

NORTHLAND REGIONAL COUNCIL

Agenda

For extraordinary meeting to be held in the Council Chamber,
36 Water Street, Whangārei, on Wednesday 8 March 2017,
commencing at 9.30am

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

OPEN MEETING

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TITLE: Adoption of the Annual Plan 2017/18 Supporting Information

ID: A923176

To: Extraordinary Council Meeting, 8 March 2017

From: Kyla Carlier, Strategy Specialist

Date: 23 February 2017

Executive summary

This report seeks council approval and adoption of the supporting information, and for this to be released for consultation purposes.

The supporting information underpins the Consultation Document for the development of the Annual Plan 2017/18.

Recommendations

1. That the report 'Adoption of the Annual Plan 2017/18 Supporting Information' by Kyla Carlier, Strategy Specialist, and dated 23 February 2017, be received.
 2. That council adopts the supporting information for the Annual Plan 2017/18 (**Attachment 1**) for the purposes of consultation, pursuant to sections 95 and 95A of the LGA.
 3. That council delegates to the Group Manager – Strategy and Governance the authority to make any necessary minor formatting, typographical and administrative changes to the supporting information prior to formal public consultation.
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Background:

The Local Government Act 2002 (the LGA) requires the council to develop an Annual Plan for years two and three of the Long Term Plan.

The LGA directs that a clear and simple Consultation Document must be produced, in conjunction with supporting information, for the purposes of consultation.

Section 95A of the LGA requires a 'Consultation Document' to be prepared for engagement on the Annual Plan. The adoption of the Consultation Document is covered in a separate agenda item. The Consultation Document is not permitted to contain or have attached to it a draft of the Annual Plan, a full draft of any policy, or detailed information that is not necessary to explain the differences from the Long Term Plan.

All supporting information that the Consultation Document relies upon must be adopted in advance of the Consultation Document (section 95A(4) of the Local Government Act). The Annual Plan 2017/18 Supporting Information document contains the information that is relied on by the content of the Consultation Document. This agenda relates to the adoption of the supporting information only.

Supporting information

Information must be provided in addition to that in the Consultation Document, to provide the level of detail and reference information that is sufficient for the community to be informed on the changes proposed.

The supporting information for the Annual Plan 2017/18 includes the following:

- An introduction explaining what the document contains and how it is related to the Consultation Document and the Long Term Plan 2015–2025.
- Identification and discussion of key changes in activities, per group of activities.
- Identification and discussion of changes to targeted rates.
- Prospective funding impact statement.
- Rating funding impact statement.
- Financial statement.

Considerations:

1. Options

Consultation on an annual plan is required under section 95 of the Local Government Act (LGA) if the proposed annual plan contains significant or material differences from the content of the Long Term Plan 2015–2025, for the financial year to which the plan relates.

Consultation requires the production of a Consultation Document, which must not contain any detailed information not necessary to identify differences from the Long Term Plan, or any full draft of any policy. Section 95A of the LGA requires that the information that is relied on by the content of the Consultation Document is adopted by council before the Consultation Document is adopted.

Two options are set out below. Staff recommend option1, to adopt the Annual Plan 2017/18 Supporting Information document for consultation.

No.	Option	Advantages	Disadvantages
1	Adopt the Annual Plan 2017/18 Supporting Information for consultation	Council will achieve compliance with the LGA 2002, and the community will be able to review the information that is relied on by the content of the consultation document in a convenient location.	None

2	Do not adopt the Annual Plan 2017/18 Supporting Information for consultation	None	Consultation will not occur in accordance with the requirements of the LGA, and council may not be able to implement the proposed changes for the 2017/18 financial year.
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2. Significance and Engagement

Section 76AA of the LGA directs that council must adopt a policy setting out how significance will be determined, and the level of engagement that will be triggered. This policy assists council in determining how to achieve compliance with LGA requirements in relation to decisions.

This decision itself is considered to be of low significance when assessed against council's significance and engagement policy because it is for the purpose of achieving compliance with sections 82A and 95 of the LGA and does not, in itself, impact the community other than to provide them with information.

3. Policy and Legislative Compliance

The decision to adopt the Annual Plan 2017/18 Supporting Information will achieve compliance with section 95A of the Local Government Act 2002. This decision will also achieve compliance with council's Significance and Engagement Policy, in particular 'We will consult when we are required to by law, when a proposal is considered significant, and when we need more information on options for responding to an issue'.

The Annual Plan 2017/18 Supporting Information includes consideration of section 100T of the Biosecurity Act. Further compliance with this section of the Biosecurity Act will be achieved during deliberation and final adoption of the Annual Plan 2017/18.

4. Further Considerations

The decisions contained within this report will enable consultation, which will provide council with feedback on community views and potential impacts on Māori. Any financial impacts or implementation issues are addressed in the attached documentation.

Further consideration of community views, impacts on Māori, financial impacts and implementation issues will be addressed through the deliberations process and subsequent council decision to adopt the final Annual Plan 2017/18.

Attachments:

- *The Annual Plan 2017/18 Supporting Information Document*

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 23 February 2017

Annual Plan 2017/18 consultation

Supporting information document

March 2017

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Introduction

About this annual plan

Welcome to the Supporting Information for the Annual Plan 2017/18. This document sets out in detail anything that has changed from what we said we would do in our Long Term Plan 2015-2025 and what we are proposing to do in the 2017/18 financial year.

Our Long Term Plan set out the direction for Northland with a ten-year view, and you helped us shape this in 2015. It detailed a range of activities for maintaining a healthy environment, ensuring safe and resilient communities, and supporting improved economic opportunities for our region and its people.

The direction of this Long Term Plan remains largely the same, however there are inevitably year-to-year changes that result as a natural part of year-to-year fluctuations in financial planning, and responses to real-time challenges that need to be addressed. We do that as part of our annual plan process, and we want you to tell us what you think about what we are planning to do.

In this document you will find details on new activities and spending in each of our groups of activities:

- Community Representation and Engagement
- Resource and Catchment Management
- River Management
- Hazard Management
- Transport
- Support Services

We also set out any changes to our rates that are proposed as part of this process, and then provide more financial information in our Funding Impact Statement, so that you can understand what the rate changes mean for the region, and for you. We want to know what you think about the changes we are looking to make.

As part of this process we have put together a Consultation Document, which is a simple guide to the main changes that are planned for the 2017/18 year, and this might be useful to get an overview of our Annual Plan 2017/18. You can view a copy of this at www.nrc.govt.nz/haveyoursay.

In some cases, our Long Term Plan will be the best source of information on our proposed direction for the coming year, as it contains all the information on the activities that we are not proposing to change. We don't want to repeat information from the Long Term Plan, so will refer you to it whenever necessary. You can view a copy of the Long Term Plan 2015-2025 at www.nrc.govt.nz/ltp2015

Key changes in activities

Community representation and engagement

The Northland community is represented by nine councillors, elected from seven constituencies across the region, and they make decisions for the Northland Regional Council. The council also has two sub-committees and six working parties to assist it to achieve its purpose in governing within its legal mandate.

The activities that contribute to community representation and engagement guide the council's operations in accordance with the requirements of the Local Government Act 2002 and primarily contribute to the following council outcomes, values and areas of focus:



What's Changing?

There are two new initiatives that will contribute to the council's outcomes relating to community representation and engagement. We are allocating \$5,000 for Maori cultural awareness training, and; \$55,000 is being allocated for governance support.

Community representation and engagement

Staff Training for Cultural Awareness	\$5,000
Governance Support	\$55,000
Total	\$60,000

Staff Training for Cultural Awareness

Developing meaningful relationships with Maori is a key area of focus identified by council. The right kind of training helps staff to achieve this, and it is proposed that a specific training programme be developed. Additional budget is required to supplement existing training budgets to implement this programme.

The \$5,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the council service rate.

This initiative contributes to the community representation and engagement group of activities in the Long Term Plan 2015-2025, activity 1.1 Community Representation and Engagement, level of service 1.1.1 'Maintaining effective and transparent democratic processes', and; 1.1.4 'Promote community engagement'

Governance Support

Council continues to improve on and expand the level of service that they provide, including increased shared services and inter-council collaborative groups and engagement with Maori. In order for councillors to use their time most-efficiently to achieve the best outcomes for the community, a high standard of government support must be maintained. Funding is being allocated for a Governance Support Officer to support the increased workload.

The \$55,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the council service rate.

This initiative contributes to the community representation and engagement group of activities in the Long Term Plan 2015-2025, activity 1.1 Community Representation and Engagement, levels of service 1.1.1 'Maintaining effective, open and transparent democratic processes', and; 1.1.2 'Providing effective advocacy on behalf of Northlanders on matters of regional significance'.

Funding impact statement for community representation and engagement

Annual Plan 2016-17 \$	Prospective funding impact statement for period ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
	Sources of operational funding		
0	General Rates, uniform annual general charges, rates penalties	0	0
2,856,768	Targeted rates (other than targeted water rates)	3,035,288	3,040,588
0	Grants and subsidies for operating purposes	0	0
59,652	Fees Charges and targeted rates for water supply	59,652	59,652
0	Internal charges and overheads recovered	8,392	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
2,916,420	Total operating funding	3,103,332	3,100,240
	Applications of operating funding		
3,887,892	Payments to staff and suppliers	3,653,492	3,701,295
0	Finance costs	0	0
378,780	Internal charges and overheads applied	471,730	691,932
0	Other operating funding applications	0	0
4,266,672	Total applications of operating funding	4,125,222	4,393,227
(1,350,252)	Surplus/(Deficit) of operating funding	(1,021,891)	(1,292,987)
	Sources of capital funding		
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
	Applications of capital funding		
	Capital expenditure		
	- To meet additional demands		
0	- To improve levels of service	0	0
0	- To replace existing assets	0	0
(182,000)	Increase/(Decrease) in reserves	87,061	0
(1,168,252)	Increase/(Decrease) in investments	(1,108,952)	(1,292,987)
(1,350,252)	Total Applications of capital funding	(1,021,891)	(1,292,987)
1,350,252	Surplus/(Deficit) from capital funding	1,021,891	1,292,987
(0)	Funding balance	0	0

Resource and catchment management

Our natural and physical resources play a significant part in our economic prosperity, health, environmental values and cultural identity. The Northland Regional Council aims to work with our communities to ensure resources are well managed and to give effect to legislation and national policy direction in a way that best meets the needs of Northlanders and our region.

This group includes the following activities:

- **Consents** – providing consents advice and processing resource consents.
- **Monitoring** – monitoring and enforcing resource consent conditions, responding to complaints about alleged breaches of the Resource Management Act, and collecting data to assess the state of the environment and monitor the effectiveness of plans.
- **Land and biodiversity** – promoting sustainable land management practices and maintaining the variety of Northland's indigenous life forms.
- **Planning and policy** – reviewing and developing regional plans, policies and strategies that support efficient and effective management of Northland's natural and physical resources.
- **Biosecurity** – managing plant pests, animal pests and marine pests (including control and/or eradication) to minimise their adverse effects on the region's biodiversity, primary production, economy and environment.

The resource and catchment management activity contributes to the council outcomes, values and areas of focus as depicted in the 'Community representation and engagement' section on page 6 of this document.

What's changing?

New initiatives are being focused in three key areas: \$57,000 of additional resourcing is required for land management activities associated with water quality; \$70,000 is being allocated to provide for an additional resource for council's biodiversity program, and; \$172,000 is being contributed to a forest restoration project.

Resource and catchment management

Riparian Planner	\$52,000
Nursery Rent Increase	\$5,000
Biodiversity Advisor Position	\$70,000
Seven in Ten Forest Restoration	\$172,000
Total	\$299,000

Riparian Planner

Every year Council develops farm plans in conjunction with dairy, sheep and beef farmers to identify areas of environmental risk and help address these. There is a national drive toward improving the efficiency of farm plan development, and as a result of this an online mapping tool to further assist landowners to manage and improve farm water quality is being developed. This tool allows data to be collected digitally in the field, increasing efficiency and quality

of data collected. The cost of the planner includes both the cost of development of the tool and the required mobile technology.

The \$45,000 of capital expenditure required for this initiative will be funded from council's retained earnings with future depreciation funded from the council service rate, and the \$7,000 of ongoing operational expenditure required will predominantly be funded from the Land Management Rate.

This initiative contributes to the Resource and Catchment Management group of activities in the Long Term Plan 2015-2025, activity 12.3 Land and Biodiversity, levels of service 2.3.1 'Promoting sustainable land management especially water quality, biodiversity, soil conservation and coastal environment', and; 2.3.2 'Provision of farm water quality improvement plans'.

Nursery Rent Increase

Poplars and willows are exotic fast-growing species ideally suited to both prevent and control erosion, due to their extensive and deep root network. The council offers a limited number of poplar poles and willow material each winter to help prevent and control erosion in Northland as part of its soil conservation and Waiora Northland Water programmes. Council established its own poplar and willow nursery in 2013 in an effort to meet demand for these materials, with development of the nursery planned in stages. Council determined to proceed with further expansion of the nursery as part of the 2016/17 Annual Plan process.

Block 4 of the nursery is now underway, and council is moving toward an annual poplar pole production of 12,000. The increase in nursery land area to provide for this has an associated increase in the cost of the land being leased, of \$5,000.

The \$5,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the Land Management Rate.

This initiative contributes to the resource and catchment management group of activities in the Long Term Plan 2015-16, activities 2.3 land and biodiversity and 3.1 river management; levels of service 2.3.1 'Promoting sustainable land management especially water quality, biodiversity, soil conservation and coastal environments, and; 3.1.5 'Maintaining and enhancing water quality in our rivers and coastal waters through integrated management.'

Biodiversity Advisor position

Northland has a high proportion of New Zealand's lowland lakes with high ecological values, and low levels of impacts. Protection of water quality within these lakes is critical, and pest invasion is one of the key threats.

Additional resourcing by way of a full time equivalent position is required to deliver the implementation of these lake management plans, and contribute to the high level of ongoing lake management in general.

The \$70,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the Land Management Rate.

This initiative contributes to the Resource and Catchment Management group of activities in the Long Term Plan 2015-16, activities 2.5 Biosecurity, level of service 2.5.2 'Protecting forests and lake health through effective regional pest control.'

Seven in Ten Forest Restoration

Animal pests are degrading Northland's best native forests. "Seven in Ten" is a new project aimed at reducing the impact of pests in these special places, and council is a supporting stakeholder. The project will combine the interests of private landowners, regardless of tenure, to arrest the decline of our regions forests. These forests have the potential to not only support ecological values but also contribute toward our economic prosperity.

Council is contributing a 40% share in the full cost of the programme in year one. Implementing this will also require the appointment of an additional full time equivalent resource to undertake project management of large scale pest operations in conjunction with department of conservation staff and community volunteers.

The \$172,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the Land Management Rate.

This initiative contributes to the Resource and Catchment Management group of activities in the Long Term Plan 2015-16, activities 2.5 Biosecurity, levels of service 2.5.1 'Reducing the impact of introduced pests on environmental, economic and social values'; 2.5.2 'Protecting forests and lake health through effective regional pest control', and; 2.5.3 'Promoting community involvement in pest management'.

S100T of the Biosecurity Act

Section 100T of the Biosecurity Act requires that a regional council must decide the extent to which it funds the implementation of its regional pest management plan from a general rate, targeted rate or a combination of both.

The 'Seven in Ten' forest restoration project will cost \$172,000 and is intended to be funded by the land management rate. In considering this proposal, council is having regard to:

100T(2)(a) The extent to which the regional pest management strategies relate to the interests of the occupiers of the properties on which the rate would be levied.

Council's contribution to the joint programme to reduce the impact of pests in seven of Northland's best native forests, applies to private land regardless of tenure, and contributes to the primary objective of the regional pest management strategies, that is, to reduce or eliminate the impact of introduced pests on environmental, economic and social values.

Animal pests are degrading these forests, which have the potential to support ecological values and economic prosperity. Contribution of \$172,000 from the land management rate to manage pests in these forests is predicted to reduce damage increase native biota. This will help manage the regionwide impacts of such pests and reduce the risk of spread regionwide.

100T (2)(b) The extent to which the occupiers of the properties on which the rate would be levied will obtain direct or indirect benefits from the implementation of the plan:

The seven forests that this project relates to are part of a suite of 23 that have high biodiversity values and community support for pest control, and adjoin areas of public land which are regarded as high value places in the Department of Conservation's assessment of natural areas in Northland. The forests are distributed throughout the region and their protection will provide regional and national benefits. As such, this activity should be supported through a regionwide rate.

Animal pests such as possums, rats, mustelids, feral cats and wild goats are degrading these forests and are impacting on ecological values and economic prosperity. The contribution of \$172,000 from the land management rate to manage pests in these forests is predicted to increase native biota, add value to sectors of the tourism industry and reduce the impact on primary industries such as forestry and cropping. The contribution will help manage the region wide impacts of pests and reduce the risk of spread.

All regional ratepayers have the opportunity of enjoying the recreational and aesthetic benefits of these forests, and tourism benefits from the presence of additional native fauna and flora, and the additional level of protection from the transferal of pests between areas.

100T (2) (c) The collective benefits of the implementation of the plan to the occupiers of the properties on which the rate would be levied compared with the collective costs to them of the rate:

The collective benefits of the plan are significant in the opinion of council given that community support for pest control is widespread and the biodiversity benefits are predicted to be high and collective costs relatively low.

100T(2)(d) For the regional pest management plan, the extent to which the characteristics of the properties on which the rate would be levied and the uses to which they are put contribute to the presence or prevalence of the pest or pests covered by it:

Animal pests can impact directly and indirectly across land of all tenure and it is a reasonable assertion that all properties, regardless of the level to which they contribute to the presence or prevalence of a pest, share equally in the costs of managing those pests.

Funding impact statement for resource and catchment management

Annual Plan		Annual Plan	LTP Year 3
2016-17	Prospective funding impact statement for period ending 30 June	2017-18	2017-18
\$		\$	\$
Sources of operational funding			
0	General Rates, uniform annual general charges, rates penalties	0	0
8,980,563	Targeted rates (other than targeted water rates)	9,113,928	9,367,541
0	Grants and subsidies for operating purposes	176,166	0
2,467,664	Fees Charges and targeted rates for water supply	2,815,064	2,310,612
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
11,448,226	Total operating funding	12,105,158	11,678,153
Applications of operating funding			
10,460,095	Payments to staff and suppliers	11,047,065	10,857,509
0	Finance costs	0	0
4,202,593	Internal charges and overheads applied	4,264,946	4,472,997
0	Other operating funding applications	0	0
14,662,688	Total applications of operating funding	15,312,011	15,330,505
(3,214,462)	Surplus/(Deficit) of operating funding	(3,206,853)	(3,652,352)
Sources of capital funding			
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
Applications of capital funding			
Capital expenditure			
- To meet additional demands			
75,914	- To improve levels of service	50,534	0
62,592	- To replace existing assets	8,427	8,427
(220,000)	Increase/(Decrease) in reserves	(228,933)	(155,000)
(3,132,968)	Increase/(Decrease) in investments	(3,036,881)	(3,505,779)
(3,214,462)	Total Applications of capital funding	(3,206,853)	(3,652,352)
3,214,462	Surplus/(Deficit) from capital funding	3,206,853	3,652,352
0	FUNDING BALANCE	0	0

River management

River flooding presents the highest natural hazard risk to the Northland region because of the extensive development on floodplains and the region's exposure to high intensity rainfall events. Flooding threatens human life, disrupts communications and access, and damages property and infrastructure, including the productivity of farm land.

This group includes the following activities:

- **River management and hydrology** - river management began with the development and implementation of flood risk reduction plans for the 27 priority rivers (or groups of streams) in Northland. In 2010, the council completed river management plans for each of these rivers/groups of streams and the ongoing development and implementation of these flood risk reduction plans is now the primary focus of the river management activity. The council, in conjunction with local river management working groups, undertakes the development, implementation and maintenance of flood control works and assets.

The river management activity contributes to council outcomes, values and areas of focus as depicted in the 'Community representation and engagement' section on page 6 of this document.

What's changing?

There are numerous new initiatives relating to river management that are proposed, and these are all related to the upgrade of equipment for hydrology monitoring. The total amount for these upgrades and improvements is \$231,310.

River management

DRUC Calibrator	\$20,000
ADCP Flood Traveller	\$4,000
Satellite loggers	\$34,100
IRIS 150 Logger	\$23,810
Safety upgrade of hydrometric sites	\$130,000
Survey Traverse Kit	\$2,000
Pumppro Replacement	\$24,000
Total	\$237,910

Council maintains an extensive hydrometric network, and uses specialised equipment to achieve this. Periodically, new equipment needs to be purchased to support the network, and renewals of existing equipment undertaken. This is primarily to ensure that the network remains reliable, keeps up with technological development and can be operated safely.

DRUC Calibrator

This new piece of equipment will enable calibrations of our water level sensors in the field. This is critical to ensure key sites are measuring accurately. This equipment will require \$20,000 of capital expenditure.

ADCP Flood Traveller

This replacement piece of equipment will allow flood gauging to be completed on rivers. The current equipment is ten years old and only suited to small streams. This replacement will require \$4,000 of capital expenditure.

Satellite loggers

During major storm events cell towers and repeater stations can fail, resulting in lost monitoring data at critical times. Satellite loggers are used to secure communication pathways for key flood forecasting sites during these times, ensuring that staff are able to monitor weather events and provide flood warnings to the Civil Defence Emergency Management Team and the public at all times. Ten sites are to be targeted for satellite communication across Northland. There is a capital cost of \$27,500, and an operational cost of \$6,600 associated with this initiative.

IRIS 150 Logger

The current telemetry system used for flood level monitoring is due to be phased out and replaced with a new telemetry system. This new system operates with a different type of logger to communicate with hydrometric sites. To complete the upgrade, 30 new logger units are required, which will require \$23,810 of capital expenditure.

Safety upgrade of hydrometric sites

A recent independent report on some of council's hydrometric sites highlighted some serious safety issues. These sites were installed 30 - 50 years ago, and this will be the first major maintenance works to take place since then. These upgrades will require \$130,000 of capital expenditure.

Survey Traverse Kits

This new piece of equipment will enhance existing survey hardware, and is required to enable precise measurements of some of our permanent monitoring sites, including Bell's Hill, Kaitaia. This upgrade will require \$2,000 of capital expenditure.

Pumppro Unit Replacements

Some of the sensors that council uses for hydrometric monitoring (Pumppro sensors) have exceeded their life expectancy and need to be phased out and replaced. There are currently 12 units that need to be phased out. These replacements will require \$24,000 of capital expenditure.

The \$231,310 of capital expenditure required for these initiatives will be funded from council's retained earnings with future depreciation funded from the council service rate. The \$6,600 of ongoing operational expenditure associated with the Satellite loggers will be funded primarily from the council service rate.

This initiative contributed to the river management group of activities in the [Long Term Plan 2015-25](#), activity 3.1 river management, and levels of service 3.1.1 'Building, monitoring and maintaining flood protection schemes to protect life and property'; 3.1.6 'Contributing to informed policy decisions regarding water resources'; 3.1.7 'Contributing to informed management of river hazards'; and 3.1.8 'provide accurate rainfall and flood level monitoring'; and activity 4.1 [civil defence and emergency management](#), level of service 4.1.2 'Providing accurate and timely flood warnings'; and activity 4.2 natural hazard management, level of service 4.2.1 'Investigating, assessing and documenting natural hazard information to protect life and property'.

Funding impact statement for river management

Annual Plan		Annual Plan	LTP Year 3
2016-17	Prospective funding impact statement for period ending 30 June	2017-18	2017-18
\$		\$	\$
Sources of operational funding			
0	General Rates, uniform annual general charges, rates penalties	0	0
3,627,613	Targeted rates (other than targeted water rates)	3,795,690	3,693,655
0	Grants and subsidies for operating purposes	0	0
0	Fees Charges and targeted rates for water supply	0	0
0	Internal charges and overheads recovered	27,892	0
35,722	Local authorities fuel tax, fines, infringement fees and other receipts	35,722	0
3,663,335	Total operating funding	3,859,304	3,693,655
Applications of operating funding			
2,315,133	Payments to staff and suppliers	2,226,551	2,220,467
519,068	Finance costs	409,098	753,230
720,017	Internal charges and overheads applied	797,166	652,580
0	Other operating funding applications	0	0
3,554,218	Total applications of operating funding	3,432,815	3,626,277
109,117	Surplus/(Deficit) of operating funding	426,488	67,378
Sources of capital funding			
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
Applications of capital funding			
Capital expenditure			
- To meet additional demands			
131,579	- To improve levels of service	203,111	26,335
127,039	- To replace existing assets	144,923	100,923
522,463	Increase/(Decrease) in reserves	420,009	523,433
(671,964)	Increase/(Decrease) in investments	(341,555)	(583,313)
109,117	Total Applications of capital funding	426,488	67,378
(109,117)	Surplus/(Deficit) from capital funding	(426,488)	(67,378)
0	Funding balance	0	0

Hazard management

The Northland region is exposed to a range of natural hazards including storm/cyclone, tsunami, volcano, land instability, earthquake, rural fire and drought, with river flooding presenting the highest natural hazard risk to the region.

This group includes the following activities:

- **Civil defence and emergency management** - The council works collaboratively with the three district councils, emergency services and key stakeholders as a member of the Northland Civil Defence Emergency Management Group to facilitate the coordination and delivery of the Civil Defence Emergency Management Group Plan which aims to build resilient communities in Northland.
- **Natural hazard management** - This activity aims to identify, assess and provide information on natural hazards and associated risks, along with the preparation and implementation of risk reduction plans, for the primary purpose of reducing the current and future risk from natural hazards to people and property to as low as reasonably practicable in the circumstances that exist.
- **Oil pollution response** - This activity aims to prevent further pollution from marine oil spills and to contain and clean them up to avoid or mitigate the effects on Northland's environment.

The hazard management activity contributes to the council outcomes, values and areas of focus as depicted in the 'Community representation and engagement' section on page 6 of this document.

What's changing?

There is one new initiative that will contribute solely to the hazard management group of activities. This initiative sees \$75,000 allocated for Civil Defence Emergency Management.

Hazard Management

Civil Defence Emergency management staffing resources	\$75,000
Total	\$75,000

CDEM Staffing Resources

Council is a lead agency in Civil Defence Emergency Management, and heavily involved in management during an emergency. The ability to effectively communicate in the lead up to, during and after an emergency is a critical component in Northland's Civil Defence Emergency Management operational capability. A new resource is required to ensure the ongoing effective communication with civil defence partners and communities, ensuring that public information messages are developed and disseminated, manage media, social media, partners and communities. This is a requirement of the Civil Defence National Plan. In addition to this, the Civil Defence Emergency Management Amendment Bill requires that a Group Recovery Manager be appointed for each area. Funding is being allocated to cover both of these roles.

The \$75,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the Council Services Rate.

This initiative contributes to the Hazard Management group of activities in the Long Term Plan 2015-16, activity 4.1 Civil Defence and Emergency Management; levels of service 4.1.1 'Maintaining a responsive and efficient civil defence emergency management system'; 4.1.3 'Maintaining an effective civil defence emergency management system', and; 4.1.4 'Increasing community awareness, understanding preparedness and participation in civil defence emergency management.

Funding impact statement for hazard management

Annual Plan 2016-17 \$	Prospective funding impact statement for period ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
	Sources of operational funding		
0	General Rates, uniform annual general charges, rates penalties	0	0
1,028,810	Targeted rates (other than targeted water rates)	1,104,699	929,889
71,638	Grants and subsidies for operating purposes	308,884	73,388
257,756	Fees Charges and targeted rates for water supply	26,799	214,188
0	Internal charges and overheads recovered	0	0
12,000	Local authorities fuel tax, fines, infringement fees and other receipts	12,000	12,000
1,370,203	Total operating funding	1,452,382	1,229,465
	Applications of operating funding		
1,381,848	Payments to staff and suppliers	1,511,474	1,263,900
0	Finance costs	0	0
485,836	Internal charges and overheads applied	633,839	473,177
0	Other operating funding applications	0	0
1,867,684	Total applications of operating funding	2,145,313	1,737,078
(497,480)	Surplus/(Deficit) of operating funding	(692,931)	(507,613)
	Sources of capital funding		
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
	Applications of capital funding		
	Capital expenditure		
	- To meet additional demands		
0	- To improve levels of service	0	0
0	- To replace existing assets	0	0
(100,000)	Increase/(Decrease) in reserves	(100,000)	(100,000)
(397,480)	Increase/(Decrease) in investments	(592,931)	(407,613)
(497,480)	Total Applications of capital funding	(692,931)	(507,613)
497,480	Surplus/(Deficit) from capital funding	692,931	507,613
(0)	Funding balance	(0)	0

Economic Development

Funding impact statement for economic development

Annual Plan 2016-17 \$	Prospective funding impact statement for period ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
	Sources of operational funding		
0	General Rates, uniform annual general charges, rates penalties	0	0
2,086,010	Targeted rates (other than targeted water rates)	1,836,596	2,088,264
0	Grants and subsidies for operating purposes	0	0
64,232	Fees Charges and targeted rates for water supply	64,232	65,801
0	Internal charges and overheads recovered	0	0
3,592,612	Local authorities fuel tax, fines, infringement fees and other receipts	3,809,475	4,544,463
5,742,854	Total operating funding	5,710,303	6,698,527
	Applications of operating funding		
3,064,606	Payments to staff and suppliers	4,346,687	2,361,464
284,510	Finance costs	273,320	457,000
212,663	Internal charges and overheads applied	195,338	109,537
0	Other operating funding applications	0	0
3,561,779	Total applications of operating funding	4,815,344	2,928,002
2,181,075	Surplus/(Deficit) of operating funding	894,959	3,770,526
	Sources of capital funding		
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
	Applications of capital funding		
	Capital expenditure		
	- To meet additional demands		
0	- To improve levels of service	0	0
0	- To replace existing assets	0	0
(75,698)	Increase/(Decrease) in reserves	(947,640)	57,339
2,256,773	Increase/(Decrease) in investments	1,842,599	3,713,187
2,181,075	Total Applications of capital funding	894,959	3,770,526
(2,181,075)	Surplus/(Deficit) from capital funding	(894,959)	(3,770,526)
0	Funding balance	(0)	(0)

Transport

This group of activities involves having a regional co-ordination, operational and planning role in managing our transport network. Our transport network includes both land transport and transport on our harbour waterways.

This group includes the following activities:

- **Transport** - promoting and enabling an effective, efficient and safe land transport system through regional transport management and operations.
- **Harbour safety and navigation** - regulating and promoting the safety of people using the harbours and coastal areas of Northland

The transport activity contributes to the council outcomes, values and areas of focus as depicted in the 'Community representation and engagement' section on page 6 of this document.

What's changing?

There are four new initiatives that will contribute to the transport group of activities. Three of these initiatives relate to harbour safety and navigation: \$15,000 is being made available to support a safe boating education programme for schools; \$24,500 is allocated to a vessel identification system, and; \$14,000 is going towards improving the way that we manage moorings. There is also one initiative that relates to transport, with \$30,000 being allocated to the Northland Transportation Alliance.

Transport

Water Safety with Coastguard	\$15,000
AIS Vessel Identification System	\$24,500
Moorings Management IT Improvements	\$14,000
Northland Transportation Alliance	\$30,000
Total	\$83,500

Water Safety with Coastguard

With our extensive coastline, promoting boating safety in Northland is one of the council's key priorities. Coastguard Boating Education has developed a safe boating programme that it is delivering to groups of schools, to train children in safe boating practices. The two day long courses will take place in pools based in Kawakawa and Dargaville. Council sees the benefit of educating our future boaties in safe practices, and is contributing the set-up cost of each course.

The \$15,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the council service rate.

This initiative contributes to the Transport group of activities in the Long Term Plan 2015-2025, activity 6.2 Harbour Safety and Navigation; level of service 6.2.1 'Promoting navigation and boating safety on Northland harbours'.

AIS Vessel Identification System

With more and more vessels on Northland's waters, council needs to be increasingly prudent in ensuring that safety systems remain up to date. An Automatic Identification System for vessels will allow vessels to be tracked in our busiest area of the Bay of Islands.

Tracking increases safety, is useful for incidents, and provides access to data from any internet connection, allowing the harbourmaster to monitor situations as they arise. The system requires an initial upfront beacon set up cost, followed by annual costs for the

software and warranty. If successful in the Bay of Islands, the system may be extended to Whangarei harbour.

The \$20,000 of capital expenditure required for this initiative will predominantly be funded from council's retained earnings with future depreciation funded from the Council Service Rate; \$4,500 of ongoing operational expenditure required for this initiative will predominantly be funded from the Council Service Rate.

This initiative contributes to the Transport group of activities in the Long Term Plan 2015-2025, activity 6.2 Harbour Safety and Navigation; level of service 6.2.1 'Promoting navigation and boating safety on Northland harbours', and; 6.2.2 'Maintaining navigation aids for safe navigation'

Moorings Management IT Improvements

Council manages approximately 2700 moorings, and currently mooring services and updates must all be entered manually in to councils system. Because of the handling of data by contractors both on and off site and by council staff, the time spent on data entry is becoming unsustainable. There is a need to streamline and improve the moorings system, and link the council and contractors systems so that the moorings records are auto-updated. This will enable moorings contractors to enter inspection details in to the council database and significantly reduce staff time required for this task.

The \$14,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the council service rate.

This initiative contributes to the Transport group of activities in the Long Term Plan 2015-2025, activity 6.2 Harbour Safety and Navigation; level of service 6.2.5 'Manage moorings in harbours'.

Northland Transportation Alliance

The Northland Transportation Alliance is the roading and transport shared service developed as part of the Northland Strategic Collaboration and Shared Activities Project. This brings together the roading and transport team of the Far North, Kaipara, and Whangarei District councils, the Northland Regional Council, and the New Zealand Transport Agency. Staff from these organisations can work together from one central location in Whangarei.

The funding allocated will cover ongoing overheads of the joint facility as well as council's contribution towards management and administration costs of the Northland Transportation Alliance.

The \$30,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the council service rate.

This initiative contributes to the Transport group of activities in the Long Term Plan 2015-2025, activity 6.1 Transport; level of service 6.1 'Planning for the future transport needs of the region'.

Funding impact statement for transport

Annual Plan		Annual Plan	LTP Year 3
2016-17	Prospective funding impact statement for period ending 30 June	2017-18	2017-18
\$		\$	\$
Sources of operational funding			
0	General Rates, uniform annual general charges, rates penalties	0	0
2,057,253	Targeted rates (other than targeted water rates)	2,139,204	1,979,847
1,193,142	Grants and subsidies for operating purposes	1,193,142	1,223,460
1,538,501	Fees Charges and targeted rates for water supply	1,558,556	1,495,299
0	Internal charges and overheads recovered	0	0
0	Local authorities fuel tax, fines, infringement fees and other receipts	0	0
4,788,896	Total operating funding	4,890,902	4,698,606
Applications of operating funding			
4,298,478	Payments to staff and suppliers	4,385,806	4,496,473
0	Finance costs	0	0
794,797	Internal charges and overheads applied	882,670	768,073
0	Other operating funding applications	0	0
5,093,274	Total applications of operating funding	5,268,476	5,264,546
(304,379)	Surplus/(Deficit) of operating funding	(377,574)	(565,940)
Sources of capital funding			
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
Applications of capital funding			
Capital expenditure			
- To meet additional demands			
168,742	- To improve levels of service	80,570	60,570
322,333	- To replace existing assets	45,296	45,296
7,631	Increase/(Decrease) in reserves	17,175	1,872
(803,084)	Increase/(Decrease) in investments	(520,615)	(673,678)
(304,379)	Total Applications of capital funding	(377,574)	(565,940)
304,379	Surplus/(Deficit) from capital funding	377,574	565,940
0	Funding balance	0	0

Support services

Council's support services are the corporate and support functions for the organisation and include the expenditure and funding sources for Māori engagement, finance operations, human resources and health and safety, communications, information management, information technology and other administration.

What's changing?

There are seven new initiatives that will contribute to the council's support services. Funding of \$64,000 is being allocated to improve our customer service systems including \$34,000 for an upgrade of the phone and contact system; the set-up of a Mid North Customer Service Centre will cost \$102,000; \$80,000 is allocated for a marketing and engagement resource; \$10,000 is being set aside to allow further investigation into other options for alignment with other councils; \$161,000 of funding is required to maintain council's building assets, and; funding of \$120,000 is allocated to upgrade information technology systems.

Support services

Customer Service Initiatives	\$30,000
Contact System upgrade	\$34,000
Mid North Customer Service Centre	\$102,500
Marketing and Engagement Officer	\$80,000
Shared Services Investigation and Support	\$10,000
Building maintenance	\$161,000
Business IT support	\$120,000
Total	\$537,500

Customer Service Initiatives

We want to provide our communities with the very best level of customer service and support. In order to achieve this we must continually work to improve our systems, implement new ideas and stay abreast of new training regimes. This initiative incorporates a suite of mechanisms to improve our interface with the community, including specialised customer service training, and resources that allow council and staff to better define their role within the community.

The \$30,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the council service rate.

These changes relate to the support services activities in the Long Term Plan 2015-2025.

