

CORPORATE & PERFORMANCE COMMITTEE

Open Agenda

Meeting Date: Thursday 14 May 2026

Time: 9.30am

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

Livestreamed via Council's YouTube Channel

Committee Members **Chair:** Councillor Crown

Members: Mayor McGrath, Deputy Mayor Taylor, Councillors Brownlie (Deputy Chair), Chrystal, Isaac-Sharland, Lawrence, Mawson, Morley, Price, Raihania and Simpson

Ngā Mānukanuka o te Iwi Representatives: Shayla Kora and Jason Wawatai

Officer Responsible *Executive Director Corporate & Commercial Services Deputy / Chief Executive*

Administration Governance Team

**Next Corporate and Performance Committee Meeting
Thursday 13 August 2026**

2025-2028 CORPORATE AND PERFORMANCE COMMITTEE - TERMS OF REFERENCE

<i>Chairperson</i>	<i>Councillor Crown</i>
<i>Deputy Chairperson</i>	<i>Councillor Brownlie</i>
<i>Membership</i>	<i>Mayor and Councillors (12)</i> <i>Ngā Mānukanuka o te Iwi Representatives (2)</i>
<i>Quorum</i>	<i>7</i>
<i>Meeting frequency</i>	<i>At least 6 weekly (or as required)</i>
<i>Officer Responsible</i>	<i>Executive Director Corporate and Commercial Services /</i> <i>Deputy Chief Executive</i>

Purpose

To provide governance oversight of the Council's corporate and commercial activities; monitor the Council's financial position, including both financial and non-financial performance against the Long Term Plan and Annual Plan. Oversees Council's interests in any Council Controlled Organisations (CCOs), Council Controlled Trading Organisations (CCTOs), Council Organisations (COs) and subsidiaries.

The committee oversees finance, performance, CCTO investments, commercialisation of council's business and tourism facilities, economic development and events, and property.

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 monitor the overall financial position of Council and its quarterly performance against the Annual Plan and Long Term Plan.
2. To monitor the quarterly performance of Council in terms of the organisational targets set in the Long Term Plan and Annual Plan – both financial and non-financial. Note, this excludes regulatory performance which is considered by the Delivery and Regulatory Performance Committee.
3. To adopt or amend policies or strategies related to the Committee's area of responsibility, provided the new or amended policy does not conflict with an existing policy or strategy.
4. To provide governance to Ahuriri Investment Limited (CCTO).
5. To consider matters relating to CCTOs, CCOs and COs, not reserved to Council, including to monitoring the overall performance of CCTO's.
6. Provide governance to Council's property operations and consider related policy.
7. To make decisions on the sale and purchase of land.
8. To receive updates relating to the work to commercialise business and tourism facilities including their future operating models, not reserved to Council, including to monitor the performance of these. Facilities include Kennedy Park Resort, Ocean Spa, National Aquarium of New Zealand, I-SITE, Par2. To consider community feedback on resident satisfaction and monitor community well-being.

Corporate & Performance Committee - 14 May 2026 - Open Agenda

9. To consider reports from sub-committees including Community Initiatives, and 3 Year Partnership Fund, and the People, Arts and Community Panel.
10. To receive quarterly reports on tenders let within CE delegation.
11. To receive any reports from regional bodies on economic development except for funding requests.
12. To receive half yearly updates from the Independent Chair of the Audit and Risk Committee.
13. 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 recommend to Council and/or the Chief Executive any changes to the funding or rating system for the City, any variation to budgets that are outside the delegated powers of officers and the approval of Statements of Intent for CCTOs, CCOs and COs each year.

To bring to the attention of Council and/or the Chief Executive any matters that the Committee believes are of relevance to the consideration of the financial performance or the delivery of strategic outcomes of Council.

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

Mayor McGrath

Conflicts of interest

Public forum

Nil

Announcements by the Mayor

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

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

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

Announcements by the management

Confirmation of minutes

That the Minutes of the Corporate and Performance Committee meeting held on Wednesday, 4 March 2026 be taken as a true and accurate record of the meeting.26

Agenda items

1	Credit Rating Process.....	5
2	Treasury Policy Update	10
3	Treasury Activity and Funding Update	14
4	Quarterly Performance Report Ending 31 March 2026.....	20

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

Reports under Delegated Authority

1	Tenders Let.....	21
---	------------------	----

Public excluded	23
------------------------------	-----------

AGENDA ITEMS

1. CREDIT RATING PROCESS

<i>Type of Report:</i>	Procedural
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1909814
<i>Reporting Officer/s & Unit:</i>	Alister Edie, Senior Financial Strategy & Treasury Lead

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 The purpose of this report is to receive Council approval to commence the process towards achieving an official credit rating.
- 1.2 Bancorp Treasury Services has prepared the attached report to support this decision making. The report details the process for Council, the preparation required by Council, recommends a credit rating provider and estimates the likely credit rating Council could achieve.
- 1.3 Further detail is provided in the discussion section below on the process for Council and the possible interest rate costs Council could receive after obtaining an official credit rating.

2.0 Recommendations - Ngā Tūtohunga

That Corporate and Performance Committee:

- a. **Receives** the report titled Credit Rating Process dated 14 May 2026.
- b. **Approves** Option One – Recommended Option, which is to commence the credit rating process with Fitch Ratings.

3.0 Background - Ngā Tuāpapa:

- 3.1 Napier City Council (NCC) funds a portion of capital expenditure from external debt. NCC predominantly borrows from the Local Government Funding Agency (LGFA) – as an unrated guarantor. An unrated guarantor pays a higher interest rate margin above LGFA's base yield interest rate than a rated Council.
- 3.2 As Councils current debt portfolio has exceeded \$100m, it is now prudent to achieve a credit rating to reduce the marginal interest cost of borrowing. For example, achieving an AA- credit rating could mean a 10-15-basis points reduction in borrowing interest rates.
- 3.3 NCC has spent time investigating the benefits, implications and process of achieving a credit rating. This involved gaining advice and experience from peer Councils e.g. Hastings District Council and Hawkes Bay Regional Council. Advice was learnt about the inherent processes and experiences with different credit rating providers, and key metrics the credit rating providers place value on. Peer Councils advised an external treasury advisory was sensible to guide NCC through the process.

