

NORTHLAND REGIONAL COUNCIL

Agenda

For meeting to be held in the Council Chamber,
36 Water Street, Whangārei, on Tuesday 20 June 2017,
commencing at 10.30 am

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

OPEN MEETING

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<p>ACC - Accident Compensation Corporation</p> <p>AHB - Animal Health Board</p> <p>ALGIM - Association of Local Government Information Management</p> <p>AMA - Aquaculture Management Area</p> <p>AMP – Asset Management Plan/Activity Management Plan</p> <p>BOI - Bay of Islands</p> <p>BOPRC - Bay of Plenty Regional Council</p> <p>CAPEX - Capital Expenditure (budget to purchase assets)</p> <p>CBEC - Community, Business and Environment Centre</p> <p>CDEM - Civil Defence Emergency Management</p> <p>CEG - Co-ordinating Executive Group – Northland Civil Defence management team</p> <p>CEO - Chief Executive Officer</p> <p>CIMS - Co-ordinated Incident Management System (emergency management structure)</p> <p>CMA - Coastal Marine Area</p> <p>CPCA - Community Pest Control Areas</p> <p>CRI - Crown Research Institute</p> <p>DHB - District Health Board</p> <p>DOC - Department of Conservation</p> <p>DOL - Department of Labour</p> <p>DPMC - Department of Prime Minister and Cabinet</p> <p>ECA - Environmental Curriculum Award</p> <p>ECAN - Environment Canterbury</p> <p>EE - Environmental Education</p> <p>EECA - Energy Efficiency Conservation Authority</p> <p>EEZ - Exclusive Economic Zone</p> <p>EF - Environment Fund</p> <p>EMA - Employers and Manufacturers Association</p> <p>EMC - Environmental Management Committee</p> <p>EOC - Emergency Operations Centre</p> <p>EPA - Environmental Protection Authority</p> <p>FDE - Farm Dairy Effluent</p> <p>FNDC - Far North District Council</p> <p>FNHL - Far North Holdings Limited</p> <p>FPP - First Past the Post – voting system for NRC elections</p> <p>GE - Genetic Engineering</p> <p>GIS - Geographic Information System</p> <p>GMO - Genetically Modified Organism</p> <p>HSNO - Hazardous Substances & New Organisms Act</p> <p>HBRC - Hawke's Bay Regional Council</p> <p>HEMP - Hapū Environmental Management Plan</p> <p>Horizons - Brand name of Manawatu-Wanganui Regional Council</p> <p>HR - Human Resources</p> <p>HSWA - Health and Safety at Work Act 2015</p> <p>IEMP - Iwi Environmental Management Plan</p> <p>IPPC - Invited Private Plan Change: a process to allow Aquaculture Management Areas to be established</p> <p>IRIS - Integrated Regional Information System: new computer system being developed collaboratively with other Regional Councils</p> <p>KDC - Kaipara District Council</p> <p>KPI - Key Performance Indicator</p> <p>LATE - Local Authority Trading Enterprise</p> <p>LGA - Local Government Act 2002</p> <p>LGNZ - Local Government New Zealand</p> <p>LGOIMA - Local Government Official Information and Meetings Act 1987</p> <p>LGOL - Local Government Online</p> <p>LTP - Long Term Plan</p> <p>LTFS - Long Term Financial Strategy</p> <p>MCDEM - Ministry of Civil Defence & Emergency Mgmt</p> <p>MFE - Ministry for the Environment</p> <p>MHWS - Mean High Water Springs</p> <p>MNZ - Maritime New Zealand</p> <p>MOH - Ministry of Health</p>	<p>MOT - Ministry of Transport</p> <p>MPI – Ministry for Primary Industries</p> <p>MSD - Ministry of Social Development</p> <p>NCMC - National Crisis Management Centre</p> <p>NES – National Environmental Standards</p> <p>NDHB - Northland District Health Board</p> <p>NZRC - New Zealand Refining Company (Marsden Point)</p> <p>NGO - Non-Governmental Organisation</p> <p>NIF - Northland Intersectoral Forum</p> <p>NIWA - National Institute of Water and Atmosphere</p> <p>NORTEG - Northland Technical Advisory Group</p> <p>NPC - Northland Port Corporation</p> <p>NZCPS - New Zealand Coastal Policy Statement</p> <p>NZTA - New Zealand Transport Agency</p> <p>NZQA - New Zealand Qualifications Authority</p> <p>NZWWA - New Zealand Water and Wastes Association</p> <p>OFI - Opportunity for Improvement</p> <p>ORC - Otago Regional Council</p> <p>OSH - Occupational Safety & Health (now Ministry of Business, Innovation and Employment)</p> <p>PCBU – Person Conducting Business or Undertaking</p> <p>PDF - Portable Document Format</p> <p>PPE - Personal Protective Equipment</p> <p>RAP - Response Action Plan</p> <p>RAQP - Regional Air Quality Plan</p> <p>RCP - Regional Coastal Plan</p> <p>RFI - Request for Information</p> <p>RFP - Request for Proposal</p> <p>RTC - Regional Transport Committee</p> <p>RLTS - Regional Land Transport Strategy</p> <p>RMA - Resource Management Act 1991</p> <p>RMG - Resource Managers Group (Regional Councils)</p> <p>RMZ - Riparian Management Zone</p> <p>ROI - Return on Investment</p> <p>RPMS - Regional Pest Management Strategy</p> <p>RPS - Regional Policy Statement</p> <p>RSG - Regional Sector Group</p> <p>RTO - Regional Tourism Organisation</p> <p>RWASP - Regional Water and Soil Plan</p> <p>SITREP - Situation Report</p> <p>SMF - Sustainable Management Fund</p> <p>SOE - State of Environment (or) State Owned Enterprise</p> <p>SOLGM - Society of Local Government Managers</p> <p>SPARC - Sport & Recreation New Zealand</p> <p>SRC - Southland Regional Council (Environment Southland)</p> <p>STV - Single Transferable Vote</p> <p>SWAG - Surface Water Allocation Group</p> <p>SWPA - Sustainable Water Programme of Action</p> <p>TA - Territorial Authority: City & District Councils</p> <p>TAG - Technical Advisory Group</p> <p>Tier 1 - Site level plan or response for an oil spill</p> <p>Tier 2 - Regional level plan or response to an oil spill</p> <p>Tier 3 - National level plan or response to an oil spill</p> <p>TLA - Territorial Local Authority – City & District Councils</p> <p>TMP - Treasury Management Plan</p> <p>TOR - Terms of Reference</p> <p>TPK - Te Puni Kōkiri (Ministry of Maori Development)</p> <p>TRAION - Te Rūnanga a Iwi o Ngāpuhi</p> <p>TRC - Taranaki Regional Council</p> <p>TROTR - Te Rūnanga o Te Rarawa</p> <p>TUANZ - Telecommunications Users Association of NZ</p> <p>WCRC - West Coast Regional Council</p> <p>WDC - Whangarei District Council</p> <p>WHHIF - Whangarei Harbour Health Improvement Fund</p> <p>WRC - Waikato Regional Council</p> <p>WSMP – Workplace Safety Management Practices</p> <p>WWTP - Wastewater Treatment Plant</p>
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TITLE: **Presentations**
ID: A954964
To: Council Meeting, 20 June 2017
From: Chris Taylor, Governance Support Manager
Date: 12 June 2017

Executive summary

The following presentation will be presented to council:

- 3.1 Seacleaners by Hayden Smith, Trustee for Seacleaners.
-

Recommendation

- 1. That the presentation be received.
-

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 12 June 2017

TITLE: Health and Safety Report

ID: A954599

To: Council Meeting, 20 June 2017

From: Tracey Warboys, Health and Safety Specialist

Date: 6 June 2017

Executive summary

This report provides an update from the Health and Safety Specialist for the month of May 2017.

Recommendation

1. That the 'Health and Safety Report' by Tracey Warboys, Health and Safety Specialist, dated 6 June 2017 be received.

Background:

Reports on council's Health and Safety activities for the month of May 2017.

Report:

Summary of events (items of note)

Total of nine reports for the period – decrease in reporting by one against previous month.

- One Lost Time Injury (one day) – employee slipped on rain water in corridor, recovering well from twisted ankle, sprain to wrists and contusion on knee. Level 2 investigation complete and signed off from GM Environmental Services. Recommendations for improvement underway.
- Three vehicle incidents – nil injuries to any party. Impacts at very low speed with minor damage to vehicles. Investigations underway.
- One physical assault – superficial injury to face from thrown punch. Incident occurred after hours (4:10 pm) as employee walked through Cafler Park and accosted by group of youths. NZ Police following line of inquiry. Comms placed on eXpress advising staff to remain alert and cautious when walking through the park and to use alternative route in dusk/dark time hours.

- Employee scared when heifers approached at speed during field trip. Employee buddied by experienced field worker, however, limited knowledge with dealing with animals or how to behave around animals on a farm. Used car door as barrier in this instance while experienced colleague opened/closed gates. Upon review of incident, requested employee with vast farm experience who gave tool box talk on animal behaviour/management giving practical tips and education.

Internal Policy Review

- Draft Drug and Alcohol Policy revised along with the development of a Drug and Alcohol Management Plan. GM – Corporate Excellence has reviewed with minor changes required – remains WIP.
- Maritime is reviewing the recently developed Maritime Body Camera Worn Policy. This Policy will:
 1. Act as a deterrent against any potential threat and/or improper or aggressive behaviour by a member of the public.
 2. Capture and record evidence of any unlawful event and/or threat to secure unbiased evidence in connection to that unlawful event and/or threat.
 3. Provide evidence to authorities (such as the NZ Police or any other regulatory body) to support the investigation of any safety related incident or security threat to an officer and/or a person breaching the Maritime Act and/or Maritime by-laws.

Health and Safety Committee

- Meeting scheduled for 22 June 2017.
- Well-being survey collated and presented to EMT. EMT are providing feedback on survey results and ideas presented which will be further discussed at the EMT meeting on 22 June 2017.

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

- Several staff underwent chainsaw training as part of the poplar harvest plan requirements.
- Quarterly inspections will be undertaken by H&S Committee on 22 June 2017.
- Site visits/events - nil issues.
- Health monitoring - annual flu programme achieved 8 and 11 May.

Authorised by:

Name: Dave Tams
Title: Group Manager – Corporate Excellence
Date: 9 June 2017

TITLE: Confirmation of Council Minutes – 16 May 2017

ID: A954249

To: Council Meeting, 20 June 2017

From: Chris Taylor, Governance Support Manager

Date: 9 June 2017

Executive summary

The purpose of this report is to present for confirmation the minutes of the council meeting held on 16 May 2017.

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

Recommendation

1. That the minutes of the council meeting held on 16 May 2017 be confirmed as a true and correct record.

Attachments:

- *Ordinary Council Minutes – 16 May 2017*
-

Authorised by Group Manager:

Name: Jonathan Gibbard

Title: Group Manager – Strategy and Governance

Date: 12 June 2017

NORTHLAND REGIONAL COUNCIL

Minutes of the ordinary meeting of the council
held in the Council Chamber, 36 Water Street, Whangārei,
on Tuesday 16 May 2017, commencing at 10.30 am

Present:

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

In Attendance:**Full Meeting**

Chief Executive Officer
Governance Support Manager

Part Meeting

Manager Enabling Māori Freehold Land, Far North District Council
Northland Inc. Limited CEO
Northland Inc. Limited Business Analyst
Northland Inc. Limited Portfolio Manager – TTNEAP
Far North Holdings Chief Executive
FNDC Deputy Mayor
Kawakawa Hundertwasser Trust Representatives
Independent Financial Advisor
GM – Corporate Excellence
GM – Environmental Services
GM – Regulatory Services
GM – Customer Service/Community Resilience
Economist
Finance Manager
Communications Manager
Customer Services Manager
Information Services and Technology Manager
Rivers and Natural Hazards Manager
Resource Management Planning and Policy Manager
Financial Accountant
Policy Analysts (x 2)
Kaiahi – Mātauranga Māori
Deputy Harbourmaster

The Chairman declared the meeting open at 10.31 am.

Apologies (Item 1.0)

There were no apologies.

Declarations of Conflicts of Interest (Item 2.0)

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

Presentations (Item 3.0)

ID: A944431

Report from Governance Support Manager, Chris Taylor.

Moved (Shepherd/Bain)

That the presentations:

- 3.1 Kawakawa Hundertwasser Park Centre by the Kawakawa Hundertwasser Trust and Far North Holdings Limited;
- 3.2 Far North District Council Collection of Regional Council Rates and Rate Arrears – Update to 31 March 2017 by Te Reo Hau, Manager Enabling Māori Freehold Land, Far North District Council; and
- 3.3 Consent Performance Survey by Sue Brooks, Customer Services Manager;

be received.

Carried

Secretarial Note: Items 2.0A, 2.0B and 4.0 were addressed prior to Item 3.3 to allow for the arrival of the Customer Services Manager.

Tabled and Supplementary Items for Council Meeting – 16 May 2017 (Items 2.0A and 2.0B)

IDs: A946757 and A944814

Reports from Governance Support Manager, Chris Taylor.

Moved (Shepherd/Finlayson)

That as permitted under section 46A(7) of the Local Government Official Information and Meetings Act 1987:

- Tabled Item 7.6: Te Whāriki: Enhancing Māori Responsiveness Framework;
- Confidential Supplementary Item 10.4: CEO Recruitment; and
- Confidential Supplementary Item 10.5: Investment Opportunity – Expression of Interest

be received.

Carried

Health and Safety Report (Item 4.0)

ID: A943959

Report from Health and Safety Specialist, Tracey Warboys.

Moved (Stolwerk/Finlayson)

That the 'Health and Safety Report' by Tracey Warboys, Health and Safety Specialist, and dated 1 May 2017, be received.

Carried

Confirmation of Council Minutes – 18 April 2017 (Item 5.1)

ID: A944441

Report from Governance Support Manager, Chris Taylor.

Moved (Finlayson/Stolwerk)

That the minutes of the council meeting held on 18 April 2017 be confirmed as a true and correct record.

Carried

Receipt of Action Sheet (Item 5.2)

ID: A944875

Report from Governance Support Manager, Chris Taylor.

Moved (Blaikie/Sinclair)

That the council action sheet be received.

Carried

Council Working Party Update (Item 5.3)

ID: A941250

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

Moved (Blaikie/Shepherd)

That the report 'Council Working Party Update' by Jonathan Gibbard, Group Manager – Strategy and Governance, and dated 5 May 2017, be received.

Carried

Council Working Group Update (Item 5.4)

ID: A941252

Report from Group Manager – Environmental Services, Bruce Howse.

