NAPIER
CITY COUNCIL
Te Kaunihera o Ahuriri

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DELIVERY & REGULATORY PERFORMANCE COMMITTEE

Open Agenda

Meeting Date:	Thursday 5 March 2026
Time:	9.30am
Venue:	Breakout Room 2 War Memorial Centre Marine Parade Napier
	Livestreamed via Council's YouTube Channel

Committee Members	**Chair:** Councillor Taylor **Members:** Mayor McGrath, Councillors Brownlie, Chrystal, Isaac-Sharland, Lawrence, Mawson, Morley, Price (Deputy Chair), Raihania, Simpson and Taylor Ngā Mānukanuka o te Iwi Representatives (2) *(To be appointed)*
Officers Responsible	Executive Director Strategy & Urban Development
Administration	Governance Team
	Next Delivery and Regulatory Performance Committee Meeting **Thursday 16 April 2026**

2025-2028 TERMS OF REFERENCE – DELIVERY AND REGULATORY PERFORMANCE COMMITTEE

Chairperson	*Councillor Taylor*
Deputy Chairperson	*Councillor Price*
Membership	*Mayor and Councillors (12)* *Ngā Mānukanuka o te Iwi Appointees (2)*
Quorum	*7*
Meeting frequency	*At least 6 weekly (or as required)*
Officer Responsible	*Executive Director Strategy and Urban Development*

Purpose

To provide governance oversight of Council's programmed delivery and operations — including three waters (prior to the transition to the new water entity), transport, and capital works — and to make decisions on strategy, policy, and levels of service for asset management. The Committee monitors delivery risk, asset resilience, and regulatory performance to:

- enable effective delivery of infrastructure programmes that align with community outcomes, and provide the value and benefits committed to for the community.
- maintain oversight of the Council's **regulatory performance and consider** service delivery alignment with community expectations and relevant legislation.

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 oversee asset stewardship and strategic management of Council's physical assets, including the development of asset strategy and asset management, and making decisions on strategy, policy and levels of service.

   NB: Assets which are undergoing commercialisation or reimagining will sit in the Corporate & Performance Committee.

2. Monitor the performance and delivery of strategic capital projects and strategic programmes against the Long Term and Annual Plans.
3. To review and adjust relevant work programme priorities within agreed budgets, activity management plans, and levels of service as set out in Council's Long Term Plan.
4. To adopt or amend policies or strategies within the Committee's area of responsibility, provided these do not conflict with existing Council policies or strategies.
5. To consider any reports and recommendations from infrastructure-related joint committees and business units.
6. Ensure Council meets all compliance requirements associated with its regulatory responsibilities and monitor overall regulatory performance.

7. The Committee may recommend to Council the adoption or amendment of bylaws relevant to the Committee's areas of responsibility.
8. To oversee the development of Napier's emergency management capability and capacity.
9. To consider road stopping and approve the temporary closure of any road.
10. 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. This includes recommendations on fees and charges for activities within the Committee's responsibility and which are not otherwise delegated to officers.

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

Nil

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

Nil

Agenda items

1 Unison Easements - 201 Prebensen Drive & 120 Austin St Reserves 5
2 Water Demand Management Strategy and Action Plan 10
3 Water Services Capital Programme Delivery update.....29

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

Public excluded 35

AGENDA ITEMS

1. UNISON EASEMENTS - 201 PREBENSEN DRIVE & 120 AUSTIN ST RESERVES

Type of Report:	Legal and Operational
Legal Reference:	Reserves Act 1977
Document ID:	1897364
Reporting Officer/s & Unit:	Sam Cuenca, Asset Engineer Planning

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

1.1 To seek the Committee's approval to grant easements in gross in favour of Unison Networks Limited. The easements are for the installation and maintenance of new electricity network assets required to supply the New Zealand Transport Agency's Napier Commercial Safety Vehicle Centre (CSVC) project.

1.2 The easements are required over two Council-owned reserve areas. These are Lot 4 DP 17249, being a Local Purpose Reserve (Drainage) at 120 Austin Street, and Lot 3 DP25918, being a Local Purpose Reserve (Recreational) at 201 Prebensen Drive.

1.3 Unison requires legal rights to install, access, operate and maintain its assets. The final easements will be confirmed by survey after installation.

1.4 New Zealand Transport Agency (NZTA) will meet the survey, LINZ, and legal costs under the Agreement.

2.0 Recommendations - Ngā Tūtohunga

That Delivery and Regulatory Performance Committee:

a. **Approves,** as administering body, the granting of an easement in gross in favour of Unison Networks Limited over the relevant parts of Lot 4 DP 17249 (Local Purpose Reserve – Drainage).

b. **Approves,** as administering body, the granting of an easement in gross in favour of Unison Networks Limited over the relevant parts of Lots 3 and 4 DP25918 (Local Purpose Reserve – Recreational).

c. **Approves,** in exercise of the Ministerial consent (under delegation from the Minister of Conservation), the granting of the above easements.

d. Authorises the Chief Executive to execute the Agreement to Grant Easement under delegated authority.

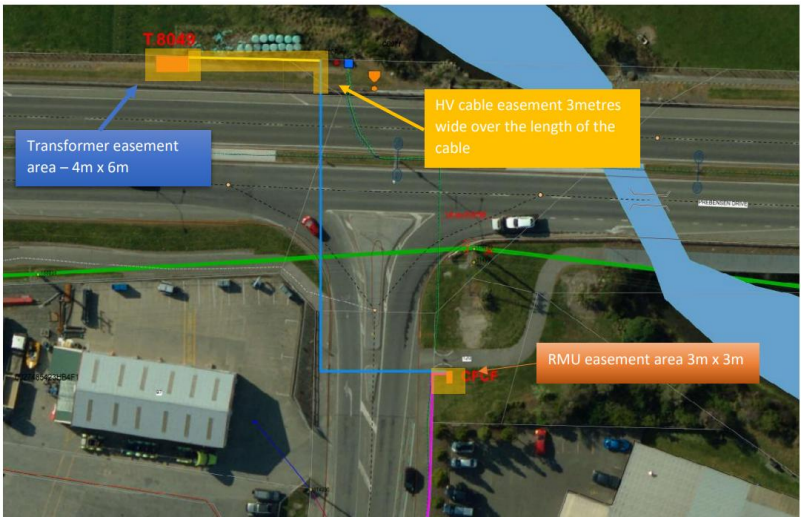
e. **Notes** that NZTA will pay the costs identified in the Agreement, including survey, LINZ fees, and legal costs.

3.0 Background - Ngā Tuāpapa:

3.1 NZTA are progressing works at Prebensen Drive for the Napier Commercial Safety Vehicle Centre project. The project site is near Prebensen Drive (State Highway 50). The centre will support heavy vehicle safety and regulatory compliance. The project needs a new electrical supply and network equipment.

3.2 Unison needs to install new electricity network assets to supply the site. Unison also needs legal rights to protect and access its assets for installation and ongoing maintenance. Unison has advised that there is no practical space in the road corridor. Other underground services already occupy the available corridor width. Unison therefore proposes to place assets on two areas of Council-owned land.

3.3 These are Lot 4 DP 17249 on 120 Austin Street, held as Local Purpose Reserve (Drainage), and Lots 3 and DP 25918, held as Local Purpose Reserve (Recreational), which may become a road reserve later.



4.0 Discussion - Ngā Whakamārama:

4.1 ***What Unison is asking for***

Unison seeks an easement in gross to protect its network rights. An easement in gross benefits Unison. The easement allows Unison to install, access, and maintain the assets. Unison has also advised that it requires the Agreement to Grant Easement to be signed before installation can proceed.

4.2 ***Why the Council reserves are involved***

Unison proposes this location because it is closest to its network. Unison also says the road corridor has limited space for services. NCC staff have reviewed the indicative plans attached to the agreement. NCC staff have reviewed the proposal and consider the location workable and acceptable, subject to additional requirements to which Unison has agreed.

4.3 ***Public notification is not required***

Public notice is usually required for an easement over reserve land. However, notice is not required when two tests are met. First, the reserve is unlikely to be materially altered or permanently damaged. Second, public use of the reserve is unlikely to be permanently affected.