3.4 Achieving a credit rating also improves the following LGFA key compliance requirements related to external borrowing:

Currently, Council adheres to the following external borrowing limits:

- Net external debt as a percentage of total income will not exceed 175%
- Net interest expense as a percentage of total income will not exceed 20%
- Net Interest as a percentage of rates income will not exceed 25%

If Council receives an official credit rating, they will adhere to the following updated limits:

- Net external debt as a percentage of total income will not exceed 280%
- Net interest expense as a percentage of total income will not exceed 20%
- Net Interest as a percentage of rates income will not exceed 30%

3.5 The estimated current costs for initial receipt and ongoing renewal of a credit rating are:

Fitch	S&P
Initial Rating Fee – NZ\$65,000	Initial rating – AU\$55,000 (currently equates to NZ\$66,200)
Ongoing monitoring – NZ\$60,000 p.a.	Ongoing monitoring – AU\$55,000 (currently equates to NZ\$66,200) p.a.

4.0 Discussion - Ngā Whakamārama:

- 4.1 To assist Councils decision making between the provided options, refer to the attached report prepared by Bancorp Treasury for a detailed overview of the process for Council, the preparation required by Council, recommendation of a credit rating provider and an estimation of the likely credit rating Council will achieve.
- 4.2 Bancorp recommends Council selects Fitch as our credit rating provider based on their favourable sector outlook and the likely stability of their future credit rating re-assessments.
- 4.3 Based on a comparative evaluation, NCC could likely achieve an AA- credit rating. This could result in NCC securing borrowing from LGFA at a 15 basis point reduction to its current interest cost. Using NCC's current external debt forecast, the following example shows a possible \$2.68m cost savings for new and re-financed lending to the end of the 2033/34 financial year. This assumes a 5-year average term for all lending.

Impact of Credit Rating on NCC Interest Cost (\$m)						
Year	New Debt Over 5 Years		Refinancing Over 5 Years		Total Over 5 Years	Saving
						0.0015
2026/27	\$ 111.00	\$ 555.00	\$ 12.00	\$ 60.00	\$ 615.00	\$ 0.92
2027/28	\$ 40.70	\$ 203.50	\$ 12.00	\$ 60.00	\$ 263.50	\$ 0.40
2028/29	\$ 34.70	\$ 173.50	\$ 12.00	\$ 60.00	\$ 233.50	\$ 0.35
2029/30	\$ 26.80	\$ 134.00	\$ 12.00	\$ 60.00	\$ 194.00	\$ 0.29
2030/31	\$ 35.60	\$ 178.00	\$ 12.00	\$ 60.00	\$ 238.00	\$ 0.36
2031/32	\$ 12.30	\$ 61.50	\$ 12.00	\$ 60.00	\$ 121.50	\$ 0.18
2032/33	-\$ 21.30		\$ 12.00	\$ 60.00	\$ 60.00	\$ 0.09
2033/34	-\$ 41.60		\$ 12.00	\$ 60.00	\$ 60.00	\$ 0.09
Total					\$ 1,785.50	\$ 2.68
Assumptions: 5 year average borrowing term						
AA- Credit Rating = 15 basis point interest margin reduction						

4.4 Upon request, Fitch Ratings provided the following summary of the initial and ongoing process for NCC.

A) Initial rating:

Our rating process starts with Fitch analysts reviewing all publicly available information in the first instance – including annual reports, budgetary documents and other relevant documentation. We would then arrange a meeting with the council to discuss various points of interest to our credit analysis: policy/regulatory developments, organisation developments, fiscal performance, debt, liquidity, CCOs, etc. This is to fill in any gaps in our understanding. We would ask for 2-3 hours.

Additional information we request is usually limited to: interim financial accounts and debt details (debt maturity profile, fixed/variable tranches, available bank facilities, etc). In some cases we may require other information if there are more complex matters for us to understand.

We typically meet with senior finance staff, for example the CFO and/or finance managers, who are able to discuss financial and operational aspects of the council in some detail. We prefer to do this in person at the council offices but a video meeting is also fine, as suits the council.

We would then complete our rating work, keeping the council up to date on our progress and asking any final questions we may have.

b) Annual rating reviews:

Information requirements are similar as for the initial rating. We ask for a meeting with the relevant finance staff (in person or via video, as suits) to refresh our understanding. This would typically be for 1-2 hours.

5.0 Options - He kōwhiringa anō:

5.1 Option One - Recommended Option

That Council approves the commencement of the process to receive an official credit rating with Fitch Ratings.

Advantages

- Improved LGFA borrowing interest rate margins, decreasing NCC's net interest cost.
- Improved LGFA external debt compliance covenants, increasing NCC's available debt headroom.

Disadvantages

- Time and resource requirements from Council and officers to support the initial credit rating process.
- Time and resource requirements from Council and officers to support annual credit rating reviews.

5.2 Option Two – Status Quo

Council does not commence the credit rating process.

6.0 Next Steps - Te Koke

- 6.1 If Council agrees to Option One – Recommended Option, meetings will be arranged between Fitch Ratings and key NCC staff to generate all information required to ascertain NCC's credit rating.

7.0 Attachments

- [1⇒](#) NCC Credit Rating Summary (Under separate cover 1) Doc Id: 1909859

Summary of Considerations - *Tuhinga Whakarāpopoto:*

Not applicable

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.

Obtaining a credit rating promotes sound financial management and sustainable service delivery. A credit rating supports lower borrowing interest rates through LGFA, reducing the cost of debt used to fund community infrastructure.

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

n/a

Climate Change - *Te Huringa o te āhuarangi*

This decision does not 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),
- Or is it itself likely to be impacted by these climate-related risks

<Enter text>

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

The implications of having a credit rating will be applied to the next LTP.

Financial considerations - *Whai whakaaro Ahumoni:*

The initial fee to get a credit rating from Fitch Rating is estimated at \$65,000 plus GST. This is not budgeted but this cost is more than offset by the interest rate savings NCC is expected to gain. The ongoing annual fee is estimated to be about \$60,000 plus GST. This is also unbudgeted but the cost is more than offset by the interest rate savings NCC is expected to gain.

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 medium significance.

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

Internal: Deputy Chief Executive, Head of Data and Digital, Financial Controller. External: Bancorp Treasury Services, Hawkes Bay Regional Council, Hastings District Council, Fitch Rating.

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

Achieving a credit rating supports the management of funding and interest rate risk.

