



EXTRAORDINARY COUNCIL

Open Minutes

Meeting Date: Thursday 9 October 2025

Time: 9.30am – 10.30am (Adopt Annual Report & PDP)

Venue The Ocean Suite
East Pier Hotel
50 Nelson Quay
Ahuriri
Napier

Livestreamed via Council's Facebook page

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

In Attendance Chief Executive (Louise Miller)
Executive Director Corporate & Commercial Services / Deputy Chief Executive (Jessica Ellerm)
Executive Director Urban & Strategy Development (Rachael Bailey)
Executive Director Water Services (Russell Bond)
Executive Director Community Services (Thunes Cloete)
Communications, Marketing & Engagement Manager (Julia Stevens)
Head of Finance, Data & Digital (Caroline Thomson)
Financial Controller (Talia Foster)
Financial Reporting Accountant (Teresa Bushett)
Strategy & Policy Manager (Paulina Wilhelm)
Principal Planner (Fleur Lincoln)
Senior Policy Analyst (Michele Grigg)
Policy Analyst (Jeriel Sajan)
Graduate Policy Planner (Brooke Hemmings)
Senior Regulatory Administrator (Nicola North)
Regulatory Administrator (Gracy Singh)
Commercial Transition Manager (Steve Gregory)

Also in Attendance Audit New Zealand – Debbie Perera [online]
 Independent Hearings Panel - Robert Schofield (Chair) and Rauru Kirikiri
 [online]; Rob van Voorthuysen and Liz Lambert

Administration Governance Advisors (Carolyn Hunt and Jemma McDade)

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ORDER OF BUSINESS

Karakia

The meeting opened with the Council karakia.

Apologies

Councillors Price / Mawson

That the apology for absence from Councillor Taylor be accepted.

Carried

Councillor Tareha did not attend the meeting.

Conflicts of interest

Nil

Announcements by the Mayor

Hikoi – Councillor Boag announced that there had been a hikoi (walk) that morning in support Māori Wards and to boost voter participation. Approximately 80-90 people gathered at the Soundshell and walked to the Customer Services Centre at Dunvegan House and were able to deposit their voting papers.

Councillor Boag urged the community to vote, noting that more than half of registered voters had not yet done so.

Announcements by the management

The Chief Executive, Ms Miller acknowledged that this was the last Council meeting for this triennium, and thanked elected members for their support during this time.

Confirmation of Minutes

Councillors Chrystal / Mawson

That the Draft Minutes of the Ordinary Council meeting held on 25 September 2025, including minutes when the public were excluded, be confirmed as a true and accurate record of the meeting.

Carried

AGENDA ITEMS

1. ADOPTION OF ANNUAL REPORT 2024/25

Type of Report:	Legal and Operational
Legal Reference:	Local Government Act 2002
Document ID:	1873869
Reporting Officer/s & Unit:	Caroline Thomson, Head of Finance, Data & Digital Talía Foster, Financial Controller

1.1 Purpose of Report

To present the Napier City Council Annual Report 2024/25 for adoption by Council.

At the meeting

The Finance Controller, Ms Foster and Head of Finance, Data and Digital, Ms Thomson spoke to the report which was to present the Annual Report and Audit Opinion for 2024/25 for adoption, as required under the Local Government Act 2002.

Ms Foster reported an operating deficit of \$10.2m compared to a budgeted deficit of \$4.8m. The revenue is \$6.2m under budget which is a slight variance from the Council report which stated \$5.8m due to a last minute correction.

The expenditure was \$0.7m below budget reflecting discipline cost control and the significant variances included operating expenses which were reduced due to the reclassification of some civic accommodation cost for capital budget. The cost of sales for Parklands offset the lower revenue and depreciation and amortization costs.

The largest capital programme expenditure of \$92.5m was delivered by Napier City Council with some significant projects delivered across all activity groups including water supply, stormwater, upgrades to intersections, bridges and structures.

Ms Foster noted that a change in wording is required on page 56 of the Annual Report to footnote 1 as below:

"Dry weather sewerage overflow means sewage that escapes a territorial authority's sewerage system and enters the environment during periods of dry weather. Dry weather is defined as days when less than 1mm of rain has fallen during a continuous 24 hour period. Overflows happen because of blockages or system faults, not because of extra water from rainfall."

Ms Foster tabled an unmodified Audit Opinion (Doc Id 1878955) on the financial statements of Council and a qualified opinion on the statement of service performance due to errors found in the three waters fault response time performance measures, which is line with previous years.

Ms Foster also drew attention to an emphasis of matter regarding the future delivery of water due to Council's Water Plan not having yet been accepted.