Contact System Upgrade

Along with the Whangarei, Kaipara, and Far North District councils, council is looking to streamline systems and share services wherever it is efficient and cost-effective to do so. An initiative resulting from the ongoing shared-service programme involves replacement of our current phone system, which has become unreliable. This upgrade will enable transfer of calls and better direct access between councils.

This will substantially reduce customer 'ping-pong' where a caller is directed to different councils and departments. The upgrade will also enable access to customer call-back, and will provide for the relocation of phone services in emergency situations.

The \$34,000 of capital expenditure required for this initiative will predominantly be funded from council's retained earnings with future depreciation funded from the council service rate.

These changes relate to the support services activities in the Long Term Plan 2015-2025.

Mid North Service Centre

Council strives to provide a high level of service across the Northland region. A gap has been identified in our service provision, in the mid north area. Council has an office in Opuā, however while this is well suited as a base for our maritime work it is too small and isolated to be a general office, and should continue as a specialist site. Waipapa has been identified as a site that may be well-suited for a mid north office due to its central location and proximity to a developing rural hub. A mid north office would also complement the services offered by the Far North District Council offices. This initiative looks to fund the set-up of the office.

The \$50,000 of capital expenditure required for this initiative will predominantly be funded from council's retained earnings with future depreciation funded from the council service rate; the \$52,500 of ongoing operational expenditure required for this initiative will predominantly be funded from the council service rate.

These changes relate to the support services activities in the Long Term Plan 2015-2025.

Marketing and Engagement Officer

Council has recently adopted a Communications Strategy with a key focus on increasing awareness in the Northland community about what the Northland Regional Council does, with the aim of increasing customer satisfaction in relation to council activities and the perception of value for money. An additional resource is required within the communications team to provide communications, stakeholder engagement, marketing and promotional support to advance the communications strategy.

The \$80,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the council service rate.

These changes relate to the support services activities in the Long Term Plan 2015-2025.

Shared Services Investigation and Support

Nationally, and across the Northland region, there is increased focus by local government and other agencies to implement shared services where it will

deliver better outcomes for our communities. Shared services may improve efficiency and effectiveness through joint delivery of services and infrastructure.

With increasing emphasis being placed on this, council is proactively allocating funds to support investigation into potential projects, the cost of which is usually shared amongst participating councils.

The \$10,000 of ongoing operational expenditure required for this initiative will predominantly be funded from the council service rate.

These changes relate to the support services activities in the [Long Term Plan 2015-2025](#).

Building Maintenance

Council maintains a number of commercial and residential properties, as both investments and capital assets to enable our activities. Recent changes to the Building Act regulations and Residential Tenancy Act regulations, mean that council must ensure that all residential rental properties in their portfolio are insulated by July 2019. This is in addition to the general maintenance required to keep these assets in good working order. In addition to residential insulation, chattels and maintenance, there is some resealing of floors and walls to prevent smoke and fire penetration, and some investment into air-conditioning systems, in councils Water Street building in Whangarei.

The \$161,000 of capital expenditure required for this initiative will predominantly be funded from council's retained earnings with future depreciation funded from the council service rate.

These changes relate to the support services activities in the Long Term Plan 2015-2025.

Business IT Support

Information technology systems are central to the operation of any organisation, and council is no different. These systems allow council to plan, implement, accurately record and report on activities across the board. There is an ongoing programme of work to update council's business information technology systems, and implement programmes that adapt to changing business needs and reporting requirements. In conjunction with this is a whole-of-council effort to reduce reliance on hard copy documents, which is supported by information technology.

The \$90,000 of capital expenditure required for this initiative will predominantly be funded from council's retained earnings with future depreciation funded from the council service rate;

the \$30,000 of ongoing operational expenditure required will predominantly be funded from the council service rate.

These changes relate to the support services activities in the Long Term Plan 2015-2025.

Funding impact statement for support services

Annual Plan		Annual Plan	LTP Year 3
2016-17	Prospective funding impact statement for period ending 30 June	2017-18	2017-18
\$		\$	\$
	Sources of operational funding		
0	General Rates, uniform annual general charges, rates penalties	0	0
0	Targeted rates (other than targeted water rates)	0	0
0	Grants and subsidies for operating purposes	0	0
0	Fees Charges and targeted rates for water supply	0	0
7,110,337	Internal charges and overheads recovered	7,327,188	8,090,316
5,260,473	Local authorities fuel tax, fines, infringement fees and other receipts	5,392,887	4,678,727
12,370,810	Total operating funding	12,720,075	12,769,043
	Applications of operating funding		
6,481,941	Payments to staff and suppliers	6,915,867	6,599,447
0	Finance costs	80,263	0
0	Internal charges and overheads applied	0	0
0	Other operating funding applications	0	0
6,481,941	Total applications of operating funding	6,996,130	6,599,447
5,888,869	Surplus/(Deficit) of operating funding	5,723,945	6,169,596
	Sources of capital funding		
0	Subsidies and grants for capital purposes	0	0
0	Development and financial contributions	0	0
0	Increase/(Decrease) in debt	0	0
0	Gross proceed from Asset sales	0	0
0	Lump sum contributions	0	0
0	Total sources of capital funding	0	0
	Applications of capital funding		
	Capital expenditure		
	- To meet additional demands		
147,551	- To improve levels of service	664,001	0
746,601	- To replace existing assets	817,517	641,517
924,600	Increase/(Decrease) in reserves	995,759	901,251
4,070,117	Increase/(Decrease) in investments	3,246,668	4,626,828
5,888,868	Total Applications of capital funding	5,723,945	6,169,596
(5,888,868)	Surplus/(Deficit) from capital funding	(5,723,945)	(6,169,596)
0	Funding balance	0	(0)

Changes to targeted rates

Regional Recreational Facilities Rate

What it funds

This rate funds the development of the regional events centre.

What's changing?

The debt attributable to the construction of the regional events centre, the Recreational Facilities Reserve, is going to be repaid earlier than originally expected due to lower interest rates and prudent financial management by council. Once the reserve debt has been cleared the current rate will have fulfilled its purpose and will come to an end. If no change is made, the rate will end part way through the financial year, which is administratively very inefficient and will result in confusing fluctuations in rates for ratepayers and potential over-payment of rates.

By lowering the Regional Recreational Facilities Rate by 20.5%, we can repay the reserve over the full year, a solution which is administratively efficient and more straightforward for ratepayers. This means a reduction from \$5.75 to \$4.57 for Far North and Kaipara districts, and a reduction from \$28.75 to \$22.85 for the Whangarei district.

Council intends to consult during the Long Term Plan process in 2018 to explore options for replacing this rate with a new rate to funding sporting facilities in Northland.

Please see the *funding impact statement* in this document for further information on this rate.

Regional Infrastructure Rate

What it funds

This rate funds activities relating to the development and/or completion of regional infrastructure projects, beginning with the Marsden Point rail link project.

What is changing?

Established in 2007/08, the purpose of this rate was to fund activities relating to the development of regional infrastructure projects, starting with the Marsden Point Rail link. The rate was set for two years in our Long Term Plan 2015-2025 to provide for further decision making by central government

regarding the rail link. The future of the rail link is still unclear and further investigation is required to establish what the best competing infrastructure options are for the rate.

Rolling over the rate for a further year will provide the opportunity to address complexities of the rail corridor funding and review how best to allocate the rate. Council will then put forward options in the Long Term Plan and consult on what infrastructure investments the rate is best spent on.

Please see the *funding impact statement* in this document for further information on this rate.

Kerikeri-Waipapa Rivers Management Rate

What it funds

This rate funds operational river works and detailed investigations into flood scheme design options within the Kerikeri-Waipapa area.

What's changed?

The rate is being suspended.

Council has been investigating a proposed river spillway on the Kerikeri River to mitigate flood risk in the catchment. While no decision has been made to discontinue the scheme, consent applications have recently been withdrawn. This is because more recent flood modelling analysis showed a larger extent of baseline flooding than was expected. This new information means that the scheme as it currently stands may no longer be viable.

Operational works and other river management activities in the Kerikeri-Waipapa rivers catchment are ongoing, but council needs to do more work on feasibility of the spillway flood scheme works. As a result of this, the collection of the Kerikeri-Waipapa Rivers Management Rate can be suspended in the 2017/18 year, and the balance collected to date can continue to fund operational works and investigations, while council looks in to any other flood control works are completed.

Council intends to consult during the Long Term Plan process in 2018 on options for the scheme.

Please see the *funding impact statement* in this document for further information on this rate.

Awanui River Management Rate

What it funds

This rate funds works on the Awanui River flood management scheme.

What's changed?

The boundary between urban and rural areas is being adjusted.

This rate is applied differentially by location and area of benefit. Following investigation into the fairest way of paying for the scheme it is proposed to adjust the boundary between the urban and rural areas, and rating the 'A' and 'B' rural classes the same to better reflect the flood modelling data and the area of benefit. This is also in response to recent spread of urban zoning and land use around Kaitaia.

This means that the urban area will be bigger and will fund more of the rate, while the rural area will be reduced and fund less. The split will go from 72% urban, 28% rural to 78% urban, 22% rural.

The current differential split is defined in the Awanui River Asset Management Plan, and a map of the new boundaries, can be found here:

<http://www.nrc.govt.nz/Your-Council/Council-Projects/Priority-Rivers/>

Please see the *funding impact statement* in this document for further information on this rate.

Kaihu River Management Rate

What it funds

This rate funds channel maintenance works on the Kaihu River flood management scheme.

What's changed?

The channel maintenance works that are regularly undertaken as part of the Kaihu River flood management scheme have cost less than expected, and a reserve has built up that is sufficient to cover these ongoing works and allow a reduction in the rate. The rate can be reduced by approximately 12%, and may continue at this reduced level over the next five years if the cost of works remain low.

Please see the *funding impact statement* in this document for further information on this rate.

Kaeo-Whangaroa Rivers Management Rate

What it funds

This rate funds operational and capital flood scheme works in Kaeo and Tauranga Bay, and minor river maintenance works to clear flood debris and gravel from streams from Taupo Bay to Te Ngairi.

What's changed?

Phase one of the capital work is now complete, with the cost of the work now repaid. This, combined with council being able to secure lower rates of borrowing, has resulted in a reserve sufficient to cover the ongoing works and allow a reduction in the rate. The rate can be reduced by approximately 25%.

Please see the *funding impact statement* in this document for further information on this rate.

Funding Impact Statement

Funding impact statement

Rating funding impact statement

The following table is stated as GST exclusive and shows total gross expenditure and lists, by rate and income type, and the funding derived from each source, for easy reference.

Annual Plan 2016-17	Excluding GST	Draft Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$	Variance \$
32,468,857	Operational Expenditure	34,813,339	31,930,556	(2,882,783)
1,782,349	Capital Expenditure	2,014,378	883,068	(1,131,310)
34,251,206	Total Gross Expenditure	36,827,717	32,813,624	(4,014,093)
	Funded By			
8,240,740	Council services Rate	8,740,104	8,737,721	2,382
6,580,779	Land Management Rate	7,037,050	6,399,321	637,730
611,350	Targeted Regional Infrastructure Rate	611,350	611,350	0
1,301,463	Targeted Regional Recreational Facilities Rate	1,044,223	1,240,901	(196,678)
3,902,685	Other Targeted Rates	3,592,677	4,110,492	(517,815)
1,159,370	Grants and Subsidies	1,335,536	1,188,863	146,673
4,493,214	User Charges	4,866,959	4,253,649	613,310
2,455,941	Rental Income	2,631,199	3,189,606	(558,407)
3,712,583	Interest Income	3,490,085	2,755,562	734,523
2,823,221	Dividend Income	3,210,300	3,431,700	(221,400)
0	Forestry Income	0	0	0
0	Sundry Income	0	0	0
(1,030,140)	Cash Reserves from/(to)	268,234	(3,105,540)	3,373,775
34,251,206	Total Funding	36,827,717	32,813,624	4,014,093

Prospective funding impact statement

The prospective funding impact statement is stated GST exclusive and is required under the Local Government Act 2002 Schedule 10 and conforms to clause 5 of the Local Government (Financial Reporting and Prudence) Regulations 2014. Generally Accepted Accounting Practice (GAAP) does not apply to the preparation of the Funding Impact Statements as stated in section 111(2) of the Local Government Act 2002. The key divergences from GAAP are the non-inclusion of depreciation, the inclusion of internal charges, and combination of capital and operational items within the one financial statement.

Annual Plan		Annual Plan	LTP Year 3	Variance
2016-2017	Prospective funding impact statement for period ending 30 June	2017-2018	2017-2018	
\$		\$	\$	\$
Sources of operational funding				
0	General Rates, uniform annual general charges, rates penalties	0	0	0
20,637,017	Targeted rates	21,025,404	21,099,785	74,381
1,264,780	Grants and subsidies for operating purposes	1,440,946	1,296,848	(144,098)
4,387,804	Fees Charges	4,761,549	4,145,664	(615,886)
6,535,804	Interest and dividends from investments	6,700,385	6,187,262	(513,123)
2,455,941	Local authorities fuel tax, fines, infringement fees and other receipts	2,631,199	3,189,606	558,407
35,281,345	Total sources of operating funding	36,559,483	35,919,165	(640,319)
Applications of operating funding				
31,889,993	Payments to staff and suppliers	34,086,943	31,820,556	(2,266,387)
578,864	Finance costs	726,397	110,000	(616,397)
0	Other operating funding applications	0	0	0
32,468,857	Total applications of operating funding	34,813,340	31,930,556	(2,882,784)
2,812,488	Surplus/(Deficit) of operating funding	1,746,143	3,988,608	2,242,466
Sources of capital funding				
0	Subsidies and grants for capital expenditure	0	0	0
0	Development and financial contributions	0	0	0
0	Increase/(Decrease) in debt	0	0	0
0	Gross proceed from sale of assets	0	0	0
0	Lump sum contributions	0	0	0
0	Other dedicated capital funding	0	0	0
0	TOTAL sources of capital funding	0	0	0
Applications of capital funding				
Capital expenditure				
- To meet additional demands				
523,785	- To improve levels of service	998,215	86,905	(911,310)

Annual Plan		Annual Plan	LTP Year 3	Variance
2016-2017	Prospective funding impact statement for period ending 30 June	2017-2018	2017-2018	\$
\$		\$	\$	\$
1,258,564	- To replace existing assets	1,016,163	796,163	(220,000)
876,996	Increase/(Decrease) in reserves	243,431	1,291,896	1,048,465
153,144	Increase/(Decrease) in investments	(511,666)	1,813,644	2,325,310
2,812,489	Total Applications of capital funding	1,746,143	3,988,608	2,242,465
(2,812,488)	Surplus/(Deficit) from capital funding	(1,746,143)	(3,988,608)	(2,242,465)
(0)	Funding balance	0	0	0

Annual Plan		Annual Plan	LTP Year 3	Variance
2016-2017	Reconciliation to the prospective statement of comprehensive revenue and expense	2017-2018	2017-2018	\$
\$		\$	\$	\$
1,782,349	Capital expenditure included above not in Comprehensive Revenue and Expense	2,014,378	883,068	(1,131,310)
153,144	Investment movements included above not in Comprehensive Revenue and Expense	(511,666)	1,813,644	2,325,310
0	Other Gains included in Comprehensive Income not above	0	0	0
	Gross Proceeds included above not in Comprehensive Income			0
0	Financial Asset fair value adjustments included in comprehensive income but not above	0	0	0
0	Property revaluation adjustments included in comprehensive income but not above	0	0	0
876,996	Transfers to/(from) special reserves included above not in comprehensive Income	243,431	1,291,896	1,048,466
0	Infrastructure asset revaluation adjustments included in comprehensive income but not above	0	0	0
(1,323,275)	Depreciation Expense included in Comprehensive Income not above	(1,433,641)	(1,400,362)	33,279
1,489,213	Total Comprehensive Income per the Statement of Comprehensive Revenue and Expense	312,502	2,588,247	2,275,745

Annual Plan 2016-2017	Prospective Depreciation by Activity	Draft Annual Plan 2017-2018	LTP Year 3 2017-2018	Variance
\$		\$	\$	\$
0	Community Representation and Engagement	2,505	3,505	1,000
1,520	Hazard Management	1,520	1,520	0
328,759	Resource and Catchment Management	334,419	330,419	(4,000)
150,134	River Management	169,904	160,406	(9,498)
762,744	Support Services	838,630	818,849	(19,781)
80,118	Transport	86,663	85,663	(1,000)
1,323,275	Total Depreciation by Activity	1,433,641	1,400,362	(33,279)

Annual Plan 2016-17	Prospective schedule of capital expenditure for the period ending 30 June	Annual Plan 2017-18	LTP Year 3 2017-18
\$		\$	\$
	Resource Management		
138,506	Plant and Equipment	58,961	8,427
	Transport		
491,074	Plant and Equipment	125,866	105,866
	River Management		
196,623	Plant and Equipment	285,033	64,257
61,995	Infrastructural Assets	63,001	63,001
	Support		
321,731	Information Systems	347,815	252,815
209,181	Plant and Equipment	797,670	52,670
363,239	Vehicles	336,033	336,033
1,782,349	Total Capital Expenditure	2,014,379	883,068

Rates

This section describes the various rates for 2017/18.

For Kaipara and Far North district rates assessments, keep in mind that, for efficiency, the regional recreational facilities rate, council services rate and the emergency services rate will be shown as a single amount on the face of the joint regional and district rates assessments issued by the Kaipara District Council and Far North District Council. The amounts and descriptions of the separate rates are shown clearly on the reverse of all assessments.

Uniform annual general charge

The council does not set a uniform annual general charge.

Targeted region-wide rates

The council sets two rates, which are applied as targeted region-wide rates – the council services rate and the land management rate. Targeted region-wide rates are assessed on all rateable properties in the Northland region. Council does not accept lump sum contributions in respect of any targeted rate.

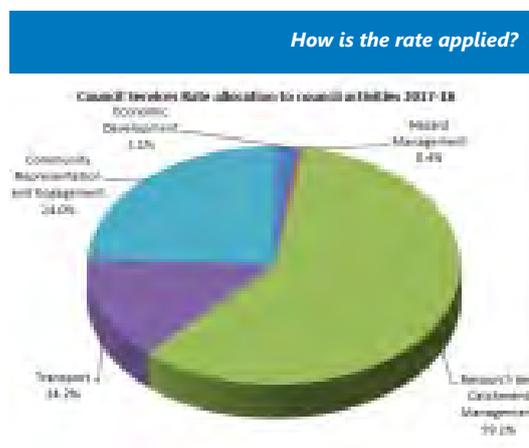
Council services rate

What it funds

The council uses the council services rate to fund activities that are carried out under the Resource Management Act 1991, the Local Government Act 2002, the Maritime Transport Act 1994, Maritime Bylaws and any other activities that are not covered by any other funding source. This rate will fund the costs remaining after appropriate user fees and charges and a share of investment income, where available, have been taken into account.

How it is set

The council services rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is calculated on the total projected capital value, as determined by the certificate of projected valuation of each constituent district in the Northland region. An additional \$1.73 (including GST) per separately used or inhabited part (SUIP) of a rating unit is to be assessed across the Whangārei constituency to provide \$73,314 (including GST) to fund the ongoing maintenance of the Hātea River channel. The rate is differentiated by location in the Northland region, and assessed as a fixed amount per each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and on each rating unit (RU) in the Kaipara district.



This funding impact statement recognises that a differentiated, fixed amount on each rating unit (property) or SUIP of a rating unit links better to resource management planning, strategic planning, education, public advice, the public good elements of issuing resource consents, regional advocacy and transport planning where the link to land value is very weak.

How much is the rate?

The estimated total council services rate amounts to \$10,051,119 (including GST) for the 2017/18 financial year.

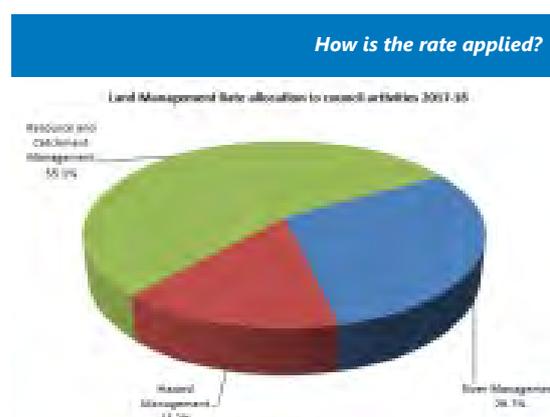
The council services rate payable in respect of each rating unit in the Kaipara district, and each separately used or inhabited parts (SUIP) of a rating unit in the Far North and Whangārei districts of the Northland region, will be set as shown in the following table.

District	Excl. GST	Incl. GST	
Far North district	\$81.20	\$93.38	per SUIP
Kaipara district	\$101.69	\$116.94	per rating unit
Whangārei district	\$102.62	\$118.01	per SUIP

Land management rate

What it funds

This land value based rate is used to fund activities that are carried out under the Biosecurity Act 1993, the Soil Conservation and Rivers Control Act 1941 and the Civil Defence Emergency Management Act 2002 and the Resource Management Act 1991. For new activities funded by this rate that relate to the implementation of the Northland Regional Pest Management Plan under the Biosecurity Act 1993, consideration was given to the requirements of Section 100T of the Biosecurity Act, as itemised on page 12 of the Annual Plan 2017/18 Supporting Information document.



The land management rate will specifically fund land and general river management planning, minor river works and pest plant and pest animal control functions that have a direct relationship to land.

The land management rate is assessed across all sectors of the Northland community and recognises that all communities benefit from the protection of forests, the prevention of soil erosion, and the minimisation of damage by floodwaters and resulting improvements in water quality.

How it is set

The land management rate is a targeted rate authorised by the Local Government (Rating) Act 2002. The rate is assessed on the land value of each rateable rating unit in the region. The rate is set per dollar of the land value. The rate per dollar of land value is different for each constituent district, as the rate is allocated on the basis of projected land value, as provided for in section 131 of the Local Government (Rating) Act. Remissions have been applied on a district basis. The council does not apply a differential on this rate.

How much is the rate?

The estimated total land management rate is **\$8,092,609** (including GST) for the 2017/18 financial year.

The following table shows the actual and equalised land value for each district and the rate in the dollar for each district based on the equalised land values.

District	Actual land value \$(000)'s	Equalised land value \$(000)'s	Rate per \$100,000 of actual land value excl. GST	Rate per \$100,000 of actual land value incl. GST
Far North district	6,908,740	6,913,560	\$32.72	\$37.63
Kaipara district	3,690,819	4,373,441	\$38.92	\$44.75
Whangārei district	9,399,884	10,470,024	\$36.39	\$41.85

If all districts had the same valuation date, each district would have the same rate per dollar for each \$100,000 of actual land value.

Specific targeted rates

The following specific targeted rates are for 2017/18. Council does not accept lump sum contributions in respect of any targeted rates.

Regional recreational facilities rate

What it funds

This rate funds the development of the regional events centre.

How it is set

The regional recreational facilities rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is a fixed amount differentiated by location in the Northland region. The rate will be assessed on each rating unit (RU) in the Kaipara district and each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts. The rate is set at \$22.85 (including GST) per separately used or inhabited part (SUIP) of a rating unit in the Whangārei district; \$4.57 (including GST) per separately used or inhabited part (SUIP) of a rating unit in the Far North district; and \$4.57 (including GST) per rating unit in the Kaipara district.

How much is the rate?

The estimated total Northland regional recreational facilities rate amounts to **\$1,200,857** (including GST) for the 2017/18 financial year. The rate is to be set as follows.

District	Excl. GST	Incl. GST	
Far North district	\$3.97	\$4.57	per SUIP
Kaipara district	\$3.97	\$4.57	per rating unit
Whangārei district	\$19.87	\$22.85	per SUIP

How is the rate applied?

This rate is applied 100% to the development of the regional events centre which forms part of the economic development activity.

Regional infrastructure rate

What it funds

The council will fund activities relating to the development and/or completion of regional infrastructure projects, beginning with the Marsden Point rail link project.

How it is set

The regional infrastructure rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is assessed on the land value of each rateable rating unit in the region. The rate is set per dollar of land value. The rate per dollar of land value is different for each constituent district as the rate is allocated on the basis of projected land value, as provided for in section 131 of the Local Government (Rating) Act. The council does not apply a differential on this rate.

How much is the rate?

The estimated total regional infrastructure rate is **\$703,053** (including GST) for the 2017/18 financial year.

The table below shows the actual and equalised land value for each district and the rate in the dollar for each district based on the equalised land values.

District	Actual land value \$(000)'s	Equalised land value \$(000)'s	Rate per \$100,000 of actual land value excl. GST	Rate per \$100,000 of actual land value incl. GST
Far North district	6,908,740	6,913,560	\$2.84	\$3.27
Kaipara district	3,690,819	4,373,441	\$3.39	\$3.90
Whangārei district	9,399,884	10,470,024	\$3.16	\$3.64

If all districts had the same valuation date, each district would have the same rate per dollar for each \$100,000 of actual land value.

How is the rate applied?

This rate is applied 100% to the infrastructure development activity. The proceeds from this rate will be applied to funding the Marsden Point rail link designation.

Emergency services rate

What it funds

The council will collect the emergency services rate to provide a contestable funding pool for eligible organisations whose primary purpose is to save lives that are in immediate or critical danger, or the responding to serious injury. The funds must be applied to the provision of services in Northland. The fund recipients will be granted funding for a three-year period.

How it is set

The emergency services rate is a targeted rate as authorised by the Local Government (Rating) Act 2002. This rate is assessed as a fixed amount on each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and each rating unit in the Kaipara district.

How much is the rate?

The estimated total emergency services rate is **\$1,090,928** (including GST) for the 2017/18 financial year.

The rate for each rating unit in the Kaipara district and each separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts is set as \$11.76 (including GST) or \$10.23 (excluding GST).

How is the rate applied?

The emergency services rate will be applied to the approved recipients who met the specified criteria following a contestable funding process. The collection and payment of this rate forms part of the community representation and engagement activity.

Whangārei Heads pest management rate

What it funds

The council will collect the Whangārei Heads pest management rate to undertake pest management in and around Whangārei Heads. The funding will be applied to target pests which threaten kiwi and to eradicate selected weeds on private land.

How it is set

The Whangārei Heads pest management rate (Whangārei district) is a targeted rate as authorised by the Local Government (Rating) Act 2002 and is related to the council's functions under the Biosecurity Act 1993. The Section 100T analysis required under the Biosecurity Act 1993 is found in the Council Meeting agenda dated 15 March 2016. The rate is a fixed amount assessed on each separately used or inhabited part (SUIP) of a rating unit located in and around the Whangārei Heads area. These rating units are identified on the map below.

How much is the rate?

The estimated total Whangārei Heads pest management rate (Whangārei district) is **\$106,550** (GST inclusive) for the 2017/18 financial year.

The rate will be set at \$50.00 (GST inclusive) or \$43.48 (GST exclusive) for each separately used or inhabited part (SUIP) of a rating unit located in and around the Whangārei Heads area, as illustrated in the map below.

How is the rate applied?

The Whangārei Heads pest management rate will be applied to target pests which threaten kiwi and to eradicate selected weeds on private land in the area identified on the map below.

Rating units for the Whangārei Heads pest management rate (Whangārei district).



Whangārei transport rate

What it funds

This rate forms the local contribution required to fund the Whangārei bus passenger transport and Whangārei Total Mobility service.

How it is set

The Whangārei transport rate is a targeted rate as authorised by Local Government (Rating) Act 2002. The rate is a fixed amount assessed on each separately used or inhabited part (SUIP) of a rating unit in the Whangārei district.

How much is the rate?

The estimated total Whangārei transport rate is **\$590,563** (including GST) for the 2017/18 financial year.

The rate will be set at \$13.90 (including GST) or \$12.08 (excluding GST) for each separately used or inhabited part (SUIP) of a rating unit in the Whangārei district.

How is the rate applied?

The Whangārei transport rate will be applied to the passenger transport administration activity to subsidise bus passenger transport and the Total Mobility service provided in the Whangārei district.

Kaitāia transport rate (Far North district)

What it funds

This rate funds the Kaitāia bus passenger transport service.

How it is set

The Kaitāia transport rate (Far North district) is a targeted rate as authorised by the Local Government (Rating) Act 2002. The rate is a fixed amount assessed on each separately used or inhabited part (SUIP) of a rating unit located near the Kaitāia bus route. These rating units are identified on the map below.

How much is the rate?

The estimated total Kaitāia transport rate (Far North district) is **\$93,982** (GST inclusive) for the 2017/18 financial year.

The rate will be set at \$15.69 (GST inclusive) or \$13.64 (GST exclusive) for each separately used or inhabited part (SUIP) of a rating unit located near the Kaitāia bus route, as illustrated in the map below.

How is the rate applied?

The Kaitāia transport rate (Far North district) will be applied to the transport activity to subsidise bus passenger transport in the Kaitāia/Mangōnui/Ahipara area.

		Total Revenue excl. GST	Total Revenue Incl. GST
1	SUIPs on or near mid-north bus route (as defined on the map below) - commercial differential.	\$58,436	\$67,202
2	SUIPs on or near mid-north bus route (as defined on the map below) - non-commercial differential.	\$190,700	\$219,304
		\$249,136	\$286,506

How is the rate applied?

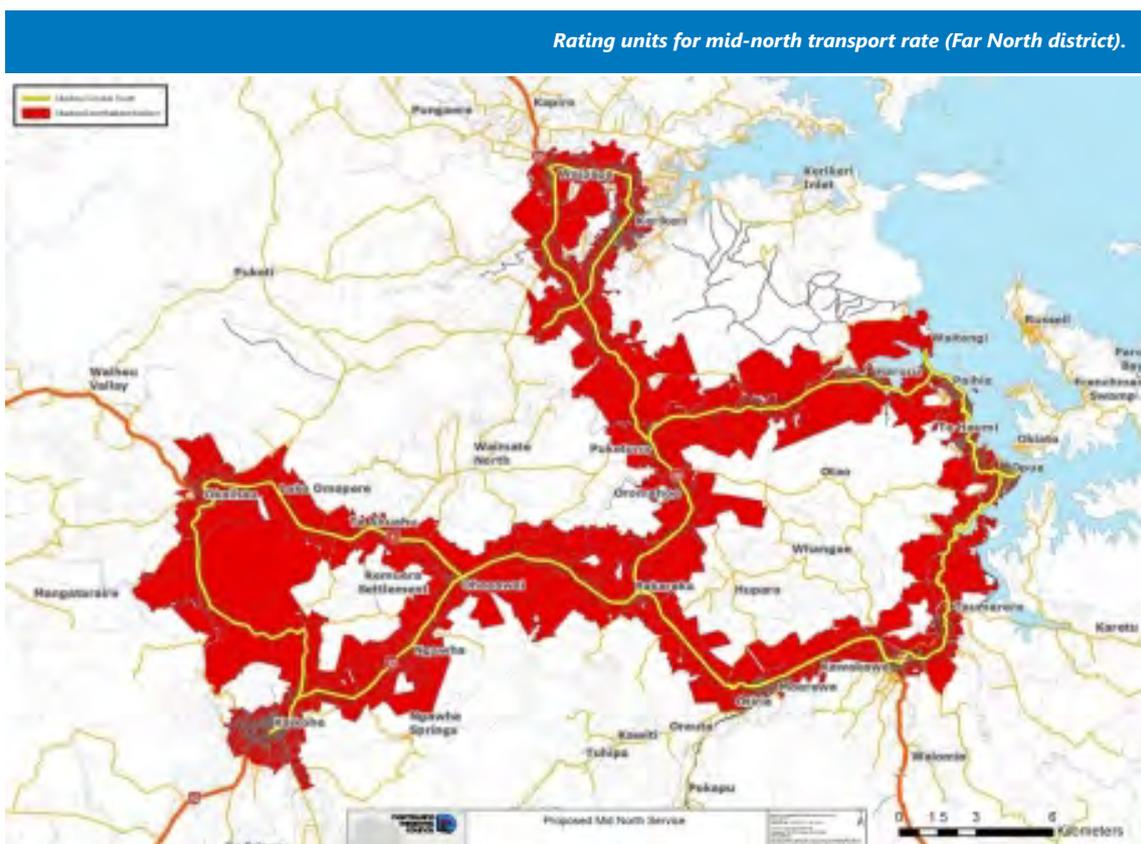
The mid-north transport rate (Far North district) will be applied to the transport activity to subsidise bus passenger transport in the mid-north area.

Mid-north transport rate differential

The mid-north transport rate will be set on a differential basis as described in the table below.

The differentials are generally based on the land use as defined by council's Valuation Service Provider and included in the Valuation Information Database. The differentials are set out in the following table.

Differential	Basis	Description	Land use codes
Non Commercial	100%	SUIPs have a non-commercial use based on their actual use as defined by their land use code. (Note: in certain circumstances land with a commercial land use may be treated as non commercial if the ratepayer demonstrates to council's satisfaction that the actual use is not commercial.)	0, 1, 2, 9, 10 to 17, 19 to 29, 90, 91, 92 & 97-99 (93 - 96 may also be treated as non commercial if the actual use of the land is not commercial)
Commercial	200%	SUIPs which have some form of commercial or industrial use or are used primarily for commercial purposes as defined by their land use codes. (Note: in certain circumstances land with a non commercial land code use may be treated as commercial if the actual use of the entire rating unit is commercial in nature.)	3, 4, 5, 6, 7, 8, 18, 30 to 89, 93, 94, 95, & 96
Mixed Use		Mixed use may apply where different uses take place on the rating unit and where each use would be subject to a different differential. In these circumstances council may decide to apply different categories to the SUIPs of a rating unit.	
Council retains the right to apply a different differential where it can be demonstrated, to its satisfaction, that the actual use of the entire rating unit differs from that described by the current land use code.			



Awanui River management rate

What it funds

To fund capital and operational works on the Awanui River flood management scheme.

How it is set

The Awanui River management rate is a targeted rate set under the Local Government (Rating) Act 2002, set differentially by location and area of benefit as illustrated by the following table and maps.

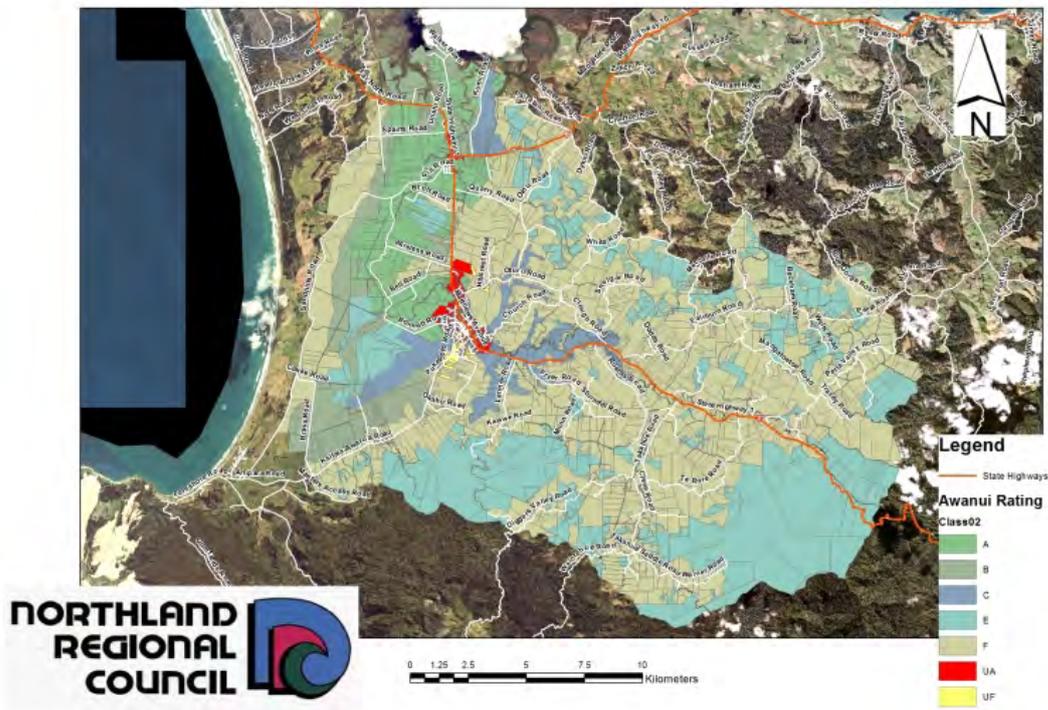
The rate is set differentially as follows:

		Excl. GST	Incl. GST
1	Urban rate class UA (floodplain location) \$188.29 (including GST) direct benefit plus \$18.71 (including GST) indirect benefit per separately used or inhabited part of a rating unit.	\$180.00	\$207.00
2	Urban rate classes UF (higher ground) \$18.71 (including GST) direct benefit plus \$18.71 (including GST) indirect benefit per separately used or inhabited part of a rating unit.	\$32.54	\$37.42
3	Commercial differential factor applicable to urban rate classes UA and UF, and rural hectare rate classes A/B, C, E and F.		3.0 times the appropriate rate
4	Rural rate differentiated by class, \$8.42 (including GST) per separately used or inhabited part of a rating unit of indirect benefit plus a rate per hectare for each of the following classes of land in the defined Kaitiaki flood rating district as stated in the Awanui River asset management plan.	\$7.32	\$8.42

The rating classifications and the rate charged are illustrated in the following maps and table.

