

AGENDA

Council
Thursday 21 June 2018 at 10.30am

Northland Regional Council Agenda

Meeting to be held in the Council Chamber
36 Water Street, Whangārei
on Thursday 21 June 2018, commencing at 10.30am

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

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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</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>MMH - Marsden Maritime Holdings Limited</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>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>SIPO – Statement of Investment Policy and Objectives</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: Health and Safety Report

ID: A1073637

From: Tracey Warboys, Health and Safety Specialist

Executive summary

This report provides an update from the Health and Safety Specialist for the month of May 2018. The development of a communications plan (refer below) and concerted re-education programme should assist along with a revised 'Reps Improving Safety' form.

Recommendation

That the report 'Health and Safety Report' by Tracey Warboys, Health and Safety Specialist and dated 7 June 2018, be received.

Background

Reports on council's Health and Safety activities for the month of May 2018.

Summary of Events (items of note documented only)

Total of five reports for the period:



Reporting continues to decline overall across all categories despite reiterating the importance of reporting at group and committee meetings. That said, it is difficult to distinguish between lack of reporting due to complacency or it is 'good out there'.

- **Nil Injury (1)**
- **Hazards (3)**
 - Demonstrating how to use a rat trap, an experienced employee caught their finger sustaining a blood blister. Employee counselled on maintaining situational awareness always during a task.
- **Incident (1)**
 - 3cm gash and puncture wound sustained to right-hand while employee catching kiwi (transponder change). First aid self-administered (no stitches required). Site healed within one week (dressed daily). Employee open to trialling cut-5 gloves as traditionally gloves are not used. Advice sought from company doctor about any zoonoses exposure and mitigation, if required.

Serious Near Miss (1) – note this incident occurred on 6 June 2018

Unintended chemical release at ReSort Centre. Investigation underway.

Internal policy and documentation review

- Limited progress with H&S Promapp due to annual leave.

Health and Safety Committee

- Committee workshopped the draft H&S Strategy. Feedback to be incorporated and re-presented for ratification at the June meeting.
- GM Corporate Excellence presented ELT's top five risk areas for consideration.
- Committee workshopped areas of focus for 2018: finalise strategy, develop a communications plan and raise near miss reporting.

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

- 75 employees received the flu vaccination (10/11 May) – great result.
- The overarching asbestos management emergency plan review completed with minor amendments. Document is now available to contractors.
- Site visits/events - nil issues.
- Other:
 - The Audit & Risk Working Party endorsed the use of Promapp's Heat Map to document and highlight risk associated with processes (8 May). A collaborative approach using SMEs and H&S Committee members to complete risk assessments will occur over the coming months.
 - ELT approved the use of Promapp's training module to capture H&S training records. Again, this project will be achieved via a collaborative working party.

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 13 June 2018

TITLE: Confirmation of Minutes - 15 May 2018

ID: A1071567

From: Christine Taylor, Governance Support Manager

Recommendation

That the minutes of the council meeting held on 15 May 2018 be confirmed as a true and correct record.

Attachments

Attachment 1: Ordinary Council Minutes - 15 May 2018 [↓](#) 

Authorised by Group Manager

Name: Christine Taylor

Title: Governance Support Manager

Date: 07 June 2018

Northland Regional Council Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 15 May 2018, commencing at 10.30am

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

Independent Financial Advisor
NRC Chief Executive
GM - Governance and Engagement
GM - Environmental Services
Governance Support Manager

Part Meeting

Policy Development Manager
Financial Accountant
Economist
Land Management Advisor

The Chair declared the meeting open at 10.30am.

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.

1. Health and Safety Report (Item 3.0)

ID: A1062970

Report from Tracey Warboys, Health and Safety Specialist

Moved (Blaikie/Stolwerk)

That the 'Health and Safety Report' by Tracey Warboys, Health and Safety Specialist, and dated 3 May 2018 be received.

Carried

2. Confirmation of Minutes - 24 April 2018 (Item 4.1)

ID: A1060552

Report from Christine Taylor, Governance Support Manager

Moved (Shepherd/Bain)

That the minutes of the council meeting held on 24 April 2018 be confirmed as a true and correct record.

Carried

3. Receipt of Action Sheet (Item 4.2)

ID: A1062493

Report from Christine Taylor, Governance Support Manager

Moved (Smart/Sinclair)

That the action sheet be received.

Carried

4. Council Working Party Updates and Chairpersons' Briefings (Item 4.3)

ID: A1059883

Report from Jonathan Gibbard, GM – Governance and Engagement

Moved (Blaikie/Finlayson)

That the report 'Council Working Party Updates and Chairpersons' Briefings' be received.

Carried

5. Council Working Group Updates (Item 4.4)

ID: A1061265

Report from Bruce Howse, GM – Environmental Services

Moved (Yeoman/Stolwerk)

That the report 'Council Working Group Updates' be received.

Carried

6. Financial Report to 30 April 2018 (Item 5.1)

ID: A1062700

Report from Vincent McColl, Financial Accountant

Moved (Sinclair/Dimery)

That the report 'Financial Report to 30 April 2018' by Vincent McColl, Financial Accountant and dated 3 May 2018, be received.

Carried

Secretarial Note: Council's Independent Financial Advisor provided commentary on council's financial status and upcoming improvements to financial reporting.

7. Investment of Working Capital Funds into Term Deposits (Item 5.2)

ID: A1059213

Report from Simon Crabb, Finance Manager

Moved (Bain/Sinclair)

1. That the report 'Investment of Working Capital Funds into Term Deposits' by Simon Crabb, Finance Manager and dated 24 April 2018, be received.
2. That the name of the Working Capital Fund is changed to the Short Term Investment Fund.
3. That the Short Term Investment Fund's Statement of Investment Policy and Objectives (SIPO) is updated to state that term deposits of working capital are a permitted investment that may be undertaken at the discretion of the CEO.

Carried

8. Making the Regional Policy Statement Genetically Modified Organisms Provisions Operative (Item 6.1)

ID: A1059966

Report from Ben Lee, Policy Development Manager

Moved (Yeoman/Stolwerk)

1. That the report 'Making the Regional Policy Statement Genetically Modified Organisms Provisions Operative' by Ben Lee, Policy Development Manager and dated 26 April 2018, be received.
2. That Issue 2.6(g), Policy 6.1.2 and Method 6.1.5 and related explanations of the proposed Regional Policy for Northland be approved in accordance with Clause 17, Schedule 1, Resource Management Act 1991.
3. That Thursday 14 June 2018 is the date Issue 2.6(g), Policy 6.1.2 and Method 6.1.5 and related explanations of the Regional Policy for Northland become operative, in accordance with Clause 20, Schedule 1, Resource Management Act 1991.

Carried

Secretarial Note: Council was cautioned against making any statements that could be perceived as predetermination; given that full council constituted the hearings committee for submissions on the 'Proposed Regional Plan for Northland' that sought the addition of provisions for genetically modified organisms.

9. Te Taitokerau Māori and Council Working Party: New member confirmation (Item 6.2)

ID: A1062509

Report from Rachel Ropiha, Kaiarahi - Kaupapa Māori

Moved (Dimery/Finlayson)

1. That the report 'Te Taitokerau Māori and Council Working Party: New member confirmation' by Rachel Ropiha, Kaiarahi - Kaupapa Māori and dated 2 May 2018, be received.

2. That Victor Holloway, representing Ngāti Tara, be endorsed as a new member of Te Taitokerau Māori and Council Working Party.
3. That staff write to Ngāti Tara and their representative, Victor Holloway, advising of their successful nomination and provide the necessary new member information.

Carried

10. Kawakawa Hundertwasser Park Centre: Extension of time limit on conditions of funding (Item 6.3)

ID: A1062618

Report from Darryl Jones, Economist

Moved (Sinclair/Blaikie)

1. That the report 'Kawakawa Hundertwasser Park Centre: Extension of time limit on conditions of funding' by Darryl Jones, Economist and dated 2 May 2018, be received.
2. That council agrees that the deadline by which the Chief Executive Officer must be satisfied that the conditions set out in resolution 6 of agenda item 7.1 of the council meeting dated 18 July 2017 are met otherwise council's support for the project is likely to be withdrawn be extended from 30 June 2018 to 31 December 2018.

Carried

11. Northern Wairoa Freshwater Improvement Project (Item 6.4)

ID: A1062872

Report from Imogen Field, Land Management Advisor - Northern Wairoa Freshwater Improvement Project

Moved (Bain/Yeoman)

1. That the report 'Northern Wairoa Freshwater Improvement Project' by Imogen Field, Land Management Advisor – Northern Wairoa FIP and dated 3 May 2018, be received.
2. That the Northern Wairoa Freshwater Improvement Partnership be made a working group of the Natural Resources Working Party.
3. That Chantez Connor-Kingi, Hoori Kingi and Allan Halliday of the Northern Wairoa Freshwater Improvement Partnership be remunerated for attendance at partnership meetings as per the Appointed Members' Allowances Policy. If these members resign or new members are appointed, approval for remuneration changes will be sought from council accordingly.

Carried

12. Chair's Report to Council (Item 7.1)

ID: A1058663

Report from Bill Shepherd, Chairman

Moved (Shepherd/Sinclair)

That the report 'Chair's Report to Council' by Bill Shepherd, Chairman and dated 23 April 2018, be received.

Carried

13. Chief Executive's Report to Council (Item 7.2)

ID: A1058676

Report from Malcolm Nicolson, Chief Executive Officer

Moved (Shepherd/Sinclair)

That the report 'Chief Executive's Report to Council' by Malcolm Nicolson, CEO and dated 15 May 2018, be received.

Carried

14. Receipt of Committee Minutes (Item 8.0)

ID: A1062360

Report from Christine Taylor, Governance Support Manager

Moved (Shepherd/Bain)

That the unconfirmed minutes of the Investment Subcommittee held on 24 April 2018 be received.

Carried

Business with Public Excluded (Item 9.0)

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	Reasons/Grounds
9.1	Confirmation of Confidential Minutes – 24 April 2018	The public conduct of the proceedings would be likely to result in disclosure of information, as stated in 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 s7(2)(a).
9.3	Chief Executive's Key Performance Indicators	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 s7(2)(a).
9.4	Proposed response to Ombudsman's provisional findings	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 s7(2)(a).

3. That the Independent Financial Advisor be permitted to remain during business with the public excluded.

Carried

Conclusion

The meeting concluded at 11.59am.

TITLE: **Receipt of Action Sheet**

ID: A1073496

From: Chris Taylor, Governance Support Manager

Executive summary

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

Recommendation

That the action sheet be received.

Attachments

Attachment 1: Council Action Sheet - June 2018 [↓](#) 

Authorised by Group Manager

Name: Chris Taylor

Title: Governance Support Manager

Date: 07 June 2018

Outstanding Actions as at 7/06/2018

Id	Meeting	Target Date	Description	Request Details	Most Recent Comment
4478	Council 24/04/2018	24/05/18	Client data security	That the IT Steering Group consider the security of client data and report back in due course.	Yet to be actioned.

Actions Completed in the Last Month

Id	Meeting	Date Completed	Description	Request Details	Most Recent Comment
4485	Council 15/05/2018	7/06/18	Investment of Working Capital Funds into Term Deposits	That the Short Term Investment Fund (previously the Working Capital Fund)'s SIPO be updated to state that term deposits of working capital are a permitted investment that may be undertaken at the discretion of the CEO.	Completed. SIPO name changed, and the option to invest in term deposits at the discretion of the CEO has been introduced into the SIPO
4487	Council 15/05/2018	29/05/18	Te Taitokerau Māori and Council Working Party: New member confirmation	That a letter be written to Ngati Tara and their representative, Victor Holloway, advising of their successful nomination and provide the necessary new member information.	Being actioned.
4491	Council 15/05/2018	23/05/18	ALGM awards	That a letter of congratulations be provided to staff in relation to the ALGM awards on 14 May 2018.	Letters completed and sent on 23 May 2018.
4491	Council 15/05/2018	17/05/18	Hotline and Incident Responses	That clarification be provided on Hotline and Incident Responses that are shown as 'Open at time of reporting'.	Information emailed to councillors on 17 May 2018.

TITLE: Council Working Party Updates and Chairpersons' Briefings

ID: A1059886

Recommendation

That the updated report be received.

Risk and Health & Safety Working Party

(Chair: Cr Paul Dimery)

The working party met on 8 May 2018. The topics for discussion included:

- Assumption of Risk;
- Maritime Level of Cover Required;
- Review of Risk Register;
- Health & Safety Risk Heatmap; and
- Safety Governance & Leadership for Directors and Senior Executives.

Following discussion, the working party provided advice on the following next steps:

- Matthew Hill from AON will attend a meeting with ELT to provide advice on assumption of risk;
- The safety governance and leadership document will be re-issued to councillors and taken back to ELT for them to share with staff; and
- The Risk Register will be added to the staff eXpress website.

Audit & Finance Working Party

(Chair: Cr David Sinclair)

The working party met on 6 June 2018. The topics for discussion included:

- Group Financials for period 10;
- Deloitte Payroll Audit Report; and
- Annual Report Timetable.

Following discussion, the working party provided advice on the following next steps:

- The six recommendations from the Deloitte report will be taken to ELT for consideration.

Te Taitokerau Maori and Council Working Party

(Co-Chair: Cr Paul Dimery)

The working party met on 10 May 2018. The topics for discussion included:

- Current work programmes (including joint projects with mana whenua and other agencies which received funding support from the Fresh Water Improvement Fund).
- Dates for up-coming Marae based hui.

Following discussion, the working party provided advice on the following next steps:

- The next Marae based hui to be 7 June 2018 at Waiora Marae, Ngataki.

Secretarial Note: The Māori Advisory Group, a sub-working party of TTMAC, also met during May. This was the first of three meetings, aimed at providing council with advice on how to streamline internal processes with regards to engagement with tangata whenua. Key programmes of work being considered by the group are:

- *The council's consenting notification process; and*
- *Recent changes to the Resource Management Act 1991.*

Authorised by Group Manager

Name: Jonathan Gibbard

Title: Group Manager - Governance and Engagement

Date: 13 June 2018

TITLE: Council Working Group Updates

ID: A1073942

Recommendation

That the report 'Council Working Group Updates' be received.

Mangere Catchment Group (Royce Kokich – Chair)

The Mangere Catchment Group met on 7 May 2018. The topics for discussion included:

- Update on the regional plan.
- Implementation of non-regulatory actions in the Mangere Catchment Plan.

Following discussion, the Mangere Catchment Group decided on the following next steps:

- The group decided to support schools to develop nurseries in order to supply plants for on-going riparian management in the catchment via the \$10k Environment Fund funding.
 - Organise a school planting day with support from contractors to undertake site preparation and releasing. Sites still to be selected.
-

Authorised by Group Manager

Name: Bruce Howse

Title: Group Manager - Environmental Services

Date: 13 June 2018

TITLE: Financial Report to 31 May 2018

ID: A1073269

From: Vincent McColl, Financial Accountant

Executive summary

This report is to inform council of the year to date (YTD) financial result to May 2018. Council has achieved a YTD surplus after transfers to and from reserves of \$1.69M which is \$102K favourable to budget. This represents an increase in net surplus after transfers to and from reserves of \$97K from last month.

Please note that we have adjusted the accounts for the \$148K that was approved for use in the Awanui emergency preparedness scheme at the 20 February 2018 council meeting. Additionally two capital projects (worth \$68K in total) have been funded from operational budgets, which have been adjusted accordingly.

Recommendation

That the report 'Financial Report to 31 May 2018' by Vincent McColl, Financial Accountant and dated 6 June 2018, be received.

Report

SUMMARY OPERATING RESULTS			
	000's ACTUAL YTD	000's BUDGET YTD	000's VARIANCE YTD
Revenue (including other gains)	\$ 34,758	\$ 33,765	\$ 994
Expenditure	\$ 31,189	\$ 31,833	\$ 644
NET (COST)/SURPLUS BEFORE TRANSFERS FROM/(TO) RESERVES	\$ 3,569	\$ 1,931	\$ 1,638
Transfer From (To) Special Reserves	\$ (1,883)	\$ (346)	\$ (1,536)
NET (COST)/SURPLUS AFTER TRANSFERS FROM/(TO) RESERVES	\$ 1,686	\$ 1,585	\$ 102

Revenue

Year to date revenue is \$34.76M which is \$994K or 2.9% above budget.

YTD REVENUE VARIANCE INDICATORS BY REVENUE TYPE			
	FAV / (UNFAV)		Commentary
	\$	%	
Rates	\$63,563	0.3%	
User Fees and Sundry	(\$15,098)	(0.4%)	<ul style="list-style-type: none"> • Lower than budgeted consent application fees of \$40K • Lower than budgeted bus fare box revenue of \$157K Partially offset by: <ul style="list-style-type: none"> • Greater than budgeted monitoring fees of \$75K • Unbudgeted prosecutions income of \$56K • Unbudgeted income for the Marsden pipeline response of \$44K offsetting costs incurred • Income for the regional sector group tour of \$27K compensating costs incurred for the tour
Grants and Subsidies	\$135,906	7.1%	<ul style="list-style-type: none"> • Unbudgeted MFE subsidies for the Kaipara Harbour Sediment Study of \$75K compensating costs in this project • Unbudgeted subsidies for the Dune lakes and Freshwater NPS programmes of \$15K • Subsidy for the Myrtle Rust Incursion of \$33K • Unbudgeted subsidy for the Transport ticketing capital project of \$38K offset with reserve movements
Investment Interest Income	\$254,930	36.8%	<ul style="list-style-type: none"> • Working capital fund gains \$117K above budget due to a higher average value in the fund than budgeted in the first three quarters of the financial year • Higher term deposit interest of \$106K due to some term deposits having compounding interest but were budgeted as not compounding.
Investment Property Income	\$100,122	4.7%	
Dividend Income	\$221,851	6.9%	<ul style="list-style-type: none"> • MMH dividends were 1 cent per share higher than budgeted. The additional dividends have been designated as operating funding thereby allowing up to \$222K of CIF gains (that were originally designated as operational funding) to be fully reinvested back into the CIF
Property Reinvestment Fund	(\$14,743)	(1.0%)	<ul style="list-style-type: none"> • While YTD returns of 6.7% are higher than the budgeted 6.1% the fund has a lower average value than budgeted.
Community Investment Fund	\$100,716	12.7%	<ul style="list-style-type: none"> • Actual YTD returns of 6.6% are higher than the budgeted 6.4%. All gains derived from our PRF, CIF, and IIF greater than budget have been reinvested (transferred to reserve) ensuring there is no favourable impact on the net surplus after transfers to reserves.
Infrastructure Investment Fund	\$146,445	48.5%	<ul style="list-style-type: none"> • Actual YTD returns of 5.2% are higher than the budgeted 5.0% and the fund value is higher than budgeted from the additional \$2.8M of borrowing being invested here. This includes some beneficial NZD/AUD cross rate currency movements.
Total	\$993,692	2.9%	

Expenditure

Year to date expenditure is \$31.19M, which is \$644K or 2.0% below budget.

YTD EXPENDITURE VARIANCE INDICATORS BY COUNCIL ACTIVITY			
	FAV / (UNFAV)		Commentary
	\$	%	
Regulatory Services	\$35,879	0.7%	<ul style="list-style-type: none"> Some labour budgeted here is being coded via timesheeting to customer services due to a structure change*. A review of the labour allocations for the 2018/19 budget has been completed.
Environmental Services	\$506,572	6.3%	
Strategy and Engagement	\$435,997	6.5%	<ul style="list-style-type: none"> River stopbank maintenance and clearance work running behind YTD budget of \$52K. This is offset with lower reserve movements. Lower than budgeted LIDAR costs of \$55K offset with lower reserve movements. Lower economic development projects than budgeted YTD of \$518K (Hundertwasser Art Centre and the Twin Coast Cycle Trail) offset by lower reserve movements.
Customer Service and Community Resilience	(\$102,923)	(2.0%)	Partially Offset by: <ul style="list-style-type: none"> More labour charged via timesheeting to Community Representation of \$106K* Redundancies paid of \$39K More labour charged to Customer Services via timesheeting of \$239K* Offset by: <ul style="list-style-type: none"> Lower than budgeted Hatea channel clearing costs of \$80K due to the availability of contractors. This work is currently underway. This is offset by lower reserve transfers. Lower than budgeted costs for debris disposal and bouys & beacons of \$54K
Corporate Excellence	(\$26,656)	(0.6%)	
CEO Office	(\$204,556)	(11.8%)	<ul style="list-style-type: none"> More labour charged to the CEO department than budgeted of \$236K*
Total	\$644,313	2.0%	

*While there are various labour charged variances across the organisation, the actual overall salary cost is running below budget by \$53K YTD (Apr 18 \$78K YTD).

Transfers to reserves

Year to date transfers to reserves are \$1.54M more than budget. This is due to lower reserve funding being required for IGR projects that have not occurred as planned and the transfer of the Awanui Emergency Preparedness project to the Approved Carry Forwards reserve. Also \$459K of greater than budget gains have been transferred (representing reinvestment) to each reserve as follows:

	May 18	Apr 18	Mar 18	Feb 18
PRF	\$0K	\$0K	\$151K	\$401K
IIF	\$137K	\$58K	\$208K	\$324K
CIF*	\$322K	\$161K	\$380K	\$324K

A further breakdown of the May YTD variances for these funds is provided in Table 1 over the page.

Table 1	PRF			IIF			CIF		
	Act YTD	Bud YTD	Bud FY	Act YTD	Bud YTD	Bud FY	Act YTD	Bud YTD	Bud FY
Opening Balance	19,954,945	23,184,337	23,184,337	6,025,739	6,025,738	6,025,738	13,185,771	13,000,690	13,000,690
Property sales (deposits)	5,936,909	-	-	-	-	-	-	-	-
Property purchases (withdrawals)	(8,772,398)	-	-	-	-	-	-	-	-
Other deposits	-	-	-	4,255,200	-	-	-	-	-
Gains	1,429,831	1,444,573	1,575,898	448,331	301,887	329,331	892,716	792,000	864,000
Gains used as operational funding	(1,321,333)	(1,336,075)	(1,457,537)	(311,135)	(301,887)	(329,331)	-	(221,310)	(221,310)
Reinvestment (Transfer to reserves)	108,498	108,498	118,361	137,196	-	-	892,716	570,690	642,690
Closing Fund Balance	17,227,954	23,292,835	23,302,698	10,418,135	6,025,738	6,025,738	14,078,487	13,571,380	13,643,380

Property purchases of \$8.77M include the settlement of 26 Walton Street in May for \$5.26M.	IIF balances include an additional \$4.26M of external borrowing invested that wasn't budgeted.	The actual CIF Balance represents: CIF \$12.5M ING \$1.58M
Gains are lower than budget due to the balance of the fund being less than budget. The budgeted opening balance included the proceeds of the Anderson Mclean property of \$2.7M which did not occur until part way through the year. Additionally there has been more actual nett property purchases (cash outgoing) than budgeted.	The return derived from the borrowing in this fund has exceeded the corresponding borrowing cost.	The CIF gains are higher than budget due to the rate of return being higher than budget by 0.2% YTD. CIF gains have been fully reinvested because higher MMH dividends have provided the operational funding instead.

Capital expenditure

A \$31K overspend has occurred in harbour safety and navigation, where a project from the 2016/17 year not carried forward has incurred expenditure in 2017/18. Also unbudgeted capex has occurred of \$31K for the lone worker solution (In Reach) project. At this stage of the year the mid north customer service centre fit out is \$13K greater than the full year budget and more costs may occur before the end of the year.

Two new capital projects have been authorised under schedule 3 of the delegations manual for an early start to the 2018/19 poplar and willow nursery development (\$40K) and a beacon upgrade at Tutukaka (\$28K). These were funded from operational budgets in the land and harbour safety departments and the budgets have been adjusted accordingly.

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 13 June 2018

TITLE: 2018 Representation Arrangements Review Initial Proposal

ID: A1066262

From: Christine Taylor, Governance Support Manager

Executive summary

The purpose of this report is to provide information on the representation arrangements review process required by the Local Electoral Act 2001. The report provides two options for the proposed constituency models which are further described in two Initial Proposals **attached** to this report.

The only difference between the two options is that Option 1 splits the existing Coastal North constituency into two new smaller constituencies represented by one councillor each. Option 2 maintains the existing larger Coastal North constituency represented by two councillors. All other proposed changes are the same in both Options 1 and 2.

The report contains a series of recommendations and council is requested to choose which constituency model and Representation Arrangements Review Initial Proposal will be effective for Northland Regional Council's 2019 triennial elections.

Recommendations

1. That the report '2018 Representation Arrangements Review Initial Proposal' by Chris Taylor, Governance Support Manager and dated 14 May 2018, be received.

Option 1:

2. That in accordance with section 19I of the Local Electoral Act 2001, the 2018 Northland Regional Council Representation Arrangement Review **Option 1** proposes that:
 - a) The Northland Regional Council comprises nine (9) councillors elected from eight (8) constituencies.
 - b) The proposed names and boundaries of the eight (8) constituencies be as described and illustrated in the Initial Proposal included as **Attachment 1**.
 - c) The proposed number of members to be elected by the electors of each constituency be as follows:
 - i. One (1) member to be elected by the electors of each of the following constituencies: Te Hiku, Hokianga-Kaikohe, Coastal North, Mid Northland, Coastal Central, Coastal South and Kaipara;
 - ii. Two (2) members to be elected by the electors of the Whangārei Urban constituency.
 - d) That the reasons for the changes to the representation arrangements for the Northland region described in the Initial Proposal included as **Attachment 1** are:
 - i. To better reflect regional communities of interest;
 - ii. To improve effective representation;
 - iii. With the exception of the Hokianga-Kaikohe constituency, in determining the number of councillors to be elected by the electors of each constituency the changes being proposed satisfy section 19V of the LEA 2001, which provides for fair representation.
 - iv. The Hokianga-Kaikohe constituency does not comply with section 19V of the LEA 2002 in order to maintain effective representation for an isolated community.

- e) The Initial Representation Arrangements Proposal included as **Attachment 1** to this report (or as amended at this meeting), be adopted and submitted for formal public consultation in accordance with the requirements of the Local Electoral Act 2001, and that the CEO be authorised to make any changes to the proposal arising from its final editing.
- f) The Representation Arrangements Review Hearings Committee be a committee of all councillors.

OR

Option 2:

- 2. That in accordance with section 19I of the Local Electoral Act 2001, the 2018 Northland Regional Council Representation Arrangement Review **Option 2** proposes that:
 - a) The Northland Regional Council comprises nine (9) councillors elected from seven (7) constituencies.
 - b) The proposed names and boundaries of the seven (7) constituencies be as described and illustrated in the Initial Proposal included as **Attachment 2**.
 - c) The proposed number of members to be elected by the electors of each constituency be as follows:
 - i. One (1) member to be elected by the electors of each of the following constituencies: Te Hiku, Hokianga-Kaikohe, Coastal Central, Coastal South and Kaipara;
 - ii. Two (2) members to be elected by the electors of the Coastal North and Whangārei Urban constituencies.
 - d) That the reasons for the changes to the representation arrangements for the Northland region described in the Initial Proposal included as **Attachment 2** are:
 - i. To better reflect regional communities of interest;
 - ii. To improve effective representation;
 - iii. With the exception of the Hokianga-Kaikohe constituency, in determining the number of councillors to be elected by the electors of each constituency the changes being proposed satisfy section 19V of the LEA 2001, which provides for fair representation.
 - iv. The Hokianga-Kaikohe constituency does not comply with section 19V of the LEA 2002 in order to maintain effective representation for an isolated community.
 - e) The Initial Representation Arrangements Proposal included as **Attachment 2** to this report (or as amended at this meeting), be adopted and submitted for formal public consultation in accordance with the requirements of the Local Electoral Act 2001, and that the CEO be authorised to make any changes to the proposal arising from its final editing.
 - f) The Representation Arrangements Review Hearings Committee be a committee of all councillors.
- 3. Due to the tight timeframes of the Representation Arrangements Review, late submissions will not be accepted¹.

¹ Note: This is in alignment with council's Submissions Policy, section 5(a)iii 'Submissions received before the start of hearings will be treated the same as those received before the close-off date, except where it would be impractical given any relevant circumstances of the consultation process'.

Background

The Local Electoral Act (LEA) 2001 requires all local authorities to carry out a representation arrangements review at least once every six years. A review for the Northland Regional Council (NRC) is required to be undertaken in 2018 because it is now six years since the last review was conducted in 2012. The council must now adopt an initial representation arrangements proposal by 31 August 2018.

The council's last review of representation arrangements undertaken in 2012 has applied to the 2013 and 2016 triennial elections. NRC currently has nine councillors elected from seven constituencies with the Te Hiku, Hokianga-Kaikōhe, Coastal North, Coast South and Kaipara constituencies having one councillor each, and the Coastal North and Whangārei Urban constituencies each having two councillors. The maximum number of councillors permitted under the LEA 2001 for a regional council is 14.

The preliminary stages of a representation review require the council to consider two issues being:

- the choice of electoral system – First Past the Post (FPP) or Single Transferable Vote (STV); and
- whether to introduce Māori representation.

The council resolved on 20 March 2017 to retain the FPP electoral system, and on 24 October 2017 resolved not to introduce Māori representation.

By 31 August 2018 the council must determine:

- The proposed number of constituencies;
- The proposed name and the proposed boundaries of each constituency; and
- The proposed total number of councillors for the regional council and the proposed number of councillors to be elected to each constituency.

The Local Government Commission (LGC) has issued guidelines identifying the factors that need to be taken into account in conducting a review. These factors include:

1. Regional communities of interest;
2. Effective representation (the optimal number of members); and
3. Fair representation of electors (compliance with the +/- 10% requirement).

Introduction

The 2012 representation review resulted in significant changes after having the same representation arrangements for over 20 years. This resulted in the creation of the current seven constituencies represented by nine regional councillors. These changes were driven by the council's desire for a more equitable governance structure that embraced the diversity of the region and would take Northland forward into the future.

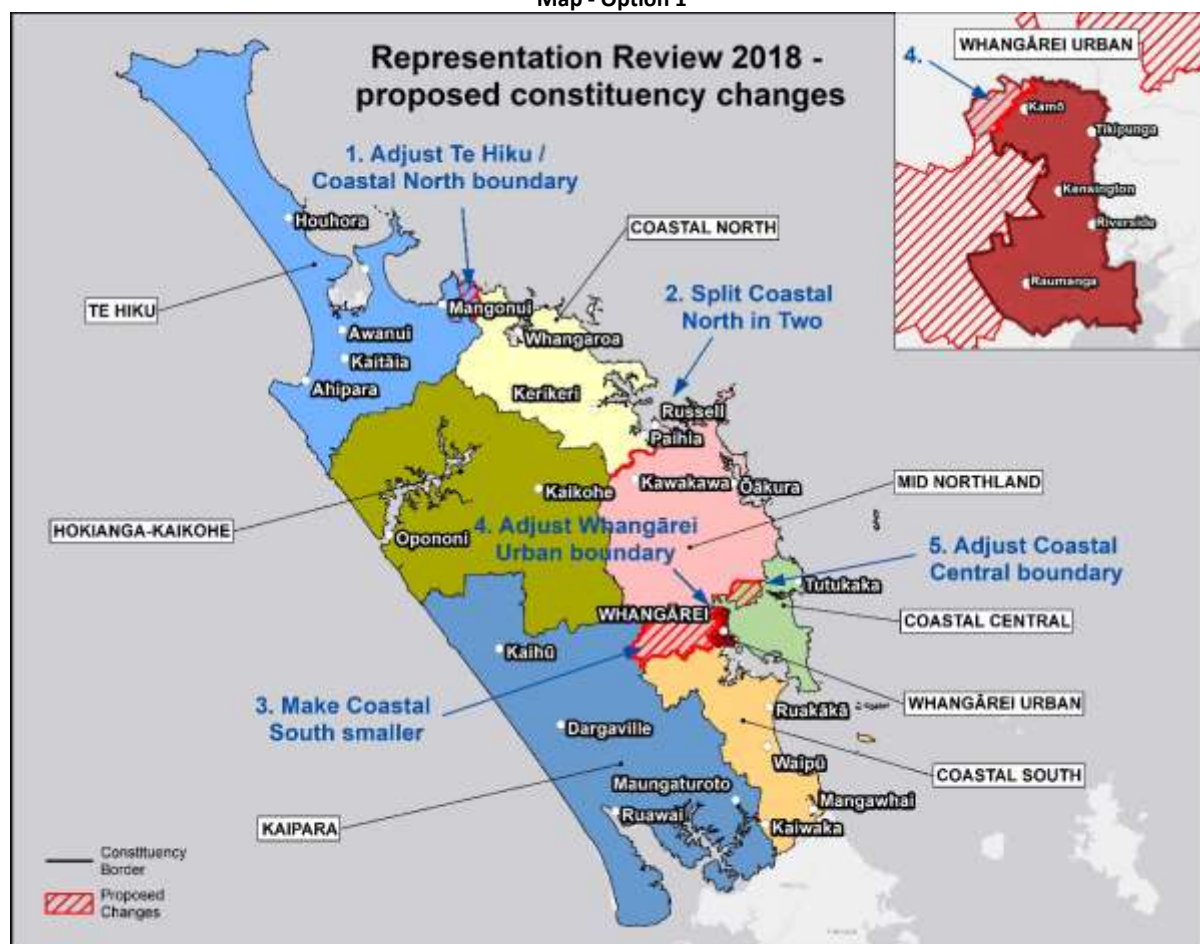
In the six years since the last review, the region has performed strongly with the population and economy growing above the national average. This growth has provided the opportunity to fine-tune how Northlanders are represented in local government by proposing changes to the number and size of some of the council's constituencies. The Initial Proposals attached to this report provide the detail and reasoning behind the proposed changes. All Northlanders will now have the opportunity to say what they think before a final decision is made. Any changes made will apply to the next local authority elections in October 2019.

2018 Representation Arrangements Review – Initial Proposal Options

There are two main options being considered as the future constituency model for Northland.

Option 1 proposes that the existing Coastal North constituency be split from one larger constituency currently represented by two councillors, into two smaller constituencies represented by one councillor each. This would increase the number of Northland constituencies from seven to eight, but would keep the number of councillors the same at nine. It is proposed to call the additional new constituency “Mid Northland”. More details on this proposed change are included as **Attachment 1** and highlighted on the following map:

Map - Option 1



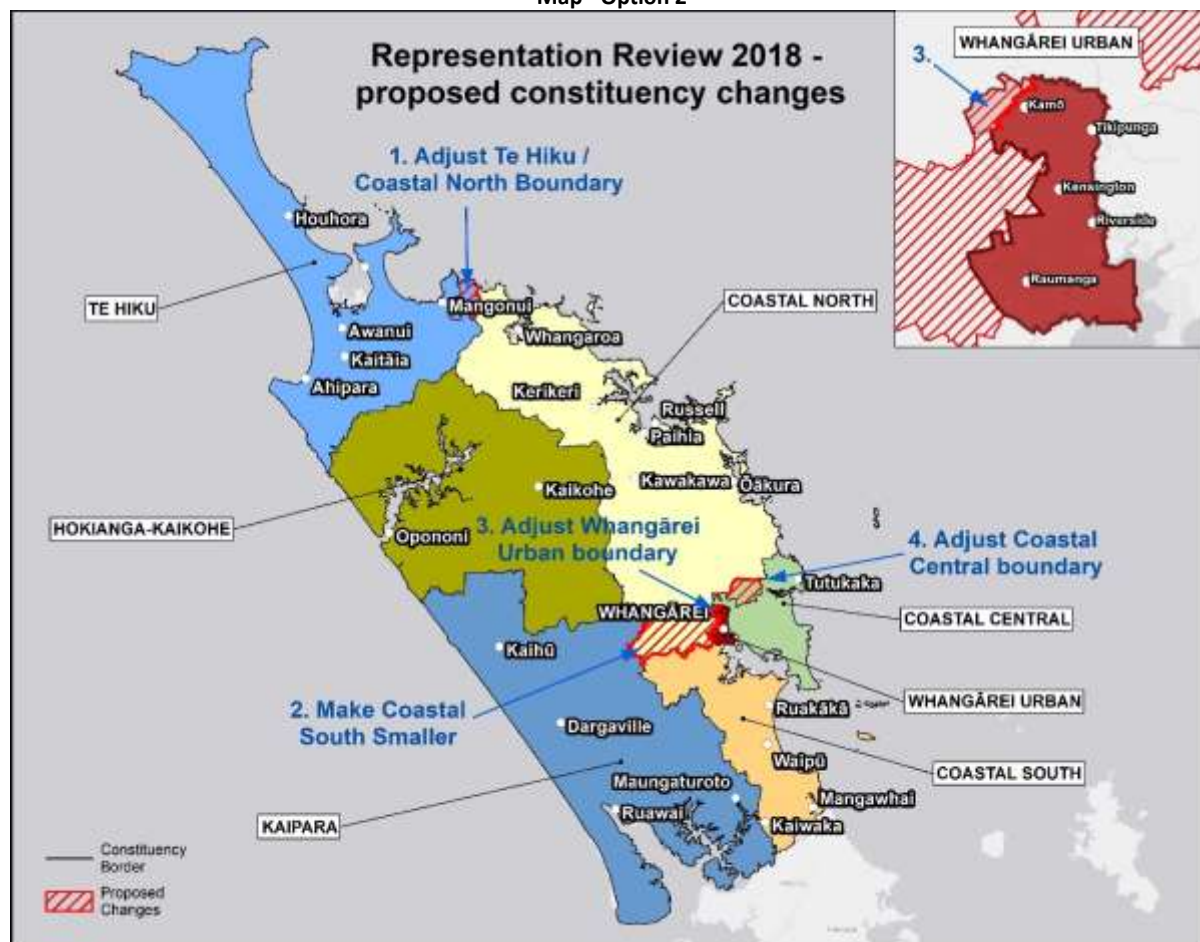
The impact of the changes proposed in Option 1 in terms of fair and effective representation are explained in the following table:

Constituency	2017 population estimate *	Number of councillors	Population per councillor	Fits +/- 10% rule
Te Hiku	19,860	1	19,860	Yes
Hokianga-Kaikōhe	16,120	1	16,120	No
Coastal North	21,060	1	21,060	Yes
Mid Northland	21,100	1	21,100	Yes
Whangārei Urban	41,440	2	20,720	Yes
Coastal Central	20,070	1	20,070	Yes
Coastal South	17,760	1	17,760	Yes
Kaipara	18,060	1	18,060	Yes
	175,470	9		

* Using the 2017 population estimate of 175,470, the proposed constituencies must be between 17,547 and 21,446 to meet the +/-10% requirement of the LEA.

Option 2 proposes to keep the existing reasonably large Coastal North constituency represented by two councillors. The number of councillors would remain the same at nine. More details on this proposed change are included as **Attachment 2** and illustrated on the following map:

Map - Option 2



The impact of the changes proposed in Option 2 in terms of fair and effective representation are explained in the following table:

Constituency	2017 population estimate *	Number of councillors	Population per councillor	Fits +/- 10% rule
Te Hiku	19,860	1	19,860	Yes
Hokianga-Kaikohe**	16,120	1	16,120	No
Coastal North	42,160	2	21,080	Yes
Whangārei Urban	41,440	2	20,720	Yes
Coastal Central	20,070	1	20,070	Yes
Coastal South	17,760	1	17,760	Yes
Kaipara	18,060	1	18,060	Yes
	175,470	9		

**With an estimated population of 16,120, the Hokianga-Kaikohe constituency is below the +/-10% population requirement of LEA 2001. At the last representation review in 2012, this constituency was granted an exemption from this requirement by the Local Government Commission (LGC) on the basis of Hokianga-Kaikohe being an isolated community of interest with unique characteristics². This constituency has a distinct demographic profile, is very sparsely populated with limited infrastructure and rugged topography. Extending boundaries to comply with the +/- 10% rule would

² Local Electoral Act 2001 S19V(3)(i)

amalgamate more communities of interest with little in common. An appeal will be made again to the LGC as part of this representation review for non-compliance with the +/- 10% rule.

In addition, both options propose the same smaller changes being to:

1. Change the boundary of the Te Hiku constituency;
2. Make the Coastal South constituency smaller;
3. Change the boundary of the Whangārei Urban constituency; and
4. Change the boundary of the Coastal Central constituency

All changes are illustrated in red on the maps above and explained further, including detailed constituency maps and demographic profiles, in the Initial Proposals **attached** to this report.

No changes are being proposed to the Kaipara or Hokianga-Kaikohe constituencies.

Reasons for the proposed changes

All changes are being proposed to:

- Better reflect regional communities of interest;
- Improve effective representation; and/or
- Ensure fair representation.

When looking at the option of whether to split the existing larger Coastal North constituency currently represented by two councillors, into a new smaller Coastal North and a new Mid Northland constituency represented by one councillor each, the following observations can be made.

It is generally accepted that constituencies with only one councillor provide a close direct link between the local people and their elected representative. However, constituencies with more than one councillor can provide a choice for residents of who to approach for various issues and allow for sharing or specialising of responsibilities between the councillors.

Under the status quo of a single, larger Coastal North constituency, the entire Bay of Islands is currently in one constituency, along with a significant area north and south. Under the split option, Kerikeri, Paihia and Ōpua and everything north remain in the same constituency, and Russell and the communities down to Whananaki South are in a different new constituency.

Councillors are now requested to adopt either Option 1 (splitting Coastal North) or Option 2 (keeping Coastal North the same) as Northland Regional Council's 2018 Representation Arrangements Review Initial Proposal and submit for formal public consultation in accordance with the requirements of the Local Electoral Act 2001.

Next steps

Once a formal resolution is made to adopt a Representation Arrangements Review Initial Proposal, the formal consultation process will commence based on the legislative timetable outlined below:

Council meeting to adopt Initial Proposal	21 June 2018
Public notice of Initial Proposal	23 June 2018
Public submission period	23 June to 24 July 2018
Community Meeting – Maungatapere (Options 1 and 2)	3 July 2018
Community Meeting – Kerikeri (Option 1 only)	4 July 2018
Public hearings on submissions received	31 July and 1 August 2018 (and 30 July if required)
Deliberations	14 August 2018
Adoption of Final Proposal	21 August 2018
Public notice of Final Proposal	25 August 2018
Objection/Appeal period	25 August to 26 September 2018
Forward material to LGC	By 15 January 2019
LGC decision	By 10 April 2019

NB: The timetable above may be subject to change (within statutory requirements) depending on the amount of public interest in the process.

Considerations

Options

No.	Option	Advantages	Disadvantages
1	<u>Option 1</u> – Split the existing Coastal North constituency currently represented by two councillors into two new smaller constituencies represented by one councillor each. <u>Recommendations 1 and 2</u>	Improves effective representation by guaranteeing people in both the north and south of the Coastal North constituency have a dedicated councillor to represent their interests. Keeps Kerikeri, Paihia and Ōpua in the same constituency.	Puts Russell and the southeast parts of the Bay of Islands in a separate constituency to Kerikeri, Paihia and Ōpua.
2	<u>Option 2</u> – Keep the existing Coastal North constituency represented by two councillors. <u>Recommendations 1 and 3</u>	Keeps all of the Bay of Islands community of interest in one constituency.	May provide less effective representation as two councillors represent a relatively large geographic area that includes a number of communities of interest with little in common.

2. Significance and engagement

In relation to section 79 of the Local Government Act 2002, this issue is considered to be potentially significant when assessed against council's Significance and Engagement Policy because it affects a range of the community and could potentially be controversial. However, the public consultation requirements of the Local Electoral Act 2001 apply regardless. A full Statement of Proposal – being the 2018 Representation Arrangements Review Initial Proposal, Summary, submission period and Consultation Plan will be implemented before presenting a Final Proposal to a future meeting of the council.

3. Policy, risk management and legislative compliance

The 2018 Representation Arrangement Review process and Initial Proposal have been prepared in accordance with the requirements of the Local Electoral Act (LEA) 2001.

The greatest risk at this time would be for council to opt for an alternate Option 3 and the ability for staff to undertake the necessary analysis in order for council to meet the statutory deadlines set out in the LEA 2001.

There is also an element of risk with the proposal to hold community meeting(s) during the submission period. Given the level of interest there may be a poor turnout. Council could alternatively elect to meet interested parties on request.

Further considerations

4. Community views

Known community views resulting from submissions on the last representation review and Local Government Commission determination have been taken into consideration when preparing the options discussed in this report. Further community input will be gained from the one month consultation period on the Initial Proposal and the one month objection / appeal period on the Final Proposal.

5. Māori impact statement

There was considerable consultation and engagement activity with Māori in the earlier part of the representation review process when council gave consideration to the establishment of Māori seats.

The demographic profile of the Hokianga-Kaikohe constituency – being the highest percentage of Māori in all Northland constituencies was taken into consideration when deciding to maintain the existing constituency boundaries even though they are outside the +/-10% requirement of the LEA 2001.


6. Financial implications


Costs associated with conducting the 2018 Representation Arrangements Review have been outlined and approved in the Project Plan. Budget allocation is included within the Governance and Engagement group of activities.

7. Implementation issues

More extensive community consultation will need to be undertaken should council adopt Option 1 as it affects a larger number of people than Option 2.

Attachments

Attachment 1: 2018 Representation Arrangements Review Initial Proposal Option 1 - Split the existing Coastal North constituency [↓](#) 

Attachment 2: 2018 Representation Arrangements Review Initial Proposal Option 2 - Maintain the existing Coastal North constituency [↓](#) 

Authorised by Group Manager

Name: Jonathan Gibbard

Title: Group Manager - Governance and Engagement

Date: 11 June 2018

Option 1 - Split Coastal North



Representation Review 2018

INITIAL PROPOSAL

Option 1 - Split Coastal North

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Objective reference: A1041671

Introduction

The representation arrangements of a local authority are where effective democracy begins.

Northland Regional Council's last formal representation review was conducted in 2012 where significant changes were made after having the same representation arrangements for over 20 years. This resulted in the creation of our current seven constituencies represented by nine regional councillors. These changes were driven by the council's desire for a more equitable governance structure that embraced the diversity of our region and would take us forward into the future.

In the six years since the last review, Northland has performed strongly with our population and economy growing above the national average. This growth provides us with the opportunity to fine-tune how Northlanders are represented in local government by proposing changes to the number and size of some of our constituencies. This Initial Proposal provides the detail and reasoning behind these proposed changes and gives all Northlanders the opportunity to say what they think before a final decision is made. Any changes made will apply to the next Northland Regional Council elections in October 2019.

The proposed changes included in this Initial Proposal are:

1. Change the boundary of the Te Hiku constituency;
2. Split Coastal North constituency into two new constituencies with one councillor each;
3. Make the Coastal South constituency smaller;
4. Change the boundary of the Whangārei Urban constituency; and
5. Change the boundary of the Coastal Central constituency.

No changes are being proposed to the Kaipara and Hokianga-Kaikohe constituencies.

The most significant of these proposed changes is to split the existing Coastal North constituency from one larger constituency currently represented by two councillors, into two new smaller constituencies represented by one councillor each. This would increase the number of constituencies from seven to eight, but would keep the number of councillors the same at nine. More details and the pros and cons of this change are included later in this proposal.

Through these proposed changes the council is seeking a forward-looking democratic structure that will support our continued drive for prosperity and equity while maintaining and protecting our unique and treasured environment. Northland will not reach its full potential if we are not fully engaged and working more closely with our communities.

Strong democratic representation at a meaningful 'community of interest' level will empower communities to serve their own needs and aspirations while also contributing to regional decision-making. Northland will not prosper unless our smaller communities prosper, and we must have a strong democratic structure to achieve this goal.

Please take the time to read this proposal – the council is very interested to hear your thoughts on the proposed changes. Council staff are available to talk to interested community groups and stakeholders about this proposal – call us on 0800 002 004 if you would like to arrange a meeting. Following the

Option 1 - Split Coastal North

publication of this proposal, there is a one month submission period where you can have your say on the proposed changes. A submission form is included on page 22.

Please make sure your submission reaches Northland Regional Council by 4.00pm on Tuesday 24 July 2018.

INITIAL PROPOSAL

What is a representation review?

This representation review looks at how many elected members (councillors) there need to be on the Northland Regional Council, and how they can best represent you – the people of Northland.

The review, which is required by law¹ every six years, looks at:

- the total number of councillors to be elected;
- the number, boundaries and names of the areas (or constituencies) where councillors will be elected from;
- the number of councillors to be elected from each constituency; and
- what the names of these constituencies will be.

If the council decides to change its representation arrangements, an 'Initial Proposal' is developed that clearly outlines what the proposed changes are and the reasons for proposing them. This is followed by a one month submission period where members of the public have the opportunity to comment on any proposed changes before a final decision is made.

The document you are reading now is Northland Regional Council's Representation Review 2018 Initial Proposal.

Any changes made as a result of this review will apply to the next Northland Regional Council election in October 2019.

What things have to be considered?

The council has to carefully consider the following three factors when deciding on an Initial Proposal for public consultation:

- Regional communities of interest;
- Effective representation; and
- Fair representation.

These three factors are described in more detail on the following pages.

¹ Local Electoral Act (LEA) 2001

Option 1 - Split Coastal North

Regional communities of interest

The council must ensure that the election of councillors provides effective representation of the various communities that make up the Northland region. Giving proper consideration to defining regional communities of interest is therefore a key part of the representation review process.

However, the term “community of interest” is not defined in the legislation – being the Local Electoral Act (LEA) 2001. In reality, “communities of interest” can mean different things to different people and it can (and probably has) changed over time. The council considered a range of factors when developing this proposal including:

- A sense of “community identity” and affiliations between towns and settlements;
- Similarities in demographic, socio-economic and/or ethnic characteristics;
- River catchments and distinctive topographical features;
- Land use and local history of the area;
- Similarities in economic or social activities carried out in the area; and
- Shared facilities such as schools, marae, shops and recreational facilities.

Effective representation

Once regional communities of interest have been identified, the council is required to consider the extent that these regional communities of interest are geographically distinct and warrant specific representation. We then consider how these communities can be grouped together into constituencies to achieve effective representation for the people who live there. The constituencies then make up the region and their councillors collectively are the elected members of the Northland Regional Council.

In deciding on effective representation, the council also has to consider questions in relation to accessibility, size and configuration of a constituency including:

- Would people have reasonable access to their councillors and vice versa?
- Would councillors be able to easily attend public meetings in their constituency and provide reasonable opportunities for the people who live there to have face-face meetings?
- Would the number of councillors coupled with their relative constituencies, enable councillor workload to be shared appropriately?

However, there are also legal requirements that the council must abide by when considering effective representation. This includes that the proposed constituency boundaries must always co-incide with Department of Statistics meshblock boundaries and match district council ward boundaries where possible.

Option 1 - Split Coastal North

Fair representation

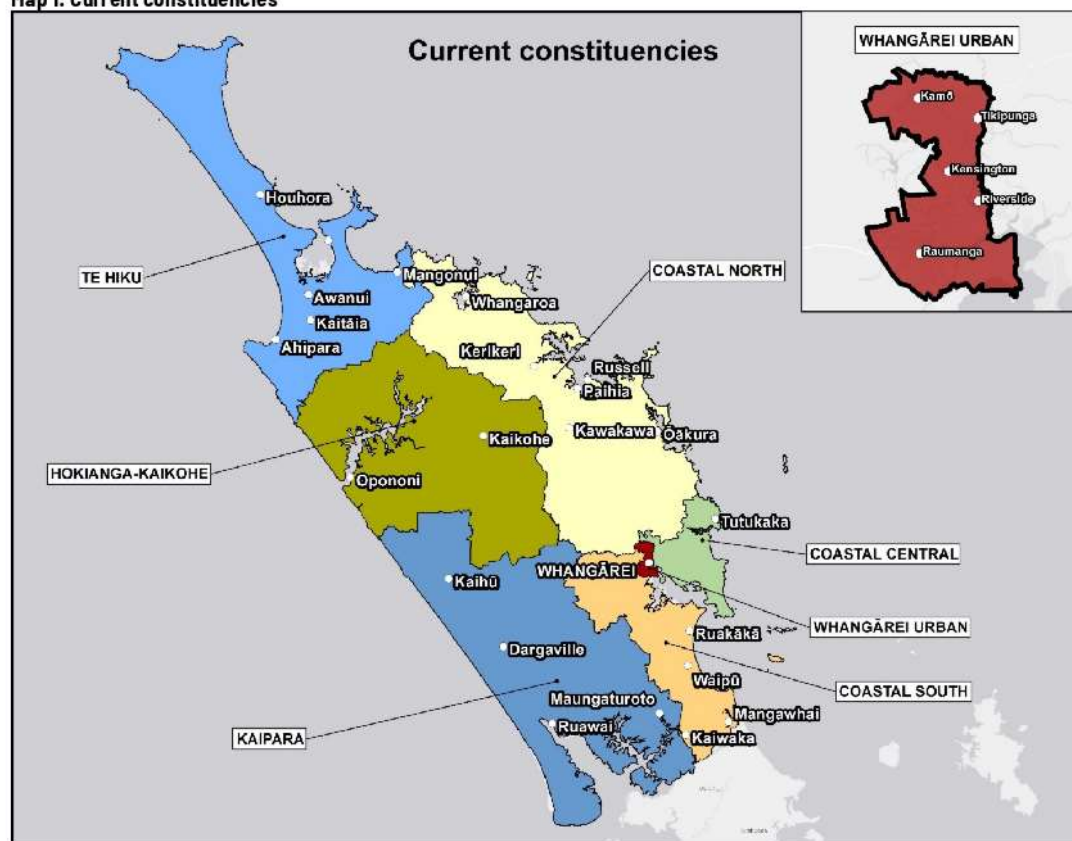
After the council has identified proposed constituencies, the LEA 2001 requires that each councillor must represent approximately the same number of people, plus or minus 10%. Northland's estimated population at 30 June 2017 was 175,470² and we have nine councillors.

When applying what is known as the "+/- 10% rule" to the constituencies identified in this proposal, each councillor must represent between 17,547 and 21,446 residents. The need to meet this legislative requirement has had an influence on the suggested constituency boundaries contained in this proposal.

What do we have now?

At the last representation review six years ago, the council changed the boundaries to seven constituencies represented by nine councillors as shown in the map below.

Map 1: Current constituencies



² NZ Government Statistician.

Option 1 - Split Coastal North

Table 1 shows the latest 2017 population estimate for each constituency, the population growth since the last census in 2013 and the number of councillors that currently represent each constituency.

Using the latest 2017 population estimate of 175,470, current constituencies must be between 17,547 and 21,446 to meet the +/- 10% requirement. Northland Regional Council's current representation is as follows.

Table 1: Constituency population and current representation

Constituency	2017 Population estimate	Population growth since 2013 census	Number of councillors	Average per councillor	Fits +/- 10% rule
Te Hiku	19,520	14%	1	19,520	Yes
Hokianga-Kaikohe	16,120	13%	1	16,120	No
Coastal North	37,350	14%	2	18,655	Yes
Coastal Central	19,390	16%	1	19,390	Yes
Whangārei-Urban	42,040	17%	2	20,720	Yes
Coastal South	22,990	19%	1	22,980	No
Kaipara	18,060	15%	1	18,060	Yes
	175,470	15.7% average	9		

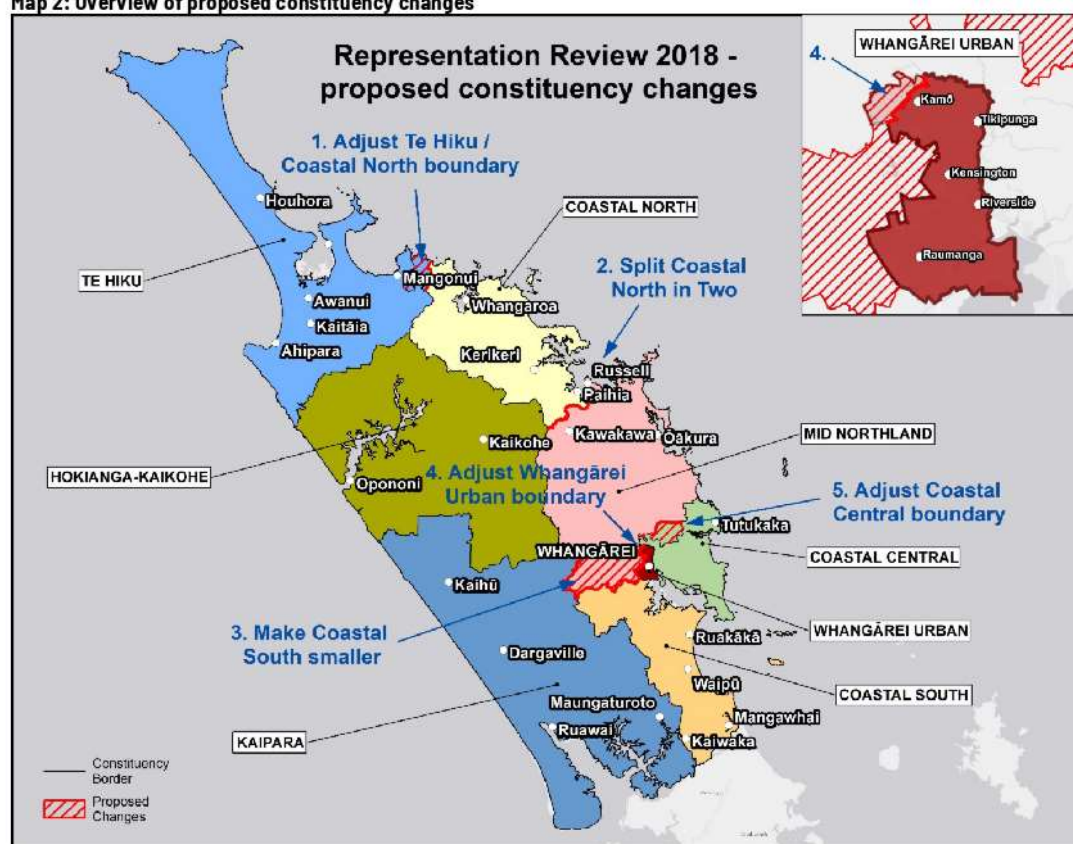
Option 1 - Split Coastal North

What changes are being proposed and why?

At the council meeting on 21 June 2018, the Northland Regional Council resolved to propose a number of changes to some constituency boundaries and names. No changes are being proposed for the total number of councillors, which will remain at nine. The most significant change is the proposal to split the Coastal North constituency in two.

An overview of all the proposed changes is illustrated below.

Map 2: Overview of proposed constituency changes



A full description and profile each proposed constituency is included in **Appendix 1**. The impact of these proposed changes in terms of fair and effective representation are explained in the following table.

Option 1 - Split Coastal North

Table 2: Impact of proposed changes on representation numbers

Constituency	2017 population estimate	Number of councillors	Population per councillor	Fits +/- 10% rule
Te Hiku	19,860	1	19,860	Yes
Hokianga-Kaikohe*	16,120	1	16,120	No
Coastal North**	21,060	1	21,060	Yes
Mid Northland**	21,100	1	21,100	Yes
Whangārei Urban	41,440	2	20,720	Yes
Coastal Central	20,070	1	20,070	Yes
Coastal South	17,760	1	17,760	Yes
Kaipara	18,060	1	18,060	Yes
	175,470	9		

Using the 2017 population estimate of 175,470, the proposed constituencies must be between 17,547 and 21,446 to meet the +/-10% requirement of the LEA.

* With an estimated population of 16,120, the Hokianga-Kaikohe constituency is below the +/-10% population requirement of the LEA 2001. At the last representation review in 2012, this constituency was granted an exemption from this requirement by the Local Government Commission (LGC) on the basis of Hokianga-Kaikohe being an isolated community of interest with unique characteristics³. This constituency has a distinct demographic profile, is very sparsely populated with limited infrastructure and rugged topography. Extending boundaries to comply with the +/- 10% rule would amalgamate more communities of interest with little in common. An appeal will be made again to the LGC as part of this representation review for non-compliance with the +/- 10% rule.

** If the decision is made **not** to split the existing Coastal North constituency into a new smaller Coastal North and a new Mid Northland constituency, then the following would apply.

Table 3: Impact of proposed changes if Coastal North not split

Constituency	2017 population estimate	Number of councillors	Population per councillor	Fits +/- 10% rule
Coastal North **	42,160	2	21,080	Yes

All other proposed changes remain the same regardless of whether or not the Coastal North constituency is split into two new constituencies.

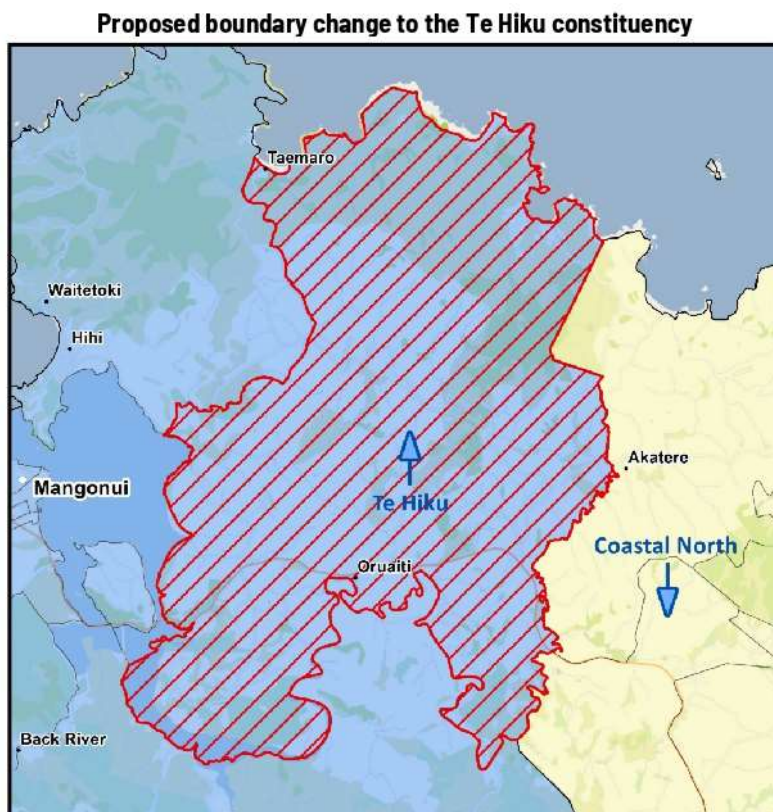
Each of the changes shown in Map 2 is explained in detail on the following pages.

³ Local Electoral Act 2001 S19V(3)(i)

Option 1 - Split Coastal North

1. Proposed boundary change to the Te Hiku constituency

It is proposed to move the area marked in red below from the existing Coastal North constituency to the Te Hiku constituency.



Why make this change?

This proposed change keeps the community of interest surrounding Mangonui Harbour in the same constituency and aligns Northland Regional Council's Te Hiku constituency boundary with Far North District Council's current Te Hiku ward boundary. In addition, the population added to the Te Hiku constituency provides support to an area that is growing below the regional growth rate.

Option 1 - Split Coastal North

2. Split Coastal North constituency into two new constituencies with one councillor each

The existing Coastal North constituency (see Map 1) extends from just south of Doubtless Bay in the Far North down the east coast to Whananaki South. It includes all of the Bay of Islands and Kawakawa and is currently represented by two councillors who represent the interests of the entire constituency.

It is proposed to split the Coastal North constituency from one constituency represented by two councillors into two new constituencies represented by one councillor each. It is proposed to make a new, smaller Coastal North constituency and create a new Mid Northland constituency as illustrated on the following maps.

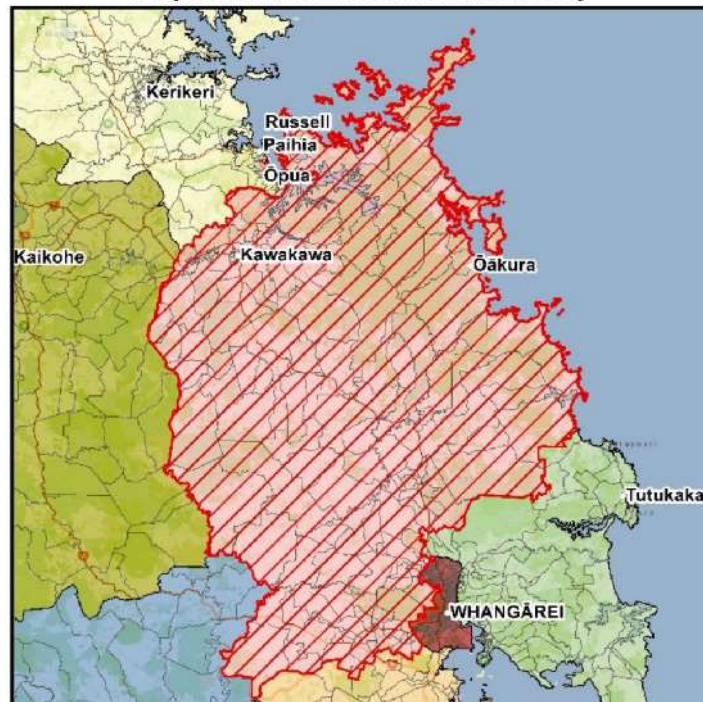
The proposed split would put Kerikeri, Paihia and Ōpua in the new smaller Coastal North constituency, and Russell, Kawakawa and the remaining area extending down to Whananaki South in the new Mid Northland constituency. The proposed boundary used to split the existing Coastal North constituency largely matches Far North District Council's current Paihia Community Board subdivision.

Proposed new Coastal North constituency



Option 1 - Split Coastal North

Proposed new Mid Northland constituency



Enlargement of boundary for proposed split of Coastal North into two constituencies



Option 1 - Split Coastal North

Why make this change?

This change is being proposed on the basis of improving effective representation for the people who live in the area. With the existing Coastal North constituency, residents from a reasonably large area made up of different communities of interest – from just south of Doubtless Bay to Whananaki South – are represented by two councillors. Under the proposed change of splitting Coastal North into two new constituencies, people in the northern area (from Ōpua north) will have one councillor to represent their interests, and people from the southern area (from Russell south) will have one councillor to represent their interests.

When proposing this change, the principles of fair representation required council to consider questions such as:

- Do people have reasonable access to their councillors?
- Can councillors easily attend public meetings in their constituency?
- Are councillors reasonably accessible for face-to-face meetings?

When the last representation review was done six years ago, the council proposed that there be two constituencies with one councillor each in this area. However, due to the population at that time and the requirements of the LEA in terms of the “+/- 10% rule”, the proposed boundary was in between Kerikeri and Paihia. This would have resulted in the larger population area of Kerikeri being in a different constituency to Paihia and Ōpua. When the proposal went out to public consultation, submissions were received in opposition because it split the Bay of Islands in an unacceptable way by separating out the central hub of larger population – being Kerikeri – from the remainder of the Bay of Islands communities of interest.

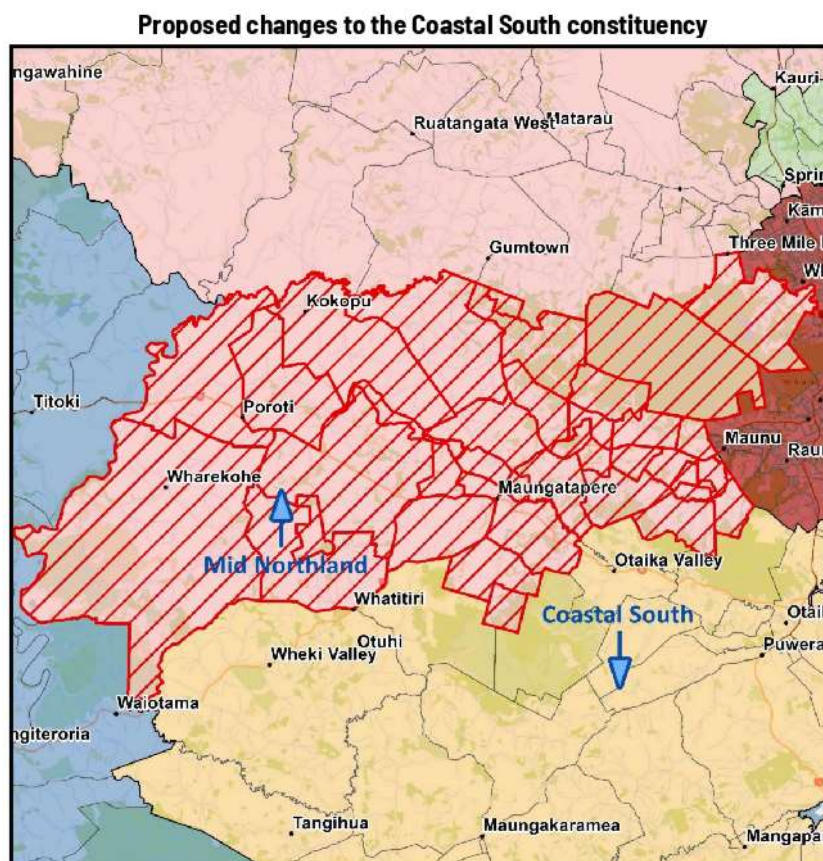
As a result of public submissions, the final proposal adopted in 2012 included the single large Coastal North constituency that we have today. With the increase in population over the past six years, the boundary to split Coastal North is now able to be drawn further south, meaning that the communities of interest relevant to Kerikeri, Paihia and Ōpua can be kept together. However, this proposal still splits the Bay of Islands as Russell and the surrounding area out to the east coast are in a different constituency.

Option 1 - Split Coastal North

3. Make the Coastal South constituency smaller

The existing Coastal South constituency (see Map 1), includes the southern fringes of Whangārei from Toetoe moving westwards to include the settlements of Maungatapere, Kokopu, and Whatatiri, then extends down the east coast to the council's southern most boundary with Auckland Council. The Coastal South constituency is currently represented by one councillor.

It is proposed to move the current Coastal South constituency boundary southwards to match the Whangarei District Council's current Mangakahia/Maungatapere ward boundary. Refer map below.



This proposed change would see the areas marked with red borders – including the settlements of Maungatapere, Kokopu, and Whatatiri – being moved from the Coastal South constituency to the adjacent Mid Northland constituency.

Why make this change?

The Coastal South constituency has experienced Northland's strongest population growth of 19% compared to an average increase of 15.7% across the rest of the region. This large population increase has placed Coastal South above the fair representation range required by the LEA which requires each councillor to represent approximately the same number of people – “+/- 10%” – (refer Table 1).

Council must now make the Coastal South constituency smaller in a way that meets the LEA requirements for effective and fair representation – while maintaining communities of interest. This

15

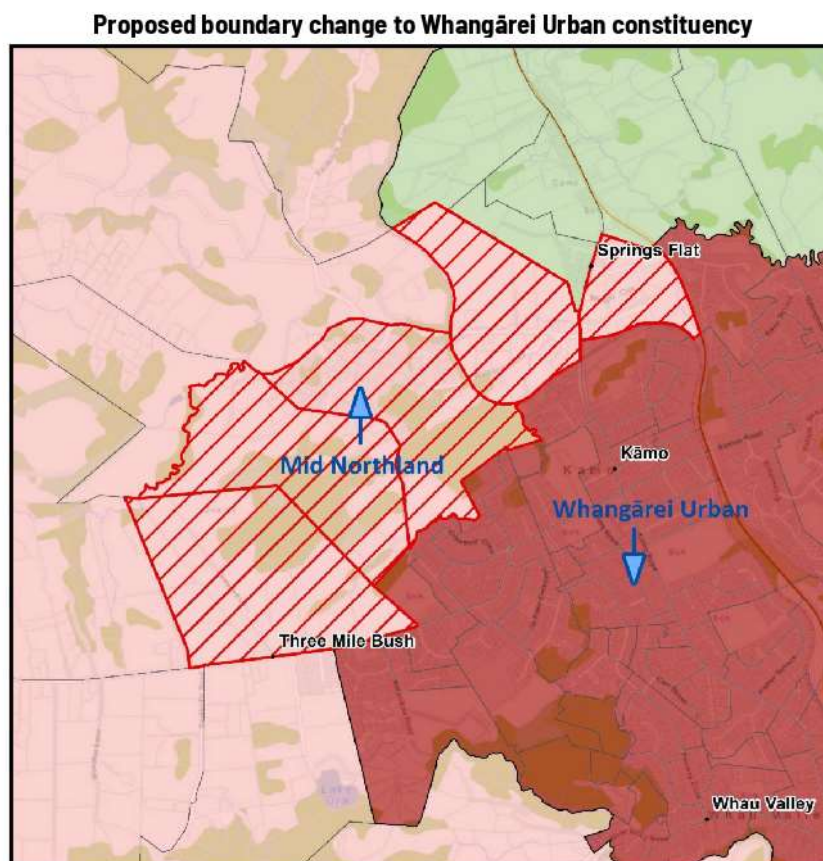
Option 1 - Split Coastal North
change would reduce the Coastal South population from an estimated 22,980 to 17,760 making it within the +/-10% range required for fair representation. The LEA also states that where "practicable", regional council constituency boundaries match district council ward boundaries.

