

**NORTHLAND REGIONAL COUNCIL**

**Agenda**

For extraordinary meeting to be held in the Council Chamber,  
36 Water Street, Whangārei, on Wednesday 7 March 2018,  
commencing at 10.00 am

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

**OPEN MEETING**

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**TITLE:** Adoption of the draft Rating Policies (including the Policy on the Remission and Postponement of Rates on Māori Freehold Land) for consultation

**ID:** A1037631

**To:** Extraordinary Council Meeting, 7 March 2018

**From:** Kyla Carlier, Strategy Specialist; and Steve Goddard, Management Accountant

**Date:** 20 February 2018

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### **Executive summary**

This report seeks council approval and adoption of the draft Rating Policies, including the Policy on the Remission and Postponement of Rates on Māori Freehold Land, and approval for these to be released for consultation under section 83 of the Local Government Act 2002.

The rating policies will be consulted on concurrently with the consultation process of the Long Term Plan 2018-2028.

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### **Recommendations**

1. That the report 'Adoption of the draft Rating Policies (including the Policy on the Remission and Postponement of Rates on Māori Freehold Land) for consultation' by Kyla Carlier, Strategy Specialist; and Steve Goddard, Management Accountant, and dated 20 February 2018, be received.
  2. That council resolves to consult on the draft Rating Policies (including the Policy on the Remission and Postponement of Rates on Māori Freehold Land), (attached under separate cover), in accordance with section 83 of the Local Government Act 2002, and that this be carried out in conjunction with consultation on the Long Term Plan 2018-2028.
  3. That council adopts the Statement of Proposal on the draft Rating Policies, including Rates Remission and Postponement Policies, and the Policy on the Remission and Postponement of Rates on Māori Freehold Land (attached under separate cover) for consultation.
  4. That council delegates to the Chief Executive Officer the authority to make any changes to the Statement of Proposal for the consultation of the draft Rating Policies (including Rates Remission and Postponement Policies, and the Policy on the Remission and Postponement of Rates on Māori Freehold Land) that may improve readability and compliance with the Local Government Act.
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### **Background:**

Section 102 of the Local Government Act 2002 (LGA) requires local authorities to adopt a policy on the remission and postponement of rates on Māori freehold land, and provides for council to adopt rates remission and postponement policies. Sections 108 and 109 of the LGA require the policies to be reviewed at least once every six years.

Sections 55 and 56 of the Local Government (Rating) Act 2002 (the Rating Act) provides for council to adopt a policy for the early payment of rates in the current financial year, and a policy for the payment of rates for a subsequent financial year.

The Far North, Whangārei, and Kaipara District Councils administer the collection of rates on council's behalf. In order to minimise the marginal cost of collection, and to be administratively efficient, council adopts the same policies on the remission, postponement and early payment of rates as those of the three district councils.

Council does not adopt the policies, or parts of policies, that do not relate to rates collected on our behalf (for example, a policy, or part of a policy, related solely to water rates).

Since adopting these policies as part of the 2015-2025 Long Term Plan (LTP), changes have been made to the policies for the purposes of clarification, readability and removal of duplication. Some new policies have been added, in line with additions made by the district councils.

Details of the changes are contained in the Statement of Proposal on the draft Rating Policies (including the Policy on the Remission and Postponement of Rates of Māori Freehold Land), attached under separate cover to this agenda.

Consultation on council's rating policies is required under the LGA and the Rating Act. Consulting on these policies concurrently with the Long Term Plan 2018-2028 process provides a more complete picture for members of the community who wish to engage in the process and is administratively efficient for council. Reference is made to these policies in the Long Term Plan 2018-2028 Consultation Document.

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## **Considerations:**

### **1. Options**

Consultation on council's rating policies is required under sections 102(2)(e), 102(3)(a), and 102(3)(b) of the LGA, using the principles of consultation under section 82 of the LGA, and under sections 55 and 56 of the Rating Act which require consultation under section 83 of the LGA, the special consultative procedure. Section 83 of the LGA is being used for these policies to provide the appropriate and most prudent process for adoption of policies authorised under the Rating Act.

A key requirement of section 83 of the LGA is that material be prepared and made publicly available, including a summary of the proposal, a draft of the policies, and details of the proposed changes.

Options are set out below. Staff recommend option 1, to adopt the draft Rating Policies and Statement of Proposal for consultation.

No.	Option	Advantages	Disadvantages
1	Adopt the draft Rating Policies and Statement of Proposal for consultation	Council can adopt rating policies having followed the correct legislative procedure.	Resources will need to be allocated to the consultation process.
2	Do not adopt the draft Rating Policies and Statement of Proposal for consultation	Resources will not need to be allocated to the consultation process.	Council will not be compliant with legislation.

## 2. Significance and engagement

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

This decision in itself is considered to be of low significance when assessed against council's current Significance and Engagement Policy, because it is for the purpose of achieving compliance with sections 83 and 102 of the LGA and sections 55 and 56 of the Rating Act, and does not, in itself, impact the community other than to provide them with information.

The decision to adopt the draft Rating Policies and Statement of Proposal, while not significant in itself, will enable council in the future to make decisions on the policies while having full regard to community views. This will assist council in achieving compliance with procedures in relation to decisions as set out in Part 6 of the LGA.

## 3. Policy and legislative compliance

The decision to adopt the draft Rating Policies and Statement of Proposal for consultation will achieve compliance with section 102 of the Local Government Act 2002 and sections 55 and 56 of the Local Government (Rating) Act 2002. This decision will also achieve compliance with council's current Significance and Engagement Policy, in particular 'We will consult when we are required to by law, when a proposal is considered significant, and when we need more information on options for responding to an issue'.

### Further considerations

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

Further consideration of community views, impacts on Māori, financial impacts and implementation issues will be addressed through the deliberations process and subsequent council decision to adopt the final Rating Policies.

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**Attached under separate cover:**

- 3.1 Attachment 1 - Statement of Proposal on the draft Rating Policies (including Rates Remission and Postponement Policies, and the Policy on the Remission and Postponement of Rates on Māori Freehold Land), and full draft Rating Policies.

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**Authorised by Group Manager:**

**Names:** Dave Tams

**Titles:** Group Manager – Corporate Excellence

**Date:** 27 February 2018

**TITLE:** Rating considerations under Section 100T of the Biosecurity Act for the purpose of consultation, in conjunction with the Long Term Plan 2018-2028

**ID:** A1013801

**To:** Extraordinary Council Meeting, 7 March 2018

**From:** Don McKenzie, Biosecurity Manager

**Date:** 22 February 2018

### Executive summary

This agenda item is to confirm council has given due regard to section 100T of the Biosecurity Act when consulting on rates for biosecurity activities which relate to the Northland Regional Pest and Marine Pathway Management Plan 2017-2027.