Moved (Blaikie/Finlayson)

That the report 'Council Working Group Update' by Bruce Howse, Group Manager – Environmental Services, and dated 2 May 2017, be received.

Carried

Financial Report to 31 April 2017 (Item 6.1)

ID: A943008

Report from Financial Accountant, Vincent McColl.

Moved (Shepherd/Finlayson)

That the 'Financial Report to 30 April 2017' by Vincent McColl, Financial Accountant, and dated 4 May 2017, be received.

Carried

Secretarial Note: The Independent Financial Advisor, Geoff Copstick, provided commentary on the financial report.

River Management Policy Revision (Item 7.1)

ID: A942285

Report from Bruce Howse, Group Manager – Environmental Services.

Moved (Bain/Sinclair)

1. That the report 'River Management Policy Revision' by Bruce Howse, Group Manager – Environmental Services, and dated 27 April 2017, be received.

Carried

It was further moved (Dimery/Blaikie)

2. That council rescinds the Northland Regional Council River Management Policy and replaces it with a web based River Management Guideline.

Carried

Advancement of Funds for the Slip Repair at Hopua te Nihotetea Detention Dam (Item 7.2)

ID: A943345

Report from Joseph Camuso, Rivers and Natural Hazards Manager

Moved (Bain/Sinclair)

1. That the report 'Advancement of Funds for the Slip Repair at Hopua te Nihotetea Detention Dam' by Joseph Camuso, Rivers and Natural Hazards Manager, dated 28 April 2017, be received.
2. That council approves an advance of up to \$80,000 from the Whangārei Urban Rivers reserve for the slip repair.
3. That the slip be repaired as per the dam engineers' recommendations.

Carried

Environment Fund Change to Assist Landowners with River Erosion Protection Works (Item 7.3)

ID: A943649

Report from Duncan Kervell, Land Manager – Environmental Services

Moved (Stolwerk/Blaikie)

1. That the report 'Environment Fund Change to Assist Landowners with River Erosion Protection Works' by Duncan Kervell, Land Manager – Environmental Services, and dated 1 May 2017, be received.

Carried

It was further moved (Finlayson/Stolwerk)

2. That council approves the change to the Environment Fund by introducing a work stream to assist landowners with river erosion protection works to mitigate sedimentation of waterways, subject to the landowner providing two-thirds of the cost of the works (actual and/or in kind cost), NRC funding being limited to a maximum cap of \$5k per property, the property being subject to a Farm Water Quality Improvement Plan, and that this change be effective from 1 July 2017.

3. That as part of the deliberations and adoption of the draft 2017/18 Annual Plan, council considers and, if in support, approves an internal transfer of \$50k of existing minor rivers works budget to the Environment Fund budget to fund the river erosion protection works.

Carried

Appointment of Honorary Enforcement Officers for Whangārei Harbour (North), Houhora, and Whananaki (Item 7.4)

ID: A945128

Report from Anthony Browne, Deputy Harbourmaster

Moved (Stolwerk/Dimery)

1. That the report 'Appointment of Honorary Enforcement Officers for Whangārei Harbour (North), Houhora, and Whananaki' by Anthony Browne, Deputy Harbourmaster, dated 5 May 2017, be received.
2. That the council approves the appointment of the following honorary enforcement officers, under sections 177 of the Local Government Act 2002 and 33G of the Maritime Transport Act 1994:
 - a. Mr Rick Hunter
 - b. Mr Greg Gemmell
 - c. Mrs Kim O'Connell

Carried

Secretarial Note:

- *The meeting adjourned at 12.05pm and reconvened at 12.40pm.*
- *Proceedings recommenced with a video conference with FNDC Chief Financial Officer, Janice Smith, regarding the collection of current rates and rate arrears, and to advise how collection was tracking against targets.*

Moved (Shepherd/Sinclair)

That the report 'Revenue and Collections Quarterly Report 31 March 2017' (included in the supporting information pertaining to the 16 May 2017 council meeting agenda) by FNDC Chief Financial Officer, Janice Smith, and dated 5 May 2017, be received.

Carried

Adoption of the Draft Kai Iwi Lakes Navigation Safety Bylaw 2017 and Statement of Proposal (Item 7.5)

ID: A943864

Report from Anthony Browne, Deputy Harbourmaster

Moved (Sinclair/Blaikie)

1. That the report 'Adoption of the Draft Kai Iwi Lakes Navigation Safety Bylaw 2017 and Statement of Proposal' by Anthony Browne, Deputy Harbourmaster, and dated 5 May 2017 be received.

Carried

It was further moved (Stolwerk/Finlayson)

2. That council adopts the draft Kai Iwi Lakes Navigation Safety Bylaw 2017 and Statement of Proposal (included as **Attachments One** and **Three** pertaining to Item 7.5 of the 16 May 2017 council agenda) for the purposes of consultation, pursuant to section 156 of the Local Government Act 2001.
3. That council delegates to the General Manager – Customer Service/Community Resilience the authority to make any necessary minor formatting, typographical, and administrative changes to the draft Kai Iwi Lakes Navigation Safety Bylaw 2017 prior to formal public consultation.

Carried

It was further moved (Dimery/Bain)

4. That a joint hearing panel consisting of Councillor Penny Smart, Kaipara District Council Councillor Andrew Wade, and Taharoa Domain Governance Committee member Ric Parore, be delegated the responsibility to hear submissions, deliberate and make recommendations to council on the Kai Iwi Lakes Navigation Safety Bylaw 2017, pursuant to Clause 30, 30A and 31, Schedule 7, Local Government Act 2002.

Lost

(Councillor Dimery voted in favour of the motion)

It was further moved (Bain/Sinclair)

5. That should Kaipara District Council not resolve to support the joint hearings panel process before or at their next meeting of 26 June 2017:

That a hearing panel consisting of Councillor Penny Smart, Councillor Stolwerk and Councillor Dimery be delegated the responsibility to hear submissions, deliberate and make recommendations to council on the Kai Iwi Lakes Navigation Safety Bylaw 2017, pursuant to Clause 30, 30A and 31, Schedule 7, Local Government Act 2002.

As per Standing Order 21.1 the motion was amended with the agreement of the mover and seconder as follows:

5. That a hearing panel consisting of Councillor Penny Smart, Councillor Stolwerk and Councillor Dimery be delegated the responsibility to hear submissions, deliberate and make recommendations to council on the Kai Iwi Lakes Navigation Safety Bylaw 2017, pursuant to Clause 30, 30A and 31, Schedule 7, Local Government Act 2002.

Carried

Te Whāriki: Enhancing Māori Responsiveness Framework

(Tabled Item 7.6)

ID: A943817

Report from Jonathon Gibbard, Group Manager – Strategy and Governance and Rachel Ropiha, Kaiarahi Mātauranga Māori

Moved (Blaikie/Yeoman)

1. That the report 'Te Whāriki: Enhancing Māori Responsiveness Framework' by Jonathon Gibbard, Group Manager – Strategy and Governance and Rachel Ropiha, Kaiarahi Mātauranga Māori, and dated 1 May 2017, be received.
2. That council approves Te Whāriki: Māori Responsiveness Framework as provided in Attachment 1 and the summary document provided in Attachment 2 pertaining to tabled item 7.6 of the 16 May 2017 council meeting agenda.

Carried

Chairman's Report to Council (Item 8.1)

ID: A943565

Report from Bill Shepherd, Chairman

Moved (Shepherd/Sinclair)

That the report 'Chairman's Report to Council' by the Chairman, Bill Shepherd, and dated 5 May 2017, be received.

Carried

Chief Executive's Report to Council (Item 8.2)

ID: A941249

Report from Sally Bowron, PA/Team Admin – Strategy and Governance

Moved (Shepherd/Stolwerk)

That the report 'Chief Executive's Report to Council' and dated 5 May 2017, be received.

Carried

Regional Software Holdings Limited – Statement of Intent 2018–2020 (Item 8.3)

ID: A943978

Report from Dave Tams, Group Manager – Corporate Excellence

Moved (Shepherd/Sinclair)

That the report Regional Software Holdings Limited – Statement of Intent 2018–2020 by Dave Tams, Group Manager – Corporate Excellence, and dated 28 April 2017, be received.

Carried

Receipt of Committee Minutes (Item 9.0)

ID: A945107

Report from Chris Taylor, Governance Support Manager

Moved (Shepherd/Bain)

That the unconfirmed minutes of the Regional Transport Committee meeting held on 5 April 2017 be received.

Carried

Business with the Public Excluded (Item 10.0)

ID: A944615

Report from Chris Taylor, Governance Support Manager

Moved (Shepherd/Sinclair)

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

Item No.	Item Issue	Reason\Grounds
10.1	Confirmation of Confidential Minutes of the Council Meeting – 18 April 2017	The reasons for excluding the public are as stated in the minutes of the open section of the meeting.
10.2	Receipt of Confidential Minutes of Extraordinary Investment Subcommittee Meeting – 28 April 2017	The reasons for excluding the public are as stated in the minutes of the open section of the meeting.
10.3	Human Resources Report	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons 7(2)(a).
10.4	CEO Recruitment	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons 7(2)(a).
10.5	Investment Opportunity – Expression of Interest	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to allow the council to carry out, without prejudice or disadvantage, commercial activities 7(2)(h).

Carried

Open Meeting

Moved (Shepherd/Sinclair)

That the council resumes in open meeting.

Carried

Secretarial Note: Council confirmed the resolutions of Confidential Supplementary Item 10.4: CEO Recruitment in open meeting.

CEO Recruitment (Confidential Supplementary Item 10.4)

ID: A944398

Report from Group Manager – Corporate Excellence, Dave Tams.

Moved (Shepherd/Sinclair)

1. That the report 'CEO Recruitment' by Dave Tams, Group Manager – Corporate Excellence, and dated 3 May 2017, be received.
2. That an offer of employment be made to Malcolm Nicolson on a fixed five-year term with a salary yet to be determined.

Carried

CONCLUSION

The meeting concluded at 2.31 pm.

TITLE: **Receipt of Action Sheet**
ID: A954412
To: Council Meeting, 20 June 2017
From: Chris Taylor, Governance Support Manager
Date: 9 June 2017

Executive summary

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

Recommendation

1. That the council action sheet be received.
-

Attachments:

- *Council Action Sheet*
-

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 12 June 2017

Council Actions new

IRISID	Current Status	Request Date	Current Officer Responsible	Reso/Req	Description	Request Details	Note Text	Date of Note	Requested By
REO.583826	Open	21 Feb 2017	Simon Crabb	REQ	Council Rates and Rates Arrears	That FNDC provide a report detailing projections of council rates and rate arrears for the end of the year.	A presentation was provided to the 16 May 2017 council meeting. The Chief Financial Officer undertook to provide NRC with further detail on the movement of rates and why.	17 May 2017	Council

TITLE: Council Working Party Update

ID: A950942

To: Council Meeting, 20 June 2017

From: Jonathan Gibbard, Group Manager – Strategy and Governance

Date: 9 June 2017

Executive summary

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

Recommendation

1. That the report 'Working Party Update' by Jonathan Gibbard, Group Manager – Strategy and Governance, and dated 9 June 2017, be received.
-

Audit Working Party (Chair Cr Sinclair)

The Audit Working Party met on 29 May 2017. Topics for discussion included:

1. Crowe Howarth Rating Review Assurance Report - KDC
2. Crowe Howarth Follow Up Review - FNDC
3. Audit Plan 2017

Following discussion, the working party agreed on the following action points:

- The CEO will write to the Kaipara District Council on behalf of the Northland Regional Council Audit Working Party asking them to implement the recommendations made in the Crowe Howarth report and to provide feedback should they have any concerns regarding this.
- The CEO will write to the Far North District Council on behalf of the Northland Regional Council Audit Working Party thanking them for the work they have done and to follow up on how they are progressing with the remaining recommendations. The letter will suggest they reconsider their policy position and point out that their rate setting may be too generous and possibly unfair to those who do pay on time. A copy of the Crowe Howarth Report will be included.
- Staff will write to Deloitte requesting they provide the calculations used to set the materiality and significance policy thresholds; and in respect of the OAG's requirement to consider 'water' as an area of focus, to explain what their expectations are, what investigations/questions are they going to pursue.
- Staff will outline the consequences of changing the significance and engagement policy.
- From 28 August 2017 for three weeks the Independent Financial Advisor will attend the debrief with the Auditors and will outline the expectation of the Audit Working Party; which is that they will attend the Audit Working Party meeting on 15 September 2017 at the conclusion of their audit visit as well as attend the Council Meeting on 24 October 2017 for the adoption of the Audit Report.

Marine Management Working Party (Chair Cr Stolwerk)

The Marine Management Working Party met on 17 May 2017. The working party received a presentation from the main proponent of the Tutukaka Coast Marine Park proposal (Jeroen Jongejans). The working party is waiting on a presentation from the proponents of the Mimiwhangata Marine Reserve proposal before preparing recommendations back to council on potential options for council to support the creation of additional marine protected areas in Northland.

TTMAC Working Party (Co-Chair's Cr Dimery and Pita Tipene)

The TTMAC Working Party met on 9 June 2017. An update will be provided at the council meeting once the working party record of discussions has been confirmed by the Co-Chairs.

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 9 June 2017

TITLE: Financial Report to 31 May 2017

ID: A952344

To: Council Meeting, 20 June 2017

From: Vincent McColl, Financial Accountant

Date: 8 June 2017

Executive summary

This report is to inform council of the year to date (YTD) financial result to May 2017, provide a year-end forecasted financial result, and update council on the status of a prior year GST refund.

Council has achieved a YTD surplus after transfers to and from reserves of \$1.38M. This compares to the budgeted surplus of \$517K favourably by \$859K. This is predominantly due to higher than budgeted dividends from Marsden Maritime Holdings Limited, higher than budgeted net prosecutions income, higher investment property income than budgeted, and lower than budgeted Environment Fund grants. The Environment Fund grants are expected to be in line with budget at year end.

Finance staff have reviewed council's financial performance and anticipate a forecasted year end surplus after transfers to special reserves in the vicinity of \$600K. This is predominantly due to higher than budgeted dividend revenue, more than budgeted net prosecutions income, and higher investment property income than budgeted. At the August 2017 meeting council will have the opportunity to consider how to utilise any year end surplus. It should be noted that in the 2015/16 financial year CIF gains were used to offset lower than expected dividends of \$110K. Council may wish to invest some of this year's higher than expected dividends back into the CIF to pay back the 2015/16 reduction.

As advised in October 2015 council had prior year GST refunds totalling \$758K with \$404K of this pending a change in legislation. Council has now fully received this refund with the final payment received in May 2017.