2. TREASURY POLICY UPDATE

Type of Report: Legal and Operational

Legal Reference: Local Government Act 2002

Document ID: 1909648

Reporting Officer/s & Unit: Alister Edie, Senior Financial Strategy & Treasury Lead

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 This report recommends that Council approves the proposed new Treasury Policy (Attachment 1) (Doc Id 1909954) and amended Investment Policy (Attachment 3) (Doc Id 1909956) for immediate adoption.
- 1.2 The proposed new Treasury Policy incorporates the existing Liability Management Policy together with the Council investments section of the current Investment Policy and will replace the current Liability Management Policy.
- 1.3 The Investment Portfolio section of the current Investment Policy is not proposed to transfer into the new Treasury Policy. The amended Investment Policy will instead provide Ahuriri Investment Management (AIM) policy framework for the management of Council's investment portfolio. The Investment Policy will be reviewed in line with the 2027/28 Long Term Plan.
- 1.4 The proposed new Treasury Policy has been prepared in line with the following:
 - Industry benchmarking – from Local Council and treasury management best practice
 - LGFA compliance requirements
 - LGA 2002 requirements
- 1.5 The attached Treasury Policy Controls and Rationale document summarises the key aspects and amendments of the proposed new Treasury Policy, including the rationale for inclusion.

2.0 Recommendations - Ngā Tūtohunga

That Corporate and Performance Committee:

- a. **Receives** the report titled Treasury Policy Update dated 14 May 2026.
- b. **Approves** Option One – the Recommended Option: immediate adoption of the proposed new Treasury Policy (Doc Id 1909954).
- c. **Notes** the current Investment Policy, maintaining policy for managing NCC's investment portfolio, will be reviewed and updated for the 2027-27 Long term Plan.

3.0 Background - Ngā Tuāpapa:

- 3.1 Council is responsible for adopting treasury management policies that align with the Long Term Plan and financial strategy. This involves setting key treasury limits and ratios related to debt, interest rates, liquidity and counterparty exposure etc. Officers are responsible for ensuring treasury management policies reflect treasury management best practice i.e. industry benchmarking, market conditions and risk management practices. This aligns with the prudent financial management requirements of the LGA 2002.

- 3.2 The current Liability Management Policy has been updated in line with previous LTP's and the Three Year Plan. The current Investment Policy was updated on 31 July 2025 to incorporate the Investment Portfolio, to integrate with Ahuriri Investment Management (AIM), and to provide investment policy for the Investment Portfolio.
- 3.3 For clarity and efficiency, the proposed new Treasury policy has been designed to incorporate all treasury management activity in one policy – liability management and investment. Investment and liability management are intrinsically related under treasury management practice, and roles and responsibilities across these functions have been updated.
- 3.4 With support from an external treasury advisor, Council is reviewing its treasury management operations. This treasury policy update ensures Council is following industry and treasury management best practice. Strategically, it is also important to update Councils treasury policies before entering the process to achieve an official credit rating.

4.0 Discussion - Ngā Whakamārama:

See the attached Treasury Policy Controls and Rationale document (**Attachment 2** – Doc Id 1909955) that provides the rationale for introducing or amending controls in the proposed new Treasury Policy. Following is a summary of the rationale for inclusion or amendment of key controls:

- 4.1 Purpose and Review: to consolidate the management of treasury risks in one policy – with the NCC Investment Portfolio managed by AIM and governed by separate policy
- 4.2 Scope and Objectives: extra detail provided to current policy
- 4.3 Roles and Responsibilities: newly introduced to policy to illustrate the governance and management framework and responsibilities for activities and reporting
- 4.4 Liquidity Risk: NCC must meet LGFA liquidity requirements to obtain their funding
- 4.5 Funding Risk: removed 0-3 years, 3-5 years and 5+ years limits as hard to manage. The proposed change is simple and effective to spread maturities.
- 4.6 Borrowing Limits: updated to reflect LGFA latest limits
- 4.7 Gross Debt and Gross Debt Limits: updated as an internal compliance measure
- 4.8 Interest Rate Risk: simplified to one set of control limits

Period	Fixed Rate Maturity Limits	
	Minimum	Maximum
0 to 2 years	40%	100%
2 to 5 years	20%	80%
5 to 8 years	0%	60%
8 to 10 years	0%	40%

- 4.9 Cash Management: included cashflow forecast consulting as an operational requirement
- 4.10 Financial Market Investments: simplified authorised investment criteria table introduced
- 4.11 Reporting: section introduced

4.12 Relevant Delegations: section introduced

5.0 Options - *He kōwhiringa anō*:

5.1 Option One - Recommended Option

Immediate adoption of the proposed new Treasury Policy and proposed amended Investment Policy.

Advantages

- Clarity and efficiency is created by consolidating the management of treasury risks in one policy, including relevant roles and responsibilities.
- Policy relevance is improved with the application of up to date treasury management and industry best practice for treasury risk management.
- Strategically, the policy update provides positive support to the upcoming credit rating process

Disadvantages

- Not applicable

5.2 Option Two – Status Quo

- Not applicable

6.0 Next Steps - *Te Koke*

- 6.1 Adoption of the proposed new Treasury Policy. Creation of reporting and checks related to the updated policy.
- 6.2 Adoption of the amended Investment Policy. This creates no operational changes as the Investment Portfolio sections have not changed.
- 6.3 The proposed amended Investment Policy will be reviewed as part of the 2027/28 Long Term Plan.

7.0 Attachments

- | | | |
|----|---|-----------------|
| 1⇒ | NCC Treasury Policy (Under separate cover 1) | Doc Id: 1909954 |
| 2⇒ | Treasury Policy Controls & Rationale (Under separate cover 1) | Doc Id: 1909955 |
| 3⇒ | NCC Investment Policy (Under separate cover 1) | Doc Id: 1909956 |

Summary of Considerations - *Tuhinga Whakarāpopoto:*

n/a

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

Council is responsible for adopting treasury management policies that align with the Long Term Plan and financial strategy. This involves setting key treasury limits and ratios related to debt, interest rates, liquidity and counterparty exposure etc. Officers are responsible for ensuring treasury management policies reflect treasury management best practice i.e. industry benchmarking, market conditions and risk management practices. This aligns with the prudent financial management requirements of the LGA 2002.

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

n/a

Climate Change - *Te Huringa o te āhuarangi*

This decision does not 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),
- Or is it itself likely to be impacted by these climate-related risks

<Enter text>

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

Council is responsible for adopting treasury management policies that align with the Long Term Plan and financial strategy. This involves setting key treasury limits and ratios related to debt, interest rates, liquidity and counterparty exposure etc. Officers are responsible for ensuring treasury management policies reflect treasury management best practice i.e. industry benchmarking, market conditions and risk management practices. This aligns with the prudent financial management requirements of the LGA 2002.