### Recommendations

1. That the report 'Rating considerations under Section 100T of the Biosecurity Act for the purpose of consultation, in conjunction with the Long Term Plan 2018-2028' by Don McKenzie, Biosecurity Manager, and dated 22 February 2018 be received.
2. That council notes the requirements of section 100T of the Biosecurity Act 1993, and approves the draft analysis set out in this item for the purpose of consulting on the Pest Management Rate, as set out in the Funding Impact Statement of the Long Term Plan 2018-2028 Supporting Information document.

### Background

Section 100T of the Biosecurity Act 1993 requires that council must decide the extent to which it should fund the implementation of biosecurity activities from a general rate, a targeted rate, or a combination of both. Biosecurity activities are described by way of the Northland Regional Pest and Marine Pathway Management Plan 2017-2027.

Staff have set out below an analysis of funding of the proposed Pest Management Rate which specifically addresses each of the considerations required by section 100T of the Biosecurity Act 1993, for council to note in approving consultation material for the Long Term Plan 2018-2028.

In making the decision council must have regard to the following factors	Analysis
(a) The extent to which the plan relates to the interests of occupiers of the properties	In regard to funding land, freshwater and marine pest control activities a targeted Pest Management Rate will be collected from all properties within Northland to pay for pest control activities. In total \$4.143M would be collected.

<p>on which the rate would be levied</p>	<p>Property owners in Northland have an interest in pest control and protecting economic, environmental and cultural values that pests have a negative impact upon. The Pest Management Rate provides a single clear rate for land and freshwater biosecurity activities and for raising funds for pest control throughout Northland.</p> <p>In regards to the Marine pest activities the costs will be split in the proportions of 65% to vessel owners and structures by way of a charge on marina berths, boatsheds, commercial ports and mooring owners, and 35% general rates. This is expected to raise \$480k to fund all marine pest activities in the Proposed Northland Regional Pest and Marine Pathway Management Plan 2017-2027. In regard to the Marine Pathway Plan the rate is levied on vessel owners not properties. In the case of the Marine Pathway Plan the vessel owners can be both beneficiaries and exacerbators of biofouling and marine pest activities. The pathway rules aim to prevent the spread of biofouling and marine pests and therefore will benefit vessel owners who are at risk of being infected by other craft or structures.</p>
<p>(b) The extent to which the occupiers of the properties on which the rate would be levied will obtain direct or indirect benefits from the implementation of the plan</p>	<p>The direct and indirect benefits that Northland ratepayers receive from the implementation of the Proposed Northland Regional Pest and Marine Pathway Management Plan 2017-2020 in regards to land based pests and those activities related to marine and freshwater pests include:</p> <p>Protection of Northland's native forests and wetland ecosystems found on private land and supporting communities who are involved in the restoration of iconic fauna such as kiwi, coastal seabirds and kukupa.</p> <p>In regard to marine pest activities the charges will provide protection both now and into the future of the Northland marine environment and damaging impacts of marine pests on:</p> <ul style="list-style-type: none"> <li>- recreational and commercial fishing;</li> <li>- marine tourism; and</li> <li>- indigenous marine biodiversity.</li> </ul> <p>In regard to the marine pathway plan, vessel owners will directly benefit from having cleaner hulls and a reduced risk of marine pest colonisation. Owners of aquaculture farms will also benefit from the reduced spread of biofouling and marine pests.</p> <p>The extent to which the benefits are direct rather than indirect depends on how ratepayers use and appreciate the marine environment. Direct benefits may accrue to vessel owners, owners of marine structures, as a result of less bio fouling and those that harvest kai moana.</p> <p>The extent to which the benefits are direct rather than indirect depends on how ratepayers use and appreciate the environmental values which can be impacted upon by pests.</p>

	Direct benefits may accrue to land owners because of fewer plant pests, marine or animal pests such as possums, stoats and rats.
(c) The collective benefits of the implementation of the plan to the occupiers of the properties on which the rate would be levied compared with the collective costs to them of the rate	<p>It is considered that the collective benefits of a pest management rate outweigh the costs, and a differentiated targeted rate also means that everyone benefits.</p> <p>For terrestrial, freshwater and marine pests, only those that have met the requirements for a positive cost benefit analysis have been included in the Northland Pest and Marine Pathway Management Plan 2017-2027.</p> <p>In regard to the Marine Pathway Plan, the cost benefit analysis shows that there is a high net positive benefit of implementing this plan.</p>
(d) For the Regional Pest Management Plan, the extent to which the characteristics of the properties on which the rate would be levied and the uses to which they are put contribute to the presence of prevalence of the pest or pests covered by it	<p>Pests cross property boundaries regardless of tenure and establish on land and in water across Northland. Therefore, a differentiated targeted rate which applies to all properties is appropriate and considered fit for purpose.</p> <p>In regard to the Marine Pathway Plan, biofouling on vessels pose the greatest risk of marine pest transfer. Marine pests are not bound by territorial boundaries nor restricted by the type of craft which uses a marine environment.</p>
(e) For the Regional Pathway Management Plan, the extent to which the characteristics of the properties on which the rate would be levied and the uses to which they are put contribute to the actual or potential risks associated with the pathway	Biofouling on vessels pose the greatest risk of marine pest transfer and the costs will be split in the proportions of 65% to vessel owners and structures by way of a charge on marina berths, boatsheds, commercial ports and mooring owners, with the remaining costs of 35% to be met from general rates.

## Considerations

### 1. Options

Section 100T of the Biosecurity Act 1993 requires that council decide the extent to which it should fund the implementation of its Regional Pest Management and Pathway Management Plan from a general rate, a targeted rate, or a combination of both, and must do this having regard to the factors outlined in this report.

Two options are set out below. Staff recommend option 1; to adopt the analysis of Section 100T of the Biosecurity Act 1993.

No.	Option	Advantages	Disadvantages
1	Adopt the analysis of section 100T of the Biosecurity Act 1993, prior to setting rates to fund the biosecurity activity	Council will be taking a legally prudent approach to the consideration of section 100T of the Biosecurity Act 1993.	None
2	Do not adopt the analysis of section 100T of the Biosecurity Act 1993, prior to setting rates to fund the biosecurity activity	None	Council will have a less robust approach to meeting requirements of section 100T of the Biosecurity Act.

## 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.

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

Consideration of the factors outlined in this report will achieve compliance with section 100T of the Biosecurity Act 1993.

### Further considerations

#### 4. Community views

This item relates to matters that will be the subject of public consultation as part of the Long Term Plan process.

#### 5. Māori impact statement

This item relates to matters that will be the subject of iwi consultation.

#### 6. Financial implications

The financial implications of setting rates referred to in this report are addressed in the supporting information to the Long Term Plan 2018-2028.

#### 7. Implementation issues

It is not anticipated that there will be any implementation issues.