Ms Foster referred to the Audit New Zealand report on the audit of Napier City Council (Doc Id 1878601) which in previous years would have been presented to Council after the adoption of the Annual Report.

Ms Foster then responded to some of the comments in the Audit Report noting that the new Audit Director and Manager had brought a fresh perspective and identified matters that were not raised in earlier audits and that many issues raised were reviewed and signed off by previous auditors.

The Director, Debbie Perera acknowledged and thanked Council staff for their work and effort to bring this report to Council prior to the elections. She advised that the Audit Report to Governors has been issued early to provide confidence that this was a good quality report to adopt.

In response to questions the following was clarified:

- A note in the Auditor's report refers to roading valuations being undertaken by a contractor that is used by Council. Ms Foster advised that this was the first year that Downer had undertaken the valuation and there were definitely others able to do these valuations. With the change in the policy to three yearly now there will be more time to organise someone to undertake this work.
- The drop in revenue in Parklands is due to a change in approach, shifting from trying to hit a targeted number of sections sold annually to maximising the return to the Council over a longer period.

The Mayor thanked and acknowledged all staff involved in the compilation of the Annual Report which was an organisational wide effort, and highlighted some of the key achievements during the year.

**COUNCIL
RESOLUTION**

Mayor Wise / Councillor Crown

That Council:

- a) **Receives** the report titled Adoption of Annual Report 2024/25 dated 9 October 2025.
- b) **Note** the Draft 2024/25 Annual Report was considered by the Prosperous Committee on 21 August 2025 and the Audit and Risk Committee on 2 September 2025.
- c) **Note** any qualifications or emphasis of matter paragraphs included in the Auditor's Opinion (Doc Id 1878955)
- d) **Adopt** the Annual Report (Doc Id 1878956) for Napier City Council for 2024/25 (including the Statement of Compliance and Letter of Representation) subject to any grammatical and minor changes and any changes due to the requirements of the audit process.
- e) **Receive** the Audit New Zealand report titled "Report to the Council on the Audit of Napier City Council for the year ended 30 June 2025" (Doc Id 1878601).

Carried

2. DISTRICT PLAN REVIEW: ENDORSEMENT AND ADOPTION OF THE HEARING PANEL REPORTS AND THE DECISIONS VERSION OF THE PROPOSED DISTRICT PLAN

Type of Report:	Legal and Operational
Legal Reference:	Resource Management Act 1991
Document ID:	1875248
Reporting Officer/s & Unit:	Paulina Wilhelm, Strategy & Policy Manager

2.1 Purpose of Report

This report requests that Council adopts the District Plan Hearing Panel (**Hearing Panel**) Recommendations Reports on submissions on the Proposed District Plan (**PDP**) and Ecosystems & Indigenous Biodiversity Variation (**ECO Variation**) and approves the PDP.

At the meeting

Mayor Wise acknowledged the Independent Hearings Panel - Robert Schofield (Chair), Rob van Voorthuysen, Liz Lambert and Rauru Kirikiri who had been invited to the meeting. Mayor Wise also acknowledged Council's independent Commissioners, Deputy Mayor Brosnan, Councillors Browne and Taylor for their involvement in this significant piece of work.

The Strategy and Policy Manager, Ms Wilhelm tabled an additional attachment "High-level Communications Approach for the release of Decisions on the Napier Proposed District Plan" (Doc Id 1878595).

Ms. Wilhelm noted this was a major milestone, nearing the conclusion of a seven-year process involving significant community, mana whenua, and stakeholder input. The District Plan is one of the Council's most important documents setting the framework for how land in Napier can be used and developed, protection of the environment, planning for growth, housing and resilience into the future.

Ms Wilhelm provided a summary of the report and the process undertaken to get the District Plan to this stage.

In response to questions the following was clarified:

- If someone disputes an item in the District Plan the appeal process is limited to members of the public who have submitted and provided further submissions into the process. It is not open to members of the public who have not been a part of the process.
- The Principal Planner, Ms Lincoln advised that pre-notification engagement (prior to 2023) was undertaken with various interested groups, including heritage, Art Deco Trust, Forest and Bird Society, and the Ahuriri Estuary Protection Society among others.
- Real Estate agents have recently approached Council in relation to information and presentations on the District Plan decisions so they can understand what the changes are and what they might mean for their clients.

- National direction regarding Resource Management is expected soon, which is likely to require future plan changes.
- Following adoption of the decisions officers will prepare an e-plan that will be released on 3 November 2025.
- It was noted that the appeal process was not set by Council but was through legislation and the Environment Court.

