continue with the work programme and stakeholder engagement, with the focus being on the (approximate) end of year deadline for councils to inform DIA on whether they will be submitting an individual or joint Plan
- Develop analysis and recommendations to the Councils on a joint water services entity
- Develop and agree a consistent methodology for 3 waters asset valuations and undertake revaluations across the 4 councils' water assets.
- Engage with central government on the policy detail of the Local Government Water Services Bill (due to be introduced in December 2024)

Stage 3: January-August 2025 – *if joint approach to Plan agreed*

- Draft joint Hawke's Bay Water Services Delivery Plan
- Finalise Business Case – the case for change – to support Council decision making on whether to establish a joint water services entity
- Dependent on council decision-making, undertake public engagement on proposed joint water services entity
- Engage with central Government on the Local Government Water Services Bill, including through the select committee process (expected to be enacted by mid-2025)
- August 2025 (approximate) deadline for councils to submit final Plan to DIA

8. Budget

The RRA will utilise non-recovery funding to support the programme through funding from the four Councils. Funding is being utilised from currently unspent and previously allocated Transition Funding and other funding through the DIA. Funding commitments are as follows:

	TSP – total remaining
Wairoa	\$165k
Napier	\$500k
Hastings	\$500k
CHB	\$165k
TOTAL	\$1.33M

The funding will be held by Hastings District Council on behalf of the councils.

Docx Id 1767972

Indicative allocation of the funding is expected to cover:

- Engagement of analytical and programme management capability to sit within the RRA (\$326k)
- Resource the RRA in a programme coordination capacity (\$81.5k)
- Ensure expert input from councils by making funding available to backfill responsibilities or engage consultants to help with data provision and analysis (\$205k)
- Financial support for engagement and co-design with partners (\$190k)
- Fund the Rating Evaluation Service process to understand the optimum design of a would-be entity for balance sheet separation and access to lending (\$136k)
- Resource support from expert consultants (e.g. legal, economic and modelling, change management) (\$272k)
- Begin a public communications and engagement activity (for pre-engagement and socialisation to get to the point of decision-making) (\$122.5k)

RECOMMENDATION TO EXCLUDE THE PUBLIC

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

AGENDA ITEMS

1. IAF P170 Agreement Variation Update

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

General subject of each matter to be considered.	Reason for passing this resolution in relation to each matter.	Ground(s) under section 48(1) to the passing of this resolution.
1. IAF P170 Agreement Variation Update	7(2)(i) Enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	48(1)(a) That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.

SUSTAINABLE NAPIER COMMITTEE

Open Minutes

Meeting Date: Thursday 16 May 2024

Time: 9.30am – 10.07am

Venue Chapman Room
Level 1, Chapman Pavilion
Latham Street
Napier

Livestreamed via Council's Facebook page

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

In Attendance Executive Director Infrastructure Services (Russell Bond)
Deputy Chief Executive / Executive Director Corporate Services (Jessica Ellerm)
Executive Director City Strategy (Rachael Bailey)
Excutive Director Community Services (Thunes Cloete)
3 Waters Programme Planner (Andrew Lebioda)
Acting Director Programme Delivery (Jamie Goodsir)

Administration Governance Advisors (Carolyn Hunt and Jemma McDade)

SUSTAINABLE NAPIER COMMITTEE – Open Minutes

TABLE OF CONTENTS

Order of Business	Page No.
Karakia.....	3
Apologies	3
Conflicts of interest.....	3
Public forum.....	3
Announcements by the Mayor.....	3
Announcements by the Chairperson.....	3
Announcements by the management	3
Confirmation of minutes	3
Agenda Items	
1. Fast-Track Approvals Bill - 3 Waters Projects for Schedule 2 Inclusion.....	4
2. Local Water Done Well - Policy Announcements regarding the next tranche of Legislation.....	4
3. Capital Programme Delivery.....	5
Minor matters	5

ORDER OF BUSINESS

Karakia

The meeting opened with the Council karakia.

Apologies

Councillors Crown / Browne

That the apology from Tiwana Aranui (Ngā Mānukanuka o te Iwi) be accepted.

Carried

Ngā Mānukanuka o te Iwi representative – Coralee Thompson did not attend the meeting.

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

Debate - Youth Council -v- Napier City Councillors will take place on Monday, 20 May 2024 at 6.00pm in the MTG Century Theatre, Napier, with the topic to be debated “Social Media has fuelled Excessive Climate Anxiety”. The reigning champion debating team of 2023 consisted of Mayor Wise, Councillors Crown and Price.

Announcements by the Chairperson

Nil

Announcements by the management

Nil

Confirmation of minutes

Councillors Tareha / McGrath

That the Minutes of the Sustainable Napier Committee meeting held on 11 April 2024 were taken as a true and accurate record of the meeting.