A further benefit is that it is expected that Coastal South will remain Northland's fastest growing constituency as population continues to drift northwards in the future. Making this boundary adjustment now will likely "future-proof" the Coastal South constituency past the next representation review in 2024. This change also matches an existing district council ward boundary and maintains the communities of interest of the settlements affected.

Option 1 - Split Coastal North

4. Proposed boundary change to the Whangārei Urban constituency

The existing Whangārei Urban constituency (see Map 1) includes the residential suburbs of Whangārei City and is currently represented by two councillors. It is proposed to move the five areas outlined with red borders below – from Three Mile Bush to Springs Flat – from the Whangārei Urban constituency to the new Mid Northland constituency.



Why makes these changes?

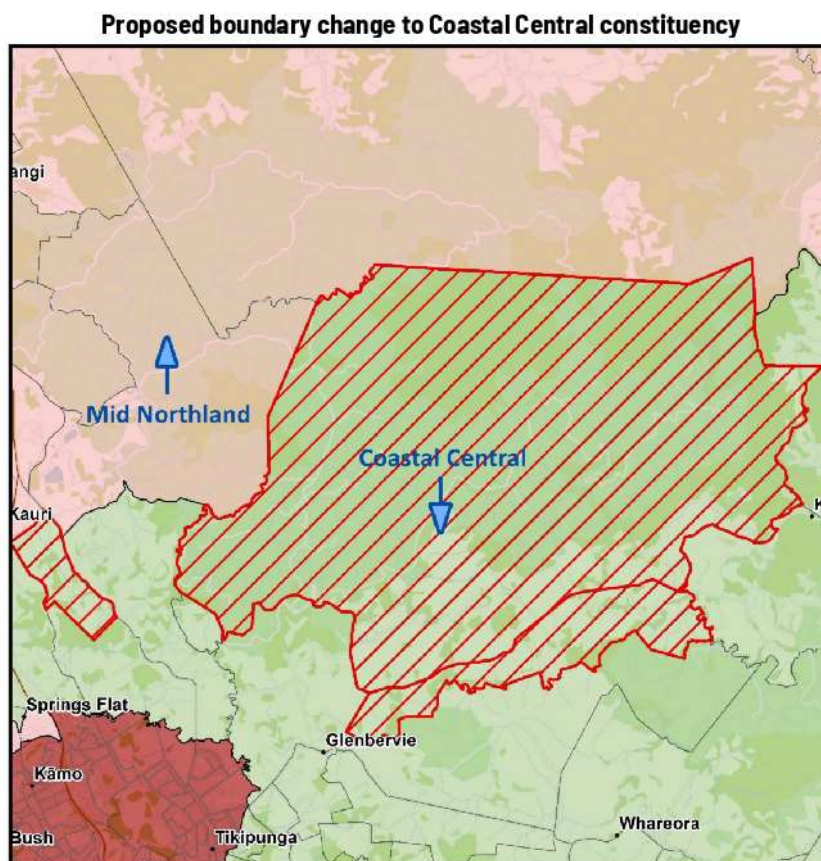
The Whangārei Urban constituency's population growth of 17% is above the average regional growth rate and that trend is expected to continue in the future. This constituency is already very close to the upper fair representation range of +/- 10%. For these reasons, it is proposed to reduce Whangārei Urban's population by moving the five areas outlined in red above from the Whangārei Urban constituency to the proposed Mid Northland constituency.

This change also reflects a better match in terms of communities of interest as the affected areas are largely semi-rural/lifestyle properties more closely matching the demographic profile of the proposed Mid Northland constituency, rather than the residential/urban profile that characterises the Whangārei Urban constituency. The proposed change also has the added advantage of helping to future-proof the Whangārei Urban constituency by providing some extra room for future growth within the confines of the LEA +/- 10% rule.

Option 1 - Split Coastal North

5. Proposed boundary change to Coastal Central constituency

The existing Coastal Central constituency (refer Map 1) includes the area adjacent to the northern boundary of Whangārei Urban and extends north to Woolley's Bay and south to Ocean Beach. It is currently represented by one councillor. It is proposed to move the three green areas bordered by red below from the proposed Mid Northland constituency to the Coastal Central constituency.



Why make these changes?

These changes assist with future-proofing constituencies in line with projected future population growth, provide more even representation of people per councillor, partly aligns with Whangārei District Council's current Whangārei Heads ward boundary, and ensures that neighbouring areas are within the same constituency wherever possible.

Option 1 - Split Coastal North

Looking at the options – what's most important?

Splitting the Coastal North constituency

The most significant change proposed in this representation review is the question of whether the Coastal North constituency is:

- best kept as it is – being one reasonably large constituency represented by two councillors; or
- split into two new smaller constituencies represented by one councillor each.

If two new constituencies are created – what should they be called? Should the split go ahead it is proposed to name them:

- Coastal North; and
- Mid Northland.

It is proposed to keep the "Coastal North" name for one of the new constituencies created, because it is an accurate reflection of the communities of interest it represents. It also remains a sensible "fit" with other constituency names such as "Coastal Central" and "Coastal South". Should the change go ahead, around half of the people in the existing Coastal North constituency will stay in a new (albeit smaller) Coastal North constituency.

It is generally accepted that constituencies with only one councillor provide a close direct link between the local people and their elected representative. However, constituencies with more than one councillor can provide a choice for residents of who to approach for various issues and allow for sharing or specialising of responsibilities between the councillors.

Under the status quo of a single, larger Coastal North constituency, the entire Bay of Islands is currently in one constituency, along with a significant area north and south. Under the split option, Kerikeri, Paihia and Ōpua and everything north remain in the same constituency, and Russell and the communities down to Whananaki South are in a different new constituency.

Given that there are pros and cons with the options of either keeping the larger Coastal North constituency with two councillors or changing to two smaller constituencies with one councillor each, council is now canvassing what the people affected by this decision think before a final decision is made.

People who support the proposal to split the Coastal North constituency might say:

- *"We like the idea of being guaranteed a councillor from close to where we live that understands our local issues and can represent us at a regional level."*
- *"This could mean that we get a more diverse group of regional councillors that looks more like our community."*
- *"The regional council needs to connect more with its smaller communities -- it needs to understand and be able to respond to local challenges if we want Northland to prosper."*

Option 1 - Split Coastal North

People who support keeping Coastal North the same might say:

- *"We don't see anything wrong with the way it is now – it's not broken – so don't fix it."*
- *"We want all of the Bay of Islands to stay together – this includes Russell and the communities out to Cape Brett – not just Kerikeri, Paihia and Ōpua."*
- *"We like having two councillors to choose from about different issues that are important to us."*

Other boundary changes

The other boundary changes proposed in this review are relatively minor. They involve quite a small number of people and have all been proposed in order to:

- More effectively represent communities of interest;
- Provide fair representation – gauged by applying the "+/- 10% rule"; and
- Future-proof the constituency in terms of projected population growth to try and prevent more small boundary changes in the next representation review in six years' time.

What happens next?

You, the community, now have the opportunity to comment on this proposal before any final decisions are made. Following is a summary of what happens in the representation review process.

1. Submission period – 23 June to 24 July 2018

Public notice will be made on 23 June, followed by a one month public submission period.

2. Hearings – 31 July and 1 August 2018 (and 30 July if required)

The council will consider all submissions and hearings will be held for those who wish to present their submission in person to the council.

3. Final Proposal – Mid August 2018

Following consideration of submissions, changes may be made. A Final Proposal will then be considered and adopted by the council on 21 August 2018.

4. Objection/Appeal period – 25 August to 26 September 2018

Public notice of the Final Proposal will be made on 25 August 2018. There will be a one month objection/appeal period where any member of the public can make a formal objection, or an earlier submitter may appeal the Final Proposal.

5. Local Government Commission

The Local Government Commission will make the final determination on how Northland will be represented. Any formal objections or appeals received will form part of the information sent to the Local Government Commission for consideration.

6. Determination by Local Government Commission – by 10 April 2019

The Local Government Commission is required to make its final decision on Northland's representation (called a determination) by 10 April 2019. The determination is final other than an appeal to the High Court on a point of law. Any appeal must be lodged within one month of the Local Government Commission determination.

7. Local Authority Elections – 12 October 2019

The 2019 Northland Regional Council elections will be based on the representation arrangements arrived at during the above process.

Option 1 - Split Coastal North

Have your say – make a submission

Tell us what you think of the proposed changes to Northland's constituencies to more effectively represent our region's communities on the Northland Regional Council.

It's important that you have your say because it's your chance to influence the way that Northland is governed – both now and in the future. The more people who have their say, the more chance that we get a representation system that delivers real benefits to the people who live in this very special part of New Zealand – Northland.

Please note that all submissions received will be publicly available and any submissions heard by council will be open to the public.

You'll find a submission form on the following pages.

Representation Review 2018 – Initial Proposal Submission form



The closing date for submissions is 4pm Tuesday, 24 July 2018

Giving your feedback

We encourage online feedback, as it helps keep costs down: www.nrc.govt.nz/RepReview

Otherwise, complete this form and return it by:

- Mail: Northland Regional Council, Private Bag 9021, Whangārei Mail Centre, Whangārei 0148
- Email: submissions@nrc.govt.nz
- Delivery: to our main office at 36 Water Street, Whangārei; or to any of our regional offices

IMPORTANT NOTES:

- The questions in this feedback form are designed to be read in conjunction with the Representation Review 2018 – Initial Proposal document.
- To assist us in determining our final representation arrangements and the make-up of the constituencies, you can make a submission on:
 1. The number of constituencies;
 2. Where the boundaries should be;
 3. The names of those constituencies; and
 4. The number of councillors.(remembering the population criteria and ratios required by law)

Your name and contact details

Full name:

Organisation (if giving feedback on behalf):

Mailing address:

Email:

Phone/Mobile:

Please tell us how you found out about this consultation

- | | |
|---|---|
| <input type="checkbox"/> Community Group | <input type="checkbox"/> Newspaper |
| <input type="checkbox"/> Twitter / Facebook | <input type="checkbox"/> Word of mouth |
| <input type="checkbox"/> Email invite from us | <input type="checkbox"/> Website alerts service |
| <input type="checkbox"/> Letter from us | <input type="checkbox"/> Other |

Please tell us any other ways you found out about this consultation:

Support	
Option 1 - Split Coastal North	
I SUPPORT the council's proposed representation arrangements for the 2019 elections because...	Please comment:

Oppose	
I OPPOSE the council's proposed representation arrangements for the 2019 elections because...	Please comment:

Alternative	
As an ALTERNATIVE, I propose...	Please comment:

Hearings	Option 1 - Split Coastal North
<p>You are welcome to speak to the hearings panel at a Hearings meeting about your submission. The Hearings meeting is scheduled for 31 July – 1 August 2018.</p> <p>Please indicate if you wish to present your submission in person to the hearing panel:</p> <p><input type="checkbox"/> Yes, I do wish to be heard in support of my submission</p> <p><input type="checkbox"/> No, I do not wish to be heard in support of my submission</p>	

For more information on any of the questions above, please see our Representation Review 2018 – Initial Proposal document and other useful documents at www.nrc.govt/RepReview

If you have more to say, feel free to attach more pages to this feedback form.

Your signature	
<i>You don't need to sign this submission form if sent electronically.</i>	
Signature:	Date:

Privacy statement:

Please be aware when providing personal information that all submissions are part of a public consultation process. As such, information provided will be made publicly available, including submitters' names and addresses.

Option 1 - Split Coastal North

Appendix 1 – Proposed constituencies

SOURCE: Constituency boundaries and population numbers have been calculated using the Government Statistician population estimates as at 30 June 2017.

The following constituency profiles have been developed using 2013 Census information and have been amalgamated to the closest Area Unit for each of the proposed constituencies.

When reviewing the constituencies created in the last representation review in 2012, the council has assessed the demographic profiles of the various communities that make up Northland.

By applying the principles of regional communities of interest and effective representation outlined earlier in this representation review proposal, the following profiles outline:

- The proposed number of constituencies;
- The proposed name and proposed boundaries of each constituency;
- The description of each proposed constituency; and
- The number of members proposed to be elected by the electors of each constituency.

The proposed Northland Regional Council constituencies are:

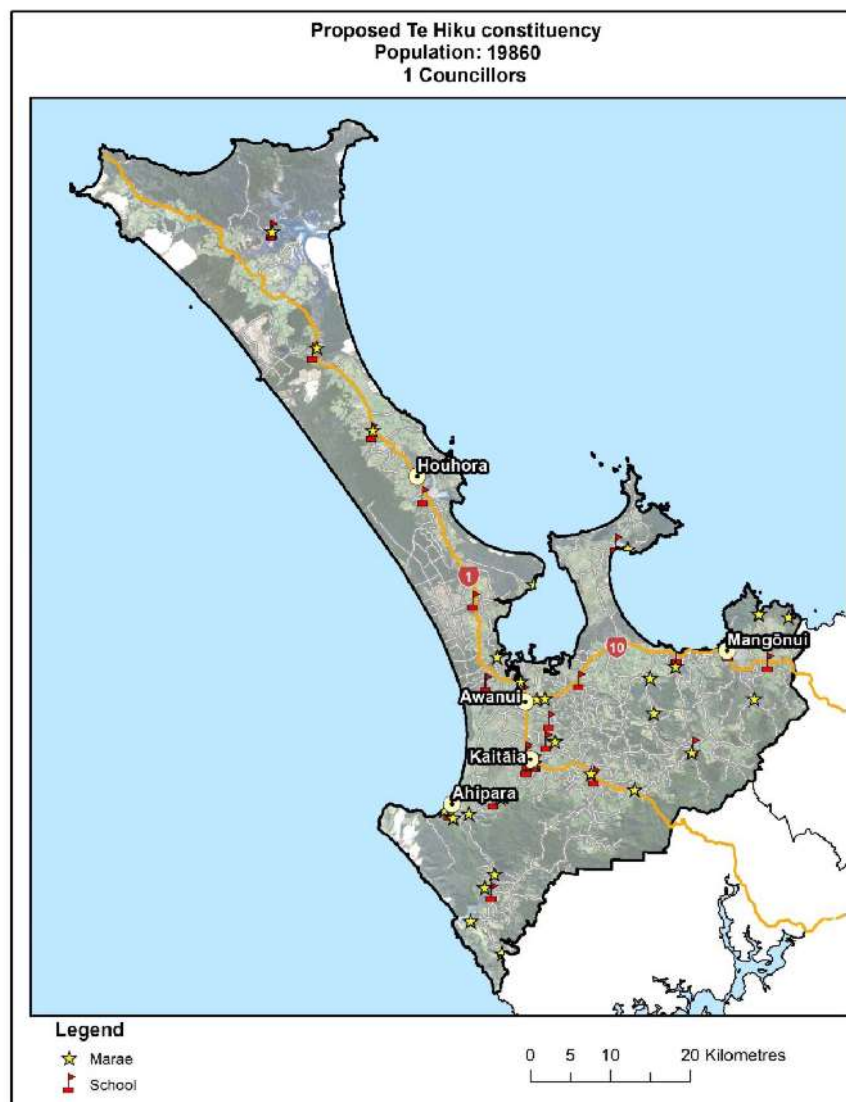
- Te Hiku;
- Hokianga-Kaikohe;
- Coastal North;
- Mid Northland;
- Coastal Central;
- Whangārei Urban;
- Coastal South; and
- Kaipara.

Any changes made to Northland Regional Council constituencies will apply to the next local government elections in October 2019.

Option 1 - Split Coastal North

Te Hiku constituency

The proposed Te Hiku constituency extends on the west coast from near the northern side of the Whāngāpē Harbour northwards to Cape Rēinga. On the east coast it includes the Karikari Peninsula and south to Taipā, Mangonui Harbour, Hihi and Taemaro. Moving inland it includes the settlements of Oruaiti, Kenana, Fern Flat, Mangataiore, and Takahue. The proposed constituency includes the towns of Kaitiāia, Ahipara, Awanui and Mangonui. Refer to the constituency map below for more detail.



It is proposed that one councillor would be elected from the Te Hiku constituency.

Te Hiku profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

41% of the people who live in the proposed Te Hiku constituency are aged between 35 and 64 years. The next largest age group is young people aged under 15 years, who make up 23% of the population. This is the second highest percentage in the region in the under 15 years age group after the Hokianga-Kaikōhe constituency. 19% are aged between 15 and 34 years, and 18% of Te Hiku residents are of retirement age.

Ethnicity and country of origin

43% of Te Hiku residents identify themselves as Māori, which is the second highest after the neighbouring constituency of Hokianga-Kaikōhe. 10% of the people who live in Te Hiku were born in a country other than New Zealand.

Employment

34% of this constituency aged 15 years and over are engaged in full-time employment and 13% are employed on a part-time basis. 7% are unemployed, which is the second highest rate after Hokianga-Kaikōhe. Of the people who are working, the majority (67%) are paid employees, 17% are self-employed with no other employees and 7% are employers themselves. 6% indicate that they are an unpaid family worker, which is the third highest in the region after the Hokianga-Kaikōhe and Kaipara constituencies.

Industry

Of the people employed in this constituency, 16% are employed in primary industries, 6% in manufacturing industries and 70% in all other industries.

Educational qualifications

28% of this constituency aged 15 years and over have no educational qualifications; this is the same rate as for the Kaipara constituency and highest in the region. A further 28% of this population have a secondary school qualification while 17% and 8% have either a post-school diploma or degree respectively.

Total household income

29% of households in the Te Hiku constituency have a total income of less than \$30,000 per annum; only Hokianga-Kaikōhe has a higher proportion of households (30%) in this income bracket. A further 28% of households receive a total income of between \$30,000 and \$70,000. 20% have a household income of over \$70,000, which is the second lowest in the region after the Hokianga-Kaikōhe constituency.

River catchments

The Te Hiku constituency includes all catchments north of the Mangamuka / Herekino ranges, including those of Pārengarenga, Houhora, Rangaunu, Mangonui and Herekino Harbours, plus the economically important Aupouri aquifers. The area contains the major Awanui River catchment including the Awanui/Kaitiāia flood management scheme.

Proposed Hokianga-Kaikohe constituency
Population: 16120
1 Councillors

Legend

- ★ Marae
- 🚩 School

0 4.75 9.5 19 Kilometres

29

Hokianga-Kaikohe profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

This constituency has the highest proportion of young people aged under 15 years in the region, making up 25% of its population. 40% of the people who live in the Hokianga-Kaikohe constituency are aged between 35 and 64 years. 15% of Hokianga-Kaikohe residents are of retirement age, which is the lowest proportion in the region.

Ethnicity and country of origin

56% of Hokianga-Kaikohe residents identify themselves as Māori, which is the highest of all the constituencies in Northland. 7% were born overseas which is the lowest rate in the region, and approximately half the regional average of 14%.

Employment

31% of this constituency aged 15 years and over are engaged in full time employment and 12% are employed on a part time basis. 8% are unemployed; which is the highest in the region. Of the people who are working, 64% are paid employees, 16% are self-employed with no employees and 6% are employers themselves. 9% indicate that they are an unpaid family worker, which is the highest in the region and seven times the percentage found in the Whangārei Urban constituency.

Industry

Of people employed in this constituency, 21% are employed in primary industries, 4% in manufacturing industries and 64% in all other industries.

Educational qualifications

27% of this constituency aged 15 years and over have no educational qualifications. 27% have attained a secondary school qualification and 16% a post school diploma, both of which are the lowest in the region. 7% have a degree or higher.

Total household income

30% of households in the Hokianga-Kaikohe constituency have a total income of less than \$30,000 per annum, the highest proportion of any of the eight constituencies. A further 26% receive a total income of between \$30,000 and \$70,000. Only 16% have a total income of over \$70,000 per annum, which is lowest proportion across all the constituencies.

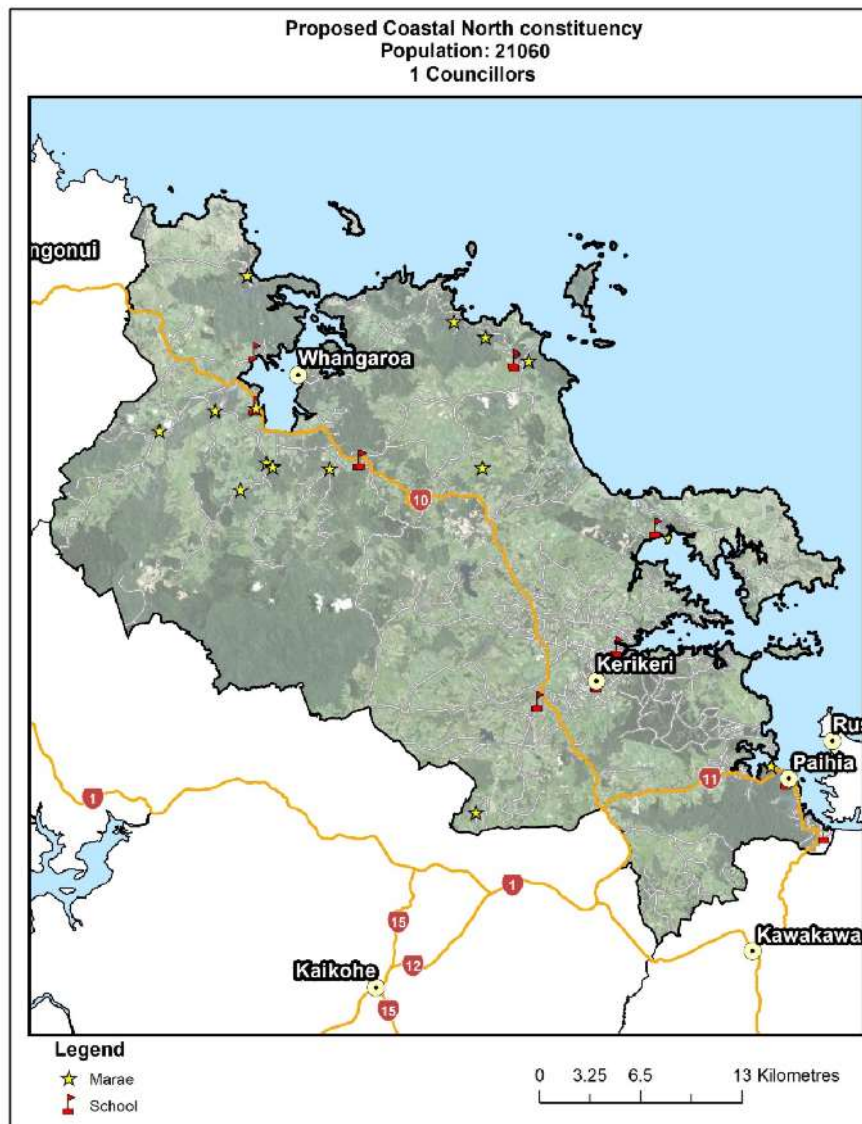
River catchments

The Hokianga-Kaikohe constituency includes the catchment of the Hokianga Harbour including Lake Ōmāpere, as well as the Waipoua River, the upper Kaihū and Opouteke Rivers.

Option 1 - Split Coastal North

Coastal North constituency

The proposed Coastal North constituency begins south of Doubtless Bay and extends down along the east coast to include the coastal settlements of Taupo Bay through to Matauri Bay, Takou Bay and Taronui Bay. It includes the Bay of Islands towns of Kerikeri, Paihia, and Ōpua. It then extends westwards to include Whangae, Hupara, then north to Oromahoe, Puketona, Waimate North, Mangapa, Otangaroa and Akatere. Refer to the constituency map below for more detail.



It is proposed that one councillor would be elected from the Coastal North constituency.

Option 1 - Split Coastal North

Coastal North profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

This constituency has the lowest proportion of young people aged under 15 years in the region – making up 19% of its population. A further 17% of Coastal North residents are aged between 15 and 34 years; which is the same as Coastal South and also the lowest proportion across the constituencies. 21% of Coastal North residents are of retirement age, which is the highest across all the constituencies.

Ethnicity and country of origin

21% of Coastal North residents identify themselves as Māori. 23% were born overseas which is the highest proportion in the region.

Employment

40% of this constituency aged 15 years and over are engaged in full-time employment and 15% are employed on a part-time basis (the latter being the highest in the region). 5% are unemployed. Of the people who are working, 63% are paid employees, 20% are self-employed with no employees and 9% are employers themselves.

Industry

Of people employed in this constituency, 12% are employed in primary industries, 6% in manufacturing industries and 78% in all other industries.

Educational qualifications

18% of this constituency aged 15 years and over have no educational qualifications, which is the same as Coastal Central and also the lowest in the region. On the other hand, 33% have attained a secondary school qualification, which is the highest in the region. 23% and 13% have either a post-school diploma or degree respectively.

Total household income

23% of households in the Coastal North constituency have a total income of less than \$30,000 per annum. A further 33% receive a total income of between \$30,000 and \$70,000; the highest proportion of any of the eight communities. 27% have a total income of over \$70,000 per annum.

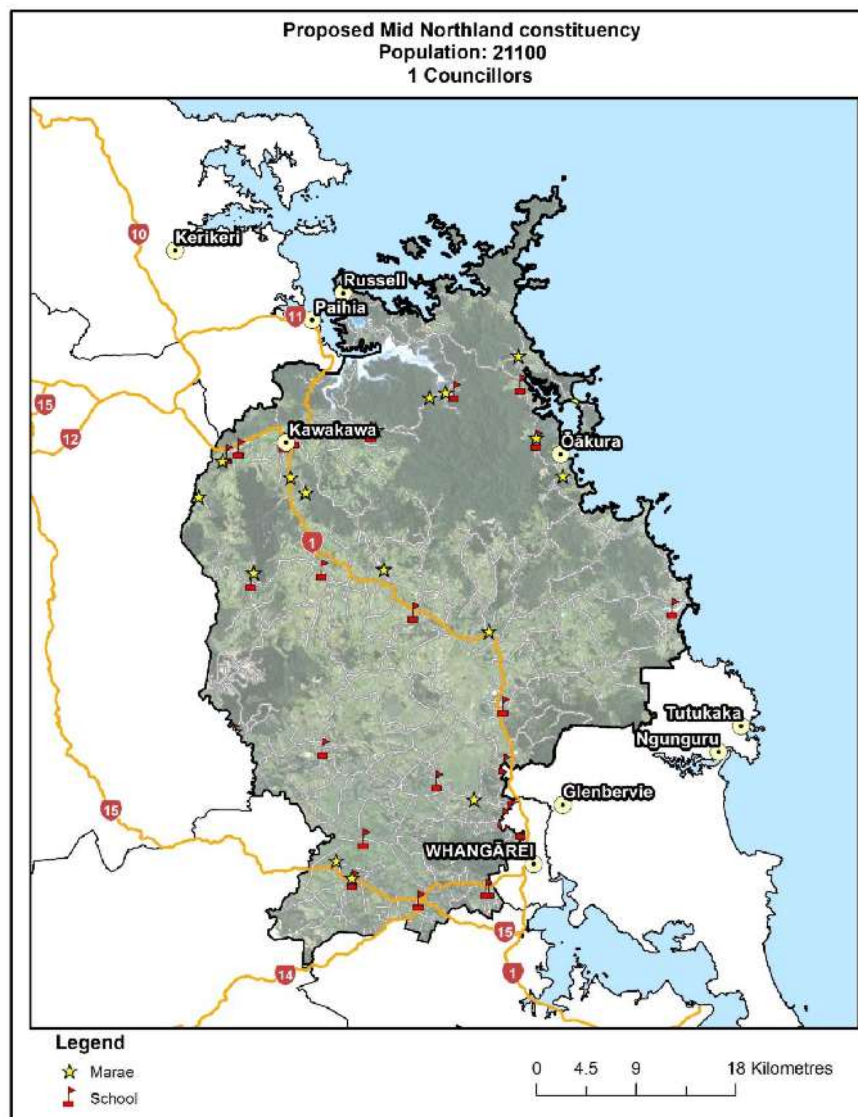
River catchments

The Coastal North constituency includes the catchments of the north-east and central east coast including the Whangaroa Harbour, the Bay of Islands and the major Kāeo, Rangitāne, Waipū and Kerikeri River catchments.

Option 1 - Split Coastal North

Mid Northland constituency

The proposed Mid Northland constituency includes the Bay of Islands town of Russell and extends out to the east coast to Rawhiti, then south to include the coastal settlements of Whangaruru, Ōākura, Helena Bay down to Whananaki South. Extending westwards from there it includes Marua, Apotu, Matarau and then south around the western side of Whangārei to Gumtown, Maungatapere, Wharekohe, Poroti, and Kokopu. Northwards from there it includes Purua, Motatau, Otiria and Taumarere. The towns of Kawakawa and Moerewa are included in this constituency. Refer to the constituency map below for more detail.



It is proposed that one councillor would be elected from the Mid Northland constituency.

Option 1 - Split Coastal North

Mid Northland profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

23% of the people who live in the proposed Mid Northland constituency are aged under 15 years. 19% are aged between 15 and 34 years. A further 43% are aged between 35 and 64 years while 15% are of retirement age.

Ethnicity and country of origin

28% of Coastal North residents identify themselves as Māori and 13% were born overseas; which is about average for the region.

Employment

42% of this constituency aged 15 years and over are engaged in full-time employment and 14% are employed on a part-time basis. 5% are unemployed. Of the people who are working, 65% are paid employees, 18% are self-employed with no employees and 10% are employers themselves.

Industry

Of people employed in this constituency, 16% are employed in primary industries, 8% in manufacturing industries and 70% in all other industries.

Educational qualifications

21% of this constituency aged 15 years and over have no educational qualifications. A further 32% have attained a secondary school qualification. 21% and 11% have either a post-school diploma or degree respectively.

Total household income

20% of households in the Mid Northland constituency have a total income of less than \$30,000 per annum; which is the lowest proportion across the eight constituencies. A further 28% receive a total income of between \$30,000 and \$70,000. 33% have a total income of over \$70,000 per annum which is the second highest in the region after Coastal Central.

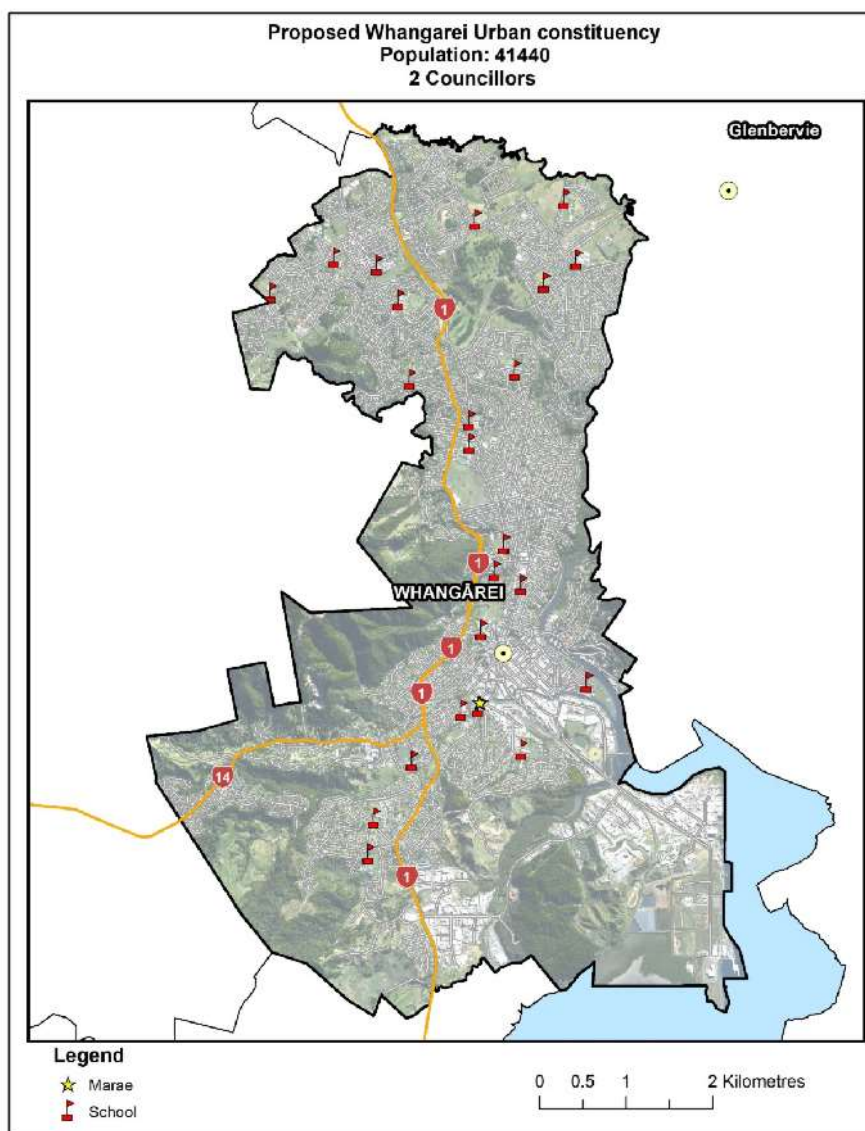
River catchments

The Mid Northland constituency includes the catchments flowing east of the eastern ranges and the west-flowing Wairua river catchment including the Hikurangi swamp. It also includes the Kawakawa river.

Option 1 - Split Coastal North

Whangārei Urban constituency

The proposed Whangārei Urban constituency includes the northern Whangārei suburbs of Kamō, Whau Valley, Tikipunga and Otangarei. It extends through Kensington to Riverside and westwards to Woodhill through to Maunu ending before Barge Park. The southern border of this constituency is just north of Toetoe Road and it also includes the area known as Port Whangārei. Refer to the constituency map below for more detail.



It is proposed that two councillors would be elected from the Whangārei Urban constituency.

Option 1 - Split Coastal North

Whangārei Urban profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

This constituency has the highest proportion of people aged between 15 and 34 years; making up 23% of its population. 20% of Whangārei residents are of retirement age; which is the same as Coastal South and also the second highest proportion in the region.

Ethnicity and country of origin

29% of this constituency identify themselves as Māori and 15% indicate that they were born overseas; both of which are about average for the region.

Employment

37% of the people aged 15 years and over who live in this constituency are engaged in full-time employment and 12% are employed on a part-time basis. 6% are unemployed. Of the people who are working, 82% are paid employees, which is the highest across the eight constituencies. Only 5% are employers themselves and 9% are self-employed with no employees; both are the lowest rates in the region. Only 1% indicated they are unpaid family workers, which is lowest across the eight constituencies.

Industry

Whangārei Urban has the lowest proportion of its population working in primary industries (3%). A further 9% are employed in manufacturing industries and 84% in all other industries.

Educational qualifications

24% of this constituency aged 15 years and over have no educational qualifications. 30% of this population have a secondary school qualification, while 20% and 11% have either a post-school diploma or degree respectively; all of which are about average for the region.

Total household income

The breakdown of total household income in the Whangārei Urban constituency is close to the regional average. In detail, 27% of households in the Whangārei Urban constituency have a total income of less than \$30,000 per annum. A further 30% of households receive total income of between \$30,000 and \$70,000 per annum, and 25% have a total income of over \$70,000 per annum.

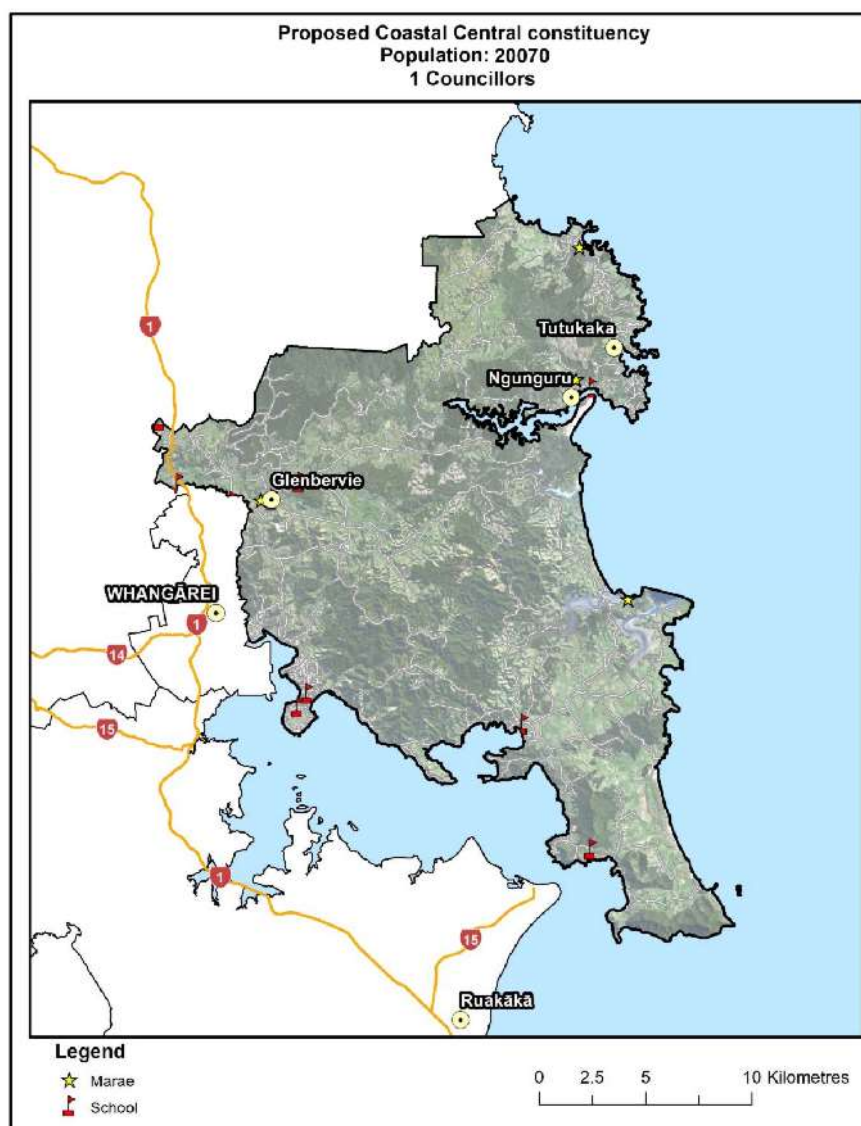
River catchments.

The Whangārei Urban constituency includes the Whangārei city central urban catchments flowing to the upper Whangārei Harbour.

Option 1 - Split Coastal North

Coastal Central constituency

The proposed Coastal Central constituency includes the area north of the Whangārei Urban constituency, east to Glenbervie and further south adjacent to Riverside and extending to Onerahi. The boundary then follows the northern side of Whangārei Harbour out to the east coast. It includes Ocean Beach, and extends north to include Pataua, and the Tutukaka Coast settlements of Ngunguru, Tutukaka, Matapouri, Woolleys Bay and Sandy Bay. Refer to the constituency map below for more detail.



It is proposed that one councillor would be elected from the Coastal Central constituency.

Option 1 - Split Coastal North

Coastal Central profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

The Coastal Central constituency has the highest proportion of population aged between 35 and 64 years old, at 44%. A further 21% are young people under the age of 15 years. 18% of residents are of retirement age which is about average over the region.

Ethnicity and country of origin

18% of this constituency identify themselves as Māori which is the second lowest in the region behind Coastal South. 18% indicate that they were born overseas, the second highest proportion in the region after Coastal North.

Employment

The Coastal Central constituency has the highest proportion of persons aged 15 years and over engaged in full-time employment (43%) with a further 14% employed on a part-time basis. 5% are unemployed. Of the people who are working, 72% are paid employees, 16% self-employed with no employees and 8% are employers themselves. Only 3% indicate that they are unpaid family workers, the second lowest behind Whangārei Urban.

Industry

Coastal Central has the second lowest share of people employed in primary industries behind Whangārei Urban, at 5%. A further 9% work in manufacturing industries and 82% in all other industries.

Educational qualifications

18% of this constituency aged 15 years and over have no educational qualifications, which is the same as Coastal North and also the lowest proportion of the eight constituencies. 31% of this population have a secondary school qualification and 24% have a post-school diploma or certificate. 15% hold a degree qualification or higher, which is the highest in the region.

Total household income

21% of households in the Coastal Central constituency have a total income of less than \$30,000 per annum. A further 30% of households receive a total income of between \$30,000 and \$70,000. 33% have a total income of over \$70,000, which is the highest in region.

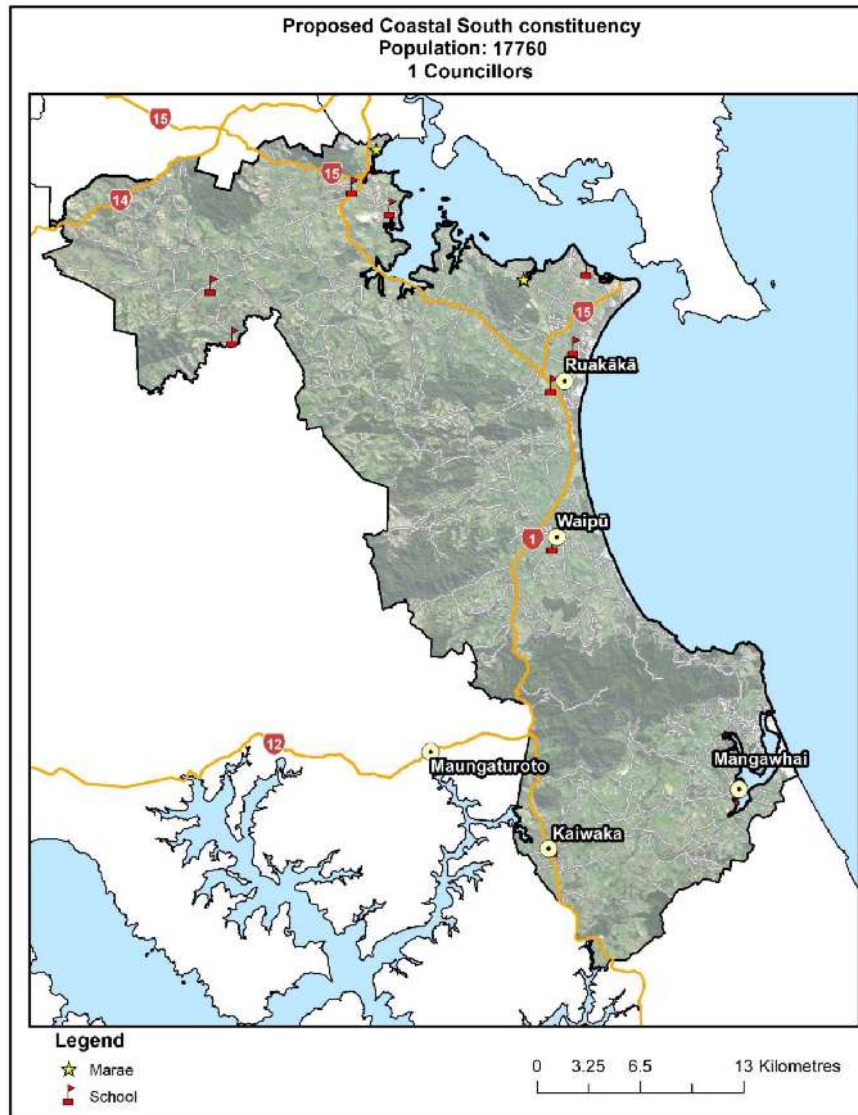
River catchments

The Coastal Central constituency comprises the north-east side of the Whangārei Harbour catchments including the rural Hātea River and the catchments of the Pataua and Horahora estuaries.

Option 1 - Split Coastal North

Coastal South constituency

The proposed Coastal South constituency includes the southern fringes of Whangārei from Toetoe extending westwards to the Otaika Valley, Otuhi, Tangihua and Maungakaramea. It extends south to include the settlements of Waipū, Brynderwyn and Kaiwaka before extending eastwards to just south of Mangawhai Heads. This constituency also includes the towns of Mangawhai, Kaiwaka and Ruakākā. Refer to the constituency map below for more detail.



It is proposed that one councillor would be elected from the Coastal South constituency.

Option 1 - Split Coastal North

Coastal South profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

The Coastal South constituency has only 20% of its population under the age of 15 years; the second lowest in the region after Coastal North. A further 17% of its population are aged between 15 and 34 years which is the same as Coastal North and also the lowest across the constituencies. 20 % of residents are of retirement age which is the same as Whangārei Urban and the second highest proportion in the region.

Ethnicity and country of origin

18% of this constituency identify themselves as Māori which is the lowest in region. 16% indicate that they were born overseas.

Employment

The Coastal South constituency has 42% of persons aged 15 years and over engaged in full-time employment with a further 14% employed on a part-time basis. This constituency has the lowest rate of unemployment at 4%. Of the people who are working, 21% are self-employed with no employees; which is the highest in the region. Only 4% indicate that they are unpaid family workers.

Industry

Of the people employed in this constituency, 13% are employed in primary industries which is about average for the region. A further 12% work in manufacturing industries (the highest across the eight constituencies) and 71% in all other industries.

Educational qualifications

22% of this constituency aged 15 years and over have no educational qualifications. 33% of this population have a secondary school qualification while 24% have a post school diploma or certificate, both of which are the highest rates in the region. 11% hold a degree qualification or higher.

Total household income

24% of households in the Coastal Central constituency have a total income of less than \$30,000 per annum. A further 32% of households receive a total income of between \$30,000 and \$70,000. 30% have a total income of over \$70,000.

River Catchments

The proposed Coastal South constituency includes the south Whangārei Harbour catchments and the catchments flowing east from the divide to Bream Bay and Mangawhai Harbour, including the Ruakākā and Waipū River catchments.

Option 1 - Split Coastal North

Kaipara constituency

The proposed Kaipara constituency includes Poutō Peninsula and the northern area of the Kaipara Harbour and extends northwards to meet the Far North District Council boundary at Waipoua Forest. It extends eastwards to include Waimatenui, Kaihū, Titoki and southwards to include the settlements of Waiotama, Omana, Parahaka and south to Maungaturoto. This constituency also includes the towns of Ruāwai and Dargaville. Refer to the constituency map below for more detail.



It is proposed that one councillor would be elected from the Kaipara constituency.

Option 1 - Split Coastal North

Kaipara profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

21% of the people who live in the Kaipara constituency are young people under the age of 15 years. A further 20% are aged between 15 and 34 years, and 41% aged between 35 and 64 years. 19% are of retirement age, which matches the regional average.

Ethnicity and country of origin

24% of this constituency indicate that they are Māori. The Kaipara constituency has the highest proportion of population born in New Zealand at 82%.

Employment

40% of the people aged 15 years and over who live in this constituency are engaged in full-time employment. 14% are employed on a part-time basis and 5% are unemployed. Of the people who are working, 11% are employers, which is the highest across the eight constituencies. 62% are paid employees and 19% are self-employed without employees. 7% indicate that they are unpaid family workers, which is higher only in the Hokianga-Kaikohe constituency.

Industry

Kaipara has the highest share working in primary industries at 31%, more than double the regional average. A further 10% work in manufacturing.

Educational qualifications

28% of this constituency aged 15 years and over have no educational qualifications; which is the same as Te Hiku and highest in Northland. 33% of this population have a secondary school qualification, while 18% and 7% have either a post school diploma or degree respectively.

Total household income

27% of households in the Kaipara constituency have a total income of less than \$30,000 per annum, slightly above the regional average of 25%. A further 32% of households receive a total income of between \$30,000 and \$70,000. 23% have a total income over \$70,000 per annum, the third lowest proportion in the region behind Te Hiku and Hokianga-Kaikohe.

River catchments

The Kaipara constituency includes the lower reaches of the Kaihū and major Wairoa River catchments flowing to the Kaipara Harbour, and the iconic Kai Iwi Lakes and Poutō dune lakes.

Option 1 - Split Coastal North



WHANGĀREI 36 Water Street, Private Bag 9021, Whangārei Mail Centre,
Whangārei 0148; P 09 470 1200 | F 09 470 1202

DARGAVILLE 42 Hokianga Road, Dargaville; P 439 3300 | F 09 439 3301

KAITĪAIA 192 Commerce Street, Kaitiāia; P 09 408 6600 | F 09 408 6601

ŌPUA Unit 10, Industrial Marine Park, Ōpua; P 09 402 7516 | F 09 402 7510

WAIKAPAPA Shop 9, 12 Klinac Lane, Waipapa 0295; P 09 470 1200 | F 09 470 1202

Freephone 0800 002 004 | **24/7 Environmental Hotline** 0800 504 639 | **Email** mailroom@nrc.govt.nz

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Option 2 - Do not split Coastal North



Representation Review 2018

INITIAL PROPOSAL



Option 2 - Do not split Coastal North

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Objective reference: A1046466

Option 2 - Do not split Coastal North

Introduction

The representation arrangements of a local authority are where effective democracy begins.

Northland Regional Council's last formal representation review was conducted in 2012 where significant changes were made after having the same representation arrangements for over 20 years. This resulted in the creation of our current seven constituencies represented by nine regional councillors. These changes were driven by the council's desire for a more equitable governance structure that embraced the diversity of our region and would take us forward into the future.

In the six years since the last review, Northland has performed strongly with our population and economy growing above the national average. This growth provides us with the opportunity to fine-tune how Northlanders are represented in local government by proposing changes to the number and size of some of our constituencies. This Initial Proposal provides the detail and reasoning behind these proposed changes and gives all Northlanders the opportunity to have a say before a final decision is made. Any changes made will apply to the next Northland Regional Council elections in October 2019.

The proposed changes included in this Initial Proposal are:

1. Change the boundary of the Te Hiku constituency;
2. Make the Coastal South constituency smaller;
3. Change the boundary of the Whangārei Urban constituency; and
4. Change the boundary of the Coastal Central constituency.

No changes are being proposed to the Kaipara and Hokianga-Kaikohe constituencies.

Through these proposed changes the council is seeking a forward-looking democratic structure that will support our continued drive for prosperity and equity while maintaining and protecting our unique and treasured environment. Northland will not reach its full potential if we are not fully engaged and working more closely with our communities.

Strong democratic representation at a meaningful 'community of interest' level will empower communities to serve their own needs and aspirations while also contributing to regional decision-making. Northland will not prosper unless our smaller communities prosper, and we must have a strong democratic structure to achieve this goal.

Please take the time to read this proposal – the council is very interested to hear your thoughts on the proposed changes. Council staff are available to talk to interested community groups and stakeholders about this proposal – call us on 0800 002 004 if you would like to arrange a meeting. Following the publication of this proposal, there is a one month consultation period where you can have your say on the proposed changes. A submission form is included on page 15

Please make sure your submission reaches Northland Regional Council by 4.00pm on Tuesday 24 July 2018.

INITIAL PROPOSAL

What is a representation review?

This representation review looks at how many elected members (councillors) there need to be on the Northland Regional Council, and how they can best represent you – the people of Northland.

The representation review, which is required by law¹ every six years, looks at:

- the total number of councillors to be elected;
- the number, boundaries and names of the areas (or constituencies) where councillors will be elected from;
- the number of councillors to be elected from each constituency; and
- what the names of these constituencies will be.

If the council decides to change its representation arrangements, an 'Initial Proposal' is developed that clearly outlines what the proposed changes are and the reasons for proposing them. This is followed by a one-month submission period where members of the public have the opportunity to comment on any proposed changes before a final decision is made.

The document you are reading now is Northland Regional Council's Representation Review 2018 Initial Proposal.

Any changes made as a result of this review will apply to the next Northland Regional Council election in October 2019.

What things have to be considered?

The council has to carefully consider the following three factors when deciding on an Initial Proposal for public consultation:

- Regional communities of interest;
- Effective representation; and
- Fair representation.

These three factors are described in more detail on the following pages.

¹ Local Electoral Act (LEA) 2001

Option 2 - Do not split Coastal North

Regional communities of interest

The council must ensure that the election of councillors provides effective representation of the various communities that make up the Northland region. Giving proper consideration to defining regional communities of interest is therefore a key part of the representation review process.

However, the term “community of interest” is not defined in the legislation – being the Local Electoral Act (LEA) 2001. In reality, “communities of interest” can mean different things to different people and it can (and probably has) changed over time. The council considered a range of factors when developing this proposal including:

- A sense of “community identity” and affiliations between towns and settlements;
- Similarities in demographic, socio-economic and/or ethnic characteristics;
- River catchments and distinctive topographical features;
- Land use and local history of the area;
- Similarities in economic or social activities carried out in the area; and
- Shared facilities such as schools, marae, shops and recreational facilities.

Effective representation

Once regional communities of interest have been identified, the council is required to consider the extent that these regional communities of interest are geographically distinct and warrant specific representation. We then consider how these communities can be grouped together into constituencies to achieve effective representation for the people who live there. The constituencies then make up the region and their councillors collectively are the elected members of the Northland Regional Council.

In deciding on effective representation, the council also has to consider questions in relation to accessibility, size and configuration of a constituency including:

- Would people have reasonable access to their councillors and vice versa?
- Would councillors be able to easily attend public meetings in their constituency and provide reasonable opportunities for the people who live there to have face-face meetings?
- Would the number of councillors, coupled with their relative constituencies, enable councillor workload to be shared appropriately?

However, there are also legal requirements that the council must abide by when considering effective representation. This includes that the proposed constituency boundaries must always coincide with Department of Statistics meshblock boundaries and match district council ward boundaries where possible.

Fair representation

After the council has identified proposed constituencies, the LEA 2001 requires that each councillor must represent approximately the same number of people, plus or minus 10%. Northland’s estimated population at 30 June 2017 was 175,470² and we have nine councillors.

² NZ Government Statistician.

Option 2 - Do not split Coastal North

When applying what is known as the “+/- 10% rule” to the constituencies identified in this proposal, each councillor must represent between 17,547 and 21,446 residents. The need to meet this legislative requirement has had an influence on the suggested constituency boundaries contained in this proposal.

What do we have now?

At the last representation review six years ago, the council changed the boundaries to seven constituencies represented by nine councillors as shown in the map below.

Map 1: Current constituencies

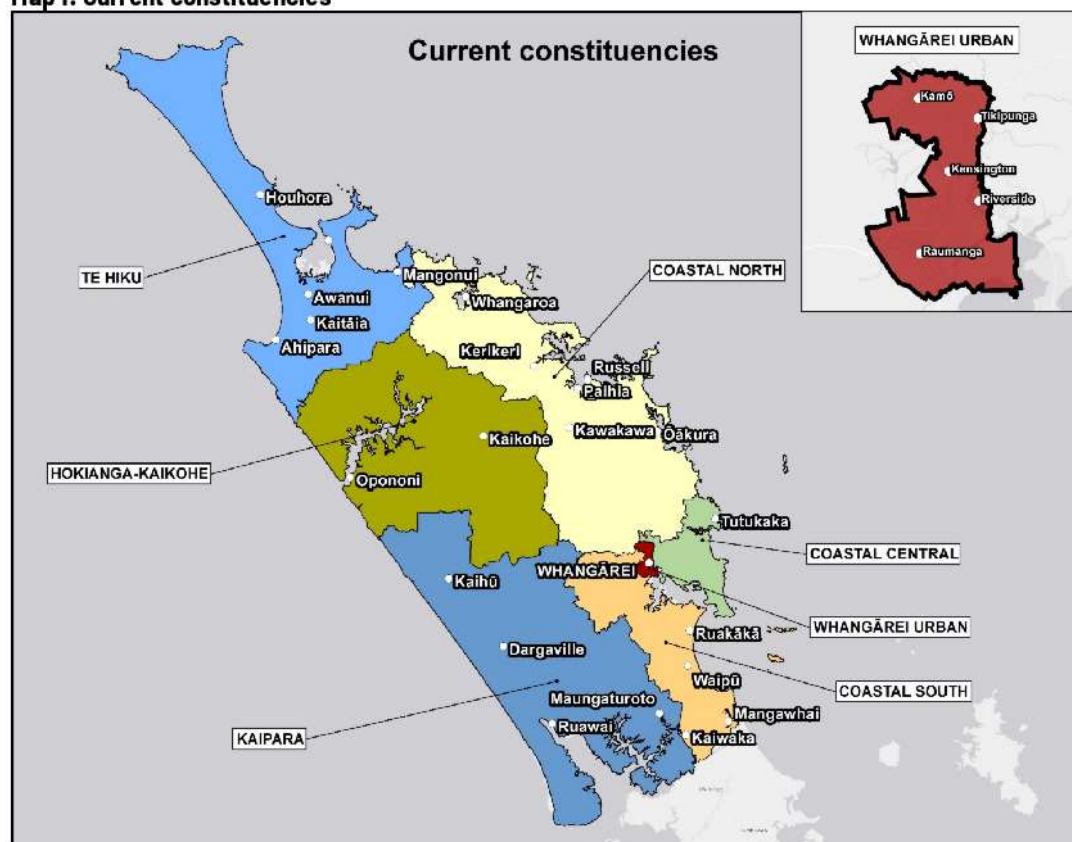


Table 1 below shows the latest 2017 population estimate for each constituency, the population growth since the last census in 2013 and the number of councillors that currently represent each constituency.

Using the latest 2017 population estimate of 175,470, current constituencies must be between 17,547 and 21,446 to meet the +/- 10% requirement. Northland Regional Council's current representation is as follows.

Option 2 - Do not split Coastal North

Table 1: Constituency population and current representation

Constituency	2017 Population estimate	Population growth since 2013 census	Number of councillors	Average per councillor	Fits +/- 10% rule
Te Hiku	19,520	14%	1	19,520	Yes
Hokianga-Kaikohe	16,120	13%	1	16,120	No
Coastal North	37,350	14%	2	18,655	Yes
Whangārei-Urban	42,040	17%	2	20,720	Yes
Coastal Central	19,390	16%	1	19,390	Yes
Coastal South	22,990	19%	1	22,980	No
Kaipara	18,060	15%	1	18,060	Yes
	175,470	15.7% average	9		

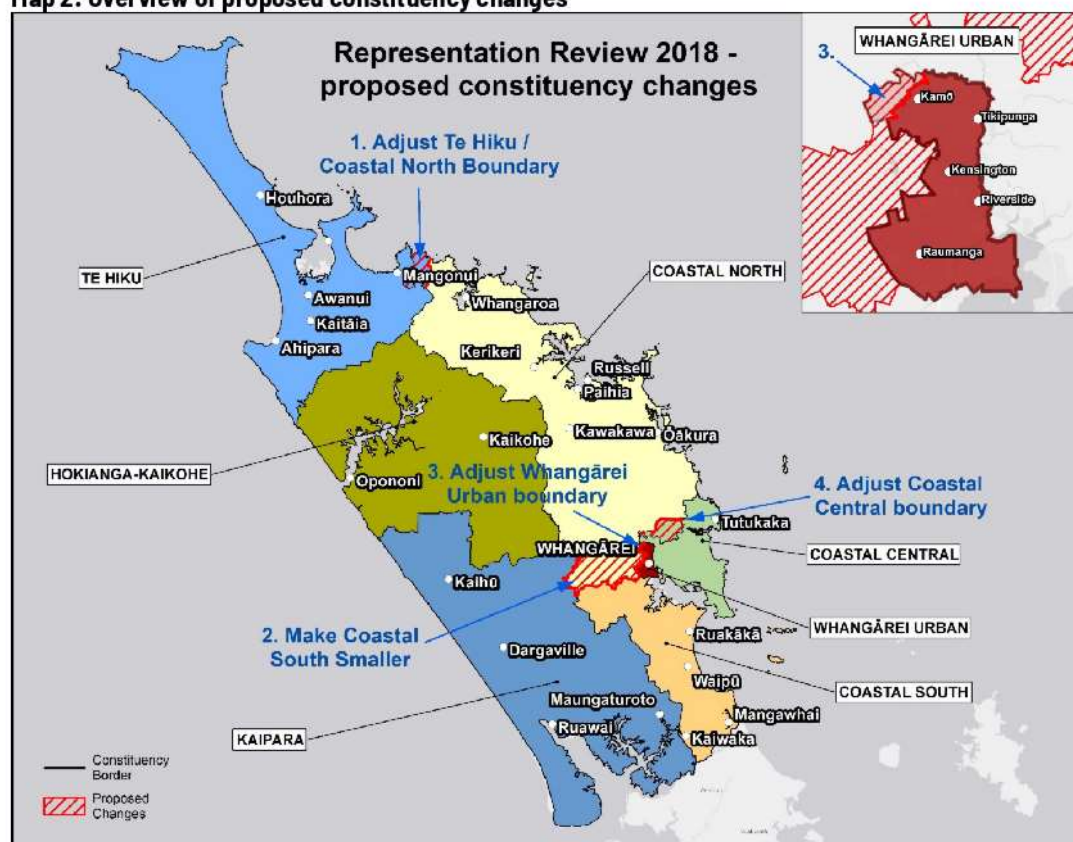
Option 2 - Do not split Coastal North

What changes are being proposed and why?

At the council meeting on 21 June 2018, the Northland Regional Council resolved to propose a number of changes to some constituency boundaries. No changes are being proposed for the total number of councillors, which will remain at nine.

An overview of all the proposed changes is illustrated below.

Map 2: Overview of proposed constituency changes



A full description and profile each proposed constituency is included in **Appendix 1**. The impact of these proposed changes in terms of fair and effective representation are explained in the following table.

Option 2 - Do not split Coastal North

Table 2: Impact of proposed changes on representation numbers

Constituency	2017 population estimate	Number of councillors	Population per councillor	Fits +/- 10% rule
Te Hiku	19,860	1	19,860	Yes
Hokianga-Kaikohe*	16,120	1	16,120	No
Coastal North	42,160	2	21,080	Yes
Whangārei Urban	41,440	2	20,720	Yes
Coastal Central	20,070	1	20,070	Yes
Coastal South	17,760	1	17,760	Yes
Kaipara	18,060	1	18,060	Yes
	175,470	9		

Using the 2017 population estimate of 175,470, the proposed constituencies must be between 17,547 and 21,446 to meet the +/-10% requirement of the LEA.

* With an estimated population of 16,120, the Hokianga-Kaikohe constituency is below the +/-10% population requirement of the LEA 2001. At the last representation review in 2012, this constituency was granted an exemption from this requirement by the Local Government Commission (LGC) on the basis of Hokianga-Kaikohe being an isolated community of interest with unique characteristics³. This constituency has a distinct demographic profile, is very sparsely populated with limited infrastructure and rugged topography. Extending boundaries to comply with the +/- 10% rule would amalgamate more communities of interest with little in common. An appeal will be made again to the LGC as part of this representation review for non-compliance with the +/- 10% rule.

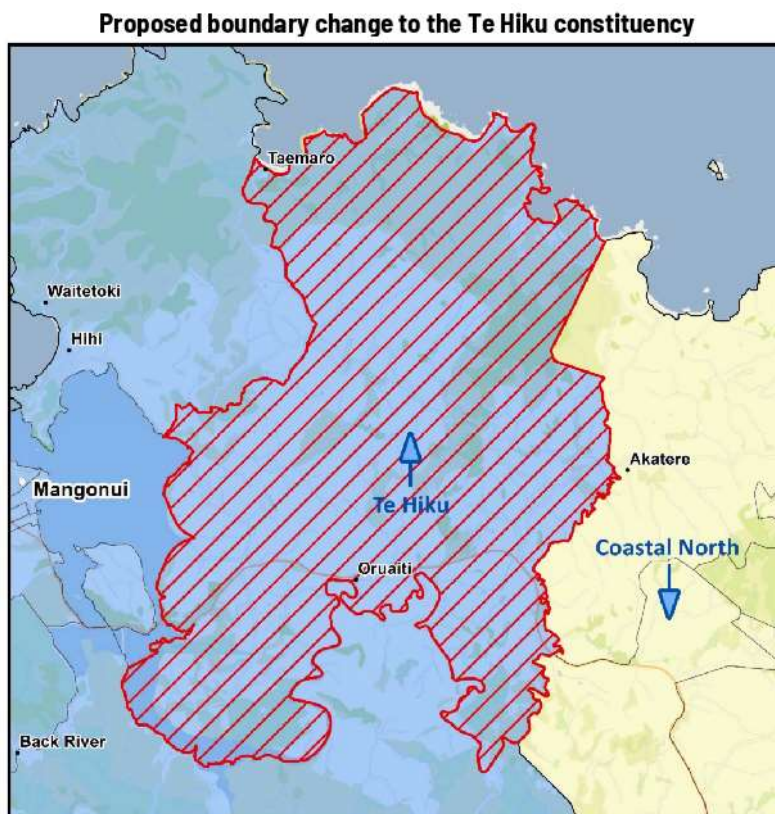
Each of the four changes shown in Map 2 is explained in detail on the following pages.

³ Local Electoral Act 2001 S19V(3)(i)

Option 2 - Do not split Coastal North

1. Proposed boundary change to the Te Hiku constituency

It is proposed to move the area marked in red below from the existing Coastal North constituency to the Te Hiku constituency.



Why make this change?

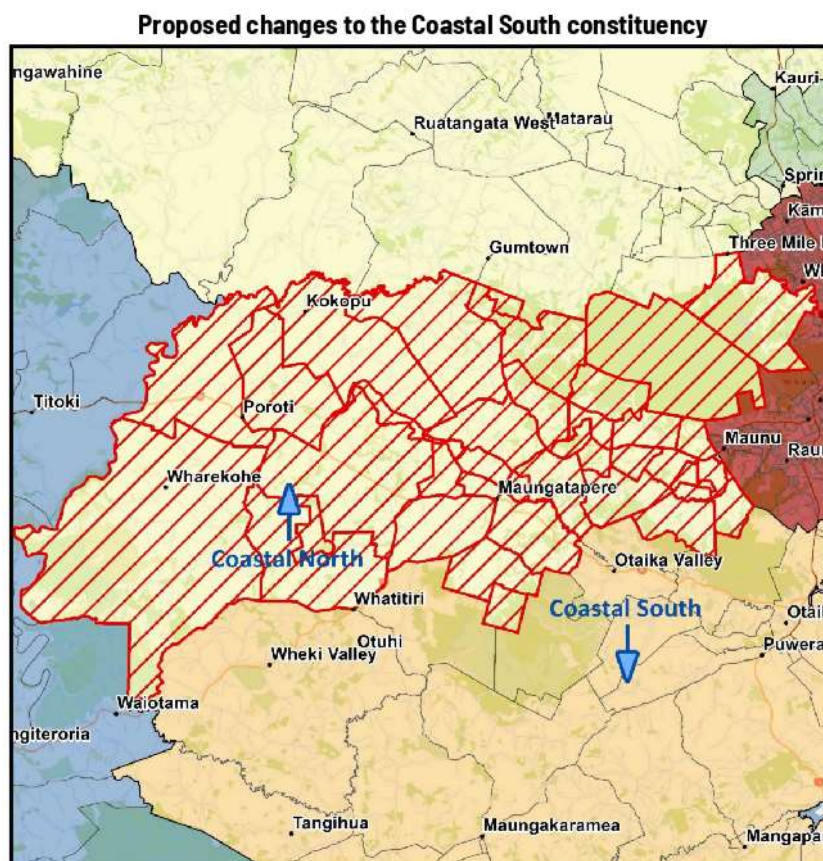
This proposed change keeps the community of interest surrounding Mangonui Harbour in the same constituency and aligns Northland Regional Council's Te Hiku constituency boundary with Far North District Council's current Te Hiku ward boundary. In addition, the population added to the Te Hiku constituency provides support to an area that is growing below the regional growth rate.

Option 2 - Do not split Coastal North

2. Make the Coastal South constituency smaller

The existing Coastal South constituency (see Map 1) includes the southern fringes of Whangārei from Toetoe moving westwards to include the settlements of Maungatapere, Kokopu, and Whatatiri, then extends down the east coast to the council's southern most boundary with Auckland Council. The Coastal South constituency is currently represented by one councillor.

It is proposed to move the current Coastal South constituency boundary southwards to match the Whangarei District Council's current Mangakahia/Maungatapere ward boundary (see map below).



This proposed change would see the areas marked in red – including the settlements of Maungatapere, Kokopu, and Whatatiri – being moved from the Coastal South constituency to the adjacent Coastal North constituency.

Why make this change?

The Coastal South constituency has experienced Northland's strongest population growth of 19%, compared to an average increase of 15.7% across the rest of the region. This large population increase has placed Coastal South above the fair representation range required by the LEA which requires each councillor to represent approximately the same number of people, +/- 10% (refer Table 1).

Option 2 - Do not split Coastal North

Council must now make the Coastal South constituency smaller in a way that meets the LEA requirements for effective and fair representation – while maintaining communities of interest. This change would reduce the Coastal South population from an estimated 22,980 to 17,760 making it within the +/-10% range required for fair representation. The LEA also states that where “practicable”, regional council constituency boundaries match district council ward boundaries.

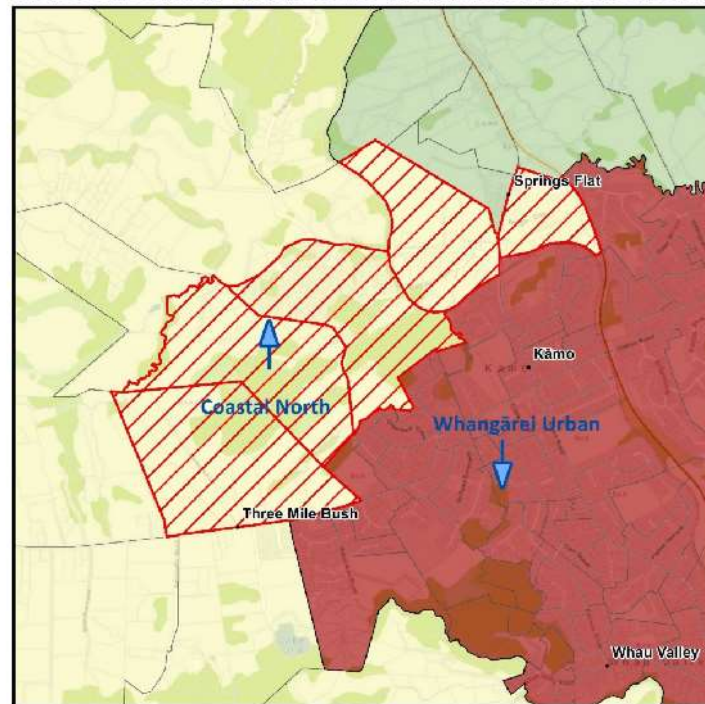
A further benefit is that it is expected that Coastal South will remain Northland’s fastest growing constituency as population continues to drift northwards in the future. Making this boundary adjustment now will likely “future-proof” the Coastal South constituency past the next representation review in 2024. This change also matches an existing district council ward boundary and maintains the communities of interest of the settlements affected.

Option 2 - Do not split Coastal North

3. Proposed boundary change to the Whangārei Urban constituency

The existing Whangārei Urban constituency (see Map 1) includes the residential suburbs of Whangārei City and is currently represented by two councillors. It is proposed to move the five areas outlined with red borders below – from Three Mile Bush to Springs Flat – from the Whangārei Urban constituency to the Coastal North constituency.

Proposed boundary change to the Whangārei Urban constituency



Why makes these changes?

The Whangārei Urban constituency's population growth of 17% is above the average regional growth rate and that trend is expected to continue in the future. This constituency is already very close to the upper fair representation range of +/- 10%. For these reasons, it is proposed to reduce Whangārei Urban's population by moving the five areas outlined in red above from the Whangārei Urban constituency to the Coastal North constituency.

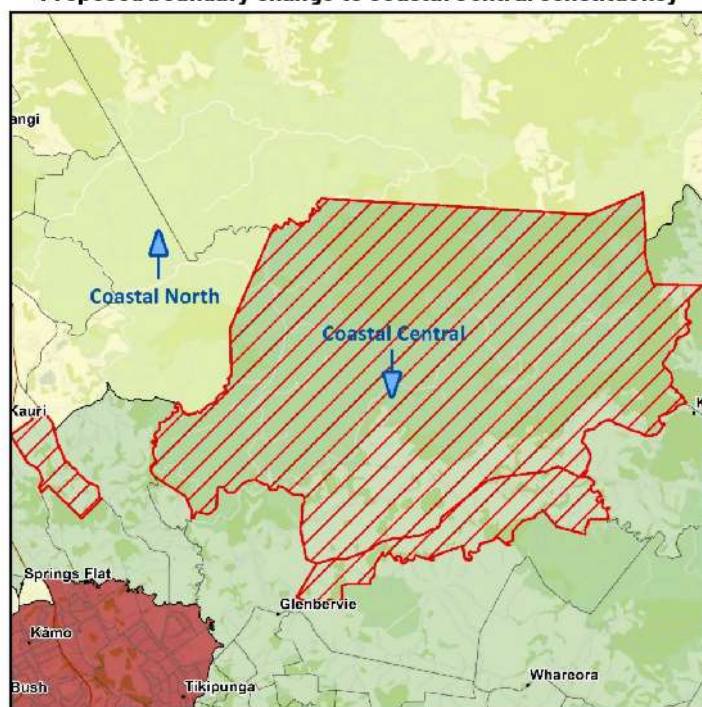
This change also reflects a better match in terms of communities of interest as the affected areas are largely semi-rural/lifestyle properties more closely matching the demographic profile of the Coastal North constituency, rather than the residential/urban profile that characterises the Whangārei Urban constituency. The proposed change also has the added advantage of helping to future-proof the Whangārei Urban constituency by providing some extra room for future growth within the confines of the LEA +/- 10% rule.