Financial considerations - *Whai whakaaro Ahumoni:*

n/a

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 – because it is not proposing material changes from the current Investment Policy and Liability Management Policy.

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

Internal: Deputy Chief Executive, Head of Finance, Data and Digital, Financial Controller.
External: Bancorp Treasury Limited.

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

Treasury Policy is managing financial and treasury (investment, borrowing) risk.

3. TREASURY ACTIVITY AND FUNDING UPDATE

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	1909447
<i>Reporting Officer/s & Unit:</i>	Alister Edie, Senior Financial Strategy & Treasury Lead

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 The purpose of this report is to provide the Corporate & Performance Committee with a snapshot of current treasury positions, and a summary of recent treasury activity.

2.0 Recommendations - Ngā Tūtohunga

That Corporate and Performance Committee:

- a. **Receives** the report titled Treasury Activity and Funding Update dated 14 May 2026.

3.0 Background - Ngā Tuāpapa:

- 3.1 Not applicable

4.0 Discussion - Ngā Whakamārama:

Market Update

Global

- 4.1 Financial markets are reacting to the Middle East situation and processing a raft of economic data updates. Global oil benchmarks briefly spiked to a new high.

New Zealand

- 4.2 The NZD/USD is back up testing the familiar 0.5925 level. Fresh 13-year low for NZD/AUD based on favorable AUD interest rate differentials.
- 4.3 Interest rate markets are preparing for some unseemly inflation and a second guessing of recent RBNZ policy response. March annual headline inflation held at 3.1% but is expected to spike at 4.2% or higher in the June quarter thanks to higher oil prices.
- 4.4 RBNZ's framework for managing oil price shocks is to look through short-term spikes but manage inflation imbedded in long-term prices and wages. Local markets are more impatient though – currently pricing a 50% chance of an OCR hike in May and hikes in 5 out of the seven following RBNZ policy meetings. Pre the Middle East crisis inflation was heading back to target with the first OCR hike not expected until late 2026/early 2027.
- 4.5 Higher global interest rates have further lifted the 2-year swap to 3.60% - a 15-month high. The NZ yield curve now anticipates a rapid tightening from the current 2.6% to 4.0% over next 2 years. The first OCR hike is fully priced into the July RBNZ meeting.

New Zealand Outlook

- 4.6 An unwelcome mix of election uncertainty and oil price shock has derailed domestic recovery prospects, with households and businesses postponing investment decisions. Markets are aggressively pricing interest rate hikes – but this needs to be reconciled against the challenging economic climate.
- 4.7 The Next RBNZ meeting is the day before the May Budget announcement – creating opportunity to coordinate fiscal and monetary approach. A tailored fiscal response (e.g. transfers, subsidies, tax assistance) is generally seen as more practical for managing short-term price shocks due to the response lag and bluntness (triggering broad economic slowdown due to higher interest rates) in monetary policy.

Summary

- 4.8 New Zealand’s yield curve has tightened due to global interest rate/inflation pressure and financial markets pricing the expectation of OCR increases from May 2026 – vs the previous forecast of late 2026. This creates upward pressure on the interest rates NCC will secure for new and re-financed borrowing – and NCC’s average annual interest cost. Strategy will be considered to minimise this interest rate risk.

Investments:

- 4.9 As at 29 April 2026 Council held \$11.5m on term deposit, at an average weighted annual interest rate of 3.04%. Surplus cash balances were invested in short-term deposits to decrease net interest cost, with maturities aligned to future expenditure requirements.
- 4.10 Following is a snapshot of cash and cash equivalents as at 29 April 2026.

Cash & Cash Equivalents	\$000
Cash on call	\$8,717
Short-term bank deposits	\$11,500
Total cash and deposits	\$20,217

Current Term Deposit Issuer Summary

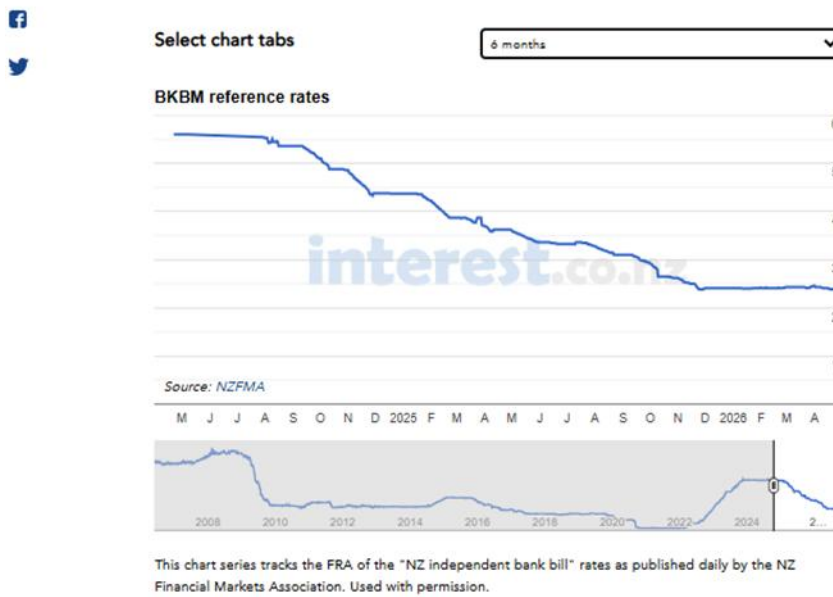
Institution	S&P Credit Rating	Avg. 12 Month Rate	Total Balance	Limit	Percentage	Limit %
Westpac	AA-		\$8,716,665	\$30m	43.12%	40.00
ANZ	AA-	3.06%	\$7,000,000	\$30m	34.62%	40.00
ASB	AA-	2.74%	\$2,500,000	\$30m	12.37%	40.00
BNZ	AA-		\$0	\$30m	0.00%	40.00
Kiwibank	AA**		\$2,000,000	\$30m	9.89%	40.00
Total			\$20,216,665			

* Includes cash held in accounts

** Kiwibank has an AA rating from Fitch

- 4.11 Policy limits the amount of total cash and cash equivalents that can be invested with counterparties to 40%. At times it is pragmatic/required to operate outside of policy in the short term. Currently the cash balance with Westpac is 43% of the total – this cash balance is required for short-term cash expenditures. This policy target manages concentration risk, which makes funds vulnerable to a single counterparty’s failure or liquidity problems.
- 4.12 To simulate the economy, the Reserve Bank of New Zealand (RBNZ) began cutting the official cash rate in late 2024. Wholesale interest rates also reduced as the market priced expectations of further rate cuts. Consequently, the 6-month average benchmark rate has fallen from 4.30% at 31 Mar 2025 to 2.76% at 31 Mar 20256, which is reflected in lower short term deposit interest rates received by Council.