Carried

AGENDA ITEMS

1. FAST-TRACK APPROVALS BILL - 3 WATERS PROJECTS FOR SCHEDULE 2 INCLUSION

Type of Report: Information

Legal Reference: N/A

Document ID: 1755810

Reporting Officer/s & Unit: Andrew Lebioda, 3 Waters Programme Planner

1.1 Purpose of Report

This report is to inform elected members of the 3 Waters Projects that have been submitted for inclusion onto Schedule 2 of the Fast-Track Approvals Bill (the Bill).

At the meeting

The 3 Waters Programme Planner, Mr Lebioda took the report as read. Mr Lebioda advised that significance and engagement consultation would be undertaken around the consenting

process through the Fast Track Approvals Bill. The potential for community engagement is truncated within a set statutory timeframe. If this does not occur the expert panel can still move forward with the recommendation for their decision.

Napier City Council (NCC) officers will also undertake meaningful engagement with iwi partners and the community to keep them apprised of the projects and any consenting requirements.

Councillor Boag advised her intention to abstain from voting on the motion as it was not consistent with the submission she had made on the Bill.

**COMMITTEE
RESOLUTION**

Councillors Mawson / Simpson

The Sustainable Napier Committee:

- a. **Note** the content of this report intended to update elected members of the 3 Waters Projects that have been submitted for inclusion onto Schedule 2 of the Bill. Those being:
 - i. IAF – Maraenui to Te Awa
 - ii. Taradale and Awatoto Borefields/Treatment Plants

Councillor Boag abstained from voting

Carried

2. LOCAL WATER DONE WELL - POLICY ANNOUCEMENTS REGARDING THE NEXT TRANCHE OF LEGISLATION

Type of Report:	Information
Legal Reference:	N/A
Document ID:	1755730
Reporting Officer/s & Unit:	Andrew Lebioda, 3 Waters Programme Planner

1.1. Purpose of Report

The Minister of Local Government recently announced more detail regarding the content of the second tranche of legislation that will implement the Government’s Local Water Done Well Policy.

This report provides elected members with a brief overview of the expected content of that Bill, signalled for introduction within the next month and for enactment by the middle of 2024.

At the meeting

The 3 Waters Programme Planner, Mr Lebioda took the report as read. In response to questions from the Committee it was clarified:

- That some of the work the Bill requires of Council has already been undertaken during the water reform process with the National Transition Unit. The IP address has been retained and that information can still be accessed.
- The Water Service Delivery Plan will require Council to identify information and determine the financial viability of water services as a result of the legislation.
- Details on the Better off Funding is still unknown at this stage. The budget position in regard to money spent and money yet to draw down from Treasury, as part of those agreements, has been submitted. This is currently being collated by the Regional Recovery Agency on Council's behalf to determine numbers and what possible support there will be for Local Water Done Well.
- Officers are endeavouring to develop a Water Service Delivery Plan in the 12 month timeframe given.

COMMITTEE Councillors Simpson / Crown
RESOLUTION

The Sustainable Napier Committee:

- a. **Note** the content of this report, intended to update elected members on the intended content of the second government Bill implementing its Local Water Done Well Policy. The Bill will be subject to a Select Committee process, but this may be truncated.

Carried

3. CAPITAL PROGRAMME DELIVERY

Type of Report: Information

Legal Reference: N/A

Document ID: 1753248

Reporting Officer/s & Unit: Jamie Goodsir, Acting Director Programme Delivery

1.1 Purpose of Report

To provide Council with information on the FY23/24 Capital Programme and initiatives underway to improve Capital Programme Delivery.

At the meeting

The Acting Director Programme Delivery took the report as read and spoke to the PowerPoint presentation (Doc Id 1757129) included in the agenda report of recent photos and updates of projects.

In response to questions the following was clarified:

- Silt transportation has commenced from Eskdale to Parklands and funding is available for transportation until December 2024. Truck movements are restricted daily and a full time manager is employed to ensure silt dust is controlled, trucks are covered, and wheel washers are on site so silt is not taken onto the road.

-
- It is anticipated that the Parklands housing area will require the ground level raised approximately 1.5m.
 - Capital spend is reported on and it is expected that the Enterprise Project Management Officer (EPMO) will provide forward financial planning in predictions for future projects.
 - The carry forwards process is confirmation of bringing carry forwards into the following year; it is not known what the carry forwards are when the budget is set.
-

COMMITTEE Councillors Simpson / Greig

RESOLUTION

The Sustainable Napier Committee

- a) **Receive** the report titled “Capital Programme Delivery” dated 16 May 2024.

ACTIONS

1. *Officers to prepare a high level report for a future Sustainable Napier Committee meeting showing projects that have not been delivered.*
2. *Officers to organise a Council Workshop to discuss combined issues of the Clyde Road Viewing Platform, Faraday and Onslow Road steps.*

Carried

Minor matters

There were no minor matters to discuss.

The meeting closed with a karakia at 10.07am

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

Chairperson

Date of approval