NCC staff considered that both tests were met in this case. The electrical installations will not materially alter or permanently damage the reserve. Public access and use of the reserve will also remain available. On this basis, public notification is not required.

4.4 ***Water Services: purpose of the drainage reserve***

Council holds a drainage reserve at 120 Austin Street (Lot 4, DP 17249) because it is located beside the stream. Council also uses this land as a corridor to support public access, as a walking track runs through the reserve and the nearby stream.

In a Water Services sense, the reserve protects the stream margin and supports drainage-related access where needed. The reserve also supports the existing footpath connection and public use along the stream. At present, Water Services has no known planned drainage works for this reserve.

If a future need arises, the transformer will only create a local constraint within its small footprint and safety clearance area. The transformer does not impact or limit the wider reserve purpose or the use of the walking track.

5.0 Options - He kōwhiringa anō:

5.1 Option One - Recommended Option

That the Delivery and Regulatory Performance Committee:

- **Approves** the granting of easements in gross in favour of Unison Networks Limited over the relevant parts of Lot 4 DP 17249 and Lots 3 and 4 DP 25918.
- **Exercise** delegated Ministerial consent.
- **Authorises** the Chief Executive to execute the Agreement to Grant Easement, and
- **Notes** that NZTA will meet all associated survey, LINZ and legal costs.

Advantages

- It supports the CVSC project schedule and reduces delivery and financial risk.
- It gives Unison clear access rights for installation, repair and ongoing maintenance.
- It keeps assets close to Unison’s existing network connection.
- It avoids relocating other services within the road corridor.

5.2 Option Two – Status Quo

That the Delivery and Regulatory Performance Committee:

- **Declines** the easement request.

Disadvantages

- This is likely to delay the power connections needed to deliver the Napier CVSC at Prebensen Drive.
- Any delay will affect a nationally important programme, because CVSC supports Police inspections for weight, road user charges, logbooks and driver impairment.
- Delay will also push out safety and compliance benefits, including improved efficiency for compliant heavy vehicle operators.

- Likely to increase NZTA costs due to redesign, programme delays and cost escalation.

6.0 Next Steps - *Te Koke*

6.1 If Council approves the recommendations, NCC staff will:

- Arrange for the Chief Executive to execute the Agreement to Grant Easement under delegated authority.
- Coordinate with NZTA and Unison on construction timing and access management.
- Review and approve the survey plan after Unisons installs and surveys the assets.
- Support LINZ lodgement steps so Unison can register the easements as intended.
- Confirm ongoing operational arrangements for the reserve area, including maintenance interfaces.

7.0 Attachments

Nil

Summary of Considerations - *Tuhinga Whakarāpopoto:*

Fit with purpose of Local Government - *Ngā aronga tā te Kaunihera- ā-rohe kōrero*

Council is required to give effect to the purpose of local government as set out in Section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

This proposal supports local infrastructure and transport safety outcomes now and into the future.

Māori Impact Statement - *He kōrero whaitake tā te māori kōrero:*

NCC staff are not aware of specific Māori impacts associated with the easements.

Climate Change - *Te Huringa o te āhuarangi*

This is an administrative property decision with no climate impacts. The easements itself does not change Council operations or emissions.

LTP/ Annual Plan/ Financial Strategy/ Infrastructure Strategy - *Te Pae Tawhiti/ ā-tau / ā- Taunaki Ahumoni /ā- Taunaki Hanganga*

This decision does not create a new Council level of service. It supports a third-party project and uses existing staff resources.

Financial considerations - *Whai whakaaro Ahumoni:*

New Zealand Transport Agency (NZTA) will meet the survey, LINZ and legal costs under the Agreement.

Significance and Engagement - *Ko te Hiranga me te Hiwaia o te whakaaro:*

This decision/report has been assessed under the Council's Significance and Engagement Policy as being of low significance. The decision affects reserve land but has no community impact.

Consultation (internal/external) - *Ngā Uiuinga (Ki te Kaunihera /ki ngā tāngata katoa)*

Unison and NZTA consulted NCC staff on the easement request. Council staff from Property, Parks, and Water Services also reviewed and provided input on the proposal.

Risks: Legal/ Health and Safety etc. - *Whaktūpato Ture/ Hauora me te Haumaru*

If Council declines the recommendations, Council will likely delay the NZTA Napier Commercial Vehicle Safety Centre project. This decision will create reputational risk for Council, because stakeholders may view it as blocking a nationally important safety facility. It will also increase NZTA costs through redesign and programme delay, and it will extend construction activity which raises health and safety exposure around the site.

2. WATER DEMAND MANAGEMENT STRATEGY AND ACTION PLAN

Type of Report:	Procedural
Legal Reference:	N/A
Document ID:	1899093
Reporting Officer/s & Unit:	Bex Smiley, Capital Investments Planner Syed Andrabi, Manager Planning & Investments

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

1.1 Napier City Council (NCC) has developed a Water Demand Management Strategy and Action Plan (WDMSAP) to reduce water demand and support the upcoming water take consent renewal in 2027. The WDMSAP assesses historic and forecast water demand, climate impacts, population growth, and infrastructure performance, and identifies six scenarios to reduce future water consumption.

1.2 The report recommends Scenario 5 as the preferred pathway, delivering a 10% reduction in water demand by 2030, supported by leak reduction, comprehensive water loss management, engagement with the top 100 users, social marketing, education, and improved data and metering. Scenario 6 offers further reductions through universal metering but would require additional community engagement, cost assessment and political support.

1.3 Education and social marketing are essential enablers of the WDMSAP. Residential use represents the largest share of Napier's water demand, and sustained reductions will only be achieved if users understand why water efficiency matters and how their everyday actions contribute. Scenario 5 deliberately combines infrastructure-based measures with targeted education and behaviour change initiatives to ensure early demand reductions are maintained over time and supported by community understanding and buy-in.

1.4 This report presents the findings of the Strategy, outlines recommended actions for 2026–2030, and highlights ongoing initiatives aimed at reducing water consumption in Napier.

2.0 Recommendations - *Ngā Tūtohunga*

That Delivery and Regulatory Performance Committee:

a. **Receives** the report titled Water Demand Management Strategy and Action Plan dated 05 March 2026.

b. **Endorses** Scenario 5 as the preferred implementation pathway for 2026-2030. This combines infrastructure improvements, such as leak management, with active engagement of the top 100 non-residential users, community education, and a social marketing programme fostering community action to reduce demand.

c. **Approves** commencement of the early actions, of the Water Demand Management Strategy and Action Plan, required in 2026 including increased meter reading, expanded leak detection, and stakeholder and community engagement.

3.0 Background - *Ngā Tuāpapa:*

3.1 Napier's drinking water is sourced from the Heretaunga Plains Aquifer under a resource consent expiring 31 May 2027. Under the HBRC TANK Plan Change, NCC must demonstrate efficient water use, achieve an Infrastructure Leakage Index (ILI) of 4 or better, and provide a robust water demand management plan.

3.2 Beacon Pathway was engaged to complete the WDMSAP which incorporates Net Present Value (NPV) calculations, multi-criteria analysis, climate considerations, and future demand modelling.

3.3 Beacon's analysis examined water demand trends from 2015 to 2024 and developed six projected scenarios for future demand (2026–2054), ranging from the continuation of current practices to more intensive interventions, including universal metering. Each scenario outlines varying levels of potential water savings, infrastructure requirements, and operational considerations.

3.4 The draft WDMSAP is intended to guide ongoing planning, engagement, and future budget considerations.

3.5 During the Council meeting held on 12 February 2026, officers were directed to bring a paper to Council outlining an educational media programme on appropriate water usage during water restrictions. This paper identifies Social Marketing (Action 6) as one of its key initiatives. There are already campaigns under way as outlined in Section 4.20 & 4.21. These will continue under the WDMSAP but be wrapped up in the programme for a streamlined, coordinated approach across all actions, along with regular reporting.

