

NORTHLAND REGIONAL COUNCIL

Agenda

For meeting to be held in the Council Chamber,
36 Water Street, Whangārei, on Tuesday 21 February 2017,
commencing at 10.30am

**Recommendations contained in the council agenda are NOT council decisions.
Please refer to council minutes for resolutions.**

OPEN MEETING

Item		Page
1.0	APOLOGIES	-
2.0	DECLARATIONS OF CONFLICTS OF INTEREST	-
3.0	PRESENTATIONS	1-2
3.1	Signing of MOU between Department of Conservation and Northland Regional Council	
3.2	Dust Mitigation	
3.3	Marsden Maritime Holdings – Analysis of Information and Trends	
3.4	Storyhunters	
4.0	HEALTH AND SAFETY REPORT	3-4
5.0	CONFIRMATION OF COUNCIL MINUTES AND ACTION SHEET	
5.1	Confirmation of Council Minutes – 13 December 2016	5-20
5.2	Receipt of Action Sheet	21-24
6.0	DECISION MAKING MATTERS	
6.1	Marine Protection in Northland	25-30
6.2	Investment and Growth Reserve: Investment Proposal – Hundertwasser Art Centre (Whangārei)	31-38
6.3	Investment and Growth Reserve: Feasibility Assessment and Business Case Developments – Otuihau (Whangārei Falls) Cultural Experience and Northland Indigenous Wood Products Pilot Study	39-52

6.4	Investment and Growth Reserve – Options for Increasing Funds Available for Allocation	53-58
6.5	Triennial Agreement	59-68
6.6	Top of the North Marine Biosecurity Partnership Agreement	69-84
6.7	Mangrove Removal Fund Allocation	85-86
7.0	FINANCIAL REPORTS	
7.1	Financial Report to 31 December 2016	87-94
7.2	Far North District Council Collection of Regional Council Rates and Rate Arrears – Update to 31 December 2016	95-100
7.3	Community Investment Fund – Introduction of Pioneer Capital Partners Fund	101-102
8.0	OPERATIONAL REPORTS	
8.1	Chairman’s Report to Council	103-106
8.2	Chief Executive Officer’s Report to Council	107-138
8.2.1	Highlights	107
8.2.2	CEO’s Office	108
8.2.3	Corporate Excellence	108
8.2.4	Regulatory Services	109
8.2.5	Environmental Services	118
8.2.6	Strategy and Governance	125
8.2.7	Customer Service – Community Resilience	130
9.0	RECEIPT OF SUBCOMMITTEE MINUTES	139-140
10.0	COUNCIL WORKING PARTY UPDATE	141-142
11.0	BUSINESS WITH THE PUBLIC EXCLUDED	143-144
11.1	Confirmation of Confidential Council Minutes – 13 December 2016	145-150
11.2	Human Resources Report	151-154
11.3	Establishment of Mid-North Customer Service Centre – Waipapa Opportunity	155-163

<p>ACC - Accident Compensation Corporation</p> <p>AHB - Animal Health Board</p> <p>ALGIM - Association of Local Government Information Management</p> <p>AMA - Aquaculture Management Area</p> <p>BOI - Bay of Islands</p> <p>BOPRC - Bay of Plenty Regional Council</p> <p>CAPEX - Capital Expenditure (budget to purchase assets)</p> <p>CBEC - Community, Business and Environment Centre</p> <p>CDEM - Civil Defence Emergency Management</p> <p>CEG - Co-ordinating Executive Group – Northland Civil Defence management team</p> <p>CEO - Chief Executive Officer</p> <p>CIMS - Co-ordinated Incident Management System (emergency management structure)</p> <p>CMA - Coastal Marine Area</p> <p>CPCA - Community Pest Control Areas</p> <p>CRI - Crown Research Institute</p> <p>DHB - District Health Board</p> <p>DOC - Department of Conservation</p> <p>DOL - Department of Labour</p> <p>DPMC - Department of Prime Minister and Cabinet</p> <p>ECA - Environmental Curriculum Award</p> <p>ECAN - Environment Canterbury</p> <p>EE - Environmental Education</p> <p>EECA - Energy Efficiency Conservation Authority</p> <p>EEZ - Exclusive Economic Zone</p> <p>EF - Environment Fund</p> <p>EMA - Employers and Manufacturers Association</p> <p>EMC - Environmental Management Committee</p> <p>EOC - Emergency Operations Centre</p> <p>EPA - Environmental Protection Authority</p> <p>FDE - Farm Dairy Effluent</p> <p>FNDC - Far North District Council</p> <p>FNHL - Far North Holdings Limited</p> <p>FPP - First Past the Post – voting system for NRC elections</p> <p>GE - Genetic Engineering</p> <p>GIS - Geographic Information System</p> <p>GMO - Genetically Modified Organism</p> <p>HSNO - Hazardous Substances & New Organisms Act</p> <p>HBRC - Hawke's Bay Regional Council</p> <p>HEMP - Hapū Environmental Management Plan</p> <p>Horizons - Brand name of Manawatu-Wanganui Regional Council</p> <p>HR - Human Resources</p> <p>HSWA - Health and Safety at Work Act 2015</p> <p>IEMP - Iwi Environmental Management Plan</p> <p>IPPC - Invited Private Plan Change: a process to allow Aquaculture Management Areas to be established</p> <p>IRIS - Integrated Regional Information System: new computer system being developed collaboratively with other Regional Councils</p> <p>KDC - Kaipara District Council</p> <p>KPI - Key Performance Indicator</p> <p>LATE - Local Authority Trading Enterprise</p> <p>LGA - Local Government Act 2002</p> <p>LGNZ - Local Government New Zealand</p> <p>LGOIMA - Local Government Official Information and Meetings Act 1987</p> <p>LGOL - Local Government Online</p> <p>LTP - Long Term Plan</p> <p>LTFS - Long Term Financial Strategy</p> <p>MCDEM - Ministry of Civil Defence & Emergency Mgmt</p> <p>MFE - Ministry for the Environment</p> <p>MHWS - Mean High Water Springs</p> <p>MNZ - Maritime New Zealand</p> <p>MOH - Ministry of Health</p>	<p>MOT - Ministry of Transport</p> <p>MPI – Ministry for Primary Industries</p> <p>MSD - Ministry of Social Development</p> <p>NCMC - National Crisis Management Centre</p> <p>NES – National Environmental Standards</p> <p>NDHB - Northland District Health Board</p> <p>NZRC - New Zealand Refining Company (Marsden Point)</p> <p>NGO - Non-Governmental Organisation</p> <p>NIF - Northland Intersectoral Forum</p> <p>NIWA - National Institute of Water and Atmosphere</p> <p>NORTEG - Northland Technical Advisory Group</p> <p>NPC - Northland Port Corporation</p> <p>NZCPS - New Zealand Coastal Policy Statement</p> <p>NZTA - New Zealand Transport Agency</p> <p>NZQA - New Zealand Qualifications Authority</p> <p>NZWWA - New Zealand Water and Wastes Association</p> <p>OFI - Opportunity for Improvement</p> <p>ORC - Otago Regional Council</p> <p>OSH - Occupational Safety & Health (now Ministry of Business, Innovation and Employment)</p> <p>PCBU – Person Conducting Business or Undertaking</p> <p>PDF - Portable Document Format</p> <p>PPE - Personal Protective Equipment</p> <p>RAP - Response Action Plan</p> <p>RAQP - Regional Air Quality Plan</p> <p>RCP - Regional Coastal Plan</p> <p>RFI - Request for Information</p> <p>RFP - Request for Proposal</p> <p>RTC - Regional Transport Committee</p> <p>RLTS - Regional Land Transport Strategy</p> <p>RMA - Resource Management Act 1991</p> <p>RMG - Resource Managers Group (Regional Councils)</p> <p>RMZ - Riparian Management Zone</p> <p>ROI - Return on Investment</p> <p>RPMS - Regional Pest Management Strategy</p> <p>RPS - Regional Policy Statement</p> <p>RSG - Regional Sector Group</p> <p>RTO - Regional Tourism Organisation</p> <p>RWASP - Regional Water and Soil Plan</p> <p>SITREP - Situation Report</p> <p>SMF - Sustainable Management Fund</p> <p>SOE - State of Environment (or) State Owned Enterprise</p> <p>SOLGM - Society of Local Government Managers</p> <p>SPARC - Sport & Recreation New Zealand</p> <p>SRC - Southland Regional Council (Environment Southland)</p> <p>STV - Single Transferable Vote</p> <p>SWAG - Surface Water Allocation Group</p> <p>SWPA - Sustainable Water Programme of Action</p> <p>TA - Territorial Authority: City & District Councils</p> <p>TAG - Technical Advisory Group</p> <p>Tier 1 - Site level plan or response for an oil spill</p> <p>Tier 2 - Regional level plan or response to an oil spill</p> <p>Tier 3 - National level plan or response to an oil spill</p> <p>TLA - Territorial Local Authority – City & District Councils</p> <p>TMP - Treasury Management Plan</p> <p>TOR - Terms of Reference</p> <p>TPK - Te Puni Kōkiri (Ministry of Maori Development)</p> <p>TRAION - Te Rūnanga a Iwi o Ngāpuhi</p> <p>TRC - Taranaki Regional Council</p> <p>TROTR - Te Rūnanga o Te Rarawa</p> <p>TUANZ - Telecommunications Users Association of NZ</p> <p>WCRC - West Coast Regional Council</p> <p>WDC - Whangarei District Council</p> <p>WHHIF - Whangarei Harbour Health Improvement Fund</p> <p>WRC - Waikato Regional Council</p> <p>WSMP – Workplace Safety Management Practices</p> <p>WWTP - Wastewater Treatment Plant</p>
---	---

ITEM: 3.0

Page 1 of 1

TITLE: **Presentations**

ID: A918973

To: Council Meeting, 21 February 2017

From: Chris Taylor, Governance Support Manager

Date: 9 February 2017

Executive summary

The following presentations will be presented at the council meeting on 21 February 2017:

- 3.1 Signing of MOU between Department of Conservation and Northland Regional Council;
- 3.2 Dust Mitigation by Colin Dall, Group Manager Regulatory Services;
- 3.3 Marsden Maritime Holdings – Analysis of Information and Trends by Simon Crabb, Finance Manager; and
- 3.4 Storyhunters, by Natasha Stubbing, Events and Partnership Co-ordinator.

Recommendation

- 1. That the presentations be received
-

Authorised by Group Manager:

Name: Jonathan Gibbard

Title: Group Manager – Strategy and Governance

Date: 13 February 2017

Memorandum of Understanding

Northland Regional Council and Department of Conservation

Parties

1. Chair Northland Regional Council ('the Chair')
2. Director General of Conservation ('the Director-General')

Dated: 21 February 2017.

Context

The Northland Regional Council (NRC) and the Department of Conservation (DOC) have responsibility to care for many of the natural areas in Northland and the protection of its biodiversity and natural heritage. They share common values, aims and objectives.

The council has a regional responsibility for protection of biodiversity and natural heritage as well as a broad responsibility for biosecurity, planning and policy issues.

The department has a national responsibility as the central government organisation charged with conserving the natural and historic heritage and biodiversity of New Zealand on behalf, and for the benefit, of present and future New Zealanders, including extensive areas of Crown land in Northland.

The two organisations have obligations under their parent legislation to tangata whenua, especially in relation to the principles of the Treaty of Waitangi and Treaty of Waitangi settlements. Nothing in this memorandum or any actions or proposals arising from it will void or undermine those obligations.

By exploring closer collaboration and co-operation at all levels the two organisations seek greater outcomes for conservation and the Northland community.

Through better alignment of strategies, greater collaboration in planning and integrating functions where appropriate, and some shared on-ground management and service delivery, the two organisations can commit to reducing duplication and enhancing their mutual effectiveness for the benefit of the natural environment and the enjoyment of people who recreate within it.

Approach

This Memorandum of Understanding (MOU) seeks to enhance our relationship and develop a greater understanding of how we work together by focussing on some specific shared strategic projects. The strategic projects and key areas of focus will be reviewed annually.

Principles guiding the MOU

- Building a greater understanding of both organisations.
- Maximising opportunities to work together to strengthen Northland's environmental, cultural, economic and social wellbeing.
- Working together more effectively to support tangata whenua and the community as kaitiaki of our environment.
- Improving coordination and knowledge sharing to maximise outcomes and avoid duplication.

Strategic projects

The following have been identified as the key strategic projects subject to this MOU, and specific actions and targets around these are provided in the Action Plan.

Kauri Dieback

Key areas of focus to support working together

- Work collaboratively with stakeholders to progress Northland priorities
- Support Northland communities and groups to progress Kauri Dieback priorities
- Work cohesively across the region to communicate key messages

Waioara Northland Water

Key areas of focus to support working together

- Support Northland communities to engage successfully in Waioara Northland Water
- Collaborate effectively in the development of Waioara catchment management group catchment plans
- Maximise opportunities to progress prioritised actions from final catchment plans
- Living Water alignment with Waioara Northland Water to ensure no duplication of resources

Warawara Whakaora Ake (Warawara Restoration Project)

Key areas of focus to support working together

- Work collaboratively to ensure the effects of collective contributions are optimised
- Contribute technical and logistical support in proportion to capacity to assist with the implementation of the Warawara Whakaora Ake project and to ensure its success
- Understand and apply what has been learnt from the Warawara model to the development of an aspirational Northland forest health framework and work plan

Other key work

Working together on other areas of key work that are of a common priority and mutual benefit.

The parties agree to progress these principles and strategic projects and to seek other opportunities for mutual advantage.

The department's Director of Operations, Northern North Island and NRC's General Manager – Environmental Services will meet at least six-monthly to review progress and affirm the principles of this agreement. The council and department will also report annually to the Northland Conservation Board and Northland Regional Council to update progress on the action plan, provide a revised action plan and seek governance input on matters identified in this MOU.

Director-General – Department of Conservation

Signed: _____

Date: _____

Chair – Northland Regional Council

Signed: _____

Date: _____



TITLE: Health and Safety Report

ID: A919249

To: Council Meeting, 21 February 2017

From: Tracey Warboys, Health and Safety Specialist

Date: 3 February 2017

Executive summary

This report provides an update from the Health and Safety Specialist for the months of December 2016 and January 2017.

Recommendation

1. That the Health and Safety report by Tracey Warboys, Health and Safety Specialist, dated 3 February 2017, be received.

Background:

Summary of events (items of note)

Total of 10 reports for the two-month period: decrease in DPI reporting over last report (2 vs 6). Hazard reporting up (0 vs 5), one non injury vehicle incident (staff member backed into bridge barricade).

WorkSafe

Nicole Rosie commenced as the new Chief Executive of Work Safe on 12 December 2016 (replacing Gordon MacDonald).

Health and Safety Committee meeting

- Committee meeting held 21 December – business as usual, nil issues arising.

Health and Safety issues, inspections, visits, training and other

Inspections

- 2016/17 schedule developed. Agreed by H&S Reps to conduct team inspections after each H&S Committee meeting.

Site visits/events

- Nil issues.

Training

- First aid revalidation and 4x4 wheel drive training ongoing.

Exploring providers to conduct:

- NZQA certified course Snorkel Course, Diving Recreational – Snorkel with Safety
- Tractor training for Flyger Road Nursery (February/March).

Health and Safety electronic form and data repository currently being scoped – remains work in progress with IT leading.

ITEM: 4.0

Page 2 of 2

Health monitoring

- Completing annual health monitoring programme with staff and provider (follow up required with staff to undergo blood tests (<4)).

Attachments:

- *No attachments*

Authorised by Group Manager:

Name: Dave Tams

Title: Group Manager Corporate Excellence

Date: 7 February 2017

TITLE: Confirmation of Council Minutes – 13 December 2016**ID:** A917643**To:** Council Meeting, 21 February 2017**From:** Chris Taylor, Governance Support Manager**Date:** 9 February 2017

Executive summary

The purpose of this report is to present for confirmation the minutes of the council meeting held on 13 December 2016.

Councils are required to keep minutes of proceedings in accordance with the Local Government Act 2002.

Recommendation

1. That the minutes of the council meeting held on 13 December 2016 be confirmed as a true and correct record.

Attachments:

- *Council Minutes – 13 December 2016*
-

Authorised by Group Manager:**Name:** Jonathan Gibbard**Title:** Group Manager – Strategy and Governance**Date:** 13 February 2017

NORTHLAND REGIONAL COUNCIL

Minutes of the ordinary meeting of the council
held in the Council Chamber, 36 Water Street, Whangārei,
on Tuesday 13 December 2016, commencing at 2 pm

Present:

Chairman, Bill Shepherd
Deputy Chairman, David Sinclair
Councillors:
John Bain
Justin Blaikie
Paul Dimery
Mike Finlayson
Penny Smart
Rick Stolwerk
Joce Yeoman

In Attendance:**Full Meeting**

Chief Executive Officer
GM – Strategy and Governance
GM – Regulatory Services
GM – Corporate Services
Finance Manager
Financial Accountant
Governance Support Manager

Part Meeting

Northland Inc. Limited Chairman
Northland Inc. Limited Chief Executive
Northland Inc. Limited GM Investment and Infrastructure
Northland Inc. Limited Business Analyst
GM – Environmental Services
GM – Customer Service/Community Resilience
Communications Manager
Economist
Property Officer
Kaiarahi – Mātauranga Māori
Policy Analyst

The Chairman declared the meeting open at 2.01 pm.

Apologies (Item 1.0)

There were no apologies.

Declarations of Conflicts of Interest (Item 2.0)

It was advised that councillors should make declarations item-by-item as the meeting progressed.

Supplementary and Tabled Items for Council Meeting – 13 December 2016 (Items 2.0A, 2.0B and 2.0C)

IDs: A905887, A906129 and A906094

Reports from Governance Support Manager, Chris Taylor.

Moved (Shepherd/Sinclair)

That as permitted under section 46(A) of the Local Government Official Information and Meetings Act 1987:

- **Supplementary Item 7.8:** Appointment of Hearings Commissioner – Resource Consent Application APP.038620.01.01;
- **Tabled Item 7.9:** Approval of a loan to Northland Inc. Limited; and
- **Confidential Tabled Item 9.7:** Sale approval of council's lessor interest in order to freehold large CBD property for development

be received.

Carried

Secretarial Note: The Chief Executive formally apologised for the number of supplementary/tailed items which had arisen due to unforeseen circumstances.

Presentations (Item 3.0)

There were no presentations.

Secretarial Note: Item 8.5 was addressed prior to Item 4.0 to allow for the attendance of the representatives from the Whatitiri Māori Reserves Trust (WMRT).

Health and Safety Report (Item 4.0)

ID: A901842

Report from Health and Safety Specialist, Tracey Warboys.

Moved (Dimery/Stolwerk)

That the 'Health and Safety Report' by Tracey Warboys, Health and Safety Specialist, and dated 29 November 2016, be received.

Carried

Confirmation of Council Minutes – 8 November 2016 (Item 5.1)

ID: A899516

Report from Governance Support Manager, Chris Taylor.

Moved (Bain/Sinclair)

That the minutes of the council meeting held on 8 November 2016 be confirmed as a true and correct record.

Carried

Receipt of Action Sheet (Item 5.2)**ID: A899510****Report from Governance Support Manager, Chris Taylor.****Moved (Bain/Blaikie)**

That the council action sheet be received.

Carried**Financial Report to 31 October 2016 (Item 6.1)****ID: A901080****Report from Financial Accountant, Vincent McColl.****Moved (Sinclair/Finlayson)**

That the 'Financial Report to 31 October 2016' by Vincent McColl, Financial Accountant, and dated 30 November 2016, be received.

Carried**Council Bank Accounts – Cheque Signatory Delegations (Item 6.2)****ID: A895434****Report from Financial Systems Administrator, Kym Ace.****Moved (Stolwerk/Sinclair)**

1. That the report 'Council Bank Accounts – Cheque Signatory Delegations', from Kym Ace, Financial Systems Administrator, and dated 9 November 2016, be received.
2. **Manual signing:**
That any **two** of the following signatories be authorised to countersign cheques for payments drawn on the council's bank account numbers:
 - i. 12-3115-0057000 Current Account operated at the ASB Bank Limited, the 02-0492-0340027 at the Bank of New Zealand and any other accounts, which the council may operate from time to time.
 - ii. Call and term deposit accounts with registered trading banks in New Zealand.

Approved signatories:

Malcolm Charles Nicolson

Anthony Glenn Phipps

Jonathan Charles Gibbard

David John Tams

Simon John Crabb

Vincent John McColl

Stephen John Goddard

Chief Executive Officer

Group Manager – Customer Services/
Community ResilienceGroup Manager – Strategy and
Governance

Group Manager – Corporate Excellence

Finance Manager

Financial Accountant

Management Accountant

3. That vouchers or documents authorising manual or electronic transactions be authorised by any two of the above approved signatories.

4. That electronic transactions may be prepared and uploaded by the Financial Systems Administrator and/or Accounts Officer (being the upload of creditor and payroll payment files) but these must be authorised by any **two** of the above approved signatories.
5. That these delegations, when approved, be notified to the ASB Bank Limited, the Bank of New Zealand Limited, and other registered trading banks for implementation.

Carried

Audit New Zealand – Final Management Report on the Audit of Northland Regional Council for the Year Ended 30 June 2016 (Item 6.3)

ID: A899274

Report from Finance Manager, Simon Crabb.

Moved (Sinclair/Bain)

That the report 'Audit New Zealand – Final Management Report on the Audit of Northland Regional Council for the Year Ended 30 June 2016', by Simon Crabb, Finance Manager, dated 22 November 2016, be received.

Carried

Secretarial Note: It was advised that Deloitte New Zealand National Leader – Audit, Peter Gulliver, had been confirmed as NRC's new auditor.

Update to the Resolution Authorising Council to Become a Member of the Local Government Funding Agency (Item 6.4)

ID: A904630

Report from Finance Manager, Simon Crabb.

Moved (Finlayson/Blaikie)

1. That the report 'Update to the Resolution Authorising Council to Become a Member of the Local Government Funding Agency', by Simon Crabb, Finance Manager, and dated 7 December 2016, be received.

Carried

It was further moved (Smart/Bain)

2. That authority is given to the Chairman and Deputy Chairman to sign the documentation required to join the Local Government Funding Agency as a non-guaranteeing member.

Carried

Northland Regional Council and Department of Conservation Memorandum of Understanding (Item 7.1)

ID: A883054

Report from Group Manager – Environmental Services, Bruce Howse.

Moved (Stolwerk/Finlayson)

1. That the report 'Northland Regional Council and Department of Conservation Memorandum of Understanding' by Bruce Howse, Group Manager – Environmental Services, and dated 28 November 2016, be received.
2. That the council approves the memorandum of understanding and delegation of authority to the NRC Chairman to sign the memorandum on behalf of council.

Carried

Proposed New Governance Structure 2016–2019 Triennium (Item 7.2)

ID: A897923

Report from Group Manager – Strategy and Governance, Jonathan Gibbard.

Moved (Sinclair/Stolwerk)

1. That the report 'Proposed New Governance Structure 2016–2019 Triennium' by Jonathan Gibbard, Group Manager – Strategy and Governance, and dated 29 November 2016, be received.

Carried

It was further moved (Stolwerk/Yeoman)

2. That the Northland Regional Council establishes the following committee, subcommittees and working parties:
 - a. Investment Subcommittee
 - b. Property Subcommittee
 - c. Risk and Health and Safety Working Party
 - d. Audit Working Party
 - e. Natural Resources Working Party
 - f. Pest Management Working Party
 - g. Marine Management Working Party
 - h. Planning Working Party
 - i. Regional Land Transport Committee

Carried

(Councillor Dimery voted against the motion)

It was further moved (Stolwerk/Smart)

3. That the governance structure established at this meeting be reviewed for effectiveness and possible improvements after six months of operation.

Carried

It was further moved (Finlayson/Smart)

4. That council appoints the councillor membership to its subcommittees and working parties – including the appointment of the Chairman as ex-officio to all subcommittees and working parties, as set out in the body of this report and subject to the adjustments confirmed at the meeting.

Carried

It was further moved (Yeoman/Sinclair)

5. That the Chairperson of each subcommittee, working party and statutory board / committee report to council monthly on their activities.

Carried

It was further moved (Yeoman/Finlayson)

6. That the CEO and staff be delegated the responsibility to appoint Hearings Commissioners as required.

Carried

Secretarial Note: For the avoidance of doubt the GM Regulatory Services and Consents Manager were the delegated staff members (in addition to the CEO) to appoint Hearings Commissioners.

It was further moved (Stolwerk/Finlayson)

7. That the delegations to, and terms of reference included in this report and relevant attachments be approved for the:
 - a. Investment Subcommittee,
 - b. Property Subcommittee,
 - c. Audit Working Party,
 - d. Risk and Health and Safety Working Party,
 - e. Natural Resources Working Party,
 - f. Pest Management Working Party,
 - g. Marine Management Working Party,
 - h. Planning Working Party; and
 - i. Regional Transport Committee.

Carried

It was further moved (Stolwerk/Smart)

8. That council approves Councillor Yeoman's appointment to the Audit Working Party and the Risk and Health and Safety Working Party.

Carried

It was further moved (Shepherd/Sinclair)

9. That council appoint Mr Geoff Copstick as council's independent financial advisor.

Carried**Meetings Calendar 2017 (Item 7.3)****ID: A898806****Report from Governance Support Manager, Chris Taylor.****Moved (Bain/Blaikie)**

1. That the report 'Meetings Calendar 2017' by Chris Taylor, Governance Support Manager, and dated 24 November 2016, be received.
2. That the programme of meetings for 2017, as recommended, be adopted.

Carried

Secretarial Note: Chairman of the Regional Transport Committee (RTC), Councillor Bain, formally requested that the proposed 2 August 2017 meeting of the RTC be moved to 9 August 2017.

Delegations and Appointments (Item 7.4)**ID: A900348****Report from Governance Support Manager, Chris Taylor.****Moved (Smart/Stolwerk)**

1. That the report 'Delegations and Appointments' by Chris Taylor, Governance Support Manager, and dated 28 November 2016 be received.

Carried**It was further moved (Stolwerk/Blaikie)**

2. That council confirms the following appointments:

ENTITY	APPOINTED COUNCILLOR
Shareholder representative for Northland Inc. Limited <i>(delegating all necessary authority to represent the council's interests including but not limited to exercising the council's vote at Annual General Meetings and giving effect to council's shareholder resolutions)</i>	Councillor Sinclair
Shareholder representative for Marsden Maritime Holdings Limited <i>(delegating all necessary authority to represent the council's interests including but not limited to exercising the council's vote at Annual General Meetings and giving effect to council's shareholder resolutions)</i>	Chairman Shepherd

Shareholder representative for Regional Software Holdings Limited <i>(delegating all necessary authority to represent the council's interests including but not limited to exercising the council's vote at Annual General Meetings and giving effect to council's shareholder resolutions)</i>	Chairman Shepherd
Upper North Island Strategic Alliance (UNISA)	Chairman Shepherd
Northland Chamber of Commerce	Councillor Dimery
Northland Conservation Board <i>(Observer status only)</i>	Councillor Stolwerk
Northland Sports Facilities Plan (Sport Northland)	Councillor Dimery
Kaipara Harbour Joint Political Committee	Councillors Smart and Blaikie
Inter council working party on genetically modified organisms risk evaluation and management	Councillors Finlayson and Dimery
New Zealand Refinery Liaison Committee	Councillor Stolwerk

3. That the appointments (as detailed in 2), endorses that councillors attending meetings of these entities constitutes as the local authority's business. Hence appointed members can claim vehicle and travel time allowances.

Carried

Secretarial Note: Councillor Finlayson advised that he was a member of the Te Hiku Conservation Board.

Selection Committee for the Northland Sailor of the Year 2016 (Item 7.5)

ID: A902667

Report from Regional Harbourmaster, Jim Lyle.

Moved (Shepherd/Sinclair)

1. That the report 'Selection Committee for the Northland Sailor for the Year 2016' by Jim Lyle, Regional Harbourmaster, and dated 28 November 2016, be received.

Carried

It was further moved (Blaikie/Yeoman)

2. That council appoints Councillor Stolwerk as the Northland Regional Council's representative on the selection panel to choose the recipient of the Northland Sailor of the Year trophy and award for 2016 to be presented at the first convenient council meeting in the New Year.
3. That the concept of Northland Sailor of the Year be reviewed.

Carried

Investment and Growth Reserve: Feasibility Assessment and Business Case Development – Dargaville Retirement Village (Item 7.6)

ID: A901221

Report from Economist, Darryl Jones.

Moved (Finlayson/Sinclair)

1. That the report 'Investment and Growth Reserve: Feasibility Assessment and Business Case Development – Dargaville Retirement Village' by Darryl Jones, Economist, and dated 5 December 2016, be received.

Carried

It was further moved (Sinclair/Finlayson)

2. That council agrees to provide \$25,000 from the Investment and Growth Reserve to Northland Inc. to support the development of a business case for the Dargaville Retirement Village project outlined in **Attachment 1** pertaining to Item 7.6 of the 13 December 2016 council agenda.

Carried

Mangrove Removal Funding Support (Item 7.7)

ID: A896914

Report from Group Manager – Environmental Services, Bruce Howse.

Moved (Stolwerk/Sinclair)

1. That the report 'Mangrove Removal Funding Support' by Bruce Howse, Group Manager – Environmental Services, and dated 29 November 2016, be received.

Carried

It was further moved (Stolwerk/Sinclair)

2. That the council provide the following funding (exclusive of GST) to assist consent holders with mangrove removal operations:
 - Tinopai Residents' and Ratepayers' Society Incorporated - \$5,000;
 - Te Rūnanga O Ngāi Takoto - \$200;
 - B Sanderson – up to \$2,000;
 - Pataua Residents' and Ratepayers' Association - \$2,500;
 - Ruakaka Parish Residents' and Ratepayers' Association Inc. - \$4,356; and
 - Mangawhai Harbour Restoration Society - \$20,000.

3. That the balance of the funds remaining unallocated of \$15,944 are used to support other individuals or community organisations that wish to apply for resource consents to remove mangroves by funding of consent applications and fees, in consultation with the Natural Resources Working Group to approve any funding.

Carried

**Appointment of Hearings Commissioner – Resource Consent
Application APP.038620.01.01 (Item 7.8 and Supplementary Item 7.8)**

ID: A902877 and A905881

Report from Group Manager – Regulatory Services, Colin Dall.

Moved (Finlayson/Yeoman)

1. That the report 'Appointment of Hearings Commissioner – Resource Consent Application APP.038620.01.01' by Colin Dall, Group Manager – Regulatory Services, dated 30 November 2016, and Supplementary Item 7.8, dated 12 December 2016, be received.
2. That the Northland Regional Council, pursuant to section 34A(1) of the Resource Management Act 1991, appoints Rob Lieffering to hear and determine Resource Consent Application APP.038620.01.01, and delegates to him the functions, powers, and duties under sections 37, 37A, 39, 40-42A, 100-114, and 133A of the Act for that purpose.

