

Council

Tuesday 24 July 2018 at 10.30am

AGENDA

Northland Regional Council Agenda

Meeting to be held in the Council Chamber
36 Water Street, Whangārei
on Tuesday 24 July 2018, commencing at 10.30am

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

Item	Page
Housekeeping	
1.0 APOLOGIES	
2.0 DECLARATIONS OF CONFLICTS OF INTEREST	
3.0 HEALTH AND SAFETY REPORT	5
4.0 COUNCIL MINUTES/ACTION SHEET/COUNCIL WORKING PARTY AND WORKING GROUP UPDATES	
4.1 Confirmation of Minutes - 21 June 2018	7
4.2 Receipt of Action Sheet	30
4.3 Council Working Party Updates and Chairpersons' Briefings	32
4.4 Council Working Group Updates	34
5.0 FINANCIAL REPORTS	
5.1 Approval to write off bad debt	35
6.0 DECISION MAKING MATTERS	
6.1 Amendment to Delegations	37
6.2 Marsden Maritime Holdings Ltd - Appointment of Directors	40
6.3 Regional Software Holdings Limited Statement of Intent 2019-2021	42
7.0 OPERATIONAL REPORTS	
7.1 Chair's Report to Council	57
7.2 Chief Executive's Report to Council	60
7.3 Formal Lodgement of the Ngāti Kuri Environmental Management Plan	87
7.4 Audit Report on the Long Term Plan 2018-2028	88
8.0 RECEIPT OF COMMITTEE MINUTES	101
9.0 BUSINESS WITH THE PUBLIC EXCLUDED	116

- 9.1** Confirmation of Confidential Minutes – 21 June 2018
- 9.2** Receipt of Confidential Committee Minutes
- 9.3** Human Resources Report
- 9.4** Purchase of a Hīhīaua Precinct Property
- 9.5** Purchase of a Commercial Property in Kaitāia
- 9.6** Sale of Council's Lessor's Interest to Freehold a Whangārei CBD Property
- 9.7** Proposal for a significant property development

<p>ACC - Accident Compensation Corporation AHB - Animal Health Board ALGIM - Association of Local Government Information Management AMA - Aquaculture Management Area AMP – Asset Management Plan/Activity Management Plan BOI - Bay of Islands BOPRC - Bay of Plenty Regional Council CAPEX - Capital Expenditure (budget to purchase assets) CBEC - Community, Business and Environment Centre CDEM - Civil Defence Emergency Management CEG - Co-ordinating Executive Group – Northland Civil Defence management team CEO - Chief Executive Officer CIMS - Co-ordinated Incident Management System (emergency management structure) CMA - Coastal Marine Area CPCA - Community Pest Control Areas CRI - Crown Research Institute DHB - District Health Board DOC - Department of Conservation DOL - Department of Labour DPMC - Department of Prime Minister and Cabinet ECA - Environmental Curriculum Award ECAN - Environment Canterbury EE - Environmental Education EECA - Energy Efficiency Conservation Authority EEZ - Exclusive Economic Zone EF - Environment Fund EMA - Employers and Manufacturers Association EMC - Environmental Management Committee EOC - Emergency Operations Centre EPA - Environmental Protection Authority FDE - Farm Dairy Effluent FNDC - Far North District Council FNHL - Far North Holdings Limited FPP - First Past the Post – voting system for NRC elections GE - Genetic Engineering GIS - Geographic Information System GMO - Genetically Modified Organism HSNO - Hazardous Substances & New Organisms Act HBRC - Hawke's Bay Regional Council HEMP - Hapū Environmental Management Plan Horizons - Brand name of Manawatu-Wanganui Regional Council HR - Human Resources HSWA - Health and Safety at Work Act 2015 IEMP - Iwi Environmental Management Plan IPPC - Invited Private Plan Change: a process to allow Aquaculture Management Areas to be established IRIS - Integrated Regional Information System KDC - Kaipara District Council KPI - Key Performance Indicator LATE - Local Authority Trading Enterprise LGA - Local Government Act 2002 LGNZ - Local Government New Zealand LGOIMA - Local Government Official Information and Meetings Act 1987 LGOL - Local Government Online LTP - Long Term Plan LTFS - Long Term Financial Strategy MCDEM - Ministry of Civil Defence & Emergency Mgmt MFE - Ministry for the Environment MHWS - Mean High Water Springs MMH - Marsden Maritime Holdings Limited MNZ - Maritime New Zealand MOH - Ministry of Health</p>	<p>MOT - Ministry of Transport MPI – Ministry for Primary Industries MSD - Ministry of Social Development NCMC - National Crisis Management Centre NES – National Environmental Standards NDHB - Northland District Health Board NZRC - New Zealand Refining Company (Marsden Point) NGO - Non-Governmental Organisation NIF - Northland Intersectoral Forum NIWA - National Institute of Water and Atmosphere NORTEG - Northland Technical Advisory Group NZCPS - New Zealand Coastal Policy Statement NZTA - New Zealand Transport Agency NZQA - New Zealand Qualifications Authority NZWWA - New Zealand Water and Wastes Association OFI - Opportunity for Improvement ORC - Otago Regional Council OSH - Occupational Safety & Health (now Ministry of Business, Innovation and Employment) PCBU – Person Conducting Business or Undertaking PDF - Portable Document Format PPE - Personal Protective Equipment RAP - Response Action Plan RAQP - Regional Air Quality Plan RCP - Regional Coastal Plan RFI - Request for Information RFP - Request for Proposal RTC - Regional Transport Committee RLTS - Regional Land Transport Strategy RMA - Resource Management Act 1991 RMG - Resource Managers Group (Regional Councils) RMZ - Riparian Management Zone ROI - Return on Investment RPMS - Regional Pest Management Strategy RPS - Regional Policy Statement RSG - Regional Sector Group RTO - Regional Tourism Organisation RWASP - Regional Water and Soil Plan SIPO – Statement of Investment Policy and Objectives SITREP - Situation Report SMF - Sustainable Management Fund SOE - State of Environment (or) State Owned Enterprise SOLGM - Society of Local Government Managers SPARC - Sport & Recreation New Zealand SRC - Southland Regional Council (Environment Southland) STV - Single Transferable Vote SWAG - Surface Water Allocation Group SWPA - Sustainable Water Programme of Action TA - Territorial Authority: City & District Councils TAG - Technical Advisory Group Tier 1 - Site level plan or response for an oil spill Tier 2 - Regional level plan or response to an oil spill Tier 3 - National level plan or response to an oil spill TLA - Territorial Local Authority – City & District Councils TMP - Treasury Management Plan TOR - Terms of Reference TPK - Te Puni Kōkiri (Ministry of Maori Development) TRAION - Te Rūnanga a Iwi o Ngāpuhi TRC - Taranaki Regional Council TROTR - Te Rūnanga o Te Rarawa TUANZ - Telecommunications Users Association of NZ WCRC - West Coast Regional Council WDC - Whangarei District Council WHHIF - Whangarei Harbour Health Improvement Fund WRC - Waikato Regional Council WSMP – Workplace Safety Management Practices WWTP - Wastewater Treatment Plant</p>
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TITLE: Health and Safety Report
ID: A1085047
From: Tracey Warboys, Health and Safety Specialist

Executive summary

This report provides an update from the Health and Safety Specialist for the month of June 2018.

There is a 14% reduction in overall reporting levels from the previous year (133 vs 144). We continue to progress with our health and safety culture, however, the numbers above do not fully reflect this.

The Health and Safety Strategy is continuing to be developed and a working draft should be presented to the Health and Safety Committee in the next two months. Following this, the implementation and communications plans can be delivered.

Recommendation

That the report 'Health and Safety Report' by Tracey Warboys, Health and Safety Specialist and dated 6 July 2018, be received.

Background

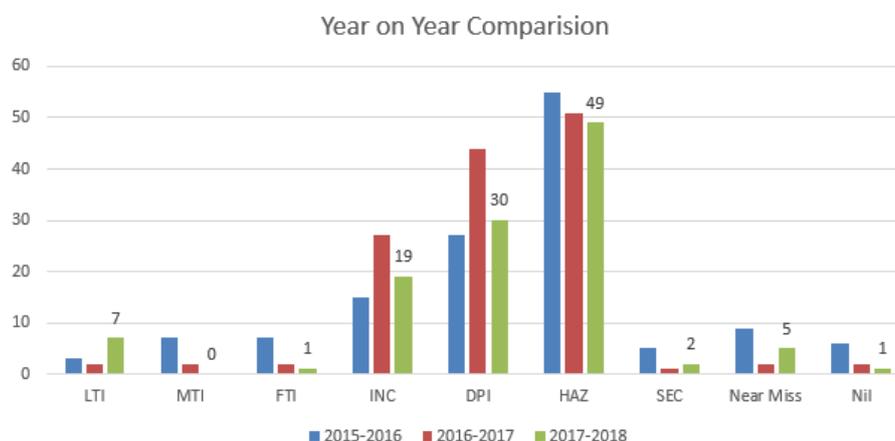
Reports on council's Health and Safety activities for the month of June 2018.

Summary of Events (only items of note documented)

Total of three reports for the period:

Lost Time Injury (1) – Employee stumbled on uneven ground and hurt ankle. While duty of care carried out by manager, employee reluctant to advise injury was not healing. Three weeks later, a scan revealed a torn Achilles. A Return to Work plan will be developed upon their return.

Serious Near Miss Update – Chemical incident at ReSort Centre. The investigation is complete with a number of recommendations and improvements already implemented.



Reporting Levels

As the culture changes we can expect an increase in the number of incident reports, which is counter-intuitive. There is an indicator that staff are taking safety seriously with safety conversations heard daily. This engagement will have a positive effect on rising reporting levels.

Internal policy and documentation review

- H&S Promapp continues.

Health and Safety Committee

- Committee workshopped areas of focus for 2018: actions are to now finalise the H&S strategy, develop a communications plan and raise near miss reporting.

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

- GM Corporate Excellence accompanied hydrology staff for the day observing their working practices. Where possible, field visits will be a monthly occurrence.
- Other site visits/events - nil issues.
- Other:
 - Presentations to group and team meetings will be scheduled promoting the use of Promapp's Heat Map.
 - The framework and structure to support Promapp's Training module is being developed.
 - Trialing a more 'fit for purpose' outdoor first aid course.

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 10 July 2018

TITLE: Confirmation of Minutes - 21 June 2018

ID: A1081375

From: Chris Taylor, Governance Support Manager

Recommendation

That the minutes of the council meeting held on 21 June 2018 be confirmed as a true and correct record.

Attachments

Attachment 1: Ordinary Council Minutes - 21 June 2018 [↓](#)

Authorised by Group Manager

Name: Chris Taylor

Title: 12 July 2018

Date: 29 June 2018

Northland Regional Council Minutes

Meeting held in the Council Chamber
36 Water Street, Whangārei
on Thursday 21 June 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

NRC Chief Executive
GM - Governance and Engagement
GM - Corporate Excellence
PA Corporate Excellence
Governance Support Officer

Part Meeting

NINC Chair
NINC Chief Executive Officer
NINC Directors (x3)
NINC GM Investment and Infrastructure
Independent Financial Advisor
GM - Customer Service - Community Resilience
GM - Environmental Services
GM - Regulatory Services
Strategy Specialist
Management Accountant
Economist
Biosecurity Manager
Biosecurity Specialist
Property Officer
Strategic Projects Manager
Finance Manager
Financial Accountant

The Chair declared the meeting open at 10.30am.

Apologies (Item 1.0)

**Moved (Sinclair/
Yeoman)**

That the apologies from the Independent Financial Advisor and GM Regulatory Services for delayed arrival be received.

Carried

Receipt of Supplementary Item (Item 2.0A)

ID: A1076941

Report from Dave Tams, Group Manager, Corporate Excellence

Moved (Shepherd/Sinclair)

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

- ITEM 6.6: 'Adoption of rating policies pertaining to the Kaipara and Whangārei districts' by Bree Torkington, Assistant Management Accountant

Carried

Declarations of Conflicts of Interest (Item 3.0)

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

1. Health and Safety Report (Item 3.0)

ID: A1073637

Report from Tracey Warboys, Health and Safety Specialist

Moved (Stolwerk/Yeoman)

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

Carried

2. Confirmation of Minutes - 15 May 2018 (Item 4.1)

ID: A1071567

Report from Chris Taylor, Governance Support Manager

Moved (Yeoman/Sinclair)

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

Carried

3. Receipt of Action Sheet (Item 4.2)

ID: A1073496

Report from Chris Taylor, Governance Support Manager

Moved (Stolwerk/Finlayson)

That the action sheet be received.

Carried

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

ID: A1059886

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

Moved (Sinclair/Blaikie)

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

Carried

5. Council Working Group Updates (Item 4.4)

ID: A1073942

Report from Nola Sooner, Land and Rivers Team Administrator/PA

Moved (Yeoman/Finlayson)

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

Carried

6. Financial Report to 31 May 2018 (Item 5.1)

ID: A1073269

Report from Vincent McColl, Financial Accountant

Moved (Sinclair/Blaikie)

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

Carried

7. 2018 Representation Arrangements Review Initial Proposal (Item 6.1)

ID: A1066262

Report from Chris Taylor, Governance Support Manager

Moved (Shepherd/Sinclair)

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

Carried

It was further moved (Bain/Finlayson)

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** (pertaining to Item 6.1 of the 21 June 2018 council agenda).
 - 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, 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.

Carried

It was further moved (Dimery/Finlayson)

3. Due to the tight timeframes of the Representation Arrangements Review, late submissions will not be accepted.

Carried

8. Adoption of the Long Term Plan 2018-2028, Revenue and Financing Policy, Financial Contributions Policy, Significance and Engagement Policy, Financial Strategy and Infrastructure Strategy (Item 6.2)

ID: A1069493

Report from Malcolm Nicolson, Chief Executive Officer

Moved (Stolwerk/Yeoman)

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.

Carried

Secretarial Note: Congratulations and appreciation were extended to all staff involved in the Long Term Plan process.

9. Adoption of the Charging Policy 2018/19 (Item 6.3)

ID: A1066433

Report from Kyla Carlier, Strategy Specialist

Moved (Sinclair/Yeoman)

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.

Carried

10. Rating Considerations Under Section 100T of the Biosecurity Act 1993 (Item 6.4)

ID: A1069926

Report from Don McKenzie, Biosecurity Manager

Moved (Blaikie/Smart)

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.

Carried

11. Rates for the year 1 July 2018 to 30 June 2019 (Item 6.5)

ID: A1063680

Report from Dave Tams, Group Manager, Corporate Excellence

Moved (Stolwerk/Yeoman)

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:

Including GST

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

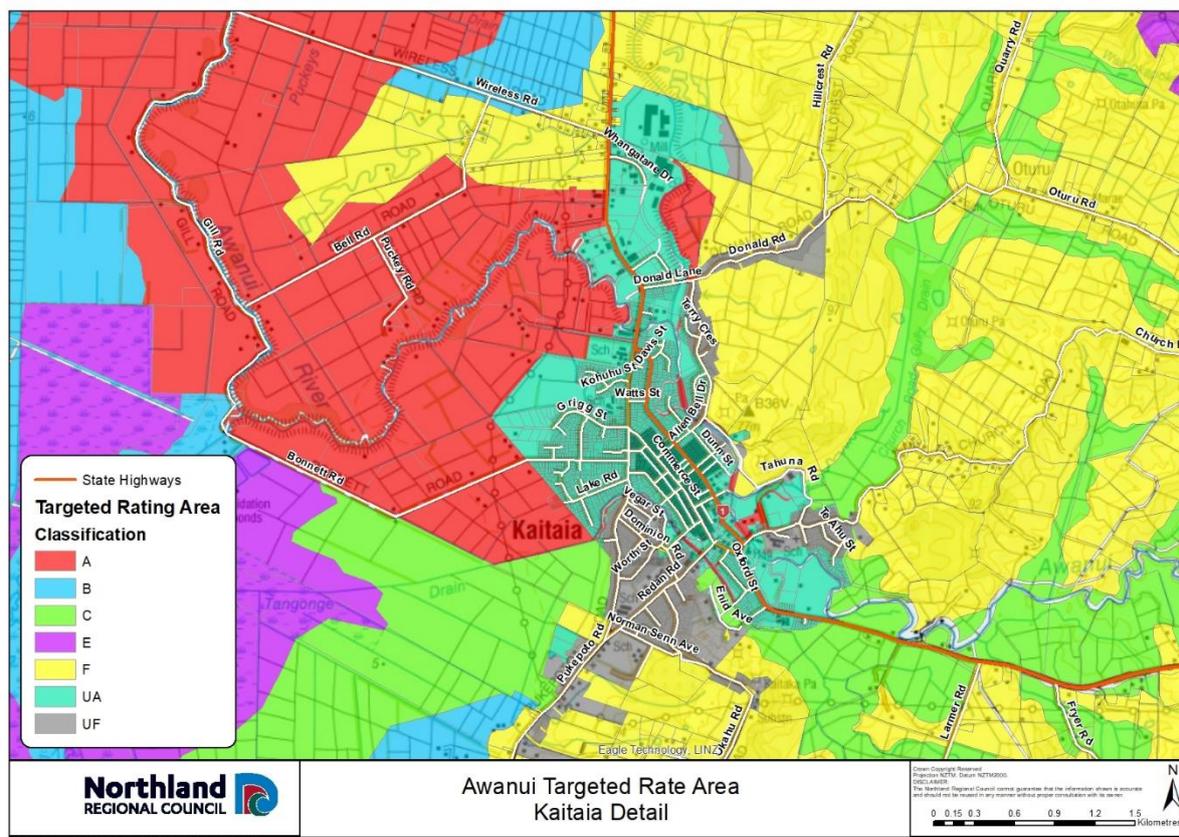
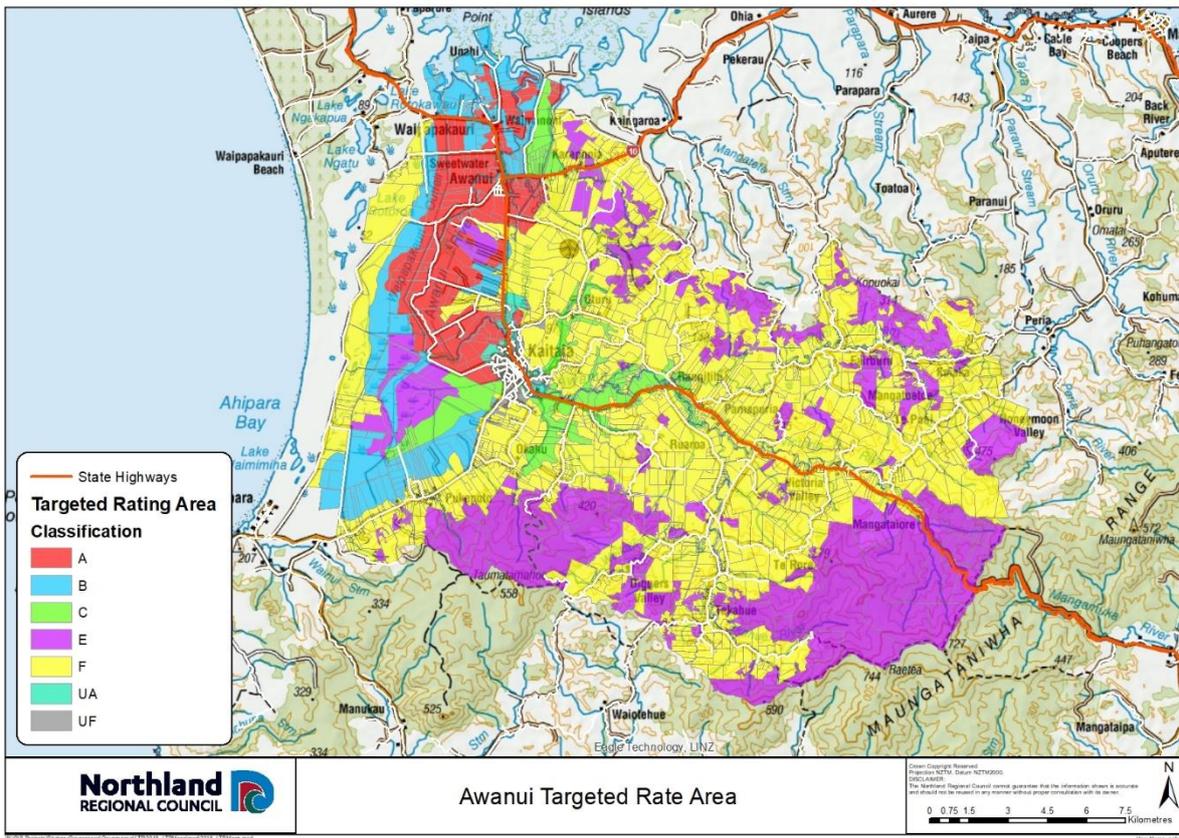
A targeted rate set under the LGRA, set differentially by location and area of benefit as defined in the Awanui River Flood Management Plan, and as defined in the following table:

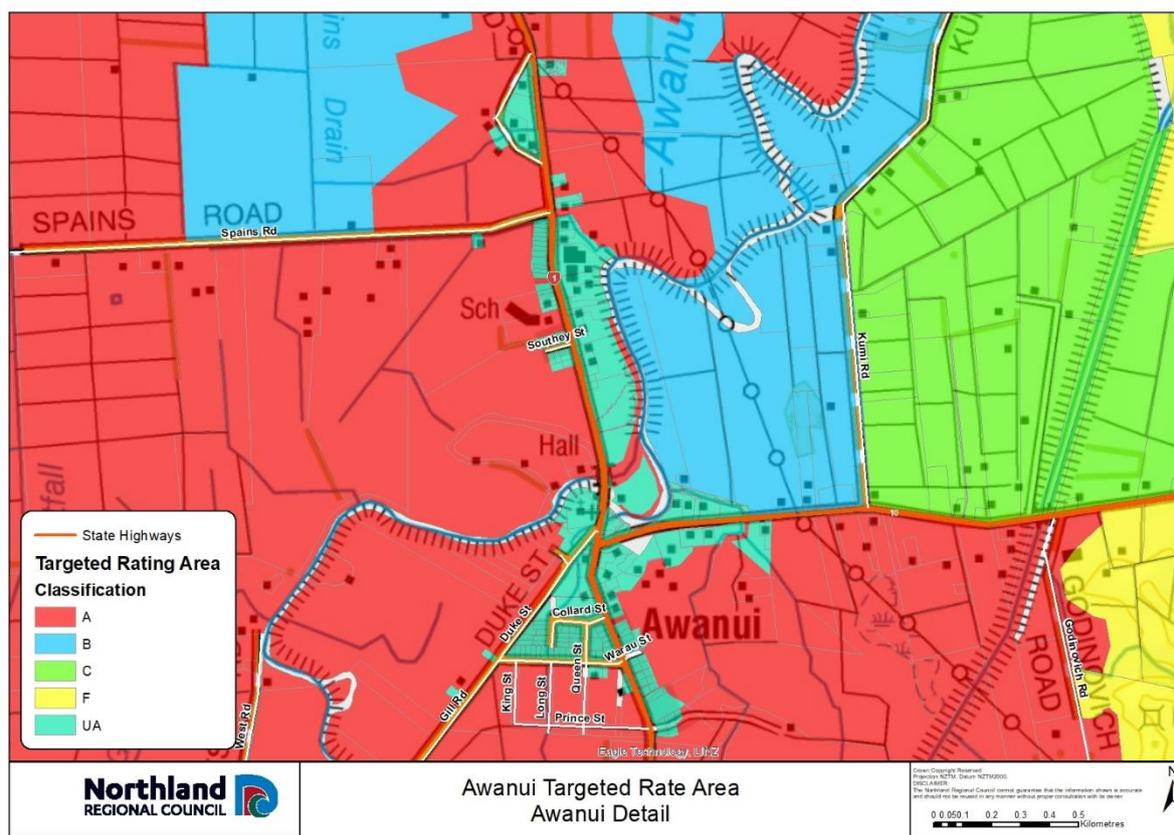
The rate is set differentially as follows:

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:



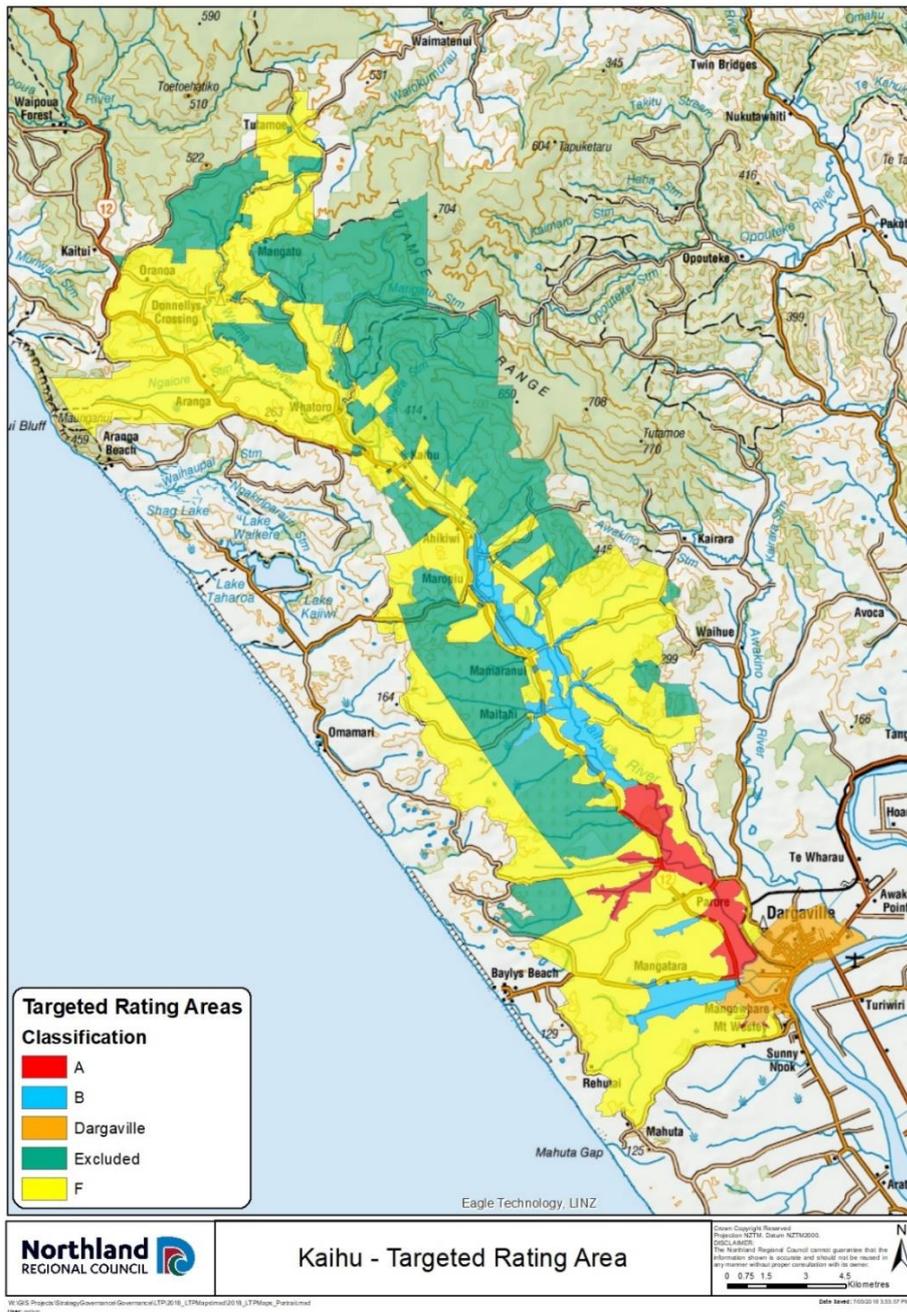


m. Targeted Kaihū River management rate

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
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

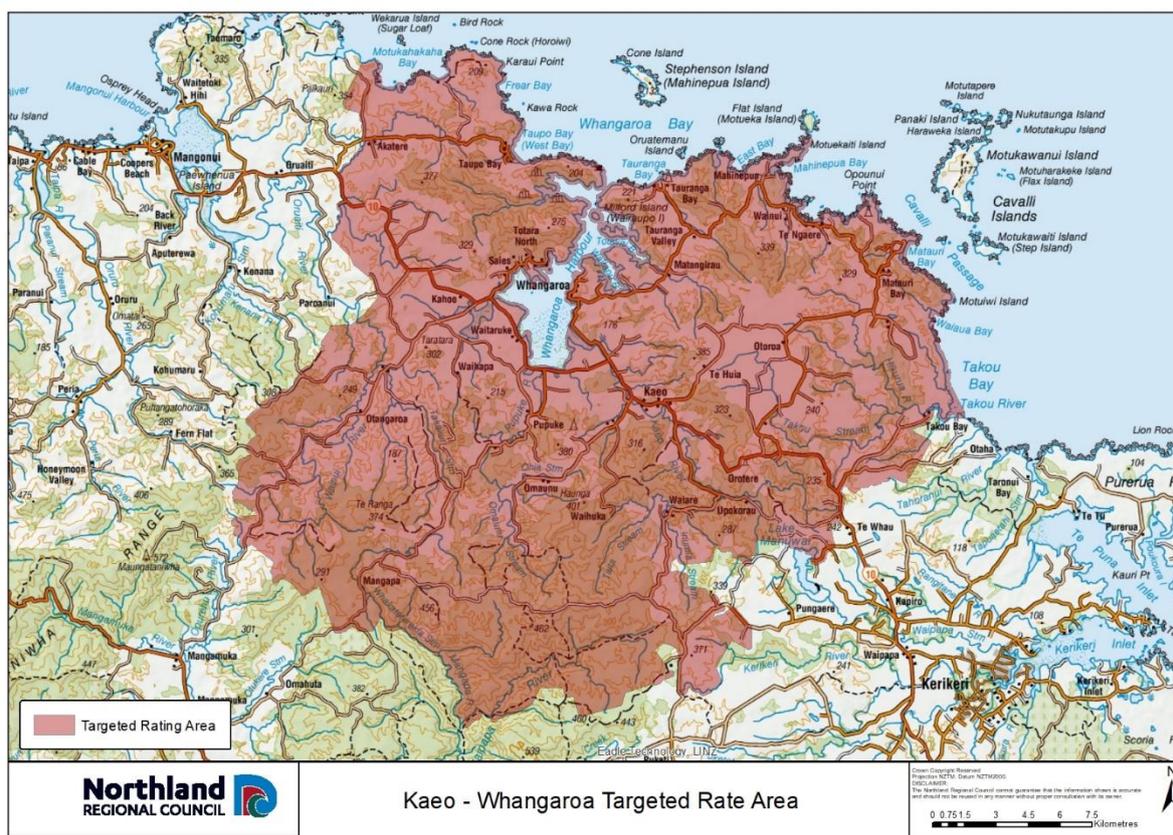
The rating classifications are illustrated in the following map:



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:

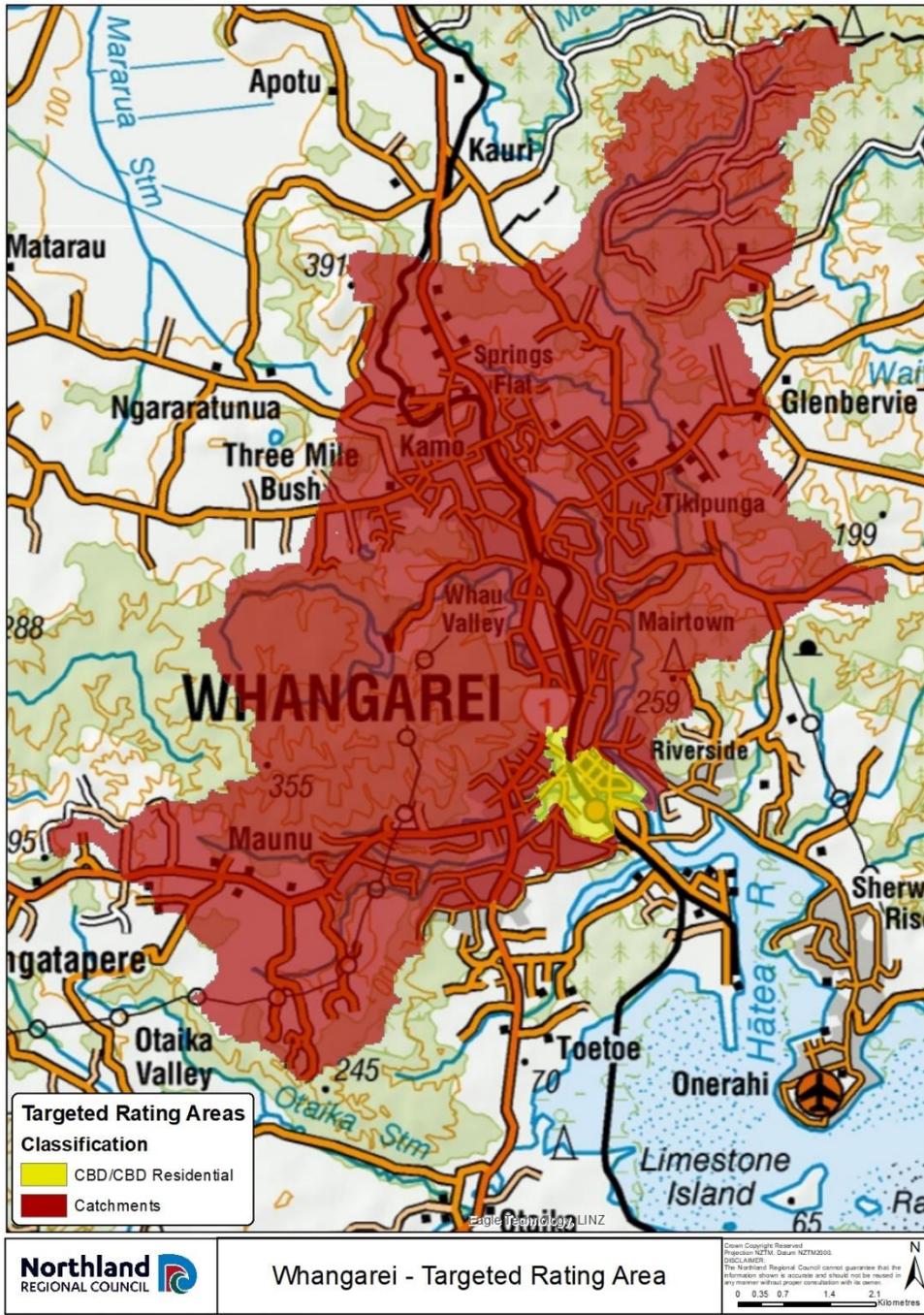
	Including GST
Former Whangaroa Ward	\$53.86 per SUIP



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		Including GST
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.

Carried

12. Adoption of rating policies pertaining to the Kaipara and Whangārei districts (Supplementary Item 6.6)

ID: A1071515

Report from Bree Torkington, Assistant Management Accountant

Moved (Yeoman/Stolwerk)

1. That the report 'Adoption of rating policies effective 1 July 2018' by Bree Torkington, Assistant Management Accountant and dated 30 May 2018, be received.

Carried

It was further moved (Yeoman/Stolwerk)

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 for the Kaipara district and Whangārei district (including the Policy on the Remission and Postponement of Rates on Māori Freehold Land), effective from 1 July 2018, included on pages 14-28 of the attachment pertaining to supplementary item 6.6 of the 21 June 2018 council agenda.
3. That council authorise 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.

Carried

13. Investment and Growth Reserve: Enabling Investment Allocation - Extended Regional Promotions (Item 6.7)

ID: A1073256

Report from Darryl Jones, Economist

Moved (Sinclair/Stolwerk)

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.

Carried

Secretarial Note: Items 6.8 and 7.3 were addressed following Item 8.0 to allow for the attendance of Northland Inc. Limited representatives.

14. Northland Inc. Limited: Statement of Intent 2018-2021 (Item 6.8)

ID: A1072819

Report from Darryl Jones, Economist

Moved (Sinclair/Stolwerk)

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 6.8 of the 21 June 2018 council agenda.

Carried

15. 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 (Item 6.9)

ID: A1073766

Report from Don McKenzie, Biosecurity Manager

Moved (Stolwerk/Finlayson)

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.

Carried

16. Amendment to the Northland Regional Council/Northland Transportation Procurement Strategy 2017 to 2021 (Item 6.10)

ID: A1073353

Report from Peter Thomson, Northland Transportation Alliance Manager, and Chris Powell, Transport Manager

Moved (Blaikie/Sinclair)

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').

Carried

17. Investment Subcommittee and Property Subcommittee Membership (Item 6.11)

ID: A1072173

Report from Dave Tams, Group Manager, Corporate Excellence and Phil Heatley, Strategic Projects Manager

Moved (Yeoman/Bain)

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.

Carried

18. Amendment to delegations (Item 6.12)

ID: A1073237

Report from Justin Murfitt, Resource Management Planning and Policy Manager

Moved (Yeoman/Sinclair)

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.

Carried

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

ID: A1071176

Report from Bill Shepherd, Chairman

Moved (Shepherd/Sinclair)

That the report 'Chair's Report to Council' by Bill Shepherd, Chairman, and dated 1 June 2018, be received.

Carried

Secretarial Note: Councillor Yeoman noted that she had not attended the Karikari estate event and requested that the report be amended accordingly.

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

ID: A1067281

Report from Malcolm Nicolson, Chief Executive Officer

Moved (Shepherd/Stolwerk)

That the report 'Chief Executive's Report to Council' by Malcolm Nicolson, Chief Executive Officer and dated 21 June 2018, be received.

Carried

Secretarial Note:

- *Appreciation was extended to the Biosecurity team for their work on the pest programme.*
- *Items 6.8 and 7.3 were addressed following Item 8.0 to allow for the attendance of Northland Inc. Limited representatives.*

21. Northland Inc. Limited: Reporting Against Statement of Intent - Quarter Three 2017/18 (Item 7.3)

ID: A1072767

Report from Darryl Jones, Economist

Moved (Finlayson/Smart)

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.

Carried

Secretarial Note: Item 8.0 was address prior to Items 6.8 and 7.3 to allow for the attendance of Northland Inc. Limited representatives.

22. Receipt of Committee Minutes (Item 8.0)

ID: A1072220

Report from Chris Taylor, Governance Support Manager

Moved (Smart/Dimery)

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.

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 - 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.

Carried

Conclusion

The meeting concluded at 11.55am.

TITLE: Receipt of Action Sheet
ID: A1084937
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: Action Sheet - July 2018 [↓](#)

Authorised by Group Manager

Name: Chris Taylor
Title: Governance Support Manager
Date: 06 July 2018

Id	Meeting	Date Completed	Description	Request Details	Most Recent Comment
4478	Council 24/04/2018	9/07/18	Security of client data.	That the IT Steering Group consider the security of client data and report back in due course.	All of council electronic information is stored in secure systems behind a managed firewall to ensure its security. Staff are educated on the privacy of client data, the public records act, and the location of where cloud data is stored. Security controls through software access and audit tracking are used as mitigation strategies. For physical controls, building security and computer screen locks provide satisfactory controls to secure client data council holds. These are noted on the council's risk register.
4518	Council 21/06/2018	3/07/18	Investment Subcommittee and Property Subcommittee Membership	That the TOR for the two subcommittees be amended for the approved alternate member.	Terms of Reference for both subcommittees have been amended.
4519	Council 21/06/2018	3/07/18	Amendment to delegations	To reflect the approved delegation to the GM – Regulatory in relation to section 274 of the RMA.	The Delegations Manual had been amended accordingly.

TITLE: Council Working Party Updates and Chairpersons' Briefings

ID: A1059887

Recommendation

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

Natural Resources Working Party

(Chair: Cr Justin Blaikie)

The working party met on 19 June 2018. The topics for discussion included:

- Presentation of research by Dr Darren Parsons, NIWA re Juvenile Snapper research in Whangārei Harbour
- Tree Removal - Rivers
- Environment Fund Criteria Review
- Shellfish Abundance Surveys – Introduce new target

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

- The Natural Resources Working Party supported NRC's approach to follow the Minor River Works – Guidelines.
- Environment Fund Criteria Review - Develop new criteria and eligibility to be presented to the Natural Resources Working Party for consideration prior to presenting to Council (new criteria to be implemented in July 2019).
- The Natural Resources Working Party supported the focus on abundance surveys for cockle and pipi.

Pest Management Working Party

(Chair: Cr Mike Finlayson)

The working party met on 20 June 2018. The topics for discussion included:

- Presentation: New Trap Technology
- Pig Control Strategy
- Long Term Plan Delivery Update – High Value Areas
- Engagement with Corrections Department for work on Environmental Outcomes

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

- A meeting to be held in July to discuss New Trap Technology.
- NRC staff to formulate a community plan for Pig Control in Takahiwai for a community engagement meeting.
- Staff to report back to the next Pest Management Working Party meeting on the predator pest control work undertaken by the Corrections Department.