4.0 Discussion - *Ngā Whakamārama:*

Why we need a Water Demand Strategy

4.1 Napier's water supply is under pressure from several factors:

- Our water take consent expires in 2027 and must demonstrate efficient water use.
- The aquifer is a shared and sensitive resource.
- Climate change is leading to hotter, drier periods and higher summer water use.
- Pumping, treating, and distributing water incurs significant operational costs, particularly electricity.
- Reducing leaks and waste helps avoid larger and more expensive infrastructure upgrades in the future.

4.2 Managing water demand is one of the most cost-effective ways to protect supply, reduce risk, and keep services reliable.

4.3 Napier is one of the highest users of water per person across New Zealand, while also having one of the lowest water rates charged to properties nationwide. This combination places additional pressure on the water supply system and highlights the need for stronger demand management.

4.4 Education and behaviour change are critical components of effective water demand management. While infrastructure improvements and leak reduction deliver significant early gains, long-term demand reduction cannot be achieved without sustained changes in household water use. Residential demand accounts for approximately two-thirds of Napier's

total water use, meaning that small changes in everyday behaviours, when adopted widely, can deliver meaningful reductions at a system level.

How the Strategy was developed

4.5 The WDMSAP was prepared with support from Beacon Pathway and involved:

- Workshops with Council staff and Mana Ahuriri to agree objectives and principles.
- Analysis of water use data, population growth, and climate change projections.
- Testing of alternative future demand management scenarios.
- Ongoing engagement with Mana Ahuriri, including a technical hui in January 2026.

4.6 The approach recognises that saving water is not solely about infrastructure and technology; it also relies on people, behaviours, partnerships and good information

4.7 Engagement with elected members and the wider community is planned as part of the next phase. The draft WDMSAP is currently an internal document to guide initial actions and engagement during the 2025/26 financial year. Further dialogue will help refine implementation pathways.

What the data tells us

4.8 Climate is one the biggest influences on year-to-year water demand. Climate change is projected to reduce rainfall by up to 4.7% by 2050.

4.9 Approximately two-thirds of total water use is residential.

4.10 Population growth to an estimated 81,100 by 2054 is projected to increase water demand by 17.5% if unmanaged.

4.11 A small number of users account for a large proportion of demand, meaning targeted action can achieve meaningful savings:

- The top 100 non-residential users account for approximately 62% of metered non-residential demand.
- Schools and education providers account for around 7.5% of metered demand.

4.12 Some water loss through leakage is normal across water networks. In Napier, losses have typically been 15–20% in recent years. Recent results show the network is performing close to good practice levels, with clear opportunities for ongoing improvement and further waste reduction.

4.13 Public and institutional understanding of the need for, and benefits of, demand management remains relatively low.

4.14 Globally, there is a growing trend towards intelligent water technologies. Smart meters are increasingly affordable and enable real-time monitoring of abnormal water use and leaks across networks and customer connections. Artificial Intelligence is also being used to manage water supply to achieve efficient operations and a high degree of customer satisfaction. Napier has an opportunity to progressively adopt these technologies to manage water demand more effectively.

What options were considered

4.15 Six future scenarios were tested, each building on the previous:

- Scenario 1 - Status quo with population growth.
- Scenario 2 - Scenario 1 plus climate change impacts.

- Scenario 3 - Scenario 2 plus leak reduction to approximately 12% by 2029.
- Scenario 4 - Scenario 3 plus a full water loss management programme and a 10% reduction in overall demand by 2030.
- *Scenario 5 - Scenario 4 plus engagement with the top 100 non-residential users and schools to achieve a 25% reduction in their use by 2030.*
- Scenario 6 - Scenario 5 plus universal water metering between 2030 and 2035.

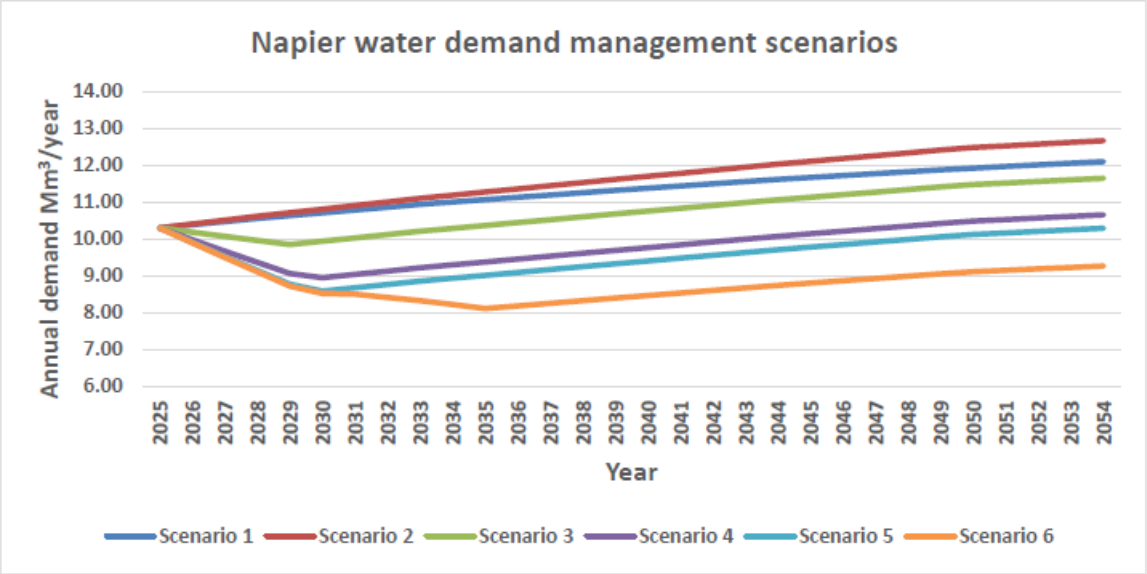


Figure 1 Modelled demand by proposed scenario

4.16 Each scenario was assessed for cost, achievability, environmental benefit, and cultural and social impacts.

4.17 The recommended option is Scenario 5.

4.18 Scenario 6 remains a future option but requires further discussion and community input.

What actions are proposed

4.19 The WDMSAP identifies a practical suite of actions, including:

- Earlier and more systematic leak detection and repair.
- Improved network monitoring using data and technology.
- Working directly with large users and schools to reduce water use.
- Social marketing and education, focusing on practical actions households can take to reduce everyday water use (e.g. outdoor watering practices, leak awareness, efficient appliance use), and building long-term understanding of the value of water.
- Improved programme governance and management.
- Progressive exploration of smart meters and digital tools.

What we are already doing

4.20 Water demand management has remained a priority for the Council. With the onset of summer water restrictions, strategic communication efforts encourage community participation in reducing water consumption. In collaboration with regional councils CHBDC and HDC, messaging emphasises the importance of managing water demand

instead of focusing solely on restrictions. Where possible, water level restrictions are coordinated to allow for unified and efficient advertising campaigns.

4.21 Proactive water conservation initiatives, including the regional Know Our Water campaign and the NCC Watch Your Water campaign, integrate advertising with editorials, social media channels, and newsletter advertisements. These efforts are complemented by timely FAQ sections that address common misconceptions. Proactive media relations help ensure, where-ever possible, that editorial reinforces water demand management key messaging

4.22 These campaigns are designed to shift community understanding from a reliance on restrictions during dry periods to a shared responsibility for efficient water use year-round.

4.23 Leak reduction is an ongoing operational focus. Since June 2025, 114km of pipes (approximately 25% of the network) have been inspected, identifying 107 leaks. While the Council manages repairs to public leaks, private leaks are more difficult to address. The WDMSAP will support these efforts by integrating leak detection with community education.

4.24 The WDMSAP will not replace existing initiatives. Instead, it will integrate them into a coordinated programme that enables monitoring, reporting, and supports NCC's water take consent renewal while reducing demand.

What this means for the community

- A more secure water supply into the future.
- Reduced likelihood of restrictions during dry periods.
- Lower pressure on rates by avoiding unnecessary infrastructure upgrades.
- Better protection of the aquifer and environment.
- A fair and targeted approach focused on the greatest opportunities first.