**Authorised by Group Manager**

**Name:** Bruce Howse

**Title:** Group Manager – Environmental Services

**Date:** 27 February 2018

**TITLE:** Adoption of the draft Revenue and Financing Policy, draft Financial Contributions Policy and draft Significance and Engagement Policy, and approval to consult

**ID:** A1037523

**To:** Extraordinary Council Meeting, 7 March 2018

**From:** Kyla Carlier, Strategy Specialist; and Steve Goddard, Management Accountant

**Date:** 20 February 2018

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### **Executive summary**

This report seeks council approval and adoption of draft policies included in the supporting information to the Long Term Plan 2018-2028 process, and approval for these to be released for consultation purposes. Approval and adoption is sought for the draft policies and statements of proposal for policies included in the Supporting Information document.

The supporting information and draft policies are relied upon by the Consultation Document for the development of the Long Term Plan 2018-2028.

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### **Recommendations**

1. That the report 'Adoption of the draft Revenue and Financing Policy, draft Financial Contributions Policy and draft Significance and Engagement Policy, and approval to consult' by Kyla Carlier, Strategy Specialist; and Steve Goddard, Management Accountant, and dated 20 February 2018, be received.
2. That council resolves to consult on the following policies in accordance with section 82 of the Local Government Act and that this consultation be carried out in conjunction with the Long Term Plan 2018-2028 process of consultation:
  - a. The draft Revenue and Financing Policy (pages 208 – 217 of the Long Term Plan Supporting Information Document, attached under separate cover);
  - b. The draft Financial Contributions Policy (pages 206-207 of the Long Term Plan Supporting Information Document, attached under separate cover); and
  - c. The draft Significance and Engagement Policy (pages 224 – 227 of the Long Term Plan Supporting Information Document, attached under separate cover).
3. That council adopts the statements of proposal for:
  - a. The draft Revenue and Financing Policy (set out in Appendix 1);
  - b. The draft Financial Contributions Policy (set out in Appendix 2); and
  - c. The draft Significance and Engagement policy (set out in Appendix 3).
4. That council delegates to the Chief Executive Officer the authority to make any necessary minor formatting, typographical and administrative changes to the statements of proposal and policies prior to formal public consultation.

5. That council delegates to the Chief Executive Officer the authority to make any changes to statements of proposal and policies that may improve readability and compliance with the Local Government Act.
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## **Background**

The following three draft policies, included in the Supporting Information document to the Long Term Plan 2018-2028 Consultation Document, need to be consulted on in accordance with section 82 of the LGA:

- the draft Revenue and Financing Policy;
- the draft Financial Contributions Policy; and
- the draft Significance and Engagement Policy.

These policies have been reviewed and updated, and it is necessary to formally adopt these as new policies.

Before being able to adopt the policies, council is required to consult on them. Sections 102 and 76AA of the LGA requires that consultation on these policies give effect to the requirements in sections 82 and 82A (the principles of consultation).

Sections 82 and 82A of the LGA require consultation to be consistent with the principles set out in section 82(1) and that consultation materials must include:

- A statement of the proposal and reasons for the proposal;
- Analysis of the reasonably practicable options, including the proposal; and
- A draft of the proposed policies, or details of the proposed changes to the policies.

Statements of proposal on these policies are included as **Appendices 1, 2, and 3** respectively. The statements of proposal comply with the requirements for consultation materials in section 82A of the LGA.

After consideration of the factors in section 82(4) of the LGA, it is recommended that council carry out consultation concurrently with the consultation process for the Long Term Plan 2018-2028. This timing will ensure the council is able to adopt the draft policies prior to its adoption of the LTP.

Consideration of any submissions responding to these statements of proposal should be addressed at the same deliberations held on the LTP 2018-2028.

## **Draft Revenue and Financing Policy**

The Revenue and Financing Policy is required as part of the final LTP (Schedule 10, clause 10 of the LGA). The draft Revenue and Financing Policy is based on the current policy (adopted as part of the LTP 2015-2025), but has been the subject of thorough review.

As a result of the review, there are changes proposed to the policy, including alteration to the way that activities are grouped, and to the wording and structure of the document for the purpose of improving readability. This has also resulted in a document much reduced in size.

The proposed changes that are included in the draft policy, in summary, include:

- Changes to how the council funds activities, to account for updates to council's Charging Policy, new rates, and redundant sections.
- Changes to the way that activities are grouped to align with the proposed activity grouping in the Long Term Plan 2018-2028. This has no impact on the way activities are funded.
- Removal of content not required by legislation, and revision of document layout and wording to simplify and improve readability.
- An additional consideration is included to account for new external borrowing.

Further details of the proposal are contained in the statement of proposal on the draft Revenue and Financing Policy, set out in Appendix 1.

#### **Draft Financial Contributions Policy**

Section 102 of the LGA requires council to adopt a policy on financial contributions. A policy was adopted as part of the Long Term Plan 2015-2025, which has been reviewed as part of this long term plan process.

The draft financial contributions policy has been updated to reflect the council's Proposed Regional Plan, and the impact of changes to the Resource Management Act 1991. This has not altered any substantive matters and has resulted in a clearer policy.

Further details of the proposal are contained in the Statement of Proposal on the draft Financial Contributions Policy, set out in Appendix 2.

#### **Significance and Engagement Policy**

Council is required under section 76AA of the LGA to adopt a Significance and Engagement Policy. Council adopted a Significance and Engagement Policy in 2014, prior to the last long term plan process. This policy has now been reviewed and is proposed to be amended.

The draft policy is substantially similar to the current policy, but has less duplication and a new layout that provides a more straightforward explanation of what is significant, and what this means in term of consultation with communities. The new draft policy also requires that council consult with the community on any rates increase, or the setting of any new rate.

Further details of the proposal are contained in the Statement of Proposal on the draft Significance and Engagement Policy, set out in Appendix 3.

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

Options are set out below. Staff recommend option 1, to approve and adopt the draft Revenue and Financing Policy, draft Financial Contributions Policy and the draft Significance and Engagement Policy, and the associated statements of proposal, for consultation.

No.	Option	Advantages	Disadvantages
1	Adopt and approve for consultation the draft Revenue and Financing Policy, draft Financial Contributions Policy and the draft Significance and Engagement Policy, and the associated statements of proposal.	Council is following the required legislative procedure for adopting and amending policies.	Resources will need to be allocated to the consultation process.
2	Do not adopt and approve for consultation the draft Revenue and Financing Policy, draft Financial Contributions Policy and the draft Significance and Engagement Policy, and the associated statements of proposal.	Resources will not need to be allocated to the consultation process.	Council is not compliant with required legislative procedure for adopting and amending policies.

**2. Significance and engagement**

Section 76AA of the LGA directs that council must adopt a policy setting out how significance will be determined, and the level of engagement that will be triggered. Council's current policy was adopted in 2014, and assists council in determining how to achieve compliance with LGA requirements in relation to decisions. The items addressed in this agenda item are assessed against council's current policy.