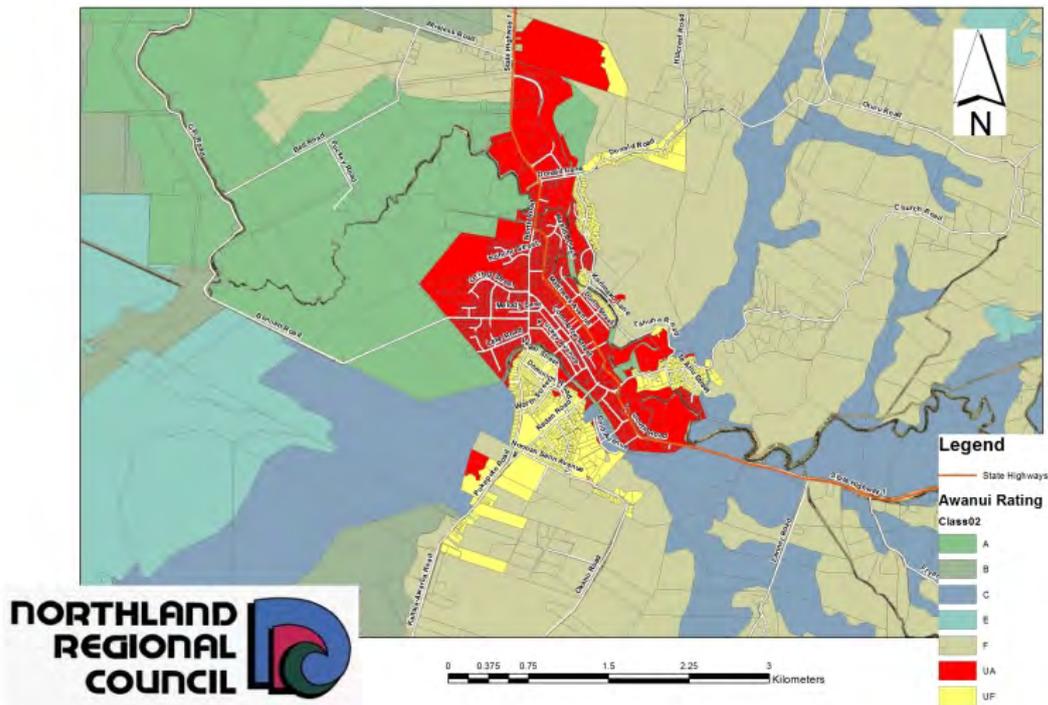
Awanui River management rate classes.

Awanui River Scheme Targeted Rate



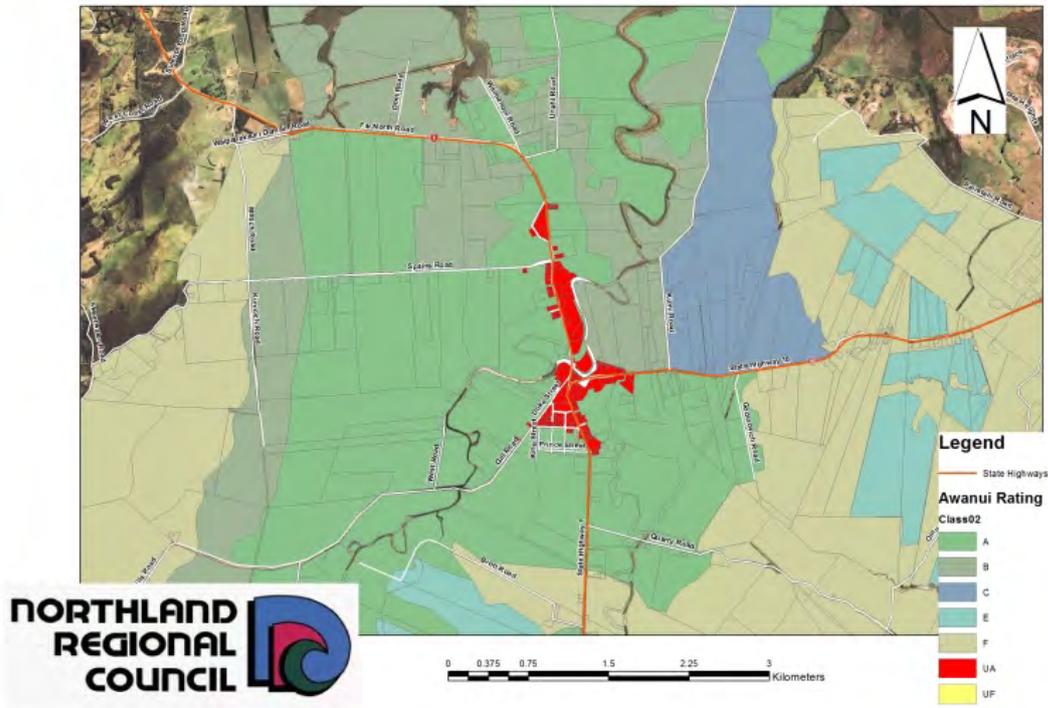
Awanui River management rate classes.

Awanui River Scheme Targeted Rate - Kaitaia Detail



Awanui River management rate classes.

Awanui River Scheme Targeted Rate - Awanui Detail



Class	Description	Rate/ha excl. GST	Rate/ha incl. GST
A/B	High benefit; Rural land which receives high benefit from the Awanui Scheme works due to reduced river flooding risk and/or reduced duration of flooding and/or reduced coastal flooding.	\$13.79	\$15.86
C	Moderate benefit; land floods less frequently and water clears quickly.	\$7.44	\$8.56
E	Land in flood-ways and ponding areas that receive no benefit and land retained in native bush that provides watershed protection.	-	-
F	Contributes run-off waters, and increases the need for flood protection.	\$0.80	\$0.92

For more detailed information on rating class boundaries, please refer to the [Awanui Scheme Asset Management Plan](#), which is available on our website.

How much is the rate?

The estimated total Awanui River management rate is **\$682,985** (including GST) for the 2017/18 financial year. The revenue sought from each category of rateable land will be as follows:

Class		Total revenue excl GST	Total revenue incl GST
A/B	Rural	\$90,052	\$103,560
C	Rural	\$11,627	\$13,371
F	Rural	\$15,188	\$17,466
Indirect benefit	Rural	\$12,447	\$14,314
Urban A		\$267,826	\$308,000
Urban F		\$21,936	\$25,226
Commercial differential	Majority urban	\$174,824	\$201,048
Total rate		\$593,900	\$682,985

How is the rate applied?

The rate is applied 100% to Awanui River flood management scheme works which form part of the river management activity.

Commercial properties for the Awanui River management rate are subject the 3:1 commercial differential on class UA (\$207 including GST for urban commercial; \$15.86 per ha for rural commercial A/B. The rural commercial rate also includes a single rate of \$8.42 to reflect the indirect benefit. Note that commercial and industrial activities in rural zones that have a lower area and land value will be rated less than the illustrated differentials above – refer to rating factors previously set out (and multiply by the differential factor of 3). Those properties with more hectares than illustrated above will consequently pay proportionately more than shown in the second and third sections of the table.

Kaihū River management rate

What it funds

This rate funds channel maintenance works on the Kaihū River flood management scheme.

How it is set

The Kaihū River management rate is a targeted rate set under the Local Government (Rating) Act 2002, set differentially by location and area of benefit as illustrated by the following table and map.

The council will set the rate differentially as follows:

- Class A – land on the floodplain and side valleys downstream of the Rotu Bottleneck; rate is applied per hectare of land.
- Class B – land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck and in the Mangatara Drain catchment upstream of SH12; rate is applied per hectare of land.
- Class F (Catchment rate) – balance of land within the Kaihū River rating area not falling within class A and class B; rate is applied per hectare of land.
- Urban contribution – a contribution from Kaipara District Council instead of a separate rate per property.

The rating classifications and the rate charged are illustrated as follows:

Class	Description	Rate/Ha excl. GST	Rate/Ha incl. GST
A	Land on the floodplain and side valleys downstream of the Rotu Bottleneck.	\$19.63	\$22.57
B	Land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck.	\$9.82	\$11.29
F	Balance of rateable land within the Kaihū River rating area.	\$1.47	\$1.69
Urban contribution	A contribution from Kaipara District Council instead of a separate rate per property.	\$4,361	\$5,015

Kaihū River targeted rate area



How much is the rate?

The estimated total Kaihū River management rate is **\$79,869** (including GST) in the 2017/2018 financial year. The revenue sought from each category of rateable land will be as follows:

Class	Total revenue excl. GST	Total revenue incl. GST
A	\$24,791	\$28,510
B	\$12,591	\$14,480
F	\$27,708	\$31,864
Urban contribution	\$4,361	\$5,015
	\$69,451	\$79,869

How is the rate applied?

The rate is applied 100% to Kaihū River management scheme works, which form part of the river management activity.

Kaeo-Whangaroa rivers management rate

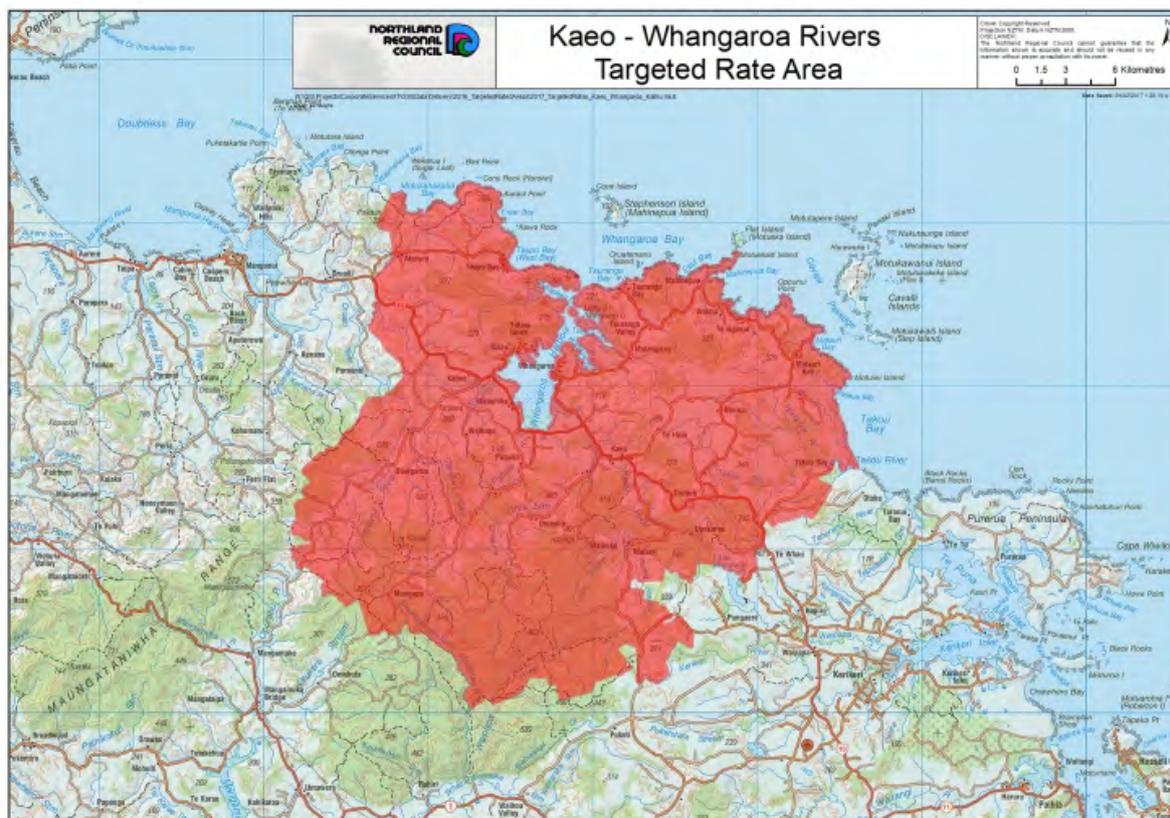
What it funds

This rate funds operational and capital flood scheme works in Kaeo and Tauranga Bay, and minor river maintenance works to clear flood debris and gravel from streams from Taupō Bay to Te Ngaire.

How it is set

The Kaeo-Whangaroa rivers management rate is a targeted rate set by the Local Government (Rating) Act 2002, set on a uniform basis in respect of each separately used or inhabited part (SUIP) of a rating unit falling within the former Whangaroa ward rating rolls of 100-199, as illustrated in the map below.

Kaeo-Whangaroa River targeted rate area



How much is the rate?

The estimated total Kaeo-Whangaroa rivers management rate is \$119,871 (including GST) in the 2017/18 financial year. The rate is set at \$53.66 (including GST) or \$46.66 (excluding GST) and will be assessed on each separately used or inhabited part (SUIP) of a rating unit falling between rating rolls 100-199 of the former Whangaroa ward.

How is the rate applied?

The rate is applied 100% to Kaeo-Whangaroa rivers management works which forms part of the river management activity.

Whangārei urban rivers management rate

What it funds

This rate funds the operational costs and capital costs of the flood risk reduction project for Whangārei.

How it is set

The Whangārei urban rivers management rate is a targeted rate set under the Local Government (Rating) Act 2002, and assessed on all properties defined by reference to the differential categories, and differentiated by location (see maps below). It is set as a fixed amount per each separately used or inhabited part (SUIP) of a rating unit, as follows:

		Per SUIP Excl. GST	Per SUIP Incl. GST
1.	Commercial properties in the Whangārei CBD flood area.	\$282.11	\$324.43
2.	Residential properties in the Whangārei CBD flood area.	\$108.84	\$125.17
3.	Properties in the contributing water catchment area (including properties falling in the Waiarohia, Raumaunga, Kirikiri and Hātea River catchments).	\$36.42	\$41.88

Residential properties in the Whangārei central business district (CBD) flood area are defined as all rating units which are used principally for residential or lifestyle residential purposes, including retirement villages, flats etc. Residential properties also includes rural properties that are not otherwise categorised, multi-unit properties, these being all separate rating units used principally for residential purposes, and on which is situated multi-unit type residential accommodation that is used principally for temporary or permanent residential accommodation and for financial reward, including, but not limited to, hotels, boarding houses, motels, tourist accommodation, residential clubs, hostels but excluding any properties that are licensed under the Sale and Supply of Alcohol Act 2012.

Commercial properties in the Whangārei CBD flood area are all separate rating units used principally for commercial, industrial or related purposes which are not categorised as rural in accordance with the district plan; or zoned for commercial, industrial or related purposes, but not otherwise categorised. For the avoidance of doubt, this category includes properties licensed under the Sale and Supply of Alcohol 2012; and private hospitals and private medical centres.

How much is the rate?

The estimated total Whangārei urban rivers management rate is **\$1,080,326** (including GST) in the 2017/18 financial year. The revenue sought from each category is as follows:

		Excl. GST	Incl. GST
1.	All commercial properties in the Whangārei CBD flood area.	\$290,009	\$333,510
2.	All residential properties in the Whangārei CBD flood area.	\$21,334	\$24,534
3.	All properties in the contributing water catchment area (including properties falling in the Waiarohia, Raumanga, Kirikiri and Hātea River catchments).	\$628,071	\$722,282
		\$939,414	\$1,080,326

How is the rate applied?

The rate is applied 100% to Whangārei urban rivers management plan works, which form part of the river management activity.



Contributing water catchments in Whangārei urban rivers management scheme.



Other rating information

Northland's three district councils are appointed as a collector for the Northland Regional Council in terms of section 53 of the Local Government (Rating) Act 2002. This means that the district councils issue rates assessments and invoices for the Northland Regional Councils rates. They also collect the rates.

Northland Regional Council approves the addition of penalties on unpaid rates, remissions of rates and rate penalties, and rate postponements for rate payers in accordance with the relevant resolutions and policies it makes. The district councils process these transactions following receipt of Northland Regional Councils approval.

Northland Regional Council will apply the definitions of the Far North, Kaipara and Whangārei district councils to determine a separately used or inhabited part of a rating unit as follows:

Far North District Council SUIP definition

Where rates are calculated on each separately used or inhabited part of a rating unit, the following definitions will apply:

- Any part of a rating unit that is used or occupied by any person, other than the ratepayer, having a right to use or inhabit that part by virtue of a tenancy, lease, licence, or other agreement.
- Any part or parts of a rating unit that are used or occupied by the ratepayer for more than one single use.

The following are considered to be separately used parts of a rating unit:

- Individual flats or apartments;
- Separately leased commercial areas which are leased on a rating unit basis;
- Vacant rating units;
- Single rating units which contain multiple uses such as a shop with a dwelling; and
- A residential building or part of a residential building that is used, or can be used as an independent residence. An independent residence is defined as having a separate entrance, separate cooking facilities, for example, cooking stove, range, kitchen sink etc. together with living and toilet/bathroom facilities.

The following are not considered to be separately used or inhabited parts of a rating unit:

- A residential sleep-out or granny flat that does not meet the definition of an independent residence;
- A hotel room with or without kitchen facilities;
- A motel room with or without kitchen facilities; and
- Individual offices or premises of business partners.

Far North District Council postponement charges

Pursuant to the Local Government (Rating) 2002 Act, council will charge a postponement fee on all rates that are postponed under any of its postponement policies. The postponement fees are as follows:

- Application fee: \$50.
- Administration fee: \$50pa.
- Reserve fund fee on the Residential Postponement Policy: 0.25% on the outstanding balance.
- Financing fee on all postponements: currently set at 5.25% pa but may vary to match council's average cost of funds.

At council's discretion all these fees may be added to the total postponement balance.

Whangarei District Council SUIP definition

A separately used or inhabited part is defined as a clearly identified part of a property (rating unit) that is capable of separate use or capable of being separately inhabited or occupied. For a commercial rating unit this includes a building or part of a building that is, or is capable of being, separately tenanted, leased or sub leased. For a residential rating unit, this includes a building or part of a building which is used, or is capable of being used, as an independent residence. An independent residence means a self contained dwelling containing separate cooking and living facilities; separate entrance; and separate toilet and bathroom facilities.

Examples include –

- Each separate shop or business activity on a rating unit is a separate part.
- Each dwelling, flat, or additional rentable unit (attached or not attached) on a residential property which is let (or capable of being let) is a separate inhabitable part.

- Individually tenanted flats, including retirement units, apartments and town houses (attached or not attached) or multiple dwellings on Māori freehold land are separately inhabited parts.
- Each block of land for which a separate title has been issued, even if that land is vacant.

Equalisation of rates

Each district in Northland is independently revalued by Quotable Value over a three-yearly cycle (one district per year). To ensure that property valuations in the remaining two districts are current, a registered valuer also provides us with “an estimate of projected value” of property values in those districts (as provided for in Section 131 of the Local Government (Rating) Act 2002). The council services rate is set by reference to the projected capital value of each district. The land management rate and regional infrastructure rate are set according to projected land values in each district – for these two rates, remember that if all the districts had the same valuation date, then each district would have the same rate per dollar of actual land value.

Inspection and objection to council’s rating information database

The rating information database for each district is available at the relevant district council and the Northland Regional Council. The rating information database for each district can also be found on each district council website. The website addresses are:

www.fndc.govt.nz

www.wdc.govt.nz

www.kaipara.govt.nz

Ratepayers have the right to inspect rating information database records and can object on the grounds set out in the Local Government (Rating) Act 2002.

Rating examples

How much will my rates be?

Presented on the next pages are some example rates for properties in each of Northland's three districts. The tables show the total rates that would apply to different groups of ratepayers under this annual plan.

Note that the rates detailed in this plan are worked out using estimated land or capital values (where applicable) – actual rates will be set using district valuation rolls as at 30 June 2017, so they may differ slightly.

Ratepayers in the Whangārei district

Whangārei district ratepayers will be assessed:

1. A targeted council services rate, differentiated by location and calculation on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017, with an additional charge of \$1.73 (including GST) per separately used or inhabited part of a rating unit to fund the maintenance of the Hātea Channel;
2. A targeted land management rate assessed on the land value of each ratable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed transport rate assessed on each separately used or inhabited part of a rating unit;
6. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
7. A targeted, Whangārei urban rivers management rate differentiated by location and category and set as a fixed amount per each separately used or inhabited part of a rating unit.

Whangārei Urban/Rural/Other		2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = 0.0004185	Land Value	Incl. GST	Inc. GST
Infrastructure Rate = LV rate in the \$ = 0.00003638			
Residential Property (non CBD)			
Council Services Rate		\$118.01	\$108.62
Land Management Rate	\$120,000	\$50.22	\$45.13
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure Rate		\$4.37	\$4.19
Transport Rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates (GST Inclusive)		\$221.11	\$211.67
Residential Property (non CBD)			
Council Services Rate		\$118.01	\$108.62
Land Management rate	\$225,000	\$94.16	\$84.63
Regional Recreational Facilities Rate		\$22.85	\$28.75

Regional Infrastructure rate		\$8.19	\$7.86
Transport rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates (GST Inclusive)		\$268.87	\$254.84
Residential property (in CBD area)			
Council Services Rate		\$118.01	\$108.62
Land Management rate	\$225,000	\$94.16	\$84.63
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure rate		\$8.19	\$7.86
Transport rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Whangarei Urban Rivers Management Rate		\$125.17	\$125.17
Total Regional Rates (GST Inclusive)		\$394.04	\$380.01
Residential property (in storm water catchment area)			
Council Services Rate		\$118.01	\$108.62
Land Management rate	\$225,000	\$94.16	\$84.63
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure rate		\$8.19	\$7.86
Transport Rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Whangarei Urban Rivers Management Rate		\$41.88	\$41.88
Total Regional Rates (GST Inclusive)		\$310.75	\$296.72
Farm property			
Council Services Rate		\$118.01	\$108.62
Land Management rate	\$2,750,000	\$1,150.88	\$1,034.28
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure rate		\$100.10	\$96.10
Transport rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates (GST Inclusive)		\$1,417.50	\$1,292.73
Commercial property (non CBD)			
Council Services Rate		\$118.01	\$108.62
Land Management rate	\$2,000,000	\$837.00	\$752.20

Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure rate		\$72.80	\$69.89
Transport rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates (GST Inclusive)		\$1,076.32	\$984.44
Commercial property (in CBD area)			
Council Services Rate		\$118.01	\$108.62
Land Management rate	\$2,000,000	\$837.00	\$752.20
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure rate		\$72.80	\$69.89
Transport rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Whangarei Urban Rivers Management Rate		\$324.43	\$324.43
Total Regional Rates (GST Inclusive)		\$1,400.75	\$1,308.87

Whangārei district ratepayers in the Whangārei Heads Pest Management rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017, with an additional charge of \$1.73 (including GST) per separately used or inhabited part of a rating unit to fund the maintenance of the Hātea Channel;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed transport rate assessed on each separately used or inhabited part of a rating unit;
6. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
7. A targeted, fixed Whangārei Heads pest management rate assessed on each separately used or inhabited part of a rating unit located in and around the Whangārei Heads area.

Whāngārei Urban/Rural/Other		2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = 0.0004185	Land Value	Incl. GST	Inc. GST
Infrastructure Rate = LV rate in the \$ = 0.00003638			
Residential Property (In the Whangarei Heads Pest Management Area)			
Council Services Rate		\$118.01	\$108.62
Land Management Rate	\$225,000	\$94.16	\$84.63
Regional Recreational Facilities Rate		\$22.85	\$28.75
Regional Infrastructure Rate		\$8.19	\$7.86
Transport Rate		\$13.90	\$13.22
Emergency Services Rate		\$11.76	\$11.76
Whangarei Heads Pest Management Rate		\$50.00	\$50.00
Total Regional Rates (GST Inclusive)		\$318.87	\$304.84

Ratepayers in the Kaipara district

Kaipara district ratepayers will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of the rating unit;
4. A targeted, regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each rating unit; and
6. A targeted Kaihū River management rate, based on land area, and differentiated by location and area of benefit as defined in the Kaihū River management scheme.

Kaipara urban/rural		2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = 0.0004475	Land value	Incl. GST	Inc. GST
Infrastructure Rate = LV rate in the \$ = 0.00003898			
Residential property			
Council Services Rate		\$116.94	\$126.06
Land Management Rate	\$120,000	\$53.70	\$47.86
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$4.68	\$4.45
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates (GST Inclusive)		\$191.65	\$195.88
Residential property			
Council Services Rate		\$116.94	\$126.06
Land Management Rate	\$225,000	\$100.69	\$89.73
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$8.77	\$8.35
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates (GST Inclusive)		\$242.73	\$241.65
Farm property			
Council Services Rate		\$116.94	\$126.06
Land Management Rate	\$2,750,000	\$1,230.63	\$1,096.70
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$107.19	\$102.05
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates (GST Inclusive)		\$1,471.09	\$1,342.32

Additional for properties in the Kaihū River catchment	Land value	2017-18 Rates	2016-17 Rates
		Incl. GST	Inc. GST
10 hectares	Class A	\$225.70	\$256.20
	Class B	\$112.90	\$128.10
	Catchment rate	\$16.90	\$19.20
100 hectares	Class A	\$2,257.00	\$2,562.00
	Class B	\$1,129.00	\$1,281.00
	Catchment rate	\$169.00	\$192.00

Ratepayers in the Far North District

Far North district ratepayers will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of the rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of the rating unit;
4. A targeted, regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of the rating unit.

Far North		2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = \$0.0003763	Land value	Incl. GST	Inc. GST
Infrastructure Rate = LV rate in the \$ = \$0.00003272			
Residential/Commercial/Other			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	120,000	\$45.15	\$46.50
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$3.93	\$4.32
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates (GST Inclusive)		\$158.79	\$157.80
Residential/Commercial/Other			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	\$225,000	\$84.66	\$87.19
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$7.36	\$8.10
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates (GST Inclusive)		\$201.73	\$202.27
Farm Property			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	2,750,000	\$1,034.83	\$1,065.63
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$89.98	\$99.00
Emergency Services Rate		\$11.76	\$11.76
Total Regional Rates (GST Inclusive)		\$1,234.52	\$1,271.61

Far North district ratepayers in the Awanui River management rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of a rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
6. A targeted Awanui River management rate, classes UA/UF, A, B, C, E and F differentiated by location and area of benefit as defined in the Awanui river flood management scheme.

Far North - Awanui Catchment		2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = \$0.0003763		Incl. GST	Inc. GST
Infrastructure Rate = LV rate in the \$ = \$0.00003272			
Residential & Commercial Urban	Land Value \$		
Council Services Rate		\$93.38	\$89.47
Land Management Rate	\$120,000	\$45.15	\$46.50
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$3.93	\$4.32
Emergency Services Rate		\$11.76	\$11.76
<i>Plus Awanui river management rates applicable to:</i>			
	Urban UA Low Land \$	\$207.00	\$197.72
	Urban UF Hills \$	\$37.42	\$35.75
	Commercial Urban UA \$ ¹	\$621.00	\$593.16
Lifestyle - 10 hectares	Land Value \$		
Council Services Rate		\$93.38	\$89.47
Land Management Rate	\$450,000	\$169.34	\$174.38
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$14.72	\$16.20
	Emergency Services Rate	\$11.76	\$11.76
<i>Plus Awanui river management rates applicable to:</i>			
	Rural Commercial A/B	\$484.22	\$694.54
	Rural Class A/B	\$167.02	\$238.74
	Rural Class C	\$94.02	\$130.84
	Rural Class E	\$8.42	\$10.84
	Rural Class F	\$17.62	\$20.04

Farm Property - 100 hectares			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	2,750,000	\$1,034.83	\$1,065.63
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$89.98	\$99.00
Emergency Services Rate		\$11.76	\$11.76
<i>Plus Awanui river management rates applicable to:</i>			
	Non Farm Com. A/B	¹ Refer Below	¹ Refer Below
	Farm Class A/B	\$1,594.42	\$2,289.84
	Farm Class C	\$864.42	\$1,210.84
	Farm Class E	\$8.42	\$10.84
	Farm Class F	\$100.42	\$102.84
	Rural class F	\$96.29	\$105.37

1- Commercial properties for the Awanui River management rate are subject the 3:1 commercial differential on class UA (\$207 including GST for urban commercial; \$15.86 per ha for rural commercial A/B. The rural commercial rate also includes a single rate of \$8.42 to reflect the indirect benefit. Note that commercial and industrial activities in rural zones that have a lower area and land value will be rated less than the illustrated differentials above - refer to rating factors previously set out (and multiply by the differential factor of 3). Those properties with greater land values and hectares than illustrated above will consequently pay proportionately more than shown in the second and third sections of the table.

Far North district ratepayers in the Kaeo-Whangaroa rivers management rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of a rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
6. A targeted Kaeo-Whangaroa Rivers management rate set on a uniform basis in respect of each separately used or inhabited part of a rating unit for properties falling within the former Whangaroa ward (rating rolls 100-199).

Far North Land Management Rate = LV rate in the \$ = \$0.0003763 Infrastructure Rate = LV rate in the \$ = \$0.00003272	Land value	2017-18 Rates Incl. GST	2016-17 Rates Inc. GST
Residential/Commercial/Other			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	120,000	\$45.15	\$46.50
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$3.93	\$4.32
Emergency Services Rate		\$11.76	\$11.76
Kaeo - Whangaroa Rivers Management Rate		\$53.66	\$72.19
Total Regional Rates (GST Inclusive)		\$212.45	\$229.99
Residential/Commercial/Other			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	\$225,000	\$84.66	\$87.19
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$7.36	\$8.10
Emergency Services Rate		\$11.76	\$11.76
Kaeo - Whangaroa Rivers Management Rate		\$53.66	\$72.19
Total Regional Rates (GST Inclusive)		\$255.39	\$274.46
Farm Property			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	2,750,000	\$1,034.83	\$1,065.63
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$89.98	\$99.00
Emergency Services Rate		\$11.76	\$11.76

Kaeo - Whangaroa Rivers Management Rate	\$53.66	\$72.19
Total Regional Rates (GST Inclusive)	\$1,288.18	\$1,343.80

Far North district ratepayers in the Kerikeri-Waipapa rivers management rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of a rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit; and
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit.

Far North		2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = \$0.0003763	Land value	Incl. GST	Inc. GST
Infrastructure Rate = LV rate in the \$ = \$0.00003272			
Residential/Commercial/Other Class A property			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	120,000	\$45.15	\$46.50
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$3.93	\$4.32
Emergency Services Rate		\$11.76	\$11.76
Kerikeri - Waipapa Rivers Management Rate		-	\$73.74
Total Regional Rates (GST Inclusive)		\$158.79	\$231.54
Residential/Commercial/Other Class A property			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	\$225,000	\$84.66	\$87.19
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$7.36	\$8.10
Emergency Services Rate		\$11.76	\$11.76
Kerikeri - Waipapa Rivers Management Rate		-	\$73.74
Total Regional Rates (GST Inclusive)		\$201.73	\$276.01
Farm Property Class A property			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	2,750,000	\$1,034.83	\$1,065.63
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$89.98	\$99.00
Emergency Services Rate		\$11.76	\$11.76
Kerikeri - Waipapa Rivers Management Rate		-	\$73.74

Total Regional Rates (GST Inclusive)		\$1,234.52	\$1,345.35
Residential/Commercial/Other Class B property			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	120,000	\$45.15	\$46.50
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$3.93	\$4.32
Emergency Services Rate		\$11.76	\$11.76
KeriKeri - Waipapa Rivers Management Rate		-	\$221.22
Total Regional Rates (GST Inclusive)		\$158.79	\$379.02
Residential/Commercial/Other Class B property			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	\$225,000	\$84.66	\$87.19
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$7.36	\$8.10
Emergency Services Rate		\$11.76	\$11.76
KeriKeri - Waipapa Rivers Management Rate		-	\$221.22
Total Regional Rates (GST Inclusive)		\$201.73	\$423.49
Farm Property Class B property			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	2,750,000	\$1,034.83	\$1,065.63
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$89.98	\$99.00
Emergency Services Rate		\$11.76	\$11.76
KeriKeri - Waipapa Rivers Management Rate		-	\$221.22
Total Regional Rates (GST Inclusive)		\$1,234.52	\$1,492.83

Far North district ratepayers in the Kaitiāia transport rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of a rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
6. A targeted, fixed Kaitiāia transport rate assessed on each separately used or inhabited part of a rating unit falling within the targeted area.

Far North Land Management Rate = LV rate in the \$ = \$0.0003763 Infrastructure Rate = LV rate in the \$ = \$0.00003272	Land value	2017-18 Rates Incl. GST	2016-17 Rates Inc. GST
Residential/Commercial/Other			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	120,000	\$45.15	\$46.50
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$3.93	\$4.32
Emergency Services Rate		\$11.76	\$11.76
Kaitiāia Transport Rate		\$15.69	\$15.69
Total Regional Rates (GST Inclusive)		\$174.48	\$173.49
Residential/Commercial/Other			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	\$225,000	\$84.66	\$87.19
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$7.36	\$8.10
Emergency Services Rate		\$11.76	\$11.76
Kaitiāia Transport Rate		\$15.69	\$15.69
Total Regional Rates (GST Inclusive)		\$217.42	\$217.96
Farm Property			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	2,750,000	\$1,034.83	\$1,065.63
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$89.98	\$99.00
Emergency Services Rate		\$11.76	\$11.76
Kaitiāia Transport Rate		\$15.69	\$15.69
Total Regional Rates (GST Inclusive)		\$1,250.21	\$1,287.30

Far North district ratepayers in the Mid North transport rate area will be assessed:

1. A targeted council services rate, differentiated by location and calculated on the total projected capital value determined by the certificate of projected valuation of the district at 30 June 2017 and assessed on each separately used or inhabited part of a rating unit;
2. A targeted land management rate assessed on the land value of each rateable rating unit;
3. A targeted, fixed regional recreational facilities rate, differentiated by location in the Northland region and assessed on each separately used or inhabited part of a rating unit;
4. A targeted regional infrastructure rate assessed on the land value of each rateable rating unit;
5. A targeted, fixed emergency service rate assessed on each separately used or inhabited part of a rating unit; and
6. A targeted, Mid North transport rate differentiated by location and category and set as a fixed amount per each separately used or inhabited part of a rating unit falling within the targeted area.