Councillor Browne noted that she did have a conflict of interest in one of the Chapters however, she was excused from that chapter and had not input into the results.

Deputy Mayor Brosnan addressed community questions received below:

Why the timing of the District Plan adoption is so close to the election?

- The current Council is the appropriate body to receive the recommendations, as it has been the overseeing governance body for the independent Hearings Committee for the last three years.
- There is a statutory timeframe for the adoption after the plan was notified.
- It would be unreasonable to ask the next Council to quickly get up to speed with the 66 recommending reports and background.

Process in regards to notification potentially to those who now consider themselves affected or interested parties particularly if not involved in the submission process.

- 2018-2022 pre-engagement with the community
- 2022 draft District Plan shared and invited feedback
- 2023 September the formal part of the Resource Management Act 1991 process and notified the draft District Plan
- More than 7500 submission points received.
- 2024 February published summary of submissions – a further 60 submissions received.
- During the last year nine hearings streams held, including 33 hearing days which were all publicly notified.
- Staff went above and beyond to ensure that at every stage of the process there was an ability for people to get involved.

COUNCIL	Deputy Mayor Brosnan / Councillor Browne
RESOLUTION	That Council: Receives this report titled “District Plan Review: Endorsement and Adoption of the Hearing Panel Reports and the Proposed District Plan”. Receives the Recommendation Reports prepared by the Hearing Panel following the hearing of submissions and further submissions on the PDP and ECO Variation (https://www.napier.govt.nz/our-council/plans-strategies-reports/napiers-district-plan/hearings-panel-recommendation-reports) Accepts the recommendations of the Hearing Panel pursuant to Clauses 9 and 10 of Schedule 1 of the Resource Management Act 1991, and accepts or rejects submissions, as set out in the

Recommendation Reports, for the reasons set out in those reports with respect to:

- i. The Proposed District Plan;
 - ii. The Ecosystems and Indigenous Biodiversity Chapter Variation.
- d. **Makes and notifies** the requiring authority as to the recommendations of the Hearing Panel on the notices of requirements pursuant to Clause 9 of Schedule 1 of the RMA included in the PDP under clause 4(5) of Schedule 1 of the Resource Management Act 1991, and subsequently notify those recommendations in accordance with Clause 9.
- e. **Recognises** any new or existing designations that are to be included in the PDP without modification and on which no submissions are received.
- f. **Accepts** as its decisions the recommendations of the Hearing Panel on provisions included in the PDP under clause 4(6) of Schedule 1 of the Resource Management Act 1991 that the Council has responsibility for within the Napier City Council.
- g. **Approves** the public notification of the Council's decisions on the PDP in accordance with Clause 10(4)(b) and 11 of Schedule 1 of the Resource Management Act 1991 and recommendations on notices of requirements in accordance with Clause 9 of the Schedule 1 of the Resource Management Act 1991 and serve that decision on every person who made a submission.
- h. **Instructs** officers to prepare the E-plan according to the accepted recommendations (PDP-decisions version) and to release the public notice of the decisions no later than 30 November 2025.
- i. **Delegates** to the Manager of Strategy and Policy any steps necessary to give effect to resolutions above.
- j. **Notes** that officers will make any required amendments under clause 16(2) of Schedule 1 of the Resource Management Act 1991 prior to releasing the PDP-decisions version of the plan under existing delegations provided to officers.
- k. **Recognises** formally the significant time and input that submitters within the process have put into the submissions, further submissions and hearing process.
- l. **Recognises** formally the significant time and input that the members of the Hearing Panel appointed to make recommendations within the process have put into the submissions, further submission and hearing process.

Carried

Attachments

- 1 District Plan High Level Communication Plan (Doc Id 1878595)
-

3. PROPOSAL TO INITIATE EXPRESSION OF INTEREST PROCESS NATIONAL AQUARIUM NZ

Type of Report:	Operational and Procedural
Legal Reference:	N/A
Document ID:	1876458
Reporting Officer/s & Unit:	Steve Gregory, Commercial Transition Manager

3.1 Purpose of Report

Seek Council approval to change its resolution made on 26 May 2025 relating to the future of National Aquarium of New Zealand (NANZ) by initiating an Expressions of Interest (EOI) process for the future ownership, operation, or redevelopment of the NANZ, in place of the currently planned business case process at an indicative cost of \$250,000.

At the meeting

The Commercial Transition Manager, Mr Gregory and Mr Cloete presented the report seeking approval to proceed with an Expression of Interest rather than a Business Case. The reason for this change is due to an approach made by an interested global aquaria operator, if successful the EOI process would be less costly than a Business Case.

Mr Cloete confirmed that a report would come back to Council to set the final parameters for the Request for Proposal (RFP) which would not include the land.