The decisions addressed in this agenda item are in themselves considered to be of low significance when assessed against council's current Significance and Engagement Policy, because they are for the purpose of achieving compliance with sections 82 of the LGA and do not, in themselves, impact the community other than to provide them with information.

**3. Policy and legislative compliance**

The decision to adopt the draft Revenue and Financing Policy, draft Financial Contributions Policy and the draft Significance and Engagement Policy, and the associated statements of proposal for consultation will achieve compliance with sections 76AA, 82, and 102 of the Local Government Act 2002.

This decision will also achieve compliance with council's current Significance and Engagement Policy, in particular 'We will consult when we are required to by law, when a proposal is considered significant, and when we need more information on options for responding to an issue'.

#### **Further considerations**

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

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

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#### **Attachments:**

- Appendix 1 - Statement of Proposal on the draft Revenue and Financing Policy, and full draft Revenue and Financing Policy.
- Appendix 2 - Statement of Proposal on the draft Financial Contributions Policy, and full draft Financial Contributions Policy.
- Appendix 3 - Statement of Proposal on the draft Significance and Engagement Policy, and full Significance and Engagement Policy

#### **Under separate cover:**

- 3.5 Attachment 1 - Supporting Information to the Long Term Plan 2018-2028 Consultation Document

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#### **Authorised by Group Managers**

**Names:** Jonathan Gibbard and Dave Tams

**Titles:** Group Manager – Governance and Engagement; Group Manager – Corporate Excellence

**Date:** 27 February 2018

## Statement of Proposal on the draft Revenue and Financing Policy

### 1. Purpose

The purpose of this document is to inform the public and seek comments on the council's draft Revenue and Financing Policy.

### 2. Background

The Revenue and Financing Policy is required as part of the Long Term Plan. It has been prepared in accordance with sections 101, 102 and 103 of the Local Government Act 2002 (LGA) and sets out how the council intends to fund its operating and capital expenditure.

The council is permitted to use the funding mechanisms set out in section 103(2) of the LGA. This section allows the following funding mechanisms to be used when funding operating and capital expenditure:

- General rates
- Targeted rates
- Lump sum contributions
- Fees and charges
- Interest and dividends from investments
- Borrowing
- Proceeds from asset sales
- Development or financial contributions
- Grants and subsidies
- Any other source (including reserves).

In setting the Revenue and Financing Policy, the council is mindful of trying to achieve the right balance in terms of who benefits from services or make the situation worse, and who pays for services - against affordability and wider social benefits.

The council is required to consult on this draft policy in accordance with section 82 of the LGA.

### 3. Proposal

The council proposes to adopt a Revenue and Financing Policy to be included in its Long Term Plan 2018–2028. This draft policy is based on the Revenue and Financing Policy adopted in the 2015-2025 Long Term Plan, and has been subjected to a thorough review. The proposed changes and assessment of options are detailed below.

#### How the council funds activities

##### ***Proposed changes to how the council funds activities:***

1. Consents advice and information - add residual fees/subsidy for advice as per charging policy
2. Natural hazard management - remove residual fees/subsidy as none are collected
3. Biosecurity – remove residual targeted rate, as Whangārei Heads pest management rate is proposed to be removed.

The first two changes reflect minor changes to fee collection, so make no substantial difference to the council's funding approach. The removal of the Whangārei Heads pest management rate reflects the council's proposed new approach to paying for pest management across Northland via a targeted region-wide pest management rate.

##### **The reasonably practicable options for the proposed changes to how the council funds activities are:**

- make the proposed changes to funding sources for activities; or
- retain the funding sources for activities in the current policy.

This consideration is split into two:

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- minor fee collection (consents advice and information, and natural hazard management) and
- material change (biosecurity).

*Minor fee collection*

The advantage of making the proposed changes is that the fees and charges reliance will reflect the proposed charging policy 2018/19.

The disadvantage of making the proposed changes (and hence the advantage of retaining the funding sources) and charges is negligible, as the impact of these fees on the council's revenue is very small.

The disadvantage of retaining the funding sources is that fees and charges reliance will not accurately reflect what is collected.

*Material change*

The advantage of making the proposed changes to biosecurity is that a consistent approach to funding pest management areas can be implemented across Northland, and Whangārei Heads ratepayers will benefit by no longer being required to pay the targeted rate.

The disadvantages of making the proposed changes are that: Whangārei Heads ratepayers may be concerned that pest management activity in the area is of a lower priority than it was when a specific targeted rate was in place; and ratepayers across Northland will bear the cost of pest management in Whangārei Heads.

The advantage of retaining the current funding sources for Whangārei Heads is that no other ratepayers will bear the cost of pest management in this area.

The disadvantage of retaining the current funding sources is that Whangārei Heads will not be treated fairly with other planned pest control areas, as ratepayers in this area will incur a specific targeted rate while other areas receiving pest control will not.

*Preferred option*

The council considers that the proposed changes better reflect the council's proposed direction for the next 10 years. Its preferred option is to make the proposed changes.

**The way the council groups its activities*****Proposed changes to the way the council groups its activities:***

1. Governance and Engagement:
  - The Māori relationships, governance, and communication and engagement activities that were previously included in the 'Community Representation and Engagement' activity are separated out into their own sub-activities.
  - The economic development activity that was previously in its own activity group is included in the governance and engagement group of activities.
2. The sub-activities included in regulatory services were previously grouped under 'Resource and Catchment Management'.
3. The activities included in the Environmental Services group were previously grouped under 'Resource and Catchment Management' and 'Hazard Management'.
4. Customer services and community resilience:
  - The customer services activity is separated out as a sub-activity, it was previously included within 'Support Services'.
  - The civil defence and emergency management and oil pollution response sub-activities included in this group of activities were

**Appendix 1 to Item 3.3**

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- previously included within the 'Hazard Management' group of activities.
  - Funding for community projects and volunteer emergency services was previously included in the 'Community Representation and Engagement' activity.
  - The harbour safety and navigation, and transport sub-activities included in this group of activities were previously included within the 'Transport' group of activities.
5. Corporate excellence:
- The customer services, Māori engagement, and communications activities are no longer included in this activity.
  - The remaining activities encompassed by corporate excellence were previously grouped together as 'Support Services'.

These changes will not in any way change the way we fund these activities.

***The reasonably practicable options for the proposed changes to the activity groupings are:***

- make the proposed changes to activity groupings; or
- retain the activity groupings in the current policy (which is due to expire).

The advantage of making the proposed changes is that it will better reflect where the council's activities fit within the council's overall services and structure. The changes to where existing activities are allocated will not change the way council funds these activities. Rather, it changes only where and how we report on these activities.

There are no real disadvantages to making the proposed changes, or advantages to retaining the current activity groupings.

The disadvantage of retaining the current groupings is that it reflects an out-of-date picture in terms of where these activities fit.

*Preferred option*

The council considers the proposed changes better reflect contributions the activities make to council objectives and service levels. Its preferred option is to make the proposed changes.

