



NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

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PROSPEROUS NAPIER COMMITTEE

Open Minutes

Meeting Date: Thursday 3 July 2025

Time: 9.30am – 10.13am

Venue Large Exhibition Hall
War Memorial Centre
Marine Parade
Napier

Livestreamed via Council's Facebook page

Present **Chair:** Councillor Crown
Members: Mayor Wise, Deputy Mayor Brosnan, Councillors Boag, Chrystal, Greig, Mawson, McGrath, Price, Simpson, Tareha and Taylor (Deputy Chair)
Ngā Mānukanuka o te Iwi representatives – Evelyn Ratima

In Attendance Chief Executive (Louise Miller)
Chief Financial Officer (Caroline Thomson)
Corporate Finance Manager (Garry Hrustinsky)
Commercial Director (Richard Munneke)

Administration Governance Advisors (Carolyn Hunt and Jemma McDade)

PROSPEROUS 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. Treasury Activity and Funding Update	4
2. Retirement of Category 3 Voluntary Buyout Policy	5
3. Appointment and Remuneration Policy for Directors of Council Organisations.....	6
Minor matters	8

ORDER OF BUSINESS

Karakia

The meeting opened with the Council karaka.

Apologies

Councillors Boag / Price

That the apology for absence from Councillor Browne be accepted.

Carried

Ngā Mānukanuka o te Iwi representative – Kirk Leonard was not present at the meeting.

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

Nil

Announcements by the Chairperson

Nil

Announcements by the management

Nil

Confirmation of minutes

Deputy Mayor Brosnan / Councillor Taylor

That the Minutes of the Prosperous Napier Committee meeting held on 15 May 2025, including the previously circulated Public Excluded minutes, be taken as a true and accurate record of the meeting.

Carried

AGENDA ITEMS

1. TREASURY ACTIVITY AND FUNDING UPDATE

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1860209
<i>Reporting Officer/s & Unit:</i>	Garry Hrustinsky, Corporate Finance Manager

1.1 Purpose of Report

The purpose of this report is to update the Prosperous Napier Committee on Council's treasury activity.

At the meeting

The Corporate Finance Manager, Mr Hrustinsky advised that since the report was produced two weeks ago, total cash and deposits have fallen from \$16.1m to \$9.7m due to some large capital payments made.

Mr Hrustinsky advised that they were in the process of establishing a \$3m credit facility with Westpac and this is to provide access to on-call funds and improve Council's financial resilience.

Application has also been made for eligibility with the Local Government Funding Agency (LGFA) to access Climate Action loans which will reduce the cost of borrowing by several basis points and would be retrospective to loans taken out six months ago and any future loans, provided the criteria continues to be met.

Application is underway to participate in the LGFA's green social and sustainable lending programme to fund Council's civic build, which will also result in cheaper borrowing. Council has now reached \$65m of debt and obtaining a credit rating is now a viable option and the process anticipated to be completed within the next six months.

COMMITTEE RESOLUTION

Councillors Crown / Taylor

The Prosperous Napier Committee:

- a. **Receive** the report titled Treasury Activity and Funding Update dated 3 July 2025.

Carried

2. RETIREMENT OF CATEGORY 3 VOLUNTARY BUYOUT POLICY

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1859343
<i>Reporting Officer/s & Unit:</i>	Richard Munneke, Commercial Director

2.1 Purpose of Report

To Retire the Category 3 Voluntary Buyout Policy as the Crown has confirmed it would not agree to an amendment or extension to the crown funding agreement.

At the meeting

The Commercial Director, Mr Munneke spoke to the report advising that due to the positive and collaborative attitude by everyone involved a great result was achieved. A video played at the meeting was entered into the 2025 LGFA Taitaura Local Government Awards. It won the "Award for Excellence in Collaborating for Results".

The video showed that collaboration between the Hastings District Council, Napier City Council and Hawke's Bay Regional Council resulted in a Council and Crown funded initiative, the voluntary buyout programme, providing a clear path forward following Cyclone Gabrielle.

Mr Munneke acknowledged all 14 property owners who had been affected by Cyclone Gabrielle. He advised that there is one outstanding property at 382 Hill Road which has just been released out of probate. This property was eligible to choose either the Council's or Crown's offer and it was likely that the offer of the Crown (Māori pathway) would be accepted. The family of the property have been advised that Council's offer is about to be closed due to the Funding Agreement with the Crown.