Option 2 - Do not split Coastal North

4. Proposed boundary change to Coastal Central constituency

The existing Coastal Central constituency (see Map 1) includes the area adjacent to the northern boundary of Whangārei Urban and extends north to Woolley's Bay and south to Ocean Beach. It is currently represented by one councillor. It is proposed to move the three green areas bordered by red below from the Coastal North constituency to the Coastal Central constituency.

Proposed boundary change to Coastal Central constituency



Why make these changes?

These changes assist with future-proofing constituencies in line with projected future population growth, provide more even representation of people per councillor, partly aligns with Whangārei District Council's current Whangārei Heads ward boundary, and ensures that neighbouring areas are within the same constituency wherever possible.

Option 2 - Do not split Coastal North

What happens next?

You, the community, now have the opportunity to comment on this proposal before any final decisions are made. Following is a summary of what happens in the representation review process.

1. Submission period – 23 June to 24 July 2018

Public notice will be made on 23 June, followed by a one-month public submission period.

2. Hearings – 31 July and 1 August 2018 (and 30 July if required)

The council will consider all submissions and hearings will be held for those who wish to present their submission in person to the council.

3. Final Proposal – Mid August 2018

Following consideration of submissions, changes may be made. A Final Proposal will then be considered and adopted by the council on 21 August 2018.

4. Objection/Appeal period – 25 August to 26 September 2018

Public notice of the Final Proposal will be made on 25 August 2018. There will be a one-month objection/appeal period, where any member of the public can make a formal objection, or an earlier submitter may appeal the Final Proposal.

5. Local Government Commission

The Local Government Commission will make the final determination on how Northland will be represented. Any formal objections or appeals received will form part of the information sent to the Local Government Commission for consideration.

6. Determination by Local Government Commission – by 10 April 2019

The Local Government Commission is required to make its final decision on Northland's representation (called a determination) by 10 April 2019. The determination is final other than an appeal to the High Court on a point of law. Any appeal must be lodged within one month of the Local Government Commission determination.

7. Local Authority Elections – 12 October 2019

The 2019 Northland Regional Council elections will be based on the representation arrangements arrived at during the above process.

Option 2 - Do not split Coastal North

Have your say – make a submission

Tell us what you think of the proposed changes to Northland's constituencies to more effectively represent our region's communities on the Northland Regional Council.

It's important that you have your say because it's your chance to influence the way that Northland is governed – both now and in the future. The more people who have their say, the more chance that we get a representation system that delivers real benefits to the people who live in this very special part of New Zealand – Northland.

Please note that all submissions received will be publicly available and any submissions heard by council will be open to the public.

You'll find a submission form on the following pages.

Representation Review 2018 – Initial Proposal Submission form



The closing date for submissions is 4pm Tuesday, 24 July 2018

Giving your feedback

We encourage online feedback, as it helps keep costs down: www.nrc.govt.nz/RepReview

Otherwise, complete this form and return it by:

- Mail: Northland Regional Council, Private Bag 9021, Whangārei Mail Centre, Whangārei 0148
- Email: submissions@nrc.govt.nz
- Delivery: to our main office at 36 Water Street, Whangārei; or to any of our regional offices

IMPORTANT NOTES:

- The questions in this feedback form are designed to be read in conjunction with the Representation Review 2018 – Initial Proposal document.
- To assist us in determining our final representation arrangements and the make-up of the constituencies, you can make a submission on:
 1. The number of constituencies;
 2. Where the boundaries should be;
 3. The names of those constituencies; and
 4. The number of councillors.(remembering the population criteria and ratios required by law)

Your name and contact details

Full name:

Organisation (if giving feedback on behalf):

Mailing address:

Email:

Phone/Mobile:

Please tell us how you found out about this consultation

- | | |
|---|---|
| <input type="checkbox"/> Community Group | <input type="checkbox"/> Newspaper |
| <input type="checkbox"/> Twitter / Facebook | <input type="checkbox"/> Word of mouth |
| <input type="checkbox"/> Email invite from us | <input type="checkbox"/> Website alerts service |
| <input type="checkbox"/> Letter from us | <input type="checkbox"/> Other |

Please tell us any other ways you found out about this consultation:

Support	
I SUPPORT the council's proposed representation arrangements for the 2019 elections because...	Please comment:

Oppose	
I OPPOSE the council's proposed representation arrangements for the 2019 elections because...	Please comment:

Alternative	
As an ALTERNATIVE, I propose...	Please comment:

Option 2 – Do not split Coastal North

Hearings

You are welcome to speak to the hearings panel at a Hearings meeting about your submission. The Hearings meeting is scheduled for 31 July – 1 August 2018. Please indicate if you wish to present your submission in person to the hearing panel:

- ☐ Yes, I do wish to be heard in support of my submission
☐ No, I do not wish to be heard in support of my submission

For more information on any of the questions above, please see our Representation Review 2018 – Initial Proposal document and other useful documents at www.nrc.govt/RepReview

If you have more to say, feel free to attach more pages to this feedback form.

Your signature

You don't need to sign this submission form if sent electronically.

Signature:

Date:

Privacy statement:

Please be aware when providing personal information that all submissions are part of a public consultation process. As such, information provided will be made publicly available, including submitters' names and addresses.

Option 2 - Do not split Coastal North

Appendix 1 – Proposed constituencies

SOURCE: Constituency boundaries and population numbers have been calculated using the Government Statistician population estimates as at 30 June 2017.

The following constituency profiles have been developed using 2013 Census information and have been amalgamated to the closest Area Unit for each of the proposed constituencies

When reviewing the constituencies created in the last representation review in 2012, the council has assessed the demographic profiles of the various communities that make up Northland.

By applying the principles of regional communities of interest and effective representation outlined earlier in this representation review proposal, the following profiles outline:

- The proposed number of constituencies;
- The proposed name and proposed boundaries of each constituency;
- The description of each proposed constituency; and
- The number of members proposed to be elected by the electors of each constituency.

The proposed Northland Regional Council constituencies are:

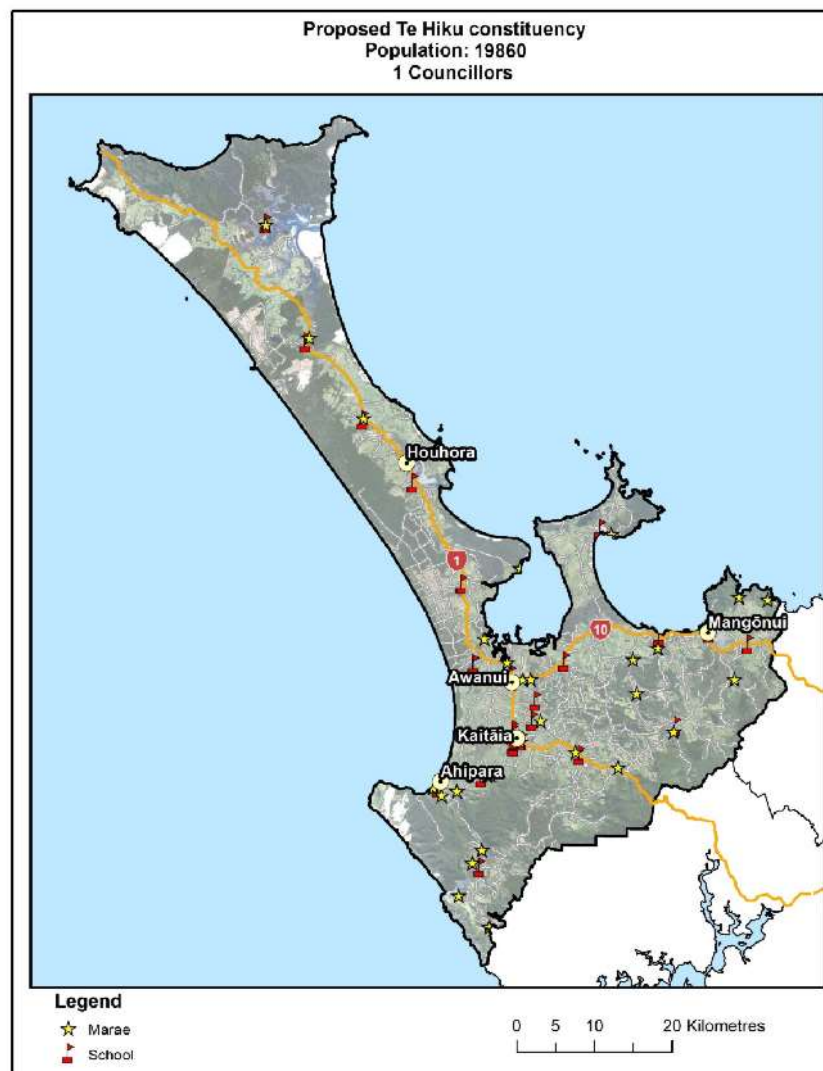
- Te Hiku;
- Hokianga-Kaikohe;
- Coastal North;
- Whangārei Urban;
- Coastal Central;
- Coastal South; and
- Kaipara.

Any changes made to Northland Regional Council constituencies will apply to the next local government elections in October 2019.

Option 2 - Do not split Coastal North

Te Hiku consitituency

The proposed Te Hiku constituency extends on the west coast from near the northern side of the Whāngāpē Harbour northwards to Cape Rēinga. On the east coast it includes the Karikari Peninsula and south to Taipā, Mangonui Harbour, Hihi and Taemaro. Moving inland it includes the settlements of Oruaiti, Kenana, Fern Flat, Mangataiore, and Takahue. The proposed constituency includes the towns of Kaitiāia, Ahipara, Awanui and Mangonui. Refer to the constituency map below for more detail.



It is proposed that one councillor would be elected from the Te Hiku constituency.

Option 2 - Do not split Coastal North

Te Hiku profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

41% of the people who live in the proposed Te Hiku constituency are aged between 35 and 64 years. The next largest age group is young people aged under 15 years, who make up 23% of the population. This is the second highest percentage in the region in the under 15 years age group after the Hokianga-Kaikōhe constituency. 19% are aged between 15 and 34 years, and 18% of Te Hiku residents are of retirement age.

Ethnicity and country of origin

43% of Te Hiku residents identify themselves as Māori, which is the second highest after the neighbouring constituency of Hokianga-Kaikōhe. 10% of the people who live in Te Hiku were born in a country other than New Zealand.

Employment

34% of this constituency aged 15 years and over are engaged in full-time employment and 13% are employed on a part-time basis. 7% are unemployed which is the second highest rate after Hokianga-Kaikōhe. Of the people who are working, the majority (67%) are paid employees, 17% are self-employed with no other employees and 7% are employers themselves. 6% indicate that they are an unpaid family worker, which is the third highest in the region after the Hokianga-Kaikōhe and Kaipara constituencies.

Industry

Of the people employed in this constituency, 16% are employed in primary industries, 6% in manufacturing industries and 70% in all other industries.

Educational qualifications

28% of this constituency aged 15 years and over have no educational qualifications; this is the same rate as for the Kaipara constituency and highest in the region. A further 28% of this population have a secondary school qualification while 17% and 8% have either a post-school diploma or degree respectively.

Total household income

29% of households in the Te Hiku constituency have a total income of less than \$30,000 per annum; only Hokianga-Kaikōhe has a higher proportion of households (30%) in this income bracket. A further 28% of households receive a total income of between \$30,000 and \$70,000. 20% have a household income of over \$70,000, which is the second lowest in the region after the Hokianga-Kaikōhe constituency.

River catchments

The Te Hiku constituency includes all catchments north of the Mangamuka / Herekino ranges, including those of Pārengarenga, Houhora, Rangaunu, Mangōnui and Herekino Harbours, plus the economically important Aupouri aquifers. The area contains the major Awanui River catchment including the Awanui/Kaitiāia flood management scheme.

Hokianga-Kaikohe constituency

[illegible]

22

Option 2 - Do not split Coastal North

Hokianga-Kaikohe profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

This constituency has the highest proportion of young people aged under 15 years in the region; making up 25% of its population. 40% of the people who live in the Hokianga-Kaikohe constituency are aged between 35 and 64 years. 15% of Hokianga-Kaikohe residents are of retirement age, which is the lowest proportion in the region.

Ethnicity and country of origin

56% of Hokianga-Kaikohe residents identify themselves as Māori, which is the highest of all the constituencies in Northland. 7% were born overseas which is the lowest rate in the region, and approximately half the regional average of 14%.

Employment

31% of this constituency aged 15 years and over are engaged in full-time employment and 12% are employed on a part-time basis. 8% are unemployed; which is the highest in the region. Of the people who are working, 64% are paid employees, 16% are self-employed with no employees and 6% are employers themselves. 9% indicate that they are an unpaid family worker, which is the highest in the region and seven times the percentage found in the Whangārei Urban constituency.

Industry

Of people employed in this constituency, 21% are employed in primary industries, 4% in manufacturing industries and 64% in all other industries.

Educational qualifications

27% of this constituency aged 15 years and over have no educational qualifications. 27% have attained a secondary school qualification, 16% a post-school diploma; both of which are the lowest in the region. 7% have a degree or higher.

Total household income

30% of households in the Hokianga-Kaikohe constituency have a total income of less than \$30,000 per annum; the highest proportion of any of the seven communities. A further 26% receive a total income of between \$30,000 and \$70,000. Only 16% have a total income of over \$70,000 per annum, which is lowest proportion across all the constituencies.

River catchments

The Hokianga-Kaikohe constituency includes the catchment of the Hokianga Harbour including Lake Ōmāpere, as well as the Waipoua River, the upper Kaihū and Opouteke Rivers.

Coastal North constituency

Proposed Coastal North constituency
Population: 42160
2 Councillors

The map displays the geographical layout of the Proposed Coastal North constituency. It includes the following towns and locations: Mangonui, Whangaroa, Kerikeri, Russell, Pahiā, Kawakawa, Kalkohe, Oākura, Tutukaka, Ngunguru, Glenbervie, and WHANGĀREI. Major roads are shown with route numbers: 1, 10, 11, 12, 15, and 16. The map also indicates the locations of Marae (marked with yellow stars) and Schools (marked with red flags). A legend at the bottom left defines these symbols. A scale bar at the bottom right shows distances of 0, 5, 10, and 20 Kilometres.

Legend

- ★ Marae
- 🚩 School

0 5 10 20 Kilometres

24

Option 2 - Do not split Coastal North

Coastal North profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

In the Coastal North constituency, young people aged under 15 years make up 21% of its population. A further 18% of residents are aged between 15–34 years and 18% are of retirement age.

Ethnicity and country of origin

25% of Coastal North residents identify themselves as Māori. 18% were born overseas which is the second highest proportion after Coastal Central.

Employment

41% of this constituency aged 15 years and over are engaged in full-time employment and 15% are employed on a part-time basis (the latter being the highest in the region). 5% are unemployed. Of the people who are working, 64% are paid employees, 19% are self-employed with no employees and 10% are employers themselves.

Industry

Of people employed in this constituency, 14% are employed in primary industries, 7% in manufacturing industries and 74% in all other industries.

Educational qualifications

20% of this constituency aged 15 years and over have no educational qualifications. 33% have attained a secondary school qualification; while 22% and 12% have either a post-school diploma or degree respectively.

Total household income

22% of households in the Coastal North constituency have a total income of less than \$30,000 per annum. 30% receive a total income of between \$30,000 and \$70,000 and a further 30% have a total income of over \$70,000 per annum.

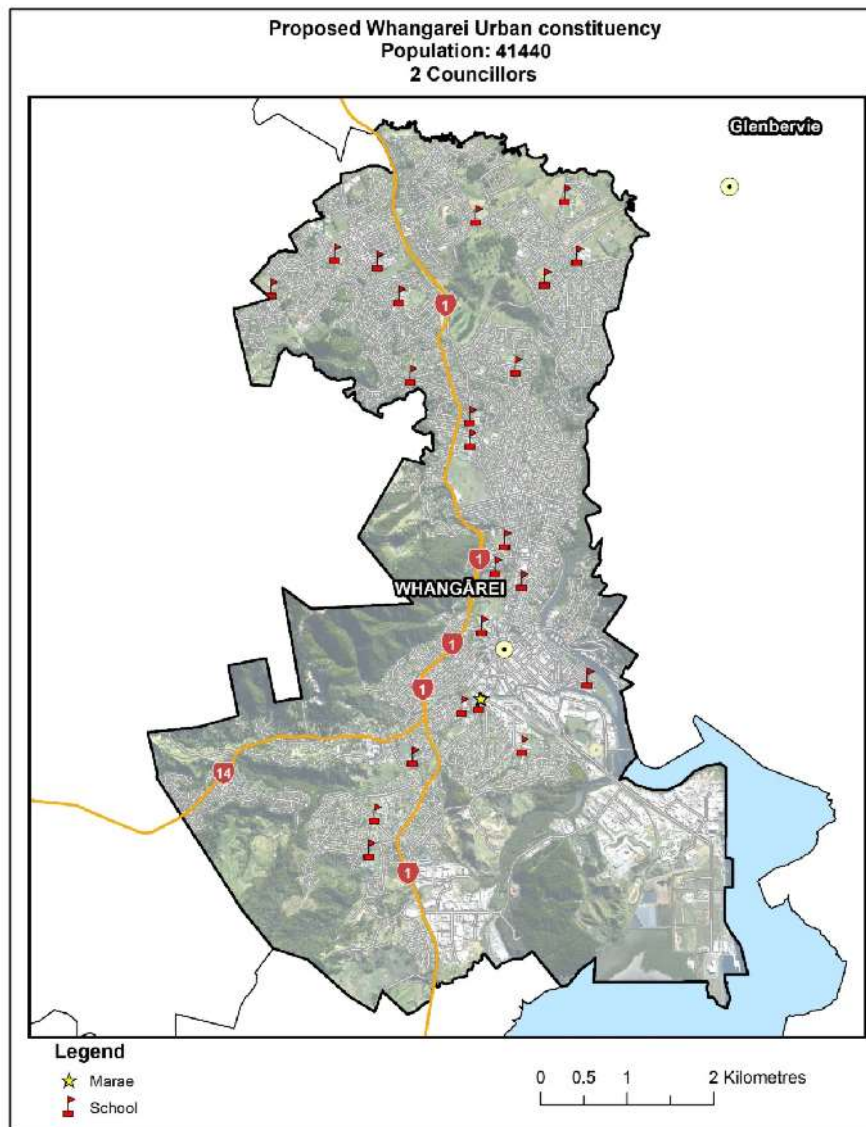
River catchments

The Coastal North constituency includes the catchments of the north-east and central east coast including the Whangaroa Harbour, the Bay of Islands and the major Kaeo, Rangitāne, Waipū and Kerikeri River catchments. It also includes the Waitangi and Kawakawa rivers, the catchments flowing east of the eastern ranges and the west flowing Wairua river catchment including the Hikurangi swamp.

Option 2 - Do not split Coastal North

Whangārei Urban constituency

The proposed Whangārei Urban constituency includes the northern Whangārei suburbs of Kamō, Whau Valley, Tikipunga and Otangarei. It extends through Kensington to Riverside and westwards to Woodhill through to Maunu ending before Barge Park. The southern border of this constituency is just north of Toetoe Road and it also includes the area known as Port Whangārei. Refer to the constituency map below for more detail.



It is proposed that two councillors would be elected from the Whangārei Urban constituency.

Option 2 - Do not split Coastal North

Whangārei Urban profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

This constituency has the highest proportion of people aged between 15 and 34 years; making up 23% of its population. 20% of Whangārei residents are of retirement age; which is the same as Coastal South and also the highest proportion in the region.

Ethnicity and country of origin

29% of this constituency identify themselves as Māori and 15% indicate that they were born overseas; both of which are about average for the region.

Employment

37% of the people aged 15 years and over who live in this constituency are engaged in full-time employment and 12% are employed on a part-time basis. 6% are unemployed. Of the people who are working, 82% are paid employees, which is the highest across the seven constituencies. Only 5% are employers themselves and 9% are self-employed with no employees; both being the lowest rates in the region. Only 1% indicated they are unpaid family workers; which is lowest across the seven constituencies.

Industry

Whangārei Urban has the lowest proportion of its population working in primary industries (3%). A further 9% are employed in manufacturing industries and 84% in all other industries.

Educational qualifications

24% of this constituency aged 15 years and over have no educational qualifications. 30% of this population have a secondary school qualification, while 20% and 11% have either a post school diploma or degree respectively; all of which are about average for the region.

Total household income

The breakdown of total household income in the Whangārei Urban constituency is close to the regional average. In detail, 27% of households in the Whangārei Urban constituency have a total income of less than \$30,000 per annum. A further 30% of households receive total income of between \$30,000 and \$70,000 per annum, and 25% have a total income of over \$70,000 per annum.

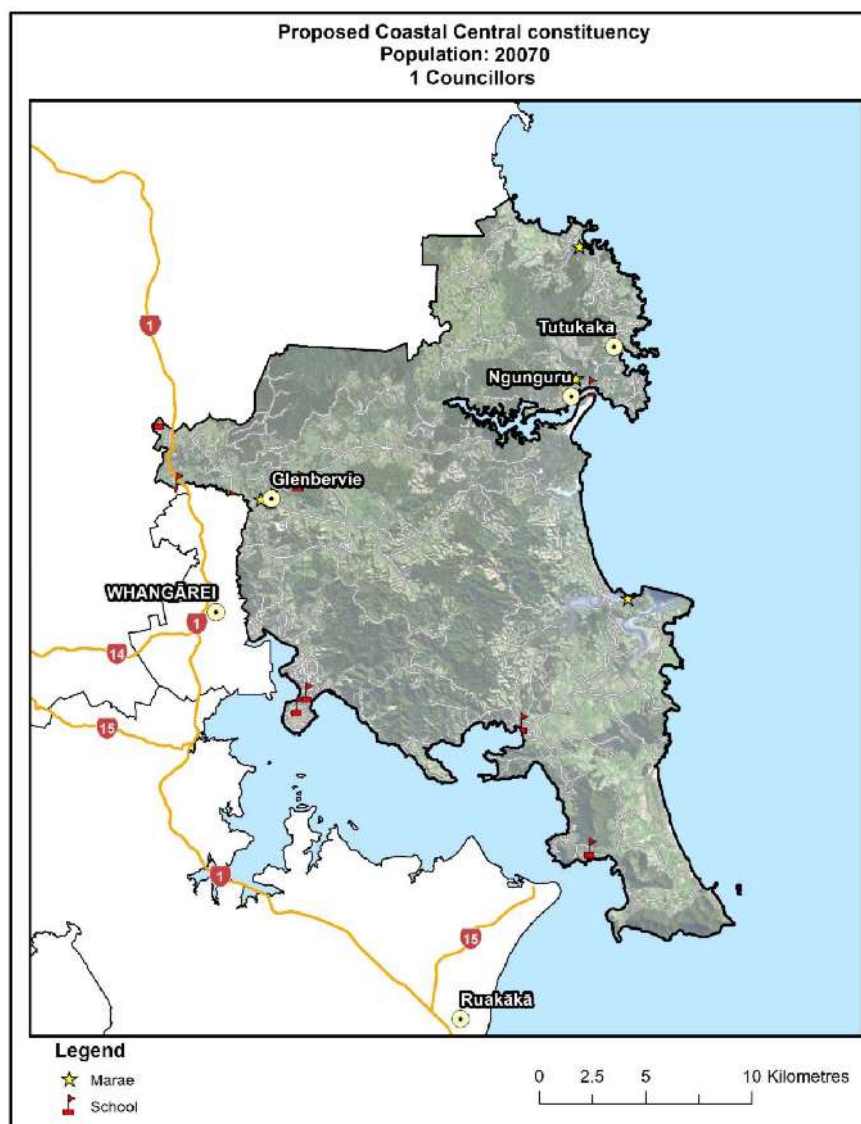
River catchments.

The Whangārei Urban constituency includes the Whangārei city central urban catchments flowing to the upper Whangārei Harbour.

Option 2 - Do not split Coastal North

Coastal Central constituency

The proposed Coastal Central constituency includes the area north of the Whangārei Urban constituency, east to Glenbervie and further south adjacent to Riverside and extending to Onerahi. The boundary then follows the northern side of Whangārei Harbour out to the east coast. It includes Ocean Beach, and extends north to include Pataua, and the Tutukaka Coast settlements of Ngunguru, Tutukaka, Matapouri, Woolleys Bay and Sandy Bay. Refer to the constituency map below for more detail.



It is proposed that one councillor would be elected from the Coastal Central constituency.

Option 2 - Do not split Coastal North

Coastal Central profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

The Coastal Central constituency has the highest proportion of population aged between 35 and 64 years old; being 44%. A further 21% are young people under the age of 15 years. 18% of residents are of retirement age which is about average over the region.

Ethnicity and country of origin

18% of this constituency identify themselves as Māori which is the second lowest in the region behind Coastal South. 18% indicate that they were born overseas, the highest proportion in the region.

Employment

The Coastal Central constituency has the highest proportion of persons aged 15 years and over engaged in full-time employment (43%) with a further 14% employed on a part-time basis. 5% are unemployed. Of the people who are working, 72% are paid employees, 16% self-employed with no employees and 8% are employers themselves. Only 3% indicate that they are unpaid family workers, the second lowest behind Whangārei Urban.

Industry

Coastal Central has the second lowest share of people employed in primary industries behind Whangārei Urban; being 5%. A further 9% work in manufacturing industries and 82% in all other industries.

Educational qualifications

18% of this constituency aged 15 years and over have no educational qualifications, which is the lowest proportion of the seven constituencies. 31% of this population have a secondary school qualification and 24% have a post school diploma or certificate. 15% hold a degree qualification or higher, which is the highest in the region.

Total household income

21% of households in the Coastal Central constituency have a total income of less than \$30,000 per annum; which is the lowest in the region. A further 30% of households receive a total income of between \$30,000 and \$70,000. 33% have a total income of over \$70,000, which is the highest in region.

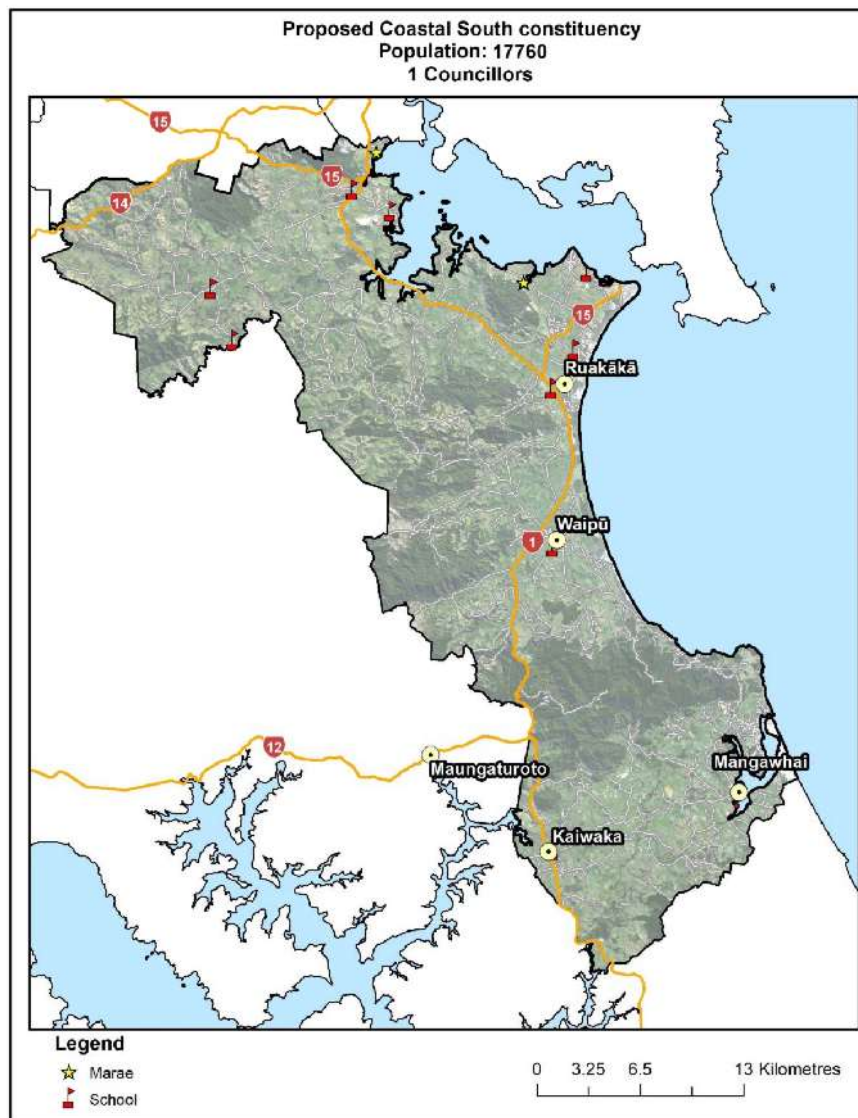
River catchments

The Coastal Central constituency comprises the north east side of the Whangārei Harbour catchments including the rural Hātea River and the catchments of the Pataua and Horahora estuaries.

Option 2 - Do not split Coastal North

Coastal South constituency

The proposed Coastal South constituency includes the southern fringes of Whangārei from Toetoe extending westwards to the Otaika Valley, Otuhi, Tangihua and Maungakaramea. It extends south to include the settlements of Waipū, Brynderwyn and Kaiwaka before extending eastwards to just south of Mangawhai Heads. This constituency also includes the towns of Mangawhai, Kaiwaka and Ruakākā. Refer to the constituency map below for more detail.



It is proposed that one councillor would be elected from the Coastal South constituency.

Option 2 - Do not split Coastal North

Coastal South profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

The Coastal South constituency has the lowest proportion of its population under the age of 15 years and in the 15 to 34 age bracket; being 20 and 18% respectively. On the other hand 20 % of residents are of retirement age which is the same as Whangārei Urban and the highest proportion in the region.

Ethnicity and country of origin

18% of this constituency identify themselves as Māori which is the lowest in region. 16% indicate that they were born overseas.

Employment

The Coastal South constituency has 42% of persons aged 15 years and over engaged in full-time employment with a further 14% employed on a part-time basis. This constituency has the lowest rate of unemployment at 4%. Of the people who are working, 21% are self-employed with no employees; which is the highest in the region. Only 4% indicate that they are unpaid family workers.

Industry

Of the people employed in this constituency, 13% are employed in primary industries which is about average for the region. A further 12% work in manufacturing industries (the highest across the seven constituencies).

Educational qualifications

22% of this constituency aged 15 years and over have no educational qualifications. 33% of this population have a secondary school qualification while 24% have a post school diploma or certificate, both of which are the highest rates in the region. 11% hold a degree qualification or higher.

Total household income

24% of households in the Coastal Central constituency have a total income of less than \$30,000 per annum. A further 32% of households receive a total income of between \$30,000 and \$70,000. 30% have a total income of over \$70,000.

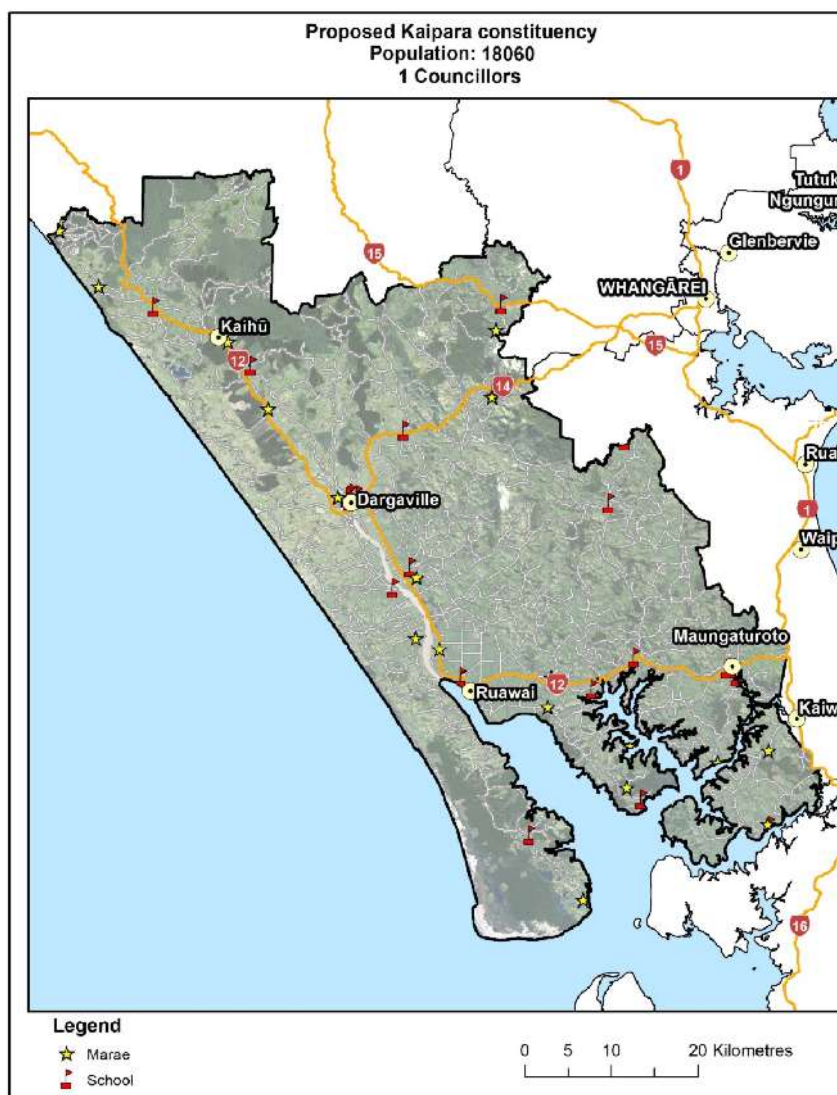
River Catchments

The proposed Coastal South constituency includes the south Whangārei Harbour catchments and the catchments flowing east from the divide to Bream Bay and Mangawhai Harbour, including the Ruakākā and Waipū River catchments.

Option 2 - Do not split Coastal North

Kaipara constituency

The proposed Kaipara constituency includes Poutō Peninsula and the northern area of the Kaipara Harbour and extends northwards to meet the Far North District Council boundary at Waipoua Forest. It extends eastwards to include Waimatenui, Kaihu, Titoki and southwards to include the settlements of Waiotama, Omana, Parahaka and south to Maungaturoto. This constituency also includes the towns of Ruāwai and Dargaville. Refer to the constituency map below for more detail.



It is proposed that one councillor would be elected from the Kaipara constituency.

Option 2 - Do not split Coastal North

Kaipara profile

Following is a profile outlining some of the distinguishing features of this constituency – differentiating this regional community of interest from others in Northland.

Age of residents

21% of the people who live in the Kaipara constituency are young people under the age of 15 years. A further 20% are aged between 15 and 34 years, and 41% aged between 35 and 64 years. 19% are of retirement age, which matches the regional average.

Ethnicity and country of origin

24% of this constituency indicate that they are Māori. The Kaipara constituency has the highest proportion of population born in New Zealand at 82%.

Employment

40% of the people aged 15 years and over who live in this constituency are engaged in full-time employment. 14% are employed on a part-time basis and 5% are unemployed. Of the people who are working, 11% are employers; which is the highest across the seven constituencies. 62% are paid employees and 19% are self-employed without employees. 7% indicate that they are unpaid family workers, which is higher only in the Hokianga-Kaikōhe constituency.

Industry

Kaipara has the highest share working in primary industries at 31% and more than double the regional average. A further 10% work in manufacturing.

Educational qualifications

28% of this constituency aged 15 years and over have no educational qualifications; which is the same as Te Hiku and highest in Northland. 33% of this population have a secondary school qualification, while 18% and 7% have either a post school diploma or degree respectively.

Total household income

27% of households in the Kaipara constituency have a total income of less than \$30,000 per annum, slightly above the regional average of 25%. A further 32% of households receive a total income of between \$30,000 and \$70,000. 23% have a total income over \$70,000 per annum, the third lowest proportion in the region behind Te Hiku and Hokianga-Kaikōhe.

River catchments

The Kaipara constituency includes the lower reaches of the Kaihū and major Wairoa River catchments flowing to the Kaipara Harbour, and the iconic Kai Iwi Lakes and Poutō dune lakes.

Option 2 - Do not split Coastal North



WHANGĀREI 36 Water Street, Private Bag 9021, Whangārei Mail Centre,
Whangārei 0148; P 09 470 1200 | F 09 470 1202

DARGAVILLE 42 Hokiangā Road, Dargaville; P 439 3300 | F 09 439 3301

KAITĪĀIA 192 Commerce Street, Kaitiaki; P 09 408 6600 | F 09 408 6601

ŌPUA Unit 10, Industrial Marine Park, Ōpua; P 09 402 7516 | F 09 402 7510

WAIKAPAPA Shop 9, 12 Kline Lane, Waipapa 0295; P 09 470 1200 | F 09 470 1202

Freephone 0800 002 004 | **24/7 Environmental Hotline** 0800 504 639 | **Email** mailroom@nrc.govt.nz

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TITLE: **Adoption of the Long Term Plan 2018-2028, Revenue and Financing Policy, Financial Contributions Policy, Significance and Engagement Policy, Financial Strategy and Infrastructure Strategy**

ID: A1069493

From: Malcolm Nicolson, Chief Executive Officer

Executive summary

The purpose of this report is to present the final Long Term Plan 2018–2028 (LTP) for adoption, and provide background information on the revisions made to the plan as a result of deliberations.

Deliberations on the LTP proposals were held on 16 May 2018 following a month long period of extensive public consultation. Staff made 118 recommendations for council to consider, and the final plan has been prepared in accordance with council resolutions resulting from these deliberations.

Following council adoption of the LTP, the final document will be published and made available on council's website, with hard copies made available at all council offices around the region. Submitters will be contacted to inform them that final decisions have been made, directing them to a summary of decisions, and to the final document itself.

Recommendations

1. That the report 'Adoption of the Long Term Plan 2018-2028, Revenue and Financing Policy, Financial Contributions Policy, Significance and Engagement Policy, Financial Strategy and Infrastructure Strategy' by Malcolm Nicolson, Chief Executive Officer and dated 23 May 2018, be received.
2. That having undertaken consultation in accordance with sections 82 and 82A by way of the Special Consultative Procedure in accordance with section 87, and pursuant to section 76AA of the Local Government Act 2002, the council adopt the Significance and Engagement Policy (as included in the final draft Long Term Plan 2018–2028, attached under separate cover).
3. That in accordance with the requirements of sections 101A and 101B of the Local Government Act 2002, the council adopts the Financial Strategy and Infrastructure Strategy as included in the final draft Long Term Plan 2018–2028 (attached under separate cover).
4. That, having undertaken consultation in accordance with the Special Consultative Procedure, and pursuant to section 93 of the Local Government Act 2002, the council adopts as its Long Term Plan 2018–2028 the final draft Long Term Plan 2018-2028 (attached under separate cover).
5. That having undertaken consultation in accordance with sections 82 and 82A, and pursuant to section 102 of the Local Government Act 2002, the council adopt the following policies (as included in the final draft Long Term Plan 2018–2028, attached under separate cover):
 - a. Revenue and Financing Policy; and
 - b. Financial Contributions Policy.

6. That council delegate to the Group Manager – Governance and Engagement the authority to approve any minor accuracy, grammatical, typographical or formatting amendments to the Long Term Plan 2018–2028 prior to it being published.
-

Background

Deliberations on the Long Term Plan 2018–2028 (LTP) proposals were held on 16 May 2018. Staff made 118 recommendations to council, the majority of which were in line with council's preferred options as consulted. However, where public feedback indicated that council should 'do more', recommendations were provided with options for further work.

Council resolved to proceed with all staff recommendations presented during deliberations with the exception of four that council made amendments to, one that was lost, and with one additional recommendation made and carried. A brief summary of decisions is set out later in this report.

Council consulted on three key policies concurrently with the long term plan consultation, with these policies included in the final LTP document:

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

During deliberations a change was made to the wording of the Significance and Engagement Policy, to require that council consult with the community if any existing region-wide targeted rate is proposed to be increased by more than 2%. These policies are included for adoption in this agenda item.

An additional recommendation was also made during deliberations that clarified allocations to be made to the Investment and Growth Reserve.

Since deliberations, staff have revised the content of the LTP, including text and financial statements, to reflect the decisions made by council and to reflect most recent rating information from the district councils. This included alterations to the Financial Strategy and Infrastructure Strategy, including additional wording in the Financial Strategy on the Investment and Growth Reserve, and the inclusion of the Flood Infrastructure Rate criteria in the Infrastructure Strategy.

Council's auditors (Deloitte) have conducted a final audit of the long term plan process and have issued an opinion in advance, with the final opinion to be issued after council adoption of the plan. Deloitte has indicated that there are no issues with the revisions of the plan.

Following council adoption of the LTP final formatting alterations may be made and the document will be published and made available on council's website, with hard copies made available at council offices. Media releases were made soon after the deliberations meeting, and these will be followed up with a release on the final adoption of the plan, together with a social media update.

All submitters will be contacted to inform them that final decisions have been made on the proposals that were consulted on, directing them to a summary of decisions, and to the final document itself.

A debrief of the project will be conducted with staff and councillors to ensure that any improvements for future annual or long term plans are identified and recorded.

Below is a summary of the key decisions made during deliberations on the Long Term Plan 2018–2028:

- To proceed with new spending for fresh and coastal water as consulted, with the addition of funding required for the development and operation of a far north poplar and willow nursery, additional environment fund funding, and an additional environmental monitoring officer.
- To proceed with new spending for pest management as consulted, including a reallocation of funding for Kauri dieback, requiring a slight decrease across funding for four of the five high value pest control areas.
- To fund 70% of new flood infrastructure capital work from the new Flood Infrastructure Rate, with 30% to be funded by local communities, a change from the 50/50 split proposed during consultation.
- To proceed with option 1 for the Awanui flood scheme, and also progress flood works for Kaeo-Whangaroa, Whangārei and Kerikeri (ongoing works to be funded from reserve) as consulted. To begin flood works for Panguru earlier than proposed, and withdraw the targeted rate for flood works at Taumarere-Kawakawa (pending further community engagement).
- To proceed with additional spends in council's other activity areas as consulted, with the addition of an extra scholarship, additional funding for the EnviroSchools programme and information technology, and a reduction in funding for council vehicles.
- To proceed with proposals to join the Local Government Funding Agency, establish a new regional sporting facilities rate and continue the regional infrastructure rate.
- To make funding for emergency services non-contestable, and maintain funding for services currently funded, and to also increase the funding made available to Surf Life Saving Northern Region.
- To establish a district-wide transport rate for the Far North as consulted, to increase the Whangārei transport rate to improve bus services and allow for a trial to the wider Whangārei district.
- To stop funding Creative Northland.

The Long Term Plan 2018–2028 has been developed over the past 12 months, and has undergone full public consultation in accordance with the Special Consultative Procedure (section 83 of the Local Government Act 2002).

Alterations have been made to the plan as a result of council deliberations on feedback from the community, and the final plan is now presented to council for their adoption.

The Long Term Plan 2018–2028 is attached under separate cover.

Considerations

1. Options

The adoption of a long term plan is a specific requirement of section 93 of the Local Government Act 2002 (LGA). The plan must be adopted prior to the commencement of the first year to which it relates, which begins 1 July 2018.

No.	Option	Advantages	Disadvantages
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1	Adopt the Long Term Plan 2018–2028, as well as all policies presented here for adoption.	Council will achieve compliance with the LGA, and will have budgets, forecast financial statements, statements of service provision, and required policies in place for the 2018/19 financial year, for the next three years in detail, and 10 years in principle.	Additional workload on staff to deliver the programmes of work set out in the plan, and an increase in rates across the region.
2	Do not adopt the Long Term Plan 2018–2028, or all policies presented here for adoption.	No additional workload for staff to deliver programmes of work, and no increase in rates across the region.	Council will not achieve compliance with the LGA, and will not legally be able to set rates for the 2018/19 financial year.

Staff's recommended option is Option 1, to adopt the Long Term Plan 2018–2028, as well as all policies presented for adoption.

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 the LGA requirements in relation to decisions.

The process of developing and adopting council's Long Term Plan 2018–2028 triggers council's Significance and Engagement Policy as it currently stands (as set out in the Long Term Plan 2015–2025) specifically 'we will consult when we are required to by law'.

Council has carried out extensive engagement with the community, following the Special Consultative Procedure as set out in section 83 of the LGA.

The decision to approve and adopt the Long Term Plan 2018–2028 is considered to be compliant with council's Significance and Engagement Policy.

3. Policy, risk management and legislative compliance

The adoption of a long term plan is a requirement of section 93 of the LGA, which specifies that a local authority must have a long term plan at all times, and that this must be adopted before the commencement of the first year to which it relates, and continue in force until the close of the third consecutive year to which it relates.

The process to be followed in making a long term plan is set out in Part 6 of the LGA, which encompasses the council's decision making (sections 76 to 81), planning (sections 93 to 94) and consultation (section 83) processes. Schedule 10, Part 1 of the LGA sets out the information requirements for a Long Term Plan.

The requirements for policies addressed by this agenda item are set out in Section 76AA, and section 102 of the LGA, with consultation requirements set out in section 82.

The Long Term Plan 2015–2025 is due to come to a close on 30 June 2018, and adoption of the Long Term Plan 2018–2028 is consistent with the policy and legislative requirements outlined above.

Further considerations

4. Community views

The views of the community on the proposals and policies included in the Long Term Plan 2018–2028 were obtained by way of extensive consultation, in accordance with the Special Consultative Procedure (section 83) of the LGA. Community views have been provided to council by way of a summary of submissions report and full submission book, and were also summarised in council's deliberations report.

Council has discussed the proposals and policies included in the Long Term Plan by way of a deliberations meeting that centred upon the public feedback received.

5. Māori impact statement

During the process of developing the Long Term Plan 2018–2028, council staff engaged with the Te Tai Tokerau Māori and Council Working Party Māori Technical Advisory Group over the course of three workshops, where feedback was obtained and incorporated into the plan development process. Engagement was also carried out with Te Uri O Hau representatives during development of the plan as required by a memorandum of understanding between council and Te Uri O Hau.

The process of public consultation on the plan included targeted engagement with Māori by way of pānui circulated to all iwi and hapū groups on council's database. The views expressed by Māori, including the impact on Māori, were considered during council deliberations on 16 May 2018.

6. Financial implications


This long term plan sets out the budget, forecast financial statements, and rates examples for the 2018/19 financial year and for each consecutive year covered by the plan.

All resources involved in producing the final Long Term Plan 2018–2028 have been budgeted for.

7. Implementation issues

The Long Term Plan 2018–2028 sets out a step change in work programmes across council's key areas of work. Council and staff were cognisant of potential implementation and delivery issues that could result from the large increase in the level of service. As such, during the development of the plan it was ensured that adequate support services were budgeted to support the larger areas of work.

Attachments

Attachment 1: Long Term Plan 2018-2028 for adoption (*separately circulated*) 

Authorised by Group Manager

Name: Jonathan Gibbard
Title: Group Manager - Governance and Engagement
Date: 13 June 2018

TITLE: Adoption of the Charging Policy 2018/19

ID: A1066433

From: Kyla Carlier, Strategy Specialist

Executive summary

This report presents the policy, fees and charges contained within the Charging Policy 2018/19 for adoption and confirmation by council.

The Charging Policy underwent a period of public consultation concurrently with the Long Term Plan 2018–2028, with only minor changes made to the proposed policy during deliberations.

Recommendations

1. That the report 'Adoption of the Charging Policy 2018/19' by Kyla Carlier, Strategy Specialist and dated 14 May 2018, be received.
 2. That council adopts the Charging Policy 2018/19 as included in the supporting information to this report.
 3. That council authorises Jonathan Gibbard, Group Manager –Governance and engagement to make any necessary minor drafting, typographical, rounding, or presentation corrections to the Charging Policy 2018/19 prior to the document going to print.
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Background

Council's Charging Policy sets out fees and charges that council is authorised to set under the various pieces of legislation that it works under. It is reviewed annually, and has been reviewed and consulted on in conjunction with the process of developing the Long Term Plan 2018–2028.

All charges in the Charging Policy have been adjusted for inflation with a rate of 2% applied, this being the adjustment set out for year 1 of the Long Term Plan 2018–2028. This increase is based on BERL and was re-evaluated in the Long Term Plan 2018–2028, resulting in an adjustment that is 0.57% lower than that set out for year 4 of the Long Term Plan 2015–2025.

Several changes to the Charging Policy were proposed and consulted on as part of the Long Term Plan 2018–2028 process, in accordance with sections 82 and 83 of the Local Government Act 2002. These included minor amendments and updates for administrative efficiency, to reflect real changes in costs, and for clarification. The draft also proposed new charges and policy sections required to more clearly set out council's position on charging.

Two further amendments were introduced at deliberations, these being an explanatory note in relation to the cancellation of charges for cruise ships, and an amendment to section 1.3.5 relating to the remissions of charges.

Council made no further amendments to the Charging Policy 2018/19 as a result of deliberations.

Considerations

1. Options

Section 150 of the LGA sets out the process by which a local authority may prescribe fees and charges in respect of any matter provided for, either under a bylaw or under any other enactment, if the enactment does not authorise the local authority to charge a fee. Section 36 of the Resource Management Act 1991 authorises local authorities to fix charges, and specifies that such charges must be fixed in the manner set out by section 150 of the LGA.

Council has completed a review of fees and charges and followed the relevant process for consultation required under section 82 of the LGA. The council used the Special Consultative Procedure (section 83 of the LGA) alongside the LTP.

Staff recommend option 1, to adopt the Charging Policy 2018/19, inclusive of amendments and additional charges.

No.	Option	Advantages	Disadvantages
1	Adopt the Charging Policy 2018/19	Policy, fees and charges can be updated for the 2018/19 financial year.	None
2	Do not adopt the Charging Policy 2018/19	None	Fees and charges will not be able to be updated for the 2018/19 financial year, resulting in inaccurate costs, and the inability of council to recover the cost of activities.

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 the LGA requirements in relation to decisions.

Council was required by Section 150 of the LGA to undertake consultation on the Charging Policy 2018/19, which also achieved compliance with council's Significance and Engagement Policy, in particular 'We will consult when we are required to by law, when a proposal is considered significant, and when we need more information on options for responding to an issue'.

The decision to confirm and adopt the Charging Policy 2018/19 follows a process of consultation and it is considered that in making this decision council is compliant with its Significance and Engagement Policy.

3. Policy, risk management and legislative compliance

The decision to confirm and adopt the Charging Policy 2018/19 is in accordance with section 150 of the LGA and is consistent with the policy and legislative requirements of the various

pieces of legislation that council sets charges under, including the Resource Management Act and the Biosecurity Act.

Further considerations

4. Community views

The views of the community on the amendments and alterations in the Charging Policy 2018/19, were obtained during a period of consultation in accordance with section 82 of the LGA. Community views have been provided to council by way of a summary of submissions report and full submission book, and were also summarised in council's deliberations report. Council has considered the proposals included in this Charging Policy 2018/19 by way of a deliberations meeting that centred upon the public feedback received.

5. Māori impact statement

While there were no proposals in this Charging Policy that were considered to have significant and specific impacts on Māori, the process of consultation included targeted engagement with Māori. Council staff engaged with the Te Tai Tokerau Māori and Council Working Party Māori Technical Advisory Group, and engagement was also carried out with Te Uri O Hau representatives during development of the plan as required by a memorandum of understanding between council and Te Uri O Hau.

The process of public consultation on the plan included targeted engagement with Māori by way of pānui circulated to all iwi and hapū groups on council's database. The views expressed by Māori, including the impact on Māori, were considered during council deliberations on 16 May.

6. Financial implications

This Charging Policy sets out the fees and charges for the 2018/19 financial year, which make up a portion of council's income sources. An estimation of the income received from these fees and charges, that contributes to budgeted income for the 2018/19 financial year, is reflected in the financial statements set out in council's Long Term Plan 2018–2028.

All resources required to produce the final Charging Policy 2018/19 have been budgeted for.

7. Implementation issues

It is not anticipated there will be any implementation issues for the Charging Policy 2018/19 following adoption.

Attachments

Attachment 1: Charging Policy 2018/19 (*separately circulated*) 

Authorised by Group Manager

Name: Jonathan Gibbard
Title: Group Manager - Governance and Engagement
Date: 13 June 2018

TITLE: **Rating Considerations Under Section 100T of the Biosecurity Act 1993**

ID: A1069926

From: Don McKenzie, Biosecurity Manager

Executive summary

This agenda item is to show that council has given regard to section 100T of the Biosecurity Act in setting rates for biosecurity activities which relate to the implementation of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027.

Recommendation(s)

1. That the report 'Rating Considerations Under Section 100T of the Biosecurity Act 1993' by Don McKenzie, Biosecurity Manager and dated 24 May 2018, be received.
2. That council adopts the section 100T analysis for the purpose of setting the Pest Management Rate, as set out in the Funding Impact Statement of the Long Term Plan 2018–2028 and as follows:

Background

Council carries out its pest management activities in accordance with its Northland Regional Pest and Marine Pathway Management Plan 2017–2027. Section 100T of the Biosecurity Act requires that a regional council must decide the extent to which it funds the implementation of its regional pest and/or pathway management plan from a general rate, targeted rate, or a combination of both.

Council was presented with a draft analysis of section 100T considerations prior to consultation on the Long Term Plan 2018–2028, which was included in the Funding Impact Statement in the Supporting Information to the Long Term Plan 2018–2028 Consultation Document. Council also carried out an analysis of funding of the Regional Pest and Marine Pathway Management Plan and in the Cost Benefit Analysis to the plan.

The analysis is now presented to council for adoption, and consideration in deciding to fund the biosecurity activity from the targeted region-wide Pest Management Rate.

Report

The following addresses the relevant sections of the Biosecurity Act in respect of Section 100T.

100T (2)(a) The extent to which the plan relates to the interests of occupiers of the properties on which the rate would be levied:

The Pest Management Rate provides a single, clear region-wide targeted rate for land and freshwater biosecurity activities and for raising funds for pest control throughout Northland.

It is proposed that a targeted Pest Management Rate be collected from all properties within Northland to fund land, freshwater and marine pest control activities. In total \$4.8 million would be collected (GST inclusive).

The Regional Pest Management region wide targeted rate applies to all property owners. In regard 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% funded from a combination of pest management rate, council investments and other council revenue. 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.

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

Northland ratepayers receive both direct and indirect benefits from the implementation of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027, including protection of 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.

Regarding 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:

- recreational and commercial fishing;
- marine tourism; and
- indigenous marine biodiversity.

Regarding 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.

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 because of less biofouling and those that harvest kai moana.

The extent to which the benefits can be judged as direct rather than indirect depends on how ratepayers use and appreciate the environmental values which can be impacted upon by pests. Direct benefits may accrue to land owners because of fewer plant pests, marine or animal pests such as possums, stoats and rats, and increases in native biodiversity such as kiwi populations.

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

It is considered that the collective benefits of a pest management rate outweigh the costs and project based differentiated targeted rate also means that everyone benefits.

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.

In regard to the Marine Pathway Plan, the cost benefit analysis shows that there is a high net positive benefit of implementing this plan.

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

Pests cross property boundaries regardless of tenure and establish on land and in water across Northland and the characteristics of properties that influence the spread of pests is highly complex and variable. A region-wide targeted rate applies a consistent standard across properties and thereby overcoming the complex and variable nature of property characteristics and this approach is therefore considered appropriate and fit for purpose.

The characteristics of properties is not a relevant consideration in respect of the marine pest activities as this activity focuses on reducing the spread of biofouling of vessel hulls.

100T (2)(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:

The characteristics of properties is not a relevant consideration in respect of the marine pathway plan which focuses on reducing the spread of biofouling of vessel hulls. Therefore, characteristics of the properties themselves provide no contribution to the actual or potential risks.

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, boat sheds, commercial ports and mooring owners, with the remaining costs of 35% to be funded from a combination of pest management rate, council investments and other council revenue.

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 compliant with 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 not be compliant with section 100T of the Biosecurity Act.

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 the LGA requirements in relation to decisions.

This decision is considered to be of low significance when assessed against council's Significance and Engagement Policy because it is for the purposes of confirmation.

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, risk management 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 have already been the subject of public consultation.

5. Māori impact statement

This item relates to matters that have already been the subject of public consultation.

6. Financial implications

The financial implications of setting rates referred to in this report are addressed in item 6.5 'Rates for the Year 1 July 2018 to 30 June 2019'.

7. Implementation issues

It is not anticipated that there will be any implementation issues associated with the matters addressed in this report.

Authorised by Group Manager

Name: Bruce Howse
Title: Group Manager - Environmental Services
Date: 12 June 2018

TITLE: Rates for the year 1 July 2018 to 30 June 2019

ID: A1063680

From: Dave Tams, Group Manager, Corporate Excellence

Executive summary

Under sections 23, 24, 57 and 58 of the Local Government (Rating) Act 2002 (LGRA), the council is required to set its rates, due dates and penalty regime by resolution.

Under section 55 of the LGRA, the council may provide for a discount on the rates if payment is made by a specified date before the due date or dates, in accordance with a policy made under section 55.

This paper provides for the council to set its rates, due dates, penalty regime and discounts for the year commencing on 1 July 2018 and ending on 30 June 2019.

This paper has been prepared in accordance with the revenue and financing policy and rates section (including the funding impact statement) contained within the 2018–2028 Long Term Plan.

Recommendation(s)

1. That the report 'Rates for the year 1 July 2018 to 30 June 2019' by Dave Tams, Group Manager, Corporate Excellence and dated 7 May 2018, be received.
2. That the Northland Regional Council resolves to set the following rates under the Local Government (Rating) Act 2002 (LGRA) for the financial year commencing 1 July 2018 and ending 30 June 2019:

a. Targeted council services rate

A targeted rate as authorised by the LGRA. The rate is calculated on the total projected capital value, as determined by the certificate of projected valuation of each constituent district in the Northland region. An additional \$1.73 (including GST) per each rateable separately used or inhabited part (SUIP) of a rating unit is to be assessed across the Whangārei constituency to provide funding for the ongoing maintenance of the Hātea River Channel. The rate is differentiated by location in the Northland region and assessed as a fixed amount per each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts, and on each rateable rating unit (RU) in the Kaipara district. The rate is set as follows:

	<u>Including GST</u>
Far North District	\$73.20 per SUIP
Kaipara District	\$94.86 per RU
Whangārei District	\$91.96 per SUIP

The Whangārei District targeted council services rate amount of \$91.96 (including GST) per SUIP **includes** funding for the Hātea River Channel amount of \$1.73 (including GST).

b. Targeted land management rate

A targeted rate as authorised by the LGRA. The rate is assessed on the land value of each rateable rating unit in the region. The rate is set per dollar of land value. The rate per dollar

of land value is different for each constituent district because the rate is allocated based on projected land value, as provided for in section 131 of the LGRA. The rate is set as follows:

Including GST

Far North District	\$0.0001067 per dollar of land value
Kaipara District	\$0.0000932 per dollar of land value
Whangārei District	\$0.0001197 per dollar of land value

c. Targeted freshwater management rate

A targeted rate as authorised by the LGRA. The rate is assessed on the land value of each rateable rating unit in the region. The rate is set per dollar of land value. The rate per dollar of land value is different for each constituent district because the rate is allocated based on projected land value, as provided for in section 131 of the LGRA. The rate is set as follows:

Including GST

Far North District	\$0.0002247 per dollar of land value
Kaipara District	\$0.0001964 per dollar of land value
Whangārei District	\$0.0002521 per dollar of land value

d. Targeted pest management rate

A targeted rate as authorised by the LGRA. The rate is calculated on the total projected capital value, as determined by the certificate of projected valuation of each constituent district in the Northland region. The rate is a fixed amount, differentiated by location in the Northland region. The rate will be assessed on each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and each rateable rating unit (RU) in the Kaipara District. The rate is set as follows:

Including GST

Far North District	\$45.08 per SUIP
Kaipara District	\$58.42 per RU
Whangārei District	\$55.57 per SUIP

e. Targeted flood infrastructure rate

A targeted rate as authorised by the LGRA. The rate is a fixed amount assessed on each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and each rateable rating unit (RU) in the Kaipara District. The rate is set as follows:

Including GST

Far North District	\$25.16 per SUIP
Kaipara District	\$25.16 per RU
Whangārei District	\$25.16 per SUIP

f. Targeted civil defence and hazard management rate

A targeted rate as authorised by the LGRA. The rate is calculated on the total projected capital value, as determined by the certificate of projected valuation of each constituent district in the Northland region. The rate is a fixed amount, differentiated by location in the Northland region. The rate will be assessed on each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and each rateable rating unit (RU) in the Kaipara District. The rate is set as follows:

	<u>Including GST</u>
Far North District	\$15.57 per SUIP
Kaipara District	\$20.18 per RU
Whangārei District	\$19.19 per SUIP

g. Targeted emergency services rate

A targeted rate as authorised by the LGRA. The rate is a fixed amount assessed on each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and each rateable rating unit (RU) in the Kaipara District. The rate is set as follows:

	<u>Including GST</u>
Far North District	\$12.06 per SUIP
Kaipara District	\$12.06 per RU
Whangārei District	\$12.06 per SUIP

h. Targeted regional sporting facilities rate

A targeted rate as authorised by the LGRA. The rate is a fixed amount assessed on each rateable separately used or inhabited part (SUIP) of a rating unit in the Far North and Whangārei districts and each rateable rating unit (RU) in the Kaipara District. The rate is set as follows:

	<u>Including GST</u>
Far North District	\$17.25 per SUIP
Kaipara District	\$17.25 per RU
Whangārei District	\$17.25 per SUIP

i. Targeted regional infrastructure rate

A targeted rate as authorised by the LGRA. This rate is assessed on the land value of each rateable rating unit in the region. The rate is set per dollar of land value. The rate per dollar of land value is different for each constituent district, because the rate is allocated based on projected land value, as provided for in section 131 of the LGRA. The rate is set as follows:

	<u>Including GST</u>
Far North District	\$0.0000317 per dollar of land value
Kaipara District	\$0.0000277 per dollar of land value
Whangārei District	\$0.0000355 per dollar of land value

j. Targeted Whangārei transport rate

A targeted rate as authorised by the LGRA. The rate is a fixed amount assessed on each rateable separately used or inhabited part of a rating unit (SUIP) in the Whangārei District. The rate is set as follows:

	<u>Including GST</u>
Whangārei District	\$23.66 per SUIP

k. Targeted Far North transport rate

A targeted rate as authorised by the LGRA. The rate is a fixed amount assessed on each rateable separately used or inhabited part of a rating unit (SUIP) in the Far North District. The rate is set as follows:

	<u>Including GST</u>
Far North District	\$8.86 per SUIP

l. Targeted Awanui River management rate

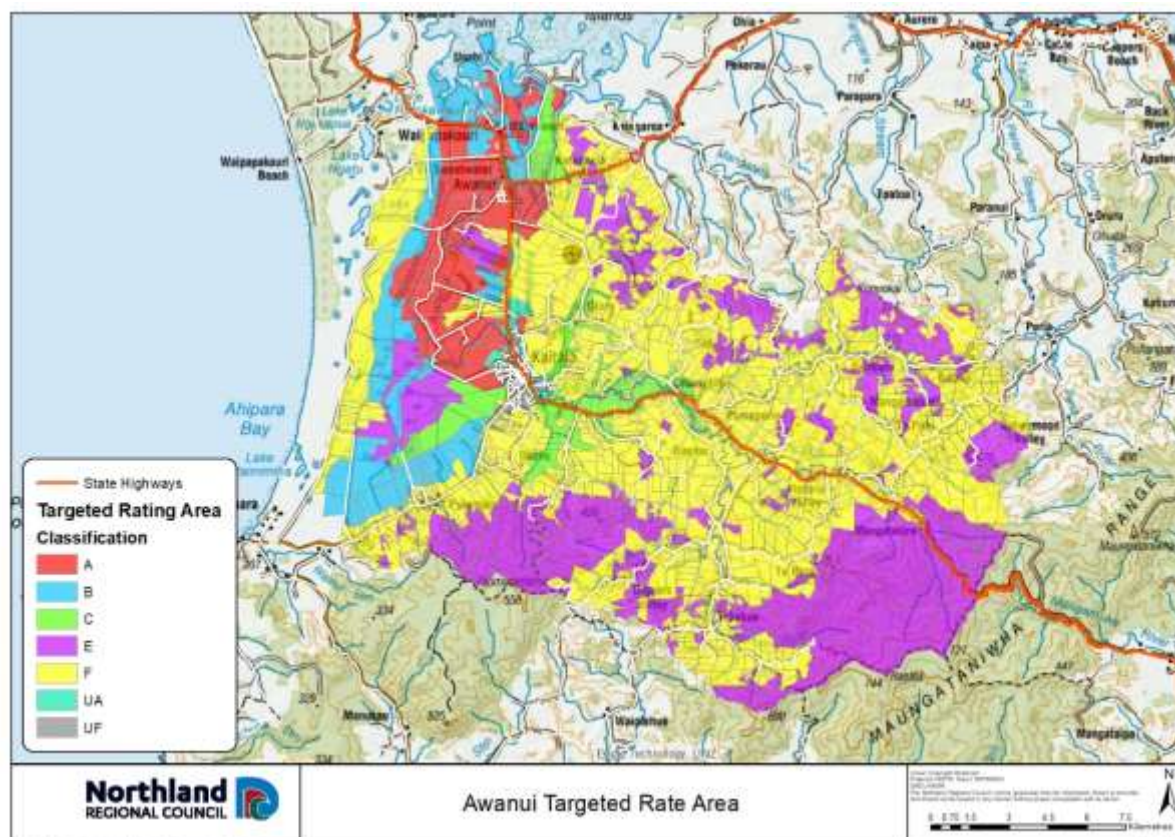
A targeted rate set under the LGRA, set differentially by location and area of benefit as defined in the Awanui River Flood Management Plan, and as defined in the following table:

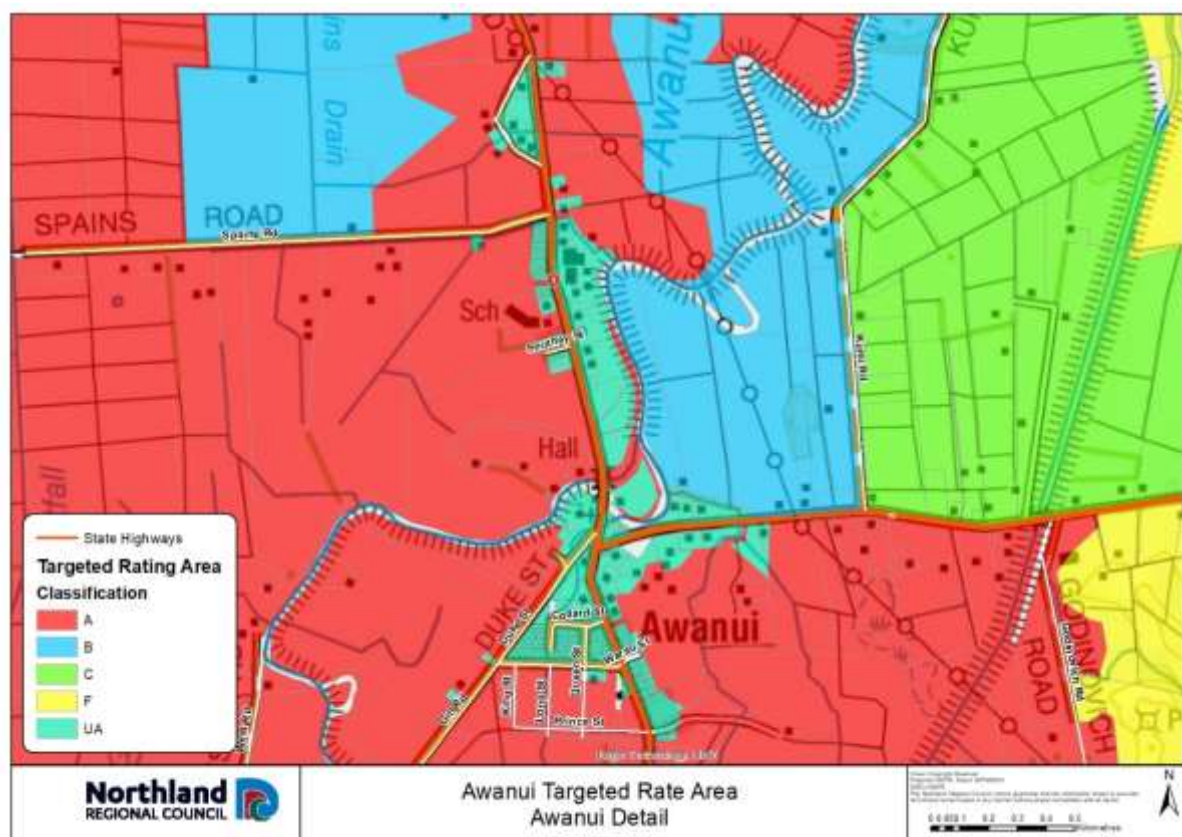
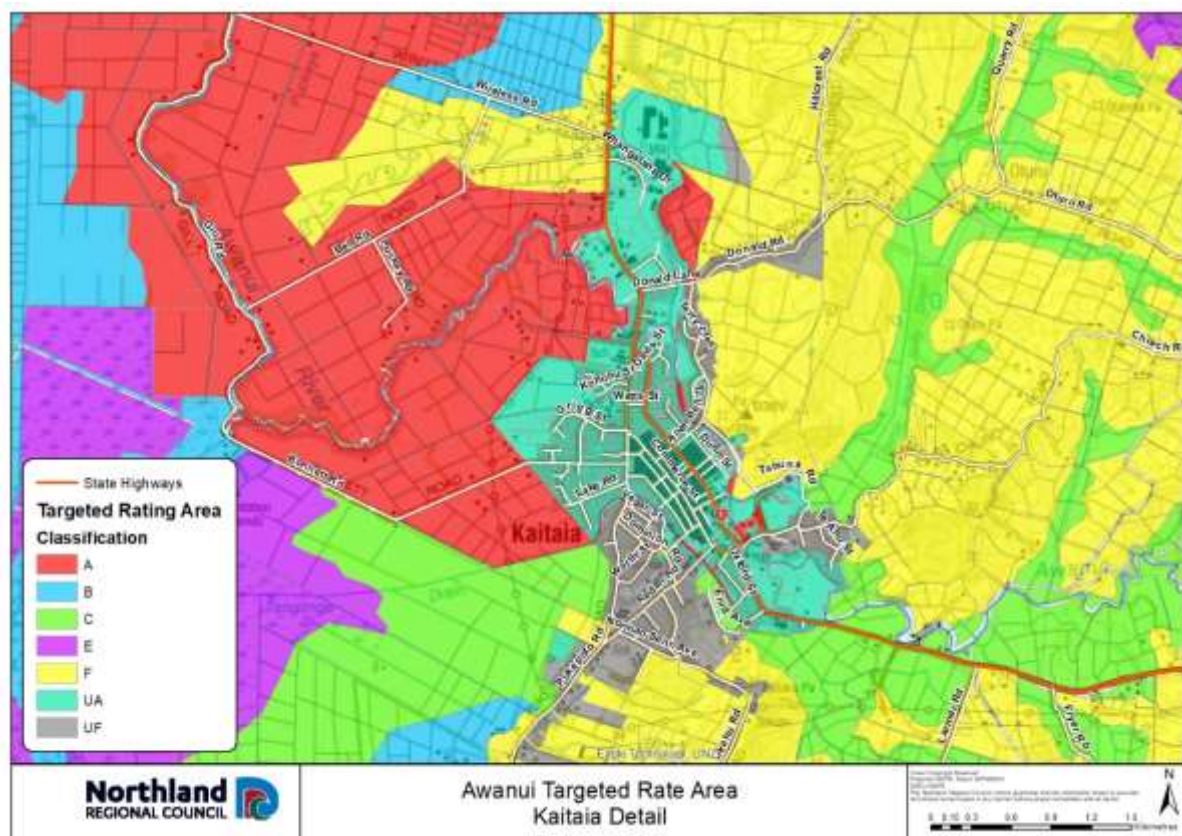
The rate is set differentially as follows:

Category	Description	Rate <u>including GST</u>
UA	Urban rate class UA (floodplain location) \$298.11 direct benefit plus \$30.17 indirect benefit per separately used or inhabited part of a rating unit (SUIP).	\$328.28 per SUIP
UA	Urban rate class UA – commercial differential.	\$984.83 per SUIP
UF	Urban rate classes UF (higher ground) \$30.17 direct benefit plus \$30.17 indirect benefit per separately used or inhabited part of a rating unit.	\$60.34 per SUIP
UF	Urban rate class UF – commercial differential.	\$181.02 per SUIP
Rural	Rural rate differentiated by class, \$13.50 per separately used or inhabited part of a rating unit (SUIP) of indirect benefit plus a rate per hectare for each of the following classes of land in the defined Kaitāia flood rating district as illustrated in the following maps and table.	\$13.50 per SUIP
Class	Description	Rate <u>including GST</u>
A & B	High benefit; rural land which receives high benefit from the Awanui scheme works due to reduced river flooding risk and/or reduced duration of flooding and/or coastal flooding – all rateable land other than in the commercial differential.	\$24.43 per hectare
A & B commercial differential		\$73.29 per hectare
C	Moderate benefit; land floods less frequently and water clears quickly – all rateable land other than in the commercial differential.	\$11.07 per hectare
C commercial differential		\$33.21 per hectare

F	Contributes runoff waters, and increases the need for flood protection - all rateable land other than in the commercial differential.	\$1.22 per hectare
F commercial differential		\$3.66 per hectare

The rating classifications are illustrated in the following maps:





m. Targeted Kaihū River management rate

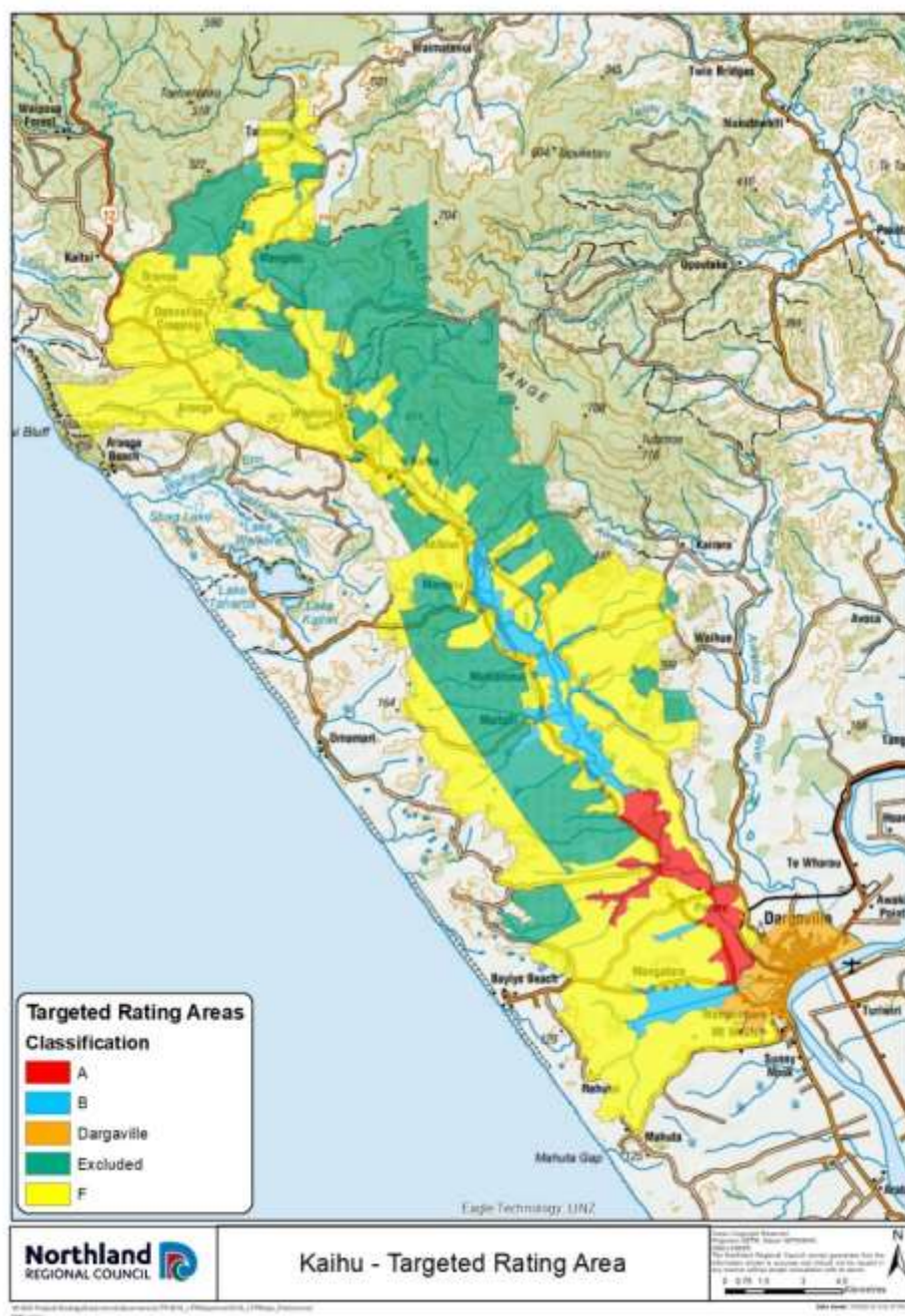
A targeted rate set under the LGRA, and set differentially by location and area of benefit as defined in the following table:

Class	Description	Rate Including GST
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A	Land on the floodplain and side valleys downstream of Rotu Bottleneck.	\$21.22 per hectare
B	Class B – land on the floodplain and tributary side valleys between Ahikiwi and the Rotu Bottleneck and in the Mangatara Drain catchment upstream of SH12.	\$11.68 per hectare
F	Land within the Kaihū River rating area not falling within Class A and Class B.	\$1.65 per hectare

Urban Contribution – A contribution from the Kaipara District Council instead of a separate rate per property: \$5015 per annum

The rating classifications are illustrated in the following map:



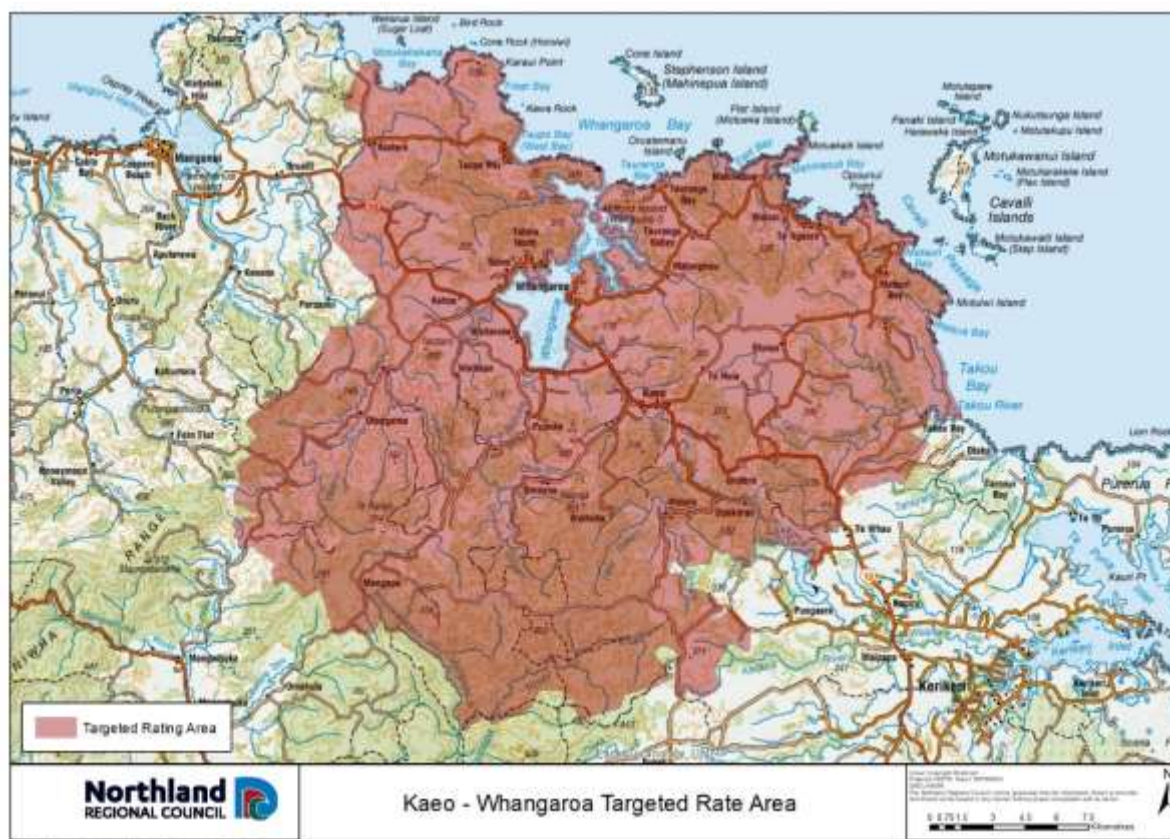
n. Targeted Kaeo-Whangaroa rivers management rate

A targeted rate set under the LGRA, set on a uniform basis in respect of each rateable separately used or inhabited part of a rating unit falling within the former Whangaroa Ward rating rolls of 100-199, as illustrated in the map below:

Including GST

Former Whangaroa Ward

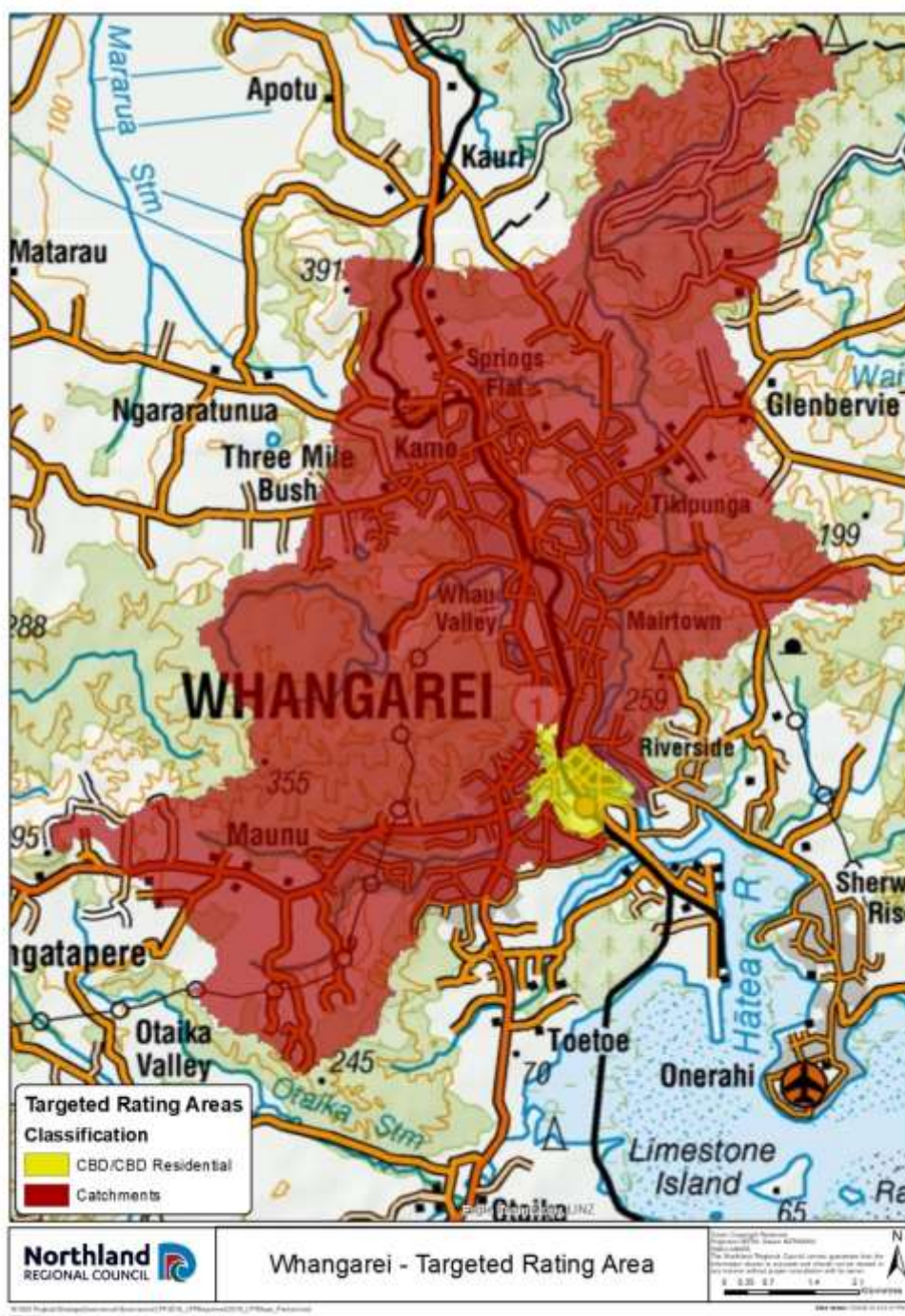
\$53.86 per SUIP



o. Targeted Whangārei urban rivers management rate

A targeted rate set under the LGRA, and assessed on all rateable properties defined by reference to the differential categories, and differentiated by location (illustrated in the map below) and, for some categories, land use. It is set as a fixed amount per each rateable separately used or inhabited part (SUIP) of a rating unit, as follows:

Category		<u>Including GST</u>
1	Commercial properties located in the Whangārei Central Business District flood area:	\$350.61 per SUIP
2	Residential properties located in the Whangārei Central Business District flood area:	\$136.40 per SUIP
3	Properties located in the contributing water catchment area (including properties falling in the Waiarohia, Raumanga, Kirikiri and Hātea River Catchments):	\$44.29 per SUIP



Differential categories for the Whangārei urban rivers management rate:

<p>Residential properties in the Whangārei central business district</p>	<p>Residential properties in the Whangārei central business district (CBD) flood area are defined as all rating units which are used principally for residential or lifestyle residential purposes, including retirement villages, flats etc.</p> <p>Residential properties also includes multi-unit properties, these being all separate rating units used principally for residential purposes, and on which is situated multi-unit type residential accommodation that is used principally for temporary or permanent residential accommodation and for financial reward, including, but not limited to, hotels, boarding houses, motels, tourist accommodation, residential clubs and hostels but excluding</p>
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	any properties that are licensed under the Sale and Supply of Alcohol Act 2012.
Commercial properties in the Whangārei central business district	Commercial properties in the Whangārei CBD flood area are all separate rating units used principally for commercial, industrial or related purposes or zoned for commercial, industrial or related purposes in accordance with the Whangārei district plan. For the avoidance of doubt, this category includes properties licensed under the Sale and Supply of Alcohol 2012; and private hospitals and private medical centres.

3. Payment dates for rates, discounts, and penalty regime

That the Northland Regional Council resolves the following:

Far North District constituency:

All rates within the Far North District constituency are payable in four equal instalments, on the following dates:

Instalment	Due date for payment
Instalment 1	20 August 2018
Instalment 2	20 November 2018
Instalment 3	20 February 2019
Instalment 4	20 May 2019

The Northland Regional Council resolves to add the following penalties to unpaid Far North District constituency rates:

- In accordance with section 58(1)(a) of the LGRA, a penalty of ten percent (10%) will be added to any portion of each instalment of Far North District constituency rates assessed in the 2018/19 financial year that is unpaid on or by the respective due date for payment as stated above. These penalties will be added on the following dates:

Instalment	Date penalty will be added
Instalment 1	27 August 2018
Instalment 2	27 November 2018
Instalment 3	27 February 2019
Instalment 4	27 May 2019

Kaipara District constituency:

All rates within the Kaipara District constituency are payable in four equal instalments, on the following dates:

Instalment	Due date for payment
Instalment 1	20 August 2018
Instalment 2	20 November 2018
Instalment 3	20 February 2019
Instalment 4	20 May 2019

The Northland Regional Council resolves to add the following penalties to unpaid Kaipara District constituency rates:

- In accordance with section 58(1) (a) of the LGRA, a penalty of ten percent (10%) of so much of each instalment of the Kaipara District constituency rates assessed in the 2018/19 financial year that are unpaid after the relevant due date for each instalment will be added on the relevant penalty date for each instalment stated below, except where a ratepayer has entered into an arrangement by way of direct debit authority, or an automatic payment authority, and honours that arrangement. These penalties will be added on the following dates:

Instalment	Date penalty will be added
Instalment 1	21 August 2018
Instalment 2	21 November 2018
Instalment 3	21 February 2019
Instalment 4	21 May 2019

- In accordance with section 58(1)(b) of the LGRA, a penalty of ten per cent (10%) of the amount of all Kaipara District constituency rates (including any penalties) from any previous financial years that are unpaid on 01 July 2018 will be added on 05 July 2018.
- In accordance with section 58(1)(c) of the LGRA, a penalty of ten per cent (10%) of the amount of all Kaipara District constituency rates to which a penalty has been added under the point immediately above and which remain unpaid will be added on 05 January 2019.

Whangārei District constituency:

All rates within the Whangārei District constituency are payable in four equal instalments, on the following dates:

Instalment	Due date for payment
Instalment 1	20 August 2018
Instalment 2	20 November 2018
Instalment 3	20 February 2019
Instalment 4	20 May 2019

The Northland Regional Council resolves to add the following penalties to unpaid Whangārei District constituency rates:

- In accordance with section 58(1)(a) of the LGA, a penalty of ten percent (10%) will be added to any portion of each instalment of Whangārei District constituency rates

assessed in the 2018/19 financial year that is unpaid on or by the respective due date for payment as stated above. These penalties will be added on the following dates:

Instalment	Date penalty will be added
Instalment 1	23 August 2018
Instalment 2	23 November 2018
Instalment 3	25 February 2019
Instalment 4	23 May 2019

- In accordance with section 58(1)(b) of the LGRA, a penalty of ten per cent (10%) will be added to any Whangārei District constituency rates (including any penalties) from any financial year prior to 1 July 2018 that still remain unpaid as at 01 July 2018. This penalty will be added on 3 September 2018.

The Northland Regional Council resolves to apply the following discount to Whangārei District constituency rates:

- In accordance with section 55(3) of the LGRA, where the total rates assessed for the 2018/19 year and any arrears on a rating unit in the Whangārei District constituency are paid in full on or by the due date of the first instalment, a discount of two percent (2%) of the total rates assessed on that rating unit in the 2018/19 financial year will be applied.

Background

The Northland Regional Council is scheduled to adopt its 2018–2028 Long Term Plan at the council meeting to be held on 21 June 2018. Following the adoption of the Revenue and Financing Policy and the 2018–2028 Long Term Plan, all formal requirements to resolve the rates for the year ended 30 June 2019 are in place and permit the following resolution to proceed.

The final rates have been calculated in accordance with the resolutions made by council on 16 May 2018; and the updated rating units, separately used or inhabited parts of a rating unit (SUIPs), capital values and land values provided by the district councils.

Under section 23 of the Local Government (Rating) Act 2002 (LGRA) the council is required to set its rates by resolution. This paper provides for the council to set rates for the year commencing on 1 July 2018 and ending on 30 June 2019.

Rates for the 2018/19 year are set out on a GST inclusive basis. This means that the amount of the rates stated includes the council's GST obligations. Penalties are added to the amount of unpaid rates.

Section 24 of the LGRA requires that the council state the due date for payment of the rates in its resolution setting rates.

Section 57 of the LGRA states that a local authority may, by resolution, authorise penalties to be added to rates that are not paid by the due date. The resolution must state how the penalty is calculated and the date the penalty is to be added to the amount of unpaid rates. Section 58 of the LGRA sets out the penalties that may be imposed.

Pursuant to section 23(5) of the LGRA, within 20 working days of the making of this resolution, a copy will be sent to the Secretary of Local Government.

Pursuant to section 28(4) of the LGRA the rating information database was made available for public inspection during May 2018.

The full details of the rates calculations and rates collected from each constituent district of the Northland region will be as set out in the tables below:

Table One: Valuations by district (including equalised values)

SUIP = Separately used or inhabited part of a rating unit.

	Gross no. rating units (Kaipara) or SUIPs (others)	Net no. rating units (Kaipara) or SUIPs (others)	Capital Value \$000's	Land Value \$000's	Equalised Capital Value \$000's	Equalised Land Value \$000's	Equalised CV%	Equalised LV%
Far North District	37,642	36,045	15,070,542	7,665,515	17,308,310	8,721,190	33.76%	33.72%
Kaipara District	15,266	13,753	8,558,328	4,970,934	8,558,328	4,970,934	16.69%	19.22%
Whangārei District	44,008	42,905	19,837,746	9,598,306	25,397,371	12,171,551	49.54%	47.06%
Total Valuation - Northland	96,916	92,703	43,466,615	22,234,755	51,264,009	25,863,675	100.00%	100.00%

Table Two: Northland Regional Council rates for the 2018/19 financial year

Budgeted Rates 2018/19 (including GST)	Far North District	Kaipara District	Whangārei District	Total \$ (gross)	Total \$ (net)
Targeted council services rate					
Rate per SUIP	\$73.20			2,755,322	2,638,424
Rate per RU		\$94.86		1,448,127	1,304,604
Rate per SUIP			\$91.96	4,046,936	3,945,505
				8,250,385	7,888,533
Freshwater management rate					
Rate per \$ of Actual LV	\$0.0002247			1,722,441	1,681,336
Rate per \$ of Actual LV		\$0.0001964		976,291	958,404
Rate per \$ of Actual LV			\$0.0002521	2,419,733	2,346,875
				5,118,466	4,986,615
Targeted pest management rate					
Rate per SUIP	\$45.08			1,696,824	1,624,833
Rate per RU		\$58.42		891,807	803,421
Rate per SUIP			\$55.57	2,445,494	2,384,201
				5,034,125	4,812,456
Targeted land management rate					
Rate per \$ of Actual LV	\$0.0001067			817,910	798,392
Rate per \$ of Actual LV		\$0.0000932		463,291	454,803
Rate per \$ of Actual LV			\$0.0001197	1,148,917	1,114,323
				2,430,119	2,367,517
Targeted flood infrastructure rate					
Rate per SUIP	\$25.16			946,903	906,729
Rate per RU		\$25.16		384,029	345,968
Rate per SUIP			\$25.16	1,107,057	1,079,310
				2,437,988	2,332,007
Targeted civil defence and hazard management rate					
Rate per SUIP	\$15.57			586,076	561,211
Rate per RU		\$20.18		308,027	277,498
Rate per SUIP			\$19.19	844,664	823,494
				1,738,767	1,662,203
Targeted regional sporting facilities rate					
Rate per SUIP	\$17.25			649,316	621,768

Budgeted Rates 2018/19 (including GST)	Far North District	Kaipara District	Whangārei District	Total \$ (gross)	Total \$ (net)
Rate per RU		\$17.25		263,339	237,239
Rate per SUIP			\$17.25	759,138	740,111
				1,671,792	1,599,118
Targeted regional infrastructure rate					
Rate per \$ of Actual LV	\$0.0000317			242,997	237,198
Rate per \$ of Actual LV		\$0.0000277		137,695	135,172
Rate per \$ of Actual LV			\$0.0000355	340,740	330,480
				721,432	702,850
Targeted emergency services rate					
Rate per SUIP	\$12.06			453,956	434,697
Rate per RU		\$12.06		184,108	165,861
Rate per SUIP			\$12.06	530,736	517,434
				1,168,801	1,117,992
Targeted Whangārei transport rate					
Rate per SUIP			\$23.66	1,041,229	1,015,132
Targeted Far North transport rate					
Far North District	\$8.86			333,504	319,354
Targeted Awanui River management rate					
Far North District - Rural				210,440	207,964
Far North District - Urban				891,075	882,383
				1,101,515	1,090,347
Targeted Kaihū River management rate					
Kaipara District (Kaihū river area only)				79,869	79,869
Targeted Kaeo-Whangaroa rivers management rate					
Far North (Kaeo only)	\$53.86			127,944	116,645
Targeted Whangārei urban rivers management rate					
Rates per SUIP				1,159,654	1,154,266
Total rates					
				Gross \$	Net \$
Far North District				11,434,710	11,030,933
Kaipara District				5,136,582	4,762,839
Whangārei District				15,844,299	15,451,132
TOTAL RATES				32,415,591	31,244,904

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Adopt the recommendations	Legally generate the rating revenue required to fund the council's	None

	presented in this report.	2018/19 work programmes.	
2	Do not adopt the recommendations presented in this report.	None	Inability to legally strike the 2018/19 rates. Consequently, unless alternative funding streams were obtained, the council would fail to deliver all its 2018/19 work programmes.

The staff's recommended option is to adopt the recommendations presented in this report.

2. Significance and engagement

The council's 2018–2028 Long Term Plan has been developed in accordance with sections 93 and 93A-93G of the Local Government Act 2002, and contains details of the proposed rates.

The rates being set have been established as part of the 2018–2028 Long Term Plan process that included consultation with the public who have had the opportunity to fully consider the issues and present their views to the council, which have in turn been taken into consideration.

Consequently, this resolution is required to enact previous decisions of council through the long term plan process and is an administrative decision that does not itself trigger the Significance and Engagement Policy.

The decisions in this report are in accordance with sections 76 to 82 of the Local Government Act 2002 and the Local Government (Rating) Act 2002.

The public will have access to the final 2018–2028 Long Term Plan and rates resolution through the council's website.

3. Policy, risk management and legislative compliance

This report has been independently reviewed by Simpson Grierson, and meets all the statutory requirements under the Local Government (Rating) Act 2002 for the setting of 2018/19 rates.

This report has been independently reviewed by the auditors Deloitte.

Further considerations

4. Community views

The impact of the 2018–2028 Long Term Plan budgets on council's rates has been consulted on with the community through the 2018–2028 Long Term Plan consultative procedure in accordance with s82 of the Local Government Act 2002.

5. Māori impact statement

Targeted consultation on the council's rates funding requirement was undertaken with iwi as part of the 2018–2028 Long Term Plan consultation process using existing relationship channels.

6. Financial implications

This report discusses setting of rates for the 2018/19 financial year. The financial impacts of the recommendations in this report are significant as it determines council's ability to collect rate revenue.

7. Implementation issues

There are no implementation issues that the council needs to be aware of.

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 13 June 2018

TITLE: Adoption of the rating policies effective 1 July 2018

ID: A1071515

From: Bree Torkington, Assistant Management Accountant

Executive summary

The purpose of this report is to present the rating policies for adoption and confirmation by council.

Legal advice was received prior to consultation; however several recommended minor amendments were unable to be incorporated at that time. These changes have now been incorporated. The rating policies underwent a period of public consultation concurrently with the Long Term Plan 2018–2028. No changes were made to the proposed policies during deliberations. The district councils have now completed deliberations and it is recommended that the same changes they have made in their deliberations also be made to our rating policies.

Council is required to consider Schedule 11 of the Local Government Act 2002 (LGA) when determining its policies on the Remission and Postponement of Rates on Māori Freehold Land, and it may consider Schedule 11 in determining its other policies. This consideration is included.

Recommendation(s)

1. That the report 'Adoption of the rating policies effective 1 July 2018' by Bree Torkington, Assistant Management Accountant and dated 30 May 2018, be received.
2. That having undertaken consultation in accordance with sections 82 and 83, and pursuant to section 102 and sections 108-110 of the Local Government Act 2002, and sections 55 and 56 of the Local Government (Rating) Act 2002, and having considered Schedule 11 of the Local Government Act 2002, the council adopt the rating policies (including the Policy on the Remission and Postponement of Rates on Māori Freehold Land), effective from 1 July 2018, attached to this report.
3. That council authorises Dave Tams, Group Manager – Corporate Excellence, to make any necessary minor drafting, typographical, or presentation corrections to the rating policies prior to the document going to print.

Background

The council's rating policies set out its policies on: remission and postponement of rates on Māori freehold land, remission and postponement of rates and penalties, and early payment of rates.

The Far North, Kaipara and Whangārei district councils collect rates on Northland Regional Council's behalf. It is administratively efficient that, where possible, the council adopts policies on the remission and postponement of its rates and penalties, and early payment of its rates that are materially the same as those of the three district councils.

Policies for rating units in the Far North district:

- FN01 Common-use properties
- FN02 Community, sports and not-for-profit organisations
- FN03 Extreme financial hardship
- FN04 Incentivising Māori economic development
- FN05 Landlocked land

- FN06 Land subject to protection for outstanding natural landscape, cultural, historic or ecological purposes
- FN07 Māori Freehold Land not used
- FN08 New users of Māori Freehold Land
- FN09 Papakāinga on Māori Freehold Land
- FN10 Penalties
- FN11 Properties spanning multiple districts
- FN12 Residential rates for senior citizens
- FN13 Treaty settlement lands
- FN14 Unusable land.

Policies for rating units in the Kaipara district:

- KD1 Rates postponement and remission policy
 - KD1.1 Rates postponement for financial hardship
 - KD1.2 Rates remission for financial hardship
 - KD1.3 Rates remission of penalties only
 - KD1.4 Rates remission of uniform charges on rating units
 - KD1.5 Rates remission for community, sporting and other organisations
 - KD1.6 Rates postponement or remission for miscellaneous purposes
- KD2 Māori Freehold Land rates postponement and remission policy
 - KD2.1 Remission for undeveloped and inaccessible Māori Freehold Land
 - KD2.2 Remission to facilitate development of Māori Freehold Land
 - KD2.3 Rates postponement
- KD3 Early payment of rates policy
 - KD3.1 Early payment of current year rates policy
 - KD3.2 Early payment of rates for subsequent years policy.

Policies for rating units in the Whangarei district:

- Policy WD01 Remission of targeted rates applied on a uniform basis to certain separately used or inhabited parts of ratings units (SUIPs) (*WDC ref. 17/101*)
- Policy WD02 Remission of all targeted rates on unsold subdivided land (*WDC ref. 17/102*)
- Policy WD03 Remission of penalties (*WDC ref. 17/103*)
- Policy WD04 Remission of rates for community, sports and other organisations (*WDC ref. 17/107*)
- Policy WD05 Postponement of rates – Extreme financial hardship (*WDC ref. 17/108*)
- Policy WD06 Postponement and remission on specific farmland properties (*WDC ref. 17/109*)
- Policy WD07 Postponement and/or remission of rates and charges on properties affected by fire or natural calamity (*WDC ref. 17/110*)
- Policy WD08 Remission of rates on unoccupied Māori Freehold Land (*WDC ref. 17/111*)
- Policy WD09 Postponement of rates on Māori Freehold Land (*WDC ref. 17/112*)
- Policy WD10 Remission of rates on voluntarily protected land (*WDC ref. 17/113*)
- Policy WD11 Remission or postponement of rates and penalties for miscellaneous purposes (*WDC ref. 17/114*)
- Policy WD12 Discount for early payment of rates in current financial year (*WDC ref. 17/200*).

Legal advice was received from Simpson Grierson prior to consultation. Many of the recommended changes to the wording of the rating policies were minor, but due to limited time were unable to be incorporated prior to consultation. These recommended changes have now been incorporated.

The rating policies were consulted on in conjunction with the consultation for the Long Term Plan 2018-2028, in accordance with section 83 of the Local Government Act 2002 (LGA). Several changes to the rating policies were proposed and consulted on. These included significant changes to policies that apply to rating units in the Far North district (including alterations to ensure that the unique history and nature of Māori freehold land ownership was recognised), minor changes to the rating policies that apply to rating units in the Kaipara district, and both material and minor changes to the rating policies that apply to rating units in the Whangārei district.

The council made no further amendments to the rating policies as a result of deliberations.

The district councils have now had their deliberations, which included their rating policies. At their deliberations, Far North District Council made some changes to their rating policies.

The final rating policies (attached to this report) have been prepared in accordance with:

- legal advice;
- the council resolution resulting from the Northland Regional Council deliberations; and
- the changes arising from Far North District Council's deliberations.

A summary of the changes to the rating policies since consultation is included as supporting information to this report.

Considerations

1. Options

Staff recommend option 1, to confirm and adopt the rating policies.

No.	Option	Advantages	Disadvantages
1	Confirm and adopt the rating policies.	Council will achieve compliance with the LGA, and have rating policies consistent with each district council, allowing administrative efficiency.	Different rating policies will apply in each district.
2	Do not confirm and adopt the rating policies.	None.	Council will not achieve compliance with the LGA, and will have inconsistent rating policies with each district council, causing administrative inefficiency.
3	Establishes our own rating policies which apply across Northland.	A single set of rating policies across Northland.	Council will not achieve compliance with the LGA as these policies could not be drafted and adopted by 1 July 2018; and will have inconsistent rating policies with each district council, causing administrative inefficiency and potential confusion for ratepayers.

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 the LGA requirements in relation to decisions.

Council was required by sections 102 of the LGA to undertake consultation on the rating policies, which also achieved compliance with council's Significance and Engagement Policy, in particular "We will consult when we are required to by law, when a proposal is considered significant, and when we need more information on options for responding to an issue".

The decision to confirm and adopt the rating policies follows a process of consultation and it is considered that in making this decision council is compliant with its Significance and Engagement Policy.

3. Policy, risk management and legislative compliance

The decision to confirm and adopt the rating policies is in accordance with:

- Section 102 of the Local Government Act 2002 (LGA), which requires local authorities to adopt a policy on the remission and postponement of rates on Māori freehold land, and allows a local authority to adopt rates remission and postponement policies.
- Sections 108 to 110 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 allows a local authority to adopt policies for the early payment of rates.

In determining its policies on the Remission and Postponement of Rates on Māori Freehold Land, council is required to consider Schedule 11 of the LGA. In determining these policies, and other policies, the council has considered Schedule 11 of the LGA, and recognises that the nature of Māori Freehold Land is different to general title land. This includes recognising that certain unoccupied Māori Freehold Land may have particular conditions, ownership structures, or other circumstances which make it appropriate to remit or postpone rates for defined periods of time. The council's considerations on these policies is attached.

Further considerations

4. Community views

The views of the community on the amendments and alterations in the rating policies were obtained during a period of consultation in accordance with sections 82 and 83 of the LGA. Community views have been provided to council by way of a summary of submissions report and full submission book, and were also summarised in council's deliberations report.

Council has considered the proposals included in the rating policies by way of a deliberations meeting that centred upon the public feedback received.

5. Māori impact statement

The rating policies were consulted on as part of the Long Term Plan 2018–2028 consultation. During the process of developing the Long Term Plan 2018–2028, council staff engaged with the Te Tai Tokerau Māori and Council Working Party Māori Technical Advisory Group (TTMAC) over the course of three intensive workshops, where feedback was obtained and incorporated into the plan development process. Engagement was also carried out with Te Uri O Hau representatives during development of the plan.

The process of public consultation on the plan included targeted engagement with Māori by way of pānui circulated to all iwi and hapū groups on council's database, and regular reporting to the TTMAC working party.

6. Financial implications


The expected rates remissions as a result of the adoption of these rating policies are being taken account of in setting the rates for 2018/19. This process will occur every financial year.

7. Implementation issues

We do not anticipate any implementation issues for the rating policies following adoption.

Attachments

Attachment 1: Draft "Rating policies: Effective 1 July 2018" [!\[\]\(de95854c7ee024cfadc48187bbb781b2_img.jpg\)](#) 

Attachment 2: Summary of changes to draft "Rating Policies: Effective 1 July 2018" [!\[\]\(3211b5d1d968fc1665909b34f9f16010_img.jpg\)](#) 

Attachment 3: Draft "Rating policies: Effective 1 July 2018" Schedule 11 considerations [!\[\]\(6059a5aa8b4ca7bb793408023d6c6e42_img.jpg\)](#) 

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 12 June 2018

Rating policies: Effective 1 July 2018

Rating philosophy and objectives

The Northland Regional Council reviews its rating policies annually and has targeted region-wide rates and differentiated specific targeted rates in order to better direct rate funding to those activities suited to either fixed and/or differentiated charges.

The Revenue and Financing Policy sets out the sources of funding applied to activities undertaken by the council. The council will consider applying a specific targeted rate where it better aligns to the expenditure being funded or where the distribution of benefits of providing particular activities is attributable to a subset of a community, or where the application of specific targeted rate promotes equity, transparency and accountability of its funding decisions.

Rates collection

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

Where rates are based on value, the values assessed by Quotable Value New Zealand (QV) will apply in the Far North and Kaipara districts; and QV currently, changing to Opteon, in the Whangārei District.

Policies on the remission and postponement of rates and penalties, and early payment of rates

The Northland Regional Council's policies on the remission and postponement of rates and penalties, and early payment of rates are the same as the region's three district councils. The council remits rates and penalties, postpones payment of rates, and manages early payment of rates in accordance with these policies. While these policies differ from council to council, it would be administratively inefficient to adopt uniform policies across the region and then require each district council to apply two sets of policies.

The council's annual rating resolution resolves that penalties will be added to unpaid rates, and stipulates the dates for payment of rates instalments and the penalty regime applicable for each district. The district councils record these rating transactions on the rating information database and rates records which they maintain on behalf of the Northland Regional Council.

The intended policies on the remission and postponement of rates and penalties, and early payment of rates for the constituent districts of the Northland region that will apply to the regional rates assessed in those districts are set out in the following section. These rating policies are effective from 1 July 2018.

Northland Regional Council makes all decisions regarding the remission and postponement of its rates and penalties, and early payment of council's rates, in accordance with its rating policies. The district councils assist with the administration of these policies. For the avoidance of doubt, this includes, but is not limited to:

- Where applications are required, they must be made to the relevant district council, as per its application process. The application will then be passed on to Northland Regional Council for its consideration.
- Any reporting required must be submitted to the relevant district council, and will be passed on to Northland Regional Council.
- The district councils may gather information needed to assess applications, or consider acting on behalf of land owners (as in the case of Māori freehold land not used).

FAR NORTH DISTRICT

Making an application? This is what you need to know:

1. All applications under these policies must be made in writing, signed by the owner/ratepayer, and accompanied by any required supporting documentation. After an application has been submitted, further documentation may be requested. In that event, the applicant will be notified accordingly.
2. As provided for in section 88 of the LGRA, a postponement fee may be calculated and added to the postponed rates.
3. The basis of calculating the postponement fee is included in each year's Funding Impact Statement, which can be found in the Long Term or Annual Plan for that year.
4. The owner(s) of the property must provide proof of eligibility which will be confirmed with relevant council information.
5. Where land is in multiple ownership, a written statement authorising an individual to act for one or more owners must be submitted with all applications.
6. Where a property or part of that property is sold within the period of remission or postponement, the council has the right to recover the rates remitted or postponed for the applicable period. This may apply to the whole property or only to that portion of the portion that has been sold.
7. The council may require further information from the applicant if deemed necessary to process the application.
8. The council reserves the right to inspect the use of a property, where appropriate, for application assessment and to confirm compliance with policy criteria from time to time.
9. Any decision made by the council under this policy is final.
10. Remissions or postponements granted under previous policies will remain in force as per those policies.
11. Applications may be made for a remission or postponement of rates in circumstances which are not included in the separate policy category sections set out below. These are known as "outside of policy" applications. The council's authority is restricted by the

provisions of the LGRA. For that reason, all such applications "outside of policy" must be in writing, and accompanied by sufficient detail and documentation to support a decision by the council.

12. The council is under no obligation to approve any applications that do not comply with the established policies and the council's decision on the matter is final.
13. The council's decision whether to grant or deny an application for remission or postponement of rates will be based upon:
 - a. The application itself; and
 - b. All supporting documents submitted by the applicant; and,
 - c. Any relevant information and/or documentation held in the council's records.
14. Except where otherwise indicated, the council reserves the right to grant or deny any and all applications for remission or postponement of rates under these policies.

Definitions

For the purpose of these policies, words used in the singular include the plural, and words used in the plural include the singular.

ARREAR means unpaid rates as at 30 June of the rating year prior to application.

THE COUNCIL means the Northland Regional Council and includes any person or agent authorised by the Northland Regional Council.

LANDLOCKED has the same meaning as defined in the Property Law Act 2007.

MĀORI FREEHOLD LAND has the same meaning as defined in Te Ture Whenua Māori Act 1993 Part VI section 129(2)(a).

NATURAL DISASTER has the same meaning as in the Earthquake Commission Act 1993.

NEW USER is a person that has not been previously identified in the council's Rates Information Database as being responsible for the rates on the land.

OCCUPIED means a formal right by occupation order or informal right by licence to occupy Māori Freehold Land, or other arrangements are in place and are exercised.

OCCUPIER means a person, persons, organisation, or business entity that is using a rating unit or portion of a rating unit under a lease, license or other formal agreement for a specified period of time.

OUTSTANDING NATURAL LANDSCAPE refers to any largely unmodified landscape with characteristics and qualities that amount to being conspicuous, eminent or remarkable. These landscapes are afforded protection through the Resource Management Act 1991 as a matter of national importance.

PAPAKĀINGA has the same meaning as in the operative version of the Far North District Plan.

POSTPONEMENT means an agreed delay in the payment of rates for a certain time, or until certain defined events occur.

RATEPAYER includes, under the LGRA, either the owner of the rating unit or a lessee under a registered lease of not less than 10 years, which provides that the lessee is required to be entered into the Rating Information Database as the ratepayer.

REASONABLE ACCESS has the same meaning as the Property Law Act 2007.

REMISSION means that the requirement to pay the rate levied for a particular financial year is forgiven in whole or in part.

STATUTORY LAND CHARGE means a charge registered against a Certificate of Title of a property by someone who has a financial interest in the property, such as debt or part ownership.

TREATY SETTLEMENT LANDS means any land which has been returned to Māori ownership in a Treaty Claims Settlement, or land which may have been purchased from Treaty settlement monies to replace land which could not be returned because it is in private ownership.

USED includes use for the purposes of any residential occupation of the land, or any activity for business or commercial purposes, including lease agreements, or storage of equipment, stock or livestock.

FN01 Common-use properties

Background

Section 20 of the Local Government (Rating) Act 2002 requires that multiple rating units be treated as one rating unit if they are:

- a. Owned by the same person or persons; and,
- b. Used jointly as a single unit; and,
- c. Contiguous or separated only by a road, railway, drain, water race, river or stream.

This policy expands on the provisions of the LGRA, and provides for commercial operations to be treated as one rating unit to assist economic development in the district.

Policy objectives

1. To provide for farming by treating multiple rating units as one rating unit if they are physically separated but used jointly as one farming operation.
2. To assist development in the district by treating multiple rating units of a development as a single rating unit for a maximum of three years.

Scope

This policy applies to both General Title and Māori Freehold Land.

Policy statements

In addition to the provisions of section 20 of the LGRA, the council will treat the following separate rating units as a single rating unit if they are owned by the same person or entity:

- a. A farm that consists of multiple rating units but functions as one commercial operation;
- b. Rating units of a residential or commercial development which are vacant and owned by the original developer, pending their sale or lease to subsequent purchasers or lessees.

Conditions and criteria

1. Applicants must provide sufficient evidence that the multiple rating units in question are being jointly used as a single farming operation, or are part of the same subdivision or commercial development.
2. In the case of a residential or commercial development, multiple rating units will be treated as a single rating unit for a maximum

term of three years. This term is calculated from 1 July in the year that this provision first applies.

3. Residential or commercial developments that have already received this remission under a previous policy are not eligible for remission under this policy.
4. In the case of a farm, the separate multiple rating units must be owned or leased by the same person or entity. If any of the separate rating units are leased, the term of the lease must be 10 years or more, including rights of renewal. The owners of each of the separate rating units must confirm in writing that their unit is being jointly used as a single farming operation.
5. In the case of a farm, the rating units must be situated within a radius of two kilometres from the boundary of the primary property.
6. The council reserves the right to exclude any specific targeted charge from this policy.

FN02 Community, sports and not-for-profit organisations

Background

Community and voluntary groups provide facilities to enhance and contribute to the wellbeing of the residents of the Far North. This policy provides rating relief for those organisations that operate for the benefit of the community.

Policy objectives

1. To assist in the ongoing provision of community services and recreational opportunities that benefit Far North residents.
2. To facilitate and support access to drug, alcohol and mental health facilities for Far North residents.

Scope

This policy applies to both General Title and Māori Freehold Land.

Policy statements

1. The council may remit up to 100% of the rates payable on land owned or used by:

- a. Registered charitable organisations or Inland Revenue Department (IRD) approved donee organisations; or

- b. Any entity which has, as its principal purpose and function, the provision of free access to family counselling, or, assessment, counselling and in-patient treatment for people with alcohol, drug and mental health related problems.

2. The council may remit 50% of the rates payable on land owned or used by an entity for the purpose of providing benefit to Far North residents through:

- a. The promotion of recreation, health, education, or instruction; or

- b. The running of a campground on land for the purposes listed in section 2(a) above.

Conditions and criteria

1. Relevant financial information must accompany all applications. This includes:
 - a. Statement of organisation objectives
 - b. Full financial accounts
 - c. Information on activities and programmes
 - d. Details of membership or clients.
2. No remission will be given on land on which a licence under the Sale of Liquor Act is held.
3. No remission will be given on land where any person or entity receives private financial profit from the activities carried out on the land. All income earned by ratepayers and entities receiving a remission under this policy must be spent on reasonable salaries, wages and other costs reasonably related to its community, sports, or not-for-profit purposes.
4. Land used for an activity which is commercial in nature does not qualify for rates remission. For example an "op-shop" does not qualify for rating relief under this policy.

FN03 Extreme financial hardship

Background

The council is sometimes approached by ratepayers who request rating relief due to extreme financial hardship. This policy outlines the conditions and criteria that must be met to receive rating relief in this situation.

Policy objective

To assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.

Scope

This policy applies to both General Title and Māori Freehold Land.

Policy statement

The council may remit rates for one year if the ratepayer is experiencing extreme financial hardship which affects their ability to simultaneously maintain a reasonable quality of life and pay their rates.

Conditions and criteria

1. The application will only be considered if the rating unit or portion of the rating unit is the ratepayer's primary residence and it is not used for business or commercial purposes.
2. If the applicant does not own the rating unit, the application must be accompanied by a letter of support from the owner or management structure.
3. The ratepayer must not own any property that may be used:
 - a. as a holiday home or rental property; or
 - b. for commercial activities, such as farming or business.
4. The council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after payment of rates, for normal day-to-day living expenses, normal health care, and maintenance of the home and chattels at an adequate and reasonably healthy standard.
5. An income and expenses declaration must accompany all applications. The council may require any information around the ratepayer's personal circumstances that it deems necessary to make a decision.
6. If rates are remitted pursuant to this section, the ratepayer will still be responsible for the amount of rates equal to the maximum rebate available under the central government Rates Rebate Scheme for the current rating year. The Far North District Council advises it is able to assist applicants for the Rates Rebate Scheme. If the ratepayer is not eligible for a

rates rebate, they will still be responsible for paying this amount, and will be required to enter into a payment arrangement.

7. Remissions granted under this policy will apply from the beginning of the rating year in which the application is made and apply only to the current year's rates. The ratepayer must reapply for each year they wish to receive a remission under this policy.

FN04 Incentivising Māori economic development

Background

The council recognises that there is a need to incentivise economic development on Māori Freehold Land. Enabling and incentivising Māori economic development through the remission of rates may see direct economic and social benefits to landowners generating a return on the land, as well as to the council from future rates contributions, as the venture grows and becomes sustainable.

Policy objectives

1. To provide incentives for Māori land owners to develop Māori Freehold Land for economic use.
2. To enable owners to develop an economic base and to assist with the subsequent payment of rates.

Scope

This policy applies to Māori Freehold Land.

Policy statement

The council will remit rates on Māori Freehold Land for the purposes of incentivising economic development.

Conditions and criteria

1. The council will remit rates under this policy on an eight-year sliding scale as follows:
 - Years 1-3 - 100% remitted
 - Year 4 - 90% remitted
 - Year 5 - 80% remitted
 - Year 6 - 60% remitted
 - Year 7 - 40% remitted
 - Year 8 - 20% remitted; and
 - Year 9 - 0% remitted

2. The land, or portion of the land, for which relief is sought must be considered suitable for development, and confirmed as currently not used.
3. Applications must be accompanied by a business case, and a meeting with council staff will be required to determine any other necessary documentation.
4. Key considerations by the council may include:
 - a. professional advice has been obtained;
 - b. there is a suitable management structure in place;
 - c. appropriate financial arrangements for the development of the land have been made;
 - d. suitable monitoring and reporting systems have or will be established; and
 - e. realistic financial projections and cash flows have been provided.
5. Upon approval, a regular annual report and financial statements on the development must be submitted to the council each year.

FN05 Landlocked land

Background

The Property Law Act 2007 enables owners of landlocked properties to take legal action in order to gain reasonable access to their property. Ratepayers may be unable to take action under these provisions of the Property Law Act 2007 due to their financial circumstances.

Policy objectives

To provide rating relief to ratepayers where their land has no reasonable access and the ratepayer cannot afford to take action through the Property Law Act 2007.

Scope

This policy applies to both General Title and Māori Freehold Land.

Policy statement

The council may postpone rates on landlocked land where there is no reasonable access as defined in the Property Law Act 2007.

Conditions and criteria

1. The land must be landlocked as defined in Section 326 of the Property Law Act 2007.
2. The application must state why access cannot be obtained through procedures set forth in Part 6, Sub-part 3, of the Property Law Act 2007.
3. The application must include a statutory declaration that there is no practical access across adjoining land and that the land is not in use by any person. Fencing to prevent trespassing does not constitute use of the land.
4. The maximum term for the postponement of rates for landlocked property is three years. If the land remains landlocked at the end of that period, postponed rates will be remitted.
5. The owner must advise the council if the status of the land changes, if access is obtained, or if any person commences to use the land. If the land ceases to be landlocked during the period of the postponement, any rates postponed and not remitted under this policy will not be immediately repayable unless the owner fails to keep the current and future rates up to date.
6. The repayment of postponed rates will not be required merely because of a change of ownership of the land, provided that the land continues to comply with the criteria of this policy.

FN06 Land subject to protection for outstanding natural landscape, cultural, historic or ecological purposes

Background

The council recognises that certain rateable land within the Far North district is protected for outstanding natural landscape, cultural, heritage, or ecological purposes.

Policy objectives

To provide rating relief to landowners who have reserved lands that have particular outstanding natural landscape, cultural, historic or ecological values for future generations.

Scope

This policy applies to both General Title and Māori Freehold Land.

Policy statements

1. The council may remit rates on land subject to protection for outstanding natural landscape, cultural, historic or ecological purposes under the formal protection agreements listed in 2 a) through 2 g) of the conditions and criteria of this policy.
2. The council may postpone rates on land subject to protection for outstanding natural landscape, cultural, historic or ecological purposes under the formal protection listed in 2 h) of the conditions and criteria of this policy.

Conditions and criteria

1. Applications must be supported by a copy of the formal protection agreement and a management plan detailing how the values of the land are to be maintained, restored, and/or enhanced.
2. The land must be subject to a formal protection agreement as set out below:
 - a. An open space covenant under section 22 of the Queen Elizabeth the Second National Trust Act 1977; or
 - b. A conservation covenant under section 77 of the Reserves Act 1977; or
 - c. A Nga Whenua Rahui kawenata under section 77A of the Reserves Act 1977; or
 - d. A declaration of protected private land under section 76 of the Reserves Act 1977; or
 - e. A management agreement for conservation purposes under section 38 of the Reserves Act 1977; or
 - f. A management agreement for conservation purposes under section 29 of the Conservation Act 1987; or
 - g. A Māori reservation for natural, historic, or cultural conservation purposes under sections 338 to 341 of the Te Ture Whenua Māori Act 1993 (Māori Land Act 1993); or
 - h. A covenant for conservation purposes under section 27 of the Conservation Act 1987.
3. The rating unit or portion of the rating unit that is the subject of the application must not be in use.

4. Where the entire rating unit is the subject of the application, the remission or postponement of rates will apply to all rates assessed on the property.
5. The protected and unprotected portions of the rating unit will be separately valued and assessed as separate parts pursuant to Section 45 (3) of the Local Government (Rating) Act 2002. In these instances, the remission or postponement of rates will only apply to the protected portion of the rating unit.
6. The following activities will not constitute use of the land:
 - a. Work undertaken to preserve or enhance the features covenanted on the land, including but not limited to weed control, planting to counteract erosion, or erection of a fence to prevent trespassing.
 - b. The removal of material by Māori for cultural purposes.
7. Any remission or postponement granted under this policy will become effective on 1 July in the rating year following the submission of the application.
8. Any remission or postponement of rates on the land will be cancelled immediately in the event that the land ceases to be protected under a formal protection agreement. Postponed rates that have not been remitted will be repayable in the event that the covenant conditions and the management plan objectives are breached in the opinion of the council, whose decision is final.

Specific conditions and criteria for postponement of rates

1. After a term of six years, the postponed rates for the first year of the covenant period will be remitted. After this, one additional year of the postponed rates will be remitted each year, so that a maximum of six years of postponed rates are held against the land at any given time.
2. Upon expiration of the covenant or other agreement, any rates that are postponed against the land at that time, which have not been remitted under paragraph 8 above, will become due.

3. The repayment of postponed rates will not be required as a result of a change of ownership, provided that the land continues to comply with all criteria.
4. The council will not seek repayment of postponed rates where future postponement is revoked due to the council changing its criteria for postponement.

FN07 Māori Freehold Land not used

Background

The council recognizes the unique barriers to the use and development of Māori Freehold Land resulting from fragmented ownership. While Māori Freehold Land itself may not be difficult to use or develop, there may be challenges around the use and the financing of the development of the land which arise from fragmented ownership.

This policy provides relief by giving a remission where land is not used due to the difficulty of multiple ownership, obtaining collective agreement, or the lack of financing options. This policy does not apply to Māori Freehold Land in sole ownership.

Policy objectives

1. To provide for rates remission for Māori Freehold Land under multiple ownership or portions thereof which are not used.
2. To avoid further alienation of Māori Freehold Land as a result of financial pressures that may be brought by the imposition of rates on lands not used.

Scope

This policy applies only to Māori Freehold Land.

Policy statement

The council may, upon application from the owners, authorised agents of the owners, or council itself acting for the owners, agree to remit the rates on such unused land for a period not exceeding three years.

Conditions and criteria

1. The land must be in multiple ownership. Land in sole-ownership is not eligible for rating relief under this policy.

2. The land must not be used by any person or entity.
3. If the land comes under use at any point, it will no longer receive remission of rates under this policy.
4. The council expects that any rating relief will be temporary, with each application limited to a term of three years. The council may consider renewing the rating relief upon the receipt of further applications from the owners.

FN08 New users of Māori Freehold Land

Background

The council recognises that significant rate arrears due to the challenges of multiple ownership can act as a disincentive to any new use of Māori Freehold Land where a new user could become responsible for the payment of any existing arrears of rates and penalties on the land. This policy has been developed to encourage use of Māori Freehold Land in these circumstances.

Policy objective

To remove the barrier of rate debt for new users to be able to use or develop the land.

Scope

This policy applies only to Māori Freehold Land.

Policy statement

The council may postpone the arrears of rates on Māori Freehold Land subject to the land being continuously used by a new user and that person agreeing to pay the rates while they are using the land.

Conditions and criteria

1. The person proposing to use the land must be a new user.
2. Where land has recently moved from multiple ownership to sole ownership, the sole owner will be treated as a new user.
3. The council has the sole discretion as to whether or not to grant the application, and may seek additional information before making its final decision.

4. The new user using the land must, upon approval of the application, keep the current and future rates up to date for as long as they continue to use the land.
5. If the current and future rates are not paid within one month of the due dates, the council reserves the right to reapply the postponed rates to the land.
6. Postponed rates will remain as a charge on the property for a period of six years from the date on which the rate was assessed, after which time they will be remitted.

FN09 Papakāinga on Māori Freehold Land

Background

The council recognises the importance of Māori Freehold Land in providing landowners and their whanau with the opportunity to establish papakāinga. The imposition of targeted rates applied on a uniform basis may act as a disincentive to occupying Māori Freehold Land for papakāinga purposes.

The policy creates apportionments on land which is subject to a license to occupy or has an informal arrangement in place. This means that each occupier will pay targeted rates applied on a uniform basis only upon the land they occupy, rather than upon the entire area of the rating unit.

Policy objectives

1. To put in place processes to allow the residents with occupation licenses or other informal arrangements to pay their portion of rates in respect of the land that they occupy.
2. To assist Māori to establish papakāinga or other housing on Māori Freehold Land.
3. To assist Māori to establish an economic base for future development.

Scope

This policy applies only to Māori Freehold Land.

Policy statement

The council may remit targeted rates which are applied on a uniform basis, for separately used or inhabited parts of a rating unit which are subject to a licence to occupy or other informal arrangement.

Conditions and criteria

1. The part of the land concerned must be the subject of a licence to occupy or other informal arrangement for the purposes of providing residential housing for the occupier.
2. The area of land covered by each arrangement must have a separate valuation issued by the council's valuation service providers and will be issued with a separate rate assessment pursuant to Local Government (Rating) Act 2002 Section 45(3).
3. The occupier must agree to pay any rates assessed in respect of the part or division of the rating unit that is the subject of the application.
4. The council reserves the right to cancel the remission on the portion of a rating unit upon which rates remain unpaid for a period of more than one month after the due date.
5. Charges on the land will remain in remission so long as the occupation continues to comply with the conditions and criteria of this policy.

FN10 Penalties

Background

Penalties are charged where rates instalments are not paid by the due date. The council recognises the economic hardship faced by some ratepayers. This policy provides for the remission of rates penalties on the grounds of financial hardship.

Policy objective

To allow for the remission of penalties where the ratepayer has entered into repayment arrangements or there are reasonable grounds to remove the penalty.

Scope

This policy applies to both General Title and Māori Freehold Land.

Policy statement

The council may remit rates penalties where the application provides a reasonable reason for remission.

Conditions and criteria

1. Applications will be considered if:
 - a. The applicant has a previous good record of payment and on-time payments of all rate instalments within the last two years, and an honest attempt has been made to have payment delivered on time; or
 - b. The owner of the rating unit has been given insufficient notice of the invoice due date; or
 - c. A request is made on compassionate grounds; or
 - d. The ratepayer has entered into a Rates Easy Pay agreement and has maintained the arrangement to clear their outstanding rates.
2. Penalties may be remitted upon payment of all outstanding rates.

FN11 Properties spanning multiple districts

Background

There are a small number of properties situated across the boundary line between the Far North district and other districts. These properties incur rates from both councils. This policy provides an equitable method of assessing rates for those properties.

Policy objective

To recognise that some properties span multiple districts, and to ensure that only the portion of property within the Far North district receives a rates assessment for Northland Regional Council rates in respect of the Far North district.

Scope

This policy applies to both General Title and Māori Freehold Land.

Policy statement

Rates will be remitted on any portion of a property outside of the Far North district.

Conditions and criteria

If there is a dwelling on the portion of the property within the Far North district, the land value based rate will continue to be remitted on the portion outside of the Far North district.

FN12 Residential rates for senior citizens

Background

The payment of rates for senior citizens on a limited income can affect their quality of life. This policy provides senior citizens with the option of postponing their rates to be paid until a sale of the rating unit takes place, or, in the event that they pass away, until the settlement of their estate. This will relieve elderly people of potential financial hardship, and enhance the quality of their lives, including the ability to remain in their home longer with limited income.

Policy objective

To positively contribute to the quality of life for senior citizens by postponing rates payable.

Scope

This policy applies to General Title Land. The council does not consider the application of this policy appropriate for Māori Freehold Land; because of the nature of Māori Freehold Land, the council does not consider it appropriate to charge postponed rates to the land. Landowners of Māori Freehold Land are eligible for remission of rates under the extreme financial hardship policy.

Policy statements

The council may postpone rates for ratepayers whose primary income is the New Zealand Superannuation Scheme. Any postponed rates will be postponed until:

- a. The settlement of the ratepayer's estate following their death; or
- b. The ratepayer ceases to be the owner or occupier of the rating unit; or
- c. The ratepayer ceases to use the property as their primary residence; or
- d. The total postponed rates (including Far North District Council rates) exceed 80% of the rateable value of the property (postponed rates will remain due for payment only on death, sale, or the date specified by the council); or
- e. A date specified by the council.

Conditions and criteria

1. Postponement under this policy will only apply to ratepayers who are:
 - a. eligible to receive the New Zealand Superannuation Scheme, which is, or will be, their primary income; or
 - b. on a fixed income.
2. The rating unit must be used by the ratepayer as their primary residence. This includes, in the case of a family trust owned property, use by a named individual or couple.
3. The ratepayer must not own any property that may be used:
 - a. as a holiday home or rental property; or
 - b. for commercial activities, such as farming or business.
4. The council must be satisfied that the ratepayer is unlikely to have sufficient funds left over, after payment of rates, for normal day to day living expenses, normal health care, and maintenance of the home and chattels to an adequate and reasonably healthy standard.
5. The council reserves the right to request any information around the ratepayer's personal circumstances that it deems necessary to make a decision.
6. People occupying a unit in a retirement village under a licence to occupy must have the agreement of the owner of the retirement village before applying for postponement of the rates payable on their unit.
7. If a property is still under a mortgage, a written and signed approval must be obtained from the Mortgagee as part of the application. This is because the payment of postponed rates will have priority over mortgage payments.
8. Properties that are the subject of a reverse mortgage are not eligible for rating relief under this policy.
9. The council has the right to decline rates postponement for a property that is in a known hazard zone. This is to minimise any risk of loss to the council.
10. Postponed rates will be registered as a statutory land charge on the rating unit title, meaning that the council will have first claim on the proceeds of any revenue from the sale or lease of the rating unit.
11. If rates are postponed, the ratepayer will still be responsible for the amount of rates equal to the maximum rebate available under the central government Rates Rebate Scheme for the current rating year. The Far North District Council advises it is able to assist applicants for the Rates Rebate Scheme. If the ratepayer is not eligible for a rates rebate, they will still be responsible for paying this amount, and will be required to enter into a payment arrangement to cover this portion.
12. The council will charge an annual administrative fee on postponed rates.
13. The postponed rates or any part thereof may be paid to the council at any time.
14. The property must be insured at the time the application is granted and must be kept insured. Evidence of this must be produced annually.
15. Senior citizens for whom rates are being postponed under this policy must promptly inform the council of any substantial change in their financial status which might affect their eligibility for such postponement.
16. For senior citizens who have had rates postponed under this policy but are no longer eligible for the postponement, those rates will remain postponed, and new rates will be charged accordingly.

FN13 Treaty settlement lands

Background

The council recognises that post-settlement governance entities (PSGEs), which are formed to receive properties returned as a part of Treaty of Waitangi settlements, will require time to develop strategic plans, restore protections, and complete necessary works for cultural and commercial redress properties. These properties can be classed as General Title, which means that the rating relief policies for Māori Freehold Land do not apply to all of these properties. This policy has been developed in recognition of these circumstances.

Policy objective

To recognise that lands acquired as part of a Treaty settlement process may have particular conditions or other circumstances which make it appropriate to remit rates.

Scope

This policy applies only to Treaty Settlement Lands.

Policy statement

The council will agree to remit rates on Treaty Settlement Lands subject to the criteria set out below.

Conditions and criteria

1. Before remission of rates may come into effect, the council must receive an appropriate and satisfactory application supported by sufficient documentation. Any remission granted will come into effect as of the date of that application.
2. The applicant must provide proof that the land which is the subject of the application is Treaty Settlement Land.
3. Returned lands that were non-rateable under the previous ownership will receive a full rates remission for a period of three years.
4. Where returned lands are commercial redress properties and are not used, the council will grant a 50% remission for a period three years.
5. Where the returned lands are commercial redress properties and meet the criteria as outlined in the incentivising Māori economic development policy, the council will remit rates on an eight-year sliding scale as follows:
 - Years 1-3 - 100% remitted
 - Year 4 - 90% remitted
 - Year 5 - 80% remitted
 - Year 6 - 60% remitted
 - Year 7 - 40% remitted
 - Year 8 - 20% remitted; and
 - Year 9 - 0% remitted

FN14 Unusable land

Background

Natural disasters can cause land to become unusable for a long period of time. This policy addresses the issue of land that had been made unusable by a natural disaster.

Policy objective

To provide rating relief to the owners of properties that have become unusable as a result of a natural disaster, and where the loss of the use of the property will result in financial hardship to the owner.

Scope

This policy applies to both General Title and Māori Freehold Land.

Policy statement

The council may grant a remission of rates on land that has become indefinitely unusable as a result of a natural disaster.

Conditions and criteria

1. The applicant must set out in detail the nature of the natural disaster that has caused the land to be unusable.
2. The application must outline the steps that the owner has taken, or will take, to return the land to a usable state. If this is not possible, the application must state why.
3. The application must be supported by a geotechnical report from a registered engineer setting out the reasons why the land has become, and will remain, unusable.
4. The applicant will be required to sign an agreement that any remission will be cancelled immediately if the land is returned to a usable state.

KAIPARA DISTRICT

KD1 Rates postponement and remission policy

KD1.1 Rates postponement for financial hardship

Objective

The objective of this scheme is to assist ratepayers experiencing financial hardship which affects their ability to pay rates.

Criteria

The ratepayer must meet the following criteria to be considered for rates postponement for hardship:

1. The ratepayer must be the current owner of the rating unit and owned the property for at least five years.
2. The rating unit must be used solely by the ratepayer as his/her residence.
3. No person entered on the council's rating information database as the "ratepayer" must own any other rating units or investment properties (whether in the district, in New Zealand or overseas) or have significant interests or ownership of a businesses or shares.
4. The current financial situation of the ratepayer must be such that he/she is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day-to-day living expenses.
5. The ratepayer (or authorised agent) must make an application to the council on the prescribed form (copies can be obtained from the Kaipara District Council offices, at either Dargaville or Mangawhai, or on the Kaipara District Council website www.kaipara.govt.nz).

Conditions

The council will consider, on a case-by-case basis, all applications received that meet the above criteria.

1. For the rates to be postponed, written confirmation of the ratepayer's financial situation must be provided from the

ratepayer's budget advisor. Additionally, the council reserves the full right to have the question of hardship addressed by any outside agency with relevant expertise e.g. budget advisors or the like.

2. For the rates to be postponed, the council will require a statutory declaration:
 - a. that the ratepayer does not own any other property or have significant interest in a business or shares; and
 - b. containing the value of the ratepayer's property insurance and the value of encumbrances against the property, including mortgages and loans.
3. For the rates to be postponed, the council will require the ratepayer to first make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.
4. The council will add a postponement fee each year to the postponed rates. The fee will cover the period from when the rates were originally due to the date that they are paid. This fee will not exceed the council's administrative and financial costs of the postponement.
5. The postponement will apply from the beginning of the rating year in which the application is made, although the council may consider backdating to before the rating year in which the application is made depending on the circumstances.
6. Any postponed rates will be postponed until:
 - a. the death of the ratepayer(s); or
 - b. the ratepayer/s cease/s to be the owner or occupier of the Rating Unit; or
 - c. the ratepayer/s cease/s to use the property solely as his/her residence; or
 - d. the postponed rates (including any Kaipara District Council rates) are 80% of the available equity in the property; or
 - e. a date specified by the council.

7. All or part of the postponed rates may be paid at any time. The applicant may also elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this scheme.
8. Postponed rates will be registered as a statutory land charge on the rating unit title. This means that the council will have first call on the proceeds of any revenue from the sale or lease of the rating unit.

Delegation of decision-making

Decisions relating to the postponement of rates will be made as outlined in the council's delegations manual.

KD1.2 Rates remission for financial hardship

Objective

The objective of this policy is to assist ratepayers experiencing extreme financial hardship which affects their ability to pay rates.

Criteria

The ratepayer must meet the following criteria to be considered for a rates remission for financial hardship:

- a. The ratepayer must be the current owner of the rating unit and owned the property for at least five years.
- b. The rating unit must be used solely by the ratepayer as his/her residence.
- c. No person entered on the council's rating information database as the "ratepayer" must own any other rating units or investment properties (whether in the district, in New Zealand or overseas) or have significant interests or ownership of a businesses or shares.
- d. The current financial situation of the ratepayer must be such that s/he is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard, as well as making provision for normal day-to-day living expenses.
- e. The ratepayer (or authorised agent) must make an application to the council on the prescribed form (copies can be obtained from the Kaipara District Council offices, at either

Dargaville or Mangawhai, or on the Kaipara District Council website www.kaipara.govt.nz).

Conditions

The council will consider, on a case by case basis, all applications that meet the above criteria.

- a. For the rates to be remitted, the ratepayer's financial situation must be such that the ratepayer is eligible for, and has applied for, the government rates rebate scheme. Additionally, council reserves the full right to have the question of hardship addressed by any outside agency with relevant expertise e.g. budget advisors or the like.
- b. For the rates to be remitted, the council will require a statutory declaration that the ratepayer does not own any other property or have significant interest in a business or shares.
- c. The remission will apply from the beginning of the rating year in which the application is made, although the council may consider backdating to before the rating year in which the application is made depending on the circumstances.

Delegation of decision-making

Decisions relating to the remission of rates for financial hardship will be made as outlined in the council's delegations manual.

KD1.3 Rates remission of penalties only

Objective

The objective of this scheme is to enable the council to act fairly and reasonably in relation to penalties applied when rates have not been received by the due date.

Criteria

1. Where the ratepayer meets the payment conditions agreed with the council to resolve a rates arrears, the council can remit any part of the penalties already incurred or yet to be incurred.
2. The penalties incurred on the first instalment of each financial year will be remitted if the ratepayer pays the total amount of rates due for the year, excluding the penalty on the first

instalment, but including any arrears owing at the beginning of the financial year, by the second instalment due date.

3. There are extenuating circumstances.
4. The ratepayer has paid after the penalty date, but has not received a rates penalty remission under this scheme within the past two years.

Conditions

1. If the ratepayer stops paying rates then the council is able to reinstate the penalties.
2. The remission will apply from the beginning of the rating period in which the application is approved and may not necessarily be backdated to prior years.

Treatment of penalties on small overdue balances

When a small balance is overdue which is uneconomical to collect, the council write-off the balance in line with delegations outlined in the council's delegations manual and other council procedures. Penalties will not be applied in these circumstances.

Delegation of decision-making

Decisions relating to the remission of rates penalties will be made as outlined in the council's delegations manual.

KD1.4 Rates remission of uniform charges on rating units

Objective

To enable the council to act fairly and equitably with respect to the imposition of uniform charges on two or more separate rating units that are contiguous, and used jointly for a single residential or farming use but do not currently meet section 20 of the Local Government (Rating) Act 2002.

Conditions and Criteria

1. The council may remit multiple sets of relevant targeted rates set as a fixed amount per rating unit or Separately Used or Inhabited Part of Rating Unit (SUIP) in the following circumstances:

a. Where a ratepayer owns and resides on two separate residential rating units that are contiguous and used jointly as a single residential property;

b. Where a farming operation consists of a number of separate Certificates of Title or rating units that are contiguous, the occupier of all rating units is the same and operated jointly as a single farm, but is owned by a number of separate owners. In some cases the rating units may have different property categories.

2. Properties that have been subdivided for sale are not eligible for remission relevant targeted rates.
3. Targeted rates set as a fixed amount for a service actually provided or made available to each separate part of the rating unit, such as water and wastewater rates, shall not be eligible for remission.
4. Owners wishing to claim a remission under this scheme may be required to make a written application or declaration using the appropriate application form and to supply such evidence as may be requested to verify that a remission should be granted under this scheme.

Delegation of decision-making

Decisions relating to the remission of rates will be made as outlined in the council's delegations manual.

KD1.5 Rates remission for community, sporting and other organisations

Objective

To enable the council to act fairly and equitably with respect to the imposition of rates on land used or occupied by societies or association of persons for organisations that have a strong community focus, but do not currently meet the 100% and 50% non-rateable criteria under Schedule 1 of the Local Government (Rating) Act 2002.

Criteria

1. The council may remit all or part of rates to land that is being used or occupied under the following circumstances:

- a. Land owned or used by a society or association of persons, whether incorporated or not, for the purposes of a public hall, library, museum or other similar institution.
 - b. Land owned or used by a society or association of persons, whether incorporated or not, for games or sports other than galloping races, harness races and greyhound races, and does not meet the 50% non-rateable definition as a club licence under the Sale and Supply of Alcohol Act 2012 is for the time being in force.
 - c. Land owned or used by a society or association of persons, whether incorporated or not, the object or principal object of which is to conduct crèches or to conserve the health or well-being of the community or to tend the sick or injured.
 - d. Land owned or used by a society or associations of persons, whether incorporated or not for sporting, recreation, or community purposes that does not meet the 100% and 50% non-rateable criteria under Schedule 1 of the Local Government (Rating) Act 2002.
2. In all cases, land that is used for the private pecuniary profit of any members of the society or association shall not be eligible for a rates remission.

Conditions

1. The rates remission for the following uses is:

Land Use	Remission
Public halls, libraries, museums	100%
Sports clubs	50%
Other community groups	50%

Delegation of decision-making

Decisions relating to the remission of rates will be made as outlined in the council's delegations manual.

KD1.6 Rates postponement or remission for miscellaneous purposes

Objective

The objective of this scheme is to enable the council to postpone or remit rates and/or penalties on rates in circumstances that are not specifically covered by other schemes in the rates postponement and remission policy, but where the council considers it appropriate to do so.