**Wording and structure of the policy document**

***Proposed changes to the wording and structure of the policy document***

The document has undergone a thorough review, resulting in more readable and considerably shorter draft Revenue and Financing Policy, which is closely aligned with the council's other policies and strategies.

A summary of the changes is:

1. Content that is not required by sections 101, 102 or 103 of the LGA is removed
2. Wording and order of sections is revised to improve readability
3. Table one: List of activities and funding mechanism used, and table two: Funding sources and factors considered, are merged and simplified.
4. The council's consideration of each activity to be funded (section 101(3)(a) of the LGA) is condensed and presented in the first column of the table. This includes updated consideration of the activities against the current context and revised community outcomes. The previous 'support services' activities are explicitly included.
5. The council's consideration of the overall impact of any allocation of liability for revenue needs on the community (section 101(3)(b) of the LGA) is now included. This is because external borrowing to pay for the capital infrastructure of our river management schemes is planned for the term of the Long Term Plan.

**Appendix 1 to Item 3.3**

Page 4 of 4

These changes will not alter any substantive matters. This reviewed policy continues to include the content required by sections 101, 102 and 103 of the LGA.

***The reasonably practicable options for the proposed changes to the layout and wording of the policy are:***

- make the proposed changes to the layout and wording; or
- retain the structure and wording in the current policy (which is due to expire).

The advantage of making the proposed changes is that the document is shorter and easier to read, and forms part of a cohesive package of council strategies and policies. This makes it more accessible to the public and more easily comprehended by interested parties.

The disadvantage of making the proposed change is that some relevant detail and context is removed or condensed. However, the removed content is not required by the LGA to be in the policy. The condensed content continues to meet the council's LGA obligations.

The advantage of retaining the structure and wording is that it provides extensive context and detail, which some readers may prefer.

The disadvantage of retaining the structure and wording is that it is a difficult and long read, which may discourage people from reading it.

***Preferred option***

The council considers the proposed changes make the policy more accessible and more easily understood, which contributes to its transparency and openness aims and obligations. Its preferred option is to make the proposed changes.

**Reasons for proposal**

As the current Revenue and Financing Policy was included in the 2015-2025 Long Term Plan, it will expire on 30 June 2018. In order to comply with clause 10, Schedule 10 of the LGA, it is necessary to adopt a new Revenue and Finance Policy before adoption of the Long Term Plan. The council is required to consult on the policy by section 102 of the LGA.

**Other provisions in the policy**

During the process of review of the draft Revenue and Financing Policy, the council has considered whether the remaining provisions in the policy should in any way be altered. It has concluded that, other than the changes discussed above, the policy works well and meets the requirements of sections 101, 102 and 103 of the LGA. It therefore proposes retaining all other aspects of the policy.

The council will consult on any future review and proposed changes to the policy.

**4. Submission process**

Full copies of the draft Revenue and Financing Policy and information about how to make a submission are available from the council website at

[www.nrc.govt.nz/ltp2108](http://www.nrc.govt.nz/ltp2108)

The draft Revenue and Financing Policy also forms part of the supporting information to the council consultation on the Long Term Plan 2018–2028.

Information on the Long Term Plan consultation and submission process can also be found on the Northland Regional Council website.

Please refer to 'Financial Policies' in the Supporting Information pack for the draft Revenue and Financing Policy.

## Statement of Proposal on the Draft Financial Contributions Policy

### 1. Purpose

The purpose of this document is to inform the public and seek comments on council's draft Financial Contributions Policy.

### 2. Background

Council proposes to adopt a Financial Contributions Policy which will meet the legislative requirements of sections 102 and 106 of the Local Government Act 2002.

Prior to 18 April 2022 regional councils can charge a financial contribution as a condition of a resource consent under section 108 of the Resource Management Act 1991 (RMA) if this is provided for in the relevant regional plan.

The term 'financial contribution' is defined in section 108(9) of the RMA to mean: '... a contribution of:

- (a) Money; or
- (b) Land, including an esplanade reserve or esplanade strip (other than in relation to a subdivision consent), but excluding Māori land within the meaning of the Māori Land Act 1993 unless that Act provides otherwise; or
- (c) A combination of money and land.'

Section 108(10) the RMA requires the regional council to specify in a regional plan:

- The circumstances when such contributions may be imposed.
- The purposes for which such contributions may be required and used.
- The manner in which the amount of the contribution will be determined.

### 3. Proposal

Council proposes to adopt a Financial Contributions Policy to be included in its 2018-2028 Long Term Plan, which is substantially similar to the current Financial Contributions Policy, as included in the 2015-2025 Long Term Plan.

Minor amendments have been made to add context and clarity around the policy and ensure compliance with the LGA. These amendments do not change, in any way, the way council considers financial contributions as these considerations are outlined within our RMA plans.

There are three operative regional plans for Northland (under the RMA), all of which contain financial contributions provisions:

- The Regional Air Quality Plan (section 14.2);
- The Regional Coastal Plan (section 34.2); and
- The Regional Water and Soil Plan (section 38.2).

Council notified a Proposed Regional Plan on 6 September 2017 (once finalised this will replace all three operative plans) – the Proposed Regional Plan also includes a Financial Contributions policy (Section G.3). Note that the financial contributions provisions in Section G.3 may change as a result of council decisions on the Proposed Regional Plan.

#### 4. Assessment of option

The reasonably practicable options are:

- Retain the ability to charge financial contributions within the council's RMA plans; or
- Remove the ability to charge financial contributions within the council's RMA plans.

Council considers that the detail on the circumstances when contributions may be charged and the purpose, type and level of contributions need to be established in the relevant regional plan. The advantages of this approach include:

- This is a requirement of section 108(10) of the RMA.
- It allows the purpose, type and level of contribution to be related to particular circumstances, resources and/or activities.
- They should be in the same document as the applicable provisions/rules.
- It provides an opportunity for consultation and input through the Schedule 1 process when changing the financial contribution provisions in a plan.

Council considers the use of financial contributions is an appropriate tool that should be available through the consent process to ensure effects of activities are appropriately managed. Financial contributions can benefit consent applicants, affected parties and/or the environment. They also provide flexibility over how impacts of use and development are addressed through consent conditions.

Financial contributions may be required for various purposes, including ensuring that positive effects on the environment arise to mitigate and/or offset adverse effects of an activity. Financial contributions can be applied where other conditions will not adequately address adverse effects or where the circumstances of an individual application point clearly to a financial contribution as the most appropriate option.

#### 5. Submission process

Full copies of the draft Financial Contributions Policy and how to make a submission is available from the council website at [www.nrc.govt.nz/ltp2018](http://www.nrc.govt.nz/ltp2018)

The draft Financial Contributions Policy also forms part of the supporting information to the council consultation on the Long Term Plan 2018-2028. Information on the Long Term Plan consultation and submission process can also be found on the NRC website and will be undertaken concurrently with consultation on this policy.