Authorised by Group Manager

Name: Jonathan Gibbard

Title: Group Manager - Governance and Engagement

Date: 12 July 2018

TITLE: Council Working Group Updates

ID: A1079486

Recommendation

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

Awanui River Working Group (Chair – Councillor Mike Finlayson)

The Awanui River Working Group met on 29 June 2018. The topics for discussion included:

- Update on the Long Term Plan and Flood Infrastructure Rate
- Budget 2017/18
- Bells Hill Slip update
- Update on regional funding for emergency preparedness
- Regional LiDAR update

Following discussion, the Awanui River Working Group provided advice on the following next steps:

- The letter that will be sent to landowners affected by upcoming works to be circulated to members.
 - The Awanui River Kaitaia Upgrade Schedule to be posted on the NRC website.
 - Clarification to be provided to members regarding rates to be collected.
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Authorised by Group Manager

Name: Bruce Howse

Title: Group Manager - Environmental Services

Date: 09 July 2018

TITLE: Approval to write off bad debt

ID: A1080686

From: Simon Crabb, Finance Manager

Executive summary

Approval is sought to write off \$196,935 in respect to fines imposed on Clear Ridge Station Limited and Beejay Stud Limited by the District Court.

This is an accounting entry that is made against a corresponding specific provision created in 2016/17 and it will not impact on council's net surplus.

Recommendations

1. That the report 'Approval to write off bad debt' by Simon Crabb, Finance Manager and dated 26 June 2018, be received.
2. That \$196,935 owed by Clear Ridge Station Limited and Beejay Stud Limited is written off against a corresponding specific provision held in council's balance sheet.

Background

Following a successful prosecution in October 2016, Clear Ridge Station Limited and Beejay Stud Limited were fined a total of \$225K by the District Court, of which \$197K was ordered to be paid to council. No payment was received from these companies despite council's perseverance in pursuing the debt via the District Court collections department.

Consequently, the District Court judge instructed both companies to attend a second hearing where he ordered them to present their financial records. Council then engaged a Forensic Accountant who investigated the financial affairs of both companies and confirmed that neither had any assets nor the ability to pay their fines.

In 2016/17 council held a 100% provision specific to Clear Ridge Station and Beejay Stud. This means that any write off will be offset against this provision and no expense or loss will be reported in council's 2018/19 net surplus (as it has been covered under an earlier adjusting entry in the 2016/17 financial year).

There are no GST implications associated with this write off as fines are zero rated for GST purposes. Under council's Delegation Manual, debt write offs over \$5,000 require council approval.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Write off \$196,935 against a specific provision in respect to the amounts owed by Clear Ridge Station Limited and Beejay Stud Limited	Council's Accounts Receivable Ledger will accurately reflect the level of debt likely to be collected.	None

2	Status Quo	None	Council's Accounts Receivable Ledger will include debt that is very unlikely to be collected.
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The staff's recommended option is 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 because it is part of council's day-to-day activities, and in line with council's approved delegation manual.

3. Policy, risk management and legislative compliance

The activities detailed in this report are in accordance with council's Delegations manual which was approved in accordance with council's decision-making requirements of sections 76–82 of the Local Government Act 2002.

Further considerations

4. Financial implications

Any write offs processed against a specific provision created in an earlier year, will have no impact on council's net surplus in the current or future years.

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: 27 June 2018

TITLE: Amendment to Delegations
ID: A1077966
From: Dave Tams, Group Manager, Corporate Excellence

Executive summary

This report recommends an amendment to the delegations given to officers under the Local Government (Rating) Act 2002.

Recommendations

1. That the report 'Amendment to Delegations' by Dave Tams, Group Manager, Corporate Excellence and dated 22 June 2018, be received.
2. That council delegate to the Group Manager, Corporate Excellence all powers, duties and functions under the Local Government (Rating) Act 2002

Background

The LGRA 2002 delegates certain powers to the Chief Executive. The Act precludes the Chief Executive from further delegation of these powers.

Therefore, we are asking council to extend the Chief Executive delegations for all powers, duties and functions under the LGRA 2002 to the Group Manager, Corporate Excellence, in order that there is an alternative senior manager who can authorise activities required by the act (as per Attachment 1 - the proposed changes are in red).

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Amend council delegations	Administratively efficient and complies with the Local Government (Rating) Act 2002.	No material disadvantage.
2	Maintain the status quo	All delegations vested in one person.	Delegations are held too high within the organisation adding to the bureaucracy and administratively cumbersome.

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/or is part of council's day to day activities.

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

3. Policy, risk management and legislative compliance

The activities detailed in this report are compliant with the requirements of the Local Government (Rating) Act 2002 and consistent with council's Delegations Manual.

Legal advice has been sought and incorporated into the delegation proposed in Attachment 1.

Further considerations

Being a purely administrative matter, community views, Māori impact statement, financial implications and implementation issues are not applicable.

Attachments

Attachment 1: Extract from Delegations Manual [↓](#)

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 29 June 2018

Local Government (Rating) Act 2002

Note that the Local Government (Rating) Act 2002 prevents the Chief Executive from sub-delegating powers, duties and functions under that Act. The following are separate Council delegations direct to officers under that Act.

General Delegation

The council delegates all powers, duties and functions under the Local Government (Rating) Act 2002 (LGRA) to the Chief Executive and the Group Manager, Corporate Excellence, and for the specific sections identified below to the officers listed below subject to the restrictions set out in Schedule 2 (LGRA) and the Principles, terms and conditions of delegation contained in Part A of this manual, and excluding those matters in respect of which delegation is prohibited by any Act or regulation, or which are expressly excluded from this delegation.

This delegation does not preclude the council from referring any matter to a committee (including a subcommittee) of the governing body for a decision for any reason.

Scope of delegated LGRA functions, powers and duties: Restrictions/limitations

The following functions, powers or duties may only be exercised by an officer having the specified level of authority or higher.

LGRA Section	Description	Delegated to
57 & 58	The authority to take all steps necessary to approve the application of rates penalties in accordance with the relevant council resolutions.	Chief Executive Officer Group Manager, Corporate Excellence Finance Manager
63	The power to commence legal proceedings for the recovery of rates that are default.	Chief Executive Group Manager, Corporate Excellence
135	The power to sign documents as correct copies for the purpose of Court or Tribunal proceedings.	Chief Executive Group Manager, Corporate Excellence
85 & 114 & 109 of LGA	The authority to take all steps necessary to approve the remission of rates and remission of rate penalties in accordance with adopted council policies.	Chief Executive Group Manager, Corporate Excellence Finance Manager
87 & 115 & 110 of LGA	The authority to take all steps necessary to approve the postponement of rates in accordance with adopted council policies.	Chief Executive Group Manager, Corporate Excellence Finance Manager
	See LTP for other relevant policies	

TITLE: Marsden Maritime Holdings Ltd - Appointment of Directors

ID: A1083770

From: Dave Tams, Group Manager, Corporate Excellence

Executive Summary

Council has commenced a recruitment process to appoint directors to the board of Marsden Maritime Holdings Ltd. Council commenced the recruitment process in July 2018. This paper seeks the establishment of a committee to consider applications and conduct interviews, with responsibility to make a recommendation on preferred candidates to council.

Recommendations

1. That the report 'Marsden Maritime Holdings Ltd - Appointment of Directors' by Dave Tams, Group Manager, Corporate Excellence and dated 3 July 2018, be received.
2. That, consistent with council's policy on the appointment of directors to council organisations, council establishes a committee comprising of Chair Bill Shepherd, Deputy Chair David Sinclair, Cr Penny Smart, and Cr Paul Dimery, to consider applications and conduct interviews, with responsibility to make a recommendation on preferred candidates to council.
3. That council appoint Sandra McKersey as an independent member of the committee to provide advice and support. For the avoidance of doubt, Sandra will be a full member of the committee with voting rights.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Appoint a committee to conduct interviews and make recommendations to council on preferred candidates	A small committee of councillors will enable a more efficient and effective recruitment process. This is consistent with council's policy on the appointment of directors to council organisations, as contained in council's Long Term Plan.	Not all councillors will be involved in the interview process, and there is a risk that councillors not on the committee will not support the committee's recommendation.
2	Do not establish a committee, and all councillors are involved in the recruitment process	Greater likelihood of all councillors supporting the decision to appoint directors.	Not consistent with council's policy on the appointment of directors to council organisations.

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/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

This decision is consistent with council's policy on the appointment of directors to council organisations, as specified in council's Long Term Plan 2018–2028.

Further considerations

Being a purely administrative matter, community views, Māori impact statement, financial implications and implementation issues are not applicable.

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 05 July 2018

TITLE: **Regional Software Holdings Limited Statement of Intent 2019-2021**

ID: A1081796

From: Carol Cottam, Information Services and Technology Manager

Executive summary

The purpose of this report is to lay before council Regional Software Holdings Limited Statement of Intent 2019-2021 (attached).

Recommendations

1. That the report 'Regional Software Holdings Limited Statement of Intent 2019-2021' by Carol Cottam, Information Services and Technology Manager and dated 28 June 2018, be received.
 2. That council note Regional Software Holdings Limited's Statement of Intent 2019-2021 as set out in Attachment 1.
-

Background

1. Attached is Regional Software Holdings Limited's Statement of Intent 2019-2021.
2. The Regional Software Holdings Limited's board is seeking to provide a broader shared service vehicle for the Regional Council sector, with this direction reflected in the revised Vision and Mission statements presented in the Statement of Intent.
3. This intention to provide a broader shared service for the sector is also reflected in the Statement of Financial Performance. This will be cost neutral for RSHL with the income and expenditure balancing out. A proportion of overheads will be recovered through this process.
4. RSHL is committed to ensuring that the IRIS software solution is based on a fully supported and future-facing technology platform. As part of this commitment, RSHL is intending to invest in a technology refresh programme that will see capital investment shifting from the current platform towards the design and delivery of a future technology platform.
5. Whilst some interest in the use of IRIS has been expressed from other councils, the draft Statement of Intent has not assumed any additional contributions from potential new customers while these discussions progress. However, indications are that other regional councils are likely to use IRIS in the future.

Considerations

1. Options

No.	Option	Advantages	Disadvantages
1	Agree to Statement of Intent for RSHL	SOI for RSHL is agreed by council. Council's investment is managed appropriately.	None.
2	Do not agree to Statement of Intent for RSHL	None.	SOI for RSHL is not agreed by council. Council's shareholding may not be managed appropriately.

The staff's recommended option is 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 the council's significant and engagement policy because it is part of council's day to day business.

3. Policy, risk management and legislative compliance

This decision is consistent with council's policy as a shareholder of RSHL.

Further considerations

Being a purely administrative matter, community views, Māori impact statement, financial implications and implementation issues are not applicable.

Attachments

Attachment 1: Regional Software Holdings Limited Statement of Intent [↓](#)

Authorised by Group Manager

Name: Dave Tams
Title: Group Manager, Corporate Excellence
Date: 11 July 2018

Regional Software Holdings Limited

Statement of Intent 2019/2020/2021

June 2018
Version 0.2

1 Introduction

This Statement of Intent is a public declaration of the activities and intentions of Regional Software Holdings Limited (RSHL). The statement outlines the Directors' accountabilities to the shareholders for corporate performance, as is intended by Schedule 8 of the Local Government Act 2002.

RSHL has no subsidiaries or joint ventures.

1.1 Vision

To provide a high quality shared service for the Regional Council sector (and associated agencies) that delivers value to shareholders, customers and the sector.

1.2 Mission

Sponsor collaboration through the Regional Council special interest groups and provide a vehicle for delivering shared solutions and services to the sector in accordance with our values and in a manner that achieves:

- Consistent, common and efficient regional council specific processes and functions
- Value through economies of scale
- Reduced risk through ensuring continuity of supply and control of the destiny of Regional Council sector specific software
- Greater influence with central government through demonstration of a more cohesive and collaborative sector

1.3 Nature and Scope of Activities to be Undertaken

RSHL provides a framework for collaboration between the shareholders and across the wider regional council sector. It supports the procurement or development of shared software services and products in a manner that provides greater consistency in how we operate our core processes and a more cost effective alternative than individual councils can achieve on their own.

The company operates through managed contractual arrangements, and by facilitating collaborative initiatives between councils' staff. Some councils are both customers of RSHL and providers of service to RSHL.¹

¹ From: Constitution of regional Software Holdings Ltd, Section 1.1

Whilst the current flagship of RSHL is the Integrated Regional Information System (IRIS), the scope of activities for RSHL is not limited to the IRIS application suite. Future activities will be identified by Shareholder Councils. New opportunities will be identified, and priorities set in the Business Plan, other opportunities may arise and be investigated on a case by case basis. New activities will require explicit Board approval.

1.4 Values

In all RSHL decisions and interactions the Board and staff together with member council participants who may be working within the RSHL framework will observe the following values and ethos:

- The best decision is that which provides the best end result, primarily for our shareholder councils but also our customer councils, and indirectly the communities they serve.
- We are forward thinking and innovative
- We are responsive and deliver value ☑ We are professional and accountable
- We are flexible and open
- Our solutions will be practical, appropriate to the scale of the problem and affordable
- Where appropriate we will utilise codes of practice and standards produced by industry groups
- All parties to any decision or interaction will be treated with respect, dignity, integrity, and honesty.

1.5 Possible New Customers and Shareholders

RSHL seeks to reduce costs to the existing shareholders and increase its influence in Regional Council sector information systems by increasing the user base for IRIS and expanding the product suite.

RSHL responds to requests from Councils and organisations that show potential interest in using the IRIS software.

The potential market for the IRIS application is New Zealand Regional Councils and Unitary Authorities.

RSHL seeks to extend its collaboration framework and service delivery beyond the scope of the IRIS software product. In line with this intention, RSHL will sponsor collaboration through the Regional Council special interest groups and provide a vehicle for delivering shared solutions and services to the sector in order to achieve consistent, common and efficient regional council specific processes and value through economies of scale. RSHL will work alongside the special interest groups to agree and deliver the collaborative work programme and this will operate on a cost recovery basis.

2 Objectives

The principal objective of RSHL is to deliver on the vision, mission and values.

The secondary objective of RSHL is to:¹

- a) achieve the objectives of its Shareholders, both commercial and non-commercial as specified in this Statement of Intent;
- b) be a good employer;
- c) exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which the Company operates and by endeavouring to accommodate or encourage these when able to do so.

3 Board's Approach to Governance

Members of RSHL's Board of Directors are appointed by the shareholders to govern and direct RSHL's activities. The Shareholders Agreement states that each shareholder has the right to appoint one Director, and that person will be the CEO, or a person nominated by the CEO.² The Constitution allows each Director to appoint an alternative director.³ The Constitution also allows the Shareholders to appoint independent directors.⁴ The Constitution requires that the Board collectively must have relevant knowledge and experience of finance, public bodies, management, governance, and IT management.⁵

The Board is the overall final body responsible for all decision-making within the company. The Board is accountable to its shareholders for the financial and non-financial performance of the company.

Directors' behaviour is to comply with Institute of Directors' standards for code of Conduct. The purpose of the code is to clarify how the Board of Directors shall define and deal with:

- The role and fundamental obligations of the Board
- Independence and conflict of interest, including conflict with management
- Board procedures, including the role of the Chairman and interaction with the General Manager
- Reliance on information and independent advice
- Confidentiality of company information
- Board and Director performance review and development

RSHL will conduct itself in accordance with its Constitution, its annual Statement of Intent agreed with shareholders, the provisions of the Local Government Act 2002 and the Companies Act 1993.

4 Ratio of Consolidated Shareholder's Funds to Total Assets

It is intended that the proportion of equity to total assets be in excess of 60%.

5 Accounting Policies

The financial statements of RSHL have been prepared in accordance with the requirements of the Local Government Act 2002 and the Companies Act 1993, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZGAAP).

The financial statements have been prepared in accordance with Tier 3 Public Benefit Entity (PBE) Standards.

Appendix 1 includes RSHL's Accounting Policies

² RSHL Shareholders Agreement clause 4.1

³ RSHL Constitution clause 8.3

⁴ RSHL Constitution clause 8.4

⁵ RSHL Constitution clause 8.6

6 Performance Targets and Other Measures

Performance targets by which the success of the company may be judged in relation to its objectives are:

		2017/18	2018/19	2019/20
Non Financial	Undertake an annual survey of users and shareholder/customer Councils in relation to product performance, Datacom support and RSHL support. Baseline to be developed following the completion of the first survey.	Applies each year		
	Develop, approve, communicate and refine the annual roadmap for RSHL major enhancement projects. Draft annual roadmap presented to the Board by 31 December of each year for the following year. Adoption by the Board by 30 June of each year.	Applies each year		
	Major Enhancement projects identified on the Annual Roadmap are all completed within approved budget or (for items in progress) on track against their agreed timeline and budget at 30 June of each year.	Applies each year		
	Budgets for support and minor enhancements are approved by the Board by 30 June each year and delivery within these budgets is effectively managed by the Advisory Group.	Applies each year		
	User Groups and business representatives are engaged in the development of the Major Enhancement Annual Roadmap.	Applies each year		

Financial	RSHL will operate within 5% (plus or minus) of its shareholder approved annual budget.	Applies each year		
	Annual charges for shareholders and customers to be at level approved by the Board and Shareholder Councils based upon the approved operating budget and budgets for major and minor enhancements.	Applies each year		
	Monitor the regional council sector market and explore/respond to opportunities to expand the customer and/or shareholder base of RSHL.	Applies once in 3 year period		
	Consider, evaluate and, if appropriate, implement new service areas or areas outside of the current scope of IRIS ⁶	Applies each year		
	Be a service delivery agent for wider regional council sector and related bodies information management projects (ReCoCo) and related shared services. Projects to be delivered on time and on budget as agreed in each of the Statements of Work between RSHL and the Regional Council Corporate Services SIG.	Applies each year		

⁶ Consider does not mean commit to do, but to identify & evaluate one or more opportunities

7 Distribution of Profits to Shareholders

RSHL does not have an objective to make a profit. It seeks to provide products and services at lower costs, and/or higher levels of service than shareholder councils can achieve on their own.

In order for RSHL to be subject to tax, generally it must meet the business test. Fundamental to this is a profit motive. Given the basis under which this CCO operates is to minimise the costs and generally operate on a cost recovery basis and that a pecuniary profit is not intended and highly unlikely, the lack of a profit motive is real.

The RSHL Shareholders agreement states "If Operating Expenses for a fiscal year are less than the budgeted amount for such year, the Company will retain the funds for application to Operating Expenses for the subsequent fiscal year"⁷. Therefore there will not be a profit available for distribution.

8 Information to Be Provided to the Shareholders

The company will deliver the following Statements to shareholders:

- Within two months of the end of the first half of the financial year the following unaudited statements: Statement of Financial Performance, Statement of Financial Position, Statement of Cash flows and Service Performance.
- Within two months of the end of the financial year the following audited statements: Statement of Financial Performance, Statement of Financial Position, Statement of Cash flows, Service Performance plus a summary of how the company has fared against its objectives and prospects for the next financial year, and a report on the company's medium to long-term plans.
- The Directors shall approve by 1 March of each year a Draft Statement of Intent for the consideration of shareholders. The Directors must then consider any comments on the Draft Statement of Intent that are made to it within two months of 1 March by the shareholders and deliver the completed Statement of Intent to the shareholders by 30 June
- Preparation of a draft Business Plan will begin each November, for the financial year that commences on the following June. This early preparation is to allow Shareholder Councils the ability to include any changes in Annual Fees, or any other form of financial impact, in their council's budget processes. The board are to approve the business plan by the end of March prior to the commencement of the new financial year.
- Any new developments which have not been covered in the statement of corporate intent for the year. Including, but not limited to, an update on any outcomes arising from any changes in shareholding, including the effect on individual council's shareholdings and apportionment of costs.
- Details of possible scenarios that might be foreseen that could result in annual fees increasing above the CPI index.
- Any other information which would normally be available to a shareholder, thereby enabling the shareholder to assess the value of its investment in the company.

9 Procedures for Major Transactions and Other Acquisitions and Disposals

The Company will not enter into major transactions as defined in Section 129(2) of the Companies Act 1993 without the consent of the shareholders.

⁷ Shareholders Agreement, clause 7.4

10 Procedures for Issue of Shares

The RSHL shareholder agreement requires the approval of the Shareholders holding at least of 75% of the shares for “the issuing or acquisition of any Shares or any change to the rights attaching to any Shares”⁸.

11 Activities for Which Compensation Is Sought

The Directors’ estimate of the commercial value of the Shareholders’ investment in RSHL is equal to the Shareholders’ equity in the Company. Reassessment of the value of this shareholding shall be undertaken on or about 30 June each year.