Financial considerations

4.25 Implementation of the WDMSAP will require moderate upfront investment to support coordinated delivery, monitoring, community engagement and to demonstrate effective demand management ahead of the next water take consent application.

4.26 WDMSAP modelling showed that Scenario 5:

- Is the second most cost-effective long-term investment based on Net Present Value. (after Scenario 6).
- Delivers projected power cost savings of $7.23 million between 2026 and 2054.
- May allow future scaling back of capital works as demand reduces, though the current programme will continue unchanged until reductions are realised.

4.27 The Action Plan proposes a Programme Manager and a Water Demand Management Advisor. Funding for these roles will be sourced from the existing water take consent budget.

4.28 Other operating costs in the first year will be met with existing leak detection and water conservation budgets.

4.29 Existing budgets for pipeline renewals and reticulation replacements will fund leak detection, repairs and renewals.

4.30 As part of the long-term planning process, funding beyond July 2027 will be considered for social marketing, smart metering, AI trials, enhanced pressure management, and comprehensive water audits.

Working with our regional Councils

4.29 The leak detection programme and associated advertising campaigns are delivered in partnership with Hastings District Council (HDC), enabling a coordinated regional approach to water demand management.

4.30 HDC has also developed its own Water Demand Management Strategy. NCC is working collaboratively with HDC to align approaches, leverage regional communications and support, and prepare for the transition to the new regional Water Organisation.

5.0 Options - *He kōwhiringa anō:*

5.1 Option One - Recommended Option

Endorse Scenario 5 as the preferred implementation pathway for 2026-2030.

Advantages

- Focuses on the largest water-saving opportunities first.
- Supports renewal of the water take consent.
- Protects the aquifer and reduces long-term costs.
- Allows staged implementation and flexibility.
- Supports partnership with mana whenua and community buy in
- Performs best overall across cost, benefit and achievability criteria.

Disadvantages

- Requires ongoing coordination and engagement.
- Benefits build gradually over time rather than immediately.
- The future water organisation may need to accelerate metering to become self-funding.

5.2 Option Two – Status Quo

Not recommended. Without demand management, NCC is unlikely to obtain a renewed water take consent in 2027. This option aligns with Scenarios 1 and 2.

5.3 Option Three – Endorse an alternative option

This option is to select an alternative scenario as presented in this report:

- Scenario 3 - Leak reduction to approximately 12% by 2029.
- Scenario 4 - Scenario 3 plus a full water loss management programme.
- Scenario 6 – Scenario 5 plus universal water metering.

Advantages

- Scenario 6 delivers the greatest demand reduction. Universal metering provides better information about water use, enabling more accurate planning, fairer charging, and stronger incentives for efficient use.
- Scenario 3 and Scenario 4 may offer lower complexity.

Disadvantages

- Scenarios 3 and 4 lack the breadth likely required for consent approval.

- Scenario 6 requires significant upfront investment and strong community support. It also involves implementing all of Scenario 5.

6.0 Next Steps - *Te Koke*

6.1 The Action Plan will be expanded into an implementation plan across nine action areas.

a) Governance and management.

b) Programme management.

c) Data management and metering.

d) Policy, regulation and standards.

e) Active leak detection.

f) Social marketing.

g) Comprehensive leak management.

h) Top 100 customers and schools.

i) Smart meters and AI.

6.2 The first year focuses on putting the foundations in place; setting up governance, improving data, fixing leaks, engaging major users, and starting education. Council can then demonstrate active demand management ahead of the water take consent renewal and make informed decisions about future steps.

6.3 Ongoing engagement will continue with Mana Ahuriri, large water users and the wider community.

6.4 Council will receive updates on how the programme is tracking, what is working, and whether any changes are needed.

7.0 Attachments

1⇩ Water Demand Management Strategy Executive Summary Doc Id: 1899830

Summary of Considerations - *Tuhinga Whakarāpopoto:*

Fit with purpose of Local Government - *Ngā aronga tā te Kaunihera- ā-rohe kōrero*

Council is required to give effect to the purpose of local government as set out in Section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf) of communities in the present and for the future.

The WDMSAP supports provision of reliable local infrastructure, long-term sustainability of water supply, and cost-effective service delivery. It directly aligns with NCC's strategic priority of building a resilient city. The final draft presented in this paper having received their endorsement.

Māori Impact Statement - *He kōrero whaitake tā te māori kōrero:*

Mana whenua will play a key role in the co-design of water demand management actions. NCC has engaged with Mana Ahuriri in the development and finalisation of the WDMSAP.

The WDMSAP aligns with Te Mana o te Wai principles by prioritising the health and sustainability of the water resource while supporting community wellbeing.

Climate Change - *Te Huringa o te āhuarangi*

This decision does have an impact on:

- Greenhouse gas emissions (from council operations, community activities, or associated infrastructure),
- Napier's adaptation to a changing climate (e.g. flooding, sea level rise, coastal erosion, inundation, drought, heatwaves),

Water demand is expected to increase under projected drier and warmer conditions. The WDMSAP contributes to climate adaptation by reducing demand, improving system efficiency, and increasing resilience to climate-related pressures. Climate impacts and mitigation opportunities will be explored further during the programme planning and packaging phase in 2026.

LTP/ Annual Plan/ Financial Strategy/ Infrastructure Strategy - *Te Pae Tawhiti/ ā-tau / ā- Taunaki Ahumoni /ā- Taunaki Hanganga*

Actions within the WDMSAP, including smart metering and leakage management, align with infrastructure planning assumptions in the Three-Year Plan and forthcoming Long-Term Plan cycles. Budget implications will be considered as part of the Long Term Plan 2027 process.

Financial considerations - *Whai whakaaro Ahumoni:*

Funding will be required to support leak detection, social marketing, metering upgrades, and AI trials, as outlined in Section 4 of this report.

Initial implementation will be funded from existing budgets. Budget planning for the full WDMSAP will be refined prior to formal adoption and incorporated into future Annual Plan and Long-Term Plan processes.

Significance and Engagement - *Ko te Hiranga me te Hiwaia o te whakaaro:*

The matter is of **medium significance** under the Council's Significance and Engagement Policy due to long-term impacts on water supply and required investment. Community engagement is recommended and planned as part of the LTP process.

Consultation (internal/external) - *Ngā Uiuinga (Ki te Kaunihera /ki ngā tāngata katoa)*

Internal engagement has occurred across asset, planning, Māori partnership, and strategy teams.

Engagement with HBRC, mana whenua, significant water users, and the broader community will be necessary. These stakeholders will be identified and included in planning during the implementation phase scheduled for 2026.

Risks: Legal/ Health and Safety etc. - *Whaktūpato Ture/ Hauora me te Haumaru*

Key risks associated with delivery of the WDMSAP include:

Demand reduction risk: Forecast reductions may not be achieved if leak reduction or behaviour change initiatives underperform, increasing pressure on water supply, infrastructure investment, or water take consent renewal.

Data risk: Incomplete or imperfect data creates uncertainty and requires assumptions to be tested and refined as improved information becomes available**.**

Engagement and acceptance risk: Insufficient community understanding or support, particularly for more visible measures, may slow implementation or reduce effectiveness.

Delivery and resourcing risk: Successful implementation depends on adequate internal capability, specialist expertise, and coordination across multiple teams over several years.

Timing and regulatory risk: Insufficient progress could limit Council's ability to demonstrate efficient water use ahead of the next Water Take Consent application.

Future escalation risk: Stronger measures, such as universal metering, may still be required if early actions do not achieve intended outcomes, increasing future cost and complexity.

Social and Reputational Risk: Poor engagement or resistance from high-use non-residential customers could undermine programme success.

Financial Risk: Without demand management, operating costs will continue to rise due to increased water production, energy costs, and deferred asset failure, potentially leading to higher future capital expenditure.