Carried

Approval of a Loan to Northland Inc. Limited (Tabled Item 7.9)

ID: A905828

Report from Finance Manager, Simon Crabb.

Moved (Yeoman/Blaikie)

1. That the report 'Approval of a Loan to Northland Inc. Limited' dated 12 December 2016 be received.
2. That council approves granting a \$26,500 loan to Northland Inc. repayable over 36 months at an interest rate of 6% per annum payable on the outstanding balance.
3. That all necessary authority is delegated to the Chief Executive Officer to give effect to this resolution.

Carried

Chairman's Report to Council (Item 8.1)

ID: A897266

Report from Chairman, Bill Shepherd.

Moved (Shepherd/Finlayson)

That the Chairman's report dated 30 November 2016 be received.

Carried

Chief Executive's Report to Council (Item 8.2)**ID: A897253****Report from PA/Team Administrator – Strategy and Governance, Sally Bowron.****Moved (Shepherd/Sinclair)**

That the Chief Executive's report dated 6 December 2016 be received.

Carried**Emergency Services Fund Annual Report 2015/2016 (Item 8.3)****ID: A902480****Report from Group Manager – Customer Service/Community Resilience, Tony Phipps.****Moved (Stolwerk/Finlayson)**

That the report 'Emergency Services Fund Annual Report 2015/2016' by Tony Phipps, Group Manager – Customer Service/Community Resilience, and dated 5 December 2016, be received.

Carried**Northland Inc. Limited: Interim Report Against Statement of Intent (SOI) – Quarter one of 2016/17 (Item 8.4)****ID: A901130****Report from Economist, Darryl Jones.****Moved (Shepherd/Sinclair)**

That the report 'Northland Inc. Limited: Interim Report against Statement of Intent (SOI) – Quarter one of 2016/17' by Darryl Jones, Economist, and dated 5 December 2016, be received.

Carried*Secretarial Note:*

- *Item 8.5 was addressed prior to Item 4.0 to allow for the attendance of the representatives from the Whatitiri Māori Reserves Trust (WMRT).*
- *NRC Kaiwhakahaere – Matauranga Māori, Abraham Witana, provided a karakia and mihi. The NRC Chairman also welcomed the guests. The Chairman of the WMRT, Taipari Munro, and Trustee, Meryl Carter, addressed council before formally handing the Whatitiri Resource Management Plan to the NRC Chairman.*

Receipt of Hapū Environmental Management Plans (Item 8.5)

ID: A902614

Report from Kaiarahi Mātauranga Māori, Rachel Ropiha.

Moved (Dimery/Finlayson)

1. That the report 'Receipt of Hapū Environmental Management Plans' by Rachel Ropiha, Kaiarahi Mātauranga Māori, and dated 29 November 2016, be received.
2. That council formally receive both plans as lodged with council for the purposes of the Resource Management Act 1991.

Carried

Business with the Public Excluded (Item 9.0)

ID: A904353

Report from Governance Support Manager, Chris Taylor.

Moved (Shepherd/Sinclair)

1. That the public be excluded from the proceedings of this meeting to consider confidential matters.
2. That the general subject of the matters to be considered whilst the public is excluded, the reasons for passing this resolution in relation to this matter, and the specific grounds under the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

Item No.	Item Issue	Reason\Grounds
9.1	Confirmation of Confidential Minutes of the Council Meeting – 8 November 2016	The reasons for excluding the public are as stated in the minutes of the open section of the meeting.
9.2	Human Resources Report	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons 7(2)(a).
9.3	Kerikeri River Spillway Flood Scheme Update	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to allow the council to carry on, without prejudice or disadvantage, commercial activities 7(2)(h)).
9.4	Externally Managed Funds: Amendments to the Statement of Investment Policies and Objectives	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to allow the council to carry on, without prejudice or disadvantage, commercial activities 7(2)(h)).

9.5	Purchase Opportunity of Lessee's Interest in Order to Freehold Adjacent CBD Titles	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to allow the council to carry on, without prejudice or disadvantage, commercial activities 7(2)(h)).
9.6	Investment and Growth Reserve: Investment Proposal – Onyx Capital Limited (Maungatapere Berries)	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to allow the council to carry on, without prejudice or disadvantage, commercial activities 7(2)(h)).
9.7 (Tabled)	Sale Approval of Council's Lessor's Interest in Order to Freehold Large CBD Property for Development	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to allow the council to carry on, without prejudice or disadvantage, commercial activities 7(2)(h)).

Carried

It was further moved (Shepherd/Stolwerk)

That the Northland Inc. Limited representatives and the Director of Maungatapere Berries be permitted to remain after public excluded to address Item 9.6.

Carried

CONCLUSION

The meeting concluded at 4.17 pm.

TITLE: **Receipt of Action Sheet**

ID: A917630

To: Council Meeting, 21 February 2017

From: Chris Taylor, Governance Support Manager

Date: 9 February 2017

Executive summary

The purpose of this report is to enable the council to receive the current council action sheet.

Recommendation

1. That the council action sheet be received.

Attachments:

- *Council Action Sheet*

Authorised by Group Manager:

Name: Jonathan Gibbard

Title: Group Manager Strategy and Governance

Date: 13 February 2017

Council Actions new

IRISID	Current Status	Request Date	Reso/Req	Description	Request Details	Note Text	Date of Note	Requested By
REQ.577229	Closed	09 Dec 2014		Kerikeri Spillway	That the CEO proceeds to acquire the necessary interests in land to enable the Kerikeri spillway flood scheme works to proceed (RESO)	Applications for Resource Consent, Notice of Requirement and Public Works Act Notices have been withdrawn. This IRIS record can now be closed.	27 Jan 2017	Council
REQ.577425	Open	16 Jun 2015	RESO	Twin Coast Cycle Trail Proposal	That \$900k (excluding GST) be provided to FNDC from the Investment and Growth Reserve to support the completion of the Twin Coast Cycle Trail subject to the approved release by the CEO (on his satisfaction that the funding conditions have been met).	A third invoice for \$49,948 (excl GST) was received and paid in January. This brings NRC's total contribution to date to \$450,000 (50% of committed funding). Work was completed before Christmas to allow riders to traverse the whole TCCT over the holiday period. The Long Bridge which spans Kawakawa River at Taumarere will be closed again from 8 February to allow contractors to complete the bridge strengthening project for the Bay of Islands Vintage Railway. It is hoped that this will be completed within a couple of weeks. Work is also required to complete a couple of small sections of the trail, along with further signage, distance markers, squeeze bars, etc.	24 Jan 2017	Council
REQ.579614	Closed	22 Jan 2016	RESO	Code of Conduct Review	That the Northland Regional Council's Code of Conduct be reviewed [by full council] based on the fact it has not been significantly reviewed during the current Triennium.	Councils Code of Conduct is scheduled to be discussed by council during a workshop on 22 February. This action can now be closed.	31 Jan 2017	Council
REQ.580031	Open	15 Mar 2016	REQ	Hundertwasser Kawakawa	That council meet with Far North Holdings Limited to discuss progress of the Hundertwasser Kawakawa project.	A copy of the business case was provided to council officers in late December, who reviewed and provided feedback to Northland Inc in mid January.	24 Jan 2017	Council
REQ.580937	Closed	21 Jun 2016	REQ	CPCA/Flood Scheme 'Think-piece'	That a think piece regarding CPCAs and Flood Schemes including, but not limited to, potential models, affordability and continued support be provided to EMC and council thereafter.	Work will be presented prior to the LTP development.	27 Jan 2017	Council
REQ.581006	Closed	21 Jun 2016	REQ	Marsden Maritime Holdings Limited (MMH)	That a performance review be undertaken of MMH at such time the Annual Report for 2016 has been received.	The MMH performance review has been completed and is scheduled to be presented to council on 21 February 2017.	23 Jan 2017	Council
REQ.581136	Closed	27 Jun 2016	RESO	Technical Report requested	That the Environmental Management Committee supports changes to planning and Northland Roding Forum allocation processes to assist with the mitigation of dust on roads and that a technical report by NRC staff be prepared.	A presentation will be provided on this matter at the February 2017 council meeting.	23 Jan 2017	Environmental Management Committee
REQ.581242	Closed	19 Jul 2016	REQ	'Follow up' with Chinese delegation	That communication lines be kept open with the Chinese delegation from China Railway Zhangji Holding Group.	There are no outstanding actions and future progress will be reported through the monthly CEO Report. The new council will be briefed on progress to date at an upcoming workshop. This action can be closed.	31 Jan 2017	Council
REQ.581955	Closed	20 Sep 2016	REQ	E-fund criteria	That consideration be given to reviewing the criteria for E-fund applications (especially with regard to applications requiring commitment from DOC or other government departments) with new council.	This will be discussed initially with the Natural Resources working party.	28 Nov 2016	Council
REQ.582855	Closed	13 Dec 2016	RESO	Review of Governance Structure	That the council's governance structure be reviewed 6 months after its establishment.	The efficiency and effectiveness of councils governance structure will be reviewed and workshopped with council in June 2017.	31 Jan 2017	Council

REQ.582856	Open	13 Dec 2016	RESO	Northland Sailor of the Year	That the concept of the Northland Sailor of the Year be reviewed.	This award, along with any other awards presented by NRC, will be reviewed, for council consideration, prior to further award considerations by council.	31 Jan 2017	Council
------------	------	-------------	------	------------------------------	---	--	-------------	---------

TITLE: Marine Protection in Northland**ID:** A915466**To:** Council Meeting, 21 February 2017**From:** Jonathan Gibbard, Group Manager – Strategy and Governance**Date:** 19 January 2017

Executive summary

The purpose of this paper is to bring to council's attention the current state of marine protection in Northland, through marine reserves and marine parks, and seek council direction as to whether council is interested to pursue further investigations into how council can support and facilitate the creation of additional marine reserves/parks along the Northland coastline.

Recommendations

1. That the report 'Marine Protection in Northland' by Jonathan Gibbard, Group Manager - Strategy and Governance, and dated 19 January 2017, be received.
2. That council acknowledges the potential positive impact on community well-being and economic development of the region through the creation of Marine Parks or Reserves along the Northland coastline.
3. That council leads an initial investigation into the current status of existing community lead marine reserve and marine park proposals, to identify how council can best support the establishment of additional marine reserves/parks along the Northland coastline.
4. That this investigation be undertaken by the Marine Management Working Party and that the working party provide recommendations back to council in time for any additional resource requirements to be included for consideration in the council's 2018–28 Long Term Plan.

Background:

One of Northland's most significant natural assets and attractions is its coastal marine environment. It follows that protection and promotion of our marine environment is therefore critical to the degree to which this resource can contribute towards the region's environmental, cultural, economic and social wellbeing.

ITEM: 6.1

Page 2 of 5

Marine protection, through the establishment of marine reserves or marine parks, is one mechanism by which significant areas of Northland coastlines can be protected and which can also create considerable economic opportunities. To date, establishment of marine reserves/parks has been limited to three marine reserves (located at the Poor Knights and Whangārei Harbour (Reatahi and Onerahi)) and the Mimiwhangata Marine Park. The total area covered by these reserves/parks is less than 1% of Northland's total coastal marine area. This is significantly less than the central government goal of 10% coverage, and is even more significant when considering the outstanding ecological diversity of the Northland coastal marine environment.

There is currently no active programme being advanced by the Department of Conservation, who has primary responsibility for establishing marine reserves, to establish further marine reserves/parks in Northland. While a number of community led concepts have been proposed over the years, these have struggled to progress through the legislative process. Three proposals that staff are currently aware of (status known), are located off the Tutukaka coast, within the Bay of Islands and off the Whangaroa coast.

Council has previously investigated the Tutukaka proposal which proposes a mixed protection regime (marine park and reserves). Following initial investigations, including the commissioning of a scoping report, council decided to focus on identifying marine protection options through Resource Management Act 1991 (RMA) planning provisions, with the potential to come back to the proposal at a later date. To this end, the draft regional plan includes maps of significant ecological areas in the marine environment which could inform future marine protected areas investigation.

Since then, central government has begun a process to develop new legislation for marine protection, the Marine Protected Areas Act. Further investigations into the status and timeframe for progressing this legislation is required. However, if the proposed legislation is enacted in its current form, it will provide a wider array of management options than is currently available under the Marine Reserves Act, and which are more aligned to some of the current community proposals in Northland.

Council is asked to consider whether it has an appetite to undertake further investigations into the establishment of marine reserves/parks in Northland and how council may best support community groups through the legislative process.

ITEM: 6.1

Page 3 of 5

Considerations:**Options**

No.	Option	Advantages	Disadvantages
1	Status Quo – council considers whether or not to support MPA proposals on an ad-hoc / case by case basis as they are presented to council	Council can apply its discretion case by case.	Council's position on MPA remains unclear. Potential for inconsistent decision making. It is unlikely that any additional marine reserves/parks, nor the benefits that they bring, will be realised along the Northland coast any time soon.
2	Undertake an initial investigation into how council can best support the creation of additional marine reserves / parks	Increased likelihood of marine reserves/parks being established and the associated environmental and economic benefits being realised in Northland.	Council time and resource will be required to undertake an initial investigation which may put pressure on existing workloads.

Staff recommend Option 2 be pursued, as an appropriate course of action for council, given the long term community interest, lack of progress in establishing new marine reserves/parks, potential environmental and economic benefits to the region and council's wider role in managing the coastal marine environment.

1. Significance and Engagement

In relation to section 79 of the Local Government Act 2002, this decision is considered to be of low significance when assessed against council's Significance and Engagement Policy because it is part of council's day to day operational activities. This does not mean that this matter is not of significance to Māori and/or individual communities, but that council is able to make decisions relating to this matter, and as outlined in this report, without undertaking further consultation or engagement.

2. Policy and Legislative Compliance

Responsibility for marine protection is currently divided amongst a number of agencies, including regional councils, Department of Conservation (DOC) and Ministry of Primary Industries (MPI), each with their own legislative mandate and management mechanisms.

Regional council's main tool to manage the marine environment is through the development of its regional coastal plan (under the Resource Management Act 1991), which is currently under review. One limitation of this management tool is its inability to manage fisheries, which is managed by MPI through the Quota Management System. It is worth noting that a recent Environment Court decision has concluded that regional coastal plans are able to control the method of fishing (for the protection of native species or for recognising the relationship of Māori with their taonga). It is understood, however, that this decision is likely to be appealed by MPI. Should the Environment Court's decision be upheld, then this could provide another avenue for council when considering how best to advance marine protection.

Marine protection, through the development of marine reserves/parks, is largely led by DOC or through community led initiatives. It is important to note, that under existing legislation (Marine Reserves Act), regional councils are not able to promulgate a marine reserve/park proposal. Therefore, any involvement would need to be in support of a tangata whenua, community or DOC led proposal.

Further Considerations

3. Community Views

As mentioned above, there are currently three known community led proposals for the creation of new marine reserves/parks along the Northland east coast. It must be noted, however, that history would clearly show that the creation of marine reserves/parks is a hugely contentious issue and one which brings out 360 degrees of opinions from any community. Wide spread community views are one of the key reasons as to why so few marine reserves/parks have been established (not only in Northland). The significant level of engagement required to progress any proposal should not be underestimated, should council decide to progress past an initial investigation, and seek to support the progression of any one or more proposals.

4. Māori Impact Statement

It is well known that Māori have significant interests in the coastal marine environment. It is critical that Māori are involved, right at the outset, in any consideration of future marine reserve/park proposals. How to involve Māori in decision making surrounding the investigation and potential creation of any new marine reserves/parks should be a key consideration for the Marine Management Working Party in any recommendations back to council.

5. Financial Implications

It is not envisaged that any council resources will be required to undertake the initial investigation, as recommended in this report, other than staff and councillor time. Future council decisions will be required should council decide to actively support any one or more proposal. Additional resource requirements (both financial and staff time) will be considered at that time.

6. Implementation Issues

Should council agree to undertake this initial investigation, then further discussion will be required with the Marine Management Working Party, to confirm an appropriate work programme and timeline, that both balances the timely progression of this work with council's existing heavy workload.

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 19 January 2017

TITLE: Investment and Growth Reserve: Investment Proposal – Hundertwasser Art Centre (Whangārei)

ID: A919429

To: Council Meeting, 21 February 2017

From: Darryl Jones, Economist

Date: 13 February 2017

Executive summary

Council has received an application from Northland Inc. proposing a \$1.5M loan investment from the Investment and Growth Reserve (IGR) to assist with the development of the Hundertwasser Art Centre (HAC) in Whangārei. The application proposes that this investment be provided as a loan that is forgiven in equal instalments over a four-year period once construction has been completed (anticipated mid-2019), and repaid on an interest only basis at an interest rate of OCR + 2%.

Staff have assessed the project through its internal decision making process to ensure conformity with the IGR criteria. Staff recommends that the \$1.5M be provided as Impact Investment funding, spread over two and a half years following the commencement of construction of the HAC, with no expectation of payments back to the IGR.

Recommendations

1. That the report 'Investment and Growth Reserve: Investment Proposal – Hundertwasser Art Centre (Whangārei)' by Darryl Jones, Economist, and dated 13 February 2017, be received.
2. That council agree to provide Impact Investment financing of up to \$1,500,000 (excl GST) from the Investment and Growth Reserve (IGR) to support the Hundertwasser Art Centre (HAC) project.
3. That the Chief Executive Officer be delegated the authority to negotiate and arrange the conditions of the investment to include the following conditions:
 - i. The drawdown period of the funds to begin at the commencement of the construction of the HAC and at a rate of \$150,000 per quarter.
 - ii. These quarterly progress payments will be made on the basis of works completed.
 - iii. A formal commitment from Whangarei Art Museum Trust that should the HAC ever be sold to a private operator the \$1.5M financial investment by Northland Regional Council will become repayable on settlement of sale.
 - iv. The development of an agreed list of performance and quarterly reporting mechanisms.

ITEM: 6.2

Page 2 of 7

- v. The appointment of a Northland Regional Council representative to the independent board operating the HAC

Background:

Council has received an application from Northland Inc. for a \$1.5M loan investment to assist with the development of the HAC in Whangārei. Officers have assessed the proposals against the IGR criteria and conclude that the project is eligible for funding from the IGR (refer to Attachments 1 and 2 of item 7.5 of 8 November 2016 council meeting). The project was presented at the council workshop on 1 November 2016, and again on 7 February 2017.

The purpose of the project is to construct the last-ever Hundertwasser designed building in the world that will house both a collection of art works by Hundertwasser and a Māori art gallery. At least 50 original art works by Hundertwasser will be on permanent display at any one time. The development of the HAC will support the Twin Coast Tourism Discovery revitalisation project as well as having strong linkages with the other Hundertwasser projects across Northland (being the existing toilets in Kawakawa, Hundertwasser's home at Kaurinui, and the proposed Hundertwasser Park at Kawakawa). The project has the backing of the Hundertwasser Non Profit Foundation (located in Vienna) and the Wairua Māori Art Gallery Board.

The Old Harbour Board building and land, which will be used for the HAC, will continue to be owned by Whangarei District Council (WDC). Prosper Northland Trust (PNT) is leading the fundraising for the HAC project and will oversee the construction of the HAC. The improvements to the building (i.e. the Hundertwasser refurbishment) will be owned by PNT for the first 10 years. After 10 years of operation the art centre refurbishment will be gifted back, in its entirety, to WDC.

Once construction is completed, PNT will hand the facility over to Whangarei Art Museum Trust (WAMT) to operate. WAMT intend to establish a separate governance board to oversee the running of the HAC with separate accounts prepared. WAMT is a Council Controlled Organisation (CCO) of WDC under the Local Government Act 2002, and currently administers the Whangarei Art Museum. WAMT is incorporated as a trust under the Charitable Trusts Act 1957 and registered under the Charities Act 2005, registration number CC28917. Operating grants received from WDC and central government agencies are the primary sources of WAMT funding.

The financial feasibility of the project has been well tested (see for example the various reports at www.wdc.govt.nz/YourCouncil/Referendum/Pages/Referendum-Frequently-Asked-Questions.aspx.) The analysis suggests that based on an estimate of 144,000 visitors per annum (approx. 400 per day), the HAC will generate an operating cash surplus of \$500,000 based on an adult price of \$15. The breakeven number of visitors is 80,000 admissions (approx. 220 per day). For comparison, the Sky Tower in Auckland attracts 415,000 visitors per year and 350,000 visit the Hobbiton Movie Set near Matamata. Within Northland, 45,000 people visited the Kauri Museum at Matakōhe in the year ended June 2016, and around 115,000 have visited the Museum of Waitangi in the past year since it was opened in February 2016 (excluding conference/meeting/education visitors).

ITEM: 6.2

Page 3 of 7

Constructing the HAC has been costed at \$16.25M. This is the amount of funding that PNT have to raise before 30 June 2017. Fundraising has to date secured \$13.1M in funds from the following sources:

WDC (includes funds already contributed)	\$4.1M
Central Government	\$4.0M
Charitable Trust and pledges/donations	\$2.7M
Foundation North	\$1.8M
Lottery Grants Board	\$0.5M

This leaves a shortfall of \$3.15M. PNT are seeking funding from a variety of sources to secure the remaining funds. They have informed council that a NRC decision to support the HAC with a \$1.5M investment will be a strong encouragement for other potential funders to come on board and get the project over the line. Conversely, they believe that without NRC funding there is a high chance they will fail to raise the necessary funding. Once the \$16.25M has been raised by 30 June, PNT have one year to deliver a fixed price construction contract and to raise any additional funding shortfall.

PNT contend that the commitment to no additional ratepayer funding for the HAC project was a commitment specific to WDC funding as set out in their pre-referendum submission to the WDC 20/20 Inner City Revitalisation Committee.

Considerations:

1. Options

Form of funding

NRC staff considers that it would be better to provide the money from the Impact Investment category of the IGR rather than as a loan. WAMT has informed council that it would not be possible for them to enter into a loan agreement as this would contravene the terms of the funding arrangement with WDC regarding their contribution to the HAC. It also removes the need to establish a loan agreement for an arrangement that is not really a loan.

To provide some security that this money will be used for the public rather than for private benefit, a condition of the funding allocation should be that if the HAC is ever sold to a private operator, the \$1.5M council investment into the project will become repaid on settlement of sale.

Quantum of funding

Council may wish to allocate a smaller quantum of funding to the project given that this uses a significant portion of the funding available from the IGR for the current and next two financial years based on current funding decisions (see Financial Implications section).

Return on investment

While it is proposed that the funding is provided from the impact investment category, which does not require the investment to deliver a rate of return, this does not preclude the establishment of some form of return on investment back into the IGR as part of the funding arrangement.

However, WAMT has informed council that as part of the underwriting agreement that is being prepared, surpluses generated from the operation of

ITEM: 6.2

Page 4 of 7

the HAC will be placed into a reserve fund until it reaches \$2M. This means it may be some time before surplus generated from the operation of the HAC will be available for returning to the IGR.

Therefore, to ensure that there is a return on this public investment, a condition of the funding should be that an agreement is reached with NRC that it will be consulted with regard to the distribution of any profits from the operation of the HAC. One way to achieve this is to have a council representative appointed to the board that will be set up to manage the HAC.

Summary of options

No.	Option	Advantages	Disadvantages
1	Provide impact investment funding of \$1,500,000 with no obligation to provide a return on investment contribution to the IGR	Greater chance of project being progressed. Reduces pressure on the proponents to secure funding from other sources.	Leaves limited funds available for investing into other projects until after June 2019 based on current funding decisions.
2	Provide impact investment funding of \$1,500,000 with an obligation to provide some return back to the IGR	As with Option 1 with the added advantage of returning some funds to the IGR.	As with Option 1 plus places slightly more financial pressure on the operation of the HAC. Uncertain as to when these returns will be delivered.
3	Provide impact investment funding of a lesser amount	Leaves more funds available in the IGR for other investment projects. Acknowledges the potential impact that the project will make to the economy and culture of Northland.	Leaves the proponents with a greater level of funding to secure from other sources.

ITEM: 6.2

Page 5 of 7

4	Decline the application	Provides council with funds to invest into other projects	Leaves the proponents unlikely to meet the 30 June 2017 deadline to raise \$16.25M.
----------	-------------------------	---	---

Staff recommends Option 1, to provide Impact Investment funding of \$1,500,000, with no financial contribution back to the IGR. This is because when and how the WAMT may be able to deliver a return back to the IGR is very uncertain. Such a requirement may also complicate the ability of PNT to secure the remaining funding commitments needed for the project to succeed.

2. Significance and Engagement

This matter has been assessed according to the council's Significance Policy and deemed to be of low significance for the majority of the criterion. However, given the high level of public debate and discussion that has occurred around this project, including a formal WDC referendum, this decision is considered to be of high significance in terms of the community interest criterion. Because a high degree of significance is indicated for only one criteria, the significance threshold is not triggered.

3. Policy and Legislative Compliance

Under the IGR criteria, the allocation of impact investment funding is capped at \$1M from any one year's investment income transferred into the IGR, with the possibility of carrying forward a cumulative maximum of \$1M in unused impact investment funding from previous years. When combined with already made commitments, the current investment proposal exceeds the ceiling threshold and is therefore inconsistent with the terms of the IGR criteria.

However, section 80 of the Local Government Act 2002 provides for council to make a decision that is inconsistent with a policy or plan adopted by the council provided council, when making the decision, clearly identifies the inconsistency, the reason for the inconsistency and any intention to amend the policy or plan to accommodate the decision. This note satisfies the requirement of section 80. Therefore, should council decide to support the proposal then it should do so knowing that the decision exceeds the IGR impact investment ceiling threshold. Any proposals that exceed the ceiling threshold criteria should be assessed on a case-by-case basis and based on their merit rather than representing a need to alter the IGR criteria at this stage.

Further considerations:

4. Community Views

As noted in the attached project plan, a binding referendum was held by the WDC in 2015. Three options were chosen for the referendum as to the future of the old Harbour Board building. The results of that referendum, with 50% of the Whangarei District electorate voting, were as follows:

Hundertwasser Art Centre proposal	14,256 (51%)
Demolition	8,080 (29%)
Harbourside proposal	5,609 (20%).

ITEM: 6.2

Page 6 of 7

5. Māori Impact Statement

This decision supports Māori culture as the proposed HAC includes the incorporation of the Wairau Māori Art Gallery – the first purpose built, national art space dedicated to curating and exhibiting contemporary Māori art in Aotearoa/New Zealand. There are no known Māori views that are significantly different to those of the general public.

6. Financial Implications

Table 2 sets out the forecast cash flow balance for the IGR based on current funding commitments, detailing income and withdrawals for the various committed projects and funding for the operation of Northland Inc. Given the cash flow position of the IGR, payments will need to be spread over at least two financial years beginning 2017/18. Fortunately, this matches the proposed construction period of the HAC, which is expected to commence in late 2017 and be completed within two years. The forecast cash flow balance is based on construction of the HAC beginning in the second half of 2017/18 and with a maximum of \$150,000 being provided in each quarter.

Based on current forecasts and funding decisions, the provision of \$1.5M for the HAC will mean there are limited funds available to invest in other projects and/or undertake feasibility assessment/business case development until after 30 June 2019. The amount of funding available rises in 2019/20 because of the repayment of the loan to Resource Enterprise Limited (REL).

Forecast cash flow balances of the IGR – 2015/16 to 2019/20
Based on current funding commitments

Investment and Growth Reserve	2016/17f	2017/18f	2018/19f	2019/20f
Opening Balance	3,509,829	1,157,402	890,364	1,036,606
Deposits				
Redirection of NRC investment income	1,700,000	1,700,000	1,700,000	1,700,000
Community Investment Fund income	0	0	347,587	389,147
Other revenue ¹	188,578	115,738	100,275	849,916
Total	1,888,578	1,815,738	2,147,862	2,939,063
Withdrawals				
Northland Inc. operations	-1,198,212	-1,222,176	-1,246,620	-1,271,552
IGR funding categories				
Feasibility assessment/business case ^{2,3}	-165,000	0	0	0
Project funding - committed				
<i>Better Water Management</i>	-165,000			
<i>Twin Coast Tourism Discovery</i>	-250,000			
<i>Twin Coast Cycle Trail</i>	-579,793			
<i>Regional Promotions</i>	-410,500	-410,500		
<i>The Orchard</i>	-70,000			
<i>Extension 350</i>	-102,500	-150,100	-155,000	-155,000
<i>Waitangi Mountain Bike Park</i>	-400,000			
<i>Maungatapere Berries</i>	-400,000			
Project funding - "in principle"				
<i>Kawakawa Hundertwasser</i> ⁴	-500,000			
Project funding - under consideration				
<i>Hundertwasser Art Centre</i>		-300,000	-600,000	-600,000
Total	-4,241,005	-2,082,776	-2,001,620	-2,026,552
Closing Balance	1,157,402	890,364	1,036,606	1,949,117

Notes

1. Other revenue includes interest earned on the IGR and repayment of loans.

2. Feasibility assessment/business case development funding for 2016/17 assumes council support for agenda item 6.3.

3. While the IGR criteria provides for up to \$200,000 per annum to be provided for feasibility assessment and business case development, there are no funding commitments going out into the future. The balance in the IGR can be used to fund these and/or invest in projects.

4. The \$500,000 "in principle" commitment to Kawakawa Hundertwasser which will be subject to a formal decision during 2016/17.

ITEM: 6.2

Page 7 of 7

Council has the ability to increase transfers into the IGR but this is a decision beyond the scope of this paper. In the short-term, additional funding can be provided from the Community Investment Fund (CIF). This option is considered in item 6.4 on the current council agenda. Over the long-term, a decision to redirect a greater level of investment income into the IGR (currently set at \$1.7M) could be made as part of the LTP 2018–2028. The current service delivery review of council's economic development activities will provide an opportunity to reassess the level of funding.

7. Implementation issues:

The proponents of the HAC have a commitment to raise the required funds needed for the project by mid-2017. This provides enough time to negotiate and finalise the terms of the funding arrangement with the parties.

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 13 February 2017

TITLE: Investment and Growth Reserve: Feasibility Assessment and Business Case Developments – Otuihau (Whangārei Falls) Cultural Experience and Northland Indigenous Wood Products Pilot Study

ID: A918747

To: Council Meeting, 21 February 2017

From: Jon Trewin, Policy Analyst

Date: 3 February 2017

Executive summary

Northland Inc. is seeking feasibility assessment and business case development funding from the Investment and Growth Reserve (IGR) for the following two projects:

- \$20,000 to develop a business case for a cultural experience at Whangārei Falls using paid guides and evening cultural performances. The project is supported by Creative Northland and will be led by Joby Hopa on behalf of the whanua of the local marae (Pehiaweri Marae).
- \$50,000 for the first year of a two-year pilot project to test the concept of a new indigenous forestry industry in Northland using sustainably managed totara stands. The IGR sum will be combined with \$350,000 from other partners (\$150,000 from the Ministry for Primary Industries (MPI) and \$200,000 from Scion) for a total first year funding commitment of \$400,000. Tane's Tree Trust are also involved in the project providing an 'in-kind' contribution. The purpose for the pilot project will be to test the assumptions of an earlier business case model developed by PricewaterhouseCoopers. There will be an expectation that the venture is supported by a further \$647,000 in the second year divided between parties along similar lines (a possible IGR contribution of \$80,000) if the first year is completed successfully. The pilot project will build on council's commitment to this venture, having previously supported earlier business case development work in June 2014 (IGR allocation of \$10,000) and February 2015 (IGR allocation of \$15,000).