The technologies used to develop the IRIS product will eventually reach the end of their useful life. From time to time, RSHL will need to reinvest to ensure the underlying technology remains fit for purpose and current. Whilst there is currently no outstanding need for reinvestment, future statements of intent will identify and provide for this reinvestment

12 Estimate of Commercial Value of The Shareholder’s Investment

The Directors’ estimate of the commercial value of the Shareholders’ investment in RSHL is equal to the Shareholders’ equity in the Company. Reassessment of the value of this shareholding shall be undertaken on or about 30 June each year.

The technologies used to develop the IRIS product will eventually reach the end of their useful life. From time to time, RSHL will need to reinvest to ensure the underlying technology remains fit for purpose and current. Whilst there is currently no outstanding need for reinvestment, future statements of intent will identify and provide for this reinvestment

13 Shareholding

Regional Software Holdings Limited (RSHL) was formed on 17 October 2012. At the time of formation the company issued 10,000 shares to its shareholders based on a previously agreed sizing formula. The following shareholding was agreed:

Shareholder	Percentage	# of shares
Waikato Regional Council	32.75%	3,275
Northland Regional Council	16.75%	1,675
Horizons Regional Council	15.50%	1,550
Taranaki Regional Council	15.50%	1,550
Southland Regional Council	15.50%	1,550
West Coast Regional Council	4.00%	400

⁸ RSHL Subscription & Shareholders’ Agreement Section 5.1 (b)

Statement of Intent 2017-2020
Regional Software Holdings Limited
Statement of Financial Performance
For the 12 Months to 30 June

2017-18 Budget		2018/19 SOI	2019/20 Indicative	2020/21 Indicative
Income				
1,098,534	Members Contribution	1,117,579	1,139,931	1,162,730
1,098,534		1,117,579	1,139,931	1,162,730
<u>Other Income</u>				
-	Interest Received	600	600	600
58,905	Council Specific Funding	62,750	63,691	64,647
-	Regional Sector Share Services	500,000	500,000	500,000
-	User Funding	148,463	150,690	152,950
1,157,439	Total Income	1,829,392	1,854,912	1,880,926
Expenditure				
<u>Administration costs</u>				
39,103	Administration costs	2,825	2,843	2,861
6,926	Accounting & Technical Support	23,295	23,302	23,310
5,237	Audit & Legal fees	11,100	11,267	11,435
203,205	Datacom Support Services	178,000	178,000	178,000
-	Technical Services	50,000	30,000	30,000
13,303	Environment Charges	10,500	10,658	10,817
120,454	Management Fees	157,500	157,500	157,500
-	Promotional Costs	10,000	-	-
30,000	Independent Director's Fees	30,000	30,000	30,000
-	Travel & Meeting Costs	7,000	7,000	7,000
-	Regional Sector Share Services	500,000	500,000	500,000
58,905	Other Direct Software	62,750	63,691	64,647
477,133	<i>Total administration costs</i>	1,042,970	1,014,261	1,085,106
<u>Sundry other costs</u>				
680,306	Depreciation	786,423	896,442	980,398
	Total expenditure:	1,829,763	1,910,702	1,995,968
-	Surplus/(deficit) before Tax	-	(57,790)	(115,042)
	Income Tax Expenses			
-	Surplus/(deficit) after Tax	-	(57,790)	(115,042)

Regional Software Holdings Limited
Statement of Financial Position
As at 30 June

2017/18 Budget		2018/19 SOI	2019/20 Indicative	2020/21 Indicative
	ASSETS			
	Current Assets			
161,702	Bank Accounts and Cash	137,932	81,164	7,916
-	Debtors and Prepayments	-	-	-
	Non-Current Assets			
5,214,781	Property, Plant & Equipment	5,202,007	5,201,093	5,159,722
<u>5,376,483</u>	Total Assets	<u>5,339,939</u>	<u>5,282,257</u>	<u>5,159,722</u>
	LIABILITIES			
	Current Liabilities			
-	Creditors and Accrued Expenses	-	-	-
-	Income Received in Advance	-	-	-
-	Total Liabilities	-	-	-
<u>5,376,483</u>	NET ASSETS	<u>5,339,939</u>	<u>5,282,257</u>	<u>5,159,722</u>

Represented by:

2017-18 Forecast		2018/19 SOI	2019/20 Indicative	2020/21 Indicative
	Equity			
5,149,150	Equity	5,149,150	5,149,150	5,149,150
32,675	Current Year Earnings	-	(57,682)	(122,535)
158,473	Retained Earnings	190,790	190,790	133,107
<u>5,340,298</u>	Total Equity	<u>5,339,939</u>	<u>5,282,257</u>	<u>5,159,722</u>

Regional Software Holdings Limited
Statement of Cash Flows
For the 12 Months to 30 June

2017-18 Budget		2018/19 SOI	2019/20 Indicative	2020/21 Indicative
Cash flows from Operating Activities				
Cash received from:				
58,905	Receipts from customers	711,213	714,381	717,597
1,098,534	Shareholder contributions	1,117,579	1,139,931	1,162,730
-	Interest	600	600	600
-	Income Tax Paid (refunded)	-	-	-
1,157,439	Total Operating Receipts	1,829,392	1,854,912	1,880,926
Cash applied to:				
477,133	Payments to suppliers	1,042,970	1,014,261	1,015,571
-	Income Tax Paid (refunded)	-	-	-
-	Interest W/holding tax paid	-	-	-
477,133	Total Operating Payments	1,042,970	1,041,261	1,015,571
680,306	Net cash from operating	786,422	840,651	865,356
Cash flow from Investing Activities				
Cash received from:				
-	Sale of Fixed Assets	-	-	-
-	Investment Maturities	-	-	-
-	Total Investment Receipts	-	-	-
Cash applied to:				
690,688	Purchase of Fixed/ Intangible assets	785,248	840,652	860,467
-	Investment deposits	-	-	-
690,688	Total Investment Payments	785,248	840,652	860,467
(690,688)	Net cash from investing	(785,248)	(897,652)	(860,467)
Cash flow from Financing Activities				
Cash received from:				
-	Capital contributions	-	-	-
-	Investment maturities	-	-	-
-	Total Financing Receipts	-	-	-
Cash applied to:				
-	Capital repaid	-	-	-
-	Total Financing Payments	-	-	-
-	Net cash from financing	-	-	-
Net increase (decrease) in cash-flow				
(10,382)	for the year	1,175	-	4,888
172,084	Opening cash balance	136,758	137,932	137,932
161,702	Closing cash balance	137,932	137,932	142,820
Made up of:				
24,998	Current account	25,000	25,000	25,000
136,704	Auto-call account	112,932	112,932	117,820
161,702		137,932	137,932	142,820

Appendix 1: Accounting Policies

1 General Information

Reporting Entity

Regional Software Holdings Limited (RSHL) is a Council Controlled Organisation (CCO), owned by Waikato Regional Council (32.75%) Northland Regional Council (16.75%) Horizons Regional Council (15.50%) Taranaki Regional Council (15.50%) Southland Regional Council (15.50%) and West Coast Regional Council (4.00 %.) RSHL was incorporated on 17 October 2012.

RSHL was primarily incorporated for the purposes of managing the investment and development of IRIS Software, and has designated itself a Public Benefit Entity (PBE), in keeping with the designation of the shareholders.

Public Benefit Entity Simple Format Reporting

RSHL qualifies for Public Benefit Simple Format Reporting – Accrual (PBE-SFR-A) on the basis that the Company does not have publically accountable (as defined) and has total annual expenses of less than \$2 million.

Basis of Preparation of the Financial Statements

The prospective financial statements have been prepared on the going concern basis, and the accounting policies have been applied consistently throughout the period. The financial statements will be prepared on a historical cost basis.

Statement of Compliance

The prospective financial statements of RSHL have been prepared in accordance with the requirements of the Local Government Act 2002 and the Companies Act 1993, which include the requirement to comply with New Zealand Generally Accepted Accounting Practice (NZGAAP).

The financial statements have been prepared in accordance with Tier 3 Public Benefit Entity (PBE) Standards.

These prospective financial statements comply with PBE Standards.

Presentation Currency and Rounding

The prospective financial statements have been prepared in New Zealand dollars and there will be rounding in the numbers in the financial statements, as the financial model used calculates to the cent but the annual report is rounded to the nearest dollar.

The functional currency of RSHL is New Zealand dollars.

The reporting period for these prospective financial statements is the year ending 30 June.

2 Summary of Significant Accounting Policies

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Members Contributions and Other forms of Revenue (excluding investment revenue), including fees, charges, and other revenues are recognised on an accrual basis.

Interest revenue is recorded as it is earned.

Expenditure

Expenditure is recognised on an accrual basis when the service was provided, or the goods received.

Costs associated with maintaining the IRIS software suite are recognised as an expense when incurred.

Bank Accounts and Cash

Cash and cash equivalents include cash on hand, on demand or call deposits, other short-term deposits with original maturities of three months or less, and bank overdrafts.

Bank overdrafts are presented as a current liability in the Statement of Financial Position.

Debtors

Debtors are initially recorded at the amount owed. When it is likely the amount owed (or some portion) will not be collected, a provision for impairment is recognised and the loss is recorded as a bad debt expense.

Inventories

Inventory is initially recorded at cost. Goods held for sale are subsequently measured at the lower of cost and their selling process. Goods for use or distribution are subsequently measured at cost and written down if they become obsolete.

Goods and Services Tax (GST)

RSHL is registered for GST; these financial statements are presented net of GST, except for receivables and payables which are inclusive of GST. Where GST paid is not recoverable, due to it relating to exempt items, the GST inclusive amount is recognised as part of the related asset or expense including the GST relating to investing and financing activities.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position. The net GST paid to, or recovered from, the Inland Revenue Department is recognised as an item in operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

Income Tax

Income tax expenses calculated using the taxes payable method. As a result no allowance is made for deferred tax. Tax expense includes the current tax liability and adjustments to prior year tax liabilities.

Creditors and Accrued Expenses

Creditors and accrued expenses are measured at the amount owed.

Property, Plant and Equipment

Software acquisition and development

Costs that are directly associated with the development of the IRIS software suite are recognised as property, plant and equipment.

Depreciation

Depreciation begins when the asset is available for use and ceases at the date that the asset is derecognised. The depreciation charge for each period is recognised through the Statement of Financial Performance.

The carrying value is depreciated on a straight-line basis over its useful life. The useful life and associated depreciation rate for the IRIS software suite is 10 years and 10%.

Where software in this category is replaced, upgraded or determined by RSHL to be of no further operational benefit, a change in value will be recognised through the Statement of Financial Performance. This change in value will be the difference between the carrying value of the original item and its fair value.

Critical Accounting Estimates and Assumptions

In preparing these financial statements, RSHL has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations or future events that are believed to be reasonable under the circumstances.

Additional Disclosure

The Companies Act 1993 requires disclosure of the amount of donations, audit fees, fees for other services from the auditor, and the number of employees of the company who received remuneration and other benefits above \$100,000 per annum, in brackets of \$10,000.

Note For Info: Requirements for Statement of Intent
Source: Office of the Auditor General
<http://www.oag.govt.nz/2007/corporate-intent/appendix2.htm>

Item	Section
Statement of intent	This document
Coverage over three financial years and updated annually	1 & 8 & 6
Objectives of the group	2
A statement of the board's approach to governance	3
Nature and scope of the activities to be undertaken	1
Ratio of consolidated shareholders' funds to total assets, and the definitions of those terms	4
Accounting policies	5
Performance targets and other measures by which the performance of the group may be judged in relation to its objectives	6
An estimate of the amount or proportion of accumulated profits and capital reserves that is intended to be distributed to the shareholders	7
The kind of information to be provided to the shareholders/ shareholding Ministers by the organisation during the course of the next three financial years	8 (Shareholders)
Procedures to be followed before any member or the group subscribes for, purchases, or otherwise acquires shares in any company or other organisation	9
Any activities for which the board seeks compensation from any local authority, Harbour Board, or the Crown (whether or not the relevant entity has agreed to provide the compensation)	11 (Local authority)
The board's estimate of the commercial value of the Crown/shareholders' investment in the group and the manner in which, and the times at which, that value is to be reassessed	12 (Shareholders)
Other matters that are agreed by the shareholders/ shareholding Ministers and the board	none (Shareholders)
Annual report should contain information that is necessary to enable an informed assessment of the operations of the parent entity and its subsidiaries, including a comparison of performance with the relevant statement of intent or statement of corporate intent	8 (Plus explanation of material variances)

TITLE: Chair's Report to Council

ID: A1081480

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 June 2018.

Recommendation

That the report 'Chair's Report to Council' by Bill Shepherd, Chairman and dated 2 July 2018, be received.

Strategic issues

Biosecurity matters

The Government is to be complimented for its courage in taking the decision to try and eliminate rather than manage the effects of Mycoplasma Bovis.

Whilst I recognise that this is a controversial position for the Government to take, even in the eyes of the farming community, I am reminded of a similar but different biosecurity issue back in the 70s. We had just about beaten bovine tuberculosis and we collectively 'took our foot off the throat' of the disease. In the meantime, it got into the feral populations of possums, stoats, etc. and began reinfesting cattle and deer populations in many parts of the country. Trying to regain control of this disease has cost many tens of millions of dollars and many years of angst for farmers, much of which could have been avoided!

We have one small window to attempt to eradicate Mycoplasma Bovis and we should grasp it with both hands!

It is interesting to speculate just how much better off Northland would have been if someone had taken the initiative to deal with possums when they first began to spread into Northland! We could have saved millions of dollars and huge amounts of damage to our flora and fauna with a bit of foresight.

Undoubtedly, the biggest issue for Northland right at this point in time is Kauri dieback. The mighty Kauri is the symbol of Northland's strength and integrity and this disease is threatening our very heart. NRC and DOC teams are working frantically to try and find ways of dealing with the disease, but we are still struggling with a lack of effective tools.

Wild pigs have been identified as a significant vector for Kauri dieback, carrying the infection on their snouts and feet. It is really disappointing that pig hunters and others continue to release pigs into the wild making the problem worse.

Looking forward to some point in the future, I would not like to have to look back at my time in local government and say 'I wish we had taken more and stronger measures to deal with the spread of Mediterranean Fanworm, Kauri dieback and Myrtle rust.'

Northland Transportation Alliance (NTA)

I am delighted that all four councils have adopted the NTA's revised Procurement Strategy in their most recent council meetings.

The NTA has been under fire in recent weeks from a number of district councillors caused mainly by inadequate reporting of progress information to all councillors. Hopefully those communication channels have now been properly opened up so that all councillors from every council know what is going on. I will be keeping a keen eye on this.

The business case for creating the NTA clearly identified that it would take some time before the benefits of this new entity would really flow through into improved roads around the region. Because the NTA entity is a first for New Zealand there is no readily available template or pathway that can be followed. This is new ground!

Therefore, it is really important that we all keep our nerves as we go through the important establishment phase.

Meetings/events attended

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

- Meetings attended with the council's CEO, Malcolm Nicolson:
 - Provincial Growth Fund and other Government investment announcements by the Prime Minister, Rt Hon Jacinda Ardern.
 - Barry Trass and Ben Tomason, Northland Development Corporation, and Councillor David Sinclair – Riverside developments.
 - Milford annual client update at Toll Stadium.
 - David Wilson, CEO, and Tammy Fromont, Corporate Services Manager, Northland Inc. – induction for new Northland Inc. directors.
 - Tree planting at Te Waiariki Food Forest, Onerahi.
- Regular fortnightly Northland Mayoral Forum teleconference calls.
- David Wilson, CEO, Northland Inc. – Northland Inc. directors and Te Taitokerau Northland Economic Action Plan Advisory Group – potential future structure for the Advisory Group.
- Filming for the LGNZ Excellence Awards – supporting the Northland Regional Council's entry in the awards.
- Northland Forward Together Strategic Planning Workshop hosted by Whangārei District Council.
- Terry Archer and Simon Crabb, Finance Manager – impact of rates in the Whangārei CBD.
- Provided the welcome address for the Freshwater Improvement Fund Leadership Group hui.
- Breakfast meeting with Sir Eoin Edgar – a number of business leaders were invited to discuss progress of Northland's economy.
- Te Taitokerau Māori Business Awards.

Correspondence

During June I sent out the following correspondence:

Date	Addressed To	Subject
22.06.18	Sarah Petersen Geoff Copstick Kris McDonald Nicole Anderson Dennis Callesen David Crewe Jim Makaweo	Confirmation of appointment as a Northland Inc. director

TITLE: Chief Executive's Report to Council

ID: A1075383

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 24 July 2018, be received.

7.2.1 HIGHLIGHTS

NRC & DOC Collective Impact Workshop

A workshop was held with NRC, DOC and Reconnecting Northland to assess an approach to a collective impact model for how the agencies can better work together for improving landscape scale conservation initiatives. Follow up work will now be undertaken to scope how this approach may be achieved.

Review panel for development of national biosecurity system KPI's

Don McKenzie, Biosecurity Manager, has been invited by MPI to be a member of the review panel for development of national biosecurity system KPI's. This is a great acknowledgement of Don's professional experience and knowledge in the biosecurity field.

7.2.2 CEO'S OFFICE

CEO'S OFFICE

SHARED SERVICES

Shared service focus remains on northland councils are working together on applications for the provincial growth fund a part of the Northland Forward Together's 'One Voice' advocacy program. Total investment for Northland announced to date is \$70.167m and Ngati Hine have also received funding from the PGF independently of council applications.

COUNCIL PROPERTY UPDATE

Commercial & Industrial

Agreement for the purchase of a Whangarei CBD property has been signed and is subject to full Council approval.

Agreement for the purchase of a Kaitia CBD property has been signed and is subject to full Council approval.

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	Seventeen (17) groundwater takes for horticultural irrigation at Houhora, Motutangi, and Waiharara	Hearing Committee granted consents. Two appeals have been received against that decision. Council awaiting Court directions on appeals.
Corporate Excellence	Rogan case appeal	The Supreme Court leave panel sat on 3 July 2018 and has reserved its decision on whether to grant leave for Rogan/MRRA to appeal the earlier Court of Appeal decision. David Goddard QC urged them that if they grant leave, that it be on confined issues and not on the broad terms sought by Mr and Mrs Rogan/MRRA. He expects that we will receive the Court's decision within weeks.

7.2.3 CORPORATE EXCELLENCE

Year-end Draft Accounts

The finance team are currently working hard towards completing the 2017/18 year-end draft accounts for audit review. These draft annual accounts will be provided to the August council meeting and council will be given any proposed operating and capital budget carry forwards as well as given the opportunity to consider any projects to be funded from any 2017/18 surplus. Deloitte will be on site from 27 August until early September completing their review of these accounts. The final accounts are set to be given audit clearance and be adopted by council at the council meeting on 16 October 2018.

Fraud Declaration

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

7.2.4 REGULATORY SERVICES

Proposed Regional Plan

Hearings are scheduled to start on 28 August 2018. There will be about 15 days of hearings held in Kaitaia, Kerikeri, Whangarei and Otiria Marae.

The separate hearing for genetically modified organisms (GMO) submissions is likely to start late October 2018 in Whangarei and run for 2-3 days.

Staff released their recommendation reports for the main hearings on 6 July 2018. The recommendation the report(s) for the GMO hearings will be released mid September 2018.

Central government initiatives

National Planning Standards

The Ministry for the Environment has released Draft National Planning Standards and associated supporting information. The standards are a result of the 2017 amendments to the Resource Management Act 1991 (RMA) and are intended to improve consistency in plan and policy statement structure, format and content. The standards apply to regional policy statements and regional and district plans and include mandatory and discretionary directions – changes to give effect to mandatory directions can be made without using Schedule 1 RMA while changes for discretionary directions require a plan change process. The standards include:

- a structure and form for plans, including references to relevant national policy statements, national environmental standards, and regulations made under the RMA
- definitions
- requirements for the electronic functionality and accessibility of plans
- spatial planning tools
- a zone framework
- mapping
- metrics.

The standards recognise some councils have recently completed planning processes and provide a longer implementation timeframe of seven years from gazettal – this includes Northland Regional Council. Submissions on the draft standards close Friday 17 August 2018. Staff are likely to recommend council lodge a submission on the draft standards.

Zero Carbon Bill - Consultation

The Ministry for the Environment has released a discussion document on potential legislative change to set targets for reducing green-house gas emissions by 2050 (three options are discussed) and establish emissions budgets, which describe a quantity of emissions allowed over a defined period. The creation of a Climate Change Commission is also proposed to provide ongoing, independent expert advice to the Government on how to meet targets and monitor progress. The discussion document also suggests the Zero Carbon Bill include a range of provisions to assist adaption to climate change. Staff are drafting a submission on the discussion document. Submissions close 5pm 19 July 2018.

District Planning

Whangarei District Council has released a Draft Urban and Services Plan Change Package as part of the rolling review of the district plan. These cover new urban environments, open space, transport and three waters management. Pre-consultation on this draft Plan Change Package closes at 4:30pm on Friday 24 August 2018. Staff will assess the need for technical input.