COUNCIL RESOLUTION

Councillors Chrystal / Mawson

That Council:

- a) **Approve** the Initiation of an Expressions of Interest (EOI) process to explore external interest in the future ownership, operation, or redevelopment of NANZ.
- b) **Approve** deferral of the business case until the outcome of the EOI is known, with the option to proceed with a targeted business case if required.
- c) **Receive** a future report on the EOI outcome and recommend next steps.

Carried

4. COUNCIL CONTROLLED ORGANISATION EXEMPTION

Type of Report:	Legal
Legal Reference:	Local Government Act 2002
Document ID:	1878562
Reporting Officer/s & Unit:	Caroline Thomson, Head of Finance, Data & Digital Talía Foster, Financial Controller

4.1 Purpose of Report

To obtain a decision from Council to continue exempting Hawke's Bay Local Authority Shared Services Limited (HBLASS) and Hawke's Bay Disaster Relief Trust (HBDRT) from the requirements imposed on Council Controlled Organisations (CCOs) under the Local Government Act 2002 (LGA), pursuant to section 7(3).

At the meeting

The Financial Controller, Ms Foster provided a brief summary of the report advising that clarification from the Office of the Auditor General's legal team had confirmed that both co-owning councils were required to pass a resolution for the exemption to remain valid. Previous interpretation of one Council passing the resolution had been incorrect.

COUNCIL RESOLUTION

Deputy Mayor Brosnan / Councillor Simpson

That Council:

- a) **Approve** the extension of the exemption of Hawke's Bay Local Authority Shared Services (HBLASS) from the Council Controlled Organisation requirements (Local Government Act Section 7(3)) for a further three years.
- b) **Approve** the extension of the exemption of Hawke's Bay Disaster Relief Trust (HBDRT) from the Council Controlled Organisation requirements (Local Government Act Section 7(3)) for a further three years.

Carried

Minor matters

There were no minor matters to discuss.

Closing for Triennium - In closing Mayor Wise reflected on the past three years of the triennium. The period was marked by significant challenges, especially the devastation of Cyclone Gabrielle and economic uncertainties throughout which the community showed extraordinary resilience, matched by the dedicated staff and elected members.

The Mayor sincerely thanked everyone for their commitment shown throughout the organisation at all levels, the compassion and hard work that has made a real difference to the City and people through a spirit of unity.

The meeting closed with a karakia at 10.30am

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

Chairperson

Date of approval

High-level Communications Approach

Decisions on the Napier Proposed District Plan

October 2025

Objectives

- To meet the legal requirements for notifying the public of the adoption of the decisions on Napier's Proposed District Plan.
- To inform users of the Plan that the decisions on Napier's PDP have been adopted and are available online.
- To explain the importance and relevance of the District Plan.
- To thank the community / those who contributed to the Plan's development.

Key Messages

- Explanation of the District Plan review cycle.
- After hearing from 300 submitters and considering their 7,500+ submission points, the decisions on the Proposed District Plan have been adopted and the plan is now available on NCC's website.
- This plan has been prepared over a long period of extensive engagement and consultation with the community.
- Outline of the appeals process and timeframes.
- The District Plan is the most important regulatory document in Council. It's the rulebook in charge of every piece of land. It describes how all land can be used, developed and subdivided in Napier.
- This District Plan outlines changes to protect our natural, historical and cultural environments. Napier is growing so the plan also describes how and where we can expand, allowing our community to live, work and prosper.
- The plan is relevant to everyone who might be building or constructing – anything from a fence to an entire new neighbourhood.
- Thanks to everyone who participated in the plan's revision over the past few years. Your engagement in the process and submissions to the consultation helped us shape a plan that ensures Napier has spaces and places where residents can thrive and prosper.
- The operative plan remains in force for now. We are releasing the Decisions Version of the Proposed District Plan, which has legal weight but isn't operative until any appeals are resolved.

Audiences

Developers and builders	Key agencies – Kāinga Ora, NZTA, KiwiRail, MfE, etc
Mana whenua	Local councils
Submitters	Large businesses – Napier Port, Hawke's Bay Airport, horticulture sector, network utility sector, fuel companies, telecommunication companies, etc
General public	Business associations: Taradale, Ahuriri, CBD; Chamber of Commerce
	Special interest: Heritage groups, Real estate agents, Signwriters etc

Outputs and channels

- Statutory public notice – newspapers and online
- Email to submitters and developers
- Media release and columns; social media posts
- Website update, including publication of plan and description of appeals process
- *Neighbourhood* e-version
- Presentations to interested groups
- Internal communications