Wholesale bank bill reference rates



Term Deposit Maturity Profile vs Guidelines

Term	Percentage	Lower Limit	Upper Limit	Within Limits
0 - 6 months	100%	30%	80%	No
6 - 12 months	0%	20%	70%	No
1 - 3 years	0%	0%	50%	Yes
3 - 5 years	0%	0%	20%	Yes

4.13 Short-term investments are placed when current cash balances are surplus to immediate cash expenditure requirements. The primary consideration for the timing of term deposit maturities is alignment to future cash expenditures, with investment returns a secondary consideration. Council policy asks for less than 80% to be invested under 6-months in term, and more than 20% to be invested for a 6–12-month term. This target improves liquidity reserves and achieves higher interest rates beyond 6 months.

4.14 Due to the cost of holding higher cash balances, Council currently manages liquidity within the 6-month horizon – with term deposits aligned to required expenditures in that period. Council therefore doesn't hold adequate cash balances to invest in maturities greater than 6 months. We will review this policy target as part of the current treasury policy review.

Debt:

4.15 Councils external borrowing requirements are increasing in line with LTP projections. To minimise the cost of this borrowing, Council has actioned the following:

- Secured an LGFA Green Loan facility for Te Kete project = 5-basis points discount
- Secured a general LGFA Climate Action Loan facility = 2-basis points discount
- Assigned Bancorp as an external treasury advisor. A key deliverable is optimising the structure of Councils debt portfolio, and reducing Councils average interest rate cost
- About to commence the process to achieve a credit rating, which could result in a 10-basis point reduction in interest cost.

Following is a summary of movements in Councils external debt position:

EXTERNAL LOANS REPORT

	\$000
External loans as at 30 June 2025	\$65,000
New loans raised year to date	\$65,000
Total external loans as at 31 March 2026	\$130,000
Balance of loans forecast to be raised in current year	\$15,000
Total external loans forecast 30 June 2026 (Annual Plan)	\$145,000

The current maturity profile of Councils external debt portfolio is:

	Maturity_Term Remaining		Policy			
	Total	%	Minimum		Maximum	
0-3 Years	65,000,000	50%	20%	26,000,000	60%	78,000,000
3-5 Years	10,000,000	8%	20%	26,000,000	60%	78,000,000
Over 5 Years	55,000,000	42%	0	-	60%	78,000,000
Total	130,000,000	100%				

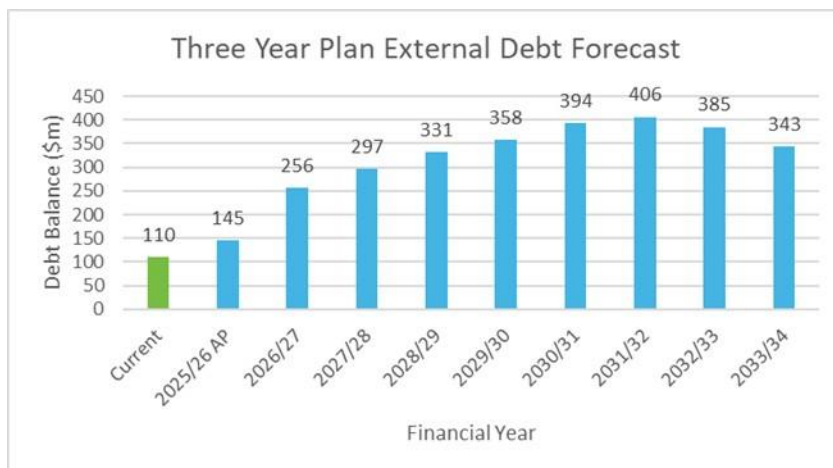
4.16 Council's debt portfolio is managed within macro limits set out in the Liability Management Policy. It is recognised that from time-to-time Council may fall out of policy due to timing issues e.g. short-term borrowing may be desirable to achieve lower interest rates in anticipation of Council receiving a credit rating.

4.17 These policy band targets are managing re-financing risk. By spreading out the dates on which debt obligations become due, Council minimises the risk of having to refinance large amounts of debt at unfavourable market conditions.

4.18 The average weighted interest rate for Councils debt portfolio is sitting at around 4.48%. To take advantage of floating market interest rates, \$10m of floating rate loans were secured in February 2026 at the 3-month BKBM FRA plus 74bps – currently being 3.36%.

Below is the interest rate profile applied to the Three-Year Plan:

Interest rates	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
External debt	5.3%	5.8%	5.7%	5.7%	5.7%	5.8%	5.9%	6.0%	6.0%
Internal debt	5.3%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%



Treasury management workstreams:

- 4.19 As discussed in the debt section, council has progressed various workstreams to reduce our interest rate cost of debt. Council has secured a green and social lending facility through LGFA to fund the Te Kete project. The borrowing is ring-fenced for use only on Te Kete expenditure and involves annual compliance reporting on green and social aspects of the construction project. This lending facility equates to a 5-basis points discount on Councils current borrowing interest rate.
- 4.20 Council has also secured a Climate Action Loan (CAL) facility for borrowing with a term of three years or more, to fund general Council expenditures (not ring fenced). This lending facility is available because Council has invested time and resources in implementing and managing a long-term Carbon Reduction Scheme. LGFA has also agreed to fund \$40k towards the compliance of operational Greenhouse Gas (GHG) Emissions for CAL borrowers.
- 4.21 Council has also appointed Bancorp as its external treasury advisor, to support the following deliverables:
- Risk review and debt optimisation - underway
 - Achievement of a credit rating – report with Council to approve commencement
 - Water entity treasury advice
 - Treasury policy review - report with Council to approve updated policy
 - Treasury reporting – to build
- 4.22 The first focus of this assignment is a review and update of Councils treasury policies – with a report being presented to this Committee Meeting for approval of the proposed amended Treasury Policy.
- 4.23 The next focus for Council is the achievement of a Credit Rating, the immediate benefit being a possible 10 basis points reduction in interest rate costs. A later benefit is increased debt headroom, with revenue/income limits increasing to 280%. There is a cost to maintain a credit rating and a requirement for Council's financial statements to be externally audited each year for this purpose. Once Council reaches approximately \$100m of external borrowings the interest savings achieved from having a credit rating start to outweigh this audit cost.
- 4.24 The process to achieve a credit rating is expected to take about 2 months. However, the process is thorough and requires input from Council and the Chief Executive. The outcome is effectively a new stakeholder with new compliance requirements. Officers will take Council through this process and manage the inherent risks.