Recommendation

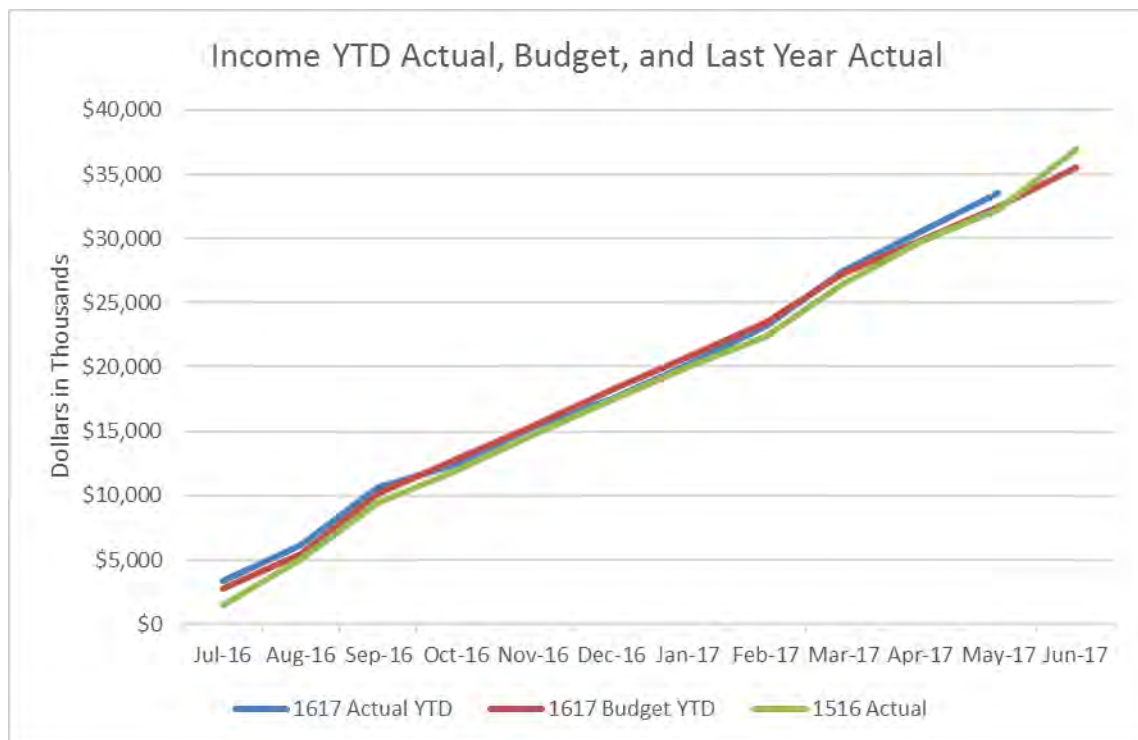
1. That the 'Financial Report to 31 May 2017' by Vincent McColl, Financial Accountant, and dated 8 June 2017, be received.
-

Background

SUMMARY OPERATING RESULTS			
	000's ACTUAL YTD	000's BUDGET YTD	000's VARIANCE YTD
Revenue (including other gains)	\$ 33,506	\$ 32,446	\$ 1,061
Expenditure	\$ 29,781	\$ 31,497	\$ 1,716
NET (COST)/SURPLUS BEFORE TRANSFERS FROM/(TO) RESERVES	\$ 3,726	\$ 948	\$ 2,777
Transfer From (To) Special Reserves	\$ (2,350)	\$ (432)	\$ (1,918)
NET (COST)/SURPLUS AFTER TRANSFERS FROM/(TO) RESERVES	\$ 1,376	\$ 517	\$ 859

Revenue

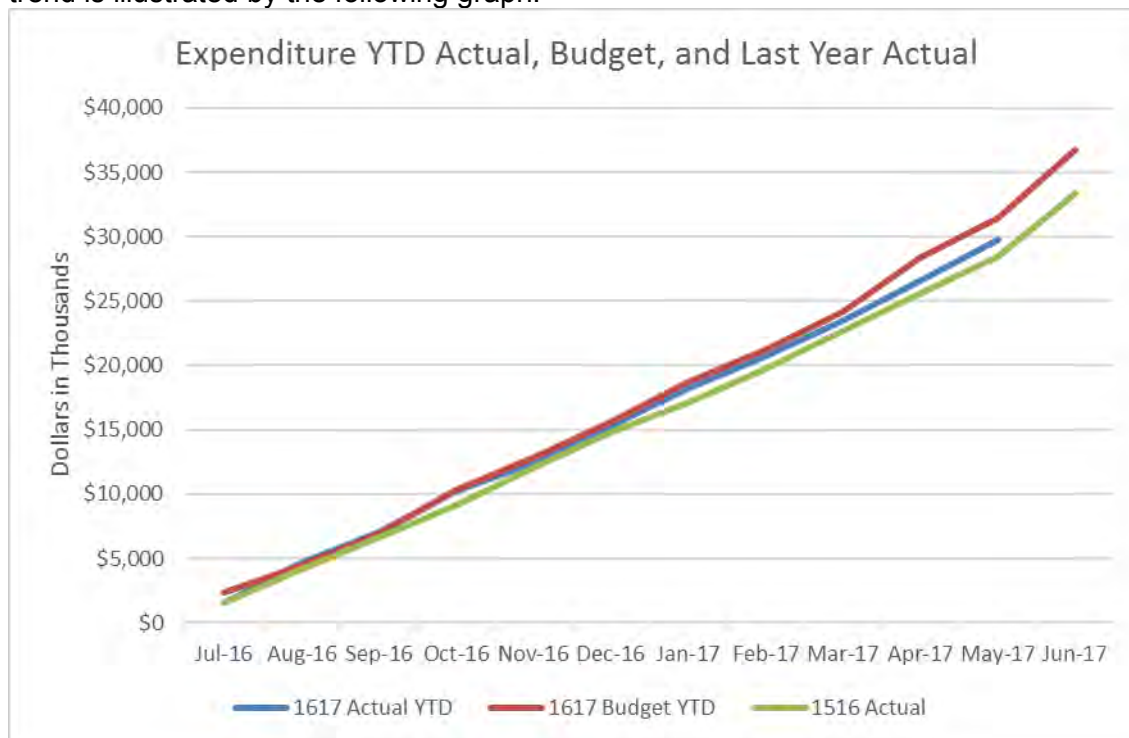
Year to date revenue is \$33.51M which is \$1.08M or 3% above budget. The revenue trend is illustrated by the following graph:



YTD REVENUE VARIANCE INDICATORS BY REVENUE TYPE			
	FAV / UNFAV		Commentary
	\$	%	
Rates	\$72,031	0.4%	
User Fees and Sundry	\$315,670	7.9%	• Prosecutions income higher than budgeted \$366K
Grants and Subsidies	\$195,453	15.8%	• Unbudgeted Kaipara Harbour Sediment study income offset with expenditure \$120K • Unbudgeted Oyster Shell project income offsetting costs \$39K
Investment Interest Income	\$202,757	22.7%	• Working capital fund gains \$162K above budget. Working capital maintaining higher levels than budgeted due to delayed projects • I&G interest higher than budgeted \$56K due to higher than budgeted I&G balances from delayed projects
Investment Property Income	\$182,586	8.6%	• Rent reviews and commercial properties budgeted to be sold still receiving rental income
Dividend Income	\$276,786	9.8%	• Dividends received were \$0.14 per share - higher than the budgeted \$0.1275 per share
Property Reinvestment Fund	(\$384,623)	(27.9%)	• Market and currency fluctuations. This has improved \$64K in May
Community Investment Fund	\$175,877	23.0%	• Market and currency fluctuations
Infrastructure Reinvestment Fund	\$45,979	15.3%	• Market and currency fluctuations
Total	\$1,082,517	3.3%	

Expenditure

Year to date expenditure is \$29.78M, which is \$1.72M or 5% below budget. Of this expenditure \$1.48M is offset by corresponding reserve movements. The expenditure trend is illustrated by the following graph:



YTD EXPENDITURE VARIANCE INDICATORS BY COUNCIL ACTIVITY			
	FAV / UNFAV		Commentary
	\$	%	
Regulatory Services	\$221,932	2.9%	• Lower than budgeted labour charged to consent applications \$191K
Environmental Services	\$632,264	6.5%	• Whilst fully subscribed the environment fund actual expenditure for the year to date is less than budget by \$170K at this stage of the year, however by year-end it is anticipated that the actual expenditure will be in line with budget • Lower labour charged to land and bio of \$209K • Lower other (non priority) river clearance works than budgeted of \$50K • The LiDAR project has now started and council is incurring costs offset by income and reserve movements
Strategy and Governance	\$949,334	11.9%	• Lower than budgeted Northland Inc project payments of \$783K offset by lower reserve movements. Any unspent projects budget will be presented to council in August for carry over approval • Lower than budgeted Northland Inc extended promotions and feasibility studies of \$128K offset by lower reserve movements. The extended promotions expenditure is anticipated to be in line with budget at year end. Any unspent feasibility budget (anticipated \$32K) will not be carried over.
Customer Service - Community Resilience	(\$205,576)	(3.6%)	• Higher than budgeted labour charges to customer services • Higher vessel maintenance and running costs than budgeted of \$56K
Corporate Excellence	(\$4,673)	(0.1%)	• Costs for the management training programme of \$81K • More than budgeted aerial photography costs of \$156K offset with some lower than budgeted maintenance costs. • Lower than budgeted legal costs relating to the rates challenge case. This is offset with lower reserve movements.
CEO Office	(\$165,352)	(9.2%)	• More labour charged to this group than budgeted - labour charges have been reviewed for the 2017/18 budget to better align with current work activities • Lower than budgeted forestry maintenance costs of \$66K offset by reserve movements
Internal Transfers	\$288,533	5.0%	
Total	\$1,716,462	5.4%	

Capital Expenditure

Activity	MONTH		YEAR TO DATE			Revised Budget
	Actual	Budget	YTD Actual	YTD Budget	YTD Variance	
Monitoring	2,170	0	118,554	138,668	20,113	141,746
Biosecurity	0	0	8,096	15,131	7,035	15,131
Land and Biodiversity	10,319	0	97,898	271,500	173,602	271,500
Harbour Safety and Navigation	(27,515)	14,536	190,551	442,959	252,407	447,234
River Management	21,261	8,159	262,781	156,961	(105,821)	2,163,778
Commercial Investments	206,480	0	1,734,941	0	(1,734,941)	0
Information Systems	(14,340)	20,383	223,392	306,076	82,684	626,459
Communications	3,692	0	4,494	25,909	21,415	25,909
Transport	0	0	0	128,471	128,471	128,471
Support	(4,305)	4,275	691,137	584,237	(106,900)	588,512
GRAND TOTAL FOR COUNCIL	197,764	47,354	3,331,845	2,069,911	(1,261,934)	4,408,740

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Capital expenditure is \$3.33M for May YTD which is \$1.26M unfavourable to budget. This includes unbudgeted property purchases funded from the Property Reinvestment Fund: \$482K for the Kawakawa Hundertwasser property, \$603K for the purchase of a storage facility, and \$579K for commercial properties. The Kerikeri River spillway project is not expected to go ahead in this financial year, though some consultants and legal expenses will still be incurred. Capital budget of \$80K has been added for the Whangārei Dam slip repair which was approved at the May 2017 council meeting and is expected to be underway mid-June.

Anticipated capital carry forwards are as follows:

Department	Why	\$
Land and Biodiversity	Flyger Road poplar nursery upgrade underway but expected to be completed in 2017/18	\$Any
Harbour Safety	Contractors have not been able to get to the pile replacement programme Mooring upgrades capex to be requested to be used for electronic survey gear Safety signs are waiting for the Kai Iwi Lakes bylaw signoff	\$60K ~\$41K ~\$6K
Information Systems	Rating software is expected to be requested as a carried forward until the rates challenge case is settled Hardware replacement programme to be requested to be used for a digital records project	\$270K ~\$30K
Transport	Electronic ticketing project underway but expected to be completed in 2017/18	~\$62K
Strategy and Governance	Display systems capex delayed to allow for any changes in branding to be implemented.	\$21K

Authorised by Group Manager:

Name: Dave Tams

Title: Group Manager – Corporate Excellence

Date: 8 June 2017

TITLE: Delegations Manual
ID: A953152
To: Council Meeting, 20 June 2017
From: Jonathan Gibbard, Group Manager – Strategy and Governance
Date: 6 June 2017

Executive summary

The purpose of this report is for the council to review and formally adopt the **attached** Delegations Manual. This manual has been developed to record all current delegations made by the council and the Chief Executive.

The purpose of the Delegation Manual is to set out all delegations given to officers in relation to certain administrative and financial matters and also the delegations made in relation to the council's statutory duties, responsibilities and powers.

It is generally considered to be good practice to adopt a fully updated Delegations Manual following a triennial election. The Chief Executive may authorise changes and updates to any Chief Executive delegations or matters he has sub-delegated over time without further council approval.

Recommendations

1. That the report 'Delegations Manual' by Jonathan Gibbard, Group Manager – Strategy and Governance, and dated 6 June 2017, be received.
 2. That the council approves and adopts the Delegations Manual included as **Attachment 1** pertaining to Item 7.1 of the 20 June 2017 council agenda, and makes all the delegations contained in it.
 3. That the council approves and adopts the Procurement Policy and Procedures included as **Attachment 2** pertaining to Item 7.1 of the 20 June 2017 council agenda.
-

Background:

The various statutes under which the council operates provide for delegation of powers and functions to staff. Such delegations are recorded in the Delegations Manual included as **Attachment 1**. These delegations allow for good management and effective administration by ensuring that decisions are made at the lowest competent level.

The Delegations Manual is structured in six parts.

Part A presents **introductory and background information** for the Delegations Manual including the council's principles for making delegations and establishing the council's legal powers for making delegations.

Part B contains general **administrative delegations** relating to use of the Common Seal, release of information, privacy and public records.

Part C contains **regulatory delegations under the Local Government Act 2002**.

Part D contains **contracting, financial, rating and property delegations**, including financial delegations relating to expenditure and limits for operating and capital expenditure within approved budgets and capital expenditure additional to approved budgets.

Part E contains **regulatory Resource Management Act 1991 (RMA) delegations** relating to the council's regulatory functions, duties and powers under the RMA.

Part F contains **other delegations** relating to the council's regulatory functions, duties and powers under other legislation including the Biosecurity Act 1993, the Building Act 2004, the Maritime Transport Act 1994, Public Works Act 1981, and Aquaculture Reform (repeals and transitional provisions) Act 2004 and various others. It also contains a summary of warrants of authority.