Land use and subdivision applications

During June 2018, 18 resource consent applications were received from the district councils. No comments or submissions have been lodged to date.

Consents in Process

During June 2018, a total of 59 Decisions were issued. These decisions comprised:

4	Moorings
5	Coastal Permits
0	Air Discharge Permits
12	Land Discharge Permits
0	Water Discharge Permits
20	Land Use Consents
16	Water Permits
2	Bore Consents

The processing timeframes for the June 2018 consents ranged from:

- 792 to 4 calendar days, with the median time being 41 days;
- 174 to 4 working days, with the median time being 20 days.

25 Applications were received in June 2018.

Of the 86 applications in progress at the end of June 2018:

26	were received more than 12 months ago (most awaiting further information);
17	were received between 6 and 12 months ago (most awaiting further information);
43	less than 6 months.

Appointment of Hearing Commissioners

The following commissioners were appointed for a consent hearing in August 2018:

- Mrs Sharon McGarry, Mr Rob Lieffering, Mr Reginald Proffit and Mr Mark Farnsworth for consents associated with the development and operation of a free-range poultry broiler farm. The hearing is scheduled for 8 August 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 June 2018 is (by number):

▪ Applications Publicly/Limited Notified During Previous Month	1
▪ Progress on Applications Previously Notified	4
▪ Hearings and Decisions	2
▪ Appeals/Objections	2

Compliance and State of the Environment monitoring

The results of compliance monitoring for the period 1 – 30 June 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	33	26	4	2	1
Coastal permit	264	140	91	2	31
Discharge permit	190	124	45	8	13
FDE discharge permit	7	1	0	0	6
Land use consent	792	519	27	0	246
Water permit	236	175	41	0	20
Total	1522	985	208	12	317
Percentage		64.71%	13.67%	0.79%	20.83%
YTD	8525	6109 (71.7%)	1313 (15.4%)	327 (3.8%)	776 (9.1%)

Air discharges

A total of 21 air quality related environmental incidents were received, 17 of which related to burning and smoke nuisance and the remaining four to odour nuisance.

Continuous ambient PM₁₀ monitoring results for May 2018 for the Whangārei and Marsden Point airsheds, and Kaikohe, showed that compliance was met with the National Environmental Standards for Air Quality (NESAQ). 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 (treated municipal sewage and 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.

Broadscale habitat mapping of the Ruakākā estuary was completed. The results will be reported at a later date.

Hazardous substances

- The collection and packaging of hazardous substances continued during the reporting period.
- Two incidents involving the discharge of hazardous substances and 40 enquiries regarding contaminated land were received and responded to.
- Asbestos waste bags have been purchased in order to provide assistance to school science technicians for the disposal of small quantities of laboratory items discovered to contain asbestos.

Discharge and land use monitoring

Routine compliance monitoring of discharge and land use consents continued during the period. Council staff attended the following during the reporting period:

- Monthly meeting with FNDC staff and its contractors to discuss compliance with its wastewater and water take consents.
- The inaugural meeting of the “Water Source Group” for FNDC. This group is looking at FNDC water supplies and any issues such as security of supply, problems in water supply catchments and compliance with its water supply resource consents.
- A meeting of the RMA Northland Forestry Development Group. The NES-PF was the major topic of discussion.

Environmental incidents

There were three incidents recorded during the reporting period which resulted in significantly non-complaint discharges from two municipal wastewater treatment plants (Dargaville and Maungaturoto) during heavy rain events.

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 to be reviewed by an expert appointed by council. Further mediation was held on 15 June 2018. The company signed an undertaking and agreed to a programme of works. The abatement notice has now been cancelled.

1.

2. Abatement Notices

There were 38 abatement notices issued during the period. These were for:

Sewage/sullage	21
Burning & smoke nuisance	6
Non-compliant marine farm	3
Discharge to land	3
Discharge to CMA	1
Earthworks	1
Structure in CMA	1
Sediment discharge	1
Dam	1

Infringement Notices

There were 23 infringement notices issued during the period. These were for:

Contravention of an abatement notice	13
Discharge to CMA	4
Illegal structure	3
Earthworks in a wetland	2
Burning & smoke nuisance	1

Other Enforcement

Dumping and burning of demolition waste

Charges have been laid against two companies, two individuals (associated with the two companies) and a land owner for the dumping and burning of demolition waste near Kaikohe. Full disclosure was completed on 22 February 2018. No court dates have been set.

7.2.5 ENVIRONMENTAL SERVICES

LAND MANAGEMENT

Environment Fund Update

The Environment Fund projects have all been signed off with the end of the financial year. A final reconciliation of the Environment Fund will be completed next week. The draft results are as follows.

Description	Funding	Expenditure	Budget
Year 2017/18 Budget			
Efund budget - land	\$725,000		
Efund budget - biosecurity	\$125,000		
<u>15% over allocation*</u>	<u>\$109,000</u>		
Farmer River works pilot \$50,000 reduced to \$5k (\$45,000 transferred to Rivers minor works budget)			
Catchment Groups	\$5,000		
	\$50,000		\$1,014,000
Year 2017/18 Actual Allocation			\$1,046,900
Year 2017/18 Actual Spend			
Efund projects = 167		\$668,404	
Catchment Groups		\$42,939	
Biosecurity		\$125,000	\$836,343
Year 2017/18 variance			
Withdrawals of efund projects		-\$150,605	
<u>Underspends</u>			
Catchment Groups		-\$7061	
Efund (underspend projects)		-52,891	-\$210,557
Total underspend/withdrawals from 2017/18			\$210,557
Overalllocation 2017/18*			\$109,000

Funds remaining from total efunds budget from 2017/2018 excluding overallocation	\$101,557
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*As agreed Item 7.2 Council Meeting 22nd August 2017

A number of procedures were put in place to reduce the number of landowners withdrawing and/or underspending their allotted Environment Fund applications. In 2017/18 financial year a 15% over allocation was applied adding an additional \$109k into the fund. For various reasons (farmers withdrawing due to ill health, weather related problems and shortage of fencing contractors) the total withdrawals exceeded this figure.

The minor river works pilot, which assisted farmers on a 2 to 1 basis on the costs of hard armouring for stream bank protection, was not successful and only one farmer completed his river works project totalling \$5k. The balance of funding was transferred back to the minor works budget and spent on river works.

Farm Water Quality Improvement Plans (FWQIP)

Year to date 161 FWQIP's have been commenced, 150 have been completed, with a further 165 in progress (109 were commenced in the 2017/18 year and 48 from previous years). The team is planning to process these 48 old plans still in progress by December 2018. These plans will be assessed for completion, revisited or if landowner has changed then cancelled.

Hill Country Erosion Fund

The Kaipara Hill Country Erosion Project has just completed year 3 of the 4-year project. Over the past year, farm environment plans have been undertaken for 33 farms, with areas of high erosion risk, covering a total land area of 9,343 hectares within the Kaipara catchment. Both project targets of 6,000 hectares under plans and/or 20 farm plans completed for 2017/18 financial year were exceeded. In addition, 54 hectares of pastoral land (with high erosion risk) has been retired from grazing through recommendations made during the farm plan process. The project target for 2017/18 was to have 40 hectares retired, which was achieved.

Supply and planting contracts have been put in place for 3,700 poplar and willow poles to be planted this winter within the Kaipara hill country, distributed between 53 properties throughout the catchment.

We recently submitted an application to the MPI Hill Country Erosion Fund – Boost round. This is a 1-year project, which will increase our capability and capacity with afforestation projects and soil conservation in general. We have applied for \$495,900 funding from MPI and will find out the result of our application by the end of July.

Northern Wairoa FIF

First wananga was held for the mātauranga Māori workstream. This was held with Te Uri o Hau at Oturei Marae, south of Dargaville. Wananga with Te Roroa and Ngā Kaitiaki o Ngā Wai Māori will be held within the next six weeks.

Upper Hātea

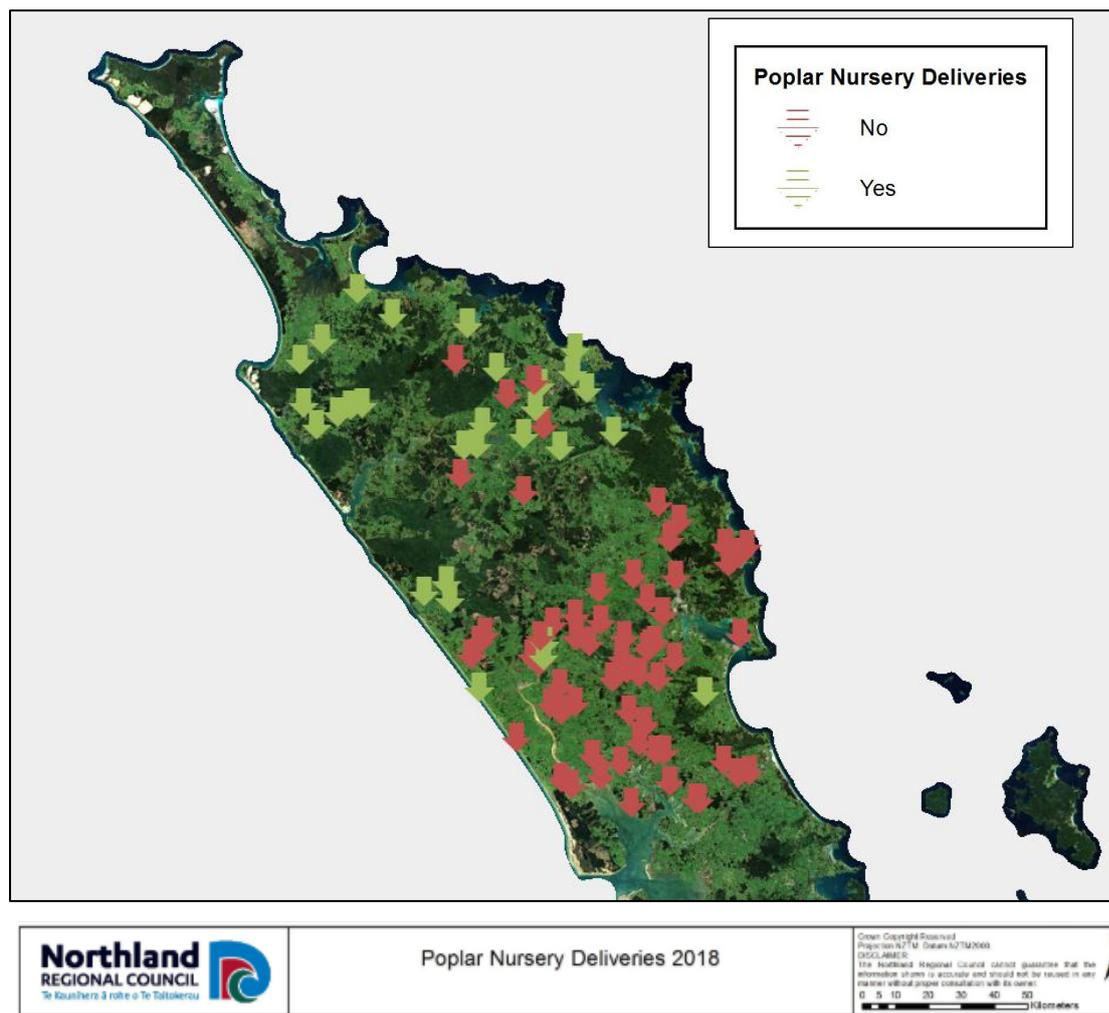
The second milestone report was sent to MFE on Friday 15 June, showing approximately 3.3kms fencing, 7 water troughs and 895 plants in the ground since 1 December 2017. This was another disappointing result, with only about 20% of budgeted funds used so far. A second lot of promotional letters (111) recently went out to landowners who had not yet had contact with us, so far there have been 12 responses. More promotion will be underway soon via social media and further Environment Funds are in process for the coming financial year. Regulation would help and it will be coming soon.

Nursery

The harvest at Flyger Road is complete with poplar and willow poles being distributed across Northland. A total of 5500 poles from the Flyger Road nursery and 1500 from external sources (including local poplar growers and Hawkes Bay Regional Council) have been sourced and delivered. Refer below for distribution map.

This season's establishment, cultivation, processing of planting materials and planting has begun on the new nursery blocks, and it will require approximately 30,000 small planting pegs.

Map One: below shows the distribution of the pole orders and the poles delivered by 4 July 2018.



* No means that the poles have not been delivered yet but were due for delivery/ yes means that they have been delivered.

BIODIVERSITY

Lakes

FIF Dune Lakes Project

The first collective project Leadership Group hui was held on 27 June 2018 and included representation from Ngati Kuri, Te Aupouri, Ngai Takoto, Te Rarawa, Te Roroa, Te Uru o Hau and Ngati Whatua. Participants see the project as a useful catalyst for more region-wide freshwater quality improvement. The establishment of local Kaiwhakahaere (co-ordinators), employed by runanga, will allow for high-value, localised inputs into the project delivery.

An invasive fish and water survey was launched on 6 June with a mailout to landowners next to waterbodies larger than 5 ha resulting in a large number of returns from right across the region. Analysis of the data will form a map of both the risk of spread of infestations as well as areas which are likely to remain in a natural state.

Wetlands

Biodiversity and compliance staff attended a one-day training workshop in Hamilton on using soil indicators to delineate wetlands. The wetland delineation tool which was developed in the USA is being adapted by Landcare Research under Envirolink funding for use in NZ and assists with mapping the precise boundaries of wetland using vegetation, soil and hydrology. The method is useful for planning, compliance and wetland mapping. Northland has some problematic wetland soils so staff have assisted Landcare with the project. The next phase is to develop hydrological indicators for NZ wetlands.

Pouto Catchment Group and IKHMG

A successful planting day involving the local school and community was held at Lake Kanono, one of the outstanding dune lakes. Pouto Catchment Group is currently focusing its effort on fencing and planting within the Lake Kanono Catchment.

Council is supporting a Beef and Lamb New Zealand, Environmental focus farm on Bryce and Anita Lupton's farm at Marehemo. Council support from Land Management and Biodiversity staff has involved helping to set up water quality and stream ecological health monitoring on the farm as well as advice about extraction of large, old willows and provision of fully subsidised poplars and willows for erosion control.

Community Planting Day Lake Kanono, Pouto

On the 1st June 2018 children from Pouto School, Pouto property owners, DOC/NRC staff and Kaipara Cr Penny Smart participated in a community planting day for Lake Kanono. 500 plus native trees, including wetland plants were added to an impressive, ongoing community planting program for Lake Kanono. Planting improves lake water quality and creates habitat for indigenous birds and other fauna.

BIOSECURITY

Biosecurity Threats/Incursions

Mycoplasma Bovis

Councils Biosecurity Incursion Management Officer is continuing to assist the Ministry for Primary Industries with the management of eight Northland farms, seven of which have been issued with Notices of Direction (NOD) and one with a Restricted Place Notice (RP). The NODs/RP are in place while ongoing surveillance for Mycoplasma Bovis disease is being carried out which restricts the movement of stock and other risk good on 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 (43 infected farms and some 189 farms under NoD and RP 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 found at link below:

<https://www.mpi.govt.nz/protection-and-response/responding/alerts/mycoplasma-bovis/>

Myrtle rust response

The response officially closed at the end of April and has now transitioned to long-term management currently led by MPI and the change in approach is available via the MPI website.

<http://www.mpi.govt.nz/protection-and-response/responding/alerts/myrtle-rust/>

A landowner resource kit is also now available on the MPI website as a downloadable pdf. Follow the link here:

<http://www.mpi.govt.nz/dmsdocument/29744-managing-native-plants-susceptible-to-myrtle-rust-guide-for-large-scale-planting-and-restoration-programmes>

The region has 33 locations where the disease has been positively identified and to date myrtle rust has not been found in the far north. MPI currently has a team conducting targeted surveillance in this area and we understand MPI staff have been liaising with Ngati Kuri concerning this survey.

The infections that were found in the Kerikeri area in April/May are unfortunately indicative of wider infection being present and this area is now considered to be a 'known infected area'. MPI have contacted affected owners in this area and provided them with self-management packs that give advice about maintaining their property to minimise the spread of myrtle rust spores and set out their responsibilities under the Biosecurity Act.

We understand MPI are in the process of examining the options for how long term management can best be delivered and intend asking for public feedback on these options toward the end of this year.

Biosecurity Partnerships

Environment Fund 2018/19 - Biofund

Seventy-One biosecurity Biofund applications have been approved and signed off for 2018/19. Applications go through a rigorous ranking / prioritisation process by council's Biosecurity Team. Biofund products and materials will be ordered in early July and delivered to successful applicants when available. With additional funding available through the LTP for this financial year the team will assess the demand and possibly have a smaller mid-year funding round.

Five biosecurity Biofund projects have been transferred to become new Community Pest Control Areas (CPCA's) projects or have been joined into existing CPCAs.

A new initiative developed this year is a "Pest Control Starter Pack". This is used for smaller projects to get started and is a good option for people on lifestyle blocks with a set combination of pest control hardware up to \$400.00.

The Biosecurity contribution to the Environmental Leaders Fund (ELF) was fully subscribed, with 18 schools successfully receiving funding towards either pest control hardware, timber or the use of specialist equipment such as game cameras and acoustic recording devices which will be loaned to schools.

Marine Biosecurity

A vessel entering New Zealand waters via Northland did not meet the National current craft risk management standard prior to arrival and MPI directed divers to carry out an assessment whilst the vessel was at Northport. The vessel was found to be over the fouling standard and was directed to leave the port. The vessel had not completed its work at Northport and was considering what action to take to come back into port which will involve hull cleaning outside NZ territorial waters.

There were 37 vessels in the Kerikeri – Northern Bays area inspected during June, bringing an end to the hull surveillance season. There were no incidents of vessels being found with marine pests on

them. A total of 2000 vessels were inspected over the season (table 1) and approximately 90 notices of direction issued to vessel owners to clean their hulls. Vessels were inspected and scored depending on the level of fouling present on the vessel. The number of vessels that had a hull area with a fouling score of 2, 'light fouling' was the greatest. Doubtless Bay, Tutukaka, Ngunguru and Mangawhai did not have any vessel found with marine pests (figure 2). In addition to the programmed surveys several response dives were made to check on reports of suspected fanworm sightings- no established fanworm populations have been found beyond Whangarei harbour. 151 Infringement notices have been served in the year.

Sabella found in Opuia

Staff are currently responding to a Mediterranean fanworm found on a mooring block at Opuia. Divers have been searching the area and have found 12 individuals which have all be removed. The samples have been sent to the marine invasive taxonomic services for analysis of reproductive structures and the Ministry for Primary Industries have been notified. Divers will continue to work in this area to delimit the extent of the population. This is the first detection of fanworm being found on substrate in the Opuia area.

Table 1: Number of vessels inspected from October 2017 – June 2018

Houhora Harbour	29
Doubtless Bay	88
Whangaroa Harbour	281
Kerikeri - Northern Bays	161
Outer Bay of Islands	133
Inner Bay of Islands	607
Tutukaka	213
Ngunguru	9
One Tree Point and Marsden Cove	84
Whangarei Heads	192
Whangarei Upper Harbour	160
Mangawhai	16
Kaipara	27
Total	2000

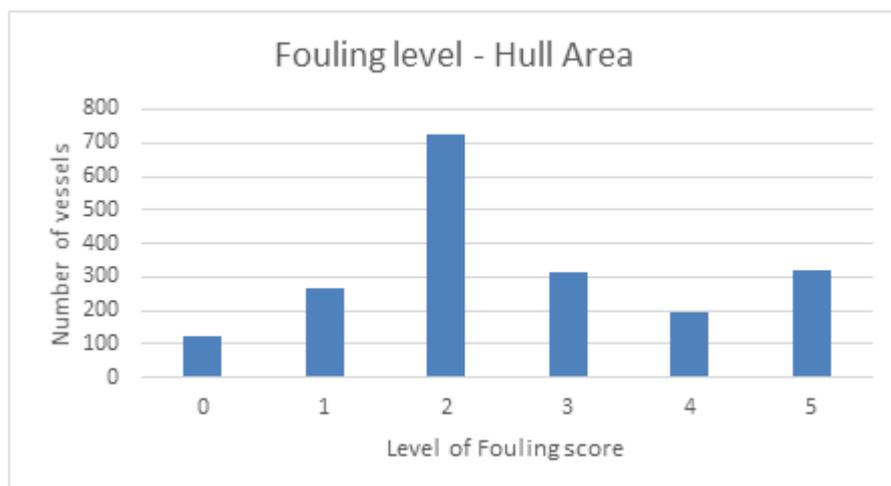


Figure 1: Level of fouling on vessel hull areas.

