



CORPORATE & PERFORMANCE COMMITTEE

Open Minutes

Meeting Date: Thursday 14 May 2026

Time: Open - 9.30am – 10.50am
Public Excluded – 11.02am – 11.50am

Venue The Ocean Suite
East Pier Hotel
50 Nelson Quay
Ahuriri

Livestreamed via Council's YouTube Channel

Present **Chair:** Councillor Crown
Members: Mayor McGrath, Deputy Mayor Taylor, Councillors Brownlie (Deputy Chair), Chrystal, Isaac-Sharland, Lawrence, Mawson, Morley, Price, Raihanian and Simpson
Ngā Mānukanuka o te Iwi Representatives: Shayla Kora [online] and Jason Wawatai

In Attendance Deputy Chief Executive / Executive Director Corporate & Commercial Services (Jessica Ellerm)
Executive Director Strategy & Urban Development (Rachael Bailey)
Executive Director Community Services (Thunes Cloete)
Communications Marketing & Engagement Manager (Julia Stevens)

Head of Finance, Data & Digital (Caroline Thomson)

Head of Commercial Communications & Economic Development
(Craig Kenny)

Head of Strategy & Programme Delivery (Stephanie Murphy)

Principal Analyst Corporate Planning (Gayle Ryan)

Financial Controller (Talia Foster)

Governance Manager (Anna Eady)

Senior Financial Strategy & Treasury Lead (Alister Edie)

Senior Advisor Corporate Planning (Jane McLoughlin)

Also in Attendance Treasury Advisor, Bancorp (Miles O'Connor)

Administration Governance Advisors (Carolyn Hunt and Jemma McDade)

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ORDER OF BUSINESS

Karakia

The meeting opened with the Council karakia.

Apologies

Nil

Conflicts of interest

Nil

Public forum

Nil

Announcements by the Mayor

Nil

Announcements by the Chairperson

Nil

Announcements by the management

Nil

Confirmation of minutes

COMMITTEE RESOLUTION

Councillors Mawson / Isaac-Sharland

That the Minutes of the meeting held on 4 March 2026 were taken as a true and accurate record of the meeting.

Carried

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.

At the meeting

Miles O'Connor, Treasury Advisor, Bancorp joined the officer to present the report. Bancorp are the largest treasury advisory group in Australasia with 220 ongoing clients. Napier City Council (NCC) is one of 42 local authorities seeking treasury advice from Bancorp.

Mayor McGrath left the meeting at 9:43am

It was noted that Bancorp are supporting the process for NCC to achieve a credit rating. A detailed description of the report and supporting attachment was given explaining the benefits to NCC of achieving a credit rating and the analysis used to support the recommendation.

Questions were answered clarifying:

- The recommendations were drafted before the recent announcements relating to the restructure of Local Government, however, the benefits of lower interest rates can still be realised in the interim.
- Credit ratings for water entities are based on the number of water connections managed by each member council. A percentage weighting is then applied to the credit rating achieved by each member Council.
- NCC has internal capacity to manage the workload involved in setting up the credit rating process.
- The application process for a credit rating takes approximately two months.
- The current forecasting around the savings figure is conservative.

Mayor McGrath returned to the meeting at 9:56am

COMMITTEE RESOLUTION

Councillors Crown / Simpson

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.

Carried

Attachments

- 1 2026-05-14 Credit Rating Benefit Analysis (Doc Id 1912369)
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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.

At the meeting

Miles O'Connor, Treasury Advisor, Bancorp joined the officer to present the report. The rationale behind the changes were summarised and the updates explained. It was noted that including a section outlining roles and responsibilities was prudent. A detailed explanation of the funding and liquidity risk and how these risks can be managed along with the assurance that these conform to the Local Government Funding Agency (LGFA) requirements was presented.

Questions were answered clarifying:

- The policies and supporting concepts were supported. Additional assurance could be sought from the NCC Risk and Assurance Committee.

COMMITTEE RESOLUTION

Councillors Simpson / Crown

That Corporate and Performance Committee:

- Receives** the report titled Treasury Policy Update dated 14 May 2026.
- Approves** Option One – the Recommended Option: immediate adoption of the proposed new Treasury Policy (Doc Id 1909954).
- 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.

ACTION: Treasury Policy and Investment Policy to be reviewed by the Risk and Assurance Committee

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>	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.

At the meeting

Miles O'Connor, Treasury Advisor, Bancorp joined the officer to present the report noting that the current international situation is affecting global inflation and national interest rates. The update was provided that although borrowing was slightly out of policy at the time of writing, this was a timing issue and borrowing is in now within policy.

Questions were answered clarifying:

- The hedging strategy has been graphed to take into account the new parameters in the Policy. A balance of fixed and floating interest rates would be utilised to maximise savings.
- Options are being explored to mitigate the effects of the ongoing international situation.

COMMITTEE RESOLUTION

Deputy Mayor Taylor / Councillor Mawson

That Corporate and Performance Committee:

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

Carried

4. QUARTERLY PERFORMANCE REPORT ENDING 31 MARCH 2026

<i>Type of Report:</i>	Information
<i>Legal Reference:</i>	Local Government Act 2002
<i>Document ID:</i>	1908685
<i>Reporting Officer/s & Unit:</i>	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.

At the meeting

Stephanie Murphy, Head of Strategy and Programme Delivery and Talia Foster, Financial Controller joined the officer to present the report noting the presentation of the report has been reviewed.

Councillor Simpson left the meeting at 10:21am and returned at 10.23am

Questions were answered clarifying:

-
- Noise complaints from the previous quarter have been reviewed and an updated number of 611 was provided, noting that this is a decrease. Reporting systems have been reviewed. Reasons for variation in infringement numbers depend on the type of incident as some are referred directly to the District Court.
 - Numbers of infringements for freedom camping have been affected by the introduction of the new Bylaw. An increase has been noted in the car park at Perfume Point with non-self-contained vehicles using self-contained carparks.
 - The financial estimates are for year end. Several large adjustments to the budget are yet to be taken into account.
 - Current staffing vacancies are not impacting service delivery levels. Workload is being prioritised and managed.
 - The reporting structure for Capital Programme Delivery is being adjusted from a data to an insights model, with input sought from the Chairs and Deputy Chairs of Committees.
 - Tenancy coordinators are working with all tenants in social villages. Tenants are seniors and non-seniors. Seniors have been given the opportunity to move into the senior villages. There is a low turnover rate in the senior villages.
 - The boundaries of the Inner Harbour relating to NCC, Hawkes Bay Regional Council (HBRC) and Napier Port were outlined.
 - The process for euthanising dogs was outlined.
 - The financial shortfall comes from a reduction in revenue, mainly from the facilities involved in commercial transition. Expenditure in these areas is also lower than budgeted. This is not impacting rates.
 - The current maintenance at Ocean Spa is to fix leakages under the pools and pipework leading to a loss of 300,000 litres per day of heated water. The remainder of the facility remains open. Only critical maintenance is being undertaken at Council facilities at present.

COMMITTEE RESOLUTION

Councillors Isaac-Sharland / Morley

The Corporate and Performance Committee::

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

ACTION: Officers to compile and respond to questions relating to Ocean Spa.

Carried

Minor matters

Nil

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.

At the meeting

There were no questions and it was noted that these items have been previously discussed with elected members at workshops.

COMMITTEE RESOLUTION

Deputy Mayor Taylor / Councillor Crown

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**

Carried

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION

Councillors Mawson / Chrystal

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

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

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. 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>			
<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.</p>			

The meeting moved into Public Excluded items at 10.50am

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

Chairperson

Date of approval