Criteria

1. The council may postpone or remit rates and/or penalties on rates on a rating unit where it considers it just and equitable to do so because:
 - a. There are special circumstances in relation to the rating unit, or the incidence of the rates (or a particular rate) assessed for the rating unit, which mean that the unit's rates are disproportionate to those assessed for comparable rating units;
 - b. The circumstances of the rating unit or the ratepayer are comparable to those where a postponement or remission may be granted under the council's other rates postponement or remission schemes, but are not actually covered by any of those schemes;
 - c. There are exceptional circumstances that the council believes that it is equitable to postpone or remit the rates and/or penalties on rates.

Conditions

1. Where the council and the ratepayer have agreed to postpone rates and/or penalties on rates:
 - a. Applications must be received in writing by the council from the ratepayer.
 - b. Applicants may elect to postpone a lesser amount than the maximum they would be entitled to under the scheme.
 - c. Postponed rates will be registered as a Statutory Land Charge on the Certificate of Title.
 - d. The council will add a postponement fee to the postponed rates for the period between the due date and the date the rates are paid. This fee is to cover the council's administrative and financial costs and may vary from year to year.

- e. Any postponement is valid for the year in which the application was made.
 - f. Ratepayers will be encouraged to obtain financial and/or legal advice about the rates postponement from an appropriate independent person.
2. The council has the final discretion to decide whether to grant a rates postponement or rates and/or penalties on rates remission under this scheme.

Delegation of decision-making

Decisions relating to the remission of rates and/or penalties on rates will be made as outlined in the council's delegations manual.

KD2 Māori Freehold Land rates postponement and remission policy

Overview, background and objectives

Section 102(2) of the Local Government Act 2002 provides that a council must adopt a policy on the postponement and remission of rates on Māori Freehold Land.

This policy is to ensure the fair and equitable collection of rates occurs from all sectors of the community. It is important to also recognise that Māori Freehold Land has particular conditions, and ownership structures which may make it appropriate to provide relief from rates.

Specifically this policy considers the matters set out in schedule 11 of the LGA 2002 and is intended to support the following objectives:

- Recognise matters related to the physical accessibility of the land;
- Facilitate development or use of the land.

This policy also has an objective to recognise situations where there is no occupier, or person gaining an economic or financial benefit from the land.

Conditions

KD2.1 Remission for undeveloped and inaccessible Māori Freehold Land

1. The council may remit rates penalties and/or current year or arrears of rates on Māori Freehold Land where the land has been unoccupied for the period which the remission is requested;
2. To be eligible for remission no person may, during the course of the year for which the remission is granted:
 - a. lease the land;
 - b. do one or more of the following things on the land, for profit or other benefit:
 - i. reside on the land;
 - ii. de-pasture or maintain livestock on the land;
 - iii. store anything on the land;
 - iv. use the land in any other way.

KD2.2 Remission to facilitate development of Māori Freehold Land

The council may remit the previous years' arrears and penalties provided the person or entity requesting the remission will pay for the annual rates for the current and previous two years and has agreed to contract to the council to keep all future rates paid in full.

Criteria

1. Application for land to be granted remission of rates must be made by the owners or trustees, the council or any person(s) who has gained a right to occupy through the Māori Land Courts and is the authorised occupier(s).
2. The land is Māori Freehold Land as defined in the Local Government (Rating) Act 2002.
3. Owners or trustees or any authorised occupier(s) must include the following information in their application:
 - a. The details of the property for which the application for remission is being made;

- b. The objectives (as outlined under overview, background and objectives above) that will be achieved by providing a remission, together with an explanation as to how the land fits within the objectives;
- c. Documentation that proves the land which is the subject of the application is Māori Freehold Land, as defined above.

Delegation of decision-making

Decisions about applying a remission of rates will be made as outlined in the council's delegations manual.

KD2.3 Rates postponement

This policy does not provide for the postponement of the requirement to pay rates.

KD3 Early payment of rates policy

KD3.1 Early payment of current year rates policy

In accordance with section 55 of the Local Government (Rating) Act 2002, which empowers councils to accept early payment of rates, the council will accept payment in full of all rates assessed in the current year on or before the due date for the first instalment of the year. Early payment of rates will attract neither a discount, nor interest on the sum paid.

KD3.2 Early payment of rates for subsequent years policy

The council will accept payment of rates for subsequent financial years. However, early payment of rates will attract neither a discount, nor interest on the sum paid.

WHANGĀREI DISTRICT

Policy WD01 Remission of targeted rates applied on a uniform basis to certain separately used or inhabited parts of ratings units (SUIPs) (WDC ref. 17/101)

Objective of the policy

In some cases the requirement that targeted rates set on a uniform basis be paid in relation to each Separately Used or Inhabited Part of a Rating Unit (SUIP) may result in inequity (refer definition of SUIP at the Funding Impact Statement of the current Annual Plan or Long Term Plan).

The objective of the policy is to enable the council to act fairly and reasonably by enabling the council to provide rates relief in certain circumstances where inequity may result, namely:

- a. Category A: Relief from the obligation to pay all uniform targeted rates where the rating unit is used by one ratepayer for both business and residential purposes.
- b. Category B: Relief from the obligation to pay all uniform targeted rates where the rating unit is used for residential purposes and a SUIP within the rating unit is occupied by a member of the ratepayer's immediate family on a rent free basis.

Criteria and conditions

The council may remit the rates referred to above where a rating unit meets the following criteria:

1. In relation to Categories A and B the relevant rating unit is both owned and occupied by the ratepayer;
2. In relation to Category B, the rating unit is the ratepayer's principal residence and:
 - a. the relevant SUIP within that rating unit is a minor flat or other residential accommodation unit; and
 - b. that minor flat or other residential accommodation is occupied by a first degree relative of the ratepayer (grandparent, parent, child or sibling), or other dependent the council considers, in its absolute discretion, meets the policy intent.

3. The ratepayer has applied for rates remission under this policy and provided information in the prescribed form on how the relevant criteria are satisfied and has completed relevant statutory declarations as may be required by the council.

4. Remissions will be granted for a maximum of three rating years and cannot be backdated to previous rating years.

5. If the circumstances of a ratepayer who has been granted a remission under this policy changes, such that the relevant criteria are no longer satisfied, the ratepayer must inform the council within 30 days. The council may redetermine that ratepayer's eligibility for a remission under this policy.

Delegations

Decisions on remissions of rates under this policy will be delegated to officers as set out in the council's delegations manual.

Policy WD02 Remission of all targeted rates on unsold subdivided land (WDC ref. 17/102)

Objective of the policy

In some cases the requirement that targeted rates be paid in relation to land that has been subdivided but not sold is a disincentive to development in the district. In addition, the liability for commercial rates of subdivided land rated as commercial but not sold is a disincentive to commercial development in the district. The council wishes to incentivise commercial and other development in the district.

The objective of the policy is to enable the council to act fairly and reasonably by enabling the council to provide rates relief in certain circumstances where inequity may result, namely where land has been subdivided but has remained unsold for a period of five years.

Criteria and conditions

1. In relation to non-commercial subdivided land, the council may remit targeted rates where a rating unit meets the following criteria:
 - a. The subdivided rating units are owned by the same ratepayer; and

- b. The relevant ratepayer subdivided the land; and
 - c. The land was lawfully subdivided and is vacant; and
 - d. The land is not able to be treated as a single rating unit in accordance with section 20 of the Local Government Rating Act 2002.
2. In relation to commercial subdivided land, the council may remit up to 20% of targeted rates where a rating unit meets the following criteria:
- a. Criteria 1(a)-(d) of this policy; and
 - b. The subdivided land is rated as commercial land.
3. In relation to both commercial and non-commercial subdivided land:
- a. The remission is available for a maximum of five years after the date of subdivision and cannot be backdated to previous rating years.
 - b. The ratepayer has applied for rates remission under this policy and provided information in the prescribed form on how the relevant criteria are satisfied and has completed relevant statutory declarations as may be required by the council.
 - c. If the circumstances of a ratepayer who has been granted a remission under this policy changes, such that the relevant criteria are no longer satisfied, the ratepayer must inform the council within 30 days. The council may redetermine that ratepayer's eligibility for a remission under this policy.

Delegations

Decisions on remissions of rates under this policy will be delegated to officers as set out in the council's delegations manual.

Policy WD03 Remission of penalties (WDC ref. 17/103)

Objectives of the policy

Penalties are added where rates have not been received by the due date. Further penalties are added where previous years' arrears remain unpaid three months after the end of the rating year.

The objective of this policy is to enable the council to act fairly and reasonably in relation to penalties applied when rates have not been received by the due date.

Criteria and conditions

Penalties on rates may be remitted when the ratepayer has applied for rates remission under this policy and provided information in the prescribed form on how the relevant criteria are satisfied and has completed relevant statutory declarations as may be required by the council and one or more of the following criteria are met:

1. Where the ratepayer meets the payment conditions agreed with the council to resolve rates arrears.
2. Where the ratepayer has an otherwise good payment history and has not received a penalty remission within the past and current financial year.
3. Where there are extenuating circumstances, such as significant family disruption, illness or accident.
4. Where the ratepayer pays rates by direct debit and future rates and rates arrears are addressed in an agreed timeframe.
5. If the ratepayer stops adhering to the agreed payment conditions, the remission of penalties can be cancelled, with relevant penalties being reinstated and becoming due and owing (except where relevant limitation periods preclude recovery).
6. The remission will apply to the period in which the application is approved and may not necessarily be backdated to previous years.
7. The ratepayer has applied for rates remission under this policy and provided information in the prescribed form on how the relevant criteria are satisfied and has completed relevant statutory declarations as may be required by the council.

Delegations

Decisions on remission of penalties under this policy will be delegated to officers as set out in the council's delegation manual.

Policy WD04 Remission of rates for community, sports and other organisations (WDC ref. 17/107)

Objectives of the policy

Community and voluntary organisations provide facilities for residents which enhance and contribute to the district's wellbeing. The council wishes to encourage such groups by providing rates relief.

Doing so will enable the council to act fairly and equitably with respect to the imposition of rates on land used or occupied by societies or association of persons for organisations that have a strong community focus but do not currently meet the 100% or 50% non-rateable criteria under Schedule 1 of the Local Government (Rating) Act 2002.

Criteria and conditions

The council may remit all or part of rates to a rating unit that is being used or occupied under the following circumstances:

1. Land owned or used by a society or association of persons, for community purposes, games or sports other than galloping races, harness races and greyhound races, and which does not meet the 50% non-rateable definition as a club license under the Sale and Supply of Alcohol Act 2012 is for the time being in force.
2. Land owned or used by a society or association of persons, the object or principal object of which is to conserve the health or well-being of the community or to tend the sick or injured.
3. Land owned or used by a society or association of persons, for the purposes of a public hall, library, museum or similar institution.

The policy will not apply in respect of:

1. Societies or associations of persons operating for private pecuniary profit, or which charge tuition fees.
2. Societies or associations of persons whose primary purpose is to address the needs of adult members (over 18 years) for entertainment or social interaction, or who engage in recreational, sporting, or community services as a secondary purpose only.

To be considered for rates remission under this policy, the ratepayer must apply for rates remission under this policy, provide information in the prescribed form on how the relevant criteria and conditions are satisfied and complete relevant statutory declarations as may be required by the council.

The rates remission for the following uses is:

Land Use	Remission %
Community, games or sports	50%
Health, libraries or museum	100%
Public halls	100%

Delegations

Decisions on remission of rates under this policy will be delegated to officers as set out in the council's delegation manual.

Policy WD05 Postponement of rates – Extreme financial hardship (WDC ref. 17/108)

Objectives of the policy

From time to time the council is approached by ratepayers who are experiencing financial hardship. Whangarei District Council staff advise they will work with applicants to help meet their commitments with payment options, payment arrangements and penalty relief. This policy covers the circumstances where these options will not provide the desired outcome.

The purpose of this policy is assist ratepayers experiencing extreme financial circumstances which affect their ability to pay their rates and who wish to defer the payment of rates using the equity in their rating unit.

Criteria and conditions

The council is able to postpone rates in accordance with the policy where the following criteria are met:

1. The ratepayer has applied for rates remission under this policy and provided information in the prescribed form on how the relevant

- criteria are satisfied and has completed relevant statutory declarations as may be required by the council.
2. The ratepayer is the current owner of the rating unit and has owned or resided on the property or another property within Whangarei district for not less than 2 years.
 3. The residential rating unit is used solely by the ratepayer as the ratepayer's principal residence.
 4. The council is satisfied that the ratepayer is unlikely to have sufficient funds left over, after the payment of rates, for normal health care, proper provision for maintenance of his/her home and chattels at an adequate standard as well as making provision for normal day to day living expenses.
 5. The ratepayer does not own any other rating units or investment properties or other investment realisable assets (whether in the district, in New Zealand or overseas) or have significant interests or ownership of a business(s) or shares.
 6. Even if rates are postponed the ratepayer will be required to pay the first \$500 of the rate account.
 7. The ratepayer must make acceptable arrangements for payment of future rates, for example by setting up a system for regular payments.
 8. The council will add a postponement fee to the postponed rates for the period between the due date and the date the rates are paid. This fee is to cover the council's administrative and financial costs and may vary from year to year.
 9. The policy will apply from the beginning of the rating year in which the application is made although the council may consider backdating past the rating year in which the application is made depending on the circumstances, and in its absolute discretion.
 10. Any postponed rates will be postponed until:
 - a. the death of the ratepayer(s); or
 - b. the ratepayer(s) ceases to be the owner or occupier of the rating unit; or
 - c. the ratepayer(s) ceases to use the property as his/her residence; or
 - d. a date specified by the council as determined by the council in any particular case.

11. The postponed rates or any part thereof may be paid at any time. The applicant may elect to postpone the payment of a lesser sum than that which they would be entitled to have postponed pursuant to this policy.
12. Postponed rates will be registered as a statutory land charge on the rating unit title.

Delegations

Decisions on postponement of rates under this policy will be delegated to officers as set out in the council's delegation manual.

Policy WD06 Postponement and remission on specific farmland properties (WDC ref. 17/109)

Objective of the policy

Land may continue to be farmed, but in some situations, such as proximity to the coast, means the land value has increased significantly, and the rates set would be a disincentive to the continued use of the land in its current form. The council recognises that forced development in these situations is not necessarily desirable and there are advantages in the land remaining as farmland.

The objective of the policy is to afford relief to farmers whose farmland has increased in value by the factor of potential residential, commercial or other non-farming use, carrying with it rates disproportionate to a farming use when compared to other farming properties within the district.

Criteria and conditions

The council may remit or postpone rates in accordance with this policy where the following criteria and conditions are met:

1. The properties will be identified and the rates postponement values will be determined by the council's Valuation Service Provider in conjunction with a general revaluation. The council may at any time, on the written application of the owner of any farmland requesting that the property be considered for postponement values, forward that application to the council's Valuation Service Provider for their determination. If so determined, the postponement values will take effect from the commencement of the financial year following the date of the application.

2. The rates postponement value of any land is to be determined:

- a. So as to exclude any potential value that, at the date of valuation, the land may have for residential purposes, or for commercial, industrial, or other non-farming use; and
- b. So as to preserve uniformity and equitable relativity with comparable parcels of farmland that the valuations of which do not contain any such potential value.
- c. May apply to one or more rating units in the same ownership and is therefore conditional upon all rating units remaining in the same ownership.

3. In this policy, "farmland" means a property rated under the category of "rural" in the council's differential rating system.

4. The farming operation should provide the majority of revenue for the ratepayer who should be the actual operator of the farm.

5. The area of land that is the subject of the application is not less than 30 hectares. Discretion will be allowed to extend the relief to owner-operators of smaller intensive farming operations where there is clear evidence that it is an economic unit in its own right.

6. No objection to the amount of any rates postponement value determined under this policy may be upheld except to the extent that the objector proves that the rates postponement value does not preserve uniformity with existing roll values of comparable parcels of land having no potential value for residential purposes, or for commercial, industrial or other non-farming development.

7. To be considered for rates postponement [or remission] under this policy, the ratepayer must apply for rates postponement [or remission] under this policy, provide information in the prescribed form on how the relevant criteria and conditions are satisfied and complete any relevant statutory declarations as may be required by the council.

Effect of rates postponement values

8. The postponed portion of the rates for any rating period shall be an amount equal to the difference between the amount of the rates for that period calculated according to the rateable value of the property and the amount

of the rates that would be payable for that period if the rates postponement value of the property were its rateable value.

9. The amount of the rates for any rating period so postponed shall be entered in the rates records and will be included in or with the rates assessment issued by the council in respect of the rateable property.

10. Any rates so postponed, and, as long as the property still qualifies for rates postponement, will be written off after the expiration of five years.

Rates set before postponement values determined

11. Where the council has set rates in respect of any property for any year before the rates postponement value has been determined, the council may make and deliver to the owner an amended rate assessment for that year.

Additional charges

The council will add a postponement fee to the postponed rates for the period between the due date and the date the rates are paid. This fee is to cover the council's administrative and financial costs and may vary from year to year.

When postponed rates become payable

12. All rates that have been postponed under this policy and have not been written off under this policy become due and payable immediately on:

- a. The land ceasing to be farmland;
- b. The interest of the owner of any part of the land is transferred to or becomes invested in some person or other party other than:
 - i. the owner's spouse; or
 - ii. the executor or administrator of the owner's estate.

For avoidance of doubt, where rates have been postponed and not written off in respect of land comprising one or more rating units in the same or common ownership, and one or more of the rating units meets the criteria for payment above, all postponed rates on all rating units will become payable.

Postponed Rates to be a charge on the rating unit

Where the council has postponed the requirement to pay rates in respect of a rating unit, postponed rates will be registered as a statutory land charge on the rating unit's Certificate of Title.

Delegations

Decisions on postponement of rates under this policy will be delegated to officers as set out in the council's delegation manual.

Policy WD07 Postponement and/or remission of rates and charges on properties affected by fire or natural calamity (WDC ref. 17/110)

Objectives of the policy

This policy recognises that where a rating unit has been affected to the extent that the land or buildings are irretrievably damaged, where it cannot be used, then the application of full rates could cause financial hardship.

The objective of the policy is to enable appropriate rate relief to be provided where the use that may be made of any land or buildings have been detrimentally affected by fire or natural calamity.

Criteria and conditions

The council may remit and/or postpone rates wholly, or in part, in respect of any land or buildings affected by fire or natural calamity, where it considers it fair and reasonable to do so.

1. The repayment of any postponed rates will be determined at the time the application is approved, and will depend on the circumstances of the fire or natural calamity.
2. Any application for rates relief due to fire will not be accepted if the council has any reason to suspect, on reasonable grounds, that the fire was deliberately caused by owner, occupier or a related party.
3. To be considered for rates postponement and/or remission under this policy, the ratepayer must apply for rates postponement and/or remission under this policy, provide information in the prescribed form on how the relevant criteria and conditions are

satisfied and complete any relevant statutory declarations as may be required by the council.

4. If an application is approved, the council may direct its valuation service provider to inspect the rating unit and prepare a valuation that will take into account any factors that could affect the use of the land or buildings as a result of the fire or natural calamity. The valuation service provider's decision will be final.

Delegations

Decisions on remission and/or postponement of rates under this policy will be delegated to officers as set out in the council's delegation manual.

Policy WD08 Remission of rates on unoccupied Māori Freehold Land (WDC ref. 17/111)

Objectives of the policy

Some Māori Freehold Land in the Whangarei district is unoccupied and unproductive. This land creates a significant rating burden on the Māori owners who often do not have the ability or desire to make economic use of the land. Often this is due to the nature of the ownership or it is isolated and marginal in quality.

A remission of all or part of rates may be granted in respect of multiple-owned Māori Freehold Land which is unoccupied or unproductive.

- To recognise situations where there is no occupier or no economic or financial benefit is derived from the land.
- Where part only of a block is occupied, to grant remission for the portion of land not occupied.
- To encourage owners or trustees to use or develop the land.
- Where the owners cannot be found, to take into account the statutory limitation of time for the recovery of unpaid rates.
- Any other matter in accordance with schedule 11 of the Local Government Act 2002.

Criteria and conditions

1. The land must be multiple-owned and unoccupied Māori Freehold Land (as defined in the Local Government (Rating) Act 2002)

which does not produce any income. (Multiple owned is defined as more than two registered owners. This includes beneficial owners where the registered owner is deceased, but the succession order has not yet been approved by the Māori Land Court).

2. The land or portion of the land must not be "used". This includes leasing the land, residing on the land, maintaining livestock on the land, using the land for storage or in any other way.
3. In order to encourage the development of the land, the rating unit may be apportioned into useable and non-useable portions and the remission applied based on the percentage of non-useable land.
4. To be considered for rates remission under this policy, the ratepayer must apply for rates remission under this policy, provide information in the prescribed form on how the relevant criteria and conditions are satisfied and complete relevant statutory declarations as may be required by the council.
5. Where after due enquiry the owners of an unoccupied block cannot be found, the council may apply a remission without the need for a request.
6. If circumstances changes in respect of the land, the council will review whether this remission policy is still applicable to the land. All land identified under this policy for remission, will be reviewed triennially.

Delegations

Decisions on remission of rates under this policy will be delegated to officers as set out in the council's delegation manual.

Policy WD09 Postponement of rates on Māori Freehold Land (WDC ref. 17/112)

Objectives of the policy

The difficulty in establishing and contacting owners or occupiers of Māori land means that there are often rate arrears when ownership or use is finally established. Also new occupiers or owners may wish to use the land, but are reluctant to take on the outstanding rate arrears. In order to facilitate and encourage the use of the land, the arrears may be postponed if the current rates are met.

The council wishes to encourage the development and use of Māori Freehold Land where the council considers the full payment of the rate arrears would be a disincentive.

Criteria and conditions

The council will postpone rates in accordance with the policy where the application meets the following criteria:

1. The land must be Māori Freehold Land, as defined in the Local Government (Rating) Act 2002.
2. The ratepayer has applied for rates postponement under this policy and provided information in the prescribed form on how the relevant criteria and conditions are satisfied and has completed relevant statutory declarations as may be required by the council.
3. The owners or occupiers of the land (or portion of the land) must agree in writing to meet all future rates commitments whilst they are using the land.
4. The rates will remain as a statutory charge against the property until six years from the date they were assessed and will then be written off.
5. The council reserves the right to reapply the rates postponed should the agreement not be met.

Delegations

Decisions on postponement of rates under this policy will be delegated to officers as set out in the council's delegation manual.

Policy WD10 Remission of rates on voluntarily protected land (WDC ref. 17/113)

Objectives of the policy

The council wishes to encourage and promote the conservation and protection of significant natural resources in the district. This will enable council to act fairly and equitably in the assessment of rates, in line with land forming part of a reserve under the Reserves Act 1977.

Criteria and conditions

The council may remit the rates where the application meets the following conditions and criteria:

1. The council is satisfied that the land is subject to permanent protection under subject to QEII Open Space Covenant or similar permanent conservation covenant. That the covenant must be registered on certificate of title(s).
2. No person(s) are using the land and no building structures are within the boundaries of the covenanted area.
3. The ratepayer has applied for rates remission under this policy and provided information in the prescribed form on how the relevant criteria and conditions are satisfied and has completed relevant statutory declarations as may be required by the council.

Delegations

Decisions on remission of rates under this policy will be delegated to officers as set out in the council's delegation manual.

Policy WD11 Remission or postponement of rates and penalties for miscellaneous purposes (WDC ref. 17/114)

Objective of the policy

This policy is to address inequity in rating in specific circumstances.

The council wishes to be able to postpone or remit rates and/or penalties on rates in circumstances that are not specifically covered by other policies in the rates postponement and remission policy, but where the council considers it appropriate to do so.

Criteria and conditions

The council may postpone or remit rates and/or penalties on rates on a rating unit where it considers it just and equitable to do so, in its absolute discretion, because:

- a. There are special circumstances in relation to the rating unit, or the incidence of the rates (or a particular rate) assessed for the rating unit, which mean that the unit's rates are disproportionate to those assessed for comparable rating units; or
- b. The circumstances of the rating unit or the ratepayer are comparable to those where a postponement or remission may be granted

under the council's other rates postponement or remission schemes, but are not actually covered by any of those schemes; or

- c. There are exceptional circumstances that the council believes that it is equitable to postpone or remit the rates and/or penalties on rates.

1. To be considered for rates remission under this policy, the ratepayer must apply for rates remission under this policy, provide information in the prescribed form on how the relevant criteria and conditions are satisfied and complete relevant statutory declarations as may be required by the council.

2. Postponed rates will be registered as a Statutory Land Charge on the Certificate of Title.

3. The council will add a postponement fee to the postponed rates for the period between the due date and the date the rates are paid. This fee is to cover the council's administrative and financial costs and may vary from year to year.

4. Any postponement is valid for the year in which the application was made.

5. The council has the final discretion to decide whether to grant a rates postponement or rates and/or penalties on rates remission under this policy.

Delegations

Decisions on remission and/or postponement of rates under this policy will be delegated to officers as set out in the council's delegation manual.

Policy WD12 Discount for early payment of rates in current financial year (WDC ref. 17/200)

Objectives

In accordance with section 55 of the Local Government (Rating) Act 2002, which empowers councils to accept early payment of rates in the current financial year, a discount is granted where the full annual rates are paid on the due date of the first instalment.

The objective of the early payment policy is to encourage ratepayers to pay their rates early and in one sum so as to minimise processing costs and improve cash flow.

Criteria and conditions

A discount will be allowed if the total rates assessed for the current year and all arrears are paid in full on or before the due date for the first instalment. In exceptional circumstances where an extended date for payment has been granted, on or before the extended date.

That the amount of the discount be set each year in accordance with that provided in the rates resolution (Rates for the year 1 July to 30 June).

Delegations

Decisions on remissions under this policy will be delegated to officers as set out in the council's delegation manual.

Summary of changes to “Rating policies: Effective 1 July 2018” after deliberations

Summary of staff changes to rating policies

1. Title of the document changed from “Rating policies 2018” to “Rating policies: Effective 1 July 2018”.
2. All rating policy titles have been edited to include a policy code:
 - a. FN(xx) for Far North district
 - b. KD(xx) for Kaipara district
 - c. WD(xx) for Whangārei district. These titles have also retained the Whangareia District Council policy codes as references.

Summary of legal review of rating policies

Section	Removed text	Final text	Notes
Policies on the remission and postponement of rates and penalties, and early payment of rates		<i>These rating policies are effective from 1 July 2018.</i>	Addition of text to clarify effective date of policies.
Policies on the remission and postponement of rates and penalties, and early payment of rates	<i>The district councils have a significant role in the administration of these policies.</i>	<i>The district councils assist with the administration of these policies.</i>	Reframe as Northland Regional Council decisions processed by the district councils.
Far North district: Making an application? This is what you need to know: 11	<i>the council's...</i>	<i>The council's...</i>	Minor typographical error
Far North district: Definitions		<i>ARREAR</i>	Legal request to change to “ARREARS”. No change was made. Term as per Far North District Council policy.
FN03: Background	<i>In its role as rates collector for Northland Regional Council, the Far North District Council is sometimes approached by ratepayers...</i>	<i>The council is sometimes approached by ratepayers...</i>	Reframe as Northland Regional Council decisions processed by the district councils.
FN03: Conditions and criteria: 6	<i>The Far North District Council is available to assist applicants for the rates Rebate Scheme.</i>	<i>The Far North District Council advises it is available to assist applicants for the rates Rebate Scheme.</i>	Reframe as what Far North District Council has advised Northland Regional Council it will do.
FN06: Background	<i>The council recognises that certain rateable land within the district...</i>	<i>The council recognises that certain rateable land within the Far North district...</i>	Clarify the district being discussed.
FN06: Conditions and criteria: 4	<i>... the remission or postponement of rates will apply to all rates levied on the property.</i>	<i>... the remission or postponement of rates will apply to all rates assessed on the property.</i>	Replace with correct wording regarding rating.

Section	Removed text	Final text	Notes
FN11: Policy objective	<i>... receives a rates assessment for Northland Regional Council rates from the Far North District Council.</i>	<i>... receives a rates assessment for Northland Regional Council rates in respect of the Far North district.</i>	Clarify our interest is in our rates in the Far North district, not the Far North District Council.
FN12: Policy statements: d	<i>The accrued charges exceed 80% of the rateable value...</i>	<i>The total postponed rates (including Far North District Council rates) exceed 80% of the rateable value...</i>	Clarify that both Far North District Council and Northland Regional Council rates contribute to this figure.
FN12: Conditions and criteria: 11	<i>The Far North District Council is able to assist applicants for the Rates Rebate Scheme.</i>	<i>The Far North District Council advises it is able to assist applicants for the Rates Rebate Scheme.</i>	Reframe as what Far North District Council has advised Northland Regional Council it will do.
KD1.2: Conditions: 6d.	<i>the postponed rates are 80% of the available equity in the property;</i>	<i>the postponed rates (including any Kaipara District Council rates) are 80% of the available equity in the property;</i>	Clarify that both Kaipara District Council and Northland Regional Council rates contribute to this figure.
Policy WD01: Objective of the policy	<i>... may result in inequity (refer definition of SUIP at the Funding Impact Statement of the current Annual Plan or Long Term Plan).</i>	<i>... may result in inequity.</i>	Remove reference as unnecessary
Policy WD02		<i>...Commercial...</i>	Legal note: Commercial is a Whangarei District Council concept. Agree, but we use it for the targeted Whangārei Urban rivers rate so this policy is applicable to Northland Regional Council.
Policy WD02: Criteria and conditions: 2a	<i>Criteria 1(i)-(iv) of this policy; and</i>	<i>Criteria 1(a)-(d) of this policy; and</i>	Minor typographical error
Policy WD05: Objectives of the policy	<i>In its role as rates collector for Northland Regional Council, from time to time Whangarei District Council is approached by ratepayers who are experiencing financial hardship. Whangarei District Council staff will work with applicants...</i>	<i>From time to time the council is approached by ratepayers who are experiencing financial hardship. Whangarei District Council staff advise they will work with applicants...</i>	Reframe as Northland Regional Council decisions processed by district councils, and reframe as what Far North District Council has advised Northland Regional Council it will do.
Policy WD06: Criteria and conditions: 3	<i>...category of "rural"...</i>	<i>...category of "rural"...</i>	Minor typographical error
Policy WD07: Criteria and conditions: 4	<i>As there are no statutory rights of objection or appeal for valuations of this nature then the valuation service provider's decision will be final.</i>	<i>The valuation service provider's decision will be final.</i>	Remove legal references

Section	Removed text	Final text	Notes
Policy WD10: Objectives of the policy	<i>In the past legislation provided for non-rateable status on the portions of land set aside under the Queen Elizabeth II (QEII) National Trust however, the Local Government (Rating) Act 2002 does not provide this relief. QEII National Trust helps private landowners in New Zealand protect special natural and cultural features on their land with open space covenants.</i>	Whole paragraph removed	Remove reference to past legislation and what is not covered by the Local Government (Rating) Act.

Summary of changes to Far North district rating policies arising from Far North District Council deliberations

Section	Removed text	Final text	Notes
Throughout section	<i>Papakainga</i>	<i>Papakāinga</i>	Spelling error.
FN02: Policy statements: 2.	<i>... used by an entity whose principal purpose is to provide benefit to Far North residents through:...</i>	<i>... used by an entity for the purpose is of providing benefit to Far North residents through:...</i>	Strengthen the definition of eligible entities.
FN04: Conditions and Criteria: 2.	<i>... and confirmed as currently unoccupied.</i>	<i>...and confirmed as currently not used.</i>	"unoccupied" is undefined.
FN05: Conditions and Criteria: 5.	<i>Any rates postponed and not remitted under this policy will be immediately repayable if the land ceases to be landlocked during the period of the postponement.</i>	<i>If the land ceases to be landlocked during the period of the postponement, any rates postponed and not remitted under this policy will not be immediately repayable unless the owner fails to keep the current and future rates up to date.</i>	Clarification.
FN06: Conditions and Criteria: 5.	<i>If part of the protected area is being used, the used and unused portions will be will only apply to the unused portion of the rating unit.</i>	<i>The protected and unprotected portions of the rating unit will be... ... will only apply to the protected portion of the rating unit.</i>	Contradictions removed.
FN07: Policy Objectives: 2.	<i>... the imposition of rates on unoccupied lands.</i>	<i>... the imposition of rates on lands not used.</i>	"unoccupied" is undefined.
FN09: Conditions and Criteria: 4.	<i>The council reserves the right to cancel the remission on any part of a rating unit if the rates remain unpaid ...</i>	<i>The council reserves the right to cancel the remission on the portion of a rating unit upon which rates remain unpaid ...</i>	Clarification.

Draft “Rating policies: Effective 1 July 2018”: *Schedule 11 considerations – matters relating to rates relief on Māori freehold land*

Background

The Far North, Kaipara and Whangārei district councils collect rates on Northland Regional Council's behalf, and it is administratively efficient that where possible the council adopts policies on the remission and postponement of its rates and penalties, and early payment of its rates that are materially the same as those of the three district councils.

Section 108 of the Local Government Act 2002 (LGA) states that when council is determining its policies on remission and postponement of rates for Māori freehold land, it must consider Schedule 11, which outlines matters relating to rates relief on Māori freehold land. Sections 109 and 110 states that council may also consider Schedule 11 in determining its other policies on remission and postponement of rates.

In summary, Schedule 11 requires the consideration of a number of objectives (clause 2) to each district and an analysis of how the remission and postponement of rates for Māori freehold land achieve any that are relevant. All of these objectives are considered by council to be important within each of the constituencies of the Northland region.

Schedule 11

Matters relating to rates relief on Māori freehold land

- 1) The matters that the local authority must consider under [section 108\(4\)](#) are—
 - a) the desirability and importance within the district of each of the objectives in [clause 2](#); and
 - b) whether, and to what extent, the attainment of any of those objectives could be prejudicially affected if there is no remission of rates or postponement of the requirement to pay rates on Māori freehold land; and
 - c) whether, and to what extent, the attainment of those objectives is likely to be facilitated by the remission of rates or postponement of the requirement to pay rates on Māori freehold land; and
 - d) the extent to which different criteria and conditions for rates relief may contribute to different objectives.
- 2) The objectives referred to in [clause 1](#) are—
 - a) supporting the use of the land by the owners for traditional purposes:
 - b) recognising and supporting the relationship of Māori and their culture and traditions with their ancestral lands:
 - c) avoiding further alienation of Māori freehold land:
 - d) facilitating any wish of the owners to develop the land for economic use:
 - e) recognising and taking account of the presence of waahi tapu that may affect the use of the land for other purposes:
 - f) recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere):
 - g) recognising and taking account of the importance of the land for community goals relating to—
 - i) the preservation of the natural character of the coastal environment:

- ii) the protection of outstanding natural features:
- iii) the protection of significant indigenous vegetation and significant habitats of indigenous fauna:
- h) recognising the level of community services provided to the land and its occupiers:
- i) recognising matters related to the physical accessibility of the land.

Consideration and analysis

Far North constituency

Of the 14 policies that council is to adopt for the Far North constituency, 12 apply to Māori freehold and one policy applies only to Treaty Settlement lands. These policies are set out below, with an analysis of to what extent the policies for remission and postponement support or facilitate achievement of the objectives set out in Schedule 11, or would otherwise be affected if there was no remission or postponement.

Policy that applies remission and postponement to Māori freehold land	Schedule 11 objectives that are supported or facilitated by this remission or postponement
Common-use properties	<ul style="list-style-type: none"> Facilitating any wish of the owners to develop the land for economic use Recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere)
Community, sports and not-for-profit organisations	<ul style="list-style-type: none"> Recognising the level of community services provided to the land and its occupiers
Extreme financial hardship	<ul style="list-style-type: none"> Avoiding further alienation of Māori freehold land
Incentivising Māori economic development	<ul style="list-style-type: none"> Facilitating any wish of the owners to develop the land for economic use
Landlocked land	<ul style="list-style-type: none"> Recognising matters related to the physical accessibility of the land
Land subject to protection for outstanding natural landscape, cultural, historic or ecological purposes	<ul style="list-style-type: none"> Recognising and supporting the relationship of Māori and their culture and traditions with their ancestral lands Recognising and taking account of the presence of waahi tapu that may affect the use of the land for other purposes Recognising and taking account of the importance of the land for community goals relating to— <ul style="list-style-type: none"> i. the preservation of the natural character of the coastal environment ii. the protection of outstanding natural features iii. the protection of significant indigenous vegetation and significant habitats of indigenous fauna.
Māori Freehold Land not used	<ul style="list-style-type: none"> Avoiding further alienation of Māori freehold land
New users of Māori Freehold Land	<ul style="list-style-type: none"> Supporting the use of the land by the owners for traditional purposes Facilitating any wish of the owners to develop the land for economic use.
Papakāinga on Māori Freehold Land	<ul style="list-style-type: none"> Recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere).
Penalties	<ul style="list-style-type: none"> No specific objectives apply.

Properties spanning multiple districts	<ul style="list-style-type: none"> No specific objectives apply.
Unusable land	<ul style="list-style-type: none"> Recognising matters related to the physical accessibility of the land.

Far North District Council's (FNDC) 'rating relief policies' have undergone significant review by the FNDC, resulting in policies with less repetition and duplication, reduced complexity, and a simpler structure. An analysis of the changes that are to be adopted by council, and the Schedule 11 considerations specific to these changes, are set out below.

Revised policy	Relevant changes	Schedule 11 considerations
Extreme financial hardship	Change from postponement to an annual remission and includes Māori freehold land.	Recognises that extreme financial hardship is present amongst ratepayers of Māori freehold land. The change of postponement to remission now makes it possible to apply this policy without potentially alienating owners from their land.
Incentivising Māori economic development	<i>New policy:</i> Remit rates on Māori Freehold Land for the purposes of incentivising economic development.	Provides incentives for Māori land owners to develop Māori freehold land for economic use. Enables owners to develop an economic base and to assist with the subsequent payment of rates.
Landlocked land	Includes Māori freehold land.	Consistent with equitable approach to policies in the Far North district, recognises matters relating to the physical accessibility of the land.
Māori Freehold Land not used	The definition of 'use' has been explained in more detail, removed the condition that unused Māori Freehold Land that is deemed to have a high amenity value cannot receive a remission.	Allows for a more consistent approach across Far North district, and addresses issues of equity. Removes contradiction with the Regional Policy Statement regarding preservation of the natural character of the coastal environment.
New users of Māori Freehold Land	Provision for a sole-owner to be treated as a new user with rates postponed as well, where the land was previously in multiple-ownership.	Recognises the nature of multiple-ownership can create a rates debt that may be passed on to a sole owner.
Papakāinga on Māori Freehold Land	Aligned definition of papakāinga to the Far North District Plan.	Provides for strategic alignment in Far North district.
Treaty settlement lands	<i>New policy:</i> Remit rates on Treaty settlement land.	The rating relief policies for Māori Freehold Land do not apply to all properties returned as part of Treaty of Waitangi settlements (as some can be classed as general title). This policy provides the post settlement governance entities time to develop plans for the use or protection of cultural or commercial redress properties.
Unusable land	Changes from a postponement to a remission, and includes Māori Freehold Land.	Consistent with equitable approach to policies in the Far North district, recognises the importance of land in providing economic support.

Kaipara constituency

One policy, 'KD1 Māori Freehold Land rates postponement and remission policy' is to be adopted by council that is specific to Māori freehold land in the Kaipara constituency.

This policy states that it considers the matters set out in schedule 11 of the LGA 2002 and is intended to support the following objectives:

- Recognise matters related to the physical accessibility of the land
- Facilitate development or use of the land (ie, facilitating any wish of the owners to develop the land for economic use).

This policy also has an objective to recognise situations where there is no occupier, or person gaining an economic or financial benefit from the land.

Whangārei constituency

Two policies are to be adopted for the Whangārei constituency that are specific to Māori freehold land.

Policy WD08 Remission of rates on unoccupied Māori Freehold Land (WDC ref. 17/111)

This policy states that its objectives are:

- To recognise situations where there is no occupier or no economic or financial benefit is derived from the land.
- Where part only of a block is occupied, to grant remission for the portion of land not occupied.
- To encourage owners or trustees to use or develop the land.
- Where the owners cannot be found, to take into account the statutory limitation of time for the recovery of unpaid rates.
- Any other matter in accordance with schedule 11 of the Local Government Act 2002.

Council considers that, in particular, the policy supports the following Schedule 11 objectives:

- Facilitating any wish of the owners to develop the land for economic use
- Recognising and taking account of the importance of the land in providing economic and infrastructure support for marae and associated papakainga housing (whether on the land or elsewhere).

Policy WD09 Postponement of rates on Māori Freehold Land (WDC ref. 17/112)

Remission of rates on unoccupied Māori Freehold Land This policy aims to facilitate and encourage the use of the land, and encourage the development and use of Māori freehold land, where full payment of rate arrears would be a disincentive.

Council considers that in particular, the policy supports the following Schedule 11 objectives:

- Supporting the use of the land by the owners for traditional purposes
- Avoiding further alienation of Māori freehold land
- Facilitating any wish of the owners to develop the land for economic use.

TITLE: Investment and Growth Reserve: Enabling Investment Allocation - Extended Regional Promotions

ID: A1073256

From: Darryl Jones, Economist

Executive summary

The purpose of this report is to seek council's approval to provide \$200,000 annually for the next three years (2018/19–2020/21) from the Investment and Growth Reserve (IGR) as Enabling Investment funding to Northland Inc. for the purposes of undertaking regional promotion activities. It is recommended that council approve this allocation subject to certain conditions being made.

Recommendation(s)

1. That the report 'Investment and Growth Reserve: Enabling Investment Allocation - Extended Regional Promotions' by Darryl Jones, Economist and dated 6 June 2018, be received.
2. That council agree to allocate \$200,000 in each of the next three financial years (i.e. 2018/19–2020/21) from the Investment and Growth Reserve to Northland Inc. to undertake regional promotion activities.
3. That council delegates to the Chief Executive Officer the arrangements for allocating of the funding.
4. That Northland Inc. provide council with six-monthly reporting to council on performance measures set out in the proposal.

Background

At its meeting on 14 July 2015 council agreed to allocate \$410,500 annually from the Investment and Growth Reserve (IGR) for three years (2015/16–2017/18) to Northland Inc. for the purpose of expanding regional promotions activities. This proposal followed a number of workshop sessions held between council and Northland Inc. around how to respond to the decision to include 'Northland is promoted effectively' as one of the three community outcomes in the Long Term Plan 2015–2025. Northland Inc. has been providing six-monthly reporting to council on the programme.

This programme and its funding was described as 'extended' or 'additional' because when Northland Inc. was first set up in 2012, a baseline level of operational funding of \$1.1 million was established which contained funding for regional promotion. This initial quantum was set based on the level of funding that council was providing at that time to Destination Northland for regional promotions (\$350,000) and Enterprise Northland for other economic development services (\$750,000). This baseline has been inflation adjusted over time and totalled \$1.246M for 2017/18.

At its meeting on 20 February 2018, council agreed to new criteria and procedures for the allocation of funding from the IGR. An important change is the targeting of the new Enabling Investment category to either the construction of public or community owned infrastructure or the development of **regionally strategic sectors** as identified in council's Long Term Plan. Through the Long Term Plan deliberation process, the regionally strategic sectors have been agreed as: agriculture and horticulture, digital, tourism and marine.

At its meeting on 16 May 2018 to deliberate on the proposed Long Term Plan 2018–2028 consultation document and supporting information, council agreed to invite Northland Inc. to

provide council with a recommendation for IGR project funding for regional promotions activities, with associated business case and deliverables, up to the value of \$200,000 annually for the next three financial years. This was made in response to a number of submissions, including from Northland Inc., who requested the continuation of this additional regional promotions funding. Northland Inc. has also presented to several council workshops on their concerns around the end of the extended regional promotions programme and their desire for it to continue.

In response to council's invitation, Northland Inc. has provided a business case for a regional promotions budget of \$200,000 for a further period of three years (**Attachment One**).

The section 17A review of economic development arrangements in Northland completed in July 2017 recommended that the \$410,500 three-year regional promotions budget should be continued, by adding it to Northland Inc.'s baseline operational funding. The review also recommended that Northland Inc. reallocate funding from other activities to resource the delivery of regional destination marketing. This was recommended because of the relative benefit that the reviewer believed was gained from regional promotion over other economic development activities.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Approve the allocation of \$200,000 per annum to Northland Inc. for three years as Enabling Investment funding	Provides long-term certainty of additional funding to Northland Inc. for regional promotion activities.	Reduces funding available for allocation to other projects.
2	Approve the allocation of \$200,000 for one year only	Retains \$400,000 in the IGR to use on other projects.	Provides only a short-term certainty of additional funding to Northland Inc.
3	Decline the application	Retains \$600,000 in the IGR to use on other projects.	Will result in a reduction in Northland Inc. regional promotion activity.

The staff's recommended option is Option 1, to allocate \$200,000 from the IGR as Enabling Investment funding for expanded regional promotions activity for a three-year period.

2. Significance and engagement

In relation to section 79 of the Local Government Act 2002, this decision is considered to be of low significance when assessed against council's significance and engagement policy because it is provided for in council's Long Term Plan. This does not mean that this matter is not of significance to 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, risk management and legislative compliance

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

Further considerations

4. Community views

Several submitters to the proposed Long Term Plan made reference to the end of the original Extended Regional Promotions programme, either expressing concern if the funding ceased or specifically supporting an increase in funding. These included submitters from the tourism industry. However, there were also some submitters that questioned providing further funding to Northland Inc., suggesting that more money should be put into ventures that create employment.

5. Māori impact statement

There are no known impacts on Māori which are different from the benefits that the general public and businesses will gain from the proposed programme.

6. Financial implications

In budgeting the IGR over the 10 years of the Long Term Plan 2018–2028, a total average spend of \$585,000 per annum for business case development and Enabling Investment funding is required in order to maintain a positive IGR balance based on current settings and assumptions. If all the \$300,000 that can be potentially spent on funding business case development is fully utilised by Northland Inc., allocating \$200,000 per annum for this three-year project would leave council around \$85,000 in each of the next three years for allocation to future Enabling Investment proposals.

While there are funds available to spend more than \$585,000 per annum over the first three years of the Long Term Plan due to the current level of the IGR, allocating more than this would reduce the IGR balance in future years and therefore result in an inequitable balance of funds available for allocation by future councils.

7. Implementation issues

The project will be implemented by Northland Inc. who has been delivering the previous expanded regional promotions programme over the past three years so no implementation issues are envisaged.

Attachments

Attachment 1: Regional Promotions Funding Business Case 2018-21 - Final [!\[\]\(95b425611cbd2b8716a140cf67c81822_img.jpg\) !\[\]\(98475352b625a273242ad989dd0cabc3_img.jpg\)](#)

Authorised by Group Manager

Name: Jonathan Gibbard
Title: Group Manager - Governance and Engagement
Date: 13 June 2018



Growing Northland's Economy
Kia tupu ai te ōhanga o Te Tai Tokerau

Business Case

Subject: Regional Promotions Budget 2018 – 2021

Report by: David Wilson, Chief Executive

Dated: April, 2018

Commercial in Confidence: Yes

A new Regional Promotions Budget was allocated to Northland Inc by Northland Regional Council for a three-year period commencing 01 July 2015. The increased budget saw Northland Inc initiate and deliver an extended programme of activity for the three-year period 2015-2018.

The budget allocation for that programme was \$410,000 per year split into two work programmes;

1. \$150,000 Business Growth - Industry Coalition Development
2. \$260,000 Regional Promotions and Tourism - Destination Marketing (including corporate communications activity – image creation and management and website development / management)

Northland Inc has reported to NRC six-monthly on results achieved by programme activity and projects over that period.

The funding of this three-year programme ceases on 30 June 2018.

At Council's meeting 16 May 2018 to consider deliberations on the Long-Term Plan for 2018-2018, a new and reduced allocation of \$200,000 per annum for regional promotions activities was proposed by Council for the three-year period 2018-2021. As outlined in motion 110A at that meeting, Northland Inc were invited to provide Council with a business case and deliverables for this programme and funding.

This paper outlines the programme proposed for the three-year period with details of the work programme and associated costs. This proposal is put together using the same format as the current Statement of Intent and the supporting Northland Inc Business Plan. The programme proposed is discussed briefly below and then outlined in more detail in the attached table.

Destination Management and Marketing¹

¹ The programmes cut include; participation in Tourism New Zealand's Australian Tourism Campaign (Northland will be the only Northland Island region not represented), publication advertising (AA guides and magazines), market research (Domestic Traveller Monitor), China market online marketing programme, conference and event marketing.

With the proposed new budget, Northland Inc has refocused and reduced activity. Priority has been given to the international trade marketing programme that is jointly funded with the tourism sector. This programme funds the international promotion of Northland as a visitor destination via travel trade distribution channels, by informing, training and education the offshore sellers of New Zealand holiday programme. Much of this activity is delivered within a national destination umbrella for New Zealand, coordinated by Tourism New Zealand. The activity is usually undertaken as a co-op between Auckland and Northland regions, with costs shared between the two.

Other promotional activity included as a priority also partners with other organisations so that NInc funds leverages total spend on promoting Northland. Examples are the annual TRENZ trade show where Northland Inc leads participation of Northland exhibitors selling to the international travel trade, and the South Pacific Sailing Network, where Northland Marinas are partnering with Tonga, New Caledonia, Fiji and French Polynesia to jointly promote the South Pacific as a yachting destination to North American and Europeans cruising yachts.

Brand and Communications

The programme also includes Northland Inc's base digital marketing of the destination, investment opportunities, continued website development and image library. This supports communication to the business community and provides collateral to promote the region when they are growing their international markets as the front door to the region.

Industry Sectors

Through the existing Regional Promotion programme we have seeded a number of coalitions and the proposed ongoing support for these ensures that activities are continued and progressed to maximise the opportunities being created. It is really important that we continue our engagement and support for these groups to ensure we build the capability and capacity that has already been started.

Industry Memberships

Memberships of national tourism organisations have been retained to ensure Northland is represented in national forums, activity and marketing initiatives; Cruise New Zealand, Tourism Export Council, Tourism Industry Association.

Destination Management and Marketing			
Destination Management and Marketing Work programme (Sol)	Business Plan Projects/ Activities (NI Business Plan)	Performance Information (NI Business Plan)	Budget Allocation
<p>Delivering narratives which communicate the positive attributes of Northland to national and international audiences</p> <p>Delivering a promotional programme to encourage investment and market development of Northland's strategic growth sectors</p> <p>Identifying and assisting with the development of infrastructure, products, services and sub-regional destinations which grow the value derived from visitors</p> <p>Increasing regional spread/dispersal, length of stay, expenditure and year-round visitation/seasonality</p> <p>Co-ordinate, and where appropriate, lead the implementation of an Annual Tactical Marketing</p>	Annual Destination Marketing Tactical Plan - Offshore Marketplace Activity		\$79,000
	Operation of joint venture offshore and onshore trade marketing programme co-funded by tourism sector		
	Continued operation of International Marketing Group	<ul style="list-style-type: none"> Industry investment secured to co-fund programme Offshore trade marketing programme delivered for key source markets; USA, Australia, UK/Europe, South America and India Trade education programme for UK/Europe. USA, South America, India 	
	Australia – repeat visit segment focus with active marketplace sales programme	<ul style="list-style-type: none"> Annual sales calls trips to Australia for frontline agent education / training 	
	Inbound operator call programme across all developing markets	<ul style="list-style-type: none"> Annual Auckland sales calls visits Annual Wellington or Christchurch sales call visit accompanied by operators 	
	Latin America - trade show programme with TNZ, wholesaler relationships maintained	<ul style="list-style-type: none"> Increase Latin American trade database Secure Latin America trade famil 	
	India – marketplace trade visit with TNZ, wholesaler relationships maintained	<ul style="list-style-type: none"> Increase India trade database Secure India trade famil 	
	North America – expand marketplace footprint via Tourism New Zealand and Northland sole region marketplace trade activity.	<ul style="list-style-type: none"> Increase North American trade database Secure US trade famil 	

Destination Management and Marketing			
Destination Management and Marketing Work programme (Sol)	Business Plan Projects/ Activities (NI Business Plan)	Performance Information (NI Business Plan)	Budget Allocation
<p>Plan for destination marketing, in conjunction with national tourism organisations and the Northland tourism sector</p> <p>Ongoing leverage of the Twin Coast Discovery programme as a region wide development framework for tourism</p> <p>Website development and maintenance</p> <p>Social media strategy and programme delivered to communicate compelling destination messaging</p> <p>Service content and information requests</p> <p>Social media strategy and programme delivered to communicate compelling destination messaging</p>	TNZ visit and wholesaler relationships expanded to new Air New Zealand origin destinations		
	Trade Familiarisation visit programme Support for TNZ and IBO originated familiarisation visits	<ul style="list-style-type: none"> Manage TNZ and IBO originated trade agent familiarisation visits 	
	Onshore Tradeshow Continued expansion of Northland presence at TRENZ	<ul style="list-style-type: none"> Coordinate Northland businesses attendance at TRENZ 2018-2021 	
	South Pacific Sailing Network	<ul style="list-style-type: none"> Develop and deliver annual support programme of international destination marketing activity targeting cruising yachts, in conjunction with Network members in New Caledonia, Fiji, Tonga and French Polynesia 	
	Collateral production via contracted services; visitor guide, trade directory, Chinese trade directory, trade show material, Media Visit Programme managed	<p>Produce Destination Collateral</p> <ul style="list-style-type: none"> Northland Visitor Guide Northland Tourism Product Directory Northland Product Introduction (Chinese) Gifts and bags support collateral <p>International and domestic media visits managed</p> <ul style="list-style-type: none"> Worldwide media coverage gained as a direct result of NInc activity. 	
	Brand and Communications - Website development and maintenance	Ongoing development and management of NorthlandNZ.com website	\$53,000

Destination Management and Marketing			
Destination Management and Marketing Work programme (Sol)	Business Plan Projects/ Activities (NI Business Plan)	Performance Information (NI Business Plan)	Budget Allocation
Service content and information requests	<p>Creation of comprehensive digital communications strategy; online and social media</p> <p>Ongoing website development and management with as needed addition of new architecture</p> <p>Continued development of expanded social media programme including Instagram, Twitter, Facebook, YouTube (includes 'pay for' content)</p> <p>Expansion of image library from contracted photo shoot activity</p> <p>Continued content distribution through targeted digital and traditional media channels including modest digital advertising programme</p>	<p>Social media programme delivered across relevant social channels</p> <p>Image library extended and managed</p> <p>Media Articles published online as a direct result of NINC content submissions and information requests</p> <p>Industry investment funds total cost of Ninc destination collateral production, and surplus funds cost of other destination marketing programmes</p>	
	<p>Industry Sectors - Communications Programme</p> <p>Regional Promotions Programme delivered across industry sectors</p>	<p>Regional Economic Development Marketing and Communications Programme</p> <p>External promotion of investment</p>	\$53,000

Destination Management and Marketing			
Destination Management and Marketing Work programme (Sol)	Business Plan Projects/ Activities (NI Business Plan)	Performance Information (NI Business Plan)	Budget Allocation
		<p>opportunities</p> <p>Regular proactive communication and PR via newsletters, articles, trade exhibits, exhibitions, media releases, speeches and social media</p> <p>Operation of sector specific promotions including International Education, Digital, Food and Beverage, Tourism, Marine, the Orchard Business and Event Hub, workshops and conferences.</p>	
	Series of industry education seminars operated, industry memberships maintained	Industry seminars operated	
	Industry Memberships	Memberships of Cruise NZ, Conferences and Incentives NZ, Tourism Industry Assoc, Tourism Export Council, RTNZ	\$15,000
Total			\$200,000

TITLE: Northland Inc. Limited: Statement of Intent 2018-2021

ID: A1072819

From: Darryl Jones, Economist

Executive summary

The purpose of this report is to present to council Northland Inc. Limited's (Northland Inc.) final Statement of Intent (SOI) for 2018–2021. The Northland Inc. board has chosen to incorporate most of the changes recommended by council following the review of the draft SOI 2018–2021 in March 2018. Under section 65(2) of the Local Government Act (LGA) 2002 council must agree to the SOI, or if it does not agree take steps to require the SOI to be modified. Officers recommend that council agree to the SOI 2018–2021 as attached.

Recommendation(s)

1. That the report 'Northland Inc. Limited: Statement of Intent 2018-2021' by Darryl Jones, Economist and dated 5 June 2018, be received.
2. That council agree to Northland Inc. Limited's Statement of Intent 2018–2021 as set out in **Attachment 2** pertaining to Item 6.7 of the 21 June 2018 council agenda.

Background

In February 2018 Northland Inc. provided a draft SOI 2018–2021 for council's consideration. This was formally received at the subsequent council meeting on 20 March 2018. A council workshop to discuss the draft SOI was held on 21 March 2018. Council agreed at its March meeting to delegate authority to the Chief Executive Officer (CEO), in consultation with council Chairman and Deputy Chairman, to provide feedback to Northland Inc. on the draft by 31 March 2018.

A written formal response was sent from the CEO to Northland Inc. on 26 March 2018 (Attachment 1).

Council received a Northland Inc. board approved final version of the SOI 2018–2021 (Attachment 2) on 31 May 2018, well before the 30 June deadline required by Schedule 8(3) of the Local Government Act 2002. Staff have reviewed the SOI and confirm that it complies with the requirements of Schedule 8 of the LGA 2002.

As shareholders of Northland Inc., council has a requirement under section 65(2) of the LGA 2002 to agree to the statement of intent, or if it does not agree, to take practicable steps to require a modification to the SOI. Under clause 5 of Schedule 8, the shareholders of a council-controlled organisation may, by resolution, require the board to modify the statement of intent by including or omitting any provision or provisions of the kind referred to in clause 9(1)(a) to (i), and any board to whom notice of the resolution is given must comply with the resolution.

A summary table setting out the comments made by council on the draft SOI and the extent to which they have been incorporated or not into the final SOI received from Northland Inc. is provided in Attachment 3.

Northland Inc. board members and staff will attend the council meeting.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Agree to Northland Inc.'s SOI 2018–2021 as set out in Attachment 2	Allows Northland Inc. to begin operating in 2018/19 without uncertainty.	Don't get all the changes requested by council incorporated into the SOI.
2	Not agree to Northland Inc.'s SOI 2018–2021 as set out in Attachment 2 and request modifications	Get all changes requested by council incorporated into the SOI.	Creates antagonism with Northland Inc.

Staff recommend Option 1, that council agrees to the SOI 2018–2021 received from Northland Inc. as set out in Attachment 2. The Northland Inc. board has chosen to incorporate most of council's recommendations into the final SOI, and those not incorporated are not considered significant enough to warrant council formally requesting modifications. Council and Northland Inc. have been working to ensure conformity between the SOI and the new Long Term Plan 2018–2028 and this has been achieved.

2. Significance and engagement

In relation to section 79 of the Local Government Act 2002, this decision is considered to be of low significance when assessed against council's significance and engagement policy because it has previously been consulted on and provided for in council's Long Term Plan 2018–2028 and previous decisions of council to set up Northland Inc. Limited as its council controlled organisation. They are part of council's normal operations. This does not mean that this matter is not of significance to tangata whenua and/or individual communities, but that council can make decisions relating to this matter without undertaking further consultation or engagement.

3. Policy, risk management and legislative compliance

The decision is consistent with policy and legislative requirements.

Further considerations

4. Community views

The community have not been specifically consulted with regard to the Northland Inc. SOI. While there was no specific proposal regarding Northland Inc. in council's proposed Long Term Plan 2018–2028, a number of submitters made comments supporting council's involvement in economic development through Northland Inc. However, concerns were raised by other submitters about the level of funding provided to Northland Inc.

5. Māori impact statement

Māori have not been specifically consulted with on the development of the latest Northland Inc. Statement of Intent. The SOI includes a specific work programme supporting Māori economic development and there are four key performance indicators for this work area.

6. Financial implications


An annual allocation of funding to Northland Inc. for operational expenditure is set out and provided for in council's Long Term Plan 2018–2028. For 2018/19, the annual level of operational funding is \$1,246,620 (plus GST). This funding stream is allocated from council's Investment and Growth Reserve, and is paid quarterly on receipt of an invoice from Northland Inc. In addition to the operational funding, council provides Northland Inc. up to \$300,000 per annum for business case assessments. The \$200,000 per annum for regional promotions is additional funding for Northland Inc. through an Enabling Investment allocation being considered by council in Agenda Item 6.7 of the 21 June 2018 council agenda.

A review was recently undertaken of Northland Inc. and council's role in economic development, as part of a broader review of services Northland councils provide for supporting economic development (Section 17A of the Local Government Act 2002). The conclusion of the review was that Northland Inc. generally provides a value for money service.


7. Implementation issues

Northland Inc. is responsible for implementing its SOI. Council does not provide any direction to Northland Inc. on how its operational funding is spent across the five work programmes. It is up to the board of Northland Inc. to prioritise the allocation of its operation funding across the work programmes. Council receives a report each quarter from Northland Inc. on progress made in achieving the performance measure targets.

Attachments

Attachment 1: Letter from council to Northland Inc. providing comments on their draft SOI 2018-2021 [↓](#) 

Attachment 2: Northland Inc SOI 2018-2021 - FINAL [↓](#) 

Attachment 3: Northland Inc's response to NRC comments on draft SOI 2018-2021 [↓](#) 

Authorised by Group Manager

Name: Jonathan Gibbard
Title: Group Manager - Governance and Engagement
Date: 13 June 2018



26 March 2018

David Wilson
Chief Executive Officer
Northland Inc. Limited
PO Box 1762
WHANGĀREI 0140

Dear David

NORTHLAND INC LIMITED DRAFT STATEMENT OF INTENT 2018-2021

The purpose of this letter is, as the shareholders of Northland Inc, to provide you with comments on the draft Statement of Intent (SOI) 2018–2021 covering the three-year period 2018/19 to 2020/21 in accordance with Schedule 8 Clause 3(a) of the Local Government Act (LGA) 2002. Please find enclosed council's comments on the draft SOI 2018-2021.

Council would like to acknowledge the efforts made by Northland Inc to take into consideration the points raised in our letter of expectations dated 6 December 2017. Council also appreciates the opportunities over the last few months to have had various conversations with Northland Inc staff and directors regarding the draft SOI, including discussions at council workshops on 13 December 2017 and 21 March 2018.

As indicated in my earlier letter, council would like to receive the Board approved SOI by Friday 27 April 2018. While this is earlier than the statutory deadline (30 June), the provision of the SOI at this earlier time will allow for it to be considered during council's Long Term Plan deliberations in May and ensure that the LTP and SOI documents are as closely aligned as possible. To facilitate auditing, a description of the methodology used to calculate and report each of the key performance indicators should be provided at the same time.

Finally, we would also appreciate it if Northland Inc. Limited could provide council a copy of the more detailed Annual Business Plan for 2018/19, before 30 June 2018.

Please do not hesitate to contact me should you have any questions regarding these comments.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Nicolson', is written over a horizontal line.

Malcolm Nicolson
Chief Executive Officer

Private Bag 9021, Whangārei 0148 | mailroom@nrc.govt.nz | www.nrc.govt.nz
P 09 470 1200 | 0800 002 004 ENVIRONMENTAL HOTLINE 0800 504 639 F 09 470 1202

Northland Regional Council comments on Northland Inc. Limited
Draft Statement of Intent 2018-2021

General

- There is reference to both “firms” and “businesses” throughout the document. Is this necessary? Council seeks clarification and currently prefers the term “businesses”.

Section 4

- The introductory paragraph repeats information already provided elsewhere in the SOI. Council suggests this be dropped.
- Is Objective 5 necessary? Council considers its intent is already captured in objective 4?
- Consider adding in text around balancing economic development with sustainable environment management. This could be done through either an additional objective or reference in the vision or mission.
- An additional sentence should be added to explain that funding to achieve these objectives comes from a variety of providers and not just the regional council.

Section 6

Business innovation and growth

- Final bullet point appears to be out-of-date. Suggest something like “Lead and coordinate the delivery of the Digital Enablement Plan”

Investment and infrastructure

- First bullet – council seeks a list of the strategic sectors to include in the SOI and LTP. Council expects this list to be short, given the limited budget, and invites NINC to also provide a submission on this into the LTP process. Council understands that the list of strategic sectors that NINC engage with may be broader than the list provided to support the Investment and Growth Reserve criteria.
- Fourth bullet – should read “Leveraging council Investment and Growth Reserve to...”
- Fifth bullet – provide greater clarity as to what is being delivered.

Promoting the region

- Third bullet – Suggest “Identifying and supporting ...”. Council considers that Northland Inc has a strategic role in assessing what is missing; identifying the opportunities to be taken up.

Section 9

- Northland Inc needs to populate the KPI table with missing data shown by “X”. This relates to both 2016/17 result information and to targets for the three-year period.
- The target values in the KPI need to be double-checked to ensure that are both realistic and challenging for the organisation. For example, is the 60% target occupancy rate for The Orchard challenging enough as this appears to be below current levels as set out in the latest SOI report for the six months ended December 2017.
- A methodology for each of the KPIs needs to be developed alongside the development of the SOI so that it is clearly understood what is being measured and how. For example, does the Orchard occupancy rate consider the occupancy by Northland Inc and the Chamber? Clear definitions of phrases such as “inward delegations” and “high impact projects” are required. Council does not expect this methodology to be included in the SOI but produced as a supporting information document.

Investment and infrastructure

- First KPI – should be clearer that this indicator relates to a “Northland Inc board decision” not “NRC approval”.
- Fourth KPI – should be reworded “Number and value of...”. And is “implemented” the correct word? Perhaps “landed” would be better. Council considers Northland Inc’s role is to facilitate and support a project to establish in Northland not necessarily through the build / construction up and running phase.
- A KPI should be added regarding the informing / reporting to council about BCA applications approved by Northland Inc board.

Business innovation and growth

- Second KPI – in addition to an absolute value, an indicator that allows a regional comparison of grant funding facilitated would assist in appreciating the performance of Northland Inc.
- Fourth KPI – council would like clarification as to whether this KPI includes NINC and Chamber of Commerce occupancy and questions whether this is a sufficiently stretch target. While separate to this KPI, council looks forward to NINC providing further information as to how an Orchard type model may be rolled out across the region.
- An additional KPI to reflect Northland Inc’s digital related activity would be useful.

Promoting the region

- First KPI –should be reworded “Number and spend of visitors from target markets”. What is the target market? Is it defined by origin, type of tourist or something else? This could be clarified in either a footnote or accompanying methodology.
- Second and third bullet – please explain the reduction in the proposed targets for these two KPIs when the budget indicates that specific additional money for regional promotions is going to come to Northland Inc?
- Given the new objective, an additional KPI relating to the number of new tourism products / services assisted should be included.
- Council considers that it would be useful to use the Net Promoter Score indicator to assess the performance of the RTO function. This would be an additional indicator.

Action Plan

- In addition to the percentage of all milestones completed (which is the current proposed indicator), council considers that the percentage of milestones for which Northland Inc is specifically responsible for should also be reported on.

Māori economic development

- First KPI – should align with wording of first KPI of Business innovation and growth
- Second KPI – should change as per fourth bullet point of Investment and infrastructure

Section 16 Appendix B

- Why is Northland Inc intending to run at a loss for each of the three years? Council does not wish to see Northland Inc running at a loss and requests that this be addressed.
- Please explain why the additional regional promotions money has been identified in the budget as being from “NRC” when council has clearly explained that this money has not been provided for. Any further consideration of additional regional promotions allocation will need to be considered by council during its LTP deliberations and council encourages NINC to make a submission.
- Is it sensible to budget for information that is not likely to arise, e.g. FNDC payment?

- Please explain the increase in Overheads forecast. For 2018/19 the forecast overhead cost has increased by 6.5% from the budgeted figure in the current SOI.



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1 Message from the Board

This Statement of Intent lays out how Northland Inc Limited (Northland Inc) will support the Northland Regional Council (NRC) with its economic development objectives for Northland. Northland Inc is tasked to implement economic development activities and support investment in the Northland economy. It does these things to improve the prosperity and well-being of Northlanders.

2 Introduction

This Statement of Intent is a public declaration of the activities and intentions of Northland Inc; it has been prepared in accordance with Clause 9 of Schedule 8 of the Local Government Act 2002.

Northland Inc is a Company registered under the Companies Act 1993, a reporting entity for the purposes of the Financial Reporting Act 1993 and a subsidiary of NRC. Northland Inc is a council-controlled organisation as defined under Section 6 of the Local Government Act 2002, by virtue of the NRCs right to appoint the Directors.

The primary objective of Northland Inc is to provide regional economic development services for the community that provide a social benefit rather than making a financial return. Accordingly, Northland Inc is a public benefit entity (PBE) for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

Northland Inc is funded by an operational contribution from NRC and is project funded through public and private agencies, with central government being the next largest contributor. The organisation has a governance board of five Directors appointed for three years or as otherwise specified from time to time by NRC. The Chair is chosen by the Directors. Operational activity is led by the Chief Executive Officer. Northland Inc has no subsidiaries or joint ventures.

This Statement of Intent is the guiding governance tool and terms of reference for Northland Inc and defines the key performance indicators (KPIs) as agreed by the owner/shareholder (NRC). The statement outlines the Directors' accountabilities to the shareholders for corporate performance.

3 Context

Northland Inc is the Regional Economic Development Agency encompassing the Regional Tourism Organisation and Government's Regional Business Partnership (RBP).

Northland Inc works with a number of strategically important organisations and institutions in Northland and across the public and private sectors with a common purpose to strengthen grow and diversify Northland's economy. A set of regional outcomes have been developed through the Tai Tokerau Northland Economic Action Plan (Action Plan) that also provide strategic context for Northland Inc's work.

A new policy development within Central Government is the development of the Provincial Growth Fund – which is intended to lift productivity potential in the provinces. Its priorities are to enhance economic development opportunities, create sustainable jobs, enable Māori to reach their full potential, boost social inclusion and participation, build resilient communities, and help meet New Zealand's climate change targets.

It is exciting times as central government focuses on the regions but it is also clear that the policy settings within which Northland Inc operates are likely to continue to evolve.

Action Plan: Regional Outcomes (10-year horizon to 2028)

High level outcomes for the region

- Real Gross Domestic Product (GDP) grows by 16% from \$5.7B to \$6.6B (\$2010 prices) by 2020
- Rate of Māori unemployment declines from 18% to 10% by 2025
- Rate of youth not in employment, education or training (NEET) declines to 18% to 12% by 2020
- Average weekly income for working age population (aged 20-64) grows by 20% from \$747 to \$900 by 2020
- Average weekly income for Māori aged 20-64 grows by 20% from \$661 to \$790 by 2020

Enablers

- Increase in end users connected to Ultra-Fast Broadband (fibre internet)
- Increase in volume of traffic on Northland roads
- Decrease in number of transport related accidents per capita
- Increase in Northland's 18 year olds who hold an NCEA Level 2 qualification or equivalent (Outcome for Northland Māori / Non-Māori)

Land and Water

- Farms are performing at a level equal or better than national averages
- Two-thirds of Northland's forestry production is processed in Northland by 2025

Visitor Industry

- Guest nights rise by 25% from 1.75m to 2.2m by 2020
- Guest nights in the off-peak season (May to September inclusive) increase by 30% by 2020
- Total visitor spend in Northland increases by 25% from \$0.92B to \$1.15B by 2020

Specialised manufacturing and services

- Sustained growth in GDP per annum for specialised manufacturing
- Employment in specialised manufacturing and services increases year on year

These are the high level, medium-term achievable economic outcomes for Northland. Some of Northland Inc's work will contribute directly to these regional outcomes (such as companies in the RBP programme that are research active), some of Northland Inc's work will contribute indirectly (such as the rate of youth unemployment) and some outcomes will be led by others (such as 'decrease in number of transport related accidents') where Northland Inc will provide a support role. The following sections explain how these medium outcomes have been filtered into shorter term objectives (three years) and how they guide the nature and scope of activities that Northland Inc undertakes.

NRC Long Term Plan

The NRC's 2018 Long term Plan (LTP) sets out the NRC's objectives, community outcomes, values and areas of focus. Collectively this provides a statement about the direction NRC wishes to take in making a meaningful contribution to the region. A number of these are relevant to guiding Northland Inc's objectives, approach and activities.

Community outcomes refer to the outcomes that the NRC aims to achieve; meeting the current and future needs of communities for good quality local infrastructure, local public services and performance of regulatory services.

4 Northland Inc Vision, Mission and Objectives

(Sec 9 (1) (a))

Vision

Northland is one of the most prosperous regions in New Zealand delivering employment and business opportunities for locals in a fair and equitable society balancing economic development with sustainable environmental management.

Mission

To strengthen, diversify and grow the Northland economy.

Objectives 2018-2021

Taking the Action Plan regional outcomes and NRC objectives into account the following objectives have been developed for Northland Inc:

1. Advocate and promote the establishment and development of infrastructure that underpins regional economic growth.
2. Attract, facilitate and support investment opportunities in regionally strategic sectors.
3. Promote Northland as a progressive and positive place to visit, do business and live.
4. Provide and facilitate business support services that enable Northland businesses to grow.
5. Increase innovation and entrepreneurship in Northland.
6. Partner with Māori to develop and implement economic development projects for the benefit of Northland.
7. Support and facilitate the implementation of the Tai Tokerau Northland Economic Action Plan.
8. Support tourism product development and infrastructure as enablers of Northland's tourism sector.