Both proposals meet the IGR criteria, and funding is available (only \$95,000 of the \$200,000 allocated for such work has been spent in 2016/17).

Recommendations

1. That the report 'Investment and Growth Reserve: Feasibility Assessment and Business Case Developments – Otuihau (Whangārei Falls) Cultural Experience and Northland Indigenous Wood Products Pilot Study' by Jon Trewin, Policy Analyst, and dated 3 February 2017, be received.
2. That council agrees to provide \$20,000 from the Investment and Growth Reserve to Northland Inc. to support the development of a business case for the cultural experience at Otuihau (Whangārei Falls) project outlined in Attachment 1 pertaining to Item 6.3 of the 21 February 2017 council agenda.

3. That council agrees to provide \$50,000 from the Investment and Growth Reserve to Northland Inc. to support the development of the Northland Indigenous Wood Products Pilot Study outlined in Attachment 2 pertaining to Item 6.3 of the 21 February 2017 council agenda.
-

Background:

Officers have reviewed the assessment proposals contained and concur that it relates to feasibility assessment or business case development and therefore is eligible for this funding category.

Full project details are contained in two attachments to this report. The below relates to a summary of the part eligible for IGR feasibility and business case funding:

1. Otuihau (Whangārei Falls) Cultural Experience

- Northland Inc. is seeking IGR feasibility and business case funding of \$20,000 to develop a business case for a cultural experience at Whangārei Falls using paid guides and evening cultural performances (**see Attachment 1**). The business case should provide a clear outline of:
 - The product offerings – how the two proposed products will operate to provide an authentic Māori cultural experience;
 - An understanding of the potential target market, including quantifying the number of expected visitors; and
 - Financial forecasts based on predicted attendance figures - how much revenue will possibly be made?

2. Northland Indigenous Wood Products Pilot Study

- Northland Inc. is seeking IGR feasibility and business case funding of \$50,000 for the first year of a two-year pilot project to test the concept of a new indigenous forestry industry in Northland using sustainably managed totara stands (**see Attachment 2**).
- In 2014 an initial market research study was undertaken by Locus. This was followed by a more in-depth business case completed by PricewaterhouseCoopers (PwC), which outlined key assumptions about the industry and potential cost structures. Both these studies were supported by feasibility and business case funding from the IGR, and funding from MPI and Scion. Collaboratively these identified that the proposed venture is financially viable and if successful has the potential to contribute millions of dollars to the Northland economy and generate employment across multiple business channels.
- In order to de-risk the establishment of a totara wood products industry in Northland, all parties (Northland Inc, MPI, Scion and Tane's Trees Trust) involved have proposed that a pilot project (feasibility assessment) be undertaken to test the assumptions and cost structures used in the PwC model and obtain better information in order to build a succinct business case to attract future investment. A key part of the project is a forest-to-product processing trial that will produce around 200m² of totara timber and

ITEM: 6.3

Page 3 of 6

manufactured products. Over a two-year period, work will be carried out under five work streams to test the validity of the assumptions. These include:

1. Initial market validation
 2. Harvesting the resource
 3. Processing product attributes
 4. Creating an enabling environment for success (including defining the business model)
 5. Project management.
- The project is logically sorted into two stages and there is a natural decision point after the completion of the first year. Total cost for the first year is \$400,000. It is proposed that \$50,000 be contributed from the IGR, with \$150,000 being funded from MPI and \$200,000 from Scion through their 'PreSeed Accelerator Fund (PSAF)'. Tane's Tree Trust are supporting the project with an 'in-kind' contribution. There will be an expectation that the venture is supported by a further \$647,000 in the second year divided between parties along similar lines (a possible IGR contribution of \$80,000) if the first year is completed successfully.

Considerations:
1. Options

There are two options available to council for each of the funding applications; to approve or decline the allocation of funding from the IGR.

1. Otuihau (Whangārei Falls) Cultural Experience Business Case

No.	Option	Advantages	Disadvantages
1	Approve the allocation of \$20,000 to undertake a business case	<p>Supports a local community initiative that may eventually lead to improved employment/education outcomes for local youth.</p> <p>Provides a basis for work going forward, including possible funding arrangements.</p>	Reduces funds available for other projects.
2	Decline the application	Retains \$20,000 in the IGR to use on other projects.	The applicant will need to find financial support elsewhere.

The recommended option from staff is to allocate \$20,000 to carry out the business case development.

2. Northland Indigenous Wood Products Pilot Study

No.	Option	Advantages	Disadvantages
1	Approve the allocation of \$50,000 to undertake a pilot study	<p>Builds on council commitment to the venture, having previously supported earlier business case development work in 2014 and 2015.</p> <p>This previous work has suggested that the project is likely to be viable and has the potential to generate millions of dollars of income and generate a large amount of employment for the Northland economy.</p> <p>Continued involvement of central government and Scion with significant funding commitment suggest confidence in the concept.</p>	<p>Reduces funds available for other projects.</p> <p>Represents Year 1 commitment only. Further funding in Year 2 will be sought (around \$80,000 from IGR) if Year 1 is a success.</p>
2	Decline the application	<p>Retains \$50,000 in the IGR to use on other projects and negates need for possible further funding of around \$80,000 from council in Year 2.</p>	<p>The applicant will need to find financial support elsewhere. May delay the implementation of the pilot project and casts uncertainty on availability of funding in Year 2.</p>

The recommended option from staff is to allocate \$50,000 to help undertake Year 1 of the pilot project (feasibility assessment).

2. Significance and Engagement

This matter has been assessed according to the council's Significance and Engagement Policy and deemed to be of low significance.

3. Policy and Legislative Compliance

The activities detailed in this report are in accordance with the IGR criteria, the Long Term Plan 2015–2025, and council's decision making process as prescribed in the Local Government Act 2002.

Further Considerations

4. Community Views

The Otuihau (Whangārei Falls) Cultural Experience is supported by the local marae (Pehiaweri Marae) as a way to provide employment and educational opportunities for youth as well as engagement with non-Māori and tourists. Visitors to the falls have indicated that there is a demand for a cultural component to the attraction.

Community views have not been sought for the Northland Indigenous Wood Products Pilot Study as the project is not yet at an appropriate stage for community engagement.

5. Māori Impact Statement

The Otuihau (Whangārei Falls) Cultural Experience is supported by the local marae (Pehiaweri Marae) as a way to provide employment and educational opportunities for youth as well as engagement with non-Māori and tourists.

Northland Indigenous Wood Products Pilot Study – Engagement with Māori is currently underway with opportunities for involvement and partnership being further explored during the pilot project.

6. Financial Implications

At the Audit and Risk Committee meeting of 18 February 2014, council established a separate annual funding category of \$200,000 within the IGR to support Northland Inc. to carry out feasibility assessment and business case development.

In the 2016/17 financial year, council has to date allocated \$95,000 in funding for four feasibility assessments and business case developments: mySELF, Kaurinui, Whangārei Marina and Dargaville Retirement Village projects.

Based on current income and expenditure commitments, the budgeted balance of the IGR as at 30 June 2017 is just over \$1.1M should both these funding proposals be made, subject to any further decisions by council.

7. Implementation issues:

There are no implementation issues for council. Procuring the services to undertake the assessment will be done by Northland Inc.

Attachments:

- Attachment 1 - Northland Inc. board paper Otuihau (Whangārei Falls) Cultural Experience
- Attachment 2 – Northland Inc. board paper Northland Indigenous Wood Product Pilot Study

Authorised by Group Manager:

Name: Jonathan Gibbard

Title: Group Manager – Strategy and Governance

Date: 14 February 2017

9. Otuihau (Whangārei Falls) Cultural Experience

Subject: Feasibility and Business Case funding application

Report by: Codie McIntyre, Business Analyst

Dated: January, 2017

Commercial in Confidence: No

Background to Project:

What is the overall project?:

The funding application is to develop a business case for the whanau of Pehiaweri Marae, led by Joby Hopa, focused on the development of paid guided walks/tours and evening cultural performances, that relates their whakapapa to the locale and the wider Whangarei district. They have received feedback from visitors to Otuihau (Whangārei Falls) that there is demand for cultural components that will inform visitors and accurately reflect authentic Maori living, both contemporary and to the extent possible, traditional activities. They believe that the falls will provide an authentic visitor experience and reflect the true spirit of kaitiakitanga (guardianship) and manaakitanga (hospitality).

The guided walks/tours will be situated around the falls and it is envisaged that they will take place with the cultural backdrop of the name and interpretations of the geographical features in the falls region which are fundamental to the identity of the mana whenua group and include contemporary waiata, patere and custom. The evening cultural performance will take place on the reserve next door to the waterfall and will bring alive the narrative of 'Wairoa,' sharing with visitors the history of the whenua (land) and the awa (Hatea River).

The project is being led by Joby Hopa, with the support of Creative Northland. They have currently reached a stage where they are running a pilot project to gather data that will support the development and refinement of the project and provide valuable market information for the development of a business plan. The pilot project will also help them to establish a retinue and a programme for the entertainment group as well as investigating the best way to extract a form of payment from tourists in what is a public space with free access.

The main objectives of this venture are improving employment outcomes of local youth and creating engagement opportunities for non-Maori with the hau kainga. The improved

employment outcomes are intended to provide impetus for formal schooling and then a staircase for further Diplomas at the tertiary level.

Where is it?:

Otuihau (Whangārei Falls), Tikipunga

When will it begin (and end)?:

The project/business case is intended to be conducted as soon as possible in order to get the business up and running before the end of the year, if it is found that the business ideas is feasible.

Who are the parties involved (background, experience)?:

- Joby Hopa (Pehiaweri Marae)
- Creative Northland

**What is the potential total investment into the project and potential IGR investment?:
(if possible include central government and or private sector contributions)**

The total cost will be determined once the business case is developed, however at this stage the development of the tourism product offering is likely to require start-up funding in the form of marketing expenditure, website development and human resource costs, some of which should be able to be covered from revenue generated from the activity.

What are the projects outcomes and how are they consistent with the Investment & Growth Reserve criteria? (High Level (Infometrics), GDP, Jobs, Household Income)

The actual project outcomes will be confirmed through the preparation of a business case. However it is anticipated that this project will create local employment and improve the employment outcomes of local youth through developing a tourism product that should operate for a large proportion of the year employing guides and performers. The product offering will also support the creation of a culture and heritage trail in Northland.

Feasibility and Business Case Application:

What part is the feasibility and or business case funding application for?:

The feasibility and business case funding will be used to determine the viability of starting up a business that will offer guided tours and cultural performances at Otuihau (Whangarei falls) and create a business case for it.

The business case should provide a clear outline of:

- The product offerings- how the two proposed products will operate to provide an authentic Maori cultural experience
- An understanding of the potential target market, including quantifying the number of expected visitors
- Financial forecasts based on predicted attendance figures - how much revenue will possibly be made?

Estimate of project costs and timeframes:

Total cost of the project is estimated at \$20,000 (+GST).

Admin

What is the current available allocation of feasibility and business case funding?

This would be the sixth application within the 2016/17 financial year, therefore the potential funding available is \$55,000.

Recommendation:

Recommend that \$20,000 for feasibility and business case funding be approved for the Otuihau Cultural Experience Business Plan from the Investment and Growth Reserve.

9.X Northland Indigenous Wood Products Pilot Study

Subject: Feasibility and Business Case funding application

Report by: Vaughan Cooper, GM Investment and Infrastructure

Dated: November, 2016

Commercial in Confidence: No

Background to Project:**What is the overall project:**

In July 2014, Northland Inc along with Scion, Ministry for Primary Industries & Tane's Tree Trust jointly undertook a high-level assessment of the opportunity to build a new indigenous forestry industry in Northland. The study focused on manufacturing high value solid wood products from sustainably managed Totara stands. The study concluded that there was potential for a new wood products industry that would provide substantial economic, social, cultural and environmental benefits to Northland, with Scion estimating that within 3 years of start-up this industry could be worth up to 7.5 million per annum, with significant potential to expand beyond this.

The project focuses on the development of a Totara wood products industry based primarily around appearance grade timber for furniture manufacture, interior joinery and panelling. The advantage of building this industry is that there are already sufficient resources available and there is potential for the product to develop into a more high value niche market.

Where is it?:

Northland wide

When will it begin (and end)?:

To be confirmed.

Who are the parties involved (background, experience)?:

- **Scion** who are the New Zealand Forest Research Institute and specialise in research, science and technology development for the forestry, wood product and wood-derived materials sectors
- **Ministry for Primary Industries (MPI)** whose role is to maximise export opportunities for primary industries in New Zealand, improve sector productivity and increase sustainable resource use
- **Tane's Tree Trust** whose vision is to see the majority of New Zealand land owners successfully planting and sustainably managing indigenous trees for multiple uses. They work in collaboration with a range of forestry and environmental interest groups, e.g. NZ Institute of Forestry, NZ Farm Forestry, etc

**What is the potential total investment into the project and potential IGR investment?:
(if possible include central government and or private sector contributions)**

The indicated budget is \$1,047,000 excluding GST and the project will be completed over a two year period. The funding partners are Northland Inc, MPI and Scion with Tane's Tree trust providing in-kind funding.

**What are the projects outcomes and how are they consistent with the IGR criteria?:
(High Level (Infometrics), GDP, Jobs, Household Income)**

The development of an indigenous timber industry (primarily Totara) in Northland has the potential to create business growth, jobs and economic wealth for the region through the better management and utilisation of naturally regenerated Totara resource. It is expected that a range of markets areas will be affected by this development, e.g. Timber Merchants, Furniture Manufacturers, Builders, etc. and their feedback has shown that there is interest in this type of product. Within 3 years, research has estimated that the total economic impact within the Northland economy of utilising Totara could be \$40-60 million.

Feasibility and Business Case Application:

What part is the feasibility and or business case funding application for?:

Since 2014 an initial market research study has been undertaken by Locus and a more in-depth business case completed by Price Waterhouse Cooper (PWC), which outlined key assumptions about the industry and potential cost structures. Collaboratively these identified that the proposed venture is financially viable and if successful has the potential to contribute millions of dollars to the Northland economy and generate employment across multiple business channels.

In order to de-risk the establishment of a Totara wood products industry in Northland, all parties involved have proposed that a pilot project be undertaken to test the assumptions and cost structures used in the PWC model and obtain better information in order to build a succinct business case to attract future investment. A key part of the project is a forest-to-product processing study that will produce around 200m² of Totara timber and manufactured products. Over a two year period, work will be carried out under five work streams to test the validity of the assumptions. These include:

1. Initial market validation
2. Harvesting the resource
3. Processing product attributes
4. Creating an enabling environment for success (including defining the business model)
5. Project management

Estimate of project costs and timeframes:

The project is logically sorted into two stages and there is natural decision point after the completion of the first year. Total cost for the first year is \$400,000.

It is proposed that a total of \$50,000 be contributed from the Investment & Growth Reserve, with \$150,000 being funded from the Ministry for Primary Industries and \$200,000 from Scion through central government's PreSeed Accelerator Fund (PSAF).

There will be an expectation that venture is supported by a similar amount from all the parties in the second year, if the first year is completed successfully.

Admin

What is the current available allocation of feasibility and business case funding?:

This would be the fifth application within the 2016/17 financial year, therefore the potential funding available is \$105,000.

Recommendation:

Recommend that \$50,000 for feasibility and business case funding be approved for the Northland Indigenous Wood Products Pilot Study.

TITLE: Investment and Growth Reserve – Options for Increasing Funds Available for Allocation**ID:** A919598**To:** Council Meeting, 21 February 2017**From:** Darryl Jones, Economist**Date:** 13 February 2017

Executive summary

The purpose of this paper is to outline the options available to council for increasing the level of funds available for allocation through the Investment and Growth Reserve (IGR). Funds available for allocation through the IGR have fallen since 2015 as numerous projects have come forward for investment. In the short-term (out to June 2018), council has the option of transferring funds from the Community Investment Fund (CIF) into the IGR. In the longer term (post July 2018), council has a number of options to increase funds through the Long Term Plan (LTP) 2018–2028.

Recommendations

1. That the report 'Investment and Growth Reserve – Options for Increasing Funds Available for Allocation' by Darryl Jones, Economist, and dated 13 February 2017, be received.
2. That council agrees to use the investment income obtained from council's Community Investment Fund to supplement the IGR in 2016/17 and 2017/18.
3. That decisions on other funding options for the IGR be included for consideration in council's Long Term Plan 2018–2028.

Background:

The IGR was established by council in the Annual Plan 2011/12 to invest in projects/ventures within Northland to increase economic activity (GDP), jobs and household income. At that time council determined that all investment income (approx. \$7M per annum) will be transitioned into the IGR over a five-year period. This required a significant lift in rates (an average annual increase of \$17.80 (incl GST) per annum for five years) to offset the loss of investment income which was funding operational expenditure.

In the following year, given the ongoing impact of the global financial crisis on the financial position of households, council made a decision in the LTP 2012–2022 to extend the transition out to 10 years.

Two years later, in the Annual Plan 2014/15, council capped the amount transferred into the IGR for the 2014/15 year at \$1.7M (compared with budgeted allocation for that year of \$2.7M), with a decision on further years funding to be taken in the LTP 2015–2025.

In the LTP 2015–2025, council capped the transfer of investment income into the IGR at \$1.7M per annum for the 10 years of the LTP. Further, investment returns

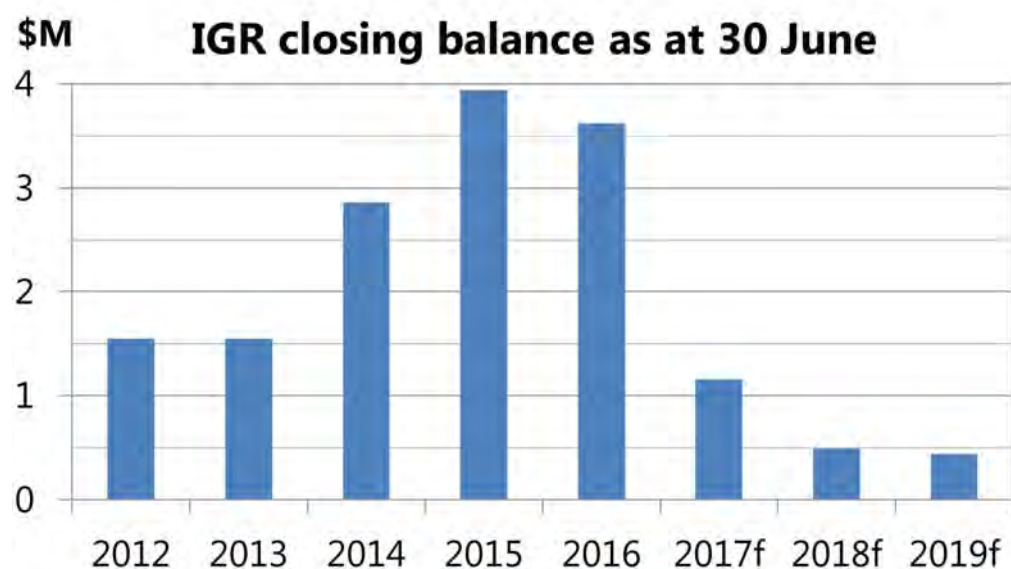
ITEM: 6.4

Page 2 of 5

from the Community Investment Fund (CIF) will be capitalised for the first three years, after which (i.e. beginning 2018/19) a portion will be transferred to the IGR while maintaining the capital value of the CIF.

It was also determined in the LTP 2015–2025 that if the IGR ran short of funds, then council could transfer additional money from the CIF to the IGR if worthy economic development projects are identified.

At the time of making the LTP 2015–2025 decision, the balance of the IGR was close to \$4M, and considered of sufficient size to fund projects over the following three years. However, since that time a number of investment proposals have come before council for funding. As a result of these investments, and assuming that a decision to invest \$1.5M in the Hundertwasser Art Centre is made at the February 2017 council meeting (Item 6.2), there are limited funds available for investment over the period out to June 2019. Council has requested that staff provide them with options for increasing the funds available for allocation through the IGR.

**Considerations:****1. Options**

No.	Option	Advantages	Disadvantages
1	Maintain current settings of \$1.7M per annum	The CIF continues to grow.	Severely limits council's ability to invest in projects out until June 2019.

ITEM: 6.4

Page 3 of 5

2	Allow investment income earned by the CIF in 2016/17 and 2017/18 to be transferred into the IGR should worthy projects be identified	Provides council with around \$1.1M in additional funds, subject to market performance, to invest in projects over the two years 2016/17 and 2017/18. Provides council with the opportunity to continue to support the Tai Tokerau Northland Economic Action Plan.	Lengthens the time period over which the CIF can grow to a level that will support the operation of Northland Inc.
3	Increase the investment income transferred into the IGR	Provides long-term funding for investment opportunities.	Requires rate increase. Currently undertaking review of economic development activities, including the IGR.

Staff recommended Option 2 be pursued. This will provide council an opportunity to invest in projects that may arise, maintaining the momentum created by its own investment activity as well as supporting central government involvement in the region. For example, further investment may be required to continue investigation of community irrigation scheme options. The investment income earned in the CIF during 2016/17 and 2017/18 will stay in the CIF until required for IGR funding as the return on investment achieved by the CIF is higher than on the IGR balance. A decision on appropriate funding levels of the IGR from 2018/19 onwards can be taken as part of the LTP 2018–2028 deliberations. This will tie in with the completion of the economic development activity review.

2. Significance and Engagement

In relation to section 79 of the Local Government Act 2002, this decision is considered to be of low significance when assessed against council's Significance and Engagement Policy because it is provided for in council's Long Term Plan. This does not mean that this matter is not of significance to Māori and/or individual communities, but that council is able to make decisions relating to this matter, and as outlined in this report, without undertaking further consultation or engagement.

3. Policy and Legislative Compliance

The activities detailed in this report are in accordance with the IGR criteria, the Long Term Plan 2015–2025, and council's decision making process as prescribed in the Local Government Act 2002.

Further Considerations

4. Community Views

The majority of submitters to the two LTPs produced by council since the IGR was established in 2011/12 have been supportive of council undertaking economic development activities. The views of key stakeholders within the community on the operation of the IGR are being sought as part of the economic development service delivery review that will be completed in mid-2017.

ITEM: 6.4

Page 4 of 5

5. Māori Impact Statement

While this decision does not directly impact Māori, the ability for council to continue investing in economic development projects through the IGR will bring benefits for Māori, as it will for the wider community.

6. Financial Implications

The following table shows the potential balance of the IGR with the inclusion of the income earned from the CIF, and based on current and proposed funding decisions. Over the two years 2016/17 and 2017/18, the CIF is forecast to earn about \$1.1M in income. The level and source of deposits into the IGR from 2018/19 out will be determined by the LTP 2018–2028 deliberations and should be taken as indicative only based on current arrangements.

Forecast cash flow balances of the IGR – 2015/16 to 2019/20

Based on current funding commitments

Investment and Growth Reserve	2016/17f	2017/18f	2018/19f	2019/20f
Opening Balance	3,509,829	1,689,092	2,064,744	2,210,986
Deposits				
Redirection of NRC investment income	1,700,000	1,700,000	1,700,000	1,700,000
Community Investment Fund income	531,690	642,690	347,587	389,147
Other revenue ¹	188,578	115,738	100,275	849,916
Total	2,420,268	2,458,428	2,147,862	2,939,063
Withdrawals				
Northland Inc. operations	-1,198,212	-1,222,176	-1,246,620	-1,271,552
IGR funding categories				
Feasibility assessment/business case ^{2,3}	-165,000	0	0	0
Project funding - committed				
<i>Better Water Management</i>	-165,000			
<i>Twin Coast Tourism Discovery</i>	-250,000			
<i>Twin Coast Cycle Trail</i>	-579,793			
<i>Regional Promotions</i>	-410,500	-410,500		
<i>The Orchard</i>	-70,000			
<i>Extension 350</i>	-102,500	-150,100	-155,000	-155,000
<i>Waitangi Mountain Bike Park</i>	-400,000			
<i>Maungatapere Berries</i>	-400,000			
Project funding - "in principle"				
<i>Kawakawa Hundertwasser</i> ⁴	-500,000			
Project funding - under consideration				
<i>Hundertwasser Art Centre</i>		-300,000	-600,000	-600,000
Project funding - available for new projects				
Total	-4,241,005	-2,082,776	-2,001,620	-2,026,552
Closing Balance	1,689,092	2,064,744	2,210,986	3,123,497

Notes

1. Other revenue includes interest earned on the IGR and repayment of loans.

2. Feasibility assessment/business case development funding for 2016/17 assumes council support for agenda item 6.3.

3. While the IGR criteria provides for up to \$200,000 per annum to be provided for feasibility assessment and business case development, there are no funding commitments going out into the future. The balance in the IGR can be used to fund these and/or invest in projects.

4. The \$500,000 "in principle" commitment to Kawakawa Hundertwasser which will be subject to a formal decision during 2016/17.

7. Implementation issues:

There are no perceived implementation issues for making this decision.

Authorised by Group Manager:

Name: Jonathan Gibbard

Title: Group Manager Strategy and Governance

Date: 13 February 2017

TITLE: Triennial Agreement**ID:** A916493**To:** Council Meeting, 21 February 2017**From:** Jonathan Gibbard, Group Manager – Strategy and Governance**Date:** 19 January 2017

Executive summary

The purpose of this report is to present the draft Triennial Agreement for council consideration. The Local Government Act 2002 requires Northland's four local authorities to enter into a Triennial Agreement, post 2016 elections, and no later than 1 March 2017. The draft Triennial Agreement, attached to this report, has been drafted through the Mayoral and CEO Forums and was workshopped with full council in November 2016.

Council approval is now sought for the Chairman to sign the agreement on behalf of council.

Recommendations

1. That the report 'Triennial Agreement' by Jonathan Gibbard, Group Manager – Strategy and Governance, and dated 19 January 2017, be received.
2. That council approve the Chairman to sign the Triennial Agreement on behalf of council.

Background:

Section 15, Local Government Act 2002, requires Northland's four local authorities to enter into a Triennial Agreement, post 2016 elections (and by no later than 1 March 2017).

An agreement under section 15 must include:

- (a) protocols for communication and co-ordination among the local authorities; and
- (b) a statement of the process by which the local authorities will comply with section 16 in respect of proposals for new regional council activities; and
- (c) processes and protocols through which all local authorities can participate in identifying, delivering, and funding facilities and services of significance to more than one district.

ITEM: 6.5

Page 2 of 4

(3) An agreement under section 15 may also include:

- (a) commitments by local authorities within the region to establish or continue one or more joint committees or other joint governance arrangements to give better effect to one or more of the matters referred to in subsection (2); and
- (b) the matters to be included in the terms of reference for any such committees or arrangements, including any delegations.

The **attached** draft triennial agreement seeks to build on last term's agreement, and the collaborative work committed to by all councils during that term. In particular, the draft seeks to confirm:

1. Councils' commitment to continued collaboration through the Northland Strategic Governance Forum.
 2. The establishment and mandate of the Mayoral Forum and Chief Executives Forum. Including logistics surrounding selection of chairperson, meeting frequencies and secretarial support. Current terms of reference for each Forum are attached, however these will likely need to be updated post-election.
 3. CEO mandate and commitment to the Iwi Local Government Agencies Chief Executives Forum.
 4. Councils' commitment to work collaboratively with the Local Government Commission to identify and implement improvements to the services councils deliver.
 5. A process for councils to engage and communicate with one another during Resource Management Act plan development processes.
 6. Confirms the process the regional council will follow, should it decide to deliver significant new activity.
-

ITEM: 6.5

Page 3 of 4

Considerations:**Options**

No.	Option	Advantages	Disadvantages
1	Council approves the draft Triennial Agreement in its current form	Council has workshopped the draft Agreement and all amendments have been incorporated. Approval will enable the 1 March deadline to be met.	None
2	Council requests changes to the draft Triennial Agreement	Council can ensure the Triennial Agreement accurately reflects its wishes.	Additional negotiations with district councils will be necessary to seek agreement. This may put pressure on council's ability to sign the Agreement by 1 March.
3	Council does not approve the signing of a Triennial Agreement	None	Council would need to enter into a statutory mediation process should it not agree to signing a Triennial Agreement by 1 March 2017.

Staff recommend Option 1 be approved. Council has previously workshopped the draft Triennial Agreement. Amendments sought by councillors during this workshop have been incorporated into the attached agreement.

1. Significance and Engagement

In relation to section 79 of the Local Government Act 2002, this decision is considered to be of low significance when assessed against council's Significance and Engagement Policy because it is part of council's day to day operational activities. This does not mean that this matter is not of significance to Māori and/or individual communities, but that council is able to make decisions relating to this matter, and as outlined in this report, without undertaking further consultation or engagement.

2. Policy and Legislative Compliance

The decisions within this report are consistent with council's legislative requirements as specified in section 15 of the Local Government Act 2002.

Further Considerations**3. Community Views**

The community has expressed their view through numerous avenues that they expect Northland local authorities to work together as efficiently and effectively as possible to advance the best interests of Northland. This Agreement is one vehicle by which to further outline and confirm how this will occur.

4. Māori Impact Statement

While this decision does not directly impact Māori, local authorities working together in a more coordinated manner, for the benefit of Northland, will bring benefits for Māori, as it will for the wider community. Specifically, the Triennial Agreement recognises and confirms local authority commitment to the Iwi Local Government Agencies Chief Executive Forum.

5. Financial Implications

All financial implications of this agreement are accounted for within existing council budgets.

6. Implementation issues:

There are no perceived implementation issues for making this decision.

Attachments:

- Attachment 1: Draft Triennial Agreement

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 19 January 2017

DRAFT TRIENNIAL AGREEMENT

**Far North District Council, Kaipara District Council, Whāngārei District Council, and
Northland Regional Council**

1. Purpose of the Triennial Agreement

The parties to this agreement commit to working for the good governance of their district or region by acting collaboratively and ensuring that issues in common occurring within or impacting on the region are discussed openly and unnecessary duplication avoided. A Triennial Agreement is required by, and is made pursuant to, Section 15 of the Local Government Act 2002.

2. Commitment to a Consensus Approach

The parties:

- Acknowledge the benefits to the communities of Northland of the four Councils working together in a consistent manner and wherever possible, with a united voice.
- Respect that at times our different roles and responsibilities may cause the parties to have different positions.
- Agree to endeavour to reach a consensus position on matters of common interest.
- Agree that our remaining differences will not detract from our commitment to work together cooperatively and maintain constructive relationships.