Far North		2017-18 Rates	2016-17 Rates
Land Management Rate = LV rate in the \$ = \$0.0003763	Land value	Incl. GST	Inc. GST
Infrastructure Rate = LV rate in the \$ = \$0.00003272			
Residential			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	120,000	\$45.15	\$46.50
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$3.93	\$4.32
Emergency Services Rate		\$11.76	\$11.76
Mid North Transport Rate		\$24.31	\$24.31
Total Regional Rates (GST Inclusive)		\$183.10	\$182.11
Residential			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	\$225,000	\$84.66	\$87.19
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$7.36	\$8.10
Emergency Services Rate		\$11.76	\$11.76
Mid North Transport Rate		\$24.31	\$24.31
Total Regional Rates (GST Inclusive)		\$226.04	\$226.58
Farm Property			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	2,750,000	\$1,034.83	\$1,065.63
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$89.98	\$99.00

Emergency Services Rate		\$11.76	\$11.76
Mid North Transport Rate		\$24.31	\$24.31
Total Regional Rates (GST Inclusive)		\$1,258.83	\$1,295.92
Commercial			
Council Services Rate		\$93.38	\$89.47
Land Management Rate	\$2,000,000	\$752.60	\$775.00
Regional Recreational Facilities Rate		\$4.57	\$5.75
Regional Infrastructure rate		\$65.44	\$72.01
Emergency Services Rate		\$11.76	\$11.76
Mid North Transport Rate		\$48.63	\$48.63
Total Regional Rates (GST Inclusive)		\$976.38	\$1,002.62

Summary of rates

The following table illustrates the distribution of the regional rate on the actual and forecast bases for the 2016/17 year and the 2017/18 financial year. The actual and projected apportionment of rates between Northland's districts is as follows, based on the Valuation Roll at 30 June in each year:

Rating base information: Estimate – 30 June 2017

	Projected number of rating units	Capital value \$000's	Land value \$000's	Equalised capital value \$000s	Equalised land value \$000s	Equalised capital value %	Equalised land value %
Far North District	38,720	\$14,927,566	\$6,908,740	\$14,951,879	\$6,913,560	33.46%	31.78%
Kaipara District	15,346	\$6,366,629	\$3,690,819	\$7,601,144	\$4,373,441	17.01%	20.10%
Whāngārei District	43,172	\$19,459,011	\$9,399,884	\$22,134,109	\$10,470,024	49.53%	48.12%
Total valuation - Northland	95,963	\$40,753,206	\$19,999,443	\$44,687,132	\$21,757,026	100.00%	100.00%

	Budgeted rates 2017-18 (Including GST)					Budgeted rates 2016-17 (Including GST)				
	Far North District	Kaipara District	Whāngārei District	Total \$ (gross)	Total \$ (net)	Far North District	Kaipara District	Whāngārei District	Total \$ (gross)	Total \$ (net)
Targeted Council service rate										
Rates per SUIP	\$93.38			\$3,453,987	\$3,338,476	\$89.47			\$3,299,851	\$3,189,174
Rates per RU		\$116.94		\$1,798,700	\$1,697,194		\$126.06		\$1,816,314	\$1,700,336
Rates per SUIP			\$118.01	\$5,144,313	\$5,015,449			\$108.62	\$4,705,630	\$4,587,340
				\$10,397,002	\$10,051,119				\$9,821,796	\$9,476,850
Targeted Land management rate										
Rate per \$ of actual LV	\$0.0003763			\$2,599,501	\$2,571,525	\$0.0003875			\$2,674,594	\$2,646,618
Rate per \$ of actual LV		\$0.0004475		\$1,651,753	\$1,626,718		\$0.0003988		\$1,468,582	\$1,445,130
Rate per \$ of actual LV			\$0.0004185	\$3,933,673	\$3,894,365			\$0.0003761	\$3,521,658	\$3,476,147
				\$8,184,927	\$8,092,609				\$7,664,833	\$7,567,896
Targeted Regional recreational facilities										
Rates per SUIP	\$4.57			\$169,037	\$163,384	\$5.75			\$212,069	\$204,956
Rates per RU		\$4.57		\$70,291	\$66,324		\$5.75		\$82,846	\$77,556
Rates per SUIP			\$22.85	\$996,100	\$971,148			\$28.75	\$1,245,479	\$1,214,170
				\$1,235,429	\$1,200,857				\$1,540,393	\$1,496,682
Targeted Regional infrastructure rate										

Rate per \$ of actual LV	\$000008272	\$226,021	\$223,404	\$000008600	\$248,487	\$245,869
Rate per \$ of actual LV	\$000008898	\$143,883	\$141,323	\$000008711	\$136,650	\$134,252
Rate per \$ of actual LV	\$000008638	\$341,978	\$338,327	\$000008494	\$327,189	\$322,932
		\$711,882	\$703,053		\$712,325	\$703,053
Targeted Emergency service rate						
Rates per SUIP	\$11.76	\$434,987	\$420,440	\$11.76	\$433,729	\$419,181
Rates per RU	\$11.76	\$180,881	\$170,674	\$11.76	\$169,439	\$158,620
Rates per SUIP	\$11.76	\$512,656	\$499,814	\$11.76	\$509,458	\$496,651
		\$1,128,525	\$1,090,928		\$1,112,625	\$1,074,452
Whāngārei transport rate						
Rates per SUIP	\$13.90	\$605,736	\$590,563	\$13.22	\$572,704	\$558,307
Whāngārei Heads pest management rate						
Rates per SUIP	\$50.00	\$108,450	\$106,550	\$50.00	\$108,200	\$106,450
Kaitiāia transport rate						
Rates per SUIP (Kaitiāia only)	\$15.69	\$95,770	\$93,982	\$15.69	\$95,661	\$93,872
Targeted Mid North transport rate						
Rates per SUIP		\$292,779	\$286,506		\$292,463	\$286,190
Awanui river management rate						
Far North District - Rural		\$150,257	\$150,257		\$187,857	\$186,603
Far North District - Urban		\$532,728	\$532,728		\$496,379	\$496,382
		\$682,985	\$682,985		\$684,236	\$682,985
Kaihū river management rate						
Kaipara		\$79,869	\$79,869		\$90,670	\$90,670
Kaeo-Waipapa river management rate						
Far North (Kaeo only)	\$53.66	\$125,961	\$119,871	\$72.19	\$168,022	\$159,828
Kerikeri-Waipapa rivers management rate						
Far North (Kerikeri-Waipapa only)		-	-		\$366,665	\$361,060
Whāngārei rivers management rate						
Rates per SUIP		\$1,086,764	\$1,080,326		\$1,081,811	\$1,074,274
TOTAL RATES (including GST)						

Far North District	\$8,081,029	\$7,900,572	\$8,475,775	\$8,289,735
Kaipara District	\$3,925,378	\$3,782,102	\$3,764,500	\$3,606,564
Whāngārei District	\$12,729,671	\$12,496,541	\$12,072,128	\$11,836,271
TOTAL	\$24,736,077	\$24,179,215	\$24,312,402	\$23,732,570

Financials

Financial statements

Financial Statements

The following financial statements show our draft financial plan for the 2017/18 year.

Please note that the following documents support the financial information contained in these financial statements, and can be found on our website www.nrc.govt.nz/annualplanpolicies:

- Significant forecasting assumptions
- Significant financial forecasting assumptions
- Accounting policies

Prospective statement of comprehensive revenue and expense

Annual Plan		Draft Annual Plan	LTP Year 3
2016-17	Prospective statement of comprehensive revenue and expense for period ending 30 June	2017-18	2017-18
\$		\$	\$
Revenue			
20,637,016	Rates	21,025,404	21,099,785
4,387,804	Fees and Charges	4,761,549	4,145,664
1,264,780	Subsidies and Grants	1,440,946	1,296,848
2,876,583	Interest Revenue	1,040,540	1,778,562
5,279,162	Other Revenue	5,841,499	6,621,306
836,000	Other Gains	2,449,545	977,000
35,281,345	TOTAL REVENUE	36,559,483	35,919,165
Expenses			
12,985,731	Personnel Costs	13,743,384	12,590,752
1,323,275	Depreciation and Amortisation Expense	1,433,641	1,400,362
578,864	Finance Costs	726,397	110,000
0	Other Losses	0	0
18,904,262	Other Expenditure on Activities	20,343,560	19,229,804
33,792,132	TOTAL OPERATING EXPENDITURE	36,246,981	33,330,918
1,489,213	SURPLUS/(DEFICIT) BEFORE TAX	312,502	2,588,247
0	INCOME TAX CREDIT/(EXPENSE)	0	0
1,489,213	SURPLUS/(DEFICIT) AFTER TAX	312,502	2,588,247
SURPLUS/(DEFICIT) ATTRIBUTABLE TO:			
1,489,213	Northland Regional Council	312,502	2,588,247
	Non-Controlling Interest		
	OTHER COMPREHENSIVE REVENUE AND EXPENSE		

<i>Items that will be reclassified to surplus/(deficit)</i>			
0	Financial Assets at fair value through other comprehensive revenue and expense	0	0
<i>Items that will not be reclassified to surplus/(deficit)</i>			
0	Gains/(loss) on Property Revaluations	0	0
0	Gains/(loss) on Infrastructure Asset revaluations	0	0
0	TOTAL OTHER COMPREHENSIVE REVENUE AND EXPENSE	0	0
1,489,213	TOTAL COMPREHENSIVE REVENUE AND EXPENSE FOR THE YEAR	312,502	2,588,247

Prospective statement of financial position

Annual Plan 2016-17 \$	Prospective Statement of Financial Position as at 30 June	Annual Report 2015-16	Forecast Movements 2016-17	Forecast 2016-17	Draft Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
ASSETS						
Current assets						
782,397	Cash and cash equivalents	1,674,580	(1,371,488)	303,092	110,170	4,872,960
4,000,000	Other Financial Assets	4,300,718	(517,574)	3,783,144	3,783,144	9,981,864
5,098,647	Receivables	5,264,216	123,183	5,387,399	6,424,912	5,192,753
3,274,603	Inventory	3,113,202	72,849	3,186,051	3,186,051	3,297,224
3,796,000	Assets Held for Sale	17,920,000	(17,920,000)	0	0	0
16,951,647	Total Current Assets	32,272,716	(19,613,030)	12,659,686	13,504,277	23,344,801
Non-current assets						
5,796,444	Receivables	5,461,413	286,954	5,748,367	6,855,394	
47,206,132	Other Financial Assets	48,589,803	706,857	49,296,660	47,796,660	32,608,536
33,857,645	Infrastructure, property, plant and equipment	30,257,159	1,571,932	31,829,091	32,711,004	33,433,649
40,870,000	Investment Property	28,883,000	18,401,549	47,284,549	47,284,549	45,579,000
208,142	Intangible Assets	704,349	(263,338)	441,011	139,836	373,922
2,200,000	Forestry Assets	2,360,000	0	2,360,000	2,360,000	1,933,000
0	Investment in Subsidiaries (excl council controlled organisations) and Joint Venture company	7,827,563	0	7,827,563	7,827,563	0
8,690,246	Investment in Council Controlled Organisations	862,683	0	862,683	862,683	5,894,019
138,828,609	Total Non Current Assets	124,945,970	20,703,954	145,649,924	145,837,689	119,822,126
155,780,256	Total Assets	157,218,686	1,090,924	158,309,610	159,341,966	143,166,927
LIABILITIES						
Current liabilities						
6,107,103	Payables	4,689,033	109,723	4,798,756	5,372,264	4,642,158
1,370,474	Employee Entitlements	1,503,264	35,176	1,538,440	1,573,824	1,471,299
7,477,577	Total Current Liabilities	6,192,297	144,899	6,337,196	6,946,088	6,113,457
Non-current liabilities						
738,590	Payables and deferred revenue	844,217	197,547	1,041,764	1,152,415	

13,000,000	Borrowings and other Financial Liabilities	13,000,000	0	13,000,000	13,000,000	
74,447	Employee Entitlements	11,004	2,575	13,579	13,891	35,563
13,813,037	Total Non Current Liabilities	13,855,221	200,122	14,055,343	14,166,306	35,563
21,290,614	Total Liabilities	20,047,518	345,021	20,392,539	21,112,394	6,149,020
134,489,641	Net Assets	137,171,168	745,903	137,917,070	138,229,572	137,017,907
	Equity					
117,073,095	Accumulated Funds	117,670,944	1,312,446	118,983,390	118,873,903	132,437,725
961,290	Revaluation reserves	943,441	0	943,441	938,441	2,940,755
16,455,256	Other Reserves	18,556,781	(566,542)	17,990,239	18,417,228	1,639,427
134,489,641	Total Equity	137,171,166	745,904	137,917,070	138,229,572	137,017,907
0	Non-controlling interests in subsidiary companies	0	0	0	0	0
134,489,641	TOTAL EQUITY	137,171,166	745,904	137,917,070	138,229,572	137,017,907

Prospective statement of changes in equity

LTP Year 2		Draft Annual Plan	LTP Year 3
2016-17	Prospective Statement of Changes in Equity for the period ending 30 June	2017-18	2017-18
		\$	\$
133,000,428	Balance at 1 July	137,917,070	134,489,641
1,489,213	Total Comprehensive Revenue and expense	312,502	2,588,247
134,489,641	Balance at 30 June	138,229,572	137,077,888
Total Comprehensive Revenue and expense attributable to:			
1,489,213	Northland Regional Council	312,502	1,944,698
0	Non-controlling interests		0
134,489,641	Balance at 30 June	138,229,572	136,434,339

Prospective statement of cashflows

Annual Plan	Prospective Statement of Cash Flows for the year ending 30 June	Annual Plan	LTP Year 3
Cash flows from operating activities			
22,332,957	Receipts from rates revenue	26,373,084	21,031,044
4,632,896	Receipts from customers	5,960,228	5,043,473
1,019,688	Subsidies and grants received	1,172,641	1,193,273
1,662,318	GST received	2,482,481	2,604,624
87,382	Interest received	157,132	1,778,562
2,823,221	Other revenue received	3,210,300	6,080,283
(32,277,388)	Staff and Suppliers	(39,661,596)	(34,453,235)
(197,363)	Other payments - operating	(236,764)	(183,575)
(578,864)	Interest paid	(625,200)	(110,000)
(495,152)	Net cash provided (or used) in operating activities	(1,167,693)	2,984,449
Cash flows from investing activities			
Sale of infrastructure, property, plant and equipment			
2,500,000	Other receipts - investing	3,052,939	0
(1,782,354)	Purchase of infrastructure, property, plant and equipment	(2,014,379)	(883,073)
717,646	Net cash provided (or used) in investing activities	1,038,560	(883,073)
Cash flows from financing activities			
0	Other receipts - financing		5,320
0	Net cash provided (or used) in financing activities	0	5,320
222,494	Net increase/(decrease) in cash & cash equivalents	(129,133)	2,106,696
559,903	Cash and Cash Equivalents at beginning of period	239,303	782,397

782,397	Cash and Cash Equivalents at end of period	110,170	2,889,093
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Schedule of reserves

Annual Plan 2016-17 \$	Prospective Schedule of reserves for the period ending 30 June	Annual Plan 2017-18 \$	LTP Year 3 2017-18 \$
	Asset Revaluation Reserve		
944,860	Opening Balance as at 1 July	956,290	2,924,325
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	0	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
944,860	Closing Balance as at 30 June	956,290	2,924,325
	Financial Assets at Fair Value		
16,430	Opening Balance as at 1 July	(17,849)	16,430
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	0	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
16,430	Closing Balance as at 30 June	(17,849)	16,430
	Land Management Reserve		
1,028,291	Opening Balance as at 1 July	760,692	779,791
(339,500)	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(339,500)	(274,500)
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
688,791	Closing Balance as at 30 June	421,192	505,291
	Awanui River Reserve		
(739,530)	Opening Balance as at 1 July	(590,418)	(1,060,488)
65,622	Increase /(Decrease) in Reserve throughout the year (operational transfer)	134,107	73,099
(61,995)	Increase /(Decrease) in Reserve throughout the year (capital transfer)	(63,001)	(63,001)
(735,903)	Closing Balance as at 30 June	(519,312)	(1,050,390)
	Kaihu River Reserve		
41,123	Opening Balance as at 1 July	55,502	42,328
(20,374)	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(10,000)	(7,598)
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
20,749	Closing Balance as at 30 June	45,502	34,730
	Whangaroa-Kaeo Rivers Reserve		
(25,122)	Opening Balance as at 1 July	41,345	(101,142)
26,603	Increase /(Decrease) in Reserve throughout the year (operational transfer)	22,800	48,186

0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
1,481	Closing Balance as at 30 June	64,145	(52,956)
	Whangarei Urban Rivers Reserve		
(9,786,317)	Opening Balance as at 1 July	(9,860,078)	(8,885,521)
388,083	Increase /(Decrease) in Reserve throughout the year (operational transfer)	399,403	334,386
	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
(9,398,234)	Closing Balance as at 30 June	(9,460,675)	(8,551,135)
	Kerikeri Waipapa Rivers Reserve		
(1,662,495)	Opening Balance as at 1 July	593,742	(1,518,713)
144,024	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(43,800)	157,861
	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
(1,518,471)	Closing Balance as at 30 June	549,942	(1,360,852)
	Infrastructure Facilities Reserve		
(1,047,489)	Opening Balance as at 1 July	(655,009)	(1,036,958)
202,991	Increase /(Decrease) in Reserve throughout the year (operational transfer)	175,200	80,150
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
(844,498)	Closing Balance as at 30 June	(479,809)	(956,808)
	Recreational Facilities Reserve		
(2,263,180)	Opening Balance as at 1 July	(963,748)	(1,156,909)
1,188,385	Increase /(Decrease) in Reserve throughout the year (operational transfer)	963,748	1,156,909
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
(1,074,795)	Closing Balance as at 30 June	0	0
	Property Reinvestment Fund Reserve		
18,704,528	Opening Balance as at 1 July	19,609,284	9,335,297
272,783	Increase /(Decrease) in Reserve throughout the year (operational transfer)	99,683	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
18,977,311	Closing Balance as at 30 June	19,708,967	9,335,297
	Infrastructure Investment Fund Reserve		
6,244,082	Opening Balance as at 1 July	6,025,737	0
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	0	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	39,300	0
6,244,082	Closing Balance as at 30 June	6,065,043	0

	Equalisation Fund Reserve		
1,926,456	Opening Balance as at 1 July	1,211,366	1,217,698
(745,725)	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(613,087)	(313,301)
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
1,180,731	Closing Balance as at 30 June	598,279	904,397
	Hatea River Reserve		
60,856	Opening Balance as at 1 July	153,934	159,608
5,268	Increase /(Decrease) in Reserve throughout the year (operational transfer)	5,268	2,537
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
66,124	Closing Balance as at 30 June	159,202	162,145
	Investment and Growth Reserve		
3,045,214	Opening Balance as at 1 July	1,585,386	2,611,037
(251,532)	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(577,425)	34,832
26,138	Increase /(Decrease) in Reserve throughout the year (capital transfer)	7,304	7,304
2,819,820	Closing Balance as at 30 June	1,015,265	2,653,173
	Whangarei Heads Pest Management Reserve		
0	Opening Balance as at 1 July	20,031	0
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	(8,933)	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
0	Closing Balance as at 30 June	11,098	0
	Emergency Services Reserve		
0	Opening Balance as at 1 July	124,371	0
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	87,061	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
0	Closing Balance as at 30 June	211,432	0
	Whangarei Transport Reserve		
0	Opening Balance as at 1 July	(9,544)	0
0	Increase /(Decrease) in Reserve throughout the year (operational transfer)	9,544	0
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
0	Closing Balance as at 30 June	0	0
	Kaitaia Bus Reserve		
25,704	Opening Balance as at 1 July	24,594	17,200

2,363	Increase /(Decrease) in Reserve throughout the year (operational transfer)	2,363	(665)
0	Increase /(Decrease) in Reserve throughout the year (capital transfer)	0	0
28,067	Closing Balance as at 30 June	26,957	16,535
16,455,255	Total special reserves closing balance as at 30 June	18,417,228	1,639,427

Equity represents the total value of the council and its assets and is measured by the difference between total assets and liabilities. Public equity is disaggregated and classed into a number of reserves to enable clearer identification of the specified uses of accumulated surpluses.

The components of equity are:

- Retained earnings
- Council created reserves
- And asset revaluation reserves

Reserves are a component of equity generally representing a particular use to which various parts of equity have been assigned. Reserves can be used to account for revenue and expenditure collected or incurred in relation to specific work programmes. Where council sets and collects a targeted rate for a specific purpose, the funds can only be applied to that purpose, keeping track of surpluses and deficits of those work programmes in a reserves ensures council is accountable and transparent.

Where reserves carry a deficit balance, they are deemed to have undertaken internal borrowing from councils consolidated funds. Conversely, where the reserves carry a surplus, they are deemed to have loaned money to councils' consolidated funds.

Information about councils reserve funds held for a specific purpose is provided in the following table:

Reserve name	Purpose	Activities that may be funded from reserve
Land Management reserve	<p>This reserve was created to set aside Land Management rates collected but not fully used in any given year.</p> <p>Council is proposing to use this reserve to fund operating activities that would ordinarily be funded from the Land Management Rate. Using this reserve in this manner enables council to keep rates affordable while continuing to provide positive operational outcomes. In the three years from 2015/16 to 2017/18 council is proposing to use \$275,000 annually as follows:</p> <ul style="list-style-type: none"> • \$125k towards the Environment Fund • \$20K towards hydrology webcams • \$100K towards Land elevation surveys • \$30k towards increased soil monitoring and ecological surveys. <p>In 2017/18 council also intends to use the reserve to fund a special project to reduce effluent discharge from dairy farms, and has made \$65,000 available.</p> <p>The use of the reserve will be reviewed at the end of the 2017/18 financial year. While the Land Management reserve maintains a positive balance it can be used to fund emergency events such as remedial storm expenditure on a case-by-case basis. The Chief Executive Officer has delegation to incur expenditure of up to \$500,000 to enable the council to fund agreed expenditure from this reserve. The criteria for acceptable expenditure are as follows:</p> <ol style="list-style-type: none"> 1. Matching of government and district contributions to provide financial assistance for repair work for significant events; 2. Restoration work affecting one or more rivers, following a major flooding event; 3. Urgent work to reduce the immediate flood risk; 4. Storm damage repairs within a special rating area under the relevant Flood Management Plans. 	Civil defence and emergency management, natural hazard management, river management, land and biodiversity, biosecurity
Awanui River reserve	This reserve was created to hold any Targeted Awanui River Management rates collected and unspent in any given year to cover any future funding shortfalls of river works required as part of the Awanui River Flood Management scheme. The deficit balance of this reserve will be repaid from the targeted Awanui river management rates collected from the rate payers within the area of benefit identified in the Awanui flood management plan.	River management
Kaihū River reserve	This reserve was created to hold any Targeted Kaihū River Management rates collected and unspent in any given year to cover any future funding shortfalls of river works required as part of the Kaihū River Flood Management scheme.	River management

Kaeo-Whangaroa River reserve	This reserve was created to hold any Targeted Kaeo-Whangaroa River Management rates collected and unspent in any given year to cover any future funding shortfalls of river works required as part of the Kaeo-Whangaroa River Flood Management scheme.	River management
Whangārei Urban Rivers reserve	This reserve was created to hold any Targeted Whangārei Urban Rivers Management rates collected and unspent in any given year to cover any future funding shortfalls of river works required as part of the Whangārei Urban Rivers Management scheme. The deficit balance of this reserve will be repaid from the targeted Whangārei Urban Rivers Management rates collected from residential and commercial ratepayer's in the Whangārei CBD and ratepayer's in the water catchment area (including properties falling in the Waiarohia, Raumanga, Kirikiri and Hātea Rivers catchments).	River management
Kerikeri-Waipapa Rivers reserve	This reserve was created to hold any Targeted Kerikeri-Waipapa River Management rates collected and unspent in any given year to cover any future funding shortfalls of river works required as part of the Kerikeri-Waipapa River Flood Management scheme.	River management
Infrastructure Facilities reserve	This reserve was created to set aside any Targeted Infrastructure rates collected and not fully used in any given year for the purpose of funding future infrastructure projects. The deficit balance of this reserve will be repaid from the Targeted Regional Infrastructure rates collected from ratepayers in all three Northland districts.	Economic development
Recreational Facilities reserve	This reserve was established to set aside any Targeted Regional Recreational Facilities rates collected and not fully used in any given year for the purpose of funding the Events Centre. This reserve represents the internal borrowing associated with \$13M contribution made by council towards the establishment of the Northland Events Centre. The rate was levied from 1 July 2006 and it is expected to continue for approximately 12 years. The deficit balance of this reserve will be repaid from the Targeted Regional Recreational Facilities rates collected from ratepayer's in all three Northland districts.	Economic development
Property Reinvestment Fund reserve	This reserve was established to hold the proceeds of a commercial property sales and acquisitions and includes the proceeds of a special dividend (capital) payment made by the Marsden Maritime Holdings Limited. The funds are general funds and are set aside to be reinvested in income producing assets. The fund invests monies in separate managed funds which has been earmarked to hold the funds pending the identification of approved property investments. The fund targets a reasonable return to produce an income akin to rents and relating capital appreciation of the property market so as to maintain the purchasing power of the capital base.	Economic development
Equalisation Fund reserve	This reserve was created to set aside 50% of council's forestry net income arising in any year. This reserve is intended to provide future funding of councils general operating activities by allowing council to use these funds for any council activity to smooth future rating increases. It is further intended that this fund be used to fund the cost of forestry operations in non-harvesting years. Where a	All

	high degree of uncertainty exists around activity expenditure requirements, council has agreed to budget conservatively on the basis that if a budget overrun eventuates, these overruns can be funded from the Equalisation Reserve. Council considers that funding contingent expenditure and one-off spikes in expenditure from this reserve to be fairer on ratepayers as it can be used to reduce the effects of rates increases that are not required to be sustained.	
Hātea River Maintenance reserve	This reserve was created to set aside a component of the council services rate specifically levied across the Whangārei constituency to ensure funding is immediately available in the event dredging of the Hātea river is required. The funds may be applied to the following: <ol style="list-style-type: none"> 1. Ongoing maintenance and dredging; 2. Disposal of dredged spoil material; 3. The provision of an annual hydrographic survey of the river. The reserve is to be maintained at a targeted fund of up to \$400,000.	Harbour safety and navigation
Investment and Growth reserve	This reserve was created to set aside the investment income redirected to be made available for activities and projects that contribute towards economic well-being. Council will allocate monies from the reserve to projects in accordance with set criteria.	Economic development
Kaitiāia Bus reserve	This reserve is to be created to hold any targeted Kaitiāia transport rates collected and unspent in any given year to cover any future funding shortfalls of Kaitiāia bus service.	Transport
Approved carry forwards reserve	Approved carry forwards are amounts approved to be carried forward from one financial year to the next to enable specific work programmes to be completed. All carry forwards are approved by way of council resolution.	All
Whangārei Heads Pest Management reserve	This reserve was created to hold any targeted Whangārei Heads pest management rates collected and unspent in any given year to cover any future funding shortfalls of this pest management program.	Land and biodiversity
Infrastructure Investment Fund reserve	This reserve was established to stabilise the impact of irregular large infrastructure projects on council's income and capital requirements. It will help spread the costs of such projects. The fund is also intended to provide more flexibility around when such large capital intensive projects can commence. The fund invests monies which has been earmarked for the approved infrastructure and economic development investments in external managed funds. The funds targets a moderate return, with capital protection and reasonable liquidity paramount in keeping with the Prudent Person rules of the Trustee Act. Low risk diversified income funds have been selected to achieve this.	River management

Whangārei Transport reserve	This reserve is to be created to hold any targeted Whangārei transport rates collected and unspent in any given year to cover any future funding shortfalls of Whangārei transport service.	Transport
Emergency Services reserve	This reserve is to be created to hold any targeted Emergency Services rates collected and unspent in any given year to contribute to any future funding shortfalls of Emergency Services funding.	Community representation and engagement

All reserves displaying a deficit balance at 1 July 2017 have an associated targeted rate that will generate income over a certain time period in order to return the reserve to a credit balance.

Annual Plan 2016-2017	Community Investment Fund Forecast	Annual Plan 2017-2018	LTP Year 3 2017-2018
\$		\$	\$
12,164,852	Forecasted Opening Balance	12,469,000	13,000,852
836,000	Interest earned on funds	864,000	977,000
(332,144)	Transfer of investment income to operating (reduced dividend expectation)	(221,000)	0
0	Transfer of Investment income to the Investment and Growth Reserve	(643,000)	0
12,668,708	Forecasted Closing Balance	12,469,000	13,977,852

Annual Plan 2016-2017	Investment and Growth Reserve Forecast	Annual Plan 2017-2018	LTP Year 3 2017-2018
\$		\$	\$
3,045,214	Forecasted Opening Balance	1,585,386	2,611,037
1,700,000	Northland Regional Council Investment Income transferred to Reserve	1,700,000	1,700,000
0	Northland Regional Council Other Revenue transferred to Reserve	330,000	0
0	Community Investment Fund Investment Income transferred to Reserve	642,690	0
(1,094,020)	Payment to Northland Inc. Limited as Operational funding	(1,115,900)	(1,120,745)
(104,192)	Payment to Northland Inc. Limited for Tourism	(106,276)	(106,738)
(200,000)	Payment to fund Feasibility Studies	(200,000)	(200,000)
(410,500)	Payment to fund Regional Promotion	(410,500)	(429,832)
(250,000)	Payments to fund Projects	(1,550,100)	0
(18,247)	Payments to Independent Investment Advisor	(18,704)	(19,501)
151,566	Interest earned on Reserve and other deposits	158,669	218,951
2,819,820	Forecasted Closing Balance	1,015,265	2,653,171



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KAITĀIA: 192 Commerce Street, Kaitāia; Phone 09 408 6600, Fax 09 408 6601.

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TITLE: Adoption of the Draft Charging Policy 2017/18**ID:** A923632**To:** Extraordinary Council Meeting, 8 March 2017**From:** Kyla Carlier, Strategy Specialist**Date:** 23 February 2017

Executive summary

The purpose of this report is to present the draft Charging Policy 2017/18.

The report seeks the adoption of the draft document and approval to commence consultation using the principles of consultation under section 82 of the Local Government Act 2002 (LGA).

Recommendations

1. That the report 'Adoption of the Draft Charging Policy 2017/18' by Kyla Carlier, Strategy Specialist, and dated 23 February 2017, be received.
2. That council adopts the draft Charging Policy (**Attachment 1**), for the purposes of consultation, pursuant to section 150 of the LGA.
3. That council delegates to the Group Manager – Strategy and Governance the authority to make any necessary minor formatting, typographical and administrative changes to the draft Charging Policy prior to formal public consultation.

Background:

Council maintains a schedule of fees and charges in a document referred to as a Charging Policy, which is updated and reviewed annually. The Charging Policy sets out charges fixed under various enactments including: the Resource Management Act 1991; the Local Government and Official Information and Meetings Act 1987; the Local Government Act 2002; the Building Act 2004; the Biosecurity Act 1993; and the Property Law Act 2007.

Section 150 of the LGA sets out the process by which a local authority may prescribe fees and charges in respect of any matter provided for either under a bylaw, or under any other enactment, if the enactment does not authorise the local authority to charge a fee.

If not part of a bylaw, fees and charges prescribed under section 150 of the LGA must be prescribed following consultation using the principles of consultation (section 82 of the LGA).

Council undertakes an annual review of fees and charges as part of the relevant annual or long term planning process. This ensures that the fees and charges are updated using, at minimum, the principles of consultation.

The Charging Policy also contains some fees or charges that are authorised by other pieces of legislation. This includes the Resource Management Act 1991 and the Biosecurity Act 1993.

The Resource Management Act authorises a local authority to fix a charge only in the manner set out in section 150 of the LGA, and after using the Special Consultative Procedure set out in section 83 of the LGA. Council fixed these charges during the Long Term Plan 2015–2025, setting out both the amount of the charges set under the Resource Management Act and the amount that these will increase by each year. The Long Term Plan process uses the Special Consultative Procedure.

The Biosecurity Act 1993 authorises a local authority to fix charges for cost recovery, however it does not set out the process by which this should be done. Council is therefore referred to the decision-making requirements set out in Part 6 of the Local Government Act, and is undertaking a consultation process so that the council can be informed of community views.

Changes proposed

A review of the Charging Policy identified that, while the majority of the charges in the policy will remain the same as set out in the Long Term Plan 2015–2025, there are some areas that require updating and amendment. This includes new fees that are prescribed under the Biosecurity Act 1993.

Minor changes proposed include:

- All charges within the policy have been updated by 2.44% as set out in the Long Term Plan, with the exception of those charges that are set by external parties, in which case the charge is set at the actual cost to council.
- Field Test Charges have been updated to reflect actual costs.
- The costs associated with the purchase of plans and photocopying have been reduced, to reflect actual costs.
- An additional charge for staff time for oil spill response (not exercise) has been added to recover the actual cost of response.
- The cost of an application to prepare or change a policy statement or plan has been clarified and updated.
- Charges for Tier 1 Marine Oil Spill Contingency Plans and sites have been clarified.
- Two sections containing charges for coastal structures have been combined to reduce confusion.
- Introductory text in sections 2.4.2 and 2.6.1 have been updated, and sections 2.6.6 and 2.6.7 have been added.
- Correction of minor typographical and referencing errors.

New charges proposed include:

- Cancellation, change of date, and Christmas Day charges have been added for pilotage of cruise ships, to recover the additional cost of labour incurred under these circumstances.
- A new charge for shipping navigation and safety services, for vessels of gross tonnage (GT) greater than 150,000 has been added, to reflect the additional costs associated with these large vessels.

- A marine biosecurity charge has been added to some coastal structures and three ports in Whangārei (S 3.5.4). This charge is covered in detail in a discussion paper, attached (**Attachment 2**).

Considerations:

1. Options

Consultation on the charges set in the Charging Policy is required under section 150 of the LGA, using the principles of consultation under section 82 of the LGA. Preparation of material setting out the proposal, a draft of the policy, and details of the proposed changes, and making these publicly available, are a key requirement under section 82A of the LGA.

Staff recommend option 1, to adopt the draft Charging Policy 2017/18 for consultation as part of the Annual Plan 2017/18 Supporting Information Document.

No.	Option	Advantages	Disadvantages
1	Adopt the draft Charging Policy 2017/18 for consultation	Fees and charges can be updated for the 2017/18 financial year.	None
2	Do not adopt the draft Charging Policy 2017/18 for consultation	None	Fees and charges will not be able to be updated for the 2017/18 financial year, resulting in inaccurate costs.

2. Significance and Engagement

Section 76AA of the LGA directs that council must adopt a policy setting out how significance will be determined, and the level of engagement that will be triggered. This policy assists council in determining how to achieve compliance with LGA requirements in relation to decisions.

This decision itself is considered to be of low significance when assessed against council's Significance and Engagement Policy because it is for the purpose of achieving compliance with sections 82A and 150 of the LGA and does not, in itself, impact the community other than to provide them with information.

The decision to adopt the draft Charging Policy for consultation, while not significant in itself, will enable council in the future to make decisions on charges while having full regard to community views in relation to the proposals set out in the document. This will assist council in achieving compliance with procedures in relation to decisions as set out in Part 6 of the LGA.

3. Policy and Legislative Compliance

The decision to adopt the Annual Plan 2017/18 draft Charging Policy will achieve compliance with sections 82A and 150 of the Local Government Act 2002. This decision will also achieve compliance with council's Significance and Engagement Policy, in particular 'We will consult when we are required to by law, when a proposal is considered significant, and when we need more information on options for responding to an issue'.

4. Further considerations

The decisions contained within this report will enable consultation, which will provide council with feedback on community views and potential impacts on Māori. Any financial impacts or implementation issues are addressed in the attached documentation.

Further consideration of community views, impacts on Māori, financial impacts and implementation issues will be addressed through the deliberations process and subsequent council decision to adopt the final Charging Policy 2017/18.

Attachments:

- *Attachment 1: Draft Charging Policy 2017/18*
- *Attachment 2: Setting a Charge for Marine Biosecurity Activities 2017/18 – A discussion paper*

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 23 February 2017

Draft

Charging Policy 2017/18

March 2017

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Introduction

This is the Northland Regional Council's draft Charging Policy for the 2017/18 financial year. The Charging Policy is where you can find all of the fees and charges that council sets under the various pieces of legislation that it works under (details on these pieces of legislation are covered in section two of this charging policy).

The policy is reviewed annually so that we can keep our charges up to date and as fair as possible as costs change.

The various pieces of legislation that authorise Council to set the charges contained in this document have specific, and sometimes different, requirements in terms of the process required to set the charge. When making a change to any of our charges we take these legislative requirements in to consideration, and use the appropriate process. So that an informed decision can be made, council wants to know what you think about the charges we are proposing to change or set. Consultation is a big part of that decision making process.

The changes we are proposing to make for the 2017/18 year include several minor amendments and updates that will be more administratively efficient, are required to reflect real changes in costs that council is experiencing, or are required for clarification. If changes like these are not made during the annual review of the charging policy, there is the potential for charges to become outdated. As well as increasing charges where we need to do so, council will decrease charges when costs drop, and is doing so with several charges proposed for the 2017/18 year.

Minor amendments and changes proposed

- All charges within the policy have been updated by 2.44% as set out in the Long Term Plan 2015-2025. This excludes those charges that are set by parties outside of council, in which case the charge is set at the actual cost to council, to be passed on to the user.
- Field Test Charges have been updated to reflect actual costs - please see section 3.10.1 for these charges.
- The costs associated with the purchase of plans and photocopying have been reduced, to reflect actual costs and savings made by council - please see section 3.10.9 for these charges.
- An additional charge for staff time for oil spill response (not exercise) has been added to recover the actual cost of the response - please see section 3.2 for this charge.
- The cost of an application to prepare or change a policy statement or plan has been clarified and updated - please see section 3.3 for these charges.
- Charges for Tier 1 Marine Oil Spill Contingency Plans and sites have been clarified, including specifying that there is no charge for renewal of a contingency plan where staff time is less than one hour, and clarification that inspection of a site will be charged at an hourly rate - please see section 3.7.10 for these clarifications.
- Two sections that set out charges for coastal structures have been combined and streamlined to reduce confusion. These have been combined under section 3.5.4.
- Introductory text in Sections 2.4.2 and 2.6.1 has been updated, and sections 2.6.6 and 2.6.7 have been added.
- Minor typographical and referencing errors have been corrected.

New charges proposed include:

- Cancellation, change of date, and Christmas Day charges have been added for pilotage of cruise ships, to recover the additional labour costs incurred under these circumstances - please see Section 3.7.5 for these charges
- A new charge for shipping navigation and safety services, for vessels of gross tonnage (GT) greater than 150,000 has been added, to reflect the additional costs associated with these large vessels - please see section 3.7.5 for this addition.
- A marine biosecurity charge is proposed for some coastal structures and three ports in Whangarei - please see section 3.5.4 for these new charges. This charge is covered in more detail below.

What are the alternatives?

Council needs to consider what mechanisms are appropriate to meet the expenditure needs of the organisation. The charges outlined in this policy represent the activities where council has considered that the principle of user or beneficiary pays is most appropriate. The alternative to adopting these fees and charges for the 2017/18

year is to either: cover the cost of these activities through other means of income, which might include increasing rates or diverting income from other activities, or; council could cease undertaking the activities that give rise to the cost, many of which are required by law.

Should council consider that this expenditure should continue to be met through the fees and charges in the charging policy, there is then an alternative option of not updating fees and charges on an annual basis, and instead let the fees remain static, or update them on a less regular basis. By not regularly undertaking a review of charges, and updating as necessary, the likelihood of steep increases in charges when reviews are undertaken is significantly higher. This would also mean that council may not be achieving cost recovery for some activities for a period of time and could be subsidising activities that are intended to be 'user pays'. Conversely, there may be fees set out in the policy that council no longer charges, leading to confusion about costs.

Not reviewing and undertaking changes as necessary would mean that the policy and schedule of charges has the potential to become outdated and confusing for users. It is also necessary to update charges and policy in line with legislative amendments.