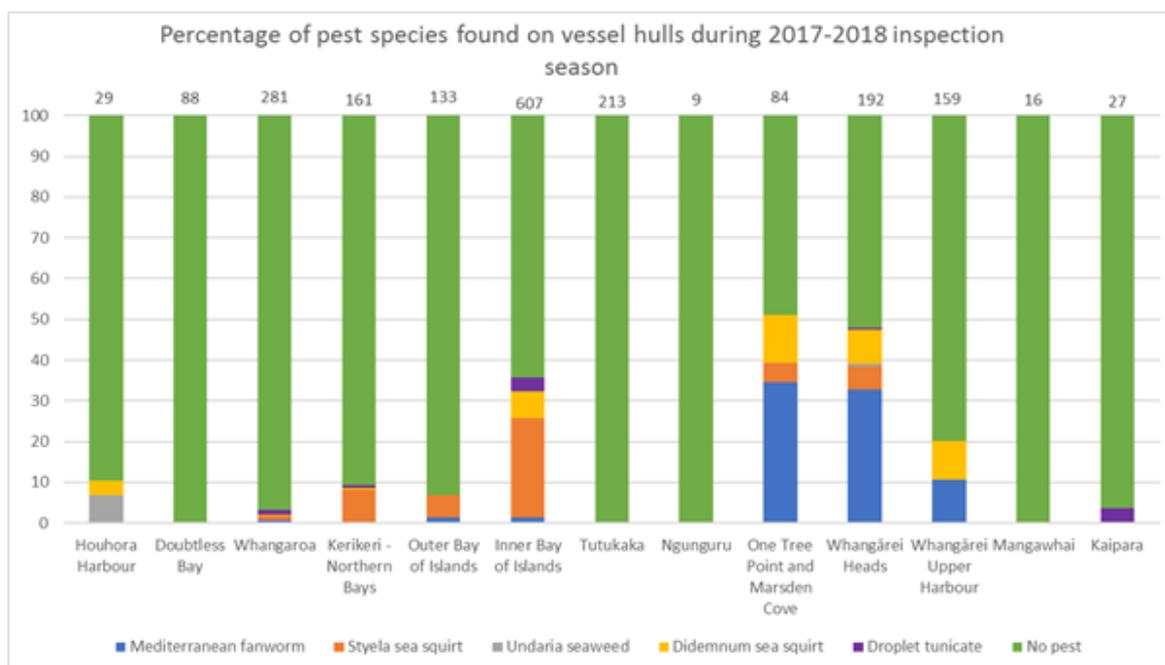


Figure 2: Locations and percentages of pest species found on vessels.

Kauri Dieback

Staff attended the Kauri Dieback consultation events held in Northland as part of the process for the development of a National Pest Management Plan for managing Kauri Dieback.

Weed Education

A regional training hui, 'War on Weeds', funded by QE2 and DOC, was held 13-14 June at NRC and several sites towards Whangarei Heads. This was to upskill those involved in weed control and those assisting groups and volunteers doing weed control to be more effective in their control methods.

Dog Training

Interest in detector dog training for plant pest work (specifically to locate batwing plants) continues with those attending the initial training to meet again on 8 July to discuss their training and any continuing issues with their dog's training. Angelika Cawte from Happy Tails Dog Training is assisting with the follow-up training of trainers.

Biosecurity Hygiene Kits

Biosecurity have put together Biosecurity Kits for hygiene practise while out in the field. It is a grab and carry kit for Northland Regional Council field staff to be able to clean their boots before leaving a farm or place they are visiting. This is to prevent diseases being spread. High pressure sprayers are being trialled as well for the underneath of vehicles.

Education

Biosecurity officers trained students at an Enviroschools Project pest camp held in June.

Students are given instructions on kauri dieback and the risks of spreading the pathogen as well as methods of reducing the risk; on this camp, the biosecurity message was extended to include other biosecurity risks and the obligations they have when entering and exiting properties, especially farms. Cleaning stations were set up for students and tutors when entering and exiting the neighbouring farm to set and clear traps. The message was well received by students and the land owner.

RIVERS

Priority Rivers	Work	General Status	Comments
Awanui	OpEx	100% complete	All programmed work completed
Awanui	CapEx	100% complete	All programmed work completed
Kāeo - Whangaroa	OpEx	100% complete	All priority work has been completed
Kerikeri – Waipapa	OpEx	100% complete	All priority work has been completed
Kawakawa – Taumāre	OpEx	100% complete	All priority work has been completed.
Whangarei	OpEx	100% complete	Programmed works have been completed
Kaihu	OpEx	100% complete	All programmed work has been completed.
Minor Rivers	OpEx	100% complete	All priority work has been completed

LTP Projects

Rivers	Comments
Awanui	Draft debris run-out analysis modelling for Bells Hill slip was completed and staff are refining the preliminary design and will feed this into the detailed design. NRC Survey team have completed the cross sections required for detailed design of bank stabilisation works along the reach of the Awanui River upstream of Church Road.

Rivers	Comments
	Staff have awarded the contract to Tonkin+Taylor for updating their 2014 Preliminary Design for the scheme upgrade works.
Matangirau	The team has meet with FNDC to define roles and responsibilities.
Kawakawa - Taumarere	A working group meeting was held and feedback from the committee requested better community consultation going forward. The team has developed a communication strategy to better engage the community.
Whangarei	RS Eng have been awarded the detailed design for Woods Road flood wall.
Panguru	Staff met with FNDC to define roles and responsibilities for works.

NATURAL HAZARDS

Work Streams	% complete	Comments
Regional LiDAR Project	5%	We expect delivery of the Awanui catchment LIDAR dataset early July.
Priority Rivers Flood Hazard Maps	85%	We expect to release the draft flood mapping from Waipu and Paparoa catchments, together with new mapping for the Kerikeri and Kaeo catchments in August / September.
Awanui Flood Model	15%	In house modelling, have given a better understanding of the overflow of SH-1 and this will be used with the upgraded model.
Waipū and Paparoa Flood Model Builds	75%	The Waipū and Paparoa catchment calibration results have been reviewed by staff and minor modifications to the Waipu River mouth have been requested. We expect results in July.

HYDROLOGY

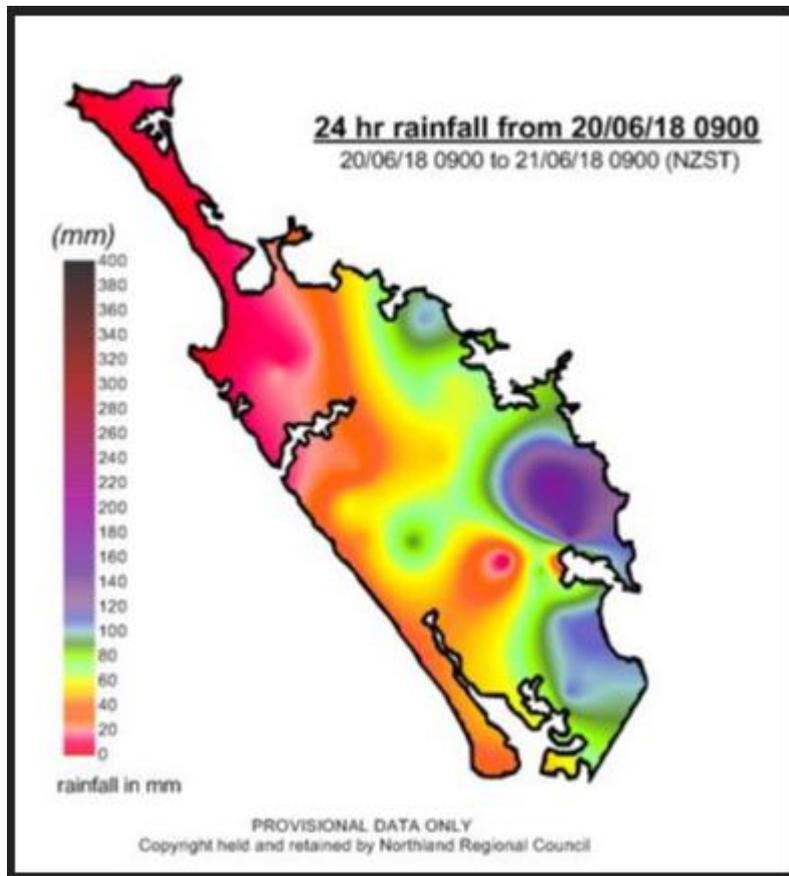
Hydrology Team & Water resources Work Programme:

- The hydrometric station health and safety mitigation work has been completed at the Mangakahia Gorge water level station. Height Access Technology are part way through Kaihu Gorge water level station, then they will proceed to the Ngunguru water level station.
- The data from the Awanui water level station has been reviewed and cleared to be used as an input into the Kaitaia hydraulic flood model.
- Five water level stations were upgraded to the new generation of IRIS FX-150 radio loggers, see below for locations:
 - Punakitere at Taheke
 - Kaihu at Gorge
 - Mangakahia at Twin Bridges
 - Ngunguru at Dugmores Rock
 - Wairua at Wairua (SH15 Mangakahia road)

On 20 June 2018 the MetService advised a low just north of Northland and an intense ridge of high pressure to the south would direct a strong moist southeasterly flow into the eastern hills of Northland. The band of rain was narrow and focused on the Whakapara and Glenbervie catchments. The highest rainfall total of 246.5mm was recorded at Whakapara at the Puhipuhi rain

gauge over a 47 hour period. This resulted in the closure of SH1 at Whakapara. The closure of SH1 at Whakapara is a rare occurrence, normally caused by large events like the July 2014 floods or Ex TC Wilma in 2011, which was interesting as the event was less than a 1:5 year return for period for the 24 hour rainfall totals.

Below is rainfall map with the 24 hour period totals when the rain was at its heaviest:



The hydrology team used the q-boat to gauge flow in the Whakapara river. Historically staff would operate off a cage mounted to a cableway over the river. The cable can be seen in the bottom photo. The cableway system is about to be dismantled due to the dangerous nature of this type of work and the availability of safer systems like the q-boat.



7.2.6 GOVERNANCE AND ENGAGEMENT

ECONOMIC DEVELOPMENT

Investment and Growth Reserve

Project	June update	Future developments/ reporting
Extension 350	None.	Fourth quarter 2017/18 report due in July.
Resources Enterprise Limited (REL)	Update provided to councillors, and engagement with directors.	Continue to engage with directors.
Hundertwasser Art Centre (Whangārei)	None.	Awaiting provision of project plan and other conditions associated with first payment.

Project	June update	Future developments/ reporting
Kawakawa Hundertwasser Park Centre (Te Hononga)	None.	Prepare funding agreement between council and the Trust.
Extended Regional Promotion	Paper for June council meeting to continue additional funding of \$200,000 for three further years.	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. Final claim balance to pay is \$113,733.73 (excl GST) which is 13% of total funding of \$900,000.
Demand assessment for new water storage	Application to PGF for funding of a project manager to develop a project plan for future work and assist with the development of PGF application – funding approved.	Anticipate submitting application by the end of July.

Other activities undertaken included:

- Prepared report on *Recent developments in Northland agriculture* for Planning and Policy team.
- Working with other councils and external consultant on a draft Regional Walking and Cycling Strategy. Revised draft circulated to CEO Forum.
- Northland Economic Quarterly: The twentieth issue of the Northland Economic Quarterly (NEQ) newsletter was published on 22 June 2018. The annual section looks at some of the data from the annual agricultural production statistics while the spotlight section picks up on four recently released data on topical issues. The current and past issues can be found at www.nrc.govt.nz/economicquarterly.

ONLINE CHANNELS

- **Most popular post on Facebook this month** – Ministry for Primary Industries notification to close all shellfish collection on Mair Bank and Marsden Bank for two years. The closure, which previously only covered pipi and cockles, was requested by the Patuharakeke Te Iwi Trust Board to protect the establishing mussel population in the area.

Key Performance Indicators	Feb-18	Mar-18	Apl-18	May-17	Jun-18
WEB					
# Visits to the NRC website	34,400	29,200	25,000	13,100	17,500
E-payments made	11	2	2	6	0
# subscription customers (cumulative)	1,181	1,171	1,165	1,173	1,165
SOCIAL MEDIA (cumulative)					
# Twitter followers	1,369	1,376	1,383	1,389	1,391
# NRC Facebook fans	5,914	6,108	6,145	6,180	6,360
# NRC Overall Facebook Reach	72,000	91,900	67,800	54,200	94,400

# CDEM Facebook fans	15,400	15,600	15,700	15,700	15,900
# CDEM Overall Facebook Reach	103,800	180,300	50,700	11,800	76,100
# Instagram followers	223	261	286	322	381

ENVIROSCHOOLS / EDUCATION

Events

On 13 and 14 June, Cr Finlayson joined in the final of three Project Pest Control skills camps held at Lonsdale Park, near Kaeo;

On 18 June, staff co-led an Enviroschools Holistic Silver Reflection workshop for Northland Kindergarten Association;

On 22 June, Cr Bain officiated at Whangarei Intermediate's Enviroschools Silver celebration.

School communities facilitated

During June, 28 school communities were visited by Enviroschools facilitators.

MĀORI ENGAGEMENT

Te Hiringa Te Taitokerau Māori Business Awards (Friday 29 June).

The biennial Te Taitokerau Māori Business Awards were held in June. In its ongoing commitment to support Māori and sustainable economic development, the council again sponsored the Excellence in Environmental Awareness and Management Award.



To be successful the entrant had to demonstrate sound knowledge of the responsibility which business has towards environmental management. With the judges looking for a business which respects their environment, contribute to development in a sustainable way and are known to be environmentally friendly.

Tai Tokerau Honey Ltd was the successful entrant on the night and were awarded the council sponsored Excellence in Environmental Awareness and Management Award. They then went on to be named the 2018 Māori Business of the Year taking out the top prize at the prestigious awards.

Collecting the Excellence in Environmental Mangement and Awareness Award are Lohnet and Robert Murray.

The council chairman presented the award on the evening. Other councillors in attendance were, Paul Dimery, Rick Stolwerk, Mike Finlayson. The council was accompanied by Pita Tipene, co-chair of Te Taitokerau Māori and Council Working Party.

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

Month	LGOIMA requests received 2016/17	LGOIMA requests received 2017/18
November	10	12
December	10	14
January	7	13
February	11	13
March	18	12
April	12	14
May	8	16
June	7	18
July		
Total LGOIMA requests received	116	160
Total LGOIMA requests not responded to ≤ 20 working days*	9	9

In June 2018, there were no LGOIMA requests that exceeded 20 working days' response. Two LGOIMA's remains open over the 20 working days, one relating to resin and wax and the other the PGF, both have an extension to the time.

7.2.7 CUSTOMER SERVICE – COMMUNITY RESILIENCE

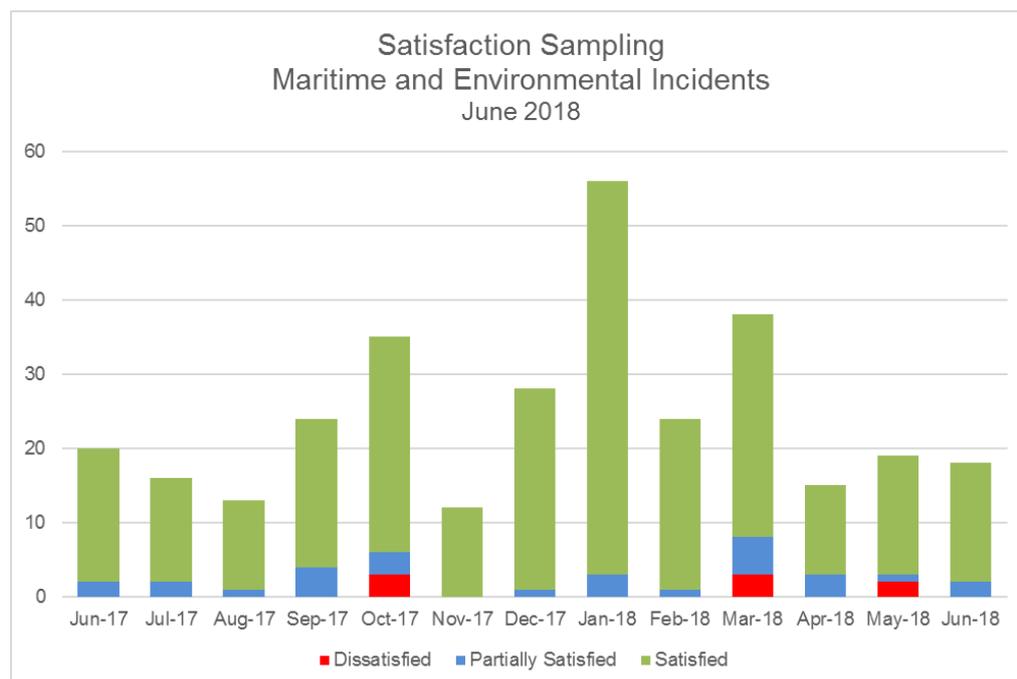
CUSTOMER SERVICE

Performance Statistics

Telephones

Call volumes continue to be slightly down on recent months, and when compared to the same period last year. The conversion rate remains at an acceptable rate of over 98%. Over the past year the Customer Services team have received and responded to 36,122 incoming calls.

Hotline and Incident Responses

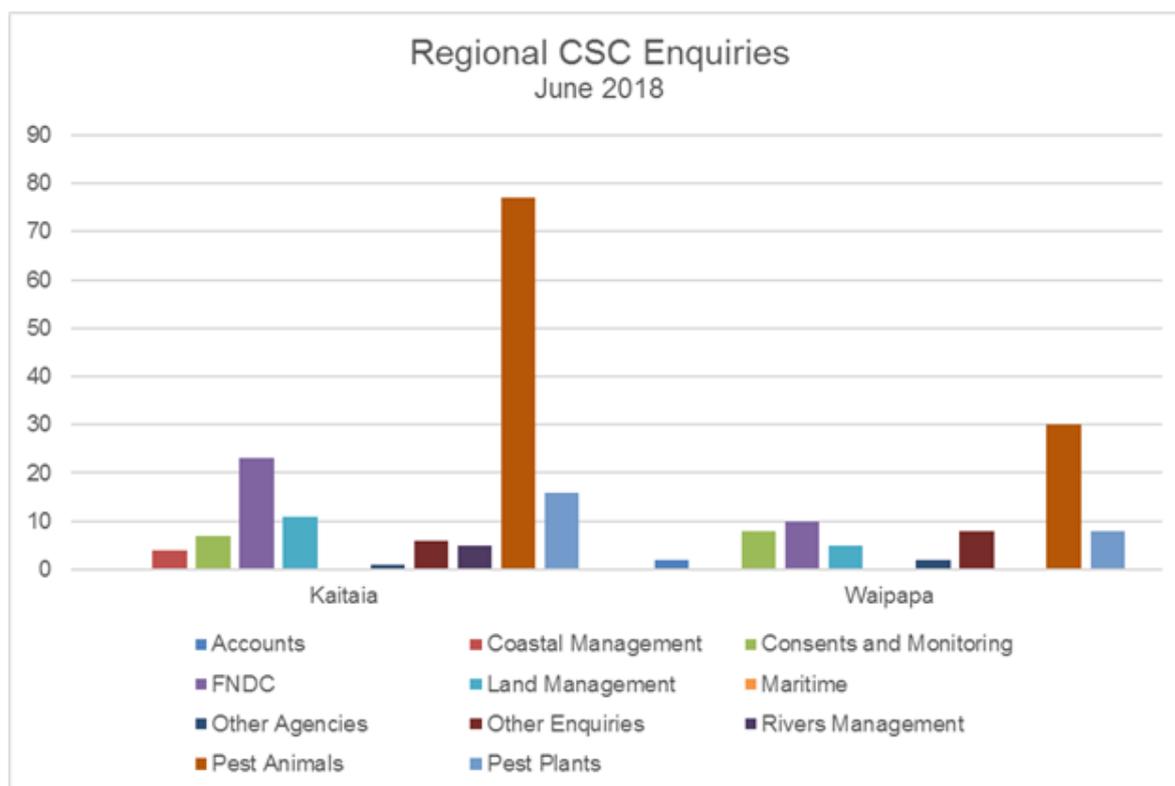


Activity

Water Street Office

The side access door off the car park are now swipe access only. This has improved compliance with visitor sign-in control.

Regional Customer Service Centres (CSC)



Ōpua data is not available this month.

Ōpua Office

We are trialling operating the Ōpua office without a customer services officer for 2-3 days per week to test the impact on customers and staff. Our Ōpua Customer Services Officer has been temporarily redeployed in Waipapa and Water Street offices on those days she is not in Ōpua.