Summary of key delegations that may be of interest to councillors:

1. New delegated authority created to enable the Chief Executive and the Chairman to make an urgent or emergency decision where calling an extraordinary meeting is not warranted (refer Part C, page 17). Such decisions must comply with all the decision-making provisions of the LGA and every decision made under this provision must be reported to the next full meeting of council.
2. The threshold for requiring a tender has increased from \$100,000 to \$150,000 (refer Procurement Policy included as **Attachment 2**). Awarding of tenders for purchases over \$150,000 shall be referred to the Tenders Committee. The committee can award the tender outright or refer to the council for a decision as they see fit.
3. The Chief Executive may approve unbudgeted expenditure up to \$70,000 provided it is reported to the next council meeting. Unbudgeted expenditure over \$70,000 must obtain prior approval from council.
4. A provision has been created to clarify existing unbudgeted financial delegations for emergency expenditure. The Chairman and Chief Executive may approve up to \$500,000 in the case of an emergency. Such expenditure must be reported to the next meeting of the council.
5. The proposed delegation to the Chief Executive to negotiate property transactions aligns with the Property Subcommittee Terms of Reference and reads 'the CEO is authorised to negotiate within +/- 5% of valuation, sale and purchase agreements of investment properties, including leasehold land'.

6. Remaining changes, from what is in the current Delegations Manual, are primarily a result of legislative changes. Wherever possible, delegations have been made to the position (rather than the officer) in order to minimise administrative changes to the manual as staff come and go.

Considerations:**1. Options**

The council has the option to approve and adopt the Delegations Manual included as Attachment 1, or to make further amendments before adopting it.

2. Significance and Engagement

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

3. Policy and Legislative Compliance

The council's authority to delegate to the Chief Executive and staff is principally derived from Schedule 7, clause 32 of the Local Government Act 2002.

4. Financial Implications

Given that delegations underpin the council's normal day to day operations that are already provided for in the Long Term Plan and Annual Plan, there are no additional financial implications resulting from this decision.

Attachments:

Attachment 1 Northland Regional Council Delegations Manual

Attachment 2 Northland Regional Council Procurement Policy and Procedures

Authorised by Group Manager:

Name: Jonathan Gibbard
Title: Group Manager – Strategy and Governance
Date: 6 June 2017

TITLE: Kawakawa Hundertwasser Park Centre – Property and Funding Contribution**ID:** A944888**To:** Council Meeting, 20 June 2017**From:** Darryl Jones, Economist**Date:** 8 June 2017

Executive summary

Council has received a recommendation from Northland Inc. Limited regarding council's 'in principle' commitment of \$500,000 to support the development of the Kawakawa Hundertwasser Park Centre. Northland Inc's recommendation is for council to not contribute funds from the Investment and Growth Reserve (IGR) for this project – neither the original \$500,000 'in principle' funding decision nor any additional allocation of funds requested by the proponents.

Staff recommend that funding be provided from the IGR for the Kawakawa Hundertwasser Park Centre, but that there remain certain conditions that need to be satisfied before this is provided and that a time limit be imposed on how long this funding is available.

Recommendations

1. That the report 'Kawakawa Hundertwasser Park Centre – Property and Funding Contribution' by Darryl Jones, Economist, and dated 8 June 2017, be received.
2. That council agree to provide the property at 56 Gillies Street, Kawakawa, as a long-term lease (30+20 years) to Far North District Council at a peppercorn rent once the Kawakawa Hundertwasser Park Centre is built or otherwise confirmed.
3. That council agree that all responsibility for the demolition, build and public liability directly associated with the property at 56 Gillies Street reside with FNDC as the lessee of the property.
4. That council agree to reimburse the Property Reinvestment Fund with \$485,000 from the Investment and Growth Reserve (IGR) as an Impact Investment allocation once it has been confirmed, to the satisfaction of council, that the Kawakawa Hundertwasser Park Centre will be built.
5. That council agree to provide a loan of up to \$318,000 from the IGR to Far North District Council at a rate of 7% per annum for five years as a further funding commitment to support the development of the Kawakawa Hundertwasser Park Centre.
6. That these decisions (resolutions 2 – 5) to support the Kawakawa Hundertwasser Park Centre are dependent on the proponents providing all of the following to council's satisfaction:

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- a. Details regarding the content of the gallery/museum component, and the conditions under which portions of the Kawakawa Hundertwasser Park Centre will be made available to the community.
 - b. Confirmation that all the costs of the project have been fully accounted for and properly assessed.
 - c. Confirmation of all funding required to cover all the project costs.
 - d. All required building and resource consents have been obtained.
 - e. Endorsement of the project by the Hundertwasser Non-Profit Foundation.
7. That council delegates to the Chief Executive Officer the authority to:
- a) continue to engage with the proponents of the Kawakawa Hundertwasser Park Centre to satisfy council requirements as detailed in resolution 6;
 - b) action resolutions 2 – 5 subject to the Chief Executive Officer's satisfaction that the requirements of resolution 6 have been met.
8. That should the Chief Executive not be satisfied that the requirements of resolution 6 have been met by 30 June 2018, then council's financial support for the project is likely to be withdrawn.
9. That council acknowledges that funding the project is both contrary to the Long Term Plan 2015–2025 requirement that the proposal be recommended for funding by Northland Inc. and is inconsistent with the terms of the Investment Growth Reserve criteria because it exceeds the allocation ceiling threshold for Impact Investment funding. However, the funding is a one-off allocation that will contribute to the completion of a project that will benefit the economic development of Northland and aligns with other council investment decisions.

Background:

In July 2014 council made an 'in principle' commitment of up to \$500,000 to help fund an art gallery/visitor centre in Kawakawa in recognition of Hundertwasser's legacy in that town. This commitment was made subject to further information on ownership, design, gallery content, and clarification of the Far North District Council's (FNDC) contribution. It was considered at that time that council's IGR could be an appropriate funding source for this commitment, and so Northland Inc. was requested to prepare an Impact Investment funding assessment of the project so that a formal council funding decision could be made. This formal funding decision is being sought through this agenda item.

A revised project scope was developed by the proponents during the second half of 2015 – progressing from just an art gallery/visitor centre to a larger facility incorporating a café and FNDC's Kawakawa based service centre and library, as well as the demolition of the building at 56 Gillies Street to create a town square connection between the main street and the proposed facility. The larger revised project necessitated a larger budget, and with it a request for additional funding from council over and above the original \$500,000 commitment. In April 2016 council allocated \$20,000 from the IGR to develop a business case for the revised project.

In July 2016 council agreed to purchase 56 Gillies Street, Kawakawa, for no more than \$485,000 plus GST. This building currently contains the FNDC service centre and library, a sorting area for NZ Post, and an ATM machine. It was bought at that time because the purchase opportunity did not want to be missed. The purchase of this property was funded from council's Property Reinvestment Fund (PRF) with the

intention that the PRF be reimbursed from the IGR should the property eventually form part of the proposed Kawakawa Hundertwasser Park Centre development and therefore fulfil council's 'in principle' commitment (July 2014). Until that time, the property remains part of council's commercial property portfolio. The property at 56 Gillies Street is considered a successful investment property, currently returning over 8% per annum.

Council also made a decision in July 2016 that it would not transfer ownership of the property to a third party. It is envisaged that if the property is used for the project, all outgoings and project risk will be transferred as well. If the project does not go ahead then it will remain in the property portfolio.

In early May 2017 council received the business case assessment for the Kawakawa Hundertwasser Park Centre, along with a funding recommendation from Northland Inc. regarding the project (**Attachment 1**). The board of Northland Inc. have recommended that neither the original \$500,000 'in principle' allocation, nor the additional funding request of \$159,000 (this figure has subsequently been increased to \$318,000), be funded from the IGR. While acknowledging the strong commercial and property development case, and the benefit the Centre could potentially bring to the Kawakawa community, Northland Inc. does not recommend the allocation of IGR funds to the project because the economic development benefits of the project are not strong enough. They are also concerned about potential competition with existing businesses within the township (both retail sales and cafés), and the lack of authenticity of the overall concept.

As opposed to the Hundertwasser Art Centre (HAC) proposed for Whangārei, the Kawakawa Hundertwasser Park Centre will not be considered an authentic Hundertwasser building. The Hundertwasser Non-Profit Foundation (Foundation) were concerned that the concept design for the building developed as this point in the process was inappropriate because it had features that made it too similar to Hundertwasser's work. Approval from the Foundation is required if the centre intends to sell genuine Hundertwasser endorsed products.

The proponents presented a further revised proposal at the council meeting on 16 May 2017. The design and costings for the revised Kawakawa Hundertwasser Park Centre are provided in **Attachment 2**. This revised proposal sought to address some of the issues raised in the business case around the design of the building, the selling of authentic Hundertwasser merchandise, and the operation of the café. Specifically, the Foundation is now comfortable with the new design of the building, the proponents are no longer looking to sell Hundertwasser merchandise, and the café will be operated by one of the local café businesses.

The total cost of the project is currently estimated to be \$3M, with the funding split among various providers. The following table shows the proposed sources of funding, what the funding will be used for, and the current status of funding. There is still a considerable portion of the funds that need to be raised.

Table 1 – Current proposal – co-funding arrangements

Who	Amount and % of total	Used for	Current status
Northland Regional Council	\$485,000 (17%)	56 Gillies St property as land for town square and part of building site	An 'in principle' commitment with certain conditions
	\$318,000 (11%)	Gallery/Museum (interpretative component)	Requested
Far North Holdings Limited (FNHL)	\$840,000 (29%)	Library, café and carpark	To be raised
Far North District Council	\$256,000 (9%)		Confirmed
Ministry of Business, Innovation and Employment (MBIE)	\$695,000 (24%)	Amenities	To be raised. An application to the final round of the Regional Mid-Sized Tourism Facilities Grant Fund in 2017 was <u>unsuccessful</u> .
Kawakawa Hundertwasser Park Charitable Trust (KHPCT) / Ngāti Hine	\$300,000 (10%)	Educational workshop	To be raised.
TOTAL	\$2,894,000		

In regards to the council owned property at 56 Gillies Street, the proponents are requesting that either the property title be transferred to FNHL in trust for the community, or leased in perpetuity. FNHL are of the view that to secure bank funding for their contribution, it requires this degree of security over the underlying land, i.e. require the land not as security but as proof of project viability. The bank perceives a risk in the Gillies Street owner choosing not to demolish the building, or even building further on the site. Council's lawyers advise that this can be accomplished with an appropriately written lease agreement. FNHL intend to use the rental income from the library and café to repay their loan investment.

In regards to the additional funding request of \$318,000, the proponents are seeking this as an allocation from the Impact Investment category of the IGR. The additional funding of \$318,000 comprises of \$274,000 for building the gallery/museum component of the centre, \$22,000 as a share of the design, engineering and legal costs for the whole centre, and \$22,000 for an icon/sculpture on top of the gallery. This last item is an additional expense on top of the budgeted costs.

In terms of the four conditions set out in the July 2014 decision, the following table sets out the current state of play.

Table 2 – Current status of April 2014 funding conditions

Condition	Current understanding
Ownership	The completed building will be owned and managed by Far North Holdings Limited. The Kawakawa Hundertwasser Park Charitable Trust (Trust) will be responsible for operating the gallery/museum and the educational workshop components, paying a nominal (peppercorn) rental to FNHL.
Design	As set out in Attachment 2.
Gallery content	No information provided at this stage. A Trust /artist workshop is planned for Saturday 17 June with Story Inc, a professional museum/gallery fit out company from Wellington.
Clarification of the Far North District Council (FNDC)'s contribution	FNDC has committed \$256,000 to the project build which is made up of two components: \$158,000 in its Long Term Plan 2015–2025 to buy land and develop the carpark at the back of the Hundertwasser toilets, and \$98,000 budgeted to renew and fit out the library interior. FNDC's Annual Plan 2016/17 included a budget for FNDC to become an anchor tenant in the building if/when the project is developed.

Considerations:**1. Options**

Council is required to make decisions regarding three matters:

- (a) The ownership of the property at 56 Gillies St, Kawakawa;
- (b) The funding of the property purchase; and
- (c) The additional funding request.

Separate options are set out for each of the three matters on which council needs to make a decision.

Ownership of 56 Gillies St property

No	Option	Advantages	Disadvantages
1	Property remains in council ownership with a long-term lease (30+20 years) to FNDC at a peppercorn rent once the project is built or otherwise confirmed	Maintains council's ownership of the property. Reduces pressure on the proponents to secure funding from other sources, i.e. don't have to purchase the property from council.	Lose rental income on building.

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2	Property remains in council ownership with a lease in perpetuity to FNDC at a peppercorn rent once project is built or otherwise confirmed	Maintains council's ownership of the property. Reduces pressure on the proponents to secure funding from other sources, i.e. don't have to purchase the property from council.	Lose rental income on building. Council losses asset/foothold in the project.
3	Property title transfers to FNHL or FNDC with a caveat that it is returned should it become surplus	Reduces pressure on the proponents to secure funding from other sources, i.e. don't have to purchase the property from council.	Lose rental income on building. Council losses asset/foothold in the project.
4	Property remains in council ownership as an investment property	Continues to return council a competitive rate of return.	There is no chance of the project going ahead in its current form.

Staff recommend Option 1, that the property remains in council ownership with a long-term lease (30+20 years) to FNDC at a peppercorn rent once the project is built or otherwise confirmed as this retains the property in council ownership into the future whatever happens to the Centre. Further transfer of property rights can always occur later.

Options for funding of the 56 Gillies Street property

No	Option	Advantages	Disadvantages
1	Reimburse the PRF \$485,000 from the IGR as an Impact Investment funding allocation (i.e. the investment is to purchase the property for the project)	Allows the PRF to make other property purchases.	Goes against Northland Inc. recommendation and council's LTP 2015–2025. Reduces funding available for investing into other projects that will have a greater regional economic benefit.

2	Reimburse the PRF \$485,000 from the CIF	Allows the PRF to make other property purchases.	Goes against objectives and operation of CIF as set out in council's LTP 2015–2025. Reduces funding available for investing into other projects that will have a greater regional economic benefit.
3	Don't reimburse PRF	Keeps money in the IGR to allocate to other projects.	PRF takes a loss, and reduces income available for funding other council services. Goes against objectives and operation of the PRF as set out in council's LTP 2015–2025.

Staff recommend Option 1, that the reimbursement come from the IGR as it is best to break the LTP provisions of the IGR rather than those associated with the CIF as the IGR is where the funding for economic development projects should come from. Furthermore, allocating funding directly from the CIF may breach council's significance and engagement policy.

Options for additional funding request

No	Option	Advantages	Disadvantages
1	Provide as a loan investment from the IGR to FNDC at a rate of 7% per annum for five years	Provides council with a return on its investment. Reduces pressure on the proponents to secure funding from other sources. Allow for early commencement of the project.	Goes against Northland Inc. recommendation and council's LTP 2015–2025. Reduces funding available for investing into other projects that will have a greater regional economic benefit.