5.0 Options - He kōwhiringa anō:

5.1 Option One - Recommended Option (Delete this heading if there are no options)

Not applicable.

5.2 Option Two – Status Quo (Delete this heading if there are no options)

Not applicable.

6.0 Next Steps - Te Koke

6.1 Not applicable.

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 in the present and for the future.y

Treasury management reporting is required to ensure the prudent, effective, and efficient management of public funds, as mandated by the Local Government Act 2002. These reports provide transparency on how ratepayer money is borrowed, invested, and protected, ensuring council activities comply with policy, and that risks—such as interest rate volatility and liquidity shortages—are managed.

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

Climate Change - *Te Huringa o te āhuarangi*

This decision does not 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),
- Or is it itself likely to be impacted by these climate-related risks

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

This reporting is in line with the LTP and financial strategy.

Financial considerations - *Whai whakaaro Ahumoni:*

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.

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

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

4. QUARTERLY PERFORMANCE REPORT ENDING 31 MARCH 2026

Type of Report: Information

Legal Reference: Local Government Act 2002

Document ID: 1908685

Reporting Officer/s & Unit: Jane McLoughlin, Senior Advisor Corporate Planning

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 To provide the Quarterly Performance report for 1 January 2026 to 31 March 2026, which is an overview of organisational performance during the third quarter of the 2025/26 financial year.
- 1.2 To enable effective and efficient organisational performance reporting, officers are reviewing Council's reporting framework including the quarterly report to inform how we report in the future.

2.0 Officer's Recommendation

The Corporate and Performance Committee::

- a) **Receive** the report titled Quarterly Performance Report Ending 31 March 2026 14 May 2026.

3.0 Attachments

- 1⇒ Quarterly Performance Report ending 31 March 2026 (Under separate cover 1)

Doc Id:
1909851

REPORTS UNDER DELEGATED AUTHORITY

1. TENDERS LET

Type of Report: Information

Legal Reference: N/A

Document ID: 1909129

Reporting Officer/s & Unit: Connie Irwin, Procurement Business Partner

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

1.1 To report the Tenders let under delegated authority for the period 7 February to 28 April 2026.

2.0 Officer's Recommendation

The Corporate and Performance Committee:

- a) **Receive** the report titled Tenders Let dated 14 May 2026.
- b) **Receive** the Tenders Let for the period 7 February 2026 to 28 April 2026 as below:
 - **Contract 2809 Taradale Library Weathertightness Roof Remediation** be awarded to Total Home Solutions (HB) Ltd (THS) in the sum of **\$158,480.93 excl. GST**
 - **Contract 100577 Napier City Council Transport Strategy** be awarded to WSP New Zealand in the sum of **\$149,916.50 excl. GST**.
 - **Contract 100517 NCC Waka Hub Water Based Works** be awarded to Murphy Civil Limited in the sum of **\$820,620.00 excl. GST**
 - **Contract 100417 36 & 96 Battery Road Stormwater and Wastewater Pipe Renewal** be awarded to HEB Construction Limited in the sum of **\$940,399.56 excl. GST**

Contract 2809 Taradale Library Weathertightness Roof Remediation \$158,480.93 excl. GST

Five tenders have been received.

It has been recommended that the contract be awarded to Total Home Solutions (HB) Ltd [THS]
This recommendation has been approved.

Contract 100577 Napier City Council Transport Strategy \$149,916.50 excl. GST

Three tenders have been received.

It has been recommended that the contract be awarded to WSP New Zealand.
This recommendation has been approved.

Contract 100517 NCC Waka Hub Water Based Works

\$820,620.00 excl. GST

Four tenders have been received.

It has been recommended that the contract be awarded to Murphy Civil Limited.

This recommendation has been approved.

Contract 100417 36&96 Battery Road Stormwater and Wastewater Pipe Renewal

\$940,399.56 excl. GST

Two tenders have been received.

It has been recommended that the contract be awarded to HEB Construction Limited.

This recommendation has been approved.

3.0 Attachments

Nil

RECOMMENDATION TO EXCLUDE THE PUBLIC

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

AGENDA ITEMS

1. 3 Year Partnership Fund Subcommittee Recommendations
2. Ahuriri Investment Management (AIM) Board Composition
3. Ahuriri Investment Management (AIM) Appointment Process

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. 3 Year Partnership Fund Subcommittee Recommendations	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.	This information is withheld from the public due to the commercial sensitivity of the material to be discussed.

<p>2. Ahuriri Investment Management (AIM) Board Composition</p>	<p>7(2)(a) Protect the privacy of natural persons, including that of a deceased person</p>	<p>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.</p>	<p>Confidential information on candidates</p>
<p>3. Ahuriri Investment Management (AIM) Appointment Process</p>	<p>7(2)(a) Protect the privacy of natural persons, including that of a deceased person</p>	<p>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.</p>	<p>Confidential information on candidates</p>
<p>Public Excluded Text</p>			

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.

CORPORATE & PERFORMANCE COMMITTEE

Open Minutes

Meeting Date: Wednesday 4 March 2026

Time: Open: 9.30am – 10:36am
Public Excluded: 10:44am – 11:26am
Open: 11:28am – 11:34am

Venue Breakout Room 2
War Memorial Centre
Marine Parade
Napier

Livestreamed via Council's YouTube page

Present **Chair:** Councillor Crown

Members: Mayor McGrath, Deputy Mayor Brownlie (Deputy Chair), Councillors Chrystal, Isaac-Sharland, Lawrence, Mawson, Morley, Price, Raihania, Simpson and Taylor

Ngā Mānukanuka o te Iwi Representatives: to be appointed.