3. Communication and Co-ordination

Parties agree to communicate and co-ordinate their activities and be responsible for¹:

- Notification of major policy discussions which may have implications beyond the boundaries of the decision-making authority;
- Application of a “no surprises” policy whereby early notification is given between local authorities concerning significant policy or programmes before public announcements are made;
- Progressing issues agreed to by the Mayoral Forum;
- Resources are shared wherever possible to gain improved efficiency, effectiveness and increased levels of customer service;
- Abiding by group decisions, subject to the relevant authorities decision making processes; and
- Working together in the best interests of the people of Northland. Emphasis is to be placed on building credible and enduring relationships with all Northland local authorities, the neighboring authority of Auckland and central government.

4. Framework for Regional Leadership

The parties acknowledge the progress made towards greater local authority collaboration in Northland and the benefits this provides for the region. Parties agree to continue their commitment to the collaborative working relationship through the following joint local authority forums, committee's and regional representation²:

4.1 Regional Leadership**a) Northland Strategic Governance Forum**

The Northland Strategic Governance Forum is a collaborative forum of all elected members from the four councils. The purpose of this Forum is to provide an opportunity for elected members to meet, discuss and seek agreement on high level strategic governance priorities

¹ Pursuant to Section 15(2)(a) of the Local Government Act 2002

² Pursuant to Section 15(2)(c) of the Local Government Act 2002

and direction for the region. In 2015 the Forum developed a document called: **Northland | Forward Together** (Tai Tokerau | Kokiri Ngatahi). This document sets out a vision, goals and objectives for greater local authority collaboration and identifies priorities to investigate the potential for improved shared services. This document sets the platform for the councils' ongoing collaborative relationship and further regional leadership (the document was ratified by all four councils).

The Northland Strategic Governance Forum will monitor, review and update the vision, goals and objectives of Northland | Forward Together. The Northland Mayoral Forum, Chief Executives Forum and a Lead Team of senior council staff support the implementation of the Northland | Forward Together work programme.

b) Northland Mayoral Forum

The purpose of the Northland Mayoral Forum is to provide a forum for the Chair and Mayors of the four councils of Northland to provide regional leadership and seek local authority alignment on key strategic governance priorities for the region and its communities and address any governance issues of the day.

A core role of the Mayoral Forum is to provide governance leadership, oversight and direction to drive the Northland | Forward Together work programme and priorities. Each party is responsible for reporting progress back to their respective governance bodies and seeking council approval where decisions are outside existing council decisions or management delegations.

For the avoidance of doubt, while the Mayoral Forum provides an opportunity for the Chair and Mayors to provide regional leadership and seek strategic alignment, the forum has no delegated authority to make decisions or commit council resources. Any agreements which fall outside previous council decisions or management delegations, are made on the understanding that these agreements need to be approved by respective council resolutions before any agreements can be confirmed.

c) Northland Chief Executive Forum

The purpose of the Northland CEO Forum is to provide a vehicle through which the four councils of Northland can support the work of the Northland Mayoral Forum, progress implementation and monitoring of the Northland | Forward Together programme, work on operational projects of common interest and benefit, share knowledge and consider any shared services arrangements.

d) Iwi Local Government Agencies Chief Executives Forum

The purpose of the ILGACE Forum is to provide a forum where local government Chief Executives and iwi Chief Executives can seek opportunities to work collaboratively to address issues and progress projects for the betterment of Tai Tokerau / Northland.

4.2 Joint Committees

e) NRC Regional Transport Committee³

The purpose of the Regional Transport Committee is prescribed in the Land Transport Management Act 2003 and includes the preparations, for Northland Regional Council approval, of a Regional Land Transport Plan and Regional Public Transport Plan for Northland, to monitor and review progress towards the adoption and implementation of these plans and to provide the regional council with any advice and assistance, as requested, in relations to regional councils transport responsibilities.

Membership of this committee includes one representative nominated by each district council and 2 members from the regional council appointed as Chair and Deputy Chair (and their alternates).

³ Established pursuant to Part 2, Section 105(2) and (6) of the Land Transport Management Act 2003.
ID: A611068

f) Northland CDEM Group⁴

The Northland Civil Defence Emergency Management Group (CDEM) is established as a joint standing committee of Northland councils and is responsible for the conduct of the CDEM functions of the Group, setting the strategic direction via the CDEM Group plan, approving annual work programmes and monitoring and reporting on progress.

Membership of this committee includes one representative (and their alternates) nominated by each of the local authorities.

4.3 Representation and Communication**g) LGNZ Zone 1 Representation**

Zone meetings provide an opportunity for councils to provide information and advice and highlight issues and concerns affecting Northland with the National Council. It also provides an opportunity to receive sector information and advise the National Council in dealing with national issues. In making appointments to LGNZ National Council, parties will consider the need to provide for rotational representation.

h) UNISA

The Upper North Island Strategic Alliance (UNISA) comprises Auckland Council, Bay of Plenty Regional Council, Northland Regional Council, Waikato Regional Council, Hamilton City Council, Tauranga City Council and Whangarei District Council. These seven parties have committed to a long-term collaboration for responding to and managing a range of inter-regional and inter-metropolitan issues.

UNISA has agreed to regularly update all the territorial authorities from the Upper North Island following each Governance Group meeting, with each of the Regional Councils taking responsibility for communicating with the territorial authorities in their Region. The Northland Regional Council will provide regular updates and reports through the Mayoral Forum and CEO Forum with each territorial authority responsible for updating their own governance bodies.

5. One Voice Advocacy Programme

The One Voice Advocacy Programme was established as part of the Northland | Forward Together initiative, with the aim of coordinating and aligning local authorities voice both to inform our local community and through communication with Wellington and at a national level on key regional issues.

6. Local Government Act 2002 – Section 17A Review

The parties agree to actively seek opportunities to align and coordinate respective councils Section 17A service delivery reviews and in particular seek to undertake these reviews in conjunction with the Northland Forward Together shared services work programme.

7. Local Government Commission

The parties agree to maintain their commitment to working constructively with the Local Government Commission, as articulated in the Relationship Agreement entered into between the Local Government Commission and the four Northland councils.

The parties acknowledge that the Relationship Agreement does not require the parties to perform any particular action or bind them to a specific outcome, but rather to work together in good faith in seeking to achieve service delivery arrangements that are effective and efficient and meet community needs, including examining innovative options for doing this.

⁴ Pursuant to Section 12 of the Civil Defence Emergency Management Act 2002 and Schedule 7, Clause 30 of the Local Government Act 2002.

8. Regional Policy Statement⁵ and Regional / District Plans (RMA)

This part of the Agreement applies to the regional council when reviewing or changing the regional policy statement or regional plans and also applies to district councils when reviewing or changing district plans, under the Resource Management Act (RMA)⁶.

When reviewing or changing their plans, all councils will operate on the principle of 'no surprises' – whereby early and meaningful consultation across all stages of plan development will occur. The party promoting the plan shall initiate and manage the agreement actions, and four stages of interaction and consultation, as outlined in Appendix 1. Early notice will be given over any disagreements between councils concerning policy or programmes, and prior to any critical public announcements being made.

The parties agree that respective staff who represent the region / district on any national working groups will report directly or indirectly to the Chief Executive Forum on the activities and decisions of those groups.

9. New Regional Council Activities

Under Section 15(2)(b) of the Local Government Act, a Triennial Agreement must include a statement of the process for consultation on proposals for new regional council activities. The Northland Regional Council will follow the process outlined in Section 16 of the Local Government Act 2002.

10. Meeting Times and Servicing the Triennial Agreement

- The Northland Strategic Governance Forum will meet quarterly, with the location and hosting to be rotated between the parties (hosting council sets the agenda and chairs the forum).
- The Mayoral Forum and CEO Forum will meet bimonthly, with the location and hosting to rotate between the parties.
- The Chair for the Mayoral Forum and CEO Forum will be selected at their respective inaugural meetings and remain in place for the triennium unless otherwise agreed. When appointing a Chair consideration will be given to the need to rotate the chair role between parties.
- The Northland Regional Council will provide secretarial services and media support to the Mayoral Forum and CEO Forum.
- Mayors, regional Chair and their Chief Executives will at least annually review the performance of this Agreement;
- In the event of a disagreement over the terms of this Agreement, the parties agree to refer the issue of disagreement to mediation for non-binding resolution. If no agreement on a mediator is forthcoming a mediator will be appointed by the President of the Auckland District Law Society.

AUTHORITY

This agreement is signed on _____, by the following on behalf of their respective authorities.

Mayor



Mayor



Mayor



Chairman



⁵ Under Section 3A of the First Schedule of the Resource Management Act, a Triennial Agreement must include agreement on the consultation process to review or change a policy statement.

⁶ Where this Agreement refers to 'Plan', read also plan or policy statement change and variation.

Appendix 1: RMA Regional Policy Statement and Regional / District Plans

The Agreement, and this appendix for RMA RPS and plans, aims to:

- ensure good practice and early consultation between councils during plan preparation, changes and review;
- avoid possible misunderstandings of respective roles and statutory obligations;
- clearly define when comments and/or submissions by either party are appropriate; and
- establish an agreed process to be followed, including expectations and timeframes.

There are four stages of interaction and consultation:

- pre-plan
- draft plan (a matter of best practice rather than legally required)
- notified plan
- appeal to Environment Court.

1. Pre Plan

In this stage all parties will take full advantage of the opportunity to fully understand each other's position, provide initial assessments of issues or matters likely to be of concern and explore techniques and methods to achieve the desired outcomes.

This phase will focus on significant points of difference. Effort will be spent on resolving these differences. Minor points of difference will not get in the way of the parties dealing with the significant ones.

Once the reasons for the plan are understood and the areas of difference are established then the parties will decide if further progress can be made to resolve these differences and a process and timeframe to move forward will be established and these matters will be recorded.

2. Draft Plan

When a plan reaches **a draft stage** and **before it has been approved for notification by Council** for formal statutory consultation, it shall be forwarded to councils in the region for their comment (i.e. this phase occurs before public notification of a proposed Plan). This stage may be formal or informal. (It can occur alongside consultation with the wider community.)

A presentation to affected councils on the draft plan will, where possible, occur.

Council comments on a draft plan will usually be:

- discussed with or reported to the council, and
- represent the organisational view.

To avoid confusion, and for transparency, comment should include a summary of any positions reached in pre-consultation. Comments should relate to policy implications (and assuming the above process has been followed) they should highlight the points of difference already identified. Comments should clearly distinguish between significant and more general matters.

Comments by the regional council or district councils on other council's plans should be clearly referenced to the council's LTP and/or any relevant policy or operational document (including existing or emerging growth strategies and models). All comments made should explain the impacts on the council in terms of cost, practicality, necessity and reasonableness in sufficient detail to be credible and stand scrutiny, i.e. in such a way that can be used in a section 32 RMA analysis. In making comments councils should also highlight how the plan can meet the relevant councils statutory functions and responsibilities while addressing or taking on board the submitting councils comment.

Matters not resolved at this stage are likely to be the subject of formal submissions. Unless the draft plan changes significantly, no new issues would be expected to arise once the plan is notified.

Senior managers of the councils involved will review the position reached and satisfy themselves that the procedural requirements have been followed and all reasonable steps have been taken to resolve matters still in dispute. If a senior manager, in consultation with their Chief Executive Officer, is not satisfied then the matter may be escalated to the council's respective governance level.

Stage 3 Notification

Submissions in opposition from a party should not be a surprise and should relate only to significant matters already commented on, unless the plan has been materially changed between draft and notification.

A second tier manager will carefully review any submission prior to its approval to ensure:

- it is well founded in terms of policy or other relevant criteria
- it is a significant matter on its own or gives rise to significant implications for the council in carrying out its responsibilities and/or implementing its policy
- it specifies a means of relief that is appropriate.

All district council submissions (except further submissions) on a change to the RPS, of submissions to the new regional plan will be approved by the relevant council.

All regional council submissions (except further submissions) on proposed (new) district plans will be approved by the regional council (time permitting).

Given that significant matters are involved to justify a submission; relevant staff are expected to appear at the hearing.

Stage 4 – Environment Court

By this stage every effort will have been made to resolve significant differences efficiently and cost effectively.

Mediation will be used where parties genuinely wish to find common ground. At times a Court decision will be preferred or will be necessary, for example where a point of law or a difference of professional opinion is at issue.

TITLE: Top of the North Marine Biosecurity Partnership**ID:** A918826**To:** Council Meeting, 21 February 2017**From:** Don McKenzie, Biosecurity Manager**Date:** 3 February 2017

Executive summary

The purpose of the Top of the North Marine Biosecurity Partnership ('Partnership' or 'Top of the North') is to increase collaboration and consistency between partners that have a statutory responsibility for preventing, reducing or eliminating adverse effects of marine pests that are present within the top of the North Island region. The intention is to increase alignment across work planned and delivered by each of the partners, not deliver a new collaborative work programme.

Recommendations

1. That the report 'Top of the North Marine Biosecurity Partnership' by Don McKenzie, Biosecurity Manager, and dated 3 February 2017, be received.
2. That delegation be given to the CEO to sign the Top of the North Marine Biosecurity Partnership Agreement on behalf of council.

Considerations:**1. Options**

1. Retain the status quo and do not provide a mechanism for efficient and effective participation in the agreement.
2. Council confirms the above recommendations as they are both low risk and the delegation will enable an expedient and desirable outcome.

The staff's recommended option is 2. That being to confirm delegation be given to the CEO to sign the Top of the North Marine Biosecurity Partnership on behalf of council.

2. Significance and Engagement

In relation to section 79 of the Local Government Act 2002, this decision is considered to be of low significance when assessed against council's Significance and Engagement Policy because it has previously been consulted on and provided for in council's Long Term Plan and/or is part of council's day to day activities. This does not mean that this matter is not of significance to tangata whenua and/or individual communities, but that council is able to make decisions relating to this matter without undertaking further consultation or engagement.

ITEM: 6.6

Page 2 of 2

3. Policy and Legislative Compliance

The decision is consistent with policy and legislative requirements.

Further Considerations

Being a purely administrative matter, Community Views, Māori Impact Statement, Financial Implications and Implementation Issues are not applicable.

Attachments:

- Top of the North Marine Biosecurity Partnership Agreement.

Authorised by Group Manager:

Name: Bruce Howse

Title: Group Manager – Environmental Services

Date: 3 February 2017

Top of the North Marine Biosecurity Partnership Partnership Agreement

December 2016

Signatories

We, the partner agencies, hereby record our agreement to the terms of this Partnership Agreement.

Auckland Council

Signature

Name:

Designation:

Bay of Plenty Regional Council

Signature

Name:

Designation:

Department of Conservation

Signature

Name:

Designation:

Gisborne District Council

Signature

Name:

Designation:

Ministry for Primary Industries

Signature

Name:

Designation:

Northland Regional Council

Signature

Name:

Designation:

Waikato Regional Council

Signature

Name:

Designation:

1. Vision

A Top of the North Island marine environment that is protected from the effects of marine pests by engaged and empowered individuals, communities, industries and agencies working together.

2. Purpose

The purpose of the Top of the North Marine Biosecurity Partnership (“Partnership” or “Top of the North”) is to increase collaboration and consistency between partners that have a statutory responsibility for preventing, reducing or eliminating adverse effects of marine pests that are present within the top of the North Island region. The intention is to increase alignment across work planned and delivered by each of the partners, not deliver a new collaborative work programme.

The Partnership is intended to carry the same effect as a memorandum of understanding, and is not binding.

The purpose for this Partnership Agreement (“Agreement”) is to record the intentions, obligations and operating principles of the Partnership. It is intended that the Agreement will provide the framework for partners to work together in an informal yet aligned way, and should be read in conjunction with the Operational Framework which outlines the key areas of focus and prioritised actions.

3. Why collaborate?

New Zealand’s marine biosecurity system is relatively advanced compared to many other countries. However, established pests (such as Mediterranean fanworm) are continuing to spread to new areas resulting in technically difficult and costly regional and national responses, as well as ongoing operational costs.

The top of the North Island contains some of the largest and most active ports and marinas in New Zealand. It also contains areas of significant marine biodiversity and high value economic industries including aquaculture, fisheries, tourism and transport. The volume of vessel movement through and between these ports increases the risk of spreading and introducing harmful marine organisms to high value areas within the top of the North Island, and New Zealand. This risk applies to harmful organisms already present within New Zealand as well as new to New Zealand organisms.

Currently, most regional and unitary councils within the top of the North Island are actively managing marine pests and the pathways of spread in some way with the assistance of MPI, or are introducing new or amending existing regulations to improve marine pest management. However, regional boundaries are of little significance in the context of marine biosecurity given the open and fluid nature of the marine environment and the connectedness of the industries and individuals that utilise it. There is therefore a need to ensure consistent and aligned actions between regions. In addition, current capability and capacity is constrained in some areas, limiting the ability

to manage marine biosecurity risks. Therefore one of the key benefits of a collaborative approach is the ability to share the combined expertise and capability across the partners.

A collaborative approach will support more effective marine biosecurity management across the top of the North Island and improve the return on investment in marine biosecurity.

4. Strategic Alignment

The Ministry for Primary Industries (MPI) is the lead agency for New Zealand's biosecurity system. A key focus for MPI has been on front loading the marine biosecurity system to prevent harmful marine organisms from reaching New Zealand waters, and managing risk if it arrives. This includes developing and implementing Import Health Standards for stock and gear; input into and support of the International Maritime Organisation (IMO) guidelines and requirements regarding ballast water and biofouling; the development of the Craft Risk Management Standard to address biofouling on arriving vessels; active surveillance of the highest risk ports for new to New Zealand marine pests; and eradication responses to such pests.

Under the Biosecurity Act 1993, MPI also has a leadership role for the pest management part of the system which includes facilitating the communication, co-operation, and co-ordination among those involved in pest management to enhance the effectiveness, efficiency and equity of programmes. Part of this leadership role includes developing tools, encouraging information sharing, increasing capability and targeting effort to be as efficient as possible with limited resources.

Regional and unitary councils also have a leadership role for marine pest management under the Biosecurity Act 1993. This role includes promoting the co-ordination of pest management between regions, as well as an active role to identify and control pests that pose a direct threat to the natural environment, economy and health of their regions.

The Department of Conservation's key functions, are set out in the Conservation Act. These include the management of land and other natural and historic resources for which it has direct responsibility, as well as contributing to the conservation and sustainable management of natural and historic heritage in areas for which it is not directly responsible. The Department also has responsibilities under the Marine Reserves Act 1997 to administer, manage and control marine reserves in the interests of conservation, propagation and preservation of species to ensure the protection and well-being of marine life of reserves.

This Partnership is intended to support:

- Biosecurity 2025 Direction statement, specifically the strategic direction relating to effective leadership and governance and free-flowing information.

- The Upper North Island Strategic Alliance (UNISA) Agreement for long-term collaboration, as one of the second order priorities for inter-regional collaboration identified by the Alliance.
- The implementation of the default roles for marine pest management as set out in the Pest Management National Plan of Action 2011. The Plan of Action recognises that leading an intervention does not mean taking on sole responsibility for delivering that intervention. However leadership does mean being responsible for bringing together parties with the necessary powers, functions and resources to agree what needs to be done and who does what.
- The development and implementation of a national strategy to manage domestic pathways of marine pest and disease spread, through the testing and implementing of ideas and approaches.

5. Partners

The Partnership includes several organisations that have a statutory responsibility for marine pest management within the top of the North Island (“partner agencies”) including:

- Northland Regional Council
- Auckland Council
- Waikato Regional Council
- Bay of Plenty Regional Council
- Gisborne District Council
- Department of Conservation
- Ministry for Primary Industries

The partner agencies have agreed that engagement with Iwi within the top of the North Island is to occur through each agencies existing channels.

It is recognised that each partner’s obligations to its own stakeholders and local partners may influence its level of activity, ability to deliver on its responsibilities and obligations to the partnership. It is accepted and acknowledged that each partner has different accountabilities, reporting requirements and ability to contribute to the Partnership activities. These factors will, at all times, be respected and supported by other partners.

Engagement with other organisations and groups will be considered by the partnership agencies as appropriate.

6. Scope

The Partnership is a non-binding collaborative approach to managing the risks of marine pests and their spread within the top of the North Island.

The Partnership will:

- Address marine pest management issues within, or concerning, the top of the North Island region, which includes all of the associated marine areas below the limit of high spring tides within the Territorial Sea administered (the Coastal Marine Area) by the Northland, Auckland, Waikato, Bay of Plenty, Gisborne District Council;
- Foster and promote the exchange of information, policy and operational support and alignment and collaboration between partners;
- Develop and oversee an *Operational Framework* that identifies key focus areas, opportunities to collaborate, risks and barriers, and determines who is best placed to lead collaborative efforts;
- Raise awareness of marine biosecurity requirements of each of the partners;
- Provide consistent and effective guidance to partners and other organisations or individuals;
- Develop consistent and aligned policies and activities across partners, where feasible and practical;
- Monitor and evaluate the progress of the Partnership against the *Operational Framework*.

The Partnership will not:

- Be a standalone entity that makes decisions and delivers actions;
- Take into account management of biosecurity risks before and at the border.

7. Expected benefits

The expected benefits of the Partnership include:

- Minimised spread and impact of marine pests throughout the top of the North Island region;
- Increased effectiveness and reach of marine biosecurity initiatives within the top of the North Island region;
- Increased marine biosecurity capability and capacity of partners and stakeholders within the top of the North Island region;
- Resilience to respond to and manage risks associated with marine pests.
- Strengthened strategic and operational relationships.

8. Outcomes and Activity Areas

Partnership outcomes:

1. Pest management activity within the Top of the North is aligned, effective and efficient
2. The spread of harmful marine organisms within the Top of the North is reduced
3. The impacts caused by marine pests is reduced or prevented
4. Top of the North communities and industry are active, informed and supportive participants in marine biosecurity activities

The *Operational Framework* identifies priority actions within the following activity areas and associated objectives:

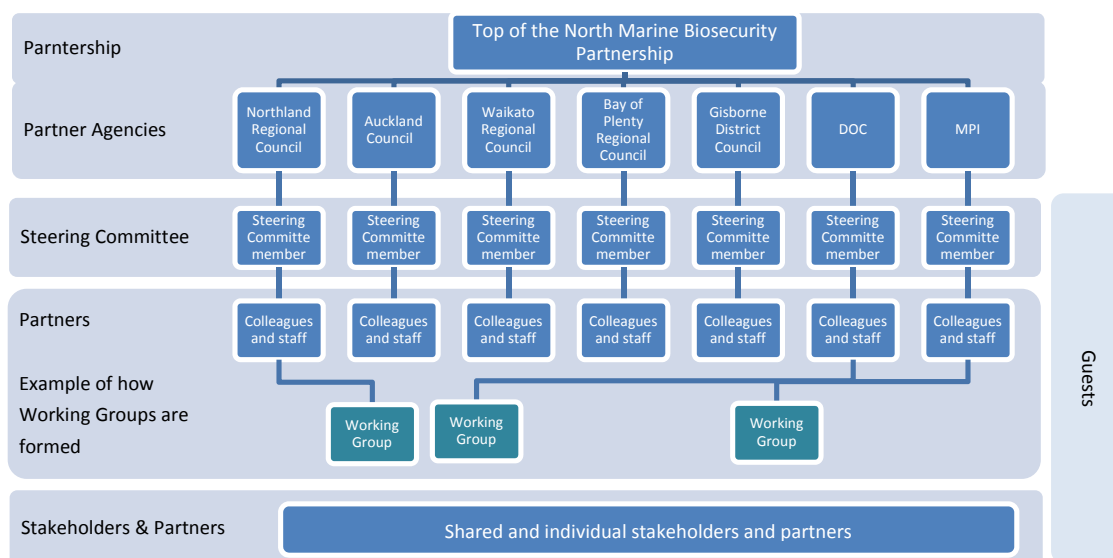
- Information sharing
- Communications (including developing the *Top of the North Communications Terms of Reference*)
- Research and Tools
- Policy Development
- Operational
- Evaluation

The *Operational Framework* will ensure consistency and will help guide marine biosecurity investment between partners.

9. How the Partnership works

The Partnership brings together partner agencies with a statutory responsibility for marine biosecurity to share information, identify gaps and risks, develop and agree to potential solutions and priorities and collaboratively share resources such as knowledge, expertise, skills and time.

The structure of how the Partnership works is outlined in the diagram below.



9.1 Steering Committee

The Steering Committee provides governance and leadership for the Partnership and will include one representative from each partner agency (“members”) with the authorisation to make representations on behalf of their organisation. A list of current members is included in Appendix I.

Members are encouraged to invite colleagues and staff with an interest and role in marine biosecurity (“partners”) – including operational, policy, planning and communications experts - to attend Steering Committee meetings as observers. The Steering Committee will not be an operational forum. Operational discussion will be covered by the Working Groups (see 9.2 below).

The Steering Committee will:

- Set the strategic direction and agree priority focus areas for the Partnership to ensure at least a minimum level of alignment across agencies, where possible;
- Agree resourcing contributions to joint Partnership projects;
- Monitor and evaluate the progress of the Partnership against the agreed *Operational Framework*;
- Identify and address risks and barriers to the Partnership; and
- Champion the Partnership within their respective agencies and with external stakeholders, where appropriate.

Meeting arrangements

- A Chairperson for the Steering Committee meetings will be chosen by consensus from among the Steering Committee members and will be rotated between the members on an annual basis.

- Steering Committee meetings will be held as required, with a general expectation there will be at least two meetings a year, at a time and place determined by the Chairperson in consultation with the partners.
- The Chairperson's organisation will provide reasonable secretariat services for the meeting they are Chairing, including circulation of the agenda and papers before the meeting, preparation and circulation of meeting minutes. It is expected that the hosting organisation (which may not be the Chairperson's organization) will provide catering.

Decision making

The Steering Committee will operate on the basis of consensus and, where it is not possible to achieve consensus, on the basis of a majority vote. Quorum will be achieved in the presence of four out of the seven members of the Steering Committee.

It is expected that all participants in Steering Committee meetings will:

- Provide updates on marine biosecurity activities (including policy development and operational delivery) within their respective regions and/or organisations
- Report back to their own agencies, and other forums, on the activities of the partnership including the Bio Managers Forum and the Biosecurity Working Group.
- Support implementation of the Partnership *Operational Framework* according to their capacity and resourcing.

Partnership representation and attendance

Steering Committee members who are not able to attend a meeting may seek the agreement of the Chairperson in advance of the meeting to be represented by a substitute or proxy. Members are responsible for fully briefing any substitute or proxy prior to the meeting

Others organisations may be invited to join the Partnership at the discretion of existing members.

Guests

The Chairperson may, with the agreement of the Partnership, invite guests to attend and participate in Steering Committee meetings. The role of guests will be determined by the Partnership Steering Committee, including whether they may participate in discussions, make presentations to the group or participate in decisions of the group.

Guests are required to comply with the guiding principles in this Partnership Agreement, including the requirements around confidentiality and conflicts of interest. The Chairperson may at any time ask observers to withdraw from a meeting of the group.

9.2 Working groups

Working groups will be established to work through issues and opportunities identified by the Partnership Steering Committee. They will be formed, and disbanded, by the Steering Committee on an as required basis.

Working Group meetings will be called and held on an as needed basis. It is expected that these meetings will be held in the spirit of collaboration and will be based on consensus decision making.

A Working Group Lead will be identified by the Steering Committee and will be responsible for providing suitable secretariat services for the meeting, including:

- Identification of suitable meeting type e.g. in person, teleconference, video conference;
- Creating consensus on an agreed date and time;
- Distribution of required meeting papers and an adequate record-keeping of the meeting; and
- Presenting results and decisions to the Steering Committee for review, feedback and sign off.

10. General Principles and Requirements

The following principles will form the basis of the working relationship between partners.

- The Partnership approach will be outcome focused and will take a cautionary approach, to allow for the limits of our understanding of environmental complexity.
- Coordinated action will be taken by those best placed¹ to act where possible.
- Communications between partners will be consistent and coordinated.

All partners agree to provide a credible and relevant contribution by:

- Ensuring that group process and discussion is inclusive and collaborative;
- Making recommendations by consensus and note where consensus cannot be reached; and
- Using clear language in all communications.

All partners agree that in all dealings within and without the group they will:

- Treat others with respect;
- Respect all member organisations and their representatives;

¹ Best placed will be agreed by the Steering Committee based on the default roles and responsibilities as set out in the Pest Management National Plan of Action 2011.

- Listen actively, think about what others are saying;
- Accept that the concerns and goals of others are legitimate; and
- Act in good faith in all aspects.

General confidentiality requirements

In order for the group to operate effectively, members and observers must maintain the confidence of the group. This includes maintaining confidentiality of matters discussed at meetings, and any information or documents provided to the group.

Any person presenting information to the group, whether written or oral, may request that that information be treated as confidential by the members and observers.

Where information is already in the public domain (through no fault of a member or observer), the confidentiality requirements do not apply to that information.

Media

Top of the North Marine Biosecurity Partnership is not an entity in and of itself and does not have a media presence. Members of the Partnership are free to engage with the media as individuals representing themselves or their own organisations. They are not to engage with the media specifically regarding the Top of the North partnership without giving other partners advance notice, and ensuring responses are consistent with the *Top of the North Communications Terms of Reference*, which will include key messages.

Funding principles and costs

Partners are expected to contribute their time, and fund their travel and other costs associated with meeting attendance or activities of the Partnership.

Funding for specific pieces of work will be agreed by the Steering Committee on a case by case basis.

Partner rights and obligations

Nothing contained within this agreement creates or gives rise to a formal entity, any fiduciary duty, agency, joint venture or any relationship of employment. Each party shall remain independent of any obligations that do not appear in this agreement.

A partner agency may withdraw from the group by notifying the Chair of the Partner's resignation.

Any serious breach of any of this Agreement may result in the request for the removal of a Partner. Serious breaches of the Agreement include, but are not limited to, a breach of confidentiality, unauthorised communication with media about the group, or a failure to declare a conflict of interest.

Standards of conduct

Partners and observers are expected to comply with the standards of conduct set out in Appendix II.

11.Measurement

The Partnership Steering Committee will review this Agreement and the operations of the Partnership, and produce a report recommending any necessary changes to the document, every 3 years from the time of signing, or earlier as required.

We will know the Partnership is working when:

- Marine biosecurity activities and resources are coordinated across regions;
- All current personnel, roles and physical resources and gaps in capability within the Top of the North are recorded;
- Operational tools and best practice are developed and shared to ensure optimal operational efficiency, including regulatory control measures if appropriate;
- There is increased awareness of harmful marine organisms and the need to take measures to prevent their spread, and an increase in the percentage of high risk audiences undertaking good biosecurity behaviour;
- Local communities, industries, and interest groups that span the top of the North Island are engaged and active champions for marine biosecurity.