Annual business plan

An annual business plan is prepared that outlines the programmes, projects and activities that Northland Inc will undertake each year. Northland Inc's work is organised around five work programmes: Business Innovation and Growth, Investment and Infrastructure, Māori Economic Development, Regional Promotion and Tourism, and the Tai Tokerau Northland Economic Action Plan. Northland Inc staff work through an intervention logic that connects outcomes and objectives to work programmes, projects and activities. The business plan is approved by the Board.

5 Governance Approach

(Sec 9 (1) (b))

The Board will effectively represent and promote the interests of the shareholder by seeking to fulfil its mandate as described above.

The Board will discharge their duties in accordance with the Board Charter.

The Board will promote the development of the management structure through delegation of responsibilities and authority to Northland Inc's management team.

The Board will direct and monitor management performance through:

- the establishment of clear strategic objectives and plans
- regular meetings to review performance and progress towards set objectives
- the approval of detailed operating and capital budgets
- regular meetings to review actual performance against budget.

The Board will familiarise itself with the issues of concern to the shareholder through regular interaction with the shareholder.

The Board will employ best practice in exercising its fiduciary management responsibilities.

6 Nature and scope of activities to be undertaken

(Sec 9 (1) (c)):

The nature and scope of activities of Northland Inc are to deliver on the vision, mission and objectives of the organisation through focusing on the following five work programme areas:

1. Generate business innovation and growth by:
 - Delivering business advice to support innovation, capacity and capability development through incubation services and the Regional Business Partnership; New Zealand Trade & Enterprise, Callaghan Innovation and Business Mentors New Zealand
 - Developing clusters, business networks or associations to take advantage of market development opportunities that leverage Northlands key sectors and comparative advantages
 - Increasing productivity through stronger use of local and international expertise
 - Transfer specialist knowledge to improve intellectual property opportunities in Northland through a business events programme
 - Supporting the Landing Pad Programme to develop investor and investee opportunities
 - Support access to a range of capital support mechanisms for Northland businesses
 - Expansion of The Orchard business and event hub for regional impact
 - Supporting and encouraging innovation in Northland businesses
 - Lead and co-ordinate the delivery of the Digital Enablement Plan
2. Supporting investment and infrastructure by:
 - Actively supporting and facilitating investment in strategic sectors in the Northland economy
 - Developing investment ready propositions
 - Diagnosis of investment opportunities

- Leveraging the Investment and Growth Reserve to increase investment into the Northland economy
 - Deal facilitation, deal monitoring and ongoing engagement (refer to BIG services)
 - Supporting and facilitating the development of new and enabling infrastructure such as UFB, roads, rail and water
3. Supporting Māori economic development by:
- Work across all of Northland Inc work programmes to take advantage of opportunities for Maori economic development
 - Engage with Maori to advance their aspirations in economic development
 - Work with, advocate for and support Maori businesses with their aspirations for growth.
 - Initiate partnerships with Maori to enable investment, business growth and completion of economic development projects.
 - Support the ICEC to establish a work programme to implement the tikanga based principles of 'He Tangata, He Whenua, He Oranga: the Taitokerau Maori Economic Growth Strategy'.
 - Ensure Maori organisations have opportunities for input and participation in relevant projects.
4. Promoting the region by:
- Delivering narratives which communicate the positive attributes of Northland to national and international audiences
 - Delivering a promotional programme to encourage investment and market development of Northland's strategic growth sectors
 - Identifying and assisting with the development of infrastructure, products, services and sub-regional destinations which grow the value derived from visitors
 - Increasing regional spread/dispersal, length of stay, expenditure and year-round visitation/seasonality
 - Co-ordinate, and where appropriate, lead the implementation of an Annual Tactical Marketing Plan for destination marketing, in conjunction with national tourism organisations and the Northland tourism sector
 - Ongoing leverage of the Twin Coast Discovery programme as a region wide development framework for tourism
5. Supporting the implementation of the Action Plan by:
- Leading a region wide Working Group
 - Portfolio and Project Management

In undertaking these activities Northland Inc will seek to:

- Achieve the objectives of its shareholders, both commercial and non-commercial as specified in this Statement of Intent;
- be a good employer;
- exhibit social and environmental responsibility.

In terms of the focus for investment activity, the 'Regionally Strategic Sectors' are:

- Agriculture and Horticulture
- Digital
- Tourism
- Marine

7 Shareholders' funds

(Sec 9 (1) (d))

The Equity Ratio shall be 100% unless specifically authorised by the shareholder.

8 Accounting policies

(Sec 9 (1) (e))

The accounting policies that have been adopted are detailed in the company's 2015/16 Annual Report. A copy is included as **Appendix A**.

The Company is classified as a Public Benefit Entity (PBE).

9 Performance targets

(Sec 9 (1) (f))

Key performance indicators are:

Work programme area	Proposed measures and targets				
	How we will measure	2017/18 result	2018/19	2019/20	2020/21
Investment and infrastructure	Percentage of IGR business case decisions (by the Board) made within 90 days of receiving application	New measure	100%		
	Number of inward delegations hosted	New measure	4	4	4
	Investment recommendations are accompanied by a robust business case	New measure	100%		
	Number and value of high impact projects that are implemented	New measure	2	2	2
Business innovation and growth	Number of unique businesses assisted (by TA and industry)	225	230		
	Value of NZTE and Callaghan Innovation grant funding facilitated	\$1.5M	\$1.5M		
	Client satisfaction (as measured by Net Promoter Score)	New measure	75% (NPS 50)		
	Orchard occupancy rate	45%	60%	65%	70%
Regional promotion and tourism	visitor spend from target markets	New measure	\$1,052M	\$1,099M	\$1,146M
	Value of industry investment in regional promotion activity	\$340,408	\$350,000		
	Equivalent Advertising Value achieved from destination marketing	\$15M	\$16.5M		
	RTO Net Promoter Score	New measure	40		
Action Plan	Percentage of milestones completed	New measure	100%		
Māori economic development	Number of unique Māori businesses assisted (by TA and industry)	New measure	30		
	Number and value of high impact projects that are implemented	New measure	1	1	1
	Value of NZTE and Callaghan Innovation grant funding facilitated for Māori businesses	New measure	\$50,000		
	Client satisfaction (as measured by Net Promoter Score for Māori businesses)	New measure	75% (NPS 50)		

10 Distributions to shareholders

(Sec 9 (1) (g))

No distribution to the shareholder is required during the 2018/19 financial year.

11 Information to be provided to the Shareholders

(Sec 9 (1) (h))

Directors will formally report progress against the SOI to the NRC quarterly via a written report submitted within six weeks of the end of the 1st and 3rd quarters, and attendance at a Council meeting thereafter as per the NRC schedule.

In compliance with Clause 66 of Part 5 the Directors will, within two months after the end of the first half of each financial year, deliver to the shareholder an unaudited half year report containing:

- a Statement of Performance, Position and Cash flow as at the half year balance date
- financial forecasts for the full year and comparison to approve budgets
- commentary on progress to meeting performance targets and the expected year end position.

In accordance with Section 2 of Schedule 8 the Directors will deliver a draft SOI to the shareholder by 1st March of each year for the subsequent three-year period.

In accordance with Section 3 of Schedule 8 the Directors will deliver a Board approved SOI to the shareholder on or before the 30th June of each year.

In compliance with Clause 67 of Part 5 the Directors will, within three months of the end of the financial year, deliver to the shareholder an audited Annual Report which meets the requirements of Section 68 and Section 69 of Part 5. In addition, the Annual Report is to contain a declaration by the Board as to the compliance with the Act and specifically that the requirements of Schedule 8 have been met.

12 New entries, acquisitions and sales

(Sec 9 (1) (i))

Directors may not create any new legal entity, acquire shares or any equity interest in any existing legal entity or sell any interest held by Northland Inc without the specific approval of the NRC as the shareholder.

13 Activities for which local authority funding is sought

(Sec 9 (1) (j))

Northland Inc reserves the right to seek compensation from time to time for the necessity to provide any service required by the NRC where funding has not been previously agreed.

14 Estimate of the commercial value of the shareholders' investment

(Sec 9 (1) (k))

The Directors' forecasted estimate of the commercial value of the Shareholders' investment in Northland Inc at 30 June 2017 is \$10,000 and is equal to the Shareholders' equity in Northland Inc. Reassessment of the value of this shareholding shall be undertaken by 30 June each year.

The business should be viable (have a positive net worth) by the end of each financial year.

15 Any other matters

(Sec 9 (1) (l))

The NRC is required to hold a confidential Council meeting at Northland Inc's request to discuss any matter which is considered commercially sensitive. Northland Inc has the ability to submit formal reports into the confidential agenda of any such meeting.

16 Financial Information

(Sec 9 (3))

A prospective statement of financial performance is included as Appendix B.

Appendix A: Northland Inc Accounting Policies

1. Statement of Accounting Policies

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Tier 2 Public Benefit Entity (PBE) Financial Reporting Standards as issued by the New Zealand External Reporting Board (XRB). They comply with New Zealand equivalents to International Public Sector Accounting Standards Reduced Disclosure Regime (NZ PBE IPSAS with RDR) and other applicable Public Benefit Entity Financial Reporting Standards as appropriate to Public Benefit Entities.

The entity is eligible to report in accordance with Tier 2 PBE Accounting Standards on the basis that it does not have public accountability and is not large. The entity transitioned to PBE Standard Tier 2 from 1st July 2016.

The financial statements have been prepared accordance with the Local Government Act 2002, which requires compliance with generally accepted accounting practice in New Zealand ("NZ GAAP"). [LGA. 111].

The entity is deemed a public benefit entity for financial reporting purposes, as its primary objective is to provide services to the community for social benefit and has been established with a view to supporting that primary objective rather than a financial return.

CHANGES IN ACCOUNTING POLICIES

Previously adopted Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit). The impact of new and amended standards and interpretations applied in the year was limited to additional note disclosures.

Appendix B: Prospective Statement of Financial Performance

NORTHLAND INC Forecast Prospective Statement of Financial Performance						
Income	2018/19	Forecast	2019/20	Forecast	2020/21	Forecast
NRC Opex		1,246,000		1,264,690		1,283,660
NRC Feasibility		300,000		300,000		300,000
NRC Regional Promotions		200,000		200,000		200,000
NRC Extension 350		200,000		100,000		100,000
WDC		105,000		105,000		105,000
FNDC & KDC		65,000		65,000		65,000
NZTE & CI		339,531		339,531		339,531
NIF		64,000		64,000		64,000
Website Income		27,000		27,000		27,000
International Marketing Group		37,500		37,500		37,500
Extension 350 Partner funding		426,500		393,500		336,700
Orchard Income		134,420		135,000		136,600
MBIE (Action Plan)		74,488		74,488		74,488
International Education partnership funding		70,000		-		-
Escentre		48,000		48,000		24,000
Total Income		3,337,439		3,153,709		3,093,479
Less						
Programme Expenditure	1,169,900		1,040,500		984,200	
Salaries	1,628,044		1,570,044		1,568,044	
Overheads	539,206		542,308		540,074	
Total Expenditure	3,337,150		3,152,852		3,092,318	
Total Net Surplus		\$ 289		\$ 857		\$ 1,161
Notes:						
	2018/19		2019/20		2020/21	
	NRC Regional Promotions funding not secured		NRC Opex & CI funding not secured		NRC Opex & CI funding not secured	
	Action Plan funding from MBIE is likely		Action Plan funding from MBIE is uncertain		Action Plan funding from MBIE is uncertain	
	Orchard income estimated		Orchard income estimated		Orchard income estimated	
	Ext 350: ext 350 & Escentre funding secured		Ext 350: & Escentre funding secured		Escentre funding reducing	
	FNDC & KDC funding not secured		FNDC & KDC funding not secured		FNDC & KDC funding not secured	

Northland Inc's response to council's comment on the draft SOI 2018-2021

Council comments	How incorporated into final Northland Inc. SOI
General	
There is reference to both "firms" and "businesses" throughout the document. Is this necessary? Council seeks clarification and currently prefers the term "businesses".	Incorporated. SOI now refers to "businesses" only.
Section 4	
The introductory paragraph repeats information already provided elsewhere in the SOI. Council suggests this be dropped.	Incorporated.
Is Objective 5 necessary? Council considers its intent is already captured in objective 4?	No change.
Consider adding in text around balancing economic development with sustainable environment management. This could be done through either an additional objective or reference in the vision or mission.	Incorporated into the Vision.
An additional sentence should be added to explain that funding to achieve these objectives comes from a variety of providers and not just the regional council	No change.
Section 6	
<u>Business innovation and growth</u>	
Final bullet point appears to be out-of-date. Suggest something like "Lead and coordinate the delivery of the Digital Enablement Plan"	Incorporated.
<u>Investment and infrastructure</u>	
First bullet – council seeks a list of the strategic sectors to include in the SOI and LTP. Council expects this list to be short, given the limited budget, and invites NINC to also provide a submission on this into the LTP process. Council understands that the list of strategic sectors that NINC engage with may be broader than the list provided to support the Investment and Growth Reserve criteria	Incorporated. The list of strategic sectors is the same as that incorporated into the LTP 2018-2028: agriculture and horticulture, digital, tourism and marine.
Fourth bullet – should read "Leveraging council Investment and Growth Reserve to..."	Incorporated.
Fifth bullet – provide greater clarity as to what is being delivered.	No change.
<u>Promoting the region</u>	
Third bullet – Suggest "Identifying and supporting ...". Council considers that Northland Inc has a strategic role in assessing what is missing; identifying the opportunities to be taken up.	Incorporated as "Identifying and assisting..."
Section 9	
Northland Inc needs to populate the KPI table with missing data shown by "X". This relates to both 2016/17	Incorporated.

result information and to targets for the three-year period.	
The target values in the KPI need to be double-checked to ensure that are both realistic and challenging for the organisation. For example, is the 60% target occupancy rate for The Orchard challenging enough as this appears to be below current levels as set out in the latest SOI report for the six months ended December 2017.	Incorporated.
A methodology for each of the KPIs needs to be developed alongside the development of the SOI so that it is clearly understood what is being measured and how. For example, does the Orchard occupancy rate consider the occupancy by Northland Inc and the Chamber? Clear definitions of phrases such as “inward delegations” and “high impact projects” are required. Council does not expect this methodology to be included in the SOI but produced as a supporting information document.	Separate note identifying the methodology for the KPIs provided to council.
<u>Investment and infrastructure</u>	
First KPI – should be clearer that this indicator relates to a “Northland Inc board decision” not “NRC approval”.	Incorporated.
Fourth KPI – should be reworded “Number and value of...”. And is “implemented” the correct word? Perhaps “landed” would be better. Council considers Northland Inc’s role is to facilitate and support a project to establish in Northland not necessarily through the build / construction up and running phase.	Incorporated the words “and value of”. Retained the word “implemented”.
A KPI should be added regarding the informing / reporting to council about BCA applications approved by Northland Inc board.	No change.
<u>Business innovation and growth</u>	
Second KPI – in addition to an absolute value, an indicator that allows a regional comparison of grant funding facilitated would assist in appreciating the performance of Northland Inc.	No change. However, the methodology note indicates that this comparison will be provided in Northland Inc’s annual report.
Fourth KPI – council would like clarification as to whether this KPI includes NINC and Chamber of Commerce occupancy and questions whether this is a sufficiently stretch target. While separate to this KPI, council looks forward to NINC providing further information as to how an Orchard type model may be rolled out across the region.	Incorporated. The methodology note clarifies that Northland Inc. and Chamber of Commerce occupancy are not included in the Orchard occupancy measures. The target measures now include a stretch up to 70%.
An additional KPI to reflect Northland Inc’s digital related activity would be useful.	No change.
<u>Promoting the region</u>	
First KPI –should be reworded “Number and spend of visitors from target markets”. What is the target market? Is it defined by origin, type of tourist or something else? This could be clarified in either a footnote or accompanying methodology	Incorporated. The measure now focuses on visitor spending only as the number of visitors are not available. The methodology note identifies the target markets as:

	Auckland (domestic) and Australia, USA, Europe and UK (international).
Second and third bullet – please explain the reduction in the proposed targets for these two KPIs when the budget indicates that specific additional money for regional promotions is going to come to Northland Inc?	Incorporated.
Given the new objective, an additional KPI relating to the number of new tourism products / services assisted should be included.	No change.
Council considers that it would be useful to use the Net Promoter Score indicator to assess the performance of the RTO function. This would be an additional indicator	Incorporated.
Action Plan	
In addition to the percentage of all milestones completed (which is the current proposed indicator), council considers that the percentage of milestones for which Northland Inc is specifically responsible for should also be reported on.	No change.
Māori economic development	
First KPI – should align with wording of first KPI of Business innovation and growth	Incorporated.
Second KPI – should change as per fourth bullet point of Investment and infrastructure	Incorporated.
Section 16 Appendix B	
Why is Northland Inc intending to run at a loss for each of the three years? Council does not wish to see Northland Inc running at a loss and requests that this be addressed.	Incorporated. No longer running at a loss (but very small net surplus budgeted).
Please explain why the additional regional promotions money has been identified in the budget as being from “NRC” when council has clearly explained that this money has not been provided for. Any further consideration of additional regional promotions allocation will need to be considered by council during its LTP deliberations and council encourages NINC to make a submission.	Incorporated. Have reduced the regional promotions contribution to \$200,000 as per the IGR application council is considering.
Is it sensible to budget for information that is not likely to arise, e.g. FNDC payment?	No change.
Please explain the increase in Overheads forecast. For 2018/19 the forecast overhead cost has increased by 6.5% from the budgeted figure in the current SOI	No change, and no explanation provided.

TITLE: Making of section 8 (Disease and pathogens) and section 10.1 (Marine Pathway Management Plan) of the Northland Regional Pest and Marine Pathway Management Plan 2017-2027

ID: A1073766

From: Don McKenzie, Biosecurity Manager

Executive summary

The purpose of this report is to:

- Update council on the recent Environment Court decisions on section 8 (Disease and pathogens) and section 10.1 (Marine Pathway Management Plan) of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027.
- Seek council approval of these sections and make them operative as of 1 July 2018.

Making these sections operative will make the entire Northland Regional Pest and Marine Pathway Management Plan 2017–2027 operative

Recommendation(s)

1. That the report ‘Making of section 8 (Disease and pathogens) and section 10.1 (Marine Pathway Management Plan) of the Northland Regional Pest and Marine Pathway Management Plan 2017-2027’ by Don McKenzie, Biosecurity Manager and dated 7 June 2018, be received.
2. That council make section 8 (Disease and pathogens) of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027 in accordance with section 77(1) of the Biosecurity Act 1993 by fixing the council seal to section 8 (Disease and pathogens) of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027 as attached to the report to council ‘Making of section 8 (Disease and pathogens) and section 10.1 (Marine Pathway Management Plan) of the Northland Regional Pest and Marine Pathway Management Plan 2017-2027’ dated 29 May 2018.
3. That council make section 10.1 (Marine Pathway Management Plan) of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027 in accordance with section 97(1) of the Biosecurity Act 1993 by fixing the council seal to section 10.1 (Marine Pathway Management Plan) of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027 as attached to the report to council ‘Making of section 8 (Disease and pathogens) and section 10.1 (Marine Pathway Management Plan) of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027’ dated 29 May 2018.
4. That 1 July 2018 is the date section 8 (Disease and pathogens) of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027 commences in accordance with sections 77(5) and 97(5) of the Biosecurity Act 1993.
5. That 1 July 2018 is the date section 10.1 (Marine Pathway Management Plan) of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027 commences in accordance with sections 77(5) and 97(5) of the Biosecurity Act 1993.

6. That Bruce Howse, Group Manager – Environmental Services, be delegated authority to make minor grammatical or formatting amendments to section 8 (Disease and pathogens) and section 10.1 (Marine Pathway Management Plan) of the Northland Regional Pest and Marine Pathway Management Plan 2017–2027 as necessary prior to the date of commencement as per section 100G(4) of the Biosecurity Act 1993.
-

Background

The proposed Northland Regional Pest and Marine Pathway Management Plan 2017–2027 (RPMP) was notified on 18 March 2017 as part of the combined consultation process in conjunction with council's Annual Plan and the Navigation Safety Bylaw 2017. Following deliberations, council notified its decisions on the RPMP on 26 August 2017, with a 15-day appeal period following. Two appeals were lodged with the Environment Court on the Kauri Dieback³ provisions (section 8) and the Marine Pathway Management Plan⁴ (section 10.1).

Council made (approved) the RPMP (except the two appealed sections) and it commenced (became operative) on 12 December 2017.

On 24 October 2017, council delegated to Councillors Shepherd, Sinclair, and Finlayson the ability to make decisions on council's behalf for resolving the appeals.

Both appealed sections were resolved by mediation and agreed wordings were tabled with the Court. The Court confirmed the agreed changes and issued decisions on 11 April 2018 for the Kauri Dieback provisions and on 26 April 2018 for the Marine Pathway Management Plan.

The changes, in summary, are as follows:

- *Kauri dieback provisions* – the addition of guidance for determining where the risk of kauri dieback spreading is high, and additional requirements for how the management plan is to manage the risk.
- *Marine Pathway Management Plan* – the addition of a system for council to issue an Antifouling Declaration to vessel owners and have set out some circumstances when council will not prosecute where the level of fouling exceeds the standard (including if the vessel has a current Antifouling Declaration).

Making the RPMP fully operative

Now that the appeals are resolved it means that these provisions can be made operative. Assuming council adopts the recommendations, it will mean that the entire Northland Regional Pest and Pathway Management Plan 2017–2027 will be operative.

A commencement date of 1 July 2018 is recommended

As required under these sections of the Biosecurity Act 1993, public notice confirming the commencement date will follow.

³ Appeal lodged by Forest and Bird

⁴ Appeal lodged by Far North Holdings Ltd

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Approve sections 8 and 10.1 of the RPMP and make these provisions operative.	This will make the RPMP fully operative. It follows the correct legal process.	None.
2	Don't approve sections 8 and 10.1 of the RPMP and don't make these provisions operative.	None.	Unlawful as once an Environment Court decision is issued, council must comply with direction of the court's decision and make that part of the plan.

The staff's recommended option is option 1.

2. Significance and engagement

In relation to section 79 of the Local Government Act 2002, this decision is considered to be of low significance when assessed against council's Significance and Engagement Policy because it has previously been consulted on and provided for in council's Long Term Plan and 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, risk management and legislative compliance


The item does not conflict with council's policy and is consistent with sections 77 and 97 of the Biosecurity Act 1993. There are no risk management issues.

Further considerations

Being a purely administrative matter, community views, Māori impact statement, financial implications and implementation issues are not applicable

Attachments

Attachment 1: Kauri Dieback - Final Environment Court Decision [!\[\]\(626ce8ac21792b9405bfddfea8e0c96a_img.jpg\)](#) 

Attachment 2: Marine Pathway Plan - Final Environment Court decision [!\[\]\(a8f9309f944226d1420f5fed22e2b6e6_img.jpg\)](#) 

Authorised by Group Manager

Name: Bruce Howse
Title: Group Manager - Environmental Services
Date: 13 June 2018

8 Diseases and pathogens | Ngā mate urutāme ngā tuku mate

Diseases and pathogens are a serious threat to Northland's native biodiversity, industry, cultural and social values. Diseases and pathogens are often difficult to detect and, once they are detected, difficult to manage. Diseases and pathogens require new and novel methods for control and furthermore, a high level of community awareness especially for identifying and minimising vector-s of spread. The following section describes the management of diseases and pathogens of particular concern in Northland.



Image credit: MPI



8.1 Sustained control diseases

Sustained controlled diseases are one in which they are widespread throughout Northland in suitable habitats. The following section relates to the management of kauri dieback disease in Northland.

Objectives

- For the duration of the Pest Plan, prevent the spread of kauri dieback to reduce impacts on biodiversity, cultural and economic values in Northland.
- Ensure coordination with other government agencies and the Department of Conservation to achieve the Plan objectives.

Aims

- To maintain a complete record of the full distribution and severity of kauri dieback in Northland.
- To increase public knowledge and skills, and encourage people to take action to help reduce the spread of kauri dieback.
- To ensure that measures taken under the pest management plan are complementary to interregional and national approaches to kauri dieback.
- To utilise scientific and technological advancements to help reduce the spread of kauri dieback.

Banned from sale and distribution

Under Sections 52 and 53 of the Biosecurity Act 1993 no person can sell, propagate, breed, distribute or otherwise spread any pest in this plan, or any unwanted organism. Section 53 also includes organisms which may contain or harbour a pest or unwanted organism. Not complying with Section 52 or 53 is an offence under the Act, and may result in the penalties noted in Section 157(1).

Rules

Rule 8.1.1

~~Land occupiers within Northland must implement an approved management plan to reduce the risk of kauri dieback spreading, where an authorised person identifies the property as high risk.~~

1. Authorized persons will determine whether a property is "high risk" by having regard to:
 - Site status - is it a confirmed or likely positive site?
 - Site location - is it within proximity to known kauri dieback site(s)?
 - Vectors - is there high likelihood of spread to or from the site?
 - Any other relevant factors
2. Where the property is identified as "high risk" an approved management plan shall be prepared by the authorized person in consultation with the occupier / owner / manager / user (as relevant).
3. The minimum criteria for an approved Kauri Dieback Management Plan are contained at Appendix X of the Northland Regional Pest and Marine Pathway Management Plan 2017-2027.
4. Land owners / occupiers / managers / users (as relevant) within Northland must implement the approved Management Plan to reduce the risk of kauri dieback spreading.

Rule 8.1.2

Every person who sees or suspects the presence of kauri dieback shall immediately report the sighting to NRC or an appropriate management agency

A breach of ~~these~~ rules will create an offence under Section 154 N(19) of the Act.



Principal measures

Requirement to act

- Members of the public are required by Rule 8.1.1 and sections 52 and 53 of the Biosecurity Act 1993 to take action to help reduce the impact and spread of kauri dieback.
- People are required to report the presence or suspected presence of kauri dieback.
- The purpose of the rules is to help prevent the spread of kauri dieback and reduce the impact on values in Northland.

Council inspection

- Council staff and/or their contractors ~~may will~~ visit all places on private land suspected of containing Kauri Dieback to undertake further assessment or testing surveys for kauri-
- Council staff will undertake compliance activities when required, such as rule enforcement, action on default, prosecution and processing exemptions.
- Council staff and/or their contractors will may visit places to determine whether rules and management programmes are complied with and effective.

dieback

Service delivery

- Council staff will provide education and advice to owners, -occupiers and the public about kauri dieback and how to reduce the risks of spread.

Advocacy and education

- Council staff will assist land occupiers to develop management plans for kauri dieback.
- Council will provide training to relevant council staff and stakeholders about the identification of kauri dieback, and how to reduce the risks of spread.
- Council will provide advice, attend events and undertake publicity campaigns to increase public awareness of kauri dieback.

2



Kauri dieback (*Phytophthora agathidicida*)

Also known as: PA, kauri dieback disease, (formerly known as PTA or *Phytophthora taxon agathidica*). Kauri dieback is a deadly, fungus-like disease that can kill kauri trees of any age. Spores in the soil infect kauri roots and damage the tissues that carry nutrients within the tree.

Infected trees show a range of symptoms including yellowing of foliage, loss of leaves, canopy thinning, dead branches and lesions that bleed gum at the base of the trunk. However, some trees can show symptoms of dieback and even be killed without any gum showing on the trunks.

~~Nearly~~ There is no known cure for Kauri Dieback, and the disease kills most if not all the kauri it infects. ~~all infected kauri die and the disease has killed thousands of kauri in New Zealand in the last 10 years.~~

Kauri dieback disease produces millions of spores that are spread through soil movement. Resting spores (oospores) can be found in root tissue and soil around infected trees and can survive for ~~at least three~~ many years, ~~and possibly much longer~~. Motile spores (zoospores) are produced in wet conditions and move through water films in soil.



Image credit: MPI



Appendix X - Kauri Dieback Management Plan Minimum Criteria

1. Description (Site name, site location, soil sample numbers and other identification details)
2. Plan objectives to prevent or minimise the spread of kauri dieback
3. Risk Factors:
 - a. Proximity to other kauri;
 - b. Proximity to other infected sites;
 - c. Vectors to infection;
4. Measure to be adopted:
 - a. Vector risk mitigation i.e. phytosanitary measures, access limitations, control of feral animals, any other detailed steps;
 - b. Obligations of landowner, occupier, manager, user as relevant
 - c. Parameters and measures to ascertain whether objectives are being achieved
5. Monitoring and review



APPENDIX B



A

10 Marine | Wai moana

Northland's coastal marine has significant economic, ecological, social and cultural value, comprising approximately 3000 kilometres of coastline, encompassing offshore islands and stacks, 17 harbours and major estuaries, and extensive stretches of rocky and sandy open coast. It also has an expanse of subtidal habitats, ranging from rocky reefs to sand or mud bottom areas. Largely due to this diversity of habitat and the region's warm subtropical climate, Northland has a greater biodiversity of marine fish and invertebrates than any other region in New Zealand. It also contains marine ecosystems of national and regional importance, including two marine reserves and a number of nursery areas for economically and culturally significant fish stocks.



The Poor Knights Islands Marine Reserve off the Tutukaka coast exemplifies Northland's high marine biodiversity values.



10 Marine | Wai moana

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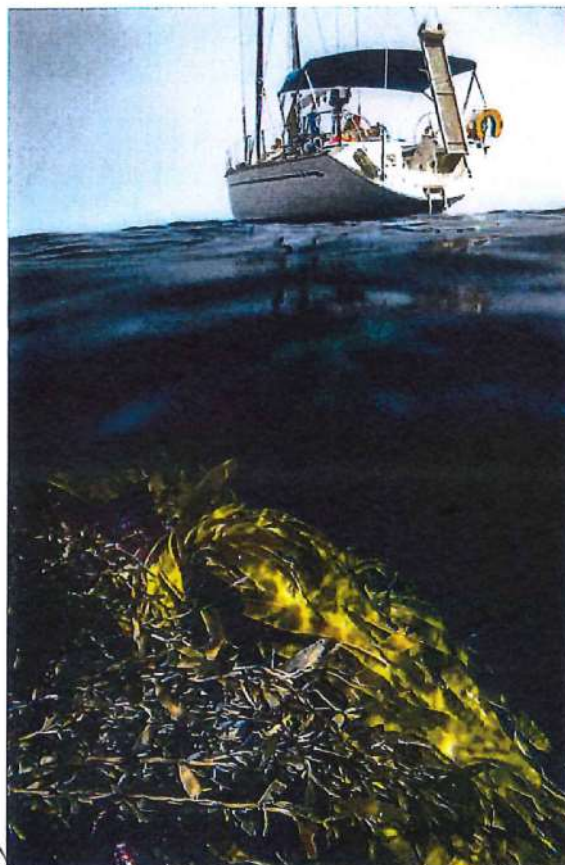
Managing marine pests

Once introduced, marine pests have the potential to impact on the region's natural environment, human health and Māori values and cause serious harm to Northland's economy, such as aquaculture, fishing, and tourism industries. The subtropical climate that creates high biodiversity also encourages many pest species to survive and spread. Marine pests can be hard to detect and can easily spread. This difficulty in detection and the limited number of management tools available make effective marine pest management challenging and expensive.

The council has a three-pronged approach to manage the risks posed by marine pests:

1. The Marine Pathway Plan to deal with the spread of new marine pests into, and around, Northland before they become established;
2. Sustained control marine pests identified in the Pest Plan to help council and the public manage impacts of marine pests already in the region; and
3. Regional Plan provisions to deal with the movement of marine pest species and discharges from in-water boat hull cleaning.

The marine pest and pathway management rules will apply to the area around Northland's coast from Mean High Water Springs (MHWS) to the 12 nautical mile (22.3 kilometre) limit of New Zealand's territorial sea (the Northland coastal marine area). Management of marine pests in Northland will align with policies and objectives in both the Northland Regional Council's Long Term Plan 2015-2025 and the Regional Plan.



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10.1 Marine Pathway Plan

Introduction

A pathway plan is designed to prevent pests from reaching new areas, rather than responding to a pest once it has arrived and had time to establish. Put simply, 'pathways' are human activities that may transport a (marine) pest from one place to another; for example, hull biofouling, ballast water, or movement of aquaculture equipment.

Experience has shown that the eradication and control of established marine pest populations is difficult and expensive, so reducing the spread of marine pests through management of pathways is a high priority. An effective pathways plan will not only prevent incursions of new marine pests into the region, but will also reduce the spread of harmful marine species that are already established in Northland's coastal marine area.

As well as addressing recognised harmful marine organisms, pathways plans have the benefit of including all the unknown or potential risk species that may be associated with a pathway, irrespective of their designated pest status. The pest management national plan of action clearly defines roles and responsibilities of agencies within the scope of marine biosecurity. The Ministry for Primary Industries (MPI) manages border biosecurity, the national high-risk site surveillance and national incursion responses. MPI is also responsible for setting marine pest priority species at a national level and carrying out the risk assessments of new-to-New Zealand organisms. At the time of development of this plan, New Zealand has an existing list of 10 marine pests designated as Unwanted Organisms by the MPI. However, as these are set at a national level, some of the regionally-specific threats may be overlooked; for example, species that may not pose a threat in cooler southern waters could become problematic if introduced to Northland.

Marine pest pathways into Northland

Biofouling on the hulls of moored, anchored or berthed vessels is widely regarded as an important contributor to the spread and establishment of marine pests. Significant fouling can arise on vessels, particularly those that spend long periods of time idle. Some vessel types (for example, yachts) also travel at slow speeds, meaning that fouling pests are not dislodged and can easily be transported to new locations.

Both recreational and commercial vessels have the potential to transport marine pests as hull biofouling. Vessels will accumulate local biofouling organisms on their hull during periods of inactivity or when the antifouling coating is not working effectively. This accumulation of local hull fouling may look unsightly but does not pose a biosecurity risk until vessels move and take the local biofouling with them to new locations.

Northland is highly connected to other regions of New Zealand through the movement of both commercial and recreational vessels and it is likely that new species will continue to be introduced unless effective management systems are put in place.

Commercial and recreational vessels arrive into Northland from both domestic and overseas ports. Northland receives about 400 large (greater than 99 tonnes) commercial vessels annually with the vast majority of these being bulk and cargo vessels that travel to Northport in Whangārei Harbour. However, the majority of vessel movements in Northland are visiting recreational vessels (more than 2000 per year). Recreational vessels arrive in Northland from many parts of the country and the region's two customs clearance ports mean it also receives a large proportion of vessels from overseas. Ōpua is among New Zealand's busiest ports for recreational vessels, with more than 1300 long-distance arrivals and departures each year, while Whangārei receives about half that number. Vessel hull biofouling has been implicated in incursions of the marine pests *Sabella spallanzanii* (Mediterranean fanworm) and *Styela clava* (a sea squirt) in Northland.



The Northland marine environment not only supports high biodiversity values, but also has economic and recreational value



Objective

The objective of the Marine Pathway Plan is to prevent the introduction of new marine pests into Northland and slow the spread of established marine pests within the region.

Pathway to be managed

The pathway to be managed is vessel movement.

Aims

For the duration of the plan:

- There will be an increase in the number of vessel owners and/or persons in charge of vessels complying with the Marine Pathway Plan rules;
- There will be an increase in awareness of the risk hull fouling poses to marine pest spread;
- There will be a reduction in new marine pest introductions to Northland;
- There will be a reduction in the rate of spread of established marine pests within Northland; and
- Appropriate funding and resources will be allocated to the control and/or management of hull fouling in Northland.

Principal measures

Requirement to act

- The person in charge of a vessel is required to ensure there are no pest species or unwanted organisms present on the hull of the vessel.

Advice note: marine pest species for Northland are identified in 10.2 'Sustained control marine pests'.

- The person in charge of a vessel is required to ensure the fouling on the hull of the vessel meets the requirements of the Marine Pathway Plan.

Voluntary Anti-Fouling Declaration

- Council will issue an Anti-Fouling Declaration to people in charge of a vessel where a declaration is made:
 1. Providing the full name, contact address; email address; phone number of the person making the declaration;
 2. Detailing the craftname; any relevant ID number; craft type; and closest homeport of the vessel in respect of which the declaration is made;
 3. That the vessel has had antifouling paint applied to its hull in accordance with the manufacturer's instructions within the preceding 12 months.
- Anti-Fouling Declarations are valid for 12 months.

- Rules 10.1.1 and 10.1.2 must still be complied with where a vessel has a current Anti-Fouling Declaration.

Council inspection

Council staff and/or their contractors will conduct surveys to assess hull fouling on vessels in all areas within Northland.

Council staff and/or their contractors will manage compliance activities such as rule enforcement, action on default, prosecution and rule exemption applications.



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Service delivery

Council will support voluntary compliance by vessel owners by funding surveillance and education activities.

Council will ensure tools and best practice guidelines are available to vessel owners and relevant industries.

Advocacy and education

Council will encourage owners and/or persons in charge of vessels to control hull fouling.

Council will work co-operatively with other agencies and stakeholders to facilitate research to understand potential risks of hull fouling, and develop tools and best practice guidelines to manage hull fouling.

Council will provide training to relevant council staff and stakeholders in the assessment of vessel hull fouling and identification of marine pest species.

Council will provide advice, attend events and undertake publicity campaigns to increase public awareness of marine pests and hull fouling as a vector of spread.

Marine pests and unwanted organisms

Even when the requirements of the Marine Pathway Plan rules are

met, the following legislation still applies.

Under Sections 52 and 53 of the Biosecurity Act 1993 no person can sell, propagate, breed, distribute or otherwise spread any pest in this plan, or any unwanted organism. Not complying with Section 52 or 53 is an offence under the Act, and may result in the penalties noted in Section 157(1).

Other relevant legislation or programmes

- The Regional Plan has rules relating to in-water cleaning of vessel hulls and marine pests. These rules cover the following sections of the RMA: discharge of contaminants to water ((Sections 15(1)(a) and 15B(1)(a)); deposit any substance in, on and under any foreshore or seabed ((Section 12(1)(d)), and introduce or plant any marine pest in, on and under any foreshore or seabed ((Sections 12(1)(f) and 12(3)(a)).
- The Marine Pathway Plan rules will not apply to international vessel arrivals because the Pest Management National Plan of Action allocated responsibility for border biosecurity to the Ministry

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for Primary Industries, which has developed the Craft Risk Management Standard: Biofouling on vessels arriving to New Zealand 2014 to manage the risk of international vessels introducing marine pests to New Zealand. Information about this standard can be found via [Craft Risk Management Standard, for bio fouling](#).

- The fouling rules have been based on the 'level of fouling guidelines' developed by Floerl O, Inglis GJ and BJ Hayden (2005). A risk-based predictive tool to prevent accidental introductions of nonindigenous marine species. Environmental Management 35: 765–778.

Rules

The purpose of the rules is to prevent the spread and establishment of marine pests into and around Northland.

Rule 10.1.1

The owner or person in charge of a craft entering Northland must ensure that the fouling on the hull and niche areas of the craft does not exceed 'light fouling'.

Rule 10.1.2

The owner or person in charge of a craft moving from one designated 'place' and entering a separate designated 'place' in Northland must ensure that the fouling on the hull and niche areas of the craft does not exceed 'light fouling'.

Definition: 'Light fouling' is defined as: small patches (up to 100 millimetres in diameter) of visible fouling, totalling less than five percent of the hull and niche areas. A slime layer and/or any species of barnacles are allowable fouling.

A breach of Rules 10.1.1 and 10.1.2 will create an offence under section 154N(19) of the Act. However, if these Rules are breached and the following three criteria are each met, the Council will not prosecute and instead will issue a notice of direction pursuant to s 122 of the Act:

1. There is a current Anti-Fouling Declaration for the craft; and
2. The owner or person in charge of the craft provides documents to Council that confirm application of antifouling paint to the craft in accordance with manufacturer's instructions within the preceding 12 months of the date the declaration was made; and
3. Macrofouling or filamentous algae does not exceed 15% of the visible hull surface.

Exemption to rule 10.1.1 and 10.1.2

The above pathway plan rules will not apply to craft entering Northland, or moving between areas in Northland in an emergency situation. For the purposes of this pathway plan, an emergency arises when the craft enters Northland, or moves between areas in Northland, because of an emergency relating to:

- i. the safety of the craft; and/or the health and safety of any person on board the craft; or
- ii. the New Zealand Defence Force acting in the event of a natural disaster, or emergency management response. This exemption does not apply to training purposes.

- A breach of Rules 10.1.1 and 10.1.2 must still be complied with where a vessel has a current Anti-Fouling Declaration.
this rule will create an offence under section 154N(19) of the Act.

Exemptions to rules 10.1.1 and 10.1.2 are listed below. Further information concerning exemptions is given in 12 'Powers conferred | Ngā mana i tuku'.



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Exemption to rule 10.1.2

Vessels can travel from one designated place to another for the

purpose of a haul out. The vessel haul out must be undertaken within 24 hours of arriving in the new designated place. Proof via receipt from a haul out facility must be provided to a council authorised person.

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10 Marine | Wai moana

Marine Pathway Plan designated 'places'

Council has designated harbours and popular anchorages as discrete 'places'. A vessel moving between these designated 'places' must ensure fouling on the hull does not exceed 'light fouling'.

The 'place' boundaries take into account the known marine pest risks of the 'place', common vessel movements and anchorages, and the proximity of haul out or cleaning facilities. Co-ordinates for these 'places' can be found in 'Appendix 2 | Āpitihanga tuarua: Marine Pathway Plan designated places coordinates'.

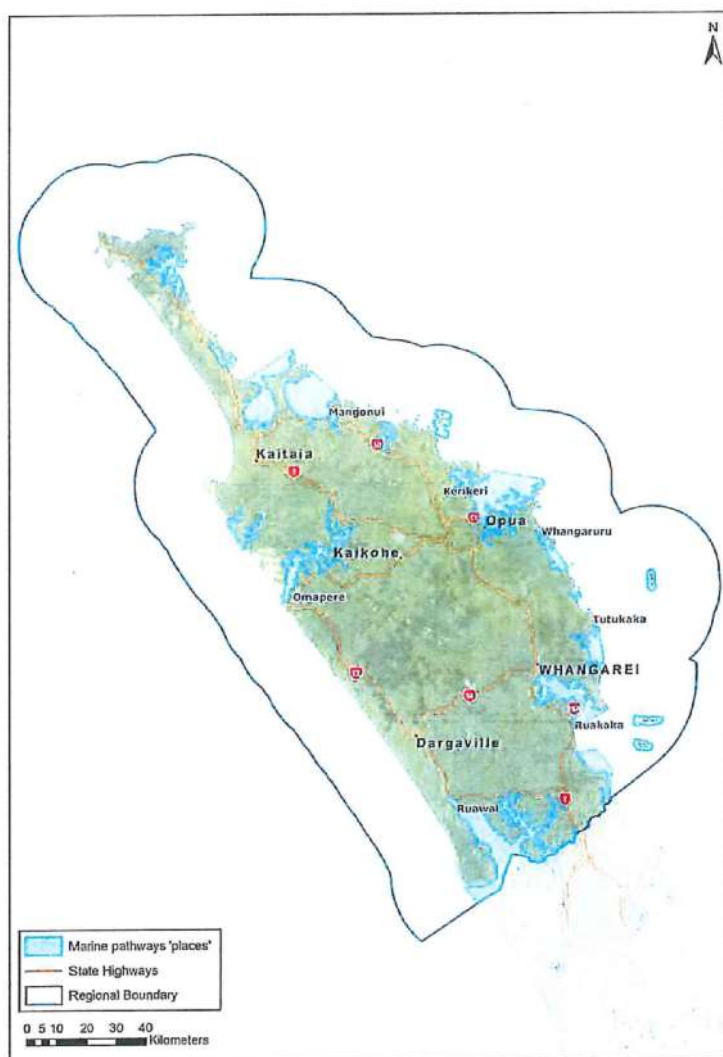


Figure 10.1 Map of designated 'places' in Northland.





Figure 10.2 Marine pathways plan designated 'place' limit for Bay of Islands

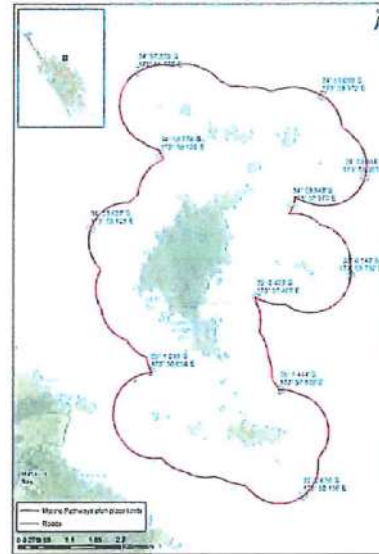


Figure 10.4 Marine pathways plan designated 'place' limit for Cavalli Islands (800m out from the line of Mean Low Water spring tide, from closest land)



Figure 10.3 Marine pathways plan designated 'place' limit for Bream Head to Bream Bay



Figure 10.5 Marine pathways plan designated 'place' limit for Doubtless Bay



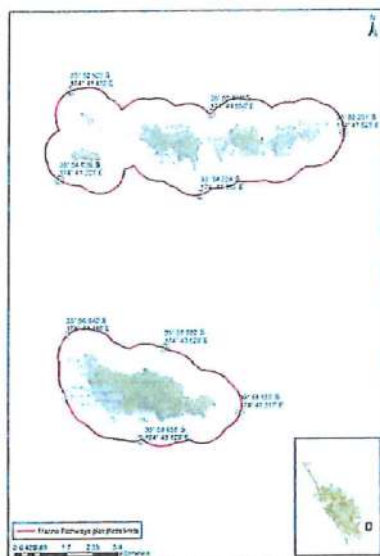


Figure 10.6 Marine pathways plan designated 'place' limit for the Hen and Chicken Islands (800m out from the line of Mean Low Water spring tide, from closest land)



Figure 10.8 Marine pathways plan designated 'place' limit for Whangape and Herekino Harbour



Figure 10.7 Marine pathways plan designated 'place' limit for Waipū Estuary and Mangawhai Harbour



Figure 10.9 Marine pathways plan designated 'place' limit for Hokianga Harbour



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Figure 10.10 Marine pathways plan designated 'place' limit for Houhora Harbour

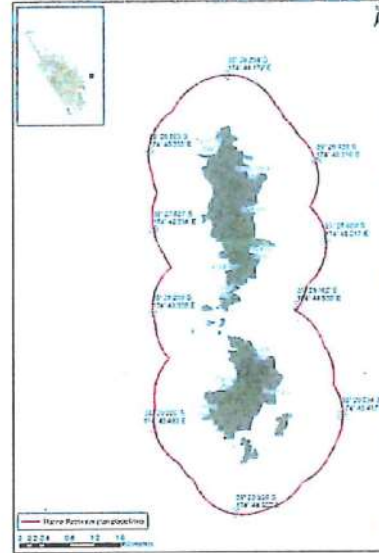


Figure 10.12 Marine pathways plan designated 'place' limit for the Poor Knights Islands (800m out from the line of Mean Low Water spring tide, from closest land)



Figure 10.11 Marine pathways plan designated 'place' limit for Parengarenga Harbour



Figure 10.13 Marine pathways plan designated 'place' limit for Rangaunu Harbour





Figure 10.14 Marine pathways plan designated 'place' limit for Tutukaka Harbour to Pataua Estuary

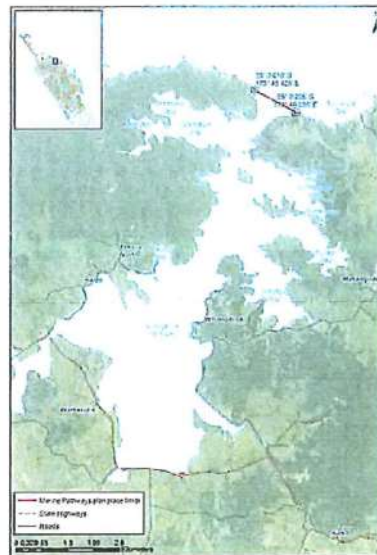


Figure 10.16 Marine pathways plan designated 'place' limit for Whangaroa Harbour

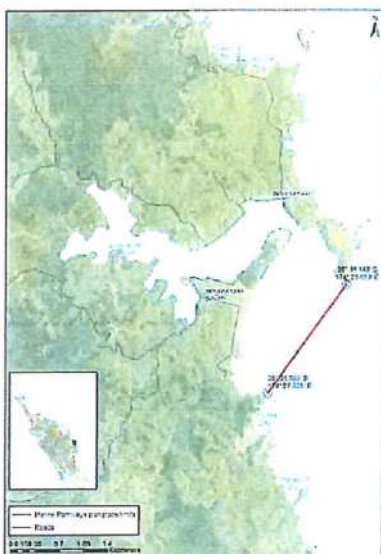


Figure 10.15 Marine pathways plan designated 'place' limit for Whananaki Harbour



Figure 10.17 Marine pathways plan designated 'place' limit for Whangaruru Harbour





Figure 10.18 Marine pathways plan designated place limit for Kaipara
Harbour



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TITLE: Amendment to the Northland Regional Council/ Northland Transportation Alliance Procurement Strategy 2017 to 2021

ID: A1073353

From: Peter Thomson, Northland Transportation Alliance Manager and Chris Powell, Transport Manager

Executive summary

The purpose of this report is to request that the Northland Regional Council (NRC) approve that the Northland Transportation Alliance Procurement Strategy 2017 to 2021 be the overarching Regional Procurement Strategy for the procurement of public transport and professional services as at the end of June 2018. It is further requested that the amendment of the wording in Table 5 of the Northland Transportation Alliance Procurement Strategy 2017 to 2021 be approved.

Recommendation(s)

1. That the report 'Amendment to the Northland Regional Council/ Northland Transportation Alliance Procurement Strategy 2017 to 2021' by Peter Thomson, Northland Transportation Alliance Manager and Chris Powell, Transport Manager and dated 6 June 2018, be received.
2. That the Northland Regional Council approve the request that the Northland Transportation Alliance make the following changes to the Northland Transportation Alliance Procurement Strategy 2017 to 2021:
 - Reference the fact that whilst the Northland Transportation Alliance Procurement Strategy 2017 to 2021 is the overarching Regional Procurement Strategy, the NRC Public Transport Procurement Strategy is currently a sub strategy, which will expire in June 2018, and not be replaced.
 - Change references to 'direct appointment' in Table 5 to be consistent with the wording in the NRC PT procurement strategy ('appropriate supplier selection method').

Background

Prior to the formation of the Northland Transportation Alliance (NTA), the Northland Regional Council (NRC) utilised the council approved 'Procurement Strategy 2015 to 2018 for Activities Funded through the National Land Transport Programme'.

This procurement strategy was designed to align the NRC and New Zealand Transport Agency (NZTA) tendering and procurement procedures to allow for the application for national funding assistance.

In 2017, as part of the drive for a regional approach to the purchase of roading, transportation and professional services, the NTA compiled the Northland Transportation Alliance Transportation Procurement Strategy 2017 to 2021 (Strategy) for the Far North, Kaipara and Whangārei District Councils and the Northland Regional Council.

The Strategy has subsequently been endorsed by the abovementioned councils and is now in full effect.

The main drive behind the Strategy was to allow for a strategic, standardised approach to tendering and procurement and thereby assisting to achieve savings through economies of scale, and reduced administrative work.

The regional transport strategies, public passenger transport services and road safety projects undertaken on behalf on the NRC are addressed under:

- Section 4.3 Professional Services; and
- Section 7 Procurement and Approach to Delivering the Programme for Public Transport Services.

When the NZTA endorsed the Strategy, they requested that the NRC approach the NTA with the following amendments:

- *Reference the fact that whilst the NTA Strategy is the overarching Regional Procurement Strategy, the NRC Public Transport Procurement Strategy is currently a sub strategy, which will expire in June 2018, and not be replaced.*
- *Change references to 'direct appointment' in Table 5 to be consistent with the wording in the NRC PT procurement strategy ('appropriate supplier selection method').*

Staff recommend the adoption of bullet point one as a separate NRC procurement strategy is no longer required.

Staff recommend the adoption of the second bullet point as this will provide consistency with the wording used.

As these recommended changes are for the tendering and awarding of contracts to meet the NRC transportation related work stream, there should be no affect to the Far North, Kaipara and Whangārei District Councils.

Considerations

1. Options

Council has two options:

Option A: Approve the proposed changes to the Transportation Procurement Strategy. This option will progress the council's legal obligation to continue to have an approved procurement strategy with NZTA requested changes in place by 30 June 2018 and maintain access to national funding assistance. As these changes are directed toward public passenger transport contracts, there will be no affect on the other signatories to the procurement strategy.

Option B: Not approve the proposed changes to the Transportation Strategy. This option will not progress the council's legal obligation to have an approved strategy in place by 30 June 2018 and may adversely affect council's access to funding assistance.

Option A is the recommended option.

2. Significance and engagement

The following criteria have been used to consider whether this matter is of high or low significance.

- a) The number of individuals and/or groups within the community affected by the proposed Transportation Procurement Strategy is restricted to a small group of company suppliers.
- b) The extent of the impact or consequences of the proposal on the affected persons is limited.
- c) The financial implications of the proposal on the council's overall resources are negligible as the out-sourced supply model is not subject to change.

- d) The levels of public interest in the proposed Transportation Procurement Strategy is limited as it has little or no direct impact on the scope and level of service delivery to the community.

Therefore, in accordance with section 5 of the Local Government Act 2002 (LGA), this decision is considered to be of low significance.

This matter does not trigger the significance criteria outlined in the council's Significance and Engagement Policy, and the public will be informed via the council's normal publications on its website, and to its community.

3. Policy, risk management and legislative compliance

The NRC receives funding assistance for expenditure on land transport investments from the NZTA under section 20 of the Land Transport Management Act 2003 (LTMA), and is required to carry out any purchasing in accordance with this Act using approved procurement procedures.

Under section 25 of the LTMA, council is required to have a NZTA approved procurement strategy to access subsidy funding for roading projects and maintenance works. This approval is required by 30 June 2018.

Further considerations

4. Community views

The development of this procurement strategy has involved discussion with a number of professional services and contracting companies and the involvement of their industry representatives as recorded in the strategy document.

5. Māori impact statement

The approval of the Transportation Procurement Strategy has the potential for positive effects for all local people including Māori.

There are no known impacts on Māori, which are different from general users of the road network and transportation services.


6. Financial implications

The recommendations in this report have no affect on the council's budgetary provisions. Subject to the council having a NZTA approved Transportation Procurement Strategy to access transportation subsidy, there will be no financial implications for council.

7. Implementation issues

No implementation issues have been identified.

Attachments

Attachment 1: Copy of Item 7.5 from Council Meeting 22 August 2017 titled Transportation Procurement Strategy 2017-2021 [↓](#) 

Attachment 2: Copy of Approved NTA Transportation Procurement Strategy 2017 -2021 [↓](#) 

Authorised by Group Manager

Name: Tony Phipps

Title: Group Manager - Customer Services - Community Resilience

Date: 30 June 2018

TITLE: **Transportation Procurement Strategy 2017–2021**

ID: A973616

To: Council Meeting, 22 August 2017

From: Peter Thomson, Northland Transportation Alliance Manager

Date: 10 August 2017

Executive summary

The purpose of this item is to present the Transportation Procurement Strategy 2017–2021 to the council for approval. Under section 25 of the Land Transport Management Act 2003 (LTMA), council is required to have a New Zealand Transport Agency (NZTA) approved procurement strategy in order to access subsidy funding for transportation activities and projects. The proposed recommendations satisfy the council's obligation to approve a Transportation Procurement Strategy and seek NZTA endorsement prior to 1 October 2017.

The formation of the Northland Transportation Alliance (NTA) has provided the opportunity for a combined regional approach to be agreed and delivered through the adoption of this procurement strategy.

This strategy covers a four-year period from 1 October 2017 until 2021. The update of the strategy then will align with the 2021–2024 three year programme, and the 2021–2031 10-year council Long Term Plans. Any major changes which substantially affect procurement during its term will lead to its review.

Recommendations

1. That the report 'Transportation Procurement Strategy 2017–2021' by Peter Thomson, Northland Transportation Alliance Manager, and dated 10 August 2017, be received.
2. That the council approves the Transportation Procurement Strategy 2017–2021, and gives delegated authority to the Chief Executive to make any final amendments that may arise from the other three local authorities approving the strategy that do not materially affect the integrated approach to local government transportation procurement across Northland.
3. That the council requests that the New Zealand Transport Agency:
 - a. Endorses the Transportation Procurement Strategy 2017–2021;
 - b. Approves the term of the new MO&R contracts at 4+2+1+1 (8 years maximum); and
 - c. Approves the use of the Northland Transportation Alliance, established as a Shared Services Business Unit, providing in house professional services to the four Northland councils.

Background

The Northland Regional Council, as an 'approved organisation', receives funding assistance, (subsidy), for expenditure on land transport investments from the New Zealand Transport Agency (NZTA) under section 20 of the Land Transport Management Act 2003 (LTMA).

The NRC is required by NZTA to carry out any purchasing in accordance with this Act using approved procurement procedures.

Under section 25 of the LTMA, council is required to have a NZTA approved procurement strategy in order to access subsidy funding for roading projects and maintenance works.

NZTA first approved council's procurement strategy in October 2010 for a period of three years. This has been extended over the years and the current version expires in October 2017.

Regional procurement

All four Northland councils are required to establish a NZTA endorsed procurement strategy that sets out their procurement plan for subsidised works by 1 October 2017. The establishment of the Northland Transportation Alliance (NTA) provides the opportunity for an integrated approach to local government transportation procurement across Northland. A single strategy covering three local authorities and the Northland Regional Council creates the potential to deliver local benefits through wider opportunities and regional coordination.

The NTA Collaborative Opportunities Business Case was formally adopted in May 2016 leading to the setup of the Shared Services Business Unit serving KDC, FNDC, NRC and WDC.

The purpose of the NTA is to create positive change in the planning, management, and delivery of transportation services in the region to achieve the following objectives of the Business Case.

1. More engaged and capable workforce delivering superior asset management.
2. Improved transport/customer outcomes, enabling investment and social opportunities.
3. Improved regional strategy, planning, and procurement.
4. Transport infrastructure is more affordable.

This strategy covers all the aspects of procurement for all transport activities within the four council's and covers the period until 2021. The update of the strategy then will align with the 2021–2024 three year programme and the 2021–2031 ten year council Long Term Plans. Any major changes which substantially affect procurement during its term will lead to its review.

A series of workshops have also been held with elected representatives of the four Northland councils and NZTA during the preparation of this procurement strategy document. These workshops have focussed on the new maintenance contracts regime proposed in the new Transportation Procurement Strategy.

The other three local authorities are scheduled to address their own agenda item to approve the Transportation Procurement Strategy at the following meetings:

- Far North District Council meeting on 10 August 2017;
- Kaipara District Council meeting on 14 August 2017; and
- Whangarei District Council meeting on 31 August 2017.

Considerations:

1. Options

Council has three options:

- **Option A:** Approve the proposed Transportation Procurement Strategy and seek NZTA endorsement. This option will progress the council's legal obligation to have an approved strategy in place by 1 October 2017, maintain access to funding assistance, and is expected to achieve NZTA endorsement by the deadline date. In the event that the other councils make minor or non-material changes to the strategy,

provision needs to be made to give the CEO delegated authority to make identical changes to the strategy prior to it being forwarded to NZTA for endorsement.

-
- **Option B:** Approve the proposed Transportation Strategy with amendments and seek NZTA endorsement. This option will progress the council's legal obligation to have an approved strategy in place by 1 October 2017. However, the specific nature of any material amendments may reduce the likelihood of securing NZTA endorsement, and ultimately may fail to meet the 1 October timeline.

• **Option C:** Not approve the proposed Transportation Strategy. This option will not progress the council's legal obligation to have an approved strategy in place by 1 October 2017 and may adversely affect council's access to funding assistance. The council would have to seek further time extensions from NZTA to develop and approve its Transportation Procurement Strategy.

Option A is the recommended option.

2. Significance and engagement

The following criteria have been used to consider whether this matter is of high or low significance.

- a) The number of individuals and/or groups within the community affected by the proposed Transportation Procurement Strategy is restricted to a small group of company suppliers.
- b) The extent of the impact or consequences of the proposal on the affected persons is limited.
- c) The financial implications of the proposal on the council's overall resources are negligible as the out-sourced supply model is not subject to change.
- d) The levels of public interest in the proposed Transportation Procurement Strategy is limited as it has little or no direct impact on the scope and level of service delivery to the community.

Therefore, in accordance with section 5 of the Local Government Act 2002 (LGA), this decision is considered to be of low significance.

This matter does not trigger the significance criteria outlined in council's Significance and Engagement Policy, and the public will be informed via the council's normal publications on its website, and to its community.

3. Policy and legislative compliance

NRC receives funding assistance for expenditure on land transport investments from the NZTA under section 20 of the Land Transport Management Act 2003 (LTMA), and is required to carry out any purchasing in accordance with this Act using approved procurement procedures.

Under section 25 of the LTMA, council is required to have a NZTA approved procurement strategy to access subsidy funding for roading projects and maintenance works. This approval is required by 1 October 2017.

4. Community views

The development of this procurement strategy has involved discussion with a number of professional services and contracting companies and the involvement of their industry representatives (Association of Consulting Engineers NZ and Civil Contractors NZ) as recorded in the strategy document.

5. Māori impact statement

- The approval of the Transportation Procurement Strategy has the potential for positive effects for all local people including Māori.
-
- There are no known impacts on Māori which are different from general users of the road network and transportation services.

•
6. Financial implications

The recommendations in this report have no effect on the council's budgetary provisions. Subject to the council having a NZTA approved Transportation Procurement Strategy to access transportation subsidy, there will be no financial implications for council.

7. Implementation issues

Next Steps:

- Presentation of the strategy to each of the four councils for approval in August 2017.
- Approved strategy reviewed and endorsed by NZTA before October 2017.
- Tendering of new road maintenance contracts through several stages from September 2017 to February 2018.
- Evaluation and award of tenders February to April 2018.
- New maintenance contracts in FNDC, KDC and WDC commence on 1 July 2018.

Attachments:

- Transportation Procurement Strategy 2017–2021 (included in the Supporting Information)
-
-

Authorised by Group Manager:

Name: Tony Phipps

Title: Group Manager – Customer Service/Community Resilience

Date: 9 August 2017

NORTHLAND TRANSPORTATION ALLIANCE



TRANSPORTATION PROCUREMENT STRATEGY

2017 to 2021



“MOVING NORTHLAND FORWARD”

2 October 2017

Document Management

Document Information	
Document Owner	Northland Transportation Alliance Manager
Date Created	1 June 2017
Date Endorsed by the NZ Transport Agency	30 September 2017
This Strategy has been Approved by the Four Northland Councils	Far North District Council Kaipara District Council Northland Regional Council Whangarei District Council
Date Strategy Comes into Effect	1 October 2017 to 30 September 2021

Version Control

Document Status		
Reference	Approved by	Date
Initial Draft	DM	4 May 2017
Final Draft	DM	16 June 2017
Final Approval of Document	PT	14 July 2017
Final approval of document after amendments from the decisions of the four Councils	PT	31 August 2017
Final version for Council's approval	PT, CEO's of four Councils	6 September 2017
Revised final version for NZTA Endorsement	PT, CEO's of four Councils	2 October 2017

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1 Introduction

The formation of the Northland Transportation Alliance (NTA) has provided the opportunity for a combined regional approach to be agreed and delivered through the adoption of this procurement strategy.

The four objectives that formed the basis for the Northland Transport Collaboration Business Case April 2016 and the formation of the NTA, have provided the local focus for the development of this strategy.

These objectives with their given weighting are:

- More engaged and capable workforce delivering superior asset management (30%).
- Improved regional strategy, planning and procurement (30%).
- Improved transport/customer outcomes, enabling investment and social opportunities (25%).
- Transport infrastructure is more affordable (15%).

This strategy covers the period until 2021. The update of the strategy then will align with the 2021/24 three year programme and the 2021/31 ten year Councils' Long Term Plans. Any major changes which substantially affect procurement during its term will lead to its review.

2 Executive Summary

The establishment of the NTA provides the opportunity for an integrated approach to local government transportation procurement across Northland. A single strategy covering three Local Authorities and the Regional Council creates the potential to deliver local benefits through wider opportunities and regional coordination.

Key aspects within this strategy that have the potential to deliver value from procurement are:

- The development of a single procurement programme for transportation works that incorporates each Council's needs, manages conflicting requirements and engages with the supplier industry in a coordinated and regional approach.
- The potential to deliver local objectives (e.g. three Tier One contractors established in Northland) through regional procurement that attracts more competition in the market than in the past.
- The ability to work with the industry and encourage through procurement the inclusion of increased Small and Medium Enterprises (SME) involvement, recruitment of new trainees, value creation initiatives and staff training in response to tender opportunities.
- The ability to encourage competition from professional services consultants in procuring and developing a region-wide service for a portion of the required work.
- The ability of the five NTA partner organisation's (the four Councils and the New Zealand Transport Agency (the Transport Agency)) to work closely together to understand each party's procurement needs and work collectively to efficiently deliver these in conjunction with the suppliers.
- The ability to procure five local roads Maintenance, Operations and Renewals (MO&R) contracts for the Northland network, where the two contracts in both the Far North and Whangarei districts can be bid separately or combined. This provides opportunities that will attract companies to compete for these term contracts.

- A preference for limiting the number of local roads MO&R contracts for the Northland network that any contractor can win up to three (of the five available).
- The ability to coordinate the terms of all the local MO&R contracts with those of the Transport Agency's Network Outcome Contract (NoC) to enable a business case to be researched on the potential for a future one network approach.
- The ability to form a single regional pre-qualification register for both physical works and professional services.
- The ability to work with the suppliers to identify opportunities for regional coordination and support to improve the transport outcomes. An example of this is the suggestion to develop a single regional transport emergency management plan.

2.1 Recommendations

The four Northland Councils request that the New Zealand Transport Agency:

- Endorses this procurement strategy and;
- Approves the term of the five MO&R contracts at 4+2+1+1 years (8 years maximum) and; Approves the use of the Northland Transportation Alliance, established as a Shared Services Business Unit, providing in house professional services to the four Northland Councils.

2.2 Evidence of Corporate Ownership or Internal Endorsement of the Procurement Strategy

This Transportation Procurement Strategy covering the Northland region's local transportation network (2017 to 2021) has been approved by the four Northland Councils as Approved Organisations:

- This strategy was approved by the Far North District Council at its meeting on 10 August 2017.
- This strategy was approved by the Kaipara District Council at its meeting on 14 August 2017.
- This strategy was approved by the Northland Regional Council at its meeting on 22 August 2017.
- This strategy was approved by the Whangarei District Council at its meeting on 31 August 2017.

This Strategy meets the requirements of the Transport Agency for the procurement of works and services they fund, is in line with other council procurement documents and policies and takes precedence for transportation works where there is conflicting information.

3 Policy Context

3.1 National Context Including the Transport Agency's Requirements

The current 2015/25 Government Policy Statement (GPS) on Land Transport has three key strategic priorities being:

- Economic growth and productivity
- Road safety
- Value for money

The GPS contains six national land transport objectives. These are for a land transport system that:

- Addresses current and future demand
- Provides appropriate transport choices
- Is reliable and resilient
- Is a safe system, increasingly free of death and serious injury
- Mitigates the effects of land transport on the environment
- Delivers the right infrastructure and services to the right level at the best cost

Further details of the 2015/25 GPS can be viewed using the following link:

<http://www.transport.govt.nz/ourwork/keystrategiesandplans/gpsonlandtransportfunding/gps2015>

The draft GPS for 2018/28 has been released for comment. The three key strategic priorities from the 2015 GPS remain.

Further details about the GPS 2018 can be viewed using the following link:

www.transport.govt.nz/ourwork/keystrategiesandplans/gpsonlandtransportfunding/#gps2018

The Land Transport Management Act 2003 (LTMA) clause 25 outlines the requirements for the Transport Agency to consider in approving Procurement Procedures for use by Approved Organisations (in this strategy being the four Northland Councils - Kaipara District, Far North District, Northland Regional and Whangarei District).

Key aspects of procurement procedures include:

- Must be designed to obtain best value for money spent.
- Enabling persons to compete fairly for the right to supply outputs.
- Encouraging competitive and efficient markets for the supply of outputs.

The Transport Agency's approved procurement procedures are detailed within its Procurement Manual. The four Northland Approved Organisations will utilise and comply with the procurement procedures within this Procurement Manual for purchasing all works and services that are funded by the Councils with financial support from the Transport Agency.

The Transport Agency's Procurement Manual requires each Approved Organisation to have a Procurement Strategy endorsed by the Agency.

The Transport Agency's Procurement Manual can be accessed in full using the following link: <https://www.nzta.govt.nz/resources/procurement-manual>

3.2 Policy Context of the Approved Organisations

3.2.1 Strategic Objectives and Outcomes

The Northland Regional Land Transport Plan (RLTP) 2015-2021 outlines the strategic intent and outcomes for the Northland transportation system. The RLTP has seven outcomes that have been developed to help plan the priorities that need to be focussed on.

They are:

1. A sustainable transport system that enhances the growth and existing economic development of Northland and New Zealand.
2. All road users are safe on Northland's roads.
3. Northland is well connected to Auckland and to the rest of New Zealand.
4. Northland's roading network is developed and maintained so that it is fit for purpose (including route resilience).
5. Our people have transport choices to access jobs, recreation and community facilities.
6. The transport system enhances the environmental and cultural values of Northland.
7. Effective ports servicing Northland and New Zealand.

The transportation strategic objectives and outcomes relevant to each of the four Councils have been developed in line with the legislative framework provided by the Local Government Act 2002 (LGA2002) and the Land Transport Management Act 2003 (LTMA).

3.2.2 Content of Long Term Plans (LTP)

For each of the Councils their strategic focus is outlined within their 2015/25 Long Term Plan (LTP). Each District Council's LTP contains its 30-year Infrastructure Plan which includes transport assets. A brief outline of each Council's vision, community outcomes and transport related high level thinking is provided below to demonstrate the strategic context that this procurement strategy falls within. For those who wish to explore further, information links are provided to a full copy of each LTP.

Far North District Council

When the Far North District Council adopted its LTP it adopted an interim vision - "the place where people love to be" and committed to a co-created community driven visioning process. This led to the Far North District Vision "He Whenua Rangatira – A District of Sustainable Prosperity and Well-being" a vision for the Far North, which was subsequently incorporated into the Council's Annual Plans for 2016/17 and 2017/18.

The Council vision for itself (set in the LTP and operating today) is "Council will be a capable, trusted and innovative civic leader, serving and inspiring people, maximising opportunities to empower communities and meet their changing needs; while creating great places."

Transportation is an enabler in allowing the vision for the District and Council's vision to be achieved. Within the LTP are the Council's eight community outcomes to support the achievement of its vision.

While transportation in the district supports or contributes to all of these outcomes it specifically aligns to the following two outcomes:

- "Sustainable development of our local economy through partnerships, innovation, quality infrastructure and planning".
- "Sustainable, affordable, equitable infrastructure that contributes to the economic progress and social wellbeing of the district".

The full content of Far North's LTP can be found in: www.fndc.govt.nz/your-council/strategic-planning/long-term-plan-2015-2025

Kaipara District Council

Kaipara's Vision is "Thriving Communities working together".

The Kaipara District has three community outcomes. Transportation is an enabler that supports the achievement of these outcomes. The outcomes are:

- A district with welcoming and strong communities.
- A trusted Council making good decisions for the future.
- A district with plenty of active outdoor opportunities.

To achieve these outcomes there are several goals which relate to the delivery of the districts transport infrastructure and service.

These goals are:

- Assisting and supporting community involvement.
- Maintaining and improving infrastructure.
- Making it simpler to work with us.
- Open, transparent and engaged with communities and business.
- Intent on lifting Kaipara's wellbeing.

Further information on Kaipara's strategic and long term plans can be found at: www.kaipara.govt.nz

Northland Regional Council

The NRC's involvement in the transportation requirements of the region where procurement processes may be required is in:

- The development of the Regional Land Transport Plan.
- The provision of Passenger Transport services.
- The management of the Total Mobility scheme.

Within the NRC's LTP the following outcomes relate to the transportation system:

- Northland's overall environment is maintained or improved with an emphasis on encouraging the sustainable access to and use of resources.
- Provide a business-friendly environment.
- Identify, promote or invest in regionally significant infrastructure.

Council have identified their transport role as promoting and enabling an effective, efficient and safe land transport system through regional transport management and operations.

The full content of the NRC's LTP can be found in:

www.nrc.objective.com/portal/final_ltp/final_ltp_2015-2025

Whangarei District Council

The Whangarei District's Vision is "To be a vibrant, attractive and thriving District by developing sustainable lifestyles based around our unique environment; the envy of New Zealand and recognised worldwide."