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2	Provide as Impact Investment funding from the IGR	Reduces pressure on the proponents to secure funding from other sources to a greater extent. Allow for early commencement of the project.	Goes against Northland Inc. recommendation and council's LTP 2015–2025. Reduces funding available for investing into other projects that will have a greater regional economic benefit.
3	Provide as a loan investment from the Community Investment Fund (CIF) to FNDC at a rate of 7% per annum for five years	Reduces pressure on the proponents to secure funding from other sources. Provides council with a return on its investment. Allow for early commencement of the project.	Goes against the objectives and operation of CIF as set out in council's LTP 2015–2025. Reduces funding available for investing into other projects that will have a greater regional economic benefit. Requires consultation under council's significance and engagement policy.
4	Don't provide any additional funds	Maintains funds in the IGR to invest into other projects which will have a greater regional economic development benefit.	Leaves the proponents with a greater funding shortfall. Reduces the chance of the project being progressed.

Staff recommend Option 1, that additional funding be provided in the form of a loan investment from the IGR. This loan should be offered to FNDC rather than the Trust to remove any difficulty associated with providing security for the loan and because of the financial viability of the Trust to repay. The amount of the loan is for council decision. This could be for the full \$318,000 requested or for a smaller or greater amount.

These decisions are dependent on the following conditions being met:

- Satisfaction regarding the content of the gallery.
- Confirmation that all the costs of the project have been fully accounted for and properly assessed.
- Confirmation of funding to cover all the costs.
- All required building and resource consents have been obtained.
- Endorsement of the project by the Hundertwasser Non-Profit Foundation.

Council may also wish to set a time limit as to when all these conditions need to be met so that funds are not kept aside to support this project indefinitely. Staff suggest that 30 June 2018 be set as the expiry date.

If the project does not eventuate then 56 Gillies Street remains part of the property portfolio and no reimbursement of the PRF is required.

2. Significance and Engagement

In relation to section 79 of the Local Government Act 2002, a decision to allocate from the IGR is considered to be of low significance when assessed against council's significance and engagement policy because it is provided for in council's Long Term Plan. This does not mean that this matter is not of significance to tangata whenua and/or individual communities, but that council is able to make decisions relating to this matter without undertaking further consultation or engagement.

A decision to allocate funding from the CIF may trigger council's significance and engagement policy. According to that policy, if a high degree of significance is indicated in two or more of the four criteria, the issue is likely to be significant. In relation to the criteria of being consistent with existing policy and strategy, a decision to allocate funding from the CIF would have a high degree of significance because the decision would be substantially insignificant with policy. Second, in terms of the impact on council's capacity and capability, a decision to allocate all the requested funding from the CIF (\$803,000) brings it close to the trigger level of around \$850,000, being 5% of the combined targeted land management rate and council services rate revenue.

3. Policy and Legislative Compliance

There are three key areas that council needs to be aware of.

First, council's Long Term Plan 2015–2025 states that only investment proposals recommended for funding by Northland Inc. board will be considered by council. A decision to allocate funding from the IGR will be contrary to this policy.

Second, council's Long Term Plan 2015–2025 clearly specifies that the objectives of the Community Investment Fund are: to inflation-proof and to protect the capital, and to transfer the residual income to the Investment and Growth Reserve for economic development purposes. Consequently, making a direct allocation of funds from the CIF to support this project would be in breach of this policy. The Long Term Plan allows funds to be transferred from the CIF to the IGR for allocation to economic development projects.

Third, under the IGR criteria, the allocation of Impact Investment funding is capped at \$1M from any one year's investment income transferred into the IGR, with the possibility of carrying forward a cumulative maximum of \$1M in unused impact investment funding from previous years. When combined with already made commitments – Extension 350 (\$830,000), Waitangi Mountain Bike Park (\$400,000), and HAC (\$1.5M) – selecting an option which involves an Impact Investment funding decision will mean that the annual ceiling threshold is exceeded and is therefore inconsistent with the terms of the IGR criteria.

However, section 80 of the Local Government Act 2002 provides for council to make a decision that is inconsistent with a policy or plan adopted by the council provided council, when making the decision, clearly identifies the inconsistency, the reason for the inconsistency, and any intention to amend the policy or plan to accommodate the decision. This note satisfies the requirement of section 80. Therefore, should council decide to support the proposal by choosing an option which breaks one of these then it should do so knowing that the decision has done this. In addition, council is currently undertaking an external review of the IGR funding criteria which will include reviewing the \$1M cap on impact investment funding.

Further considerations:

4. Community Views

There has been considerable community consultation around the development of the latest version of the Kawakawa Hundertwasser Park Centre, including input into the design of the proposal. There is strong community support for the project, as demonstrated by the recent establishment of a Project Partnership Group to support the Trust develop and implement the project. Letters of support for the project to accompany the application to the Regional Mid-Sized Tourism Facilities Grant Fund were prepared by the Kawakawa Business and Community Association, the Bay of Islands–Whangaroa Community Board, Te Rūnga o Ngāti Hine, and the Bay of Islands Vintage Railway Trust.

5. Māori Impact Statement

The local tangata whenua, Te Rūnga o Ngāti Hine, are represented on the Project Partnership Group. They will also have an active role in the governance of the Centre, particularly around running programmes and events in the educational workshop space.

6. Financial Implications

The following table sets out the forecast cash flow balance for the IGR based on current funding commitments, detailing income and withdrawals for the various committed projects and funding for the operation of Northland Inc. As the 'in principle' funding commitment of \$500,000 for the Kawakawa Hundertwasser Park Centre has been budgeted into calculations in previous IGR funding decisions, the allocation of the total sum being requested in the proposal of \$803,000 will reduce the forecast cash flow balance over the next few years by the difference, i.e. around \$300,000. Based on current funding arrangements, allocating the full amount in the proposal would leave council around \$400,000 for allocation in 2017/18 across all IGR funding categories, including feasibility assessment and business case development.

Table 3 – Forecast cash flow balances of the IGR – 2015/16 to 2019/20
Based on current funding commitments

Investment and Growth Reserve	2016/17f	2017/18f	2018/19f	2019/20f
Opening Balance	3,509,829	806,902	439,964	541,206
Deposits				
Redirection of NRC investment income	1,700,000	1,700,000	1,700,000	1,700,000
Community Investment Fund income	0	0	347,587	389,147
Other revenue ¹	188,578	115,738	100,275	849,916
Total	1,888,578	1,815,738	2,147,862	2,939,063
Withdrawals				
Northland Inc. operations	-1,198,212	-1,222,176	-1,246,620	-1,271,552
IGR funding categories				
Feasibility assessment/business case ²	-165,000	0	0	0
Project funding - committed				
<i>Better Water Management</i>	-165,000			
<i>Twin Coast Tourism Discovery</i>	-250,000			
<i>Twin Coast Cycle Trail</i>	-579,793			
<i>Regional Promotions</i>	-410,500	-410,500		
<i>The Orchard</i>	-70,000			
<i>Extension 350</i>	-150,000	-250,000	-200,000	-100,000
<i>Waitangi Mountain Bike Park</i>	-400,000			
<i>Maungatapere Berries</i>	-400,000			
<i>Hundertwasser Art Centre</i>		-300,000	-600,000	-600,000
Project funding - under consideration				
<i>Kawakawa Hunderwasser</i>	-803,000			
Total	-4,591,505	-2,182,676	-2,046,620	-1,971,552
Closing Balance	806,902	439,964	541,206	1,508,717

Notes

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

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

At the February 2017 council meeting, council agreed to use the investment income obtained from council's Community Investment Fund to supplement the IGR in 2016/17 and 2017/18. Adopting this approach will increase the forecast cash flow balance as at June 2018 by another \$1.1 million to around \$1.5 million. The investment income earned in the CIF during 2016/17 and 2017/18 will stay in the CIF until required for IGR funding as the return on investment achieved by the CIF is higher than on the IGR.

7. Implementation Issues

There are a number of positive developments associated with the current proposal.

- Establishment of Project Partnership Group brings all key players together.
- FNHL to oversee project development, will own the buildings and be responsible for maintenance.
- Supports other IGR projects, including the Twin Coast Cycle Trail, the Twin Coast Discovery Revitalisation project, and the HAC in Whangārei.
- Will have a positive economic impact on Kawakawa.

- Project will help develop a safe and resilient community in Kawakawa.

However, there are a number of risks associated with the project. In terms of the build:

- The budget assumes that the town square area will be developed by volunteers at no cost. This is an integral component of the project. No evidence has been provided to indicate that this will occur.
- The budgeted work for the car park will simply be a levelled and metalled surface. Sealing, kerb and channelling, marking out and lighting of the car park would need to be funded separately at a later date.
- The current allocation of funding between funders shown in Table 1 does not cover 5% contingency margin.
- At least \$1M (or $\frac{1}{3}$) of funding (MBIE and KHPCT/Ngāti Hine) still to be raised.
- The educational workshop component (to be funded by KHPCT/Ngāti Hine) appears to be integral to the design of the centre and should not be considered an optional extra that is only built if funding eventuates as suggested in the material provided.
- The project does not yet have regulatory approval, and will require resource as well as building consent.

In terms of the operation of the gallery/museum (interpretative centre), the risks include:

- The content of the gallery/museum is as yet unknown.
- The financial viability of the gallery/museum depends on a large number of visitors being prepared to make a dollar donation to visit. The breakeven number is around 167,000 persons per year. This requires at least all current users of the toilets – including locals and those passing through the town – to visit the gallery/museum. Within Northland, around 115,000 visited the new Museum of Waitangi in the first year of operation (excluding conference/meeting/education visitors).
- Evidence of the capability/competence of the KHPCT to operate a gallery/museum facility has not been provided.

Finally, there remains the outstanding question as to the status of the proposed centre in relation to the Hundertwasser Non-Profit Foundation. The business case notes that 'every effort should be made for the Trust to work closely with the Foundation to achieve agreement on the role of the Kawakawa interpretive centre in the New Zealand and international context of presenting Hundertwasser's legacy'. While issues around the design of the building and selling of merchandise have been covered off, the proponents are not seeking endorsement from the Foundation for the development of the centre.

This lack of endorsement by the Foundation may limit the success of the Centre, and worse threaten the success of the other Hundertwasser projects currently being developed. Without the support of the Foundation, issues with the Centre may arise around copyright (e.g. naming of the centre and/or the gallery/museum component, and the content on display in the gallery/museum), opening the project to legal challenge from the Foundation. Further, it could prove difficult to promote the triangle of Hundertwasser related projects (HAC, Kauranui and the Kawakawa Centre) without the endorsement of the Kawakawa development by the Foundation. It is staff's understanding that the Foundation is very willing to work with the project proponents.

Attachments:

- Investment opportunity documentation from Northland Inc. including March 2017 Northland Inc. board paper and Proposed Kawakawa Visitor Centre Business Case prepared by TRC Tourism Ltd
- Latest proposal documents
- NRC decision making process – Kawakawa Hundertwasser Park Centre

Authorised by Group Manager:

Name: Jonathan Gibbard

Title: Group Manager – Strategy and Governance

Date: 9 June 2017

TITLE: Authorisation to Utilise Part of the Surplus**ID:** A954657**To:** Council Meeting, 20 June 2017**From:** Dave Tams, Group Manager – Corporate Excellence**Date:** 9 June 2017**Executive summary**

This paper requests the authorisation of \$91,700 from the year end surplus to partially fund the council's Remuneration Strategy.

Recommendations

1. That the report 'Authorisation to Utilise Part of the Surplus' by Dave Tams, Group Manager – Corporate Excellence, and dated 9 June 2017, be received.
2. That council authorise the spend of \$91,700 from the year end surplus for the salary review on 1 July 2017.

Background

1. On 23 May 2017, a three-year remuneration strategy was presented and accepted by council.
2. Year one was to be part funded by the year end surplus to the amount of \$91,700.
3. The current year end forecast is \$600,000.
4. Salary reviews for staff are effective 1 July 2017.
5. The final year end surplus will be presented at the August council meeting.
6. Given the current projection there should be enough surplus to fund this request and have enough to direct to council's other priority projects.

Considerations**1. Options**

No.	Option	Advantages	Disadvantages
1	Authorise spend of \$91.7K from surplus	In line with Remuneration Strategy agreed with council. Motivates and rewards staff.	None
2	Do not authorise spend of \$91.7K from surplus	None	Maintains salaries behind market. Adverse impact on morale.

Staff recommend Option 1.

2. Significance and Engagement

This does not trigger the significance and engagement policy.

3. Policy and Legislative Compliance

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

4. Financial Implications

\$91,700 funded from the year end surplus.

5. Implementation Issues

Effective date is 1 July 2017.

Authorised by Group Manager:

Name: Dave Tams

Title: Group Manager – Corporate Excellence

Date: 9 June 2017

TITLE: Chairman's Report to Council**ID:** A951998**To:** Council Meeting, 20 June 2017**From:** Bill Shepherd, Chairman**Date:** 9 June 2017

Executive summary

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

Recommendation

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

Strategic issues:**Mega Consultation**

Council trialled the concept of a 'Mega Consultation' combining consultation on the Annual Plan, the Charging Policy, and the Marine Pathways Management Plan into one process this year. This was to try and avoid potential 'consultation fatigue' for the community if we had followed the normal process of consulting on each one separately.

At this stage, there are pluses and minuses. The pluses are all around the level of community engagement which has been great. Whereas the minuses have been around the complexity of the issues being consulted on and significant adverse feedback from members of the community.

At some stage council will be considering whether the 'Mega Consultation' concept will be repeated or not.

Economic Development

At the time of writing we are eagerly awaiting the MartinJenkins section 17a review of our delivery of economic development services to the region. In the meantime statistics have come out indicating that Northland is the second highest performing region on the economic development front in the country for the last quarter.

This is a massive improvement on recent history and is a reflection of the superb work being carried out by Northland Inc. and central government agencies operating in the region. It will, however, take more than one quarter to lift Northland off the bottom of the pile in terms of many of the poor social statistics that have bedevilled the region for decades.

It is of course a great start!