## Statement of Proposal on the draft Significance and Engagement Policy

### Draft Significance and Engagement Policy

#### 1. Purpose

The purpose of this document is to inform the public and seek comments on council's draft Significance and Engagement Policy.

#### 2. Background

Council is required to adopt a significance and engagement policy under section 76AA of the Local Government Act (LGA), which may be amended from time to time. The policy is to enable council to determine the degree of significance for particular issues, and to provide clarity to council and the community about when council will engage, and how.

Council adopted a significance and engagement policy in 2014, prior to the last long term plan process. This policy has now been reviewed and is proposed to be amended as set out in the draft Significance and Engagement Policy.

Council is consulting in accordance with Section 82 of the LGA on these amendments to its Significance and Engagement Policy.

#### 3. Proposal

Council proposes to adopt a Significance and Engagement Policy to be included in its Long Term Plan 2018-2028, which is substantially similar to the current significance and engagement policy, but with layout alterations and a stricter requirement for when council will consult on rates increases.

The draft policy has less duplication and a new layout that provides a more straightforward explanation of what is significant, and what this means in term of consultation with communities.

The draft policy has a tighter test for when council will engage with the community on rates, with the draft policy requiring that council consult with the community on any rates increase, or the setting of any new rate.

#### 4. Assessment of options

The reasonably practicable options are:

- That council adopts an updated Significance and Engagement Policy; or
- That council retains its current Significance and Engagement Policy without amendments.

Council considered the current Significance and Engagement Policy and the options for its review, and determined that an update for usability was desirable. They also determined that, because any rates increase would impact all ratepayers directly, the policy should designate any increase in rates as significant, and require public consultation on these. This is a change from having a rates percentage increase as a threshold test for when council would engage the community.

The advantages of the alterations made in the draft policy include:

- Greater certainty for both council and the community to determine when matters are significant
- A clearer link between the level of significance and the level of consultation required
- Greater transparency around rating matters

- A more user-friendly document

Council considers that the amendments to the policy improve its usability, and allow a greater level of compliance with section 76AA, particularly in regard to enabling council and communities to identify the degree of significance attached to issues, and providing clarity about how and when communities can expect to be engaged in decisions.

## **5. Submission process**

Full copies of the draft Significance and Engagement Policy, and information on how to make a submission is available on the council website [www.nrc.govt.nz/ltp2018](http://www.nrc.govt.nz/ltp2018)

The full draft Significance and Engagement Policy also forms part of the supporting information to the council consultation on the Long Term Plan 2018-2028 consultation document, which is also available on the website.

**TITLE:** Adoption of the Draft Charging Policy 2018/19 and approval to consult

**ID:** A1037995

**To:** Extraordinary Council Meeting, 7 March 2018

**From:** Kyla Carlier, Strategy Specialist

**Date:** 23 February 2018

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### Executive summary

The purpose of this report is to present the draft Charging Policy 2018/19 for adoption, and approval to commence consultation using the special consultative procedure set out in section 83 of the Local Government Act 2002 (LGA).

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### Recommendations

1. That the report 'Adoption of the Draft Charging Policy 2018/19 and approval to consult' by Kyla Carlier, Strategy Specialist, and dated 23 February 2018, be received.
  2. That council adopts the Statement of Proposal and the draft Charging Policy 2018/19 (attached under separate cover) for the purposes of consultation, pursuant to section 150 of the LGA, and that this be carried out in conjunction with consultation on the Long Term Plan 2018-2028.
  3. That council delegates to the Chief Executive officer the authority to make any necessary minor formatting, typographical and administrative changes to the draft Charging Policy prior to formal public consultation.
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### Background

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

Section 150 of the LGA sets out the process by which a local authority may prescribe fees and charges in respect of any matter provided for either under a bylaw, or under any other piece of legislation if that legislation does not authorise the local authority to charge a fee. If not part of a bylaw, fees and charges prescribed under section 150 of the LGA must be prescribed following consultation using the principles of consultation (section 82 of the LGA).

The Charging Policy also contains some fees or charges that are authorised by other pieces of legislation. This includes the Resource Management Act 1991 (RMA) and the Biosecurity Act 1993. The RMA authorises a local authority to fix a charge only in the manner set out in

section 150 of the LGA, and after using the Special Consultative Procedure set out in section 83 of the LGA.

This process was last carried out during the process of developing the Long Term Plan 2015-2025, when both the amount of the charges set under the RMA and the amount that these will increase by each year was set out. Since then, the charges set under the RMA have remained unchanged with the exception of pre-approved inflationary adjustments.

New inflationary increases are set out in the Long Term Plan 2018-2028, consultation on which is occurring concurrently with this charging policy. The Special Consultative Procedure is being used for the development of this draft Charging Policy 2018/19, to ensure that the appropriate process is followed for the setting of charges under the RMA.

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

### **Changes proposed**

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

The draft Charging Policy 2018/19 is substantially similar to the current charging policy, with several minor amendments and updates to fees, charges, and policy proposed. These include inflationary increases, clarification to wording and minor updates to charges.

A new policy has also been added that sets out council's approach to penalties on unpaid charges under the Biosecurity Act 1993; the New Zealand Refining Company Ltd has been added to the scale of annual charges for coastal structures; an additional subsection has been added that covers the cost of leasing council owned moorings; and an additional subsection has been added that clarifies council's discretion to charge for monitoring plantation forestry.

More information on the changes, and a consideration of alternatives, can be found in the attached Statement of Proposal on the draft Charging Policy 2018/19.

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### **Considerations:**

#### **1. Options**

Consultation on the charges set in the Charging Policy is required under section 150 of the LGA, and the special consultative procedure under section 83 of the LGA is being used to provide the appropriate and most prudent process for adoption charges authorised under the RMA. Preparation of material setting out the proposal, a draft of the policy, and details of the proposed changes, and making these publicly available, are a key requirements of consultation

Options are set out below. Staff recommend option 1, to adopt the draft Charging Policy 2018/19 and associated Statement of Proposal for consultation concurrently with the consultation process of the Long Term Plan 2018-2028.

No.	Option	Advantages	Disadvantages
1	Adopt the draft Charging Policy 2018/19 and associated statement of proposal for consultation.	Fees and charges can be updated for the 2018/19 financial year.	Resources will need to be allocated to the consultation process.
2	Do not adopt the draft Charging Policy 2018/19 and associated statement of proposal for consultation.	Resources will not need to be allocated to the consultation process.	Fees and charges will not be able to be updated for the 2018/19 financial year, resulting in under recovery of costs.

## 2. Significance and engagement

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

This decision itself is considered to be of low significance when assessed against council's Significance and Engagement Policy because it is for the purpose of achieving compliance with sections 83 and 150 of the LGA and does not, in itself, impact the community other than to provide them with information.