WA-08-2

Napier City Council Water Demand Management Strategy and Action Plan

A report prepared by Beacon Pathway

December 2025

Executive summary

Key points

Napier's water supply is wholly drawn from the Heretaunga Plains aquifer under a resource consent issued by the Hawke's Bay Regional Council (HBRC) and due to expire on 31 May 2027. HBRC's TANK Plan introduced new provisions to manage the land and waterways of the Tūtaekurī, Ahuriri, Ngaruroro and Karamū catchments. The TANK Plan manages the aquifer as an over-allocated resource and includes objectives, policies and rules that apply to all future resource consent applications (HBRC, 2022). Applicants for new water take consents must have a plan and a commitment for the efficient use of water through demand management.

NCC commissioned Beacon Pathway (Beacon) to develop a Water Demand Management Strategy and Action Plan (the Strategy) for Napier City. Beacon delivered the draft Strategy in June 2025 and the final Strategy in December 2025. Once adopted, the Strategy will support NCC's resource consent application for a new water abstraction resource consent.

Beacon has considered water demand trends and indicators from 2015-2024, with more detailed analysis for 2019-2024. Population growth will be a key driver of future water demand, while climate change could increase demand further. Based on our analysis of future demand and our understanding of NCC's drivers to reduce water demand, including anticipated resource consent conditions, we have developed six water demand scenarios and modelled the impact of these. The scenarios are status quo, status quo with climate change, three scenarios to reduce demand progressively by 2030, and one which builds on demand reduction and envisages universal metering from 2030. These are summarised in Table 2 of the executive summary.

To finalise the WDMSAP, Beacon ran a multi-criteria analysis process with NCC to validate the assessment of scenarios and refreshed the Net Present Value calculations with updated data provided by NCC. By 2054, under the status quo with climate change scenario, demand will be 407 litres per person per day (lpd). Scenario 5 will reduce demand to 357 lpd, while universal metering results in the lowest demand of 322 lpd.

The revised analysis undertaken during November/December 2025 confirms our recommendation that Scenario 5 is considered as the basis for implementation planning and budgeting. Scenario 5 allows flexibility to implement the Strategy in stages until 2030, evaluate the results and then determine whether to proceed to Scenario 6 – universal metering in the long term.

We recommend that this Strategy is used as the basis for socialising the benefits and opportunities in a WDM approach within council, with elected members and with mana whenua and the community. Over the course of the 2025/26 financial year, the Strategy can guide actions by council before an application for a new water take consent is made.

Napier City Council (NCC) must ensure communities have access to safe, potable water and water for firefighting. A safe, reliable, and cost-effective drinking water supply is key to sustaining the social, economic and cultural wellbeing of the community.

Napier's water supply network draws directly from the Heretaunga Plains aquifer through seven council-managed bores. Water abstraction from the aquifer is authorised by a resource consent issued by the Hawke's Bay Regional Council (HBRC), which is due to expire on 31 May 2027.

HBRC has introduced new provisions to its Regional Resource Management Plan (RRMP) to manage the land and waterways of the Tūtaekurī, Ahuriri, Ngaruroro and Karamū catchments (TANK Plan Change[1]). The TANK Plan Change manages the aquifer as an over-allocated resource and includes objectives, policies and rules that apply to all future resource consent applications. The TANK Plan Change has separate policies, particularly POL TANK 47, in relation to municipal drinking water supplies (HBRC, 2022). Any application to renew the water abstraction consent in 2026 will involve assessment against these policies. HBRC will require all resource consent applicants to have developed and adopted water demand management plans.

NCC commissioned Beacon Pathway (Beacon) to develop a Water Demand Management Strategy and Action Plan (the Strategy) for Napier City. Beacon delivered the draft Strategy in June 2025 and the final Strategy in December 2025. Once adopted the Strategy will support NCC's application for a new water abstraction resource consent.

Water demand management (WDM) offers many benefits to council, including the following:

- Protecting aquifer water quality and quantity.
- Achieving high levels of customer satisfaction by ensuring a reliable supply of safe drinking water.
- Reduced operating costs – e.g. reducing energy costs by reducing pumping volumes.
- Increased reliability of supply due to fewer watermain breaks and in turn reduced maintenance costs.
- Compliance with resource consent conditions and Taumata Arowai and Department of Internal Affairs reporting requirements.

WDM generally takes three main forms:

- Infrastructural and technical approaches (e.g. the use of water-saving devices, leakage control, water metering, water pressure management, etc).
- Economic and financial approaches (e.g. water pricing, incentives, rebates, etc)
- Behavioural/social approaches (e.g. promoting water conservation, educational programmes, awareness campaigns, water benchmarking, etc).

[1] The TANK Plan is Plan Change 9 to HBRC's Regional Resource Management Plan. (HBRC, 2022)

This document has been informed by three stages of work: the first two developed the draft strategy and the third updated the analysis and finalised the strategy. First, Beacon led NCC and mana whenua representatives through a Logical Framework (Logframe) process to identify the underlying causes and effects of water demand management challenges in Napier City. Through the Logframe process, NCC staff established the overall strategic objective for water demand management in Napier City – *to ensure the sustainable supply of drinking water for Napier City by 2030* – and five further key objectives. The outputs of the Logframe process have been reported separately (Miguel & Blackwell, 2025).

Council participants in the Logframe process, including mana whenua, established the following objectives:

1. Napier City Council can meet future resource consent conditions for water take.
2. Very efficient water use.
3. Napier City Council manages financial costs of supplying water at the real cost.
4. Napier electorate understands water issues and buys into solutions.
5. Te Mana o te Wai guides water management in Napier.

In the second stage, Beacon analysed water demand trends and indicators for the period 2015-2024 and drivers of future demand. This analysis was based on publicly available information and data supplied by Napier City Council. Data supplied by NCC and used in the analysis included daily water production and wastewater volumes, metered water consumption and leak detection assessments. Rainfall data was sourced from the HBRC's web portal. Statistical data was sourced primarily from Statistics New Zealand.

In the third stage, Beacon finalised the Strategy by refreshing the Net Present Value calculations and leading Napier City Council staff through a multicriteria analysis process to validate the scenarios. This stage also included discussions with council staff on mana whenua engagement, budgets, leak detection and communication.

An overview of population, water demand, climate and economic indicators is presented in Table 1, which shows that demand is influenced by population, water loss and climate. There seems to be no correlation between demand and economic growth as measured by Gross Domestic Product (GDP).

Table 1 Water demand indicators 2014-2024

Year	Population[i]	Demand (lpd)[ii]	Water loss[iii]	Total 12-month rainfall (mm)[iv]	Rainfall Dec, Jan, Feb (mm)[v]	GDP $ per capita[vi]
2014/15	58,000	473	22.0%	506	87	35,226
2015/16	60,400	503	18.3%	556	130	36,939
2016/17	61,040	570	18.4%	847	155	39,381
2017/18	62,080	560	18.8%	662	144	41,505
2018/19	63,900	496	19.8%	633	200	42,809
2019/20	65,000	428	17.0%	489.5	79	45,358
2020/21	66,300	411	16.0%	697	51	47,668
2021/22	66,600	366	15.2%	754.5	275	52,900
2022/23	66,800	361	14.8%	1076	442	57,593
2023/24	67,500	440	19.1%	647.5	171	
2024/25	69,030	436	18%	451	147	

The Infrastructure Leakage Index (ILI) for 2016-2024 has ranged from 2.9 in 2021-2023 to 4.9 in 2018/19. In 2023/24 the ILI was 4.3. The TANK Plan Change requires a minimum ILI of 4.

The average components of exiting demand for 2019-2025 are estimated as 66% residential, 18% non-residential and 16% leaks – see Figure 1[2].

Non-residential users account for 18% of water use, with the estimated top 100 users (refer to Attachment 1 for details) accounting for 72% of metered non-residential use, for example:

- Napier City Council is the largest water user, followed by two meatworks, the education sector, wineries and Port Napier.
- Schools have diverse water demand patterns, from 187,000 litres/pupil/year to 3,000 litres/pupil/year. The yearly average per pupil ranges from 12,000 litres/pupil/year in 2021/22 to 18,440 litres/pupil/year in 2019/20.

Therefore, there is an opportunity to work in partnership with the top non-residential customers to reduce demand. We note that the cost of water for this user group is low compared to water tariffs elsewhere in the country.