Appendix I

Partnership Steering Committee as of December 2016

Organisation	Member
Northland Regional Council	Don McKenzie, Biosecurity Manager
Auckland Council	Brett Butland, Biosecurity Manager
Waikato Regional Council	Brett Bailey, Team Leader Pest Animals
Bay of Plenty Regional Council	Greg Corbett, Biosecurity Manager
Gisborne District Council	Phil Karaitiana, Team Leader Biosecurity
Ministry for Primary Industries	John Sanson, Manager Recovery & Pest Management
Department of Conservation	Yuin Khai Fong, Senior Ranger Biodiversity

Appendix II

Expected standards of conduct

All partners and observers are expected to adhere to the following principles:

1. **Diligence** – Partners will use their best endeavours to attend meetings and to prepare thoroughly. Partners are expected to participate fully, frankly and constructively to discussions and to bring the benefit of their particular knowledge, industry perspective and skills to the table.
2. **Conflicts of Interest** – A conflict of interest will occur when a partners' private interest interferes, or appears to interfere with an issue that faces the group. A conflict of interest may also occur when there is a possibility that a benefit may apply to the sector, industry or organisation that they represent. Any situation that involves or may be expected to involve a conflict of interest must be declared immediately to the Chair.
3. **Corporate opportunities** – Each partner must not exploit any opportunity that is discovered through access to information within the group for their own personal gain or that of the industry, sector or organisation that they represent.
4. **Transparency** – All information should be provided in a manner that is timely, precise and easily understandable.
5. **Fair Dealing** – Partners shall deal fairly with each other and shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practices.
6. **Advocacy** – Partners should avoid actively promoting a standpoint or cause of their industry and should rather participate in meetings with the aim of reaching an outcome that is acceptable to all members.
7. **State Services Standards of Integrity and Conduct** – MPI and DOC staff have statutory demands under the State Services Standards of Integrity and Conduct. In the case of any conflict between the obligations outlined there and the ones in this document, those of the Standards and Integrity of Conduct shall preside.
8. **Alternative obligations** – Any alternative rules or statutes that govern members standards of conduct shall continue to do so, however in any case of conflicting duties the Chair must be notified as soon as reasonably possible.

TITLE: Mangrove Removal Fund Allocation**ID:** A920877**To:** Council meeting, 21 February 2017**From:** Jonathan Gibbard, Group Manager Strategy and Governance**Date:** 14 February 2017

Executive summary

At its December 2016 council meeting, council considered a paper entitled 'Mangrove Removal Funding Support' (Item 7.7). In addition to allocating funding, council resolved the following (Resolution 3):

"That the balance of the funds remaining unallocated of \$15,944 are used to support other individuals or community organisations that wish to apply for resource consents to remove mangroves by funding of consent applications and fees, in consultation with the Natural Resources Working Group to approve any funding."

Given working parties are not formal committees of council, they have no delegated authority or ability to make decisions. It is therefore recommended that the remaining unallocated funds be allocated by Bruce Howse, Group Manager – Environmental Services, within existing staff financial delegations, and in consultation with the Natural Resources Working Party.

Recommendations

1. That the report 'Mangrove Removal Fund Allocation' by Jonathan Gibbard, Group Manager – Strategy and Governance, and dated 14 February 2017, be received.
2. That the Group Manager – Environmental Services, in consultation with the Natural Resources Working Party, allocate the remaining \$15,944 of unallocated funds to support other individuals or community organisations that wish to apply for resource consents to remove mangroves by funding of consent applications and fees.

ITEM: 6.7

Page 2 of 2

Considerations:

No.	Option	Advantages	Disadvantages
1	Allocate remaining funds via full council decision.	Fully open and transparent decision making.	Not an efficient decision making process given the
2	GM – Environmental Services to allocate remaining funds in consultation with working party.	Provides an efficient and effective means of allocating the remaining funds.	None

Staff recommend option 2 as the most efficient and effective means of allocating these funds.

1. Significance and Engagement

In relation to section 79 of the Local Government Act 2002, this decision is considered to be of low significance when assessed against council's significance and engagement policy because it has previously been consulted on and provided for in council's Long Term Plan and/or is part of council's day to day activities.

This does not mean that this matter is not of significance to tangata whenua and/or individual communities, but that council is able to make decisions relating to this matter without undertaking further consultation or engagement.

2. Policy and Legislative Compliance

This decision is consistent with council policies and within applicable staff financial delegation limits.

Further Considerations

Wider Community Views, Māori Impact Statement, Financial Implications and Implementation Issues were addressed through the December 2016 agenda item. Being purely an administrative issue these considerations are not applicable to this decision.

Authorised by Group Manager:

Name: Jonathan Gibbard

Title: Group Manager – Strategy and Governance

Date: 14 February 2017

TITLE: Financial Report to 31 December 2016**ID:** A919013**To:** Council Meeting, 21 February 2017**From:** Vincent McColl, Financial Accountant**Date:** 9 February 2017

Executive summary

This report is to inform council of the year to date (YTD) financial result to December 2016.

Council has achieved a YTD surplus after transfers to and from reserves of \$557K. This compares to the budgeted surplus of \$1.17M unfavourably by \$617K. This is predominantly due to lower than budgeted gains on the Property Reinvestment Fund, Infrastructure Investment Fund, and Community Investment Fund of \$813K in total. This is partially offset by higher than budgeted prosecutions income of \$338K and some smaller revenue and expense variances.

Capital expenditure is \$2.17M for December YTD which is \$579K unfavourable to budget. This includes two unbudgeted property purchases: \$482K for the Kawakawa Hundertwasser property and \$603K for the purchase of a storage facility. The Kerikeri River Spillway project is not expected to go ahead in this financial year though some consultants and legal expenses will still be incurred.

Recommendation

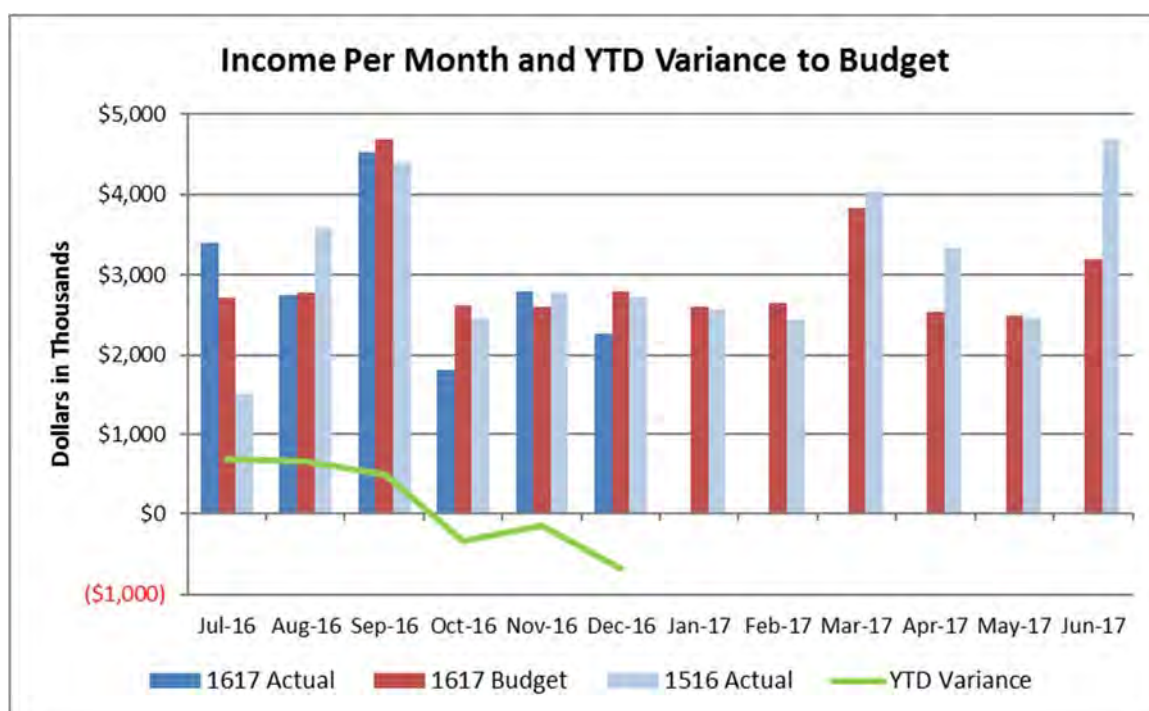
1. That the 'Financial Report to 31 December 2016' by Vincent McColl, Financial Accountant, and dated 9 February 2017, be received.
-

Revenue

Year to date revenue is \$17.54M which is \$650K or 4% below budget. This is illustrated by the following graph:

ITEM: 7.1

Page 2 of 5



The material differences that make up the \$649K year to date unfavourable revenue variance are:

User Fees and Sundry is favourable to budget by \$185K or 7% due to higher than budgeted prosecution income of \$338K, unbudgeted aerial survey cost recoveries of \$63K, and unbudgeted wild deer control income \$20K. Partially offsetting this is lower consent application fees than budgeted of \$170K, lower bus fare box revenue of \$32K, and lower navigation bylaw fees than budgeted of \$42K.

Interest Income is unfavourable to budget \$66K or 13% predominately due to lower than budgeted gains in the Working Capital Fund of \$50K.

Investment Property Income is favourable to budget by \$72K or 6% due to the timing of sales of industrial property, an unbudgeted uplift in rents resulting from a rental review, and unbudgeted rents from the purchase of the Kawakawa Hundertwasser property.

While the externally managed funds have produced positive YTD gains the Property Reinvestment Fund, Infrastructure Investment Fund, and the Community Investment Fund have performed very poorly compared to budget due to extremely volatile currency and equity markets.

The investment subcommittee reviewed the performance of each of the fund managers on 3 February 2017 and, in conjunction with Jonathan Eriksen, modified the level of investment in each fund manager in an endeavour to improve performance. Eriksen and Associates will provide reporting on the subsequent performance of each fund manager to council management on a monthly basis, and the investment subcommittee is scheduled to formerly meet on 27 April 2017.

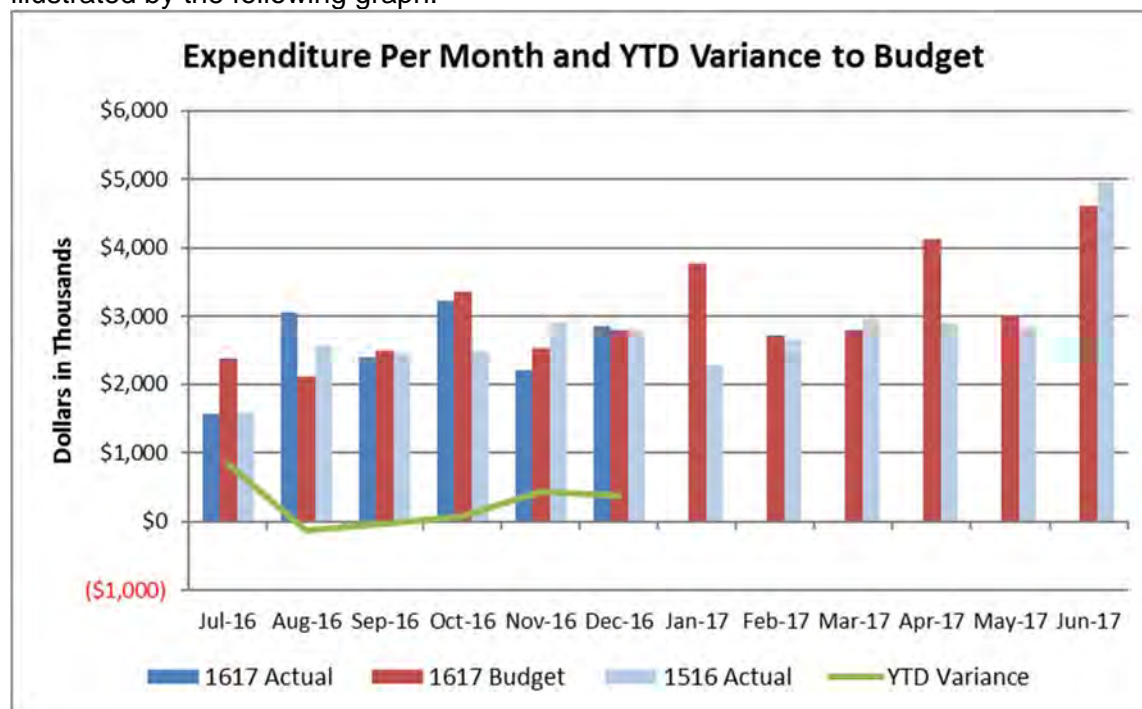
ITEM: 7.1

Page 3 of 5

Any cash implications resulting from lower than budgeted gains on externally managed funds in 2016/17 will be potentially offset by lower cash requirements in relation to the Kerikeri River spillway project.

Expenditure

Year to date expenditure is \$15.30M which is \$372K or 2% below budget. This is illustrated by the following graph:



Overall council is favourable to budget on permanent and casual staff salaries by \$110K.

The material differences that make up the \$372K year to date favourable expenditure variance are:

Resource and Catchment Management has a favourable variance to budget of \$264K or 4%

Coastal Monitoring is unfavourable to budget by \$50K or 33% due to higher labour charged to this activity than budgeted.

Consents Applications are favourable to budget by \$115K or 27% due to lower labour charged to this activity than budgeted. This offsets the lower application fees.

Land and Biodiversity is favourable to budget by \$172K or 13% due to lower labour charged to this activity than budgeted of \$130K and the timing of the catchment groups' consultation and implementation costs of \$37K.

ITEM: 7.1

Page 4 of 5

River Management has an unfavourable variance to budget of \$10K or 1%

Hydrology is unfavourable to budget by \$61K or 18% due to higher labour charged to this activity than budgeted.

River Management is favourable to budget by \$50K or 4% due to lower insurance costs of \$36K and the timing of river works of \$13K.

Economic Development has a favourable variance to budget of \$49K or 3%

Commercial Investments are favourable to budget by \$114K or 28% due to lower rates on NRC occupied properties of \$15K, lower rates on investment properties of \$20K, the timing of investment property consultants of \$13K, and lower labour charged to this activity of \$68K.

Hazard Management has a favourable variance to budget of \$37K or 5%

Natural Hazards is favourable to budget by \$50K or 17% due to the timing of river management plans consulting of \$11K, and lower labour charged to this activity of \$36K.

Oil Pollution response is favourable to budget by \$13K or 17% due to lower labour charged to this activity than budgeted.

Transport has a favourable variance to budget of \$129K or 5%

Harbour Safety is favourable to budget by \$3K or 0%. This is due to the timing of Hātea River dredging costs of \$71K favourable to budget offset by higher insurances of \$45K and higher vessel maintenance (primarily on the Waikare) of \$45K.

Passenger Transport Administration is favourable to budget by \$57K or 5% due to lower transport related contract works of \$102K offset by more than budgeted costs for the Opononi/Kaikohe and Mid North bus trials of \$28K transport costs and \$17K advertising.

Regional Transport Management is favourable to budget by \$69K or 25% predominantly due to lower advertising, printing, and promotional costs of \$37K, and lower labour charged to this activity of \$26K.

Community Representation and Engagement has an unfavourable variance to budget of \$127K or 6%

Community Representation is unfavourable to budget by \$97K or 9% predominantly due to greater council member training due to the new council of \$11K, greater councillor mileage of \$9K due to more introductory meetings, and more labour charged to this activity than budgeted of \$60K.

Corporate CEO office is unfavourable to budget by \$125K or 34% due to more labour charged to this activity than budgeted.

Environmental Education is unfavourable to budget by \$32K or 14% due to recoverable course fees of \$48K.

Māori Engagement is favourable to budget by \$117K or 68% due to lower TTMAC representation costs of \$19K, lower joint iwi monitoring and iwi environmental management plans of \$12K, and lower labour charged to this activity of \$68K.

ITEM: 7.1

Page 5 of 5

Support Services has an unfavourable variance to budget of \$207K or 6%

Customer Services are unfavourable to budget by \$99K or 66% due to higher labour charged to this activity than budgeted of \$89K, and costs relating to the Promapp project of \$7K.

Human Resources are unfavourable to budget by \$40K or 16% predominantly due to the unbudgeted SOLGM Accelerated Leadership Programme.

Information Technology is unfavourable to budget by \$50K or 5% predominantly due to unbudgeted recoverable aerial survey costs of \$93K offset by a vacancy of \$32K.

Online is unfavourable to budget by \$13K or 11%. This is predominantly due to more than budgeted labour charged to this activity.

Capital Expenditure

Capital expenditure is \$2.17M for December YTD which is \$579K unfavourable to budget. This includes two unbudgeted property purchases: \$482K for the Kawakawa Hundertwasser property funded from the Investment and Growth Reserve, and \$603K for the purchase of a storage facility funded from the Property Reinvestment Fund. The Kerikeri River Spillway project is not expected to go ahead in this financial year though some consultants and legal expenses will still be incurred.

Attachments:

Attachment one: Council Detailed Report YTD December 2016

Attachment two: Capital Expenditure Reporting YTD December 2016

Authorised by Group Manager:

Name: Dave Tams

Title: Group Manager – Corporate Excellence

Date: 9 February 2017

Council Detailed Report YTD December 2016

Monthly Report for Period 6

<i>Total Council</i>	<i>YTD Revised Budget</i>				<i>Full Year Budget</i>	<i>Full Year Revised Budget 2016-17</i>
	<i>YTD Actual 2016-17</i>	<i>2016-17</i>	<i>Variance</i>	<i>Variance %</i>	<i>Annual Plan 2016-17</i>	
Revenue						
Rates	10,357,798	10,318,509	39,290	0%	20,637,017	20,637,017
User Fees and Sundry	2,653,171	2,468,594	184,577	7%	4,505,214	4,329,048
Grants and Subsidies	623,017	619,990	3,027	0%	1,159,370	1,335,536
Investment Interest Income	433,657	499,748	(66,090)	-13%	1,269,389	1,269,389
Investment Property Income	1,305,629	1,233,158	72,471	6%	2,443,941	2,443,941
Dividend Income	1,716,075	1,716,075	-	0%	2,823,221	2,823,221
Property Reinvestment Fund	77,024	752,047	(675,023)	-90%	1,504,094	1,504,094
Community Investment Fund Income	330,601	418,000	(87,399)	-21%	836,000	836,000
Infrastructure Reinvestment Fund	43,294	163,907	(120,613)	-74%	327,814	327,814
Total Revenue	17,540,267	18,190,028	(649,760)	-4%	35,506,059	35,506,059
Expenditure						
Resource and Catchment Management						
Biosecurity	1,513,759	1,530,329	16,570	1%	3,279,025	3,275,774
Coastal Monitoring	198,227	148,714	(49,513)	-33%	347,024	346,776
Compliance Monitoring	1,625,331	1,629,572	4,241	0%	3,064,361	3,207,945
Consents Advice	414,205	430,541	16,335	4%	862,344	890,361
Consents Applications	316,047	430,561	114,514	27%	967,706	928,797
Land & Biodiversity	1,178,732	1,350,814	172,081	13%	3,288,609	3,532,336
Planning and Policy	834,108	830,640	(3,468)	0%	1,615,506	1,735,256
State of the Environment	711,053	704,514	(6,538)	-1%	1,566,874	1,547,445
Total Resource and Catchment Management	6,791,463	7,055,685	264,221	4%	14,991,447	15,464,689
River Management						
Hydrology	397,579	336,646	(60,933)	-18%	850,688	802,086
River Management	1,091,873	1,141,879	50,005	4%	2,853,664	2,758,692
Total River Management	1,489,453	1,478,525	(10,928)	-1%	3,704,352	3,560,778
Economic Development						
Commercial Investments	292,384	406,361	113,978	28%	818,251	706,937
Economic Development Activities	1,025,903	994,569	(31,334)	-3%	2,339,542	4,158,987
Economic Development Projects	164,789	131,394	(33,395)	-25%	403,986	503,986
Total Economic Development	1,483,076	1,532,325	49,248	3%	3,561,779	5,369,909
Hazard Management						
Civil Defence and Emergency	454,752	428,987	(25,766)	-6%	936,916	897,975
Natural Hazards	245,570	295,311	49,741	17%	773,706	1,080,805
Oil Pollution Response	62,455	75,053	12,598	17%	158,582	157,336
Total Hazard Management	762,777	799,350	36,573	5%	1,869,204	2,136,115
Transport						
Harbour Safety	940,310	943,226	2,916	0%	1,904,036	1,877,751
Passenger Transport Administration	1,157,686	1,214,638	56,952	5%	2,648,204	2,665,231
Regional Transport Mangement	207,259	276,424	69,165	25%	621,152	579,547
Total Transport	2,305,255	2,434,288	129,033	5%	5,173,392	5,122,528
Community Representation and Engagement						
Community Projects	440,250	450,250	10,000	2%	1,023,306	1,009,055
Community Representation	1,159,873	1,063,272	(96,602)	-9%	1,788,384	2,002,729
Corporate - CEO Office	489,725	364,951	(124,774)	-34%	726,861	719,067
Corporate Strategy	8,330	7,000	(1,330)	-19%	35,000	35,000
Environmental Education	262,890	230,953	(31,937)	-14%	399,681	475,253
Maori Engagement	54,056	171,286	117,230	68%	293,439	358,434
Total Community Representation and Engagement	2,415,124	2,287,710	(127,413)	-6%	4,266,672	4,599,538
Support Services						
Communications	297,910	321,915	24,004	7%	700,610	676,805
Customer Services	249,580	150,764	(98,816)	-66%	304,197	326,727
Finance	1,040,158	1,008,348	(31,810)	-3%	2,957,945	2,826,792
Human Resources	283,886	243,906	(39,980)	-16%	334,362	474,269
Information Management	135,816	144,782	8,966	6%	292,400	292,064
Information Technology	1,019,994	970,473	(49,521)	-5%	1,909,021	1,947,596
Online	127,325	114,286	(13,039)	-11%	228,934	228,576
Property	307,426	300,422	(7,004)	-2%	517,216	510,834
Internal Transfers	(3,409,250)	(3,170,897)	238,353	-8%	(6,794,685)	(6,833,663)
Total Support Services	52,846	84,000	31,154	37%	450,000	450,000
Total Expenditure	15,299,995	15,671,883	371,888	2%	34,016,846	36,703,558
Net (Cost)/Surplus of Services	2,240,272	2,518,145	(277,872)	-11%	1,489,213	(1,197,499)

Total Council	YTD Revised Budget				Full Year Budget	Full Year Revised Budget 2016-17
	YTD Actual 2016-17	2016-17	Variance	Variance %	Annual Plan 2016-17	
Other Gains						
(Loss)/Gain on Disposal of Financial Investments	(21,669)	-	(21,669)	-	-	-
Total Gains	(21,669)	-	(21,669)	-	-	-
Net (Cost)/Surplus of Service before transfer from/(to) Special Reserves	2,218,603	2,518,145	(299,542)	-12%	1,489,213	(1,197,499)
Transfers from/(to) Special Reserves						
Transfers from/(to) Land Management	27,733	32,500	4,767	15%	339,500	339,500
Transfers from/(to) Awanui River	(172,385)	(143,481)	28,904	-20%	(65,622)	(65,620)
Transfers from/(to) Kaihu River	(38,775)	(29,573)	9,202	-31%	20,374	20,373
Transfers from/(to) Kaeo River Reserve	(60,865)	(37,066)	23,799	-64%	(26,603)	(26,601)
Transfers from/(to) Whangarei Urban River Reserve	(115,128)	(208,039)	(92,910)	45%	(388,083)	(388,080)
Transfers from/(to) Waipapa/Kerikeri River Reserve	(145,121)	(128,367)	16,754	-13%	(144,024)	(144,081)
Transfers from/(to) Hatea River Reserve	(69,741)	3,736	73,477	1967%	(5,268)	(5,158)
Transfers from/(to) Whangarei Heads Pest Reserve	(19,254)	3,176	22,430	706%	-	8,233
Transfers from/(to) Infrastructure Facilities Reserve	(170,650)	(52,292)	118,358	-226%	(202,991)	(202,991)
Transfers from/(to) Investment and Growth Reserve	(132,232)	(53,107)	79,125	-149%	251,532	2,068,824
Transfers from/(to) Recreational Facilities Reserve	(597,765)	(594,192)	3,573	-1%	(1,188,385)	(1,188,385)
Transfers from/(to) Property Reinvestment Fund Reserve	(66,099)	(136,392)	(70,292)	52%	(272,783)	(272,783)
Transfers from/(to) Infrastructure Investment Fund Reserve	-	-	-	-	-	-
Transfers from/(to) Community Investment Reserve	(251,928)	(251,928)	-	0%	-	(503,856)
Transfers from/(to) Forest Income Equalisation Reserve	234,606	297,441	62,835	21%	745,725	745,726
Transfers from/(to) Approved Carry Forwards General Reserve	65,890	112,359	46,469	41%	-	849,307
Transfers from/(to) Kaitaia Bus Reserve	(20,811)	(1,182)	19,629	-1661%	(2,363)	(2,363)
Transfers from/(to) Whangarei Bus Reserve	33,951	(23,233)	(57,184)	246%	-	33,569
Transfers from/(to) Mid North Bus Reserve	(85,366)	(58,030)	27,336	-47%	-	-
Transfers from/(to) Emergency Services Reserve	(77,415)	(75,904)	1,511	-2%	-	(14,253)
Net (Cost)/Surplus of Service after transfer from/(to) Special Reserves	557,249	1,174,571	(617,322)	-53%	550,223	53,862

Note 1: Total Expenditure by Type	YTD Revised Budget				Full Year Budget	Full Year Revised Budget
	YTD Actual	YTD Budget	Variance	Variance %	Annual Plan	
Expenditure						
Salaries and Wages	6,088,791	6,217,701	128,910	2%	12,339,547	12,400,986
Other Payroll Expenses	489,583	349,178	(140,405)	-40%	646,183	717,946
Operations	7,698,848	8,087,263	388,414	5%	18,995,632	21,549,143
Member Expenses	360,395	356,104	(4,291)	-1%	712,208	712,208
Depreciation	661,638	661,638	0	0%	1,323,275	1,323,275
Finance Overheads	3,409,990	3,170,897	(239,094)	-8%	6,794,685	6,833,663
Internal Recharges	(3,409,250)	(3,170,897)	238,353	-8%	(6,794,685)	(6,833,663)
Total Expenditure	15,299,995	15,671,883	371,888	2%	34,016,846	36,703,558

Capital Expenditure Reporting December 2016 Year to Date						
Activity	MONTH		YEAR TO DATE			Revised Budget
	Actual	Budget	YTD Actual	YTD Budget	YTD Variance	
Monitoring	2,200	10,000	88,372	129,563	41,191	141,746
Biosecurity	0	0	2,096	15,131	13,035	15,131
Land and Biodiversity	42,741	0	51,038	271,500	220,462	271,500
Harbour Safety and Navigation	67	77,275	200,744	335,516	134,772	447,234
River Management	22,175	8,159	89,959	116,165	26,206	2,083,778
Commercial Investments	602,548	0	1,084,097	0	(1,084,097)	0
Information Systems	23,018	20,383	169,462	190,163	20,701	626,459
Communications	0	0	0	20,522	20,522	25,909
Transport	0	0	0	0	0	128,471
Support	154,178	148,242	479,385	507,120	27,734	588,512
GRAND TOTAL FOR COUNCIL	846,925	264,060	2,165,154	1,585,680	(579,474)	4,328,740

	Projects Actual Spend to Date	Budgeted Spend to date	Current variance	Actual % completed	Expected % completed	Total Original Budget to completion	Total Revised Budget to completion (Council Approved)	Expected (Overspend) / Cost Savings at completion	Status
Monitoring									
Air Quality Beta Attenuation Monitor (BAM)	37,338	26,679	(10,659)	100%	100%	26,679	26,679	(10,659)	Project completed but over budget
Remote Operated Surface Vessel	15,352	35,914	20,562	43%	100%	35,914	35,914	-	Behind schedule due to supplier delays
Dissolved Oxygen Loggers	24,434	20,000	(4,434)	100%	80%	25,000	24,455	545	Project completed ahead of schedule
Others	11,249	46,970	35,722	21%	87%	54,153	54,153	-	
TOTAL MONITORING	88,372	129,563	41,191			141,746	141,201	(10,114)	
Biosecurity									
GPS Replacements and Upgrades	-	5,131	5,131	0%	100%	5,131	5,131	-	
Game Trail Cameras and GPS	2,096	10,000	7,904	21%	100%	10,000	10,000	-	
TOTAL BIOSECURITY	2,096	15,131	13,035			15,131	15,131	-	
Land and Biosecurity									
Stage 4 Nursery Development	51,038	210,000	158,962	24%	100%	210,000	210,000	-	Work currently underway
Others	-	61,500	61,500	0%	100%	61,500	61,500	-	Hydro capex, pump replacement, and satellite loggers running behind schedule
TOTAL LAND AND BIOSECURITY	51,038	271,500	220,462			271,500	271,500	-	
Harbour Safety and Navigation									
Canter Truck	133,692	128,263	(5,429)	100%	100%	128,263	128,263	(5,429)	Project completed but over budget
Hydrographic Surveys	-	25,653	25,653	0%	50%	51,305	51,305	-	
Pile Replacements in Whangarei Harbour	-	30,000	30,000	0%	50%	60,000	60,000	-	
Hatea Beacon Upgrade	39,596	92,000	52,404	43%	100%	92,000	92,000	-	Running behind schedule
Others	27,456	59,601	32,145	24%	52%	115,666	115,666	-	
TOTAL HARBOUR SAFETY AND NAVIGATION	200,744	335,516	134,772			447,234	447,234	(5,429)	
River Management									
Water Level Sensor Replacement	-	25,653	25,653	0%	100%	25,653	25,653	-	Running behind schedule
ADCP Flow Measuring Device Replacement	18,258	15,392	(2,867)	59%	50%	30,783	30,783	-	
Kerikeri River Flood Reduction By-Pass Spillway	27,428	-	(27,428)	27%	0%	1,918,658	100,000	1,818,658	Main project not expected to go ahead in this financial year. Some expenses for legal of consultants expected.
Awanui River Renewal	423	30,997	30,575	1%	50%	61,995	61,995	-	Running behind schedule
Other	43,851	44,123	273	94%	95%	46,689	46,689	-	
TOTAL RIVER MANAGEMENT	89,959	116,165	26,206			2,083,778	265,120	1,818,658	
Commercial Investments									
Purchase of Kawakawa Property for Hundertwasser	481,549	-	(481,549)	100%	0%	-	-	(481,549)	Not budgeted for in the annual plan but subsequently approved by Council for funding from the I&G reserve
Storage Facility	602,548	-	(602,548)	100%	0%	-	-	(602,548)	Not budgeted for in the annual plan but subsequently approved by Council for funding from the PRF
TOTAL COMMERCIAL INVESTMENTS	1,084,097	-	(1,084,097)			-	-	(1,084,097)	
Information Systems									
IRIS	35,843	17,864	17,979	100%	50%	35,728	35,728	(115)	Project completed ahead of schedule
Hardware replacement programme	102,359	124,919	22,559	46%	56%	224,220	224,220	-	
Rating System	-	-	-	0%	0%	300,000	270,000	-	Depends on the outcome of some legal proceedings
Mobile Devices	15,174	20,000	4,826	24%	31%	34,000	64,000	-	Behind schedule
Other	16,087	27,380	11,294	49%	84%	32,511	32,511	-	
TOTAL INFORMATION SYSTEMS	169,462	190,163	20,701			626,459	626,459	(115)	
Communications									
Display Systems	-	20,522	20,522	0%	100%	20,522	20,522	-	Running behind schedule
Video production	-	-	-	0%	0%	5,387	5,387	-	
TOTAL COMMUNICATIONS	-	20,522	20,522			25,909	25,909	-	
Transport									
CityLink Electronic Ticketing System	-	-	-	0%	0%	128,471	128,471	-	
TOTAL TRANSPORT	-	-	-			128,471	128,471	-	
Support									
Furniture, Desk set-up and Office configuration	44,724	25,653	(19,071)	87%	50%	51,305	51,305	-	Reception and old lab area upgrades
Vehicle replacement programme	386,752	349,500	(37,252)	95%	86%	405,240	405,240	-	Running ahead of schedule
Air Con Replacement	16,683	131,967	115,284	13%	100%	131,967	131,967	-	Work expected in January / February
Other	31,226	-	(31,226)	100%	0%	-	-	(31,226)	Unbudgeted building security capex (vehicle gate, reception doors, fixing building rear access door)
TOTAL SUPPORT	479,385	507,120	27,734			588,512	588,512	(31,226)	
TOTAL	2,165,154	1,585,680	(579,474)	-	-	4,328,740	2,509,537	687,678	

TITLE: Far North District Council Collection of Regional Council Rates and Rate Arrears - Update to 31 December 2016

ID: A918057

To: Council Meeting, 21 February 2017

From: Simon Crabb, Finance Manager

Date: 9 February 2017

Executive summary

The Far North District Council administers the collection of the regional council rates in the Far North district on our behalf. The purpose of this report is to provide an update on the collection of Far North current rates and rate arrears owing to the regional council.