In Attendance Chief Executive (Louise Miller)

Deputy Chief Executive / Executive Director Corporate & Commercial Services (Jessica Ellerm)

Executive Director Strategy & Urban Development (Rachael Bailey)

Communications Marketing & Engagement Manager (Julia Stevens)

Head of Finance, Data & Digital (Caroline Thomson)

Governance Manager (Anna Eady)
Principal Policy Analyst (Michele Grigg)
Community Resilience Manager (Margot Wilson)
Policy Analyst (Holly Stone)
Financial Controller (Talia Foster)
Senior Financial Strategy & Treasury Lead (Alister Edie)
Head of Commercial Communications & Economic Development
(Craig Kenny)
Head of Regulatory Delivery (Simon Bradshaw)

Also in Attendance SIL Research (Dr Virgil Troy)

Board Chair, Ahuriri Investment Management (Hamish Bell)
Chief Executive Officer, Ahuriri Investment Management (Gareth
Kilsby)

Administration Governance Advisors (Carolyn Hunt and Jemma McDade)

CORPORATE & PERFORMANCE COMMITTEE – Open Minutes

TABLE OF CONTENTS

Order of Business	Page No.
Karakia.....	4
Apologies	4
Conflicts of interest.....	4
Public forum.....	4
Announcements by the Mayor.....	4
Announcements by the Chairperson.....	4
Announcements by the management	4
Confirmation of minutes	4
 Agenda Items	
1. Napier Social Monitor Report 2025	5

2.	Quarterly performance report ending 31 December 2025	6
3.	Treasury Activity and Funding Update	7
4.	Submissions Schedule Update 4 August 2025 to 23 February 2026	7

Reports under Delegated Authority

1.	Tenders Let.....	8
5.	Ahuriri Investment Management Update.....	9

Minor matters.....	10
---------------------------	-----------

Resolution to Exclude the Public	12
---	-----------

ORDER OF BUSINESS

Karakia

The meeting opened with the Council karakia.

Apologies

APOLOGIES

COMMITTEE RESOLUTION

Councillors Mawson / Taylor

That the apology for lateness from Councillor Lawrence be accepted.

Carried

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

Nil

Announcements by the Chairperson

The chair noted a change to the agenda order: Item 6, Tenders Let Under Delegated Authority considered after Item 4.

Announcements by the management

Nil

Confirmation of minutes

There are no minutes to confirm.

AGENDA ITEMS

1. NAPIER SOCIAL MONITOR REPORT 2025

Type of Report: Information

Legal Reference: N/A

Document ID: 1892452

Reporting Officer/s & Unit: Michele Grigg, Principal Policy Analyst
Margot Wilson, Community Resilience Manager

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 The purpose of this report is to provide Council with an overview of findings from the 2025 Napier Social Monitor survey.
- 1.2 The Social Monitor provides an annual, evidence-based snapshot of community perceptions across a range of social indicators. The 2025 survey collected 446 responses, with results statistically weighted to represent Napier's adult population.
- 1.3 Overall perceptions of life in Napier show continued recovery from post-cyclone lows. Key improvements include neighbourhood perceptions, community resilience, and some safety measures. However, some challenges persist: emergency preparedness behaviours have declined, mental wellbeing remains moderate with higher distress among vulnerable groups, and diversity and accessibility measures show minimal change.
- 1.4 The findings highlight the interconnected nature of several measures, reinforcing the need for integrated approaches across Council strategies. The survey findings will inform Council and stakeholder work programmes, including for the Social and Policy Team, Safer Napier Strategic Group, and community networks.

At the meeting

The officers presented the report with a PowerPoint presentation.

Councillor Lawrence joined the meeting at 9:43 am.

Dr Virgil Troy, SIL Research, joined the officers to answer questions clarifying:

- Education is a key part of emergency preparedness. Officers effectively engage with the community through regular events. It was acknowledged that emergency preparedness is challenging for more vulnerable communities.

Councillor Simpson joined the meeting at 9:46am.

COMMITTEE RESOLUTION

Deputy Mayor Brownlie /Councillor Raihania

That the Corporate and Performance Committee:

- a. **Receives** the report titled Napier Social Monitor Report 2025 dated 04 March 2026.
- b. **Receives** the Social Monitor Report 2025, prepared by SIL Research.
- c. **Notes** the information collected in the Social Monitor informs Council and stakeholder work programmes.

ACTION: Officers to confirm the boundaries used throughout the report.

ACTION: Strategic risk reset to be an agenda item for the upcoming Elected Member strategy day.

Carried

Attachments

- 1 2026-03-04 Social Monitor 2025 Presentation (Doc Id 1901319)
-

2. QUARTERLY PERFORMANCE REPORT ENDING 31 DECEMBER 2025

Type of Report: Information

Legal Reference: Local Government Act 2002

Document ID: 1897712

Reporting Officer/s & Unit: Jane McLoughlin, Senior Advisor Corporate Planning
Talia Foster, Financial Controller

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 To provide the Quarterly Performance report for 1 October 2025 to 31 December 2025, which is an overview of organisational performance during the second quarter of the 2025-26 financial year.
- 1.2 To enable effective and efficient organisational performance reporting, officers will review Council's reporting framework including the quarterly report to inform how we report in the future.

At the meeting

The officer presented the report.

Questions were answered clarifying:

- Service levels for Napier Assist were lower than the previous quarter due to a reduction of daytime patrols to enable nighttime CCTV monitoring.

COMMITTEE RESOLUTION

Councillors Mawson / Isaac-Sharland

That the Corporate and Performance Committee:

-
- a. **Receive** the report titled Quarterly performance report ending 31 December 2025.

Carried

3. TREASURY ACTIVITY AND FUNDING UPDATE

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	1900075
<i>Reporting Officer/s & Unit:</i>	Alister Edie, Senior Financial Strategy & Treasury Lead

1.0 Executive Summary - Te Kaupapa me te Whakarāpopotanga:

- 1.1 The purpose of this report is to provide the Corporate & Performance Committee with a snapshot of current treasury positions, and a summary of recent treasury activity.

At the meeting

The officer presented the report.

Questions were answered clarifying:

- A reduced interest rate Green Loan secured from the Local Government Funding Agency for Te Kete decreases the project budget needed.
 - The benefit of maintaining a credit rating outweighs the cost of maintain the credit rating over time.
 - An external Treasury Advisor has been appointed to Council.
-

COMMITTEE RESOLUTION

Councillors Crown / Price

That the Corporate and Performance Committee:

- a. **Receives** the report titled Treasury Activity and Funding Update dated 04 March 2026.