The Marine Biosecurity Charge

Section 3.5 of the Charging Policy sets out the annual charges set for water takes, discharges, land use activities, and coastal structures including moorings. Fees are currently set under the Resource Management Act and the Navigation Safety Bylaw for most consented and/or licenced structures. Council are now considering a fairer way to pay for marine pest management through user charges on some of these structures.

Council's marine pest management programme is set out in our pest management strategy, and involves inspection, monitoring, and response work in the marine environment. This programme comes at a significant cost which has been increasing rapidly over the past few years, with our budgeted spend for the 2017/18 coming close to half a million dollars.

Most of the work council does in this space is inspecting and monitoring boat hulls and associated structures, as this is the main way marine pests are spread, or are nodes of spread. Currently the costs of these inspections and response is effectively funded from all ratepayers' pockets, as the initial response to marine biosecurity incursions were paid for in this way.

Like Council's flood schemes, now that the response programme has reached a "maintenance" stage, council is seeking to recover the costs from the direct users of the space. Council has been looking for a fairer way to recover the costs of marine pest management, and is looking to increase charges for moorings, boatsheds, marinas and the three main commercial ports in Whangarei, where these activities are undertaken.

Council's preferred option is full cost recovery, as outlined in 'Option 1' below. Including GST, this would mean an extra \$122 per year, that would be added as a charge to moorings, marina berths and boatsheds. These charges are set out in section 3.5.4.1 and 3.5.4.2 of this policy.

A charge is also proposed for Port Nikau, Northport and Golden Bay Cement, of \$5750 a year. This money would fund the ongoing monitoring and inspection of boat hulls and marine structures, and the response required when marine pests are found in these places. These charges are set out in section 3.5.4.2 of this policy.

Council is looking to understand the right level of contribution that structure owners should make to the cost of the marine biosecurity activity, and wants to have full regard to community views in relation to this. While proposed charges as discussed above have been included in this draft charging policy, three options are being explored for the marine biosecurity charge:

- OPTION 1 : Apply a charge of \$122 to moorings, boat sheds and marina berths, and a \$5750 charge to the three main ports in Whangarei, to achieve full cost recovery of our marine biosecurity programme.
- OPTION 2: All ratepayers in Northland should pay.
- OPTION 3: Split the costs – set a lesser charge for moorings, boatsheds, marina berths and ports, and fund the remainder from all ratepayers.

The charging policy is reviewed annually. Fees and charges that require formal adoption under section 150 of the Local Government Act 2002 may be consulted on in conjunction with a Long Term or an Annual Plan. The fees set out in this policy will come into effect on 1 July 2017 and will continue until superseded. A copy of this charging policy will also be published on council's website.

Councils are permitted to collect fees from private users of public resources, and to recover all or a portion of the costs for a range of services it performs in relation to those resources.

The law acknowledges that some of the costs associated with administering the private use of public resources have a community benefit, and should therefore be met from the general rate. For example, the Northland Regional Council (the council) grants resource consents that allow organisations and individuals the private benefit to use public resources such as air, water or the coast. Where the benefits associated with consents are solely to applicants, they pay the associated costs in full. Where the benefits accrue more widely – such as in the case of environmental monitoring – then a portion of the associated costs is met through rates.

This document sets out the policies, fees and charges that are collected by the council from private beneficiaries for a range of services it performs.

The fees and charges set out in this document are consistent with the council's revenue and financing policy, which sets out the funding and cost recovery targets for each council activity.

This document is divided into three sections:

- Part one: general principles and policy.
- Part two: policies on charging and fees for specific activities and functions.
- Part three: schedule of fees and charges.

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1.1 PRINCIPLES

1.1.1 Charges must be lawful

The council can only levy charges which are allowed by legislation. Section 13 of the Local Government Official Information and Meetings Act 1987 enables the council to charge for providing information sought under the provisions of the Act or the Official Information Act 1982.

Section 36 of the Resource Management Act 1991 (RMA) enables the council to fix charges for its various functions (refer to Section 2.2).

Section 150 of the Local Government Act 2002 enables the council to fix charges payable under its bylaws (namely the Navigation, Water Transport and Maritime Safety Bylaw Charges 2017) and charges for the provision of goods, services, or amenities in accordance with its powers and duties, e.g. recovering costs of responding to environmental incidents, and inspecting dairy farms operating under permitted activity rules for discharges to land.

Section 444(12) of the Maritime Transport Act 1994 allows the council to fix reasonable charges for its activities/services relating to "Tier 1 sites".

Section 243 of the Building Act 2004 enables the council to impose fees or charges for performing functions and services under the Act. It also allows the council to recover its costs from a dam owner should we need to carry out building work in respect of a dangerous dam.

Section 135 of the Biosecurity Act 1993 enables the council to recover its costs of administering this Act and performing the functions, powers, and duties provided for in this Act by such methods it believes on reasonable grounds to be the most suitable and equitable in the circumstances.

Under Section 227 of the Property Law Act 2007, the council can require a charge to cover reasonable legal or other expenses of the lesser in giving consent.

1.1.2 Charges must be reasonable

The sole purpose of a charge is to recover the reasonable costs incurred by the council in respect of the activity to which the charge relates. Actual and reasonable costs will be recovered from resource users and consent holders where the use of a resource directly incurs costs to the council. A contribution from the general rate meets a share of the cost where the community benefits from the council performing its role, for example, environmental monitoring. For more

information about how the council funds and its activities from its various funding sources, please refer to its revenue and financing policy.

Some charges imposed on consent holders are based on the full costs of the council's administration and monitoring of their consents, plus a share of the costs of its state of the environment monitoring activities that relate to the resource used by those consent holders.

1.1.3 Charges must be fair

Charges must be fair and relate to consent holders' activities. The council can only charge consent holders to the extent that their actions have contributed to the need for the council's work.

The council must also consider the benefits to the community and to consent holders when setting a charge. It would be inequitable to charge consent holders for resource management work done in the interests of the regional community and vice versa. We take this into account when setting the proportion of charges we wish to recover for state of the environment and compliance monitoring from an individual consent holder.

Wherever possible, the council will look for opportunities to streamline and improve processes to ensure that consent processing and compliance monitoring functions continue to be cost effective and efficient.

With regard to state of the environment monitoring, the council must also relate any charge to the effects of consent holders' activities on the environment (see RMA section 36(4)).

1.1.4 Charges must be uniformly applied

Charges will not vary greatly within classes of activities and within the context of the scale of the activity, except where environmental incidents and non-compliance with consent conditions incur additional supervision costs.

1.1.5 Charges must be simple to understand

Charges should be clear and easy to understand, and their administration and collection should be simple and cost effective.

1.1.6 Charges must be transparent

Charges should be calculated in a way that is clear, logical and justifiable. The work of the council for which costs are to be recovered should be identifiable.

1.1.7 Charges must be predictable and certain

Consent applicants and resource users are entitled to certainty about the cost of their dealings with the council. The manner in which charges are set should enable customers to evaluate the extent of their liability.

Resource users need to know the cost of obtaining and maintaining a consent in order to manage their business and to plan for future growth and development. Charges should not change unnecessarily; any charges must be transparent and fully justified.

1.1.8 The council must act responsibly

The council should implement its charging policy in a responsible manner. Where there are significant changes in charges, the council should provide advance warning and give consent holders the opportunity to make adjustments.

1.1.9 Resource use

The charges in this document support preferred resource use practises which as a consequence require less work to be undertaken by the council.

1.2 GENERAL POLICIES

1.2.1 Time periods

The policies, formulae and charges set out in this document apply each year from 1 July to the following 30 June, or until replaced by new charges adopted during the annual plan or long term plan as prescribed by the Local Government Act 2002.

1.2.2 Annual charges

Annual charges shall apply from 1 July to the following 30 June each year, or until amended by the council.

1.2.3 Goods and Services Tax

The charges and formulae outlined in this document are *exclusive* of GST, except where noted otherwise.

1.2.4 Debtors

All debtors' accounts will be administered in accordance with this policy and outstanding debts will be pursued until recovered.

1.2.5 A minimum annual charge

A minimum annual charge as set out in Section 3.5.1 to all consents other than bore permits, sewage discharge permits for individual dwellings, and new consents granted after 1 March each year when the minimum annual charge will be waived for the remainder of that financial year.

1.3 POLICY ON REMISSION OF CHARGES

1.3.1 Council's fundamental position is that in general, all fees and charges set out in this document are to be met by the person who has invoked the service or activity that the fee or charge relates to (for example, the consent applicant in the case of consent processing services or the consent holder in the case of consent administration, monitoring and supervision services).

1.3.2 The council can fix charges for recovering costs for consent processing, administration, monitoring and supervision services under section 36 of the Resource Management Act 1991. The council can also require the person liable for such a charge to pay an additional charge where the fixed charge is inadequate to recover its actual and reasonable costs in respect to the service concerned (s36(3) RMA). The person receiving the additional charge has the right to object to or appeal the charge under section 357(B) of the Act. The council also has the absolute discretion to remit the whole or any part of a charge made under section 36 (s36(5) RMA).

1.3.3 Where a person seeks to have any fee or charge set out in this document remitted that person may make an application in writing to the relevant group manager for the remission of the charge setting out in detail the applicant's case which may include financial hardship, community benefit or environmental benefit etc.

1.3.4 Where the application/consent relates to a structure, the remission of any charge will only be considered if that structure is available at no charge for public use.

1.3.5 Existing waivers or remissions issued under a consenting initiative shall be honoured for the term of the consent, but council reserves the right to review waivers and remissions should it consider any conditions or reasons for them have changed.

1.3.6 Decisions on applications shall be made by the relevant group manager, who may remit a charge in part or full, or decline the application. Decisions to decline the application or remit a charge in part only may be appealed in writing to the Chief Executive.

1.3.7 Where the appeal relates to an additional charge made under section 36 of the Resource Management Act, then the appeal shall be treated as an objection under section 357B unless, on being advised of this, the appellant does not wish to pursue the matter further.

1.3.8 Where the appeal relates to a fixed charge made under section 36 of the Resource Management Act, then the appeal shall be determined by an appropriately qualified certified RMA hearing commissioner "on the papers" or through a formal hearing, should the appellant wish to appear before the commissioner to support their appeal. The commissioner shall be appointed as per the council's standard procedure for appointing RMA hearing commissioners. The commissioner's decision on the appeal shall be final.

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2.1 PROVISION OF INFORMATION AND TECHNICAL ADVICE

The council recognises that it has a significant advisory and information role. The council has the right, under legislation, to recover the costs of providing certain information.

2.1.1 Information provided under the RMA – consents, hearings etc.

Pursuant to the Local Government Act, and sections 36(1)(e) and (f) of the Resource Management Act, the council may charge for the provision of information as follows:

2.1.1.1 Actual and reasonable charges will be made to cover the costs of making information and documents available, for the provision of technical advice and consultancy services. These costs will include:

1. Staff costs related to making the information available – i.e., officers' actual recorded time charged at an hourly rate comprising actual employment costs plus a factor to cover administration and general operating costs (refer Section 3.2);
2. Any additional costs incurred, for example, photocopying, printing binding; and computer processing costs – refer to Section 3.10.9.
3. Where an inquiry requires less than 30 minutes of staff time, no staff costs will be charged. Additional costs of less than \$25.00 will not be charged.

2.1.1.2 Consistency, distance, location – all time after the first half hour and any disbursements involved in providing information that confers a private benefit on the recipient(s) shall be recovered by way of invoicing the cost in line with the policy set out above. This policy is consistent with that applied in local government, except when information is requested under the Local Government Official Information Act (refer to Section 2.1.2).

There is no concession for time or distance travelled by the council's officers to provide technical information. No such concession is provided by other technical consultants.

Information given by telephone is to be treated exactly the same as information provided at an interview.

2.1.1.3 Advise the cost in advance – officers must warn the person seeking information in advance, that a cost will be incurred after the first half hour, and the estimated cost per hour to be charged. This process allows the applicant to weigh the value of

his/her requirements, and will effectively control the level of information sought and deflect frivolous requests.

The provision of information should be charged separately from the cost of processing any future resource application.

2.1.1.4 Community and environmental groups – where an organisation clearly gains no economic or private benefit for its members from the information sought, then the free time available should be extended to one hour, and be treated on the same basis as requests under the Local Government Official Information and Meetings Act (refer to Section 2.1.2) unless a regulation or plan provides otherwise. Additional time and disbursements may be charged for, as a reasonable control mechanism, to avoid frivolous or indulgent requests at the ratepayers' cost. These requests should be referred to at least a group manager for a decision on charging.

2.1.1.5 Educational information and materials, and consent holders - when council officers are involved in Resource Management Act workshops or public promotions aimed at increasing the public's awareness of the Resource Management Act consent procedures, the council's environmental role, liaison on planning issues, etc., there is a benefit to the greater community as well as the people attending. Information provided in this context clearly falls within the educational role of the council and is not charged for.

2.1.1.6 Consent holders - all consent holders are entitled to information arising from the monitoring of their consents, including district councils and other corporate bodies.

Other information sought by district councils is to be assessed on individual merit, and referred to the Group Manager for a decision, to ensure political appropriateness.

2.1.2 Information provided under the Local Government and Official Information and Meetings Act

The Local Government and Official Information and Meetings Act enables the public to have access to official information held by local authorities because this is good for accountability and effective participation. However, official information and deliberations are protected to the extent that this is consistent with public interest and personal privacy. More information about the Act, including how to make a request for information and why it may be declined, is on the Office of the Ombudsman's [website](#).

Section 13 of the Act provides for the recovery of the cost of making information available under the official information act. However, there are some exceptions to this, e.g. the council cannot charge the Inland Revenue Department for its information requests.

The current charges are set out in Section 3.1 of this charging policy.

Note: under Section 13(1) of the official information act the council has 20 working days to make a decision (and communicate it to the requestor) on whether we are granting or withholding the information, including how the information will be provided and for what cost. We will also tell the requester that they have the right to seek a review by an Ombudsman of the estimated charge. If the charge is substantial the requester may refine the scope of their request to reduce the charge. We may request a minimum estimated initial fee to be paid under the information act and the 2002 Charging Guidelines issued by the Secretary for Justice. We will recover the actual costs involved in producing and supplying information of commercial value. In stating our fee schedule we reserve discretion to waive a fee if the circumstances of the request suggest this is appropriate, for example in the public interest or in cases of hardship.

2.2 RESOURCE MANAGEMENT ACT 1991

2.2.1 Introduction

Under Section 36(1) of the Resource Management Act, the council may charge for costs associated with the following:

1. Processing resource consent applications, including requests made by applicants or submitters under Section 100A of the Act,
2. Reviews of consent conditions,
3. Processing applications for certificates of compliance and existing use certificates,
4. The administration, monitoring and supervision of resource consents,
5. Carrying out state of the environment monitoring,
6. Applications for the preparation of, or changes to, regional plans or policy statements, and
7. For providing information in respect of plans and resource consents and the supply of documents (also refer to Section 2.1.1).

2.2.2 Performance of action pertaining to charges

With regard to all application fees and amounts fixed under Section 36(1) of the RMA, the council need not perform the action to which the charge relates until the charge has been paid in full [RMA, Section 36(7)] except for charges under section 36(1)(ab)(ii).

2.2.3 Applications for resource consents, reviews of consent conditions, certificates of compliance and existing use certificates

2.2.3.1 Applicants will be charged for the actual and reasonable costs, including disbursements, of receiving and processing applications for resource consents, reviews of resource consent conditions under Sections 127 and 128 of the RMA or Sections 10, 20, 21 and 53 of the Aquaculture Reform (Repeals and Transitional Provisions) Act 2004, certificates of compliance and existing use certificates. These costs include:

a. Minimum estimated initial fee on application as set out in Section 3.2.1 and **Staff Charge Rates** (which are rates derived from actual employment costs plus a factor to cover administration and general operating costs) charged at the relevant hourly rate as set out in in Section 3.2. These are minimum charges for resource consent applications and are charges 'fixed' under Section 36(1) of the RMA (they are therefore not subject to objection rights). All consent processing costs which exceed the minimum estimated initial fee are considered to be additional charges pursuant to Section 36(3) of the RMA and these may be progressively charged on a monthly basis or invoiced at the end of the consenting process. Prior to consideration of the application, the Chief Executive Officer is authorised to require an additional minimum estimated initial fee of up to \$20,000 for complex applications.

b. Hearings – the costs of pre-hearing meetings and hearings will be charged to the applicant. The costs of councillors who are members of hearing committees (panel) will be recovered as determined by the Remuneration Authority. Staff costs and hearing panel members' fees or the actual costs of independent (non-councillor) commissioners at formal hearings will be charged.

Charges relating to joint hearings will be apportioned by the authorities involved, according to which authority has the primary role of organising the hearing.

Where a hearings panel has directed that expert evidence is pre-circulated then all persons who are adducing such evidence shall be responsible for

providing the prescribed number of copies of such evidence to the council. In the event that the council needs to prepare copies of such evidence the person adducing the evidence will be charged for the copying.

Submitters that request that independent hearing commissioners under Section 100a of the RMA will also be charged a portion of the cost of those hearing commissioners in accordance with Section 36(1)(ab).

c. External costs disbursements will also be charged; for example, advertising, legal and consulting advice, laboratory testing, hearing venues and incidental costs.

d. Withdrawn applications are subject to the minimum fees set out in Section 2.2.7.4, Section 3.2.1 or Section 3.4 as appropriate, or the actual costs of the work completed to the date of withdrawal (whichever is greater).

2.2.3.2 The final costs of processing each resource consent application will be based on actual and reasonable costs and will include the charging of staff time at the rates set out in Section 3.2 and disbursements. In the event that consultants are used to assist the council in processing resource consent applications, the actual costs of the consultants will be used in calculating the final costs.

2.2.3.3 All consent applications must be publicly notified if the consent authority decides that the activity for which consent is sought will have or is likely to have adverse effects on the environment that are more than minor. Where the adverse effects are considered to be minor the application will be processed on a limited notified basis unless written approval for the application has been provided from every person that the consent authority decides is adversely affected by the activity for which consent is sought, in which case the application will qualify to be processed on a non-notified basis.

2.2.3.4 Where an application is for multiple activities involving more than one type of consent, minimum estimated initial fees are required for each type with the following exceptions:

1. The fee for land use consents for earthworks and/or vegetation clearance (including mining, quarrying, forestry, bridging and gravel extraction) also includes the water and discharge permits to divert and discharge stormwater where these are required;

2. The fee for discharge permits for sewage volumes greater than three cubic metres per day (e.g. communal subdivision systems, marae etc.) includes the associated discharge to air resource consent; and
3. The fee for discharge permits to discharge stormwater includes the associated water permit to divert stormwater.

Notwithstanding the above, the council may determine that other 'packages' of consent applications do not require individual minimum estimated initial fees for each consent type.

2.2.3.5 The consent holder will be invoiced the amount of the minimum estimated initial fee for reviews of consent conditions at the time the review is initiated by the Council.

2.2.3.6 There is a 'fixed fee' for applications for discharge permits for burning of specified materials, including vegetation, by way of open burning or incineration device (e.g. backyard burning). This fixed fee only applies to such applications if they are able to be processed on a non-notified basis and no additional charges will be invoiced for such applications even if the costs exceed the fixed fee. However, in the event that the application is required to be limited notified or publicly notified then the council will require the applicable minimum estimated initial fee for notified and limited notified applications (as outlined in Section 3.2.1 before notification of the application.)

2.2.3.7 The council will provide a discount, if applicable, on the administrative charges imposed under Section 36 of the RMA in accordance with the Resource Management Discount Regulations 2010 for all applications lodged on or after 31 July 2010.

2.2.4 Administration, monitoring and supervision of resource consents

2.2.4.1 Administration covers how the council records and manages the information it has on the resource consents it grants. The council is obliged to keep "records of each resource consent granted by it" under Section 35(5)(g) of the RMA, which must be "reasonably available [to the public] at its principal office" [Section 35(3) of the RMA]. The council keeps this information on hard copy files and electronic databases. The costs of operating and maintaining these systems are substantial.

The minimum annual resource consent charge set out in 3.5.1 recovers some of the costs of the administration of resource consents.

2.2.4.2 Monitoring is the gathering of information to check consent compliance and to ascertain the environmental effects that arise from the exercise of resource consents. The council is obliged to *monitor "the exercise of the resource consents that have effect in its region"* under Section 35(2)(d) of the RMA.

2.2.4.3 Supervision covers functions that the council may need to carry out in relation to the ongoing management of resource consents. This can include the granting of approvals to plans and other documentation, review and assessment of self-monitoring *results* provided by the consent holder, provision of monitoring information and reports to consent holders, meetings with consent holders relating to consent compliance and monitoring, and participation in liaison and/or peer review groups established under consent conditions or to address issues relating to the exercise of resource consents.

In determining charges under Section 36 of the Resource Management Act, the council has given consideration to the purpose of the charges and the council's functions under the Act. It is considered that consent holders have both the privilege of using resources and responsibilities for any related effects on the environment. It is the council's role to ensure that the level of effects is managed, monitored and is acceptable, in terms of sustainable management and the community's values. The annual charges for the administration, monitoring and supervision of resource consents are based on the assumption that those consents will be complied with and exercised in a responsible manner.

Annual resource consent (management) charges will be based on a set minimum charge plus charges for consent monitoring and/or supervision undertaken by council staff. Where appropriate, a portion of costs associated with State of the Environment (SOE) monitoring of resources used by consent holders is also collected, for example, the costs of running council's hydrological sites, water quality monitoring networks and associated surveys such as macroinvertebrate and fish monitoring. This particularly applies to water take consents, both surface and groundwater, and marine farms.

2.2.5 Invoicing non-scale fees

2.2.5.1 The majority of large-scale activities or activities with high potential adverse effects (where annual monitoring costs exceed \$1,000 GST inclusive) and certain small-scale activities such as short-term earthworks/construction type consents, will be monitored, the results recorded/reported and subsequently invoiced to the consent holder on an actual and reasonable cost basis.

2.2.5.2 Invoices will be generated once the costs of any work have exceeded a prescribed sum. This will be determined by the scale of the activity. Costs will be invoiced in a timely manner during the progress of the work to ensure that large amounts of costs do not accrue, unless otherwise authorised by the consent holder.

2.2.5.3 In the case of significant water takes, charges will generally be invoiced annually in line with Section 3.5.6 and any further supervision charges will be invoiced on a regular basis as costs are incurred by council.

2.2.6 Timing

2.2.6.1 Invoicing of consent annual charges will be in the quarter following the adoption of the Long Term Plan or Annual Plan by the council or after monitoring of the consent has been undertaken (post billing).

2.2.6.2 In some cases, invoicing of charges may be deferred until after the council has completed all, or a significant portion, of its planned monitoring of a consent.

2.2.6.3 Where any resource consent for a new activity is approved during the year and will be liable for future annual charges, the actual costs of monitoring activities will be charged to the consent holder subject to Section 2.2.7.4 below. Consents for activities in the Coastal Marine Area are also subject to the Navigation Water Transport and Maritime Safety Bylaw Charges.

2.2.6.4 In any case, where a resource consent expires, or is surrendered, during the course of the year and the activity or use is not ongoing, then the associated annual charge will be based on the actual and reasonable costs of monitoring activities to the date of expiry or surrender, and also the administrative/monitoring costs incurred as a result of the expiry/surrender of the consent.

2.2.6.5 Where a resource consent expires during the course of the year but the activity or use continues and requires a replacement consent, then the annual charges will continue to be applied.

2.2.7 Setting of annual resource consent (monitoring) charges

2.2.7.1 Basis of charges

1. The charges reflect the nature and scale of consented activities. In general, those activities having greater actual or potential effects on the environment require greater supervision and monitoring from the council. In setting these

charges, the council has duly considered that their purpose is to recover the reasonable costs in relation to the council's administration, monitoring and supervision of resource consents and for undertaking its functions under Section 35 of the Resource Management Act. The estimated full costs of the council's supervision role and planned monitoring of consents will be recovered.

2. In respect of the council's administration role, a standard minimum annual charge will apply to cover some of the costs of operating and maintaining its consents-related information systems.
3. Where appropriate, a proportion of the costs of monitoring the state of the environment (Section 35(2)(a)) is incorporated in the charge to the consent holder. In such cases, the council has had particular regard to Section 36(4)(b)(iii), that is, the extent that the monitoring relates to the likely effects of the consent holder's activities or the extent that the likely benefit to consent holders exceeds the likely benefit of the monitoring to the community. The costs to the council associated with this activity may be shared between consent holders and the community. This recognises that there is value and benefit to the community of work the council undertakes with respect to monitoring the state of the environment. In the council's judgement this is a fair and equitable division.

To date, a state of the environment charge has been incorporated into the annual charges applying to consents for water takes, known as the (water take) resource user charge (refer to Section 2.2.8.5).

4. In relation to swing/pile moorings within the Marine 4 Management (MM4) Areas which meet the permitted activity criteria, the costs of providing council services will be recovered as outlined in Sections 2.4.2 and 3.5.4.
5. In relation to swing/pile moorings outside the MM4 Areas without consent (non-consented), costs will be recovered through the Navigation and Safety Bylaw until consent is gained.
6. The charges for consents for minor to moderate activities are often based on scales (refer to Section 2.2.8.4). The general method for charging for large-scale activities is to apply the formulae in Section 2.2.9.6.

2.2.7.2 (Water take) resource user charge

1. Some of Northland's water resources are highly allocated and are under pressure. It is difficult to assess the natural flows/levels of water bodies as there is limited data available on water use and

flows/levels in some areas. The National Policy Statement for Freshwater Management 2014 requires the council to set water quantity limits for all of Northland's water bodies.

2. In order to address this, the council developed a Sustainable Water Allocation Plan. This project requires ongoing resourcing by council to implement. The work provides benefit to both water users and the wider community. Much of the information provided by council's current hydrometric network is the basis for this work and as such, a part of the cost of running this network shall be recovered from water users through the (water take) resource user charge.
3. The details of this charge are outlined in Sections 3.5.2
4. The resource user charge for water take consents for hydroelectric generation will be considered on a case by case basis because they can be substantial and complex in nature.

2.2.7.3 Other State of the Environment charges

1. Where appropriate, the addition of a specified amount which contributes towards the recovery of costs incurred by council as part of its state of the environment monitoring and/or the hydrometric network.
2. The estimated monitoring costs are then rounded to an appropriate sum which becomes the expected annual charge. These formulae and the historical cost data of monitoring like consents provides a reasonable estimate of the actual costs of monitoring consents each year and will be used to provide the expected costs of monitoring in the forthcoming years.

2.2.7.4 Scale charges

Scaled charges are attributed to consents for minor to moderate activities and the charge reflects the costs of administering and monitoring that class of consent and/or the actual and/or potential effects of the activity. The latter will reflect the resource affected by the consented activity. Scale charges relate to the following types of consents:

Type of consent	Charges
Water takes fee scale	Refer to Section 3.5.2 and 3.5.6
Minor to moderate discharges to air and water and small to moderate-scale discharges to	Refer to Section 3.5.3

Type of consent	Charges
land, and land use activities including quarries	
Farm dairy effluent discharges (Refer to Section 3.6.2 for non-consented discharges)	Refer to Section 3.6.3
Coastal structures (post construction or installation)	Refer to Section 3.5.4
Coastal structures (construction or installation phase)	Refer to Section 3.6.4
Land use consents for boating-related structures in waters upstream of the coastal marine area (post construction)	Refer to Section 3.5.5

2.2.7.5 Large-scale activities

1. Consents that do not fall into the classes listed in Section 2.2.8.4 will be for larger scale activities or activities with high potential adverse effects (estimated compliance monitoring costs of \$1000 and over per year inclusive of GST). In most cases these consents will generally be subject to comprehensive monitoring programmes, regular inspections and involve routine sampling and testing or audit monitoring functions and/or contribute towards the costs of the council's State of the Environment monitoring as is the case for water take consents. Large-scale activities may require more monitoring inspections. As the sampling and testing requirements for these consents will vary, so too will the costs incurred by the council to carry out those monitoring programmes.

2. Annual charges for the monitoring of these consents is calculated using the following formulae and/or the actual and reasonable historical costs:

Labour (refer to Section 3.2)
+ Sampling and testing
+ Monitoring equipment
+ Administration
+ State of the Environment monitoring charge/resource user charge (refer to section)
= ANNUAL CHARGE

3. Holders of consents for large-scale activities will generally be invoiced the actual and reasonable costs of monitoring during the progress of the work.

2.2.8 Additional monitoring/supervision charges

2.2.8.1 Where non-compliance with resource consent conditions is encountered, or not programmed, additional monitoring is necessary the costs will be recovered in addition to the set annual charge.

2.2.8.2 The purpose of additional supervision charges is to recover costs of additional supervisory work that is required to be undertaken by council when people, including consent holders, do not act in accordance with consents or council's rules relating to resource use.

2.2.8.3 Additional supervision charges relate to those situations where consent conditions are not being met or adverse effects are resulting from the exercise of a consent; or unauthorised activities are being carried out.

2.2.8.4 When consent non-compliance or an unauthorised activity is found, the person is, if possible, given the opportunity to remedy the situation and is informed that costs of additional supervision will be recovered. Such activity may also be subject to infringement notices, enforcement orders or prosecutions.

2.2.8.5 Charges for additional supervision will be calculated on an actual and reasonable basis.

2.2.8.6 The costs that make up the charge will include:

1. Labour costs; officers' actual recorded time spent, including travel time, in following up the non-compliance matter or unauthorised activity (charged at the appropriate hourly rate listed in Section 3.2); plus
2. Any sampling and testing costs incurred; plus any equipment costs (excluding vehicle running costs) associated with the monitoring of the non-compliance; plus
3. Any external costs incurred (e.g. external consultants, hire of clean-up equipment).
4. For consent holders only, no additional supervision charge will be applied where the annual charges for their consents are sufficient to cover the costs incurred in following up their consent non-compliance.
5. In the case of water takes, annual charges are estimated on the basis of normal summer flows and consequently during drier than normal years further monitoring may be required in the form of flow, water level and/or water abstraction measurements. The costs of this further work will be charged to the consent holder in the form of additional supervision charges as outlined above.

2.2.9 Charges for emergency works

Under Section 331 of the Resource Management Act, the council may charge for the costs associated with any emergency works required for the:

1. Prevention or mitigation of adverse environmental effects;
2. Remediation of adverse effects on the environment; or
3. Prevention of loss of life, injury, or serious damage to property.

The costs charged will be the actual and reasonable costs incurred by council to do the works.

Charges for labour, supply of information and the council plant and equipment are detailed in Sections 3.2 and 3.10.

2.2.10 Changes in resource consent status

1. Where any resource consent is approved during the year, and will be liable for annual charges, the actual costs of monitoring activities will be charged to the applicant. The annual minimum fee will continue to apply per the council's policy in Section 2.2.7.
2. For large-scale activities where a resource consent expires, or is surrendered, during the course of the year and the activity or use is not on-going, then

the associated annual charge will be based on actual and reasonable costs incurred to the date of expiry or surrender, including costs incurred as a result of monitoring and administration activities associated with the expiry or surrender of the consent. The annual minimum fee will continue to apply.

3. Where a resource consent expires during the course of the year but the activity or use continues and is subject to a replacement process, then the annual charges will continue to apply.

2.2.11 Charges set by regional rules

2.2.11.1 When developing a regional plan, the council may create regional rules to prohibit, regulate or allow activities. These rules may specify permitted activities, controlled activities, discretionary activities, non-complying activities, prohibited activities and restricted coastal activities.

2.2.11.2 Permitted activities are allowed by a regional plan without a resource consent, if the activity complies with any conditions, which may have been specified in the plan. Conditions on a resource consent may be set in relation to any matters outlined in Section 108 of the Resource Management Act. They may include a specific condition relating to a financial contribution (cash, land, works and services) for any purpose specified in a plan.

2.2.11.3 The council therefore reserves the right to set other charges pursuant to regional rules in regional plans. These charges will include staff costs for giving evidence in a New Zealand court; matters pertaining actions required under the Maritime Transport Act 1994 or Biosecurity Act and any other regulated activities. Any new charges would be notified through the public process required for a regional plan prior to its approval.

2.2.11.4 Actual and reasonable costs will be charged for fees set by regional rules. These costs will include:

1. Staff costs – officers' actual recorded time charged at an hourly rate comprising actual employment costs plus a factor to cover administration and general operating costs. (See Staff Charge Rates in Section 3.2)
2. Hearings – the costs of pre-hearing meetings and hearings will be charged to the applicant. Council members' hearing costs will be recovered as determined by the Remuneration Authority. Staff costs and committee members' fees or the actual costs of independent commissioners at formal hearings will be charged.

3. For applications relating to restricted coastal activities, the applicant will also be charged the council's costs of the Minister of Conservation's representative. Charges related to joint hearings will be apportioned by the authorities involved, according to which authority has the primary role of organising the hearing.
4. External costs, disbursements, are additional to the above charges, for example advertising, consulting and legal advice, laboratory testing, hearing venues and incidental costs.

2.2.12 Preparing or changing a policy statement or plan

2.2.12.1 Any person may apply to the council for the preparation of or change to a regional plan. Any Minister of the Crown or any territorial authority of the region may request a change to a policy statement.

2.2.12.2 When considering whether costs should be borne by the applicant, shared with the council, or borne fully by the council, the following will be taken into account:

1. the underlying reason for the change; and
2. the extent to which the applicant will benefit; and
3. the extent to which the general community will benefit.

2.2.12.3 For the receipt and assessment of any application to prepare or change a policy statement or plan, actual and reasonable costs will be recovered. The charging policies are outlined below:

1. All applicants will be required to pay a minimum estimated initial fee set out in Section 3.3 based on the expected costs of receiving and assessing the application, up to but not including the costs of public notification. Actual and reasonable costs based on an hourly rate set out in Section 3.2, mileage and disbursements will be included in the minimum estimated initial fee. Any additional costs incurred in processing the application will be invoiced to the applicant.
2. For any action required to implement a decision to proceed with the preparation or change to a policy statement or plan, a minimum estimated initial fee as set out in Section 3.3 shall be made for the costs of public notification. This will be followed by a case-by-case assessment of where the costs should fall. Any costs charged will be invoiced monthly from the date of public notification.

Prior to public notification, an estimate of total costs will be given to the applicant. The applicant will have the option of withdrawing the request on receipt of notice of the estimated costs.

Withdrawn requests are subject to payment of the actual and reasonable costs of relevant work completed to the date of withdrawal.

2.3 LOCAL GOVERNMENT ACT 2002 (LAND AND RESOURCES)

The charges for the following council activities/services have been set according to Section 150 of the Local Government Act:

2.3.1 Monitoring/inspections of permitted activities

Charges are payable to recover the costs of inspections of permitted activities to determine compliance with the permitted activity rules in the regional plans. The inspections are conducted in order that adequately carries out its functions and responsibilities under Sections 30, 35 and 36 of the Resource Management Act.

2.3.1.1 Farm dairy effluent discharges

1. Administration costs incurred will be charged in addition to the costs of the site visit/inspections, plus the actual and reasonable cost of any specific water quality testing and/or enforcement action required (see Section 3.6.1).
2. Where there is a need for two officers to attend, the costs of both officers will be recovered.
3. The charges are listed in Section 3.6.
4. For charges for consented farm dairy effluent discharge consents, refer to Section 3.6.3.

2.3.1.2 Other permitted activities

1. The costs of the site visit/inspections, plus the actual and reasonable cost of any specific water quality testing and/or enforcement action required will be charged.
2. The charges are listed in Sections 3.2 and 3.10.

2.3.2 Environmental incidents

Where a person (or persons) carries out an activity in a manner that does not comply with Sections 9, 12, 13, 14, 15, 315, 323, 328 or 329 of the RMA, the council will charge that person (or persons) for the actual and reasonable cost of any inspection/investigation it undertakes in relation to the activity. This cost may include:

1. Time spent by the council staff identifying and confirming the activity is taking or has taken place.
2. Time spent by council staff identifying and confirming the person(s) responsible for causing or allowing the activity to take place or to have taken place.
3. Time spent by council staff alerting and informing the person(s) of their responsibilities in relation to the activity, including any guidance or advice as to how any adverse effects of the activity might be managed.
4. Staff travel time and vehicle mileage.
5. Costs of any specific testing of samples taken.
6. Costs of professional services contracted to assist in the inspection/investigation of the activity.
7. Clean up costs and materials.

The council will only charge for time spent that exceeds 30 minutes. Travel time will be included in the calculation of that time.

Where an incident occurs on a site that 'holds' a resource consent and a breach of consent conditions is confirmed, then this section does not apply. Any actual and reasonable costs incurred in the investigation of the incident will be recovered as additional consent monitoring charges.

2.3.3 Investigation of land for the purposes of identifying and monitoring contaminated land

The council is responsible for identifying and monitoring contaminated land under Section 30(1)(ca) of the RMA. Council will recover the costs of inspections plus the actual and reasonable cost of site investigations including any specific testing of samples taken. Staff charge rates, sampling and equipment costs are outlined in Sections 3.2 and 3.10.

2.4 MARITIME ACTIVITIES

These charges – which the council is enabled to set under a number of legislative instruments – are presented together for the purposes of clarity.