Recommendation

1. That the report 'Far North District Council Collection of Regional Council Rates and Rate Arrears - Update to 31 December 2016' by Simon Crabb, Finance Manager, and dated 9 February 2017, be received.

Background:

Attachment One is a report provided by Far North District Council on the collection of current rates and rate arrears for the period ending 31 December 2016.

A representative from Far North District Council will attend the February council meeting (via Teleconference) to talk to their report and answer any questions.

Far North District rates owing to council at 31 December 2016

Table one presents the outstanding Far North district rates balance at 31 December 2016 by rate type (Māori freehold land and general land). This table represents the amount of unpaid rate arrears, and the amount of remaining rates to be collected from the 1st and 2nd instalments of the 2016/17 rate strike.

Table One: Far North District Council Rates Owed to the Regional Council (GST Inc.) at 31 December 2016

	5 + Years	4 Years	3 Years	2 Years	1 Year	Current*	Total
Maori Freehold Land	703,701	270,432	324,477	372,933	451,920	139,788	2,263,251
General Land	111,233	59,139	82,381	113,670	219,905	38,253	550,075
Total	814,934	329,571	406,858	486,603	671,825	103,535	2,813,326

* The current amount owing represents the outstanding 1st and 2nd instalments only

At 31 December 2016, Far North District Council had:

- Collected \$4.0M of regional council **current rates**, representing 48.5% of the \$8.3M annual net rate strike for 2016/17 (December 2015: \$3.9M, 49.6%).
- \$4.3M of outstanding regional council **current rates** remaining to be collected of the 2016/17 rate strike.

- Collected \$223K in **rate arrears** in the past six months.
- Total **rate arrears** owing to the regional council of \$2.7M.

Far North District Council will make further payments in March 2017 and June 2017, with a final wash-up payment to be made in July 2017.

Authorised by Group Manager:

Name: Dave Tams

Title: Group Manager – Corporate Excellence

Date: 9 February 2017

Item: 7.2
ATTACHMENT ONE

MEETING: FINANCE COMMITTEE – NORTHLAND REGIONAL COUNCIL

Name of item: REVENUE AND COLLECTIONS QUARTERLY REPORT
31 December 2016

Author: Nicole Moorhouse, Manager Financial Accounting

Date of report: 2nd February 2017

Document number: A1821711

Executive Summary

The purpose of the report is to provide quarterly reporting to Northland Regional Council on action to collect current rates and rate arrears, and to provide information on how collection is tracking against targets.

1) Background:

This document has been prepared to highlight the actions taken by Far North District Council to manage the collection of the Northland Regional Council's rates and to reduce the monies outstanding. This report is prepared as at the end of the 2nd quarter of the financial year 2016/17 and provides a comparison between the 2015/16 and 2016/17 rating years.

2) Discussion and options

- **The Enabling Maori Freehold Land Team**

A strategy is being developed to engage with the owners of Maori Freehold land to enable the land to become revenue generating over time and thus enabling the owners to meet their rating liabilities. Some key target areas in the West of the district have been identified in the Office of the Auditor General's report "Government Planning and Support for Housing on Maori Land" dated 15/8/2011 where it was identified that for the Far North District*"Maori land is heavily concentrated around Hokianga and the Western ward..."*

- A project template is being developed including risk assessments and the team is working towards a pilot project. This project will be used to stream line processes and identify collaborative parties. The project will then be rolled out within the target areas.
- The team is working with the communications team to inform ratepayers of this strategy

A key achievement of the team was clearing the backlog of MFL remission and postponement applications.

- **Debt Management Team**
 - In September 2016 a bulk mail out for all General Title properties in arrears that have no mortgage on their properties was undertaken. The Debt Management team are still working through the follow up calls but some positive outcomes have already been seen with payments being made before more formal recovery action was triggered.
 - The team are continuing to
 - audit existing collection types to ensure minimum repayments are being met
 - Increase phone communications with those in arrears with no collection type in place
 - review accounts with collection agencies to ensure any long standing arrears are brought back to Councils Debt collection team to proceed with the next appropriate course of action e.g. abandoned land or legal collection processes
 - Continue legal action with abandoned land.
- A review of all procedures is being undertaken to ensure adequate monitoring and actions are proceeding in a timely manner
- A Debt management policy is being developed – presently in draft form
- The ongoing promotion of the Internal Affairs Rates Rebates Scheme in day to day communications with Ratepayers and regular meetings with relevant community organisations is another key focus.

Collection Data

Overall the collection of current rates is consistent with collections at this point in 2015/16

General Title current collections are near 100% as many rate payers have paid the years rates in advance. Maori Freehold current land collections continue to remain below 40%.

A breakdown of the current and arrears outstanding debt is summarised in the following table:

NRC Outstanding Debt as at 31 December 2016			
	General Title	Maori Freehold Land	Total
Rates Strike to Dec 16 (2nd Instalment)	3,921,047	333,677	4,254,723
Rates Adjustments/ Current Penalties/ Rebates	-50,317	-85,154	-135,471
Current Rates Collected to 31 December 2016 [1]	-3,906,982	-108,734	-4,015,717
Current Rates to be collected	-36,253	139,788	103,535
Arrears	715,409	1,881,047	2,596,456
Arrears Penalties	76,259	260,654	336,913
Less Arrears Collected	-205,340	-18,238	-223,578
Arrears to be collected	586,328	2,123,463	2,709,790
Total Debt to be collected	550,075	2,263,251	2,813,326

[1] This figure includes credit balances where ratepayers have paid current year's rates in advance.

Arrears Collection Type Analysis						
Collection Type	Arrears \$			% of collection type to Total debt to be collected		
	General Title	Maori Freehold Land	Total	General Title	Maori Freehold Land	Total
Direct Debits (repay arrears within 2 years)	17,834	4,037	21,871	3%	0%	1%
Direct Debits other	36,917	1,340	38,257	6%	0%	1%
DMT Agreements to pay	2,114	3,815	5,929	0%	0%	0%
Receivables (excludes Direct Debits)	7,995	0	7,995	1%	0%	0%
Abandoned Land	45,390	0	45,390	8%	0%	2%
Legal	25,919	0	25,919	4%	0%	1%
Deceased	40,915	3,671	44,586	7%	0%	2%
Mortgage (estimate .06%)	35,180		35,180	6%	0%	1%
Total under above arrangements	212,264	12,863	225,127	36%	1%	8%
Balance to be collected by Other means	374,064	2,110,600	2,484,664	64%	99%	92%
Total Debt to be collected	586,328	2,123,463	2,709,791	100%	100%	100%

Council's remission policies

Council's remission policies are designed to recognise the unique nature of the Far North with its significant areas of unoccupied Maori freehold land. Overall the policies address issues of financial hardship and the protection of areas of land with particular conservation or community values. The following table shows the instance of remissions for each policy and the financial impact of these remissions.

Policy Name	Number Remissions Granted Year to date			
	2017		2016	
	Qty	\$value	Qty	\$value
Maori Freehold Land Remissions	682	\$ 147,313	451	\$ 68,522
Charitable or Community Organisations	50	\$ 8,633	39	\$ 6,041
Remission of Postponements	30	\$ 5,777	0	\$ -
Contiguous Properties	449	\$ 57,894	790	\$ 127,557
Properties partly in District	1	\$ 76	0	\$ -
Conservation Property	205	\$ 17,730	225	\$ 25,013
Total	1,417	\$ 237,423	1,505	\$ 227,133

TITLE: Community Investment Fund – Introduction of Pioneer Capital Partners Fund

ID: A917947

To: Council Meeting, 21 February 2017

From: Simon Crabb, Finance Manager

Date: 7 February 2017

Executive summary

In December 2016 council approved introducing the Direct Capital fund into the Community Investment Fund (CIF) Statement of investment policy and objectives (SIPO), and \$500,000 being transferred into this fund from the CIF Mint diversified income fund.

This recommendation was not possible as the Direct Capital fund became fully subscribed and closed to new investors in the same week of the December meeting.

Consequently, Eriksen and Associates recommended that Pioneer Capital Partners fund replace Direct Capital in the CIF SIPO. This recommendation was endorsed by the Investment Subcommittee at their 3 February 2017 meeting.

Recommendations

1. That the report 'Community Investment Fund – Introduction of Pioneer Capital Partners Fund' by Simon Crabb, Finance Manager, and dated 7 February 2017, be received.
 2. That the Pioneer Capital Partners fund is introduced into the CIF SIPO, and \$500,000 is committed to this fund from the CIF Mint Diversified Income Fund.
-

Background:

In December 2016 council approved an adjustment to the CIF asset mix to 50% income assets and 50% growth assets. To achieve such an asset mix it was recommended that Direct Capital was introduced, and \$500,000 placed into this fund manager from the Mint Diversified Income fund. This recommendation was not possible as Direct Capital became fully subscribed and closed to new investors during the week of the council meeting.

Eriksen and Associates subsequently recommended that the Pioneer Capital Partners fund replace the Direct Capital fund, and receive the \$500,000 from Mint Diversified Income fund. Pioneer Capital Partners fund has an expected return of 15% per annum and a one year in seven risk of a negative return, and it is the same fund introduced into the Property Reinvestment Fund at the December 2016 council meeting.

As a result of this proposal the overall return target of the CIF will increase from 6.1% pa to 6.3% pa and the overall CIF risk profile will not significantly change (from the current one year in five risk of a negative return) as only a small allocation of \$500,000 is planned for placement into the Pioneer Fund.

This Pioneer Capital Partners fund recommendation was presented to, and endorsed by the Investment Subcommittee on 3 February 2016.

The Investment Subcommittee terms of reference delegates the subcommittee the authority to move investment funds between fund managers; however the introduction of any new fund manager must be presented and approved by full council.

Considerations:

1. Options

If council elects not to invest in the Pioneer Capital Partners fund, an alternative investment in a growth asset class would be required to achieve the approved 50:50 asset mix. Alternatively, council could amend the CIF SIPO asset mix to reflect a decision not to invest in any growth assets at the current time.

It should also be noted that different Fund Managers carry different risk profiles and are subject to different return volatilities, and the actual returns of Pioneer Capital Partners may fluctuate and vary from their expected returns over a given time period.

2. Significance and Engagement

In relation to section 79 of the Local Government Act 2002, this issue is considered to be of low significance under council policy because it is part of normal day to day operations of council.

3. Policy and Legislative Compliance

The activities detailed in this report are in accordance with council's Treasury Management Policy and the 2015–2025 Long Term Plan both of which were approved in accordance with council's decision making requirements of sections 76–82 of the Local Government Act 2002.

4. Other Considerations

Being a purely administrative matter, Community Views, Māori Impact Statement and Implementation issues are not applicable.

Attachments:

- N/A
-

Authorised by Group Manager:

Name: Dave Tams

Title: Group Manager – Corporate Excellence

Date: 7 February 2017

TITLE: Chairman's Report to Council**ID:** A919817**To:** Council Meeting, 21 February 2017**From:** Bill Shepherd, Chairman**Date:** 9 February 2017

Executive summary

This report is to receive information from the Chairman on strategic issues, meetings/events attended, and correspondence sent for the months of December 2016 and January 2017.

Recommendation

1. That the report 'Chairman's Report to Council' by the Chairman, Bill Shepherd, and dated 9 February 2017, be received.

Strategic issues:

Council has put a considerable amount of effort into the induction process for new councillors. With five new councillors from a team of nine and some big important issues to be tackled during the upcoming triennium, it is really important that we give our new council every chance to first of all gel as a team and then to come up to speed with the council's current business and the issues confronting us.

At the same time, work is well underway looking at some of the proposed new initiatives for the Annual Plan. These new initiatives are in response to the community's expectations of enhanced environmental management by their regional council.

Over the last three years the regional council has been able to contain the 'business as usual' aspects of our work to a zero-rate increase. However, there is a limit to the potential to 'squeeze the lemon' and we are confident that there are not many further efficiencies that can be achieved. Therefore, new initiatives will require more funding from rates.

It has been normal practice to discuss rate increases in percentage terms, however, because of the relative insignificance of regional council rates in the total rates bill of our ratepayers we plan to express our rating decisions in dollar terms not percentages. A 1% rate increase in the region wide rate for the regional council is only \$140,000 from across the whole region. Whilst \$140,000 seems a lot of money to the average ratepayer, in the scheme of things \$140,000 does not do very much additional work at council level.

We look forward to engaging with the community when we discuss our proposals for the new Annual Plan.

ITEM: 8.1

Page 2 of 3

Meetings/events attended:

During the period I attended the following meetings/events/functions:

- Meetings attended with the council's CEO, Malcolm Nicolson:
 - Weekly telephone conference calls with Peter Winder; Graham Sibery, Kaipara District Council; and Lizzy Wiessing, Simpson Grierson – Rogan case.
 - Northland|Forward Together Strategic Planning Workshop.
 - Regional Software Holdings AGM.
 - Cr Sinclair and Group Manager Corporate Excellence, Dave Tams, also attended a meeting with the Minister of Local Government in Wellington.
 - Geoff Henley – to discuss the proposed agenda for the visioning and planning workshop on 19 December 2016.
 - Official opening of State Highway 15.
 - Video conference with Mayor Sheryl Mai and Rob Forlong, Whangārei District Council; and Mayor John Carter and Colin Dale, Far North District Council – dust on roads.
 - David Wilson and Vaughan Cooper, Northland Inc., introducing Luke Beehre, new Project Manager for Extension 350 project.
 - David Wilson, Northland Inc. – Advisory Group meetings.
 - Pita Tipene – to explain to Pita the strategic approach that has been taken to gain additional local road funding and working with NZTA to improve the NZTA's new dust mitigation standards.
- Group Manager Strategy and Governance, Jonathan Gibbard, and I attended the UNISA Mayors/Chairs meeting in Auckland.
- Councillors Sinclair, Yeoman, Dimery, Stolwerk and I attended the Northland Inc. AGM.
- Councillors Sinclair, Yeoman, Dimery, Smart, Stolwerk and I attended the LGNZ Risk Agency Workshop.
- Sue and I attended the Northland Sports Awards.
- Jeroen Jongejans and Cr Sinclair – to discuss economic development opportunities in the region.
- Barry Trass, Grant Faber and Cr Sinclair – Hundertwasser.
- Sue Dobbie – catch up meeting.
- Attended Mahi Tahi Leadership Café presenting on Northland|Forward Together.
- Councillor Sinclair and I met with Peter Bray – incinerator at Portland.
- Jeff Griggs – to explain a programme that he is leading relocating Northland's food systems and food security.
- Attended a forestry/iwi meeting at Te Tarai Marae – (discovered when I arrived that the meeting had been cancelled without advising me).
- Attended Mihi Whakatau Mayoral Welcome for Bangladesh Cricket Team.
- Greg Gent – Māori engagement and Mayoral Forum.
- Terry Burkhardt – regional development.

ITEM: 8.1

Page 3 of 3

Correspondence:

During December 2016 and January 2017 I sent out the following correspondence:

Date	Addressed to	Subject
14.12.16	Te Tai Tokerau Māori Advisory Committee non-elected members	Meeting to discuss Te Tai Tokerau Māori Advisory Committee
16.12.16	Joint letter from Chairman, Northland Regional Council, and Mayor John Carter, Far North District Council, to Te Tai Tokerau Iwi Chairs Forum	Governance to governance meeting
20.12.16	Warren Daniel Secretary Ruakaka Parish Residents' and Ratepayers' Association Inc.	Donation of ratepayers' money to Hundertwasser/Wairau Māori Art Museum Project
20.12.16	Warren Daniel Secretary Ruakaka Parish Residents' and Ratepayers' Association Inc.	Northland Regional Council's planned donation to the Hundertwasser/Wairau Māori Art Museum
20.12.16	Tim Shadbolt Mayor Invercargill City Council	Invitation to attend Mayoral Forum and Sister Cities NZ Annual Conference 2017
20.12.16	Stephen Woodhead Chair EMaR/LAWA Governance Group	Raising the profile of the LAWA website
21.12.16	Trevor Downey Chairman Mangawhai Harbour Restoration Society	Annual meeting with Northland Regional Council
19.01.17	Malcolm Alexander Chief Executive Officer Local Government New Zealand	Nomination for LGNZ Governance and Strategy Advisory Group
31.01.17	The Electricity Authority PO Box 10041 Wellington	Support for Top Energy's application for exemption

Authorised by Chairman:

Name: Bill Shepherd

Title: Chairman

Date: 9 February 2017

TITLE: Chief Executive's Report to Council**ID:** A917280**To:** Council Meeting, 21 February 2017**From:** Sally Bowron, PA/Team Admin – Strategy and Governance**Date:** 9 February 2017

Executive summary

To update the council on recent activities and progress on achieving council priorities.

Recommendation

1. That the report 'Chief Executive's Report to Council' and dated 9 February 2017, be received.
-

8.2.1 HIGHLIGHTS**Digital infrastructure UFB2 announcement**

Council, alongside other Northland councils, Northpower and Top Energy have been actively engaging with Government on the Ultrafast Broadband (UFB) roll out and improving mobile black spot areas. The UFB roll out in Northland is to be extended to the following additional towns:

Ahipara	Ruawai	Kaiwaka
Kaitiāia	Marsden Point/One Tree Point	Mangawhai Village
Moerawa/Kawakawa	Whangārei Fringe - Waikaraka	Paparoa
Russell	Kaikohe	Hikurangi
Dargaville	Kerikeri	Ruakākā
Mangawhai Heads	Paihia	Waipū
Maungaturoto	Taipa Bay-Mangonui	

A report from the Select Committee to the Parliament has recommended that lines companies like Top Energy will be able to repurpose its existing rural overhead lines for UFB use. The resulting legislation will allow cheap fibre access to hard-to-reach areas.

8.2.2. CEO'S OFFICE

SHARED SERVICES

The Northland Transportation Alliance and the digital enablement and roll out of telecommunications infrastructure in Northland remain the two top priority shared services projects.

A geographical information system (GIS) shared services proposal is to go before Chief Executives this month. The proposal will see NRC arrange a common GIS Viewer to capture and manage all types of spatial or geographical data across Northland.

A joint council funded survey providing a 'single source of the truth' GIS ground map of real coverage of Northland mobile and internet reach is currently being undertaken with FNDC/NRC oversight. This information is to be reported back mid-March, 2017. The council CE and Strategic Projects Manager met with Crown Fibre in Auckland to discuss UFB and mobile reach cooperation opportunities.

COUNCIL PROPERTY UPDATE

Commercial

- The council sale of a significant CBD commercial property has been renegotiated and signed by both parties, is subject to purchaser finance and consenting, and is to go unconditional on 31 March, 2017.
- The council purchase, and freeholding, of two adjacent holdings comprising of 6 titles in the CBD has gone unconditional.

Industrial

- Four commercial/industrial properties were under agreement as sales by council to leaseholders. Two of these have now settled and the remaining two settle on 3 March, 2017.
- The council now owns 26 Union East Street. This will be used for the storage of council maritime boats and substantial cross-departmental equipment. The tender for a new building will be released in February/March 2017.

8.2.3 CORPORATE EXCELLENCE

FINANCE

Council has achieved a YTD surplus after transfers to and from reserves of \$557K. This compares to the budgeted surplus of \$1.17M unfavourably by \$617K. This is predominantly due to lower than budgeted gains on council's externally managed funds resulting from extremely volatile currency and equity markets.

Fraud declaration

I am not aware of any fraud nor am I investigating any incidence or suspected incidence of fraud at this time.

INFORMATION SERVICES AND TECHNOLOGY

Aerial Photography Shared Initiative

The Northland Aerial Imagery Consortium (NAIC) was formed in April 2014 to provide members access to imagery of the region, including 0.4m imagery of the entire region and 0.1m imagery for defined urban areas, in the 2014/15 flying season and to share the cost of acquisition. The members are Far North, Kaipara, Whangārei District and Northland Regional councils and Land Information New Zealand.

The Consortium published a tender for the supply of aerial photography of the Northland Region in May 2014 that was awarded to Aerial Surveys Limited.

Due to typical Northland weather conditions the photography was acquired over two flying seasons (2014/15 and 2015/16) with the resulting imagery processed during 2016. The largest component of the project was the rural imagery which was delivered this month and completes a successful project. The imagery is expected to be ready for use by staff during February.

8.2.4 REGULATORY SERVICES

PLANNING AND POLICY

New Regional Plan

Staff will be working with council to develop the Proposed Regional Plan over a series of workshops starting in February. The provisional goal is to notify the Proposed Regional Plan for submissions in August 2017.

Regional Policy Statement – Genetically modified organisms

Federated Farmers have been granted leave to appeal the High Court decision on the legal ability to regulate GMOs. We have no indication when the Court of Appeal hearing will be.

District Plan council changes

Whangārei

On 20 December 2016, Whangārei District Council publically notified Private Plan Change 135 by GNLC Limited. The plan change is seeking to rename the residential compatible industry and light industry policy areas in the Marsden Primary Centre to Mixed Use 1 and 2, and to revise the noise rules within this area to better enable development of mixed use activities. The closing date for submissions is 8 February 2017. Staff are unlikely to lodge a submission.

On 23 November 2016, Whangārei District Council publically notified a summary of submissions on Plan Changes 85 A-D, Plan Changes 86A and B, Plan Change 87 as well as Plan Changes 102 and 114. Northland Regional Council lodged further submissions on the following Plan Changes: 85, 85A, 86A, 87, 102 and 114. These further submissions either 'supported' or 'opposed' submissions that had already been lodged on the various plan changes with a focus on technical matters and implementation of the Regional Policy Statement for Northland.

Land use and subdivision applications

During December 2016 and January 2017, 42 non-notified resource consent applications were received from the district councils. Comments were raised on one application regarding the ability to avoid increasing the risk of harm from coastal hazards.

Other matters

The Environment Court recently reached a decision on a declaration (*ENV-2016-AKL-000173 Motiti Rohe Moana Trust v BOP Regional Council*) which concluded that regional councils can regulate fishing (techniques and location) in regional coastal plans to:

- a) Maintain indigenous biodiversity
- b) Protect areas of significant indigenous vegetation and significant habitats of indigenous fauna in the coastal marine area
- c) Preserve the natural character of the coastal environment
- d) Recognise and provide for the relationship of Maori and their culture and traditions with ancestral waters and taonga
- e) Have particular regard to the exercise of kaitiakitanga
- f) Have particular regard to intrinsic values of ecosystems
- g) Take into account the duty of active protection of taonga, including restoration of mauri (as part of the principles of the Treaty of Waitangi).

The control of fishing activity within the water column or on the surface of the water has generally been considered to be the domain of the Ministry for Primary Industries under Fisheries legislation. The decision has been challenged in the High Court by Ministry for Primary Industries. If the Environment Court decision is upheld, it would effectively mean regional coastal plans could impose controls on fishing activity through regional coastal plan rules. The High Court hearing date is unknown at this time.

CONSENTS

Consents in process

During December 2016 and January 2017 sixty-four Decisions were issued. These decisions comprised:

December 2016 (43)		January 2017 (21)	
0	Moorings	0	Moorings
22	Coastal Permits	2	Coastal Permits
0	Air Discharge Permits	1	Air Discharge Permits
2	Land Discharge Permits	0	Land Discharge Permits
0	Water Discharge Permits	1	Water Discharge Permits
14	Land Use Consents	6	Land Use Consents
3	Water Permits	2	Water Permits
2	Bore Consents	9	Bore Consents

The processing timeframes for the December 2016 consents ranged from:

- 490 to 8 calendar days, with the median time being 28 days;
- 210 to 1 working days, with the median time being 20 days.

The processing timeframes for the January 2017 consents ranged from:

- 359 to 6 calendar days, with the median time being 47 days;
- 227 to 4 working days, with the median time being 18 days.

- 44 Applications were received in December 2016.
- 22 Applications were received in January 2017.

Of the 124 applications in progress at the end of January 2017:

- 48 were received more than 12 months ago (most awaiting further information);
- 22 were received between 6 and 12 months ago (most awaiting further information);
- 54 less than 6 months ago.

Appointment of Hearing Commissioners

Council resolved at the 13 December 2016 council meeting to appoint a hearing commissioner (see Item 7.8 of the 13 December 2016 minutes).

Consents Decisions and Progress on Notified Applications in Process, Objections and Appeals

The current level of notified application processing activities at the end of January 2017 is (by number):

- Applications Publicly/Limited Notified During Previous Month 1
- Progress on Applications Previously Notified 3
- Hearings and Decisions 1
- Appeals/Objections 1

ENVIRONMENTAL MONITORING

Compliance and State of the Environment monitoring

The results of compliance monitoring for the period 1 November 2016 – 31 January 2017 are summarised in the following table and discussed below.

Activity	Assessments	Fully Compliant	Non-Compliant	Significantly Non-Compliant	Not exercised during period
Air Discharges	33	31	2	0	0
Coastal	183	159	16	1	7
Land Use	102	70	24	0	8
Discharges to Land or Water	211	161	38	6	6
Water Permit	126	117	6	0	3
Total	655	538 (82.1%)	86 (13.1%)	7 (1.1%)	24 (3.7%)

Air discharges

A total of 102 air quality related environmental incidents were received, the majority of which (56) related to burning and smoke nuisance followed by spray drift (19) and odour nuisance (18).

Continuous ambient PM₁₀ and PM_{2.5} monitoring results for Whangārei, and PM₁₀ results for Marsden Point and Kerikeri airsheds showed that compliance was met with the National Environmental Standards (NES) for the contaminants monitored.

The new PM₁₀ monitoring site has been identified for the Dargaville airshed. The existing PM₁₀ monitor currently housed at Kerikeri will be moved to the proposed Dargaville site soon.

Coastal

The majority of consents monitored during the reporting period related to coastal structure inspections, discharges (treated municipal sewage) and dredging. Water quality sampling was carried out in the Whangārei Town Basin, Marsden Cove and Whāingaroa (Whangaroa) marinas. The Whangārei, Bay of Islands and Kaipara harbour water quality sampling runs were also undertaken.

During November 2016 a clean-up of refuse along the Hātea Loop, Pohe Island and Waiarohia Canal was carried out. More than 1,500 kg of rubbish was removed. An audit of the different types of rubbish collected, and from where, was done to help improve better management of refuse within Whangārei City.

A site visit was carried out one year on from the 'Ningpo' oil spill at Northport to ascertain the amount of oil documented at the time of the spill which remained on various seawalls. Very little evidence of oil was found due to natural weathering of the structures.

Marine pollution patrols commenced in the Bay of Islands, Whangārei and Whāingaroa (Whangaroa) harbours, educating "yachties" about Northland's marine sewage rules.

Hazardous Substances

- 236kg of hazardous waste was disposed of via the hazardous waste disposal service, including 63kg of boat flares collected by the New Zealand Defence Force
- Seventy-four enquiries regarding contaminated land were received and responded to
- Four hazardous substances incidents were investigated and resolved.

Discharge and Land Use monitoring

Council staff attended the following meetings during the reporting period:

- Compliance and Enforcement Special Interest Group with other regional councils
- Issues relating to on-site sewerage systems in the Whangārei district were discussed with Whangārei District Council
- Quarterly meeting with Far North District Council and Broadspectrum to discuss issues relating to wastewater treatment plants in the Far North district.

Farm dairy effluent (FDE) monitoring

The FDE contractor commenced routine annual inspections on 22 August 2016 and finished on 2 December 2016. A total of 920 farms were visited by the contractor or NRC staff before Christmas. The results for consented and permitted activity farms are tabled below. Overall the percentage of farms which were fully compliant with resource consent conditions and/or regional rules for animal effluent discharges was 58% (compared with 64% last season). The overall percentage of all farms graded significantly non-compliant with resource consent conditions was 18% (compared with 14% last season).

Consented FDE discharges

A total of 686 consented farms were visited and reported on. Unfortunately, there was a slight increase in the percentage of significantly non-compliant farms compared with last season.

Full Compliance		Non-Compliance		Significant Non-Compliance	
This Season	Last Season	This Season	Last Season	This Season	Last Season
378	419	201	188	107	90
55%	60%	29%	27%	16%	13%

Non-consented FDE discharges

A total of 234 non-consented farms were visited and reported on. The percentage of significantly non-compliant farms increased when compared with last season.

Full Compliance		Non-Compliance		Significant Non-Compliance	
This Season	Last Season	This Season	Last Season	This Season	Last Season
153	189	22	13	59	44
66%	77%	9%	5%	25%	18%

The main reasons for the significant non-compliances are shown in the tables below.