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Meetings/events attended:

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

- Meetings attended with the council's CEO, Malcolm Nicolson:
 - Attended the Regional Sector meeting in Wellington.
 - Video conference with Simpson Grierson and Kaipara District Council – Rogan case.
 - Meeting to discuss new Regional Plan for Northland with representatives from Northport, Marsden Maritime Holdings, Westpoint, and Refining NZ.
- Interviews of potential CEO candidates off site.
- Councillor John Bain and I attended a meeting with the NZTA Board and Chief Executive in Waitangi.
- Catch up meeting with Dr Shane Reti, MP for Whangārei.
- Meeting with Nikki Davies-Colley and Mark Trigg from Northpower – Northland infrastructure.
- Mangere Catchment Group meeting.
- Meeting with Dr Shane Reti, MP for Whangārei, and Mita Harris – predator free area in Northland.
- Regular fortnightly Mayoral teleconference and also teleconference regarding Sestercentennial.
- Three days of Annual Plan hearings in Whangārei and Waitangi.
- Jude Thompson, Northland Inc. – Tai Tokerau Economic Action Plan Advisory Group meetings.
- Northland Forward Together Strategic Planning Workshop hosted by Whangareia District Council.

Correspondence:

During May 2017 I sent out the following correspondence:

Date	Addressed to	Subject
11.05.17	Nelson Bruce	Māori representation on working parties
15.05.17	Colin Rowse Chairperson Friends of Kai Iwi Lakes	Adoption of Draft Kai Iwi Lakes Navigation Safety Bylaw 2017 and Statement of Proposal for a formal consultation process
16.05.17	Andrew Gibbs Partner Corporate Finance Deloitte	NRC Expression of Interest: Kingfish Project
16.05.17	Eamon Nathan Reconnecting Northland	Letter of support for Reconnecting Northland funding application
18.05.17	Chairman and Board New Zealand Transport Agency	Continuing support for Northland following the departure of Ernst Zöllner

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22.05.17	Joint letter with Councillor Rick Stolwerk, Chair, Marine Management Working Party to: Hon. Maggie Barry, Minister of Conservation Hon. Nathan Guy, Minister of Primary Industries Hon. Dr Nick Smith, Minister for the Environment	Marine protection in Northland
19.05.17	Sir John Goulter Chairman Marsden Maritime Holdings Sir John Goulter Chairman Northport Limited	Whangārei Port and harbour marine safety management system review – briefing and discussion

Authorised by Chairman:**Name:** Bill Shepherd**Title:** Chairman**Date:** 9 June 2017

TITLE: Chief Executive's Report to Council
ID: A950935
To: Council Meeting, 20 June 2017
From: Sally Bowron, PA/Team Admin – Strategy and Governance
Date: 9 June 2017

Executive summary

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

Recommendation

1. That the report 'Chief Executive's Report to Council' and dated 9 June 2017, be received.
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8.2.1 HIGHLIGHTS

- **Lake Waiporohita Restoration Project a Green Ribbon Award Finalist**
An Environment Fund collaborative project at Lake Waiporohita on the Karikari Peninsula has won the Ministry for the Environment's 2017 Green Ribbon Awards in the Kaitiaki Leadership category. The award was accepted by Will Trusewich, Lakes Catchment Advisor who attended the awards ceremony on 8 June on behalf of the project participants. The project is a collaborative initiative between Te Rūnanga-ā-Iwi o Ngāti Kahu, Landcorp, DOC and NRC and includes fencing, a farm drain detention weir, riparian planting, exotic tree and weed removal and mitigation of vehicle and boat washing in the shallow lake bed.
- **Mega Consultation**
While still underway I would like acknowledge and thank Councillors, management and staff for the significant effort that has gone into the smooth running of the Mega Consultation to date. Management will undertake a comprehensive debriefing at the conclusion of the process. While recognising that the process has placed substantial pressure on the entire organisation due to the high workload over a condensed period, which has already led us to identifying some areas of improvement, on balance I feel the process has delivered significant benefits on more traditional consultation processes. The level of community engagement, the quality of submissions and their attention to detail has been impressive. This demonstrates an achievement of Council's desire from more effective engagement with the community and the development by the community of a greater understanding of Council's functions and activities.

8.2.2 CEO'S OFFICE

SHARED SERVICES

Update on important Northland Forward Together projects:

Four councils assisting in information sharing with Crown Fibre (CFH) for the Mobile Blackspot initiative.

Northland Councils have supplied information on public land (Crown and Local Government) that potentially could be used to assist with the mobile black spot rollout to CFH.

The LINZ survey to identify individual dwellings in Northland is just completed and the information has been shared with CFH

Vodafone, Spark and 2Degrees submitted a joint bid to expand mobile and broadband coverage across New Zealand. The proposal would see the three companies form a separate joint venture company, the Rural Connectivity Group (RCG). They have requested to present to councillors. The bid is yet to be accepted by CFH.

Four Waters Stock-take

The Four Waters Group has prioritised opportunities from the Regional Four Waters study. A programme has been identified:

1. Emergency Management Pooled Resources	7. Flood Models and Maps
2. Standardisation of By-laws	8. Common Risks – Water Safety Plans
3. Water Systems Modelling, SCADA	9. Pooled specialist expertise for water systems modelling
4. Resource Consent Applications	10. Data Management
5. Align Environmental Engineering Standards	11. Drinking Water Standards
6. Common Risks – Safety Procedures	12. Sludge Management

COUNCIL PROPERTY UPDATE

Commercial

- The council sale of a CBD commercial property holding has settled in May.
- The council purchase of two unassociated CBD commercial properties has resulted in one not proceeding while the other continues to progress.

Industrial

- The offer to industrial area lessees to purchase the council's lessors interest (land) has gone out.

Rural

- The purchase of a small holding in the Marsden Point area is being progressed in support of the rail designation.

8.2.3 CORPORATE EXCELLENCE

FINANCE

Council has achieved a surplus of \$859K after transfers to and from reserve for May 2017 YTD. Finance staff have reviewed Council's financial performance and anticipates a forecasted year end surplus after transfers to special reserves in the vicinity of \$600K. The main difference between May YTD's result and the forecasted year end result are some favourable expenditure variances (actual less than budgeted) that are expected to come back to budget at year end.

Fraud declaration

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

Rogan case update

The Judge asked for further submissions from both parties regarding relief, especially around the issue of re-setting the rates in the Kaipara District for the five years that she deemed they were unlawful. Submissions will need to be with the Judge by 5 July.

The LGC have written to the Minister of Local Government, Anne Tolley, with a view to considering a change to the Rating Act.

8.2.4 REGULATORY SERVICES

PLANNING AND POLICY

New Regional Plan

Council has had seven workshops (out of a planned 8) to develop the Proposed Regional Plan and is on track to notify the Proposed Regional Plan for submissions in early September 2017.

Regional Policy Statement – Genetically modified organisms

Federated Farmers lodged an appeal to the Court of Appeal on the High Court's decision affirming that the regional council has the legal ability to regulate GMOs. A hearing date has yet to be set.

National Initiatives

National Environmental Standard for Plantation Forestry

On 17 May 2017, central government re-opened consultation on the National Environmental Standard for Plantation Forestry (NES). The consultation is limited to whether the NES should allow councils to charge for permitted activity monitoring. Given the consultation period closes 16 June 2017, the matter could not be reported to a council meeting, however staff have submitted to the effect that the NES should allow councils to charge but that this should also extend to administrative charges. This is consistent with council's position expressed in its submission on the NES in August 2015.

National Planning Standards

The recent changes to the Resource Management Act 1991 (RMA) included development of national planning standards – essentially templates for district and regional plans and regional policy statements. The Ministry for the Environment has

released a series of discussion documents setting out the context, evidence, approach and options for each type of standard. The Ministry is seeking feedback on the options proposed or the approach presented by 31 July 2017. Staff have yet to assess these in detail but are likely to provide feedback. The development of the standards is not expected to impact on the timing of the new regional plan.

District Planning

Whangarei District

The Whangarei District Council has announced that hearings for a suite of plan changes (Plan Changes PC85 A-D, PC86A and B, PC87, PC102, PC114) will start 3 July 2017. Council was a submitter on a number of matters and at this stage intend to appear and give evidence (pending receipt of the staff report).

Kaipara District

The Kaipara District Council has released decisions on Private Plan Change 3 which proposed re-zoning of land in Mangawhai. Council did not submit on the plan change.

Resource Consents

Staff commented on one consent received from the district councils over the reporting period advising that the land disturbance activity required consent under the Regional Water and Soil Plan.

CONSENTS

Consents in Process

During May 2017, a total of 44 decisions were issued. These decisions comprised:

1	Moorings
17	Coastal Permits
1	Air Discharge Permits
10	Land Discharge Permits
0	Water Discharge Permits
9	Land Use Consents
2	Water Permits
4	Bore Consents

The processing timeframes for the May 2017 consents ranged from:

- 119 to 5 calendar days, with the median time being 33 days;
- 78 to 3 working days, with the median time being 20 days.

Thirty three applications were received in May 2017.

Of the 127 applications in progress at the end of May 2017:

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

Appointment of Hearing Commissioners

No commissioners were appointed in May 2017.

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

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

· Applications Publicly/Limited Notified During Previous Month	0
· Progress on Applications Previously Notified	5
· Hearings and Decisions	1
· Appeals/Objections	1

ENVIRONMENTAL MONITORING

Compliance and State of the Environment monitoring

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

Activity	Assessments	Fully Compliant	Non-Compliant	Significantly Non-Compliant	Not exercised during period
Air Discharges	35	29	2	0	4
Coastal	214	138	41	0	35
Land Use	200	111	7	0	82
Discharges to Land or Water	218	133	35	1	49
Water Permit	59	37	6	0	16
Total	726	448 (61.71%)	91 (12.53%)	1 (0.14%)	186 (25.62%)

Air discharges

A total of 21 air quality related environmental incidents were received, most of which (15) related to burning and smoke nuisance.

Continuous ambient PM₁₀ monitoring results for April 2017 for the Whangārei, Marsden Point and Dargaville airsheds showed that compliance was met with the National Environmental Standards. PM_{2.5} monitoring results for Whangārei were within the Ambient Air Quality Guideline value.

PM₁₀ monitoring adjacent to an unsealed section of Pipiwai Road at Kaikou commenced on 31 May 2017.

Coastal

Most consents monitored during the reporting period related to marine farms, coastal structures and discharges (treated municipal sewage, stormwater, industrial, and oyster processing). Several site visits were also made to Pataua North following commencement of the reclamation and boat ramp construction being undertaken by the Whangārei District Council.

Routine water quality sampling of the Whangārei, Bay of Islands, Kaipara and Mangawhai harbours was undertaken. The Mangawhai sampling run was extended to include sites in both the Ruakākā and Waipū estuaries.

Hazardous Substances

- Four incidents involving the discharge of hazardous substances were received and responded to.
- 40 enquiries regarding contaminated land were received and responded to.
- The collection and packaging of hazardous substances continued during the reporting period, although no wastes were disposed of.

Discharge and Land Use monitoring

Routine compliance monitoring of discharge and land use consents continued during the period.

Council staff attended the following during the reporting period:

- Quarterly meeting held with the Far North District Council to discuss compliance issues in relation to its wastewater treatment plants. Progress is being made on all treatment plants identified as having significant non-compliances.
- Quarterly meeting of the RMA Northland Forestry Development Group. A presentation was given by council's Environmental Monitoring Officer – Land Use to highlight both good and bad examples of erosion and sediment controls in Northland forests. Latest compliance statistics for forestry indicate that there have been no significant non-compliances since 1 July 2016.
- The Marsden Point Oil Refinery community liaison group meeting.

Environmental Incidents

Five incidents were recorded for the reporting period which resulted in a moderate environmental impact. These related to discharges to air from burning and sand-blasting activities and from debris in a waterway following forest harvesting.

EnforcementAbatement Notices

There were 19 abatement notices issued during the period. These were for:

Marine farms (non-compliance with consent conditions)	4
Burning & smoke nuisance	3
Sediment discharge from earthworks	2
Mangrove removal	2
Boat maintenance/cleaning	2
Hazardous waste	2
Trade & industrial discharge	2
Sewage	1
Structure in CMA	1

Infringement Notices

There were 17 infringement notices issued during the period. These were for:

Marine farms (non-compliance with consent conditions)	8
Rubbish dumping	2
Illegal structure	2
Discharge of diesel	1
Sewage discharge	1
Abrasive blasting	1
Burning & smoke nuisance	1
Discharge from trade & industrial site	1

Formal Warning Letters

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

Boat maintenance activities	1
Abrasive blasting	1

Other EnforcementHearing for Infringement Offence

The hearing for an infringement notice issued in May 2016 for the discharge of soil to land where it may enter water (the Waimangaro Creek) was held on 10 May 2017 in the Whangārei District Court. The recipient of the notice, Mr Neil Moody, had requested a hearing. Mr Moody was found guilty of the charge and the fine was uplifted to \$1,500 plus court costs. The original fine had been for \$750.

Spray damage to significant indigenous wetland

Charges have been laid against a landowner for spray damage to a significant indigenous wetland in Basin Road, Bayllys Beach. The laying of further charges against the contracting company who undertook the work is being considered. No court dates have yet been set.

8.2.5 ENVIRONMENTAL SERVICES

LAND MANAGEMENT

There has been no change in the status of the Environment Fund allocation year to date since the March 2017 report, with the fund fully allocated (220 projects). Projects withdrawn to date amount to \$126,221.90 (28 projects) which is 64% of the total value of overallocation (\$196,875) approved by council.

Farm Water Quality Improvement Plans (FWQIP) 1 July 2016 to 31 May 2017

Year to date a total of 191 FWQIP's have been commenced, 104 FWQIP's have been completed, with a further 163 in progress.

Waioara Northland Water

The catchment plan development phase is now complete for Māngere, Waitangi and Poutō, and is being drafted for presentation to Council on 27 June 2017. Whangārei Harbour catchment group is meeting on 6 May 2017 to conclude their catchment planning process.

Ngunguru catchment group meeting was held on 25 May recapping the progress of the group and establishing a 6 – 12-month forward work programme. Following the meeting and distribution of an initial draft erosion and sediment management plan, group members are to provide feedback by 14 July before the next group meeting scheduled for 2 August 2017. A final draft sediment and erosion plan will be prepared by November 2017.

Soil ConservationHarvest 2017

Harvest of poplar poles at the Flyger Road Nursery is beginning 6 June 2017. An estimated 5361 3m poles will be harvested.

NRC will use small local growers to boost overall supply numbers from nurseries located in Maungatapere, Kaingaroa, and Kohumaru who can supply poles in the order of a few hundred from each site.

Flyger Road Nursery Expansion



Figure 1 Expansion blocks showing the new blocks and shed site

Site establishment for the nursery is underway. Blocks 5 and 6 have been ripped and cultivated in preparation for planting.

The 30m x 30m metallised site pad and the raised 300mm foundation are in place awaiting building consent from WDC for the shed construction. There have been delays with the procurement, consent process and build with the shed, with construction to extend into the new financial year. Other elements including purchase of planting stock from other regional councils and the irrigation upgrade will not be completed until the early part of the next financial year.