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

## 3. Policy and legislative compliance

The decision to adopt the draft Charging Policy 2018/19 and associated statement of proposal will achieve compliance with sections 83 and 150 of the Local Government Act 2002. This decision will also achieve compliance with council's Significance and Engagement Policy, in particular 'We will consult when we are required to by law, when a proposal is considered significant, and when we need more information on options for responding to an issue'.

## 4. Further considerations

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

Further consideration of community views, impacts on Māori, financial impacts and implementation issues will be addressed through the deliberations process and subsequent council decision to adopt the final Charging Policy 2018/19.

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**Attached under separate cover:**

- 3.4 Attachment 1 - Statement of proposal and draft Charging Policy 2018/19

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**Authorised by Group Manager**

**Name:** Dave Tams

**Title:** Group Manager – Corporate Excellence

**Date:** 27 February 2018

**TITLE:** Adoption of the Long Term Plan 2018-2028 Supporting Information document and Consultation Document, and approval to consult

**ID:** A1037995

**To:** Extraordinary council meeting, 7 March 2018

**From:** Kyla Carlier, Strategy Specialist; and Steve Goddard, Management Accountant

**Date:** 20 February 2018

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### Executive summary

The purpose of this report is to present the Supporting Information document and Consultation Document for the Long Term Plan 2018-2028. The report seeks the adoption of these documents and approval to commence consultation, via the special consultative procedure (Section 83 of the Local Government Act).

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### Recommendations

1. That the report 'Adoption of the Long Term Plan 2018-2028 Supporting Information document and Consultation Document, and approval to consult' by Kyla Carlier, Strategy Specialist, and Steve Goddard, Management Accountant, and dated 20 February 2018, be received.
2. That council approves the consultation approach outlined in this report, including an official feedback period of 14 March – 17 April 2018, providing an opportunity for spoken feedback at a series of 'Have Your Say' events, and receipt of submissions through council's online portal, email, fax, post and hand delivery during the official feedback period.
3. That council approves the draft Financial Strategy for the purpose of including relevant aspects of this information in the Consultation Document and in the Supporting Information for the Long Term Plan 2018-2028.
4. That council approves the draft Infrastructure Strategy for the purpose of including relevant aspects of this information and proposals in the Consultation Document and in the Supporting Information for the Long Term Plan 2018-2028.
5. That council adopts the Supporting Information for the Long Term Plan 2018-2028 (attached under separate cover), for the purpose of consultation.
6. That council adopts and approves the release of the Consultation Document (attached under separate cover) for the Long Term Plan 2018-2028 via the Special Consultative Procedure pursuant to sections 93, 93A, and 83 of the Local Government Act 2002.
7. That council delegates to the Chief Executive Officer the authority to make any necessary minor formatting, typographical and administrative changes to the Consultation Document prior to formal public consultation.

8. That pursuant to Schedule 7, clause 32 of the Local Government Act 2002, the council delegates to councillors its function under S83(1)(d) of that Act, that being to provide opportunity for persons to present their views to council in a manner that enables spoken interaction.

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## Background

The Local Government Act 2002 (the LGA) requires that council develop a Long Term Plan (LTP) every three years. The financial statements and funding impact statements included in the LTP that relate to the first year of the LTP (2018/19) are regarded as the annual plan adopted by council for that year.

Council has been developing, through a series of workshops over the past ten months, and pre-consultation with the community, a new Long Term Plan (LTP) for the 10 year period 2018-2028. Councillors have been through an extensive process which has reviewed: council's strategic direction; existing activities and levels of service; issues and options; rating approaches; the financial strategy; the 30 year infrastructure strategy; budget projections; policies and strategies.

The Supporting Information document for the Long Term Plan 2018-2028 provides this detailed information from which council has developed the proposals contained within its Consultation Document (CD).

Section 93A of the LGA requires that a 'Consultation Document' be prepared to provide an effective basis for public participation in the decision-making process via the special consultative procedure. The Consultation Document is not permitted to include a draft LTP, detailed information or any policy or strategy in full. Instead the council is required to adopt this information prior to adoption of the Consultation Document.

The CD provides a summary of the matters that are proposed for inclusion in the LTP. It identifies the key issues and choices facing council and the Northland region, and the consequences of available options.

## Supporting Information

There are a number of important documents that support the Consultation Document and which are likely to go on to form the final LTP. These documents provide more detailed reference information for the community and enable the audit opinion to be issued.

The Supporting Information for the LTP (see the accompanying volume to this agenda) includes the following:

- Council's strategic direction, including community outcomes
- Supporting information on key issues and proposals for community feedback
- Background information about our region
- Key strategies:
  - Draft financial strategy
  - Draft Infrastructure strategy

- Information on council activities, including:
  - Funding impact statement
  - Levels of service
  - Changes proposed
- Funding impact statement, including:
  - Rating funding impact statement
  - Draft prospective funding impact statement
- Financial forecasting, including:
  - Forecast financial statements
  - Forecasting assumptions
  - Financial prudence
  - Statement of significant accounting policies
- Other Policies:
  - Draft Revenue and Financing Policy
  - Draft Financial Contribution Policy
  - Draft Policy of Fostering Māori Participation in Council Processes
  - Policy on the Appointment of Directors to Council Organisations
  - Significance and Engagement Policy
- Information on Council Controlled and Subsidiary Organisations

The full Supporting Information document is attached under separate cover to this agenda.

### **Consultation Document**

The CD highlights three key issues for consultation and a number of other issues, and seeks feedback on these. For each of the three key issues (water, native life, and floods), the document seeks feedback on three options with increasing degrees of spending and work, with council's preferred option identified. The total of the work proposed as council's preferred option across the entire range of proposals would equate to a \$66.59 (29%) increase per ratepayer on average.

### **The three key issues are:**

- Looking after our precious water – preferred option of spending an extra \$2.2M by 2020/21 to increase the pace of improvement in water quality.
- Helping our native life flourish - preferred option of spending an extra \$2.3M a year, aiming to become pest-free.
- Protecting people from floods – preferred option of using a new region-wide flood infrastructure rate to share the cost of new flood work with affected communities 50:50, and undertaking new flood protection schemes (outline below).

### **A brief summary of other proposals:**

#### Flood schemes

- Upgrading the flood scheme at Awanui – preferred option of \$15M upgrade.
- Using the reserve accumulated from the Kerikeri-Waipapa rivers rate to fund stop bank work.
- More flood work for Kāeo-Whangaroa - \$1.15M.
- More flood work for Whangārei - \$1M.
- A new flood scheme for Panguru in 2023 - \$440,000.
- A new flood scheme and rate for Taumārere-Kawakawa - \$2.9M.