[2] We note that estimates have been extrapolated from meter reading data provided by NCC. As there is no universal metering, we have estimated the consumption for each component.

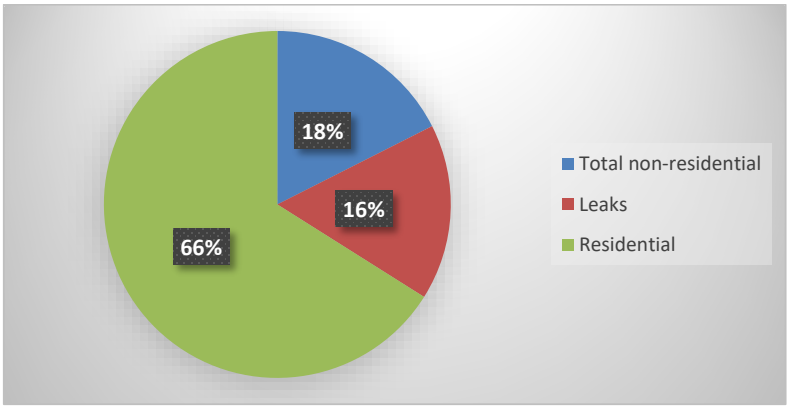


Figure 1 Components of Napier water demand averaged for 2019-2024

Future water demand for Napier City 2025-2054 was then predicted, based on the following:

- Population growth, from 69,030 people in 2025 to 81,100 by 2054.
- 96.7% of the population have water connections, based on the Council's growth forecast proportion of urban and rural areas.
- Per capita demand and water loss (leakage) for 2023/24 as the baseline.
- An allowance for increased demand of 0.188% annually due to climate change. As rainfall has an impact on demand, it has been assumed that reduced rainfall due to climate change will increase demand. According to an MfE report (2024), rainfall could reduce by up to 4.7% by 2050, thus the average annual reduction in rainfall will be 0.188% annually, and water demand is assumed to increase correspondingly.

Based on our analysis of future demand and our understanding of NCC's drivers to reduce water demand, including anticipated resource consent conditions, we have developed six water demand scenarios shown in Table 2 and have modelled the impact of these.

Table 2 Water demand forecasting scenarios

Scenario	Drivers of demand growth	Leakage reduction	Comprehensive network management	Non-residential use reduction	Demand reduction – all users
Scenario 1	Population to 2054	None	None	None	None
Scenario 2	Population to 2054 and climate change	None	None	None	None
Scenario 3	Population to 2054 and climate change	12% loss rate by 2029	None	None	None
Scenario 4	Population to 2054 and climate change	12% loss rate by 2029	10% demand reduction by 2030	None	None
Scenario 5	Population to 2054 and climate change	12% loss rate by 2029	10% demand reduction by 2030	Reduce top 100 users' and schools demand by 25% by 2030	None
Scenario 6	Population to 2054 and climate change	12% loss rate by 2029	10% demand reduction by 2030	Reduce top 100 users' and schools demand by 25% by 2030	10% demand reduction by 2035

* Note that reducing leaks to 12% will achieve an ILI of 2.4 by 2029.

Water demand forecasts under each of these scenarios are shown graphically in Figure 2. Scenario 2 is the worst as it has the highest water demand by 2054. By comparison Scenario 6 delivers the lowest water demand with a reduction of 27%, followed by Scenario 5 with a reduction of 19%.

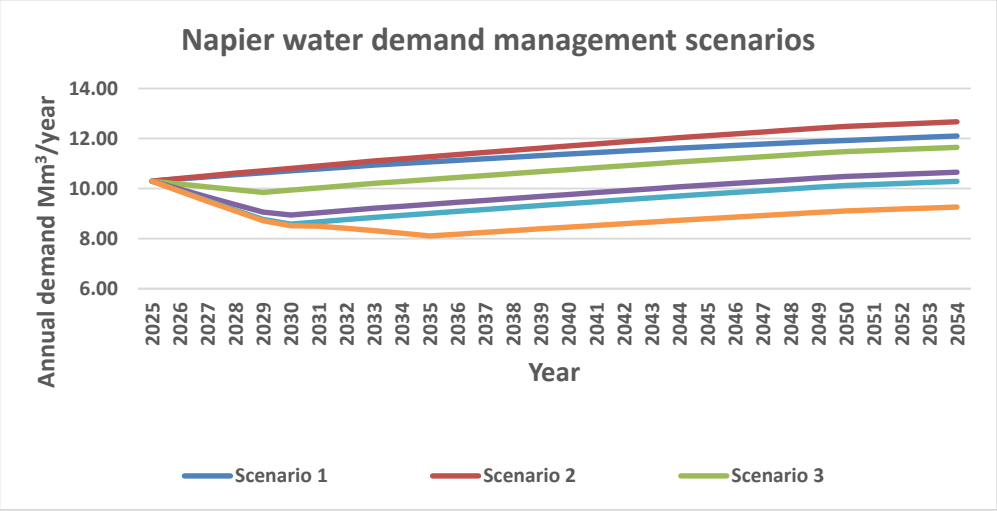


Figure 2 Water demand management scenarios

The total cost of service was used to calculate the Net Present Value (NPV) of each Scenario based on the financial forecasts for 2026-2054, inflation adjusted, for water and wastewater provided by Napier City Council.

As most of the costs are fixed, except for Other Operating Expenses, to calculate the NPV adjustments were made to the budget line items that are influenced by the Water Demand Strategy.

Water demand management offers the opportunity to reduce the capital works programme as reduced demand would result in reduced design flows. However, after discussion with council staff it was decided that it would be prudent not to reduce the capital works programme.

The NPV for the total cost of each Scenario, for 2026-2054, is shown in Table 3. As can be seen, Scenario 6 has the lowest NPV, followed closely by Scenario 5.

Table 3 Total Costs NPV for the water demand management scenarios[vii]

Scenario	NPV $Million
Scenario 1	603.82
Scenario 2	604.67
Scenario 3	603.12
Scenario 4	597.13
Scenario 5	592.81
Scenario 6	590.87

Beacon led Napier City Council staff through an assessment of the six scenarios using multi-criteria analysis (MCA).

The MCA scores are based on a relative assessment of the effectiveness of each scenario in achieving the water demand management objectives. The results show that the preferred scenario is Scenario 5 with an MCA of 3.98, closely followed by Scenario 6 with an MCA of 3.87. The worst performing was Scenario 2 with an MCA of 2.63.

The analysis shows that Scenario 5 has the best MCA and beneficial NPV. Scenario 6 could be adopted in the long-term once there has been community consultation on universal metering.

We note that Scenarios 1 and 2 do not meet HBRC criteria set out in the TANK Plan Change

Action plan

Finally, we prepared an indicative action plan and implementation timetable based on the highest ranked demand reduction scenario – Scenario 5. In developing the Action Plan, we were guided by the following principles, which reflect the outcomes of the Logframe process and are consistent with NCC's Vision and Strategic Priorities.

1. Demand management is a socio-technical challenge and opportunity.
2. Ensure Treaty partners contribute to the development and implementation of water demand management.
3. Water demand management gives effect to Te Mana a te Wai.
4. Adopt an integrated water management approach.
5. Adopt a long-term view to implementing change.
6. Take an Adaptive Learning Approach – Plan. Do. Check. Act (PDCA).

Recommendations

It is recommended that Scenario 5 is considered as the basis for implementation planning and budgeting. Scenario 5 allows flexibility to implement the Action Plan in stages until 2030, evaluating the results and then determining whether to proceed to Scenario 6 – universal metering.

Scenario 5 is multifaceted and includes actions across nine areas:

- Action 1. Governance and management.
- Action 2. Programme management.
- Action 3. Data management and metering.
- Action 4. Policy, regulation and standards.
- Action 5. Active leak detection.
- Action 6. Social marketing.
- Action 7. Comprehensive leak management.
- Action 8. Top 100 customers and schools water demand management.
- Action 9. Smart meters and AI.

Based on the tasks identified in the actions, it is suggested that implementation for 2025/26 will require an additional 0.5 FTE.