BIODIVERSITY

CoastCare

Dune monitoring has been undertaken to measure dune condition and monitor changes over time, focusing on sites where dune restoration work is being undertaken. A total of 45 permanent transects were set up. CoastCare group members assisted with the monitoring and were taught the monitoring methods so that they can continue to measure the transects.

The dune planting season has started with two CoastCare planting days held so far.

A CoastCare beach and dune education day was held at Taipā with 80 students (plus teachers and parents) from Manganui School.

Biodiversity and Lakes

Work on remediating fish passage barriers in the Whangārei Harbour catchment is continuing, with contractors remediating barriers in the Kirikiri Stream from SH1 to SH14. A recent fish survey in the Waiarohia Stream has shown an increase in species diversity above a remediated fish barrier.

Work is underway to provide Kaipara District Council's Taharoa Domain Committee with sound science underpinning their June decision on the dune lakes galaxias/rainbow trout stocking issue.

The Dune Lakes Plans are near draft completion with action planning due to inform the LTP and a communications plan to follow.

BIOSECURITY

Biosecurity Threats/Incursions

Aside from Myrtle Rust, staff are not aware of any new biosecurity incursions.

Biosecurity Response – Myrtle Rust (as at 01/06/2017)

The number of properties infected with myrtle rust nationally is 29, with 24 in Taranaki, three in Northland and two in Waikato.

The affected properties include private gardens, plant nurseries and retailers, a golf course and an orchard.

While most of the infections have been found on young seedlings, there are instances of the rust appearing in large established trees. A positive detection has been made on a mature pōhutukawa at a Taranaki golf course. It is likely the limited infection can be treated by removing affected areas and treating with fungicide.

To date, the rust has been found on pōhutukawa, *Lophomyrtus bullata* (Ramarama), eucalyptus, mānuka and *Syzygium smithii*. It has not been observed on feijoa.

Council staff are continuing to assist MPI with the response in Northland. MPI is now discussing with council and stakeholders the future of this response and how it will be managed in to the future.

- [Myrtle Rust web page on the MPI website](#)

Eradication Plants

Following the recent discovery of Gypsywort (an invasive wetland plant), council staff carried out a delimitation survey in conjunction with DOC staff at Te Werahi wetlands, a DOC managed reserve. Unfortunately, the invasive plant was found at more sites than was first suspected, however staff believe the weed is confined to only two small areas within the wetland and eradicating the plant at those sites will prevent spread to privately owned wetlands. DOC staff are planning to undertake control of the weed starting in spring when conditions are more suitable to manage the infestation.

Biosecurity Partnerships – (CPCAs, Environment Fund, Partnerships and Education)

Freshwater Advocacy

Staff have continued delivering freshwater pest advocacy and education through presentations given at a series of duck shooter open nights at local Hunting and Fishing stores in Whangārei, Dargaville, Kerikeri, and Kaitāia. Staff presented to hundreds of keen duck shooters about biosecurity risks and encouraged them to take measures to prevent the spread of unwanted weeds and diseases while participating in the sport.

Community Pest Control Areas (CPCA):

Staff have continued to assist several of council's CPCA and Environment Fund projects with kiwi monitoring and handling on private land. The projects include Tanekaha (west of Hikurangi), Tutukaka, Kiwi Link (Pataua) and Maranui

(Mangawhai). Staff have been assisting and training volunteers to enable them to carry out the monitoring of kiwi themselves.

Staff are in the final stages of finalising another large scale community pest control agreement with the Mid-North Alliance. This proposed project involves a collective of nine established community-led conservation projects that are working together to restore biodiversity values over more than 30,000ha between the Bay of Islands and the Hokianga Harbour. The primary goal of this project is to rebuild populations of native species such as kiwi, pateke and kokako through community led conservation and connect biodiversity and communities in the Mid-North of Northland.

Partnerships

A proposed partnership between council and the Kiwi Coast Trust is currently being discussed with council biosecurity staff and trustees of the Kiwi Coast. The partnership would see council support the Kiwi Coast initiative which will achieve mutual biodiversity and community conservation outcomes in Northland. The Kiwi Coast partnership is a cost effective, community driven model for enhancing Northland ecosystems which aligns with what council's biosecurity partnerships is aiming to achieve.

Environment Fund (Biofund)

Applications to council's biosecurity environment fund (Biofund) have now closed and staff are currently reviewing applications and prioritising projects. Over 70 applications have been received requesting assistance with funding for weed and animal pest control for the 2017/18 financial year. Applications vary from individual landowners to larger community groups and address a variety of environmental pests through out Northland. Staff have maintained an agreement with the Northland Region Corrections facility near Ngāwhā who have agreed to construct the predator trap boxes required for all Biofund projects, totalling more than 800 trap boxes.

Trialling a trap modification

Staff are currently trialling a modification to the standard DOC200 single set trap by relocating the entrance hole to the top of the box and blocking the usual entrance through the mesh at ground level. Initial observations have seen a reduction in bycatches of hedgehogs. Staff believe this will improve catches of more destructive pests such as stoats and weasels.



Landcare Research Biosecurity Bonanza

Biosecurity staff attended the Landcare Research Biosecurity Bonanza, held for the first time in Whangarei. This event provides an opportunity for respected Landcare Research scientists to share new research, technology and information with agencies and communities who are often the end users of their research. Over 120 participants attend the event, which included a large number of Northland landcare group volunteers, council staff and staff from other regional councils and government agencies.

A panel discussion was held at the event to discuss the key threats and opportunities to Northland from increased tourism and how these threats and opportunities can be mitigated or utilised. The panel included two biosecurity staff members and Cr Blaikie, Te Roroa representatives and Northland tourism operators. Information gathered from the discussion will be used to help guide future research opportunities. Staff also highlighted the importance of maintaining and increasing relationships between Landcare Research and Northland agencies and communities.

Marine Pests

In the month of May 153 vessels, and 2 marinas, were surveyed by dive surveillance teams with no detections of fanworm (*Sabella spallanzanii*). Staff travelled to Nelson for a national marine biosecurity collaboration meeting between regional councils, councils involved with the top of the south, NIWA, Cawthron Institute, and MPI. All agencies attending voiced their praise of Northland Regional Council for leading the way for marine biosecurity in New Zealand, through the proposed Marine Pathway Management Plan.

RIVERS

Awanui

The annual maintenance works are largely finished.

Kaeo-Whangaroa-Matangirau

An assessment of the cross-sectional area necessary to pass the 10 and 100 year AEP floods at Matangirau was completed. FNDC will use this data to make rough order costing for bridge options.

Kerikeri

Hydrological investigations associated with the Kerikeri River Flood Scheme are progressing.

Kaihū

Helicopter rice grass spraying has been completed along the lower reaches of the Kaihū River, this was coordinated with adjacent farmers who paid for additional spraying.

Kawakawa – Taumārere

Scour protection work along the Waiharakeke high level spillway is proceeding.

Whangarei

Slip repair work at the dam which is scheduled to commence mid-June.

Minor Rivers Works

Description of Minor River Work Programmed for Current Season	Status
Awanui - Bells Hill Drain Cleaning.	Underway
Helena Bay - Remove fallen and leaning trees.	Underway
Ōmanaia (Pākanae) Vegetation Removal (Follow- up spraying) (Arundo Donax control).	Completed
Moerewa – Willow Island removal upstream of Pokapu Rd Bridge.	Completed
Kawakawa Catchment – Waiharakeke Stream Spillway – Scour protection to Kiwi Rail Bridge.	Underway
Otaika - Tree removal on weir and upstream of the weir.	Completed
Tangowahine – Drill and kill willows from 100m above Banana Bridge to reduce flooding to the Bridge and Tangowahine Valley Road.	Completed
Matangirau - Earthworks to increase downstream flow.	Underway

NATURAL HAZARDS**Coastal Hazard Mapping Project**

Final adjustments to the mapping are being progressed. Final coastal flood hazard maps for Whangarei District have been delivered by the consultant. The balance of mapping for the region is expected in June/July although some additional assessment for Awanui and the Northern Wairoa areas may extend until August/September.

Regional LiDAR Project

The contract with RPS Consultants NZ Limited (RPS) has been signed along with the funding agreements with all funding partners. RPS has positioned an airplane in New Zealand.

Flood Model Projects

Requests for proposals for model builds for Waipū and Paparoa are being finalised. Additional LIDAR processing for Paparoa has been completed and delivered.

Final processing of the Kerikeri – Waipapa flood map extents has been completed. These are being reviewed and are due to be released alongside updated Kaihū – Awakino river flood mapping in September.

HYDROLOGY**Hydrology Team Work Programme**

- Traffic management plans have been completed for the hydrology team. The next step is to assess training needs.
- Damage to the Ngunguru water level station from the March storm has been repaired.
- The hydrology team met to discuss what actions are required to implement the Safe Acquisition of field data in and around fresh water NEMS:
<https://thehub.nrc.govt.nz/id:A951363/document/versions/latest>
- The project to map all current and historic rain gauges in Northland is 60% complete. Originally 250 rainfall sites were listed, the total is now up to 500. The end goal is to enhance spatial queries on rainfall data in Northland.

8.2.6 STRATEGY AND GOVERNANCE

ECONOMIC DEVELOPMENT

Investment and Growth Reserve

Project	May Update	Future developments/ reporting
Better Water Management	Next iteration of the report received and being reviewed by officials.	Draft final report due mid-June and council workshop discussion set for 21 June.
Waitangi Mountain Bike Park	Fourth invoice paid. Average of 469 riders per week in April (including school holidays). Great reviews for Zone 3, e.g. http://3xplore.nz.com/2017/05/22/waitangi-mtb-park-zone-3-ride-review-2/	Further invoices expected in June as Stage 2 development is completed.
Extension 350	Funding agreement under negotiation.	Finalise funding agreement.
Maungatapere Berries	Loan agreement under negotiation.	Finalise loan agreement.
Twin Coast Cycle Trail (TCCT)	None	Awaiting further progress reports and associated invoices to complete funding commitment.
Resource Enterprise Limited (REL)	None	Financial report for the year ended March due end of July.
Twin Coast Discovery Revitalisation	None	Report for the six months ended June due in mid-July.
Regional Promotion	None	Report for the six months ended June due in mid-July.
Hundertwasser Art Centre (Whangārei)	None	Finalise funding agreement with WAMT.

Other activities undertaken included:

- Continue to co-ordinate and provide input to MartinJenkins as they undertake the review of Northland councils' economic development service activities.

COMMUNICATIONS

Online channels

- Civil Defence Hazard App integration into online channels** – Status updates from the Civil Defence Hazard App are now published automatically on the homepage of the website and on to Facebook. This saves valuable time for the Civil Defence Duty Manager during an emergency.

- **Pest Pulse eNewsletter** – The first edition of this new email newsletter was published in May. This brings our eNewsletter total now to three which are all available for people to subscribe to via www.nrc.govt.nz/enewsletters
- **Most popular post on Facebook this month** – Two posts proved extremely popular with our Facebook audience this month. The first was celebrating the success of the Enviroschools Project Possum initiative. The second was an acoustic recording of Kiwi calling and was part of a series of posts showcasing the technology we use to do our jobs for TechWeekNZ

Key Performance Indicators	Feb-17	Mar-17	Apl-17	May-17
WEB				
# Visits to the NRC website	25,042	37,975	30,529	20,684
E-payments made	4	4	1	2
# subscription customers (cumulative)	1,161	1,174	1,175	1,175
SOCIAL MEDIA (cumulative)				
# Twitter followers	1,241	1,255	1,268	1,275
# NRC Facebook fans	3,226	4,035	4,337	4,490
# NRC Overall Facebook Reach	99,362	502,079	84,257	92,565
# CDEM Facebook fans	12,796	13,444	13,114	14,063
# CDEM Overall Facebook Reach	32,475	15,908	140,016	62,847

EVENTS

Ballance Farm Environment Awards – Supreme Winners field days (3 May)

Supreme Winners, LD Family Investments, hosted a field day at their Kerikeri properties recently. Around fifty people, including fellow BFEA entrants, locals from the agriculture and horticulture industry, and representatives from BFEA sponsors, were treated to a tour of the kiwifruit and citrus orchards. *NRC sponsors the BFEA Water Quality Enhancement Award.*

ENVIROSCHOOLS / EDUCATION

Events held

On 24 and 25 May, two Project Mustelid assessment workshops were held in Taheke and Whangārei respectively. The students were assessed on their practical trapping skills and handed in their mustelid biology and environmental impact papers. Council Biosecurity team members worked with Can Train NZ to assess the students.

On 26 and 30 May, two WaiFencing skills workshops were held. Students fenced off the Waitaua stream at the Hill farm, Whangārei (council Environment Fund recipient) and a small dune lake on Rangiputa Station, respectively. In addition, participants learnt fencing techniques, about fencing tools and materials, and heard about the importance of fencing off waterways from one of council's Land Management Advisors.

Environmental Leaders Fund

On 16 May, Crs Stolwerk and Blaikie and staff judged the 28 Environmental Leaders Fund (ELF) applications totalling \$48,000. 21 projects were funded, totalling just over \$22,000. The funded ELF projects focused on the fund's priority areas of

biosecurity, biodiversity and water quality and ranged from beekeeping to possum fur plucking.

IWI LIAISON

Governance

The May meeting of Te Oneroa-a-Tohe Board (the Board) was cancelled as there has been no progress on the establishment of a tangata whenua reference group to underpin the development of the issues and options report. While the contractor has commenced work, this requires further input and guidance from tangata whenua before coming back to either a workshop or formal meeting of the Board.

Ministry for the Environment ran a 'Making Good Decisions Foundation Course' course in mid-May for Iwi of Taitokerau. The course was hosted by Te Aupouri and opened up to Iwi across the region as part of a pilot programme to make the course more accessible to Maori and as a satellite course, rather than Auckland and Wellington.

The course was well attended with successful attendees adding to the pool of commissioner.

Iwi Initiative Funding

A contract was agreed and signed between NgāiTakoto and council. This is a co-funded project between Far North District Council and Northland Regional Council to assist NgāiTakoto with the final stage of developing their Iwi Environmental Management Plan. The joint funding will see the final copy review and print of the document.

One further contract is being finalised for another Iwi group and will again be a jointly funded project between Far North District Council and Northland Regional Council.

CORPORATE PLANNING

Hearings were held on the Annual Plan, Charging Policy, Navigation Safety Bylaw and Regional Pest and Marine Pathways Plan from 22 – 24 May in Whangarei and Waitangi. A total of 62 submitters were heard over the three days, with four joining the meeting via Skype from Kaitiāia, Auckland, and New Plymouth.