2.4.1 Charges for maritime-related incidents (Local Government Act 2002)

These charges are made to recover the costs incurred by the council as a result of staff responding to any incident that causes or may have the potential to cause, adverse environmental effects or effects on navigation and safety. The response action taken by council staff may include, but will not be limited to, monitoring, inspection, investigation, clean-up, removal, mitigation and remediation works. Actual

costs for consumables, plant and equipment used/hired during a response will also be charged in addition to staff hours (as set out in Section 3.2) as appropriate.

For incidents occurring outside normal business hours, a minimum call out fee of three hours at staff charge rates shall apply (includes oil spill response, training exercises, and emergency response).

2.4.2 Northland Regional Council Navigation Safety Bylaw Charges

1. The Navigation Safety Bylaw regulates navigation, water transport and maritime safety in Northland.
2. The charges are set out in section 3.5.4 and are collected for functions, duties, powers or services carried out by the council and must be paid on demand by the consent holder or owner, to the council.
3. The current Navigation Safety bylaw is available on the council's website or from council offices.
4. The fees and charges collected contribute to the upkeep of the region's maritime services, for example, the harbourmaster, buoys and beacons, etc.

2.4.3 Standard charges for Marine Tier 1 Oil Transfer Sites (Maritime Transport Act 1994)

2.4.3.1 Maritime Rule Part 130B requires that the operator of an oil transfer site obtain the approval for a site marine oil spill contingency plan from the Director of Maritime New Zealand. The power to approve these plans has been delegated by the director to the Chief Executive Officer (sub-delegated to council employees) of the Northland Regional Council in an Instrument of Delegation pursuant to Section 444(2) of the Maritime Transport Act 1994.

2.4.3.2 Section 444(12) of the Maritime Transport Act 1994 allows the council to charge a person a reasonable fee for:

1. Approving Tier 1 site marine oil spill contingency plans and any subsequent amendments.
2. Inspecting Tier 1 sites and any subsequent action taken thereafter in respect of preparation of inspection reports or reporting on non-conformance issues.

2.4.3.3 *Basic fee* – the council will charge a minimum fee and any additional staff costs, as set out in Section 3.7.10.

2.4.3.4 Additional staff costs – in addition to the basic fee set out above, additional charges may be applied for staff costs. The costs are based on officers' actual recorded time charged at an hourly rate set out in Section 3.2 of this document, comprising actual employment costs plus a factor to cover administration and general operating costs. Should travel be required, additional costs for mileage will be charged at the standard rate as approved by the Inland Revenue Department.

2.5 BUILDING ACT 2004

2.5.1

Section 243 of the Act specifically allows for the council to impose a fee or charges for:

1. Issuing a project information memorandum.
2. The performance of any other function or service under this Act.
3. Recovering its costs from the owner if it carries out building work under Section 156 of this Act.
- d. Where a fee or charge is payable for the performance of a function or service, then the council may decline to perform the function or service, unless the fee or charge is paid.

2.5.2

Costs incurred beyond the fee are to be recovered on the basis of actual and reasonable costs incurred by the council.

2.5.3

The minimum fees for the different consent activities are set out in Section 3.4.

2.5.4

Charges fixed under the Building Act 2004 are resolved by the council and fixed pursuant to the Local Government Act 2002 process until subsequently amended.

2.5.5

Policies set out in Section 3.4 also apply to Building Act applications.

2.5.6

All applications for a project information memorandum and a building consent, as well as the issuing of notices to rectify will be subject to a minimum estimated charge as set out in Section 3.4.

2.5.7

Charges for Building Act functions other than the issuing of project information memoranda and building consents will be charged a set fee per individual element, or on the basis of actual and reasonable cost, as set out in Section 3.4.

2.5.8

These functions include the issue of compliance schedules, requests for information on building consent applications, extension of valid term, actions re dangerous buildings, inspections and technical processing.

2.5.9

The "Minimum Estimated fee" is payable upon application for a PIM/LIM. Final actual and reasonable costs are payable upon uplifting the PIM/LIM based on staff charge rates in Section 3.2.

2.5.10 Building consents and certificates of approval

Incorporating receipt of a building consent application, the issue of a building consent, including project information memorandum, payment of a building research levy and/or Department of Building and Housing levy (where applicable) and the issue of a code of compliance certificate (where applicable).

2.5.11 Dams

Under section 244 of the Building Act 2004, council has decided to transfer the Building Act functions for consenting dams to the Waikato Regional Council. Fees will be charged in accordance with the Fees and Charges policy set by Waikato Regional Council. All fees and charges for consent processing will be invoiced directly to the applicant by Waikato Regional Council.

2.5.12 Requests for information on building consents

Charges will be the actual and reasonable costs based on staff charge rates shown in Section 3.2.

2.5.13 Technical processing and the exercising of other functions, powers and duties under the Building Act 2004

For technical processing and other functions under the Building Act, full costs over and above the minimum estimated initial fee will be recovered in accordance with the additional hourly charges.

2.5.14

All charges are payable upon invoice, provision of service or upon the exercise of the function, power or duty. Progressive charging may be used where costs are greater than \$500 (excluding GST).

2.5.15

When building consent non-compliance or an unauthorised activity is found, the person is, if possible, given the opportunity to remedy the situation and is informed that costs of additional supervision will be recovered. Such activity may also be subject to infringement offence notices, enforcement orders or prosecutions.

2.5.16

An enforcement officer who observes a person committing an infringement offence or has reasonable cause to believe that an infringement offence is being or has been committed is authorised and warranted under Section 229 of the Building Act 2004 to issue an infringement notice.

2.6 BIOSECURITY ACT 1993

2.6.1 Regional Pest Management Strategies or Plan, or Pathway Management Plan Cost Recovery Policy

Section 135 of the Biosecurity Act provides regional councils with options to recover the costs of administering the Act and performing the functions, powers and duties under a pest management strategy or plan, or a pathway management plan. This recovery must be in accordance with the principles of equity and efficiency. Section 135 of the Biosecurity Act authorises the recovery of costs by such methods that they believe to be the most suitable and equitable in the circumstances, including fixed charges, estimated charges, actual and reasonable charges, refundable or non-refundable deposits paid before the provision of the service, charges imposed on users of services or third parties, and cost recovery in the event of non-compliance with a legal direction.

2.6.2 Request for work

An authorised person may request any occupier to carry out specified works or measures for the purposes of eradicating or preventing the spread of any pest in accordance with the Northland Regional Pest Management Strategies.

2.6.3 Legal directions

An authorised person may issue a legal direction to any occupier to carry out specified works or measures for the purposes of eradicating or preventing the spread of any pest in accordance with a Northland Regional Pest Management Strategies. The legal direction shall be issued under Section 122 of the Biosecurity Act and specify the following matters:

1. The place in respect of which works or measures are required to be undertaken;
2. The pest for which the works or measures are required;
3. Works or measures to be undertaken to meet the occupier's obligations;
4. The time within which the works or measures are to be undertaken;
5. Action that may be undertaken by the management agency (generally the council) if the occupier or occupiers fail to comply with any part of the direction;
6. The name, address, telephone number and email address of the management agency and the name of the authorised person issuing the legal direction.

2.6.4 Failure to comply with a legal direction

Where a legal direction has been given to an occupier under the Northland Regional Pest Management Strategies or Pest Management Plan or Marine Pathways Management Plan, and the occupier has not complied with the requirements of the legal direction within the time specified, then the council may enter onto the place specified in the legal direction and carry out, or cause to be carried out, the works or measures specified in the legal direction, or such other works or measures as are reasonably necessary or appropriate for the purpose of giving effect to the requirements of the legal direction.

2.6.5 Recovery of costs incurred by management agency

Where the council undertakes works or measures for the purposes of giving effect to the requirements of a request for work or a legal direction it shall recover the costs incurred from the occupier pursuant to Sections 128 and 129 of the Biosecurity Act and may register the debt as a charge against the certificate of title for the land.

2.6.6 Recovery of Costs for Marine Biosecurity Activities

Council has an ongoing programme of marine biosecurity inspection, monitoring and response work, that is undertaken for the purposes of implementing its pest management strategies and plans. (Some) cost recovery is sought for these marine biosecurity activities as provided for by Section 135 of the Biosecurity Act 1993. Cost recovery is set as an annual charge, specified as a 'Marine Biosecurity Fee' and is applied to all moorings, marina berths, boat sheds, and ports as set out in Section 3.5.4 of this charging policy. The charge applies whether inspection, monitoring and/or response is carried out on that individual structure or not.

2.6.7 Equity and Efficiency of Marine Biosecurity Activities

Section 135 (2) of the Biosecurity Act requires that, in determining appropriate mechanisms for the recovery of costs of a particular function or service, a recovering authority shall ensure that it is not recovering more than the actual costs of the function. This is based on the actual costs for that year, taking into account any shortfall in recovery of costs in the preceding year, and any over-recovery of costs in the preceding year.

The Council has not recovered the cost of marine biosecurity activities in the preceding (2016/17) year. As such, the sum of the actual costs for the current year and the shortfall in the recovery of costs in the preceding year equates to the total marine biosecurity spend over two years. There was no over-recovery of costs in the 2016/17 year. The proposal to recover only the actual costs of the function for the current (2017/18) year is considered to be an equitable and efficient means of recovering cost of the marine biosecurity function.

2.7 PROPERTY LAW ACT 2007

Under the Property Law Act 2007, the council can require a charge to cover reasonable legal or other expense of the lesser in giving consent. The charges are set out in Section 3.9.

3.1 LOCAL GOVERNMENT OFFICIAL INFORMATION

In some cases, the council is permitted to charge for the provision of official information. Requesters will be advised in advance if the council decides to apply a charge.

Black and white photocopying or printing on standard A4 or foolscap paper where the total number of pages is in excess of 20 pages will be charged out at 10 cents for each page after the first 20 pages. All other photocopying and printing charges will recover the actual and reasonable costs involved.

For staff time	\$ inclusive GST
First hour	No charge
Additional hours	Ministry of Justice, Charging Guidelines
First half hour (after the initial free hour)	39.00
Per hour	78.00

See also Section 3.2.2 for charges relating to the supply of information provided under the Resource Management Act 1991.

3.2 STAFF CHARGE RATES

Charges are applicable for a range of services performed by council staff:

- Processing of consents under the Resource Management Act 1991.
- Environmental and consent monitoring of:
 - Large-scale activities;
 - Permitted activities; and
 - Contaminated land.
- Exercises and training For oil spill exercises and training, standard staff charge out rates apply.
- Technical assessment and administration of functions under the Building Act 2004.
- Maritime-related incidents.
- Mooring inspections/assessments.
- Preparing or changing a policy statement or plan.

Description	Hourly rate \$ excluding GST
Monitoring Technician/Administrator	73.00
Secretarial/administration	
Technician/Administrator	

Description	Hourly rate \$ excluding GST
Biosecurity Technician/Administrator	
Monitoring Officer Scale 1 Consents Officer Scale 1 Policy Analyst Officer Scale 1 Biosecurity Officer Scale 1	86.50
Monitoring Officer Scale 2 Consents Officer Scale 2 Policy Specialist Officer Scale 2 Biosecurity Officer Scale 2 Maritime Officer	97.50
Monitoring Officer Scale 3 Consents Officer Scale 3 Officer Scale 3 Biosecurity Officer Scale 3 Senior maritime officer Scale 3	108.50
Senior Monitoring Officer Scale 1 Programme Manager Scale 1 Senior Officer – Scale 1 Biosecurity Specialist Maritime Programme Manager	115.00
Senior Monitoring Officer Scale 2 Senior Programme Manager Programme Manager Scale 2	127.00

Description	Hourly rate \$ excluding GST
Senior Officer – Scale 2 Deputy Harbourmaster	
Manager Harbourmaster	165.00
Consultants	Actual costs

Notes:

Where there is a need for two or more officers to attend, the costs of all officers will be recovered.

For oil spill responses (excluding planned exercises) an additional charge of \$13.00 per hour (excluding GST) per staff member will apply.

Labour costs for the council's staff not specified in this policy will be charged at an hourly rate determined from actual employment costs, including overtime rates if applicable, plus a multiplier to cover overheads and any internal costs incurred.

3.2.1 Resource consent applications - minimum estimated initial fee

Schedule of minimum estimated initial fees

Description	Minimum estimated initial fees \$ excluding GST	\$ including GST
Notified and limited notified applications		
<ul style="list-style-type: none"> Coastal Permits (excluding moorings), Land Use Consents, Water Permits, and Discharge Permits 	2,886.09	3,296.00
<ul style="list-style-type: none"> Moorings 	1,433.48	1,648.50
New non-notified applications		
<ul style="list-style-type: none"> Coastal Permits (excluding moorings), Land Use Consents (excluding Bore Drilling Permits), Water Permits, and Discharge Permits (including Farm Dairy Effluent and Domestic On-site Wastewater) 	764.35	879.00

Description	Minimum estimated initial fees \$ excluding GST	\$ including GST
• Moorings	525.22	604.00
• Bore Drilling Permits	314.35	361.50
• Plus per additional bore	32.61	37.50
• Fixed Fee for Discharge Permit for burning of specified materials, including vegetation, by way of open burning or incineration device (e.g. backyard burning) (see Note 7)	57.39	66.00
Replacement non-notified applications		
• Coastal Permits (excluding moorings), Land Use Consents, Water Permits, and Discharge Permits (excluding Domestic On-site Wastewater)	669.13	769.50
• Moorings	430.43	495.00
• Domestic On-site Wastewater Discharge Permits	478.26	550.00
Certificate of compliance	430.43	495.00
Existing use certificate	430.43	495.00
Transfer of consents from the consent holder to another person (payable by the person requesting the transfer)	73.91	85.00
Transfer existing water permit between sites within catchment		
• Notified (including limited notification)	669.13	769.50
• Non-notified	419.57	482.50
S127 Change or cancellation of consent conditions		
• Notified (including limited notification)	1,002.61	1,153.00

Description	Minimum estimated initial fees \$ excluding GST	\$ including GST
• Non-notified	430.00	494.50
Request to review deemed coastal permit to reflect actual space (off-site review) under s53 of the Aquaculture Reform (Repeals and Transitional Provisions) Act 2004		
• Notified (including limited notification)	2,866.09	3,296.00
• Non-notified	764.35	879.00
S128 Review of consent conditions, and review of deemed coastal permits under S10(4), 20(3) and 21(3) of the Aquaculture Reform (Repeals and Transitional Provisions) Act 2004 (see Note 7)		
• Notified (including limited notification)	1,002.61	1,153.00
• Non-notified	430.00	494.50
Extension of period until a consent lapses	265.65	305.50
Hearing costs (per hearing day per committee member) at hourly rates set by the Remuneration Authority* or the actual costs of independent Commissioners.	(Per RA)	
* Determination dated 1 July 2006 of consent hearing fees payable and defining the duties covered by the fee or excluded, currently \$80 per hour (committee Member) and \$100 per hour (chairman).		
Mooring licence amendment fee	175.65	202.00
Requests by applicants and/or submitters for independent commissioner(s) to hear and decide resource consent applications as provided for by s100A(2) of the RMA:		
<ul style="list-style-type: none"> • In cases where only the applicant requests independent commissioner(s), all the costs for the application to be heard and decided will be charged to the applicant. • In cases where one or more submitter requests independent commissioner(s), the council will charge as follows: • The applicant will be charged for the amount that the council estimates it would cost for the application to be heard and decided if the request for independent commissioner(s) had not been made; and <ul style="list-style-type: none"> a. The requesting submitters will be charged equal shares of any amount by which the cost of the application being heard and decided in accordance with the request exceeds the amount payable by the applicant outlined in a) above. 		

Description	Minimum estimated initial fees \$ excluding GST	\$ including GST
<ul style="list-style-type: none"> Notwithstanding the above, in cases where the applicant and any submitter(s) request independent commissioner(s) all the costs for the application to be heard and decided will be charged to the applicant. 		

Note: Approved resource consents attract annual charges. For Building Consent Application Fees – Refer Section 3.4.2.

3.2.2 Photocopying costs for information provided under the RMA – consents, hearings etc.

Please see Section 3.10.9 for photocopying charges. See also Section 3.1 for charges relating to the supply of information provided under the Local Government Official Information and Meetings Act 1987.

3.3 APPLICATION TO PREPARE OR CHANGE A POLICY STATEMENT OR PLAN

Description	Minimum estimated initial fee \$ excluding GST	\$ including GST
Minimum estimated initial fee required for receipt and assessment of any application to prepare or change a policy statement or plan.	\$6,000.00	\$6900.00
Minimum estimated initial fee of required to implement a decision to proceed with the preparation or change to a policy statement or plan for the costs of public notification	\$3,000.00	\$3450.00

3.4 BUILDING ACT 2004

Charges fixed under the Building Act 2004 are resolved by the council and fixed pursuant to the Local Government Act 2002 process until subsequently amended.

3.4.1 Project and Land Information Memoranda (PIM/LIM)

Estimated value of work	Minimum estimated initial fee (MEC) excluding GST	(MEC) including GST
All applications	\$1,148.26	\$1,320.50

Notes:

- MEC is payable upon application for a PIM/LIM.

2. Final actual and reasonable costs are payable upon uplifting the PIM/LIM based on standard labour charges in Section 3.2.

3.4.2 Building consents and certificates of approval

Incorporating receipt of a building consent application, the issue of a building consent, including project information memorandum, payment of a Building Research Levy and/or Department of Building and Housing Levy (where applicable) and the issue of a code compliance certificate (where applicable).

Under section 244 of the Building Act 2004, council has decided to transfer the Building Act functions for consenting dams to the Waikato Regional Council. Fees will be charged in accordance with the fees and charges policy set by Waikato Regional Council. All fees and charges for consent processing will be invoiced directly to the applicant by Waikato Regional Council.

3.4.3 Requests for information on building consents

Charges will be the actual and reasonable costs based on standard labour charge rates shown in Section 3.2.

3.4.4 Technical processing and the exercising of other functions, powers and duties under the Building Act 2004

For technical processing and other functions under the Building Act full costs over and above the minimum estimated initial fee will be recovered in accordance with the additional hourly charges.

Function	Minimum estimated initial fee including GST	Hourly charge for exercise of functions or to recover additional costs
Action to be taken in respect of buildings deemed to be dangerous or insanitary		Standard labour charge rates shown below.
Issue of a Notice to Fix		Minimum charge of \$99.00 and further charges for inspections and other action to confirm compliance based on standard labour charge rates shown over page.
Lodge Building Warrant of Fitness	\$114.00	Standard labour charge rates shown over page.
Amendment to compliance schedule	\$1,147.50	Standard labour charge rates shown over page. Actual and reasonable for expert advice.
Building Warrant of Fitness audit		Standard labour charge rates shown over page.
Certificate of Acceptance	Large dam (above \$100,000 value) \$4,589.00. Medium dam (\$20,000 – \$100,000 value) \$2,294.00. Small Dam (\$0 to \$20,000 value) \$572.00.	Standard labour charge rates shown below. Actual and reasonable for expert advice.

Function	Minimum estimated initial fee including GST	Hourly charge for exercise of functions or to recover additional costs
Lodge dam potential impact category	\$114.00	Standard labour charge rates shown below.
Lodge dam safety assurance programme	\$114.00	Standard labour charge rates shown below.
Lodge annual dam safety compliance certificate	\$114.00	Standard labour charge rates shown below.
Other functions		Standard labour charge rates shown below.

3.5 ANNUAL CHARGES

3.5.1 Minimum annual charge

\$106.00 including GST

3.5.2 Water takes charge scales

Scale of annual charges for water takes

Note: Section 3.5.6 identifies water take consents that have charges set outside these scales.

Fee level	Description/Criteria	Administration charge \$ including GST	Compliance monitoring/supervision \$ including GST	Resource user charge \$ including GST	Total annual charge \$ including GST
M001 RUC001	1. Negligible potential effect: minor abstraction from water resource low level of allocation and limited future potential demand; no water use returns; limited benefit from existing State of Environment monitoring. (Minimum fee)	106.00	0.00	26.50	132.50
ADM001 WAT001 RUC002	2. Minor potential effect: minor abstraction from water resource with low to moderate level of allocation; moderate abstraction from water resource with low level of allocation; water use returns; small benefit from existing State of Environment monitoring and limited monitoring in the catchment.	106.00	27.50	80.00	213.50

Fee level	Description/Criteria	Administration charge \$ including GST	Compliance monitoring/supervision \$ including GST	Resource user charge \$ including GST	Total annual charge \$ including GST
ADM001 WAT002 RUC003	3. Moderate potential effect: minor abstraction from water resource with moderate to high level of allocation; moderate abstraction from a water resource with moderate levels of allocation; major abstraction from water resource with low level of allocation; water use returns, resource monitoring by consent holder; moderate benefits from existing State of Environment monitoring, data likely to be used for flow allocation management purposes and/or replacement of consent.	106.00	62.50	158.00	326.50
ADM001 WAT003 RUC004	4. Medium potential effect: moderate abstraction from water resource with high level of allocation; major abstraction from resource with moderate level of allocation; water use returns, resource monitoring by consent holder; continuation flow conditions; existing State of Environment monitoring has greater benefits to consent holder for management, security of supply and/or replacement of consent; total estimated staff time relating to monitoring, supervision and reporting of compliance 1–2 hours.	106.00	141.00	264.50	511.50
ADM001 WAT004 RUC004	5. Medium potential effect – moderate inspection time: same criteria as Category 4. However, total estimated staff time relating to monitoring, supervision and reporting of compliance 2–3 hours.	106.00	217.00	264.50	587.50
ADM001 WAT005 RUC004	6. Medium potential effect – significant inspection time: same criteria as Category 4 but total estimated staff time relating to monitoring, supervision and reporting of compliance 3–4 hours	106.00	294.50	264.50	665.00
ADM001 WAT006 RUC005	7. Medium to high potential effect – significant inspection time: moderate to major abstraction from resource with high level of allocation. Significant total estimated staff time for inspection and/flow monitoring and consent compliance >4 hours; existing State of Environment monitoring has	106.00	357.00	462.00	925.00

Fee level	Description/Criteria	Administration charge \$ including GST	Compliance monitoring/supervision \$ including GST	Resource user charge \$ including GST	Total annual charge \$ including GST
	considerable benefits to consent holder for management, security of supply and/or replacement of consent.				
ADM001 WAT007 RUC006	8. High potential effect – significant inspection time: major abstraction from resource with high level of allocation. Significant total estimated staff time for inspection and/flow monitoring and consent compliance >4 hours; existing State of Environment monitoring has direct benefits to consent holder for management, security of supply, replacement of consent, and specific compliance monitoring of consent.	106.00	436.00	924.00	1,466.00

3.5.3 Minor to moderate discharges to air, water and land, and land use activities including quarries

Scale of annual charges for consents for minor to moderate discharges to air, water, and land (no or minor sampling and/or testing planned) and consents for land use activities including quarries.

The fee levels provided below allow for the appropriate recovery of costs by the council based on the degree of work required by the council in monitoring each consent.

Fee level	Annual charge \$ excluding GST	Annual charge \$ including GST	Fee code narration
MON001	92.17	106.00	Minimum loaded with additional fees post monitoring
MON002	92.17	106.00	Annual monitoring charge (and for all the following fees)
MON003	98.70	113.50	
MON004	111.74	128.50	
MON005	131.30	151.00	
MON006	144.35	166.00	
MON007	163.91	188.50	

Fee level	Annual charge \$ excluding GST	Annual charge \$ including GST	Fee code narration
MON008	197.83	227.50	
MON009	210.87	242.50	
MON010	229.13	263.50	
MON011	248.70	286.00	
MON012	263.04	302.50	
MON013	275.65	317.00	
MON014	295.22	339.50	
MON015	328.26	377.50	
MON016	341.30	392.50	
MON017	361.74	416.00	
MON018	384.78	442.50	
MON019	416.96	479.50	
MON020	459.57	528.50	
MON021	492.61	566.50	
MON022	525.22	604.00	
MON023	558.70	642.50	
MON024	591.74	680.50	
MON025	623.04	716.50	
MON026	656.96	755.50	
MON027	690.43	794.00	

Fee level	Annual charge \$ excluding GST	Annual charge \$ including GST	Fee code narration
MON028	722.61	831.00	
MON029	755.22	868.50	
MON030	787.39	905.50	
MON031	820.43	943.50	
MON032	854.78	983.00	
MON033	886.09	1,019.00	
MON034	919.13	1,057.00	
MON035	952.17	1,095.00	
MON036	984.78	1,132.50	
MON037	1,018.70	1,171.50	
MON038	1,051.30	1,209.00	
MON039	1,083.48	1,246.00	
MON040	1,116.09	1,283.50	
MON041	1,149.57	1,322.00	
MON042	1,182.61	1,360.00	
MON043	1,214.78	1,397.00	
MON044	1,248.26	1,435.50	
MON045	1,280.00	1,472.00	

3.5.4 Moorings and Coastal structures (post construction or installation)

Annual charges for moorings and coastal structures are set pursuant the Resource Management Act 1991, the Biosecurity Act 1993, and the Maritime Transport Act 1994.

The Navigation Safety Bylaw fee is set pursuant to the Maritime Transport Act 1994, in conjunction with the Navigation Safety Bylaw for Northland. The Owner "Owner" includes: a) in relation to a vessel, the agent of the owner and also a charterer; or b) in relation to any dock, wharf, quay, slipway or other maritime facility, means the owner, manager, occupier or lessee of the dock, wharf, quay, slipway or other maritime facility. of every Maritime Facility "Maritime facility" means any jetty, jetty berth, wharf, ramp, slipway, boatshed, marine berth, pontoon or, whether private, commercial or a recreational public facility, that is located within the coastal marine area of Northland or Mooring "Mooring" means any swing or pile mooring whether private, commercial or recreational mooring that is located within the coastal marine area of Northland. in the region shall pay to the council this annual navigation fee. The navigation safety bylaw fee shall be payable on the number of berths available at the maritime facility, whether or not all berths are used. The council's Harbourmaster shall determine the number of berths available at any maritime facility.

These bylaw charges were publicly notified pursuant to the Local Government Act 2002 and were set at a meeting of council on XX June 2017. On XX June 2017, the Council also resolved that activity income sources would be inflation adjusted each year. The bylaw charges came into force on 1 July 2017. In accordance with the decision made on XX June 2017 these charges have been inflation adjusted for the 2017/18 year.

3.5.4.1 Scale of annual charges for Moorings and Marina Berths

Fee level	Description/Criteria	RMA administration fee or mooring licence fee \$ including GST	Navigation safety bylaw fee \$ including GST	Marine Berth Charge \$ including GST	Total fee \$ including GST
MCR001 MCR002	Individual swing, pile and jetty moorings with or without resource consents.	106.00	76.00	122.00	304.00
MCR004 MCR002	Swing and pile moorings owned by one person or organisation, comprising 10 to 24 moorings (per mooring and berths). Note: No additional charge will be set for those structures which are an integral part of the mooring area, so long as those facilities and activities do not give rise to any significant adverse environmental effects.	90.00	76.00	122.00	288.00
MCR005 MCR006	Pile moorings and jetty berths owned by one organisation, comprising 25 berths or more, but no more than 75 berths (per berth). Note: No additional charge will be set for those structures which are an integral part of the mooring area, so long as those facilities and activities do not give rise to any significant adverse environmental effects.	58.00	70.50	122.00	250.50
	Marinas comprising more than 75 berths.		63.50	122.00	185.50
MCR003	Dinghy pulls	141.00			141.00

Mooring license amendment fee

Any changes to the mooring license conditions, such as position, size or design of a mooring, or the maximum length of vessel allowed to use the mooring must be approved by the harbourmaster as required by the Navigation Safety Bylaws. The fee relates to the actual work involved in processing the application, including checking the effect on adjacent mooring holders.	\$202.00 including GST
On-site assessment of moorings.	
Mooring holders who require an on-site assessment or inspection of their mooring, or proposed mooring, by the maritime staff for their own benefit will receive a fee based on the actual officer's time charged, at an hourly rate comprising actual employment costs plus a factor to cover administration costs (as per the staff charge rate see section 3.2).	

Pursuant to the provisions of Navigation Safety Bylaw clause 3(1)(6), should any mooring licence fees or other charges due to the council under the provision of this bylaw remain unpaid for a period of 60 days, then the harbourmaster may remove, or cause to be removed, the mooring and detain the vessel using the mooring, until such fees and charges, including the cost of removing the mooring and storing the vessel, have been fully paid and discharged. Should such debts have not been paid and discharged within a further 60 days, the council has the right to sell the mooring and/or vessel to recover the debt.

3.5.4.2 Scale of annual charges for coastal structures

Fee level	Description/Criteria	RMA administration fee or mooring licence fee \$ including GST	Navigation safety bylaw fee \$ including GST	Marine Bylaw Charge \$ including GST	Total fee \$ including GST
CST001	Cables and pipes	134.50			134.50
CST002	Buildings in the coastal marine area	141.00			141.00
CST003	Seawalls and reclamations up to 100 m	141.00			141.00
CST004	Seawalls and reclamations over 100 m	150.50			150.50
CST005 NAV001	Community and boating club structures and jetties, and non-commercial public structures	141.00	76.00		217.00
CST006 NAV001	Boatsheds	141.00	76.00	122.00	339.00

Fee level	Description/Criteria	RMA administration fee or mooring licence fee \$ including GST	Night safety bylaw fee \$ including GST	Marine Bylaw Charge \$ including GST	Total fee \$ including GST
CST007 NAV002	Boatsheds with additional berth	147.50	151.50	122.00	421.00
CST008 NAV001	Boat ramps up to 15m	141.00	76.00		217.00
CST009 NAV002	Boat ramps/slipways over 15m and grids	147.50	151.50		299.00
CST010	Low use structures not more than 10m ²	134.50			134.50
CST011 NAV001	Low use structures more than 10m ² and up to 300m ²	141.00	76.00		217.00
CST012 NAV002	Low use structure over 300m ²	147.50	151.50		299.00
CST013	High use structures not marine related	141.00			141.00
CST014 NAV003	High use structures not more than 300m ² and slipway not more than 50 tonnes	141.00	424.00		565.00
CST015 NAV004	High use structures more than 300m ² but not more than 1,000m ²	147.50	1,841.50		1,989.00
CST016 NAV005	High use structures more than 1,000m ² and slipways with a maximum capacity of more than 50 tonnes	150.50	3,258.50		3,409.00
CST018 CST017 NAV001	Marine farm	*270.00 +admin fee (\$106.00)	76.00		452.00 (minum)

* Per farm for amalgamated consents.

Note: All structures may be subject to additional charges that recover the costs incurred by the council for extra monitoring, such as sampling a discharge. Where the costs of monitoring the structure and discharge exceed the annual charge herein, the council will recover the balance in accordance with Section 36(3) of the Resource Management Act 1991.

Low use structures are typically privately owned and high use structures are typically commercially owned.

Consent holders of multiple structures authorised under a single resource consent for contiguous facilities, will be charged one annual fee for the most significant authorised by that consent.

Description/Criteria	Marine Biosecurity Charge \$ excluding GST	Total fee \$ including GST
Northport Limited	5,000.00	5,750.00
Golden Bay Cement	5,000.00	5,750.00
Port Nikau Limited	5,000.00	5,750.00

3.5.5 Land use consents for boating-related structures in waters upstream of the coastal marine area (post construction)

Scale of annual charges for land use consents for boating-related structures in waters upstream of the Coastal Marine Area (CMA) with minor environmental effects.

Fee level	Description/criteria	RMA \$ excluding GST	Total fee \$ including GST
MON046	Minor structures and jetties: not more than 10m ² in plan area.	149.13	171.50
MON047	Jetties and other structures: more than 10m ² in plan area.	212.61	244.50

Note:

1. Consents for new boat-related structures or to alter boat-related structures in water-bodies will be subject to an inspection during their construction phase based on staff time and rates set out in section 3.2.
2. Refer to Section 2.2.8 setting of annual resource consent (monitoring) charges of the Charging Policy for bases of charges.

3.5.6 Water takes of high potential effects

Estimated annual charges for water take consents for high potential effects.

Consent holder	Consent no(s)	Annual admin/ supervision/ monitoring charge \$ including GST	Resource user charge \$ including GST	Annual charge \$ including GST (Total)	Fee level
Whāngārei District Council	2960	*2,747.00	924.00	3,671.00	ADM002 RUC006

Consent holder	Consent no(s)	Annual admin/ supervision/ monitoring charge \$ including GST	Resource user charge \$ including GST	Annual charge \$ including GST (Total)	Fee level
Fonterra Kauri	437304	*3,159.00	924.00	4,083.00	ADM003 RUC006
Far North District Council	4369	*3,021.50	462.00	3,483.50	ADM004 RUC005
Maungatapere Water Supply Co.	4607	*412.00	924.00	1,336.00	ADM005 RUC006
Murphy Prosperity Trust	4715	*412.00	462.00	874.00	ADM005 RUC005
North Power	4845	*1,030.00	462.00	1,492.00	ADM006 RUC005
Ngāwhā Geothermal Resource Company Ltd.	488312	*687.00	1,386.00	2,073.00	ADM007 RUC007
Kokich & Anderson	4965	*823.50	924.00	1,747.50	ADM008 RUC006
West Coast Dairy	5004	*687.00	462.00	1,149.00	ADM007 RUC005
Glen Mor Ltd	5014	*480.00	462.00	942.00	ADM009 RUC005
McBeth Farms Ltd	5021	*480.00	462.00	942.00	ADM009 RUC005
Hoddi Ltd	5022	*480.00	462.00	942.00	ADM009 RUC005
Rehford Farms	5027	*480.00	462.00	942.00	ADM009 RUC005
Bryant Fischer Family Trust	7330	*687.00	462.00	1,149.00	ADM007 RUC005

Consent holder	Consent no(s)	Annual admin/supervision/monitoring charge \$ including GST	Resource user charge \$ including GST	Annual charge \$ including GST (Total)	Fee level
Whangarei District Council	7398	*1,372.50	924.00	2,296.50	ADM010 RUC006
Whangarei District Council	7404	*3,433.00	924.00	4,357.00	ADM011 RUC006
Whangarei District Council	7405	*961.50	462.00	1,423.50	ADM012 RUC005
Kaipara District Council	7582	*1,029.50	462.00	1,491.50	ADM006 RUC005
Burke Farms Ltd.	7642	*823.50	462.00	1,285.50	ADM008 RUC005
Kaipara District Council	8032	*823.50	462.00	1,285.50	ADM008 RUC005
Kaipara District Council	8134	*961.50	462.00	1,423.50	ADM012 RUC005

* Includes a charge pursuant to Section 36(1)(c) towards the costs of specific investigations (flow and/or water quality monitoring) within catchment relating to consent and compliance monitoring.

Multiple consents taking from different catchments and/or resources.

For the basis of charging, refer to section 2.2.8 setting of annual resource consent (monitoring) charges of the Charging Policy for bases of charges.

3.6 INSPECTION AND MONITORING CHARGES

3.6.1 Permitted activity monitoring/inspections – fees

The fees will be charged on a cost recoverable basis (officer time, sampling and equipment costs). Refer to section 3.2 staff charge rates and section 3.10 miscellaneous management charges.

3.6.2 Permitted activity dairy discharges – fees

The charges are as follows:

	\$ excluding GST
(i) Inspection and monitoring fee:	
Grades full compliance and minor non-compliance	179.50
Grades significant non-compliance	286.50
(ii) Second and subsequent visits and inspections including travel time for significant non-complying farms	87.00 per hour

Where there is a need for two officers to attend, the costs of both officers will be recovered.

Administration costs incurred will be charged in addition to the costs of the site visit/inspections, plus the actual and reasonable cost of any specific water quality testing and/or enforcement action required (see section 3.10).

Note: For charges for consented farm dairy effluent discharge consents, refer to section 3.6.3.

3.6.3 Farm dairy effluent inspection charges

Scale of charges for consents for farm dairy effluent discharges (full and minor non-compliance and significant non-compliance).

3.6.3.1 Full and minor non-compliance

Sampling and testing required where indicated.

Description/criteria	Charge \$ excluding GST	Charge \$ including GST
Per inspection – (no sampling or testing)	270.43	311.00
Per inspection – (single sample only)	321.30	369.50
Per inspection – (two samples)	372.17	428.00
Per inspection – (three samples)	423.04	486.50
Per inspection – (four samples)	473.91	545.00
Per inspection – (five samples)	524.78	603.50
Per inspection – (six samples)	575.65	662.00

3.6.3.2 Significant non-compliance

Sampling and testing required where indicated.

Description/criteria	Charge \$ excluding GST	Charge \$ including GST
Per inspection – (no sampling or testing)	361.74	416.00
Per inspection – (single sample only)	412.61	474.50
Per inspection – (two samples)	463.48	533.00
Per inspection – (three samples)	514.35	591.50
Per inspection – (four samples)	565.22	650.00
Per inspection – (five samples)	616.09	708.50
Per inspection – (six samples)	666.96	767.00

Second and subsequent visit, including follow-up inspections, for significant non-complying systems will be at \$87.00 per hour plus GST, plus the actual and reasonable cost of any specific water quality testing and/or enforcement action required.

Note: For fees charged under the Local Government Act for the inspection of non-consented dairy effluent discharge systems, refer to Section 2.3.1 of the Charging Policy.