As a minimum, it is highly recommended that additional water meter readings are carried out monthly for the top 100 users and schools and three-monthly for others. This will provide greater accuracy for demand forecasting and detect leaks on the customer side. This is consistent with the Thomas Consultants Water Loss report that recommends additional water meter readings.

The other priority for 2025/26 is to carry out more leak detection by establishing leak detection of areas of about 1,000 connections.

For 2026/27 an additional 3 FTEs and an operating budget of $300,000 is suggested. This is subject to review by NCC regarding affordability.

Next steps

We recommend that this Strategy is used as the basis for socialising the benefits and opportunities in a WDM approach within council, with elected members and with mana whenua and the community. Over the course of the 2025/26 financial year, the Strategy can guide actions by council before an application for a new water take consent is made.

3. WATER SERVICES CAPITAL PROGRAMME DELIVERY UPDATE

Type of Report:	Information
Legal Reference:	Enter Legal Reference
Document ID:	1897721
Reporting Officer/s & Unit:	Sue Kelly, Manager Capital Delivery Hansika Iranthi, Programme Performance and Quality Lead

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

1.1 This report presents a summary of the 2025/26 Water Services Capital Programme, including major projects, objectives, and financial distributions.

Capital Programme Overview

1.2 The programme has a total capital budget of **$32,134,546** (2025/26) comprising the LTP budget and approved carry-forward funding from the previous financial year. The budget is distributed across all three water services as below.

Department	Annual Plan Budget	Carry Forward budgets	Total 25/26 capital budget	Additional requests	Revised budget
Water supply	$9,548,856	$1,399,854	$10,948,710	$1,500,000	$12,448,710
Storm water	$9,745,606	$799,847	$10,545,453		$10,545,453
Wastewater	$8,349,728	$2,290,655	$10,640,383		$10,640,383
	$27,644,190	**$4,490,356**	**$32,134,546**	**$1,500,000**	**$33,634,546**

Figure 1 : Budget summary FY25/26

1.3 Note an additional sum of $1,500,000 was approved by Council to be brought forward from 2026/27 to meet earlier budget demand for development of the Borefields and Church Road Booster Pump projects, resulting in a revised Capital Budget of $33,634,546.

Programme Delivery Update - January 2026

1.4 As of January 2026, there are 76 active projects included in the programme. Of the 76 active projects across the programme there are 17 multi-year projects which are in the design delivery phase with construction planned to start during 2026/27 financial year.

1.5 Multi-year rolling renewal programs are well underway. A substantial budget has been allocated to renewals and replacements to ensure the water network remains operational and well maintained.

Financial update- January 2026

1.6 Financial data from January 2026 shows year-to-date spend at approximately **$11.52M**, accounting for 34% of the 2025/26 allocated budget. This is lower than January 2025 year to date spend of $12.85M.

1.7 Typically spending of the capital programme shows a significant uplift in the second part of the financial year. Much of this can be attributed to works being planned to be undertaken in the (usually) drier summer and autumn months.

1.8 Year-to-date spending this year versus last year highlights how current performance differs from the previous year, whilst showing the same trend of slower spending in the early part of the financial year.

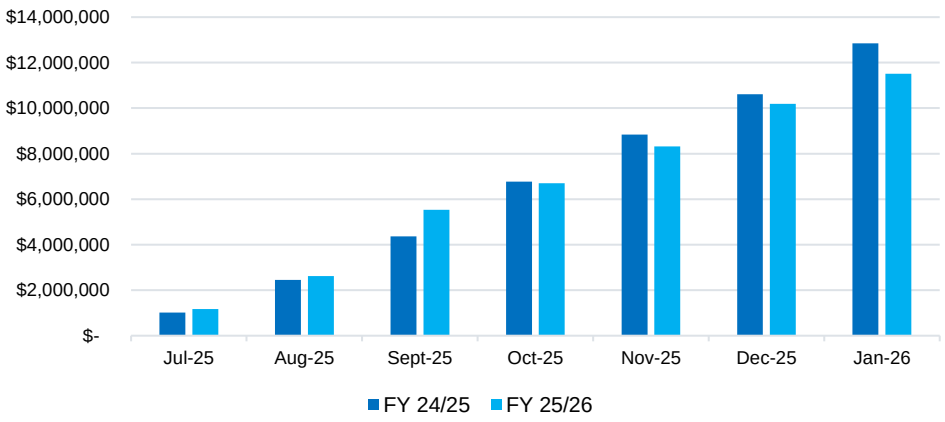


Figure 2 : Year to date Spend comparison FY24/25 Vs FY25/26

1.9 The Water Services Capital Programme Dashboard offers comprehensive information regarding the comparison of total expenditure with forecasted values within the programme.

Project Delivery update- January 2026

1.10 The newly formed water services Capital Delivery team are working with the current Professional Services Panel to engage project management resources to support design delivery and construction of current projects.

1.11 Planning for delivery of the 2026/27 programme of works is underway. Included in this planning will be consideration of initiatives to improve project delivery in the first quarter of the financial year. The procurement process for the new Professional Services Panel is in its second stage with potential panellists having interactive sessions (presentations and Question and Answers) with the evaluation team.

Completed Projects

1.12 We've completed the following projects during the 25/26 year.

- Russell Road 125mm diameter water main work completed.
- Taradale Road rider main extension works completed.
- Waghorne Street stormwater improvement work.
- Skink Enclosure on foreshore reserve.
- 41 Thames Street trade waste connection and flow metering.
- Water quality monitoring stations.

Projects in the construction (execution) phase currently are:

- Taradale and Herrick Street Culvert project
- Mission Hills Booster Pumpstation project
- Carlyle Street stormwater improvement project
- North & Delhi Road Stormwater upgrade
- Harpham Street - 63mm Rider Main
- 15 Enfield Road Realignment
- Latham St Flume replacement and Latham pipe renewal
- Purimu Pumpstation roof remediation work

2.0 Officer's Recommendation

Delivery and Regulatory Performance Committee::

a) **Receive** the report titled Water Services Capital Programme Delivery Update dated 05 March 2026.

3.0 Attachments

1⇩ Water servics Capital Programme Dashboard Doc Id: 1899200

NCC WATER SERVICES CAPITAL PROGRAMME DASHBOARD

NAPIER CITY COUNCIL Te Kaunihera o Ahuriri

January 2026

ACTIVE PROJECTS -JAN 26

76

Department	Annual Plan Budget 25/26	Carry Forward budgets 24/25	Additional requests
Water supply	$9.549K	$1.400K	$1.500K
Storm water	$9.746K	$800K	
Wastewater	$8.350K	$2.291K	
Total	$27.644K	$4.490K	$1.500K