Deliberations and final adoption has been split in to two phases. Phase one deliberations comprise the Annual Plan, Charging Policy, Navigation Safety Bylaw and Marine Pathways Plan, and were held on 7 and 8 June, with final adoption on 27 June. Phase two deliberations are for the Regional Pest Management Plan only and are scheduled for 5 July with final adoption of this document on 18 July.

GOVERNANCE SUPPORT

Local government official information (LGOIMA) requests

Month	Number of LGOIMA requests received
July 2016	7
August 2016	5
September 2016	10
October 2016	11
November 2016	10
December 2016	10
January 2017	7
February 2017	11

Month	Number of LGOIMA requests received
March 2017	18
April 2017	12
May 2017	8
Total LGOIMA requests received	101
Total LGOIMA requests not completed ≤ 20 working days	8

Current requests for May were all completed within 20 working days

Workshop Topics for May 2017

- Regional Plan Review
- Digital Presentation
- Onyx Capital Limited – Maungatapere Berries
- TTMAC Representation on Working Parties
- Strategic Planning
- Business Innovation Hub
- Overview – NRC Performance Roadmap
- Flood Infrastructure Affordability Challenges
- Marine and Coastal Area (Takutai Moana) Act 2011: Customary Interests
- Regional Economic Development in Northland: Service Delivery Review
- Communications
- Livestreaming council meetings

During May Councillors Dimery, Blakie, Smart and Yeoman attended the Ministry for the Environment's 'Making Good Decisions Foundation Course' in Wellington.

8.2.6 CUSTOMER SERVICE – COMMUNITY RESILIENCE

CIVIL DEFENCE EMERGENCY MANAGEMENT

Warnings and activations:

On 11 and 12 May, the remnants of Tropical Cyclone Donna passed by Northland and the MetService issued warnings for moderate amounts of rainfall. The event was monitored however no activations were required.

MCDEM Director and Staff Visit:

The Director of MCDEM, Ms Sarah Stuart-Black visited the region ahead of the recent forum and met with myself, the CDEM Professionals, Whangarei District Mayor and Chief Executive and the Regional Council Chief Executive. The meetings were productive and gave an opportunity to understand the ongoing work programmes and priorities of the respective agencies.

CDEM Review:

As reported in the May agenda the National CDEM Review is underway. This matter was widely discussed during the recent visit to the region by the Director of MCDEM. One of the key points is ensuring that the perspective of the rural CDEM Sector, such as Northland is being represented in the review. The Coordinating Executive Group chairperson Mr Tony Phipps attended a meeting with a representative group of the Technical Advisory Group in Wellington on 6 June.

Forum

The annual Northland CDEM Group Forum was held on 17 May and was well attended by over 200 people. The theme for the 2017 Northland CDEM forum was response and recovery. A variety of speakers included learnings from recent events, international best practice on recovery and an address by the Director of MCDEM.

Youth in Emergency Services (YES) Programme:

The YES Dargaville programme is continuing and the combined exercise was held on June 10 with over 100 personnel participating across a range of agencies. A graduation dinner is scheduled for 16 June in Dargaville and will be attended by the participants, their whanau and emergency services personnel.

TRANSPORT**Regional Land Transport Planning**Northland Regional Land Transport Plan 2015/2021 – Three-Year Review

A progress report on the Draft Regional Land Transport Plan 2015/2021 – Three-Year Review is to be tabled at the Regional Transport Committee on 7 June 2017.

Regional Public Transport Plan Review

Staff are continuing to work on the Regional Public Transport Plan 2015-2025 to align it with the NZTA Business Case Approach. The Plan will be used to support the application for funding for business as usual passenger transport operations and administration work in the 2018/21 funding period.

Draft Regional Procurement Strategy

The Northland Transportation Alliance is in the process of compiling a draft Regional Procurement Strategy for the procurement of transport related work. A copy of this the completed plan will be presented to the Audit and Finance Committee for their consideration and approval.

Passenger Transport AdministrationTotal Mobility

The statistics provided below are for April 2017.

	Total clients	Monthly Actual Expend	Monthly Budget Expend	Variance	Year/Date Actual Expend	Year/Date Budgeted Expend	Variance
April 2017	1159	\$11,009	\$16,666	-\$5,657	\$126,730	\$166,660	-\$39,930

Work continues on the "Ridewise" electronic swipe card payment system.

A test version is now available, and is being trialed with the current active total mobility database.

April Bus Service Update

Figures for May unavailable at time of report

Operational Statistics

April 2017	Actual	Budget	Variance	Year/Date Actual	Year/Date Budgeted
City Link Passengers	20124	25798	-5674	253092	264836
City Link Farebox Revenue (gst exclusive)	\$40,736	\$57,907	-\$17,171	\$504,546	\$590,315
Mid North Link Passengers	249	396	-147	1280	2046
Mid North Link Farebox Revenue	\$1,101	\$2,788	-\$1687	\$6,688	\$13,340
Kaitāia BusAbout Passengers	427	456	-29	4854	4560
Kaitāia BusAbout Farebox Revenue	\$802	-	-	\$11,773	-
Hokianga Link Passengers	23	-	-	297	-
Hokianga Link Farebox Revenue	354	-	-	4571	-

CityLink Tender

The tender evaluation process for the Whangarei CityLink Bus Service was undertaken during May 2017. Staff are awaiting a finalised tender process report from the consultant prior to an offer being made to the winning tenderer.

Regional Road Safety Statistics - 2017

There have been fifteen fatalities in Northland so far in 2017; these include eight drivers, three passengers, one motorcyclist and three pedestrians. There were fifteen deaths for the same period in 2016.

Nine deaths in the Far North; four deaths in Whangarei and two deaths in the Kaipara district.

NAVIGATION, SAFETY AND MARITIME OPERATIONS

Work this month focused on the Navigational Safety Bylaw draft, review of submissions, and hearings. At the same time work is ongoing on the Kai Iwi lakes bylaw, with plans developed to consult. The consultation may be slightly delayed until decisions are finalised on the Navigational safety bylaws, so that the two bylaws can be aligned. This will save unnecessary feedback.

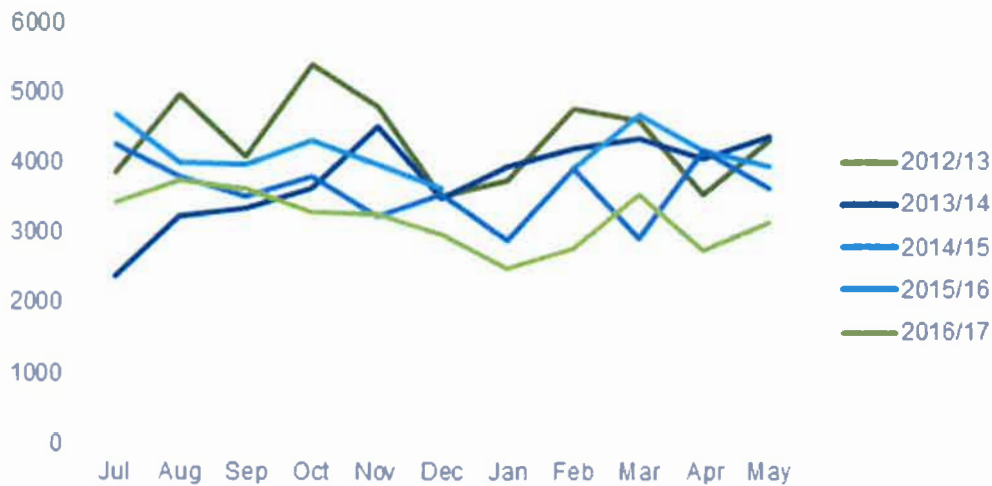
Waipapa Basin was successfully dredged, now allowing a clear and safe approach from the river to the pontoon and launch ramp. Hydrographic surveys were completed for the whole of Whangarei harbour, in coordination between Northport, Golden Bay cement and the Hatea river working group.

Staff carried out improvement works on a number of beacons, and rescued a yacht adrift in the Bay of Islands. Overall staff dealt with 24 incidents this month of miscellaneous variety. One cruise ship due this month cancelled.

CUSTOMER SERVICES
Performance Statistics

Telephones

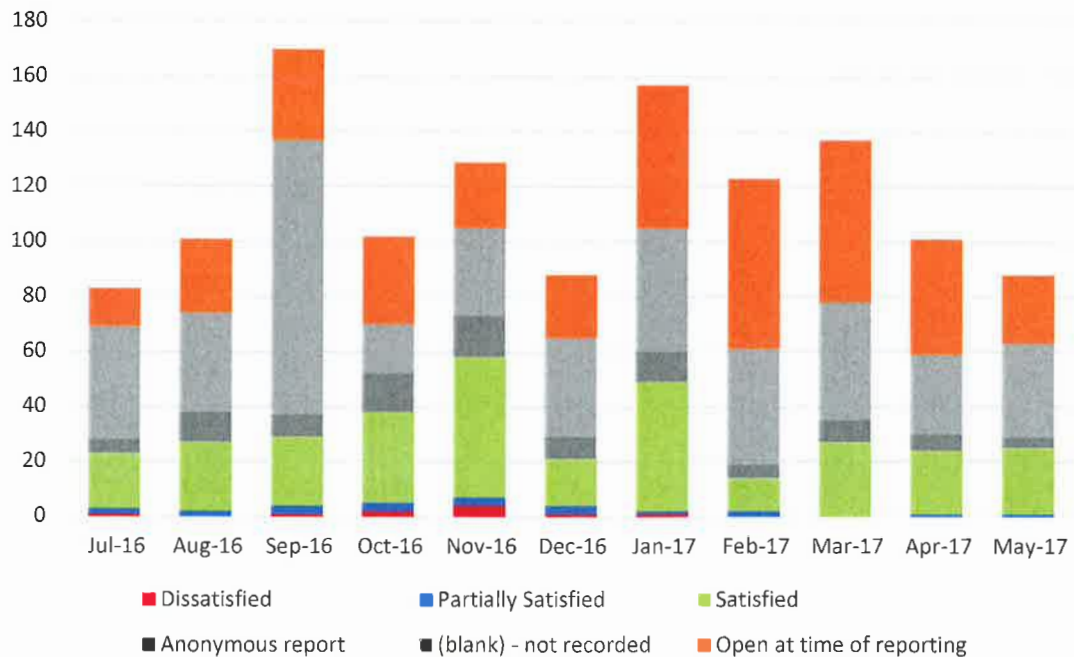
Inward calls



Inward phone traffic continues to trend lower than previous years. Of the inward calls, approximately 40% are through the 0800 line.

Hotline and Incident Responses

Maritime and Environmental Incidents



We continue to experience some performance issues with our telephone software. As hotline calls are currently routed through our main telephone system these issues can affect our hotline response.

The system is not currently operating optimally due to council's aging computer infrastructure. This results in some calls being dropped and intermittent voicemail reliability, impacting the management of customer calls. The IT team are investigating alternate options to resolve the performance issues.

Feedback cards

The cards received this month but were all favourable. The feedback relating to the consents monitoring staff were strongly customer focused, for example;

- [staff member] is an absolute pleasure to deal with
- The council staff member was helpful, respectful and on time.
- Spoke to [staff member], he explained everything, I have arranged (sic) to start 'clean up' on 27 May, Many thanks
- Nice to meet [councillor] and hear that what I am doing is all right

Activity

Mid-North Customer Service Centre

Work is progressing on the fit-out with the framework for the meeting rooms now in place. A team is working on the communication plan, signage, equipment and systems. The official opening has been scheduled for 31 July.

Customer Service Strategy

Training

The in-house workshop on preparing for difficult conversations was fully subscribed. After surveying the participants, the content was adjusted to focus on internal interactions. Several participants have since provided feedback that they have applied their new knowledge with success.

Website and Social Media Feedback

Work is continuing with the on-line team to identify a software solution to co-ordinate customer services enquiries through on-line channels. We are looking for a solution that integrates with other systems and can ideally also provide after-service instant surveying of customers.

External Surveys

- Consent Application Feedback – second wave of results have been received and presented to council.
- LGNZ Reputation Survey – the finalised report has been delayed and is now expected by the end of June.
- Resident Satisfaction Survey – preliminary results are due this week with the full report available by the end of June.
- ALGIM Mystery shopper – in progress until August. Result available September.

Internal Surveys

The Rivers Working Groups and Farm Dairy Effluent surveys are still in progress.

Authorised by Chief Executive Officer:

Name: Malcolm Nicolson
Title: Chief Executive Officer
Date: 13 June 2017

TITLE: Northland Inc. Limited: Interim Report Against Statement of Intent (SOI) – Quarter Three 2016/17

ID: A955156

To: Council Meeting, 20 June 2017

From: Darryl Jones, Economist

Date: 12 June 2017

Executive summary

The purpose of this report is to present Northland Inc. Limited's progress against its Statement of Intent (SOI) 2016–19 for the nine months ended 31 March 2017. Staff have reviewed the material supplied and confirm that all 11 key performance indicators (KPIs) set out in section 9 of Northland Inc. Limited's SOI 2016–19 (www.northlandnz.com/resources/) are listed. Section 11 requires a formal report on progress at the end of each quarter.

The report shows that they have already meet their year-end target for some KPIs, e.g. number of Investment and Growth Reserve applications, industry investment of \$300K per annum in regional promotion, and Māori economic development; are on-track to meet others, e.g. 10% increase in Google Analytics; and slightly behind on others, e.g. the two indicators for Business Innovation and Growth. Some additional commentary is reported for each of the five business areas to provide greater detail of its operations.

Staff from Northland Inc. Limited will be available to speak to their report.

Recommendation

1. That the report 'Northland Inc. Limited: Interim Report against Statement of Intent (SOI) – Quarter three 2016/17' by Darryl Jones, Economist, and dated 12 June 2017, be received.
-

Background:

Not applicable.

Attachments:

Northland Inc. Limited Interim Report against Statement of Intent for period to 31 March 2017

Authorised by Group Manager:

Name: Jonathan Gibbard

Title: Group Manager, Strategy and Governance

Date: 12 June 2017

TITLE: Business with the Public Excluded**ID:** A955323**To:** Council Meeting, 20 June 2017**From:** Chris Taylor, Governance Support Manager**Date:** 13 June 2017

Executive summary

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

Recommendations

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

Item No.	Item Issue	Reason\Grounds
9.1	Confirmation of Confidential Minutes of the Council Meeting – 16 May 2017	The reasons for excluding the public are as stated in the minutes of the open section of the meeting.
9.2	Human Resources Report	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to protect the privacy of natural persons, including that of deceased natural persons 7(2)(a).

Considerations:**1. Options**

Not applicable. This is an administrative procedure.

2. Significance and Engagement

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

3. Policy and Legislative Compliance

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

4. Other Considerations

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

Authorised by Group Manager:

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