Marae affected were part of the Māori pathway which is the papakainga approach. Those people connected to the Marae were provided another pathway that was facilitated by the Government and Council was not involved with that process.

COMMITTEE RESOLUTION

Mayor Wise / Councillor Chrystal

The Prosperous Napier Committee:

- a) **Note** that clause 9.1 of the Category 3 Voluntary Buy-out Policy (the Policy) requires a review on whether the Policy should continue to apply on or before 30 June 2025 and the Hawke's Bay Crown Funding Agreement (which governs the Crown's financial contributions for the Category 3 Voluntary Buyouts) defines the 'Category 3 End Date' as "30 June 2025 or such later date as may be agreed between the parties".

b) **Note**

- i. Substantial progress has been made implementing, and effectively concluding, the Category 3 Voluntary Buyout Programme (the Programme).
- ii. All eligible property owners have had sufficient time to consider their individual situations and whether to receive a Council offer or accept/decline a Council offer.
- iii. It is expected that by 30 June 2025, all Category 3 property owners will have made a final decision on whether to accept the Council's offer and that Council staff and remaining contractors are working hard to support the final owner through the final parts of owner decision making processes.

- b) **Approve** the formal retirement of the Category 3 Voluntary Buy-out Policy (Doc Id 1861711), effective from 3 July 2025.

Carried

3. APPOINTMENT AND REMUNERATION POLICY FOR DIRECTORS OF COUNCIL ORGANISATIONS

<i>Type of Report:</i>	Operational and Procedural
<i>Legal Reference:</i>	Enter Legal Reference
<i>Document ID:</i>	1860543
<i>Reporting Officer/s & Unit:</i>	Emma Alexander, Programme Manager - Transformation - Strategy and Transformation

3.1 Purpose of Report

Council is in the process of recruitment and appointing the board for Ahuriri Investment Management. Through this a drafting issue in clause 3.4.6. of Council's Appointment and Remuneration Policy for Directors has been identified.

This report presents a recommended revised policy to resolve the issue.

At the meeting

The Programme Manager – Transformation, Ms Alexander spoke to the report advising that a complete review of the Policy had been undertaken with additional competencies being set specifically for elected member directors requiring to have completed the New Zealand Institute of Directors course within a 9 month timeframe.

In response to questions the following was clarified:

- Confirmation was provided that if a councillor is elected in October 2025 there would be sufficient frequency of courses for completion by July 2026 as they are held monthly.
- The process for building a Board is that a skills matrix is developed identifying what blended skill set around the table is required. This is a commercially focussed Board so would be looking for elected members with a reasonable set of commercial qualifications, recognising that they may be different from the corporate market.
- It was suggested at the meeting an additional bullet point for elected members being *Consideration is given to the above governance experience;*
- Clarification of the last bullet to include *Preference will be given to elected members who have served more than three years on Napier City Council.*
- The Nomination Panel have had discussion in regard to appointing local people and finding the right commercial skills and experience to achieve the outcomes sought with some local knowledge and experience. The expectation is that a least one of the three directors will be a local person or have a very strong local connection. The two elected members will be locals.
- The course that candidates are expected to complete is a 5.5 day course and the cost for a member is \$10,500 and for a non-member approximately \$13,000. Council has previously approved a \$5000 contribution specifically for this course, if elected members have not yet completed one.

**COMMITTEE
RESOLUTION**

Councillor Simpson / Deputy Mayor Brosnan

The Prosperous Napier Committee:

- a) **Approve** the revised Appointment and Remuneration Policy for Directors of Council Organisations (Doc Id 913652) with the following amendments:

3.3.3 Additional Competencies for Board Candidates:

In the case of an Elected Member:

- *Consideration is given to the above governance experience; and*
- *A minimum expectation is that the candidate will have completed the NZ Institute of Directors residential company director programme, or commit to doing this in the first nine months of being appointed, and*
- *Preference will be given to elected members who have served more than three years on Napier City Council.*

3.4.6 Recommendation to Council

Reports recommending appointments and the Council decision will be considered in a Public Excluded Council meeting to protect the interests and privacy of the candidate. Public

announcement of the appointment will be made as soon as practicable after the Council has made its decision.

Carried

Minor matters

There were no minor matters to discuss.

The meeting closed with a karakia at 10.13am

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

Chairperson

Date of approval