There are several community outcomes where transportation supports their achievement through the need for access.

Those community outcomes where transportation is specifically identified as fully or partially supporting their achievement are:

- Easy and safe to move around
- Growing resilient economy
- Well managed growth

During the development of the LTP four key issues were identified from community involvement, all of which are contributed to or affected by the transportation system and its management and delivery of outputs.

These are:

- Maintaining our assets
- Maintaining levels of service
- Managing the impacts of growth
- What does this mean for your rates?

The full content of Whangarei's LTP can be found in:

www.wdc.govt.nz/PlansPoliciesandBylaws/Plans/LTCCP/Documents/2015-2025-Long-Term-Plan.pdf

3.2.3 Objectives and Outcomes for the Procurement Strategy

The objectives for this procurement strategy are to:

- Ensure that the four business case objectives establishing the NTA are incorporated into the procurement process and delivered where appropriate.
- Ensure that the delivery of the transportation programme provides value for money.
- Ensure that the NTA and the supply market (including industry groups) work collaboratively to deliver the programme.

- Develop and maintain within Northland a competitive and efficient supply market for professional services, physical works and passenger transport services.
- Ensure that there is a satisfactory presence of both national and local suppliers within the Northland region.
- Be accountable and ensure open, fair and transparent procurement processes.
- Support local providers where appropriate.
- Encourage suppliers to continue to develop and improve their skills, capabilities, systems and processes and where appropriate share their learnings with their supply partners.
- Ensure suppliers provide ongoing training and up-skilling of their employees and opportunities for people to join the industry.
- Appoint a probity auditor to oversee major procurement (e.g. MO&R).

The outcomes sought from this procurement strategy are to:

- Inform the supplier market in advance of information on scope, size, timing and proposed selection methods for NTA procurement opportunities.
- Commit the NTA to work in conjunction with the Transport Agency and the four councils to coordinate their procurement programmes and deliver infrastructure programmes that consider each party's intentions and provide a procurement environment that manages work to the market in line with the supply market's capabilities to respond.
- Maintain the current suppliers within Northland and provide the opportunity for new entrants to compete in the market.
- Ensure the suppliers continue to grow their skills and capabilities and those of their staff.
- Ensure that the transportation programme is achieved.
- Ensure regular, ongoing and open discussions between the suppliers, their industry representatives and the NTA and where appropriate in conjunction with the Transport Agency and the Northland Councils other Infrastructure groups (e.g. 3 Waters, OSM etc.).
- Provide expert recommendations to each of the Councils who will be approving the award of contracts through procurement managed by the NTA.
- Obtain endorsement from the Transport Agency of this procurement strategy.

Four strategic benefits were identified during the development of the business case that established the NTA. These were expanded on during workshops to identify the drivers and goals for this procurement strategy to deliver its objectives and outcomes.

The business case benefits (with their percentage weighting), drivers and goals are listed below as well as opportunities identified to deliver these through the procurement strategy, subsequent contract development, tender processes and during ongoing contractual relationships.

Table 1 Business Case Benefits

Business Case Benefits	Opportunity to Impact Through the Establishment of NTA and its Ongoing Procurement Programme
More engaged and capable workforce delivering superior asset management (30%)	<ul style="list-style-type: none"> • Retain existing staff and provide opportunity for their growth and ongoing development from their region wide involvement. • Upskill NTA staff, recruit if required and procure improved capability from suppliers for key positions (as identified in each procurement process) including asset management. • Deliver asset management by NTA and their suppliers through an approach that is appropriate and fit for purpose in delivering strategic, tactical and operational asset management. • To provide opportunities for SME contractors to be involved in the MO&R contracts through requiring a percentage of the works to be sub-contracted. • Provide the opportunity for local SME contractors to participate for capital works through the establishment of a pre-qualification register of approved suppliers. • Adopt an approach that incorporates continual improvement across the supply chain. • Regular surveys (or internal audits) across NTA and suppliers to identify aspects on which to pursue improvements. • Tier 1 contractors support, upskill and increase learning of SME contractors. For MO&R contracts require attribute response from tenderers on what they propose and build measures into the contracts. • Employment and training of apprentices/ cadets etc. within NTA and/or suppliers. • Provide a framework for improving capability through procurement documentation that allows for supplier initiatives to be offered that provide benefits which are assessed and valued as part of the tender evaluation process.
Improved transport/customer outcomes, enabling investment and social opportunities (25%)	<ul style="list-style-type: none"> • Ensure benefits from strategic regional procurement are reinvested in improving the transport system. • Develop across the MO&R contracts a single Emergency Management Plan which incorporates a whole of network approach and collaboration between suppliers to assist where necessary. • Focus on improving safety across the network. • Identify, agree and action other opportunities where a whole of network approach across the five MO&R contracts provides benefits.
Improved regional strategy, planning and procurement (30%)	<ul style="list-style-type: none"> • Skilled people work across the region on strategy, planning and procurement. Upskill as required. • Procurement designed to enable suppliers' initiatives that deliver benefits and develop a culture of identifying value creation opportunities. • Upskill the NTA team on Collaborative Working Arrangements or similar forms to allow this type of option to be considered at the time of the renewal of the five MO&R contracts. • Propose a positive relationship between parties within the five MO&R contracts and consider and incorporate this way of

Business Case Benefits	Opportunity to Impact Through the Establishment of NTA and its Ongoing Procurement Programme
	working where appropriate within other procurement opportunities.
Transport infrastructure is more affordable (15%)	<ul style="list-style-type: none"> • Strive to deliver the financial benefits identified in the business case. • Ensure opportunities go to market at a time that encourages competition. • Enable savings to be reinvested in transportation improvements that benefit community outcomes around resilience, accessibility and safety. • Work with the industry to ensure that procurement occurs in a way that encourages competition.



Table 1 Drivers and Goals

Drivers and Goals	Opportunity to Impact Through the Establishment of NTA and its Ongoing Procurement Programme
Contracts flexible to change	<ul style="list-style-type: none"> Provide framework in procurement documentation for this to be addressed within tender offers with nil or known and managed financial effects.
Ensure delivery and interactions are customer focused	<ul style="list-style-type: none"> Provide framework in procurement documentation for this to be addressed within tender offers and performance measured and benchmarked with other suppliers.
Deliver value for money	<ul style="list-style-type: none"> Ensure procurement and contractual requirements will deliver value for money. Develop measures and report on value for money initiatives/ innovations. Engage with industry to test that procurement programme and documents encourage competition to deliver value for money.
Asset management ensuring Council involvement	<ul style="list-style-type: none"> Agree with suppliers the asset management role of each party and build into procurement documentation and contract relationships each party's strategic, tactical and operational asset management role.
A sustainable / competitive market exists	<ul style="list-style-type: none"> Target to have at least three Tier 1 contractors established within Northland through procurement processes. Encourage collaborative working in contracts and across the region to deliver the various objectives and manage risk. Ensure initiatives in place for the Tier 1 contractors to support upskilling the wider supply market (SME's). Provide opportunities for SME's to compete for work packages.
Encourage innovation	<ul style="list-style-type: none"> Introduce requirements in procurement documents for ongoing value creation and transfer of knowledge across the region that are fairly assessed as part of the tender evaluation. Identify, agree, include and action innovations within the contracts for the term of the contracts.
Better relationships with the supply market	<ul style="list-style-type: none"> Provide for collaborative working in the contracts including clear and open communications that improve relationships. Develop programmes and actions to work with the supply market to continuously improve procurement processes that supports a sustainable supplier market that can deliver the programme of works efficiently, to quality standards and within a collaborative approach of working together. Develop, agree and action initiatives to consult regularly with the industry.
Ensure SME suppliers have an opportunity to be involved	<ul style="list-style-type: none"> Support the development of SME's through closed contest, direct appointment and open tender opportunities for all works. Develop requirements within MO&R contracts for supply chain percentage involvement. Ensure that the Tier 1 contractors support and assist SME's to develop within the MO&R contracts and other opportunities.
Acceptable management of risk profile	<ul style="list-style-type: none"> Enable with suppliers, for an ongoing joint risk assessment process with, risks identified, agreed and managed within each relationship and across the region's works delivery.

3.3 What the Transport Agency's Procurement Requirements Mean for the Northland Transport Alliance

The Transport Agency's requirements are based on clause 25 of the LTMA. These are summarised as procurement procedures that:

- Must be designed to obtain best value for money spent.
- Must have regard to the desirability of enabling persons to compete fairly for the right to supply outputs.
- Must have regard to encouraging competitive and efficient markets.

Transport users want a system that meets their needs, is safe and reliable with predictable travel times. The Transport Agency and the Councils invest in transport services and infrastructure with an Investment Assessment Framework helping achieve value for money through:

- Planning to implement activities and programmes in the right way (through business cases).
- Selecting the right things to do (through results alignment).
- Implementing them at the right time and for the right price (through cost benefit appraisal and smart procurement).

These requirements mean the following for the Councils:

3.3.1 Value for Money

The Councils consider value for money spent to be 'the lowest total whole of life cost to all parties for the development, operations and maintenance of an asset while ensuring user safety, providing a resilient network with predictable travel times'. To achieve this, we will ensure that any request to the market explains clearly the specific requirements of what we are purchasing. We will work with the supplier to ensure this is understood and delivered with appropriate processes in place to assess that the quality of the outputs is fit for purpose.

When deciding how to approach a procurement, we will consider whether the proposed procurement activity is consistent with value for money objectives, which include:

- Achieving the best possible outcome (for the community and the funder) for the total cost of ownership (or whole-of-life cost); and
- In the context of each procurement decision, balancing the value of promoting competition in the market with the cost of the procurement process to all parties.

Long term value for money outcomes need to be supported by a competitive market with a range of contractors from national Tier 1's to regional and local SME's. We will ensure that all suppliers are provided with opportunities to compete and through initiatives within the MO&R contracts provided with the opportunity for SME's to be involved and develop their businesses.

3.3.2 Competitive and Efficient Markets

Our goal is to ensure that we encourage an adequate number of suppliers in the market that are able and willing to compete for the opportunities that are being procured. We will develop procurement opportunities (other than for direct appointments) to ensure that initially for all tenders there are two competing and in 80% of these three or more suppliers tendering.

We will provide by June each year information to the market on our forward year's procurement intentions so that suppliers can prepare in advance for when these opportunities come to market. We will work with the suppliers and Industry representatives to ensure our programme encourages competition.

To address the concern of lack of competition on occasions within the FNDC area we will seek to go to market at a time that the market supports in order that there is competition. We will introduce initiatives in conjunction with the Industry to build longer term capability to better serve this geographic part of the market. For our MO&R contracts we will ensure the tender documents request information on the pricing of additional works. We will request each tenderer to submit a process in their tender that encourages and demonstrates a fair price for additional works while at the same time recognising that each contractor needs to make a profit.

For works of a value less than \$200k we will use either the direct (< \$100k) or closed contest procurement procedure that the Transport Agency's procurement manual allows to support an efficient market. We will engage with the industry and develop a pre-qualification register of approved physical works and professional services providers for the whole region. Suppliers who are already on the Transport Agency's pre-qualification list will automatically be on the register.

From this register we will select three or more companies to compete for specific works when using the closed contest procurement method. Through this process, we will ask suppliers to provide only once some attribute requirements in order to be selected for the register. The selection attributes may be updated at any time by any supplier already on the register. For suppliers, not on the register they will be able to submit the required information at any time for consideration to become an approved supplier. When tender proposals are sought, we will require specific attributes and price information only relating to the actual assignments and works.

We will always provide feedback on tender evaluations, if requested, to enable companies to understand their position in the market and make decisions on improvements, training or upskilling to raise their competitiveness.

3.3.3 Fair Competition Among Suppliers

We consider achieving a credible position to ensure fair competition among suppliers as being very important in establishing, developing and maintaining a positive relationship with the market. We will be fair and reasonable in all our procurement undertakings. We will develop and maintain an open and honest position and be willing to engage with and listen to the supply market both on an individual level and with their respective industry groups (e.g. CCNZ – Civil Contractors NZ, ACENZ – Association of Consulting Engineers NZ, and NZ Bus and Coach). In effect, we wish to develop and maintain a position of “client of choice” with the supply market.

The focus of these relationships will be to ensure enabling of fair competition by listening to the market and acting on any aspects where we collectively agree improvements can be made.

We will, within the programme of works, provide opportunities so that suppliers will have some projects that meet their capabilities in both the size, form, and type of work and allow them to fairly compete for the opportunity.

3.4 Other Relevant Factors

The four councils have adopted their own procurement policies, manuals or plans for their organisation wide purchasing. These documents allow for procurement of the Councils’ transportation services to be compliant with the Transport Agency’s Procurement Manual. For clarity, it is noted here that if there are any conflicts between this Procurement Strategy and the four Councils’ separate documents then this Strategy shall take precedence.

4 Procurement Programme for the Road Network and Associated Works

4.1 Maintenance, Operation and Renewals Contracts

The delivery of MO&R activities for the roading networks accounts for over 60% of the region’s transportation expenditure (approx. \$50 m per year). This is the key strategic procurement opportunity within NTA’s region wide programme to achieve the benefits of the business case.

For the Northland region, there will be five local roading Maintenance, Operation and Renewals (MO&R) contracts, two for each of Far North and Whangarei and one for Kaipara. They will each have an approximate value between \$9m and \$12m per year for terms of 4+2+1+1 years. The contracts will be fence to fence involving most of the M&O aspects with reseals and a portion of rehabilitation work included. The two contracts in each of Far North and Whangarei will be able to be bid separately or combined. The procurement of these five contracts will meet the tendering programme for the contracts to start on 1 July 2018.

The contract documentation development and tender phase will ensure the preferred tenderers are notified by 31 March 2018 to allow a 3-month mobilisation period. The tender documents will be developed to require the contractor to provide an agreed amount of work for SME's (20% to 30%) and to commit through their tendered methodology support for these smaller companies in the development of their people and their capability. The non-price attributes will reward SME involvement greater than the minimum and where initiatives are proposed that assist the SME's development. The key driver articulated for sustainable competition is '... value for money coming from a sustainable supplier market...'; where 'sustainable' has been identified as a minimum of three Tier 1 national contractors operating in the Northland Region to encourage a competitive market for transportation and other infrastructure services.

The approximate values of the MO&R contracts are indicated in the table below.

Table 2 MO&R Contract Values

Contract	Description	Approximate Annual Value
Far North	Two network contracts, with possible "delegation" of some roads at the margins to/from WDC and KDC.	\$9 to 10 million each
Kaipara	Single network contract, with possible "delegation" of some roads at the margins to/from WDC and FNDC.	\$12 million
Whangarei	Two network contracts, with possible "delegation" of some roads at the margins to/from FNDC and KDC.	\$9 million each

It is anticipated that a robust procurement process will create the best opportunity to support an outcome of at least three Tier 1 contractors operating in Northland (including the Transport Agency's NOC contractor). There is a preference that up to only 3 of the 5 proposed maintenance contracts would be held by the same contractor, however the final determination will be at the Principal's discretion, and will take into account what the financial implications are for each Council.

In providing proposals any tenderer will be able, if they wish, to make a complying tender for single contracts, combining two contracts (e.g. two Whangarei, two Far North, Kaipara with one of Whangarei etc.) or three contracts (e.g. Kaipara with the two Whangarei, two Far North with one Whangarei etc.).

The price/quality procurement method will be used for determining the MO&R contractors. It is planned to adopt a 2-stage selection process where initially a short list of suppliers will be selected. The chosen suppliers will be kept informed and engaged by the NTA during the tender document development. Through this process the tenderers will become aware of the form and content of the document which will allow them to commence their preparation for the tender phase.

Details on the development of the five MO&R contracts is included in Appendix 3. We used the Road Efficiency Group's Guidance on Selection of Maintenance

Contract Models at a number of workshops to develop the thinking and identify the appropriate contract form.

4.1.1 Term of the MO&R Contracts

This strategy seeks the Transport Agency's endorsement for a contract term from 1 July 2018 of 4+2+1+1 years for the five MO&R contracts. The 4+2 is to align with the Transport Agency's NOC completion dates of 2022/24. This will enable, if appropriate, joint consideration by the Councils and the Transport Agency of a whole of network approach for MO&R work for State Highways and local roads post 2024. The 1+1 will allow for future staggered timing of contract renewals if a whole of network approach does not occur. The first 2-year contract extension will be based on achievement of agreed performance measures. The latter 1+1 extensions may only occur if there isn't a whole of network approach post 2024 and will be based on achievement of performance measures and will allow the five Local Authority contracts to terminate at different dates over subsequent years, 2024, 2025 and 2026 to allow a staggered renewal of the contracts.

4.1.2 Other Maintenance Type Activities Not Included Within the MO&R Contracts

Some aspects of the maintenance and operations services will be tendered separately.

These include;

- Street lighting (possibly a region wide contract)
- Traffic signals
- Parking control
- Lower Harbour Bridge operation
- Hokianga ferry operation

The procurement process used for these aspects will comply with the Transport Agency's requirements.

4.2 Other Physical Works Contracts

For the provision of other physical works services, we will choose the supplier selection method from the following options of:

- Direct appointment
- Closed contest
- Lowest price conforming
- Price quality

For the price quality method, we will use non-price weightings that allow the intentions of the bidder to be evaluated fairly on the identified important aspects. The weightings will be within the Transport Agency requirements (a price weighting of 70% with allowance to use a lower price weighting provided its impact on the evaluation is tested before its use). When non-price attributes are to be assessed we will use the attributes of relevant experience, relevant skills and methodology. We will consider using further attributes or highlighting aspects within the minimum three attributes when this will enhance the supplier selection process and obtain better value for money.

The nature of the works proposed are generally of a routine nature being ongoing network management and capitalised renewals with a limited number of capital and minor works projects. As such the works are of a lower complexity and risk. The current supplier market can deliver these projects. Where appropriate we will utilise the direct appointment (involving competition when appropriate) and closed contest selection method to carry out smaller value works. We will use the regional register to select the appropriate companies to be invited to tender for these works. This will allow opportunities for the local SME's to tender for the work and will reduce the costs and time to both Council and the suppliers from open tendering small value works.

4.2.1 Renewals

We will bundle a portion (those not carried out by the MO&R contracts) of the capitalised renewals projects into a range of packages that generally have a combined value of between \$0.5 million and \$1 million. These will be tendered and awarded around September each year to enable an early start in the construction season and allow the flexibility for the supplier to decide the delivery programme. Each separate project (within a bundle) will be required to finish within a fixed time. All projects will be required to be completed by the 1 April the following year. It is considered that this approach delivers value for money in that competition occurs for the packages, the programming of the works is managed by the contractor within their wider commitments and the contract administration and management is limited to a small number of contracts.

4.2.2 Physical Works Programme

The physical works procurement programme for 2017/18 is included in Appendix 1. This provides the intended dates for tendering and awarding of contracts required by NTA to enable it to deliver the local authority annual plan commitments.

The programme will be updated as required and provided to the industry. For the subsequent years, an annual procurement programme will be developed showing the projects to be tendered. The programme for the following financial year will be provided to the industry by 1 June each year.

4.3 Professional Services

For the provision of professional services, we will generally choose the supplier selection method from the following options of:

- Direct Appointment
- Closed Contest
- Purchaser Nominated Price
- Price Quality

When the price quality method is used for professional services procurement we will normally use a price weighting of between 10% and 20% to deliver value for money. We may consider using a price weighting within the range allowed by the Transport Agency's (up to 70%) after testing such a weightings effect on the evaluation.

When the supplier selection model requires non-price attributes to be assessed we will use the minimum required attributes of relevant experience, relevant skills and methodology. We will consider using further attributes or highlighting aspects within the minimum three attributes when this will enhance the supplier selection process and target better value for money.

The current market for professional services within Northland is supplied by two national consultants (Opus and MWH (Stantec)). Opus have the largest office in the region while MWH's presence has been reducing in size over recent years. Other national consultants have left in recent years. There are several local Consultants from medium sized organisations (20 or so staff) to one person entities. The Councils will require support from this market to deliver the required work.

We will procure a term contract with a single provider for a portion of the annual spend (say 40% of the professional services annual transportation spend on external consultants). We will seek to develop this as a collaborative relationship where the parties work together to achieve the required results. We will require this supplier to have a permanent presence in the North, be assessed on achievement of agreed performance measures, have the capability to bring resources to Northland when required at short notice, to have a charging/ pricing regime which meets the market and have a focus on recruiting and training local cadets to support their ongoing business and the region's capability.

We will work with the suppliers and develop the appropriate tender documentation and procure these services by 1 July 2018.

For additional professional services, we will establish a pre-qualification register based on aspects such as their resources, specific skills and areas of competence. We will use this register to procure services using either the direct appointment or closed contest procurement process. This register will be in place by 1 July 2018.

NTA operates as an in-house professional services business unit for the three district councils and the regional council. The NTA is able (through the four councils) to secure funding support from the Transport Agency, to carry out the network management and passenger transport responsibilities of the Councils. The use of in house resources ensures that the required intellectual property associated with the network and its operation are maintained and developed to provide quality advice to the four councils and to engage directly with the local users and customers. The Councils need to keep an appropriate level of knowledge in house and the business unit will support this achievement. NTA is currently developing its organisational structure to service the region and to identify its longer-term capability through existing staff and resource efficiencies. Once this capability is more clearly understood it will identify whether a second longer term relationship is required with another professional services provider or if a continuing use of the register is more appropriate. NTA will involve the local supply market in working through the issues and developing the most appropriate long term arrangement. Any changes to the externally provided professional services supply relationships will be in place by 1 July 2019.

During the establishment of the NTA its in-house professional services business unit operation was reviewed. Agreement was reached with the Transport Agency that NTA's ongoing existence is an acceptable approach to this part of the business and provides security of strategic information, local capability and smart buyer skills to its parent Councils. The identification of Transport Agency fundable services, the charging of the NTA's work, the overhead allocation and the specific allocation of expense to work categories within each Council have been the subject of negotiation and agreement between the Agency and the Councils. This agreement is documented and will be monitored and audited regularly by the Transport Agency.

The four Councils request the Transport Agency's approval of the continuing operation of this shared services business unit as an in house professional services provider.

4.4 Complexity, Scale, Timing, Innovation Potential, Risk and an Assessment of the Supplier Market

The works proposed in this strategy are within the capability of the resources available to the Northland market. The strategy supports the supply chain improving its skill base through the bundled MO&R contracts that are intended to attract competition from existing providers and new entrants and are of a size to attract personnel with the experience and skills necessary to manage and participate within these contracts. The NTA intends to work with the supply chain to introduce initiatives that both widen the skill base across the suppliers and provide opportunities for employment and training of local recruits.

Through a collaborative approach, we will encourage the identification and introduction of value creation initiatives through trials and when successful share them across the supply chain in the region.

The procurement risks identified and the actions proposed include the following:

Table 3 Risks and Actions

Risk/Opportunity	Action
Transport Agency and Council's funding impacts	<ul style="list-style-type: none"> • Strategy to be updated following any major impact of the Transport Agency / Councils funding decisions. • Industry to be updated on effects. • Include in revised strategy.
Align the strategy with the approved 2018/28 GPS and 2018/21 NLTP	<ul style="list-style-type: none"> • Strategy to be updated if any major impact. • Industry to be updated on effects. • Include in revised strategy.
Retention of skilled resources within the region	<ul style="list-style-type: none"> • Establish a structure to provide opportunity for staff development and career paths within the wider responsibilities of NTA. • Provide for upskilling of existing staff as identified. • Provide opportunity within NTA for succession planning.

Risk/Opportunity	Action
Improve skilled resources within Northland	<ul style="list-style-type: none"> • Work with industry to develop actions to improve skilled resources in the region. • Request for initiatives in contracts and measure results.
Procurement requests from NTA, Councils and Transport Agency to market at same time	<ul style="list-style-type: none"> • Develop relationships with and test/align programmes with others to minimise any conflicts in timing to market. • Include in strategy and involve Industry.
Northland Transport Opportunities Business case objectives as key targets for delivery on by NTA and its supply partners	<ul style="list-style-type: none"> • Develop KPI's (SMART) that support business case objectives. • Include in strategy and contracts.
Single contractor wins all five of the MO&R contracts	<ul style="list-style-type: none"> • There is a preference that up to only 3 of the 5 proposed maintenance contracts would be held by the same contractor, however the final determination will be at the Principal's discretion, and will take into account what the financial implications are for each Council.
Response to emergency events that affect the roading network in parts of the region	<ul style="list-style-type: none"> • Develop a regional response to emergency management. Discuss and involve the Transport Agency and their NOC contractor. • Involve the MO&R contractors in developing a regional emergency management plan including promoting and enabling region-wide support for affected areas.

4.5 Need for Specialised Skills

The proposed and known works that are programmed for the period of this strategy are traditional in nature and the local suppliers have the resources capable of completing these works. There is no known requirement for specialist skills. If a need arises requiring some specific specialist skills, we would initially ask our contracted suppliers to source these from either their own organisations or from relationships they have through the wider national market. We believe this approach will be successful for any perceived occurrence and do not consider this a major risk.

4.6 Identification of Any Pending High-Risk or Unusual Procurement Activities

There is no current known need for a special procurement process that requires the Transport Agency's approval for use in this strategy. If during the term of this strategy a procurement process requiring approval is identified, we would work with the Transport Agency to collectively develop the necessary approach and seek approval. We would involve the supply chain in the establishment of such a need and keep them advised on the progress and outcome.

5 Procurement Environment

5.1 Analysis of Supplier Market

5.1.1 Professional Services

Over recent years there has been a reduction in the local supply of professional services providers to meet the region's needs. There should be an opportunity for professional services suppliers to grow their skills and local capabilities during the period of this strategy.

One of the key challenges for professional service providers based in Northland, as it is for the Councils, is to attract and retain skilled staff to Northland. It often takes a considerable period to attract staff. Supporting local providers, where possible, with the procurement process will assist in providing work load and encourage suppliers to continue developing adequate skilled and available resources. The proposal to use a register with direct and closed contest selection for lower cost assignments will assist in achieving this outcome.

5.1.2 Physical Works

Three national Tier 1 contracting companies currently have a presence in and carry out a share of the Northland works. Two of these companies are dominant in the MO&R contracts carrying out all the term works for the three Councils and for the Transport Agency's NOC contract. The other Tier 1 Contractor has indicated that if they are unsuccessful in competing and winning a local authority roading MO&R contract they will probably withdraw their presence from the Northland region. Two other national Tier 1 suppliers currently have no MO&R presence in Northland. Both companies have in recent years been purchased by major suppliers and have the corporate backing and financial support to look seriously at competing in this market. We have involved these five Tier 1 suppliers in a workshop and market questionnaires to identify what the contracting opportunities may look like in the MO&R space that would attract them to compete. Through the MO&R tenders we are targeting engagement of three Tier 1 contractors with offices and depots established in Northland, an objective that we believe supports a long term sustainable presence and ongoing competition.

There are a number of other suppliers who compete and carry out works in Northland. The current trend is that there is generally adequate competition to respond to tender opportunities within Kaipara and Whangarei. They generally receive three or more tenders for work that is put to the market. For the Far North District they are currently receiving two or more bids for around 80% of their tenders. A number of initiatives have been identified earlier in this strategy to improve the market responses, including developing processes to provide a percentage of work to the SME's, supporting SME's in developing their businesses to compete and from the MO&R procurement process targeting having the presence of three Tier one suppliers in the region with sustainable businesses. In

discussions with CCNZ they are keen to work alongside NTA and other clients to identify ways of securing competition for opportunities coming to the market. They have identified such things as early knowledge of opportunities, tendering during the off season, timing of tenders, the assessment method used and speedier decision making and consider these would encourage more competition.

The NTA will endeavor to achieve and report on for the year 2017/18 that they receive three or more tenders for at least 80% of their requests for tenders. They will increase this target in future years based on the result from the previous year and in discussion with the Industry.

Each Council maintains a log book that records data from the tender process. This information is reported to the Transport Agency and is available to the suppliers and the public. The NTA will continue to maintain and report on this data.

5.1.3 Market Survey

During the development of this strategy a market survey was carried out involving larger construction companies and CCNZ representing the SME's.

The key results from the survey were:

- The market has improved over recent years and is expected to grow over the next three years.
- The procurement process varies between Councils and there is an expectation that with the NTA a more uniform and managed programme approach will develop.
- The key issues identified by the suppliers are having a secure forward workload, maintaining a skilled work force, succession planning, achieving zero harm and managing growth.
- The companies generally have some room to grow either through use of existing resources or resourcing up to meet a longer term increased work load.
- The Northland supply chain can support an increase in opportunities although there could be a short-term impact while new recruits join the workforce and require skill training and gaining experience to become fully productive.

Initiatives are proposed in this strategy to support a general upskilling across the industry through SME support, encouraging the employment of cadets and apprentices and MO&R contracts of a size and term to attract qualified and experienced key staff to the region. The target of getting three national suppliers with a sustainable work load based in the region and supporting SME growth will help in improving the market capability.

The NTA will work with the supply chain through direct relationships and with their industry groups to ensure that the market is aware of the forward work load and the timing of opportunities coming to the market. There will be a more uniform approach to contract documentation, a managed approach to procurement timing and the intent to work alongside the

Councils and the Transport Agency to develop procurement programmes that enable a manageable flow of work to the market.

5.1.4 Analysis of the Impact of the Procurement Programmes of Other Approved Organisations and Other Entities

We have carried out an assessment of the forward work programmes of the Councils' and the Transport Agency. In doing this we have used the Business Case information and the Transport Agency's supplier analysis that was carried out in 2014 prior to tendering their Northland NOC.

From the information sourced the following is an estimate of the expenditure in 2017/2018 for works across the Northland region that would require suppliers' resources like those required to serve the transportation market.

Table 4 Current Market

Activity	Current Annual Average Value of Physical Works (\$m)	Comment on Future Trends
Local Authority transportation physical works	78	<ul style="list-style-type: none"> From the Northland Transport Opportunities Business Case. Programmes not increasing above inflation.
Transport Agency Transportation	35	<ul style="list-style-type: none"> Increase of up to \$50 m per year for bridge replacements and safety improvements throughout the SH network. The Auckland / Whangarei programme business case has identified a forward spend over the next 10 to 20 years of \$1.6 billion including the Whangarei to Northport 4-laning project. Impact in Northland of Government's announcement (April 2017) of increased infrastructure spend over next three years not known.
Local authority other Infrastructure	43	<ul style="list-style-type: none"> Covers 3 Waters programmes for the District Councils.
Private sector Infrastructure development	20	<ul style="list-style-type: none"> From Transportation Agency 2014 report - increased 10% for increased activity. Probable further increase from development. Possible major works at Carrington tourist development and Ngawha prison expansion. The improvements planned for SH1 north to Whangarei has the potential of creating further private sector investment.
Total	176	

With the Transport Agency planning a substantial increase in expenditure over the next 5 to 20 years and an expected improvement in the economy leading to anticipated, additional, private sector investment there will be a need for additional resources and the attraction of new entrants. This strategy's goals assist in supporting this growth. The NTA will establish

strong relationships with the other clients in the region along with the supply chain and their industry representatives to work together to ensure that they consider and act on the needs of the growing market. For future major projects, such as the recently announced Whangarei to Marsden Port 4-laning there is an expectation that senior staff for these projects will be resourced from around the country and some of the workforce may move into Northland to support the projects. It is expected that there will be a demand for support from the local work force and for SME's to secure a role for a number of years. This anticipation of a growing future work load in the region reinforces the business case and this strategy's goal of supporting and improving local capability.

6 Approach to Delivering the Work Programme

NTA's approach to delivering the work programme is described in detail earlier in this strategy in section 4.

In summary, the key aspects are to:

- Work with the other clients (Transport Agency and Local Authority non-transport works) to develop and integrate procurement programmes that generally meet each of their needs and ensure the market is aware of and can comment on what is planned and the timing of opportunities;
- Work with the industry to ensure that the expected growth and delivery of works is achieved through developing and delivering initiatives that lead to improved capability and increased skilled personnel available locally;
- Develop five MO&R contracts for the local road component of the network that are of a size, scale and tenure to attract existing companies and capable new entrants to compete for the work;
- Achieve the goal of having three Tier 1 contractors established in Northland that support the delivery of an affordable transport network and compete for other infrastructure works required by the Councils;
- Continue the culture of working collaboratively with the suppliers to ensure the best value for money outcomes are delivered and to support initiatives where value creation is identified; and
- Ensure that agreed common performance measures are established across the MO&R contracts that lead to the delivery of the key objectives and as benchmark measures are used to compare performance and provide incentives to the suppliers.

6.1 Confirmation of Specific Strategic Objectives

The strategic objectives that were developed through the business case for the establishment of the NTA are:

- More engaged and capable workforce delivering superior asset management.
- Improved regional strategy, planning and procurement.
- Improved transport/customer outcomes, enabling investment and social opportunities.
- Transport infrastructure is more affordable.

These objectives along with the Transport Agency's ones of:

- Obtaining best value for money spent.
- Enabling persons to compete fairly for the right to supply outputs.
- Encouraging competitive and efficient markets.

Have been used as the primary focus for the development of this strategy and have influenced the decisions and actions identified within the strategy.

6.2 The Procurement Approach

The procurement approach for establishing and delivering each segment of the work programme is described in section 4 in detail for the road network and associated works and services and for public transport services (section 7) below. In both these sections the optimal procurement options have been established. The REG delivery model guidelines for identifying the form of contract were used to support the decision to procure a traditional contract for the MO&R contracts. For the future MO&R contracts in 6 to 8 years' time an upskilling of the NTA team on alliance type contracts is proposed. This contract form can then be considered for the future knowing the skill level is in place.

Through the preparation of this document we have identified a strategy for procuring ongoing MO&R work. Our strategy is to tender out five bundled contracts, two in each of Far North and Whangarei and one in Kaipara for a period of at least 6 years.

The procurement of works will comply with the Transport Agency's procurement manual. Where there are organisations capable of doing the work, we will use an open tender process for all works greater than \$200k in value. For lesser amounts, we will seek proposals generally from three suppliers under the closed contest and for amounts below \$100k in value we may use direct appointment requests, for example where there is a need for a specialist or the value of bidding for a number of suppliers is not an effective outcome for low value work.

For both Professional Services and Physical Works we will establish a pre-qualification register of capable suppliers. This will minimise tender effort for the actual opportunities when tenderers will not be required to resubmit the pre-qualified attributes.

The upskilling of the Industry (both company and staff capability) to be better positioned to meet future demand is supported with initiatives throughout this strategy. The NTA intends to continue to develop and maintain a strong relationship with its supply partners, both at a company and Industry association level.

Feedback on tender responses is a critical aspect in assisting the suppliers identify gaps and strengthen their businesses skills and capabilities. The NTA will always provide procurement feedback when requested.

The NTA has staff resources which are skilled and capable of carrying out the responsibilities and processes required for procurement and contract management. It is anticipated that this role will predominantly be carried out by NTA staff although external providers may be used on occasions when there is a resource gap within the Alliance or a degree of independence is appropriate. For the MO&R procurement process there will be a probity auditor involved and a process developed to ensure coordination across the evaluation of the five contracts.

- 6.3 Analysis of Whether Advanced Components, Customised Procurement Procedures or Variations to Procurement Rules are Required and Why
- No need has been identified for advanced or customised procurement procedures that are allowed within the Transport Agency's procurement manual. Should this situation change during the term of this strategy we will work with the Transport Agency on the specific requirements and seek approval if an advanced or customised procurement approach is considered necessary.

7 Procurement and Approach to Delivering the Programme for Public Transport Services

The strategic intent for passenger services is through the Northland Regional Land Transport Plan which identifies the following two goals as providing focus for the services provided now and in the future:

- A sustainable transport system that enhances the growth and existing economic development of Northland and New Zealand.
 - Our people have transport choices to access jobs, recreation and community facilities.
- The Northland Regional Council's operational goals for passenger transport services included in their Public Transport Plan are:
- An effective and efficient bus network in main centres.
 - People have access to shared transport options.
 - Reliable travel times and transport choice for communities servicing employment areas, retail and public services.
 - Public transport opportunities on appropriate corridors.
 - Transport management is effectively incorporated into land use planning.
 - A procurement system that supports the efficient delivery of public transport services.

The Regional Council is currently reviewing its plans to include the requirement for a business case approach to be adopted in considering new Passenger Transport services. For those requiring more information from the Public Transport Plan it can be accessed from the following web site link:

[http://resources.nrc.govt.nz/upload/21946/Regional%20Public%20Transport%20Plan%202015-2025%20\(Final\).pdf](http://resources.nrc.govt.nz/upload/21946/Regional%20Public%20Transport%20Plan%202015-2025%20(Final).pdf)





The current passenger transport services in Northland are:

- Bus services in Whangarei (City Link), Bus about Kaitaia, Mid North Link (Kaikohe, Kerikeri, Paihia) and Hokianga Link and;
- Total mobility services within the Whangarei Urban area.

The procurement approach and programme for these services are as follows:

Table 5 Passenger Transport Services

Service	Term & Approximate Annual Estimate (\$)	Procurement Date	Comment
City Link Whangarei	6+3, \$1.6 million per year	2024 to 2027 depending on contract extensions	<ul style="list-style-type: none"> • Currently being procured through open tender for commencement 1 May 2018.
Bus About Kaitaia	3-year trial service to 2018, \$140k per year	2018	<ul style="list-style-type: none"> • The continuation of this service will need to meet business case requirements and secure local funding share. Procure through direct appointment or closed contest.

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Service	Term & Approximate Annual Estimate (\$)	Procurement Date	Comment
Mid North Link Kaikohe/Kerikeri/Paihia	2-year trial to December 2018 \$500k per year	2018	<ul style="list-style-type: none"> Passenger numbers reported quarterly. If trial successful, then procure using open tender process.
Hokianga Link Omapere/Kaikohe/Kerikeri	Trial to 2018 \$36k per year	2018	<ul style="list-style-type: none"> Based on successful trial will be procured using direct appointment.
Total Mobility Whangarei	Annual \$200k per year	2018	<ul style="list-style-type: none"> Annual direct appointment with providers. Subject to continuation of funding of local share.

The Regional Council will continue to work with the communities of Northland to identify other public transport services that meet the criteria for funding both by the Transport Agency and a Targeted Transport rate. When a case is successful for funding support we will use one of the approved Transport Agency procurement processes to run a trial service to confirm patronage usage that justifies the continuation of the service. The ongoing procurement of an approved service will occur using an approved Transport Agency procurement process.

7.1 Identification of Any Pending High-Risk or Unusual Procurement Activities

No high risk or unusual procurement activities have been identified for passenger transport services. Should this situation change during the term of this strategy we will work with the Transport Agency on the specific requirements and seek approval from the Transport Agency if any high risk or unusual procurement activities is considered necessary.

7.2 Procurement Environment - Public Transport Services

The main passenger transport services contract is in the Whangarei area with some other rural services being trialed in the Far North District. The Whangarei contract is for a maximum of nine years with the full term expiring in 2027. When this contract was procured in 2017 there were 5 tenders that responded to the Request for Tender. In developing the future tendering strategy, we will identify and action initiatives to ensure that adequate competition occurs to provide a tender outcome that delivers value for money.

This will occur in collaboration with the suppliers and their Industry representatives. Other passenger transport services in the region are generally procured for the trial service from an existing private supplier through a direct appointment. Where a procurement process occurs one of the approved Transport Agency methods is used and where there is competition we have received two or more proposals.

8 Implementation of All Services

NTA has capable and experienced procurement staff at their offices who are trained, experienced and capable of managing the procurement requirements. In the NTA and Councils there are staff who are, or are training to be, qualified evaluators for assessing proposals more than \$200k. If additional resources are required to assist or provide independence, NTA will obtain the necessary skilled and experienced people from the supplier market.

We will meet the requirements for performance measurement and monitoring of section 11 of Transport Agency's procurement manual as it applies to the Council's funded works. This will be supported by the collection of procurement data as outlined in Appendix E of the Transport Agency's procurement manual. The web site with the full details of Appendix E can be accessed through the following link:

<https://www.nzta.govt.nz/assets/resources/procurement-manual/docs/appendix-e-data-checklist.pdf>

The development of this procurement strategy has involved discussion with a number of professional services and contracting companies and the involvement of their Industry Representatives (ACENZ and CCNZ).

On approval by the four Councils and endorsement by the Transport Agency, the strategy will be implemented for a period of four years from 1 October 2017. If the environment changes requiring a substantial deviation from the strategy it will be reviewed and updated. Issues that may trigger a review of the strategy include the finalisation of the 2018/28 GPS, Councils LTP's and approved funding levels for the 2018/21 NLTP. Copies of the strategy will be made available directly to interested parties or they can review it or uplift a copy from the Councils' web sites. The procurement programme for the 2017 / 18 year is included in Appendix 1. This programme will be updated on an annual basis to support the direction and deliverables required for transportation outcomes for each of the four Councils' Annual plans.

8.1 NTA Capability and Capacity

The Northland Transportation Alliance is a shared services business unit with around 50 employees seconded from the four Northland Councils. These employees are capable and experienced in various aspects such as Strategic Planning, Transport Planning, Passenger Transport Services, Asset Management, Programming, Design, Procurement, Contract Management, Operations and Customer response. We consider the capacity and capability within the NTA is sufficient to manage the procurement programme outlined in this strategy.

The organisation structure of the NTA is being developed. The outcome from this will be a structure focussed around regional delivery of the Transportation requirements through three work streams (Strategy and Planning, Network Development, Operations and Customer service). The creation of the business unit has presented the opportunity to deliver projected economic efficiencies and provide non-monetary operational and customer benefits including:

- Increased regional capacity and capability through specialisation.
- Improved customer service and improved engagement with stakeholders by having a wider talent pool of expertise.

- More resilience and business continuity through the ability to deploy resources across the region.
- Greatly enhanced capability to respond quickly and effectively to emergency events.
- Better career opportunities for staff with a more attractive employment proposition for new recruits.
- Less reliance on consultants as in-house resources develop.

One of the objectives is to improve the overall capability of the industry, both within NTA and their supply partners. Initiatives will be put in place as outlined in this strategy to identify areas and gaps where upskilling is required and then to work collectively to address these aspects. We will work with the Industry to attract people to the Industry through initiatives such as cadetships and apprenticeships. The Industry provides a wide range of opportunities for career growth both within the workforce and in contract management. In selecting companies to work with, we will provide in the non-price attributes and evaluate the responses for the companies to explain their plans and intentions for ongoing training and upskilling of their people and support of their supply partners.

8.2 Internal Procurement Processes

The Councils have identified in their policies that for Transportation procurement the processes and requirements that are allowed within the Transport Agency procurement manual shall be given precedence. Endorsement of this approach has been included through each Council's approval of this strategy.

8.3 Performance Measurement and Monitoring

The key drivers for this strategy include the Transport Agency's value for money, competitive and efficient markets and fair competition among suppliers. These along with the four business case benefits (section 1) make up the results areas to focus on, develop measures for and report on.

Table 7 below identifies performance indicators and measures that will form the initial framework for reporting to the Transport Agency and Councils.

Full reporting against these measures will be provided to the Transport Agency at least annually with progress updates provided at appropriate times.

When results indicate a level of non-achievement and this triggers the need for specific actions to improve the performance NTA will report on these to the affected party(s) on a case by case basis.

NTA will report on the measures (at least 6 monthly) to the Alliance Leadership Group with specific actions developed and agreed on to improve any non-achievements. More frequent reporting to the Alliance Leadership Group on any specific measure will occur on an exceptions basis to identify and agree any actions to improve the situation.

Table 6 Performance Indicators and Measures

Key Results Area	Performance Indicator	Measure
Value for Money	<ol style="list-style-type: none"> 1. Number of tenderers for procurement. 2. Final cost vs tendered cost of contracts. 3. For quality, timeliness, collaborative measures. 4. Benchmark indicators for five MO&R contracts. 	<ol style="list-style-type: none"> 1. 2017/18 year three or more bids for 80% closed contest or open tenders. 2. Number for calculation of Final Cost (excluding inflation & additional works /Tender Cost) being less than 1.1 c.f. number greater than 1.1. 3. Develop within contracts, measure and compare overall results. 4. Develop key measures to assess performance across the five contracts.
Competitive and efficient markets	<ul style="list-style-type: none"> • Bids received • Direct/ closed/ open contest 	<ul style="list-style-type: none"> • Number bids per tender • Compare by total numbers
Fair competition among suppliers	<ul style="list-style-type: none"> • Open contest • Direct and closed contest • Feedback on tender proposals after contract award 	<ul style="list-style-type: none"> • Number bids for each opportunity • Number opportunities for each supplier from register • 100% opportunity for feedback and 100% when requested

There are four key results areas that were identified in the Northland Transport Collaboration Business Case (6 April 2016).

These are:

- More engaged and capable workforce delivering superior asset management.
- Improved transport/customer outcomes, enabling investment and social opportunities.
- Improved regional strategy, planning and procurement.
- Transport infrastructure is more affordable.

These have been incorporated into a business management framework where key performance indicators and targets have been developed. The targets within this framework will be included as performance measures and monitored and reported on in conjunction with those in table 7. The business management framework is included as appendix 2 within this strategy.

Conditions may be required by the Transport Agency or Councils when providing funding for specific projects or making recommendations because of any specific audit. When these conditions or recommendations require action through the procurement process or in existing contracts specific measures will be established and reported on as required by the Transport Agency or Council.

Service level agreements (SLAs) are in place and being further developed between the Councils and NTA. Where measures relating to procurement are developed these will be reported on by NTA as agreed within the SLA.

For the major MO&R contracts Councils and the NTA will work collaboratively with the five contracts to develop and agree a common performance framework and measurement regime based on key performance indicators identified within this strategy and the tender documents. The measurements and reporting will be the same for each contract. This provides the opportunity to benchmark across the region, incentivise performance and identify areas for improvement. Discussions will occur where performance gaps are identified, actions developed and introduced to improve the situation and further measurement occur to demonstrate improvement.

8.4 Communication Plan

The main audience for this procurement strategy is the four Northland Councils, the Transport Agency, NTA and the suppliers.

In developing this procurement strategy, the NTA has engaged with the industry a number of times.

This has included:

- An initial meeting with the Consultants and Contractors (including their industry representatives) of the region to outline the role of the NTA and to discuss the development of the procurement strategy.
- Two surveys with the contracting industry (including CCNZ) – one around the future shape of the MO&R market and the other on the general market, its size, local capability and expectations of it for the future.
- A workshop with a number of MO&R national suppliers and CCNZ to gauge thoughts on the size of contracts and test a number of options.

These interactions and engagement with industry have been found to be very positive in developing clarity about the future direction of transportation procurement and developing relationships in Northland.

It is intended to continue to engage with the industry to ensure the overall thinking of the supply chain is considered and to ensure appropriate and timely information on procurement opportunities is available and known. These regular (at least twice a year) meetings with suppliers will provide the opportunity to discuss other aspects such as performance (both Industry and NTA), Industry capability and other transportation issues.

The draft strategy was distributed to NTA, the Transport Agency and the four Councils Group Managers for feedback and comment. Based on their comments a final document was developed.

The strategy was then provided to the four Northland Councils for their approval. On approval from the four Councils the strategy is provided to the Transport Agency for their endorsement and approval. As this strategy covers combined works of a value less than \$100 million per year, under delegation, the endorsement will be from the Transport Agency's Senior Manager Procurement.

The Transport Agency's endorsed strategy will be posted on the four Councils' websites for public information.

The owner of this document is the four Northland Councils, and the NTA as their agent and specialist trusted advisor. NTA will be responsible for ensuring that all feedback is considered and where appropriate incorporated into this strategy. They will keep this document up to date and amend it if key strategy thinking or other aspects require fundamental changes to the way works are procured and delivered.

Regular contact as appropriate with the supply market will occur through industry meetings or workshops occurring (e.g. with CCNZ, ACENZ, NZ Bus and Coach).

8.5 Corporate Ownership and Internal Endorsement

This strategy has been approved by each of the four Northland Councils (Approved Organisations) as noted on page 2.



Appendices

Appendix 1 - Annual Procurement Programme for 2017 / 2018

Northland Transportation Alliance Procurement Plan 2017/2018							
Authority	Project Name	Project Location - Description - Type of Work	Estimated Project Value	Forecast Tender Programme			
				1st Quarter Jul-Sep	2nd Quarter Oct-Dec	3rd Quarter Jan-Mar	4th Quarter Apr-Jun
FNDC	Resilience Slips Programme	Area wide	\$ 2,000,000		Tender		
FNDC	Opito Bay Slip Repair	Opito Bay	\$ 1,200,000	Tender			
FNDC	Emergency works Slip Repairs	Area wide	\$ 2,200,000			Tender	
FNDC	North Road Pedestrian Crossing Upgrade	North Road, Kaitiaki outside of Abundant Life School - Upgrade of existing islands and kerb build outs and lighting improvements	\$ 150,000		Tender		
FNDC	Access Road Right Turn Bay	Access Road Right Turn Bay and improved pedestrian facilities	\$ 175,000			Tender	
FNDC	Salvation Road (Houhora) A25	Armco culvert- major culvert replacement	\$ 150,000	Tender			
FNDC	Okakawai Road UN 11	Armco culvert- major culvert replacement	\$ 150,000	Tender			
FNDC	Tipa Tipa Road UN 22	Armco culvert- major culvert replacement	\$ 150,000	Tender			
FNDC	Otaua Road M28	Bridge upgrade	\$ 150,000		Tender		
FNDC	Matawheroia Road (J48)	Bridge replacement	\$ 110,000		Tender		
FNDC	Waitangi to Haruru Stage 3	Shared use pathway construction	\$ 75,000	Tender			
FNDC	Mangonui SH10 Connection	Footpath construction	\$ 200,000	Tender			
FNDC	Forestry Resilience Package 2	Unsealed Forestry Roads upgrade - Pokapu, Matawaia Maromaku	\$ 2,900,000	Tender			
FNDC SUB-TOTAL			\$ 9,630,000				
FNDC	New Network Maintenance Contract(s)	number of contracts and total value to be confirmed	circa \$19m p.a.	ROI, Pre-Qual (tbc)	Tender		
KDC	Settlement Road Seal Extension	Seal Extension to go from RP393-1573 (Intersection of Settlement and Tawa Road). There will be some minor improvement related works as well. This Seal Extension is located in Kaiwaka.	\$ 650,000	Tender July			
KDC	Bee Bush/Arapohue/Hoyle Intersection	Intersection improvements associated with Minor Improvements. This Intersection is located in Arapohue.	\$ 150,000	Tender July			
KDC	Turkey Flat/Tatariki Spur Intersection	Intersection improvements associated with Minor Improvements. This Intersection is located in Te Kopuru.	\$ 150,000	Tender July			
KDC	Tinopai Road Rehabilitation	Road rehabilitation from RP17048-18357. Located in Tinopai.	\$ 640,000	Tender July			
KDC	Paparoa Oakleigh Corner Easings	Minor improvement associated works to improve the overall safety of these This road is prone to flooding, preventing current residents from making use of the road during these flood occurrences. Drainage related works will be carried	\$ 420,000	Tender July			
KDC	Tara Road Flood works		\$ 380,000	Tender July			

KDC	Tara Road Footpath	Currently VRU's make use of the carriageway to commute, putting their own lives in danger. In order to address this matter, a footpath is to be constructed.	\$ 80,000	Tender July		
KDC	Wahue Road Rehabilitation	Road rehabilitation from RP9330-10170, and from RP 10596-10961. Located in	\$ 610,000	Tender July		
KDC	Dunn Road Rehabilitation	Road Rehabilitation from RP2980-3344. Located in Ruawai.	\$ 180,000	Tender July		
KDC	Tangowahine Valley Road Bridges	Bridge Strengthening in order to carry SOMAX.	\$ 550,000	Tender August		
KDC	Kaikohe Road Bridge no.89	Bridge replacement.	\$ 300,000	Tender July		
KDC	Component Renewals Contract	Bridge Component renewals.	\$ 430,000	Tender July		
KDC	Pukehuia Road Slip RP14000	Slip Remediation works. Located in Pukehuia	\$ 270,000	Tender July		
KDC	Pukehuia Road Slip RP9650	Slip Remediation works. Located in Pukehuia	\$ 290,000	Tender July		
KDC	Mangawhai Road Slip RP750	Slip Remediation works. Located in Mangawhai	\$ 270,000	Tender July		
KDC	Mangawhai Road Slip RP1050	Slip Remediation works. Located in Mangawhai	\$ 270,000	Tender July		
KDC	Mangawhai Road Slip RP2000	Slip Remediation works. Located in Mangawhai	\$ 270,000	Tender July		
KDC	Baldrock Road Slip RP510	Slip Remediation works. Located in Paparoa	\$ 250,000	Tender July		
KDC	Other Event Slips	Slip Remediation works. Located in Kaipara Network	\$ 800,000		Tender	
KDC SUB-TOTAL			\$ 6,940,000			
KDC	New Network Maintenance Contract	total value to be confirmed	circa \$12m p.a.	ROI, Pre-Qual (tbc)	Tender	
WDC	Minor Improvements	Signalised intersection improvements (Tarewa / Porowini)	\$ 1,000,000.00	Tender December		
WDC		Wilson Rd bridge upgrade	\$ 150,000.00	Tender November		
WDC	Sealed Road Rehabs	Bank St rehab (800-1300)	\$ 1,000,000.00	Tender July		
WDC		Whatisiri Rd rehab (5300-6000)	\$ 375,000.00	Tender November		
WDC		Pipirwai Rd rehab (36200-37100)	\$ 425,000.00	Tender November		
WDC		Springfield Rd rehab (0-2500)	\$ 1,000,000.00	Tender July		
WDC		Springfield Rd rehab (8700-9485)	\$ 275,000.00	Tender July		
WDC		Springfield Rd rehab (10675-10859)	\$ 75,000.00	Tender July		
WDC	Seal Extensions	Wright/McCardle Rd seal extensions	\$ 1,250,000.00	Tender August		
WDC	Structure Component Replacement	General maintenance - Scour Protection			Tender November	
WDC		General maintenance - component replacement	\$ 175,000.00		Tender November	
WDC		Aranua Rd bridge upgrade	\$ 200,000.00		Tender November	
WDC		Dr Hill Rd bridge upgrade	\$ 200,000.00		Tender November	
WDC	Street Lighting	LED upgrade	\$ 6,500,000.00	Tender - July - Nov		
WDC	Shared Paths (cycleways)	Kamo shared path stage 2	\$ 3,000,000.00	Tender August		
WDC		Kamo shared path stage 3	\$ 2,000,000.00		Tender November	
WDC		Kamo shared path stage 4	\$ 2,000,000.00		Tender November	
WDC SUB-TOTAL			\$ 19,800,000			
WDC	New Network Maintenance Contract	number of contracts and total value to be confirmed	circa \$18m p.a.	ROI, Pre-Qual (tbc)	Tender	

Appendix 2 - Benefit Management Framework

	Benefit Description	KPI	Targets	Timing
Benefit 1 Weight 30%	More engaged and capable workforce delivering superior asset management.	KPI 1: Recruitment times	Appropriately qualified person is appointed in the first round of advertising in 90% of recruitments.	From 1 July 2017
		KPI 2: Industry Skills Indicators	Alliance has the required skills (capabilities) in the required quantity (capacity), categorised by key areas of activity, and requirements at different levels of seniority.	Following organisation realignment in 2017/2018
		KPI 3: Employment Churn	Turnover in any year is less than 10%.	From 1 July 2017
		KPI 4 - Staff Engagement Survey	a. >65% of staff are 'engaged' b. <10% are 'disengaged'	From 1 July 2017
Benefit 2 Weight 25%	Improved transport/customer outcomes, enabling investment and social opportunities.	KPI 1: ONRC Indicators (proportion of network meeting the ONRC CLoS Performance Measures)	The targets to be established 2017/2018.	Timing will need to be established in 2017/2018
		KPI 2: GDP/VKT	The targets will be established once initial analysis of available information and the existing situation is carried out. The target is likely to be more about moving in the right direction rather than a hard number.	Timing will need to be established in 2017/2018
		KPI 3: Customer Satisfaction Survey	>70% satisfaction.	From 1 July 2017

	Benefit Description	KPI	Targets	Timing
Benefit 3 Weight 30%	Improved Regional strategy, planning and procurement.	KPI 1: Procurement is Regionally Co-ordinated and Integrated	a. Regional Procurement Strategy approved. b. Annual procurement plan developed. c. 80% of contractors give an overall 'favourable' rating to Alliance procurement planning (survey to be developed).	a. By October 2017 b. For 2017/18 year c. From 1 July 2018
		KPI 2: Percentage of Work Programmes Delivered	a. >90% of annual programme by \$value b. >75% of individual capital projects tendered in the quarter identified in the procurement plan.	a. For 2017/18 year b. For 2017/18 year
		KPI 3: Asset Management is Regionally Coordinated and Integrated	a. Single Asset Management Plan b. Consistent levels of service in place using the ONRC	a. For 2021 LTP b. Consistent ONRC outcomes are confirmed annually.
		KPI 4: Appropriate Practice Asset Management	Asset Management systems and processes audit and AMP peer review demonstrates appropriate practice in each area of Asset management planning.	Baseline assessment carried out 2017/18. Future targets set once baseline is established and improvement plan is adopted.
Benefit 4 Weight 15%	Transport Infrastructure is more affordable.	KPI 1: Cost/VKT by LOS (benchmarking trend by classification within peer group)	The targets will be established once some initial analysis of available information and the existing situation is carried out. The target is likely to be more about moving in the right direction rather than a hard number.	Timing will need to be established in 2017/2018.
		KPI 2: Percentage Efficiency Achieved Through Improved Procurement	>5% efficiency gains realised in the delivery of NLTP Activity Class 8 Local Roads Maintenance (work categories 111 to 241 inclusive) under the new Regional Procurement Strategy 2017 to 2021	From 1 July 2018

Northland Transportation Alliance - Transportation Procurement Strategy

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Appendix 3 – Development of the MO&R Contract Proposal

In developing this Regional Procurement Strategy, a series of engagement sessions with Council officers and suppliers occurred aimed at identifying the key issues for the MO&R contracts and determining what the challenges are for both parties for service delivery and delivery of other benefits highlighted in the business case.

The suppliers identified the need to have contracts where scope, network size, contract term and annual value provide them with a 'critical size' to establish and maintain a base in the region and to attract and retain the level of quality resources necessary to deliver superior asset and contract management.

The 'critical size' was defined as being in the order of minimum contract values around \$12 million per annum and expected to incorporate network lengths of at least 1200 - 1500km as a minimum. Contract terms in excess of 5 years provided the certainty for investment in plant and resources and a base to grow their business and establish a sustainable long term presence in the region.

Several workshops were held with NTA operational staff and industry specialists were enlisted to assist at the workshops given the significance of potential changes and the need to be assured of thorough and robust processes.

NTA engaged EQUIP and used the Road Efficiency Group's Guidance on Selection of Maintenance Contract Models to define the contract form. NTA were strongly supported by the Transport Agency's presence and their principal change agent for the development of the NOC's (Network Outcomes Contracts) attended one workshop to provide valuable background information to the NTA team. Other Transport Agency staff assisted in the processes to establish the contract form and options for the contract numbers.

After several iterations and considerable discussion, the consensus was that a traditional contract form is the most appropriate for the Approved Organisations and the NTA at this point in time. There was a strategic view that the long-term contract form should be an alliance model, however with the current skills and experience within the NTA a more traditional contract form was appropriate now. In the development of the contractual documentation it is intended to promote collaborative behaviours from the parties to the contract and develop within the NTA an understanding and knowledge about alliance contracting for possible future use.

Consideration was given to what should be included in the contract. Again, consensus was achieved relatively quickly amongst NTA staff that the contracts should include maintenance and reseals and should adopt a 'fence to fence' concept. The suppliers generally supported this approach in a subsequent industry workshop. The question of how much of the pavement rehabilitation renewals should be included is subject to further refinement in the detailed documentation of the contracts and review of the overall works programme as well as providing other opportunities to the market.

The NTA staff and the suppliers were generally of the opinion that if the key issues of scope, scale, term and value could be addressed within a Council area there would be limited benefit in having cross-boundary contract areas. Their assessment is that the customers in each Council area are distinct communities of interest who relate to their specific Council.

Any perceived benefit was likely to be insufficient to overcome administrative and other dis-benefits (cross subsidisation issues, customer request management, effect on a managed exit strategy etc.).

Following the joint workshops (and prior to engagement with the industry) SSBU staff carried out self-assessments on the issues facing their specific network and how they might be addressed through a through the contracting environment.

Reseals were very clearly identified by all SSBU staff as being best included in maintenance contracts for numerous reasons relating to quality control, service delivery, asset management and value for money. This was also strongly supported by contractors during subsequent workshops.

Pavement rehabilitation renewals were considered to be best delivered as a mixture determined by scale and complexity, with smaller scale rehabs via maintenance contracts and larger scale rehabs via separate tender.

KDC staff assessed the options and as a general statement, agreed the single contract for KDC is justified and supported. WDC staff developed a robust matrix assessment tool and applied it with a high degree of objectivity and awareness. That resulted in a raw result of a single contract scoring highest as the 'best for network' approach. FNDC staff concluded that a consolidation from the current four contracts to two contracts (approximately north and south of the Mangamuka Gorge / Maungataniwha Range) was the best approach. Aspects were raised by the SSBU staff that other issues may be required to be considered with interested parties in agreeing a way forward.

The Transition Manager, Alliance Manager and Procurement Strategy Consultant explored the same question as the SSBU staff but viewed through a 'one regional network lens'. Rather than assessing against operational criteria or drivers each option was considered against the business case objectives. This exercise assessed the viability of the full spectrum of options ranging from complete dis-aggregation into multiple small contracts (e.g. 'the local farmer with his tractor') through to a single region-wide 'NOC-style' contract. The preferred way forward when assessing options using the business case approach is for three contracts across the region – nominally one in each district council area. The combination of the 'bottom up' assessment against operational drivers by the SSBU staff and the 'top down' assessment against strategic objectives yielded results that are not widely dissimilar; which can be taken as an indication that the options have been narrowed in a robust way.

The collated internal self-assessments on a district by district basis seek four contracts, on base scoring. Three contracts are the preferred option when using the business case approach assessment against regional strategic objectives. This regional strategic approach was endorsed by the Alliance Leadership Group.

Far North and Whangarei Councils in considering the strategy both approved the need for the MO&R contracts for their networks to be for two areas with the option for tenders to be made for each area or for the combined area. This was considered to be an approach which provided more opportunity and enabled the market to demonstrate the value for money from either single contracts or a combined offering.

The main suppliers are comfortable that there will be contractual provisions requiring a certain percentage of the contract works to be sub-contracted. Common proportions are in the order of 20 – 30%.

A healthy Tier 1 supplier market with a minimum of three Tier 1 contractors may be achieved by having a multitude of contracts however it is more likely this may just consolidate the current situation.

It has been made very clear by those suppliers not currently operating in the MO&R space in the region that they cannot compete unless the term, scale and value of contracts make it commercially viable for them to pursue an opportunity to compete in the Northland market.

In developing this strategy there was concern that a single contractor may take a position to control the market and look to win all the MO&R contracts. While the likelihood of this happening is low the consequences for the region are very significant. The intention is to ensure there are at least two national tier 1 contractors located in and carrying out local roads MO&R works within the region. However, while there is a preference that up to only 3 of the 5 proposed maintenance contracts would be held by the same contractor, the final determination will be at the Principal's discretion, and will take into account what the financial implications are for each Council.

The aspects considered significant in making this decision were:

- The ability to resource (locally and from their wider capability) and deal with the regular emergency works events (generally weather) are more certain with two contractors in the region.
- The overall need for the market to be competitive and better served with at least two major suppliers in the region to provide services for other transport works, local government infrastructure, Central Government and private sector works
- With two or more tier 1 contractors involved in the local roads MO&R works there would be greater certainty that the involvement of regional and local SME's would increase. A single supplier may prefer to work with a limited number of their sub contract relationships thus eliminating opportunities for some of these smaller companies.
- A single supplier may have complete buying power for sub-contractor services which may lead to SME's being pressured to accept unsatisfactory conditions in order to secure work.
- Section 25 of the LTMA requires in approving procurement procedures the Agency "must also have regard to the desirability of encouraging competitive and efficient markets for the supply of outputs required for approved activities". A single supplier within a region with the majority of local roads works (all the MO&R contracts) would not lead to an efficient and competitive market for other outputs.

The Northland market is unique in having only competition from the south to rely on. With Auckland to the south that market has a substantive pipeline of works for a reasonable period in the future so opportunity for contractors moving north seems limited. Having at least two main suppliers located in Northland in the future will support market competition.



TITLE: Investment Subcommittee and Property Subcommittee Membership

ID: A1072173

From: Dave Tams, Group Manager, Corporate Excellence and Phil Heatley, Strategic Projects Manager

Executive Summary

This paper provides for council to approve an alternate member of the Investment Subcommittee and of the Property Subcommittee.

Recommendations

1. That the report 'Investment Subcommittee and Property Subcommittee Membership' by Dave Tams, Group Manager, Corporate Excellence and Phil Heatley, Strategic Projects Manager and dated 1 June 2018, be received.
 2. That council approves Cr Stolwerk as an alternate member of the Investment Subcommittee.
 3. That council approves Cr Stolwerk as an alternate member of the Property Subcommittee.
 4. That the Terms of Reference for each respective Subcommittee be updated accordingly.
-

Background

The Investment Subcommittee has four members - Chairman Shepherd, Cr Bain, Cr Smart and Geoff Copstick, independent advisor to council. The committee has a quorum of three.

It is proposed to add Cr Stolwerk as an alternate in order to ensure a quorum is available to the subcommittee.

The Property Subcommittee has four members - Chairman Shepherd, Cr Smart, Cr Bain and Cr Sinclair. The committee has a quorum of three.

It is proposed to add Cr Stolwerk as an alternate in order to ensure a quorum is available to the subcommittee.

The rationale for this is to provide for the respective subcommittees to carry out its decision-making obligations. There have previously been two instances, for each subcommittee, where the subcommittee was not quorate.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Appoint Cr Stolwerk as an alternate member of the respective subcommittees	Provides an alternate so that a quorum is always available to the subcommittees.	No material disadvantage.

2	Do not agree to Cr Stolwerk being an alternate member of the respective subcommittees	No advantage.	There may be future meetings where the sub-committees do not have a quorate.
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The staff's recommended option is Option 1.

2. Significance and engagement

In relation to s79 of the Local Government Act 2002, this decision is considered to be of low significance when considered against council's Significance and Engagement Policy because it has previously been consulted on and provided for in council's Long Term Plan and/or is part of council's day-to-day activities. This does not mean that the 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, risk management and legislative compliance

The activities detailed in this report are in accordance with the Investment Subcommittee's recommendation. The activities detailed in this report are in accordance with the Property Subcommittee's recommendation.

4. Financial implications

This allows for efficient use of council's monies by leveraging maximum returns in line with the agreed policy settings. The downside of not implementing this approach is that council may miss opportunities, particularly if the markets move quickly.

Further considerations

Being a purely administrative matter, community views, Māori impact statement and implementation issues are not applicable.

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 13 June 2018

TITLE: Amendment to delegations

ID: A1073237

From: Justin Murfitt, Resource Management Planning and Policy Manager

Executive summary

This report recommends an amendment to the delegations given to officers relating to the Resource Management Act 1991 (RMA) and a subsequent change to the council's Delegations Manual. The recommended amendment relates to the resolution of appeals where council is a section 274 RMA party to an appeal(s) lodged by others (section 274 RMA allows local authorities, submitters or those with an interest greater than the general public to join appeals by other parties). The amendment proposed would enable specified officers to enter into mediated agreements to resolve appeal(s) on behalf of council where it is a section 274 party to those appeals. Other minor changes to delegations relating to RMA appeal resolutions are also recommended for consistency and clarity.

Recommendations

1. That the report 'Amendment to delegations' by Justin Murfitt, Resource Management Planning and Policy Manager and dated 6 June 2018, be received.
 2. That council delegates authority to the Resource Management Planning and Policy Manager and the Group Manager – Regulatory Services to settle appeals by way of mediated agreements where council is an interested party under section 274 of the Resource Management Act 1991.
 3. That the Delegations Manual be amended accordingly to reflect recommendation 2 above and to make other minor changes for consistency and clarity.
-

Background

Council often lodges submissions on plan changes by district councils within the Northland region (and in some cases plan changes by adjacent councils) with a view to representing council's interests and in particular ensuring the Regional Policy Statement is given effect to. These submissions are typically lodged under authority delegated to council officers. In the instance where these plan change decisions are appealed to the Environment Court, officers also have delegation to join such appeal(s) as an interested party under section 274 of the Resource Management Act 1991 (RMA). Council has also delegated authority to officers to lodge appeals to the Environment Court under Clause 14 of Schedule 1 RMA in relation to the decisions of other councils where council is a submitter.

Notably, these two delegations differ in that the delegation under Schedule 1 RMA also provides the authority for officers to make formal agreements to resolve appeals (that is to enter into mediated agreements and sign consent memoranda on behalf of council). The delegation in relation to section 274 RMA however does not, which is anomalous and means officers would have to seek approval from council to resolve such appeals.

This is problematic given the Environment Court typically requires participants to enter into mediation with the authority to settle. Also, mediation and mediated agreements are confidential until approved by the court and therefore cannot be included in public council agendas. Nor do mediation schedules necessarily allow time to seek approval from council.

Extracts from the current Delegations Manual in relation to both section 274 and Schedule 1 RMA respectively are provided in Tables 1 and 2 below. The anomaly relating to the delegated authority to settle appeals in relation to Schedule 1 RMA is highlighted.

Table 1

Section 274	To arrange appearance before the Environment Court, in proceedings before the Court brought by another party but in respect of which the council has previously made a formal submission.	Group Manager – Regulatory Services Resource Management Planning and Policy Manager	Exercise of this delegation shall only be exercised following consultation with the Chief Executive Officer and only where the relief sought in the appeal or reference of the other party is contrary to the Regional Policy Statement, Regional Coastal Plan, a Regional Plan or to the fundamental basis of the submission. Exercise of the delegation shall be reported to the next meeting of the council. The council reserves the right to direct that an intended appearance before the court, not be proceeded with.
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Table 2

Schedule 1 Clause 14	To refer to the Environment Court, decisions of other local authorities on council submissions on proposed policy statements and plans, and related variations and changes, and to make formal agreements to resolve those appeals.	Resource Management Planning & Policy Manager	This delegation shall only be exercised following consultation with the Chief Executive Officer and the Chairman, and only where the decision of a local authority is contrary to the Regional Policy Statement, Regional Coastal Plan, a Regional Plan or to the fundamental basis of the submission the council has made, that gives the right of referral. Exercise of the delegation shall be reported to the next meeting of the council. The council reserves the right to modify or withdraw such appeals.
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While the Chief Executive Officer can delegate authority to staff as needed to address this anomaly (and has done so in relation to mediation of appeals on recent Whangārei District Council plan changes), it is recommended that delegated authority to resolve appeals where council is a section 274 party be formally recorded by amending council's Delegation Manual. Recommended text to this effect is provided in Table 3 below for consideration by council and is consistent with the Schedule 1 RMA delegation. It is also recommended that other minor changes are made for consistency and clarity, including the addition of the Group Manager – Regulatory Services to the Schedule 1 RMA delegation. The recommended changes are underlined where additional text is proposed and where deletions are recommended text is struck out.

Table 3

Section 274	To arrange appearance before the Environment Court, in proceedings before the Court brought by another party but in respect of which the council has previously made a formal submission and to <u>make formal agreements to resolve those appeals.</u>	Group Manager – Regulatory Services Resource Management Planning and Policy Manager	Exercise of This delegation shall only be exercised following consultation with the Chief Executive Officer and only where the relief sought in the appeal or reference of the other party is contrary to the Regional Policy Statement, Regional Coastal Plan , a Regional Plan or <u>a Proposed Regional Policy Statement or Proposed Regional Plan</u> or is contrary to the fundamental basis of the <u>council</u> submission. Exercise of the delegation shall be reported to the next meeting of the council. The council reserves the right to direct that an intended appearance before the court, not be proceeded with.
Schedule 1 Clause 14	To refer to the Environment Court, decisions of other local authorities on council submissions on proposed policy statements and plans, and related variations and changes, and to make formal agreements to resolve those appeals.	<u>Group Manager – Regulatory Services</u> Resource Management Planning & Policy Manager	This delegation shall only be exercised following consultation with the Chief Executive Officer and the Chairman, and only where the decision of a local authority is contrary to the Regional Policy Statement, Regional Coastal Plan , a Regional Plan <u>or a Proposed Regional Policy Statement or Proposed Regional Plan</u> or to the fundamental basis of the submission the council has made, that gives the right of referral. Exercise of the delegation shall be reported to the next meeting of the council. The council reserves the right to modify or withdraw such appeals.