Consented discharges – Reasons for significant non-compliance

	Aug	Sep	Oct	Nov	Dec	Total
Water quality test results outside consent limits	3	8	6	3	0	20
Untreated effluent discharged to water (e.g. feedpad; underpass; entry/exit race; stormwater bypass)	2	13	3	11	3	32
Discharge from irrigator to water	2	2	0	2	1	7
Excessive ponding; overland flow; discharge from irrigator into setback distances	1	4	5	4	1	15
Inadequate management (e.g. broken pipes, sump overflow)	2	10	4	5	1	22
High risk of adverse environmental effects (but no discharge to water at time of inspection)	0	0	2	3	0	5
Required upgrade not completed by due date	0	0	1	0	0	1
Discharge to water when should be irrigating	0	0	0	1	4	5
Total	10	37	21	29	10	107

Non-consented discharges – Reasons for significant non-compliance

	Aug	Sep	Oct	Nov	Dec	Total
Untreated effluent discharged to water (e.g. feedpad; underpass; entry/exit race; stormwater bypass)	1	4	1	1	0	7
Unauthorised discharge of treated effluent to water	0	4	8	2	2	16
Discharge from irrigator to water	0	0	1	0	0	1

	Aug	Sep	Oct	Nov	Dec	Total
Excessive ponding; overland flow; discharge from irrigator into setback distances	1	6	3	5	0	15
No (or inadequate) contingency storage	1	5	4	1	0	11
Inadequate management (e.g. broken or blocked pipes; sump overflow; irrigator/pump maintenance)	2	2	1	2	0	7
High risk of adverse environmental effects (but no discharge to water at time of inspection)	0	1	0	0	1	2
Total	5	22	18	11	3	59

Farms monitored by year

The following table shows the number of farms monitored each year by category. The total number of farms have trended down (from about 1400 in 2001). Reasons for the decline include amalgamations, conversion to beef or ceasing operations. This trend has continued with both consented and non-consented farms. A small number of non-consented farms have changed to consented each year. The council has already received notification of five farms that will not be dairying next year.

Farms monitored by year

Consented farms

2011/12	2012/13	2013/14	2014/15	2015/16	2016-17
716	726	706	709	697	686

Non-consented farms

2011/12	2012/13	2013/14	2014/15	2015/16	2016-17
269	251	260	254	247	234

Total Farms

2011/12	2012/13	2013/14	2014/15	2015/16	2016-17
985	977	966	963	944	920

Non-consented as percentage of total

2011/12	2012/13	2013/14	2014/15	2015/16	2016-17
27.3	34.5	37	36	35	34

Effluent Volume Reduction Project – Update

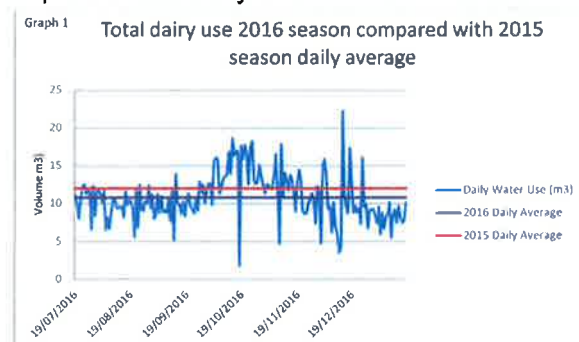
Farm 1 and 2

Mayflower Farms Limited and Waitutu Farms Limited have been completed.

Farm 3

Project commenced August 2015. This farm milks 300 cows once each day on a full spring calving regime.

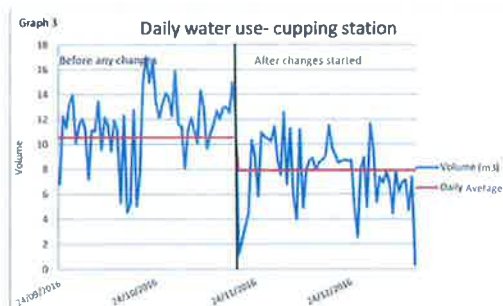
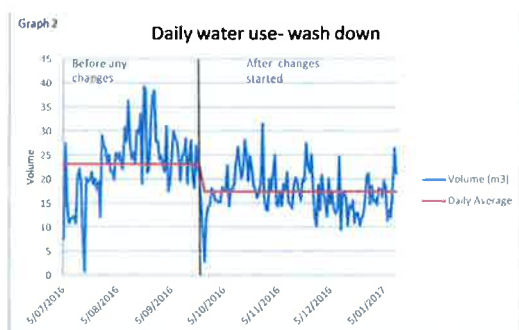
Baseline data was collected for the whole of the 2015-16 season. Changes were implemented early in the 2016-17 season. Progress to date is shown in graph 1.



The average daily reduction across the season was 366,000 litres. This is less than anticipated, but some operational issues through October 2016 caused excessive water use. Further improvements will be made. Farm 4

Project commenced July 2015. This farm milks 770 cows, twice each day, with a full spring calving regime.

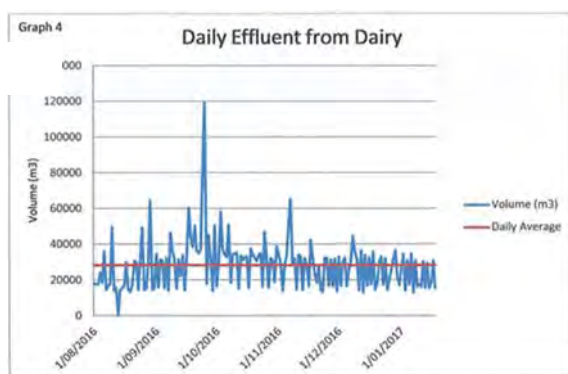
A new rotary dairy was commissioned during the 2015-16 season. Four water meters have been installed. Two meters measure the total water used for yard wash down and around the rotary platform ('wash down' and 'cupping station'). Changes to the wash down system commenced during September 2016 and to the cupping station system in November 2016. The results to date are shown on graphs 2 and 3 below.



Significant progress has been made and further changes are planned.

Farm 5

This farm milks 400 cows on a full spring calving regime. Cows may be milked once each day early and/or late season depending on cow condition and feed availability. Five meters were installed and baseline data is being collected for the whole of the 2016-17 season. Changes will be made when the cows are dry. Total effluent volume from the dairy is being measured using a magflo meter. Daily effluent generated is shown in graph 4 below. The volume generated indicates that there is substantial opportunity for improvement.



Farm 6

The focus at this farm was to reduce stormwater entering the treatment ponds. The diversion of roof water and construction of catchment diversion drains resulted in an estimated 7,000,000 litres of rainwater, on average, being diverted away from the ponds annually.

The farmer has stated that the disposal system has become much more manageable since these changes were made.

The blue shading on the following image shows the areas from which stormwater was diverted.



Project Work in other Regions

Myles Stenner, a project partner, is assisting FDE staff from Environment Canterbury with projects on two farms, plus on a Tātuanui Co-op Dairy Company owned farm in the Waikato.

The Harper Adams University in the United Kingdom have set up an undergraduate project on a farm. The project is based on the model we used on the projects for Waiotu Farms Limited and Mayflower Farms Limited.

Summer Recreational Bathing Water Quality Surveys 2016–17

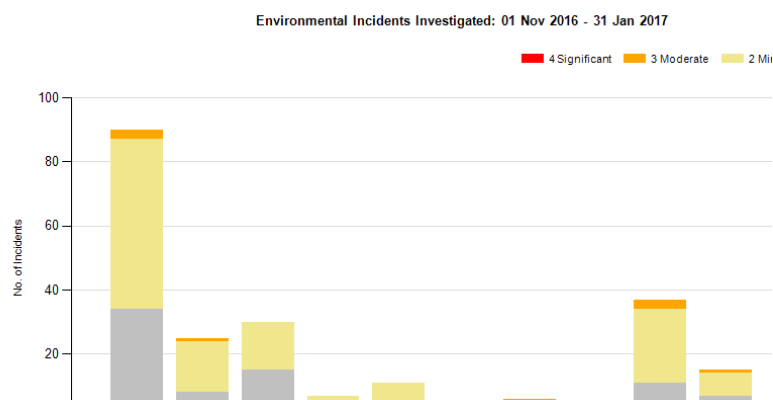
The recreational bathing programme commenced on 21 November 2016 and will conclude on 21 February 2017, with up to 46 coastal and 13 freshwater sites sampled on a weekly basis. The following table shows the number of sites which had “unsuitable for swimming” results over the reporting period.

Sites	Week 1 21/11	Week 2 28/11	Week 3 05/12	Week 4 12/12	Week 5 19/12	Week 6 28/12	Week 7 04/01	Week 8 09/01	Week 9 16/01	Week 10 23/01	Week 11 31/01
Coastal	0	0	0	0	0	0	0	0	0	1	0
Freshwater	1	0	0	0	1	1	0	0	1	6	0

Week 10 stands out from the above table. However, sampling followed shortly after the only period of more than minor rainfall Northland experienced in January 2017.

Environmental Incidents

Seven incidents were recorded for the period 1 November 2016 – 31 January 2017 which resulted in a moderate environmental impact. The following graph shows the number and type of environmental incidents received compared with the 10 year mean for the reporting period.



Enforcement

Abatement Notices

There were 93 abatement notices issued during the period. These were for:

Farm dairy effluent discharges	69
Burning & smoke nuisance	10
Mediterranean Fanworm	3
Discharge from trade & industrial premises	2
Coastal structures	2
Sewage discharge	1
Anchoring >14 days	1
Abrasive blasting discharge	1
Boat maintenance discharge	1
Spray drift from agrichemical application	1
Removal of sand from CMA	1
Earthworks	1

Infringement Notices

There were 81 infringement notices issued during the period. These were for:

Farm dairy effluent discharges	62
Sewage discharges	5
Mediterranean Fanworm	5
Burning and smoke nuisance	3
Milk discharges	2
Occupation of the CMA	1
Stock truck discharge	1
Dam/diversion	1
Diesel discharge	1

Formal Warning Letters

There were four formal warnings issued during the period. These were for:

Burning and smoke nuisance	2
Discharge from boat maintenance activities	1
Disturbance of the CMA	1

Prosecutions**Chemical discharge in Ruakākā**

The sentencing hearing for Sustainable Solvents Limited, Sustainable Solvents Group Limited and Brian Smith for the illegal disposal of chemicals to land in the Ruakākā area took place 27 January 2017, with a final decision expected from the Court by 10 February 2017. The Court has not yet issued the Enforcement Order which the council applied for.

Interim Enforcement Order

The council applied for an Interim Enforcement Order against an individual who has been illegally disposing of septic tank waste on properties in the Tangowahine area. The Judge considered the order on 21 December 2016 and declined to issue it. The council is now seeking an Enforcement Order by consent to stop the illegal discharge. Court-lead mediation on the matter is likely to be held in mid-February 2017.

Appeal of Land Drainage Act Notice

The final judgment was received on a landowner's appeal of a Land Drainage Act notice which ordered the removal of a causeway crossing from a stream near Maungatāpere. The appeal was granted with the judgment stating that the landowner may be "*entitled to a not significant award of costs in the circumstances*". Costs are currently being worked through with the appellant.

8.2.5 ENVIRONMENTAL SERVICES**LAND MANAGEMENT****Environment Fund Update**

The current status of the Environment Fund allocation year to date is shown in the table below.

Environment Fund funding allocation for 2016/17

Environment Fund and Funding Allocation for 2016/17					
Delegated Authority	Land/ Biosecurity	No of Land Projects	No of Biosecurity Projects	Allocation \$	Budget \$
1 – July 2016	Biosecurity		54	126,436.00	
1 – July 2016	Land	55		216,324.60	
2 – July 2016	Land	38		198,261.10	
3 – August 2016	Land	37		176,005.40	
4 – September 2016	Land	19		82,423.80	
Additional projects approved Council meeting September 2016				116,850.00	
5 - October 2016	Land	14		57,272.70	
6 – November 2016	Land	27		137,546.00	
7 – November 2016	Land	16		54,422.50	
8 -December 2016	Land	5		26,439.40	
9 – February 2017	Land	7		28,343.00	
Total Projects		197	54		
Soil Conservation				25,000.00	
Allocation to date				\$1,245,324.50	
Budget	Land				675,000.00
	Biosecurity				125,000.00
	Catchment Groups				50,000.00
	Year-end surplus funding				200,000.00
	Over allocation (based on 18.75% of total budget \$1.050m)				196,875.00
Total Budget					1,246,875.00
Allocation to date					-1,245,324.50
Balance Remaining					\$1,550.50

Farm Water Quality Improvement Plans (FWQIP) 1 July 2016 – 31 January 2017

Year to date, a total of 107 FWQIPs have been commenced, 61 FWQIPs have been completed, with a further 123 in progress.

WAIORA NORTHLAND WATER

The following dates have been set for the next workshops:

- Whangārei Harbour – 21 February
- Mangere – 22 February 2017
- Waitangi – 23 February 2017
- Poutō – 27 February 2017
- Doubtless Bay – 2 March 2017

Agendas will cover the priorities for the non-regulatory activities within each catchment and policy staff will present the NRC responses to submissions on the draft catchment plans.

Extension 350

Northland Regional Council Environmental Services are represented on the steering committee of this new project. Farm environment plans will become an integral part of this extension programme and council is helping to develop this alongside other agencies, such as Beef and Lamb New Zealand and DairyNZ.

SOIL CONSERVATION

Flyger Road Nursery

The tender process for the nursery appliance shed was completed prior to Christmas. Preparation and irrigation for the new site are being planned and contractors consulted. Negotiation with the preferred supplier is continuing for the build and is likely to be commenced soon.

Northland Regional Council are hosting a Poplar and Willow Nursery Managers Group annual meeting from 15-16 February 2017, with a visit to the council's poplar and willow nursery and other sites of interest.

Kaipara Hill Country Erosion Project

Staff are continuing to work with landowners to produce Kaipara Hill country erosion plans and providing advice and facilitating access to the Environment Fund for the fencing of waterways and retirement areas, riparian plantings and soil conservation projects. To date in 2016/17, \$335,276.00 of the Environment Fund has been allocated to 71 projects within the Kaipara catchment. \$296,440 (88%) of this has been granted to projects on properties identified with 'Areas of High Erosion Risk'. Staff attended the Totara Working Groups totara field day in November which showcased natural totara stands that could be utilised to produce a valuable timber resource. This work is closely linked to current hill country erosion projects which are focused on land use change and NRC presented their work in this area.

BIODIVERSITY

Lakes

The twelve outstanding dune lakes plans are nearing completion of data loading with newly available data being added including climate, ecological and geomorphic data.

CoastCare

Plenty of Safe Beach Driving information was handed out at a Beach Safety event organised by Waipū Police held at Tip Road, Bream Bay in December.

BIOSECURITY

Regional Pest Management Plan (RPMP) update

The draft proposed RPMP plan which includes the marine pathway plan is on track with editing and formatting in the final stages.

Marine Pest update

The hull surveillance programme is still in progress with vessels currently being inspected in Houhora and Mangonui harbours. Incidents and enforcement actions have been logged and responded to accordingly. The marine pest *Undaria* was recently found on several vessels in Houhora harbour and vessel owners have proven difficult to contact. One Notice of direction and three warning letters are pending. 1132 vessels have been inspected since September 2016.

Kauri Dieback - Kauri Rescue

The Kauri Rescue project is a two-year project funded by the National Science Biological Heritage Challenge that seeks to engage the public in refining new citizen science and mātāwhiri tools for the treatment of Kauri Dieback Disease. It is proposing to initiate phosphate treatment trials in Auckland and Northland for the treatment of Kauri affected by Kauri Dieback Disease.

This project is a collaboration between Plant & Food Research, Auckland Council, Northland Regional Council, Auckland Tree Council, the Kauri Dieback Programme's Tangata Whenua Roopu and Auckland University. In Northland, biosecurity staff will help to coordinate landowners who will undertake the trials and data collection. Staff will also continue with establishing small community teams to continue the trials and collect data throughout Northland for the remainder of infected sites that undertake the treatments.

Kai Iwi Lakes Biosecurity Update

In September and October 2016, a possum and rodent control operation was undertaken using local contractors. Possum populations were successfully reduced by 90% and rats by 94%. These are both considered to be excellent results and will give some much needed relief to native fauna and flora.

Contractors have maintained a predator trapping network to control stoats, weasels, ferrets and feral cats at the Taharoa Domain and surrounding area. This network is checked and maintained monthly to reduce the impact of these predators on wildlife such as native waterfowl and nesting shore birds. 2016 trapping results are shown in the table below:

Jan 2016 – Dec 2016 trapping results:

Stoat	Ferret	Weasel	Rat	Feral Cat	Hedgehog
17	6	4	78	10	26

Tangihua CPCA

A community pest control area (CPCA) plan is being finalised with the local community and the project will be coordinated by the Tangihua Lions Foundation Trust. The Trust has the support of land owners surrounding the Tangihua Forest and the Department of Conservation. Initial pest control work is scheduled to be carried out during February and March which will include the installation of traps and bait stations on private land.

Canada Goose

Kaitiāia NRC staff assisted with a Canada Goose cull on Mount Camel Farms north of Houhora. Approximately 250 birds were culled. This was timed to coincide with the annual bird moult however, as not all birds moult and flock together at the same time, the personnel who are conducting the culls have altered their tactics to target smaller groups of birds.

Eradication Plant Species Update

Ochna (Mickey Mouse Plant)

Ochna is a very invasive weed and produces large quantities of bird spread seed forming dense infestations. Biosecurity staff have been carrying out a large search and destroy campaign over the summer to eradicate Ochna.

Gunnera (Chilean Rhubarb)

Gunnera is a large prickly looking plant bearing resemblance to rhubarb and forms impenetrable dense infestations particularly in wet areas. Staff have found that most of the historic sites on the west coast around Waimāmakū are clear of Gunnera but a number of new sites have been found this year and seed heads have been removed.

Perch

Perch, an invasive predatory freshwater fish, has been found in a dam in Northland, the first for over 10 years. The dam is isolated from the general public but is utilised as a farm water supply and recreational hunting area. Discussions will be held with the land managers in order to set rules around access to the dam and cleaning restrictions for any equipment used within the water during game season in order to prevent further spread of this pest.

RIVERS**Awanui**

Scheduled long-reach maintenance work on the Whangatane Spillway is complete, work will now transition to the lower Awanui. In a collaborative effort the Nga Kahu Whanau Ahu Whenua Trust, FNDC and NRC partnered to maintain gravel, manage bank stabilization in the upper Tarawhataroa Stream thus reducing sediment entering Lake Tangonge. Staff have been granted resource consents for the modification to the “Choke”, work will be programmed accordingly.

Kāeo-Whangaroa

Maintenance works topping up a section of the Kāeo Flood Scheme stopbank is approximately 65% complete.

Kerikeri-Waipapa

The resource consents designation and Public Works Act notice for the Kerikeri Spillway has been withdrawn after the latest modelling indicated increased downstream effects.

Kawakawa – Taumārere

Gravel extraction has been completed at SH-1 Turntable Hill bridge and NRC has continued to undertake routine minor works in the Otiria area to ensure river conveyance is maximized; work is focused on pinch points and bridges.

Ruakākā

Tree and bank stabilization work has been completed at both Cotton and Flyger Road bridges. Mangrove removal work is scheduled for the Marsden Road Bridge.

Kaihū

Annual Long-reach digger maintenance work is completed. Rock stabilization, Rice Grass spraying and tree removal work is being scheduled.

Minor Rivers Works

River	Minor River Work Programmed for Current Season	Status
Awanui	Awanui - Bells Hill Inclinator Reading - Drillers	Completed
	Awanui - Bells Hill Inclinator Reading - T&T Logging	Completed
	Awanui - Bells Hill Inclinator Reading - Geotechnics	Completed
Rotokahi	Rotokahi - Maintenance upstream of the bridge in Pawarenga Rd, Pawarenga	Scope works
Ruakākā	Ruakākā - Cleaning around Cotton Rd Bridge and Flyer Road Bridge	Completed
	Mangrove Removal – Marsden Point Road Bridge	March
Helena Bay	Helena Bay Clearing tree blockages in the stream	Feb-March
Panguru	Panguru - Debris Blocking box culvert at Otengi and gravel extraction and West Coast G02 Bridge - gravel extraction	Completed

River	Minor River Work Programmed for Current Season	Status
Omanaia Stream (Pakanae)	Omanaia (Pakanae) Vegetation Removal (Follow up Spraying)	Feb-March
Otiria/ Moerewa	Maintenance of overland flow path	Completed
	Otiria bund removal	Completed
	Moerewa - Gravel Extraction SH1 Bridge Turn Table Hill	Completed
	Moerewa - Willow Maintenance Spraying downstream of bridge at Turn Table Hill	March
	Moerewa - Bank reforming and willow removal upstream of the bridge of Pokapu Rd	Feb-March
	Moerewa - investigate/consent various overland flow paths identified in the scoping paper	March
Tarawhataroa	Tarawhataroa - Bank Erosion Stabilization	Completed
Victoria	Victoria - Gravel Management - Victoria Valley	March
Paparoa	Paparoa - Removal of Logs and Debris	Completed
Waimā	Waimā - Application RC Waimā	Completed

NATURAL HAZARDS

Coastal Hazard Mapping Project

The team have evaluated and responded to all 51 submissions received from the Coastal Hazard Mapping. We expect to finalize the maps later this year, after some revisions.

Regional LiDAR Project

Four tenders were received. RPS Consultants NZ Limited were identified as the preferred tenderer and contract negotiation is now in progress. The project will cover both the mainland (13,725 km²) and the off shore island groups of Three Kings, Poor Knights, and Hen and Chicken Islands.

HYDROLOGY

General

The NIWA report on climate change projections/implications for Northland was presented to the Four Waters Group. It was proposed a presentation by NIWA scientists on the key finding be organised by NRC. NIWA have been contacted to provide costing and possible dates for the presentation. A non-technical summary has also been requested.

The dry conditions have persisted across Northland into February 2017. The MetService have predicted temperatures ranging up to thirty degrees for the first two weeks of February 2017. The models have indicated possible rain tracking down from the tropics the last half of February 2017, but the uncertainty is high.

RAINFALL The Mid-North received average rainfall for January 2017, whilst the Far North, West Coast and East coast were well below the expected totals.

RIVERS The majority of rivers are below mean annual low flows, listed below are five rivers currently below the 1:5-year Design Drought flows:

- Kaihū at Gorge
- Mangakāhia at Gorge
- Rangitane at Stirling
- Raumanga at Bernard Street
- Wairua at Purua

For more detailed information, refer to the Hydrology climate updates on the NRC website: <http://www.nrc.govt.nz/Environment/hydrology-climate-report/>

At the request of the Four Waters Advisory Group Northland, the Hydrology climate updates will be linked to the “be wise water” website the district councils operate to help the general public keep informed on water restrictions and consumption.

Hydrology Team Work Programme

Two rain gauges were installed in December 2016:

1. Waimāmakū rain gauge
2. Ngataki rain gauge.

The Sweetwater monitoring bore has been rescheduled for March 2017.

The first run of the low flow coastal gauging programme was completed early January 2017. The data will help determine yield rates from different rock types which will be used to calibrate the water allocation model.

A low flow gauging programme to target the Waitangi catchment will be executed early February.

Approximately 32 compliance flow gauging have been completed since December 2016.

Data has been provided to the Rural Support Trust and MPI to assist in the assessment of the ongoing dry conditions.

Water Resources Team Work Programme

Revised water balance modelling is being undertaken for the Poutō Dune Lakes. This modelling considers the improved understanding of the lake bed (bathymetry) and catchment area for the lakes. The modelling provides better understanding groundwater inflows into the lakes and will help inform future monitoring and management options for the lakes. A summary of the findings will be presented to the Poutō Catchment Group. New water balance modelling is also being undertaken for the Aupōuri Lakes Ngatu, Heather, Waiparera and Rotoroa.

8.2.6 STRATEGY AND GOVERNANCE**ECONOMIC DEVELOPMENT****Investment and Growth Reserve**

Project	Work in December/January	Future developments/ reporting
Better Water Management	Provision of data and information to OPUS, including daily potential evapotranspiration (PET) and rainfall data for Northland from NIWA's Virtual Climate Station Network. Co-funding agreement with Crown Irrigation Investment Limited signed by both parties.	First draft is due 31 March, with workshop scheduled for 19 April.
Twin Coast Cycle Trail (TCCT)	A third invoice was received and paid in January, bringing NRC's total contribution to date to \$450,000 (50% of committed funding). Work was completed before Christmas to allow riders to traverse the whole TCCT over the holiday period. Further work is needed over the next few months to complete the trail including Taumārere bridge strengthening, a couple of small sections of the trail, along with further signage, distance markers, squeeze bars, etc.	Awaiting further progress reports and associated invoices to complete funding commitment. An official opening of the TCCT will be held in due course.
The Orchard	None.	Final one-third payment to be made in early 2017.
Resource Enterprise Limited (REL)	Monitor efforts to develop new export markets for timber products and expand shareholding.	
Twin Coast Discovery Revitalisation	None.	Report for the six months ended December due in mid-February.
Regional Promotion	None.	Report for the six months ended December due in mid-February.
Waitangi Mountain Bike Park	Received acceptance from Focus Paihia of funding arrangements and reporting requirements, along with first invoice for construction costs.	Further invoices expected in February and March as Stage 2 development is completed.
Extension 350	Letter sent from CEO to Extension 350 project manager outlining funding arrangements and reporting requirements.	Finalise funding agreement.
Maungatāpere Berries	Discussion between council and Onyx Capital were held regarding loan arrangements, including term, return on investment and security.	Awaiting final proposal based on discussions, along with independent third party assessment of the deal.

Other activities undertaken included:

- MartinJenkins selected as the consultant to undertake the economic development activity review. Steve Knuckey is meeting with various parties. The Chairman and CEO met with him on 9 February 2017.
- The fourteenth issue of the Northland Economic Quarterly (NEQ) newsletter was published on 15 December 2016. Results for the 2015/16 season are reported for four key primary sectors (dairy, kiwifruit, avocados and forestry) in the annual statistics section. The Spotlight section focused on developments in average household income, exploring developments over time, between regions, changes in composition and differences between ethnicity. The current and past issues can be found at www.nrc.govt.nz/resources.
- Work with other Northland local authorities to develop a response to Crown Fibre Holdings expansion of broadband (RBI2) and mobile black spots coverage.

COMMUNICATIONS**Media releases**

- 'Bay of Islands rubbish barge back for summer' (authorised by Regional Harbourmaster Jim Lyle)
- 'CityLink to reintroduce Okara loop route from 19 December' (authorised by and quotes John Bain)
- 'Redback spider find at Paparoa 'no cause for alarm'' (authorised by Bill Shepherd)
- 'Deputy Harbourmaster on deck' (authorised by Bill Shepherd)
- 'NRC offices to close for Xmas, New Year' (authorised by and quotes Bill Shepherd)
- 'Substantial fieldwork increase prompts new storage facility' (authorised by and quotes Bill Shepherd)
- 'Northland dry as lack of rain continues' (authorised by Group Manager Regulatory Services Colin Dall)
- 'Tangihua pests targeted' (authorised by and quotes Penny Smart)

Councillor constituency columns and photographs

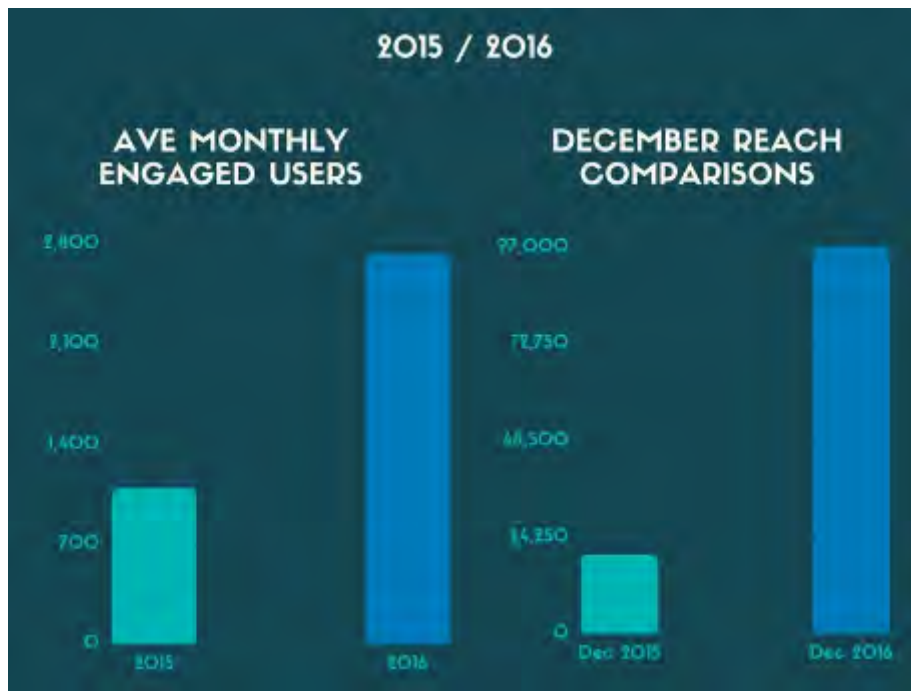
Publication of councillor constituency columns is scheduled to resume mid-February, with Kaipara and Hokianga-Kaikohe first up. Templates for all columns have been refreshed and updated as required for the current council term.

Online channels**Highlights**

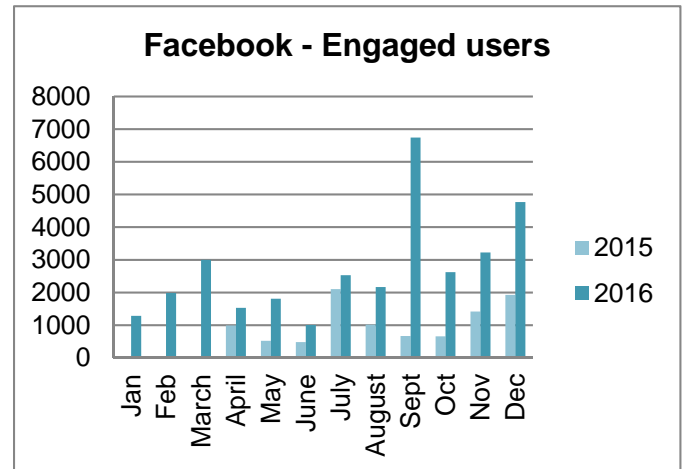
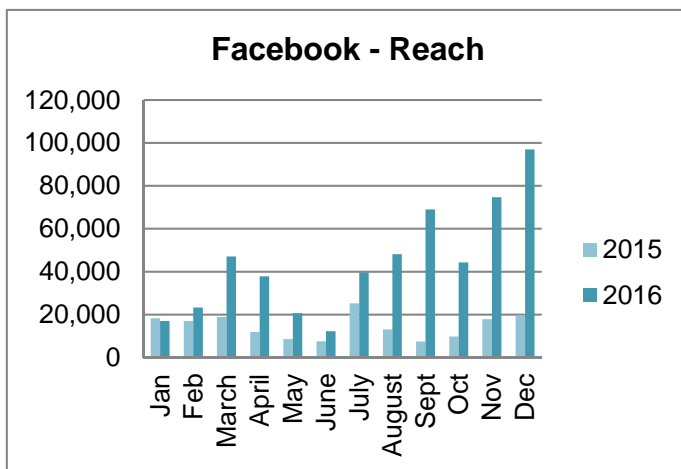
An end of calendar year review of social media has highlighted the huge growth in the reach and engagement achieved through the use of particularly the Facebook channel.