Carried

4. SUBMISSIONS SCHEDULE UPDATE 4 AUGUST 2025 TO 23 FEBRUARY 2026

<i>Type of Report:</i>	Operational
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1896631

Reporting Officer/s & Unit: Jemma McDade, Governance Advisor

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 This report provides an update on the submissions made by Napier City Council (NCC) to external consultations towards the development of legislation and policy. Relevant consultations are monitored and actively researched.
- 1.2 This report covers the time period between 4 August 2025 and 23 February 2026. It notes those consultations where NCC made a submission. Where NCC chose not to make a submission, the reason for that decision is documented.
- 1.3 This is a summary paper for information. All submissions included have been circulated to Elected Members for feedback prior to the submission being lodged.

At the meeting

The officer presented the report with the update that submissions lodged by NCC regarding the recent Central Government Reforms are published on the NCC website.

There were no questions.

COMMITTEE RESOLUTION

Councillors Simpson / Chrystal

That the Corporate and Performance Committee:

- a. **Receives** the report titled Submissions Schedule Update 4 August 2025 to 23 February 2026 dated 04 March 2026.

Carried

REPORTS UNDER DELEGATED AUTHORITY

1. TENDERS LET

Type of Report: Information

Legal Reference: N/A

Document ID: 1898085

Reporting Officer/s & Unit: Connie Irwin, Procurement Business Partner

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 To report the Tenders let under delegated authority for the period 19 November 2025 to 12 February 2026.

At the meeting

The report was taken as read.

There were no questions.

COMMITTEE RESOLUTION

Councillors Crown / Price

That the Corporate and Performance Committee:

- a) **Receive** the report titled Tenders Let for the period 19 November 2025 to 12 February 2026 as below:
- **C2852 Awatoto Wastewater Outfall Replacement** be awarded to McConnell Dowell Constructors Limited (MCD) in the sum of \$2,778,177.10 excl. GST
 - **C2821 Pirates Rugby Field** be awarded to TIC Contracting Limited in the sum of \$1,401,073.01 excl. GST

Carried

AGENDA ITEMS CONTINUED

5. AHURIRI INVESTMENT MANAGEMENT UPDATE

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1898673
<i>Reporting Officer/s & Unit:</i>	Craig Kenny, Head of Commercial Communications & Economic Development Jessica Ellerm, Deputy Chief Executive / Executive Director Corporate & Commercial Services

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 To provide an update on Ahuriri Investment Management (AIM), newly created CCTO established in August 2025.
- 1.2 Present the draft Statement of Intent.
- 1.3 Provide a summary of programme to date.

- 1.4 The AIM Chair and Chief Executive presentation will follow this paper.
- 1.5 A presentation of key reports and a reporting timetable covering financials to date (6 months to December 2025), transition investment strategy, and reporting calendar for updates.

At the meeting

Hamish Bell, Chair, Ahuriri Investment Management and Gareth Kilsby, Chief Executive, Ahuriri Investment Management, joined the officers to present the report with a PowerPoint presentation.

Council's relationship with AIM is in a period of transition following the appointment of the Board and Chief Executive. Processes, policies and variations to initial high-level modelling assumptions are being progressed.

Hamish Bell outlined that the purpose of AIM is to build an intergenerational portfolio with a commercial focus. AIM and NCC have an open and transparent relationship. Gareth Kilsby explained that outcomes for portfolio opportunities are being pursued at pace.

Questions were answered clarifying:

- AIM has been well supported by NCC so far. Moving forward AIM will resource externally as required.
- AIM has actively engaged in good faith with stakeholders in Parklands.
- Regular updates from AIM will be provided to NCC to enable the transparent partnership.
- The Draft Statement of Intent required further information and discussion prior to approval.

OFFICERS RECOMMENDATION:

That the Corporate and Performance Committee:

- a. **Receives** the report titled Ahuriri Investment Management Update dated 04 March 2026.
- b. **Approves** Draft Statement of Intent and reporting calendar.
- c. **Endorses** AIM update, Financial Update, and Transition Investment Plan.
- d. **Notes** Receipt of AIM Board Operating Certificate.

The Draft Statement of Intent was not approved at this stage as further discussion was required in the Public Excluded section of this meeting.

COMMITTEE SUBSTANTIVE RESOLUTION

Councillors Taylor / Isaac-Sharland

That the Corporate and Performance Committee:

- a. **Receives** the report titled Ahuriri Investment Management Update dated 04 March 2026.
- c. **Endorses** AIM update, Financial Update, and Transition Investment Plan.
- d. **Notes** Receipt of AIM Board Operating Certificate.

Carried

Attachments

- 1 2026-03-04 AIM NCC Presentation Part 1 (Doc Id 1901379)

Minor matters

Nil

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION

Councillors / Chrystal

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

1. Verbal Update - Chair and Chief Executive Ahuriri Investment Management.

Carried

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. Verbal Update - Chair and Chief Executive Ahuriri Investment Management.	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	This report is in Public Excluded due to the commercial sensitivity of the material to be discussed.

		Information and Meetings Act 1987.	
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.			

The meeting moved into Public Excluded at 10:36am

The meeting resumed in Open at 11:28am

5. AHURIRI INVESTMENT MANAGEMENT UPDATE

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	N/A
<i>Document ID:</i>	1898673
<i>Reporting Officer/s & Unit:</i>	Craig Kenny, Head of Commercial Communications & Economic Development Jessica Ellerm, Deputy Chief Executive / Executive Director Corporate & Commercial Services

1.0 Executive Summary - Te Kaupapa me te Whakarāpopototanga:

- 1.1 To provide an update on Ahuriri Investment Management (AIM), newly created CCTO established in August 2025.
- 1.2 Present the draft Statement of Intent.
- 1.3 Provide a summary of programme to date.
- 1.4 The AIM Chair and Chief Executive presentation will follow this paper.
- 1.5 A presentation of key reports and a reporting timetable covering financials to date (6 months to December 2025), transition investment strategy, and reporting calendar for updates.

At the meeting

This item was revisited to discuss the AIM Draft Statement of Intent (SOI) and reporting calendar.

Officers acknowledged that elected members had received additional information. Time could be provided for further consideration before giving feedback to AIM to meet the deadline of 1 May 2026.

ACTION: Officers to clarify process for elected members to provide feedback toward the Draft SOI.

ACTION: Officers to confirm the date that a report will be brought to Council to approve the AIM Draft SOI.

The meeting closed with the Council karakia at 11:34am

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

Chairperson

Date of approval