ALLOCATED BUDGET FY 25/26

$33.63M

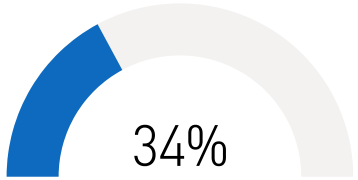
TOTAL MONTHLY SPEND - JAN 26

$1.33M

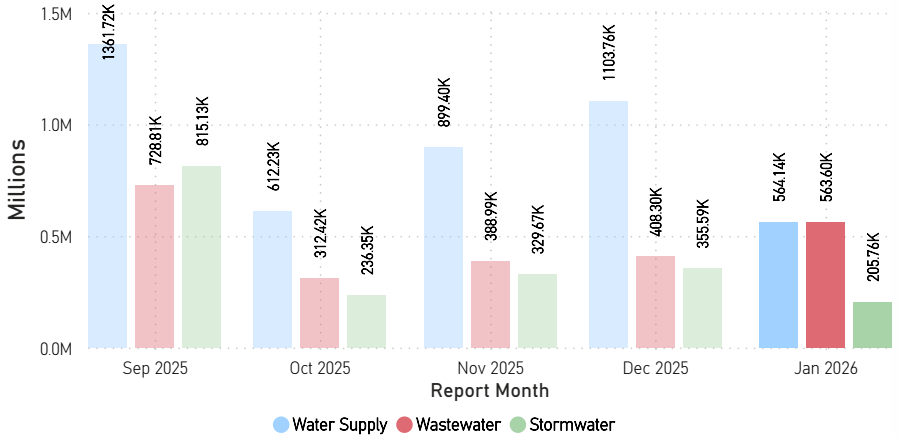
CUMULATED TOTAL SPEND - JAN 26

$11.52M

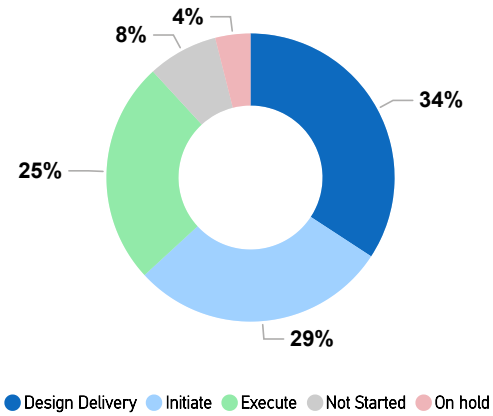
CURRENT SPEND- JAN26



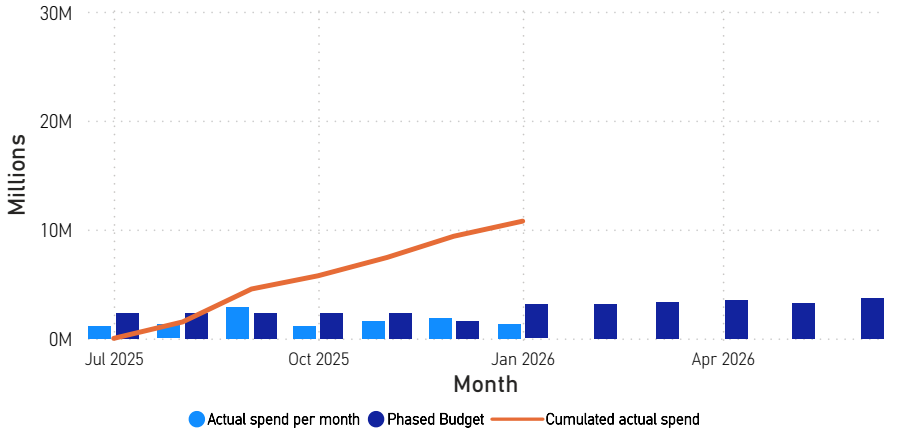
MONTHLY SPEND BY ASSET TYPE FY 25/26



PROJECT PHASE



YEAR TO DATE SPEND AND CUMULATED FORECAST



DEPARTMENT	NO OF PROJECTS
140 - Wastewater	26
130 - Stormwater	29
120 - Water Supply	28

7
Completed Projects

9
Projects on hold / Not started

NCC WATER SERVICES CAPITAL PROGRAMME DASHBOARD

NAPIER CITY COUNCIL
Te Kaunihera o Ahuriri

January 2026

KEY PROJECTS UPDATES

Active Projects	Status	Overall	Project update
Wastewater new Outfall Consenting & Wastewater Outfall	Design Delivery		•The Pre Construction Service Agreement is signed and kick off meeting was held on 21st January 2026. •Stakeholder Identification and engagement work is ongoing. •Stantec has been engaged to carry out the flow assessment work. •Concept development and interface coordination work is in progress.
Te Awa pumpstation & Plantation Watercourse & ponds	Design Delivery		•Cultural Impact assessment workshop completed; •The land valuation for the alternative pathway has been completed. •The draft landscape plan completed, and the coastal hazard assessment report is pending submission. •Consent pathway updated and prioritise schedule.
Lagoon Farm Diversion	Design Delivery		•Update on Lagoon Farm Stormwater Diversion and treatment at Ahuriri Regional Park presented to NCC Councillors on 15 Dec 2025. •Ground water monitoring work is in progress. •The Geotech investigation project change notice was approved, and work commenced in December 2025. •A draft memorandum on bird strike risk assessment has been prepared by PDP.
WS3 - Mataruahou Reservoir	Design Delivery		•Pre-alignment works for detailed design underway. •Mataruahou Reservoir proposed procurement plan approach presented to council and approved. •The application to the Archaeological Authority is currently in progress. Work on test pits in contaminated land will be completed thereafter. •Landscaping plan underway; public consultation set for early March.
WS4 - Mataruahou Rising & Falling Mains.WS6 - Taradale Rising & Falling Mains	Design Delivery		•Geotechnical investigations in progress. •Ground Penetration Radar contract awarded; survey in progress. •KiwiRail engagement underway.
WS5 - Taradale & Awatoto Borefields	Design Delivery		•Proposed procurement approach brought to 5th March Delivery and Regulatory Committee Meeting. •Drilling consent issued by Hawkes Bay Regional Council.
WS11 - Mission Hills Reservoir	Design Delivery		•The Detailed Design work is in progress. •Formal approval has been granted to hand over the construction of the reservoir to the developer. •The Land purchase agreement has been signed, and subdivision will commence once payment is completed.
WS15 - Mission Hills Rising Mains and Booster Pump Station	Construction		•Pipe drilling and installation is completed. •Pump station construction and pump installation work completed. •Electrical work and Valve chambers installation work is in progress.
Taradale and Herrick culverts	Construction		•Flow diversion drilling is in progress. •Sheet piling work first section completed. •Fish relocation work completed. •NZTA approval underway.

On Track | Monitor | Off track

The RAG status displayed is based on information provided by project managers.

PROGRAMME RISK

Risk	Comments	Inherent Risk	Residual risk	Mitigation Action
A reduced pace of Capital programme delivery due to changes post redesign	The integration of new personnel along with current vacancies are impacting effectiveness.			Teams are efficiently streamlining the programme as recruitment continues. Currently, teams are collaborating to define role clarity.
The formation of a new Water Services professional panel may result in "tail" of contractual engagements with consultants no longer on the panel.	May cause delays in accessing panel services during the period and could impact delivery timelines.			Planning is underway to minimise the impacts of panel changes and ensure effective process are in place for engaging the new panel members

PROCUREMENT ACTIVITIES - JAN 26

Tenders on GETS

- Battery Road Storm water and Wastewater Pipe Renewals, Advertised on 29/01/2026 and the tender close on 12/03/2026.

Tenders in Evaluation

- Water services professional services panel tender

Tenders Awarded

- The Wastewater Outfall Replacement project - Pre-Construction Service Agreement with McConnell Dowell was signed on December 24, 2025.

KEY HIGHLIGHTS - JAN 26

- Mataruahou Reservoir Proposed procurement plan approach presented to council and approved.
- Wastewater new outfall Pre Construction Services Agreement Signed
- Taradale road rider main extension works completed.
- Mission hills Rising main and booster pumpstation , pump installation and pumpstation construction work completed.

NCC WATER SERVICES CAPITAL PROGRAMME DASHBOARD

NAPIER CITY COUNCIL
Te Kaunihera o Ahuriri

January 2026

Taradale & Herrick Culvert project Construction Commenced

Taradale rider Mains extension work Completed

Mission Hills Rising Mains and Booster Pump Station work is in progress

15 Enfield Rd - Realignment construction work started

Harpham Street - 63mm rider main work started

RECOMMENDATION TO EXCLUDE THE PUBLIC

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

AGENDA ITEMS

1. Urban Infrastructure Professional Services Panel - Contract Award

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.**	**Plain English reason for passing this resolution in relation to each matter**
1. Urban Infrastructure Professional Services Panel - Contract Award	7(2)(b)(ii) Protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information 7(2)(h) Enable the local authority to carry out, without prejudice or disadvantage, commercial activities	48(1)(a) That the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist: (i) Where the local authority is named or specified in Schedule 1 of this Act, under section 6 or 7 (except 7(2)(f)(i)) of the Local Government Official Information and Meetings Act 1987.	Commercially confidential information included in the report

Public Excluded Text

Council has considered the public interest in the information above and balanced those interests with the reason(s) for withholding this information. This ensures Council has met the requirements for withholding information under section 7(2) of the Local Government and Official Information and Meetings Act 1987.