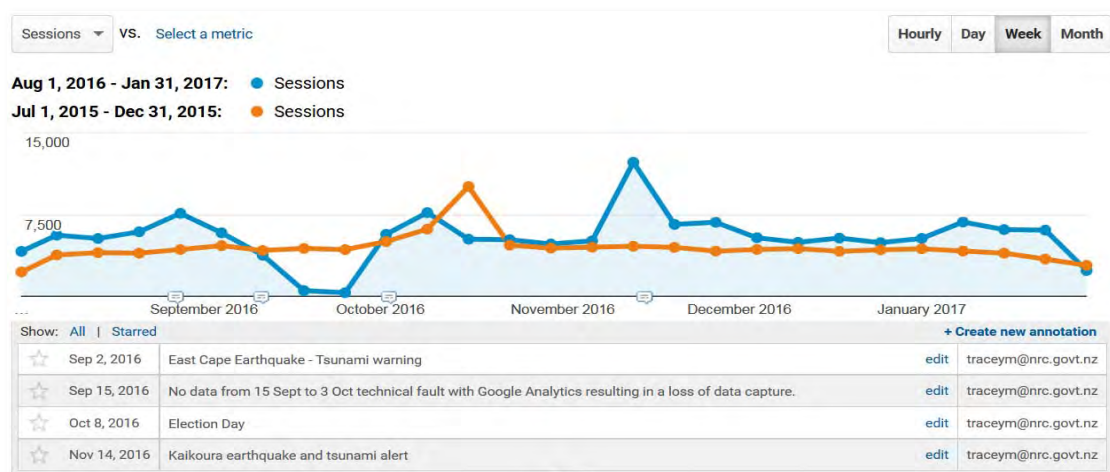
A video that was produced to highlight the Swimming Water Quality Programme on Facebook has been viewed almost 7,500 times.

2017 is shaping up to be even better with the four videos of the Maritime team piloting the Ovation of the Seas into Waitangi in early January being viewed over 8,500 times in total.



Visits to the NRC website (compared to the same period last year):





Key Performance Indicators	Oct-16	Nov-16	Dec-16	Jan-17
WEB				
E-payments made	10	9	3	3
# subscription customers (cumulative)	1,139	1,121	* N/A	1,139
SOCIAL MEDIA (cumulative)				
# Twitter followers	1,179	1,201	1,218	1,235
# NRC Facebook fans	2,247	2,343	2,490	2,945
# NRC Overall Facebook Reach	44,362	74,694	96,975	122,056
# CDEM Facebook fans	8,120	11,846	12,440	12,653
# CDEM Overall Facebook Reach	53,931	253,179	116,419	68,652

* Subscription customer figures are unavailable for December due to no reporting done on 1 January 2017.

Events

Whangārei A & P show (Saturday 3 December)

Council had a large display including maritime messages, pest and weed information, kauri dieback disease, check clean dry information, land management advice and a collaborative display with Whangārei District Council on the Whangārei Harbour Catchment. Staff interacted with around 250 members of the public.

New Zealand Dairy Industry Awards Entrants launch (Thursday 8 December)

The Northland region hosted a launch function for entrants and sponsors of the New Zealand Dairy Industry Awards. Entrants had the opportunity to ask questions about the awards and sponsors could explain their involvement in the awards.

Kai Iwi Lakes open day (Saturday 28 January)

The purpose of this event is to showcase the uniqueness of Kai Iwi lakes and why it is important for people to help protect them. Council had a specific check, clean dry station teaching lake goers how to correctly undertake the CCD actions when entering and existing the lakes. We also had information and advice on wetlands, dune lakes, pests and weeds and land management. Staff interacted with around 150 members of the public.

ENVIROSCHOOLS / EDUCATION

Enviroschools reflection stages

On 2 December, Cr Joce Yeoman officiated at the Bay of Islands International Academy's Enviroschools Bronze celebration. On 13 December, staff facilitated a successful Green-Gold sharing and decision-making session with Onerahi School. On 14 December, Cr David Sinclair officiated at Totara Grove's Enviroschools celebration.

WaiRestoration Project

Staff have helped draft a resource for the WaiRestoration project being produced by the Toimata Foundation. This resource is a celebration and sharing of the collaborative learning process, experiences and actions taken in Northland Enviroschools using a regional cluster approach. This resource will be rolled out nationally.

Courtesy of Landcare and Reconnecting Northland, staff have secured 6,850 riparian plants for 17 Enviroschools to plant out this winter. These plants will form part of the schools WaiPlanting work – a stream of the WaiRestoration project.

School communities facilitated

Despite the school holidays, during December and January, 25 school communities were visited by Enviroschools facilitators and three new schools joined the Enviroschools Northland network.

IWI LIAISON

Treaty Settlement

Councillors Smart and Blaikie (council's representatives on the Kaipara Moana Working Party) have been provided background briefing in preparation for the next working party meeting (awaiting Auckland Council to confirm the first meeting date for the year).

Governance relationships

At a November workshop of council it was agreed that the incoming council needed to meet with members of the Te Tai Tokerau Maori Advisory Committee to discuss the relationship and where to from here. A meeting has been scheduled for Tuesday 22 February. To date, 15 members have indicated their intention to attend the workshop with council.

Te Oneroa-a-Tōhē Beach Board

A contract is being negotiated with the preferred consultant to assist the Te Oneroa-a-Tōhē Beach Board to develop a Beach Management Plan in relation to Te Oneroa-a-Tōhē (Ninety Mile Beach). The next meeting of the Board is 17 February.

Iwi liaison

The Whatatiri Resource Management Unit presented their Environmental Management Plan (on behalf of the unit and hapū). Staff worked with the unit on how and when council should refer to the document when undertaking its duties. An opportunity to present to technical staff of the region's Councils was also discussed in order to inform staff but also because of the overlapping nature of rohe boundaries across councils' boundaries.

GOVERNANCE SUPPORT**Local government official information (LGOIMA) requests**

During months of December 2016/ January 2017 (as at 7 Feb 2017)	
Number of LGOIMA requests received	15
Number of LGOIMA requests completed ≤ 20 working days	10
Number of LGOIMA requests not completed ≤ 20 working days	4

Detail on the requests not completed within 20 working days:

- REQ.582427: Required a small extension of time, notified to the requestor, because a large quantity of information needed to be searched at a time when transport resources were dedicated to the launch of the mid-North bus service.
- REQ.582753: Required a small extension of time, notified to the requestor, because the information needed to be retrieved off a legacy system.
- REQ.582927 was left open because, while the requestor advised that he wasn't able to pay charges for the information requested, the information sought was in respect of an active legal proceeding. It's now closed.
- REQ.582234 regarding a request for incident information. It was decided to refuse the request for information. A letter was sent advising this and the request closed.

Governance Support

Councillors took a well-earned break from 19 December to 3 February.

Levels of Service Q1 and Q2

In summary, council is making good progress against all measures and targets with the following exceptions:

- The target to have less than 15% of monitoring events being significant non-compliance events for permitted farm dairy effluent activities has not been achieved. 24.8% of monitoring events were significantly non-compliant (59 out of 238 farms).
- The target to take appropriate action to rectify significant non-compliances 100% of the time has not been achieved, with a result of 82% for the period 1 July to 31 December 2016. Those which have not yet been followed up are farm dairy effluent non-compliances and will be followed up before 30 March 2017.
-

Legislative Compliance

Council undertakes quarterly legislative compliance reporting to ensure council is complying with relevant legislation (as recommended by Audit NZ). Council's legislative compliance monitoring for Quarters 1 and 2 has highlighted no areas of non-compliance.

8.2.7 CUSTOMER SERVICE – COMMUNITY RESILIENCE**CIVIL DEFENCE EMERGENCY MANAGEMENT****Warnings and Activations**

There have been no Metservice warnings or watches in the Northland region for the reporting period; however, there have been several tsunami events that have been the subject of alerts or warnings by the Ministry of Civil Defence & Emergency Management.

Date	Event	CDEM Action
17 December	8.0 m earthquake Papua New Guinea	No threat to NZ - information monitored and circulated once status established.
4 January	7.0 m earthquake Fiji	No threat to NZ - information monitored and circulated once status established.
22 January	7.9m earthquake Soloman Islands	No threat to NZ - information monitored and circulated once status established.

Each of the above events required the Duty Officer and other CDEM personnel to respond to MCDEM National Warning messages. Since the Kaikoura earthquake and subsequent tsunami warning there has been a heightened level of readiness in terms of tsunami alerts and warnings. MCDEM have also circulated a series of planning maps to assist in ensuring appropriate levels of understanding of the implications of a large-scale local source earthquake.

Standard operating procedures have been updated accordingly.

Rural Sector Drought Declaration

Northland is undergoing a prolonged dry spell and the Northland Rural Support Trust held a sector group meeting on 24 January and a wider Adverse Events Group meeting on 1 February to review the situation.

As a result of the meeting it was agreed to ask the Minister of Primary Industries to declare a Medium Scale drought for the region based upon rainfall figures, soil moisture deficits, the availability of fresh feed and effects of previous drought events together with the previous year's low pay-out pressure.

The Northland Civil Defence Group is assisting the Rural Support Trust (RST) to coordinate and implement the across agency response and recovery. The RST has a well-structured and experienced network to implement the response and recovery plan. An initial teleconference of appointed task group chairs was held on 8 February with follow up teleconferences on a weekly basis.

MCDEM Advisor

Between the 7 and 10 February the newly appointed MCDEM Senior Regional Emergency Management Advisor, Bridget Vercoe, held a number of meetings across the region. The purpose of the meetings was to introduce herself to key stakeholders. The appointment of the advisor was made in November after the resignation of the previous advisor in December 2015.

Resilience Fund

Applications for the 2016/17 year closed in late October. There were 27 applications with a total value of \$2,230,110 for a fund of \$889,000.

Northland submitted three applications and have now been advised that the application for \$40,000 for the CDEM Welfare Sector tools project have been approved.

2017/10	Practical Tools for CDEM Welfare (Second Year) (pdf 1.2mb)	Northland CDEM Group	\$40,000
2017/11	Fostering Community Engagement (pdf 305kb)	Northland CDEM Group	\$35,200
2017/12	Recovery Framework Implementation (pdf 246kb)	Northland CDEM Group	\$40,000

TRANSPORT**Regional Land Transport Planning**

Work for the months of December and January under this category has centred on:-

- Northland Regional Land Transport Plan 2015/2021 Three Year Review
- Compilation of the proposed Northland Road Safety Action Plan
- Papers to be tabled at the Regional Transport Committee February 2017 meeting
- Retendering of the CityLink Bus Service
- Trial Mid-North Bus Service.

The Draft Government Policy Statement 2018 (GPS) which sets out the Government's desired priorities and outcomes for the land transport sector for the 2018/2021 funding period has not as yet been released. It was planned to release the draft GPS at the end of December 2016 but this was delayed due to the Kaikoura earthquake recovery work. The Ministry of Transport had proposed to release the document by January 2017 but has not yet done so.

During the month, the New Zealand Transport Agency (NZTA) released its Long Term Strategic View (LTSV). This document is the NZTA's view of the land transport system; the priority challenges and opportunities it faces, and the interventions needed to enhance it. This document will form part of the Investment Logic Mapping workshop to be held on 8 February 2017 for the draft Regional Land Transport Plan 2018/2021.

Passenger Transport Administration***Total Mobility***

Total Mobility figures are reported one month in arrears, as the information is not available in time to meet the agenda deadline.

	Total clients	Monthly Actual Expend	Monthly Budget Expend	Variance	Year/Date Actual Expend	Year/Date Budgeted Expend	Variance
November 2016	1146	\$14,196	\$16,666	-\$2,470	\$67,012	\$83,330	-\$16,318
December 2016	1144	\$12,527	\$16,666	-\$4,139	\$79,539	\$99,996	-\$20,457

Total Mobility Working Group meeting – Wednesday 14 December

Work for the month has been focused on the NZTA requested changes to the phasing of the Total Mobility (TM) scheme. These changes will essentially allow for a wider area of coverage to include the district of Whangārei and not just the urban area. This increase in the operational area will be controlled through introducing "Maximum Fare". By signing up to this phase of the TM Scheme, the subsidy provided by NZTA will increase from 40% to 60%. The local share must, however, remain the same and may not be offset by this change. It is important to note that as the local share of the TM Scheme is covered by the Whangārei District Council, there is no financial risk to the NRC.

Work is also progressing on the introduction of the "Ridewise System" electronic ticketing system, the implementing of phase one and phase two requirements. The implementation of this system will effectively do away with the present labour intensive paper-based system.

International Day of people with Disabilities – Friday 2 December

In conjunction with Tiaho Trust, the Northland Regional Council was on the committee to help coordinate the event. It was held on the Canopy Bridge with the theme “Celebrating Abilities” The event was a success with over 439 people attending, live entertainment performed by local people with disabilities, the Northland Rio Paralympians attending and more.

City Link Update

Delays to the Kamo-Tikipunga and Otangarei services due to the work at the intersection of Kamo Road/Kensington Avenue and Nixon Street continued during the month of December. However, an improvement was noticed towards the end of December when Whangārei District Council staff implemented a change in the timings of the green light sequence for north-south traffic.

The Okara Loop Route1 was re-introduced on the 19 December 2016. This was designed to service the Town Basin and Okara Park shopping precincts. While feedback has been mainly positive, some concerns were raised by a few members of the public around the timetabling/frequency of the service. While the current Peak Vehicle requirement means that there is not a CityLink branded available, the Transport team are working on alternatives and are seeking to ascertain the feasibility and viability of increasing the frequency of this service.

CityLink Christmas Cheer – Ride the bus for \$1

On Thursday 22 December, a day-long festive season promotion was held – “ride the bus for one dollar”. The CityLink team and councillors were in attendance, free Christmas themed CityLink giveaways were given out, a Santa was on hand for photos which were then shared on social media. This was a great opportunity to promote the service to our new passengers and reward our current passengers. This resulted in 300 extra passengers being carried on the day.

City Link Whangārei 2016/2017 Financial Year – Includes SuperGold Card Passengers and Revenue

Due to this report being compiled prior to the month end, there are no passenger or revenue figures for the month of January 2017. These will be tabled at the meeting.

December 2016	Actual	Budget	Variance	Year/Date Actual	Year/Date Budgeted
City Link Passengers	22353	23383	-1030	158,805	163,261
City Link Farebox Revenue (gst exclusive)	\$45,130	\$53,673	-\$8,543	\$315,272	\$363,788
Mid North Link Passengers	170	414	-244	170	414
Mid North Link Farebox Revenue	\$1,061	\$2,699	-\$1,638	\$1,061	\$2,699
Kaitāia BusAbout Passengers	479			3169	

December 2016	Actual	Budget	Variance	Year/Date Actual	Year/Date Budgeted
Kaitiāia BusAbout Farebox Revenue	\$1,120			\$8,478	
Hokianga Link Passengers December and January	46 and 46			187	
Hokianga Link Farebox Revenue December and January	\$853 and \$777			\$3,234	

SuperGold Card 2016/2017 Financial Year

Total SuperGold passengers conveyed on the CityLink Service in December 2016 was 4961. January figures unavailable at time of compiling report.

BusAbout Kaitiāia

At the time of report compilation, there are no passenger or revenue figures for the month of January 2017. The passenger and revenue figures for December are included in the table above.

Mid North Bus Service Trial

The trial mid North Bus Service commenced operation on 1 December 2016, with a launch ceremony. The Transport team would like to also recognise the support on the day of Natasha and Lavinia from the Communications Section and Rachel Ropiha advising in her role as Kaiarahi – Matauranga Maori.

The passenger numbers on the Shoppers service (Route 3) are very encouraging. The two Worker service routes are gaining patronage and the staff of the Kaikohe Bus Company have been exceptionally helpful.

The NZTA staff have been invaluable in assisting with the application for national funding assistance. This funding application was approved.

Hokianga Link Service in January had 46 passengers and farebox revenue of \$777.00.

Road Safety Update

National Road Toll 2016/17

The road toll for Northland is presented as follows:

2017 – 37 fatal crashes resulting in 39 deaths;
 2016 – 286 fatal crashes resulting in 328 deaths; (provisional)
 2015 – 261 fatal crashes resulting in 286 deaths; and
 2014 – (No fatal crash figures available for this period) 265 road deaths.

Northland Road Toll – 2017 Year to Date:

The Northland road toll presently stands at four as at 15 February 2017. This figure is made up of:

- Far North = 3;
- Whangārei = 0; and
- Kaipara = 1.

The first three fatalities in Northland involved cars striking pedestrians. Two were walking on roads, and one was seated on a bench on the footpath.

For the same period in 2016 the road toll stood at five.

NAVIGATION, SAFETY AND MARITIME OPERATIONS

Oil Spill Preparedness and Response

Four oil spill incidents reported for this period, with only one reported to Maritime NZ for follow up. The remaining 3 were left to disperse naturally.

Preparation is underway for a National Response Team (NRT) exercise at Marsden Point in March 2017.

The new oil spill equipment storage shed for Marsden Point is almost complete and was funded by Refining NZ.

Port and Harbour Safety

Seventeen cruise ships were piloted safely in and out of the Bay of Islands as scheduled.

The *Ovation of the Seas* made two visits to the Bay, the first in not ideal weather conditions. With 5000 passengers, of which 4500 went ashore, this was possibly the largest passenger tender operation ever carried out worldwide. Both visits went smoothly with the shore side also being well planned for and organised by Far North Holdings Ltd (FNHL).

The Deputy Harbourmaster is completing his training for the first pilot license for the Bay of Islands.

The 6-weekly Whangārei harbour safety meeting was held and chaired by the harbourmaster.

The annual review of the harbour safety code was completed over a day, with input from all the key stakeholders. This year a more comprehensive review was completed, updating the risk assessment in detail, and considering the research carried out by Refining NZ for the deepening of the channel and redesign of the approaches.

A 'Safe Boating' campaign, which ran from October to December, included attendance at local A & P shows with 3 competitions based around speed and wake, dive flags and a photo competition all entered via social media.

Maritime NZ staff worked with maritime teams on summer patrols this year however, due to other commitments, the NZ Police were unable to participate as hoped. The emphasis as agreed, was on enforcement for non-use of dive flags, speeding and lifejacket offences.

Seventeen summer patrols were carried out in the Bay of Islands and Whangaroa Harbours and another 17 spread around Whangārei, Tutukākā, Mangawhai, Ngunguru and Whangaruru. Due to a gap in shipping over the peak week between Christmas and New Year staff were available to carry out bylaw patrols during this intensive period. This did, however, stretch staff resources leaving reduced manpower available over the following few weeks. Public respond well to seeing staff enforcing bylaws over the summer and this is an effective safety tool. However, Maritime's ability to provide sufficient patrols is becoming stretched with the increase in shipping.

Work is progressing with the development of bylaws for the Kai Iwi Lakes. Staff worked with KDC to fit the bylaws to the lakes management plan. Under harbourmaster's direction, swimming area's and ski lanes have been marked with yellow buoys installed to aid safety until these bylaws are in place. The process of how the hearings and consultation will proceed are still to be developed, but the plan is for the new bylaws to be in place for next summer season.

Work is progressing well on the regional council's navigational safety bylaws, with a first draft completed.

Maritime Incidents, Enforcement and Safety

Staff dealt with 113 incidents during this period. These included the issue of 71 enforcement offence notifications 34 for speed, 33 for non-use of a dive flag and 1 each for no lifejackets, excessive wake, unregistered jetski and damage to a navigation marker. Enforcement notices and written warnings have been issued accordingly. A joint enforcement program for 5 days with Maritime NZ was helpful in improving communication and relations between Northland Regional Council and Maritime NZ, but did not affect the overall enforcement carried out.

This year a concentrated effort was made to improve dive flag usage through enforcement following several years of education. Reports from dive shops of increased sale of dive flags and positive feedback from charter operators has resulted. Education around free diving and snorkelling is ongoing, with some infringement fines waived in these cases. The bylaw review will address some of the developing issues as free diving becomes more popular.

Aids to navigation

Brampton buoy and Waitangi Sector light both serviced and the new spar buoy laid at Whale Rock Bay of Islands Harbour. The Whale rock buoy, in an extreme exposed position, is being trialled with an elastic mooring system and specific design of spar buoy, to better cope with the heavy weather experienced in that position. Lessons learnt will go towards trialling elastic mooring systems for vessels.

Kai Iwi Lakes swim area and ski lanes marked with buoys for the summer. Tenders being sought for the re-painting of the Narrows cardinal mark, Hokianga Harbour that was vandalised.

Race buoys laid in preparation for the Bay of Islands Sailing week from 24-27 January 2017.

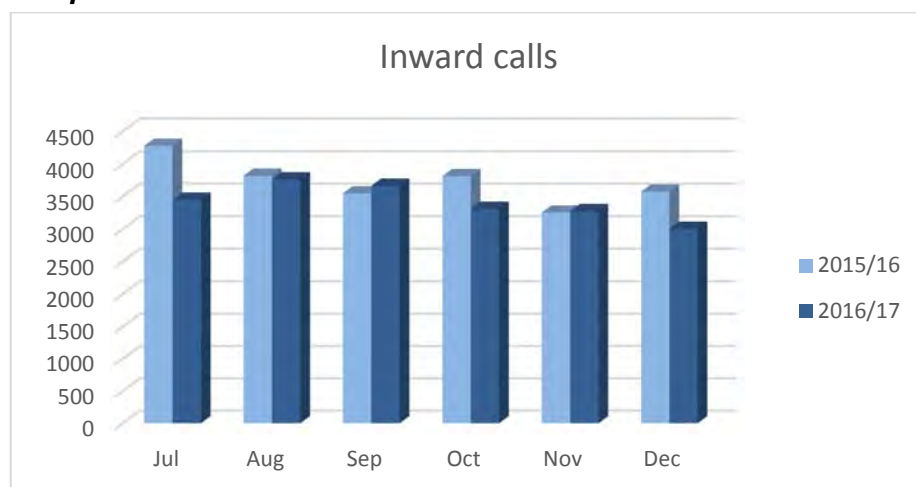
Moorings

The moorings department have been working with GIS to improve the plotting and positioning and provide quicker feedback to the increased demand to move or increase mooring length. The mooring fields, particularly in the Bay of Islands, have been approaching full capacity frustrating new arrivals to the area with large vessels, or vessel owners upgrading their vessel. With little increase in areas in the proposed coastal plan there is no relief in sight.

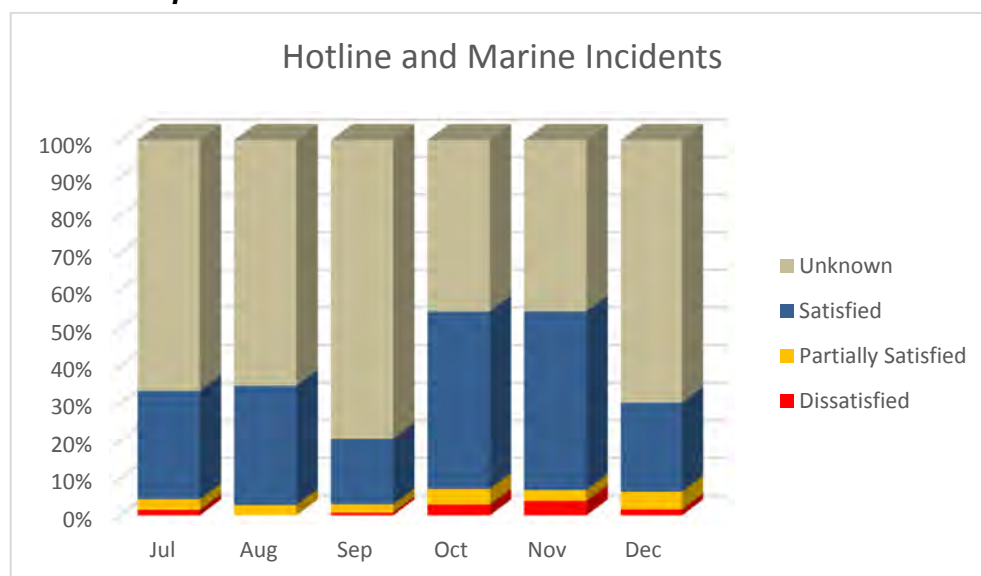
Others

Skipper assistance was provided to other departments for water quality runs, monitoring of coastal structures and marine pollution in Whangaroa, Bay of Islands, Whangārei, Mangawhai and Kaipara harbours and the set up of the Biosecurity Fab Dock at Ōpua.

The councils Maritime Cadet has been seconded to local business operation Explore NZ for one month to gain experience in other maritime activities as part of his training programme. The maritime student has provided invaluable assistance to the team and has been much appreciated over this busy period.

CUSTOMER SERVICES**Performance Statistics****Telephones**

The percentage of calls successfully answered continues to be very high at over 99%. Hotline call volumes for November and December were only 70% of the previous year. Conversion rate (successfully answered calls) for Hotline dipped to 96% in November but was back up to over 98% for December.

Hotline Responses

The number of incident reporters that are dissatisfied with our hotline responses is approximately 5%. As several of these callers are involved in ongoing neighbour disputes I believe this can be viewed as a good result. Follow up calls were not conducted to chase December Hotline satisfaction hence the large number of unknown responses.

Feedback cards

Only 4 feedback cards were received in November/December. All were either satisfactory or very satisfactory responses. Use of these cards will be reassessed and, if not replaced with a more effective system, will be redesigned and the distribution improved.

Activity***New Customer Service Centre Opportunity***

We have identified a gap in our service provision that can be addressed through the establishment of a mid-north office. Funding for this has been included in the 2017/18 budget but an ideal lease site has become available in Waipapa. Suitable lease sites are rare in Waipapa and this is our preferred area as it also offers opportunity to provide complementary services to FNDC, and is more of a rural hub than Kerikeri. Although many freehold sites are available for development, by initially establishing the service centre in a leased site the start-up costs and risk are minimised.

Customer Service Strategy

Over 150 processes have been mapped in Promapp and the project is on track for launch to staff in May. As part of the mapping process we have been able to identify and improve on several instances of process transition between departments.

Our Promise is on display in Water Street meeting areas. Branch offices need to be checked that it is on display.

External Survey – Consent Application Feedback

The first wave of results from this survey were received on Friday 3 February. The 30 respondents indicated satisfaction with our staff performance and professionalism but were less satisfied with the clearness of Regional Plan rules. The report will be sent to the Executive Leadership Team.

Shared Services

The four Northland councils have agreed to further explore the possibility of commissioning a combined residents' satisfaction survey. This is still in early days and will initially be progressed by the four councils' customer services managers.

Authorised by Chief Executive Officer:

Name: Malcolm Nicolson

Title: Chief Executive Officer

Date: 14 February 2017

TITLE: **Receipt of Subcommittee Minutes**

ID: A920107

To: Council Meeting, 21 February 2017

From: Chris Taylor, Governance Support Manager

Date: 9 February 2017

Executive summary

The purpose of this report is to acknowledge the unconfirmed minutes of the Investment Subcommittee held on 3 February 2017. The minutes will be circulated under separate cover.

Councils are required to keep minutes of proceedings in accordance with the Local Government Act 2002.

Recommendation

1. That the unconfirmed minutes of the Investment Subcommittee held on 3 February 2017 be received.
-

Authorised by Group Manager:

Name: Jonathan Gibbard

Title: Group Manager – Strategy and Governance

Date: 13 February 2017

TITLE: Council Working Party Update

ID: A919554

To: Council Meeting, 21 February 2016

From: Jonathan Gibbard, Group Manager – Strategy and Governance

Date: 8 February 2016

Executive summary

The purpose of this report is to update council on the recent discussions/activities of its respective working parties. Please note that working parties carry no formal decision-making delegations from the council.

Recommendation

1. That the report 'Working Party Update' by Jonathan Gibbard, Group Manager – Strategy and Governance, and dated 8 February 2017, be received.
-

Audit Working Party (Chair Cr Sinclair)

No meeting held in reporting period.

Risk and Health and Safety Working Party (Cr Dimery)

No meeting held in reporting period.

Marine Management Working Party (Cr Stolwerk)

No meeting held in reporting period.

Planning Working Party (Cr Yeoman)

No meeting held in reporting period.

Pest Management Working Party (Cr Finlayson)

The Pest Management Working Party met on 1 February. Topics for discussion included:

- Regional Pest Management Plan and Pathway Plan and associated cost benefit analysis and public consultation.

Following discussion the working party agreed that the next steps to progress these issues are to:

- Regional Pest Management and Pathway Plan
 - Circulate key messages to the Working Party.
- Cost Benefit Analysis
 - Prepare a report for council on the investigation of grid facilities in Northland for potential improved marine biosecurity management facilities.
- Public Consultation
 - Frequently Asked Questions (FAQ's) will be distributed to the councillors for their perusal (the high level FAQ's have been provided in the combined consultation coms plan which has been circulated, the more detailed FAQ's will be provided once they are finalised by the coms team).

- Distribute an electronic version of the Regional Pest Management Plan to the councillors (placed on OneDrive 7/02/2017).
- Chairman of the Working Party will make a recommendation to council to show that they are in support of the consultation plan.

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 8 February 2016

TITLE: Business with the Public Excluded**ID:** A920839**To:** Council Meeting, 21 February 2017**From:** Chris Taylor, Governance Support Manager**Date:** 14 February 2017

Executive summary

The purpose of this report is to recommend that the public be excluded from the proceedings of this meeting to consider the confidential matters detailed below for the reasons given.

Recommendations

1. That the public be excluded from the proceedings of this meeting to consider confidential matters.
2. That the general subject of the matters to be considered whilst the public is excluded, the reasons for passing this resolution in relation to this matter, and the specific grounds under the Local Government Official Information and Meetings Act 1987 for the passing of this resolution, are as follows:

Item No.	Item Issue	Reason\Grounds
11.1	Confirmation of Confidential Minutes of the Council Meeting – 13 December 2016	The reasons for excluding the public are as stated in the minutes of the open section of the meeting.
11.2	Human Resources Report	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons 7(2)(a).
11.3	Establishment of Mid-North Customer Service Centre – Waipapa Opportunity	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to allow the council to carry on, without prejudice or disadvantage, commercial activities 7(2)(h)).

Considerations:**1. Options**

Not applicable. This is an administrative procedure.

2. Significance and Engagement

This is a procedural matter required by law. Hence when assessed against council policy is deemed to be of low significance.

3. Policy and Legislative Compliance

The report complies with the provisions to exclude the public from the whole or any part of the proceedings of any meeting as detailed in sections 47 and 48 of the Local Government Official Information Act 1987.

4. Other Considerations

Being a purely administrative matter; Community Views, Māori Impact Statement, Financial Implications, and Implementation Issues are not applicable.

Authorised by Group Manager:

Name: Jonathan Gibbard

Title: Group Manager – Strategy and Governance

Date: 14 February 2017