Kaitiāia Office

The upgrade of the Kaitiāia office is still in progress. The frontage of the building has been painted and the new photo boards are ready to be installed.

Annual Resident Survey

The finalised report will be released once one or two points have been clarified with the survey company.

Feedback Cards, Compliments and Complaints

Three feedback cards were returned, all for monitoring work and all three were very positive.

Three compliments were recorded, one for bus services, another for mobility services, and the third for a biosecurity workshop.

Three customer complaints have been received this month and have been classified as follows;

Standard of service provided: 1 complaint - late bus service

Disagree with cost of service 1 complaint - charge for information

Staff or contractor behaviour 1 complaint - staff rudeness (The staff complaint was justified. The complaint was received by Chairman Bill and has been managed by the staff member's manager and the Customer Services manager.)

MARITIME

An application to Maritime NZ for funding towards safe boating education was successful with \$30,000 granted to go towards next summer's campaign, \$10,000 more than last year. The sum granted was based on information and statistics passed back to Maritime NZ following last summer's campaign and reflects the hard work and effort put in by all staff involved in the safety campaign, including our communications team.

The ongoing work to remove derelict vessels came to fruition on the 14th June with two large fishing vessels being hauled out for disposal. The Sandra Fay was successfully towed down with the Waikare from the Bay of Islands following a clean-up operation, and hauled out in Whangarei in over a 17-hour operation. The Geneva May was hauled ashore in Houhora and broken up for disposal by local contractors successfully on the same day. Both operations were carried out safely and without incident.

A new harbour warden has been appointed to replace the long serving Francie Crawford of Mangawhai. Mr John Dowden is a resident in Mangawhai with strong interests in contributing to the community. He has previous experience with the Auckland Maritime Police unit and we anticipate that he will be a valued member of the Maritime Team.

At the request of the local community, maritime attended a meeting held in Ahipara regarding the dangerous use of jet skis near surfers. The options for pursuing an enforcement approach to address this issue were presented. Ultimately it was decided that initially a community based solution was best with an aim to pursue enforcement should the problems continue.

The commencement of a re-marking campaign of the regions 2800 moorings has begun. The object of this exercise is to ensure that moorings are clearly marked to prevent miss-identification by those that use them. This assists against inadvertent mooring of vessels on incorrect moorings resulting in possible breaking away or swing damage to neighbouring vessels. Routine maintenance has also been ongoing with aids to navigation throughout the region. This also includes new identification plates, with the hotline number. This will assist mariners in identifying which aid is which, and assist our own team when the correct one is reported with a defect.

A regional Oil spill desk top exercise was held in Opuia with 40 members of the regional response team and Maritime New Zealand in attendance. This was a good trial of the office as a small command centre.

Overall, Maritime Department have dealt with a total of 15 incidents this month.

TRANSPORT

Government Policy Statement

On 28 June 2018, the Minister of Transport released the approved Government Policy Statement (GPS) on land transport for 2018/19 – 2027/28 which provides the new strategic direction for land transport in New Zealand.

The Ministry of Transport provided the following along with the release:-

A second stage GPS is important to fully realise Government direction for transport investment. Inclusion of some things in this GPS has not been possible because they rely on other work, such as the future of rail study and development of a new road safety strategy. We hope to release the second stage GPS in 2019 and will work with the broader transport sector to develop it.

Staff are in the process of ascertaining what changes, if any, were made from the Draft GPS released earlier this year and if the recently completed Regional Land Transport Plan – Three Year Review will be affected and if so, to what extent.

Enhanced Funding Assistance Rates (FAR)

At the same time the GPS was released, the New Zealand Transport Agency (NZTA) advised that:

To help councils take up the opportunities provided by the GPS, the Transport Agency has approved a new targeted enhanced funding assistance rate (FAR) for high and very high priority improvements, which will reduce local share requirements for these activities.

Staff are in the process of ascertain what funding areas of the transport operations of the Northland Regional Council will be eligible for this Enhanced FAR.

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
May	1339	\$18,185	\$25,000	-\$6,815	\$162,485	\$300,000	-\$137,515

Notification of New Total Mobility Service Provider

During the month, the 1329 Total Mobility clients were advised that Driving Miss Daisy is now an approved Transport Operator to the Total Mobility Scheme in Whangarei.

Community Transport Forum 22 June – meeting at Red Cross

On 22 June 2018, the New Zealand Red Cross held a Community Transport Forum meeting. This meeting was attended by a range different organisations within the Whangarei district who offer some form of transport for vulnerable people, and people with disabilities. The aim of the meeting was to attempt to provide a central point of information pertaining to transport available for vulnerable and disables person. There is presently a multitude of contacts, which is causing confusion amongst users and this need to be resolved.

Contracted Bus Services

Due to the required information not being available at the required agenda timelines, the Contracted Bus Service figures are reported one month in arrears.

Operational Statistics

May 2018 (revenue ex GST)	Actual	Budget	Variance	Year/Date Actual	Year/Date Budgeted
City Link Passengers	28717	30425	-1708	267,244	283,517
City Link Farebox Revenue	\$56,636	58,639	-\$2,003	\$528,462	\$563,184
Mid North Link Passengers	206	432	-226	2641	4572
Mid North Link Farebox Revenue	\$727	\$2817	-\$2,091	\$10,705	\$29,809
FarNorth Link Passengers	669	745	-76	5713	6803
FarNorth Link Farebox Revenue	\$1308	\$1620	-\$312	\$13,016	\$ 14,789
Hokianga Link Passengers	34	40	-6	299	440
Hokianga Link Farebox Revenue	\$330	\$391	-\$61	\$3,780	\$5320

RITS (Regional Integrated Ticketing System) Update

Factory testing commenced on the 26th of June 18. The Consortium is expecting to be updated on the "Go Live" in the second week of July 2018.

The first 'Readiness Review' is to be completed on 7 July 2018. This is the opportunity to review the capability of council to go live in September 2018.

Passenger Trends

A meeting was held with the CityLink operator on 19 June 2018. This meeting centered predominantly on declining passengers and the need for remedial action. It was agreed that the operators senior depot staff and NRC staff would hold a workshop in July 2018 to identify and agree on a plan to encourage greater use of public passenger transport.

Staff will also be monitoring the effect of the national fuel increase on passenger numbers in July 2018.

CityLink Contract Extension

Half the Citylink fleet have been painted in the new livery. The refurbishment of the floors and seats has been completed. A date for an inspection of a completed bus is to be confirmed soon.

Onerahi Primary School - CityLink Event

Wednesday 6th June, 21 students from Onerahi Primary School took part in an education exercise on Public Transport catching the 9.39 am bus from the Onerahi Shops to the Rose Street Bus Terminus in the City. Thanks to their Teacher Mr Candy for this great idea on educating our youth on Public Transport.

Road Safety Update

The ongoing challenge of road safety on Northlands roads continues with a concerted effort being made to address driver behavior and awareness.

The New Zealand Police continue to hold extensive road safety campaigns. These operations have unfortunately continued to detect a multitude of dangerous breaches and behaviors by drivers and passengers alike.

The new 'RIDS' – Restraints – Impairment – Distractions – Speed – programme continues to target high priority areas and behaviors prevalent in all the fatal and serious injury crashes occurring across Northland. Two recent deaths have again emphasised the need to wear seatbelts.

Regional Road Toll Statistics – 2018 & 2017 Comparison

<u>Location</u>	<u>YTD 2018</u>	<u>YTD 2017</u>
Far North	9	10
Whangarei	11	4
Kaipara	3	3
Northland	23	17
National	192	183

The above statistics include eleven drivers, seven passengers & two motorcyclists.

The ages below show 17 of 23 road deaths are aged over 25yrs of age.

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	6
60 + yrs	6

CIVIL DEFENCE EMERGENCY MANAGEMENT

Warnings and activations

The Metservice issued weather warnings for the Northland region on Wednesday 20 and Thursday 21 June. Over the 36-hour period between 232.5 mm of rain was recorded in the Puhipuhi area; the Whangarei CBD recorded 174 mm of rain in the same period. State Highway one at Whakapara was closed near the Russell Road turnoff for a period of time. This event was monitored and information provided across the various key agencies.

Recovery

The review of the Northland CDEM Group Plan – Strategic Recovery Planning has now been completed and the changes were approved by the CDEM Group at their meeting on 19 June.

Tsunami readiness

Sales of the indoor tsunami sirens to the public has commenced and there has been a reasonable uptake. The aim of these sirens is to fill gaps in the current tsunami siren network.

A further thirty-eight tsunami information boards have been installed around the WDC coastline. These signs complement the “toolbox” approach to tsunami readiness.

Technical Advisory Group (TAG) Review

The TAG implementation team decisions is yet to report to government and we are awaiting the outcomes of the report.

Shared Services

The FNDC have agreed to the Service Level Agreement for the delivery of CDEM arrangements and the transfer of the CDEM Officer to the NRC has been completed. The SLA with the WDC has also been re-negotiated and is in the process of being finalised.

TITLE: Formal Lodgement of the Ngāti Kuri Environmental Management Plan

ID: A1085373

From: Rachel Ropiha, Kaiarahi - Kaupapa Māori

Executive summary

The Ngāti Kuri Trust Board formally lodged its Iwi Environmental Management Plan - Pou Taiao with council on 1 June 2018. This paper provides formal notification of the plan's lodgement and next steps.

Recommendation

That the report 'Formal Lodgement of the Ngāti Kuri Environmental Management Plan' by Rachel Ropiha, Kaiarahi - Kaupapa Māori and dated 9 July 2018, be received.

Background

On 1 June 2018, the Ngāti Kuri Trust Board formally lodged their iwi environment management plan with council, bringing the number of formally lodged iwi/hapū plans held by the Northland Regional Council to 14.

In 2017 the Ngāti Kuri Trust Board were awarded \$10,000 to assist it to develop their iwi environmental management plan in a project that was co-funded with the Far North District Council.

The plan articulates the iwi's aspirations regarding resource management issues of importance to them, and expresses the personal connection Ngāti Kuri have with the environment. The plan provides a strategy for recognising Ngāti Kuri kaitiakitanga and rangatiratanga.

Next steps

The Resource Management Act 1991 (RMA) provides the statutory recognition for such plans. Accordingly, and as a first step the plan will be taken into account when council undertakes a review or develops a new RMA planning document. The plan will also be used to inform consent processing.

However, unlike all other plans council has received, Ngāti Kuri has asked for a formal response from council on how it intends to deliver on its statutory obligations under the RMA, Local Government Act and other legislation when considering their plan. A small team will review the plan with a view of providing council with initial observations regarding the plan.

Authorised by Group Manager

Name: Jonathan Gibbard

Title: Group Manager - Governance and Engagement

Date: 11 July 2018

TITLE: **Audit Report on the Long Term Plan 2018-2028**

ID: A1078150

From: Dave Tams, Group Manager, Corporate Excellence and Jonathan Gibbard, Group
 Manager - Governance and Engagement

Executive Summary

Following the delivery of the Long Term Plan 2018–2028, Deloitte has issued a report to council on the process.

Recommendation

That the report ‘Audit Report on the Long Term Plan 2018-2028’ by Dave Tams, Group Manager, Corporate Excellence and Jonathan Gibbard, Group Manager - Governance and Engagement and dated 22 June 2018, be received.

Background

Council’s auditors, Deloitte, undertook an audit ‘on the go’ of the Long Term Plan 2018–2028. Their report is appended as Attachment 1.

Council should note Deloitte’s observations state that there were no significant deficiencies in internal controls which should impact upon their ability to provide an opinion on the LTP. They provide two observations, and our management response has been recorded.

The relationship with our auditors has improved significantly since the change to Deloitte, whose approach is one of partnership. Their ability to share their insights is adding value, whilst allowing us to benefit from their expertise and challenge.

Attachments

Attachment 1: Deloitte Report to Council on the Long Term Plan 2018-2028 [↓](#)

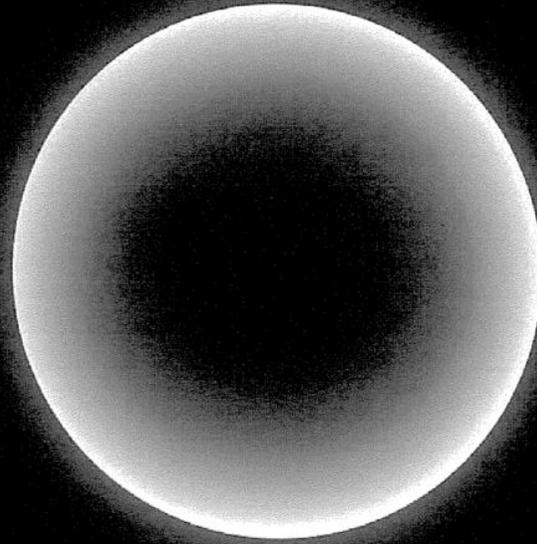
Authorised by Group Manager

Name: Dave Tams

Title: Group Manager, Corporate Excellence

Date: 03 July 2018

Deloitte.



Northland Regional Council
Report to Council on the Long Term Plan 2018-2028

Deloitte.

12 June 2018

Bill Shepherd
Chair, Northland Regional Council
Private Bag 9021
Whangarei 0148

Dear Mr Shepherd

Report to the Council on the Long Term Plan 2018-2028

In accordance with our normal practice, we include in the attached report all matters arising from our audit of the Long Term Plan ("LTP" or "the Plan") of Northland Regional Council ("Council") for the period 2018-2028 which we consider appropriate for the attention of the Council. These matters have been discussed with management and their comments have been included, where appropriate.

We have substantially completed our audit subject to the satisfactory resolution of the outstanding matters detailed in the report.

This correspondence is part of our ongoing discussions as auditor in accordance with our engagement letter and master terms of business dated 29 August 2017 and as required by the Office of the Auditor General's auditing standards. The ultimate responsibility for the preparation of the LTP rests with the Council.

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We have prepared this report solely for the use of Council and it would be inappropriate for this report to be made available to third parties. If such a third party were to obtain a copy without our prior written consent, we would not accept responsibility for any reliance that they might place on it.

We would like to take this opportunity to extend our appreciation to management and staff for their assistance and cooperation during the course of our audit.

Yours faithfully



Peter Gulliver
Partner
for Deloitte Limited
On behalf of the Auditor-General

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Home

2

Executive Summary

Status of the audit

Our audit of the LTP is substantially complete, subject to the following outstanding matters:

- Certain miscellaneous items and requests;
- Final updated Long Term Plan;
- Appropriate procedures relating to subsequent events up to the date of our audit opinion;
- Receipt of the signed management representation letter; and
- Adoption of the Long Term Plan by the Council.

Audit scope



We have performed an audit of Council's LTP 2018-2028 in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. In meeting the requirements of this standard, we took into account particular elements of the Auditor-General's Auditing Standards and International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information* that were consistent with those requirements.

Our audit is performed pursuant to the requirements of the Local Government Act 2002 (the Act), with the objective of forming and expressing an opinion on:

- Whether the LTP gives effect to the purpose in section 93(6) of the Act; and
- The quality of the information and assumptions underlying the forecast information provided in the LTP.

The LTP has been prepared by management with the oversight of the Councillors. The audit of the Long Term Plan does not relieve management or the Councillors of their responsibilities.

Areas of focus



Our audit procedures were focused on those areas of Northland Regional Council's activities that are considered to represent the areas of significance for ratepayers, including:

1. Forecast rates increase of 29% in year one
2. Improvements to water quality
3. Increase in pest management programmes
4. Upgrade to the Awanui flood protection scheme
5. Significant forecasting assumptions
6. Legislative compliance in respect of rates



Executive
summary



Audit scope



Areas of focus



Internal controls



Summary of
unadjusted
differences



Other
communications



Appendices



Home

3

Executive Summary - continued

Internal controls



During the course of our audit we noted some observations in respect of internal control, which been included in this report. None of the matters noted were considered sufficiently significant to impact on our ability to provide our opinion on the LTP.

Summary of unadjusted differences



In performing our audit of the LTP 2018-2028 we have not identified any uncorrected misstatements or omitted disclosures that could, either individually or in aggregate, have a significant effect on the LTP 2018-2028.

Other communications



Various matters are communicated in accordance with the requirements of New Zealand auditing standards:

- Independence
- Written representations
- Accounting policies / Financial reporting

 Executive summary	 Audit scope	 Areas of focus	 Internal controls	 Summary of unadjusted differences	 Other communications	 Appendices	 Home	4
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Areas of focus

Audit risks

Our audit procedures were focused on those areas of Council's activities that are considered to represent the areas of significance for ratepayers.

These areas of focus were identified as a result of:

- Our review of Council's self-assessment in respect of the LTP;
- Our understanding of the business and operation risks faced by Council;
- Discussions with management throughout our audit;
- The significant risks and uncertainties previously reported in the annual reports, annual plans, and long term plans of Council;
- The areas highlighted for consultation for the LTP 2018-2028;
- Our assessment of materiality; and
- the changes that have occurred in the business and the environment it operates in since the last annual report and long term plan.

On the following pages we provide a summary of our audit findings in relation to each of our areas of focus. These findings are based on our audit procedures performed.



Executive
summary



Audit scope



Areas of focus



Internal controls



Summary of
unadjusted
differences



Other
communications



Appendices



Home

5

Areas of focus - continued

Audit findings - continued

Area of focus	Audit response
<p>Forecast rates increase of 29% in year one of the Long Term Plan</p> <p>Council proposed and consulted on significant changes to rating methodologies with a view to funding new initiatives. This included an increase of 29% in rates in the first year of the LTP.</p> <p>We focused on the risk that these changes were not adequately reflected in the forecasts or articulated in the LTP, and that the increase was not addressed in the Financial Strategy.</p>	<p>We performed a detailed analytical review on the forecast movement in rates across the LTP period, including checking the consistency of the forecast targeted rates with Council's proposed activities.</p> <p>We recalculated year on year rates increases and checked that these were consistent with the financial strategy. We noted that the first year is a deviation from the increase limits in the financial strategy, which has been disclosed in the long term plan.</p> <p>We noted that the absolute increase in rates in year one is \$76 per rating unit / SUIP, which is offset by more modest increases in subsequent years, averaging to \$20 across the period. Consideration of the affordability of this was well disclosed.</p> <p>We reviewed the LTP as to the adequacy of disclosures relating to rates. We noted that the rates increases were prominently highlighted and discussed in the Financial Strategy.</p>

Area of focus	Audit response
<p>Improvements to water quality</p> <p>We focused on the risk that the planned improvements in water quality are not clearly articulated in the LTP.</p>	<p>We performed a detailed analytical review on the forecast expenditure and targeted rates in relation to water management in order to understand the movements and their correlation to Council's proposed activities.</p> <p>Additionally we reviewed the non-financial performance measures in this area to ensure they reflected the increased level of spending and focus in this area.</p>



Executive summary



Audit scope



Areas of focus



Internal controls



Summary of unadjusted differences



Other communications



Appendices



Home

6

Areas of focus - continued

Audit findings - continued

Area of focus	Audit response
<p>Increase in pest management programmes</p> <p>We focused on the risk that the planned increase in pest management programmes is not clearly articulated in the LTP.</p>	<p>We performed a detailed analytical review on the forecast expenditure and targeted rates in relation to pest management programmes in order to understand the movements and their correlation to Council's proposed activities.</p> <p>Additionally we reviewed the non-financial performance measures in this area to ensure they reflected the increased level of spending and focus in this area.</p>

Area of focus	Audit response
<p>Upgrade to the Awanui flood protection scheme</p> <p>We focused on the risk that the planned upgrade is not clearly articulated in the LTP.</p> <p>In addition, we noted that the upgrade would need to be funded by debt, and therefore addressed the risk that this was not consistent with the assumptions and debt forecasts, and that prudence ratios might be affected</p>	<p>We reviewed forecast capital expenditure in relation to upgrading the flood protection scheme, obtained evidence of condition assessment and robust cost estimate process, and checked the consistency of the asset management plan with the financial forecast, Consultation Document, and LTP.</p> <p>We reviewed the debt forecast and recalculated prudence ratios to determine whether breaches were forecast. We noted that the forecast level of NRC's investments significantly exceeds the planned debt levels throughout the LTP period, so that prudence ratios are not breached.</p> <p>We also noted that NRC plans to source increased borrowings from the LGFA; the forecast amount will require Council to become a guaranteeing member. This was clearly disclosed.</p>



Executive summary



Audit scope



Areas of focus



Internal controls



Summary of unadjusted differences



Other communications



Appendices



Home

7

Areas of focus - continued

Audit findings - continued

Area of focus	Audit response
<p>Significant forecasting assumptions</p> <p>We focused on the risks that significant forecasting assumptions are not based on appropriate and reliable data, that significant forecasting assumptions are not reflected in the financial forecasts, and that significant forecast assumptions are not appropriately disclosed.</p>	<p>We determined which forecasting assumptions were significant based on materiality, level of judgement, and impact of the assumption on the financial forecasts.</p> <p>For those assumptions determined to be significant, we obtained evidence that the assumption was based on appropriate and reliable data, traced the application of the assumption through to the financial forecasts, and agreed the assumption to the disclosures in the Consultation Document and the LTP.</p>
Area of focus	Audit response
<p>Legislative compliance in respect of rates</p> <p>The Council is subject to significant regulatory and legislative compliance requirements. The Council needs to have adequate systems in place to monitor compliance with legislation along with any changes occurring in the applicable legislation. We focussed on the risk that the forecast rates in the LTP were not struck in compliance with the Local Government Act 2002 and the Local Government (Rating) Act 2002.</p>	<p>We reviewed the forecast rates across the Long Term Plan period. Additionally, we performed audit procedures to understand Council's processes for ensuring legislative compliance (in particular external legal review), and specifically tested compliance with legislation that materially impacts on the prospective financial statements. This included the Local Government Act 2002 and the Local Government (Rating) Act 2002.</p>



Executive summary



Audit scope



Areas of focus



Internal controls



Summary of unadjusted differences



Other communications



Appendices



Home

8

Internal controls

Objective

The OAG's Long Term Plan audit methodology requires us to obtain an understanding of Council's processes and internal controls relevant for the preparation of the Long Term Plan and the information supporting it, sufficient to enable us to identify and assess risk of material misstatement.