3.6.4 Coastal structures (construction or installation phase) – monitoring inspection charges

The fees will be charged on a cost recoverable basis (officer time, sampling and equipment costs). Refer to section 3.2 staff charge rates and section 3.10 miscellaneous management charges.

Note: Refer to Section 2.2.8 setting of annual resources consent (monitoring) of the Charging Policy for bases of charges.

3.7 MARITIME ACTIVITIES

3.7.1 Fees for maritime-related incidents

Staff time will be charged at the minimum charge out rate applicable to the staff members involved.

3.7.2 Hot Work Permits

	GST Exclusive
For vessels alongside wharves or at anchor, per permit.	\$79.13

3.7.3 Safe Operating Licences

	GST Exclusive
For all Northland harbours, unpowered craft not subject to a maritime rule and available for lease or hire, including: dinghies, kayaks, canoes, aqua-cycles, surf cats or similar commercially available craft, an inspection fee to verify the adequacy of procedures and safety equipment, up to one hour.	\$79.50
Where inspection time exceeds one hour, the charge shall be at the rate of \$71.50 per hour plus vehicle running costs at the rates approved from time to time by the Inland Revenue Department.	\$71.50

3.7.4 Jet Ski Registration Fees

As resolved and prescribed by the Auckland Council which undertakes this function on behalf of the Northland Regional Council under delegated authority.

3.7.5 Pilotage and Shipping Navigation and Safety Services Fees

a.	Pilotage Charges for Bay of Islands apply for vessels entering inside the pilotage limits as marked on chart NZ 5125.	GST Exclusive
	(i) Inwards/outwards to wharf, Ōpua – per visit	
	Where GT is greater than 500 but less than 3000	\$1,650.50
	Where GT is greater than 3000 but less than 18,000	\$3,191.15
	(ii) Ships to anchor in Bay of Islands – per visit	
	Where GT is greater than 500 but less than 3000	\$1,650.50
	Where GT is greater than 3000 but less than 18,000	\$3,191.15
	Where GT is greater than 18,000 but less than 40,000	\$3,808.32
	Where GT is greater than 40,000 but less than 100,000	\$4,257.29
	Where GT is greater than 100,000	\$4,704.92
	(iii) Cruise ships to anchor in the Bay of Islands - pilotage cancellation fee	

	Less than 6 months prior to the date of booked pilotage	10% of the pilotage charge
	Less than 1 month of the date of booked pilotage	20% of pilotage charge
	With less than 48 hours notice of the booked time of pilotage	40% of pilotage charge
(iv) Cruise ships to anchor in the Bay of Islands - change to date of booking for pilotage		
	Change of date of booking to a date that is within one month of original booking, and given at less than one months notice	10% of pilotage charge
(v) Cruise ships to anchor in the Bay of Islands - Christmas day surcharge		
	Pilotage and shipping navigation is required on Christmas Day	\$1,700.00 surcharge
b.	Shipping – Navigation and Safety Services Fee per ship visiting the Bay of Islands regardless of which pilotage organisation or company actually services the vessel	
	Where GT is less than 3000	\$1.10/GT
	Where GT is greater than 3000 but less than 18,000	\$3,191.15
	Where GT is greater than 18,000 but less than 40,000	\$3,584.97
	Where GT is greater than 40,000 but less than 100,000	\$3,920.46
	Where GT is greater than 100,000	\$4,480.64
	Where GT is greater than 150,000	\$5373.00
c.	Shipping	
	(i) Navigation and Safety Services Fee per ship visiting the Bay of Islands when the master is exempt from compulsory pilotage	
	Up to 3000 GT	\$1.10/GT

	(ii) Navigation and Safety Services Fee per ship visiting the Poor Knights Area to be avoided under Maritime NZ approval for exemption from applicable Marine Protection Rules.	
	Over 45 metres length overall	\$1.08/GT
d.	Shipping – Navigation and Safety Services Fee per ship visiting Whangaroa Harbour except when the ship is also visiting the Bay of Islands during the same voyage.	\$1,100.34

Where the harbourmaster cancels pilotage in the Bay of Islands, no charge will apply.

3.7.6 Harbourmaster's Navigation Safety Services Fee

		GST Exclusive
a	North Port Limited	\$123,952.00
b	For water transport operators not serviced by a port company, at actual time and cost.	
c	Where the actual costs on a labour time and plant recovery basis exceed the annual fee, the council will recover any balance on an actual cost basis.	

3.7.7 Applications for Reserved Area for Special Event (clause 3.13 of the Navigation Safety Bylaw 2012)

		GST Exclusive
	Special Event Processing Fee	\$159.57
The council shall recover from the applicant all actual and reasonable costs incurred in arranging for the publication of a public notice. These costs are additional to the above fee. Where the actual costs on a labour time and plant recovery basis exceed the annual fee, the council will recover any balance on an actual cost basis.		

3.7.8 Pilot Exemption Exam Fee

		GST Exclusive
	Pilot Exemption Exam Fee	\$410.43

3.7.9 All navigation and other fees specified herein are exclusive of Goods and Services Tax

The fees shall apply for the period 1 July 2017 to 30 June 2018 and will continue to apply until superseded by a subsequent bylaw change fixed by resolution and publicly notified or by the review required by section 158 of the Local Government Act 2002.

3.7.10 Standard charges under the Maritime Transport Act 1994 – Marine Tier 1 Oil Transfer Sites

		GST Exclusive
<p>Maritime Rule Part 130B requires that the operator of an oil transfer site obtain the approval for a site marine oil spill contingency plan from the director of Maritime New Zealand. The power to approve these plans has been delegated by the director to the Chief Executive Officer (sub-delegated to council employees) of the Northland Regional Council in an Instrument of Delegation pursuant to Section 444(2) of the Maritime Transport Act 1994.</p> <p>A Minimum fee will apply.</p> <p>Section 444(12) of the Maritime Transport Act 1994 allows the council to charge a person a reasonable fee for:</p>		
a	Approving Tier 1 site marine oil spill contingency plans and any subsequent amendments.	\$273.48
b	Renewal of Tier 1 site marine oil spill contingency plan, where staff time is less than one hour.	No charge
c	Inspecting Tier 1 sites and any subsequent action taken thereafter in respect of preparation of inspection reports or reporting on non-conformance issues.	Charged at hourly rate of attending staff member
<p>A minimum fee is charged and further charges may apply based on officer's actual recorded time charged at an hourly rate comprising actual employment costs plus a factor to cover administration and general operating costs. Should travel be required, additional costs for mileage will be charged the standard rate as approved by the Inland Revenue Department.</p>		

3.8 BIOSECURITY

3.8.1 Pest control products

1. Northland landowners are entitled to a one-off, free 2kg bag of rabbit pindone.

2. Landowners are also entitled to a one off free issue of a 5-gram sachet of herbicide to control wild ginger.
3. All other pest control products such as traps, pesticides, pre-feed, bait stations, and associated equipment are resold at a 10% mark-up on the price they are purchased from the manufacturer. This 10% mark-up is to cover the administrative costs of supplying these products.

3.9 PROPERTY LAW ACT 2007

	\$ excluding GST
a. Transfer or assign the lease	\$168.26
b. Enter into a sublease	\$168.26

3.10 MISCELLANEOUS MANAGEMENT CHARGES - PLANT AND EQUIPMENT CHARGES

The council's Resolution of 8 December 2004, "that pursuant to Section 150(6) of the Local Government Act 2002, council managers be authorised to set or vary labour, plant and equipment hire fees and fees for miscellaneous services provided by the council as necessary from time to time." The council's labour, plant and equipment charges to external parties are as follows:

3.10.1 Field Test Charges

Job Ref. No.	Description/criteria	Per sample \$ excluding GST	Per sample \$ including GST
7369	Conductivity	5.22	6.00
7368	Dissolved oxygen	5.22	6.00
7370	pH	5.22	6.00
7371	Salinity	5.22	6.00
7372	Temperature	1.30	1.50

Any further tests required, please contact laboratory staff for prices.

3.10.2 Labour – general

Labour costs for the council's staff not previously specified in this policy will be charged at an hourly rate determined from actual employment costs, including overtime rates if applicable, plus a multiplier to cover overheads and any internal costs incurred. When tradesmen are called out, and their service is cancelled, all costs incurred by the council are payable by the hirer, at the above charge-out rates.

3.10.3 Plant

Where any of the council's plant is hired, extra costs including additional labour cost in overtime hours, travelling allowance, transport charges, etc., shall be recovered from the hirer of the plant. Where plant is ordered and its services cancelled, all costs incurred by the council are payable by the hirer.

3.10.4 Water quality monitoring devices

	\$ excluding GST	\$ including GST
YSI Sondes per day	66.96	77.00
ISCO Automated Sampler per day	56.09	64.50

All labour incurred in the hire of water quality monitoring devices, is additional and charged in accordance with the charge out rates specified in Section 3.2.

3.10.5 Vehicles/quads

Inland Revenue approved mileage rates for annual work-related kilometres travelled	External rate per km \$ excluding GST	Internal rate per km \$ excluding GST
Motor vehicles		
1 – 3000km (total kilometres for a job)	0.62	0.28
3001 kilometres and over (for each km over 3000)	0.19	0.28
Transit van or similar (public service rate)	1.00	0.41
Light truck (public service rate)	1.20	0.55
Motor vehicles – flat rate	0.28	0.26
Motor cycles/quad bikes		
1 – 3000 km	0.31	0.14
3001 kilometres and over (for each km over 3000)	0.10	0.14

Transit van or similar (public service rate)	0.14	0.14
Light truck (public service rate)	1.20	0.55
Motor vehicles – flat rate	0.28	0.26
8 Tonne truck	1.20	0.55

Flat rates may be used where a great deal of travel related to one job is done regardless of the distance travelled in a year.

3.10.6 Floating plant – standard rates

(a) Workboat hire	\$ excluding GST	\$ including GST
Workboat – Waikare per hour	733.91	844.00
Standby – Waikare per hour	277.83	319.50

For significant commercial projects, the council will negotiate hire, standby and total costs with contractors and other parties.

(b) Small launch hire	\$ excluding GST	\$ including GST
BOI Patrol Boat 'Karetu' per hour	261.74	301.00
Standby – 'Karetu' per hour	104.78	120.50
5 metre 'Mangapai' per hour	157.39	181.00
Standby – 'Mangapai' per hour	104.78	120.50
Whāngārei Work Boat 'Ruawai' per hour	261.74	301.00
Standby – Whāngārei Work Boat 'Ruawai' per hour	136.09	156.50
All labour and transport costs incurred in the hire of vessels, are additional and charged at \$75.50 per hour per crew number, with a minimum of two crew members.		75.50

Floating plant rates do not include crew labour charges or any relocation charges.

NB: (Additional rates may apply in overtime hours)

Other plant not specified above

Each request to hire other council plant or equipment is to be referred to the appropriate manager for approval, who shall apply a realistic charge-out rate and notify the finance manager so that an invoice can be raised.

3.10.7 Hire charge – council, committee, training/meeting rooms

Catering is the responsibility of the hirer. Any refreshments provided by the council will be on charged at cost.

Per day	\$ excluding GST	\$ including GST
Council room	160.87	185.00
Committee room	53.91	62.00
Council and committee rooms	193.48	222.50
Kaipara training room	160.87	185.00
Whangaroa meeting room	53.91	62.00
Kaipara/Whangaroa rooms	193.48	222.50

Catering is the responsibility of the hirer. Any refreshments provided by the Council will be on charged at a rate of \$X GST exclusive per person.

3.10.8 Hire charge – council video conference facilities

Hire charge includes a meeting room	\$ excluding GST	\$ including GST
Price per hour	\$160.87	\$185.00

Bookings will be subject to the availability of a meeting room and the video conferencing unit. Priority will be given to council business. Video conferencing units are Polycom with 55 inch screens. Connection is IP/Skype for Business only and is not configured for ISDN.

3.10.9 Photocopying

Per page	\$ excluding GST			
	Colour A4	Colour A3	Black A4	Black A3
Applicants/Staff	0.10	0.10	0.10	0.10
Other parties	0.10	0.10	0.10	0.10

Note: Double-sided is equivalent to two pages.

Labour costs also to be recovered.

3.10.11 Publication charges for RMA and miscellaneous documents

Plan	\$ including GST
Regional Policy Statement	\$17.00
Regional Policy Statement Maps	\$110.00
Regional Coastal Plan	\$106.00
Regional Coastal Plan Maps	\$96.00
Regional Air Quality Plan	\$49.00
Regional Water and Soil Plan	\$177.50
Draft Regional Plan	\$35.00
Draft Regional Plan Section 32 Report	\$82.50
Statutory acknowledgements	No charge
Regional Land Transport Plan	\$50.00
Regional Passenger Transport Plan	\$50.00
On-site Wastewater Disposal from Households & Institutions	\$22.00
Plans on CDs	\$22.00

Any council publications not made freely available to ratepayers may be purchased at cost from the council. Contact the council for further details.

DRAFT



WHANGĀREI: 36 Water Street, Private Bag 9021, Whangārei Mail Centre,
Whangārei 0148; Phone 09 470 1200, Fax 09 470 1202.

DARGAVILLE: 42 Hokianga Road, Dargaville; Phone 09 439 3300, Fax 09 439 3301.

KAITĀIA: 192 Commerce Street, Kaitāia; Phone 09 408 6600, Fax 09 408 6601.

ŌPUA: Unit 10, Industrial Marine Park, Ōpua; Phone 09 402 7516, Fax 09 402 7510.

Freephone: 0800 002 004 | **24/7 Environmental Hotline:** 0800 504 639

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Setting a charge for marine biosecurity activities 2017/18

A discussion paper

20 February 2017

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1. Introduction

The Northland Regional Council (Council) is looking to set a charge to recover the cost of marine biosecurity activities in the region. These activities include inspection, monitoring and response activities associated with the implementation of the current Regional Pest Management Plan, the Proposed Regional Pest Management Plan and the Proposed Marine Pathway Management Plan. It is proposed that the charge be set at \$106.09 (excluding GST) per mooring, marina berth, or boatshed, and \$5000 (excluding GST) for each of the three main ports in Whangarei.

As part of the process of establishing a charge council needs to consider what it is seeking to achieve, how to provide the best value for money, who should pay, and whether the charge is the best and fairest way to achieve the outcome.

This paper was written in consideration of the guidelines set out in the Office of the Auditor-General Good Practice Guide '*Charging fees for public sector goods and services*¹', and the Treasury's

¹ *Charging Fees for Public Sector Goods and Services*. Good Practice Guide. Office of the Auditor-General, June 2008. <http://www.oag.govt.nz/2008/charging-fees/>

'*Guidelines for Setting Charges in the Public Sector*²'. It aims to make a thorough assessment of the options available to council, and provide background in to the decision making process.

2. Context and background

Council has current Regional Pest Management Strategies, under which freshwater, terrestrial and marine pests are managed in Northland. These strategies are to remain in force until 20 July 2017, unless further extended. They are currently under review and a proposed Regional Pest Management Plan for Northland has been drafted along with a proposed Marine Pathway Management Plan. Council's current marine biosecurity activities are carried out in implementation of the Marine Pest Management Strategy.

Council's marine pest management programme involves inspection, monitoring and response work in the marine environment. Specifically, this entails inspections of moorings, boatsheds and marinas, removal of pests in areas of new incursion, hull inspections and enforcement associated with hull inspections.

This programme comes at a significant cost of approximately \$480,000, which has been increasing rapidly over the past few years in response to the increasing threat of marine pests.

Costs for any Council activity need to be recovered somehow: whether from investment income that council generates or region-wide rates, or; by recovering more directly from the users or others who benefit from that activity by way of a targeted rate, or; from those who either benefit or whose actions give rise to the activity, by way of a user charge.

The Auditor General's good practice guide 'Charging Fees for Public Sector Goods and Services' sets out three guiding principles for setting a fee in the public sector:

- authority;
- efficiency; and
- accountability

Each of these principles is addressed in this paper.

3. Authority

The ability of a council to charge for marine biosecurity activities is set out in Section 135 of the Biosecurity Act 1993 (the Act) (See appendix 1). Council is authorised under this section to recover costs to administer the Act, including costs incurred as the management agency of a pest management plan or pathway management plan. It is a requirement of section 135(1) of the Act that any recovery is done in accordance with the principles of equity and efficiency. These principles are addressed in this document (see section 4)

Section 135 of the Act also sets out how over-recovery of costs is to be treated, ensuring that fees set in any year take into account any over-recovery in the proceeding year. For clarity and for the purpose of this document the 'current' year is considered to be the year that the charges are proposed to be set for (2017/18), and the 'preceding' year to be the year preceding that (2016/17).

² *Guidelines for Setting Charges in the Public Sector*, The Treasury, December 2002.
<http://www.treasury.govt.nz/publications/guidance/finmgmt-reporting/charge>

Council has not set fees for the activity of marine biosecurity in the preceding year, and fee proposed for the current year represents no more than actual cost-recovery. As such the requirement for over-recovery of costs, as set out in Section 135 of the Biosecurity Act, is considered to be met.

4. Efficiency and Equity

4.1 Efficiency

Costs should generally be allocated and recovered in a manner that ensures maximum benefits are delivered at minimum cost. As set out in the Auditor General's good practice guide 'Charging Fees for Public Sector Goods and Services', establishing the cost of a service (or activity) involves:

- Identifying the different services being produced
- Identifying the resources used in producing each service
- Estimating the volume of each service to be produced in a given period; and
- Estimating the volume and cost of resources required to produce each good or service in that period

The budgeted financial cost to council for marine biosecurity in the 2017/18 year is \$480,000 plus gst. This cost comprises:

- \$150,000 staff resource to sustain the level of compliance effort which is preventing the movement of badly fouled hulls and provide capacity for the organisation and management of diver teams and marine pest surveys
- \$330,000 operating budget to survey, educate stakeholders and improve the tools for vessel hull inspections and marine pest control.

The above costs are derived using the current costs of diver survey and the predicted time it will take to process incidents and manage potential breaches of the Marine Pathway Management Plan rules. It also takes into account the importance of education and building awareness of the rules and what vessel owners have to do to comply.

The current cost allocation minimises inefficiencies as a charge on selected structure owners places a clear focus on a significant number of beneficiaries and exacerbators that host vessels and the number of structure owners that provide vessel berths. The cost can be reviewed annually and the total cost of marine pest activities can be divided equally between berth owners. In addition a nominal charge can be attributed to selected commercial ports which may host many large vessels at a single berth.

As part of the statutory requirements of producing a Pest Management Plan and Marine Pathway Management Plan for the Northland region, council completed an Analysis of Benefits and Costs (ABC). This required a thorough investigation of the costs to the council and to the region as a whole, in comparison to the benefits provided to the region of the marine biosecurity activity, including if none were to be undertaken.

The analysis identifies a positive return of over nine times net benefit to the region for every dollar invested in Pathway Management over a ten year period.

The results can be found in Appendix 4.

Ensuring cost effectiveness and efficiency is an ongoing process of the proposal. The major component of costs are based on the recent tender prices obtained for hull inspections in harbours throughout Northland. These inspections are undertaken by commercially qualified divers with marine species identification skills over a six month period and this approach has been proven to be an effective and efficient way of undertaking marine pest survey and tendering is an effective way of obtaining the most competitive pricing. The remaining costs of compliance and education are based on the time taken to process incidents and manage offences prepare advertising, attend public events and undertake other operational activities.

Monitoring the actual costs of the marine biosecurity activity, and undertaking regular reviews of the fees being charged to recover these costs, is critical to ensuring that they remain appropriate and most efficient. This also provides an opportunity to review the assumptions that underpin the costs. By setting the charge for marine biosecurity in council's charging policy, it provides for an annual review of the charge in conjunction with councils annual or long term planning process. From time to time it may become apparent that a more comprehensive review of the charge is required, and an annual review process allows this to happen as the need arises.

4.2 Equity

Equity dictates that users or beneficiaries of an activity or service, or those whose actions give rise to an activity or service, will generally be required to fund the cost of providing that service at a level that reflects their use or benefit.

In the case of marine biosecurity, it is the movement of hulls of non-trailer boats that is exacerbating the spread of marine pests, and as such are giving rise to an increased need for marine biosecurity activities. As detailed in Section 4.1 the costs incurred for marine biosecurity relate to the inspection and monitoring of, and response to, vessels.

The presence of non-trailer vessels, when combined with the presence of pests, gives rise to the activity by way of:

- Being a significant vector of spread
- Necessitating the need for monitoring, inspection and enforcement

The majority of non-trailer boats in Northland require a mooring or a marina berth. Alternatively the vessels may make contact with one of the three commercial ports in Whangarei. There are a substantial number of vessels that visit during the summer holidays from other regions, particularly from the Auckland region. Some of these vessel owners also own moorings in Northland however many are in the region for a short time and prefer to anchor rather than use marinas or moorings and these vessels will not incur the proposed charge.

The movement of boat hulls is proven to have introduced Mediterranean fanworm, one of the most aggressive and prevalent species of marine pest to Northland. Nationally the concern over this vector of spread is so great that new ways of managing the movement of boat hulls was investigated, and is now being implemented through Marine Pathway Management Plans.

Vessel owners are regular users of the marine environment and can be an exacerbators of marine pests as well as beneficiary of the activity of marine biosecurity. The work council undertakes to slow marine pest spread reduces the risk to boat users of spreading marine pests throughout the region from the use of their own boat and also reduces the risk that they will be infected by other vessels and structures. The activities also reduce the risk of marine pest impact on high value marine environments such as marine reserves and kai moana collecting areas. While there is an undisputed

benefit of the marine pest management activity to all users of the marine environment, which goes well beyond those with vessels that require a mooring or marina, it is the combination of giving rise to the marine biosecurity activity and benefitting from it, that sets structure owners apart as being eligible to pay for the activity.

It is proposed that the fee be set at \$106.09 (excluding GST) per mooring, marina berth, or boatshed, and \$5000 (excluding GST) for each of the three main ports in Whangarei. Based on council's records of 4,379 moorings, marina berths and boatsheds, this would provide full cost recovery of the \$480,000 required for the marine biosecurity activity.

4.3 Justification

As part of their considerations in setting a charge, council must consider whether the fee is justified and what proportion of the costs it is seeking to recover.

Understanding the right level of contribution that structure owners should make to the cost of the marine biosecurity activity will be assisted through a consultation process as discussed in section 4. Council proposes full cost recovery, however depending on the feedback received during consultation, council may also consider a partial share, with Northland ratepayers effectively funding the remainder of activity cost that is not funded by users.

5. Accountability

The Northland Regional Council is accountable to the people of Northland and elsewhere, and to Parliament. A critical element of being accountable is having transparent processes, particularly for when setting fees. Consulting with the public prior to introducing a new fee regime achieves a good level of transparency.

Council is providing full disclosure of the proposed marine biosecurity charge, and is providing a platform to give the public an opportunity to comment on and question the charge. The significance of the new charge has been evaluated and the level of consultation will reflect the nature of the charge, and be tailored to those potentially needing to pay. Council will make contact with those who may be affected by the proposed charge, directly by way of letter.

It is anticipated that this consultation will provide council with information that will assist them in their final decision making process.

Following the setting of a fee, council will record revenue and expenditure in appropriate cost centres. This will provide information on how much revenue is being generated relative to costs, and assist annual review of the fees.

APPENDIX 1 – Section 135 of the Biosecurity Act 1993

Recovery of costs

135 Options for cost recovery

(1) The Director-General, every other chief executive, and every management agency, (hereafter in this section and in [section 136](#) referred to as a recovering authority) shall take all reasonable steps to ensure that so much of the costs of administering this Act, including costs incurred as the management agency of a pest management plan or pathway management plan, as are not provided for by money appropriated by Parliament for the purpose are recovered in accordance with the principles of equity and efficiency in accordance with this section and the regulations.

(2) In determining appropriate mechanisms for the recovery of costs of a particular function or service, a recovering authority shall ensure that there is recovered any amount by which—

(a) the sum of—

(i) the costs of the function in the current year; and

(ii) any shortfall in the recovery of the costs in the preceding year; exceeds

(b) any over-recovery of costs in respect of the preceding year.

(3) A recovering authority may recover costs of administering this Act and performing the functions, powers, and duties provided for in this Act by such methods as he or she or it believes on reasonable grounds to be the most suitable and equitable in the circumstances, including any 1 or more of the following methods:

(a) fixed charges:

(b) charges fixed on an hourly or other unit basis:

(c) estimated charges paid before the provision of the service or performance of the function followed by reconciliation and an appropriate payment or refund after provision of the service or performance of the function:

(d) actual and reasonable charges:

(e) refundable or non-refundable deposits paid before provision of the service or performance of the function:

(f) charges imposed on users of services or third parties:

(g) in the case only of the Director-General or some other chief executive, liens on property in the possession of the Crown.

(4) This section does not apply to costs incurred by a recovering authority in processing travellers to which the [Airports \(Cost Recovery for Processing of International Travellers\) Act 2014](#) applies.

Section 135(1): amended, on 18 September 2012, by [section 56](#) of the Biosecurity Law Reform Act 2012 (2012 No 73).

Section 135(4): inserted, on 15 February 2014, by [section 21\(1\)](#) of the Airports (Cost Recovery for Processing of International Travellers) Act 2014 (2014 No 3).

APPENDIX 2 – Calculation of Moorings and Marinas

Marina name	Number of berths	Monthly rental average	Total amount charged as new biosecurity fees
Whangarei marina (incl. RDM)	310	\$917	\$35960
Marsden Cove	230	\$945	\$26680
Tutukaka marina	232	\$809	\$26912
Bay of Islands Marina	582	\$801	\$67512
Kerikeri Marina	111	\$792.5	\$12876
Whangaroa Marina	214	\$855	\$24824
Total Moorings	2700	\$176	\$313200
Total marinas	1679	\$853.25	\$194764
TOTAL units	4379		

APPENDIX 3 - Analysis of Benefits and costs

The table below shows how much the region stands to gain, in monetary terms, under each management regime. The current regime gives the region about \$3 of benefit for every dollar spent. This gives a net benefit of \$6.5M over a ten-year period and a cost benefit ratio of 3.4. The more efficient the management regime is, the higher the cost/benefit ratio will be.

The proposed management regimes LOF 2 + movement gives a benefit of around \$9 for every dollar spent (cost benefit ratio of 9.3). This gives a net benefit of \$69M over ten years. This is just over 10 times benefit from our current regime in terms of monetary gain from preventing degradation of the marine environment from marine biosecurity risk species. From this, we can see that setting a rule that restricts the movement of vessels with level of fouling 2 gives us the highest cost/benefit ratio.

Present value of benefits and costs for a ten-year period

	*Management regime						
	Current	LOF 4	LOF 3	LOF 2 movement	LOF 2	LOF 1	LOF 0
Benefit (\$M)	\$9.2	\$35.7	\$73.3	\$77.2	\$76.3	\$60.2	\$47.4
Cost (\$M)	\$2.8	\$4.4	\$9.0	\$8.3	\$13.5	\$34.1	\$54.3
Net benefit (B-C) (\$M)	\$6.5	\$31.4	\$64.4	\$69.0	\$62.9	\$26.1	-\$6.9
Benefit/Cost ratio	3.4	8.2	8.2	9.3	5.7	1.8	0.9

This table describes different regimes of hull cleaning from no biofouling (LOF 0) to very heavy fouling (LOF 5). "LOF 2 Movement" refers to vessel hulls that move beyond designated limits and having no more than a slime layer and goose barnacles.

The Pathways Plan rule which restricts vessel movement beyond these limits should they not meet the minimum hull fouling standard. The benefit cost ratio for LOF 2 is positive at 9.3. Furthermore the net benefit between the current approach which is species led and using a pathway plan (movement rule) is more than ten times the value (\$6.5 cf \$69.0).

Assumptions used in the Analysis of Benefits and Costs

- Currently a 75% likelihood of a marine pest being introduced to northland in any one year
- 90% likelihood that introduction is attributed to hull fouling
- 3000 vessels in Northland will be affected by MPMP implementation
- 10 hours of compliance work per vessel to implement MPMP rules
- \$50000 FTE cost for compliance
- \$80.00 average per vessel surveillance cost

TITLE: Adoption of the Annual Plan 2017/18 Consultation Document and Approval to Consult

ID: A922680

To: Extraordinary Council Meeting, 8 March 2017

From: Kyla Carlier, Strategy Specialist

Date: 22 February 2017

Executive summary

The purpose of this report is to present the Consultation Document for the Annual Plan 2017/18.

The report seeks the adoption of this document and approval to commence consultation, using the principles of consultation under section 82 of the Local Government Act 2002 (LGA).

Recommendation

1. That the report 'Adoption of the Annual Plan 2017/18 Consultation Document and Approval to Consult' by Kyla Carlier, Strategy Specialist, and dated 22 February 2017, be received.
 2. That council adopts and approves for release the Annual Plan 2017/18 Consultation Document (**Attachment 1**) for consultation pursuant to sections 82, 95 and 95A of the Local Government Act 2002.
 3. That council delegates to the Group Manager – Strategy and Governance the authority to make any necessary minor formatting, typographical, and administrative changes to the Consultation Document prior to formal public consultation.
-

Background:

The council has been developing, through a series of workshops, an Annual Plan for the 2017/18 financial year. The Local Government Act 2002 (LGA) requires a Consultation Document (CD) be adopted by council and released for consultation, in conjunction with a Supporting Information document.

The Annual Plan 2017/18 will set out how the work outlined for year three of the Long Term Plan 2015–2025(LTP) is to be implemented and achieved. The CD provides a summary of the matters that are proposed to be included in the Annual Plan 2017/18, that differ from the content of the LTP

The CD provides a summary of these points of difference, and directs people to supporting documentation for more detail where appropriate. It identifies and briefly explains the changes, and shows how these relate to the LTP.

The adoption of the supporting information is covered in agenda item 3.1.

Please refer to Attachment 1 for a copy of the Consultation Document.

Summary of key issues

The CD highlights the key points of difference from the LTP for consultation, as follows:

Council is 'Improving and Adapting' with new initiatives that tie in to existing LTP levels of service. These are in the following areas:

- Community representation and engagement: \$5,000 for Māori cultural awareness training to build our capacity to work with Māori effectively, and \$55,000 for governance support.
- Resource and catchment management: \$57,000 for land management activities associated with water quality; \$70,000 for an additional resource for council's biodiversity programme; and \$172,000 contribution to a native forest restoration project that aims to restore seven of Northland's best forests in 10 years.
- River management: \$237,910 to upgrade equipment for hydrology and monitoring.
- Hazard Management: \$75,000 for Civil Defence Emergency Management, to fulfil roles in public information and group recovery.
- Transport: \$15,000 for a safe boating education programme in schools; \$24,500 to assist the identification of vessels in Northland's busiest areas; \$14,000 to improve the way that we manage moorings; and \$30,000 to progress shared services between councils through the Northland Transportation Alliance.
- Support Services: \$64,000 to improve our customer service systems; \$102,500 to set up a Mid North Customer Service Centre; \$80,000 to improve our communications and engagement with the community; \$10,000 to allow further investigation into other options for alignment with other councils; and \$281,000 to maintain council's building assets and upgrade information technology systems.

There are changes to targeted rates, with some rates being lowered:

- The regional recreational facilities rate – reduce the rate to allow the reserve to be repaid across the whole year.
- The regional infrastructure rate – roll the rate over for another year to allow investigations into infrastructure options.
- Kerikeri-Waipapa rivers management rate – suspend the rate, use the reserve to cover costs associated with ongoing operations, and investigate the feasibility of capital works.
- Awanui river management rate – change the rating boundaries to alter the rural/urban split and collect rates more fairly.
- Kaihu river management rate – reduce the rate by 12%.
- Kaeo-Whangareoa rivers management rate – reduce the rate by 20%.

Charging Policy

- Charges are increasing by 2.44%.
- Several other changes, corrections and updates are being made.
- The fairest way to pay for our marine biosecurity activities is being considered, including introducing a charge on moorings, marinas, boatsheds and ports.

Consultation

The next step in developing the Annual Plan 2017/18 is public consultation. Due to synergies in timing and content, the Annual Plan 2017/18 will go out for consultation at the same time as the Draft Charging Policy, Draft Navigation Safety Bylaw 2017, and the Regional Pest Management and Marine Pathway Management Plan.

The Consultation Document presented here for adoption and release relates to the Annual Plan 2017/18 and the Charging Policy only.

A five-week consultation period is planned from 18 March–21 April 2017. A series of community drop-in days have been scheduled at three locations around Northland during this period. The purpose of these drop-in sessions is to allow the community to talk face-to-face to councillors and staff, ask questions, and provide feedback in a way that is meaningful to them.

Written feedback can be received through a number of channels including:

- the online feedback form at www.nrc.govt.nz/haveyoursay;
- email communication;
- hardcopy feedback forms and letters; and
- council Facebook and Twitter accounts.

Hearings

Hearings on the Annual Plan 2017/18, Charging Policy, Navigation Safety Bylaw, and the Regional Pest Management and Marine Pathway Management Plan will be held on the week beginning 22 May 2017.

Deliberations and adoption

The LGA requires that local authorities adopt their Annual Plan before the end of June in any given financial year.

It is proposed that a deliberations meeting (open to the public) be held on 7 June and that the Annual Plan 2017/18 be adopted at a council meeting on 27 June 2017.

Considerations:**1. Options**

Two options are set out below. Staff recommend option 1, to adopt the Annual Plan 2017/18 Consultation Document for consultation.

No.	Option	Advantages	Disadvantages
1	Adopt the Annual Plan 2017/18 Consultation Document for consultation.	Council will achieve compliance with the LGA 2002, will be informed of community views when making decisions on the Annual Plan 2017/18, and will be able to proceed with proposals for the 2017/18 financial year.	None
2	Do not adopt the Annual Plan 2017/18 Consultation Document	None	Consultation will not occur in accordance with the requirements of the LGA, and council will not be able to implement the proposed changes for the 2017/18 financial year.

2. Significance and Engagement

Section 76AA of the LGA directs that council must adopt a policy setting out how significance will be determined, and the level of engagement that will be triggered. This policy assists council in determining how to achieve compliance with LGA requirements in relation to decisions.

This decision itself is considered to be of low significance when assessed against council's significance and engagement policy because it is for the purpose of achieving compliance with sections 82A and 95 of the LGA and does not, in itself, impact the community other than to provide them with information.

The Annual Plan 2017/18 consultation document has been prepared because the proposals in the annual plan are considered to be significant or material. The decision to adopt the Consultation Document, while not significant in itself, will enable council in the future to make decisions on the annual plan itself while having full regard to community views in relation to the proposals set out in the document. This will assist council in achieving compliance with procedures in relation to decisions as set out in section 79 of the LGA.

3. Policy and Legislative Compliance

Consultation on an annual plan is required under section 95 of the Local Government Act 2002 (LGA) if the proposed annual plan contains significant or material differences from the content in the Long Term Plan 2015–2025 for the financial year to which the plan relates; preparation and adoption of an Annual Plan Consultation Document is required under section 82A of the LGA as part of consultation.

The decision to adopt the Annual Plan 2017/18 Consultation Document will achieve compliance with sections 82A and 95 of the Local Government Act 2002. This decision will also achieve compliance with council's Significance and Engagement Policy, in particular 'We will consult when we are required to by law, when a proposal is considered significant, and when we need more information on options for responding to an issue'.

4. Further considerations

The decisions contained within this report will enable consultation, which will provide council with feedback on community views and potential impacts on Māori. Any financial impacts or implementation issues are addressed in the attached documentation.

Further consideration of community views, impacts on Māori, financial impacts and implementation issues will be addressed through the deliberations process and subsequent council decision to adopt the final Annual Plan 2017/18.

Attachments:

- *Attachment 1: The Annual Plan 2017/18 Consultation Document*
-

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 23 February 2017

ANNUAL PLAN 2017/18

CONSULTATION DOCUMENT



HE ANGA WHAKAMUA

Whakatakataka te hau ki te uru
Whakatakataka te hau ki te tonga
Kia mākinakina ki ūta
Kia mātaratara ki tai
E hī ake ana te ātākura
He tio, he huka, he hau hū

Te mea tuatahi, ko ngā mihi ki tō tātou Kaihanga, Tēnā hoki o tatou mate huhua o ngā tau, ngā marama, ngā wiki me ngā rāe pahure.

Tino hari, tino koa a matou, Te Kaunihera-ā-Rohe o Te Tai Tokerau, e hoatu kia koutou te Whakamahere-a-tau 2017/18.

Ngā pūtake o tēnei Whakamahere a tau:

- Ngā mahi e tika ki o matou mahi
- Ka haere matou e whakapai
- Whakautu ki ngā wero i te taiao
- Whautu ki ngā heinga
- E kitea ka tika nga whai rawa mo matou mahi

Tetahi o enei putake e korerotia kei roto i tenei Whakamahere. E whakamanawa ana matou ma koutou e tuku o koutou whakaaro, e pa ana nga kaupapa kei roto i tenei whakamahere-a-tau. Tirohia ki te mutunga o tenei Whakamahere me pehea e tuku ou whakaaro.

Na reira, e nga mana, e nga reo, e nga hapori, tena koutou katoa.

He anga whakamua acknowledges and recognises the importance of Māori and their culture in moving Northland forward together as one. It introduces Northland Regional Council's Annual Plan 2017/18, and outlines the matters covered in this annual plan, explaining each of the areas that are discussed further in this document. It invites feedback on the plan – directing people to the last page for guidance on how to provide a submission.