The recommended changes to the Delegations Manual will improve consistency and provide a more streamlined and efficient process.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Establish an appeals mediation committee made up of councillors with delegated authority to settle appeals	Council oversight of mediation agreements.	Councillors would need to be available to either attend the mediation and / or be briefed regularly by staff (noting mediation

			can be lengthy and complex). Inconsistent with Schedule 1 RMA delegations.
2	The CEO delegates authority on a case by case basis	Discretion retained to involve council as needed.	Administratively inefficient. Inconsistent with Schedule 1 RMA delegations.
3	Amend council delegations as recommended	Administratively efficient and consistent with Schedule 1 RMA delegations.	No council formal input into mediation / appeals resolution.

The staff's recommended option is option 3.

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, risk management and legislative compliance

The decision is consistent with policy and legislative requirements.

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

Authorised by Group Manager

Name: Colin Dall
Title: Group Manager - Regulatory Services
Date: 13 June 2018

TITLE: Chair's Report to Council

ID: A1071176

From: Bill Shepherd, Chairman

Purpose of report

This report is to receive information from the Chair on strategic issues, meetings/events attended, and correspondence sent for the month of May 2018.

Recommendation

That the report 'Chair's Report to Council' by Bill Shepherd, Chairman, and dated 1 June 2018, be received.

Strategic issues

Long Term Plan

The Long Term Plan (LTP) resolutions in this council agenda represent the culmination of months of work. As I have publicly noted before this new LTP is bold and aspirational and provides a great example of community involvement, council leadership and forward thinking.

I look forward to seeing and measuring the environmental improvements that will result over time from the increased level of environmental management work that will be carried out by this council. As always, we depend very heavily on goodwill and voluntary input from our communities - long may that continue.

Water Management

The Water Symposium, hosted by Local Government NZ, provided further insight into the future direction of travel being considered by central government. Havelock North's drinking water calamity and the recommendations from the subsequent enquiry are driving much of the thinking.

Without a doubt, the way water is managed and regulated will look quite different in two or three years. At this stage it is still not clear whether three waters will be included in the new water management model or not. However, it is difficult to see how drinking water and wastewater can be effectively managed without including stormwater as well. In many situations wastewater and stormwater systems are linked either by accident or design, sometimes legally and sometimes illegally.

Speakers from England, Tasmania and New Zealand discussed a number of different models, some of which work well and some don't. The Auckland Watercare model seems to be working very well for Auckland. A key to the success of the Auckland system is that the quality of the water supplied to any part of the region is the same as every other part of the region and the price of access to that water is the same right across the region. One really big advantage is that economies of scale have enabled Watercare to invest substantial sums of money in improving the quality of water supply for all Aucklanders.

Clearly Auckland still has a long way to go with its wastewater (sewerage) systems. This was highlighted by the large number of Auckland beaches that were not safe for swimming last summer. At the time of writing, Auckland was addressing the huge capital investment that will be required to remedy that situation.

Whatever model the government comes up with, there will be a big change for district councils coming up in the near future. Hopefully, councillors and the general public will embrace the opportunities that this could bring.

Meetings/events attended

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

- Meetings attended with the council's CEO, Malcolm Nicolson:
 - As part of the Northland Civil Defence Forum the Mayor of Kaikoura District Council, Winston Gray, held a separate meeting with councillors sharing his experience of governance coping with the Kaikoura earthquake.
 - Sir John Goulter, Chairman, Marsden Maritime Holdings Ltd and Director, Northport Ltd – to discuss the implications of the new Transportation Government Policy Statement and Provincial Growth Fund.
 - Northland Mayoral Forum hosted by Kaipara District Council.
 - Local Government New Zealand Water Summit 2018 held in Wellington.
- Regular fortnightly Northland Mayoral Forum teleconference calls.
- Regional Sector Group meeting in Wellington.
- Teleconference re Northland Transportation Alliance with Mayors Sheryl Mai, Dr Jason Smith, Hon John Carter, and Rob Forlong, CEO, Whangarei District Council – to discuss NTA reporting to councils.
- Attended Northland Inc. Board meeting – regular catch up meeting to discuss issues of mutual interest.
- Councillors Sinclair, Smart, Blaikie, Dimery, Finlayson, Stolwerk, Yeoman and I attended a presentation on the plans for Carrington Estate at Karikari Peninsular.
- Sandra McKersey (independent panel member), Councillors Sinclair, Smart, Dimery, and I interviewed the shortlisted candidates for the Northland Inc. director positions.
- Attended a New Zealand ambassadors' business breakfast organised by Northland Inc. and was asked to welcome the Heads of Mission. The Government brings New Zealand's ambassadors back home for a familiarisation tour on a regular basis.
- Attended the Mayors/Chair only time prior to the Northland Mayoral Forum meeting.
- Opened the autonomous/electric vehicle meeting hosted by Northland Regional Council.

Correspondence

During May I sent out the following correspondence:

Date	Addressed To	Subject
09.05.18	Hon Julie Ann Genter Associate Minister of Transport Hon Phil Twyford Minister of Transport Hon Shane Jones Associate Minister of Transport	Public private partnerships and congestion pricing

14.05.18	Hon Nanaia Mahuta Minister for Māori Development Hon David Parker Minister for the Environment	Seeking clarification on the definition of iwi authorities: section 35A(2)(a) Resource Management Act 1991
11.05.18	Hon Andrew Solomon Napuat Minister of Internal Affairs Vanuatu Government	Acknowledging appreciation from the Vanuatu Government delegation on their visit to Whangārei
22.05.18	Hon Nanaia Mahuta Associate Minister for the Environment	Acknowledging receipt of letter from the Associate Minister for the Environment on air quality

TITLE: Chief Executive's Report to Council

ID: A1067281

From: Malcolm Nicolson, Chief Executive Officer

Executive summary

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

Recommendation

That the report 'Chief Executive's Report to Council' by Malcolm Nicolson, Chief Executive Officer and dated 21 June 2018, be received.

7.2.1 HIGHLIGHTS

Sally Logan-Milne Young Practitioner of the Year Award

Natasha Stubbing was awarded the Sally Logan-Milne Young Practitioner of the Year Award for 2018 at the recent Public Relations Institute of New Zealand Awards in Hamilton. This award recognises an outstanding young practitioner in employment as a young public relations practitioner.

Youth Week success

Youth Week – social media campaign showcasing the success of council's involvement in the cadetship program and youths' experience working in council. A series of video interviews featuring past and current cadets reached more than 23,000 people, engaged with more than 600 and generated just over 5,000 video views in total.

EAs & PAs of Northland Summit

The inaugural EAs & PAs of Northland Summit was held at Barge Park on Friday 25 May with 50 attendees from a range of public and private sector organisations. This being an establishment between WDC, MSD and ourselves.

The day was hugely successful with some very positive feedback received from the attendees such as below:

"Thank you again for the wonderful day ladies, can't thank you enough for our day together. You amazing women did such a fabulous job!! Well done"

"It was so lovely to meet you finally. It was such a fun day and thank you so much for all your hard work and professionalism throughout the day!"

The organising team have conducted a post Summit survey and will be meeting to discuss future events and networking opportunities.

NZTA Audit

In March of this year, the New Zealand Transport Agency (NZTA) undertook an "Investment Audit" of the subsidised works carried out by the Northland Regional Council. The objective of the audit is to provide assurance to NZTA that investment in the NRC's land transport programme is well managed, delivering value for money and that risk is being appropriately managed.

The NRC was awarded the highest rating for all categories audited.

Maritime Pilot License Achievement

Laurence Walkinshaw, Deputy Harbourmaster has completed his training and obtained his class two Pilots license for the Bay of Islands.

CDEM Silver Ministerial Award

The Northland CDEM Group Welfare Manager, Ms Claire Nyberg, was awarded a for her outstanding work in delivering Welfare at the local, regional and national levels.

7.2.2 CEO'S OFFICE

SHARED SERVICES

'One Voice' messaging from Council's to Government is now a business as usual collaboration lead by NRC. Northland councils are working together on applications for the Provincial Growth Fund a part of the Northland Forward Together's 'One Voice' advocacy program. KDC and NRC have committed resource to shared external viewer & provision of internal GIS services by NRC with a new target date set for June 2018. LiDAR capture of Awanui catchment has been completed though further capture in Northland, before next summer, is unlikely.

COUNCIL PROPERTY UPDATE

Commercial & Industrial

The sale of a Council CBD property has settled.

The sale of a Council industrial area property has settled.

OTHER

Council's sale of the Gillies Street, Kawakawa property to FNHL settled on 15 June 2018.

Council purchased and settled on a significant freehold property in Kaitāia for river control works.

Current Legal Proceedings		
Department	Description	Status
Consents	To construct a boardwalk as part of a coastal walkway in Back Bay, Mangawhai Estuary	Mediation held on 10 April 2018. Parties made a confidential agreement with further mediation being adjourned until 30 June 2019.
Consents	Replacement consents for existing jetty including extension to the structure and new application for exclusive occupation and use at Otehei Bay, Bay of Islands	All appeals have been withdrawn as a result of mediation. Consents are to be issued in accordance with the Hearing Committee's decision.

7.2.3 CORPORATE EXCELLENCE

FINANCE

Fraud Declaration

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

INFORMATION SERVICES & TECHNOLOGY

ALGIM Success

Northland Regional Council (NRC) staff are celebrating three wins – scooping half of the six national awards on offer in the process – at the recent Association of Local Government Information Management (ALGIM) Autumn conference in Wellington.

The council's GIS Manager Gail Yearbury-Murphy was named 'GIS Professional of the Year' while her IT colleague, Geospatial Systems Analyst Janelle Palmer won the 'GIS Project of the Year' with her award entry 'An enhanced picture of water allocation in Northland'. A third staff member, council's Records Manager Sarah Botur, won the 'IRM Professional Development Award'.

7.2.4 REGULATORY SERVICES

PLANNING AND POLICY

Proposed Regional Plan

Hearings are scheduled to start in August 2018. Staff are preparing their recommendation reports for the hearings. Staff have been contacting submitters to organise the scheduling of hearing times and locations.

GBC Winstone made a late submission and further submission on 23 May 2018. Under delegation the Resource Management Planning & Policy Manager accepted the submissions. The submission was notified on 7 June 2018 to allow others to make further submissions in support or opposition. This will not delay the hearings or disadvantage any party.

Hearing locations for all except the genetically modified organisms (GMO) submissions will be Kaitaia, Kerikeri, Whangarei and Otiria Marae. The GMO submissions are likely to be heard in Whangarei.

Regional Policy Statement

The provisions relating to the use of genetic engineering and the release of genetically modified organisms to the environment were made operative on 14 June 2018.

Whangarei District Council

Proposed Plan Change 129 – Notable and Public Trees

Proposed Plan Change 129 was publicly notified on 09 May 2018. It proposes to replace the operative Whangarei District Plan "Heritage Tree" provisions in various chapters with one District wide chapter titled 'Notable and Public Trees', which relates to the protection of individual trees or groups of trees.

Staff are reviewing the plan change to determine whether an NRC submission is required. Submissions close on 08 June 2018.

Appeals Mediation

Environment Court mediation of appeals on a suite of Whangarei District Plan changes (PC85-114) commenced on 28 May 2018. Council is a s274 party (interested party) in relation to three of these appeals and staff have attended two mediation meetings to date. Delegated authority to settle appeals on behalf of council has been provided to the Resource Management Planning and Policy Manager by the CEO. It is recommended that a change to this effect be made to the delegation's manual (refer agenda item).

Central government initiatives

On 27 April 2018, the Productivity Commission released its draft report on transitioning to a low-emissions economy. The report sets out a range of recommendations on how New Zealand can reduce its greenhouse gas emissions and transition to a low emissions economy in the long term. Staff have drafted a submission on the report identifying a range of issues and opportunities from a Northland perspective. The draft submission was not able to be presented to a council meeting given time constraints, but has been circulated by the CEO to councillors for comment. Submissions close 8 June 2018. The draft report is available here:

https://www.productivity.govt.nz/sites/default/files/Productivity%20Commission_Low-emissions%20economy_Draft%20report_FINAL%20WEB%20VERSION.pdf

Land use and subdivision applications

During May 2018, 23 resource consent applications were received from the district councils. No comments or submissions have been lodged to date.

Consents in Process

During May 2018, a total of 50 Decisions were issued. These decisions comprised:

1	Moorings
26	Coastal Permits
1	Air Discharge Permits
7	Land Discharge Permits
0	Water Discharge Permits
6	Land Use Consents
5	Water Permits
4	Bore Consents

The processing timeframes for the May 2018 consents ranged from:

- 197 to 6 calendar days, with the median time being 29 days;
- 121 to 4 working days, with the median time being 20 days.

37 Applications were received in May 2018.

Of the 105 applications in progress at the end of May 2018:

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

Appointment of Hearing Commissioners

No commissioners were appointed in May 2018.

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 2018 is (by number):

▪ Applications Publicly/Limited Notified During Previous Month	0
▪ Progress on Applications Previously Notified	4
▪ Hearings and Decisions	3
▪ Appeals/Objections	2

Compliance and State of the Environment monitoring

The results of compliance monitoring for the period 1 – 31 May 2018 (and year-to-date figures) are summarised in the following table and discussed below.

Classification	Total	Full compliance	Non-compliance	Significant non-compliance	Not exercised during period
Air discharges	40	30	4	2	4
Coastal permit	419	271	89	21	38
Discharge permit	300	188	53	9	50
Land use consent	598	541	15	1	41
Water permit	251	195	34	1	21
Total	1608	1225	195	34	154
Percentage		76.2%	12.1%	2.1%	9.5%
YTD	6850	5024 (73.3%)	1078 (15.7%)	294 (4.3%)	454 (6.6%)

Air discharges

A total of 40 air quality related environmental incidents were received, 19 of which related to burning and smoke nuisance and 17 to odour nuisance.

Continuous ambient PM₁₀ monitoring results for April 2018 for the Whangārei and Marsden Point airsheds and Kaikohe showed that compliance was met with the National Environmental Standards for Air Quality. PM_{2.5} monitoring results for Whangārei were within the Ambient Air Quality Guideline value.

Coastal

The majority of consents monitored during the reporting period related to coastal discharges (oyster processing, treated municipal sewage, stormwater) and coastal structures.

Routine water quality sampling of the Whangārei, Bay of Islands and Kaipara harbours and southern estuaries (Mangawhai, Waipū and Ruakākā) was carried out.

Hazardous Substances

- 2.2kg of hazardous wastes was disposed of.
- 25 enquiries regarding contaminated land were received and responded to.

Discharge and Land Use monitoring

Council attended the following during the reporting period:

- Monthly meeting with FNDC staff and its contractors to discuss compliance with its wastewater and water take consents.
- Hikurangi Swamp Scheme Working Group meeting hosted by WDC. There were no issues raised for NRC.
- Ngawha Geothermal power station community liaison committee meeting.

The implementation of the National Environmental Standards – Plantation Forestry (NES-PF), which commenced on 1 May 2018, has taken considerable time by staff. Mailouts to owners of plantation forest (> 1 hectare in size) have been done. This resulted in over 4,000 letters being sent to landowners. This has resulted in numerous telephone and email enquiries from landowners. An on-line form has been added to the NRC website to enable owners to give notice of forest activities as required by the NES-PF. NRC is then providing this notice to the district councils, so that forest owners do not have to give two separate notices. As at the end of May, over 50 notices have been received.

Environmental Incidents

There were no incidents recorded during the reporting period which resulted in a significant environmental impact.

Enforcement

Abatement notice appeals

An abatement notice issued for the discharge of odour and dust from a trade and industrial premise in Whangārei has been appealed. Mediation was held on 16 March 2018 in Whangārei. An agreement was reached on the interim steps to be taken on the site and the provision of a report by the appellant which will be reviewed by an expert appointed by the council. A further remediation date, if needed, has been set for 15 June 2018.

Abatement Notices

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

Burning & smoke nuisance	8
Earthworks	2
Illegal activity in CMA	1
Sewage	2
Dead stock disposal	1
Hazardous substance/refuse	1
Discharge contaminants to water	1

Infringement Notices

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

Burning & smoke nuisance	1
Sewage	1
Discharge from boat maintenance activities	1
Earthworks	1
Non-compliance with an abatement notice	1

Formal Warning Letters

There were no formal warning letters issued for the period.

7.2.5 ENVIRONMENTAL SERVICES

LAND MANAGEMENT

Environment Fund Update

The focus is still on signing off the Environment Fund projects with the financial year coming to an end. 205 projects totalling \$864,618 went through the delegated authority process.

116 projects totalling \$454,073 have been completed and signed off. The overallocation amounted to \$109,000 and to date 19 projects, totalling \$65,801 have been withdrawn.

Farm Water Quality Improvement Plans (FWQIP)

Year to date 155 FWQIP's have been commenced, 46 have been completed, with a further 157 in progress (109 were commenced in the 2017/18 year and 48 from previous years which will be completed in due course).

Nursery

The capital works for 2018/19 are starting early with the Flyger Road lease agreements confirmed. The block planting of over 31,000 pegs and other associated tasks will begin in June alongside the harvesting of poplar and willow material (5100 estimated poplar poles).

BIODIVERSITY

Lakes

A survey of grass carp in Lake Roto-otuauro/Swan in Pouto show the fish are frequenting the lake margins, feeding calmly on new growth of littoral plants. Up to 850 fish were released in 2009 to control hornwort and *Egeria* both of which are now eradicated. The FIF project aims to remove these fish in this lake as well as in nearby Lake Waingata, and from Lake Heather in Sweetwater (400 fish released in 2010). Developing effective methodology for removal of grass carp is part of the project.

A total of 12 waterbodies were surveyed as part of the annual lakes ecological monitoring with NIWA including Submerged Plant Index (SPI) monitoring in nine lakes. Waipuna is a remote dune lake on the north head of the Kaipara Harbour and is new to the programme. Although small, it is a clear water lake with natural dune margins and a notably high diversity of native aquatic plant life. The team was also given landowner permission to survey Lake Greer, in the Kai Iwi group, and found it to be in good ecological condition. The other Kai Iwi Lakes have increased the bottom limits of their native submerged plant beds which is an indicator of improving ecological condition associated with recent excellent water clarity.

Pouto Catchment Group

The Pouto Catchment Group met and agreed on an updated Terms of Reference which will allow it to focus on actions now that catchment plan is finalised. Planned actions include:

- Recruitment of new members interested in plan implementation.
- Six monthly planning meetings and one annual topic based field day /site visit at a lake site.

- Quarterly electronic newsletter to be produced by Northland Regional Council with updates on lake water quality results, results of any completed research on the lakes and notification of upcoming NRC activities and other events.
- Continued focus on fencing and planting around Lake Kanono and the nearby Spectacle Lakes.

IKHMG

Topics discussed at the Integrated Kaipara Harbour Management Group (IKHMG) meeting include:

- 300,000 free plants from Te Arai nursery for restoration plantings in the wider Kaipara catchment are now fully allocated and distribution is underway.
- The IKHMG business plan 2018-2021 has been ratified.
- Negotiations currently underway around management of the Kaipara Harbour is likely to impact on the structure and budget of the IKHMG.

CoastCare

The CoastCare dune planting season started with planting days held at Mangawhai Heads and Long Beach (Russell). At a number of sites weed control has been undertaken in preparation for planting, as well as maintenance of previously planted areas, fences and access ways.

Wetlands

Three site visits were carried out to provide advice on wetland protection and enhancement, including a second visit to Waipoua River headwaters with DOC and the landowner to discuss protection of the wetlands via an Environment Fund grant. A revised top wetland priority list has been collated and a request has gone in to GIS staff to provide landowner information for a second mailout to these top wetlands.

BIOSECURITY

Biosecurity Threats/Incursions

Mycoplasma Bovis

Councils Biosecurity Incursion Management Officer is continuing to assist the Ministry for Primary Industries with auditing two Northland farms which have been issued with Notices of Direction (NOD). The NODs are in place while ongoing surveillance for Mycoplasma Bovis disease is being carried out which restricts the movement of stock and other risk good onto and off the property.

The Government along with the dairy and beef industries have agreed that an attempt will be made to eradicate Mycoplasma bovis. Currently, the disease is still not widespread (37 infected farms and some 260 suspect farms out of 20,000) and there is just one strain of the disease present in New Zealand which indicates a single source of infection.

Latest updates can be found at link below:

<https://www.mpi.govt.nz/protection-and-response/responding/alerts/mycoplasma-bovis/>

Wallaby Response – Waimamaku

Specialist wallaby detection dogs and handlers have been unable to locate any sign or presence of wallaby in the immediate area where the wallaby was last sighted. Ongoing surveillance has also been unsuccessful in detecting wallaby and a reduced surveillance effort is planned over the coming months.

Biosecurity Partnerships

Kiwi Coast – NRC Partnership - Trapping Workshop

This year saw the first official joint Kiwi Coast – NRC Northland trapping workshop held in Opuawhanga. Over 120 people attended the workshop, representing over 50 different Northland community groups, iwi, hapu, organisations and agencies. The workshop provided an opportunity for projects to connect and to share their knowledge and experience of trapping animal pests, restoring forests and helping kiwi to thrive across the landscape. Several council staff presented at the workshop

Kauri Dieback

We are currently working with SCION who are investigating if there are alternative hosts for the Kauri Dieback. We are currently looking for potential study sites that fit certain criteria for this study. Site requirements include confirmed Kauri dieback (via a soil test), sufficient space for plots, access through to the end of the project, and existing plant diversity across the alternative host species from the project. Results from this project could greatly assist with future mapping and management of the disease.

Manchurian Wild Rice

Manchurian Wild Rice contractor efforts have been slowed due to wet weather. All ground contractors are working where possible although some sites will not be able to be treated due to water logged pasture. The second round of spraying is almost completed. The Pukehuia working group is currently considering using an aerial spraying operation to better manage the weed within their control area which would be followed up with ground control.

Marine Biosecurity

During May, 293 vessel hull inspections were conducted bringing the total number of vessels inspected this season to 1964.

Location	Number of vessels inspected
Inner Bay of Islands	51
Kerikeri- Northern Bays	50
Tutukaka	50
Whangarei	49
Whangaroa	50
Mangawhai	16
Kaipara	27

Table 1: Number of vessels inspected during May 2018.

The average level of fouling of the vessels inspected during May was level 2 which is light fouling.

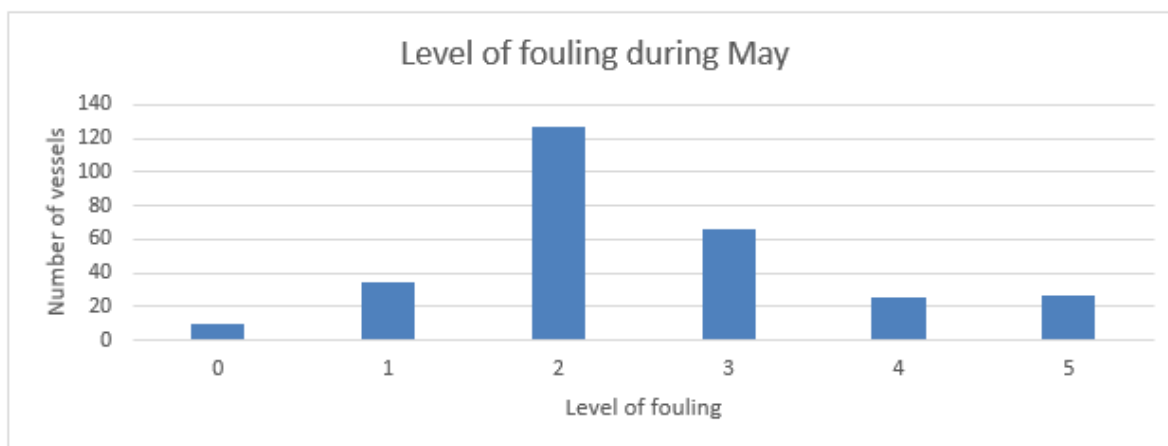


Figure 1: Average level of fouling on vessels inspected during May 2018.

Only one vessel was found with fanworm however, this was a re-inspection of a vessel already under a notice of direction in the Whangarei Harbour. Vessels at both Mangawhai and Kaipara have been inspected for the first time. There were no marine pests observed on vessel hulls in Mangawhai and only one vessel within the Kaipara having *Eudistoma elongatum* on it. Vessels in the Kerikeri Inlet are to be inspected next to bring an end to the season.

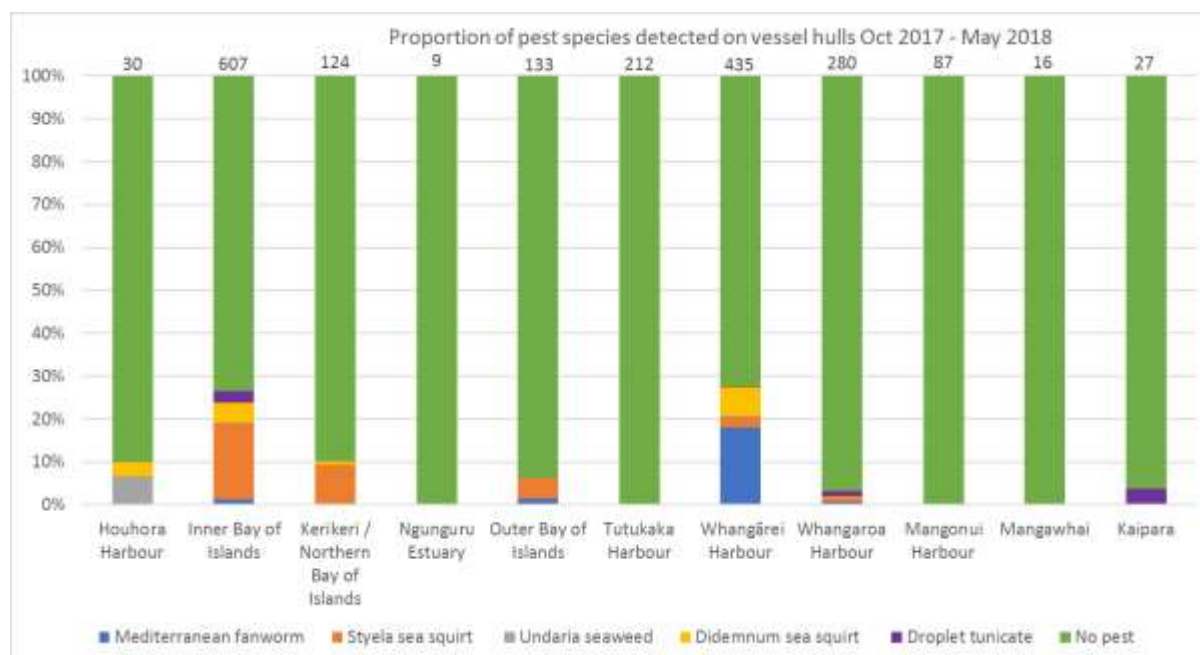


Figure 2: Percentage of vessels detected with pest species at all locations. Top number on each bar indicates the total number of vessels inspected at each location.

RIVERS

Priority Rivers	Work	General Status	Comments
Awanui	OpEx	95% complete	Work is concentrated on coastal stopbanks.
Awanui	CapEx	100% complete	Completed works grassed with good coverage.

Priority Rivers	Work	General Status	Comments
Kāeo - Whangaroa	OpEx	100% complete	All priority work completed.
Kerikeri – Waipapa	OpEx	65% complete	Staff have completed all high value tree removal work and will now focus on resource consent applications.
Kawakawa – Taumārere	OpEx	100% complete	All scheduled priority work has been completed.
Whangarei	OpEx	75% complete	Gravel extraction programmed for June. WDC will use extracted gravel at Pohe Island.
Kaihu	OpEx	100% complete	All programmed work has been completed.
Minor Rivers	OpEx	97% complete	Staff expect 100% utilisation of this budget by year's end.

LTP Projects

Rivers	Comments
Awanui	<p>Resource consents and Construction Management Plan is underway for Bell's Hill slip risk mitigation works. Tonkin + Taylor are undertaking debris run-out modelling to assess the two works options designed by NRC. Detailed design has been awarded, and river modelling for one of the NRC works options has been completed in-house. Early contractor engagement has been commenced to establish buildability and cost certainty.</p> <p>Detailed design of bank stabilisation works along the reach of the Awanui River upstream of Church Road has been awarded to Haigh Workman engineers.</p> <p>Staff are progressing contract negotiations with Tonkin+Taylor for updating their 2014 Preliminary Design for the scheme upgrade works.</p>
Matangirau	Detailed river modelling is scheduled for July-August which will inform detailed design.
Kerikeri-Waipapa	Staff are reviewing designs previously completed for Waitotara Drive stopbanks, and scoping design of the Whiriwhiritoa Stream works at the Waipapa Industrial estate.
Kawakawa - Taumarere	Whilst Kawakawa – Taumarere capital works have been removed from the LTP, staff are preparing an application for resource consent for Otiria Stream works, pending NZTA funding confirmation.
Whangarei	Quotes for detailed design are being evaluated.
Panguru	Minor works have been completed to ease drainage issues around the Otengi Road – West Coast Road area. These works are of a maintenance nature. LTP works are to be discussed with stakeholders, and a meeting at Panguru is expected to take place in June.

NATURAL HAZARDS

Work Streams	% complete	Comments
Regional LiDAR Project	5%	Survey of the high priority Awanui catchment was completed in May. The survey plane has now re-located to Hawkes Bay to complete a project for Interpine before returning to Northland. Sample delivery of the Awanui catchment LIDAR dataset is expected in early June.
Priority Rivers Flood Hazard Maps	75%	The NRC online flood maps have been updated to incorporate the new Kaihū-Awakino catchment flood extents. The Waipū and Paparoa catchment calibration results have been received and are being reviewed by staff. The flood mapping from these catchments, together with new mapping for the Kerikeri and Kaeo catchments should be uploaded to the online viewer in August / September.
Awanui Flood Model	10%	The Awanui flood model upgrade is waiting on catchment LIDAR survey (due in early June). Staff from Rivers team are doing some in-house work to investigate design flows in collaboration with the hydrology team.
Waipū and Paparoa Flood Model Builds	70%	Flood model calibration for Waipū and Paparoa rivers is progressing and staff are reviewing calibration results. This project will be extended to June.

HYDROLOGY

Hydrology Team & Water resources Work Programme:

- Work has begun regarding the contract for hydrometric station health and safety mitigation works. The Mangakahia Gorge water level station will be completed in ten to fifteen days, one of five sites to be upgraded.
- The data from the NIWA flow station gifted to NRC is currently being reviewed, as it is a key input into the Kaitia hydraulic flood model
- The Hokianga tide gauge has been re-instated. Gear from the site was stolen after only one week of operating. Insurance was unable to be claimed as the excess was higher than what could be claimed. Previously there was only one lock on the recorder housing – this has been upgraded to three locks including one shrouded padlock.
- A new type of webcam is scheduled to be trialled at the Whakapara water level site, as an alternate option to the snapit webcams. The gear is sourced from Integrated Solutions, who also supply cameras to the Whangarei District Council.
- A PhD student from Canterbury University will be assessing the risk & vulnerability of coastal aquifers to seawater intrusion. The study involves a national scale assessment of the vulnerability of New Zealand's coastal groundwater systems to seawater intrusion (SWI) and climate change (such as variations in rainfall recharge and sea level rise). The study uses a method similar to the one employed by Morgan and Werner (2015) in Australia to quantify the propensity for SWI to occur using a quantitative and qualitative approach. This study will be based on existing data from Regional Councils and Unitary Authorities throughout New Zealand and on their perception as to the current and future impacts of SWI and climate change on coastal aquifers in their region. The outcomes from this study will be used to prioritise installation of additional coastal groundwater monitoring bores and future research/assessment.

7.2.6 GOVERNANCE AND ENGAGEMENT

ECONOMIC DEVELOPMENT

Investment and Growth Reserve

Project	May update	Future developments/ reporting
Extension 350	None.	Fourth quarter 2017/18 report due in July.
Resources Enterprise Limited (REL)	Letters sent to directors of REL outlining council's position and concerns.	Continue to engage with directors.
Hundertwasser Art Centre (Whangārei)	None	Awaiting provision of project plan and other conditions associated with first payment.
Kawakawa Hundertwasser Park Centre (Te Hononga)	Letter sent to Kawakawa Hundertwasser Park Charitable Trust advising of council's decision to extend the deadline until 31 December 2018.	Prepare funding agreement between council and the Trust.
Regional Promotion	None.	Report for the six months ended June due in mid-August 2018.
Twin Coast Cycle Trail (TCCT)	None.	Awaiting further progress reports and associated invoices to complete funding commitment.
Demand assessment for new water storage	Working with other agencies to develop a funding application to the PGF for a broader work programme for new water storage in Northland.	Anticipate submitting application by the end of July.

Other activities undertaken included:

- Communicated LTP 2018-2028 deliberation decisions to Northland Inc to ensure consistently between the LTP and the forthcoming SOI.
- Working with other councils and external consultant on a draft Regional Walking and Cycling Strategy. Draft submitted to June meeting of the Regional Land Transport Committee.

ONLINE CHANNELS

- Highlights** – Council agendas and minutes are now available through a webpage where new documents are published in online and PDF formats.
- Most popular post on Facebook this month** – media release urging public to continue reporting myrtle rust and confirming discovering of new sites in the Kerikeri and Mangawhai area.

Key Performance Indicators	Jan-18	Feb-18	Mar-18	Apl-18	May-17
WEB					
# Visits to the NRC website	28,100	34,400	29,200	25,000	13,100

E-payments made	3	11	2	2	6
# subscription customers (cumulative)	1,167	1,181	1,171	1,165	1,173
SOCIAL MEDIA (cumulative)					
# Twitter followers	1,362	1,369	1,376	1,383	1,389
# NRC Facebook fans	5,812	5,914	6,108	6,145	6,180
# NRC Overall Facebook Reach	114,200	72,000	91,900	67,800	54,200
# CDEM Facebook fans	15,300	15,400	15,600	15,700	15,700
# CDEM Overall Facebook Reach	338,300	103,800	180,300	50,700	11,800
# Instagram followers	199	223	261	286	322

ENVIROSCHOOLS / EDUCATION

Events

- On 4 May, Cr Smart officiated at Kaipara's first ever Enviroschools Green-Gold celebration at Dargaville Intermediate School;
- On 7 May, Cr Smart officiated at Ruawai Primary School's Enviroschools Bronze celebration;
- On 9 May, the first ever Project Pest Control assessment workshop took place at Lake Waikare, Kai Iwi Lakes. Can Train NZ - the assessment agency - was pleased with students' response to the new theory NCEA Unit Standards;
- On 14 May, Cr Finlayson officiated at Anne West Kindergarten's Enviroschools Bronze celebration in Kaitiāia;
- On 16 and 17 May, Cr Stolwerk officiated at the second of three Project Pest Control skills camps, held at Tangihua Lodge;
- On 20 May, an Enviroschools biosecurity presentation was made at the 2018 Northland Pest Control Workshop held at Opuawhanga;
- On 25 May, Councillors Blaikie and Stolwerk were part of the judging team for the 2018 Environmental Leaders Fund. A record 45 projects were considered, equating to \$56,000, and the budgeted \$30,000 - \$10,000 for biosecurity projects - was awarded;
- From 30 May – 1 June, Councillors Finlayson and Yeoman officiated at two out of the three WaiFencing assessment workshops that took place at Pāmu Farms of NZ, on Kapiro, Rangiputa and Titoki stations. Three waterways were fenced.

School communities facilitated

During May, 45 school communities were visited by Enviroschools facilitators.

MARKETING AND ENGAGEMENT

Ballance Farm Environment Award Supreme Winners Field Day (Thursday 10 May)

Whananaki beef farmers Greta and Craig Harman hosted a winner's field day on their property which showcased how farming and environmental stewardship can work hand in hand to protect and enhance natural biodiversity while maintaining a productive asset. Regional council staff and councillors were amongst the sixty attendees at the field day. The field day provided the opportunity to illustrate good biosecurity hygiene practices and allowed council staff to discuss land management issues with attendees.

MĀORI ENGAGEMENT

Te Oneroa-a-Tōhē Board met during May in Kaitia to discuss key issues currently facing the board. A further meeting is scheduled in June to progress matters further.

The Kaipara Moana Treaty settlement negotiations continue between the Crown and Kaipara Harbour Uri. Council continues to inform and engage in the process.

A meeting was held with the Lake Ōmapere Trust. The meeting discussed a number of operational matters pertaining to monitoring programmes on the lake.

The council's iwi/hapū Environmental Management Plan Fund was opened on May 14. The fund is open for applications until Monday 16 July. For more information about environmental management plans and details on how to apply go to: www.nrc.govt.nz/iwiplans.

GOVERNANCE SUPPORT

Local government official information (LGOIMA) requests

Month	LGOIMA requests received 2016/17	LGOIMA requests received 2017/18
July	7	7
August	5	10
September	10	15
October	11	16
November	10	12
December	10	14
January	7	13
February	11	13
March	18	12
April	12	14
May	8	16
June	7	
Total LGOIMA requests received	116	142
Total LGOIMA requests not responded to ≤ 20 working days*	9	9

In May 2018, there were no LGOIMA requests that exceeded 20 working days' response.

7.2.7 CUSTOMER SERVICE – COMMUNITY RESILIENCE

MARITIME

Staff have been working on clearing up derelict vessels. The derelict fishing vessel Sandra Fay from Whangaroa was towed to Opuia with the council vessel Waikare, where staff commenced work in preparing the vessel for breaking. Close to 5 tonnes of rubbish and debris were removed with over 1000 litres of fuel, oil and bilge water. Some items of value were salvaged for resale to assist in cost recovery. The Sandra Fay is scheduled for scrapping in Whangarei during the next available weather window to tow it down the coast. Of two derelict vessels in Houhora, staff have removed all oils from one, which is now scheduled to be disposed of by local contractors next month and another has been sold and removed from the harbour. Regular maintenance in other harbours was completed as usual.

Staff checked the Aids to Navigation for the Te Mata a Pohe bridge lights under contract to the Whangarei District Council. Signs for Kai Iwi Lakes have been produced.

Maritime have been working towards ISO compliance for the moorings system, being the last remaining portfolio to incorporate. An audit due will check compliance, achieving 100% of maritime systems under ISO accreditation.

22 Incidents were received over the month of May.

CIVIL DEFENCE EMERGENCY MANAGEMENT

Warnings and activations

There have been several weather warnings issued in the past month for the Northland region, and each of the warnings was monitored by the on-call emergency manager.

Recovery

The review of the Northland CDEM Group Plan – Strategic Recovery Planning has now been completed and the completed plan is to be approved by the CDEM Group at their meeting on 19 June. The change is not considered to be significant and can be approved by the group.

Tsunami readiness

The Northland CDEM Group has now taken delivery of 100 indoor tsunami sirens from Northpower and is now in the process of making these sirens available to the public. The aim of these sirens is to fill gaps in the current tsunami siren network.

Welfare

The National Group Welfare Managers Forum was held at Tutukaka in early May and was attended by representatives from across the CDEM Welfare sector including national representatives.

Technical Advisory Group (TAG) Review

The TAG implementation team decisions report to government is due in June or July and the Northland CDEM Group continues to have input into the process.

CDEM Forum

The 13th Annual Northland CDEM Group Forum was held on 2 May 2018 and attended by approximately 200 people from partner agencies, councils and the community. A variety of speakers, including the Mayor of Kaikoura, Winston Gray, made presentations. Other speakers included the Director of MCDem, NZTA representatives on roading resilience, Urban Search and Rescue, Resilient Communities and several speakers from the Group Office on various topical matters.

National CDEM Conference

The National CDEM Conference was held in Wellington in late May and was attended by 6 personnel from the Northland CDEM Group. The theme of the conference was Partnering.

TRANSPORT REGIONAL LAND TRANSPORT PLANNING

Regional Land Transport Plan 2015/21 – Three-Year Review (RLTP)

With the Draft Government Policy Statement (GPS) yet to be formally adopted by government, coupled with the late release of the New Zealand Transport Agency (NZTA) Transport Agency Investment Proposal (TAIP), there is the possibility that projects included in Regional Land Transport Plan 2015/2021 – Three Year Review (RLTP) may have to be amended. In accordance with NZTA funding criteria. These changes will need to be undertaken by means of a “variation” to the approved RLTP.

Should any variation trigger the Significance Policy amount of \$7.0m per project, public consultation will be required for the change. Any variations below this amount may be approved by the Regional Transport Committee (RTC) without the requirement for formal consultation

At this time, the extent of any variations have yet to be determined. As a major portion will be for the state highways, this can only be fully confirmed on final approval of the TAIP.

With the advent of a second GPS “sometime” in 2019, there is confusion in the sector as to what this will cover and if in fact another full re-write RLTP will be required.

PASSENGER TRANSPORT ADMINISTRATION

Total Mobility

Total Mobility (TM) figures are reported one month in arrears, as the information is unavailable at the agenda deadline.

	Total clients	Monthly Actual Expend	Monthly Budget Expend	Variance	Year/Date Actual Expend	Year/Date Budgeted Expend	Variance
April	1324	\$14,265	\$25,000	-\$10,735	\$144, 300	\$300,000	-\$155,700

Kiwi Cabs - investigation complete

The Total Mobility transactions for Kiwi Cabs were being flagged in the Ridewise system due to taxi drivers not swiping the swipe card at the beginning of the trip, only at the end.

These trips were still legitimate trips, all that was required was retraining of the taxi drivers. We are satisfied with the outcome, and this showed in the system overnight after the training was complete with no flags in Ridewise.

Total Mobility Working Group Quarterly Meeting

Northland Regional Council (NRC) staff introduced the new Total Mobility Service Provider, Driving Miss Daisy to the group.

Other topics discussed included: -

- Out of town vouchers now available for Whangarei TM clients who visit a region where there is no swipe card system;
- Update on the RideWise II ticketing system;
- Service provider driver training; and

- Funding uptake to date.

14 May - DAG (Disability Advisory Group) meeting

Advised the DAG group, Driving Miss Daisy is the new approved transport operator. Currently have four wheelchair capable vehicles in circulation.

Ridewise Two now operational, with some much needed upgrades/changes included.

Funding uptake was discussed and covered the need to utilise the available funding assistance to its fullest extent. Future funding applications will be analysed against present expenditure.

Disability Awareness Training

Disability Awareness training for all drivers who carry TM clients was undertaken during May 2018. This was hosted by CCS Disability Action and consisted of two hour interactive training sessions.

Meeting with the Minister for Disability

The purpose of this meeting was for the Minister to meet with key members of the disability sector from Whangarei and Northland, and to hear first-hand about the opportunities and issues in the region. Cr Paul Dimery and Anita Child attended.

Contracted Bus Services

Contracted Bus Service figures are reported one month in arrears, as the information is unavailable at the agenda deadline.

Operational Statistics

<u>April 2018</u> <u>(revenue ex GST)</u>	Actual	Budget	Variance	Year/Date Actual	Year/Date Budgeted
City Link Passengers	20074	20124	-50	238,527	253,092
City Link Farebox Revenue	\$40,685	\$40,736	-\$51	\$471,826	\$504,546
Mid North Link Passengers	205	408	-203	4083	7026
Mid North Link Farebox Revenue	\$941	\$2,660	-\$1,719	\$10,316	\$26,993
FarNorth Link Passengers	494	561	-67	5044	6058
FarNorth Link Farebox Revenue	\$1,149	\$1,220	-\$71	\$11,707	\$ 13,169
Hokianga Link Passengers	17	24	-7	265	342
Hokianga Link Farebox Revenue	\$218	\$312	-\$96	\$3,450	\$4,602

RITS (Regional Integrated Ticketing System) Update

It has been reported that “Factory Acceptance Testing” is due to start soon.

Generic Marketing collateral has also been developed and the website is near completion.

Passenger Trends

Staff will be meeting with the operator of the CityLink Service in an effort to ascertain why passenger numbers for March 2018 were well below the last three-year average.

Passenger loadings on both the Far North Link and the Mid North Link services will be closely monitored with the onset of the winter, which historically leads to a reduction in passenger numbers.

CityLink Contract Extension

The new Citylink contract with an expanded timetable which was due to start on 30th April 2018 has been delayed with the current contract being extended to September 2018, this extension is primarily due to delays in the new INIT Electronic Ticketing System.

An investigation into the availability of installing the current Snapper system into new buses needed to service the upgraded timetable, suggested that the limited supply of driver consoles available, due to work currently being done in the Wellington region for Snapper, an installation time could not be guaranteed.

Road Safety Update

The ongoing challenge of road safety on Northlands roads continues with a concerted effort being made to address driver behavior.

The New Zealand Police have been running extensive campaigns throughout May 2018, which have unfortunately continued to detect many dangerous breaches and behaviors by drivers and passengers alike.

Regional Road Toll Statistics – 2018 & 2017 Comparison

<u>Location</u>	<u>YTD 2018</u>	<u>YTD 2017</u>
Far North	9	8
Whangarei	9	4
Kaipara	2	2
Northland	20	14
National	164	154

The above statistics include eleven drivers, seven passengers & two motorcyclists.

The ages below show 19 of 20 road deaths are aged over 20yrs of age. The Ministry of Transport Crash Analysis System data also shows that most vehicles involved are 1 Star ANCAP rated and year of manufacture older than 2000.

The ages of those involved in the death related crashes are: -

0 – 14yrs	1
15 – 19yrs	0
20 – 24yrs	5
25 – 39yrs	5
40 – 59yrs	4
60 + yrs	5

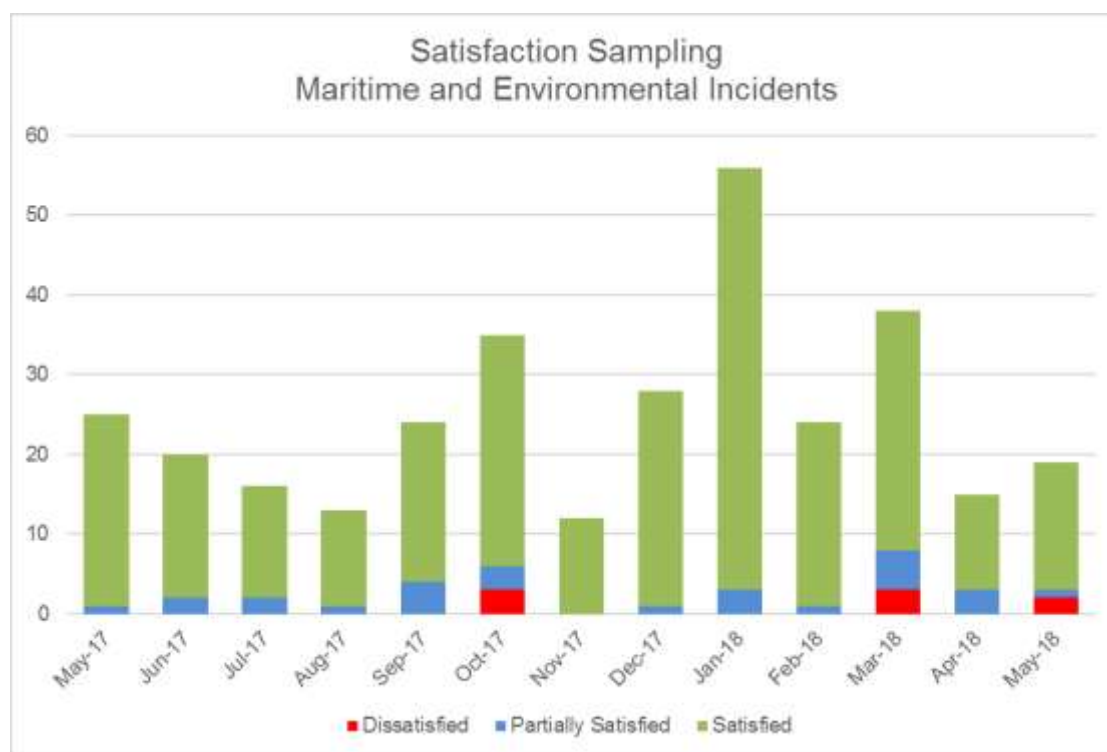
CUSTOMER SERVICE

Performance Statistics

Telephones

Call volumes are down on recent months, and when compared to the same period last year. The conversion rate remains at an acceptable rate of over 98%.

Hotline and Incident Responses

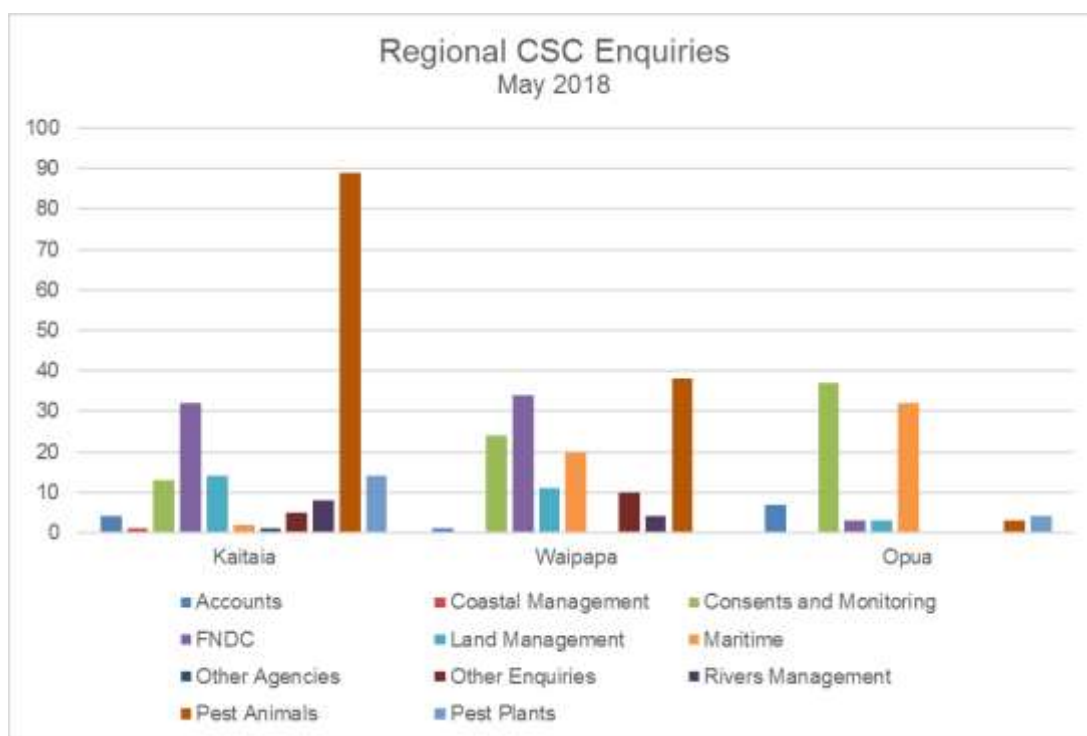


Activity

Water Street Office

The side access door off the car park will be swipe access only from 15th June. The Coke vending machine will also be removed in preparation for alterations.

Regional Customer Service Centres (CSC)



There has been a jump in enquiries for information and product to control rats in Water St, Kaitiāia and Waipapa offices this month.

Kaitiāia office reported some enquiries concerning mycoplasma bovis.

Ōpua Office

We are reviewing customer service delivery in the Ōpua office to determine if there is sufficient customer demand to maintain full service since the opening of the Waipapa office, or whether Ōpua should focus on maritime operations.

Kaitiāia Office

The upgrade of the Kaitiāia office is progressing with the frontage being painted and signage upgraded. This work will continue into the next financial year.

Annual Resident Survey

The draft report has been received and is being appealed.

Feedback Cards, Compliments and Complaints

Eight feedback cards were returned, seven were positive – 3 for WaiFencing and 4 for Monitoring. The one negative card mentioned lack of health and safety during monitoring. This card was immediately referred to the Compliance Monitoring Manager although, because the card is anonymous we are unable to determine any if breach occurred.

Eight customer complaints have been received this month and have been classified as follows;

Standard of service provided:	3 complaints - bus service, perceived inaction biosecurity, perceived inaction monitoring
Disagree with cost of service	2 complaints - marine biosecurity charge, consent fee
Disagree with decision	2 complaints – biosecurity, monitoring
Staff or contractor behaviour	1 complaint - bus service

TITLE: Northland Inc. Limited: Reporting Against Statement of Intent - Quarter Three 2017/18

ID: A1072767

From: Darryl Jones, Economist

Executive summary

The purpose of this report is to present Northland Inc. Limited's progress against its Statement of Intent (SOI) 2017–2020 for the nine months ended 31 March 2018. Staff have reviewed the material supplied and confirm that all 14 key performance indicators (KPIs) set out in section 9 of Northland Inc. Limited's SOI 2017–2020 (<https://www.northlandnz.com/northland-inc/resource-hub/>) are listed. Section 11 requires a formal report on progress at the end of each quarter.

The following table details the results to date and shows that the majority are on target to be met, while some are still being worked on.

Measure / Target	Comment on nine-month performance
Growth in Northland businesses engaged with Northland Inc. measured through an increase in:	
Aggregate turnover by 5% per annum	On track (46%)
25% of RBP active companies are research active	Behind (20%)
Orchard achieves 30% occupancy rate	On track (78%)
Generic investment proposals	
Develop two investment ready proposals	None to date (two being worked on but not yet investment ready)
Northland Inc. Board recommendations made to the NRC Investment and Growth Reserve	
One project for debt or equity funding per annum	Measure is no longer relevant due to changes to the criteria and procedures for the allocation of funding from the IGR made by council in February 2018
One project for impact investment funding per annum	Completed (impact investment project approved for funding in December 2017)
Promotion of Māori economic development measured by:	
Two new projects partnering with Māori on economic development funded and underway	None to date (four projects being worked on but none at the stage of being funded and underway)
30 active Māori businesses in CRM	On track (currently working with 43 Māori businesses)
Promotion of the region measured by:	
Industry investment of \$300,000 per annum in regional promotions activity	Behind (\$198,685)
An equivalent advertising value of \$15M per annum achieved from destination media coverage	Completed (\$21.3M)
10% increase in traffic on social media channels	On track (16%)

Website traffic growth exceeds growth in visitor spend by 10%	Behind (website traffic in first nine months of 2017/18 is 8% higher than the first nine months of 2016/17; Monthly Regional Tourism Estimates spend in Northland is 5% higher)
Implementation of the Action Plan measured by:	
Total value of investment in Action Plan projects	On track (cumulative total of \$112M)

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

Recommendation

That the report 'Northland Inc. Limited: Reporting Against Statement of Intent - Quarter Three 2017/18' by Darryl Jones, Economist and dated 5 June 2018, be received.

Background

Not applicable.

Attachments

Attachment 1: Northland Inc SOI Report - Quarter Three to 31 March 2018 [!\[\]\(8bba887393ca45b761e5cb49e755e762_img.jpg\) !\[\]\(b898b980f2d860cdb0237afbc3664529_img.jpg\)](#)

Authorised by Group Manager

Name: Jonathan Gibbard
Title: Group Manager - Governance and Engagement
Date: 13 June 2018

Northland Inc Ltd Statement of Intent 2017/2018 KPI Results as at 31 March 2018:

Growth in Northland businesses engaged with Northland Inc measured through an increase in:

- Aggregate turnover by 5% per annum:

1. KPI: Aggregate turnover by 5% per annum					
Result:					
	2017/2018		2016/2017		
	Q3		Q3		
	Companies	Ave/Turnover	Companies	Ave/Turnover	
Turnover > \$250,000	9	\$ 76,458	5	\$ 152,153	
Turnover > \$250,001 < \$1,000,000	3	\$ 310,899	8	\$ 464,500	
Turnover > \$1,000,001 < \$5,000,000	9	\$ 2,418,172	10	\$ 2,613,662	
Turnover < \$5,000,001	3	\$ 11,970,223	7	\$ 6,860,358	
1st Year Trading - No Data Available	13	\$ -	14	\$ -	
Not Yet Trading - No Data Available	27	\$ -	7	\$ -	
DNI	28	\$ -	17	\$ -	
Total Portfolio	92	\$ 14,775,752	68	\$ 10,090,673	

- 25% of RBP Active companies are research active:

2. KPI: 25% of RBP Active companies are research active	
Result:	19.5%*

**Note this has gone down this quarter due to an 50% increase in active companies. To take these companies to research active takes time.*

- The Orchard achieves 30% occupancy rate:

The Orchard operated at 77.7% occupancy for Quarter 3 (January – March 2018)

Generic Investment proposals:

- Development of 2 investment ready proposals:

- Progress made with the two significant potential infrastructure investments in the pipeline. Pre-feasibility work occurring for one opportunity and landing pad/investor attraction activity undertaken for the other opportunity.

Northland Inc Board recommendations made to the NRC Investment and Growth Reserve:

- 1 project for debt or equity funding per annum:

No longer relevant as NRC has changed criteria and debt deals are no longer available through the Investment and Growth Reserve.

- ☐ *1 project for impact investment funding per annum:*
- ☐ Completed: Northland Inc Board recommendation made in November to support the following impact investment project: Stage 2+ Demand Assessment for Water Storage Opportunities. Council approved the project for impact investment funding in December 17.

Promotion of Maori economic development measured by:

- ☐ *2 new projects partnering with Maori on economic development funded and underway:*

Te Runanga Nui o te Aupouri

A redrafted offer has been received by the Chairman of Te Runanga nui o te Aupouri. This application for assistance with a feasibility study is more directed at tourism related activities on the Parengarenga harbour.

Te Rawhiti/ Rukuhia Programme

The Rukuhia Programme is almost completed. Maori businesses involved have been the Rawhiti 3B2 Ahu Whenua Trust – Cape Brett Walking Tracks; Tapuwaetahi 438 Incorporation -Wagyu beef farm; Te Tii B3 Ahu Whenua Trust – tourist accommodation in Waitangi ; Kai Ora Honey [Blanche Murray and whanau] – product development; Mana Kai Honey [Sera Grubb and Bobby Leef] – product development.

Rewarewa D

The general plan is for a commercial lease or joint venture to be established on their land along the road frontage in Kioreroa Rd. A housing development is planned for the shore side near the site of the previous settlement.

Taro o te Ora Trust and Te Raina Trust

Taro gardens without a high irrigation requirement. Application is for assistance with construction materials for the expansion of the existing plantation. Development of a Business Plan is a requirement for the application.

- ☐ *30 active Maori Businesses in CRM:*
- 43 active businesses identify themselves as Maori in the CRM (self-identification)

Promotion of the region measured by:

- ☐ *Partner investment of \$300K per annum in regional promotion activity:*

	Last year (FINAL)	Sales this year to date	Target	Delivery	% of target
Northland and BOI Visitor Guide	\$99,030	\$106,505	\$80,000	December 17	133%
NorthlandNZ.com paid (priority)	\$24,728	\$24,740	\$25,500	April / May 18	97 %

listings					
Chinese Product Introduction	\$11,250	\$9,800	\$11,250	March 18	87%
Northland Trade Directory Listings	\$39,715	\$22,640	TBA	May 18	
TOTAL Northland Inc Publications	\$174,722	\$163,685			
International Marketing Group	\$37,500	\$35,000			
Trendz (May 2018 data in Q4)	\$91,000	-			
In-kind product contribution media and trade famils (Q4 Data)	\$92,500	-			
Total Industry Support	\$361,480	\$198,685			

Industry Investment

Northland Tourism Marketing Products

☐ *An Equivalent Advertising Value of \$15M per annum is achieved from destination marketing and media coverage:*

☐ EAV for content supplied \$7,329,062

- EAV to date for International Media Programme famil visits to Northland - \$14,011,048

Total EAV \$21,340,110

▪ *10% increase in traffic on our social media channels:*

	30-Jun-17	31 March 2017	% growth
Total Facebook (Visit)	10,548	11,162	5.6%
Total Facebook (Business)	-	32	-
Total Instagram	726	1106	41.4%
Total Twitter	4,283	4,426	3.2%
Total U-Tube	1,389	2,874	69.6%

- Website traffic growth exceed growth in visitor spend by 10%:
Annual figure on visitor spend estimated at 10%

NORTHLANDNZ.COM						
Visitor Sessions	2013-14	2014-15	2015-16	2016-17	2017-18	% change
Quarter 1	27,646	41,985	43,979	48,316	61,131	+26.52%
Quarter 2	42,588	63,375	54,398	62,516	61,924	-0.9%
Quarter 3	49,376	67,949	62,733	66,691	69,026	3.4%
Quarter 4	38,990	54,478	46,500	97,014		
TOTAL	158,600	227,787	207,600	274,537		

Implementation of the Action Plan measured by

- Total value of investment in Action Plan projects: (cumulative):

I & GR Contribution	Investment from Outside the Region	Total Project Value	Combined Economic Impact	Combined FTE's
\$5,553,500	*\$92,552,625	\$112,312,125	\$65,736,701	301

- *includes Digital UFB1 and UFB2 investment.
- Note: \$500m Hawaiki cable project has not been included in the figures
- Project, actions, milestones successfully completed:
 - Regional development fund launched known as the 'Provincial Growth Fund' or 'PGF'
 - \$7.75 million funded into TTNEAP Projects from the PGF Round 1:
 - Hihiaua Cultural Centre Stage One \$1m
 - Manea Footprints of Kupe \$4.6m
 - Totara Pilot \$450k
 - Kerikeri Airport \$1.7m
 - Stormwater Management and Flood Protection - SH1 North of Whangarei - NZTA and NRC working on solutions for catchment management areas. Detailed surveying underway on Turntable Hill bridge area.
 - Follow-up letter to Minister Curran re Digital Infrastructure requirements for Northland.
 - Process started for education providers to develop a combined Tertiary Investment Plan for funding in 2019.
 - Stage 1 complete of Secondary to Tertiary to Employment Pathways.
 - International Education Project Manager appointed to manage implementation of International Education Strategy.

- Manea – PGF funding approved. Operational Plan completed. Construction tender process complete ready for review.
- Rakau Rangatira tracks and facilities upgrade – Recruitment by DoC for Strategic Projects Manager in progress.
- Twin Coast Discovery Route Upgrades – Matakohe bridges earthworks well underway and bridge construction started, Taipa site office established and preliminary earthworks underway. PGF Expressions of Interest for Twin Coast Byway and Journey seal extensions in draft.
- Byway development and investment – Islands of the Bay Journey completed.
- Whangarei Hundertwasser – Construction tender process in progress. Coordination Group in place. PGF application with MBIE for consideration.
- ☐ Regional Walking and Cycling Strategy underway for June completion.
- ☐ Whangarei Walking and Cycle Strategy updated and ready for consultation.
- Te Waiariki Ngahwa Springs – Stage 1 Resource Consent approved. Engagement programme underway. Expression of Interest to PGF for Stage 1.
- Hihiaua- Tendering for stage one complete. Awaiting funding contract from MBIE
- Tuia Encounters 250 – General Manager appointed. Maiki (Flagstaff) Hill Commemoration event completed. Hoturoa Barclay-Kerr appointed as co-chair, to join Dame Jenny Shipley on the Tuia 250 National Coordinating Committee. Te Au Marie Trust sponsored art piece selected at the Whangarei Sculpture Symposium – a triptych titled He Tangata, He Tangata, He Tangata.
- Resin and Wax - NRC granted Resin & Wax Holdings a consent for commercial kauri resin and wax extraction. Collaborative project with Ngai Takoto iwi.
- Hawaiki Cable – Cable landed at Mangawhai, approximately the midway point of the job with 7000km buried about two metres under the seabed so far.

TITLE: **Receipt of Committee Minutes**
ID: A1072220
From: Chris Taylor, Governance Support Manager

Executive summary

The purpose of this report is to acknowledge the unconfirmed minutes of the following committees:

- Property Subcommittee – 8 May 2018;
- Investment Subcommittee – 30 May 2018; and
- Regional Transport Committee – 6 June 2018.

The minutes will be circulated separately.

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

Recommendation

That the unconfirmed minutes of the:

- Property Subcommittee – 8 May 2018;
- Investment Subcommittee – 30 May 2018; and
- Regional Transport Committee – 6 June 2018

be received.

Attachments

Attachment 1: Property Subcommittee Minutes - 8 May 2018 [!\[\]\(0fb13ad0bfa3d86868cdd3883e5665b3_img.jpg\) !\[\]\(0f2e4c692d3a707bde52a963c276fa9a_img.jpg\)](#)

Attachment 2: Investment Subcommittee Minutes - 30 May 2018 [!\[\]\(799877f5c2f906134441300079881630_img.jpg\) !\[\]\(2cdb4db9cae0d6ef949a960a952715f8_img.jpg\)](#)

Attachment 3: Regional Transport Committee Minutes - 6 June 2018 [!\[\]\(41aea2746216b27a6939d696d8e035da_img.jpg\) !\[\]\(990e790e6efb89997a442ee76392bbf4_img.jpg\)](#)

Authorised by Group Manager

Name: Chris Taylor
Title: Governance Support Manager
Date: 13 June 2018

Property Subcommittee Minutes

Meeting held in the Committee Room
on Tuesday 8 May 2018, commencing at 8.30am

Present:

Chair, Councillor Penny Smart
Councillor John Bain
Councillor Bill Shepherd (Ex-Officio)
Councillor David Sinclair

In Attendance:

Full Meeting
Strategic Projects Manager
Property Officer

Part Meeting
NRC Chief Executive

The Chair declared the meeting open at 8.30am.

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.

15. Confirmation of Minutes – 4 April 2018 (Item 3.1)

ID: A1062037

Report from Alicia Jurisich, Property Officer

Moved (Bain/Sinclair)

That the minutes of the Property Subcommittee meeting held on 4 April 2018 be confirmed as a true and correct record.

Carried

16. Mt Tiger Forest Quarterly Report January-March 2018 (Item 5.1)

ID: A1060596

Report from Alicia Jurisich, Property Officer

Moved (Bain/Shepherd)

That the report 'Mt Tiger Forest Quarterly Report January-March 2018' by Alicia Jurisich, Property Officer and dated 27 April 2018, be received.

Carried

Business with Public Excluded (Item 6.0)

Moved (Bain/Shepherd)

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	Reasons/Grounds
6.1	Confirmation of Confidential Minutes – 4 April 2018	The public conduct of the proceedings would be likely to result in disclosure of information, as stated in the open section of the meeting -.
6.2	Purchase of a Kaitia CBD property	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h) and the withholding of which is necessary to enable council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(i).
6.3	Update of Property Subcommittee Action Notes	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h).

Carried

Conclusion

The meeting concluded at 9.50am.

Investment Subcommittee
30 May 2018

Investment Subcommittee Minutes

Meeting held in the Whale Bay Room
36 Water Street, Whangārei
on Wednesday 30 May 2018, commencing at 8.30am

Present: Cr Penny Smart (Chair)
Geoff Copstick (Independent Financial Member)

In Attendance: Cr Rick Stolwerk
GM, Corporate Excellence
NRC Internal Auditor
PA, Corporate Excellence (minutes)

The Chair declared the meeting open at 8.30am.

1.0 APOLOGIES

Cr John Bain, Cr Bill Shepherd, NRC Chief Executive, Finance Manager

2.0 DECLARATIONS OF CONFLICTS OF INTEREST

Nil

The meeting was short of a quorum at its commencement, so the Chair opened and adjourned the meeting until 8.30am, Tuesday 26 June 2018.

The meeting closed at 8.35am

Regional Transport Committee Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Wednesday 6 June 2018, commencing at 10.00am

Present:

Deputy Chairman, Councillor Paul Dimery (*Chairman*)
NRC Councillor Joce Yeoman
FNDC Councillor Ann Court
KDC Councillor Julie Geange
WDC Councillor Greg Martin
NZTA Representative Jacqui Hour-Holt

In Attendance:

NRC Chief Executive Officer – Malcolm Nicolson
NRC GM - Customer Service - Community Resilience – Tony Phipps
NRC Transport Manager – Chris Powell
NRC Executive Assistant – Community Resilience – Tegan Capp
NRC Transport Projects Officer – Ian Crayton-Brown
NRC Transport Strategic Planning Officer – Sharlene Selkirk
FNDC Alliances Manager – Glenn Rainham
NTA Manager – Peter Thomson
NTA KDC – Henri Van Zyl
NTA WDC – Greg Monteith
NZTA Principal Investment Advisor – Denise Hennigan
NZTA Lead Strategic Planner – Steve Higgs
NZTA Principal Outcomes Analyst – Dave Gennard
NZTA – Kelli Sullivan
NZ Police – Inspector Wayne Ewers
NZ Police – Senior Sergeant Ian Row

5 Others were in attendance

The Chair declared the meeting open at 10.00am.

A minute silence was had in respect of Gary McGraw who passed away suddenly over the weekend.

Apologies (Item 1.0)

Moved (Martin/Geange)

That the apologies from Councillor John Bain, Steve Mutton and Peter Clark for non-attendance be received.

Carried

Declarations of Conflicts of Interest (Item 2.0)

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

17. Presentations (Item 1.0)

ID: A1070918

Report from Tegan Capp, Executive Assistant Customer Services - Community Resilience

Recommendation

That the presentations:

- • 'SH1 Loop Road Safety Improvements project' by Kelly Sullivan from the New Zealand Transport Agency
- • 'Regional Road Safety Update' by Senior Sergeant Ian Row from the New Zealand Police.

were received separately as below.

18. Northland Regional Land Transport Plan 2015-2018 Funding Uptake (Item 4.1)

ID: A1070907

Report from Chris Powell, Transport Manager

Moved (Yeoman/Geange)

Recommendation

1. That the report 'Northland Regional Land Transport Plan 2015-2018 Funding Uptake' by Chris Powell, Transport Manager and dated 29 May 2018, be received.

Carried

19. Regional Walking and Cycling Strategy - Update (Item 5.1)

ID: A1069030

Report from Jon Trewin, Policy Analyst and Jon Trewin, Policy Analyst

Moved (Martin/Geange)

Recommendation

1. That the report 'Regional Walking and Cycling Strategy - Update' by Jon Trewin, Policy Analyst and Darryl Jones, Economist and dated 22 May 2018, be received.

Carried

20. New Zealand Transport Agency Quarterly Report to Regional Transport Committee (Item 5.2)

ID: A1070928

Report from Chris Powell, Transport Manager

Moved (Geange/Dimery)

Recommendation

1. That the report 'New Zealand Transport Agency Quarterly Report to Regional Transport Committee' by Chris Powell, Transport Manager and dated 29 May 2018, be received.

Carried

Secretarial Note:

- The New Zealand Transport Agency will distribute a PDF version of the draft Transport Agency Investment Proposal to the Committee members and welcomes feedback from the Committee.
- The New Zealand Transport Agency will distribute their updated project prioritisation tables.

21. New Zealand Transport Agency Regional Transport Committee Representative (Item 5.3)

ID: A1070887

Report from Chris Powell, Transport Manager

Moved (Martin/Yeoman)

Recommendation(s)

1. That the report 'New Zealand Transport Agency Regional Transport Committee Representative' by Chris Powell, Transport Manager and dated 29 May 2018, be received.
2. That the formally nominated New Zealand Transport Agency Regional Transport Committee Representative Steve Mutton, Director, Regional Relationship – Upper North Island, be duly noted.

Carried

Secretarial Note:

- The Committee will send Peter Clark a letter to formally thank him for the positive contribution he made during his time as a member of the Regional Transport Committee.

22. Northland Road Safety Action Plan Update (Item 5.4)

ID: A1071509

Report from Ian Crayton-Brown, Transport Projects Officer

Moved (Dimery/Yeoman)

Recommendation

1. That the report 'Northland Road Safety Action Plan Update' by Ian Crayton-Brown, Transport Projects Officer NTA and Trish Rudolph, Regional Road Safety Advisor NZTA and dated 30 May 2018, be received.

Carried

23. Confirmation of Minutes - Regional Transport Committee Meeting 4 April 2018 (Item 6.1)

ID: A1070967

Report from Tegan Capp, Executive Assistant Customer Services - Community Resilience

Moved (Martin/Geange)

Recommendation

1. That the minutes of the Regional Transport Committee meeting held on the 4 April 2018 be confirmed as a true and correct record.

Carried

Conclusion

The meeting concluded at 11.52am.

TITLE: Business with the Public Excluded

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	Reasons/Grounds
9.1	Confirmation of Confidential Minutes - 15 May 2018	The public conduct of the proceedings would be likely to result in disclosure of information, as stated in the open section of the meeting -.
9.2	Receipt of Confidential Committee Minutes	The public conduct of the proceedings would be likely to result in disclosure of information, as stated in the open section of the meeting -.
9.3	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 s7(2)(a).
9.4	Appointment of Northland Inc. Directors	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 s7(2)(a).
9.5	Marsden Point Rail Link Properties	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h) and the withholding of which is necessary to enable council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(i).
9.6	Consolidation of Council's Freehold Interests in Whangārei's CBD	The public conduct of the proceedings would be likely to result in disclosure of information, the withholding of which is necessary to enable council to carry out, without prejudice or disadvantage, commercial activities s7(2)(h) and the withholding of which is necessary to enable council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(i).

3. That the Independent Financial Advisor be permitted to remain during business with the public excluded.

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.