#### Other decisions

- Making the rating system more fair and transparent, with the two core rates broken down into six core rates, and a greater chunk of rating revenue to be collected based on equalised capital value rather than equalised land value.
- Proceeding with a suite of new initiatives across the range of council activities - \$1.5M by 2020/21.
- Joining the Local Government Funding Agency to increase our ability to borrow funds at low-interest rates.
- Continuing to rate for emergency services, and making the emergency services fund non-contestable.
- Supporting regional sporting facilities through the establishment of a new rate.
- Continuing the regional infrastructure rate.
- Making changes to transport rates so that they are collected on a district-wide basis.
- Stopping council's contribution to Creative Northland.

#### Updates to policies, including:

- Revenue and Financing Policy
- Significance and Engagement Policy
- Rating policies
- Charging policy

Please refer to the CD (attached under separate cover to this agenda) for the details of the proposals.

#### **Audit process**

Council has been managing an 'audit as you go' process with their auditor, Deloitte Limited, throughout the development of the supporting information and Consultation Document, and have been working particularly closely with them throughout January and February 2018. Small amendments have been made to the supporting information and CD throughout this process as a result of feedback received.

Deloitte Limited, on behalf of the Auditor-General, provided a report to council on 21 February 2018 confirming that the CD provides an effective basis for public participation, fairly represents the matters proposed for inclusion in the long term plan and identifies and explains the main issues and choices facing the council and the region, and the consequences of those choices.

Prior to council adoption of the final Long Term Plan 2018-2028, Deloitte Limited is scheduled to undertake a final audit of the draft plan, in June 2018.

#### **Consultation**

The next step in developing the LTP is formal public consultation. A five-week consultation period is scheduled from 14 March – 17 April 2018.

Instead of traditional hearings, council will be hosting a series of 'Have Your Say' events around the region during the consultation period. These events will provide an opportunity for the community to better understand the proposals and provide face-to-face feedback to council. These events are scheduled as follows:

- Whangārei – Tuesday 20 March 2018 4–6 pm.
- Whangārei – Wednesday 21 March 2018 10 am–12 noon
- Kerikeri – Thursday 22 March 2018 9.30–11.30 am, Cornerstone Church
- Kaikohe – Thursday 22 March 2018 2–4 pm, Memorial Hall
- Kaitiāia – Saturday 24 March 2018 10.30 am–12.30 pm, Te Ahu Centre
- Dargaville – Tuesday 27 March 2018 9.30 am–11.30am, Town Hall
- Mangawhai – Tuesday 27 March 2018 2–4 pm, Mangawhai Domain

All feedback at these events will be recorded for reporting back to the full council during deliberations. To ensure that feedback provided to councillors is accurately recorded, a limited number of councillors will be requested to attend each of the events. Staff therefore recommend that council delegate the function of receiving views from interested parties at these events to individual councillors.

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

- Online via council's feedback portal
- Email – [submissions@nrc.govt.nz](mailto:submissions@nrc.govt.nz)
- Hardcopy feedback forms and letters

A report will also be provided to council on the comments and interaction received through social media.

### **Deliberations and adoption**

The LGA requires that local authorities adopt their LTP before the end of June 2018. It is proposed that a deliberations meeting (open to the public) be held on 15 May and that the final Long Term Plan 2018-2028 be adopted at the council meeting on 21 June 2018.

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## **Considerations**

### **1. Options**

Consultation on the proposals and material included in the Supporting Information and the Consultation Document is required as part of council's process of developing the Long Term Plan 2018-2028. This is required using the consultation process set out in Sections 83 of the LGA.

Sections 93A, 93B, and 93C of the Local Government Act (LGA) specifically requires that council prepare and adopt a Consultation Document for the purposes of consultation using the special consultative procedure, and set out the purpose and content of the document.

Options are set out below. Staff recommend option 1, to adopt the consultation document to the Long Term Plan 2018-2028 for the purposes of consultation.

No.	Option	Advantages	Disadvantages
1	Adopt the Supporting Information and Consultation Documents for the purposes of consultation on the Long Term Plan 2018-2028	Council is compliant with the legislative procedures set out in the Local Government Act for consultation on a long term plan.	Resources will need to be allocated to the consultation process
2	Do not adopt the Supporting Information and Consultation Document for the purposes of consultation on the Long Term Plan 2018-2028	Resources will not need to be allocated to the consultation process	Council is not compliant with the legislative procedures set out in the Local Government Act for consultation on a long term plan.

## 2. Significance and engagement

Section 76AA of the LGA directs that council must adopt a policy setting out how significance will be determined, and the level of engagement that will be triggered. Council's current policy was adopted in 2014, and assists council in determining how to achieve compliance with LGA requirements in relation to decisions. The items addressed in this agenda item are assessed against council's current policy.

The decisions addressed in this agenda item are in themselves considered to be of low significance when assessed against council's current Significance and Engagement Policy, because they are for the purpose of achieving compliance with sections 93A, of the LGA and do not, in themselves, impact the community other than to provide them with information.

The decision to adopt the Long Term Plan 2018-2028 Supporting Information and Consultation Document, while not significant in itself, will enable council in the future to make decisions on the final Long Term Plan 2018-2028 while having full regard to community views.

This will assist council in achieving compliance with procedures in relation to decisions as set out in Part 6 of the LGA.

## 3. Policy and legislative compliance

The decision to adopt the Long Term Plan 2018-2028 Supporting Information and Consultation Document for consultation will achieve compliance with sections 93A of the Local Government Act 2002.

This decision will also achieve compliance with council's current Significance and Engagement Policy, in particular 'We will consult when we are required to by law, when a proposal is considered significant, and when we need more information on options for responding to an issue'.

**Further considerations**

During the development of the policies and proposals contained in the Long Term Plan 2018-2028 Supporting Information and Consultation Document, staff and council engaged with the community through a pre-consultation campaign, and with Māori through the Māori Technical Advisory Group.

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

Further consideration of community views, impacts on Māori, financial impacts and implementation issues will be addressed through the deliberations process and subsequent council decision to adopt the final policies and the Long Term Plan 2018-2028.

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**Attached under separate cover**

- 3.5 Attachment 1 - Supporting Information to the Long Term Plan 2018-2028 Consultation Document
- 3.5 Attachment 2 - Long Term Plan 2018-2028 Consultation Document

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**Authorised by Group Managers:**

**Names:** Jonathan Gibbard and Dave Tams

**Titles:** Group Manager – Governance and Engagement; and Group Manager – Corporate Excellence

**Date:** 27 February 2018

**TITLE:** Adoption of the Liability Management Policy and Investment Policy

**ID:** 1040459

**From:** Bree Torkington, Assistant Management Accountant.

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### Executive summary

This document acts as a 'placeholder' for the report 'Adoption of the Liability Management Policy and Investment Policy' which was unable to be completed in time for the circulation of the council agenda due to final amendments to the policies being required.

The report will be sent out to councillors under separate cover.

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### Authorised by Group Manager

**Name:** Dave Tams

**Title:** Group Manager – Corporate Excellence

**Date:** 28 February 2018