WELCOME to our 2017/18 Annual Plan

WHERE CAN I FIND MORE INFORMATION?

You can find these documents on our website:

- **Annual Plan Supporting Information**
- **Draft charging policy**
- **Draft Navigation Safety Bylaw**
- **Proposed Regional Pest and Marine Pathway Management Plan**

www.nrc.govt.nz/haveyoursay

INFORMATION SESSIONS

Want to talk to us? Come along to a drop-in session.

WHANGĀREI

3-6pm 30 March
NRC offices, 36 Water Street

MANGONUI

3-6pm 6 April
Mangonui Cruising Club

BAY OF ISLANDS

3-6pm 10 April
Bay of Islands Yacht Club

We can also meet with groups by arrangement. Please contact us on 0800 002 004 by Friday 31 March to register your interest.

DO IT ONLINE

This consultation document relates only to the matters covered by the annual plan and charging policy, but if you are interested in reading the consultation material on our other plans and providing feedback in one place we encourage you to do so.

You can do this online at
www.nrc.govt.nz/haveyoursay

This year our Annual Plan consultation is combined with consultation on our **Charging Policy**, **Navigation Safety Bylaw** and our **Regional Pest Management Plan**. Each of these documents relates to the management of our marine or maritime environment in some way, and we wanted to make it easier for you to have your say.

CHAIRMAN'S Foreward

As we head into the 2017/18 year, the final year of our three-yearly planning cycle, our Annual Plan provides us an opportunity for final tweaks before we begin working on next year's Long Term Plan.

This consultation document focuses on key differences between what we want to do in the coming year, and what we originally planned for in our Long Term Plan 2015-2025.

We are continuing to strive to provide the very best value across the comprehensive suite of work programmes set out in our last Long Term Plan, while having the flexibility to adapt to new opportunities and challenges that arise along the way.

Last year we were able to maintain our existing services as well as adding a range of new initiatives, without any further rates increase from what was originally budgeted for in our Long Term Plan.

This year, with ongoing community demand for new services plus upgrades and improvements needed to enhance our high levels of service and respond to change, there is some extra work to do.

Some of these upgrades and improvements are able to be absorbed within council reserves, minimising the extra amount needed from rates. For the remainder, we are proposing to collect

an extra \$822,000 from rates, which equates to an average of \$8.90 per property.

But rates don't only go up, and some will be lowering in the 2017/18 year. We are continually looking for ways to do more with less and this year we are able to pass on savings made on two of our targeted river rates, and lower our regional recreational facilities rate. These changes in our rates – and the effect of land and capital values across Northland – mean that while some ratepayers will see their total increase, others will go down.

With five new councillors on board following October's local body elections, this council is moving forward with both a steady hand and fresh vision, and looking ahead to next year's Long Term Plan process.

Thank you for taking the time to read this consultation document. We look forward to hearing your feedback on whether you think we are on the right track.



Bill Shepherd
Coastal North
Chairman



Malcolm Nicolson
Chief Executive

Your councillors

The map shows the following council areas and their respective councillors:

- TE HIKU:** Mike Finlayson
- HOKIANGA-KAIKOHE:** Justin Blaikie
- KAIWARA:** Penny Smart
- COASTAL NORTH:** Bill Shepherd, Jocelyn Yeoman
- WHANGĀREI URBAN:** John Bain, David Sinclair
- COASTAL CENTRAL:** Paul Dimery
- COASTAL SOUTH:** Rick Stolwerk

Other locations marked on the map include Houhora, Doubtless Bay, Kaitiāia, Ahipara, Whangaroa, Kerikeri, Paīhā, Oakura, Kaikohe, Kawakawa, Opononi, Waipoua Forest, Kaitiāia, Whangārei, Tutukākā, Dargaville, Waipū, Ruāwāi, Mangawha, and Kaiwaka.

IMPROVING AND ADAPTING Annual Plan 2017/18

Our Annual Plan tells you about any changes we are making from the Long Term Plan. Our Long Term Plan 2015-2025 set out the direction for Northland with a ten-year view, and you helped us shape this in 2015. **As well as delivering on what was planned, we are making improvements along the way, while also responding to environmental, social and financial challenges and opportunities that have arisen.**

Council continually works to provide ratepayers with the very best value for money, striving to find economies that will allow council services to be provided at the most competitive rate, in an inflating environment. For several years council has been able to fully absorb the effects of inflation through innovation by developing more efficient operational methods. However, there is a continued demand from our community for new services, and a need to respond to real-time challenges such as climate change.

To allow council to improve on the already high level of service to Northland and respond to real-time challenges, additional rates revenue of \$822,000 is required. On average this equates to about \$8.90 per rating unit/SUIP across the region (in reality

that figure will vary depending on your property – see below). In terms of council’s rate take for the year, it is an increase of 4.84%, compared with the 2.44% planned for in our Long Term Plan. We are also using council reserves to increase funding for some activities and capital projects, which will not impact your rates any further. Approximately \$630,000 of funding from reserves over and above the proposed rate increase will be applied in the 2017/18 year.

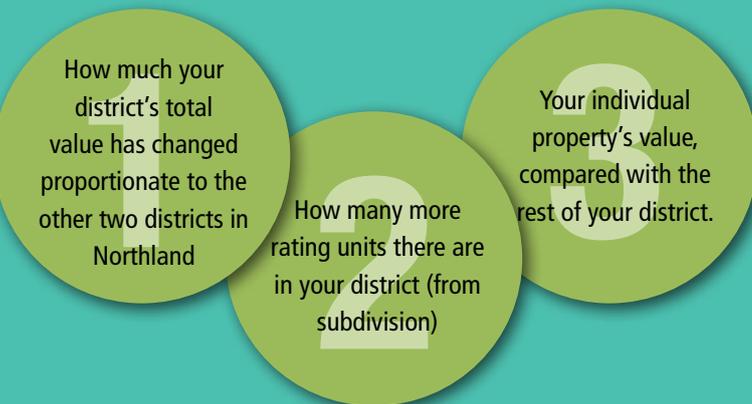
This additional funding from rates and reserves will allow council to upgrade equipment where necessary, improve its critical environmental programmes, continue working to ensure that our communities are safe on land and on the water, further advance shared services with other councils within Northland and ensure that we are providing the very best level of customer service.

Want to know more about what activities we are funding? More detail on the changes we are making and how we are using the rate increase can be found in our Annual Plan 2017/18 Supporting Information document – go to www.nrc.govt.nz/haveyoursay

How rates can vary

Councils usually talk about rate increases or decreases as an overall percentage, but it rarely means that any one property’s rates are going to change by this same percentage.

One of the main reasons is changes in relative property and district values – for example:



An average increase of \$8.90 (4.84%) per rating unit for the coming year will vary:

From about **\$1 to \$20** for urban properties across the region 

From about **-\$25 to \$97** for rural properties across the region. 

How much extra rates revenue do we need?

\$822,000



What does this mean for your rates?

An average of \$8.90

The average and range shown here relates to the 4.84% rate increase only, and excludes the impact of individual targeted rates. Targeted rates can have a significant impact on the change in your rates bill. Our supporting information document has detailed rating scenarios for properties in each of Northland’s three districts. You can find it here: www.nrc.govt.nz/haveyoursay

WHAT ARE WE SPENDING WHERE?

These amounts include both Capital Spending and Operational Spending. Spending on capital usually comes from council reserves, while operational spending has a direct impact on your rates. Your rates also go toward depreciation on some of our capital spending, so that we can replace these assets when the time comes. For more information, please see our Supporting Information document.



River Management

Our new initiatives relating to river management and hydrology are all related to the upgrade of equipment for hydrology monitoring, such as calibrators and satellite loggers. Maintaining our hydrometric network means that we have the best information available to manage our water resources and flood hazards. The total amount for these upgrades and improvements is \$237,910.



Hazard Management

We are looking to allocate \$75,000 for Civil Defence Emergency Management, to fulfil roles in public information and group recovery.



Community representation and engagement

We are proposing to allocate \$5,000 for Maori cultural awareness training to build our capacity to work with Maori effectively, and \$55,000 for governance support.



Transport

We have several initiatives dedicated to keeping people safe on our waters. We are proposing to allocate \$15,000 for a safe boating education programme in schools, \$24,500 to assist the identification of vessels in our busiest areas, and \$14,000 to improve the way that we manage moorings. We are also proposing to allocate \$30,000 to progress shared services between councils through the Northland Transportation Alliance.



Resource and Catchment Management

We propose spending in three main areas: \$57,000 of additional resourcing is required for land management activities associated with water quality; \$70,000 is being allocated to provide for an additional resource for council's biodiversity program, and \$172,000 is being contributed to a native forest restoration project that aims to restore seven of Northland's best native forests in ten years.



Support services

We want to provide our communities with the very best level of customer service and support. We are looking to allocate \$64,000 to improve our customer service systems, and \$102,500 to set up a Mid North Customer Service Centre. For improving our communications with you we are allocating \$80,000, and \$10,000 is being set aside to allow further investigation into other options for alignment with other councils. We are also proposing \$281,000 to maintain council's building assets and upgrade information technology systems.

Our region-wide targeted rates

LOWERING THE REGIONAL RECREATIONAL FACILITIES RATE

This rate is applied 100% to the development of the regional events centre. The full cost of the events centre (the reserve) is going to be repaid earlier than expected due to careful financial management by council resulting in lower interest payments. This means that the rate will end part way through the financial year. By lowering the rate by approximately 20%, we can repay the reserve over the full year, a solution which is administratively efficient and more straightforward for ratepayers.

We will come back to you next year during our Long Term Plan process to explore options for replacing this rate with a new rate to funding sporting facilities in Northland.

CONTINUING THE REGIONAL INFRASTRUCTURE RATE

Established in 2007/08, the purpose of this rate was to fund activities relating to the development of regional infrastructure projects, starting with the Marsden Point Rail Link. The rate was set for two years in our Long Term Plan to provide for further decision making by central government regarding the rail link.

The future of the rail link is unclear, and council is awaiting further direction from central government before reconsidering the purpose of the rate. Rolling the rate over for a further year will allow time for any required investigations. Council will then put forward options in the Long Term Plan and consult on what infrastructure investments the rate is best spent on.

Our targeted rates for flood management

AWANUI RIVER MANAGEMENT TARGETED RATE – a fairer split of costs

This rate is applied differentially by location and area of benefit, and in our last Annual Plan we let you know that we would be doing some work to ensure that the current split was the fairest way of paying for the scheme. This work has been done and it is now proposed to adjust the boundary between the urban and rural areas, merging the 'A' and 'B' rural classes to better reflect the flood modelling data and the area of benefit. This means that the urban area will be bigger and will fund more of the rate, while the rural area will be reduced and fund less. The split will go from 72% urban, 28% rural to 78% urban, 22% rural.

The current differential split is defined in the Awanui River Asset Management Plan. This plan and a map of the new boundaries, can be found here:

www.nrc.govt.nz/priorityrivers

KAIHU RIVER MANAGEMENT RATE – reducing the rate

This rate funds channel maintenance works on the Kaihu River flood management scheme. These works have cost less than was expected, and these savings can now be passed on to the ratepayer with the rate able to be reduced by 12%.

KAEO-WHANGAROA RIVERS MANAGEMENT RATE – reducing the rate

The Kaeo-Whangaroa rivers management rate funds operation and capital flood scheme works in Kaeo and Tauranga Bay, and minor river maintenance works to clear flood debris and gravel from streams stretching from Taupo Bay to Te Ngairi. The costs of borrowing and work have been lower than expected, meaning that the rate can be reduced by 25%.

KERIKERI-WAIPAPA RIVERS MANAGEMENT RATE – suspending the rate

This rate is applied to properties that are identified in the contributing catchments within the Kerikeri-Waipapa area, and was set to fund the operational and capital costs of the flood scheme works in the area.

While the operational works are ongoing, the consent applications for the Kerikeri River Spillway Scheme have been withdrawn. This is because more recent flood modelling analysis showed a larger extent of flooding than was expected. This new information means that the scheme as it currently stands may no longer be viable, and while no decision has been made to discontinue the scheme, we need to do more work on feasibility. As a result of this, the collection of the Kerikeri-Waipapa Rivers Management Rate can be suspended in the 2017/18 year, and the balance collected to date can continue to fund operational works while investigations in to any other flood control works are completed. We'll come back to you in our Long Term Plan next year with some options for the scheme, so that you can have your say.

OUR CHARGING POLICY

What's new?



Our charging policy sets out the policies, fees and charges that are collected by the council from private beneficiaries for a range of services it performs. These are also known as user charges. This is a big piece of the puzzle when it comes to planning how much money council can spend on what activities over the next year. The Long Term Plan 2015-2025 set out how much we would increase our fees and charges each year, however we review our charging policy every year to make sure that it is accurate. The Long Term Plan said that we would increase our fees and charges by 2.44% for the 2017/18 year, and that is what we are doing.

We are making some other changes in addition to this, including:

- Introducing some new charges for cruise ship pilotage services that we provide
- Updating monitoring costs so that they accurately reflect the actual costs incurred by council which are passed on to consent holders
- Updating our charges for oil spill responses and contingency plans
- Updating the wording around charges associated with the Navigation Safety Bylaw
- Reducing the costs of photocopying, and the costs of our plans, to reflect the cheaper printing rates that council have secured.

There is other work going on in the marine space – we are updating our **Navigation Safety Bylaws** and are also consulting on our **Marine Pathway Management Plan**.

You can view and provide feedback on these other documents, together with this Annual Plan and our Charging Policy, in one place at www.nrc.govt.nz/haveyoursay



MARINE BIOSECURITY CHARGES

Any money that council collects - that is not collected through rates - is generally set out and consulted on through our charging policy. We are now considering a fairer way to pay for marine pest management through user charges.

We have an incredible coastal environment, which is central to who we are – our lifestyle, recreational activities, tourism and aquaculture depend on it. Most people agree it's important to protect this from marine invaders.

Our marine pest management programme is set out in our pest management strategy, and involves inspection, monitoring, and response work in the marine environment. This programme comes at a significant cost which has been increasing rapidly over the past few years, with our budgeted spend for the 2017/18 coming close to half a million dollars.

Most of the work we do in this space is inspecting and monitoring boat hulls and associated structures, as this is the main way marine pests are spread, or are nodes of spread. Currently the costs of these inspections and response is effectively funded from all ratepayers' pockets, as the initial response to marine biosecurity incursions were paid for in this way. Like our flood schemes, now that the response programme has reached a "maintenance" stage, council is seeking to recover the costs from the direct users of the space.

Council has been looking for a fairer way to recover the costs of marine pest management, and is looking to increase charges for moorings, boatsheds, marinas and the three main commercial ports

in Whangārei, where these activities are undertaken. Council's preferred option is full cost recovery, as outlined in 'Option 1' below. Including GST, this would mean an extra \$122 per year, or \$2.30 per week, that would be added as a charge to moorings, marina berths and boatsheds in our charging policy. Port Nikau, Northport and Golden Bay Cement would be charged \$5750 a year. This money would fund the ongoing monitoring and inspection of boat hulls and marine structures, and the response required when marine nasties are found in these places.

We want to know what you think is the fairest way of paying for the ongoing programme of work required to reduce the spread of marine pests, preventing further incursions of existing pests and keeping any new invaders out of our region altogether, and we're exploring all three options. Our full charging policy is available on our website: Go to www.nrc.govt.nz/haveyoursay

OPTION 1 : Apply a charge of \$122 to moorings, boat sheds and marina berths, and a \$5750 charge to the three main ports in Whangārei, to achieve full cost recovery of our marine biosecurity programme.

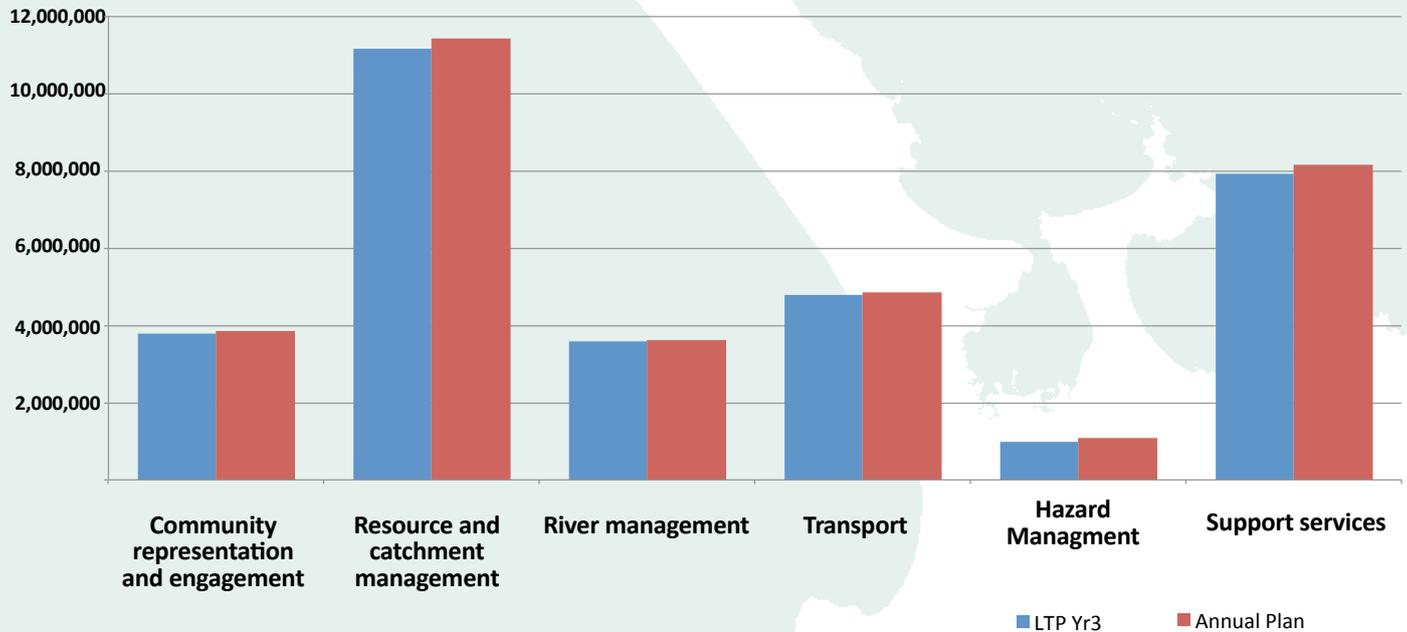
OPTION 2: All ratepayers in Northland should pay – this is the status quo

OPTION 3: Split the costs – set a lesser charge for moorings, boat sheds, marina berths and ports, and fund the remainder from all ratepayers.

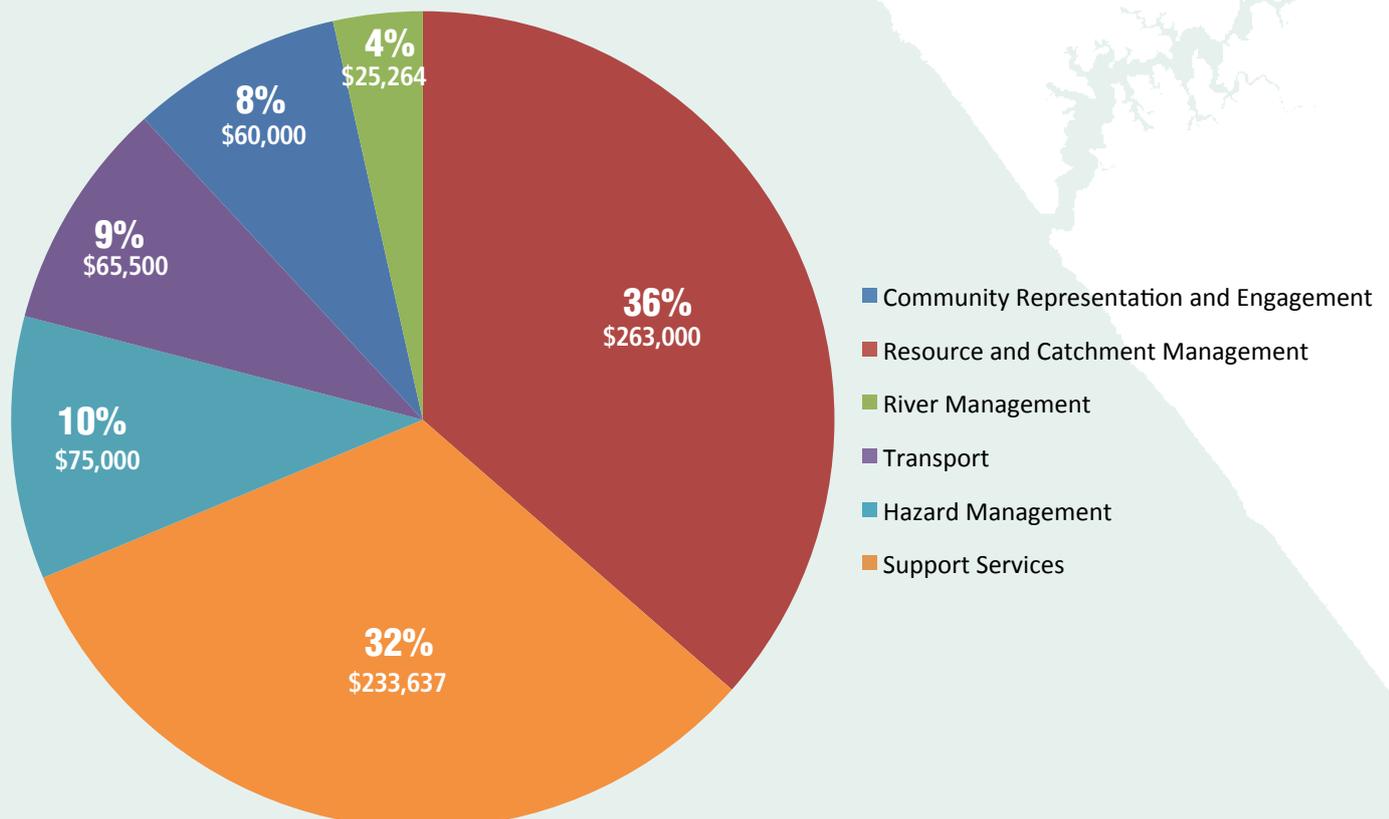
PLANNED SPENDING 2017/18

These graphs show the differences in spending between what was indicated in the long term plan and what will be in the Annual Plan for 2017/18, and how your rates increase will be spent.

What we intend to do different to our Long Term Plan



Where is your rates increase being spent?



TELL US What you think...

Your name, township and feedback will be published in public documents.

First name:

Surname:

Organisation (if applicable):

Postal address:

.....

Email address:

Phone:

If you supply an email address, we will use this as our method of communicating with you, to reduce paper use and minimise costs.

DO IT ONLINE

This consultation document relates only to the matters covered by the annual plan and charging policy, but if you are interested in reading the consultation material on our other plans and providing feedback in one place we encourage you to do so.

You can do this online at www.nrc.govt.nz/haveyoursay

You are welcome to speak to the councillors at a hearings meeting to support your submission.

Do you want to talk to councillors at the hearings meeting? Yes/No (please circle)

If yes, please ensure that your phone number and email address are correct in the above form, or we may not be able to contact you with a time.

...about our region-wide rates

RAISE AN ADDITIONAL \$822,000 ACROSS THE REGION	AGREE	NEUTRAL	DISAGREE
Should we collect an extra \$822,000 across the region (an average of \$8.90 per property) so that we can keep our equipment up to date, continue our critical environmental programmes, work to keep our communities safe, and continue to provide a high level of service to Northland? <i>(Please see our supporting information document for more detail on what we are planning to do)</i>	[]	[]	[]
Comments _____			

...about our specific targeted rates

REGIONAL INFRASTRUCTURE RATE	AGREE	NEUTRAL	DISAGREE
Should we continue this rate for a further year to allow the complexities of the rail corridor to be addressed?	[]	[]	[]
REGIONAL RECREATIONAL FACILITIES RATE			
Should we lower the rate for the 2017/18 year, so that the reserve is repaid over the full year?	[]	[]	[]
Comments _____			

Please be aware when providing personal information that all submissions are part of a public consultation process. As such, information provided will be made publicly available, including submitters' names and addresses.

...about our targeted rates for flood management

AWANUI RIVER MANAGEMENT TARGETED RATE	AGREE	NEUTRAL	DISAGREE
Should we alter the boundaries of the targeted rate to better reflect areas of benefit?	[]	[]	[]
KAEO RIVER WHANGAROA RIVERS MANAGEMENT TARGETED RATE			
Should we reduce the Kaeo River Whangaroa Rivers Management targeted rate by 25%?	[]	[]	[]
KAIHU RIVER MANAGEMENT TARGETED RATE			
Should we reduce the Kaihu River Management targeted rate by 12%?	[]	[]	[]
KERIKERI-WAIPAPA RIVERS TARGETED RATE			
Should we suspend collection of the Kerikeri-Waipapa rivers management targeted rate and use the reserve balance to fund operational work, while investigations in to flood control works are completed?	[]	[]	[]
Comments _____			

...about our Charging Policy

	AGREE	NEUTRAL	DISAGREE
Should we increase our charges by 2.44%, like we said we would in our Long Term Plan, and make other updates and changes?	[]	[]	[]
Comments _____			

WHO SHOULD PAY FOR MARINE PEST MANAGEMENT?

What do you think would be the fairest way to pay for our marine pest management work?

OPTION 1 : Apply a charge of \$122 (including GST) to moorings, boat sheds and marina berths, and a \$5750 (including GST) charge to the three main ports in Whangārei, to achieve full cost recovery of our marine biosecurity programme.	[]	[]	[]
OPTION 2 : All ratepayers in Northland should pay	[]	[]	[]
OPTION 3 : Split the costs – set a lesser charge for moorings, boat sheds, marina berths and ports, and fund the remainder from all ratepayers.	[]	[]	[]

Comments _____

Once completed please return this form to us as outlined below.

POST: Annual Plan 2017/18
Northland Regional Council
Freepost 139690
Private Bag 9021, Whangārei Mail Centre,
Whangārei 0148

EMAIL: mailroom@nrc.govt.nz
FAX: 09 470 1202

**NEED HELP WITH YOUR FEEDBACK?
CALL US ON 0800 002 004**

TITLE: Adoption of Draft Navigation Safety Bylaw 2017 and Statement of Proposal**ID:** A923718**To:** Extraordinary Council Meeting, 8 March 2017**From:** Kyla Carlier, Strategy Specialist**Date:** 23 February 2017

Executive summary

The purpose of this report is to present the Draft Navigation Safety Bylaw 2017 and associated Statement of Proposal.

This report seeks adoption of the draft bylaw and the statement of proposal and approval to commence consultation using the Special Consultative Procedure under section 83 of the Local Government Act 2002 (LGA).

Recommendations

1. That the report 'Adoption of the Draft Navigation Safety Bylaw 2017 and Statement of Proposal' by Kyla Carlier, Strategy Specialist, and dated 23 February 2017 be received.
2. That council adopts the draft Navigation Safety Bylaw 2017 and Statement of Proposal for the purposes of consultation, pursuant to section 156 of the Local Government Act.
3. That council delegates to the Group Manager – Strategy and Governance the authority to make any necessary minor formatting, typographical and administrative changes to the draft Charging Policy prior to formal public consultation.

Background:

Council maintains a Navigation Safety Bylaw that sets rules for keeping people and property safe on the water. The current bylaw was adopted in 2012 and is now due for a five-year review, as required by section 158 of the Local Government Act.

Northland Regional Council's Navigation Safety Bylaw 2012 was made pursuant to section 684B of the Local Government Act 1974. In October 2013 the provisions enabling councils to make navigation safety bylaws were repealed from the Local Government Act 1974 and replaced by new and different provisions in the Maritime Transport Act 1994.

One of the consequences of this change was that the provisions empowering local authorities to set bylaws relating to navigation safety were moved from the Local Government Act 1974 into the Maritime Transport Act 1994. Consequently, Northland

Regional Council's new Navigation Safety Bylaw 2017 will need to be made under the new provisions of the Maritime Transport Act.

As a result of this change in legislation it is proposed that council will, following the process of consultation, revoke the Northland Regional Council Navigation Safety Bylaw 2012, and replace it with the Northland Regional Council Navigation Safety Bylaw 2017, pursuant to section 156 of the LGA.

The process of review revealed that the majority of the content from the 2012 bylaw can be carried over into the new bylaw. Some amendments are proposed in order to:

- Incorporate updated legislative requirements;
- Better align navigation safety bylaws between regions;
- Incorporate safety improvements following analysis of maritime incidents that have occurred during previous years; and
- Make procedural changes where these have been found warranted by incidents and feedback received by various users and user groups.

The proposed amendments are covered in detail in the Statement of Proposal which is **attached**. This Statement of Proposal includes:

- An outline of the legislative framework under which the bylaw is reviewed;
- A determination of whether a bylaw is the most appropriate way of addressing the management of coastal waters in Northland (determinations under section 155 of the Local Government Act 2002);
- A summary of proposed changes;
- Information on the bylaw making process; and
- Information on how people can provide feedback.

Considerations:

1. Options

The process for making, amending or revoking a bylaw is set out in section 156 of the LGA. This requires use of the special consultative procedure if the bylaw concerns a matter identified in council's Significance and Engagement Policy, or if the council considers that there is, or is likely to be, significant impact on the public due to the proposed bylaw changes. In consideration of using the special consultative procedure, a Statement of Proposal has been produced which includes a full draft of the proposed bylaw, a statement that the current bylaw is to be revoked, the reasons for the proposal, and other relevant determinations.

There are two options set out below. Staff recommend option 1, to adopt the Draft Navigation Safety Bylaw 2017 and Statement of Proposal for consultation.

No.	Option	Advantages	Disadvantages
1	Adopt the Draft Navigation Safety Bylaw and Statement of Proposal for consultation	Adoption of a new Navigation Safety Bylaw, following the proper consultation process, will enable council to continue the effective and efficient management of maritime navigation and safety matters.	None
2	Do not adopt the Draft Navigation Safety Bylaw and Statement of Proposal for consultation	None	The current Navigation Safety Bylaw lapses with no new bylaw to replace it. Council will not be able to continue the effective and efficient management of maritime navigation and safety matters.

2. Significance and Engagement

Section 76AA of the LGA directs that council must adopt a policy setting out how significance will be determined, and the level of engagement that will be triggered. This policy assists council in determining how to achieve compliance with LGA requirements in relation to decisions.

This decision in itself is considered to be of low significance when assessed against council's Significance and Engagement Policy because it is for the purpose of achieving compliance with sections 83 and 156 of the LGA and does not, in itself, impact the community other than to provide them with information and an opportunity to provide feedback on the proposed Navigation Safety Bylaw.

The decision to adopt the draft Navigation Safety Bylaw and Statement of Proposal for consultation, while not significant in itself, will enable council in the future to make decisions on the bylaw while having full regard to community views in relation to the proposals set out in the document. This will assist council in achieving compliance with procedures in relation to decisions as set out in Part 6 of the LGA, and in particular, section 83.

3. Policy and Legislative Compliance

The decision to adopt the draft Navigation Safety Bylaw 2017 and Statement of Proposal will achieve compliance with sections 83 and 156 of the Local Government Act 2002. This decision will also achieve compliance with council's Significance and Engagement Policy, in particular 'We will consult when we are required to by law,

when a proposal is considered significant, and when we need more information on options for responding to an issue’.

4. Further Considerations

The decisions contained within this report will enable consultation, which will provide council with feedback on community views and potential impacts on Māori. Any financial impacts or implementation issues are addressed in the attached documentation.

Further consideration of community views, impacts on Māori, financial impacts and implementation issues will be addressed through the deliberations process and subsequent council decision to adopt the final Navigation Safety Bylaw 2017.

Attachments:

- *Attachment 1 – Draft Navigation Safety Bylaw 2017 and Statement of Proposal.*
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Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 23 February 2017

TITLE: Proposed Regional Pest and Marine Pathway Management Plan 2017–2027**ID:** A923844**To:** Extraordinary Council Meeting, 8 March 2017**From:** Don McKenzie, Biosecurity Manager**Date:** 1 March 2017

Executive summary

The purpose of this report is to seek council approval to publicly notify the Proposed Northland Regional Pest and Marine Pathway Management Plan and accompanying cost benefit analysis, all of which are **attached** separately to this report.

The approvals sought are:

1. That the council resolves to approve public notification of the Northland Regional Pest and Marine Pathway Management Plan.
2. That council delegates to the Group Manager – Environmental Services the authority to make any necessary minor formatting, typographical and administrative changes to the supporting information prior to formal public consultation.

Recommendations

1. That the report 'Proposed Regional Pest and Marine Pathway Management Plan 2017–2027' by Don McKenzie, Biosecurity Manager, and dated 1 March 2017, be received.
2. That council confirms the Proposed Regional Pest and Marine Pathway Management Plan 2017–2027 be approved for public notification along with the Analysis of Costs and Benefits in accordance with section 78 of the Biosecurity Act 1993.
3. That council delegates to the Group Manager – Environmental Services the authority to make any necessary minor formatting, typographical and administrative changes to the supporting information prior to formal public consultation.

Background:

Council approved the review of the Regional Pest Management Strategies during April 2014 and was also made aware of the opportunity to develop a Pathway Plan in accordance with the Biosecurity Act 1993 and 2012 amendments.

ITEM: 3.5

Page 2 of 4

The intent of the review has been to identify the impact of pest species and the cost and benefits of various response options. The proposed Northland Regional Pest and Marine Pathway Plan 2017–2027 (referred hereafter as ‘the Plan’) has been developed in accordance with the legislation, national policy direction and the national template for Pest Management and Pathway Plans.

A stakeholder workshop was held in 2014 and more recently, stakeholder feedback on pest and marine pathway issues has been obtained from surveys and public meetings. In addition, drafts of the Plan and cost benefit analysis have been presented at a series of recent council workshops where key issues and public messages have been discussed.

The Plan and the accompanying analysis of costs and benefits are now ready to receive public submissions and will be advertised on 18 March 2017 along with the 2017/18 Annual Plan and Navigational Safety Bylaw 2017 in a process of joint plan consultation.

Open days for the public to make further enquires or raise issues are scheduled for 30 March in Whangārei, 6 April in Mangōnui, and 10 April in Waitangi. More details concerning these drop-in sessions are available via our website.

Submissions close on all plans on 21 April 2017, and hearings are proposed for late May.

Considerations:

No.	Option	Advantages	Disadvantages
1	Status Quo – The plan is not released for public submissions and consequently there is no ability to impose rules beyond 20 July 2017	Council and ratepayers would not bear any of the costs of the current pest strategies or new plan.	The region would be vulnerable to pest incursions and past investment in pest management would be lost. Council’s position on pest management would be unclear. Potential for inconsistent decision making.

ITEM: 3.5

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2	Council confirms the plan for public submissions	<p>Public submissions give an opportunity for the regional community to have their say.</p> <p>The rules of the current pest strategies remain in place until a new plan is confirmed.</p> <p>Council's leadership and consistency in pest management is maintained.</p>	<p>Removes an opportunity for the regional community to comment formally on pest and pathway management.</p> <p>The new plan will incur a cost to ratepayers.</p> <p>Rules concerning Marine Pathway Plan is predicted to be controversial.</p>
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Staff recommend Option 2 be pursued, as an appropriate course of action for council given the long term community interest in pest management and the reality that Option 1 would result in the region having no legislative ability to impose pest management rules beyond 20 July 2017.

1. 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 moderate level of public debate and discussion that is predicted to occur around the Marine Pathways Plan, particularly with structure owners and vessel owners, this decision is considered to be of moderate significance in terms of the community interest criterion. Because a moderate degree of significance is indicated for only one criterion, the significance threshold is not triggered.

2. Policy and Legislative Compliance

The decision is consistent with policy and legislative requirements.

Further Considerations**3. Community Views**

Pest management is a common land management practice and many Northland landowners are involved along with their neighbours in landcare groups and community pest control programmes.

It is expected that a wide range of views from landowners, marine stakeholders, and other agencies involved in pest management will be forthcoming as a result of the public submission process.

4. Māori Impact Statement

A technical working group was assigned responsibility by the Te Taitokerau Māori Advisory Committee to oversee input to the draft plan and a series of workshops with the group has resulted in changes to the draft being made to incorporate bilingual

headings, Māori imagery, and reference to iwi and hapu management plans. Case studies involving Māori communities have also been used to showcase the non-regulatory section of the plan. Formal consultation with Māori is also expected to occur during the public submission period.

Financial Implications

The cost of the plan is estimated at \$3,320,000. However, the Annual Plan and Long Term Plan process determines the amount allocated and activities may be paid for by other forms of revenue such as dividends and interest which are used to fund the balance of costs not funded by rates.

5. Implementation Issues

Should council agree to advertise the plan for public submissions then a further process has been planned for which will require the input of staff to manage public enquires, receive and process submissions and prepare formal hearings on council's behalf.

Attachments:

- Attachment 1 – Proposed Northland Regional Pest and Marine Pathway Plan 2017–2027

Authorised by Group Manager:

Name: Bruce Howse

Title: Group Manager – Environmental Services

Date: 1 March 2017