Our audit was not designed to express an opinion on the effectiveness of the controls operating at Northland Regional Council in respect of the Long Term Plan, however we identified some control observations which are detailed below.

Internal controls assessment

In performing our audit of the Long Term Plan 2018-2028, we have not identified any significant deficiencies in internal controls which would impact upon our ability to provide our opinion Long Term Plan 2018-2028. Our control observations are detailed below.

Observation	Recommendation	Management's response
<p>Segregation of duties in the financial modelling process</p> <p>The management accountant undertook the vast majority of the financial modelling work due to the workloads and division of duties within the team. This meant the inputs into the model were not comprehensively reviewed. We do acknowledge that where other members of the team were responsible for inputs into the model, these were reviewed by the management accountant.</p> <p>The management accountant is progressively training other staff on the system so they would be able to perform certain aspects of the process, however this should be formally documented.</p>	<p>We recommend that processes relating to the financial model are documented formally in order to share knowledge amongst the team.</p> <p>We recommend that inputs into financial forecasts are formally reviewed where prepared by the management accountant.</p>	<p>This will be undertaken as the new Assistant Management Accountant is trained.</p> <p>Council will adopt a process of peer reviews for the Management Accountant's forecasts.</p>



Executive summary



Audit scope



Areas of focus



Internal controls



Summary of unadjusted differences



Other communications



Appendices



Home

Internal controls - continued

Observation	Recommendation	Management's response
<p>Non-financial performance measures</p> <p>We noted significant improvement in the quality of the non-financial performance measures set within the Council activities section of the LTP. Measures were simpler and more streamlined than those set in the previous LTP, in our view.</p> <p>Notwithstanding the significant improvement, there remains scope to simplify the measures further.</p>	<p>We recommend that Council continue to refine non-financial performance measures, using the experience of collecting data and reporting on the measures set in this LTP to inform the process for the next LTP.</p>	<p>We carried out a comprehensive review during LTP process. The number of measures included are considered necessary to reflect the scope of work that Council undertakes.</p> <p>We will continue to review and refine during the term of the LTP.</p>



Executive summary



Audit scope



Areas of focus



Internal controls



Summary of unadjusted differences



Other communications



Appendices



Home

Other communications

The following matters are communicated in accordance with the requirements of auditing standards:

Independence	<p>We confirm that we have maintained our independence in accordance with the independence requirements of the OAG and of <i>Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners</i> issued by the NZ Auditing and Assurance Standards Board and, in our professional judgement, we are independent and the objectivity of the audit engagement partner and audit staff are not compromised.</p> <p>Relevant considerations in respect of non-audit fees, other services, and professional relationships are outlined in the Planning Report to Council for the audit of the annual report for the year ended 30 June 2018.</p>
Written Representation	<p>A copy of the representation letter to be signed on behalf of the Council has been circulated separately.</p>
Accounting policies / Financial reporting	<p>There were no material changes in accounting policies for the LTP 2018-2028.</p> <p>In performing our audit of the LTP 2018-2028 we have not become aware of any significant qualitative aspects of the entity's accounting practices, including judgements about accounting policies, accounting estimates and financial statement disclosures that need to be communicated to Council, other than those in the <i>Areas of focus</i> section.</p>



Executive summary



Audit scope



Areas of focus



Internal controls



Summary of unadjusted differences



Other communications



Appendices



Home

11



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TITLE: Receipt of Committee Minutes
ID: A1081235
From: Chris Taylor, Governance Support Manager

Executive summary

The purpose of this report is to acknowledge the unconfirmed/confirmed minutes of the following committees:

- Property Subcommittee – 8 June 2018 and 3 July 2018;
- Civil Defence Emergency Management – 19 June 2018; and
- Investment Subcommittee – 26 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/confirmed minutes of the:

- Property Subcommittee – 8 June 2018 and 3 July 2018;
- Civil Defence Emergency Management – 19 June 2018; and
- Investment Subcommittee – 26 June 2018

be received.

Attachments

Attachment 1: Property Subcommittee - 8 June 2018 [↓](#)

Attachment 2: Property Subcommittee - 3 July 2018 [↓](#)

Attachment 3: Civil Defence Emergency Management Group Meeting - 19 June 2018 [↓](#)

Attachment 4: Investment Subcommittee - 26 June 2018 [↓](#)

Authorised by Group Manager

Name: Chris Taylor
Title: Governance Support Manager
Date:

Property Subcommittee Minutes

Meeting held in the Council Chambers
36 Water Street, Whangārei
on Friday 8 June 2018, commencing at 2.00pm

Present:

Chair, Councillor Penny Smart
Councillor Bill Shepherd (Ex-Officio)
Councillor David Sinclair

In Attendance:

Full Meeting
Councillor Rick Stolwerk
NRC Chief Executive
Strategic Projects Manager
Property Officer

Part Meeting

-

The Chair declared the meeting open at 2:03pm.

Apologies (Item 1.0)

Moved (Sinclair/Shepherd)

That the apologies from Councillor John Bain 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.

23. Confirmation of Minutes - 8 May 2018 (Item 3.1)

ID: A1071312

Report from Alicia Jurisich, Property Officer

Moved (Shepherd/Sinclair)

That the minutes of the Property Subcommittee meeting held on 8 May 2018 be confirmed as a true and correct record.

Carried

24. Port Nikau - Further Council Easement (Item 5.1)

ID: A1069653

Report from Phil Heatley, Strategic Projects Manager

Moved (Sinclair/Shepherd)

Recommendation(s)

1. That the report 'Port Nikau - Further Council Easement' by Phil Heatley, Strategic Projects Manager and dated 24 May 2018, be received.
2. That the Property Subcommittee approve the lifting of the Easement 6185577.1 in Port Road, Whangarei, subject to the same conditions as those relating to Easements 6165858.1, 6156637.1 and 6298710.1 as agreed at the Property Subcommittee meeting of 4 April 2018.

Carried

Business with Public Excluded (Item 6.0)

Moved (Smart/Shepherd)

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
6.1	Confirmation of Confidential Minutes - 8 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 -.
6.2	Options for a Significant Property Development	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	Progress on Purchase of CBD Properties in Order to Freehold	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).
6.4	Purchase of a Hihiaua Precinct 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).
6.5	Marsden Point Rail Link 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).
6.6	Kaipara Service Centre - Concept Plan Options	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).
6.7	KDC Community Hub Concept	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).
6.8	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

Moved (Shepherd/Sinclair)

The Chair reopened the meeting and proposed an additional recommendation. Councillor Shepherd moved that a recommendation go to full council that Councillor Rick Stolwerk be an alternate member of the Property Subcommittee.

Carried

Conclusion

The meeting concluded at 5:05pm.

Property Subcommittee Minutes

Meeting held in the Council Chambers, 36 Water Street, Whangarei
on Tuesday 3 July 2018, commencing at 8.30am

Present:

Chair, Councillor Penny Smart
Councillor John Bain
Councillor Bill Shepherd (Ex-Officio)
Councillor Rick Stolwerk (Alternate Councillor)

In Attendance:

Full Meeting

NRC Chief Executive
Strategic Projects Manager
Property Officer

Part Meeting

Ian Jenkins of Jenksmax Consulting Limited

The Chair declared the meeting open at 8.35am.

Apologies (Item 1.0)

Moved (Shepherd/Bain)

That the apologies from Councillor David Sinclair 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.

25. Confirmation of Minutes - 8 June 2018 (Item 3.1)

ID: A1080164

Report from Alicia Jurisich, Property Officer

Moved (Shepherd/Bain)

That the minutes of the Property Subcommittee meeting held on 8 June 2018 be confirmed as a true and correct record.

Carried

26. Mt Tiger Forest Quarterly Report April-June 2018 (Item 5.1)

ID: A1079272

Report from Alicia Jurisich, Property Officer

Moved (Bain/Shepherd)

Recommendation

1. That the report 'Mt Tiger Forest Quarterly Report April-June 2018' by Alicia Jurisich, Property Officer and dated 25 June 2018, be received.

Carried

Moved (Smart/Bain)

It was further recommended

2. That the Northland Regional Councils Mt Tiger Forest remain closed for recreational use.

Carried

Business with Public Excluded (Item 6.0)

Moved (Shepherd/Bain)

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
6.1	Confirmation of Confidential Minutes - 8 June 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	Options for a Significant Property Development	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	Kaipara Service Centre - Concept Plan Options	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).

6.4	Hihiaua Precinct Property Purchase Opportunity	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).
6.5	Waipapa Service Centre	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).
6.6	Hotel and Conference Centre	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).
6.7	Receipt of Action Sheet	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 12.50pm.

Civil Defence Emergency Management Group Meeting Minutes

Meeting held in the Northland Regional Council Chambers
36 Water Street, Whangārei
on Tuesday 19 June 2018, commencing at 11.00am

Present:

Chairman, FNDC Councillor Colin Kitchen
KDC Councillor Anna Curnow
NZ Police Representative Inspector Martyn Ruth
WDC Mayor Sheryl Mai
FENZ Representative Mr Dave Woon
NRC Councillor Rick Stolwerk
MCDEM Representative, Ms John Titmus (Observer Status)

In Attendance:

There were 15 others in attendance.

The Chair declared the meeting open at 11.00am.

Apologies (Item 1.0)

Moved (Mai/Stolwerk)

That the apologies from Superintendent Russell le Prou and Area Commander Brad Mosby 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.

27. Confirmation of Minutes - Civil Defence Emergency Management Group Meeting, 6 March 2018 (Item 3.1)

ID: A1074467

Report from Tegan Capp, Executive Assistant Customer Services - Community Resilience

Recommendation

Stolwerk/Curnow

1. That the minutes of the Civil Defence Emergency Management Group meeting held on 6 March 2018 be confirmed as a true and correct record.

Carried

28. MCDEM Update (Item 4.1)

ID: A1074825

Report from Graeme MacDonald, Civil Defence Emergency Management Manager

Recommendation

Stolwerk/Moon

1. That the report 'MCDEM Update' by Graeme MacDonald, Civil Defence Emergency Management Manager and dated 12 June 2018, be received.

Carried

29. Members of the CDEM Group, CEG and Key Appointments (Item 5.1)

ID: A1073551

Report from Graeme MacDonald, Civil Defence Emergency Management Manager

Recommendation

Stolwerk/Curnow

1. That the report 'Members of the CDEM Group, CEG and Key Appointments ' by Graeme MacDonald, Civil Defence Emergency Management Manager and dated 7 June 2018, be received.

Carried

Secretarial Note

- The following changes are to be made: Cr Anna Curnow replaces Cr Jonathan Larsen (KDC), Mr John Titmus replaces Ms Bridget Vercoe (MCDEM), Mr Brad Mosby's title Area Commander is to be included, as with Assistant Area Commander Mr Graeme Quensell (FENZ) and it was clarified that Dr Jose-Ortega Benito is the Medical Officer of Health for the Northland DHB.
- The group agreed that Alternate members will be included in this paper in the future.

30. 2018 Northland CDEM Forum (Item 5.2)

ID: A1074387

Report from Kim Abbott, Civil Defence Emergency Management Officer

Recommendation

Stolwerk/Mai

1. That the report '2018 Northland CDEM Forum ' by Kim Abbott, Civil Defence Emergency Management Officer and dated 11 June 2018, be received.

Carried

31. CEG Chairs Report (Item 6.1)

ID: A1074073

Report from Tony Phipps, Group Manager - Customer Services - Community Resilience

Recommendation

Stolwerk/Curnow

1. That the report 'CEG Chairs Report' by Tony Phipps, Group Manager - Customer Services - Community Resilience and dated 8 June 2018, be received.

Carried

32. On Call Controllers and Duty Person (Item 6.2)

ID: A1073139

Report from Graeme MacDonald, Civil Defence Emergency Management Manager

Stolwerk/Kitchen

Recommendation

1. That the report 'On Call Controllers and Duty Person' by Graeme MacDonald, Civil Defence Emergency Management Manager and dated 6 June 2018, be received.

Carried

33. Public Information Management (PIM) Update (Item 6.3)

ID: A1070146

Report from Murray Soljak, Public Information Manager and Susan Botting, Public Information Officer/Council Volunteer Coordinator

Recommendation

Mai/Curnow

1. That the report 'Public Information Management (PIM) Update' by Murray Soljak, Public Information Manager and Susan Botting, CDEM Public Information Officer/Council Volunteer Coordinator and dated 25 May 2018, be received.

Carried

34. Welfare Coordination Group Update (Item 6.4)

ID: A1070092

Report from Claire Nyberg, Civil Defence Emergency Management - Welfare

Recommendation

Curnow/Mai

1. That the report 'Welfare Coordination Group Update' by Claire Nyberg, Civil Defence Emergency Management - Welfare and dated 25 May 2018, be received.

Carried

35. Recovery Update (Item 6.5)

ID: A1073300

Report from Jenny Calder, CDEM Group Recovery Manager

Recommendation(s)

Curnow/Stolwerk

1. That the report and presentation titled 'Recovery Update' by Jenny Calder, CDEM Group Recovery Manager dated 6 June 2018, be received.
2. That pursuant to the Civil Defence Emergency Management Act 2002 s57 the Civil Defence Emergency Management Group approve the changes to the Northland Civil Defence Emergency Management Plan.

Carried

36. Lifelines Update (Item 6.6)

ID: A1072401

Report from Kim Abbott, Civil Defence Emergency Management Officer

Recommendation

Woon/Hodson

1. That the report 'Lifelines Update' by Kim Abbott, Civil Defence Emergency Management Officer and dated 1 June 2018, be received.

Carried

37. Community Resilience Projects (Item 6.7)

ID: A1074828

Report from Shona Morgan, Civil Defence Emergency Management Officer - Community Resilience

Recommendation

Curnow/Hodson

1. That the report 'Community Resilience Projects' by Shona Morgan, Civil Defence Emergency Management Officer - Community Resilience and dated 12 June 2018, be received.

Carried

38. Professional Development and Training (Item 6.8)

ID: A1072465

Report from Kim Abbott, Civil Defence Emergency Management Officer

Recommendation

Stolwerk/Curnow

1. That the report 'Professional Development and Training' by Kim Abbott, Civil Defence Emergency Management Officer and dated 1 June 2018, be received.

Carried

39. Northland Tsunami Siren Testing 1 April 2018 Outcomes (Item 6.9)

ID: A1070823

Report from Victoria Harwood, Civil Defence Emergency Management Officer

Recommendation

Stolwerk/Mai

1. That the report 'Northland Tsunami Siren Testing 1 April 2018 Outcomes' by Victoria Harwood, Civil Defence Emergency Management Officer and dated 29 May 2018, be received.

Carried

40. Northland Indoor Tsunami Siren Update (Item 6.10)

ID: A1070827

Report from Victoria Harwood, Civil Defence Emergency Management Officer

Recommendation

Stolwerk/Curnow

1. That the report 'Northland Indoor Tsunami Siren Update' by Victoria Randall, Civil Defence Emergency Management Officer and dated 29 May 2018, be received.

Carried

41. Kaipara District Update (Item 6.11)

ID: A1068984

Report from Sharon Douglas, Civil Defence Emergency Management Officer

Recommendation

Hodson/Stolwerk

1. That the report 'Kaipara District Update' by Sharon Douglas, Civil Defence Emergency Management Officer and dated 22 May 2018, be received.

Carried

42. Whangarei District Update (Item 6.12)

ID: A1070826

Report from Victoria Harwood, Civil Defence Emergency Management Officer

Recommendation

Hodson/Stolwerk

1. That the report 'Whangarei District Update' by Victoria Harwood, Civil Defence Emergency Management Officer and dated 29 May 2018, be received.

Carried

43. Far North District Update (Item 6.13)

ID: A1071993

Report from Bill Hutchinson, Civil Defence Emergency Management Officer

Recommendation

Hodson/Stolwerk

1. That the report 'Far North District Update' by Bill Hutchinson, Civil Defence Emergency Management Officer and dated 31 May 2018, be received.

Carried

Conclusion

The meeting concluded at 12.15pm.

Investment Subcommittee Minutes

Meeting held in the Whale Bay Room, 36 Water Street, Whangārei
on Tuesday 26 June 2018, commencing at 9.00am

Present:	Cr John Bain	(Chair)
	Cr Bill Shepherd	(Ex-officio)
	Cr Penny Smart	
	Geoff Copstick	(Independent Financial Member)
In Attendance:	Full Meeting	Cr Rick Stolwerk NRC Chief Executive GM, Corporate Excellence Finance Manager Financial Systems Administrator PA, Corporate Excellence (minutes)
	Part Meeting	Andy Mahony, EriksensGlobal (via phone)

The Chair declared the meeting open at 9.00am.

1.0 APOLOGIES

Nilp

2.0 DECLARATIONS OF CONFLICTS OF INTEREST

Nil

3.0 REPORTS

44. **3.1 Performance of council's externally managed funds
to May 2018 and transfer of IIF funds**
ID: A1076599
- Presented by: Finance Mgr**

Moved (Bain / Copstick)

1. That the report 'Performance of council's externally managed funds to May 2018 and transfer of IIF funds' by the NRC Finance Manager and dated 19 June 2018, be received.

Carried

9.16am - Andy Mahony joined the meeting

Summary of Discussion

- Each fund performed well in May, with good long term performance as well
- The only exception is the infrastructure fund, which is underperforming
- No changes to the asset allocation are recommended at present

- More volatility is expected in the markets due to US / China trade wars
- The question was asked whether it is prudent to pare back global assets due to current volatility - the current portfolio spread across a number of funds mitigates this risk
- Fund managers are building cash holdings, which indicates increased volatility is approaching
- Risk is not reported to the Council and needs to be shown to allow greater clarity around why some funds which appear to be underperforming are being utilised
- Next review of NRC's portfolio is due in August / September

**Agreed Action: Jonathan Erikson and Andy Mahony to present to Council
in August/September when portfolio is due for review**

GM, Corp Ex

9.55am - Andy Mahony left the meeting

**45. 3.2 Transfer of managed fund gains to council's general
funds Presented by: Finance Mgr**

ID: A1076687

Moved (Bain / Smart)

1. That the report 'Transfer of managed fund gains to council's general funds' by the NRC Finance Manager and dated 19 June 2018, be received.
2. That \$1,422,029 of gains are physically withdrawn from the Property Reinvestment Fund before 30 June 2018, in line with a recommendation from EriksensGlobal.
3. That \$276,313 of gains are physically withdrawn from the Infrastructure Investment Fund before 30 June 2018, in line with a recommendation from EriksensGlobal.

Carried

Summary of Discussion

- The Finance Manager advised that the Investment Subcommittee approving recommendations 2 and 3 above are based on the fact that council has already approved these during their adoption of the Annual Plan
- Cr Bill Shepherd confirmed that this was correct

Meeting closed at 10.04am

Post Meeting Notes:

1. *Dr Ed Schuck has been appointed to undertake a review of Council's managed funds.*
2. *Updated Terms of Reference are attached, detailing Cr Stolwerk as an alternate member of the Subcommittee.s*

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 – 21 June 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	Purchase of a Hihiaua Precinct 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).
9.5	Purchase of a Commercial Property in Kaitia	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	Sale of Council's Lessor's Interest to Freehold a Whangarei 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).

9.7	Proposal for a significant property development	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 on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) s7(2)(i).
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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.